PROSPECTUS DATED 18 OCTOBER 2024

LOUIS DREYFUS COMPANY FINANCE B.V.

(*incorporated in the Netherlands with limited liability*)

EUR650,000,000

3.50 per cent. Guaranteed Bonds due 2031

unconditionally and irrevocably guaranteed by Louis Dreyfus Company B.V.

(*incorporated in the Netherlands with limited liability)*

Issue Price 99.452 per cent.

This prospectus constitutes a prospectus (the "**Prospectus**") for the purposes of Article 6(3) of Regulation (EU) 2017/1129, as amended (the "**Prospectus Regulation**"). The Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), as competent authority in Luxembourg under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer and of the quality of the Bonds that are the subject of this Prospectus, and the CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Issuer in line with provisions of Article 6(4) of the Luxembourg Law on prospectuses for securities. Investors should make their own assessment as to the suitability of investing in the Bonds.

The 3.50 per cent. Guaranteed Bonds due 2031 (the "**Bonds**") will be issued in an initial aggregate principal amount of EUR650,000,000 by Louis Dreyfus Company Finance B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands (the "**Issuer**" or "**LDCF**") on 22 October 2024 (the "**Issue Date**"). The Bonds will be unconditionally and irrevocably guaranteed by Louis Dreyfus Company B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands (the "**Guarantor**" or "**LDC**" and its subsidiaries taken as a whole the "**Group**") in accordance with the terms of the deed of guarantee dated 22 October 2024 (the "**Guarantee**"). Interest on the Bonds accrues from the Issue Date and is payable annually in arrear on 22 October in each year commencing on 22 October 2025 as further described under "Terms and Conditions of the Bonds – Interest". Payments on the Bonds will be made without deduction for or on account of taxes of the Relevant Taxing Jurisdiction (as defined hereinafter) to the extent described under "Terms and Conditions of the Bonds – Taxation". The Bonds mature on 22 October 2031 but may be redeemed in whole, but not in part, at the option of the Issuer upon the occurrence of a Withholding Tax Event (as defined and described in "Terms and Conditions of the Bonds – Redemption and Purchase") at their principal amount together with interest accrued to the date fixed for redemption. On the occurrence of a Change of Control Put Event (as defined herein), each holder of Bonds (each a "**Bondholder**" or "**Holder**") will have the right to request the Issuer to redeem or purchase (or procure the purchase of) all or part of its Bonds at their principal amount together with accrued interest (or, in the case of purchase, an amount equal to accrued interest) to the date fixed for redemption or purchase. The Issuer may, at its option, on giving not less than 15 nor more than 30 days' notice to the Bondholders, at any time or from time to time up to but excluding the date falling three months prior to their Maturity Date redeem the Bonds, in whole or in part, at the Make-Whole Redemption Amount (as defined herein) in accordance with the provisions set out in "Terms and Conditions of the Bonds – Make-Whole Redemption by the Issuer". Furthermore, the Issuer may, at its option, on giving not less than 15 nor more than 30 days' notice to the Bondholders, redeem the Bonds in whole but not in part: (i) in accordance with the provisions set out in "Terms and Conditions of the Bonds – Redemption in the case of Minimal Outstanding Amount" or (ii) at any time as from and including the date falling three months prior to but excluding the Maturity Date, in each case, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption in accordance with the provisions set out in "Terms and Conditions of the Bonds - Residual Maturity Call Option".

The Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer and the Guarantee will constitute an unsubordinated and unsecured obligation of the Guarantor. See "Terms and Conditions of the Bonds – Guarantee and Status".

Application has been made to the Luxembourg Stock Exchange for the Bonds to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and admitted to trading on the Regulated Market (within the meaning of Directive 2014/65/EU, as amended, "**MiFID II**") of the Luxembourg Stock Exchange.

The denominations of the Bonds are EUR100,000 and integral multiples of EUR1,000 in excess thereof, up to and including EUR199,000.

The Bonds are issued in bearer form and will initially be represented by a temporary Global Bond (the "**Temporary Global Bond**"), without interest coupons, which will be deposited with a common safekeeper for Clearstream Banking, S.A. ("**Clearstream, Luxembourg**") and Euroclear SA/NV ("**Euroclear**") on or around the Issue Date. The Temporary Global Bond will be exchangeable, in whole or in part, for interests in a permanent global bond (the "**Permanent Global Bond**"), without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Bond will be exchangeable, in whole but not in part, for definitive

Bonds in bearer form (the "**Definitive Bonds**"), with coupons attached in certain limited circumstances. No Definitive Bonds will be issued with a denomination above EUR199,000. See "Overview of Provisions relating to the Bonds while in Global Form".

The Bonds are expected to be rated BBB+ by S&P Global Ratings Europe Limited ("**S&P"**). As at the date of this Prospectus, S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009, on credit rating agencies, as amended by Regulation (EU) No. 513/2011 and by Regulation (EU) No. 462/2013 (the "**CRA Regulation**"). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. S&P is not established in the United Kingdom, or registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**"). The rating has been endorsed by S&P Global Ratings UK Limited in accordance with the UK CRA Regulation and has not been withdrawn. As such, the rating issued by S&P may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation. According to the S&P definitions, an obligation rated BBB+ exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation. The long-term credit of the Group is rated BBB+ by S&P. According to the S&P definitions, an obligor rated 'BBB' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments. **A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.**

An investment in the Bonds involves certain risks. Prospective investors should have regard to the factors described under the section headed "Risk Factors" in this Prospectus.

Copies of this Prospectus will be published (i) on the website of the Luxembourg Stock Exchange (www.luxse.com) and (ii) on the website of the Guarantor (https://www.ldc.com/who-we-are/financial-information/financing/).

JOINT LEAD MANAGERS

Citigroup | Crédit Agricole CIB | J.P. Morgan | Mizuho

PASSIVE BOOKRUNNERS

ANZ | Rabobank

IMPORTANT NOTICES

Certain information contained in this Prospectus has been extracted from sources specified in the sections where such information appears. The Issuer and the Guarantor confirm that such information has been accurately reproduced and that, so far as they are aware and are able to ascertain from information published by the above sources, no facts have been omitted which would render the information reproduced inaccurate or misleading. The Issuer and the Guarantor have also identified the source(s) of such information.

Any websites included in this Prospectus are for information purposes only and do not form part of this Prospectus.

*References to the "**Group**", unless otherwise specified herein in the Terms and Conditions of the Bonds, are to the Guarantor together with its consolidated subsidiaries including the Issuer.*

This Prospectus is valid for twelve months after its approval (until 18 October 2025) provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Prospectus is no longer valid. For this purpose, "valid" means valid for admissions to trading on a regulated market by or with the consent of the Issuer, and the obligation to supplement this Prospectus is only required within its period of validity between the time when this Prospectus is approved and the time when trading on a regulated market begins.

*The Managers (as defined in the section entitled "Subscription and Sale", herein the "**Managers**") have not independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of any of the information contained or incorporated by reference in this Prospectus or any other information provided by the Issuer or the Guarantor in connection with the issue and sale of the Bonds.*

This Prospectus constitutes a prospectus for the purpose of Article 6(3) of the Prospectus Regulation, in respect of, and for the purposes of, giving information with regard to, the Issuer, the Guarantor, the Group and the Bonds which, according to the particular nature of the Issuer, the Guarantor, the Group and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer, the Guarantor and the Group, the rights attaching to the Bonds and the reason for the issuance and its impact on the Issuer, the Guarantor and the Group.

In connection with the issue and sale of the Bonds, no person is or has been authorized by the Issuer, the Guarantor or the Managers to give any information or to make any representation not contained in or not consistent with this Prospectus and if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Guarantor or the Managers.

Neither the delivery of this Prospectus nor the offering, sale or delivery of any Bonds shall in any circumstances imply that the information contained herein concerning the Issuer or the Guarantor is correct at any time subsequent to the date hereof or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, the Guarantor or the Group since the date hereof or the date upon which this Prospectus has been most recently supplemented or that any other information supplied in connection with the issue and sale of the Bonds is correct as at any time subsequent to the date indicated in the document containing the same.

Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor or the Managers that any recipient of this Prospectus or any other information supplied in connection with the issue and sale of the Bonds should purchase

any Bonds. Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Bonds constitutes an offer or invitation by or on behalf of the Issuer, the Guarantor or the Managers to any person to subscribe for or to purchase any Bonds.

In making an investment decision regarding the Bonds, prospective investors should rely on their own independent investigation and appraisal of (a) the Issuer, the Guarantor, the Group, their business, their financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. The content of this Prospectus is not to be construed as legal, business or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an investment in the Bonds and the suitability of investing in the Bonds in light of its particular circumstances. The Managers do not undertake to review the financial condition or affairs of the Issuer, the Guarantor or the Group after the date of this Prospectus or to advise any investor or potential investor in the Bonds of any information coming to the attention of the Managers. Potential investors should, in particular, read carefully the section entitled "Risk Factors" set out below before making a decision to invest in the Bonds.

***MIFID II product governance / Professional investors and ECPs only target market** - Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines published by the European Securities and Markets Authority ("**ESMA**") on 5 February 2018, has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

***UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET** – Solely for the purposes of each UK manufacturer's product approval process, the target market assessment in respect of the Bonds, taking into account the five categories referred to in item 18 of the Guidelines published by ESMA on 5 February 2018 (in accordance with the FCA's policy statement entitled "Brexit our approach to EU non-legislative materials"), has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("**UK MiFIR**"); and (ii) all channels for distribution to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the UK manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the UK manufacturers' target market assessment) and determining appropriate distribution channels.*

***PRIIPs Regulation / Prohibition of sales to EEA** - The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.*

Prohibition of sales to UK retail investors *– The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**UK**"). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No.2017/565 as it forms part of domestic law by virtue of the EUWA (as defined below); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 ("**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No.600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the UK has been or will be prepared and, therefore, offering or selling the Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.*

*THE BONDS AND THE GUARANTEE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. SUBJECT TO CERTAIN EXCEPTIONS, BONDS MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT IN TRANSACTIONS EXEMPT FROM OR NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON OFFERS AND SALES OF BONDS AND ON DISTRIBUTION OF THIS PROSPECTUS, SEE "SUBSCRIPTION AND SALE."*

Any Bonds will only be offered and sold in Singapore in compliance with the Securities and Futures Act (Chapter 289) as amended.

Any Bonds will only be offered and sold in Hong Kong in compliance with the Securities and Futures Ordinance (Cap. 571) of Hong Kong, as amended.

CANADA – The Bonds may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Bonds must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws. Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor. If applicable, pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer, the Guarantor and the Managers do not represent that this Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor or the Managers that would permit a non-exempt

*offer of any Bonds or distribution of this Prospectus in any jurisdiction where action for that purpose is required. This Prospectus has been prepared on the basis that any offer of the Bonds in the UK will be made pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**") from a requirement to publish a prospectus for offers of Bonds. This Prospectus is not a prospectus for the purpose of the UK Prospectus Regulation. Accordingly, no Bonds may be offered or sold, directly or indirectly, and none of this Prospectus, any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Bond in the United States, the United Kingdom, France, the European Economic Area, Singapore, Hong Kong and Switzerland; see the section entitled "Subscription and Sale".*

This Prospectus is being provided for informational use solely in connection with the consideration of a purchase of the Bonds to qualified purchasers in offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act. Its use for any other purpose is not authorized. This Prospectus may not be copied or reproduced in whole or in part, nor may it be distributed or any of its contents be disclosed to anyone other than the prospective investors to whom it is being provided.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

a) *have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus;*

b) *have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact such investment will have on its overall investment portfolio;*

c) *have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where principal or interest is payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;*

d) *understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and*

e) *be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.*

The investment activities of certain investors are subject to laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any of the Bonds. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

In connection with the issue of the Bonds, Citigroup Global Markets Europe AG (herein referred to as the "Stabilisation Manager"), (or persons acting on behalf of the Stabilisation Manager), may over-allot or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail but in doing so the Stabilisation Manager shall act as principal and not as agent of the Issuer. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the final terms of the offer of the Bonds is made and, if begun, may cease at any time, but it must end no later

than the earlier of thirty (30) calendar days after the issue date of the Bonds and sixty (60) calendar days after the date of the allotment of the Bonds. Any stabilization action or over-allotment must be conducted by the Stabilisation Manager (or person(s) acting on its behalf) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that are, or may be deemed to be, "forward-looking statements". All statements other than statements of historical facts included in this Prospectus may constitute forward- looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as "may", "will", "expect", "project", "plan", "schedule", "intend", "estimate", "anticipate", "believe", "continue", "could", "should", "would" or similar words or expressions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results or performance or achievements of the Issuer, the Guarantor and the Group to differ materially from those expressed or implied by such forward-looking statements. These factors include those set forth in the section of this Prospectus entitled "Risk Factors". Such forward-looking statements are based on numerous assumptions regarding the Group's present and future business strategies and the environment in which the Group will operate in the future. The risks described in this Prospectus are not the only risks investors should consider. New risk factors emerge from time to time and it is not possible for the Issuer to predict all risk factors on their business and that of the Group or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place any undue reliance on forward-looking statements as a prediction of actual results, performance or achievements. The Issuer and the Guarantor undertake no obligation to update the forward-looking statements contained in this Prospectus or any other forward-looking statements they may make. All subsequent written and forward-looking statements attributable to the Issuer or persons acting on their behalf are expressly qualified in their entirety by such cautionary statements. These forward-looking statements do no constitute profit forecasts or estimates under Commission Delegated Regulation 2019/980, as amended.

INFORMATION REGARDING THE GROUP'S MARKETS AND INDUSTRY

Market data and certain industry forecasts used throughout this Prospectus have been obtained from internal surveys, market research, publicly available information and industry publications. Industry publications generally state that the information that they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of that information is not guaranteed. Similarly, internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and none of the Issuer, the Guarantor, the Managers nor any of their respective affiliates make any representation as to the accuracy of that information.

Substantially all the information contained in this Prospectus concerning the Group's position by comparison with its competitors is based on internal analyses derived from publicly available information. The Issuer believes that these sources and estimates are reliable, but neither the Issuer nor the Guarantor has independently verified them. Any discussion of matters relating in this Prospectus to competitive position is, therefore, subject to uncertainty due to concerns about the completeness or reliability of available official and public information.

CURRENCY INFORMATION, ROUNDING, REFERENCES TO LAWS AND OTHER FINANCIAL INFORMATION

In this Prospectus, unless otherwise specified or the context otherwise requires, all references to "**Singapore**" are references to the Republic of Singapore, all references to the "**U.S.**", "**U.S.A.**" or "**United States**" are references to the United States of America and all references to the "**UK**" are references to the United Kingdom. All references to "**U.S. dollar**" or "**US$**" are to the lawful currency of the United States of America, and all references to "**Euro**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Certain monetary amounts in this Prospectus have been rounded according to established commercial standards; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them. References herein to "**billions**" are to thousands of millions.

In this Prospectus, unless otherwise specified or the context otherwise requires, a reference to a provision of a law or regulation is a reference to that law or regulation as amended from time to time.

PRESENTATION OF CERTAIN FINANCIAL INFORMATION

General

The Group maintains its books of account and prepares its accounts for regulatory purposes in accordance with IFRS Accounting Standards as adopted by the European Union ("**IFRS**").

The financial information of the Group set forth in this Prospectus, has, unless otherwise indicated, been extracted from (i) the Guarantor's audited consolidated balance sheet as at 31 December 2022, consolidated income statement and consolidated statements of comprehensive income, cash flows and changes in equity for the year ended 31 December 2022 and the related notes (the "**2022 Guarantor Audited Financial Statements**"), (ii) the Guarantor's audited consolidated balance sheet as at 31 December 2023, consolidated income statement and consolidated statements of comprehensive income, cash flows and changes in equity for the year ended 31 December 2023 and the related notes (the "**2023 Guarantor Audited Financial Statements**") all as set out on pages F-35 to F-163 of this Prospectus (the "**Guarantor Audited Financial Statements**") and (iii) the Guarantor's unaudited interim consolidated balance sheet as at 30 June 2024, interim consolidated income statement and interim consolidated statements of comprehensive income, cash flows and changes in equity for the six-month period ended 30 June 2024 and the related notes on pages F-3 to F-34 of this Prospectus (the "**2024 Guarantor Interim Financial Statements**").

The Issuer's financial statements as at and for the year ended 31 December 2022 (the "**2022 Issuer Audited Financial Statements**") and as at and for the year ended 31 December 2023 (the "**2023 Issuer Audited Financial Statements**") are set out on pages F-164 to F-198 of this Prospectus (the "**Issuer Audited Financial Statements**").

Certain non-IFRS measures

The Group uses certain non-IFRS measures throughout this Prospectus in addition to the financial performance measures prepared under IFRS. A non-IFRS financial measure is defined as one that measures historical or future financial performance, financial position or cash flows but which excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. These measures include Current Debt, Adjusted Current Debt, Gross Debt, Net Debt, Adjusted Net Debt, Liquidity, EBITDA, Adjusted Leverage Ratio, Adjusted Net Gearing and Fixed assets.

The reconciliation between Current Debt, Adjusted Current Debt, Gross Debt, Net Debt, Adjusted Net Debt, Liquidity, EBITDA, Adjusted Leverage Ratio, Adjusted Net Gearing and Fixed Assets and the IFRS equivalent figures is presented below:

	As at 31 December			As at 30 June
US$ millions	**2022**	**2023**		**2024**
Short-term debt …………….	2,145	1,906		2,907
Current portion of long-term debt …………….	716	307		492
Financial advances from related parties …………….	77	45		432
Current debt …………….	**2,938**	**2,258**		**3,831**
- Repurchase agreements …………….	(234)	(3)		(241)
- Securities short position …………….	(7)	-		(2)
Adjusted Current Debt …………….	**2,697**	**2,255**		**3,588**
Long term debt …………….	4,107	4,688		4,226
Gross Debt …………….	**6,804**	**6,943**		**7,814**
Financial advances to related parties …………….	4	9		12
Available-for-sale financial assets …………….	-	-		-
Other financial assets at fair value through profit and loss …	356	522		899
Cash and cash equivalents …………….	1,184	1,498		1,251
- Marketable securities held for trading …………….	(297)	(462)		(878)
- Reverse Repurchase agreement loan …………….	(40)	(40)		(3)
Current financial assets, excluding items considered in Working Capital Usage …………….	**1,207**	**1,527**		**1,281**
Net Debt …………….	**5,597**	**5,416**		**6,533**
- Readily Marketable Inventories (RMI)[1] …………….	(5,175)	(5,277)		(5,426)
Adjusted Net Debt …………….	**422**	**139**		**1,107**

	As at 31 December			As at 30 June
US$ millions	**2022**	**2023**		**2024**
Cash and cash equivalents …………….	1,184	1,498		1,251
Financial advances to related parties …………….	4	9		12
Available-for-sale financial assets …………….	-	-		-
Other financial assets at fair value through profit and loss …	356	522		899
Readily Marketable Inventories (RMI)[1] …………….	5,175	5,277		5,426
Undrawn committed bank lines …………….	4,225	4,341		4,388
Liquidity …………….	**10,944**	**11,647**		**11,976**

	As at 31 December		As at 30 June
US$ millions	**2022**	**2023**	**2024**
Inventories	6,066	6,430	6,612
Biological assets	65	45	56
Trade and other receivables	6,426	5,897	6,606
Derivative assets	1,571	1,673	1,845
Margin deposits	774	528	784
Current tax assets	68	59	103
Marketable securities held for trading	297	462	878
Reverse repurchase agreement loan	40	40	3
- Trade and other payables	(6,381)	(6,177)	(6,619)
- Derivative liabilities	(1,215)	(1,399)	(1,612)
- Provisions (current)	(43)	(41)	(19)
- Current tax liabilities	(144)	(180)	(157)
- Repurchase agreements	(234)	(3)	(241)
- Securities short position	(7)	-	(2)
Working Capital Usage	**7,283**	**7,334**	**8,237**

	For the year ended 31 December		For the six-month periods ended 30 June	
US$ millions	**2022**	**2023**	**2023**	**2024**
Income before tax	1,226	1,208	654	563
- Interest income	(29)	(44)	(14)	(23)
- Interest expense	306	320	157	207
- Other financial income and expense	11	(10)	4	(20)
+ Other (financial income related to commercial transactions)	31	59	20	39
- Depreciation and amortization	660	631	348	292
- Gain (loss) on sale of consolidated companies	9	(3)	-	-
- Gain (loss) on sale of investments in associates and joint ventures	-	-	-	-
- Gain (loss) on sale of fixed assets	(23)	1	-	(1)
- Other gains and losses	156	60	-	-
EBITDA	**2,347**	**2,222**	**1,169**	**1,057**
EBITDA last 12 months	2,347	2,222	2,346	2,110
Adjusted Leverage Ratio (Adjusted net debt / EBITDA last 12 months)	**0.2**	**0.1**	**0.3**	**0.5**

	As at 31 December		As at 30 June
US$ millions	**2022**	**2023**	**2024**
Total stockholders' equity and non-controlling interests	6,139	6,664	6,537
Adjusted Net Gearing (Adjusted net debt / Total stockholders' equity and non-controlling interests)	**0.07**	**0.02**	**0.17**

US$ millions	As at 31 December			As at 30 June
	2022	2023		2024
Intangible assets …………….	268	273		263
Property, plant and equipment …………….	3,695	4,002		4,097
Fixed Assets …………….	**3,963**	**4,275**		**4,360**
Notes:				
1. In line with industry practice, certain agricultural inventories are treated as Readily Marketable Inventories ("RMI") due to their highly liquid nature. RMI are readily convertible into cash because of widely available markets and international pricing mechanisms. The Group considers that trading inventories with less than three months' liquidity horizon qualify as RMI. For information on the maturity dates of trading in inventories, see Note 3.7 (under "Inventory") to the Guarantor Audited Financial Statements.				

Non-IFRS measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with IFRS. Non-IFRS measures as reported by the Group may not be comparable to similarly titled amounts reported by other companies. The non-IFRS measures discussed in this Prospectus are used in the internal management of the Group, along with the most directly comparable IFRS financial measures, in evaluating operating performance, financial position and cash flows. The Group's management believes that these non-IFRS measures, when considered in conjunction with IFRS measures, accurately reflect the Group's economic performance and enhance investors' and management's overall understanding of the Group's performance.

The assumptions underlying the non-IFRS measures have not been audited in accordance with International Standards on Auditing (ISA) or any other generally accepted auditing standards.

In evaluating the non-IFRS measures, investors should carefully consider the Guarantor Audited Financial Statements and the 2024 Guarantor Interim Financial Statements included on pages F-3 *et seq.* of this Prospectus. Although certain of these data have been extracted or derived from the Guarantor Audited Financial Statements and the 2024 Guarantor Interim Financial Statements included in this Prospectus, these data have not been audited or reviewed by the independent auditors referred to in the "General Information" section.

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Risk Factors

The Bonds are being offered to professional investors only and are not suitable for retail investors. Investors should not purchase the Bonds in the primary or secondary markets unless they are professional investors. Investing in the Bonds involves risks.

Prior to making an investment decision in the Bonds, prospective investors should consider carefully, among other things, and in light of their personal and financial circumstances and investment objectives, all the information contained in this Prospectus, including the risk factors detailed below. The Issuer and the Guarantor believe that the following factors may affect their ability to fulfil their obligations under the Bonds and the Guarantee and are material for an informed investment decision with respect to the Bonds and the Guarantee. All of these factors are contingencies which may or may not occur.

The following should be used as guidance only. Additional risks and uncertainties relating to the Issuer, the Guarantor and the Group that are not currently known to the Issuer or the Guarantor or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Issuer and the Guarantor, and, if any such risk should occur, the price of the Bonds may decline and investors could lose all or part of their investment.

Prospective investors should make their own independent evaluation of all risk factors contained in this section.

In each category below the Issuer and the Guarantor set out first the most material risks, in their assessment, taking into account the expected magnitude of their negative impact and the probability of their occurrence. The Issuer and the Guarantor may face a number of these risks described below simultaneously and some risks described below may be interdependent. While the risk factors below have been divided into categories and have been placed, in the opinion of the Issuer, in the most appropriate category, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section. Where a risk factor could belong in more than one category, such risk factor is included in the category that is most appropriate for it. References herein to "Conditions" shall be to the Terms and Conditions of the Bonds. Words and expressions defined in the section entitled "Terms and Conditions of the Bonds" herein shall have the same meanings in this section.

Risks relating to the Guarantor (including the Group and its Business)

Category 1: Geopolitical and macro-economic risks

The volume and price of products that the Group merchandizes are affected by supply and demand conditions which are beyond the Group's control

The Group is primarily a merchandizer of agricultural products. It also produces commodities at its own industrial operations, or those of its industrial associates (see "Description of the Group and its Business – Overview of the Group"). Earnings from production and merchandizing of commodities are influenced to a large extent by movements in supply and demand conditions, which change constantly and affect their pricing. Under volatile or uncertain market conditions, or when there is depressed demand or oversupply, the volume and price of physical goods merchandized may fluctuate significantly or may be depressed for long periods. There is a large degree of uncertainty with respect to the global economic outlook, and prices of commodities produced and/or merchandized by the Group may evolve in a manner that would adversely affect its financial results.

A number of factors have affected and are continuing to affect the volume and pricing of products that the Group merchandizes. These include:

Stocks and supply (oversupply): Several commodities have experienced oversupply in recent periods as a result of the growth rate in supply exceeding the growth rate in demand – this is particularly the case with grains, cotton and coffee. When commodities stocks are high, whether resulting from favourable harvests, release of government stocks, or otherwise, this has the effect of depressing the demand for and price of those commodities. For example, the Cotton Platform's performance was impacted in 2020 by a significant decline in demand following the successive COVID-19 related lockdowns across the world which resulted in a fall of cotton prices. Prices of some of the products merchandized by the Group such as grains, edible oil, soy and sugar were under pressure during the first semester of 2024 in a context of high crops. In periods of surplus there are generally fewer market physical disruptions requiring agri-commodity merchants' risk management expertise.

Stocks and supply (undersupply): Conversely, undersupply of commodities can lead to hikes in prices, for example, in 2023, the results of the Group's Rice Platform were impacted by production shortfalls in Pakistan and Myanmar; and Indonesia's entry as a buyer on the market to ensure sufficiency of food stock. Also, the Juice Platform's results were affected by a combination of citrus greening disease devastating crops in Brazil and Florida (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The volume and price of products that the Group merchandizes are affected by supply and demand conditions which are beyond the Group's control – Diseases affecting commodities") and hurricanes in 2022 which decreased Florida's orange production leading to a higher price environment.

Geopolitical stocks and supply risk intensified from February 2022 with the military intervention of Russia in Ukraine. The Russia-Ukraine conflict has an effect on the cost of natural gas, the main input for most nitrogen fertilizer, forcing some producers in Europe to cut output (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The volume and price of products that the Group merchandizes are affected by supply and demand conditions which are beyond the Group's control – Oil and gas prices"). At the same time, shortages in fertilizers are leading to a reduction productivity in the farming of the staple oilseed crops which the Group merchandises. Russia and Ukraine are major suppliers of the commodities merchandized by the Group's Grain's and Oilseeds platform – for example, approximately 30 per cent. of the world's wheat exports have historically come from Russia and Ukraine. The Group has ceased self-originated grain exports from Russia since 1 July 2023, and the conflict has severely disrupted Ukraine's ability to produce and export these critical commodities. The closure of Black Sea ports, which are major conduits for Ukrainian agricultural exports, led to a significant reduction in global grain supplies. The Group faced challenges in sourcing and exporting grains from Ukraine, leading to increased logistical costs, supply chain rerouting, and a need to find alternative sources for these commodities.

Further geopolitical supply risks include the banning by India in 2022 of exports of broken rice and the imposition of duties on certain rice varieties. India further upheld these restrictions in 2023, additionally halting exports of non-basmati white rice, which previously represented a third of its milled rice exports (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 3: Political and legal risks – Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability").

Diseases affecting commodities: Some commodities are exposed to natural diseases which can generate a slow-down in supply and affect the market by pushing prices higher. Agricultural planted areas and production can be affected by outbreaks of crop and livestock disease, which are outside of Group's control. In 2023 and 2024, for example, the Juice Platform's results were affected by a citrus greening disease devastating crops in Brazil.

Weather conditions: Weather conditions have historically caused volatility in the agricultural commodity industry and consequently, in the Group's operating results, by causing crop failures or significantly reduced harvests in bad years or bumper harvests in good years. For example, grain and vegetable oil prices rose in the first half of 2022 as droughts in Argentina and Brazil resulted in corn and soy supply shortages. Cane yields in Brazil deteriorated due to dry weather in 2022. Conversely, the coffee crop was impacted by frost in Brazil the same year. In 2023, the Group's US cotton production significantly decreased due to droughts in West Texas. The Grains and Oilseeds Platform's activities were also impacted in 2023 by record low crops for soy, corn and wheat in Argentina due to drought among other factors. This volatility can significantly affect the supply and pricing of the agricultural commodities that the Group sells and uses in its business and negatively affect the creditworthiness of its customers and suppliers to the extent that such customers or suppliers are reliant on good harvests to ensure cash-flow (see also "Results of Operations and Financial Position – Income Statement Analysis – Segment Operating Results – Value Chain Segment – Merchandizing Segment" and "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and, governance-related risks – Climate change may have an adverse impact on the Group's business, financial condition and results of operations).

Oil and gas prices: Although the Group does not directly merchandize oil or gas, fluctuations in oil and gas prices can affect the Group in a number of ways. Prior to the oil price volatility seen from March 2020 as a result of COVID-19, oil prices had been in a recovery phase following a dramatic fall in prices that started in 2014. In February 2022, the Russian invasion of Ukraine led to sharp rises in oil prices. On the demand side, future volatility in oil prices globally may adversely affect the economic growth and stability of certain countries in which the Group operates, especially those which have an oil-based economy and, as a result, may reduce the ability of consumers to purchase the Group's products. A low oil price environment means that production costs are generally reduced resulting in a decrease in pricing on the supply side. Higher oil prices generally result in increased processing costs. Moreover, demand for biofuel and renewable energy feedstock or ethanol, which the Group merchandizes and which is an alternative to oil and gas, may be significantly affected (as for example, in 2022 when ethanol prices were bolstered by the rally in crude oil prices).

General and regional slowdowns in growth: Among other factors, the prices of commodities produced, purchased and sold by the Group are subject to primary drivers of demand such as urbanization and changes in dietary habits, which could themselves be subject to the general worldwide economic environment. Any downturn in the global economy or in regions material to it could indirectly adversely affect the Group's business, results of operations and/or financial condition. There has been a general trend in recent years of slowing GDP growth in a number of the jurisdictions where the Group has operations. These include countries in Latin America, South America and the Black Sea regions and, to a certain extent, China. For example, in China, the GDP growth was 5.24 per cent.[1] in 2023, which is lower than the GDP recorded at the beginning of the current decade (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The Group's business depends significantly on market conditions in China and is impacted by events and policies relating to China"). Additionally, textile mill demand for cotton outside of China decreased in 2023 amid reduced retailed activity and the economic slowdown. In the event that growth in these regions continues to slacken or becomes negative, this could indirectly influence the level of demand for the commodities merchandized by the Group.

Currency devaluations and depreciation: A number of countries in which the Group operates have effected currency devaluations or experienced significant currency depreciation in recent years. These include Argentina (2019, 2021 and 2023), Brazil (2018 and 2020), China (2019, 2022 and 2023), Egypt (2016), Mexico (2015 and 2017), Russia (since 2014 and significantly in 2022), Ukraine (2013 and 2015) and a number of other countries in the Central and South American region where the Group has operations. The devaluations or depreciation of the local currency against the U.S. dollar have had the

[1] https://www.statista.com/statistics/263616/gross-domestic-product-gdp-growth-rate-in-china/

effect of reducing the buying power customers in these jurisdictions, created a stockpiling effect in certain production areas (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 3: Political and legal risks – Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability*")* as well as reducing production costs in U.S. dollar terms and thus rendering local exports more competitive. If the opposite were to happen and local currencies appreciate against the U.S. dollar, then this would negatively impact commercial and administrative expenses. In 2020, the Group was particularly affected by the devaluation of the Brazilian real: while the devaluation created profitable origination opportunities, it also resulted in an adverse functional currency impact within the income tax line. Conversely, in 2023, the foreign exchange market was marked by an appreciation in the Brazilian Real and a strong depreciation of the Argentine peso against the U.S. dollar.

Consumer habits: Demand for commodities is influenced by changing consumer habits. The Group's Sugar Platform, for example, is impacted by the general flattening in sugar demand in the US as people seek to reduce sugar in their diet. The market for traditional fruit juice is experiencing declining demand partly because of adverse publicity highlighting the high carbohydrate content of fruit juice, and partly as a result of customers switching to innovative new products such as NFC juice and premium, sustainable and traceable juice. The same trend towards sustainability, higher quality and specialist products can be seen in the coffee market. In order to remain competitive, the Group needs to successfully predict and keep up with evolving consumer trends – if it fails to do so, the business, results of operations and/or financial condition of the Group may be adversely affected.

Other factors: The availability and price of agricultural commodities are also subject to other unpredictable factors such as: planting; government farm programmes and policies (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 3: Political and legal risks – Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability"); Environmental, social, and governance ("**ESG**") regulations, such as the European Union's deforestation regulation (EUDR) (see also "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and, governance-related risks – ESG regulation (including emissions reduction legislation) imposes additional costs and may affect the results of the Group's operations); tariffs, sanctions and import and export restrictions, including those arising from international trade disputes (see Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The Group's business depends significantly on market conditions in China and is impacted by events and policies relating to China" and "Category 3: Political and legal risks – Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability"), pandemics or outbreaks of livestock or crop disease (see "Category 1: Geopolitical and macro-economic risks –The Group's business depends significantly on market conditions in China and is impacted by events and policies relating to China" and "Category 1: Geopolitical and macro-economic risks – The occurrence of pandemics and infectious diseases may adversely impact the Group's business"), price volatility as a result of increased participation by non-commercial market participants in commodity markets and changes in global demand resulting from population growth, changes in standards of living and increased food, and particularly meat, consumption.

If any of these factors subsists or is aggravated by further developments, or if new factors arise affecting supply and demand conditions, this could affect the Group in a number of ways, including, but not limited to, the following:

- The Group may not be able to sell its products or may be forced to sell them at reduced prices which will result in the Group's profit margins being reduced.

- The inability of the Group to sell its products will prolong the Group's exposure to price risks.

- The Group may find itself in a position where it cannot source commodities.

- Cash flow problems might arise, especially when the time limits for the sale and purchase of the Group's products as agreed with the Group's banking counterparties are exceeded. This in turn may lead to banks recalling or refusing to extend the loans of the Group.

- In respect of commodities which the Group produces, the lead time required to build a processing plant can make it difficult to time capacity additions to coincide with market demand for the Group's products. When additional processing capacity becomes operational, a temporary imbalance between the supply and demand for processing capacity might exist, which, until the supply/demand balance is restored, negatively impacts processing margins.

As a result, the business, results of operations and/or financial condition of the Group may be adversely affected.

The Group's business depends significantly on market conditions in China and is impacted by events and policies relating to China

A significant proportion of the Group's revenues comes from sales destined for China. Consequently, geopolitical and other events affecting China can have a material impact on the Group's business.

A number of events and policies in particular have materially impacted the Group's business in the most recent period and are expected to continue to impact results in the short to medium term.

<u>US-China trade dispute:</u> Since January 2018, China and the United States have been engaged in a trade dispute, with each country placing tariffs on goods imported from the other. In 2018, the United States imposed three rounds of tariffs on Chinese goods. The duties of up to 25 per cent. cover a wide range of industrial and consumer items. China, in turn, has placed tariffs on US$110 billion of US goods with levies that range from 5 per cent to 25 per cent. This overall effect of the trade dispute has been a rebound in price volatility among affected commodities and shifts in global physical flows. The trade dispute has affected the Group in a number of ways. It has also affected the Group's commodities, in particular soybeans, which is one of the products targeted, and at one point Chinese tariffs were materially impairing the Group's ability to import US-sourced soybeans into China. On 13 January 2021, the Trump administration in the US banned cotton and tomato products originating in Xinjiang, including products manufactured outside of China but using cotton and tomatoes from Xinjiang, as a result of forced labour allegations. Since the change of administration on 20 January 2021, among sanctions applied to China, the Biden administration have maintained previous tariffs and increased tariffs on specific products, though there can be no guarantee that this situation will continue, especially if the administration changes. The Group may not be able to predict further developments in the trade dispute or continue to successfully redeploy resources to counter the effects.

<u>China-Taiwan dispute</u>: There has been an escalation in tensions arising from China's claims over Taiwan over the past few years. China has stepped up pressure to isolate Taiwan from its international allies by downgrading diplomatic relations with countries that give it diplomatic recognition. In 2022, several nations including the United Kingdom, the United States and Australia have proffered support to an European Union (the "**EU**") case against China at the World Trade Organization over Beijing's alleged trade sanctions against Lithuania imposed as a result of Lithuania allowing Taiwan to open a representative office in Vilnius. This case has been suspended since January 2024 at the EU's request. China has used trade restrictions against other countries deemed to have acted against its interests in the past. In 2020, Beijing placed curbs on Australian exports, including beef, barley and wine, after Canberra called for an independent international inquiry into the origins of the COVID-19 pandemic. China is a significant end-market for the goods that the Group merchandizes, and disruption of trade

links between China and countries where the Group sources products due to trade sanctions could have an adverse effect on the Group's business, results of operations and/or financial condition.

Economic slowdown: Having experienced a period of rapid expansion in the second half of the last decade, China's economy has since the middle of the current decade been experiencing reduced growth (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The volume and price of products that the Group merchandizes are affected by supply and demand conditions which are beyond the Group's control – General and regional slowdowns in growth"). This has the effect of flattening demand for the products that the Group merchandises in China. Any further slowdown in growth in China could materially and adversely affect the Group's business. In addition, the Chinese government may from time to time adjust its monetary and fiscal policies to manage the rate of growth of the Chinese economy, and such economic adjustments may negatively affect the world economy, and consequently negatively affect the Group's results. For example, economic slowdown may result in lower merchandize trade and affect seaborne demand while demand for vegetal oil and Sugar may also be impacted lower restaurant frequentation.

The occurrence of pandemics and infectious diseases may adversely impact the Group's business

The occurrence of pandemics may adversely impact the Group's business by causing, among other things, supply chain disruptions and market volatility. For example, since 2020, the global economy has been exposed to the continuing effects of the COVID-19 pandemic which negatively impacted the global economy and trade, and caused significant shifts in the prices of and the demand for the commodities that the Group merchandizes.

Government measures taken in response to the pandemic, including quarantine orders, as well as other indirect effects that the COVID-19 pandemic had on global economic activity, resulted in some degree of global economic downturn and demand shocks for the Group's commodities, particularly energy-related assets, which initially led to significantly lower commodity prices.

The Cotton Platform was the most strongly-impacted sector among those in which the Group operates. As textile plants shut down for months following lockdown decisions across the globe, the entire textile industry faced a sharp decrease in demand, cotton prices fell to levels not seen since 2009, and volumes shipped decreased as counterparties delayed shipments, negatively impacting the Platform's performance. In 2022, the Grains and Oilseeds Platform was subject to market volatility due to, among other factors, concerns regarding the consequences of the COVID-19 resurgence in China.

The outbreak of other infectious diseases affecting humans or animals in parts of the world where the Group operates and elsewhere, together with any resulting restrictions on travel and/or imposition of quarantines, or any other serious public health concerns anywhere in the world, could have a negative impact on the economy and business activities in the affected region or elsewhere and adversely impact the business, revenues and results of the Group.

The Group operates in many developing countries and the Group is subject to risks relating to conducting business in such countries

The Group has significant operations in emerging markets such as Asia, the CIS region, the Middle East, Africa and Latin America (in particular, Argentina and Brazil) and other developing countries. The Group has a significant customer and supplier base in these developing countries. In conducting the Group's business, the Group is subject to political, economic, legal, operational and other risks arising from operating in these countries. These risks may include, amongst others:

- civil unrest, military conflict, terrorism, change in political climate and general security concerns;

- default by government bodies who may be the only authorized trading counterparties in certain regulated markets;
- relatively less developed legal systems and business practices which may give rise to difficulties in enforcement of agreements entered into with counterparties;
- legal uncertainty, reversal or change of laws, regulations or policies;
- changes in duties payable and taxation rates;
- imposition of restrictions on currency conversion or the transfer of funds;
- fluctuation in the currency values;
- limitations and/or bans on imports and exports;
- expropriation or nationalization of private enterprises or confiscation of private property or assets;
- relatively less developed business and communication infrastructure which may hamper the Group's efficiency and internal controls; and
- reinstatement of commodity boards or state monopolies for any of the Group's products.

Should any of the aforementioned risks materialize and they either exceed the coverage of, or are not covered by, the Group's insurance policies, the Group's business, results of operations and/or financial condition may be adversely affected.

Terrorist attacks, other acts of violence or war and adverse political developments may affect the business and results of operations of the Group

The Group operates in over 100 countries around the world, including large presences in Asia, Africa and Latin America.

Many of the countries in which it operates have experienced terrorist attacks, armed conflicts and civil unrest in the past. Any of these events could materially and adversely affect international financial markets and economies and may adversely affect the operations, revenues and profitability of the Group (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The conflict in Ukraine has negatively affected, and could continue to negatively affect, the Group in a number of ways including by creating volatility on commodity prices and by impacting the Group's assets in Ukraine and Russia").

The consequences of any of these terrorist attacks, armed conflicts or civil unrest are unpredictable, and the Group may not be able to foresee events that could have an adverse effect on the Group's business, results of operations and/or financial condition.

In addition, the majority of the Group's commodities are transported using international supply routes. In particular, the Strait of Hormuz, the Red Sea and the Suez Canal are key shipping routes for the Group's commodities and are located in areas subject to political or armed conflict from time to time. For example, since early 2024, drone and missile attacks in the Red Sea have been disrupting maritime trade through the Suez Canal. These disruptions drove freight rate volatility and an increase in coffee prices due to logistics constraints in Red Sea.

The Israel/Gaza war has led to a sustained period of instability in this region. The Group has been exposed to enhanced war risks for bulk vessels and vegetable oil tankers transiting the Red Sea. This has led to a general increase in cost of insuring the cargo and vessels for additional war risk. The region continues to be a flash point for conflict and the Group remains exposed despite efforts to minimize risk to crew and cargo.

Any political or armed conflict or other event, including those described above, that impacts the Group's use of the Strait of Hormuz, the Red Sea, Suez Canal or other international shipping routes could have a material adverse effect on the Group's business, financial position and results of operations.

The conflict in Ukraine has negatively affected, and could continue to negatively affect, the Group in a number of ways including by creating volatility on commodity prices and by impacting the Group's assets in Ukraine and Russia

Russia and Ukraine are key international places of origin for grain, and the persistence of conflict and trade restrictions have had and may continue to have an impact on the Group's assets and operations locally.

In February 2022, the Russian government launched a conflict against Ukraine, resulting in a humanitarian crisis and significant disruption to financial and commodity markets. A number of countries, including the United States of America, European Union, Switzerland and United Kingdom imposed a series of sanctions against the Russian government, various companies, and certain individuals. Given the importance of Russian/Ukrainian supply to a number of key commodities that the Group merchandises, price volatilities in all of these commodities have spiked. Applicable sanctions are also significantly impacting traditional commodity trade flows. Global commodity trade flows needed to adjust for Russian/Ukrainian supply being unavailable, whether due to infrastructure damage, sanctions or ethical concerns. Uncertainty regarding global supply of commodities due to the Russia/Ukraine conflict has disrupted global trade flows, most notably in wheat, corn and vegetable oil supplies, and placed significant upwards pressure on commodity prices and input costs. Challenges for market participants may include availability of funding to ensure access to raw materials, ability to finance margin payments related to higher commodity prices and heightened risk of contractual non-performance.

As of 31 December 2023, in relation to its operations in Ukraine, the Group held total assets of US$211 million and total liabilities of US$126 million, including US$(58) million impairment and provisions[2]. Estimates and assumptions made by management take into account the consequences of the crisis, notably logistics constraints and associated costs, as well as performance risks, there is however no guarantee that these estimates and assumptions will continue to be valid in the future, especially if the situation on the ground or with the conflict changes.

The Group ceased grain exports from Russia from July 2023, and has been engaged in a sale process of its existing business and assets in Russia ("**Russian business**") on terms that satisfy the requirements of the Russian authorities.

As of 31 December 2023, the Group performed a reassessment of control as defined by IFRS 10, and considering facts and circumstances, the Group concluded on a loss of control and deconsolidated its Russian business. As a consequence, the Group recorded a US$(60) million loss (including US$(33) million foreign currency translation adjustment recycling from other comprehensive income) in the line "Other gains and losses" of the consolidated income statement (refer to Note 2.5 to the 2023 Guarantor Audited Financial Statements.)
The ongoing consequences of this conflict and the resulting sanctions and restrictions are unpredictable and could have an adverse effect on the Group's business, results of operations and/or financial condition.

Category 2: Risks relating to competition and market data

The Group faces competition in the Group's various products and geographic markets

The Group faces competition in its various products and geographic markets. The Group's competitors range from global trade houses to local distributors and buying agents.

2 Trading inventories in Ukraine are valued in accordance with the accounting policies described in Note 3.7 to the 2023 Guarantor Audited Financial Statements. The liquidity of inventories located in Ukraine has been assumed beyond three months.

The Group also faces additional competition from its existing customers who are becoming more involved in sourcing their own products. In some of the developing economies where the Group operates, government controls on trade are gradually being relaxed and trade is being opened up to new participants. As such, there are potential threats of new competitors entering the markets in which the Group operates. Increased competition may reduce the growth in customer base, reduce the profit margin and the market share that the Group currently has, and result in higher selling and marketing expenses. Other competitors may surpass the Group's performance in the future. In the event that the Group fails to sustain its competitive advantages, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group also faces the risk of disintermediation as some of its existing market counterparties at different stages of the agri-commodities value chain may, in the future, use their resources to broaden into some or all of the markets in which the Group operates and therefore provide further competition for the Group. These competitors may also expand and diversify their commodity sourcing, processing or marketing or merchandizing operations to increase competitive pressure on the Group, and the Group's business, results of operations and/or financial condition may be adversely affected.

In most of the countries in which the Group operates, the Group's operations are also subject to various licensing requirements. Complete deregulation or the removal of licensing requirements in the countries from which the Group procures its products may lead to increased competition. This may have an adverse effect on the Group's business operations in these countries. As a result, the Group's business, results of operations and/or financial condition may be adversely affected. (See "Description of the Group and its Business – Competition").

Category 3: Political and legal risks

The Group is subject to a significant number of laws and regulations

The Group's activities are subject to extensive laws and regulations governing various matters. These include laws and regulations relating to the commodities markets, financial markets, foreign exchange regulation, taxation, anti-trust, bribery and corruption, environmental protection, management and use of hazardous substances, management of natural resources, development of projects, production and post-closure reclamation, labour and occupational health and safety standards (including biosecurity). While the Group strives to ensure that it is in compliance with all applicable laws and regulations, there can be no guarantee that the Group will not breach these laws and regulations. Additionally, in many of the developing countries where the Group operates, the legal systems may not be mature and legal practice may not be developed, such that, in certain cases, there may be significant uncertainty as to the correct legal position as well as the possibility of laws changing or new laws and regulations being enacted, which has the potential to increase risk and compliance costs.

These laws and regulations and any breach thereof may allow governmental authorities and private parties to bring lawsuits based upon damage to property and injury to persons resulting from the environmental, health and safety and other impacts of the Group's past and current operations, and could lead to the imposition of substantial fines, penalties, other civil or criminal sanctions, the curtailment or cessation of operations, orders to pay compensation, orders to remedy the effects of violations and/or orders to take preventative steps against possible future violations. Moreover, the costs associated with compliance with these laws and regulations are substantial. More stringent enforcement or restrictive interpretation of current laws and regulations by governmental authorities or rulings or clearances obtained from such governmental authorities could cause additional expenditure (including capital expenditure) to be incurred or impose restrictions on or suspensions of the Group's operations and delays in the development of its properties.

In addition, the enactment of new laws and regulations and changes to existing laws and regulations compliance with which could be expensive or onerous, could also have a material adverse impact on the Group's business.

In particular, in the wake of previous financial crisis, both the United States and European states sought to increase regulation of the financial markets, including the commodities markets in which the Group operates, through implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislation in the United States. Similar regulatory and reporting regimes have been implemented in other jurisdictions such as FMIA in Switzerland, MiFID or EMIR in the European Union. This legislation affects in particular the areas of risk mitigation (trade confirmation timeframes, portfolio reconciliation, portfolio compression and dispute resolution) and trade reporting, and subjects large users of derivatives, such as the Group, to extensive new oversight and regulation which could potentially result in significant additional costs on the Group, including operating and compliance costs, and could materially affect the availability, as well as the cost and terms, of certain transactions. Moreover, existing legislation is subject to change and the regulatory requirements may be augmented in the future.

Future governmental policies, regulations or actions affecting the industries in which the Group operates may materially and adversely affect the supply of, demand for and prices of the Group's products, restrict its ability to do business and cause its financial results to suffer. Moreover, non-compliance with applicable laws and regulations could result in imposition of significant fines, as well as negative publicity and reputational damage. Any of the foregoing could result in a material adverse effect on the Group's business, results of operations and/or financial condition.

See also "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and, governance-related risks – ESG regulation (including emissions reduction legislation) imposes additional costs and may affect the results of the Group's operations.

Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability

Agricultural production and trade flows are significantly affected by government policies and regulations. Governmental policies affecting the agricultural industry (such as taxes, tariffs, duties, subsidies and import and export restrictions on agricultural commodities and commodity products) can influence commodity price volatility, industry profitability, the planting of certain crops versus other uses of agricultural resources, the location and size of crop production, whether unprocessed or processed commodity products are merchandized, and the volume and types of imports and exports.

From September 2019, the Group was affected by the Argentinian government's imposition of new foreign exchange restrictions in the wake of the economic crisis and rapid depreciation of the Argentinian peso. One of the effects of the foreign exchange restrictions was that Argentinian farmers were unable to receive payments for their goods in U.S. dollar, all payments having to be made in Argentinian peso. As a consequence, during the period while the foreign exchange restrictions were in place (up until 31 December 2019) local farmers were reluctant to sell their goods to foreign customers including the Group, preferring to stockpile them as long as the peso instability and foreign exchange restrictions continued. The Group's inability to effectively source goods from Argentina during this period had a significant, albeit temporary, effect on its results of operations and financial condition.

In addition, international trade disputes can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. Rising commodity prices have historically prompted governments in several countries to introduce export bans on key agricultural commodities and commodity products.

Since 2018, the Group's results have been materially affected by the ongoing trade dispute between China and the United States (see "Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks - The Group's business depends significantly on market conditions in China and is impacted by events and policies relating to China").

Over the past few years, the announcement of constraining export policies at the end of 2020 by Russia and Argentina put pressure on export capacity.

The Russia-Ukraine conflict has given rise to sanctions and trade restrictions both by and against Russia that have been affecting a number of the commodities that the Group merchandizes. (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 1: Geopolitical and macro-economic risks – The volume and price of products that the Group merchandizes are affected by supply and demand conditions which are beyond the Group's control – Stocks and supply"). As the ongoing Russia-Ukraine crisis continued to exacerbate grain export challenges in the Black Sea region, the Group ceased grain exports from Russia from July 2023, and other wheat business operations in the region continued to function in crisis mode.

In 2022, market volatility of the Grains and Oilseeds Platform was further fuelled by export duty increases (for example on soy meal and oil in Argentina) and export restrictions (particularly on palm oil in Indonesia and wheat in India). Also in 2022, India banned exports of broken rice and imposed duty on certain rice varieties. India further upheld these restrictions in 2023, additionally halting exports of non-basmati white rice, which previously represented a third of its milled rice exports.

Such export bans may become more prevalent, whether across countries or products. Future government policies may adversely affect the supply, demand for and prices of the Group's products, restrict the Group's ability to do business in the Group's existing and target markets and could materially and adversely affect the Group's financial condition.

See also "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and governance-related risks – ESG regulation (including emissions reduction legislation) imposes additional costs and may affect the results of the Group's operations.

The Group is subject to regulation by various regulatory bodies

The Group is subject to the rules and practices of various regulatory bodies, exchanges and trade associations which regulate and organize the terms and conditions of trade in some of the Group's products. Such organizations include, amongst others: the Commodity Futures Trading Commission (CFTC); the *Autorité des Marchés Financiers* (AMF); the Financial Conduct Authority (FCA); the European Securities and Markets Authority (ESMA); the *Commission de Surveillance du Secteur Financier* (CSSF); the Swiss Financial Market Supervisory Authority (FINMA); exchanges such as CME CBOT, CME US, and Europe; the International Cotton Association (formerly known as the Liverpool Cotton Association); Grain and Feed Trade Association; Association for international trading in oils, fats and oilseeds; and the China Futures Association.

These associations help to facilitate dispute resolution through a recognized forum and allow trade participants to regulate, promote and develop best practices as an industry.

If the Group is found to be in breach of any rules or regulations of such trade associations or regulatory bodies, the Group may be subject to fines, penalties or other sanctions. This may materially and adversely affect the Group's business, results of operations and/or financial condition (See "Description of Group and its Business – Compliance").

The Group is subject to the laws of various countries imposing sanctions for conducting business with certain persons

Certain countries in which the Group currently does business, or may consider doing business in the future, are or may become subject to various trade sanctions including, but not limited to, sanctions administered by the United States Treasury Department's Office of Foreign Assets Control (OFAC), and European Union and United Nations Sanctions programmes. While the Group employs dedicated resources (see "Description of the Group and its Business – Compliance") to ensure that it is in compliance, the Group may in the future enter into transactions that breach these sanctions.

If any of the Group's related parties or counterparties becomes subject to sanctions, this could result in restrictions on the Group's business and reputational damage. Moreover, non-compliance with applicable sanctions could result in imposition of significant fines, as well as negative publicity and reputational damage. Any of the foregoing could result in a material adverse effect on the Group's business, results of operations and/or financial condition.

The Group may not be able to maintain or obtain statutory and regulatory licences, permits and approvals required for its business

The Group's operations require certain statutory and regulatory licences, permits and approvals, which may be subject to certain conditions. While the Group has historically been able to maintain or obtain such licences, permits and approvals as and when required, the relevant authorities may not in the future issue or extend any such licences, permits or approvals in a timely manner, at all or on terms that are acceptable to the Group. The loss of any of its licences, a temporary suspension thereof, a breach of the terms of a licence by the Group or failure to obtain any further required licences in the future for whatever reason could have a material adverse effect on the Group's business, results of operations and/or financial condition. (See "Description of the Group and its Business – Compliance").

The Group's profitability may be affected by changes in tax laws and regulations or their interpretation in the countries where it operates

The Group's operations in various countries are subject to different tax laws and regulations. Changes in local tax laws and regulations, or the interpretation thereof, might materially and adversely affect the Group's business, results of operations and/or financial condition. For a discussion of certain tax contingencies, see Note 7.2 to the 2023 Guarantor Audited Financial Statements included in this Prospectus.

The Group's financial position may be materially impacted by adverse litigation

The Group is involved in certain number of contentious proceedings (see "Description of the Group and its Business – Litigation"). New disputes may arise. The Group is not in a position to foresee the outcome of such proceedings and cannot rule out being ordered to pay significant amounts as a result of unfavorable decisions which could have a material adverse effect on the Group's business, financial position, results of operations or prospects.

Category 4: Environmental, social and governance-related risks

The Group may not be able to deliver on its sustainability ambitions and commitments, which could lead to increased cost of financing and/or reputational damage

The Group is committed to sustainability, integrating environmental and social considerations across its global supply chains. The Group aims to reduce its carbon footprint by implementing energy-efficient practices and promoting the use of renewable energy. The Group also emphasizes sustainable sourcing,

working closely with farmers to adopt responsible agricultural practices that protect biodiversity and improve soil health, which may include regenerative agriculture projects. Additionally, the Group supports local communities through education and economic empowerment programmes, striving to have sustainability efforts also enhancing social well-being. Failure to meet the Group's sustainability commitments or obligations could adversely affect its reputation and the longevity of its operations.

In February 2022, the Group announced a commitment to eliminate deforestation and conversion of native vegetation of high conservation value for agricultural purposes from all its supply chains, by the end of 2025. In March 2023, the Group announced an ambitious near-term target to reduce Scope 1 & 2 greenhouse gas ("**GHG**") emissions by 33.6% by 2030. There is no guarantee that the Group will be successful in meeting those targets. Any failure or delay in achieving those targets could affect the Group's reputation and limit access to financing.

In addition, the entities of the Group have entered into a number of sustainability-linked financings and expect to enter into more in the future. Under these financings, the rate of interest payable is linked to the achievement of certain sustainability-related KPIs over a stated period of time. If the Group fails to meet these KPIs, the cost of these financings will increase.

ESG regulation (including emissions reduction legislation) imposes additional costs and may affect the results of the Group's operations

The Group faces significant operational and financial risks due to evolving ESG regulations, including emissions reduction legislation. Compliance with national, provincial, and municipal environmental laws, as well as international guidelines (such as the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises), is an inherent part of the Group's business. These laws and regulations include, without limitation, the Core Conventions of the International Labour Organization, the Universal Declaration on Human Rights, the UN Declaration on the Rights of Indigenous Peoples, the Ten Principles of the United Nations Global Compact, and the United Nations Guiding Principles on Business and Human Rights.

Moreover, these laws and regulations are becoming increasingly stringent, potentially creating substantial new requirements. The expanding scope of these regulations means that entities like the Group may bear additional liability, including through its supply chain, where compliance could prove challenging, restrictive, or costly (see "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social, and governance-related risks – Gaps in traceability, particularly in indirect supply chains, can pose significant risks"). Implementing sustainable practices requires significant collaboration with farmers and suppliers, who may lack the necessary resources or knowledge, which could disrupt supply chains. Additionally, transitioning to regenerative agriculture might necessitate investments in new technologies and farmer training, potentially reducing short-term crop yields during the transition period and negatively impacting financial performance.

The increasing regulation of GHG emissions, including the introduction of carbon trading mechanisms and tighter emissions reduction targets, particularly in jurisdictions where the Group operates such as in Canada (with for example the update to federal carbon pricing scheme which is likely to affect the Group's Yorkton industrial complex) and in the EU (with for example the inclusion of maritime emissions to the EU's Emissions Trading System), is likely to raise operational costs and suppress demand growth. Such developments may have a material adverse effect on the Group's business, financial results, and overall condition.

The Group's global presence also exposes it to specific regional regulations, such as the European Union's deforestation regulation ("**EUDR**"). The EU, one of the destinations for the Group's products (soy and coffee as an example), requires compliance with EUDR, including mandatory deforestation due diligence for imported product, full traceability to plot of land level, and physical segregation from

conventional products. Preparing for these requirements, particularly in creating a 'green corridor' to meet segregation demands, adds further complexity and cost to the Group’s operations.

The Group is also subject to evolving regulations around sustainability reporting and disclosures, including the EU’s Corporate Sustainability Reporting Directive (“**CSRD**”) and the proposed Corporate Sustainability Due Diligence Directive (“**CSDDD**”). The CSRD mandates detailed and standardized reporting on ESG factors, such as climate risks, carbon emissions, biodiversity impacts, and supply chain sustainability practices. The CSDDD seeks to impose mandatory human rights and environmental due diligence along the Group’s entire value chain, particularly in high-risk regions for deforestation, water scarcity, or human rights abuses. Failure to comply with these regulations or meet growing investor expectations around transparency and sustainability could result in significant legal, financial, and reputational risks.

Compliance with these regulations may require considerable resources for identifying, monitoring, reporting, and mitigating environmental and social impacts, particularly within the Group's supply chain. Increased costs for energy, emissions levies, and permit restrictions are likely to affect the Group’s productivity and asset development. Non-compliance of any of the current or upcoming sustainability-related regulation could result in fines, legal liabilities, operational disruptions, or reputational damage, all of which could materially impact the Group’s business, financial condition, and operational results.

Social and governance-related compliance imposes additional costs and may affect the results of the Group’s operations

The Group's operations are increasingly subject to evolving social and governance-related regulations. In the social domain, regulations focusing on workplace safety, labour rights, and community engagement are becoming more stringent, driving both direct and indirect costs.

As regulators and stakeholders heighten their focus on labour practices, diversity, equity, inclusion, and human rights due diligence, the Group faces rising compliance costs. Failure to meet these regulatory requirements, or to manage workplace incidents and community concerns, could result in fines, legal liabilities, operational disruptions, and reputational damage. The cost of maintaining compliance—such as upgrading internal systems to meet global labour and safety standards—could also strain profitability, especially if regulations continue to evolve.

While the Group is actively managing these risks through its Safety, Health & Environment programme and other social governance initiatives, unexpected changes in regulations could impose further financial burdens and operational challenges, potentially affecting overall performance.

Governance-related regulations, particularly in sustainability and corporate responsibility, also present significant risks. The Group’s sustainability governance framework, though robust, relies on strict adherence to internal policies and external standards such as the Supplier Code of Conduct, Human & Labor Rights Policy, and ESG-linked financing mechanisms. These frameworks demand continuous adaptation to meet global regulatory standards, including those focusing on anti-corruption, legal compliance, deforestation, labour rights, and sustainable sourcing.

In summary, the growing complexity and scope of social and governance-related regulations may significantly increase operational costs, complicate compliance, and potentially constrain business growth. Failure to effectively manage these obligations could negatively impact the Group’s financial performance, strategic goals, and supply chain resilience.

Gaps in traceability, particularly in indirect supply chains, can pose significant risks

There is a growing consumer demand for transparency about the origins of the commodities that the Group merchandises. The Group does not have direct control over all origination sources and, as such, relies on promoting the adoption of its sustainability policies and standards across its supply chains. To address specific sustainability challenges, the Group has adopted various commodity-specific sourcing policies and codes of conduct, such as its Coffee Supplier Code of Conduct, Palm Sustainability Policy, and Soy Sustainability Policy. Additionally, all Brazilian suppliers must comply with the Group's Brazilian Code of Conduct for Raw Material Suppliers. The Group has also recently launched the Group Supplier Code of Conduct that sets minimum sustainability standards across all Group suppliers. In regions such as Brazil, the Group regularly checks suppliers against public lists that track companies involved in human rights or environmental violations and may suspend contracts where issues arise.

The Group has made significant investments in improving supply chain traceability, which it sees as crucial to its responsible sourcing commitments. However, traceability is not fully automated.

To meet the demands of the Group's customers in the developed world, the Group sources agricultural products and food ingredients direct from farmers or from third-parties intermediators, as aggregators, traders, cooperatives or the point of collection from suppliers in numerous developing countries. Not always information on traceability is available or is accurate. If, as a result of inaccurate or unreliable data or lack of available data, the Group's assumptions with respect to any of the markets in which it operates or the traceability of its commodities prove to be erroneous, the Group's business, results of operations and/or financial condition may be adversely affected.

If the Group is not able to comply with regulation or meet expectations regarding traceability, this could negatively impact sales and customer relationships and cause it to lose market share or face reputational damage.

Implementing effective traceability systems across a global supply chain can be complex and costly. Issues such as data integration, technology adoption, and coordination with numerous suppliers can pose significant challenges. Any failure or delay in implementing these systems could disrupt operations or lead to inaccuracies in traceability reporting.

Potential legal liabilities and reputational damage may arise due to gap in traceability, especially if the Group is found to be sourcing from regions involved in illegal deforestation or associated with human rights abuses.

Any of the factors above may have a material adverse effect of the Group's business, results of operations or financial condition.

The Group's reputation, including in the communities in which it operates, could deteriorate as a result of its inability to meet safety-related, environmental, economic or social expectations of these communities

If it is perceived that the Group is not respecting or advancing the economic and social progress and safety of the communities in which it operates, the Group's reputation could be damaged. This could have a negative impact on its ability to secure new resources, its market share and its financial performance. Some of the Group's current and potential trading and industrial activities are located in or near communities that may regard such operations as having a detrimental effect on their safety or environmental, economic or social circumstances. The consequences of negative community reaction could also have a material adverse impact on the cost, profitability, ability to finance or even the viability of an operation. Such events could lead to disputes with national or local governments or with local communities or any other stakeholders and give rise to material reputational damage. If the Group's

operations are delayed or shut down as a result of political and community instability, this may have a material adverse effect on its financial condition and results of operations.

Even in cases where no action adverse to the Group is actually taken, the uncertainty associated with such political or community instability could negatively impact the perceived value of the Group's assets and investments and, consequently, have a material adverse effect on the Group's financial condition and results of operations.

While the Group seeks to operate in a socially responsible manner, adverse publicity, including that generated by non-governmental organizations, could have an adverse effect on the Group's reputation or results of operations or its relationships with the communities in which it operates.

Actual or alleged "greenwashing" by the Group may cause reputational damage and other adverse consequences for the Group

The Group is committed to promoting sustainable agricultural practices and meeting its environmental, social, and governance goals as part of its broader sustainability strategy. However, increasing regulatory scrutiny and public interest in sustainability initiatives have raised the risk of allegations of "greenwashing" – making claims regarding the Group's sustainability practices that may be perceived as misleading, exaggerated, or unsubstantiated. Regulatory bodies in various jurisdictions, including those in the European Union and other relevant markets, are increasing their focus on sustainability claims made by companies in the agricultural sector. As these regulations evolve, there is a heightened risk that the Group's sustainability communications, marketing, or labelling could be challenged by regulators, investors, or other stakeholders, even if made in good faith. Such challenges may result in investigations, mediations processes, litigation, sanctions, fines, or reputational damage. They could also result in partners, investors, lenders and other stakeholders being unwilling or unable to continue to work with the Group. All these factors may adversely affect the Group's business and financial position.

Moreover, even if the Group's sustainability efforts are in line with industry best practices, there is a risk of erroneous or unfounded greenwashing claims by third parties, including environmental organizations, investors, or competitors. Such claims, whether substantiated or not, could damage the Group's reputation, negatively affect customer loyalty, and lead to litigation, regulatory inquiries, or investor demands for corrective action. Furthermore, the costs associated with defending against greenwashing claims and potential penalties could be material, adversely impacting the Group's financial performance and ability to access capital markets.

Further, the Group's sustainability-related disclosures, including its ESG commitments and targets, involve forward-looking statements based on management's current expectations. However, due to the inherent uncertainties in achieving these goals, there is a risk that actual outcomes may differ from those anticipated. Inability to meet sustainability expectations or eventual inaccuracy in sustainability performance disclosures could expose the Group to additional greenwashing claims, regulatory challenges, and reputational risks. In light of these risks, investors should be aware that the Group's sustainability efforts and ESG disclosures may be subject to greater scrutiny and may not be realized as expected, which could have a material adverse effect on the Group's business, financial condition, and results of operations.

Climate change may have an adverse impact on the Group's business, financial condition and results of operations

Climate change is a major global challenge, with shifting weather patterns threatening food security and changes in consumption putting pressure on natural resources.

Decreased agricultural productivity in certain regions of the world as a result of changing weather patterns may limit the availability or increase the cost of key agricultural commodities that the Group merchandises. This volatility can significantly affect the supply and pricing of the agricultural commodities that the Group sells and uses in its business and negatively affect the creditworthiness of its customers and suppliers to the extent that such customers or suppliers are reliant on good harvests to ensure cash-flow.

Increased frequency or duration of extreme weather conditions could also impair production capabilities, disrupt the Group's supply chain or impact demand for the Group's products. More generally, ongoing climate change and extreme weather conditions may increase risks to the commodities that the Group merchandises as well as the Group's assets and related infrastructure, as a result of extreme weather events and water related risks such as flooding or water scarcity. Such consequences may have a material adverse effect on the Group's business, results of operations and financial condition.

In addition, climate change may increase physical risks to the Group's assets and related infrastructure, largely driven by extreme weather events and water-related risks such as flooding or water scarcity. The Group's processing and storage facilities are subject to risks and hazards, including accidental environmental damage, technical failure, theft, vandalism and terrorism. In addition, the Group depends upon seaborne freight, rail, trucking, pipeline, overland conveyor and other systems to deliver its commodities to market. Disruption of these transport services due to weather-related problems could impair the Group's ability to supply its commodities to its customers and could thus adversely affect the Group's operations. For example, North American freight operations were severely impacted in 2020-2021 by exceptionally high water levels on the Mississippi River, hindering transport of goods to and from the Group's logistics facilities on the Mississippi Delta. Similar problems with congestion were seen in 2023 in the Atlantic caused in particular by low water levels in the Panama Canal and record waiting times at Brazilian ports. Also in 2023, the return of El Niño caused disruptions on dry bulk flows.

Any such developments may have a material adverse effect on the Group's business, results of operations and financial condition.

Third party environmental claims might have a material adverse effect on the Group's business

Third parties may sue the Group for damages and costs resulting from environmental contamination emanating from its properties and/or production facilities. Although there are no material outstanding claims concerning the Group's properties and production facilities, unidentified environmental liabilities could arise which could have a material adverse effect on the Group's business, results of operations and/or financial condition (See "Description of the Group and its Business – Environment").

Category 5: Industrial, operational and logistics risks

The Group's business is dependent on its processing and logistics facilities and the Group is subject to risks affecting operations at such facilities

The Group currently operates processing and logistics facilities in various countries such as Argentina, Brazil, Canada, China, Germany, India, Indonesia, Paraguay, Ukraine and the United States (See "Description of the Group and its Business – Description of Main Activities – Fixed Asset and Logistics Operator" and "Description of Group and its Business – Description of Assets"). These facilities are subject to operating risks, such as industrial accidents, which could cause personal injury or loss of human life and cause third party damages to become payable; the breakdown or failure of equipment, power supplies or processes; performance below expected levels of output or efficiency; obsolescence; labour disputes; natural disasters and pandemics and the need to comply with new directives of relevant government authorities.

The Group needs to carry out planned shutdowns of its various plants for routine maintenance, statutory inspections and testing and may need, from time to time, to shut down its various plants for capacity expansions and equipment upgrades.

In addition, due to the nature of its business and despite compliance with requisite safety requirements and standards, the Group's production process is still subject to operating risks, including discharges or releases of hazardous substances, exposure to particulates and the operation of mobile equipment and manufacturing machinery.

These operating risks may cause personal injury or loss of human life and third-party damages and could result in the imposition of civil and criminal penalties.

The occurrence of any of these events could have a material adverse effect on the productivity and profitability of a particular processing facility and on the Group's business, results of operations and/or financial condition (See "Description of the Group and its Business – Health and Safety" and "Description of the Group and its Business – Environment").

The Group relies on certain agreements for the sourcing of agricultural commodities and these agreements may be terminated or fail to be renewed

The Group is a party to various agreements for the supply of agricultural commodities to its business. These agreements are an important source of commodities for the Group and provide certainty of regular supply for the Group. These supply agreements range from short-term spot contracts to multiple years in duration and have historically been renewed by the Group and the supplier on commercially acceptable terms. However, in general, these companies or individuals have no obligation to renew their supply agreements. The Group may not be able to compel the relevant company or individual to enter into or renew a supply agreement with the Group in cases where the Group does not own 100 per cent. of the company or where related party transaction minority shareholder approval requirements apply (if a company). The Group relies on these agreements to source some of its key agricultural commodities and any termination or failure to renew such agreements at the end of their terms could have an adverse effect on the Group's business, results of operations and financial condition.

The Group is subject to risks relating to the processing, storage and transportation of its commodities

The Group relies on a network of processing, transportation and storage facilities that are subject to numerous risks and hazards. If any of these risks materializes, the Group's business, results of operations and/or financial condition could be materially adversely affected.

The Group's processing and storage facilities are subject to risks and hazards, including accidental environmental damage, technical failure, theft, vandalism and terrorism. In addition, the Group depends upon seaborne freight, rail, trucking, pipeline, overland conveyor and other systems to deliver its commodities to market. Disruption of these transport services due to weather-related problems, key equipment or infrastructure failures, strikes, maritime disaster or other events could temporarily impair the Group's ability to supply its commodities to its customers and could thus adversely affect the Group's operations. For example, North American freight operations were severely impacted in 2020-2021 by exceptionally high water levels on the Mississippi River, hindering transport of goods to and from the Group's logistics facilities on the Mississippi Delta. Similar problems with congestion were seen in 2023 in the Atlantic caused in particular by low water levels in the Panama Canal and record waiting times at Brazilian ports. Also in 2023, the return of El Niño caused disruptions on dry bulk flows (See also "Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social, and governance -related risks – Climate change may have an adverse impact on the Group's business, financial condition and results of operations).

In 2022, the Russia-Ukraine crisis led to the closing of shipping routes, with maritime exports from Ukraine at a standstill until August 2022 under martial law. Even though the shipping routes have since reopened and exports have thus resumed, the cargo volumes are limited compared to the situation prior

to the crisis. The Group has had to resort to alternative export routes at higher cost and with lower volumes than via usual export routes.

Transportation and storage of certain commodities involve significant hazards that could result in fires, explosions, spills, maritime disasters and other unexpected or dangerous conditions. The occurrence of any of these events could result in a material adverse effect, either directly or indirectly, through resulting damages, claims and awards, remediation costs or adverse publicity on the Group's business. Commodity storage entails significant risks associated with the storage environment, including temperature, humidity levels, pests, parasites and diseases (See “Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 5: Industrial, operational and logistic risks – The value of the Group’s physical products may deteriorate across various stages of its supply chain”). Excessively high or low levels of moisture, temperature or humidity may result in damage to stored crops and seeds. An event that destroys or results in all or part of a silo complex or terminal being taken out of service could result in the loss of stored crops and require the Group to find alternative storage arrangements. The Group may also be subject to the loss of stored crops as a result of catastrophic events, such as fires, explosions or natural disasters. Moreover, the volume of inventories that needs to be stored in warehouses can be significant, and, despite the Group’s procedures to limit this exposure and insurance cover, there is thus an increased risk that pilfering and misappropriation could occur.

In addition, the vessels the Group charters to transport its products may be exposed to a variety of natural calamities during operations, including violent storms, tidal waves, rogue waves and tsunamis. Any of these natural calamities could result in such vessels grounding, sinking, or colliding with other vessels or property, or the loss of life. If one of the vessels suffers damage, in addition to the potential loss of its cargo, it would need to be repaired, and the costs relating to such losses or repairs may not be covered (either in part or in whole) by the insurance policies that are in place. The costs of such repairs are unpredictable and could be substantial. In addition, vessels will require general repair and maintenance from time to time. The loss of earnings while the vessels are being repaired and repositioned, the cost of arranging for alternative transport, as well as the actual cost of such repairs, could adversely affect the Group's business and results of operations. Furthermore, the vessels used by the Group to transport its products may be exposed to piracy, smuggling, terrorist attacks and other events beyond its control. These events could result in adverse effects to the Group's business as a result of seizure of its cargoes and disruption to its customers' or suppliers' business as well as reputational damage. While the Group has procured insurance for its operations against these types of risks, no insurance can compensate for all potential losses and the insurance coverage that the Group has may not be adequate and its insurers may not pay a particular claim. In the event of damage to, or the loss of, a vessel or vessels and/or their cargoes, or cases of personal injury or fatalities among personnel, lack of adequate insurance coverage or indemnities may have a material adverse effect on the Group's business and results of operations.

Certain of the Group’s industrial assets are located in sparsely populated regions to which there is limited access. Key infrastructure such as roads, other transport infrastructure, power sources and water supplies are essential if the Group is to conduct its operations in these regions. In addition, the availability and cost of these utilities and infrastructure affect the Group’s capital and operating costs and consequently its ability to maintain production levels and results of operations. Unusual weather or other natural phenomena, sabotage to or other interference in the maintenance or provision of this infrastructure could impact the development of the Group’s projects, reduce the Group’s production volumes, or increase the cost or time of transportation of commodities to the Group’s customers.

Any such issues arising in respect of the infrastructure supporting or on the Group's sites could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. The Group's merchandizing activities entail shipments of commodities in large quantities, often by sea. The Group often competes with other producers, purchasers or merchandizers for limited storage and berthing facilities at ports and freight terminals, which can result in delays in loading or unloading the

Group's products and expose the Group to significant delivery interruptions. Limitations or interruptions in rail, shipping or port capacity could impede the Group's ability to deliver its products on time. In addition, increases in the costs of freight could adversely affect the Group's business, results of operations or financial condition.

The success of the Group's business depends in part on its ability to identify and take advantage of arbitrage opportunities

Many of the commodity markets in which the Group operates are periodically volatile. As a result, discrepancies generally arise in respect of the prices at which the commodities can be bought or sold in different forms, geographic locations or time periods, taking into account the numerous relevant pricing factors, including freight and product quality. These pricing discrepancies can present the Group with arbitrage opportunities whereby the Group is able to generate profit by sourcing, transporting, blending, storing or otherwise processing the relevant commodities.

Profitability of the Group's business is, in large part, dependent on its ability to identify and exploit such arbitrage opportunities. A lack of such opportunities, for example, due to a prolonged period of price stability in a particular market, or an inability to take advantage of such opportunities when they present themselves, because of, for example, a shortage of liquidity or an inability to access required logistics, assets or other operational constraints, could adversely impact the Group's business, results of operations and financial condition.

The Group is subject to volatility in shipping and logistics costs

Although the Group has its own Freight Platform which provides shipping services to support the Group's operations, most of the Group's shipments are made using third-party land and sea transport providers. Consequently, the Group is subject to fluctuations in the prices of shipping and logistics costs, which may in turn have an impact on the Group's results of operations. Shipping and logistics costs for commodities are usually market-driven and are highly cyclical. Shipping and logistics rates fluctuate in response to the level of demand for vessels and the availability of vessels to satisfy that demand. The level of demand is influenced by many factors, including general economic conditions, global trading volumes and port usage. Shipping and logistics rates are the most variable element of expense in relation to a particular shipment and are relevant to the Group's results to the extent that they affect the pricing and profit margin of the services provided by the Group. In 2021, for example, the Group's transportation services were impacted by a freight container shortage and higher freight rates resulting from the COVID-19 supply chain disruption. In 2022, the U.S. faced a significant shortage of truck drivers, which caused a critical bottleneck for moving goods from ports to inland locations and container shortages and rising freight rates contributed to the volatility of the agri-commodities market. In 2023, Brazil's major ports, such as Santos, experienced heavy congestion due to increased exports of soybeans, corn, and other agricultural products, struggling to handle the volume efficiently, leading to long wait times for ships to load and unload cargo. The transportation of goods from the interior agricultural regions to the ports was hampered by insufficient and poorly maintained road and rail infrastructure. The primary routes used for transporting soybeans and corn, particularly from the Midwest region (Mato Grosso), saw significant delays due to traffic congestion and the poor state of highways. Brazil's rainy season, which typically peaks in the first quarter of the year, exacerbated the condition of already poor roadways. Mudslides and flooding in key regions led to temporary road closures and further delays in transporting goods to the ports.

Changes in shipping rates affect the shipping industry as a whole, and the Group normally mitigates the effect by passing on a proportion of such changes to its customers. However, it may not always be possible for the Group to immediately offset a freight contract with a corresponding charter party or sufficiently hedge against all changes in shipping costs. During certain periods, depending on market conditions, prevailing rates may be subject to change and should rates increase, the profitability and financial results of the Group may be adversely affected even if such rates increases have a positive effect on the profitability and financial results of the chartering division of the Group. In addition, other

factors, such as port congestion, increases in fuel costs and piracy, could materially adversely affect the ability of the Group to carry on its operations in a timely or cost-effective manner.

The value of the Group's physical products may deteriorate across various stages of its supply chain

The actual value of the products which the Group delivers may differ from that assessed by the Group for the following principal reasons:

Quality deterioration
The Group's products are subject to deterioration in quality during storage and transit. Each of the Group's products has different physical characteristics and requires different kinds of storage, handling and transportation. For example, some products are sensitive to the external environment and their quality may deteriorate considerably during storage. The realizable value of the Group's products falls with quality deterioration through bad or inadequate quality management.

Weight loss
Weight loss constitutes a major operational risk. All the Group's products tend to lose some weight or volume due to natural causes. Pilferage and theft also contribute to weight loss during storage or transit. The Issuer's financial performance will be adversely affected if there are weight or volume losses to products, which are not otherwise assumed and factored into the pricing of such products.

Variation in yield
Some of the Group's products undergo processing operations, which require estimates to be made regarding the amount of raw material input needed to produce the required output. Such processing output is estimated at the time of buying the various products. Actual output may, however, deviate from the estimate. If such deviation occurs, the Group's results of operations may be adversely affected.

The Group may also be subject to legal claims and penalties if the products which the Group has contracted to sell to its customers suffer losses in weight or quality during shipment and transportation by third parties.

The Group may inadvertently deliver genetically modified organisms ("GMOs") to those customers that request GMO-free products

The use of GMOs in food and in animal feed has been met with varying degrees of acceptance in the different markets in which the Group operates. The United States and Argentina, for example, have approved the use of GMOs in food products and animal feed, and GMO and non-GMO grain is produced and frequently commingled during the grain sourcing process.

However, adverse publicity about genetically modified food has led to governmental regulation that limits or prevents sales of GMO products in some of the markets in which the Group sells its products, including the European Union and its constituent nations. It is possible that new restrictions on GMO products will be imposed in major markets for the Group's products or that the Group's customers will decide to purchase lower levels of GMO products or not to buy GMO products.

The Group may not always be able to verify all aspects of how and where the agricultural products that the Group sources are produced and under what conditions they are so produced and it is therefore possible that the Group may inadvertently deliver products that contain GMOs to those customers that request GMO-free products. As a result, the Group could lose customers and may incur liability. The Group may also incur significant expenses related to upgrading its procedures and facilities. GMO products that have not received regulatory approval may also enter the food chain. If the Group encounters incidents of this type, they can be costly and time-consuming to rectify, may damage the Group's reputation and may subject the Group to litigation. If regulators in the countries that restrict or

prohibit the sale of GMO products or customers who request GMO-free products do not have confidence in the Group's products, the Group could lose customers and could be prohibited from selling its products in those countries, which could, in turn, affect the Group's business, results of operations and/or financial condition.

The Group's insurance policies may not adequately cover all potential losses and the Group or its key personnel might face liability in case of major incident

The Group's insurance policies cover various risks, including, but not limited to, general and specific liabilities, property damage, fire, theft, civil disturbance, riots, inland transit and marine risks. While the Group considers that it currently has sufficient insurance coverage in place, the Group's insurance policies may not adequately compensate it for any and every type of loss that the Group may incur. Any such loss not otherwise compensated may adversely affect the Group's business, results of operations and/or financial condition.

The Group's liability in the case of a major incident, such as pollution caused by a cargo, destruction of freight infrastructures, product recall or poisoning, is covered under various insurance policies, up to a certain limit. However, the Group might not be able to fully protect itself against the financial, reputational or commercial consequences of such an event, and this might adversely affect the Group's business, results of operations and/or financial condition.

The Group is subject to food safety and other product liability risks that could adversely affect its reputation and operating and financial results

The Group's Juice business and vegetable oil business is subject to industry-specific risks that include, but are not limited to, product safety and quality regulations regarding spoilage, contamination, tampering, product liability claims and recalls. From time to time, the Group or third parties within the supply chain might be held liable or incur costs to settle or defend claims if they cause, or are claimed to cause, injury. These risks exist even with respect to food products that have received, or in the future may receive, regulatory approval or clearance for consumer use. The Group cannot guarantee that the Group or third parties within the Group's supply chain will be able to avoid exposure from product liability or other food safety claims.

The Group cannot guarantee that the Group's product liability insurance is adequate. A product liability claim or product recall could result in liability to the Group in a greater amount than is covered by the Group's insurance coverage, which could be material.

In addition, maintaining a strong reputation is critical to the Group's continued success. The Group's reputation and operating and financial results could be adversely impacted by negative publicity or customer perceptions caused by failures of the Group, its subsidiaries or third parties within the Group's supply chain to maintain high standards for quality, safety, integrity, environmental sustainability, and social responsibility matters.

Category 6: Financial market risks

The Group's business is capital-intensive in nature and the Group relies on cash generated from its operations and external financing to fund its growth and ongoing capital needs. Limitations on access to external financing could adversely affect the Group's operating results.

The Group requires significant capital, including continuing access to credit, capital and money markets, to operate its current business and fund its growth strategy. The Group's working capital requirements, including margin requirements for open positions on futures exchanges, are directly affected by the price of agricultural commodities, which may fluctuate significantly and change quickly. The Group also

requires substantial capital to maintain and upgrade its extensive network of storage facilities, processing plants, refineries, mills, ports, transportation assets, and other facilities to keep pace with competitive developments, technological advances, regulations, sustainability requirements and changing safety standards in the industry. Moreover, the expansion of the Group's business and pursuit of acquisitions or other business opportunities may require significant amounts of capital.

Access to markets and pricing of the Group's capital is dependent upon maintaining sufficient credit ratings from credit rating agencies. If the Group is unable to maintain sufficiently high credit ratings, access to these commercial paper and other capital and debt markets and cost of borrowing could be adversely affected.

If the Group is unable to generate sufficient cash flow or maintain access to adequate external financing, including as a result of internal factors such as a credit rating downgrade or external factors such as significant disruptions in the global markets, this could restrict the Group's current operations and its growth opportunities and consequently adversely affect the Group's business, results of operations and/or financial condition.

Failure to report on sustainable practices and/or align with ESG criteria or negative perceptions regarding environmental and social impact could lead to difficulties in accessing financing from banks and other financial institutions and higher costs of financing (See also "Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and governance-related risks – The Group's reputation, including in the communities in which it operates, could deteriorate as a result of its inability to meet safety-related, environmental, economic or social expectations of these communities" and "Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 6: Financial market risks – A deterioration in its credit or other ratings could adversely affect the Group").

There are risks associated with the Group's current debt financings

The Group is highly dependent on debt financing in the form of short-term debt to fund the Group's working capital requirements.

Since all of the Group's loans have a limited tenure, the Group needs sufficient liquidity to meet the Group's loan repayment obligations. Adverse market conditions which hamper the liquidation of stocks or delay the recovery of credit may affect the Group's loan repayment schedules and this may in turn result in the lending banks withdrawing or requiring early repayment of the facilities granted to the Group. This might pose a solvency risk for the Group even though the Group may be profitable.

As the Group obtains loans of longer tenures, it may be exposed to risk of interest rate fluctuations. These may adversely affect the Group's business, results of operations and/or financial condition.

A high level of indebtedness could cause the Group to dedicate a substantial portion of cash flow from operations to payments to service debt, which could reduce the funds available for working capital, capital expenditure, acquisitions, distributions to shareholders and other general corporate purposes and could limit its ability to borrow additional funds and its flexibility in planning for, or reacting to, changes in technology, customer demand, competitive pressures and the industries in which it operates, placing the Group at a competitive disadvantage compared to those of its competitors that are less leveraged than it is.

Moreover, the Group has a substantial amount of indebtedness at the level of its subsidiaries. In the event of an insolvency of any such subsidiary, Bondholders' claims may be structurally subordinated to the claims of such subsidiary creditors.

(See “Description of the Group and its Business – Funding and Liquidity” and see also Note 4.5 to the 2023 Guarantor Audited Financial Statements “Liquidity Risk”).

The Group’s credit facilities contain restrictive financial and other covenants that affect and, in some cases, can significantly limit or prohibit, among other things, the manner in which the Group may structure or operate its business, including, without limitation, restrictions on mergers, restrictions on change of control, restrictions on disposals and acquisitions, negative pledge covenants, restrictions on incurring financial indebtedness and restrictions on loans and guarantees, subject to agreed exceptions, including that certain of such covenants do not apply for so long as the Guarantor maintains an investment grade credit rating. A breach of the covenants under the Group’s credit facilities could result in an event of default, which may allow creditors to accelerate the repayment of indebtedness. In addition, the credit facilities contain cross-default and/or cross-acceleration provisions, which are, subject to certain thresholds, triggered when any of the Group’s other financial indebtedness is not paid when due or is declared to be, or otherwise becomes, due and payable prior to its specified maturity as a result of an event of default. Without waivers from the relevant lenders, any such default could have a material adverse effect on the Group’s financial position and results of operations.

The Group may experience limited availability of funds

The Group may require additional financing to fund working capital requirements, to support the future growth of its business and/or to refinance existing debt obligations. Additional financing, either on a short-term or a long-term basis, may not be made available or, if available, such financing may not be obtained on terms favourable to the Group.

Factors that could affect the Group’s ability to procure financing include the cyclicality of the agricultural products and food ingredients market and market disruption risks which could adversely affect the liquidity, interest rates and availability of funding sources.

In addition, consolidation in the banking industry in any market in which the Group procures financing may also reduce the availability of credit as the merged banks seek to reduce their combined exposure to one company or sector. Independently, Banks may seek to further reduce exposure to the commodities sector or the Group in the future for other reasons.

Furthermore, availability of financing to the Group may be negatively affected if LDC or any member of the Group or its shareholders fail to maintain good relations with a particular bank or banks currently lending to the sector.

Factors that could affect cost of funds include further regulatory developments in the banking sector, including changes to the standards promulgated by the Basel Committee on Banking Supervision (including adoption of Basel IV), which may lead to an increase in banks’ funding costs. As these costs are generally passed on to the banks’ clients, this may render it more expensive in the future for the Group to borrow money and to maintain the availability of funds which it needs to operate its business.

In addition, during recent years, credit markets worldwide have experienced significant volatility, including a reduction in liquidity levels (as for example during 2022 and 2023 due to the Russia-Ukraine crisis), increasing costs for credit protection and a general decline in lending activity between financial institutions and in commercial lending markets worldwide. These developments may result in the Group incurring increasing financing costs associated with the Group’s significant levels of debt.

Moreover, the Group’s future credit facilities may contain covenants that limit its operating and financing activities and require the creation of security interests over its assets. The Group’s ability to meet its payment obligations and to fund planned capital expenditures will depend on the success of the Group’s business strategy and the Group’s ability to generate sufficient revenues to satisfy its

obligations, which are subject to many uncertainties and contingencies beyond the Group's control (See "Description of the Group and its Business – Funding and Liquidity").

If the Group is unable to access financing in the future or if the terms of such financing are more costly or impose increased restrictions on the Group, this could adversely affect the Group's business, results of operations and/or financial condition.

Foreign exchange rate fluctuations could adversely affect the Group's financial results

Due to the international nature of its business, the Group is exposed to currency exchange rate fluctuations as a significant portion of its net sales and expenses are denominated currencies other than the U.S. dollar. Changes in exchange rates between the U.S. dollar and other currencies, particularly the Brazilian Real, the Argentine Peso, the Euro and certain Eastern European and Asian currencies, affect the Group's revenues and expenses that are denominated in local currencies. They can also have collateral effects, for example on the Group's ability to effectively source products from, or sell into, particular jurisdictions (see "Risks factors – Risks related to the Guarantor (including the Group and its Business) – Category 3: Political and legal risks - Government policies and regulations affecting the agricultural sector and related industries could adversely affect the Group's operations and profitability*").*

Where possible and as a matter of policy, the Group uses forward contracts such as cash-settled forwards to hedge the Group's foreign currency exchange exposures arising from the purchase and sale of products in currencies other than U.S. dollar. Where such instruments are not available, the Group will also attempt to create natural hedging arrangements by matching the value of sales and purchases to and from the same geographic market. Should the Group be unable to hedge the Group's currency exposures, the Group's business, results of operations and/or financial condition may be adversely affected.

Margin calls on futures contracts or other derivative instruments could ultimately result in losses being suffered by the Group

The Group uses derivative instruments such as commodity futures, forward currency contracts and interest rate contracts to hedge its risks associated with commodity price, foreign currency and interest rate fluctuations.

Excessive movements in commodity prices, foreign currency exchange rates or interest rates could result in margin calls being made on the Group by the relevant futures exchange or calls for posting of additional cash or non-cash collateral being made on the Group by its other derivatives counterparties. Such margin calls in turn result in sudden cash flow requirements which the Group may not be able to meet. In 2020, for example, the increase in prices observed at the end of the year, particular in soy products, led to higher margin deposits.

In the event that the Group fails to meet any margin calls, the relevant futures exchange or other derivatives counterparty could terminate the outstanding derivatives position, which could result in losses being suffered by the Group.

The use of futures contracts or other derivative instruments may not fully hedge the risks of price fluctuations and the Group may not be able to effectively hedge the Group's risk of price fluctuations for some of the products the Group merchandizes

Liquid derivatives markets exist for the majority of the key commodities that the Group merchandizes, for example CME CBOT (Chicago), Euronext MATIF (Paris), ICE U.S. and ICE Europe (former LIFFE) and CME NYMEX (New York); and consequently for products such as cotton, sugar, coffee, grains, oilseeds, juice, and rice, the Group uses derivative instruments to hedge the risks of adverse price

fluctuations. Additionally, the Group's operations in developing markets require it to participate in futures exchanges in these markets such as the Dalian Commodity Exchange ("**DCE**"), the Shanghai Futures Exchange and the Zhengzhou Commodity Exchange ("**ZCE**").

