

I am from the AMS

and I am here to help you.....

Jolyon Burnett, CEO



AUSTRALIA'S MACADAMIA INDUSTRY IN NUMBERS



\$285M

Farm-gate value



BUNDABERG

Fastest growing region



750

Growers



25,000Ha

Under planting



+\$700M

Retail value



\$2.5M

Annual investment in Marketing



80%

Production processed and sold as kernel



30,000Ha

Under planting by 2025



47,500T

In shell production 2018 crop (3.5% moisture content)



\$5M

Annual investment in Research & Development



70%

Production exported

Production figures 2013-2018

Production year	In shell production volume MT (at 10% moisture)	In shell average price \$/kg (at 10% moisture)*	SKR% (weighted avg)	USKR% (weighted avg)
2018	52,900	5.81	35.74	2.61
2017	46,000	5.62	34.33	2.8
2016	52,000	5.51	33.32	3.14
2015	48,300	5.09	33.64	2.46
2014	43,600	3.83	33.66	3.16
2013	35,200	3.00	31.81	3.47

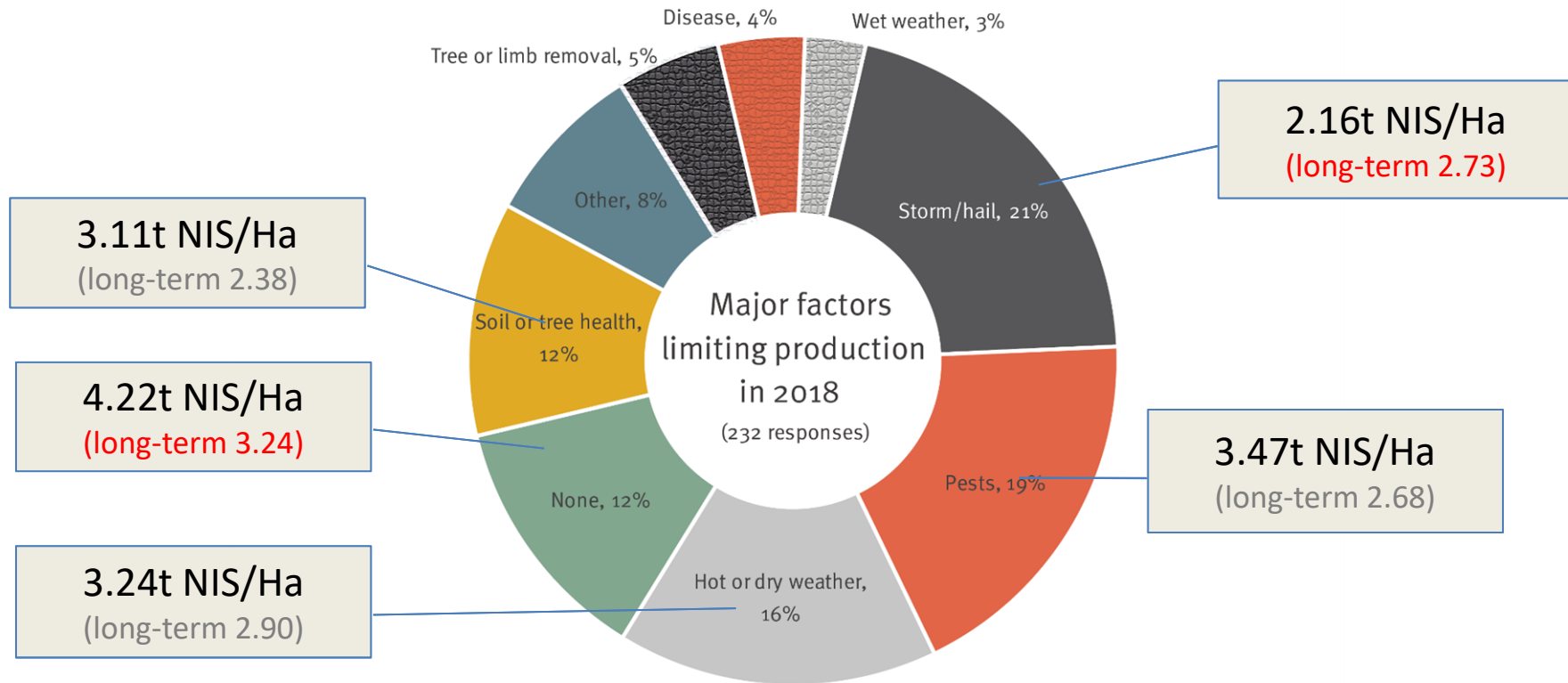
And the potential is huge

- 🌍 Global tree nut trade is US\$35 billion a year 110% up on 2010
- 🌍 Macadamias globally make around 3% (US\$1.1 bill)
- 🌍 Global macadamia production is 45,000 t kernel equivalent
Australia, at 16,000 t, is about 35%, but still world leaders
- 🌍 70% of the Australian crop is exported to over 40 countries
- 🌍 As part of the nut sector, currently experiencing strong growth
- 🌍 Just 5 markets consume 80% of Australian kernel
- 🌍 Available in 7 aisles of the supermarket

