



SIMPSON SEEDS ANNIVERSARY

Ode to 45 Years

Written by: Elyce Simpson Fraser, President & CEO

Another year has come and gone, here we stand and continue strong.

Lentils and pulse crops are our specialty and growing them as far as the eye can see.

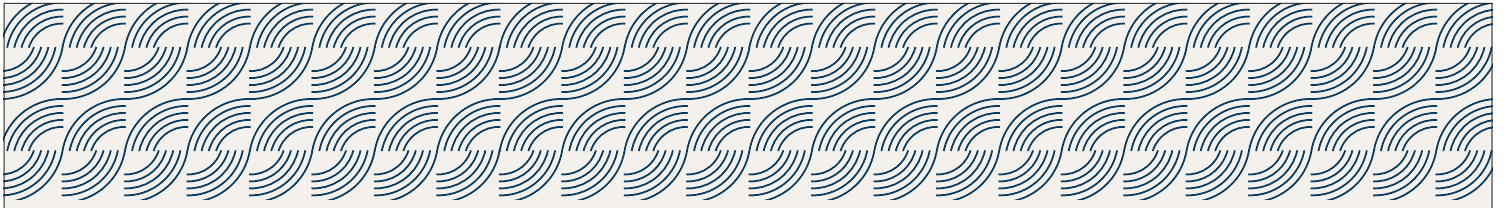
Buying, shipping and selling them is a joy to behold.

When farmers, customers and consumers take hold.

Simpson Seeds is here to stay and grow crop value along the way.

August 13th officially marked our 45th Anniversary. We remain an independent, family-owned and operated company with plans to continue our legacy in the pulse industry, focusing on lentils. We have been involved at the ground level of the industry since the beginning of our company and have passionately worked to promote and grow the pulse industry in Saskatchewan. We are not done yet. As the industry continues to mature, we are excited for what lies ahead, such as the discovery of new markets, new value add processes, and new products.

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Reflecting on our 45 year history, we acknowledge and value our local growers who have taken the journey with us. Many of you came to us to seek advice and market your pulse crops, grown on your own farms as they became a foundational crop rotation item. Many conversations have been had with our grain buyer Mike Pierce, who has served our company for 38 years, and some may remember visits to the farm office to sit with Greg Simpson, our former CEO, to discuss new markets and potential for marketing lentils and chickpeas. Together have rode through the highs and the lows of the markets. We wouldn't be here without the support of our producers and that remains true today. For all of you who choose Simpson Seeds, we thank you!

Our end market customers have also played a vital role in our 45 year story. As Canada grew as a major supplier of lentils, more and more markets opened to us. Travel to countries such as Spain, Mexico, Columbia, Peru, UAE and many others, built the foundational working relationships to grow the Simpson Seeds brand. We are proud to say that even today, our quality is recognized as top notch around the world. This hasn't happened by accident! Our administrative and operational staff all work together to supply a consistent and high-quality product to our customers with every shipment. It takes

hard work and commitment by each person to make this happen. As a result, we have international customers who have done business with us for over 40 years. We also say thank you to our end destination market customers for their support.

As previously mentioned, our staff work tirelessly day in and day out to provide premium customer service as well as receive, process, and ship products to many areas around the globe. We have formed a team that is truly working as a cohesive unit and exemplifies our core values of **Family, Quality, Integrity** and **Innovation**. Again, this takes work and commitment from each person to uphold these values and provide a workplace that we can all be proud of. Thank you to our staff—past, present, and future—for your dedicated service.

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EMPLOYEE HIGHLIGHT

Thank you, Donna!

We've been fortunate to have many long-term employees, some of whom we wish could stay with us forever. However, the time eventually comes for them to enjoy the fruits of their labour and long service. This September, we have an important individual of our company retiring. We want to wish **Donna Kuzek, Office Manager**, all the best as she enters her next chapter. Donna has been a loyal and hardworking member for 39 years. It's difficult to put into words what she has meant to so many of us over the years as she is truly an amazing part of our team, our history, and our success and will be missed. Thank you for sticking with us for 39 years!





