



LANDUS[®]

2023 ANNUAL REPORT

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





MATT CARSTENS
President &
Chief Executive Officer

Executive Leadership Team



MARY BENDICKSON
Chief of Staff



MARK MINER
Chief Investment Officer



KATHLEEN LYONS
Chief Financial Officer



MOLLY TOOT
Administration Leader



RYAN GRANT
Communications &
Marketing Leader



JON SETTERDAHL
Products & Services Leader



DON KING
Business Leader



STEVE NIELSEN
General Counsel



TIM UNRUH
GROW Business Leader



BRUCE VERNON
New Business Ventures



“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.”

— MATT CARSTENS, PRESIDENT & CEO



Board Room Insights

Thank you for another year of support and engagement with the Landus team. Four years ago when we hired President & CEO, Matt Carstens, we tasked him with transforming Landus into a leader in the industry capable of doing more for you, our farmer-owner. Since that day, Landus has experienced unprecedented growth and momentum. From the board room, we have watched Matt and his team transform what was once a traditional cooperative into an innovative leader focused on advancing farmers — and our rural communities — forward. And, while any transformative journey is not without its imperfections and missteps along the way, this board is proud of the consistent progress Matt’s team continues to make toward that vision.

This year, Landus has expanded its offerings to farmers through programs like our newly launched Landus Financing, increased expertise and virtual service solutions through the GROW Solutions Center®, and expanded digital functionality, enabling improved grain transactions in our portal. The team has connected leaders in ag tech, policy, and innovation at our Innovation Connector, and we launched the LANDWERX innovation hub to work hand-in-hand with you to drive food security and on-farm improvements. Farmers beyond the borders of Iowa can now access Landus products and services as the team has demonstrated its ability to serve operations in other states efficiently.

Through Landus Conduit®, we’re collaborating more than ever with other ag retailers and channel partners to improve farmer access to innovative offerings and farmer-focused solutions, further improving the cooperative’s positioning with end-users of the crops you grow globally.

Matt and his team have our full support as they work to solve even bigger challenges for our farmer-owners as the needs of the farmer of tomorrow continue to evolve. While we may not have predicted a year ago that Landus would be working to connect farm families to the world’s largest innovation ecosystem, or trying to keep farmers connected to farmland, we are proud to see this cooperative trying to solve the problems that really matter to you. That’s what a cooperative focused on its owners should do, and as Matt so often states in the board room, “If not Landus, then who?”

The Landus Board of Directors remains committed to leaning into the future of agriculture and keeping you, our farmer-owner, at the center of all decisions in the board room. Thank you for your continued patronage and support of Landus, and we look forward to a bright future alongside you.

Board of Directors



MATT CHAMBERS
Chairman, Audubon



MATT SHOWALTER
Vice Chairman, Hampton



DAN REYNOLDS
Treasurer, Rockwell City



LYNN BARRY
Manilla



RON BUSE
Lake City



BRYCE CAPLE
Maxwell



JEFF FRANK
Auburn



KAITLYN KOKEMILLER
Madrid



TIM KOLDER
Ackley



DAN ORY
Earlham



Associates



RICK DEGROOTE
Parkersburg



BRETT HEINEMAN
Ogden



LAURIE SCHMIDT
Nemaha

The Farmer of Tomorrow, Today

LANDWERX

The launch of LANDWERX this year put farmers back in the driver's seat of ag innovation and provides Landus farmer-owners unprecedented access to the world's largest innovation ecosystem that has proven invaluable to leading military, defense, and intelligence agencies. Food security is national security, and LANDWERX activates world-class change makers to create meaningful advancements in the agriculture space on behalf of farm operators.

This joint venture between the leading innovation ecosystem, DEFENSEWERX, and Landus grants farmers previously unattainable access to problem solvers and solutions and brings together nontraditional collaborators to address the biggest on-farm challenges. To truly uplift and empower our country's

leading on-farm operators, LANDWERX is reversing the script on ag innovation and placing the focus squarely on farmers. Through this newly launched innovation platform, we're leveraging the national security, intelligence, and defense communities' leading innovation networks and processes to start solving the farming problems that can make the greatest impact to operators.

