



Third Quarter Earnings Call

November 3, 2021

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 adjusted pretax income (loss) from continuing operations, pretax income (loss) attributable to the company from continuing operations, adjusted pretax income (loss) attributable to the company from continuing operations, adjusted net income attributable to the company from continuing operations, adjusted diluted earnings per share (or adjusted EPS) from continuing operations, earnings before interest, taxes, depreciation and amortization (or EBITDA), EBITDA from continuing operations, adjusted EBITDA, adjusted EBITDA from continuing operations and cash from operations before changes in working capital provide additional information to investors and others about its operations, allowing an evaluation of underlying operating performance or liquidity, and better period-to-period comparability. These measures do not and should not be considered as alternatives to net income from continuing operations, income (loss) before income taxes from continuing operations, diluted earnings (loss) per share from continuing operations attributable to The Andersons, Inc. common shareholders or 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

Third Quarter Highlights



Record Trade earnings on strong elevation margins and solid execution of merchandising opportunities



Improving ethanol crush margins were reduced by high corn basis; Increased corn oil and high-protein feed values and trading supported results



Strong margins on rising fertilizer prices in our agriculture products; Managing higher raw material prices and labor challenges in our manufactured products



Divested Rail leasing business and reduced debt

Key Financial Data – Third Quarter 2021



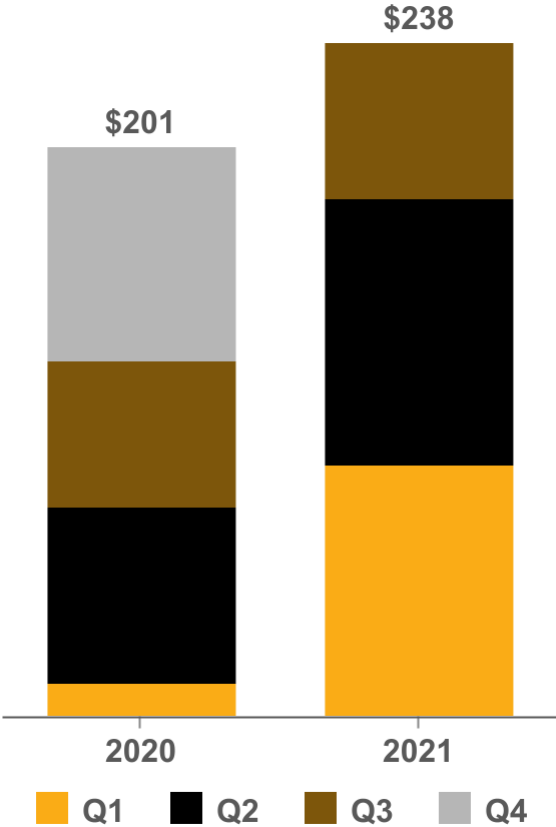
\$ In millions except per share and ratio data	Q3 '21	Q3 '20	VPY	YTD '21	YTD '20	VPY
Sales and merchandising revenues	\$2,998.8	\$1,885.6	\$1,113.2	\$8,829.3	\$5,556.3	\$3,273.0
Gross profit	121.8	93.2	28.6	398.7	242.2	156.5
Operating, administrative and general expenses	110.3	92.6	17.7	312.8	277.4	35.4
Income (loss) before income taxes attributable to The Andersons, Inc. ^{1,2}	17.9	(5.6)	23.5	85.0	(30.1)	115.1
Adjusted income (loss) before income taxes attributable to The Andersons, Inc. ^{1,2}	6.3	(1.5)	7.8	74.1	(21.3)	95.4
Net income (loss) attributable to The Andersons, Inc. ^{1,2}	13.9	(1.5)	15.4	66.9	(11.5)	78.4
Adjusted net income (loss) attributable to The Andersons, Inc. ^{1,2}	5.2	(2.9)	8.1	58.8	(19.6)	78.4
Diluted earnings (loss) per share (EPS) ²	0.41	(0.04)	0.45	1.99	(0.35)	2.34
Adjusted EPS ^{1,2}	0.15	(0.08)	0.23	1.75	(0.60)	2.35
Depreciation and amortization ²	42.8	38.4	4.4	120.4	114.5	5.9
EBITDA ^{1,2}	67.9	42.9	25.0	233.4	89.7	143.7
Adjusted EBITDA ^{1,2}	56.3	47.0	9.3	222.5	98.6	123.9
Effective tax rate ²	24.7%	175.8%	(151.1)%	21.5%	36.7%	(15.2)%

