Brønnøysundregistrene

ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	914 992 990
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	CARGILL NORWAY HOLDING AS
Forretningsadresse:	Thormøhlens gate 51 5006 BERGEN

Regnskapsår

Årsregnskapets periode:	01.06.2023 - 31.05.2024

Konsern

Morselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Giske Sørensen
Dato for fastsettelse av årsregnskapet:	26.11.2024

Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 01.01.2026

Resultatregnskap

Beløp i: NOK	Note	2024	2023
RESULTATREGNSKAP			
Kostnader			
Employee benefits expense	2		
Other expenses	2, 3	638 000	1 243 000
Sum kostnader		**638 000**	**1 243 000**
Driftsresultat		**-638 000**	**-1 243 000**
Finansinntekter og finanskostnader			
Other financial income		12 000	125 000
Sum finansinntekter		**12 000**	**125 000**
Rentekostnad til foretak i samme konsern	3	21 000	58 969 000
Other financial expenses		50 000	584 000
Sum finanskostnader		**71 000**	**59 553 000**
Netto finans		**-59 000**	**-59 428 000**
Ordinært resultat før skattekostnad		**-697 000**	**-60 671 000**
Income tax expense	4	-153 000	-212 000
Ordinært resultat etter skattekostnad		**-544 000**	**-60 460 000**
Årsresultat		**-544 000**	**-60 460 000**
Årsresultat etter minoritetsinteresser		**-544 000**	**-60 460 000**
Totalresultat		**-544 000**	**-60 460 000**
Overføringer og disponeringer			
Transferred from other equity	7	-544 000	-60 460 000
Sum overføringer og disponeringer		**-544 000**	**-60 460 000**

Balanse

Beløp i: NOK	Note	2024	2023
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	4	34 747 000	34 594 000
Sum immaterielle eiendeler		**34 747 000**	**34 594 000**
Finansielle anleggsmidler			
Investering i datterselskap	5	11 749 704 000	11 749 704 000
Investering i annet foretak i samme konsern	5		
Lån til foretak i samme konsern	5		
Investeringer i tilknyttet selskap	5		
Lån til tilknyttet selskap og felles kontrollert virksomhet	5		
Sum finansielle anleggsmidler		**11 749 704 000**	**11 749 704 000**
Sum anleggsmidler		**11 784 451 000**	**11 784 297 000**
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	5		
Other short-term receivables	6	671 000	782 000
Sum fordringer		**671 000**	**782 000**
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents			5 000
Sum bankinnskudd, kontanter og lignende			**5 000**
Sum omløpsmidler		**671 000**	**787 000**
SUM EIENDELER		**11 785 121 000**	**11 785 084 000**
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			

Balanse

Beløp i: NOK	Note	2024	2023
Innskutt egenkapital			
Share capital		1 530 000 000	1 530 000 000
Overkurs		12 618 673 000	12 618 673 000
Sum innskutt egenkapital		**14 148 673 000**	**14 148 673 000**
Opptjent egenkapital			
Other equity		-2 443 521 000	-2 442 977 000
Sum opptjent egenkapital		**-2 443 521 000**	**-2 442 977 000**
Sum egenkapital	7, 8	**11 705 153 000**	**11 705 696 000**
Sum langsiktig gjeld		**0**	**0**
Kortsiktig gjeld			
Leverandørgjeld	5		
Other current liabilities	6	79 968 000	79 387 000
Sum kortsiktig gjeld		**79 968 000**	**79 387 000**
Sum gjeld		**79 968 000**	**79 387 000**
SUM EGENKAPITAL OG GJELD		**11 785 121 000**	**11 785 084 000**

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CARGILL, INCORPORATED AND SUBSIDIARIES

Consolidated Financial Statements

For the years ended May 31, 2024 and May 31, 2023

KPMG LLP
4200 Wells Fargo Center
90 South Seventh Street
Minneapolis, MN 55402

Independent Auditors' Report

The Board of Directors
Cargill, Incorporated:

Opinion

We have audited the consolidated financial statements of Cargill, Incorporated and its subsidiaries (the Company), which comprise the consolidated balance sheets as of May 31, 2024 and May 31, 2023, and the related consolidated statements of earnings, comprehensive income, cash flows, and total equity for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2024 and May 31, 2023, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1 to the consolidated financial statements, the Company has elected to change its method of accounting for the cost of certain inventories from the last-in, first-out method to the first-in, first-out method. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher

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than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

Minneapolis, Minnesota
July 25, 2024

Cargill, Incorporated and Subsidiaries

CONSOLIDATED BALANCE SHEETS

	At May 31, 2024	At May 31, 2023
	(In millions)	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 6,667	$ 6,150
Short-term investments	1,105	863
Trading securities	319	1,256
Accounts and notes receivable, net	17,396	20,429
Inventories	18,751	18,721
Other	3,134	3,018
TOTAL CURRENT ASSETS	**47,372**	**50,437**
OTHER ASSETS		
Investments and advances	5,642	5,840
Goodwill	4,611	4,111
Intangibles, net	1,407	1,559
Other assets, net	5,946	5,733
TOTAL OTHER ASSETS	**17,606**	**17,243**
PROPERTY		
Owned property, plant and equipment	41,451	38,349
Property under finance leases	222	544
Construction in progress	3,109	3,350
Gross property	44,782	42,243
Less accumulated depreciation and amortization	(25,616)	(24,013)
NET PROPERTY	**19,166**	**18,230**
TOTAL ASSETS	**$ 84,144**	**$ 85,910**
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Short-term debt	$ 2,731	$ 3,451
Financial instruments sold with agreements to repurchase	1,563	1,481
Accounts payable, accrued expenses, and other	16,748	17,759
TOTAL CURRENT LIABILITIES	**21,042**	**22,691**
OTHER LIABILITIES		
Long-term debt	12,343	13,150
Other liabilities	5,055	5,178
TOTAL LIABILITIES	**38,440**	**41,019**
EQUITY		
Capital stock	7	7
Retained earnings	48,514	47,698
Accumulated other comprehensive loss	(3,301)	(3,141)
TOTAL CARGILL, INCORPORATED SHAREHOLDERS' EQUITY	**45,220**	**44,564**
Noncontrolling interests	484	327
TOTAL EQUITY	**45,704**	**44,891**
TOTAL LIABILITIES AND EQUITY	**$ 84,144**	**$ 85,910**

The accompanying notes are an integral part of the consolidated financial statements.

Cargill, Incorporated and Subsidiaries

CONSOLIDATED STATEMENTS OF EARNINGS

	Year Ended May 31,	
	2024	2023
	(In millions)	
Sales and other revenues	$ 159,586	$ 176,738
Cost of sales and other revenues	145,653	162,510
(Exclusive of depreciation and amortization, as shown below)		
Gross profit	13,933	14,228
Expenses and other income		
Selling, general and administrative expenses	7,138	6,829
Depreciation and amortization	2,370	2,210
Interest expense	754	703
Restructuring and asset impairment charges	258	301
Other expense (income), net	118	(444)
Earnings of consolidated companies before income taxes	3,295	4,629
Income tax expense	772	829
Net earnings of consolidated companies	2,523	3,800
Add equity in net earnings of nonconsolidated companies	31	107
Net earnings	2,554	3,907
Deduct net earnings attributable to noncontrolling interests	(77)	(55)
NET EARNINGS ATTRIBUTABLE TO CARGILL, INCORPORATED	$ 2,477	$ 3,852
Net earnings per share attributable to Cargill, Incorporated	**($ Per Share)**	
Basic	$ 3.50	$ 5.43
Diluted	$ 3.48	$ 5.40

The accompanying notes are an integral part of the consolidated financial statements.

Cargill, Incorporated and Subsidiaries

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Year Ended May 31,	
	2024	**2023**
	(In millions)	
Net earnings	$ 2,554	$ 3,907
Other comprehensive loss, net of tax		
Foreign currency translation adjustments	(55)	(742)
Unrealized loss on securities	—	(1)
Unrealized gain on cash flow hedges	20	24
Pension and other postretirement benefits liability adjustments	(128)	(35)
Other comprehensive loss, net of tax	(163)	(754)
Total comprehensive income	2,391	3,153
Deduct comprehensive income attributable to noncontrolling interests	(74)	(57)
Comprehensive income attributable to Cargill, Incorporated	$ 2,317	$ 3,096

The accompanying notes are an integral part of the consolidated financial statements.

Cargill, Incorporated and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended May 31,	
	2024	2023
	(In millions)	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net earnings	$ 2,554	$ 3,907
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Equity in net earnings of nonconsolidated companies, net of dividends	275	191
Depreciation and amortization	2,370	2,210
Restructuring and asset impairment charges	258	301
Deferred income taxes	(153)	(79)
Share-based compensation	225	182
Other, net	(66)	181
Total cash from operations	5,463	6,893
Decrease (increase) in trading securities	937	(760)
Decrease in accounts and notes receivable, net	2,978	3,540
(Increase) decrease in inventories	(58)	5,237
Increase (decrease) in financial instruments sold with agreements to repurchase	82	(728)
Decrease in accounts payable and accrued expenses	(1,097)	(4,489)
Increase in current and non-current other assets and liabilities	(375)	(1,737)
Net cash provided by operating activities	7,930	7,956
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to property	(3,375)	(3,259)
Investments in businesses acquired, less cash acquired	(301)	(1,586)
Investments in nonconsolidated companies	(106)	(2,099)
Total capital investments	(3,782)	(6,944)
Proceeds from the disposal of property, businesses, and nonconsolidated companies	203	123
Net proceeds from loan portfolios	98	32
Other, net	189	45
Net cash used by investing activities	(3,292)	(6,744)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net payments on short-term debt	(34)	(1,341)
Proceeds from long-term debt	64	2,924
Payments on long-term debt	(1,502)	(1,095)
Dividends paid to shareholders	(1,170)	(626)
Dividends paid to noncontrolling interests	(18)	(40)
Purchase of noncontrolling interests, less cash acquired	—	(19)
Capital stock transactions, net	(453)	(907)
Other, net	(77)	(164)
Net cash used by financing activities	(3,190)	(1,268)
Effect of exchange rate changes on cash and cash equivalents	(179)	(75)
INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	1,269	(131)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, PERIOD START	6,744	6,875
CASH, CASH EQUIVALENTS AND RESTRICTED CASH, PERIOD END	$ 8,013	$ 6,744
Reconciliation of cash, cash equivalents and restricted cash to Consolidated Balance Sheets		
Cash and cash equivalents	6,667	6,150
Restricted cash included in other current assets	1,346	594

The accompanying notes are an integral part of the consolidated financial statements.

Cargill, Incorporated and Subsidiaries

CONSOLIDATED STATEMENTS OF TOTAL EQUITY

	Cargill, Incorporated Shareholders					
	Capital Stock	Additional Paid In Capital	Retained Earnings	Accum. Other Comprehensive Income/(Loss)	Non-controlling Interests	Total Equity
	(In millions)					
Balance at May 31, 2022	$ 7	$ —	$ 45,174	$ (2,385)	$ 324	$ 43,120
Impact of change in inventory accounting policy	—	—	425	—	—	425
Balance at June 1, 2022	$ 7	$ —	$ 45,599	$ (2,385)	$ 324	$ 43,545
Shares issued	—	—	—	—	21	21
Shares reacquired	—	(162)	(745)	—	(7)	(914)
Purchase of noncontrolling interest	—	—	7	—	(26)	(19)
Net earnings	—	—	3,852	—	55	3,907
Other comprehensive loss	—	—	—	(756)	2	(754)
Share-based compensation	—	163	—	—	—	163
Dividends	—	—	(919)	—	(40)	(959)
Other	—	(1)	(96)	—	(2)	(99)
Balance at May 31, 2023	$ 7	$ —	$ 47,698	$ (3,141)	$ 327	$ 44,891
Shares issued	—	—	—	—	72	72
Shares reacquired	—	(201)	(252)	—	(8)	(461)
Acquisition of subsidiaries with noncontrolling interest	—	—	—	—	38	38
Net earnings	—	—	2,477	—	77	2,554
Other comprehensive loss	—	—	—	(160)	(3)	(163)
Share-based compensation	—	204	—	—	—	204
Dividends	—	—	(1,164)	—	(18)	(1,182)
Adoption impact of new accounting standards	—	—	(144)	—	—	(144)
Other	—	(3)	(101)	—	(1)	(105)
Balance at May 31, 2024	$ 7	$ —	$ 48,514	$ (3,301)	$ 484	$ 45,704

The accompanying notes are an integral part of the consolidated financial statements.

Cargill, Incorporated and Subsidiaries

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 Summary of Significant Accounting Policies

Significant accounting policies followed in preparing the consolidated financial statements are summarized below.

Nature of Business

Cargill, Incorporated and subsidiaries ("Cargill" or "the Company") is engaged in the international marketing and processing of food, agricultural, industrial and financial products and services. Operating in 70 countries worldwide, the Company markets its products principally in four geographic regions: Asia Pacific; Europe, Middle East, and Africa; Latin America; and North America.

Fiscal Year

The Company's fiscal year ends on May 31 each year. The consolidated financial statements include the Company's North America Animal Protein business which is wholly owned and consolidated with a 52-week or 53- week reporting period ending in May. In fiscal year 2024, the Animal Protein fiscal year consisted of 52 weeks and ended May 25, 2024. In fiscal year 2023, the Animal Protein fiscal year consisted of 52 weeks and ended May 27, 2023. The Company reports certain of its non-consolidated equity method investments on a two-month reporting lag. No material transactions or events occurred in the North America Animal Protein business or in the non-consolidated equity method investments during the intervening periods for the years ended May 31, 2024 and May 31, 2023.

Basis of Presentation and Consolidation

The consolidated financial statements include the accounts of Cargill, Incorporated and all entities where the Company has a controlling financial interest. The consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles (GAAP). Cargill is a privately held company and follows private company disclosure requirements. Intercompany accounts and transactions are eliminated in consolidation.

The Company determines whether it has a controlling financial interest in an entity by first evaluating whether the entity is a voting interest entity or a variable interest entity.

Voting Interest Entities Voting interest entities are entities in which (i) the total equity investment at risk is sufficient to enable the entity to finance its activities independently and (ii) the equity holders have the power to direct the activities of the entity that most significantly impact its economic performance, the obligation to absorb the losses of the entity and the right to receive the residual returns of the entity. The usual condition for a controlling financial interest in a voting interest entity is ownership of a majority voting interest. If the Company has a majority voting interest in a voting interest entity, the entity is consolidated. When the Company is a general partner, it considers substantive removal rights held by other parties in determining if the Company holds a controlling financial interest in a voting interest entity.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Variable Interest Entities (VIE) A VIE is an entity that lacks one or more of the characteristics of a voting interest entity. A VIE is consolidated by its primary beneficiary, which is the party that has a controlling financial interest in the entity. The Company has a controlling financial interest in a VIE when the Company has a variable interest or interests that provide it with the (i) the power to direct the activities of the VIE that most significantly impact the VIE's economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. If the power to make the decisions that most significantly impact the economic performance of the VIE are shared by two unrelated parties, then neither party is considered to be the primary beneficiary. The Company considers power to be shared when all significant decisions require unanimous consent between unrelated parties. VIEs are consolidated using the most recent available financial information which is within three months of the Company's year-end and is consistent from period to period. Refer to Note 12, *Variable Interest Entities,* for additional disclosure of other significant accounting policies.

Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. generally accepted accounting principles (U.S. GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on knowledge of current events and actions expected to be undertaken in the future, actual results may ultimately differ from estimates. Significant items subject to such estimates and assumptions include estimated transaction price of the Company's revenue contracts; the useful lives of fixed assets; allowances for credit losses; the valuation of derivatives, deferred tax assets, fixed assets, inventory, investments, lease liabilities, right-of-use assets and acquired assets and liabilities; and reserves for employee benefit obligations, income tax uncertainties, and other contingencies.

Reclassifications

Certain prior year amounts have been reclassified to conform to current year presentation requirements. These reclassifications have not changed the results of operations of the prior period. See Change in Accounting Policy section below.

Change in Accounting Policy

On May 31, 2024, Cargill elected to change its method for valuing certain inventories from the last-in, first-out ("LIFO") method to the first-in, first-out ("FIFO"). Total inventories previously accounted for under the LIFO method represented approximately 11% of consolidated inventories as of May 31, 2024. The FIFO method was determined to be preferable as this method results in valuation of inventories at more current costs on the Consolidated Balance Sheets, which provides a more meaningful value. Further, the change results in a consistent methodology of accounting for all of the Company's inventories globally and aligns better with the agriculture industry practices.

The effects of the change in accounting principle from LIFO to FIFO have been applied retrospectively to all periods presented and certain financial statement line items in Cargill's consolidated financial statements were adjusted as necessary. As of May 31, 2022, the cumulative effect of this change on periods prior to those presented resulted in an increase to beginning retained earnings of $425 million.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Change in Accounting Policy, cont.

