

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 **April 30, 2026**

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:

Title of each class
Common Stock, par value \$0.01

Trading symbol
LMNR

Name of each exchange on which registered
**The NASDAQ Stock Market LLC
(NASDAQ Global Select Market)**

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 May 31, 2026, there were 18,132,007 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 statements which, to the extent that they do not recite historical fact, constitute forward-looking statements. These statements can be identified by the fact that they do not relate strictly to historical or current facts and may include the words “may,” “might,” “will,” “should,” “would,” “expect,” “plan,” “anticipate,” “could,” “intend,” “target,” “project,” “contemplate,” “believe,” “estimate,” “predict,” “likely,” “potential,” “remain,” or “continue” or other words or expressions of similar meaning. We based these forward-looking statements on our current expectations about future events, and such forward-looking statements do not guarantee future performance. The forward-looking statements include statements that reflect management’s current beliefs, plans, objectives, goals, expectations, anticipations and intentions with respect to our financial condition, results of operations, future performance and business, including, but not limited to, statements relating to our business strategy and our current and future development plans.

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, but are not limited to:

- success in executing the Company’s business plans and strategies, including the ongoing transition of the Company’s lemon sales and marketing operations to Sunkist Growers, Inc. 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, 2025 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, 2025. 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. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Unless the context requires otherwise, 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)

	April 30, 2026	October 31, 2025
Assets		
Current assets:		
Cash	\$ 891	\$ 1,509
Accounts receivable, net	12,310	15,432
Cultural costs	3,530	2,406
Prepaid expenses and other current assets	4,961	4,444
Receivables/other from related parties, net	1,446	2,973
Assets held for sale	18,249	13,718
Total current assets	41,387	40,482
Property, plant and equipment, net	140,861	172,645
Real estate development	11,497	10,628
Equity in investments	73,638	72,167
Goodwill	1,373	1,506
Intangible assets, net	2,326	2,621
Other assets	22,766	11,088
Total assets	\$ 293,848	\$ 311,137
Liabilities, Convertible Preferred Stock and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 7,068	\$ 7,896
Growers and suppliers payable	4,428	6,885
Accrued liabilities	7,434	9,290
Payables to related parties	5,341	5,989
Current portion of long-term debt	408	31
Total current liabilities	24,679	30,091
Long-term liabilities:		
Long-term debt, less current portion	93,712	72,450
Deferred income taxes	7,111	15,378
Other long-term liabilities	4,613	2,381
Total liabilities	130,115	120,300
Commitments and contingencies		
Series B Convertible Preferred Stock – \$100.00 par value (50,000 shares authorized: 14,790 shares issued and outstanding at April 30, 2026 and October 31, 2025) (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 April 30, 2026 and October 31, 2025) (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 April 30, 2026 and October 31, 2025)	—	—
Common Stock – \$0.01 par value (39,000,000 shares authorized: 18,364,496 and 18,287,868 shares issued and 18,113,519 and 18,036,891 shares outstanding at April 30, 2026 and October 31, 2025, respectively)	181	180
Additional paid-in capital	171,587	171,365
Accumulated deficit	(33,400)	(1,070)
Accumulated other comprehensive loss	(309)	(6,270)
Treasury stock, at cost, 250,977 shares at April 30, 2026 and October 31, 2025	(3,493)	(3,493)
Noncontrolling interests	18,357	19,315
Total stockholders' equity	152,923	180,027
Total liabilities, convertible preferred stock and stockholders' equity	\$ 293,848	\$ 311,137

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 April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Net revenues:				
Agribusiness	\$ 22,530	\$ 33,582	\$ 39,286	\$ 66,434
Other operations	1,396	1,537	2,845	2,990
Total net revenues	23,926	35,119	42,131	69,424
Costs and expenses:				
Agribusiness	23,158	31,704	46,177	65,203
Other operations	1,011	1,009	2,082	2,180
Impairment of assets	9,324	—	9,324	—
Gain on sales of water rights	—	—	—	(1,488)
Loss and expected loss on disposal of assets, net	7,821	18	7,894	12
Other operating income	(1,114)	—	(1,114)	—
Selling, general and administrative	5,420	5,733	10,013	12,208
Total costs and expenses	45,620	38,464	74,376	78,115
Operating loss	(21,694)	(3,345)	(32,245)	(8,691)
Other (expense) income:				
Interest income	116	13	124	28
Interest expense, net of patronage dividends	(560)	(228)	(1,339)	(488)
Equity in (losses) earnings of investments, net	(387)	491	(211)	593
Other (expense) income, net	(5,080)	5	(5,943)	16
Total other (expense) income	(5,911)	281	(7,369)	149
Loss before income tax benefit (provision)	(27,605)	(3,064)	(39,614)	(8,542)
Income tax benefit (provision)	5,281	(301)	7,977	2,106
Net loss	(22,324)	(3,365)	(31,637)	(6,436)
Net loss attributable to noncontrolling interests, net	904	4	790	1
Net loss attributable to Limoneira Company	(21,420)	(3,361)	(30,847)	(6,435)
Preferred dividends	—	(126)	(125)	(251)
Net loss applicable to common stock	\$ (21,420)	\$ (3,487)	\$ (30,972)	\$ (6,686)
Basic net loss per common share	\$ (1.20)	\$ (0.20)	\$ (1.74)	\$ (0.38)
Diluted net loss per common share	\$ (1.20)	\$ (0.20)	\$ (1.74)	\$ (0.38)
Weighted-average common shares outstanding-basic	17,925	17,825	17,917	17,808
Weighted-average common shares outstanding-diluted	17,925	17,825	17,917	17,808

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

LIMONEIRA COMPANY

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

	Three Months Ended April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Net loss	\$ (22,324)	\$ (3,365)	\$ (31,637)	\$ (6,436)
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustments before reclassification	(559)	502	217	235
Foreign currency translation adjustments reclassified to earnings included in other expense (income), net	5,744	—	5,744	—
Total other comprehensive income	5,185	502	5,961	235
Comprehensive loss	(17,139)	(2,863)	(25,676)	(6,201)
Comprehensive loss attributable to noncontrolling interests, net	904	4	790	1
Comprehensive loss attributable to Limoneira Company	\$ (16,235)	\$ (2,859)	\$ (24,886)	\$ (6,200)

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	Accumulated Deficit	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, 2025	18,036,891	\$ 180	\$ 171,365	\$ (1,070)	\$ (6,270)	\$ (3,493)	\$ 19,315	\$ 180,027	\$ 1,479	\$ 9,331
Dividends Common (\$0.075 per share)	—	—	—	(1,358)	—	—	—	(1,358)	—	—
Dividends Series B (\$2.19 per share)	—	—	—	(32)	—	—	—	(32)	—	—
Dividends Series B-2 (\$10 per share)	—	—	—	(93)	—	—	—	(93)	—	—
Stock compensation	99,173	1	343	—	—	—	—	344	—	—
Exchange of common stock	(29,187)	—	(423)	—	—	—	—	(423)	—	—
Acquired noncontrolling interest	—	—	—	—	—	—	(66)	(66)	—	—
Noncontrolling interest adjustments	—	—	—	—	—	—	(22)	(22)	—	—
Net (loss) income	—	—	—	(9,427)	—	—	114	(9,313)	—	—
Other comprehensive income	—	—	—	—	776	—	—	776	—	—
Balance at January 31, 2026	18,106,877	\$ 181	\$ 171,285	\$ (11,980)	\$ (5,494)	\$ (3,493)	\$ 19,341	\$ 169,840	\$ 1,479	\$ 9,331
Stock compensation	6,642	—	302	—	—	—	—	302	—	—
Noncontrolling interest adjustments	—	—	—	—	—	—	(80)	(80)	—	—
Net loss	—	—	—	(21,420)	—	—	(904)	(22,324)	—	—
Other comprehensive income	—	—	—	—	5,185	—	—	5,185	—	—
Balance at April 30, 2026	18,113,519	\$ 181	\$ 171,587	\$ (33,400)	\$ (309)	\$ (3,493)	\$ 18,357	\$ 152,923	\$ 1,479	\$ 9,331

	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, 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

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

LIMONEIRA COMPANY

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

	Six Months Ended April 30,	
	2026	2025
Operating activities		
Net loss	\$ (31,637)	\$ (6,436)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	4,172	4,125
Impairment of assets	9,324	—
Loss and expected loss on disposal of assets, net	7,894	12
Accumulated other comprehensive loss reclassified to earnings	5,744	—
Gain on sales of water rights	—	(1,488)
Stock compensation expense	646	1,483
Non-cash lease expense	346	970
Equity in losses (earnings) of investments, net	211	(593)
Cash distributions from equity investments	—	10,092
Deferred income taxes	(8,267)	(2,106)
Other, net	(3)	(14)
Changes in operating assets and liabilities:		
Accounts receivable and receivables/other from related parties	4,449	(933)
Cultural costs	(1,377)	(1,158)
Prepaid expenses and other current assets	(351)	(856)
Other assets	860	795
Accounts payable and growers and suppliers payable	(3,354)	(1,553)
Accrued liabilities and payables to related parties	(4,480)	(5,422)
Income taxes receivable (payable)	103	(680)
Other long-term liabilities	(486)	(222)
Net cash used in operating activities	(16,206)	(3,984)
Investing activities		
Capital expenditures	(8,013)	(6,477)
Net proceeds from sales of assets	6,305	172
Proceeds from sales of water rights	—	1,740
Cash distributions from Trapani Fresh	102	41
Cash paid to acquire additional shares of Limco Del Mar	(67)	—
Collection on notes receivable	—	68
Equity investment contributions and capitalized interest	(1,682)	(2,007)
Investments in mutual water companies and water rights	(60)	(43)
Net cash used in investing activities	(3,415)	(6,506)
Financing activities		
Borrowings of long-term debt	69,213	76,064
Repayments of long-term debt	(47,575)	(61,653)
Principal paid on finance leases and equipment financings	(615)	(574)
Dividends paid – common	(1,358)	(2,706)
Dividends paid – preferred	(125)	(251)
Exchange of common stock	(423)	(1,326)
Other	(5)	—
Net cash provided by financing activities	19,112	9,554
Effect of exchange rate changes on cash	(109)	23
Net decrease in cash	(618)	(913)
Cash at beginning of period	1,509	2,996
Cash at end of period	\$ 891	\$ 2,083

LIMONEIRA COMPANY

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

	Six Months Ended April 30,	
	2026	2025
Supplemental disclosures of cash flow information		
Cash paid during the period for interest (net of amounts capitalized)	\$ 1,288	\$ 400
Cash paid during the period for income taxes, net	\$ 187	\$ 694
Non-cash investing and financing activities:		
Capital expenditures accrued but not paid at period-end	\$ 696	\$ 697
Accrued contribution obligation of investment in water company	\$ 731	\$ 450
Notes receivable in exchange for sale of assets	\$ 7,800	\$ —

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, “Limoneira” or the “Company”) engages primarily in growing lemons and avocados, harvesting lemons, and packing lemons. The Company is also engaged in residential rentals and other rental operations and real estate development activities.

On June 6, 2025, Limoneira 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 lemons, and to use Sunkist trademarks in these activities. The agreement has an initial term of three years with automatic one-year extensions. Beginning November 1, 2025, Sunkist performs the Company’s lemon sales and marketing operations. Prior to November 1, 2025, the Company marketed and sold citrus directly to food service, wholesale and retail customers throughout the United States, Canada, Asia and certain other international markets.

Judgment is required in determining whether the Company is the principal or the agent in its contracts with Sunkist. The Company has determined that it is the principal in such transactions as it controls the lemons prior to delivery to the customer, and it is primarily responsible for fulfillment of lemon orders. Accordingly, lemon revenues, net of the Sunkist marketing fee, and costs associated with the Sunkist agreement are presented gross in the Company’s consolidated statement of operations.

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 unaudited interim 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 for the fiscal year ended October 31, 2025.

2. Summary of Significant Accounting Policies**Comprehensive Loss**

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

Recent Accounting Pronouncements

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 the Company’s annual reporting for fiscal year 2026. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

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.

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

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, and on July 23, 2025, the SEC filed a report with the court stating that the SEC had no intentions of reviewing or revising 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 the Company's annual reporting for fiscal year 2028 and interim reporting beginning fiscal year 2029. Early adoption is permitted. ASU 2024-03 should be applied prospectively to financial statements issued for reporting periods beginning after the effective date but may be applied 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.

ASU 2025-06, Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software

Under current GAAP, entities are required to capitalize development costs incurred for internal-use software depending on the nature of the costs and the project stage during which they occur. The amendments in this ASU remove all references to software development project stages and require that an entity capitalize software costs when both: management has authorized and committed to funding the software project; and it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the "probable-to-complete recognition threshold"). The ASU is effective for the Company's interim and annual reporting for fiscal year 2029, with early adoption permitted. The Company is currently evaluating the impact of this guidance on its consolidated financial statements.

Concentrations

Effective November 1, 2025, all of the Company's lemon sales are conducted through Sunkist, which results in concentrations of credit risk related to revenues and accounts receivable. Lemon revenues sold through Sunkist represented 85% of total revenues for the six months ended April 30, 2026 and 95% of accounts receivable, net as of April 30, 2026.

Fruit Growers Supply Company, an affiliate of Sunkist, represented 12% of accounts payable as of April 30, 2026. One additional individual vendor represented 13% of accounts payable as of April 30, 2026.

Lemons procured from third-party growers were 90% and 88% of the Company's domestic lemon supply for the six months ended April 30, 2026 and 2025, respectively. Two third-party growers represented 47% and 29% of growers and suppliers payable as of April 30, 2026.

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 Agrícola San Pablo, SpA ("San Pablo"). These entities owned citrus orchards located near La Serena, Chile and the agricultural properties consisted of approximately 500 acres of lemons, 100 acres of oranges and 2,900 acres of other land. On November 7, 2025, PDA and San Pablo (collectively, the "Sellers"), each entered into a Purchase and Sale Agreement and Novation Agreement (collectively, the "Purchase Agreements") with San Pedro, SpA, a Chilean joint stock company (the "Buyer") to sell the agricultural properties and related water rights for an aggregate purchase price of \$14,967,000. The transactions closed upon transfer of the deeds simultaneously with the execution of the Purchase Agreements.