Cash, Liquidity, and Long-term Debt



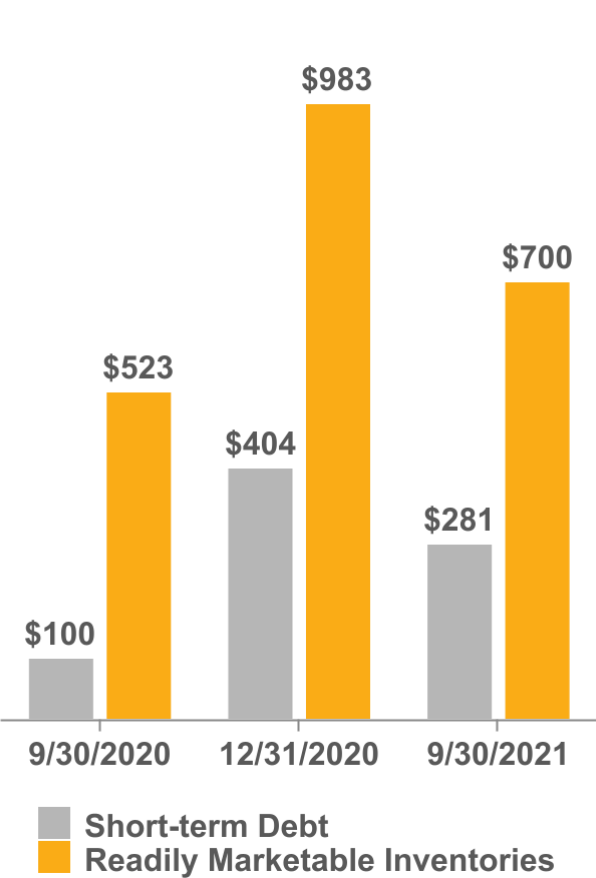
Cash from Operations Before Working Capital Changes¹

(in millions)



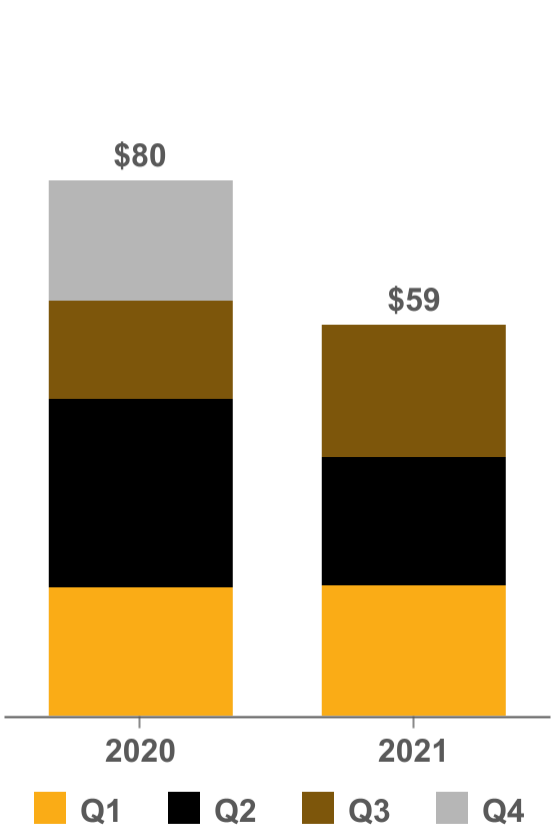
Short-term Debt vs. RMI

(in millions)



