

SECOND QUARTER EARNINGS CALL

August 7, 2024



SAFE HARBOR AND NON-GAAP FINANCIAL MEASURES

Certain information discussed today constitutes forward-looking statements. Actual results could differ materially from those presented in the forward-looking statements as a result of many factors including general economic, weather, and regulatory conditions, competition, geopolitical risk, and additional factors that are described in the company's publicly-filed documents, including its '34 Act filings and the prospectuses prepared in connection with the company's offerings.

Today's call includes financial information which the company's independent auditors have not completely reviewed. Although the company believes that the assumptions upon which the financial information and its forward-looking statements are based are reasonable, it can give no assurances that these assumptions will prove to be accurate.

This presentation and today's prepared remarks contain non-GAAP financial measures. The company believes that pretax income (loss) attributable to the company; adjusted pretax income (loss) attributable to the company; adjusted pretax income (loss); adjusted net income attributable to the company; adjusted diluted earnings per share; earnings before interest, taxes, depreciation and amortization (or EBITDA); adjusted EBITDA; and cash from operations before working capital changes provide additional information to investors and others about its operations, allowing an evaluation of underlying operating performance and liquidity and better period-to-period comparability. The above measures are not and should not be considered as alternatives to pretax income (loss) or income (loss) before income taxes; net income (loss); diluted earnings (loss) per share attributable to The Andersons, Inc. common shareholders and cash provided by (used in) operating activities as determined by generally accepted accounting principles. Reconciliations of the GAAP to non-GAAP measures may be found within the financial tables in the appendix.

SPEAKERS



PAT BOWE

Chairman and Chief Executive Officer



BILL KRUEGER

Chief Operating Officer



BRIAN VALENTINE

Executive Vice President and Chief Financial Officer



MIKE HOELTER

Vice President, Corporate Controller and Investor Relations

SECOND QUARTER HIGHLIGHTS

TRADE

Improved earnings across broad portfolio led by grain assets and premium ingredients

RENEWABLES

Strong earnings on efficient operations and improved year-over-year ethanol margins; Co-product values down

NUTRIENT & INDUSTRIAL

Year-over-year earnings reflect lower commodity prices and delayed application season

KEY FINANCIAL DATA – SECOND QUARTER 2024

\$ In millions except per share

Sales and merchandising revenues

Gross profit

Pretax income

Pretax income attributable to ANDE¹

Adjusted pretax income attributable to ANDE¹

Net income attributable to ANDE¹

Adjusted net income attributable to ANDE¹

Diluted earnings per share (EPS)

Adjusted EPS¹

EBITDA¹

Adjusted EBITDA¹

	Q2 '24	Q2 '23	YTD '24	YTD '23
\$	2,795	\$ 4,020	\$ 5,513	\$ 7,901
	175	222	304	370
	57	104	71	39
	41	77	48	56
	45	72	52	81
	36	55	42	40
	39	52	45	59
	1.05	1.61	1.21	1.18
	1.15	1.52	1.31	1.72
	94	149	146	133
	98	144	149	200

CASH AND LIQUIDITY

HIGHLIGHTS

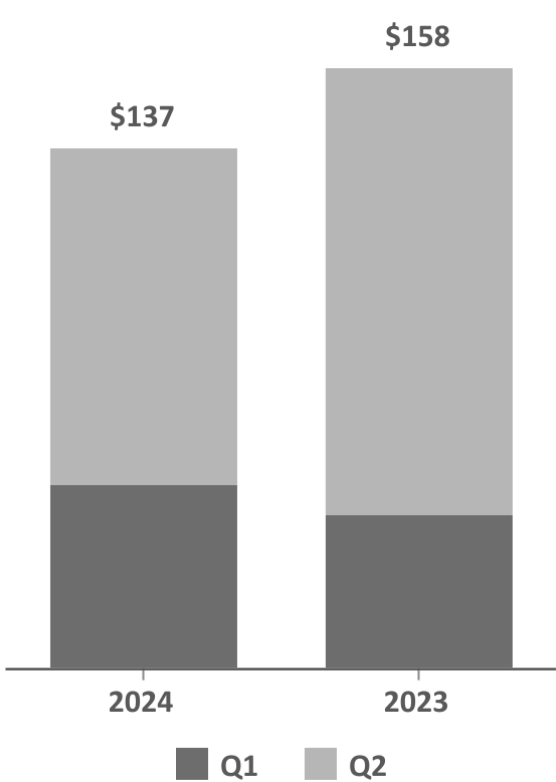
Consistent and strong operating cash flows in changing markets