After a period of approximately 120 days to record the transactions, which is customary in Chilean real estate transactions, the Buyer made an initial payment to the Sellers in the aggregate amount of \$6,800,000, of which approximately \$742,000 is deferred until certain requirements have been fulfilled. The remainder of the Buyer's payment obligations, in the aggregate amount of \$8,167,000, will be made in installment payments in amounts that will be calculated based on the excess free cash flows of the combined operations of the sold properties and a third citrus ranch owned by the Buyer, measured annually as of March 31 until the remaining balance is paid in full (the "Balance Payments"). Following the final Balance Payment, the Buyer will also make an additional payment in an amount equal to 50% of the prior year's Balance Payment. The Buyer's payment obligations are secured by a pledge on its corporate equity interests in favor of the Sellers.

The Company recorded current and noncurrent notes receivable representing the estimated current fair value of the expected future cash proceeds. These notes are recorded in prepaid expenses and other current assets, and other assets, respectively, on the consolidated balance sheet as of April 30, 2026. The property, plant and equipment and intangible assets sold were classified as assets held for sale as of October 31, 2025. Goodwill related to PDA was written off as part of the transaction.

The following is a summary of the transaction (in thousands):

Purchase price	\$	14,967
Less: easement holdback		(742)
Less: fair value adjustment		(367)
Fair value of expected future cash proceeds	\$	13,858
Less: net book value of assets sold		
Property, plant and equipment, net	\$	11,900
Intangible assets, net		1,818
Goodwill		133
Total net book value of assets sold	\$	13,851
Gain on disposal of assets	\$	7
Cash proceeds received in March 2026	\$	6,058
Current notes receivable as of April 30, 2026		400
Noncurrent notes receivable as of April 30, 2026		7,400
Total fair value of expected cash proceeds	\$	13,858

Prior to the first receipt of cash proceeds, the functional currency of PDA and San Pablo was the Chilean Peso. The balance sheets were translated to U.S. dollars at exchange rates in effect at the balance sheet date and the income statements were translated at average exchange rates during the reporting period. The resulting foreign currency translation adjustments were recorded as a separate component of accumulated other comprehensive loss. In March 2026, the Company decided not to reinvest the proceeds in Chile and remitted the first cash proceeds received from the transaction to its U.S. operations. As such, the transaction was deemed a substantially complete liquidation of the foreign entities and the historical cumulative translation adjustments of \$5,744,000 were reclassified to current year earnings. This component of accumulated other comprehensive loss was recorded over approximately eight years since the entities were acquired. Simultaneously, due to the change in economic conditions as a result of the transaction, the functional currency of PDA and San Pablo transitioned to the U.S. Dollar.

3. Asset Sales and Disposals (continued)**Pan de Azucar and San Pablo Orchards (continued)**

The Company's foreign subsidiaries, including PDA and San Pablo, incurred aggregate foreign exchange losses, including the reclassification of the historical cumulative translation losses, of \$6,121,000 and immaterial amounts for the six months ended April 30, 2026 and 2025, respectively. These losses are included in other (expense) income, net in the consolidated statements of operations.

Windfall Farms Property

On April 14, 2026, one of the Company's subsidiaries, Windfall Investors, LLC, entered into a Purchase and Sale Agreement to sell an 80% undivided tenant-in-common interest in the Company's Windfall Farms property located in Paso Robles, California for a purchase price of \$16,000,000, of which \$10,000,000 is to be paid in cash and \$6,000,000 is to be paid via promissory note secured by a deed of trust. The property consists of approximately 724 acres of land, including approximately 400 acres of wine grapes and related improvements and infrastructure. The Company has classified the related property, plant and equipment as assets held for sale as of April 30, 2026, as management believes the sale is probable of being completed within one year and all the criteria have been met to classify the assets as held for sale. The assets are measured at \$18,249,000, which is the lower of the carrying amount or fair value less costs to sell. As a result of the pending transactions contemplated by the Purchase and Sale Agreement, in the second quarter of fiscal year 2026 the Company recorded an impairment of \$9,324,000 on the property, plant and equipment and an expected loss on disposal of \$880,000 related to expected transaction costs. The transaction is expected to close in the fourth quarter of fiscal year 2026.

Associated Citrus Packers Orchards

In April 2026, the Company made the decision to cease citrus farming operations on the remaining 600 lemon acres located at its Associated Citrus Packers property in Yuma, Arizona. This decision aligns with the Company's strategic plan to monetize Class 3 Colorado River water rights by conserving water via crop substitution to low water use crops. As a result, the Company recorded a loss on disposal of assets of \$7,168,000 in the second quarter of fiscal year 2026.

4. Prepaid Expenses and Other Current Assets

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

	April 30, 2026	October 31, 2025
Prepaid supplies and insurance	\$ 2,588	\$ 1,398
Sales tax receivable	135	248
Income taxes receivable	81	184
Insurance proceeds receivable	—	1,510
Notes receivable	505	100
Other	1,652	1,004
	<u>\$ 4,961</u>	<u>\$ 4,444</u>

5. Real Estate Development

Real estate development assets are comprised primarily of land and land development costs and consist of the following (in thousands):

	April 30, 2026	October 31, 2025
East Area II	\$ 10,930	\$ 10,624
Limco Del Mar Ranch	567	4
	<u>\$ 11,497</u>	<u>\$ 10,628</u>

5. Real Estate Development (continued)**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.

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 April 30, 2026 and October 31, 2025, which is included in payables to related parties in the Company's balance sheets.

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 \$100,000 and \$1,775,000 to LLCB II during the six months ended April 30, 2026 and 2025, respectively.

Through April 30, 2026, LLCB closed on lot sales representing 1,261 residential units and the Company received cash distributions of \$25,009,000 since inception from LLCB. As of April 30, 2026, LLCB had cash and cash equivalents of \$19,257,000.

Limco Del Mar Ranch

In fiscal year 2025, the Company announced plans to evaluate the potential development of housing at the Limco Del Mar Ranch to help address housing needs in Ventura County and to enhance long-term financial returns. The Company is actively pursuing development activities and capitalizing real estate development costs related to this project.

6. Equity in Investments

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

	April 30, 2026	October 31, 2025
Limoneira Lewis Community Builders, LLC	\$ 58,051	\$ 58,416
LLCB II, LLC	12,556	12,157
Agromin-Limoneira LLC	1,283	—
Rosales	1,244	1,090
Romney Property Partnership	504	504
	<u>\$ 73,638</u>	<u>\$ 72,167</u>

Agromin-Limoneira LLC

In April 2026, the Company and California Wood Recycling, Inc., a California corporation dba Agromin ("Agromin"), entered into the Operating Agreement of Agromin-Limoneira LLC ("Agro-Limo"), which sets forth, among other things, the governance of Agro-Limo and specifies the respective rights, obligations and restrictions of the Company and Agromin as members, each owning a 50% membership interest, of Agro-Limo. Agro-Limo is a special purpose entity formed to design, construct and operate an organics recycling facility on land owned by the Company in Ventura County. Such facility is expected to be operational by the second half of fiscal year 2027 and the Company will lease the site to Agro-Limo and provide certain interim financing.

6. Equity in Investments (continued)**Agromin-Limoneira LLC (continued)**

The Company entered into a Revolving Line of Credit Agreement (the "Loan Agreement") with Agro-Limo providing up to \$5,000,000 of financing at a variable interest rate based on the current SOFR plus 3.5%, with the interest rate adjusted quarterly. The Loan Agreement matures in October 2027. No amounts are outstanding under the Loan Agreement as of April 30, 2026.

In connection with the formation of Agro-Limo, the Company made an initial asset contribution of \$1,283,000. The Company accounts for its investment in Agro-Limo under the equity method of accounting because it does not control the entity but has the ability to exercise significant influence over its operations.

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 periods for the six months ended April 30, 2026 and 2025, this threshold was not met for any equity investments and thus summarized income statement information is not presented in this Quarterly Report on Form 10-Q. The full audited financial statements of LLCB for the years ended October 31, 2025, 2024 and 2023 were provided as exhibits to the Annual Report on Form 10-K for the fiscal year ended October 31, 2025.

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, 2025	\$ 1,506
PDA goodwill write off	(133)
Balance at April 30, 2026	<u>\$ 1,373</u>

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 April 30, 2026. As discussed in Note 3 - Asset Sales and Disposals, goodwill related to PDA was written off as part of the asset sale transaction.

Intangible assets consist of the following (in thousands):

	April 30, 2026				October 31, 2025			
	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	(1,617)	491	8	\$ 2,108	\$ (1,513)	\$ 595	8
Customer relationships	2,707	(2,324)	383	8	2,707	(2,160)	547	8
Non-competition agreement	437	(269)	168	8	437	(242)	195	8
Acquired water and mineral rights	1,284	—	1,284	Indefinite	1,284	—	1,284	Indefinite
	<u>\$ 6,536</u>	<u>\$ (4,210)</u>	<u>\$ 2,326</u>		<u>\$ 6,536</u>	<u>\$ (3,915)</u>	<u>\$ 2,621</u>	

Amortization expense totaled \$115,000 and \$145,000 for the three months ended April 30, 2026 and 2025, respectively. Amortization expense totaled \$295,000 and \$289,000 for the six months ended April 30, 2026 and 2025, 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.

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

7. Goodwill and Intangible Assets, Net (continued)

Estimated future amortization expense of intangible assets as of April 30, 2026 is as follows (in thousands):

2026 (remaining six months)	\$	283
2027		294
2028		294
2029		171
	<u>\$</u>	<u>1,042</u>

8. Other Assets

Other assets consist of the following (in thousands):

	<u>April 30, 2026</u>	<u>October 31, 2025</u>
Investments in mutual water companies	\$ 8,114	\$ 7,323
Notes receivable	7,400	41
Operating lease ROU assets	3,706	640
Finance lease assets	2,305	1,617
Other	1,241	1,467
	<u>\$ 22,766</u>	<u>\$ 11,088</u>

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 have been 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.

Notes Receivable

As discussed in Note 3 - Asset Sales and Disposals, the Company has notes receivable related to the sale of the Chilean assets in November 2025.

9. Accrued Liabilities

Accrued liabilities consist of the following (in thousands):

	<u>April 30, 2026</u>	<u>October 31, 2025</u>
Compensation	\$ 896	\$ 1,517
Property taxes	19	482
Operating expenses	3,415	4,830
Leases	1,745	871
Other	1,359	1,590
	<u>\$ 7,434</u>	<u>\$ 9,290</u>

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

10. Long-Term Debt

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

	April 30, 2026	October 31, 2025
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 3.70% at April 30, 2026, plus 3.00%. Interest is payable monthly and principal due in full July 1, 2030.	\$ 91,904	\$ 72,450
AgWest Farm Credit equipment loan: The interest rate is variable based on the one-month SOFR, which was 3.70% at April 30, 2026 plus 2.65%. The loan is payable in monthly installments through April 2031.	2,201	—
Banco de Chile COVID-19 loan: The interest rate is fixed at 4.26%. The loan is payable in monthly installments through September 2026.	15	31
Total long-term debt	94,120	72,481
Less current portion	408	31
Long-term debt, less current portion	<u>\$ 93,712</u>	<u>\$ 72,450</u>

In June 2025, the Company entered into a Master Loan Agreement (the “MLA”) with AgWest Farm Credit (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 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 April 30, 2026, the Company’s outstanding borrowings under the Revolving Credit Supplement were \$91,904,000 and it had \$22,096,000 available to borrow.

In May 2026, the Company entered into a Promissory Note and Supplement to the MLA (the “Note”) to provide an additional revolving credit facility supplement with a borrowing capacity of \$5,000,000 and a maturity date of January 1, 2027. The interest rate in effect under the Note is a variable interest rate, which adjusts under the Lender’s interest rate program on the first day of each month. The Company may prepay any amounts outstanding under the Note without penalty.

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 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 the 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.

10. Long-Term Debt (continued)

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 was subject to an annual financial covenant that required 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. In December 2025, the Lender modified the debt service coverage ratio covenant to defer measurement as of October 31, 2026 and resume a debt service coverage ratio of 1.25:1.0 measured as of October 31, 2027 and for any fiscal year ending thereafter.

The Company was also subject to a quarterly financial covenant that required 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. In December 2025, the Lender modified this quarterly financial covenant to defer measurement through July 31, 2027 and resume measurement as of October 31, 2027. Additionally, in December 2025, the Lender added a new quarterly financial covenant for the period January 31, 2026 through July 31, 2027, which requires the Company to maintain a debt to capitalization ratio of no greater than 0.45:1.00 or 45%. The Company was in compliance with this covenant as of April 30, 2026.

In March 2026, the Company entered into an equipment financing loan with the Lender in an initial amount of \$2,258,000 which matures on April 1, 2031. In May 2026, the Company entered into a second equipment financing loan with the Lender in an initial amount of \$2,473,000 which matures on May 1, 2031. Both equipment loans have monthly principal and interest payments and a variable interest rate based on the one-month SOFR plus 2.65%.

Interest is capitalized on non-bearing orchards, real estate development projects and significant construction in progress. The Company capitalized interest of \$715,000 and \$243,000 during the three months ended April 30, 2026 and 2025, respectively, and \$1,465,000 and \$575,000 for the six months ended April 30, 2026 and 2025, 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 \$758,000 and \$564,000 in the second quarter of fiscal years 2026 and 2025, 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 50 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 April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Operating lease revenue	\$ 1,321	\$ 1,512	\$ 2,695	\$ 2,840
Variable lease revenue	75	25	150	150
Total lease revenue	\$ 1,396	\$ 1,537	\$ 2,845	\$ 2,990

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 seven 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.