However, the use of such derivative instruments as a means of hedging its exposures may not be fully effective under certain circumstances such as:

- where the prices of the physical products and the corresponding futures prices do not move in the same direction and/or by the same magnitude for periods of time which could be prolonged due, for instance, to speculative activity in the futures market – this was the case, for example at the end of 2023 where both raw and refined sugar futures prices collapsed, triggered by speculative funds closing their long positions. The trade disputes between the US and China in 2019 also made the hedging strategy less efficient owing to irrational volatility;
- where the product the Group merchandizes does not correspond exactly to the futures market in terms of grade, type, market and quantity; and/or
- where the Group's hedging arrangements have to be rolled forward due to the Group's remaining in physical possession of the products beyond the period contemplated by the initial hedging transaction, thereby exposing the Group to price differences between the contract periods.

If any of the above risks should materialize, the Group's business, results of operations and/or financial condition may be adversely affected.

Moreover, for some of the products which the Group merchandizes, there are no futures markets and, as such, there are no derivative instruments available for the Group to hedge the risks of adverse price fluctuations. Under such circumstances, the Group is partially or fully exposed to price risks until the Group has sold the products that the Group has purchased or has bought the products that the Group has contracted to sell. If the price of the products that the Group sells is lower than the price at which they were procured, the Group's profitability may be adversely affected.

A deterioration in its credit or other ratings could adversely affect the Group

The Group's borrowing costs and access to the debt capital markets, and consequently its liquidity, depend significantly on its public credit ratings. These ratings are assigned by rating agencies, which may reduce or withdraw their ratings or place the Group on "credit watch", which could have negative implications. A deterioration of the Group's credit ratings could increase its borrowing costs and limit its access to the capital markets, especially if the ratings were downgraded to below investment grade. The Group's counterparties, including customers, suppliers and financial institutions, are also sensitive to the risk of a ratings downgrade and may be less likely to engage in transactions with the Group, or may only engage at a substantially higher cost or on increased credit enhancement terms (for example, letters of credit, additional guarantees or other credit support) which carry increased costs. If such an event were to occur, it could have a material adverse effect on the Group's business, results of operations and/or financial condition.

Furthermore, the Group has obtained a sustainability rating from the "Sustainalytics" rating agency. This rating reflects the Group's current ESG performance as assessed by the rating agency. While the Group endeavors to maintain this rating through its ESG initiatives, there is no guarantee that the rating will remain unchanged. The sustainability rating may be subject to revision, suspension, or withdrawal at the discretion of the rating agency based on changes in the Group's operations, external factors affecting the agricultural commodities sector, or shifts in ESG criteria and standards. A downgrade or withdrawal of the sustainability rating may affect the market value of the Group's financial instruments, as certain investors, particularly those with specific ESG mandates, may be restricted from holding securities of, or may choose to divest from, companies lacking such a rating or with a lower rating. This could result in reduced liquidity in the secondary market or a decline in the market price of such financial

instruments, which in turn may restrict the Group's access to funding and have a material adverse effect on the Group's business, results of operations and/or financial condition.

Category 7: Counterparty and Credit risk

The Group may be adversely affected by the actions of the Group's counterparties

The counterparty risks that the Group may face include, amongst others, the following:

Performance risks
The Group faces the risk that the Group's contractual counterparties, such as customers, suppliers and service providers, fail to honour their contractual obligations to the Group. This may result in the Group not being able to net off the Group's positions and hence reduce the effectiveness of the Group's hedging arrangements.

Non-execution of contracts by counterparties may lead to the Group in turn not being able to honour its contractual obligations to third parties. This may subject the Group to, *inter alia*, legal claims and penalties.

As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

Credit risks
The Group's counterparties may default on credit which the Group grants them. Credit default may arise due to a weakness in the Group's internal credit exposure monitoring system or mechanism, improper judgement or incomplete information on the trading risks of the Group's counterparties. In the countries from which the Group procures its products, the Group may make advances to, amongst others, farmers, agents, co-operatives and other suppliers. These advances may not be recoverable in the event of volatile price movements, disruptions or a sudden end to the crop season. The Group may also make advances to established suppliers or sell on credit to established customers, where it is commercially advantageous to do so. In all these situations, counterparty default on advances will adversely affect the Group's financial performance. Where loans are secured with collateral, the Group may not be able to enforce the collateral or may not be able to recover the full value of the loan by liquidating the collateral. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

Risk relating to equity investments

As part of its vertical integration and partnership strategy, the Group holds other financial assets at fair value through profit and loss including equity investments in certain of its partners. For example, since April 2019 the Group has held shares in Leong Hup International. The Group also held shares in Luckin Coffee Inc from May 2019 to February 2021. Financial assets at fair value through profit and loss such as these equity investments are regularly marked to market. Consequently, the variation of the value of the shares between two closing periods could have a significant impact on the results of operations of the Group. For example, the Group's suffered significant losses in respect of its Luckin Coffee Inc investment in 2020. If the Group suffers losses on its other equity investments or further equity investments that it makes in the future, this could adversely affect the Group's business, results of operations and/or financial condition.

Category 8: Risks relating to the Group's strategy

The Group may face uncertainties associated with its development plans

Since its establishment in its current form in 2006, the Group has undertaken certain development initiatives through the acquisition of various companies and the establishment of joint ventures. The

Group plans to continue pursuing a measured expansion through investments in selected assets with a view to enhancing profitable growth. (See "Description of the Group and its Business – Strategy").

The Group's expansion initiatives involve numerous risks, including but not limited to, the financial costs of investment in machinery and equipment, construction of new facilities and working capital requirements. Moreover, mergers and acquisitions involve risks, including: unforeseen contingent risks or latent liabilities relating to these businesses that may only become apparent after the merger or acquisition is finalized; potential difficulties in the integration of the operations and systems; potential difficulties in the retention of select personnel; potential difficulties in the co-ordination of sales and marketing efforts; and diversion of the Group's management's attention from other ongoing business concerns.

The success of the Group's acquisition and investment strategy depends on a number of factors, including:

- the Group's ability to identify suitable opportunities for investment or acquisition;
- whether the Group is able to complete an acquisition or investment agreement on terms that are satisfactory;
- the extent to which the Group is able to exercise control over the acquired company or business;
- the economic, business or other strategic objectives and goals of the acquired company or business compared to those of the Group; and
- the Group's ability to successfully integrate the acquired company or business with the Group.

In addition, the initiatives undertaken may not result in increased revenues or cost-cutting or other synergies commensurate with the investment costs. If the Group is unable to do so or cannot manage its costs, its business and profitability will be adversely affected as the Group will not be able to recover the costs of its investment.

See also "Risk factors – Risks relating to the Guarantor (including the Group and its Business) – Category 10: Risks relating to the corporate structure of the Group – The Group holds a small number of its industrial/processing assets through non-controlling stakes or joint ventures and strategic partnerships arrangements and could enter into further arrangements in the future" and "Risks factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social, governance-related risks – The Group may not be able to deliver on its sustainability ambitions and commitments, which could lead to increased cost of financing and/or reputational damage".

Category 9: Risks related to the Group's processes

The Group is dependent on its internal systems, including its information technology systems, for the Group's operations

The Group's operations rely on its ability to process a substantial number of complex transactions involving different markets, countries and currencies. Consequently, the Group is dependent on the Group's risk management systems, operational systems, other data processing systems and the Group's financial accounting systems. Although most of the Group's information technology infrastructure is housed in secured data-centres (see "Description of the Group and its Business – Information Technology"), if any of these systems do not operate properly or are disabled, the Group may suffer disruption to the Group's business operations, financial loss, disclosure of confidential information and/or damage to the Group's reputation.

In particular, the Group's information technology systems some of which are dependent on services provided by third parties, provide critical data and services for internal and external users, including procurement and inventory management, transaction processing, financial, commercial and operational data, human resources management, legal and tax compliance information and other information and processes necessary to operate and manage the Group's business. The Group's information technology and infrastructure may experience attacks by hackers, breaches or other failures or disruptions that could compromise the Group's systems and the information stored there. While the Group has implemented security measures designed to protect the security and continuity of its networks and critical systems, these measures may not adequately prevent adverse events such as breaches or failures from occurring or mitigate their severity if they do occur. If the Group's information technology systems are breached, damaged, fail to function properly due to any number of causes, such as security breaches or cyberattacks, systems implementation difficulties, catastrophic events or power outages, and its security, contingency or disaster recovery plans do not effectively mitigate these occurrences on a timely basis, the Group may experience a material disruption in its ability to ensure privacy or guard personal information. This may adversely impact the Group's business, results of operations and financial condition, as well as its competitive position.

In addition, the Group's systems may not detect illegal, unauthorized or fraudulent activities by the Group's employees. As a diversified Group conducting complex transactions globally, the Group is exposed to the risk of fraud. The Group's operations are large in scale, which makes fraudulent transactions difficult to detect. While the Group has put in place internal policies, procedures and controls, such policies, procedures and controls may not adequately protect the Group's business, reputation, results of operations, financial condition and/or prospects. Moreover, the Group's present systems may also not be able to cope with the Group's growth and expansion. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

The Group's risk management policies and procedures may leave it exposed to unidentified or unanticipated risks

The Group's merchandizing activities are exposed to commodity price, foreign exchange, interest rate, counterparty (including credit), operational, regulatory and other risks. The Group has devoted significant resources to developing and implementing policies and procedures to manage these risks and expects to continue to do so in the future. Nonetheless, the Group's policies and procedures to identity, monitor and manage risks have not been fully effective in the past and may not be fully effective in the future.

Some of the Group's methods of monitoring and managing risk are based on historical market behaviour that may not be an accurate predictor of future market behaviour. Other risk management methods depend on evaluation of information relating to markets, suppliers, customers and other matters that are publicly available or otherwise accessible by the Group. This information may not in all cases be accurate, complete, up to date or properly evaluated. Management of operational, legal and regulatory risk requires, among other things, policies and procedures to properly record and verify a large number of transactions and events, and these policies and procedures may not be fully effective in doing so. The Group uses, among other techniques, Value at Risk, or "**VaR**", as a key risk measurement technique. VaR is only one of the risk metrics within a wider risk management system applied within the Group. VaR does not purport to represent actual gains or losses in fair value on earnings to be incurred by the Group, nor does the Group expect that VaR results are indicative of future market movements or representative of any actual impact on its future results. Failure to mitigate all risks associated with the Group's business could have a material adverse effect on the Group's business, results of operations and financial condition.

The Group is dependent on key personnel for the Group's operations and profitability

One of the key reasons for the Group's growth and success has been the Group's ability to retain a talented and motivated team of senior professional managers (See "Description of the Group and its Business – Competitive Strengths – Experienced Management Team and Stable Shareholder Structure"). Nevertheless, the Group is from time to time affected by departures of senior executives: in September 2018, for example, both the Group's CEO and CFO were replaced and there have been further changes of CEO and CFO since that time. The Group's continued success will depend on the Group's ability to retain key management staff and train new employees. If members of the Group's senior management team are unable or unwilling to continue in their present positions, the Group's business, results of operations and/or financial condition may be adversely affected (See "Risk management").

Moreover, the process of hiring employees with the required combination of skills and attributes may be time-consuming and competitive. The Group may not be able to attract additional qualified personnel for overseas postings in developing economies. This will further constrain the Group's growth in those places. As a result, the Group's business, results of operations and/or financial condition may be adversely affected.

If the demand among competitors for professional managers and skilled employees continues to increase, such increase in demand is likely to lead to increases in remuneration costs, and as a result, the Group's business, results of operations and/or financial condition may be adversely affected.

The maintenance of positive employee and union relations and the ability to attract and retain skilled workers and key employees is crucial to the successful operation of the Group

Some of the Group's employees are represented by labour unions under various collective labour agreements. The Group, its subsidiaries or the investments in which it holds an interest may not be able to satisfactorily renegotiate their collective labour agreements when they expire and may face tougher negotiations or higher wage demands than would be the case for non-unionized labour. In addition, existing labour agreements may not prevent a strike or work stoppage at its facilities in the future, and any strike or other work stoppage could have a material adverse effect on the Group's business, results of operations and financial condition. The Group has experienced strikes and other labour disputes in the past and the Group believes that strikes and other industrial actions not within the Group's control will remain a risk to the business for the foreseeable future.

The success of the Group's business is also dependent on its ability to attract and retain highly effective commercial and logistics personnel, as well as highly qualified and skilled engineers and other technical and project experts to operate its assets. The Group may not be able to attract and retain such qualified personnel, and this could have a material adverse effect on the Group's business, results of operations and financial condition. In addition, the loss of services of certain key employees, whether to go to a competitor, to start their own business, to retire or for other reasons, could have a material adverse effect on the Group's business, results of operations or financial condition.

Category 10: Risks relating to the corporate structure of the Group

The Guarantor is a holding company

The Guarantor's principal business is to act as the holding company of the Group and virtually all of the Guarantor's assets are shareholdings in its subsidiaries and associated companies. Investors will not have any direct claims on the cash flows or the assets of such subsidiaries and associated companies, and such entities have no obligation, contingent or otherwise, to pay amounts due under the Bonds or to make funds available to the Guarantor for these payments. In order to satisfy its payment obligations, the Guarantor will rely on dividends and other payments received from its subsidiaries and associated

companies. Both the timing and ability of certain subsidiaries and associated companies to pay dividends is limited by applicable laws as well as their financial performance and may be limited by conditions contained in certain of their agreements such as dividend restrictions and obligations to maintain debt/equity ratios (see "Description of the Group and its Business – Funding and Liquidity"). If dividends received from its subsidiaries and associated companies diminish or are restricted, this could have an adverse effect on the Guarantor's ability to service its payment obligations under the Bonds.

The Group holds a small number of its industrial/processing assets through non-controlling stakes or joint ventures and strategic partnerships arrangements and could enter into further arrangements in the future

A small number of its industrial assets investments are not under the Group's control (see "Description of the Group and its Business – Description of Assets"). Although the Group has various structures in place which seek to protect its position where it does not exercise control, the board of these companies may:

- have economic or business interests or goals that are inconsistent with or opposed to those of the Group;
- exercise veto rights or take shareholder decisions so as to block actions that the Group believes to be in its best interest and/or in the best interest of all shareholders;
- take action contrary to the Group's policies or objectives with respect to its investments or commercial arrangements; or
- as a result of financial or other difficulties, be unable or unwilling to fulfil their obligations under any joint venture or other agreement, such as contributing capital to expansion or maintenance projects.

Where projects and operations are controlled and managed by the Group's co-investors or where control is shared on an equal basis, the Group may provide expertise and advice, but has limited or restricted ability to mandate compliance with its policies and objectives. Improper management or ineffective policies, procedures or controls of a non-controlled entity could adversely affect the business, results of operations and financial condition of the relevant investment and, therefore, of the Group.

Risks relating to the Issuer

The Issuer is a financing company

The Issuer's principal business is to act as a financing company of the Group and it has no operating assets. In order to satisfy its payment obligations, the Issuer will rely on payments received from its parent company, LDC. Both the timing and ability of the parent company to execute payments is limited by applicable laws as well as its financial performance and may be limited by conditions contained in certain of its agreements such as dividend restrictions and obligations to maintain debt/equity ratios (see "Description of the Group and its Business – Funding and Liquidity"). If payments received from its parent company diminish or are restricted, this could have an adverse effect on the Issuer's ability to service its payment obligations under the Bonds and the Bondholders and Couponholders would need to rely on the guarantee given by the Guarantor.

Risks relating to the Bonds

Neither the Issuer nor the Guarantor is a listed company

Neither the Issuer nor the Guarantor is a listed company and accordingly neither is subject to the normal reporting requirements that apply to companies whose shares are listed on a regulated stock exchange.

The Issuer or the Guarantor may raise other funds which affect the price of the Bonds

The Issuer or the Guarantor may raise additional funds through the issue of other securities or other means. There is no restriction, contractual or otherwise, on the amount of securities or other liabilities which the Issuer or the Guarantor may issue or incur and which rank senior to, or *pari passu* with, the Bonds and/or the Guarantee. The issue of any such securities or the incurrence of any such other liabilities may reduce the amount (if any) recoverable by Holders on a winding-up of the Issuer or the Guarantor. The issue of any such securities or the incurrence of any such other liabilities might also have an adverse impact on the trading price of the Bonds and/or the ability of Bondholders to sell their Bonds.

No obligation of the Guarantor's other subsidiaries or associated companies to pay amounts under the Bonds

The Guarantor's principal business is to act as the holding company of the Group, and virtually all of the Guarantor's assets are shareholdings in its subsidiaries and associated companies. Investors will not have any direct claims on the cash flows or the assets of the other entities of the Group other than the Issuer, and such entities have no obligation, contingent or otherwise, to pay amounts due under the Bonds or to make funds available to the Issuer or Guarantor for these payments. As a result, Bondholders will rely solely on the Issuer and Guarantor's cash flows and assets to obtain payment under the Bonds and, should the Issuer or the Guarantor become insolvent, they may lose a substantial part of their investment in the Bonds.

Modification and waivers

The Conditions contain provisions for calling meetings of Holders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Holders including Holders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority. If a decision were adopted by a majority of Bondholders and such modifications were to impair or limit the rights of the Bondholders, this might have an impact on the market value of the Bonds and Bondholders might lose part of their investment.

Integral multiples of less than EUR100,000

The denominations of the Bonds are EUR100,000 and integral multiples of EUR1,000 in excess thereof. Therefore, it is possible that the Bonds may be traded in amounts in excess of EUR100,000 that are not integral multiples of EUR100,000. In such a case, a Bondholder who, as a result of trading such amounts, holds a principal amount of less than EUR100,000 will not receive a Definitive Bond in respect of such holding (should Definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to one or more denominations.

Change of control – Put option

In the event of a Change of Control of the Guarantor (as defined in Condition 5(c)) in conjunction with a rating downgrade, each Bondholder will have the right to request that the Issuer redeem or purchase (or procure purchase of) its Bonds at their principal amount, together with any accrued interest thereon (or, in the case of purchase, an amount equal to such accrued interest). In such case, any trading market in respect of those Bonds in respect of which such redemption right is not exercised may become illiquid. Investors may not be able to reinvest the moneys they receive upon such early redemption in securities with the same yield as the redeemed Bonds.

Early redemption options exercisable by the Issuer: Make-whole or Minimal Outstanding Amount

The Issuer has the option to redeem all or any of the outstanding Bonds at any time or from time to time up to but excluding the date falling three months prior to their Maturity Date under a make-whole call

option as provided in Condition 5(e). In the event that the Issuer chooses to redeem some only of the outstanding Bonds under the make-whole call option described above, any trading market in respect of those Bonds in respect of which such call option is not exercised may become illiquid.

The Issuer may redeem all but not some only of the Bonds at their principal amount, together with any accrued interest thereon in the circumstances described in the call option for Redemption in the Case of Minimal Outstanding Amount as provided in Condition 5(d). The option provided under Condition 5(d) may be expected to be exercised when prevailing interest rates are relatively low.

The Issuer may also redeem the Bonds at any time as from and including the date falling three months prior to but excluding the Maturity Date in whole (but not in part), at their principal amount together with interest accrued to, but excluding, the date fixed for redemption, as provided in Condition 5(f).

During a period when the Issuer may elect to redeem Bonds, such Bonds may feature a market value not above the price at which they can be redeemed.

Change of law

The terms and conditions of the Bonds are based on English law in effect as at the date of this Prospectus. Judicial decisions or changes as to English law or administrative practice after the date of this Prospectus may impact the Bonds.

Insolvency laws of the Netherlands may preclude Holders from recovering payments due on the Bonds or the Coupons

The Issuer and the Guarantor are incorporated under the laws of the Netherlands and have their statutory seat (*statutaire zetel*) in the Netherlands, and are likely to have (subject to proof to the contrary) their centre of main interests in the Netherlands (within the meaning of Regulation (EU) No 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**EU Insolvency Regulation**"). Consequently, the main insolvency proceedings in respect of the Issuer and/or the Guarantor would likely be initiated in the Netherlands while secondary proceedings could be initiated in one or more EU jurisdictions (with the exception of Denmark) in which the Issuer and/or the Guarantor has an establishment. Dutch insolvency laws may make it difficult or impossible to effect a restructuring which may limit the ability of the Holders to enforce their rights under the Bonds or the Coupons.

There are three primary insolvency regimes under Dutch law in relation to corporations. The first, suspension of payments (*surseance van betaling*), is intended to facilitate the reorganization of a debtor's debts and enable the debtor to continue as a going concern. The second, bankruptcy (*faillissement*), is primarily designed to liquidate the assets of a debtor and distribute the proceeds thereof to its creditors. The third is the Dutch Scheme, which allows a debtor to offer a composition outside of formal insolvency proceedings such as suspension of payments or bankruptcy. All insolvency regimes are set forth in the Dutch Bankruptcy Act (*Faillissementswet*). The consequences of both the suspension of payments and the bankruptcy regimes are roughly equal from the perspective of a creditor, with creditors being treated on a *pari passu* basis subject to exceptions. A general description of the principles of these insolvency regimes is set forth below.

Suspension of Payments and Bankruptcy

A request for a suspension of payments can only be filed by the debtor itself if it foresees that it will not be able to continue to pay its debts as they fall due in the future. Upon commencement of suspension of payments proceedings, the court will immediately (*dadelijk*) grant a provisional suspension of payments and will appoint an administrator (*bewindvoerder*). A definitive suspension will generally be granted in a creditors' meeting called for that purpose, unless a qualified minority (more than one-quarter in

amount of claims held by creditors represented at the creditors' meeting or one-third in number of creditors represented at such creditors' meeting) of the unsecured and non-preferential creditors (including subordinated creditors) withholds its consent or if there is no prospect that the debtor will in the future be able to pay its debts as they fall due (in which case the debtor will generally be declared bankrupt). During a suspension of payments, unsecured and non-preferential creditors (including subordinated creditors) will be precluded from attempting to recover their claims existing at the moment of the commencement of the suspension of payments from the assets of the debtor.

In a suspension of payments, a composition (*akkoord*) may be proposed by the debtor to its creditors. Such a composition will be binding on all unsecured and non-preferential creditors (including subordinated creditors), irrespective of whether they voted in favour or against it or whether they were represented at the creditor's meeting called for the purpose of voting on the composition, if (i) it is approved by a simple majority of the recognized and admitted creditors present or represented at the relevant meeting, representing at least 50 per cent. of the amount of the recognized and admitted claims and (ii) it is subsequently ratified (*gehomologeerd*) by the competent Dutch court. Consequently, Dutch insolvency laws could reduce the recovery of Holders in a Dutch suspension of payments applicable to the Issuer or the Guarantor.

Bankruptcy can be applied for either by the debtor itself or by a creditor if the debtor has ceased to pay its debts as they fall due. This is deemed to be the case if the debtor has at least two creditors (at least one of which has a claim that is due and payable). Simultaneously with the opening of the bankruptcy, a liquidator in bankruptcy will be appointed. Under Dutch bankruptcy proceedings, the assets of an insolvent debtor are generally liquidated, and the proceeds distributed to the debtor's creditors in accordance with the ranking and priority of their respective claims. The general principle of Dutch bankruptcy law is the so-called *paritas creditorum* (principle of equal treatment) which means that the net proceeds of the liquidation of the debtor's assets in bankruptcy proceedings shall be distributed to the unsecured and non- preferential creditors in proportion to the size of their claims and in priority to any subordinated creditors. Subordinated creditors will only receive payment if the net proceeds of the debtor's assets exceed the claims of the unsubordinated creditors. Certain creditors (such as secured creditors and preferential creditors) have special rights that may adversely affect the interests of Holders. For example, a Dutch bankruptcy in principle does not prohibit secured creditors from taking recourse against the encumbered assets of the bankrupt debtor to satisfy their claims. The proceeds resulting from the liquidation of the bankruptcy estate may not be sufficient to satisfy unsecured and non-preferential creditors under the guarantees granted by an insolvent guarantor after the secured and the preferential creditors have been satisfied.

Consequently, Dutch insolvency laws could reduce the potential recovery of a Holder in Dutch bankruptcy proceedings. As a general rule, to obtain payment on unsecured and non-preferential claims (including subordinated claims), such claims need to be submitted to the liquidator in bankruptcy in order to be recognized. The liquidator in bankruptcy determines whether a claim can be provisionally recognized for the purpose of the distribution of the proceeds, and at what value and ranking. The valuation of claims that do not by their terms become payable at the time of the commencement of the bankruptcy proceedings may be based on their net present value. Interest payments that fall due after the date of the bankruptcy will not be recognized. At a creditors' meeting (*verificatievergadering*) the liquidator in bankruptcy, the insolvent debtor and all relevant creditors may contest the provisional recognition of claims of other creditors. Creditors whose claims or part thereof are disputed in the creditors' meeting will be referred to separate court proceedings (*renvooiprocedure*). This procedure could result in Holders receiving a right to recover less than the principal amount of their Bonds or Coupons. In addition, in a Dutch bankruptcy in practice usually no or little funds remain available for the payment of unsecured and non-preferential creditors or subordinated creditors.

As in suspension of payments proceedings, in a bankruptcy, a composition (*akkoord*) may be offered to the unsecured and non-preferential creditors, including subordinated creditors. Such a composition will

be binding upon all unsecured and non-preferential creditors (including subordinated creditors), if (i) it is approved by a simple majority of unsecured non-preferential creditors (including subordinated creditors) with recognized and provisionally admitted claims representing at least 50 per cent. of the total amount of the recognized and provisionally admitted unsecured non preferential claims (including subordinated claims) and (ii) it is subsequently ratified (*gehomologeerd*) by the court.

Under Dutch law, as soon as a debtor is declared bankrupt, all pending enforcements of judgments against such debtor terminate by operation of law and all attachments on the debtor's assets lapse by operation of law. Litigation against a debtor which is pending on the date on which that debtor is declared bankrupt, and which concerns a claim against that debtor which must be satisfied from the proceeds of the liquidation in bankruptcy is automatically stayed. Under Dutch law, bankruptcy and suspension of payment generally take effect at 00.00 a.m. on the day of the judgment of the bankruptcy or the suspension of payments.

The Dutch Scheme

With the entry into force of the Act on Court Confirmation of Extrajudicial Restructuring Plans (*Wet homologatie onderhands akkoord*) (the "**WHOA**") on 1 January 2021, debtors now have the possibility to offer a composition outside of formal insolvency proceedings. The WHOA is inspired from the UK Scheme of Arrangements and the US Chapter 11 procedure and it offers debtors additional possibilities to restructure their debt. Unlike a composition in suspension of payments and in bankruptcy proceedings, a composition under the WHOA can be offered to secured creditors as well as shareholders. The WHOA provides, *inter alia*, for cross class cramdown, the restructuring of group company obligations through aligned proceedings, the termination of onerous contracts, the suspension of certain ipso facto clauses in contracts and supporting court measures. A WHOA composition may result in claims against the Issuer or the Guarantor being compromised if the relevant majority votes in favor of such a composition and it is subsequently confirmed by the Dutch courts. A composition plan under the WHOA can extend to claims against entities that are not incorporated under Dutch law and/or are residing outside the Netherlands. Accordingly, the WHOA can affect the rights of the Holders of Bonds and the Holders of the Coupons and therefore the Bonds and the Coupons.

Voting on a WHOA composition plan is done in classes. A class is deemed to accept the plan if two thirds of the total amount of the debt of that class or, in the case of a class of shareholders, two thirds of the share capital of that class, participating in the vote, votes in favor. The WHOA provides for the possibility for a composition plan to be binding on a dissenting class (i.e., cross class cramdown). Under the WHOA, the court will confirm a composition plan if at least one class of creditors (other than a class of shareholders) that can be expected to receive a distribution in case of a bankruptcy of the debtor approves the plan, unless there is a statutory ground for refusal. The court can, *inter alia*, refuse confirmation of a composition plan on the basis of (i) a request by a dissenting creditor, if the value of the distribution that such creditor receives under the plan is lower than the distribution it can be expected to receive in case of a bankruptcy of the debtor or (ii) a request of a dissenting creditor in a dissenting class, if the plan provides for a distribution of value that deviates from the statutory or contractual ranking and priority to the detriment of that class, unless there is a reasonable ground to do so.

Under the WHOA, the court may grant a stay on enforcement of a maximum of four months, with a possible extension of four months. For the duration of such moratorium, all enforcement action against the assets of (or in the possession of) the debtor is suspended unless with the court's approval, including action to enforce security over the assets of the debtor. Furthermore, any petitions for bankruptcy in respect of the debtor are suspended and the court may lift attachments on the debtor's assets at the request of the debtor or restructuring expert.

The WHOA could therefore have an adverse effect on the ability of Holders to recover payments due on the Bonds or the Coupons.

Limitations of Enforcement and Ultra Vires

If a Dutch company such as the Issuer or the Guarantor enters into a transaction, including the granting of a guarantee, and (i) that transaction is not in the company's corporate interest, and (ii) the other party to the transaction knew or should have known without independent, investigation that transaction may be nullified by the relevant Dutch company, its bankruptcy receiver (*curator*) in bankruptcy (*faillissement*) and its administrator (*bewindvoerder*) in suspension of payments (*surseance van betaling*) or otherwise and, as a consequence, not be valid, binding and enforceable against it. In determining whether the granting of a guarantee is in the interest of a Dutch company, Dutch courts would not only consider the text of the objects clause in the articles of association (*statuten*) of the company but all relevant circumstances, including (i) whether the company irrespective of the wording of the objects clause derives certain commercial benefits from the transaction in respect of which the guarantee was granted and (ii) the balance between the risk that the company is assuming and the benefit it derives from such transaction. In addition, if it is determined that there are no, or insufficient, commercial benefits from the transactions for the company that grants the guarantee, then such company (and any bankruptcy receiver) may challenge the enforcement of the guarantee and it is possible that such challenge would be successful. Such benefit may, according to Dutch case law, consist of an indirect benefit derived by the company as a consequence of the interdependence of such company with the group of companies to which it belongs. In addition, it is relevant whether, as a consequence of the granting of the guarantee, the continuity of such company would foreseeably be endangered by the granting of such guarantee. It remains possible that even if such strong financial and commercial interdependence exists, the transaction may be declared void if it appears that the granting of the guarantee cannot serve the realization of the relevant company's objects or where it is determined that there is a material imbalance to the disadvantage of the company between the commercial benefit on the one hand and the risks on the other hand. The above ultra vires concept also applies with respect to any other legal act entered into by a Dutch company.

In addition, a guarantee issued by a Dutch company may be suspended (*schorsen*) by the Enterprise Chamber of the Court of Appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) on the motion of the holder or holders of 10% or more of the shares in such company, as well as on the motion of a trade union and of other entities entitled thereto in the articles of association of the relevant Dutch company. Likewise, the guarantee itself may be upheld by the Enterprise Chamber, yet actual payment under it may be suspended or avoided.

According to Dutch case law, a director (*bestuurder*) of a company acts wrongfully against a creditor of the company if he has entered into commitments on behalf of that company, while he knew or reasonably ought to understand that the company would not, or not within a reasonable period of time, be able to meet its obligations and would not provide sufficient opportunity for recourse for the detriment that the creditor would suffer on the basis thereof. The foregoing is subject to any circumstances raised by the director on the basis of which the conclusion is justified that he personally cannot be blamed sufficiently (*voldoende ernstig verwijt*) for the detriment suffered.

Fraudulent Conveyance

To the extent that Dutch law applies, a legal act performed by a person, including a guarantee granted by a legal entity, may under certain circumstances be nullified by any of its creditors if (i) the issuance of the notes, any other transaction or legal act entered into by the Issuer or the granting of a guarantee was conducted without prior existing legal obligation to do so (*onverplicht*), (ii) the creditor(s) concerned was/were prejudiced as a consequence of such transactions or legal act and (iii) at the time of the issuance of the notes, any other transaction or legal act entered into by the Issuer or the granting of a guarantee the Issuer or the Guarantor and, unless the transactions were conducted for no consideration (*om niet*), the counterparty knew or should have known that one or more of the entities' creditors (existing or future) would be prejudiced (*actio pauliana*). Also to the extent that Dutch insolvency law applies, a transaction or guarantee may be nullified by the bankruptcy receiver (*curator*) on behalf of and for the benefit of all creditors of the insolvent debtor, and in such case the beneficiary

of the transaction or guarantee is presumed (subject to evidence to the contrary) to have known that creditors of the debtor would be prejudiced if the bankruptcy follows within a year of the transaction and for no consideration. This is applicable for certain transactions only, the most important application being in cases where the obligations of the bankrupt entity materially exceed those of the other party, the satisfaction of existing obligations of the bankrupt which are not yet due, and acts between the bankrupt and its counterparty when the shares in both are held (indirectly) by the same shareholder or if the bankrupt and its counterparty are part of the same group of companies. The foregoing requirements for invoking fraudulent transfer outside of a bankruptcy apply *mutatis mutandis* when invoking fraudulent transfer provisions during a bankruptcy. In addition, the bankruptcy receiver may challenge a transaction, including the granting of a guarantee, if it was conducted on the basis of a prior existing legal obligation to do so (*verplichte rechtshandeling*), if (i) the transaction was conducted at a time that the counterparty knew that a request for bankruptcy had been filed or (ii) if such transaction was conducted as a result of deliberation between the debtor and the counterparty with a view to give preference to the counterparty over the debtor's other creditors. Consequently, the validity of any such transactions conducted by a Dutch legal entity may be challenged and it is possible that such challenge would be successful. If a Dutch court found that the granting of the Guarantee or any other transaction entered into by the Issuer or the Guarantor at any time in connection with the Bonds involved a fraudulent transfer as set out above, then the granting of the Guarantee or any other transaction entered into by the Issuer or the Guarantor could be nullified. In the case of successful challenge, holders of the Bonds would not enjoy the benefit of the Guarantee.

Market value of the Bonds

The long-term credit of the Group and the Bonds are rated BBB+ by S&P. An obligation rated 'BBB+' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. Any negative change in such credit rating of the Group and/or the Bonds could negatively affect the trading price for the Bonds and hence investors may lose part of their investment. The rating assigned by a rating agency to the Group and/or the Bonds may not reflect the potential impact of all risks related to the Group and/or the Bonds, as the case may be. Therefore, the market value of the Bonds may be affected by the Issuer's creditworthiness and/or that of the Group and other additional factors, including prevailing interest rates.

Furthermore, the value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in the jurisdictions in which the Group operates, and factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Holder of Bonds will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser. If the Issuer's, the Guarantor's or the Group's credit quality deteriorates, the value of the Bonds may also fall and Bondholders selling their Bonds prior to the Maturity Date may receive significantly less than the total amount of capital invested.

The secondary market generally

There is currently no existing market for the Bonds. The Bonds may have no established trading market when issued, and one may never develop. If a market does develop, it may not be maintained or be liquid. Therefore, Bondholders may not be able to sell their Bonds easily or at prices that provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. Although application has been made for the Bonds to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, such application may not be accepted. The Issuer is entitled, under certain circumstances, to buy the Bonds, which shall then be cancelled or caused to be cancelled, and to issue further Bonds. Such transactions may favourably or adversely affect

the price development of the Bonds. If additional and competing products are introduced in the markets, this may adversely affect the value of the Bonds.

Interest Rate Risk

Investment in instruments like the Bonds which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the market value of Bonds. In particular, a Bondholder that receives interest at a fixed rate is exposed to the risk that the market value of such Bond could fall as a result of changes in the market interest rate. While the nominal interest rate of the fixed rate Bonds is fixed during the term of such Bond, the current interest rate on the capital markets ("**market interest rate**") typically varies on a daily basis. As the market interest rate changes, the market value of the fixed rate Bonds would typically change in the opposite direction. If the market interest rate increases, the market value of the fixed rate Bonds would typically fall, until the yield of such Bonds is approximately equal to the market interest rate. If the market interest rate falls, the market value of the Bonds would typically increase, until the yield of such Bonds is approximately equal to the market interest rate. The degree to which the market interest rate may vary presents a significant risk to the market value of the Bonds if a Bondholder were to dispose of the Bonds.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency equivalent yield on the Bonds, (ii) the Investor's Currency equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, Bondholders whose financial activities are carried out or dependent principally in a currency other than Euro may receive less interest or principal than expected, or no interest or principal as measured in the Investor's Currency.

The Global Bonds are held by or on behalf of Clearstream, Luxembourg and Euroclear and investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Bonds will be represented by the Global Bonds except in certain limited circumstances described in the Permanent Global Bond. The Global Bonds will be deposited with a common safekeeper for Clearstream, Luxembourg and Euroclear. Except in certain limited circumstances described in the Permanent Global Bond, investors will not be entitled to receive Definitive Bonds. Clearstream, Luxembourg and Euroclear will maintain records of the beneficial interests in the Global Bonds. While the Bonds are represented by the Global Bonds, investors will be able to trade their beneficial interests only through Clearstream, Luxembourg and Euroclear.

The Issuer will discharge its payment obligations under the Bonds by making payments to or to the order of the common safekeeper for Clearstream, Luxembourg and Euroclear for distribution to their account holders. A Holder of a beneficial interest in a Global Bond must rely on the procedures of Clearstream, Luxembourg and Euroclear to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Bonds.

Holders of beneficial interests in the Global Bonds will not have a direct right to vote in respect of the Bonds. Instead, such Holders will be permitted to act only to the extent that they are enabled by

Clearstream, Luxembourg and Euroclear to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Bonds will not have a direct right under the Global Bonds to take enforcement action against the Issuer in the event of a default under the Bonds but will have to rely upon direct enforcement rights that they acquire in the Global Bonds which will are executed by the Issuer as deed polls.

Transaction costs

When Bonds are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the current price of the security. These incidental costs may significantly reduce or even exclude the profit potential of the Bonds. For instance, credit institutions as a rule charge their clients for own commissions which are either fixed minimum commissions or *pro rata* commissions depending on the order value. To the extent that additional – domestic or foreign – parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, Bondholders must take into account that they may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (e.g., third party costs).

In addition to such costs directly related to the purchase of securities (direct costs), Bondholders must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Bonds before investing in the Bonds.

Persons responsible for the information given in the Prospectus

To the best knowledge of the Issuer and the Guarantor, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The opinions and intentions expressed in this Prospectus with regard to the Issuer and the Guarantor are honestly held. The Issuer and the Guarantor accept responsibility for the information contained in this Prospectus.

Overview of the Bonds

This overview must be read as an introduction to this Prospectus and any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole. Words and expressions defined in the "Terms and Conditions of the Bonds" below or elsewhere in this Prospectus have the same meanings in this overview.

Issuer:	Louis Dreyfus Company Finance B.V.
Guarantor and Guarantee:	Louis Dreyfus Company B.V. The Guarantor has unconditionally and irrevocably guaranteed the due payment of all sums from time to time payable by the Issuer under the Bonds and Coupons.
Bonds:	EUR650,000,000 3.50 per cent. Guaranteed Bonds due 2031.
Fiscal Agent, Paying Agent and Calculation Agent:	BNP Paribas, Luxembourg Branch
Make-Whole Calculation Agent:	Aether Financial Services UK Limited
Issue Date:	22 October 2024.
Issue Price:	99.452 per cent.
Form of Bonds, Initial Delivery of Bonds and Clearing Systems:	The Bonds are issued in bearer form and will initially be represented by a Temporary Global Bond, without interest coupons, which will be deposited with a common safekeeper for Clearstream, Luxembourg and Euroclear on or around the Issue Date. The Temporary Global Bond will be exchangeable, in whole or in part, for interests in a Permanent Global Bond, without interest coupons, not earlier than 40 days after the Issue Date, upon certification as to non-U.S. beneficial ownership. The Permanent Global Bond will be exchangeable, in whole but not in part, for Definitive Bonds in bearer form with coupons attached in certain limited circumstances. The Temporary Global Bond and the Permanent Global Bond are to be issued in new global note form. See also "Overview of Provisions while in Global Form".
Denominations:	EUR100,000 and integral multiples of EUR1,000 in excess thereof, up to and including EUR199,000.
Status of the Bonds and the Guarantee:	The Bonds will constitute direct, unsecured and unsubordinated obligations of the Issuer.

The Guarantee constitutes an unsubordinated and unsecured obligation of the Guarantor.

Interest:

The Bonds bear interest from, and including, the Issue Date at the rate of 3.50 per cent. per annum.

Interest on the Bonds is payable annually in arrear on 22 October in each year with the first payment being made on 22 October 2025. See "Terms and Conditions of the Bonds – Interest".

Redemption:

The Bonds will mature on 22 October 2031.

Early Redemption for Taxation Reasons:

The Bonds may be redeemed in whole, but not in part, at the option of the Issuer upon the occurrence of a Withholding Tax Event at their principal amount together with interest accrued to the date fixed for redemption. See "Terms and Conditions of the Bonds – Redemption for withholding taxation reasons".

Redemption at the option of the Bondholders on the occurrence of a Change of Control Put Event:

On the occurrence of a Change of Control Put Event, each Bondholder will have the right to request the Issuer to redeem or purchase (or procure the purchase of) its Bonds at their principal amount together with interest accrued (or, in the case of purchase, an amount equal to accrued interest) to the date fixed for redemption or purchase. See "Terms and Conditions of the Bonds – Redemption and Purchase".

Make-whole Redemption:

The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem the Bonds, in whole or in part, at the Make-Whole Redemption Amount, at any time or from time to time up to but excluding the date falling three months prior to their Maturity Date. See "Terms and Conditions of the Bonds - Make-Whole Redemption by the Issuer".

Redemption in the case of Minimal Outstanding Amount:

The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem the Bonds in whole, but not in part, at their principal amount together with accrued interest thereon to the date set for redemption, if immediately before giving such notice, the aggregate principal amount of the Bonds outstanding is less than 25 per cent of the aggregate principal amount originally issued (including any further Bonds issued pursuant to Condition 12) (other than as a result of any Make-Whole Redemption by the Issuer). See "Terms and

Residual Maturity Call Option:	Conditions of the Bonds - Redemption in the case of Minimal Outstanding Amount". The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders redeem, at any time as from and including the date falling three months prior to but excluding the Maturity Date, the Bonds in whole, but not in part, at their principal amount together with interest accrued to, but excluding, the date fixed for redemption. See "Terms and Conditions of the Bonds - Residual Maturity Call Option".
Purchases:	The Issuer, the Guarantor and their respective Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price in accordance with applicable laws and regulations. All Bonds so purchased may be held and resold or be cancelled, in accordance with applicable laws and regulations. See "Terms and Conditions of the Bonds - Purchases".
Events of Default and Negative Pledge:	The Terms and Conditions of the Bonds contain certain events of default and a negative pledge. See "Terms and Conditions of the Bonds – Events of Default" and "Terms and Conditions of the Bonds – Negative Pledge".
Taxation:	All payments of principal and interest made by the Issuer in respect of the Bonds and by the Guarantor in respect of the Guarantee will be made free and clear of withholding taxes of the Relevant Taxing Jurisdiction, unless such withholding or reduction is required by applicable law. In that event, the Issuer or, as applicable, the Guarantor shall, subject to the exceptions as described in "Terms and Conditions of the Bonds – Taxation", pay certain additional amounts as described in "Terms and Conditions of the Bonds – Taxation".
Substitution:	The Issuer shall be entitled, subject to certain conditions, to substitute itself as obligor under the Bonds with another entity. See "Terms and Conditions of Bonds – Meetings of Bondholders, Modification, Waiver and Substitution".
Governing Law:	English law.
Rating:	The Bonds are expected to be rated BBB+ by S&P Global Ratings Europe Limited ("**S&P**"). The long-term credit of the Group is rated BBB+ by S&P. An obligation rated 'BBB+ exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. A credit rating is

	not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.
Listing and Admission to Trading:	Application has been made to the Luxembourg Stock Exchange for the Bonds to be admitted to the official list of the Luxembourg Stock Exchange and to be admitted to trading on the Luxembourg Stock Exchange's regulated market as at the Issue Date.
Selling Restrictions:	The United States, the United Kingdom, France, the European Economic Area, Singapore, Hong Kong, Canada and Switzerland. See "Subscription and Sale". The Issuer is Category 2 for the purposes of Regulation S under the U.S. Securities Act of 1933, as amended.
Risk Factors:	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Bonds. These include various risks relating to the Issuer, the Guarantor and the Group's business. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with the Bonds. These include the fact that the Bonds may not be a suitable investment for all investors and certain market risks. See "Risk Factors".
Use of Proceeds:	The net proceeds of the issue of the Bonds will be applied by the Issuer for general corporate purposes of the Group, investments in accordance with the Group's investment strategy and refinancing of existing indebtedness.
ISIN:	XS2923451194
Common Code:	292345119

Terms and Conditions of the Bonds

The following are the terms and conditions substantially in the form in which they will be endorsed on the Bonds:

The issue of the EUR650,000,000 3.50 per cent. Guaranteed Bonds due 2031 (the "**Bonds**") was authorized by the managing board (*bestuur*) of Louis Dreyfus Company Finance B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands with its registered address at Westblaak 92, 3012KM Rotterdam, The Netherlands (the "**Issuer**") in a resolution adopted on 8 October 2024. The deed of guarantee dated 22 October 2024 (as amended or supplemented from time to time, the "**Guarantee**") entered into by Louis Dreyfus Company B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated under the laws of the Netherlands with its registered address at Westblaak 92, 3012KM Rotterdam, The Netherlands (the "**Guarantor**") was authorized by the managing board (*bestuur*) of the Guarantor in a resolution adopted on 8 October 2024. An agency agreement dated 22 October 2024 (as amended or supplemented from time to time, the "**Agency Agreement**") has been entered into in relation to the Bonds between the Issuer, the Guarantor and BNP Paribas, Luxembourg Branch, as principal paying agent, fiscal agent and calculation agent. The fiscal agent, the paying agents and the calculation agent for the time being (including any successor agents appointed from time to time in connection with the Bonds) are referred to below respectively as the "**Fiscal Agent**", the "**Paying Agents**" (which expression shall include the Fiscal Agent) and the "**Calculation Agent**" and together, the "**Agents**". The Agency Agreement includes the form of the Bonds and the coupons relating to them (the "**Coupons**"). Copies of the Agency Agreement and the Guarantee are available for inspection during normal business hours at the specified offices of the Paying Agents (specified below in accordance with Condition 6(e)). The holders of the Bonds (the "**Bondholders**") and the holders of the Coupons (whether or not attached to the relevant Bonds) (the "**Couponholders**") are deemed to have notice of all the provisions of the Agency Agreement and the Guarantee applicable to them.

References to "**Holders**" shall include both Bondholders and Couponholders.

References below to "**Conditions**" are, unless the context requires otherwise, to the numbered paragraphs below.

1. Form, Denomination and Title

(a) **Form and denomination:** The Bonds are serially numbered and in bearer form in the denominations of EUR100,000 and integral multiples of EUR1,000 in excess thereof, up to and including EUR199,000, each with Coupons attached on issue. No definitive Bonds will be issued with a denomination above EUR199,000. Bonds of one denomination may not be exchanged for Bonds of any other denomination.

(b) **Title:** Title to the Bonds and Coupons passes by delivery. The Holders will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the Holder.

2. Guarantee and Status

(a) The Guarantor has in the Guarantee unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer under the Bonds and Coupons.

(b) The Bonds and Coupons constitute unsubordinated and, subject to Condition 3, unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and the Coupons

shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 3, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations. The Guarantee constitutes an unsubordinated and (subject to Condition 3) unsecured obligation of the Guarantor. The payment obligations of the Guarantor under the Guarantee shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 3, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

3. Negative Pledge

So long as any Bond or Coupon remains outstanding (as defined below), each of the Issuer and the Guarantor will not, and the Guarantor will ensure that none of its Material Subsidiaries will, create, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) ("**Security**") to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto according to the Bonds and the Coupons the same security as is created to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution of the Bondholders passed in accordance with the provisions for meetings of Bondholders set forth in Schedule 3 of the Agency Agreement.

In these Conditions:

(i) "**Consolidated Group**" means the Guarantor and its consolidated Subsidiaries from time to time;

(ii) "**Material Subsidiary**" means, at any time, a Subsidiary:

(a) whose revenues (excluding intra-Consolidated Group items) then account for at least 10 per cent. of the consolidated revenues of the Consolidated Group; or

(b) whose assets (excluding intra-Consolidated Group items) then account for at least 10 per cent. of the consolidated assets of the Consolidated Group.

For this purpose:

(a) the revenues or assets of a Subsidiary of the Guarantor will be determined from the contribution which it makes to the assets and revenues, as applicable, of the Consolidated Group based on the latest audited financial statements of the Consolidated Group;

(b) if a Subsidiary of the Guarantor becomes a member of the Consolidated Group after the date on which the latest audited financial statements of the Consolidated Group have been prepared, the revenues or assets of that Subsidiary will be determined from its latest financial statements;

(c) the revenues or assets of the Consolidated Group will be determined from its latest audited annual financial statements; and

(d) if a Material Subsidiary disposes of all or substantially all of its assets to another Subsidiary of the Guarantor, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent audited annual financial statements of those Subsidiaries and the Consolidated Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

(iii) "**outstanding**" means, in relation to the Bonds, all the Bonds issued except (a) those which have been redeemed in accordance with these Conditions, (b) those in respect of which the date for

redemption has occurred and the redemption moneys (including all interest accrued on such Bonds to the date for such redemption and any interest payable under the Conditions after such date) have been duly paid to the Fiscal Agent as provided in the Agency Agreement, and remain available for payment against presentation and surrender of Bonds and/or Coupons, as the case may be, (c) those in respect of which claims have become void, (d) those which have been purchased and cancelled as provided in these Conditions, (e) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds and (f) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued; provided that for the purposes of (1) ascertaining the right to attend and vote at any meeting of the Bondholders and (2) the determination of how many Bonds are outstanding for the purposes of the meetings of Bondholders (provisions of which are further described in Schedule 3 of the Agency Agreement) those Bonds which are beneficially held by, or are held on behalf of, the Issuer or the Guarantor or any of their respective Subsidiaries and not cancelled shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

(iv) “**Relevant Indebtedness**” means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be or capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market; and

(v) “**Subsidiary**” means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer or, as applicable, the Guarantor.

4. Interest

The Bonds bear interest from and including 22 October 2024 (the “**Issue Date**”) at the rate of 3.50 per cent. per annum, payable annually in arrear in equal instalments of EUR35.00 per Calculation Amount (as defined below) on 22 October in each year (each an “**Interest Payment Date**”), with the first Interest Payment Date to be on 22 October 2025. If any Interest Payment Date would otherwise fall on a date which is not a Business Day (as defined below), it shall be postponed to the next day which is a Business Day. Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Holder, and (b) the day seven days after the Fiscal Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant Holders under these Conditions).

In these Conditions, the period beginning on and including 22 October 2024 and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an “**Interest Period**”.

Interest in respect of any Bond shall be calculated per EUR1,000 in principal amount of the Bonds (the “**Calculation Amount**”). The amount of interest payable per Calculation Amount for any period save as provided above in relation to equal instalments for a complete Interest Period shall be equal to the product of the interest rate, the Calculation Amount and the day count fraction for the relevant period (such day count fraction being the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls

(including the first such day but excluding the last)). The resulting figure will be rounded to the nearest cent (half a cent being rounded upwards).

In this Condition and in Condition 11(c) "**Business Day**" means (i) a day on which commercial banks and foreign exchanges markets are open in Luxembourg, and (ii) a day on which the T2 System is operating.

"**T2 System**" means the Trans-European Automated Real-time Gross Settlement Express Transfer System.

5. Redemption and Purchase

(a) **Redemption Date:** To the extent they have not previously been redeemed or repurchased and cancelled, the Bonds will be redeemed at their principal amount plus accrued interest on the final Interest Payment Date falling on 22 October 2031 (the "**Maturity Date**").

(b) **Redemption for withholding taxation reasons**:The Issuer may redeem the Bonds in whole, but not in part, at any time on giving not less than 30 nor more than 60 calendar days' notice to the Holders in accordance with Condition 14 (*Notices*) and the Fiscal Agent (which notice shall be irrevocable), at their principal amount together with interest accrued to the date fixed for redemption, if the Issuer or the Guarantor has or will become obliged to pay (A) in respect of the Issuer, additional amounts as provided or referred to in Condition 7 (*Taxation*) in respect of the Bonds or the Coupons, and/or (B) in respect of the Guarantor, (i) additional amounts as provided or referred to in Condition 7 (*Taxation*) in respect of the Guarantee, or (ii) in respect of an Intercompany Loan, any additional amounts required to be paid by the Guarantor under the terms of such Intercompany Loan such that payments required to be made by the Guarantor to the Issuer are made free and clear of, and without withholding or deduction for or on account of, any taxes present or future, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of or within the Netherlands or any political sub-division thereof or any authority therein or thereof having power to tax (the "**Intercompany Loan Additional Amounts**"), in each case, as a result of any actual or proposed change in, or amendment to, the laws or regulations of the jurisdiction of the Issuer (in respect of payments under the Bonds or Coupons) or the Guarantor (in respect of payments under the Guarantee or the Intercompany Loan) (each such jurisdiction being a "**Relevant Taxing Jurisdiction**") (including a decision or ruling of any court or tribunal) or any political subdivision or any authority thereof or therein having power to tax, or any actual or proposed change in the official application or official interpretation of such laws or regulations (including any interpretation or pronouncement by any relevant tax authority), which change or amendment becomes effective on or after the Issue Date (a "**Withholding Tax Event**"), provided that (i) such Withholding Tax Event cannot be avoided by the Issuer or, as applicable, the Guarantor taking reasonable measures available to it and (ii) no such notice of redemption shall be given earlier than 90 calendar days prior to the earliest date on which the Issuer or, as applicable, the Guarantor, would be obliged to pay such additional amounts or Intercompany Loan Additional Amounts, as applicable, were a payment in respect of the Bonds, the Coupons, the Guarantee or the Intercompany Loan then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b), the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorized representatives of the Issuer or, as applicable, the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing (which may include legal advisers of the Issuer and/or the Guarantor who have advised in connection with the original issue of the Bonds) to the effect that the Issuer or, as applicable, the Guarantor has or will become obliged to pay such additional amounts or Intercompany Loan

Additional Amounts, as applicable, as a result of such change or amendment (a "**Withholding Tax Redemption Event**").

For the purposes of this Condition 5(b), "**Intercompany Loan**" means any loan or other funding arrangement between the Guarantor and the Issuer by which payments are made by the Guarantor directly or indirectly to the Issuer to enable it to make payments under the Bonds and the Coupons."

(c) **Redemption at the option of the Bondholder in the event of a Change of Control Put Event:**

If a Change of Control Put Event (as defined below) occurs, each Bondholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the relevant Change of Control Put Event Notice (as defined below), the Issuer has given notice to redeem the Bonds in accordance with Conditions 5(b), 5(d) and 5(e)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) the Bonds held by it on the Change of Control Put Date at their principal amount together with (or, where purchased, together with an amount equal to) interest (if any) accrued to but excluding the Change of Control Put Date.

Promptly upon a Change of Control Put Event having occurred, the Issuer shall give notice (a "**Change of Control Put Event Notice**") to the Bondholders in accordance with Condition 14 specifying the nature of the Change of Control Put Event and the circumstances giving rise to it, the procedure for exercising the Change of Control Put Option and the Change of Control Put Date.

In order to exercise the Change of Control Put Option, the Bondholder must deposit such Bond with the Principal Paying Agent at its specified office at any time during normal business hours of the Principal Paying Agent, accompanied by a duly signed and completed option exercise notice in the form (for the time being current) available from the specified office of the Principal Paying Agent (a "**Change of Control Put Notice**") within the period of 45 days after a Change of Control Put Event Notice is given (the "**Change of Control Put Period**"). No Bond so deposited and option so exercised may be revoked or withdrawn without the prior approval of the Issuer.

The Bonds should be delivered together with all Coupons relating to them maturing after the Change of Control Put Date, failing which the amount of any such missing unmatured Coupon will be deducted from the sum due for payment in the manner provided in Condition 6(d). The Principal Paying Agent will issue to the Bondholder concerned a non-transferable receipt in respect of all Bonds so delivered. Payment in respect of any Bond so delivered will be made, if the Holder duly specified a bank account in the Change of Control Put Notice to which payment is to be made, on the Change of Control Put Date, by transfer to that bank account and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the specified office the Principal Paying Agent. For the purposes of these Conditions, receipts issued pursuant thereto shall be treated as if they were Bonds.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Bonds on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

For the purposes of this Condition 5(c):

"**Affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

A "**Change of Control**" shall be deemed to have occurred each time that any Third Person or Third Persons acting in concert come(s) to own or acquire(s) directly or indirectly (i) more than 50 per cent. of the issued share capital of Louis Dreyfus Company B.V. or (ii) such number of shares in the capital of Louis Dreyfus Company B.V. carrying more than 50 per cent. of the voting rights exercisable at a general meeting of Louis Dreyfus Company B.V..

"**Change of Control Put Date**" is the seventh calendar day after the last day of the Change of Control Put Period.

A **"Change of Control Put Event"** means that a Change of Control has occurred and:

(i) on the date (the "**Relevant Announcement Date**") that is the earlier of (1) the date of the first public announcement that the Change of Control has occurred and (2) the date of the earliest Relevant Potential Change of Control Announcement (if any), the Bonds carry:

(A) an investment grade credit rating (i.e. BBB, or its respective equivalents, or better) (an "**Investment Grade Rating**"), from any Rating Agency and such rating is, within the Change of Control Period, either downgraded to a non-investment grade credit rating (i.e. BB+, or its respective equivalents, or worse) (a "**Non-Investment Grade Rating**") or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded or reinstated to an Investment Grade Rating by such Rating Agency; or

(B) a Non-Investment Grade Rating from any Rating Agency and such rating is, within the Change of Control Period, either downgraded by one or more rating categories or withdrawn and is not, within the Change of Control Period, subsequently (in the case of a downgrade) upgraded or reinstated to its earlier credit rating or better by such Rating Agency; or

(C) no credit rating and a Negative Rating Event also occurs within the Change of Control Period,

provided that

(i) if at the time of the occurrence of the Change of Control the Bonds carry a credit rating from more than one Rating Agency at least one of which is an Investment Grade Rating, then sub paragraph (A) will apply, with the effect that no Change of Control and Rating Event will be deemed to have occurred if, on the last day of the Change of Control Period, the Bonds carry a rating of at least BB+ from at least one Rating Agency; and

(ii) in making any decision to downgrade or withdraw a credit rating pursuant to paragraphs (A) and (B) above or not to award a credit rating which is at least an Investment Grade Rating as described in paragraph (ii) of the definition of Negative Rating Event, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

"**Change of Control Period**" means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control;

A "**Negative Rating Event**" shall be deemed to have occurred if at such time as there is no rating assigned to the Bonds by a Rating Agency (i) the Issuer does not, either prior to, or not later than 21 days after, the occurrence of the Change of Control seek, and thereafter

throughout the Change of Control Period use all reasonable endeavours to obtain, a rating of the Bonds, or any other unsecured and unsubordinated debt of the Issuer or the Guarantor or (ii) if the Issuer does so seek and use such endeavours, the Issuer is unable to obtain such a rating which is at least an Investment Grade Rating by the end of the Change of Control Period.

"**Permitted Holding Company**" means each and any company or other legal entity which is directly or indirectly controlled or co-controlled by a Relevant Person, whether through ownership of voting capital, by contract or otherwise.

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

"**Rating Agency**" means (i) S&P Global Ratings Europe Limited ("**S&P**") or (ii) any of its successors or (iii) any rating agency substituted for it by the Issuer or (iv) any further rating agency appointed at the Issuer's initiative from time to time.

"**Related Persons**" with respect to a Relevant Person means:

(i) in the case of any individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or

(ii) any trust, corporation, partnership or other Person for which one or more of the Relevant Persons and other Related Persons, directly or indirectly constitute the whole or entire stockholders, beneficiaries, partners or owners thereof, or persons beneficially holding in the aggregate the whole or entire controlling interest therein; or

(iii) any investment fund or vehicle managed, sponsored or advised by such Relevant Person on its behalf or any successor thereto; or

(iv) an Affiliate of the Relevant Person.

"**Relevant Person**" means (i) any Person who, as at 22 October 2024, controls Louis Dreyfus Company B.V. and/or (ii) Apuleaf II, being a company incorporated in the Abu Dhabi Global Market (registered no. 000004842) whose registered office is at 3408, 34, Al Maqam Tower, Abu Dhabi Global Market, Al Maryah Island, Abu Dhabi, United Arab Emirates and which is indirectly wholly owned by Abu Dhabi Developmental Holding Company PJSC ("**ADQ**").

"**Relevant Potential Change of Control Announcement**" means any formal public announcement or statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 120 days following the date of such announcement or statement, such Change of Control occurs.

"**Third Person**" means any Person who fulfils all of the following criteria:

(i) is not as at 22 October 2024 a direct or indirect holder of shares of Louis Dreyfus Company B.V;

(ii) is not a Relevant Person or a Related Person of a Relevant Person; and

(iii) is not a Permitted Holding Company.

(d) **Redemption in the case of Minimal Outstanding Amount**: The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem all, but not some only, of the Bonds at their principal amount together with accrued interest thereon to the date set for redemption, if immediately before giving such notice, the aggregate principal amount of the Bonds outstanding is less than 25 per cent. of the aggregate principal amount originally issued (which shall, for the avoidance of doubt, include any further Bonds issued pursuant to Condition 12) (other than as a result of any redemption at the option of the Issuer pursuant to Condition 5(e)).

(e) **Make-Whole Redemption by the Issuer**:

(i) The Issuer may on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem the Bonds, in whole or in part, at any time or from time to time, up to but excluding the date falling three months prior to their Maturity Date (a "**Make-Whole Redemption Date**"). Any such redemption of Bonds shall be made on the Make-Whole Redemption Date at their Make-Whole Redemption Amount (as defined below) calculated by the Make-Whole Calculation Agent.

(ii) For the purposes of this Condition 5(e):

"**Make-Whole Calculation Agent**" means:

Aether Financial Services UK Limited
23, Copenhagen Street, N1 0JB London
United Kingdom

"**Make-Whole Redemption Amount**" means, in respect of any Bond subject to redemption pursuant to Condition 5(e), an amount in euro determined by the Make-Whole Calculation Agent, equal to the sum of:

(i) the greater of (x) 100 per cent. of the principal amount of such Bond and (y) the sum of the then present values of the remaining scheduled payments of principal and interest on such Bond (excluding any interest accrued on such Bond to, but excluding, the relevant Make-Whole Redemption Date) with the last scheduled interest payment date and date of principal repayment advanced to the date falling three months prior to the Maturity Date (the interest at such date being determined as per Condition 4 (*Interest*)) discounted to such Make-Whole Redemption Date on the basis of the day count fraction defined in Condition 4 (*Interest*) at the Make-Whole Redemption Rate plus the Make-Whole Redemption Margin;

(ii) any interest accrued on such Bond to, but excluding, such Make-Whole Redemption Date.

"**Make-Whole Redemption Margin**" means 0.25 per cent.

"**Make-Whole Redemption Rate**" means, in respect of any redemption of Bonds on any Make-Whole Redemption Date pursuant to this Condition 5(e), the average, calculated by the Make-Whole Calculation Agent, of the four quotations obtained by the Make-Whole Calculation Agent from the Reference Banks of the mid-market annual yield to maturity of the Reference Security on the fourth business day in Luxembourg preceding the relevant Make-Whole Redemption Date at 11:00 a.m. (Central European time (CET)). If the Reference Security is no longer outstanding, a Similar Security will be chosen by the Make-Whole Calculation Agent in its reasonable judgment, at 11:00 a.m. (Central European time (CET)) on the fourth business day in Luxembourg preceding the relevant Make-Whole

Redemption Date, quoted in writing by the Make-Whole Calculation Agent to the Issuer. The Make-Whole Redemption Rate will be notified to the Bondholders by the Issuer in accordance with Condition 14.

"**Reference Security**" means the German federal government bond bearing interest at a rate of 0.00 per cent. per annum and maturing on 15 August 2031 (ISIN DE0001102564).

"**Reference Bank**" means each of the four banks that may have been selected by the Make-Whole Calculation Agent (excluding the Make-Whole Calculation Agent and any of its affiliates) which are primary government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

"**Similar Security**" means a reference bond or reference bonds issued by the German federal government having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be used, at the time of financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

(f) **Residual Maturity Call Option:** The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 14 to the Bondholders, redeem, at any time as from and including the date falling three months prior to but excluding the Maturity Date, the Bonds, in whole (but not in part), at their principal amount together with interest accrued to, but excluding, the date fixed for redemption.

(g) **Notice of redemption and drawings:** All Bonds in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition. In the case of a partial redemption of Bonds, the Bonds to be redeemed will be drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange or other relevant authority requirements. In such case, the notice shall also contain the serial numbers of the Bonds to be redeemed.

(h) **Purchase**: The Issuer or the Guarantor and their respective Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price (provided that all unmatured Coupons relating thereto are attached thereto or surrendered therewith). The Bonds so purchased may be resold but, while held by or on behalf of the Issuer or the Guarantor or any such Subsidiary, shall not entitle the Holder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Condition 11(a).

(i) **Cancellation**: All Bonds so redeemed or purchased in accordance with this Condition 5 and any unmatured Coupons attached to or surrendered with them, other than any Bonds or Coupons purchased in the ordinary course of a business of dealing in Bonds, will be cancelled and may not be re-issued or resold. The obligations of the Issuer and the Guarantor in respect of any such Bonds shall be discharged.

6. Payments

(a) **Method of Payment**: Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Bonds or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent. Payments of interest due in respect of any Bond other than on presentation and surrender or endorsement of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Bond.

(b) **Payments subject to laws**: All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of Condition 7. No commissions or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

(c) **Surrender of unmatured Coupons**: Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 7) for the relevant payment of principal.

(d) **Payments on business days**: A Bond or Coupon may only be presented for payment on a day which is a business day in the place of presentation. No further interest or other payment will be made as a consequence of the day on which the relevant Bond or Coupon may be presented for payment under this Condition 6 falling after the due date. In this Condition "**business day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

(e) **Agents**: The initial Paying Agents and their initial specified offices are listed below. The Issuer reserves the right at any time to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, or vary or terminate the appointment of the Fiscal Agent or the Calculation Agent provided that it will maintain a Fiscal Agent and a Calculation Agent having a specified office in a European city. Notice of any change in the Paying Agents or their specified offices will promptly be given to the Bondholders.

Fiscal Agent, Principal Paying Agent and Calculation Agent

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

7. Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds and the Coupons and the Guarantor in respect of the Guarantee shall be made free and clear of, and without withholding or deduction for or on account of, any taxes present or future, duties, assessments or governmental charges of whatever nature, unless such withholding or deduction is required by law. In the event such taxes are imposed, levied, collected, withheld or assessed by or on behalf of or within the Relevant Taxing Jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer or, as applicable, the Guarantor shall pay such additional amounts as will result in receipt by the Holders after such withholding

or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond or Coupon presented for payment:

(a) **Other connection**: by or on behalf of a Holder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond or Coupon by reason of his having some connection with the Relevant Taxing Jurisdiction other than the mere holding of the Bond or Coupon;

(b) **Presentation more than 30 days after the Relevant Date**: more than 30 days after the Relevant Date except to the extent that the Holder of it would have been entitled to such additional amounts on presenting such Bond or Coupon for payment on the last day of such period of 30 days;

(c) **Avoidable deduction**: by or on behalf of a Holder if such withholding or deduction would have been avoided by such Holder complying with any statutory requirement or making a declaration of residence or non-residence or other similar claim from exemption to the relevant tax authority and such Holder fails to do so;

(d) **Beneficial owners**: by or on behalf of a Holder that is a partnership, or a Holder that is not the sole beneficial owner of the Bond or which holds the Bond in a fiduciary capacity, to the extent that any of the members of the partnership, the beneficial owner or the settler or beneficiary with respect to the fiduciary would not have been entitled to the payment of an additional amount had each of the members of the partnership, the beneficial owner, settler or beneficiary (as the case may be) received directly his beneficial or distributive share of the payment; or

(e) **Dutch Withholding Tax 2021**: where such deduction or withholding is imposed under the Dutch Withholding Tax 2021 (*Wet bronbelasting 2021*).

In addition, no additional amounts will be paid by the Issuer, the Guarantor or any Paying Agent or any other person on account of any deduction or withholding from a payment on, or in respect of, the Bonds or the Guarantee where such withholding or deduction is required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations thereunder, any official interpretations thereof, any governmental agreement with respect thereto or any law implementing, or relating to, an intergovernmental agreement ("**FATCA**").

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Holders. Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition.

8. Events of Default

If any of the following events occurs and is continuing:

(a) **Non-Payment**: the Issuer fails to pay the principal of or any interest on any of the Bonds when due and such failure continues for a period of 15 days in the case of principal or interest; or

(b) **Breach of Other Obligations**: the Issuer or the Guarantor does not perform or comply with any one or more of its other obligations in the Bonds or the Guarantee (as applicable) which default is not remedied within 30 days after notice of such default shall have been given to the Fiscal Agent at its specified office by any Bondholder; or

(c) **Cross-Default**: (i) any other present or future indebtedness of the Issuer or the Guarantor or any of the Guarantor's Material Subsidiaries for moneys borrowed becomes due and payable prior to its stated maturity as a result of any event of default (howsoever described) or (ii) any such indebtedness is otherwise not paid when due following the expiry of any applicable grace period, or (iii) the Issuer or the Guarantor or any of the Guarantor's Material Subsidiaries fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed after the expiration of any applicable grace period, unless (in the case of (i) only, and only in relation to an event of default referred to in (i) which is not a payment default) the Issuer, the Guarantor or the relevant Material Subsidiary, as the case may be, is contesting in good faith and by appropriate proceedings that such indebtedness was due, and provided (in the case of (i), (ii) and (iii)) that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 8(c) have occurred equals or exceeds EUR50,000,000 or its equivalent (on the basis of the middle spot rate for the relevant currency against the Euro as quoted by any leading bank on the day on which this Condition 8(c) operates); or

(d) **Insolvency**: the Issuer or the Guarantor or any of the Guarantor's Material Subsidiaries is (or is deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of such debts or a moratorium is agreed or declared in respect of or affecting such debts; or

(e) **Winding-up**: an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or the Guarantor, or the Issuer or the Guarantor ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganization, merger or consolidation where all the obligations of the Issuer or, as applicable, the Guarantor under the Bonds are assumed by the resulting or remaining entity; or

(f) **Guarantee**: the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect;

then any Bond may, by notice in writing given to the Fiscal Agent at its specified office by the Holder, be declared immediately due and payable whereupon it shall become immediately due and payable at its principal amount together with accrued interest without further formality unless such event of default shall have been remedied prior to the receipt of such notice by the Fiscal Agent.

9. Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

10. Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Fiscal Agent or any Paying Agent subject to all applicable laws and stock

exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

11. Meetings of Bondholders, Modification, Waiver and Substitution

(a) **Meetings of Bondholders**: The Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Agency Agreement) of a modification of any of these Conditions. Such a meeting may be convened by Bondholders holding not less than 10 per cent. in principal amount of the Bonds for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution will be two or more persons holding or representing a clear majority in principal amount of the Bonds for the time being outstanding, or at any adjourned meeting two or more persons being or representing Bondholders whatever the principal amount of the Bonds held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to modify the dates on which interest is payable in respect of the Bonds, (ii) to reduce or cancel the principal amount of, or interest on, or to vary the method of calculating the rate of interest on, the Bonds, (iii) to change the currency of payment of the Bonds or the Coupons, or (iv) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution, in which case the necessary quorum will be two or more persons holding or representing not less than 75 per cent., or at any adjourned meeting not less than 25 per cent., in principal amount of the Bonds for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Bondholders (whether or not they were present at the meeting at which such resolution was passed) and on all Couponholders.

The Agency Agreement provides that a resolution in writing signed by or on behalf of the Holders of not less than 75 per cent. in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

(b) **Modification of Agency Agreement**: The Issuer shall only permit any modification of, or any waiver or authorization of any breach or proposed breach of or any failure to comply with, the Agency Agreement, if to do so could not reasonably be expected to be prejudicial to the interests of the Bondholders and/or the Couponholders.

(c) **Substitution**: The Issuer, or any previous substituted company, may at any time, without the consent of the Holders, substitute for itself as principal debtor under the Bonds and the Coupons, any Subsidiary or Affiliate of the Issuer (the "**Substitute**"), provided that no payment in respect of the Bonds or the Coupons is at the relevant time overdue or in default. The substitution shall be made by a deed poll (the "**Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement, and may take place only if: (i) the Substitute shall, by means of the Deed Poll, agree to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge which is or may be imposed on, incurred by or levied on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Bond or Coupon and which would not have been so imposed had the substitution not been made, as well as against any tax, duty, assessment or governmental charge, and any liability, charge, cost or expense, in connection with the substitution; (ii) all actions,

conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents or approvals) to ensure that the Deed Poll, the Bonds and Coupons represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the Deed Poll, of Louis Dreyfus Company B.V. have been taken, fulfilled and done and are in full force and effect; (iii) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it; (iv) unless the Substitute is Louis Dreyfus Company B.V., the obligations of the Substitute (including any previous Substituted Company) under the Bonds and the Coupons shall be unconditionally and irrevocably guaranteed by Louis Dreyfus Company B.V. by means of the Deed Poll; (v) legal opinions, dated not more than five Business Days (as defined in Condition 4) prior to the date of substitution, addressed to the Holders shall have been delivered to them (care of the Fiscal Agent) from independent legal advisers of recognized standing (which may include legal advisers of the Issuer and/or who have advised in connection with the original issue of the Bonds) in each jurisdiction referred to in (i) above, the jurisdiction of the Issuer (if different) and in England as to the fulfilment of the preceding conditions of this Condition 11 and the other matters specified in the Deed Poll; and (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Bondholders in accordance with Condition 14, stating that copies, and pending execution the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Bondholders, will be available for inspection at the specified office of each of the Paying Agents. The Issuer will notify Bondholders as soon as reasonably practicable following a substitution in accordance with Condition 14 and such substitution shall become effective upon the publication of such notice.

In this Condition "**Affiliate**" means a person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

12. Further Issues

The Issuer may from time to time without the consent of the Holders create and issue further Bonds either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding Bonds. References in these Conditions to the Bonds include (unless the context requires otherwise) any other Bonds issued pursuant to this Condition and forming a single series with the Bonds.

13. Provision of Financial Information

For so long as any Bonds are outstanding the Guarantor will deliver to the Fiscal Agent within 105 days of the end of each financial year of the Guarantor, beginning with the financial year ending 31 December 2024, a copy in the English language of financial statements consisting of an audited consolidated balance sheet of the Guarantor as at the end of the most recent financial year and prior financial year and audited consolidated statements of income, comprehensive income, changes in equity and cash flow of the Guarantor for the most recent financial year with a comparison against the prior-year period, together with complete notes to such financial statements and a report of the independent auditors of the Guarantor on such financial statements; and procure that copies of the same are made available (A) on the website of the Luxembourg Stock Exchange's regulated market and (B) for inspection by Holders in accordance with the Agency Agreement at the specified office of each of the Paying Agents as soon as practicable thereafter. The financial statements referred to in this paragraph shall be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (or any other internationally recognized set of accounting standards deemed equivalent to IFRS by the

Committee of European Securities Regulators from time to time) and with a level of detail that is substantially comparable to that set out on pages F-35 *et seq.* of the Prospectus relating to the Bonds dated 18 October 2024 (the "**Prospectus**").

In addition, for so long as any Bonds are outstanding, the Guarantor will deliver to the Fiscal Agent within 105 days of the end of the first six months in each financial year of the Guarantor, beginning with the six months ended 30 June 2025, a copy in the English language of half-yearly financial statements consisting of an unaudited consolidated balance sheet as at the end of such six months and the immediately preceding financial year-end and unaudited statements of income, comprehensive income, changes in equity and cash flow for the six months ending on the date of the unaudited balance sheet, and the comparable prior year period for the Guarantor, together with condensed notes to such financial statements and a limited review or other report of the independent auditors of the Guarantor on such financial statements and procure that copies of the same are made available (A) on the website of the Luxembourg Stock Exchange's regulated market and (B) for inspection by Holders in accordance with the Agency Agreement at the specified office of each of the Paying Agents as soon as practicable thereafter. The interim condensed financial statements referred to in this paragraph shall be prepared in accordance with International Financial Reporting Standards as adopted by the European Union (or any other internationally recognized set of accounting standards deemed equivalent to IFRS by the Committee of European Securities Regulators from time to time) in accordance with a level at least equivalent to IAS34 "Interim Financial Reporting" and with a level of detail that is substantially comparable to that set out on pages F-3 *et seq.* of the Prospectus.

14. Notices

Notices to Bondholders will be valid if published in a leading newspaper having general circulation in London (which is expected to be the *Financial Times*) and (so long as the Bonds are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange (www.luxse.com) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, if such publication shall not be practicable, in an English language newspaper of general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made. Couponholders will be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition.

15. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

16. Governing Law

(a) **Governing Law**: The Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law.

(b) **Jurisdiction**: The courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds or the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Bonds or the Coupons (including a dispute relating to any non-contractual obligations arising out of or in connection with the Bonds or Coupons) ("**Proceedings**") may be brought in such courts. The Issuer and Guarantor irrevocably submit to the jurisdiction of such courts and waive any objection to Proceedings in any such courts whether on the ground of venue or on the

ground that the Proceedings have been brought in an inconvenient forum. This Condition is for the benefit of each of the Holders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) **Agent for Service of Process**: The Issuer and the Guarantor irrevocably appoint Mills & Co. Solicitors Limited of Portland House, 54 New Bridge Street West, Newcastle upon Tyne, NE1 8AP as their agent in England to receive service of process in any Proceedings in England based on any of the Bonds or the Coupons. If for any reason the Issuer or the Guarantor does not have such an agent in England, it will promptly appoint a substitute process agent and immediately notify the Holders of such appointment in accordance with Condition 14. Nothing herein shall affect the right of any Holder to serve process in any other manner permitted by law.

Overview of Provisions while in Global Form

The Bonds will initially be in the form of a Temporary Global Bond which will be deposited on or around the Issue Date with a common safekeeper for Clearstream, Luxembourg and Euroclear.

*The Bonds will be issued in new global note ("**NGN**") form. On 13 June 2006 the European Central Bank (the "**ECB**") announced that Bonds in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ESCB credit operations" of the central banking system for the euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Bonds in NGN form will be offered by Clearstream, Luxembourg and Euroclear as at 30 June 2006 and that debt securities in global bearer form issued through Clearstream, Luxembourg and Euroclear after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.*

The Bonds are intended to be held in a manner which would allow Eurosystem eligibility — that is, in a manner which would allow the Bonds to be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria.

The Agency Agreement, the Temporary Global Bond and the Permanent Global Bond contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the terms and conditions of the Bonds set out in this document. The following is an overview of certain of those provisions:

1. Exchange

The Bonds will initially be in the form of a Temporary Global Bond in substantially the form set out in Part 1 of Schedule 2 to the Agency Agreement, without interest coupons. The Temporary Global Bond is exchangeable, in whole or in part, for interests in a Permanent Global Bond in bearer form without interest coupons not earlier than the date which is 40 days after the Issue Date and only upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Bond. The Permanent Global Bond is exchangeable in whole but not, except as provided in the next paragraph, in part (free of charge to the Holder) for the Definitive Bonds described below (i) if the Permanent Global Bond is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so or (ii) any of the circumstances described in Condition 8 (Events of Default) occurs. Thereupon, the Holder may give notice to the Fiscal Agent of its intention to exchange the Permanent Global Bond for Definitive Bonds.

If principal or interest in respect of any Bonds is not paid when due and payable, the Holder of the Permanent Global Bond may, by notice to the Fiscal Agent (which may but need not be the default notice referred to in "– Default" below), require the exchange of a specified principal amount of the Permanent Global Bond (which may be equal to or (provided that, if the Permanent Global Bond is held by or on behalf of a clearing system, that clearing system agrees) less than the outstanding principal amount of Bonds represented thereby) for Definitive Bonds on or after the Exchange Date (as defined below) specified in such notice.

On or after the Exchange Date, the Holder of the Permanent Global Bond may surrender the Permanent Global Bond or, in the case of a partial exchange, present it for endorsement to or to the order of the Fiscal Agent. Whenever the Permanent Global Bond is to be exchanged for Definitive Bonds, the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Bonds (having attached to them all Coupons in respect of interest which has not already been paid on the Permanent Global Bond),

security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Agency Agreement. On exchange in full of the Permanent Global Bond, the Issuer will, if the Holder so requests, procure that it is cancelled and returned to the Holder together with any relevant Definitive Bonds.

"**Exchange Date**" means a day falling not less than 60 days or, in the case of exchange pursuant to (ii) above, 30 days, after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Fiscal Agent is located and, except in the case of exchange pursuant to (i) above, in the cities in which the relevant clearing system is located.

2. Payments

No payment will be made on the Temporary Global Bond unless exchange for an interest in the Permanent Global Bond is improperly withheld or refused. Payments of principal and interest in respect of Bonds represented by the Permanent Global Bond (or by the Permanent Global Bond and/or the Temporary Global Bond) will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bonds, surrender of the Permanent Global Bond (or by the Permanent Global Bond and/or the Temporary Global Bond) to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Bondholders for such purpose. The Issuer shall procure that the payment is entered *pro rata* in the records of Clearstream, Luxembourg and Euroclear. For the purpose of any payments made in respect of a Temporary Global Bond or Permanent Global Bond, the relevant place of presentation shall be disregarded in the definition of "**business day**" set out in Condition 6(d).

3. Notices

So long as the Bonds are represented by the Permanent Global Bond (or by the Permanent Global Bond and/or the Temporary Global Bond) and the Permanent Global Bond (or by the Permanent Global Bond and/or the Temporary Global Bond) is held on behalf of a clearing system, notices to Bondholders may be given by delivery of the relevant notice to Clearstream, Luxembourg and Euroclear for communication by them to the entitled accountholders in substitution for publication as required by the Conditions except that, so long as the Bonds are listed on the Luxembourg Stock Exchange's regulated market and the rules of that Exchange so require, notices shall also be published either on the website of the Luxembourg Stock Exchange (www.luxse.com) or in a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) .

4. Prescription

Claims against the Issuer in respect of principal and interest on the Bonds while the Bonds are represented by the Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 7).

5. Meetings

The Holder of the Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) shall (unless it represents only one Bond) be treated as being two persons for the purposes of any quorum requirements of a meeting of Bondholders and, at any such meeting, as having one vote in respect of each EUR1,000 in principal amount of Bonds.

6. Purchase and Cancellation

Cancellation of any Bond required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond).

7. Default

The Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) provides that the Holder may cause the Permanent Global Bond or a portion of it to become due and payable in the circumstances described in Condition 8 by stating in the notice to the Fiscal Agent the principal amount of Bonds which is being declared due and payable. If principal and interest in respect of any Bond is not paid when due and payable, the Holder of the Global Bond may elect that the Permanent Global Bond becomes void as to a specified portion and that the persons entitled to such portion, as accountholders with a clearing system, acquire direct enforcement rights against the Issuer under further provisions of the Permanent Global Bond executed by the Issuer as a deed poll.

8. Put Option

The Bondholders' put option in Condition 5(c) may be exercised by the Holder of the Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond), giving notice to the Fiscal Agent of the principal amount of Bonds in respect of which the option is exercised and presenting the Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) for endorsement of exercise within the time limits specified in Condition 5(c).

9. Issuer's Option

The Issuer's call options provided for in Conditions 5(b), 5(d) and 5(e) and 5(f) shall be exercised by the Issuer giving notice to the Bondholders within the time limits set out in and containing the information required by the relevant Conditions. The rights of accountholders will be governed by the standard procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

10. Electronic Consent and Written Resolution

While any Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) is held on behalf of a relevant clearing system, then:

(a) approval of a resolution proposed by the Issuer or the Guarantor given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the Holders of not less than 75 per cent. in nominal amount of the Bonds outstanding (an "**Electronic Consent**" as defined in the Agency Agreement) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which the special quorum was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held, and shall be binding on all Holders whether or not they participated in such Electronic Consent; and

(b) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Agency Agreement) has been validly passed, the Issuer and the Guarantor shall be entitled to rely on consent or instructions given in writing directly to them by accountholders in the clearing system with entitlements to such Permanent Global Bond (or the Permanent Global Bond and/or the Temporary Global Bond) or, where the

accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer and the Guarantor obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting of such amendment. Any resolution passed in such manner shall be binding on all Bondholders and Couponholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, "**commercially reasonable evidence**" includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Bonds. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's Creation Online system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Bonds is clearly identified together with the amount of such holding. Neither the Issuer nor the Guarantor shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

11. Outstanding Bonds

The definition of "outstanding" in Condition 3 shall not include the Temporary Global Bond to the extent that it shall have been exchanged for the Permanent Global Bond pursuant to its provisions and the Permanent Global Bond to the extent that it shall have been exchanged for Definitive Bonds pursuant to its provisions.

Description of the Issuer

Legal Status

Louis Dreyfus Company Finance B.V. ("**LDCF**") was incorporated in the Netherlands as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) on 19 July 2021 for an unlimited term. Its statutory seat (*statutaire zetel*) is in Rotterdam and it is registered with the trade register of the Dutch Chamber of Commerce under number 83450289 and operates under Dutch law. The legal entity identifier (LEI) of LDCF is 5493001HHX62PQCEEH95. Its legal and commercial name is Louis Dreyfus Company Finance B.V. Its registered office is at Westblaak 92, 3012 KM Rotterdam, the Netherlands and its telephone number is +31 10 206 2440. As at 30 June 2024, the share capital of LDCF amounted to US$100 consisting of 100 ordinary shares of US$1 nominal value each fully issued and paid up.

Activities

The Issuer's principal business is to act as a financial company of the Group.

Organizational structure and Management

As the date of this Prospectus, LDCF is part of the Group and is fully and directly owned by Louis Dreyfus Company B.V. The Issuer does not have any subsidiaries.

LDCF has 2 board members: Maurice Kreft and Benoit David-Bellouard. The business address of both board members is Westblaak 92, 3012, KM, Rotterdam, the Netherlands.

LDCF is not aware of any potential conflicts of interest between the duties to LDCF of the board members and their private interests or other duties.

Description of the Guarantor

Louis Dreyfus Company B.V. ("**LDC**" and, together with its consolidated subsidiaries including the Issuer, the "**Group**") was incorporated in the Netherlands as a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) on 28 December 2004 for an unlimited term with its statutory seat (*statutaire zetel*) in Rotterdam and is registered with the trade register of the Dutch Chamber of Commerce under number 24371219 and operates under Dutch law. The legal entity identifier (LEI) of LDC is 54930077YL0GMTEGZD16. Its principal business is to act as a holding company of the Group. Its legal and commercial name is Louis Dreyfus Company B.V. As a holding company, LDC centralizes and oversees the day-to-day global management of the Group. Its registered office is at Westblaak 92, 3012 KM Rotterdam, the Netherlands and its telephone number is +31 10 206 2440. As at 31 December 2023, the share capital of LDC amounted to US$1,587 million (at a historical conversion rate of EUR1.00 equalling US$1.587) consisting of 100,000,000 ordinary shares of Euro 0.01 nominal value each fully issued and paid up.

Activities

The Guarantor is the holding company of the Group. For further information about the Group, see "Description of the Group and its Business".

Organizational Structure and Management

Neither the shares of LDC nor those of any of its direct or indirect subsidiaries are listed on any stock exchange. For further information on LDC's management and shareholding structure, please refer to "Management and Shareholders of the Guarantor".

Description of the Group and its Business

Overview of the Group

The Group is a leading global integrated commodities group, with worldwide activities in the merchandizing of agricultural products and their production, sourcing, processing, storage and transport. The Group focuses predominantly on a single asset class – agricultural commodities – but does so in a highly diversified manner, covering all of the main categories within this single asset class including: grains, oilseeds, rice, cotton, coffee, sugar and fruit juices.

The Group's business model consists of a globally managed, diversified portfolio of merchandizing activities supported in key production and consumption centres by strategically located production, processing and logistics assets: in particular, the Group sources and produces a large range of agricultural commodities; processes and refines products and materials; stores and transports commodities for export or domestic consumption; and merchandizes, customizes and distributes to a wide range of industrial and commercial consumers, including in the food, textile and fuel processing industries. The Group takes advantage of its extensive and long-standing product sourcing capacities in the Americas, supported by its global logistics and processing network to supply its large distribution networks in the growing markets of Asia. The Group also provides financing, logistics and other services to producers and consumers within the commodities markets in which the Group operates.

The Group believes that it has global market leading positions in a number of areas in which it operates. It believes that it is:

- one of the world's largest merchandizers of raw cotton by volume;
- one of the world's leading rice merchandizers by volume;
- one of the world's leading orange juice processors by volume;
- one of the world's largest merchandizers of oilseeds and their by-products (vegetable oils, meals and biodiesel) by volume;
- among the world's leading merchandizers of wheat, barley and corn by volume;
- among the world's largest merchandizers of green coffee by volume; and
- among the world's leading sugar merchandizers by volume.

The Group conducts its operations in two business segments (each a "**Segment**"): Value Chain and Merchandizing. Each of the Group's business segments focuses on a range of distinct product lines (each a "**Platform**"), as follows:

- The Value Chain Segment includes the Grains and Oilseeds, Juice and newly created Food and Feed Solutions Platforms, supported by the Freight, the Global Markets and the Carbon Solutions Platforms; and
- The Merchandizing Segment includes the Cotton, Coffee, Rice and Sugar Platforms.

The division of Platforms between the two Segments is based on how vertically integrated the Platform is, with the Merchandizing Platforms being less processing-orientated than those of the Value Chain Segment.

Each platform is responsible for the integrated management, marketing, sourcing, hedging, logistics and fixed asset operations, as well as the global strategy, relating to the commodities or the activities which the platform covers.

Set out below are certain key consolidated financial data for the Group as at, 30 June 2024, and for the six-month periods ended, 30 June 2023 and 2024, and as at, and for the years ended, 31 December 2022 and 2023 (presented in US$ millions (after rounding)):

	For the year ended 31 December		For the six-month periods ended 30 June	
	2022	**2023**	**2023**	**2024**
Net sales…………………………………………………………	59,931	50,624	25,753	25,582
Operating result[1] ………………..	2,611	2,607	1,316	1,284
Net income attributable to owners of the company………..	1,006	1,013	568	489

	As at 31 December		As at 30 June
	2022	**2023**	**2024**
Fixed assets[2] and investments in associates and joint ventures …….	4,193	4,566	4,656
Equity attributable to owners of the Company ………………	6,096	6,630	6,505

Notes:

1. Operating result is gross margin plus share of profit (loss) in investments in associates and joint ventures, net.
2. Fixed Assets mean Property, Plant and Equipment and Intangible assets.

History

The Group traces its history back to 1851, when Léopold Louis-Dreyfus, the 18-year-old son of a farmer from Sierentz, in France's Alsace region, entered the grain business by buying wheat from local Alsatian farmers and selling it in the commercial centre of Basel in Switzerland. Over the next half-century, Louis Dreyfus expanded to become an international grain merchant (also trading in futures), with operations serving Europe, North and South America, South Africa and Asia.

During the first part of the twentieth century, Louis Dreyfus expanded its business in North and South America as an exporter of corn, wheat, barley, oats and oilseeds to worldwide customers. By the end of the Second World War, Louis Dreyfus had achieved a global footprint with offices in Europe, North and South America, South Africa, India, Indo-China, China, Australia and Russia.

In the 1970s and 1980s, Louis Dreyfus extended its agricultural activities to cotton, sugar, citrus and coffee.

In the 1990s, Louis Dreyfus focused on commodity sourcing activities to complement the existing merchandizing activities, buying processing operations in citrus and oilseeds. In the early years of the

present century, Louis Dreyfus further expanded with the purchase of sugar production operations in Brazil and entered into the metals business.

In 2006, Robert Louis-Dreyfus (the great-grandson of Léopold Louis-Dreyfus) took control of the family business. He restructured Louis Dreyfus' different activities into autonomous subsidiaries, resulting in the creation of the Group as it stands today. At the same time, Philippe Louis-Dreyfus (another great-grandson of Leopold Louis-Dreyfus) acquired 100 per cent. of Louis Dreyfus Armateurs, the ship-owning arm of the Louis-Dreyfus family business.

