

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 10-Q**

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Quarterly Period Ended **July 31, 2025**

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For The Transition Period From To

Commission File Number: 001-34755

**LIMONEIRA COMPANY**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**77-0260692**

(I.R.S. Employer Identification Number)

**1141 Cummings Road  
Santa Paula, CA 93060**

(Address of principal executive offices and zip code)

**Registrant's telephone number, including area code: (805) 525-5541**

**Securities registered pursuant to Section 12(b) of the Act:**

<u>Title of each class</u>	<u>Trading symbol</u>	<u>Name of each exchange on which registered</u>
<b>Common Stock, par value \$0.01</b>	<b>LMNR</b>	<b>The NASDAQ Stock Market LLC (NASDAQ Global Select Market)</b>

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting  
company

Emerging growth  
company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of August 31, 2025, there were 18,048,294 shares outstanding of the registrant's common stock.

# LIMONEIRA COMPANY

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## FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this “Quarterly Report”) contains both historical and forward-looking statements. Forward-looking statements generally relate to future events or our future financial or operating performance that involve substantial risks and uncertainties. In some cases, you can identify forward-looking statements because they contain words such as “may,” “might,” “will,” “would,” “should,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “likely,” “potential,” “remain” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements in this Quarterly Report are subject to a number of risks and uncertainties, some of which are beyond the Company’s control. The potential risks and uncertainties that could cause our actual financial condition, results of operations and future performance to differ materially from those expressed or implied in this Quarterly Report include:

- success in executing the Company’s business plans and strategies, including the merger of the Company’s citrus sales and marketing into Sunkist Growers and managing the risks involved in the foregoing;
- changes in laws, regulations, rules, quotas, tariffs and import laws;
- adverse weather conditions, natural disasters and other adverse natural conditions, including freezes, rains, fires, winds and droughts that affect the production, transportation, storage, import and export of fresh produce;
- market responses to industry volume pressures;
- increased pressure from crop disease, insects and other pests;
- disruption of water supplies or changes in water allocations;
- disruption in the global supply chain;
- product and raw materials supply and pricing;
- energy supply and pricing;
- market response to industry volume pressures;
- inability to pay debt obligations;
- ability to maintain compliance with debt covenants under our loan agreements or obtain modifications, waivers or deferrals of such covenants;
- changes in interest rates and the impact of inflation;
- availability of financing for land development activities;
- general economic conditions for residential and commercial real estate development;
- political changes and economic crises;
- international conflict;
- acts of terrorism;
- labor disruptions, strikes, shortages or work stoppages;
- government restrictions on land use;
- the impact of foreign exchange rate movements;
- loss of important intellectual property rights;
- market and pricing risks due to concentrated ownership of stock; and
- other factors disclosed in our public filings with the Securities and Exchange Commission (the “SEC”).

These forward-looking statements involve risks and uncertainties that we have identified as having the potential to cause actual results to differ materially from those contemplated herein. We have described in Part I, Item 1A Risk Factors in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024 additional factors that could cause our actual results to differ from our projections or estimates.

The Company's actual results, performance, prospects or opportunities could differ materially from those expressed in or implied by the forward-looking statements. Additional risks of which the Company is not currently aware or which the Company currently deems immaterial could also cause the Company's actual results to differ, including those discussed in the section entitled "Risk Factors" included in our Annual Report on Form 10-K for the fiscal year ended October 31, 2024. Although we believe the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. You should not place undue reliance on these forward-looking statements, which apply only as of the date of this Quarterly Report. Except as required by law, we undertake no obligation to update these forward-looking statements, even if our situation changes in the future.

**All references to "we," "us," "our," "our Company," "the Company" or "Limoneira" in this Quarterly Report mean Limoneira Company, a Delaware corporation, and its consolidated subsidiaries.**

**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****LIMONEIRA COMPANY****CONSOLIDATED BALANCE SHEETS (UNAUDITED)**  
(in thousands, except share and per share data)

	July 31, 2025	October 31, 2024
<b>Assets</b>		
Current assets:		
Cash	\$ 2,111	\$ 2,996
Accounts receivable, net	19,514	14,734
Cultural costs	3,397	1,877
Prepaid expenses and other current assets	3,871	3,849
Receivables/other from related parties	4,164	2,390
Assets held for sale	13,258	—
Total current assets	46,315	25,846
Property, plant and equipment, net	153,856	162,046
Real estate development	10,407	10,201
Equity in investments	74,325	81,546
Goodwill	1,501	1,504
Intangible assets, net	2,766	5,221
Other assets	10,738	12,451
Total assets	\$ 299,908	\$ 298,815
<b>Liabilities, Convertible Preferred Stock and Stockholders' Equity</b>		
Current liabilities:		
Accounts payable	\$ 7,749	\$ 7,260
Growers and suppliers payable	5,631	8,960
Accrued liabilities	7,510	12,483
Payables to related parties	4,865	5,542
Current portion of long-term debt	39	559
Total current liabilities	25,794	34,804
Long-term liabilities:		
Long-term debt, less current portion	63,326	40,031
Deferred income taxes	18,146	20,084
Other long-term liabilities	1,541	1,395
Total liabilities	108,807	96,314
Commitments and contingencies	—	—
Series B Convertible Preferred Stock – \$100.00 par value (50,000 shares authorized: 14,790 shares issued and outstanding at July 31, 2025 and October 31, 2024) (8.75% coupon rate)	1,479	1,479
Series B-2 Convertible Preferred Stock – \$100.00 par value (10,000 shares authorized: 9,300 shares issued and outstanding at July 31, 2025 and October 31, 2024) (4% dividend rate on liquidation value of \$1,000 per share)	9,331	9,331
Stockholders' equity:		
Series A Junior Participating Preferred Stock – \$0.01 par value (20,000 shares authorized: zero issued or outstanding at July 31, 2025 and October 31, 2024)	—	—
Common Stock – \$0.01 par value (39,000,000 shares authorized: 18,299,271 and 18,284,148 shares issued and 18,048,294 and 18,033,171 shares outstanding at July 31, 2025 and October 31, 2024, respectively)	180	180
Additional paid-in capital	170,849	170,243
Retained earnings	9,100	20,826
Accumulated other comprehensive loss	(6,793)	(6,614)
Treasury stock, at cost, 250,977 shares at July 31, 2025 and October 31, 2024	(3,493)	(3,493)
Noncontrolling interest	10,448	10,549
Total stockholders' equity	180,291	191,691
Total liabilities, convertible preferred stock and stockholders' equity	\$ 299,908	\$ 298,815

The accompanying notes are an integral part of these unaudited consolidated financial statements.

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED) (in thousands, except per share data)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
<b>Net revenues:</b>				
Agribusiness	\$ 45,942	\$ 61,849	\$ 112,376	\$ 143,445
Other operations	1,536	1,456	4,526	4,197
<b>Total net revenues</b>	<b>47,478</b>	<b>63,305</b>	<b>116,902</b>	<b>147,642</b>
<b>Costs and expenses:</b>				
Agribusiness	42,050	45,437	107,253	124,987
Other operations	1,086	1,250	3,266	3,861
Impairment of intangible asset	—	643	—	643
Gain on sales of water rights	—	—	(1,488)	—
Loss (gain) on disposal of assets, net	15	(12)	27	(129)
Selling, general and administrative	4,957	6,994	17,165	21,707
<b>Total costs and expenses</b>	<b>48,108</b>	<b>54,312</b>	<b>126,223</b>	<b>151,069</b>
<b>Operating (loss) income</b>	<b>(630)</b>	<b>8,993</b>	<b>(9,321)</b>	<b>(3,427)</b>
<b>Other (expense) income:</b>				
Interest income	22	27	50	63
Interest expense, net of patronage dividends	(410)	(273)	(898)	(831)
Equity in earnings of investments, net	274	483	867	17,116
Other income, net	10	5	26	224
<b>Total other (expense) income</b>	<b>(104)</b>	<b>242</b>	<b>45</b>	<b>16,572</b>
<b>(Loss) income before income tax (provision) benefit</b>	<b>(734)</b>	<b>9,235</b>	<b>(9,276)</b>	<b>13,145</b>
<b>Income tax (provision) benefit</b>	<b>(182)</b>	<b>(3,019)</b>	<b>1,924</b>	<b>(4,051)</b>
<b>Net (loss) income</b>	<b>(916)</b>	<b>6,216</b>	<b>(7,352)</b>	<b>9,094</b>
<b>Net loss attributable to noncontrolling interest</b>	<b>61</b>	<b>377</b>	<b>62</b>	<b>481</b>
<b>Net (loss) income attributable to Limoneira Company</b>	<b>(855)</b>	<b>6,593</b>	<b>(7,290)</b>	<b>9,575</b>
<b>Preferred dividends</b>	<b>(125)</b>	<b>(125)</b>	<b>(376)</b>	<b>(376)</b>
<b>Net (loss) income applicable to common stock</b>	<b>\$ (980)</b>	<b>\$ 6,468</b>	<b>\$ (7,666)</b>	<b>\$ 9,199</b>
<b>Basic net (loss) income per common share</b>				
	<b>\$ (0.06)</b>	<b>\$ 0.36</b>	<b>\$ (0.43)</b>	<b>\$ 0.51</b>
<b>Diluted net (loss) income per common share</b>				
	<b>\$ (0.06)</b>	<b>\$ 0.35</b>	<b>\$ (0.43)</b>	<b>\$ 0.51</b>
<b>Weighted-average common shares outstanding-basic</b>	<b>17,854</b>	<b>17,756</b>	<b>17,823</b>	<b>17,701</b>
<b>Weighted-average common shares outstanding-diluted</b>	<b>17,854</b>	<b>18,363</b>	<b>17,823</b>	<b>17,701</b>

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (UNAUDITED) (in thousands)

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
Net (loss) income	\$ (916)	\$ 6,216	\$ (7,352)	\$ 9,094
Other comprehensive loss:				
Foreign currency translation adjustments	(414)	(10)	(179)	(714)
Total other comprehensive loss	(414)	(10)	(179)	(714)
Comprehensive (loss) income	(1,330)	6,206	(7,531)	8,380
Comprehensive loss attributable to noncontrolling interest	61	377	62	481
Comprehensive (loss) income attributable to Limoneira Company	<u>\$ (1,269)</u>	<u>\$ 6,583</u>	<u>\$ (7,469)</u>	<u>\$ 8,861</u>

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND TEMPORARY EQUITY (UNAUDITED) (in thousands, except share and per share data)

	Stockholders' Equity							Temporary Equity		
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income	Treasury Stock	Non- controlling Interest	Total Equity	Series B Preferred Stock	Series B-2 Preferred Stock
	Shares	Amount								
Balance at October 31, 2024	18,033,171	\$ 180	\$ 170,243	\$ 20,826	\$ (6,614)	\$ (3,493)	\$ 10,549	\$ 191,691	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,353)	—	—	—	(1,353)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(32)	—	—	—	(32)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	59,087	1	931	—	—	—	—	932	—	—
Exchange of common stock	(47,089)	(1)	(1,223)	—	—	—	—	(1,224)	—	—
Noncontrolling interest adjustment	—	—	—	—	—	—	(39)	(39)	—	—
Net (loss) income	—	—	—	(3,074)	—	—	3	(3,071)	—	—
Other comprehensive loss	—	—	—	—	(267)	—	—	(267)	—	—
Balance at January 31, 2025	18,045,169	\$ 180	\$ 169,951	\$ 16,274	\$ (6,881)	\$ (3,493)	\$ 10,513	\$ 186,544	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,353)	—	—	—	(1,353)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(33)	—	—	—	(33)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	30,540	1	550	—	—	—	—	551	—	—
Exchange of common stock	(6,680)	—	(102)	—	—	—	—	(102)	—	—
Net loss	—	—	—	(3,361)	—	—	(4)	(3,365)	—	—
Other comprehensive income	—	—	—	—	502	—	—	502	—	—
Balance at April 30, 2025	18,069,029	\$ 181	\$ 170,399	\$ 11,434	\$ (6,379)	\$ (3,493)	\$ 10,509	\$ 182,651	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,354)	—	—	—	(1,354)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(32)	—	—	—	(32)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	—	—	762	—	—	—	—	762	—	—
Exchange of common stock	(20,735)	(1)	(312)	—	—	—	—	(313)	—	—
Net loss	—	—	—	(855)	—	—	(61)	(916)	—	—
Other comprehensive loss	—	—	—	—	(414)	—	—	(414)	—	—
Balance at July 31, 2025	18,048,294	\$ 180	\$ 170,849	\$ 9,100	\$ (6,793)	\$ (3,493)	\$ 10,448	\$ 180,291	\$ 1,479	\$ 9,331

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY AND TEMPORARY EQUITY (UNAUDITED)

(in thousands, except share and per share data)

	Stockholders' Equity							Temporary Equity		
	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Non- controlling Interest	Total Equity	Series B Preferred Stock	Series B-2 Preferred Stock
	Shares	Amount								
Balance at October 31, 2023	17,941,032	\$ 179	\$ 168,441	\$ 19,017	\$ (5,666)	\$ (3,493)	\$ 11,209	\$ 189,687	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,350)	—	—	—	(1,350)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(32)	—	—	—	(32)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	99,983	1	863	—	—	—	—	864	—	—
Exchange of common stock	(36,097)	—	(684)	—	—	—	—	(684)	—	—
Noncontrolling interest adjustment	—	—	—	—	—	—	(60)	(60)	—	—
Net loss	—	—	—	(3,585)	—	—	(92)	(3,677)	—	—
Other comprehensive loss, net of tax	—	—	—	—	(467)	—	—	(467)	—	—
Balance at January 31, 2024	18,004,918	\$ 180	\$ 168,620	\$ 13,957	\$ (6,133)	\$ (3,493)	\$ 11,057	\$ 184,188	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,348)	—	—	—	(1,348)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(33)	—	—	—	(33)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	30,808	1	1,070	—	—	—	—	1,071	—	—
Exchange of common stock	(63,070)	(1)	(1,150)	—	—	—	—	(1,151)	—	—
Net income (loss)	—	—	—	6,567	—	—	(12)	6,555	—	—
Other comprehensive loss, net of tax	—	—	—	—	(237)	—	—	(237)	—	—
Balance at April 30, 2024	17,972,656	\$ 180	\$ 168,540	\$ 19,050	\$ (6,370)	\$ (3,493)	\$ 11,045	\$ 188,952	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,354)	—	—	—	(1,354)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(32)	—	—	—	(32)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	79,245	1	1,203	—	—	—	—	1,204	—	—
Net income (loss)	—	—	—	6,593	—	—	(377)	6,216	—	—
Other comprehensive loss, net of tax	—	—	—	—	(10)	—	—	(10)	—	—
Balance at July 31, 2024	18,051,901	\$ 181	\$ 169,743	\$ 24,164	\$ (6,380)	\$ (3,493)	\$ 10,668	\$ 194,883	\$ 1,479	\$ 9,331

The accompanying notes are an integral part of these unaudited consolidated financial statements.

