



Fourth Quarter Earnings Call

February 16, 2022

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 conditions, weather, competitive conditions in the company's industries, both in the U.S. and internationally, the COVID-19 pandemic, 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 from continuing operations, adjusted pretax income (loss) attributable to the company from continuing operations, adjusted net income (loss) attributable to the company from continuing operations, adjusted diluted earnings (loss) 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 (loss) from continuing operations; income (loss) before income taxes from continuing operations; Net income attributable to The Andersons, Inc.; diluted earnings (loss) 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

Fourth Quarter Highlights



Strong results across the asset footprint and new ag supply chain businesses



Significant improvements in ethanol crush margins; Continued strength in co-product margins and merchandising activities



Continued solid agriculture product margins on rising fertilizer prices, tight supplies, and well-positioned inventory

Key Financial Data – Fourth Quarter 2021



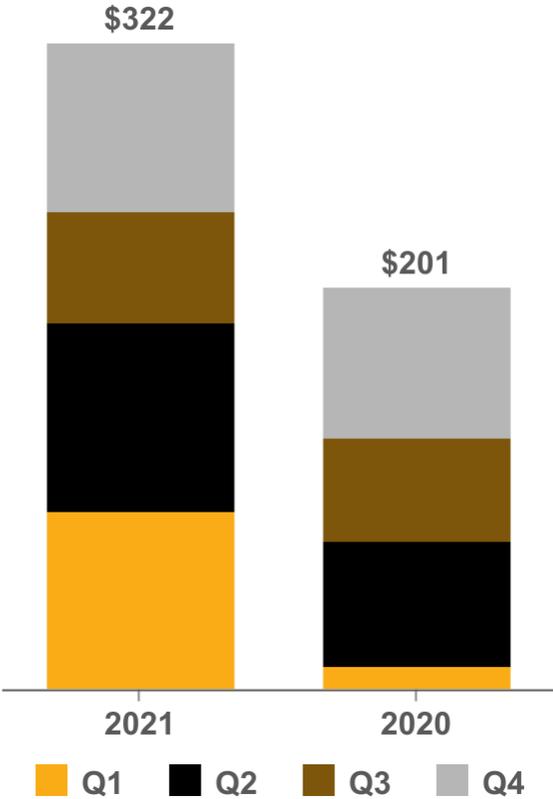
\$ In millions except per share and ratio data	Q4 '21	Q4 '20	VPY	YTD '21	YTD '20	VPY
Sales and merchandising revenues	\$3,782.7	\$2,508.3	\$1,274.4	\$12,612.1	\$8,064.6	\$4,547.5
Gross profit	194.0	124.0	70.0	592.7	366.2	226.5
Operating, administrative and general expenses	110.9	100.3	10.6	423.8	377.7	46.1
Income (loss) before income taxes attributable to The Andersons, Inc. ^{1,2}	43.9	25.0	18.9	128.9	(5.2)	134.1
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ^{1,2}	52.5	26.5	26.0	126.7	5.1	121.6
Net income (loss) attributable to The Andersons, Inc. ^{1,2}	32.8	17.3	15.5	99.7	5.8	93.9
Adjusted net income (loss) attributable to The Andersons, Inc. ^{1,2}	39.2	18.5	20.7	98.0	\$(1.2)	99.2
Diluted earnings (loss) per share (EPS) ²	0.95	0.52	0.43	2.94	0.17	2.77
Adjusted EPS ^{1,2}	1.14	0.56	0.58	2.89	(0.04)	2.93
Depreciation and amortization ²	36.8	38.6	(1.8)	157.2	153.1	4.1
EBITDA ^{1,2}	121.9	70.0	51.9	355.2	159.8	195.4
Adjusted EBITDA ^{1,2}	130.5	71.5	59.0	353.0	170.1	182.9
Effective tax rate ²	14.6%	32.7%	(18.1)%	18.2%	40.3%	(22.1)%

