

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of Earliest Event Reported): March 15, 2024

Farmer Bros. Co.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

001-34249
(Commission File Number)

95-0725980
(I.R.S. Employer Identification No.)

1912 Farmer Brothers Drive, Northlake, Texas
(Address of Principal Executive Office)

76262
(Zip Code)

(615) 549-6600

(Registrant's Telephone Number, Including Area Code)

None

(Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common Stock, \$1.00 par value	FARM	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 7.01. Regulation FD Disclosure.

As of March 15, 2024, Farmer Bros. Co., a Delaware corporation (the “Company”), prepared an investor presentation containing certain information and financial highlights (the “Investor Presentation”). Representatives of the Company intend to present some or all of the Investor Presentation to current and prospective investors at various conferences and meetings, including during its previously announced participation in the 36th Annual Roth Conference. The information contained in the Investor Presentation is summary information that is intended to be considered in the context of the Company's filings with the Securities and Exchange Commission (“SEC”) and other public announcements that the Company may make, by press release or otherwise, from time to time. The Company undertakes no duty or obligation to publicly update or revise the information contained in the Investor Presentation, although it may do so from time to time as its management believes is warranted. Any such updating may be made through the filing of other reports or documents with the SEC, through press releases or through other public disclosure.

As provided in General Instruction B.2. of Form 8-K, the information included in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Exchange Act regardless of any general incorporation language in such filing. In addition, the exhibit furnished herewith contains statements intended as “forward-looking statements” that are subject to the cautionary statements about forward-looking statements set forth in such exhibits.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Farmer Brothers Investor Presentation.
104	Cover Page Interactive Data File (embedded within Inline XBRL document).

SIGNATURES

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

Dated: March 15, 2024

FARMER BROS. CO.

By: /s/ Jared Vitemb

Name: Jared Vitemb

Title: VP, General Counsel, Secretary and Chief Compliance Officer



Farmer Brothers[®]

Investor Presentation

March 2024

Certain statements contained in this presentation are forward-looking statements within the meaning of federal securities laws and regulations. These statements are based on management's current expectations, estimates, forecasts and projections about us, our future performance, our financial condition, our products, our business strategy, our beliefs and our management's assumptions. These forward-looking statements can be identified by the use of words like "anticipates," "estimates," "projects," "expects," "plans," "believes," "intends," "will," "could," "may," "assumes" and other words of similar meaning. These statements are based on management's beliefs, assumptions, estimates and observations of future events based on information available to our management at the time the statements are made and include any statements that do not relate to any historical or current fact. These statements are not guarantees of future performance and they involve certain risks, uncertainties and assumptions that are difficult to predict. Actual outcomes and results may differ materially from what is expressed, implied or forecast by our forward-looking statements due in part to the risks, uncertainties and assumptions set forth in Part I, Item 1A of our Annual Report on Form 10-K for the fiscal year ended June 30, 2023, filed with the Securities and Exchange Commission (the "SEC") on September 12, 2023, as amended by that certain Amendment No. 1 to Form 10-K, filed with the SEC on October 27, 2023 (as amended, the "2023 Form 10-K"), as well as those described from time to time in our other filings with the SEC. We intend these forward-looking statements to speak only at the time of this communication and do not undertake to update or revise these statements as more information becomes available except as required under federal securities laws and the rules and regulations of the SEC.

Factors that could cause actual results to differ materially from those in forward-looking statements include, but are not limited to, severe weather, levels of consumer confidence in national and local economic business conditions, the impact of labor market conditions, the increase of costs due to inflation, an economic downturn caused by any pandemic, epidemic or other disease outbreak, comparable or similar to COVID-19, the success of our turnaround strategy, the impact of capital improvement projects, the adequacy and availability of capital resources to fund our existing and planned business operations and our capital expenditure requirements, our ability to meet financial covenant requirements in our credit facility, which could impact, among other things, our liquidity, the relative effectiveness of compensation-based employee incentives in causing improvements in our performance, the capacity to meet the demands of our large national account customers, the extent of execution of plans for the growth of our business and achievement of financial metrics related to those plans, our success in retaining and/or attracting qualified employees, our success in adapting to technology and new commerce channels, the effect of the capital markets as well as other external factors on stockholder value, fluctuations in availability and cost of green coffee, competition, organizational changes, the effectiveness of our hedging strategies in reducing price and interest rate risk, changes in consumer preferences, our ability to provide sustainability in ways that do not materially impair profitability, changes in the strength of the economy, including any effects from inflation, business conditions in the coffee industry and food industry in general, our continued success in attracting new customers, variances from budgeted sales mix and growth rates, weather and special or unusual events, as well as other risks described in this presentation and other factors described in the 2023 Form 10-K and from time to time in our other filings with the SEC.

