Horizon Farm Credit, ACA

THIRD QUARTER 2026

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CERTIFICATION

The undersigned certify that we have reviewed the September 30, 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 or 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

November 6, 2026

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 September 30, 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 September 30, 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 September 30, 2026.

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

/s/ Brian E. Rosati
Chief Financial Officer

November 6, 2026

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 September 30, 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 September 30, 2026, was $8,358,127, an increase of $553,819 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 $62,792 at September 30, 2026 from $60,541 at December 31, 2025. As a percentage of total loans, nonaccrual loans were 0.75% and 0.78% at September 30, 2026 and December 31, 2025, respectively. Other property owned decreased to $280 at September 30, 2026 (three 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 (ACLL). The ACLL at September 30, 2026, was $38,244 or 0.46% 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 losses within the *Results of Operations* below.

RESULTS OF OPERATIONS

For the three months ended September 30, 2026

Net income for the three months ended September 30, 2026, was $28,253, a decrease of $3,614 as compared to net income of $31,867 for the same period ended in 2025. Major changes in the components of net income are identified as follows:

For the three months ended September 30, 2026, net interest income was $54,566, an increase of $2,208 as compared to the same period ended in 2025. The net interest margin was 2.64%, a decrease of 16 basis points as compared to the same period ended in 2025. The change in net interest income is attributable to (a) a $2,364 increase resulting from changes in volume and interest rate due to a $582 million increase in the average daily balance of accruing portfolio volume and (b) a favorable variance of $702 due to increased earnings on free cash held at AgFirst Farm Credit Bank (the Bank), partially offset by (c) a $782 decrease in net interest income recognized on nonaccruing loans, and (d) a $76 decrease in net interest income from the amortization of GAAP fair market value adjustments booked in accordance with ASC 805.

The provision for credit losses for the three months ended September 30, 2026, was $4,243, an increase of $2,002 from the provision for credit losses of $2,241 for the same period ended during the prior year. The change was primarily driven by deterioration in the credit quality of several larger accounts and the effect of macroeconomic forecasts utilized in estimating the allowance for credit losses.

Noninterest income decreased $1,096 to $12,109 during the three months ended September 30, 2026 compared to the same period ended during the prior year primarily due to (a) a $3,412 change due to losses on loans held for sale and other transactions, partially offset by (b) a $1,371 increase in fee-related and other noninterest income and (c) a $945 increase in patronage refunds from other Farm Credit institutions.

For the three months ended September 30, 2026, noninterest expense increased $2,588 to $34,001 compared to the same period ended in 2025 primarily due to (a) a $2,483 increase in purchased services primarily related to the cost of services provided by the Bank, (b) a $170 increase in insurance fund premiums, and (c) a $322 increase in other operating expenses, partially offset by (d) a $387 decrease in salaries and employee benefits.

For the nine months ended September 30, 2026

Net income for the nine months ended September 30, 2026, was $97,722, an increase of $7,988 as compared to net income of $89,734 for the same period ended in 2025. Major changes in the components of net income are identified as follows:

For the nine months ended September 30, 2026, net interest income was $163,405, an increase of $9,703 for the same period ended in 2025. The net interest margin was 2.73%, a decrease of 5 basis points as compared to the same period ended in 2025. The change in net interest income is attributable to (a) a $6,030 increase resulting from changes in volume and interest rate due to a $592 million increase in the average daily balance of accruing portfolio volume, (b) a favorable variance of $2,259 due to increased earnings on free cash held at the Bank, (c) a $943 increase in net interest income recognized on nonaccruing loans, and (d) a $471 increase in net interest income from the amortization of GAAP fair market value adjustments booked in accordance with ASC 805.

The provision for credit losses for the nine months ended September 30, 2026, was $9,353, a decrease of $1,115 from the provision for credit losses of $10,468 for the same period ended during the prior year. The change is due to lower specific reserves as compared to the prior year and favorable macroeconomic forecasts within the model.

Noninterest income increased $4,428 to $45,752 during the nine months ended September 30, 2026 compared to the same period ended during the prior year primarily due to (a) a $2,358 increase in patronage refunds from other Farm Credit institutions, (b) a $2,355 increase in fee-related and other noninterest income, (c) an increase of $2,337 in an insurance fund premium refund, (d) a $681 increase in recognized gains largely attributable to the sale of a branch location, partially offset by (e) a $3,303 change due to losses on loans held for sale.

