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*Horizon Farm Credit, ACA*  
**FIRST QUARTER 2026**

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**CERTIFICATION**

The undersigned certify that we have reviewed the March 31, 2026, quarterly report of Horizon Farm Credit, ACA, that the report has been prepared under the oversight of the Audit Committee of the Board of Directors and in accordance with all applicable statutory and regulatory requirements, and that the information contained herein is true, accurate, and complete to the best of our knowledge and belief.

/s/ Thomas H. Truitt, Jr.  
Chief Executive Officer

/s/ Brian E. Rosati  
Chief Financial Officer

/s/ Michael S. Nelson  
Chair of the Board

May 8, 2026

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*Horizon Farm Credit, ACA*

# Report on Internal Control Over Financial Reporting

The Association’s principal executives and principal financial officers, or persons performing similar functions, are responsible for establishing and maintaining adequate internal control over financial reporting for the Association’s Consolidated Financial Statements. For purposes of this report, “internal control over financial reporting” is defined as a process designed by, or under the supervision of the Association’s principal executives and principal financial officers, or persons performing similar functions, and effected by its Board of Directors, management, and other personnel. This process provides reasonable assurance regarding the reliability of financial reporting information and the preparation of the Consolidated Financial Statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Association, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial information in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Association, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Association’s assets that could have a material effect on its Consolidated Financial Statements.

The Association’s management has completed an assessment of the effectiveness of internal control over financial reporting as of March 31, 2026. In making the assessment, management used the framework in *Internal Control — Integrated Framework (2013)*, promulgated by the Committee of Sponsoring Organizations of the Treadway Commission, commonly referred to as the “COSO” criteria.

Based on the assessment performed, the Association’s management concluded that as of March 31, 2026, the internal control over financial reporting was effective based upon the COSO criteria. Additionally, based on this assessment, the Association’s management determined that there were no material weaknesses in the internal control over financial reporting as of March 31, 2026.

/s/ Thomas H. Truitt, Jr.  
Chief Executive Officer

/s/ Brian E. Rosati  
Chief Financial Officer

May 8, 2026

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*Horizon Farm Credit, ACA*

# Management's Discussion and Analysis of Financial Condition and Results of Operations

*(dollars in thousands)*

The following commentary reviews the financial condition and results of operations of Horizon Farm Credit, ACA (Association) for the period ended March 31, 2026, with comparisons to prior periods. These comments should be read in conjunction with the accompanying financial statements, notes to the financial statements and the 2025 Annual Report of the Association. The accompanying consolidated financial statements were prepared under the oversight of the Audit Committee of the Board of Directors.

## LOAN PORTFOLIO

The Association provides funds to farmers, rural homeowners and farm-related businesses for financing of short and intermediate-term loans and long-term real estate mortgage loans. The Association's loan portfolio encompasses a well-diversified range of agricultural commodities, including cash grains, dairy, livestock, poultry, forest products, various crops, as well as part-time farmers and rural home loans. In addition, the Association provides loans to lessors of agricultural real estate. Farm size varies and many of the borrowers in the region have diversified farming operations. This factor, along with the opportunities for non-farm income, impacts the level of dependency on any particular commodity.

The total loan volume of the Association as of March 31, 2026, was \$7,983,997 an increase of \$179,689 as compared to \$7,804,308 at December 31, 2025 driven by growth in the Local Service Area (LSA) and Capital Markets loan portfolios.

## ASSET QUALITY AND LOAN LOSS RESERVES

There is an inherent risk in the extension of any type of credit. Portfolio credit quality continues to be maintained at an acceptable level and credit administration remains satisfactory. Nonaccrual loans increased to \$69,700 at March 31, 2026 from \$60,541 at December 31, 2025. As a percent of total loans, nonaccrual loans were 0.87% and 0.78% at March 31, 2026 and December 31, 2025, respectively. Other property owned decreased to \$357 at March 31, 2026 (four properties) from \$647 at December 31, 2025 (five properties).

Association management maintains an allowance for credit losses (ACL) in an amount considered sufficient to absorb estimated current and expected credit losses over the financial assets expected life. The most significant component of the Association's ACL is the allowance for credit losses on loans (ACL). The ACL at March 31, 2026, was \$35,816 or 0.45% of total loans compared to \$32,341 or 0.41% of total loans at December 31, 2025. See further detail on the Association's ACL within the Association's Annual Report and discussion of significant provision for credit loss within the *Results of Operations* below.