Readily marketable inventories (RMI) continue to significantly exceed short-term debt

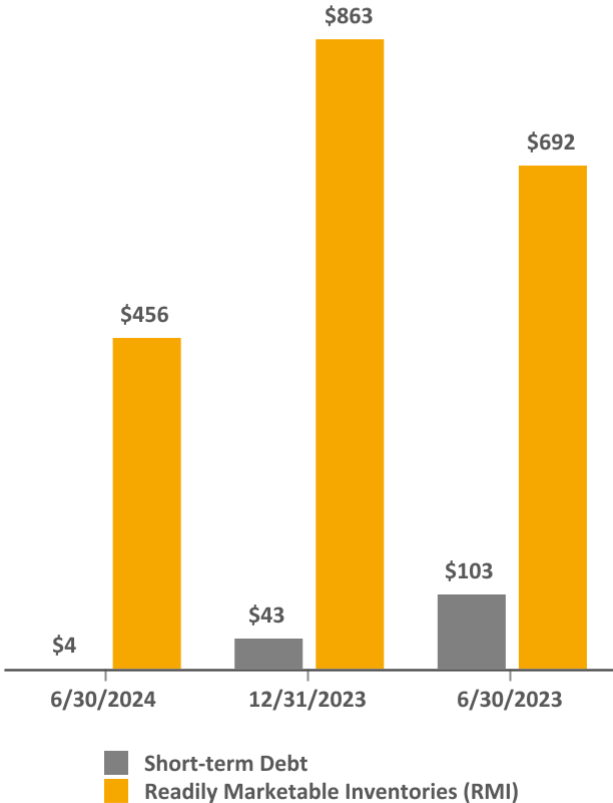
Minimal short-term debt from reduced commodity prices and delayed farmer selling

\$530M cash on hand at 6/30/2024

Cash from Operations Before Working Capital Changes¹ (in millions)



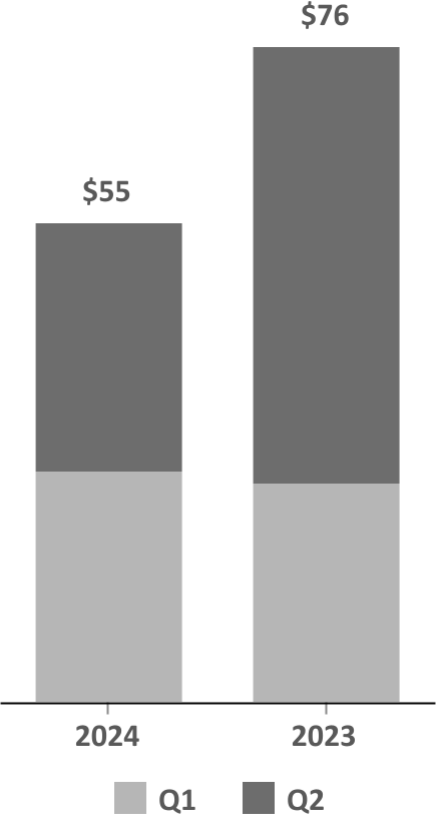
Short-term Debt vs. RMI (in millions)



¹ Non-GAAP financial measure; see appendix for reconciliations.