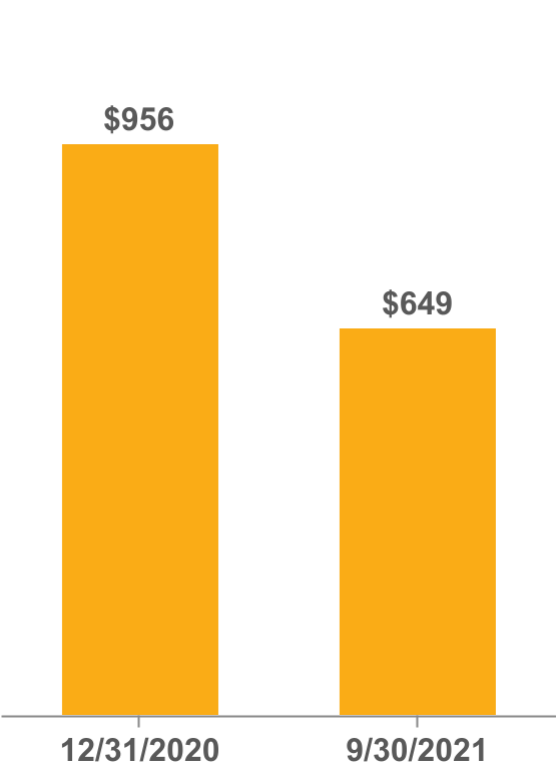
Capital Spending²

(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

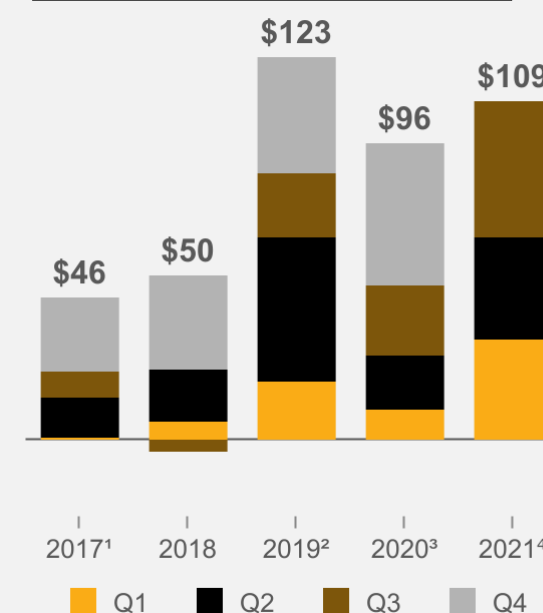
Trade — Q3 '21 Highlights



- Grain assets realize strong elevation margins from early harvest draw areas
- Merchandising income optimized from strong execution across our broad portfolio
- Wheat carries return with larger-than-expected new crop receipts

Unaudited in \$M	Q3 '21	Q3 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$2,242.1	\$1,432.9	\$809.2	\$6,522.5	\$4,162.1	\$2,360.4
Gross Profit	98.2	65.6	32.6	248.6	187.4	61.2
Pretax Income (loss)	42.0	5.9	36.1	69.6	(3.7)	73.3
Adjusted Pretax Income (loss)*	27.6	6.9	20.7	56.0	(0.4)	56.4
EBITDA*	58.3	21.4	36.9	122.7	46.5	76.2
Adjusted EBITDA*	43.9	22.3	21.6	109.1	49.7	59.4

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 asset sale of \$5.7

³ Excludes acquisition costs of \$4.2

⁴ Excludes acquisition costs of \$1.0 and a gain on asset sales of \$14.6

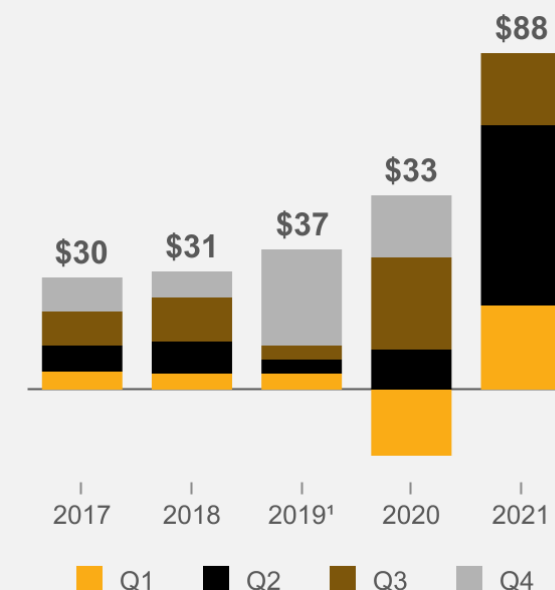
Ethanol — Q3 '21 Highlights



- Increased ethanol demand and crush margins reduced by high corn basis
- Continued high co-product values
- Strong results from our renewable diesel feedstocks business

