

SECOND QUARTER EARNINGS CALL

August 2, 2023



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, the ongoing economic impacts from the war in Ukraine, 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 attributable to the company from continuing operations, adjusted pretax income attributable to the company from continuing operations, adjusted net income attributable to the company from continuing operations, adjusted diluted earnings per share from continuing operations; earnings before interest, taxes, depreciation and amortization (or EBITDA); EBITDA from continuing operations; adjusted EBITDA from continuing operations; 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 net income from continuing operations; pretax income from continuing operations; income before income taxes from continuing operations; Net income attributable to The Andersons, Inc.; diluted earnings per share attributable to The Andersons, Inc. common shareholders from continuing operations; 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

President and Chief Executive Officer



BRIAN VALENTINE

Executive Vice President and Chief Financial Officer



MIKE HOELTER

Vice President, Corporate Controller and Investor Relations

SECOND QUARTER HIGHLIGHTS

TRADE

Continued well-positioned domestic merchandising results;
Year-to-date results remain ahead of prior year

RENEWABLES

Strong ethanol crush margins with higher yields and lower costs; Continued growth in low CI renewable diesel feedstocks

NUTRIENT & INDUSTRIAL

Outstanding results on increased volumes with well-positioned inventory to meet customer needs

KEY FINANCIAL DATA – SECOND QUARTER 2023

\$ In millions except per share

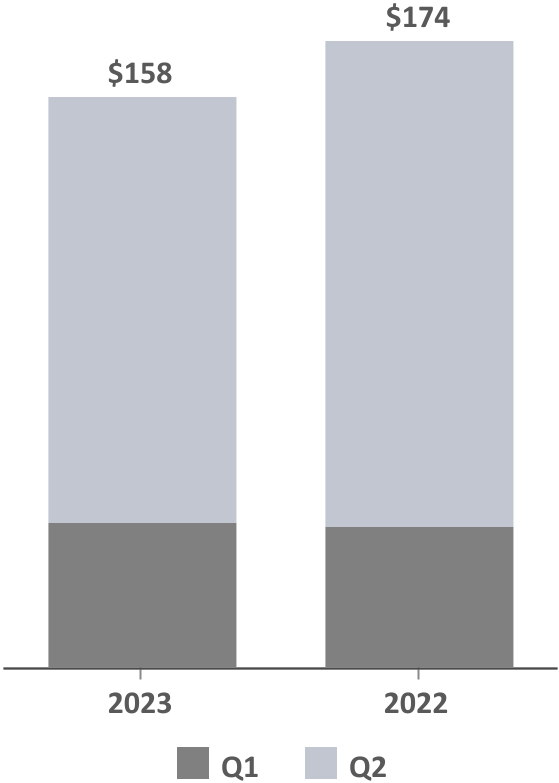
	Q2 '23	Q2 '22	YTD '23	YTD '22
Sales and merchandising revenues	\$ 4,020	\$ 4,451	\$ 7,901	\$ 8,429
Gross profit	222	231	370	350
Pretax income from continuing operations	104	118	39	129
Pretax income from continuing operations attributable to ANDE ¹	77	96	56	106
Adjusted pretax income from continuing operations attributable to ANDE ¹	72	97	81	107
Net income from continuing operations attributable to ANDE ¹	55	81	40	87
Adjusted net income from continuing operations attributable to ANDE ¹	52	82	59	88
Diluted earnings per share from continuing operations (EPS)	1.61	2.34	1.18	2.52
Adjusted EPS from continuing operations (Adjusted EPS) ¹	1.52	2.39	1.72	2.57
EBITDA from continuing operations ¹	149	169	133	224
Adjusted EBITDA from continuing operations ¹	144	169	200	225