As a direct result of LANDWERX innovation and collaboration, Landus has partnered with Talus Ag, a renewable energy equipment manufacturer, to create a production facility for green ammonia in Boone, Iowa. This will be the first green ammonia production facility in the United States. This facility, and others to follow, will help farmers reduce their carbon footprint, and lower their costs by taking links out of the supply chain.

LANDUS CONDUIT

Landus Conduit is the wholly owned subsidiary of Landus that provides solutions to ag retailers and farmers, linking them with the downstream consumers of sustainably raised food and fuel. By providing Landus expertise, partnering ag retailers can build their business with the assistance of Landus Conduit.

Since its launch, Bruce Vernon and his team have grown Landus' presence, not only across state boundaries, but across international borders to bring Landus grain merchandising services to farmers across North America. The keystone that bridges farming today to the future of farming is the development of the asset-light model.

Conduit offers a unique service to noncompetitive ag companies that don't need a physical location to benefit a company.

Conduit is able to offer grain, agronomy, and processing services to these ag companies, as well as the services of the GROW Solutions Center.

Boone Chemical Facility

By fall 2024, our Boone location will become the epicenter of our agronomy services. The \$16 million state-of-the-art facility being built in Boone received \$5 million in funding from a USDA grant presented by U.S. Secretary of Agriculture, Tom Vilsack, in June. The renovations of the facility will add a new freestanding chemical and seed storage building and a manufacturing facility that will produce a full lineup of Landus agronomy products, with the ability to ship across the Midwest. Complete with the capability to manufacture foliar, slow-release nitrogen (SRN), the USDA grant allows the Boone facility to enhance the precision of SRN by reducing the overall amount of nitrogen applied while also lowering the carbon footprint required to produce, store, and ship. With direct ship options receiving more emphasis for 2024, agronomy products of all varieties coming out of Boone will be available to virtually every farmer across the Midwest.

Boone's recent improvements allow Landus to take advantage of off-season chemical purchases by having heated bulk storage available. With this update, Landus will repack bulk chemicals into totes at one facility rather than multiple as we were cornered into doing with our previous technology.



"THE PARTNERSHIP BETWEEN LANDUS AND TALUS AG IS THE FIRST OF MANY AGRICULTURAL SOLUTIONS COMING THROUGH THE LANDWERX INNOVATION ECOSYSTEM."
- MATT CARSTENS, PRESIDENT & CEO





Landus Innovation Connector

More than 1,000 farmer-owners connected with Landus leaders and emerging ag innovations throughout the 2023 series of Innovation Connector events. This year, the Innovation Connector featured a variety of farming solutions, ranging from drone technology, to pollen preservation, to sustainable agronomy products.

In addition to offering farmer-owners the opportunity to connect directly with President & CEO, Matt Carstens, and leaders from Landus, the Innovation Connector attracted speakers like U.S. Secretary of Agriculture, Tom Vilsack; Iowa Secretary of Agriculture, Mike Naig; and USDA State of Iowa Director, Theresa Greenfield.

THE INNOVATION CONNECTOR FEATURED A VARIETY OF FARMING SOLUTIONS, RANGING FROM DRONE TECHNOLOGY, TO POLLEN PRESERVATION, TO SUSTAINABLE AGRONOMY PRODUCTS.