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (in thousands)

	Nine Months Ended July 31,	
	2025	2024
<b>Operating activities</b>		
Net (loss) income	\$ (7,352)	\$ 9,094
Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:		
Depreciation and amortization	6,607	6,273
Impairment of intangible asset	—	643
Loss (gain) on disposal of assets, net	27	(129)
Gain on sales of water rights	(1,488)	—
Stock compensation expense	2,245	3,139
Non-cash lease expense	1,468	1,361
Equity in earnings of investments, net	(867)	(17,116)
Cash distributions from equity investments	10,092	15,005
Deferred income taxes	(1,924)	4,051
Other, net	(11)	14
Changes in operating assets and liabilities:		
Accounts receivable and receivables/other from related parties	(4,837)	(7,125)
Cultural costs	(1,523)	(973)
Prepaid expenses and other current assets	197	(1,381)
Other assets	53	(150)
Accounts payable and growers and suppliers payable	(3,238)	(668)
Accrued liabilities and payables to related parties	(5,811)	2,913
Income taxes payable	(680)	(2,319)
Other long-term liabilities	91	(1,366)
Net cash (used in) provided by operating activities	(6,951)	11,266
<b>Investing activities</b>		
Capital expenditures	(9,617)	(6,721)
Net proceeds from sales of assets	404	950
Proceeds from sales of water rights	1,740	—
Cash distributions from Trapani Fresh	41	61
Collection on notes receivable	68	66
Equity investment contributions and capitalized interest	(2,283)	(528)
Cash distributions from equity investment	297	—
Investments in mutual water companies and water rights	(507)	(512)
Net cash used in investing activities	(9,857)	(6,684)
<b>Financing activities</b>		
Borrowings of long-term debt	118,852	115,202
Repayments of long-term debt	(96,077)	(115,527)
Principal paid on finance leases and equipment financings	(809)	(520)
Dividends paid – common	(4,060)	(4,052)
Dividends paid – preferred	(376)	(376)
Exchange of common stock	(1,639)	(1,835)
Net cash provided by (used in) financing activities	15,891	(7,108)
Effect of exchange rate changes on cash	32	(15)
Net decrease in cash	(885)	(2,541)
Cash at beginning of period	2,996	3,631
Cash at end of period	\$ 2,111	\$ 1,090

# LIMONEIRA COMPANY

## CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED) (CONTINUED) (in thousands)

	Years Ended October 31,	
	Nine Months Ended July 31,	
	2025	2024
<b>Supplemental disclosures of cash flow information</b>		
Cash paid during the period for interest (net of amounts capitalized)	\$ 638	\$ 808
Cash paid during the period for income taxes, net	\$ 694	\$ 2,319
Non-cash investing and financing activities:		
Capital expenditures accrued but not paid at period-end	\$ 782	\$ 348
Cancellation of loan guarantee related to equity investment	\$ —	\$ 1,080

*The accompanying notes are an integral part of these unaudited consolidated financial statements.*

## 1. Organization and Basis of Presentation

### Business

Limoneira Company (together with its consolidated subsidiaries, the “Company”) engages primarily in growing citrus and avocados, harvesting citrus, and packing, marketing and selling citrus. The Company is also engaged in residential rentals and other rental operations and real estate development activities. The Company markets and sells citrus directly to food service, wholesale and retail customers throughout the United States, Canada, Asia and certain other international markets.

### Basis of Presentation and Preparation

The accompanying unaudited interim consolidated financial statements include the accounts of the Company and the accounts of all the subsidiaries and investments in which the Company holds a controlling interest. Intercompany balances and transactions have been eliminated in consolidation. In the opinion of the Company, the unaudited interim consolidated financial statements reflect all adjustments, which are normal and recurring in nature, necessary for fair financial statement presentation. The preparation of these unaudited interim consolidated financial statements and accompanying notes in conformity with U.S. generally accepted accounting principles (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Certain information and footnote disclosures normally included in the annual consolidated financial statements have been condensed or omitted pursuant to the rules and regulations of the SEC. Because the consolidated financial statements do not include all of the information and notes required by GAAP for a complete set of consolidated financial statements, they should be read in conjunction with the audited consolidated financial statements and notes included in the Company’s Annual Report on Form 10-K.

## 2. Summary of Significant Accounting Policies

### Comprehensive (Loss) Income

Comprehensive (loss) income represents all changes in a company’s net assets, except changes resulting from transactions with stockholders. Other comprehensive income or loss relates entirely to foreign currency translation items. Accumulated other comprehensive loss is reported as a component of the Company’s stockholders’ equity.

### Recent Accounting Pronouncements

*FASB Accounting Standards Update (“ASU”) 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures*

ASU 2023-07 is intended to improve reportable segment disclosure requirements primarily through enhanced disclosures about significant segment expenses, the chief operating decision maker (“CODM”), and how the CODM uses the reported measure(s) of segment profit or loss. This amendment also requires that a public entity provide all annual disclosures about a reportable segment’s profit or loss and assets currently required by FASB Accounting Standards Codification Topic 280, Segment Reporting, in interim periods.

The ASU will be effective for the Company’s annual report on Form 10-K beginning with the year ending October 31, 2025 and applied retrospectively to all periods presented in the financial statements. The Company does not expect this ASU to have a material effect on our consolidated financial statements.

*ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures*

ASU 2023-09 requires disaggregated information about a reporting entity’s effective tax rate reconciliation as well as information on income taxes paid. The ASU is effective for public business entities with annual periods beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

**2. Summary of Significant Accounting Policies (continued)****Recent Accounting Pronouncements (continued)**

*SEC Release No. 33-11275: The Enhancement and Standardization of Climate-Related Disclosures for Investors*

In March 2024, the SEC adopted final rules under SEC Release No. 33-11275: *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, which requires registrants to provide certain climate-related information in their registration statements and annual reports. The rules require information about a registrant's climate-related risks that are reasonably likely to have a material impact on its business, results of operations, or financial condition.

These requirements are effective for the Company in various fiscal years, starting with its fiscal year beginning November 1, 2026. On April 4, 2024, the SEC determined to voluntarily stay the final rules pending certain legal challenges. On February 11, 2025, the SEC indicated it would ask the court to hold on scheduling further arguments while the SEC reassessed its position in the litigation. Subsequently, on March 27, 2025, the SEC voted to cease defending the rule in court. Despite withdrawing its defense, the SEC has not formally rescinded the rule. The Company is continuing to evaluate the potential impact of these final rules on its consolidated financial statements and disclosures.

*ASU 2024-03, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses and ASU 2025-01, Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date*

ASU 2024-03 requires public companies to disclose, in the notes to financial statements, specified information about certain costs and expenses at each interim and annual reporting period. Specific disclosures include the amounts of (a) purchases of inventory; (b) employee compensation; (c) depreciation; (d) intangible asset amortization; and (e) depreciation, depletion, and amortization recognized as part of oil- and gas-producing activities (or other amounts of depletion expense) included in each relevant expense caption, as well as a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. Additionally, companies will need to disclose the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses.

The effective date of ASU 2024-03 was clarified by ASU 2025-01. ASU 2024-03 is effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027. Early adoption is permitted. A public business entity should apply ASU 2024-03 prospectively to financial statements issued for reporting periods beginning after the effective date but may elect to apply the ASU retrospectively to any or all prior periods presented in the financial statements. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

*One Big Beautiful Bill Act*

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law. The OBBBA enacts significant changes to U.S. tax and related laws. Some of the provisions of the OBBBA affecting corporations include the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act ("TCJA"), modifications to the Global Intangible Low-Taxed Income and Foreign-Derived Intangible Income international tax provisions, an increase in the limit of the deduction of interest expense to thirty percent of EBITDA, and reinstatement of the one hundred percent bonus depreciation deduction from the TCJA for eligible property acquired after January 19, 2025. The legislation has multiple effective dates, with certain provisions effective in 2025 and others implemented through 2027. The Company has evaluated the impact of the OBBBA on its financial condition and result of operations. Preliminarily, the Company does not anticipate that the OBBBA will have a significant impact on its current effective tax rate and net deferred federal tax liabilities.

**Concentrations**

Concentrations of credit risk with respect to revenues and accounts receivable are limited due to a large, diverse customer base. One individual customer represented 16% of revenue for the nine months ended July 31, 2025 and one individual customer represented 17% of accounts receivable, net as of July 31, 2025.

No individual vendor represented 10% of accounts payable as of July 31, 2025.

Lemons procured from third-party growers were 82% and 73% of the Company's domestic lemon supply for the nine months ended July 31, 2025 and 2024, respectively. Two third-party growers represented 57% and 40% of growers and suppliers payable as of July 31, 2025.

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 2. Summary of Significant Accounting Policies (continued)

#### Concentrations (continued)

The Company maintains its cash in federally insured financial institutions. The account balances at these institutions periodically exceed Federal Deposit Insurance Corporation (“FDIC”) insurance coverage and, as a result, there is a concentration of risk related to amounts on deposit in excess of FDIC insurance coverage.

### 3. Asset Sales and Disposals

#### Pan de Azucar and San Pablo Orchards

The Company has a 90% interest in Fruticola Pan de Azucar S. A. (“PDA”) and a 100% interest in Agricola San Pablo, SpA (“San Pablo”), both of which are citrus orchards located near La Serena, Chile. The agricultural properties consist of approximately 500 acres of lemons, 100 acres of oranges and 2,900 acres of other land. The Company has actively marketed the PDA and San Pablo orchards for sale including, but not limited to, the property, plant and equipment and related water rights intangible assets. As of July 31, 2025, the Company believes the sale of the assets is probable, the completed sale is expected to occur within one year and all the criteria have been met to classify the assets as held for sale. Therefore, the assets are classified as held for sale and measured at their carrying amount, as the carrying amount is less than the estimated fair value less cost to sell. The major classes of assets and liabilities classified as held for sale as of July 31, 2025 were as follows (in thousands):

Property, plant and equipment, net	\$	11,506
Intangible assets, net		1,752
<b>Total</b>	<b>\$</b>	<b>13,258</b>

#### Yuma Property

In December 2023, the Company sold 12 acres of real property located in Yuma, Arizona for a sales price of \$775,000. After transaction and closing costs, the Company recorded a gain on disposal of assets of \$187,000 during the quarter ended January 31, 2024.

### 4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following (in thousands):

	July 31, 2025	October 31, 2024
Prepaid supplies and insurance	\$ 2,372	\$ 1,986
Sales tax receivable	166	312
Income taxes receivable	224	—
Lemon supplier advances	37	295
Other	1,072	1,256
	<u>\$ 3,871</u>	<u>\$ 3,849</u>

### 5. Real Estate Development

Real estate development assets are comprised primarily of land and land development costs for the East Area II property in the amount of \$10,407,000 and \$10,201,000 as of July 31, 2025 and October 31, 2024, respectively.

#### East Area I, Retained Property and East Area II

In fiscal year 2005, the Company began capitalizing the costs of two real estate development projects east of Santa Paula, California, for the development of 550 acres of land into residential units, commercial buildings and civic facilities. In November 2015 (the “Transaction Date”), the Company entered into a joint venture with The Lewis Group of Companies (“Lewis”) for the residential development of its East Area I real estate development project. To consummate the transaction, the Company formed Limoneira Lewis Community Builders, LLC (“LLCB”) as the development entity, contributed its East Area I property to LLCB and sold a 50% interest to Lewis.

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 5. Real Estate Development (continued)

#### East Area I, Retained Property and East Area II (continued)

The Company and LLCB also entered into a Retained Property Development Agreement on the Transaction Date (the “Retained Property Agreement”). Under the terms of the Retained Property Agreement, LLCB transferred certain contributed East Area I property, which is entitled for commercial development, back to the Company (the “Retained Property”) and arranged for the design and construction of certain improvements to the Retained Property, subject to certain reimbursements by the Company. The balance in East Area II includes estimated costs incurred by and reimbursable to LLCB of \$3,444,000 as of July 31, 2025 and October 31, 2024, which is included in payables to related parties.

In January 2018, LLCB entered into a \$45,000,000 unsecured Line of Credit Loan Agreement and Promissory Note (the “Loan”) with Bank of America, N.A. to fund early development activities. Effective as of February 22, 2023, the Loan maturity date was extended to February 22, 2024, and the maximum borrowing amount was reduced to \$35,000,000. The interest rate on the Loan was Bloomberg Short-Term Bank Yield Index rate (“BSBY”) plus 2.85% and was payable monthly. Effective as of February 22, 2024, the Loan maturity date was extended to August 22, 2024 and the interest rate transitioned from the BSBY to the Secured Overnight Financing Rate (“SOFR”) plus 2.85%. As of May 3, 2024, the Loan had no outstanding balance and was cancelled. As of July 31, 2025, LLCB had cash and cash equivalents of \$36,355,000.

In February 2018, the Company and certain principals from Lewis guaranteed the obligations under the Loan. The guarantors were jointly and severally liable for all Loan obligations in the event of default by LLCB. Additionally, a Reimbursement Agreement was executed between the Lewis guarantors and the Company, which provided for unpaid liabilities of LLCB to be shared pro-rata by the Lewis guarantors and the Company in proportion to their percentage interest in LLCB. The guarantee continued in effect until all of the Loan obligations were fully paid and the Loan terminated. The \$1,080,000 estimated value of the guarantee was recorded in the Company’s consolidated balance sheets and, upon cancellation of the Loan in May 2024, was removed from other long-term liabilities and the corresponding value in equity in investments.

In October 2022, the Company entered into a joint venture with Lewis for the development of the Retained Property. The Company formed LLCB II, LLC (“LLCB II”) as the development entity, contributed the Retained Property to the joint venture and sold a 50% interest to Lewis. The joint venture partners will share in the capital contributions to fund project costs until loan proceeds and/or revenues are sufficient to fund the project. The Company made contributions of \$1,900,000 and \$400,000 to LLCB II during the nine months ended July 31, 2025 and 2024, respectively.

Through July 31, 2025, LLCB closed on lot sales representing 1,261 residential units since inception. The Company received cash distributions of \$10,004,000 in April 2025 and \$15,005,000 in June 2024 from LLCB.

### 6. Equity in Investments

Equity in investments consist of the following (in thousands):

	July 31, 2025	October 31, 2024
Limoneira Lewis Community Builders, LLC	\$ 58,758	\$ 67,962
LLCB II, LLC	11,699	9,566
Limco Del Mar, Ltd.	2,553	2,198
Rosales	811	1,319
Romney Property Partnership	504	501
	<u>\$ 74,325</u>	<u>\$ 81,546</u>

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 6. Equity in Investments (continued)

#### Unconsolidated Significant Subsidiary

In accordance with Rule 10-01(b)(1) of Regulation S-X, which applies to interim reports on Form 10-Q, the Company must determine if its equity method investees are considered “significant subsidiaries.” In evaluating its investments, there are two tests utilized to determine if equity method investees are considered significant subsidiaries: the income test and the investment test. Summarized income statement information of an equity method investee is required in an interim report if either of the two tests exceed 20% in the interim periods presented. During the year-to-date interim period for the nine months ended July 31, 2025, this threshold was not met for any equity investments. The threshold was met for LLCB during the year-to-date interim period for the nine months ended July 31, 2024, and thus summarized income statement information for LLCB is presented in this Quarterly Report on Form 10-Q. The full audited financial statements of LLCB for the years ended October 31, 2024, 2023 and 2022 were provided as exhibits to the Annual Report on Form 10-K for the fiscal year ended October 31, 2024.

The following is unaudited summarized financial information for LLCB (in thousands):

	Nine Months Ended July 31,	
	2025	2024
Revenues	\$ 965	\$ 91,402
Cost of land sold	(877)	(50,246)
Operating income (expenses)	1,214	(276)
Net income	\$ 1,302	\$ 40,880
Net income attributable to Limoneira Company	\$ 831	\$ 19,765

#### Limco Del Mar, Ltd.

As of July 31, 2025, the Company had a 1.3% interest in Limco Del Mar, Ltd. (“Del Mar”) as a general partner and a 27.5% interest as a limited partner. Based on the terms of the partnership agreement, the Company may be removed as general partner without cause from the partnership upon the vote of the limited partners owning an aggregate of 50% or more interest in the partnership. Since the Company had significant influence, but less than a controlling interest, the Company’s investment in Del Mar was accounted for using the equity method of accounting.