CASH AND LIQUIDITY

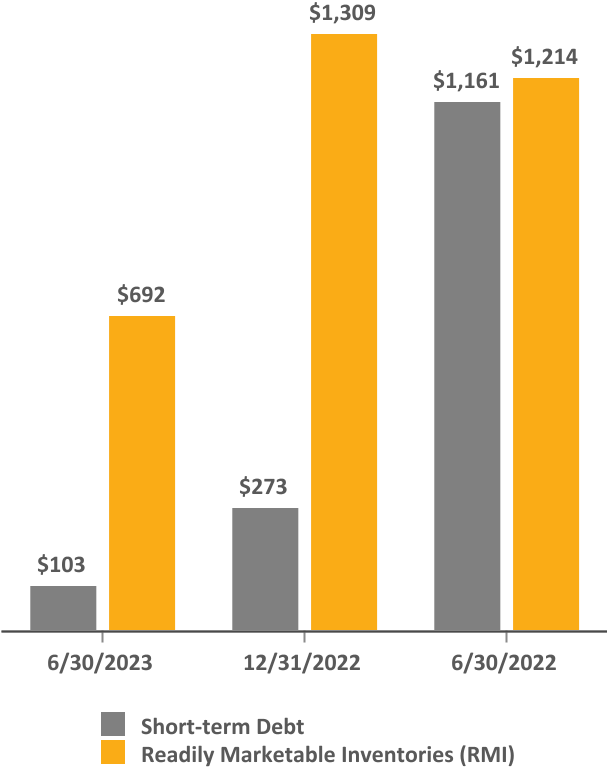
HIGHLIGHTS

- Strong consistent operating cash flows in dynamic markets
- Readily marketable inventories (RMI) significantly exceed short-term debt
- Short-term debt lower year over year from strategic working capital management

Cash from Operations Before Working Capital Changes¹
(in millions)

