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# Alto Ingredients, Inc. Sells its Stockton Facility

- Completes fuel-grade ethanol asset realignment
- Company is now term debt free

SACRAMENTO, Calif., Nov. 08, 2021 (GLOBE NEWSWIRE) -- **Alto Ingredients, Inc. (NASDAQ: ALTO)**, a leading producer of specialty alcohols and essential ingredients, announced today it has sold its fuel ethanol production facility in Stockton, CA to Pelican Acquisition LLC for \$24.0 million in cash, of which \$16.2 million of the proceeds were used to retire the remaining portion of the company's outstanding term debt. The company is now term debt free.

Michael Kandris, Alto Ingredients' president and CEO, stated, "With the sale of our Stockton facility, we have successfully completed the rationalization of our fuel-grade ethanol operations. The benefits of this effort are significant, improving the company's profitability, strengthening our balance sheet, and retiring all of Alto's remaining high-cost and restrictive term debt.

"Through our subsidiary Kinergy Marketing, LLC, Alto Ingredients will continue to support the Stockton facility as a terminal for renewable fuel sales. Upon the resumption of the Stockton production facility, Kinergy Marketing will be the exclusive marketer for the production gallons."

Tom Zuckerman, Managing Member of Pelican, stated, "This completes the first stage of our efforts to revitalize a valuable asset of the Stockton economy and to improve the environmental and economic health of the Sacramento-San Joaquin Delta through clean transportation fuel and deep geologic sequestration of greenhouse gases. We are most grateful for the support of the Port of Stockton, the Bank of Stockton, Dohrmann Insurance and our investors, all of whom have deep roots in the Delta Community."

Kandris concluded, "Moving forward, we are now in a strong position to build on our high value specialty alcohols and essential ingredients, focusing our resources on driving profitable growth and progressing our strategic initiatives."

## About Alto Ingredients, Inc.

Alto Ingredients, Inc. (ALTO), formerly known as Pacific Ethanol, Inc., is a leading producer of specialty alcohols and essential ingredients. The company is focused on products for four key markets: Health, Home & Beauty; Food & Beverage; Essential Ingredients; and Renewable Fuels. The company's customers include major food and beverage companies and consumer products companies. For more information, please visit [www.altoingredients.com](http://www.altoingredients.com).

## **About Pelican Acquisition LLC**

Pelican Acquisition LLC will be renamed Pelican Renewables LLC. Pelican Renewables is a venture formed by a group of investors based in Stockton, California and the Sacramento-San Joaquin Delta region with a vision to produce renewable transportation fuels at the Stockton facility and to develop a deep geologic CO<sub>2</sub> sequestration facility in the Delta.

## **Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995**

Statements and information contained in this communication that refer to or include Alto Ingredients' estimated or anticipated future results or other non-historical expressions of fact are forward-looking statements that reflect Alto Ingredients' current perspective of existing trends and information as of the date of the communication. Forward looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "should," "estimate," "expect," "forecast," "outlook," "guidance," "intend," "may," "might," "will," "possible," "potential," "predict," "project," or other similar words, phrases or expressions. Such forward-looking statements include, but are not limited to, statements concerning the benefits of the sale of the Stockton facility including, improving Alto Ingredients' profitability and strengthening its balance sheet; Alto Ingredients' expectations that it will continue to build on its differentiated products and services, focusing its resources on driving profitable growth and progressing its strategic initiatives; and Alto Ingredients' other plans, objectives, expectations and intentions. It is important to note that Alto Ingredients' plans, objectives, expectations and intentions are not predictions of actual performance. Actual results may differ materially from Alto Ingredients' current expectations depending upon a number of factors affecting Alto Ingredients' business and its production facility enhancement initiatives. These factors include, among others, adverse economic and market conditions, including for specialty alcohols and essential ingredients; export conditions and international demand for the company's products; fluctuations in the price of and demand for oil and gasoline; raw material costs, including production input costs, such as corn and natural gas; and the effects – both positive and negative – of the coronavirus pandemic and its resurgence or abatement. These factors also include, among others, the inherent uncertainty associated with financial and other projections; the anticipated size of the markets and continued demand for Alto Ingredients' products; the impact of competitive products and pricing; the risks and uncertainties normally incident to the specialty alcohol production and marketing industries; changes in generally accepted accounting principles; successful compliance with governmental regulations applicable to Alto Ingredients' facilities, products and/or businesses; changes in laws, regulations and governmental policies; the loss of key senior management or staff; and other events, factors and risks previously and from time to time disclosed in Alto Ingredients' filings with the Securities and Exchange Commission including, specifically, those factors set forth in the "Risk Factors" section contained in Alto Ingredients' Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 10, 2021.

### **Media Contact:**

Bryon McGregor, Alto Ingredients, Inc., 916-403-2768, [mediarelations@altoingredients.com](mailto:mediarelations@altoingredients.com)

### **Company IR Contact:**

Michael Kramer, Alto Ingredients, Inc., 916-403-2755, [Investorrelations@altoingredients.com](mailto:Investorrelations@altoingredients.com)

**IR Agency Contact:**

Moriah Shilton, LHA Investor Relations, 415-433-3777,  
[Investorrelations@altoingredients.com](mailto:Investorrelations@altoingredients.com)



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