AgSouth Farm Credit, ACA

SECOND QUARTER 2026

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CERTIFICATION

The undersigned certify that we have reviewed the June 30, 2026 quarterly report of AgSouth 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/ Chad Puryear
Chief Executive Officer

/s/ Bo Fennell
Chief Financial Officer

/s/ D. Kaleb Rathbone
Chair of the Board

August 7, 2026

AgSouth 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 affected 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 June 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 June 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 June 30, 2026.

/s/ Chad Puryear
Chief Executive Officer

/s/ Bo Fennell
Chief Financial Officer

August 7, 2026

AgSouth 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 AgSouth Farm Credit, ACA (Association) for the period ended June 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 is diversified over a wide range of agricultural commodities produced in our region, including timber, poultry (broilers, turkeys and eggs), sod, nursery and horticulture, cotton, feed grains, soybeans and hay, beef cattle, pastures, horses, peanuts, blueberries, fruits, and nuts. Loans to producers of these commodities total $3,791,724 or 70.11% of the Association's portfolio. Farm size varies, and many of the Association's customers have diversified farming operations. These factors, along with the numerous opportunities for non-farm income in the area, reduce to some degree the level of income dependency on any given commodity.

The total loan volume of the Association as of June 30, 2026, was $5,408,051, an increase of $234,766 as compared to $5,173,285 at December 31, 2025. The net increase in total loan volume during the reporting period is attributed to the funding of operating lines of credit and term loans less expected paydowns. Advances on most operating lines are now funded and additional anticipated growth in the portfolio is being realized. Competition for good quality loans remains strong from some commercial banks, but the Association has remained competitive in a difficult rate environment.

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 $65,118 at June 30, 2026 from $46,206 at December 31, 2025. As a percent of total loans, nonaccrual loans were 1.20% and 0.89% at June 30, 2026 and December 31, 2025, respectively. While there has been an increase in nonaccruals compared to December 31, 2025, the Association's Special Asset Management department continues to partner with lending staff and distressed borrowers to workout troubled accounts.

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 June 30, 2026, was $23,000 or 0.43% of total loans compared to $21,700 or 0.42% of total loans at December 31, 2025, and is considered by management to be adequate to cover estimated current and expected losses within the loan portfolio. 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 June 30, 2026

Net income for the three months ended June 30, 2026, was $27,197, an increase of $8,169 as compared to net income of $19,028 for the same period ended in 2025. The following commentary explains the increase.

For the three months ended June 30, 2026, net interest income was $44,117, an increase of $2,238, and the net interest margin was 3.29%, a decrease of 12 basis points as compared to the same period ended in 2025. The increase in net interest income is primarily due to additional loan growth despite a lower net interest margin due to higher cost of funds for the Association.

The provision for credit losses for the three months ended June 30, 2026, was $1,210, a decrease of $5,072 from the provision for credit losses of $6,282 for the same period ended during the prior year. The Asset/Liability Committee determines the provision amount to ensure the allowance for credit losses meets the Association’s estimated risk tolerances.

Noninterest income increased $3,207 to $14,747 during the three months ended June 30, 2026 compared to the same period ended during the prior year primarily due to patronage refunds from other Farm Credit Associations and an insurance fund refund.

For the three months ended June 30, 2026, noninterest expense increased $2,348 to $30,457 compared to the same period ended in 2025 primarily due to an increase in the cost of core services provided by AgFirst Farm Credit Bank.

For the six months ended June 30, 2026

Net income for the six months ended June 30, 2026, was $58,556, an increase of $16,915 as compared to net income of $41,641 for the same period ended in 2025. The following commentary explains the increase.

For the six months ended June 30, 2026, net interest income was $87,922, an increase of $4,658, and the net interest margin was 3.35%, a decrease of 30 basis points as compared to the same period ended in 2025. The increase in net interest income is primarily due to additional loan growth despite a lower net interest margin due to higher cost of funds for the Association.

The provision for credit losses for the six months ended June 30, 2026, was $2,217, a decrease of $5,937 from the provision for credit losses of $8,154 for the same period ended during the prior year. The Asset/Liability Committee determines the provision amount to ensure the allowance for credit losses meets the Associations estimated risk tolerances.