To enable the Company to determine the strategy for Del Mar to enhance long term financial returns and to provide liquidity for limited partners, on March 21, 2025, the Company made an offer to purchase up to 224,859 limited partnership units of Del Mar from the limited partners (the “Offer”). On August 4, 2025, the Company closed the Offer and purchased 80,608 limited partnership units from 78 limited partners at a price of \$70.00 per unit for approximately \$5,600,000 (the “Purchase”). The Purchase increased the Company’s ownership from 28.8% to 54.5%.

### 7. Goodwill and Intangible Assets, Net

A summary of the change in the carrying amount of goodwill is as follows (in thousands):

	Goodwill Carrying Amount
Balance at October 31, 2024	\$ 1,504
Foreign currency translation adjustment	(3)
Balance at July 31, 2025	\$ 1,501

Goodwill is tested for impairment on an annual basis or when an event or changes in circumstances indicate that its carrying value may not be recoverable. There have been no impairment charges recorded against goodwill as of July 31, 2025.

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 7. Goodwill and Intangible Assets, Net (continued)

Intangible assets consist of the following (in thousands):

	July 31, 2025				October 31, 2024			
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life in Years	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Weighted Average Useful Life in Years
Trade names and trademarks	\$ 2,108	(1,463)	645	8	\$ 2,108	\$ (1,308)	\$ 800	8
Customer relationships	2,707	(2,081)	626	8	2,707	(1,842)	865	8
Non-competition agreement	437	(226)	211	8	437	(187)	250	8
Acquired water and mineral rights	1,284	—	1,284	Indefinite	3,306	—	3,306	Indefinite
	<u>\$ 6,536</u>	<u>\$ (3,770)</u>	<u>\$ 2,766</u>		<u>\$ 8,558</u>	<u>\$ (3,337)</u>	<u>\$ 5,221</u>	

Amortization expense totaled \$144,000 and \$177,000 for the three months ended July 31, 2025 and 2024, respectively. Amortization expense totaled \$433,000 and \$533,000 for the nine months ended July 31, 2025 and 2024, respectively.

In January 2025, the Company sold acquired water rights in the Santa Paula Basin for \$30,000 per acre-foot in two transactions. The total selling price was \$1,440,000 and the Company recorded a gain on sales of water rights of \$1,200,000.

Estimated future amortization expense of intangible assets as of July 31, 2025 is as follows (in thousands):

2025 (remaining three months)	\$ 145
2026	578
2027	294
2028	294
2029	171
Thereafter	—
	<u>\$ 1,482</u>

### 8. Other Assets

#### Investments in Mutual Water Companies and Water Rights

The Company's investments in various not-for-profit mutual water companies provide it with the right to receive a proportionate share of water from each of the not-for-profit mutual water companies that the Company has invested in and do not constitute voting shares and/or rights. In January 2025, the Company sold water pumping rights in the Santa Paula Basin for \$300,000 and the Company recorded a gain on sale of water rights of \$288,000. Investments in mutual water companies included in other assets in the consolidated balance sheets as of July 31, 2025 and October 31, 2024 were \$6,724,000 and \$6,229,000, respectively.

### 9. Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	July 31, 2025	October 31, 2024
Compensation	\$ 1,156	\$ 4,147
Property taxes	157	820
Operating expenses	3,216	3,020
Leases	1,287	2,295
Income taxes payable	—	456
Other	1,694	1,745
	<u>\$ 7,510</u>	<u>\$ 12,483</u>

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 10. Long-Term Debt

Long-term debt is comprised of the following (in thousands):

	July 31, 2025	October 31, 2024
AgWest Farm Credit revolving and non-revolving lines of credit: the interest rate of the revolving line of credit is variable based on the one-month SOFR, which was 4.35% at July 31, 2025, plus 2.25%. Interest is payable monthly.	\$ 63,317	\$ 40,000
Banco de Chile term loan: The interest rate was fixed at 6.48%. The loan was repaid in January 2025.	—	433
Banco de Chile COVID-19 loans: The interest rates are fixed at 3.48% and 4.26%. The loans are payable in monthly installments through September 2026.	48	157
Total long-term debt	63,365	40,590
Less current portion	39	559
Long-term debt, less current portion	<u>\$ 63,326</u>	<u>\$ 40,031</u>

In June 2025, the Company entered into a Master Loan Agreement (the “MLA”) with AgWest Farm Credit, formerly known as Farm Credit West, (the “Lender”) dated June 26, 2025, together with a revolving credit facility supplement (the “Revolving Credit Supplement”) and a non-revolving credit facility supplement (the “Non-Revolving Credit Supplement,” and together with the Revolving Credit Supplement, the “Supplements”). The MLA governs the terms of the Supplements. The MLA amends and restates the previous Master Loan Agreement between the Company and the Lender, dated June 1, 2021, and extends the principal repayment to July 1, 2030. Debt financing costs related to the MLA agreement were immaterial.

The Supplements provide aggregate borrowing capacity of \$115,000,000 comprised of \$114,000,000 under the Revolving Credit Supplement, and \$1,000,000 under the Non-Revolving Credit Supplement which can be used solely to support calls on Letters of Credit. There are no amounts outstanding on the Non-Revolving Credit Supplement. As of July 31, 2025, the Company’s outstanding borrowings under the Revolving Credit Supplement was \$63,317,000 and it had \$50,683,000 available to borrow.

The interest rate in effect under the Revolving Credit Supplement automatically adjusts on the first day of each month. The interest rate for any amount outstanding under the Revolving Credit Supplement is based on the one month SOFR plus or minus an applicable margin. The applicable margin ranges from 2.15% to 3.00% depending on the ratio of funded indebtedness to earnings before interest, income taxes, depreciation and amortization (“EBITDA”) and may be increased or decreased in the sole discretion of Lender on each anniversary of July 1. The Company may prepay any amounts outstanding under the Revolving Credit Supplement without penalty.

The interest rate in effect under the Non-Revolving Credit Supplement is a variable interest rate established by the Lender. The Company may prepay any amounts outstanding under the Non-Revolving Credit Supplement without penalty.

All indebtedness under the MLA, including any indebtedness under the Supplements, is secured by a first lien on Company-owned stock or participation certificates, Company funds maintained with the Lender, the Lender’s unallocated surplus, certain of the Company’s agricultural properties, certain of the Company’s building fixtures and improvements and investments in mutual water companies associated with the pledged agricultural properties. The MLA includes customary default provisions. Should an event of default occur, the Lender, at its option, may declare all or any portion of the indebtedness under the MLA to be immediately due and payable without demand, notice of nonpayment, protest or prior recourse to collateral, and terminate or suspend the Company’s right to draw or request funds on any loan or line of credit.

The MLA subjects the Company to affirmative and restrictive covenants including, among other customary covenants, financial reporting requirements, requirements to maintain and repair any collateral, restrictions on the sale of assets, restrictions on the use of proceeds, prohibitions on the incurrence of additional debt and restrictions on the purchase or sale of major assets of the Company’s business. The Company is subject to an annual financial covenant that requires it to maintain compliance with a specific debt service coverage ratio of 1.0:1.0 for the fiscal year ending October 31, 2025, and 1.25:1.0 for any fiscal year ending thereafter. In September 2025, the Lender modified the debt service coverage ratio covenant to defer measurement as of October 31, 2025 and resume a debt service coverage ratio of 1.25:1.0 measured as of October 31, 2026. The Company is also subject to a quarterly financial covenant that requires it to maintain compliance with a specific total net leverage ratio as of the end of any fiscal quarter beginning July 31, 2026, with a ratio of no more than 6.0:1.0 for the fiscal quarter ending July 31, 2026, 5.0:1.0 for the fiscal quarter ending October 31, 2026 and 4.5:1.0 for any fiscal quarter ending thereafter. The Company was in compliance with the covenants as of October 31, 2024.

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 10. Long-Term Debt (continued)

Interest is capitalized on non-bearing orchards, real estate development projects and significant construction in progress. The Company capitalized interest of \$489,000 and \$347,000 during the three months ended July 31, 2025 and 2024, and \$733,000 and \$501,000 for the nine months ended July 31, 2025 and 2024, respectively. Capitalized interest is included in property, plant and equipment, real estate development assets and equity in investments in the Company's consolidated balance sheets.

The Company received annual cash patronage dividends from the Lender of \$564,000 and \$558,000 in the second quarter of fiscal years 2025 and 2024, respectively.

### 11. Leases

#### Lessor Arrangements

The Company enters into leasing transactions in which it rents certain of its assets and the Company is the lessor. These lease contracts are typically classified as operating leases with remaining terms ranging from one month to 18 years with various renewal terms available. All of the residential rentals have month-to-month lease terms.

The Company's rental operations revenue consists of the following (in thousands):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
Operating lease revenue	\$ 1,461	\$ 1,381	\$ 4,301	\$ 3,947
Variable lease revenue	75	75	225	250
Total lease revenue	\$ 1,536	\$ 1,456	\$ 4,526	\$ 4,197

#### Lessee Arrangements

The Company enters into leasing transactions in which the Company is the lessee. These lease contracts are classified as either operating or finance leases. The Company's lease contracts are generally for agricultural land, packinghouse facilities, equipment and vehicles with remaining lease terms ranging from one to four years, with various term extensions available. Leases with an initial term of 12 months or less are not recorded on the balance sheet and the Company recognizes lease expense for these leases on a straight-line basis over the lease term. Lease costs are primarily included in agribusiness costs and expenses in the Company's consolidated statements of operations.

Lease costs consist of the following (in thousands):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
Operating lease costs	\$ 521	\$ 517	\$ 1,563	\$ 1,535
Finance lease costs:				
Amortization of lease assets	138	51	325	161
Interest on lease liabilities	23	10	56	31
Variable lease costs	79	54	99	22
Short-term lease costs	148	48	229	148
Total lease costs	\$ 909	\$ 680	\$ 2,272	\$ 1,897

**LIMONEIRA COMPANY**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

**11. Leases (continued)**

Supplemental balance sheet information related to leases consists of the following (in thousands):

	Classification	July 31, 2025	October 31, 2024
<b>Assets</b>			
Operating lease ROU assets	Other assets	\$ 1,141	\$ 2,416
Finance lease assets	Other assets	1,760	772
		<u>\$ 2,901</u>	<u>\$ 3,188</u>
<b>Liabilities</b>			
Current operating lease liabilities	Accrued liabilities	\$ 849	\$ 2,075
Current finance lease liabilities	Accrued liabilities	438	220
Non-current operating lease liabilities	Other long-term liabilities	305	400
Non-current finance lease liabilities	Other long-term liabilities	1,039	418
		<u>\$ 2,631</u>	<u>\$ 3,113</u>

Supplemental cash flow information related to leases consists of the following (in thousands):

	Nine Months Ended July 31,	
	2025	2024
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	\$ 1,607	\$ 1,530
Operating cash outflows from finance leases	\$ 56	\$ 31
Financing cash outflows from finance leases	\$ 474	\$ 291
ROU assets obtained in exchange for new operating lease liabilities	\$ 186	\$ 689
Leased assets obtained in exchange for new finance lease liabilities	\$ 1,313	\$ 557

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 12. Earnings Per Share

Basic net income or loss per common share is calculated using the weighted-average number of common shares outstanding during the period without consideration of the dilutive effect of conversion of preferred stock. Diluted net income or loss per common share is calculated using the weighted-average number of common shares outstanding during the period plus the dilutive effect of unvested, restricted stock and conversion of preferred stock. The computations for basic and diluted net income or loss per common share are as follows (in thousands, except per share data):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
<b>Basic net (loss) income per common share:</b>				
Net (loss) income applicable to common stock	\$ (980)	\$ 6,468	\$ (7,666)	\$ 9,199
Effect of unvested, restricted stock	(16)	(95)	(52)	(153)
Numerator: Net (loss) income for basic EPS	(996)	6,373	(7,718)	9,046
Denominator: Weighted average common shares—basic	17,854	17,756	17,823	17,701
Basic net (loss) income per common share	\$ (0.06)	\$ 0.36	\$ (0.43)	\$ 0.51
<b>Diluted net (loss) income per common share:</b>				
Net (loss) income for basic EPS	\$ (996)	\$ 6,373	\$ (7,718)	\$ 9,046
Effect of dilutive preferred stock	—	125	—	—
Numerator: Net (loss) income for diluted EPS	(996)	6,498	(7,718)	9,046
Weighted average common shares—basic	17,854	17,756	17,823	17,701
Effect of dilutive preferred stock	—	607	—	—
Denominator: Weighted average common shares—diluted	17,854	18,363	17,823	17,701
Diluted net (loss) income per common share	\$ (0.06)	\$ 0.35	\$ (0.43)	\$ 0.51

Diluted net income or loss per common share is computed using the more dilutive method of either the two-class method or the treasury stock method. Unvested stock-based compensation awards that contain non-forfeitable rights to dividends as participating shares are included in computing earnings per share. The Company's unvested, restricted stock awards qualify as participating shares. Diluted net (loss) income per common share was calculated under the two-class method for the three and nine months ended July 31, 2025 and 2024.

### 13. Related-Party Transactions

The Company has transactions with equity method investments and various related parties summarized in Note 6 - Equity in Investments and in the tables below (in thousands):

Ref	Related-Party	July 31, 2025			October 31, 2024		
		Balance Sheet			Balance Sheet		
		Receivables/Other from Related Parties	Other Assets	Payables to Related Parties	Receivables/Other from Related Parties	Other Assets	Payables to Related Parties
2	Mutual water companies	\$ —	\$ 507	\$ 283	\$ —	\$ 526	\$ 105
5	YMIDD	\$ 306	\$ —	\$ —	\$ 206	\$ —	\$ —
6	FGF	\$ 3,858	\$ 514	\$ 757	\$ 2,184	\$ 2,383	\$ 837
7	LLCB	\$ —	\$ —	\$ 3,444	\$ —	\$ —	\$ 3,444
9	Rosales	\$ —	\$ —	\$ 381	\$ —	\$ —	\$ 629
10	Del Mar	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 527

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 13. Related-Party Transactions (continued)

Ref	Related-Party	Three Months Ended July 31, 2025				Three Months Ended July 31, 2024			
		Consolidated Statement of Operations				Consolidated Statement of Operations			
		Net Revenue Agribusiness	Net Revenue Other Operations	Agribusiness Expense and Other	Dividends Paid	Net Revenue Agribusiness	Net Revenue Other Operations	Agribusiness Expense and Other	Dividends Paid
1	Employees	\$ —	\$ 229	\$ —	\$ —	\$ —	\$ 240	\$ —	\$ —
2	Mutual water companies	\$ —	\$ —	\$ 244	\$ —	\$ —	\$ —	\$ 138	\$ —
3	Cooperative association	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 17	\$ —
5	YMIDD	\$ 302	\$ —	\$ —	\$ —	\$ 311	\$ —	\$ —	\$ —
6	FGF	\$ 83	\$ 50	\$ —	\$ —	\$ 83	\$ 50	\$ —	\$ —
8	Principal Owner	\$ —	\$ —	\$ —	\$ 243	\$ —	\$ —	\$ —	\$ 240
9	Rosales	\$ 240	\$ —	\$ 1,019	\$ —	\$ 368	\$ —	\$ 1,545	\$ —
10	Del Mar	\$ 94	\$ —	\$ 216	\$ —	\$ —	\$ —	\$ —	\$ —
11	Law firm	\$ —	\$ —	\$ 75	\$ —	\$ —	\$ —	\$ —	\$ —

Ref	Related-Party	Nine Months Ended July 31, 2025				Nine Months Ended July 31, 2024			
		Consolidated Statement of Operations				Consolidated Statement of Operations			
		Net Revenue Agribusiness	Net Revenue Other Operations	Agribusiness Expense and Other	Dividends Paid	Net Revenue Agribusiness	Net Revenue Other Operations	Agribusiness Expense and Other	Dividends Paid
1	Employees	\$ —	\$ 693	\$ —	\$ —	\$ —	\$ 695	\$ —	\$ —
2	Mutual water companies	\$ —	\$ —	\$ 1,088	\$ —	\$ —	\$ —	\$ 712	\$ —
3	Cooperative association	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 576	\$ —
5	YMIDD	\$ 987	\$ —	\$ 82	\$ —	\$ 940	\$ —	\$ 62	\$ —
6	FGF	\$ 248	\$ 150	\$ —	\$ —	\$ 248	\$ 150	\$ —	\$ —
8	Principal Owner	\$ —	\$ —	\$ —	\$ 734	\$ —	\$ —	\$ —	\$ 690
9	Rosales	\$ 3,320	\$ —	\$ 1,908	\$ —	\$ 3,552	\$ —	\$ 1,594	\$ —
10	Del Mar	\$ 206	\$ —	\$ 216	\$ —	\$ —	\$ —	\$ —	\$ —
11	Law firm	\$ —	\$ —	\$ 208	\$ —	\$ —	\$ —	\$ —	\$ —

(1) Employees - The Company rents certain of its residential housing assets to employees on a month-to-month basis and recorded rental income from employees.