In recent years, the Group has consolidated and expanded its businesses in the commodities markets in which it currently operates, entered into new markets such as palm oil, fertilizer and apple juice concentrate and managed a successful expansion into new geographical areas such as China, Indonesia, Vietnam and certain countries in the Middle East and Africa. It has also expanded through numerous significant acquisitions and transactions, including the following:

2006: construction of the Timbues crushing plant in Argentina commences;

2007: acquisition of an oilseed crushing plant in China; creation of the start-up Calyx Agro, an agricultural land fund;

2008: acquisition of an edible-oil refinery in India; construction of a biodiesel line in the General Lagos crushing plant in Argentina;

2009: acquisition of a rapeseed crushing plant in Germany;

2010: acquisition of a deep-sea port in Lampung, Indonesia; signing of a long-term off-take contract to operate a grains and oilseeds terminal at the port of Santos (Brazil); and signing of an agreement with partners for the construction of a soybean crushing plant in Paraguay;

2011: acquisition of SCPA-Sivex International, a leading fertilizer, crop protection and chemical products manufacturer and distributor in West and Central Africa; and acquisition of *Macrofértil Industria e Comercio de Fertilizantes Ltda* in Brazil, a fertilizer manufacturer and distributor in several Brazilian states;

2012: acquisition of Imperial Sugar Company (a U.S. company formerly listed on NASDAQ); inaugural issuance by LDC B.V. of US$350 million, 8.25 per cent. hybrid capital securities listed on the Singapore Stock Exchange; construction of a second biodiesel line in General Lagos in Argentina; construction of the Bahia Blanca port in Argentina; reorganization of the Group leading to the up-streaming of the Group's 65.9 per cent. owned sugar cane production and processing subsidiary BIOSEV, from the Group to a newly formed intermediary holding, leading to BIOSEV becoming a sister company of LDC and ceasing to be a subsidiary of the Group.

2013: new joint ventures in cotton (Australia) and rice (South Africa); issuance of a EUR400 million and a EUR500 million Eurobond each listed on the Luxembourg Stock Exchange; inauguration of a grain and oilseeds export elevator at the Port of Greater Baton Rouge, Louisiana, United States.

2014: purchase of the shares of Ilomar Holdings N.V., a leading commodities supply chain company based in Belgium; acquisition of Kowalski Alimentos S.A., one of Brazil's largest corn milling operators; continuing development of the North American grains and oilseeds origination network with a number of investments in in-land logistics along the Mississippi River; exit from the Group's joint venture in Green Eagle Plantations Pte Ltd (an Indonesian palm plantation company).

2015: selected investments and capital expenditure with a focus on logistics assets. Highlights include the commissioning of several rail-to-barge and truck-to-barge facilities in the United States; the finalization of construction of elevators in Paraguay and Uruguay and the ongoing construction of a new

trans-shipment terminal at Miritituba in Para State, Brazil as part of the River Export Project in Para State[3].

2016: announcement of the change of name from Louis Dreyfus Commodities B.V. to Louis Dreyfus Company B.V.; continued focus on selected logistics and processing investments: completion of the West Memphis river terminal and truck-to-barge facility in Arkansas, United States; operations begin at a new biodiesel plant adjacent to an existing refinery located in Lampung, Indonesia; commissioning of a port terminal on the Don River in the Azov district, Russia.

2017: issuance of two senior unsecured bonds listed on the Luxembourg Stock Exchange, one in the amount of EUR400 million with a 5-year tenor and one in the amount of US$300 million with a 6-year tenor. On 12 September, LDC exercised its call option to redeem in whole its US$350 million hybrid securities. The Group sold its Africa-based fertilizers and inputs operations to Helios Investment Partners in November 2017. The Group also announced the sale of its fertilizers and inputs activities in Australia to Landmark Operations (the transaction was closed in April 2018) as well as its Metals operations to NCCL Natural Resources Investment Fund for US$466 million (transaction closed in May 2018).

2018: completion of acquisition of Sinarmas Natural Resources Foodstuff Technology (Tianjin) Co Ltd, which owns and operates oilseed crushing and refining facilities in Tianjin, China; the Rice Platform and Sugar Platform are transferred from the Value Chain Segment to Merchandizing Segment; LDC's Finance platform was renamed Global Markets, bringing Structured Trade Finance activities within its scope.

2019: the Group exited the Dairy business. Renewal of the US$750 million revolving credit facility (RCF) in North America, US$650m in Asia and US$800m in Switzerland, all including for the first time in the Group's history a sustainability-linked pricing mechanism. The Group merged its Grains and Oilseeds businesses into one Platform to develop synergies. The Group divested its 10 Western Canadian grain elevators to Parrish & Heimbecker Limited for US$173 million.

2020: Covantis, the industry initiative that aims to modernize global trade operations received all required regulatory approvals and was incorporated as a legal entity in Geneva, Switzerland, as Covantis S.A. The company is co-owned by its founding members: ADM (NYSE: ADM), Bunge (NYSE: BG), Cargill, COFCO, Louis Dreyfus Company and Viterra. Issuance of Eurobonds listed on the Luxembourg Stock Exchange in the amount of EUR600 million with a 5-year tenor (subsequently tapped in February 2021 for a further EUR50 million).

2021: issuance of a rated Eurobond listed on the Luxembourg Stock Exchange in the amount of EUR500 million with a 7-year tenor. On 10 September, LDC's shareholder, Louis Dreyfus Company Holdings B.V. ("**LDCH B.V.**") announced the successful completion of a strategic partnership agreement to sell an indirect 45 per cent. equity stake in Louis Dreyfus Company B.V. to ADQ, a large holding company based in Abu Dhabi. On 13 September, the Group announced the creation of a new Carbon Solutions Platform to lead its emissions reduction efforts. LDCF was substituted for and replaced LDC as issuer and principal obligor of LDC's outstanding Eurobonds with effect from 1 September 2021.

2022: acquisition of Emerald Grain Australia Pty. Ltd. a leading grain handling business in Australia. Completion of the sale of Imperial Sugar Company to U.S. Sugar.

2023: S&P raised LDC's long-term senior bonds rating to "BBB" (up from "BBB-") (an obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation). Creation of New Food & Feed Solutions Platform (or business line) within Value Chain

[3] The River Export Project in Para State is the creation of a new logistics route for grains and oilseeds in Brazil and involves investment in, *inter alia*, ports and silos.

Segment from January 2023, as part of the Group strategy to diversify through value-added products – in this case, by addressing favorable market trends toward healthy, nature-based products. Inauguration of ILD Coffee Vietnam, a joint venture freeze-dried instant coffee facility in Vietnam, with annual production capacity of 5,600 metric tons of freeze-dried instant coffee. The Group ceased grain exports from Russia as of 1 July 2023 and has been engaged in a sale process of its existing business and assets in Russia ("**Russian business**") on terms that satisfy the requirements of the Russian authorities. As of 31 December 2023, the Group performed a reassessment of control as defined by IFRS 10, and considering facts and circumstances, the Group concluded on a loss of control and deconsolidated its Russian business.

2024: S&P upgraded LDC's credit rating to "BBB+" (up from "BBB"). The Coffee Platform continued to accelerate seeking revenue diversification through valued-added products, with the signing of the acquisition of *Companhia Cacique de Café Solúvel* (Cacique), a Brazilian family-owned soluble coffee company (the agreement is subject to customary closing conditions). LDC also published its first Integrated Report for the full year 2023, reporting on the Group's financial and sustainability performance through one single consolidated publication, and disclosing financial performance in parallel to progress against sustainability goals.

Credit rating of the Group

The long-term credit of the Group is rated BBB+ by S&P (stable outlook). According to the S&P definitions, an obligor rated 'BBB+' has adequate capacity to meet its financial commitments. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.

Competitive Strengths

The Group believes that its success is built upon the following combination of key competitive strengths:

Leading Global Market Positions in a Wide Range of Commodity Areas

The Group is among the market leaders in many of the areas in which it operates. For example, it believes that it is: one of the world's largest merchandizers of raw cotton; a world leader in rice merchandizing by volume, one of the world's leading orange juice processors by volume; one of the world's largest merchandizers of oilseeds and their by-products (vegetable oils, meals and biodiesel) by volume; among the world's leading merchandizers of wheat and corn and barley by volume; among the world's largest merchandizers of green coffee by volume; and among the world's leading sugar merchandizers by volume.

These market-leading positions benefit the Group in a number of ways, including by: (i) allowing it to benefit from economies of scale leading to more competitive pricing; (ii) helping it to develop trusted relationships with market counterparties, including suppliers, customers and farmers globally; and (iii) fostering partnerships with financial institutions (it has relationships with more than 150 banks in more than 40 countries and 6 regions) which in turn provides increased and cheaper access to liquidity

Diversity in Product Range and Geographical Spread

The Group focuses predominantly on a single asset class – agricultural commodities – but does so in a highly diversified manner covering all of the main categories within this field. Its commodities offering covers many of the world's most traded agricultural commodities such as: grains, oilseeds, rice, cotton, coffee, orange juices and sugar. The Group is also involved in the ocean freight market and the financial markets of certain emerging countries.

The Group also has a high level of geographical diversity. For more than 170 years, the Group's strategy has been to be as close as possible to the world's production and consumption regions. Today it operates in six global regions: North America, North Latin America, South and West Latin America, Europe

Middle East and Africa, North Asia and South and Southeast Asia, and is active in more than 100 countries. Its activities are particularly developed in the Southern Hemisphere and the Group takes advantage of its extensive and long-standing product sourcing capacities in the Americas to supply its large distribution networks in the growing markets of Asia and the Middle East and Africa (though it also sources directly in Asia). The Group believes that its diversity in terms of both product offering and geography is a key strength allowing it to improve access to evolving global commodity flows while helping to mitigate regional risks. In particular, the Group considers that this diversity results in several advantages including:

Logistic Synergies

The Group has generated and continues to build economies of scale by drawing on complementary crop harvesting cycles (both in terms of harvesting different crops in the same region and the same crop in different regions). This results in a more efficient use of logistical facilities and working capital, as well as synergies among support and administrative functions. Moreover, maximizing volumes leads to increased optimization of the Group's ocean freight chartering activities both in bulk and containers.

Pooling Expertise

The Group's emphasis on enhancing information flows and leveraging its expertise enables it to apply similar arbitrage strategies across a diverse range of commodities.

Local Market Knowledge

The Group's significant involvement at the local agri-business level in different geographical regions affords it insights into macro-drivers such as foreign exchange fluctuations, farming activities, weather and government policies.

Risk Management

The diversity of the Group's commodity offerings contributes to de-concentrating risk, both on the market side and in terms of spreading credit risk among a wider base of market counterparties. Geographical diversity further helps to mitigate against regional risk, for example enabling the Group to guarantee supply regardless of adverse climate conditions or biosecurity issues relating to the crops themselves.

Platform for Local Expansion

The Group's presence and local know-how in one platform in a particular region facilitate its expansion into other platforms in the same region.

Merchandizer building links across the value chain

The Group's merchandizing activities are supported by a base of logistical and production assets integrated into the areas of its core commodities. Through significant investment in assets worldwide, the Group has built links across the value chain: from sourcing and production, through processing and refining and transport and storage, to research, merchandizing, customization and distribution. The Group currently operates across the world, with a fixed asset base[4] with a value of US$4.7 billion as at 30 June 2024.

Integration of assets allows the Group to benefit from synergies and economies of scale in relation to all key transaction components, including commodity purchases and sales and their associated financing, storage, transportation and risk management activities, resulting in increased efficiencies at every stage of the value chain. It also gives the Group increased control over physical flows in the supply chain thus helping to protect against supply risk and gather local intelligence to improve merchandizing.

In-Depth Market Understanding Supported by Dedicated Research Teams

[4] Fixed asset base means intangible assets plus property, plant and equipment plus investments in associates and joint ventures.

The Group's merchandizing operations are supported by dedicated research teams that produce real-time and in-depth market intelligence. In this, the Group employs principles developed and tested by over 170 years of experience in the markets, enhanced by the latest technology, including an extensive data base for performance tracking and validation. Real-time data analysis allows harvests on the ground to be evaluated by local offices and experts, and the results processed centrally and directed to the platforms and merchandizing business worldwide. The Group believes that its diversified global presence brings a comprehensive knowledge of local markets and their specific characteristics and opportunities.

The Group also believes that it has an in-depth market understanding, and that this is a significant strength because it helps to inform the platforms' hedging and merchandizing decisions and allows them to identify and implement new business opportunities globally by accessing 'on the ground' knowledge and information about local markets on a 'real-time' basis.

Risk Management Capabilities

The Group believes that the ability to manage risk is one of its key strengths. Risk management is a core function under the supervision of the Group's senior leadership structure – The Group Chief Risk Officer reports to the Chief Executive Officer. Risk is also a crucial consideration in the Group's overall merchandizing strategy, which is based on bulk sourcing and merchandizing, capturing margins coming from the high volumes merchandized and value chain integration, with profits relatively isolated from large market fluctuations thanks to proactive and prudent risk management. Risk policies are determined centrally and administered regionally by a team of dedicated specialists. Exposures are monitored on a daily basis. Risk procedures and monitoring systems are designed to be clear and prudent while seeking to allow optimal deployment of risk capital. Compliance procedures are continuously reviewed and updated to reflect the constantly evolving regulatory environment. (See "Risk Management").

The Group believes that its sound risk management policies have contributed to its positive performance through the volatile market environment over recent years and helped to mitigate earnings volatility.

Experienced Management Team and Stable Shareholder Structure

LDC's management team has a proven track record of developing and growing the business. Since the creation of the Group in its current form in 2006, the management has overseen the consolidation and expansion of the Group's business in the commodities markets in which it had existing operations and managed its expansion into new markets as well as into new geographical areas such as Indonesia, Vietnam and certain countries in the Middle East and Africa. The management team has also overseen numerous acquisitions and other transactions (See "History").

Moreover, Louis Dreyfus Company has been for over 170 years, a family-owned business. The majority shareholder has historically provided stability, which is conducive to the Group's long-term business consolidation, development and expansion. The addition of ADQ as minority shareholder represents the start of a new chapter for LDC and initiates a new phase of growth, guided by the two shareholders' shared vision for LDC's future.

Well-Managed and Flexible Financial Model

The Group has developed a mixed and diversified funding model, combining local debt lines arranged by regional subsidiaries, and debt originated at the Group level and allocated to regions.

LDC's historical funding model has been based on its regional subsidiaries maintaining lending relationships with local banks, which has provided significant diversification both in terms of sources of funding and geographies, and allowed the Group to expand while managing its liquidity position. Currently, funding is provided by a diverse range of both regional and international banks – as at 30 June 2024, the Group had access to a pool of over 150 different relationship banks.

In recent years, debt capital markets have been playing an increasing role in the Group's diversification of financing.

- The Group entered the debt capital markets in September 2012 with an inaugural US$350 million hybrid perpetual security listed on the Singapore Exchange (redeemed in 2017).
- On 30 July 2013, LDC completed the issuance of a EUR400 million, 5-year, 3.875 per cent. Luxembourg-listed Eurobond (redeemed in 2018), followed in December 2013 by the issuance of a EUR500 million, 7-year, 4.00 per cent. Luxembourg-listed Eurobond (redeemed in 2020).
- On 7 February 2017, LDC issued a further EUR400 million 5-year, 4 per cent. Luxembourg-listed Eurobond (the "**2022 Eurobond**"), followed on 13 June 2017 by a US$300 million 6-year, 5.25 per cent. Luxembourg-listed Eurobond (the "**2023 Eurobond**").
- On 27 November 2020, LDC issued a EUR600 million 5-year, 2.375 per cent. Luxembourg-listed Eurobond (which was subsequently tapped in February 2021 for a further EUR50 million) (the "**2025 Eurobond**").
- On 28 April 2021, LDC issued a EUR500 million 7-year, 1.625 per cent. Luxembourg-listed Eurobond (the "**2028 Eurobond**").
- On 1 September 2021, LDCF was substituted as issuer and principal obligor and LDC became the Guarantor of the 2022 Eurobond, 2023 Eurobond, 2025 Eurobond and 2028 Eurobond.
- On 13 October 2021, LDC issued a JPY10 billion 5-year sustainability-linked private placement.
- On 8 September 2022, LDC issued a JPY10 billion 5-year sustainability-linked private placement.

As a result, 30.5 per cent. of long-term financing as at 30 June 2024 came from the debt capital markets.

In 2022, the Group adjusted its debt structure (i.e., transfer of its Farm Credit System loan to a new financing vehicle fully indirectly owned by LDC and its Samurai loan to LDC (loans initially held by operating subsidiaries)) to reduce the subordination risk for bondholders. As a result, on 5 January 2023 S&P raised LDC's long-term senior bonds rating to "BBB" (up from "BBB-"), which is now aligned with the Group's rating. The rating was then further upgraded to BBB+ in June 2024. An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation.

At the same time, the Group believes that it has successfully managed its liquidity position, including throughout the volatile commodities environment of recent years with increasing long-term debt and short-term debt balanced by current assets.

As at 30 June 2024, the Group's consolidated gross debt[5] stood at US$7.8 billion, US$4.2 billion being long-term debt (excluding short-term portion), with 4.4 years of average maturity. Adjusted current debt was US$3.6 billion. Current financial assets stood at US$1.3 billion, leading to an adjusted net debt (net

[5] Gross debt includes long-term debt (both current and non-current portion) and short-term debt, financial advances from related parties, less repurchase agreements and securities short positions.

of RMI[6]) of US$1.1 billion. At the same date, adjusted net gearing[7] was 0.17. Available liquidity was US$12.0 billion, representing 313 per cent. of the Group's current debt and 51 per cent. of total assets.

LDC believes that its sound liquidity position and access to diverse funding sources has significantly contributed to its global expansion and business growth and has allowed it to remain flexible and resilient over the years.

Strategy

Growth in traded volumes of agricultural commodities is supported by long term trends, such as population expansion, the increasing emergence of the middle class in developing markets (particularly China), increasing geographical imbalance between population and available land, food security policies and improving technology for farming (increasing and stabilizing yields).

Overinvestment in recent years and slower than expected growth in emerging countries have temporarily mitigated the impact of these fundamental imbalances on growth in the commodities industry.

The industry is also affected by new trends providing further opportunities for growth and requiring adaptation of the traditional business model. These new trends include (i) rising demand for healthier food and meat alternatives, transparency, traceability and sustainability, (ii) volatility of energy prices (which has an impact on biofuels), global warming and the need to reduce emissions and (iii) big data trading and block chain execution.

Recognizing that the market environment has evolved but also that certain activities operated by the Group required a more capital intensive business model, which differed significantly from the Group's main operations, the Group has decided to refocus on its core agricultural business and to exit non-core areas. This has led to (i) the sale of its Metals Platform and Fertilizers and Inputs operations in Africa and Australia and (ii) its exit from the Dairy business.

This leaves the Group well positioned to grow in its core business areas and it is pursuing ambitious growth plans for the future based on four strategic pillars. These are (i) Strengthening the Group's edge in merchandizing (ii) Integrating vertically (iii) Diversifying revenue through value-added products, and (iv) Innovation. In addition to these four pillars, the Group is focusing its strategy on generating sustainable value.

Strengthening the Group's edge in merchandizing

The Group is dedicated to leveraging on its expertise and market presence and improving its core business by (i) increasing its physical footprint in key markets, (ii) using innovative data science and (iii) focusing on key human capital.

The Group aims to strengthen its leading position by increasing its logistic capabilities and to optimize existing asset usage. Consequently, the Group plans to continue pursuing a measured expansion through investments in selected assets with a view to enhancing profitable growth. As the Group's capital expenditure plan is predominantly composed of discretionary investments, it remains highly flexible.

One example of the Group's investment in this first strategic pillar is the acquisition of Emerald Grain, a grain handling business in Australia with a network of grain storage and receival sites as well as a grain export terminal. Strengthening its presence at key locations is expected to help the Group gather local market insight and better understand price evolution.

Other examples are LDC's recent investments in Brazil, including the acquisition by the Group of a stake in a sugar export terminal at the port of Santos, Brazil, in 2023 to support LDC's sugar

[6] Due to their highly liquid nature, certain agricultural inventories are treated as Readily Marketable Inventories ("**RMI**"). RMI are readily convertible into cash because of widely available markets and international pricing mechanisms. LDC considers that trading inventories with less than three months' liquidity horizon qualify as RMI.
[7] Adjusted net gearing is adjusted net debt/equity.

merchandizing operations and the continuing investments in the expansion of LDC's existing coffee mill in Vargihna, Minas Gerais, Brazil.

Access to technology and information has modified the way the agricultural commodities industry operates. The Group has adopted a more data-centric approach, increasing the use of data science and algorithms in trading decisions and reinforcing its teams of data scientists and engineers.

Nurturing the Group's internal commercial talent is integral to ensuring its sustainable growth and developing future leadership. The Group has put in place a long-term training and development framework which includes a Trading Academy designed to support and accelerate the development of the Group's traders throughout their career. Training is tailored for different levels of the organization and integrated within individual development plans. Individual performance and development plans are supported by an incentive structure to attract and retain the best people. At the same time, the Group is constantly reviewing this structure to ensure that it maintains a strong, entrepreneurial and sustainable set of behaviors to position the Group as competitively as possible in the talent market.

Integrating vertically

The second strategic pillar focuses on taking the Group's activities further downstream in the value chain to track the progressive disintermediation of the industry; vertical downstream integration is core to the Group's activities.

As an example, the Group announced in 2023 the expansion of its canola processing complex based in Yortkton, Canada, which will involve the construction of an additional crushing line with the intention of more than doubling the facility's annual crush capacity on completion. This expansion aims to reinforce the Group's capacity to supply food, feed and renewable energy to its customers. Later in 2023, LDC announced the construction of a new soy processing plant in Ohio, US, including integrated vegetable oil refining, lecithin production and packaging facilities, thus increasing exposure to growing edible oil and animal feed markets, and increasing demand for biofuels.

Diversifying revenue through value-added products

While the second Pillar of the Group's strategy focuses on securing trade flows, the third pillar aims at leveraging the Group's global presence to diversify into adjacent downstream activities. This may be achieved by integrating even further vertically as well as seizing transversal opportunities. The Group is committed to pursuing its diversification strategy through joint ventures and partnerships that complement its in-house expertise. This will be done by increasing investment into non-commoditized products such as feed and food, alternative proteins, ingredients and origination of specialty products.

The Group already processes and merchandizes a number of high-grade value-added products such as refined oil, refined glycerin and lecithin. The Group expects to continue to invest in this area, expanding its portfolio and building capability to serve customers across a range of industries.

In 2022, LDC opened its new soy liquid lecithin plant in Claypool, Indiana, US, to expand the Group's presence in the ingredients value chain and to diversify its food and feed solutions portfolio. It positions the site as the country's largest facility integrating soybean processing, biodiesel production, and glycerin and lecithin refining operations, as well as a food-grade packaging line and canola oil distribution terminal.

In 2023, the Group started the expansion of its refining complex based in Lampung, in Indonesia. This new development comprises the addition of glycerin refining capacity as well as new edible oil packaging capabilities. LDC also announced the development of a new Pea Protein Isolate production plant at the site of LDC's existing Yorkton G&O complex, leveraging the existing facility, farmers and local logistic expertise, to address growing demand for plant-based proteins. Finally, in September 2023, LDC also inaugurated ILD Coffee Vietnam, a freeze-dried instant coffee unit, in partnership with Instanta, a global private label coffee producer company. The facility is located in Binh Duong Province, Vietnam, and will benefit from easy access to Robusta coffee through the Group's coffee origination

capabilities. It is designed with the aim of minimizing its environmental footprint, using steam generated through a biomass boiler that burns the unit's coffee residues.

In 2024, LDC signed the acquisition of *Cacique,* a Brazilian family-owned soluble coffee company and a leading global soluble coffee producer, processor and exporter (the agreement is subject to customary closing conditions).

Innovation

The fourth strategic pillar consists of long-term investments in disruptive technologies, which have the potential to transform the agricultural commodity and the food industry. The current business landscape is dominated by an aggressive adoption of new technologies in the agricultural sector, as well as by the intense scrutiny of new food trends and the way food is produced, marketed and consumed.

The Group is committed to addressing the ongoing food revolution and helping to solve the future world’s protein gap with healthy and nutritious food, produced safely and sustainably. Through its innovation strategic pillar the Group is looking ahead to the future of food supply and the food value chain, including digital (such as Blockchain) and Ag-Tech developments and the sourcing and merchandizing of new proteins. Through its corporate venture capital programme, the Group is continuously investing in companies that develop technologies with the potential to change the industry in the medium to long term such as the investment in ingredient innovation company “Motif FoodWorks” announced in February 2019. The Group participated in October 2020 in the capital increase of Benson Hill (a leading food innovation engine that combines data science and machine learning with biology and genetics) to support the company’s expansion on a global scale. In 2023, the Group invested in “Bound4Blue”, a company that develops automated wind-assisted propulsion systems for the maritime transport.

One element of the Group’s innovation pillar relates to supply chain improvements. An example is the completion of the first ever block-chain transaction for an agri commodity in 2018 and following that successful “proof of concept”, the creation in 2020 of Covantis, a consortium between industry leaders for modernizing the post-trade process.

Traceability is also being addressed by the innovation pillar: an example is the launch of TRACT, a new online platform enabling users to compare metrics and methodologies across multiple product categories all in one place. The new platform was jointly developed and launched by the Group and fellow founders ADM, Cargill and Olam, and over 30 other companies and non-profit organizations across the food and agriculture supply chain. TRACT is now established as an independent company. Initially focused on coffee and palm oil, TRACT will also introduce EU Deforestation Regulation (EUDR) capability in 2024, gradually broadening its reach and impact with the onboarding of additional suppliers and buying companies, expansion to other product categories and coverage of additional sustainability areas.
In 2023, in order to accelerate the Group’s innovation trajectory, the Group formed a central Innovation team with a mandate to drive the development of new and existing innovative solutions that have the potential to reinforce or complement its core capabilities, and differentiate its products.

Generating sustainable value

Sustainable practices are already a differentiating criterion for customers, end consumers and banks alike. The Group constantly reviews its policies and processes to make its products and businesses more sustainable. Grains and Oilseeds is one of the Platforms actively working in this area, particularly in palm and soybean origination. The Group also works with external partnerships to improve traceability and certification, in particular in the Coffee, Cotton and Juice Platforms.

In September 2022, LDC launched a materiality assessment to identify and define the sustainability topics that matter most to both the Group and its stakeholders and therefore to continue to orient the Group’s sustainability strategy towards the identified trends. Extensive research was conducted and data was collected through surveys and interviews with key stakeholders: the Group’s Supervisory Board,

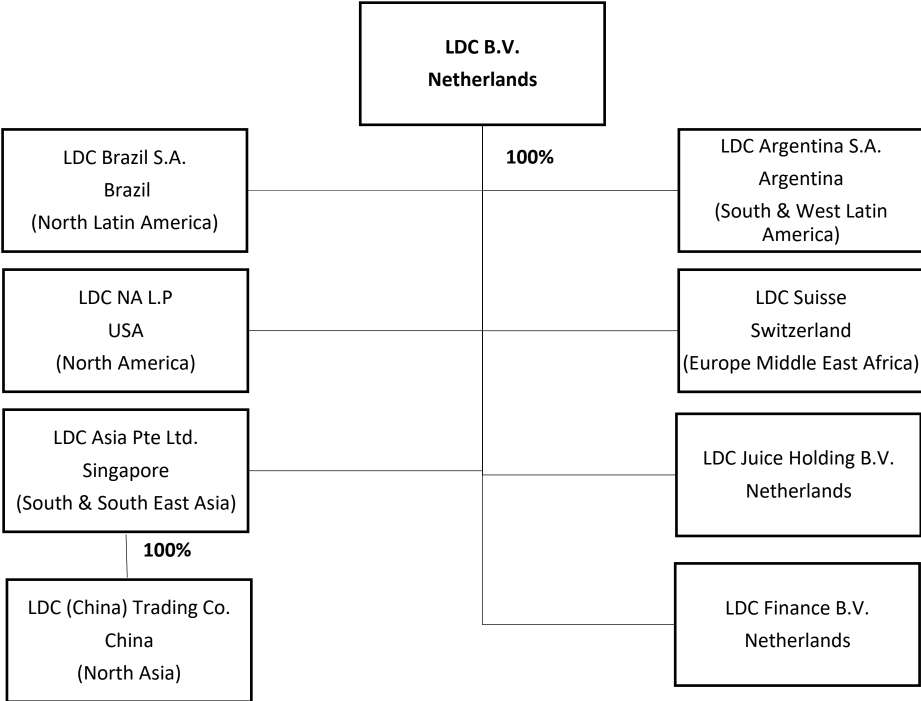
top management and employees, as well as customers, suppliers, financial partners and NGOs. The results of the materiality assessment have been presented in a comprehensive matrix and published in the Group's 2022 Sustainability report.

The most relevant materiality topics identified through the Group's 2022 materiality assessment were translated in 2023 into a new Sustainability Strategy articulated around 6 key priority areas: Bioenergy, Traceability, Human & Labor Rights, Employee Welfare, Sustainable Land Management and Climate Change.

Furthermore, the Group will continue to maintain strict processes in asset safety and product quality. Across all its activities, the Group remains deeply committed to its people, prioritizing investments to ensure their health and safety.

Corporate Structure

Set out below is a simplified diagram as at 30 June 2024 showing LDC and those of the Group's principal subsidiaries which are wholly controlled, directly or indirectly, by LDC:



Description of Main Activities

Merchandizing

The core business of the Group consists of merchandizing commodities. The Group has over 170 years of experience as a physical commodities merchant. This has allowed it to develop and build upon its expertise in the diversified commodities portfolios which it merchandizes and to cultivate long-term relationships with a supplier and customer base across diverse industries and in several geographic regions. The Group sources a diversified range of physical commodities from third party suppliers and from industrial assets in which the Group has full or part ownership interests. These commodities are sold, often with value added services such as freight, insurance, financing and/or storage, to a broad

range of consumers and industrial commodity end users, with many of whom the Group enjoys long-term commercial relationships.

The Group focuses on maximizing returns from the entire supply chain, taking into account its extensive and global third-party supply base, its logistics, risk management and working capital financing capabilities, wide market insight, business optionality, extensive customer base, strong market position and penetration in most commodities, and economies of scale.

Merchandizing can occur at every step of the value chain, from raw (sometimes prior to harvest) to processed commodities and the distribution of finished products, some of which are sold under brands owned by the Group. Determining which products to merchandize and at what stage of the production process is an important element of the Group's arbitrage policy and the Group believes that its diverse asset base and flexible sourcing structure allow it to take advantage of market opportunities and effectively address demand and supply imbalances.

With a presence in the whole value chain in several commodities markets, the Group regularly does business with a wide variety of counterparties in a large number of geographic locations. Counterparties vary to some extent depending on the particular commodity, but generally include:

- on the product sourcing side: farmers, farming co-operatives and traders;
- in the area of processing: raw commodities suppliers such as farming co-operatives, individual farms, multinationals, distributors, wholesalers and end-users;
- in the field of logistics: processing plants, warehouses, silos, tanks for liquids, local exporters, freight companies, forwarders, logistics providers; and
- in its merchandizing activities: multinationals, global merchants, state bodies, end-users and wholesalers.

All the counterparties above may generate a credit and performance risk. The Group operates principally with short-term transactions but also has some longer-term contracts, both on fixed and variable pricing terms. (For a description of how the various risks involved in transactions with counterparties are managed, see "Risk Management").

Payment terms are usually secured and, where applicable and possible, the remaining risk is laid off to third parties such as banks or insurers.

The Group estimates that, at any one time, it has over 10,000 active counterparties in the main production areas (such as Africa, South America, Black Sea and North America) and the main destination areas (such as North America, Europe, the Middle-East, Africa and Asia). In line with the industry in which the Group operates, the customer base is fragmented and there is no significant customer concentration in any of the areas in which it operates. No third-party counterparty accounts for more than 3 per cent. of total exposure (in nominal terms including a variety of potential risks associated with that counterparty). The majority of the Group's counterparties have contracts for one product line only, and crossover between the Group's customer base and its supplier base is limited.

Additionally, the Group is a significant user of futures exchanges (CME CBOT, CME NYMEX, ICE U.S. and Europe (formerly Liffe), Euronext Matif, DCE, the Shanghai Futures Exchange and ZCE) for the purpose of hedging its price risk on physical transactions.

Fixed Asset and Logistics Operator

The Group's merchandizing operations are supported by a base of production, processing and logistics fixed assets integrated into the areas of the core commodities which it merchandizes. In particular, the Group operates over a network of industrial facilities (including processing plants, ports, terminals and storage facilities).

Farming

The Group's major farm products consist of orange groves. These activities enable the Group to secure the sourcing of specific products, gain access to valuable information on expected crop yields and foster closer relationships with other producers in the various geographical regions in which it operates.

Processing

The Group also operates approximately 50 processing plants. As well as being stand-alone sales generators in their own right, the 'on-the-ground' presence of these assets contributes significant regional market insight and technical know-how and helps to mitigate against supply risk, while providing an integrated value chain which enhances cost efficiency. See "Description of Assets" below.

Whether commodities are sourced internally from farming and industrial assets or externally from third-party suppliers is dependent on relevant market conditions and arbitrage strategy. If, for example, a certain product can be sold at a particular time at its raw stage more profitably than the finished product (production and other costs taken into account), then the Group may choose not to use such a product for processing but rather to sell it directly and to supply the Group's processing plants or end customers with externally-sourced products.

Logistics

The Group's products are transported by road, rail and sea. Transportation is carried out both internally at every stage of the sourcing and production process and externally to end-customers. The ability to transport products efficiently and cost-effectively using both third-party freight companies and the Group's own Freight Platform (for shipping by sea) provides a value-added service which the Group believes enhances its product offering. Integration of the Freight Platform also allows the Group to control transport costs more effectively, protect against supply risks and enhance synergies within the value-chain. The ability to move products quickly and efficiently from one place to another further enables the Group to optimize geographical arbitrage activities – for example, by supplying a particular product in one location by sourcing it from another, thus allowing the Group to capitalize on favorable market opportunities to ensure optimal pricing. See "Value Chain Segment – Freight".

In the geographical areas in which it operates, the Group has access to ports, terminals and storage assets – these include those which it owns and controls and those which are leased from third parties. Its own storage assets include warehouses and silos in a number of key locations. Integration allows the Group to control costs, protect against non-availability risks and enhance synergies within the value-chain. The ability to access both proprietary and third-party facilities over a wide geographical area also enables the Group to maximize arbitrage opportunities by being able to store goods for further processing or on-sale to exploit future price differentials. See "Description of Assets".

Market Intelligence

The Group believes that its success in merchandizing derives from a long-standing and deeply entrenched knowledge of the markets in which it operates. As a global business, supported by regional know-how over a wide geographical area and diverse product ranges, the Group draws on its own comprehensive knowledge of local markets and their specific characteristics to inform its merchandizing and risk management strategies. The Group is assisted in this by its diverse and geographically widespread asset base and supporting operations providing 'on the ground' knowledge to enable it to effectively arbitrate, obtain critical information, build and maintain sales volumes, secure the value

chain end-to-end, and address increasingly complex market and regulatory environments. This integration also leads to significant synergies between the Group's sourcing and production facilities, mainly in the Americas and Asia, and its sales and marketing capabilities, as well as enhanced risk management capabilities.

A team of researchers based across the Group's offices in Europe, Asia, the Americas and Africa provides the platforms with in-depth market research including analysis of external reports and other data, and supply and demand projections. This research is used by the merchandizing team to assist with their arbitraging and marketing activities. The merchandizing team is made up of over 1,400 experts worldwide whose role is to continuously monitor the markets and conduct market research to ensure that 'on the ground' know-how is effectively exploited. They ensure that arbitrage opportunities are maximized to secure the value chain. The team evaluates harvests on the ground, gathers information from the Group's offices and experts in every country and analyses external reports, data and supply and demand prospects. Real-time information flow means more accurate estimates and enables the Group to alert the appropriate teams, who can immediately make adjustments and optimize their activities. The Group's market intelligence is supported by extensive databases. See "Information Technology".

Operating Segments

The Group operates its business under two Segments: Value Chain and Merchandizing. These Segments, in turn, are divided as follows:

1. The **Value Chain** business Segment focuses on the following Platforms: Grains and Oilseeds (including soybeans, canola, sunflower seeds, palm and their by-products, for example meals, crude and refined vegetable oils, biodiesel, lecithin and glycerin as well as corn, wheat, sorghum, rye, oats and barley and their by-products, for example flour and corn ethanol and fertilizers and inputs including a range of chemical products such as fertilizers and crop protection products), Food & Feed Solutions (lecithin and glycerin), Juice (including orange, lime, grapefruit and apple juices and their oils and by-products), and the support Platforms: Freight, Global Markets and Carbon Solutions.

2. The **Merchandizing** business Segment focuses on the following Platforms: Sugar (including raw and refined sugar and sugar ethanol), Rice (including brown and milled rice), Cotton and Coffee (including Arabica and Robusta coffee beans).

Each Platform operates in an integrated manner and is responsible for sourcing, hedging, logistics and fixed asset operations, as well as the global strategy relating to the commodities or the activities which the Platform covers. This global competence helps to ensure worldwide consistency, high reactivity and efficiency for each platform.

Activities of each of the Group's business segments are supported by ownership interests in fixed assets such as farming operations and storage, and handling and processing facilities in strategic locations.

Set out below are selected financial data of the Group as at, 30 June 2024 and for the six-month periods ended, 30 June 2023 and 2024, and as at, and for the years ended, 31 December 2022 and 2023, in each case broken down by segment.

In each case presentation is in US$ millions or percentages (after rounding).

	For the year ended 31 December		For the six-month periods ended 30 June	
	2022	2023	2023	2024
Net Sales				
Value Chain ………………………………………………	41,573	36,837	19,045	18,134
Value Chain (% of total for Segments) ……………….	*69.37%*	*72.77%*	*73.95%*	*70.89%*
Merchandizing ……………………………………………	18,358	13,787	6,708	7,448
Merchandizing (% of total for Segments) ……..………	*30.63%*	*27.23%*	*26.05%*	*29.11%*
Sales (total for Segments) ………………………..……	**59,931**	**50,624**	**25,753**	**25,582**
Operating result[1]				
Value Chain ………………………………………………	1,817	1,910	919	941
Value Chain (% of total for Segments) ……………….	*69.59%*	*73.26%*	*69,83%*	*73.29%*
Merchandizing ……………………………………………	794	697	397	343
Merchandizing (% of total for Segments) ……..………	*30.41%*	*26.74%*	*30.17%*	*26.71%*
Operating result[1] (total for Segments) ……….…………	**2,611**	**2,607**	**1,316**	**1,284**
Share of gain (loss) in investments in associates and joint ventures, net				
Value Chain ………………………………………………	12	20	4	10
Value Chain (% of total for Segments) ……………….	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Merchandizing ……………………………………………	2	8	3	-
Merchandizing (% of total for Segments) ……..………	*n.a.*	*n.a.*	*n.a.*	*n.a.*
Share of gain (loss) in investments in associates and joint ventures, net (total for Segments) …….……………….……..	**14**	**28**	**7**	**10**

Notes:

1. Operating result is gross margin plus share of profit (loss) in investments in associates and joint ventures, net.

	As at 31 December		As at 30 June
	2022	2023	2024
Segment assets[1]			
Value Chain ……………………………………………	13,229	13,380	15,073
Value Chain (% of total for Segments) ……………..	*68.07%*	*68.38%*	*70.83%*
Merchandizing …………………………………………	6,204	6,186	6,207
Merchandizing (% of total for Segments) ……..……	*31.93%*	*31.62%*	*29.17%*
Segment assets (total for Segments) …………..………	**19,433**	**19,566**	**21,280**
Segment liabilities[2]			
Value Chain ……………………………………………	(5,555)	(5,187)	(6,427)
Value Chain (% of total for Segments) ……………..	*74.22%*	*72.98%*	*80.42%*
Merchandizing …………………………………………	(1,930)	(1,920)	(1,565)
Merchandizing (% of total for Segments) ……..……	*25.78%*	*27.02%*	*19.58%*
Segment liabilities (total for Segments) …………………	**(7,485)**	**(7,107)**	**(7,992)**
Additions to fixed assets			
Value Chain ……………………………………………	473	542	263
Value Chain (% of total for Segments) ……………..	*86.16%*	*85.22%*	*87.96%*
Merchandizing …………………………………………	76	94	36
Merchandizing (% of total for Segments) ……..……	*13.84%*	*14.78%*	*12.04%*
Additions to fixed assets (total for Segments) ………..…	**549**	**636**	**299**

Notes:

1. Segment assets are intangible assets plus property, plant and equipment plus biological assets plus investments in associates and joint ventures plus inventories plus trade and other receivables plus derivative assets plus margin deposits plus financial advances to related parties plus non-current assets held-for-sale.

2. Segment liabilities are current liabilities consisting of accounts payables and accrued expenses plus derivative liabilities. Held-for-sale liabilities are also included.

Although managed globally, each platform receives the support of the six regional organizations (North Latin America; South and West Latin America; North America; Europe Middle East and Africa; North Asia and South and Southeast Asia) which assist with financing, accounting, controlling and reporting and risk management.

This matrix is designed to ensure that business operations leverage each other's strengths and benefit from cross-region and cross-segment knowledge-sharing and expertise.

Set out below are selected financial data of the Group, as at, 30 June 2024 and for the six-month periods ended, 30 June 2023 and 2024, and as at, and for the years ended, 31 December 2022 and 2023, broken down by geographical region (presented in US$ millions (after rounding)):

Net sales by geographical destination	For the year ended 31 December		For the six-month periods ended 30 June	
	2022	2023	2023	2024
North Asia………………………………………………...	12,928	12,604	5,930	6,179
South & South East Asia………………………………..	14,294	11,322	5,807	6,134
North Latin America……………………………………..	2,034	1,609	743	846
South & West Latin America……………………………	4,417	3,916	2,279	1,353
Europe, Middle East & Africa ………………………….	17,184	14,157	7,532	8,055
North America……………………………………………	9,074	7,016	3,462	3,015
Total………………………………………………………	**59,931**	**50,624**	**25,753**	**25,582**

Fixed assets[1] by geographical area	As at 31 December		As at 30 June
	2022	2023	2024
North Asia…………………………………………………...	237	353	347
South & South East Asia………………………………………..	442	546	541
North Latin America…………………………………………..	1,160	1,202	1239
South & West Latin America……………………………………	604	625	632
Europe, Middle East & Africa …………………………………	534	519	530
North America……………………………………………………	986	1,030	1,071
Total……………………………………………………………	**3,963**	**4,275**	**4,360**

Notes:

1. Fixed Assets mean Property, Plant and Equipment and Intangible assets.

Value Chain Segment

The Value Chain Platforms have a fully integrated asset network ranging from production to distribution.

Among them, the Grains and Oilseeds Platform is the Group's longest-standing business, dating back to 1851 when Léopold Louis-Dreyfus created the original business by merchandizing wheat from Alsace (France) to Switzerland. Since then, the Group has expanded its expertise into the corn and soybean markets, establishing an international presence over time.

The Value Chain Segment includes commodities for both human and animal consumption (soybeans, soymeal, soy oil, palm oil, wheat, grains and juice). It also includes the Freight Platform, which is instrumental in ensuring transport logistics and services for the Group's other Platforms, in particular, the Grains and Oilseeds Platform, as well as third parties, using an international presence to cover major commodity flows. The Group's Global Markets Platform is also attached to the Value Chain Segment. Lastly, the Group established the Food & Feed Solutions Platform in January 2023.

Set out below are selected financial data of the Value Chain Segment as at, 30 June 2024 and for the six-month periods ended, 30 June 2023 and 2024, and as at, and for the years ended, 31 December 2022 and 2023. Presentation is in US$ millions or percentages (after rounding).

	For the year ended 31 December		For the six-month periods ended 30 June	
	2022	2023	2023	2024
Net Sales…………………………………………………..	41,573	36,837	19,045	18,134
Operating result[1]……………………………………………	1,817	1,910	919	941
Share of gain (loss) in investments in associates and joint ventures, net……..……………………………………………	12	20	4	10

	As at 31 December		As at 30 June
	2022	2023	2024
Segment assets[2]………………………………………	13,229	13,380	15,073
Segment liabilities[3]………………………………………	(5,555)	(5,187)	(6,427)

Notes:

1. Operating result is gross margin plus share of profit (loss) in investments in associates and joint ventures, net.
2. Segment assets are intangible assets plus property, plant and equipment plus biological assets plus investments in associates and joint ventures plus inventories plus trade and other receivables plus derivative assets plus margin deposits plus financial advances to related parties plus non-current assets held-for-sale.
3. Segment liabilities are current liabilities consisting of accounts payables and accrued expenses plus derivative liabilities. Held-for-sale liabilities are also included.

For a description of the Value Chain Segment's processing assets, see "Description of Assets".

Grains and Oilseeds

The Group has long-standing experience in the Grains and Oilseeds market, and today believes it is one of the largest global merchants of oilseeds and oilseeds by-products by volume and ranks globally among the leading merchandizers in terms of volumes merchandized for wheat, corn and barley.

The Grains Platform includes wheat, corn, sorghum, barley, chickpeas rye, oats and corn-based ethanol. It has also recently developed corn and wheat milling activities.

The Group sources grain products from all the world's major grain producing regions (the United States, South America, Australia and Eastern Europe) from farmers and other suppliers. It is involved in processing and refining grains and grain by-products. It also manages a large import and distribution network in key consumption regions such as Europe, Asia, Africa, the Middle East and Black Sea countries. The main sales destinations of the Grains Platform are Asia, the Middle East and Africa. The Group owns and operates processing, warehousing and export facilities globally.

The oilseeds complex covers a large number of commodities. Most oilseeds are crushed to produce protein meals and vegetable oils for direct consumption or further processing. Oilseeds meals are mainly used in the animal feed industry as a protein ingredient, soybean meal being the most widely used. Vegetable oils are mainly used in human food consumption (cooking oils and food processing), industrial applications (plastics, cosmetics, paints) and energy (biodiesel).

The Group merchandizes a wide spectrum of oilseeds and oilseeds by-products, including soybeans, soybean meal, soybean oil (crude and refined), soy-methyl-ester, palm-methyl-ester and rape-methyl-ester, rapeseed/canola, rapeseed/canola meal, rapeseed/canola oil (crude and refined), sunflower oil, cottonseeds, cottonseed oil, cottonseed meal, palm oil (crude and refined), olein, stearin and vanaspati. The Group's activities span the entire oilseeds value chain from upstream to downstream.

The Group also markets refined oils under its proprietary brands, such as Vila Velha in Brazil, cottonseed meal (Pagador) and peanut meal (Mandubi) in Brazil, and various edible oils under its Vibhor brand in India.

The Group introduced four cooking oils to the Chinese business to business (B2B) market: Chef Fu, Fu Bai Xiang and Hong Fu Le and high-end consumer cooking oil brand Mastergold in China, addressing growing domestic demand for premium oils. For Chef Fu, this included a partnership with leading e-commerce platform Meituan, to reach the restaurant and catering sector.

The Group is also active in the corn processing, including corn flakes, meal and grits. Major customers are wholesalers and other merchandizers, food, feed or industrial corporations, and multi-nationals and governmental entities.

The Grains and Oilseeds Platform also includes the Fertilizers and Inputs primary business, which consists of importing and distributing fertilizers. This activity is involved in clearing the goods through customs, and storing, blending, bagging and transporting them to customers. The Platform merchandizes nitrogen, phosphates, potash fertilizers and crop protection products to large farms, co-operatives and government associations, as well as food, mining and industrial firms. It sources products from the world's largest suppliers and producers. The Group owns fertilizer blending plants and logistical assets.

The merchandizing activities of the Grains and Oilseeds Platform are supported by proprietary operations at a global network at every level of the value chain, from sourcing through to storage, transformation and transport.

Increasing traceability in the Group's palm and soy operations is also central to the Group sustainability efforts, to encourage responsible land use and non-conversion of native vegetation for soy and palm cultivation as laid out in the Group's soy[8] and palm[9] policies.

[8] https://www.ldc.com/py/wp-content/uploads/sites/14/SSP_EN_FINAL.pdf
[9] https://www.ldc.com/wp-content/uploads/LDC_Palm-Sustainability-Policy_Feb2022_EN.pdf

Juice

The Juice Platform produces and merchandizes orange, lime, lemon and associated by-products. The Group has over 30 years of experience in the juice business. Primary customers are beverage bottlers (either branded or private-label), consumer product companies and flavour, fragrance and pectin companies.

The Platform is involved in the entire value chain of juice processing, from farming to distributing packaged juice. It produces both Frozen Concentrate ("FC") orange juice and not-from-concentrate orange juice ("NFC"). The Group believes it is one of the leading orange juice processors by volume worldwide.

To answer a continued tightening of juice consumption in key markets, the Platform has implemented a strategy of optimization of inventory levels and asset utilization, with an enhanced customer focus and product diversification.

On the sourcing side, the Group farms orange and lemon groves in Brazil (either on an ownership or a leasing basis). The Group also has long term partnerships with key Brazilian growers.

In addition, the Group operates processing assets. Logistical support is provided by assets which are capable of handling both FC and NFC in bulk and drums and especially port terminals in Santos, Brazil and Europe in Ghent, Belgium.

The Group continues to explore opportunities to diversify revenue streams and in 2021 signed an agreement to supply citrus peel to a new pectin production facility in Bebedouro, São Paulo State, Brazil.

In 2022, the Group launched a new product made from not-from-concentrate (NFC) orange juice..

As Juice is the only business where LDC grows agricultural goods itself, sustainable solutions have been built into operations across the juice value chain.

Juice operations are Rainforest Alliance CertifiedTM at two levels: farm level certification and chain of custody certification.

Chain of custody certification tracks a product from a certified farm to its final destination, with the aim of giving consumers full confidence in the product's supply chain.

The Group has also invested in transportation, and in 2020 launched two new eco-efficient ships dedicated to the transport of citrus juices and by-products in climate-controlled tanks. In its first full year of operations, the upgraded juice fleet transported citrus juices and by-products from Brazil to destination markets in Europe and North America.

LDC also successfully completed a biofuel trial on first carbon neutral Juice shipment in 2022 from LDC's terminal in Ghent, Belgium, to LDC's other terminal in Santos, Brazil, and back again with a full cargo of not-from-concentrate and frozen concentrated orange juices, over a 55-day period.

As part of its strategy to move further downstream while diversifying the Platforms' portfolios, LDC launched *Montebelo Brasil* early 2024, its first juice brand made of traceable-to-origin NFC juices and nectars, targeting the French market.

Freight

The Group has many years of experience in chartering, having been involved in all aspects of the bulk ocean freight industry. The Freight Platform provides critical supply chain links to support the Group's worldwide commodity activities (in particular the Grains and Oilseeds, Rice and Sugar Platforms). It also operates as a stand-alone profit centre providing freight services to third party merchandizers.

The Freight Platform is involved in all aspects of ocean transport activity and is fully globalized with four main chartering offices covering all time zones. The Platform's activity includes time-chartering (leasing vessels on a daily basis) as well as voyage-chartering (chartering vessels on a lump-sum or per metric rate). The Platform does not own the vessels which it operates. The Platform operates around 250 time- chartered vessels across the globe.

Through its Freight Platform the Group supports the International Maritime Organization's (IMO's) environmental protection regulations and initiatives, particularly with respect to water ballast treatment, lowering sulfur in fuel oil and reducing greenhouse gas emissions.

In October 2020, LDC became one of the founding signatories of the Sea Cargo Charter, a pioneering multi-stakeholder initiative that aims to champion responsible and sustainable shipping, transparent climate reporting and improved decision-making in line with the policies and decarbonization ambitions adopted by the IMO. The Sea Cargo Charter establishes a common baseline for shipping industry leaders to quantitatively assess and disclose shipping activity alignment with climate goals, including an ambition to reduce total annual GHG emissions by at least 50 per cent. of 2008 levels by 2050, with a strong emphasis on targeting zero emissions.

LDC signed the "call to action for zero emission shipping 2050" with a formal launch at the United Nations on 22 September 2021. This is a call for shipping to align with the Paris Agreement temperature goals and be run entirely on net-zero energy sources by 2050.

To further LDC's decarbonization ambitions and commitment in the shipping sector, the Group entered into a commercial agreement with bound4blue (in which LDC owns a minority stake) for the installation of four eSAILs® on one of LDC's chartered juice vessels, in order to fit them out for wind propulsion.

Global Markets

The Global Markets Platform has a strategic geographic presence in Buenos Aires, Geneva, São Paulo and Singapore with a growing presence in other countries (including Pakistan, Vietnam and Paraguay) and provides foreign exchange currency risk management support for the various commodities Platforms. As well as pure foreign exchange management, the Global Markets Platform is leveraging its trading experience to diversify into various other types of financial instruments including interest rates hedges, options and fixed income securities. As the business has grown into new regions, the Platform has continued to leverage key relationships to absorb local market knowledge, especially in the emerging markets.

Carbon Solutions

Created in 2021, the Group's Carbon Solutions Platform is part of the Group's commitment to minimize the environmental impact of its business activities. The Carbon Solutions Platform is driving forward the Group's decarbonization strategy, supported by carbon mitigation projects and participation in global carbon credits markets.

The Platform intends to participate in compliance and voluntary markets, and intends to build a portfolio of projects to access carbon offsets by driving carbon reductions across platforms, in line with the Group's global decarbonization goals and targets. The global portfolio of projects which is being built within and outside the Group's value chain will supply high-quality carbon credits and offsets to serve the Group's own and its customers' needs.

Through collaboration with the Group's value chain, the Carbon Solutions Platform will be able to support customers and suppliers in reducing emissions.

Food & Feed Solutions

Created in 2023, the Food & Feed Solutions Platform was established in line with the Group's strategy to diversify revenue streams by transforming or upcycling agri-commodity by-products into value-added products and solutions.

Throughout 2023, the Platform's strong financial performance demonstrated the resilience of its business model, which is based on a multi-origin, multi-product approach combined with global

commercial footprint – and confirmed the capability of the newly created Platform to broaden market access and diversify its customer profile.

While the world's lecithin and glycerin supply chains were disrupted from 2021 to 2022, resulting in unprecedented price increases, the market has since reverted to historical levels and more normalized margins. The market slowdown in 2023 can be attributed to several factors, including healthy oil and biodiesel processing margins, and raw material availability in the Group's operating regions. Lower demand in the main market segments was driven by a higher borrowing rate and inflation, while customer inventory levels were high during the first part of the year.

In this market context, the Platform benefitted from upstream integration to acquire cost-competitive raw material and expanded the Group's customer base in key locations, supported by a dedicated commercial team, technical experts and proximity to the end markets.

The Platform benefits from LDC's R&D centre in Shanghai, China (opened in 2023), supporting innovation in the ingredients space and potential synergies with other Platforms.

Merchandizing Segment

The Cotton, Coffee, Sugar and Rice Platforms together make up the Group's Merchandizing Segment.

Merchandizing can occur at every step of the value chain, from raw to processed commodities as well as the distribution of finished products, some of which are sold under brands owned by the Group.

International global reach, logistic capabilities and the ability to provide integrated solutions to its customers are the key competitive advantages of the Merchandizing Segment.

Set out below are selected financial data of the Merchandizing Segment as at 30 June 2024, and for the six-month periods ended, 30 June 2023 and 2024, and as at, and for the years ended, 31 December 2022 and 2023. Presentation is in US$ millions or percentages (after rounding).

	For the year ended 31 December		**For the six-month periods ended 30 June**	
	2022	**2023**	**2023**	**2024**
Net Sales…………………………………………………..	18,358	13,787	6,708	7,448
Operating result[1]………………………………………………	794	697	397	343
Share of gain (loss) in investments in associates and joint ventures, net……..……………………………………………	2	8	3	-

	As at 31 December		**As at 30 June**
	2022	**2023**	**2024**
Segment assets[2]………………………………………	6,204	6,186	6,207
Segment liabilities[3]………………………………………	(1,930)	(1,920)	(1,565)

Notes:

1. Operating result is gross margin plus share of profit (loss) in investments in associates and joint ventures, net.
2. Segment assets are intangible assets plus property, plant and equipment plus biological assets plus investments in associates and joint ventures plus inventories plus trade and other receivables plus derivative assets plus margin deposits plus financial advances to related parties plus non-current assets held-for-sale.
3. Segment liabilities are current liabilities consisting of accounts payables and accrued expenses plus derivative liabilities. Held-for-sale liabilities are also included.

For a description of the Merchandizing Segment's processing assets, see "Description of Assets".

Cotton

The Cotton Platform conducts operations in all major world markets, including sourcing in the key production regions of the United States, China, Brazil, West Africa, the Indian sub-continent and Australia. It also serves all major consumption markets and prides itself on its strong business relationships with both suppliers and customers, developed through domestic presence in key markets, especially in the United States, Brazil, and Asia. The Group promotes sustainability programmes such the 'Better Cotton Initiative', which encourages conservation of resources and improved production practices to meet the global need for cotton produced in a sustainable manner.

The Group believes that it is one of the global leaders in cotton merchandizing and one of the largest merchandizers of raw cotton in the world by volume.

In order to support its cotton operations, the Group has developed and maintains a state-of-the art proprietary research department, equipped with facilities for gathering weather and news reports, statistical data, intelligence material and academic analysis from around the world.

Logistical support is provided by extensive warehouse operations in the United States, Argentina, Brazil and Australia. The Group also operates intermodal loading operations in the United States.

Coffee

The Coffee Platform operates an integrated global supply chain managing the flow of coffee from source to destination. The Group merchandizes all major Arabica and Robusta varieties and serves a diversified range of customers, from specialist roasters to multinational food companies across the globe.

The Group believes it is one of the top five coffee merchandizers in the world by volume.

The Platform has an upstream sourcing footprint in all of the world's major producing countries including Brazil, Colombia, Honduras, Peru, Mexico, Vietnam, Indonesia, India, China, Uganda, Kenya and with representation in Ethiopia and. These activities are supported by a network of marketing offices in regional merchandizing centres, which include Geneva, Sao Paulo, Wilton and Singapore. The coffee activities are supported by investments at all major stages of the coffee value chain, from sourcing and processing to destination warehousing, blending and value-added services.

The Group started merchandizing instant coffee in 2020, supplying the full spectrum of instant coffee products (spray-dried, agglomerated, freeze-dried). In 2023, the Group inaugurated its freeze-drying instant coffee plant in Vietnam, Binh Duong province, through a joint venture with Instanta Sp. Z.o.o., a global private label company, and in 2024 signed the acquisition of Cacique (closing remains subject to customary conditions precedent, as at the date of this Prospectus) with the goal of accelerating LDC's growth in the soluble coffee market.

In parallel, the Coffee Platform invests in sourcing coffee in a responsible manner while addressing the growing demand for sustainability and traceability and is an active member of the various existing coffee associations (4C Association, UTZ, Rainforest Alliance, CAFE Practices and the Fairtrade Certification Program).

In October 2022, the Group adopted a new, five-year (2023–2027) Coffee Sustainability Strategy, designed to transform coffee supply chains.

It draws on four interconnected pillars: responsible sourcing, supporting farmers, sustainable operations and sectorial partnerships with the aim that by 2027, the Group should, *inter alia*, increase annual production of certified and verified coffee to 300,000 MT, purchase at least 80% of coffee volumes through responsible sourcing programmes and initiatives, reduce farm-level scope 3 emissions, and plant 1.2 million trees as part of regenerative agriculture efforts. As of December 2023, in line with this new strategy, the Group led nine regenerative agriculture projects (reaching over 18,000+ farmers) and planted more than 200,000 shade trees.

In June 2023, the EU Regulation on Deforestation-Free Products (EUDR) entered into force, requiring that 100% of coffee imported into the European market be traceable and meet a number of criteria – in

relation to deforestation, human rights and environmental due diligence, and be produced in adherence with relevant local legislation. The Group's longstanding commitment to helping shape more sustainable coffee chains, as well as its coffee sustainability strategy adopted in 2022, means the Coffee Platform is well-prepared to meet EUDR requirements and was able to deliver the Group's first sales of EUDR-aligned coffee to European customers in 2023.

On 29 March 2023, the Group's Responsible Sourcing Program Advanced was recognized by the Global Coffee Platform to be in line with the Coffee Sustainability Reference Code.

Sugar

The core activity of the Sugar Platform is the sourcing and merchandizing of raw and white sugar and ethanol.

The Sugar Platform has a global presence with merchandizing centres including Geneva, Wilton, Singapore, São Paulo, Delhi, Beijing and Jakarta and distribution activities in Bangkok, Dubai and East Africa. The Group sources raw and white sugar mainly from Brazil, Thailand and Central America and merchandizes principally in the Black Sea region, Middle East, South East Asia and East Africa.

The Group believes it is one of the top four sugar merchandizers worldwide by volume[10].

Rice

Rice can be merchandized at various stages: from paddy rice, which has come from the field after harvest and has a hard husk protecting the kernel inside; through to brown rice, which has had the husk removed but which retains a bran layer; to milled rice (or white rice), which has had the husk and bran removed.

The Rice Platform is involved in merchandizing, supported by sourcing activities in Asia, where it sources high-quality Indian, Thai, Vietnamese, Pakistani and Chinese milled rice for consumers within Asia and for export. It also buys rice for domestic and export markets in Mercosur, and in West Africa where it has built long-term partnerships and is one of the market leaders in rice merchandizing by volume. In Asia, the Group has developed strong distribution networks. The Group buys brown and milled rice mainly from Asia and South America. The Group's main rice suppliers are local merchants who buy products from rice millers. Its main customers are wholesalers and merchants selling to wholesalers who operate in their own domestic markets.

The Group believes that it is a world leader in rice merchandizing[11].

Description of Assets

The Group owns or operates a strategically-located and diverse portfolio of fixed assets, which the Group exploits to conduct its merchandizing activities. Through significant investment in assets on all of the world's continents, the Group has built links across the value chain, from sourcing and production, through processing and refining and transport and storage, to research, merchandizing, customizing and distribution. As a result, the Group has expanded its fixed asset base operated across the world. The Group's major fixed assets are listed below. The list is divided up between processing assets and sourcing and logistics assets.

Processing Assets

The tables below may include assets under construction, consolidated assets, minority stakes, tolling agreements, leased facilities lease or off-take contracts.

These data are given as at 31 December 2023.

[10] For information regarding the basis for statements relating to the Group's competitive position, please refer to the section entitled "Information Regarding the Group's Markets and Industry" above

Key to regions:

NASIA	North Asia
SSEASIA	South and Southeast Asia
EMEA	Europe, Middle East and Africa
NAM	North America
NLA	North Latin America
SLA	South and West Latin America

Chart of Group's selected processing assets

Region	Country	Platform	Assets	Type of Asset
NASIA	China	Grains and Oilseeds	Dongguan Oilseeds plant	Processing
NASIA	China	Grains and Oilseeds	Tianjin Oilseeds plant	Processing
NASIA	China	Grains and Oilseeds	Zhangjiag Oilseeds plant	Processing
NASIA	China	Grains and Oilseeds	Guangzhou Fuling Food Technology Co.	Processing
SSEASIA	Australia	Cotton	Dalby Cotton Ginning	Processing
SSEASIA	Australia	Cotton	Emerald Cotton Ginning	Processing
SSEASIA	Australia	Cotton	Moree Cotton Ginning	Processing
SSEASIA	Indonesia	Grains and Oilseeds	Balikpapan Oilseeds plant	Processing
SSEASIA	Indonesia	Grains and Oilseeds	Lampung Oilseeds plant	Processing
SSEASIA	Indonesia	Grains and Oilseeds	Lampung Biodiesel plant	Processing
SSEASIA	Indonesia	Coffee	Lampung Coffee mill	Processing
SSEASIA	India	Grains and Oilseeds	Kandla Oilseeds plant	Processing
SSEASIA	India	Coffee	Koppa Coffee mill	Processing
SSEASIA	Vietnam	Coffee	Lam Dong Coffee mill	Processing
SSEASIA	Vietnam	Coffee	Soluble Coffee Bingduong JV	Processing
SSEASIA	Vietnam	Coffee	Pleiku Coffee mill	Processing
EMEA	Germany	Grains and Oilseeds	Wittenberg oilseeds and biodiesel plant	Processing
EMEA	Zambia	Cotton	Lusaka Cotton Ginning	Processing
NAM	Canada	Grains and Oilseeds	Yorkton oilseeds plant	Processing
NAM	United States	Grains and Oilseeds	Claypool oilseeds and biodiesel plant	Processing
NAM	United States	Grains and Oilseeds	Grand Junction ethanol plant	Processing
NAM	United States	Grains and Oilseeds	San Francisco protein pilot plant	R&D centre
NLA	Brazil	Coffee	Nova Venecia coffee plant	Processing
NLA	Brazil	Coffee	Varginha coffee plant	Processing
NLA	Brazil	Grains and Oilseeds	Caarapo fertilizer plant	Processing
NLA	Brazil	Grains and Oilseeds	Nova Mutum fertilizer plant	Processing
NLA	Brazil	Grains and Oilseeds	Ponta Grossa plant	Processing
NLA	Brazil	Grains and Oilseeds	Alto Araguaia oilseeds plant	Processing
NLA	Brazil	Grains and Oilseeds	Apucarana Grains mill	Processing
NLA	Brazil	Grains and Oilseeds	Itumbiara oilseeds plant	Processing
NLA	Brazil	Grains and Oilseeds	Jatai oilseeds plant	Processing
NLA	Brazil	Grains and Oilseeds	Paraguacu oilseeds plant	Processing
NLA	Brazil	Grains and Oilseeds	Rio Verde grains mill	Processing
NLA	Brazil	Juice	Bebedouro juice plant	Processing and R&D centre
NLA	Brazil	Juice	Matao juice plant	Processing
NLA	Brazil	Juice	Paranavai juice plant	Processing
SLA	Argentina	Grains and Oilseeds	General Lagos biodiesel plant	Processing
SLA	Argentina	Grains and Oilseeds	General Lagos oilseeds plant	Processing
SLA	Argentina	Grains and Oilseeds	Timbues oilseeds plant	Processing
SLA	Argentina	Cotton	GIN Quimili Ginning	Processing
SLA	Colombia	Coffee	Ibague coffee mill	Processing
SLA	Colombia	Coffee	Pereira coffee mill	Processing
SLA	Honduras	Coffee	Villanueva coffee mill	Processing

SLA	Mexico	Coffee	Perote coffee mill	Processing
SLA	Paraguay	Grains and Oilseeds	Caaguazu oilseeds plant	Processing
SLA	Paraguay	Grains and Oilseeds	Villeta oilseeds processing	Processing

Sourcing and logistics assets

Region	Country	Platform	Assets
SSEASIA	Australia	Cotton	3 storage facilities
SSEASIA	Australia	Grains and Oilseeds	9 storage facility and 1 port terminal
SSEASIA	India	Coffee	1 storage facility
SSEASIA	Indonesia	Coffee	1 storage facility
SSEASIA	Indonesia	Grains and Oilseeds	1 port terminal
SSEASIA	Vietnam	Coffee	2 storage facilities
NASIA	China	Grains and Oilseeds	1 storage facility
EMEA	Belgium	Juice	1 port terminal and 2 vessels
EMEA	Ukraine	Grains and Oilseeds	1 port facility, 3 storage facilities and railcars
EMEA	Ivory Cost	Grains and Oilseeds	1 storage facility
EMEA	Ivory Cost	Rice	1 storage facility
EMEA	Ghana	Grains and Oilseeds	1 storage facilities
EMEA	Kenya	Coffee	1 storage facility
EMEA	Kenya	Grains and Oilseeds	1 storage facility
EMEA	Senegal	Rice	1 storage facility
EMEA	Uganda	Coffee	1 storage facility
EMEA	Zambia	Cotton	1 storage facility
NAM	Canada	Grains and Oilseeds	1 port terminal
NAM	United States	Cotton	20 storage facilities
NAM	United States	Grains and Oilseeds	3 port terminals and 3 elevators
NLA	Brazil	Coffee	1 storage facility
NLA	Brazil	Cotton	3 storage facilities
NLA	Brazil	Grains and Oilseeds	6 ports terminals, 23 elevators and storage facilities, waterway barges
NLA	Brazil	Juice	1 port terminal
SLA	Argentina	Cotton	2 storage facilities
SLA	Argentina	Grains and Oilseeds	3 port facilities and 11 storage facilities
SLA	Paraguay	Grains and Oilseeds	Waterway barges, 3 storage facilities
SLA	Uruguay	Grains and Oilseeds	4 storage facilities
SLA	Colombia	Coffee	1 storage facility

Capital Expenditure

The Group's capital expenditure relates primarily to asset acquisition and maintenance as part of its ongoing strategy of expanding and diversifying its global fixed asset base in a measured way, by focusing effort on core activities in selected core geographies. As the Group's capital expenditure plan is predominantly composed of discretionary investments, it remains highly flexible.

Capital expenditure[11] by operating Segment for the financial years ended 31 December 2022 and 2023 and for the first six-month periods ended 30 June 2023 and 2024, in each case broken down by Segment, is set out below (in US$ millions):

	For the year ended 31 December		**For the six-month periods ended 30 June**	
	2022	**2023**	**2023**	**2024**
Value Chain Segment…………………………………………..….	473	542	178	263
Merchandizing Segment…………………………………………	76	94	52	36
Segment total ……………………………………………………	**549**	**636**	**230**	**299**

[11] Purchases of fixed assets and additional investments, net of cash acquired

As at 30 June 2024, the Group had US$324 million of commitments mainly related to export terminals, construction of a pea protein isolate production plant in Yorkton, Canada and construction of a soybean processing plant in Upper Sandusky, US (compared to US$288 million as at 31 December 2023).

The Group has a five-year plan approved by the board of LDCIH B.V. which sets out general investment strategies over the medium-term, while keeping a large degree of flexibility regarding the capital expenditure deployment policy. In addition, the Group has a dedicated capital expenditure committee which considers and approves requests put forward by the Platforms for particular projects on a case-by-case basis and allocates resources accordingly.

See also "Results of Operations and Financial Position –Capital Expenditure and Divestments".

Funding and Liquidity

Introduction

The Group's financial model is designed to support its long-term strategy. Short-term debt is generally used to support the Group's on-going business by financing its main working capital needs, while long-term sources of funds mainly provide support for long-term investments.

The Group's financing structure has historically been based on a local funding model, with its regional subsidiaries maintaining lending relationships with local banks. This has provided significant diversification both in terms of sources of funding and geographies, allowing the Group to expand while successfully managing its liquidity position, as has been demonstrated through the global financial crisis and in the volatile commodities environment of recent years. The Group intends to follow this financial model through its near to medium-term focus on maintaining: (i) an appropriate level of committed facilities; (ii) a staggered debt maturity profile; and (iii) diversified sources of funding.

Under the supervision of the Group's Global Treasury Department, each regional subsidiary within the Group is in charge of funding its needs through local banks or local branches of international banks. The Group has access to over 150 banks, in more than 40 countries across six regions to afford regular access to liquidity. The Group seeks to maintain sufficient available liquidity at all times to cover short-term liabilities and constant access to liquidity.

To match use of funds with financial resources and preserve a balanced capital structure, the Group has implemented a funding model based on the following pillars:

- Diversified sources of funds: 30.5 per cent. of Long Term Financing came from debt capital markets as at 30 June 2024.

- Stable debt maturity profile: the average maturity of Long Term Debt was 4.4 years at 30 June 2024.

- Sizeable amount of committed facilities: 41.7 per cent. of the Group's total facilities are committed, of which US$4.4 billion remained undrawn as at 30 June 2024.

Loan facilities

As at 30 June 2024, 41.7 per cent. of the Group's total facilities are committed and US$4.4 billion of committed facilities were undrawn, which were all above one-year maturity.

The Group limits its refinancing risk by maintaining both geographical diversification and staggered maturity dates. To that end, the Group has six 3-year medium-term revolving credit facilities ("**RCFs**"), through three of its regional hubs, as well as a bilateral one with the European Bank for Reconstruction and Development (EBRD) for a total amount of US$4.1 billion as at 30 June 2024. Each regional hub refinances one RCF per year, one year ahead of maturity.

As at 30 June 2024, the Group had the following loan financings in place:

In South and Southeast Asia

- A syndicated loan in the total amount of US$700 million consisting of revolving credit facilities between Louis Dreyfus Company Asia Pte. Ltd. and a syndicate of local and international banks. This RCF matures in August 2025. This syndicated loan includes a sustainability-linked pricing mechanism and is guaranteed by LDC.

- A syndicated loan in the total amount of US$800 million consisting of a RCF between Louis Dreyfus Company Asia Pte. Ltd. and a syndicate of regional and international banks. This syndicated loan has a maturity date of August 2026. This syndicated loan includes a sustainability-linked pricing mechanism This syndicated loan is guaranteed by LDC.

- A bilateral US$100 million between Louis Dreyfus Company Funding SSEA, a financing entity of the Group, co-borrowing with LDC B.V. with Asian Development Bank (ADB) maturing in May 2025.

In Europe, Middle East and Africa

- An unsecured RCF of US$455 million between Louis Dreyfus Company Suisse SA and a syndicate of local and international banks. This RCF matures in December 2025 and is guaranteed by LDC. This loan includes a sustainability-linked pricing mechanism.

- An unsecured RCF of US$590 million between Louis Dreyfus Company Suisse SA and a syndicate of local and international banks. This RCF matures in December 2026 and is guaranteed by LDC. This loan includes a sustainability-linked pricing mechanism.

- A "Samurai" term loan in a total amount of JPY101.3 billion between Louis Dreyfus Company B.V. and Japanese investors. The loan is composed of a JPY49.5 billion Samurai three-year term tranche and a JPY51.8 billion five-year tranche and includes a sustainability-linked pricing mechanism.

- An "IFC" (International Finance Corporation) loan in a total amount of US$275 million raised by Louis Dreyfus Company Finance B.V. The A loan of US$100 million with IFC and the B loan of US$175 million with a syndicate of international banks are amortizing and mature respectively in 2029 and 2027. Both tranches are guaranteed by LDC B.V.

- An RCF of US$100 million between LDC Suisse SA and the European Bank for Reconstruction and Development (EBRD) maturing in 2026 with LDC B.V. as guarantor.

In North America

- A Farm Credit System syndicated term loan in a total amount of US$955 million with Louis Dreyfus Finance NA One (a financing vehicle of the Group), and with maturities in 2028, 2030 and 2033, as well as a US$200 million tranche through a Delay-Draw Term Loan available for 24 months, with a 7-year maturity. LDC B.V. is guarantor.

- A syndicated RCF in a total amount of US$700 million maturing in May 2026 between Louis Dreyfus Company NA LLC and a syndicate of local and international banks. This RCF includes a sustainability-linked pricing mechanism and is guaranteed by LDC B.V.

- A syndicated RCF in a total amount of US$800 million maturing in May 2027 between Louis Dreyfus Company NA LLC and a syndicate of local and international banks. This RCF includes a sustainability-linked pricing mechanism and is guaranteed by LDC B.V.

Debt Capital Markets and Money Markets

As at 30 June 2024, 30.5 per cent. of the Group's long term debt financing came from the debt capital markets.

In October 2015, LDC put in place an unrated Negotiable EU Commercial Paper (NEU CP, formerly French "*Billets de Trésorerie*") Programme governed by French law. In March 2021, LDC increased its Negotiable EU Commercial Paper Programme to EUR1.5 billion or its equivalent in any other authorized currency. This NEU CP Programme is currently rated A-2 by S&P.

As at 30 June 2024, the outstanding amount of the NEU CP is of US$353 million across maturities.

Other information relating to Funding

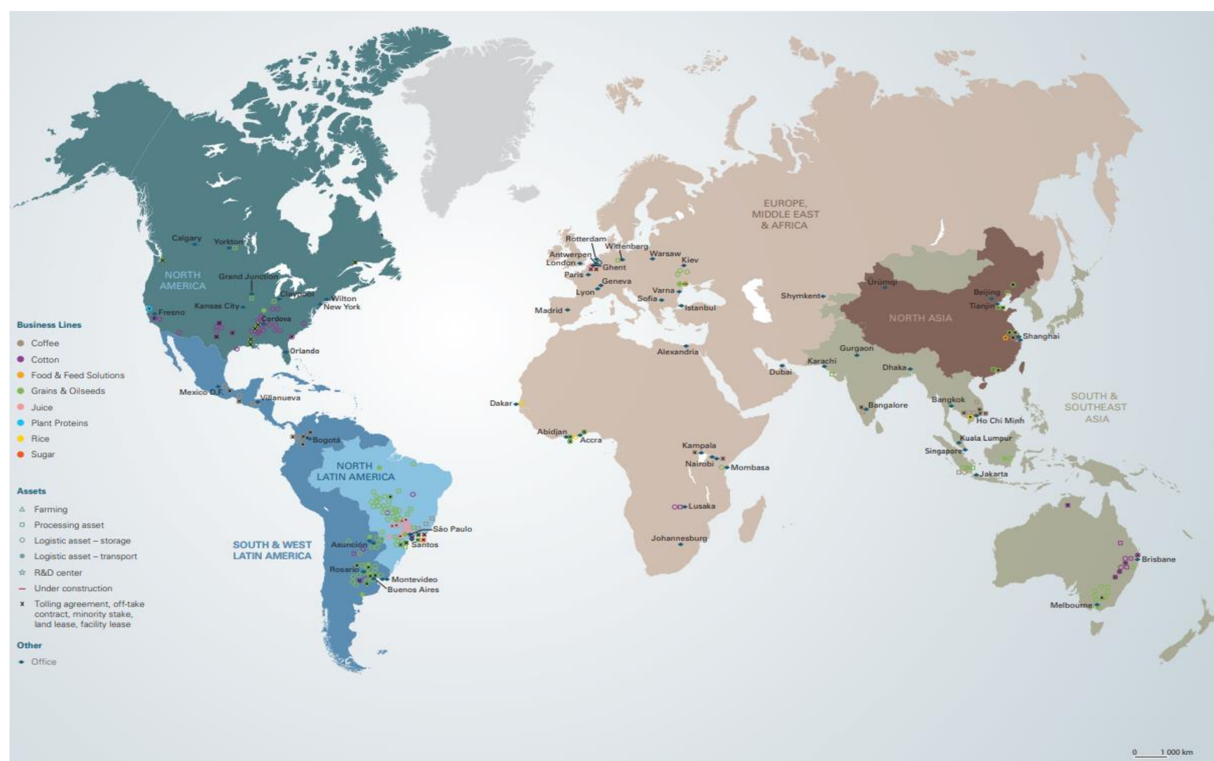
Certain portions of the debt (US$181 million in aggregate as at 30 June 2024) are secured by mortgages on assets (mainly greenfield projects in Brazil but also existing fixed assets).

Several of the financings listed above contain limited covenants including those requiring maintenance of working capital levels, net worth, debt/equity ratios, debt/asset ratios, and limits on indebtedness. In the case of any financings listed above which are guaranteed by LDC, LDC has covenanted to maintain a consolidated tangible net worth of greater than US$2.5 billion.

The remaining part of the Group's funding, mainly uncommitted, consists of bilateral facilities with over 80 different banks. These are used to finance working capital.

Global Network

The Group manages its activities from offices located around the world and operates in over 100 countries. Below is a map highlighting the Group's global presence and indicating its main offices and assets in the various geographical regions as at 31 December 2023.



North America

Platforms in the region consist of: Grains and Oilseeds, Sugar, Juice, Food and Feed Solutions, Freight, Cotton, Coffee and Global Markets. The Group has 10 offices across North America and employed 1,200 people at peak season. It currently owns or operates 4 processing assets and 27 logistical assets.

North Latin America

Platforms in the region consist of: Grains and Oilseeds, Juice, Food and Feed Solutions, Sugar, Rice, Cotton, Coffee and Global Markets. The Group has 2 offices in North Latin America and employed 10,000 people at peak season. It currently owns or operates 14 processing assets and 34 logistical assets. In addition, the Group farms orange groves.

South & West Latin America

Platforms in the region consist of: Grains and Oilseeds, Sugar, Juice, Food and Feed Solutions, Rice, Cotton, Coffee and Global Markets. The Group has 9 offices across South and West Latin America and employed 2,000 people at peak season. It currently owns or operates 10 processing assets and 24 logistical assets.

Europe Middle East and Africa

Platforms in these regions consist of: Grains and Oilseeds, Sugar, Juice, Food and Feed Solutions, Rice, Freight, Cotton, Coffee, Carbon Solutions and Global Markets. The Group has 26 offices across Europe, Middle East and Africa and employed 2,300 people at peak season. It currently owns or operates 2 processing assets and 15 logistical assets.

North Asia and South and Southeast Asia

Platforms in the region consist of: Grains and Oilseeds, Juice, Sugar, Food and Feed Solutions, Rice, Freight, Cotton, Coffee and Global Markets. The Group has 16 offices across Asia and employed 3,000 people at peak season. It currently owns or operates 16 processing assets and 19 logistical assets.

Employees

For the year ended 31 December 2023, the Group had an average of around 18,426 employees worldwide (17,667 for the year ended 31 December 2022). The employees include department managers, support staff and employees in the subsidiary offices and production sites, as well as management. The following table indicates the distribution of employees by category for the periods indicated (averages for year):

Distribution of employees	**For the year ended 31 December**	
	2022	**2023**
Managers and traders	1,739	1,834
Supervisors	1,551	1,674
Employees	4,365	4,738
Workers	7,278	7,362
Seasonal workers	2,734	2,818
Total	**17,667**	**18,426**

The Group has developed various methods to ensure that employees are adequately and correctly trained for the functions they perform and are aware of the legislation affecting the Group's business. In particular e-learning modules have been designed to address compliance-related topics, such as the Group's code of conduct, trade practice, anti-bribery and corruption rules, and regulatory compliance.

The Group is strongly opposed to child labour and forced or compulsory labour at any point in the value chain. The Group proactively applies United Nations ("**UN**") recommendations in respect of child- and forced-labour and promotes relations with suppliers, business partners and sub-contractors operating under the same values. The Group has a global training programme in place to reinforce the values of its code of conduct, such training being mandatory for all managers and staff.

Competition

The sectors in which the Group operates are highly competitive at all stages of the value chain and the Group faces competition in its various product and geographical markets. The Group's competitors range from global trade houses to local distributors and buying agents. Many of the Group's competitors in one area are also its customers or suppliers in other areas. The Group's main agri-commodities competitors on an international level are ADM, Bunge, Cargill, COFCO International and Viterra. The Group also competes with Wilmar and Olam in Asia and Africa.

Information Technology

The Group has implemented a comprehensive programme of digital technologies and analytics aimed at enhancing systems, processes, and security. This programme is advancing the replacement of legacy applications with more integrated global systems across commodity trading, risk management, and back-office functions. The objective is to establish centrally administered systems that enhance monitoring capabilities and improve operational efficiency.

As part of this initiative, the Group continues migrating to a global back-office enterprise resource planning (ERP) system based on SAP S/4, supporting the Shared Business Services to improve process efficiency. This modernization is complemented by ongoing enhancements to the Commodity Trading and Risk Management systems, which are critical to the operations of the Group's Platforms. Additionally, the Group continues to enhance the 'MyLDC' web portal and is deploying a Customer Relationship Management (CRM) system to further strengthen relationships with farmers and customers through secure and efficient digital interactions.

The Group successfully completed the migration of its global data centres to Microsoft Azure, significantly improving the scalability, resilience, and efficiency of the Group IT infrastructure. The Group has also reinforced IT security practices, focusing on intrusion prevention and response, digital identity management, disaster recovery, and employee awareness. This security programme aligns with the NIST Cybersecurity Framework (CSF) standards.

Furthermore, the Group has accelerated the development of commercial analytics and Artificial Intelligence across all operations. The Group has completed the upgrade of centralized position reporting, enhancing the Group's Market Risk and Credit Risk management. These advancements provide AI-driven insights that enhance decision-making and drive productivity throughout the organization.
See also "Risk Factors – Risks relating to the Guarantor (including the Group and its Business) – Category 9: Risks related to the Group's processes – The Group is dependent on its internal systems, including its information technology systems, for the Group's operations".

Health and Safety

The operations of the Group can involve occupational health and safety risks. In particular, the Group is involved in the processing and storage of hazardous products. The Group's sites are monitored both

internally and externally for product safety, compliance with applicable laws and regulations, safety and integrity of the Group's facilities, equipment and processes, employee actions and those of contractors, occupational health and safety and employee exposure, transportation safety, asset security, protection of the environment and operating loss and damage.
In 2009, the Group launched a comprehensive occupational health and safety management system based on the OHSAS 18001 standard and, in 2010, added an environmental component to its management system based on the ISO 14001 standard. This management system covers the entire scope of its activities worldwide, includes periodic objective audits and every year it is improved based on the audit outputs and group events. Each region and production asset conducts monthly safety, health and environmental committee meetings to discuss safety results, action plan progress and other relevant topics. Regional committees include top management from that region. An annual "Worldwide Safety, Health and Environment Day" (a day dedicated to global health, safety and environment training) is held at all the Group's sites and among all its employees as part of the Group's continued commitment to workplace safety. Many of the Group's contractors, local emergency providers and community leaders also participate in Safety, Health and Environment Day. In 2021, LDC developed and started an implementation of a Process Safety Program (PSP) to identify, assess, prioritize and mitigate process risks. In 2022 the PSP was improved and enhanced.

In 2023, the Group renewed its Safety, Health and Environment policy, which set outs expectations for each Group employee and serves as the basis for the implementation of procedures and best practice at each of the Group's locations, monitored though safety performance indexes.

As continued commitment to zero accidents and injuries at all LDC sites, as well as close monitoring of safety indicators, are all part of the new LDC 2023 Sustainability Strategy, action plans to address the causes of these incidents have been submitted through the Group's Management System Protocol.

Environment

The nature of the Group's operations, especially in the area of commodity production, processing and logistics, exposes it to environmental risks, and, from time to time, the Group incurs costs associated with compliance with environmental regulations and guidance promulgated by the authorities and remediation of sites in the wide variety of areas and geographical regions in which it operates.

The Group aims to develop its business without compromizing environmental protection. The environmental management system development and implementation process involves all sites in the Group developing comprehensive plans to ensure compliance with all applicable national, state or territorial and local laws and regulations. The Group's production plants have adopted measures to control areas such as atmospheric discharge, water quality and conservation, runoff and seepage, plant and wildlife protection, waste generation and energy consumption. Prior to construction or acquisition, each of the Group's assets is evaluated for its potential environmental impact and proper licensing by local environmental agencies. Each facility is subject to periodic internal environmental monitoring and reviews by external authorities, and internal and external environmental audits are carried out on a regular basis.

The Group's environmental management system complements its larger safety, health and environment programme (See "Description of the Group and its Business – Health and Safety") and overall business management system. It is not only used to manage the environmental aspects of the Group's activities, products and services, but also to set objectives and targets to improve the Group's environmental performance, to promote sustainable operations, and to reduce the impact of the Group's operations on the environment. In 2017, four key performance indicators have been highlighted for all production, logistic and agricultural assets: greenhouse gas emissions, electrical energy consumption, water consumption and solid waste. In 2022, the Group reached its targets to reduce those key performance

indicators per metric ton of feedstock processed by 5 per cent. between 2018 and 2022. The management system is used to identify opportunities for improvement in these areas and to manage projects.

In 2022, the Group announced its commitment to eliminate deforestation and to convert native vegetation of high conservation value for agricultural purposes from all its supply chains, in each case by the end of 2025.

In July 2023, the Group reported for the first time through the CDP Climate Change questionnaire (formerly Carbon Disclosure Project), which is the world's largest corporate survey on climate change, ranking more than 23,000 companies worldwide and using an eight-level scale (A to D-) to evaluate companies' climate disclosures and performance. The Group received a "B" rating for climate change disclosures from the CDP, an evaluation mark in the top three levels that, according to the CDP, indicates that the Group has addressed the environmental impacts of its business and ensures good environmental management.

In March 2023, the Group announced a near-term target to reduce Scope 1 & 2 GHG emissions by 33.6% by 2030, compared to a 2022 baseline, consistent with the Paris Agreement goal to limit global warming to 1.5°C above pre-industrial levels. In 2023, the Group achieved an overall reduction in Scope 1 & 2 emissions of 4.7% compared to a 2022 baseline, which the Group believes puts it on track to achieve its 2030 target. In July 2023, the Group reported its Scope 3 land-use based emissions relative to the 2022 calendar year via the CDP Climate Change 2023 questionnaire – a full year ahead of the deadline set in the Agriculture Sector Roadmap to 1.5°C.

Considering the high relevance of water and biodiversity items identified on the LDC materiality assessment performed in 2023, in 2024 LDC has been assessing its assets and the whole supply chain to determine the focus areas/regions/assets, and to define action items with new targets to improve LDC's environmental performance.

See also "Risk Factors – Risks relating to the Guarantor (including the Group and its Business) – Category 4: Environmental, social and governance related risks – ESG regulation (including emissions reduction legislation) imposes additional costs and may affect the results of the Group's operations".

Sustainability

The Group has developed a comprehensive sustainability strategy based on six core priority areas identified through a 2022 materiality assessment: Human and Labor Rights, Sustainable Land Management, Employee Welfare, Climate Change, Bioenergy, Product Traceability and Sustainability Solutions. This strategy is supported by the Group's active participation in several leading sustainability organizations and initiatives, reflecting its commitment to promoting responsible production across global supply chains.

Sustainable Value Chains

LDC leads efforts to mitigate environmental and social risks within its supply chains, working closely with key organizations such as the Roundtable for Responsible Soy (RTRS) and the Roundtable on Sustainable Palm Oil (RSPO) to ensure sustainable and ethical practices in the cultivation of soy and palm oil. The Group also contributes to the Better Cotton Initiative (BCI) and Bonsucro, promoting sustainable practices in cotton and sugarcane production, respectively.

- Land Management: LDC focuses on mitigating land conversion risks in its supply sheds, leveraging its involvement with initiatives like the Sustainable Rice Platform (SRP), where it was a founding member. The Group actively monitors and incentivizes conservation in its supply chains, advancing sectoral efforts to protect critical ecosystems. Since 2017, LDC has been a member of the World Business Council for Sustainable Development (WBCSD),

contributing to the Soft Commodities Forum, where it was among the first companies to publicly report on soy sourcing from Brazil's vulnerable Cerrado biome.

- Water Impact: Recognizing the global concerns over freshwater scarcity, LDC assesses water-related risks in its supply chains and drives efforts to optimize operational water consumption. This aligns with LDC's broader commitment to sustainable agricultural practices, as evidenced by its participation in initiatives such as the UN Global Compact.

- Social Impact: LDC is dedicated to upholding human and labour rights across its operations. The Group engages with stakeholders to address potential and actual adverse impacts, ensuring strict compliance with applicable laws and international standards. As an example, in 2023, the Group adopted a Supplier Code of Conduct, which sets sustainability standards applicable to all the Group's suppliers, covering both environmental and social impacts on supply chains.

LDC's participation in certification programmes like Fair Trade and the Rainforest Alliance further underscores its commitment to ethical sourcing and social responsibility.

Commercial Sustainability Solutions

LDC develops commercial offerings that support partners in creating low-carbon value chains, advancing sustainable agriculture programmes, and participating in environmental markets.

- Carbon Solutions: LDC focuses on building a portfolio of high-quality carbon avoidance and removal credits, which it markets to customers and broader markets.

- Energy Transition: The Group drives the implementation of bioenergy initiatives and strategic partnerships which support the energy transition, aligning with its sustainability goals.

- Regenerative Agriculture Solutions: LDC actively engages in field programmes within its supply chains to promote regenerative agriculture practices. This includes collaborations with organizations like The Nature Conservancy (TNC), with whom LDC began working in 2024 to implement regenerative agricultural and habitat conservation practices across strategic supply chains in North and South America.

Traceability & Sustainability Product Solutions

LDC supports its Platforms by coordinating the development of sustainability solutions both up- and downstream, with a strong focus on farmer centricity and traceability. This involves working closely with global initiatives to enhance transparency and sustainability across all stages of production.

Climate & Decarbonization

LDC is committed to decarbonizing its asset footprint and adapting its business practices to address climate risks and opportunities. It has a dedicated team playing a central role in this effort, helping to set science-based targets for emissions reduction and implementing projects to achieve these goals.

In addition, LDC has also made significant progress in integrating sustainability into its financial frameworks. Since 2018, the Group had been embedding sustainability-linked pricing mechanisms into all its regional syndicated revolving credit facilities (RCFs), to align financial incentives with sustainability performance.

In 2024, the Group reinforced its sustainability governance with the creation of a dedicated Sustainability Committee to support the Group's Supervisory Board in overseeing LDC's goals, strategies and activities related to sustainability.