Results from one period are not necessarily indicative of the results that may be expected for any future period.



Our Company & Strategy

Farmer Brothers is a nationwide coffee roaster, wholesaler and service provider, specializing in regular and specialty coffee, and allied products, such as tea and food items.



110+
Years of coffee
excellence

**\$340
million**
Full year 2023 net
sales⁽¹⁾

**20+
million**
Coffee pounds⁽¹⁾

49
States

250+
Delivery routes

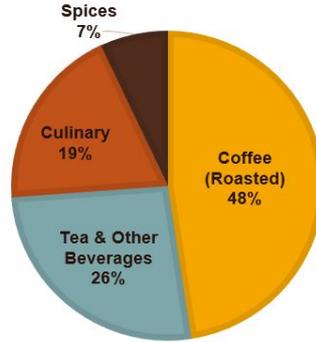
~30,000
Food and beverage
establishments
served



Established Brands



Attractive Category Mix



Diverse Customer Base⁽¹⁾

Restaurants	Convenience stores
	Hotels
Coffee shops	Hospitals

June 2023 divestiture of direct ship business focuses Farmer Brothers on its strongest and largest business and sets the foundation for free cash flow inflection.

- 1 **Strengthened balance sheet** through application of proceeds to pay down debt.
- 2 **Streamlined focus** on our higher-margin business – direct store delivery (DSD).
- 3 **Restructured DSD operations** to drive sales growth opportunities.
- 4 **Removed volatile, inefficient direct ship exposure.**

Transaction component	Direct ship business and Northlake, Texas facility
Sale price	\$100 million ⁽¹⁾
Use of proceeds	Paid off \$45 million term loan and \$45 million asset-backed loan Saved approximately \$6.5 million in interest
Projected annual revenue post-divestiture	\$350 million+

⁽¹⁾After contractual adjustments and expenses, netted approximately \$90 million.

Extraordinary Sourcing and Quality Control Organization

- Team of six Coffee Quality Institute Certified Q Graders

Global Supply Chain Access

- Access to 95% of global green coffee supply chains through trade relationships developed over decades
- Direct Trade sourcing relationships in Brazil, Colombia, Peru, Nicaragua, El Salvador, Guatemala, Burundi, Ethiopia, Rwanda and Sumatra

Best-in-class Roasting Capability

- Reduced from three roasting facilities running radically under capacity to one Safe Quality Food (SQF) Certified roasting facility in Portland, Oregon running at fully optimized capacity utilization
- Experienced roastmaster team manufacturing high-quality small batch roasting at scale



Optimizing DSD for turnkey service and growth





John Moore
President and
Chief Executive Officer



Brad Bollner
Interim Chief Financial Officer



Tom Bauer
Chief Commercial Officer,
Head of DSD



Jared Vitemb
General Counsel





 **Investment Drivers**

Sale of direct ship business

Sale of direct ship business in June 2023 eliminated lower gross margin business, improved roasting efficiency and streamlined business for DSD operations.

Value Proposition Alignment

Strategic reduction in brand count will optimize procurement, sales and all points in between. Coffee quality and product mix positioned in multiple market tiers to provide ideal value proposition per client.

Improved pricing and margins

AI-driven pricing engine optimizes margin while retaining customers. Price changes made nimbly, mitigating commodity risk. New DSD leadership focused on simple, profit-focused targets.

Large, established DSD network

Approximately 30,000 established customer relationships allow for scaled rollout of new on-trend products and services.



Nationwide Distribution & Servicing Network

Farmer Brothers®

One of the largest independent networks, serving approximately 30,000 establishments across 49 states.