For the nine months ended September 30, 2026, noninterest expense increased $7,105 to $101,405 compared to the same period ended in 2025 primarily due to (a) a $7,416 increase in purchased services primarily related to the cost of services provided by the Bank, (b) a $546 increase in salaries and employee benefits, and (c) a $516 increase in occupancy and equipment, and insurance fund premiums, partially offset by (d) a $1,373 decrease in other operating expenses.

FUNDING SOURCES

The principal source of funds for the Association is the borrowing relationship established with 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 September 30, 2026, was $7,140,155 as compared to $6,596,628 at December 31, 2025.

CAPITAL RESOURCES

Total members' equity at September 30, 2026, was $1,416,484, an increase of $95,108 from a total of $1,321,376 at December 31, 2025. The increase 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 $22,273 on September 30, 2026, compared to $23,315 on December 31, 2025. The $1,042 decrease was mainly a result of a large, aged stock retirement 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:

	Regulatory Minimum Including Buffer*	September 30, 2026	December 31, 2025	September 30, 2025
Permanent Capital Ratio	7.00%	13.72%	14.41%	14.81%
Common Equity Tier 1 (CET1) Capital Ratio	7.00%	13.67%	14.36%	14.76%
Tier 1 Capital Ratio	8.50%	13.67%	14.36%	14.76%
Total Regulatory Capital Ratio	10.50%	14.09%	14.76%	15.14%
Tier 1 Leverage Ratio**	5.00%	14.95%	15.53%	15.87%
Unallocated Retained Earnings (URE) and URE Equivalents	1.50%	14.68%	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.

REGULATORY MATTERS

On July 24, 2026, the FCA published a final rule on loan performance categories and financial reporting in the Federal Register. The rule amends the high-risk loan performance categories by removing formally restructured loans (TDRs) to ensure the regulations remain consistent with U.S. generally accepted accounting principles (GAAP). The amendment reflects changes in GAAP that eliminated the measurement guidance for TDRs and replaced it with enhanced disclosure requirements for certain loan modifications to borrowers experiencing financial difficulty. The regulation became effective on August 24, 2026.

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 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***. 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 ***http://horizonfarmcredit.ethicspoint.com***.

Horizon Farm Credit, ACA

Consolidated Balance Sheets

(dollars in thousands)	September 30, 2026	December 31, 2025
	(unaudited)	*(audited)*
Assets		
Cash	**$ 167**	$ 14
Loans	**8,358,127**	7,804,308
Allowance for credit losses on loans	**(38,244)**	(32,341)
Net loans	**8,319,883**	7,771,967
Loans held for sale	**15,585**	—
Other equity investments	**5,954**	4,244
Accrued interest receivable	**57,127**	45,586
Equity investments in other Farm Credit institutions	**155,775**	142,634
Premises and equipment, net	**28,825**	27,510
Other property owned	**280**	647
Accounts receivable	**35,016**	46,942
Other assets - fair value	**4,158**	3,856
Other assets	**3,941**	3,463
Total assets	**$ 8,626,711**	$ 8,046,863
Liabilities		
Notes payable to AgFirst Farm Credit Bank	**$ 7,140,155**	$ 6,596,628
Accrued interest payable	**26,047**	24,233
Patronage refunds payable	**34**	62,138
Accounts payable	**8,382**	6,926
Advanced conditional payments	**395**	7
Other liabilities	**35,214**	35,555
Total liabilities	**7,210,227**	6,725,487
Commitments and contingencies (Note 6)		
Members' Equity		
Capital stock and participation certificates	**22,273**	23,315
Additional paid-in-capital	**267,216**	267,216
Retained earnings		
Allocated	**689,296**	688,833
Unallocated	**439,478**	344,337
Accumulated other comprehensive income (loss)	**(1,779)**	(2,325)
Total members' equity	**1,416,484**	1,321,376
Total liabilities and members' equity	**$ 8,626,711**	$ 8,046,863