For the year ended 31 December 2023, the Group for the first time issued an integrated report which combines the annual financial and sustainability reporting into a single publication, which can be viewed on LDC's website (https://www.ldc.com).

ESG rating

In 2023, LDC's Sustainalytics ESG Risk rating was updated to 30.5.

Quality Management

Nourishing the world with safe, healthy, and sustainable products is the Group's key priority in all markets it is targets. The Group strives for high quality and excellence in human food and animal feed ingredients.

As part of its customer centricity programme, its end-to-end approach to food safety and quality applies from raw material origination to final product delivery, ensuring customer requirements are applied at each step of the value chain.

The internationally recognized HACCP (Hazard Analysis and Critical Control Point) system is applied globally by LDC to ensure food and feed safety. This preventive and scientific risk-based system identifies, evaluates and controls hazards that are significant for food and feed safety. Many of the Group's internal systems are audited and verified by independent certification bodies to check conformity with internal standards, internationally recognized standards, laws and regulatory requirements.

LDC's laboratories follow international and regional standard methods, using the best available technologies to ensure a robust and reliable quality control mechanism for guaranteeing conformity of all products manufactured in its facilities. This forms part of its continuous improvement programme to ensure customer satisfaction worldwide.

To ensure it is observing best-in-class industry standards, LDC is member of many relevant global and regional associations, like the National Oilseeds Processors Association in the United States and the OVID, the association of Oilseed Processing Industry in Germany.

The Group is committed to fulfilling each customer's quality expectations. This is why it is constantly evolving its certification book, depending on local requirement and customers priorities.

The Group's quality culture programme targets employees in all of its industrial assets.

Insurance

It is the Group's policy to cover its insurable risks. Principal areas where the use of insurance is systematic include: General (including cyber event) and Specific Liability, Property, Marine and Cargo and Travel and Vehicles. All insurance is contracted in co-ordination with the Group's Insurance Department. Where such are permitted and advantageous, global policies are put in place and managed centrally in order to ensure optimal coverage for the Group. All fixed assets, transport and storage of commodities are systematically insured both for damage and liability.

See also "Risk Management and Compliance – Risk Governance – Physical Risk" and "Risk Factors – Risks relating to the Guarantor (including the Group and its Business) – Category 5: Industrial,

operational and logistic risks – The Group's insurance may not adequately cover all potential losses and the Group or its key personnel might face liability in case of major incident".

Compliance

The Group operates within regulatory constraints worldwide. Its compliance with such rules has always been a critical part of its business practices.

In order to strengthen the ability of the compliance department to monitor the Group's activities, compliance officers operate within the same structure as the Internal Audit team, under the responsibility of a Global Head of Compliance and Internal Audit, reporting directly to the Group Chairperson, with access to the Supervisory Board.

Compliance is overseen by a senior executive committee, the Compliance and Internal Audit Committee.

The Group's compliance activities cover four areas:

- Commodities futures-related compliance such as the trading and clearing rules of exchanges. The Group's merchandizing activity regularly involves the hedging of its positions in physical commodities with futures and option exchange-traded contracts. As a result, the Group has activities on over 20 futures and option exchanges across the world, and some of its entities hold membership on these exchanges. For instance, the Group's subsidiary, Term Commodities Inc. is a clearing member on some U.S. futures exchanges, and Louis Dreyfus Company Suisse SA is a clearing member on the ICE Europe. The Group monitors compliance with all applicable exchange rules and with the global financial regulations governing these exchanges, for instance the Commodity Futures Trading Commission rules in the U.S. and the Markets in Financial Instruments Regulation and Market Abuse Regulation in the EU.
- Anti-money laundering (AML) and trade sanctions compliance (such as those issued by the U.S. Office of Foreign Assets Control, the UN, the EU or other regulatory bodies).
- Trade practice compliance (such as compliance with the U.S. Foreign Corrupt Practices Act 1977, the UK Bribery Act 2010 and other local bribery legislation, as well as with the Group's Code of Conduct generally)).
- Sanctions compliance

Compliance officers design and supervise the implementation of compliance policies and procedures. They also perform third party due diligence and give advice to other departments. They provide training for staff, including e-learning.

A dedicated Compliance Monitoring team uses data driven tools to assist compliance officers in obtaining assurance that the Group's compliance policies and procedures are adhered to throughout the organization.

Litigation

From time to time the Group is involved in litigation as part of the ordinary course of its business activities, both as claimant and defendant. This ordinary course litigation has not had a material adverse effect on the Group's operating results or financial condition. (See Note 7.2 Commitments and Contingencies – Contingencies to the Guarantor Audited Financial Statements).

Recent Developments

In April 2024, the Group made an off-market takeover offer for Namoi Cotton Limited (ISIN: AU000000NAM1), an ASX listed company. Following approvals from both the Australian Competition and Consumer Commission and the Foreign Investment Review Board, by the date of this Prospectus the Group had received shareholder acceptances sufficient to bring the Group's stake in Namoi Cotton Limited to over 51 per cent.

In August 2024, Louis Dreyfus Company B.V. refinanced a US$50 million bilateral loan with an international bank, maturing in August 2029.

Results of Operations and Financial Position

The following discussion of the Group's results of operations and financial position should be read in conjunction with the Guarantor Audited Financial Statements and with the 2024 Guarantor Interim Financial Statements appearing elsewhere in this Prospectus. Unless otherwise indicated, all financial information included in this section has been derived from the 2023 Guarantor Audited Financial Statements or from the 2024 Guarantor Interim Financial Statements. Certain figures are subject to rounding.

The results presented include certain financial performance indicators, not defined by IFRS, that are used by the Group's management to assess the Group's financial performance. A definition of each of these indicators based on the Guarantor Audited Financial Statements or the 2024 Guarantor Interim Financial Statements can be found in the footnotes of the following discussion. The reconciliations of Earnings Before Interest, Taxes, Depreciation and Amortization ("**EBITDA**"), Adjusted Net Debt and Working Capital Usage with the Guarantor Audited Financial Statements or, as applicable, 2024 Guarantor Interim Financial Statements, are provided at the end of the following discussion in the section entitled "Reconciliations with the Guarantor Audited Financial Statements" and "Reconciliations with the 2024 Guarantor Interim Financial Statements".

As announced in December 2022, the Group established the Food & Feed Solutions Platform in January 2023 and its contribution is reported under the Value Chain Segment. Consequently, the Value Chain Segment includes the Grains and Oilseeds, Food & Feed Solutions and Juice platforms, along with Freight, Global Markets and Carbon Solutions. The Merchandizing Segment comprises the Coffee, Cotton, Rice and Sugar Platforms. No other change occurred between the Group's two segments.

AS AT, AND FOR THE YEAR ENDED, 31 DECEMBER 2023

Market volatility decreased in 2023, compared to 2022, as logistical bottlenecks eased, while the ongoing Russia-Ukraine crisis, export quotas in India, the devaluation of the Argentine peso, and concerns about the slowdown in global growth and uncertain crop size prospects continued to cause disruptions.

After high levels in 2022, prices of the main products merchandized by the Group decreased in 2023, with the exception of Robusta coffee, sugar, rice and citrus juices. The foreign exchange market was marked by a strong depreciation of the Argentine peso against U.S. dollar, while the Brazilian Real appreciated.

In this global context, the Group focused on fulfilling its role as a leading global merchant and processor of agricultural goods, bridging supply and demand gaps across essential food and feed value chains, from farmers to end-consumers. The Group continued to take steps to ensure efficient and reliable operations, and minimize disruptions at the Group's facilities and in the Group's logistic chains, always with employee safety and well-being as a priority.

The Group maintained its reinforced risk management framework, continuing to hold both regular and ad hoc meetings to examine and mitigate risks, and actively monitoring counterparty risks across all business lines in an uncertain environment. The Group also continued to follow strict compliance procedures to protect the Group, its stakeholders and assets in a global trade environment marked by sanctions.

As announced on April 3, 2023, the Group ceased grain exports from Russia and has been engaged in a sale process of its existing business and assets in Russia ("**Russian business**") on terms that satisfy the requirements of the Russian authorities. As of 31 December 2023, the Group performed a reassessment of control as defined by IFRS 10, and considering facts and circumstances, the Group concluded on a

loss of control and deconsolidated its Russian business. As a consequence, the Group recorded a US$(60) million loss (including US$(33) million foreign currency translation adjustment recycling from OCI) in the line "Other gains and losses" of the consolidated income statement.

In 2023, the Group continued to take significant and concrete steps to advance its commitment to shaping more sustainable value chains.

The Group set out a new global sustainability strategy around six core priority areas, leveraging the materiality assessment conducted in 2022.

As part of the Group's commitment to eliminate deforestation and native vegetation conversion for agricultural purposes from its supply chains by the end of 2025, the Group continued to strengthen in-house monitoring capabilities – across the Group and in specific supply chains, including by means of external satellite monitoring tools.

As part of the Group's decarbonization journey, the Group also announced in March 2023, a 33.6 per cent. reduction target for its Scope 1 & 2 greenhouse gas emissions by 2030, compared to its 2022 baseline year. In line with this trajectory, in 2023, the Group achieved a 4.7 per cent. reduction in Scope 1 & 2 emissions year on year.

The Group's Carbon Solutions team also calculated LDC's Scope 3 emissions for the first time, in relation to the year 2022, as a basis to set reduction targets for Scope 3 emissions.

In July 2023, LDC reported for the first time through the CDP Climate Change questionnaire, the world's largest reporting framework for corporate disclosure on climate change strategies, risks and opportunities, and was granted a B rating.

During 2023, the Group reinforced its sustainability governance with the adoption of its Human & Labor Rights Policy, which formalizes the Group's commitment to upholding human and labour rights in its operations and supply chains, and its global Supplier Code of Conduct, which sets minimum sustainability standards applicable to all the suppliers of the Group, in relation to environmental and social matters.

The Group also continued to engage and empower farming communities to adopt sustainable practices, helping to preserve the environment while improving farmers' livelihoods for the long term, through multiple projects and initiatives around the world.

Income Statement Analysis

In a global trade environment that saw persistent geopolitical, macroeconomic and environmental challenges, the Group delivered resilient results thanks to expertise and experience, diversified business portfolio, global presence and network, supported by ongoing efforts to drive process and cost optimization and efficiency.

Segment Operating Results amounted to US$2,607 million for the year ended 31 December 2023, stable compared to US$2,611 million for the year ended 31 December 2022, and EBITDA reached US$2,222 million, compared to US$2,347 million for the year ended 31 December 2022.

Income Before Tax for the year ended 31 December 2023 reached US$1,208 million, while Net Income, Group Share landed at US$1,013 million, compared to US$1,226 million and US$1,006 million respectively in 2022.

Net Sales

Net Sales amounted to US$50.6 billion for the year ended 31 December 2023, compared to US$59.9 billion in 2022, mainly reflecting lower average prices of the main commodities traded by the Group,

with the exception of Robusta coffee, sugar, rice and citrus juices. Volumes shipped by the Group decreased 3.5 per cent. year on year.

- The Value Chain Segment's net sales decreased 11.4 per cent. year on year, mainly owing to the lower price environment throughout the period for grains and oilseeds. Volumes shipped by the Grains and Oilseeds Platform were almost unchanged year on year. Freight Platform net sales decreased year on year, driven by lower prices, while Juice Platform net sales increased year on year, fuelled by a growth in volumes shipped combined with higher average prices.

- The Merchandizing Segment's net sales decreased by 24.9 per cent. year on year, owing mainly to lower volumes shipped by the Segment in a context of slowing global growth, combined with lower prices for cotton and Arabica coffee. After high levels in 2022, volumes shipped by the Cotton Platform decreased due to lower US production and global consumption. The decrease in volumes shipped by the Sugar Platform partially resulted from the divestment of the Imperial Sugar business in the US.

Segment Operating Results

Segment Operating Results remained stable at US$2,607 million for the year ended 31 December 2023, compared to US$2,611 million over the same period in 2022. The Group's performance remained resilient despite lower volumes sold and decreased volatility compared to 2022. LDC once again leveraged its global presence and market insights to capture profitable origination and sales opportunities, successfully manage risks, and meet customer demand in a persistently uncertain and complex global trade environment.

Value Chain Segment

The Value Chain Segment Operating Results amounted to US$1,910 million for the year ended 31 December 2023, compared to US$1,817 million for the same period in 2022.

The Grains and Oilseeds Platform's global footprint, and more integrated value chain management from origin to destination, supported improved financial performance in 2023, compared to an already strong 2022. High crop yields in Brazil, combined with strong demand from China, opened profitable opportunities both at origin and destination for the Group's soy and corn businesses. The Group's vegetable oils business once again delivered robust results, thanks to its efficient hedging strategy in the challenging market conditions of 2023, marked by a decline in prices, lower volatility and tight supply for palm oil. Processing activities significantly contributed to enhanced Platform performance, with strong crush and crack margins – particularly in North America, and large crop yields in Brazil. The Platform's activities in Argentina were affected by record low crops for soy, corn and wheat following drought, combined with low farmer selling and reduced biofuel processing margins. The Group's recently expanded grains activities in Australia further supported the Platform's performance.

The Juice Platform delivered strong Operating Results for the year ended 31 December 2023, thanks to growth in volumes shipped combined with supportive market prices and a recovery in processing margins, from process improvements and lower energy costs. Successful revenue diversification toward higher value-added products, such as not-from-concentrate juices and citrus ingredients, was also a relevant contributor.

2023 marked the first year of operations for the Group's recently created Food & Feed Solutions Platform, with a focus on building technical capabilities and integration across the Group's relevant production sites, toward the creation of two global product lines: lecithin and glycerin. Despite a market slowdown in 2023, the Platform positively contributed to the Segment's results, demonstrating the

resilience of its global business model, based on a multi-origin, multi-product approach. The Platform leveraged upstream integration to acquire cost-competitive raw material and expanded its customer base in key markets.

After record high performance in 2022, the Freight Platform delivered resilient operating results in 2023, marked by a challenging geopolitical environment and a return of El Niño disruptions on dry bulk flows. The combined slowdown in global manufacturing growth and reduced port congestion in China put pressure on market rates, which were consequently down 30 per cent. year on year. The Platform's strong performance was supported by successful positioning and hedging strategies, as well as continued innovation to optimize its operational model. Committed to helping shape a low-carbon economy, the Group announced in December 2023 a commercial agreement with *bound4blue* for the manufacture and installation of four eSAILs® on the Group's chartered juice vessel, in collaboration with *Wisby Tankers AB*. This agreement is expected to reduce the vessel's annual fuel consumption and CO2 emissions by at least 10 per cent.

The Global Markets Platform continued to provide strong support to the Group through efficient interest rate and foreign exchange risk management across all significant currencies in the Group's business, while keeping pace with the market's constant evolution and needs.

Ongoing decarbonization efforts and initiatives continued throughout 2023, as the Group's Carbon Solutions Platform led efforts to measure the Group's greenhouse gas emissions and set a 33.6 per cent. reduction target for its Scope 1 & 2 emissions by 2030, compared to its 2022 baseline year. The Platform's contribution to the Segment's results remained limited, as voluntary credits markets were hit by a drop in prices and liquidity due to the Russia-Ukraine crisis and a slowdown in global growth. In this changing, low-liquidity environment, the Platform pursued its work to build a portfolio of high-quality credits.

Merchandizing Segment

The Merchandizing Segment Operating Results reached US$697 million for the year ended 31 December 2023, compared to US$794 million for the same period in 2022.

The Cotton Platform delivered good results for the year ended 31 December 2023. Volumes sold for the period were lower compared to 2022, as US production significantly decreased due to drought conditions in West Texas, while global consumption declined as higher inflation levels put pressure on global cotton demand. Throughout the year, cotton prices were rangebound in a lower volatility market. In this challenging environment, Platform earnings were supported by contributions from logistics activities and solid merchandizing margins across multiple origins, including the US, Brazil, Australia and West Africa.

The Coffee Platform's strong operating results for the year ended 31 December 2023 were supported by improved origination margins and volumes in Brazil, partially offset by lower results in Vietnam and Indonesia year on year. Coffee price volatility was fuelled by low stocks and uncertainty over global consumption, with global demand shifting toward lower grade coffees and Robustas. In this complex environment, the Platform's performance was supported by a successful hedging strategy. The Group's Coffee teams also continued to partner with both suppliers and customers to address increasing traceability requirements and, in March 2023, the Group's Responsible Sourcing Program Advanced was recognized as equivalent to the *Global Coffee Platform's* Coffee Sustainability Reference Code.

The Sugar Platform's reduced results year on year are attributable to the sale of the Imperial Sugar business. Restated for this business' contribution, the Platform's operating results increased compared

to 2022. Uncertainty over global supply fuelled strong market volatility over the period, while a reduced export quota from India, unfavorable crops in Thailand and logistical bottlenecks in Brazil contributed to market tightness, fueling market volatility and increasing price trend. In this context, the Platform deployed a successful hedging strategy and diversified its revenue streams with ethanol in Brazil which supported its improved results.

The Rice Platform continued to deliver strong operating results year on year. In 2023, the Platform relied on its domestic presence in India to mitigate the negative impact from export restrictions. The Platform also leveraged its global network and reputation to diversify origins, with stronger focus on Thailand and Vietnam, combined with an increase in volumes originated from South America. Complementing its established customer centric strategy, the Platform's focus on origin diversification ensured continued service to customers.

Commercial and Administrative Expenses

Commercial and administrative expenses increased year on year, due to higher inflation and higher personnel costs, linked to business expansion downstream and additional efforts on sustainability and digital transformation.

Net Finance Costs

Net finance costs[12] amounted to US$(266) million for the year ended 31 December 2023, down from US$(288) million in 2022, mainly due to lower funding requirements. Interest expenses were controlled, with a period-on-period increase of US$(14) million, as a result of lower Working Capital Usage and despite a higher Secured Overnight Financing Rate (SOFR) – from 1.61 per cent. on average for the SOFR 1M over 2022, to 5.00 per cent. on average over 2023 (i.e. a 338bps increase). On the other hand, the Group benefited from the rise in reference interest rates with higher income on commercial transactions, partly offsetting the negative impact on interest expenses.

Other Gains and Losses

The US$(60) million loss in 2023 is related to the deconsolidation of the Group's Russian business. In 2022, the US$(156) million loss related to Taman project impairment.

Income Before Tax

Income before tax decreased to US$1,208 million for the year ended 31 December 2023, compared to US$1,226 million for 2022.

Taxes

Taxes amounted to US$(198) million for the year ended 31 December 2023, resulting in a 16.4 per cent. effective tax rate, compared to 17.9 per cent. for 2022, mainly thanks to a favorable country mix and other non-recurring permanent differences, partially offset by negative functional currency impacts, notably in Argentina.

Net Income, Group Share

Net income, Group Share, settled at US$1,013 million for the year ended 31 December 2023, compared to US$1,006 million in 2022. Return on equity[13] reached 16.6 per cent. for the 12-month period ended 31 December 2023, compared to 18.7 per cent. for the 12-month period ended 31 December 2022.

[12] Interest income, Interest expense and Other financial income and expense.
[13] Net income to owners of the Guarantor over Equity attributable to owners of the Guarantor at the beginning of the 12-month period.

Balance Sheet Analysis

Non-Current Assets

As of 31 December 2023, non-current assets amounted to US$5,383 million, up from US$5,085 million as of 31 December 2022:

- Fixed assets landed at US$4,275 million, compared to US$3,963 million as of 31 December 2022. The increase was mainly due to the acceleration in new projects and constructions, as well as additional lease contracts, particularly in Asia.
- Investments in associates and joint ventures increased from US$230 million as of 31 December 2022, to US$291 million as of 31 December 2023. The US$61 million increase is mainly attributable to the indirect acquisition of 50% shares in the joint venture *TEAG – Terminal de Exportação de Açúcar do Guarujá Ltda*, additional capital injection in *TES – Terminal Exportador de Santos S.A.*, and LDC's share in the entities' net income for the period.
- Non-current financial assets decreased from US$445 million as of 31 December 2022, to US$311 million as of 31 December 2023, mainly due to reclassification to current assets of derivatives and related margin deposits according to their maturities.
- Deferred income tax assets landed at US$253 million as of 31 December 2023, up from US$163 million as of 31 December 2022, mainly attributable to granted tax credits.
- Other non-current assets amounted to US$253 million as of 31 December 2023, down from US$284 million as of 31 December 2022, mainly coming from refund of tax credits.

Capital Expenditure

Maintaining its highly selective investment policy, the Group invested US$636 million during the year ended 31 December 2023, up from US$549 million for the year ended 31 December 2022, supporting its strategic ambitions while securing solid cash flows and remaining prudent in its capital deployment, as a volatile and uncertain market environment persisted. With a significant part of capital expenditure remaining discretionary as per the Group's investment policy, the Group considers that it is well-positioned to adapt to and capture emerging opportunities as they arise.

The Group invested in planned and custom maintenance, as well as enhancements, to ensure the continued operational performance and safety of its existing assets. The Group also moved forward with strategic long-term projects for the expansion of its processing capacity and diversification downstream through research and development. System developments and improvements remained a significant investment area for the Group, particularly the roll-out of its global back-office enterprise resource planning (ERP) system and the deployment of an upgraded version of its existing front-office system, common to Grains and Oilseeds, Sugar and Rice. System harmonization and enhancement are part of the Group's digitalization efforts, with the aim of generating efficiency and support cost-effective business management in an increasingly complex environment.

Value Chain

The Segment invested US$542 million over the year ended 31 December 2023, mostly to expand oilseeds processing capacity and support developments downstream.

In September 2023, the Grains and Oilseeds Platform completed the construction of a soybean processing facility as part of Fuling Food Industrial Park at the Port of Nansha, Guangzhou, China, in collaboration with Chinese partners.

In North America, the Platform started to invest in the expansion of its canola processing complex in Yorkton, Saskatchewan, Canada, aiming to reinforce its capacity to supply food, feed and energy

customers, and initiated investments for the construction of a new soybean processing complex in Upper Sandusky, Ohio, US, with integrated crushing, vegetable oil refining and lecithin production and packaging capabilities. The new plant will also provide the opportunity to participate in renewable energy feedstock markets and help meet growing demand for biofuels.

In addition, the Group initiated the construction of a USP grade glycerin refining and edible oil packaging plant in Lampung, Indonesia, complementing existing local refining capabilities.

The Juice Platform accelerated its investments in citrus grove replanting, and also invested to enhance operational performance and optimize production costs through higher production capacity, with a focus on not-from-concentrate juices. Investments also focused on industrial asset maintenance and continuous improvements, largely in Brazil, as well as operational safety enhancements.

Merchandizing

Over the year ended 31 December 2023, platforms in the Segment invested US$94 million.

The Sugar Platform acquired a 50% stake in *TEAG – Terminal de Exportação de Açúcar do Guarujá Ltda*, a joint venture, for sugar exports via the port of Santos, São Paulo State, Brazil.

The Coffee Platform continued to invest in the construction of a joint venture freeze-dried instant coffee plant in Binh Duong, Vietnam, commissioned in October 2023. The Platform also continued to invest in the expansion of the Group's coffee mill in Varginha, Minas Gerais State, Brazil.

The Group also invested in the expansion of its logistic facilities at the port of Antwerp, Belgium, managed by its subsidiary *Ilomar Holding N.V.*

Working Capital Usage

Working capital usage ("**WCU**") amounted to US$7.3 billion as of 31 December 2023, stable compared to 31 December 2022. While Value Chain Segment platforms increased their working capital needs as of 31 December 2023 compared to 31 December 2022, this increase was partially offset by a decrease in Merchandizing Segment working capital needs:

- The Juice Platform drove the trend for the Value Chain Segment, partially offset by a decrease in Grains and Oilseeds working capital. Juice WCU increased due to a rise in inventories, in line with higher prices environment, as well as an increase in receivables. Grains & Oilseeds working capital decreased in a context of lower prices.
- Merchandizing Segment working capital needs decreased compared to 31 December 2022, driven mostly by Sugar, as a result of lower inventory volumes, as well as a decrease in receivables.

Due to their highly liquid nature, certain agricultural inventories are treated as Readily Marketable Inventories (RMIs), which are readily convertible into cash due to widely available markets and international pricing mechanisms. The Group considers that trading inventories with a liquidity horizon of less than three months qualify as RMIs if they can be sold without discount. As of 31 December 2023, RMIs represented 95.6% of the Group's trading inventories, compared to 96.1% as of 31 December 2022.

Financing

The Group's funding model is designed to support its long-term strategy. To preserve a balanced capital structure and match financial resources with funding requirements, the Group's key guidelines are that

long-term debt is primarily dedicated to support long-term investments, while short-term debt is used to support ongoing business in financing its main working capital needs.
To support its ambitious growth plan, the Group secured long-term financing through debt raised over 2021 and 2022 at very competitive interest rates. The portion of long-term financing exceeding long-lived assets is temporarily used to finance short-term assets, allowing the Group to finance its working capital needs at a competitive cost of funds.

Given the liquidity maturity profile of the Group's balance sheet, the Group considers that approximately two-thirds of the Group's working capital could be financed with short-term resources. In order to support the Group's growth strategy, while providing cost-efficient funding for ongoing operations, the Group's balance sheet maturity profile as at 31 December 2023 shows a significant excess of long-term sources.

The Group's operations to originate, store, transform and distribute agricultural commodities throughout the world require sizeable amounts of capital, and the Group believes that its funding model is flexible enough to allow it to adapt funding to volatile market conditions. With the aim of guaranteeing continued access to capital, the Group has implemented a funding strategy based on the following pillars:

- Diversified sources of funds: 29.2 per cent. of long-term financing came from debt capital markets as of 31 December 2023, and 22.0 per cent. from Farm Credit System loan;
- Stable debt maturity profile: average maturity of non-current portion of long-term financing was 4.5 years as of 31 December 2023;
- Sizeable proportion of committed facilities: 43.4 per cent. of total Group facilities were committed, of which US$4.3 billion with maturities beyond one year remained undrawn as of 31 December 2023;
- Sustainability-linked facilities: US$4.5 billion facilities embedding pricing mechanisms based on reductions in environmental key performance indicators; and
- The Group's public investment grade rating (BBB/A2 with a stable outlook) by *S&P Global Ratings*.

Debt and Leverage

As of 31 December 2023, long-term debt[14] stood at US$5.0 billion, up compared to 31 December 2022. The US$0.2 billion increase comprises refinancing of the Group's Samurai loan, partially offset by US$300 million six-year bond repayment in June 2023 and the early repayment of the Brazilian export prepayment facility which was becoming current.

Short-term debt[15] decreased by US$0.1 billion compared to 31 December 2022, standing at US$1.9 billion as of 31 December 2023. The record low short-term drawing level as of 31 December 2023 reflected a strong operational cash flow generation over 2023 combined with a moderate working capital level. Cash and cash equivalents increased by US$0.3 billion, to US$1.5 billion as of 31 December 2023.

In line with common practice in the agribusiness sector, short-term debt is netted against RMIs, as those inventories can be considered as quasi-cash due to their highly liquid nature. Adjusted net debt reached US$0.1 billion as of 31 December 2023, with an adjusted leverage ratio of 0.1x, a record in Group history. Adjusted net gearing stood at 0.02 as of 31 December 2023, compared to 0.07 as of 31 December 2022.

[14] Current and non-current portion of the long-term debt.
[15] Short-term debt plus financial advances from related parties, net of repurchase agreements and securities short positions.

Liquidity

The Group aims to prudently manage financial risks, ensuring sustained access to liquidity. As of 31 December 2023, the Group had US$4.3 billion of undrawn committed bank lines, all with maturities beyond one year.

Available liquidity, which comprises current financial assets, RMIs and undrawn committed bank lines, stood at US$11.6 billion as of 31 December 2023, enabling the Group to cover 5.2x the current portion of its debt at this date.

Financing Arrangements

Long-Term Financing

In July 2023, LDC refinanced and increased, one year ahead of maturity, its JPY64.9 billion Samurai loan into a new JPY101.3 billion facility (+56 per cent.) consisting of a three-year tranche (JPY49.5 billion) and a five-year tranche (increasing from JPY10.0 billion to JPY51.8 billion). This term loan strengthens existing relationships with Japanese investors, further diversifying sources of funding and increasing the level of committed facilities.

In September 2023, *Louis Dreyfus Company NA Finance One LLC* extended its Farm Credit System loan totaling US$955 million by 4 years, with new maturities in 2028, 2030 and 2033, and added a new US$200 million tranche through a Delay-Draw Term Loan available for 24 months, with a 7-year maturity.

Revolving Credit Facilities (RCFs)

The Group has six syndicated RCFs in three of its regional hubs (Singapore, Switzerland and US), as well as one with the *European Bank for Reconstruction and Development* (EBRD) for a total amount of US$4.1 billion as of 31 December 2023. The Group mitigates the risk of refinancing by maintaining geographical diversification and staggered maturity dates. To that end, each of its three regional hubs usually refinances one of its RCFs each year, one year ahead of maturity, when market conditions are deemed favorable.

In August 2023, *Louis Dreyfus Company Asia Pte. Ltd.* refinanced its US$730 million RCF one year ahead of its maturity, into a three-year US$800 million facility maturing in August 2026.

In December 2023, *Louis Dreyfus Company Suisse S.A.* refinanced and increased its US$445 million RCF into a three-year US$590 million facility maturing in December 2026, including new environmental Key Performance Indicators (KPIs). The Group replaced its previous five-year (2018-2022) environmental KPI targets with KPIs based on Scope 1 and 2 emissions reductions, as well as verified deforestation- and conversion-free Brazilian soy and corn origination volumes. These new KPIs were supported by a Second Party Opinion report in line with the Sustainability Linked Loan Principles issued by ISS-Corporates which considered the KPIs ambitious and material for the agri-commodities industry.

In October 2023, *LDC Tarim Ürünleri Ticaret Limited Şirketi* signed a US$65 million three-year RCF with the *European Bank for Reconstruction and Development* (EBRD). This new facility will be dedicated to working capital financing for operations originated from, or with destination to, Türkiye. As part of this facility, the company will be actively working to originate Better Cotton certified volumes and drive supply chain traceability from Türkiye. In parallel, and for the next three years, LDC and

EBRD are jointly financing a capacity-support programme focused on encouraging and supporting Turkish cotton farmers to adopt Better Cotton standards.

In December 2023, *Louis Dreyfus Company LLC* aligned its three-year US$700 million RCF, maturing in May 2026, with the new environmental KPIs of *Louis Dreyfus Company Suisse S.A.*

Consequently, as of 31 December 2023, all committed RCFs had maturities above one year, all Group RCFs are guaranteed by LDC and all syndicated RCFs included a sustainability-linked pricing mechanism.

EU-Commercial Paper Program

LDC's rated EU Commercial Paper Program allows the Group to benefit from access to diversified sources of short-term financing at competitive rates, with an outstanding amount of US$237 million as of 31 December 2023 (versus US$521 million as of 31 December 2022), and an average of US$499 million across maturities ranging up to 12 months in 2023.

Equity

Equity attributable to owners of the company increased from US$6,096 million as of 31 December 2022, to US$6,630 million as of 31 December 2023, with total equity of US$6,664 million at the same date.

The US$534 million increase in equity attributable to owners of the company over the year ended 31 December 2023, mainly resulted from the US$1,013 million of net income, Group Share for the period, net of the payment of a US$503 million dividend.

Risk

Identifying and quantifying risks is central to the Group's business model, and the Group has long been committed to developing appropriate organizational structures to mitigate and manage these risks.

During the period, the Group closely monitored its daily value-at-risk (VaR) and kept it significantly below 1% of its equity, with an average VaR usage of 0.26% during the year ended 31 December 2023, compared to 0.39% for the year ended 31 December 2022.

VaR is only one of the risk metrics within the Group's wider risk management system.

Subsequent Events

In January 2024, the Group and The Nature Conservancy announced a collaboration to promote and implement regenerative agricultural and habitat conservation practices in strategic agricultural supply chains, as part of a shared goal to mitigate climate change from food and agricultural production, and improve biodiversity and ecosystem services. This five-year collaboration started with the assessment of current initiatives relating to regenerative agriculture and deforestation- and conversion-free (DCF) production, the design of incentive structures for DCF initiatives for farmers and the design of pilot projects for regenerative agriculture with the participation of various stakeholders.

As part of the Group's global growth strategy, the Group announced in February 2024 the construction of a pea protein isolate production plant dedicated to its Plant Proteins business, at the site of its existing industrial complex in Yorkton, Saskatchewan, Canada.

Reconciliations with the Guarantor Audited Financial Statements

For the reconciliations of certain non-IFRS items with the Guarantor Audited Financial Statements, please see "Presentation of Certain Financial Information" on page (ix) et seq.

AS AT, AND FOR THE SIX-MONTH PERIOD ENDED, 30 JUNE 2024

Markets remained disrupted over the six-month period ended 30 June 2024, fuelled by the ongoing Russia-Ukraine and Red Sea crisis, concerns about the slowdown in global growth and uncertain crop size prospects.

Average market prices of grains, edible oil, soy and sugar products decreased in the first semester of 2024, while market prices of Robusta and Arabica coffees, rice, citrus juices and cotton increased. The foreign exchange market was marked by an overall appreciation of the U.S. dollar, particularly against the Argentine Peso and Brazilian Real.

In this context, the Group focused on fulfilling its role as a leading global merchant and processor of agricultural goods, bridging supply and demand gaps across essential food and feed value chains, from farmers to end-consumers. The Group continued to take steps to ensure efficient and reliable operations, and minimize disruptions at its facilities and in its logistic chains, always with employee safety and well-being as a priority.

The Group maintained its reinforced risk management framework, continuing to hold both regular and ad hoc meetings to examine and mitigate risks, and actively monitoring counterparty risks across all business lines in an uncertain environment. The Group also continued to follow strict compliance procedures to protect itself, its stakeholders and assets in a global trade environment marked by sanctions.

In the first semester of 2024, the Group also continued to take significant and concrete steps to advance its commitment to shaping more sustainable value chains. Importantly, the Group reinforced its sustainability governance with the creation of a dedicated Sustainability Committee to support the Group's Supervisory Board in overseeing its goals, strategies and activities related to sustainability.

In January 2024, the Group announced a collaboration with The Nature Conservancy to promote and implement regenerative agriculture and habitat conservation practices in strategic supply chains, as part of their shared goal to mitigate climate change from food and agricultural production, and improve biodiversity and ecosystem services.

In the first half of 2024, the Group also announced collaborations to promote camelina cultivation in Argentina and Uruguay, in line with the Group's efforts to drive supply chain decarbonization and, ultimately, more efficient and sustainable agricultural production.

Income Statement Analysis

In a global trade environment that saw persistent geopolitical, macroeconomic and environmental challenges, the Group delivered resilient results thanks to its expertise and experience, diversified business portfolio, global presence and network, supported by ongoing efforts to drive process and cost optimization and efficiency.

Segment Operating Results amounted to US$1,284 million for the six-month period ended 30 June 2024, compared to US$1,316 million for the six-month period ended 30 June 2023, and EBITDA reached US$1,057 million, compared to US$1,169 million for the six-month period ended 30 June 2023.

Income Before Tax for the six-month period ended 30 June 2024 reached US$563 million, while Net Income, Group Share landed at US$489 million, compared to US$654 million and US$568 million respectively in the corresponding period in 2023.

Net Sales

Net Sales amounted to US$25.6 billion for the six-month period ended 30 June 2024, compared to US$25.8 billion over the same period in 2023. Lower average sales prices of grains, edible oil, soy, sugar and cotton products shipped were largely offset by higher prices of Robusta and Arabica coffee, rice and citrus juices as well as an overall increase in volumes by 19.4% year on year.

The Value Chain Segment's net sales decreased 4.8% year on year, mainly owing to the lower price environment throughout the period for grains and oilseeds, despite higher volumes shipped year on year. Freight Platform net sales increased year on year, driven by both increased activities and higher prices. The Juice Platform net sales also rose year on year, fuelled by growth in volumes shipped combined with higher average prices.

The Merchandizing Segment's net sales increased by 11.0% year on year, owing to both higher volumes shipped and higher average sales prices for all platforms in the Segment, except Sugar.

Segment Operating Results

Segment Operating Results amounted to US$1,284 million for the six-month period ended 30 June 2024, compared to US$1,316 million over the same period in 2023. The Group's performance remained resilient thanks to its business diversification and ability to adapt to changing market conditions, supporting growth in volumes shipped. In a business environment with lower volatility period-on-period in some of the markets in which the Group operates, the Group once again leveraged its global presence and market insights to capture profitable origination and sales opportunities, to successfully manage risks, and to meet customer demand in a persistently uncertain and complex global trade environment.

Value Chain Segment

The Segment's Operating Results amounted to US$941 million for the six-month period ended 30 June 2024, compared to US$919 million over the same period in 2023.

The Grains & Oilseeds Platform delivered lower operating results year on year, despite higher volumes sold. The Platform's performance nevertheless remained strong, thanks to its global footprint, product diversification and integrated value chain management from origin to destination. The wheat business strongly contributed to performance with higher volumes sold, supported by a larger crop in Argentina and further diversification of origination and destination markets, combined with strong margins at destination. Despite higher volumes sold compared to the same period in 2023, the soy and corn businesses were negatively impacted by fewer opportunities in a context of low volatility, combined with lower crush margins in China. Processing margins decreased in North America, as ample feedstock and biofuel availability on the market weighed on prices over the period. In Brazil, record low farmer selling combined with crop failures weighed on origination margins, while in Argentina activities and margins recovered from low 2023 performance.

The Juice Platform delivered significantly improved operating results for the six-month period ended 30 June 2024, thanks to growth in volumes shipped combined with supportive market prices and good processing margins, as a result of process improvements and lower energy costs. New commercial opportunities and progress on revenue diversification toward higher value-added products, such as citrus oil and ingredients, also contributed to the Platform's enhanced results.

The Food & Feed Solutions Platform continued to positively contribute to the Segment's results, demonstrating the resilience of its global business model, based on a multi-origin, multi-product approach. The Platform leveraged upstream integration to upgrade product quality and expand its customer base globally.

The Freight Platform delivered resilient operating results for the six-month period ended 30 June 2024, which was marked by a challenging geopolitical environment. Uncertainties in global manufacturing growth and disruptions in the Red Sea drove market rate volatility. The Platform's performance was supported by increased activities year on year, successful positioning and hedging strategies, as well as continued innovation to optimize its operational model.

The Global Markets Platform continued to provide strong support to the Group through efficient interest rate and foreign exchange risk management across all significant currencies in the Group's business, while keeping pace with the market's constant evolution and needs.

Ongoing decarbonization efforts and initiatives continued in the first half of 2024, driving toward the Group's 33.6% reduction target for its Scope 1 & 2 emissions by 2030, compared to its 2022 baseline year. The Carbon Solutions Platform's contribution to the Segment's results remained limited in a low-price, low-liquidity environment.

Merchandizing Segment

Segment Operating Results reached US$343 million for the six-month period ended 30 June 2024, compared to US$397 million over the same period in 2023.

The Cotton Platform delivered lower results for the six-month period ended 30 June 2024, compared to the same period in 2023, largely due to reduced merchandizing opportunities amid diminished global demand. Throughout the period, easing concerns over exportable supply and uncertainty over future Chinese import demand weighed on cotton prices and drove volatility higher. Contributions from the Platform's asset activities were smaller compared to the same period in 2023, due to a smaller crop and lower inventory levels in the US, as well as a late harvest in Australia that delayed ginning activities. In this challenging environment, earnings of the Platform were supported by a successful hedging strategy combined with solid merchandizing margins in certain markets, particularly India.

For the six-month period ended 30 June 2024, the Coffee Platform grew its operating results year on year, thanks to higher volumes shipped combined with improved origination margins, especially in Brazil and, to a lesser extent, in Vietnam. Coffee prices increased in the first half of 2024, on the back of crop disruptions in Vietnam and Brazil, combined with logistics constraints in Red Sea. In this complex environment, the Platform's performance was supported by a successful hedging strategy. In line with its strategy to diversify revenue streams through value-added, downstream products, the Group announced in March an agreement to acquire 100% of *Companhia Cacique de Café Solúvel* shares. During the semester, the Platform also continued to source and deliver EUDR-aligned products from multiple origins.

The Sugar Platform's operating results decreased year on year. Amid concerns over global supply, due to lack of rainfall in Brazil at the beginning of the period, volatility decreased on the back of improved crop forecasts and Brazilian Real depreciation. In this context, commercial opportunities reduced, resulting in lower volumes shipped, partially mitigated through revenue stream diversification with ethanol in Brazil.

The Rice Platform continued to improve its operating results year on year. During the six-month period ended 30 June 2024, the Platform increased volumes sold compared to the same period in 2023, by leveraging additional commercial opportunities at destination thanks to its global network and strong reputation. The Platform's financial performance was further consolidated through continued optimization of logistical costs.

Commercial and Administrative Expenses

Commercial and administrative expenses increased year on year, due to inflation and higher personnel costs related mainly to business expansion downstream, and additional sustainability and digital transformation efforts.

Net Finance Costs

Net finance costs[16] amounted to US$(164) million for the six-month period ended 30 June 2024, up from US$(147) million over the same period in 2023. The period-on-period increase in interest expenses of US$(17) million was driven by a combination of higher Working Capital Usage and a rise in the Secured Overnight Financing Rate (SOFR): a 59 basis point increase on average over the first half of 2024 for the SOFR 1M, compared to the same period in 2023. On the other hand, the Group benefited from the rise in reference interest rates, with higher income on commercial transactions partly offsetting the negative impact on interest expenses.

Income Before Tax

Income before tax decreased to US$563 million for the six-month period ended 30 June 2024, compared to US$654 million for 2023.

Taxes

Taxes amounted to US$(75) million for the six-month period ended 30 June 2024, resulting in a 13.3% effective tax rate, compared to 13.0% for the same period in 2023. This was mainly due to a less favorable country mix, partially compensated by more favorable positive functional currency impact, notably in Argentina. The impact of Global Minimum Tax on the Group's effective tax rate over the period is less than 1%.

Net Income, Group Share

Net income, Group Share, settled at US$489 million for the six-month period ended 30 June 2024, compared to US$568 million in 2023.

Balance Sheet Analysis

Non-Current Assets as of 30 June 2024, non-current assets amounted to US$5,443 million, up from US$5,383 million as of 31 December 2023:

- Fixed assets landed at US$4,360 million, compared to US$4,275 million as of 31 December 2023. The increase was mainly due to the acceleration in capital expenditure in new projects and constructions.

- Investments in associates and joint ventures increased from US$291 million as of 31 December 2023, to US$296 million as of 30 June 2024. The US$5 million increase is mainly attributable

[16]Interest income, Interest expense and Other financial income and expense.

to LDC's share in the entities' net income for the period and capital increases, partially offset by dividend distributions.

- Non-current financial assets increased from US$311 million as of 31 December 2023, to US$383 million as of 30 June 2024, mainly due to an increase in margin deposits linked to non-current derivatives.

- Other non-current assets amounted to US$203 million as of 30 June 2024, down from US$253 million as of 31 December 2023, mainly due to the collection of tax credits.

Capital Expenditure

Maintaining its highly selective investment policy, the Group invested US$299 million during the six-month period ended 30 June 2024, up from US$230 million for the same period in 2023, supporting its strategic ambitions while securing solid cash flows and remaining prudent in capital deployment, as a volatile and uncertain market environment persisted. With a significant part of capital expenditure remaining discretionary as per the Group's investment policy, the Group considers that it is well-positioned to adapt to and capture emerging opportunities as they arise.

The Group invested in planned and custom maintenance, as well as enhancements, to ensure the continued operational performance and safety of its existing assets. The Group also moved forward with strategic long-term projects for the expansion of its processing capacity and diversification downstream. System developments and improvements remained a significant investment area for the Group, particularly the roll-out of its global back-office enterprise resource planning (ERP) system and the deployment of an upgraded version of its existing front-office system, common to Grains & Oilseeds, Sugar and Rice platforms. System harmonization and enhancement are part of the Group's digitalization efforts, with the aim of generating efficiency and support cost-effective business management in an increasingly complex environment.

Value Chain Segment

The Segment invested US$263 million over the six-month period ended 30 June 2024, mostly to expand oilseeds processing capacity and support developments downstream.

In North America, the Grains & Oilseeds Platform continued to invest in the expansion of its canola processing complex in Yorkton, Saskatchewan, Canada, aiming to reinforce its capacity to supply food, feed, and energy customers. The Platform also invested further in the construction of its new soybean processing complex in Upper Sandusky, Ohio, US, with integrated crushing and vegetable oil refining capabilities. The new plant will also provide the opportunity to participate in renewable energy feedstock markets and help meet growing demand for biofuels. In addition, the Group initiated the installation of a cogeneration unit in its ethanol plant in Grand Junction. with the aim of reducing greenhouse gas emissions.

As announced in February 2024, the Group also started the construction of a pea protein isolate production plant in Yorkton, Saskatchewan, Canada, dedicated to its Plant Proteins business.

The Juice Platform accelerated its investments in citrus grove replanting, and also invested to enhance operational performance and optimize production costs through higher production capacity, with a focus on not-from-concentrate juices. Investments also focused on industrial asset maintenance and continuous improvements, largely in Brazil, as well as operational safety enhancements.

Merchandising Segment

Over the six-month period ended 30 June 2024, platforms in the Segment invested US$36 million.

The Sugar Platform injected additional capital in TEAG - *Terminal de Exportação de Açúcar do Guarujá Ltda*, a joint venture terminal for sugar exports via the port of Santos, São Paulo State, Brazil.

The Coffee Platform continued to invest in the expansion of the Group's coffee mill in Varginha, Minas Gerais State, Brazil, as well as in storage capacity at its facility in Lampung, Indonesia. In March 2024, the Group announced the signature of a binding agreement to acquire 100% of shares in *Companhia Cacique de Café Solúvel*, in line with the Group's strategy to diversify revenue streams through value-added product lines.

The Group also invested in the expansion of its logistic facilities at the port of Antwerp, Belgium, managed by its subsidiary *Ilomar Holding N.V.*

Working Capital

Working Capital Usage (WCU) amounted to US$8.2 billion as of 30 June 2024, up from US$7.3 billion as of 31 December 2023. Both segments increased their working capital needs:

- All Value Chain Segment platforms increased their working capital. The increase in Grains & Oilseeds working capital is mainly explained by seasonality of Latin American soybean crops. Juice WCU increased due to a rise in inventories, in line with higher prices environment, while Freight WCU increased consistently with the growth in the Platform's activities.

- Merchandizing Segment working capital needs also increased compared to 31 December 2023, driven mostly by Coffee, as a result of higher inventory volumes combined with an increase in valuation due to the price increase of Arabica and Robusta. Cotton WCU decreased due to lower inventories and prices, coupled with lower receivables thanks to improved collection and faster execution of deliveries.

Due to their highly liquid nature, certain agricultural inventories are treated as Readily Marketable Inventories (RMIs), which are readily convertible into cash due to widely available markets and international pricing mechanisms. The Group considers that trading inventories with a liquidity horizon of less than three months qualify as RMIs if they can be sold without discount. As of 30 June 2024, RMIs represented 96.1% of the Group's trading inventories, compared to 95.6% as of 31 December 2023.

Financing

The Group's funding model is designed to support its long-term strategy. To preserve a balanced capital structure and match financial resources with funding requirements, the Group's key guidelines are that long-term debt is primarily dedicated to support long-term investments, while short-term debt is used to support ongoing business in financing its main working capital needs.

To support its ambitious growth plans, the Group secured long-term financing through debt raised over 2021 and 2022 at very competitive interest rates. The portion of long-term financing exceeding long-lived assets is temporarily used to finance short-term assets, allowing the Group to finance its working capital needs at a competitive cost of funds compared to short term financing cost of funds.

Given the liquidity maturity profile of the Group's balance sheet, the Group considers that approximately two-thirds of the Group's working capital could be financed with short-term resources. In order to support the Group's growth strategy, while providing cost-efficient funding for ongoing operations, the Group's balance sheet maturity profile as at 30 June 2024 shows a significant excess of long-term sources.

The Group's operations to originate, store, transform and distribute agricultural commodities throughout the world require sizeable amounts of capital, and the Group believes that its funding model is flexible enough to allow it to adapt funding to volatile market conditions. With the aim of guaranteeing continued access to capital, the Group has implemented a funding strategy based on the following pillars:

- Diversified sources of funds: 30.5% of long-term financing came from debt capital markets as of 30 June 2024, and 23.7% from a Farm Credit System loan;
- Stable debt maturity profile: average maturity of non-current portion of long-term financing was 4.4 years as of 30 June 2024;
- Sizeable proportion of committed facilities: 41.7% of total Group facilities were committed, of which US$4.4 billion with maturities beyond one year remained undrawn as of 30 June 2024;
- Sustainability-linked facilities: US$5.1 billion facilities embedding pricing mechanisms based on reductions in environmental key performance indicators as of 30 June 2024; and
- the Group's public investment grade rating by S&P Global Ratings was upgraded in June 2024, from 'BBB/A-2' with stable outlook to 'BBB+/A2' with stable outlook.

Debt and Leverage

As of 30 June 2024, long-term debt[17] stood at US$4.7 billion, down compared to 31 December 2023. The US$(0.3) billion decrease is mostly attributable to the adjusted value of debt in foreign currency terms (especially Yen- and Euro-denominated debt) and the repayment of higher interest-bearing debt in order to optimize the overall cost of funds.

Short-term debt[18] increased by US$1.0 billion compared to 31 December 2022, reaching US$2.9 billion as of 30 June 2024. This is in line with the US$0.9 billion seasonal increase typically seen in working capital. Cash and cash equivalents decreased by US$0.2 billion, to US$1.3 billion as of 30 June 2024.

In line with common practice in the agribusiness sector, short-term debt is netted against RMIs, as those inventories can be considered as quasi-cash due to their highly liquid nature. Adjusted net debt reached US$1.1 billion as of 30 June 2024, with an adjusted leverage ratio of 0.5x. Adjusted net gearing stood at 0.17 as of 30 June 2024, compared to 0.02 as of 31 December 2023.

Liquidity

The Group aims to prudently manage financial risks, ensuring sustained access to liquidity. As of 30 June 2024, the Group had US$4.4 billion of undrawn committed bank lines, with maturities beyond one year.

[17] Current and non-current portion of the long-term debt.
[18] Short-term debt plus financial advances from related parties, net of repurchase agreements and securities short positions.

Available liquidity, which comprises current financial assets, RMIs and undrawn committed bank lines, stood at US$12 billion as of 30 June 2024, enabling the Group to cover 3.1x the current portion of its debt as of that date.

Financing Arrangements

Revolving Credit Facilities (RCFs)

The Group has six syndicated RCFs in three of its regional hubs (Singapore, Switzerland and US), as well as one with the European Bank for Reconstruction and Development for a total amount of US$4.1 billion as of 30 June 2024. The Group mitigates the risk of refinancing by maintaining geographical diversification and staggered maturity dates. To that end, each of its three regional hubs usually refinances one of its RCFs each year, one year ahead of maturity, when market conditions are deemed favorable.

In May 2024, Louis Dreyfus Company LLC (a US incorporated subsidiary of the Group) refinanced its US$800 million RCF into a three-year RCF for the same size, maturing in May 2027.

Consequently, as of 30 June 2024, all committed RCFs all had maturities above one year. All Group RCFs are guaranteed by LDC and all syndicated RCFs included a sustainability-linked pricing mechanism.

EU Commercial Paper Program

LDC's rated EU Commercial Paper Program allows the Group to benefit from access to diversified sources of short-term financing at competitive rates, with an outstanding amount of US$353 million as of 30 June 2024 (versus US$233 million as of 31 December 2023), and an average of US$316 million across maturities ranging up to 12 months in 2023.

Equity

Equity attributable to owners of the company decreased from US$6,630 million as of 31 December 2023, to US$6,505 million as of 30 June 2024, with total equity of US$6,537 million at the same date.

The US$125 million decrease in equity attributable to owners of the company over the six-month period ended 30 June 2024 mainly resulted from the US$489 million of net income, Group Share for the period, net of the payment of a US$507 million dividend and changes in fair value of cash flow and net investment hedges for US$88 million, net of tax.

Risk

Identifying and quantifying risks is central to the Group’s business model, and the Group has long been committed to developing appropriate organizational structures to mitigate and manage these risks.

During the period, the Group closely monitored its daily value-at-risk (VaR) and kept it significantly below 1% of its equity, with an average VaR usage of 0.33% during the six-month period ended 30 June 2024, compared to 0.26% for the year ended 31 December 2023. VaR is only one of the risk metrics within the Group’s wider risk management system.

Subsequent Events

In August 2024, the Group announced the construction of a logistics hub located in Rondonópolis, Mato Grosso, Brazil. The Group expects that this will position it among the main fertilizer players in the country.

Reconciliations with the 2024 Guarantor Interim Financial Statements

For the reconciliations of certain non-IFRS items with the 2024 Guarantor Interim Financial Statements, please see "Presentation of Certain Financial Information" on page (ix) *et seq*.

Risk management

Risk Governance

In the normal course of its business, the Group assumes and manages several types of risk including, but not limited to, market risk, credit risk, trade finance and country risk, physical risk, liquidity and funding risk, foreign exchange risk and operational risk. The ability to manage and hedge these risks is a key strength of the Group, which the Group believes has contributed to its performance through the volatile market environment over recent years. Risk management is a core function of the Group's management structure and is split into three distinct departments: Market risk, Credit risk and Insurance. The Group's Chief Risk Officer reports to the Chief Executive Officer. Risk policies are determined centrally and administered regionally by a team of dedicated specialists. Exposures are monitored on a daily basis. Risk procedures and monitoring systems are designed to be clear and prudent while seeking to allow optimal deployment of risk capital.

The supervisory board of the Group oversees risk governance issues and has complete authority to decide on control procedures, risk management policies, risk capital allocations and risk limits. Beneath the Board, a senior-management body, the Risk Committees (both Macro and Credit committees), oversee both quantitative and qualitative aspects of risk management and implement the Group risk policies and Board decisions.

Both management supervision and segregation of duties are fundamental pillars of the Group's risk management process. Consequently, in addition to the committee referred to above, the risk department teams perform risk management duties, which include quantifying, analyzing and monitoring the Group's exposures, and implementing any necessary corrective action. These teams are independent of the trading function and centralized under the responsibility and supervision of the Chief Financial Officer.

While day-to-day responsibility for managing risk is assigned to trading managers, senior management is responsible, through the various risk officers, for approving strategies and establishing trading constraints within limits. Exposures are assessed and compared to assigned limits and available risk capital on a daily basis by the different risk teams. These limits ensure that the positions held are consistent with the loss limits that have been set. As such, traders are not allowed to hold positions that have the potential to exceed their designated daily stop loss limits.

The Group's risk exposure is assessed, monitored and controlled through a number of systems developed internally, in which the Group invests significant and continuous development efforts.

Market Risk

Market risk refers to the potential for changes in the market value of the commodities to which the Group is exposed. Categories of market risk include exposures to price volatility, and price, time, geographies, quality and inter- and intra-commodity spreads.

To reduce price risk resulting from market fluctuations, the Group uses a range of instruments including exchange-traded futures and options contracts. The residual risk is quantified, reported and managed within specific limits. Where there are clear opportunities due to temporary market disequilibrium, the Group may retain some limited flat price risk.

It is the Group's policy to manage market risk by:

- Pre-determining, analyzing and purposely entering into retained risks;

- Diversifying exposures;
- Controlling position sizes, maturities and Value at Risk ("**VaR**") (potential loss in the value of a position due to adverse market movements over a defined time horizon with a specific confidence interval);
- Stress testing portfolios;
- Monitoring P&L volatility, progression and drawdown; and
- Applying strict internal procedures (in particular, all exposures must remain within approved limits).

Various techniques and quantitative tools have been developed internally to measure the magnitude of market risk within the Group, in any given portfolio or set of positions as a whole. They are used jointly to construct a global view of the Group's risk profile on any given date. Each technique analyzes specific aspects of the risk profile and is an integral part of the Group's market risk management.

Key techniques and tools are as follows:

- Risk limits, based on a summary measure of market risk exposure, referred to as VaR;
- Stress testing (assessment of potential vulnerability to exceptional but plausible events whose probabilities are not accurately captured by a VaR approach);
- Theoretical/artificial scenario analysis (assessment of specific risks linked to the Group's position and trading strategy); and
- Unit and marginal VaRs, component VaRs and parametric VaRs used alongside the Monte Carlo VaR in order to provide a complete picture of the various residual risks.

Procedures for position size adjustment in case of breaches of assigned limits are enforced across the Group and traders are monitored on a daily basis.

Credit Risk

Credit risk primarily encompasses the risk of non-payment (where goods are delivered but payment not received) or non-delivery (where payment has been made but goods not delivered) and performance risk (where the counter-party does not fulfill its contract for whatever reason including due to volatile market prices).

As a general principle, the Group strives to avoid or pass on risk of non-payment or non-delivery. Where possible, this risk is mitigated and passed on to third parties. Retention of some credit risk, where unavoidable, is strictly limited to what is considered appropriate by the Credit Risk Department and/or the Credit Committee.

As a policy, the Group seeks to manage credit risk by applying strict internal procedures ranging from systematic credit risk assessment to monitoring and control exposures.

The Group's global credit risk management system enables the Group to monitor credit risk exposures to all counterparties across commodity Platforms on a consolidated basis.

Operational Risk

The task of the operational risk team is to measure and help mitigate the risk of direct loss or reputational damage arising from shortcomings or failures in internal processes, frauds or systems breakdowns in the Group's trading activity.

It focuses its effort on key trading operational risk principles, such as timely trade capture, using dedicated monitoring tools and working closely with traders. It tracks operational risk related incidents and losses worldwide and engages with the different departments to put loss limitation measures in place and identify mitigants.

Trade Finance and Country Risk

Any firm or individual conducting cross-border transactions is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situation.

As a general principle, the Group seeks to avoid country risk: exceptions require approval by the Macro Committee and are monitored on a regular basis. Trade finance specialists seek to mitigate political, country and third-party risks.

While it is not the Group's policy to extend financing to its counterparties, except in particular and specific circumstances, it may seek to obtain trade financing for its counterparties by putting in place trade structures where both the funding and the risks are deferred to financial institutions on a no-recourse or limited recourse basis for the Group.

Storage of commodities in emerging markets presents specific risks and is coordinated and monitored by trade finance specialists working in conjunction with the insurance and credit risk specialists.

Each contract has an associated payment term. The vast majority of transactions are concluded on secure cash payment terms. In certain circumstances the Group may provide credit. Depending on the terms, the Group could be exposed to varying amounts of risk when the payment for the contract becomes due. Trade finance and credit risk specialists review any non-standard payment terms within a commercial contract.

Physical Risk

It is the Group's policy to cover its insurable risks. Principal areas where the use of insurance is systematic include: general and specific liability, property, marine and cargo, travel and vehicles.

All insurance is contracted in conjunction with the Insurance Department. Where permitted and advantageous for the Group, global policies are put in place and managed centrally in order to ensure optimal coverage for the Group. All fixed assets, transport and storage of commodities are systematically insured both for damage and liability.

Liquidity and Funding Risk

Access to liquidity and managing working capital and margin posting requirements is fundamental to the operation of the Group's business.

The Group ensures that sufficient headroom is preserved at all levels (corporate and Platform levels) through a system which requires Platforms to maintain a liquidity reserve within their working capital allocation to meet exceptional market conditions.

Line availability is controlled both locally and centrally by the Treasury Department with the head of treasury in charge of relaying potential systemic or worrying macro issues/situations to the Macro Committee.

Central and local minimum cash reserves are monitored on a daily basis and residual funding capacity is monitored against cash flow forecasts. In order to ensure sufficient liquidity to meet business requirements, twelve-month rolling cash flow forecasts are updated by regions on a monthly basis, providing an outlook on the commercial cash flows anticipated by the Platforms. In stress situations, particular businesses are required to reduce line usage.

These projections are completed by a daily measurement of the treasury VaR, anticipating the maximum margin calls that each regional treasury may have to face. A daily VaR measure of the positions subject to margin calls is performed by the Market Risk Department and reported through the Treasury VaR report to the Treasury Department and the Group's senior management.

Foreign Exchange Risk

As a general principle, all the Group's subsidiaries conduct their operations in their functional currencies.

In cases where foreign exchange exposure arising from the purchase and sale of products in non-functional currencies is unavoidable, the Group uses financial instruments to hedge the foreign exchange exposure. Forex Forwards and Forex Non-Deliverable-Forwards (NDFs) are the preferred hedging instruments. Where such instruments are not available, the Group will attempt to create natural hedging arrangements by matching the value of sales and purchases in the given currency. The Global Markets Platform or local treasury departments are in charge of these operations.

The Group owns assets and equity participations in various geographies, and is consequently exposed to foreign exchange risk on the equity shares in its subsidiaries. This risk is somewhat mitigated by a diversification effect, as the Group's activities are diversified and assets and equity are spread throughout multiple geographies.

Foreign exchange risk arising from overhead and fixed costs is hedged from zero to twelve months. The number of months to be hedged is defined per currency and updated on a regular basis.

Internal Audit

The internal audit team is structured by region and can audit trading desks, physical assets, and departments as well as performing transversal reviews or risk assessments.

Management and Shareholders of the Guarantor

Management Bodies

The management structure of the Guarantor consists of a Supervisory Board at the level of its indirect parent, Louis Dreyfus Company International Holding B.V. ("**LDCIH B.V.**") (the "**LDCIH B.V. Supervisory Board**"), a Managing Board (the "**Managing Board**") and an operational management team at the Guarantor level (the "**LDC Executive Group**").

The LDCIH B.V. Supervisory Board is made up of Margarita Louis-Dreyfus (Non-Executive Chairperson), Gil Adotevi, Victor Balli, Alex Cesar, Michel Demaré, Mehdi El Glaoui, Andreas Jacobs, Marcos de Quadros and Kaj Erik Relander.

Specialized committees have been put in place at the level of LDCIH B.V., which report to the LDCIH B.V. Supervisory Board. These committees are the LDCIH B.V. Audit Committee; the LDCIH B.V. Strategy Committee; the LDCIH B.V. Compensation, Nomination and Governance Committee; and the LDCIH B.V. Sustainability Committee. These committees monitor and regulate the activities of LDCIH B.V.'s consolidated group as a whole, including the Guarantor. The LDCIH B.V. Audit Committee is made up of Victor Balli (Chairperson), Michel Demaré and Marcos de Quadros. The LDCIH B.V. Strategy Committee is made up of Michel Demaré (Chairperson), Margarita Louis-Dreyfus, Andreas Jacobs, Gil Adotevi and Kaj Erik Relander. The LDCIH B.V. Compensation, Nomination and Governance Committee is made up of Mehdi El Glaoui (Chairperson), Gil Adotevi and Margarita Louis-Dreyfus. The LDCIH B.V. Sustainability Committee is made up of Margarita Louis-Dreyfus (Chairperson), Alex Cesar and Andreas Jacobs.

The Louis Dreyfus Company's Managing Board is made up of Michael Gelchie and Maurice Kreft.

Day-to-day operational functions are carried out by the LDC Executive Group. The composition of the LDC Executive Group (as at the date of this Prospectus) is as follows:

Michel Gelchie	Chief Executive Officer
Patrick Treuer	Chief Financial Officer
Guy-Laurent Arpino	Chief Information Officer
Juan José Blanchard	Chief Operating Officer and Head, Latin America
Tim Bourgois	Global Trading Manager, Cotton Platform
Enrico Biancheri	Head, Sugar Platform
Miguel Catella	Head, Global Markets
Ben Clarkson	Head, Coffee Platform
Thomas Couteaudier	Chief Strategy Officer
Tim Harry	Global Head, Business Development
Sebastien Landerretche	Head, Freight & Carbon Solutions Platforms
Joe Nicosia	Trading Operations Officer and Head, Cotton Platform
Guy de Montulé	Head, Rice Platform
André Roth	Head, Grains and Oilseeds Platform
Jessica Teo	Chief Human Resources Officer
James Zhou	Chief Commercial Officer, Head of Food & Feed Solutions and Head, Asia Region

The business address of the members of (i) the LDCIH B.V. Supervisory Board is Zuidplein 208, 1077 XV Amsterdam, the Netherlands and (ii) the Managing Board and the LDC Executive Group is Westblaak 92, 3012 KM Rotterdam, the Netherlands.

At the date of this Prospectus, there are no conflicts of interest which are material to the granting of the Guarantee between the duties of the members of the Managing Board or the LDCIH B.V. Supervisory Board to the Guarantor and their private interests and/or their other duties.

Shareholders

On 10 September 2021, LDC's shareholder, Louis Dreyfus Company Holdings B.V. ("**LDCH B.V.**") announced the successful completion of the strategic partnership agreement to sell an indirect 45 per cent. equity stake in Louis Dreyfus Company B.V. to ADQ, a large holding company based in Abu Dhabi. A portion of the transaction proceeds was invested into the Group, in the form of an early and full repayment of a US$1,051 million intragroup long-term loan granted by the Guarantor to its parent company, originally maturing in 2023.

As at the date of this Prospectus, the share capital of LDC is US$1.586 million (at a historical conversion rate of EUR1.00 equaling US$1,586) consisting of 100,000,000 issued and full-paid ordinary shares of Euro 0.01 nominal value each. The ordinary shares of LDC are 100 per cent. held by Louis Dreyfus Company Holding B.V., a wholly owned subsidiary of LDCIH BV which in turn is indirectly 55 per cent. owned by Louis Dreyfus Holding B.V. a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus and 45 per cent. owned by Abu Dhabi Developmental Holding Company ("**ADQ**").

Arrangements have been put in place at the LDCIH B.V. level to ensure that shareholder control is not abused. These comprise the setting up of the LDCIH B.V. Supervisory Board (including the committees that report to it), the LDC Executive Group and the Managing Board (see "Management Bodies" above). These boards and committees provide checks on the powers of the shareholder to ensure transparent corporate governance of the Issuer. LDC is not aware of any arrangements which may result in a Change of Control of LDC.

Use of Proceeds

The net proceeds of the issue of the Bonds, being EUR644,358,000 will be used for general corporate purposes of the Group, investments in accordance with the Group's investment strategy and refinancing of existing indebtedness.

Taxation

Tax Warning

Potential investors and sellers of Bonds should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In addition, payments of interest on or in respect of the Bonds, or income derived (or deemed to be derived) from the Bonds, may be subject to taxation, including withholding taxes, in the jurisdiction of the Issuer, in the jurisdiction of the Holder of Bonds, or in other jurisdictions in which the Holder of Bonds is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Bonds.

The statements herein regarding taxation are based on the laws in force as at the date of this Prospectus and are subject to any changes in law. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds. Prospective investors should carefully consider the tax consequences of investing in the Bonds and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

Material Dutch Tax Considerations

Scope of Discussion

This section only outlines certain material Dutch tax consequences of the acquisition, holding and disposal of the Bonds. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a Holder or prospective Holder and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, it should be treated with corresponding caution.

This section is based on the tax laws of the Netherlands, published regulations thereunder and published authoritative case law, all as in effect on the date hereof, including, for the avoidance of doubt, the tax rates, tax brackets and deemed returns applicable on the date hereof, and all of which are subject to change, possibly with retroactive effect. Any such change may invalidate the contents of this section, which will not be updated to reflect such change. Where this section refers to “the Netherlands” or “Dutch” it refers only to the part of the Kingdom of the Netherlands located in Europe.

This section is for general information purposes only and is not Dutch tax advice or a complete description of all Dutch tax consequences relating to the acquisition, holding and disposal of the Bonds. Holders or prospective Holders should consult their own tax advisors regarding the Dutch tax consequences relating to the acquisition, holding and disposal of the Bonds in light of their particular circumstances.

Withholding tax

All payments of principal or interest made by or on behalf of the Issuer under the Bonds, as well as any payments made by or on behalf of the Guarantor under the Guarantee, may be made free of withholding or deduction of, for or on account of any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except that Dutch withholding tax at a rate of 25.8 per cent. (rate for 2024) may apply with respect to payments of interest made or deemed to be made by or on behalf of the Issuer or the Guarantor, if the interest payments are made or deemed to be made to an entity related (*gelieerd*) to the Issuer or the Guarantor (within the

meaning of the Dutch Withholding Tax Act 2021; "*Wet bronbelasting 2021"*) (see below), if such related entity:

(i) is considered to be resident (*gevestigd*) in a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes ("*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden"*) (a "**Listed Jurisdiction**"); or

(ii) has a permanent establishment located in a Listed Jurisdiction to which the interest payment is attributable; or

(iii) is entitled to the interest payment with the main purpose or one of the main purposes of avoiding taxation for another person or entity and there is an artificial arrangement or transaction or a series of artificial arrangements or transactions; or

(iv) is not considered to be the recipient of the interest in its jurisdiction of residence because such jurisdiction treats another entity as the recipient of the interest (a hybrid mismatch); or

(v) is not resident in any jurisdiction (also a hybrid mismatch); or

(vi) is a reverse hybrid (within the meaning of Article 2(12) of the Dutch Corporate Income Tax Act; "*Wet op de vennootschapsbelasting 1969*"), if and to the extent (x) there is a participant in the reverse hybrid which is related (*gelieerd*) of the reverse hybrid, (y) the jurisdiction of residence of such participant treats the reverse hybrid as transparent for tax purposes and (z) such participant would have been subject to Dutch withholding tax in respect of the payments of interest without the interposition of the reverse hybrid,

all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

Taxes on income and capital gains

Please note that the summary in this section does not describe the Dutch tax consequences for:

(i) a Holder if such Holder has a substantial interest ("*aanmerkelijk belang*") or deemed substantial interest ("*fictief aanmerkelijk*") in the Issuer under the Dutch Income Tax Act 2001 ("*Wet inkomstenbelasting 2001*"). Generally, a holder is considered to hold a substantial interest in the Issuer, if such holder alone or, in the case of individuals, together with such Holder's partner for Dutch income tax purposes, or any relatives by blood or marriage in the direct line (including foster children), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of the Issuer; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in the Issuer that relate to 5 per cent. or more of the Issuer's annual profits and/or to 5 per cent. or more of the liquidation proceeds. A deemed substantial interest may arise if a substantial interest (or part thereof) has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;

(ii) pension funds, investment institutions ("*fiscale beleggingsinstellingen*"), tax exempt investment institutions ("*vrijgestelde beleggingsinstellingen*") (as defined in the Dutch Corporate Income Tax Act 1969) and other entities that are, in whole or in part, not subject to or exempt from Dutch corporate income tax; and

(iii) a Holder if such Holder is an individual for whom the Bonds or any benefit derived from the Bonds is a remuneration or deemed to be a remuneration for (employment) activities performed by such Holder or certain individuals related to such Holder (as defined in the Dutch Income Tax Act 2001).

Dutch resident entities

Generally, if the Holder is an entity resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a "**Dutch Resident Entity**"), any income derived or deemed to be derived from the Bonds or any gain or loss realized on the disposal or deemed disposal of the Bonds is subject to Dutch corporate income tax at a rate of 19 per cent. with respect to taxable profits up to EUR200,000 and 25.8 per cent. with respect to taxable profits in excess of that amount (rates and brackets for 2024).

Dutch resident individuals

If the Holder is an individual, resident or deemed to be resident of the Netherlands for Dutch income tax purposes (a "**Dutch Resident Individual**"), any income derived or deemed to be derived from the Bonds or any gain or loss realized on the disposal or deemed disposal of the Bonds is taxable at the progressive Dutch income tax rates (with a maximum of 49.50 per cent. in 2024), if:

(i) the Bonds are attributable to an enterprise from which the Holder derives a share of the profit, whether as an entrepreneur ("*ondernemer*") or as a person who has a co-entitlement to the net worth ("*medegerechtigd tot het vermogen*") of such enterprise without being a shareholder (as defined in the Dutch Income Tax Act 2001); or

(ii) the Holder is considered to perform activities with respect to the Bonds that go beyond ordinary asset management ("*normaal, actief vermogensbeheer*") or otherwise derives benefits from the Bonds that are taxable as benefits from other activities ("*resultaat uit overige werkzaamheden*").

If the above-mentioned conditions (i) and (ii) do not apply to the Dutch Resident Individual, the Bonds will be subject to an annual Dutch income tax under the regime for savings and investments ("*inkomen uit sparen en beleggen*"). The taxation only occurs insofar the Dutch Resident Individual's net investment assets for the year exceed a statutory threshold ("*heffingvrij vermogen*"). The net investment assets for the year are the fair market value of the investment assets less the fair market value of the liabilities on 1 January of the relevant calendar year (reference date; *peildatum*). Actual income or capital gains realized in respect of the Bonds are as such not subject to Dutch income tax.

The Dutch Resident Individual's assets and liabilities taxed under this regime, including the Bonds, are allocated over the following three categories: (a) bank savings (*banktegoeden*), (b) other investments (*overige bezittingen*), including the Bonds, and (c) liabilities (*schulden*). The taxable benefit for the year (*voordeel uit sparen en beleggen*) is equal to the product of (x) the total deemed return divided by the sum of bank savings, other investments and liabilities and (y) the sum of bank savings, other investments and liabilities minus the statutory threshold, and is taxed at a flat rate of 36% (rate for 2024).

The deemed return applicable to other investments, including the Bonds, is set at 6.04% for the calendar year 2024. Transactions in the three-month period before and after 1 January of the relevant calendar year implemented to arbitrate between the deemed return percentages applicable to bank savings, other investments and liabilities will for this purpose be ignored if the Holder of Bonds cannot sufficiently demonstrate that such transactions are implemented for other than tax reasons.

On 6 June 2024, the Dutch Supreme Court (Hoge Raad) ruled that the current Dutch income tax regime for savings and investments in certain specific circumstances contravenes with Section 1 of the First Protocol to the European Convention on Human Rights in combination with Section 14 of the European Convention on Human Rights (the "Ruling"). This is, in short, the case in the event the deemed return on the investment assets exceeds the actual return realized in respect thereof (calculated in line with the rules set out in the Ruling and successfully demonstrated by the taxpayer). Holders of Bonds are advised to consult their own tax advisor to ensure that the tax in respect of the Bonds is levied in accordance with the applicable Dutch tax rules at the relevant time.

Non-residents of the Netherlands

A Holder that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch income tax in respect of income derived or deemed to be derived from the Bonds or in respect of any gain or loss realized on the disposal or deemed disposal of the Bonds, provided that:

(i) such Holder does not have an interest in an enterprise or deemed enterprise (as defined in the Dutch Income Tax Act 2001 and the Dutch Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Bonds are attributable, and

(ii) in the event the Holder is an individual, such Holder does not carry out any activities in the Netherlands with respect to the Bonds that go beyond ordinary asset management and does not otherwise derive benefits from or in connection with Bonds that are taxable as benefits from other activities in the Netherlands.

Gift and inheritance taxes

Residents of the Netherlands

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Bonds by way of a gift by, or on the death of, a Holder who is resident or deemed resident of the Netherlands at the time of the gift or his/her death.

Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands with respect to a transfer of the Bonds by way of gift by, or on the death of, a Holder who is neither resident nor deemed to be resident of the Netherlands, unless:

(i) in the case of a gift of a Bond by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or

(ii) in the case of a gift of a Bond is made under a condition precedent, the Holder is resident or is deemed to be resident of the Netherlands at the time the condition is fulfilled; or

(iii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, amongst others, a person that holds the Dutch nationality will be deemed to be resident of the Netherlands if such person has been a resident of the Netherlands at any time during the 10 years preceding the date of the gift or his/her death. Additionally, for purposes of Dutch gift tax, amongst others, a person not holding the Dutch nationality will be deemed to be resident of the Netherlands if such person has been resident in the Netherlands at any time during the 12 months preceding the date of the gift. Applicable tax treaties may override deemed residency.

Value added tax (VAT)

No Dutch VAT will be payable by a Holder on any payment in consideration for the issue of the Bonds or with respect to the payment of interest or principal by the Issuer under the Bonds.

Registration taxes and duties

No Dutch registration tax, stamp duty or any other similar documentary tax or duty will be payable by a Holder in respect of (i) the issue of the Bonds or (ii) the payment of interest or principal by the Issuer under the Bonds.

Subscription and Sale

Citigroup Global Markets Europe AG, Crédit Agricole Corporate and Investment Bank, J.P. Morgan SE and Mizuho Securities Europe GmbH (together, the "**Joint Lead Managers**") and Australia and New Zealand Banking Group Limited and Coöperatieve Rabobank U.A. as passive bookrunners (together with the Joint Lead Managers, the "**Managers**") have, pursuant to a Subscription Agreement dated 18 October 2024, jointly and severally agreed with the Issuer and the Guarantor, subject to the satisfaction of certain conditions, to subscribe the Bonds at 99.452 per cent. of their principal amount less certain fees and commissions. In addition, the Issuer and the Guarantor have agreed to reimburse the Managers for certain of their expenses in connection with the issue of the Bonds. The Subscription Agreement entitles the Managers to terminate the Subscription Agreement in certain circumstances prior to payment being made to the Issuer.

Selling Restrictions

General

Neither the Issuer nor any Manager has made any representation that any action will be taken in any jurisdiction by the Managers or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Manager has agreed that it will comply to the best of its knowledge with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any related offering material, in all cases at its own expense.

United States

The Bonds and the Guarantee have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act of 1933 (the "**Securities Act**").

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Manager has represented and agreed that, except as permitted by the Subscription Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Bonds, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Subscription Agreement) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Bonds within the United States by a dealer, whether or not participating in the offering, may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Prohibition of Sales to UK Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the UK. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

i. a retail client, as defined in point (8) of Article 2 of Regulation (EU) No. 2017/565 as it forms part of domestic law by virtue of the Regulation (EU) 2017/1129 as it form part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**"); or

ii. a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No. 600/2014 as it forms part of domestic law by virtue of the EUWA.

Prohibition of Sales to EEA

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area.

For the purposes of this provision, the expression "retail investor" means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

France

Each of the Managers has represented and agreed that it has not offered or sold, and will not offer or sell, directly or indirectly, any Bonds in the Republic of France, and has not distributed and will not distribute or cause to be distributed in the Republic of France this Prospectus or any other offering material relating to the Bonds, except to qualified investors (*investisseurs qualifiés*) as defined in, and in accordance with, Article 2(e) of the Prospectus Regulation and Articles L.411-1 and L.411-2 of the French *Code monétaire et financier*.

Singapore

Each of the Managers has acknowledged that this Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each of the Managers has

represented, warranted and agreed that it has not offered or sold any Bonds or caused the Bonds to be made the subject of an invitation for subscription or purchase and will not offer or sell any Bonds or cause the Bonds to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Bonds, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Hong Kong

Each Manager has acknowledged that this Prospectus has not been approved or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong and each Manager has represented, warranted and undertaken to the Issuer and the Guarantor and each other Manager that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Bonds other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding-up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**Companies Ordinance**") or which do not constitute an offer to the public within the meaning of the Companies Ordinance; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Bonds which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Switzerland

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Bonds described herein. The Bonds may not be publicly offered, sold, advertised or marketed, directly or indirectly, in or into Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**"), except to any investor that qualifies as a professional client within the meaning of the FinSA, provided that no such offer of Bonds shall require the publication of a prospectus for offers of Bonds and/or the publication of a key information document ("**KID**") (or an equivalent document) pursuant to the FinSA.

The Bonds have not and will not be listed or admitted to trading on any trading venue (exchange or multilateral trading facility) in Switzerland.

Neither this Prospectus nor any other offering or marketing material relating to the offer, the Bonds or the Issuer constitutes a prospectus or a KID (or an equivalent document) as such terms are understood pursuant to the FinSA, or has been filed with or approved by a Swiss review body pursuant to article 51 of the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the offer, the Bonds or the Issuer may be distributed or otherwise made available in Switzerland in an manner which would require the publication of a prospectus or a KID (or an equivalent document) in Switzerland pursuant to the FinSA.

General Information

1. Application has been made to the Luxembourg Stock Exchange for the Bonds to be listed on the Official List and traded on the Luxembourg Stock Exchange's regulated market as at the Issue Date. The estimate of the total expenses related to the admission of the Bonds to trading is EUR5,750.

2. The Bonds have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems with the Common Code 292345119. The International Securities Identification Number (ISIN) for the Bonds is XS2923451194. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg, Grand-Duchy of Luxembourg.

3. The Issuer has obtained all necessary consents, approvals and authorizations in the Netherlands in connection with the issue and performance of the Bonds. The issue of the Bonds was authorized by the managing board (*bestuur*) of the Issuer in a resolution adopted on 8 October 2024.

4. The Guarantor has obtained all necessary consents, approvals and authorizations in the Netherlands in connection with the giving of the Guarantee. The giving of the Guarantee by the Guarantor was authorized by the managing board (*bestuur*) of the Guarantor in a resolution adopted on 8 October 2024.

5. There has been no significant change in the financial position or financial performance of the Issuer since 31 December 2023.

6. Except as disclosed in "Recent Developments", there has been no significant change in the financial position or financial performance of the Guarantor or the Group since 30 June 2024.

7. There has been no material adverse change in the prospects of the Issuer since 31 December 2023.

8. There has been no material adverse change in the prospects of the Guarantor or the Group since 31 December 2023.

9. The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened and of which the Issuer is aware) during the twelve (12) months preceding the date of this Prospectus which may have, or have had in the recent past significant effects on the financial position or profitability of the Issuer.

10. Except as disclosed on page 101 of this Prospectus, the Guarantor has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened and of which the Issuer is aware) during the twelve (12) months preceding the date of this Prospectus which may have, or have had in the recent past significant effects on the financial position or profitability of the Guarantor or the Group.

11. Each Bond and Coupon will bear the following legend: "*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code*".

12. There are, at the date of this Prospectus, no material contracts that are not entered into in the ordinary course of the Issuer's or the Guarantor's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds being issued or the Guarantor's ability to meet its obligations to Bondholders under the Guarantee.

13. To the knowledge of the Issuer and the Guarantor, no person involved in the Issue of the Bonds has an interest material to the issue of the Bonds. The Managers are paid commissions in relation to the issue of the Bonds. Any such Managers and/or their respective affiliates have engaged, and/or may in the future engage, in investment banking, commercial banking and other financial advisory and commercial dealings with the Issuer, the Guarantor and their affiliates and in relation to securities issued by any entity of the Group. They have or may (a) engage in investment banking, trading or hedging activities including in activities that may include prime brokerage business, financing transactions or entry into derivative transactions, (b) act as underwriters in connection with offering of shares or other securities issued by any entity of the Group or (c) act as financial advisers to the Issuer, the Guarantor or other companies of the Group. In the context of these transactions, some of the Managers and/or their respective affiliates have or may hold shares or other securities issued by entities of the Group. Where applicable, they have or will receive customary fees and commissions for these transactions.

14. For as long as the Bonds are outstanding or, with respect to (a) and (d) below, for at least ten years, the following documents (and English translations where the documents in question are not in English) may be inspected during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), at the office of the Fiscal Agent or the Issuer:

    (a) the Agency Agreement (which includes the forms of the Temporary Global Bonds, the Permanent Global Bonds, the Definitive Bonds and the Coupons);

    (b) the Issuer Audited Financial Statements;

    (c) the Guarantor Audited Financial Statements and the 2024 Guarantor Interim Financial Statements;

    (d) the Articles of Association of the Issuer and the Guarantor;

    (e) the Guarantee; and

    (f) a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus.

    This Prospectus will be published on the websites of (i) the Luxembourg Stock Exchange (www.luxse.com) and (ii) the Guarantor (https://www.ldc.com/who-we-are/financial-information/financing/). The Agency Agreement and Articles of Association of the Issuer and the Guarantor are available on the website of the Guarantor (https://www.ldc.com/who-we-are/financial-information/financing/). The address of the website of the Guarantor is: https://www.ldc.com. The information provided on the Guarantor's website and any other website referenced herein is not part of this Prospectus.

15. Deloitte Accountants B.V. (Wilhelminakade 1, 3072 AP Rotterdam, P.O.Box 2031, 3000 CA Rotterdam, Netherlands) (member of Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*)) have audited and rendered an unqualified audit report on the financial statements of the Issuer as at and for each of the years ended 31 December 2022 and 31 December 2023.

16. Deloitte & Associés (Tour Majunga, 6 Place de la Pyramide, 92908 Paris-la-Défense Cedex) (member of *Ordre des Experts Comptables*) have audited and rendered unqualified audit reports on the consolidated financial statements of the Guarantor as at and for each of the years ended 31 December 2022 and 31 December 2023.

17. PricewaterhouseCoopers SA (Avenue Giuseppe-Motta 50, 1211 Genève, Switzerland) (member of EXPERTsuisse–Swiss Expert Association for Audit, Tax and Fiduciary) has reviewed and

rendered an unqualified review conclusion on the interim condensed consolidated financial statements of the Guarantor as at and for the six-month period ended 30 June 2024.

18. The Bonds are expected to be rated BBB+ by S&P.

    As at the date of this Prospectus, S&P is established in the European Union and is registered under the Regulation (EC) No. 1060/2009 of the European Parliament and of the Council dated 16 September 2009, on credit rating agencies, as amended by Regulation (EU) No. 513/2011 and by Regulation (EU) No. 462/2013 (the "**CRA Regulation**"). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority ("ESMA") on its website (at https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) in accordance with the CRA Regulation. S&P is not established in the United Kingdom, or registered in accordance with Regulation (EC) No. 1060/2009 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "UK CRA Regulation"). The rating has been endorsed by S&P Global Ratings UK Limited in accordance with UK CRA Regulation and has not been withdrawn. As such, the rating issued by S&P may be used for regulatory purposes in the United Kingdom in accordance with the UK CRA Regulation. According to the S&P definitions, obligations rated BBB+ exhibit adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments on the obligation. A credit rating is not a recommendation to buy, sell or hold securities and may be suspended, revised or withdrawn by the rating agency at any time without notice.

19. The yield of the Bonds is 3.59 per cent. on an annual basis. The yield is calculated as at the Issue Date on the basis of the issue price. It is not an indication of future yield.

20. The Issuer's Legal Entity Identifier (LEI) is: 5493001HHX62PQCEEH95.

21. The Guarantor's Legal Entity Identifier (LEI) is: 54930077YL0GMTEGZD16.

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Report on the Review of the Interim Condensed Consolidated Financial Statements

To the Management Board of
Louis Dreyfus Company B.V.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements (Interim consolidated income statement, interim consolidated statement of comprehensive income, interim consolidated balance sheet, interim consolidated statement of cash flows, interim consolidated statement of changes in equity and notes) of *Louis Dreyfus Company B.V.* for the six-month period ended 30 June 2024. The Management Board is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review..

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers SA

/s/ TRAVIS RANDOLPH	/s/ EWA ANSELM-JEDLINSKA
Travis Randolph	Ewa Anselm-Jedlinska

Geneva, 18 September 2024

PricewaterhouseCoopers SA, Avenue Giuseppe-Motta 50, 1202 Genève, Switzerland
Phone : +41 58 792 91 00, www.pwc.ch

PricewaterhouseCoopers SA is a member of the global PricewaterhouseCoopers network of firms, each of which is a separate and independent legal entity.

Interim Consolidated Income Statement

For the six-month periods ended June 30

(in millions of US$)	Notes	2024	2023
Net sales	2.2	25,582	25,753
Cost of sales		(24,308)	(24,444)
Gross margin		**1,274**	**1,309**
Commercial and administrative expenses		(551)	(510)
Interest income	2.3	23	14
Interest expense	2.3	(207)	(157)
Other financial income and expense	2.3	20	(4)
Share of profit (loss) in investments in associates and joint ventures	3.3	10	7
Gain (loss) on investments and sale of fixed assets	2.4	(6)	(5)
Income before tax		**563**	**654**
Income taxes	2.5	(75)	(85)
Net income		**488**	**569**
Attributable to:			
Owners of the company		**489**	**568**
Non-controlling interests		(1)	1

Interim Consolidated Statement of Comprehensive Income

For the six-month periods ended June 30

(in millions of US$)	**2024**	2023
Net income	**488**	**569**
Items reclassified from other comprehensive income (OCI) to net income during the period		
Gain (loss) on cash flow and net investment hedges	18	(15)
Related tax impact	(7)	5
Exchange differences recycled upon sale/liquidation of investments	—	1
Investments in associates and joint ventures - share of other comprehensive income	1	3
Total	**12**	**(6)**
Items that may be reclassified subsequently from OCI to net income		
Cash flow and net investment hedges - change in fair value, gross	(129)	86
Related tax impact	41	(32)
Exchange differences arising on translation of foreign operations	(25)	(31)
Investments in associates and joint ventures - share of other comprehensive income	(7)	3
Total	**(120)**	**26**
Items that will not be reclassified subsequently from OCI to net income		
Pensions, gross	1	—
Total	**1**	**—**
Changes in OCI	**(107)**	**20**
Total comprehensive income	**381**	**589**
Attributable to:		
Owners of the company	**382**	**591**
Non-controlling interests	(1)	(2)

Interim Consolidated Balance Sheet

As of

(in millions of US$)	Notes	June 30, 2024	December 31, 2023
Non-current assets			
Intangible assets	3.1	263	273
Property, plant and equipment	3.2	4,097	4,002
Investments in associates and joint ventures	3.3	296	291
Non-current financial assets	5.3	383	311
Deferred income tax assets	2.5	201	253
Other non-current assets	3.4	203	253
Total non-current assets		**5,443**	**5,383**
Current assets			
Inventories	3.7	6,612	6,430
Biological assets		56	45
Trade and other receivables	3.8	6,606	5,897
Derivative assets	4.3	1,845	1,673
Margin deposits		784	528
Current tax assets		103	59
Financial advances to related parties	6.3	12	9
Other financial assets at fair value through profit and loss	5.4	899	522
Cash and cash equivalents	5.5	1,251	1,498
Total current assets		**18,168**	**16,661**
Assets classified as held for sale		1	32
Total assets		**23,612**	**22,076**

Interim Consolidated Balance Sheet Continued

As of

(in millions of US$)	Notes	June 30, 2024	December 31, 2023
Equity			
Issued capital and share premium		1,587	1,587
Retained earnings		5,133	5,151
Other reserves		(215)	(108)
Equity attributable to owners of the company		***6,505***	***6,630***
Equity attributable to non-controlling interests		*32*	*34*
Total stockholders' equity and non-controlling interests		**6,537**	**6,664**
Non-current liabilities			
Long-term debt	5.1	4,226	4,688
Retirement benefit obligations		64	65
Provisions	3.6	75	83
Deferred income tax liabilities	2.5	117	189
Other non-current liabilities	3.5	355	332
Total non-current liabilities		**4,837**	**5,357**
Current liabilities			
Short-term debt	5.2	2,907	1,906
Current portion of long-term debt	5.1	492	307
Financial advances from related parties	6.3	432	45
Trade and other payables	3.9	6,619	6,177
Derivative liabilities	4.3	1,612	1,399
Provisions	3.6	19	41
Current tax liabilities		157	180
Total current liabilities		**12,238**	**10,055**
Total liabilities		**17,075**	**15,412**
Total equity and liabilities		**23,612**	**22,076**

Interim Consolidated Statement of Cash Flows

For the six-month periods ended June 30

(in millions of US$)	Notes	2024	2023
Net income		488	569
Adjustments for items not affecting cash			
Depreciation and amortization		292	348
Biological assets' change in fair value		(16)	—
Income taxes	2.5	75	85
Net finance costs		164	153
Change in other provisions, net		(35)	11
Share of (profit) loss in investments in associates and joint ventures, net of dividends	3.3	(6)	(6)
(Gain) loss on investments and sale of fixed assets	2.4	6	5
		968	**1,165**
Changes in operating assets and liabilities			
Inventories and biological assets		(213)	198
Derivatives		(197)	(517)
Margin deposits net of margin deposit liabilities		(355)	20
Trade and other receivables		(692)	409
Trade and other payables		363	(218)
Interests paid		(227)	(235)
Interests received		67	34
Income tax received (paid)		(92)	(130)
Net cash from (used in) operating activities		**(378)**	**726**
Investing activities			
Purchase of fixed assets		(278)	(202)
Additional investments, net of cash acquired		(21)	(28)
Proceeds from sale of fixed assets		28	1
Proceeds from sale of investments, net of cash disposed		2	15
Net cash from (used in) investing activities		**(269)**	**(214)**
Financing activities			
Net proceeds from (repayment of) short-term debt and related parties loans and advances	5.2	1,177	18
Proceeds from long-term financing	5.1	15	184
Repayment of long-term financing	5.1	(140)	(488)
Repayment of lease liabilities	6.1	(134)	(128)
Transactions with non-controlling interests		—	(7)
Dividends paid to equity owners of the company		(507)	(503)
Dividends paid to non-controlling interests		(1)	—
Net cash from (used in) financing activities		**410**	**(924)**
Exchange difference on cash		(10)	1
Net increase (decrease) in cash and cash equivalents		**(247)**	**(411)**
Cash and cash equivalents, at beginning of the period	5.5	1,498	1,184
Change in cash and cash equivalents reclassified to held for sale assets		—	(2)
Cash and cash equivalents, at end of the period	5.5	**1,251**	**771**

Interim Consolidated Statement of Changes in Equity

(in millions of US$)	Issued capital and share premium	Retained earnings	Other reserves	**Equity attributable to owners of the company**	Equity attributable to non-controlling interests	**Total equity**
Balance as of December 31, 2022	**1,587**	**4,641**	**(132)**	**6,096**	**43**	**6,139**
Net income		568		**568**	1	**569**
Other comprehensive income, net of tax			23	**23**	(3)	**20**
Total comprehensive income		**568**	**23**	**591**	**(2)**	**589**
Dividends		(503)		**(503)**	—	**(503)**
Transactions with non-controlling interests		—	(3)	**(3)**	(4)	**(7)**
Balance as of June 30, 2023	**1,587**	**4,706**	**(112)**	**6,181**	**37**	**6,218**
Balance as of December 31, 2023	**1,587**	**5,151**	**(108)**	**6,630**	**34**	**6,664**
Net income		489		**489**	(1)	**488**
Other comprehensive income, net of tax			(107)	**(107)**	—	**(107)**
Total comprehensive income		**489**	**(107)**	**382**	**(1)**	**381**
Dividends		(507)		**(507)**	(1)	**(508)**
Balance as of June 30, 2024	**1,587**	**5,133**	**(215)**	**6,505**	**32**	**6,537**

Notes to the Interim Condensed Consolidated Financial Statements

Period from January 1, 2024 to June 30, 2024

Louis Dreyfus Company B.V. ("LDC" or the "company") is a privately owned company incorporated in the Netherlands on December 28, 2004, registered at the *Chamber of Commerce* under registration number 24371219. The address of its registered office is Westblaak 92, 3012 KM Rotterdam, Netherlands. LDC is an indirect subsidiary of *Louis Dreyfus Holding B.V.* (LDH), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

LDC is a direct subsidiary of *Louis Dreyfus Company Holdings B.V.* (LDCH), a company incorporated in the Netherlands, which in turn is held by *Louis Dreyfus Company International Holding B.V.*, a holding company indirectly owned at 55% by LDH and at 45% by *Abu Dhabi Developmental Holding Group*.