Cash, Liquidity, and Long-term Debt



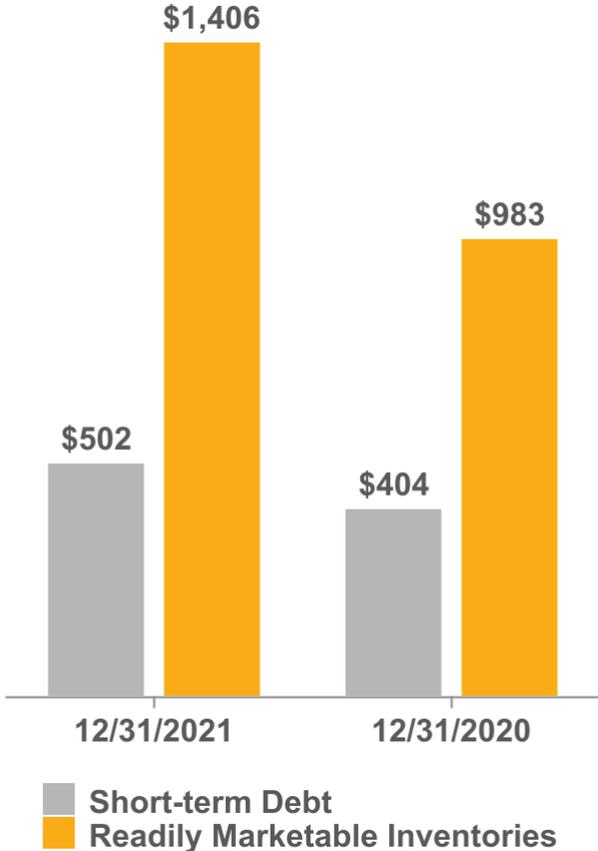
Cash from Operations Before Working Capital Changes¹

(in millions)



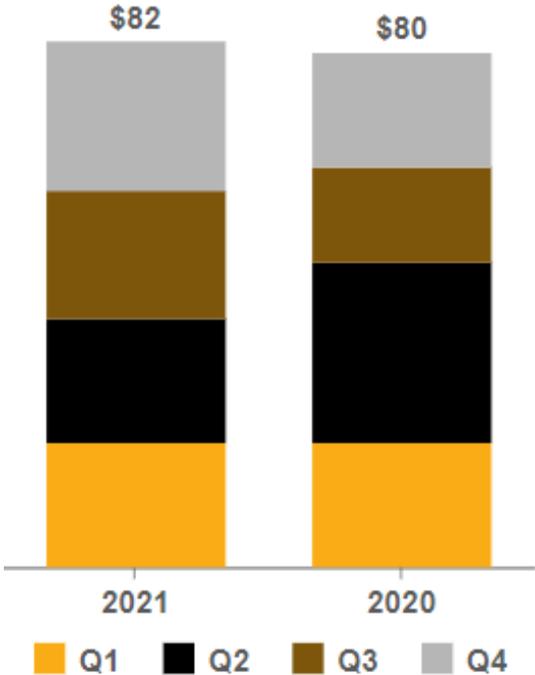
Short-term Debt vs. RMI

(in millions)



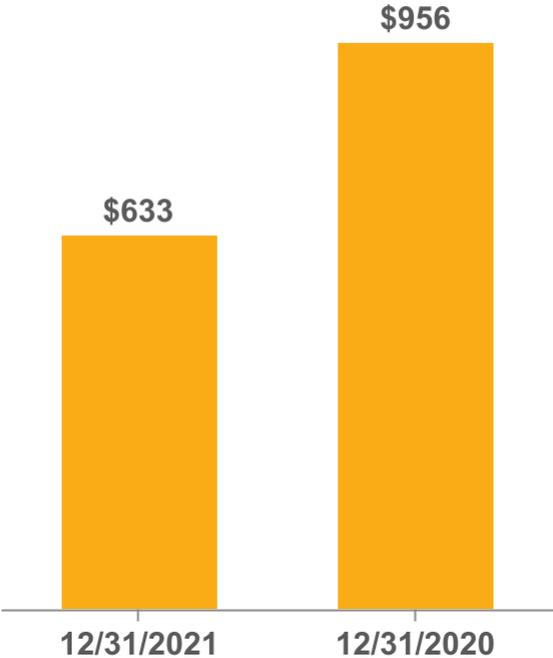
Capital Spending²

(in millions)



Total Long-term Debt

(in millions)



¹ Non-GAAP financial measure; see appendix for reconciliations. ² Measure derived from purchases of PPE, capitalized software, and investments from continuing operations of the company

