Farm Credit of Florida, ACA

SECOND QUARTER 2026

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CERTIFICATION

The undersigned certify that we have reviewed the June 30, 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/ Martin J. McKenna
Chairman of the Board

August 7, 2026

Farm Credit of Florida, ACA

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 June 30, 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 June 30, 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 June 30, 2026.

/s/ John R. Gregory
Chief Executive Officer

/s/ Laura Craker
Chief Financial Officer

August 7, 2026

Farm Credit of Florida, ACA

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 June 30, 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 20.69% 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. Initial reports of producer losses have varied depending on location, stage of the crop, and the efficacy of mitigation efforts. Assessments and dialogue with borrowers 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 on 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 June 30, 2026, the index rose 3.5% before seasonal adjustment compared to the 4.2% level for the 12 months ending in May. Over the last 12 months, the all items less food and energy index rose 2.6%, with the energy index increasing 15.7% year over year and the food index increasing 3.0%. 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. The year-over-year increase in gas prices through June was 26.7%, but June showed a 9.7% monthly decline in gas prices from May. This fuel and oil cost increase occurred after the February 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 ceasefire was in place while the parties attempted to negotiate a longer-term agreement. The June decline in the gasoline index was a function of the fuel market anticipating some stabilization in the Iran conflict, but oil prices have subsequently increased back to more than $83 per barrel in mid-July as initial ceasefire agreements were withdrawn. 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 3.5% CPI increase for the 12 months ending June 2026 continues to be well above this target. While much of the all items CPI 12-month 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 July 2026, the Fed Funds interest rate futures market indicated an approximate 73% probability of at least one rate increase by December 9, 2026. The median Federal Reserve Fed Funds projection of 3.8% by the end of the year is slightly above the current targeted range. If elevated CPI readings persist for the remainder of 2026, a rate increase could be considered. Oil prices influenced by geopolitical instability will likely be a key driver 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 12.3 million boxes due to the ongoing production challenges combined with the effects of Hurricane Milton. The July 2026 USDA forecast projected an all orange yield of 12.9 million boxes for the 2025-2026 crop. If realized, this production level would slightly exceed the prior year's level. 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. Operational efficiency is a primary challenge facing the dairy industry. Most of the Association's dairy loans are extended to fluid milk producers. 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 and trade negotiations 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 expenditures associated with the age of U.S. housing stock and lower costs of new home ownership are potential drivers of improvement. The beef cattle industry performed well as smaller herd sizes and continued demand led to strong prices. Herd expansion is expected to start in 2027 with more pronounced increases in 2028. After strong profitability in 2025, feedlot operators are being forced to pay very high prices for incoming feeder cattle, which has started to impact profit levels. Packers will likely continue to experience margin challenges until herd growth increases cattle supplies. Rainfall amounts in the Midwest will influence cattle grazing capacity and future grain costs for feeding operations.

The total loan volume of the Association as of June 30, 2026, was $1,925,911, an increase of $111,172 or 6.13% 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 June 30, 2026, participations purchased totaled $575,768 and participations sold totaled $165,174, resulting in $410,594 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 primarily in the utilities and nursery commodity groups and increases in Substandard are from downgrades mostly in the forestry commodity group. Acceptable and OAEM credit quality, as a percentage of the total loan portfolio, was 98.53% as of June 30, 2026, compared to 98.90% on December 31, 2025.

Nonaccrual loans increased to $3,559 at June 30, 2026 from $2,567 at December 31, 2025. As a percent of total loans, nonaccrual loans were 0.18% and 0.14% at June 30, 2026 and December 31, 2025, respectively. The increase in nonaccrual loans is attributed to migrations into nonaccrual primarily in the vegetable commodity group. Other property owned decreased $264 or 97.78% to $6 on June 30, 2026 from $270 on December 31, 2025. The decrease is from real estate sold in the tree fruits and nuts commodity group and 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 (ACLL). The ACLL at June 30, 2026, was $6,409 or 0.33% 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 June 30, 2026

Net income for the three months ended June 30, 2026, was $7,083, an increase of $436 or 6.56% as compared to net income of $6,647 for the same period ended in 2025. The increase is primarily attributed to an increase in net interest income.

For the three months ended June 30, 2026, net interest income was $14,225, an increase of $1,326, and the net interest margin was 2.96%, a decrease of 24 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 June 30, 2026, was $1,186, an increase in expense of $521 from the provision for credit losses of $665 for the same period ended during the prior year. The provision expense in 2026 is attributed to reserves required on loan volume growth and deterioration in forecasted economic conditions. The provision expense in 2025 is attributed to reserves required on deterioration in forecasted economic conditions.