Shuttle Train Growth

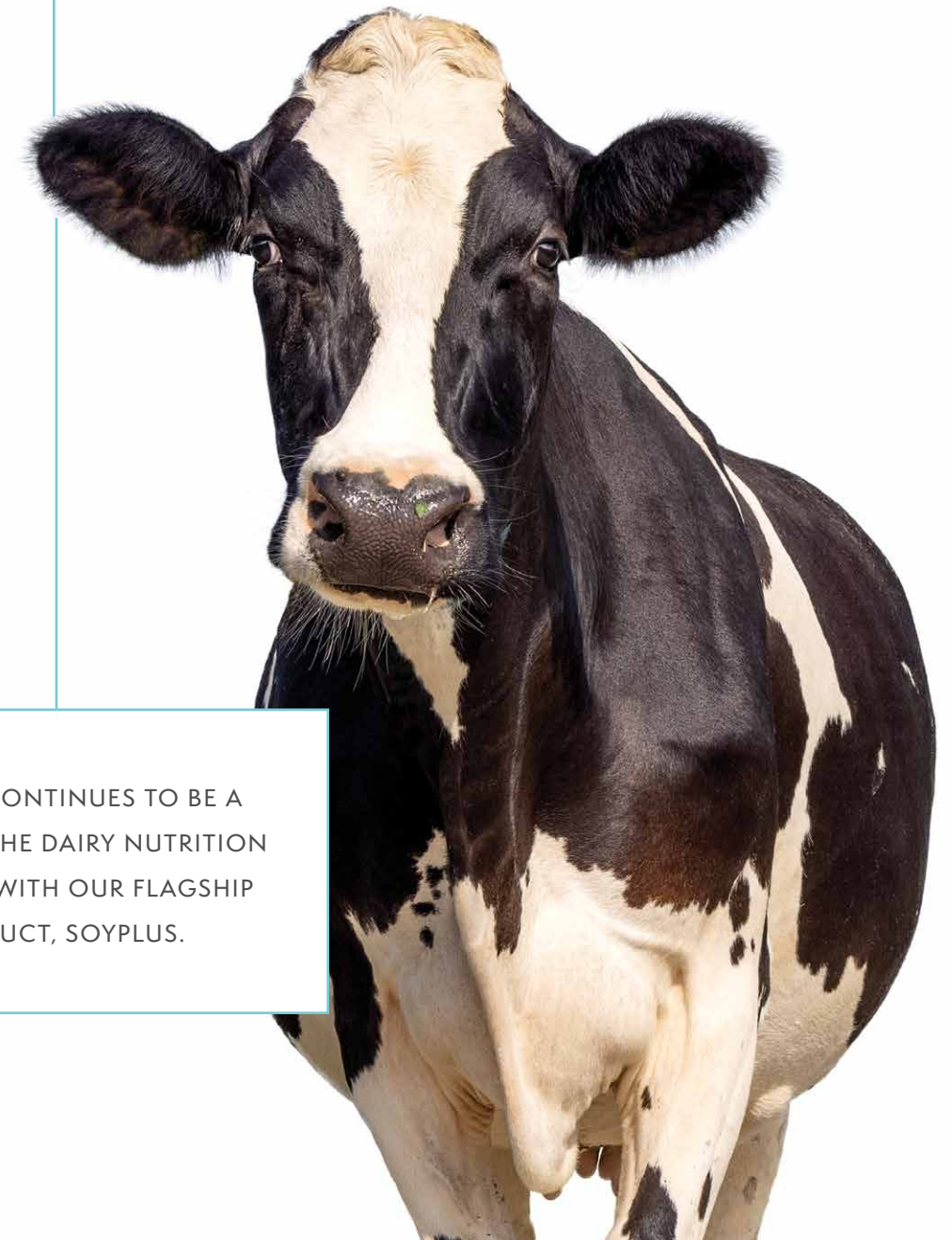
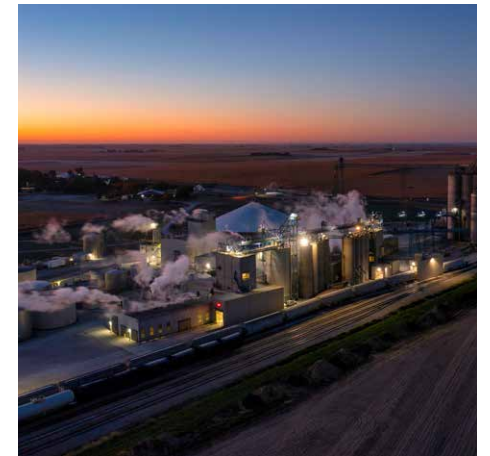
Landus has been an active shuttle owner and freight market participant on both the UP and BNSF rail lines since January 2022. Owning a shuttle (110 railcars) is a one-year contractual agreement between a railroad and a customer like Landus. Through this agreement, Landus is responsible for keeping the shuttle moving. Landus continues to leverage