(2) Mutual water companies - The Company has representation on the boards of directors of the mutual water companies in which the Company has investments, as well as other water districts. Refer to Note 8 - Other Assets. The Company recorded capital contributions, purchased water and water delivery services and had water payments due to the mutual water companies and districts.

(3) Cooperative association - The Company has representation on the board of directors of a non-profit cooperative association that provided pest control services for the agricultural industry through fiscal year 2024. The Company purchased services and supplies from them.

(5) Yuma Mesa Irrigation and Drainage District (“YMIDD”) - The Company has representation on the board of directors of YMIDD. The Company purchased water from YMIDD and had no amounts payable to them for such purchases. Additionally, the Company received following revenue from YMIDD and has a receivable outstanding.

(6) FGF Trapani (“FGF”) - FGF is a 49% partner in the Trapani Fresh joint venture in Argentina and the Company had a receivable from FGF for lemon sales and the sale of packing supplies and a payable due to FGF for fruit purchases and services. The Company records revenue related to the licensing of intangible assets to FGF. The Company leases the Santa Clara ranch to FGF and records rental revenue related to the leased land.

(7) LLCB - The Company entered into a joint venture with Lewis for the residential development of our East Area I real estate development project and formed LLCB as the development entity. Refer to Note 5 - Real Estate Development.

(8) Principal owner - The Company has one principal owner with ownership shares over 10% and paid dividends to such owner.

**13. Related-Party Transactions (continued)**

<sup>(9)</sup> Rosales - The Company has an equity interest in Rosales as noted in Note 6 - Equity in Investments. The Company recognizes lemon and orange sales to Rosales and procures lemons and oranges from Rosales. The Company had no amounts due from Rosales for such sales and had amounts due to Rosales for such purchases.

<sup>(10)</sup> Del Mar - The Company has an interest in Del Mar as a general partner and as a limited partner as noted in Note 6 - Equity in Investments. The Company provides Del Mar with farm management services and Del Mar markets lemons through the Company. The Company had an immaterial payable due to Del Mar for such lemon procurement as of July 31, 2025.

<sup>(11)</sup> Law firm - One of the Company's directors is a partner at a law firm which provided legal services to the Company and the Company had immaterial amounts due for such services.

**14. Income Taxes**

The effective tax rate for the nine months ended July 31, 2025 was lower than the federal statutory tax rate of 21% mainly due to foreign jurisdictions that are taxed at different rates, state taxes, tax impact of stock-based compensation, executive compensation, nondeductible tax items and valuation allowances on certain deferred tax assets of foreign subsidiaries. The Company has no material uncertain tax positions as of July 31, 2025. The Company recognizes interest expense and penalties related to income tax matters as a component of income tax expense. There was no accrued interest or penalties associated with uncertain tax positions as of July 31, 2025.

**15. Commitments and Contingencies**

The Company is from time to time involved in various lawsuits and legal proceedings that arise in the ordinary course of business. At this time, the Company is not aware of any pending or threatened litigation against it that it expects will have a material adverse effect on its business, financial condition, liquidity or operating results. Legal claims are inherently uncertain, however, and it is possible that the Company's business, financial condition, liquidity and/or operating results could be adversely affected in the future by legal proceedings.

**16. Stock-based Compensation**

The Company has a stock-based compensation plan (the "Stock Plan") that allows for the grant of restricted common stock of the Company to members of management, key executives and non-employee directors. The fair value of such awards is based on the fair value of the Company's common stock on the date of grant, and all are classified as equity awards.

*Management Performance Awards*

Certain time-based restricted stock grants are made to management under the Stock Plan and generally vest over a three-year period as service is provided.

During November 2024, 20,555 shares of restricted stock with a per share price of \$25.54 were granted to management. The related compensation expense of \$525,000 will be recognized over three years as the shares vest.

During December 2024, 6,194 shares of restricted stock with a per share price of \$26.30 were granted to management. The related compensation expense of \$163,000 will be recognized over three years as the shares vest.

In November and December 2024, the Company entered into Performance Share-Based Award Agreements with members of management whereby the employees may be granted up to a maximum of 53,498 shares of common stock in the future based on the achievement of certain long-term performance goals over a three-year period.

*Executive Awards*

Certain time-based restricted stock grants are made to key executives under the Stock Plan and generally vest over a three-year period as service is provided.

During November 2024, 29,366 shares of restricted stock with a per share price of \$25.54 were granted to key executives. The related compensation expense of \$750,000 will be recognized over three years as the shares vest.

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 16. Stock-based Compensation (continued)

#### Executive Awards (continued)

In fiscal year 2022, the Company entered into Retention Bonus Agreements with key executives (collectively, the “Retention Bonus Agreements”) whereby the executives will be eligible to receive cash and restricted stock grants upon the occurrence of certain events. During December 2024, the Company granted 2,972 shares of restricted stock with a per share price of \$26.30 to key executives related to the Retention Bonus Agreements. The related compensation expense of \$78,000 will be recognized over the next year as the shares vest.

In November 2024, the Company entered into Performance Share-Based Award Agreements with key executives whereby the executives may be granted up to a maximum of 58,732 shares of common stock in the future based on the achievement of certain long-term performance goals over a three-year period.

#### Director Awards

Certain time-based restricted stock grants are made on an annual basis to non-employee directors under the Stock Plan and generally vest after a one-year period as service is provided. During April 2025, 30,540 shares were granted as Director Awards with a per share price of \$16.70.

#### Exchange of Common Stock

During the nine months ended July 31, 2025 and 2024, members of management exchanged 74,504 and 99,167 shares of common stock with fair values totaling \$1,639,000 and \$1,835,000, respectively, at the dates of the exchanges, for the payment of payroll taxes associated with the vesting of restricted stock under the Stock Plan.

### 17. Segment Information

The Company operates in four reportable operating segments: fresh lemons, lemon packing, avocados and other agribusiness. The reportable operating segments of the Company are strategic business units with different products and services, distribution processes and customer bases. The fresh lemons segment includes sales, farming and harvest costs and third-party grower and supplier costs relative to fresh lemons. The lemon packing segment includes packing revenues and lemon packing costs. The lemon packing segment revenues include intersegment revenues between fresh lemons and lemon packing. The intersegment revenues are included gross in the segment note and a separate line item is shown as an elimination. The avocados segment includes sales, farming and harvest costs. The other agribusiness segment primarily includes sales, farm management, farming and harvest costs, brokered fruit costs of oranges and specialty citrus, wine grapes, fallowing revenue, shipping revenue and shipping costs.

The Company does not separately allocate depreciation and amortization to its fresh lemons, lemon packing, avocados and other agribusiness segments. No asset information is provided for reportable operating segments, as these specified amounts are not included in the measure of segment profit or loss reviewed by the Company’s chief operating decision maker. The Company measures operating performance, including revenues and operating income, of its operating segments and allocates resources based on its evaluation. The Company does not allocate selling, general and administrative expense, impairment of intangible asset, loss (gain) on disposal of assets, net, gain on sales of water rights, total other (expense) income and income taxes, or specifically identify them to its operating segments. The lemon packing segment earns packing revenue for packing lemons grown on the Company’s orchards and lemons procured from third-party growers.

Segment information for the three months ended July 31, 2025 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 28,123	\$ 6,063	\$ —	\$ 8,488	\$ 3,268	\$ 45,942	\$ 1,536	\$ 47,478
Intersegment revenues	—	8,493	(8,493)	—	—	—	—	—
Total net revenues	28,123	14,556	(8,493)	8,488	3,268	45,942	1,536	47,478
Costs and expenses	29,298	12,724	(8,493)	3,733	2,546	39,808	5,818	45,626
Depreciation and amortization	—	—	—	—	—	2,242	240	2,482
Operating (loss) income	\$ (1,175)	\$ 1,832	\$ —	\$ 4,755	\$ 722	\$ 3,892	\$ (4,522)	\$ (630)

# LIMONEIRA COMPANY

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

### 17. Segment Information (continued)

Segment information for the three months ended July 31, 2024 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 36,746	\$ 5,200	\$ —	\$ 13,897	\$ 6,006	\$ 61,849	\$ 1,456	\$ 63,305
Intersegment revenues	—	10,499	(10,499)	—	—	—	—	—
Total net revenues	36,746	15,699	(10,499)	13,897	6,006	61,849	1,456	63,305
Costs and expenses	32,977	11,144	(10,499)	4,104	5,912	43,638	8,559	52,197
Depreciation and amortization	—	—	—	—	—	1,799	316	2,115
Operating income (loss)	\$ 3,769	\$ 4,555	\$ —	\$ 9,793	\$ 94	\$ 16,412	\$ (7,419)	\$ 8,993

Segment information for the nine months ended July 31, 2025 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 74,491	\$ 15,260	\$ —	\$ 11,430	\$ 11,195	\$ 112,376	\$ 4,526	\$ 116,902
Intersegment revenues	—	24,959	(24,959)	—	—	—	—	—
Total net revenues	74,491	40,219	(24,959)	11,430	11,195	112,376	4,526	116,902
Costs and expenses	76,006	35,441	(24,959)	5,393	9,490	101,371	18,245	119,616
Depreciation and amortization	—	—	—	—	—	5,882	725	6,607
Operating (loss) income	\$ (1,515)	\$ 4,778	\$ —	\$ 6,037	\$ 1,705	\$ 5,123	\$ (14,444)	\$ (9,321)

Segment information for the nine months ended July 31, 2024 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 94,971	\$ 15,756	\$ —	\$ 16,245	\$ 16,473	\$ 143,445	\$ 4,197	\$ 147,642
Intersegment revenues	—	28,129	(28,129)	—	—	—	—	—
Total net revenues	94,971	43,885	(28,129)	16,245	16,473	143,445	4,197	147,642
Costs and expenses	90,687	35,450	(28,129)	5,529	16,119	119,656	25,140	144,796
Depreciation and amortization	—	—	—	—	—	5,331	942	6,273
Operating (loss) income	\$ 4,284	\$ 8,435	\$ —	\$ 10,716	\$ 354	\$ 18,458	\$ (21,885)	\$ (3,427)

Revenues related to rental operations are included in "Corporate and Other." The detail of other agribusiness revenues is as follows (in thousands):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
Oranges	\$ 1,696	\$ 1,160	\$ 4,838	\$ 3,461
Specialty citrus and wine grapes	618	550	1,792	2,475
Farm management	102	3,202	1,622	7,296
Other	852	1,094	2,943	3,241
Other agribusiness revenues	\$ 3,268	\$ 6,006	\$ 11,195	\$ 16,473

**18. Series B-2 Convertible Preferred Stock and Treasury Stock****Series B-2 Convertible Preferred Stock**

During March and April of 2014, pursuant to a Series B-2 Stock Purchase Agreement dated March 21, 2014, the Company issued an aggregate of 9,300 shares of Series B-2, 4.0% voting preferred stock with a par value of \$1,000 per share ("Series B-2 Preferred Stock") to WPI-ACP Holdings, LLC ("WPI"), an entity affiliated with Water Asset Management, LLC ("WAM") for total proceeds of \$9,300,000.

In connection with the sale of the Series B-2 Preferred Stock, Associated Citrus Packers, Inc. ("Associated") and another affiliate of WAM ("WPI-ACP"), entered into a series of agreements related to the future ownership and disposition of farmland with associated Colorado River water rights and other real estate that is held by Associated in Yuma, Arizona. The agreements allow the parties to explore strategies that will make the highest and best use of those assets, including but not limited to the sale or lease of assets or the expansion of a fallowing and water savings program in which a portion of Associated's property is currently enrolled. The net proceeds of any monetization event would be shared equally by the parties. The agreements entered into include a Water Development Agreement and an Option Agreement. Pursuant to the Water Development Agreement, Associated granted WPI-ACP exclusive rights to develop water assets attributable to the real estate owned by Associated for the mutual benefit of Associated and WAM. Pursuant to the Option Agreement, Associated granted WPI-ACP an option to purchase an undivided interest of up to one-half of the real estate owned by Associated in Yuma County, Arizona (the "Property") and the water rights associated therewith until January 1, 2026. In June 2025, the parties agreed to extend the option agreement to January 1, 2027. The purchase price for the Property subject to the Option Agreement will be paid via the redemption by the Company of a proportionate percentage of the Series B-2 Preferred Stock. Unless and until a definitive agreement or definitive agreements with respect to Associated's real estate and water rights is entered into that would cause the cessation of farming operations, Associated expects to continue farming the Property and recognize all results of operations and retain all proceeds from such operations.

**Treasury Stock***Share Repurchase Program*

In March 2025, the Company's Board of Directors approved a share repurchase program authorizing the Company to purchase up to \$30,000,000 of its shares of outstanding common stock. The share repurchase program may be modified, suspended or discontinued at any time and does not commit the Company to repurchase any shares. No shares were repurchased under this program.

**19. Subsequent Events**

The Company evaluated events subsequent to July 31, 2025 through the date of this filing, to assess the need for potential recognition or disclosure in this Quarterly Report. Based upon this evaluation, except as described in the notes to consolidated financial statements, it was determined that no other subsequent events occurred that require recognition or disclosure in the unaudited consolidated financial statements.

## ***Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations***

### **Overview**

Limoneira Company, a Delaware corporation, is the successor to several businesses with operations in California since 1893. We are primarily an agribusiness company founded and based in Santa Paula, California, committed to responsibly using and managing our approximately 10,500 acres of land, water resources and other assets to maximize long-term stockholder value. Our current operations consist of fruit production, sales and marketing, rental operations, real estate and capital investment activities.

We are one of California's oldest citrus growers and according to the California Avocado Commission, we are one of the largest growers of avocados in the United States. In addition to growing lemons and avocados, we grow oranges and wine grapes. We have agricultural plantings throughout Ventura and San Luis Obispo Counties in California, Yuma County in Arizona, La Serena, Chile and Jujuy, Argentina, which collectively consist of approximately 3,100 acres of lemons, 1,400 acres of avocados, 100 acres of oranges and 400 acres of wine grapes. We also operate our own packinghouses in Santa Paula, California and Yuma, Arizona, where we process, pack and sell lemons that we grow, as well as lemons grown by others. We have a 47% interest in Rosales S.A. ("Rosales"), a citrus packing, marketing and sales business, a 90% interest in Fruticola Pan de Azucar S.A. ("PDA"), a lemon and orange orchard and a 100% interest in Agricola San Pablo, SpA ("San Pablo"), a lemon and orange orchard, all of which are located near La Serena, Chile. We have a 51% interest in a joint venture, Trapani Fresh Consorcio de Cooperacion ("Trapani Fresh"), a lemon orchard in Argentina.

