

Lake Area Corn Processors, LLC

Consolidated Balance Sheets

	June 30, 2025	December 31, 2024
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 891,498	\$ 21,838,991
Accounts receivable	3,487,917	3,723,881
Inventories	15,031,644	16,046,616
Derivative financial instruments	899,720	1,190,445
Prepaid and other assets	2,070,073	2,815,286
<b>Total current assets</b>	<b>22,380,852</b>	<b>45,615,219</b>
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	142,476	124,220
	<b>143,081,688</b>	<b>142,916,107</b>
Less accumulated depreciation	<b>(77,792,959)</b>	<b>(74,596,583)</b>
<b>Net property and equipment</b>	<b>65,288,729</b>	<b>68,319,524</b>
Other assets:		
Goodwill, net	9,677,564	10,197,352
Investments	56,855,613	54,753,900
Other	4,271,391	5,678,776
<b>Total other assets</b>	<b>70,804,568</b>	<b>70,630,028</b>
<b>Total assets</b>	<b>\$ 158,474,149</b>	<b>\$ 184,564,771</b>
<b>Liabilities and Members' Equity</b>		
Current liabilities:		
Outstanding checks in excess of bank balance	\$ 2,884,072	\$ 2,013,325
Accounts payable	8,000,825	26,086,652
Accrued liabilities	696,503	762,362
Derivative financial instruments	909,038	316,184
<b>Total current liabilities</b>	<b>12,490,438</b>	<b>29,178,523</b>
Long-term liabilities:		
Notes payable	1,000	16,001,000
Other	-	10,000
<b>Total long-term liabilities</b>	<b>1,000</b>	<b>16,011,000</b>
Members' equity (29,620,000 units issued and outstanding)	<b>145,982,711</b>	<b>139,375,248</b>
<b>Total liabilities and members' equity</b>	<b>\$ 158,474,149</b>	<b>\$ 184,564,771</b>

Lake Area Corn Processors, LLC

Consolidated Statements of Operations

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Revenues	\$ 50,929,649	\$ 49,439,857	\$ 102,744,937	\$ 96,087,538
Cost of revenues	44,002,638	41,547,581	89,759,230	85,609,240
<b>Gross profit</b>	<b>6,927,011</b>	<b>7,892,276</b>	<b>12,985,707</b>	<b>10,478,298</b>
Operating expenses	1,594,975	1,359,416	3,289,782	2,631,669
<b>Income from operations</b>	<b>5,332,036</b>	<b>6,532,860</b>	<b>9,695,925</b>	<b>7,846,629</b>
Other income (expense):				
Interest and other income	22,809	34,421	141,958	177,809
Equity in net income of investments	1,978,106	6,094,749	3,181,113	7,081,015
Interest expense	(132,385)	(247,331)	(325,908)	(333,100)
<b>Total other income (expense)</b>	<b>1,868,530</b>	<b>5,881,839</b>	<b>2,997,163</b>	<b>6,925,724</b>
<b>Net income</b>	<b>\$ 7,200,566</b>	<b>\$ 12,414,699</b>	<b>\$ 12,693,088</b>	<b>\$ 14,772,353</b>
Basic and diluted earnings per unit	<b>\$ 0.24</b>	<b>\$ 0.42</b>	<b>\$ 0.43</b>	<b>\$ 0.50</b>
Weighted average number of units outstanding	<b>29,620,000</b>	<b>29,620,000</b>	<b>29,620,000</b>	<b>29,620,000</b>
Distributions declared per unit	<b>\$ 0.20</b>	<b>\$ -</b>	<b>\$ 0.21</b>	<b>\$ 0.30</b>

Lake Area Corn Processors, LLC

Consolidated Statements of Changes in Members' Equity

<b>Balance, December 31, 2023</b>	\$	135,393,429
Net income for three-month period ended March 31, 2024		2,357,654
Member distributions		(9,057,200)
		<hr/>
<b>Balance, March 31, 2024</b>	\$	128,693,883
Net income for three-month period ended June 30, 2024		12,414,699
<b>Balance, June 30, 2024</b>	\$	<u>141,108,582</u>
		<hr/>
<b>Balance, December 31, 2024</b>	\$	139,375,248
Net income for three-month period ended March 31, 2025		5,492,523
Member distributions		(161,625)
		<hr/>
<b>Balance, March 31, 2025</b>	\$	144,706,146
Net income for three-month period ended June 30, 2025		7,200,565
Member distributions		(5,924,000)
<b>Balance, June 30, 2025</b>	\$	<u>145,982,711</u>

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash flows from operating activities:		
Net income	\$ 12,693,088	\$ 14,772,353
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	4,534,911	5,453,606
Distributions in excess of earnings (earnings in excess of distributions) from investments	(2,101,713)	(2,506,610)
(Increase) decrease in:		
Accounts receivable	235,964	2,837,684
Inventory	1,014,972	(629,457)
Prepaid expenses	519,773	399,839
Derivative financial instruments	883,579	(185,441)
Increase (decrease) in:		
Accounts payable	(18,085,826)	(22,391,786)
Accrued liabilities	(75,859)	17,998
<b>Net cash used in operating activities</b>	<b>(381,111)</b>	<b>(2,231,814)</b>
Cash flows from investing activities:		
Natural Gas transportation prepayment	826,607	-
Purchases of property and equipment	(165,581)	(6,211,605)
<b>Net cash provided by investing activities</b>	<b>661,026</b>	<b>(6,211,605)</b>
Cash flows from financing activities:		
Increase in outstanding checks in excess of bank balance	870,747	1,361,129
Borrowings on notes payable	5,995,281	13,000,000
Payments on notes payable	(21,995,281)	(29,000,000)
Financing costs paid	-	-
Distributions to members	(6,085,625)	(9,057,200)
<b>Net cash used in financing activities</b>	<b>(21,214,878)</b>	<b>(23,696,071)</b>
<b>Net (decrease) increase in cash, cash equivalents and restricted cash</b>	<b>(20,934,963)</b>	<b>(32,139,490)</b>
Cash, cash equivalents and restricted cash:		
Beginning	22,423,017	37,329,032
Ending	\$ 1,488,054	\$ 5,189,542
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$2,034 and \$196,472 in 2025 and 2024, respectively	\$ 334,997	\$ 118,269
Capital expenditures in accounts payable	-	557,400