CAPITAL SPENDING AND LONG-TERM DEBT

Capital Spending¹
(in millions)



Long-term Debt
(in millions)



HIGHLIGHTS

Capital investments include growth; expect total spend of \$150M - \$175M

Strong and flexible balance sheet

Continued focus on managing long-term debt-to-EBITDA ratio below 2.5x; currently 1.6x²

¹ Measure derived from purchases of PPE, capitalized software, and investments
² Trailing twelve months ended June 30, 2024, long-term debt-to-adjusted EBITDA

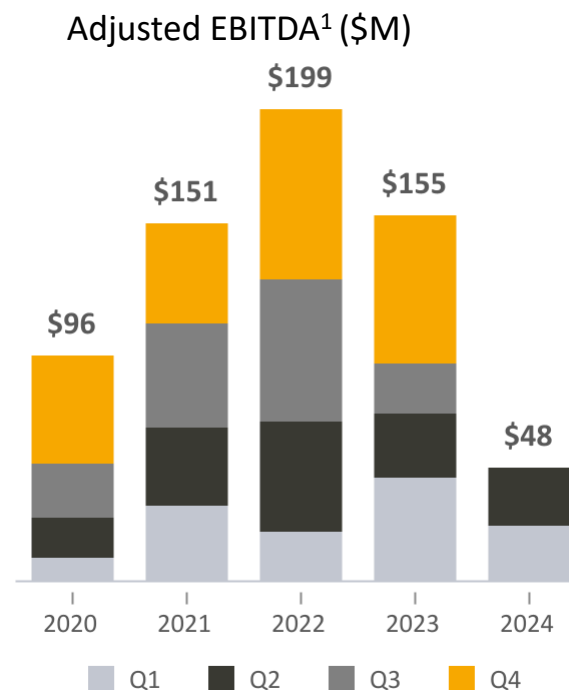
TRADE — Q2 '24 HIGHLIGHTS

Grain assets improved with carry markets, led by wheat income opportunities
 Premium ingredients improved with recent acquisition and growth investments
 Merchandising income declined on lower prices and less volatility



Unaudited in \$M

	Q2 '24	Q2 '23	YTD '24	YTD '23
Revenues	\$ 1,758	\$ 2,697	\$ 3,652	\$ 5,575
Gross profit	80	81	158	198
Pretax income	5	5	11	44
Adjusted pretax income ¹	9	7	18	31
EBITDA ¹	20	25	41	84
Adjusted EBITDA ¹	24	27	48	71



RENEWABLES — Q2 '24 HIGHLIGHTS

Record operating production and improved ethanol crush margins

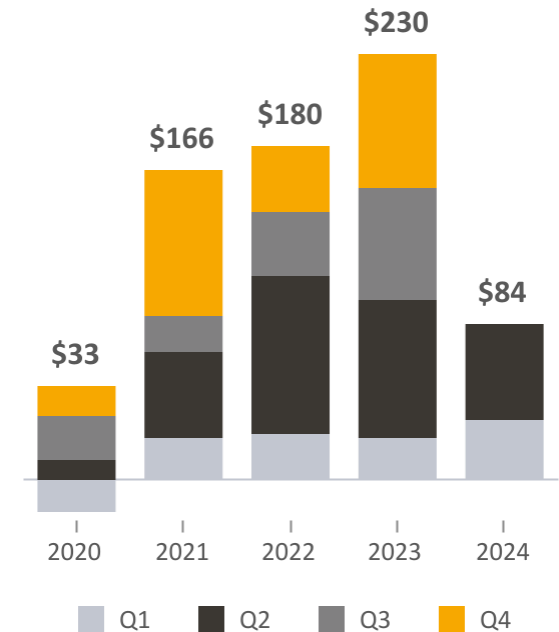
Higher RD feedstock merchandising volumes; Compressed margins on industry fundamentals

Increased feed ingredients volumes; Reduced values from lower corn prices

Unaudited in \$M

	Q2 '24	Q2 '23	YTD '24	YTD '23
Revenues	\$ 686	\$ 878	\$ 1,343	\$ 1,717
Gross profit	47	68	73	84
Pretax income (loss)	39	67	62	(16)
Pretax income attributable to ANDE ¹	23	39	38	1
Adjusted pretax income attributable to ANDE ¹	23	32	35	39
EBITDA ¹	52	81	87	16
Adjusted EBITDA ¹	52	74	84	96

Adjusted EBITDA¹ (\$M)

