

LAND O'LAKES, INC.
CONSOLIDATED BALANCE SHEETS

	June 30, 2023	December 31, 2022
	<u>(Unaudited)</u>	
	(\$ in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 61,949	\$ 494,472
Receivables, net	2,656,460	2,470,740
Inventories	2,142,035	2,452,255
Prepaid assets	148,428	1,374,955
Other current assets	243,375	111,420
Total current assets	<u>5,252,247</u>	<u>6,903,842</u>
Investments	424,773	392,230
Property, plant and equipment, net	1,386,122	1,402,737
Goodwill	566,613	569,438
Other intangibles, net	290,900	309,842
Other assets	199,120	191,474
Total assets	<u>\$ 8,119,775</u>	<u>\$ 9,769,563</u>
LIABILITIES AND EQUITIES		
Current liabilities:		
Notes and short-term obligations	\$ 786,845	\$ 245,378
Current portion of long-term debt	33,314	33,004
Accounts payable	1,525,346	2,449,512
Customer advances	175,522	1,631,910
Accrued liabilities	1,221,243	966,804
Patronage refunds and other member equities payable	96,165	141,554
Total current liabilities	<u>3,838,435</u>	<u>5,468,162</u>
Long-term debt	789,032	792,648
Employee benefits and other liabilities	389,640	404,251
Commitments and contingencies	—	—
Equities:		
Preferred Stock	747,645	747,645
Common stock	921	935
Additional paid-in capital	302,457	303,306
Member equities	1,173,463	1,203,096
Retained earnings	1,038,123	997,154
Accumulated other comprehensive loss	(205,711)	(198,880)
Total Land O'Lakes, Inc. equity	<u>3,056,898</u>	<u>3,053,256</u>
Noncontrolling interests	45,770	51,246
Total equities	<u>3,102,668</u>	<u>3,104,502</u>
Total liabilities and equities	<u>\$ 8,119,775</u>	<u>\$ 9,769,563</u>

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
	(\$ in thousands)			
Net sales	\$ 4,113,565	\$ 4,863,806	\$ 8,831,943	\$ 9,883,845
Cost of sales	3,773,421	4,533,429	8,107,547	9,079,551
Gross profit	340,144	330,377	724,396	804,294
Selling, general and administrative	281,705	291,925	566,993	583,037
Earnings from operations	58,439	38,452	157,403	221,257
Interest expense, net	22,255	8,875	35,210	18,413
Other (income) expense, net	(4,927)	(581)	(4,927)	(6,276)
Equity in earnings of affiliated companies	(33,237)	(42,647)	(41,173)	(56,937)
Earnings before income taxes	74,348	72,805	168,293	266,057
Income tax expense	1,367	4,066	7,162	18,665
Net earnings	72,981	68,739	161,131	247,392
Less: net earnings attributable to noncontrolling interests	(670)	155	(146)	1,609
Net earnings attributable to Land O'Lakes, Inc.	<u>\$ 73,651</u>	<u>\$ 68,584</u>	<u>\$ 161,277</u>	<u>\$ 245,783</u>
Applied to:				
Member equities				
Allocated patronage	\$ 40,123	\$ 63,527	\$ 120,404	\$ 166,719
Deferred equities	(450)	(20,188)	(24,362)	(24,205)
	39,673	43,339	96,042	142,514
Retained earnings	33,978	25,245	65,235	103,269
	<u>\$ 73,651</u>	<u>\$ 68,584</u>	<u>\$ 161,277</u>	<u>\$ 245,783</u>

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS
(Unaudited)

	For the three months ended June 30,		For the six months ended June 30,	
	2023	2022	2023	2022
	(\$ in thousands)			
Net earnings	\$ 72,981	\$ 68,739	\$ 161,131	\$ 247,392
Other comprehensive earnings				
Pension and other postretirement adjustments, net of income taxes	485	2,850	970	5,700
Cash flow hedge adjustments, net of income taxes	1,768	2,273	73	8,587
Foreign currency translation adjustments, net of income taxes	(10,724)	(29,171)	(13,073)	(5,801)
Total other comprehensive (loss) earnings	(8,471)	(24,048)	(12,030)	8,486
Comprehensive earnings	64,510	44,691	149,101	255,878
Less: comprehensive earnings attributable to noncontrolling interests	(3,281)	(7,979)	(5,667)	(775)
Comprehensive earnings attributable to Land O'Lakes, Inc.	<u>\$ 67,791</u>	<u>\$ 52,670</u>	<u>\$ 154,768</u>	<u>\$ 256,653</u>

LAND O'LAKES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	For the six months ended June 30,	
	2023	2022
	(\$ in thousands)	
Cash Flows from operating activities:		
Net earnings	\$ 161,131	\$ 247,392
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation and amortization	117,871	122,512
Amortization of deferred financing costs	613	582
Non-cash patronage income	(14,527)	(4,221)
Deferred income tax expense	(1,232)	(4,238)
Equity in earnings of affiliated companies	(41,173)	(56,937)
Dividends from investments in affiliated companies	19,206	18,486
Other	9,596	(12,455)
Changes in assets and liabilities, net of acquisitions and divestitures:		
Receivables	(191,727)	(485,295)
Inventories	301,386	(362,386)
Prepays and other current assets	1,218,636	1,462,224
Accounts payable	(899,387)	(9,367)
Customer advances	(1,458,007)	(1,761,713)
Accrued liabilities	124,603	284,434
Other assets	(3,332)	(1,747)
Other liabilities	(12,525)	(26,931)
Net cash provided by operating activities	(668,868)	(589,660)
Cash Flows from investing activities:		
Additions to property, plant and equipment	(97,249)	(71,793)
Proceeds from sale of property, plant and equipment	8,778	11,429
Change in notes receivable	(17,935)	12,049
Other	(750)	(237)
Net cash used by investing activities	(107,156)	(48,552)
Cash Flows from financing activities:		
Increase (decrease) in short-term debt	553,658	396,661
Principal payments on long-term debt and finance lease obligations	(1,510)	(1,441)
Cash patronage and payments for redemption of member equities	(171,804)	(170,219)
Preferred stock dividends paid	(28,662)	(28,662)
Other	(4,040)	(30)
Net cash used by financing activities	347,642	196,309
Effect of exchange rate changes on cash and cash equivalents	(4,141)	(3,048)
Net decrease in cash and cash equivalents	(428,382)	(441,903)
Cash and cash equivalents at beginning of the period	494,472	506,792
Cash and cash equivalents at end of the period	\$ 61,949	\$ 61,841
Supplementary Disclosure of Cash Flow Information		
Cash paid during periods for:		
Interest	\$ 42,079	\$ 29,581
Income taxes	9,786	11,946