

Lake Area Corn Processors, LLC

Consolidated Balance Sheets

	March 31, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 11,517,439	\$ 34,986,577
Accounts receivable	4,657,154	2,970,837
Inventories	18,460,309	14,324,037
Derivative financial instruments	1,811,596	1,068,611
Prepaid and other assets	2,429,168	2,654,497
Other assets—tax credits	3,876,149	18,798,664
Total current assets	42,751,815	74,803,223
Property and equipment:		
Land	874,473	874,473
Land improvements	10,273,531	10,273,531
Buildings	9,316,576	9,316,576
Equipment	122,779,683	122,822,772
Construction in progress	24,544,587	48,571
	167,788,850	143,335,923
Less accumulated depreciation	(82,440,678)	(80,874,375)
Net property and equipment	85,348,172	62,461,548
Other assets:		
Goodwill, net	8,897,881	9,157,775
Investments	58,910,258	57,628,740
Other	3,377,516	3,620,211
Total other assets	71,185,655	70,406,726
Total assets	\$ 199,285,642	\$ 207,671,497
Liabilities and Members' Equity		
Current liabilities:		
Outstanding checks in excess of bank balance	\$ 4,185,560	\$ 1,007,347
Accounts payable	6,647,111	24,290,116
Accrued liabilities	1,098,381	1,080,133
Derivative financial instruments	455,446	427,557
Total current liabilities	12,386,498	26,805,153
Long-term liabilities:		
Notes payable	-	1,000
Total long-term liabilities	-	1,000
Members' equity (29,620,000 units issued and outstanding)	186,899,144	180,865,344
Total liabilities and members' equity	\$ 199,285,642	\$ 207,671,497

Lake Area Corn Processors, LLC

Consolidated Statements of Operations

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Revenues	\$ 52,038,161	\$ 51,815,288
Cost of revenues	40,715,582	45,756,592
Gross profit	11,322,579	6,058,696
Operating expenses	2,175,318	1,694,806
Income from operations	9,147,261	4,363,890
Other income (expense):		
Tax Credits	3,824,820	-
Interest and other income	210,811	119,149
Equity in net income of investments	4,702,857	1,203,007
Interest expense	(5)	(193,523)
Total other income (expense)	8,738,483	1,128,633
Net income	\$ 17,885,744	\$ 5,492,523
Basic and diluted earnings per unit	\$ 0.60	\$ 0.19
Weighted average number of units outstanding	29,620,000	29,620,000
Distributions declared per unit	\$ 0.40	\$ 0.01

Lake Area Corn Processors, LLC

Consolidated Statements of Changes in Members' Equity

Balance, December 31, 2024	\$	139,375,248
Net income for three-month period ended March 31, 2025		5,492,523
Member distributions		(161,625)
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Balance, March 31, 2025	\$	<u>144,706,146</u>
Balance, December 31, 2025	\$	180,865,344
Net income for three-month period ended March 31, 2026		17,885,744
Member distributions		(11,851,944)
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Balance, March 31, 2026	\$	<u>186,899,144</u>

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Cash flows from operating activities:		
Net income	\$ 17,885,744	\$ 5,492,523
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	2,259,873	2,285,833
Tax credit generation	(3,876,149)	-
Distributions in excess of earnings (earnings in excess of distributions) from investments	(1,762,857)	(1,203,007)
(Gain) Loss on sale of equipment	(10,000)	-
(Increase) decrease in:		
Accounts receivable	18,460,465	(281,405)
Inventory	(4,136,272)	(79,728)
Prepaid expenses	225,329	219,914
Derivative financial instruments	(715,096)	698,959
Increase (decrease) in:		
Accounts payable	(18,991,123)	(19,824,740)
Accrued liabilities	18,249	(29,714)
Net cash used in operating activities	9,358,163	(12,721,365)
Cash flows from investing activities:		
Distributions received from consolidated subsidiary	481,339	826,607
Purchases of property and equipment	(24,486,015)	(23,106)
Net cash provided by investing activities	(24,004,676)	803,501
Cash flows from financing activities:		
Increase in outstanding checks in excess of bank balance	3,178,212	367,644
Borrowings on notes payable	-	11,000,000
Payments on notes payable	(1,000)	(21,004,719)
Financing costs paid	(141,624)	-
Distributions to members	(11,851,944)	(161,625)
Net cash used in financing activities	(8,816,356)	(9,798,700)
Net (decrease) increase in cash, cash equivalents and restricted cash	(23,462,869)	(21,716,564)
Cash, cash equivalents and restricted cash:		
Beginning	35,713,127	22,423,017
Ending	\$ 12,250,258	\$ 706,453
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$3,331 and \$0 in 2026 and 2025, respectively	\$ 24	\$ 294,484