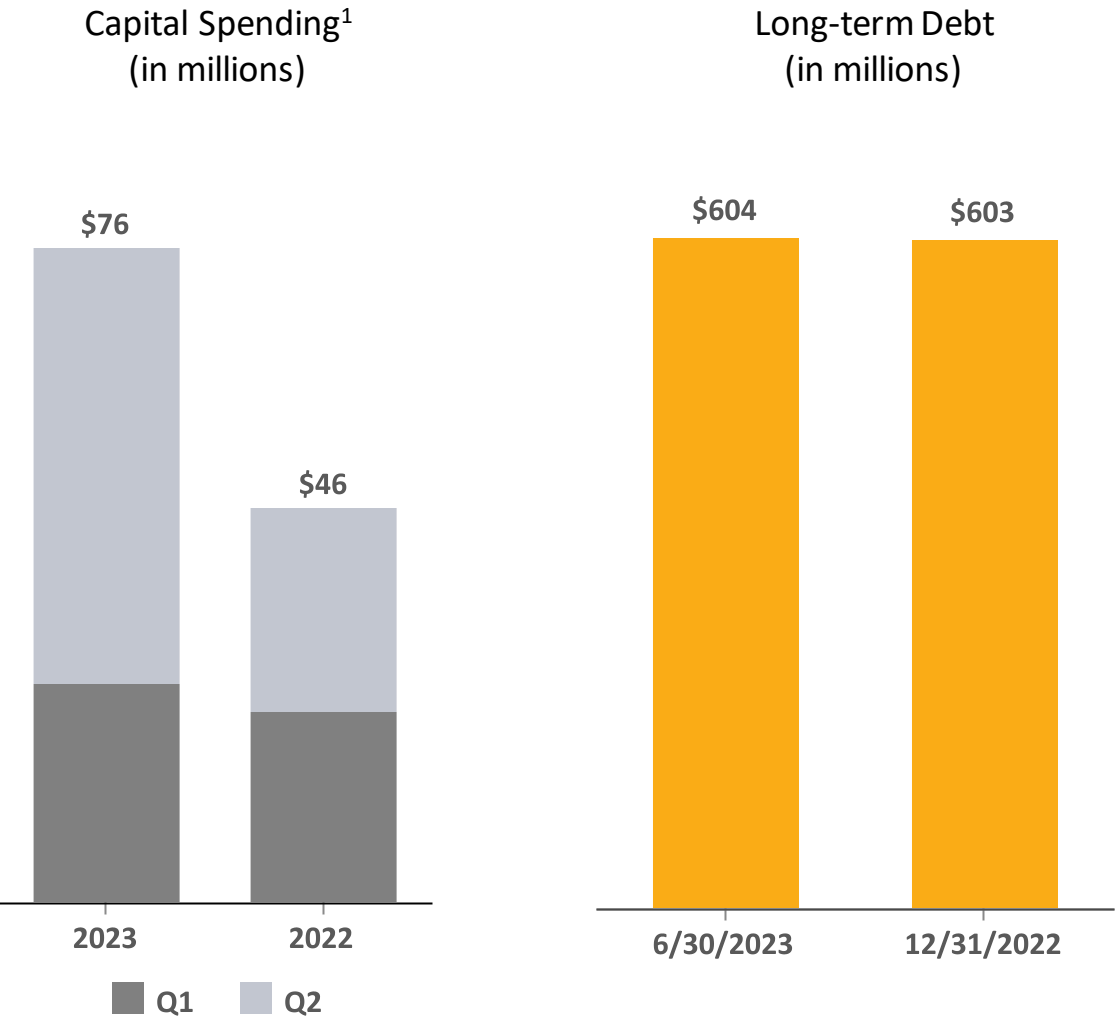


Short-term Debt vs. RMI
(in millions)



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

CAPITAL SPENDING AND LONG-TERM DEBT



HIGHLIGHTS

- Capital investments on track
- Strong and flexible balance sheet
- Continued focus on managing long-term debt-to-EBITDA ratio below 2.5x

¹ Measure derived from purchases of PPE, capitalized software, and investments from continuing operations of the company

TRADE — Q2 '23 HIGHLIGHTS

Strong merchandising income through well-positioned trading

Normalized grain asset elevation margins compared to Q2 2022

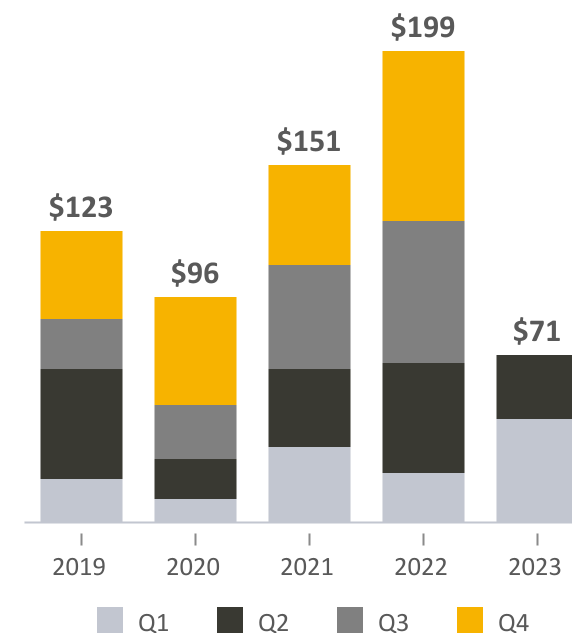
Recent investments in food and pet food ingredients contributing to earnings



Unaudited in \$M

	Q2 '23	Q2 '22	YTD '23	YTD '22
Revenues	\$ 2,697	\$ 3,098	\$ 5,575	\$ 6,182
Gross profit	81	102	198	170
Pretax income	5	24	44	27
Adjusted pretax income ¹	7	24	31	28
EBITDA ¹	25	46	84	67
Adjusted EBITDA ¹	27	47	71	67

Adjusted EBITDA¹ (\$M)



