

# Project Orange

**Fruit & Vegetable Grower and Distributor. Opportunity to acquire 100% or a majority stake in a long established agricultural business who grow, pack and distribute a range of fruit and vegetables.**

**Industry:** Agribusiness

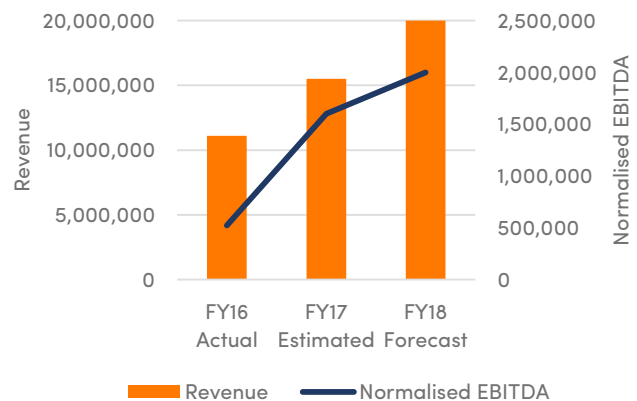
**Deal size:** \$10M - \$75M

## Overview

- The Company is a privately owned family business operating since 1964, involved in the growing, packing and distribution of a range of fruit and vegetables, sourced largely through the Riverina, New South Wales.
- The products which are grown, graded and packed include:
  - Lemons
  - Oranges (Navel and Valencia)
  - Cauliflower
  - Onions
  - Pumpkin (Butternut, Jap and Grey)
  - Watermelon
- The Company grade and pack into a number of configurations, prepacks, cartons, crates and cardboard bins for delivery to their customers.
- The citrus grading line splits oranges into three grades, with the best grade sold to supermarkets, middle grade sold to the general market and lower grade sold for juicing purposes.
- Pumpkins with blemishes are cut, packed and sold to supermarkets, with the blemished parts used for baby food. The pumpkin skin is sold as horse feed.

- Customers include market based wholesalers, market agents, small to medium retail outlets and major retail chains.
- The Company has relationships and agreements with out of state growers in order to maintain consistent supply of produce which may otherwise be affected by seasonality.

## Financial Information



**John Blight**  
Partner, Corporate Finance

T +61 3 8635 1882

M +61 413 480 732

E [jblight@shinewing.com.au](mailto:jblight@shinewing.com.au)

**Riley Lengrand**  
Consultant, Corporate Finance

T +61 3 8635 1801

M +61 410 665 267

E [rlengrand@shinewing.com.au](mailto:rlengrand@shinewing.com.au)