LDC and its subsidiaries (the "Group") is a global merchant and processor of agricultural goods, operating a significant network of assets around the world. The Group's activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since its inception in 1851, the Group's portfolio has grown and, as of June 30, 2024, included Grains & Oilseeds, Coffee, Cotton, Juice, Rice, Sugar, Freight, Global Markets, Carbon Solutions and Food & Feed Solutions.

In November 2020, LDC completed the issuance of a rated senior bond for €600 million (five-year, 2.375% coupon), completed in February 2021 by an additional €50 million through a reverse inquiry. In April 2021, LDC completed the issuance of a rated senior bond for €500 million (seven-year, 1.625% coupon). These bonds are listed on the *Luxembourg Stock Exchange* (refer to Note 5.1).

1. Accounting Policies and Consolidation Scope

1.1 Accounting Policies

The consolidated financial statements of LDC are prepared in US Dollars, which is the functional currency of the main subsidiaries of the Group.

The interim condensed consolidated financial statements of LDC as of and for the six-month period ended June 30, 2024 (the "Financial Statements") were approved by the Board of Directors of LDC on September 16, 2024.

The Financial Statements were prepared in accordance with IAS 34 "Interim Financial Reporting".

The Financial Statements do not include all the information required for annual financial statements and shall be read in conjunction with the consolidated financial statements as of and for the year ended December 31, 2023. Operating results for the six-month period ended June 30, 2024 are not necessarily indicative of results expected for the year ending December 31, 2024.

Accounting policies used to prepare these Financial Statements are the same as those used to prepare the consolidated financial statements as of and for the year ended December 31, 2023, except for the adoption of new amendments, standards and interpretations as of January 1, 2024, as detailed below.

New and Amended Accounting Standards and Interpretations Effective in 2024

The following amendments, applied starting from 2024, have had no material effect on the balance sheet or performance of the Group:

- Amendments to IAS 7 and IFRS 7 "Disclosure: Supplier Finance Arrangements"
- Amendments to IFRS 16 "Lease liability in a Sale and Leaseback"
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants"

The Group did not adopt any standard, interpretation or amendment that was issued but is not yet effective.

1.2 Use of Estimates

The preparation of financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The significant judgements and assumptions made by management in determining the Group's accounting estimates were the same as those described in the consolidated financial statements as of and for the year ended December 31, 2023.

1.3 Change in the List of Consolidated Companies

No significant change in the list of consolidated companies occurred during the six-month period ended June 30, 2024.

Notes Continued

2. Segment Information and Income Statement

2.1 Segment Information

The Group operates its global business under two segments: Value Chain and Merchandizing.

Each reportable segment is responsible for the farming, origination, processing, refining, storage, transport and distribution of its products (where applicable).

The Value Chain Segment includes the Grains & Oilseeds, Food & Feed Solutions and Juice platforms, along with Freight, Global Markets and Carbon Solutions, the latter three of which are key facilitators of all Group businesses. The Merchandizing Segment comprises the Coffee, Cotton, Rice and Sugar platforms.

The Group assesses the financial performance of its segments with reference to Segment Operating Results, which correspond to Net sales, less Cost of sales (Gross margin in the consolidated income statement) plus Share of profit (loss) in investments in associates and joint ventures.

Inter-segment transactions, where applicable, are not material and generally performed at arm's length.

Segment information on the income statement and capital expenditure for the six-month periods ended June 30, 2024 and June 30, 2023 is as follows:

	2024		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**18,134**	**7,448**	**25,582**
Depreciation included in gross margin	(234)	(19)	**(253)**
Share of profit (loss) in investments in associates and joint ventures	10	—	**10**
Segment operating results	**941**	**343**	**1,284**
Commercial and administrative expenses			**(551)**
Net finance costs			**(164)**
Others			**(6)**
Income taxes			**(75)**
Non-controlling interests			**1**
Net income attributable to owners of the company			**489**
Capital expenditure	**263**	**36**	**299**

	2023		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**19,045**	**6,708**	**25,753**
Depreciation included in gross margin	(295)	(15)	**(310)**
Share of profit (loss) in investments in associates and joint ventures	4	3	**7**
Segment operating results	**919**	**397**	**1,316**
Commercial and administrative expenses			**(510)**
Net finance costs			**(147)**
Others			**(5)**
Income taxes			**(85)**
Non-controlling interests			**(1)**
Net income attributable to owners of the company			**568**
Capital expenditure	**178**	**52**	**230**

Capital expenditure corresponds to the sum of the "Purchase of fixed assets" and "Additional investments, net of cash acquired" lines of the consolidated statement of cash flows.

Information related to segment assets and liabilities as of June 30, 2024 and December 31, 2023 is as follows:

	June 30, 2024		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,942	418	**4,360**
Investments in associates and joint ventures	237	59	**296**
Inventories	4,024	2,588	**6,612**
Biological assets	56	—	**56**
Trade and other receivables	4,336	2,270	**6,606**
Derivative assets (current and non-current)	1,148	692	**1,840**
Margin deposits	449	179	**628**
Marketable securities held for trading	878	—	**878**
Reverse repurchase agreement loan	3	—	**3**
Assets classified as held for sale	—	1	**1**
Segment assets	**15,073**	**6,207**	**21,280**
Trade and other payables	(5,155)	(1,125)	**(6,280)**
Derivative liabilities (current and non-current)	(1,029)	(440)	**(1,469)**
Repurchase agreements	(241)	—	**(241)**
Securities short positions	(2)	—	**(2)**
Segment liabilities	**(6,427)**	**(1,565)**	**(7,992)**
Other assets			**2,332**
Other liabilities			**(9,083)**
Total net assets	**8,646**	**4,642**	**6,537**

	December 31, 2023		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,846	429	**4,275**
Investments in associates and joint ventures	225	66	**291**
Inventories	3,644	2,786	**6,430**
Biological assets	45	—	**45**
Trade and other receivables	3,839	2,058	**5,897**
Derivative assets (current and non-current)	961	703	**1,664**
Margin deposits	289	141	**430**
Marketable securities held for trading	462	—	**462**
Reverse repurchase agreement loan	40	—	**40**
Assets classified as held for sale	29	3	**32**
Segment assets	**13,380**	**6,186**	**19,566**
Trade and other payables	(4,359)	(1,444)	**(5,803)**
Derivative liabilities (current and non-current)	(825)	(476)	**(1,301)**
Repurchase agreements	(3)	—	**(3)**
Segment liabilities	**(5,187)**	**(1,920)**	**(7,107)**
Other assets			**2,510**
Other liabilities			**(8,305)**
Total net assets	**8,193**	**4,266**	**6,664**

Marketable securities held for trading and reverse repurchase agreement loan are included in the line "Other financial assets at fair value through profit and loss" of the consolidated balance sheet (refer to Note 5.4). Repurchase agreements and securities short positions are included in the line "Short-term debt" (refer to Note 5.2).

As of June 30, 2024 (and December 31, 2023), the following items were not segmented:

- US$339 million (US$374 million) of trade and other payables;
- US$23 million (US$32 million) of derivative assets (current and non-current) and US$392 million (US$240 million) of derivative liabilities (current and non-current) designated as hedging instruments in a hedge accounting relationship linked to Financing; and
- US$373 million (US$233 million) of margin deposits (current and non-current) related to the above derivatives.

Notes Continued

Net sales by geographical area, based on the country of incorporation of the counterparty, were broken down as follows for the six-month periods ended June 30, 2024 and June 30, 2023:

(in millions of US$)	**2024**	2023
North Asia	6,179	5,930
South & Southeast Asia	6,134	5,807
North Latin America	846	743
South & West Latin America	1,353	2,279
North America	3,015	3,462
Europe, Middle East & Africa	8,055	7,532
Of which Europe & Black Sea	*4,586*	*4,306*
Of which Middle East & Africa	*3,469*	*3,226*
Net sales	**25,582**	**25,753**

Net sales to the Netherlands are not material.

The Group's fixed assets were located in the following geographic regions as of June 30, 2024 and December 31, 2023:

(in millions of US$)	**June 30, 2024**	December 31, 2023
North Asia	347	353
South & Southeast Asia	541	546
North Latin America	1,239	1,202
South & West Latin America	632	625
North America	1,071	1,030
Europe, Middle East & Africa	530	519
Fixed assets	**4,360**	**4,275**

Fixed assets in the Netherlands are not material.

2.2 Net Sales

Net sales for the six-month periods ended June 30, 2024 and June 30, 2023 consist of the following:

	2024			2023		
(in millions of US$)	Value Chain	Merchandizing	**Total**	Value Chain	Merchandizing	**Total**
Sale of commodities and consumable products	17,256	7,404	**24,660**	18,135	6,615	**24,750**
Freight, storage and other services	855	38	**893**	617	68	**685**
Others	23	6	**29**	293	25	**318**
Net sales	**18,134**	**7,448**	**25,582**	**19,045**	**6,708**	**25,753**

2.3 Net Finance Costs

Net finance costs for the six-month periods ended June 30, 2024 and June 30, 2023 are as follows:

(in millions of US$)	**2024**	2023
Interest income	23	14
Interest expense	(207)	(157)
Other financial income and expense	20	(4)
Interest expense on leases	*(19)*	*(14)*
Foreign exchange	*108*	*14*
Net gain (loss) on derivatives	*(108)*	*(24)*
Interests on commercial and trading transactions	*39*	*20*
Net finance costs	**(164)**	**(147)**

The "Foreign exchange" and "Net gain (loss) on derivatives" lines need to be read jointly. For the six-month period ended June 30, 2024, foreign exchange is mainly attributable to Euro and Japanese Yen depreciation, impacting Euro-denominated bonds and Japanese Yen denominated debt. These impacts are partially offset in the "Net gain (loss) on derivatives" line due to the forex hedges and cross-currency swaps in place (refer to Note 4.3).

2.4 Gain (Loss) on Investments and Sale of Fixed Assets

Gain (loss) on investments and sale of fixed assets for the six-month periods ended June 30, 2024 and June 30, 2023 are as follows:

(in millions of US$)	**2024**	2023
Gain (loss) on other financial assets at fair value through profit and loss	(7)	(5)
Gain (loss) on sale of fixed assets	1	—
	(6)	**(5)**

For the six-month period ended June 30, 2024, losses on other financial assets at fair value through profit and loss included a US$(11) million fair value adjustment recognized on the investments held by *Louis Dreyfus Company Ventures B.V.*, classified under Level 3, and US$4 million on other investments.

Notes Continued

2.5 Income Taxes

Income taxes in the consolidated income statement for the six-month periods ended June 30, 2024 and June 30, 2023 are as follows:

(in millions of US$)	**2024**	2023
Current year income taxes	(106)	(119)
Adjustments with respect to prior year income taxes	31	10
Current income taxes	**(75)**	**(109)**
Current year deferred income taxes	32	37
Change in valuation allowance for deferred tax assets	6	(13)
Adjustments with respect to prior year deferred income taxes	(34)	(2)
Change in tax rate	—	2
Deferred income taxes	**4**	**24**
Pillar Two income taxes	**(4)**	**—**
Income taxes	**(75)**	**(85)**

The Group applies the mandatory temporary exception to the recognition of deferred tax assets and liabilities arising from the jurisdictional implementation of the Pillar Two model rules, as provided in the amendments to IAS 12 issued in May 2023.

Pillar Two legislation is effective for the Group's financial year since January 1, 2024. As of June 30, 2024, the Group recognized an estimated Pillar Two top-up adjustment amounting to US$(4) million included in the "Income taxes" line of the consolidated income statement.

The reported tax expense differs from the computed theoretical income tax provision using the Netherlands' income tax rate of 25.8% for the six-month periods ended June 30, 2024 and June 30, 2023, for the following reasons:

(in millions of US$)	**2024**	2023
Theoretical income tax	**(145)**	**(169)**
Differences in income tax rates	29	67
Pillar Two income taxes	(4)	—
Effect of change in tax rate	—	4
Difference between local currency and functional currency	26	12
Change in valuation allowance for deferred tax assets	6	(13)
Permanent differences on share of profit (loss) in investments in associates and joint ventures	3	1
Adjustments on prior years and tax reserves	15	13
Withholding tax on dividends	(5)	(5)
Other permanent differences	—	5
Income taxes	**(75)**	**(85)**

The differences in income tax rates relate to subsidiaries taxed at different rates than the Netherlands' rate.

The difference between local currency and functional currency impact is booked in non-US entities whose functional currency is the US Dollar while being taxed based on their respective local currencies. In the first half of 2024, such positive impact mainly regarded Group entities in Argentina, partially offset by negative impact in Brazil.

Consolidated deferred income tax assets (liabilities) as of June 30, 2024 and December 31, 2023 are as follows:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Deferred income tax assets	201	253
Deferred income tax liabilities	(117)	(189)
Deferred tax net	**84**	**64**

Changes in net deferred income tax assets (liabilities) for the six-month period ended June 30, 2024 are as follows:

	June 30, 2024					
(in millions of US$)	**Opening balance**	Recognized in net income	Recognized in equity	Foreign currency translation adjustment	Other	**Closing balance**
Net tax benefits from carry forward losses	**120**	98	—	—	(5)	**213**
Tax benefits from carry forward losses	***356***	*65*	—	*(3)*	*(5)*	***413***
Valuation allowance on carry forward losses	***(236)***	*33*	—	*3*	—	***(200)***
Unrealized exchange gains and losses	**23**	36	—	—	—	**59**
Non-monetary balance sheet items - difference between tax and functional currencies	**(183)**	(18)	—	—	—	**(201)**
Owned fixed assets (other temporary differences)	**(142)**	3	—	—	(1)	**(140)**
Other temporary differences	**366**	(131)	34	—	1	**270**
Valuation allowance for other deferred tax assets	**(120)**	3	—	—	—	**(117)**
Deferred tax net	**64**	**(9)**	**34**	**—**	**(5)**	**84**

Notes Continued

3. Operating Balance Sheet Items

3.1 Intangible Assets

Changes in the net value of intangible assets for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

	June 30, 2024				December 31, 2023
(in millions of US$)	Goodwill	Trademarks and customer relationships	Other intangible assets	**Total**	**Total**
Balance as of January 1	**31**	**7**	**235**	**273**	**268**
Acquisitions and additions	—	—	25	**25**	65
Acquisitions through business combinations	—	—	—	**—**	1
Loss of control of subsidiaries	—	—	—	**—**	(2)
Amortization	—	—	(31)	**(31)**	(62)
Impairment losses	—	—	—	**—**	(1)
Foreign currency translation adjustment	—	—	(3)	**(3)**	—
Other reclassifications	—	—	(1)	**(1)**	4
Closing balance	**31**	**7**	**225**	**263**	**273**

Acquisitions and Additions

During the six-month period ended June 30, 2024, acquisitions and additions mainly consisted of the ongoing upgrade of the Group's existing main front office system, alongside capital expenditure related to the new global back-office enterprise resource planning (ERP) system.

3.2 Property, Plant and Equipment

As of June 30, 2024 and December 31, 2023, property, plant and equipment consist of the following:

		June 30, 2024			December 31, 2023		
(in millions of US$)	**Notes**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Owned assets		6,274	(2,877)	**3,397**	6,112	(2,795)	**3,317**
Right-of-use assets	6.1	1,426	(726)	**700**	1,365	(680)	**685**
Property, plant and equipment		**7,700**	**(3,603)**	**4,097**	**7,477**	**(3,475)**	**4,002**

The following table provides information on owned assets only.

Changes in net value of property, plant and equipment for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

	June 30, 2024							December 31, 2023
(in millions of US$)	Land	Buildings	Machinery and equipment	Bearer plants	Other tangible assets	Tangible assets under construction	**Total**	**Total**
Balance as of January 1	**184**	**1,241**	**1,359**	**113**	**56**	**364**	**3,317**	**3,136**
Additions	—	2	7	15	2	187	**213**	533
Disposals	—	(1)	—	—	—	—	**(1)**	(6)
Acquisitions through business combinations	—	4	—	—	—	—	**4**	2
Loss of control of subsidiaries	—	—	—	—	—	—	**—**	(17)
Depreciation	—	(40)	(71)	(4)	(9)	—	**(124)**	(262)
Impairment losses	—	—	—	(1)	—	—	**(1)**	(29)
Foreign currency translation adjustment	—	(4)	(7)	—	—	(1)	**(12)**	(6)
Reclassification to held for sale assets	—	—	—	—	—	—	**—**	(29)
Other reclassifications	—	48	94	—	3	(144)	**1**	(5)
Closing balance	**184**	**1,250**	**1,382**	**123**	**52**	**406**	**3,397**	**3,317**

Additions

During the six-month period ended June 30, 2024, the Group continued to invest in its coffee mill in Varginha, Minas Gerais State, Brazil, its canola processing plant in Yorkton, Saskatchewan, Canada, and in the construction of a soybean processing plant in Upper Sandusky, Ohio, US. In addition, the Group started the construction of a pea protein isolate production plant in Yorkton, Saskatchewan, Canada and initiated the installation of a cogeneration unit in its ethanol plant, in Grand Junction, Iowa, US. Investments were also performed for the expansion of the Group's logistic assets at the port of Antwerp, Belgium, and in Indonesia. Globally, the Group continued to maintain and improve its existing assets, such as its citrus farms and processing plants in Brazil, and its grains and oilseeds complex in General Lagos, Santa Fe, Argentina.

Foreign Currency Translation Adjustment

During the six-month period ended June 30, 2024, the foreign currency translation adjustment is mainly related to the depreciation of the Chinese Yuan and the Euro against the US Dollar**.**

3.3 Investments in Associates and Joint Ventures

Changes in investments in associates and joint ventures for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Balance as of January 1	**291**	**230**
Acquisitions and additional investments	8	31
Share of profit (loss)	10	28
Dividends	(7)	(2)
Change in other reserves	(6)	3
Reclassification	—	1
Closing balance	**296**	**291**
Of which:		
Investments in associates	*30*	*25*
Investments in joint ventures	*266*	*266*

Notes Continued

Acquisitions and Additional Investments

In 2024, the Group made an additional investment of US$3 million in *Covantis S.A.*

Dividends

In 2024, the Group received US$3 million as dividends from *Namoi Cotton Alliance* and US$1 million from *All Asia Countertrade Inc.*

Investments in associates and joint ventures are detailed as follows:

			June 30, 2024		December 31, 2023	
Investment	**Country**	**Activity**	**Ownership**	**Net value**	Ownership	Net value
Amaggi Louis Dreyfus Zen-Noh Grãos S.A.	Brazil	Grain and soy storage and processing	33%	57	33%	54
Amaggi Louis Dreyfus Zen-Noh Terminais Portuários S.A.	Brazil	Logistic facilities	33%	20	33%	20
Complejo Agro Industrial Angostura S.A.	Paraguay	Soy crushing plant and facilities	33%	42	33%	43
Namoi Cotton Alliance	Australia	Cotton packing and marketing	49%	16	49%	20
TEG - Terminal Exportador Do Guarujá Ltda.	Brazil	Logistic facilities	40%	28	40%	27
TES - Terminal Exportador De Santos S.A.[1]	Brazil	Logistic facilities	60%	49	60%	48
TEAG - Terminal de Exportação de Açúcar do Guarujá Ltda.	Brazil	Logistic facilities	50%	21	50%	24
Total main joint ventures				***233***		***236***
Other joint ventures				33		30
Total joint ventures				***266***		***266***
Total associates				***30***		***25***
Investments in associates and joint ventures				**296**		**291**

1. The governance rules of *TES - Terminal Exportador de Santos S.A.* meet the definition of a joint control; this investment therefore qualifies as a joint venture.

Share of profit (loss) in investments in associates and joint ventures for the six-month periods ended June 30, 2024 and June 30, 2023 is as follows:

(in millions of US$)	**2024**	2023
Main joint ventures	9	5
Others	1	2
Share of profit (loss) in investments in associates and joint ventures	**10**	**7**

3.4 Other Non-Current Assets

As of June 30, 2024 and December 31, 2023, other non-current assets consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Tax credits	190	231
Long-term advances to suppliers	10	19
Others	3	3
Other non-current assets	**203**	**253**

Tax credits mainly include income tax and VAT credits in Brazil. The decrease in Other non-current assets in 2024 is mainly linked to the depreciation of the Brazilian Real, the refund of income tax credits and the reclassification to current assets of advances to suppliers.

3.5 Other Non-Current Liabilities

As of June 30, 2024 and December 31, 2023, other non-current liabilities consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Derivative liabilities at fair value through OCI	249	142
Others	6	6
Non-current financial liabilities	**255**	**148**
Staff and tax payables	92	181
Others	8	3
Non-current non-financial liabilities	**100**	**184**
Other non-current liabilities	**355**	**332**

3.6 Provisions

As of June 30, 2024 and December 31, 2023, provisions consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Current provisions	19	41
Non-current provisions	75	83
Provisions	**94**	**124**

Changes in provisions for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

(in millions of US$)			**June 30, 2024**			December 31, 2023
Provisions for:	Tax risks	Social risks	Litigation	Other	**Total**	**Total**
Balance as of January 1	**16**	**11**	**58**	**39**	**124**	**120**
Allowance	1	4	—	6	**11**	29
Reversal of used portion	(1)	(2)	(15)	(2)	**(20)**	(13)
Reversal of unused portion	(5)	(2)	(16)	—	**(23)**	(12)
Others	—	—	2	—	**2**	—
Closing balance	**11**	**11**	**29**	**43**	**94**	**124**

Notes Continued

Regarding certain legal claims in Brazil, the Group was required to establish escrow deposits which, as of June 30, 2024, amounted to US$38 million and are disclosed under the line "Deposits and others at amortized costs" within non-current financial assets (refer to Note 5.3).

Provisions for litigation include contractual obligation for trade disputes with customers, suppliers and other counterparties.

As of June 30, 2024, other provisions include a US$32 million provision for decommissioning of leased land and US$5 million for onerous contracts.

3.7 Inventories

As of June 30, 2024 and December 31, 2023, inventories consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Trading inventories	5,645	5,521
Finished goods	743	691
Raw materials	230	225
Inventories (gross value)	**6,618**	**6,437**
Allowance for non-trading inventories	(6)	(7)
Inventories (net value)	**6,612**	**6,430**

Trading inventories with a liquidity horizon of less than three months amounted to US$5,426 million as of June 30, 2024 (US$5,277 million as of December 31, 2023).

3.8 Trade and Other Receivables

As of June 30, 2024 and December 31, 2023, trade and other receivables consist of the following:

	June 30, 2024			December 31, 2023		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	3,566	(366)	**3,200**	3,406	(336)	**3,070**
Accrued receivables	2,063	—	**2,063**	1,502	—	**1,502**
Prepayments	286	(3)	**283**	304	(2)	**302**
Other receivables	49	(9)	**40**	55	(8)	**47**
Financial assets at amortized cost	**5,964**	**(378)**	**5,586**	**5,267**	**(346)**	**4,921**
Advances to suppliers	308	(9)	**299**	236	(9)	**227**
Tax receivables	584	(16)	**568**	621	(16)	**605**
Prepaid expenses	114	—	**114**	95	—	**95**
Others	39	—	**39**	49	—	**49**
Non-financial assets	**1,045**	**(25)**	**1,020**	**1,001**	**(25)**	**976**
Trade and other receivables	**7,009**	**(403)**	**6,606**	**6,268**	**(371)**	**5,897**

The following table details the counterparty exposure broken down by past due date of receivables as of June 30, 2024 and December 31, 2023:

	June 30, 2024			December 31, 2023		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	5,455	(27)	**5,428**	4,578	(26)	**4,552**
Due since < 3 months	879	(28)	**851**	1,016	(22)	**994**
Due since 3-6 months	72	(12)	**60**	107	(25)	**82**
Due since 6 months-1 year	122	(52)	**70**	75	(26)	**49**
Due since > 1 year	328	(284)	**44**	348	(272)	**76**
Closing balance	**6,856**	**(403)**	**6,453**	**6,124**	**(371)**	**5,753**
Including:						
Trade receivables	*3,566*	*(366)*	***3,200***	*3,406*	*(336)*	***3,070***
Accrued receivables	*2,063*	*—*	***2,063***	*1,502*	*—*	***1,502***
Prepayments	*286*	*(3)*	***283***	*304*	*(2)*	***302***
Other receivables	*49*	*(9)*	***40***	*55*	*(8)*	***47***
Advances to suppliers	*308*	*(9)*	***299***	*236*	*(9)*	***227***
Tax receivables	*584*	*(16)*	***568***	*621*	*(16)*	***605***

3.9 Trade and Other Payables

As of June 30, 2024 and December 31, 2023, trade and other payables consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Trade payables	3,201	2,575
Accrued payables	2,312	2,417
Prepayments received	320	270
Margin deposits	22	36
Payables on purchase of fixed assets and investments	35	44
Other payables	112	99
Financial liabilities at amortized cost	**6,002**	**5,441**
Advances received	63	75
Staff and tax payables	520	605
Deferred income	29	54
Others	5	2
Non-financial liabilities	**617**	**736**
Trade and other payables	**6,619**	**6,177**

4. Financial Instruments and Risk Management

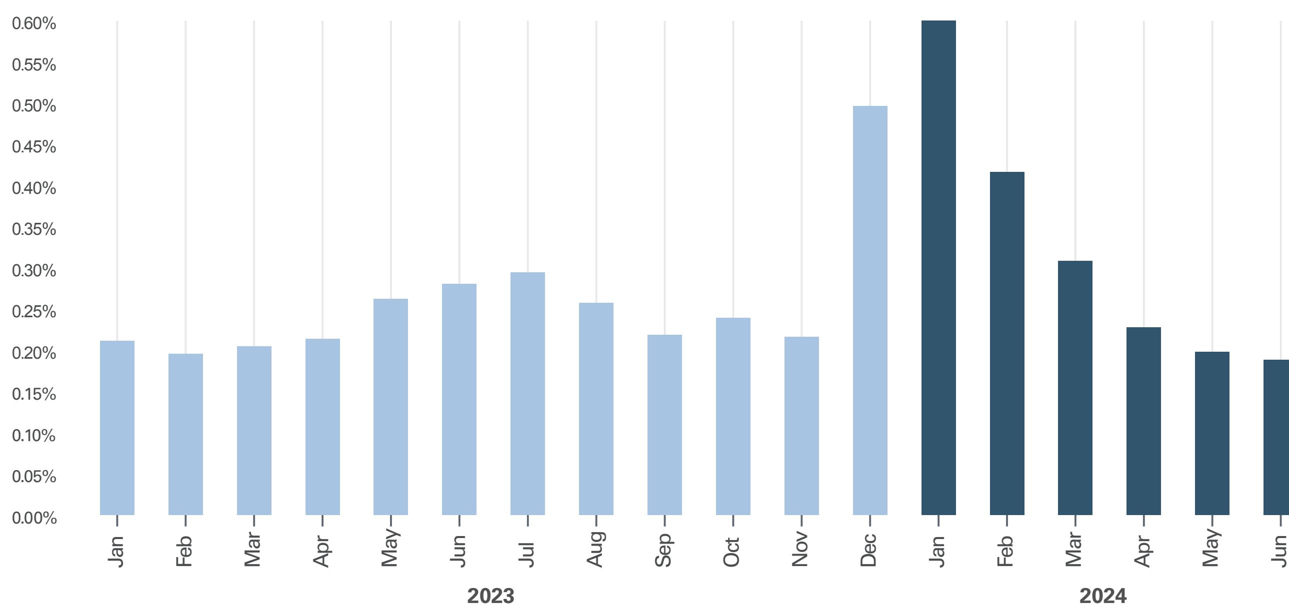
Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a robust monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. At each financial period end, the Group has a policy of accruing its receivables and unrealized gains with counterparties deemed at risk.

In 2024, the Group policies and procedures to manage such risks are identical to those applied in 2023 and described in Section 4 "Financial Instruments and Risk Management" of the consolidated financial statements as of and for the year ended December 31, 2023.

4.1 Market Risk

The monthly average of value at risk (VaR) as a percentage of Group equity corresponds to the average over a month of the VaR computed daily as a percentage of Group equity at the beginning of each quarter. It consists of the following:

Average VaR as a Percentage of Group Equity



During the six-month period ended June 30, 2024 and for the year ended December 31, 2023, the monthly average Group VaR for trading activities was less than 1% of Group equity. The average VaR for the Group reached 0.33% over the six-month period ended June 30, 2024 compared to 0.26% over the year ended December 31, 2023.

VaR is only one of the risk metrics within a wider risk management system applied within the Group.

4.2 Foreign Currency Risk

The Group operates on a global scale and is exposed to changes in foreign currency exchange for its monetary assets and liabilities arising from transactions in a currency different from the functional currency of each entity. Such transactions include capital expenditure, purchases linked to industrial operations, administrative expenditure and other operating payables or receivables in local currency, among others. The Group is also party to some financing arrangements in foreign currencies different from the functional currency of the borrowing entity.

The Group manages its exposure to foreign currency transactions by setting natural hedge structures and by entering into foreign exchange derivative contracts to hedge its exposure back to each entity's own functional currency (refer to Note 4.3).

As of June 30, 2024 and December 31, 2023, the net exposure to foreign currency transactions before hedge for current monetary items (excluding the current portion of long-term debt) represents 1% and 11% of net equity position respectively, and is denominated in the following currencies:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Argentine Peso	164	199
Brazilian Real	(13)	137
Euro	(78)	118
Indian Rupee	(267)	(89)
US Dollar	190	470
Other currencies	58	(115)
Net exposure	**54**	**720**

The Group is also exposed to currency translation risk from its investments in foreign operations, particularly in Australia, China and Eurozone countries.

4.3 Classification of Derivative Financial Instruments

As of June 30, 2024 and December 31, 2023, derivative financial instruments are as follows:

	June 30, 2024		December 31, 2023	
(in millions of US$)	Assets	Liabilities	Assets	Liabilities
Forward purchase and sale agreements	1,237	794	1,249	822
Forward foreign exchange contracts	325	409	190	301
Futures	221	142	218	151
Options	89	20	68	24
Swaps	1	1	1	—
Provision on derivative assets	(75)	—	(92)	—
Derivatives at fair value through profit and loss	**1,798**	**1,366**	**1,634**	**1,298**
Forward foreign exchange contracts	42	106	33	3
Swaps	23	389	29	240
Derivatives at fair value through OCI - hedge accounting	**65**	**495**	**62**	**243**
Total derivatives	**1,863**	**1,861**	**1,696**	**1,541**
Of which:				
Current derivatives	*1,845*	*1,612*	*1,673*	*1,399*
Non-current derivatives	*18*	*249*	*23*	*142*

Notes Continued

In the normal course of operations, the Group enters into various derivative financial instruments involving future settlement. These transactions include futures, forward purchase and sale agreements, and option contracts that are executed either on regulated exchanges or in the over-the-counter (OTC) market.

Futures contracts are exchange-traded contractual commitments either to receive or deliver a standard amount or value of a commodity or financial instrument at a specified future date and price. Futures exchanges typically require the parties to provide as security "initial margins" and additional cash deposits for "variation margins", based upon market value fluctuations. OTC contracts, which may or may not require the payment of initial margins or variation margins, involve parties who have agreed to either exchange cash payments or deliver/receive the underlying commodity or financial instrument. Option contracts are contractual agreements that give the purchaser the right, but not the obligation, to purchase or sell a financial instrument or commodity at a predetermined price.

As of June 30, 2024, the Group recognized a provision on derivative assets of US$75 million on performance risk to offset unrealized gains on forward agreements identified as being at risk. As of December 31, 2023, this provision was US$92 million.

Derivatives at Fair Value Through Other Comprehensive Income (OCI) - Hedge Accounting.

Forward foreign exchange contracts mainly relate to the hedge of foreign currency risk of future capital expenditure, production costs and commercial and administrative expenses in Brazilian Reais, and to a lesser extent in Euros and Swiss Francs. The contracts also relate to the hedge of foreign currency risk of a long-term financing line (principal and interests) in Brazilian Reais.

As of June 30, 2024, contracts in Brazilian Reais represent a total US$970 million nominal value and are effective until 2035, with an average fixed exchange rate of 5.32 Brazilian Reais to the US Dollar (a total US$668 million nominal value effective until 2035, with an average fixed exchange rate of 5.26, as of December 31, 2023).

The Group entered into interest-rate swap contracts in North America to hedge against Secured Overnight Financing Rate (SOFR) fluctuations on the floating rate exposure of its debt. As of June 30, 2024 and December 31, 2023, these operations represent a total US$525 million nominal value effective until 2026, with an average three-month SOFR rate fixed at 0.91% per year.

The Group entered into cross-currency swap contracts in order to hedge the currency and interest exposure of the following main long-term financing agreements:

- Japanese Yen-denominated debt: as of June 30, 2024 and December 31, 2023, these operations represent a total US$700 million nominal value effective until 2028, with an average Tokyo Overnight Average (TONA) rate fixed at 4.16% per year.
- Japanese Yen-denominated private placements: as of June 30, 2024 and December 31, 2023, these operations represent a total US$160 million nominal value effective until 2027.
- Chinese Yuan-denominated internal financing: as of June 30, 2024 and December 31, 2023, these operations represent a total US$153 million nominal value effective until 2028.
- A €650 million rated senior bond issued in November 2020 and February 2021, and a €500 million rated senior bond issued in April 2021, effective respectively until 2025 and 2028.

The hedge on exposure linked to future interest payments on these long-term financing agreements is booked at fair value through OCI. The hedge on exposure related to the principal and accrued interests is booked in profit and loss, impacting "Other financial income and expense" and "Interest expenses" lines of the consolidated income statement (refer to Note 2.3).

4.4 Fair Value Hierarchy

The Group uses the following hierarchy to determine and disclose the fair value of assets and liabilities broken down by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: techniques that use inputs that have a significant effect on the recorded fair value that are based on observable, either directly or indirectly, market data; and
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As of June 30, 2024 and December 31, 2023, the following table shows an analysis of financial assets and liabilities recorded at fair value by level of the fair value hierarchy:

	June 30, 2024				December 31, 2023			
(in millions of US$)	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	—	5,516	129	**5,645**	—	5,367	154	**5,521**
Derivative assets (current and non-current)	294	1,530	39	**1,863**	259	1,389	48	**1,696**
Forward purchase and sale agreements	—	*1,200*	*37*	***1,237***	—	*1,201*	*48*	***1,249***
Forward foreign exchange contracts	—	*367*	—	***367***	—	*223*	—	***223***
Futures	*221*	—	—	***221***	*218*	—	—	***218***
Options	*73*	*14*	*2*	***89***	*41*	*27*	—	***68***
Swaps	—	*24*	—	***24***	—	*30*	—	***30***
Provision on derivative assets	—	*(75)*	—	***(75)***	—	*(92)*	—	***(92)***
Other financial assets at fair value through profit and loss (current and non-current)	843	71	55	**969**	425	107	68	**600**
Total assets	**1,137**	**7,117**	**223**	**8,477**	**684**	**6,863**	**270**	**7,817**
Derivative liabilities (current and non-current)	142	1,710	9	**1,861**	144	1,367	30	**1,541**
Forward purchase and sale agreements	—	*785*	*9*	***794***	—	*792*	*30*	***822***
Forward foreign exchange contracts	—	*515*	—	***515***	—	*304*	—	***304***
Futures	*135*	*7*	—	***142***	*143*	*8*	—	***151***
Options	*7*	*13*	—	***20***	*1*	*23*	—	***24***
Swaps	—	*390*	—	***390***	—	*240*	—	***240***
Total liabilities	**142**	**1,710**	**9**	**1,861**	**144**	**1,367**	**30**	**1,541**

Trading inventories are valued at fair value based on observable prices (if and when available) such as commodity futures exchange quotations, broker or dealer quotations, or market transactions in either listed or OTC markets, and adjusted for differences in local markets and quality, since the exchange quoted price represents contracts with standardized terms for commodity, quantity, future delivery period, delivery location, and commodity quality or grade. When a substantial portion of observable inputs is used to estimate the fair value of the trading inventory, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of fair value, the trading inventory is classified as Level 3.

Fair value for the forward purchase and sale agreements is estimated based on exchange-quoted price adjusted for differences in local markets. These differences are generally determined using inputs from broker or dealer quotations or market transactions in either listed or OTC markets. When observable inputs are available for the full term of the contract, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of the fair value, the contract is classified as Level 3.

Sensitivity to fair value movements are mitigated thanks to LDC's market risk management (refer to Note 4.1 of the consolidated financial statements as of and for the year ended December 31, 2023).

Other financial assets at fair value through profit and loss mainly include investments in equity instruments and bonds classified as Level 1 if they are listed, Level 2 if they are valued in the OTC market or adjusted based on observable market data and Level 3 if other valuation technique is used such as market approach or adjusted net asset method.

There was no transfer between levels during the six-month period ended June 30, 2024.

Notes Continued

5. Financing

5.1 Long-Term Debt

As of June 30, 2024 and December 31, 2023, long-term debt consists of the following:

(in millions of US$)	Notes	**June 30, 2024**	December 31, 2023
Non-current portion of long-term financing		3,783	4,250
Non-current portion of lease liabilities	6.1	443	438
Non-current portion of long-term debt		**4,226**	**4,688**
Current portion of long-term financing		271	88
Current portion of lease liabilities	6.1	221	219
Current portion of long-term debt		**492**	**307**
Total long-term debt		**4,718**	**4,995**

The tables below only refer to long-term financing.

As of June 30, 2024 and December 31, 2023, long-term financing by currency after hedge is analyzed as follows:

	June 30, 2024				December 31, 2023			
(in millions of US$)	Debt capital markets	Revolving credit facilities	Term loans from banks	**Total**	Debt capital markets	Revolving credit facilities	Term loans from banks	**Total**
US Dollar	1,228	(10)	2,379	**3,597**	1,267	(12)	2,615	**3,870**
Euro	—	—	333	**333**	—	—	337	**337**
Chinese Yuan	—	—	96	**96**	—	—	88	**88**
Other currencies	—	—	—	**—**	—	15	—	**15**
Subtotal long-term financing	**1,228**	**(10)**	**2,808**	**4,026**	**1,267**	**3**	**3,040**	**4,310**
Accrued interests				**28**				**28**
Total long-term financing				**4,054**				**4,338**

Certain portions of this financing, aggregating US$181 million as of June 30, 2024 and US$171 million as of December 31, 2023, are secured by mortgages on assets.

Certain senior debt and bank loans contain covenants that require maintenance of levels of working capital, net worth, debt to equity ratios, dividend restrictions and limit of indebtedness. As of June 30, 2024, the Group complied with all the covenants included in its loan agreements with banks.

As of June 30, 2024, the main difference between the fair value of long-term financing and its historical value amounts to US$(51) million and relates to the listed senior bonds for which fair value is US$1,177 million, compared to US$1,228 million net book value.

Changes in long-term financing for the six-month period ended June 30, 2024 are as follows:

(in millions of US$)	**June 30, 2024**
Balance as of January 1	**4,338**
Proceeds from long-term financing	15
Repayment of long-term financing	(140)
Foreign exchange	(167)
Capitalized interests	2
Others	6
Closing balance	**4,054**

5.2 Short-Term Debt

The Group finances most of its short-term requirements through bank loans, acceptances and commercial paper. The underlying agreements require certain companies to maintain minimum levels of net worth and to meet various liquidity tests.

As of June 30, 2024 and December 31, 2023, short-term debt consists of the following:

	June 30, 2024					
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	Securities short positions	**Total**
US Dollar	1,489	64	93	174	2	**1,822**
Euro	2	289	9	—	—	**300**
Chinese Yuan	243	—	42	—	—	**285**
Australian Dollar	142	—	—	—	—	**142**
Indonesian Rupiah	104	—	—	—	—	**104**
Ukrainian Hryvnia	100	—	—	—	—	**100**
Argentine Peso	—	—	—	67	—	**67**
Pakistani Rupee	—	—	24	—	—	**24**
Canadian Dollar	—	—	11	—	—	**11**
Other currencies	42	—	3	—	—	**45**
Subtotal short-term debt	**2,122**	**353**	**182**	**241**	**2**	**2,900**
Accrued interests						**7**
Total short-term debt						**2,907**

	December 31, 2023				
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	**Total**
US Dollar	1,033	101	129	3	**1,266**
Euro	7	132	29	—	**168**
Indonesian Rupiah	114	—	—	—	**114**
Pakistani Rupee	—	—	82	—	**82**
Chinese Yuan	80	—	—	—	**80**
Australian Dollar	66	—	—	—	**66**
Canadian Dollar	—	—	63	—	**63**
Other currencies	35	—	27	—	**62**
Subtotal short-term debt	**1,335**	**233**	**330**	**3**	**1,901**
Accrued interests					**5**
Total short-term debt					**1,906**

The Group enters into repurchase agreements, which are arrangements involving the sale of securities at a specified price with an irrevocable commitment to repurchase the same or similar securities at a fixed price on a specified future date or with an open maturity.

Certain portions of this financing, aggregating US$4 million as of June 30, 2024, are secured by mortgages on assets.

As of June 30, 2024, there is no significant difference between the carrying amount and fair value of short-term debt.

Changes in short-term debt for the six-month period ended June 30, 2024 are as follows:

(in millions of US$)	**June 30, 2024**
Balance as of January 1	**1,906**
Net proceeds from (repayment of) short-term debt	1,020
Foreign exchange	(21)
Accrued interests	2
Closing balance	**2,907**

Net Proceeds From (Repayment of) Short-Term Debt

This line included changes in repurchase agreements and securities short positions for US$240 million, which are reported as changes in derivatives in the consolidated statement of cash flows. This line excluded changes in related parties' advances for US$397 million, which are reported as "Net proceeds from (repayments of) short-term debt and related parties' loans and advances" in the consolidated statement of cash flows.

5.3 Non-Current Financial Assets

As of June 30, 2024 and December 31, 2023, non-current financial assets consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Deposits and others at amortized cost	295	210
Including margin deposits	*217*	*135*
Derivative assets at fair value through OCI	18	23
Investments in equity instruments at fair value through profit and loss	70	78
Non-current financial assets	**383**	**311**

5.4 Other Financial Assets at Fair Value Through Profit and Loss

As of June 30, 2024 and December 31, 2023, other financial assets at fair value through profit and loss consist of the following:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Marketable securities held for trading	878	462
Short-term securities	7	9
Reverse repurchase agreement loan	3	40
Investments in equity instruments	11	11
Other financial assets at fair value through profit and loss	**899**	**522**

As of June 30, 2024, short-term securities relate to cash deposits pledged as collaterals.

5.5 Cash and Cash Equivalents

As of June 30, 2024 and December 31, 2023, cash and cash equivalents are as follows:

(in millions of US$)	**June 30, 2024**	December 31, 2023
Cash equivalents	668	902
Cash	583	596
Cash and cash equivalents	**1,251**	**1,498**

As of June 30, 2024, cash equivalents include US$76 million of securities or cash deposits pledged as collaterals.

As of June 30, 2024, there is no material difference between the carrying amount and fair value of cash and cash equivalents.

6. Leases and Other Information

6.1 Leases

Right-of-use assets are included within property, plant and equipment. Changes in the net value of right-of-use assets for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

	June 30, 2024						December 31, 2023
(in millions of US$)	Land	Buildings and offices	Machinery and equipment	Vessels	Other tangible assets	**Total**	**Total**
Balance as of January 1	**137**	**134**	**136**	**275**	**3**	**685**	**559**
New leases and additions	12	12	33	133	—	**190**	424
Early terminations, disposals and decreases	(2)	(1)	—	(32)	—	**(35)**	(19)
Acquisitions through business combinations	1	—	—	—	—	**1**	—
Depreciation and impairment	(6)	(17)	(21)	(92)	—	**(136)**	(277)
Foreign currency translation adjustment	(2)	(1)	(2)	—	—	**(5)**	(2)
Closing balance	**140**	**127**	**146**	**284**	**3**	**700**	**685**

New Leases and Additions

In 2024, new leases and additions include US$133 million right-of-use of vessels, including new long-term time charter contracts and remeasurement of index-linked contracts, US$15 million right-of-use of an oilseeds refinery plant in Zhangjiagang, Jiangsu, China, US$12 million right-of-use of railroad cars in the US and US$8 million right-of-use linked to agricultural partnerships in Brazil.

Early Terminations, Disposals and Decreases

In 2024, the US$(32) million decrease in vessels relates to the remeasurement of index-linked contracts.

Lease liabilities are included within long-term debt and current portion of long-term debt.

Changes in lease liabilities for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 are as follows:

	June 30, 2024			December 31, 2023		
(in millions of US$)	Non-current portion	Current portion	**Total**	Non-current portion	Current portion	**Total**
Balance as of January 1	**438**	**219**	**657**	**318**	**190**	**508**
New leases and additions	104	82	**186**	245	179	**424**
Payments	—	(134)	**(134)**	—	(261)	**(261)**
Early terminations, disposals and decreases	(16)	(18)	**(34)**	(8)	(11)	**(19)**
Reclassification	(75)	75	**—**	(119)	119	**—**
Foreign exchange	(5)	(2)	**(7)**	2	1	**3**
Foreign currency translation adjustment	(3)	—	**(3)**	—	—	**—**
Others	—	(1)	**(1)**	—	2	**2**
Closing balance	**443**	**221**	**664**	**438**	**219**	**657**

The amounts recognized in the consolidated income statement for the six-month periods ended June 30, 2024 and June 30, 2023 are as follows:

(in millions of US$)	**2024**	2023
Variable lease expenses	(3)	(2)
Short-term lease expenses	(289)	(243)
Low-value asset lease expenses	—	—
Income from sub-leasing	122	82

The increase in short-term lease expenses and income from sub-leasing are related to freight activity in a context of increasing prices and higher volumes.

For the six-month period ended June 30, 2024, the total cash outflow for leases amounts to US$(426) million (US$(373) million as of June 30, 2023).

6.2 Commitments

As of June 30, 2024 and December 31, 2023, the Group has commitments to purchase or sell non-trading commodities that consist of the following:

		June 30, 2024			December 31, 2023	
(in millions of US$)	Quantities' unit	Quantities	**Estimated amount**	Maturity	Quantities	Estimated amount
Commitments to purchase						
Orange boxes[1]	Million boxes	40	**368**	2029	31	159
Fuel	MMBtus[2]	3	**13**	2025	3	11
Glycerin	Ktons	1	**1**	2024	2	1
			382			**171**
Commitments to sell						
Glycerin	Ktons	4	**4**	2025	27	20
Frozen concentrate orange juice	Ktons	108	**577**	2028	110	451
Not-from-concentrate citrus juice	KCmeters[3]	262	**192**	2026	293	167
Juice by-products	Ktons	21	**64**	2025	21	38
Apple juice	Ktons	20	**35**	2027	22	37
Others	Ktons	32	**7**	2025	23	9
			879			**722**

1. Of which US$173 million may fall in the following 6 months.
2. Million British thermal units.
3. Thousand cubic meters.

In addition, the Group has the following commitments:

(in millions of US$)	**June 30, 2024** **Estimated amount**	December 31, 2023 Estimated amount
Commitments given		
Letters of credit	111	48
Bid and performance bonds	129	140
Capex commitments	324	288
Guarantees given	258	290
Other commitments	16	24
	838	**790**
Commitments received		
Guarantees and collaterals received	216	301
	216	**301**

As of June 30, 2024, capex commitments are mainly related to investments in export terminals, in the construction of a pea protein isolate production plant, in Yorkton, Saskatchewan, Canada, and in the construction of a soybean processing plant in Upper Sandusky, Ohio, US, which are under construction.

6.3 Related Parties Transactions

Transactions with related parties for the six-month periods ended June 30, 2024 and June 30, 2023 are reflected as follows:

Income statement (in millions of US$)	**2024**	2023
Sales	35	69
Cost of goods sold	(588)	(496)
Commercial and administrative expenses	(1)	(1)
Finance costs, net	(5)	(1)

As of June 30, 2024 and December 31, 2023, outstanding balances with related parties are as follows:

Balance sheet (in millions of US$)	**June 30, 2024**	December 31, 2023
Financial advances to related parties	12	9
Trade and other receivables	19	23
Margin deposits	27	9
Derivatives assets	9	16
Total assets	**67**	**57**
Other non-current liabilities	1	2
Financial advances from related parties	432	45
Trade and other payables	49	48
Derivatives liabilities	58	27
Total liabilities	**540**	**122**

As of June 30, 2024, transactions with related parties correspond mainly to transactions with associates and joint ventures except "Financial advances from related parties", which comprise shareholder loans for US$421 million.

6.4 Subsequent Events

There is no subsequent event that could affect 2024 Interim Condensed Consolidated Financial Statements.

6.5 List of Main Subsidiaries

As of June 30, 2024 and December 31, 2023, the main consolidated subsidiaries of LDC are the following:

		June 30, 2024		December 31, 2023	
Company	Country	% of control	% of ownership	% of control	% of ownership
LDC Argentina S.A.	Argentina	100.00	100.00	100.00	100.00
Namoi Cotton Marketing Alliance	Australia	85.00	85.00	85.00	85.00
LDC Enterprises Australia Pty. Ltd.	Australia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grains Australia Pty Ltd	Australia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Emerald Australia Pty Ltd	Australia	100.00	100.00	100.00	100.00
Ilomar Holding N.V.	Belgium	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sucos S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Brasil S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Canada ULC	Canada	100.00	100.00	100.00	100.00
Guangzhou Fuling Food Technology Co., Ltd	China	51.00	51.00	51.00	51.00
LDC (China) Trading Company Ltd.	China	100.00	100.00	100.00	100.00
Dongguan LDC Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Shanghai) Co. Ltd.	China	100.00	100.00	100.00	100.00
LDC (Tianjin) Food Technology Limited Liability Company	China	100.00	100.00	100.00	100.00
LDC (Tianjin) International Business Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Zhangjiagang) Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus Company Distribution France S.A.S.	France	100.00	100.00	100.00	100.00
Louis Dreyfus Company Wittenberg GmbH	Germany	100.00	100.00	100.00	100.00
Louis Dreyfus Company India Pvt. Ltd.	India	100.00	100.00	100.00	100.00
PT LDC East Indonesia	Indonesia	100.00	100.00	100.00	100.00
PT LDC Indonesia	Indonesia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Mexico S.A. de C.V.	Mexico	100.00	100.00	100.00	100.00
Louis Dreyfus Company Finance B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ventures B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Juices B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sugar B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Polska SP. z.o.o.	Poland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Senegal	Senegal	100.00	100.00	100.00	100.00
Louis Dreyfus Company Freight Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Funding SSEA Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Africa Pty. Ltd.	South Africa	100.00	100.00	100.00	100.00
Louis Dreyfus Company España S.A.	Spain	100.00	100.00	100.00	100.00
Louis Dreyfus Company Suisse S.A.	Switzerland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ukraine Ltd.	Ukraine	100.00	100.00	100.00	100.00
LDC Trading & Service Co. S.A.	Uruguay	100.00	100.00	100.00	100.00
LDC Uruguay S.A.	Uruguay	100.00	100.00	100.00	100.00
Louis Dreyfus Company Funding SSEA Pte. Ltd.	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Trading LP	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Cotton LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Claypool Holdings LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grains Merchandising LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Agricultural Industries LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grand Junction LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company River Elevators LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Port Allen Elevator LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company NA Finance One LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Vietnam Trading and Processing Co. Ltd.	Vietnam	100.00	100.00	100.00	100.00

Independent Auditor’s Report

To the Managing Directors of
Louis Dreyfus Company B.V.

Opinion

We have audited the accompanying consolidated financial statements of Louis Dreyfus Company B.V. and its subsidiaries (the “Group”), which comprise the consolidated balance sheet as of December 31, 2023, and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including the significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31, 2023, and of its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Applicable law

This report is governed by, and construed in accordance with, French law. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report. Each party irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Paris-La Défense, France, March 20, 2024

DELOITTE & ASSOCIÉS
François BUZY

Consolidated Income Statement

Year ended December 31

(in millions of US$)	Notes	2023	2022
Net sales	2.2	50,624	59,931
Cost of sales		(48,045)	(57,334)
Gross margin		**2,579**	**2,597**
Commercial and administrative expenses		(1,047)	(947)
Interest income	2.3	44	29
Interest expense	2.3	(320)	(306)
Other financial income and expense	2.3	10	(11)
Share of profit (loss) in investments in associates and joint ventures	3.3	28	14
Gain (loss) on investments and sale of fixed assets	2.4	(26)	6
Other gains and losses	2.5	(60)	(156)
Income before tax		**1,208**	**1,226**
Income taxes	2.6	(198)	(219)
Net income		**1,010**	**1,007**
Attributable to:			
Owners of the company		**1,013**	**1,006**
Non-controlling interests		(3)	1

Consolidated Statement of Comprehensive Income

Year ended December 31

(in millions of US$)	**2023**	2022
Net income	**1,010**	**1,007**
Items reclassified from other comprehensive income (OCI) to net income during the year		
Gain (loss) on cash flow and net investment hedges	(46)	5
Related tax impact	16	3
Exchange differences recycled upon sale/liquidation of investments	34	6
Investments in associates and joint ventures - share of other comprehensive income	3	(1)
Total	**7**	**13**
Items that may be reclassified subsequently from OCI to net income		
Cash flow and net investment hedges - change in fair value, gross	48	115
Related tax impact	(25)	(30)
Exchange differences arising on translation of foreign operations	(9)	(60)
Investments in associates and joint ventures - share of other comprehensive income	3	(2)
Total	**17**	**23**
Items that will not be reclassified subsequently from OCI to net income		
Pensions, gross	1	18
Related tax impact	—	(3)
Total	**1**	**15**
Changes in OCI	**25**	**51**
Total comprehensive income	**1,035**	**1,058**
Attributable to:		
Owners of the company	**1,040**	**1,061**
Non-controlling interests	(5)	(3)

Consolidated Balance Sheet

Year ended December 31

(in millions of US$)	Notes	2023	2022
Non-current assets			
Intangible assets	3.1	273	268
Property, plant and equipment	3.2	4,002	3,695
Investments in associates and joint ventures	3.3	291	230
Non-current financial assets[1]	5.4	311	445
Deferred income tax assets	2.6	253	163
Other non-current assets	3.4	253	284
Total non-current assets		**5,383**	**5,085**
Current assets			
Inventories	3.7	6,430	6,066
Biological assets	3.8	45	65
Trade and other receivables	3.9	5,897	6,426
Derivative assets[1]	4.8	1,673	1,571
Margin deposits[1]	4	528	774
Current tax assets		59	68
Financial advances to related parties	7.3	9	4
Other financial assets at fair value through profit and loss	5.5	522	356
Cash and cash equivalents	5.6	1,498	1,184
Total current assets		**16,661**	**16,514**
Assets classified as held for sale	1.5	32	14
Total assets		**22,076**	**21,613**

[1] Change in presentation performed – refer to Notes 3.5 and 5.4.

Consolidated Balance Sheet Continued

Year ended December 31

(in millions of US$)	Notes	2023	2022
Equity			
Issued capital and share premium		1,587	1,587
Retained earnings		5,151	4,641
Other reserves		(108)	(132)
Equity attributable to owners of the company		***6,630***	***6,096***
Equity attributable to non-controlling interests		*34*	*43*
Total stockholders' equity and non-controlling interests	5.1	**6,664**	**6,139**
Non-current liabilities			
Long-term debt	5.2	4,688	4,107
Retirement benefit obligations	6.1	65	68
Provisions	3.6	83	77
Deferred income tax liabilities	2.6	189	155
Other non-current liabilities[1]	3.5	332	346
Total non-current liabilities		**5,357**	**4,753**
Current liabilities			
Short-term debt	5.3	1,906	2,145
Current portion of long-term debt	5.2	307	716
Financial advances from related parties	7.3	45	77
Trade and other payables	3.10	6,177	6,381
Derivative liabilities[1]	4.8	1,399	1,215
Provisions	3.6	41	43
Current tax liabilities		180	144
Total current liabilities		**10,055**	**10,721**
Total liabilities		**15,412**	**15,474**
Total equity and liabilities		**22,076**	**21,613**

[1] Change in presentation performed - refer to Notes 3.5 and 5.4.

Consolidated Statement of Cash Flows

Year ended December 31

(in millions of US$)	Notes	2023	2022
Net income		1,010	1,007
Adjustments for items not affecting cash			
Depreciation and amortization		631	660
Biological assets' change in fair value	3.8	24	1
Income taxes	2.6	198	219
Net finance costs		286	297
Other provisions, net		79	161
Share of (profit) loss in investments in associates and joint ventures, net of dividends	3.3	(26)	(14)
(Gain) loss on investments and sale of fixed assets	2.4	26	(6)
		2,228	**2,325**
Changes in operating assets and liabilities			
Inventories and biological assets		(354)	1,429
Derivatives		(364)	(295)
Margin deposits net of margin deposit liabilities		292	530
Trade and other receivables		524	(715)
Trade and other payables		(40)	463
Interests paid		(347)	(426)
Interests received		72	40
Income tax received (paid)		(167)	(212)
Net cash from (used in) operating activities		**1,844**	**3,139**
Investing activities			
Purchase of fixed assets		(597)	(427)
Additional investments, net of cash acquired		(39)	(122)
Change in short-term securities		—	56
Proceeds from sale of fixed assets		5	80
Proceeds from sale of investments, net		9	278
Change in loans and advances made		—	(9)
Net cash from (used in) investing activities		**(622)**	**(144)**
Financing activities			
Net proceeds from (repayment of) short-term debt and related parties loans and advances	5.3	(73)	(1,971)
Proceeds from long-term financing	5.2	540	731
Repayment of long-term financing	5.2	(598)	(605)
Repayment of lease liabilities	7.1	(261)	(252)
Transactions with non-controlling interests	3.5	(7)	(33)
Dividends paid to equity owners of the company	5.1	(503)	(348)
Dividends paid to non-controlling interests		(1)	—
Net cash from (used in) financing activities		**(903)**	**(2,478)**
Exchange difference on cash		(5)	(29)
Net increase (decrease) in cash and cash equivalents		**314**	**488**
Cash and cash equivalents, at beginning of the year	5.6	1,184	696
Cash and cash equivalents, at year-end	5.6	**1,498**	**1,184**

Consolidated Statement of Changes in Equity

Year ended December 31

(in millions of US$)	**Notes**	Issued capital and share premium	Retained earnings	Other reserves	**Equity attributable to owners of the company**	Equity attributable to non-controlling interests	**Total equity**
Balance as of December 31, 2021		**1,587**	**3,940**	**(144)**	**5,383**	**44**	**5,427**
Net income			1,006		**1,006**	1	**1,007**
Other comprehensive income, net of tax				55	**55**	(4)	**51**
Total comprehensive income	5.1		**1,006**	**55**	**1,061**	**(3)**	**1,058**
Dividends	5.1		(348)		**(348)**	—	**(348)**
Change in the list of consolidated companies			44	(44)	**—**	2	**2**
Others			(1)	1	**—**	—	**—**
Balance as of December 31, 2022		**1,587**	**4,641**	**(132)**	**6,096**	**43**	**6,139**
Net income			1,013		**1,013**	(3)	**1,010**
Other comprehensive income, net of tax				27	**27**	(2)	**25**
Total comprehensive income	5.1		**1,013**	**27**	**1,040**	**(5)**	**1,035**
Dividends	5.1		(503)		**(503)**	(1)	**(504)**
Transactions with non-controlling interests			—	(3)	**(3)**	(3)	**(6)**
Balance as of December 31, 2023		**1,587**	**5,151**	**(108)**	**6,630**	**34**	**6,664**

Notes to the Consolidated Financial Statements

Louis Dreyfus Company B.V. ("LDC" or the "company") is a privately owned company incorporated in the Netherlands on December 28, 2004, registered at the *Chamber of Commerce* under registration number 24371219. The address of its registered office is Westblaak 92, 3012 KM Rotterdam, Netherlands. LDC is an indirect subsidiary of *Louis Dreyfus Holding B.V.* (LDH), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

LDC is a direct subsidiary of *Louis Dreyfus Company Holdings B.V.* (LDCH), a company incorporated in the Netherlands, which in turn is held by *Louis Dreyfus Company International Holding B.V.*, a holding company indirectly owned at 55% by LDH and at 45% by *Abu Dhabi Developmental Holding Company*.

LDC and its subsidiaries (the "Group") is a global merchant and processor of agricultural goods, operating a significant network of assets around the world. The Group's activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since its inception in 1851, the Group's portfolio has grown and, as of December 31, 2023, included Grains & Oilseeds, Coffee, Cotton, Juice, Rice, Sugar, Freight, Global Markets, Carbon Solutions and the newly created Food & Feed Solutions Platform.

In June 2017, LDC completed the issuance of an unrated senior bond for US$300 million (six-year, 5.25% coupon), which was reimbursed in June 2023. In November 2020, LDC completed the issuance of a rated senior bond for €600 million (five-year, 2.375% coupon), completed in February 2021 by an additional €50 million through a reverse inquiry. In April 2021, LDC completed the issuance of a rated senior bond for €500 million (seven-year, 1.625% coupon). These bonds are listed on the *Luxembourg Stock Exchange* (refer to Note 5.2).

1. Accounting Policies and Consolidation Scope

1.1 Accounting Policies

The consolidated financial statements of LDC are prepared in US Dollars, which is the functional currency of the main subsidiaries of the Group.

The consolidated financial statements of LDC as of and for the year ended December 31, 2023, (the "Financial Statements") were approved by the Board of Directors of LDC on March 20, 2024.

The Financial Statements were prepared in accordance with *International Financial Reporting Standards* (IFRS) adopted by the European Union as of December 31, 2023 and IFRS as issued by the *International Accounting Standards Board* (IASB). The Group has not adopted IAS 33 "Earnings per Share" since this standard is not mandatory for companies whose ordinary shares are not publicly traded.

Accounting policies used to prepare these Financial Statements are the same as those used to prepare the consolidated financial statements as of and for the year ended December 31, 2022, except for the adoption of new amendments, standards and interpretations as of January 1, 2023, as detailed below.

New and Amended Accounting Standards and Interpretations Effective in 2023

The following amendments, applied starting from 2023, have had no material effect on the balance sheet or performance of the Group:

- IFRS 17 "Insurance Contracts" and related amendments
- Amendments to IAS 1 and IFRS Practice Statement 2 "Disclosure of Accounting Policies"
- Amendments to IAS 8 "Definition of Accounting Estimates"
- Amendment to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction"
- Amendments to IFRS 17 "Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative information"
- Amendments to IAS 12 "Income taxes: International Tax Reform – Pillar Two Model Rules". The amendments introduce a mandatory temporary exception to the recognition of deferred tax assets and liabilities arising from the jurisdictional implementation of the Pillar Two model rules and require specific disclosures that are detailed in Note 2.6.

The Group did not adopt any standard, interpretation or amendment that was issued but is not yet effective.

New and Amended Accounting Standards and Interpretations Approved by the European Union Effective in Future Periods

- Amendments to IFRS 16 "Lease liability in a Sale and Leaseback".
- Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants".

The amendments will come into effect as of January 1, 2024 and are not expected to have any material impact on the Group's financial statements.

Accounting Standards and Interpretations Issued by the IASB but not yet Approved by the European Union

The following standards and interpretations issued by the IASB are not yet approved by the European Union. Their potential impact is currently under review by the Group.

- Amendments to IAS 7 and IFRS 7 "Supplier Finance Arrangements". The amendments will come into effect as of January 1, 2024 with early application permitted.
- Amendments to IAS 21 "Lack of Exchangeability". The amendments will come into effect as of January 1, 2025 with early application permitted.

1.2 Basis of Consolidation and Use of Estimates

Basis of Consolidation

In accordance with IFRS 10 "Consolidated Financial Statements", the Financial Statements include the financial statements of all entities that the Group controls directly or indirectly, regardless of the level of the Group's equity interest in the entity. An entity is controlled when the Group has power over the entity, exposure or rights to variable returns from its involvement with the entity, and the ability to affect those returns through its power over the entity. In determining whether control exists, potential voting rights must be taken into account if those rights are substantive – in other words they can be exercised on a timely basis when decisions about the relevant activities of the entity are to be taken. Commitments given by the Group to purchase non-controlling interests in Group-controlled companies are included in liabilities. Entities consolidated by the Group are referred to as "subsidiaries".

In accordance with IFRS 11 "Joint Arrangements", the Group classifies its joint arrangements (i.e. arrangements in which the Group exercises joint control with one or more other parties) either as a joint operation or a joint venture. The Group exercises joint control over a joint arrangement when decisions relating to the relevant activities of the arrangement require the unanimous consent of the Group and the other parties with whom control is shared. The Group exercises significant influence over an entity (referred to as "associates") when it has the power to participate in the financial and operating policy decisions of that entity but does not have the power to exercise control or joint control over those policies.

In accordance with IAS 28 "Investments in Associates and Joint Ventures", the equity method is used to account for joint ventures and associates. In the case of a joint operation, the Group recognizes the assets and liabilities of the operation in proportion to its rights and obligations relating to those assets and liabilities.

All consolidated subsidiaries and companies carried at equity prepared their accounts as of December 31, 2023 in accordance with the accounting policies and methods applied by the Group.

Intercompany transactions and balances are eliminated in consolidation.

A change in the ownership interest in a subsidiary, without loss of control, is accounted for as an equity transaction.
In the event that the Group loses control over a subsidiary, the Group:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any benefit or deficit in the income statement; and
- Reclassifies components previously recognized in other comprehensive income to the income statement or retained earnings, as appropriate.

Notes Continued

Use of Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Group engages in price risk management activities, principally for trading purposes. Activities for trading purposes are accounted for using the mark-to-market method. In the absence of quoted prices, market prices used to value these transactions reflect management's best estimate considering various factors including the closing exchange and over-the-counter quotations, parity differentials, time value and price volatility underlying the commitments. Values reflect the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date under current market conditions.

Goodwill is tested annually for impairment in accordance with the valuation methodology described below. The recoverable amounts of cash-generating units have been determined based on value in use calculations, which require the use of estimates.

Cash-generating units are defined at the lowest level of independent cash flows generated by the corresponding assets measured. Applying this methodology, the Group identified ten main independent cash-generating units corresponding to its commodity platforms. The value in use calculations are based on pre-tax cash flow projections set on business plans prepared by the management and approved by the Board of Directors, covering a seven-year period and potentially an extrapolation of the cash flows beyond the seven-year plan to cover a full life cycle, and a terminal value using a perpetual growth rate. The recoverable amount is the sum of the discounted cash flows and the discounted terminal residual value. The discount rate used is based on the weighted average cost of capital of the Group before tax.

Biological assets (except bearer plants) are carried at fair value, estimated using discounted expected future cash flows, less costs to sell. This calculation includes estimates of productivity, quality, market price, labor costs, and changes in interest rates. Market prices are derived from prices available on quoted active markets for products related to the biological assets valued. Biological assets are grouped by location to better integrate significant attributes like maturity, quality, labor cost need and yield, in the determination of their fair value. Comparisons are made on an ongoing basis to adjust estimates from past harvests and changes in market prices. Projections are made in US Dollars with a finite projection period, based on the remaining useful life of each group of biological assets identified.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits together with future tax planning strategies.

The Group uses estimates to determine the fair value of certain items such as non-current financial assets at fair value through profit and loss.

Foreign Currencies

Financial statements of foreign operations are translated from the functional currency into US Dollars using exchange rates in effect at period end for assets and liabilities, and average exchange rates during the period for income, expenses and cash flows. However, for certain material transactions, a specific exchange rate is used when considered relevant. Related translation adjustments are reported as a separate component of equity. A proportionate share of translation adjustments relating to a foreign investment is recognized through the consolidated income statement when this investment is fully or partially sold.

When the functional currency of an entity is not the local currency, its local financial statements are first converted using historical exchange rates for non-monetary items such as non-trading inventories, properties and depreciation, and related translation adjustments are included in the current year's operations.

Exchange differences arising on monetary items that form an integral part of the net investment in foreign subsidiaries are recognized in other comprehensive income, under "Exchange differences arising on translation of foreign operations", for their net-of-tax amount.

Exchange differences on monetary items such as receivables and payables denominated in a foreign currency are recorded in the income for the year.

On a regular basis, the Group reviews the functional currencies used in measuring foreign operations to assess the impact of recent evolutions of its activities and the environment in which it operates.

Income and expenses are analyzed by function in the consolidated income statement. Cost of sales includes depreciation and employment costs relating to processing plants and warehouses. It also includes net unrealized gain or loss on open purchase contracts and inventories of the commodity and freight trading activities, as well as the change in fair value of biological assets. Commercial and administrative expenses include the cost of commercial and administrative employees and depreciation of office buildings and equipment.

Assets and liabilities are presented separately between current and non-current. For each asset and liability, this classification is based on the expected recoverability or settlement date, respectively before or after 12 months from the balance sheet date. Cash flows from operating activities are reported using the indirect method: net income is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

1.3 Russia-Ukraine Crisis

The Group is closely monitoring the complex situation of the Russia Ukraine crisis, operating in compliance with international sanctions, laws and regulations.

As of December 31, 2023, the Financial Statements were prepared considering the ability of LDC's subsidiaries in Ukraine to continue as a going concern. Management considers that control over current and non-current assets located in Ukraine is maintained.

In Ukraine, all property, plant and equipment held are in condition to run, and management has no intention to discontinue the business in the foreseeable future. Additionally, subsidiaries in Ukraine can access financing to meet their short-term financial obligations, and cash is not restricted.

As of December 31, 2023, in relation to its operations in Ukraine, the Group held total assets of US$211 million and total liabilities of US$126 million, including US$(58) million impairment and provisions. Estimates and assumptions made by management take into account the consequences of the crisis, notably logistics constraints and associated costs, as well as performance risks.

Trading inventories in Ukraine are valued in accordance with the accounting policies described in Note 3.7. The liquidity of inventories located in Ukraine has been assumed beyond three months.

As announced on April 3, 2023, the Group ceased grain exports from Russia and has been engaged in a sale process of its existing business and assets in Russia ("Russian business") on terms that satisfy the requirements of the Russian authorities. As of December 31, 2023, the Group performed a reassessment of control as defined by IFRS 10, and considering facts and circumstances, the Group concluded on a loss of control and deconsolidated its Russian business. As a consequence, the Group recorded a US$(60) million loss (including US$(33) million foreign currency translation adjustment recycling from OCI) in the line "Other gains and losses" of the consolidated income statement (refer to Note 2.5).

Notes Continued

1.4 Change in the List of Consolidated Companies

Apart from Russian business deconsolidation described in the Note 1.3, no other significant change to the list of consolidated companies occurred during the year ended December 31, 2023.

On November 27, 2022, the Group completed the sale of *Imperial Sugar Company* business to *U.S. Sugar,* one of the largest fully integrated sugarcane producers and refiners in the US. The final selling price of this transaction amounted to US$287 million. The loss derived from the sale amounted to US$(44) million recorded in prior years in accordance with IFRS 5.

On October 31, 2022, the Group acquired 100% of *Emerald Grain Pty. Ltd.* (Emerald Grain) from *Longriver Farms Pty. Ltd.* for a final purchase price of AUD163 million (US$105 million equivalent). Emerald Grain is a leading grain handling business in Australia, with an integrated grain storage system across seven upcountry storage and handling facilities in the states of Victoria and New South Wales, and an export terminal at the Port of Melbourne. In accordance with IFRS 3 (revised), the Group recognized a US$10 million goodwill. The final purchase price allocation is as follows:

(in millions of US$)	**Book value at date of acquisition under local GAAP**	**Fair value under IFRS**
Property, plant and equipment	62	69
Deferred income tax assets	—	3
Non-Current Assets	**62**	**72**
Current Assets	**131**	**131**
Total Assets	**193**	**203**
Long-term debt	17	17
Deferred income tax liabilities	6	—
Other non-current liabilities	1	1
Non-Current Liabilities	**24**	**18**
Current Liabilities	**90**	**90**
Total Liabilities	**114**	**108**
Net Equity	**79**	**95**
Consideration transferred		105
Goodwill		**10**

1.5 Assets Classified as Held for Sale and Liabilities Associated With Held for Sale Assets and Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

As of December 31, 2022, the US$7 million investment in joint venture *Epko Oil Seed Crushing Pty. Ltd.* (sunflower seed and maize germ crushing plant in South Africa) was classified as held for sale (50% ownership). On May 2, 2023, the Group finalized the sale of its investment to *NWK Limited*.

As of December 31, 2023, assets classified as held for sale relate mainly to Kowalski corn processing assets in Brazil.

Notes Continued

2. Segment Information and Income Statement

2.1 Segment Information

The Group operates its global business under two segments: Value Chain and Merchandizing.

Each reportable segment is responsible for the farming, origination, processing, refining, storage, transport and distribution of its products (where applicable).

The Value Chain Segment includes the Grains & Oilseeds, Food & Feed Solutions and Juice platforms, along with Freight, Global Markets and Carbon Solutions, the latter three of which are key facilitators of all Group businesses. The Merchandizing Segment comprises the Coffee, Cotton, Rice and Sugar platforms.

The Group assesses the financial performance of its segments with reference to Segment Operating Results, which correspond to Net sales, less Cost of sales (Gross margin in the consolidated income statement) plus Share of profit (loss) in investments in associates and joint ventures.

Inter-segment transactions, where applicable, are not material and generally performed at arm's length.

Segment information on the income statement and capital expenditure for the years ended December 31, 2023 and December 31, 2022 is as follows:

	2023		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**36,837**	**13,787**	**50,624**
Depreciation included in gross margin	(513)	(39)	**(552)**
Share of profit (loss) in investments in associates and joint ventures	20	8	**28**
Segment operating results	**1,910**	**697**	**2,607**
Commercial and administrative expenses			**(1,047)**
Net finance costs			**(266)**
Others			**(86)**
Income taxes			**(198)**
Non-controlling interests			**3**
Net income attributable to owners of the company			**1,013**
Capital expenditure	**542**	**94**	**636**

	2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**41,573**	**18,358**	**59,931**
Depreciation included in gross margin	(544)	(36)	**(580)**
Share of profit (loss) in investments in associates and joint ventures	12	2	**14**
Segment operating results	**1,817**	**794**	**2,611**
Commercial and administrative expenses			**(947)**
Net finance costs			**(288)**
Others			**(150)**
Income taxes			**(219)**
Non-controlling interests			**(1)**
Net income attributable to owners of the company			**1,006**
Capital expenditure	**473**	**76**	**549**

Capital expenditure corresponds to the sum of the "Purchase of fixed assets" and "Additional investments, net of cash acquired" lines of the consolidated statement of cash flows.

Information related to segment assets and liabilities as of December 31, 2023 and December 31, 2022 is as follows:

	2023		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,846	429	**4,275**
Investments in associates and joint ventures	225	66	**291**
Inventories	3,644	2,786	**6,430**
Biological assets	45	—	**45**
Trade and other receivables	3,839	2,058	**5,897**
Derivative assets (current and non-current)	961	703	**1,664**
Margin deposits	289	141	**430**
Marketable securities held for trading	462	—	**462**
Reverse repurchase agreement loan	40	—	**40**
Assets classified as held for sale	29	3	**32**
Segment assets	**13,380**	**6,186**	**19,566**
Trade and other payables	(4,359)	(1,444)	**(5,803)**
Derivative liabilities (current and non-current)	(825)	(476)	**(1,301)**
Repurchase agreements	(3)	—	**(3)**
Segment liabilities	**(5,187)**	**(1,920)**	**(7,107)**
Other assets			**2,510**
Other liabilities			**(8,305)**
Total net assets	**8,193**	**4,266**	**6,664**

	2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,592	371	**3,963**
Investments in associates and joint ventures	196	34	**230**
Inventories	3,453	2,613	**6,066**
Biological assets	65	—	**65**
Trade and other receivables	4,106	2,320	**6,426**
Derivative assets (current and non-current)	928	630	**1,558**
Margin deposits	544	230	**774**
Marketable securities held for trading	297	—	**297**
Reverse repurchase agreement loan	40	—	**40**
Assets classified as held for sale	8	6	**14**
Segment assets	**13,229**	**6,204**	**19,433**
Trade and other payables	(4,439)	(1,590)	**(6,029)**
Derivative liabilities (current and non-current)	(875)	(340)	**(1,215)**
Repurchase agreements	(234)	—	**(234)**
Securities short positions	(7)	—	**(7)**
Segment liabilities	**(5,555)**	**(1,930)**	**(7,485)**
Other assets			**2,180**
Other liabilities			**(7,989)**
Total net assets	**7,674**	**4,274**	**6,139**

Marketable securities held for trading and reverse repurchase agreement loan are included in the line "Other financial assets at fair value through profit and loss" of the consolidated balance sheet (refer to Note 5.5). Repurchase agreements and securities short positions are included in the line "Short-term debt" (refer to Note 5.3).

Notes Continued

As of December 31, 2023 (and December 31, 2022), the tables do not include the following items as they were not segmented:

- US$374 million (US$352 million) of trade and other payables;
- US$32 million (US$61 million) of derivative assets (current and non-current) and US$240 million (US$235 million) of derivative liabilities (current and non-current) designated as hedging instruments in a hedge accounting relationship linked to Financing; and
- US$233 million (US$233 million) of margin deposits (current and non-current) related to the above derivatives.

Net sales by geographical area, based on the country of incorporation of the counterparty, were broken down as follows for the years ended December 31, 2023 and December 31, 2022:

(in millions of US$)	**2023**	2022
North Asia	12,604	12,928
South & Southeast Asia	11,322	14,294
North Latin America	1,609	2,034
South & West Latin America	3,916	4,417
North America	7,016	9,074
Europe, Middle East & Africa	14,157	17,184
Of which Europe & Black Sea	*8,378*	*10,658*
Of which Middle East & Africa	*5,779*	*6,526*
Net sales	**50,624**	**59,931**

Net sales to the Netherlands are not material.

The Group's fixed assets were located in the following geographic regions as of December 31, 2023 and December 31, 2022:

(in millions of US$)	**2023**	2022
North Asia	353	237
South & Southeast Asia	546	442
North Latin America	1,202	1,160
South & West Latin America	625	604
North America	1,030	986
Europe, Middle East & Africa	519	534
Fixed assets	**4,275**	**3,963**

Fixed assets in the Netherlands are not material.

2.2 Net Sales

Revenue is derived principally from the sale of commodities and consumable products, and commodity-related services such as freight, storage and other services rendered. Revenue is recognized when the performance obligations have been satisfied, which is once the control of goods and/or services has been transferred from the Group to the buyer.

Revenue related to the sale of commodities is recognized when the product is delivered to the destination specified by the customer, which is typically, depending on the incoterm, the vessel on which it is shipped, the destination port or identified premises and the buyer has gained control, being the ability to direct the use of and obtain substantially all of the remaining benefits from the assets.

Revenue is measured based on consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties.

In certain cases, the commodity sales price is determined on a provisional basis at the date of the sale, generally corresponding to the date of the bill of lading, as the final selling price is subject to movements in market prices up to the date of final pricing. Revenue on provisional sales price is recognized based on the estimated fair value of the total consideration receivable (by reference to forward market prices). The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the character of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are recognized as an adjustment to revenue.

"Net sales" include also the mark-to-market on physical forward sales contracts that do not meet the own use exemption.

When the Group enters into logistic arrangements with a third party in order to meet its logistic needs, the related sales and purchases are both presented in "Cost of sales". Similarly, arrangements with other trading companies, most commonly known in the commodity market as "paper transactions", are presented in "Cost of sales". When the Group agrees to offset a purchase and a sale contracts with a counterparty before delivery, also known as "wash out", the transactions are presented in "Cost of sales".

Revenue derived from time charters freight contracts is recognized over time as the barge or ocean-going vessel moves towards its destination. Storage and other commodity-related services are recognized over time as the service is rendered.

If the Group acts in the capacity as an agent rather than as the principal in a transaction, the margin only is recognized within "Net sales".

Net sales for the years ended December 31, 2023 and December 31, 2022 consist of the following:

	2023			2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**	Value Chain	Merchandizing	**Total**
Sale of commodities and consumable products	35,393	13,593	**48,986**	39,647	18,218	**57,865**
Freight, storage and other services	1,257	137	**1,394**	1,664	123	**1,787**
Others	187	57	**244**	262	17	**279**
Net sales	**36,837**	**13,787**	**50,624**	**41,573**	**18,358**	**59,931**

2.3 Net Finance Costs

Net finance costs for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Interest income	44	29
Interest expense	(320)	(306)
Other financial income and expense	10	(11)
Interest expense on leases	*(29)*	*(24)*
Foreign exchange	*(22)*	*193*
Net gain (loss) on derivatives	*2*	*(211)*
Other (mainly related to commercial transactions)	*59*	*31*
Net finance costs	**(266)**	**(288)**

Notes Continued

The "Foreign exchange" and "Net gain (loss) on derivatives" lines need to be read jointly. For the years ended December 31, 2023, and December 31, 2022, foreign exchange is mainly attributable to Euro appreciation and Japanese Yen depreciation, impacting Euro-denominated bonds and Japanese Yen-denominated debt. These impacts are offset in the "Net gain (loss) on derivatives" line due to the forex hedges and cross-currency swaps in place (refer to Note 4.8).

2.4 Gain (Loss) on Investments and Sale of Fixed Assets

Gain (loss) on investments and sale of fixed assets for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Gain (loss) on sale of consolidated companies	3	(9)
Gain (loss) on other financial assets at fair value through profit and loss	(28)	(8)
Gain (loss) on sale of fixed assets	(1)	23
Gain (loss) on investments and sale of fixed assets	**(26)**	**6**

Gain (Loss) on Sale of Consolidated Companies

In 2022, the Group recognized a US$(4) million loss related to the completion of the sale of *Imperial Sugar Company* business, with an additional impact of US$3 million recognized in 2023 (refer to Note 1.4).

Gain (Loss) on Other Financial Assets at Fair Value Through Profit and Loss

In 2023, the Group recognized a US$(28) million fair value loss on the investments held by *Louis Dreyfus Company Ventures B.V.* (a US$(1) million fair value loss in 2022). In 2022, the remaining losses were mainly recognized on listed investments due to decrease in share price.

Gain (Loss) on Sale of Fixed Assets

In 2022, the Group sold its ethanol plant in Norfolk, Nebraska, US and certain related assets and liabilities for US$73 million, which led to a US$22 million gain on sale (refer to Note 3.2).

2.5 Other Gains and Losses

In 2023, the US$(60) million loss recognized in other gains and losses is related to the loss of control over the Russian business (refer to Note 1.3).

In 2022, the loss was linked to the development and construction of a deep-sea terminal for agricultural commodities in the Taman peninsula in southern Russia (the "Project") for which LDC entered into a joint venture agreement in 2012. LDC granted loans to the joint venture partner *Infragos Consortium B.V.,* whose rights and obligations had been transferred to *Infracis Group Limited.*

During 2022, the Russia-Ukraine crisis brought significant uncertainties on the Project's economics and the discount rate significantly increased in light of the business environment. As of December 31, 2022, an impairment test of the project was run based on financial projections over the lifetime of the terminal. Material assumptions included construction costs and timing, elevation fees, elevated volume, inflation, foreign exchange and discount rate. As a consequence, a US$156 million impairment was recognized in the line "Other gains and losses" of the consolidated income statement for the year ended December 31, 2022.

2.6 Income Taxes

Income taxes consist of current and deferred income taxes. Current taxes represent income taxes expected to be payable based on enacted or substantively enacted tax rates at the period end applied to the expected current year taxable income, and any adjustment to income taxes payable in respect of previous years.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to offset the amounts and when the entity intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Generally, the entity will have a legally enforceable right to offset the amounts when they relate to income taxes levied by the same taxation authority which permits the entity to make or receive a single net payment.

Deferred taxes are recognized for temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable income using the most recent established tax rates or substantively enacted income tax rates which are expected to be effective at the time of the reversal of the underlying temporary difference. The Group recognizes future tax benefits to the extent that the realization of such benefits is probable. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities.

Income taxes are recognized as an expense or income in the consolidated income statement, except when they relate to items that are recognized outside the consolidated income statement (whether in other comprehensive income or directly in equity) or when they arise from the initial accounting for a business combination.

The global tax exposure of the Group is subject to complexity and uncertainty which may lead to uncertain tax treatments and the corresponding recognition and measurement of current and deferred taxes. The judgements and estimates made to separately recognize and measure the effect of each uncertain tax treatment are re-assessed whenever circumstances change or when there is new information that affects those judgements. Global tax exposure is determined taking into account the uncertainty that the tax authority may not accept the Group's proposed treatment of tax positions.

Income taxes in the consolidated income statement for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Current year income taxes	(276)	(283)
Adjustments with respect to prior year income taxes	17	6
Current income taxes	**(259)**	**(277)**
Current year deferred income taxes	197	47
Change in valuation allowance for deferred tax assets	(123)	18
Adjustments with respect to prior year deferred income taxes	(17)	(7)
Change in tax rate	4	—
Deferred income taxes	**61**	**58**
Income taxes	**(198)**	**(219)**

The reported tax expense differs from the computed theoretical income tax provision using the Netherlands' income tax rate of 25.8% for the years ended December 31, 2023 and December 31, 2022, for the following reasons:

(in millions of US$)	**2023**	2022
Theoretical income tax	**(312)**	**(316)**
Differences in income tax rates	66	104
Effect of change in tax rate	5	—
Difference between local currency and functional currency	(46)	14
Change in valuation allowance for deferred tax assets	(9)	18
Permanent differences on share of profit (loss) in investments in associates and joint ventures	9	6
Adjustments on prior years and tax reserves	3	(23)
Withholding tax on dividends	(8)	(9)
Other permanent differences	94	(13)
Income taxes	**(198)**	**(219)**

Notes Continued

The differences in income tax rates relate to subsidiaries taxed at different rates than the Netherlands' rate.

The difference between local currency and functional currency impact is booked in non-US entities whose functional currency is the US Dollar while being taxed based on their local respective currencies. In 2023 and 2022, such impact mainly regarded Group entities in Argentina. As of December 31, 2023, this line includes US$1 million which relate to revaluation in respect of movements in currency values of deferred tax assets and liabilities, excluding non-monetary balance sheet items (US$1 million as of December 31, 2022).

In 2023, the change in valuation allowance for deferred tax assets is attributable to several countries mostly in Africa. In 2022, the change in valuation allowance for deferred tax assets was mostly attributable to a reversal of valuation allowance in Switzerland.

In 2023, the other permanent differences are mostly attributable to non-taxable indirect tax incentives in Brazil and tax credits granted in other jurisdictions.

Consolidated deferred income tax assets (liabilities) as of December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Deferred income tax assets	253	163
Deferred income tax liabilities	(189)	(155)
Deferred tax net	**64**	**8**

Changes in net deferred income tax assets (liabilities) for the years ended December 31, 2023 and December 31, 2022 are as follows:

	2023						
(in millions of US$)	**Opening balance**	Recognized in net income	Recognized in equity	Foreign currency translation adjustment	Loss of control of subsidiaries	Other	**Closing balance**
Net tax benefits from carry forward losses	**133**	(7)	—	—	—	(6)	**120**
Tax benefits from carry forward losses	***186***	*180*	—	*(1)*	*(3)*	*(6)*	***356***
Valuation allowance on carry forward losses	***(53)***	*(187)*	—	*1*	*3*	—	***(236)***
Unrealized exchange gains and losses	**92**	(69)	—	—	—	—	**23**
Non-monetary balance sheet items - difference between tax and functional currencies	**(177)**	(6)	—	—	—	—	**(183)**
Owned fixed assets (other temporary differences)	**(141)**	(2)	—	—	—	1	**(142)**
Other temporary differences	**111**	267	(9)	—	—	(3)	**366**
Valuation allowance for other deferred tax assets	**(10)**	(110)	—	—	—	—	**(120)**
Deferred tax net	**8**	**73**	**(9)**	**—**	**—**	**(8)**	**64**

The increase in tax benefits from carry forward losses is mainly attributable to the non-taxable indirect tax incentives in Brazil related to previous years as reflected on submitted amended returns. The Brazilian tax benefits from carry forward losses are partially impaired through valuation allowance in line with projections performed by the Group.

The increase in other temporary differences and valuation allowance for other deferred tax assets are mainly attributable to tax credits granted to some Group entities which were partially impaired through valuation allowance in line with projections performed by the Group.

(in millions of US$)	**2022** Opening balance	Recognized in net income	Recognized in equity	Foreign currency translation adjustment	Other	Closing balance
Net tax benefits from carry forward losses	**191**	(56)	—	—	(2)	**133**
Tax benefits from carry forward losses	***276***	*(86)*	—	*(2)*	*(2)*	***186***
Valuation allowance on carry forward losses	***(85)***	*30*	—	*2*	—	***(53)***
Unrealized exchange gains and losses	**141**	(49)	—	—	—	**92**
Non-monetary balance sheet items - difference between tax and functional currencies	**(251)**	74	—	—	—	**(177)**
Owned fixed assets (other temporary differences)	**(171)**	30	—	—	—	**(141)**
Other temporary differences	**71**	72	(30)	—	(2)	**111**
Valuation allowance for other deferred tax assets	**(3)**	(7)	—	—	—	**(10)**
Deferred tax net	**(22)**	**64**	**(30)**	**—**	**(4)**	**8**

Recognized and unrecognized tax benefits from carry forward losses for the years ended December 31, 2023 and December 31, 2022 expire as follows:

	2023			**2022**		
(in millions of US$)	Recognized	Unrecognized	**Total**	Recognized	Unrecognized	**Total**
Losses expiring in less than 1 year	—	1	**1**	—	1	**1**
Losses expiring in 2-3 years	28	15	**43**	11	4	**15**
Losses expiring in 4-5 years	27	6	**33**	44	1	**45**
Losses expiring in more than 5 years	11	10	**21**	27	3	**30**
Losses which do not expire	54	204	**258**	51	44	**95**
Tax benefits from carry forward losses	**120**	**236**	**356**	**133**	**53**	**186**

The Group applies the mandatory temporary exception to the recognition of deferred tax assets and liabilities arising from the jurisdictional implementation of the Pillar Two model rules, as provided in the amendments to IAS 12 issued in May 2023.

Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The legislation will be effective for the Group's financial year beginning January 1, 2024.

The Group has performed an assessment based on the most recent country-by-country reporting, to identify potential exposure to top up taxes for the year ending December 31, 2024. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the transitional safe harbor relief does not apply and the Pillar Two effective tax rate is below 15%. The Group does not expect material impact linked to Pillar Two income taxes in those jurisdictions.