The impact of the change on Cargill's Consolidated Statements of Earnings and Consolidated Statements of Comprehensive Income is summarized below:

	Year Ended May 31, 2024			Year Ended May 31, 2023		
	As computed under LIFO	As reported under FIFO	Impact of Change	As reported under LIFO	As adjusted under FIFO	Impact of Change
	(In millions, except per share data)					
Cost of sales and other revenues	$ 145,768	$ 145,653	$ 115	$ 162,563	$ 162,510	$ 53
Gross profit	13,818	13,933	(115)	14,175	14,228	(53)
Earnings of consolidated companies before income taxes	3,180	3,295	(115)	4,576	4,629	(53)
Income tax expense	747	772	(25)	817	829	(12)
Net earnings attributable to Cargill, Inc.	2,387	2,477	(90)	3,811	3,852	(41)
Comprehensive income	2,301	2,391	(90)	3,112	3,153	(41)
Comprehensive income attributable to Cargill, Inc.	2,227	2,317	(90)	3,055	3,096	(41)
Basic earnings per share	3.50	3.50	—	5.37	5.43	(0.06)
Diluted earnings per share	3.48	3.48	—	5.34	5.40	(0.06)

The impact of the change on Cargill's Consolidated Balance Sheets is summarized below:

	May 31, 2024			May 31, 2023		
	As computed under LIFO	As reported under FIFO	Impact of Change	As reported under LIFO	As adjusted under FIFO	Impact of Change
	(In millions)					
Inventories	$ 18,026	$ 18,751	$ (725)	$ 18,111	$ 18,721	$ (610)
Deferred tax liability[1]	2,574	2,743	(169)	3,026	3,170	(144)
Retained earnings	47,958	48,514	(556)	47,232	47,698	(466)

[1]Recorded within Other liabilities on the Consolidated Balance Sheets

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Change in Accounting Policy (cont.)

The impact of the change on Cargill's Consolidated Statements of Cash Flows is summarized below:

	Year Ended May 31, 2024			Year Ended May 31, 2023		
	As computed under LIFO	As reported under FIFO	Impact of Change	As reported under LIFO	As adjusted under FIFO	Impact of Change
	(In millions)					
Net earnings	$ 2,464	$ 2,554	$ (90)	$ 3,866	$ 3,907	$ (41)
Deferred income taxes	(178)	(153)	(25)	(91)	(79)	(12)
Decrease (increase) in inventories	57	(58)	115	5,290	5,237	53

This change did not affect the Company's previously reported cash flows from operating, investing or financing activities.

Cash, Cash Equivalents, and Restricted Cash

Cash equivalents consist of short-term, highly liquid investments with original maturities of 90 days or less. Restricted cash includes cash that is restricted to withdrawal or usage and primarily consists of collateral posted against our derivative positions. These restricted cash balances are classified within other current assets on the Consolidated Balance Sheets. Restricted cash is included with cash and cash equivalents when reconciling the period start and period end total amounts shown on the Consolidated Statements of Cash Flows.

Short-term Investments

Short-term investments include highly liquid investments with original maturities greater than 90 days, but less than one year. These are primarily short-term deposits accounted for at cost.

Trade Receivables

Trade accounts receivable, inclusive of accrued income, is stated at historical carrying amounts net of write-offs and allowances for credit losses. Trade receivables are recorded in Accounts and notes receivable, net or Other assets, net in the Consolidated Balance Sheets dependent upon the duration of the related receivable. Uncollectible accounts are written off when a settlement is reached for an amount below the outstanding historical balance or when the Company has ceased collection efforts. Refer to Note 4, *Allowance for Credit Losses* for additional information.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Repurchase Agreements

Financial instruments sold with agreements to repurchase (repurchase agreements) are treated as collateralized financing transactions and are recorded at the amount at which the financial instruments were initially acquired or sold, including accrued interest. Interest expense is recorded on repurchase agreements. The collateral pledged for the financial instruments sold with agreements to repurchase consists of trading securities, short-term investments, other assets and notes receivable and totaled $1,579 million and $1,505 million at May 31, 2024 and 2023, respectively. The repurchase agreements as of May 31, 2024 all have maturities of less than 30 days, with the exception of $75 million which is due in 90 days or less. The May 31, 2024 payable balance of $1,563 million is collateralized as follows: $183 million by trading securities, $169 million by short-term investments, $63 million by other assets and $1,164 million by notes receivable. The repurchase agreements as of May 31, 2023 all had maturities of less than 30 days, with the exception of $7 million which was due in 60 days or less. The May 31, 2023 payable balance of $1,481 million is collateralized as follows: $287 million by trading securities, $27 million by short-term investments, and $1,191 million by notes receivable. The transferees have the right to repledge the collateral.

Trading Securities

Trading securities are carried at fair value with realized and unrealized gains and losses included in the determination of net earnings.

Notes Receivable

Notes receivable primarily consists of loans and other non-trade accounts receivables. Notes receivable are recorded in Accounts and notes receivable, net or Other assets, net in the Consolidated Balance Sheets dependent upon the duration of the related receivable. Notes receivable are stated at historical carrying amounts net of write-offs and allowances for credit losses.

Notes receivable are considered impaired, based on current information and events, when the Company determines it's probable that all amounts due under the original terms of the receivable will not be collected. Recognition of interest income is suspended once the receivable is impaired. Uncollectible accounts are written off when a settlement is reached for an amount below the outstanding historical balance or when the Company has ceased collection efforts. As of May 31, 2024 and 2023, there were $689 million and $530 million, respectively, of notes receivables that were 90 days or more past due, but do not meet the impairment criteria. The Company had $606 million and $470 million of impaired notes receivables, exclusive of associated reserves, as of May 31, 2024 and 2023, respectively. Refer to Note 4, *Allowance for Credit Losses* for additional information.

Loans Held for Sale

Loans held for sale are carried at the lower of cost or fair value. The estimated fair value is based on a discounted cash flow analysis. Loans held for sale were $231 million and $916 million at May 31, 2024 and 2023, respectively and are recorded in Other current assets in the Consolidated Balance Sheets.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Investments in Equity and Debt Securities

Investments in companies where Cargill does not have a controlling financial interest, but has the ability to exercise significant influence, are accounted for by the equity method. Net earnings include Cargill's share of net income in these companies. Advances to equity method investments are accounted for at amortized cost.

The Company has elected the measurement alternative for investments in equity securities without readily determinable fair values. As such, these investments are measured at cost, less any impairment, plus or minus any changes resulting from observable price changes in orderly transactions for an identical or similar investment of the same issuer. The carrying value for those investments where the Company elected the measurement alternative was $236 million and $214 million at May 31, 2024 and 2023, respectively. Mark-to-market adjustments recognized for the investments using the measurement alternative for the years ended May 31, 2024 and 2023 were immaterial.

Debt securities classified as available for sale are recognized at fair value with unrealized gains and losses included in other comprehensive income. If any declines in fair value have resulted from credit losses, an allowance for credit losses is recorded. The allowance on debt securities available for sale was immaterial at May 31, 2024 and 2023.

Derivatives

Derivative instruments, including swaps, futures contracts, forward commitments, options and other similar types of contracts and commitments are traded by the Company to manage exposures associated with commodity prices, freight costs, foreign currency exchange rates, interest rates and energy costs.

These instruments are carried at their fair value, with realized and unrealized gains and losses included in the determination of net earnings unless the Company has elected a normal purchases normal sales exception, or has documented and qualified for hedge accounting, in which case the instrument is recorded at fair value with changes in fair value recorded in accumulated other comprehensive loss ("AOCI") until the item affects earnings.

Refer to Note *28, Derivative Instruments and Hedging Activities* for additional information on derivative instruments.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Inventories

Certain agricultural inventories that meet the requirements for mark-to-market treatment are stated principally at selling price. Other inventory is stated principally at either the lower of cost or net realizable value, determined by the first-in, first-out (FIFO) method. Selling price is primarily determined from market prices quoted on public commodity exchanges, adjusted for expected freight costs to normal delivery points and a price premium or discount to cover local supply and demand factors as estimated by management. The availability and market price of agricultural commodities are subject to wide fluctuations due to unpredictable factors such as weather, plantings, domestic and foreign government farm programs and policies, global production, geo-political matters and other factors. The Company manages the risk of market fluctuations of these inventories through utilization of futures and options, forward contracts, and foreign exchange contracts.

Owned Property, Plant and Equipment

Owned property, plant and equipment is stated at cost. Costs of significant assets include capitalized interest incurred during the construction and development period. Repairs and maintenance costs are expensed when incurred. Assets are placed in service on the date they are ready and available for intended use.

Depreciation and amortization is primarily determined on the straight-line method over the estimated useful lives of the assets. Buildings are generally depreciated over 15 to 40 years. Machinery and equipment and transportation equipment are generally depreciated over 4 to 15 years. Software is generally depreciated over 4 to 8 years.

The Company periodically evaluates the carrying amount of these long-lived assets for impairment when events and circumstances indicate the carrying amount of an asset group may not be recoverable. An impairment loss on assets held and used would be recognized when estimated undiscounted future cash flows from the operation and disposition of the asset group are less than the carrying amount of the asset group. Asset groups have identifiable cash flows and are largely independent of other asset groups. Measurement of an impairment loss would be based on the excess of the carrying amount of the individual assets over its fair value. Fair value is measured using a discounted cash flow model, market data, or independent appraisals, as appropriate.

Goodwill

Goodwill is not amortized, but is tested annually in the third quarter for impairment and reviewed for indicators of impairment at each quarter end, in between annual tests. Impairment testing for goodwill is done at a reporting unit level and the impairment loss is measured as the amount by which the carrying value of the reporting unit’s net assets exceeds its estimated fair value.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Intangible Assets

Intangible assets principally consist of trademarks, customer relationships, land use rights, and other intangible assets resulting from or related to businesses and assets purchased by the Company. Definite-lived intangible assets are amortized on a straight-line basis over their estimated useful lives ranging from 2 – 25 years. The Company reviews amortizing intangible assets for possible impairment as part of a long-lived asset group whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. An impairment loss on amortizing intangible assets would be measured and recognized similar to property, plant and equipment.

The Company reviews indefinite-lived intangible assets, principally comprised of certain trademarks, annually for impairment during the third quarter, and more frequently if events and circumstances indicate that the asset might be impaired. The impairment test for indefinite-lived intangible assets encompasses calculating a fair value of an indefinite-lived intangible asset and comparing the fair value to its carrying value. If the carrying value exceeds the fair value, an impairment loss equal to the excess carrying value is recorded.

Pension and Postretirement Plans

The Company and its subsidiaries have various defined benefit pension and postretirement benefit plans covering most of its domestic employees and many of its foreign employees. The benefits are based on age, years of service and compensation levels during the final years before retirement.

The Company records annual amounts relating to its pension and postretirement plans based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, assumed rates of return, compensation increases, turnover rates and healthcare cost trend rates. The Company reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded in accumulated other comprehensive loss and amortized to net periodic cost using the corridor method. The Company believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions.

Service costs are recognized as employees render the services necessary to earn the pension and postretirement benefits. Actuarial gains and losses for active plans are amortized over the average remaining service life of the active employees. While for plans that have been frozen for future benefit accruals, the actuarial gains and losses are amortized over the remaining life expectancy of the inactive participants.

Share-Based Payment Plans

As discussed more fully in Note 23, *Share-Based Payment Plans*, the Company recognizes expense for its share-based compensation based on the fair value of the awards that are granted. Measured compensation cost is recognized ratably over the service period of the related share-based compensation award. The Company recognizes the impact of any forfeitures when they occur.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Revenue Recognition

The Company recognizes revenue from the sale of commodities and processed products such as food ingredients, animal feed, protein and salt to customers such as food and beverage manufacturers, food service companies, retailers, feed manufacturers and distributors, and farmers, when control of the commodity or product has transferred to the customer. Control generally transfers to the customer at a single point in time upon shipment or delivery of the commodity or processed product depending on the terms of the contract. Service revenue, primarily generated from transportation and storage activities, is recognized over time based on the output method as the Company performs the service for the customer. The output method is applied based on the Company's performance to date, time elapsed, or results achieved.

Sales that are primarily of a financial nature, such as those related to trade structured financing and risk management solutions, are recorded net, including unrealized gains and losses on derivative contracts. Margins earned on such transactions are included in sales and other revenues.

Interest Income

Advances to suppliers and loan financing receivables bear interest at contractual rates that reflect current market interest rates at the time of the transaction. Interest income is calculated based on the terms of the individual agreements and is recognized on an accrual basis.

Shipping and Handling Costs

Shipping and handling costs related to contracts with customers for sale of goods are accounted for as a fulfillment activity and are included in Cost of sales and other revenues. Amounts billed to customers for such costs are included in Sales and other revenues.

Transaction Taxes

The Company excludes transaction taxes collected from customers and remitted to governmental authorities from revenue.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Income Taxes

The Company and substantially all domestic subsidiaries are members of a group, which files a consolidated Federal income tax return. Federal income taxes or tax benefits are allocated to each subsidiary on the basis of its individual taxable income or loss and tax credits included in the return. Deferred income taxes are recognized for tax consequences of temporary differences by applying enacted statutory tax rates, applicable to future years, to differences between the financial reporting and the tax basis of existing assets and liabilities. The Company records a valuation allowance reducing deferred tax assets when it is more likely than not that such assets will not be realized.

The Company records liabilities for uncertain income tax positions based on assessments of the technical merits of the individual tax positions. When the individual tax position has a likelihood of greater than 50% of being sustained, including resolution of any related appeals or litigation processes, a benefit is recognized. The amount of the benefit recorded is dependent upon the Company's assessment of the relevant facts and circumstances. For tax positions that are estimated to have a less than 50% likelihood of being sustained, zero tax benefit is recorded. In future periods, changes in facts, circumstances or new information may require the Company to change the recognition and measurement estimates with regard to individual tax positions. Changes in recognition and measurement estimates are recorded in results of operations and financial position in the period in which such changes occur.

It is generally the policy of the Company to reinvest unremitted earnings of foreign subsidiaries indefinitely, or for foreign subsidiaries to remit earnings only when the tax effect is minor. Accordingly, no provision has been made for income taxes that may be payable upon the remittance of such earnings.

The cumulative amount of unremitted earnings of foreign subsidiaries for which no deferred taxes have been provided at May 31, 2024 and 2023, was approximately $33.68 billion and $31.89 billion, respectively.

Refer to Note 26, *Income Taxes,* for additional disclosure of other significant accounting policies.

Net Earnings Per Share

Basic earnings per share are determined by dividing net earnings attributable to Cargill, Inc. by the weighted average number of shares outstanding. Shares outstanding include Common, Employee Stock Ownership Plan (ESOP) Common, Management, and Retiree stock. In computing diluted earnings per share, the weighted average number of shares outstanding is increased to include additional shares from the assumed exercise of stock options and the issuance of shares from stock grants. The number of additional shares is calculated by assuming stock grants are issued and options were exercised and that the proceeds from exercises were used to acquire shares at the average fair market value during the reporting period.

Cargill, Incorporated and Subsidiaries

Note 1 Summary of Significant Accounting Policies (cont.)

Foreign Currency Translation

Translation of the financial statements of foreign subsidiaries, whose functional currency is their local currency, is performed for balance sheet accounts using the current exchange rates in effect as of the balance sheet date, and for revenue and expense accounts using a monthly weighted-average exchange rate throughout the year. The translation adjustments are included in other comprehensive income.

Remeasurement gains and losses of foreign subsidiaries operating in hyperinflationary economies and foreign subsidiaries where the U.S. dollar is the functional currency are included in net earnings. Net foreign currency transaction and remeasurement results included in net earnings were a $(376) million loss and $311 million gain for the years ended May 31, 2024 and 2023, respectively.

New Accounting Pronouncements Issued but Not Yet Adopted

In August 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) 2023-05, Business Combinations -Joint Venture Formations (Subtopic 805-60), Recognition and Initial Measurement. This standard establishes guidance for joint ventures to initially measure all contributions received upon its formation at fair value and generally aligns the accounting of joint venture formations with ASC 805, Business Combinations, including the measurement period. The standard is to be applied prospectively to newly formed joint ventures with formation dates on or after January 1, 2025. Early adoption is permitted. The adoption of this standard is not expected to have a material impact on the consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740), Improvements to Income Tax Disclosures, which establishes new income tax disclosure requirements in addition to modifying and eliminating certain existing requirements. Under the new guidance, entities must consistently categorize and provide greater disaggregation of information in the income tax effective rate reconciliation. They must also further disaggregate income taxes paid. The guidance is effective for fiscal year ending May 31, 2027 and will be adopted on a prospective basis. The Company is evaluating the disclosure impact of this standard on its consolidated financial statements.

New Accounting Pronouncements Adopted

Effective June 1, 2023, the Company adopted ASU 2016-13, Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments, (CECL) which revises guidance for the accounting for credit losses on financial instruments within its scope including trade receivables. The new standard, along with related amendments, introduces an approach, based on expected losses, to estimate credit losses on certain types of financial instruments and modifies the impairment model for available-for-sale debt securities. The new approach to estimating credit losses applies to most financial assets measured at amortized cost and certain other instruments. Derivative contracts are not in scope of the new standard. The Company adopted the amended guidance on a modified retrospective basis through a cumulative effect adjustment of $144 million, net of tax, to decrease retained earnings as of June 1, 2023, with offsetting impact to allowance for credit losses of $147 million recorded in Accounts and notes receivable, net and Other assets, reserves for off-balance sheet exposures of $29 million recorded in Other liabilities, and deferred taxes of $32 million. The adoption impact primarily related to the Company’s notes receivable portfolio.