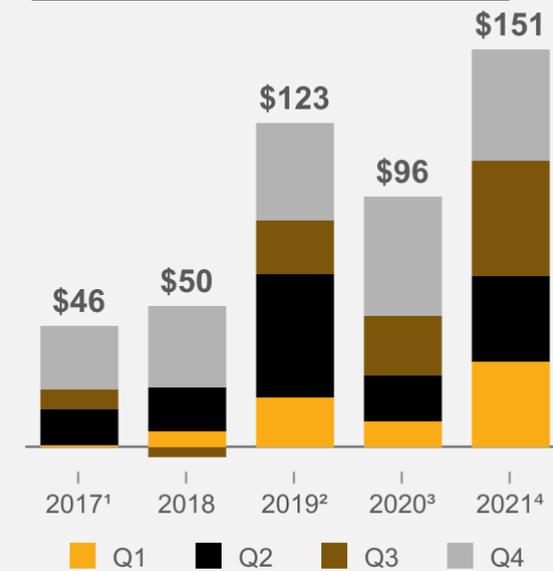
Trade — Q4 '21 Highlights



- All-time record full-year gross profit and EBITDA
- Stronger elevation margins in grain assets compared to prior year
- Optimized ag supply chain income from execution across our broad portfolio, including new profit centers

Unaudited in \$M	Q4 '21	Q4 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$2,781.8	\$1,979.3	\$802.5	\$9,304.4	\$6,141.4	\$3,163.0
Gross Profit	87.1	90.8	(3.7)	335.7	278.2	57.5
Pretax Income (loss)	18.3	28.3	(10.0)	87.9	24.7	63.2
Adjusted Pretax Income (loss)*	26.9	29.3	(2.4)	82.9	28.9	54.0
EBITDA*	33.3	44.8	(11.5)	156.0	91.3	64.7
Adjusted EBITDA*	41.9	45.8	(3.9)	150.9	95.5	55.4

Adjusted EBITDA* (\$M)



¹ Excludes asset impairment charges of \$10.9

² Excludes acquisition costs of \$16.0, asset impairment charges of \$43.5, a loss on a pre-existing equity method investment of \$1.1, and a gain on asset sale of \$5.7

³ Excludes acquisition costs of \$4.2

⁴ Excludes acquisition costs of \$1.3, asset impairment charges of \$8.3, and a gain on sale of a business of \$14.6

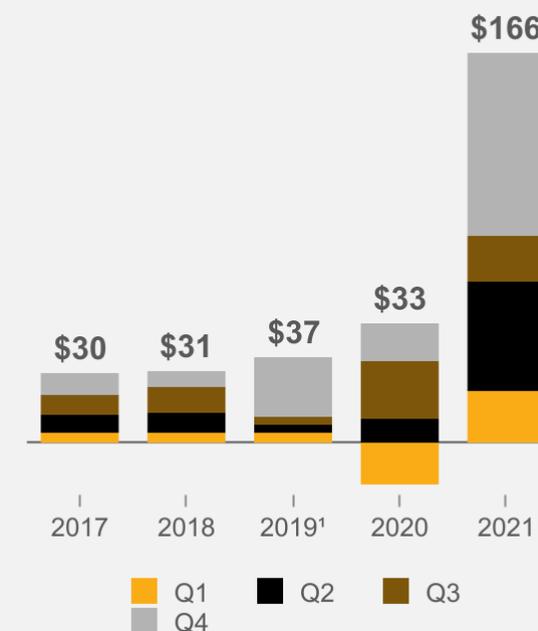
Renewables — Q4 '21 Highlights



- All-time record full-year gross profit and EBITDA
- Increased ethanol crush margins on high demand and solid operating performance
- Strong results from our renewable diesel feedstocks business and continued high co-product values

Unaudited in \$M	Q4 '21	Q4 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$766.7	\$373.5	\$393.2	\$2,440.8	\$1,260.3	\$1,180.5
Gross Profit (Loss)	67.7	2.6	65.1	116.6	(18.3)	134.9
Pretax Income (Loss)	59.2	(4.8)	64.0	81.2	(47.3)	128.5
Pretax Income (Loss) Attributable to The Andersons, Inc.*	26.5	(3.5)	30.0	49.3	(25.4)	74.7
EBITDA*	78.0	\$16.2	61.8	166.3	33.3	133.0

