

Ingredion Incorporated
Condensed Consolidated Statements of Income
(dollars and shares in millions, except per share amounts)

	Three Months Ended December 31,		Change %	Twelve Months Ended December 31,		Change %
	2024	2023		2024	2023	
	(unaudited)	(unaudited)		(unaudited)	(unaudited)	
Net sales	\$ 1,800	\$ 1,921	(6%)	\$ 7,430	\$ 8,160	(9%)
Cost of sales	1,351	1,521		5,639	6,411	
Gross profit	449	400	12%	1,791	1,749	2%
Operating expenses	204	211	(3%)	782	789	(1%)
Other operating (income), net	(6)	(14)		(1)	(8)	
Restructuring/impairment charges	89	1		127	11	
Operating income	162	202	(20%)	883	957	(8%)
Financing costs	9	26		39	114	
Net gain on sale of business	—	—		(90)	—	
Other non-operating expense	1	—		3	4	
Income before income taxes	152	176	(14%)	931	839	11%
Provision for income taxes	55	43		277	188	
Net income	97	133	(27%)	654	651	—%
Less: Net income attributable to non-controlling interests	2	2		7	8	
Net income attributable to Ingredion	<u>\$ 95</u>	<u>\$ 131</u>	(27%)	<u>\$ 647</u>	<u>\$ 643</u>	1%

Earnings per common share attributable to Ingredion common shareholders:

Weighted average common shares outstanding:

Basic	65.2	65.4	65.5	66.0
Diluted	66.5	66.4	66.6	67.0

Earnings per common share of Ingredion:

Basic	\$ 1.46	\$ 2.00	(27%)	\$ 9.88	\$ 9.74	1%
Diluted	\$ 1.43	\$ 1.97	(27%)	\$ 9.71	\$ 9.60	1%

Ingredion Incorporated
Condensed Consolidated Balance Sheets
(dollars and shares in millions, except per share amounts)

As of December 31,	
2024	2023

Assets

Current assets:

Cash and cash equivalents

Short-term investments

Accounts receivable, net

Inventories

Prepaid expenses and assets held for sale

Total current assets

Property, plant and equipment, net

Intangible assets, net

Other non-current assets

Total assets

	(unaudited)	
\$	997	\$ 401
	11	8
	1,093	1,279
	1,187	1,450
	67	261
	3,355	3,399
	2,264	2,370
	1,264	1,303
	561	570
\$	7,444	\$ 7,642

Liabilities and stockholders' equity

Current liabilities:

Short-term borrowings

Accounts payable, accrued liabilities and liabilities held for sale

Total current liabilities

Long-term debt

Other non-current liabilities

Total liabilities

\$	44	\$ 448
	1,237	1,324
	1,281	1,772
	1,787	1,740
	486	480
	3,554	3,992

Share-based payments subject to redemption

Redeemable non-controlling interests

	60	55
	7	43

Ingredion stockholders' equity:

Preferred stock — authorized 25.0 shares — \$0.01 par value, none issued

Common stock — authorized 200.0 shares — \$0.01 par value, 77.8 issued at December 31, 2024 and 2023

Additional paid-in capital

Less: Treasury stock (common stock: 13.3 and 12.6 shares at December 31, 2024 and 2023) at cost

Accumulated other comprehensive loss

Retained earnings

Total Ingredion stockholders' equity

Non-redeemable non-controlling interests

Total stockholders' equity

Total liabilities and stockholders' equity

	—	—
	1	1
	1,152	1,146
	(1,355)	(1,207)
	(1,086)	(1,056)
	5,092	4,654
	3,804	3,538
	19	14
	3,823	3,552
\$	7,444	\$ 7,642

Ingredion Incorporated
Condensed Consolidated Statements of Cash Flows
(dollars in millions)

