The Andersons®

2023

ANNUAL REPORT

FINANCIAL HIGHLIGHTS

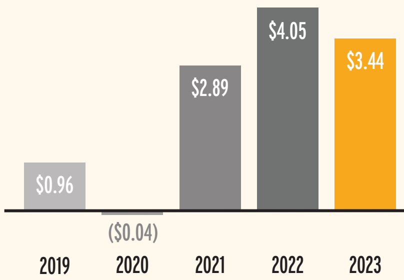
OPERATING RESULTS (IN MILLIONS)	2023	2022
Sales and merchandising revenues	**$14,750**	$17,325
Gross profit	**745**	684
Operating, administrative, and general expenses	**492**	458
Income before income taxes from continuing operations	**170**	195
Net income from continuing operations attributable to The Andersons, Inc.	**101**	119
Earnings before interest, taxes, depreciation, and amortization from continuing operations (EBITDA)	**342**	386
Cash provided by operating activities	**947**	287

FINANCIAL POSITION (IN MILLIONS)		
Total assets	**$3,855**	$4,608
Working capital	**1,171**	945
Readily marketable inventories	**863**	1,309
Short-term debt	**43**	273
Long-term debt, including current maturities of long-term debt	**591**	603
Total equity	**1,516**	1,430

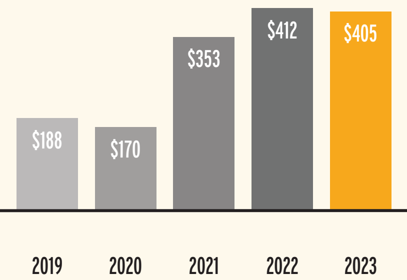
PER SHARE DATA		
Diluted earnings from continuing operations attributable to The Andersons, Inc. (EPS)	**$2.94**	$3.46
Adjusted EPS[1]	**3.44**	4.05
Dividends declared	**0.745**	0.725
Year-end market value	**57.54**	34.99

RATIOS AND OTHER DATA		
Long-term debt, including current maturities to Adjusted EBITDA[2]	**1.46**	1.46
Diluted weighted-average shares outstanding (in thousands)	**34,382**	34,422
Effective tax rate from continuing operations	**21.8 %**	20.4 %

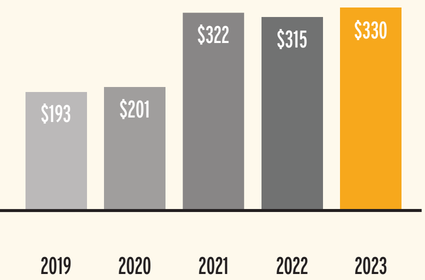
Adjusted EPS[1]



Adjusted EBITDA[2]
(In Millions)



Cash from Operations Before Working Capital Changes[3]
(In Millions)

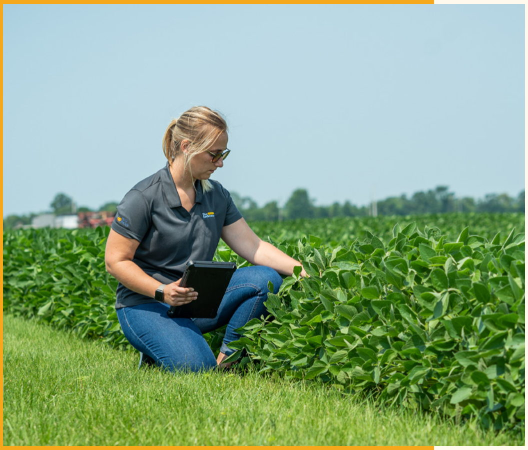


[1] Adjusted EPS is a non-GAAP financial measure. The measure excludes after-tax charges for asset impairments (including equity method investments), transaction related compensation, goodwill impairment and after-tax gains on a cost method investment, asset sales, deconsolidation of a joint venture, and insured inventory recoveries for 2023; after-tax charges for asset impairments (including equity method investments), insured inventory expenses, and after-tax gains on asset sales for 2022; after-tax charges for transaction related compensation, asset impairments, loss on a cost method investment and an after-tax gain of the sale of a business for 2021; after-tax charges for severance and transaction related compensation, as well as income tax benefits resulting from the Coronavirus Aid, Relief, and Economic Security (CARES) Act for 2020; and after-tax charges for acquisition costs, transaction related compensation, asset impairments (including equity method investments) and after-tax gains on asset sales (including equity method investments) for 2019.