## RESULTS OF OPERATIONS

### *For the three months ended March 31, 2026*

Net income for the three months ended March 31, 2026, was \$35,520, an increase of \$5,304 as compared to net income of \$30,216 for the same period ended in 2025. Major changes in the components of net income are identified as follows:

For the three months ended March 31, 2026, net interest income was \$54,313, an increase of \$3,727, and net interest margin was 2.82%, remaining unchanged compared to the same period ended in 2025. The change in net interest income is attributable to (a) a \$2,521 increase in net interest income recognized on nonaccruing loans, (b) a favorable variance of \$967 due to increased earnings on free cash held at the Bank, (c) a \$147 increase in net interest income from the amortization of GAAP fair market value adjustments booked in accordance with ASC 805, and (d) a \$92 increase resulting from changes in volume and interest rate due to a \$681 million increase in the average daily balance of accruing portfolio volume.

The provision for credit losses for the three months ended March 31, 2026, was \$3,628, an increase of \$305 from the provision for credit losses of \$3,323 for the same period ended during the prior year. The change was driven by a decline in credit quality and higher specific reserves primarily related to isolated financial distress in a large account, partially offset by favorable macroeconomic forecasts in the allowance model.

Noninterest income increased \$4,258 to \$19,018 during the first three months of 2026 compared with the first three months of 2025 primarily due to (a) an increase of \$2,337 in an insurance fund premium refund, (b) a \$999 increase in recognized gains largely attributable to the sale of a branch location, (c) a \$470 increase in patronage refunds from other Farm Credit institutions, and (d) a \$452 increase in fee-related and other noninterest income.

For the three months ended March 31, 2026, noninterest expense increased \$2,364 to \$33,933 compared with the first three months of 2025 primarily due to (a) a \$2,416 increase in purchased services primarily related to the cost of services provided by the Bank, (b) a \$428 increase in salaries and employee benefits, and (c) a \$153 increase in occupancy and equipment, and insurance fund premiums, partially offset by (d) a \$633 decrease in data processing, losses on other property owned, and other operating expenses.

## FUNDING SOURCES

The principal source of funds for the Association is the borrowing relationship established with AgFirst Farm Credit Bank (the Bank) through a General Financing Agreement. The General Financing Agreement utilizes the Association's credit and fiscal performance as criteria for establishing a line of credit on which the Association may draw funds. The Bank advances funds to the Association in the form of notes payable. The notes payable are segmented into variable rate and fixed rate sections. The variable rate note is utilized by the Association to fund variable rate loan advances and operating funds requirements. The fixed rate note is used specifically to fund fixed rate loan advances made by the Association. The total notes payable to the Bank at March 31, 2026, was \$6,717,441 as compared to \$6,596,628 at December 31, 2025.

## CAPITAL RESOURCES

Total members' equity at March 31, 2026, was \$1,353,549, an increase of \$32,173 from a total of \$1,321,376 at December 31, 2025. The increase in members' equity was primarily due to current year's net income, as well as a \$2,118 adjustment to the 2025 patronage distribution accrual. Total capital stock and participation certificates were \$21,904 on March 31, 2026, compared to \$23,315 on December 31, 2025. The \$1,411 decrease was mainly a result of a large, aged stock retirement of 2,526 members which aligns with the Association's updated stock retirement policy.

The Farm Credit Administration (FCA) sets minimum regulatory capital requirements with a capital conservation buffer for System banks and associations. Capital adequacy is evaluated using a number of regulatory ratios.

The following sets forth the regulatory capital ratios:

	<b>Regulatory Minimum Including Buffer*</b>	<b>March 31, 2026</b>	<b>December 31, 2025</b>	<b>March 31, 2025</b>
Permanent Capital Ratio	7.00%	14.14%	14.41%	15.10%
Common Equity Tier 1 (CET1) Capital Ratio	7.00%	13.93%	14.36%	14.84%
Tier 1 Capital Ratio	8.50%	13.93%	14.36%	14.84%
Total Regulatory Capital Ratio	10.50%	14.33%	14.76%	15.14%
Tier 1 Leverage Ratio**	5.00%	15.16%	15.53%	15.88%
Unallocated Retained Earnings (URE) and URE Equivalents	1.50%	14.87%	15.23%	15.57%

\*Include full capital conservation buffers.

\*\*The Tier 1 Leverage Ratio must include a minimum of 1.50% of URE and URE equivalents.

If the capital ratios fall below the minimum regulatory requirements, including the buffer amounts, capital distributions (equity redemptions, dividends, and patronage) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval. For all periods presented, the Association exceeded minimum regulatory requirements for all of the ratios.

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## REGULATORY MATTERS

On February 27, 2026, the FCA published a proposed rule on Permanent Capital Revisions in the Federal Register. The proposed rule would reduce the role of permanent capital as a measure of capital adequacy, simplify the permanent capital ratio calculation, eliminate permanent capital disclosure requirements from shareholder and investor reporting, and make other clarifications, corrections, and updates to capital-related regulations. The comment period ended on April 28, 2026.

On December 5, 2025, the FCA published a proposed rule on loan performance categories and financial reporting in the Federal Register. The proposed rule would amend the regulations for high-risk loan performance categories due to changes in GAAP, clarify expectations for vintage disclosures and disclosures of loan modifications to borrowers experiencing financial difficulties. The comment period ended on February 3, 2026.