Our water resources include water rights, usage rights and pumping rights to the water in aquifers under, and canals that run through, the land we own. Water for our farming operations is sourced from the existing water resources associated with our land, which includes rights to water in the adjudicated Santa Paula Basin (aquifer) and the un-adjudicated Fillmore and Paso Robles Basins (aquifers). We also use surface water in Arizona from the Colorado River through the Yuma Mesa Irrigation and Drainage District ("YMIDD"). We use ground water provided by wells and surface water for our PDA and San Pablo farming operations in Chile and our Trapani Fresh farming operations in Argentina.

For more than 100 years, we have been making strategic investments in California agriculture and real estate. We currently have an interest in three real estate development projects in California. These projects include multi-family housing, single-family homes and apartments of approximately 800 units in various stages of planning and development.

### **Business Division Summary**

We have three business divisions: agribusiness, rental operations and real estate development. The agribusiness division is comprised of four reportable operating segments: fresh lemons, lemon packing, avocados and other agribusiness, which primarily includes oranges, specialty citrus, wine grapes and farm management services. The agribusiness division includes our core operations of farming, harvesting, lemon packing and lemon sales operations. The rental operations division includes our residential and commercial rentals, leased land operations and organic recycling. The real estate development division includes our investments in real estate development projects. Generally, we see our Company as a land and farming company that generates annual cash flows to support our progress into diversified real estate development activities. Financial information and discussion of our four reportable segments are contained in the notes to the accompanying consolidated financial statements of this Quarterly Report.

### ***Agribusiness Summary***

We market and sell citrus directly to our food service, wholesale and retail customers throughout the United States, Canada, Asia, and certain other international markets. We sell our avocados and oranges to third-party packinghouses. Additionally, we sell our wine grapes to various wine producers.

Historically, our agribusiness division has been seasonal in nature with quarterly revenue fluctuating depending on the timing and variety of crops being harvested. Cultural costs, also referred to as growing costs, in our agribusiness division tend to be higher in the first and second quarters and lower in the third and fourth quarters because of the timing of expensing cultural costs in the current year that were inventoried in the prior year. Our harvest costs generally increase in the second quarter and peak in the third quarter, coinciding with the increase in production and revenue.

Fluctuations in price are a function of global supply and demand with weather conditions, such as unusually low temperatures, typically having the most dramatic effect on the amount of lemons supplied in any individual growing season. We believe we have a competitive advantage by maintaining our own lemon packing operations, even though a significant portion of the costs related to these operations are fixed. As a result, cost per carton is a function of fruit throughput. While we regularly monitor our costs for redundancies and opportunities for cost reductions, we also supplement the number of lemons we pack in our packinghouse with additional lemons procured from other growers. Because the fresh utilization rate for our lemons, or percentage of lemons we harvest and pack that are sold to the fresh market, is directly related to the quality of lemons we pack and, consequently, the price we receive per 40-pound box, we only pack lemons from other growers if we determine their lemons are of good quality.

Our avocado plantings have been profitable and historically were pursued to diversify our product line. Since fiscal year 2023, we expanded our avocado production by 500 acres, and we plan to expand an additional 500 acres through fiscal year 2027. This 1,000-acre expansion reflects our strategy to capitalize on robust consumer demand trends for avocados.

In addition to growing lemons and avocados, we grow oranges and wine grapes. We regularly monitor the demand for the fruit we grow in the current marketplace to identify trends.

### ***Rental Operations Summary***

Our rental operations include our residential and commercial rentals, leased land operations and organic recycling. Our residential rental units generate cash flows that we use to partially fund the operating costs of our business and provide affordable housing to many of our employees, including our agribusiness employees. We believe that this unique employment benefit helps us maintain a dependable, long-term employee base. In addition, our leased land business provides us with a typically profitable diversification. Revenue from rental operations is generally level throughout the year.

### ***Real Estate Development Summary***

We invest in real estate investment projects and recognize that long-term strategies are required for successful real estate development activities. For real estate development projects and joint ventures, it is not unusual for the timing and amounts of revenues and costs, partner contributions and distributions, project loans, other financing assumptions and project cash flows to be impacted by government approvals, project revenue and cost estimates and assumptions, economic conditions, financing sources and product demand as well as other factors. Such factors could affect our results of operations, cash flows and liquidity.

### ***Water and Mineral Rights***

Our water resources include water rights, usage rights and pumping rights to the water in aquifers under, and canals that run through, the land we own. We believe we have adequate supplies of water for our agribusiness segments as well as our rental and real estate development activities. Water for our farming operations located in Ventura County, California is sourced from the existing water resources associated with our land, which includes approximately 8,700 acre-feet of water rights in the adjudicated Santa Paula Basin (aquifer) and additional rights in the un-adjudicated Fillmore Basin (aquifer). Our Windfall Farms property located in San Luis Obispo County, California obtains water from wells that derive water from the Paso Robles Basin (aquifer). Our farming operations in Yuma, Arizona source water from the Colorado River through the YMIDD, where we have access to approximately 11,500 acre-feet of Class 3 Colorado River water rights. We use ground water provided by wells and surface water for our PDA and San Pablo farming operations in La Serena, Chile and our Trapani Fresh farming operations in Argentina.

Southern California is experiencing below average precipitation for the 2024 - 2025 rainfall season. As of July 31, 2025, Ventura County was experiencing severe drought conditions. We continue to assess the impact drought conditions may have on our California orchards.

In August 2025, the U.S. Bureau of Reclamation announced that Lake Mead will continue to operate in a Tier 1 shortage in 2026, which requires Arizona to forfeit approximately 18% of the state's yearly allotment of water from Lake Mead. In response to this and prior years' water shortages, we entered into following agreements during fiscal years 2022 and 2023 and in February 2025, extended an existing following agreement through calendar year 2026. We continue to assess the impact these ongoing water reductions may have on our Arizona orchards.

## Recent Developments

In January 2025, we completed three separate sale transactions of Santa Paula Basin water pumping rights at a selling price of \$30,000 per acre-foot, totaling \$1.7 million and recorded a gain on sales of water rights of \$1.5 million.

On March 1, 2025, we received a notice of termination from PGIM Real Estate Finance, LLC (“PGIM”) regarding The Farm Management Agreement (“FMA”) dated January 31, 2023. The FMA was terminated effective March 31, 2025. Under the FMA, we provided farming, management and operations related to the 3,537 acres in Tulare County, California (the “Northern Properties”), which we had previously sold to PGIM. The FMA initially expired on March 31, 2024, and automatically renewed on a yearly basis thereafter, subject to termination with written notice at least thirty days prior to April 1.

On March 17, 2025, we announced that our Board of Directors approved a share repurchase program authorizing the Company to repurchase up to \$30.0 million shares of our outstanding common stock. The share repurchase program may be modified, suspended or discontinued at any time and does not commit the Company to repurchase any shares.

On March 17, 2025, we announced that we formally concluded our process to explore potential strategic alternatives that we previously announced on December 1, 2023. While this formal exploration process has concluded, we remain committed to executing our comprehensive strategic roadmap to create long-term stockholder value. As part of our normal course of business, we will continue to be opportunistic in evaluating potential strategic merger and acquisition opportunities, while also advancing our initiatives to monetize non-core assets.

On April 8, 2025, we announced that we are entering into a letter of intent to form a 50%/50% joint venture with Agromin Corporation, the largest organics waste recycler in California, to significantly expand their successful organic waste recycling program. The joint venture plans to expand from the existing 15-acre green waste composting facility at Limoneira Ranch in Santa Paula into a 70-acre, commercial-scale composting facility capable of processing green waste and food waste. We expect to enter into the joint venture and begin construction in fiscal year 2026.

On April 9, 2025, we announced that we received \$10.0 million as our share of a \$20.0 million cash distribution from our real estate joint venture, Harvest at Limoneira, with the Lewis Group of Companies (“Lewis”).

On June 6, 2025, we entered into a Commercial Packinghouse License Agreement with Sunkist Growers, Inc., a nonprofit marketing cooperative (“Sunkist”), effective as of November 1, 2025. The agreement permits us to grade, label, pack, prepare for marketing by Sunkist and ship Sunkist grower fruit, and to use Sunkist trademarks in these activities. The agreement has an initial term of three years from November 1, 2025 to October 31, 2028, unless terminated earlier per the provisions of the agreement. On November 1, 2026, and on each anniversary of such date thereafter, the agreement will automatically extend for an additional year unless either party gives written notice on or prior to October 31 of each fiscal year.

On June 24, 2025, we declared a cash dividend of \$0.075 per common share paid on July 18, 2025, in the aggregate amount of \$1.4 million to common stockholders of record as of July 7, 2025.

On June 26, 2025, the Company entered into a Master Loan Agreement (the “MLA”) with AgWest Farm Credit, PCA (the “Lender”), dated June 26, 2025, together with a revolving credit facility supplement (the “Revolving Credit Supplement”) and a non-revolving credit facility supplement (the “Non-Revolving Credit Supplement” and together with the Revolving Credit Supplement, the “Supplements”). The MLA amends and restates the previous Master Loan Agreement between the Company and the Lender, dated June 1, 2021, and extends the principal repayment to July 1, 2030.

The Company is the General Partner of Limco Del Mar, Ltd. (“Del Mar”), a California partnership that produces lemons and avocados and operates certain real property known as the Limco Del Mar Ranch. To enable the Company to determine the strategy for Del Mar to enhance long term financial returns and to provide liquidity for limited partners, on March 21, 2025, the Company made an offer to purchase up to 224,859 limited partnership units of Del Mar from the limited partners (the “Offer”). On August 4, 2025, the Company closed the Offer and purchased 80,608 limited partnership units from 78 limited partners at a price of \$70 per unit for approximately \$5.6 million (the “Purchase”). The Purchase increased the Company’s ownership from 28.8% to 54.5%.

## Results of Operations

The following table shows the results of operations (in thousands):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
<b>Net revenues:</b>				
Agribusiness	\$ 45,942	\$ 61,849	\$ 112,376	\$ 143,445
Other operations	1,536	1,456	4,526	4,197
Total net revenues	47,478	63,305	116,902	147,642
<b>Costs and expenses:</b>				
Agribusiness	42,050	45,437	107,253	124,987
Other operations	1,086	1,250	3,266	3,861
Impairment of intangible asset	—	643	—	643
Gain on sales of water rights	—	—	(1,488)	—
Loss (gain) on disposal of assets, net	15	(12)	27	(129)
Selling, general and administrative	4,957	6,994	17,165	21,707
Total costs and expenses	48,108	54,312	126,223	151,069
<b>Operating (loss) income:</b>				
Agribusiness	3,892	16,412	5,123	18,458
Other operations	450	206	1,260	336
Impairment of intangible asset	—	(643)	—	(643)
Gain on sales of water rights	—	—	1,488	—
(Loss) gain on disposal of assets, net	(15)	12	(27)	129
Selling, general and administrative	(4,957)	(6,994)	(17,165)	(21,707)
Operating (loss) income	(630)	8,993	(9,321)	(3,427)
<b>Other (expense) income:</b>				
Interest income	22	27	50	63
Interest expense, net of patronage dividends	(410)	(273)	(898)	(831)
Equity in earnings of investments, net	274	483	867	17,116
Other income, net	10	5	26	224
Total other (expense) income	(104)	242	45	16,572
(Loss) income before income tax (provision) benefit	(734)	9,235	(9,276)	13,145
Income tax (provision) benefit	(182)	(3,019)	1,924	(4,051)
Net (loss) income	(916)	6,216	(7,352)	9,094
Net loss attributable to noncontrolling interest	61	377	62	481
Net (loss) income attributable to Limoneira Company	\$ (855)	\$ 6,593	\$ (7,290)	\$ 9,575

## Non-GAAP Financial Measures

Due to significant depreciable assets associated with the nature of our operations and interest costs associated with our capital structure, management believes that earnings before interest, income taxes, depreciation and amortization (“EBITDA”) and adjusted EBITDA, which excludes stock-based compensation, impairment of intangible asset, loss (gain) on disposal of assets, net and severance benefits are important measures to evaluate our results of operations between periods on a more comparable basis. Such measurements are not prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and should not be construed as an alternative to reported results determined in accordance with GAAP. The non-GAAP information provided is unique to us and may not be consistent with methodologies used by other companies.

EBITDA and adjusted EBITDA are summarized and reconciled to net (loss) income attributable to Limoneira Company which management considers to be the most directly comparable financial measure calculated and presented in accordance with GAAP, as follows (in thousands):

	Three Months Ended July 31,		Nine Months Ended July 31,	
	2025	2024	2025	2024
Net (loss) income attributable to Limoneira Company	\$ (855)	\$ 6,593	\$ (7,290)	\$ 9,575
Interest income	(22)	(27)	(50)	(63)
Interest expense, net of patronage dividends	410	273	898	831
Income tax provision (benefit)	182	3,019	(1,924)	4,051
Depreciation and amortization	2,482	2,115	6,607	6,273
EBITDA	\$ 2,197	\$ 11,973	\$ (1,759)	\$ 20,667
Stock-based compensation	762	1,204	2,245	3,139
Impairment of intangible asset	—	643	—	643
Loss (gain) on disposal of assets, net	15	(12)	27	(129)
Severance benefits	—	(17)	—	1,198
Adjusted EBITDA	\$ 2,974	\$ 13,791	\$ 513	\$ 25,518

### Three Months Ended July 31, 2025 Compared to the Three Months Ended July 31, 2024

#### Revenues

Total net revenues were \$47.5 million for the three months ended July 31, 2025, compared to \$63.3 million for the same period of fiscal year 2024. The 25% decrease of \$15.8 million was primarily due to decreased agribusiness revenues from lemons, avocados and farm management as detailed below (\$ in thousands):

	Three Months Ended July 31,		Change	
	2025	2024		
Lemons	\$ 34,186	\$ 41,946	\$ (7,760)	(18)%
Avocados	8,488	13,897	(5,409)	(39)%
Oranges	1,696	1,160	536	46%
Specialty citrus and wine grapes	618	550	68	12%
Farm management	102	3,202	(3,100)	(97)%
Other	852	1,094	(242)	(22)%
Agribusiness revenues	\$ 45,942	\$ 61,849	\$ (15,907)	(26)%

- Lemons: The decrease for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to lower prices of fresh and brokered lemons sold and other lemon sales. Fresh packed lemon sales were \$23.8 million and \$25.8 million, in aggregate, on 1,397,000 and 1,400,000 cartons of lemons sold at average per carton prices of \$17.02 and \$18.43, for the third quarter of fiscal years 2025 and 2024, respectively. Lemon revenues included brokered lemons and other lemon sales of \$3.8 million and \$9.8 million, lemon packing of \$6.1 million and \$5.2 million and lemon by-product sales of \$0.5 million and \$1.2 million, for the third quarter of fiscal years 2025 and 2024, respectively.

- Avocados: The decrease for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to decreased volume and lower prices of avocados sold. The California avocado crop typically experiences alternating years of high and low production due to plant physiology. We sold 5,654,000 and 8,855,000 pounds of avocados at average per pound prices of \$1.50 and \$1.57, for the third quarter of fiscal years 2025 and 2024, respectively.
- Oranges: The increase for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to increased volume, partially offset by lower prices of oranges sold. We sold 94,000 and 43,000 cartons of oranges at average per carton prices of \$18.00 and \$26.98, for the third quarter of fiscal years 2025 and 2024, respectively.
- Specialty citrus and wine grapes: The increase for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to higher prices, partially offset by decreased volume of specialty citrus sold. We sold 17,000 and 25,000 40-pound carton equivalents of specialty citrus at average per carton prices of \$36.01 and \$22.00, for the third quarter of fiscal years 2025 and 2024, respectively.
- Farm management: Farm management revenue, comprised primarily of Northern Properties farming, management and operations services, decreased for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, due to the FMA termination effective March 31, 2025.
- Other: Other revenue, comprised primarily of fallowing and shipping, decreased for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, primarily due to decreased shipping revenue.
- Other operations revenue was \$1.5 million for the third quarter of fiscal years 2025 and 2024.