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

Horizon Farm Credit, ACA

Consolidated Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended September 30, 2026	2025	For the Nine Months Ended September 30, 2026	2025
Interest Income				
Loans	**$ 133,880**	$ 124,932	**$ 389,643**	$ 361,794
Interest Expense	**79,314**	72,574	**226,238**	208,092
Net interest income	**54,566**	52,358	**163,405**	153,702
Provision for credit losses	**4,243**	2,241	**9,353**	10,468
Net interest income after provision for credit losses	**50,323**	50,117	**154,052**	143,234
Noninterest Income				
Loan fees	**1,246**	634	**3,033**	2,232
Fees for financially related services	**2,024**	1,912	**6,814**	5,910
Patronage refunds from other Farm Credit institutions	**10,851**	9,906	**33,085**	30,727
Gains (losses) on loans held for sale	**(3,303)**	—	**(3,303)**	—
Gains (losses) on sales of premises and equipment, net	**408**	532	**1,344**	802
Gains (losses) on other transactions	**220**	205	**524**	385
Insurance Fund refunds	**—**	—	**3,502**	1,165
Other noninterest income	**663**	16	**753**	103
Total noninterest income	**12,109**	13,205	**45,752**	41,324
Noninterest Expense				
Salaries and employee benefits	**15,126**	15,513	**47,950**	47,404
Occupancy and equipment	**1,000**	1,035	**2,748**	2,704
Insurance Fund premiums	**1,761**	1,591	**5,140**	4,668
Purchased services	**10,575**	8,092	**31,234**	23,818
Data processing	**616**	439	**1,398**	1,518
Other operating expenses	**4,922**	4,778	**13,129**	14,201
(Gains) losses on other property owned, net	**1**	(35)	**(194)**	(13)
Total noninterest expense	**34,001**	31,413	**101,405**	94,300
Income before income taxes	**28,431**	31,909	**98,399**	90,258
Provision for income taxes	**178**	42	**677**	524
Net income	**$ 28,253**	$ 31,867	**$ 97,722**	$ 89,734
Other comprehensive income net of tax				
Employee benefit plans adjustments	**182**	182	**546**	546
Comprehensive income	**$ 28,435**	$ 32,049	**$ 98,268**	$ 90,280

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

Horizon Farm Credit, ACA

Consolidated Statements of Changes in Members' Equity

(unaudited)

(dollars in thousands)	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				89,734	546	90,280
Capital stock/participation certificates issued/(retired), net	713					713
Patronage distribution adjustment			592	(1,550)		(958)
Balance at September 30, 2025	$ 23,063	$ 267,216	$ 650,333	$ 413,068	$ (2,417)	$ 1,351,263
Balance at December 31, 2025	**$ 23,315**	**$ 267,216**	**$ 688,833**	**$ 344,337**	**$ (2,325)**	**$ 1,321,376**
Comprehensive income				**97,722**	**546**	**98,268**
Capital stock/participation certificates issued/(retired), net	**(1,042)**					**(1,042)**
Patronage distribution adjustment			**463**	**(2,581)**		**(2,118)**
Balance at September 30, 2026	**$ 22,273**	**$ 267,216**	**$ 689,296**	**$ 439,478**	**$ (1,779)**	**$ 1,416,484**

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

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.

Accounting Standards Updates (ASUs) Issued but Not Yet Adopted

The Financial Accounting Standards Board (FASB) has issued certain accounting standards that will become effective for the Association in future periods. There were no ASUs issued, nor were there material updates to previously disclosed accounting standards, during the nine months ended September 30, 2026 that are expected to have a material impact on the Association's financial statements. For a detailed description of ASUs previously issued, see the latest Annual Report.

ASUs Effective During the Period

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.

Note 2 — Loans and Allowance for Credit Losses

A summary of loans outstanding at period end follows:

	September 30, 2026	December 31, 2025
Real estate mortgage	$ 4,564,961	$ 4,266,618
Production and intermediate-term	1,855,688	1,808,098
Agribusiness:		
Loans to cooperatives	164,289	112,854
Processing and marketing	942,167	824,702
Farm-related business	165,149	162,422
Rural infrastructure:		
Communication	239,133	258,594
Power and water/waste disposal	219,044	165,106
Rural residential real estate	139,604	129,839
Other:		
International	65,810	73,765
Lease receivables	2,282	2,310
Total loans	$ 8,358,127	$ 7,804,308

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:

	September 30, 2026					
	Within Farm Credit System		Outside Farm Credit System		Total	
	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold
Real estate mortgage	$ 88,033	$ 11,437	$ —	$ —	$ 88,033	$ 11,437
Production and intermediate-term	246,939	287,945	5,833	10,380	252,772	298,325
Agribusiness	673,264	217,472	112,630	—	785,894	217,472
Rural infrastructure	459,644	—	—	—	459,644	—
Other	68,167	—	—	—	68,167	—
Total	$ 1,536,047	$ 516,854	$ 118,463	$ 10,380	$ 1,654,510	$ 527,234

	December 31, 2025					
	Within Farm Credit System		Outside Farm Credit System		Total	
	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold
Real estate mortgage	$ 82,476	$ 7,617	$ —	$ —	$ 82,476	$ 7,617
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	—
Total	$ 1,384,719	$ 302,108	$ 139,091	$ 6,109	$ 1,523,810	$ 308,217

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

	September 30, 2026	December 31, 2025
Real estate mortgage:		
Acceptable	95.50%	95.61%
OAEM	1.81	2.24
Substandard/doubtful/loss	2.69	2.15
	100.00%	100.00%
Production and intermediate-term:		
Acceptable	93.09%	94.18%
OAEM	2.54	3.17
Substandard/doubtful/loss	4.37	2.65
	100.00%	100.00%
Agribusiness:		
Acceptable	93.96%	90.20%
OAEM	1.20	3.04
Substandard/doubtful/loss	4.84	6.76
	100.00%	100.00%
Rural infrastructure:		
Acceptable	87.17%	97.01%
OAEM	7.91	0.98
Substandard/doubtful/loss	4.92	2.01
	100.00%	100.00%
Rural residential real estate:		
Acceptable	95.87%	96.30%
OAEM	2.00	1.79
Substandard/doubtful/loss	2.13	1.91
	100.00%	100.00%
Other:		
Acceptable	98.98%	98.98%
OAEM	0.40	1.02
Substandard/doubtful/loss	0.62	—
	100.00%	100.00%
Total loans:		
Acceptable	94.31%	94.64%
OAEM	2.20	2.48
Substandard/doubtful/loss	3.49	2.88
	100.00%	100.00%

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

	September 30, 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	$ 42,323	$ 10,066	$ 52,389	$ 4,512,572	$ 4,564,961
Production and intermediate-term	21,293	12,120	33,413	1,822,275	1,855,688
Agribusiness	8,957	2,448	11,405	1,260,200	1,271,605
Rural infrastructure	—	—	—	458,177	458,177
Rural residential real estate	2,124	326	2,450	137,154	139,604
Other	—	—	—	68,092	68,092
Total	$ 74,697	$ 24,960	$ 99,657	$ 8,258,470	$ 8,358,127

	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 September 30, 2026 and December 31, 2025 were $245 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:

	September 30, 2026		
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	$ 8,169	$ 19,506	$ 27,675
Production and intermediate-term	10,665	7,311	17,976
Agribusiness	16,283	—	16,283
Rural residential real estate	737	121	858
Total	$ 35,854	$ 26,938	$ 62,792

	December 31, 2025		
Nonaccrual loans:	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 $817 and $3,412 of interest income on nonaccrual loans during the three and nine months ended September 30, 2026, respectively. The Association recognized $934 and $1,488 of interest income on nonaccrual loans during the three and nine months ended September 30, 2025, respectively.

Reversals of interest income on loans that moved to nonaccrual status were not material for the three and nine months ended September 30, 2026 and 2025.

The allowance for credit losses was $42.5 million and $33.6 million for the three and nine months ended September 30, 2026 and 2025, respectively. The increase in allowance is primarily due to an increase in loan volume and specific reserves, partially offset by favorable macroeconomic forecasts in the allowance model. A summary of changes in the allowance for credit losses is as follows:

	Three Months Ended September 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 35,702	$ 28,048
Charge-offs	(69)	(200)
Recoveries	3	3
Provision for credit losses on loans	2,608	2,233
Balance at end of period	$ 38,244	$ 30,084
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 2,666	$ 3,535
Provision for unfunded commitments	1,635	8
Balance at end of period	$ 4,301	$ 3,543
Total allowance for credit losses	$ 42,545	$ 33,627