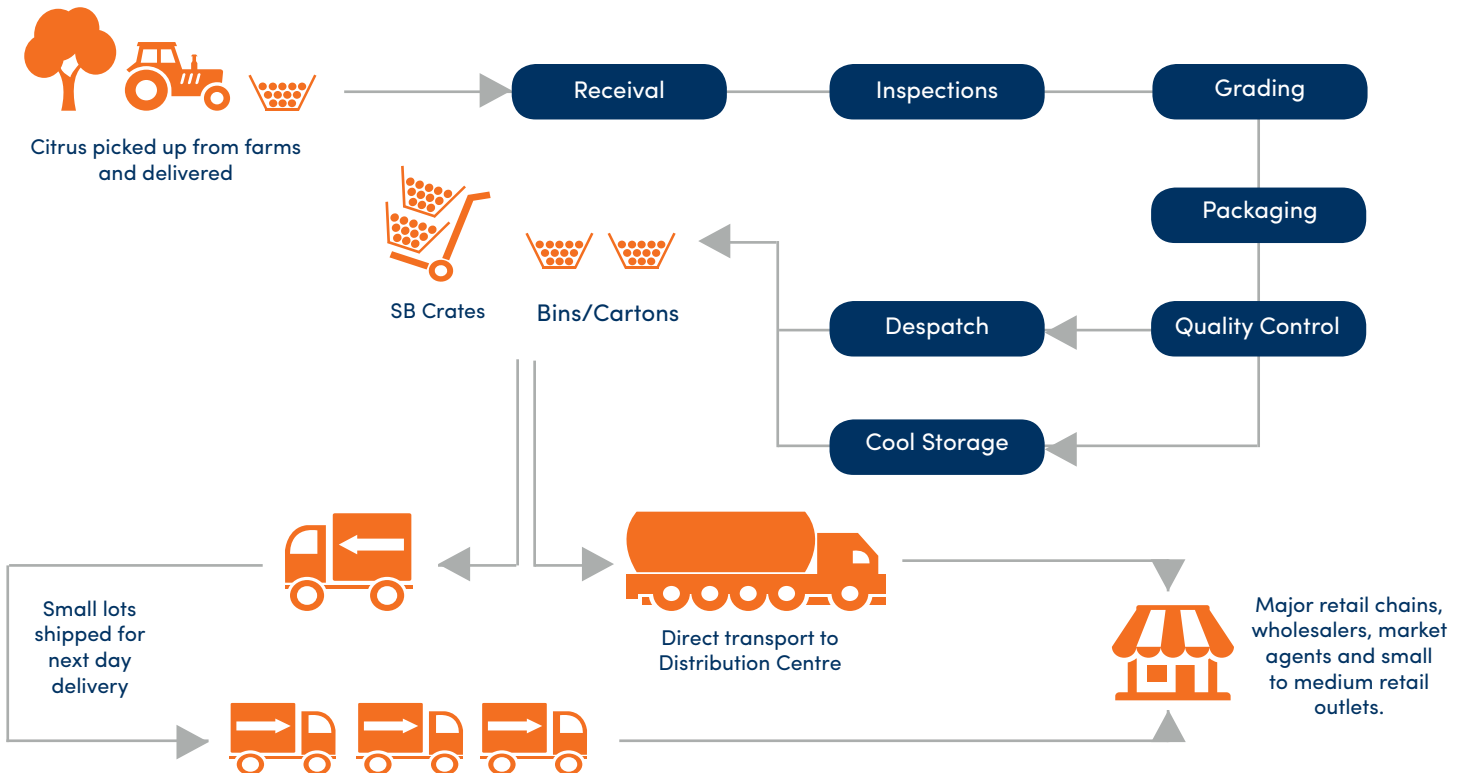
### Key Investment Highlights

- The Company has long standing relationships with key customers and suppliers.
- The Company recently made significant upgrades to machinery resulting in increased capacity and reduced labour costs, including:
  - Two new packing machines which are able to prepack into any configuration.
  - A new automated citrus packing line.
  - Upgraded citrus grading line now includes an optical scanner with state of the art blemish sorting and sizing.
  - The pre-packaged cut pumpkin line is being upgraded to a new flow wrap system equipped with an evacuated gas fill, which will result in better presentation and shelf life.
  - A 100kw solar power system installed to supplement mains supply, with potential savings of up to 30%.
- The Company processes all parts and grades of oranges and pumpkins for sale, resulting in zero wastage.
- The land assets are currently not included as part of the proposed transaction. If a potential investor is interested in acquiring the land assets the vendor is open to discussions in this regard.

### Growth Opportunities

- The Company has relationships with other growers, providing an opportunity to integrate these farm assets into the business and expand existing operations.
- With the recent machinery upgrades and ample existing cold storage, the business has the capacity to increase throughput without additional capital outlay.
- There is a global shortage of citrus due to extreme weather and disease in major citrus producing countries including the US, Brazil and South Africa, resulting in a surge of export opportunities.
- The Australian Federal Government has signed four free trade agreements since 2013, with South Korea, Japan, China and the ASEAN region, which will reduce or eliminate import tariffs on many Australian agricultural exports over the next 20 years and increase export opportunities.

### The Distribution Process



**John Blight**  
 Partner, Corporate Finance  
 T +61 3 8635 1882  
 M +61 413 480 732  
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 Consultant, Corporate Finance  
 T +61 3 8635 1801  
 M +61 410 665 267  
 E [rlengrand@shinewing.com.au](mailto:rlengrand@shinewing.com.au)