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

11. Leases (continued)

Lessee Arrangements (continued)

Lease costs consist of the following (in thousands):

	Three Months Ended April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Operating lease costs	\$ 311	\$ 522	\$ 415	\$ 1,042
Finance lease costs:				
Amortization of lease assets	177	126	344	187
Interest on lease liabilities	26	22	51	33
Variable lease costs	(8)	13	(14)	20
Short-term lease costs	43	57	341	81
Total lease costs	\$ 549	\$ 740	\$ 1,137	\$ 1,363

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

	Classification	April 30, 2026	October 31, 2025
Assets			
Operating lease ROU assets	Other assets	\$ 3,706	\$ 640
Finance lease assets	Other assets	2,305	1,617
		\$ 6,011	\$ 2,257
Liabilities			
Current operating lease liabilities	Accrued liabilities	\$ 1,145	\$ 426
Current finance lease liabilities	Accrued liabilities	600	445
Non-current operating lease liabilities	Other long-term liabilities	2,550	219
Non-current finance lease liabilities	Other long-term liabilities	1,418	926
		\$ 5,713	\$ 2,016

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

	Six Months Ended April 30,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash outflows from operating leases	\$ 431	\$ 1,078
Operating cash outflows from finance leases	\$ 51	\$ 33
Financing cash outflows from finance leases	\$ 385	\$ 354
ROU assets obtained in exchange for new operating lease liabilities	\$ 3,561	\$ 186
Leased assets obtained in exchange for new finance lease liabilities	\$ 1,186	\$ 1,121

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 April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Basic net loss per common share:				
Net loss applicable to common stock	\$ (21,420)	\$ (3,487)	\$ (30,972)	\$ (6,686)
Effect of unvested, restricted stock and preferred dividends	(125)	(17)	(139)	(37)
Numerator: Net loss for basic EPS	(21,545)	(3,504)	(31,111)	(6,723)
Denominator: Weighted average common shares—basic	17,925	17,825	17,917	17,808
Basic net loss per common share	\$ (1.20)	\$ (0.20)	\$ (1.74)	\$ (0.38)
Diluted net loss per common share:				
Net loss for basic EPS	\$ (21,545)	\$ (3,504)	\$ (31,111)	\$ (6,723)
Effect of dilutive preferred stock	—	—	—	—
Numerator: Net loss for diluted EPS	(21,545)	(3,504)	(31,111)	(6,723)
Weighted average common shares—basic	17,925	17,825	17,917	17,808
Effect of dilutive preferred stock	—	—	—	—
Denominator: Weighted average common shares—diluted	17,925	17,825	17,917	17,808
Diluted net loss per common share	\$ (1.20)	\$ (0.20)	\$ (1.74)	\$ (0.38)

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 per common share was calculated under the two-class method for the three and six months ended April 30, 2026 and 2025.

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	April 30, 2026 Balance Sheet			October 31, 2025 Balance Sheet		
		Receivables/Other from Related Parties, net	Other Assets	Payables to Related Parties	Receivables/Other from Related Parties, net	Other Assets	Payables to Related Parties
2	Mutual water companies	\$ —	\$ 791	\$ 1,056	\$ —	\$ 514	\$ 117
4	YMIDD	\$ 201	\$ —	\$ —	\$ 202	\$ —	\$ —
5	FGF	\$ 1,245	\$ 372	\$ 757	\$ 2,771	\$ 514	\$ 757
6	LLCB	\$ —	\$ —	\$ 3,444	\$ —	\$ —	\$ 3,444
8	Rosales	\$ —	\$ 372	\$ 58	\$ —	\$ —	\$ 1,671
10	Law firm	\$ —	\$ —	\$ 26	\$ —	\$ —	\$ —

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

13. Related-Party Transactions (continued)

Ref	Related-Party	Three Months Ended April 30, 2026				Three Months Ended April 30, 2025			
		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	\$ —	\$ 228	\$ —	\$ —	\$ 228	\$ —	\$ —	\$ —
2	Mutual water companies	\$ —	\$ —	\$ 109	\$ —	\$ —	\$ 190	\$ —	\$ —
4	YMIDD	\$ 305	\$ —	\$ 73	\$ —	\$ 379	\$ —	\$ 77	\$ —
5	FGF	\$ 82	\$ —	\$ —	\$ —	\$ 82	\$ 50	\$ —	\$ —
7	Principal Owner	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 246
8	Rosales	\$ (24)	\$ —	\$ —	\$ —	\$ 1,725	\$ —	\$ 845	\$ —
9	Del Mar	\$ —	\$ —	\$ —	\$ —	\$ 69	\$ —	\$ —	\$ —
10	Law firm	\$ —	\$ —	\$ 94	\$ —	\$ —	\$ —	\$ 133	\$ —

Ref	Related-Party	Six Months Ended April 30, 2026				Six Months Ended April 30, 2025			
		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	\$ —	\$ 459	\$ —	\$ —	\$ —	\$ 464	\$ —	\$ —
2	Mutual water companies	\$ —	\$ —	\$ 870	\$ —	\$ —	\$ —	\$ 844	\$ —
4	YMIDD	\$ 610	\$ —	\$ 78	\$ —	\$ 685	\$ —	\$ 82	\$ —
5	FGF	\$ 165	\$ 33	\$ —	\$ —	\$ 165	\$ 100	\$ —	\$ —
7	Principal Owner	\$ —	\$ —	\$ —	\$ 220	\$ —	\$ —	\$ —	\$ 491
8	Rosales	\$ 7	\$ —	\$ 287	\$ —	\$ 3,080	\$ —	\$ 889	\$ —
9	Del Mar	\$ —	\$ —	\$ —	\$ —	\$ 112	\$ —	\$ —	\$ —
10	Law firm	\$ —	\$ —	\$ 142	\$ —	\$ —	\$ —	\$ 133	\$ —

⁽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.

⁽⁴⁾ 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 had a receivable outstanding.

⁽⁵⁾ 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 and receivables 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. In the second quarter of fiscal year 2026, the Company recorded a reserve of \$1,643,000 against the receivable which is recorded in selling, general and administrative expenses.

⁽⁶⁾ LLCB - The Company entered into a joint venture with Lewis for the residential development of its East Area I real estate development project and formed LLCB as the development entity. Refer to Note 5 - Real Estate Development.

⁽⁷⁾ Principal owner - The Company has one principal owner with ownership shares over 10% and paid dividends to such owner through the first quarter of fiscal year 2026.

13. Related-Party Transactions (continued)

⁽⁸⁾ Rosales - The Company has an equity interest in Rosales as noted in Note 6 - Equity in Investments. The Company recognized lemon and orange sales to Rosales and procured 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. The Company has a receivable from the principal owner of Rosales who owns 53% of Rosales and 10% of PDA for a tax liability related to the PDA asset sale.

⁽⁹⁾ Limco Del Mar, Ltd. ("Del Mar") - The Company has an interest in Del Mar as a general partner and as a limited partner. Through August 3, 2025, the Company provided Del Mar with farm management services and Del Mar marketed lemons through the Company. The Company recorded revenue for farm management services provided to Del Mar in the first six months of fiscal year 2025.

⁽¹⁰⁾ Law firm - One of the Company's directors is a partner at a law firm which provides legal services to the Company and the Company had amounts due for such services.

14. Income Taxes

The effective tax rate for the six months ended April 30, 2026 differs from 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 April 30, 2026. The Company recognizes interest expense and penalties related to income tax matters as a component of income tax expense. There was no material accrued interest or penalties associated with uncertain tax positions as of April 30, 2026.

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 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 2025, 33,885 shares of restricted stock with a per share price of \$13.28 were granted to management. The related compensation expense of \$450,000 will be recognized over three years as the shares vest.

During January 2026, 8,812 shares of restricted stock with a per share price of \$14.60 were granted to management. The related compensation expense of \$129,000 will be recognized over three years as the shares vest.

In November 2025 and January 2026, the Company entered into Performance Share-Based Award Agreements with members of management whereby the employees may be granted up to a maximum of 85,394 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.

In February 2026, the Company's Chief Financial Officer and Treasurer resigned from the Company. As a result, 31,248 nonvested shares were forfeited, and the Company reversed \$128,000 of previously recognized stock-based compensation expense.

16. Stock-based Compensation (continued)*Executive Awards (continued)*

During November 2025, 56,476 shares of restricted stock with a per share price of \$13.28 were granted to key executives, of which 18,825 were forfeited in February 2026. The related compensation expense after forfeiture of \$250,000 will be recognized over three years as the shares vest.

In November 2025, the Company entered into Performance Share-Based Award Agreements with key executives whereby the executives may be granted up to a maximum of 112,952 shares of common stock in the future based on the achievement of certain long-term performance goals over a three-year period. In February 2026, the maximum number of shares of common stock that may be awarded to remaining key executives was reduced to 75,302 shares.

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 2026, 37,890 shares were granted as Director Awards with a per share price of \$13.46.

Exchange of Common Stock

During the six months ended April 30, 2026 and 2025, members of management exchanged 29,187 and 53,769 shares of common stock with fair values totaling \$423,000 and \$1,326,000, 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, growing and harvest costs and third-party grower and supplier costs related to fresh lemons. The lemon packing segment includes packing revenues and packing costs. Fresh lemons and lemon packing revenues relate to lemons grown on the Company's orchards and lemons procured from third-party growers. The avocados segment includes sales, farming and harvest costs. The other agribusiness segment primarily includes sales, growing and harvest costs, brokered fruit costs of oranges and specialty citrus, wine grapes, fallowing revenue, shipping revenue and shipping costs, and included farm management in fiscal year 2025. During fiscal year 2025, the Company changed its presentation of fresh lemons and lemon packing revenue and costs to remove reference to intersegment revenue, intersegment costs and expenses and eliminations.

The Company's chief operating decision maker ("CODM") is the chief executive officer. The Company's CODM measures the operating performance of the Company's operating segments and allocates resources based on its evaluation. Revenues and operating income or loss, excluding depreciation and amortization, are used to monitor budget versus actual results. The significant expense categories and amounts align with the segment-level information that is regularly provided to the Company's CODM. 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 CODM. The Company does not separately allocate depreciation and amortization to its fresh lemons, lemon packing, avocados and other agribusiness segments. The Company also does not allocate various gains or losses included in operating income or loss, selling, general and administrative expenses, total other income or expense and income taxes, or specifically identify them to its operating segments.

The Company adopted ASU 2023-07 as of fiscal year 2025 and, as a result, expanded its segment information to include significant segment expenses and other segment items. Other segment items for the lemon packing segment include lease expenses, utilities, repairs and maintenance, professional assessments and fees, insurance, property taxes, custom packing and other packinghouse operational expenses. Other segment items for the other agribusiness segment are primarily shipping expenses. Other segment items in Corporate and Other include rental and operations expenses. Prior year information has been recast to conform to the current year presentation.

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

17. Segment Information (continued)

Segment information for the three months ended April 30, 2026 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 10,512	\$ 11,339	\$ 273	\$ 406	\$ 22,530	\$ 1,396	\$ 23,926
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	4,305	—	—	4,305	—	4,305
Packing supplies and fruit treatments	—	2,452	—	—	2,452	—	2,452
Harvest costs	1,011	—	53	(54)	1,010	—	1,010
Growing costs	948	—	157	67	1,172	—	1,172
Third party grower and supplier costs	9,450	—	—	2	9,452	—	9,452
Other segment items	—	2,990	—	—	2,990	841	3,831
Impairment of assets	—	—	—	—	—	9,324	9,324
Loss and expected loss on disposal of assets, net	—	—	—	—	—	7,821	7,821
Other operating income	—	—	—	—	—	(1,114)	(1,114)
Selling, general and administrative	—	—	—	—	—	5,353	5,353
Total costs and expenses, excluding depreciation and amortization	11,409	9,747	210	15	21,381	22,225	43,606
Depreciation and amortization	—	—	—	—	1,777	237	2,014
Operating (loss) income	\$ (897)	\$ 1,592	\$ 63	\$ 391	\$ (628)	\$ (21,066)	\$ (21,694)
Total other expense	—	—	—	—	—	—	(5,911)
Loss before income tax benefit	—	—	—	—	—	—	\$ (27,605)

Segment information for the three months ended April 30, 2025 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 13,456	\$ 13,848	\$ 2,780	\$ 3,498	\$ 33,582	\$ 1,537	\$ 35,119
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	4,544	—	—	4,544	—	4,544
Packing supplies and fruit treatments	—	2,830	—	—	2,830	—	2,830
Harvest costs	1,110	—	237	10	1,357	—	1,357
Growing costs	1,523	—	1,386	457	3,366	—	3,366
Third party grower and supplier costs	10,450	—	—	1,988	12,438	—	12,438
Other segment items	—	4,752	—	551	5,303	835	6,138
Loss on disposal of assets, net	—	—	—	—	—	18	18
Selling, general and administrative	—	—	—	—	—	5,664	5,664
Total costs and expenses, excluding depreciation and amortization	13,083	12,126	1,623	3,006	29,838	6,517	36,355
Depreciation and amortization	—	—	—	—	1,866	243	2,109
Operating (loss) income	\$ 373	\$ 1,722	\$ 1,157	\$ 492	\$ 1,878	\$ (5,223)	\$ (3,345)
Total other income	—	—	—	—	—	—	281
Loss before income tax provision	—	—	—	—	—	—	\$ (3,064)

LIMONEIRA COMPANY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) (CONTINUED)

17. Segment Information (continued)

Segment information for the six months ended April 30, 2026 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 19,230	\$ 18,297	\$ 273	\$ 1,486	\$ 39,286	\$ 2,845	\$ 42,131
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	8,106	—	—	8,106	—	8,106
Packing supplies and fruit treatments	—	4,499	—	—	4,499	—	4,499
Harvest costs	2,009	—	53	115	2,177	—	2,177
Growing costs	3,496	—	186	874	4,556	—	4,556
Third party grower and supplier costs	16,942	—	—	32	16,974	—	16,974
Other segment items	—	6,142	—	24	6,166	1,744	7,910
Impairment of assets	—	—	—	—	—	9,324	9,324
Loss and expected loss on disposal of assets, net	—	—	—	—	—	7,894	7,894
Other operating income	—	—	—	—	—	(1,114)	(1,114)
Selling, general and administrative	—	—	—	—	—	9,878	9,878
Total costs and expenses, excluding depreciation and amortization	22,447	18,747	239	1,045	42,478	27,726	70,204
Depreciation and amortization	—	—	—	—	3,699	473	4,172
Operating (loss) income	\$ (3,217)	\$ (450)	\$ 34	\$ 441	\$ (6,891)	\$ (25,354)	\$ (32,245)
Total other expense							(7,369)
Loss before income tax benefit							\$ (39,614)

Segment information for the six months ended April 30, 2025 is as follows (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 29,902	\$ 25,663	\$ 2,942	\$ 7,927	\$ 66,434	\$ 2,990	\$ 69,424
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	8,759	—	—	8,759	—	8,759
Packing supplies and fruit treatments	—	5,941	—	—	5,941	—	5,941
Harvest costs	2,871	—	252	55	3,178	—	3,178
Growing costs	4,449	—	1,408	1,771	7,628	—	7,628
Third party grower and supplier costs	22,922	—	—	3,868	26,790	—	26,790
Other segment items	—	8,017	—	1,250	9,267	1,835	11,102
Gain on sales of water rights	—	—	—	—	—	(1,488)	(1,488)
Loss on disposal of assets, net	—	—	—	—	—	12	12
Selling, general and administrative	—	—	—	—	—	12,068	12,068
Total costs and expenses, excluding depreciation and amortization:	30,242	22,717	1,660	6,944	61,563	12,427	73,990
Depreciation and amortization	—	—	—	—	3,640	485	4,125
Operating (loss) income	\$ (340)	\$ 2,946	\$ 1,282	\$ 983	\$ 1,231	\$ (9,922)	\$ (8,691)
Total other income							149
Loss before income tax benefit							\$ (8,542)

17. Segment Information (continued)

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

	Three Months Ended April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Oranges	\$ 10	\$ 1,574	\$ 20	\$ 3,142
Specialty citrus and wine grapes	9	671	694	1,174
Farm management	—	339	—	1,520
Other	387	914	772	2,091
Other agribusiness revenues	\$ 406	\$ 3,498	\$ 1,486	\$ 7,927

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

In 1997, the Company designated 30,000 shares of Class B Preferred Stock as \$8.75 Voting Preferred Stock, \$100.00 Par Value, Series B (the “Series B Stock”). The holders of shares of Series B Stock are entitled to receive cumulative cash dividends at an annual rate of 8.75% of par value. Such dividends are payable quarterly on the first day of January, April, July and October in each year.

