

Lake Area Corn Processors, LLC

Consolidated Balance Sheets December 31, 2025 and 2024

	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 34,986,577	\$ 21,838,991
Accounts receivable	2,970,837	3,723,881
Inventories	14,324,037	16,046,616
Derivative financial instruments	1,068,611	1,190,445
Prepaid and other assets	2,654,497	2,815,286
Other assets—tax credits	18,798,664	-
Total current assets	74,803,223	45,615,219
Property and equipment:		
Land	874,473	874,473
Land improvements	10,273,531	10,273,531
Buildings	9,316,576	9,316,576
Equipment	122,822,772	122,327,307
Construction in progress	48,571	124,220
	143,335,923	142,916,107
Less accumulated depreciation	(80,874,375)	(74,596,583)
Net property and equipment	62,461,548	68,319,524
Other assets:		
Goodwill, net	9,157,775	10,197,352
Investments	57,628,740	54,753,900
Other	3,620,211	5,678,776
Total other assets	70,406,726	70,630,028
Total assets	\$ 207,671,497	\$ 184,564,771
Liabilities and Members' Equity		
Current liabilities:		
Outstanding checks in excess of bank balance	\$ 1,007,347	\$ 2,013,325
Accounts payable	24,290,116	26,086,652
Accrued liabilities	1,080,133	762,362
Derivative financial instruments	427,557	316,184
Total current liabilities	26,805,153	29,178,523
Long-term liabilities:		
Notes payable	1,000	16,001,000
Other	-	10,000
Total long-term liabilities	1,000	16,011,000
Commitments and contingencies (Note 8)		
Members' equity—29,620,000 units issued and outstanding	180,865,344	139,375,248
Total liabilities and members' equity	\$ 207,671,497	\$ 184,564,771

Lake Area Corn Processors, LLC

Consolidated Statements of Operations
Years Ended December 31, 2025 and 2024

	2025	2024
Revenues	\$ 212,338,472	\$ 190,691,715
Cost of revenues	171,524,929	166,450,095
Gross profit	40,813,543	24,241,620
Operating expenses	7,201,961	5,714,706
Income from operations	33,611,582	18,526,914
Other income (expense):		
Tax credits	18,798,664	-
Interest and other income	413,810	326,883
Equity in net income of investments	12,773,704	12,291,108
Interest expense	(250,038)	(333,100)
Total other income	31,736,140	12,284,891
Net income	\$ 65,347,722	\$ 30,811,805
Basic and diluted earnings per unit	\$ 2.21	\$ 1.04
Weighted-average number of units outstanding	29,620,000	29,620,000
Distributions declared per unit	\$ 0.81	\$ 0.90

Lake Area Corn Processors, LLC

Consolidated Statements of Changes in Members' Equity
Years Ended December 31, 2025 and 2024

Balance, December 31, 2023	\$ 135,393,429
Net income	30,811,805
Member distributions	<u>(26,829,986)</u>
Balance, December 31, 2024	139,375,248
Net income	65,347,722
Member distributions	<u>(23,857,626)</u>
Balance, December 31, 2025	<u><u>\$ 180,865,344</u></u>

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Net income	\$ 65,347,722	\$ 30,811,805
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9,042,046	7,500,334
Tax credit generation	(18,798,664)	-
Distributions in excess of earnings (earnings in excess of distributions) from investments	(2,874,841)	479,180
Loss on disposal of property and equipment	36,959	-
(Increase) decrease in:		
Accounts receivable	753,044	2,418,819
Inventories	1,722,579	(1,372,906)
Prepaid and other assets	(64,650)	(74,094)
Derivative financial instruments	233,207	(833,694)
Increase (decrease) in:		
Accounts payable	(1,796,536)	(7,284,108)
Accrued liabilities	307,771	(61,611)
Net cash provided by operating activities	53,908,637	31,583,725
Cash flows from investing activities:		
Natural gas transportation refund	826,607	-
Purchases of property and equipment	(581,530)	(15,002,676)
Net cash provided by (used in) investing activities	245,077	(15,002,676)
Cash flows from financing activities:		
Decrease in outstanding checks in excess of bank balance	(1,005,978)	(657,078)
Borrowings on notes payable	-	52,650,000
Payments on notes payable	(16,000,000)	(56,650,000)
Distributions to members	(23,857,626)	(26,829,986)
Net cash used in financing activities	(40,863,604)	(31,487,064)
Net increase (decrease) in cash, cash equivalents and restricted cash	13,290,110	(14,906,015)
Cash, cash equivalents and restricted cash:		
Beginning	22,423,017	37,329,032
Ending	\$ 35,713,127	\$ 22,423,017
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$4,274 and \$245,891 in 2025 and 2024, respectively	\$ 267,458	\$ 347,884