October 17, 2024

Initial Assessments Indicate that Alico, Inc. Sustained Minimal Tree Damage from Hurricane Milton Last Week

FORT MYERS, Fla., Oct. 17, 2024 (GLOBE NEWSWIRE) -- Initial assessments indicate that Alico, Inc. sustained minimal tree damage from Hurricane Milton last week.

Most importantly, we are grateful that none of our approximately 197 employees were casualties from this devastating storm in Florida last week. The full impact of Hurricane Milton on Alico's assets and operations is still being assessed at this time, but we believe the lessons learned over the past century, especially since Hurricane Irma in 2017 and Ian in 2022, allowed us to be better prepared prior to landfall and to more rapidly begin recovery after impact. Our disaster programs and protocols, our dedicated workforce, and experienced management helped to limit the damage to our properties.

Our approximately 48,000 acres of citrus groves, which are located in Charlotte, Collier, DeSoto, Hardee, Hendry, Highlands and Polk Counties, sustained hurricane or tropical storm force winds for varying durations of time. Field assessments are ongoing, but initial observations include measurable drop of fruit from trees in our northern groves, particularly in Polk and Hardee County. The magnitude of this drop will be formally calculated by our staff and our insurance companies over the coming weeks. As of the time of this press release, initial inspections indicate that substantially all our trees remain intact. We believe this indicates that Company-wide, the impact of the storm will be on production in the current season, rather than on long-term production.

Alico did not experience any significant flooding at our properties. Our leased office headquarters in Ft. Myers in Lee County was not damaged, and our other property and equipment also was not materially impacted.

Alico maintains crop insurance for catastrophic events on all of our groves. While all of our groves experienced an impact from Hurricane Milton, it is possible that none of our groves may have suffered enough damage for insurance claims. Alico maintains insurance for catastrophic loss of trees, which is not likely to be significant from this storm. The Company will work closely with Florida Citrus Mutual, the citrus industry trade group, and government agencies on potential federal relief funds and will seek any and all federal, state or local assistance programs to aid in our recovery.

Alico will supply Tropicana, Peace River, and Florida's Natural with all available citrus fruit during the upcoming harvest season, in accordance with the terms of its respective contracts, which will begin later this year.

Alico has improved its balance sheet in recent years. The Company announced that, effective September 17, 2024, it has amended its Credit Agreement with Metropolitan Life Insurance Company, and New England Life Insurance Company (collectively "MetLife"), which, among other things increases the borrowing capacity under the revolving line of credit (the "RLOC") from $25 million to $95 million and now extends the maturity date of the RLOC to May 1, 2034. The majority of Alico's long-term debt does not require principal payments until 2029.

About Alico

Alico, Inc. primarily operates two divisions: Alico Citrus, one of the nation's largest citrus producers, and Land Management and Other Operations, which include 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 the magnitude of drop of fruit from trees, the impact of the storm on long-term production, our plans to work with Florida Citrus Mutual and government agencies on potential federal relief funds and to seek any and all federal, state or local assistance programs to aid in our recovery, plans to supply citrus fruit to Tropicana, Peace River, and Florida's Natural, and 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 Contact:

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Source: Alico, Inc.