Adjusted EBITDA* (\$M)



¹ Excludes pretax gain on pre-existing investments in three former entities of \$36.3 and acquisition costs of \$1.3

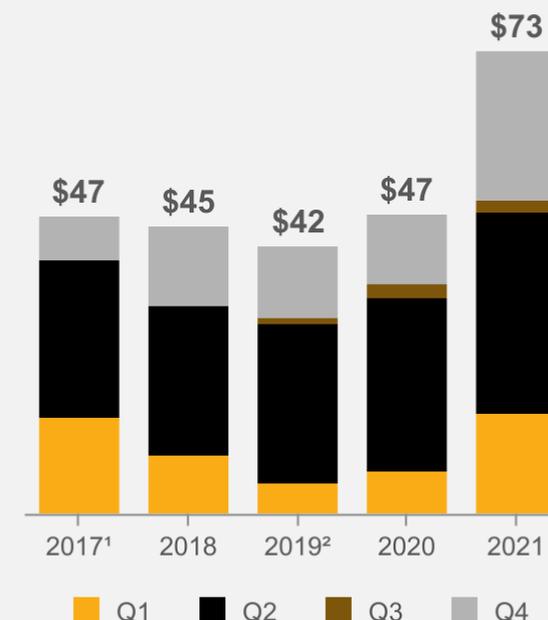
Plant Nutrient — Q4 '21 Highlights



- Record fourth quarter and full-year pretax income and EBITDA
- Strong execution and well-positioned inventory drove results
- Manufactured products continue to be impacted by inflation of raw materials and labor constraints

Unaudited in \$M	Q4 '21	Q4 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$234.2	\$155.5	\$78.7	\$866.9	\$663.0	\$203.9
Gross Profit	39.2	30.6	8.6	140.4	106.2	34.2
Pretax Income	15.9	3.2	12.7	42.6	16.0	26.6
EBITDA*	23.5	10.8	12.7	72.9	47.2	25.7

Adjusted EBITDA* (\$M)



¹ Excludes goodwill impairment charges of \$59.1
² Excludes asset impairment charges of \$2.2 and gain on the sale of a farm center for \$2.9

Early 2022 Outlook



Well-positioned to capture value and growth across our diverse portfolio in commodity markets with expected ongoing strong fundamentals

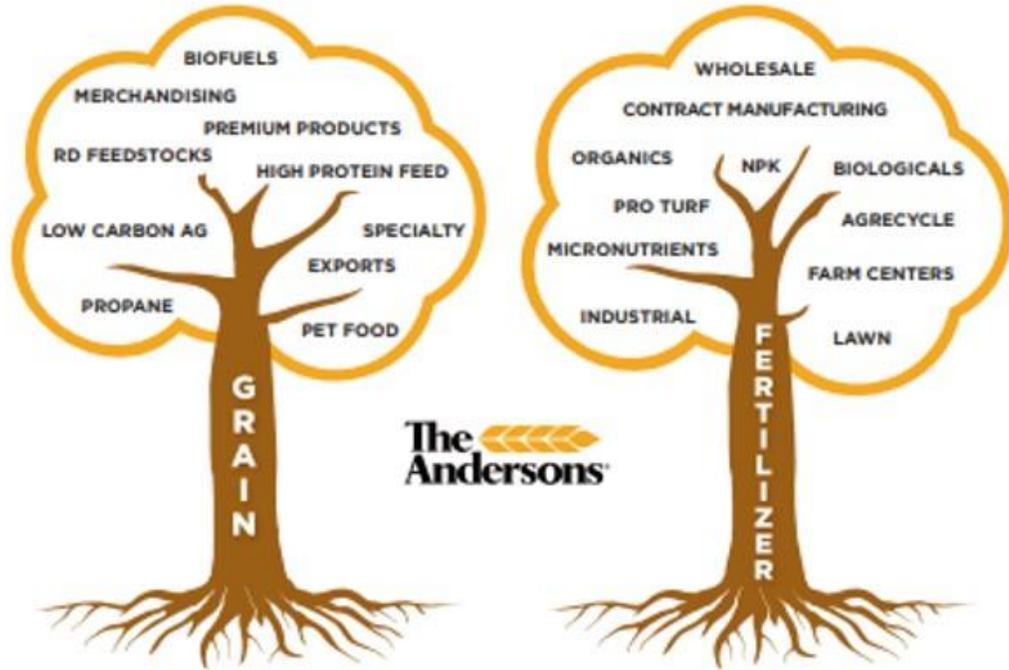


Continue to build renewable diesel feedstock business; Expect lower seasonal ethanol crush margins in first quarter but improvements as driving demand returns



