May 23, 2025

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Tejon Ranch (TRC-NYSE)

TRC: Board Composition Has Changed Over Past Year; Half the Directors are New

Shareholders send another clear message that change is needed

- TRC shareholders re-elected most of the company's board nominees but added newcomer Andrew Dakos instead of reelecting Michael Winer, who had been a director for 24 years.
- Andrew Dakos was part of an activist investor group that launched a proxy fight.
- We believe the vote in both 2024 and 2025 illustrates that shareholders increasingly are frustrated that the company has not created lasting shareholder value.
- Since 1998, TRC shares have essentially round tripped from the $16-$20 level to the $45-$50 range and back again. Shareholders want to see demonstrable changes.
- With Andrew Dakos, now 50% of board members are relatively new, which we view positively.

Tejon Ranch Company (NYSE:TRC) announced results of the recent vote from its annual shareholder meeting held on May 13, 2025. Tejon shareholders re-elected Steven Betts, who has been a director since 2014, Gregory Bielli, Denise Gammon, Anthony Leggio, Jeffrey McCall, Norman Metcalfe, Eric Speron, Daniel Tisch, and Kenneth Yee to the company's board of directors. Shareholders also elected Andrew Dakos as a newcomer to the board.

Shareholders did not re-elect former director Michael Winer to the board. He had been a member of the Tejon board for 24 years. His background, like Andrew Dakos' background, includes substantial experience in the financial services sector. He had been chairman of the company's Nominating Committee, which is responsible for "assessing existing directors to determine whether to recommend them for reelection to the Board, identifying and recruiting potential new directors," among other board related issues.

Andrew Dakos, the newest member of the company's board, was part of an activist investor group that launched a proxy fight. He is a Principal and Partner with Bulldog Investors. A shareholder group consisting of Special Opportunities Fund and its investment advisor Bulldog Investors sent a separate proxy statement to shareholders putting forth three nominees for board seats, including Andrew Dakos.

We believe the way the vote played out in both 2024 and 2025 illustrates that shareholders increasingly want to see changes at the company. Last year, after Nitor Capital issued a letter to shareholders citing its view that the management and board in place at the time had not created lasting shareholder value, the percentage of votes that were withheld for reappointing the company's nominees increased substantially.

In our view, shareholders sent a clear message again in 2025 that change is needed and they are not willing to wait on the sidelines in the hopes that TRC and the board will improve their management of the company, particularly in light of the performance of the shares. Since 1998, the shares have essentially

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round tripped from the $16-$20 range to the $45-$50 range and back again. TRC shares have underperformed relative to the value of the company's sizable land holdings and relative to the S&P 500. Shareholders want demonstrable changes.

With Andrew Dakos now on the board, 50% of the board members are relatively new, which we view positively. Dense Gammon, Jeffrey McCall, Eric Speron, and Kenneth Yee were elected by the board in November 2024 and Andrew Dakos in May 2025, as noted.

Terra Vista: Initial stage of development completed and rental of first units has begun…

That said, we view Terra Vista as a significant positive for the company that could be a catalyst to smooth out financial results and contribute to share price appreciation. California is considered one of the most challenging states in which to advance development projects. Even so, the company is in the process of developing Terra Vista, a multi-family residential complex adjacent to the Outlets at Tejon, that is expected to generate steady and predictable recurring monthly revenue. It is expected to provide housing for people living nearby the TRCC, including many employed at the TRCC and the Hard Rock Hotel & Casino Tejon once that project is completed.

Once Terra Vista is completed, the 495 Terra Vista funits will consist of affordable studio, one, and two-bedroom apartments. California has some of the highest rental occupancy rates nationwide. Terra Vista stage one has been completed. Stage one consists of the 84 units that recently became ready for residency, plus a pool, playground, dog park, and green and community spaces.

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