Cargill, Incorporated and Subsidiaries

Note 2 Revenues

Revenue Recognition

Revenue is measured and recognized based on the transaction price to which the Company expects to be entitled for the product delivered or service performed as outlined in the contract with the customer. Sales and other revenues include gross sales less sales based taxes and other discounts and incentives. Discounts and incentives primarily include volume based incentives, early payment discounts and other discount arrangements which reduce the transaction price in the contract with the customer. The Company estimates the reduction to the transaction price utilizing the most likely method based on analysis of historical performance of contracts with the customer. The estimate is reassessed on a quarterly basis and adjustments are made to the accrued liability and revenue when the most likely outcome changes as a result of new information.

At contract inception, the expected timing between the transfer of control of the goods or services to the customer and receipt of payment from the customer is based upon normal contractual terms which do not exceed one year. As such, the Company has elected the practical expedient in Accounting Standard Codification 606, Revenue from Contracts with Customers (Topic 606) to not adjust the amount of consideration for the effects of a financing component.

Disaggregation of Revenues

The Company disaggregates revenues from contracts with customers by revenues recognized at a point in time versus over time. The table below presents disaggregated revenue and a reconciliation to the Sales and other revenues line on the Consolidated Statements of Earnings which includes revenues outside the scope of Topic 606 for the years ended:

	Year Ended May 31, 2024 (In millions)	Year Ended May 31, 2023 (In millions)
Point in time	$ 79,137	$ 81,642
Over time	980	1,102
Total Topic 606 revenue	80,117	82,744
Topic 815 revenue (realized, unrealized, physically settled) [1]	77,586	92,493
Other revenues [2]	1,883	1,501
Total sales and other revenues	$ 159,586	$ 176,738

[1] ASC Topic 815, *Derivatives and Hedging (Topic 815)*, revenue relates to gains and losses generated from recognizing derivatives at fair value and the physical delivery or the cash settlement of the Company's sales contracts that are accounted for as derivatives and are outside the scope of Topic 606.

[2] Other revenues includes gains on Argentina Blue Chip Swaps and revenues earned by means other than contracts with customers and are outside the scope of Topics 606 and 815.

Cargill, Incorporated and Subsidiaries

Note 2 Revenues (cont.)

Contract Balances

Gross receivables from contracts with customers under Topic 606 are recorded in Accounts and notes receivable, net and were $6,560 million and $7,332 million as of May 31, 2024 and 2023, respectively. Refer to Note 4 *Allowance for Credit Losses* for discussion on how credit allowances are determined for trade receivables.

Contract assets relate to unbilled amounts resulting from goods already transferred to the customer where revenue recognized exceeds the amount billed to the customer and right to payment is not subject to the passage of time. Contract assets are recorded in Accounts and notes receivable, net and were immaterial as of May 31, 2024 and 2023.

Contract liabilities arise from the Company's obligation to transfer goods or services to a customer for which the Company has already received consideration from the customer. This includes customer options which represent a material right, advance payments and deferred revenues. Contract liabilities are recorded in Accounts payable and accrued expenses and were $305 million and $325 million as of May 31, 2024 and 2023, respectively.

Transaction Price Allocated to Remaining Performance Obligations

The majority of the Company's contracts with customers have one performance obligation and a contract duration of one year or less. The Company has elected the practical expedient in Topic 606 to not disclose information about remaining performance obligations that have original expected durations of one year or less.

Cargill, Incorporated and Subsidiaries

Note 3 Other Financial Statement Data

The following table provides information related to selected balance sheet accounts:

	At May 31,			
	2024		2023	
	(In millions)			
Accounts and notes receivable, net				
Trade	$	10,134	$	11,290
Unrealized gains on derivative contracts		1,898		3,327
Income tax receivables		345		698
Receivables from non-consolidated affiliates		414		299
Non-Trade		5,473		5,418
		18,264		21,032
Less: Allowance for credit losses and sales allowances[1]		868		603
Total	$	17,396	$	20,429
Accounts payable and accrued expenses				
Trade	$	8,057	$	8,604
Unrealized losses on derivative contracts		1,517		1,897
Accrued expenses		3,233		3,228
Accrued taxes payable		194		165
Other		3,747		3,865
Total	$	16,748	$	17,759

[1]For May 31, 2024, includes $692 million of allowances for expected credit losses (refer to Note 4 *Allowance for Credit Losses*) and $176 million of allowances for sales adjustments and other receivables which are not in-scope of the CECL standard.

Cargill, Incorporated and Subsidiaries

Note 4 Allowance for Credit Losses

Cargill establishes an allowance for credit losses on trade accounts receivable based on lifetime expected credit losses utilizing an analysis of the Company's actual historical default rates for pooled receivables. Historical default rates are based on historical collection experience, including write-offs and recoveries, and periodic credit evaluations of our customers' financial situation. Pools are determined based on risk characteristics such as the type of customer and geography. The default rate is then applied to the pool to determine the allowance for expected credit losses. If necessary, these historical default rates are adjusted to reflect the impact of current changes in the macroeconomic environment using supportable forecasts of forward-looking information. Given the short-term nature of the Company's trade accounts receivable, the default rate is only adjusted if significant changes in the credit profile of the pooled receivables are identified, resulting in historic loss rates that are not representative of forecasted losses.

Cargill establishes an allowance for notes receivables and investments based on a probability of loss given default model which incorporates historical experience, market conditions, and specific customer credit ratings.

Changes to the allowance for lifetime expected credit losses related to trade accounts and notes receivable are as follows.

	At and for the Year Ended May 31, 2024	
	Allowance for Trade Receivables[1]	Allowance for Notes Receivable and Investments[2][3]
	(In millions)	
Beginning balance at June 1, 2023	$ (319)	$ (225)
Impact of CECL adoption[4]	(23)	(124)
Adjusted beginning balance at June 1, 2023	(342)	(349)
Adjustments to provision	(90)	(148)
Write-offs charged against the allowance	38	12
Recoveries	(2)	(10)
Foreign currency translation and other	(3)	7
Ending balance at May 31, 2024	$ (399)	$ (488)

[1] The allowance for credit losses on Trade receivables recorded in Accounts receivable and notes receivable, net and Other assets, net is $384 million and $15 million, respectively as of May 31, 2024.

[2] The allowance for credit losses for Notes receivable recorded in Accounts and notes receivable, net, and Other assets, net is $308 million and $178 million, respectively as of May 31, 2024.

[3] The allowance for credit losses for Short-term investments is $2 million as of May 31, 2024.

[4] Reflects the before-tax impact of CECL adoption

Cargill, Incorporated and Subsidiaries

Note 5 Trading Securities

Trading securities are carried at fair value and include the following:

	At May 31,	
	2024	2023
	(In millions)	
Trading securities		
Foreign issued securities	$ 182	$ 1,087
U.S. Treasury securities	20	88
Corporate and other securities	117	81
Total	$ 319	$ 1,256

The before-tax net unrealized gains for trading securities included in Consolidated Statements of Earnings for the years ended May 31, 2024 and 2023 were $27 million and $29 million, respectively.

Note 6 Inventories

The following is a summary of inventories:

	At May 31,	
	2024	2023
	(In millions)	
FIFO	10,586	10,740
Inventories at selling price	8,165	7,981
Total inventories	$ 18,751	$ 18,721

Note 7 Related Party Transactions

Cargill purchases agricultural commodity products from certain of its nonconsolidated companies. Such related party purchases comprised 2% or less of total Cost of sales and other revenues for the years ended May 31, 2024 and 2023. Cargill also sells agricultural commodity products to certain of its nonconsolidated companies. Such related party sales comprised less than 1% of total Sales and other revenues for the years ended May 31, 2024 and 2023. In addition, Cargill receives services from and provides services to its nonconsolidated companies, including tolling, port handling, administrative support and other services. These services were not material to Cargill's consolidated results.

At May 31, 2024 and 2023, receivables and payables related to the above related party transactions and included in Accounts and notes receivable, net; Accounts payable, accrued expenses, and other; Other assets; and Long-term debt; in the Consolidated Balance Sheets, were not material.

Refer to Note 32 *Contingencies and Commitments* for discussion on guarantees with related parties.

Cargill, Incorporated and Subsidiaries

Note 8 Formation of U.S. Poultry Joint Venture

On July 22, 2022, Cargill and Wayne Farms Holdings LLC (Partner) acquired Sanderson Farms, Inc. for $4,531 million through a new equally controlled joint venture. The Partner is a holding company owned 76% by Continental Grain and 24% by BBSB Investments. The Partner contributed its wholly owned U.S. poultry production business, Wayne Farms LLC. Cargill contributed $1,402 million into the joint venture and paid the Partner $588 million to equalize the ownership shares. The newly formed joint venture called Wayne-Sanderson Farms combines the poultry production operations of Sanderson Farms, Inc. with Wayne Farms, LLC to create a best-in-class poultry company with a high-quality asset base, deep customer relationships, shared culture and values, and industry-leading management. The new joint venture has 25,000 employees at 25 poultry operations across the Southeastern United States.

Cargill reports its investment in Wayne-Sanderson Farms as a non-consolidated investment using equity method accounting and includes its 50% share of earnings in our Consolidated Statements of Earnings as Equity in net earnings of nonconsolidated companies on a two-month lag. The joint venture utilizes a 52-week or 53-week reporting period ending the last Saturday in March. At May 31, 2024, Cargill's investment of $1,674 million is included in Investments and advances in the Consolidated Balance Sheets.

Note 9 Acquisitions

Granol

On December 1, 2023, Cargill acquired 100% of the voting shares of Granol Indústria, Comércio E Exportacão S.A., a family-owned soybean processing facility in Brazil. The acquisition included soy and biodiesel crush plants in the cities of Anápolis, Porto Nacional and Cachoeira do Sul as well as four warehouses in the states of Goiás and Tocantins. Liabilities assumed included long-term debt obligations which Cargill settled on the acquisition date with the respective debt holders. The transaction included $88 million of deferred compensation related to purchase price adjustments and tax related positions.

Cargill preliminarily allocated the purchase price to Granol's tangible and identifiable intangible assets acquired and liabilities assumed based on estimated fair values as of December 1, 2023. Cargill is still assessing the valuation of property, income tax liabilities, deferred taxes, and goodwill. Goodwill represents the amount by which the purchase price exceeds the fair value of the net assets acquired. The goodwill acquired in this acquisition is not amortizable under local tax laws.

Cargill, Incorporated and Subsidiaries

Note 9 Acquisitions (cont.)

A summary of the fair values of assets acquired and liabilities assumed during the year ended May 31, 2024, at the date of acquisition is as follows:

	Granol	Other	Total
		(In millions)	
Cash and cash equivalents	$ 6	$ 13	$ 19
Accounts receivable	6	5	11
Inventories	20	—	20
Other current assets	7	1	8
Intangibles	—	9	9
Other assets	8	9	17
Goodwill	350	119	469
Owned property, plant & equipment	224	34	258
Current liabilities	(67)	—	(67)
Other liabilities	(250)	—	(250)
Net assets acquired	304	190	494
Less: Noncontrolling interests	—	38	38
Total consideration	304	152	456
Less: Deferred consideration	88	—	88
Less: Noncash consideration	48	—	48
Cash paid	$ 168	$ 152	$ 320

Other acquisitions for the year ended May 31, 2024 include investment in a new shrimp feed and production business in Ecuador as well as other immaterial transactions.

Fiscal Year 2023 Acquisitions

Equus UK TopCo

On June 30, 2022, Cargill acquired 100% of Equus UK TopCo (Equus), a leading global specialty chemical provider of plastics additives, coatings and adhesives, and functional fluids such as dielectric fluids and lubricants, for $796 million. Equus' primary manufacturing facilities are located in the United Kingdom and the Netherlands with distribution and sales in all regions of the world.

Cargill allocated the purchase price to Equus's tangible and identifiable intangible assets acquired and liabilities assumed based on estimated fair values as of June 30, 2022. Goodwill represents the amount by which the purchase price exceeds the fair value of the net assets acquired. The goodwill acquired in this acquisition is not amortizable under local tax laws.

Cargill, Incorporated and Subsidiaries

Note 9 Acquisitions (cont.)

Owensboro Grain Company

On January 11, 2023, Cargill acquired 100% of Owensboro Grain Company (Owensboro), a family-owned soybean processing facility and refinery located in Owensboro, Kentucky for $772 million.

Cargill allocated the purchase price to Owensboro's tangible and identifiable intangible assets acquired and liabilities assumed based on estimated fair values as of January 11, 2023. Goodwill represents the amount by which the purchase price exceeds the fair value of the net assets acquired. The goodwill acquired in this acquisition is not amortizable under local tax laws.

A summary of the fair values of assets acquired and liabilities assumed during the year ended May 31, 2023, at the date of acquisition is as follows:

	Equus	Owensboro	Other	Total
		(In millions)		
Cash and cash equivalents	$ 12	$ 3	$ 5	$ 20
Accounts receivable	92	55	13	160
Inventories	140	205	7	352
Other current assets	4	6	4	14
Intangibles	160	263	20	443
Other assets	4	1	9	14
Goodwill	255	188	22	465
Owned property, plant & equipment	296	165	34	495
Current liabilities	(55)	(46)	(32)	(133)
Other liabilities	(112)	(68)	(18)	(198)
Net assets acquired	796	772	64	1,632
Less: Noncontrolling interests	—	—	—	—
Total consideration	796	772	64	1,632
Less: Fair value of previously held equity interest	—	—	(26)	(26)
Cash paid	$ 796	$ 772	$ 38	$ 1,606

Other acquisitions for the year ended May 31, 2023 include the purchase of a controlling interest in a previously nonconsolidated animal feed joint venture as well as other immaterial transactions.

Note 10 Disposals

During the year ended May 31, 2024, total cash proceeds from the disposal of property, nonconsolidated companies and businesses amounted to $203 million and resulted in a net before-tax gain of $68 million. This primarily relates to the sale of Cargill's animal protein business and land in China.

During the year ended May 31, 2023, total cash proceeds from the disposal of property, nonconsolidated companies and businesses amounted to $123 million and resulted in a net before-tax gain of $60 million. This primarily relates to the sale of specialty canola seed breeding intellectual property in North America.

Cargill, Incorporated and Subsidiaries

Note 11 Transfers of Assets with Continuing Involvement

The Company sells certain trade receivables and trade related loans through established programs to various third parties, which primarily include foreign and domestic financial institutions. As part of these transactions, the Company often maintains continuing involvement with the transferred assets. The continuing involvement includes, but is not limited to servicing responsibilities and recourse obligations. Servicing responsibilities consist of the collection and remittance of cash on assets sold and are compensated through retaining a portion of the interest. Most of these transactions are accounted for as sales in accordance with accounting standards for transfers and servicing of financial assets.

The assets transferred are removed from the Consolidated Balance Sheets and a gain or loss is recognized for the difference between the assets sold and the assets and liabilities recognized as part of these transactions. Assets and liabilities recognized as part of these transactions, including retained interests and recourse obligations are measured at fair value. In the event of customer payment default, the Company's recourse obligation on assets transferred with recourse is generally a maximum of 15%. The initial fair value of retained interests for new transfers and pre-tax gain recorded on the sale of assets with continuing involvement were immaterial for the years ended May 31, 2024 and 2023.

The following tables present information regarding receivable transfers by type of continuing involvement and for which the Company has received sales treatment.

	At May 31,	
	2024	2023
	(In millions)	
Assets sold balance as of		
Principal amount outstanding		
With limited recourse	$ 7,031	$ 6,333
With no recourse	2,732	2,952
Total	$ 9,763	$ 9,285

Cargill, Incorporated and Subsidiaries

Note 11 Transfers of Assets with Continuing Involvement (cont.)

	Year Ended May 31,	
	2024	2023
	(In millions)	
Sale proceeds		
Cash proceeds from sale		
With limited recourse	$ 6,250	$ 5,571
With no recourse	7,714	9,989
Total	$ 13,964	$ 15,560

During the years ended May 31, 2024 and 2023, the recourse obligations recorded for new transfers were immaterial.

Transfers of financial assets that do not qualify for sale accounting are reported as secured borrowings. Accordingly, the related assets remain on the Company's balance sheet and continue to be reported and accounted for as if the transfer had not occurred. Cash proceeds from these transfers are reported as liabilities. For the years ended May 31, 2024 and 2023, the principal amount outstanding for secured borrowings was immaterial.

Note 12 Variable Interest Entities

The Company enters into various types of transactions with entities that involve variable interests. Variable interests are generally defined as contractual, ownership or other economic interests in an entity that change with fluctuations in the entity's net asset value. The Company determines whether it is the primary beneficiary of a VIE based on a qualitative assessment of the VIE. This includes a review of the VIE's capital structure, contractual relationships and terms, the nature of the VIE's operations and purpose, the nature of the VIE's interests issued, and the Company's involvement with the entity. The Company also evaluates the design of the VIE and the related risks the entity was designed to expose the variable interest holders to when evaluating consolidation.