Notes Continued

3. Operating Balance Sheet Items

3.1 Intangible Assets

Goodwill

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, measured at fair value at acquisition date, and the amount recognized for non-controlling interests over the net identifiable assets acquired and liabilities assumed. For each business combination, the Group measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

When the difference between the cost of acquisition and the fair value of net assets acquired is negative it is immediately recognized through the consolidated income statement.

The fair values of assets and liabilities and the resulting goodwill are finalized within 12 months of the acquisition.

Goodwill is not amortized. Goodwill is tested for impairment, when circumstances indicate that the carrying value may be impaired, and at the minimum, annually. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying amount, an impairment loss is recognized.

At the time of impairment testing a cash-generating unit to which goodwill has been allocated, there may be an indication of an impairment of an asset within the unit containing the goodwill. In such circumstances, the entity tests such asset individually for impairment first, and recognizes any impairment loss for that asset before testing for impairment of the cash-generating unit containing the goodwill. Impairment of such goodwill is included in the "Cost of sales" line of the consolidated income statement.

Goodwill relating to the acquisition of shares in an equity investment is presented in the "Investments in associates and joint ventures" line of the consolidated balance sheet.

Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Other intangible assets of the Group mainly include trademarks and customer relationships, licenses and internally generated software.

The useful life of acquired trademarks is assessed to be qualified as finite or indefinite. Trademarks with an indefinite useful life are not amortized but reviewed for impairment annually by comparing their recoverable amount with their carrying amount. The recoverable amount is determined using the royalty relief method.
Intangible assets with finite life are amortized over periods ranging from one to ten years.

Amortization and impairment are recorded in the consolidated income statement according to the nature of assets:

- "Cost of sales" line for industrial assets linked to production and farming;
- "Commercial and administrative expenses" line for assets linked to commercial and trading and to general and/or administrative activities.

As of December 31, 2023 and December 31, 2022, intangible assets consist of the following:

	2023			2022		
(in millions of US$)	Gross value	Accumulated amortization/ impairment	**Net value**	Gross value	Accumulated amortization/ impairment	**Net value**
Goodwill	67	(36)	**31**	69	(36)	**33**
Trademarks and customer relationships	24	(17)	**7**	24	(16)	**8**
Other intangible assets	721	(486)	**235**	651	(424)	**227**
Intangible assets	**812**	**(539)**	**273**	**744**	**(476)**	**268**

As of December 31, 2023, the Group tested the value of goodwill allocated to its cash-generating units as described in Note 1.2, using a perpetual growth rate of 2% and an annual discount rate (weighted average cost of capital of the Group before tax) of 9.8%. A 1% increase in the discount rate and a 0.5% decrease in the perpetual growth rate would not, jointly, cause the recoverable amount of the cash-generating units to fall below their carrying value.

Changes in the net value of intangible assets for the years ended December 31, 2023 and December 31, 2022 are as follows:

	2023				2022
(in millions of US$)	Goodwill	Trademarks and customer relationships	Other intangible assets	**Total**	**Total**
Balance as of January 1	**33**	**8**	**227**	**268**	**290**
Acquisitions and additions	—	—	65	**65**	61
Acquisitions through business combinations	1	—	—	**1**	9
Loss of control of subsidiaries	(1)	—	(1)	**(2)**	—
Amortization	—	—	(62)	**(62)**	(58)
Impairment losses	—	(1)	—	**(1)**	(34)
Foreign currency translation adjustment	(2)	—	2	**—**	(5)
Other reclassifications	—	—	4	**4**	5
Closing balance	**31**	**7**	**235**	**273**	**268**

Acquisitions and Additions

During the years ended December 31, 2023 and December 31, 2022, acquisitions and additions mainly consisted of the ongoing upgrade of the Group's existing main front office system, alongside capital expenditure related to the new global back-office enterprise resource planning (ERP) system.

Acquisitions Through Business Combinations

As of December 31, 2022, the Group acquired Emerald Grain in Australia, generating a US$9 million goodwill. In 2023, additional US$1 million was recognized according final purchase price allocation (refer to Note 1.4).

Impairment Losses

During the year ended December 31, 2022, the Group decided to no longer use certain trademarks and consequently took a US$(31) million impairment representing the full write-off of these assets.

Foreign Currency Translation Adjustment

During the year ended December 31, 2022, the foreign currency translation adjustment is mainly related to the depreciation of the Euro against the US Dollar.

3.2 Property, Plant and Equipment

Property, Plant and Equipment (Except Bearer Plants)

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, incurred during the construction period, are capitalized as part of the cost of that asset. When relevant, property, plant and equipment costs include initial estimate of decommissioning and site restoration costs. Tangible assets under construction are capitalized as a separate component of property, plant and equipment. Upon completion, the cost of construction is transferred to the appropriate category.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are recorded through the consolidated income statement during the financial period in which they are incurred.

Depreciation and Impairment

Depreciation of property, plant and equipment (except bearer plants) is calculated based on the carrying amount, net of residual value, principally using the straight-line method over the estimated useful lives of the assets. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use. Tangible assets under construction are not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Buildings: 15 to 40 years;
- Machinery and equipment: 5 to 25 years;
- Other tangible assets: 1 to 20 years.

Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount of the asset shall be reduced to its recoverable amount. Such reduction is an impairment loss. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but up to the limit of the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

Depreciation and impairment are recorded in the consolidated income statement according to the nature of assets:

- "Cost of sales" line for industrial assets linked to production and farming;
- "Commercial and administrative expenses" line for assets linked to commercial and trading, and to general and/or administrative activities.

Gains or losses on disposal of an item of property, plant and equipment are recorded in the consolidated income statement under the specific line "Gain (loss) on investments and sale of fixed assets".

Bearer Plants

Orange trees are bearer plants recorded at cost less accumulated depreciation and accumulated impairment losses.

Borrowing costs that are directly attributable to the acquisition, construction or production of a bearer plant, incurred during the immature period, are capitalized as part of the cost of that asset.

The depreciation of bearer plants is based on the unit of production method over the estimated useful lives of the assets, since the management considers this is the method that best reflects the expected pattern of consumption of the future economic benefits embodied in the bearer plant. Orange groves are considered immature during the first three years. The useful life of mature orange trees is around 17 years.

As of December 31, 2023 and December 31, 2022, property, plant and equipment consist of the following:

		2023			2022		
(in millions of US$)	**Notes**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Owned assets		6,112	(2,795)	**3,317**	5,802	(2,666)	**3,136**
Right-of-use assets	7.1	1,365	(680)	**685**	1,053	(494)	**559**
Property, plant and equipment		**7,477**	**(3,475)**	**4,002**	**6,855**	**(3,160)**	**3,695**

The following tables provide information on owned assets only.

As of December 31, 2023 and December 31, 2022, consolidated owned assets consist of the following:

	2023			2022		
(in millions of US$)	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Land	185	(1)	**184**	212	(19)	**193**
Buildings	2,170	(929)	**1,241**	2,111	(883)	**1,228**
Machinery and equipment	2,934	(1,575)	**1,359**	2,736	(1,495)	**1,241**
Bearer plants	226	(113)	**113**	213	(98)	**115**
Other tangible assets	233	(177)	**56**	219	(171)	**48**
Tangible assets under construction	364	—	**364**	311	—	**311**
Property, plant and equipment	**6,112**	**(2,795)**	**3,317**	**5,802**	**(2,666)**	**3,136**

Changes in net value of property, plant and equipment for the years ended December 31, 2023 and December 31, 2022 are as follows:

	2023							2022
(in millions of US$)	Land	Buildings	Machinery and equipment	Bearer plants	Other tangible assets	Tangible assets under construction	**Total**	**Total**
Balance as of January 1	**193**	**1,228**	**1,241**	**115**	**48**	**311**	**3,136**	**3,100**
Additions	11	9	11	19	6	477	**533**	352
Disposals	(4)	(1)	(1)	—	—	—	**(6)**	(47)
Acquisitions through business combinations	—	—	2	—	—	—	**2**	51
Loss of control of subsidiaries	—	(14)	(3)	—	—	—	**(17)**	—
Depreciation	—	(85)	(139)	(20)	(18)	—	**(262)**	(249)
Impairment losses	(8)	(10)	(10)	(1)	—	—	**(29)**	(47)
Foreign currency translation adjustment	—	(5)	—	—	—	(1)	**(6)**	(16)
Reclassification to held for sale assets	(9)	(11)	(9)	—	—	—	**(29)**	(1)
Other reclassifications	1	130	267	—	20	(423)	**(5)**	(7)
Closing balance	**184**	**1,241**	**1,359**	**113**	**56**	**364**	**3,317**	**3,136**

Additions

During the year ended December 31, 2023, the Group completed the investment in its soybean processing facility as part of Fuling Food Industrial Park at the Port of Nansha, Guangzhou, China, and its joint venture freeze-dried instant coffee plant in Binh Duong, Vietnam, that were commissioned at the end of the year. The Group continued to invest in its oilseeds processing complex in Claypool, Indiana, US, its coffee mill in Varginha, Minas Gerais State, Brazil, its canola processing plant in Yorkton, Saskatchewan, Canada. Investments were also performed for the construction of a soybean processing plant in Upper Sandusky, Ohio, US, the expansion of its logistic assets at the port of Antwerp, Belgium and the construction of a pharmaceutical grade glycerin refining and edible oil packaging plant in Lampung, Indonesia, complementing existing local refining capabilities. Globally, the Group continued to improve its existing assets, such as its citrus farms and processing plants in Brazil, and its grains and oilseeds complex in General Lagos, Santa Fe, Argentina.

Notes Continued

During the year ended December 31, 2022, the Group completed the investment in its soy lecithin plant in Claypool, Indiana, US, inaugurated in August 2022. The Group continued to invest in its coffee mill in Varginha, Minas Gerais State, Brazil and in its canola processing plant in Yorkton, Saskatchewan, Canada. Investments were also performed for the construction of a soybean processing facility as part of Fuling Food Industrial Park at the Port of Nansha, Guangzhou, China, and a joint venture freeze-dried instant coffee plant in Binh Duong, Vietnam. Globally, the Group continued to improve its existing assets, such as its citrus farms and processing plants in Brazil, its cotton warehouses, and its grains and oilseeds complex in General Lagos, Santa Fe, Argentina.

Disposals

During the year ended December 31, 2022, the Group sold its ethanol plant in Norfolk, Nebraska, US, with a net book value of US$43 million (refer to Note 2.4).

Acquisitions Through Business Combinations

During the year ended December 31, 2022, the Group acquired a port facility in Melbourne, and various storage facilities in Coolamon, The Rock, Elmore, Ardlethan and Nullawil, through the acquisition of Emerald Grain in Australia. In 2023, additional US$2 million were recognized according final purchase price allocation (refer to Note 1.4).

Loss of Control of Subsidiaries

As of December 31, 2023, following the loss of control over its Russian business, the Group deconsolidated its port facility in Azov, Russia, and silos in Russia for a net book value of US$17 million (refer to Note 1.3).

Impairment Losses

During the year ended December 31, 2023, the Group recognized a US$(27) million impairment on Kowalski corn processing assets in Brazil in accordance with IFRS 5.

Foreign Currency Translation Adjustment

During the year ended December 31, 2023, the foreign currency translation adjustment is mainly related to the depreciation of the Chinese Yuan against the US Dollar.
During the year ended December 31, 2022, the foreign currency translation adjustment is mainly related to the depreciation of the Chinese Yuan and the Euro against the US Dollar.

Reclassification to Held for Sale Assets

As of December 31, 2023, the Group classified as held for sale the Kowalski corn processing assets in Brazil.

3.3 Investments in Associates and Joint Ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Joint ventures are a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The carrying amount of the investment is adjusted to recognize:

- Changes in the Group's share of net assets of the associate or joint venture since the acquisition date; and
- Impairment losses in the value of the investments, if any.

Any goodwill arising from purchases of interests in associates or joint ventures is included in their carrying amount.

Changes in investments in associates and joint ventures for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Balance as of January 1	**230**	**227**
Acquisitions and additional investments	31	8
Reclassification to held for sale assets	—	(7)
Share of profit (loss)	28	15
Impairment	—	(8)
Dividends	(2)	—
Change in other reserves	3	(2)
Reclassification	1	(3)
Closing balance	**291**	**230**
Of which:		
Investments in associates	*25*	*19*
Investments in joint ventures	*266*	*211*

Acquisitions and Additional Investments

In 2023, the Group acquired a 50% share in the joint venture *TEAG – Terminal de Exportação de Açucar do Guarujá Ltda*, a port terminal concession in Brazil, equally co-owned with *Cargill*, for a US$22 million consideration. Additionally, the Group performed a US$6 million capital injection in the joint venture *TES – Terminal Exportador de Santos S.A.* (concession in Santos port terminal in Brazil), in which an investment of US$6 million was also made in 2022. In 2022, the Group also performed an investment of US$2 million in *Covantis S.A.*

Reclassification to Held for Sale Assets

In 2022, the Group classified as held for sale its investment in joint venture *Epko Oil Seed Crushing Pty. Ltd.* (sunflower seed and maize germ crushing plant) (refer to Note 1.5).

Impairment

In 2022, US$(7) million impairment was booked on *Cisagri Holland Cooperatief U.A.* joint venture in the line "Other gains and losses" of the consolidated income statement as part of the impairment recognized on Taman project as described in Note 2.5.

Notes Continued

Investments in associates and joint ventures are detailed as follows:

Investment	Country	Activity	2023 Ownership	2023 Net value	2022 Ownership	2022 Net value
Amaggi Louis Dreyfus Zen-Noh Grãos S.A.	Brazil	Grain and soy storage and processing	33%	54	33%	29
Amaggi Louis Dreyfus Zen-Noh Terminais Portuários S.A.	Brazil	Logistic facilities	33%	20	33%	18
Complejo Agro Industrial Angostura S.A.	Paraguay	Soy crushing plant and facilities	33%	43	33%	40
Namoi Cotton Alliance	Australia	Cotton packing and marketing	49%	20	49%	15
TEG - Terminal Exportador Do Guarujá Ltda.	Brazil	Logistic facilities	40%	27	40%	28
TES - Terminal Exportador De Santos S.A.[1]	Brazil	Logistic facilities	60%	48	60%	49
TEAG - Terminal de Exportação de Açúcar do Guarujá Ltda.	Brazil	Logistic facilities	50%	24	—%	—
Total main joint ventures				***236***		***179***
Other joint ventures				30		32
Total joint ventures				***266***		***211***
Total associates				***25***		***19***
Investments in associates and joint ventures				**291**		**230**

1. The governance rules of *TES - Terminal Exportador de Santos S.A.* meet the definition of a joint control; this investment therefore qualifies as a joint venture.

Share of profit (loss) in investments in associates and joint ventures for the years ended December 31, 2023 and December 31, 2022 is as follows:

(in millions of US$)	**2023**	2022
Main joint ventures	26	10
Others	2	4
Share of profit (loss) in investments in associates and joint ventures	**28**	**14**

A summary of the aggregated financial information of the companies listed above is as follows as of and for the years ended December 31, 2023 and December 31, 2022:

	2023		
Balance sheet (in millions of US$)	Logistic facilities	Others	**Total main joint ventures**
Non-current assets	578	256	834
Current assets	93	775	868
Total assets	**671**	**1,031**	**1,702**
Non-current liabilities	337	43	380
Current liabilities	79	658	737
Total liabilities	**416**	**701**	**1,117**
Net equity	**255**	**330**	**585**
Equity - owners of the company share	**119**	**117**	**236**

	2022		
Balance sheet (in millions of US$)	Logistic facilities	Others	**Total main joint ventures**
Non-current assets	474	232	706
Current assets	54	559	613
Total assets	**528**	**791**	**1,319**
Non-current liabilities	270	58	328
Current liabilities	53	495	548
Total liabilities	**323**	**553**	**876**
Net equity	**205**	**238**	**443**
Equity - owners of the company share	**95**	**84**	**179**

	2023		
Income statement (in millions of US$)	Logistic facilities	Others	**Total main joint ventures**
Revenue	128	2,197	2,325
Net income	(7)	92	85
Share of profit (loss) in investments in associates and joint ventures	**(6)**	**32**	**26**

	2022		
Income statement (in millions of US$)	Logistic facilities	Others	**Total main joint ventures**
Revenue	107	1,788	1,895
Net income	8	18	26
Share of profit (loss) in investments in associates and joint ventures	**4**	**6**	**10**

Notes Continued

3.4 Other Non-Current Assets

As of December 31, 2023 and December 31, 2022, other non-current assets consist of the following:

(in millions of US$)	**2023**	2022
Tax credits	231	247
Long-term advances to suppliers	19	33
Others	3	4
Other non-current assets	**253**	**284**

Tax credits mainly include income tax and VAT credits in Brazil. The decrease in Other non-current assets in 2023 is mainly linked to the refund of income tax credits in Indonesia and Brazil and the reclassification to current assets of advances to suppliers, partially compensated by an increase in tax credits due to the appreciation of the Brazilian Real.

3.5 Other Non-Current Liabilities

As of December 31, 2023 and December 31, 2022, other non-current liabilities consist of the following:

(in millions of US$)	**2023**	2022
Derivative liabilities at fair value through OCI	142	235
Others	6	6
Non-current financial liabilities	**148**	**241**
Staff and tax payables	181	102
Others	3	3
Non-current non-financial liabilities	**184**	**105**
Other non-current liabilities	**332**	**346**

Derivative liabilities at fair value through OCI correspond to non-current derivatives with maturities above 12 months, designated as hedging instrument in a hedge accounting relationship (refer to Note 4.8). The 2022 change in presentation consisted in reclassification from the line "Derivative liabilities".

3.6 Provisions

Provisions are recognized when:

- The Group has a present obligation (legal or constructive) as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- A reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As of December 31, 2023 and December 31, 2022, provisions consist of the following:

(in millions of US$)	**2023**	2022
Current provisions	41	43
Non-current provisions	83	77
Provisions	**124**	**120**

Changes in provisions for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)			2023			2022
Provisions for:	Tax risks	Social risks	Litigation	Other	**Total**	**Total**
Balance as of January 1	**15**	**12**	**46**	**47**	**120**	**101**
Allowance	6	5	12	6	**29**	49
Reversal of used portion	(3)	(4)	—	(6)	**(13)**	(22)
Reversal of unused portion	(1)	(2)	—	(9)	**(12)**	(5)
Others	(1)	—	—	1	**—**	(3)
Closing balance	**16**	**11**	**58**	**39**	**124**	**120**

Tax and social provisions consist of various claims and lawsuits against the Group, primarily related to employment terminations, labor accidents and allegations of non-compliance with tax regulations, mainly linked to VAT. These claims are subject to court decisions or tax interpretations within multiple jurisdictions, and timing and amounts are uncertain. However, the recognized provision reflects Management's best estimate of the most likely outcome. Regarding certain legal claims in Brazil, the Group was required to establish escrow deposits which, as of December 31, 2023, amounted to US$44 million (US$41 million as of December 31, 2022) and are disclosed under the line "Deposits and Others" within non-current financial assets (refer to Note 5.4).

Provisions for litigation include contractual obligation for trade disputes with customers, suppliers and other counterparties.

As of December 31, 2023, other provisions include a US$31 million provision for decommissioning of leased land (US$30 million as of December 31, 2022) and US$2 million for onerous contracts (US$5 million as of December 31, 2022).

3.7 Inventories

Trading Inventories

Trading inventories are valued at fair value less costs to sell according the commodity broker-trader defined in IAS 2. Changes in fair value are recognized in the consolidated income statement in "Cost of sales".

Other Inventories

Other inventories are valued at the lower of cost or net realizable value, especially for certain entities or businesses for which the trading model is not applicable. Cost of goods sold are presented in the line "Cost of sales" of the consolidated income statement.

As of December 31, 2023 and December 31, 2022, inventories consist of the following:

(in millions of US$)	**2023**	2022
Trading inventories	5,521	5,384
Finished goods	691	476
Raw materials	225	222
Inventories (gross value)	**6,437**	**6,082**
Depreciation of non-trading inventories	(7)	(16)
Inventories (net value)	**6,430**	**6,066**

Trading inventories with a liquidity horizon of less than three months amounted to US$5,277 million as of December 31, 2023 (US$5,175 million as of December 31, 2022).

3.8 Biological Assets

Bearer plants are accounted for as property, plant and equipment, while the produce growing on the bearer plant is a biological asset.

Biological assets are carried at fair value less estimated costs to sell, based on discounted expected future cash flows from these assets. Changes in fair value are recognized in the consolidated income statement in "Cost of sales".

The Group owns biological assets located in Brazil, consisting of oranges growing until point of harvest. As of December 31, 2023, the Group owns 38 mature orange groves (39 as of December 31, 2022), which generally sustain around 17 years of orange production.

Changes in biological assets for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Balance as of January 1	**65**	**58**
Acquisitions and capitalized expenditure	83	72
Decrease due to harvest	(79)	(64)
Change in fair value	(24)	(1)
Closing balance	**45**	**65**

The valuation model used to determine the carrying value of biological assets was developed by an external valuation firm and is classified as Level 3 in the fair value hierarchy defined in Note 4.9.

Expected future cash flows are determined based on the expected volume yields in the number of boxes and the price for an orange box is derived from available market prices. This price is net of picking, handling and freight costs, among others, considered based on internal assumptions, to determine the net value less cost to sell. This amount is subsequently discounted to present value. The following assumptions have a significant impact on the valuation of the Group's biological assets:

	2023	2022
Number of trees (in thousands)	13,603	11,663
Expected yields (in number of boxes)	13,651	23,772
Price of a box of oranges (in US$)	11.30	7.11
Discount rate	7.02%	7.04%

Changes in assumptions would increase (decrease) the estimated fair value of the biological assets if:

- Expected yields in number of boxes were higher (lower);
- Estimated price of a box of oranges were higher (lower);
- Estimated costs for harvesting and transportation were lower (higher);
- The discount rate were lower (higher).

3.9 Trade and Other Receivables

"Trade receivables" are initially recognized at the transaction amount (unless a significant finance component is included) of the consideration receivable and carried at amortized cost, less provision for impairment. The Group applies IFRS 9's simplified approach to measure expected credit losses on trade receivables. This method allows the Group to recognize lifetime expected credit losses on receivables without the need to identify significant increases in credit risk. Expected credit losses are estimated by reference to past default experience and a credit rating, adjusted as appropriate for current and forecasted future economic conditions.

As of December 31, 2023 and December 31, 2022, trade and other receivables consist of the following:

	2023			2022		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	3,406	(336)	**3,070**	3,807	(282)	**3,525**
Accrued receivables	1,502	—	**1,502**	1,521	—	**1,521**
Prepayments	304	(2)	**302**	303	(1)	**302**
Other receivables	55	(8)	**47**	67	(3)	**64**
Financial assets at amortized cost	**5,267**	**(346)**	**4,921**	**5,698**	**(286)**	**5,412**
Advances to suppliers	236	(9)	**227**	225	(12)	**213**
Staff and tax receivables	643	(16)	**627**	712	(20)	**692**
Prepaid expenses	95	—	**95**	86	—	**86**
Others	27	—	**27**	23	—	**23**
Non-financial assets	**1,001**	**(25)**	**976**	**1,046**	**(32)**	**1,014**
Trade and other receivables	**6,268**	**(371)**	**5,897**	**6,744**	**(318)**	**6,426**

Changes in the provision on trade and other receivables are as follows:

(in millions of US$)	**2023**	2022
Balance as of January 1	**(318)**	**(284)**
Increase in provision	(72)	(89)
Receivables written off as uncollectible	10	14
Unused amount reversed	37	37
Change in the list of consolidated companies	—	1
Reclassification from provision on derivative assets	(25)	—
Other reclassifications	(3)	2
Foreign currency translation adjustment	—	1
Closing balance	**(371)**	**(318)**

Notes Continued

Increase in Provision

During the year ended December 31, 2023, the increase in provision mainly corresponded to default risk on various customers for US$65 million (US$78 million as of December 31, 2022) for their estimated non-recoverable portions, provisions on other receivables for US$5 million (US$2 million as of December 31, 2022) and to provisions on VAT for US$1 million (US$6 million as of December 31, 2022).

Receivables Written Off as Uncollectible

During the year ended December 31, 2023, the amount of receivables written off corresponded to provisions for trade receivables. During the year ended December 31, 2022 the amount of receivables written off corresponded to provisions for trade receivables for US$11 million and to provisions on other receivables for US$3 million.

Unused Amount Reversed

The unused amount of provisions recovered during the year ended December 31, 2023 mainly consisted of provisions on trade receivables for US$27 million, provisions on advances to suppliers for US$6 million and to provisions on VAT for US$3 million (respectively US$24 million, US$2 million and US$8 million during the year ended December 31, 2022).

Reclassification From Provision on Derivative Assets

As of December 31, 2023, the US$25 million reclassification is related to contracts on cotton that were washed out during the year and invoiced to customers. The corresponding provisions were maintained, as the risk of default remains.

The following table details the counterparty exposure broken down by past due date of receivables as of December 31, 2023 and December 31, 2022:

	2023			2022		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	4,600	(26)	**4,574**	5,008	(23)	**4,985**
Due since < 3 months	1,016	(22)	**994**	1,131	(25)	**1,106**
Due since 3-6 months	107	(25)	**82**	88	(25)	**63**
Due since 6 months-1 year	75	(26)	**49**	94	(25)	**69**
Due since > 1 year	348	(272)	**76**	314	(220)	**94**
Closing balance	**6,146**	**(371)**	**5,775**	**6,635**	**(318)**	**6,317**
Including:						
Trade receivables	*3,406*	*(336)*	***3,070***	*3,807*	*(282)*	***3,525***
Accrued receivables	*1,502*	—	***1,502***	*1,521*	—	***1,521***
Prepayments	*304*	*(2)*	***302***	*303*	*(1)*	***302***
Other receivables	*55*	*(8)*	***47***	*67*	*(3)*	***64***
Advances to suppliers	*236*	*(9)*	***227***	*225*	*(12)*	***213***
Staff and tax receivables	*643*	*(16)*	***627***	*712*	*(20)*	***692***

3.10 Trade and Other Payables

As of December 31, 2023 and December 31, 2022, trade and other payables consist of the following:

(in millions of US$)	**2023**	2022
Trade payables	2,575	2,710
Accrued payables	2,417	2,465
Prepayments received	270	319
Margin deposits	36	67
Payables on purchase of fixed assets and investments	44	10
Other payables	99	116
Financial liabilities at amortized cost	**5,441**	**5,687**
Advances received	75	37
Staff and tax payables	605	594
Deferred income	54	22
Others	2	41
Non-financial liabilities	**736**	**694**
Trade and other payables	**6,177**	**6,381**

4. Financial Instruments and Risk Management

Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a robust monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. At each financial period end, the Group has a policy of accruing its receivables and unrealized gains with counterparties deemed at risk.

4.1 Market Risk

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by the Group including financial instruments, physical commodities, industrial and biological assets will fluctuate due to changes in market variables such as spot and forward commodity prices, price spreads, volatility and foreign exchange rates.

The Group classifies exposures to market risk into either trading or non-trading activities. The Group manages market risk for trading activities by diversifying exposures, controlling position natures, sizes and maturities, performing stress testing, and monitoring risk limits under the supervision of the Market Risk function and the Macro Committee. Limits are established for the level of acceptable risk at corporate level and allocated at platform and profit center levels. Compliance with the limits is reported daily to the management. Limits and their allocations are approved by the Board of Directors and reported to the Audit Committee at least on a quarterly basis.

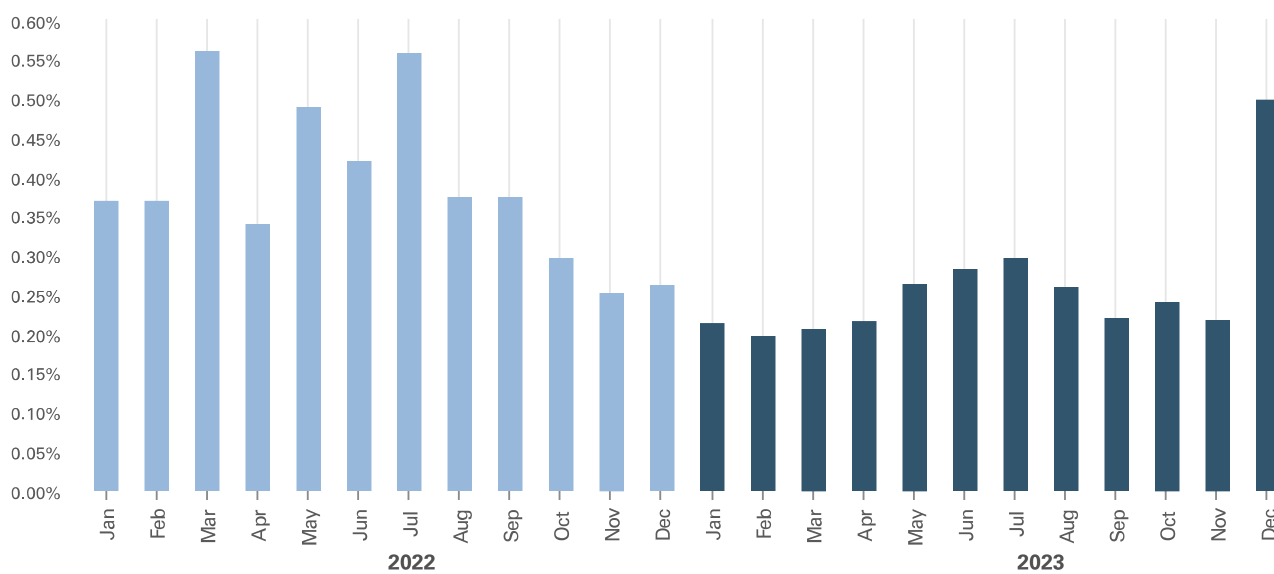
Limits are based on a daily measure of market risk exposure referred to as value at risk (VaR). The VaR that the Group measures is a model-based estimate grounded upon various assumptions such as the log-normality of price returns, and on conventions such as the use of exponentially weighted historical data in order to put more emphasis on the latest market information.

The VaR computed therefore represents an estimate, expressed at a statistical confidence level of 95%, of the potential loss that is not expected to be exceeded should the current market risk position remain unchanged for one day. The use of a 95% confidence level means that, within a one-day horizon, losses exceeding the VaR figure are not expected to occur statistically more than once every 20 trading days.

The VaR may be under- or over-estimated due to the assumptions placed on risk factors, and historical correlations and volatility in market prices, and the probability of large market moves may be underestimated per the normal distribution and due also to significant market, weather, geopolitical or other events.

The monthly average of value at risk (VaR) as a percentage of Group equity corresponds to the average over a month of the VaR computed daily as a percentage of Group equity at the beginning of each quarter. It consists of the following:

Average VaR as a Percentage of Group Equity



During the years ended December 31, 2023 and December 31, 2022, the monthly average Group VaR for trading activities was less than 1% of Group equity. Annual average VaR for the Group reached 0.26% in 2023, compared to 0.39% in 2022.

VaR is only one of the risk metrics within a wider risk management system applied within the Group.

4.2 Foreign Currency Risk

The Group operates on a global scale and is exposed to changes in foreign currency exchange for its monetary assets and liabilities arising from transactions in a currency different from the functional currency of each entity. Such transactions include capital expenditure, purchases linked to industrial operations, administrative expenditure and other operating payables or receivables in local currency, among others. The Group is also party to some financing arrangements in foreign currencies different from the functional currency of the borrowing entity.

The Group manages its exposure to foreign currency transactions by setting natural hedge structures and by entering into foreign exchange derivative contracts to hedge its exposure back to each entity's own functional currency (refer to Note 4.8).

As of December 31, 2023 and December 31, 2022, the net exposure to foreign currency transactions before hedge for current monetary items (excluding the current portion of long-term debt) represents 11% and 2% of net equity position respectively, and is denominated in the following currencies:

(in millions of US$)	**2023**	2022
Brazilian Real	137	(31)
Euro	118	144
Indian Rupee	(89)	(172)
US Dollar	470	344
Argentine Peso	199	(130)
Other currencies	(115)	(26)
Net exposure	**720**	**129**

The Group is also exposed to currency translation risk from its investments in foreign operations, particularly in Australia, China and countries in the Eurozone.

4.3 Counterparty Risk

The Group trades diversified commodities and commodity-related products. Accordingly, a substantial portion of the Group's trade receivables is toward users of those commodities and other commodity trading companies. Margin deposits generally consist of deposits with commodity exchanges and brokers which hold such deposits in a custodial capacity. The Group's counterparty risk exposure from derivative financial instruments is limited to the current fair value of contracts with a positive fair value.

Performance risk on an open contract measures the risk of non-performance by the counterparty and is composed of:

- The mark-to-market exposure to date (if any) reflecting the cost to the Group if the contract is not fulfilled and has to be replaced in the open market under prevailing market conditions; and
- The potential future mark-to-market exposure reflecting the fact that the market price can move from the day of exposure calculation to the delivery date/payment date versus the current market price.

The Group has implemented risk management procedures to monitor its exposures and minimize counterparty risk. These procedures include counterparty exposure limit approvals, and where appropriate, may require a combination of margin requirements, master netting arrangements, letters of credit and other guarantees.

4.4 Political and Country Risk

In its cross-border operations, the Group is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situations. The Group does not seek to retain political and country risks and endeavors to mitigate them via major financial institutions or reputable insurance companies where appropriate. The trade finance, insurance and credit risk departments' work jointly in order to identify solutions to mitigate political and country risk.

4.5 Liquidity Risk

Liquidity risk is the risk that the Group may encounter difficulties in meeting its payment obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

Management of the liquidity profile is designed to ensure that the Group has access to the funds necessary to cover maturing liabilities. The available liquidity for the Group includes cash and cash equivalents, other financial assets at fair value through P&L, financial advances to related parties, readily marketable inventories and undrawn committed bank lines. As of December 31, 2023, the Group had available undrawn committed bank lines amounting to US$4.3 billion, all with maturities beyond one year (US$4.2 billion as of December 31, 2022 with US$4.0 billion maturity beyond one year).

The maturity analysis of the Group's financial liabilities based on the contractual terms as of December 31, 2023 and December 31, 2022 is as follows:

	2023				
(in millions of US$)	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	**Total**
Long-term financing (current and non-current)	88	1,733	1,714	803	**4,338**
Short-term debt	1,906	—	—	—	**1,906**
Expected future interest payments on long-term financing and short-term debt	230	298	203	210	**941**
Lease liability (undiscounted)	246	259	103	203	**811**
Other non-current financial liabilities	—	4	2	—	**6**
Financial advances from related parties	45	—	—	—	**45**
Trade and other payables	6,177	—	—	—	**6,177**
Derivative liabilities (current and non-current)	1,399	79	63	—	**1,541**
	10,091	**2,373**	**2,085**	**1,216**	**15,765**

Notes Continued

(in millions of US$)	2022 Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Long-term financing (current and non-current)	526	1,814	1,164	811	**4,315**
Short-term debt	2,145	—	—	—	**2,145**
Expected future interest payments on long-term financing and short-term debt	183	296	153	60	**692**
Lease liability (undiscounted)	208	192	78	158	**636**
Other non-current financial liabilities	—	2	2	2	**6**
Financial advances from related parties	77	—	—	—	**77**
Trade and other payables	6,381	—	—	—	**6,381**
Derivative liabilities (current and non-current)	1,215	130	9	96	**1,450**
	10,735	**2,434**	**1,406**	**1,127**	**15,702**

Non-current derivative liabilities are mostly covered by margin deposits assets.

4.6 Interest Rate Risk

The Group is exposed to fluctuation in interest rates on its long term financing and short term debt. Interest rate risk arising from floating rate on long-term financing is mainly managed using interest rate swaps with the same critical terms as the underlying interest rate exposures. Short-term debt, primarily based on Secured Overnight Financing Rate (SOFR) rates, is predominantly used to finance working capital needs. Consequently, prevailing market interest rates are continuously factored into transactional pricing and terms.

Based on the level of financial debt exposed to floating interest rate at the end of the period, an increase/decrease of 50 basis points in interest rates, all other variables being held constant, would decrease/increase the Group's interest expense as of December 31, 2023 by US$17 million (US$16 million as of December 31, 2022).

4.7 Categories of Financial Assets and Liabilities

Classification and measurement of financial assets depend on the business model and the instruments' contractual cash flow characteristics. Upon initial recognition, financial assets are carried at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit and loss.

The main financial assets of the Group (excluding derivatives) are presented within the following consolidated balance sheet lines:

- Non-current financial assets
- Trade and other receivables
- Other financial assets at fair value through profit and loss
- Cash and cash equivalents

Financial liabilities are measured at amortized cost or fair value through profit and loss. The main financial liabilities of the Group (excluding derivatives) comprise long-term debt, short-term debt, financial advances from related parties and trade payables. All these financial liabilities are recorded at amortized cost using the effective interest method.

Financial assets and liabilities are recorded in the consolidated balance sheet as current if they mature within one year following the closing date of the financial statements and non-current if they mature after one year, apart from derivatives held for trading, which are all classified as current.

Derivatives are measured at fair value through profit and loss, except for those considered as hedging instruments in a cash flow or net investment hedge relationship, in which case the change in fair value is recognized in OCI.

Margin deposits consist of cash with brokers and exchanges to meet initial and variation margins requirements in respect of futures positions on commodities exchanges.

As of December 31, 2023, the different categories of financial assets and liabilities are as follows:

(in millions of US$)	Notes	Assets at fair value through profit and loss	Derivatives at fair value through OCI - hedge accounting	Assets at amortized cost	Total
Non-current financial assets	5.4	78	23	210	**311**
Total non-current financial assets		**78**	**23**	**210**	**311**
Financial advances to related parties	7.3	—	—	9	**9**
Trade and other receivables	3.9	—	—	4,921	**4,921**
Derivative assets	4.8	1,634	39	—	**1,673**
Margin deposits		—	—	528	**528**
Other financial assets at fair value through profit and loss	5.5	522	—	—	**522**
Cash and cash equivalents	5.6	902	—	596	**1,498**
Total current financial assets		**3,058**	**39**	**6,054**	**9,151**
Total financial assets		**3,136**	**62**	**6,264**	**9,462**

(in millions of US$)	Notes	Liabilities at fair value through profit and loss	Derivatives at fair value through OCI - hedge accounting	Liabilities at amortized cost	Total
Long-term debt	5.2	—	—	4,688	**4,688**
Other non-current financial liabilities	3.5	—	142	6	**148**
Total non-current financial liabilities		**—**	**142**	**4,694**	**4,836**
Short-term debt	5.3	—	—	1,906	**1,906**
Current portion of long-term debt	5.2	—	—	307	**307**
Financial advances from related parties	7.3	—	—	45	**45**
Trade and other payables (excluding margin deposit liabilities)	3.10	—	—	5,405	**5,405**
Margin deposit liabilities	3.10	—	—	36	**36**
Derivative liabilities	4.8	1,298	101	—	**1,399**
Total current financial liabilities		**1,298**	**101**	**7,699**	**9,098**
Total financial liabilities		**1,298**	**243**	**12,393**	**13,934**

As of December 31, 2022, the different categories of financial assets and liabilities were as follows:

(in millions of US$)	Notes	Assets at fair value through profit and loss	Derivatives at fair value through OCI - hedge accounting	Assets at amortized cost	Total
Non-current financial assets	5.4	89	48	308	**445**
Total non-current financial assets		**89**	**48**	**308**	**445**
Financial advances to related parties	7.3	—	—	4	**4**
Trade and other receivables	3.9	—	—	5,412	**5,412**
Derivative assets	4.8	1,543	28	—	**1,571**
Margin deposits		—	—	774	**774**
Other financial assets at fair value through profit and loss	5.5	356	—	—	**356**
Cash and cash equivalents	5.6	500	—	684	**1,184**
Total current financial assets		**2,399**	**28**	**6,874**	**9,301**
Total financial assets		**2,488**	**76**	**7,182**	**9,746**

(in millions of US$)	Notes	Liabilities at fair value through profit and loss	Derivatives at fair value through OCI - hedge accounting	Liabilities at amortized cost	Total
Long-term debt	5.2	—	—	4,107	**4,107**
Other non-current financial liabilities	3.5	—	235	6	**241**
Total non-current financial liabilities		**—**	**235**	**4,113**	**4,348**
Short-term debt	5.3	—	—	2,145	**2,145**
Current portion of long-term debt	5.2	—	—	716	**716**
Financial advances from related parties	7.3	—	—	77	**77**
Trade and other payables (excluding margin deposit liabilities)	3.10	—	—	5,620	**5,620**
Margin deposit liabilities	3.10	—	—	67	**67**
Derivative liabilities	4.8	1,206	9	—	**1,215**
Total current financial liabilities		**1,206**	**9**	**8,625**	**9,840**
Total financial liabilities		**1,206**	**244**	**12,738**	**14,188**

4.8 Classification of Derivative Financial Instruments

Derivatives

The Group uses futures and option contracts mostly to hedge trading inventories and open commitments in commodities and securities. Futures and option contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized within the gross margin. Undelivered commodities purchase and sale commitments and swap/supply arrangements are recognized at fair value, and the resulting unrealized gain or loss is recognized within the gross margin. Foreign exchange hedge contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized in the consolidated income statement in "Other financial income and expense" line for the foreign exchange exposure on funding and in "Cost of sales" line for the foreign exchange gains and losses related to working capital.

Hedge Accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk, price risk component and interest rate risk. These hedging instruments are classified either as fair value hedges, cash flow hedges, or net investments hedges in foreign operations.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge requirements:

- The hedging relationship must only concern eligible hedging instruments and hedged items;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedging relationship must meet hedge effectiveness requirements, particularly in respect of a hedging ratio.

The hedging relationship ends when it ceases to satisfy the above criteria. This includes situations in which the hedging instrument expires or is sold, terminated or exercised, or when the risk management objectives initially documented are no longer met. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

The ineffective portion of a hedge, if any, is recognized in the consolidated income statement.

Only derivatives external to the Group, and internal derivatives that are matched with similar transactions external to the Group, qualify for hedge accounting.

Fair Value Hedges

Hedging instruments are classified as fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. The change in fair value of the hedging instrument is recognized in the line of the consolidated income statement that is impacted by the underlying hedged item. The change in fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated income statement.

Notes Continued

Cash Flow Hedges

Hedging instruments are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction or the foreign currency risk in an unrecognized firm commitment. The effective portion of the gain or loss on the hedging instrument is recognized directly in other reserves, while any ineffective portion is recognized immediately in the consolidated income statement. When hedged cash flows materialize, the amounts previously recognized in equity are either recycled to the consolidated income statement in the same way as for the hedged item, or treated as an adjustment to the value of the asset acquired.

Net Investment Hedges

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognized directly in other reserves while any ineffective portion is recognized immediately in the consolidated income statement. The amounts previously recognized in equity are transferred to the consolidated income statement when the Group ceases to exercise control over the investment in foreign operations (either through a sale or a liquidation).

As of December 31, 2023 and December 31, 2022, derivative financial instruments are as follows:

	2023		2022	
(in millions of US$)	Assets	Liabilities	Assets	Liabilities
Forward purchase and sale agreements	1,249	822	1,239	758
Forward foreign exchange contracts	190	301	206	254
Futures	218	151	132	180
Options	68	24	53	12
Swaps	1	—	—	2
Provision on derivative assets	(92)	—	(87)	—
Derivatives at fair value through profit and loss	**1,634**	**1,298**	**1,543**	**1,206**
Forward foreign exchange contracts	33	3	23	9
Swaps	29	240	53	235
Derivatives at fair value through OCI - hedge accounting	**62**	**243**	**76**	**244**
Total derivatives	**1,696**	**1,541**	**1,619**	**1,450**
Of which:				
Current derivatives	*1,673*	*1,399*	*1,571*	*1,215*
Non-current derivatives	*23*	*142*	*48*	*235*

In the normal course of operations, the Group enters into various derivative financial instruments involving future settlement. These transactions include futures, forward purchase and sale agreements, and option contracts that are executed either on regulated exchanges or in the over-the-counter (OTC) market.

Futures contracts are exchange-traded contractual commitments either to receive or deliver a standard amount or value of a commodity or financial instrument at a specified future date and price. Futures exchanges typically require the parties to provide as security "initial margins" and additional cash deposits for "variation margins", based upon market value fluctuations. OTC contracts, which may or may not require the payment of initial margins or variation margins, involve parties who have agreed to either exchange cash payments or deliver/receive the underlying commodity or financial instrument. Option contracts are contractual agreements that give the purchaser the right, but not the obligation, to purchase or sell a financial instrument or commodity at a predetermined price.

As of December 31, 2023, the Group recognized a provision on derivative assets of US$92 million on performance risk to offset unrealized gains on forward agreements identified as being at risk. As of December 31, 2022, this provision was US$87 million.

Derivatives at Fair Value Through Other Comprehensive Income (OCI) - Hedge Accounting

Forward foreign exchange contracts mainly relate to the hedge of foreign currency risk of future capital expenditure, production costs and commercial and administrative expenses in Brazilian Reais, and to a lesser extent in Euros and Swiss Francs. The contracts also relate to the hedge of foreign currency risk of a long-term financing line (principal and interests) in Brazilian Reais.

As of December 31, 2023, contracts in Brazilian Reais represent a total US$668 million nominal value and are effective until 2035, with an average fixed exchange rate of 5.26 Brazilian Reais to the US Dollar (a total US$542 million nominal value effective until 2035, with an average fixed exchange rate of 5.55, as of December 31, 2022).

The Group entered into interest-rate swap contracts in North America to hedge against LIBOR (in 2022) or Secured Overnight Financing Rate (SOFR) fluctuations on the floating rate exposure of its debt. As of December 31, 2023, these operations represent a total US$525 million nominal value effective until 2026, with an average three-month SOFR rate fixed at 0.91% per year (a total US$800 million nominal value effective until 2026, with an average three-month LIBOR rate fixed at 1.84% or SOFR rate fixed at 0.76% per year, as of December 31, 2022).

The Group entered into cross-currency swap contracts in order to hedge the currency and interest exposure of the following main long-term financing agreements:

- Japanese Yen-denominated debt: as of December 31, 2023, these operations represent a total US$700 million nominal value effective until 2028, with an average Tokyo Overnight Average (TONA) rate fixed at 4.16% per year (a total US$587 million nominal value effective until 2026, with an average TONA rate fixed at 2.11% per year, as of December 31, 2022).
- Japanese Yen-denominated private placements: as of December 31, 2023 and December 31, 2022, these operations represent a total US$160 million nominal value effective until 2027.
- Chinese Yuan-denominated internal financing: as of December 31, 2023 and December 31, 2022, these operations represent a total US$153 million nominal value effective until 2028.
- A €650 million rated senior bond issued in November 2020 and February 2021, and a €500 million rated senior bond issued in April 2021, effective respectively until 2025 and 2028.

The hedge on exposure linked to future interest payments on these long-term financing agreements is booked at fair value through OCI. The hedge on exposure related to the principal and accrued interests is booked in profit and loss, impacting "Other financial income and expense" and "Interest expenses" lines of the consolidated income statement (refer to Note 2.3).

Notes Continued

4.9 Fair Value Hierarchy

The Group uses the following hierarchy to determine and disclose the fair value of assets and liabilities broken down by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: techniques that use inputs that have a significant effect on the recorded fair value that are based on observable, either directly or indirectly, market data; and
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As of December 31, 2023 and December 31, 2022, the following table shows an analysis of financial assets and liabilities recorded at fair value by level of the fair value hierarchy:

	2023				2022			
(in millions of US$)	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	—	5,367	154	**5,521**	3	5,269	112	**5,384**
Derivative assets (current and non-current)	259	1,389	48	**1,696**	152	1,443	24	**1,619**
Forward purchase and sale agreements	—	*1,201*	*48*	***1,249***	—	*1,215*	*24*	***1,239***
Forward foreign exchange contracts	—	*223*	—	***223***	—	*229*	—	***229***
Futures	*218*	—	—	***218***	*123*	*9*	—	***132***
Options	*41*	*27*	—	***68***	*29*	*24*	—	***53***
Swaps	—	*30*	—	***30***	—	*53*	—	***53***
Provision on derivative assets	—	*(92)*	—	***(92)***	—	*(87)*	—	***(87)***
Other financial assets at fair value through profit and loss (current and non-current)	425	107	68	**600**	323	44	78	**445**
Cash equivalents	—	902	—	**902**	—	500	—	**500**
Total assets	**684**	**7,765**	**270**	**8,719**	**478**	**7,256**	**214**	**7,948**
Derivative liabilities (current and non-current)	144	1,367	30	**1,541**	181	1,262	7	**1,450**
Forward purchase and sale agreements	—	*792*	*30*	***822***	—	*751*	*7*	***758***
Forward foreign exchange contracts	—	*304*	—	***304***	—	*263*	—	***263***
Futures	*143*	*8*	—	***151***	*180*	—	—	***180***
Options	*1*	*23*	—	***24***	*1*	*11*	—	***12***
Swaps	—	*240*	—	***240***	—	*237*	—	***237***
Total liabilities	**144**	**1,367**	**30**	**1,541**	**181**	**1,262**	**7**	**1,450**

Trading inventories are valued at fair value based on observable prices (if and when available) such as commodity futures exchange quotations, broker or dealer quotations, or market transactions in either listed or OTC markets, and adjusted for differences in local markets and quality, since the exchange quoted price represents contracts with standardized terms for commodity, quantity, future delivery period, delivery location, and commodity quality or grade. When a substantial portion of observable inputs is used to estimate the fair value of the trading inventory, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of fair value, the trading inventory is classified as Level 3.

Fair value for the forward purchase and sale agreements is estimated based on exchange-quoted price adjusted for differences in local markets. These differences are generally determined using inputs from broker or dealer quotations or market transactions in either listed or OTC markets. When observable inputs are available for the full term of the contract, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of the fair value, the contract is classified as Level 3.

Other financial assets at fair value through profit and loss mainly include investments in equity instruments and bonds classified as Level 1 if they are listed, Level 2 if they are valued in the OTC market or adjusted based on observable market data and Level 3 if other valuation technique is used.

There was no transfer between levels during the year ended December 31, 2023.

4.10 Offsetting of Financial Assets and Liabilities

The Group reports financial assets and liabilities on a net basis in the consolidated balance sheet when, and only when, there is a legally enforceable right to set off the recognized amounts and there is intention to either settle on a net basis or realize the asset and settle the liability simultaneously.

Master netting agreements enforceable only on the occurrence of future events such as a default on bank loans or other credit events do not provide a basis for offsetting.

The following tables disclose the carrying amounts of recognized financial instruments that are under master netting agreements and subject to offsetting, those that are under master netting agreements but not set off in the balance sheet, those that are not under any master netting agreements and not set off in the balance sheet, and lastly the theoretical set off resulting in deducting amounts under master netting agreement not set off and collaterals from amounts presented in the balance sheet.

As of December 31, 2023, the offsetting of financial assets and liabilities was as follows:

	Amounts under netting agreements set off in the balance sheet			Amounts not set off in the balance sheet				
(in millions of US$)	Gross amount of financial assets	Gross amount of financial liabilities	**Net amount recognized in the balance sheet**	Under netting greements and margin deposit	Not under netting agreements	**Total presented in the balance sheet**	Amounts under netting agreements not set off in the balance sheet and margin deposit - theoretical set off adjustment	**Total net amount**
Derivative assets (current and non-current)	584	(358)	**226**	107	1,363	**1,696**	(75)	**1,621**
Derivative liabilities (current and non-current)	(40)	68	**28**	105	1,408	**1,541**	(335)	**1,206**
Margin deposit assets (current and non-current)				663		**663**	(276)	**387**
Margin deposit liabilities				36		**36**	(16)	**20**
	624	**(426)**	**198**	**629**	**(45)**	**782**	**—**	**782**

As of December 31, 2022, the offsetting of financial assets and liabilities was as follows:

	Amounts under netting agreements set off in the balance sheet			Amounts not set off in the balance sheet				
(in millions of US$)	Gross amount of financial assets	Gross amount of financial liabilities	**Net amount recognized in the balance sheet**	Under netting agreements and margin deposit	Not under netting agreements	**Total presented in the balance sheet**	Amounts under netting agreements not set off in the balance sheet and margin deposit - theoretical set off adjustment	**Total net amount**
Derivative assets (current and non-current)	312	(174)	**138**	72	1,409	**1,619**	197	**1,816**
Derivative liabilities (current and non-current)	(188)	281	**93**	24	1,333	**1,450**	(468)	**982**
Margin deposit assets (current and non-current)				1,007		**1,007**	(719)	**288**
Margin deposit liabilities				67		**67**	(54)	**13**
	500	**(455)**	**45**	**988**	**76**	**1,109**	**—**	**1,109**

Notes Continued

5. Equity and Financing

5.1 Equity

(in millions of US$)	**2023**	2022
Issued capital	1	1
Share premium	1,586	1,586
Retained earnings	5,151	4,641
Other reserves	(108)	(132)
Equity attributable to owners of the company	**6,630**	**6,096**
Non-controlling interests	34	43
Total stockholders' equity and non-controlling interests	**6,664**	**6,139**

Stockholders' equity and non-controlling interests disclosed in the Financial Statements correspond to the equity used by Management when assessing performance.

Capital

When managing capital, the Group's objectives are to safeguard its ability to continue as a going concern so that it can provide returns to shareholders, bring benefits to its other partners and optimize the structure of capital in order to reduce its cost. In 2023, the Group's overall strategy remains unchanged from 2022.

As of December 31, 2023 and December 31, 2022, the capital of LDC is composed of 100,000,000 shares with a €0.01 nominal value each, that are issued and fully paid.

During the year ended December 31, 2023, LDC distributed US$503 million as dividends to LDCH, corresponding to a dividend payment of US$5.03 per share.

During the year ended December 31, 2022, LDC distributed US$348 million as dividends to LDCH, corresponding to a dividend payment of US$3.48 per share.

Other Reserves

As of December 31, 2023 and December 31, 2022, Other reserves relate to Other Comprehensive Income (OCI).

OCI is composed of cash flow and net investment hedges, pensions' reserves and foreign currency translation adjustment as described below.

Cash flow and net investment hedges reserves correspond to the effective portion of the gain or loss on the hedging instrument as described in Note 4.8.

Pensions' reserves correspond to the re-measurement gains and losses arising from defined benefit pension plans in accordance with IAS 19 Employee Benefits as described in Note 6.1.

Foreign currency translation adjustment are used to record exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from the US Dollar.

Changes in OCI for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	Cash flow and net investment hedges	Pensions' reserves	Foreign currency translation adjustment	**Total**
Balance as of January 1, 2023 - owners of the company share	**38**	**3**	**(173)**	**(132)**
of which:				
Pre-tax	45	4	(182)	**(133)**
Tax	(7)	(1)	—	**(8)**
Non-controlling share	—	—	(9)	**(9)**
Current year gains (losses)	24	1	(5)	**20**
Reclassification to profit and loss	(30)	—	37	**7**
Transaction with non-controlling interests	—	—	(3)	**(3)**
OCI for the year - owners of the company share	**(6)**	**1**	**29**	**24**
of which:				
Pre-tax	3	1	35	**39**
Tax	(9)	—	—	**(9)**
Non-controlling share	—	—	6	**6**
Balance as of December 31, 2023 - owners of the company share	**32**	**4**	**(144)**	**(108)**
of which:				
Pre-tax	48	5	(147)	**(94)**
Tax	(16)	(1)	—	**(17)**
Non-controlling share	—	—	(3)	**(3)**

(in millions of US$)	Cash flow and net investment hedges	Pensions' reserves	Foreign currency translation adjustment	**Total**
Balance as of January 1, 2022 - owners of the company share	**(57)**	**32**	**(119)**	**(144)**
of which:				
Pre-tax	(77)	42	(124)	**(159)**
Tax	20	(10)	—	**10**
Non-controlling share	—	—	(5)	**(5)**
Current year gains (losses)	86	15	(59)	**42**
Reclassification to profit and loss	8	—	5	**13**
Change in the list of consolidated companies	—	(44)	—	**(44)**
Others	1	—	—	**1**
OCI for the year - owners of the company share	**95**	**(29)**	**(54)**	**12**
of which:				
Pre-tax	122	(38)	(58)	**26**
Tax	(27)	9	—	**(18)**
Non-controlling share	—	—	(4)	**(4)**
Balance as of December 31, 2022 - owners of the company share	**38**	**3**	**(173)**	**(132)**
of which:				
Pre-tax	45	4	(182)	**(133)**
Tax	(7)	(1)	—	**(8)**
Non-controlling share	—	—	(9)	**(9)**

5.2 Long-Term Debt

As of December 31, 2023 and December 31, 2022, long-term debt consists of the following:

(in millions of US$)	Notes	2023	2022
Non-current portion of long-term financing		4,250	3,789
Non-current portion of lease liabilities	7.1	438	318
Non-current portion of long-term debt		**4,688**	**4,107**
Current portion of long-term financing		88	526
Current portion of lease liabilities	7.1	219	190
Current portion of long-term debt		**307**	**716**
Total long-term debt		**4,995**	**4,823**

The tables below only refer to long-term financing.

As of December 31, 2023 and December 31, 2022, long-term financing by currency after hedge is analyzed as follows:

	2023				2022			
(in millions of US$)	Debt capital markets	Revolving credit facilities	Term loans from banks	**Total**	Debt capital markets	Revolving credit facilities	Term loans from banks	**Total**
US Dollar	1,267	(12)	2,639	**3,894**	1,522	(12)	2,305	**3,815**
Euro	—	—	341	**341**	—	—	315	**315**
Australian Dollar	—	—	—	**—**	—	—	132	**132**
Chinese Yuan	—	—	88	**88**	—	—	38	**38**
Other currencies	—	15	—	**15**	—	15	—	**15**
Total long-term financing	**1,267**	**3**	**3,068**	**4,338**	**1,522**	**3**	**2,790**	**4,315**

Certain portions of this financing, aggregating US$171 million as of December 31, 2023 and US$121 million as of December 31, 2022, are secured by mortgages on assets.

Certain senior debt and bank loans contain covenants that require maintenance of levels of working capital, net worth, debt to equity ratios, dividend restrictions and limit of indebtedness. As of December 31, 2023, the Group complied with all the covenants included in its loan agreements with banks.

The following is a comparative summary of outstanding long-term financing, current and non-current portions:

			2023				
(in millions of US$)	Nature of the rate after hedge	Interest rate after hedge	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	**Total**
Eurobond 25	Fixed rate	3.56%	—	717	—	—	**717**
Eurobond 28	Fixed rate	3.29%	—	—	550	—	**550**
Other LT financing	Fixed rate	2.03% ~ 6.00%	1	553	645	394	**1,593**
Other LT financing	Floating rate	Rate over SOFR	51	217	406	311	**985**
Other LT financing	Floating rate	Rate over EURIBOR	—	215	89	—	**304**
Other LT financing	Floating rate	Rate over TJLP	7	11	10	31	**59**
Other LT financing	Floating rate	Other variable rates	29	20	14	67	**130**
Total long-term financing			**88**	**1,733**	**1,714**	**803**	**4,338**

			2022				
(in millions of US$)	Nature of the rate after hedge	Interest rate after hedge	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	**Total**
USD RegS bond 23	Fixed rate	5.25%	300	—	—	—	**300**
Eurobond 25	Fixed rate	3.56%	—	692	—	—	**692**
Eurobond 28	Fixed rate	3.29%	—	—	—	530	**530**
Other LT financing	Fixed rate	0.11% ~ 6.25%	—	713	785	145	**1,643**
Other LT financing	Floating rate	Rate over LIBOR	76	226	5	14	**321**
Other LT financing	Floating rate	Rate over SOFR	—	127	118	63	**308**
Other LT financing	Floating rate	Rate over EURIBOR	—	48	245	—	**293**
Other LT financing	Floating rate	Rate over TJLP	3	7	7	26	**43**
Other LT financing	Floating rate	Other variable rates	147	1	4	33	**185**
Total long-term financing			**526**	**1,814**	**1,164**	**811**	**4,315**

The unrated senior bond issued in 2017 for US$300 million (six-year maturity, 5.25% coupon) was reimbursed in June 2023.

As of December 31, 2023, the main difference between the fair value of long-term financing and its historical value amounts to US$(51) million and relates to the listed senior bonds for which fair value is US$1,216 million, compared to US$1,267 million net book value.

Changes in long-term financing for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Balance as of January 1	**4,315**	**4,274**
Proceeds from long-term financing	540	731
Repayment of long-term financing	(598)	(605)
Foreign exchange	18	(149)
Change in the list of consolidated companies	—	48
Capitalized interests	16	—
Others	47	16
Closing balance	**4,338**	**4,315**

Change in the List of Consolidated Companies

In 2022, US$48 million long-term financing (current portion) was incorporated in the Group following the acquisition of Emerald Grain (refer to Note 1.4).

Notes Continued

5.3 Short-Term Debt

The Group finances most of its short-term requirements through bank loans, acceptances and commercial paper.
The underlying agreements require certain companies to maintain minimum levels of net worth and to meet various liquidity tests.

As of December 31, 2023 and December 31, 2022, short-term debt consists of the following:

	2023				
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	**Total**
US Dollar	1,034	103	129	3	**1,269**
Euro	7	134	29	—	**170**
Indonesian Rupiah	114	—	—	—	**114**
Pakistani Rupee	—	—	82	—	**82**
Chinese Yuan	80	—	—	—	**80**
Australian Dollar	66	—	—	—	**66**
Canadian Dollar	—	—	63	—	**63**
South African Rand	—	—	6	—	**6**
Other currencies	35	—	21	—	**56**
Total short-term debt	**1,336**	**237**	**330**	**3**	**1,906**

	2022					
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	Securities short positions	**Total**
US Dollar	1,038	212	115	32	7	**1,404**
Euro	5	309	31	—	—	**345**
Argentine Peso	—	—	—	202	—	**202**
Indonesian Rupiah	91	—	—	—	—	**91**
South African Rand	—	—	47	—	—	**47**
Australian Dollar	20	—	—	—	—	**20**
Pakistani Rupee	—	—	19	—	—	**19**
Other currencies	8	—	9	—	—	**17**
Total short-term debt	**1,162**	**521**	**221**	**234**	**7**	**2,145**

The Group enters into repurchase agreements, which are arrangements involving the sale of securities at a specified price with an irrevocable commitment to repurchase the same or similar securities at a fixed price on a specified future date or with an open maturity.

Certain portions of this financing, aggregating US$8 million as of December 31, 2023, are secured by mortgages on assets.

As of December 31, 2023 and December 31, 2022, there is no significant difference between the historical value and fair value of short-term debt.

Changes in short-term debt for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Balance as of January 1	**2,145**	**3,922**
Net proceeds from (repayment of) short-term debt	(236)	(1,753)
Foreign exchange	(7)	(12)
Change in the list of consolidated companies	—	(12)
Others	4	—
Closing balance	**1,906**	**2,145**

Net Proceeds From (Repayment of) Short-Term Debt

This line included changes in repurchase agreements and securities short positions (US$(238) million in 2023 and US$74 million in 2022), reported as changes in derivatives in the consolidated statement of cash flows. This line excluded changes in related parties' advances (US$(75) million in 2023 and US$(144) million in 2022), reported as "Net proceeds from (repayments of) short-term debt and related parties' loans and advances" in the consolidated statement of cash flows.

5.4 Non-Current Financial Assets

Non-current financial assets mainly include:

- Non-current financial assets measured at amortized cost using the effective interest method such as long-term loans and deposits which meet SPPI (Solely Payments of Principal and Interests) test requirements under IFRS 9;
- Non-current derivatives with maturity above 12 months designated as hedging instrument in a hedge accounting relationship measured at fair value through other comprehensive income (OCI); and
- Investments in equity instruments not held for trading purposes that the Group intends to keep during more than 12 months after the closing date of the period. Those investments are measured at fair value through profit and loss. The Group did not elect for the irrevocable option to measure any investment in equity instruments at fair value through OCI with no recycling through the consolidated income statement.

As of December 31, 2023 and December 31, 2022, non-current financial assets consist of the following:

(in millions of US$)	**2023**	2022
Deposits and others at amortized cost	210	308
Including margin deposits	*135*	*233*
Derivative assets at fair value through OCI	23	48
Investments in equity instruments at fair value through profit and loss	78	89
Non-current financial assets	**311**	**445**

Derivative assets at fair value through OCI correspond to non-current derivatives with maturity above 12 months designated as hedging instrument in a hedge accounting relationship (refer to Note 4.8). The 2022 change in presentation consisted in the following reclassifications:

- the above mentioned derivatives from the line "Derivative assets", and
- margin deposits related to non-current derivative liabilities from the line "Margin deposits".

5.5 Other Financial Assets at Fair Value Through Profit and Loss

Other financial assets at fair value through profit and loss include short-term securities with an initial maturity greater than three months and bonds relating to the financial trading activity as well as other financial assets designated upon recognition at fair value through profit and loss. It also includes investments in non-consolidated equity instruments on which the Group does not exercise significant influence, joint control or control.

As of December 31, 2023 and December 31, 2022, other financial assets at fair value through profit and loss consist of the following:

(in millions of US$)	**2023**	2022
Marketable securities held for trading	462	297
Short-term securities	9	—
Reverse repurchase agreement loan	40	40
Investments in equity instruments	11	19
Other financial assets at fair value through profit and loss	**522**	**356**

As of December 31, 2023, short-term securities relate to cash deposits pledged as collaterals.

In 2022, marketable securities held for trading are mainly related to Repurchase Agreements reported within "Short-term debt" (refer to Note 5.3).

5.6 Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less at the time of the acquisition. Treasury bills, money market funds, commercial paper, bank certificates of deposit and marketable securities having insignificant risk of change in value qualify under this definition. Short-term securities classified as "Cash equivalents" are recorded at fair value through profit and loss with changes in fair value recognized in the "Interest income" line of the consolidated income statement. Changes in bank overdrafts that form part of the financing activities are presented as an increase (decrease) in short-term debt in the consolidated statement of cash flows.

As of December 31, 2023 and December 31, 2022, cash and cash equivalents are as follows:

(in millions of US$)	**2023**	2022
Cash equivalents	902	500
Cash	596	684
Cash and cash equivalents	**1,498**	**1,184**

Cash equivalents include US$91 million of securities or cash deposits pledged as collaterals as of December 31, 2023 (US$16 million as of December 31, 2022).

As of December 31, 2023 and December 31, 2022, there is no material difference between the historical value and fair value of cash and cash equivalents.

6. Employees

6.1 Employee Benefits

Short-Term Employee Benefits

Short-term employee benefits include wages, salaries, social security contributions, compensated absences, profit-sharing and bonuses and are expected to be fully settled within 12 months after the end of the reporting period. Short-term employee benefit obligations are measured on an undiscounted basis and are recognized in the income statement as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Pensions and Post-Retirement Benefits

Defined contribution plans are funded by contributions paid by employees and Group companies to the organizations responsible for managing the plans. The Group's obligations are limited to the payment of such contributions which include total social contributions incurred by the Group in order to secure for its employees the entitlement to defined contribution pension schemes. It covers contributions made compulsory by law as well as those resulting from supplementary collectively agreed, contractual and voluntary schemes.

Defined benefit plans consist of either funded or unfunded plans. Obligations under these plans are generally determined by independent actuaries using the projected unit credit method.

The Group measures and recognizes post-employment benefits in accordance with IAS 19:

- Contributions to defined contribution plans are recognized as an expense;
- Defined benefit plans are measured using actuarial valuations.

The Group uses the projected unit credit method as the actuarial method for measuring its post-employment benefit obligations, on the basis of the national or company-wide collective agreements effective within each entity.

Factors used in calculating the obligation include length of service, life expectancy, salary inflation, staff turnover and macroeconomic assumptions specific to countries in which the Group operates (such as inflation rate and discount rate).

Actuarial gains and losses relating to defined benefit plans (pensions and other post-employment benefits), arising from the effects of changes in actuarial assumptions and experience adjustments, are recognized net of deferred taxes in other comprehensive income.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of each plan.

If the value of plan assets exceeds the obligation under the plan, the net amount is recognized as a non-current asset. Overfunded plans are recognized as assets only if they represent future economic benefits that will be available to the Group through future refunds from the plan or reductions in future contributions to the plan.

Other Long-Term Benefits

The Group's net obligation in respect of long-term benefits, other than post-employment plans, is the amount of future benefits that employees have earned in return for their service in the current and prior periods. They include mainly bonuses that are not expected to be settled wholly before 12 months after the end of the reporting period. They are recognized in the income statement as part of the "Commercial and administrative expenses". The corresponding debt is included within the lines "Other non-current liabilities" and "Trade and other payables" of the consolidated balance sheet, respectively for its non-current and current parts.

Notes Continued

Short-Term Employee Benefits

In 2023, personnel expenses reached US$1,012 million (US$948 million in 2022).

Defined Benefit Plans

The Group maintains pension plans in various countries, as prescribed by local laws and customs. The obligations of the Group to pay benefits upon retirement are provided for on an estimated annual basis. The estimates reflect assumptions as to future salary increases, employee turnover and mortality rates. The most significant retirement plans that require funding are in the United States of America (US).

As of December 31, 2023 and December 31, 2022, retirement benefit obligations are as follows:

	2023			2022		
(in millions of US$)	US	Other	**Total**	US	Other	**Total**
Long-term pension benefit	32	12	**44**	35	12	**47**
Post-retirement benefit	11	10	**21**	13	8	**21**
Retirement benefit obligations	**43**	**22**	**65**	**48**	**20**	**68**
Net plan asset[1]	**—**	**(2)**	**(2)**	**—**	**(1)**	**(1)**

1. Reported in "Trade and other receivables".

US

The Group has various defined benefit pension plans in the US covering substantially all employees, which provide benefits based on years of service and compensation during defined years of employment. The funding policy is to contribute amounts sufficient to meet the minimum funding requirements. The Group also has unfunded post-retirement plans in the US that cover substantially all salaried employees. These plans provide medical, dental and life insurance benefits.

In 2022, the Group completed the sale of *Imperial Sugar Company* (ISC), which resulted in the settlement of certain defined benefit pension plans and other compensation plans. Post-retirement healthcare and life insurance benefits to former employees of ISC remain recognized as retirement benefit obligations in the consolidated balance sheet.

As of December 31, 2023 and December 31, 2022, movement in pension and post-retirement benefits liabilities recognized over the year is as follows:

	2023			
	Defined benefit pension plans			
(in millions of US$)	Present value of defined benefit obligation	Fair value of plan assets	Net liability for defined benefit pension plans	Post-retirement benefit
Balance as of January 1	**110**	**(75)**	**35**	**13**
Administrative expenses	—	1	1	—
Interest cost/(income)	5	(4)	1	1
Total net expenses	**5**	**(3)**	**2**	**1**
Return on plan assets excluding interest income	—	(7)	(7)	—
Effect of change from participant experience	1	—	1	(1)
Effect of change in financial assumptions	2	—	2	—
Total actuarial (gains)/losses in OCI	**3**	**(7)**	**(4)**	**(1)**
Contributions	—	(1)	(1)	(2)
Benefit payments	(10)	10	—	—
Net cashflow (outflow)/inflow	**(10)**	**9**	**(1)**	**(2)**
Closing balance	**108**	**(76)**	**32**	**11**

	2022				
	Defined benefit pension plans				
(in millions of US$)	Present value of defined benefit obligation	Fair value of plan assets	Reclass. to held for sale liabilities	Net liability for defined benefit pension plans - after HFS	Post-retirement benefit
Balance as of January 1	**377**	**(322)**	**(19)**	**36**	**18**
Administrative expenses	—	2	—	2	—
Interest cost/(income)	9	(8)	—	1	—
Settlement	2	—	—	2	—
Total net expenses	**11**	**(6)**	**—**	**5**	**—**
Return on plan assets excluding interest income	—	68	—	68	—
Effect of change in demographic assumptions	(1)	—	—	(1)	—
Effect of change from participant experience	1	—	—	1	—
Effect of change in financial assumptions	(74)	—	—	(74)	(2)
Total actuarial (gains)/losses in OCI	**(74)**	**68**	**—**	**(6)**	**(2)**
Contributions	—	(9)	—	(9)	(3)
Benefit payments	(19)	19	—	—	—
Annuity purchase	(16)	16	—	—	—
Net cashflow (outflow)/inflow	**(35)**	**26**	**—**	**(9)**	**(3)**
Change in the list of consolidated companies	(169)	159	19	9	—
Closing balance	**110**	**(75)**	**—**	**35**	**13**

The discount rate is 4.88% as of December 31, 2023 (4.99% as of December 31, 2022).

Notes Continued

The plan assets are detailed as follows:

(in millions of US$)	**2023**	2022
Large US Equity	(29)	(21)
Small/Mid US Equity	(3)	(2)
International Equity	(10)	(8)
Bond	(34)	(44)
Total plan assets	**(76)**	**(75)**

All plan assets are stated at fair value and consist of pooled accounts valued at cumulative net asset value ("NAV") based on the closing market value of the units bought or sold as of the valuation date. Plan assets are classified under Level 2 of the valuation hierarchy.

The Group maintains a diversified investment portfolio principally invested in equities and fixed-income securities. The investment policy and objectives of these plans include providing a total return that exceeds inflation, while minimizing principal risk to meet or exceed the benefit obligations for its participants. Assets of these plans are reviewed on a periodic basis to ensure asset performance is within policy guidelines.

Other

Other long-term pension benefit plans are mainly in the United Kingdom and Switzerland. Pension benefits liabilities recognized in the consolidated balance sheet are as follows as of December 31, 2023 and December 31, 2022:

	2023			
(in millions of US$)	United Kingdom	Switzerland	Others	**Total**
Present value of obligations	74	73	7	**154**
Fair value of plan assets	(69)	(73)	—	**(142)**
Liability in the balance sheet	**5**	**—**	**7**	**12**

	2022			
(in millions of US$)	United Kingdom	Switzerland	Others	**Total**
Present value of obligations	72	57	5	**134**
Fair value of plan assets	(65)	(59)	—	**(124)**
Asset ceiling	—	2	—	**2**
Liability in the balance sheet	**7**	**—**	**5**	**12**

6.2 Number of Employees

The average number of employees for the years ended December 31, 2023 and December 31, 2022 is as follows:

	2023	2022
Managers and traders	1,834	1,739
Supervisors	1,674	1,551
Employees	4,738	4,365
Workers	7,362	7,278
Seasonal workers	2,818	2,734
Number of employees	**18,426**	**17,667**

7. Leases and Other Information

7.1 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. The contract is a lease if it conveys the right to control the use of an identified asset for a period of time (lease term) in exchange for consideration, meaning the right to obtain substantially all economic benefits and the right to direct the use of such asset over the lease period.

The lease term is defined as the non-cancellable period for which a lessee has the right to use an underlying asset. The term shall include both option to extend the lease or option to terminate the lease if the lessee is reasonably certain to exercise those options, considering business continuity among others. When determining the lease term, Management reviewed existing renewal and termination options taking into account economic factors.

Lessor

The Group acts as a sub-lessor only in short-term leases of vessels, which are classified as operating leases. The corresponding lease payments received are recognized as income in "Gross margin" over the lease term.

Lessee

As a lessee, the Group is mainly involved in leases of lands, warehouses, production lines, harvesting machinery, tractors, railcars, office spaces, vessels and cars.

At commencement date, the Group recognizes a right-of-use asset and a lease liability. In the consolidated balance sheet, the Group presents right-of-use assets in "Property, plant and equipment" and lease liabilities in "Long-term debt" for the non-current part and "Current portion of long-term debt" for the current one.

The **right-of-use asset** is initially measured at cost, which corresponds to the initial amount of the lease liability adjusted for (i) any lease payment made at or before commencement date, (ii) any initial direct costs incurred by the lessee, (iii) an estimate of any obligatory costs to be incurred in dismantling and/or restoring the underlying asset or its site as per the contractual terms of the lease and (iv) less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those used for the underlying asset (i.e. property, plant and equipment). In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability. The depreciation cost is recognized either through the "Cost of sales" or the "Commercial and administrative expenses" lines of the consolidated income statement, depending on the nature of the lease.

The **lease liability** is initially measured at the present value of future lease payments at the commencement date, discounted using the implicit interest rate in the lease or the lessee's incremental borrowing rate (when the previous one is not easily determined). Generally, the Group uses its incremental borrowing rate as the discount rate. By simplification, the incremental borrowing rate is calculated for each monetary zone using the risk-free rate applicable in the zone, plus the Group's risk premium for the local currency.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments depending on an index or rate;
- Residual value guarantees;
- Exercise price of a purchase option and penalties due to early termination option (if expected to be exercised).

The lease liability is subsequently measured at amortized cost using the effective interest method. Its carrying amount is increased to reflect interest on the liability, reduced to reflect lease payments and remeasured to reflect reassessment or lease modification. The "Interest expense on leases" is recognized through the "Other financial income and expense" line of the consolidated income statement. The lease payments are reported in the line "Repayment of lease liabilities" of the consolidated statement of cash flows.

Some contracts contain both lease and non-lease components. The Group elects not to separate non-lease components from lease components except for vessel chartering contracts, for which the running costs are excluded from the lease in order to determine a bareboat equivalent lease component.

Low Value Assets and Short-Term Leases

The Group does not recognize right-of-use assets and lease liabilities for short-term leases (lease term of 12 months or less) and leases of individually low-value assets. The lease payments associated with these leases are recorded as an expense on a straight-line basis over the lease term through the "Cost of sales" or the "Commercial and administrative expenses" lines of the consolidated income statement depending on the nature of the lease.

Notes Continued

Right-of-use assets are included within property, plant and equipment. Changes in the net value of right-of-use assets for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	2023 Land	Buildings and offices	Machinery and equipment	Vessels	Other tangible assets	Total	2022 Total
Balance as of January 1	**124**	**130**	**93**	**210**	**2**	**559**	**599**
New leases and additions	35	42	80	264	3	**424**	286
Early terminations, disposals and decreases	(9)	(5)	—	(5)	—	**(19)**	(71)
Acquisitions through business combinations	—	—	—	—	—	**—**	18
Depreciation and impairment	(12)	(33)	(36)	(194)	(2)	**(277)**	(264)
Foreign currency translation adjustment	(1)	—	(1)	—	—	**(2)**	(9)
Closing balance	**137**	**134**	**136**	**275**	**3**	**685**	**559**

New Leases and Additions

In 2023, new leases and additions include US$37 million right-of-use of an oilseeds crushing plant in Zhangjiagang, Jiangsu, China, US$21 million right-of-use of railroad cars, US$34 million right-of-use linked to agricultural partnerships in Brazil, US$18 million right-of-use of Cotton warehouses in the US and US$264 million right-of-use of vessels, including new long-term time charter contracts and remeasurement of some contracts resulting from a change in index.

In 2022, new leases and additions include US$26 million right-of-use of railroad cars, US$10 million right-of-use of juice extractors and US$192 million right-of-use of vessels, including new long-term time charter contracts and remeasurement of some contracts resulting from a change in index.

Early Terminations, Disposals and Decreases

In 2023, early terminations, disposals and decreases of vessels are mainly related to the remeasurement of contracts resulting from a change in index. The remaining decrease is mainly due to early terminations of agricultural partnerships in Brazil.

Acquisitions Through Business Combinations

In 2022, the Group acquired US$18 million right-of-use related to port area in Melbourne, Australia, through the acquisition of Emerald Grain (refer to note 1.4).

Lease liabilities are included within long-term debt and current portion of long-term debt.

Changes in lease liabilities for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	2023 Non-current portion	2023 Current portion	2023 Total	2022 Non-current portion	2022 Current portion	2022 Total
Balance as of January 1	**318**	**190**	**508**	**335**	**193**	**528**
New leases and additions	245	179	**424**	129	157	**286**
Payments	—	(261)	**(261)**	—	(252)	**(252)**
Early terminations, disposals and decreases	(8)	(11)	**(19)**	(27)	(44)	**(71)**
Acquisitions through business combinations	—	—	**—**	17	1	**18**
Reclassification	(119)	119	**—**	(132)	132	**—**
Foreign exchange	2	1	**3**	—	2	**2**
Foreign currency translation adjustment	—	—	**—**	(4)	1	**(3)**
Others	—	2	**2**	—	—	**—**
Closing balance	**438**	**219**	**657**	**318**	**190**	**508**

The amounts recognized in the consolidated income statement for the years ended December 31, 2023 and December 31, 2022 are as follows:

(in millions of US$)	**2023**	2022
Variable lease expenses	(5)	(9)
Short-term lease expenses	(464)	(794)
Low-value asset lease expenses	—	—
Income from sub-leasing	203	324

The decrease in short-term lease expenses and income from sub-leasing are related to freight activity in a context of decreasing prices.

For the year ended December 31, 2023, the total cash outflow for leases amounts to US$(730) million (US$(1,055) million as of December 31, 2022).

The Group is committed to lease oilseeds refinery and bottle oil lines inside the crushing plant in Zhangjiagang, Jiangsu, China, for 10 years that was commissioned in the second half of 2023. The delivery of those lines is expected in the first half of 2024, and the estimated annual consideration is CNY18 million.

7.2 Commitments and Contingencies

Commitments

Commodity contracts presented in commitments are purchase or sale contracts entered into and which continue to be held for the purpose of the receipt or delivery of the non-financial item in accordance with the entity's expected purchase, sale or usage requirements (including amount and timing of payments). Purchase contractual agreements are contracts to purchase goods or services, including orange boxes and fuel. Sale contractual agreements are contracts to sell goods, including hulls and glycerin, frozen concentrate or not-from-concentrate juice, juice by-products and apple juice.

Advance market commitments comprise bid and performance bonds in a tender. A bid bond ensures that on acceptance of a bid by the customer, the contractor will proceed with the contract and will replace the bid bond with a performance bond. A performance bond is issued to one party of a contract as a guarantee against the failure of the other party to meet obligations specified in the contract.

A letter of credit is a commitment issued by a bank on behalf of the Group to guarantee a payment that must be made to a third party as the result of an import/export transaction.

Capex commitment is the amount the Group has committed to spend on fixed assets in the future.

Guarantees and collaterals received aim at insuring advances to suppliers and trade receivables of the Group..

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Notes Continued

As of December 31, 2023 and December 31, 2022, the Group has commitments to purchase or sell non-trading commodities that consist of the following:

(in millions of US$)	Quantities' unit	2023 Quantities	2023 **Estimated amount**	2023 Maturity	2022 Quantities	2022 Estimated amount
Commitments to purchase						
Orange boxes[1]	Million boxes	31	**159**	2029	40	198
Fuel	MMBtus[2]	3	**11**	2024	1	5
Glycerin	Ktons	2	**1**	2024	—	—
			171			**203**
Commitments to sell						
Glycerin	Ktons	27	**20**	2025	22	45
Frozen concentrate orange juice	Ktons	110	**451**	2026	108	227
Not-from-concentrate citrus juice	KCmeters[3]	293	**167**	2025	357	150
Juice by-products	Ktons	21	**38**	2025	19	32
Apple juice	Ktons	22	**37**	2025	20	35
Others	Ktons	23	**9**	2025	31	7
			722			**496**

1. Of which US$15million may fall in the following year.
2. Million British thermal units.
3. Thousand cubic meters

In addition, the Group has the following commitments:

(in millions of US$)	2023 **Estimated amount**	2022 Estimated amount
Commitments given		
Letters of credit	48	78
Bid and performance bonds	140	160
Capex commitments	288	147
Guarantees given	290	265
Other commitments	24	31
	790	**681**
Commitments received		
Guarantees and collaterals received	301	395
	301	**395**

As of December 31, 2023, capex commitments are mainly related to investments in export terminals, in the expansion of the canola processing plant and the construction of a pea protein isolate production plant, both in Yorkton, Saskatchewan, Canada and in the construction of a soybean processing plant in Upper Sandusky, Ohio, US, which are under construction.

Contingencies

Audits from local tax authorities are carried out regularly and may dispute positions taken by the Group, in particular those regarding the allocation of income among various tax jurisdictions, value added taxes or export taxes. In accordance with its accounting policies, the Group may decide to record provisions when tax-related risks are considered probable to generate a payment to tax authorities.

During past years, *LDC Argentina S.A.* received several tax assessments challenging transfer prices used to price exports for different years between 2005 and 2012. As of December 31, 2023, these tax assessments amounted to US$6 million, decreasing by US$20 million compared to December 31, 2022, due to the Argentine peso depreciation. *LDC Argentina S.A.* could receive additional tax notifications for subsequent years.

In addition, *LDC Argentina S.A.* has received several tax assessments challenging certain custom duties related to Paraguayan soybean imports totaling US$81 million for the years from 2007 to 2009. Other large exporters and processors of cereal grains and other agricultural commodities have received similar tax assessments in this country.

As of December 31, 2023, *LDC Argentina S.A.* has reviewed the evaluation of all its tax positions. Based on Argentine tax law as well as advice from its legal counsel, *LDC Argentina S.A.* still considers that its tax positions are suitable but cannot predict the ultimate outcome of these ongoing or future examinations.

Louis Dreyfus Company LLC (LDC LLC) and certain of its affiliates (including LDC) were named as defendants in a consolidated action in US federal court in New York, alleging manipulation and artificial inflation of the ICE Cotton No. 2 futures contracts for May 2011 and July 2011 in violation of the US Commodity Exchange Act and antitrust laws (the Class Action"). The defendants filed an answer denying the claims in the Class Action. The court denied defendants' motions for summary judgment on the claims in the Class Action, as well as the major part of defendants' motions to exclude the testimony of certain of the plaintiffs' experts. The court granted the plaintiffs' motion for class certification in the Class Action. Subsequently, two class members who opted out of the Class Action filed a separate action against the same defendants and asserted individual claims substantially similar to those in the Class Action. The defendants filed an answer denying the claims in this separate action. No trial date has been scheduled in the actions. These matters are in pre-trial proceedings and the company cannot predict their ultimate outcome.

LDC LLC and one of its subsidiaries were named as defendants in lawsuits pending in various US state and federal courts arising out of *Syngenta A.G.* and its affiliates' (Syngenta) marketing and distribution of genetically modified corn seed (containing the MIR 162 trait) in the US. The LDC companies and other grain companies were named as defendants in numerous individual and purported class action suits filed by farmers and other parties in several US state and federal courts beginning in the fourth quarter of 2015, alleging that the LDC companies and other grain companies were negligent in failing, among other things, to screen for genetically modified corn. Those actions (other than the action filed in federal and state courts in Illinois) were consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in federal court. In 2016 and 2017, the MDL court and the federal and state courts in Illinois granted motions to dismiss the claims against the LDC companies and the other grain companies in all cases where LDC companies were named as defendants. Although named as a defendant in the above-described cases, LDC was only required to respond to the complaint in one of the cases and was dismissed on the same grounds as LDC LLC.

In December 2018, approximately 170 new cases were filed in Illinois state court by farmers and other parties naming LDC LLC, one of its subsidiaries and LDC, as defendants and making similar allegations as in the cases described above. In January 2020, these cases against the LDC defendants were dismissed by the court. Plaintiffs in the Illinois state court cases appealed the dismissal of those cases to the Illinois appellate court, which affirmed the dismissal of the cases in June 2023. Plaintiffs failed to file for further review and the dismissal of the cases is final.

There are various claims and ongoing regulatory investigations asserted against and by the Group that, in the opinion of counsel, based on a review of the present stages of such claims in the aggregate, should not have a material effect on the Group's financial position or future operating results.

As of February 2022, the Russia-Ukraine crisis resulted in impossibility to export from Ukraine for several months. As a consequence, the Group incurred significant additional costs and damages. In the face of its insurers refusal to admit cover under the relevant policies, the Group decided, in November 2023, to pursue its claim before the *Tribunal de Commerce of Paris*. Whilst the Group believes the claim is well founded, the outcome of this claim cannot be predicted at this stage.

Notes Continued

7.3 Related Parties Transactions

Transactions with related parties for the years ended December 31, 2023 and December 31, 2022 are reflected as follows:

Income statement (in millions of US$)	**2023**	2022
Sales	117	117
Cost of goods sold	(1,043)	(918)
Commercial and administrative expenses	(1)	—
Finance costs, net	(2)	(4)

As of December 31, 2023 and December 31, 2022, outstanding balances with related parties are as follows:

Balance sheet (in millions of US$)	**2023**	2022
Financial advances to related parties	9	4
Trade and other receivables	23	13
Margin deposits	9	—
Derivatives assets	16	14
Total assets	**57**	**31**
Other non-current liabilities	2	—
Financial advances from related parties	45	77
Trade and other payables	48	33
Derivatives liabilities	27	3
Total liabilities	**122**	**113**

As of December 31, 2023, "Financial advances from related parties" comprises shareholder loans for US$33 million (US$71 million as of December 31, 2022).

Key management personnel compensation during the years ended December 31, 2023 and December 31, 2022 was as follows:

(in millions of US$)	**2023**	2022
Short-term benefits	58	44
Post-employment benefits	2	1
Other long-term benefits	50	38
Key management personnel compensation	**110**	**83**

7.4 Subsequent Events

There is no subsequent event that could affect the Financial Statements.

7.5 List of Main Subsidiaries

As of December 31, 2023 and December 31, 2022, the main consolidated subsidiaries of LDC are the following:

		2023		2022	
Company	Country	% of control	% of ownership	% of control	% of ownership
LDC Argentina S.A.	Argentina	100.00	100.00	100.00	100.00
Louis Dreyfus Company Emerald Australia Pty Ltd[1]	Australia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Funding Australia Pty Ltd	Australia	100.00	100.00	—	—
Louis Dreyfus Company Grains Australia Pty Ltd[1]	Australia	100.00	100.00	100.00	100.00
LDC Enterprises Australia Pty. Ltd.	Australia	100.00	100.00	100.00	100.00
Namoi Cotton Marketing Alliance	Australia	85.00	85.00	85.00	85.00
Ilomar Holding N.V.	Belgium	100.00	100.00	100.00	100.00
Louis Dreyfus Company Brasil S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sucos S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Canada ULC	Canada	100.00	100.00	100.00	100.00
Dongguan LDC Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
Guangzhou Fuling Food Technology Co., Ltd	China	51.00	51.00	51.00	51.00
LDC (China) Trading Company Ltd.	China	100.00	100.00	100.00	100.00
LDC (Tianjin) Food Technology Limited Liability Company	China	100.00	100.00	100.00	100.00
LDC (Tianjin) International Business Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Shanghai) Co. Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Zhangjiagang) Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus Company Distribution France S.A.S.	France	100.00	100.00	100.00	100.00
Louis Dreyfus Company Wittenberg GmbH	Germany	100.00	100.00	100.00	100.00
Louis Dreyfus Company India Pvt. Ltd.	India	100.00	100.00	100.00	100.00
PT LDC East Indonesia	Indonesia	100.00	100.00	100.00	100.00
PT LDC Indonesia	Indonesia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Mexico S.A. de C.V.	Mexico	100.00	100.00	100.00	100.00
Louis Dreyfus Company Finance B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Juices B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sugar B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ventures B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Polska SP. z.o.o.	Poland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Senegal	Senegal	100.00	100.00	100.00	100.00
Louis Dreyfus Company Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Freight Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Funding SSEA Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Africa Pty. Ltd.	South Africa	100.00	100.00	100.00	100.00
Louis Dreyfus Company España S.A.	Spain	100.00	100.00	100.00	100.00
Louis Dreyfus Company Suisse S.A.	Switzerland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ukraine Ltd.	Ukraine	100.00	100.00	100.00	100.00
LDC Trading & Service Co. S.A.	Uruguay	100.00	100.00	100.00	100.00
LDC Uruguay S.A.	Uruguay	100.00	100.00	100.00	100.00
Louis Dreyfus Company Agricultural Industries LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Claypool Holdings LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Cotton LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ethanol Merchandising LLC[2]	US	—	—	100.00	100.00
Louis Dreyfus Company Grains Merchandising LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grand Junction LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company NA Finance One LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Port Allen Elevator LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company River Elevators LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Trading LP	US	100.00	100.00	100.00	100.00
Term Commodities Inc.	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Vietnam Trading and Processing Co. Ltd.	Vietnam	100.00	100.00	100.00	100.00

1. *Emerald Grain Australia Pty* and *Emerald Grain Pty Ltd* were respectively renamed *Louis Dreyfus Company Grains Australia Pty Ltd* and *Louis Dreyfus Company Emerald Australia Pty Ltd* in 2023.
2. *Louis Dreyfus Company Ethanol Merchandising LLC.* was merged into *Louis Dreyfus Company Grand Junction LLC.* in 2023.

Independent Auditor’s Report

To the Managing Directors of *Louis Dreyfus Company B.V*.

