

Between the Loads

In This Issue:

- CEO Update | 1*
- Ag Partners Portal | 2*
- Risk Management Update | 3*
- Scholarships | 4*
- New Employees | 5*
- Special Announcement | 6*
- HR Update | 7-8*
- Grain Update | 9-10*
- Energy Update & Q4 Fuel Your Community | 11-12*

CEO UPDATE

Happy New Year!

As we celebrate the beginning of another new year, I want to take the opportunity to share some of the highlights of Ag Partners Cooperative's fiscal performance for our most recent year ending August 31, 2024. From near-record highs in patronage distributions to outstanding harvest yields throughout our trade territory, this year has been a testament to the strength and resilience of our cooperative and its members.

Positive Financial Results for Fiscal Year 2024

Our fiscal year ended on a high note, with net earnings reaching \$13.5 million. While this figure represents a slight decrease compared to last year's record-setting \$18.3 million, it firmly places 2024 as one of the most successful years in our history. Our cooperative's ability to generate consistent financial results reflects the dedication of our team, the strength of our operations, and the trust of our member-owners.

Near-Record Patronage Distributions

Total patronage allocated back to membership based on this past year's business totaled nearly \$6.7 million with approximately \$2.7 million paid back in cash. Over the past two years, Ag Partners has paid out \$5.5 million in cash patronage and retired over \$2 million in deferred equity back to members. This represents a total of approximately \$8 million in cash back to you, our owners, for the last two years and represents near-record cash returns for any comparable period in the history of our cooperative.

Favorable Harvest Yields

The 2024 harvest season in Northeast Kansas exceeded expectations, with favorable weather conditions supporting strong yields across the region. Harvest operations concluded this past fall with few breaks in the weather and in some cases, we saw record harvest receipts at multiple locations. Despite these challenges, all best efforts were made to keep storage space available during the busy fall harvest season.

Challenges and Successes in the Agronomy Season

While the fall harvest brought good news, the November rains presented challenges for our agronomy operations, resulting in a shortened season. Despite this, our employees worked tirelessly to meet the needs of our producers, ensuring that essential services were delivered efficiently under compressed timelines. Their dedication and adaptability are a testament to the cooperative's commitment to supporting its members, rain or shine.

Looking Ahead

As we plan for the year ahead, our focus remains on maintaining the cooperative's financial strength, delivering value to our members, and investing in the people and infrastructure that make Ag Partners successful.

I want to extend my gratitude to each of you for your continued trust and partnership. As we look forward to this next year and beyond, we remain committed to serving you and growing together.