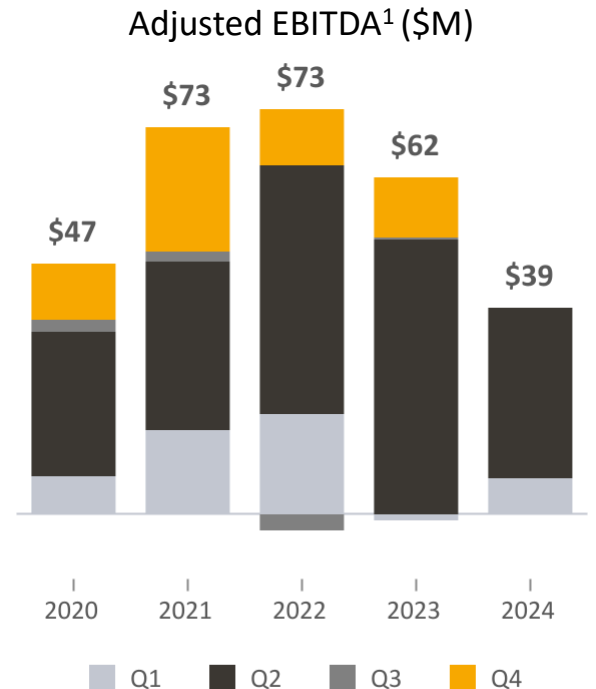


NUTRIENT & INDUSTRIAL — Q2 '24 HIGHLIGHTS

Year-over-year earnings reflect lower commodity prices and a late and wet spring
Improved results from manufactured products with focus on operational efficiency

Unaudited in \$M

	Q2 '24	Q2 '23	YTD '24	YTD '23
Revenues	\$ 351	\$ 446	\$ 519	\$ 610
Gross profit	49	73	72	88
Pretax income	23	43	22	32
EBITDA ¹	32	52	39	50



OUTLOOK

TRADE

Balanced product portfolio and well-positioned assets should support earnings on an abundant grain supply; Wheat income opportunities expected to continue

RENEWABLES

Fundamentals should continue to support solid ethanol margins particularly in the east; Continue to focus on plant efficiency and lowering carbon-intensity

NUTRIENT & INDUSTRIAL

Second half dependent on harvest timing and market dynamics; Focused on optimization

Q&A SESSION



Thank you for joining us.
Our next earnings call is scheduled for
November 5, 2024 at 11 a.m. ET



APPENDIX



NON-GAAP RECONCILIATION — Adjusted net income from continuing operations attributable to The Andersons, Inc.

(unaudited)

(in thousands, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Net income	\$ 52,470	\$ 82,686	\$ 65,135	\$ 23,569
Net income (loss) attributable to noncontrolling interests	16,494	27,640	23,578	(16,727)
Net income attributable to The Andersons, Inc.	<u>35,976</u>	<u>55,046</u>	<u>41,557</u>	<u>40,296</u>
Adjustments:				
Transaction related compensation	4,049	939	6,900	2,607
Gain on deconsolidation of joint venture	—	(6,544)	(3,117)	(6,544)
Asset impairment	—	—	—	44,450
Insured inventory expenses (recoveries)	—	1,310	—	(16,080)
Income tax impact of adjustments ¹	(531)	1,074	(252)	(6,108)
Total adjusting items, net of tax	<u>3,518</u>	<u>(3,221)</u>	<u>3,531</u>	<u>18,325</u>
Adjusted net income attributable to The Andersons, Inc.	<u>\$ 39,494</u>	<u>\$ 51,825</u>	<u>\$ 45,088</u>	<u>\$ 58,621</u>
Diluted earnings per share attributable to The Andersons, Inc. common shareholders	<u>\$ 1.05</u>	<u>\$ 1.61</u>	<u>\$ 1.21</u>	<u>\$ 1.18</u>
Impact on diluted earnings (loss) per share	<u>\$ 0.10</u>	<u>\$ (0.09)</u>	<u>\$ 0.10</u>	<u>\$ 0.54</u>
Adjusted diluted earnings per share	<u>\$ 1.15</u>	<u>\$ 1.52</u>	<u>\$ 1.31</u>	<u>\$ 1.72</u>



¹ The income tax impact of adjustments is taken at the statutory tax rate of 25% with the exception of certain transaction related compensation in both 2024 and 2023, respectively.

