

# A Focus on the Future

FROM MATT CARSTENS

Our success at Landus is owed to the commitment of our employees, and the continued engagement of you, our farmer-owner. Thanks to your support, I am proud to share that the financial health of your cooperative is at an all-time high.

Our team delivered record profitability for the fourth consecutive year, growing topline sales to nearly \$2.4 billion and net income before tax to \$37 million despite a challenging operating environment in FY 2023. Just as you experienced the pain of spiking interest rates on your farm, Landus absorbed a record \$3 million in additional cost from increased interest rates alone. At the same time, our industry experienced extreme volatility in agronomy markets and navigated the waves of input price swings. But the team remained focused on removing unnecessary links from the agronomy supply chain, locking in the best possible pricing on your behalf, and mitigating risk to your cooperative. Our grain team continued to leverage rail advantages and end-user relationships to connect your grain to the right markets, and our animal nutrition team optimized efficiencies and found new destinations for our value-added soybean meal, SoyPlus®, and soy oil. This is a team committed to finding solutions, not making excuses,

and their hard work and focus on your needs led to the results you will see in this annual report.

Strong financial performance alone is not what should matter most to you though. Where, and how, your cooperative invests those funds is key. In addition to paying two cents per bushel in 100 percent cash patronage on FY 2023 grain business, Landus reinvested record amounts back into the insights and infrastructure necessary to serve the farmer of tomorrow.

We invested more than \$120 million into facilities of the future through both enhancements to existing core hubs and additions of new greenfield locations. When you asked for more, we listened, and we announced plans for a future grain and agronomy facility north of Fort Dodge, Iowa, as a direct response to local farmer feedback. In Boone, we're underway building a \$16 million fertilizer manufacturing and repack facility backed by a \$5 million USDA Fertilizer Production Expansion Program Grant. The Boone site will also showcase our recently announced partnership with Talus Ag with a pilot green ammonia production system and the potential to decrease the carbon intensity score of crop production.

Beyond just physical assets, we're also investing in the innovative solutions that will support you and your family's operations well into the future. In collaboration with DEFENSEWERX, the world's largest innovation ecosystem serving top military, defense, and intelligence agencies in the U.S., we launched LANDWERX, the first DEFENSEWERX hub focused on solving the most pressing on-farm challenges. Through LANDWERX, we now have unprecedented access to the inventors, thought leaders, and difference makers from industries beyond just agriculture who can help us deploy solutions to challenges. Landus will continue to lean into the future and work to solve the most pressing challenges facing the future of agriculture and our rural communities. While it will always be our first responsibility to get our core business right, we will never settle for table stakes solutions, because rural America needs more.

I hope you take the time to read through the pages of this annual report to get a deeper look at the team's achievements from FY 2023 and better understand the work driving our financial performance. And, as you review our summarized financial statements and commentary, please remember one thing: the growth achieved this year was done organically and without any mergers involved. Going forward, Landus will remain focused on sustainable growth and will not allow our business to be weighed down by the complexity and distractions of cooperative mergers. That strategy is no longer serving farmer-owners' interest, and we remain committed to a better path forward.

Thank you for your continued engagement and support of your cooperative. Landus will continue to put your needs at the center of everything we do, and we will never shy away from trying to solve the most pressing problems facing you and your operation, because that's precisely what the cooperative was designed to do.



**Matt Carstens**  
President & Chief Executive Officer