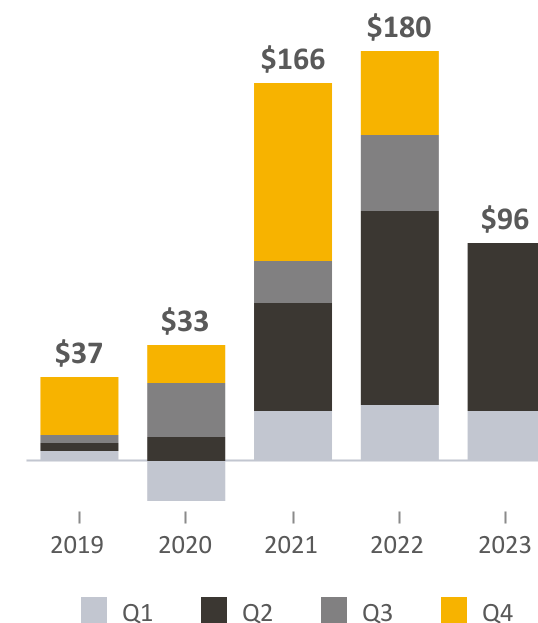
RENEWABLES — Q2 '23 HIGHLIGHTS

Ethanol crush margins increased throughout the quarter
Solid operating performance with improved yields and lower costs
Continued strength in co-product values; RD feedstock growth continues

Unaudited in \$M

	Q2 '23	Q2 '22	YTD '23	YTD '22
Revenues	\$ 878	\$ 883	\$ 1,717	\$ 1,566
Gross Profit	68	60	84	75
Pretax Income (loss)	67	68	(16)	74
Pretax income attributable to ANDE ¹	39	46	1	51
Adjusted pretax income attributable to ANDE ¹	32	46	39	51
EBITDA ¹	81	86	16	110
Adjusted EBITDA ¹	74	86	96	110

Adjusted EBITDA¹ (\$M)



NUTRIENT & INDUSTRIAL — Q2 '23 HIGHLIGHTS

Best Q2 results in 15 years

Higher volumes in ag supply chain products through the application season

Improved specialty liquids results on higher volumes and margins

Unaudited in \$M

Revenues

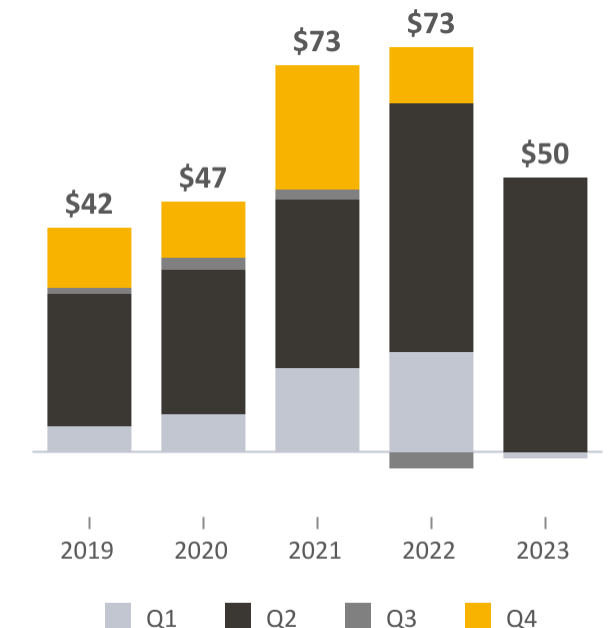
Gross profit

Pretax income

EBITDA¹

	Q2 '23	Q2 '22	YTD '23	YTD '22
Revenues	\$ 446	\$ 470	\$ 610	\$ 680
Gross profit	73	69	88	106
Pretax income	43	38	32	49
EBITDA ¹	52	47	50	66

Adjusted EBITDA¹ (\$M)



2023 OUTLOOK

TRADE

Expect continued global volatility; Closely monitoring crop conditions for corn and beans; Wheat harvest volumes and quality better than anticipated

RENEWABLES

Fundamentals should continue to support strong ethanol crush margins; Anticipate further expansion of renewable diesel feedstock business

NUTRIENT & INDUSTRIAL

Strong farmer income is expected to drive demand for ag fertilizer and specialty liquid products, dependent on fall conditions and market dynamics

Q&A SESSION



Thank you for joining us.
Our next earnings call is scheduled for
November 8, 2023 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)

Net income from continuing operations

Net income (loss) attributable to noncontrolling interests

Net income from continuing operations attributable to The Andersons, Inc.