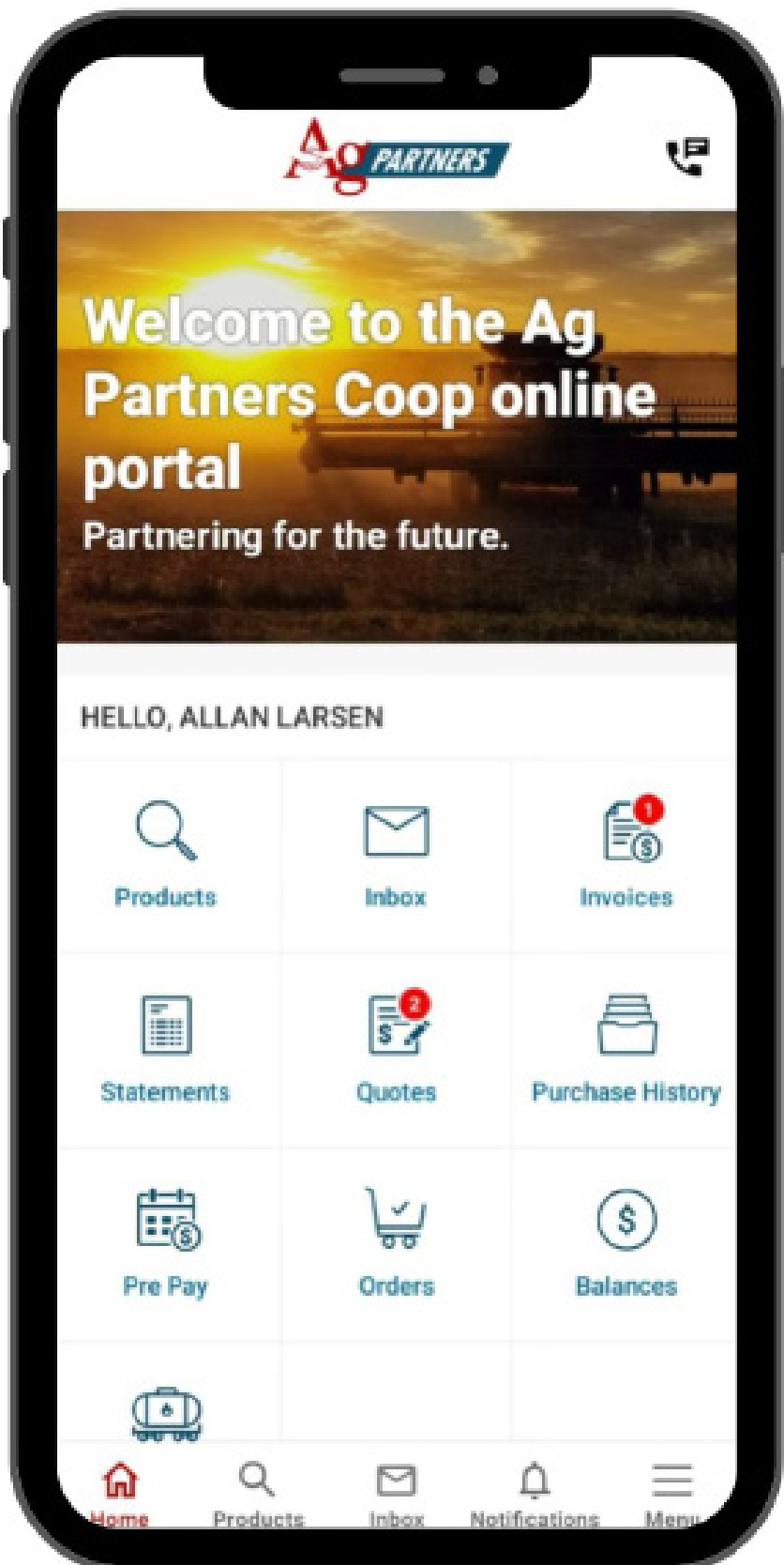
Wishing you a prosperous year ahead!

Regards,

Wes Spohr President & CEO



USE THE PORTAL FOR TAX SEASON PREPARATIONS!



Use the portal to access invoices, checks, paystubs and more as you prepare for tax season!

If you have any questions about using the portal in this way, don't hesitate to reach out and ask our team.

Don't wait; check your documents TODAY!

RISK MANAGEMENT UPDATE

New Normal

As 2025 kicks off, we are looking at a tighter farm economy than most of us would like. The inputs this Fall weren't exactly the cheapest and the grain markets aren't giving us a pot of gold either. With tighter margins, you will need to make sure your Multi-Peril Crop Insurance coverage will be enough to cover your breakevens in 2025. From our initial quotes with the lower grain prices, just carrying 75% Multi-Peril Crop Insurance on your corn and soybeans might guarantee you less per acre than what you have invested this year. For the sake of your operation, you will want to sit down and calculate the exact cost per acre to produce your corn and soybeans and select a coverage level that keeps you farming long after 2025.

Now for the good news, the premium cost of Multi-Peril Crop Insurance will be coming down with the lower grain prices. So there is a possibility that you could move up a coverage level in 2025 and pay a similar premium per acre as the last several years. Also, the nice yields over the past couple of years have increased a lot of Approved Yields on farms, so the bushels guaranteed on your Crop Insurance policy will hopefully be higher in 2025 as well. The additional top-up products like Enhanced Coverage Option are definitely worth a look as the premiums have cheapened on some of these as well.

There are also changes to ARC/PLC prices and with the recent Farm Bill extension we will have to make those decisions again this Winter. The ARC/PLC elections can affect your choices of Crop Insurance, and these FSA programs might actually start making payments again in 2025 if you select the right one. The Risk Management team at Ag Partners can help walk you through the FSA elections and pair it with a successful Crop Insurance policy for 2025. Please don't hesitate to reach out to our Crop Insurance Specialists, Jim Ward and Darcy Pralle for more information. They can also show you how simple it is to move your Crop Insurance policy in 2025 if you aren't getting the guidance and value you deserve from your current agent.

We wish you a blessed year ahead!

- **Darcy Pralle, Crop Insurance Specialist**



SCHOLARSHIPS



ROYALS SCHOLARSHIP

In partnership with the Royals Foundation and Globally Responsible Production, the program will offer scholarships to six students in two categories. Applicants will be notified in April 2025 by the scholarship committee of final selections, and checks will be sent directly to the post-secondary institution being attended on behalf of each winning recipient.