The Company has variable interests with entities that are involved in leasing, food and industrial activities. These VIEs are typically financed through debt and/or equity provided by the investors, including the Company. The investors and creditors generally have recourse only to the extent of the assets held by these VIEs. The entities included in this disclosure are VIEs because generally they do not have sufficient equity to finance their activities without additional subordinated financial support. The Company does not generally provide financial support to any of these VIEs beyond that which is contractually required.

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Note 12 Variable Interest Entities (cont.)

The following table displays the carrying amount and classification of assets and liabilities of consolidated VIEs that are included in the Company's Consolidated Balance Sheets as of May 31, 2024 and 2023. The equity interests of consolidated VIEs not owned by the Company are reported as noncontrolling interests on the Company's Consolidated Balance Sheets.

	At May 31,	
	2024	2023
	(In millions)	
Cash and cash equivalents	$ 2	$ —
Accounts receivable, notes receivable, and accrued income, net	110	105
Inventories	249	184
Other	23	10
Total current assets	384	299
Investments and advances	5	5
Other assets	13	19
Total other assets	18	24
Net property	324	362
Total assets	$ 726	$ 685
Accounts payable and accrued expenses	90	134
Total current liabilities	90	134
Long-term debt	47	—
Other liabilities	169	178
Total liabilities	$ 306	$ 312

The assets of the consolidated VIEs can only be used to settle the liabilities of those VIEs. The creditors of the consolidated VIEs do not have recourse to Cargill.

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Note 12 Variable Interest Entities (cont.)

The Company also holds variable interests in the form of loan and equity investments in a variety of VIEs for which the Company is not the primary beneficiary. The Company's involvement with nonconsolidated VIEs consists of assisting in the formation and financing of the entity and making passive debt and or equity investments. The Company is not required to consolidate these entities because the nature of its involvement with the activities of the VIEs does not give it power over decisions that significantly affect their economic performance. The classification of the Company's variable interest in these entities in the consolidated financial statements is based on the nature of the entity and the type of investment held. These investments are classified in the following captions in the accompanying Consolidated Balance Sheets: Accounts receivable, notes receivable, and accrued income, net for current receivables from nonconsolidated VIE affiliates; Inventories and Investments and advances for long term receivables; and investments in nonconsolidated VIE companies accounted for using the equity method of accounting. During the year ended May 31, 2024, an existing non-consolidated investment became a variable interest entity and Cargill's associated loss exposure is now included in the table below.

The following table summarizes the carrying amounts of the assets and the maximum loss exposure as of May 31, 2024 and 2023, related to the Company's involvement with variable interests in nonconsolidated VIEs.

	At May 31,	
	2024	2023
	(In millions)	
Accounts receivable, notes receivable, and accrued income, net	$ 155	$ 99
Inventories	35	12
Investments and advances	38	62
Maximum exposure to loss [1]	228	173

[1] Includes maximum exposure to loss attributable to guarantees and unfunded commitments

Note 13 Foreign Operations

The following table summarizes amounts included in the accompanying consolidated financial statements for operations located outside the U.S., before elimination of intercompany accounts with domestic companies:

	At and for the Year Ended May 31,	
	2024	2023
	(In millions)	
Working capital	$ 17,679	$ 17,232
Net other assets, property and liabilities	17,810	16,342
	35,489	33,574
Less noncontrolling interests	330	199
Equity in net assets exclusive of noncontrolling interests	35,159	33,375
Net earnings of foreign operations	$ 1,989	$ 2,432

Cargill, Incorporated and Subsidiaries

Note 14 Investments and Advances

The following table is a summary of investments and advances:

	At May 31,	
	2024	2023
	(In millions)	
Nonconsolidated companies accounted for using the equity method of accounting:		
Investments	$ 4,675	$ 4,850
Advances	62	22
Investments carried at cost	236	214
Available for sale securities	100	109
Investments in private investment funds	496	591
Other miscellaneous investments	73	54
Total	$ 5,642	$ 5,840

Investments in non-consolidated companies using the equity method of accounting include a 50% interest in Wayne-Sanderson Farms, a U.S. poultry producer, a 44% interest in Ardent Mills, a U. S. flour milling company; a 50% interest in Teys, an Australian beef processing business; a 24.5% interest in Salmones Multiexport S.A., a Chilean salmon producer; and various other agricultural joint ventures.

The summarized financial information shown below includes all nonconsolidated companies accounted for using the equity method of accounting, and is based on the most recently available financial information which approximates the information as of and for the years ended May 31, 2024 and 2023.

	Year Ended May 31,	
	2024	2023
	(In millions)	
Sales and other revenues	$ 25,631	$ 25,587
Net earnings	430	412
Cargill's equity in net earnings	31	107
Cash	$ 1,013	$ 843
Financial instruments	25	26
Accounts receivable	2,430	2,490
Inventories	3,102	3,172
Other assets	6,446	6,092
Property, plant and equipment	6,677	6,364
Total assets	19,693	18,987
Debt obligations	6,034	5,800
Other liabilities	4,378	3,538
Net assets	$ 9,281	$ 9,649
Cargill's equity in net assets	$ 4,675	$ 4,850

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Note 14 Investments and Advances (cont.)

As of May 31, 2024, $817 million of the debt obligations shown above have recourse to Cargill and are supported by Cargill guarantees with terms equal to the related debt amounts. No liability has been recorded related to these guarantees as the amount of expected obligation associated with these guarantees is immaterial. The remaining $5,217 million of debt obligations as of May 31, 2024 are non-recourse to Cargill, are collateralized by specific assets of the nonconsolidated companies and the lenders do not have recourse to any other assets of the Company.

The summarized financial information shown below includes the financial information of all nonconsolidated investments in private investment funds accounted for using the equity method of accounting, and is based on the most recently available financial information, which approximates the information as of and for the years ended May 31, 2024 and 2023.

	Year Ended May 31,	
	2024	2023
	(In millions)	
Net investment income	$ 187	$ 379
Realized (losses) gains	(104)	134
Unrealized gains (losses)	175	(732)
Cash	144	270
Cash deposits and collateral held with brokers	121	129
Investments in securities, at fair value	2,555	2,891
Investments in loan portfolios, at fair value	939	1,009
Investments in special opportunities, at fair value	1,287	1,867
Receivable for securities sold	22	45
Other assets	42	53
Total assets	$ 5,110	$ 6,264
Investments in securities sold short, at fair value	27	50
Financial instruments sold with agreements to repurchase	424	523
Payable for securities purchased	10	7
Debt obligations	125	225
Margin payable	32	74
Other liabilities	28	48
Net assets	$ 4,464	$ 5,337
Equity in net assets	$ 496	$ 592

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Note 15 Restructuring and Asset Impairment Charges

Restructuring charges for the years ended May 31, 2024 and 2023 resulted primarily from global function and business reorganizations.

For the year ended May 31, 2024, asset impairments principally related to our turkey business in the U.S. and held for sale impairments on several protein processing plants. For the year ended May 31, 2023, asset impairments principally related to our China starches and sweeteners plant and poultry business.

The following is a summary of restructuring and asset impairment charges:

	Year Ended May 31,	
	2024	2023
	(In millions)	
Restructuring	$ 69	$ 56
Asset impairment charges		
Property, plant and equipment	155	245
Intangible assets	34	—
Total asset impairment charges	189	245
Total restructuring and asset impairment charges	$ 258	$ 301

Note 16 Other Expense (Income), Net

Other expense, net for the year ended May 31, 2024, includes $68 million of gains on sales of property, businesses, and nonconsolidated companies; $249 million of net foreign currency transaction and remeasurement losses, $243 million of net gains related to litigation settlements and $120 million of charitable contribution expense.

Other income, net for the year ended May 31, 2023, includes $60 million of gains on sales of property, businesses, and nonconsolidated companies; $492 million of net foreign currency transaction and remeasurement gains, and $102 million of charitable contribution expense.

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Note 17 Property

The following is a summary of the components of property:

	At May 31, 2024	At May 31, 2023
	(In millions)	
Owned property, plant and equipment at cost:		
Land	$ 962	$ 882
Buildings	10,941	10,068
Machinery and equipment	25,894	24,098
Transportation equipment	1,247	1,168
Software	2,407	2,133
Total owned property, plant and equipment	41,451	38,349
Property under finance leases:		
Land, improvements and buildings	14	22
Machinery and equipment	12	9
Transportation equipment	196	513
Total property under finance leases	222	544
Construction in progress	3,109	3,350
Gross Property	44,782	42,243
Accumulated depreciation and amortization:		
Owned property, plant and equipment	25,507	23,877
Property under finance leases	109	136
Total accumulated depreciation and amortization	25,616	24,013
Net Property	$ 19,166	$ 18,230

Note 18 Goodwill and Other Intangible Assets

The changes in the carrying amount of goodwill for the year ended May 31, 2024 and 2023, respectively, were as follows:

	At and for the Year Ended May 31, 2024	At and for the Year Ended May 31, 2023
	(In millions)	
Beginning balance	$ 4,111	$ 3,764
Additional goodwill acquired	469	465
Decrease in goodwill from disposals	—	(5)
Foreign currency translation and other	31	(113)
Ending balance	$ 4,611	$ 4,111

Cargill, Incorporated and Subsidiaries

Note 18 Goodwill and Other Intangible Assets (cont.)

Acquired intangible assets consisted of the following:

	At May 31, 2024				At May 31, 2023			
	Gross carrying amount		**Accumulated amortization**		**Gross carrying amount**		**Accumulated amortization**	
	(In millions)				(In millions)			
Amortizing intangible assets:								
Trademarks	$	142	$	48	$	151	$	38
Customer relationships		1,290		593		1,305		501
Land use rights		160		44		163		41
Other assets		311		125		303		113
Total	$	1,903	$	810	$	1,922	$	693
Indefinite-lived intangible assets:								
Trademarks	$	314			$	330		

Based on the identified intangible assets recorded at May 31, 2024, the future amortization expense for the next five years is as follows:

Years ending May 31	**Amount** (In millions)	
2025	$	142
2026		137
2027		126
2028		112
2029		106
Thereafter		470
Total	$	1,093
Amortization expense 2024	$	140
Amortization expense 2023	$	127

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Note 19 Short-term Debt

Short-term debt consists of the following:

	At May 31, 2024	At May 31, 2023
	(In millions)	
Notes payable to banks	$ 1,952	$ 1,750
Current portion of long-term debt and obligations under finance leases	686	1,350
Unsecured loans	93	351
Total	$ 2,731	$ 3,451

As of May 31, 2024, Cargill had a $1.5 billion 364-day credit facility and a $4.5 billion 5-year syndicated committed facility. These facilities were refinanced in the second quarter of fiscal year 2024 and have maturity dates of October 2024 and October 2028, respectively. Of these credit facilities, $5 billion provides backup liquidity to Cargill's commercial paper and industrial revenue bond programs. Cargill had $0 million of commercial paper and $746 million of industrial revenue bonds outstanding as of May 31, 2024. Commercial paper is used to finance working capital needs on an as needed basis.

Cargill has an additional revolving 364-day credit facility which was renewed in April 2024 for $300 million with a maturity date of April 2025. This credit facility is an additional source of liquidity outside of the commercial paper program. As of May 31, 2024 and 2023, the Company had no borrowings under this facility.

Throughout fiscal year 2023, Cargill entered into uncommitted facilities in Russia including a 20 billion ruble facility that was originally secured by local assets. The collateral requirement was subsequently replaced by a guarantee from another local Cargill entity. As of May 31, 2024, facilities in Russia totaled 23.5 billion rubles, all of which were uncommitted and unsecured. There were no outstanding borrowings under these facilities as of that date.

On April 1, 2024, Cargill renewed a committed facility in Singapore for 73.5 billion Japanese yen. The facility expires on March 31, 2025 and can be drawn in Japanese yen or the U.S. dollar equivalent. As of May 31, 2024, there were no outstanding borrowings under this facility.

Cash paid for interest on short-term debt, long-term debt and repurchase agreements, was $706 million and $867 million in the years ended May 31, 2024 and 2023, respectively.

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Note 20 Long-term Debt

On April 17, 2023, Cargill issued €500 million face value of 7 year 3.875% unsecured senior notes that mature on April 24, 2030, $600 million face value of 3 year 4.500% unsecured senior notes that mature on June 24, 2026, and $500 million face value of 10 year 4.750% unsecured senior notes that mature on April 24, 2033. Interest payments are required on a semi-annual basis.

On October 5, 2022, Cargill issued $750 million face value of 3 year 4.875% unsecured senior notes that mature on October 10, 2025 and $500 million face value of 10 year 5.125% unsecured senior notes that mature on October 11, 2032. Interest payments are required on a semi-annual basis.

The Company has pledged assets of $41 million and $48 million at May 31, 2024 and 2023, respectively, as security for various long-term loans. Annual maturities of long-term debt, excluding obligations under finance leases (refer to Note *29 Leases*) and debt issuance costs are $1,425 million in 2026, $1,237 million in 2027, $264 million in 2028, $853 million in 2029, and $8,556 million thereafter.

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Note 20 Long-term Debt (cont.)

Long-term debt consists of the following:

	At May 31,	
	2024	2023
Senior Notes and Debentures:	(In millions)	
0.400%, $500 face value, due February, 2024	$ —	$ 500
0.750%, $500 face value, due February, 2026	499	499
1.700%, $500 face value, due February, 2031	500	500
1.375%, $750 face value, due July, 2023	—	750
2.125%, $750 face value, due April, 2030	750	749
2.125%, $1,000 face value, due November, 2031	997	996
3.125%, $250 face value, due May, 2051	275	275
3.125%, $500 face value, due May, 2051	495	495
3.25%, $650 face value, due May, 2029	652	648
3.500%, $500 face value, due April 22, 2025	489	484
3.625%, $500 face value, due April 22, 2027	498	498
3.875%, $350 face value, due May, 2049	345	345
4.000%, $650 face value, due June 22, 2032	646	646
4.1%, $243 face value, due November, 2042	242	242
4.375%, $500 face value, due April 22, 2052	498	498
4.500%, $600 face value, due June 24, 2026	599	599
4.750%, $500 face value, due April 24, 2033	499	499
4.76%, $602 face value, due November, 2045	485	482
4.875% $750 face value, due October, 2025	750	749
5.125% $500 face value, due October 2032	499	499
6.125%, $162 face value, due April, 2034	160	160
6.125%, $133 face value, due September, 2036	132	132
6.625%, $197 face value, due September, 2037	197	196
6.875%, $99 face value, due February, 2036	99	99
7.25%, $91 face value, due November, 2036	91	91
7.28%, $35 face value, $5 due annually to June, 2023	—	5
7.375%, $156 face value, due October, 2025	156	156
7.5%, $105 face value, due September, 2026	105	105
8.93%, $100 face value, due December, 2024	100	100
U.S. Medium Term Notes:		
6.875%, $90 face value, due May, 2028	90	90
7.41%, $99 face value, due June, 2027	99	99
7.07% to 7.3%, $78 face value, due in various installments to November, 2028	78	78
European Medium Term Notes:		
3.875%, €500 face value, due April, 2030	539	532
5.375%, £150 face value, due March, 2037	190	185
Industrial Revenue Bonds:		
.0875% to 8.85%, due in various installments to December, 2049	1,015	1,015
Obligations under finance leases	110	407
Obligations of foreign subsidiaries	178	134
Other, net of debt issuance costs	(28)	(37)
Total long-term debt including current portion	13,029	14,500
Less current portion	686	1,350
Total long-term debt	$ 12,343	$ 13,150

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Note 21 Capital Stock

All of the following classes of stock are equal in preference, except that the preferred stock and special preferred stock are senior to all other classes of stock. All of the classes of stock have the same voting rights, except for the retiree stock and special management stock, which have no voting rights. The preferred stock and special preferred stock receive 5% cumulative dividends, and all other classes of stock receive dividends at the same rate.

The following summarizes transactions in the Company's capital stock:

	Issued	Outstanding	Amount
	(Shares in thousands)		(In millions)
Preferred stock			
5% cumulative dividend, $50 par value; 400,000 shares authorized:			
Balance at May 31, 2022, 2023, and 2024	199	—	$ —
Special preferred stock			
5% cumulative dividend, $50 par value; 10,000 shares authorized:			
Balance at May 31, 2022, 2023, and 2024	6	6	$ 0.3
Common stock			
$.01 par value; 2,400,000 shares authorized:			
Balance at May 31, 2022	1,802,808	679,487	$ 6.8
Acquired for treasury	—	(4,463)	—
Balance at May 31, 2023, and 2024	1,802,808	675,024	$ 6.8
ESOP common stock			
$.01 par value; 500,000,000 shares authorized:			
Series A ESOP common stock			
125,000,000 shares designated:			
Balance at May 31, 2022	115,875	28,918	$ 0.3
Acquired for treasury	—	(538)	—
Balance at May 31, 2023	115,875	28,380	0.3
Acquired for treasury	—	(1,210)	—
Balance at May 31, 2024	115,875	27,170	$ 0.3

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Note 21 Capital Stock (cont.)