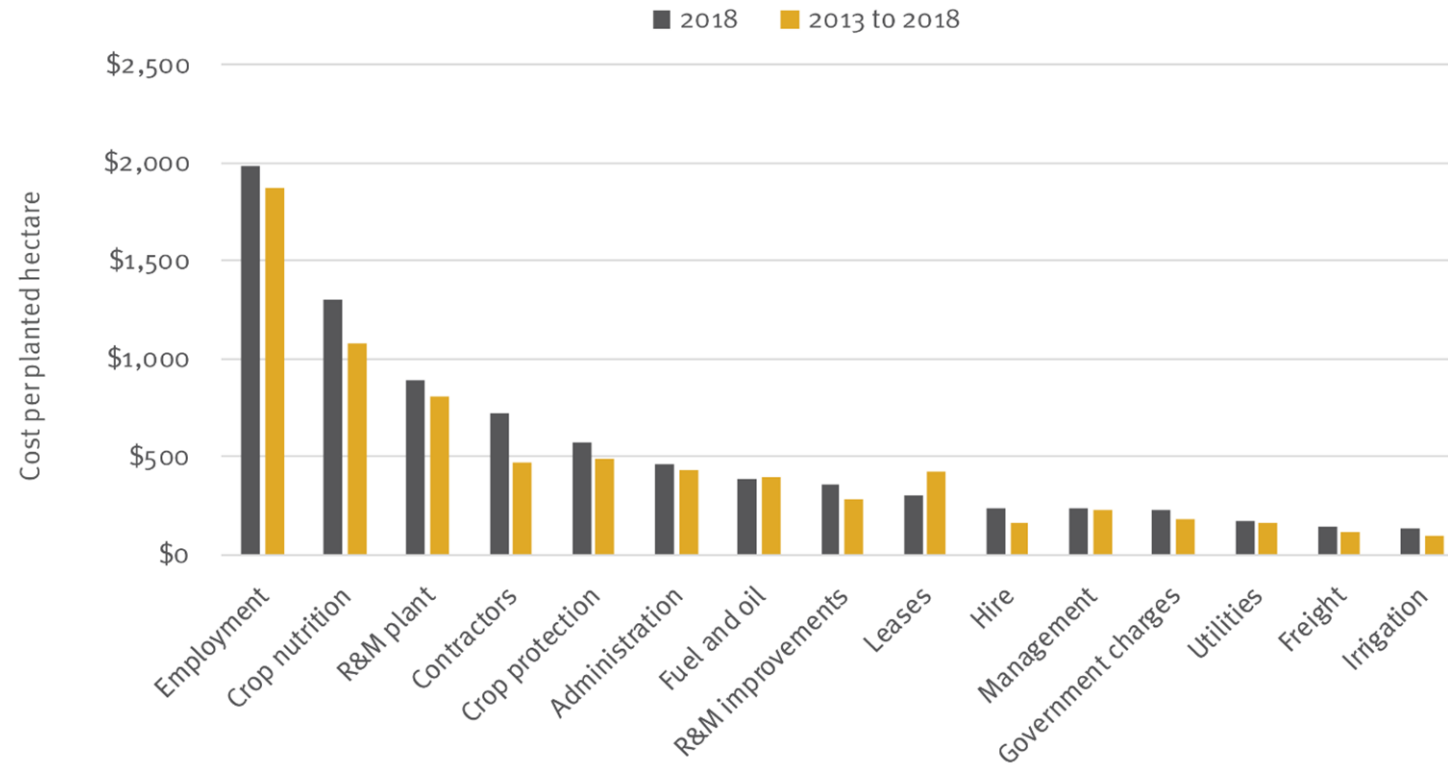
Individual scale learnings

- 🍷 Best growers get double the average yields
- 🍷 Not dependent on size, region, varieties, age or management structure
- 🍷 Ultimately it is about the right decision at the right time
- 🍷 Productivity is the biggest determinant of profit by a long way
- 🍷 ...and it is something you can control
- 🍷 Measure your performance – benchmarking
- 🍷 Get involved in the APA; a collaborative culture is GOLD