freight ownership and end-user relationships to grow demand for Landus corn and soybeans. This has been a competitive advantage in certain areas and helped us grow market share in strategic destination markets. Landus-owned shuttles have loaded at Landus locations 90 times since early 2022.



Dairy Production Insights

Landus continues to be a leader in the dairy nutrition industry with our flagship product, SoyPlus. As the dairy industry consolidates into larger farms, SoyPlus production demand will continue to increase. Despite the rail service challenges available for these farms, the SoyPlus production team crushed 25.4 million soybean bushels — a new annual year record. Landus has captured higher margins on soybean oil by improving oil refining and diversifying sales into the renewable diesel market. In addition, SoyChlor® continues to see strong growth both domestically and internationally, with sales in over 15 countries.



LANDUS CONTINUES TO BE A LEADER IN THE DAIRY NUTRITION INDUSTRY WITH OUR FLAGSHIP PRODUCT, SOYPLUS.

Landus Updates



Landus Award Winners

This year, five outstanding Landus employees were awarded for their efforts and dedication to their team and role within Landus:

The Landus Leader Award:
Tyler Schultes, Business Unit Leader

The Heart of Landus Award:
Jeremy Gregory, Custom Applicator
Lars Erickson, Delivery Specialist

The Landus MVP Award:
Janette Smith, GROW Grain Marketing Advisor Lead

The Landus Way Award:
Crystal Soyer, Project Specialist

Green Ammonia

Landus has entered an exclusive Iowa partnership with Talus Ag, the world's first modular green ammonia system, which enables local production of low-cost, carbon-free fertilizers and renewable fuels. This production facility will be a part of the new fertilizer manufacturing and repackaging facility expansion in Boone, Iowa. The green ammonia plant will be powered by a six-acre solar bank, creating a 100% renewable energy source for the entire 70-acre Landus Boone site. By producing green ammonia on-site, Landus will eliminate a projected 50% cost of freight and uncertainties from the supply chain, support sustainable farming, and lower the overall cost of nitrogen fertilizers by up to 50 percent.

The expansion of the Boone facility will allow Landus to provide direct ship distribution options for farmers and suppliers across the Midwest, while taking advantage of Landus' unique position as the only Iowa agribusiness with access to all seven railroads.

Talus Ag has recently opened their first green ammonia production facility in Africa in partnership with the Kenya Nut Company. The Boone facility will be the first green ammonia plant in the United States.



Community Investments

Rural vitality is one of the key focuses of Landus. To ensure rural continues to grow, Landus has poured even more efforts into rural community development. New scholarships and land donations are just a few ways Landus shows gratitude to the communities we're a part of.

This year's Excellence in Ag Scholarship winners were:

Grant Gleason, Audubon High School

Tyler Lightner, South Central Calhoun High School

Sydney Hurd, Storm Lake St. Mary's High School

Gavin Larsen, Audubon High School

Clara Smuck, South Hamilton High School

In addition to the annual Excellence in Ag Scholarship, awarded to high school seniors who pursue a degree in an agriculture-related field, 2023 welcomed the inaugural Dave Fevold Scholarship. To honor Dave's life, work, and dedication to the rural communities throughout the Landus geography, Landus was proud to award four students pursuing a career in custom application the annual Dave Fevold Scholarship.



Community Involvement

In early January, Landus donated a parcel of land valued at \$100,000 to an Ackley, Iowa campground. Landus sees this donation as a sincere investment into its rural communities. The local businesses benefit from this park by seeing a correlated increase in sales during the camping season. The economic impact boost isn't what matters most to the people of Prairie Bridges and Ackley, it is seeing the community get to enjoy something available to all community members.