NEW FACILITY UPDATE

We're Growing!

If you have driven by our facility on Highway #1 or delivered your new crop this fall, you may have noticed a change in the skyline. In June of this year, we broke ground on our lentil and pulse flour facility. After 18 months of research, development and design we are expanding further into the value-add ingredient market. This new facility is the perfect example of how we continue our core purpose of ***"Nourishing the World"*** and embracing innovation. We have conducted several product development trials with the lentil flour that will be generated from the new facility. We have already seen great success with applications into snack foods, baked items, pasta and more. The future of pulse flours and pulse ingredients is another way that we can work to bring added value to your crops, and to food products that will be enjoyed by everyone in unique and creative ways.

Construction and commissioning of the facility will happen through the fall and into the winter, with the



Sod turning ceremony with Mayor Clive Tolley and City of Moose Jaw.

plan of be online in early 2025. As we have in the past, we are developing new partnerships and establishing new customer relationships while leveraging existing ones to expand usage of lentil flour and other pulse flours in their products.



Early construction building framing



New flour mill bins being installed



From our farms to yours - wishing everyone a safe and fruitful harvest.

PULSE MARKET 2024

Crop Overview

Although this crop year didn't yield as many bushels as many of us had hoped, especially with the return of widespread spring rain, the extreme heat in July took a toll on the crops. Despite the lower yields, the quality remained high, with most pulses grading #2 or better. Overall, the harvest produced a larger volume than the past two years.

Preliminary supply and demand estimates point to some carryover into the 2025 crop year. Large green lentils supply has the largest increase as more acres were planted, due to the strong prices being paid through the 2023 crop year. There is some question as to whether the yield estimates are slightly high for the year. Even with a slight overestimation of yield, the supply will carry us through till June/July. This is welcome news for us and for our customers who rely on supply from Canada.

Things to keep an eye on in the upcoming 3-6 months that could influence export amounts is the production for competing countries such as India, Australia, Russia and other Black Sea countries. These will have potential impacts on the increased or decreased amount of need for Canadian supply into markets. Most countries, like Canada, have increased their planted acreage of lentils. As always, weather will be the factor in how much and quality

of production. In general terms, the total global supply is set to increase. The USA and Canadian production has resulted in an additional 450,000-460,000 MT of green lentils of Eston and Lairds combined. While production has increased, we anticipate pricing to remain fairly firm in the near term, until the market pipeline is filled.

Market predictability has become increasingly difficult in recent years as we see more countries starting to grow lentils and other pulse crops, as well as the continuing geopolitical issues that have a significant impact on markets. Trade agreements and foreign policy cause significant shifts in pricing. The ripple effects of the canola market and China's decision to halt imports of Canadian product could put some pressure on lentils prices as growers look to cashflow their farms. Time will tell.

Ultimately, we are here to provide opportunities for you to sell your crop and offer options to bring value to your farm. Bring us your new crop samples of lentils, chickpeas and yellow peas so we can better assist you with your marketing needs. Give us a call for up-to-date pricing and delivery periods 306-693-2132.

May you all have a successful 2024 crop year!

EST - Canada 2024 Lentil Production By Type (MT)				
2024/2025 crop est	Large/Med Green	Small Green	Reds	Total
Acreage	1,150,000	445,000	2,600,000	4,195,000
% acres	28%	11%	63%	
Yield est	1,160	1,160	1,370	1,289
Pro'n Proj'n	605,092	234,144	1,615,696	2,454,932
C/O (est)	17,000	12,000	69,000	98,000
Imports	15,000	5,000	50,000	70,000
Supply est	637,092	251,144	1,734,696	2,622,932
Export est	416,500	140,000	1,435,000	1,991,500
Dom Use (Fd Sd, Waste)	75,000	25,000	199,500	299,500
Ending Stock est	145,592	86,144	100,196	331,932
Stock-to-use ratio	30%	52%	6%	15%

(Date sourced from: Mercantile Consulting Venture)