On February 8, 2024, the FCA approved a final rule to amend its regulatory capital requirements to define and establish risk weightings for High Volatility Commercial Real Estate (HVCRE) exposures by assigning a 150% risk-weighting to such exposures, instead of the current 100%, to reflect increased risk characteristics. The rule further ensures comparability between the FCA's risk-weightings and the federal banking regulators, with deviations as appropriate to accommodate the different regulatory, operational, and credit considerations of the System. The final rule excludes certain acquisition, development and construction loans that do not present as much risk and therefore do not warrant the risk weight for HVCRE. In addition, the final rule adds an exclusion for loans originated with a balance for less than \$500,000. The rule became effective on January 1, 2026 and did not have a material impact on the Association's capital ratios.

## SHAREHOLDER INVESTMENT

Shareholder investment in the Association may be materially affected by the financial condition and results of operations of the Bank. Copies of the Bank's Annual and Quarterly reports are available upon request free of charge by calling 1-800-845-1745, ext. 2764, or writing Matthew Miller, AgFirst Farm Credit Bank, P. O. Box 1499, Columbia, SC 29202. Information concerning AgFirst Farm Credit Bank can also be obtained by going to AgFirst's web site at [www.agfirst.com](http://www.agfirst.com). The Bank prepares an electronic version of the Annual Report, which is available on the website, within 75 days after the end of the fiscal year. The Bank prepares an electronic version of the Quarterly report within 40 days after the end of each fiscal quarter, except that no report needs to be prepared for the fiscal quarter that coincides with the end of the fiscal year of the Bank.

## WHISTLEBLOWER

Reports of suspected or actual wrongdoing involving the Association, its employees and/or Directors, can be made anonymously and confidentially through the Association's Whistleblower Hotline at 1-833-220-9773 or a link to the website is available at [www.horizonfarmcredit.ethicspoint.com](http://www.horizonfarmcredit.ethicspoint.com).

*Horizon Farm Credit, ACA*

# Consolidated Balance Sheets

<i>(dollars in thousands)</i>	March 31, 2026 <i>(unaudited)</i>	December 31, 2025 <i>(audited)</i>
<b>Assets</b>		
Cash	\$ 104	\$ 14
Loans	7,983,997	7,804,308
Allowance for credit losses on loans	(35,816)	(32,341)
Net loans	7,948,181	7,771,967
Other equity investments	4,703	4,244
Accrued interest receivable	45,577	45,586
Equity investments in other Farm Credit institutions	148,586	142,634
Premises and equipment, net	26,617	27,510
Other property owned	357	647
Accounts receivable	13,057	46,942
Other assets - fair value	4,020	3,856
Other assets	4,374	3,463
Total assets	<b>\$ 8,195,576</b>	<b>\$ 8,046,863</b>
<b>Liabilities</b>		
Notes payable to AgFirst Farm Credit Bank	\$ 6,717,441	\$ 6,596,628
Accrued interest payable	24,454	24,233
Patronage refunds payable	6,569	62,138
Accounts payable	5,030	6,926
Advanced conditional payments	16	7
Other liabilities	88,517	35,555
Total liabilities	<b>6,842,027</b>	<b>6,725,487</b>
Commitments and contingencies (Note 6)		
<b>Members' Equity</b>		
Capital stock and participation certificates	21,904	23,315
Additional paid-in-capital	267,216	267,216
Retained earnings		
Allocated	689,296	688,833
Unallocated	377,276	344,337
Accumulated other comprehensive income (loss)	(2,143)	(2,325)
Total members' equity	<b>1,353,549</b>	<b>1,321,376</b>
Total liabilities and members' equity	<b>\$ 8,195,576</b>	<b>\$ 8,046,863</b>

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

*Horizon Farm Credit, ACA*

# Consolidated Statements of Comprehensive Income

(unaudited)

