June 10, 2024

Alico, Inc. Announces New Supply Contract with Tropicana

FORT MYERS, Fla., June 10, 2024 (GLOBE NEWSWIRE) -- Alico, Inc. (“Alico” or the “Company”) (Nasdaq: ALCO) today announced that it entered into a new agreement with its largest customer to supply citrus fruit. This agreement is effective June 5, 2024 through July 31, 2027, subject to its terms and conditions.

This supply agreement succeeds existing agreements that are set to expire at the end of July 2024. This agreement effectively sells the citrus fruit grown on approximately 65% of Alico’s currently planted acres to Tropicana Brands Group (“Tropicana”) at prices per pound solids that are approximately 33% to 50% higher over the term of the contract than the average price for all the citrus fruit sold to Tropicana last season. Alico has another supply contract with Tropicana that remains in effect through the 2024-25 harvest season.

John Kiernan, Alico’s President and Chief Executive Officer, commented, “We are pleased to announce that we have extended our relationship with our largest customer for three additional years. Alico is proud of the successful business relationship we have been able to develop with Tropicana Brands over the past decade and we are both committed to meeting the challenges facing the Florida citrus industry together with near-term patience and long-term focus. This new supply agreement, in addition to our other continuing agreement, commit the majority of our citrus fruit at more certain pricing provisions over the next several seasons.”

LEARN MORE ABOUT ALICO INC.

Alico, Inc. primarily operates two divisions: Alico Citrus, one of the nation’s largest citrus producers, and Land Management and Other Operations, which includes land leasing and related support operations. Learn more about Alico (Nasdaq: "ALCO") at www.alicoinc.com.

CAUTIONARY STATEMENT ABOUT FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, but are not limited to, statements regarding our new supply agreement with Tropicana, business strategy, plans and objectives of management for future operations or any other statements relating to our future activities or other future events or conditions or any other statements relating to our future activities or other future events or conditions. These statements are based on our current expectations, estimates and projections about our business based, in part, on assumptions made by our management and can be identified by terms such as “will,” “should,” “expects,” “plans,” ,”hopes,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,”

“believes,” “estimates,” “forecasts,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions.

These forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including, but not limited to: adverse weather conditions, natural disasters and other natural conditions, including the effects of climate change and hurricanes and tropical storms, particularly because our citrus groves are geographically concentrated in Florida; damage and loss from disease including, but not limited to, citrus greening and citrus canker; any adverse event affecting our citrus business; our ability to effectively perform grove management services, or to effectively manage an expanded portfolio of groves; our dependency on our relationship with Tropicana and Tropicana’s relationship with certain third parties for a significant portion of our business; our ability to execute our strategic growth initiatives and whether they adequately address the challenges or opportunities we face; product contamination and product liability claims; water use regulations restricting our access to water; changes in immigration laws; harm to our reputation; tax risks associated with a Section 1031 Exchange; risks associated with the undertaking of one or more significant corporate transactions; the seasonality of our citrus business; fluctuations in our earnings due to market supply and prices and demand for our products; climate change, or legal, regulatory, or market measures to address climate change; ESG issues, including those related to climate change and sustainability; changes in investor or other stakeholder sentiment or demand; increases in labor, personnel and benefits costs; increases in commodity or raw product costs, such as fuel and chemical costs; transportation risks; any change or the classification or valuation methods employed by county property appraisers related to our real estate taxes; liability for the use of fertilizers, pesticides, herbicides and other potentially hazardous substances; compliance with applicable environmental laws; loss of key employees; material weaknesses and other control deficiencies relating to our internal control over financial reporting ; macroeconomic conditions, such as rising inflation, the deadly conflicts in Ukraine and Israel; system security risks, data protection breaches, cyber-attacks and systems integration issues; our indebtedness and ability to generate sufficient cash flow to service our debt obligations; higher interest expenses as a result of variable rates of interest for our debt; our ability to continue to pay cash dividends; and the other factors described under the sections "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2023 filed with the Securities and Exchange Commission (the “SEC”) on December 6, 2023, and in our Quarterly Reports on Form 10-Q, which are available on the SEC’s website at http://www.sec.gov. Except as required by law, we do not undertake an obligation to publicly update or revise any forward-looking statement in this press release, whether as a result of new information, future developments, or otherwise.

This press release also contains financial projections that are necessarily based upon a variety of estimates and assumptions which may not be realized and are inherently subject, in addition to the risks identified in the forward-looking statement disclaimer, to business, economic, competitive, industry, regulatory, market and financial uncertainties, many of which are beyond the Company’s control. There can be no assurance that the assumptions made in preparing the financial projections will prove accurate. Accordingly, actual results may differ materially from the financial projections.

INVESTOR RELATIONS CONTACT
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Source: Alico, Inc.