LDC

Louis Dreyfus Company

Interim Report

2022

Contents

Unless otherwise indicated, "Louis Dreyfus Company", "LDC", "Group", "Louis Dreyfus Company Group" and related terms such as "our","we", etc. used in this report refers to the Louis Dreyfus Company B.V. Group.

At a Glance

As a leading global merchant and processor of agricultural goods, we rely on our expertise and global network to source, transform and transport approximately 80 million tons of products for customers and consumers around the world, every year.

Approximately
17,000
employees

Map Key

Business Lines

- Coffee
- Cotton
- Grains & Oilseeds
- Juice
- Plant Proteins
- Rice
- Sugar

Assets

- Farming
- Processing asset
- Logistic asset – storage
- Logistic asset – transport
- Under construction
- Tolling agreement, off-take contract, minority stake, land lease, facility lease

Other

- Office

Our Platforms

- Carbon Solutions
- Coffee
- Cotton
- Freight
- Global Markets
- Grains & Oilseeds
- Juice
- Rice
- Sugar

LDC in the Value Chain

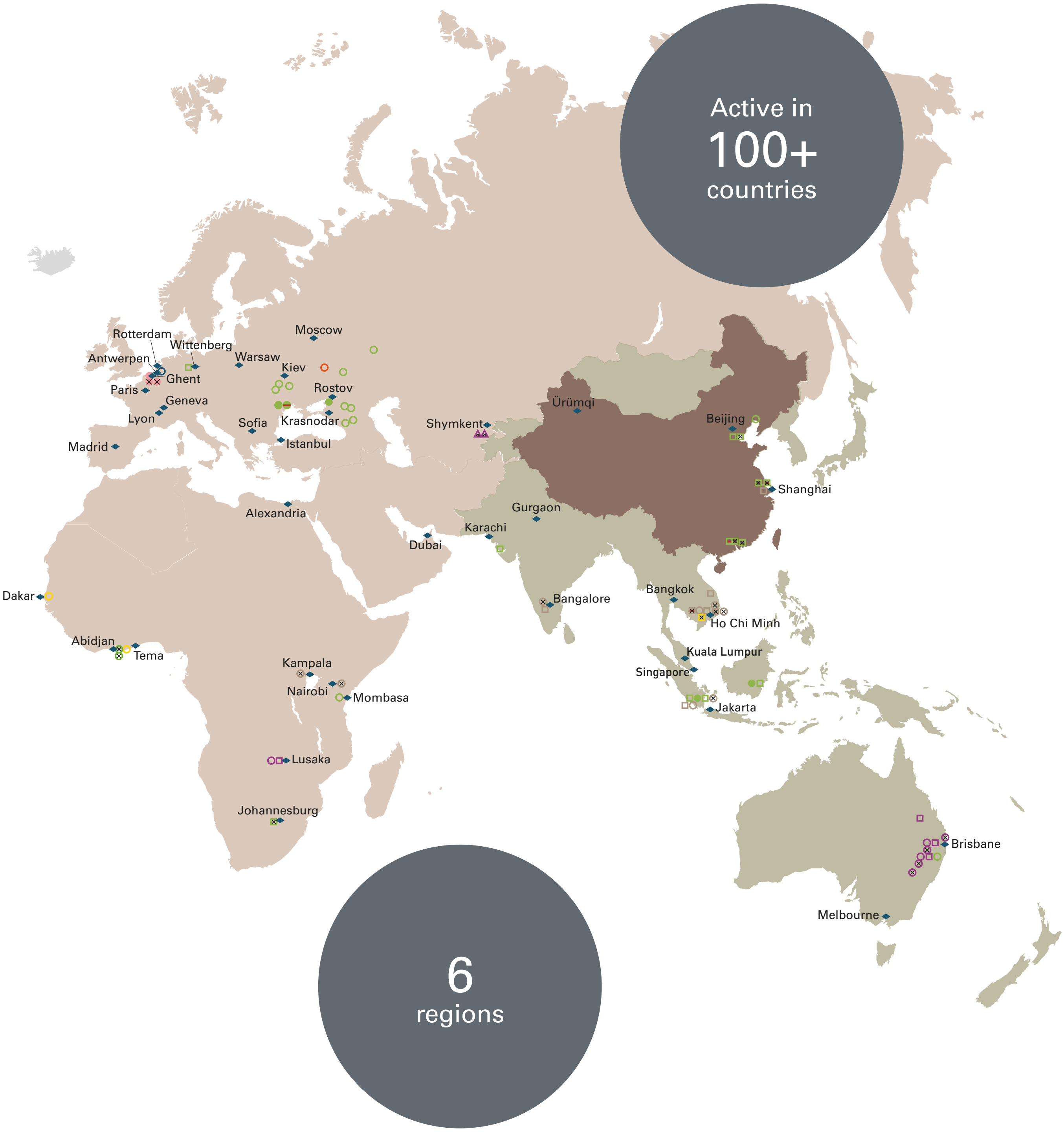
We develop sustainable solutions to bring agricultural goods from where they are grown to our customers' doorstep. This involves a complex supply chain in which our people and partners play a vital role, ensuring a smooth journey for our products.

1. Originate & Produce

Sharing our expertise with farmers and producers worldwide, be it through partnerships or our origination network.

2. Process & Refine

Processing and refining the finest quality raw materials.



3. Store & Transport

Efficiently managing movements across the value chain.

4. Research & Merchandize

Relying on our market knowledge to ensure responsive supply across platforms and regions.

5. Customize & Distribute

Supplying products to a range of customers, from multinationals to local customers and consumers.

Message From Our CEO

In the current turmoil impacting global agri-commodities markets, LDC's mission to bring the right product, to the right location, at the right time, is all the more critical and a great responsibility. To fulfill this mission, LDC continues to leverage its vast network, proprietary market intelligence built over decades, and strong risk and compliance management capabilities, to deliver on our customer commitments while navigating changing and increasingly complex market conditions.

In the first half of 2022, the Russia-Ukraine crisis added to pre-existing drivers of global market uncertainty, such as continued port congestion, changing expectations on crop sizes, accelerating climate challenges and concerns over the resurgence of Covid-19, particularly in China. In this environment, we focused on our role to keep essential food, feed and agricultural supply chains moving safely, reliably and responsibly, thanks to the expertise, adaptability, commitment and dedication of our teams around the world, in a very challenging context.

Despite very limited origination possibilities from the Black Sea, we nevertheless grew volumes shipped in the first half of the year, relying on our global network to adapt and offer our customers alternative solutions. In disrupted agri-commodities markets, the diversification of our product portfolio and geographic presence were key to continued flows of essential goods, from where they are grown to where they are needed.

Furthermore, through a combination of continued strategic developments and investments, and a reinforced financial position following cost optimization efforts and the completion of our strategic partnership with ADQ, LDC continued to enhance its performance. Segment Operating Results grew to US$1,375 million for the period, with both business segments contributing to our growth trajectory, while EBITDA for the semester reached US$1,170 million.

In line with our strategic roadmap, we continued to invest in the expansion of our activities downstream, revenue stream diversification, as well as innovation and digitization in our activities and operations.

In March 2022, we inaugurated our first R&D center as an important foundation ahead of LDC's entry to the plant proteins market. We also completed, and recently inaugurated, our new liquid soy lecithin plant in Claypool, Indiana, US, as part of our plans to consolidate our position in the plant-based ingredients market. In China, we celebrated the groundbreaking for *Fuling Food Industrial Park* in Nansha, Guangzhou - a development with Chinese partners that will enhance our feed protein processing capacity in the region from next year. Our initiative with industry peers, *Covantis S.A.*, also advanced, successfully expanding to the North American market and celebrating the first anniversary of the launch of this groundbreaking blockchain platform that is driving modernization, efficiency and traceability in post-trade transactions.

These developments and projects strengthen our presence in existing markets and open access to new ones, across the value chain, while diversifying our offer to customers and reinforcing our ability to meet evolving needs and expectations.

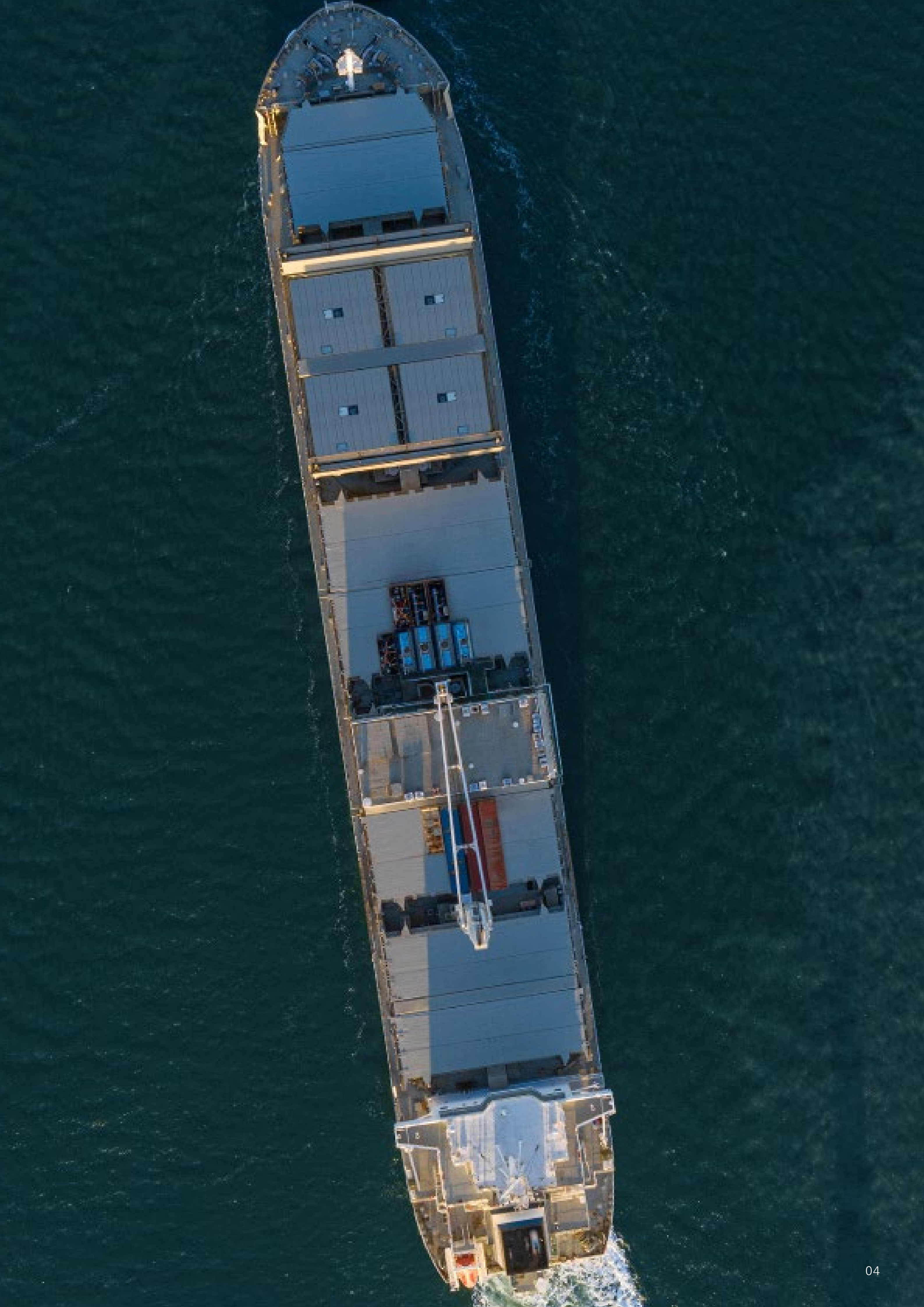
In this sense, and in continual pursuit of our company purpose to create fair and sustainable value, we also took new steps in the first semester of 2022, to accelerate our journey toward more sustainable business and value chains. Led by our Carbon Solutions team, we made positive strides in our decarbonization journey, among them a successful biofuel trial on LDC's first carbon neutral juice shipment across the Atlantic and a long-term purchase agreement for renewable power in Argentina. Importantly, we also made an ambitious commitment to eliminate deforestation and native vegetation conversion for agricultural purposes in our supply chains, by the end of 2025.