	Nine Months Ended September 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 32,341	$ 20,980
Charge-offs	(1,842)	(472)
Recoveries	186	179
Provision for credit losses on loans	7,559	9,397
Balance at end of period	$ 38,244	$ 30,084
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 2,507	$ 2,472
Provision for unfunded commitments	1,794	1,071
Balance at end of period	$ 4,301	$ 3,543
Total allowance for credit losses	$ 42,545	$ 33,627

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 tables show the amortized cost basis at the end of the reporting period for loan modifications granted to borrowers experiencing financial difficulty during the three and nine months ended September 30, 2026, disaggregated by loan type and type of modification granted:

	For the Three Months Ended September 30, 2026			
	Real Estate Mortgage	Production and Intermediate-term	Agribusiness	Total
Maturity Extension	$ —	$ 5,363	$ —	$ 5,363
Combination - Interest Rate Reduction and Maturity Extension	—	485	—	485
Combination - Maturity Extension and Payment Deferral	835	1,258	99	2,192
Total	$ 835	$ 7,106	$ 99	$ 8,040
Percentage of Total by Loan Type	0.02 %	0.38 %	0.01 %	0.10 %

	For the Nine Months Ended September 30, 2026			
	Real Estate Mortgage	Production and Intermediate-term	Agribusiness	Total
Maturity Extension	$ 1,435	$ 9,255	$ 2,316	$ 13,006
Payment Deferral	—	103	—	103
Combination - Interest Rate Reduction and Maturity Extension	—	964	—	964
Combination - Maturity Extension and Payment Deferral	835	2,952	99	3,886
Total	$ 2,270	$ 13,274	$ 2,415	$ 17,959
Percentage of Total by Loan Type	0.05 %	0.72 %	0.19 %	0.21 %

The following tables describe the financial effects of the modifications made to borrowers experiencing financial difficulty during the three months ended September 30, 2026:

	Maturity Extension
	Financial Effect
Production and intermediate-term	Added a weighted average 5.7 months to the life of loans

	Combination – Interest Rate Reduction and Maturity Extension
	Financial Effect
Production and intermediate-term	Reduced weighted average contractual interest rate from 6.00% to 5.75% and added a weighted average 7.0 months to the life of loans

	Combination – Maturity Extension and Payment Deferral
	Financial Effect
Real estate mortgage	Added a weighted average 15.1 years to the life of loans and provided a weighted average 15.1 years of payment deferrals
Production and intermediate-term	Added a weighted average 7.3 years to the life of loans and provided a weighted average 7.3 years of payment deferrals
Agribusiness	Added a weighted average 3.9 years to the life of loans and provided a weighted average 3.9 years of payment deferrals

The following tables describe the financial effects of the modifications made to borrowers experiencing financial difficulty during the nine months ended September 30, 2026:

	Maturity Extension
	Financial Effect
Real estate mortgage	Added a weighted average 14.4 years to the life of loans
Production and intermediate-term	Added a weighted average 1.6 years to the life of loans
Agribusiness	Added a weighted average 1.0 year to the life of loans

	Payment Deferral
	Financial Effect
Production and intermediate-term	Provided a weighted average 9.1 months to the life of loans

	Combination – Interest Rate Reduction and Maturity Extension
	Financial Effect
Production and intermediate-term	Reduced weighted average contractual interest rate from 7.01% to 6.54% and added a weighted average 4.2 years to the life of loans

	Combination – Maturity Extension and Payment Deferral
	Financial Effect
Real estate mortgage	Added a weighted average 15.1 years to the life of loans and provided a weighted average 15.1 years of payment deferrals
Production and intermediate-term	Added a weighted average 6.7 years to the life of loans and provided a weighted average 3.1 years of payment deferrals
Agribusiness	Added a weighted average 3.9 years to the life of loans and provided a weighted average 3.9 years of payment deferrals

The following table sets forth the amortized cost of loans to borrowers experiencing financial difficulty that defaulted during during the three and nine months ended September 30, 2026 and received a modification in the twelve months before default:

	For the Three Months Ended September 30, 2026			
	Interest Rate Reduction	Maturity Extension	Combination – Interest Rate Reduction and Maturity Extension	Combination – Maturity Extension and Payment Deferral
Real estate mortgage	$ 245	$ 709	$ —	$ —
Production and intermediate-term	—	3,185	200	55
Agribusiness	—	51	89	—
Total	$ 245	$ 3,945	$ 289	$ 55

