September 17, 2024

Alico, Inc. Announces Amendment to its Revolving Line of Credit with MetLife

FORT MYERS, Fla., Sept. 17, 2024 (GLOBE NEWSWIRE) -- Alico, Inc. (“Alico”) (Nasdaq: ALCO) announced that, effective September 17 2024, it has amended its Credit Agreement (the “Amendment”) with Metropolitan Life Insurance Company, and New England Life Insurance Company (collectively “MetLife”), which, among other things (i) increases the borrowing capacity under the revolving line of credit (the “RLOC”) from $25 million to $95 million and (ii) now extends the maturity date of the RLOC to May 1, 2034. The RLOC is secured by real property, consisting of approximately 36,800 gross acres of citrus land. In addition, in connection with the Amendment, the Company paid off its current borrowings under the $70 million working capital line of credit, subject to cancellation of its outstanding letters of credit, with Rabo Agrifinance, Inc. and replaced the Rabo Agrifinance working capital line of credit, which was due to mature on November 1, 2025.

Borrowings under the RLOC bear interest at a rate of the one (1) Month Term Secured Overnight Financing Rate (“SOFR”) plus a SOFR Credit Spread of 2.20%. Accrued interest on the outstanding principal balance of the RLOC is payable quarterly beginning October 1, 2024 and no principle payments are due until maturity.

John Kiernan, Alico’s President and CEO stated, “This transaction secures our financial flexibility by extending the maturity of our revolving line of credit until May 1, 2034 and demonstrates the continued support and confidence in Alico by MetLife. We believe that the revolving line of credit provides us with ample liquidity, should we need it, to meet significant weather events over the next decade; as well as to ensure that we have time to realize the long-term highest and best use of our real estate assets. We have valued our working relationship with Rabo Agrifinance and look forward to continuing to work closely with MetLife over the next decade.”

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.

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 amended credit agreement with MetLife, future liquidity, 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. 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; 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 and 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 filed with the SEC. Except as required by law, we do not undertake an obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments, or otherwise.

INVESTOR RELATIONS CONTACT

Any questions can be emailed to: investorrelations@alicoinc.com



Source: Alico, Inc.