In 2014, the Company designated 10,000 shares of Class B Preferred Stock as 4% Voting Preferred Stock, \$100.00 Par Value, Series B-2 (“Series B-2 Preferred Stock”). The holder of shares of the Series B-2 Preferred Stock is entitled to receive cumulative cash dividends at an annual rate of 4% of the liquidation value of \$1,000 per share. Such dividends are payable quarterly on the first day of January, April, July and October in each year.

On March 23, 2026, the Board of Directors paused regular cash dividends on the Company’s outstanding common stock, as well as dividends on the Series B Stock and Series B-2 Preferred Stock. As of April 30, 2026, (i) 14,790 shares of Series B Stock and 9,300 shares of Series B-2 Preferred Stock were issued and outstanding; (ii) the dividend arrearages on Series B Stock were \$2.19 per share, representing an aggregate allocation of \$32,000; and (iii) the dividend arrearages on Series B-2 Preferred Stock were \$10.00 per share, representing an aggregate allocation of \$93,000.

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 have been repurchased under this program as of April 30, 2026.

19. Insurance Proceeds

During fiscal year 2026, the Company received aggregate insurance proceeds of \$5,444,000 related to combined business interruption and casualty loss claims arising from incidents at its packinghouses. In the first quarter of fiscal year 2026, \$3,155,000 was recorded as a reduction of agribusiness expenses. In the second quarter of fiscal year 2026, \$1,175,000 was recorded as a reduction of agribusiness expenses and \$1,114,000 was recorded in other operating income.

20. Subsequent Events

The Company evaluated events subsequent to April 30, 2026 through the date of this filing, to assess the need for potential recognition or disclosure in the unaudited consolidated financial statements. Based upon this evaluation, except as described in the notes to consolidated financial statements, it was determined that no other subsequent events occurred that required 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 7,000 acres of land, water resources and other assets to maximize long-term stockholder value. Our current operations consist of fruit production and packing operations, rental operations, real estate and capital investment activities.

We are one of California's oldest lemon 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 wine grapes. We have agricultural plantings throughout Ventura and San Luis Obispo Counties in California, Yuma County in Arizona and Jujuy, Argentina, which collectively consist of approximately 2,300 acres of lemons, 1,700 acres of avocados and 400 acres of wine grapes. We also operate our own packinghouses in Santa Paula, California and Yuma, Arizona, where we process and pack lemons that we grow, as well as lemons grown by others. We have a 51% interest in a joint venture, Trapani Fresh Consorcio de Cooperacion ("Trapani Fresh"), a lemon orchard in Argentina. We have a 47% interest in Rosales S.A. ("Rosales"), a citrus packing, marketing and sales business located near La Serena, Chile. We have a 90% interest in Fruticola Pan de Azucar S.A. ("PDA") and a 100% interest in Agricola San Pablo, SpA ("San Pablo"). Through November 7, 2025, these entities owned lemon and orange orchards located near La Serena, Chile.

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 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, as well as entitlement efforts related to Ventura County farmland.

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 and wine grapes. The agribusiness division includes our core operations of farming, harvesting and lemon packing 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

In June 2025, Limoneira entered into a Commercial Packinghouse License Agreement (the "Sunkist 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 lemons, and to use Sunkist trademarks in these activities. The agreement has an initial term of three years with automatic one-year extensions. As of November 1, 2025, Sunkist performs the Company's lemon sales and marketing operations. Prior to November 1, 2025, the Company marketed and sold citrus directly to food service, wholesale and retail customers throughout the United States, Canada, Asia and certain other international markets. We sell our avocados to third-party packinghouses and our wine grapes to wine producers.

Historically, our agribusiness division has been seasonal in nature, with quarterly revenues 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. In connection with the Sunkist Agreement, lemon revenues are expected to peak in the third and fourth quarters.

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 800 acres, and we plan to expand an additional 200 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 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 and commercial rentals generate cash flows that we use to partially fund the operating costs of our business. In addition, our leased land business provides us with a profitable method to diversify the use of our land. 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 8,500 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 Trapani Fresh farming operations in Argentina.

Southern California is experiencing above average precipitation for the 2025 to 2026 rainfall season. As of April 30, 2026, Ventura County was free from general 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 fallowing agreements during fiscal years 2022 and 2023 and in February 2025, extended an existing fallowing agreement through calendar year 2026. In April 2026, we made a decision to remove all of our remaining lemon orchards in Yuma, Arizona. This decision aligns with our strategic plan to monetize Class 3 Colorado River water rights by conserving water via crop substitution to low water use crops. We continue to assess the impact these ongoing water reductions may have on our Arizona orchards.

Recent Developments

On June 6, 2025, we entered into a Commercial Packinghouse License Agreement with Sunkist Growers, Inc., a nonprofit marketing cooperative, effective as of November 1, 2025. The agreement permits us to grade, label, pack, prepare for marketing by Sunkist and ship Sunkist grower lemons, and to use Sunkist trademarks in these activities. The agreement has an initial term of three years with automatic one-year extensions. As of November 1, 2025, Sunkist performs the Company's lemon sales and marketing operations.

On November 7, 2025, our Chilean subsidiaries, PDA and San Pablo (collectively, the "Sellers"), each entered into a Purchase and Sale Agreement and Novation Agreement (collectively, the "Purchase Agreements") with San Pedro, SpA, a Chilean joint stock company (the "Buyer"), to sell certain real estate parcels consisting of approximately 500 acres of lemons, 100 acres of oranges and other unplanted lands including water rights associated with the parcels for an aggregate purchase price of \$15.0 million. The transactions closed upon transfer of the deeds simultaneously with the execution of the Purchase Agreements.

After a period of approximately 120 days to record the transactions, which is customary in Chilean real estate transactions, the Buyer made an initial payment to the Sellers in the aggregate amount of \$6.8 million, of which approximately \$0.7 million is deferred until certain requirements have been fulfilled. The remainder of the Buyer's payment obligations, in the aggregate amount of \$8.2 million, will be made in installment payments in amounts that will be calculated based on the excess free cash flows of the combined operations of the sold properties and a third citrus ranch owned by the Buyer, measured annually as of March 31 until the remaining balance is paid in full (the "Balance Payments"). Following the final Balance Payment, the Buyer will also make an additional payment, in an amount equal to 50% of the prior year's Balance Payment. The Buyer's payment obligations are secured by a pledge on its corporate equity interests in favor of the Sellers. The Company recorded an immaterial gain on the disposal of assets.

On March 23, 2026, the Board of Directors (the "Board") paused regular cash dividends on our outstanding common stock, as well as dividends on our Series B Stock and Series B-2 Preferred Stock, to support strategic capital investments, including transitioning a portion of our agricultural lands to higher-value avocado production and developing new housing. The Board will monitor the incremental increases in cash flow to the Company attributable to these strategic capital investments and expects to resume dividends aligned with historical practice as soon as the Board deems it prudent to do so.

On April 14, 2026, the Company and California Wood Recycling, Inc., a California corporation dba Agromin ("Agromin"), entered into the Operating Agreement of Agromin-Limoneira LLC ("Agro-Limo"), which was formed for the purpose of facilitating a 50%/50% joint venture between the Company and Agromin to design, construct and operate an organics recycling facility on land owned by the Company in Ventura County. Such facility is expected to be operational by the second half of fiscal year 2027 and the Company will lease the site to Agro-Limo and provide certain interim financing.

On April 14, 2026, our subsidiary, Windfall Investors, LLC, entered into a Purchase and Sale Agreement to sell an 80% undivided tenant-in-common interest in our Windfall Farms property located in Paso Robles, California, consisting of approximately 724 acres of land, including approximately 400 acres of wine grapes and related improvements and infrastructure. The aggregate purchase price is \$16.0 million, consisting of \$10.0 million in cash and a \$6.0 million promissory note secured by a deed of trust. As a result of the pending transactions contemplated by such Purchase and Sale Agreement, we recorded an impairment of \$9.3 million on the property, plant and equipment and an expected loss on disposal of \$0.9 million related to expected transaction costs in the second quarter of fiscal year 2026. The assets are classified as held for sale as of April 30, 2026 and the transaction is expected to close in the fourth quarter of fiscal year 2026.

In April 2026, we made the decision to cease citrus farming operations on the remaining 600 lemon acres located at our Associated Citrus Packers property in Yuma, Arizona. This decision aligns with our strategic plan to monetize Class 3 Colorado River water rights by conserving water via crop substitution to low water use crops. As a result, we recorded a loss on disposal of assets of \$7.2 million in the second quarter of fiscal year 2026.

Results of Operations

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

	Three Months Ended April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Net revenues:				
Agribusiness	\$ 22,530	\$ 33,582	\$ 39,286	\$ 66,434
Other operations	1,396	1,537	2,845	2,990
Total net revenues	23,926	35,119	42,131	69,424
Costs and expenses:				
Agribusiness	23,158	31,704	46,177	65,203
Other operations	1,011	1,009	2,082	2,180
Impairment of assets	9,324	—	9,324	—
Gain on sales of water rights	—	—	—	(1,488)
Loss and expected loss on disposal of assets, net	7,821	18	7,894	12
Other operating income	(1,114)	—	(1,114)	—
Selling, general and administrative	5,420	5,733	10,013	12,208
Total costs and expenses	45,620	38,464	74,376	78,115
Operating (loss) income:				
Agribusiness	(628)	1,878	(6,891)	1,231
Other operations	385	528	763	810
Impairment of assets	(9,324)	—	(9,324)	—
Gain on sales of water rights	—	—	—	1,488
Loss and expected loss on disposal of assets, net	(7,821)	(18)	(7,894)	(12)
Other operating income	1,114	—	1,114	—
Selling, general and administrative	(5,420)	(5,733)	(10,013)	(12,208)
Operating loss	(21,694)	(3,345)	(32,245)	(8,691)
Other (expense) income:				
Interest income	116	13	124	28
Interest expense, net of patronage dividends	(560)	(228)	(1,339)	(488)
Equity in (losses) earnings of investments, net	(387)	491	(211)	593
Other (expense) income, net	(5,080)	5	(5,943)	16
Total other (expense) income	(5,911)	281	(7,369)	149
Loss before income tax benefit (provision)	(27,605)	(3,064)	(39,614)	(8,542)
Income tax benefit (provision)	5,281	(301)	7,977	2,106
Net loss	(22,324)	(3,365)	(31,637)	(6,436)
Net loss attributable to noncontrolling interests, net	904	4	790	1
Net loss attributable to Limoneira Company	\$ (21,420)	\$ (3,361)	\$ (30,847)	\$ (6,435)

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 assets, loss and expected loss on disposal of assets, net, and foreign currency losses, are important measures to evaluate our results of operations between periods on a more comparable basis. Beginning in fiscal year 2026, adjusted EBITDA excludes foreign currency losses, as management believes this is a better representation of cash generated by operations. Foreign currency losses were immaterial in fiscal year 2025 and, therefore, were not separately adjusted. 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 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 April 30,		Six Months Ended April 30,	
	2026	2025	2026	2025
Net loss attributable to Limoneira Company	\$ (21,420)	\$ (3,361)	\$ (30,847)	\$ (6,435)
Interest income	(116)	(13)	(124)	(28)
Interest expense, net of patronage dividends	560	228	1,339	488
Income tax (benefit) provision	(5,281)	301	(7,977)	(2,106)
Depreciation and amortization	2,014	2,109	4,172	4,125
EBITDA	\$ (24,243)	\$ (736)	\$ (33,437)	\$ (3,956)
Stock-based compensation	302	551	646	1,483
Impairment of assets	9,324	—	9,324	—
Loss and expected loss on disposal of assets, net	7,821	18	7,894	12
Foreign currency losses	5,078	—	6,121	—
Adjusted EBITDA	\$ (1,718)	\$ (167)	\$ (9,452)	\$ (2,461)

Three Months Ended April 30, 2026 Compared to the Three Months Ended April 30, 2025

Revenues

Total net revenues were \$23.9 million for the three months ended April 30, 2026, compared to \$35.1 million for the same period of fiscal year 2025. The 32% decrease of \$11.2 million was primarily due to decreased agribusiness revenues from lemons, avocados and oranges as detailed below (\$ in thousands):

	Three Months Ended April 30,		Change	
	2026	2025		
Lemons	\$ 21,851	\$ 27,304	\$ (5,453)	(20)%
Avocados	273	2,780	(2,507)	(90)%
Oranges	10	1,574	(1,564)	(99)%
Specialty citrus and wine grapes	9	671	(662)	(99)%
Farm management	—	339	(339)	(100)%
Other	387	914	(527)	(58)%
Agribusiness revenues	\$ 22,530	\$ 33,582	\$ (11,052)	(33)%

- **Lemons:** The decrease for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to our partnership with Sunkist, which resulted in decreased volume of fresh lemon carton sales and brokered lemons and other lemon sales, partially offset by higher prices of fresh lemon carton sales. Fresh lemon carton sales were \$17.1 million and \$19.7 million on 1,028,000 and 1,357,000 cartons of lemons sold at average per carton prices of \$16.63 and \$14.52, for the second quarter of fiscal years 2026 and 2025, respectively. The decrease in fresh lemon carton volume was primarily related to a shift in our volume under the Sunkist Agreement from the first and second quarters and into our third and fourth quarters. Fresh lemon carton sales and per carton prices for the second quarter of fiscal year 2026 are net of the Sunkist marketing fee. Brokered lemons and other lemon sales were immaterial and \$2.3 million for the second quarter of fiscal years 2026 and 2025, respectively, primarily due to the sale of our Chilean farms. Lemon revenue included pack handling revenue of \$4.4 million and \$4.7 million and lemon by-product sales of \$0.3 million and \$0.6 million for the second quarter of fiscal years 2026 and 2025, respectively.
- **Avocados:** The decrease for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased volume related to harvest timing 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 285,000 and 1,232,000 pounds of avocados at average per pound prices of \$0.96 and \$2.26, for the second quarter of fiscal years 2026 and 2025, respectively.
- **Oranges:** The decrease for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily related to the transition of our citrus brokerage operations to Sunkist.
- **Specialty citrus and wine grapes:** The decrease for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased specialty citrus sales related to the transition of our citrus brokerage operations to Sunkist.
- **Farm management:** Farm management revenue for the second quarter of fiscal year 2025 was comprised primarily of farming, management and operations services provided to the Northern Properties prior to the termination of the agreement effective March 31, 2025. No farm management services were provided during the second quarter of fiscal year 2026.
- **Other:** Other revenue, comprised primarily of fallowing and shipping, decreased for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, primarily due to decreased shipping revenue. The Company no longer provides shipping services under the Sunkist Agreement.