Noninterest income increased $10,255 to $32,665 during the six months ended June 30, 2026 compared to the same period ended during the prior year primarily due to patronage refunds from other Farm Credit Associations and an insurance fund refund.

For the six months ended June 30, 2026, noninterest expense increased $3,935 to $59,814 compared to the same period ended in 2025 primarily due to an increase in the cost of core services provided by AgFirst Farm Credit Bank.

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 June 30, 2026, was $4,773,598 as compared to $4,493,428 at December 31, 2025.

CAPITAL RESOURCES

Total members’ equity at June 30, 2026, was $854,692, a decrease of $41,508 from a total of $896,200 at December 31, 2025. The decrease is due to the distribution of the Association’s 2025 patronage declaration and the revolvement of the 2020 allocated surplus offset by the year-to-date earnings retained. Total capital stock and participation certificates were $24,407 on June 30, 2026, compared to $24,055 on December 31, 2025. The increase is attributed to the purchase of new stock and participations certificates for new borrowing entities offset by the retirement of stock and participation certificates on loans liquidated in the normal course of business.

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*	June 30, 2026	December 31, 2025	June 30, 2025
Permanent Capital Ratio	7.00%	13.19%	14.69%	15.28%
Common Equity Tier 1 (CET1) Capital Ratio	7.00%	13.14%	13.96%	14.64%
Tier 1 Capital Ratio	8.50%	13.14%	13.96%	14.64%
Total Regulatory Capital Ratio	10.50%	13.58%	15.06%	15.76%
Tier 1 Leverage Ratio**	5.00%	13.20%	14.05%	14.85%
Unallocated Retained Earnings (URE) and URE Equivalents	1.50%	12.76%	13.59%	14.36%

**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 US 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 will be effective 30 days after publication during which either or both Houses of Congress are in session.

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 the Bank can also be obtained at the Bank’s website, *www.agfirst.com*. Copies of the Association’s annual and quarterly reports are also available upon request free of charge by calling 1-800-633-9091, ext. 2674, or writing Bo Fennell, CFO, AgSouth Farm Credit, ACA, P.O. Box 718, Statesboro, GA 30459, or accessing the Association’s website, *www.agsouthfc.com*. The Association prepares an electronic version of the Annual Report which is available on the Association’s web site within 75 days after the end of the fiscal year and distributes the Annual Report to Shareholders within 90 days after the end of the fiscal year. The Association 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 institution. Reports of suspected or actual wrongdoings involving the Association, its employees and/or Directors, can be made anonymously and confidentially through the Association’s Whistleblower Hotline (NAVEX Global) at 1-833-220-9744 or *www.agsouth.ethicspoint.com*.

AgSouth Farm Credit, ACA

Consolidated Balance Sheets

(dollars in thousands)	**June 30, 2026** *(unaudited)*	**December 31, 2025** *(audited)*
Assets		
Cash	**$ 77**	$ 53
Investments in debt securities:		
Held to maturity	**96,554**	69,594
Loans	**5,408,051**	5,173,285
Allowance for credit losses on loans	**(23,000)**	(21,700)
Net loans	**5,385,051**	5,151,585
Loans held for sale	**1,066**	709
Other investments	**2,552**	2,117
Accrued interest receivable	**50,702**	49,163
Equity investments in other Farm Credit institutions	**104,627**	97,292
Premises and equipment, net	**43,953**	44,263
Other property owned	**1,001**	401
Accounts receivable	**17,816**	31,172
Other assets - fair value	**8,806**	8,572
Other assets	**2,496**	2,072
Total assets	**$ 5,714,701**	$ 5,456,993
Liabilities		
Notes payable to AgFirst Farm Credit Bank	**$ 4,773,598**	$ 4,493,428
Accrued interest payable	**17,988**	17,127
Patronage refunds payable	**1,074**	409
Accounts payable	**24,813**	5,582
Other liabilities	**42,536**	44,247
Total liabilities	**4,860,009**	4,560,793
Commitments and contingencies (Note 6)		
Members' Equity		
Capital stock and participation certificates	**24,407**	24,055
Additional paid-in-capital	**96,458**	96,458
Retained earnings		
Allocated	**—**	99,453
Unallocated	**734,731**	677,265
Accumulated other comprehensive income (loss)	**(904)**	(1,031)
Total members' equity	**854,692**	896,200
Total liabilities and members' equity	**$ 5,714,701**	$ 5,456,993