2018 factors limiting production

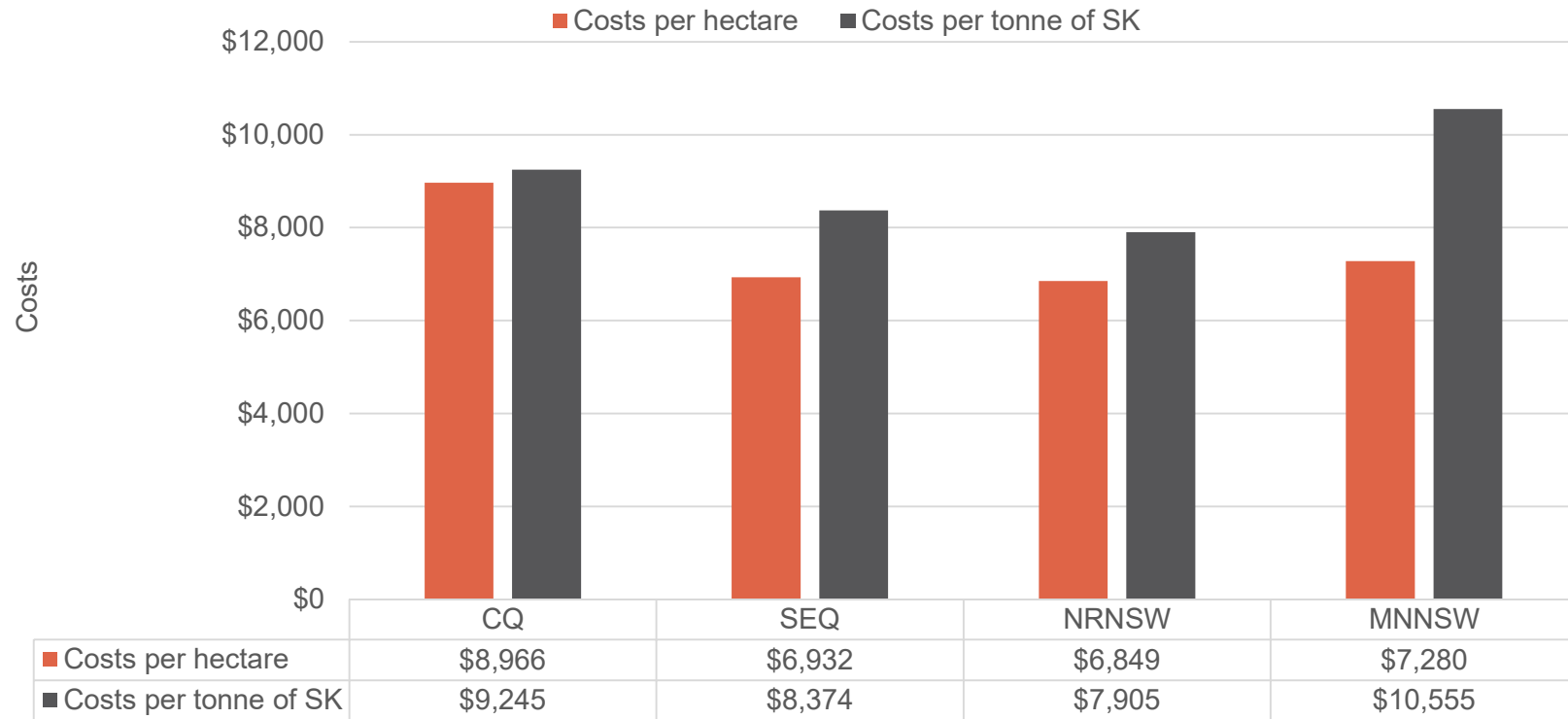


Costs per planted hectare 2018 versus 2013—18 (Mature farms)



Regional long-term production costs (2013-2018)

Mature farms providing cost data (excludes imputed labour costs)



Industry scale learnings

- 🕒 A single, strong, all of value chain organisation is very influential
- 🕒 Needs to be adequately resourced
- 🕒 Have a plan (the AMS is onto its 9th)
- 🕒 Funds for marketing and R&D repay themselves quickly and in spades
- 🕒 Stimulating demand for Australian product is not hard – it just takes investment of time and money
- 🕒 Quality and safety should always be the priority
- 🕒 As production grows, consider export
- 🕒 A collaborative culture is GOLD. Work with ANIC and others



AUSTRALIAN
MACADAMIA
SOCIETY

Thank you