Opinion

We have audited the accompanying consolidated financial statements of *Louis Dreyfus Company B.V.* and its subsidiaries (the “Group”), which comprise the consolidated balance sheet as of December 31, 2022, and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including the significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as of December 31, 2022, and of its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Applicable Law

This report is governed by, and construed in accordance with, French law. The Courts of France shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this report. Each party irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an inconvenient forum or to claim that those Courts do not have jurisdiction.

Paris-La Défense, France, March 21, 2023

Deloitte & Associés
François BUZY

Consolidated Income Statement

Year ended December 31

(in millions of US$)	Notes	2022	2021
Net sales	2.2	59,931	49,569
Cost of sales		(57,334)	(47,734)
Gross margin		**2,597**	**1,835**
Commercial and administrative expenses		(947)	(742)
Interest income	2.3	29	59
Interest expense	2.3	(306)	(252)
Other financial income and expense	2.3	(11)	(37)
Share of profit (loss) in investments in associates and joint ventures	3.3	14	(1)
Gain (loss) on investments and sale of fixed assets	2.4	6	2
Other gains and losses	5.4	(156)	—
Income before tax		**1,226**	**864**
Income taxes	2.5	(219)	(167)
Net income		**1,007**	**697**
Attributable to:			
Owners of the company		**1,006**	**697**
Non-controlling interests		1	—

Consolidated Statement of Comprehensive Income

Year ended December 31

(in millions of US$)	**2022**	2021
Net income	**1,007**	**697**
Items reclassified from equity to net income during the year		
Cash flow and net investment hedges - change in fair value, gross	5	33
Related tax impact	3	(10)
Exchange differences recycled upon sale/liquidation of investments	6	—
Investments in associates and joint ventures - share of other comprehensive income	(1)	1
Total	**13**	**24**
Items that may be reclassified subsequently from equity to net income		
Cash flow and net investment hedges - change in fair value, gross	115	(20)
Related tax impact	(30)	11
Exchange differences arising on translation of foreign operations	(60)	(12)
Investments in associates and joint ventures - share of other comprehensive income	(2)	(2)
Total	**23**	**(23)**
Items that will not be reclassified subsequently from equity to net income		
Pensions, gross	18	24
Related tax impact	(3)	(6)
Total	**15**	**18**
Changes in other comprehensive income (OCI)	**51**	**19**
Total comprehensive income	**1,058**	**716**
Attributable to:		
Owners of the company	**1,061**	**715**
Non-controlling interests	(3)	1

Consolidated Balance Sheet

As of December 31

(in millions of US$)	**Notes**	**2022**	2021
Non-current assets			
Intangible assets	3.1	268	290
Property, plant and equipment	3.2	3,695	3,699
Investments in associates and joint ventures	3.3	230	227
Non-current financial assets	5.4	164	299
Deferred income tax assets	2.5	163	129
Other non-current assets	3.4	284	235
Total non-current assets		**4,804**	**4,879**
Current assets			
Inventories	3.7	6,066	7,563
Biological assets	3.8	65	58
Trade and other receivables	3.9	6,426	5,794
Derivative assets	4.8	1,619	2,443
Margin deposits	4	1,007	1,524
Current tax assets		68	47
Financial advances to related parties	7.3	4	5
Other financial assets at fair value through profit and loss	5.5	356	301
Cash and cash equivalents	5.6	1,184	696
Total current assets		**16,795**	**18,431**
Assets classified as held for sale	1.5	14	316
Total assets		**21,613**	**23,626**

Consolidated Balance Sheet Continued

As of December 31

(in millions of US$)	Notes	2022	2021
Equity			
Issued capital and share premium		1,587	1,587
Retained earnings		4,641	3,940
Other reserves		(132)	(144)
Equity attributable to owners of the company		***6,096***	***5,383***
Equity attributable to non-controlling interests		*43*	*44*
Total stockholders' equity and non-controlling interests	5.1	**6,139**	**5,427**
Non-current liabilities			
Long-term debt	5.2	4,107	4,036
Retirement benefit obligations	6.1	68	87
Provisions	3.6	77	74
Deferred income tax liabilities	2.5	155	151
Other non-current liabilities	3.5	111	136
Total non-current liabilities		**4,518**	**4,484**
Current liabilities			
Short-term debt	5.3	2,145	3,922
Current portion of long-term debt	5.2	716	766
Financial advances from related parties	7.3	77	209
Trade and other payables	3.10	6,381	5,965
Derivative liabilities	4.8	1,450	2,640
Provisions	3.6	43	27
Current tax liabilities		144	99
Total current liabilities		**10,956**	**13,628**
Liabilities associated with assets classified as held for sale	1.5	—	87
Total liabilities		**15,474**	**18,199**
Total equity and liabilities		**21,613**	**23,626**

Consolidated Statement of Cash Flows

Year ended December 31

(in millions of US$)	Notes	2022	2021
Net income		1,007	697
Adjustments for items not affecting cash			
Depreciation and amortization		660	536
Biological assets' change in fair value	3.8	1	(8)
Income taxes	2.5	219	167
Net finance costs		297	250
Other provisions, net		161	52
Share of (profit) loss in investments in associates and joint ventures, net of dividends	3.3	(14)	9
(Gain) loss on investments and sale of fixed assets	2.4	(6)	(2)
Net expense arising from share-based payments	6.2	—	9
		2,325	**1,710**
Changes in operating assets and liabilities			
Inventories and biological assets		1,429	(1,489)
Derivatives		(295)	(52)
Margin deposits net of margin deposit liabilities		530	472
Trade and other receivables		(715)	(1,645)
Trade and other payables		463	1,338
Interests paid		(426)	(312)
Interests received		40	120
Income tax received (paid)		(212)	(66)
Net cash from (used in) operating activities		**3,139**	**76**
Investing activities			
Purchase of fixed assets		(427)	(339)
Additional investments, net of cash acquired		(122)	(33)
Change in short-term securities		56	(5)
Proceeds from sale of fixed assets		80	12
Proceeds from sale of investments, net		278	36
Change in loans and advances made		(9)	6
Net cash from (used in) investing activities		**(144)**	**(323)**
Financing activities			
Net proceeds from (repayment of) short-term debt and related parties loans and advances	5.3	(1,971)	(909)
Proceeds from long-term financing	5.2	731	1,215
Repayment of long-term financing	5.2	(605)	(362)
Repayment of lease liabilities	7.1	(252)	(145)
Transactions with non-controlling interests	3.5	(33)	—
Dividends paid to equity owners of the company	5.1	(348)	(191)
Increase in capital financed by non-controlling interests		—	30
Net cash from (used in) financing activities		**(2,478)**	**(362)**
Exchange difference on cash		(29)	7
Net increase (decrease) in cash and cash equivalents		**488**	**(602)**
Cash and cash equivalents, at beginning of the year	5.6	696	1,296
Change in cash and cash equivalents reclassified to held for sale assets	1.5	—	2
Cash and cash equivalents, at year-end	5.6	**1,184**	**696**

Consolidated Statement of Changes in Equity

Year ended December 31

(in millions of US$)	**Notes**	Issued capital and share premium	Retained earnings	Other reserves	**Equity attributable to owners of the company**	Equity attributable to non-controlling interests	**Total equity**
Balance as of December 31, 2020		**1,587**	**3,409**	**(138)**	**4,858**	**12**	**4,870**
Net income			697		**697**	—	**697**
Other comprehensive income, net of tax				18	**18**	1	**19**
Total comprehensive income	5.1		**697**	**18**	**715**	**1**	**716**
Dividends	5.1		(191)		**(191)**	—	**(191)**
Deferred compensation plan, net of tax	5.1		24	(24)	**—**		**—**
Change in the list of consolidated companies			—	—	**—**	31	**31**
Others			1	—	**1**	—	**1**
Balance as of December 31, 2021		**1,587**	**3,940**	**(144)**	**5,383**	**44**	**5,427**
Net income			1,006		**1,006**	1	**1,007**
Other comprehensive income, net of tax				55	**55**	(4)	**51**
Total comprehensive income	5.1		**1,006**	**55**	**1,061**	**(3)**	**1,058**
Dividends	5.1		(348)		**(348)**	—	**(348)**
Change in the list of consolidated companies			44	(44)	**—**	2	**2**
Others			(1)	1	**—**	**—**	**—**
Balance as of December 31, 2022		**1,587**	**4,641**	**(132)**	**6,096**	**43**	**6,139**

Notes to the Consolidated Financial Statements

Louis Dreyfus Company B.V. ("LDC" or the "company") is a privately owned company incorporated in the Netherlands on December 28, 2004, registered at the *Chamber of Commerce* under registration number 24371219. The address of its registered office is Westblaak 92, 3012 KM Rotterdam, Netherlands. LDC is an indirect subsidiary of *Louis Dreyfus Holding B.V.* (LDH), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

As of December 31, 2011, LDC was a direct subsidiary of *Louis Dreyfus Company Holdings B.V.* (LDCH), a company incorporated in the Netherlands. Effective December 4, 2012, LDCH contributed all its shares and voting rights in LDC to the newly formed intermediate holding company *Louis Dreyfus Company Netherlands Holding B.V.* (LDCNH). On September 10, 2021, the sale of an indirect 45% equity stake in LDC to Abu Dhabi-based ADQ, one of the region's largest holding companies, was completed and triggered a legal reorganization. As of this date, LDC became a direct subsidiary of LDCH, which in turn is held by *Louis Dreyfus Company International Holding B.V.*, the new holding company indirectly owned at 45% by *Abu Dhabi Developmental Holding Company* and at 55% by LDH.

LDC and its subsidiaries (the "Group") is a global merchant and processor of agricultural goods, operating a significant network of assets around the world. The Group's activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since its inception in 1851, the Group's portfolio has grown and as of December 31, 2022, included Grains & Oilseeds, Coffee, Cotton, Juice, Rice, Sugar, Freight, Global Markets and Carbon Solutions.

In 2017, LDC completed the issuance of two unrated senior bonds: one in February for €400 million (5-year, 4% coupon) which was reimbursed in February 2022 and one in June for US$300 million (6-year, 5.25% coupon). In November 2020, LDC completed the issuance of a rated senior bond for €600 million (5-year, 2.375% coupon) completed in February 2021 by an additional €50 million through a reverse inquiry. In April 2021, LDC completed the issuance of a rated senior bond for €500 million (7-year, 1.625% coupon). These bonds are listed on the *Luxembourg Stock Exchange* (refer to Note 5.2).

1. Accounting Policies and Consolidation Scope

1.1 Accounting Policies

The consolidated financial statements of LDC are prepared in US Dollars, which is the functional currency of the main subsidiaries of the Group.

The consolidated financial statements of LDC as of and for the year ended December 31, 2022, (the "Financial Statements") were approved by the Board of Directors of LDC on March 21, 2023.

The Financial Statements were prepared in accordance with *International Financial Reporting Standards* (IFRS) adopted by the European Union as of December 31, 2022 and IFRS as issued by the *International Accounting Standards Board* (IASB). The Group has not adopted IAS 33 "Earnings per Share" since this standard is not mandatory for companies whose ordinary shares are not publicly traded.

Accounting policies used to prepare these Financial Statements are the same as those used to prepare the consolidated financial statements as of and for the year ended December 31, 2021, except for the adoption of new amendments, standards and interpretations as of January 1, 2022, as detailed below.

New and Amended Accounting Standards and Interpretations Effective in 2022

The following amendments applied starting from 2022 have had no effect on the balance sheet or performance of the Group:

- Annual improvements to IFRSs 2018-2020, including:
  - Amendments to IFRS 9 "Financial Instruments"
  - Amendments to IFRS 16 "Leases"
  - Amendments to IAS 41 "Agriculture".
- Narrow-scope amendments to IFRS 3, IAS 16 and IAS 37.

The Group did not adopt any standard, interpretation or amendment that was issued but is not yet effective.

New and Amended Accounting Standards and Interpretations Approved by the European Union Effective in Future Periods

- IFRS 17 "Insurance Contracts" and related amendments.
- Amendments to IAS 1 and IFRS Practice Statement 2 "Disclosure of Accounting Policies".
- Amendments to IAS 8 "Definition of Accounting Estimates".
- Amendment to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction".
- Amendments to IFRS 17 "Insurance Contracts: Initial Application of IFRS 17 and IFRS 9 - Comparative information".

The amendments above will come into effect as of January 1, 2023 and are not expected to have any impact on the Group's financial statements.

Accounting Standards and Interpretations Issued by the IASB but not yet Approved by the European Union

The following standards and interpretations issued by the IASB are not yet approved by the European Union. Their potential impact is currently under review by the Group.

- Amendments to IAS 1 "Presentation of Financial Statements: Classification of Liabilities as Current or Non-current". The amendments will come into effect as of January 1, 2023 with early application permitted.
- Amendments to IFRS 16 "Leases: Lease liability in a Sale and Leaseback". The amendments will come into effect as of January 1, 2024 with early application permitted.

1.2 Basis of Consolidation and Use of Estimates

Basis of Consolidation

In accordance with IFRS 10 "Consolidated Financial Statements", the Financial Statements include the financial statements of all entities that the Group controls directly or indirectly, regardless of the level of the Group's equity interest in the entity. An entity is controlled when the Group has power over the entity, exposure or rights to variable returns from its involvement with the entity, and the ability to affect those returns through its power over the entity. In determining whether control exists, potential voting rights must be taken into account if those rights are substantive - in other words they can be exercised on a timely basis when decisions about the relevant activities of the entity are to be taken. Commitments given by the Group to purchase non-controlling interests in Group-controlled companies are included in liabilities. Entities consolidated by the Group are referred to as "subsidiaries".

In accordance with IFRS 11 "Joint Arrangements", the Group classifies its joint arrangements (i.e. arrangements in which the Group exercises joint control with one or more other parties) either as a joint operation or a joint venture. The Group exercises joint control over a joint arrangement when decisions relating to the relevant activities of the arrangement require the unanimous consent of the Group and the other parties with whom control is shared. The Group exercises significant influence over an entity (referred to as "associates") when it has the power to participate in the financial and operating policy decisions of that entity but does not have the power to exercise control or joint control over those policies.

In accordance with IAS 28 "Investments in Associates and Joint Ventures", the equity method is used to account for joint ventures and associates. In the case of a joint operation, the Group recognizes the assets and liabilities of the operation in proportion to its rights and obligations relating to those assets and liabilities.

All consolidated subsidiaries and companies carried at equity prepared their accounts as of December 31, 2022 in accordance with the accounting policies and methods applied by the Group.

Intercompany transactions and balances are eliminated in consolidation.

A change in the ownership interest in a subsidiary, without loss of control, is accounted for as an equity transaction. In the event that the Group loses control over a subsidiary, the Group:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary;
- Derecognizes the carrying amount of any non-controlling interests;
- Recognizes the fair value of the consideration received;
- Recognizes the fair value of any investment retained;
- Recognizes any benefit or deficit in the income statement; and
- Reclassifies components previously recognized in other comprehensive income to the income statement or retained earnings, as appropriate.

Use of Estimates

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

The Group engages in price risk management activities, principally for trading purposes. Activities for trading purposes are accounted for using the mark-to-market method. In the absence of quoted prices, market prices used to value these transactions reflect management's best estimate considering various factors including the closing exchange and over-the-counter quotations, parity differentials, time value and price volatility underlying the commitments. Values reflect the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction at the measurement date under current market conditions.

Goodwill is tested annually for impairment in accordance with the valuation methodology described below. The recoverable amounts of cash-generating units have been determined based on value in use calculations, which require the use of estimates.

Cash-generating units are defined at the lowest level of independent cash flows generated by the corresponding assets measured. Applying this methodology, the Group identified nine main independent cash-generating units corresponding to its commodity platforms. The value in use calculations are based on pre-tax cash flow projections set on business plans prepared by the management and approved by the Board of Directors, covering a five-year period and potentially an extrapolation of the cash flows beyond the five-year plan to cover a full life cycle, and a terminal value using a perpetual growth rate. The recoverable amount is the sum of the discounted cash flows and the discounted terminal residual value. The discount rate used is based on the weighted average cost of capital of the Group before tax.

Biological assets (except bearer plants) are carried at fair value, estimated using discounted expected future cash flows, less costs to sell. This calculation includes estimates of productivity, quality, market price, labor costs, and changes in interest rates. Market prices are derived from prices available on quoted active markets for products related to the biological assets valued. Biological assets are grouped by location to better integrate significant attributes like maturity, quality, labor cost need and yield, in the determination of their fair value. Comparisons are made on an ongoing basis to adjust estimates from past harvests and changes in market prices. Projections are made in US Dollars with a finite projection period, based on the remaining useful life of each group of biological assets identified.

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the likely timing and level of future taxable profits together with future tax planning strategies.

The Group uses estimates to determine the fair value of certain items such as non-current financial assets at fair value through profit and loss.

Foreign Currencies

Financial statements of foreign operations are translated from the functional currency into US Dollars using exchange rates in effect at period end for assets and liabilities, and average exchange rates during the period for income, expenses and cash flows. However, for certain material transactions, a specific exchange rate is used when considered relevant. Related translation adjustments are reported as a separate component of equity. A proportionate share of translation adjustments relating to a foreign investment is recognized through the consolidated income statement when this investment is fully or partially sold.

When the functional currency of an entity is not the local currency, its local financial statements are first converted using historical exchange rates for non-monetary items such as non-trading inventories, properties and depreciation, and related translation adjustments are included in the current year's operations.

Exchange differences arising on monetary items that form an integral part of the net investment in foreign subsidiaries are recognized in other comprehensive income, under "Exchange differences arising on translation of foreign operations", for their net-of-tax amount.

Exchange differences on monetary items such as receivables and payables denominated in a foreign currency are recorded in the income for the year.

On a regular basis, the Group reviews the functional currencies used in measuring foreign operations to assess the impact of recent evolutions of its activities and the environment in which it operates.

Consolidated Financial Statements

Income and expenses are analyzed by function in the consolidated income statement. Cost of sales includes depreciation and employment costs relating to processing plants and warehouses. It also includes net unrealized gain or loss on open purchase contracts and inventories of the commodity and freight trading activities, as well as the change in fair value of biological assets. Commercial and administrative expenses include the cost of commercial and administrative employees and depreciation of office buildings and equipment.

Assets and liabilities are presented separately between current and non-current. For each asset and liability, this classification is based on the expected recoverability or settlement date, respectively before or after 12 months from the balance sheet date.
Cash flows from operating activities are reported using the indirect method: net income is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

1.3 Russia-Ukraine Crisis

The consequences of the Russia-Ukraine crisis for the Group are described in the Management Discussion & Analysis of this report. As mentioned, the Group is closely monitoring the complex evolving situation with a focus on people safety and business continuity while operating in compliance with international sanctions, laws and regulations.

As of December 31, 2022, the Financial Statements were prepared considering the ability of LDC's subsidiaries in Ukraine and Russia to continue as a going concern. Management considers that control over current and non-current assets located in Ukraine and in Russia is maintained with the exception of a limited number of railcars, which were impaired for their net book value. All property, plant and equipment held in Ukraine are in condition to run and Management has no intention to stop the business in the foreseeable future. Additionally, subsidiaries in Ukraine can access financing to meet their short-term financial obligations and, in Russia, the Group is fully financing the activities on its own. In both countries, the cash balances are not restricted.

In the year ended December 31, 2022, products originated by LDC's subsidiaries from these two countries represented 2% of Group net sales, compared to less than 4% the year before.

As of December 31, 2022, in relation to its operations in Ukraine, the Group held total assets of US$125 million and total liabilities of US$62 million, including US$(59) million impairment and provisions. Estimates and assumptions made by Management take into account the consequences of the crisis, notably logistics constraints and costs, and performance risks.

Trading inventories in Ukraine are valued in accordance with the accounting policies described in Note 3.7. The liquidity of inventories located in Ukraine has been assumed beyond three months.

In Russia, total assets and liabilities amounted to US$74 million and US$36 million respectively, as of December 31, 2022.

The impact of the crisis on the Taman project is described in Note 5.4. The Group may be impacted by future developments in the conflict and associated geo-political uncertainties.

1.4 Change in the List of Consolidated Companies

On November 27, 2022, the Group completed the sale of *Imperial Sugar Company* business to *U.S. Sugar,* one of the largest fully integrated sugarcane producers and refiners in the US. The selling price of this transaction, still subject to price adjustment, amounted to US$287 million. As of December 31, 2021, the business' assets and liabilities were classified as held for sale (refer to Note 1.5). The loss derived from the sale amounted to US$(47) million, of which US$(32) million and US$(11) million were impaired respectively in 2020 and 2021 in accordance with IFRS 5.

On October 31, 2022, the Group acquired 100% of *Emerald Grain Pty. Ltd.* (Emerald Grain) from *Longriver Farms Pty. Ltd.* for a purchase price of AUD159 million (US$102 million equivalent) subject to certain adjustments on completion date. Emerald Grain is a leading grain handling business in Australia, with an integrated grain storage system across seven upcountry storage and handling facilities in the states of Victoria and New South Wales, and an export terminal at the Port of Melbourne. In accordance with IFRS 3 (revised), the Group recognized a US$9 million goodwill. The preliminary purchase price allocation is as follows:

(in millions of US$)	Book value at date of acquisition under local GAAP	Fair value under IFRS
Property, plant and equipment	62	67
Deferred income tax assets	—	5
Non-Current Assets	**62**	**72**
Current Assets	**127**	**127**
Total Assets	**189**	**199**
Long-term debt	17	17
Deferred income tax liabilities	6	—
Other non-current liabilities	1	1
Non-Current Liabilities	**24**	**18**
Current Liabilities	**88**	**88**
Total Liabilities	**112**	**106**
Net Equity	**77**	**93**
Consideration transferred		102
Goodwill		**9**

On April 8, 2021, the Group completed its capital injection into a newly created entity *Guangzhou Fuling Food Technology Co., Ltd.,* for a total consideration of US$20 million representing 51% of shares. This entity will build and operate a food industrial park in the port of Nansha, Guangzhou, China. The governance rules established for *Guangzhou Fuling Food Technology Co. Ltd.* allow the Group to control, within the meaning of IFRS 10, the entity which is thus fully consolidated. Its equity is split between 51% attributable to owners of the company and 49% to non-controlling interests.

On June 11, 2021, the Group finalized the sale of *LDC (Shaanxi) Juices Co. Ltd.* to *Xi'an Chunguo Beverage Co.*, a private company based in Xi'an, Shaanxi, China. The selling price of this transaction amounted to CNY21 million (US$3 million equivalent). The transaction did not generate any material gain or loss on sale in 2021.

No other significant change in the list of consolidated companies occurred during the years ended December 31, 2022 and December 31, 2021.

1.5 Assets Classified as Held for Sale and Liabilities Associated With Held for Sale Assets and Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

A non-current asset or disposal group that is to be abandoned is not reclassified as held for sale because its carrying amount will be recovered principally through continuing use.

A component of the Group is classified as a "discontinued operation" when the criteria to be classified as held for sale have been met, or it has been abandoned and such a component represents a separate major line of business. Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as "Net income – discontinued operations" in the consolidated income statement for all periods presented. Net cash flows attributable to the operating, investing and financing activities of discontinued operations are also presented separately from other flows in the consolidated statement of cash flows.

During 2020, the Group entered into an exclusivity agreement to negotiate the sale of *Imperial Sugar Company* business ("the Imperial transaction"), including notably its sugarcane refinery in Port Wentworth, Georgia, US. As per IFRS 5 rules, the disposal group of assets was measured at the lower of its carrying amount and its fair value less costs to sell, which resulted in an initial US$32 million impairment. The residual net book value has been classified as held for sale. In 2021, an additional US$11 million impairment was recognized. The transaction closed on November 27, 2022 (refer to Note 1.4).

As of December 31, 2022, the investment in joint venture *Epko Oil Seed Crushing Pty. Ltd.* (sunflower seed and maize germ crushing plant in South Africa) has been classified as held for sale (50% ownership).

Assets classified as held for sale are summarized as follows:

(in millions of US$)	**2022**	2021
Imperial	—	308
Epko	7	—
Others	7	8
Total assets classified as held for sale	**14**	**316**

The condensed assets and liabilities with third parties of Imperial transaction net assets as of December 31, 2021 were as follows:

(in millions of US$)	2021
Property, plant and equipment	148
Other non-current assets	9
Non-current assets	**157**
Inventories	102
Other current assets	49
Current assets	**151**
Total assets classified as held for sale	**308**
Retirement benefit obligations	(24)
Other non-current liabilities	(2)
Non-current liabilities	**(26)**
Other current liabilities	(61)
Current liabilities	**(61)**
Total liabilities associated with held for sale assets	**(87)**

During the year ended December 31, 2021, the change in cash and cash equivalents held for sale is as follows:

	2021	
(in millions of US$)	Imperial	**Total**
Cash and cash equivalents held for sale, at beginning of the year	**2**	**2**
Change in cash and cash equivalents held for sale	(2)	**(2)**
Cash and cash equivalents held for sale, at year-end	**—**	**—**

There was no cash sold as part of Imperial transaction sale.

2. Segment Information and Income Statement

2.1 Segment Information

The Group operates its global business under two segments: Value Chain and Merchandizing.

Each reportable segment is responsible for the farming, origination, processing, refining, storage, transport and distribution of its products (where applicable).

The Value Chain Segment includes the Grains & Oilseeds and Juice platforms, along with Freight, Global Markets and Carbon Solutions, the latter three of which are key facilitators of all Group businesses. The Merchandizing Segment comprises the Coffee, Cotton, Rice and Sugar platforms.

The Group assesses the financial performance of its segments with reference to Segment Operating Results, which correspond to net sales, less cost of sales (gross margin in the consolidated income statement) plus share of profit (loss) in investments in associates and joint ventures.

Inter-segment transactions, where applicable, are not material and generally performed at arm's length.

Segment information on the income statement and capital expenditure for the years ended December 31, 2022 and December 31, 2021 is as follows:

		2022	
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**41,573**	**18,358**	**59,931**
Depreciation included in gross margin	(544)	(36)	**(580)**
Share of profit (loss) in investments in associates and joint ventures	12	2	**14**
Segment operating results	**1,817**	**794**	**2,611**
Commercial and administrative expenses			**(947)**
Net finance costs			**(288)**
Others			**(150)**
Income taxes			**(219)**
Non-controlling interests			**(1)**
Net income attributable to owners of the company			**1,006**
Capital expenditure	**473**	**76**	**549**

		2021	
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**36,073**	**13,496**	**49,569**
Depreciation included in gross margin	(381)	(74)	**(455)**
Share of profit (loss) in investments in associates and joint ventures	(1)	—	**(1)**
Segment operating results	**1,191**	**643**	**1,834**
Commercial and administrative expenses			**(742)**
Net finance costs			**(230)**
Others			**2**
Income taxes			**(167)**
Net income attributable to owners of the company			**697**
Capital expenditure	**310**	**62**	**372**

Capital expenditure corresponds to the sum of the "Purchase of fixed assets" and "Additional investments, net of cash acquired" lines of the consolidated statement of cash flows.

Balance sheet segment information as of December 31, 2022 and December 31, 2021 is as follows:

	2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,592	371	**3,963**
Investments in associates and joint ventures	196	34	**230**
Inventories	3,453	2,613	**6,066**
Biological assets	65	—	**65**
Trade and other receivables	4,106	2,320	**6,426**
Derivative assets	972	647	**1,619**
Margin deposits	777	230	**1,007**
Marketable securities held for trading	297	—	**297**
Reverse repurchase agreement loan	40	—	**40**
Assets classified as held for sale	8	6	**14**
Segment assets	**13,506**	**6,221**	**19,727**
Trade and other payables	(4,439)	(1,590)	**(6,029)**
Derivative liabilities	(1,110)	(340)	**(1,450)**
Repurchase agreements	(234)	—	**(234)**
Securities short positions	(7)	—	**(7)**
Segment liabilities	**(5,790)**	**(1,930)**	**(7,720)**
Other assets			**1,886**
Other liabilities			**(7,754)**
Total net assets	**7,716**	**4,291**	**6,139**

	2021		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,660	329	**3,989**
Investments in associates and joint ventures	189	38	**227**
Inventories	3,089	4,474	**7,563**
Biological assets	58	—	**58**
Trade and other receivables	3,893	1,901	**5,794**
Derivative assets	1,394	1,049	**2,443**
Margin deposits	909	615	**1,524**
Marketable securities held for trading	215	—	**215**
Assets classified as held for sale	—	316	**316**
Segment assets	**13,407**	**8,722**	**22,129**
Trade and other payables	(4,232)	(1,548)	**(5,780)**
Derivative liabilities	(1,597)	(1,043)	**(2,640)**
Repurchase agreements	(167)	—	**(167)**
Liabilities associated with assets classified as held for sale	—	(87)	**(87)**
Segment liabilities	**(5,996)**	**(2,678)**	**(8,674)**
Other assets			**1,497**
Other liabilities			**(9,525)**
Total net assets	**7,411**	**6,044**	**5,427**

Marketable securities held for trading and reverse repurchase agreement loan are included in the line "Other financial assets at fair value through profit and loss" of the consolidated balance sheet (refer to Note 5.5). Repurchase agreements and securities short positions are included in the line "Short-term debt" (refer to Note 5.3).

As of December 31, 2022, US$352 million of trade and other payables were not segmented (US$185 million as of December 31, 2021).

Net sales by geographical area, based on the country of incorporation of the counterparty, were broken down as follows for the years ended December 31, 2022 and December 31, 2021:

(in millions of US$)	**2022**	2021
North Asia	12,928	10,809
South & Southeast Asia	14,294	11,445
North Latin America	2,034	1,645
South & West Latin America	4,417	3,379
North America	9,074	7,314
Europe, Middle East & Africa	17,184	14,977
Of which Europe & Black Sea	*10,658*	*8,854*
Of which Middle East & Africa	*6,526*	*6,123*
Net sales	**59,931**	**49,569**

Net sales to the Netherlands are not material.

The Group's fixed assets were located in the following geographic regions as of December 31, 2022 and December 31, 2021:

(in millions of US$)	**2022**	2021
North Asia	237	225
South & Southeast Asia	442	281
North Latin America	1,160	1,173
South & West Latin America	604	601
North America	986	1,018
Europe, Middle East & Africa	534	691
Fixed assets	**3,963**	**3,989**

Fixed assets in the Netherlands are not material.

2.2 Net Sales

Revenue is derived principally from the sale of commodities and consumable products, and commodity-related services such as freight, storage and other services rendered. Revenue is recognized when the performance obligations have been satisfied, which is once the control of goods and/or services has been transferred from the Group to the buyer.

Revenue related to the sale of commodities is recognized when the product is delivered to the destination specified by the customer, which is typically, depending on the incoterm, the vessel on which it is shipped, the destination port or identified premises and the buyer has gained control, being the ability to direct the use of and obtain substantially all of the remaining benefits from the assets.

Revenue is measured based on consideration specified in the contract with a customer and excludes amounts collected on behalf of third parties.

In certain cases, the commodity sales price is determined on a provisional basis at the date of the sale, generally corresponding to the date of the bill of lading, as the final selling price is subject to movements in market prices up to the date of final pricing. Revenue on provisional sales price is recognized based on the estimated fair value of the total consideration receivable (by reference to forward market prices). The revenue adjustment mechanism embedded within provisionally priced sales arrangements has the character of a commodity derivative. Accordingly, the fair value of the final sales price adjustment is re-estimated continuously and changes in fair value are recognized as an adjustment to revenue.

"Net sales" include also the mark-to-market on physical forward sales contracts that do not meet the own use exemption.

When the Group enters into logistic arrangements with a third party in order to meet its logistic needs, the related sales and purchases are both presented in "Cost of sales". Similarly, arrangements with other trading companies, most commonly known in the commodity market as "paper transactions", are presented in "Cost of sales". When the Group agrees to offset a purchase and a sale contracts with a counterparty before delivery, also known as "wash out", the transactions are presented in "Cost of sales".

Revenue derived from time charters freight contracts is recognized over time as the barge or ocean-going vessel moves towards its destination. Storage and other commodity-related services are recognized over time as the service is rendered.

If the Group acts in the capacity as an agent rather than as the principal in a transaction, the margin only is recognized within "Net sales".

Net sales for the years ended December 31, 2022 and December 31, 2021 consist of the following:

	2022			2021		
(in millions of US$)	Value Chain	Merchandizing	**Total**	Value Chain	Merchandizing	**Total**
Sale of commodities and consumable products	39,647	18,218	**57,865**	34,349	13,415	**47,764**
Freight, storage and other services	1,664	123	**1,787**	1,522	75	**1,597**
Others	262	17	**279**	202	6	**208**
	41,573	**18,358**	**59,931**	**36,073**	**13,496**	**49,569**

2.3 Net Finance Costs

Net finance costs for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Interest income	29	59
Interest expense	(306)	(252)
Other financial income and expense	(11)	(37)
Net finance costs on leases	*(26)*	*(16)*
Foreign exchange	*195*	*146*
Net gain (loss) on derivatives	*(211)*	*(161)*
Other (mainly related to commercial transactions)	*31*	*(6)*
	(288)	**(230)**

Net finance costs on leases include interest expense on leases for US$(24) million and foreign exchange on leases mainly related to lease contracts denominated in Brazilian Real for US$(2) million for the year ended December 31, 2022 (respectively US$(19) million and US$3 million for the year ended December 31, 2021).

The "Foreign exchange" and "Net gain (loss) on derivatives" lines need to be read jointly. For the years ended December 31, 2022, and December 31, 2021, foreign exchange is mainly attributable to Euro and Japanese Yen depreciation, impacting Euro-denominated bonds and Japanese Yen-denominated debt. These impacts are offset in the "Net gain (loss) on derivatives" line due to the forex hedges and cross-currency swaps in place (refer to Note 4.8).

2.4 Gain (Loss) on Investments and Sale of Fixed Assets

Gain (loss) on investments and sale of fixed assets for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Gain (loss) on sale of consolidated companies	(9)	—
Gain (loss) on sale of investments in associates and joint ventures	—	1
Gain (loss) on other financial assets at fair value through profit and loss	(8)	1
Gain (loss) on sale of fixed assets	23	—
	6	**2**

Gain (Loss) on Sale of Consolidated Companies

In 2022, the Group recognized a US$(4) million loss related to the completion of the sale of *Imperial Sugar Company* business (refer to Note 1.4).

Gain (Loss) on Other Financial Assets at Fair Value Through Profit and Loss

In 2022, the Group recognized a US$(1) million fair value loss on the investments held by *Louis Dreyfus Company Ventures B.V.*. The remaining losses were mainly recognized on listed investments due to decrease in share price.
In 2021, the Group recognized a US$8 million fair value gain on the investments held by *Louis Dreyfus Company Ventures B.V.* partially offset by losses in other investments.

Gain (Loss) on Sale of Fixed Assets

In 2022, the Group sold its ethanol plant in Norfolk, Nebraska, US and certain related assets and liabilities for US$73 million, which led to a US$22 million gain on sale (refer to Note 3.2).

2.5 Income Taxes

Income taxes consist of current and deferred income taxes. Current taxes represent income taxes expected to be payable based on enacted or substantively enacted tax rates at the period end applied to the expected current year taxable income, and any adjustment to income taxes payable in respect of previous years.
Current tax assets and current tax liabilities are offset when there is a legally enforceable right to offset the amounts and when the entity intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. Generally, the entity will have a legally enforceable right to offset the amounts when they relate to income taxes levied by the same taxation authority which permits the entity to make or receive a single net payment.

Deferred taxes are recognized for temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable income using the most recent established tax rates or substantively enacted income tax rates which are expected to be effective at the time of the reversal of the underlying temporary difference.
The Group recognizes future tax benefits to the extent that the realization of such benefits is probable. The carrying amount of deferred tax assets is reviewed at each balance sheet date.
Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and current tax liabilities.

Income taxes are recognized as an expense or income in the consolidated income statement, except when they relate to items that are recognized outside the consolidated income statement (whether in other comprehensive income or directly in equity) or when they arise from the initial accounting for a business combination.

The global tax exposure of the Group is subject to complexity and uncertainty which may lead to uncertain tax treatments and the corresponding recognition and measurement of current and deferred taxes. The judgements and estimates made to separately recognize and measure the effect of each uncertain tax treatment are re-assessed whenever circumstances change or when there is new information that affects those judgements. Global tax exposure is determined taking into account the uncertainty that the tax authority may not accept the Group's proposed treatment of tax positions.

Income taxes in the consolidated income statement for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Current year income taxes	(283)	(150)
Adjustments with respect to prior year income taxes	6	(7)
Current income taxes	**(277)**	**(157)**
Current year deferred income taxes	47	28
Change in valuation allowance for deferred tax assets	18	(4)
Adjustments with respect to prior year deferred income taxes	(7)	(13)
Change in tax rate	—	(21)
Deferred income taxes	**58**	**(10)**
Income taxes	**(219)**	**(167)**

The reported tax expense differs from the computed theoretical income tax provision using the Netherlands' income tax rate of 25.8% for the year ended December 31, 2022 and of 25% for the year ended December 31, 2021 (increase in the Netherlands corporate income tax rate starting January 1, 2022) for the following reasons:

(in millions of US$)	**2022**	2021
Theoretical income tax	**(316)**	**(216)**
Differences in income tax rates	104	85
Effect of change in tax rate	—	(21)
Difference between local currency and functional currency	14	34
Change in valuation allowance for deferred tax assets	18	(4)
Permanent differences on share of profit (loss) in investments in associates and joint ventures	6	4
Adjustments on prior years and tax reserves	(23)	(20)
Other permanent differences	(22)	(29)
Income taxes	**(219)**	**(167)**

The differences in income tax rates relate to subsidiaries taxed at different rates than the Netherlands' rate.

In 2021, the effect of change in tax rate mainly relates to the increase in corporate tax rate in Argentina from 30% to 35%, enacted on June 16, 2021 and applicable starting January 1, 2021.

The difference between local currency and functional currency impact is booked in non-US entities whose functional currency is the US Dollar while being taxed based on their local respective currencies. In 2022 and 2021, such impact mainly regarded Group entities in Argentina. As of December 31, 2022, this line includes US$1 million which relate to revaluation in respect of movements in currency values of deferred tax assets and liabilities, excluding non-monetary balance sheet items (US$(1) million as of December 31, 2021).

In 2022, the change in valuation allowance for deferred tax assets is mostly attributable to reversal of valuation allowance in Switzerland. In 2021, the change in valuation allowance was mostly attributable to valuation allowances on carry forward losses in Brazil and Colombia partially offset by a reversal of valuation allowance in Switzerland.

Consolidated deferred income tax assets (liabilities) as of December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Deferred income tax assets	163	129
Deferred income tax liabilities	(155)	(151)
Deferred tax net	**8**	**(22)**

Changes in net deferred income tax assets (liabilities) for the years ended December 31, 2022 and December 31, 2021 are as follows:

	2022					
(in millions of US$)	**Opening balance**	Recognized in net income	Recognized in equity	Foreign currency translation adjustment	Other	**Closing balance**
Net tax benefits from carry forward losses	**191**	(56)	—	—	(2)	**133**
Tax benefits from carry forward losses	***276***	*(86)*	—	*(2)*	*(2)*	***186***
Valuation allowance on carry forward losses	***(85)***	*30*	—	*2*	—	***(53)***
Unrealized exchange gains and losses	**141**	(49)	—	—	—	**92**
Non-monetary balance sheet items - difference between tax and functional currencies	**(251)**	74	—	—	—	**(177)**
Fixed assets (other temporary differences)	**(171)**	30	—	—	—	**(141)**
Other temporary differences	**71**	72	(30)	—	(2)	**111**
Valuation allowance for other deferred tax assets	**(3)**	(7)	—	—	—	**(10)**
Deferred tax net	**(22)**	**64**	**(30)**	**—**	**(4)**	**8**

(in millions of US$)	2021 **Opening balance**	Recognized in net income	Recognized in equity	Foreign currency translation adjustment	**Closing balance**
Net tax benefits from carry forward losses	**238**	(45)	—	(2)	**191**
Tax benefits from carry forward losses	***339***	*(59)*	—	*(4)*	***276***
Valuation allowance on carry forward losses	***(101)***	*14*	—	*2*	***(85)***
Unrealized exchange gains and losses	**142**	(1)	—	—	**141**
Non-monetary balance sheet items - difference between tax and functional currencies	**(263)**	12	—	—	**(251)**
Fixed assets (other temporary differences)	**(194)**	22	—	1	**(171)**
Other temporary differences	**93**	(18)	(5)	1	**71**
Valuation allowance for other deferred tax assets	**(2)**	(1)	—	—	**(3)**
Deferred tax net	**14**	**(31)**	**(5)**	**—**	**(22)**

Recognized and unrecognized tax benefits from carry forward losses for the years ended December 31, 2022 and December 31, 2021 expire as follows:

	2022			2021		
(in millions of US$)	Recognized	Unrecognized	**Total**	Recognized	Unrecognized	**Total**
Losses expiring in less than 1 year	—	1	**1**	1	3	**4**
Losses expiring in 2-3 years	11	4	**15**	29	5	**34**
Losses expiring in 4-5 years	44	1	**45**	27	13	**40**
Losses expiring in more than 5 years	27	3	**30**	67	25	**92**
Losses which do not expire	51	44	**95**	67	39	**106**
Tax benefits from carry forward losses	**133**	**53**	**186**	**191**	**85**	**276**

3. Operating Balance Sheet Items

3.1 Intangible Assets

Goodwill

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group.

For transactions concluded prior to December 31, 2009, goodwill was determined as the excess of cost of acquisition over the fair value of net assets acquired at date of purchase. When the Group acquired an additional interest in a company already controlled, the excess cost of acquisition over the historical value of net assets acquired was also recorded as goodwill.

For transactions concluded since January 1, 2010, goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, measured at fair value at acquisition date, and the amount recognized for non-controlling interests over the net identifiable assets acquired and liabilities assumed. For each business combination, the Group measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets.

When the difference between the cost of acquisition and the fair value of net assets acquired is negative it is immediately recognized through the consolidated income statement.

The fair values of assets and liabilities and the resulting goodwill are finalized within 12 months of the acquisition.

Goodwill is not amortized. Goodwill is tested for impairment, when circumstances indicate that the carrying value may be impaired, and at the minimum, annually. Impairment is determined for goodwill by assessing the recoverable amount of the cash-generating units, to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than their carrying amount, an impairment loss is recognized.

At the time of impairment testing a cash-generating unit to which goodwill has been allocated, there may be an indication of an impairment of an asset within the unit containing the goodwill. In such circumstances, the entity tests such asset individually for impairment first, and recognizes any impairment loss for that asset before testing for impairment of the cash-generating unit containing the goodwill. Impairment of such goodwill is included in the "Cost of sales" line of the consolidated income statement.

Goodwill relating to the acquisition of shares in an equity investment is presented in the "Investments in associates and joint ventures" line of the consolidated balance sheet.

Other Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses. Other intangible assets of the Group mainly include trademarks and customer relationships, licenses and internally generated software.

The useful life of acquired trademarks is assessed to be qualified as finite or indefinite. Trademarks with an indefinite useful life are not amortized but reviewed for impairment annually by comparing their recoverable amount with their carrying amount. The recoverable amount is determined using the royalty relief method.
Intangible assets with finite life are amortized over periods ranging from one to ten years.

Amortization and impairment are recorded in the consolidated income statement according to the nature of assets:

- "Cost of sales" line for industrial assets linked to production and farming;
- "Commercial and administrative expenses" line for assets linked to commercial and trading and to general and/or administrative activities.

As of December 31, 2022 and December 31, 2021, intangible assets consist of the following:

	2022			2021		
(in millions of US$)	Gross value	Accumulated amortization/ impairment	**Net value**	Gross value	Accumulated amortization/ impairment	**Net value**
Goodwill	69	(36)	**33**	60	(33)	**27**
Trademarks and customer relationships	24	(16)	**8**	64	(24)	**40**
Other intangible assets	651	(424)	**227**	603	(380)	**223**
	744	**(476)**	**268**	**727**	**(437)**	**290**

As of December 31, 2022, the Group tested the value of goodwill allocated to its cash-generating units as described in Note 1.2, using a perpetual growth rate of 2% and an annual discount rate (weighted average cost of capital of the Group before tax) of 9.0%. A 1% increase in the discount rate and a 0.5% decrease in the perpetual growth rate would not, jointly, cause the recoverable amount of the cash-generating units to fall below their carrying value.

Changes in the net value of intangible assets for the years ended December 31, 2022 and December 31, 2021 are as follows:

	2022				2021
(in millions of US$)	Goodwill	Trademarks and customer relationships	Other intangible assets	**Total**	**Total**
Balance as of January 1	**27**	**40**	**223**	**290**	**309**
Acquisitions and additions	—	—	61	**61**	59
Acquisitions through business combinations	9	—	—	**9**	—
Amortization	—	(1)	(57)	**(58)**	(58)
Impairment losses	(3)	(31)	—	**(34)**	(13)
Foreign currency translation adjustment	—	—	(5)	**(5)**	(6)
Other reclassifications	—	—	5	**5**	(1)
Closing balance	**33**	**8**	**227**	**268**	**290**

Acquisitions and Additions

During the years ended December 31, 2022 and December 31, 2021, acquisitions and additions mainly consisted of the ongoing upgrade of the Group's existing main front office system, alongside capital expenditure related to the new global back-office enterprise resource planning (ERP) system.

Acquisitions through business combinations

As of December 31, 2022, the Group acquired Emerald Grain in Australia, generating a US$9 million goodwill (refer to Note 1.4).

Impairment Losses

During the year ended December 31, 2022, the Group decided to no longer use certain trademarks and consequently took a US$31 million impairment representing the full write off of these assets.

As of December 31, 2021, Juice Platform goodwill was fully impaired for US$13 million.

Foreign Currency Translation Adjustment

During the years ended December 31, 2022 and December 31, 2021, the foreign currency translation adjustment is mainly related to the depreciation of the Euro against the US Dollar.

3.2 Property, Plant and Equipment

Property, Plant and Equipment (Except Bearer Plants)

Property, plant and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, incurred during the construction period, are capitalized as part of the cost of that asset. When relevant, property, plant and equipment costs include initial estimate of decommissioning and site restoration costs.
Tangible assets under construction are capitalized as a separate component of property, plant and equipment. Upon completion, the cost of construction is transferred to the appropriate category.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are recorded through the consolidated income statement during the financial period in which they are incurred.

Depreciation and Impairment

Depreciation of property, plant and equipment (except bearer plants) is calculated based on the carrying amount, net of residual value, principally using the straight-line method over the estimated useful lives of the assets. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use. Tangible assets under construction are not depreciated.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

- Buildings: 15 to 40 years;
- Machinery and equipment: 5 to 25 years;
- Other tangible assets: 1 to 20 years.

Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount of the asset shall be reduced to its recoverable amount. Such reduction is an impairment loss. The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but up to the limit of the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years.

Depreciation and impairment are recorded in the consolidated income statement according to the nature of assets:

- "Cost of sales" line for industrial assets linked to production and farming;
- "Commercial and administrative expenses" line for assets linked to commercial and trading, and to general and/or administrative activities.

Gains or losses on disposal of an item of property, plant and equipment are recorded in the consolidated income statement under the specific line "Gain (loss) on investments and sale of fixed assets".

Bearer Plants

Orange trees are bearer plants recorded at cost less accumulated depreciation and accumulated impairment losses.

Borrowing costs that are directly attributable to the acquisition, construction or production of a bearer plant, incurred during the immature period, are capitalized as part of the cost of that asset.

The depreciation of bearer plants is based on the unit of production method over the estimated useful lives of the assets, since the management considers this is the method that best reflects the expected pattern of consumption of the future economic benefits embodied in the bearer plant. Orange groves are considered immature during the first three years. The useful life of mature orange trees is around 17 years.

As of December 31, 2022 and December 31, 2021, property, plant and equipment consist of the following:

		2022			2021		
(in millions of US$)	**Notes**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Owned assets		5,802	(2,666)	**3,136**	5,609	(2,509)	**3,100**
Right-of-use assets	7.1	1,053	(494)	**559**	876	(277)	**599**
		6,855	**(3,160)**	**3,695**	**6,485**	**(2,786)**	**3,699**

The following tables provide information on owned assets only.

As of December 31, 2022 and December 31, 2021, consolidated owned assets consist of the following:

	2022			2021		
(in millions of US$)	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Land	212	(19)	**193**	201	(1)	**200**
Buildings	2,111	(883)	**1,228**	2,062	(818)	**1,244**
Machinery and equipment	2,736	(1,495)	**1,241**	2,698	(1,439)	**1,259**
Bearer plants	213	(98)	**115**	212	(90)	**122**
Other tangible assets	219	(171)	**48**	212	(161)	**51**
Tangible assets under construction	311	—	**311**	224	—	**224**
	5,802	**(2,666)**	**3,136**	**5,609**	**(2,509)**	**3,100**

Changes in net value of property, plant and equipment for the years ended December 31, 2022 and December 31, 2021 are as follows:

	2022							2021
(in millions of US$)	Land	Buildings	Machinery and equipment	Bearer plants	Other tangible assets	Tangible assets under construction	**Total**	**Total**
Balance as of January 1	**200**	**1,244**	**1,259**	**122**	**51**	**224**	**3,100**	**3,139**
Additions	5	11	13	12	6	305	**352**	243
Disposals	(2)	(7)	(36)	—	(1)	(1)	**(47)**	(8)
Acquisitions through business combinations	4	22	23	—	—	2	**51**	3
Depreciation	—	(82)	(130)	(20)	(17)	—	**(249)**	(236)
Impairment losses	(18)	(10)	(17)	(1)	(1)	—	**(47)**	(38)
Reversals of impairment losses	—	—	—	—	—	—	**—**	1
Foreign currency translation adjustment	—	(5)	(9)	—	—	(2)	**(16)**	(9)
Reclassification from (to) held for sale assets	(1)	—	—	—	—	—	**(1)**	—
Other reclassifications	5	55	138	2	10	(217)	**(7)**	5
Closing balance	**193**	**1,228**	**1,241**	**115**	**48**	**311**	**3,136**	**3,100**

Additions

During the year ended December 31, 2022, the Group completed the investment in its soy lecithin plant in Claypool, Indiana, US, inaugurated in August 2022. The Group continued to invest in its coffee mill in Varginha, Minas Gerais, Brazil and in its canola processing plant in Yorkton, Saskatchewan, Canada. Investments were also performed for the construction of a soybean processing facility as part of the Fuling Food Industrial Park in the Port of Nansha, Guangzhou, China, and in a joint operation freeze-dried instant coffee plant in Vietnam. Globally, the Group continued to improve its existing assets, such as its Juice farms and processing plants in Brazil, its Cotton warehouses and, its Grains and Oilseeds hub in General Lagos, Argentina.

During the year ended December 31, 2021, the Group continued to invest in its lecithin plant and its packaging line for canola oil in Claypool, Indiana, US, and in its wider transshipment hub construction project in Brazil. The Group invested in the reengineering of its corn milling plant in Rio Verde, Goiás State, Brazil to enhance its production efficiency and flexibility, and in a new specialty oils production line in Tianjin, China. Additionally, the Group entered into a joint operation with *Instanta Sp. z o.o.* through a 49% stake in *ILD Coffee Holdings Pte. Ltd.*, an entity incorporated in Singapore which owns 100% of *ILD Coffee Vietnam Co. Ltd.*, an entity incorporated in Vietnam. The joint operation will construct and operate a soluble coffee plant. The Group continued to invest in planned and custom maintenance and enhancements to ensure the continued operational performance and safety of its existing assets globally, across all businesses.

Disposals

During the year ended December 31, 2022, the Group sold its ethanol plant in Norfolk, Nebraska, US, with a net book value of US$43 million (refer to Note 2.4).

Acquisitions through business combinations

During the year ended December 31, 2022, the Group acquired a port facility in Melbourne, and various storage facilities in Coolamon, The Rock, Elmore, Ardlethan and Nullawil, Australia, through the acquisition of Emerald Grain (refer to Note 1.4).

Foreign Currency Translation Adjustment

During the year ended December 31, 2022, the foreign currency translation adjustment is mainly related to the depreciation of the Chinese Yuan and the Euro against the US Dollar.

During the year ended December 31, 2021, the foreign currency translation adjustment is mainly related to the depreciation of the Euro against the US Dollar.

3.3 Investments in Associates and Joint Ventures

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Joint ventures are a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures are accounted for using the equity method and are initially recognized at cost. The carrying amount of the investment is adjusted to recognize:

- Changes in the Group's share of net assets of the associate or joint venture since the acquisition date; and
- Impairment losses in the value of the investments, if any.

Any goodwill arising from purchases of interests in associates or joint ventures is included in their carrying amount.

Changes in investments in associates and joint ventures for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**227**	**216**
Acquisitions and additional investments	8	13
Reclassification to held for sale assets	(7)	—
Share of profit (loss)	15	5
Impairment	(8)	(6)
Dividends	—	(8)
Change in other reserves	(2)	(1)
Reclassification	(3)	8
Closing balance	**230**	**227**
Of which:		
Investments in associates	*19*	*16*
Investments in joint ventures	*211*	*211*

Acquisitions and Additional Investments

In 2022, the Group made a US$6 million capital injection in the joint venture *TES - Terminal Exportador de Santos S.A.* (concession in Santos port terminal in Brazil), in which a US$9 million capital injection was also made in 2021. Additionally, the Group performed an investment of US$2 million in *Covantis S.A.*, in which an investment of US$3 million was also made in 2021.
In 2021, the Group also made a US$1 million capital injection in the joint venture *Tianjin Rongchuan Feed Co., Ltd.* (aquatic feed facilities).

Reclassification to Held for Sale Assets

In 2022, the Group classified as held for sale its investment in joint venture *Epko Oil Seed Crushing Pty. Ltd.* (sunflower seed and maize germ crushing plant) (refer to Note 1.5).

Impairment

In 2022, US$(7) million impairment was booked on *Cisagri Holland Cooperatief U.A.* joint venture in the line "Other gains and losses" of the consolidated income statement as part of the impairment recognized on Taman project as described in Note 5.4.
In 2021, impairments related to South African joint ventures.

Dividends

In 2021, the Group received US$8 million as dividends from *Calyx Agro Ltd.*

Notes Continued

Investments in associates and joint ventures are detailed as follows:

Investment	Country	Activity	2022 Ownership	2022 Net value	2021 Ownership	2021 Net value
All Asian Countertrade Inc.	Philippines	Sugar merchandizing	19%	8	19%	8
Covantis S.A.	Switzerland	Digitizing international trade technology	14%	7	17%	6
Total main associates				***15***		***14***
Amaggi Louis Dreyfus Zen-Noh Grãos S.A.	Brazil	Grain and soy storage and processing	33%	29	33%	23
Amaggi Louis Dreyfus Zen-Noh Terminais Portuários S.A.	Brazil	Logistic facilities	33%	18	33%	16
Calyx Agro Ltd.	Cayman Islands	Land fund	29%	3	29%	3
Cisagri Holland Cooperatief U.A.[1]	Netherlands	Logistic facilities	10%	9	10%	16
Complejo Agro Industrial Angostura S.A.	Paraguay	Soy crushing plant and facilities	33%	40	33%	40
Epko Oil Seed Crushing Pty. Ltd.	South Africa	Sunflower seed and maize germ crushing plant	50%	—	50%	7
LDC - GB Terminais Portuários e Participações Ltda.	Brazil	Logistic facilities	50%	3	50%	3
Namoi Cotton Alliance	Australia	Cotton packing and marketing	49%	15	49%	16
Orient Rice Co. Ltd.	Vietnam	Rice procurement and processing	33%	5	33%	5
TEG - Terminal Exportador Do Guarujá Ltda.	Brazil	Logistic facilities	40%	28	40%	27
TES - Terminal Exportador De Santos S.A.[2]	Brazil	Logistic facilities	60%	49	60%	41
Tianjin Rongchuan Feed Co. Ltd.	China	Aquatic feed facilities	30%	9	30%	10
Total main joint ventures				***208***		***207***
Total main associates and joint ventures				***223***		***221***
Other associates				4		2
Other joint ventures				3		4
				230		**227**

1. As of December 31, 2022, the Group's percentage of ownership is 10% and is entitled to an additional 15% pursuant to the court ruling as described in Note 5.4. As of December 31, 2021, the Group's percentage of control in Cisagri Holland Cooperatief U.A. ("Cisagri") was 25% and the percentage of ownership was 10%.
2. The governance rules of *TES - Terminal Exportador De Santos S.A.* meet the definition of a joint control; this investment therefore qualifies as a joint venture.

Investments in associates and joint ventures included a goodwill of US$1 million as of December 31, 2021.

Share of profit (loss) in investments in associates and joint ventures for the years ended December 31, 2022 and December 31, 2021 is as follows:

Income statement (in millions of US$)	**2022**	2021
Main associates and joint ventures	9	8
Others	5	(9)
Share of profit (loss) in investments in associates and joint ventures	**14**	**(1)**

In 2021, others mainly relate to losses incurred in South African associates and joint ventures.

A summary of the aggregated financial information of the companies listed above is as follows as of and for the years ended December 31, 2022 and December 31, 2021:

	2022				
Balance sheet (in millions of US$)	**Main associates**	Logistic facilities	Others	**Main joint ventures**	**Total main associates and joint ventures**
Non-current assets	45	478	276	754	**799**
Current assets	180	94	611	705	**885**
Total assets	**225**	**572**	**887**	**1,459**	**1,684**
Non-current liabilities	—	271	58	329	**329**
Current liabilities	134	53	538	591	**725**
Total liabilities	**134**	**324**	**596**	**920**	**1,054**
Net equity	**91**	**248**	**291**	**539**	**630**
Equity - owners of the company share	**15**	**107**	**101**	**208**	**223**

	2021				
Balance sheet (in millions of US$)	**Main associates**	Logistic facilities	Others	**Main joint ventures**	**Total main associates and joint ventures**
Non-current assets	36	607	292	899	**935**
Current assets	172	92	310	402	**574**
Total assets	**208**	**699**	**602**	**1,301**	**1,509**
Non-current liabilities	—	284	57	341	**341**
Current liabilities	132	59	252	311	**443**
Total liabilities	**132**	**343**	**309**	**652**	**784**
Net equity	**76**	**356**	**293**	**649**	**725**
Equity - owners of the company share	**14**	**103**	**104**	**207**	**221**

	2022				
Income statement (in millions of US$)	**Main associates**	Logistic facilities	Others	**Main joint ventures**	**Total main associates and joint ventures**
Revenue	287	108	2,107	2,215	**2,502**
Net income	(2)	8	18	26	**24**
Share of profit (loss) in investments in associates and joint ventures	**—**	**4**	**5**	**9**	**9**

	2021				
Income statement (in millions of US$)	**Main associates**	Logistic facilities	Others	**Main joint ventures**	**Total main associates and joint ventures**
Revenue	210	85	1,507	1,592	**1,802**
Net income	(4)	12	16	28	**24**
Share of profit (loss) in investments in associates and joint ventures	**(1)**	**5**	**4**	**9**	**8**

3.4 Other Non-Current Assets

As of December 31, 2022 and December 31, 2021, other non-current assets consist of the following:

(in millions of US$)	**2022**	2021
Tax credits	247	207
Long-term advances to suppliers	33	24
Others	4	4
	284	**235**

Tax credits mainly include income tax and VAT credits in Brazil. The increase in 2022 is mostly attributable to new tax credits and to the appreciation of the Brazilian Real.

3.5 Other Non-Current Liabilities

As of December 31, 2022 and December 31, 2021, other non-current liabilities consist of the following:

(in millions of US$)	**2022**	2021
Debts associated to business combinations and put options	—	62
Others	6	8
Non-current financial liabilities	**6**	**70**
Staff and tax payables	102	64
Others	3	2
Non-current non-financial liabilities	**105**	**66**
Other non-current liabilities	**111**	**136**

As of December 31, 2022, debts associated to business combinations and put options are nil following the payment of US$33 million during the year (presented on the line "Transactions with non-controlling interests" in the cash flow statement) and the reclassification of the remaining part to current financial liabilities.

As of December 31, 2021, the table does not include the US$1 million staff and tax payables that were part of the Imperial transaction (Sugar business), as they were reclassified to held for sale liabilities (refer to Note 1.5).

3.6 Provisions

Provisions are recognized when:

- The Group has a present obligation (legal or constructive) as a result of past events;
- It is probable that an outflow of resources will be required to settle the obligation; and
- A reliable estimate can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

As of December 31, 2022 and December 31, 2021, provisions consist of the following:

(in millions of US$)	**2022**	2021
Current provisions	43	27
Non-current provisions	77	74
	120	**101**

Changes in provisions for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	2022					2021
Provisions for:	Tax risks	Social risks	Litigation	Other	**Total**	**Total**
Balance as of January 1	**12**	**13**	**21**	**55**	**101**	**78**
Allowance	6	4	28	11	**49**	42
Reversal of used portion	(2)	(2)	(6)	(12)	**(22)**	(10)
Reversal of unused portion	—	(3)	(2)	—	**(5)**	(12)
Others	(1)	—	5	(7)	**(3)**	3
Closing balance	**15**	**12**	**46**	**47**	**120**	**101**

Tax and social provisions consist of various claims and lawsuits against the Group, primarily related to employment terminations, labor accidents and allegations of non-compliance with tax regulations mainly linked to VAT. These claims are subject to court decisions or tax interpretations within multiple jurisdictions and timing and amounts are uncertain. However the recognized provision reflects Management's best estimate of the most likely outcome. Regarding certain legal claims in Brazil, the Group was required to establish escrow deposits which, as of December 31, 2022, amounted to US$41 million (US$32 million as of December 31, 2021) and are disclosed under the line "Deposits and Others" within non-current financial assets (refer to Note 5.4).

Provisions for litigation include contractual obligation for trade disputes with customers, suppliers and other counterparties.

As of December 31, 2022, other provisions include a US$30 million provision for decommissioning leased land (US$29 million as of December 31, 2021) and US$5 million for onerous contracts (US$15 million as of December 31, 2021).

As of December 31, 2021, the table does not include provision for onerous contracts that were part of the Imperial transaction (Sugar business) amounting to US$27 million as they were reclassified to held for sale liabilities (refer to Note 1.5).

3.7 Inventories

Trading Inventories

Trading inventories are valued at fair value less costs to sell. The "mark-to-market" valuation policy, which is accepted as a commodity industry practice, presents a fair reflection of the Group's trading activities. Changes in fair value are recognized in the consolidated income statement in "Cost of sales".

Other Inventories

Other inventories are valued at the lower of cost or net realizable value, especially for certain entities or businesses for which the trading model is not applicable. Cost of goods sold are presented in the line "Cost of sales" of the consolidated income statement.

As of December 31, 2022 and December 31, 2021, inventories consist of the following:

(in millions of US$)	**2022**	2021
Trading inventories	5,384	6,919
Finished goods	476	431
Raw materials	222	219
Inventories (gross value)	**6,082**	**7,569**
Depreciation of non-trading inventories	(16)	(6)
Inventories (net value)	**6,066**	**7,563**

The table does not include the raw materials and finished goods that were part of the Imperial transaction (Sugar business) amounting to US$102 million as of December 31, 2021, as they were reclassified to held for sale assets (refer to Note 1.5).

3.8 Biological Assets

Bearer plants are accounted for as property, plant and equipment, while the produce growing on the bearer plant is a biological asset. Biological assets are carried at fair value less estimated costs to sell, based on discounted expected future cash flows from these assets. Changes in fair value are recognized in the consolidated income statement in "Cost of sales".

The Group owns biological assets located in Brazil consisting of oranges growing until point of harvest. As of December 31, 2022, the Group owns 39 mature orange groves (38 as of December 31, 2021), which generally sustain around 17 years of orange production.

Changes in biological assets for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**58**	**43**
Acquisitions and capitalized expenditure	72	54
Decrease due to harvest	(64)	(47)
Change in fair value	(1)	8
Closing balance	**65**	**58**

The valuation model used to determine the carrying value of biological assets was developed by an external valuation firm and is classified as Level 3 in the fair value hierarchy defined in Note 4.9.

Expected future cash flows are determined based on the expected volume yields in the number of boxes and the price for an orange box is derived from available market prices. This price is net of picking, handling and freight costs, among others, considered based on internal assumptions, to determine the net value less cost to sell. This amount is subsequently discounted to present value. The following assumptions have a significant impact on the valuation of the Group's biological assets:

	2022	2021
Number of trees (in thousands)	11,663	12,271
Expected yields (in number of boxes)	23,772	22,666
Price of a box of oranges (in US$)	7.11	5.95
Discount rate	7.04%	6.03%

Changes in assumptions would increase (decrease) the estimated fair value of the biological assets if:

- Expected yields in number of boxes were higher (lower);
- Estimated price of a box of oranges were higher (lower);
- Estimated costs for harvesting and transportation were lower (higher);
- The discount rate were lower (higher).

3.9 Trade and Other Receivables

"Trade receivables" are initially recognized at the transaction amount (unless a significant finance component is included) of the consideration receivable and carried at amortized cost, less provision for impairment. The Group applies IFRS 9's simplified approach to measure expected credit losses on trade receivables. This method allows the Group to recognize lifetime expected credit losses on receivables without the need to identify significant increases in credit risk. Expected credit losses are estimated by reference to past default experience and a credit rating, adjusted as appropriate for current and forecasted future economic conditions.

As of December 31, 2022 and December 31, 2021, trade and other receivables consist of the following:

	2022			2021		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	3,807	(282)	**3,525**	2,841	(241)	**2,600**
Accrued receivables	1,521	—	**1,521**	1,668	—	**1,668**
Prepayments	303	(1)	**302**	614	(3)	**611**
Other receivables	67	(3)	**64**	70	(4)	**66**
Financial assets at amortized cost	**5,698**	**(286)**	**5,412**	**5,193**	**(248)**	**4,945**
Advances to suppliers	225	(12)	**213**	255	(13)	**242**
Staff and tax receivables	712	(20)	**692**	521	(23)	**498**
Prepaid expenses	86	—	**86**	109	—	**109**
Others	23	—	**23**	—	—	**—**
Non-financial assets	**1,046**	**(32)**	**1,014**	**885**	**(36)**	**849**
Trade and other receivables	**6,744**	**(318)**	**6,426**	**6,078**	**(284)**	**5,794**

The table does not include trade and other receivables amounting to US$45 million and the US$4 million prepaid expenses that were part of the Imperial transaction (Sugar business), as they were reclassified to held for sale assets as of December 31, 2021 (refer to Note 1.5).

Changes in the provision on trade and other receivables are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**(284)**	**(235)**
Increase in provision	(89)	(96)
Receivables written off as uncollectable	14	23
Unused amount reversed	37	30
Change in the list of consolidated companies	1	—
Reclassification from provision on derivative assets	—	(6)
Other reclassifications	2	—
Foreign currency translation adjustment	1	—
Closing balance	**(318)**	**(284)**

Increase in Provision

During the year ended December 31, 2022, the increase in provision mainly corresponded to default risk on various customers for US$78 million (US$78 million as of December 31, 2021) for their estimated non-recoverable portions, provisions on advances to suppliers for US$2 million (US$6 million as of December 31, 2021) and to provisions on VAT for US$6 million (US$7 million as of December 31, 2021).

Receivables Written Off as Uncollectable

During the year ended December 31, 2022, the amount of receivables written off corresponded to provisions for trade receivables for US$11 million (US$23 million as of December 31, 2021) and to provisions on other receivables for US$3 million.

Unused Amount Reversed

The unused amount of provisions recovered during the year ended December 31, 2022 mainly consisted of provisions on trade receivables for US$24 million and to provisions on VAT for US$8 million (respectively US$27 million and US$2 million during the year ended December 31, 2021).

Reclassification from Provision on Derivative Assets

As of December 31, 2021, the US$6 million reclassification is related to contracts on cotton that were washed out during the year and invoiced to customers. The corresponding provisions were maintained, as the risk of default remains.

The following table details the counterparty exposure broken down by past due date of receivables as of December 31, 2022 and December 31, 2021:

	2022			2021		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	4,504	(25)	**4,479**	4,667	(21)	**4,646**
Due since < 3 months	1,131	(25)	**1,106**	778	(10)	**768**
Due since 3-6 months	88	(25)	**63**	63	(11)	**52**
Due since 6 months-1 year	94	(25)	**69**	128	(80)	**48**
Due since > 1 year	310	(220)	**90**	195	(163)	**32**
Closing balance	**6,127**	**(320)**	**5,807**	**5,831**	**(285)**	**5,546**
Including:						
Trade receivables	*3,807*	*(282)*	***3,525***	*2,841*	*(241)*	***2,600***
Prepayments	*303*	*(1)*	***302***	*614*	*(3)*	***611***
Advances to suppliers	*225*	*(12)*	***213***	*255*	*(13)*	***242***
Staff and tax receivables	*712*	*(20)*	***692***	*521*	*(23)*	***498***
Other receivables	*67*	*(3)*	***64***	*70*	*(4)*	***66***
Margin deposits	*1,007*	*—*	***1,007***	*1,524*	*—*	***1,524***
Financial advances to related parties	*6*	*(2)*	***4***	*6*	*(1)*	***5***

3.10 Trade and Other Payables

As of December 31, 2022 and December 31, 2021, trade and other payables consist of the following:

(in millions of US$)	**2022**	2021
Trade payables	2,710	2,347
Accrued payables	2,465	2,558
Prepayments received	319	430
Margin deposits	67	44
Payables on purchase of fixed assets and investments	10	13
Other payables	116	60
Financial liabilities at amortized cost	**5,687**	**5,452**
Advances received	37	54
Staff and tax payables	594	397
Deferred income	22	62
Others	41	—
Non-financial liabilities	**694**	**513**
Trade and other payables	**6,381**	**5,965**

The table does not include trade and other financial payables amounting to US$31 million and staff and tax payables amounting to US$2 million that were part of the Imperial transaction (Sugar business), as they were reclassified to held for sale liabilities as of December 31, 2021 (refer to Note 1.5).

4. Financial Instruments and Risk Management

Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a robust monitoring of counterparty credit and ensured the availability of sufficient cash in order to reduce its liquidity risk. At each financial period end, the Group has a policy of accruing its receivables and unrealized gains with counterparties deemed at risk.

4.1 Market Risk

Market risk is the risk that the fair value or future cash flows of assets and liabilities held by the Group including financial instruments, physical commodities, industrial and biological assets will fluctuate due to changes in market variables such as spot and forward commodity prices, price spreads, volatility and foreign exchange rates.

The Group classifies exposures to market risk into either trading or non-trading activities. The Group manages market risk for trading activities by diversifying exposures, controlling position natures, sizes and maturities, performing stress testing, and monitoring risk limits under the supervision of the Market Risk function and the Macro Committee. Limits are established for the level of acceptable risk at corporate level and allocated at platform and profit center levels. Compliance with the limits is reported daily to the management. Limits and their allocations are approved by the Board of Directors and reported to the Audit Committee at least on a quarterly basis.

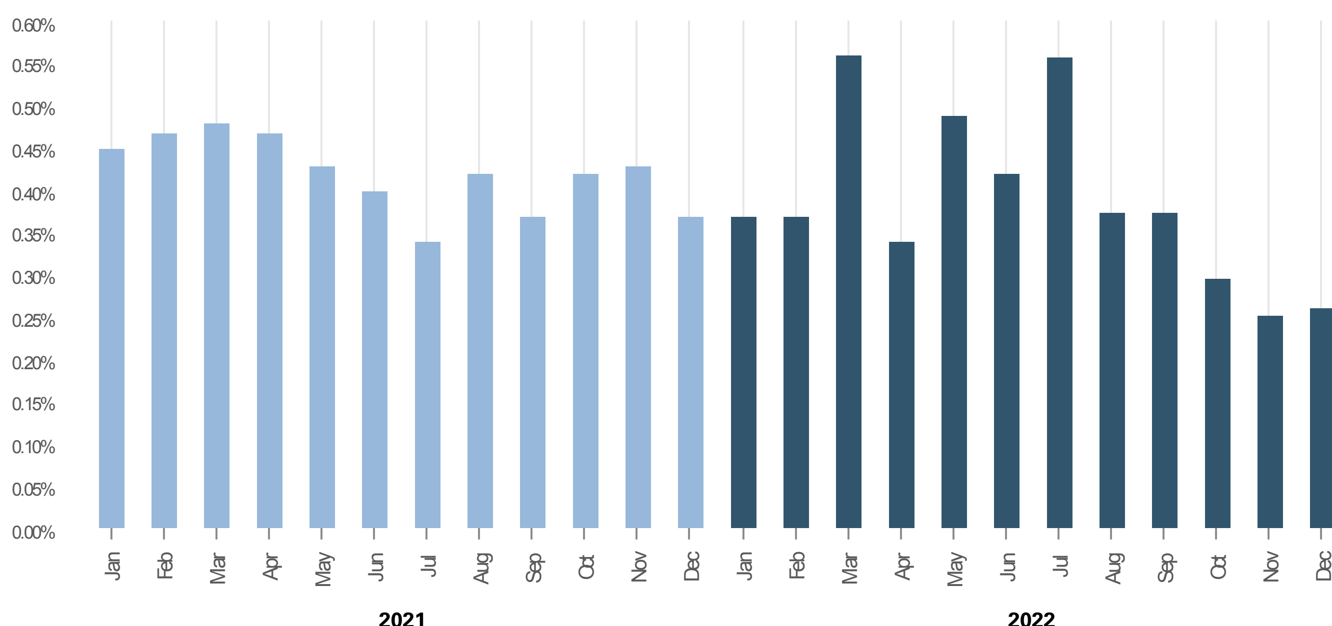
Limits are based on a daily measure of market risk exposure referred to as value at risk (VaR). The VaR that the Group measures is a model-based estimate grounded upon various assumptions such as the log-normality of price returns, and on conventions such as the use of exponentially weighted historical data in order to put more emphasis on the latest market information.

The VaR computed therefore represents an estimate, expressed at a statistical confidence level of 95%, of the potential loss that is not expected to be exceeded should the current market risk position remain unchanged for one day. The use of a 95% confidence level means that, within a one-day horizon, losses exceeding the VaR figure are not expected to occur statistically more than once every 20 trading days.

The VaR may be under- or over-estimated due to the assumptions placed on risk factors, and historical correlations and volatility in market prices, and the probability of large market moves may be underestimated per the normal distribution and due also to significant market, weather, geopolitical or other events.

The monthly average of value at risk (VaR) as a percentage of Group equity corresponds to the average over a month of the VaR computed daily as a percentage of Group equity at the beginning of each quarter. It consists of the following:

Average VaR as a Percentage of Group Equity



During the years ended December 31, 2022 and December 31, 2021, the monthly average Group VaR for trading activities was less than 1% of Group equity. Annual average VaR for the Group reached 0.39% in 2022, compared to 0.42% in 2021. The decrease is mainly attributable to the growth in Group equity.

VaR is only one of the risk metrics within a wider risk management system applied within the Group.

4.2 Foreign Currency Risk

The Group operates on a global scale and is exposed to changes in foreign currency exchange for its monetary assets and liabilities arising from transactions in a currency different from the functional currency of each entity. Such transactions include capital expenditure, purchases linked to industrial operations, administrative expenditure and other operating payables or receivables in local currency, among others. The Group is also party to some financing arrangements in foreign currencies different from the functional currency of the borrowing entity.

The Group manages its exposure to foreign currency transactions by setting natural hedge structures and by entering into foreign exchange derivative contracts to hedge its exposure back to each entity's own functional currency (refer to Note 4.8).

As of December 31, 2022 and December 31, 2021, the net exposure to foreign currency transactions before hedge for current monetary items (excluding the current portion of long-term debt) represents (4)% and (13)% of net equity position respectively, and is denominated in the following currencies:

(in millions of US$)	**2022**	2021
Brazilian Real	(31)	(274)
Euro	144	217
Indian Rupee	(172)	(295)
US Dollar	169	99
Argentine Peso	(332)	(292)
Other currencies	(26)	(136)
Net exposure	**(248)**	**(681)**

The Group is also exposed to currency translation risk from its investments in foreign operations, particularly in China, European countries and Australia due to Emerald Grain acquisition (refer to Note 1.4).

4.3 Counterparty Risk

The Group trades diversified commodities and commodity-related products. Accordingly, a substantial portion of the Group's trade receivables is toward other commodity trading companies. Margin deposits generally consist of deposits with commodity exchanges and brokers which hold such deposits in a custodial capacity. The Group's counterparty risk exposure from derivative financial instruments is limited to the current fair value of contracts with a positive fair value.

Performance risk on an open contract measures the risk of non-performance by the counterparty and is composed of:

- The mark-to-market exposure to date (if any) reflecting the cost to the Group if the contract is not fulfilled and has to be replaced in the open market under prevailing market conditions; and
- The potential future mark-to-market exposure reflecting the fact that the market price can move from the day of exposure calculation to the delivery date/payment date versus the current market price.

The Group has implemented risk management procedures to monitor its exposures and to minimize counterparty risk. These procedures include initial credit and limit approvals, margin requirements, master netting arrangements, letters of credit and other guarantees.

4.4 Political and Country Risk

In its cross-border operations, the Group is exposed to country risk associated with a country's overall political, economic, financial, regulatory and commercial situations. The Group does not seek to retain country risk and it is the trade finance, insurance and credit risk departments' duty to seek solutions to mitigate political and country risk by transferring or covering them with major financial institutions or insurance companies.

4.5 Liquidity Risk

Liquidity risk arises in the general funding of the Group's commodity trading activities and in the management of positions. It includes both the risk of being unable to fund the Group's portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

Management of the liquidity profile is designed to ensure that the Group has access to the funds necessary to cover maturing liabilities. Sources of funds include interest-bearing and non-interest-bearing deposits, bank notes, trading account liabilities, repurchase agreements, long-term debt and borrowing arrangements.

The Group holds operating assets that are expected to generate cash inflows that will be available to meet cash outflows arising from operating liabilities. In the trading business, settling commodity contracts and liquidating trading inventories by exchanging the commodity for cash before the contractual maturity term is usual practice. Consequently, liquidity risk is measured by allocating liabilities to the earliest estimated period on which the counterparty can require repayment, and assets to the earliest estimated period on which the Group can realize in cash these assets without any significant discount from market value. This measurement takes into consideration the market depth and price sensitivity to significant transaction volumes. The inclusion of information on non-financial items is necessary to understand the Group's liquidity risk management, as liquidity is managed on a net asset and liability basis.

The table below summarizes the liquidity profile of the Group's operating assets and liabilities carrying amounts as of December 31, 2022 and December 31, 2021:

	2022				2021			
(in millions of US$)	Under 3 months	3 to 6 months	Over 6 months	**Total**	Under 3 months	3 to 6 months	Over 6 months	**Total**
Trading inventories	5,175	209	—	**5,384**	6,514	404	1	**6,919**
Derivative assets	1,360	65	194	**1,619**	1,901	166	376	**2,443**
Trade and other receivables	5,724	557	145	**6,426**	5,207	430	157	**5,794**
Derivative liabilities	(1,111)	(39)	(300)	**(1,450)**	(2,324)	(147)	(169)	**(2,640)**
Trade and other payables	(5,591)	(645)	(145)	**(6,381)**	(5,394)	(469)	(102)	**(5,965)**
Total assets net of liabilities	**5,557**	**147**	**(106)**	**5,598**	**5,904**	**384**	**263**	**6,551**

The schedule below analyzes the Group's financial interests (excluding those related to lease liabilities under IFRS 16) that will be settled on future periods based on short-term debt (excluding repurchase agreements and bank overdrafts) and long-term financing as of December 31, 2022 and December 31, 2021. Such interests are grouped by maturity based on the contractual maturity date of the interests.

(in millions of US$)	**2022**	2021
Maturity < 1 year	183	172
Maturity 1-2 years	153	108
Maturity 2-3 years	143	88
Maturity 3-4 years	89	73
Maturity 4-5 years	64	37
Maturity > 5 years[1]	60	59
Interests future cash outflows related to short-term debt and long-term financing existing at closing date	**692**	**537**

1. Includes future interests on the €500 million, 7-year, rated senior bond issued in 2021, as well as future interests on financial debts contracted in Brazil in 2018 and in 2022 and respectively maturing up to 2035 and 2032, as well as a debt contracted in the US in 2019 and maturing up to 2028.

4.6 Interest Rate Risk

The Group is exposed to fluctuation in interest rates on its long term financing and short term debt. Interest rate risk arising from floating rate on long-term financing is mainly managed using interest rate swaps with the same critical terms as the underlying interest rate exposures. Short-term debt, primarily based on London Interbank Offered Rate (LIBOR) rates, is predominantly used to finance working capital needs. Consequently, prevailing market interest rates are continuously factored into transactional pricing and terms.

Based on the level of financial debt exposed to floating interest rate at the end of the period, an increase/decrease of 50 basis points interest rates, all other variables held constant, would decrease/increase the Group's interest expense as of December 31, 2022 by US$16 million (US$23 million as of December 31, 2021).

4.7 Categories of Financial Assets and Liabilities

Classification and measurement of financial assets depend on the business model and the instruments' contractual cash flow characteristics. Upon initial recognition, financial assets are carried at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit and loss.

The main financial assets of the Group (excluding derivatives) are presented within the following consolidated balance sheet lines:

- Non-current financial assets
- Trade and other receivables
- Other financial assets at fair value through profit and loss
- Cash and cash equivalents

Financial liabilities are measured at amortized cost or fair value through profit and loss. The main financial liabilities of the Group (excluding derivatives) comprise long-term debt, short-term debt, financial advances from related parties and trade payables. All these financial liabilities are recorded at amortized cost using the effective interest method.

Financial assets and liabilities are recorded in the consolidated balance sheet as current if they mature within one year following the closing date of the financial statements and non-current if they mature after one year, apart from derivatives held for trading, which are all classified as current.

Derivatives are measured at fair value through profit and loss, except for those considered as hedging instruments in a cash flow hedge relationship, in which case the change in fair value is recognized in OCI.

Margin deposits consist of cash with brokers and exchanges to meet initial and variation margins requirements in respect of futures positions on commodities exchanges.

As of December 31, 2022, the different categories of financial assets and liabilities are as follows:

(in millions of US$)	**Notes**	Assets at fair value through profit and loss	Derivatives at fair value through OCI - cash flow hedges	Assets at amortized cost	**Total**
Non-current financial assets	5.4	89	—	75	**164**
Total non-current financial assets		**89**	**—**	**75**	**164**
Financial advances to related parties	7.3	—	—	4	**4**
Trade and other receivables	3.9	—	—	5,412	**5,412**
Derivative assets	4.8	1,543	76	—	**1,619**
Margin deposits		—	—	1,007	**1,007**
Other financial assets at fair value through profit and loss	5.5	356	—	—	**356**
Cash and cash equivalents	5.6	500	—	684	**1,184**
Total current financial assets		**2,399**	**76**	**7,107**	**9,582**
Total financial assets		**2,488**	**76**	**7,182**	**9,746**

(in millions of US$)	**Notes**	Liabilities at fair value through profit and loss	Derivatives at fair value through OCI - cash flow hedges	Liabilities at amortized cost	**Total**
Long-term debt	5.2	—	—	4,107	**4,107**
Other non-current financial liabilities	3.5	—	—	6	**6**
Total non-current financial liabilities		**—**	**—**	**4,113**	**4,113**
Short-term debt	5.3	—	—	2,145	**2,145**
Current portion of long-term debt	5.2	—	—	716	**716**
Financial advances from related parties	7.3	—	—	77	**77**
Trade and other payables (excluding margin deposit liabilities)	3.10	—	—	5,620	**5,620**
Margin deposit liabilities	3.10	—	—	67	**67**
Derivative liabilities	4.8	1,206	244	—	**1,450**
Total current financial liabilities		**1,206**	**244**	**8,625**	**10,075**
Total financial liabilities		**1,206**	**244**	**12,738**	**14,188**

As of December 31, 2021, the different categories of financial assets and liabilities were as follows:

(in millions of US$)	**Notes**	Assets at fair value through profit and loss	Derivatives at fair value through OCI - cash flow hedges	Assets at amortized cost	**Total**
Non-current financial assets	5.4	224	—	75	**299**
Total non-current financial assets		**224**	**—**	**75**	**299**
Financial advances to related parties	7.3	—	—	5	**5**
Trade and other receivables	3.9	—	—	4,945	**4,945**
Derivative assets	4.8	2,426	17	—	**2,443**
Margin deposits		—	—	1,524	**1,524**
Other financial assets at fair value through profit and loss	5.5	301	—	—	**301**
Cash and cash equivalents	5.6	211	—	485	**696**
Total current financial assets		**2,938**	**17**	**6,959**	**9,914**
Total financial assets		**3,162**	**17**	**7,034**	**10,213**

(in millions of US$)	**Notes**	Liabilities at fair value through profit and loss	Derivatives at fair value through OCI - cash flow hedges	Liabilities at amortized cost	**Total**
Long-term debt	5.2	—	—	4,036	**4,036**
Other non-current financial liabilities	3.5	—	—	70	**70**
Total non-current financial liabilities		**—**	**—**	**4,106**	**4,106**
Short-term debt	5.3	—	—	3,922	**3,922**
Current portion of long-term debt	5.2	—	—	766	**766**
Financial advances from related parties	7.3	—	—	209	**209**
Trade and other payables (excluding margin deposit liabilities)	3.10	—	—	5,408	**5,408**
Margin deposit liabilities	3.10	—	—	44	**44**
Derivative liabilities	4.8	2,480	160	—	**2,640**
Total current financial liabilities		**2,480**	**160**	**10,349**	**12,989**
Total financial liabilities		**2,480**	**160**	**14,455**	**17,095**

4.8 Classification of Derivative Financial Instruments

Derivatives

The Group uses futures and option contracts mostly to hedge trading inventories and open commitments in commodities and securities. Futures and option contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized within the gross margin. Undelivered commodities purchase and sale commitments and swap/supply arrangements are recognized at fair value, and the resulting unrealized gain or loss is recognized within the gross margin. Foreign exchange hedge contracts are recognized at fair value, and the resulting unrealized gains and losses are recognized in the consolidated income statement in "Other financial income and expense" line for the foreign exchange exposure on funding and in "Cost of sales" line, for the foreign exchange gains and losses related to working capital.

Hedge Accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk, price risk component and interest rate risk. These hedging instruments are classified either as fair value hedges, cash flow hedges, or net investments hedges in foreign operations.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge requirements:

- The hedging relationship must only concern eligible hedging instruments and hedged items;
- The effect of credit risk does not dominate the value changes that result from that economic relationship; and
- The hedging relationship must meet hedge effectiveness requirements, particularly in respect of a hedging ratio.

The hedging relationship ends when it ceases to satisfy the above criteria. This includes situations in which the hedging instrument expires or is sold, terminated or exercised, or when the risk management objectives initially documented are no longer met. If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

The ineffective portion of a hedge, if any, is recognized in the consolidated income statement.

Only derivatives external to the Group, and internal derivatives that are matched with similar transactions external to the Group, qualify for hedge accounting.

Fair Value Hedges

Hedging instruments are classified as fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment. The change in fair value of the hedging instrument is recognized in the line of the consolidated income statement that is impacted by the underlying hedged item. The change in fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the consolidated income statement.

Cash Flow Hedges

Hedging instruments are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecasted transaction or the foreign currency risk in an unrecognized firm commitment. The effective portion of the gain or loss on the hedging instrument is recognized directly in other reserves, while any ineffective portion is recognized immediately in the consolidated income statement. When hedged cash flows materialize, the amounts previously recognized in equity are either recycled to the consolidated income statement in the same way as for the hedged item, or treated as an adjustment to the value of the asset acquired.

Net Investment Hedges

Hedges of net investments in foreign operations are accounted for in a similar way to cash flow hedges. The effective portion of the gain or loss on the hedging instrument is recognized directly in other reserves while any ineffective portion is recognized immediately in the consolidated income statement. The amounts previously recognized in equity are transferred to the consolidated income statement when the Group ceases to exercise control over the investment in foreign operations (either through a sale or a liquidation).

As of December 31, 2022 and December 31, 2021, derivative financial instruments are as follows:

(in millions of US$)	**2022** Assets	**2022** Liabilities	2021 Assets	2021 Liabilities
Forward purchase and sale agreements	1,239	758	1,810	1,425
Forward foreign exchange contracts	206	254	296	318
Futures	132	180	278	731
Options	53	12	66	6
Swaps	—	2	—	—
Provision on derivative assets	(87)	—	(24)	—
Derivatives at fair value through profit and loss	**1,543**	**1,206**	**2,426**	**2,480**
Forward foreign exchange contracts	23	9	9	25
Swaps	53	235	8	135
Derivatives at fair value through OCI - cash flow hedges	**76**	**244**	**17**	**160**
Total derivatives	**1,619**	**1,450**	**2,443**	**2,640**

In the normal course of operations, the Group enters into various derivative financial instruments involving future settlement. These transactions include futures, forward purchase and sale agreements, and option contracts that are executed either on regulated exchanges or in the over-the-counter (OTC) market.

Futures contracts are exchange-traded contractual commitments either to receive or deliver a standard amount or value of a commodity or financial instrument at a specified future date and price. Futures exchanges typically require the parties to provide as security "initial margins" and additional cash deposits for "variation margins", based upon market value fluctuations. OTC contracts, which may or may not require the payment of initial margins or variation margins, involve parties who have agreed to either exchange cash payments or deliver/receive the underlying commodity or financial instrument. Option contracts are contractual agreements that give the purchaser the right, but not the obligation, to purchase or sell a financial instrument or commodity at a predetermined price.

As of December 31, 2022, the Group recognized a provision on derivative assets of US$87 million on performance risk to offset unrealized gains on forward agreements identified as being at risk, including forward purchase agreements with some Ukrainian farmers in the context of the Russia-Ukraine crisis (refer to Note 1.3). As of December 31, 2021, this provision was US$24 million.

<u>Derivatives at Fair Value Through Other Comprehensive Income (OCI) - Cash Flow Hedges</u>

Forward foreign exchange contracts mainly relate to the hedge of foreign currency risk of future capital expenditure, production costs and commercial and administrative expenses in Brazilian Reais, and to a lesser extent in Euros and Swiss Francs. The contracts also relate to the hedge of foreign currency risk of a long-term financing line (principal and interests) in Brazilian Reais.
As of December 31, 2022, contracts in Brazilian Reais represent a total US$542 million nominal value and are effective until 2035, with an average fixed exchange rate of 5.55 Brazilian Reais to the US Dollar (a total US$433 million nominal value effective until 2035, with an average fixed exchange rate of 5.67, as of December 31, 2021).

The Group entered into interest-rate swap contracts in North America to hedge against LIBOR or Secured Overnight Financing Rate (SOFR) fluctuations on the floating rate exposure of its debt. As of December 31, 2022, these operations represent a total US$950 million nominal value effective until 2026, with an average three-month LIBOR rate fixed at 1.84% or SOFR rate fixed at 0.76% per year (a total US$1,200 million nominal value effective until 2026, with an average three-month LIBOR rate fixed at 1.58% per year, as of December 31, 2021).

The Group entered into cross-currency swap contracts in order to hedge the currency and interest exposure of the following main long-term financing agreements:

- Japanese Yen-denominated debt: as of December 31, 2022, these operations represent a total US$587 million nominal value effective until 2026, with an average Tokyo Overnight Average (TONA) rate fixed at 2.11% per year (a total US$905 million nominal value effective until 2026, with an average JPY LIBOR rate fixed at 2.53% per year, as of December 31, 2021).
- Japanese Yen-denominated private placements: as of December 31, 2022, these operations represent a total US$160 million nominal value effective until 2027.
- Chinese Yuan-denominated internal financing: as of December 31, 2022, these operations represent a total US$153 million nominal value effective until 2028.
- A €650 million rated senior bond issued in November 2020 and February 2021, and a €500 million rated senior bond issued in April 2021, effective respectively until 2025 and 2028.

The hedge on exposure linked to future interest payments on these long-term financing agreements is booked at fair value through OCI. The hedge on exposure related to the principal and accrued interests is booked in profit and loss impacting "Other financial income and expense" and "Interest expenses" lines of the consolidated income statement (refer to Note 2.3).

For hedging relationships directly affected by the IBOR reform:

- when applicable, changes in the loan (hedged item) were followed by similar changes in the swap (hedging instrument), ensuring the economic relationship of the hedge;
- when not yet applicable, LDC still applies the temporary exception in IFRS 9 assuming that the interest rate benchmark on which the hedged risk is based is not altered as a result of the reform.