	<b>For the Three Months Ended March 31,</b>	
<i>(dollars in thousands)</i>	<b>2026</b>	<b>2025</b>
<b>Interest Income</b>		
Loans	<b>\$ 125,708</b>	<b>\$ 116,520</b>
<b>Interest Expense</b>	<b>71,395</b>	<b>65,934</b>
Net interest income	<b>54,313</b>	<b>50,586</b>
Provision for credit losses	<b>3,628</b>	<b>3,323</b>
Net interest income after provision for credit losses	<b>50,685</b>	<b>47,263</b>
<b>Noninterest Income</b>		
Loan fees	<b>887</b>	<b>651</b>
Fees for financially related services	<b>1,982</b>	<b>1,760</b>
Patronage refunds from other Farm Credit institutions	<b>11,512</b>	<b>11,042</b>
Gains (losses) on sales of premises and equipment, net	<b>852</b>	<b>82</b>
Gains (losses) on other transactions	<b>225</b>	<b>(4)</b>
Insurance Fund refunds	<b>3,502</b>	<b>1,165</b>
Other noninterest income	<b>58</b>	<b>64</b>
Total noninterest income	<b>19,018</b>	<b>14,760</b>
<b>Noninterest Expense</b>		
Salaries and employee benefits	<b>16,782</b>	<b>16,354</b>
Occupancy and equipment	<b>904</b>	<b>893</b>
Insurance Fund premiums	<b>1,657</b>	<b>1,515</b>
Purchased services	<b>10,269</b>	<b>7,853</b>
Data processing	<b>367</b>	<b>638</b>
Other operating expenses	<b>4,131</b>	<b>4,305</b>
(Gains) losses on other property owned, net	<b>(177)</b>	<b>11</b>
Total noninterest expense	<b>33,933</b>	<b>31,569</b>
Income before income taxes	<b>35,770</b>	<b>30,454</b>
Provision for income taxes	<b>250</b>	<b>238</b>
<b>Net income</b>	<b>\$ 35,520</b>	<b>\$ 30,216</b>
<b>Other comprehensive income net of tax</b>		
Employee benefit plans adjustments	<b>182</b>	<b>182</b>
<b>Comprehensive income</b>	<b>\$ 35,702</b>	<b>\$ 30,398</b>

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

*Horizon Farm Credit, ACA*

# Consolidated Statements of Changes in Members' Equity

*(unaudited)*

<i>(dollars in thousands)</i>	Capital Stock and Participation Certificates	Additional Paid-in-Capital	Retained Earnings		Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
			Allocated	Unallocated		
Balance at December 31, 2024	\$ 22,350	\$ 267,216	\$ 649,741	\$ 324,884	\$ (2,963)	\$ 1,261,228
Comprehensive income				30,216	182	30,398
Capital stock/participation certificates issued/(retired), net	199					199
Patronage distribution adjustment			593	(1,435)		(842)
Balance at March 31, 2025	\$ 22,549	\$ 267,216	\$ 650,334	\$ 353,665	\$ (2,781)	\$ 1,290,983
<b>Balance at December 31, 2025</b>	<b>\$ 23,315</b>	<b>\$ 267,216</b>	<b>\$ 688,833</b>	<b>\$ 344,337</b>	<b>\$ (2,325)</b>	<b>\$ 1,321,376</b>
<b>Comprehensive income</b>				<b>35,520</b>	<b>182</b>	<b>35,702</b>
<b>Capital stock/participation certificates issued/(retired), net</b>	<b>(1,411)</b>					<b>(1,411)</b>
<b>Patronage distribution adjustment</b>			<b>463</b>	<b>(2,581)</b>		<b>(2,118)</b>
Balance at March 31, 2026	\$ 21,904	\$ 267,216	\$ 689,296	\$ 377,276	\$ (2,143)	\$ 1,353,549

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

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## *Horizon Farm Credit, ACA*

# Notes to the Consolidated Financial Statements

*(dollars in thousands, except as noted)  
(unaudited)*

### **Note 1 — Organization, Significant Accounting Policies, and Recently Issued Accounting Pronouncements**

#### ***Organization***

The accompanying financial statements include the accounts of Horizon Farm Credit, ACA and its Production Credit Association (PCA) and Federal Land Credit Association (FLCA) subsidiaries (collectively, the Association). Descriptions of the organization and operations, the significant accounting policies followed, and the financial condition and results of operations for the Association as of and for the year ended December 31, 2025, are contained in the 2025 Annual Report to Shareholders. These unaudited interim consolidated financial statements should be read in conjunction with the latest Annual Report to Shareholders.

#### ***Basis of Presentation***

In the opinion of management, the accompanying consolidated financial statements contain all adjustments necessary for a fair statement of results for the periods presented. These adjustments are of a normal recurring nature, unless otherwise disclosed.

Certain amounts in the prior period's consolidated financial statements have been reclassified to conform to the current period presentation. Such reclassifications had no effect on the prior period net income or total capital as previously reported.

The results of any interim period are not necessarily indicative of those to be expected for a full year.

#### ***Significant Accounting Policies***

The Association's accounting and reporting policies conform with U.S. generally accepted accounting principles (GAAP) and practices in the financial services industry. To prepare the financial statements in conformity with GAAP, management must make estimates based on assumptions about future economic and market conditions (for example, unemployment, market liquidity, real estate prices, etc.) that affect the reported amounts of assets and liabilities at the date of the financial statements, income and expenses during the reporting period, and the related disclosures. Although these estimates contemplate current conditions and expectations of change in the future, it is reasonably possible that actual conditions may be different than anticipated, which could materially affect results of operations and financial condition.

Management has made significant estimates in several areas, including loans and allowance for credit losses (Note 2, *Loans and Allowance for Credit Losses*) and financial instruments (Note 5, *Fair Value Measurement*). Actual results could differ from those estimates.

