

November 7, 2022



Alto Ingredients, Inc. Enters Into \$125 Million Term Loan Facility to Accelerate Business Transformation

SACRAMENTO, Calif., Nov. 07, 2022 (GLOBE NEWSWIRE) -- **Alto Ingredients, Inc. (NASDAQ: ALTO)**, a leading producer and distributor of specialty alcohols and essential ingredients, today announced that it entered into a \$125 million senior secured term loan facility with certain funds managed by Orion Infrastructure Capital ("OIC" or "Orion"). The term loan allows for periodic draws in an aggregate amount up to \$100 million, with an additional \$25 million available subject to satisfying certain conditions. The term loan matures in six years and is not subject to scheduled amortization payments. The term loan has a fixed annual interest rate of 10.0% with an original issue discount of 1.5%. In connection with entering into the term loan, Alto will issue up to 1.6 million shares of common stock to OIC.

Alto Ingredients' CFO, Bryon McGregor, said, "The term loan gives us the capital we need to upgrade our plants to produce higher value products with better margins. The facility is also structured to give us tremendous flexibility – we can draw the capital over time, when we need it, and there are no financial covenants. Our near-term plans for the capital include expanding corn oil production, corn storage and specialty alcohol production. We also plan to pursue various protein and yeast production expansion options, energy supply improvements, and carbon capture sequestration opportunities."

Ethan Shoemaker, Investment Partner and Head of Infra Credit at OIC, added, "We are excited to partner with Alto and help accelerate their strategic transformation by financing capital expenditures to enhance production of high-value, high-margin, and more sustainable products. This partnership supports OIC's goal to champion the reinvention of sustainable infrastructure through investment partnerships. We are excited to be both a lender and a shareholder of Alto and look forward to supporting management as they execute the next phase of their transformation."

Guggenheim Securities, LLC acted as lead placement agent and lead arranger and RBC Capital Markets, LLC acted as arranger for the senior secured term loan facility.

About Alto Ingredients, Inc.

Alto Ingredients, Inc. (ALTO) is a leading producer and distributor of specialty alcohols and essential ingredients. The company is focused on products serving 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.

About OIC

With approximately \$3 billion in assets under management, OIC invests in North America and select international markets. OIC's unique partnership approach – for entrepreneurs, by entrepreneurs – cultivates creative credit, equity, and growth capital solutions to help middle market businesses scale and deploy sustainable infrastructure. OIC's target investment sectors include energy efficiency, digital infrastructure, social infrastructure, sustainable power generation, renewable fuels, waste & recycling, water, transportation, and agriculture. OIC was founded in 2015 by a team of energy and sustainability veterans, successful infrastructure investors, and former asset owners and industry operators. Across OIC's platform is a team of 36 professionals based in New York, Houston and London. For more information, please visit www.OIC.com.

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 debt financing transaction; the cost, timing and effects of, including the financial results deriving from, Alto Ingredients' capital improvement projects; 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. These factors include, among others, Alto Ingredients' ability to timely draw down on all desired amounts from the debt financing; Alto Ingredients' ability to timely and effectively complete its capital improvement and other projects and initiatives, and to operate them as expected and attain the anticipated results; 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 of the coronavirus pandemic, and its resurgence or abatement, and governmental, business and consumer responses to the pandemic; and the war in Ukraine and its effects on commodity prices, including for wheat and corn, and supply chains. 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, marketing and distribution 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 9, 2022.

Media Contact:

Bryon McGregor, Alto Ingredients, Inc., 916-403-2768, mediarelations@altoingredients.com

Company IR Contact:

Michael Kramer, Alto Ingredients, Inc., 916-403-2755, Investorrelations@altoingredients.com

IR Agency Contact:

Kirsten Chapman, LHA Investor Relations, 415-433-3777,
Investorrelations@altoingredients.com

OIC Contact:

Reyno Norval, OIC, L.P., 212-292-0345, reyno@oic.com



Source: Alto Ingredients, Inc.