NON-GAAP RECONCILIATION — Quarter to Date Segment Data

(unaudited)

(in thousands)

Three months ended June 30, 2024

	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Sales and merchandising revenues	\$ 1,757,741	\$ 686,127	\$ 351,337	\$ —	\$ 2,795,205
Gross profit	79,648	46,727	48,996	—	175,371
Operating, administrative and general expenses	72,803	7,756	25,393	10,662	116,614
Other income (loss), net	4,033	1,176	509	(518)	5,200
Income (loss) before income taxes	5,424	39,200	23,419	(10,697)	57,346
Income attributable to the noncontrolling interests	—	16,494	—	—	16,494
Income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 5,424	\$ 22,706	\$ 23,419	\$ (10,697)	\$ 40,852
Adjustments to income (loss) before income taxes ²	4,049	—	—	—	4,049
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ²	\$ 9,473	\$ 22,706	\$ 23,419	\$ (10,697)	\$ 44,901

Three months ended June 30, 2023

Sales and merchandising revenues	\$ 2,696,810	\$ 877,781	\$ 445,592	\$ —	\$ 4,020,183
Gross profit	80,711	68,292	72,934	—	221,937
Operating, administrative and general expenses	69,146	7,568	28,886	10,407	116,007
Other income	4,328	7,468	500	145	12,441
Income (loss) before income taxes	4,990	66,604	42,565	(9,741)	104,418
Income attributable to the noncontrolling interests	—	27,640	—	—	27,640
Income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 4,990	\$ 38,964	\$ 42,565	\$ (9,741)	\$ 76,778
Adjustments to income (loss) before income taxes ²	2,249	(6,544)	—	—	(4,295)
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ²	\$ 7,239	\$ 32,420	\$ 42,565	\$ (9,741)	\$ 72,483

¹ Income (loss) before income taxes attributable to The Andersons, Inc. for each operating segment is defined as net sales and merchandising revenues plus identifiable other income less all identifiable operating expenses, including interest expense for carrying working capital and long-term assets and is reported net of the noncontrolling interest share of income.

² Additional information on the individual adjustments that are included in the adjustments to income (loss) before income taxes can be found in the Reconciliation to EBITDA and Adjusted EBITDA table.

NON-GAAP RECONCILIATION — Year to Date Segment Data

(unaudited)

(in thousands)

Six months ended June 30, 2024

	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Sales and merchandising revenues	\$ 3,651,600	\$ 1,343,166	\$ 518,656	\$ —	\$ 5,513,422
Gross profit	157,930	73,297	72,464	—	303,691
Operating, administrative and general expenses	145,061	15,753	50,836	24,322	235,972
Other income (loss), net	9,566	5,926	1,557	(321)	16,728
Income (loss) before income taxes	11,348	61,991	21,569	(23,594)	71,314
Income attributable to the noncontrolling interests	—	23,578	—	—	23,578
Income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 11,348	\$ 38,413	\$ 21,569	\$ (23,594)	\$ 47,736
Adjustments to income (loss) before income taxes ²	6,900	(3,117)	—	—	3,783
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 18,248	\$ 35,296	\$ 21,569	\$ (23,594)	\$ 51,519

Six months ended June 30, 2023

Sales and merchandising revenues	\$ 5,574,590	\$ 1,717,297	\$ 609,534	\$ —	\$ 7,901,421
Gross profit	197,889	84,095	87,964	—	369,948
Operating, administrative and general expenses	141,126	16,472	53,018	22,626	233,242
Other income, net	10,311	8,309	1,346	479	20,445
Income (loss) before income taxes	44,354	(15,909)	32,127	(21,155)	39,417
Loss attributable to the noncontrolling interests	—	(16,727)	—	—	(16,727)
Income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 44,354	\$ 818	\$ 32,127	\$ (21,155)	\$ 56,144
Adjustments to income (loss) before income taxes from continuing operations ²	(13,473)	37,906	—	—	24,433
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ¹	\$ 30,881	\$ 38,724	\$ 32,127	\$ (21,155)	\$ 80,577

¹ Income (loss) before income taxes attributable to The Andersons, Inc. for each operating segment is defined as net sales and merchandising revenues plus identifiable other income less all identifiable operating expenses, including interest expense for carrying working capital and long-term assets and is reported net of the noncontrolling interest share of income.

