

---

*Farm Credit of Florida, ACA*

# FIRST QUARTER 2026

## TABLE OF CONTENTS

|  |    |
|--|----|
| Report on Internal Control Over Financial Reporting .....                                      | 2  |
| Management’s Discussion and Analysis of<br>Financial Condition and Results of Operations ..... | 3  |
| Consolidated Financial Statements  |    |
| Consolidated Balance Sheets .....  | 7  |
| Consolidated Statements of Comprehensive Income .....  | 8  |
| Consolidated Statements of Changes in Members’ Equity .....                                    | 9  |
| Notes to the Consolidated Financial Statements.....  | 10 |

## CERTIFICATION

The undersigned certify that we have reviewed the March 31, 2026 quarterly report of Farm Credit of Florida, ACA, that the report has been prepared under the oversight of the Audit Committee of the Board of Directors and in accordance with all applicable statutory or regulatory requirements, and that the information contained herein is true, accurate, and complete to the best of our knowledge and belief.

/s/ John R. Gregory  
Chief Executive Officer

/s/ Laura Craker  
Chief Financial Officer

/s/ Wayne H. Simmons  
Chairman of the Board

May 8, 2026

# Report on Internal Control Over Financial Reporting

The Association’s principal executives and principal financial officers, or persons performing similar functions, are responsible for establishing and maintaining adequate internal control over financial reporting for the Association’s Consolidated Financial Statements. For purposes of this report, “internal control over financial reporting” is defined as a process designed by, or under the supervision of the Association’s principal executives and principal financial officers, or persons performing similar functions, and effected by its Board of Directors, management and other personnel. This process provides reasonable assurance regarding the reliability of financial reporting information and the preparation of the Consolidated Financial Statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

Internal control over financial reporting includes those policies and procedures that: (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Association, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial information in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Association, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Association’s assets that could have a material effect on its Consolidated Financial Statements.

The Association’s management has completed an assessment of the effectiveness of internal control over financial reporting as of March 31, 2026. In making the assessment, management used the framework in *Internal Control — Integrated Framework (2013)*, promulgated by the Committee of Sponsoring Organizations of the Treadway Commission, commonly referred to as the “COSO” criteria.

Based on the assessment performed, the Association’s management concluded that as of March 31, 2026, the internal control over financial reporting was effective based upon the COSO criteria. Additionally, based on this assessment, the Association’s management determined that there were no material weaknesses in the internal control over financial reporting as of March 31, 2026.

/s/ John R. Gregory  
Chief Executive Officer

/s/ Laura Craker  
Chief Financial Officer

May 8, 2026

# Management's Discussion and Analysis of Financial Condition and Results of Operations

*(dollars in thousands)*

The following commentary reviews the financial condition and results of operations of Farm Credit of Florida, ACA (Association) for the period ended March 31, 2026, with comparisons to prior periods. These comments should be read in conjunction with the accompanying financial statements, notes to the financial statements and the 2025 Annual Report of the Association. The accompanying consolidated financial statements were prepared under the oversight of the Audit Committee of the Board of Directors.

## LOAN PORTFOLIO

The Association provides funds to farmers, rural homeowners and farm-related businesses for financing of short and intermediate-term loans and long-term real estate mortgage loans. The Association's loan portfolio is diversified over a range of agricultural commodities in the northern and southern regions of Florida. The commodities include but are not limited to cattle, citrus, dairy, equine, field crops, nurseries, sugar, timber, tropical fruits, and vegetables with no significant single concentration. The largest commodity in the Association's loan portfolio is equine representing 19.25% of the portfolio. Repayment ability remains closely related to the commodities produced by our borrowers with some having supplemental nonfarm income. A significant portion of the equine portfolio have repayment sources of farm and nonfarm income. Farm size varies throughout the regions and many borrowers have diversified farming operations. This factor, along with numerous opportunities for non-farm income in the territory, reduces the level of repayment dependency on a single agricultural commodity.

During the first quarter of 2026, sugarcane, vegetable, citrus, berry, melon and nursery crops were potentially impacted by several hours of below freezing temperatures in the Association's territory. Producer losses will depend on location, stage of the crop, and the ultimate efficacy of mitigation efforts. Those producers with a significant percentage of their total crop set to reach maturity after the freeze event could be more materially impacted. Assessments and dialogue with customers are ongoing. Many affected customers likely have crop insurance claims, and net losses after receipt of insurance proceeds will determine the ultimate level of financial impact.

United States agricultural products continue to be affected by tariffs in 2026. These impacts include reduced export demand, increased input costs, and loss of market share. Historically, exports have represented about 20% of America's farm income. The United States Department of Agriculture (USDA) implemented the Farmer Bridge Assistance Program (FBA) in late 2025, which will facilitate various per acre payment rates for eligible row crop commodities. These payments are intended to assist in offsetting tariff impacts and are expected to be made in the first half of 2026. While the Association's exposure to these commodities is very minimal, 2025 row crop producers of field corn, cotton, peanuts, and soybeans will be eligible for assistance. Future tariff impacts are difficult to quantify due to ongoing litigation regarding the Executive Branch's ability to levy them without congressional approval. Other portfolio sectors, including forest products, are impacted by these activities. Management will continue to monitor tariff developments and their potential impact to the overall portfolio.

The all items CPI inflation rate was 2.7% for the 12 months ending December 31, 2025. For the 12 months ending March 31 2026, the index rose 3.3% before seasonal adjustment compared to the 2.4% level for the 12 months ending in February. Over the last 12 months, the all items less food and energy index rose 2.6%, with the energy index increasing 12.5% year over year and the food index increasing 2.7%. The increase in the overall index and the energy component was largely the result of a 21.2% spike in the index for gasoline during March. This fuel and oil cost increase occurred after the February 28, 2026 commencement of military operations in Iran. The average price per barrel of Brent Crude rose from around \$67 in January to approximately \$105 in March. As of early April 2026, a temporary cease fire was in place while the parties attempted to negotiate a longer-term agreement. Roughly 20% of global petroleum consumption is shipped through the Strait of Hormuz, and until safe vessel passage is demonstrated, oil prices will likely remain elevated. While near term material shipments through the Strait of Hormuz should lead to a decrease in oil prices, many industry experts believe that an "uncertainty premium" will exist in the oil market until a sustained period of stability is demonstrated in the region. If military actions continue, damage to oil producing infrastructure could affect capacity. Virtually every Association borrower is impacted by fuel costs. Many synthetic nitrogen-based fertilizers are derived from natural gas. Thus far, U.S. Henry Hub natural gas pricing has remained relatively stable due to record domestic production levels.

