

Lake Area Corn Processors, LLC

Consolidated Balance Sheets

	September 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	\$ 21,901,780	\$ 21,838,991
Accounts receivable	3,421,083	3,723,881
Inventories	10,840,289	16,046,616
Derivative financial instruments	871,307	1,190,445
Prepaid and other assets	1,829,532	2,815,286
Total current assets	38,863,991	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	122,509,491	122,327,307
Construction in progress	142,476	124,220
	143,116,547	142,916,107
Less accumulated depreciation	(79,267,543)	(74,596,583)
Net property and equipment	63,849,004	68,319,524
Other assets:		
Goodwill, net	9,417,669	10,197,352
Investments	53,641,701	54,753,900
Other	3,887,107	5,678,776
Total other assets	66,946,477	70,630,028
Total assets	\$ 169,659,472	\$ 184,564,771
Liabilities and Members' Equity		
Current liabilities:		
Outstanding checks in excess of bank balance	\$ 1,761,171	\$ 2,013,325
Accounts payable	8,377,091	26,086,652
Accrued liabilities	982,480	762,362
Derivative financial instruments	646,572	316,184
Total current liabilities	11,767,314	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)	157,891,158	139,375,248
Total liabilities and members' equity	\$ 169,659,472	\$ 184,564,771

Lake Area Corn Processors, LLC

Consolidated Statements of Operations

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Revenues	\$ 54,752,039	\$ 48,361,257	\$ 157,496,975	\$ 144,448,794
Cost of revenues	39,409,746	40,613,978	129,168,976	126,225,789
Gross profit	15,342,293	7,747,279	28,327,999	18,223,005
Operating expenses	1,679,068	1,316,018	4,968,850	3,945,114
Income from operations	13,663,225	6,431,261	23,359,149	14,277,891
Other income (expense):				
Interest and other income	55,900	85,781	197,859	263,590
Equity in net income of investments	4,037,434	5,187,967	7,218,546	12,268,981
Interest expense	75,888	-	(250,019)	(333,100)
Total other income (expense)	4,169,222	5,273,748	7,166,386	12,199,471
Net income	\$ 17,832,447	\$ 11,705,009	\$ 30,525,535	\$ 26,477,362
Basic and diluted earnings per unit	\$ 0.60	\$ 0.40	\$ 1.03	\$ 0.89
Weighted average number of units outstanding	29,620,000	29,620,000	29,620,000	29,620,000
Distributions declared per unit	\$ 0.20	\$ 0.30	\$ 0.41	\$ 0.60

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	\$	128,693,883
Net income for three-month period ended June 30, 2024		12,414,699
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Balance, June 30, 2024	\$	141,108,582
Net income for three-month period ended September 30, 2024		11,705,009
Member distributions		(8,886,000)
Balance, September 30, 2024	\$	<u>143,927,591</u>
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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	\$	144,706,146
Net income for three-month period ended June 30, 2025		7,200,565
Member distributions		(5,924,000)
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Balance, June 30, 2025	\$	145,982,711
Net income for three-month period ended September 30, 2025		17,832,447
Member distributions		(5,924,000)
Balance, September 30, 2025		<u>157,891,158</u>

Lake Area Corn Processors, LLC

Consolidated Statements of Cash Flows

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Cash flows from operating activities:		
Net income	\$ 30,525,535	\$ 26,477,362
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	6,784,733	8,169,158
Distributions in excess of earnings (earnings in excess of distributions) from investments	1,112,199	(4,569,555)
Loss on disposal of property and equipment	36,959	-
(Increase) decrease in:		
Accounts receivable	(3,741,557)	5,603,503
Inventory	5,206,327	6,076,860
Prepaid expenses	760,314	683,503
Derivative financial instruments	649,526	(24,486)
Increase (decrease) in:		
Accounts payable	(13,665,205)	(22,385,157)
Accrued liabilities	210,119	(56,792)
Net cash used in operating activities	27,878,950	19,974,396
Cash flows from investing activities:		
Natural Gas transportation prepayment	826,607	-
Purchases of property and equipment	(362,155)	(8,502,230)
Net cash provided by investing activities	464,452	(8,502,230)
Cash flows from financing activities:		
Decrease in outstanding checks in excess of bank balance	(252,155)	204,811
Payments on notes payable	(16,000,000)	(20,000,000)
Distributions to members	(12,009,625)	(17,943,200)
Net cash used in financing activities	(28,261,780)	(37,738,389)
Net (decrease) increase in cash, cash equivalents and restricted cash	81,622	(26,266,223)
Cash, cash equivalents and restricted cash:		
Beginning	22,423,017	37,329,032
Ending	\$ 22,504,639	\$ 11,062,809
Supplemental disclosures of cash flow information:		
Cash paid during the period for interest, net of capitalized interest of \$0 and \$380,890 in 2025 and 2024, respectively	\$ 250,019	\$ 240,524
Capital expenditures in accounts payable	-	138,000