² Additional information on the individual adjustments that are included in the adjustments to income (loss) before income taxes can be found in the Reconciliation to EBITDA and Adjusted EBITDA table. All adjustments are consistent with the EBITDA reconciliation with the exception of a \$42.7 million difference in the Renewables segment which represents the asset impairment expense attributable to the non-controlling interest that is reflected in Income attributable to the noncontrolling interest within the reconciliation above.

NON-GAAP RECONCILIATION — Quarter to Date EBITDA and Adjusted EBITDA

(unaudited)

(in thousands)	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Three months ended June 30, 2024					
Net Income (loss)	\$ 5,424	\$ 39,200	\$ 23,419	\$ (15,573)	\$ 52,470
Interest expense (income)	5,454	947	693	(483)	6,611
Tax provision	—	—	—	4,876	4,876
Depreciation and amortization	9,314	11,719	7,965	1,271	30,269
EBITDA ¹	<u>20,192</u>	<u>51,866</u>	<u>32,077</u>	<u>(9,909)</u>	<u>94,226</u>
Adjusting items impacting EBITDA:					
Transaction related compensation	4,049	—	—	—	4,049
Total adjusting items	<u>4,049</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>4,049</u>
Adjusted EBITDA	<u>\$ 24,241</u>	<u>\$ 51,866</u>	<u>\$ 32,077</u>	<u>\$ (9,909)</u>	<u>\$ 98,275</u>
Three months ended June 30, 2023					
Net Income (loss) from continuing operations	\$ 4,990	\$ 66,604	\$ 42,565	\$ (31,473)	\$ 82,686
Interest expense (income)	10,903	1,588	1,983	(521)	13,953
Tax provision	—	—	—	21,732	21,732
Depreciation and amortization	8,683	12,425	7,097	2,160	30,365
EBITDA	<u>24,576</u>	<u>80,617</u>	<u>51,645</u>	<u>(8,102)</u>	<u>148,736</u>
Adjusting items impacting EBITDA:					
Transaction related compensation	939	—	—	—	939
Insured inventory expenses	1,310	—	—	—	1,310
Gain on deconsolidation of joint venture	—	(6,544)	—	—	(6,544)
Total adjusting items	<u>2,249</u>	<u>(6,544)</u>	<u>—</u>	<u>—</u>	<u>(4,295)</u>
Adjusted EBITDA	<u>\$ 26,825</u>	<u>\$ 74,073</u>	<u>\$ 51,645</u>	<u>\$ (8,102)</u>	<u>\$ 144,441</u>

NON-GAAP RECONCILIATION — Year to Date EBITDA and Adjusted EBITDA

(unaudited)

(in thousands)	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Six months ended June 30, 2024					
Net income (loss)	\$ 11,348	\$ 61,991	\$ 21,569	\$ (29,773)	\$ 65,135
Interest expense (income)	11,087	1,479	1,616	(1,049)	13,133
Tax provision	—	—	—	6,179	6,179
Depreciation and amortization	18,569	23,684	15,758	3,207	61,218
EBITDA	41,004	87,154	38,943	(21,436)	145,665
Adjusting items impacting EBITDA:					
Transaction related compensation	6,900	—	—	—	6,900
Gain on deconsolidation of joint venture	—	(3,117)	—	—	(3,117)
Total adjusting items	6,900	(3,117)	—	—	3,783
Adjusted EBITDA	\$ 47,904	\$ 84,037	\$ 38,943	\$ (21,436)	\$ 149,448
Six months ended June 30, 2023					
Net income (loss)	\$ 44,354	\$ (15,909)	\$ 32,127	\$ (37,003)	\$ 23,569
Interest expense (income)	22,720	4,685	4,165	(992)	30,578
Tax benefit	—	—	—	15,848	15,848
Depreciation and amortization	17,328	26,896	14,054	4,307	62,585
EBITDA	84,402	15,672	50,346	(17,840)	132,580
Adjusting items impacting EBITDA:					
Transaction related compensation	2,607	—	—	—	2,607
Insured inventory recoveries	(16,080)	—	—	—	(16,080)
Gain on deconsolidation of joint venture	—	(6,544)	—	—	(6,544)
Asset impairment	—	87,156	—	—	87,156
Total adjusting items	(13,473)	80,612	—	—	67,139
Adjusted EBITDA	\$ 70,929	\$ 96,284	\$ 50,346	\$ (17,840)	\$ 199,719