Noninterest income increased $434 to $4,080 during the three months ended June 30, 2026 compared to the same period ended during the prior year primarily due to increases in patronage refunds from other Farm Credit institutions and fees for financially related services.

For the three months ended June 30, 2026, noninterest expense increased $803 to $10,036 compared to the same period ended in 2025 primarily due to an increase in purchased services resulting from an increase in the Bank's cost of services provided to the Association.

For the six months ended June 30, 2026

Net income for the six months ended June 30, 2026, was $15,380, an increase of $1,759 or 12.91% as compared to net income of $13,621 for the same period ended in 2025. The increase is primarily attributed to an increase in net interest income.

For the six months ended June 30, 2026, net interest income was $28,271, an increase of $2,371, and the net interest margin was 3.01%, a decrease of 22 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 six months ended June 30, 2026, was $1,529, an increase in expense of $210 from the provision for credit losses of $1,319 for the same period ended during the prior year. The provision expense in 2026 is attributed to reserves required on loan volume growth and deterioration in forecasted economic conditions. The provision expense in 2025 is attributed to reserves required on deterioration in forecasted economic conditions.

Noninterest income increased $995 to $8,842 during the six months ended June 30, 2026 compared to the same period ended during the prior year primarily due to increases in Insurance Funds refunds and patronage refunds from other Farm Credit institutions.

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 six months ended June 30, 2026, noninterest expense increased $1,397 to $20,204 compared to the same period ended in 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 June 30, 2026, was $1,555,751 as compared to $1,447,381 at December 31, 2025.

CAPITAL RESOURCES

Total members' equity at June 30, 2026, was $397,903, an increase of $15,473 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 $2,933 on June 30, 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:

	Regulatory Minimum Including Buffer*	June 30, 2026	December 31, 2025	June 30, 2025
Permanent Capital Ratio	7.00%	16.73%	18.26%	19.26%
Common Equity Tier 1 (CET1) Capital Ratio	7.00%	16.69%	18.21%	19.21%
Tier 1 Capital Ratio	8.50%	16.69%	18.21%	19.21%
Total Regulatory Capital Ratio	10.50%	16.98%	18.51%	19.54%
Tier 1 Leverage Ratio**	5.00%	18.55%	20.50%	21.57%
Unallocated Retained Earnings (URE) and URE Equivalents	1.50%	15.52%	17.12%	17.95%

**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 July 24, 2026, the FCA published a final rule on loan performance categories and financial reporting in the Federal Register. The rule amends the high-risk loan performance categories by removing formally restructured loans (TDRs) to ensure the regulations remain consistent with U.S. generally accepted accounting principles (GAAP). The amendment reflects changes in GAAP that eliminated the measurement guidance for TDRs and replaced it with enhanced disclosure requirements for certain loan modifications to borrowers experiencing financial difficulty. The regulation will be effective 30 days after publication during which either or both Houses of Congress are in session.

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 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.

OTHER MATTERS

Paul J. Meador, Jr. was elected to the Board of Directors effective July 2026. Mr. Meador is a lifelong agricultural leader and entrepreneur from LaBelle, Florida. He is President and Owner of Everglades Harvesting Inc., Everglades Agricultural Services Inc., Camp Keais Leasing, Inc., Fort Thompson Properties LLC, Meador Family Holdings LLC, and Meador Family Farms of Florida LLC. His businesses provide agricultural services and production support for growers throughout the United States and employ more than 2,000 full-time and seasonal employees. Mr. Meador is the founder and President of both the Florida Growers Association and the United States Growers Association. He serves in leadership roles with Florida Citrus Mutual, the Florida Fruit and Vegetable Association, the National Council of Agricultural Employers, the Florida Citrus Commission, Hendry Regional Medical Center, and the Barron Library. He is also a past president of the Hendry/Glades County Farm Bureau and Gulf Citrus Growers Association.

After 12 years of dedicated service on the Board of Directors, including most recently serving as Chairman, Wayne H. Simmons has concluded his board tenure effective July 2026.

Roland Kampf, Chief Risk Officer, was promoted to Chief Administrative Officer effective July 2026.

SHAREHOLDER INVESTMENT

Shareholder investment in the Association may be materially affected by the financial condition and results of operations of the Bank. Copies of the Bank'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 the Bank's website, *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*. The Association prepares a quarterly report within 40 days after the end of each fiscal quarter, except that no report needs to be prepared for the fiscal quarter that coincides with the end of the fiscal year of the Association.