Adjustments:

Gain on deconsolidation of joint venture

Insured inventory expenses (recoveries)

Transaction related compensation

Asset Impairment

Gain on sale of frac sand assets

Impairment on equity method and cost method investments

Income tax impact of adjustments¹

Total adjusting items, net of tax

Adjusted net income from continuing operations attributable to The Andersons, Inc.

Diluted earnings per share from continuing operations attributable to The Andersons, Inc. common shareholders

Impact on diluted earnings (loss) per share from continuing operations

Adjusted diluted earnings per share from continuing operations

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Net income from continuing operations	\$ 82,686	\$ 102,400	\$ 23,569	\$ 108,904
Net income (loss) attributable to noncontrolling interests	27,640	21,856	(16,727)	22,303
Net income from continuing operations attributable to The Andersons, Inc.	55,046	80,544	40,296	86,601
Adjustments:				
Gain on deconsolidation of joint venture	(6,544)	—	(6,544)	—
Insured inventory expenses (recoveries)	1,310	—	(16,080)	—
Transaction related compensation	939	—	2,607	—
Asset Impairment	—	—	44,450	—
Gain on sale of frac sand assets	—	(3,762)	—	(3,762)
Impairment on equity method and cost method investments	—	4,455	—	4,455
Income tax impact of adjustments ¹	1,074	940	(6,108)	940
Total adjusting items, net of tax	(3,221)	1,633	18,325	1,633
Adjusted net income from continuing operations attributable to The Andersons, Inc.	\$ 51,825	\$ 82,177	\$ 58,621	\$ 88,234
Diluted earnings per share from continuing operations attributable to The Andersons, Inc. common shareholders	\$ 1.61	\$ 2.34	\$ 1.18	\$ 2.52
Impact on diluted earnings (loss) per share from continuing operations	\$ (0.09)	\$ 0.05	\$ 0.54	\$ 0.05
Adjusted diluted earnings per share from continuing operations	\$ 1.52	\$ 2.39	\$ 1.72	\$ 2.57



¹ The income tax impact of adjustments is taken at the statutory tax rate of 25%.

NON-GAAP RECONCILIATION — Quarter to Date Segment Data

(unaudited)

(in thousands)

Three months ended June 30, 2023

	Trade	Renewables	Nutrient & Industrial	Other	Total
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, net	4,328	7,468	500	145	12,441
Income (loss) before income taxes from continuing operations	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 from continuing operations attributable to The Andersons, Inc. ¹	\$ 4,990	\$ 38,964	\$ 42,565	\$ (9,741)	\$ 76,778
Adjustments to income (loss) before income taxes from continuing operations ²	2,249	(6,544)	—	—	(4,295)
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. ²	\$ 7,239	\$ 32,420	\$ 42,565	\$ (9,741)	\$ 72,483

Three months ended June 30, 2022

Sales and merchandising revenues	\$ 3,097,767	\$ 882,567	\$ 470,283	\$ —	\$ 4,450,617
Gross profit	101,994	59,888	68,959	—	230,841
Operating, administrative and general expenses	62,977	8,590	29,591	11,401	112,559
Other income (loss), net	(2,051)	18,490	866	(513)	16,792
Income (loss) before income taxes from continuing operations	23,666	67,776	38,311	(11,600)	118,153
Income attributable to the noncontrolling interests	—	21,856	—	—	21,856
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. ¹	\$ 23,666	\$ 45,920	\$ 38,311	\$ (11,600)	\$ 96,297
Adjustments to income (loss) before income taxes from continuing operations ²	693	—	—	—	693
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. ²	\$ 24,359	\$ 45,920	\$ 38,311	\$ (11,600)	\$ 96,990



¹ Income (loss) from continuing operations 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) from continuing operations 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, 2023