4.9 Fair Value Hierarchy

The Group uses the following hierarchy to determine and disclose the fair value of assets and liabilities broken down by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: techniques that use inputs that have a significant effect on the recorded fair value that are based on observable, either directly or indirectly, market data; and
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

As of December 31, 2022 and December 31, 2021, the following table shows an analysis of financial assets and liabilities recorded at fair value by level of the fair value hierarchy:

	2022				2021			
(in millions of US$)	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	3	5,269	112	**5,384**	—	6,826	93	**6,919**
Derivative assets	152	1,443	24	**1,619**	316	2,110	17	**2,443**
Forward purchase and sale agreements	—	1,215	24	***1,239***	—	*1,793*	*17*	***1,810***
Forward foreign exchange contracts	—	229	—	***229***	—	*305*	—	***305***
Futures	123	9	—	***132***	*257*	*21*	—	***278***
Options	29	24	—	***53***	*59*	*7*	—	***66***
Swaps	—	53	—	***53***	—	*8*	—	***8***
Provision on derivative assets	—	(87)	—	***(87)***	—	*(24)*	—	***(24)***
Other financial assets at fair value through profit and loss (current and non-current)	323	44	78	**445**	237	60	228	**525**
Cash equivalents	—	500	—	**500**	—	211	—	**211**
Total assets	**478**	**7,256**	**214**	**7,948**	**553**	**9,207**	**338**	**10,098**
Derivative liabilities	181	1,262	7	**1,450**	731	1,898	11	**2,640**
Forward purchase and sale agreements	—	751	7	***758***	—	*1,414*	*11*	***1,425***
Forward foreign exchange contracts	—	263	—	***263***	*1*	*342*	—	***343***
Futures	180	—	—	***180***	*729*	*2*	—	***731***
Options	1	11	—	***12***	*1*	*5*	—	***6***
Swaps	—	237	—	***237***	—	*135*	—	***135***
Total liabilities	**181**	**1,262**	**7**	**1,450**	**731**	**1,898**	**11**	**2,640**

Trading inventories are valued at fair value based on observable prices (if and when available) such as commodity futures exchange quotations, broker or dealer quotations, or market transactions in either listed or OTC markets, and adjusted for differences in local markets and quality, since the exchange quoted price represents contracts with standardized terms for commodity, quantity, future delivery period, delivery location, and commodity quality or grade. When a substantial portion of observable inputs is used to estimate the fair value of the trading inventory, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of fair value, the trading inventory is classified as Level 3.

Fair value for the forward purchase and sale agreements is estimated based on exchange-quoted price adjusted for differences in local markets. These differences are generally determined using inputs from broker or dealer quotations or market transactions in either listed or OTC markets. When observable inputs are available for the full term of the contract, it is classified as Level 2. When unobservable inputs have a significant impact on the measurement of the fair value, the contract is classified as Level 3.

Other financial assets at fair value through profit and loss mainly include investments in equity instruments and bonds classified as Level 1 if they are listed, Level 2 if they are valued in the OTC market or adjusted based on observable market data and Level 3 if other valuation technique is used. They also include loans to commercial partners that do not meet Solely Payments of Principal and Interest (SPPI) requirements, classified as Level 3.

There was no transfer between levels during the year ended December 31, 2022.

4.10 Offsetting of Financial Assets and Liabilities

The Group enters into derivative transactions under *International Swaps and Derivatives Association* (ISDA) master netting agreements. In general, under such agreements the amounts owed by each counterparty on a single day in respect of all transactions outstanding in the same currency are aggregated into a single net amount that is payable by one party to the other. In certain circumstances, such as when a credit event such as a default occurs, all outstanding transactions under the agreement are terminated, the termination value is assessed and only a single net amount is payable in settlement of all transactions.

ISDA agreements do not meet the criteria for offsetting in the consolidated balance sheet; the Group does not have any currently legally enforceable right to offset recognized amounts, considering the right to offset is enforceable only on the occurrence of future events such as a default on bank loans or other credit events.

The following table sets out the carrying amounts of recognized financial instruments that are subject to the above agreements as of December 31, 2022:

	Amounts set off in the balance sheet			Amounts not set off in the balance sheet				
(in millions of US$)	Gross amount of financial assets	Gross amount of financial liabilities	**Net amount recognized in the balance sheet**	Under master netting agreements and margin deposit	Not under master netting agreements	**Total presented in the balance sheet**	Amounts under master agreements not set off in the balance sheet and margin deposit - theoretical set off adjustment	**Total net amount**
Derivative assets	312	(174)	**138**	72	1,409	**1,619**	197	**1,816**
Derivative liabilities	(188)	281	**93**	24	1,333	**1,450**	(468)	**982**
Margin deposit assets				1,007		**1,007**	(719)	**288**
Margin deposit liabilities				67		**67**	(54)	**13**
	500	**(455)**	**45**	**988**	**76**	**1,109**	—	**1,109**

As of December 31, 2021, the offsetting of financial assets and liabilities was as follows:

	Amounts set off in the balance sheet			Amounts not set off in the balance sheet				
(in millions of US$)	Gross amount of financial assets	Gross amount of financial liabilities	**Net amount recognized in the balance sheet**	Under master netting agreements and margin deposit	Not under master netting agreements	**Total presented in the balance sheet**	Amounts under master agreements not set off in the balance sheet and margin deposit - theoretical set off adjustment	**Total net amount**
Derivative assets	140	(42)	**98**	40	2,305	**2,443**	582	**3,025**
Derivative liabilities	(434)	934	**500**	17	2,123	**2,640**	(762)	**1,878**
Margin deposit assets				1,524		**1,524**	(1,388)	**136**
Margin deposit liabilities				44		**44**	(44)	**—**
	574	**(976)**	**(402)**	**1,503**	**182**	**1,283**	—	**1,283**

5. Equity and Financing

5.1 Equity

(in millions of US$)	2022	2021
Issued capital	1	1
Share premium	1,586	1,586
Retained earnings	4,641	3,940
Other reserves	(132)	(144)
Equity attributable to owners of the company	**6,096**	**5,383**
Non-controlling interests	43	44
Total stockholders' equity and non-controlling interests	**6,139**	**5,427**

Stockholders' equity and non-controlling interests disclosed in the Financial Statements correspond to the equity used by Management when assessing performance.

Capital

When managing capital, the Group's objectives are to safeguard its ability to continue as a going concern so that it can provide returns to shareholders, bring benefits to its other partners and optimize the structure of capital in order to reduce its cost. In 2022, the Group's overall strategy remains unchanged from 2021.

As of December 31, 2022 and December 31, 2021, the capital of LDC is composed of 100,000,000 shares with a €0.01 nominal value each, that are issued and fully paid.

During the year ended December 31, 2022, LDC distributed US$348 million as dividends to LDCH, corresponding to a dividend payment of US$3.48 per share.

During the year ended December 31, 2021, LDC distributed US$191 million as dividends to LDCNH, corresponding to a dividend payment of US$1.91 per share.

Other Reserves

As of December 31, 2022 and December 31, 2021, Other reserves relate to Other Comprehensive Income (OCI) since during 2021, the deferred compensation reserves were reclassified to retained earnings following the termination of the equity participation plan in the context of the transaction with ADQ (refer to Note 6.2).

OCI is composed of cash flow and net investment hedges, pensions reserves and foreign currency translation adjustment as described below.

Cash flow and net investment hedges reserves correspond to the effective portion of the gain or loss on the hedging instrument as described in Note 4.8.

Pensions reserves correspond to the re-measurement gains and losses arising from defined benefit pension plans in accordance with IAS 19 Employee Benefits as described in Note 6.1.

Foreign currency translation adjustment are used to record exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from the US Dollar.

Changes in OCI for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	Cash flow and net investment hedges	Pensions reserves	Foreign currency translation adjustment	**Total**
Balance as of January 1, 2022 - owners of the company share	**(57)**	**32**	**(119)**	**(144)**
of which:				
Pre-tax	(77)	42	(124)	**(159)**
Tax	20	(10)	—	**10**
Non-controlling share	—	—	(5)	**(5)**
Current year gains (losses)	86	15	(59)	**42**
Reclassification to profit and loss	8	—	5	**13**
Change in the list of consolidated companies	—	(44)	—	**(44)**
Others	1	—	—	**1**
OCI for the year - owners of the company share	**95**	**(29)**	**(54)**	**12**
of which:				
Pre-tax	122	(38)	(58)	**26**
Tax	(27)	9	—	**(18)**
Non-controlling share	—	—	(4)	**(4)**
Balance as of December 31, 2022 - owners of the company share	**38**	**3**	**(173)**	**(132)**
of which:				
Pre-tax	45	4	(182)	**(133)**
Tax	(7)	(1)	—	**(8)**
Non-controlling share	—	—	(9)	**(9)**

(in millions of US$)	Cash flow and net investment hedges	Pensions reserves	Foreign currency translation adjustment	**Total**
Balance as of January 1, 2021 - owners of the company share	**(71)**	**14**	**(105)**	**(162)**
of which:				
Pre-tax	(89)	18	(111)	**(182)**
Tax	18	(4)	—	**14**
Non-controlling share	—	—	(6)	**(6)**
Current year gains (losses)	(10)	18	(14)	**(6)**
Reclassification to profit and loss	24	—	—	**24**
OCI for the year - owners of the company share	**14**	**18**	**(14)**	**18**
of which:				
Pre-tax	12	24	(13)	**23**
Tax	2	(6)	—	**(4)**
Non-controlling share	—	—	1	**1**
Balance as of December 31, 2021 - owners of the company share	**(57)**	**32**	**(119)**	**(144)**
of which:				
Pre-tax	(77)	42	(124)	**(159)**
Tax	20	(10)	—	**10**
Non-controlling share	—	—	(5)	**(5)**

5.2 Long-Term Debt

As of December 31, 2022 and December 31, 2021, long-term debt consists of the following:

(in millions of US$)	Notes	2022	2021
Non-current portion of long-term financing		3,789	3,701
Non-current portion of lease liabilities	7.1	318	335
Non-current portion of long-term debt		**4,107**	**4,036**
Current portion of long-term financing		526	573
Current portion of lease liabilities	7.1	190	193
Current portion of long-term debt		**716**	**766**
Total long-term debt		**4,823**	**4,802**

The tables below only refer to long-term financing.

Long-term financing as of December 31, 2022 and December 31, 2021 is analyzed as follows:

	2022				2021			
(in millions of US$)	**Debt capital markets**	**Revolving credit facilities**	**Term loans from banks**	**Total**	Debt capital markets	Revolving credit facilities	Term loans from banks	**Total**
US Dollar	1,522	(12)	2,305	**3,815**	1,597	4	1,999	**3,600**
Euro	—	—	315	**315**	453	—	220	**673**
Australian Dollar	—	—	132	**132**	—	—	—	—
Chinese Yuan	—	—	38	**38**	—	—	—	—
Other currencies	—	15	—	**15**	—	—	1	**1**
Total long-term financing	**1,522**	**3**	**2,790**	**4,315**	**2,050**	**4**	**2,220**	**4,274**

Certain portions of this financing, aggregating US$121 million as of December 31, 2022 and US$76 million as of December 31, 2021, are secured by mortgages on assets.

Certain senior debt and bank loans contain covenants that require maintenance of levels of working capital, net worth, debt to equity ratios, dividend restrictions and limit of indebtedness. As of December 31, 2022, the Group complied with all the covenants included in its loan agreements with banks.

The following is a comparative summary of outstanding long-term financing after hedge, current and non-current portions:

			2022				
(in millions of US$)	Nature of the rate after hedge	Interest rate after hedge	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	**Total**
USD RegS bond 23	Fixed rate	5.25%	300	—	—	—	**300**
Eurobond 25	Fixed rate	3.56%	—	692	—	—	**692**
Eurobond 28	Fixed rate	3.29%	—	—	—	530	**530**
Other LT financing	Fixed rate	0.11% ~ 6.25%	—	713	785	145	**1,643**
Other LT financing	Floating rate	Rate over LIBOR	76	226	5	14	**321**
Other LT financing	Floating rate	Rate over SOFR	—	127	118	63	**308**
Other LT financing	Floating rate	Rate over EURIBOR	—	48	245	—	**293**
Other LT financing	Floating rate	Rate over TJLP	3	7	7	26	**43**
Other LT financing	Floating rate	Other variable rates	147	1	4	33	**185**
Total long-term financing			**526**	**1,814**	**1,164**	**811**	**4,315**

			2021				
(in millions of US$)	Nature of the rate after hedge	Interest rate after hedge	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	**Total**
Eurobond 22	Fixed rate	4.00%	453	—	—	—	**453**
USD RegS bond 23	Fixed rate	5.25%	—	300	—	—	**300**
Eurobond 25	Fixed rate	3.56%	—	—	734	—	**734**
Eurobond 28	Fixed rate	3.29%	—	—	—	563	**563**
Other LT financing	Fixed rate	-3.64% ~ 6.25%	1	490	651	349	**1,491**
Other LT financing	Floating rate	Rate over LIBOR	115	295	61	1	**472**
Other LT financing	Floating rate	Rate over EURIBOR	—	—	221	—	**221**
Other LT financing	Floating rate	Rate over TJLP	4	6	6	24	**40**
Total long-term financing			**573**	**1,091**	**1,673**	**937**	**4,274**

The unrated senior bond issued in 2017 for €400 million (5-year, 4% coupon) was reimbursed in February 2022.

As of December 31, 2022, the main difference between the fair value of long-term financing and its historical value amounts to US$(107) million and relates to the listed senior bonds for which fair value is US$1,415 million compared to US$1,522 million net book value.

Changes in long-term financing for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**4,274**	**3,601**
Proceeds from long-term financing	731	1,215
Repayment of long-term financing	(605)	(362)
Foreign exchange	(149)	(196)
Change in the list of consolidated companies	48	—
Others	16	16
Closing balance	**4,315**	**4,274**

Change in the list of consolidated companies

In 2022, US$48 million long-term financing (current portion) was incorporated in the Group following the acquisition of Emerald Grain (refer to note 1.4).

5.3 Short-Term Debt

The Group finances most of its short-term requirements through bank loans, acceptances and commercial paper. The underlying agreements require certain companies to maintain minimum levels of net worth and to meet various liquidity tests.

As of December 31, 2022 and December 31, 2021, short-term debt consists of the following:

	2022					
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	Securities short positions	**Total**
US Dollar	1,038	212	115	32	7	**1,404**
Euro	5	309	31	—	—	**345**
Argentine Peso	—	—	—	202	—	**202**
Indonesian Rupiah	91	—	—	—	—	**91**
South African Rand	—	—	47	—	—	**47**
Australian Dollar	20	—	—	—	—	**20**
Pakistani rupee	—	—	19	—	—	**19**
Other currencies	8	—	9	—	—	**17**
Total short-term debt	**1,162**	**521**	**221**	**234**	**7**	**2,145**

	2021				
(in millions of US$)	Bank loans	Commercial paper	Bank overdrafts	Repurchase agreements	**Total**
US Dollar	2,839	317	165	—	**3,321**
Argentine Peso	—	—	—	167	**167**
Indonesian Rupiah	116	—	19	—	**135**
Euro	—	80	33	—	**113**
Chinese Yuan	81	—	—	—	**81**
Pakistani rupee	—	—	35	—	**35**
Australian Dollar	22	—	—	—	**22**
South African Rand	—	—	8	—	**8**
Other currencies	16	—	24	—	**40**
Total short-term debt	**3,074**	**397**	**284**	**167**	**3,922**

The Group enters into repurchase agreements, which are arrangements involving the sale of securities at a specified price with an irrevocable commitment to repurchase the same or similar securities at a fixed price on a specified future date or with an open maturity.

Certain portions of this financing, aggregating US$39 million as of December 31, 2022, are secured by mortgages on assets.

As of December 31, 2022 and December 31, 2021, there is no significant difference between the historical value and fair value of short-term debt.

Changes in short-term debt for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**3,922**	**5,765**
Net proceeds from (repayment of) short-term debt	(1,753)	(1,844)
Foreign exchange	(12)	1
Change in the list of consolidated companies	(12)	—
Closing balance	**2,145**	**3,922**

Net Proceeds From (Repayment of) Short-Term Debt

This line included changes in repurchase agreements and securities short positions (US$74 million in 2022 and US$162 million in 2021), which are reported as changes in derivatives in the consolidated statement of cash flows. This line excluded changes in related parties' advances (US$(144) million in 2022 and US$1,097 million in 2021) which are reported as "Net proceeds from (repayments of) short-term debt and related parties' loans and advances" in the consolidated statement of cash flows. In 2021, the US$1,097 million changes in related parties' advances are linked to a large extent to the full repayment of the US$1,051 million loan to LDCNH following the closing of the transaction with ADQ.

5.4 Non-Current Financial Assets

Non-current financial assets mainly include:

- Non-current financial assets measured at amortized cost using the effective interest method such as long-term loans and deposits which meet SPPI (Solely Payments of Principal and Interests) test requirements under IFRS 9; and
- Investments in equity instruments not held for trading purposes that the Group intends to keep during more than 12 months after the closing date of the period and loans to commercial partners that do not meet the SPPI test requirements. Those investments and loans are measured at fair value through profit and loss. The Group did not elect for the irrevocable option to measure any investment in equity instruments at fair value through OCI with no recycling through the consolidated income statement.

As of December 31, 2022 and December 31, 2021, non-current financial assets consist of the following:

(in millions of US$)	**2022**	2021
Non-current financial assets at amortized cost	75	75
Deposits and others	*75*	*75*
Non-current financial assets at fair value through profit and loss	89	224
Non-current financial assets	**164**	**299**

In 2012, LDC entered into a joint venture agreement for the development and construction of a deep-sea terminal for agricultural commodities in the Taman peninsula in southern Russia (the "Project"). As of December 31, 2021, the non-current financial assets at fair value through profit and loss included loans granted to the joint venture partner *Infragos Consortium B.V.,* whose rights and obligations had been transferred to *Infracis Group Limited* ("IGL") (the "Loan").

As of December 31, 2021, the book value of the Loan amounted to US$149 million, and the Group accounted for 10% of the shares of the Dutch joint venture vehicle (*Cisagri Holland Cooperatief U.A.*) under "Investments in associates and joint ventures" using the equity method for an amount of US$16 million (refer to Note 3.3).

The Project is significantly delayed, mainly because land re-zoning approval had not been obtained. The approval was obtained on August 1, 2022.

LDC and IGL had brought claims against each other in arbitration proceedings with the *International Chamber of Commerce* in London. On September 16, 2022, LDC received the conclusions of the arbitration proceedings. The court dismissed all damages claims between the parties and ruled that the Loan should be converted into additional 15% membership interest of *Cisagri Holland Cooperatief U.A.*, as contemplated by the joint venture agreements. Consequently, as of December 31, 2022, LDC owns a 10% share in the Dutch joint venture vehicle plus its entitlement to an additional 15% pursuant to the court ruling.

The Russia-Ukraine crisis has brought significant uncertainties on the Project's economics and the discount rate has been significantly increased in light of current business environment. An impairment test of the project was run based on financial projections over the lifetime of the terminal, considering current market conditions. Material assumptions include construction costs and timing, elevation fees, elevated volume, inflation, foreign exchange and discount rate. As a consequence, a US$156 million impairment was recognized in the line "Other gains and losses" of the consolidated income statement for the year ended December 31, 2022. The share in the joint venture as of such date, booked under "Investments in associates and joint ventures", amounted to US$9 million (refer to Note 3.3).

5.5 Other Financial Assets at Fair Value Through Profit and Loss

Other financial assets at fair value through profit and loss include short-term securities with an initial maturity greater than three months and bonds relating to the financial trading activity as well as other financial assets designated upon recognition at fair value through profit and loss. It also includes investments in non-consolidated equity instruments on which the Group does not exercise significant influence, joint control or control.

As of December 31, 2022 and December 31, 2021, other financial assets at fair value through profit and loss consist of the following:

(in millions of US$)	**2022**	2021
Marketable securities held for trading	297	215
Short-term securities	—	57
Reverse repurchase agreement loan	40	—
Investments in equity instruments	19	29
	356	**301**

As of December 31, 2021, short-term securities included US$1 million of securities or cash deposits pledged as collaterals.

Marketable securities held for trading are mainly related to Repurchase Agreements reported within "Short-term debt" (refer to Note 5.3).

5.6 Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with a maturity of three months or less at the time of the acquisition. Treasury bills, money market funds, commercial paper, bank certificates of deposit and marketable securities having insignificant risk of change in value qualify under this definition. Short-term securities classified as "Cash equivalents" are recorded at fair value through profit and loss with changes in fair value recognized in the "Interest income" line of the consolidated income statement. Changes in bank overdrafts that form part of the financing activities are presented as an increase (decrease) in short-term debt in the consolidated statement of cash flows.

As of December 31, 2022 and December 31, 2021, cash and cash equivalents are as follows:

(in millions of US$)	**2022**	2021
Cash equivalents	500	211
Cash	684	485
	1,184	**696**

Cash equivalents include US$16 million of securities or cash deposits pledged as collaterals as of December 31, 2022 (US$19 million as of December 31, 2021).

As of December 31, 2022 and December 31, 2021, there is no material difference between the historical value and fair value of cash and cash equivalents.

6. Employees

6.1 Employee Benefits

Short-Term Employee Benefits

Short-term employee benefits include wages, salaries, social security contributions, compensated absences, profit-sharing and bonuses and are expected to be fully settled within 12 months after the end of the reporting period. Short-term employee benefit obligations are measured on an undiscounted basis and are recognized in the income statement as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonus plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Pensions and Post-Retirement Benefits

Defined contribution plans are funded by contributions paid by employees and Group companies to the organizations responsible for managing the plans. The Group's obligations are limited to the payment of such contributions which include total social contributions incurred by the Group in order to secure for its employees the entitlement to defined contribution pension schemes. It covers contributions made compulsory by law as well as those resulting from supplementary collectively agreed, contractual and voluntary schemes.

Defined benefit plans consist of either funded or unfunded plans. Obligations under these plans are generally determined by independent actuaries using the projected unit credit method.

The Group measures and recognizes post-employment benefits in accordance with IAS 19:

- Contributions to defined contribution plans are recognized as an expense;
- Defined benefit plans are measured using actuarial valuations.

The Group uses the projected unit credit method as the actuarial method for measuring its post-employment benefit obligations, on the basis of the national or company-wide collective agreements effective within each entity.

Factors used in calculating the obligation include length of service, life expectancy, salary inflation, staff turnover and macroeconomic assumptions specific to countries in which the Group operates (such as inflation rate and discount rate).

Actuarial gains and losses relating to defined benefit plans (pensions and other post-employment benefits), arising from the effects of changes in actuarial assumptions and experience adjustments, are recognized net of deferred taxes in other comprehensive income.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of each plan.

If the value of plan assets exceeds the obligation under the plan, the net amount is recognized as a non-current asset. Overfunded plans are recognized as assets only if they represent future economic benefits that will be available to the Group through future refunds from the plan or reductions in future contributions to the plan.

Other Long-Term Benefits

The Group's net obligation in respect of long-term benefits, other than post-employment plans, is the amount of future benefits that employees have earned in return for their service in the current and prior periods. They include mainly bonuses that are not expected to be settled wholly before 12 months after the end of the reporting period. They are recognized in the income statement as part of the "Commercial and administrative expenses". The corresponding debt is included within the lines "Other non-current liabilities" and "Trade and other payables" of the consolidated balance sheet, respectively for its non-current and current parts.

Short-Term Employee Benefits

In 2022, personnel expenses reached US$948 million (US$858 million in 2021).

Defined Benefit Plans

The Group maintains pension plans in various countries as prescribed by local laws and customs. The obligations of the Group to pay benefits upon retirement are provided for on an estimated annual basis. The estimates reflect assumptions as to future salary increases, employee turnover and mortality rates. The most significant retirement plans that require funding are in the United States of America (US).

As of December 31, 2022 and December 31, 2021, retirement benefit obligations are as follows:

	2022			2021		
(in millions of US$)	US	Other	**Total**	US	Other	**Total**
Long-term pension benefit	35	12	**47**	36	22	**58**
Post-retirement benefit	13	8	**21**	18	11	**29**
Retirement benefit obligations	**48**	**20**	**68**	**54**	**33**	**87**
Net plan asset[1]	**—**	**(1)**	**(1)**	**—**	**(2)**	**(2)**

1. Reported in "Trade and other receivables".

As of December 31, 2021, this table does not include the US$19 million long-term pension benefit and the US$5 million other long-term employee benefits that were part of the Imperial transaction (Sugar business), as they were reclassified to held for sale liabilities (refer to Note 1.5).

US

The Group has various defined benefit pension plans in the US covering substantially all employees, which provide benefits based on years of service and compensation during defined years of employment. The funding policy is to contribute amounts sufficient to meet the minimum funding requirements. The Group also has unfunded post-retirement plans in the US that cover substantially all salaried employees. These plans provide medical, dental and life insurance benefits.

Certain current and former employees of *Imperial Sugar Company* (ISC) were covered by retirement plans. Retirement benefits are primarily a function of years of service and the employee's compensation for a defined period of employment. In 2003, ISC froze the benefits under the salaried pension plan resulting in reductions in future pension obligations. ISC funds pension costs at an actuarially determined amount based on normal cost and the amortization of prior service costs, gains and losses over the remaining service periods. Additionally, ISC previously provided a supplemental non-qualified, unfunded pension plan for certain management members as well as a non-qualified retirement plan for former non-employee directors, which provided benefits based upon years of service as a director and the retainer in effect at the date of a director's retirement. Certain of ISC's employees who met the applicable eligibility requirements were covered by benefit plans that provide post-retirement healthcare and life insurance benefits to employees. On November 27, 2022, these plans were transferred to *U.S. Sugar* as part of the Imperial transaction, except the ones that provide post-retirement healthcare and life insurance benefits to former employees of ISC which keep being recognized as retirement benefit obligations in the consolidated balance sheet.

As of December 31, 2022 and December 31, 2021, pension and post-retirement benefits liabilities recognized in the consolidated balance sheet are as follows:

	2022		2021	
(in millions of US$)	Pension benefit	Post-retirement benefit	Pension benefit	Post-retirement benefit
Present value of obligations	110	13	377	18
Fair value of plan assets	(75)	—	(322)	—
Liability before reclassification to held for sale liabilities	**35**	**13**	**55**	**18**
Reclassification to held for sale liabilities	—	—	(19)	—
Liability in the balance sheet	**35**	**13**	**36**	**18**

Changes in the pension and post-retirement liabilities before reclassification to held for sale liabilities are as follows:

(in millions of US$)	2022 Pension benefit	2022 Post-retirement benefit	2021 Pension benefit	2021 Post-retirement benefit
Balance as of January 1	**55**	**18**	**86**	**19**
Change in the list of consolidated companies	(10)	—	—	—
Net expense	3	—	3	—
Settlement	2	—	—	—
Remeasurements	(6)	(2)	(25)	—
Contributions	(9)	(3)	(9)	(1)
Closing balance	**35**	**13**	**55**	**18**

Changes in the present value of the obligation in respect of pension and post-retirement benefits and before reclassification to held for sale liabilities are as follows:

(in millions of US$)	2022 Pension benefit	2022 Post-retirement benefit	2021 Pension benefit	2021 Post-retirement benefit
Balance as of January 1	**377**	**18**	**401**	**19**
Change in the list of consolidated companies	(169)	—	—	—
Interest cost	9	—	9	—
Remeasurements	(74)	(2)	(13)	—
Contributions	(19)	(3)	(20)	(1)
Settlement	2	—	—	—
Annuity purchase	(16)	—	—	—
Closing balance	**110**	**13**	**377**	**18**

Changes in fair value of the plan assets before reclassification to held for sale liabilities are as follows:

(in millions of US$)	**2022**	2021
Balance as of January 1	**(322)**	**(315)**
Change in the list of consolidated companies	159	—
Interest income	(8)	(7)
Administrative expenses	2	1
Return on plan assets excluding interest income	68	(12)
Employer contributions	(9)	(9)
Benefit payments	19	20
Annuity purchase	16	—
Closing balance	**(75)**	**(322)**

The amounts recognized in the consolidated income statement are as follows:

(in millions of US$)	2022 Pension benefit	2021 Pension benefit
Administrative expenses	2	1
Net interest expense	1	2
Settlement	2	—
Total net expenses	**5**	**3**

Changes in other comprehensive income are as follows:

(in millions of US$)	**2022** Pension benefit	**2022** Post-retirement benefit	2021 Pension benefit	2021 Post-retirement benefit
Balance as of January 1	**54**	**3**	**29**	**3**
Change in the list of consolidated companies	(57)	—	—	—
Return on plan assets excluding interest income	(68)	—	12	—
Effect of change in financial assumptions	74	2	14	(1)
Other actuarial assumptions	—	—	(1)	1
Closing balance	**3**	**5**	**54**	**3**

The plan assets are detailed as follows:

(in millions of US$)	**2022**	2021
Large US Equity	(21)	(73)
Small/Mid US Equity	(2)	(6)
International Equity	(8)	(16)
Bond	(44)	(227)
Total plan assets	**(75)**	**(322)**

The discount rate is 4.99% as of December 31, 2022 (2.62% as of December 31, 2021).

Other

Other long-term pension benefit plans are mainly in the United Kingdom and Switzerland. Pension benefits liabilities recognized in the consolidated balance sheet are as follows as of December 31, 2022 and December 31, 2021:

(in millions of US$)	**2022** United Kingdom	**2022** Switzerland	2021 United Kingdom	2021 Switzerland
Present value of obligations	72	57	92	63
Fair value of plan assets	(65)	(59)	(81)	(57)
Asset ceiling	—	2	—	—
Liability in the balance sheet	**7**	**—**	**11**	**6**

6.2 Share-Based Payment

Share plans and stock-option plans are measured at fair value, corresponding to the value of the benefit granted to the employee on the grant date. The transactions are recognized in the line "Commercial and administrative expenses" in the consolidated income statement on a graduated basis over the vesting period, with a corresponding increase in other reserves in equity when the plan is deemed an equity plan.

In December 2006, the terms of a stock-based compensation arrangement referred to as the Equity Participation Plan (EPP), which was sponsored by LDCH, became operational and the arrangement was fully implemented in December 2007 with the issuance of the first shares relating to the awards. The EPP provided for the grant of securities and options to purchase securities in LDCH (collectively "Awards") to certain employees of the Group. EPP awards granted to employees of the Group generally vested on a graduated basis over a four-year period. Additional awards were granted to employees during each first semester, with the corresponding securities and options to purchase securities to be issued during the second semester of the same calendar year.

The Group accounted for the EPP as an equity-settled plan: the fair value of awards granted, determined at attribution date, was recorded in the consolidated income statement ratably over the vesting period of the awards. The value of the awards granted was not revalued in subsequent periods.

The Group and LDCH entered into reimbursement agreements under which certain subsidiaries of the Group reimbursed LDCH for the awards attributed to their employees. Depending on the reimbursement agreement, the Group was liable for vested awards at attribution or fair value. Amounts due under these reimbursement agreements were recorded by the Group as a distribution of equity to LDCH. Accordingly, amounts payable under the reimbursement agreements gave rise to a reclassification from equity to liabilities up to the amount of stock compensation already recorded. Any excess of the amounts due under the reimbursement agreements over the attribution value of the awards was recorded as an additional debit to retained earnings. Certain reimbursement agreements provided for a payment anticipating the accounting vesting schedule and gave rise to a prepaid asset.

In the context of the transaction with ADQ, the EPP was terminated in September 2021. Consequently, the liability relating to reimbursement agreements (which amounted to US$91 million as of December 31, 2020) was fully reimbursed to LDCH.

In 2021, awards forfeited by employees represented US$1 million. During the 2021 transfer window period, LDCH purchased shares from employees corresponding to US$32 million in attribution value bringing the attribution value of outstanding EPP awards granted to employees to US$113 million at plan termination. EPP awards fully vested represented US$63 million and were paid to the employees; while the US$50 million unvested awards will be paid according to initial vesting dates until 2024.

Until the termination date, compensation costs recognized in commercial and administrative expenses are of US$9 million in 2021.

In 2021, a new deferred bonus program was implemented to replace the EPP. The program is a cash-based compensation arrangement which is accounted according to IAS 19 (refer to Note 6.1).

6.3 Number of Employees

The average number of employees for the years ended December 31, 2022 and December 31, 2021 is as follows:

	2022	2021
Managers and traders	1,739	1,654
Supervisors	1,551	1,428
Employees	4,365	4,139
Workers	7,278	7,189
Seasonal workers	2,734	2,654
	17,667	**17,064**

Notes Continued

7. Leases and Other Information

7.1 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. The contract is a lease if it conveys the right to control the use of an identified asset for a period of time (lease term) in exchange for consideration, meaning the right to obtain substantially all economic benefits and the right to direct the use of such asset over the lease period.

The lease term is defined as the non-cancellable period for which a lessee has the right to use an underlying asset. The term shall include both option to extend the lease or option to terminate the lease if the lessee is reasonably certain to exercise those options, considering business continuity among others. When determining the lease term, Management reviewed existing renewal and termination options taking into account economic factors.

Lessor

The Group acts as a sub-lessor only in short-term leases of vessels, which are classified as operating leases. The corresponding lease payments received are recognized as income in "Gross margin" over the lease term.

Lessee

As a lessee, the Group is mainly involved in leases of lands, warehouses, production lines, harvesting machinery, tractors, railcars, office spaces, vessels and cars.

At commencement date, the Group recognizes a right-of-use asset and a lease liability. In the consolidated balance sheet, the Group presents right-of-use assets in "Property, plant and equipment" and lease liabilities in "Long-term debt" for the non-current part and "Current portion of long-term debt" for the current one.

The **right-of-use asset** is initially measured at cost, which corresponds to the initial amount of the lease liability adjusted for (i) any lease payment made at or before commencement date, (ii) any initial direct costs incurred by the lessee, (iii) an estimate of any obligatory costs to be incurred in dismantling and/or restoring the underlying asset or its site as per the contractual terms of the lease and (iv) less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those used for the underlying asset (i.e. property, plant and equipment). In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted for remeasurements of the lease liability. The depreciation cost is recognized either through the "Cost of sales" or the "Commercial and administrative expenses" lines of the consolidated income statement, depending on the nature of the lease.

The **lease liability** is initially measured at the present value of future lease payments at the commencement date, discounted using the implicit interest rate in the lease or the lessee's incremental borrowing rate (when the previous one is not easily determined). Generally, the Group uses its incremental borrowing rate as the discount rate. By simplification, the incremental borrowing rate is calculated for each monetary zone using the risk-free rate applicable in the zone, plus the Group's risk premium for the local currency.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments depending on an index or rate;
- Residual value guarantees;
- Exercise price of a purchase option and penalties due to early termination option (if expected to be exercised).

The lease liability is subsequently measured at amortized cost using the effective interest method. Its carrying amount is increased to reflect interest on the liability, reduced to reflect lease payments and remeasured to reflect reassessment or lease modification. The "Interest expense on leases" is recognized through the "Other financial income and expense" line of the consolidated income statement. The lease payments are reported in the line "Repayment of lease liabilities" of the consolidated statement of cash flows.

Some contracts contain both lease and non-lease components. The Group elects not to separate non-lease components from lease components except for vessel chartering contracts, for which the running costs are excluded from the lease in order to determine a bareboat equivalent lease component.

Low value assets and short-term leases

The Group does not recognize right-of-use assets and lease liabilities for short-term leases (lease term of 12 months or less) and leases of individually low-value assets. The lease payments associated with these leases are recorded as an expense on a straight-line basis over the lease term through the "Cost of sales" or the "Commercial and administrative expenses" lines of the consolidated income statement depending on the nature of the lease.

Right-of-use assets are included within property, plant and equipment. Changes in the net value of right-of-use assets for the years ended December 31, 2022 and December 31, 2021 are as follows:

	2022						2021
(in millions of US$)	Land	Buildings and offices	Machinery and equipment	Vessels	Other tangible assets	**Total**	Total
Balance as of January 1	**116**	**125**	**78**	**278**	**2**	**599**	**329**
New leases and additions	4	37	52	192	1	**286**	425
Early terminations, disposals and decreases	—	(2)	(3)	(66)	—	**(71)**	(1)
Acquisitions through business combinations	18	—	—	—	—	**18**	—
Depreciation	(10)	(28)	(31)	(188)	(1)	**(258)**	(152)
Impairment	—	—	—	(6)	—	**(6)**	—
Foreign currency translation adjustment	(4)	(2)	(3)	—	—	**(9)**	(2)
Closing balance	**124**	**130**	**93**	**210**	**2**	**559**	**599**

New Leases and Additions

In 2022, new leases and additions include US$26 million right-of-use of railroad cars, US$10 million right-of-use of juice extractors and US$192 right-of-use of vessels including new long-term time charter contracts and remeasurement of some contracts resulting from a change in index.
In 2021, new leases and additions include US$32 million right-of-use of land fully prepaid in Nansha, Guangzhou, China, US$3 million right-of-use of land fully prepaid in new joint operation in Vietnam (refer to Note 3.2), and US$343 million right-of-use of vessels including new long-term time charter contracts and remeasurement of some contracts resulting from a change in index.

Early Terminations, Disposals and Decreases

In 2022, early terminations, disposals and decreases of vessels are mainly related to the remeasurement of contracts resulting from a change in index.

Acquisitions through business combinations

In 2022, the Group acquired US$18 million right-of-use related to port area in Melbourne, Australia, through the acquisition of Emerald Grain (refer to note 1.4).

Lease liabilities are included within long-term debt and current portion of long-term debt.

Changes in lease liabilities for the years ended December 31, 2022 and December 31, 2021 are as follows:

	2022			2021		
(in millions of US$)	Non-current portion	Current portion	**Total**	Non-current portion	Current portion	**Total**
Balance as of January 1	**335**	**193**	**528**	**219**	**68**	**287**
New leases and additions	129	157	**286**	165	225	**390**
Payments	—	(252)	**(252)**	(1)	(144)	**(145)**
Early terminations, disposals and decreases	(27)	(44)	**(71)**	(1)	—	**(1)**
Acquisitions through business combinations	17	1	**18**	—	—	**—**
Reclassification	(132)	132	**—**	(44)	44	**—**
Foreign exchange	—	2	**2**	(3)	—	**(3)**
Foreign currency translation adjustment	(4)	1	**(3)**	—	—	**—**
Closing balance	**318**	**190**	**508**	**335**	**193**	**528**

As of December 31, 2022 and December 31, 2021, the maturity of non-current lease liabilities were as follows:

(in millions of US$)	**2022**	2021
Maturity 1-2 years	104	121
Maturity 2-3 years	59	63
Maturity 3-4 years	36	37
Maturity 4-5 years	24	21
Maturity > 5 years	95	93
Non-current portion of lease liabilities	**318**	**335**

The amounts recognized in the consolidated income statement for the years ended December 31, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**2022**	2021
Variable lease expenses	(9)	(11)
Short-term lease expenses	(794)	(776)
Low-value asset lease expenses	—	—
Income from sub-leasing	324	340

The short-term lease expenses and income from sub-leasing are mainly related to freight activity.

For the year ended December 31, 2022, the total cash outflow for leases amounts to US$(1,055) million (US$(932) million as of December 31, 2021).

The Group is committed to lease an oilseeds crushing plant in Zhangjiagang, China, for 10 years with an estimated annual consideration of CNY58 million which is expected to start in 2023.

7.2 Commitments and Contingencies

Commitments

Commodity contracts presented in commitments are purchase or sale contracts entered into and which continue to be held for the purpose of the receipt or delivery of the non-financial item in accordance with the entity's expected purchase, sale or usage requirements (including amount and timing of payments). Purchase contractual agreements are contracts to purchase goods or services, including sugar, orange boxes and fuel. Sale contractual agreements are contracts to sell goods, including sugar, hulls and glycerin, frozen concentrate or not-from-concentrate juice, juice by-products and apple juice.

Advance market commitments comprise bid and performance bonds in a tender. A bid bond ensures that on acceptance of a bid by the customer, the contractor will proceed with the contract and will replace the bid bond with a performance bond. A performance bond is issued to one party of a contract as a guarantee against the failure of the other party to meet obligations specified in the contract.

A letter of credit is a commitment issued by a bank on behalf of the Group to guarantee a payment that must be made to a third party as the result of an import/export transaction.

Capex commitment is the amount the Group has committed to spend on fixed assets in the future.

Guarantees and collaterals received aim at insuring advances to suppliers and trade receivables of the Group.

As of December 31, 2022 and December 31, 2021, the Group has commitments to purchase or sell non-trading commodities that consist of the following:

		2022			2021	
(in millions of US$)	Quantities' unit	Quantities	**Estimated amount**	Maturity	Quantities	Estimated amount
Commitments to purchase						
Raw sugar	Ktons	—	**—**	—	43	35
Orange boxes[1]	Million boxes	40	**198**	2029	54	259
Fuel	MMBtus[2]	1	**5**	2024	7	27
Glycerin	Ktons	—	**—**	—	2	4
			203			**325**
Commitments to sell						
Refined sugar	Ktons	—	**—**	—	265	254
Hulls and glycerin	Ktons	54	**52**	2023	51	58
Frozen concentrate orange juice	Ktons	108	**227**	2025	160	298
Not-from-concentrate citrus juice	Ktons	357	**150**	2024	419	213
Juice by-products	Ktons	19	**32**	2025	21	65
Apple juice	Ktons	20	**35**	2024	24	29
Other	Ktons	—	**—**	—	10	4
		558	**496**		**950**	**921**

1. Of which US$133 million may fall in the following year.
2. Million British thermal units.

The Group is no longer committed to purchase raw sugar and sell refined sugar following the closing of Imperial transaction (Sugar business) (refer to Note 1.5). Additionally, the decrease in commitments to purchase fuel is due to the sale of the ethanol plant in Norfolk, Nebraska, US (refer to Note 3.2).

In addition, the Group has the following commitments:

	2022	2021
(in millions of US$)	**Estimated amount**	Estimated amount
Commitments given		
Letters of credit	78	98
Bid and performance bonds	160	139
Capex commitments	147	82
Guarantees given	265	182
Other commitments	31	46
	681	**547**
Commitments received		
Guarantees and collaterals received	395	385
	395	**385**

Capex commitments are mainly related to investments in export terminals, the soybean processing facility in the Port of Nansha, Guangzhou, China, and the joint operation freeze-dried instant coffee plant in Vietnam which are under construction.

Contingencies

Audits from local tax authorities are carried out regularly and may dispute positions taken by the Group, in particular those regarding the allocation of income among various tax jurisdictions, value added taxes or export taxes. In accordance with its accounting policies, the Group may decide to record provisions when tax-related risks are considered probable to generate a payment to tax authorities.

During past years, *LDC Argentina S.A.* received several tax assessments challenging transfer prices used to price exports for different years between 2005 and 2012. As of December 31, 2022, these tax assessments amounted to US$26 million, compared to US$39 million as of December 31, 2021. *LDC Argentina S.A.* could receive additional tax notifications for subsequent years.

In addition, *LDC Argentina S.A.* has received several tax assessments challenging certain custom duties related to Paraguayan soybean imports totaling US$81 million for the years from 2007 to 2009. Other large exporters and processors of cereal grains and other agricultural commodities have received similar tax assessments in this country.

As of December 31, 2022, *LDC Argentina S.A.* has reviewed the evaluation of all its tax positions. Based on Argentine tax law as well as advice from its legal counsel, *LDC Argentina S.A.* still considers that its tax positions are suitable but cannot predict the ultimate outcome of these ongoing or future examinations.

Louis Dreyfus Company LLC (LDC LLC) and certain of its affiliates (including LDC) were named as defendants in a consolidated action in US federal court in New York, alleging manipulation and artificial inflation of the ICE Cotton No. 2 futures contracts for May 2011 and July 2011 in violation of the US Commodity Exchange Act and antitrust laws. The defendants have filed an answer denying the claims in the action. The court denied defendants' motions for summary judgment on the claims in the class action, as well as the major part of defendants' motions to exclude the testimony of certain of the plaintiffs' experts. The court has granted the plaintiffs' motion for class certification. No trial date has been scheduled in the case. This matter is in pre-trial proceedings and the company cannot predict its ultimate outcome.

LDC LLC and one of its subsidiaries were named as defendants in lawsuits pending in various US state and federal courts arising out of *Syngenta A.G.* and its affiliates' (Syngenta) marketing and distribution of genetically modified corn seed (containing the MIR 162 trait) in the US. The LDC companies and other grain companies were named as defendants in numerous individual and purported class action suits filed by farmers and other parties in several US state and federal courts beginning in the fourth quarter of 2015, alleging that the LDC companies and other grain companies were negligent in failing, among other things, to screen for genetically modified corn. Those actions (other than the action filed in federal and state courts in Illinois) were consolidated for pre-trial proceedings in a multidistrict litigation (MDL) proceeding in federal court. In 2016 and 2017, the MDL court and the federal and state courts in Illinois granted motions to dismiss the claims against the LDC companies and the other grain companies in all cases where LDC companies were named as defendants. Although named as a defendant in the above-described cases, LDC was only required to respond to the complaint in one of the cases and was dismissed on the same grounds as LDC LLC.

In December 2018, approximately 170 new cases were filed in Illinois state court by farmers and other parties naming LDC LLC, one of its subsidiaries and LDC, as defendants and making similar allegations as in the cases described above. In January 2020, these cases against the LDC defendants were dismissed. Plaintiffs in the Illinois state court cases have appealed the dismissal of those cases to the Illinois appellate court which has heard oral argument of the appeal, and that appeal is pending decision by the court.

There are various claims and ongoing regulatory investigations asserted against and by the Group that, in the opinion of counsel, based on a review of the present stages of such claims in the aggregate, should not have a material effect on the Group's financial position or future operating results.

7.3 Related Parties Transactions

Transactions with related parties for the years ended December 31, 2022 and December 31, 2021 are reflected as follows:

Income statement (in millions of US$)	**2022**	2021
Sales[1]	117	137
Cost of goods sold[1]	(918)	(634)
Finance costs, net[1]	(4)	40

As of December 31, 2022 and December 31, 2021, outstanding balances with related parties are as follows:

Balance sheet (in millions of US$)	**2022**	2021
Financial advances to related parties	4	5
Trade and other receivables[1]	13	13
Derivatives[1]	14	23
Total assets	**31**	**41**
Financial advances from related parties	77	209
Trade and other payables[1]	33	32
Derivatives[1]	3	3
Total liabilities	**113**	**244**

1. Mainly correspond to transactions with associates and joint ventures. In 2021, income statement amounts also included transactions with *Biosev S.A.* (a Brazilian company, indirect subsidiary of LDCH until August 10, 2021).

As of December 31, 2022, "Financial advances from related parties" comprises shareholder loans for US$71 million (US$206 million as of December 31, 2021).

Key management personnel compensation during the years ended December 31, 2022 and December 31, 2021 was as follows:

(in millions of US$)	**2022**	2021
Short-term benefits	44	27
Post-employment benefits	1	1
Share-based payments - amount of vested shares	—	3
Other long-term benefits	38	17
	83	**48**

7.4 Subsequent Events

There is no subsequent event that could affect 2022 consolidated financial statements.

7.5 List of Main Subsidiaries

As of December 31, 2022 and December 31, 2021, the main consolidated subsidiaries of LDC are the following:

		2022		2021	
Company	Country	% of control	% of ownership	% of control	% of ownership
LDC Argentina S.A.	Argentina	100.00	100.00	100.00	100.00
Emerald Grain Australia Pty Ltd[1]	Australia	100.00	100.00	—	—
Emerald Grain Pty Ltd[1]	Australia	100.00	100.00	—	—
LDC Enterprises Australia Pty. Ltd.	Australia	100.00	100.00	100.00	100.00
Namoi Cotton Marketing Alliance	Australia	85.00	85.00	85.00	85.00
Ilomar Holding N.V.	Belgium	100.00	100.00	100.00	100.00
Louis Dreyfus Company Brasil S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sucos S.A.	Brazil	100.00	100.00	100.00	100.00
Louis Dreyfus Company Canada ULC	Canada	100.00	100.00	100.00	100.00
Dongguan LDC Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
LDC (China) Trading Company Ltd.	China	100.00	100.00	100.00	100.00
LDC (Tianjin) Food Technology Limited Liability Company	China	100.00	100.00	100.00	100.00
LDC (Tianjin) International Business Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Shanghai) Co. Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus (Zhangjiagang) Feed Protein Company Ltd.	China	100.00	100.00	100.00	100.00
Louis Dreyfus Company Distribution France S.A.S.	France	100.00	100.00	100.00	100.00
Louis Dreyfus Company Wittenberg GmbH	Germany	100.00	100.00	100.00	100.00
Louis Dreyfus Company India Pvt. Ltd.	India	100.00	100.00	100.00	100.00
PT LDC East Indonesia	Indonesia	100.00	100.00	100.00	100.00
PT LDC Indonesia	Indonesia	100.00	100.00	100.00	100.00
Louis Dreyfus Company Mexico S.A. de C.V.	Mexico	100.00	100.00	100.00	100.00
Louis Dreyfus Company Finance B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Juices B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Logistics Holland B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Sugar B.V.	Netherlands	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ventures B.V.[2]	Netherlands	100.00	100.00	100.00	100.00
LDC Paraguay S.A.	Paraguay	100.00	100.00	100.00	100.00
Louis Dreyfus Company Polska SP. z.o.o.	Poland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Senegal	Senegal	100.00	100.00	100.00	100.00
Louis Dreyfus Company Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Freight Asia Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Funding SSEA Pte. Ltd.	Singapore	100.00	100.00	100.00	100.00
Louis Dreyfus Company Africa Pty. Ltd.	South Africa	100.00	100.00	100.00	100.00
Louis Dreyfus Company España S.A.	Spain	100.00	100.00	100.00	100.00
Louis Dreyfus Company Juices Suisse S.A.[3]	Switzerland	—	—	100.00	100.00
Louis Dreyfus Company Suisse S.A.	Switzerland	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ukraine Ltd.	Ukraine	100.00	100.00	100.00	100.00
LDC Trading & Service Co. S.A.	Uruguay	100.00	100.00	100.00	100.00
LDC Uruguay S.A.	Uruguay	100.00	100.00	100.00	100.00
Louis Dreyfus Company Agricultural Industries LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Claypool Holdings LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Cotton LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Ethanol Merchandising LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grains Merchandising LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Grand Junction LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company NA Finance One LLC	US	100.00	100.00	—	—
Louis Dreyfus Company Port Allen Elevator LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company River Elevators LLC	US	100.00	100.00	100.00	100.00
Louis Dreyfus Company Trading LP	US	100.00	100.00	100.00	100.00
Term Commodities Inc.	US	100.00	100.00	100.00	100.00

1. *Emerald Grain Australia Pty Ltd* and *Emerald Grain Pty Ltd* were acquired in October 2022 (refer to Note 1.4).
2. *LDC Food Innovation B.V.* was renamed *Louis Dreyfus Company Ventures B.V.* in 2022.
3. *Louis Dreyfus Company Juices Suisse S.A.* was merged into *Louis Dreyfus Company Suisse S.A.* in 2022.

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Deloitte Accountants B.V.
Wilhelminakade 1
3072 AP Rotterdam
P.O.Box 2031
3000 CA Rotterdam
Netherlands

Tel: +31 (0)88 288 2888
www.deloitte.nl

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Louis Dreyfus Company Finance B.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

We have audited the financial statements 2023 of Louis Dreyfus Company Finance B.V., based in Rotterdam, The Netherlands (the "Financial Statements").

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Louis Dreyfus Company Finance B.V. as at 31 December 2023, and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. The balance sheet as at 31 December 2023.
2. The income statement for 2023.
3. The statement of change in stockholder's equity for 2023.
4. The notes comprising a summary of the accounting policies, the statement of change in stockholders' equity and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Louis Dreyfus Company Finance B.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

Deloitte Accountants B.V. is registered with the Trade Register of the Chamber of Commerce and Industry in Rotterdam number 24362853. Deloitte Accountants B.V. is a Netherlands affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited.

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These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Description of the Key Audit Matters</th><th>Summary of procedures and activities</th></tr>
<tr><td>
Recoverability of loan principals and interest balances to related companies

LDCF has an intercompany receivable position as per 31 December 2023, being USD 1.56 billion due from LDC and LDC Brazil. Valuation of assets takes place under the historical cost convention, unless presented otherwise.

Given (1) the significance of the receivables due from group companies and (2) management's judgment with regards to the recoverability of these receivables, we have included the valuation of the related loan principals and interest receivable balances as key audit matter.

A material misstatement could arise if the counterparty should default on any of these balances, causing impairment in LDCF's ability to meet the payment requirements of the listed bonds.
</td><td>
The procedures we carried out included the following:

• We obtained and evaluated management's assessment of the recoverability of the loans and accrued interest income due from group companies.

• We verified the terms and conditions of the loan agreements between LDCF and LDC and the loan between LDCF and LDC Brazil.

• We assessed the financial performance of the consolidated results of LDC and LDC Brazil in order to determine the exposure to risk of potential defaults.

• We requested auditor of the LDC consolidated financial statements (Deloitte France) to report on the solvability of the entities and their ability to meet its payment obligations.

• We assessed whether the appropriate accounting principles have been applied and that the balances and recoverability risk/uncertainty have been appropriately reflected in the disclosures in the Financial Statements.

Observations from Deloitte

Based on the procedures performed, as described above, we did not identify any material reportable matters with regards the recoverability of loan receivables from affiliates and interest income accrued.
</td></tr>
</table>

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Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at USD 15.4 million. The materiality is based on 1% of total assets of LDCF as per June 30, 2023.

There has been no change at year-end. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with those charged with governance that misstatements in excess of USD 770 thousand, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes.We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Description of fraud risk	Our response
The risk of Management Override of Controls – presumed significant risk related to the risk: "management is in a unique position to perpetrate fraud". <u>Fraudulent Financial Statements reporting</u> In conducting our audit in accordance with Dutch Standards on Auditing, we are responsible for obtaining reasonable assurance that the Financial Statements taken as a whole are free from material misstatement, whether caused by fraud or error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the Financial Statements may not be detected. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control. The fraud risk for the Company is pinpointed to the risk of management override of controls.	We performed the following procedures: • We evaluated the parent Company's fraud risk assessment as applicable to the Company and made inquiries of management, those charged with governance and others within LDCF regarding (i) the risk of material misstatements in the Financial Statements due to fraud, (ii) their process for identifying and responding to the risk of fraud, (iii) the internal communication regarding their views on business practices and ethical behavior and (iv) whether they have knowledge of any actual, suspected or alleged fraud affecting the Company. • We obtained an understanding of how those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the Company and the internal control that management has established to mitigate these risks. • We held discussions amongst team members to identify fraud risk factors and considered whether other information obtained from our risk assessment procedures indicated risks of material misstatement due to fraud. • We considered available information and made enquiries of relevant employees and directors. The procedures described are in line with the applicable auditing standards and are not primarily designed to detect fraud. Based on our procedures performed we have no matters to report. We have exercised professional judgement and have maintained professional skepticism throughout our audit in identifying and assessing the risks of material misstatement of the Financial Statements due to fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The presumed significant risk on revenue recognition has been rebutted. The Company, as a financing vehicle within the Louis Dreyfus group, does not have revenues. As disclosed in note 12 of the financial statements, the Company earns finance income on loans provided to Louis Dreyfus affiliate companies. The nature of interest income terms is stipulated in agreements held with affiliates and is simple in nature.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives and the Supervisory Board.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the entity, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 2 of the financial statements. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements. Impairment testing of intangible and fixed assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment.

For significant transactions, we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the entity through discussion with internal legal counsel, reading minutes as a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: (corporate) tax law and the requirements under Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the entity is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Given the nature of the entity's business and the complexity of these other laws and regulations, there is a risk of non-compliance with the requirements of such laws and regulations.

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Our procedures are more limited with respect to these laws and regulations that do not have a direct effect on the determination of the amounts and disclosures in the financial statements. Compliance with these laws and regulations may be fundamental to the operating aspects of the business, to the entity's ability to continue its business, or to avoid material penalties (e.g., compliance with the terms of operating licenses and permits or compliance with environmental regulations) and therefore non-compliance with such laws and regulations may have a material effect on the financial statements. Our responsibility is limited to undertaking specified audit procedures to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements. Our procedures are limited to (i) inquiry of management, the Supervisory Board, the Executive Board and others within the entity as to whether the entity is in compliance with such laws and regulations and (ii) inspecting correspondence, if any, with the relevant licensing or regulatory authorities to help identify non-compliance with those laws and regulations that may have a material effect on the financial statements.

Naturally, we remained alert to indications of (suspected) non-compliance throughout the audit.

Finally, we obtained written representations that all known instances of (suspected) fraud or non-compliance with laws and regulations have been disclosed to us.

Audit approach going concern

We are responsible for obtaining reasonable assurance that the Company is able to continue as a going concern. Management is responsible to assess the Company’s ability to continue as a going concern and disclose in the Financial Statements any events or circumstances that may cast significant doubt on its ability to continue as a going concern.

We performed the following procedures on LDCF in relation to the going concern:

- We evaluated management’s assessment of the going concern assumption and related disclosures in the notes to the Financial Statements.

- We have evaluated the recoverability of the loan principals and interest balances due from Louis Dreyfus Company B.V. (“LDC”) and from Louis Dreyfus Company Brasil S.A. (“LDC Brazil”) and reference is made to the section “Our key audit matters” where we have described our procedures.

- Given that the collectability of the loan principals and interest balances is linked to the performance of LDC, we have evaluated their liquidity and going concern assessment.

Although there always remains an inherent level of uncertainty in relation to future events, we concur with management’s application of the going concern assumption in preparing the Financial Statements.

Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Managing Board Report.

- Other Information as required by Part 9 of Book 2 of the Dutch Civil Code.

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Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Supervisory Board is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were engaged by those charged with governance as auditor of Louis Dreyfus Company Finance B.V. as of the audit for the year 2021, and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

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Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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We provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, 20 March 2024

Deloitte Accountants B.V.

A. van Bochove

BALANCE SHEET

Year Ended 31 December
(before appropriation of result)

(in thousands of US dollars)	Notes	2023	2022
Fixed assets			
Non-current financial assets	4	$ 1,505,841	$ 1,444,801
Total non-current assets		**1,505,841**	**1,444,801**
Current assets			
Current portion financial assets	5	34,125	299,891
Accounts receivables from group companies	6	17,095	14,511
Other receivables		3	5
Cash and cash equivalents	7	9	63
Total current assets		**51,232**	**314,470**
Total assets		**$ 1,557,073**	**$ 1,759,271**
Equity			
Issued capital		$ -	$ -
Share premium		2,500	2,500
Retained earnings		993	308
Result for the year		1,184	685
Total stockholders' equity	**8**	**4,677**	**3,493**
Non-current liabilities			
Long-term debt	9	1,505,644	1,444,758
Total non-current liabilities		**1,505,644**	**1,444,758**
Current liabilities			
Current portion of long-term debt	10	34,125	299,891
Acounts payable to group companies		753	386
Accounts payable and accrued expenses		11,874	10,743
Total current liabilities		**46,752**	**311,020**
Total equity and liabilities		**$ 1,557,073**	**$ 1,759,271**

INCOME STATEMENT

Year Ended 31 December

(in thousands of US dollars)	Notes	2023	2022
Commercial and administrative expenses		$ (101)	$ (145)
Finance expenses	12	(52,883)	(46,515)
Finance income	12	54,580	47,583
Income before taxation of the legal entity		**1,596**	**923**
Taxation	13	(412)	(238)
Net income		**$ 1,184**	**$ 685**

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

(in thousands of US dollars)	Issued Capital	Share Premium	Retained Earnings	Result for the year	**Total Equity**
Balance at 31 December 2022	**$ -**	**$ 2,500**	**$ 308**	**$ 685**	**$ 3,493**
Net income				1,184	1,184
Share premium contribution					-
Appropriation of result			685	(685)	-
Balance at 31 December 2023	**$ -**	**$ 2,500**	**$ 993**	**$ 1,184**	**$ 4,677**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

Louis Dreyfus Company Finance B.V. ("LDC Finance" or the "Company") is a privately owned company incorporated in the Netherlands on July 19, 2021, registered at the Chamber of Commerce under registration number 83450289. The address of its registered office is Westblaak 92, 3012 KM Rotterdam, Netherlands. It is a direct subsidiary of Louis Dreyfus Company B.V. ("LDCBV") and an indirect subsidiary of Louis Dreyfus Holding B.V. ("LDH"), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

LDCBV and its subsidiaries (the "Group") is a global merchant and processor of agricultural goods, operating a significant network of assets around the world. The Group's activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since 1851 our portfolio has grown to include Carbon Solutions, Coffee, Cotton, Food & Feed Solutions, Freight, Global Markets, Grains & Oilseeds, Juice, Rice, and Sugar.

LDC Finance substituted for and replaced LDCBV as issuer and principal obligator of each of its issued and listed bonds at the Luxembourg Stock Exchange (the "Bonds") with effect from September 1, 2021. In connection with the substitution LDCBV has agreed to unconditionally and irrevocably guarantee in favor of the holders of the Bonds the due and punctual payment of the principle of, and interest on, the bonds and any other amounts which may be payable under the Bonds.

The Bonds, as of 31 December 2023, consists out of the following bonds:

- EUR 650,000,000 2.375 per cent. Bonds due November 27, 2025 (ISIN XS2264074647)
- EUR 500,000,000 1.625 per cent. Bonds due April 28, 2028 (ISIN XS2332552541)

During the year 2023, the following bond has been repaid:

- USD 300,000,000 5.25 per cent. Bonds due June 13, 2023 (ISIN XS1629414704)

In 2023, no new bonds have been issued, but loans have been issued to the Company by a third party with a nominal value of USD 50 million as of January 4, 2023, guaranteed by LDCBV.

2. GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The financial statements of LDC Finance have been prepared in US Dollars, which is the functional currency of the Company.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise.

The Company has a book year ending December 31.

Going concern

LDC Finance expects to meet all its financial obligations and, therefore, adopts a going concern assumption as the basis for the preparation of these financial statements.

Use of Estimates

The preparation of financial statements might require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Foreign Currencies

Exchange differences on monetary items such as receivables and payables denominated in a foreign currency are recorded in the income for the year.

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The financial statements of LDC Finance have been prepared in US Dollars, which is the functional currency of the Company.

Cash flow Statement

The Company has not prepared a statement of cash flows as a similar statement is included in the consolidated financial statements of its indirect parent Louis Dreyfus Holding B.V., which will be filed at the Chamber of Commerce.

3. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Classification and measurement of financial assets depend on the business model and the instruments' contractual cash flow characteristics. Upon initial recognition, financial assets are carried at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit and loss.

The main financial assets of the Company are presented within the following balance sheet lines:

- Non-current financial assets
- Current portion financial assets

The financial assets are mainly related to the substitution of the Bonds from LDCBV to the Company and represent receivables on LDCBV

Financial liabilities are measured at amortized cost or fair value through profit and loss. The main financial liabilities of the Company comprise long-term debt and short-term debt related to the Bonds and are recorded at amortized cost using the effective interest method.

Financial assets and liabilities are recorded in the balance sheet as current if they mature within one year following the closing date of the financial statements and non-current if they mature after one year.

Financial income and expenses consist of interest income and expense and amortization of the financing costs. Interest income and expenses are recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognizing interest charges, allowance is made for transaction costs on loans received. Financing costs are amortized over the duration of the loan- and interest rate cap contracts.

4. NON-CURRENT FINANCIAL ASSETS

Changes in non-current financial assets for the years ended December 31, 2023, are as follows:

(In thousands of US dollars)	2023	2022
Opening balance	$ 1,444,801	$ 1,596,638
Loan/Note issuance	49,375	222,347
Reclassification to current portion financial assets	(34,125)	(299,891)
Released deferred income	1,630	1,607
Foreign exchange effect	44,160	(75,900)
Closing Balance	**$ 1,505,841**	**$ 1,444,801**

The non-current financial assets relate to long-term loans to group companies.

Following the Company's substitution of LDCBV as issuer of the Bonds, LDCBV and the Company entered into Bond novation and note issuance deeds. These deeds, arranged for the Company to match its liabilities towards bond holders with receivables from LDCBV, with the same maturity and in the same currencies but with a spread on the interest rate. Apart from the counterparty/credit risk, all risks like the liquidity and currency risk are mitigated. No counterparty/credit risk is expected, considering the financial position of LDCBV.

5. CURRENT PORTION OF FINANCIAL ASSETS

Included in the current portion of financial assets are loan agreements (USD 34,125 million) with a group company with following details:

- USD 9,100,000 SOFR 6M + 1.80 % due October 15, 2024.
- USD 17,875,000 SOFR 6M + 1.65 % due October 15, 2024.
- USD 7,150,000 SOFR 6M + 1.65% due October 15, 2024.

The receivable as of December 31, 2022 (USD 299,9 million) in connection with the USD 300,000,000 5.25 per cent bond due June 13, 2023 (ISIN XS1629414704) has been subsequently collected on June 13, 2023.

6. ACCOUNTS RECEIVABLE FROM GROUP COMPANIES

The accounts receivable from group companies relate to the accrued interest on the loans outstanding.

7. CASH AND CASH EQUIVALENTS

At December 31, 2023, there is no material difference between the historical value of cash and the fair value.

8. STOCKHOLDER'S EQUITY

At December 31, 2023, the capital of the Company is composed of 100 shares, with a 1 USD nominal value each, that are issued to LDCBV and fully paid.

The Company has no legal reserves.

Reference is made to the Statement of Changes in Stockholder's Equity on page 13.

A dividend proposal related to the 2023 result and the retained earnings as of December 31, 2023, has not been made by the management.

9. NON-CURRENT LIABILITIES

Changes in non-current financial assets for the years ended December 31, 2023, are as follows:

(In thousands of US dollars)	2023	2022
Opening balance	**$ 1,444,758**	$ 1,596,638
Loan issuance	49,176	222,302
Released deferred expenses	1,675	1,609
Change non-current to current portion	(34,125)	(299,891)
Foreign exchange effect	44,160	(75,900)
Closing Balance	**$ 1,505,644**	**$ 1,444,758**

LDC Finance substituted for and replaced LDCBV as issuer and principal obligator of each of its issued and listed bonds at the Luxembourg Stock Exchange (the "Bonds") with effect from September 1, 2021.

The Bonds refer to the following bonds:
- EUR 650,000,000 2.375 per cent. Bonds due November 27, 2025 (ISIN XS2264074647)
- EUR 500,000,000 1.625 per cent. Bonds due April 28, 2028 (ISIN XS2332552541)

Included in the non-current liabilities are loan agreements (USD 240,875 million) with a third party with following details:
- USD 90,900,000 SOFR 6M + 1.80 % partially due from April 15, 2025 in equal installments till October 14, 2029
- USD 107,125,000 SOFR 6M + 1.65 % partially due from April 15, 2025 in equal installments till October 14, 2027
- USD 42,850,000 SOFR 6M + 1.65% partially due from April 15, 2025 in equal installments till October 14, 2027

The liabilities towards Bond holders and lenders of the Loans are all guaranteed by LDCBV.

10. CURRENT PORTION OF LONG-TERM DEBT

Included in the current liabilities are loan agreements (USD 34,125 million) with a third party with following details:
- USD 9,100,000 SOFR 6M + 1.80 % due October 15, 2024.
- USD 17,875,000 SOFR 6M + 1.65 % due October 15, 2024.
- USD 7,150,000 SOFR 6M + 1.65% due October 15, 2024.

The USD 300,000,000 5.25 per cent bond (ISIN XS1629414704) is repaid on June 13, 2023 and is classified as current portion of long-term debt in balance sheet as of December 31, 2022.

11. FINANCIAL INSTRUMENTS

Following the Company's substitution of LDCBV as issuer of the Bonds, LDCBV and the Company entered into Bond novation and note issuance deeds. These deeds arranged for the Company to match its liabilities towards bond holders with receivables from LDCBV, with the same maturity, the same currencies and same interest rates but a mark-up included. This mitigated the interest rate risk and the currency risk. No counterparty/credit and liquidity risks are expected, considering the sound financial position of LDCBV. The financial position of LDCBV is carefully monitored by its management and Board. Well defined and effective processes are in place within LDCBV to manage its risks.

12. FINANCE INCOME AND EXPENSES

The finance expense relates to the interest on issued bonds and Loans, the finance income relates to interest charged to LDCBV and an affiliated company.

13. INCOME TAXES

The Company has entered a fiscal unity, headed by Louis Dreyfus Company International Holding B.V., for Corporate Income Tax purposes between certain Dutch group entities. As such, every legal entity participating in the fiscal unity is liable for income taxes payable by the fiscal unity. Each company calculates its Corporate Income Tax charge as the company involved would be if it were an independent taxpayer considering tax relief facilities available to the Company.

The effective tax rate is 25.8% (2022: 25,8%), in line with the statutory rate for the Netherlands.

14. COMMITMENTS, CONTINGENCIES, GUARANTEES

The Company has not issued any guarantees, nor has it contingent liabilities or commitments as of December 31, 2023.

15. AUDIT FEES

The audit fees paid to the auditor and its network are included in the financial statements of LDC Finance's ultimate parent company Louis Dreyfus Holding B.V.

16. NUMBER OF EMPLOYEES AND PERSONNEL EXPENSES

During the year 2023 LDC Finance employed no employees. Various group companies recharge LDC Finance for cost of their employees which dedicate time to the operations of LDC Finance.

17. RELATED PARTIES' TRANSACTIONS

The Company, in the frame of its finance function entered to into bond novation and note issuance deeds with its parent company LDCBV resulting in several loans and current accounts with group companies.

In 2023 both managing directors of the Company are not remunerated by LDC Finance, but by (indirect) parent companies of the Company. LDC's policy is to not remunerate employees for their respective managing directorships within the group. The total service charged by the parent of the company for the year 2023 amounted to USD 50,000.

18. SUBSEQUENT EVENTS

There is no subsequent event that could affect the 2023 financial statements.

19. MANAGEMENT BOARD REMUNERATION

The management board is not remunerated by the Company. For the year 2023, a service charge of USD 50 thousands is charged by its parent to the Company. Managing directorship fees can however not be specifically allocated from this amount.

Rotterdam, March 20, 2024

The Managing Directors:

Jan Schol

Maurice Kreft

Deloitte.

Deloitte Accountants B.V.
Wilhelminakade 1
3072 AP Rotterdam
P.O. Box 2031
3000 CA Rotterdam
Netherlands

Tel: +31 (0)88 288 2888
Fax: +31 (0)88 288 9830
www.deloitte.nl

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Louis Dreyfus Company Finance B.V.

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements 2022 of Louis Dreyfus Company Finance B.V. ("LDCF" or the "Company"), based in Rotterdam, The Netherlands (the "Financial Statements").

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Louis Dreyfus Company Finance B.V. as at December 31, 2022, and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code. The financial statements comprise:

1. The balance sheet as at December 31, 2022.
2. The income statement for 2022.
3. The statement of change in stockholders' equity.
4. The notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing.
Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Louis Dreyfus Company Finance B.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our key audit matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte Accountants B.V. is registered with the Trade Register of the Chamber of Commerce and Industry in Rotterdam number 24362853. Deloitte Accountants B.V. is a Netherlands affiliate of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited.

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Description of the Key Audit Matters	Summary of procedures and activities
Recoverability of loan principals and interest balances to related companies LDCF has an intercompany receivable position as per December 31, 2022, being USD 1.75 billion due from LDC and LDC Brazil. Valuation of assets takes place under the historical cost convention, unless presented otherwise. Given (1) the significance of the receivables due from group companies and (2) management's judgment with regards to the recoverability of these receivables, we have included the valuation of the related loan principals and interest receivable balances as key audit matter. A material misstatement could arise if the counterparty should default on any of these balances, causing impairment in LDCF's ability to meet the payment requirements of the listed bonds.	The procedures we carried out included the following: • We obtained and evaluated management's assessment of the recoverability of the loans and accrued interest income due from group companies. • We verified the terms and conditions of the loan agreements between LDCF and LDC and the loan between LDCF and LDC Brazil. • We assessed the financial performance of the consolidated results of LDC and LDC Brazil in order to determine the exposure to risk of potential defaults. • We requested auditor of the LDC consolidated financial statements (Deloitte France) to report on the solvability of the entities and their ability to meet its payment obligations. • We assessed whether the appropriate accounting principles have been applied and that the balances and recoverability risk/uncertainty have been appropriately reflected in the disclosures in the Financial Statements. **Observations from Deloitte** Based on the procedures performed, as described above, we did not identify any material reportable matters with regards the recoverability of loan receivables from affiliates and interest income accrued.

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at USD 17.6 million. The materiality is based on 1% of total assets position of LDCF as per December 31, 2022. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements in excess of USD 880 thousand, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes. We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct, whistle blower procedures and incident registration. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness, of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due fraud is present.

We identified the following fraud risks and performed the following specific procedures:

Description of fraud risk	Our response
The risk of Management Override of Controls – presumed significant risk related to the risk: “management is in a unique position to perpetrate fraud”. <u>Fraudulent Financial Statements reporting</u> In conducting our audit in accordance with Dutch Standards on Auditing, we are responsible for obtaining reasonable assurance that the Financial Statements taken as a whole are free from material misstatement, whether caused by fraud or error. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the Financial Statements may not be detected. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.	We performed the following procedures: • We evaluated the parent company’s fraud risk assessment as applicable to the Company and made inquiries of management, those charged with governance and others within LDCF regarding (i) the risk of material misstatements in the Financial Statements due to fraud, (ii) their process for identifying and responding to the risk of fraud, (iii) the internal communication regarding their views on business practices and ethical behavior and (iv) whether they have knowledge of any actual, suspected or alleged fraud affecting the Company.

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Description of fraud risk	Our response
The fraud risk for the Company is pinpointed to the risk of management override of controls. We have exercised professional judgement and have maintained professional skepticism throughout our audit in identifying and assessing the risks of material misstatement of the Financial Statements due to fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.	• We obtained an understanding of how those charged with governance exercise oversight of management’s processes for identifying and responding to the risks of fraud in the Company and the internal control that management has established to mitigate these risks. • We held discussions amongst team members to identify fraud risk factors and considered whether other information obtained from our risk assessment procedures indicated risks of material misstatement due to fraud. • We considered available information and made enquiries of relevant employees and directors. The procedures described are in line with the applicable auditing standards and are not primarily designed to detect fraud. Based on our procedures performed we have no matters to report.

The presumed significant risk on revenue recognition has been rebutted. The company, as a financing vehicle within the Louis Dreyfus group, does not have revenues. As disclosed in note 3 of the financial statements, the company earns finance income on loans provided to Louis Dreyfus affiliate companies. The nature of interest income terms is stipulated in agreements held with affiliates and is simple in nature.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

We considered available information and made enquiries of relevant executives and the Supervisory Board.

We tested the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.

We evaluated whether the selection and application of accounting policies by the group, particularly those related to subjective measurements and complex transactions, may be indicative of fraudulent financial reporting.

We evaluated whether the judgments and decisions made by management in making the accounting estimates included in the financial statements indicate a possible bias that may represent a risk of material misstatement due to fraud. Management insights, estimates and assumptions that might have a major impact on the financial statements are disclosed in note 2 of the financial statements. We performed a retrospective review of management judgments and assumptions related to significant accounting estimates reflected in prior year financial statements. Impairment testing of intangible and fixed assets is a significant area to our audit as the determination whether these assets are not carried at more than their recoverable amounts is subject to significant management judgment.

For significant transactions, we evaluated whether the business rationale of the transactions suggests that they may have been entered into to engage in fraudulent financial reporting or to conceal misappropriation of assets.

This did not lead to indications for fraud potentially resulting in material misstatements.

Audit approach compliance with laws and regulations

We assessed the laws and regulations relevant to the Company through discussion with internal legal counsel, reading minutes. As a result of our risk assessment procedures, and while realizing that the effects from non-compliance could considerably vary, we considered the following laws and regulations: adherence to (corporate) tax law and financial reporting regulations, the requirements under Part 9 of Book 2 of the Dutch Civil Code with a direct effect on the financial statements as an integrated part of our audit procedures, to the extent material for the related financial statements.

We obtained sufficient appropriate audit evidence regarding provisions of those laws and regulations generally recognized to have a direct effect on the financial statements.

Apart from these, the Louis Dreyfus Company Finance B.V. is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts and/or disclosures in the financial statements, for instance, through imposing fines or litigation.

Audit approach going concern

We are responsible for obtaining reasonable assurance that the Company is able to continue as a going concern. Management is responsible to assess the Company's ability to continue as a going concern and disclose in the Financial Statements any events or circumstances that may cast significant doubt on its ability to continue as a going concern.

We performed the following procedures on LDCF in relation to the going concern:

- We evaluated management's assessment of the going concern assumption and related disclosures in the notes to the Financial Statements.
- We have evaluated the recoverability of the loan principals and interest balances due from Louis Dreyfus Company B.V. ("LDC") and from Louis Dreyfus Company Brasil S.A. ("LDC Brazil") and reference is made to the section "Our key audit matters" where we have described our procedures.
- Given that the collectability of the loan principals and interest balances is linked to the performance of LDC, we have evaluated their liquidity and going concern assessment.

Although there always remains an inherent level of uncertainty in relation to future events, we concur with management's application of the going concern assumption in preparing the Financial Statements.

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Report on the other information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

The other information consists of:

- Managing Board Report.
- Other Information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements.
- Contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Supervisory Board is responsible for the preparation of the other information, including the Management Board's Report in accordance with Part 9 of Book 2 of the Dutch Civil Code, and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on the other legal and regulatory requirements

Engagement

We were engaged by those charged with governance as auditor of LDCF as of the audit for the year 2021, and have operated as statutory auditor ever since that financial year.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
  Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures.

- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identified during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with the relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significant in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Rotterdam, March 21, 2023

Deloitte Accountants B.V.

Signed on the original: A. van Bochove

BALANCE SHEET

Year Ended 31 December
(before appropriation of result)

(in thousands of US dollars)	Notes	2022	2021
Fixed assets			
Non-current financial assets	4	$ 1,444,801	$ 1,596,638
Total non-current assets		**1,444,801**	**1,596,638**
Current assets			
Current portion financial assets	5	299,891	452,964
Accounts receivables from group companies	6	14,511	27,622
Other receivables		5	-
Cash and cash equivalents	7	63	181
Total current assets		**314,470**	**480,767**
Total assets		**$ 1,759,271**	**$ 2,077,405**
Equity			
Issued capital		$ -	$ -
Share premium		2,500	2,500
Retained earnings		308	-
Result for the year		685	308
Total stockholders' equity	**8**	**3,493**	**2,808**
Non-current liabilities			
Long-term debt	9	1,444,758	1,596,638
Total non-current liabilities		**1,444,758**	**1,596,638**
Current liabilities			
Current portion of long-term debt	10	299,891	452,964
Acounts payable to group companies		386	103
Accounts payable and accrued expenses		10,743	24,892
Total current liabilities		**311,020**	**477,959**
Total equity and liabilities		**$ 1,759,271**	**$ 2,077,405**

LOUIS DREYFUS COMPANY FINANCE B.V.
FINANCIAL STATEMENTS

INCOME STATEMENT

Year Ended 31 December

(in thousands of US dollars)	Notes	2022	July 19 - December 31 2021
Commercial and administrative expenses		$ (145)	$ (2)
Finance expenses	11	(46,515)	(21,200)
Finance income	11	47,583	21,613
Income before taxation of the legal entity		**923**	**411**
Taxation	12	(238)	(103)
Net income		**$ 685**	**$ 308**

STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY

(in thousands of US dollars)	Issued Capital	Share Premium	Retained Earnings	Result for the year	**Total Equity**
Balance at 19 July 2021	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Net income				308	308
Share premium contribution		2,500			2,500
Balance at 31 December 2021	**$ -**	**$ 2,500**	**$ -**	**$ 308**	**$ 2,808**
Net income				685	685
Appropriation of result			308	(308)	-
Balance at 31 December 2022	**$ -**	**$ 2,500**	**$ 308**	**$ 685**	**$ 3,493**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

Louis Dreyfus Company Finance B.V. (“LDC Finance” or the “Company”) is a privately owned company incorporated in the Netherlands on July 19, 2021, registered at the Chamber of Commerce under registration number 83450289. The address of its registered office is Westblaak 92, 3012 KM Rotterdam, Netherlands. It is a direct subsidiary of Louis Dreyfus Company B.V. (“LDCBV”) and an indirect subsidiary of Louis Dreyfus Holding B.V. (“LDH”), a privately owned Dutch company controlled by the family foundation established by Robert Louis-Dreyfus.

LDCBV and its subsidiaries (the “Group”) is a global merchant and processor of agricultural goods, operating a significant network of assets around the world. The Group’s activities span the entire value chain from farm to fork, across a broad range of business lines (platforms). Since 1851 our portfolio has grown to include Carbon Solutions, Coffee, Cotton, Food & Feed Solutions, Freight, Global Markets, Grains & Oilseeds, Juice, Rice, and Sugar.

LDC Finance substituted for and replaced LDCBV as issuer and principal obligator of each of its issued and listed bonds at the Luxembourg Stock Exchange (the “Bonds”) with effect from September 1, 2021. In connection with the substitution LDCBV has agreed to unconditionally and irrevocably guarantee in favor of the holders of the Bonds the due and punctual payment of the principle of, and interest on, the bonds and any other amounts which may be payable under the Bonds.

The Bonds, as of 31 December 2022, consists out of the following bonds:

- USD 300,000,000 5.25 per cent. Bonds due June 13, 2023 (ISIN XS1629414704)
- EUR 650,000,000 2.375 per cent. Bonds due November 27, 2025 (ISIN XS2264074647)
- EUR 500,000,000 1.625 per cent. Bonds due April 28, 2028 (ISIN XS2332552541)

During the year 2022, the following bond has been repaid:

- EUR 400,000,000 4.00 per cent. Bonds due February 7, 2022 (ISIN XS1560991637)

In 2022, no new bonds have been issued, but loans have been issued to the Company by a third party with a nominal value of USD 225 million as of September 28, 2022, guaranteed by LDCBV.

2. GENERAL ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The financial statements of LDC Finance have been prepared in US Dollars, which is the functional currency of the Company.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention, unless presented otherwise.

The Company has a book year ending December 31.

Going concern

LDC Finance expects to meet all its financial obligations and, therefore, adopts a going concern assumption as the basis for the preparation of these financial statements.

Use of Estimates

The preparation of financial statements might require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Foreign Currencies

Exchange differences on monetary items such as receivables and payables denominated in a foreign currency are recorded in the income for the year.

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The financial statements of LDC Finance have been prepared in US Dollars, which is the functional currency of the Company.

Cash flow Statement

The Company has not prepared a statement of cash flows as a similar statement is included in the consolidated financial statements of its indirect parent Louis Dreyfus Holding B.V., which will be filed at the Chamber of Commerce.

3. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Classification and measurement of financial assets depend on the business model and the instruments' contractual cash flow characteristics. Upon initial recognition, financial assets are carried at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit and loss.

The main financial assets of the Company are presented within the following balance sheet lines:

- Non-current financial assets
- Current portion financial assets

The financial assets are mainly related to the substitution of the Bonds from LDCBV to the Company and represent receivables on LDCBV

Financial liabilities are measured at amortized cost or fair value through profit and loss. The main financial liabilities of the Company comprise long-term debt and short-term debt related to the Bonds and are recorded at amortized cost using the effective interest method.

Financial assets and liabilities are recorded in the balance sheet as current if they mature within one year following the closing date of the financial statements and non-current if they mature after one year.

Financial income and expenses consist of interest income and expense and amortization of the financing costs. Interest income and expenses are recognized on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognizing interest charges, allowance is made for transaction costs on loans received. Financing costs are amortized over the duration of the loan- and interest rate cap contracts.

4. NON-CURRENT FINANCIAL ASSETS

Changes in non-current financial assets for the years ended December 31, 2022, are as follows:

(In thousands of US dollars)	2022	2021
Opening balance	$ 1,596,638	$ -
Loan/Note issuance	222,347	1,652,657
Reclassification to current portion financial assets	(299,891)	-
Released deferred income	1,607	446
Foreign exchange effect	(75,900)	(56,465)
Closing Balance	**$ 1,444,801**	**$ 1,596,638**

The non-current financial assets relate to long-term loans to group companies.

Following the Company's substitution of LDCBV as issuer of the Bonds, LDCBV and the Company entered into Bond novation and note issuance deeds. These deeds, arranged for the Company to match its liabilities towards bond holders with receivables from LDCBV, with the same maturity and in the same currencies but with a spread on the interest rate. Apart from the counterparty/credit risk, all risks like the liquidity and currency risk are mitigated. No counterparty/credit risk is expected, considering the financial position of LDCBV.

5. CURRENT PORTION OF FINANCIAL ASSETS

The receivable in connection with the USD 300,000,000 5.25 per cent bond due June 13, 2023 (ISIN XS1629414704) is included as current portion financial assets in the amount of USD 299,9 million and is repayable in 2023.

The receivable as of December 31, 2021 (USD 453 million) in connection with the EUR 400,000,000 4 per cent bond due February 7, 2022 (ISIN XS1560991637) has been subsequently collected on February 7, 2022.

6. ACCOUNTS RECEIVABLE FROM GROUP COMPANIES

The accounts receivable from group companies relate to the accrued interest on the loans outstanding.

7. CASH AND CASH EQUIVALENTS

At December 31, 2022, there is no material difference between the historical value of cash and the fair value.

8. STOCKHOLDER'S EQUITY

At December 31, 2022, the capital of the Company is composed of 100 shares, with a 1 USD nominal value each, that are issued to LDCBV and fully paid.

On August 25, 2021, the Company's shareholder contributed USD 2,500,000 in the Company's share premium.

The Company has no legal reserves.

Reference is made to the Statement of Changes in Stockholder's Equity on page 13.

A dividend proposal related to the 2022 result and the retained earnings as of December 31, 2022, has not been made by the management.

9. NON-CURRENT LIABILITIES

Changes in non-current financial assets for the years ended December 31, 2022, are as follows:

(In thousands of US dollars)	2022	2021
Opening balance	**$ 1,596,638**	$ -
Bond substitution	-	1,652,657
Loan issuance	222,302	-
Released deferred expenses	1,609	446
Change non-current to current portion	(299,891)	-
Foreign exchange effect	(75,900)	(56,465)
Closing Balance	**$ 1,444,758**	**$ 1,596,638**

LDC Finance substituted for and replaced LDCBV as issuer and principal obligator of each of its issued and listed bonds at the Luxembourg Stock Exchange (the "Bonds") with effect from September 1, 2021.

The Bonds refer to the following bonds:

- EUR 400,000,000 4.00 per cent. Bonds due February 7, 2022 (ISIN XS1560991637), which has been repaid during 2022
- USD 300,000,000 5.25 per cent. Bonds due June 13, 2023 (ISIN XS1629414704)
- EUR 650,000,000 2.375 per cent. Bonds due November 27, 2025 (ISIN XS2264074647)
- EUR 500,000,000 1.625 per cent. Bonds due April 28, 2028 (ISIN XS2332552541)

Included in the non-current liabilities are new loan agreements (USD 225 million) with a third party with following details:

- USD 100,000,000 SOFR 6M + 1.80 % partially due from October 14, 2024 in equal installments till October 14, 2029
- USD 125,000,000 SOFR 6M + 1.65 % partially due from October 14, 2024 in equal installments till October 14, 2027

10. CURRENT PORTION OF LONG-TERM DEBT

The USD 300,000,000 5.25 per cent bond June 13, 2023 is classified as current portion of long-term debt.

The EUR 400,000,000 4 per cent bond (ISIN XS1560991637) is repaid on February 7, 2022 and is classified as current portion of long-term debt in balance sheet as of December 31, 2021.

11. FINANCIAL INSTRUMENTS

Following the Company's substitution of LDCBV as issuer of the Bonds, LDCBV and the Company entered into Bond novation and note issuance deeds. These deeds arranged for the Company to match its liabilities towards bond holders with receivables from LDCBV, with the same maturity, the same currencies and same interest rates but a mark-up included. This mitigated the interest rate risk and the currency risk. No counterparty/credit and liquidity risks are expected, considering the sound financial position of LDCBV. The financial position of LDCBV is carefully monitored by its management and Board. Well defined and effective processes are in place within LDCBV to manage its risks.

12. FINANCE INCOME AND EXPENSES

The finance expense relates to the interest on issued bonds and Loans, the finance income relates to interest charged to LDCBV and an affiliated company.

13. INCOME TAXES

The Company has entered a fiscal unity, headed by Louis Dreyfus Company International Holding B.V., for Corporate Income Tax purposes between certain Dutch group entities. As such, every legal entity participating in the fiscal unity is liable for income taxes payable by the fiscal unity. Each company calculates its Corporate Income Tax charge as the company involved would be if it were an independent taxpayer considering tax relief facilities available to the Company.

The effective tax rate is 25.8% (2021: 25%), in line with the statutory rate for the Netherlands.

14. COMMITMENTS, CONTINGENCIES, GUARANTEES

The Company has not issued any guarantees, nor has it contingent liabilities or commitments as of December 31, 2022.

15. AUDIT FEES

The audit fees paid to the auditor and its network are included in the financial statements of LDC Finance's ultimate parent company Louis Dreyfus Holding B.V.

16. NUMBER OF EMPLOYEES AND PERSONNEL EXPENSES

During the year 2022 LDC Finance employed no employees. Various group companies recharge LDC Finance for cost of their employees which dedicate time to the operations of LDC Finance.

17. RELATED PARTIES' TRANSACTIONS

The Company, in the frame of its finance function entered to into bond novation and note issuance deeds with its parent company LDCBV resulting in several loans and current accounts with group companies.

In 2022 both managing directors of the Company are not remunerated by LDC Finance, but by (indirect) parent companies of the Company. LDC's policy is to not remunerate employees for their respective managing directorships within the group. The total service charged by the parent of the company for the year 2022 amounted to USD 50,000.

18. SUBSEQUENT EVENTS

There is no subsequent event that could affect the 2022 financial statements.

The Company raised a loan of USD 50 million early 2023, which is guaranteed by LDCBV and borrowed to a group company under comparable conditions with an interest spread.

In the context of the Russia-Ukraine conflict and related trade restrictions in the region, the Company is closely monitoring a complex and rapidly-evolving situation, with a focus on people safety and essential supply chain continuity.

19. MANAGEMENT BOARD REMUNERATION

The management board is not remunerated by the Company. For the year 2022, a service charge of USD 50 thousands is charged by its parent to the Company. Managing directorship fees can however not be specifically allocated from this amount.

Rotterdam, March 21, 2023

The Managing Directors:

Jan Schol

Maurice Kreft

Registered/Head Office of the Issuer and the Guarantor

Westblaak 92
Rotterdam 3012 KM
The Netherlands

Auditors ***(as at and for the years ended 31 December 2022 and 2023)***

to the Issuer

Deloitte Accountants B.V.
Wilhelminakade 1
3072 AP Rotterdam
P.O.Box 2031
3000 CA Rotterdam
The Netherlands

to the Guarantor

Deloitte & Associés
Tour Majunga
6 Place de la Pyramide
92908 Paris-la-Défense Cedex
France

Auditors ***(current year)***

to the Issuer

PricewaterhouseCoopers Accountants N.V.
Thomas R. Malthusstraat 5
1066 JR Amsterdam, P.O. Box 90357
The Netherlands

to the Guarantor

PricewaterhouseCoopers SA
Avenue Giuseppe-Motta 50
1211 Genève
Switzerland

Joint Lead Managers

Citigroup Global Markets Europe AG
Reuterweg 16
60323 Frankfurt am Main
Germany

Crédit Agricole Corporate and Investment Bank
12, place des États-Unis
CS 70052
92547 Montrouge Cedex
France

J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

Mizuho Securities Europe GmbH
Taunustor 1
60310 Frankfurt am Main
Germany

Passive Bookrunners

Australia and New Zealand Banking Group Limited
Level 12, 25 North Colonnade
London E14 5HZ
United Kingdom

Coöperatieve Rabobank U.A.
Croeselaan 18
3521CB Utrecht
The Netherlands

Fiscal Agent, Principal Paying Agent and Calculation Agent

BNP Paribas, Luxembourg Branch
60 avenue J.F. Kennedy
L-1855 Luxembourg
Grand Duchy of Luxembourg

Make-Whole Calculation Agent

Aether Financial Services UK Limited
23 Copenhagen Street
N1 0JB London
United Kingdom

Legal Advisers
To the Issuer and the Guarantor

as to English law

Norton Rose Fulbright LLP
40 rue de Courcelles
75008 Paris
France

as to Dutch law

NautaDutilh N.V.
Beethovenstraat 400
1082 PR Amsterdam
The Netherlands

To the Managers

as to English law

Clifford Chance Europe LLP
1 rue d'Astorg
CS 60058
75377 Paris Cedex
France

as to Dutch law

Clifford Chance LLP
Droogbak 1A
1013 GE Amsterdam,
The Netherlands