[2] EBITDA and Adjusted EBITDA are both non-GAAP financial measures. EBITDA is calculated as interest expense, tax expense, depreciation and amortization added back to net income (loss) from continuing operations. Reconciliations of EBITDA and Adjusted EBITDA to net income from continuing operations can be found in our fourth quarter earnings release and investor presentation posted to the Investor Relations webpage at https://investors.andersonsinc.com/presentations.

[3] Cash from operations before working capital changes is a non-GAAP financial measure. This measure is calculated by adding back changes in working capital to cash provided by (used in) operating activities as stated in the audited statement of cash flows. Reconciliations of cash from operations before working capital changes to cash provided by (used in) operating activities can be found in our fourth quarter earnings release and investor presentation posted to the Investor Relations webpage at https://investors.andersonsinc.com/presentations.

DEAR SHAREHOLDERS AND FRIENDS,



We are pleased to report strong earnings for 2023, our second-best adjusted full year results. We had a record fourth quarter and our Renewables segment achieved record full-year adjusted operating results. Our teams continue to focus on meeting the needs of our customers and we remain grateful for the support from our suppliers and for the dedication of our team. We embrace our position in the North American ag supply chain and will continue to identify new opportunities to profitably grow our company while earning appropriate shareholder returns and providing outstanding service to our customers. We were also proud to receive several awards in 2023, including being named one of The Americas' Fastest Growing Companies by the Financial Times®, one of America's Greatest Workplaces by Newsweek®, and one of America's Best Small Companies by Forbes®.

After several years of tight global supplies and volatility, 2023 ended with a replenished global supply of grain. These changing ag fundamentals will create new opportunities for our well-positioned assets and require shifts by our commodity merchandising teams. We anticipate leveraging our balanced portfolio of assets and product line merchandising as additional supply finds its way to storage. In addition, the changes in market dynamics should bring more growth opportunities as business owners reconsider their ownership positions in a changing ag market.

Our 2023 net income from continuing operations attributable to the company was $101 million, or $2.94 per diluted share. Adjusted net income was $118 million, or $3.44 per diluted share. Our 2023 adjusted earnings before interest, taxes, depreciation, and amortization (EBITDA) from continuing operations of $405 million was just shy of the record adjusted EBITDA from continuing operations of $412 million generated in 2022.

We continue to make steady progress on executing our growth strategy, including M&A, capital projects, and expansion of our merchandising businesses. After three years of very strong earnings combined with disciplined working capital management and capital spending, we ended the year with $644 million in cash, exceeding our total debt. Our long-term debt to EBITDA ratio was 1.5 times, well below our target of 2.5 times. We have capacity for growth but will continue to exercise discipline in our approach. We have a robust pipeline of M&A and organic growth projects that includes several exciting opportunities.

The **TRADE** segment started 2023 strong with good elevation margins in our assets and an inverse futures market. Good demand supported these assets and allowed our merchandising teams to capitalize on market dislocations and volatility resulting from the then-current global supply shortfalls. When the large South American harvest was complete, the global supply began to return to more normal levels, reducing the volatility in our markets. This was followed by a good, but later than normal, North American harvest where we were able to earn drying income on the wet grain we accumulated. For a portion of 2023, we also earned variable storage rate income on wheat deliveries. We experienced an unusual loss in Egypt when we accepted a lower exchange rate on customer payments due to currency liquidity issues. We remain supportive of our international business as it focuses on supply to areas of population growth that require imported grains for food. Lastly, we grew our premium ingredients business with the third quarter acquisition of ACJ International, a supplier of pet food ingredients, as well as from adding capacity in our food-grade corn business. We continue to look for opportunities in this space. Trade recorded adjusted pretax earnings of $83 million and adjusted EBITDA of $155, following a record year in 2022.