The safety of our employees, meanwhile, remained our top priority, to continue the trajectory of record safety performance reported in our 2021 Sustainability Report, thanks to continual investment, training and efforts to embed a 'safety first' culture across the Group.

Nowhere was the emphasis on safety greater than in Ukraine, where we offered employees and their families evacuation support and shelter in safer areas, and every possible assistance upon arrival in neighboring countries, while donating funds, products and other materials to organizations and initiatives supporting refugees and humanitarian efforts in the country.

As we continue to face up to regional and global challenges and disruptions, and navigate an extremely uncertain context, I want to express my warmest gratitude to our teams around the world, including and most especially in the Black Sea region, for the commitment they have shown, remaining true to our mission despite unprecedented challenges. Their dedication has kept our people safe, our operations and facilities running, our customers satisfied, our performance strong and, most importantly, essential products moving to where they are needed.

Michael Gelchie
Chief Executive Officer



Management Discussion & Analysis

Financial Highlights

For the six-month period ended June 30, 2022

Net Sales:

US$30.3 billion

(US$24.0 billion over the same period in 2021)

Segment Operating Results[1]:

US$1,375 million

(US$879 million over the same period in 2021)

EBITDA[2]:

US$1,170 million

(US$778 million over the same period in 2021)

Income Before Tax:

US$760 million

(US$425 million over the same period in 2021)

[1] Gross margin plus share of profit (loss) in investments in associates and joint ventures
[2] Earnings Before Interests, Taxes and Depreciation & Amortization

Net Income, Group Share:

US$662 million

(US$336 million over the same period in 2021)

Return On Equity[3], Group Share:

20.4%

(14.3% for the year 2021)

Adjusted Leverage[4] Ratio:

0.8x

(0.9x as of December 31, 2021)

Adjusted Net Gearing[5]:

0.28

(0.27 as of December 31, 2021)

Volumes[6]:

up 0.9%
year on year

Total Assets:

US$24.8 billion

(US$23.6 billion as of December 31, 2021)

Adjusted Net Debt:

US$1.6 billion

(US$1.5 billion as of December 31, 2021)

Working Capital Usage:

US$9.1 billion

(US$8.7 billion as of December 31, 2021)

Liquidity Coverage[7]:

2.0x current portion of debt

(2.2x as of December 31, 2021)

Capital Expenditure[8]:

US$171 million

(US$161 million over the same period in 2021)

[3] Twelve months prior to period-end, beginning of period equity
[4] Adjusted net debt to last twelve months EBITDA
[5] Adjusted net debt to total stockholders' equity and non-controlling interests
[6] Volumes shipped to destination
[7] Cash and cash equivalents, other current financial assets at fair value, readily marketable inventories (RMIs) and undrawn committed bank lines
[8] Purchase of fixed assets and additional investments, net of cash acquired

Foreword

The following discussion of the Group's operating results and financial position should be read in conjunction with the Group's consolidated financial statements as of, and for the six-month period ended June 30, 2022 and the year ended December 31, 2021, prepared in accordance with International Financial Reporting Standards (IFRS).

The results presented include certain financial performance indicators, not defined by IFRS, that are used by LDC's management to assess the Group's financial performance. A definition based on the consolidated financial statements of each of these indicators can be found in the footnotes of the following discussion. The reconciliation of EBITDA and Adjusted Net Debt with the consolidated financial statements, as of and for the six-month periods ended June 30, 2022 and June 30, 2021, and as of December 31, 2021, are provided as an appendix at the end of the following discussion.

The allocation of the Group's platforms (business lines) remained unchanged between its two segments. The Value Chain Segment includes the Grains & Oilseeds and Juice platforms, along with Carbon Solutions, Freight and Global Markets. The Merchandizing Segment comprises the Coffee, Cotton, Rice and Sugar platforms.

Over the six-month period ended June 30, 2022, the Russia-Ukraine crisis added to the disruptive factors for the global agri-commodities trade balance. Uncertain crop size prospects, logistics challenges and continued concerns about the ongoing pandemic also contributed to fast-changing market trends, resulting in enhanced market volatility and continuing price increases for the main products merchandized by the Group. Demand for these products remained overall strong, as buyers tried to secure supply in a disrupted environment, The foreign exchange market was marked by two consecutive trends. During the first quarter, the US Dollar was stable against most key origination country currencies with the exception of an appreciating Brazilian Real and depreciating Argentine Peso. During the second quarter, the US Dollar appreciated against the main origination country currencies and the Chinese Yuan.

Russia-Ukraine Crisis

Since late February 2022, the Russia-Ukraine crisis and its consequences on logistics put pressure on wheat, corn and vegetable oil supplies, and resulting concerns over potential global shortages added to already high market volatility and prices.

In the year ended December 31, 2021, products originated by LDC from these two countries represented less than 4% of Group net sales in dollar terms.

Under its policy to insure assets against political and war risks whenever possible, the Group mitigates a large share of its exposure in Ukraine and Russia.

Ukraine

LDC runs origination operations in Ukraine, mainly for wheat, corn and barley, with over 300 Ukraine-based employees. LDC operates silos, railcars and a multi-commodity export terminal in Odessa port.

In anticipation of a potential conflict, the Group had defined contingency plans to support Ukraine-based employees and their relatives with transport to safe locations, and to secure the physical integrity of its assets in the country. As of the date of this report, there has been no reported LDC employee casualty. A few railcars localized in the conflict zone were fully depreciated and wheat inventories in a third-party silo were destroyed.

Operations in the country have significantly slowed since the start of the crisis, with maritime exports at a standstill (until August 2022) under martial law. In this context, and whenever possible to do so safely and in compliance with all applicable laws, LDC resorted to other export logistic channels (via rail, trucks or barges) to meet commitments to business partners, at significantly higher cost than via usual export routes. Nevertheless, in the current circumstances, such non-maritime alternatives only allow movement of limited cargo volumes compared to normal operating conditions and the ability to continue using these channels is unknown. The extra cost of alternative export routes and means is considered in the valuation of LDC inventories in Ukraine as of June 30, 2022.

The consequences of the crisis may limit the ability of some LDC stakeholders to meet their contractual commitments. The Group runs regular assessments of potential performance risks and considers these in the valuation of open contracts as of June 30, 2022.

In relation to its operations in Ukraine, as of June 30, 2022, the Group recognized provisions and impairments for a total amount of US$118 million within Cost of sales, and held total assets of US$245 million and liabilities for US$127 million.

Russia

LDC runs a grains origination business in Russia, with owned silos and a grain terminal in Azov. The Group is also engaged in a joint venture for the development and construction of a deep-sea terminal in the Taman peninsula. The Russia-Ukraine crisis adds uncertainty to the project timeline and financial projections (which are highly dependent on business conditions in the area). As such, the Group cannot reliably assess potential financial impacts on the project as of the date of this report.

The Group suspended its operations in Russia at the start of the crisis, taking proper time to assess and adapt to the situation. In a challenging, complex and rapidly-evolving environment, LDC resumed its operations in the country to the extent possible, aiming to meet commitments to and demand from customers, while complying with all applicable sanctions, laws and regulations.

In Russia, total assets and liabilities amounted to US$93 million and US$44 million respectively, as of June 30, 2022.

In this global context, LDC 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 our facilities and in our logistic chains, always with employee safety and wellbeing as a priority.

Uncertainty over potential global supply chain disruptions, a crisis involving two of the world's largest grains exporters, evolving international trade rules, container shortages and rising freight rates, all contributing to volatile agri-commodities markets, required thorough risk and compliance management to meet commitments to stakeholders, while protecting our teams and securing financial performance.

The Group maintained its reinforced risk management framework applied since the advent of Covid-19 in 2020, continuing to hold both regular and ad hoc meetings to examine and mitigate risks, and actively monitoring counterparty risks across all business lines in a high-price environment. In addition, the Group reinforced its already strong compliance procedures to protect the Group's and its stakeholders' reputation and assets in a global trade environment marked by sanctions.

In its latest Sustainability Report published in June 2022, the Group reported record safety metrics for 2021, with all accident indexes down year-on-year. While drought in Brazil impacted energy & electricity consumption and water usage in 2021, LDC decreased solid waste generation by 21.4% and CO_2 emissions (scopes 1 and 2) by 1.2%. In that report, the Group also set sustainability targets for the years leading up to 2030, including to adopt science-based targets for greenhouse gas emissions by 2023, and to eliminate deforestation and conversion of native vegetation for agricultural purposes in its supply chains by 2025.

These targets underline LDC's continual efforts to shape increasingly sustainable food and agricultural value chains, including by creating a safe and inclusive workplace, driving supply chain traceability and transparency, reducing the environmental footprint of our operations, and engaging and supporting our partners to do the same - including the farmers whose activities and produce we all depend on.

Income Statement Analysis

As global trade challenges of recent years persisted and the Russia-Ukraine crisis disrupted global supply chains, LDC leveraged its expertise and experience, diversified business portfolio, and global presence and network, to keep supply chains moving efficiently and reliably.

As a result, Segment Operating Results amounted to US$1,375 million for the six-month period ended June 30, 2022, up 56.4% from US$879 million for the six-month period ended June 30, 2021, and EBITDA reached US$1,170 million, up 50.4% compared to the same period in 2021.

Income before tax for the six-month period ended June 30, 2022 reached US$760 million, up 78.8% year on year, while net income Group Share landed at US$662 million, up 97.0% from US$336 million for the same period in 2021.

Net Sales

Net sales amounted to US$30.3 billion for the six-month period ended June 30, 2022, up 26.6% compared to the same period in 2021, mainly driven by higher prices, while volumes shipped by the Group increased 0.9% year on year.

- The Value Chain Segment's net sales rose 19.8% year on year, mainly owing to higher prices of products merchandized Grains & Oilseeds and Juice. Both platforms shipped higher volumes of goods year on year, despite a significant reduction in volumes of grains from the Black Sea. The Freight Platform also grew its services to third parties during the period.
- The Merchandizing Segment's net sales increased by 44.6% year on year, owing to higher prices across all product lines in this segment, and higher volumes shipped by the Rice and Cotton platforms. Volumes shipped by the Sugar and Coffee platforms decreased from high levels in 2021.

Segment Operating Results

Segment Operating Results increased to US$1,375 million for the six-month period ended June 30, 2022, up from US$879 million over the same period in 2021. LDC leveraged its global footprint and market intelligence to capture profitable origination and sales opportunities, secure purchases and successfully manage risks to meet customer demand in an uncertain and complex global trade environment.

Value Chain Segment

Segment Operating Results amounted to US$945 million for the six-month period ended June 30, 2022, compared to US$525 million over the same period in 2021.

The Grains & Oilseeds Platform further increased operating results, after an already strong six-month period ended June 30, 2021. Volatility remained significant across all products merchandized by the Platform. Existing drivers for significant and rapid market price moves, such as uncertain crop size prospects and concerns over ongoing supply chain logistic challenges, were amplified by doubts cast by the Russia-Ukraine crisis. Grain and vegetable oil prices rose rapidly in the first four to five months of 2022, driven by concerns over global supply and demand imbalances for goods usually exported from the Black Sea, and over corn and soy supply shortages due to potential drought in Argentina and Brazil. Market volatility was further fueled by export duty increases (on soy meal and oil in Argentina, for example), export restrictions (particularly on palm oil from Indonesia or wheat from India) and concerns over the consequences of Covid-19 resurgence in China. Prices began to decrease in June 2022, on the back of global recession fears and ahead of the opening of a grains export corridor out of Ukraine. Operations in EMEA were negatively impacted by limited and costly logistics in the Black Sea. Globally, demand for grains (particularly corn, wheat and sorghum) remained strong throughout the period as destination countries secured supply. Ethanol prices were bolstered by the rally in oil prices, as global demand for biofuels continued to grow to support carbon emission reductions. Demand for vegetable oil remained resilient as prices reached record high levels toward the end of April 2022. Despite increasing production costs due to inflation and high energy prices, processing activities contributed significantly to the Platform's performance and growth thanks to strong crushing and crack margins, particularly in the US, Canada and Brazil.

