

Lake Area Corn Processors, LLC

Consolidated Balance Sheets

	March 31, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 116,178	\$ 21,838,991
Accounts receivable	4,005,287	3,723,881
Inventories	16,126,344	16,046,616
Derivative financial instruments	2,721,739	1,190,445
Prepaid and other assets	2,369,934	2,815,286
Total current assets	25,339,482	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	122,474,632	122,327,307
Construction in progress	-	124,220
	142,939,212	142,916,107
Less accumulated depreciation	(76,194,361)	(74,596,583)
Net property and equipment	66,744,851	68,319,524
Other assets:		
Goodwill, net	9,937,458	10,197,352
Investments	55,956,907	54,753,900
Other	4,655,697	5,678,776
Total other assets	70,550,062	70,630,028
Total assets	\$ 162,634,395	\$ 184,564,771
Liabilities and Members' Equity		
Current liabilities:		
Outstanding checks in excess of bank balance	\$ 2,380,970	\$ 2,013,325
Accounts payable	6,261,913	26,086,652
Accrued liabilities	732,648	762,362
Notes payable	5,995,281	-
Derivative financial instruments	2,546,437	316,184
Total current liabilities	17,917,249	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
Members' equity (29,620,000 units issued and outstanding)	144,706,146	139,375,248
Total liabilities and members' equity	\$ 162,624,395	\$ 184,564,771

Lake Area Corn Processors, LLC

Consolidated Statements of Operations

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Revenues	\$ 51,815,288	\$ 46,647,681
Cost of revenues	45,756,592	44,072,041
Gross profit	6,058,696	2,575,640
Operating expenses	1,694,806	1,261,870
Income from operations	4,363,890	1,313,770
Other income (expense):		
Interest and other income	119,149	143,388
Equity in net income of investments	1,203,007	986,266
Interest expense	(193,523)	(85,770)
Total other income (expense)	1,128,633	1,043,884
Net income	\$ 5,492,523	\$ 2,357,654
Basic and diluted earnings per unit	\$ 0.19	\$ 0.08
Weighted average number of units outstanding	29,620,000	29,620,000
Distributions declared per unit	\$ 0.01	\$ 0.30

Lake Area Corn Processors, LLC

Consolidated Statements of Changes in Members' Equity

Balance, December 31, 2023	\$	135,393,429
Net income for three-month period ended March 31, 2024		2,357,654
Member distributions		(9,057,200)
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Balance, March 31, 2024	\$	<u>128,693,883</u>
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>

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
Cash flows from operating activities:		
Net income	\$ 5,492,523	\$ 2,357,654
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	2,285,833	2,748,607
Distributions in excess of earnings (earnings in excess of distributions) from investments	(1,203,007)	(884,999)
(Increase) decrease in:		
Accounts receivable	(281,405)	(1,324,287)
Inventory	(79,728)	999,967
Prepaid expenses	219,914	190,805
Derivative financial instruments	698,959	(475,520)
Increase (decrease) in:		
Accounts payable	(19,824,740)	(26,012,806)
Accrued liabilities	(29,714)	(88,143)
Net cash used in operating activities	(12,721,365)	(22,488,722)
Cash flows from investing activities:		
Natural Gas transportation prepayment	826,607	-
Purchases of property and equipment	(23,106)	(3,742,231)
Net cash provided by investing activities	803,501	(3,742,231)
Cash flows from financing activities:		
Increase in outstanding checks in excess of bank balance	367,644	1,036,435
Borrowings on notes payable	11,000,000	14,440,278
Payments on notes payable	(21,004,719)	(15,000,000)
Distributions to members	(161,625)	(9,057,200)
Net cash used in financing activities	(9,798,700)	(8,580,487)
Net (decrease) increase in cash, cash equivalents and restricted cash	(21,716,564)	(34,811,440)
Cash, cash equivalents and restricted cash:		
Beginning	22,423,017	37,329,032
Ending	\$ 706,453	\$ 2,517,592
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$0 and \$26,094 in 2025 and 2024, respectively	\$ 294,484	\$ 150,338
Capital expenditures in accounts payable	-	14,940