

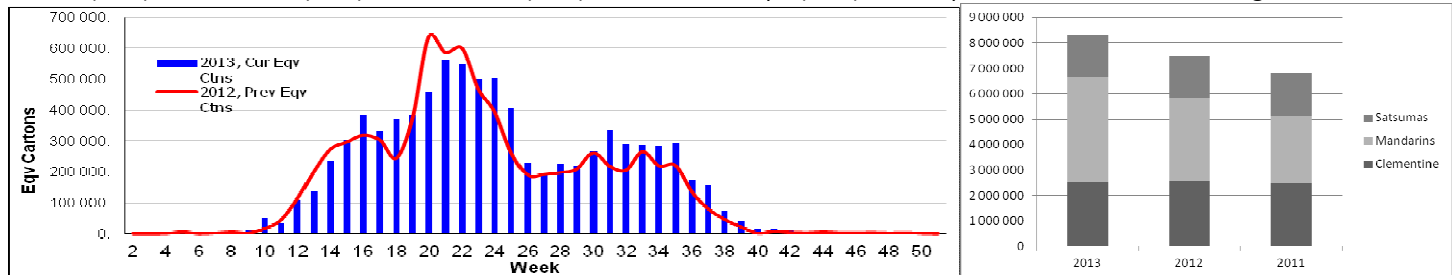
FROM THE DESK OF THE CEO (48/13)

Justin Chadwick (29 November 2013)

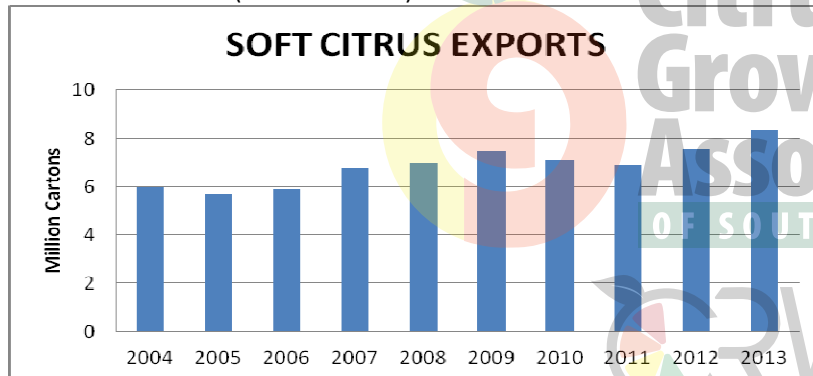
QUOTE OF THE WEEK “

2013 REVIEW: SOFT CITRUS

Plantings of the later mandarins are now starting to reach harvesting age and this is showing in the soft citrus export basket – whereas volumes of Satsuma (early season) and Clementine (mid season) have plateaued, volumes of mandarins have increased significantly; resulting in 10% annual growth over the past three years. The increase in later mandarins also resulted in Nelspruit becoming an important soft citrus region (10% of total soft citrus and 19% of late mandarins). Other regions with significant production of mandarins are Western Cape (21%), Patensie (16%) and Sundays River (13%). Satsuma's are predominantly grown in Boland (32%) and Patensie (19%); while Boland (41%) and Western Cape (32%) are the predominant Clementine regions.

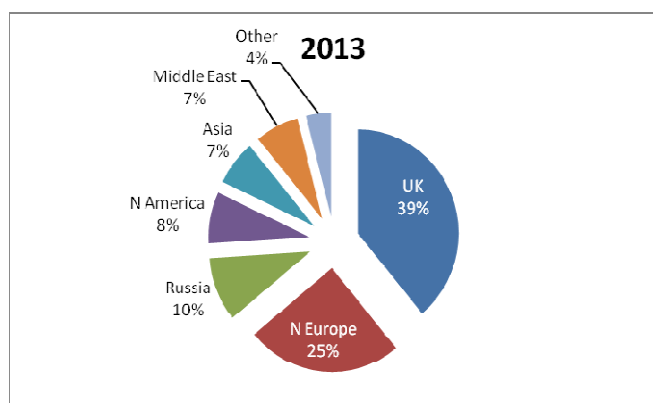
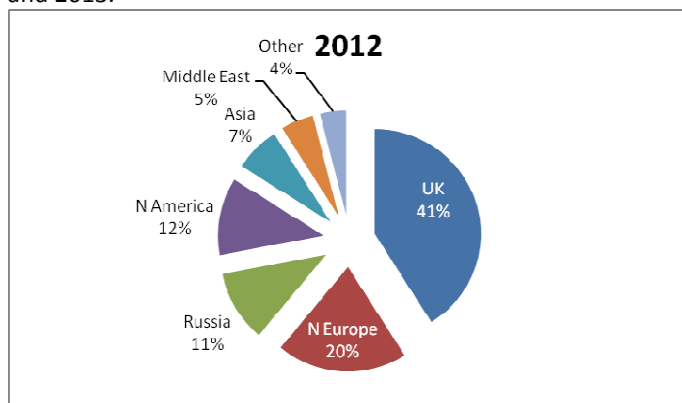


The soft citrus focus group has been within 10% of the estimate 6 out of the past 9 years – with the estimate equalling the actual in two years (2010 and 2012); 1% out in 2008 and 3% out in 2013. The 3% in 2013 disguises the fact that Satsuma estimate was 9% more than actual (1.8 m vs. 1.6 m); clementines estimate was 5% more than actual (2.6 m vs. 2.5 m) and mandarins estimate was 14% less than actual (3.7 m vs. 4.3 m).



Soft Citrus export volumes in 2013 hit a record 8.4 million cartons – well up on the previous record of 7.6 million in 2012 (an increase of 10%). Over the last ten years export volumes have increased from the 6 million mark to new levels around the 8 million carton mark.

The UK absorbs most South African soft citrus – with about 3.3 million cartons in both the past two years. Quantities to northern Europe grew from 1.5 million cartons in 2012 to 2.1 million cartons in 2013. Otherwise market distribution has been similar in 2012 and 2013.



SOUTH KOREA

Although Jeju island in South Korea may not be the first region to discover citrus – its heart and soul is their citrus industry. Anybody with a passion for citrus MUST visit this island – it just screams CITRUS from every angle. While driving around the island fully laden citrus trees line the roads and fill every nook and cranny – the Jeju islanders do not have lawns – they have citrus trees in the yards. There is even a citrus museum – not just a few rooms but a huge building with exhibits covering the origin of citrus, it's spread around the world, different citrus varieties and their history, implements used in the industry, pests associated with citrus, and everything else you can imagine. And the children are not excluded – there are 3D movies, computer games and story books on citrus. It was a very apt venue for the Seogwipo World Citrus Pre expo 2013.

SOUTHERN AFRICAN CITRUS GROWERS' OWNED COMPANIES CGA, XSIT, CRI, RIVER BIOSCIENCE, CGACC AND CITRUS ACADEMY ENSURE A COMPETITIVE AND SUSTAINABLE INDUSTRY