NON-GAAP RECONCILIATION — Cash from Operations Before Working Capital Changes

(unaudited)

(in thousands, except per share data)	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Cash provided by operating activities	\$ 304,434	\$ 540,939	\$ 64,807	\$ 207,404
Changes in operating assets and liabilities				
Accounts receivable	(42,441)	82,754	15,284	207,867
Inventories	308,640	556,845	477,723	734,855
Commodity derivatives	64,508	19,605	36,010	102,753
Other current and non-current assets	(52,510)	16,296	(50,587)	(1,247)
Payables and other current and non-current liabilities	(62,528)	(250,794)	(550,797)	(1,011,086)
Total changes to operating assets and liabilities	215,669	424,706	(72,367)	33,142
Adjusting items impacting cash from operations before working capital changes:				
Less: Insured inventory expenses (recoveries)	—	1,310	—	(16,080)
Cash from operations before working capital changes	\$ 88,765	\$ 117,543	\$ 137,174	\$ 158,182

NON-GAAP RECONCILIATION — Trade Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended
	2020	2021	2022	2023	June 30,
					2024
Net income ¹	\$ 24,687	\$ 87,946	\$ 95,225	\$ 96,234	\$ 11,348
Interest expense	21,974	23,688	42,551	35,234	11,087
Depreciation & amortization	44,627	44,335	35,953	36,109	18,569
Earnings before interest, taxes, depreciation and amortization (EBITDA)	91,288	155,969	173,729	167,577	41,004
Adjusting items to EBITDA:					
Insured inventory expenses (recoveries)	—	—	15,993	(16,080)	—
Transaction related compensation	4,206	1,274	—	7,818	6,900
Asset impairment including equity method investments	—	8,321	13,455	963	—
Gains on sales of assets and business	—	(14,619)	(3,762)	(5,643)	—
Adjusted EBITDA	\$ 95,494	\$ 150,945	\$ 199,415	\$ 154,635	\$ 47,904



¹ All taxes are associated to “other” in the segment reporting of the Company.

NON-GAAP RECONCILIATION — Renewables Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended
	2020	2021	2022	2023	June 30,
					2024
Net income (loss) ¹	\$ (47,338)	\$ 81,205	\$ 108,221	\$ 91,175	\$ 61,991
Interest expense	7,461	7,602	8,775	6,385	1,479
Depreciation & amortization	73,224	77,542	63,458	51,408	23,684
Earnings before interest, taxes, depreciation and amortization (EBITDA)	33,347	166,349	180,454	148,968	87,154
Adjusting items to EBITDA:					
Gain on deconsolidation of joint venture	—	—	—	(6,544)	(3,117)
Asset impairment	—	—	—	87,156	—
Adjusted EBITDA	\$ 33,347	\$ 166,349	\$ 180,454	\$ 229,580	\$ 84,037



¹ All taxes are associated to “other” in the segment reporting of the Company.

NON-GAAP RECONCILIATION — Nutrient & Industrial Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended
	2020	2021	2022	2023	June 30, 2024
Net income ¹	\$ 16,015	\$ 42,615	\$ 39,162	\$ 25,049	\$ 21,569
Interest expense	5,805	4,355	7,298	7,016	1,616
Depreciation & amortization	25,407	25,957	26,634	29,268	15,758
Earnings before interest, taxes, depreciation and amortization (EBITDA)	47,227	72,927	73,094	61,333	38,943
Adjusting items to EBITDA:					
Goodwill impairment	—	—	—	686	—
Adjusted EBITDA	\$ 47,227	\$ 72,927	\$ 73,094	\$ 62,019	\$ 38,943



¹ All taxes are associated to “other” in the segment reporting of the Company.