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

AgSouth Farm Credit, ACA

Consolidated Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended June 30, 2026	For the Three Months Ended June 30, 2025	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
Interest Income				
Loans	**$ 100,498**	$ 90,778	**$ 197,510**	$ 177,681
Investments	**855**	61	**1,633**	70
Total interest income	**101,353**	90,839	**199,143**	177,751
Interest Expense	**57,236**	48,960	**111,221**	94,487
Net interest income	**44,117**	41,879	**87,922**	83,264
Provision for credit losses	**1,210**	6,282	**2,217**	8,154
Net interest income after provision for credit losses	**42,907**	35,597	**85,705**	75,110
Noninterest Income				
Loan fees	**3,299**	2,851	**6,321**	5,292
Fees for financially related services	**591**	416	**1,206**	848
Patronage refunds from other Farm Credit institutions	**8,944**	7,654	**19,009**	14,661
Gains (losses) on sales of rural home loans, net	**856**	191	**1,953**	254
Gains (losses) on sales of premises and equipment, net	**856**	322	**945**	407
Gains (losses) on other transactions	**140**	45	**666**	2
Insurance Fund refunds	**—**	—	**2,260**	726
Other noninterest income	**61**	61	**305**	220
Total noninterest income	**14,747**	11,540	**32,665**	22,410
Noninterest Expense				
Salaries and employee benefits	**16,882**	15,801	**32,898**	31,934
Occupancy and equipment	**1,533**	1,476	**2,871**	2,724
Insurance Fund premiums	**1,164**	996	**2,273**	1,948
Purchased services	**7,461**	5,795	**14,493**	11,206
Data processing	**315**	319	**628**	634
Other operating expenses	**3,656**	3,827	**7,014**	7,532
(Gains) losses on other property owned, net	**(554)**	(105)	**(363)**	(99)
Total noninterest expense	**30,457**	28,109	**59,814**	55,879
Net income	**$ 27,197**	$ 19,028	**$ 58,556**	$ 41,641
Other comprehensive income net of tax				
Employee benefit plans adjustments	**63**	15	**127**	29
Comprehensive income	**$ 27,260**	$ 19,043	**$ 58,683**	$ 41,670

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

AgSouth 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 Allocated	Retained Earnings Unallocated	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
Balance at December 31, 2024	$ 22,853	$ 96,458	$ 54,814	$ 642,452	$ 33	$ 816,610
Comprehensive income				41,641	29	41,670
Capital stock/participation certificates issued/(retired), net	680					680
Retained earnings retired			(26,861)			(26,861)
Patronage distribution adjustment			4			4
Balance at June 30, 2025	$ 23,533	$ 96,458	$ 27,957	$ 684,093	$ 62	$ 832,103
Balance at December 31, 2025	**$ 24,055**	**$ 96,458**	**$ 99,453**	**$ 677,265**	**$ (1,031)**	**$ 896,200**
Comprehensive income				**58,556**	**127**	**58,683**
Capital stock/participation certificates issued/(retired), net	**352**					**352**
Patronage distribution						
Cash			**(71,150)**	**(1,200)**		**(72,350)**
Retained earnings retired			**(27,953)**			**(27,953)**
Patronage distribution adjustment			**(350)**	**110**		**(240)**
Balance at June 30, 2026	**$ 24,407**	**$ 96,458**	**$ —**	**$ 734,731**	**$ (904)**	**$ 854,692**

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 AgSouth 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 US 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 six months ended June 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:

	June 30, 2026	December 31, 2025
Real estate mortgage	$ 3,524,321	$ 3,386,694
Production and intermediate-term	1,001,985	947,070
Agribusiness:		
Loans to cooperatives	9,728	7,935
Processing and marketing	352,462	351,725
Farm-related business	64,094	59,247
Rural infrastructure:		
Communication	35,933	39,195
Power and water/waste disposal	32,156	32,091
Rural residential real estate	371,588	333,585
Other:		
International	15,665	15,633
Other (including Mission Related)	119	110
Total loans	$ 5,408,051	$ 5,173,285

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 Farm Credit Administration (FCA) regulations.