Other operations revenue was \$1.4 million for the second quarter of fiscal year 2026, compared to \$1.5 million for the same period of fiscal year 2025.

Costs and Expenses

Total costs and expenses were \$45.6 million for the three months ended April 30, 2026, compared to \$38.5 million for the same period of fiscal year 2025. The 19% increase of \$7.1 million was primarily due to an impairment of Windfall Farms property assets and loss on disposal of the lemon orchards in Yuma, Arizona, partially offset by a decrease in agribusiness costs and expenses, an increase in other operating income, and a decrease in selling, general and administrative expenses. Agribusiness costs and expenses are detailed below (\$ in thousands):

	Three Months Ended April 30,		Change	
	2026	2025		
Packing costs	\$ 9,747	\$ 12,126	\$ (2,379)	(20)%
Harvest costs	1,010	1,357	(347)	(26)%
Growing costs	1,172	3,366	(2,194)	(65)%
Third-party grower and supplier costs	9,452	12,438	(2,986)	(24)%
Other costs	—	551	(551)	(100)%
Depreciation and amortization	1,777	1,866	(89)	(5)%
Agribusiness costs and expenses	\$ 23,158	\$ 31,704	\$ (8,546)	(27)%

- 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, shipping, cold storage and facility operating costs. We packed and sold 1,028,000 and 1,357,000 cartons of lemons at average per carton costs of \$9.48 and \$8.94, for the second quarter of fiscal years 2026 and 2025, respectively. The increase in per carton packing costs was primarily due to decreased volume and increased costs related to shipping and cold storage of lemons. Additionally, we incurred packinghouse repair costs in the first quarter of fiscal year 2026 and received insurance proceeds related to these costs in the second quarter of fiscal year 2026.
- Harvest costs: The decrease for the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, 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 second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to the termination of the farm management agreement effective March 31, 2025 and farming operational 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 second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased volume of third-party grower fruit packed and sold, partially offset by higher prices of third-party grower fruit sold. We incurred costs for third-party grower fruit of \$9.4 million and \$10.1 million, for the second quarter of fiscal years 2026 and 2025, respectively. Of the 1,028,000 and 1,357,000 cartons of lemons packed and sold, 1,012,000 (98%) and 1,250,000 (92%) were procured from third-party growers at average per carton prices of \$9.20 and \$8.12, for the second quarter of fiscal years 2026 and 2025, respectively. Additionally, we incurred costs for brokered fruit of \$0.1 million and \$2.3 million, for the second quarter of fiscal years 2026 and 2025, respectively.
- Other costs: The decrease in the second quarter of fiscal year 2026, compared to the same period of fiscal year 2025, was due to decreased freight costs.
- Depreciation and amortization: Depreciation and amortization was \$1.8 million in the second quarter of fiscal year 2026, compared to \$1.9 million in the same period of fiscal year 2025.

Other operations expenses for the second quarter of fiscal year 2026 were similar compared to the same period of fiscal year 2025 at \$1.0 million.

Impairment of assets was \$9.3 million for the second quarter of fiscal year 2026, related to impairment of the Windfall Farms property assets.

Loss and expected loss on disposal of assets, net was \$7.8 million for the second quarter of fiscal year 2026, compared to an immaterial loss for the same period of fiscal year 2025. The increase was primarily due to the decision to remove all of our remaining lemon orchards in Yuma, Arizona. This decision aligns with the Company's strategic plan to monetize Class 3 Colorado River water rights by conserving water via crop substitution to low water use crops.

Other operating income was \$1.1 million for the second quarter of fiscal year 2026, related to proceeds from the settlement of insurance claims.

Selling, general and administrative costs and expenses were \$5.4 million for the second quarter of fiscal year 2026, compared to \$5.7 million for the same period of fiscal year 2025. The 5% decrease of \$0.3 million was primarily due to:

- \$0.8 million net decrease in salaries, benefits, incentive compensation and other selling expenses, primarily related to transition of the Company's sales and marketing function to Sunkist;
- \$1.1 million net decrease in other general and administrative expense; and
- \$1.6 million increase in allowance for foreign related-party receivables.

Other (Expense) Income

Total other expense was \$5.9 million for the second quarter of fiscal year 2026, compared to total other income of \$0.3 million for the same period of fiscal year 2025. The increase in other expense of \$6.2 million was primarily due to:

- \$5.1 million increase in other expense, primarily due to foreign exchange losses;
- \$0.9 million decrease in equity in earnings of investments, net, primarily due to Limoneira Lewis Community Builders, LLC (“LLCB”) losses; and
- \$0.3 million increase in interest expense, net of patronage dividends.

Income Taxes

We recorded an estimated income tax benefit of \$5.3 million and provision of \$0.3 million on pre-tax loss of \$27.6 million and \$3.1 million, for the second quarter of fiscal years 2026 and 2025, respectively. The tax benefit recorded for the second quarter of fiscal year 2026 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. As of April 30, 2026, our projected annual effective blended tax rate for fiscal year 2026, excluding discrete items, is approximately 19.0%.

Net Loss Attributable to Noncontrolling Interests, Net

Net loss attributable to noncontrolling interests, net for the second quarter of fiscal year 2026 represents 10% of PDA’s net loss, 49% of Trapani Fresh’s net loss and 45.1% of Del Mar’s net loss. Net loss attributable to noncontrolling interests, net for the second quarter of fiscal year 2025 represents 10% of PDA’s net income and 49% of Trapani Fresh’s net loss.

Six Months Ended April 30, 2026 Compared to the Six Months Ended April 30, 2025

Revenues

Total net revenues were \$42.1 million for the six months ended April 30, 2026, compared to \$69.4 million for the same period of fiscal year 2025. The 39% decrease of \$27.3 million was primarily due to decreased agribusiness revenues from lemons, avocados, oranges, farm management and other as detailed below (\$ in thousands):

	Six Months Ended April 30,		Change	
	2026	2025		
Lemons	\$ 37,527	\$ 55,565	\$ (18,038)	(32)%
Avocados	273	2,942	(2,669)	(91)%
Oranges	20	3,142	(3,122)	(99)%
Specialty citrus and wine grapes	694	1,174	(480)	(41)%
Farm management	—	1,520	(1,520)	(100)%
Other	772	2,091	(1,319)	(63)%
Agribusiness revenues	\$ 39,286	\$ 66,434	\$ (27,148)	(41)%

- Lemons: The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to our partnership with Sunkist, which resulted in decreased volume of fresh lemon carton sales and brokered lemons and other lemon sales, partially offset by higher prices of fresh lemon carton sales. Fresh lemon carton sales were \$29.0 million and \$40.9 million on 1,709,000 and 2,504,000 cartons of lemons sold at average per carton prices of \$16.94 and \$16.31, for the first six months of fiscal years 2026 and 2025, respectively. The decrease in fresh lemon carton volume was primarily related to a shift in our volume under the Sunkist Agreement from the first and second quarters and into our third and fourth quarters. Fresh lemon carton sales and per carton prices for the first six months of fiscal year 2026 are net of the Sunkist marketing fee. Brokered lemons and other lemon sales were \$1.0 million and \$4.6 million for the first six months of fiscal years 2026 and 2025, respectively, primarily due to the sale of our Chilean farms and the transition of our brokerage operations to Sunkist. Lemon revenue included pack handling revenue of \$7.2 million and \$9.2 million and lemon by-product sales of \$0.3 million and \$0.9 million for the first six months of fiscal years 2026 and 2025, respectively.

- **Avocados:** The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased volume related to harvest timing 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 285,000 and 1,305,000 pounds of avocados at average per pound prices of \$0.96 and \$2.25, for the first six months of fiscal years 2026 and 2025, respectively.
- **Oranges:** The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was related to the sale of our Chilean farms and the transition of our citrus brokerage operations to Sunkist.
- **Specialty citrus and wine grapes:** The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased specialty citrus sales related to the transition of our citrus brokerage operations to Sunkist, partially offset by increased wine grape sales.
- **Farm management:** Farm management revenue for the first six months of fiscal year 2025 was comprised primarily of farming, management and operations services provided to the Northern Properties prior to the termination of the agreement effective March 31, 2025. No farm management services were provided during the first six months of fiscal year 2026.
- **Other:** Other revenue, comprised primarily of fallowing and shipping, decreased for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, primarily due to decreased shipping revenue. The Company no longer provides shipping services under the Sunkist Agreement.

Other operations revenue was \$2.8 million for the first six months of fiscal year 2026, compared to \$3.0 million for the same period of fiscal year 2025. The 5% decrease of \$0.2 million was primarily due to decreased leased land revenue.

Costs and Expenses

Total costs and expenses were \$74.4 million for the first six months of fiscal year 2026, compared to \$78.1 million for the same period of fiscal year 2025. The 5% decrease of \$3.7 million was primarily due to a decrease in agribusiness costs and expenses and a decrease in selling, general and administrative expenses plus other operating income, partially offset by impairment of the Windfall Farms property assets and loss on disposal of the lemon orchards in Yuma, Arizona in the first six months of fiscal year 2026, and by gains on sales of water rights in the first quarter of fiscal year 2025. Agribusiness costs and expenses are detailed below (\$ in thousands):

	Six Months Ended April 30,		Change	
	2026	2025		
Packing costs	\$ 18,747	\$ 22,717	\$ (3,970)	(17)%
Harvest costs	2,177	3,178	(1,001)	(31)%
Growing costs	4,556	7,628	(3,072)	(40)%
Third-party grower and supplier costs	16,974	26,790	(9,816)	(37)%
Other costs	24	1,250	(1,226)	(98)%
Depreciation and amortization	3,699	3,640	59	2%
Agribusiness costs and expenses	\$ 46,177	\$ 65,203	\$ (19,026)	(29)%

- **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, shipping, cold storage and facility operating costs. We packed and sold 1,709,000 and 2,504,000 cartons of lemons at average per carton costs of \$10.97 and \$9.07, for the first six months of fiscal years 2026 and 2025, respectively. The increase in per carton packing costs was primarily due to decreased volume and increased costs related to shipping and cold storage of lemons.
- **Harvest costs:** The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, 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 first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to the termination of the farm management agreement effective March 31, 2025 and farming operational 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 six months of fiscal year 2026, compared to the same period of fiscal year 2025, was primarily due to decreased volume of third-party grower fruit packed and sold, partially offset by higher prices of third-party grower fruit sold. We incurred costs for third-party grower fruit of \$16.4 million and \$21.8 million, for the first six months of fiscal years 2026 and 2025, respectively. Of the 1,709,000 and 2,504,000 cartons of lemons packed and sold, 1,546,000 (90%) and 2,203,000 (88%) were procured from third-party growers at average per carton prices of \$10.60 and \$9.91, for the first six months of fiscal years 2026 and 2025, respectively. Additionally, we incurred costs for brokered fruit of \$0.6 million and \$5.0 million, for the first six months of fiscal years 2026 and 2025, respectively.
- **Other costs:** The decrease for the first six months of fiscal year 2026, compared to the same period of fiscal year 2025, was due to decreased freight costs.
- **Depreciation and amortization:** Depreciation and amortization was \$3.7 million for the first six months of fiscal year 2026, compared to \$3.6 million in the same period of fiscal year 2025.

Other operations expenses were \$2.1 million for the first six months of fiscal year 2026, compared to \$2.2 million for the same period of fiscal year 2025.

Impairment of assets was \$9.3 million for the first six months of fiscal year 2026, due to impairment of the Windfall Farms property assets.

There were no sales of water rights for the first six months of fiscal year 2026. Gain on sales of water rights was \$1.5 million for the first six months of fiscal year 2025, due to three separate sale transactions of Santa Paula Basin water pumping rights.

Loss and expected loss on disposal of assets, net was \$7.9 million for the first six months of fiscal year 2026, compared to an immaterial loss for the same period of fiscal year 2025. The increase was primarily due to our decision to remove all of our remaining lemon orchards in Yuma, Arizona. This decision aligns with the Company's strategic plan to monetize Class 3 Colorado River water rights by conserving water via crop substitution to low water use crops.

Other operating income was \$1.1 million for the first six months of fiscal year 2026, related to proceeds from the settlement of insurance claims.

Selling, general and administrative costs and expenses were \$10.0 million for the first six months of fiscal year 2026, compared to \$12.2 million for the same period of fiscal year 2025. The 18% decrease of \$2.2 million was primarily due to:

- \$2.9 million net decrease in salaries, benefits, incentive compensation and other selling expenses, primarily related to transition of the Company's sales and marketing function to Sunkist;
- \$0.9 million net decrease in other general and administrative expenses; and
- \$1.6 million increase in allowance for foreign related-party receivables.

