



## Farmer Brothers Reports Inducement Grant Under Nasdaq Listing Rule 5635(c)(4)

July 6, 2020

NORTHLAKE, Texas, July 06, 2020 (GLOBE NEWSWIRE) -- Farmer Bros. Co. (NASDAQ:FARM) ( "Farmer Brothers" or the "Company") today announced that on July 1, 2020, the Company issued a non-qualified stock option to purchase shares of the Company's common stock with an aggregate grant date Black-Scholes value of \$75,000, consisting of the option to purchase 29,761 shares with an exercise price of \$7.23 per share (the "Option Grant"), which is equal to the closing price of the Company's common stock on the date of grant and a restricted stock unit award consisting of 10,373 shares of the Company's common stock (the "Stock Award") to its new Chief Sales Officer, Maurice S.J. Moragne, under the Farmer Bros. Co. 2020 Inducement Incentive Plan (the "Inducement Plan"). The Option Grant has a seven-year term and will ratably vest over three years on each anniversary of the award date, and the Stock Award will vest in full on the third anniversary of the award date, subject to Mr. Moragne's continued employment through each vesting date. The Compensation Committee of the Company's Board of Directors approved the Grant on May 27, 2020.

The Inducement Plan is used exclusively for the grant of equity awards to individuals who were not previously employees of Farmer Brothers, as an inducement material to such individuals entering into employment with the Company, pursuant to Rule 5635(c)(4) of the Nasdaq Listing Rules.

### About Farmer Bros. Co.

Founded in 1912, Farmer Bros. Co. is a national coffee roaster, wholesaler and distributor of coffee, tea and culinary products. The Company's product lines include organic, Direct Trade and sustainably-produced coffee. With a robust line of coffee, hot and iced teas, cappuccino mixes, spices, and baking/biscuit mixes, the Company delivers extensive beverage planning services and culinary products to its U.S. based customers. The Company serves a wide variety of customers, from small independent restaurants and foodservice operators to large institutional buyers like restaurant and convenience store chains, hotels, casinos, healthcare facilities, and gourmet coffee houses, as well as grocery chains with private brand coffee and consumer branded coffee and tea products, and foodservice distributors.

Headquartered in Northlake, Texas, Farmer Bros. Co. generated net sales of \$595.9 million in fiscal 2019 and has approximately 1,470 employees nationwide. The Company's primary brands include Farmer Brothers®, Artisan Collection by Farmer Brothers™, Superior®, Metropolitan™, China Mist® and Boyds®.

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Source: Farmer Bros. Co.