Anticipate solid margin opportunities with limited supply and well-positioned inventory through spring application season

Strategy for Growth



Increasing global demand provides opportunities to grow core grain and fertilizer ag supply chains

Innovation to drive growth in sustainable ag

Track record of strong execution in volatile markets with experienced trading, logistics, and operations

Disciplined capital allocation strategy, strong and flexible balance sheet

STRATEGIC GROWTH IN CORE GRAIN AND FERTILIZER VERTICALS

- Fixed-asset light in areas of Carbon, International Ag Supply, Propane, Proteins, and M&A
- Premium products focused on food and feed, considering evolving trends of food sustainability factors
- Biofuels, including renewable diesel feedstocks and plant efficiency
- Organic and disciplined M&A growth in fertilizers



Q&A Session



Thank you for joining us.
Our next earnings call is scheduled for
May 4, 2022,
at 11 a.m. EDT



Appendix

Non-GAAP Reconciliation — Adjusted net income (loss) from continuing operations attributable to The Andersons, Inc.

(unaudited)



	Three months ended December 31,		Twelve months ended December 31,	
	2021	2020	2021	2020
(in thousands, except per share data)				
Net income (loss) from continuing operations	\$ 65,473	\$ 15,917	\$ 131,542	\$ (16,171)
Net income (loss) attributable to noncontrolling interests	32,702	(1,342)	31,880	(21,925)
Net income (loss) from continuing operations attributable to The Andersons, Inc.	32,771	17,259	99,662	5,754
Items impacting other income, net of tax:				
Transaction related stock compensation	274	946	1,274	4,206
Asset impairment	8,321	—	8,321	—
Loss on cost method investment	—	—	2,784	—
Gain on sale of a business	—	—	(14,619)	—
Severance costs	—	528	—	6,091
Income tax impact of adjustments (a)	(2,148)	(250)	561	(17,212)
Total adjusting items, net of tax	6,447	1,224	(1,679)	(6,915)
Adjusted net income (loss) from continuing operations attributable to The Andersons, Inc.	\$ 39,218	\$ 18,483	\$ 97,983	\$ (1,161)
Diluted earnings (loss) from continuing operations attributable to The Andersons, Inc. common shareholders	\$ 0.95	\$ 0.52	\$ 2.94	\$ 0.17
Impact on diluted earnings (loss) per share from continuing operations	0.19	0.04	(0.05)	(0.21)
Adjusted diluted earnings (loss) from continuing operations per share	\$ 1.14	\$ 0.56	\$ 2.89	\$ (0.04)

(a) Income tax adjustments include \$(14.8) million due to CARES Act benefits and certain discrete items in 2020 year to date. Quarter to date income tax adjustments due to CARES Act benefits were de minimis.

Non-GAAP Reconciliation — Quarter to Date Segment Data



(unaudited)

(in thousands)

Three months ended December 31, 2021

	Trade	Renewables	Plant Nutrient	Other	Total
Sales and merchandising revenues	\$ 2,781,849	\$ 766,675	\$ 234,178	\$ —	\$ 3,782,702
Gross profit	87,098	67,676	39,240	—	194,014
Operating, administrative and general expenses	65,570	7,772	22,697	14,880	110,919
Other income (loss), net	6,597	1,152	383	(279)	7,853
Income (loss) before income taxes from continuing operations	18,315	59,206	15,929	(16,814)	76,636
Income (loss) attributable to the noncontrolling interest	—	32,702	—	—	32,702
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	18,315	26,504	15,929	(16,814)	43,934
Adjustments to income (loss) before income taxes from continuing operations (b)	8,595	—	—	—	8,595
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 26,910	\$ 26,504	\$ 15,929	\$ (16,814)	\$ 52,529