In the six-month period ended June 30, 2022, the Juice Platform's performance improved year on year, ending a low-season period break-even. Over the same period in 2021, the Platform impaired the remainder of goodwill for US$13 million. This improved performance was achieved thanks to continuous performance improvements through operational enhancements, partially compensating for rising processing costs. Revenue diversification toward a larger share of by-products and apple juice, and growth in volumes sold, also contributed to the Platform's enhanced margin.

The Freight Platform's operating results reached a record high, owing to itinerary optimization and an increase in volumes transported. Freight rates increased until mid-May 2022, as global trends from 2021 prevailed, with recovering demand from northern hemisphere economies and strong demand from China, combined with port congestions tightening the overall freight market. The Russia-Ukraine crisis added to the global freight imbalance, with vessels trapped in the Black Sea and global trade routes for dry bulk reshuffled, leading to ton-mile gains. As concerns arose over global growth and China locked down again, freight rates eased towards the end of the semester. All vessel sizes contributed to the Platform's strong results, successfully navigating persistently high volatility and logistics bottlenecks thanks to its proprietary analytics and innovative operational model. Broadened use of our chartered fleet, enhanced cross-ocean strategic geo-positioning and further integration of decision-making tools for itinerary optimization and engine efficiency measurement in collaboration with shipowners, also contributed to the Platform's excellent results.

The Global Markets Platform provided consistent support to the Group through interest rate and foreign exchange risk management across all significant currencies in LDC's business, while keeping pace with the industry's constant evolution and needs.

The Carbon Solutions Platform supported the Group in its decarbonization efforts through assessment and coordination of projects such as the signing of a long-term purchase agreement for renewable power in Argentina, the carbon profile assessment of prospective investments in our plant in Yorkton, Saskatchewan, Canada and a successful regional emissions trading program pilot in Tianjin, China. The Carbon Solutions Platform's operating results did not materially contribute to the Segment's improved performance, as concerns over a potential global recession and the Russia-Ukraine crisis decorrelated the link between energy prices and hedging opportunities for the compliance market, and subdued prices and interest for voluntary carbon credits.

Merchandizing Segment

Segment Operating Results reached US$430 million for the six-month period ended June 30, 2022, compared to US$354 million for the same period in 2021.

The Cotton Platform further grew operating results year-on-year from an already high starting point for the six-month period ended June 30, 2021. Cotton prices increased in early 2022, reaching a 10-year high in early May on the back of strong demand and a tightening global balance sheet, coupled with global shipping congestion. Prices plummeted in June 2022 as managed money began to exit the cotton market. Notwithstanding logistics bottlenecks, both at ports and for inland freight, the Platform slightly increased volumes shipped year on year. Favorable merchandizing margins across the globe, significant US warehousing activity and a successful hedging strategy all contributed to the Platform's solid performance.

The Coffee Platform's operating results for the six-month period ended June 30, 2022 grew year on year. Global market challenges that were prevalent in 2021 continued to fuel market volatility into 2022. Coffee supply issues caused by limited crop sizes and returning consumer demand meant that prices remained high and logistics difficult. The Platform successfully navigated this challenging context through active hedging and risk management actions, and captured strong origination margins as it continued to grow its business in Asia, particularly in Vietnam and India.

The Sugar Platform delivered consistent results year on year, leveraging established geographic diversification. Fewer origination opportunities in Brazil due to slow farmer selling were compensated by improved margins from India. The Platform's good financial performance was also supported by improved processing margins in North America, as sugar prices increased through the six-month period ended June 30, 2022 on global supply shortage expectations.

For the six-month period ended June 30, 2022, the Rice Platform grew its operating results year on year in a challenging business environment. In particular, the hedging strategy initiated in 2021 on freight costs allowed the Platform to secure margins in a period once again marked by increased freight prices. The Platform expanded its geographical footprint with a new customer base in the Middle East, driving higher volumes shipped year on year, which also supported increased margins.

Net Finance Costs

Net finance[9] costs amounted to US$(146) million for the six-month period ended June 30, 2022, compared to US$(117) million in 2021. Interest expense increased by US$(9) million year on year on the back of a higher London Inter-bank Offered Rate (LIBOR), from 0.11% on average for the LIBOR 1M over the first half of 2021, to 0.61% on average over the same period in 2022. The interest expenses increase was curbed in the first half of 2022, thanks to cost-efficient long-term debt raised prior to 2022. Interest income decreased by US$27 million, following the full repayment, in September 2021, of the US$1,051 million loan to *Louis Dreyfus Company Netherlands Holding B.V.* (LDCNH).

Gain (Loss) on Investments and Sale of Fixed Assets

For the six-month period ended June 30, 2022, the Group recognized a US$3 million fair value profit related to investments under our corporate venture capital program, compared to US$10 million profit over the same period in 2021.

Income Before Tax

Income before tax increased 78.8% year on year to US$760 million for the six-month period ended June 30, 2022, compared to US$425 million for the same period in 2021.

Taxes

Taxes amounted to US$(97) million for the six-month period ended June 30, 2022, resulting in a 12.8% effective tax rate, compared to 20.9% for the same period in 2021. The reduction in effective tax rate year on year was due to the change in geographical mix and the negative impact in 2021 from the increase in Argentine corporate income tax rate.

Net Income, Group Share

Net income, Group Share, settled at US$662 million for the six-month period ended June 30, 2022, up 97.0% from US$336 million for the same period in 2021. Return on equity rose from 13.2% for the twelve-month period ended June 30, 2021 to 20.4% for the twelve-month period ended June 30, 2022.

[9] interest income, Interest expense and Other financial income and expense.

Balance Sheet Analysis

Non-Current Assets

As of June 30, 2022, non-current assets amounted to US$4,904 million, up from US$4,879 million as of December 31, 2021:

- Fixed assets landed at US$3,995 million, compared to US$3,989 million as of December 31, 2021.
- Investments in associates and joint ventures increased from US$227 million as of December 31, 2021, to US$242 million as of June 30, 2022. The US$15 million increase is mainly attributable to additional capital injections in Terminal Exportador de Santos S.A. and *Covantis S.A.,* and LDC's share in the entities' net income for the period.
- Non-current financial assets decreased from US$299 million as of December 31, 2021, to US$294 million as of June 30, 2022.
- Deferred income tax assets stood at US$125 million as of June 30, 2022, down from US$129 million as of December 31, 2021.
- Other non-current assets amounted to US$248 million as of June 30, 2022, up from US$235 million as of December 31, 2021.

Capital Expenditure and Divestment

Maintaining its highly selective investment policy, LDC invested US$171 million during the six-month period ended June 30, 2022, supporting its strategic ambitions while securing solid cash flows and remaining prudent in its capital deployment, as a volatile environment and uncertainty persisted. With the majority of capital expenditure remaining discretionary as per the Group's investment policy, LDC is well-positioned to adapt to and capture emerging opportunities as they arise.

The Group invested in planned and custom maintenance and enhancements to ensure the continued operational performance and safety of its existing assets. LDC also moved forward with strategic long-term projects for the expansion of its processing capacity and diversification downstream through research and development. Systems 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. Systems harmonization and enhancement is part of the Group's digitization efforts, aiming to generate efficiency and support cost-effective business management in an increasingly complex environment.

Value Chain Segment

The Segment invested US$140 million over the six-month period ended June 30, 2022, mostly to expand grains and oilseeds processing capacity and support developments downstream.

In China, the Grains & Oilseeds Platform invested in the construction of a soybean processing facility as part of *Fuling Food Industrial Park* at the Port of Nansha, Guangzhou, in collaboration with Chinese partners *DONLINK Group* and *HAID Group*. In Brazil, the Platform made a seventh planned capital injection into our *Terminal Exportador de Santos S.A.* joint venture. The Platform also continued to invest in the expansion of its facilities in Claypool, Indiana, US, including a new lecithin unit inaugurated in early August 2022 and additional processing capacity in Yorkton, Saskatchewan, Canada.

The Juice Platform invested to enhance its operational performance and optimize production costs through higher not-from-concentrate juice storage capacity and citrus grove replanting. Investments also focused on industrial asset maintenance and continuous improvement, largely in Brazil, as well as operational safety enhancements.

Merchandizing Segment

Over the six-month period ended June 30, 2022, platforms in the Segment invested US$31 million in industrial asset maintenance, mainly for the Group's *Imperial Sugar* business in the US, as well as in expansion of US cotton warehousing assets.

The Coffee Platform continued to invest in a joint arrangement freeze-dried instant coffee plant with *Instanta Sp. z o.o.* to address growing instant coffee demand, and in the expansion of the Group' coffee mill in Varginha, Minas Gerais, Brazil.

Working Capital Usage

Working Capital Usage (WCU) increased to US$9.1 billion as of June 30, 2022 from US$8.7 billion as of December 31, 2021. While Merchandizing Segment platforms decreased their working capital needs as of June 30, 2022 compared to December 31, 2021, the increase in Value Chain Segment working capital needs set the trend at Group level:

- The Grains & Oilseeds Platform drove the trend through a significant increase in inventories in a context of high prices, while Juice WCU decreased in the customary pre-harvest season.
- Merchandizing Segment working capital needs decreased compared to 2021 year-end levels. All platforms contributed to this trend through lower inventories despite higher prices, particularly in Coffee, with strong global demand and delayed crops.

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. LDC 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 June 30, 2022, RMIs represented 93.7% of the Group's trading inventories, compared to 94.2% as of December 31, 2021.

Financing

LDC'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.

LDC's operations to originate, store, transform and deliver agricultural commodities throughout the world require sizeable amounts of capital, and its funding model is flexible enough to allow the Group to adapt funding to volatile market conditions. To guarantee continued access to capital, LDC implemented a funding strategy based on the following pillars:

- Diversified sources of funds: 40% of long-term financing came from debt capital markets as of June 30, 2022;
- Stable debt maturity profile: average maturity of non-current portion of long-term financing was 4.6 years as of June 30, 2022;
- Sizeable proportion of committed facilities: 41.9% of total Group facilities were committed, of which US$3.4 billion with maturities beyond one year remained undrawn as of June 30, 2022;
- Sustainability-linked facilities: US$3.4 billion facilities embedding pricing mechanisms based on reductions in environmental key performance indicators - CO_2 emissions ($kgCO_2$/MT), electricity & energy consumption (kWh/MT), water usage (m^3/MT) and solid waste sent to landfills (kg/MT); and
- the Group's public investment grade rating (BBB/A2 with a stable outlook) by S&P Global Ratings.

Debt and Leverage

As of June 30, 2022, long-term debt[10] stood at US$4.3 billion, down from US$4.8 billion as of December 31, 2021. This US$0.5 billion decrease corresponds mainly to the €400 million 5-year bond repayment in February 2022.

Short-term[11] debt increased from US$4.0 billion on December 31, 2021 to US$4.9 billion as of June 30, 2022, following the combined effect of increased working capital usage, and cash and cash equivalents. The latter stood at US$1.1 billion as of June 30, 2022, compared to US$0.7 billion at the end of 2021.

In line with common practice in the agribusiness sector, short-term debt should be netted against RMIs, as those inventories can be considered as quasi-cash due to their highly liquid nature. Adjusted net debt reached US$1.6 billion as of June 30, 2022, with an adjusted leverage ratio of 0.8x, comparable to the 0.9x mark as of December 31, 2021. Adjusted net gearing stood at 0.28 as of June 30, 2022, compared to 0.27 as of December 31, 2021.

Liquidity

The Group prudently manages financial risks, ensuring sustained access to liquidity. As of June 30, 2022, the Group had US$3.7 billion of undrawn committed bank lines, of which US$3.4 billion with maturities beyond one year. Available liquidity, which comprises current financial assets, RMIs and undrawn committed bank lines, remained very strong throughout the period and stood at US$11.4 billion as of June 30, 2022, enabling the Group to cover 2.0x its short-term debt at this date.

[10] Current and non-current portion of the long-term debt.
[11] Short-term debt plus financial advances from related parties, net of repurchase agreements.

Balance Sheet Analysis Continued

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 a bilateral one with the *European Bank for Reconstruction and Development*, for a total amount of US$3.4 billion as of June 30, 2022. 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 2022, *Louis Dreyfus Company LLC* refinanced and increased its US$750 million RCF into a three-year US$800 million RCF, maturing in May 2025 and guaranteed by *Louis Dreyfus Company B.V.*

Consequently, as of June 30, 2022, out of US$3.4 billion of committed RCFs, US$3.3 billion were maturing above one year.