The **RENEWABLES** segment had an outstanding year. Ethanol pricing for much of 2023 remained historically strong, after a slow start, and our four plants produced same-store record gallons and best-ever yields. Renewable diesel (RD) feedstock, ethanol, and feed product merchandising results continued to grow. In 2023, we sold 1.3 billion pounds of low carbon intensive feedstock, a 60% increase from 2022. We merchandise our own corn oil production as well as third-party vegetable oils and fats to supply the expanding North American RD production. Early in the year, the ELEMENT joint venture plant was placed in receivership due to operational and market challenges and recorded an impairment charge in the first quarter; the plant was ultimately sold in early 2024. Renewables recorded adjusted pretax earnings attributable to The Andersons of $98 million and adjusted EBITDA of $230 million.

Our **NUTRIENT & INDUSTRIAL** segment had a very good planting season in its dry fertilizer agricultural business with an overall 11% increase in fertilizer volume. A continuation of market pricing declines from the record highs of early 2022 reduced margin opportunities in spite of the volume increases. Our specialty liquids business also was lower year-over-year due to both volume and margin declines. In our manufactured products business, we had overall improvements in our operations but continue to be challenged by soft demand. Nutrient & Industrial ended the year with adjusted pretax earnings of $26 million and adjusted EBITDA of $62 million.

We remain focused on achieving our longer-term growth targets. With the strength of our balance sheet, we have capacity for growth projects that are aligned with our strategy. We have stated a goal of $475 million in run rate EBITDA by the end of 2025, which relies on a combination of organic growth and M&A. We anticipate that our growth will not necessarily be linear as is typical in a commodity business. With our focus on improving value for our shareholders, as well as maintaining sustainable businesses and operations, we will remain disciplined in our plans to acquire and invest at amounts that deliver appropriate returns.

As we share this report in the first quarter of 2024, commodity markets have shifted with lower prices on the increased supply. This has delayed farmers' delivery of grain to us. While this may reduce some nearby merchandising opportunities, we have a diverse portfolio of profit centers, and our well-positioned North American assets are ready to handle grain when brought to market. With 2024 planted acres expected to remain high and with a normal growing season, we anticipate strong volumes in our key draw areas. Demand for products that we merchandise is still solid and we will continue to search for opportunistic trades. We also continue to believe that our premium food corn, pet food, and feed ingredient demand will remain strong.

Ethanol crush margins have softened to begin the year, as is typical, but we expect to see improvement with industry maintenance shutdowns and expected fuel demand increases in the spring. We have invested in our ethanol production facilities to maintain their performance and will continue to do so. We are also making investments to increase the value of the co-products produced by these plants. The demand for RD feedstocks should continue to increase as more RD production facilities become operational. We plan to continue to grow this business, with a goal of merchandising two billion pounds of low carbon intensive feedstock by 2025, up from 1.3 billion last year.

We acknowledge a decline in farmer income based on the lower grain prices and higher interest rates but expect the fertilizers and specialty nutrients that we produce will continue to be a necessity for growers to maximize their yields. We anticipate further improvement in our manufactured product lines, particularly our turf products.

As stated previously, we expect to grow through M&A and capital investments but will remain disciplined in capital allocation and stay true to investing within or adjacent to our core. Our balance sheet is strong, and we have good capacity for this growth.

Our people are energized with the opportunities in front of us and remain the source of our success. We have had several years of strong execution in volatile markets and our teams are well-prepared for the market shifts. We remain focused on operating safely and efficiently, working on growth projects and opportunities, reviewing and refining our longer-term strategy, and becoming a more nimble and innovative company focused primarily on North American agriculture. We look forward to providing extraordinary service to our customers, supporting our suppliers and communities, and rewarding our employees and shareholders for many more years to come.