Open from October 1 2024 - March 1 2025

- Applicant must be a high school senior, graduating in Spring 2025 OR a student currently attending a post-secondary institution.
- Attend an educational institution in Nebraska, Iowa, Kansas, Missouri, Oklahoma, or Arkansas.
- Enrolled in a post-secondary institution for the Fall 2025 semester.
- Submit one photo suitable for promotional use upon selection as an awardee.

Apply on our website!



AG PARTNERS SCHOLARSHIP

Open from October 1 2024 - March 1 2025

- Applicant must be a child or grandchild of a current Ag Partners member-owner or employee.
- Be a high school senior, graduating in spring 2025.
- Enrolled at a post-secondary institution immediately following high school graduation.
- Demonstrate leadership abilities, academic performance and desire to further their education and career in an agricultural-related field.
- Submit one photo suitable for the newspaper to be used upon selection as an awardee.
- Complete the application on our website.

NEW EMPLOYEES

Ben Walker

Warehouse Attendant, Hiawatha KS

Reginald Majichi

Operations Technician, Corning KS

Derek Koch

Custom Applicator, Vliets KS

Randy Fender

Operations & Delivery Technician, Joplin MO

Abe Peters

Energy Operations Technician, Sabetha KS

John Anderson

Operations & Delivery Technician, Hiawatha KS

Ron Ehram

Operations Technician, Seneca KS

Brock Curtis

Custom Applicator, Belvue KS

Mike Claassen

Part-Time Semi Truck Driver, Belvue KS

Bryan Brown

Regional Custom Application Coordinator Hiawatha, KS

Welcome Aboard!

SPECIAL ANNOUNCEMENT

Ag Partners Cooperative is excited to announce the execution of an asset purchase agreement with Lathrop Food, Seed & Grain (LFSG), a leading non-GMO grain cleaning business based in Lathrop, MO, from The Redwood Group, with a closing date of December 27, 2024. This strategic move strengthens Ag Partners' capabilities in identity-preserved, non-GMO soybean programs, advancing their mission to deliver value-added opportunities for member-owners and enhancing their role as a trusted partner in the agriculture industry.

LFSG specializes in non-GMO, food-grade soybean programs and serves a global customer base, with a strong presence in Asia. Its expertise in grain cleaning, bagging, and container loading—alongside established relationships with growers and buyers—aligns seamlessly with Ag Partners' strategic vision. "This acquisition is a transformative opportunity for Ag Partners," said Brice Elnicki, Senior Vice President of Grain and Business Development. "LFSG allows us to enter the high-value non-GMO soybean market while delivering premium solutions for growers and buyers. We are thrilled to welcome the LFSG team into the Ag Partners family and look forward to building on their legacy of excellence. Together, we will enhance operational efficiencies, strengthen grower partnerships, and create new opportunities for our member-owners."

FOR MORE INFORMATION, EMAIL BRICE ELNICKI.

brice.elnicki@agpartnerscoop.com



www.agpartnerscoop.com | www.theredwoodgroup.com/lathropfsg

HR UPDATE

encouraging a sense of appreciation across the company.

Celebrating Excellence: The AgCeptional Employee Recognition Program

As we close out 2024, we are thrilled to celebrate the continued success of our AgCeptional Employee Recognition Program. Now in its second year, this initiative highlights the outstanding contributions of employees who go above and beyond their regular job duties, representing the employee dedication and excellence that defines Ag Partners.

Over the past year, the program saw an impressive 92 peer nominations. Out of these, 14 exceptional employees were selected as quarterly winners, each recognized for their extraordinary efforts and commitment to making a difference within our organization.

The culmination of the program took place at our annual company Christmas party, where Ethan Stewart was honored as the AgCeptional Employee of the Year. Ethan is an Operations Technician at our Axtell/Summit location.

The AgCeptional program is a testament to the culture we've built together. It's truly inspiring to witness peers nominating one another, acknowledging the extraordinary contributions of each other, and

As we look ahead to 2025, we are excited to see the program continue to thrive and highlight the outstanding achievements of our team members. Congratulations to Ethan Stewart and all our AgCeptional award winners for 2024—you are what makes Ag Partners truly exceptional!

Achieving Cooperative Excellence: Growing Talent and Future Leaders

Now in its second year, the ACE Program—Achieving Cooperative Excellence—continues to serve as a cornerstone for talent development and leadership growth at Ag Partners. This initiative demonstrates our commitment to investing in our people, providing them with opportunities for engagement, growth, and leadership development.