For further details of significant accounting policies, see Note 2, *Summary of Significant Accounting Policies*, from the latest Annual Report.

#### ***Recently Issued or Adopted Accounting Pronouncements***

In December 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2025-11 Interim Reporting (Topic 270): Narrow-Scope Improvements. The update provides narrow-scope improvements to interim reporting guidance (ASC 270) to enhance clarity, navigability, and completeness of interim financial statements and disclosures, without fundamentally changing reporting requirements. Key changes include clarifying who is subject to ASC 270, adding comprehensive lists of required disclosures from other Codification topics, and establishing a principle to disclose events since the end of the last annual reporting period that have a material impact on the entity. The standard is effective for public business entities for interim reporting periods within annual reporting periods beginning after December 15, 2027, and for other entities after December 15, 2028, with early adoption permitted. The Association is currently evaluating the potential impact of adoption on its financial condition, results of operations, and cash flows.

In November 2025, the FASB issued ASU 2025-08 Financial Instruments - Credit Losses (Topic 326) - Purchased Loans. The amendment simplifies accounting for purchased loans by expanding the "gross-up" method to "purchased seasoned loans" (PSLs). This eliminates the Day 1 credit loss expense for most acquired loans, improves comparability, and reduces earnings volatility by creating a more consistent accounting approach similar to that used for previously purchased credit-deteriorated (PCD) loans. The standard is effective for annual periods beginning after December 15, 2026, including interim periods within those years. Early adoption is

permitted. The Association is currently evaluating the potential impact of adoption on its financial condition, results of operations, and cash flows.

In July 2025, the FASB issued ASU 2025-05 Financial Instruments – Credit Losses – Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments in this update provide all entities with a practical expedient which would allow all entities when developing reasonable and supportable forecasts as part of estimating expected credit losses to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments also provide entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivables and current contract assets arising from transactions accounted for under Topic 606. The amendments were effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods under a prospective approach. The impact of adoption did not have a significant impact on the Association’s financial condition, results of operations, and cash flows.

In December 2023, the FASB issued ASU 2023-09 – Income Taxes: Improvements to Income Tax Disclosures. The amendments in this standard require more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments in this standard require qualitative disclosure about specific categories of reconciling items and individual jurisdictions that result in a significant difference between the statutory tax rate and the effective tax rate. The amendments are effective for annual periods beginning after December 15, 2025. The adoption of this guidance is not expected to have a material impact on the Association’s financial condition, results of operations or cash flows but will impact the income tax disclosures.

## Note 2 — Loans and Allowance for Credit Losses

A summary of loans outstanding at period end follows:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
Real estate mortgage	\$ 4,353,082	\$ 4,266,618
Production and intermediate-term	1,797,754	1,808,098
Agribusiness:		
Loans to cooperatives	147,494	112,854
Processing and marketing	852,729	824,702
Farm-related business	167,011	162,422
Rural infrastructure:		
Communication	266,356	258,594
Power and water/waste disposal	190,869	165,106
Rural residential real estate	132,490	129,839
Other:		
International	73,778	73,765
Lease receivables	2,434	2,310
<b>Total loans</b>	<b>\$ 7,983,997</b>	<b>\$ 7,804,308</b>

A substantial portion of the Association’s lending activities is collateralized, and exposure to credit loss associated with lending activities is reduced accordingly.

The Association may purchase or sell participation interests with other parties in order to diversify risk, manage loan volume, and comply with FCA regulations. The following tables present the principal balance of participation loans at periods ended:

	<b>March 31, 2026</b>					
	<b>Within Farm Credit System</b>		<b>Outside Farm Credit System</b>		<b>Total</b>	
	<b>Participations Purchased</b>	<b>Participations Sold</b>	<b>Participations Purchased</b>	<b>Participations Sold</b>	<b>Participations Purchased</b>	<b>Participations Sold</b>
Real estate mortgage	\$ 91,436	\$ 8,444	\$ –	\$ –	\$ 91,436	\$ 8,444
Production and intermediate-term	274,205	209,291	6,046	6,878	280,251	216,169
Agribusiness	631,125	108,683	109,393	–	740,518	108,683
Rural infrastructure	458,599	–	–	–	458,599	–
Other	76,322	–	–	–	76,322	–
<b>Total</b>	<b>\$ 1,531,687</b>	<b>\$ 326,418</b>	<b>\$ 115,439</b>	<b>\$ 6,878</b>	<b>\$ 1,647,126</b>	<b>\$ 333,296</b>