	For the Nine Months Ended September 30, 2026			
	Interest Rate Reduction	Maturity Extension	Combination – Interest Rate Reduction and Maturity Extension	Combination – Maturity Extension and Payment Deferral
Real estate mortgage	$ 245	$ 709	$ —	$ —
Production and intermediate-term	—	3,204	213	55
Agribusiness	—	51	89	—
Total	$ 245	$ 3,964	$ 302	$ 55

The following table sets forth an aging analysis of loans to borrowers experiencing financial difficulty that were modified during the twelve months prior to September 30, 2026:

	September 30, 2026			
	Current	30-89 Days Past Due	90 Days or More Past Due	Total
Real estate mortgage	$ 3,594	$ —	$ 245	$ 3,839
Production and intermediate-term	12,144	1,103	2,226	15,473
Agribusiness	2,521	89	51	2,661
Total	$ 18,259	$ 1,192	$ 2,522	$ 21,973

Accrued interest receivable at the end of the reporting period related to loan modifications granted to borrowers experiencing financial difficulty during the three and nine months ended September 30, 2026 were $92 and $174, respectively. Additional commitments to lend to borrowers experiencing financial difficulties whose loans have been modified were $2,922 and $681 at September 30, 2026 and December 31, 2025, respectively.

Modified loans to borrowers experiencing financial difficulty and activity on these loans were not material during the three and nine months ended September 30, 2025. There were no material commitments to lend to borrowers experiencing financial difficulty whose loans had been modified at September 30, 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.

Loans held for sale were $15,585 at September 30, 2026. The Association had no loans held for sale at December 31, 2025. Such loans are carried at the lower of cost or fair value.

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 20.34% of the issued stock and allocated retained earnings of the Bank as of September 30, 2026, net of any reciprocal investment. As of that date, the Bank's assets totaled $52.0 billion and shareholders' equity totaled $2.3 billion. The Bank's earnings were $328 million for the nine months ended September 30, 2026. In addition, the Association held investments of $3,666 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 September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Employee Benefit Plans:				
Balance at beginning of period	$ (1,961)	$ (2,599)	$ (2,325)	$ (2,963)
Other comprehensive income before reclassification	—	—	—	—
Amounts reclassified from AOCI	182	182	546	546
Net current period other comprehensive income	182	182	546	546
Balance at end of period	$ (1,779)	$ (2,417)	$ (1,779)	$ (2,417)

Reclassifications Out of Accumulated Other Comprehensive Income *(b)*					
	Three Months Ended September 30,		Nine Months Ended September 30,		
	2026	2025	2026	2025	Income Statement Line Item
Defined Benefit Pension Plans:					
Periodic pension costs	$ (182)	$ (182)	$ (546)	$ (546)	Salaries and employee benefits
Net amounts reclassified	$ (182)	$ (182)	$ (546)	$ (546)	

(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.

Loans held for sale are carried at the lower of cost of fair value. The fair value of these loans was determined using pricing established in planning purchase agreement negotiations with external market participants. Because the valuation was principally on observable transactions prices for the underlying loans, with adjustments limited to estimated selling costs, the Association classified these measurements within Level 2. There were no additional changes to valuation methodologies or fair value hierarchy classifications during the periods presented. See Note 8, *Fair Value Measurement* of the most recent Annual Report to Shareholders for descriptions of the valuation methodologies used for assets and liabilities measured at fair value.

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.

	September 30, 2026			
	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Recurring assets				
Assets held in trust funds	$ 4,158	$ —	$ —	$ 4,158
Nonrecurring assets				
Loans held for sale	$ —	$ 15,585	$ —	$ 15,585
Nonaccrual loans	$ —	$ —	$ 23,300	$ 23,300
Other property owned	$ —	$ —	$ 311	$ 311
Other equity investments	$ —	$ —	$ 5,954	$ 5,954

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

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 through November 6, 2026, which was the date the financial statements were issued. In October 2026, the Association transferred a communications borrower with net loan exposure totaling $32.0 million to nonaccrual status due to the current circumstances affecting this borrower. At this time and based on current information, the financial impact of this transfer is not expected to be material to the Association's financial condition or results of operations. However, given the uncertainty regarding the borrower’s current circumstances and the ultimate resolution of the loans, the financial impact remains uncertain. The Association determined no additional subsequent events have occurred requiring disclosure.