AgCeptional Quarterly Winners Recognized at the company Christmas Party

Participants in the ACE Program are selected through a thoughtful and collaborative talent planning process led by our team managers. Each manager carefully evaluates their team members, identifying individuals with high potential and a capacity for growth and leadership. These standout employees are then invited to join the ACE Program, positioning them to develop their skills and prepare for future leadership roles within our organization. Looking ahead, I plan to dedicate much of 2025 to working closely with managers to refine the talent planning process and select the next group of ACE participants. This new group will embark on their journey in 2026, furthering the mission of the ACE Program to cultivate the next generation of leaders.

The 2024 ACE participants have demonstrated incredible dedication to their growth and development. Over the past year, they have attended eight in-person sessions and participated in numerous team calls, devoting countless hours to advancing their leadership skills. I couldn't be prouder of their commitment and achievements.

We are excited to recognize and celebrate the 2024 ACE participants:

Cameron Alderfer
Kevin Bergman
Ethan Boyes
Dale Davis



ACE 2024 Employees recognized at the company Christmas Party- (not pictured: Haley Steinlage & Matt Fincham)

Nicole Hermesch
Brad Hynek
Brice Koch
Allyssa Neumann
Devin Sanders
Trevor Valburg
Matt Fincham
Haley Steinlage

As we continue to build on the success of the ACE Program, we remain steadfast in our belief that investing in our people is the foundation for achieving cooperative excellence.

- Lacey Dalinghaus, SVP Human Resources



Ethan Stewart- AgCeptional Employee of the Year

GRAIN

UPDATE

Reflecting on Harvest 2024

With another harvest season behind us, we want to take a moment to reflect on the journey and express our sincere gratitude for your continued partnership. Like every year, this harvest came with its own set of challenges, but we overcame them together. Thanks to the determination of our customers and employees, we achieved what will undoubtedly be remembered as a record-breaking season.

Highlights of Harvest 2024:

59 Days of Non-Stop Work: Harvest began on September 3rd in our southern region and extended continuously through Halloween. However, persistent wet weather in November slowed progress, pushing the final stages of harvest into December.

Record Volumes: An incredible 60,852 grain tickets were processed this season, a testament to the tireless efforts of our grain accounting team. If you happen to see a member of this team, we encourage you to share your appreciation—their dedication made this success possible.

Historic Corn Crop: The Highway 24 locations (St. Marys, Belvue, Wamego) surpassed expectations, handling 41% more grain than their previous record. Including Topeka, this group achieved a 33% overall increase, despite a major equipment breakdown that left St. Marys out of service for 30 critical days during harvest.

While challenges such as capacity constraints and unexpected breakdowns tested us, your understanding and flexibility played a vital role in helping us navigate these difficulties. Your responsiveness to our communications and your willingness to adapt to changing conditions were essential in overcoming these hurdles.

We deeply value your input and encourage you to share your thoughts—whether positive or constructive—about this year's harvest. Your feedback helps us improve and better serve you in the future.

Looking Ahead to 2025

As we turn our focus to the new year, we'd like to share a few important updates and changes that may impact your operation.

Changes at Countryside Feed: As many of you know, Countryside Feed in Seneca has been recently sold. Ag Partners sold our share of the business in 2023, and with this new transition, we will no longer be purchasing grain at that location. Additionally, grain bank services at the mill will no longer be available. If you previously delivered to the mill and are seeking alternatives, our knowledgeable grain team is ready to help explore other options that fit your operation's needs.

Ag Partners Portal Enhancements: We are continually working to enhance your experience with our customer portal. Some exciting updates you can expect soon include access to proof of yield data, the ability to submit your own grain offers, and additional tools to simplify your operations. Stay tuned for these improvements in the coming months.

A Fond Farewell from Haley Steinlage, Grain Merchandiser: It is with mixed emotions that I share my departure from Ag Partners, effective January 3, 2025. The past four years have been incredibly rewarding, and I've cherished the opportunity to work with so many dedicated farmers and colleagues who feel more like family than coworkers. Thank you for your support, trust, and the wonderful memories. Moving forward, Spencer Macke and Trevor Valburg will handle the accounts I've been managing, and I'm confident they'll provide excellent service.

Grain Market Insights and Recommendations: This year's carry market has created opportunities for strategic grain selling. Here are a few ways to make the most of this market:

Set Clear Pricing Goals: Open orders are a powerful tool to help you take advantage of favorable market conditions by automatically locking in pricing targets when they're reached.

Leverage Stability: Carry markets tend to reduce daily price fluctuations, making it easier to plan. Keep an eye on brief price rallies, as quick action during these windows can yield strong returns.