	Trade	Renewables	Nutrient & Industrial	Other	Total
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 from continuing operations	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 from continuing operations 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 from continuing operations attributable to The Andersons, Inc. ¹	\$ 30,881	\$ 38,724	\$ 32,127	\$ (21,155)	\$ 80,577

Six months ended June 30, 2022

Sales and merchandising revenues	\$ 6,182,448	\$ 1,565,798	\$ 680,325	\$ —	\$ 8,428,571
Gross profit	169,613	75,079	105,684	—	350,376
Operating, administrative and general expenses	122,520	16,480	54,916	20,630	214,546
Other income (loss), net	1,729	18,918	1,670	(1,607)	20,710
Income (loss) before income taxes from continuing operations	27,335	73,738	49,054	(21,367)	128,760
Income attributable to the noncontrolling interests	—	22,303	—	—	22,303
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. ¹	\$ 27,335	\$ 51,435	\$ 49,054	\$ (21,367)	\$ 106,457
Adjustments to income before income taxes from continuing operations ²	693	—	—	—	693
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. ¹	\$ 28,028	\$ 51,435	\$ 49,054	\$ (21,367)	\$ 107,150



¹ Income (loss) from continuing operations 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) from continuing operations before income taxes can be found in the Reconciliation to EBITDA and Adjusted EBITDA table.

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

(unaudited)

(in thousands)

Three months ended June 30, 2023

	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Net Income (loss) ¹	\$ 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 ¹	24,576	80,617	51,645	(8,102)	148,736
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	2,249	(6,544)	—	—	(4,295)
Adjusted EBITDA ¹	\$ 26,825	\$ 74,073	\$ 51,645	\$ (8,102)	\$ 144,441

Three months ended June 30, 2022

Net Income (loss) from continuing operations	\$ 23,666	\$ 67,776	\$ 38,311	\$ (27,353)	\$ 102,400
Interest expense (income)	13,300	2,012	1,923	(314)	16,921
Tax provision	—	—	—	15,753	15,753
Depreciation and amortization	8,914	15,875	6,595	2,183	33,567
EBITDA from continuing operations	45,880	85,663	46,829	(9,731)	168,641
Adjusting items impacting EBITDA:					
Gain on sale of frac sand assets	(3,762)	—	—	—	(3,762)
Impairment on equity method and cost method investments	4,455	—	—	—	4,455
Total adjusting items	693	—	—	—	693
Adjusted EBITDA from continuing operations	\$ 46,573	\$ 85,663	\$ 46,829	\$ (9,731)	\$ 169,334

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

(unaudited)

(in thousands)

Six months ended June 30, 2023

	TRADE	RENEWABLES	NUTRIENT & INDUSTRIAL	OTHER	TOTAL
Net income (loss) ¹	\$ 44,354	\$ (15,909)	\$ 32,127	\$ (37,003)	\$ 23,569
Interest expense (income)	22,720	4,685	4,165	(992)	30,578
Tax provision	—	—	—	15,848	15,848
Depreciation and amortization	17,328	26,896	14,054	4,307	62,585
EBITDA ¹	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 ¹	\$ 70,929	\$ 96,284	\$ 50,346	\$ (17,840)	\$ 199,719

Six months ended June 30, 2022

Net income from continuing operations	\$ 27,335	\$ 73,738	\$ 49,054	\$ (41,223)	\$ 108,904
Interest expense (income)	21,487	3,779	3,384	(870)	27,780
Tax provision	—	—	—	19,856	19,856
Depreciation and amortization	17,888	32,514	13,174	4,368	67,944
EBITDA from continuing operations	66,710	110,031	65,612	(17,869)	224,484
Adjusting items impacting EBITDA:					
Gain on sale of frac sand assets	(3,762)	—	—	—	(3,762)
Impairment on equity method and cost method investments	4,455	—	—	—	4,455
Total adjusting items	693	—	—	—	693
Adjusted EBITDA from continuing operations	\$ 67,403	\$ 110,031	\$ 65,612	\$ (17,869)	\$ 225,177