Unaudited in \$M	Q3 '21	Q3 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$614.6	\$350.0	\$264.6	\$1,674.1	\$886.7	\$787.4
Gross Profit (Loss)	5.8	11.2	(5.4)	49.0	(20.8)	69.8
Pretax Income (Loss)	(5.2)	4.4	(9.6)	22.0	(42.5)	64.5
Pretax Income (Loss) Attributable to Noncontrolling Interest	(1.6)	3.3	(4.9)	(0.8)	(20.6)	19.8
Pretax Income Attributable to The Andersons, Inc.*	(3.6)	1.1	(4.7)	22.8	(22.0)	44.8
EBITDA*	19.2	24.4	(5.2)	88.4	17.2	71.2
Adjusted EBITDA*	19.2	24.4	(5.2)	88.4	17.2	71.2

Adjusted EBITDA* (\$M)



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

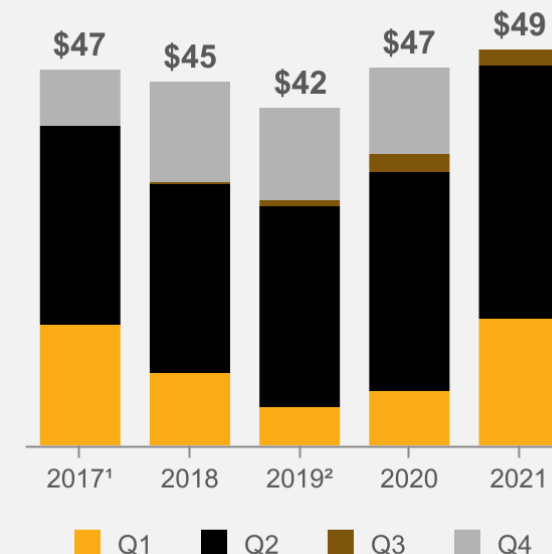
Plant Nutrient — Q3 '21 Highlights



- Higher fertilizer margins due to strong execution on well-positioned inventory in favorable market conditions
- Lower margins in manufactured products due to rising input costs and a tight labor market

Unaudited in \$M	Q3 '21	Q3 '20	VPY	YTD '21	YTD '20	VPY
Revenues	\$142.1	\$102.7	\$39.4	\$632.7	\$507.4	\$125.3
Gross Profit	17.9	16.5	1.4	101.1	75.6	25.5
Pretax Income	(5.8)	(5.4)	(0.4)	26.7	12.8	13.9
Adjusted Pretax Income*	(5.8)	(5.4)	(0.4)	26.7	12.8	13.9
EBITDA*	1.8	2.2	(0.4)	49.4	36.4	13.0
Adjusted EBITDA*	1.8	2.2	(0.4)	49.4	36.4	13.0