Backed by America's past-time, "farm-team" baseball has massive impacts in rural communities. Landus sponsored the highest attended Carroll Merchants game in Carroll, Iowa, to date, by hosting activities for kids before the game and complimentary popcorn for fans, and recognized Landus employees for the outstanding work they do in their communities.

Landus community events come in forms of all kinds. From our Feed the Farmer events during harvest, to hosting a movie night at the debut of our Mitchellville location, Landus sees value in spending time and investing in the communities we operate in.



Strategic Investing in Our Core Business

With today's large farm equipment and more farmers demanding direct ship options for both grain and agronomy, Landus is quickly adapting our assets and go-to-market strategies to meet the demands of the farmer of tomorrow. Mergers are an action of the past. Landus' asset-light model focuses on investing into facilities of the future at strategic hubs, and helping farmers invest in on-farm grain storage and agronomy assets. Between 2022-2024, we'll invest an additional \$158 million total in capital expenditures across our network into strategic assets that drive profitability for our core business.



FORT DODGE: AUGUST 2023

- Acquisition of grain facility, with agronomy services available in 2024y
- Ability to receive grain for harvest 2023



BRITT: NOVEMBER 2023

- Addition of 4.25 million bushels of storage
- Drying capacity doubled to 14,000 bushels/hour



BRICELYN, MN: AUGUST 2023

- Strategically located near the Landus Union Pacific shuttle-loader rail facility in Rake
- Capable of receiving 15,000 bushels/hour
- Storage capacity of 1.45 million bushels



GREENE: SEPTEMBER 2023

- Addition of 670,000 bushels of soybean storage
- Addition of 20,000 bushels/hour receiving pit
- 40,000 bushels/hour loadout capabilities, with rail loading capabilities available in spring 2024
- Addition of outbound scale to improve traffic flow and ease

YETTER: DECEMBER 2023

- New facility addition, adding 5 million bushels of storage
- Increased drying capacity by 7,000 bushels/hour
- Increased wet storage capacity by 350,000 bushels



JEFFERSON: SPRING 2023

- Ability to elevate a unit train at 80,000 bushels/hour
- Two new receiving pits capable of receiving 20,000 bushels/hour
- Addition of improved train-loading system
- Addition of camera-operated truck loadout system



BOONE: PROJECTED SPRING 2024

- Centralized chemical warehouse and manufacturing facility
- Allows for off-season chemical purchases, with heated bulk storage available



MITCHELLVILLE: SPRING 2023

- Addition of dry fertilizer building and hot load chemical facility
- Addition of 90,000 gallons of NH3 storage
- Storage capacity of 5.2 million bushels



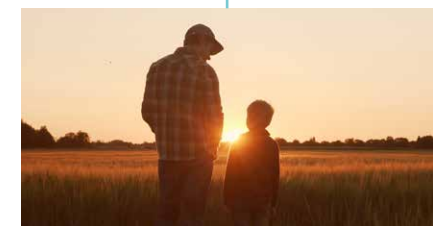


2023
Financial Highlights

Total Sales:
\$2.4 billion

Pre-Tax Income:
\$37 million

Nearly
\$8 million
in total payout to farmer-owners
for Fiscal Year 2023



JEFFERSON ^
FULL UNIT TRAIN LOADING
CAPACITY AT 80,000
BUSHELS/HOUR

YETTER >
ADDITION OF 5 MILLION
BUSHELS OF STORAGE



Investments in locations:
\$120.9 million

Landus shared
2¢ cash per bushel
of grain business with farmer-owners



CONSOLIDATED

Statement of Savings

Years Ended August 31, 2023 & 2022

	2023	2022
SALES	\$ 2,379,634,432	\$ 2,352,708,680
COST OF GOODS SOLD	\$ 2,191,490,123	\$ 2,191,050,769
GROSS SAVINGS ON SALES	\$ 188,144,309	\$ 161,657,911
Other Operating Income	\$ 63,615,293	\$ 53,775,752
Patronage Income	\$ 6,857,582	\$ 2,966,100
TOTAL GROSS REVENUE	\$ 258,617,184	\$ 218,399,763
TOTAL OPERATING EXPENSES	\$ 221,433,744	\$ 189,407,480
NET INCOME BEFORE TAXES	\$ 37,183,440	\$ 28,992,283