Three months ended December 31, 2020

Sales and merchandising revenues	\$ 1,979,272	\$ 373,517	\$ 155,514	\$ —	\$ 2,508,303
Gross profit	90,796	2,562	30,623	—	123,981
Operating, administrative and general expenses	62,608	7,134	26,505	4,085	100,332
Other income (loss), net	5,089	1,330	339	651	7,409
Income (loss) before income taxes from continuing operations	28,337	(4,795)	3,187	(3,094)	23,635
Income (loss) attributable to the noncontrolling interest	—	(1,342)	—	—	(1,342)
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	28,337	(3,453)	3,187	(3,094)	24,977
Adjustments to income (loss) before income taxes from continuing operations (b)	946	—	—	528	1,474
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 29,283	\$ (3,453)	\$ 3,187	\$ (2,566)	\$ 26,451

(a) 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.

(b) 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)

Twelve months ended December 31, 2021

	Trade	Renewables	Plant Nutrient	Other	Total
Sales and merchandising revenues	\$ 9,304,357	\$ 2,440,798	\$ 866,895	\$ —	\$ 12,612,050
Gross profit	335,682	116,626	140,389	—	592,697
Operating, administrative and general expenses	251,605	31,019	95,547	45,581	423,752
Other income (loss), net	31,036	3,200	2,128	(3,768)	32,596
Income (loss) before income taxes from continuing operations	87,946	81,205	42,615	(50,996)	160,770
Income (loss) attributable to the noncontrolling interest	—	31,880	—	—	31,880
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	87,946	49,325	42,615	(50,996)	128,890
Adjustments to income (loss) before income taxes from continuing operations (b)	(5,024)	—	—	2,784	(2,240)
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 82,922	\$ 49,325	\$ 42,615	\$ (48,212)	\$ 126,650

Twelve months ended December 31, 2020

Sales and merchandising revenues	\$ 6,141,402	\$ 1,260,259	\$ 662,959	\$ —	\$ 8,064,620
Gross profit	278,216	(18,267)	106,248	—	366,197
Operating, administrative and general expenses	244,147	24,405	85,702	23,441	377,695
Other income (loss), net	11,954	2,795	1,274	1,540	17,563
Income (loss) before income taxes from continuing operations	24,687	(47,338)	16,015	(20,445)	(27,081)
Income (loss) attributable to the noncontrolling interest	—	(21,925)	—	—	(21,925)
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	24,687	(25,413)	16,015	(20,445)	(5,156)
Adjustments to income (loss) before income taxes from continuing operations (b)	4,206	—	—	6,091	10,297
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 28,893	\$ (25,413)	\$ 16,015	\$ (14,354)	\$ 5,141

(a) 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.

(b) 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)	Continuing Operations					Discontinued Operations	
	Trade	Renewables	Plant Nutrient	Other	Total	Rail	Total Company
Three months ended December 31, 2021							
Net Income (Loss)	\$ 18,315	\$ 59,206	\$ 15,929	\$ (27,977)	\$ 65,473	\$ (3,129)	\$ 62,344
Interest expense (income)	3,942	1,850	997	1,655	8,444	69	8,513
Income tax provision (benefit)	—	—	—	11,163	11,163	3,759	14,922
Depreciation and amortization	11,018	16,934	6,612	2,233	36,797	—	36,797
EBITDA	33,275	77,990	23,538	(12,926)	121,877	699	122,576
Adjusting items impacting EBITDA:							
Transaction related stock compensation	274	—	—	—	274	—	274
Asset impairments	8,321	—	—	—	8,321	—	8,321
Total adjusting items	8,595	—	—	—	8,595	—	8,595
Adjusted EBITDA	\$ 41,870	\$ 77,990	\$ 23,538	\$ (12,926)	\$ 130,472	\$ 699	\$ 131,171
Three months ended December 31, 2020							
Net Income (Loss)	\$ 28,337	\$ (4,795)	\$ 3,187	\$ (10,812)	\$ 15,917	\$ (1,268)	\$ 14,649
Interest expense (income)	5,350	1,553	1,270	(340)	7,833	5,459	13,292
Income tax provision (benefit)	—	—	—	7,718	7,718	401	8,119
Depreciation and amortization	11,149	19,438	6,386	1,595	38,568	8,903	47,471
EBITDA	44,836	16,196	10,843	(1,839)	70,036	13,495	83,531
Adjusting items impacting EBITDA:							
Transaction related stock compensation	946	—	—	—	946	—	946
Severance costs	—	—	—	528	528	—	528
Total adjusting items	946	—	—	528	1,474	—	1,474
Adjusted EBITDA	\$ 45,782	\$ 16,196	\$ 10,843	\$ (1,311)	\$ 71,510	\$ 13,495	\$ 85,005