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

Q4 Outlook



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

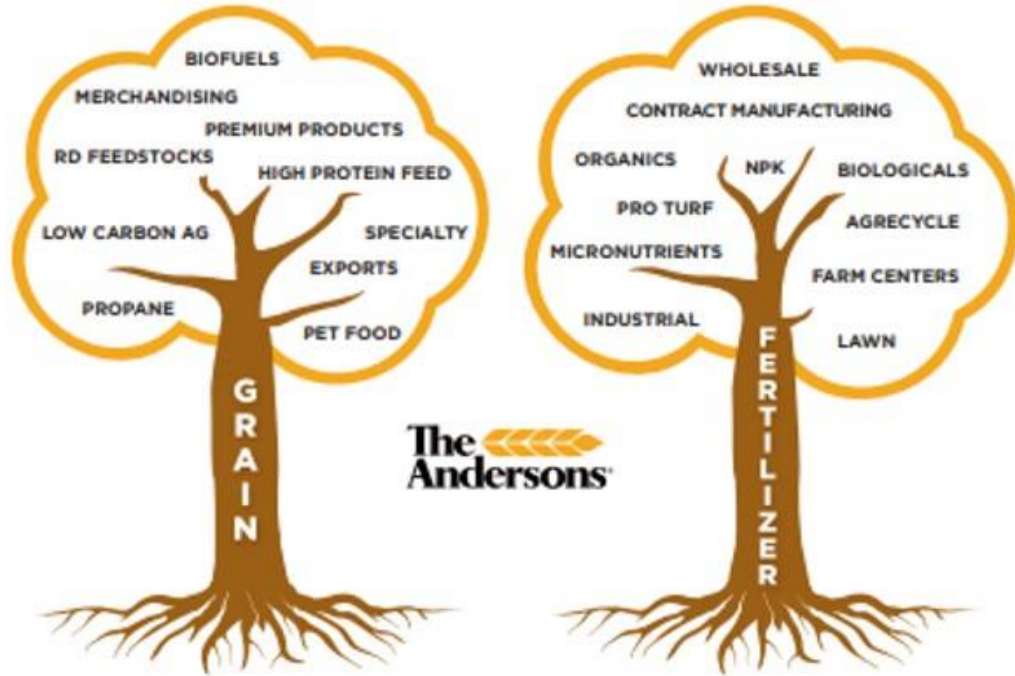


Anticipate strong ethanol margins in a tighter supply period; Co-product margins and trading opportunities expected to remain robust



Expect continued opportunities with high fertilizer prices on limited supply and well-positioned inventory; Managing through labor challenges

Strategy for Growth



Increasing global demand provides opportunities to grow core grain and fertilizer businesses

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
February 16, 2022,
at 11 a.m. EST



Appendix

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

(unaudited)



	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
(in thousands, except per share data)				
Net income (loss) from continuing operations	\$ 12,290	\$ 1,788	\$ 66,069	\$ (32,088)
Net income (loss) attributable to noncontrolling interests	(1,602)	3,273	(822)	(20,583)
Net income (loss) from continuing operations attributable to The Andersons, Inc.	13,892	(1,485)	66,891	(11,505)
Items impacting other income, net of tax:				
Transaction related stock compensation	243	912	1,000	3,260
Gain on sale of a business	(14,619)	—	(14,619)	—
Loss on cost method investment	2,784	—	2,784	—
Severance costs	—	3,222	—	5,563
Income tax impact of adjustments (a)	2,898	(5,511)	2,709	(16,962)
Total adjusting items, net of tax	(8,694)	(1,377)	(8,126)	(8,139)
Adjusted net income (loss) from continuing operations attributable to The Andersons, Inc.	\$ 5,198	\$ (2,862)	\$ 58,765	\$ (19,644)
Diluted earnings (loss) from continuing operations attributable to The Andersons, Inc. common shareholders	\$ 0.41	\$ (0.04)	\$ 1.99	\$ (0.35)
Impact on diluted earnings (loss) per share from continuing operations	\$ (0.26)	\$ (0.04)	\$ (0.24)	\$ (0.25)
Adjusted diluted earnings (loss) from continuing operations per share	\$ 0.15	\$ (0.08)	\$ 1.75	\$ (0.60)

(a) Prior year income tax adjustments include \$(4.5) million and \$(14.8) million due to CARES Act benefits for the quarter ended September 30, 2020 and year to date September 30, 2020, respectively.

Non-GAAP Reconciliation — Quarter to Date Segment Data



(unaudited)

(in thousands)

Three months ended September 30, 2021

	Trade	Ethanol	Plant Nutrient	Other	Total
Sales and merchandising revenues	\$ 2,242,131	\$ 614,637	\$ 142,056	\$ —	\$ 2,998,824
Gross profit	98,196	5,751	17,888	—	121,835
Operating, administrative and general expenses	67,590	10,014	22,883	9,788	110,275
Other income (loss), net	16,886	683	309	(4,072)	13,806
Income (loss) before income taxes from continuing operations	41,999	(5,238)	(5,832)	(14,612)	16,317
Income (loss) attributable to the noncontrolling interests	—	(1,602)	—	—	(1,602)
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	41,999	(3,636)	(5,832)	(14,612)	17,919
Adjustments to income (loss) before income taxes from continuing operations (b)	(14,376)	—	—	2,784	(11,592)
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 27,623	\$ (3,636)	\$ (5,832)	\$ (11,828)	\$ 6,327