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

	June 30, 2026	December 31, 2025
Real estate mortgage:		
Acceptable	97.21%	97.58%
OAEM	1.64	1.22
Substandard/doubtful/loss	1.15	1.20
	100.00%	100.00%
Production and intermediate-term:		
Acceptable	96.06%	95.19%
OAEM	1.54	1.51
Substandard/doubtful/loss	2.40	3.30
	100.00%	100.00%
Agribusiness:		
Acceptable	90.69%	92.45%
OAEM	5.43	3.57
Substandard/doubtful/loss	3.88	3.98
	100.00%	100.00%
Rural infrastructure:		
Acceptable	94.73%	100.00%
OAEM	5.27	–
Substandard/doubtful/loss	–	–
	100.00%	100.00%
Rural residential real estate:		
Acceptable	98.57%	96.86%
OAEM	0.99	2.64
Substandard/doubtful/loss	0.44	0.50
	100.00%	100.00%
Other:		
Acceptable	100.00%	100.00%
OAEM	–	–
Substandard/doubtful/loss	–	–
	100.00%	100.00%
Total loans:		
Acceptable	96.55%	96.72%
OAEM	1.92	1.54
Substandard/doubtful/loss	1.53	1.74
	100.00%	100.00%

Accrued interest receivable on loans of $49,766 and $48,402 at June 30, 2026 and December 31, 2025, respectively, has been excluded from the amortized cost of loans and reported separately in the Consolidated Balance Sheets.

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

	June 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	$ 32,759	$ 12,207	$ 44,966	$ 3,479,355	$ 3,524,321
Production and intermediate-term	15,685	3,471	19,156	982,829	1,001,985
Agribusiness	8,491	193	8,684	417,600	426,284
Rural infrastructure	–	–	–	68,089	68,089
Rural residential real estate	3,925	653	4,578	367,010	371,588
Other	–	–	–	15,784	15,784
Total	$ 60,860	$ 16,524	$ 77,384	$ 5,330,667	$ 5,408,051

	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	$ 32,657	$ 11,062	$ 43,719	$ 3,342,975	$ 3,386,694
Production and intermediate-term	6,236	6,975	13,211	933,859	947,070
Agribusiness	1,457	577	2,034	416,873	418,907
Rural infrastructure	–	–	–	71,286	71,286
Rural residential real estate	4,672	574	5,246	328,339	333,585
Other	–	–	–	15,743	15,743
Total	$ 45,022	$ 19,188	$ 64,210	$ 5,109,075	$ 5,173,285

The Association had no accruing loans greater than 90 days past due as of June 30, 2026 and December 31, 2025.

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

	June 30, 2026		
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	$ 2,491	$ 28,049	$ 30,540
Production and intermediate-term	2,956	18,866	21,822
Agribusiness	161	11,507	11,668
Rural residential real estate	–	1,088	1,088
Total	$ 5,608	$ 59,510	$ 65,118

	December 31, 2025		
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	$ 6,750	$ 21,194	$ 27,944
Production and intermediate-term	2,664	6,526	9,190
Agribusiness	385	7,659	8,044
Rural residential real estate	10	1,018	1,028
Total	$ 9,809	$ 36,397	$ 46,206

The Association recognized $789 and $1,156 of interest income on nonaccrual loans during the three and six months ended June 30, 2026, respectively. The Association recognized $555 and $1,127 of interest income on nonaccrual loans during the three and six months ended June 30, 2025, respectively.

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

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

	Three Months Ended June 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 22,500	$ 24,600
Charge-offs	(650)	(153)
Recoveries	140	71
Provision for credit losses on loans	1,010	5,582
Balance at end of period	$ 23,000	$ 30,100
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 2,600	$ 2,200
Provision for unfunded commitments	200	700
Balance at end of period	$ 2,800	$ 2,900
Total allowance for credit losses	$ 25,800	$ 33,000

	Six Months Ended June 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 21,700	$ 23,100
Charge-offs	(917)	(183)
Recoveries	200	129
Provision for credit losses on loans	2,017	7,054
Balance at end of period	$ 23,000	$ 30,100
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 2,600	$ 1,800
Provision for unfunded commitments	200	1,100
Balance at end of period	$ 2,800	$ 2,900
Total allowance for credit losses	$ 25,800	$ 33,000

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.