---

The current Fed Funds target range has been 3.50% to 3.75% since December of 2025. The Federal Open Market Committee (FOMC) seeks to achieve maximum employment and inflation at 2% over the longer run, and the 3.3% CPI increase for the 12 months ending March 2026 continues to be well above this target. While much of the March all items CPI increase results from oil prices, when energy and food impacts are excluded, a 2.6% increase over the past year is still observed. As of early April 2026, the Fed Funds interest rate futures market indicated a 78% probability of no additional rate cuts in 2026. The median Federal Reserve projection shows the possibility of one cut during the balance of the year. If elevated CPI readings persist well into 2026, a rate increase could be considered. Oil prices influenced by geopolitical instability and pending Federal Reserve leadership changes will likely be key drivers of Fed Funds levels over the next several months. Unemployment rates and the pace of job creation are additional factors that could influence FOMC rate decisions.

Most commodity groups within the portfolio have experienced generally favorable operating results over the last two production seasons; however, citrus producers remain impacted by citrus greening disease. The various challenges from citrus greening have caused dramatically lower production and declines in overall profitability for most producers. The final 2022/2023 USDA production report indicated a 62% decrease in production for the 2022/2023 orange crop, following a 22% decline the previous season. The 2023/2024 season report indicated a 14% rebound in Florida orange production, however, the USDA report for the 2024/2025 season indicated a 32% decrease to 12.2 million boxes due to the ongoing production challenges combined with the effects of Hurricane Milton. Despite the stresses within the production environment, the Association's citrus portfolio has continued to perform satisfactorily with material issues limited to only a few growers. The dairy industry has also remained under stress due to supply and demand dynamics, reduced government price supports as well as high feed and fuel costs. Most of the Association's dairy loans are extended to fluid milk producers who experienced depressed commodity prices for several years. The 2026 forecasted national average all milk price was recently adjusted upward to \$19.70 per cwt, a \$0.95 increase from the prior quarter, due to a recent trend of higher export volume. Milk yield per cow continues to increase, and the milk cow inventory is expected to increase slightly in 2026. The Association will continue to monitor the prospective impacts of input costs, trade negotiations, and Avian Influenza on the outlook for the industry.

The horticultural or nursery segment has remained satisfactory, although future sales and profits remain influenced by mortgage interest rate trends and consumer sentiment. Performance in this sector will also generally follow home construction and sales activity. The forestry industry has also experienced challenges, but it appears poised for possible modest improvement in 2026. Home improvement expenditures associated with the age of U.S. housing stock and the limited affordability of new homes are drivers of the potential improvement. Tariffs on imported lumber have resulted in some Canadian mill closures, which has led to pricing support for U.S. mills. However, higher lumber costs impact housing affordability. The beef cattle industry performed well as smaller herd sizes and continued demand led to strong prices. Feed and transportation cost increases have also moderated over the past year. Herd expansion is expected to start in 2027 with more pronounced increases in 2028. Lower grain prices should help feedlot operators, but packers will likely continue to experience margin challenges until herd growth increases cattle supplies.

The total loan volume of the Association as of March 31, 2026, was \$1,924,296, an increase of \$109,557 or 6.04% as compared to \$1,814,739 at December 31, 2025. The increase in total loan volume during the period is primarily attributed to funding operating lines of credit and term loans.

The Association remains active in the buying and selling of loan participations within and outside of the System. This provides a means for the Association to spread credit concentration risk and realize non-patronage sourced interest and fee income, which may strengthen our capital position. As of March 31, 2026, participations purchased totaled \$581,401 and participations sold totaled \$158,812, resulting in \$422,589 net participations purchased.

## **ASSET QUALITY AND LOAN LOSS RESERVES**

There is an inherent risk in the extension of any type of credit. Portfolio credit quality continues to be maintained at an acceptable level and credit administration remains satisfactory. Compared to year end 2025, increases in OAEM are from downgrades mostly in the forestry and equine commodity groups. Acceptable and OAEM credit quality, as a percentage of the total loan portfolio, was 98.94% as of March 31, 2026, compared to 98.90% on December 31, 2025.

Nonaccrual loans increased to \$2,710 at March 31, 2026 from \$2,567 at December 31, 2025. As a percent of total loans, nonaccrual loans were 0.14% and 0.14% at March 31, 2026 and December 31, 2025, respectively. The increase in nonaccrual loans is attributed to migrations into nonaccrual primarily in the rural home loan category. Other property owned decreased \$44 or 16.30% to \$226 on March 31, 2026 from \$270 on December 31, 2025. The decrease is from equipment sold during 2026.

Association management maintains an allowance for credit losses (ACL) in an amount considered sufficient to absorb estimated current and expected credit losses over the financial assets expected life. The most significant component of the Association's ACL is the allowance for credit losses on loans (ACL). The ACL at March 31, 2026, was \$5,259 or 0.27% of total loans compared to \$4,886 or

---

0.27% of total loans at December 31, 2025, and is considered by management to be adequate to cover estimated current and expected losses within the loan portfolio. See further detail on the Association's ACL within the Association's Annual Report and discussion of significant provision for credit loss within the *Results of Operations* below.

## RESULTS OF OPERATIONS

### *For the three months ended March 31, 2026*

Net income for the three months ended March 31, 2026, was \$8,297, an increase of \$1,323 or 18.97% as compared to net income of \$6,974 for the same period ended in 2025. The increase is primarily attributed to an increase in net interest income.