Roasting Facility

Portland, Oregon

Distribution Centers

Rialto, California
Northlake, Illinois
Moonachie, New Jersey
Portland, Oregon

Corporate Headquarters

Northlake, Texas (corporate HQ)⁽¹⁾

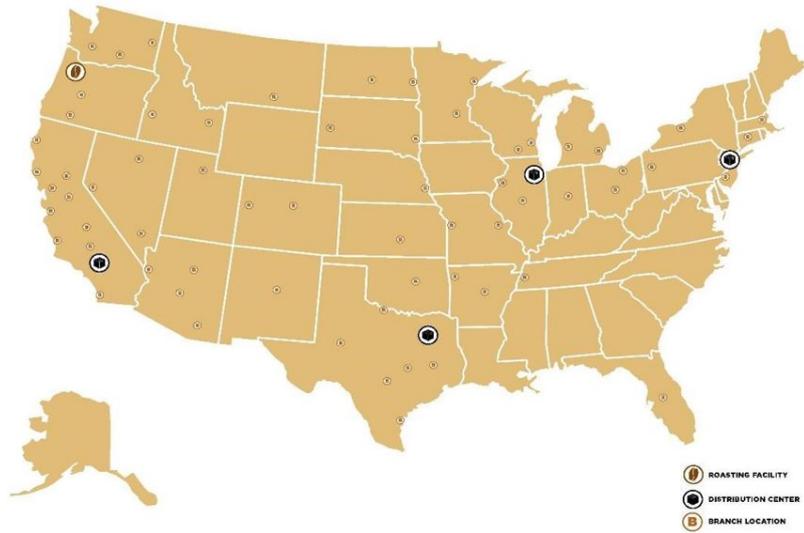
Equipment Refurbishing Centers

Oklahoma City, Oklahoma
Portland, Oregon

80 branch warehouses

242 delivery routes

130 service tech routes

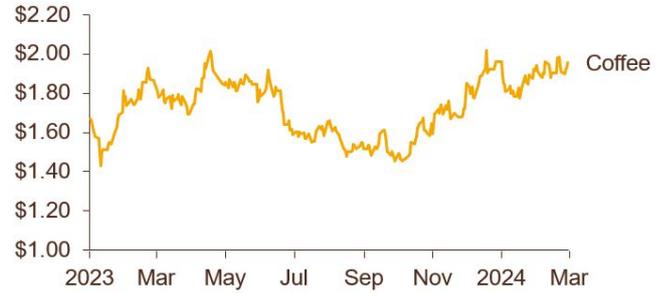


⁽¹⁾As part of the sale, a 12-month, co-manufacturing and nine-month transition services agreement have been arranged at the Northlake, Texas facility.