Three months ended September 30, 2020

Sales and merchandising revenues	\$ 1,432,922	\$ 349,957	\$ 102,707	\$ —	\$ 1,885,586
Gross profit	65,572	11,169	16,496	—	93,237
Operating, administrative and general expenses	58,385	5,650	21,175	7,400	92,610
Other income (loss), net	3,114	553	579	(400)	3,846
Income (loss) before income taxes from continuing operations	5,941	4,421	(5,387)	(7,335)	(2,360)
Income (loss) attributable to the noncontrolling interests	—	3,273	—	—	3,273
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	5,941	1,148	(5,387)	(7,335)	(5,633)
Adjustments to income (loss) before income taxes from continuing operations (b)	912	—	—	3,222	4,134
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 6,853	\$ 1,148	\$ (5,387)	\$ (4,113)	\$ (1,499)

(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)

Nine months ended September 30, 2021

	Trade	Ethanol	Plant Nutrient	Other	Total
Sales and merchandising revenues	\$ 6,522,508	\$ 1,674,123	\$ 632,717	\$ —	\$ 8,829,348
Gross profit	248,584	48,950	101,149	—	398,683
Operating, administrative and general expenses	186,035	23,247	72,850	30,701	312,833
Other income (loss), net	24,439	2,048	1,745	(3,489)	24,743
Income (loss) before income taxes from continuing operations	69,631	21,999	26,686	(34,182)	84,134
Income (loss) attributable to the noncontrolling interests	—	(822)	—	—	(822)
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	69,631	22,821	26,686	(34,182)	84,956
Adjustments to income (loss) before income taxes from continuing operations (b)	(13,619)	—	—	2,784	(10,835)
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ 56,012	\$ 22,821	\$ 26,686	\$ (31,398)	\$ 74,121

Nine months ended September 30, 2020

Sales and merchandising revenues	\$ 4,162,130	\$ 886,742	\$ 507,445	\$ —	\$ 5,556,317
Gross profit	187,420	(20,829)	75,625	—	242,216
Operating, administrative and general expenses	181,539	17,271	59,197	19,356	277,363
Other income (loss), net	6,865	1,465	935	889	10,154
Income (loss) before income taxes from continuing operations	(3,650)	(42,543)	12,828	(17,351)	(50,716)
Income (loss) attributable to the noncontrolling interests	—	(20,583)	—	—	(20,583)
Income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	(3,650)	(21,960)	12,828	(17,351)	(30,133)
Adjustments to income (loss) before income taxes from continuing operations (b)	3,260	—	—	5,563	8,823
Adjusted income (loss) before income taxes from continuing operations attributable to The Andersons, Inc. (a)	\$ (390)	\$ (21,960)	\$ 12,828	\$ (11,788)	\$ (21,310)

(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		Total Company
	Trade	Ethanol	Plant Nutrient	Other	Total	Rail		
Three months ended September 30, 2021								
Net Income (Loss)	\$ 41,999	\$ (5,238)	\$ (5,832)	\$ (18,639)	\$ 12,290	\$ 1,846	\$ 14,136	
Interest expense (income)	5,243	1,658	1,146	752	8,799	2,139	10,938	
Income tax provision (benefit)	—	—	—	4,027	4,027	(2,777)	1,250	
Depreciation and amortization	11,037	22,811	6,508	2,455	42,811	4,172	46,983	
EBITDA	58,279	19,231	1,822	(11,405)	67,927	5,380	73,307	
Adjusting items impacting EBITDA:								
Transaction related stock compensation	243	—	—	—	243	—	243	
Gain on sale of a business	(14,619)	—	—	—	(14,619)	—	(14,619)	
Loss on cost method investment	—	—	—	2,784	2,784	—	2,784	
Total adjusting items	(14,376)	—	—	2,784	(11,592)	—	(11,592)	
Adjusted EBITDA	\$ 43,903	\$ 19,231	\$ 1,822	\$ (8,621)	\$ 56,335	\$ 5,380	\$ 61,715	
Three months ended September 30, 2020								
Net Income (Loss)	\$ 5,941	\$ 4,421	\$ (5,387)	\$ (3,187)	\$ 1,788	\$ 427	\$ 2,215	
Interest expense (income)	4,380	1,651	1,287	(465)	6,853	3,716	10,569	
Income tax provision (benefit)	—	—	—	(4,148)	(4,148)	(566)	(4,714)	
Depreciation and amortization	11,079	18,282	6,316	2,710	38,387	8,882	47,269	
EBITDA	21,400	24,354	2,216	(5,090)	42,880	12,459	55,339	
Adjusting items impacting EBITDA:								
Transaction related stock compensation	912	—	—	—	912	—	912	
Severance Costs	—	—	—	3,222	3,222	—	3,222	
Total adjusting items	912	—	—	3,222	4,134	—	4,134	
Adjusted EBITDA	\$ 22,312	\$ 24,354	\$ 2,216	\$ (1,868)	\$ 47,014	\$ 12,459	\$ 59,473	