For the three months ended March 31, 2026, net interest income was \$14,046, an increase of \$1,045, and the net interest margin was 3.06%, a decrease of 20 basis points as compared to the same period ended in 2025. The increase in net interest income was primarily the result of loan volume growth over the past 12 months.

The provision for credit losses for the three months ended March 31, 2026, was \$343, a decrease in expense of \$311 from the provision for credit losses of \$654 for the same period ended during the prior year. The provision expense in both years is attributed to reserves required on loan volume growth during the periods.

Noninterest income increased \$561 to \$4,762 during the first three months of 2026 compared with the first three months of 2025 primarily due to an increase in Insurance Funds refunds.

In March 2026 and 2025, the Association recorded \$712 and \$243, respectively of insurance premium refunds from the Farm Credit System Insurance Corporation (FCSIC), which insures the System's debt obligations. These payments are nonrecurring and resulted from the assets of the Farm Credit Insurance Fund exceeding the secure base amount as defined by the Farm Credit Act.

For the three months ended March 31, 2026, noninterest expense increased \$594 to \$10,168 compared with the first three months of 2025 primarily due to an increase in purchased services resulting from an increase in the Bank's cost of services provided to the Association.

## FUNDING SOURCES

The principal source of funds for the Association is the borrowing relationship established with AgFirst Farm Credit Bank (the Bank) through a General Financing Agreement. The General Financing Agreement utilizes the Association's credit and fiscal performance as criteria for establishing a line of credit on which the Association may draw funds. The Bank advances funds to the Association in the form of notes payable. The notes payable are segmented into variable rate and fixed rate sections. The variable rate note is utilized by the Association to fund variable rate loan advances and operating funds requirements. The fixed rate note is used specifically to fund fixed rate loan advances made by the Association. The total notes payable to the Bank at March 31, 2026, was \$1,547,769 as compared to \$1,447,381 at December 31, 2025.

## CAPITAL RESOURCES

Total members' equity at March 31, 2026, was \$390,767, an increase of \$8,337 from a total of \$382,430 at December 31, 2025. The increase is primarily attributed to net income during the period. Total capital stock and participation certificates were \$2,885 on March 31, 2026, compared to \$2,846 on December 31, 2025. The increase is attributed to capital stock purchased by new members.

The Farm Credit Administration (FCA) sets minimum regulatory capital requirements with a capital conservation buffer for System banks and associations. Capital adequacy is evaluated using a number of regulatory ratios.

The following sets forth the regulatory capital ratios:

|   | <b>Regulatory<br/>Minimum<br/>Including<br/>Buffer*</b> | <b>March 31, 2026</b> | <b>December 31, 2025</b> | <b>March 31, 2025</b> |
|---|---|-----------------------|--------------------------|-----------------------|
| Permanent Capital Ratio                                 | 7.00%   | 17.05%                | 18.26%                   | 19.10%                |
| Common Equity Tier 1 (CET1) Capital Ratio               | 7.00%   | 17.01%                | 18.21%                   | 19.05%                |
| Tier 1 Capital Ratio                                    | 8.50%   | 17.01%                | 18.21%                   | 19.05%                |
| Total Regulatory Capital Ratio                          | 10.50%  | 17.30%                | 18.51%                   | 19.35%                |
| Tier 1 Leverage Ratio**                                 | 5.00%   | 19.05%                | 20.50%                   | 21.25%                |
| Unallocated Retained Earnings (URE) and URE Equivalents | 1.50%   | 15.90%                | 17.12%                   | 17.63%                |

\*Include full capital conservation buffers.

\*\*The Tier 1 Leverage Ratio must include a minimum of 1.50% of URE and URE equivalents.

If the capital ratios fall below the minimum regulatory requirements, including the buffer amounts, capital distributions (equity redemptions, dividends, and patronage) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval. For all periods presented, the Association exceeded minimum regulatory requirements for all of the ratios.

## REGULATORY MATTERS

On February 27, 2026, the FCA published a proposed rule on Permanent Capital Revisions in the Federal Register. The proposed rule would reduce the role of permanent capital as a measure of capital adequacy, simplify the permanent capital ratio calculation, eliminate permanent capital disclosure requirements from shareholder and investor reporting, and make other clarifications, corrections, and updates to capital-related regulations. The comment period ended on April 28, 2026.

On December 5, 2025, the FCA published a proposed rule on loan performance categories and financial reporting in the Federal Register. The proposed rule would amend the regulations for high-risk loan performance categories due to changes in GAAP, clarify expectations for vintage disclosures and disclosures of loan modifications to borrowers experiencing financial difficulties. The comment period ended on February 3, 2026.

On February 8, 2024, the FCA approved a final rule to amend its regulatory capital requirements to define and establish risk weightings for High Volatility Commercial Real Estate (HVCRE) exposures by assigning a 150% risk-weighting to such exposures, instead of the current 100%, to reflect increased risk characteristics. The rule further ensures comparability between the FCA's risk-weightings and the federal banking regulators, with deviations as appropriate to accommodate the different regulatory, operational, and credit considerations of the System. The final rule excludes certain acquisition, development and construction loans that do not present as much risk and therefore do not warrant the risk weight for HVCRE. In addition, the final rule adds an exclusion for loans originated with a balance for less than \$500,000. The rule became effective on January 1, 2026 and did not have a material impact on the Association's capital ratios.

**Note:** Shareholder investment in the Association is materially affected by the financial condition and results of operations of AgFirst Farm Credit Bank. Copies of AgFirst's annual and quarterly reports are available upon request free of charge by calling 1-800-845-1745, ext. 2764, or writing Matthew Miller, AgFirst Farm Credit Bank, P. O. Box 1499, Columbia, SC 29202. Information concerning AgFirst Farm Credit Bank can also be obtained at their website, [www.agfirst.com](http://www.agfirst.com). Copies of the Association's annual and quarterly reports are also available upon request, free of charge, by calling (561)-965-9001, or writing Laura Craker, CFO, Farm Credit of Florida, ACA, 11903 Southern Blvd, Suite 200, West Palm Beach, FL 33411, or accessing the website, [www.farmcreditfl.com](http://www.farmcreditfl.com). The Association prepares a quarterly report within 40 days after the end of each fiscal quarter, except that no report need be prepared for the fiscal quarter that coincides with the end of the fiscal year of the institution.

