Lake Area Corn Processors, LLC

Consolidated Balance Sheets

	June 30, 2026	December 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	$ 10,290,333	$ 34,986,577
Accounts receivable	5,268,727	2,970,837
Inventories	15,774,154	14,324,037
Derivative financial instruments	1,188,472	1,068,611
Prepaid and other assets	2,124,679	2,654,497
Other assets—tax credits	7,752,298	18,798,664
Total current assets	42,398,663	74,803,223
Property and equipment:		
Land	6,060,006	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	43,519,151	48,571
	191,948,947	143,335,923
Less accumulated depreciation	(84,047,564)	(80,874,375)
Net property and equipment	107,901,383	62,461,548
Other assets:		
Goodwill, net	8,637,987	9,157,775
Investments	64,940,956	57,628,740
Other	2,989,327	3,620,211
Total other assets	76,568,270	70,406,726
Total assets	$ 226,868,316	$ 207,671,497
Liabilities and Members' Equity		
Current liabilities:		
Outstanding checks in excess of bank balance	$ 3,596,320	$ 1,007,347
Accounts payable	13,450,835	24,290,116
Accrued liabilities	1,061,025	1,080,133
Derivative financial instruments	2,330,361	427,557
Current portion of notes payable	500,000	-
Total current liabilities	20,938,541	26,805,153
Long-term liabilities:		
Notes payable	500,000	1,000
Total long-term liabilities	500,000	1,000
Members' equity (29,620,000 units issued and outstanding)	205,429,775	180,865,344
Total liabilities and members' equity	$ 226,868,316	$ 207,671,497

Lake Area Corn Processors, LLC

Consolidated Statements of Operations

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	**Six Months Ended June 30, 2026**	Six Months Ended June 30, 2025
Revenues	**$ 57,172,198**	$ 50,929,649	**$ 109,210,359**	$ 102,744,937
Cost of revenues	**43,434,571**	44,002,638	**84,150,153**	89,759,230
Gross profit	**13,737,627**	6,927,011	**25,060,206**	12,985,707
Operating expenses	**1,918,509**	1,594,975	**4,093,826**	3,289,782
Income from operations	**11,819,118**	5,332,036	**20,966,380**	9,695,925
Other income (expense):				
Tax Credits	**3,876,149**	-	**7,700,969**	-
Interest and other income	**79,816**	22,809	**290,627**	141,958
Equity in net income of investments	**6,030,698**	1,978,106	**10,733,555**	3,181,113
Interest expense	**-**	(132,385)	**(5)**	(325,908)
Total other income (expense)	**9,986,663**	1,868,530	**18,725,146**	2,997,163
Net income	**$ 21,805,781**	$ 7,200,566	**$ 39,691,526**	$ 12,693,088
Basic and diluted earnings per unit	**$ 0.74**	$ 0.24	**$ 1.34**	$ 0.43
Weighted average number of units outstanding	**29,620,000**	29,620,000	**29,620,000**	29,620,000
Distributions declared per unit	**$ 0.10**	$ 0.20	**$ 0.51**	$ 0.21

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)
Balance, March 31, 2025	$	144,706,146
Net income for three-month period ended June 30, 2025		7,200,565
Member distributions		(5,924,000)
Balance, June 30, 2025	$	145,982,711
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)
Balance, March 31, 2026	$	186,899,144
Net income for three-month period ended June 30, 2026		21,805,781
Member distributions		(3,275,150)
Balance, June 30, 2026	$	205,429,775

See notes to consolidated financial statements.

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Cash flows from operating activities:		
Net income	**$ 39,691,526**	$ 12,693,088
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	**4,521,376**	4,534,911
Tax credit generation	**(7,752,298)**	-
Distributions in excess of earnings (earnings in excess of distributions) from investments	**(7,793,555)**	(2,101,713)
(Gain) Loss on sale of equipment	**-**	-
(Increase) decrease in:		
Accounts receivable	**17,848,891**	235,964
Inventory	**(1,450,117)**	1,014,972
Prepaid expenses	**529,819**	519,773
Derivative financial instruments	**1,782,943**	883,579
Increase (decrease) in:		
Accounts payable	**(16,698,456)**	(18,085,826)
Accrued liabilities	**(19,108)**	(75,859)
Net cash used in operating activities	**30,661,021**	(381,111)
Cash flows from investing activities:		
Distributions received from consolidated subsidiary	**481,339**	826,607
Purchases of property and equipment	**(44,145,056)**	(165,581)
Net cash provided by investing activities	**(43,663,717)**	661,026
Cash flows from financing activities:		
Increase in outstanding checks in excess of bank balance	**2,588,973**	870,747
Borrowings on notes payable	**1,000,000**	5,995,281
Payments on notes payable	**(1,000)**	(21,995,281)
Financing costs paid	**(141,625)**	-
Distributions to members	**(15,127,094)**	(6,085,625)
Net cash used in financing activities	**(11,680,746)**	(21,214,878)
Net (decrease) increase in cash, cash equivalents and restricted cash	**(24,683,442)**	(20,934,963)
Cash, cash equivalents and restricted cash:		
Beginning	**35,713,127**	22,423,017
Ending	**$ 11,029,685**	$ 1,488,054
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of $37,827 and $0 in 2026 and 2025, respectively	**$ 24**	$ 334,997
Capital expenditures in accounts payable	**4,511,057**	-