INCOME TAXES

CURRENT	\$ 832,986	\$ 843,168
DEFERRED	\$ 4,629,016	\$ 1,336,758
TOTAL INCOME TAXES	\$ 5,462,002	\$ 2,179,926
Minority Interest Share of Subsidiaries	(\$ 37,799)	(\$ 45,224)
NET INCOME	\$ 31,683,639	\$ 26,767,133

DISTRIBUTION OF NET SAVINGS

ALLOCATED PATRONAGE DIVIDENDS — 100% CASH	\$ 3,047,413	\$ 3,317,141
NET SAVINGS RETAINED	\$ 28,636,226	\$ 23,449,992

PATRONAGE RATES

GRAIN (CENTS PER BUSHEL)	2.00	2.00
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CONSOLIDATED

Balance Sheet CONDENSED

	2023	2022
ASSETS		
CURRENT ASSETS		
Cash & Marketable Securities	\$ 69,596,728	\$ 6,233,562
Receivables	\$ 107,909,263	\$ 91,777,356
Inventories	\$ 109,849,772	\$ 184,053,150
Other	\$ 28,695,977	\$ 91,785,220
TOTAL CURRENT ASSETS	\$ 316,051,740	\$ 373,849,288
EQUITY IN OTHER ORGANIZATIONS	\$ 27,482,445	\$ 27,637,364
TOTAL PROPERTY, PLANT & EQUIPMENT	\$ 604,428,673	\$ 507,770,812
Less: Accumulated Depreciation	(\$ 293,504,970)	(\$ 282,377,383)
NET PROPERTY, PLANT & EQUIPMENT	\$ 310,923,703	\$ 225,393,429
RIGHT OF USE ASSETS - NET	\$ 36,326,807	-
OTHER ASSETS	\$ 2,035,892	\$ 2,166,308
TOTAL ASSETS	\$ 692,820,587	\$ 629,046,389

LIABILITIES & MEMBERS' EQUITY

CURRENT LIABILITIES		
Payables, Accrued Expenses & Other Liabilities	\$ 186,026,057	\$ 236,542,663
Notes Payable	\$ 19,316,138	\$ 7,527,638
Allocated Patronage Refunds	\$ 3,047,413	\$ 3,317,141
TOTAL CURRENT LIABILITIES	\$ 208,389,608	\$ 247,387,442
OTHER LONG TERM LIABILITIES	\$ 61,711,185	\$ 23,943,005
LONG TERM DEBT	\$ 101,000,000	\$ 63,500,000
TOTAL LIABILITIES	\$ 371,100,793	\$ 334,830,447

MEMBERS' EQUITY

PREFERRED	\$ 54,901,364	\$ 58,564,484
CLASS A COMMON	\$ 2,398,500	\$ 2,918,000
CLASS B COMMON	\$ 5,800	\$ 9,300
COMMON STOCK SUBSCRIPTIONS	\$ 92,832	\$ 139,979
NON-QUALIFIED PATRONAGE DIVIDENDS	\$ 24,084,588	\$ 24,338,708
PAID IN CAPITAL	\$ 803,997	\$ 803,997
ACCUMULATED OTHER COMPREHENSIVE LOSS	(\$ 20,017,618)	(\$ 23,623,969)
RETAINED SAVINGS & EQUITY FROM BUSINESS COMBINATIONS	\$ 259,207,411	\$ 230,860,322
NON-CONTROLLING INTEREST	\$ 242,920	\$ 205,121
TOTAL MEMBERS' EQUITY	\$ 321,719,794	\$ 294,215,942
TOTAL LIABILITY & MEMBERS' EQUITY	\$ 692,820,587	\$ 629,046,389



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