Modified loans to borrowers experiencing financial difficulty and activity on these loans were not material during the three and six months ended June 30, 2026 and 2025. There were no material commitments to lend to borrowers experiencing financial difficulty whose loans have been modified at June 30, 2026 and 2025. There were no material modifications to distressed borrowers that occurred during the previous twelve months and for which there was a subsequent payment default during the period.

Loans held for sale were $1,066 and $709 at June 30, 2026 and December 31, 2025, respectively. Such loans are carried at the lower of cost or fair value.

Note 3 — Investments

Investments in Debt Securities

The Association's investments consist of Rural America Bonds (RABs), which are private placement securities purchased under the Mission Related Investment (MRI) program approved by the FCA. In its Conditions of Approval for the program, the FCA generally considers a RAB ineligible if its investment rating, based on the internal 14-point risk rating scale used to also grade loans, falls below 9 and requires System institutions to provide notification to FCA when a security becomes ineligible. Any other bonds purchased under the MRI program, approved on a case-by-case basis by FCA, may have different eligibility requirements. At June 30, 2026, the Association held no RABs whose credit quality had deteriorated beyond the program limits.

The Association's investments also consist of asset-backed securities (ABSs). These ABSs are issued through the Small Business Administration and are guaranteed by the full faith and credit of the United States government. They are held for managing short-term surplus funds and reducing interest rate risk. These securities meet the applicable FCA regulatory guidelines related to government agency guaranteed investments.

A summary of the amortized cost of investment securities held-to-maturity follows:

	Amortized Cost	
	June 30, 2026	December 31, 2025
RABs	$ 576	$ 590
ABSs	95,978	69,004
Total	$ 96,554	$ 69,594

A summary of the contractual maturity and amortized cost of investment securities follows:

	Amortized Cost
	June 30, 2026
In one year or less	$ –
After one year through five years	–
After five years through ten years	57,223
After ten years	39,331
Total	$ 96,554

For the securities listed above, expected maturities can differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

The Association evaluates investment securities with unrealized losses for impairment on a quarterly basis. As part of this assessment, it was concluded that the Association does not intend to sell the security, or it is not more likely than not that the Association would be required to sell the security prior to recovery of the amortized cost basis. The Association also evaluates whether credit impairment exists by comparing the present value of expected cash flows to the amortized cost basis of the security. Credit impairment, if any, is recorded as an ACL for debt securities. At June 30, 2026 and December 31, 2025, the Association does not consider any unrealized losses to be credit-related and an allowance for credit losses is not necessary.

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 AgFirst Farm Credit Bank (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 13.74% of the issued stock and allocated retained earnings of the Bank as of June 30, 2026, net of any reciprocal investment. As of that date, the Bank's assets totaled $51.2 billion and shareholders' equity totaled $2.4 billion. The Bank's earnings were $218 million for the six months ended June 30, 2026. In addition, the Association held investments of $6,223 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 June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Employee Benefit Plans:				
Balance at beginning of period	$ (967)	$ 47	$ (1,031)	$ 33
Other comprehensive income before reclassification	–	–	–	–
Amounts reclassified from AOCI	63	15	127	29
Net current period other comprehensive income	63	15	127	29
Balance at end of period	$ (904)	$ 62	$ (904)	$ 62

	Reclassifications Out of Accumulated Other Comprehensive Income *(b)*				
	Three Months Ended June 30,		Six Months Ended June 30,		
	2026	2025	2026	2025	Income Statement Line Item
Defined Benefit Pension Plans:					
Periodic pension costs	$ (63)	$ (15)	$ (127)	$ (29)	Salaries and employee benefits
Net amounts reclassified	$ (63)	$ (15)	$ (127)	$ (29)	

(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.

There were no 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.

	June 30, 2026			
	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Recurring assets				
Assets held in trust funds	$ 8,806	$ –	$ –	$ 8,806
Nonrecurring assets				
Nonaccrual loans	$ –	$ –	$ 3,966	$ 3,966
Other property owned	$ –	$ –	$ 1,267	$ 1,267

	December 31, 2025			
	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Recurring assets				
Assets held in trust funds	$ 8,572	$ –	$ –	$ 8,572
Nonrecurring assets				
Nonaccrual loans	$ –	$ –	$ 5,942	$ 5,942
Other property owned	$ –	$ –	$ 468	$ 468

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 there were none requiring disclosure through August 7, 2026, which was the date the financial statements were issued.