Year Ended December 31,

	2024	2023
	(unaudited)	
Cash from operating activities:		
Net income	\$ 654	\$ 651
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	214	219
Mechanical stores expense	62	62
Net gain on sale of business	(90)	—
Deferred income taxes	(15)	(6)
Impairment charges	109	10
Margin accounts	21	10
Changes in other trade working capital	396	67
Other	85	44
Cash provided by operating activities	<u>1,436</u>	<u>1,057</u>
Cash from investing activities:		
Capital expenditures and mechanical stores purchases	(301)	(316)
Proceeds from disposal of manufacturing facilities and properties	6	2
Proceeds from sale of business	255	—
Other	(7)	(15)
Cash used for investing activities	<u>(47)</u>	<u>(329)</u>
Cash from financing activities:		
Proceeds from borrowings, net	(17)	(229)
Commercial paper borrowings, net	(328)	(63)
Repurchases of common stock, net	(216)	(101)
Issuances of common stock for share-based compensation, net	46	20
Purchases of non-controlling interests	(40)	(2)
Dividends paid, including to non-controlling interests	(210)	(194)
Cash (used for) financing activities	<u>(765)</u>	<u>(569)</u>
Effect of foreign exchange rate changes on cash and cash equivalents	<u>(28)</u>	<u>6</u>
Increase in cash and cash equivalents	596	165
Cash and cash equivalents, beginning of period	401	236
Cash and cash equivalents, end of period	<u>\$ 997</u>	<u>\$ 401</u>

Ingredion Incorporated
Supplemental Financial Information
(Unaudited)
(dollars in millions, except for percentages)

I. Segment Information of Net Sales and Operating Income

Three Months Ended December 31,		Change	Change Excl. FX	Twelve Months Ended December 31,		Change	Change Excl. FX
2024	2023			2024	2023		

Net Sales:												
Texture & Healthful Solutions	\$	581	\$	578	1%	—%	\$	2,366	\$	2,460	(4%)	(3%)
Food & Industrial Ingredients – LATAM		584		642	(9%)	(4%)		2,450		2,633	(7%)	(6%)
Food & Industrial Ingredients – U.S./Canada		511		524	(2%)	(2%)		2,155		2,335	(8%)	(7%)
All Other		124		177	(30%)	(28%)		459		732	(37%)	(36%)
Total Net Sales	\$	1,800	\$	1,921	(6%)	(5%)	\$	7,430	\$	8,160	(9%)	(8%)
Operating Income (Loss):												
Texture & Healthful Solutions	\$	94	\$	76	24%	22%	\$	350	\$	394	(11%)	(11%)
Food & Industrial Ingredients – LATAM		121		125	(3%)	—%		483		452	7%	7%
Food & Industrial Ingredients – U.S./Canada		82		47	74%	74%		373		298	25%	26%
All Other		(4)		4	nm	nm		(22)		(2)	nm	nm
Corporate		(45)		(49)	8%	8%		(168)		(173)	3%	3%
Non-GAAP Adjusted Operating Income		248		203	22%	23%		1,016		969	5%	5%
Restructuring and resegmentation costs		(6)		—				(18)		(1)		
Impairment charges		(83)		(1)				(109)		(10)		
Other matters		3		—				(6)		(1)		
Total Operating Income	\$	162	\$	202	(20%)	(19%)	\$	883	\$	957	(8%)	(8%)

II. Non-GAAP Information

To supplement the consolidated financial results prepared in accordance with U.S. generally accepted accounting principles (“GAAP”), we use non-GAAP historical financial measures, which exclude certain GAAP items such as restructuring and resegmentation costs, net gain on sale of business, impairment charges, Mexico tax items, and other specified items. We generally use the term “adjusted” when referring to these non-GAAP amounts.

Management uses non-GAAP financial measures internally for strategic decision making, forecasting future results and evaluating current performance. By disclosing non-GAAP financial measures, management intends to provide investors with a more meaningful, consistent comparison of our operating results and trends for the periods presented. These non-GAAP financial measures are used in addition to and in conjunction with results presented in accordance with GAAP and reflect an additional way of viewing aspects of our operations that, when viewed with our GAAP results, provide a more complete understanding of factors and trends affecting our business. These non-GAAP measures should be considered as a supplement to, and not as a substitute for, or superior to, the corresponding measures calculated in accordance with GAAP.