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

(unaudited)

(in thousands, except per share data)

Cash used in operating activities

Changes in operating assets and liabilities

Accounts receivable

Inventories

Commodity derivatives

Other current and non-current assets

Payables and other current and non-current liabilities

Total changes to operating assets and liabilities

Adjusting items impacting cash from operations before working capital changes:

Less: Insured inventory expenses (recoveries)

Cash from operations before working capital changes

Three months ended June 30,		Six months ended June 30,	
2023	2022	2023	2022
\$ 540,939	\$ 353,199	\$ 207,404	\$ (721,799)
82,754	(74,184)	207,867	(289,196)
556,845	323,505	734,855	186,685
19,605	88,671	102,753	(189,090)
16,296	43,916	(1,247)	5,106
(250,794)	(163,307)	(1,011,086)	(609,403)
424,706	218,601	33,142	(895,898)
1,310	—	(16,080)	—
\$ 117,543	\$ 134,598	\$ 158,182	\$ 174,099

NON-GAAP RECONCILIATION – Trade Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended
	2019	2020	2021	2022	June 30, 2023
Net income (loss) ¹	\$ (17,328)	\$ 24,687	\$ 87,946	\$ 95,225	\$ 44,354
Interest expense	34,843	21,974	23,688	42,551	22,720
Depreciation & amortization	50,973	44,627	44,335	35,953	17,328
Earnings before interest, taxes, depreciation and amortization (EBITDA)	68,488	91,288	155,969	173,729	84,402
Adjusting items to EBITDA:					
Insured inventory expenses (recoveries)	—	—	—	15,993	(16,080)
Transaction related to stock compensation	9,337	4,206	1,274	—	2,607
Acquisition Costs	6,682	—	—	—	—
Asset impairment including equity method investments	43,501	—	8,321	13,455	—
Loss on pre-existing equity method investments	1,073	—	—	—	—
Gains on sales of assets and business	(5,702)	—	(14,619)	(3,762)	—
Adjusted EBITDA	\$ 123,379	\$ 95,494	\$ 150,945	\$ 199,415	\$ 70,929

NON-GAAP RECONCILIATION – Renewables Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended June 30,
	2019	2020	2021	2022	2023
Net income (loss) ¹	\$ 47,660	\$ (47,338)	\$ 81,205	\$ 108,221	\$ (15,909)
Interest expense	943	7,461	7,602	8,775	4,685
Depreciation & amortization	23,727	73,224	77,542	63,458	26,896
Earnings before interest, taxes, depreciation and amortization (EBITDA)	72,330	33,347	166,349	180,454	15,672
Adjusting items to EBITDA:					
Gain on deconsolidation of joint venture	—	—	—	—	(6,544)
Asset impairment	—	—	—	—	87,156
Acquisition costs	1,325	—	—	—	—
Gain on pre-existing equity method investments	(36,287)	—	—	—	—
Adjusted EBITDA	\$ 37,368	\$ 33,347	\$ 166,349	\$ 180,454	\$ 96,284

NON-GAAP RECONCILIATION – Nutrient & Industrial Adjusted EBITDA

(unaudited)

(in thousands)	Twelve months ended December 31,				Six months ended
	2019	2020	2021	2022	June 30, 2023
Net income ¹	\$ 9,159	\$ 16,015	\$ 42,615	\$ 39,162	\$ 32,127
Interest expense	7,954	5,805	4,355	7,298	4,165
Depreciation & amortization	25,985	25,407	25,957	26,634	14,054
Earnings before interest, taxes, depreciation and amortization (EBITDA)	43,098	47,227	72,927	73,094	50,346
Adjusting items to EBITDA:					
Asset impairment	2,175	—	—	—	—
Gain on sale of assets	(2,944)	—	—	—	—
Adjusted EBITDA	\$ 42,329	\$ 47,227	\$ 72,927	\$ 73,094	\$ 50,346