**December 31, 2025**

	<b>Within Farm Credit System</b>		<b>Outside Farm Credit System</b>		<b>Total</b>	
	<b>Participations Purchased</b>	<b>Participations Sold</b>	<b>Participations Purchased</b>	<b>Participations Sold</b>	<b>Participations Purchased</b>	<b>Participations Sold</b>
	Real estate mortgage	\$ 82,476	\$ 7,617	\$ –	\$ –	\$ 82,476
Production and intermediate-term	255,739	181,572	19,723	6,109	275,462	187,681
Agribusiness	545,094	112,919	119,368	–	664,462	112,919
Rural infrastructure	425,210	–	–	–	425,210	–
Other	76,200	–	–	–	76,200	–
<b>Total</b>	<b>\$ 1,384,719</b>	<b>\$ 302,108</b>	<b>\$ 139,091</b>	<b>\$ 6,109</b>	<b>\$ 1,523,810</b>	<b>\$ 308,217</b>

The following table shows loans, classified under the FCA Uniform Loan Classification System, as a percentage of total loans by loan type as of:

	<b>March 31, 2026</b>	<b>December 31, 2025</b>
<b>Real estate mortgage:</b>		
Acceptable	95.49%	95.61%
OAEM	2.28	2.24
Substandard/doubtful/loss	2.23	2.15
	<u>100.00%</u>	<u>100.00%</u>
<b>Production and intermediate-term:</b>		
Acceptable	93.69%	94.18%
OAEM	3.28	3.17
Substandard/doubtful/loss	3.03	2.65
	<u>100.00%</u>	<u>100.00%</u>
<b>Agribusiness:</b>		
Acceptable	90.59%	90.20%
OAEM	2.75	3.04
Substandard/doubtful/loss	6.66	6.76
	<u>100.00%</u>	<u>100.00%</u>
<b>Rural infrastructure:</b>		
Acceptable	92.56%	97.01%
OAEM	5.57	0.98
Substandard/doubtful/loss	1.87	2.01
	<u>100.00%</u>	<u>100.00%</u>
<b>Rural residential real estate:</b>		
Acceptable	96.40%	96.30%
OAEM	1.57	1.79
Substandard/doubtful/loss	2.03	1.91
	<u>100.00%</u>	<u>100.00%</u>
<b>Other:</b>		
Acceptable	99.03%	98.98%
OAEM	0.97	1.02
Substandard/doubtful/loss	–	–
	<u>100.00%</u>	<u>100.00%</u>
<b>Total loans:</b>		
Acceptable	94.25%	94.64%
OAEM	2.74	2.48
Substandard/doubtful/loss	3.01	2.88
	<u>100.00%</u>	<u>100.00%</u>

The following tables provide an aging analysis of past due loans as of:

	March 31, 2026				
	30 Through 89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	\$ 30,454	\$ 12,557	\$ 43,011	\$ 4,310,071	\$ 4,353,082
Production and intermediate-term	13,622	9,203	22,825	1,774,929	1,797,754
Agribusiness	8,174	1,837	10,011	1,157,223	1,167,234
Rural infrastructure	8,429	—	8,429	448,796	457,225
Rural residential real estate	1,615	339	1,954	130,536	132,490
Other	46	—	46	76,166	76,212
Total	\$ 62,340	\$ 23,936	\$ 86,276	\$ 7,897,721	\$ 7,983,997

	December 31, 2025				
	30 Through 89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	\$ 23,560	\$ 12,428	\$ 35,988	\$ 4,230,630	\$ 4,266,618
Production and intermediate-term	12,623	8,908	21,531	1,786,567	1,808,098
Agribusiness	1,338	1,653	2,991	1,096,987	1,099,978
Rural infrastructure	—	8,434	8,434	415,266	423,700
Rural residential real estate	1,532	212	1,744	128,095	129,839
Other	—	—	—	76,075	76,075
Total	\$ 39,053	\$ 31,635	\$ 70,688	\$ 7,733,620	\$ 7,804,308

Accruing loans greater than 90 days past due as of March 31, 2026 and December 31, 2025 were \$226 and \$54, respectively.

The following tables provide the amortized cost for nonaccrual loans with and without a related allowance for credit losses on loans as of:

Nonaccrual loans:	March 31, 2026		
	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	\$ 8,531	\$ 15,815	\$ 24,346
Production and intermediate-term	11,597	2,439	14,036
Agribusiness	22,148	43	22,191
Rural infrastructure	8,534	—	8,534
Rural residential real estate	459	134	593
Total	\$ 51,269	\$ 18,431	\$ 69,700

Nonaccrual loans:	December 31, 2025		
	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	\$ 9,169	\$ 14,330	\$ 23,499
Production and intermediate-term	10,948	2,141	13,089
Agribusiness	14,881	—	14,881
Rural infrastructure	8,535	—	8,535
Rural residential real estate	402	135	537
Total	\$ 43,935	\$ 16,606	\$ 60,541

The Association recognized \$1,468 and \$204 of interest income on nonaccrual loans during the three months ended March 31, 2026 and March 31, 2025, respectively.

Reversals of interest income on loans that moved to nonaccrual status were not material for the three months ended March 31, 2026 and March 31, 2025.