	Issued	Outstanding	Amount
	(Shares in thousands)		(In millions)
Series B ESOP common stock			
50,000,000 shares designated:			
Balance at May 31, 2022, 2023, and 2024	2,897	—	$ —
Management stock			
$.01 par value; 321,000,000 shares authorized:			
Balance at May 31, 2022	107,850	2,935	$ —
Acquired for treasury	—	(2,088)	—
Issued from treasury under employee compensation plans	—	2,025	—
Balance at May 31, 2023	107,850	2,872	—
Acquired for treasury	—	(2,256)	—
Issued from treasury under employee compensation plans	—	1,903	—
Balance at May 31, 2024	107,850	2,519	$ —
Retiree stock			
$.01 par value; 71,500,000 shares authorized:			
Balance at May 31, 2022	20,015	1,940	$ —
Acquired for treasury	—	(1,090)	—
Issued from treasury	—	814	—
Balance at May 31, 2023	20,015	1,664	—
Acquired for treasury	—	(803)	—
Issued from treasury	—	865	—
Balance at May 31, 2024	20,015	1,726	$ —
Special management stock			
$.01 par value; 3,500,000 shares authorized:			
Balance at May 31, 2022, 2023, and 2024	500	—	$ —

At May 31, 2024 and 2023, the Company held 1,343,705 thousand and 1,342,205 thousand shares of treasury stock, respectively, at cost.

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Note 22 Dividends on Capital Stock

The Company generally pays cash dividends on its capital stock. The following summarizes the dividends declared per share:

	Year Ended May 31,	
	2024	2023
	($ per share)	
Preferred and Special preferred	$ 2.500	$ 1.250
Common	1.630	1.285
ESOP common	1.630	1.285
Management	1.630	1.285
Retiree	1.630	1.285

Note 23 Share-Based Payment Plans

Cargill has a Long-Term Incentive Plan (the Plan) designed to reward employees for creating sustained stockholder value, to encourage ownership of Cargill stock, to foster teamwork, and to retain and motivate high-caliber executives while aligning their interests with those of our shareholders. Plan awards consist of three components: stock options, restricted stock units, and performance share units. The Company establishes Plan grant levels based on the following criteria: company performance, current market practice, peer group data, and the number of shares available under the Plan. Awards granted in previous years are not a factor in determining the current year's Plan award; nor is potential accumulated wealth.

The Company's annual stock option, performance share unit, and restricted stock unit grant is made in September to provide a strong and immediate link between the performance of individuals during the preceding year and the size of their annual stock compensation grants. The grant to eligible employees uses the closing stock price on the grant date. The Company settles awards under the Plan with treasury shares.

Compensation expense associated with share-based awards is recognized on a straight-line basis over the shorter of the vesting period or the minimum required service period and reflects actual forfeitures. Share-based compensation expense recognized in the Consolidated Statements of Earnings was $225 million and $182 million in the years ended May 31, 2024 and 2023 respectively.

Stock Options

Stock options to purchase shares of Management Stock are issued at fair market value on the date of grant. Options granted prior to 2014 may be exercised after three years (cliff vesting) and expire ten years from the grant date. Options granted in 2014 and thereafter may be exercised after one year (three year graded vesting) and expire ten years from the grant date.

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Note 23 Share-Based Payment Plans (cont.)

A summary of stock option activity under the Plan is as follows:

	Shares	Weighted average exercise price	Weighted average remaining contractual life (Years)
Balance at May 31, 2022	18,179,220	$ 65.12	6.2
Granted	1,780,707	90.12	
Forfeited/expired	(358,426)	84.15	
Exercised	(6,589,003)	58.44	
Balance at May 31, 2023	13,012,498	71.40	6.1
Granted	1,619,753	92.20	
Forfeited/expired	(170,162)	85.15	
Exercised	(3,892,155)	61.27	
Balance at May 31, 2024	10,569,934	78.09	5.7
Exercisable at May 31, 2024	6,879,588	71.30	4.6

Using the Black-Scholes option-pricing model, the weighted average fair value of options granted was estimated based on weighted average assumptions as follows:

	Year Ended May 31,	
	2024	**2023**
Weighted average fair value	$ 15.80	$ 13.23
Risk free interest rates	4.16 %	3.38 %
Expected life	6.0 years	6.0 years
Expected dividend yield	1.75 %	1.83 %
Expected volatility	12.63 %	12.58 %

Risk free interest rates reflect the yield on U. S. Treasury securities and use the same expected life as the term. Expected lives are based on the average period of time the options are expected to be outstanding. Expected volatility is based on the historic volatility of Company stock.

The total intrinsic value of stock options exercised was $111 million and $213 million in the years ended May 31, 2024 and 2023, respectively. At May 31, 2024, total unrecognized compensation expense of nonvested stock options was $15 million. That expense is expected to be recognized over a weighted average period of 1.4 years. The total fair value of stock options vested during the years ended May 31, 2024 and 2023 was $29 million and $33 million, respectively.

Restricted Stock Units

Restricted stock units give recipients the right to receive shares of Management Stock upon satisfaction of continued service vesting requirements. Restricted stock units are granted with a fair value equal to the Company’s stock price on the date of grant and vest in one to ten years.

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Note 23 Share-Based Payment Plans (cont.)

A summary of restricted stock unit activity under the Plan is as follows:

	Shares	Weighted average grant date fair value (Per Share)	Weighted average remaining contractual life (Years)
Balance at May 31, 2022	2,795,731	$ 75.18	1.0
Granted	1,928,847	89.76	
Forfeited/expired	(175,908)	86.56	
Vested	(1,360,531)	70.02	
Balance at May 31, 2023	3,188,139	85.57	1.2
Granted	2,125,836	91.42	
Forfeited/expired	(84,768)	90.04	
Vested	(1,439,143)	80.85	
Balance at May 31, 2024	3,790,064	90.54	1.2

At May 31, 2024, total unrecognized compensation expense of nonvested restricted stock units was $143 million. That expense is expected to be recognized over a weighted average period of 1.6 years. The total intrinsic value of restricted stock units vested during the years ended May 31, 2024 and 2023 was $131 million and $123 million, respectively.

Performance Share Units

Performance share units are issued to certain executive employees and represent shares potentially issuable in the future. The number of shares to be issued is based on the Company's return on invested capital performance relative to target and adjusted operating earnings growth relative to peers over a three-year performance period. The number of shares of Management Stock that could be delivered at the end of the three-year performance period may be anywhere from 0% to 200% of each performance share unit granted, depending on the performance of the Company during such performance period. The fair value of performance share unit is calculated based on the stock price on the date of grant. Each performance share unit cliff vests three years from the grant date.

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Note 23 Share-Based Payment Plans (cont.)

A summary of performance share unit activity under the Plan is as follows:

	Shares	Weighted average grant date fair value (Per Share)	Weighted average remaining contractual life (Years)
Balance at May 31, 2022	1,257,900	$ 71.90	1.3
Granted	348,811	90.12	
Forfeited/expired	(50,735)	83.96	
Performance change	361,164	64.48	
Vested	(722,328)	64.48	
Balance at May 31, 2023	1,194,812	78.95	1.1
Granted	636,657	92.20	
Forfeited/expired	(39,395)	85.42	
Performance change	483,200	63.92	
Vested	(972,230)	63.92	
Balance at May 31, 2024	1,303,044	90.87	1.4

The expense recognized each period is dependent upon the Company's estimate of the number of shares that will ultimately be issued at the end of the performance period. At May 31, 2024, there was $41 million of compensation expense that has yet to be recognized related to performance share units. This expense is expected to be recognized over a weighted average period of 2.0 years. The total intrinsic value of performance share units vested during the years ended May 31, 2024 and 2023 was $90 million and $65 million, respectively.

Note 24 Employee Stock Ownership Plan

In February 1992, the Company established an Employee Stock Ownership Plan (ESOP). The ESOP common stock pays a dividend equal to the dividends on common stock. A dividend of $1.630 per share was declared for the year ended May 31, 2024. The Company is obligated to make additional contributions to the ESOP when funding shortfalls occur.

The ESOP covers most U.S. non-union employees and allocates shares to employees as a substitute for certain pension and retiree health care benefits and as a 401K contribution match of 100% on the first 3% of pay and a 50% match on the next 2% of pay. ESOP income included in net earnings consists of dividends received less expenses determined on a shares-allocated method, and was zero dollars for both years ended May 31, 2024 and 2023.

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Note 25 Pension and Other Postretirement Benefits

The Company and its subsidiaries have defined benefit pension plans covering most of their domestic employees and many of their foreign employees. Most pension plans have been closed to new participants, who have been transitioned to defined contribution plans. Benefits are based on years of service and compensation. U.S. pensions are funded in accordance with the Employee Retirement Income Security Act of 1974 (ERISA), as amended by the Pension Protection Act of 2006. Foreign pensions are funded in compliance with local laws and practices. The Company uses a measurement date of May 31 for its pension and postretirement benefit plans.

In addition to providing pension benefits, the Company and certain subsidiaries provide health care and some life insurance benefits for certain retired employees. The Company records the expected cost of retiree health benefits as an expense during the service lives of employees.

The following summarizes the key components of the defined benefit pension plans and postretirement benefit plans for domestic and foreign companies as of and for the years ended May 31:

	Pension plans Year Ended May 31,		Postretirement plans Year Ended May 31,	
	2024	2023	2024	2023
	(In millions)			
Change in benefit obligations:				
Benefit obligation at beginning of year	$ 6,541	$ 7,120	$ 127	$ 141
Service cost	64	76	1	1
Interest cost	305	252	6	5
Actuarial (gain) loss	67	(740)	—	(10)
Currency fluctuations	28	(54)	—	—
Plan amendments	1	1	—	—
Acquisitions / divestitures	(7)	219	—	1
Benefits paid	(365)	(336)	(12)	(11)
Other	1	3		
Benefit obligation at end of year	$ 6,635	$ 6,541	$ 122	$ 127

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Note 25 Pension and Other Postretirement Benefits (cont.)

	Pension plans		Postretirement plans	
	Year Ended May 31,		Year Ended May 31,	
	2024	2023	2024	2023
	(In millions)		(In millions)	
Change in plan assets:				
Fair value at beginning of year	$ 6,378	$ 6,888	$ —	$ —
Actual return on plan assets	241	(483)	—	—
Employer contributions	104	133	12	11
Benefits paid	(365)	(336)	(12)	(11)
Currency fluctuations	46	(52)	—	—
Acquisitions / divestitures	(9)	225	—	—
Other	4	3	—	—
Fair value at end of year	$ 6,399	$ 6,378	$ —	$ —
Funded status as of May 31	$ (236)	$ (163)	$ (122)	$ (127)
Amounts recognized in the balance sheet:				
Noncurrent assets	$ 525	$ 570	$ —	$ —
Current liabilities	(43)	(43)	(10)	(11)
Noncurrent liabilities	(718)	(690)	(112)	(116)
Net liability	$ (236)	$ (163)	$ (122)	$ (127)
Amounts recognized in accumulated other comprehensive loss consist of:				
Net actuarial loss / (gain)	$ 1,404	$ 1,253	$ (22)	$ (25)
Net prior service credit	(29)	(38)	—	(2)
Total	$ 1,375	$ 1,215	$ (22)	$ (27)

The Company's pension plans with projected benefit obligations in excess of plan assets as of May 31 were as follows:

	At May 31,	
	2024	2023
	(In millions)	
Projected benefit obligations	$ 2,930	$ 3,141
Fair value of plan assets	2,169	2,408

Cargill, Incorporated and Subsidiaries

Note 25 Pension and Other Postretirement Benefits (cont.)

The net periodic benefit cost of the Company's pension and postretirement plans were as follows:

	Pension plans		Postretirement plans	
	Year Ended May 31,		Year Ended May 31,	
	2024	2023	2024	2023
	(In millions)		(In millions)	
Net periodic benefit costs:				
Service cost	$ 64	$ 76	$ 1	$ 1
Interest cost	305	252	6	5
Expected return on assets	(342)	(325)	—	—
Amortization	1	8	(6)	(9)
Settlement	6	—	—	—
Other	7	2	—	—
Total	$ 41	$ 13	$ 1	$ (3)

The weighted average assumptions used to determine benefit obligations and net benefit cost were as follows:

	Pension plans		Postretirement plans	
	Year Ended May 31,		Year Ended May 31,	
	2024	2023	2024	2023
Weighted average assumptions used to determine benefit obligations:				
Discount rate	4.9 %	5.0 %	5.0 %	5.0 %
Rate of increase in compensation levels	3.7 %	4.1 %	3.0 %	3.0 %
Expected long-term rate of return on plan assets	5.3 %	5.1 %	—	—
Weighted average assumptions used to determine net benefit cost:				
Discount rate for benefit obligations	5.0 %	3.9 %	5.0 %	4.0 %
Rate for interest on benefit obligations	4.9 %	3.7 %	4.9 %	3.9 %
Discount rate for service cost	4.1 %	3.2 %	3.1 %	1.9 %
Rate for interest on service cost	4.1 %	3.1 %	3.1 %	1.9 %
Rate of increase in compensation levels	4.1 %	3.6 %	3.0 %	3.0 %
Expected long-term rate of return on plan assets	5.1 %	4.6 %	—	—

Cargill, Incorporated and Subsidiaries

Note 25 Pension and Other Postretirement Benefits (cont.)

The discount rate reflects the current rate at which the pension liabilities could be effectively settled at the measurement date. The U.S. rate was determined using a cash flow matching technique whereby the rates of a yield curve, developed by the Company's actuary from high-quality debt securities, were applied to the expected benefit obligations to determine the appropriate discount rate. For the Company's non-U.S. plans, discount rates were derived using the respective yield curves, based on appropriate local market data and conditions. For non-U.S. countries where the market for high-quality long-term corporate bonds is not deep enough to construct a yield curve, discount rates are based on comparable indices of long-term corporate or government bonds. When government bonds are used to determine the discount rate, a credit risk spread may be added to approximate corporate bond yields.

The rate of increase in compensation levels is determined by the Company based upon the long-term plans for such increases.

The expected long-term rate of return on U.S. plan assets is based on the strategic asset allocation of the plan using forward-looking expected returns provided by the Company's actuary and other external investment professionals for each asset category represented in the investment program. The rate of return for non-U.S. plans is calculated on a plan-by-plan basis using plan asset allocations and expected returns.

Assumed health care trend rates used to measure the expected cost of benefits covered by the postretirement plans were as follows:

	Year Ended May 31,	
	2024	2023
Weighted average assumptions used to determine benefit obligations:		
Health care cost trend rate assumed	5.5 %	5.1 %
Ultimate health care cost trend rate	3.8 %	4.0 %
Year that the rate reaches the ultimate trend rate	2034	2030
Weighted average assumptions used to determine net postretirement cost:		
Health care cost trend rate assumed	5.1 %	5.3 %
Ultimate health care cost trend rate	4.0 %	3.9 %
Year that the rate reaches the ultimate trend rate	2029	2029

The Company reviews external data and its own historical trends for health care costs to determine the health care cost trend rates for the postretirement medical benefit plan.

In the year ending May 31, 2025, the Company estimates it will contribute $98 million to the domestic and foreign pension plans and $11 million to the postretirement plans.

Cargill, Incorporated and Subsidiaries

Note 25 Pension and Other Postretirement Benefits (cont.)

Following are expected pension and postretirement benefit payments for the next five years and in the aggregate for the five years thereafter:

Year ending May 31	Pension Plans	Postretirement Plans
	(In millions)	
2025	$ 359	$ 11
2026	367	11
2027	382	10
2028	391	10
2029	400	10
Next five years (aggregate)	2,122	43

The investment objective for the defined benefit plans is to secure the benefit obligations to participants at a reasonable cost to the Company by optimizing long-term return on plan assets at an acceptable level of risk. To achieve the investment objective, the investment policy includes a target strategic asset allocation. The target allocation is diversified across broad asset categories. Within asset categories, the portfolio is further diversified across investment strategy, style, geography, and investment manager. A portion of the assets are matched to the interest rate profile of the benefit obligation through long duration fixed income securities. Actual allocations to broad asset categories may vary around the long-term target allocation based on market fluctuations. Rebalancing to the target allocation will occur when actual allocations move outside of acceptable ranges around the target. Plan assets are held in trusts and managed by external investment managers.

The Company's weighted average retirement plan asset allocation and the target by asset category are as follows:

	2024 Target	Plan assets as of May 31, 2024	2023 Target	Plan assets as of May 31, 2023
Asset Category:				
Equity securities	14 %	16 %	14 %	16 %
Debt securities	56 %	60 %	72 %	61 %
Real estate	8 %	6 %	5 %	7 %
Cash and cash equivalents	— %	7 %	1 %	7 %
Other assets	22 %	11 %	8 %	9 %
Total	100 %	100 %	100 %	100 %

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Note 25 Pension and Other Postretirement Benefits (cont.)

The fair values of the assets held by the defined benefit plans as of May 31, 2024, by asset category are as follows:

	Fair value measurements using inputs considered as			Fair value at May 31, 2024
	Level 1	Level 2	Level 3	
Asset Category:	(In millions)			
Equity securities [1]:				
U.S.	$ 221	$ 59	$ —	$ 280
Non-U.S.	179	75	—	254
Investment funds[2]:	137	—	—	137
Debt securities [3]:				
Government bonds	675	39	—	714
Corporate bonds and other	7	1,238	—	1,245
Real estate [4]		—	37	37
Private equity [4]		—	25	25
Cash and cash equivalents	430	—	—	430
Other	56	(45)	80	91
Subtotal	1,705	1,366	142	3,213
Investments valued at net asset value [5]				3,186
Total	$ 1,705	$ 1,366	$ 142	$ 6,399

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Note 25 Pension and Other Postretirement Benefits (cont.)