All of the Group's syndicated RCFs included a sustainability-linked pricing mechanism as of June 30, 2022.

EU Commercial Paper Program

Louis Dreyfus Company B.V.'s rated EU Commercial Paper Program allows the Group to benefit from diversified access to short-term financing, with an outstanding amount of US$476 million as of June 30, 2022 (versus US$397 million as of December 31, 2021) across maturities ranging up to 12 months.

Equity

Equity attributable to owners of the company increased from US$5,383 million as of December 31, 2021 to US$5,761 million as of June 30, 2022, with total equity of US$5,803 million at the same date.

The US$378 million increase in equity attributable to owners of the company over the six-month period ended June 30, 2022, mainly resulted from the US$662 million of net income, Group Share for the period, net of the payment of a US$348 million dividend.

Risk

Identifying and quantifying risks is central to LDC's business model, and the Group has long been committed to developing appropriate organizational structures to mitigate and manage these risks.

As usual, 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 0.42% during the six-month period ended June 30, 2022, stable compared to the year ended December 31, 2021. VaR is only one of the risk metrics within LDC's wider risk management system.

Subsequent Events

In August 2022, *Louis Dreyfus Company Asia Pte. Ltd.* (LDC Asia) refinanced its US$269 million RCF one year ahead of its maturity, into a three-year US$600 million facility maturing in August 2025 and guaranteed by *Louis Dreyfus Company B.V.* The loan includes a sustainability-linked pricing mechanism, similar to those already in place for the Group's other RCFs. LDC Asia may request one or more of the existing or new lenders to increase the total commitments under the facility by up to US$200 million, pursuant to an accordion option.

On September 16, 2022, LDC received the conclusions of the proceedings in the arbitration between the Group and *Infracis Group Limited* (partner of the joint venture for the development and construction of a deep-sea terminal in the Taman peninsula in Russia). The court dismissed all damages claims between the parties and ruled that the loan granted by the Group to the joint venture partner is to be converted into additional 15% membership interest of the joint venture, as contemplated by the joint venture agreements. Consequently, LDC would own a 25% share in the Dutch joint venture vehicle. These conclusions and implications thereof are currently being analyzed by the Group.

Reconciliation of Non-GAAP Indicators

Reconciliation With the Consolidated Financial Statements

Unless otherwise stated in the 'Notes' column of the following tables, all figures can be found either in the 'Consolidated Income Statement', the 'Consolidated Balance Sheet' or the 'Consolidated Statement of Cash Flows'.

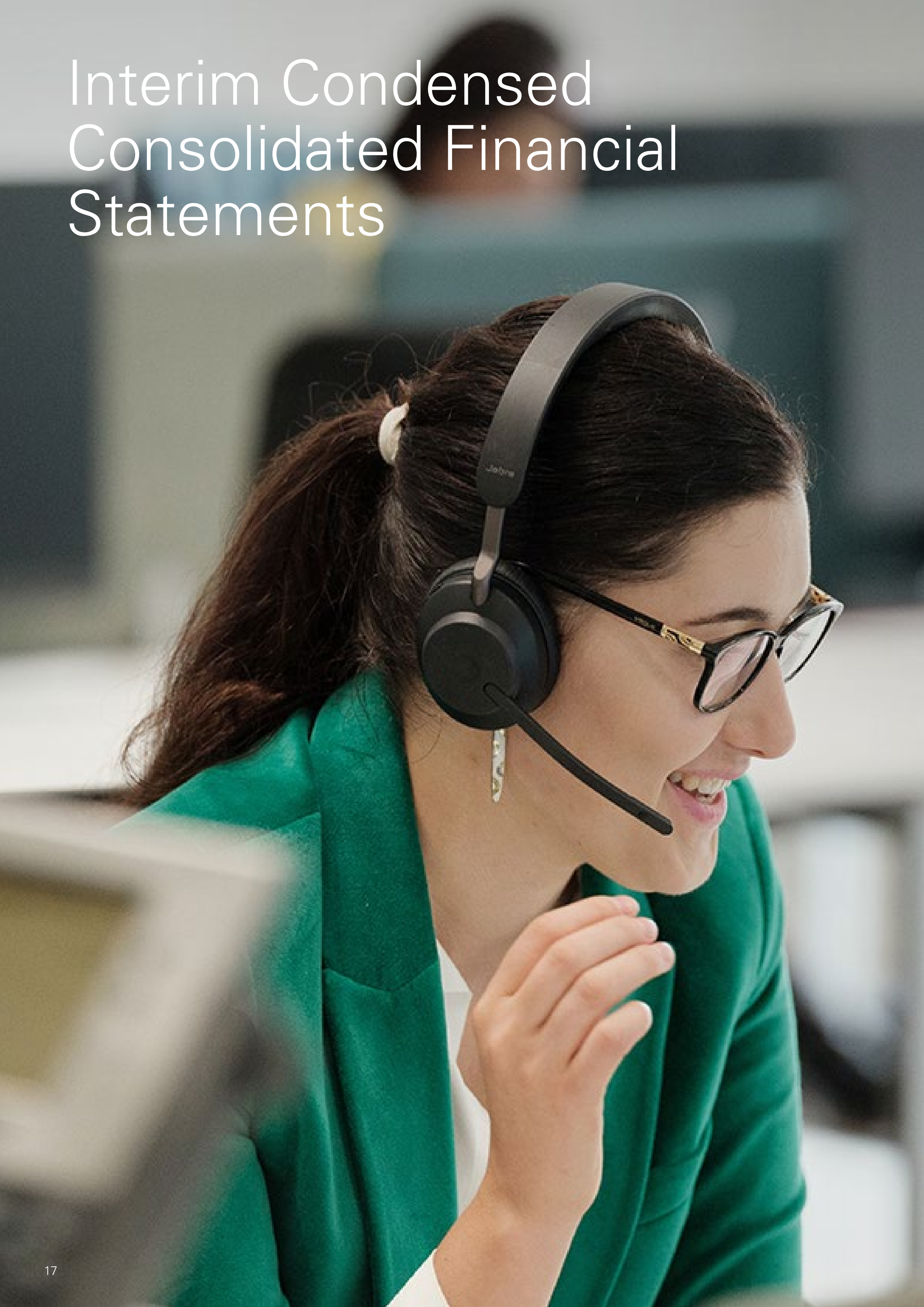
EBITDA (for the six-month periods ended June 30)

In millions of US$	Notes	2022	2021
Income before tax		**760**	**425**
(-) Interest income		(11)	(38)
(-) Interest expense		148	139
(-) Other financial income and expense		9	16
(+) Other (financial income related to commercial transactions)	2.3	(27)	4
(-) Depreciation and amortization		292	233
(-) Gain (loss) on sale of consolidated companies	2.4	—	—
(-) Gain (loss) on sale of investments in associates and joint ventures	2.4	—	(1)
(-) Gain (loss) on sale of fixed assets	2.4	(1)	—
= EBITDA		**1,170**	**778**

Adjusted Net Debt (as of)

In millions of US$	Note	June 30, 2022	December 31, 2021
(+) Long-term debt		3,601	4,036
(+) Current portion of long-term debt		675	766
(+) Short-term debt		4,810	3,922
(+) Financial advances from related parties		276	209
(-) Repurchase agreements	5.3	(179)	(167)
(-) Financial advances to related parties - current portion		(7)	(5)
(-) Other financial assets at fair value through P&L		(253)	(301)
(+) Marketable securities held for trading	5.5	228	215
(-) Cash and cash equivalents		(1,114)	(696)
= Net debt		**8,037**	**7,979**
(-) RMIs	4.3	(6,404)	(6,514)
= Adjusted Net Debt		**1,633**	**1,465**

Interim Condensed Consolidated Financial Statements



Auditor’s Report on Review of Interim Financial Information

Period from January 1, 2022 to June 30, 2022

To the Managing Directors of *Louis Dreyfus Company B.V.*

Introduction

We have reviewed the accompanying interim condensed consolidated balance sheet of *Louis Dreyfus Company B.V.* and subsidiaries as of June 30, 2022 and the related interim condensed consolidated income statement, statement of comprehensive income, statement of cash flows and statement of changes in equity for the six-month period then ended, and the related condensed notes thereto (the “Interim Financial Information”).Management is responsible for the preparation and presentation of this Interim Financial Information in accordance with International Accounting Standard 34 “Interim Financial Reporting” – standard of International Financial Reporting Standards (“IFRS”) as adopted by the European Union applicable to interim financial reporting.

This Interim Financial Information was prepared under the responsibility of the Board of Directors. Our responsibility is to express a conclusion on this Interim Financial Information 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 Interim Financial Information is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting” – standard of IFRS as adopted by the European Union applicable to interim financial reporting.

Emphasis of Matter

Without qualifying our conclusion in respect of this matter, we draw your attention to Note 5.4 Non-Current Financial Assets to the Interim Financial Information which describes the joint venture agreement for the development and construction of a deep-sea terminal for agricultural commodities in the Taman peninsula in southern Russia and the financial exposure for the Group. This note also discusses the recent outcome of the arbitration proceedings and the financial consequences that may result from the analysis and course of actions that will be implemented by the Group in the near future.

Paris-La Défense, France, September 21, 2022
Deloitte & Associés

François BUZY

Interim Consolidated Income Statement

For the six-month periods ended June 30

(in millions of US$)	Notes	2022	2021
Net sales	2.2	30,323	23,957
Cost of sales		(28,954)	(23,075)
Gross margin		**1,369**	**882**
Commercial and administrative expenses		(464)	(346)
Interest income	2.3	11	38
Interest expense	2.3	(148)	(139)
Other financial income and expense	2.3	(9)	(16)
Share of profit (loss) in investments in associates and joint ventures	3.3	6	(3)
Gain (loss) on investments and sale of fixed assets	2.4	(5)	9
Income before tax		**760**	**425**
Income taxes	2.5	(97)	(89)
Net income		**663**	**336**
Attributable to:			
Owners of the company		**662**	**336**
Non-controlling interests		1	—

Interim Consolidated Statement of Comprehensive Income

For the six-month periods ended June 30

(in millions of US$)	**2022**	2021
Net income	**663**	**336**
Items reclassified from equity to net income during the period		
Cash flow and net investment hedges - change in fair value, gross	11	16
Related tax impact	(1)	(4)
Exchange differences recycled upon sale/liquidation of investments	1	—
Investments in associates and joint ventures - share of other comprehensive income	—	1
Total	**11**	**13**
Items that may be reclassified subsequently from equity to net income		
Cash flow and net investment hedges - change in fair value, gross	106	2
Related tax impact	(27)	(2)
Exchange differences arising on translation of foreign operations	(41)	(3)
Total	**38**	**(3)**
Items that will not be reclassified subsequently from equity to net income		
Pensions, gross	14	6
Related tax impact	(2)	(1)
Total	**12**	**5**
Changes in other comprehensive income (OCI)	**61**	**15**
Total comprehensive income	**724**	**351**
Attributable to:		
Owners of the company	**726**	**351**
Non-controlling interests	(2)	—

Interim Consolidated Balance Sheet

As of

(in millions of US$)	Notes	June 30, 2022	December 31, 2021
Non-current assets			
Intangible assets	3.1	285	290
Property, plant and equipment	3.2	3,710	3,699
Investments in associates and joint ventures	3.3	242	227
Non-current financial assets	5.4	294	299
Deferred income tax assets	2.5	125	129
Other non-current assets	3.4	248	235
Total non-current assets		**4,904**	**4,879**
Current assets			
Inventories	3.7	7,503	7,563
Biological assets		68	58
Trade and other receivables	3.8	6,845	5,794
Derivative assets	4.4	2,862	2,443
Margin deposits	4	773	1,524
Current tax assets		48	47
Financial advances to related parties	6.3	7	5
Other financial assets at fair value through profit and loss	5.5	253	301
Cash and cash equivalents	5.6	1,114	696
Total current assets		**19,473**	**18,431**
Assets classified as held for sale	1.5	385	316
Total assets		**24,762**	**23,626**