Consider Deferred Sales: Deferred bids often offer greater value, providing a useful option for those willing to plan ahead. Our team can work with you to develop a strategy tailored to your goals.

Streamline Logistics: Moving grain doesn't have to be complicated. Ag Partners offers bid quotes that include freight coordination, ensuring smooth and efficient transport directly from your farm to our facilities or end-user terminals.

February Grain Marketing Meetings: We invite you to join us for one of our grain marketing meetings in February! These sessions will offer valuable market insights, updates on grain trends, and the chance to consult directly with our team, including the team from our recent acquisition. The non-GMO (or Identity Preserved/IP) team is excited to answer any of your questions regarding that market. Please RSVP to any of our offices if you would like to attend any of the meetings below.

- February 18th at 11am – Meadowlark Extension Office, Seneca
- February 19th at 11am – Fisher Center, Hiawatha
- February 20th at 11am – Community Center, Tarkio MO
- February 21st at 11am – Black Smith Event Centre, Silver Lake

We want to thank you for your unwavering trust, support, and collaboration. Harvest 2024 was an extraordinary achievement, and we couldn't have done it without you. As we move into 2025, we look forward to continuing to support your operation and achieving new milestones together.

If there's anything we can do to assist you or enhance your experience, please don't hesitate to reach out to us. Here's to a successful and prosperous year ahead!

- The Grain Team

REFLECTING AND PLANNING AND PLANNING...
REFLECTING AND PLANNING

ENERGY UPDATE

Greetings to you all as we enter the 2025 calendar year.

I hope that everyone had a very Merry Christmas and Happy New Year and that you were able to spend a lot of time with family and friends!

This past fiscal year, we once again saw growth in gallons in every product line except propane. This has marked the 6th consecutive year that we have accomplished this feat since the merger of Ag Partners Coop. Propane is very dependent on the weather, so the mild winter last year kept us from achieving that mark.

Over the last few years, we have been very fortunate to invest in our Energy Department. We have upgraded our public fueling sites and upgraded our fleet of trucks to give us reliable assets with larger capacity to help us be more efficient. We added a lubricant delivery department and an energy software program with advanced routing capabilities for efficiency. We have also built, from the ground up, a new site in Joplin, Missouri for fuel and lubricants and are starting to see the rewards of that venture.

It truly is amazing to see the growth that we have achieved over the last 5-6 years. As we have added some amazing sales personnel along with a very reputable delivery staff, it is no wonder that we have reached the heights that we have. Our sales staff has many customers coming on board this fiscal year, which will add a lot of gallons to our business. We are also looking at some significant projects in 2025 that will be a benefit to our team and our patrons. One project that we have just finished is the addition of a propane bulk plant in Topeka. We have seen a lot of growth in our propane sales in and around the Topeka area, making it inefficient for delivery drivers to have to reload in St. Marys. This new plant gives us a refilling spot to help with efficiency while putting an asset in place to accommodate potential growth.

We will be presenting our final donations to our Fuel Your Community program in January. While we are going to take a break from this program for now, we have been truly fortunate to have had the opportunity to help many organizations through these donations. We do look forward to and anticipate bringing the program back in the future.

As I mentioned in the past year or so, we have undergone many changes within the Energy Department. As employees have changed, we have faced the challenge of locating customers, determining the best routes, and figuring out when they need service. We have implemented routing software with monitors to help us along the way. With these changes, we have implemented policies and procedures in our propane department. Everyone should have received a copy of these when we mailed out propane contracts back in July. We also have them published on the Energy page of our website. Most of these policies are not new, but we have never had them written. We are trying to be more transparent with how we do business to help us be more efficient, which in turn helps us to offer a competitive price for you, the end user.

It is the time of year to think about fuel contracting. I have had many people ask me for my thoughts. At this time, it is hard to tell. My opinion is we won't likely see much softening of prices from where we are today. Crude Oil is a major part of pricing, and for quite a few months, Crude Oil has stayed right around that \$70/barrel range. There is much debate on whether demand usage will return to where expectations are. We see a lot of people continuing to work from home and it appears China's demand is not coming back as expected. From a supply and demand standpoint, we are decent. I think political tensions could mean there is more opportunity for prices to rise. Many think that once President-elect Trump takes office, prices will come down. I do think that will be true; however, I think it will take a good 8-12 months before things are in place and we see the results.

Between the Loads

Volume 15 | Quarter 1 | 2025
Ag Partners News

Visit our website at
agpartnerscoop.com
Call Toll Free 1-877-336-6153