Other (Expense) Income

Total other expense was \$7.4 million for the first six months of fiscal year 2026, compared to total other income of \$0.1 million for the same period of fiscal year 2025. The increase in other expense of \$7.5 million was primarily due to:

- \$6.0 million increase of other expense, primarily due to foreign exchange losses;
- \$0.8 million increase of interest expense, net of patronage dividends; and
- \$0.8 million decrease of equity in earnings of investments, net, primarily due to LLCB's losses.

Income Taxes

We recorded an estimated income tax benefit of \$8.0 million and \$2.1 million on pre-tax loss of \$39.6 million and \$8.5 million, for the first six months of fiscal years 2026 and 2025, respectively. The tax benefit recorded for the first six months of fiscal year 2026 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. As of April 30, 2026, our projected annual effective blended tax rate for fiscal year 2026, excluding discrete items, is approximately 19.0%.

Net Loss Attributable to Noncontrolling Interests, Net

Net loss attributable to noncontrolling interests, net for the first six months of fiscal year 2026 represents 10% of PDA's net income, 49% of Trapani Fresh's net loss and 45.1% of Del Mar's net loss. Net loss attributable to noncontrolling interests, net for the first six months of fiscal year 2025 represents 10% of PDA's net income and 49% of Trapani Fresh's net loss.

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. During fiscal year 2025, the Company changed its presentation of fresh lemons and lemon packing revenue and costs to remove reference to intersegment revenue and costs and eliminations. Prior year information has been recast to conform to the current year presentation. The Company adopted ASU 2023-07 as of fiscal year 2025 and, as a result, expanded its segment information to include significant segment expenses and other segment items. See Note 17 - Segment Information for additional information regarding our operating segments.

Three Months Ended April 30, 2026 Compared to the Three Months Ended April 30, 2025

The following table shows the segment results of operations for the three months ended April 30, 2026 (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 10,512	\$ 11,339	\$ 273	\$ 406	\$ 22,530	\$ 1,396	\$ 23,926
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	4,305	—	—	4,305	—	4,305
Packing supplies and fruit treatments	—	2,452	—	—	2,452	—	2,452
Harvest costs	1,011	—	53	(54)	1,010	—	1,010
Growing costs	948	—	157	67	1,172	—	1,172
Third party grower and supplier costs	9,450	—	—	2	9,452	—	9,452
Other segment items	—	2,990	—	—	2,990	841	3,831
Impairment of assets	—	—	—	—	—	9,324	9,324
Loss and expected loss on disposal of assets, net	—	—	—	—	—	7,821	7,821
Other operating income	—	—	—	—	—	(1,114)	(1,114)
Selling, general and administrative	—	—	—	—	—	5,353	5,353
Total costs and expenses, excluding depreciation and amortization	11,409	9,747	210	15	21,381	22,225	43,606
Depreciation and amortization	—	—	—	—	1,777	237	2,014
Operating (loss) income	\$ (897)	\$ 1,592	\$ 63	\$ 391	\$ (628)	\$ (21,066)	\$ (21,694)

The following table shows the segment results of operations for the three months ended April 30, 2025 (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 13,456	\$ 13,848	\$ 2,780	\$ 3,498	\$ 33,582	\$ 1,537	\$ 35,119
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	4,544	—	—	4,544	—	4,544
Packing supplies and fruit treatments	—	2,830	—	—	2,830	—	2,830
Harvest costs	1,110	—	237	10	1,357	—	1,357
Growing costs	1,523	—	1,386	457	3,366	—	3,366
Third party grower and supplier costs	10,450	—	—	1,988	12,438	—	12,438
Other segment items	—	4,752	—	551	5,303	835	6,138
Loss on disposal of assets, net	—	—	—	—	—	18	18
Selling, general and administrative	—	—	—	—	—	5,664	5,664
Total costs and expenses, excluding depreciation and amortization	13,083	12,126	1,623	3,006	29,838	6,517	36,355
Depreciation and amortization	—	—	—	—	1,866	243	2,109
Operating (loss) income	\$ 373	\$ 1,722	\$ 1,157	\$ 492	\$ 1,878	\$ (5,223)	\$ (3,345)

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 \$10.5 million for the second quarter of fiscal year 2026, compared to \$13.5 million for the same period of fiscal year 2025. The 22% decrease of \$3.0 million was primarily due to:

- Brokered lemons and other lemon sales decrease of \$2.3 million;
- Lemon by-products sales net of pack charge decrease of \$0.5 million; and
- Fresh carton sales net of pack charge decrease of \$0.2 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 \$11.4 million for the second quarter of fiscal year 2026, compared to \$13.1 million for the same period of fiscal year 2025. The 13% decrease of \$1.7 million was primarily due to:

- Third-party grower and supplier costs decrease of \$1.0 million;
- Growing costs decrease of \$0.6 million; and
- Harvest costs decrease of \$0.1 million.

Lemon Packing

Lemon packing segment revenue is comprised primarily of pack charge revenue and pack handling revenue. Our lemon packing segment total net revenues were \$11.3 million for the second quarter of fiscal year 2026, compared to \$13.8 million for the same period of fiscal year 2025. The 18% decrease of \$2.5 million was primarily due to a decrease in cartons of lemons packed and sold.

Costs and expenses associated with our lemon packing segment primarily consist of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, shipping, cold storage and facility operating costs. Our lemon packing costs and expenses were \$9.7 million for the second quarter of fiscal year 2026, compared to \$12.1 million for the same period of fiscal year 2025. The 20% decrease of \$2.4 million was primarily due to:

- Other segment items decrease of \$1.8 million, primarily due to insurance proceeds received in the second quarter for costs incurred during the first quarter;
- Packing supplies and fruit treatments decrease of \$0.4 million; and
- Labor and benefits decrease of \$0.2 million.

Lemon packing segment operating income per carton sold was \$1.55 for the second quarter of fiscal year 2026, compared to \$1.27 for the same period of fiscal year 2025.

Avocados

Our avocados segment had revenues of \$0.3 million for the second quarter of fiscal year 2026, compared to \$2.8 million for the same period of fiscal year 2025.

Costs and expenses associated with our avocados segment include growing and harvest costs. Our avocados segment costs and expenses were \$0.2 million for the second quarter of fiscal year 2026, compared to \$1.6 million for the same period of fiscal year 2025. The 87% decrease of \$1.4 million was primarily due to:

- Growing costs decrease of \$1.2 million; and
- Harvest costs decrease of \$0.2 million.

Other Agribusiness

Our other agribusiness segment total net revenues were \$0.4 million for the second quarter of fiscal year 2026, compared to \$3.5 million for the same period of fiscal year 2025. The 88% decrease of \$3.1 million was primarily due to:

- Orange revenue decrease of \$1.6 million;
- Specialty citrus revenue decrease of \$0.7 million;
- Other revenue decrease of \$0.5 million; and
- Farm management revenue decrease of \$0.3 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 immaterial for the second quarter of fiscal year 2026, compared to \$3.0 million for the same period of fiscal year 2025. The decrease of \$3.0 million was primarily due to:

- Brokered fruit costs decrease of \$2.0 million;
- Shipping costs decrease of \$0.5 million;
- Growing costs decrease of \$0.4 million; and
- Harvest costs decrease of \$0.1 million.

Total agribusiness depreciation and amortization expenses were \$1.8 million for the second quarter of fiscal year 2026, compared to \$1.9 million for the same period of fiscal year 2025.

Corporate and Other

Our corporate and other operations revenues were \$1.4 million for the second quarter of fiscal year 2026, compared to \$1.5 million for the same period of fiscal year 2025.

Costs and expenses in our corporate and other operations primarily include selling, general and administrative costs and expenses, and various gains and losses not allocated to the operating segments. Costs and expenses in our corporate and other operations were \$22.2 million for the second quarter of fiscal year 2026, compared to \$6.5 million for the same period of fiscal year 2025. Depreciation and amortization expenses in our corporate and other operations were \$0.2 million for the second quarter of fiscal years 2026 and 2025.

Six Months Ended April 30, 2026 Compared to the Six Months Ended April 30, 2025

The following table shows the segment results of operations for the six months ended April 30, 2026 (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 19,230	\$ 18,297	\$ 273	\$ 1,486	\$ 39,286	\$ 2,845	\$ 42,131
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	8,106	—	—	8,106	—	8,106
Packing supplies and fruit treatments	—	4,499	—	—	4,499	—	4,499
Harvest costs	2,009	—	53	115	2,177	—	2,177
Growing costs	3,496	—	186	874	4,556	—	4,556
Third party grower and supplier costs	16,942	—	—	32	16,974	—	16,974
Other segment items	—	6,142	—	24	6,166	1,744	7,910
Impairment of assets	—	—	—	—	—	9,324	9,324
Loss and expected loss on disposal of assets, net	—	—	—	—	—	7,894	7,894
Other operating income	—	—	—	—	—	(1,114)	(1,114)
Selling, general and administrative	—	—	—	—	—	9,878	9,878
Total costs and expenses, excluding depreciation and amortization	22,447	18,747	239	1,045	42,478	27,726	70,204
Depreciation and amortization	—	—	—	—	3,699	473	4,172
Operating (loss) income	\$ (3,217)	\$ (450)	\$ 34	\$ 441	\$ (6,891)	\$ (25,354)	\$ (32,245)

The following table shows the segment results of operations for the six months ended April 30, 2025 (in thousands):

	Fresh Lemons	Lemon Packing	Avocados	Other Agribusiness	Total Agribusiness	Corporate and Other	Total
Revenues from external customers	\$ 29,902	\$ 25,663	\$ 2,942	\$ 7,927	\$ 66,434	\$ 2,990	\$ 69,424
Costs and expenses, excluding depreciation and amortization:							
Labor and benefits	—	8,759	—	—	8,759	—	8,759
Packing supplies and fruit treatments	—	5,941	—	—	5,941	—	5,941
Harvest costs	2,871	—	252	55	3,178	—	3,178
Growing costs	4,449	—	1,408	1,771	7,628	—	7,628
Third party grower and supplier costs	22,922	—	—	3,868	26,790	—	26,790
Other segment items	—	8,017	—	1,250	9,267	1,835	11,102
Gain on sales of water rights	—	—	—	—	—	(1,488)	(1,488)
Loss on disposal of assets, net	—	—	—	—	—	12	12
Selling, general and administrative	—	—	—	—	—	12,068	12,068
Total costs and expenses, excluding depreciation and amortization:	30,242	22,717	1,660	6,944	61,563	12,427	73,990
Depreciation and amortization	—	—	—	—	3,640	485	4,125
Operating (loss) income	\$ (340)	\$ 2,946	\$ 1,282	\$ 983	\$ 1,231	\$ (9,922)	\$ (8,691)

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 \$19.2 million for the first six months of fiscal year 2026, compared to \$29.9 million for the same period of fiscal year 2025. The 36% decrease of \$10.7 million was primarily due to:

- Fresh carton sales net of pack charge decrease of \$6.3 million;
- Brokered lemons and other lemon sales decrease of \$3.6 million; and
- Lemon by-products sales net of pack charge decrease of \$0.8 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 \$22.4 million for the first six months of fiscal year 2026, compared to \$30.2 million for the same period of fiscal year 2025. The 26% decrease of \$7.8 million was primarily due to:

- Third-party grower and supplier costs decrease of \$6.0 million;
- Growing costs decrease of \$0.9 million; and
- Harvest costs decrease of \$0.9 million.

Lemon Packing

Lemon packing segment revenue is comprised primarily of pack charge revenue and pack handling revenue. Our lemon packing segment total net revenues were \$18.3 million for the first six months of fiscal year 2026, compared to \$25.7 million for the same period of fiscal year 2025. The 29% decrease of \$7.4 million was primarily due to a decrease in cartons of lemons packed and sold.

Costs and expenses associated with our lemon packing segment primarily consist of the costs to pack lemons for sale such as labor and benefits, cardboard cartons, fruit treatments, packing and shipping supplies, shipping, cold storage and facility operating costs. Our lemon packing costs and expenses were \$18.7 million for the first six months of fiscal year 2026, compared to \$22.7 million for the same period of fiscal year 2025. The 17% decrease of \$4.0 million was primarily due to:

- Other segment items decrease of \$1.9 million;
- Packing supplies and fruit treatments decrease of \$1.4 million; and
- Labor and benefits decrease of \$0.7 million.

Lemon packing segment operating loss per carton sold was \$0.26 for the first six months of fiscal year 2026, compared to \$1.18 operating income per carton sold for the same period of fiscal year 2025.

Avocados

Our avocados segment revenue was \$0.3 million for the first six months of fiscal year 2026, compared to \$2.9 million for the same period of fiscal year 2025.

Costs and expenses associated with our avocados segment include growing and harvest costs. Our avocados segment costs and expenses were \$0.2 million for the first six months of fiscal year 2026, compared to \$1.7 million for the same period of fiscal year 2025. The 87% decrease of \$1.5 million was primarily due to:

- Growing costs decrease of \$1.3 million; and
- Harvest costs decrease of \$0.2 million.

Other Agribusiness

Our other agribusiness segment total net revenues were \$1.5 million for the first six months of fiscal year 2026, compared to \$7.9 million for the same period of fiscal year 2025. The 81% decrease of \$6.4 million was primarily due to:

- Orange revenue decrease of \$3.1 million;
- Farm management revenue decrease of \$1.5 million;
- Other revenue decrease of \$1.3 million; and
- Specialty citrus and wine grape revenues decrease of \$0.5 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 \$1.0 million for the first six months of fiscal year 2026, compared to \$6.9 million for the same period of fiscal year 2025. The 85% decrease of \$5.9 million was primarily due to:

- Brokered fruit costs decrease of \$3.9 million;
- Shipping costs decrease of \$1.2 million;
- Growing costs decrease of \$0.9 million; and
- Harvest costs increase of \$0.1 million.

Total agribusiness depreciation and amortization expenses were \$3.7 million for the first six months of fiscal year 2026, compared to \$3.6 million for the same period of fiscal year 2025.

Corporate and Other

Our corporate and other operations revenues were \$2.8 million for the first six months of fiscal year 2026, compared to \$3.0 million for the same period of fiscal year 2025.

Costs and expenses in our corporate and other operations primarily include selling, general and administrative costs and expenses, and various gains and losses not allocated to the operating segments. Costs and expenses in our corporate and other operations were \$27.7 million for the first six months of fiscal year 2026, compared to \$12.4 million for the same period of fiscal year 2025. Depreciation and amortization expenses in our corporate and other operations were \$0.5 million for the first six months of fiscal years 2026 and 2025.