*Farm Credit of Florida, ACA*

# Consolidated Balance Sheets

| <i>(dollars in thousands)</i>                        | March 31,<br>2026<br><i>(unaudited)</i> | December 31,<br>2025<br><i>(audited)</i> |
|--|---|--|
| <b>Assets</b>  |   |  |
| Cash   | \$ 14                                   | \$ 14                                    |
| Investments in debt securities:                      |   |  |
| Held to maturity                                     | 1,478                                   | 1,487                                    |
| Loans  | 1,924,296                               | 1,814,739                                |
| Allowance for credit losses on loans                 | (5,259)                                 | (4,886)                                  |
| Net loans  | 1,919,037                               | 1,809,853                                |
| Accrued interest receivable                          | 12,091                                  | 11,001                                   |
| Equity investments in other Farm Credit institutions | 32,230                                  | 30,019                                   |
| Premises and equipment, net                          | 9,725                                   | 9,888                                    |
| Other property owned                                 | 226                                     | 270                                      |
| Accounts receivable                                  | 2,678                                   | 9,307                                    |
| Other assets - fair value                            | 1,500                                   | 1,681                                    |
| Other assets   | 722                                     | 404                                      |
| Total assets   | <b>\$ 1,979,701</b>                     | <b>\$ 1,873,924</b>                      |
| <b>Liabilities</b>                                   |   |  |
| Notes payable to AgFirst Farm Credit Bank            | \$ 1,547,769                            | \$ 1,447,381                             |
| Accrued interest payable                             | 5,817                                   | 5,376                                    |
| Patronage refunds payable                            | 397                                     | 15,195                                   |
| Accounts payable                                     | 4,760                                   | 4,934                                    |
| Advanced conditional payments                        | 8,414                                   | 9,285                                    |
| Other liabilities                                    | 21,777                                  | 9,323                                    |
| Total liabilities                                    | <b>1,588,934</b>                        | <b>1,491,494</b>                         |
| Commitments and contingencies (Note 6)               |   |  |
| <b>Members' Equity</b>                               |   |  |
| Protected borrower stock                             | 445                                     | 445                                      |
| Capital stock and participation certificates         | 2,440                                   | 2,401                                    |
| Additional paid-in-capital                           | 7,873                                   | 7,873                                    |
| Retained earnings                                    |   |  |
| Allocated  | 157,057                                 | 157,208                                  |
| Unallocated  | 223,075                                 | 214,628                                  |
| Accumulated other comprehensive income (loss)        | (123)                                   | (125)                                    |
| Total members' equity                                | <b>390,767</b>                          | <b>382,430</b>                           |
| Total liabilities and members' equity                | <b>\$ 1,979,701</b>                     | <b>\$ 1,873,924</b>                      |

*The accompanying notes are an integral part of these consolidated financial statements.*

*Farm Credit of Florida, ACA*

# Consolidated Statements of Comprehensive Income

(unaudited)

|  | For the Three Months<br>Ended March 31, |           |
|--|---|-----------|
| <i>(dollars in thousands)</i>                          | 2026                                    | 2025      |
| <b>Interest Income</b>                                 |   |           |
| Loans  | \$ 30,441                               | \$ 26,636 |
| Investments  | 23                                      | 25        |
| Total interest income                                  | 30,464                                  | 26,661    |
| <b>Interest Expense</b>                                |   |           |
| Net interest income                                    | 16,418                                  | 13,660    |
| Provision for credit losses                            | 14,046                                  | 13,001    |
|  | 343                                     | 654       |
| Net interest income after provision for credit losses  | 13,703                                  | 12,347    |
| <b>Noninterest Income</b>                              |   |           |
| Loan fees  | 250                                     | 222       |
| Fees for financially related services                  | 1,306                                   | 1,396     |
| Patronage refunds from other Farm Credit institutions  | 2,399                                   | 2,303     |
| Gains (losses) on sales of rural home loans, net       | 20                                      | 17        |
| Gains (losses) on sales of premises and equipment, net | 1                                       | (8)       |
| Gains (losses) on other transactions                   | 46                                      | —         |
| Insurance Fund refunds                                 | 712                                     | 243       |
| Other noninterest income                               | 28                                      | 28        |
| Total noninterest income                               | 4,762                                   | 4,201     |
| <b>Noninterest Expense</b>                             |   |           |
| Salaries and employee benefits                         | 5,821                                   | 5,918     |
| Occupancy and equipment                                | 354                                     | 363       |
| Insurance Fund premiums                                | 369                                     | 309       |
| Purchased services                                     | 2,488                                   | 1,906     |
| Data processing  | 48                                      | 50        |
| Other operating expenses                               | 1,090                                   | 1,028     |
| (Gains) losses on other property owned, net            | (2)                                     | —         |
| Total noninterest expense                              | 10,168                                  | 9,574     |
| <b>Net income</b>                                      | \$ 8,297                                | \$ 6,974  |
| <b>Other comprehensive income net of tax</b>           |   |           |
| Employee benefit plans adjustments                     | 2                                       | 1         |
| <b>Comprehensive income</b>                            | \$ 8,299                                | \$ 6,975  |

*The accompanying notes are an integral part of these consolidated financial statements.*