The fair values of the assets held by the defined benefit plans as of May 31, 2023, by asset category are as follows:

	Fair value measurements using inputs considered as			Fair value at May 31, 2023
	Level 1	Level 2	Level 3	
Asset Category:		(In millions)		
Equity securities [1]:				
U.S.	$ 252	$ —	$ —	$ 252
Non-U.S.	197	73	—	270
Investment funds[2]:	130	—	—	130
Debt securities [3]:				
Government bonds	481	2	—	483
Corporate bonds and other	833	681	—	1,514
Real estate [4]	—	—	24	24
Private equity [4]	—	—	20	20
Cash and cash equivalents	369	—	—	369
Other	21	(51)	78	48
Subtotal	2,283	705	122	3,110
Investments valued at net asset value [5]				3,268
Total	$ 2,283	$ 705	$ 122	$ 6,378

[1] Consists of individual securities valued at the closing price on the major stock exchange on which they are traded and are classified as level 1 within the valuation hierarchy.

[2] Investment funds consist of securities valued at the closing price reported in the active market in which the fund is traded and is classified as level 1. These investment funds are primarily invested in debt securities and are included with debt securities in plan asset allocation targets.

[3] Government issued bonds are valued at the closing price reported in the active market in which the individual security is traded and are classified as level 1. Corporate bonds, along with other bonds and notes, are valued at either the yields currently available on comparable securities or valued under a discounted cash flow model. Individual corporate bonds held by the trust are classified as level 2.

[4] Consists of interests in limited partnerships that invest in real estate, private equity and hedge funds. Real estate includes debt and equity investments. Private equity includes debt and equity investments and is diversified across buyouts, growth capital, distressed debt, mezzanine debt, and venture capital. Real estate and private equity valuations are classified as level 3. Hedge fund investments are diversified by manager, geography and strategy.

[5] Primarily common collective trust funds, real estate, private equity and hedge funds that are measured at fair value using the net asset value per share (or its equivalent) practical expedient and have not been classified in the fair value hierarchy.

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Note 25 Pension and Other Postretirement Benefits (cont.)

The following table sets forth a summary of changes in the fair values of the pension plans' level 3 assets for the year ended May 31, 2024:

	Fair value at May 31, 2023	Realized/ unrealized gains (losses)	Net purchases, sales and settlements	Net transfers in and out of Level 3	Fair value at May 31, 2024
			(In millions)		
Real Estate	$ 24	$ —	$ 13	$ —	$ 37
Private equity	20	1	4	—	25
Other	78	2	—	—	80
Total	$ 122	$ 3	$ 17	$ —	$ 142

The following table sets forth a summary of changes in the fair values of the pension plans' level 3 assets for the year ended May 31, 2023:

	Fair value at May 31, 2022	Realized/ unrealized gains (losses)	Net purchases, sales and settlements	Net transfers in and out of Level 3	Fair value at May 31, 2023
			(In millions)		
Real Estate	$ 2	$ —	$ 22	$ —	$ 24
Private equity	74	—	(54)	—	20
Other	93	(15)	—	—	78
Total	$ 169	$ (15)	$ (32)	$ —	$ 122

The Company sponsors defined contribution plans covering both domestic and foreign employees. The general purpose of these plans is to provide additional financial security during retirement by providing employees with an incentive to make regular savings. The Company's expense for payments made to defined contribution plans was $172 million and $150 million for the years ended May 31, 2024 and 2023, respectively.

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Note 26 Income Taxes

U.S. and foreign income tax expense is made up of the following components:

	Year Ended May 31, 2024	Year Ended May 31, 2023
	(In millions)	
United States:		
Current	$ 292	$ 184
Deferred	(78)	134
Foreign:		
Current	633	724
Deferred	(75)	(213)
Total	$ 772	$ 829

For the years ended May 31, 2024 and 2023, the effective tax rate is different from the statutory U.S. Federal income tax rate for the following reasons:

	Year Ended May 31, 2024	Year Ended May 31, 2023
U.S. statutory rate	21.0 %	21.0 %
Impact of foreign operations	7.3	(6.0)
Change in valuation allowance	(2.2)	6.6
State and local income taxes	(0.1)	(0.1)
Additional accruals	1.9	0.5
Special deductions and credits	(3.3)	(2.3)
Other	(1.2)	(1.8)
Effective tax rate	23.4 %	17.9 %

Cargill, Incorporated and Subsidiaries

Note 26 Income Taxes (cont.)

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and liabilities are presented below:

	At May 31, 2024	At May 31, 2023
	(In millions)	
Deferred tax liabilities:		
Depreciation and amortization	$ 1,152	$ 1,159
Other	1,591	2,011
Total deferred tax liabilities	2,743	3,170
Deferred tax assets:		
Accrued expenses and other	1,510	1,944
Tax and capital loss carryforwards	2,066	1,853
Tax credits	231	229
Total deferred tax assets	3,807	4,026
Valuation allowance	(1,470)	(1,620)
Total deferred tax assets	2,337	2,406
Net deferred tax liabilities	$ (406)	$ (764)

The Company recognizes interest and penalties related to unrecognized tax benefits as a component of the Company's income tax provision. Interest and penalties accrued in the Consolidated Balance Sheets at May 31, 2024 and 2023, were $157 million and $108 million, respectively, and with the majority included in Other liabilities (long-term). For the years ended May 31, 2024 and 2023, the Company recognized an expense of $44 million and $36 million, respectively, in the accompanying Consolidated Statements of Earnings related to interest and penalties.

The Company operates in multiple tax jurisdictions, both within the U.S. and outside the U.S., and is subject to audits from various tax authorities. Resolution of any related tax issues through negotiations with tax authorities may take years to complete and it is difficult to predict the timing of the resolution. Although unpredictable, it is reasonably possible that the amount of the unrecognized tax benefit with respect to uncertain tax positions will increase or decrease during the next twelve months; however, Cargill does not currently expect any change to have a significant effect on the Consolidated Statements of Earnings or the Consolidated Balance Sheets. Cargill has filed a refund claim for its fiscal year ending May 31, 2016 that is currently under review by the IRS. The audit of fiscal years ended May 31, 2017 through May 31, 2019 is in progress. The Company has been notified by the IRS that it intends to open an examination cycle for its fiscal years ended May 31, 2021 through May, 31, 2023 within the next twelve months.

At May 31, 2024, the Company has net operating and capital loss carryforwards and tax credits of approximately $8,555 million and $231 million, respectively. Of the total loss carryforwards, $2,500 million expires in various years through 2043, and $6,055 million is available indefinitely. The majority of the tax credits are available indefinitely.

Cash paid for income taxes, net of refunds received, was $680 million and $1,333 million in the years ended May 31, 2024 and 2023, respectively.

Cargill, Incorporated and Subsidiaries

Note 26 Income Taxes (cont.)

The "Pillar Two model rules" as published by the Organization for Economic Cooperation and Development have been adopted in many countries where the Company operates. These rules, which are effective for the Company's fiscal years beginning on or after June 1, 2024, are designed to ensure large multinational enterprises pay a minimum level of income tax in each jurisdiction where they operate. In general, the "Pillar Two model rules" apply a system of top-up taxes to bring the enterprise's effective tax rate in each jurisdiction to a minimum of 15%. While we do not anticipate that these new rules will have a material impact on our tax provision or effective tax rate, we continue to monitor evolving tax legislation in the jurisdictions where we operate.

Note 27 Fair Value Measurements

Fair value is the price that would be received for an asset or paid to transfer a liability in the Company's principal or most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. The Company utilizes a fair value hierarchy that generally requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability and are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the entity's own assumptions based on market data and the entity's judgments about the assumptions that market participants would use in pricing the asset or liability, and are developed based on the best information available in the circumstances. The Company determines the fair value of derivatives, marketable securities and certain other assets and liabilities using the following fair value definition and hierarchy levels:

Level 1:Values based on unadjusted quoted prices in active markets that are accessible at the measurement date for identical assets or liabilities.

Level 2:Values based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, or model-based valuation techniques for which all significant assumptions are observable in the market.

Level 3: Values generated from model-based techniques that use significant assumptions not observable in the market. Commodity prices are based on a combination of futures exchange quoted prices, observable market prices obtained through publications, broker quotes, and/or recently reported transactions in the marketplace when available, and the Company's internally developed prices and option pricing models. Freight prices are based on observable market prices obtained through publications, broker quotes, and/or recently reported transactions in the marketplace when available, and internally developed prices. Internally developed prices and models reflect the Company's estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include use of option pricing models, discounted cash flow models and similar techniques.

The Company's assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the classification of fair value assets and liabilities within the fair value hierarchy levels.

Cargill, Incorporated and Subsidiaries

Note 27 Fair Value Measurements (cont.)

The following table sets forth, by level, the Company's assets and liabilities that were accounted for at fair value on a recurring basis as of May 31, 2024.

	May 31, 2024		
	Quoted prices in active markets for identical assets (Level 1)	**Significant other observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
Assets:		(In millions)	
Derivatives			
Commodity	$ 895	$ 1,574	$ 375
Foreign exchange	—	859	16
Freight	—	119	47
Interest rate	—	150	—
Other	—	21	—
Total derivatives	895	2,723	438
Cash and cash equivalents	338	—	—
Short-term investments			
Available for sale securities	—	40	—
Trading securities			
Debt securities	24	170	8
Equity securities	109	—	8
Investments and advances			
Available for sale securities	—	—	100
Total assets	$ 1,366	$ 2,933	$ 554
Liabilities:			
Derivatives			
Commodity	$ 1,988	$ 1,402	$ 164
Foreign exchange	—	672	5
Freight	—	169	79
Interest rate	—	106	—
Other	—	7	—
Total derivatives	1,988	2,356	248
Trading securities sold, not yet purchased			
Debt securities	—	17	—
Total liabilities	$ 1,988	$ 2,373	$ 248

Cargill, Incorporated and Subsidiaries

Note 27 Fair Value Measurements (cont.)

The following table sets forth, by level, the Company's assets and liabilities that were accounted for at fair value on a recurring basis as of May 31, 2023.

	May 31, 2023		
	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets:		(In millions)	
Derivatives			
Commodity	$ 1,107	$ 2,986	$ 524
Foreign exchange	—	1,257	5
Freight	—	173	209
Interest rate	—	220	—
Other	—	36	—
Total derivatives	1,107	4,672	738
Cash and cash equivalents	220	—	—
Short-term investments			
Available for sale securities	4	37	—
Other	—	7	—
Trading securities			
Debt securities	871	277	27
Equity securities	75	—	6
Investments and advances			
Available for sale securities	—	—	109
Total assets	$ 2,277	$ 4,993	$ 880
Liabilities:			
Derivatives			
Commodity	$ 1,571	$ 2,067	$ 160
Foreign exchange	—	859	16
Freight	—	134	31
Interest rate	—	149	—
Other	—	10	—
Total derivatives	1,571	3,219	207
Trading securities sold, not yet purchased			
Debt securities	—	22	—
Total liabilities	$ 1,571	$ 3,241	$ 207

Cargill, Incorporated and Subsidiaries

Note 27 Fair Value Measurements (cont.)

The Company uses the market approach valuation technique to measure the majority of its assets and liabilities carried at fair value. There were no significant changes in valuation techniques during the fiscal year.

The Company's derivative contracts that are measured at fair value include forward commodity purchase and sale contracts, exchange-traded commodity futures and option contracts, and Over-the-Counter (OTC) instruments related primarily to agricultural, metals and energy commodities, foreign currencies, freight and interest rates. Exchange-traded futures and options contracts are valued based on unadjusted quoted prices in active markets and are classified in Level 1. Fair value for forward commodity purchase and sale contracts is estimated primarily based on exchange-quoted prices adjusted for differences in local markets. These differences are generally valued using inputs from broker or dealer quotations or market transactions in either the listed or OTC markets. When observable inputs are available for substantially the full term of the asset or liability, the derivative contracts are classified in Level 2. When unobservable inputs have a significant impact on the measurement of fair value, the contract's fair value is classified in Level 3.

Based on historical experience with the Company's suppliers and customers, the Company's knowledge of current market conditions, and the Company's own credit risk, the Company does not view counterparty risk to be a significant input to fair value for the majority of its forward commodity purchase and sale contracts. However, in situations when the Company believes the counterparty risk to be a relevant input, the Company records estimated fair value adjustments and classifies the contracts in Level 2 or 3 in the fair value hierarchy depending on the significance of the adjustment. The fair value of derivatives is included in the Consolidated Balance Sheets in Accounts receivable, other long-term assets, accounts payable, or Other long-term liabilities. Changes in the fair market value of commodity-related derivatives are recognized in the Consolidated Statements of Earnings as a component of sales and other revenues or cost of sales and other revenues. Changes in the fair market value of foreign currency-related derivatives are recognized in the Consolidated Statements of Earnings as a component of sales and other revenues or cost of sales and other revenues. Changes in the fair market value of derivatives designated as cash flow hedges are recognized in the Consolidated Balance Sheets as a component of accumulated other comprehensive loss.

The Company's trading and available-for-sale securities are comprised of government treasury securities, obligations of government agencies, corporate and municipal debt securities, and equity investments. Treasury securities and certain publicly traded equity investments are valued using quoted market prices and are classified in Level 1. Obligations of government agencies, corporate and municipal debt securities, and certain equity investments are valued using third-party pricing services and substantially all are classified as Level 2. Security values that are determined using pricing models are classified in Level 3.

Cargill, Incorporated and Subsidiaries

Note 27 Fair Value Measurements (cont.)

The following table presents transfers into and out of Level 3 hierarchy, and purchases of Level 3 assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3): for the years ended May 31, 2024 and 2023, respectively.

	Derivatives (Net)			Trading securities	Investments and advances
	Commodity	Foreign exchange	Freight	Debt/Equity securities	Available for sale securities
			(In millions)		
Year Ended May 31, 2024					
Transfers into Level 3	$ 220	$ —	$ —	$ 3	$ —
Transfers out of Level 3	(23)	—	—	—	—
Purchases	9	1	—	—	10
Year Ended May 31, 2023					
Transfers into Level 3	$ (35)	$ —	$ —	$ —	$ —
Transfers out of Level 3	(1)	—	—	(10)	—
Purchases	54	3	—	8	16

Internal estimates are required when there is minimal to no observable market activity or because fair value calculations require significant adjustments to credit default risk. Transfers into or out of Level 3 hierarchy is primarily due to an increase or decrease in the use of internal estimates.

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Note 27 Fair Value Measurements (cont.)

The following table sets forth the Company's assets that were accounted for at fair value on a nonrecurring basis due to impairments or lower of cost or fair value measurements as of May 31, 2024 and 2023.

	At May 31,	
	2024	**2023**
	(In millions)	
Other current assets:		
Loans held for sale	$ 41	$ 26
Investment and advances	109	28
Intangibles	15	34
Other assets	—	3
Net Property	113	155
	$ 278	$ 246

Fair value for nonrecurring measurements is typically determined using a discounted cash flow approach, which is an income valuation technique. In addition, where market information is available, such as appraisals and bid solicitations or comparable transactions, the information was also considered in the determination of fair value. All nonrecurring fair value measurements are considered Level 3 measurements as of May 31, 2024 and 2023.

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities

Because of its global operations and financing activities, the Company is exposed to changes in agricultural commodity prices, transportation costs, foreign currency exchange rates, interest rates and energy costs which may affect results of operations and financial position. Derivative instruments are used for the purpose of managing the exposures associated with commodity prices, transportation costs, foreign currency exchange rates, interest rates and energy costs. While these hedging instruments are subject to fluctuations in value, those fluctuations are generally offset by the value of the underlying exposures being hedged.

While the hedging positions are intended to minimize the volatility on operating profits, occasionally the hedging activity can result in earnings volatility, some of which may be material. The counterparties to hedge instruments are primarily major financial institutions or, in the case of commodity futures and options, a commodity exchange. Certain hedges are executed through the over-the-counter market, and related counterparty exposure is managed through credit analysis and review by a credit committee. As a result, there is no concentration of credit risk arising from these contracts. The Company's finance and risk management committee supervises, reviews and periodically revises overall risk management policies and risk limits.

Commodity Derivatives

The Company operates in many areas of the food industry, from agricultural raw materials to the production and sale of food products. As a result, the Company purchases and produces various materials, many of which are agricultural commodities, including soybeans, soybean oil, soybean meal, sunflower seed, rapeseed or canola, wheat, corn, cotton, and cocoa beans. In addition, the Company consumes energy and metal commodities at its facilities. The Company also provides customers with risk management solutions for the aforementioned commodities. Agricultural, energy and metal commodities are subject to price fluctuations due to a number of unpredictable factors that may create price risk. The Company is subject to the risk of counterparty defaults on non-exchange traded contracts.

The Company enters into various derivative contracts, primarily purchase and sale contracts for physical delivery and exchange-traded futures and options, with the objective of managing exposure to adverse price movements in agricultural and metals commodities as well as energy costs related to operations. The Company has established policies that limit the amount of unhedged fixed-price commodity positions permissible for each business, which are a combination of quantity and value-at-risk limits. Net commodity positions are measured and reviewed on a daily basis.