### Costs and Expenses

Total costs and expenses were \$48.1 million for the three months ended July 31, 2025, compared to \$54.3 million for the same period of fiscal year 2024. The 11% decrease of \$6.2 million was primarily due to a decrease in agribusiness costs and expenses, a decrease in selling, general and administrative expenses and the 2024 impairment of intangible asset. Agribusiness costs and expenses are detailed below (\$ in thousands):

	Three Months Ended July 31,		Change	
	2025	2024		
Packing costs	\$ 12,724	\$ 11,144	\$ 1,580	14%
Harvest costs	3,910	4,330	(420)	(10)%
Growing costs	4,056	7,650	(3,594)	(47)%
Third-party grower and supplier costs	18,670	19,860	(1,190)	(6)%
Other costs	448	654	(206)	(31)%
Depreciation and amortization	2,242	1,799	443	25%
Agribusiness costs and expenses	\$ 42,050	\$ 45,437	\$ (3,387)	(7)%

- Packing costs: Packing costs consist primarily of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, subcontracted costs and facility operating costs. We packed and sold 1,397,000 and 1,400,000 cartons of lemons at average per carton costs of \$9.11 and \$7.96, for the third quarter of fiscal years 2025 and 2024, respectively. The increase in per carton packing costs was primarily due to higher labor costs.
- Harvest costs: The decrease for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to decreased volume of avocados harvested.
- Growing costs: Growing costs, also referred to as cultural costs, consist of orchard maintenance costs such as cultivation, fertilization and soil amendments, pest control, pruning and irrigation. The decrease for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to the decrease in farm management growing costs related to the FMA termination and farm management decisions made in response to weather, harvest timing and crop conditions.

- **Third-party grower and supplier costs:** We sell fruit that we grow and fruit that we procure from other growers and suppliers. The cost of procuring fruit from other growers and suppliers is referred to as third-party grower and supplier costs. The decrease for the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to decreased costs for brokered fruit, partially offset by increased costs of third-party grower fruit. We incurred costs for brokered fruit of \$7.2 million and \$9.4 million, for the third quarter of fiscal years 2025 and 2024, respectively. Additionally, we incurred costs for third-party grower fruit of \$11.5 million and \$10.5 million, for the third quarter of fiscal years 2025 and 2024, respectively. Of the 1,397,000 and 1,400,000 cartons of lemons packed and sold, 1,012,000 (72%) and 869,000 (62%) were procured from third-party growers at average per carton prices of \$11.35 and \$12.06, for the third quarter of fiscal years 2025 and 2024, respectively.
- **Other costs:** The decrease in the third quarter of fiscal year 2025, compared to the same period of fiscal year 2024, was due to decreased freight costs.
- **Depreciation and amortization:** Depreciation and amortization was \$2.2 million in the third quarter of fiscal year 2025, compared to \$1.8 million in the same period of fiscal year 2024.

Other operations expenses were \$1.1 million for the third quarter of fiscal year 2025, compared to \$1.3 million for the same period of fiscal year 2024.

Impairment of intangible asset was \$0.6 million for the third quarter of fiscal year 2024. There was no impairment of intangible asset for the third quarter of fiscal year 2025.

Selling, general and administrative costs and expenses were \$5.0 million for the third quarter of fiscal year 2025, compared to \$7.0 million for the same period of fiscal year 2024. The 29% decrease of \$2.0 million was primarily due to:

- \$2.2 million net decrease in salaries, benefits and incentive compensation;
- \$0.5 million net decrease in selling expenses; and
- \$0.7 million net increase in other general and administrative expenses.

#### ***Other (Expense) Income***

Total other (expense) income was \$(0.1) million for the third quarter of fiscal year 2025, compared to \$0.2 million for the same period of fiscal year 2024. The decrease of \$0.3 million was primarily due to:

- \$0.2 million decrease of equity in earnings of investments, net; and
- \$0.1 million increase of interest expense, net of patronage dividends.

#### ***Income Taxes***

We recorded an estimated income tax provision expense of \$0.2 million and \$3.0 million on pre-tax (loss) income of \$(0.7) million and \$9.2 million, for the third quarter of fiscal years 2025 and 2024, respectively. The tax provision recorded for the third quarter of fiscal year 2025 differs from the U.S. federal statutory tax rate of 21.0% primarily due to foreign jurisdictions that are taxed at different rates, state taxes, tax impact of stock-based compensation, executive compensation, nondeductible tax items and valuation allowances on certain deferred tax assets of foreign subsidiaries. Our projected annual effective blended tax rate for fiscal year 2025, excluding discrete items, is approximately 23.2%.

#### ***Net Loss Attributable to Noncontrolling Interest***

Net loss attributable to noncontrolling interest reflects 10% of PDA's net loss and 49% of Trapani Fresh's net loss for the third quarter of fiscal years 2025 and 2024, respectively.

## Nine Months Ended July 31, 2025 Compared to the Nine Months Ended July 31, 2024

### Revenues

Total net revenues were \$116.9 million for the nine months ended July 31, 2025, compared to \$147.6 million for the same period of fiscal year 2024. The 21% decrease of \$30.7 million was primarily due to decreased agribusiness revenues from lemons, avocados and farm management, partially offset by increased agribusiness revenues from oranges, as detailed below (\$ in thousands):

	Nine Months Ended July 31,		Change	
	2025	2024		
Lemons	\$ 89,751	\$ 110,727	\$ (20,976)	(19)%
Avocados	11,430	16,245	(4,815)	(30)%
Oranges	4,838	3,461	1,377	40%
Specialty citrus and wine grapes	1,792	2,475	(683)	(28)%
Farm management	1,622	7,296	(5,674)	(78)%
Other	2,943	3,241	(298)	(9)%
Agribusiness revenues	\$ 112,376	\$ 143,445	\$ (31,069)	(22)%

- Lemons: The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to lower prices and decreased volume of fresh and brokered lemons sold and other lemon sales. Fresh packed lemon sales were \$64.6 million and \$75.6 million, in aggregate, on 3,901,000 and 3,983,000 cartons of lemons sold at average per carton prices of \$16.57 and \$18.98, for the first nine months of fiscal years 2025 and 2024, respectively. Lemon revenues included brokered lemons and other lemon sales of \$8.5 million and \$16.5 million, lemon packing of \$15.3 million and \$15.8 million and lemon by-product sales of \$1.4 million and \$2.9 million, for the first nine months of fiscal years 2025 and 2024, respectively.
- Avocados: The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to decreased volume, partially offset by higher prices of avocados sold. The California avocado crop typically experiences alternating years of high and low production due to plant physiology. We sold 6,959,000 and 10,450,000 pounds of avocados at average per pound prices of \$1.64 and \$1.55, for the first nine months of fiscal years 2025 and 2024, respectively.
- Oranges: The increase for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to increased volume and higher prices of oranges sold. We sold 261,000 and 189,000 cartons of oranges at average per carton prices of \$18.50 and \$18.31, for the first nine months of fiscal years 2025 and 2024, respectively.
- Specialty citrus and wine grapes: The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to a decrease in wine grape revenues. Due to harvest timing, no wine grape revenue was recorded for the first nine months of fiscal year 2025, compared to \$0.6 million for the first nine months of fiscal year 2024.
- Farm management: Farm management revenue, comprised primarily of Northern Properties farming, management and operations services, decreased for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, primarily due to the FMA termination effective March 31, 2025.
- Other: Other revenue, comprised primarily of fallowing and shipping, decreased for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, primarily due to decreased shipping revenue.

Other operations revenue was \$4.5 million for the first nine months of fiscal year 2025, compared to \$4.2 million for the same period of fiscal year 2024. The 7% increase of \$0.3 million was primarily due to increased rental operations revenue.

## Costs and Expenses

Total costs and expenses were \$126.2 million for the first nine months of fiscal year 2025, compared to \$151.1 million for the same period of fiscal year 2024. The 16% decrease of \$24.9 million was primarily due to decreases in agribusiness costs and expenses, decreases in selling, general and administrative expenses and gains on sales of water rights. Agribusiness costs and expenses are detailed below (\$ in thousands):

	<b>Nine Months Ended July 31,</b>		<b>Change</b>	
	<b>2025</b>	<b>2024</b>		
Packing costs	\$ 35,441	\$ 35,450	\$ (9)	—%
Harvest costs	7,088	9,141	(2,053)	(22)%
Growing costs	11,684	19,304	(7,620)	(39)%
Third-party grower and supplier costs	45,460	53,522	(8,062)	(15)%
Other costs	1,698	2,239	(541)	(24)%
Depreciation and amortization	5,882	5,331	551	10%
<b>Agribusiness costs and expenses</b>	<b>\$ 107,253</b>	<b>\$ 124,987</b>	<b>\$ (17,734)</b>	<b>(14)%</b>

- **Packing costs:** Packing costs consist primarily of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, subcontracted costs and facility operating costs. We packed and sold 3,901,000 and 3,983,000 cartons of lemons at average per carton costs of \$9.09 and \$8.90, for the first nine months of fiscal years 2025 and 2024, respectively. The increase in per carton packing costs was primarily due to higher labor costs.
- **Harvest costs:** The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to decreased volume of lemons and avocados harvested.
- **Growing costs:** Growing costs, also referred to as cultural costs, consist of orchard maintenance costs such as cultivation, fertilization and soil amendments, pest control, pruning and irrigation. The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to the decrease in farm management growing costs related to the FMA termination and farm management decisions made in response to weather, harvest timing and crop conditions.
- **Third-party grower and supplier costs:** We sell fruit that we grow and fruit that we procure from other growers and suppliers. The cost of procuring fruit from other growers and suppliers is referred to as third-party grower and supplier costs. The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was primarily due to lower prices of third-party grower fruit sold and decreased costs of brokered fruit. We incurred costs for third-party grower fruit of \$33.3 million and \$37.6 million, for the first nine months of fiscal years 2025 and 2024, respectively. Of the 3,901,000 and 3,983,000 cartons of lemons packed and sold, 3,215,000 (82%) and 2,921,000 (73%) were procured from third-party growers at average per carton prices of \$10.36 and \$12.89, for the first nine months of fiscal years 2025 and 2024, respectively. Additionally, we incurred \$12.2 million and \$15.9 million of costs for brokered fruit, for the first nine months of fiscal years 2025 and 2024, respectively.
- **Other costs:** The decrease for the first nine months of fiscal year 2025, compared to the same period of fiscal year 2024, was due to decreased freight costs.
- **Depreciation and amortization:** Depreciation and amortization was \$5.9 million for the first nine months of fiscal year 2025, compared to \$5.3 million in the same period of fiscal year 2024.

Other operations expenses were \$3.3 million for the first nine months of fiscal year 2025, compared to \$3.9 million for the same period of fiscal year 2024. The 15% decrease of \$0.6 million was primarily due to severance benefits in fiscal year 2024.

Impairment of intangible asset was \$0.6 million for the first nine months of fiscal year 2024. There was no impairment of intangible asset for the first nine months of fiscal year 2025.

Gain on sales of water rights was \$1.5 million for the first nine months of fiscal year 2025. There were no sales of water rights for the same period of fiscal year 2024.

Selling, general and administrative costs and expenses were \$17.2 million for the first nine months of fiscal year 2025, compared to \$21.7 million for the same period of fiscal year 2024. The 21% decrease of \$4.5 million was primarily due to:

- \$4.9 million net decrease in salaries, benefits and incentive compensation;
- \$0.3 million net decrease in selling expenses; and
- \$0.7 million net increase in other general and administrative expenses.

#### ***Other Income***

Total other income was immaterial for the first nine months of fiscal year 2025, compared to \$16.6 million for the same period of fiscal year 2024. The decrease of \$16.6 million was primarily due to:

- \$16.3 million decrease of equity in earnings of investments, net, primarily due to LLCB's closing of 554 residential homesites in the first nine months of fiscal year 2024;
- \$0.2 million decrease of other income, net; and
- \$0.1 million increase of interest expense, net of patronage dividends.

#### ***Income Taxes***

We recorded an estimated income tax benefit (provision) of \$1.9 million and \$(4.1) million on pre-tax (loss) income of \$(9.3) million and \$13.1 million, for the first nine months of fiscal years 2025 and 2024, respectively. The tax benefit recorded for the first nine months of fiscal year 2025 differs from the U.S. federal statutory tax rate of 21.0% primarily due to foreign jurisdictions that are taxed at different rates, state taxes, tax impact of stock-based compensation, executive compensation, nondeductible tax items and valuation allowances on certain deferred tax assets of foreign subsidiaries. Our projected annual effective blended tax rate for fiscal year 2025, excluding discrete items, is approximately 23.2%.

#### ***Net Loss Attributable to Noncontrolling Interest***

Net loss attributable to noncontrolling interest reflects 10% of PDA's net income/loss and 49% of Trapani Fresh's net loss for the first nine months of fiscal years 2025 and 2024, respectively.

#### ***Segment Results of Operations***

We operate in four reportable operating segments: fresh lemons, lemon packing, avocados and other agribusiness. Our reportable operating segments are strategic business units with different products and services, distribution processes and customer bases. We evaluate the performance of our operating segments separately to monitor the different factors affecting financial results. Each segment is subject to review and evaluations related to current market conditions, market opportunities and available resources. See Note 17 - Segment Information for additional information regarding our operating segments.

### Three Months Ended July 31, 2025 Compared to the Three Months Ended July 31, 2024

The following table shows the segment results of operations for the three months ended July 31, 2025 (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 28,123	\$ 6,063	\$ —	\$ 8,488	\$ 3,268	\$ 45,942	\$ 1,536	\$ 47,478
Intersegment revenues	—	8,493	(8,493)	—	—	—	—	—
Total net revenues	28,123	14,556	(8,493)	8,488	3,268	45,942	1,536	47,478
Costs and expenses	29,298	12,724	(8,493)	3,733	2,546	39,808	5,818	45,626
Depreciation and amortization	—	—	—	—	—	2,242	240	2,482
Operating (loss) income	\$ (1,175)	\$ 1,832	\$ —	\$ 4,755	\$ 722	\$ 3,892	\$ (4,522)	\$ (630)

The following table shows the segment results of operations for the three months ended July 31, 2024 (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 36,746	\$ 5,200	\$ —	\$ 13,897	\$ 6,006	\$ 61,849	\$ 1,456	\$ 63,305
Intersegment revenues	—	10,499	(10,499)	—	—	—	—	—
Total net revenues	36,746	15,699	(10,499)	13,897	6,006	61,849	1,456	63,305
Costs and expenses	32,977	11,144	(10,499)	4,104	5,912	43,638	8,559	52,197
Depreciation and amortization	—	—	—	—	—	1,799	316	2,115
Operating income (loss)	\$ 3,769	\$ 4,555	\$ —	\$ 9,793	\$ 94	\$ 16,412	\$ (7,419)	\$ 8,993

The following analysis should be read in conjunction with the previous section "Results of Operations."

#### Fresh Lemons

Fresh lemons segment revenue is comprised of sales of fresh lemons, lemon by-products, brokered lemons and other lemon revenue. Our fresh lemons segment total net revenues were \$28.1 million for the third quarter of fiscal year 2025, compared to \$36.7 million for the same period of fiscal year 2024. The 23% decrease of \$8.6 million was primarily due to:

- Brokered lemons and other lemon sales decrease of \$5.9 million;
- Fresh packed lemon sales decrease of \$2.0 million; and
- Lemon by-products sales decrease of \$0.7 million.