*Farm Credit of Florida, ACA*

# Consolidated Statements of Changes in Members' Equity

*(unaudited)*

| <i>(dollars in thousands)</i>                                     | Protected<br>Borrower<br>Stock | Capital<br>Stock and<br>Participation<br>Certificates | Additional<br>Paid-in-Capital | Retained Earnings |                   | Accumulated<br>Other<br>Comprehensive<br>Income (Loss) | Total<br>Members'<br>Equity |
|---|--------------------------------|---|-------------------------------|-------------------|-------------------|--|-----------------------------|
|   |                                |   |                               | Allocated         | Unallocated       |  |                             |
| Balance at December 31, 2024                                      | \$ 445                         | \$ 2,359  | \$ 7,873                      | \$ 153,271        | \$ 204,884        | \$ (121)   | \$ 368,711                  |
| Comprehensive income  |                                |   |                               |                   | 6,974             | 1  | 6,975                       |
| Capital stock/participation<br>certificates issued/(retired), net |                                | (2)   |                               |                   |                   |  | (2)                         |
| Patronage distribution adjustment                                 |                                |   |                               | (39)              | 38                |  | (1)                         |
| <b>Balance at March 31, 2025</b>                                  | <b>\$ 445</b>                  | <b>\$ 2,357</b>                                       | <b>\$ 7,873</b>               | <b>\$ 153,232</b> | <b>\$ 211,896</b> | <b>\$ (120)</b>  | <b>\$ 375,683</b>           |
| <b>Balance at December 31, 2025</b>                               | <b>\$ 445</b>                  | <b>\$ 2,401</b>                                       | <b>\$ 7,873</b>               | <b>\$ 157,208</b> | <b>\$ 214,628</b> | <b>\$ (125)</b>  | <b>\$ 382,430</b>           |
| Comprehensive income  |                                |   |                               |                   | 8,297             | 2  | 8,299                       |
| Capital stock/participation<br>certificates issued/(retired), net |                                | 39  |                               |                   |                   |  | 39                          |
| Patronage distribution adjustment                                 |                                |   |                               | (151)             | 150               |  | (1)                         |
| <b>Balance at March 31, 2026</b>                                  | <b>\$ 445</b>                  | <b>\$ 2,440</b>                                       | <b>\$ 7,873</b>               | <b>\$ 157,057</b> | <b>\$ 223,075</b> | <b>\$ (123)</b>  | <b>\$ 390,767</b>           |

*The accompanying notes are an integral part of these consolidated financial statements.*

---

*Farm Credit of Florida, ACA*

# Notes to the Consolidated Financial Statements

*(dollars in thousands, except as noted)*

*(unaudited)*

## **Note 1 — Organization, Significant Accounting Policies, and Recently Issued Accounting Pronouncements**

### ***Organization***

The accompanying financial statements include the accounts of Farm Credit of Florida, ACA and its Production Credit Association (PCA) and Federal Land Credit Association (FLCA) subsidiaries (collectively, the Association). Descriptions of the organization and operations, the significant accounting policies followed, and the financial condition and results of operations for the Association as of and for the year ended December 31, 2025, are contained in the 2025 Annual Report to Shareholders. These unaudited interim consolidated financial statements should be read in conjunction with the latest Annual Report to Shareholders.

### ***Basis of Presentation***

In the opinion of management, the accompanying consolidated financial statements contain all adjustments necessary for a fair statement of results for the periods presented. These adjustments are of a normal recurring nature, unless otherwise disclosed.

Certain amounts in the prior period's consolidated financial statements have been reclassified to conform to the current period presentation. Such reclassifications had no effect on the prior period net income or total capital as previously reported.

The results of any interim period are not necessarily indicative of those to be expected for a full year.

### ***Significant Accounting Policies***

The Association's accounting and reporting policies conform with U.S. generally accepted accounting principles (GAAP) and practices in the financial services industry. To prepare the financial statements in conformity with GAAP, management must make estimates based on assumptions about future economic and market conditions (for example, unemployment, market liquidity, real estate prices, etc.) that affect the reported amounts of assets and liabilities at the date of the financial statements, income and expenses during the reporting period, and the related disclosures. Although these estimates contemplate current conditions and expectations of change in the future, it is reasonably possible that actual conditions may be different than anticipated, which could materially affect results of operations and financial condition.

Management has made significant estimates in several areas, including loans and allowance for credit losses (Note 2, *Loans and Allowance for Credit Losses*) and financial instruments (Note 5, *Fair Value Measurement*). Actual results could differ from those estimates.

For further details of significant accounting policies, see Note 2, *Summary of Significant Accounting Policies*, from the latest Annual Report.

### ***Recently Issued or Adopted Accounting Pronouncements***

In December 2025, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2025-11 Interim Reporting (Topic 270): Narrow-Scope Improvements. The update provides narrow-scope improvements to interim reporting guidance (ASC 270) to enhance clarity, navigability, and completeness of interim financial statements and disclosures, without fundamentally changing reporting requirements. Key changes include clarifying who is subject to ASC 270, adding comprehensive lists of required disclosures from other Codification topics, and establishing a principle to disclose events that have a material impact on the entity since the end of the last annual reporting period. The standard is effective for public business entities for interim reporting periods within annual reporting periods beginning after December 15, 2027, and for other entities after December 15, 2028, with early adoption permitted. The Association is currently evaluating the potential impact of adoption on its financial condition, results of operations, and cash flows.

In November 2025, the FASB issued ASU 2025-08 Financial Instruments - Credit Losses (Topic 326) - Purchased Loans. The amendment simplifies accounting for purchased loans by expanding the "gross-up" method to "purchased seasoned loans" (PSLs). This eliminates the Day 1 credit loss expense for most acquired loans, improves comparability, and reduces earnings volatility by creating a more consistent accounting approach similar to that used for previously purchased credit-deteriorated (PCD) loans. The standard is effective for annual periods beginning after December 15, 2026, including interim periods within those years. Early adoption is permitted. The Association is currently evaluating the potential impact of adoption on its financial condition, results of operations, and cash flows.

In July 2025, the FASB issued ASU 2025-05 Financial Instruments – Credit Losses – Measurement of Credit Losses for Accounts Receivable and Contract Assets. The amendments in this update provide all entities with a practical expedient which would allow all entities when developing reasonable and supportable forecasts as part of estimating expected credit losses to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset. The amendments also provide entities other than public business entities with an accounting policy election when estimating expected credit losses for current accounts receivables and current contract assets arising from transactions accounted for under Topic 606. The amendments were effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual reporting periods under a prospective approach. The impact of adoption did not have a significant impact on the Association’s financial condition, results of operations, and cash flows.