Non-GAAP Reconciliation — Year to Date EBITDA and Adjusted EBITDA

(unaudited)



(in thousands)	Continuing Operations					Discontinued Operations	Total Company
	Trade	Renewables	Plant Nutrient	Other	Total	Rail	
Twelve months ended December 31, 2021							
Net Income (Loss)	\$ 87,946	\$ 81,205	\$ 42,615	\$ (80,224)	\$ 131,542	\$ 4,324	\$ 135,866
Interest expense (income)	23,688	7,602	4,355	1,647	37,292	8,783	46,075
Income tax provision (benefit)	—	—	—	29,228	29,228	3,331	32,559
Depreciation and amortization	44,335	77,542	25,957	9,340	157,174	21,760	178,934
EBITDA	155,969	166,349	72,927	(40,009)	355,236	38,198	393,434
Adjusting items impacting EBITDA:							
Transaction related stock compensation	1,274	—	—	—	1,274	—	1,274
Asset impairments	8,321	—	—	—	8,321	—	8,321
Loss on cost method investment	—	—	—	2,784	2,784	—	2,784
Gain on sale of a business	(14,619)	—	—	—	(14,619)	—	(14,619)
Total adjusting items	(5,024)	—	—	2,784	(2,240)	—	(2,240)
Adjusted EBITDA	\$ 150,945	\$ 166,349	\$ 72,927	\$ (37,225)	\$ 352,996	\$ 38,198	\$ 391,194
Twelve months ended December 31, 2020							
Net Income (Loss)	\$ 24,687	\$ (47,338)	\$ 16,015	\$ (9,535)	\$ (16,171)	\$ 1,956	\$ (14,215)
Interest expense (income)	21,974	7,461	5,805	(1,456)	33,784	17,491	51,275
Income tax provision (benefit)	—	—	—	(10,910)	(10,910)	651	(10,259)
Depreciation and amortization	44,627	73,224	25,407	9,807	153,065	35,573	188,638
EBITDA	91,288	33,347	47,227	(12,094)	159,768	55,671	215,439
Adjusting items impacting EBITDA:							
Transaction related stock compensation	4,206	—	—	—	4,206	—	4,206
Severance costs	—	—	—	6,091	6,091	—	6,091
Total adjusting items	4,206	—	—	6,091	10,297	—	10,297
Adjusted EBITDA	\$ 95,494	\$ 33,347	\$ 47,227	\$ (6,003)	\$ 170,065	\$ 55,671	\$ 225,736

Non-GAAP Reconciliation — Cash from Operations Before Working Capital Changes



(unaudited)

	Three months ended December 31,		Twelve months ended December 31,	
	2021	2020	2021	2020
(in thousands, except per share data)				
Cash provided by (used in) operating activities	\$ (170,117)	\$ (270,223)	\$ (51,050)	\$ (74,432)
Changes in operating assets and liabilities				
Accounts receivable	(94,100)	(126,550)	(184,002)	(128,502)
Inventories	(794,938)	(539,761)	(528,073)	(139,499)
Commodity derivatives	51,553	(112,596)	(107,188)	(115,170)
Other current and non-current assets	(113,046)	(18,865)	(116,403)	(53,208)
Payables and other current and non-current liabilities	678,480	452,911	667,821	123,489
Total changes to operating assets and liabilities	(272,051)	(344,861)	(267,845)	(312,890)
Adjusting items impacting cash from operations before working capital changes:				
Changes in CARES Act tax refund receivable	—	—	27,697	(37,564)
Changes in deferred income taxes as a result of the Rail leasing sale	(95,097)	—	—	—
Taxes paid as a result of the Rail leasing sale	77,537	—	77,537	—
Cash from operations before working capital changes	\$ 84,374	\$ 74,638	\$ 322,029	\$ 200,894