Costs and expenses associated with our fresh lemons segment include growing costs, harvest costs and cost of lemons we procure from third-party growers and suppliers. Our fresh lemons segment costs and expenses were \$29.3 million for the third quarter of fiscal year 2025, compared to \$33.0 million for the same period of fiscal year 2024. The 11% decrease of \$3.7 million was primarily due to:

- Third-party grower and supplier costs decrease of \$1.4 million;
- Intersegment costs and expenses decrease of \$2.0 million;
- Growing costs decrease of \$0.6 million; and
- Harvest costs increase of \$0.3 million.

#### Lemon Packing

Lemon packing segment revenue is comprised of packing revenue and intersegment packing revenue. Our lemon packing segment total net revenues were \$14.6 million for the third quarter of fiscal year 2025, compared to \$15.7 million for the same period of fiscal year 2024. The 7% decrease of \$1.1 million was due to intersegment packing revenue.

Costs and expenses associated with our lemon packing segment consist of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, subcontracted costs and facility operating costs. Our lemon packing costs and expenses were \$12.7 million for the third quarter of fiscal year 2025, compared to \$11.1 million for the same period of fiscal year 2024. The 14% increase of \$1.6 million was primarily due to increased labor costs.

Lemon packing segment operating income per carton sold was \$1.31 for the third quarter of fiscal year 2025, compared to \$3.25 for the same period of fiscal year 2024.

The lemon packing segment included \$8.5 million of intersegment revenues for the third quarter of fiscal year 2025, compared to \$10.5 million for the same period of fiscal year 2024, that were charged to the fresh lemons segment to pack lemons for sale. Such intersegment revenues and expenses are eliminated in our consolidated financial statements.

#### ***Avocados***

Our avocados segment had revenues of \$8.5 million for the third quarter of fiscal year 2025, compared to \$13.9 million for the same period of fiscal year 2024.

Costs and expenses associated with our avocados segment include growing and harvest costs. Our avocados segment costs and expenses were \$3.7 million for the third quarter of fiscal year 2025, compared to \$4.1 million for the same period of fiscal year 2024. The decrease of \$0.4 million was primarily due to:

- Harvest costs decrease of \$0.7 million; and
- Growing costs increase of \$0.3 million.

#### ***Other Agribusiness***

Our other agribusiness segment total net revenues were \$3.3 million for the third quarter of fiscal year 2025, compared to \$6.0 million for the same period of fiscal year 2024. The 46% decrease of \$2.7 million was primarily due to:

- Farm management revenues decrease of \$3.1 million;
- Other revenues decrease of \$0.2 million;
- Orange revenues increase of \$0.5 million; and
- Specialty citrus revenues increase of \$0.1 million.

Costs and expenses associated with our other agribusiness segment include growing costs, harvest costs, brokered fruit costs and shipping costs. Our other agribusiness costs and expenses were \$2.5 million for the third quarter of fiscal year 2025, compared to \$5.9 million for the same period of fiscal year 2024. The 57% decrease of \$3.4 million was primarily due to:

- Growing costs decrease of \$3.4 million;
- Shipping costs decrease of \$0.2 million; and
- Brokered fruit costs increase of \$0.2 million.

Total agribusiness depreciation and amortization expenses were \$2.2 million for the third quarter of fiscal year 2025, compared to \$1.8 million for the same period of fiscal year 2024.

#### ***Corporate and Other***

Our corporate and other operations revenues were \$1.5 million for the third quarter of fiscal years 2025 and 2024.

Costs and expenses in our corporate and other operations primarily includes selling, general and administrative costs and expenses, impairment of intangible asset and disposal of assets, net, not allocated to the operating segments. Costs and expenses in our corporate and other operations were \$5.8 million for the third quarter of fiscal year 2025, compared to \$8.6 million for the same period of fiscal year 2024. Depreciation and amortization expenses in our corporate and other operations were \$0.2 million for the third quarter of fiscal year 2025, compared to \$0.3 million for the same period of fiscal year 2024.

## Nine Months Ended July 31, 2025 Compared to the Nine Months Ended July 31, 2024

The following table shows the segment results of operations for the nine months ended July 31, 2025 (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 74,491	\$ 15,260	\$ —	\$ 11,430	\$ 11,195	\$ 112,376	\$ 4,526	\$ 116,902
Intersegment revenues	—	24,959	(24,959)	—	—	—	—	—
Total net revenues	74,491	40,219	(24,959)	11,430	11,195	112,376	4,526	116,902
Costs and expenses	76,006	35,441	(24,959)	5,393	9,490	101,371	18,245	119,616
Depreciation and amortization	—	—	—	—	—	5,882	725	6,607
Operating (loss) income	\$ (1,515)	\$ 4,778	\$ —	\$ 6,037	\$ 1,705	\$ 5,123	\$ (14,444)	\$ (9,321)

The following table shows the segment results of operations for the nine months ended July 31, 2024 (in thousands):

	Fresh Lemons	Lemon Packing	Eliminations	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 94,971	\$ 15,756	\$ —	\$ 16,245	\$ 16,473	\$ 143,445	\$ 4,197	\$ 147,642
Intersegment revenues	—	28,129	(28,129)	—	—	—	—	—
Total net revenues	94,971	43,885	(28,129)	16,245	16,473	143,445	4,197	147,642
Costs and expenses	90,687	35,450	(28,129)	5,529	16,119	119,656	25,140	144,796
Depreciation and amortization	—	—	—	—	—	5,331	942	6,273
Operating (loss) income	\$ 4,284	\$ 8,435	\$ —	\$ 10,716	\$ 354	\$ 18,458	\$ (21,885)	\$ (3,427)

The following analysis should be read in conjunction with the previous section "Results of Operations."

### Fresh Lemons

Fresh lemons segment revenue is comprised of sales of fresh lemons, lemon by-products, brokered lemons and other lemon revenue. Our fresh lemons segment total net revenues were \$74.5 million for the first nine months of fiscal year 2025, compared to \$95.0 million for the same period of fiscal year 2024. The 22% decrease of \$20.5 million was primarily due to:

- Fresh packed lemon sales decrease of \$11.0 million;
- Brokered lemons and other lemon sales decrease of \$8.1 million; and
- Lemon by-products sales decrease of \$1.4 million.

Costs and expenses associated with our fresh lemons segment include growing costs, harvest costs and cost of lemons we procure from third-party growers and suppliers. Our fresh lemons segment costs and expenses were \$76.0 million for the first nine months of fiscal year 2025, compared to \$90.7 million for the same period of fiscal year 2024. The 16% decrease of \$14.7 million was primarily due to:

- Third-party grower and supplier costs decrease of \$8.8 million;
- Intersegment costs and expenses decrease of \$3.2 million;
- Growing costs decrease of \$1.6 million; and
- Harvest costs decrease of \$1.1 million.

### Lemon Packing

Lemon packing segment revenue is comprised of packing revenue and intersegment packing revenue. Our lemon packing segment total net revenues were \$40.2 million for the first nine months of fiscal year 2025, compared to \$43.9 million for the same period of fiscal year 2024. The 8% decrease of \$3.7 million was due to intersegment packing revenue.

Costs and expenses associated with our lemon packing segment consist of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, subcontracted and facility operating costs. Our lemon packing costs and expenses were \$35.4 million for the first nine months of fiscal year 2025, compared to \$35.5 million for the same period of fiscal year 2024.

Lemon packing segment operating income per carton sold was \$1.23 for the first nine months of fiscal year 2025, compared to \$2.12 for the same period of fiscal year 2024.

The lemon packing segment included \$25.0 million of intersegment revenue for the first nine months of fiscal year 2025, compared to \$28.1 million for the same period of fiscal year 2024, that were charged to the fresh lemons segment to pack lemons for sale. Such intersegment revenues and expenses are eliminated in our consolidated financial statements.

### ***Avocados***

Our avocados segment revenues were \$11.4 million for the first nine months of fiscal year 2025, compared to \$16.2 million for the same period of fiscal year 2024.

Costs and expenses associated with our avocados segment include growing and harvest costs. Our avocados segment costs and expenses were \$5.4 million for the first nine months of fiscal year 2025, compared to \$5.5 million for the same period of fiscal year 2024. The 2% decrease of \$0.1 million was primarily due to:

- Harvest costs decrease of \$0.8 million; and
- Growing costs increase of \$0.7 million.

### ***Other Agribusiness***

Our other agribusiness segment total net revenues were \$11.2 million for the first nine months of fiscal year 2025, compared to \$16.5 million for the same period of fiscal year 2024. The 32% decrease of \$5.3 million was primarily due to:

- Farm management revenues decrease of \$5.7 million;
- Specialty citrus and wine grape revenues decrease of \$0.7 million;
- Other revenues decrease of \$0.3 million; and
- Orange revenues increase of \$1.4 million.

Costs and expenses associated with our other agribusiness segment include growing costs, harvest costs, brokered fruit costs and shipping costs. Our other agribusiness costs and expenses were \$9.5 million for the first nine months of fiscal year 2025, compared to \$16.1 million for the same period of fiscal year 2024. The 41% decrease of \$6.6 million was primarily due to:

- Growing costs decrease of \$6.6 million;
- Shipping costs decrease of \$0.5 million;
- Harvest costs decrease of \$0.2 million; and
- Brokered fruit costs increase of \$0.7 million.

Total agribusiness depreciation and amortization expenses were \$5.9 million for the first nine months of fiscal year 2025, compared to \$5.3 million for the same period of fiscal year 2024.

### ***Corporate and Other***

Our corporate and other operations revenues were \$4.5 million for the first nine months of fiscal year 2025, compared to \$4.2 million for the same period of fiscal year 2024.

Costs and expenses in our corporate and other operations primarily includes selling, general and administrative costs and expenses, impairment of intangible asset, sales of water rights and disposal of assets, net, none of which are allocated to the operating segments. Costs and expenses in our corporate and other operations were \$18.2 million for the first nine months of fiscal year 2025, compared to \$25.1 million for the same period of fiscal year 2024. Depreciation and amortization expenses in our corporate and other operations were \$0.7 million for the first nine months of fiscal year 2025, compared to \$0.9 million for the same period of fiscal year 2024.

### ***Seasonal Operations***

Historically, our agribusiness operations have been seasonal in nature with quarterly revenue fluctuating depending on the timing and the variety of crops being harvested. Cultural costs in our agribusiness tend to be higher for the first and second quarters and lower for the third and fourth quarters because of the timing of expensing cultural costs for the current year that were inventoried for the prior year. Our harvest costs generally increase for the second quarter and peak for the third quarter coinciding with the increase in production and revenue. Due to this seasonality and to avoid the inference that interim results are indicative of the estimated results for a full fiscal year, we present supplemental information for 12-month periods ended at the interim date for the current and preceding years.

## Results of Operations for the Trailing Twelve Months Ended July 31, 2025 and 2024

The following table shows the unaudited results of operations (in thousands):

	Trailing Twelve Months Ended July 31,	
	2025	2024
Net revenues:		
Agribusiness	\$ 154,854	\$ 183,530
Other operations	5,909	5,544
Total net revenues	160,763	189,074
Costs and expenses:		
Agribusiness	147,073	167,881
Other operations	4,679	5,192
Impairment of intangible asset	—	643
Gain on sales of water rights	(1,488)	—
(Gain) loss on disposal of assets	(351)	221
Selling, general and administrative	22,922	28,255
Total costs and expenses	172,835	202,192
Operating loss	(12,072)	(13,118)
Other income (expense):		
Interest income	105	179
Interest expense, net of patronage dividends	(1,028)	(908)
Equity in earnings of investments, net	2,107	21,924
Other income, net	14	240
Total other income	1,198	21,435
(Loss) income before income tax benefit (provision)	(10,874)	8,317
Income tax benefit (provision)	1,602	(2,761)
Net (loss) income	(9,272)	5,556
Loss attributable to noncontrolling interest	123	563
Net (loss) income attributable to Limoneira Company	<u>\$ (9,149)</u>	<u>\$ 6,119</u>

The following analysis should be read in conjunction with the previous section "Results of Operations."

- Total revenues decreased \$28.3 million, primarily due to decreased lemon, specialty citrus and wine grapes, and farm management revenue, partially offset by increased avocado revenue.
- Total costs and expenses decreased \$29.4 million, primarily due to decreased agribusiness costs and selling, general and administrative expenses.
- Total other income decreased \$20.2 million, primarily due to decreased equity in earnings of investments, net related to LLCB.
- Income tax benefit increased \$4.4 million due to increased pre-tax loss of \$19.2 million and the effects of estimated interim tax provisions.

## Liquidity and Capital Resources

### Overview

Our primary sources of liquidity are cash and cash flows generated from our operations, use of our revolving credit facility, sales of assets and distributions from our equity investments. Our liquidity and capital position fluctuates during the year depending on seasonal production cycles, weather events and demand for our products. Typically, our first and last fiscal quarters coincide with the fall and winter months during which we are growing crops that are harvested and sold in the spring and summer, which are our second and third quarters. To meet working capital demand and investment requirements of our agribusiness and real estate development projects and to supplement operating cash flows, we utilize our revolving credit facility to fund agricultural inputs and farm management practices until sufficient returns from crops allow us to repay amounts borrowed. Raw materials needed to propagate the various crops grown by us consist primarily of fertilizer, herbicides, insecticides, fuel and water, all of which are readily available from local sources.

Material contractual obligations arising in the normal course of business consist primarily of purchase obligations, long-term variable rate debt and related interest payments and operating and finance leases. See Note 10 - Long-Term Debt and Note 11 - Leases for amounts outstanding as of July 31, 2025 related to debt and leases. Purchase obligations consist of contracts primarily related to packing supplies, the majority of which are due in the next three years.

We believe that the cash flows from operations and available borrowing capacity from our existing credit facilities will be sufficient to satisfy our capital expenditures, debt service, working capital needs and other contractual obligations for the next 12 months. We believe our revenue generating operations, distributions from equity investments and credit facilities will generate sufficient cash needed to operate beyond the next 12 months. In addition, we have the ability to control a portion of our investing cash flows to the extent necessary based on our liquidity demands.

### Cash Flows from Operating Activities

Net cash (used in) provided by operating activities was \$(7.0) million and \$11.3 million for the nine months ended July 31, 2025 and 2024, respectively. The significant components of our cash flows (used in) provided by operating activities were as follows:

- Net (loss) income was \$(7.4) million and \$9.1 million for the nine months ended July 31, 2025 and 2024, respectively. The components of net loss for the nine months ended July 31, 2025, compared to net income for the same period of fiscal year 2024, consists of a decrease in total other income of \$16.5 million, primarily related to LLCB equity earnings, an increase in operating loss of \$5.9 million and an increase in income tax benefit of \$6.0 million.
- Adjustments to reconcile net (loss) income to net cash (used in) provided by operating activities:
  - Adjustments were \$16.1 million and \$13.2 million for the nine months ended July 31, 2025 and 2024, respectively, primarily related to gain on sales of water rights, stock compensation expense, equity in earnings of investments, net, cash distributions from equity investments and deferred income taxes.
  - Changes in operating assets and liabilities used \$15.7 million and \$11.1 million of operating cash for the nine months ended July 31, 2025 and 2024, respectively, primarily related to accounts receivables and receivables/other from related parties, prepaid and other current assets, accounts payable and growers and suppliers payable, accrued liabilities and payables to related parties and other long-term liabilities.

### Cash Flows from Investing Activities

Net cash used in investing activities was \$9.9 million and \$6.7 million for the nine months ended July 31, 2025 and 2024, respectively.

- The \$9.9 million of cash used in investing activities for the nine months ended July 31, 2025 was comprised primarily of capital expenditures of \$9.6 million, mainly related to orchard and vineyard development, and equity investment contributions and capitalized interest of \$2.3 million, partially offset by proceeds from sales of water rights of \$1.7 million.
- The \$6.7 million of cash used in investing activities for the nine months ended July 31, 2024 was comprised primarily of capital expenditures of \$6.7 million, related to orchard and vineyard development.