In December 2023, the FASB issued ASU 2023-09 – Income Taxes: Improvements to Income Tax Disclosures. The amendments in this standard require more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments in this standard require qualitative disclosure about specific categories of reconciling items and individual jurisdictions that result in a significant difference between the statutory tax rate and the effective tax rate. The amendments are effective for annual periods beginning after December 15, 2025. The adoption of this guidance is not expected to have a material impact on the Association’s financial condition, results of operations or cash flows but will impact the income tax disclosures.

## Note 2 — Loans and Allowance for Credit Losses

A summary of loans outstanding at period end follows:

|                                   | March 31, 2026      | December 31, 2025   |
|-----------------------------------|---------------------|---------------------|
| Real estate mortgage              | \$ 1,066,829        | \$ 1,031,953        |
| Production and intermediate-term  | 381,448             | 322,113             |
| Agribusiness:                     |                     |                     |
| Loans to cooperatives             | 39,457              | 33,560              |
| Processing and marketing          | 195,809             | 204,621             |
| Farm-related business             | 38,276              | 40,523              |
| Rural infrastructure:             |                     |                     |
| Communication                     | 72,720              | 71,673              |
| Power and water/waste disposal    | 81,322              | 63,284              |
| Rural residential real estate     | 23,152              | 21,659              |
| Other:                            |                     |                     |
| International                     | 21,531              | 21,529              |
| Other (including mission related) | 3,752               | 3,824               |
| Total loans                       | <u>\$ 1,924,296</u> | <u>\$ 1,814,739</u> |

A substantial portion of the Association’s lending activities is collateralized, and exposure to credit loss associated with lending activities is reduced accordingly. The Association may purchase or sell participation interests with other parties in order to diversify risk, manage loan volume, and comply with FCA regulations.

The following table shows loans, classified under the FCA Uniform Loan Classification System, as a percentage of total loans by loan type as of:

|  | March 31, 2026 | December 31, 2025 |
|--|----------------|-------------------|
| <b>Real estate mortgage:</b>             |                |                   |
| Acceptable                               | 97.24%         | 97.41%            |
| OAEM                                     | 2.20           | 2.02              |
| Substandard/doubtful/loss                | 0.56           | 0.57              |
|  | 100.00%        | 100.00%           |
| <b>Production and intermediate-term:</b> |                |                   |
| Acceptable                               | 94.34%         | 93.19%            |
| OAEM                                     | 5.54           | 6.64              |
| Substandard/doubtful/loss                | 0.12           | 0.17              |
|  | 100.00%        | 100.00%           |
| <b>Agribusiness:</b>                     |                |                   |
| Acceptable                               | 89.55%         | 90.90%            |
| OAEM                                     | 5.39           | 4.30              |
| Substandard/doubtful/loss                | 5.06           | 4.80              |
|  | 100.00%        | 100.00%           |
| <b>Rural infrastructure:</b>             |                |                   |
| Acceptable                               | 93.97%         | 99.32%            |
| OAEM                                     | 6.03           | 0.68              |
| Substandard/doubtful/loss                | -              | -                 |
|  | 100.00%        | 100.00%           |
| <b>Rural residential real estate:</b>    |                |                   |
| Acceptable                               | 99.30%         | 99.22%            |
| OAEM                                     | 0.17           | 0.20              |
| Substandard/doubtful/loss                | 0.53           | 0.58              |
|  | 100.00%        | 100.00%           |
| <b>Other:</b>                            |                |                   |
| Acceptable                               | 100.00%        | 100.00%           |
| OAEM                                     | -              | -                 |
| Substandard/doubtful/loss                | -              | -                 |
|  | 100.00%        | 100.00%           |
| <b>Total loans:</b>                      |                |                   |
| Acceptable                               | 95.37%         | 95.86%            |
| OAEM                                     | 3.57           | 3.04              |
| Substandard/doubtful/loss                | 1.06           | 1.10              |
|  | 100.00%        | 100.00%           |

Accrued interest receivable on loans of \$12,059 and \$10,989 at March 31, 2026 and December 31, 2025, respectively, has been excluded from the amortized cost of loans and reported separately in the Consolidated Balance Sheets.

The following tables provide an aging analysis of past due loans as of:

|                                  | March 31, 2026                    |                                |                   |  |              |   |
|----------------------------------|-----------------------------------|--------------------------------|-------------------|--|--------------|---|
|                                  | 30 Through<br>89 Days Past<br>Due | 90 Days or<br>More Past<br>Due | Total Past<br>Due | Not Past Due or<br>Less Than 30<br>Days Past Due | Total Loans  | Accruing Loans<br>90 Days or<br>More Past Due |
| Real estate mortgage             | \$ 9,128                          | \$ 1,551                       | \$ 10,679         | \$ 1,056,150                                     | \$ 1,066,829 | \$ -  |
| Production and intermediate-term | 1,301                             | 307                            | 1,608             | 379,840  | 381,448      | -   |
| Agribusiness                     | -                                 | -                              | -                 | 273,542  | 273,542      | -   |
| Rural infrastructure             | -                                 | -                              | -                 | 154,042  | 154,042      | -   |
| Rural residential real estate    | -                                 | 80                             | 80                | 23,072   | 23,152       | -   |
| Other                            | -                                 | -                              | -                 | 25,283   | 25,283       | -   |
| Total                            | \$ 10,429                         | \$ 1,938                       | \$ 12,367         | \$ 1,911,929                                     | \$ 1,924,296 | \$ -  |

|                                  | December 31, 2025                 |                                |                   |  |              |   |
|----------------------------------|-----------------------------------|--------------------------------|-------------------|--|--------------|---|
|                                  | 30 Through<br>89 Days Past<br>Due | 90 Days or<br>More Past<br>Due | Total Past<br>Due | Not Past Due or<br>Less Than 30<br>Days Past Due | Total Loans  | Accruing Loans<br>90 Days or<br>More Past Due |
| Real estate mortgage             | \$ 2,174                          | \$ 1,937                       | \$ 4,111          | \$ 1,027,842                                     | \$ 1,031,953 | \$ -  |
| Production and intermediate-term | 100                               | 408                            | 508               | 321,605  | 322,113      | -   |
| Agribusiness                     | 500                               | -                              | 500               | 278,204  | 278,704      | -   |
| Rural infrastructure             | 134                               | -                              | 134               | 134,823  | 134,957      | -   |
| Rural residential real estate    | 15                                | 80                             | 95                | 21,564   | 21,659       | -   |
| Other                            | -                                 | -                              | -                 | 25,353   | 25,353       | -   |
| Total                            | \$ 2,923                          | \$ 2,425                       | \$ 5,348          | \$ 1,809,391                                     | \$ 1,814,739 | \$ -  |