Non-GAAP financial measures are not prepared in accordance with GAAP; so our non-GAAP information is not necessarily comparable to similarly titled measures presented by other companies. A reconciliation of each non-GAAP financial measure to the most comparable GAAP measure is provided in the tables below.

Ingredion Incorporated
Reconciliation of GAAP Net Income attributable to Ingredion and Diluted Earnings Per Share (“EPS”) to
Non-GAAP Adjusted Net Income attributable to Ingredion and Adjusted Diluted EPS
(Unaudited)

	Three Months Ended December 31, 2024		Three Months Ended December 31, 2023		Twelve Months Ended December 31, 2024		Twelve Months Ended December 31, 2023	
	(in millions)	Diluted EPS	(in millions)	Diluted EPS	(in millions)	Diluted EPS	(in millions)	Diluted EPS
Net income attributable to Ingredion	\$ 95	\$ 1.43	\$ 131	\$ 1.97	\$ 647	\$ 9.71	\$ 643	\$ 9.60
Adjustments:								
Restructuring and resegmentation costs (i)	4	0.06	1	0.02	13	0.20	1	0.02
Net gain on sale of business (ii)	—	—	—	—	(86)	(1.29)	—	—
Impairment charges (iii)	81	1.20	—	—	109	1.63	7	0.10
Other matters (iv)	(2)	(0.03)	—	—	5	0.07	1	0.01
Tax item – Mexico (v)	6	0.09	—	—	18	0.27	(15)	(0.22)
Other tax matters (vi)	(8)	(0.12)	(1)	(0.02)	4	0.06	(6)	(0.09)
Non-GAAP adjusted net income attributable to Ingredion	<u>\$ 176</u>	<u>\$ 2.63</u>	<u>\$ 131</u>	<u>\$ 1.97</u>	<u>\$ 710</u>	<u>\$ 10.65</u>	<u>\$ 631</u>	<u>\$ 9.42</u>

Net income and EPS may not sum or recalculate due to rounding.

Notes

- (i) During the three and twelve months ended December 31, 2024, we recorded pre-tax restructuring charges of \$6 million and \$18 million, respectively, primarily related to restructuring activities that occurred during the year and the resegmentation of the business that was effective January 1, 2024. During the three and twelve months ended December 31, 2023, we recorded pre-tax restructuring charges of \$1 million primarily related to the sale of the business in South Korea.
- (ii) During the twelve months ended December 31, 2024, we recorded pre-tax gains of \$90 million on the sale of the business in South Korea.
- (iii) During the three months ended December 31, 2024, we recorded pre-tax impairment charges of \$83 million, which primarily related to our plans to cease operations at our Vanscoy, Canada and Alcantara, Brazil manufacturing facilities. Also in 2024, we recorded pre-tax impairment charges of \$18 million to equity method investments and \$8 million related to the planned cessation of manufacturing operations in the United Kingdom.
- (iv) During the twelve months ended December 31, 2024, we recorded a pre-tax net charge of \$7 million for tornado damage incurred at a U.S. warehouse. During the twelve months ended December 31, 2023, we recorded pre-tax charges of \$5 million primarily related to the impacts of a U.S.-based work stoppage, which was partially offset by \$4 million of insurance recoveries.
- (v) Due to the impact the Mexican peso movement in value against the U.S. dollar has on the remeasurement of our Mexico financial statements, we recognized a tax provision of \$6 million and \$18 million for the three and twelve months ended December 31, 2024, respectively, and a tax benefit of \$15 million for the twelve months ended December 31, 2023.

- (vi) During the three and twelve months ended December 31, 2024, we recognized prior year tax contingencies and net liabilities, recapture of prior year U.S. tax benefits, and tax impacts of the above non-GAAP adjustments. These were partially offset by a benefit from our ability to realize tax loss carryforwards in Canada and interest on previously recognized tax benefits for certain Brazilian local incentives that were previously taxable.