Freight Derivatives

The market price for ocean freight varies depending on the supply and demand for ocean vessels, global economic conditions and other factors. The Company uses derivative financial instruments in its ocean freight operations, including forward freight agreements and voyage charter contracts to manage ocean freight costs.

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities (cont.)

Foreign Exchange Derivatives

The Company's global operations require active participation in foreign exchange markets. To reduce the risk arising from foreign exchange rate fluctuations, the Company follows a policy of hedging monetary assets and liabilities and commercial transactions with foreign currency exposure. The Company will enter into derivative financial instruments, such as forward contracts and swaps, and foreign currency options, to limit exposures to changes in foreign currency exchange rates with respect to foreign currency denominated assets and liabilities and local currency operating expenses. The Company may also hedge other foreign currency exposures as deemed appropriate. The Company uses foreign currency forwards, cross-currency swaps, and foreign denominated debt to hedge portions of the Company's net investment in foreign operations. The Company had $946 million and $981 million of pre-tax gains in AOCI related to net investment hedges at May 31, 2024 and 2023, respectively. For the years ended May 31, 2024 and 2023, gains of $89 million and $25 million, respectively, from the change in fair value of derivative components excluded from hedge effectiveness testing, were recorded as interest expense.

Interest Rate Derivatives

The Company uses various derivative instruments for trading purposes and to manage interest rate risk associated with outstanding or forecasted fixed- and variable-rate debt and debt issuances, including interest rate swaps, options, and futures as may be required. The interest rate swaps used as derivative hedging instruments have been recorded at fair value in the accompanying Consolidated Balance Sheets with changes in fair value recorded currently in earnings. Additionally, for interest rate swaps designated as fair value hedges pursuant to Topic 815, the carrying amount of the associated debt is adjusted through earnings for changes in the fair value due to changes in interest rates.

The majority of the Company's foreign currency exchange contracts, commodities contracts and freight contracts do not qualify for hedge accounting treatment; therefore, unrealized gains and losses are recorded in the Consolidated Statements of Earnings. Unrealized gains and losses on foreign currency exchange contracts related to inventory purchases, commodities contracts and certain forward freight agreements are recorded in cost of sales and other revenues in the Consolidated Statements of Earnings.

Notional Amounts

As of May 31, 2024 and 2023, the total absolute notional volume associated with the Company's outstanding derivative instruments is summarized below:

	At May 31,	
Derivative Category	**2024**	**2023**
	(In millions)	
Interest rate	$ 6,594	$ 6,971
Foreign exchange	83,766	83,971
Commodity	64,874	72,647
Freight	2,948	2,856
Other	434	465

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities (cont.)

Derivatives in the Financial Statements

The table below shows the unrealized gains and (losses) on derivative instruments related to interest rate contracts, foreign currency exchange contracts, commodity contracts and freight contracts.

Derivatives in the Consolidated Statements of Earnings

		Derivatives not designated as an accounting hedge	
		Year Ended May 31,	
Income location	**Type of derivative**	**2024**	**2023**
		(In millions)	
Sales and other revenues	Interest rate	$ (32)	$ 69
	Foreign exchange	(17)	28
	Commodity	(571)	(496)
	Other	(17)	17
Expense location			
Cost of sales and other revenues	Foreign exchange	(36)	(209)
	Commodity	(1,281)	(1,639)
	Freight	(276)	537
Selling, general and administrative	Foreign exchange	(1)	—
Other expense, net	Foreign exchange	(103)	93

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities (cont.)

Amounts below are derivative assets and liabilities, on a gross basis, prior to the offsetting of amounts where legal right of offset exists.

Derivatives in the Consolidated Balance Sheets

		May 31, 2024		May 31, 2023	
	Type of derivative	**Derivatives not designated as an accounting hedge**	**Derivatives designated as an accounting hedge**	**Derivatives not designated as an accounting hedge**	**Derivatives designated as an accounting hedge**
		(In millions)			
Asset location					
Accounts receivable, notes receivable and accrued income, net	Interest rate	$ 18	$ 5	$ 36	$ —
	Foreign exchange	667	7	977	38
	Commodity	2,742	—	4,249	—
	Freight	150	—	335	—
	Other	19	—	31	—
Other assets (long term)	Interest rate	127	—	184	—
	Foreign exchange	39	162	86	161
	Commodity	102	—	368	—
	Freight	16	—	47	—
	Other	2	—	5	—
Liability location					
Accounts payable and accrued expenses	Interest rate	$ 95	$ 11	$ 134	$ 15
	Foreign exchange	644	33	849	26
	Commodity	3,554	—	3,798	—
	Freight	248	—	165	—
	Other	7	—	10	—

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities (cont.)

Master Netting and Collateral Arrangements

In connection with its derivative activities, the Company may enter into master netting arrangements and collateral arrangements with its counterparties. These agreements provide the Company with the right, in the event of a default by the counterparty (such as bankruptcy or a failure to pay or perform), to net a counterparty's rights and obligations under the agreement and to liquidate and set-off collateral against any net amount owed by the counterparty. The following tables present information about the offsetting of derivative instruments and related collateral amounts. Amounts not offset in the Consolidated Statements of Earnings meeting the offsetting guidance were immaterial as of May 31, 2024 and 2023.

	May 31, 2024		
Offsetting arrangements	**Gross amounts [1]**	**Amounts offset in the Consolidated Balance Sheet [2]**	**Net amounts presented in the Consolidated Balance Sheet**
		(In millions)	
Assets			
Short-term derivatives	$ 3,608	$ 1,710	$ 1,898
Long-term derivatives	448	339	109
Margin deposits	2,952	1,606	1,346
Total assets	$ 7,008	$ 3,655	$ 3,353
Liabilities			
Short-term derivatives	$ 4,592	$ 3,075	$ 1,517
Margin deposits	675	580	95
Total liabilities	$ 5,267	$ 3,655	$ 1,612

(1) Amounts include all derivative instruments and margins irrespective of whether there is a legally enforceable master netting arrangement in place.

(2) Amounts relate to legally enforceable master netting arrangements and collateral arrangements and are reported on a net basis in the Consolidated Balance Sheets when criteria are met in accordance with applicable offsetting accounting guidance.

Cargill, Incorporated and Subsidiaries

Note 28 Derivative Instruments and Hedging Activities (cont.)

	May 31, 2023					
Offsetting arrangements	**Gross amounts [1]**		**Amounts offset in the Consolidated Balance Sheet [2]**		**Net amounts presented in the Consolidated Balance Sheet**	
			(In millions)			
Assets						
Short-term derivatives	$	5,666	$	2,339	$	3,327
Long-term derivatives		851		467		384
Margin deposits		1,731		1,137		594
Total assets	$	8,248	$	3,943	$	4,305
Liabilities						
Short-term derivatives	$	4,997	$	3,100	$	1,897
Margin deposits		984		843		141
Total liabilities	$	5,981	$	3,943	$	2,038

(1) Amounts include all derivative instruments and margins irrespective of whether there is a legally enforceable master netting arrangement in place.

(2) Amounts relate to legally enforceable master netting arrangements and collateral arrangements and are reported on a net basis in the Consolidated Balance Sheets when criteria are met in accordance with applicable offsetting accounting guidance.

Credit-Risk-Related Contingent Features

Certain derivative instruments contain provisions that require the Company to post collateral. These provisions also state that if the Company's long-term debt were to be rated below investment grade, certain counterparties to the derivative instruments could request full collateralization on derivative instruments in net liability positions. The aggregate fair value of all derivative instruments with credit-risk-related contingent features that were in a liability position on May 31, 2024 and 2023, was $8 million and $11 million, respectively. At May 31, 2024 and 2023, the Company has posted no cash collateral in the normal course of business associated with these contracts. If the credit-risk-related contingent features underlying these agreements were triggered on May 31, 2024 and 2023, the Company would be required to post up to an additional $8 million and $11 million, respectively, of collateral assets, which would be cash collateral to the counterparties.

Cargill, Incorporated and Subsidiaries

Note 29 Leases

The Company leases land, buildings, storage facilities, barges, railcars, vehicles, and various machinery and equipment. The Company also has long-term ocean freight supply agreements which contain the right to use ocean vessels for the purpose of transporting agricultural and other commodities for the Company and our customers.

At the inception of the contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration. Some of the lease contracts contain renewal options exercisable by the Company before the end of the non-cancellable contract period. If a renewal option is reasonably certain to be exercised, the additional terms are used when calculating the asset and liability balances. The Company assesses at the lease commencement whether it is reasonably certain to exercise the renewal options. The Company also reassesses whether it is reasonably certain to exercise the renewal options if there is a significant event or change in circumstances within its control. The Company has elected not to recognize right-of-use assets and liabilities for leases with a term of 12 months or less.

Certain leases include index and non-index escalation clauses and options to purchase the leased asset. Some of the Company's lease agreements related to rail cars, barges, ocean vessels, and vehicles contain residual value guarantees. None of the Company's lease agreements contain material restrictive covenants.

The Company has elected not to separate non-lease components from lease components for the majority of asset types, with the exception of ocean vessels and other assets operated by a third party.

The lease liability is initially measured at the present value of future lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if the rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Certain of the Company's ocean freight supply agreements as well as land leases for the production of crops include rental payments that are variable in nature. Variable payments under ocean freight supply agreements are dependent on a daily index rate which may move up or down depending on market conditions. Payments under land leases for crop production may be dependent on the quantity of crops produced. Payments based on an index are included in the calculation of the lease asset and liability at the transition or inception date of the associated lease. Non-index based variable payments and subsequent changes in index based payments are not reflected in the lease asset and liability and recorded in earnings in the period in which the adjustment occurs.

Cargill, Incorporated and Subsidiaries

Note 29 Leases (cont.)

The following tables sets forth the amounts relating to the Company's total lease cost and other information:

	Year Ended May 31,	
	2024	**2023**
Lease cost	(in millions)	
Operating lease cost	$ 1,072	$ 1,290
Finance lease cost:		
Amortization of right-of-use assets	84	128
Interest on lease obligations	8	12
Short-term lease cost	1,396	1,982
Variable lease payment adjustment	85	(126)
Total lease cost	$ 2,645	$ 3,286

	Year Ended May 31,	
Other information	**2024**	**2023**
Cash paid for amounts included in the measurement of:		
Operating lease liabilities	$ 1,084	$ 1,335
Financing lease liabilities	91	135
Right-of-use assets obtained in exchange for new:		
Operating lease liabilities	575	656
Financing lease liabilities	5	24
Weighted average remaining lease term:		
Operating lease liabilities	7 years	7 years
Financing lease liabilities	4 years	6 years
Weighted-average discount rate:		
Operating lease liabilities	4.0 %	3.0 %
Financing lease liabilities	3.0 %	3.0 %

Cargill, Incorporated and Subsidiaries

Note 29 Leases (cont.)

Maturities of operating and finance lease liabilities as of May 31, 2024, were as follows:

	Operating Leases	Financing Leases
Years ending May 31	(in millions)	
2025	$ 926	$ 53
2026	506	37
2027	321	13
2028	188	2
2029	126	1
Thereafter	588	11
Total lease payments	2,655	117
Less interest	319	7
Present value of lease liabilities	$ 2,336	$ 110

The Company has additional freight supply agreements for ocean vessels, that have not commenced as of May 31, 2024, of $483 million. These leases are excluded from the maturity table above and will generally commence in the next twelve months, with lease terms of up to 14 years.

Supplemental balance sheet information for operating leases is as follows:

		At May 31,	
Operating leases	**Balance sheet location**	**2024**	**2023**
		(In millions)	
Assets			
Operating right-of-use assets	Other assets	$ 2,376	$ 2,342
Liabilities			
Current lease liabilities	Accounts payable, accrued expense and other	859	828
Non-current lease liabilities	Other liabilities	1,477	1,466

Cargill, Incorporated and Subsidiaries

Note 30 Net Earnings Per Share

The following is a reconciliation of basic net earnings per share to diluted net earnings per share:

	Year Ended May 31, 2024	2023
	(Shares in millions)	
Basic net earnings per share	$ 3.50	$ 5.43
Average shares outstanding – basic	708	709
Shares from assumed stock option exercises and issuance of stock grants	3	5
Adjusted average shares outstanding – diluted	711	714
Diluted net earnings per share	$ 3.48	$ 5.40

Note 31 Accumulated Other Comprehensive Loss

The following provides the components of accumulated other comprehensive loss:

	Foreign currency translation adjustments	Unrealized loss on securities	Unrealized gain (loss) on cash flow hedges	Pension & other post-retirement benefits liability adjustments	Accumulated other comprehensive loss
			(In millions)		
Balance at May 31, 2022	(1,563)	3	40	(865)	(2,385)
Current-period other comprehensive income (loss)	(730)	(1)	35	(52)	(748)
Amounts reclassified to earnings	(1)	—	(3)	(1)	(5)
Tax effect	(13)	—	(8)	18	(3)
Balance at May 31, 2023	(2,307)	2	64	(900)	(3,141)
Current-period other comprehensive income (loss)	(91)	—	32	(169)	(228)
Amounts reclassified to earnings	25	—	(6)	1	20
Tax effect	14	—	(6)	40	48
Balance at May 31, 2024	$ (2,359)	$ 2	$ 84	$ (1,028)	$ (3,301)

The Company’s accounting policy is to release the income tax effects from AOCI in the period when the corresponding unit of account is liquidated, sold, or extinguished.

Cargill, Incorporated and Subsidiaries

Note 31 Accumulated Other Comprehensive Loss (cont.)

The Company uses foreign denominated debt, cross-currency swaps, and foreign currency forwards to hedge portions of the Company's net investment in foreign operations. For hedges that meet the effectiveness requirements, the net gains or losses are recorded in foreign currency translation adjustments within accumulated other comprehensive loss.

Note 32 Contingencies and Commitments

Contingencies

The Company and its subsidiaries have various legal actions, claims and proceedings pending against them including those arising from product defects, employment-related matters, intellectual property and governmental regulations. Further, the Company has been, is currently and expects to be in the future, subject to inquiries from federal, state or foreign governments and their departments and agencies.

The Company has established reserves for matters in which losses are probable and can be reasonably estimated. Cargill does not expect the outcome of these matters, net of established reserves, to have a material adverse effect on the Company's consolidated financial statements. However, due to their inherent uncertainty, there can be no assurance as to the ultimate outcome of current or future litigation, proceedings, investigations or claims and it is possible that a resolution of one or more such proceedings could result in judgments, awards, fines and penalties that could adversely affect our business or consolidated financial statements.

Six class actions and more than eighty individual actions have been filed in the United States, and two class actions in Canada, alleging that Cargill and Cargill Meat Solutions (CMS), a wholly owned subsidiary of the Company, along with other companies in the beef industry, conspired to suppress slaughter volumes of fed cattle, resulting in lower prices paid to cattle producers and higher prices charged to consumers of beef products. Cargill and CMS were also notified of a civil investigation by the US Department of Justice and approximately thirty state attorneys into the same conduct at issue in the civil litigation. Cargill has cooperated in the investigation and has provided all of the requested information and interviews. While it is reasonably possible that these matters may have a material impact on our consolidated financial statements, the Company does not believe a material loss is probable or reasonably estimable at this time because the Company believes that it has valid and meritorious defenses against the allegations. Additionally, the classes have not yet been defined or certified by the court.

The Company and its subsidiaries are contingently liable for guaranteed obligations of third parties and non-consolidated investments totaling $1,338 million, of which $896 million is outstanding at May 31, 2024. No liability has been recorded related to these guarantees as payment is not deemed probable.

Cargill, Incorporated and Subsidiaries

Note 32 Contingencies and Commitments (cont.)

Commitments

The Company and its subsidiaries have performance guarantees of $205 million and outstanding letters of credit issued by banks of $978 million for the purchase of commodities, margin deposit requirements, and other purposes at May 31, 2024.

The Company has approved capital expenditures aggregating $2,644 million at May 31, 2024, for the future purchase or construction of property, plant and equipment and for the acquisition of other businesses.

The Company has entered into a put option with the other shareholder of Teys, a nonconsolidated joint venture investment, and may be required to purchase an additional 50% ownership interest. The redemption value of the put option as of May 31, 2024 was $611 million, which is exercisable for 30 days after the Teys annual audited consolidated financial statements are made available to the Teys Board of Directors.

Note 33 Ukraine and Russia Operations

In February 2022, Russian forces invaded Ukraine disrupting business operations in the region as well as global supply chains. Cargill has operations in both countries, which represented 2% or less of total sales, before elimination of intercompany accounts, for the years ended May 31, 2024 and 2023 and approximately 2% of Cargill's consolidated net assets as of May 31, 2024. Operations in Ukraine were limited to grain exports via rail, truck, and barge due to safety concerns until August 2022 when Cargill resumed exporting grain through Ukraine ports under the Black Sea Grain Initiative. This grain export agreement between Ukraine, Russia, Turkey and the United Nations continued until Russia ended its participation in July 2023. As a result, Cargill's grain origination and export activity in Ukraine was again limited until an alternative Black Sea export route became available in November 2023. Cargill will continue to use this route as long as it remains safe. Russian operations have been scaled back since February 2022, operating only essential food and feed facilities. Cargill has stopped elevating Russian grain for export after the completion of the 2023 season. However, Cargill continues shipping grain from Russia to destination markets. As a result of this decision, the Company's Russian port assets were written down to fair value less cost to sell in the third quarter of fiscal year 2023. Cargill's other Russian essential food and feed activities, including starch and sweeteners, oils and fats, and animal feed are not impacted by these changes.