The following tables provide the amortized cost for nonaccrual loans with and without a related allowance for credit losses on loans as of:

|                                  | March 31, 2026                   |                                     |          |
|----------------------------------|----------------------------------|-------------------------------------|----------|
| Nonaccrual loans:                | Amortized Cost<br>with Allowance | Amortized Cost<br>without Allowance | Total    |
| Real estate mortgage             | \$ -                             | \$ 2,136                            | \$ 2,136 |
| Production and intermediate-term | 451                              | 2                                   | 453      |
| Rural residential real estate    | -                                | 121                                 | 121      |
| Total                            | \$ 451                           | \$ 2,259                            | \$ 2,710 |

|                                  | December 31, 2025                |                                     |          |
|----------------------------------|----------------------------------|-------------------------------------|----------|
| Nonaccrual loans:                | Amortized Cost<br>with Allowance | Amortized Cost<br>without Allowance | Total    |
| Real estate mortgage             | \$ -                             | \$ 1,971                            | \$ 1,971 |
| Production and intermediate-term | 469                              | 3                                   | 472      |
| Rural residential real estate    | -                                | 124                                 | 124      |
| Total                            | \$ 469                           | \$ 2,098                            | \$ 2,567 |

The Association recognized \$44 and \$74 of interest income on nonaccrual loans during the three months ended March 31, 2026 and 2025, respectively.

Reversals of interest income on loans that moved to nonaccrual status were not material for the three months ended March 31, 2026 and 2025.

A summary of changes in the allowance for credit losses is as follows:

|   | Three Months Ended March 31, |          |
|---|------------------------------|----------|
|   | 2026                         | 2025     |
| <b>Allowance for Credit Losses on Loans:</b>                |                              |          |
| Balance at beginning of period                              | \$ 4,886                     | \$ 4,430 |
| Charge-offs   | -                            | -        |
| Recoveries  | 12                           | 9        |
| Provision for credit losses on loans                        | 361                          | 588      |
| Balance at end of period                                    | \$ 5,259                     | \$ 5,027 |
| <b>Allowance for Credit Losses on Unfunded Commitments:</b> |                              |          |
| Balance at beginning of period                              | \$ 1,064                     | \$ 940   |
| Provision for unfunded commitments                          | (18)                         | 66       |
| Balance at end of period                                    | \$ 1,046                     | \$ 1,006 |
| <b>Total allowance for credit losses</b>                    | \$ 6,305                     | \$ 6,033 |

Loan modifications may be granted to borrowers experiencing financial difficulty. Qualifying disclosable modifications are one, or a combination of, principal forgiveness, interest rate reduction, or an other-than-insignificant payment delay or term extension. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions.

Modified loans to borrowers experiencing financial difficulty and activity on these loans were not material during the three months ended March 31, 2026 and 2025. There were no material commitments to lend to borrowers experiencing financial difficulty whose loans have been modified at March 31, 2026 and 2025. There were no material modifications to distressed borrowers that occurred during the previous twelve months and for which there was a subsequent payment default during the period.

The Association had no loans held for sale at March 31, 2026 and December 31, 2025.

### Note 3 — Investments

#### *Investments in Debt Securities*

The Association’s investments consist of Rural America Bonds (RABs), which are private placement securities purchased under the Mission Related Investment (MRI) program approved by the FCA. In its Conditions of Approval for the program, the FCA generally considers a RAB ineligible if its investment rating, based on the internal 14-point risk rating scale used to also grade loans, falls below 9 and requires System institutions to provide notification to the FCA when a security becomes ineligible. Any other bonds purchased under the MRI program, approved on a case-by-case basis by FCA, may have different eligibility requirements. At March 31, 2026, the Association held no RABs whose credit quality had deteriorated beyond the program limits.

The Association’s investments also consist of asset-backed securities (ABSs). These ABSs are issued through the Small Business Administration and are guaranteed by the full faith and credit of the United States government. They are held for managing short-term surplus funds and reducing interest rate risk. These securities meet the applicable FCA regulatory guidelines related to government agency guaranteed investments.

A summary of the amortized cost of investment securities held-to-maturity follows:

|       | <b>Amortized Cost</b> |                          |
|-------|-----------------------|--------------------------|
|       | <b>March 31, 2026</b> | <b>December 31, 2025</b> |
| RABs  | \$ 1,321              | \$ 1,319                 |
| ABSs  | 157                   | 168                      |
| Total | <u>\$ 1,478</u>       | <u>\$ 1,487</u>          |

A summary of the contractual maturity and amortized cost of investment securities follows:

|                                    | <b>Amortized Cost</b> |
|------------------------------------|-----------------------|
|                                    | <b>March 31, 2026</b> |
| In one year or less                | \$ —                  |
| After one year through five years  | 36                    |
| After five years through ten years | 122                   |
| After ten years                    | 1,320                 |
| Total                              | <u>\$ 1,478</u>       |

For the securities listed above, expected maturities can differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

The Association evaluates investment securities with unrealized losses for impairment on a quarterly basis. As part of this assessment, it was concluded that the Association does not intend to sell the security, or it is not more likely than not that the Association would be required to sell the security prior to recovery of the amortized cost basis. The Association also evaluates whether credit impairment exists by comparing the present value of expected cash flows to the amortized cost basis of the security. Credit impairment, if any, is recorded as an ACL for debt securities. At March 31, 2026 and December 31, 2025, the Association does not consider any unrealized losses to be credit-related and an allowance for credit losses on investments is not necessary.