Seasonal Operations

Historically, our agribusiness operations have been seasonal in nature, with quarterly revenues fluctuating depending on the timing and 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 in the prior year. Our harvest costs generally increase for the second quarter and peak for the third quarter. In connection with the Sunkist Agreement, lemon revenues are expected to peak in the third and fourth quarters. 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 April 30, 2026 and 2025

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

	Trailing Twelve Months Ended April 30,	
	2026	2025
Net revenues:		
Agribusiness	\$ 126,537	\$ 170,761
Other operations	5,893	5,829
Total net revenues	132,430	176,590
Costs and expenses:		
Agribusiness	135,784	150,460
Other operations	4,379	4,843
Impairment of assets	9,324	643
Gain on sales of water rights	—	(1,488)
Loss and expected loss (gain) on disposal of assets, net	8,588	(378)
Gain on remeasurement of previously held equity method investment	(2,852)	—
Other operating income	(1,114)	—
Selling, general and administrative	22,280	24,959
Total costs and expenses	176,389	179,039
Operating loss	(43,959)	(2,449)
Other (expense) income:		
Interest income	158	110
Interest expense, net of patronage dividends	(2,404)	(891)
Equity in (losses) earnings of investments, net	(6)	2,316
Other (expense) income, net	(5,866)	9
Total other (expense) income	(8,118)	1,544
Loss before income tax benefit (provision)	(52,077)	(905)
Income tax benefit (provision)	10,520	(1,235)
Net loss	(41,557)	(2,140)
Net loss attributable to noncontrolling interest, net	1,163	439
Net loss attributable to Limoneira Company	\$ (40,394)	\$ (1,701)

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

- Total net revenues decreased \$44.2 million, primarily due to decreased lemon, avocado and farm management revenue.
- Total costs and expenses decreased \$2.7 million, primarily due to decreased agribusiness costs and selling, general and administrative expenses and the gain on remeasurement of previously held equity method investment, partially offset by increased impairment of assets and loss on disposal of assets.
- Total other expense increased \$9.7 million, primarily due to increased other expenses related to foreign exchange losses, decreased equity in earnings of investments related to LLCB and increased interest expense, net of patronage dividends.
- Income tax benefit increased \$11.8 million due to increased pre-tax loss of \$51.2 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 and equipment loan, sales of assets and distributions from our equity investments. Our liquidity and capital position fluctuate during the year depending on seasonal production cycles, weather events and demand for our products. We generally grow crops during our first and fourth fiscal quarters and harvest them during our second and third fiscal quarters. In connection with the Sunkist Agreement, we expect lemon revenues to be higher during our third and fourth fiscal 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 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 under the Sunkist Agreement, 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 April 30, 2026 related to debt and leases.

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, sales of assets, 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 and financing cash flows to the extent necessary based on our liquidity demands.

Cash Flows from Operating Activities

Net cash used in operating activities was \$16.2 million and \$4.0 million for the six months ended April 30, 2026 and 2025, respectively. The significant components of our cash flows used in operating activities were as follows:

- Net loss was \$31.6 million and \$6.4 million for the six months ended April 30, 2026 and 2025, respectively. The components of net loss for the six months ended April 30, 2026, compared to net loss for the same period of fiscal year 2025, consists of an increase in operating loss of \$23.6 million, an increase in total other expense of \$7.5 million, and an increase in income tax benefit of \$5.9 million.
- Adjustments to reconcile net loss to net cash used in operating activities:
 - Adjustments were \$20.1 million and \$12.5 million for the six months ended April 30, 2026 and 2025, respectively, primarily related to depreciation and amortization, impairment of assets, loss and expected loss on disposal of assets, net, accumulated other comprehensive loss reclassified to earnings, cash distributions from equity investments and deferred income taxes.
 - Changes in operating assets and liabilities used \$4.6 million and \$10.0 million of operating cash for the six months ended April 30, 2026 and 2025, respectively, primarily related to accounts receivables and receivables/other from related parties, accounts payable and growers and suppliers payable, and accrued liabilities and payables to related parties.

Cash Flows from Investing Activities

Net cash used in investing activities was \$3.4 million and \$6.5 million for the six months ended April 30, 2026 and 2025, respectively.

- The \$3.4 million of cash used in investing activities for the six months ended April 30, 2026 was comprised primarily of capital expenditures of \$8.0 million, mainly related to orchard development, and equity investment contributions and capitalized interest of \$1.7 million, partially offset by net proceeds from sales of assets of \$6.3 million.
- The \$6.5 million of cash used in investing activities for the six months ended April 30, 2025 was comprised primarily of capital expenditures of \$6.5 million, mainly related to orchard and vineyard development, and equity investment contributions and capitalized interest of \$2.0 million, partially offset by proceeds from sales of water rights of \$1.7 million.

Cash Flows from Financing Activities

Net cash provided by financing activities was \$19.1 million and \$9.6 million for the six months ended April 30, 2026 and 2025, respectively.

- The \$19.1 million of cash provided by financing activities for the six months ended April 30, 2026 was comprised primarily of net borrowings of long-term debt of \$21.6 million, partially offset by common and preferred dividends of \$1.5 million.
- The \$9.6 million of cash provided by financing activities for the six months ended April 30, 2025 was comprised primarily of net borrowings of long-term debt of \$14.4 million, partially offset by common and preferred dividends of \$3.0 million and the exchange of common stock of \$1.3 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 Credit Facility with AgWest Farm Credit, (the "Lender"). In June 2025, we entered into a Master Loan Agreement (the "MLA") 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 and extends the principal repayment to July 1, 2030. 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. There are no amounts outstanding on the Non-Revolving Credit Supplement. As of April 30, 2026, our outstanding borrowings under the Revolving Credit Supplement were \$91.9 million and we had \$22.1 million available to borrow.

In May 2026, we entered into a Promissory Note and Supplement to the MLA (the "Note") to provide an additional revolving credit facility supplement with a borrowing capacity of \$5.0 million and a maturity date of January 1, 2027.

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 were subject to an annual financial covenant that required us to maintain compliance with a specific debt service coverage ratio of 1.0:1.0 for the fiscal year ending October 31, 2026, and 1.25:1.0 for any fiscal year ending thereafter. In September 2025, the Lender modified the annual debt service coverage ratio covenant to defer measurement as of October 31, 2025. In December 2025, the Lender modified the annual debt service coverage ratio covenant to defer measurement as of October 31, 2026 and resume a debt service coverage ratio of 1.25:1.0 measured as of October 31, 2027 and for any fiscal year ending thereafter.

We were also subject to a quarterly financial covenant that required us to maintain compliance with a specific total net leverage ratio as of the end of any fiscal quarter beginning July 31, 2026. In December 2025, the Lender modified this quarterly financial covenant to defer measurement through July 31, 2027 and resume measurement as of October 31, 2027. Additionally, in December 2025, the Lender added a new quarterly financial covenant for the period January 31, 2026 through July 31, 2027, which requires us to maintain a specific debt to capitalization ratio. We were in compliance with this covenant as of April 30, 2026.

In March 2026, we entered into an equipment financing loan with the Lender in an initial amount of \$2.3 million which matures on April 1, 2031. In May 2026, we entered into a second equipment financing loan with the Lender in an initial amount of \$2.5 million which matures on May 1, 2031.

In fiscal years 2026 and 2025, the Lender declared an annual cash patronage dividend and we received \$0.8 million and \$0.6 million for the six months ended April 30, 2026 and 2025, respectively.

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 the 50%/50% joint venture, LLCB, with Lewis. As of April 30, 2026, LLCB had \$19.3 million of unaudited cash and cash equivalents on hand.

Dividends

On March 23, 2026, the Board of Directors (the “Board”) paused regular cash dividends on our outstanding common stock, as well as dividends on our Series B Stock and Series B-2 Preferred Stock, to support strategic capital investments, including transitioning a portion of our agricultural lands to higher-value avocado production and developing new housing. The Board will monitor the incremental increases in cash flow to the Company attributable to these strategic capital investments and expects to resume dividends aligned with historical practice as soon as the Board deems it prudent to do so.

The holders of our Series B Stock and Series B-2 Preferred Stock are entitled to receive cumulative cash dividends. Such preferred dividends paid were \$0.1 million and \$0.3 million for the six months ended April 30, 2026 and 2025, respectively. As of April 30, 2026, the total dividend arrearages on Series B Stock were \$2.19 per share, representing an aggregate allocation of \$32,000 and the total dividend arrearages on Series B-2 Preferred Stock were \$10.00 per share, representing an aggregate allocation of \$93,000.

Cash dividends on common stock declared for the six months ended April 30, 2026 and 2025 were \$0.075 and \$0.15 per common share, respectively, and such dividends paid were \$1.4 million and \$2.7 million, respectively.

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 April 30, 2026, 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, 2025, as filed with the SEC on December 23, 2025. 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, 2025, as filed with the SEC on December 23, 2025.

Item 4. Controls and Procedures

Disclosure Controls and Procedures. As of April 30, 2026, 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 April 30, 2026, 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

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, 2025, as filed with the SEC on December 23, 2025.

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

During the second quarter of fiscal year 2026, we purchased shares of common stock as follows:

Period	Total Number of Shares Purchased ⁽¹⁾	Weighted Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs ⁽²⁾	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾
February 1, 2026 - February 28, 2026	—	\$ —	—	—
March 1, 2026 - March 31, 2026	—	\$ —	—	—
April 1, 2026 - April 30, 2026	—	\$ —	—	—
Total	—	—	—	—

⁽¹⁾ 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.

⁽²⁾ 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 have been repurchased under this program as of April 30, 2026.

Item 3. Defaults Upon Senior Securities

On March 23, 2026, the Board paused regular cash dividends on the Company's outstanding common stock, as well as dividends on the Company's \$8.75 Voting Preferred Stock, \$100.00 Par Value, Series B ("Series B Stock") and 4% Voting Preferred Stock, \$100.00 Par Value, Series B-2 ("Series B-2 Preferred Stock") to support strategic capital investments, including transitioning a portion of our agricultural lands to higher-value avocado production and developing new housing. The Board will monitor the incremental increases in cash flow to the Company attributable to these strategic capital investments and expects to resume dividends aligned with historical practice as soon as the Board deems it prudent to do so.

As of the date of this filing, (i) 14,790 shares of Series B Stock and 9,300 shares of Series B-2 Preferred Stock were issued and outstanding; (ii) the dividend arrearages on Series B Stock were \$2.19 per share, representing an aggregate allocation of \$32,000; and (iii) the dividend arrearages on Series B-2 Preferred Stock were \$10.00 per share, representing an aggregate allocation of \$93,000.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit
3.1	<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>
3.2	<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>
3.3	<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>
3.4	<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>
3.5	<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>
3.6	<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>
4.1	<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>
4.2	<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>
4.3	<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>
4.4	<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>
4.5	<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>
10.1**	<u>Transaction Incentive Agreement, by and between Limoneira Company and Harold S. Edwards, dated February 1, 2026 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 5, 2026 (File No. 001-34755))</u>
10.2**	<u>Transaction Incentive Agreement, by and between Limoneira Company and Gregory C. Hamm, dated February 5, 2026 (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed February 5, 2026 (File No. 001-34755))</u>
10.3**	<u>Independent Contractor Consulting Services Agreement, by and between Limoneira Company and Mark Palamountain, dated February 12, 2026 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed February 12, 2026 (File No. 001-34755))</u>
10.4	<u>Operating Agreement of Agromin-Limoneira LLC, effective as of April 1, 2026, by and between Limoneira Company and California Wood Recycling Inc., dba Agromin (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed April 15, 2026 (File No. 001-34755))</u>

Exhibit Number	Exhibit
10.5	<u>Revolving Line of Credit Agreement, effective as of April 1, 2026, by and between Limoneira Company and Agromin-Limoneira LLC (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, filed April 15, 2026 (File No. 001-34755))</u>
10.6	<u>Pledge and Security Agreement, effective as of April 1, 2026, by and between Limoneira Company and Agromin-Limoneira LLC (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, filed April 15, 2026 (File No. 001-34755))</u>
10.7	<u>Land and Water Lease Agreement, effective as of April 1, 2026, by and between Limoneira Company and Agromin-Limoneira LLC (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, filed April 15, 2026 (File No. 001-34755))</u>
10.8	<u>Purchase and Sale Agreement, dated as of April 14, 2026, by and between Windfall Investors, LLC and Peak Holdings, LLC. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, filed April 20, 2026 (File No. 001-34755))</u>
10.9*	<u>Promissory Note and Supplement to Master Loan Agreement, effective as of May 5, 2026, by and between Limoneira Company and AgWest Farm Credit, PCA.</u>
31.1*	<u>Certification of the Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)</u>
31.2*	<u>Certification of the Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a) and 15d-14(a)</u>
32.1*	<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>
32.2*	<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>
101*	The following information from the Company's Quarterly Report on Form 10-Q for the quarter ended April 30, 2026 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 (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 April 30, 2026 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.

** Pursuant to Item 601(a)(5) of Regulation S-K, certain schedules and similar attachments have been omitted. The registrant hereby agrees to furnish a copy of any omitted schedule or similar attachment to the SEC upon request.

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

June 9, 2026

By: /s/ HAROLD S. EDWARDS
Harold S. Edwards
Director, President and Chief Executive Officer
(Principal Executive Officer)

June 9, 2026

By: /s/ GREGORY C. HAMM
Gregory C. Hamm
Vice President, Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Filing Ref.: LIMONEIRA COMPANY

Loan/Supplement Number: 8363846-105

Customer Number: 0005229057

**PROMISSORY NOTE AND SUPPLEMENT
TO MASTER LOAN AGREEMENT**

This Revolving Credit Facility Supplement (alternately, "Note" or "Supplement") to a Master Loan Agreement dated **June 26, 2025** ("MLA") is established as of **May 5, 2026** between the undersigned Borrower and Lender identified herein.

1. PROMISE TO PAY

For value received, LIMONEIRA COMPANY, a Delaware Corporation ("**Borrower**") promises to pay to the order of AgWest Farm Credit, PCA ("**Lender**"), a corporation organized under the laws of the United States of America, with its office at 2031 Knoll Drive, Ventura, CA 93003 or at such other place as may be designated in writing by Lender, the principal sum of **\$5,000,000.00** (Five million and 00/100) ("**Commitment**"), or so much of that sum as may be advanced or readvanced by Lender from time to time, together with interest on the unpaid principal balance as specified in Section 3 below. All defined terms used in this Supplement shall have the same meaning as set forth in the MLA. All Indebtedness shall be payable by Borrower only in lawful money of the United States of America.

