



History:



The Belize Citrus industry goes back to the year 1913 with the establishment of the first citrus plantation and then later on in 1948 expanding with the first processing plant in Pomona Village, Stann Creek (Citrus Company of Belize Ltd.) and a second plant in Alta Vista Village, Stann Creek in 1963 (Belize Food Products Ltd.). Over the years, the industry has grown and developed under different entities with many diverse stakeholders in both processing and growing. The growing aspect of the industry has not changed much over the years, but the processing segment has now been consolidated under a single ownership with a redefined focus.

The process of unification began in December 1998 when the Commonwealth Development Corporation (CDC) through its Barbados offshore company completed the acquisition of the Citrus Company of Belize Limited (CCB); in March 1999 it completed the acquisition of Barton Creek Farms Ltd. (BCF); and in August 1999 it completed the acquisition of Belize Food Holdings Limited (BFH). In October 2000 CDC Barbados transferred its shareholdings in BFH, CCB, and BCF into a new group holding company for Belize named Del Oro (Belize) Ltd. (DOB). This decision effectively consolidated the operations of the group bringing together horizontal integration and vertical integration in terms of upstream and downstream operations.



In early 2000 the Belize Citrus Growers Association Investment Company Limited (BCGAICL), the investment arm of the Belize Citrus Growers Association, acquired a minority shareholding in DOB from CDC. BCGAICL Acquisitions amounting to 99.78% of the shareholdings were complete by late 2002. By



the end of 2002 the name of the company was officially changed from Del Oro (Belize) Ltd. to Citrus Products of Belize Limited (CPBL). CPBL's financial year was changed to October 1st to September 30th.

Citrus Products of Belize Ltd has strategically maintained a share of the Belizean citrus industry fruit supply, averaging around 20% since 2000, by way of its own groves planted in the salubrious Stann Creek Valley and the Cayo District,

all within 100 miles of the processing facilities, some right across the road. With the ownership of the company in the hands of the local citrus farmers, via the Belize Citrus Growers Association, business sustainability and high levels of fruit quality are driving forces which the company uses to produce quality products to the benefit of our customers and stakeholders alike.

Our Fruit Logistics Department is constantly working in unison with the Belize Citrus Growers Association year round to ensure maximum fruit production and quality from year to year. At the onset of the growing season, groves across the country are sampled and evaluated for estimated annual production and quality, and based on fruit variety and rootstock, programs are set in motion to allow the farmers highest possible yields and as a result greater quality of fruits to be processed. This grower outreach approach is practiced throughout the growing season ensuring continued commitment to quality.

Processing:

At CPBL, we are constantly investing in cutting edge technology in our factories to process our growers' citrus fruits in the most efficient manner. Our processing facilities, located about 2 miles apart from each other in the Stann Creek District-- one in the Alta Vista Valley (Belize Food Products Ltd & Top Juice Ltd)



and one in the Pomona Valley (Citrus Company of Belize Ltd)--are internationally acclaimed to be amongst the most modern in the world. To ensure the highest standards of quality, we have adopted the International Quality Management System standard of ISO 9001:2000 incorporating HACCP.



Products:

Juices

FCOJ: Frozen Concentrated Orange Juice

NFCOJ: Not From Concentrated Orange Juice

FRCOJ: Freeze Concentrated Orange Juice

FCGJ: Frozen Concentrated Grapefruit Juice

NFCGJ: Not From Concentrated Grapefruit Juice

FRCGJ: Freeze Concentrated Grapefruit Juice

Cells

OPC: Orange Pulp Cells

GPC: Grapefruit Pulp Cells

Oils/Essences

CPOO: Cold Pressed Orange Oil



OESS: Orange Oil Phase Essence

CPGO: Cold Pressed Grapefruit Oil

GESS: Grapefruit Oil Phase Essence

DLIM: D'limonene

Orange juice



Citrus fruits processing accounts for approximately one third of total citrus fruit production. More than 80% of it is orange processing, mostly for orange juice production.

The major feature of the world market for orange juice is the geographical concentration of production. There are only two main players: the State of Florida in the United States and the State of Sao Paulo in Brazil. Production of orange juice between these two players makes up roughly 85 percent of the world market. The major difference between them is that Brazil exports 99 percent of its production while 90



percent of Florida's production is consumed domestically and only 10 percent is exported. International trade in orange juice takes place in the form of frozen concentrated orange juice (FCOJ), in order to reduce the volume used, so that storage and transportation costs are lower.

The European Union is the largest importer of orange juice, accounting for over 80% of world orange juice imports. Most of imports by the EU and Japan come from Brazil. In North America, the United States and Canada consume mainly orange juice from Florida, while a small quantity of imports comes from Brazil.

Citrus Fruit Production in Belize

Production

The two main citrus fruits grown in Belize in commercial quantities are orange and grapefruit. Like citrus production in the rest of the world oranges represent the larger production percentage in Belize as well. In the last Crop Year 2004-2005 (Oct-Jun), oranges accounted for 82% of the total production which is indicative of the citrus industry's recent history as well.

Sales

Traditionally, orange juice, frozen concentrated (FCOJ), pasteurized (NFCOJ) and Freeze (FrCOJ), account for 75-80% of the all sales of citrus juices and citrus by-products. The United States of America remains the largest export market for Belizean Orange Juice, accounting for 50% to 60% of the total sales, and slowly increasing in recent years. The second largest market is the Caribbean followed by the local market. With a population of around three hundred thousand, locally sold orange juice is expected to decline in years to come as the orange production per capita is expected to increase. In addition, the populace seems inclined towards the fresh fruit market which has proven to be the more economical choice. Japan could be characterized as a small niche market for Freeze Concentrated Orange Juice (FrCOJ) only, but with the emergence of eastern suppliers and a more tolerable palette, the market has all but disappeared. A striking contrast is the European Market, where for the first time in more than 5 years Frozen Concentrated Orange Juice (FCOJ) was exported, where the market has always been more inclined to Frozen Concentrated Grapefruit Juice (FCGJ).

Market Distribution



Valley Manufacturing:

VMC was first established in 1986 by CCB to produce squash for the local market. Since then, the scope of VMC's operation has evolved tremendously to now include the overseas market and a far wider array of products; although its core mission has remained basically the same.

Processing at VMC facility takes place under the British National Quality Assurance certification ISO 9001:2000, including the requirements under the HACCP System. VMC has also been certified in the environmental management system of VMC under ISO 14001:1996. These standards ensure that quality products are provided to consumers. Packaging for retail distribution continues to grow and perform well. VMC provides a strategic outlet for CPBL's core products.



In 2003 the Management of the CPBL Group developed a plan to modernize and expand the activities of VMC in line with its objective of adding value to the core business of the production of concentrates. Last year the company invested in a modern bottling line.

For almost twenty years now the company has been providing to the Belizean consumers its well known line of Citrus Valley Squashes