### Equity Investments in Other Farm Credit Institutions

Equity investments in other Farm Credit System institutions are generally nonmarketable investments consisting of stock and participation certificates, allocated surplus, and reciprocal investments in other institutions regulated by the FCA. These investments are carried at cost and evaluated for impairment based on the ultimate recoverability of the par value rather than by recognizing temporary declines in value.

Associations are required to maintain ownership in AgFirst (AgFirst or the Bank) in the form of Class B or Class C stock as determined by the Bank. The Bank may require additional capital contributions to maintain its capital requirements. The Association owned 4.30% of the issued stock and allocated retained earnings of the Bank as of March 31, 2026, net of any reciprocal investment. As of that date, the Bank's assets totaled \$50.5 billion and shareholders' equity totaled \$2.3 billion. The Bank's earnings were \$117 million for the first three months of 2026. In addition, the Association held investments of \$1,513 related to other Farm Credit institutions.

### Note 4 — Members' Equity

#### Accumulated Other Comprehensive Income (AOCI)

|  | Changes in Accumulated Other Comprehensive Income by Component (a) |          |
|--|--|----------|
|  | Three Months Ended March 31,                                       |          |
|  | 2026   | 2025     |
| <b>Employee Benefit Plans:</b>                     |  |          |
| Balance at beginning of period                     | \$ (125)   | \$ (121) |
| Other comprehensive income before reclassification | —  | —        |
| Amounts reclassified from AOCI                     | 2  | 1        |
| Net current period other comprehensive income      | 2  | 1        |
| Balance at end of period                           | \$ (123)   | \$ (120) |

|                                       | Reclassifications Out of Accumulated Other Comprehensive Income (b) |        |                                |
|---------------------------------------|---|--------|--------------------------------|
|                                       | Three Months Ended March 31,  |        |                                |
|                                       | 2026  | 2025   | Income Statement Line Item     |
| <b>Defined Benefit Pension Plans:</b> |   |        |                                |
| Periodic pension costs                | \$ (2)  | \$ (1) | Salaries and employee benefits |
| Net amounts reclassified              | \$ (2)  | \$ (1) |                                |

(a) Amounts in parentheses indicate debits to AOCI.

(b) Amounts in parentheses indicate debits to profit/loss.

### Note 5 — Fair Value Measurement

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. See Note 2, *Summary of Significant Accounting Policies* of the most recent Annual Report to Shareholders for additional information.

Fair values are estimated at each period end date for assets and liabilities measured at fair value on a recurring basis. The following tables summarize assets measured at fair value at period end.

|                            | March 31, 2026               |         |         |                  |
|----------------------------|------------------------------|---------|---------|------------------|
|                            | Fair Value Measurement Using |         |         | Total Fair Value |
|                            | Level 1                      | Level 2 | Level 3 |                  |
| <b>Recurring assets</b>    |                              |         |         |                  |
| Assets held in trust funds | \$ 1,500                     | \$ —    | \$ —    | \$ 1,500         |
| <b>Nonrecurring assets</b> |                              |         |         |                  |
| Nonaccrual loans           | \$ —                         | \$ —    | \$ 104  | \$ 104           |
| Other property owned       | \$ —                         | \$ —    | \$ 226  | \$ 226           |

|                            | December 31, 2025            |         |         |                  |      |          |
|----------------------------|------------------------------|---------|---------|------------------|------|----------|
|                            | Fair Value Measurement Using |         |         | Total Fair Value |      |          |
|                            | Level 1                      | Level 2 | Level 3 |                  |      |          |
| <b>Recurring assets</b>    |                              |         |         |                  |      |          |
| Assets held in trust funds | \$ 1,681                     | \$ –    | \$ –    | \$ –             | \$ – | \$ 1,681 |
| <b>Nonrecurring assets</b> |                              |         |         |                  |      |          |
| Nonaccrual loans           | \$ –                         | \$ –    | \$ –    | \$ 114           | \$ – | \$ 114   |
| Other property owned       | \$ –                         | \$ –    | \$ –    | \$ 275           | \$ – | \$ 275   |

## Valuation Techniques

As more fully discussed in Note 2, *Summary of Significant Accounting Policies* of the most recent Annual Report to Shareholders, accounting guidance establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Fair values of financial instruments represent the estimated amount to be received to sell an asset or paid to transfer or extinguish a liability in active markets among willing participants at the reporting date. Due to the uncertainty of expected cash flows resulting from financial instruments, the use of different assumptions and valuation methodologies could significantly affect the estimated fair value amounts. Accordingly, certain of the estimated fair values may not be indicative of the amounts for which the financial instruments could be exchanged in a current or future market transaction. The following represent a brief summary of the valuation techniques used by the System institution for assets and liabilities:

### *Assets held in trust funds*

Assets held in trust funds, related to deferred compensation plans, are classified as Level 1. The trust funds include investments in securities that are actively traded and have quoted net asset value prices that are directly observable in the marketplace.

### *Nonaccrual loans*

For certain loans evaluated for credit loss under FASB impairment guidance, the fair value is based upon the underlying collateral since the loans are collateral-dependent loans for which real estate is the collateral. The fair value measurement process uses independent appraisals and other market-based information, but in many cases, it also requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters. As a result, a majority of these loans have fair value measurements that fall within Level 3 of the fair value hierarchy. When the value of the real estate, less estimated costs to sell, is less than the principal balance of the loan, a specific reserve is established.

### *Other property owned*

Other property owned is generally classified as Level 3 of the fair value hierarchy. The process for measuring the fair value of other property owned involves the use of independent appraisals or other market-based information. Costs to sell represent transaction costs and are not included as a component of the asset's fair value.

## Note 6 — Commitments and Contingent Liabilities

From time to time, legal actions may be pending against the Association in which claims for damages are asserted. At the date of these Financial Statements, the Association is not aware of any material actions. However, the Association cannot ensure that such actions or other contingencies will not arise in the future.

## Note 7 — Subsequent Events

The Association evaluated subsequent events and determined there were none requiring disclosure through May 8, 2026, which was the date the financial statements were issued.