A summary of changes in the allowance for credit losses is as follows:

	<b>Three Months Ended March 31,</b>	
	<b>2026</b>	<b>2025</b>
<b>Allowance for Credit Losses on Loans:</b>		
Balance at beginning of period	\$ 32,341	\$ 20,980
Charge-offs	(267)	(95)
Recoveries	177	3
Provision for credit losses on loans	3,565	2,983
Balance at end of period	<u>\$ 35,816</u>	<u>\$ 23,871</u>
<b>Allowance for Credit Losses on Unfunded Commitments:</b>		
Balance at beginning of period	\$ 2,507	\$ 2,472
Provision for unfunded commitments	62	340
Balance at end of period	<u>\$ 2,569</u>	<u>\$ 2,812</u>
<b>Total allowance for credit losses</b>	<u>\$ 38,385</u>	<u>\$ 26,683</u>

Loan modifications may be granted to borrowers experiencing financial difficulty. Qualifying disclosable modifications are one, or a combination of, principal forgiveness, interest rate reduction, or an other-than-insignificant payment delay or term extension. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions.

The following table shows the amortized cost basis at the end of the reporting period for loan modifications granted to borrowers experiencing financial difficulty during the three months ended March 31, 2026, disaggregated by loan type and type of modification granted:

	<b>For the Three Months Ended March 31, 2026</b>				
	<b>Combination – Interest Rate Reduction and Maturity Extension</b>			<b>Total</b>	<b>Percentage of Total by Loan Type</b>
	<b>Maturity Extension</b>	<b>Maturity Extension</b>			
Real estate mortgage	\$ 1,182	\$ –	\$ 1,182	0.03%	
Production and intermediate-term	1,485	968	2,453	0.14%	
Agribusiness	28	–	28	0.00%	
Total	<u>\$ 2,695</u>	<u>\$ 968</u>	<u>\$ 3,663</u>	<u>0.05%</u>	

The following tables describe the financial effects of the modifications made to borrowers experiencing financial difficulty during the three months ended March 31, 2026:

	<b>Maturity Extension</b>
	<b>Financial Effect</b>
Real estate mortgage	Added a weighted average 15.5 years to the life of loans
Production and intermediate-term	Added a weighted average 3.1 years to the life of loans
Agribusiness	Added a weighted average 1.0 year to the life of loans
<b>Combination – Interest Rate Reduction and Maturity Extension</b>	
	<b>Financial Effect</b>
Production and intermediate-term	Reduced weighted average contractual interest rate from 7.06% to 6.58% and added a weighted average 4.3 years to the life of the loans

The following table sets forth the amortized cost of loans to borrowers experiencing financial difficulty that defaulted during the three months ended March 31, 2026 and received a modification in the twelve months before default:

	<b>For the Three Months Ended March 31, 2026</b>
	<b>Combination – Interest Rate Reduction and Maturity Extension</b>
Production and intermediate-term	\$ 220
Total	<u>\$ 220</u>

The following table sets forth an aging analysis of loans to borrowers experiencing financial difficulty that were modified during the twelve months prior to March 31, 2026:

	March 31, 2026				Total
	Current	30-89 Days Past Due	90 Days or More Past Due		
Real estate mortgage	\$ 3,911	\$ —	\$ —	\$ —	\$ 3,911
Production and intermediate-term	7,331	713	—	257	8,301
Agribusiness	507	—	—	—	507
Total	\$ 11,749	\$ 713	\$ —	\$ 257	\$ 12,719

Accrued interest receivable at the end of the reporting period related to loan modifications granted to borrowers experiencing financial difficulty during the three months ended March 31, 2026 was \$34. Additional commitments to lend to borrowers experiencing financial difficulties whose loans have been modified were \$47 at March 31, 2026.

Modified loans to borrowers experiencing financial difficulty and activity on these loans were not material during the three months ended March 31, 2025. There were no material commitments to lend to borrowers experiencing financial difficulty whose loans have been modified at March 31, 2025. There were no material modifications to borrowers experiencing financial difficulty that occurred during the previous twelve months and for which there was a subsequent payment default during the period.

The Association had no loans held for sale at March 31, 2026 and December 31, 2025.

### Note 3 — Investments

#### *Equity Investments in Other Farm Credit System Institutions*

Equity investments in other Farm Credit System institutions are generally nonmarketable investments consisting of stock and participation certificates, allocated surplus, and reciprocal investments in other institutions regulated by the FCA. These investments are carried at cost and evaluated for impairment based on the ultimate recoverability of the par value rather than by recognizing temporary declines in value.

Associations are required to maintain ownership in the Bank in the form of Class B or Class C stock as determined by the Bank. The Bank may require additional capital contributions to maintain its capital requirements. The Association owned 20.31% of the issued stock and allocated retained earnings of the Bank as of March 31, 2026, net of any reciprocal investment. As of that date, the Bank's assets totaled \$50.5 billion and shareholders' equity totaled \$2.3 billion. The Bank's earnings were \$117 million for the first three months of 2026. In addition, the Association held investments of \$3,557 related to other Farm Credit institutions.