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

(unaudited)



(in thousands)	Continuing Operations					Discontinued Operations	Total Company
	Trade	Ethanol	Plant Nutrient	Other	Total	Rail	
Nine months ended September 30, 2021							
Net Income (Loss)	\$ 69,631	\$ 21,999	\$ 26,686	\$ (52,247)	\$ 66,069	\$ 7,453	\$ 73,522
Interest expense (income)	19,746	5,752	3,358	(8)	28,848	8,714	37,562
Income tax provision (benefit)	—	—	—	18,065	18,065	(428)	17,637
Depreciation and amortization	33,317	60,608	19,345	7,107	120,377	21,760	142,137
EBITDA	122,694	88,359	49,389	(27,083)	233,359	37,499	270,858
Adjusting items impacting EBITDA:							
Transaction related stock compensation	1,000	—	—	—	1,000	—	1,000
Gain on sale of a business	(14,619)	—	—	—	(14,619)	—	(14,619)
Loss on cost method investment	—	—	—	2,784	2,784	—	2,784
Total adjusting items	(13,619)	—	—	2,784	(10,835)	—	(10,835)
Adjusted EBITDA	\$ 109,075	\$ 88,359	\$ 49,389	\$ (24,299)	\$ 222,524	\$ 37,499	\$ 260,023
Nine months ended September 30, 2020							
Net Income (Loss)	\$ (3,650)	\$ (42,543)	\$ 12,828	\$ 1,277	\$ (32,088)	\$ 3,224	\$ (28,864)
Interest expense (income)	16,624	5,908	4,535	(1,116)	25,951	12,032	37,983
Income tax provision (benefit)	—	—	—	(18,628)	(18,628)	250	(18,378)
Depreciation and amortization	33,478	53,786	19,021	8,212	114,497	26,670	141,167
EBITDA	46,452	17,151	36,384	(10,255)	89,732	42,176	131,908
Adjusting items impacting EBITDA:							
Transaction related stock compensation	3,260	—	—	—	3,260	—	3,260
Severance Costs	—	—	—	5,563	5,563	—	5,563
Total adjusting items	3,260	—	—	5,563	8,823	—	8,823
Adjusted EBITDA	\$ 49,712	\$ 17,151	\$ 36,384	\$ (4,692)	\$ 98,555	\$ 42,176	\$ 140,731

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



(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
(in thousands, except per share data)				
Cash provided by (used in) operating activities	\$ 364,561	\$ 50,280	\$ 119,067	\$ 195,791
Changes in operating assets and liabilities				
Accounts receivable	(31,564)	7,229	(89,902)	(1,952)
Inventories	(119,073)	(136,689)	271,433	400,262
Commodity derivatives	92,900	(17,554)	(157,791)	(2,574)
Other assets	(38,925)	(9,559)	(3,357)	(34,343)
Payables and accrued expenses	500,706	152,202	(16,177)	(329,422)
Total changes to operating assets and liabilities	404,044	(4,371)	4,206	31,971
Adjusting items impacting cash from operations before working capital changes:				
Changes in CARES Act tax refund receivable	—	(1,870)	27,697	(37,564)
Changes in deferred income taxes as a result of the Rail leasing sale	95,097	—	95,097	—
Cash from operations before working capital changes	\$ 55,614	\$ 52,781	\$ 237,655	\$ 126,256