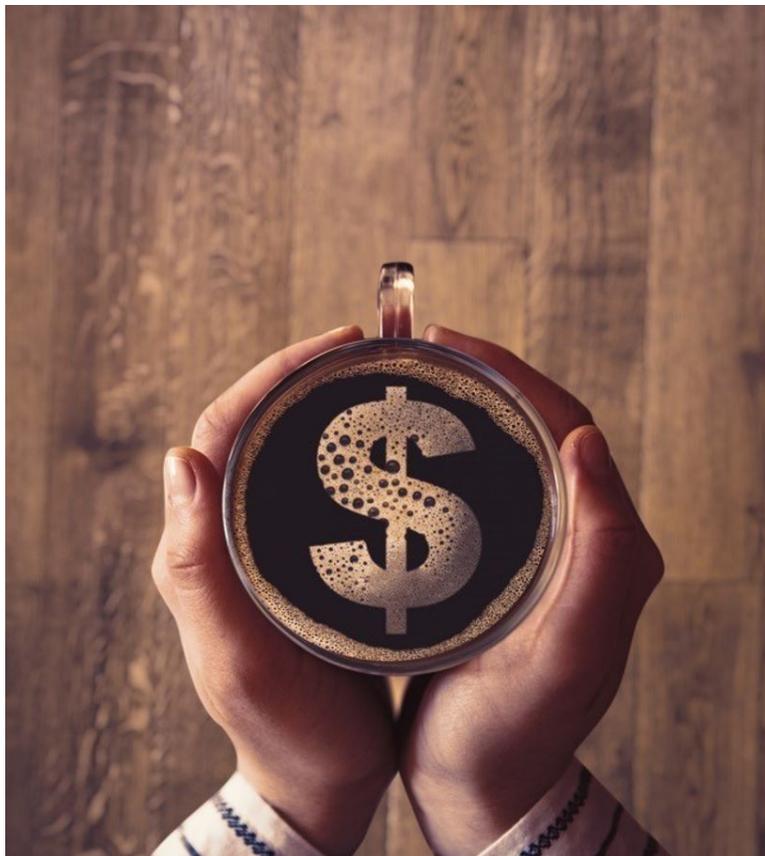
The Coffee Industry

- Coffee market outlook is improving and expected to reach \$83.24 billion in 2027 at a CAGR of 5.9%.⁽¹⁾
- Barring weather-related disruptions, commodity prices are expected to decline in 2024.⁽²⁾
- Coffee consumption is at a two-decade high, with 66% of Americans drinking coffee every day.⁽³⁾
- Specialty coffee consumption hit a five-year high, with 43% of coffee drinkers choosing specialty coffee, a 20% increase since January 2021.⁽⁴⁾
- Liquid concentrates make up approximately 6% of dispensed hot beverage and is projected to grow in volume by 6% annually.⁽⁵⁾

Coffee prices (U.S. dollars/pounds)



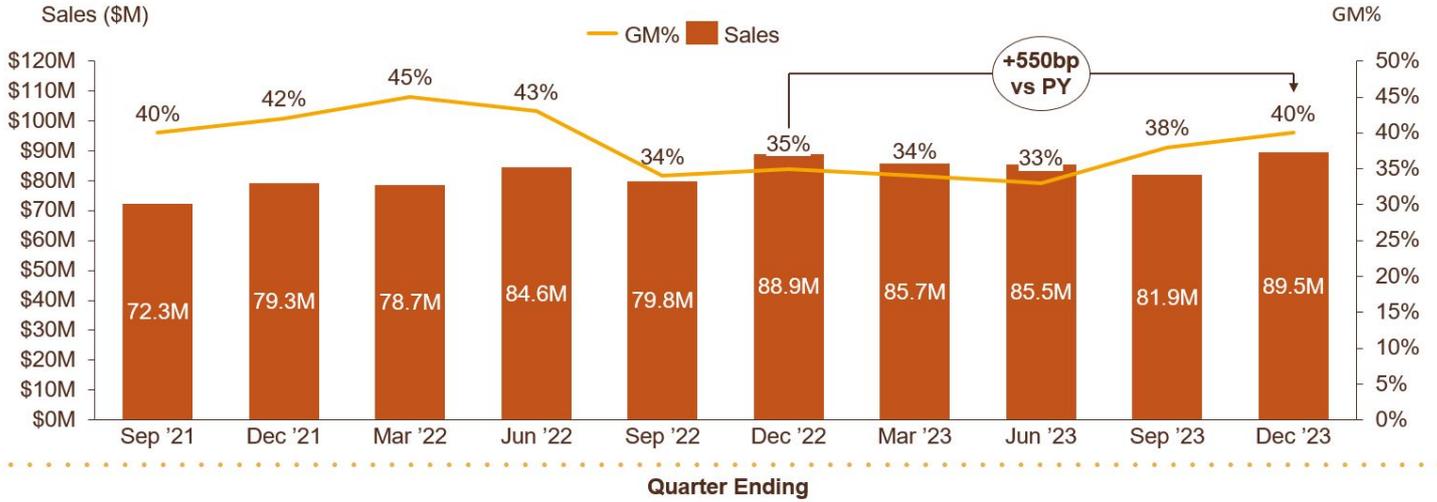
(1) Verified Market Research: Global Coffee Market 2023
(2) Euromonitor 2023
(3) National Coffee Association USA
(4) National Coffee Association USA
(5) Technomic 2022 AFH Beverage Navigator



Financial Highlights

DSD Focus Brings Stronger Margin Profile

Historical DSD gross margins⁽¹⁾ recovering from FY2023 margin erosion toward historical levels in excess of 40%.

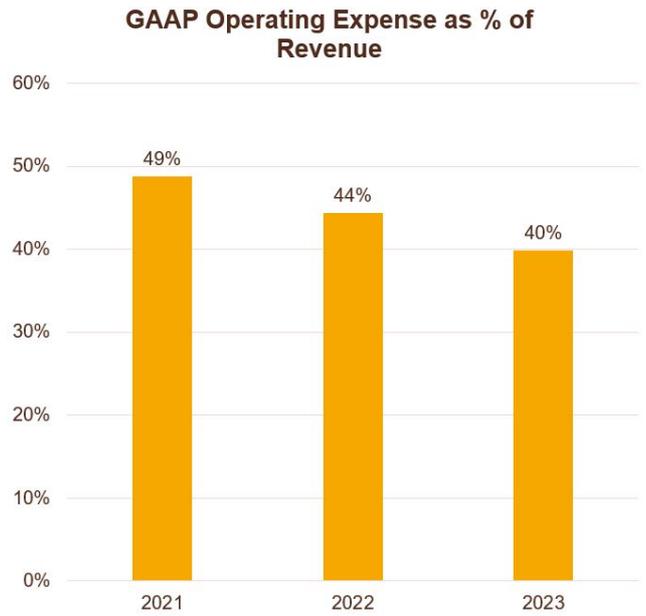


- Q2 FY24 gross margin percentage up 550 basis points compared to Q2 FY23.
- Gains in pricing agility and efficient production indicate sustainably improved gross margins long term.