### Note 4 — Members' Equity

#### *Accumulated Other Comprehensive Income (AOCI)*

	Changes in Accumulated Other Comprehensive Income by Component (a)	
	Three Months Ended March 31,	
	2026	2025
<b>Employee Benefit Plans:</b>		
Balance at beginning of period	\$ (2,325)	\$ (2,963)
Other comprehensive income before reclassification	—	—
Amounts reclassified from AOCI	182	182
Net current period other comprehensive income	182	182
Balance at end of period	\$ (2,143)	\$ (2,781)

	<b>Reclassifications Out of Accumulated Other Comprehensive Income (b)</b>		
	<b>Three Months Ended March 31,</b>		
	<b>2026</b>	<b>2025</b>	<b>Income Statement Line Item</b>
<b>Defined Benefit Pension Plans:</b>			
Periodic pension costs	\$ (182)	\$ (182)	Salaries and employee benefits
Net amounts reclassified	\$ (182)	\$ (182)	

(a) Amounts in parentheses indicate debits to AOCI.  
(b) Amounts in parentheses indicate debits to profit/loss.

## Note 5 — Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. See Note 2, *Summary of Significant Accounting Policies* of the most recent Annual Report to Shareholders for additional information.

Fair values are estimated at each period end date for assets and liabilities measured at fair value on a recurring basis. The following tables summarize assets measured at fair value at period end.

	<b>March 31, 2026</b>			
	<b>Fair Value Measurement Using</b>			<b>Total Fair Value</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Recurring assets</b>				
Assets held in trust funds	\$ 4,020	\$ —	\$ —	\$ 4,020
<b>Nonrecurring assets</b>				
Nonaccrual loans	\$ —	\$ —	\$ 38,169	\$ 38,169
Other property owned	\$ —	\$ —	\$ 383	\$ 383
Other equity investments	\$ —	\$ —	\$ 4,703	\$ 4,703

	<b>December 31, 2025</b>			
	<b>Fair Value Measurement Using</b>			<b>Total Fair Value</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>Recurring assets</b>				
Assets held in trust funds	\$ 3,856	\$ —	\$ —	\$ 3,856
<b>Nonrecurring assets</b>				
Nonaccrual loans	\$ —	\$ —	\$ 32,378	\$ 32,378
Other property owned	\$ —	\$ —	\$ 705	\$ 705
Other equity investments	\$ —	\$ —	\$ 4,244	\$ 4,244

## Valuation Techniques

As more fully discussed in Note 2, *Summary of Significant Accounting Policies* of the most recent Annual Report to Shareholders, accounting guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Fair values of financial instruments represent the estimated amount to be received to sell an asset or paid to transfer or extinguish a liability in active markets among willing participants at the reporting date. Due to the uncertainty of expected cash flows resulting from financial instruments, the use of different assumptions and valuation methodologies could significantly affect the estimated fair value amounts. Accordingly, certain of the estimated fair values may not be indicative of the amounts for which the financial instruments could be exchanged in a current or future market transaction. The following represent a brief summary of the valuation techniques used by the System institution for assets and liabilities:

### *Assets held in trust funds*

Assets held in trust funds, related to deferred compensation plans, are classified as Level 1. The trust funds include investments in securities that are actively traded and have quoted net asset value prices that are directly observable in the marketplace.

### *Nonaccrual loans*

For certain loans evaluated for credit loss under FASB impairment guidance, the fair value is based upon the underlying collateral since the loans are collateral-dependent loans for which real estate is the collateral. The fair value measurement process uses independent

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appraisals and other market-based information, but in many cases, it also requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters. As a result, a majority of these loans have fair value measurements that fall within Level 3 of the fair value hierarchy. When the value of the real estate, less estimated costs to sell, is less than the principal balance of the loan, a specific reserve is established.

***Other property owned***

Other property owned is generally classified as Level 3 of the fair value hierarchy. The process for measuring the fair value of other property owned involves the use of independent appraisals or other market-based information. Costs to sell represent transaction costs and are not included as a component of the asset's fair value.

***Other Equity Investments***

There are no observable market values for the Association's Rural Business Investment Company (RBIC) investments. These investments are measured at cost, adjusted for any observable sales and impairment.

**Note 6 — Commitments and Contingent Liabilities**

From time to time, legal actions may be pending against the Association in which claims for damages are asserted. At the date of these Financial Statements, the Association is not aware of any material actions. However, the Association cannot ensure that such actions or other contingencies will not arise in the future.

**Note 7 — Subsequent Events**

The Association evaluated subsequent events and determined no subsequent events have occurred requiring disclosure through May 8, 2026, which was the date the financial statements were issued.