Interim Consolidated Balance Sheet Continued

As of

(in millions of US$)	**Notes**	**June 30, 2022**	December 31, 2021
Equity			
Issued capital and share premium		1,587	1,587
Retained earnings		4,254	3,940
Other reserves		(80)	(144)
Equity attributable to owners of the company		***5,761***	***5,383***
Equity attributable to non-controlling interests		*42*	*44*
Total stockholders' equity and non-controlling interests	5.1	**5,803**	**5,427**
Non-current liabilities			
Long-term debt	5.2	3,601	4,036
Retirement benefit obligations		71	87
Provisions	3.6	79	74
Deferred income tax liabilities	2.5	151	151
Other non-current liabilities	3.5	120	136
Total non-current liabilities		**4,022**	**4,484**
Current liabilities			
Short-term debt	5.3	4,810	3,922
Current portion of long-term debt	5.2	675	766
Financial advances from related parties	6.3	276	209
Trade and other payables	3.9	6,826	5,965
Derivative liabilities	4.4	2,073	2,640
Provisions	3.6	38	27
Current tax liabilities		128	99
Total current liabilities		**14,826**	**13,628**
Liabilities associated with assets classified as held for sale	1.5	111	87
Total liabilities		**18,959**	**18,199**
Total equity and liabilities		**24,762**	**23,626**

Interim Consolidated Statement of Cash Flows

For the six-month periods ended June 30

(in millions of US$)	Notes	2022	2021
Net income		663	336
Adjustments for items not affecting cash			
Depreciation and amortization		292	233
Biological assets' change in fair value		(9)	(3)
Income taxes	2.5	97	89
Net finance costs		198	122
Other provisions, net		3	9
Share of (profit) loss in investments in associates and joint ventures, net of dividends	3.3	(6)	3
(Gain) loss on investments and sale of fixed assets	2.4	5	(9)
Net expense arising from share-based payments		—	9
		1,243	**789**
Changes in operating assets and liabilities			
Inventories and biological assets		(75)	56
Derivatives		(1,067)	(730)
Margin deposits net of margin deposit liabilities		712	526
Trade and other receivables		(1,082)	(1,028)
Trade and other payables		984	549
Interests paid		(197)	(160)
Interests received		22	78
Income tax received (paid)		(80)	(40)
Net cash from (used in) operating activities		**460**	**40**
Investing activities			
Purchase of fixed assets		(161)	(135)
Additional investments, net of cash acquired		(10)	(26)
Change in short-term securities		55	(19)
Proceeds from sale of fixed assets		3	1
Proceeds from sale of investments, net		5	35
Change in loans and advances made		(10)	5
Net cash from (used in) investing activities		**(118)**	**(139)**
Financing activities			
Net proceeds from (repayment of) short-term debt and related parties loans and advances	5.3	947	(289)
Proceeds from long-term financing	5.2	198	779
Repayment of long-term financing	5.2	(542)	(117)
Repayment of lease liabilities	6.1	(130)	(47)
Transactions with non-controlling interests		(33)	—
Dividends paid to equity owners of the company	5.1	(348)	(191)
Increase in capital financed by non-controlling interests		—	17
Net cash from (used in) financing activities		**92**	**152**
Exchange difference on cash		(15)	4
Net increase (decrease) in cash and cash equivalents		**419**	**57**
Cash and cash equivalents, at beginning of the period	5.6	696	1,296
Change in cash and cash equivalents reclassified to held for sale assets	1.5	(1)	1
Cash and cash equivalents, at end of the period	5.6	**1,114**	**1,354**

Interim Consolidated Statement of Changes in Equity

(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			336		**336**	—	**336**
Other comprehensive income, net of tax				15	**15**	—	**15**
Total comprehensive income	5.1		**336**	**15**	**351**	**—**	**351**
Dividends	5.1		(191)		**(191)**	—	**(191)**
Change in the list of consolidated companies			—		**—**	19	**19**
Balance as of June 30, 2021		**1,587**	**3,554**	**(123)**	**5,018**	**31**	**5,049**

Balance as of December 31, 2021		**1,587**	**3,940**	**(144)**	**5,383**	**44**	**5,427**
Net income			662		**662**	1	**663**
Other comprehensive income, net of tax				64	**64**	(3)	**61**
Total comprehensive income	5.1		**662**	**64**	**726**	**(2)**	**724**
Dividends	5.1		(348)		**(348)**	—	**(348)**
Balance as of June 30, 2022		**1,587**	**4,254**	**(80)**	**5,761**	**42**	**5,803**

Notes to the Interim Condensed Consolidated Financial Statements

Period from January 1, 2022 to June 30, 2022

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 now includes 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 June 2022 interim condensed consolidated financial statements of LDC (the "Financial Statements") were approved by the Board of Directors of LDC on September 21, 2022.

The Financial Statements were prepared in accordance with *International Financial Reporting Standards* (IFRS) adopted by the European Union as of June 30, 2022 and 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 December 31, 2021. Operating results for the six-month period ended June 30, 2022 are not necessarily indicative of results expected for the year ending December 31, 2022.

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.

1.2 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 significant judgements and assumptions made by management in determining the Group's estimates were the same as those described in the consolidated financial statements as of December 31, 2021.

1.3 Russia-Ukraine Crisis

Consequences of the Russia-Ukraine crisis on the Group are described in the Foreword of the Management Discussion & Analysis of this interim 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 June 30, 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 the property, plant and equipment held in Ukraine are in condition to run and Management has no intention to stop the business. Additionally, subsidiaries in Ukraine and Russia can access financing to meet their short-term financial obligations and their cash balances are not restricted.

As of June 30, 2022, in Ukraine, the Group held total assets of US$245 million, net of US$(118) 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 the note 3.7 of the consolidated financial statements as of December 31, 2021. The liquidity of inventories located in Ukraine has been assumed beyond three months.

The impact of the crisis on Taman project is described in the Note 5.4.

1.4 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, 2022.

1.5 Assets Classified as Held for Sale and Liabilities Associated With Held for Sale Assets and Discontinued Operations

During 2020, the Group entered into an exclusivity agreement to negotiate the sale of *Imperial Sugar Company* assets ("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.

Assets classified as held for sale are summarized as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Imperial	375	308
Others	10	8
Total assets classified as held for sale	**385**	**316**

Notes Continued

The condensed assets and liabilities with third parties of Imperial transaction net assets as of June 30, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Property, plant and equipment	148	148
Other non-current assets	9	9
Non-current assets	**157**	**157**
Inventories	150	102
Other current assets	68	49
Current assets	**218**	**151**
Total assets classified as held for sale	**375**	**308**
Retirement benefit obligations	(24)	(24)
Other non-current liabilities	(4)	(2)
Non-current liabilities	**(28)**	**(26)**
Other current liabilities	(83)	(61)
Current liabilities	**(83)**	**(61)**
Total liabilities associated with held for sale assets	**(111)**	**(87)**

During the six-month periods ended June 30, 2022 and June 30, 2021, the change in cash and cash equivalents held for sale is as follows:

	2022		2021	
(in millions of US$)	Imperial	**Total**	Imperial	**Total**
Cash and cash equivalents held for sale, at beginning of the period	**—**	**—**	**2**	**2**
Change in cash and cash equivalents held for sale	1	**1**	(1)	**(1)**
Cash and cash equivalents held for sale, at end of the period	**1**	**1**	**1**	**1**

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 for the six-month periods ended June 30, 2022 and June 30, 2021 is as follows:

	2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**20,911**	**9,412**	**30,323**
Depreciation included in gross margin	(233)	(22)	**(255)**
Share of profit (loss) in investments in associates and joint ventures	6	—	**6**
Segment operating results	**945**	**430**	**1,375**
Commercial and administrative expenses			**(464)**
Net finance costs			**(146)**
Others			**(5)**
Income taxes			**(97)**
Non-controlling interests			**(1)**
Net income attributable to owners of the company			**662**
Capital expenditure	140	31	**171**

	2021		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Net sales	**17,448**	**6,509**	**23,957**
Depreciation included in gross margin	(162)	(33)	**(195)**
Share of profit (loss) in investments in associates and joint ventures	(2)	(1)	**(3)**
Segment operating results	**525**	**354**	**879**
Commercial and administrative expenses			**(346)**
Net finance costs			**(117)**
Others			**9**
Income taxes			**(89)**
Net income attributable to owners of the company			**336**
Capital expenditure	143	18	**161**

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 June 30, 2022 and December 31, 2021 is as follows:

	June 30, 2022		
(in millions of US$)	Value Chain	Merchandizing	**Total**
Fixed assets (intangible assets and property, plant and equipment)	3,667	328	**3,995**
Investments in associates and joint ventures	205	37	**242**
Inventories	4,354	3,149	**7,503**
Biological assets	68	—	**68**
Trade and other receivables	4,702	2,143	**6,845**
Derivative assets	1,589	1,273	**2,862**
Margin deposits	633	140	**773**
Marketable securities held for trading	228	—	**228**
Assets classified as held for sale	—	385	**385**
Segment assets	**15,446**	**7,455**	**22,901**
Trade and other payables	(4,983)	(1,610)	**(6,593)**
Derivative liabilities	(1,556)	(517)	**(2,073)**
Repurchase agreements	(179)	—	**(179)**
Liabilities associated with assets classified as held for sale	—	(111)	**(111)**
Segment liabilities	**(6,718)**	**(2,238)**	**(8,956)**
Other assets			**1,861**
Other liabilities			**(10,003)**
Total net assets	**8,728**	**5,217**	**5,803**

	December 31, 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 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 are included in the line "Short-term debt" (refer to Note 5.3).

As of June 30, 2022, US$233 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 six-month periods ended June 30, 2022 and June 30, 2021:

(in millions of US$)	**2022**	2021
North Asia	6,181	5,384
South & Southeast Asia	7,756	5,905
North Latin America	1,080	848
South & West Latin America	2,170	1,866
North America	4,640	3,178
Europe, Middle East & Africa	8,496	6,776
Of which Europe & Black Sea	*5,026*	*4,214*
Of which Middle East & Africa	*3,470*	*2,562*
Net sales	**30,323**	**23,957**

Net sales to the Netherlands are not material.

The Group's fixed assets were located in the following geographic regions as of June 30, 2022 and December 31, 2021:

(in millions of US$)	**June 30, 2022**	December 31, 2021
North Asia	220	225
South & Southeast Asia	345	281
North Latin America	1,184	1,173
South & West Latin America	600	601
North America	1,005	1,018
Europe, Middle East & Africa	641	691
Fixed assets	**3,995**	**3,989**

Fixed assets in the Netherlands are not material.

2.2 Net Sales

Net sales for the six-month periods ended June 30, 2022 and June 30, 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	19,895	9,350	**29,245**	16,797	6,475	**23,272**
Freight, storage and other services	867	53	**920**	554	29	**583**
Others	149	9	**158**	97	5	**102**
	20,911	**9,412**	**30,323**	**17,448**	**6,509**	**23,957**

2.3 Net Finance Costs

Net finance costs for the six-month periods ended June 30, 2022 and June 30, 2021 are as follows:

(in millions of US$)	**2022**	2021
Interest income	11	38
Interest expense	(148)	(139)
Other financial income and expense	(9)	(16)
Net finance costs on leases	*(13)*	*(10)*
Foreign exchange	*263*	*64*
Net gain (loss) on derivatives	*(232)*	*(74)*
Other (mainly related to commercial transactions)	*(27)*	*4*
	(146)	**(117)**

Net finance costs on leases include interest expense on leases for US$(11) million and foreign exchange on leases mainly related to lease contracts denominated in Brazilian Real for US$(2) million for the six-month period ended June 30, 2022.

The "Foreign exchange" and "Net gain (loss) on derivatives" lines need to be read jointly. For the six-month period ended June 30, 2022, 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 4.4).

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, 2022 and June 30, 2021 are as follows:

(in millions of US$)	**2022**	2021
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	(6)	8
Gain (loss) on sale of fixed assets	1	—
	(5)	**9**

For the six-month period ended June 30, 2022, losses on other financial assets at fair value through profit and loss included a US$(3) million fair value adjustment recognized on the investments held by *LDC Food Innovation B.V.* and US$(3) million on other investments.