### ***Cash Flows from Financing Activities***

Net cash provided by (used in) financing activities was \$15.9 million and \$(7.1) million for the nine months ended July 31, 2025 and 2024, respectively.

- The \$15.9 million of cash provided by financing activities for the nine months ended July 31, 2025 was comprised primarily of net borrowings of long-term debt of \$22.8 million, partially offset by common and preferred dividends of \$4.4 million and the exchange of common stock of \$1.6 million.
- The \$7.1 million of cash used in financing activities for the nine months ended July 31, 2024 was comprised primarily of common and preferred dividends of \$4.4 million and the exchange of common stock of \$1.8 million.

### ***Transactions Affecting Liquidity and Capital Resources***

#### ***Credit Facilities and Long-Term Debt***

We finance our working capital and other liquidity requirements primarily through cash from operations, distributions from equity investments and from our Lender, which includes the MLA and Supplements with principal repayment due July 1, 2030. The MLA governs the terms of the Supplements. Additional information regarding these loans can be found in Note 10 - Long-Term Debt.

The Supplements provide aggregate borrowing capacity of \$115.0 million, comprised of \$114.0 million under the Revolving Credit Supplement and \$1.0 million under the Non-Revolving Credit Supplement which can be used solely to support calls on Letters of Credit. As of July 31, 2025, our outstanding borrowings under the Revolving Credit Supplement were \$63.3 million and we had \$50.7 million of availability.

The MLA subjects us to affirmative and restrictive covenants including, among other customary covenants, financial reporting requirements, requirements to maintain and repair any collateral, restrictions on the sale of assets, restrictions on the use of proceeds, prohibitions on the incurrence of additional debt and restrictions on the purchase or sale of major assets of our business. We are subject to an annual financial covenant that requires us to maintain compliance with a specific debt service coverage ratio of 1.0:1.0 for the fiscal year ending October 31, 2025, and 1.25:1.0 for any fiscal year ending thereafter. In September 2025, the Lender modified the debt service coverage ratio covenant to defer measurement as of October 31, 2025 and resume a debt service coverage ratio of 1.25:1.0 measured as of October 31, 2026. We are also subject to a quarterly financial covenant that requires us to maintain compliance with a specific total net leverage ratio as of the end of any fiscal quarter beginning July 31, 2026, with a ratio of no more than 6.0:1.0 for the fiscal quarter ending July 31, 2026, 5.0:1.0 for the fiscal quarter ending October 31, 2026 and 4.5:1.0 for any fiscal quarter ending thereafter. We were in compliance with the covenants as of October 31, 2024.

In fiscal years 2025 and 2024, the Lender declared an annual cash patronage dividend and we received \$0.6 million in the nine months ended July 31, 2025 and 2024.

#### ***Real Estate Development Joint Venture***

On April 9, 2025, we received a cash distribution of \$10.0 million representing our share of a \$20.0 million distribution from our joint venture, Harvest at Limoneira. As of July 31, 2025, the 50%-owned unconsolidated joint venture had \$36.4 million of cash and cash equivalents on hand.

#### ***Dividends***

The holders of our Series B Convertible Preferred Stock and Series B-2 Preferred Stock are entitled to receive cumulative cash dividends. Such preferred dividends paid were \$0.4 million for the nine months ended July 31, 2025 and 2024.

Cash dividends declared for the nine months ended July 31, 2025 and 2024 were \$0.225 per common share. Such dividends paid were \$4.1 million for the nine months ended July 31, 2025 and 2024.

## **Critical Accounting Estimates**

The preparation of our consolidated financial statements in accordance with GAAP requires us to develop critical accounting policies and make certain estimates, assumptions and judgments that may affect the reported amounts of assets, liabilities, revenues and expenses. We base our estimates and judgments on historical experience, available relevant data and other information that we believe to be reasonable under the circumstances, and we continue to review and evaluate these estimates. Actual results may materially differ from these estimates under different assumptions or conditions as new or additional information becomes available in future periods. As of July 31, 2025, our critical accounting policies and estimates have not changed since the filing of our Annual Report on Form 10-K for the fiscal year ended October 31, 2024, as filed with the SEC on December 23, 2024. Please refer to that filing for a description of our critical accounting policies and estimates.

## **Recent Accounting Pronouncements**

See Note 2 - Summary of Significant Accounting Policies of the notes to consolidated financial statements included in this Quarterly Report for information concerning recent accounting pronouncements.

### ***Item 3. Quantitative and Qualitative Disclosures about Market Risk***

There have been no material changes in the disclosures discussed in the section entitled “Quantitative and Qualitative Disclosures about Market Risk” in Part II, Item 7A of our Annual Report on Form 10-K for the fiscal year ended October 31, 2024, as filed with the SEC on December 23, 2024.

### ***Item 4. Controls and Procedures***

***Disclosure Controls and Procedures.*** As of July 31, 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our “disclosure controls and procedures,” as such term is defined in Rule 13a-15(e) promulgated under the Exchange Act. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this Quarterly Report.

***Changes in Internal Control over Financial Reporting.*** There have been no significant changes in our internal control over financial reporting during the quarter ended July 31, 2025, or, to our knowledge, in other factors that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

***Limitations on the Effectiveness of Controls.*** Control systems, no matter how well conceived and operated, are designed to provide a reasonable, but not an absolute, level of assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

## **PART II. OTHER INFORMATION**

### ***Item 1. Legal Proceedings***

From time to time, we are a party to various lawsuits, arbitrations or mediations that arise in the ordinary course of business. The disclosure called for by Part II, Item 1 regarding our legal proceedings is incorporated by reference herein from Part I, Item 1 Note 15 - Commitments and Contingencies of the Notes to the Consolidated Financial Statements in this Quarterly Report.

### ***Item 1A. Risk Factors***

Except as set forth below, there have been no material changes in the disclosures discussed in the section entitled "Risk Factors" in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended October 31, 2024, as filed with the SEC on December 23, 2024.

***Restrictive covenants in our debt instruments restrict or prohibit our ability to engage in or enter into a variety of transactions, which limit our financial and operating flexibility and subject us to other risks.***

Our revolving and non-revolving credit and term loan facilities contain various restrictive covenants that limit our ability to take certain actions. In particular, these agreements limit our ability to, among other things:

- incur additional indebtedness;
- make certain investments or acquisitions;
- create certain liens on our assets;
- engage in certain types of transactions with affiliates;
- merge, consolidate or transfer substantially all our assets; and
- transfer and sell assets.

Our revolving and non-revolving credit facility with the Lender contains a financial covenant that requires us to maintain compliance with a specific debt service coverage ratio on an annual basis. At October 31, 2024 we were in compliance with the debt service coverage ratio of 1.25:1.0. In September 2025, the Lender modified the debt service coverage ratio covenant to defer measurement as of October 31, 2025 and resume a debt service coverage ratio of 1.25:1.0 measured as of October 31, 2026. We are also subject to a quarterly financial covenant that requires us to maintain compliance with a specific total net leverage ratio as of the end of any fiscal quarter beginning July 31, 2026. Our failure to comply with these covenants in the future, or to obtain modifications, waivers or deferrals of such covenants, may result in the declaration of an event of default under our credit facilities.

Any or all of these covenants could have a material adverse effect on our business by limiting our ability to take advantage of financing, merger and acquisition or other corporate opportunities and to fund our operations. Any future debt could also contain financial and other covenants more restrictive than those imposed under our line of credit and term loan facilities. A breach of a covenant or other provision in any credit facility governing our current and future indebtedness could result in a default under that facility and, due to cross-default and cross-acceleration provisions, could result in a default under our other credit facilities. Upon the occurrence of an event of default under any of our credit facilities, the applicable lender(s) could elect to declare all amounts outstanding to be immediately due and payable and, with respect to our revolving credit facility, terminate all commitments to extend further credit. If we were unable to repay those amounts, our lenders could proceed against the collateral granted to them to secure the indebtedness. If the lenders under our current or future indebtedness were to accelerate the payment of the indebtedness, we cannot assure you that our assets or cash flow would be sufficient to repay in full our outstanding indebtedness.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

During the third quarter of fiscal year 2025, we purchased shares of common stock as follows:

<b>Period</b>	<b>Total Number of Shares Purchased</b>	<b>Weighted Average Price Paid per Share</b>	<b>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(2)</sup></b>	<b>Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(2)</sup></b>
May 1, 2025 - May 31, 2025	—	\$ —	—	—
June 1, 2025 - June 30, 2025	20,735	\$ 15.08	—	—
July 1, 2025 - July 31, 2025	—	\$ —	—	—
Total	20,735		—	—

<sup>(1)</sup> Shares were acquired from employees in accordance with our stock-based compensation plan as a result of share withholdings to pay income tax related to the vesting and distribution of restricted stock awards.

<sup>(2)</sup> In March 2025, our Company's Board of Directors approved a share repurchase program authorizing us to repurchase up to \$30.0 million of our outstanding shares of common stock. The share repurchase program may be modified, suspended or discontinued at any time and does not commit the Company to repurchase shares of the common stock. No shares were repurchased under this program as of July 31, 2025.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

None.

**Item 6. Exhibits**

<b>Exhibit Number</b>	<b>Exhibit</b>
3.1	<a href="#"><u>Restated Certificate of Incorporation of Limoneira Company, dated July 5, 1990 (Incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
3.2	<a href="#"><u>Certificate of Amendment of Certificate of Incorporation of Limoneira Company, dated April 22, 2003 (Incorporated by reference to Exhibit 3.7 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
3.3	<a href="#"><u>Certificate of Amendment of Certificate of Incorporation of Limoneira Company, dated March 24, 2010 (Incorporated by reference to Exhibit 3.9 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
3.4	<a href="#"><u>Certificate of Amendment of Certificate of Incorporation of Limoneira Company, dated March 29, 2017 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed March 31, 2017 (File No. 001-34755)).</u></a>
3.5	<a href="#"><u>Certificate of Amendment of Certificate of Incorporation of Limoneira Company, dated March 26, 2024 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed March 28, 2024 (File No. 001-34755)).</u></a>
3.6	<a href="#"><u>Amended and Restated Bylaws of Limoneira Company, dated December 15, 2023 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed December 18, 2023 (File No. 001-34755)).</u></a>
4.1	<a href="#"><u>Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock, \$.01 Par Value, of Limoneira Company, dated November 21, 2006 (Incorporated by reference to Exhibit 3.8 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
4.2	<a href="#"><u>Certificate of Designation, Preferences and Rights of \$8.75 Voting Preferred Stock, \$100.00 Par Value, Series B of Limoneira Company, dated May 21, 1997 (Incorporated by reference to Exhibit 3.4 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
4.3	<a href="#"><u>Amended Certificate of Designation, Preferences and Rights of \$8.75 Voting Preferred Stock, \$100.00 Par Value, Series B of Limoneira Company, dated May 21, 1997 (Incorporated by reference to Exhibit 3.5 to the Company's Registration Statement on Form 10, and amendments thereto, declared effective April 13, 2010 (File No. 000-53885)).</u></a>
4.4	<a href="#"><u>Certificate of Designation, Preferences and Rights of 4% Voting Preferred Stock, \$100.00 Par Value, Series B-2 of Limoneira Company, dated March 20, 2014 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, filed March 24, 2014 (File No. 001-34755)).</u></a>
4.5	<a href="#"><u>Description of Securities (Incorporated by reference to Exhibit 4.7 of the Company's Annual Report on Form 10-K, filed on December 22, 2022 (file No. 001-34755)).</u></a>
10.1	<a href="#"><u>Packinghouse License Agreement, by and between Limoneira Company and Sunkist Growers, Inc., dated June 6, 2025 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed June 9, 2025 (File No. 001-34755)).</u></a>
10.2	<a href="#"><u>Master Loan Agreement, between Limoneira Company and AgWest Farm Credit, PCA, dated June 26, 2025 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed July 2, 2025 (File No. 001-34755)).</u></a>
10.3	<a href="#"><u>Promissory Note and Revolving Credit Facility Supplement to Master Loan Agreement, between Limoneira Company and AgWest Farm Credit, PCA, dated June 26, 2025 (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed July 2, 2025 (File No. 001-34755)).</u></a>
10.4	<a href="#"><u>Promissory Note and Non-Revolving Credit Facility Supplement to Master Loan Agreement, between Limoneira Company and AgWest Farm Credit, PCA, dated June 26, 2025 (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed July 2, 2025 (File No. 001-34755)).</u></a>

<b>Exhibit Number</b>	<b>Exhibit</b>
31.1*	<a href="#"><u>Certification of the Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)</u></a>
31.2*	<a href="#"><u>Certification of the Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)</u></a>
32.1*	<a href="#"><u>Certification of the Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>
32.2*	<a href="#"><u>Certification of the Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>
101*	The following information from the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 2025 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Consolidated Balance Sheets (Unaudited), (ii) the Consolidated Statements of Operations (Unaudited), (iii) the Consolidated Statements of Comprehensive (Loss) Income (Unaudited), (iv) the Consolidated Statements of Stockholders' Equity and Temporary Equity (Unaudited), (v) the Consolidated Statements of Cash Flows (Unaudited), and (vi) the Notes to Consolidated Financial Statements (Unaudited)
104	The cover page for the Company's Quarterly Report on Form 10-Q for the quarter ended July 31, 2025 has been formatted in Inline XBRL

\* Filed or furnished herewith. In accordance with Item 601(b)(32)(ii) of Regulation S-K and SEC Release Nos. 33-8238 and 34-47986, Final Rule: Management's Report on Internal Control Over Financial Reporting and Certification of Disclosure in Exchange Act Periodic Reports, the certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Exchange Act. Such certifications will not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

# LIMONEIRA COMPANY

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

LIMONEIRA COMPANY

September 9, 2025

By: /s/ HAROLD S. EDWARDS

Harold S. Edwards  
Director, President and Chief Executive Officer  
(Principal Executive Officer)

September 9, 2025

By: /s/ MARK PALAMOUNTAIN

Mark Palamountain  
Executive Vice President, Chief Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)

**Certification of the Principal Executive Officer  
Pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)**

I, Harold S. Edwards, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Limoneira Company (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

September 9, 2025

/s/ Harold S. Edwards

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**Harold S. Edwards,  
Director, President and Chief Executive Officer  
(Principal Executive Officer)**

**Certification of the Principal Financial Officer  
Pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)**

I, Mark Palamountain, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Limoneira Company (the “Registrant”);
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this report;
4. The Registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Registrant and have:
  - (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) evaluated the effectiveness of the Registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) disclosed in this report any change in the Registrant’s internal control over financial reporting that occurred during the Registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Registrant’s internal control over financial reporting; and
5. The Registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Registrant’s auditors and the audit committee of the Registrant’s board of directors (or persons performing the equivalent functions):
  - (a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Registrant’s ability to record, process, summarize and report financial information; and
  - (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant’s internal control over financial reporting.

September 9, 2025

/s/ Mark Palamountain

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**Mark Palamountain,  
Executive Vice President, Chief Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)**

**Certification of the Principal Executive Officer  
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the Quarterly Report on Form 10-Q for the quarter ended July 31, 2025 (the "Report") of Limoneira Company (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Harold S. Edwards, Director, President and Chief Executive Officer of the Registrant, hereby certify that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

September 9, 2025

/s/ Harold S. Edwards

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**Harold S. Edwards,  
Director, President and Chief Executive Officer  
(Principal Executive Officer)**

**Certification of the Principal Financial Officer  
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350)**

In connection with the Quarterly Report on Form 10-Q for the quarter ended July 31, 2025 (the "Report") of Limoneira Company (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Mark Palamountain, Executive Vice President, Chief Financial Officer and Treasurer of the Registrant, hereby certify that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

September 9, 2025

/s/ Mark Palamountain

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**Mark Palamountain,  
Executive Vice President, Chief Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)**