Ingredion Incorporated
Reconciliation of GAAP Operating Income to Non-GAAP Adjusted Operating Income
(Unaudited)
(dollars in millions, pre-tax)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2024	2023	2024	2023
Operating income	\$ 162	\$ 202	\$ 883	\$ 957
Adjustments:				
Restructuring and resegmentation costs (i)	6	1	18	1
Impairment charges (iii)	83	—	109	10
Other matters (iv)	(3)	—	6	1
Non-GAAP adjusted operating income	<u>\$ 248</u>	<u>\$ 203</u>	<u>\$ 1,016</u>	<u>\$ 969</u>

For notes (i) through (iv), see notes (i) through (iv) included in the Reconciliation of GAAP Net Income attributable to Ingredion and Diluted EPS to Non-GAAP Adjusted Net Income attributable to Ingredion and Adjusted Diluted EPS.

Ingredion Incorporated
Reconciliation of GAAP Effective Income Tax Rate to Non-GAAP Adjusted Effective Income Tax Rate
(Unaudited)
(dollars in millions, except for percentages)

	Three Months Ended December 31, 2024			Twelve Months Ended December 31, 2024		
	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b/a)	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b/a)
As Reported	\$ 152	\$ 55	36.2%	\$ 931	\$ 277	29.8%
Adjustments:						
Restructuring and resegmentation costs (i)	6	2		18	5	

Net gain on sale of business (ii)	—	—		(90)	(4)	
Impairment charges (iii)	83	2		109	—	
Other matters (iv)	(3)	(1)		6	1	
Tax item – Mexico (v)	—	(6)		—	(18)	
Other tax matters (vi)	—	8		—	(4)	
Adjusted Non-GAAP	<u>\$ 238</u>	<u>\$ 60</u>	25.2%	<u>\$ 974</u>	<u>\$ 257</u>	26.4%

	Three Months Ended December 31, 2023			Twelve months ended December 31, 2023		
	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b/a)	Income before Income Taxes (a)	Provision for Income Taxes (b)	Effective Income Tax Rate (b/a)
As Reported	\$ 176	\$ 43	24.4%	\$ 839	\$ 188	22.4%
Adjustments:						
Restructuring and resegmentation costs (i)	1	—		1	—	
Impairment charges (iii)	—	—		10	3	
Other matters (iv)	—	—		1	—	
Tax item – Mexico (v)	—	—		—	15	
Other tax matters (vi)	—	1		—	6	
Adjusted Non-GAAP	<u>\$ 177</u>	<u>\$ 44</u>	24.9%	<u>\$ 851</u>	<u>\$ 212</u>	24.9%

For notes (i) through (vi), see notes (i) through (vi) included in the Reconciliation of GAAP Net Income attributable to Ingredion and Diluted EPS to Non-GAAP Adjusted Net Income attributable to Ingredion and Adjusted Diluted EPS.

Ingredion Incorporated

Reconciliation of Expected GAAP Diluted Earnings per Share (“GAAP EPS”)

to Expected Adjusted Diluted Earnings per Share (“Adjusted EPS”)

(unaudited)

	Expected EPS Range for Full-Year 2025	
	Low End of Guidance	High End of Guidance
GAAP EPS	\$ 10.75	\$ 11.55
Adjustments:		
Adjusted EPS	<u>\$ 10.75</u>	<u>\$ 11.55</u>

Above is a reconciliation of our expected full-year 2025 diluted EPS to our expected full-year 2025 adjusted diluted EPS. The amounts above may not reflect certain future charges, costs and/or gains that are inherently difficult to predict and estimate due to their unknown timing, effect and significance, such as acquisition and integration costs, impairment and restructuring costs, and certain other items that we generally exclude from our adjusted EPS guidance. For these reasons, we are more confident in our ability to forecast adjusted EPS than we are in our ability to forecast GAAP EPS.

Ingredion Incorporated
Reconciliation of Expected U.S. GAAP Effective Tax Rate (“GAAP ETR”)
to Expected Adjusted Effective Tax Rate (“Adjusted ETR”)
(unaudited)

	Expected Effective Tax Rate Range for Full-Year 2025	
	Low End of Guidance	High End of Guidance
GAAP ETR	26.0 %	27.5 %
Adjustments:		
Adjusted ETR	<u>26.0 %</u>	<u>27.5 %</u>