- 1.1 REVOLVING CREDIT FACILITY.** On the terms and conditions in the MLA and this Supplement, Lender agrees to make available to Borrower during the Draw Period a revolving line of credit in a principal amount not to exceed, at any one time outstanding, the Commitment or the borrowing base or other guidelines where applicable, whichever is less. Within the limits of the Commitment, as amounts drawn under the revolving line of credit are repaid, they may be reborrowed from time to time during the Draw Period.
- 1.2 DRAW PERIOD.** Subject to the provisions of this Agreement, from the date of this Supplement up to and including the Maturity Date ("**Draw Period**"), Borrower may draw Loan funds hereunder; and Lender shall make advances of Loan funds to Borrower upon Borrower's request.
- 1.3 ONGOING REQUIREMENTS AND REPRESENTATIONS.** At the time of any draw request or draw by Borrower or advance of Loan funds by Lender, Borrower shall not be in default hereunder. Any request for or acceptance of a draw by Borrower constitutes an ongoing representation by Borrower that Borrower continues to comply with the conditions and terms in this Agreement, the Security Instruments or any Loan Document in connection herewith, and that title to the Property defined in the Security Instruments has not been "*transferred*", as defined therein, without Lender's written consent. If a default occurs, one of Lender's remedies includes Lender's right to immediately terminate Borrower's right to make draws hereunder, with or without notice to Borrower.
- 1.4 PROCEDURE FOR DRAWING FUNDS.** All draws requested hereunder shall comply with applicable procedures established by Lender from time to time. Lender's records shall be conclusive evidence of draw requests. Each advance of Loan funds hereunder may be made upon a verbal, written, or telecopied request from Borrower to Lender. Lender may rely on any verbal request for a draw as fully as if such request were in writing. Upon fulfillment of the applicable conditions for making a draw, Lender shall disburse the amount of the requested draw to Borrower in such manner as Lender and Borrower may from time to time agree.

2. PAYMENTS

Seven (7) Monthly interest only payments in the amount billed, beginning on **June 1, 2026**. **One (1)** installment of interest in the amount billed and principal to be paid on **January 1, 2027**.

Payments, other than those required in this Section or elsewhere herein, may be made at any time and in any amount during the term of this Note, unless limited or prohibited herein or unless otherwise required by Lender in writing. This Loan is due and payable in full on **January 1, 2027** ("**Maturity Date**"), at which time Borrower shall pay the unpaid principal balance and all accrued interest in full.

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At Lender's option, a change in the interest rate or an advance may either increase or decrease one or more of the following: the amount of each installment due, the amount of the final installment (resulting in a final installment due at the Maturity Date which may be greater than any previous installments) or the total number of installments due.

3. INTEREST

3.1 INITIAL RATE. The interest rate applicable to the Note is a Variable Interest Rate ("**Variable Interest Rate**") under Lender's SOFR Interest Rate Program. Interest will be charged on the entire unpaid principal balance of this Note, including payments not made when due and any other sums owing hereunder. Interest charged hereunder, including any acceleration interest rate, all late charges, default interest and other charges described in Section 4 below, and all other amounts charged hereunder, shall not be limited by the laws of any state, including any state laws relating to a legal rate or other interest rate, but shall be governed solely by applicable federal laws. Interest will be calculated on the basis of a 360-day year and the actual number of days in each month. Interest charges will begin on the date Lender disburses principal and continue until the Indebtedness is paid in full with interest.

Commencing on the date Lender disburses the Loan proceeds, interest will be at a rate of **6.650%** per annum ("**Initial Interest Rate**"). The interest rate that Borrower will pay will change in accordance with Sections 3.2 through 3.6 below.

If Lender changes Borrower's Variable Interest Rate, Lender will give Borrower notice of such rate change to the extent required by and in accordance with the then applicable law.

3.2 CHANGE DATES. The Variable Interest Rate will automatically be adjusted on **June 1, 2026**, and on the first day of the month every month thereafter. Each date on which the interest rate may change is called the "**Change Date**".

3.3 INDEX. Beginning on the first Change Date, the Variable Interest Rate charged hereunder shall be based on the forward-looking 1-month term rate based on SOFR ("**SOFR**") as administered by CME Group Benchmark Administration Limited ("**CME**") and published on CME's website, or any successor source or such other commercially available source providing such quotations as may be designated by Lender from time to time, (hereinafter referred to as "**Index**"), rounded up to the nearest 0.05 percent. If said Index should no longer be published, Lender, in the exercise of reasonable judgment, shall substitute another means of determining a SOFR rate index. Lender will give Borrower notice of such substitution.

3.4 CALCULATION OF CHANGES. "**Applicable Margin**" means the following percentages per annum, based upon Borrower's Funded Indebtedness/EBITDA Ratio, as set forth in the most recent Compliance Certificate received by the Lender pursuant to Section 12.1 below.

Change to the Applicable Margin shall be effective February 1, April 1, July 1, and October 1 of each year.

Pricing Level	Funded Indebtedness / EBITDA Ratio	SOFR Variable Base Rate Loan Applicable Margin	Unused Fee
I	< 2.75x	2.15%	0.20%
II	≥ 2.75x but < 3.75x	2.25%	0.20%
III	≥ 3.75x but < 5.00x	2.50%	0.25%
IV	≥ 5.00x	3.00%	0.35%

3.5 ANNUAL YEAR REPRICING. If the payment term for this Loan exceeds one year, the Margin Points stated in Section 3.4 may be increased or decreased on **June 1, 2027**, and on that day of that month every one year thereafter.

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in the sole discretion of Lender. The dates on which the Margin Points may be changed shall be referred to as the "**Repricing Dates**" and the periods between Repricing Dates shall be referred to as the "**Repricing Periods**". At least 12 days before each Repricing Date, Lender shall notify Borrower of the new Margin Points which will be applicable to the next Repricing Period.

- 3.6 TERMINATION OF PROGRAM.** In the event Lender discontinues the SOFR Interest Rate Program, described in Sections 3.1-3.5 above, then on the date of the discontinuance, interest shall accrue at the Variable Interest Rate as established by Lender. Said Variable Interest Rate may be adjusted automatically as of the first day of any month to the rate then made applicable to Borrower.

4. INTEREST FOR OVERDUE PAYMENTS

Any interest or other sum owed hereunder which is not paid when due shall be added to the outstanding principal balance of the Loan and such combined amount shall thereafter bear interest at the same rate as the principal portion of the Loan.

5. DEFAULT AND REMEDIES

Borrower is in default on this Supplement if Borrower is in default under the MLA. If a default occurs, Lender shall have all the Remedies in the MLA.

6. SECURITY

The security given by Borrower to Lender includes, without limitation, the following:

- 6.1** By signing below, the undersigned individually and collectively represent that there have been NO CHANGES in the ownership, condition, or location of any collateral previously pledged to Lender, which is also pledged as Collateral for this Note.
- 6.2** This Note is secured by a real estate Deed of Trust recorded on June 22, 2017, Instrument # 20170622-00081038-0, as supplemented or amended from time to time, in the official records of Ventura County, State of California.
- 6.3** This Note shall be secured by a security interest in personal property granted by the Security Instruments and all additions, replacements or amendments thereto as such may be made from time to time.

7. PREPAYMENT; REAMORTIZATION; REFINANCE; INTEREST RATE CONVERSION

A payment, in any amount, made in advance of the scheduled payment date is a "**prepayment**." If Borrower, in making a prepayment, intends the prepayment to be applied to reduce the principal balance of the Note, Borrower must so inform Lender in writing accompanying the prepayment; however, Lender may apply all prepayments in such manner as Lender, in its sole discretion, may determine unless otherwise agreed to in writing. Borrower may make a full or partial prepayment on any business day without paying a prepayment fee.

Upon the making of a partial prepayment, Borrower may request to have the amount of future installments reamortized over the remaining term of the Loan, but only if Borrower so notifies Lender at the time Borrower makes the partial prepayment and only if, upon Lender's approval of the request which approval shall be in Lender's sole discretion, Borrower pays to Lender any fees and costs that Lender may charge for such reamortization.

Lender may from time to time offer other loan or interest rate products for which Borrower qualifies. Borrower acknowledges that it may not refinance or convert this Note to another loan or interest rate product with Lender unless Borrower qualifies for such loan or product as determined by Lender in its sole discretion and pays to Lender any fees and costs that Lender may charge for such refinance or conversion.

8. LEGAL ENTITY STATUS

If Borrower is a legal entity, by signing below, the undersigned representatives of such entity certify that there have been NO CHANGES in: the entity's owners, directors, officers, partners, managers, trustees or beneficiaries; or in the entity's

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lawful powers to borrow or encumber entity assets to secure its debts; or in the authority of any person signing below to act for and bind the entity; or in the entity's Articles, Bylaws, or other applicable legal documents creating or sustaining the entity since the later of delivery to Lender of the last statement proving entity status and authorization or such entity organizational documents and consents as requested by Lender.

9. REIMBURSEMENT OF CHARGES

If any farm credit bank or any other provider of financing or funding to Lender shall assess against Lender any fee, cost, charge, or other amount with respect to the Indebtedness, Borrower shall reimburse Lender on demand for the amount thereof, regardless of whether such assessment arose from actions taken by Borrower.

10. REAL ESTATE SECURED NOTE

This Note is secured by a Security Instrument which describes how and under what conditions all amounts owed under this Note may become immediately due and payable. One of those conditions relates to any transfer of the property covered by the Security Instrument and to certain other transfers. Refer to each Security Instrument for the specific conditions and requirements. When the Security Instrument is a Deed of Trust, the Deed of Trust provides as follows:

DUE ON SALE OR TRANSFER. In the event the Property, (including any existing or subsequently acquired or created Water Asset), or any interest therein, is transferred or agreed to be transferred or any right to drill oil, gas or minerals is exercised in, on, or under the Property, without Beneficiary's prior written consent, except as specifically allowed under Section 6 above all Indebtedness, irrespective of the maturity dates, at the option of the holder hereof, and without demand or notice, shall immediately become due and payable. As used herein, "transferred" means sold, conveyed, alienated, exchanged, transferred by gift, further encumbered, pledged, hypothecated, made subject to an option to purchase, or otherwise disposed of, directly or indirectly, or in trust, voluntarily or involuntarily, by Trustor or by operation of law or otherwise. Failure to exercise such option shall not constitute a waiver of the right to exercise this option in the event of subsequent transfer or subsequent agreement to transfer.

If Trustor is an entity other than a natural person (such as a corporation or other organization), then all Indebtedness, irrespective of the maturity date, at the option of Beneficiary, and without demand or notice, shall become immediately due and payable if: Trustor is dissolved or its existence as a legal entity is terminated.

11. GOVERNING LAW

Enforcement of this Note, any Security Instrument, and any other Loan Document executed in connection herewith shall be governed by and construed in accordance with federal laws to the extent applicable, and shall otherwise be governed by and construed under the laws of the state of California, without regard to its conflict of laws principles, unless and to the extent a Security Instrument specifies that it shall be governed by the laws of a different state, in which case the law of the state specified in the Security Instrument shall govern regarding the Security Instrument in question.

12. SPECIAL REPRESENTATIONS, WARRANTIES, CONDITIONS AND COVENANTS.

12.1 COVENANT COMPLIANCE CERTIFICATE. Concurrently with the delivery of the FYE (Borrower's SEC Form 10-K) and quarterly (Borrower's SEC Form 10-Q) Financial Statements required under the MLA, Borrower shall deliver to Lender a duly completed Compliance Certificate, certifying that all information contained therein is complete and correct and that no Event of Default exists under this Supplement or the other Loan Documents or, if any such Event of Default shall exist, stating the nature and status of such event. The term "**Compliance Certificate**" is defined in the MLA.

12.2 UNUSED COMMITMENT FEE. Borrower shall pay Lender an unused commitment fee ("Unused Commitment Fee") equal to the product of (i) the applicable percentage specified in Section 3.4 above that corresponds to the FUNDED DEBT to EBITDA Ratio, times (ii) the actual daily amount by which the Commitment

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exceeds the actual daily amount of Commitment outstanding. The Unused Commitment Fee shall be calculated on the basis of a 365-day year and the actual number of days in each month, accrue at all times during the Draw Period, and shall be due and payable at the same time as monthly interest only payments specified under Section 2.

13. COUNTERPART SIGNATURES

This Note may be executed in one or more counterparts, including both counterparts that are executed on paper and counterparts that are electronic records and executed electronically, each of which is for all purposes deemed an original and all such counterparts taken together, constitute one and the same instrument. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Note. A signed copy of this Note delivered by facsimile or email shall be deemed to have the same legal effect as an original signature of this Note.

REPRESENTATIVES OF LENDER ARE NOT AUTHORIZED TO MAKE ANY ORAL AGREEMENTS OR ASSURANCES. DO NOT SIGN THIS AGREEMENT IF YOU BELIEVE THAT THERE ARE ANY AGREEMENTS OR UNDERSTANDINGS BETWEEN YOU AND LENDER THAT ARE NOT SET FORTH IN WRITING IN THIS AGREEMENT OR IN OTHER LOAN DOCUMENTS PERTAINING TO THIS LOAN.

Signatures appear on the following pages

Filing Ref.: LIMONEIRA COMPANY

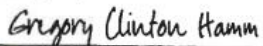
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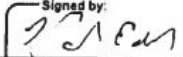
This Supplement has been executed as of the date first written above.

Signers:

LIMONEIRA COMPANY, a Delaware Corporation

Signed by:


Gregory Clinton Hamm, as Vice
President of LIMONEIRA
COMPANY

Signed by:


Harold S. Edwards, as President of
LIMONEIRA COMPANY

**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.

June 9, 2026

/s/ Harold S. Edwards

**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, Gregory C. Hamm, 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.

June 9, 2026

/s/ Gregory C. Hamm

Gregory C. Hamm,
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 April 30, 2026 (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.

June 9, 2026

/s/ Harold S. Edwards

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 April 30, 2026 (the "Report") of Limoneira Company (the "Registrant"), as filed with the Securities and Exchange Commission on the date hereof, I, Gregory C. Hamm, 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.

June 9, 2026

/s/ Gregory C. Hamm

Gregory C. Hamm,
Vice President, Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)