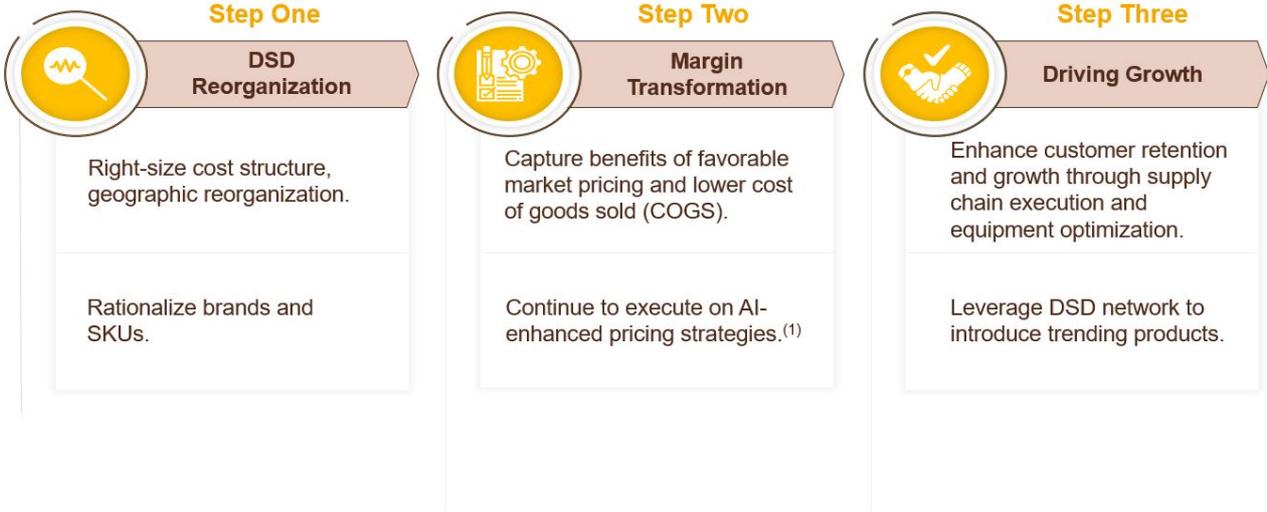
⁽¹⁾ The figures presented for sales and gross margin as of December 2023 are from continuing operations. For additional information, please refer to our quarterly report on Form 10-Q for the fiscal quarter ended Dec. 31, 2023, filed with the SEC on Feb. 8, 2024.

Steady Gains in Operating Efficiency

- **Sold Northlake, Texas facility and direct ship customers:** Streamlined assets, reducing maintenance and operational burdens
- **Eliminated non-recurring costs** from direct ship sale and hedging
- **Lowered CAPEX and right-sizing operations** for DSD-focused business
- **Realigning DSD:** Streamlining operations, optimizing sales, warehouse and logistics, and rationalizing brands and SKUs
- **Transitioning to Portland, Oregon facility:** Operational efficiencies, such as logistical advantages, reduced shipping and transportation costs
- **Completing separation from direct ship divestiture:** Leveraged outsourcing for production efficiencies, shared resources, expanded market access, etc.



Foundation in place for positive inflection in the coming quarters



Fiscal 2023

- Executed direct ship sale at fiscal year end, improving balance sheet
- Launched new AI pricing engine

Fiscal 2024 (first half)

- Commenced leadership transition
- Implemented DSD reorganization
- Sold through older, higher cost inventory
- Achieved 40% gross margins and positive adjusted EBITDA⁽¹⁾ in the second quarter

Fiscal 2024 (second half)

- Accelerate execution as a leaner, re-focused business
- Centralize roasting and production operations to Portland facility
- Capture benefits of pricing tailwinds
- Drive to free cash flow inflection

Farmer Brothers®

Contact us

Investor Relations
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