Thank you for your continued support,

Pat Bowe
President and
Chief Executive
Officer

Bill Krueger
Chief Operating
Officer and President,
Trade and Processing

Brian Valentine
Executive Vice
President and
Chief Financial Officer

Left to right: Brian Valentine, Pat Bowe, Bill Krueger

CORPORATE INFORMATION

BOARD OF DIRECTORS

Gerard M. Anderson [3][4]
Retired Executive Chairman
DTE Energy

Michael J. Anderson
Chairman
The Andersons, Inc.

Patrick E. Bowe
President and
Chief Executive Officer
The Andersons, Inc.

Steven K. Campbell [3]
Retired Head of North America
Grains and Group Executive
Vice President Louis Dreyfus

Gary A. Douglas [1][2]
Retired President
Nationwide National Partners

Pamela S. Hershberger [1][4]
Retired Managing Partner
Toledo, Ohio Office
Ernst & Young, LLP

Catherine M. Kilbane [1][4][5]
Retired Senior Vice President,
General Counsel and Secretary
The Sherwin-Williams Company

Robert J. King, Jr. [2][3]
Retired President and
Chief Executive Officer
PVF Capital

Ross W. Manire [1][2]
Retired President and
Chief Executive Officer
ExteNet Systems, Inc.

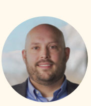
John T. Stout, Jr. [2][3]
Chairman and Chief Executive
Officer, Plaza Belmont
Management Group, LLC

(1) Audit Committee
(2) Compensation/Leadership Development Committee
(3) Finance Committee
(4) Governance/Nominating Committee
(5) Lead Independent Director

CORPORATE OFFICERS

Patrick E. Bowe
President and
Chief Executive Officer

Christine M. Castellano
Executive Vice President, General
Counsel and Corporate Secretary



Michael T. Hoelter
Vice President, Corporate
Controller and Investor Relations

William E. Krueger
Chief Operating Officer and
President, Trade and Processing

Joseph E. McNeely
President, Nutrient and Industrial

Anne G. Rex
Vice President, Strategy,
Planning and Development

Brian A. Valentine
Executive Vice President and
Chief Financial Officer

Brian K. Walz
Vice President
and Treasurer

Sarah J. Zibbel
Executive Vice President and
Chief Human Resources Officer

INVESTOR INFORMATION

CORPORATE OFFICE

The Andersons, Inc.
1947 Briarfield Boulevard
Maumee, OH 43537
419-893-5050
www.andersonsinc.com

NASDAQ SYMBOL

The Andersons, Inc. common shares are traded on the Nasdaq Global Select Market tier of The Nasdaq Stock Market under the symbol ANDE.

COMMON STOCK

34 million shares outstanding as of December 31, 2023.

DIRECT STOCK PURCHASE AND DIVIDEND REINVESTMENT

Computershare CIP, which is a direct stock purchase and dividend reinvestment plan sponsored and administered by Computershare Trust Company, N.A. and not by The Andersons, Inc., provides an alternative to traditional methods of buying and selling shares in The Andersons, Inc. Through Computershare CIP, one can purchase and sell The Andersons, Inc. shares directly, rather than dealing with a broker. For more information on Computershare CIP, please go to www.computershare.com/investor or call toll-free at 877-373-6374.

TRANSFER AGENT AND REGISTRAR

Computershare Investor Services, LLC
P.O. Box 505000
Louisville, KY 40233
Phone: 312-360-5260
Toll-free: 877-373-6374
Investor Center portal:
www.computershare.com/investor

FORM 10-K

Additional copies of The Andersons 2023 Form 10-K, filed on February 21, 2024, with the SEC, are available to shareholders and interested individuals without charge by writing or calling Investor Relations.

INVESTOR RELATIONS

Michael Hoelter
Vice President, Corporate Controller and Investor Relations
419-897-6715
investorrelations@andersonsinc.com

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP | Cleveland, OH

ANNUAL MEETING

The annual shareholders' meeting of The Andersons, Inc. will be held virtually at 8 a.m. Eastern Time on May 9, 2024.

The Andersons, Inc. | 1947 Briarfield Boulevard | Maumee, Ohio 43537 | **www.andersonsinc.com**