2.5 Income Taxes

Income taxes in the consolidated income statement for the six-month periods ended June 30, 2022 and June 30, 2021 are as follows:

(in millions of US$)	**2022**	2021
Current year income taxes	(127)	(59)
Adjustments with respect to prior year income taxes	—	(4)
Current income taxes	**(127)**	**(63)**
Current year deferred income taxes	29	22
Valuation allowance for deferred tax assets	(1)	(16)
Adjustments with respect to prior year deferred income taxes	2	(8)
Change in tax rate	—	(24)
Deferred income taxes	**30**	**(26)**
Income taxes	**(97)**	**(89)**

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 period ended June 30, 2022 and of 25% for the six-month period ended June 30, 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	**(196)**	**(106)**
Differences in income tax rates	82	51
Effect of change in tax rate	—	(24)
Difference between local currency and functional currency	29	22
Change in valuation allowance for deferred tax assets	(1)	(16)
Permanent differences on share of profit (loss) in investments in associates and joint ventures	2	—
Adjustments on prior years and tax reserves	(15)	(12)
Other permanent differences	2	(4)
Income taxes	**(97)**	**(89)**

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 2022, such impact mainly regarded Group entities in Argentina and, to a lesser extent, in Brazil. As of June 30, 2022, this line includes US$5 million which relate to revaluation in respect of movements in currency values of deferred tax assets and liabilities, excluding non-monetary balance sheet items.

Consolidated deferred income tax assets (liabilities) as of June 30, 2022 and December 31, 2021 are as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Deferred income tax assets	125	129
Deferred income tax liabilities	(151)	(151)
Deferred tax net	**(26)**	**(22)**

Changes in net deferred income tax assets (liabilities) for the six-month period ended June 30, 2022 are as follows:

	June 30, 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**	26	—	(1)	(1)	**215**
Tax benefits from carry forward losses	***276***	*27*	—	*(2)*	*(5)*	***296***
Valuation allowance on carry forward losses	***(85)***	*(1)*	—	*1*	*4*	***(81)***
Unrealized exchange gains and losses	**141**	(13)	—	—	—	**128**
Non-monetary balance sheet items - difference between tax and functional currencies	**(251)**	34	—	—	—	**(217)**
Fixed assets (other temporary differences)	**(171)**	2	—	1	—	**(168)**
Other temporary differences	**71**	(11)	(30)	1	(4)	**27**
Valuation allowance for other deferred tax assets	**(3)**	(8)	—	—	—	**(11)**
Deferred tax net	**(22)**	**30**	**(30)**	**1**	**(5)**	**(26)**

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, 2022 and for the year ended December 31, 2021 are as follows:

	June 30, 2022				December 31, 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	—	—	26	**26**	**59**
Amortization	—	—	(28)	**(28)**	**(58)**
Impairment losses	—	—	—	**—**	**(13)**
Foreign currency translation adjustment	—	—	(6)	**(6)**	**(6)**
Other reclassifications	—	—	3	**3**	**(1)**
Closing balance	**27**	**40**	**218**	**285**	**290**

Acquisitions and Additions

During the six-month period ended June 30, 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.

Foreign Currency Translation Adjustment

During the six-month period ended June 30, 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

As of June 30, 2022 and December 31, 2021, property, plant and equipment consist of the following:

		June 30, 2022			December 31, 2021		
(in millions of US$)	**Notes**	Gross value	Accumulated depreciation	**Net value**	Gross value	Accumulated depreciation	**Net value**
Owned assets		5,681	(2,594)	**3,087**	5,609	(2,509)	**3,100**
Right-of-use assets	6.1	1,006	(383)	**623**	876	(277)	**599**
		6,687	**(2,977)**	**3,710**	**6,485**	**(2,786)**	**3,699**

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, 2022 and for the year ended December 31, 2021 are as follows:

		June 30, 2022							December 31, 2021
(in millions of US$)	**Notes**	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	3	5	3	4	104	**124**	**243**
Disposals	2.4	—	—	(2)	—	—	—	**(2)**	**(8)**
Acquisitions through business combinations		—	—	—	—	—	—	**—**	**3**
Depreciation		—	(39)	(63)	(10)	(8)	—	**(120)**	**(236)**
Impairment losses		—	—	(2)	(1)	—	—	**(3)**	**(38)**
Reversals of impairment losses		—	—	—	—	—	—	**—**	**1**
Foreign currency translation adjustment		—	3	(8)	—	—	(1)	**(6)**	**(9)**
Reclassification from (to) held for sale assets	1.5	(1)	—	—	—	—	—	**(1)**	**—**
Other reclassifications		5	18	45	2	1	(76)	**(5)**	**5**
Closing balance		**209**	**1,229**	**1,234**	**116**	**48**	**251**	**3,087**	**3,100**

Additions

During the six-month period ended June 30, 2022, the Group continued to invest in its soy lecithin plant in Claypool, Indiana, US, as well as 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.

Foreign Currency Translation Adjustment

During the six-month period ended June 30, 2022, the foreign currency translation adjustment is mainly related to the depreciation of the Chinese Yuan and the Euro against the US Dollar partially compensated by the appreciation of the Russian Ruble 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, 2022 and for the year ended December 31, 2021 are as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Balance as of January 1	**227**	**216**
Acquisitions and additional investments	8	13
Share of profit (loss)	6	5
Impairment	—	(6)
Dividends	—	(8)
Change in other reserves	—	(1)
Reclassification	1	8
Closing balance	**242**	**227**
Of which:		
Investments in associates	*18*	*16*
Investments in joint ventures	*224*	*211*

Acquisitions and Additional Investments

In 2022, 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). Additionally, the Group performed an investment of US$2 million in *Covantis S.A.*

Investments in associates and joint ventures are detailed as follows:

			June 30, 2022		December 31, 2021	
Investment	**Country**	**Activity**	**Ownership**	**Net value**	Ownership	Net value
All Asian Countertrade Inc.	Philippines	Sugar merchandizing	19%	8	19%	8
Covantis S.A.	Switzerland	Digitizing international trade technology	17%	8	17%	6
Total main associates				***16***		***14***
Amaggi Louis Dreyfus Zen-Noh Grãos S.A.	Brazil	Grain and soy storage and processing	33%	27	33%	23
Amaggi Louis Dreyfus Zen-Noh Terminais Portuários S.A.	Brazil	Logistic facilities	33%	17	33%	16
Calyx Agro Ltd.	Cayman Islands	Land fund	29%	3	29%	3
Cisagri Holland Cooperatief U.A.[1]	Netherlands	Logistic facilities	10%	16	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%	8	50%	7
LDC - GB Terminais Portuários e Participações Ltda.	Brazil	Logistic facilities	50%	4	50%	3
Namoi Cotton Alliance	Australia	Cotton packing and marketing	49%	14	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				***220***		***207***
Total main associates and joint ventures				***236***		***221***
Other associates				2		2
Other joint ventures				4		4
				242		**227**

1. The Group's percentage of control in *Cisagri Holland Cooperatief U.A.* ("Cisagri") is 25% and the percentage of ownership is 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 include a goodwill of US$1 million as of June 30, 2022 and December 31, 2021.

Share of profit (loss) in investments in associates and joint ventures for the six-month periods ended June 30, 2022 and June 30, 2021 is as follows:

Income statement (in millions of US$)	**2022**	2021
Main associates and joint ventures	6	2
Others	—	(5)
Share of profit (loss) in investments in associates and joint ventures	**6**	**(3)**

3.4 Other Non-Current Assets

As of June 30, 2022 and December 31, 2021, other non-current assets consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Tax credits	221	207
Long-term advances to suppliers	23	24
Others	4	4
	248	**235**

Tax credits mainly include income tax and VAT credits in Brazil. The increase in 2022 is mostly attributable to the appreciation of the Brazilian Real.

3.5 Other Non-Current Liabilities

As of June 30, 2022 and December 31, 2021, other non-current liabilities consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Debts associated to business combinations and put options	30	62
Others	7	8
Non-current financial liabilities	**37**	**70**
Staff and tax payables	81	64
Others	2	2
Non-current non-financial liabilities	**83**	**66**
Other non-current liabilities	**120**	**136**

As of June 30, 2022 and December 31, 2021, the table does not include the US$1 million staff and tax payables that are part of the Imperial transaction (Sugar business), as they were reclassified to held for sale liabilities (refer to Note 1.5).

3.6 Provisions

As of June 30, 2022 and December 31, 2021, provisions consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Current provisions	38	27
Non-current provisions	79	74
	117	**101**

Changes in provisions for the six-month period ended June 30, 2022 and for the year ended December 31, 2021 are as follows:

(in millions of US$)	**June 30, 2022**					December 31, 2021
Provisions for:	Tax risks	Social risks	Litigations	Other	**Total**	**Total**
Balance as of January 1	**12**	**13**	**21**	**55**	**101**	**78**
Allowance	3	2	25	1	**31**	42
Reversal of used portion	—	(2)	(1)	(11)	**(14)**	(10)
Reversal of unused portion	(1)	—	(1)	—	**(2)**	(12)
Others	—	—	5	(4)	**1**	3
Closing balance	**14**	**13**	**49**	**41**	**117**	**101**

Regarding certain legal claims in Brazil, the Group was required to establish escrow deposits which, as of June 30, 2022, amounted to US$43 million and are disclosed under the line "Deposits and Others" within non-current financial assets (refer to Note 5.4).

Provisions for litigations include contractual obligation for trade disputes with customers, suppliers and other counterparties.

As of June 30, 2022, other provisions include a US$29 million provision for decommissioning leased land and US$4 million for onerous contracts.

The table does not include provision for onerous contracts that are part of the Imperial transaction (Sugar business) amounting to US$6 million as of June 30, 2022 (US$27 million as of December 31, 2021), as they were reclassified to held for sale liabilities (refer to Note 1.5).

3.7 Inventories

As of June 30, 2022 and December 31, 2021, inventories consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Trading inventories	6,834	6,919
Finished goods	435	431
Raw materials	240	219
Inventories (gross value)	**7,509**	**7,569**
Depreciation of non-trading inventories	(6)	(6)
Inventories (net value)	**7,503**	**7,563**

The table does not include the raw materials and finished goods that are part of the Imperial transaction (Sugar business) amounting to US$150 million as of June 30, 2022 (US$102 million as of December 31, 2021), as they were reclassified to held for sale assets (refer to Note 1.5).

3.8 Trade and Other Receivables

As of June 30, 2022 and December 31, 2021, trade and other receivables consist of the following:

	June 30, 2022			December 31, 2021		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Trade receivables	3,496	(240)	**3,256**	2,841	(241)	**2,600**
Accrued receivables	2,267	—	**2,267**	1,668	—	**1,668**
Prepayments	307	(4)	**303**	614	(3)	**611**
Other receivables	47	(5)	**42**	70	(4)	**66**
Financial assets at amortized cost	**6,117**	**(249)**	**5,868**	**5,193**	**(248)**	**4,945**
Advances to suppliers	235	(13)	**222**	255	(13)	**242**
Staff and tax receivables	638	(21)	**617**	521	(23)	**498**
Prepaid expenses	134	—	**134**	109	—	**109**
Others	4	—	**4**	—	—	**—**
Non-financial assets	**1,011**	**(34)**	**977**	**885**	**(36)**	**849**
Trade and other receivables	**7,128**	**(283)**	**6,845**	**6,078**	**(284)**	**5,794**

As of June 30, 2022 and December 31, 2021, the table does not include the following items that are part of the Imperial transaction (Sugar business), as they were reclassified to held for sale assets (refer to Note 1.5):

- Trade and other receivables amounting respectively to US$66 million and US$45 million;
- Prepaid expenses amounting respectively to US$1 million and US$4 million.