The Company continues to review the recoverability of its Ukrainian and Russian assets and concluded that all assets were recoverable as of May 31, 2024.

As the outcome, duration and intensity of the ongoing war remain uncertain, the continuation or escalation of the conflict could have a material adverse effect on Cargill's consolidated financial results.

Cargill, Incorporated and Subsidiaries

Note 34 Subsequent Events

Cargill has evaluated subsequent events through July 25, 2024 which is the date these consolidated financial statements were available to be issued.

On July 9, 2024, a dividend of $0.3125 per share was declared for the shareholders of record on August 29, 2024 for the common, ESOP, management and retiree classes of stock.

Skattedirektoratet

Saksbehandler
Torstein Kinden Helleland

Telefon
22078139

Deres dato
16.12.2015

Deres referanse

Vår dato
05.01.2016

Vår referanse
2016/3546

CARGILL NORWAY HOLDING AS
c/o Deloitte Advokatfirma AS
Postboks 221 Sentrum
0103 OSLO

Fritak for konsernregnskapsplikt for morselskap i underkonsern, Cargill Norway Holding AS, org. nr. 914 992 990

Vi viser til deres brev av 16. desember 2016 hvor dere søker om fritak for konsernregnskapsplikt for morselskap i underkonsern for Cargill Norway Holding AS.

Cargill Norway Holding AS er eid av Cargill Inc (USA). Cargill Inc utarbeider årlig konsernregnskap på engelsk basert på US GAAP. ~~Dette konsernregnskapet inkluderer ABG Scandinavia AS med datterselskaper.~~

Skattedirektoratet finner med hjemmel i regnskapsloven av 17. juli 1998 nr. 56 § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for Cargill Norway Holding AS. Det forutsettes at Cargill Inc utarbeider konsernregnskap som omfatter det norske underkonsernet. Det legges til grunn at dette konsernregnskap er utarbeidet i samsvar med USGAAP og at kravene i regnskapsloven § 3-7 med forskrifter forøvrig følges. Bestemmelsene i regnskapsloven kapittel 8 med tilhørende forskrift gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 07.09.2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten å være på norsk, kan være på svensk, dansk eller engelsk.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet mv. Det påligger den regnskapspliktige å dokumentere ved dette brevet at tillatelse er gitt.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60

Skattedirektoratet

Saksbehandler	Deres dato	Vår dato
Torstein Kinden Helleland	08.03.2016	27.04.2016
Telefon	Deres referanse	Vår referanse
22078139	Einar Wathne	2016/212279

EWOS AS
Postboks 4 Sentrum
5803 BERGEN

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk

Vi viser til deres brev av 8. mars 2015 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for følgende selskaper;

Cargill Norway Holding AS	org.nr. 914 992 990
Cargill Norway AS	org.nr. 914 993 024
EWOS AS	org.nr. 979 184 832
Statkorn Aqua AS	org.nr. 976 527 623

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering de overnevnte selskaper dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn
Cargill Norway Holding AS er norsk konsernspiss i et underkonsern. Cargill Norway Holding AS er eiet av det amerikanske selskapet Cargill Inc. Konsernet produserer fiskefor til oppdretts-næringen. To av konsernselskapene har tidligere fått tillatelse til å benytte engelsk språk. Arbeidsspråket er engelsk. Selskapene opererer i en internasjonal bransje hvor alle sentrale aktører og samarbeidspartnere behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

Skattedirektoratets vurdering
Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Postadresse
Postboks 9200 Grønland
0134 Oslo

Besøksadresse:
Se www.skatteetaten.no
Org.nr: 996250318
E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60

> *"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."*

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapene er eiet av et utenlandsk selskap. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Videre er det vektlagt at selskapet driver virksomhet i en internasjonal bransje der alle sentrale aktører behersker og benytter engelsk språk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer

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To the General Meeting of Cargill Norway Holding AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Cargill Norway Holding AS (the Company), which comprise the balance sheet as at 31 May 2024, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 May 2024, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

KPMG

an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Bergen, 2 Desember 2024

KPMG AS

Knut Olav Karlsen
State Authorised Public Accountant
(This document is signed electronically)

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Karlsen, Knut Olav
Partner
On behalf of: KPMG AS
Serial number: no_bankid:9578-5993-4-2537194
IP: 80.232.xxx.xxx
2024-12-02 15:59:32 UTC

Financial Statements

Cargill Norway Holding AS

1.6.2023 - 31.5.2024

Registration No. 914 992 990

Cargill Norway Holding AS

Annual Report – May 2024

Operation and Location

Cargill Norway AS' registered office is at Thormøhlens gate 51B, N-5006 Bergen, Norway.

Cargill Norway Holding AS is a wholly owned subsidiary of Cargill International Luxembourg 3 S a.r.l. and aims to invest in securities and managing these investments.

Cargill has more than 150 years of experience in providing food, agriculture, financial and industrial products and services to the world. With over 150,000 employees in 70 countries Cargill is committed to feeding the world in a responsible way, reducing environmental impact and improving the communities where they operate.

The Company is exposed to various risks of operational and financial nature. The Board of Directors has established a framework for risk management and value creation to ensure that the Company has good internal controls and appropriate systems for risk management adapted to the nature of and the risks related to its operations and finance.

Annual Financial Statements

Cargill Norway Holding AS reported a loss before tax of 0,5 million NOK for year ending 31st May 2024 compared to a loss in the prior fiscal year of 60,5 million NOK.

The company's total assets as at 31st May 2024 had a balance of 11 785 million NOK compared to 11 785 million NOK as at 31st May 2023.

Total fixed assets at year end 2024 was 11 784 million NOK of which 11 750 million NOK was investment in subsidiaries and 35 million NOK was deferred tax asset. Total current assets at year end 2024 was 0,7 million NOK. The prior financial year for the same balances reflect as follows: total fixed assets were 11 784 million NOK, investment in subsidiary 11 750 million NOK, deferred tax asset 35 million NOK and total current assets were 0,8 million NOK.

The total equity balance as at 31st May 2024, was 11 705 million NOK whilst for the fiscal year ended 31st May 2023 it was 11 706 million NOK.

The total liabilities was 80 million NOK for the 2024 fiscal year compared with 79 million NOK for the fiscal year 2023. Long term debt for was 0 million NOK for the 2024 fiscal year compared to 0 million NOK prior fiscal year. Totalt current debt was 80 million NOK compared to 79 million NOK prior fiscal year.

Net cash flow from operations for 2024 was 0,6 million NOK compared to 7 million NOK prior fiscal year, driven by changes in accounts receivables and short term debt. Net cash flow from investments and fincance for 2024 was 0,6 million NOK compared to 7 million NOK prior fiscal year. Total bank deposit and cash at financial year end 2024 was zero compared to 5 thousend NOK prior fiscal year.

The current fiscal year runs from 1st June 2023 until 31st May 2024 and is comparable to the prior financial year.

Inclusion and Diversity

Cargill is committed to creating and sustaining an inclusive and diverse work environment where all employees are treated with dignity and respect. It is further committed to the principles of equal employment opportunity, complying with affirmative action obligations, and providing employees with a professional work environment free from discrimination and harassment. Cargill's purpose is to be the global leader in nourishing the world in a safe, responsible and sustainable way. Diversity, Equity and Inclusion are key enablers to achieving this purpose and help us to be the most trusted partner in agriculture, food, and nutrition. Cargill has committed to achieve gender parity at all levels of corporate leadership by 2030. Gender parity is just one aspect of Cargill's Diversity, Equity and Inclusion (DEI) strategy, which was introduced in 1999 and updated in 2017 with "equity" added to the commitment. Equity means fair treatment and access to opportunity for all and goes beyond equal opportunity.

Cargill Norway AS company has no employees. The board of directors comprises two members who are one male and one female.

External Environment

Cargill aims to be the most trusted partner in agriculture, food and nutrition. With global presence, market expertise and supply chain capabilities, Cargill is committed to creating a more sustainable, food-secure future. Our customers and communities trust Cargill for solutions that will nourish the world and protect the planet, ensuring current and future generations will *thrive.*

The company has no activities with an environment impact and no research and development acitivites.

Going Concern

In accordance with the Accounting Act § 3-3, we confirm that the financial statements have been prepared under the assumption of going concern. The basis for this is the company's financial position and its long-term strategic plans.

Bergen, Norway 26st November 2024

Signed by: Mohamed Bokhizzou E446DA2255A9429	Signed by: Kjartan Mæstad 04FCA8C370434B4
Mohammed Bokhizzou	Kjartan Mæstad
Chairman of the Board	Director/Board member

INCOME STATEMENT

Cargill Norway Holding AS

Amounts in TNOK	Note	2024	2023
Operating income and operating expenses			
Other expenses	2, 3	638	1 243
Total expenses		**638**	**1 243**
Operating profit		**-638**	**-1 243**
Financial income and expenses			
Other financial income		12	125
Interest expense to group companies	3	21	58 969
Other financial expenses		50	584
Net financial items		**-59**	**-59 428**
Net profit before tax		-697	-60 671
Income tax expense	4	-153	-212
Net profit after tax		**-544**	**-60 460**
Net profit or loss		**-544**	**-60 460**
Attributable to			
Transferred from other equity	7	544	60 460
Total		**-544**	**-60 460**

STATEMENT OF FINANCIAL POSITION

Cargill Norway Holding AS

Amounts in TNOK	Note	2024	2023
Assets			
Non-current assets			
Deferred tax assets	4	34 747	34 594
Total intangible assets		**34 747**	**34 594**
Non-current financial assets			
Investments in subsidiaries	5	11 749 704	11 749 704
Total non-current financial assets		**11 749 704**	**11 749 704**
Total non-current assets		**11 784 451**	**11 784 297**
Current assets			
Other short-term receivables	6	671	782
Total receivables		**671**	**782**
Cash and cash equivalents		-	5
Total current assets		**671**	**787**
Total assets		**11 785 121**	**11 785 084**

STATEMENT OF FINANCIAL POSITION

Cargill Norway Holding AS

Amounts in TNOK	Note	2024	2023
Equity and liabilities			
Paid in capital			
Share capital		1 530 000	1 530 000
Share premium reserve		12 618 673	12 618 673
Total paid in capital		**14 148 673**	**14 148 673**
Retained earnings			
Other equity		-2 443 521	-2 442 977
Total retained earnings		**-2 443 521**	**-2 442 977**
Total equity	**7, 8**	**11 705 153**	**11 705 696**
Liabilities			
Current liabilities			
Other current liabilities	6	79 968	79 387
Total current liabilities		**79 968**	**79 387**
Total liabilities		**79 968**	**79 387**
Total equity and liabilities		**11 785 121**	**11 785 084**

Bergen, 26.11.2024
The board of Cargill Norway Holding AS

Signed by:
Mohamed Bokhizzou
Mohamed Bokhizzou
Chairman of the board

Signed by:
Kjartan Mæstad
Kjartan Mæstad
Member of the board

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Cash flow statement

(TNOK)

	Note	01.06.23 - 31.05.24	01.06.22 - 31.05.23
Cash flow from operations			
Operating profit		- 638	- 1 243
Net interest expense and other financial income		- 38	- 459
Change in other current assets and liabilities		72	- 5 726
Net cash flows from operations		**- 604**	**- 7 428**
Cash flow from financing activities			
Change in cashpool and group financing		600	- 165 572
Inflow due to capital infusion		-	173 000
Net cash flow from financing activities		**600**	**7 428**
Net change in bank deposits, cash and equivalents		- 5	-
Bank deposits, cash and equivalents at 1 june		5	5
Bank deposits, cash and equivalents at 31 May		**0**	**5**

Note 1 General information and accounting principles

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles.

Consolidated accounts
The Company's ultimate parent company, Cargill Incorporated, prepare consolidated accounts which include Cargill Norway Holding AS and its subsidiaries. The foreign consolidated financial statements are available from Cargill Norway Holding AS, Thormøhlens gate 51, 5006 Bergen.

Operating income and expenses
In principle, sales costs and other expenses are recognized in the same period as the related income. Where there is no clear correlation between an acquisition and the related revenue a depreciation over the asset's useful lifetime of the company. Where the acquisition can not be activated because of a materiality consideration or short lifetime the cost is recognized in the income statement at the acquisition date. Other exceptions to the matching principle are specified where applicable.

Valuation & classification of assets and liabilities
Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Foreign currency
All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date. All items in foreign currencies in the income statement are translated into NOK at the exchange rate prevailing at the date of the transaction.

Shares in subsidiaries and associates
Subsidiaries and investments in associates are carried at cost in the parent company accounts. A write-down to recoverable amount will be performed if the impairment is not considered to be temporary, and an impairment charge is deemed necessary according to generally accepted acccounting principles. Dividends and group contributions are recognised as other financial income. Dividends and other contributions from subsidiaries are recognised when the motion is carried.

Receivables
Trade receivables and other receivables are carried at face value less an allowance for expected losses. An estimate is made for doubtful debts based on a review of all amounts outstanding at the balance sheet date.

Cash and cash equivalents
Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

Taxes
Taxes in the income statement include tax payable and changes in deferred tax. Deferred tax is calculated at 22 % based on the temporary differences between accounting and tax values, as well as tax losses carried forward at the end of the fiscal year.

Taxable and deductible temporary differences that reverse or may reverse in the same period are offset and the tax effect is calculated on the netvalue.

Presentation
As of the financial statements for the period 01.06.2023 - 31.05.2024 all amounts are presented in thousands. Comparative figures have been adjusted accordingly.

Note 2 Wages, number of employees, benefits, loan to employees etc.

The company has no employees.

No payment has been made to members of the Board, and no guarantees have been made on behalf of the members of the Board.

TNOK	**01.06.2023-31.05.2024**	**01.06.2022-31.05.2023**
Statutory audit	49	84
Tax assistance	128	145
Other assurance services	24	29
Total	**201**	**257**

Note 3 Related party transactions

Type of transaction	**01.06.2023 -31.05.2024**	**01.06.2022 -31.05.2023**
Administrative expenses	218	177
Interest costs	-	55 067
Interest costs	21	3 902

All transaction with related parties have occurred in the normal course of operations and are measured at their fair value as determined by management, at an arm length basis.

Note 4 Tax

TNOK	**01.06.2023-31.05.2024**	**01.06.2022-31.05.2023**
Tax base calculation:		
Operating result before tax	-697	-60 671
Permanent differences	-	740
Interest limited from deduction	-	58 969
Allocation of loss to be brought forward	697	962
Tax base	-	-
Tax payable (22 %)	-	-
Payable tax on this year's result	-	-
Tax payable in balance sheet (22 %)	-	-
Income tax expenses:		
Income tax payable this year	-	-
Change in deferred tax	-153	-212
Tax on ordinary profit/(loss)	**-153**	**-212**

Deferred tax:
Differences to be balanced

	31.05.2024	**31.05.2023**
Interest limited from deduction	-1 520 879	-1 520 879
Loss carried forward	-157 941	-157 244
Temporary differences not recorded as an asset	1 520 879	1 520 879
Basis for deferred tax	-157 941	-157 244
Deferred tax (asset) (22 %)	**-34 747**	**-34 594**

The company assesses the probability of utilizing the interest limitation as low. Based on this, deferred tax asset relating to this tax position is not recognized.

The deferred tax benefit relating to net operating losses carried forward is included in the balance sheet on the basis of future income. The company is part of a tax group and is available to receive group contribution that will create taxable profit in appropriate periods.

Note 5 Investments in subsidiaries

Subsidiary	**Share capital (TNOK)**	**Number of shares**	**Net profit 2024 (*TNOK*)**	**Equity**	**Carrying amount (TNOK)**
Cargill Norway AS	2 679 810	30 000	-224	11 806 823	11 749 704

Management’s assessment is that there are no significant changes in market conditions related to increases in production costs or lower market prices for products sold by the subsidiaries that could lead to an impairment of shares in subsidiaries.

Note 6 Related party balances

Type of balance	01.06.2023 -31.05.2024	01.06.2022 -31.05.2023
Group contribution	669	669
Other ccurrent liability	79 084	79 084

No long-term debt as of 31.05.2024

Note 7 Equity

TNOK	Share capital	Other paid-in capital	Retained earnings	Total equity
Equity 31.05.2023	1 530 000	12 618 673	-2 442 977	11 705 696
Profit/loss for the financial year	-	-	-544	-544
Equity 31.05.2024	**1 530 000**	**12 618 673**	**-2 443 521**	**11 705 153**

Note 8 Share capital and shareholder information

Shares	Number of shares	Nominal amount	Carrying amount
Ordinary shares	30 000	51 000	*TNOK* 1 530 000

Ownership structure	Number of shares	Ownership	Voting share
Cargill International Luxembourg 3 S.á.r.l, Luxembourg	30 000	100 %	100 %

Control
The Company's ultimate parent company is Cargill Incorporated, Minneapolis, MN-55440 Minnesota, USA.