The following table details the counterparty exposure broken down by past due date of receivables as of June 30, 2022 and December 31, 2021:

	June 30, 2022			December 31, 2021		
(in millions of US$)	Gross value	Provision	**Net value**	Gross value	Provision	**Net value**
Not due	4,233	(23)	**4,210**	4,667	(21)	**4,646**
Due since < 3 months	776	(4)	**772**	778	(10)	**768**
Due since 3-6 months	106	(17)	**89**	63	(11)	**52**
Due since 6 months-1 year	89	(10)	**79**	128	(80)	**48**
Due since > 1 year	300	(230)	**70**	195	(163)	**32**
Closing balance	**5,504**	**(284)**	**5,220**	**5,831**	**(285)**	**5,546**
Including:						
Trade receivables	*3,496*	*(240)*	***3,256***	*2,841*	*(241)*	***2,600***
Prepayments	*307*	*(4)*	***303***	*614*	*(3)*	***611***
Advances to suppliers	*235*	*(13)*	***222***	*255*	*(13)*	***242***
Staff and tax receivables	*638*	*(21)*	***617***	*521*	*(23)*	***498***
Other receivables	*47*	*(5)*	***42***	*70*	*(4)*	***66***
Margin deposits	*773*	*—*	***773***	*1,524*	*—*	***1,524***
Financial advances to related parties	*8*	*(1)*	***7***	*6*	*(1)*	***5***

3.9 Trade and Other Payables

As of June 30, 2022 and December 31, 2021, trade and other payables consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Trade payables	3,352	2,347
Accrued payables	2,552	2,558
Prepayments received	324	430
Margin deposits	12	44
Payables on purchase of fixed assets and investments	8	13
Other payables	90	60
Financial liabilities at amortized cost	**6,338**	**5,452**
Advances received	50	54
Staff and tax payables	405	397
Deferred income	33	62
Non-financial liabilities	**488**	**513**
Trade and other payables	**6,826**	**5,965**

As of June 30, 2022 and December 31, 2021, the table does not include the following items that are part of the Imperial transaction (Sugar business), as they were reclassified to held for sale liabilities (refer to Note 1.5):

- Trade and other financial payables amounting respectively to US$70 million and US$31 million;
- Staff and tax payables amounting respectively to US$5 million and US$2 million.

4. Financial Instruments and Risk Management

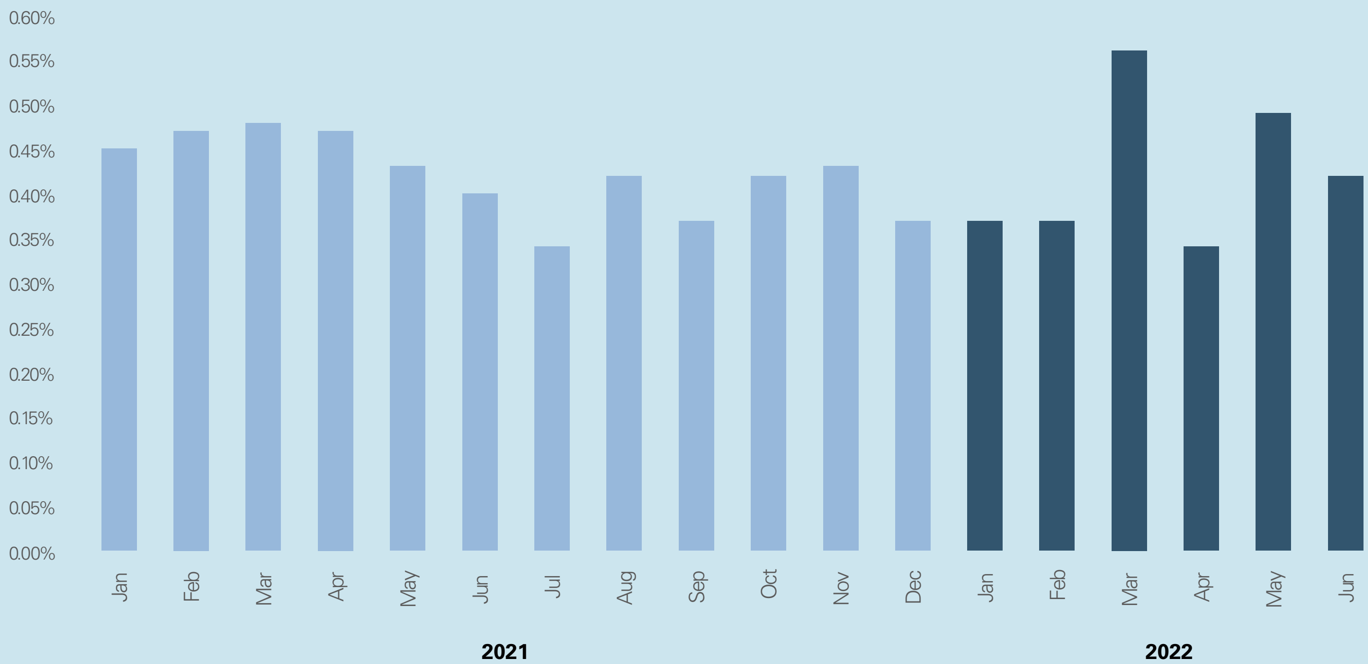
Financial instruments are subject to various risks, including market value fluctuations, foreign currency, counterparty credit and liquidity risks. In addition to managing market and foreign currency risk, the Group implemented a robust monitoring of counterparty credit and ensured the availability of 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 2022, the Group policies and procedures to manage such risks are identical to those applied in 2021 and described in the Section 4 "Financial Instruments and Risk management" of the 2021 Annual Report.

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, 2022 and for the year ended December 31, 2021, the monthly average Group VaR for trading activities was less than 1% of Group equity. The average VaR for the Group reached 0.42% over both the six-month period ended June 30, 2022 and the year ended December 31, 2021.

VaR is only one of the risk metrics within a wider risk management system applied within the Group.

4.2 Foreign Currency Risk

As of June 30, 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 (7)% and (13)% of net equity position respectively, and is denominated in the following currencies:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Brazilian Real	(221)	(274)
Euro	144	217
Indian Rupee	(134)	(295)
US Dollar	130	99
Argentine Peso	(301)	(292)
Other currencies	(42)	(136)
Net exposure	**(424)**	**(681)**

The Group is also exposed to currency translation risk from its investments in foreign operations, particularly in China and European countries.

4.3 Liquidity Risk

The table below summarizes the liquidity profile of the Group's operating assets and liabilities carrying amounts as of June 30, 2022 and December 31, 2021:

	June 30, 2022				December 31, 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	6,404	429	1	**6,834**	6,514	404	1	**6,919**
Derivative assets	2,202	414	246	**2,862**	1,901	166	376	**2,443**
Trade and other receivables	6,112	549	184	**6,845**	5,207	430	157	**5,794**
Derivative liabilities	(1,878)	(148)	(47)	**(2,073)**	(2,324)	(147)	(169)	**(2,640)**
Trade and other payables	(6,342)	(121)	(363)	**(6,826)**	(5,394)	(469)	(102)	**(5,965)**
Total assets net of liabilities	**6,498**	**1,123**	**21**	**7,642**	**5,904**	**384**	**263**	**6,551**

4.4 Classification of Derivative Financial Instruments

As of June 30, 2022 and December 31, 2021, derivative financial instruments are as follows:

	June 30, 2022		December 31, 2021	
(in millions of US$)	Assets	Liabilities	Assets	Liabilities
Forward purchase and sale agreements	2,240	1,424	1,810	1,425
Forward foreign exchange contracts	316	215	296	318
Futures	297	97	278	731
Options	94	12	66	6
Swaps	1	1	—	—
Provision on derivative assets	(165)	—	(24)	—
Derivatives at fair value through profit and loss	**2,783**	**1,749**	**2,426**	**2,480**
Forward foreign exchange contracts	27	31	9	25
Swaps	52	293	8	135
Derivatives at fair value through OCI - cash flow hedges	**79**	**324**	**17**	**160**
Total derivatives	**2,862**	**2,073**	**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 June 30, 2022, the Group recognized a provision on derivative assets of US$165 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 1.4). As of December 31, 2021, this provision was US$24 million.

Derivatives at Fair Value Through Other Comprehensive Income (OCI) - Cash Flow Hedges

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, 2022, contracts in Brazilian Reais represent a total US$716 million nominal value and are effective until 2035 with an average fixed exchange rate of 5.62 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 fluctuation of the London Interbank Offered Rate (LIBOR) on the floating rate exposure of its debt. As of June 30, 2022 and December 31, 2021, these operations represent a total US$1,200 million nominal value effective until 2026 with an average three-month LIBOR rate fixed at 1.58% 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:

- The Japanese Yen-denominated debt: as of June 30, 2022 and December 31, 2021, these operations represent a total US$905 million nominal value effective until 2026 with an average Tokyo Overnight Average (TONA) rate fixed at 2.53% per year.
- The €650 million rated senior bond issued in November 2020 and February 2021, and the €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 the 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.

4.5 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, 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:

	June 30, 2022				December 31, 2021			
(in millions of US$)	Level 1	Level 2	Level 3	**Total**	Level 1	Level 2	Level 3	**Total**
Trading inventories	—	6,746	88	**6,834**	—	6,826	93	**6,919**
Derivative assets	377	2,452	33	**2,862**	316	2,110	17	**2,443**
Forward purchase and sale agreements	—	*2,207*	*33*	***2,240***	—	*1,793*	*17*	***1,810***
Forward foreign exchange contracts	—	*343*	—	***343***	—	*305*	—	***305***
Futures	*297*	—	—	***297***	*257*	*21*	—	***278***
Options	*80*	*14*	—	***94***	*59*	*7*	—	***66***
Swaps	—	*53*	—	***53***	—	*8*	—	***8***
Provision on derivative assets	—	*(165)*	—	***(165)***	—	*(24)*	—	***(24)***
Other financial assets at fair value through profit and loss (current and non-current)	245	13	217	**475**	237	60	228	**525**
Cash equivalents	—	358	—	**358**	—	211	—	**211**
Total assets	**622**	**9,569**	**338**	**10,529**	**553**	**9,207**	**338**	**10,098**
Derivative liabilities	92	1,961	20	**2,073**	731	1,898	11	**2,640**
Forward purchase and sale agreements	—	*1,404*	*20*	***1,424***	—	*1,414*	*11*	***1,425***
Forward foreign exchange contracts	—	*246*	—	***246***	*1*	*342*	—	***343***
Futures	*89*	*8*	—	***97***	*729*	*2*	—	***731***
Options	*3*	*9*	—	***12***	*1*	*5*	—	***6***
Swaps	—	*294*	—	***294***	—	*135*	—	***135***
Total liabilities	**92**	**1,961**	**20**	**2,073**	**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 six-month period ended June 30, 2022.

5. Equity and Financing

5.1 Equity

(in millions of US$)	**June 30, 2022**	December 31, 2021
Issued capital	1	1
Share premium	1,586	1,586
Retained earnings	4,254	3,940
Other reserves	(80)	(144)
Equity attributable to owners of the company	**5,761**	**5,383**
Non-controlling interests	42	44
Total stockholders' equity and non-controlling interests	**5,803**	**5,427**

As of June 30, 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 six-month period ended June 30, 2022, LDC distributed US$348 million as dividends to LDCH, corresponding to a dividend payment of US$3.48 per share.

5.2 Long-Term Debt

As of June 30, 2022 and December 31, 2021, long-term debt consists of the following:

(in millions of US$)	**Notes**	**June 30, 2022**	December 31, 2021
Non-current portion of long-term financing		3,271	3,701
Non-current portion of lease liabilities	6.1	330	335
Non-current portion of long-term debt		**3,601**	**4,036**
Current portion of long-term financing		445	573
Current portion of lease liabilities	6.1	230	193
Current portion of long-term debt		**675**	**766**
Total long-term debt		**4,276**	**4,802**

The tables below only refer to long-term financing.

Long-term financing as of June 30, 2022 and December 31, 2021 is analyzed as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Debt capital markets	1,489	2,050
Revolving credit facilities	2	4
Term loans from banks	2,225	2,220
Total long-term financing	**3,716**	**4,274**
of which:		
Fixed rate	2,978	3,541
Floating rate	738	733

Certain portions of this financing, aggregating US$81 million as of June 30, 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 June 30, 2022, the Group complied with all the covenants included in its loan agreements with banks.

As of June 30, 2022 and December 31, 2021, outstanding long-term financing after hedge is denominated in the following currencies:

(in millions of US$)	**June 30, 2022**	December 31, 2021
US Dollar	3,427	3,600
Euro	278	673
Chinese Yuan	10	—
Other currencies	1	1
Total long-term financing	**3,716**	**4,274**

As of June 30, 2022, the main difference between the fair value of long-term financing and its historical value amounts to US$(93) million and relates to the listed senior bonds for which fair value is US$1,396 million compared to US$1,489 million net book value.

Changes in long-term financing for the six-month period ended June 30, 2022 are as follows:

(in millions of US$)	**June 30, 2022**
Balance as of January 1	**4,274**
Proceeds from long-term financing	198
Repayment of long-term financing	(542)
Foreign exchange	(221)
Others	7
Closing balance	**3,716**

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 June 30, 2022 and December 31, 2021, short-term debt consists of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Bank loans	3,957	3,074
Commercial paper	476	397
Bank overdrafts	198	284
Repurchase agreements	179	167
Total short-term debt	**4,810**	**3,922**
of which:		
Fixed rate	2,183	1,636
Floating rate	2,627	2,286

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$65 million as of June 30, 2022, are secured by mortgages on assets.

As of June 30, 2022, there is no significant difference between the historical value and fair value of short-term debt.

As of June 30, 2022 and December 31, 2021, outstanding short-term debt is denominated in the following currencies:

(in millions of US$)	**June 30, 2022**	December 31, 2021
US Dollar	4,224	3,321
Argentine Peso	173	167
Euro	145	113
Indonesian Rupiah	132	135
South African Rand	43	8
Chinese Yuan	39	81
Australian Dollar	18	22
Pakistani rupee	11	35
Other currencies	25	40
Total short-term debt	**4,810**	**3,922**

Changes in short-term debt for the six-month period ended June 30, 2022 are as follows:

(in millions of US$)	**June 30, 2022**
Balance as of January 1	**3,922**
Net proceeds from (repayment of) short-term debt	910
Foreign exchange	(11)
Change in the list of consolidated companies	(11)
Closing balance	**4,810**

Net Proceeds From (Repayment of) Short-Term Debt

This line included changes in repurchase agreements for US$12 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$49 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.

5.4 Non-Current Financial Assets

As of June 30, 2022 and December 31, 2021, non-current financial assets consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Non-current financial assets at amortized cost	72	75
Deposits and others	*72*	*75*
Non-current financial assets at fair value through profit and loss	222	224
Non-current financial assets	**294**	**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"). The non-current financial assets at fair value through profit and loss include loans granted to the joint venture partner *Infragos Consortium B.V.*, whose rights and obligations have now been transferred to *Infracis Group Limited* ("IGL") (the "Loan"). As of June 30, 2022 and December 31, 2021, the book value of the Loan amounted to US$148 million.

As of June 30, 2022, and December 31, 2021, the Group accounted for 10% of the shares of the Dutch joint venture vehicle (*Cisagri Holland Cooperatief U.A.*), which is booked 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. IGL gave preliminary indication to the Group that the approval was obtained on August 1, 2022, but there remains significant uncertainty on the completion of the Project in the current context of the Russia-Ukraine crisis.

The Loan was valued using a discounted cash flow method of future cash flow from the Project, in case of successful completion of the Project, with a finite projection period. Projections rely on market assumptions prevailing as of December 31, 2021, which may be subject to further delays or evolution in the future. Material assumptions include construction costs and timing, elevation fees, elevated volume, inflation and foreign exchange. The pre-tax discount rate used reflects market assessments of the time value of money and the risks specific to the project as of the same date.

LDC and IGL have 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 proceedings in the arbitration. The court dismissed all damages claims between the parties and ruled that the Loan is to be converted into additional 15% membership interest of *Cisagri Holland Cooperatief U.A.*, as contemplated by the joint venture agreements. Consequently, LDC would own a 25% share in the Dutch joint venture vehicle. These conclusions and implications thereof are being analyzed by the Group.

The Russia-Ukraine crisis adds uncertainty to the Taman project timeline, financial projections (which are highly dependent on business conditions in the area). As such, the Group is currently analyzing the course of actions it may take and when decided, will revisit the financial consequences on the Project. Consequently, the Group cannot reliably assess the potential financial impacts on the Project as of the date of these Financial Statements.

5.5 Other Financial Assets at Fair Value Through Profit and Loss

As of June 30, 2022 and December 31, 2021, other financial assets at fair value through profit and loss consist of the following:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Marketable securities held for trading	228	215
Short-term securities	1	57
Investments in equity instruments	24	29
	253	**301**

As of June 30, 2022, short-term securities include US$1 million of securities or cash deposits pledged as collateral.

5.6 Cash and Cash Equivalents

As of June 30, 2022 and December 31, 2021, cash and cash equivalents are as follows:

(in millions of US$)	**June 30, 2022**	December 31, 2021
Cash equivalents	358	211
Cash	756	485
	1,114	**696**

As of June 30, 2022, the table does not include the US$1 million cash that is part of the Imperial transaction (Sugar business), as they were reclassified to held for sale assets (refer to note 1.5).

Cash equivalents include US$37 million of securities pledged as collateral for exchange as of June 30, 2022.

As of June 30, 2022, there is no material difference between the historical value 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, 2022 and for the year ended December 31, 2021 are as follows:

	June 30, 2022						December 31, 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	7	24	162	—	**197**	425
Early terminations, disposals and decreases	—	(1)	—	(30)	—	**(31)**	(1)
Depreciation	(5)	(13)	(17)	(99)	(1)	**(135)**	(152)
Foreign currency translation adjustment	(3)	(2)	(2)	—	—	**(7)**	(2)
Closing balance	**112**	**116**	**83**	**311**	**1**	**623**	**599**

In 2022, new leases and additions of vessels include new long-term time charter contracts and remeasurement of some contracts resulting from a change in index.

In 2022, early terminations, disposals and decreases of vessels related to the remeasurement of contracts resulting from a change in index.

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, 2022 and for the year ended December 31, 2021 are as follows:

	June 30, 2022			December 31, 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	63	134	**197**	165	225	**390**
Payments	—	(130)	**(130)**	(1)	(144)	**(145)**
Early terminations, disposals and decreases	(29)	(2)	**(31)**	(1)	—	**(1)**
Reclassification	(37)	37	**—**	(44)	44	**—**
Foreign exchange	2	—	**2**	(3)	—	**(3)**
Foreign currency translation adjustment	(4)	(2)	**(6)**	—	—	**—**
Closing balance	**330**	**230**	**560**	**335**	**193**	**528**

The amounts recognized in the consolidated income statement for the six-month periods ended June 30, 2022 and June 30, 2021 are as follows:

(in millions of US$)	**2022**	2021
Variable lease expenses	(5)	(5)
Short-term lease expenses	(490)	(315)
Low-value asset lease expenses	—	—
Income from sub-leasing	205	121

The increase in short-term lease expenses and income from sub-leasing are related to freight activity due to an increase in volumes and prices.

For the six-month period ended June 30, 2022, the total cash outflow for leases amounts to US$625 million.

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.

6.2 Commitments and Contingencies

Commitments

As of June 30, 2022 and December 31, 2021, the Group has commitments to purchase or sell non-trading commodities that consist of the following:

		June 30, 2022			December 31, 2021	
(in millions of US$)	Quantities' unit	Quantities	**Estimated amount**	Maturity	Quantities	Estimated amount
Commitments to purchase						
Raw sugar	Ktons	110	**65**	2022	43	35
Orange boxes[1]	Million boxes	57	**275**	2029	54	259
Fuel	MMBtus[2]	6	**42**	2024	7	27
Glycerin	Ktons	3	**6**	2022	2	4
			388			**325**
Commitments to sell						
Refined sugar	Ktons	675	**623**	2024	265	254
Hulls and glycerin	Ktons	66	**58**	2022	51	58
Frozen concentrate orange juice	Ktons	104	**183**	2024	160	298
Not-from-concentrate citrus juice	Ktons	354	**145**	2024	419	213
Juice by-products	Ktons	25	**66**	2024	21	65
Apple juice	Ktons	9	**10**	2023	24	29
Other	Ktons	—	**—**	2022	10	4
		1,233	**1,085**		**950**	**921**

1. Of which US$114 million may fall in the following 6 months.
2. Million British thermal units.

In addition, the Group has the following commitments:

	June 30, 2022	December 31, 2021
(in millions of US$)	**Estimated amount**	Estimated amount
Commitments given		
Letters of credit	693	98
Bid and performance bonds	150	139
Capex commitments	158	82
Guarantees given	233	182
Other commitments	38	46
	1,272	**547**
Commitments received		
Guarantees and collaterals received	330	385
	330	**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 June 30, 2022, these tax assessments amounted to US$34 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 June 30, 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.

6.3 Related Parties Transactions

Transactions with related parties for the six-month periods ended June 30, 2022 and June 30, 2021 are reflected as follows:

Income statement (in millions of US$)	**2022**	2021
Sales[1]	111	78
Cost of goods sold[1]	(644)	(186)
Commercial and administrative expenses	—	(1)
Finance costs, net[1]	(1)	28

As of June 30, 2022 and December 31, 2021, outstanding balances with related parties are as follows:

Balance sheet (in millions of US$)	**June 30, 2022**	December 31, 2021
Financial advances to related parties	7	5
Trade and other receivables[1]	71	13
Margin deposits[1]	6	—
Derivatives[1]	15	23
Total assets	**99**	**41**
Financial advances from related parties	276	209
Trade and other payables[1]	189	32
Derivatives[1]	29	3
Total liabilities	**494**	**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 June 30, 2022, "Financial advances from related parties" comprises shareholder loan for US$271 million.

6.4 Subsequent Events

On September 16, 2022, LDC received the conclusions of the proceedings in the arbitration with IGL, as described in Note 5.4 of these Financial Statements.

6.5 List of Main Subsidiaries

As of June 30, 2022 and December 31, 2021, the main consolidated subsidiaries of LDC are the following:

		June 30, 2022		December 31, 2021	
Company	Country	% of control	% of ownership	% of control	% of ownership
LDC Argentina S.A.	Argentina	100.00	100.00	100.00	100.00
LDC Enterprises 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 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 Colombia S.A.S.	Colombia	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
LDC Food Innovation B.V.	Netherlands	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
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.[1]	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
Imperial Sugar Company	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 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 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. *Louis Dreyfus Company Juices Suisse S.A.* was merged into *Louis Dreyfus Company Suisse S.A.* in 2022.

Corporate Governance

Supervisory Board

Louis Dreyfus Company International Holding B.V.

Margarita Louis-Dreyfus Non-Executive Chairperson
Gil Adotevi
Mohamed Hassan Alsuwaidi
Victor Balli
Michel Demaré
Mehdi El Glaoui
Andreas Jacobs
Marcos de Quadros
Kaj-Erik Relander

Supervisory Board Committees

Audit Committee

Victor Balli Chairperson
Michel Demaré
Marcos de Quadros

Strategy Committee

Michel Demaré Chairperson
Gil Adotevi
Andreas Jacobs
Margarita Louis-Dreyfus
Kaj-Erik Relander

Compensation, Nomination and Governance Committee

Mehdi El Glaoui Chairperson
Gil Adotevi
Margarita Louis-Dreyfus

Managing Board

Louis Dreyfus Company International Holding B.V.

Hamad Al Shehhi
Maurice Kreft
Johannes Schol

Louis Dreyfus Company B.V.

Michael Gelchie
Johannes Schol

Executive Group

Michael Gelchie
Chief Executive Officer

Guy-Laurent Arpino
Chief Information Officer

Juan José Blanchard
Chief Operating Officer
Head, Juice Platform
Head, Latin America
Chairman of the Board, Calyx Agro Ltd.

Enrico Biancheri
Head, Sugar Platform

Tim Bourgois
Global Trading Manager, Cotton Platform

Miguel Catella
Head, Global Markets

Ben Clarkson
Head, Coffee Platform

Thomas Couteaudier
Chief Strategy Officer
Head, Innovation & Downstream

Nyame de Groot
Head, Carbon Solutions Platform

Tim Harry
Global Head, Business Development

Sébastien Landerretche
Head, Freight Platform

Guy de Montulé
Head, Rice Platform

Joe Nicosia
Trading Operations Officer
Head, Cotton Platform

Murilo Parada
Chief Sustainability Officer
Head, North Latin America Region

André Roth
Head, Grains & Oilseeds Platform
Chairman, North Latin America Region

Jessica Teo
Chief Human Resources Officer

Patrick Treuer
Chief Financial Officer

James Zhou
Chief Commercial Officer
Head, Asia Region

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