Farm Credit of Florida, ACA

Consolidated Balance Sheets

(dollars in thousands)	June 30, 2026	December 31, 2025
	(unaudited)	*(audited)*
Assets		
Cash	**$ 16**	$ 14
Investments in debt securities:		
Held to maturity	**1,438**	1,487
Loans	**1,925,911**	1,814,739
Allowance for credit losses on loans	**(6,409)**	(4,886)
Net loans	**1,919,502**	1,809,853
Accrued interest receivable	**13,686**	11,001
Equity investments in other Farm Credit institutions	**32,230**	30,019
Premises and equipment, net	**9,522**	9,888
Other property owned	**6**	270
Accounts receivable	**5,004**	9,307
Other assets - fair value	**1,536**	1,681
Other assets	**556**	404
Total assets	**$ 1,983,496**	$ 1,873,924
Liabilities		
Notes payable to AgFirst Farm Credit Bank	**$ 1,555,751**	$ 1,447,381
Accrued interest payable	**5,804**	5,376
Patronage refunds payable	**139**	15,195
Accounts payable	**5,920**	4,934
Advanced conditional payments	**10,078**	9,285
Other liabilities	**7,901**	9,323
Total liabilities	**1,585,593**	1,491,494
Commitments and contingencies (Note 6)		
Members' Equity		
Protected borrower stock	**445**	445
Capital stock and participation certificates	**2,488**	2,401
Additional paid-in-capital	**7,873**	7,873
Retained earnings		
Allocated	**157,056**	157,208
Unallocated	**230,162**	214,628
Accumulated other comprehensive income (loss)	**(121)**	(125)
Total members' equity	**397,903**	382,430
Total liabilities and members' equity	**$ 1,983,496**	$ 1,873,924

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

Farm Credit of Florida, ACA

Consolidated Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended June 30, 2026	For the Three Months Ended June 30, 2025	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
Interest Income				
Loans	**$ 31,815**	$ 26,933	**$ 62,256**	$ 53,569
Investments	**23**	26	**46**	51
Total interest income	**31,838**	26,959	**62,302**	53,620
Interest Expense	**17,613**	14,060	**34,031**	27,720
Net interest income	**14,225**	12,899	**28,271**	25,900
Provision for credit losses	**1,186**	665	**1,529**	1,319
Net interest income after provision for credit losses	**13,039**	12,234	**26,742**	24,581
Noninterest Income				
Loan fees	**212**	201	**462**	423
Fees for financially related services	**1,375**	1,163	**2,681**	2,559
Patronage refunds from other Farm Credit institutions	**2,403**	2,191	**4,802**	4,494
Gains (losses) on sales of rural home loans, net	**8**	39	**28**	56
Gains (losses) on sales of premises and equipment, net	**10**	7	**11**	(1)
Gains (losses) on other transactions	**45**	17	**91**	17
Insurance Fund refunds	**—**	—	**712**	243
Other noninterest income	**27**	28	**55**	56
Total noninterest income	**4,080**	3,646	**8,842**	7,847
Noninterest Expense				
Salaries and employee benefits	**5,753**	5,544	**11,574**	11,462
Occupancy and equipment	**422**	350	**776**	713
Insurance Fund premiums	**388**	311	**757**	620
Purchased services	**2,454**	1,859	**4,942**	3,765
Data processing	**69**	41	**117**	91
Other operating expenses	**950**	1,008	**2,040**	2,036
(Gains) losses on other property owned, net	**—**	120	**(2)**	120
Total noninterest expense	**10,036**	9,233	**20,204**	18,807
Net income	**$ 7,083**	$ 6,647	**$ 15,380**	$ 13,621
Other comprehensive income net of tax				
Employee benefit plans adjustments	**2**	2	**4**	3
Comprehensive income	**$ 7,085**	$ 6,649	**$ 15,384**	$ 13,624

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)

(dollars in thousands)	Protected Borrower Stock	Capital Stock and Participation Certificates	Additional Paid-in-Capital	Retained Earnings Allocated	Retained Earnings Unallocated	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
Balance at December 31, 2024	$ 445	$ 2,359	$ 7,873	$ 153,271	$ 204,884	$ (121)	$ 368,711
Comprehensive income					13,621	3	13,624
Capital stock/participation certificates issued/(retired), net		24					24
Patronage distribution adjustment				(39)	38		(1)
Balance at June 30, 2025	$ 445	$ 2,383	$ 7,873	$ 153,232	$ 218,543	$ (118)	$ 382,358
Balance at December 31, 2025	**$ 445**	**$ 2,401**	**$ 7,873**	**$ 157,208**	**$ 214,628**	**$ (125)**	**$ 382,430**
Comprehensive income					**15,380**	**4**	**15,384**
Capital stock/participation certificates issued/(retired), net		**87**					**87**
Patronage distribution adjustment				**(152)**	**154**		**2**
Balance at June 30, 2026	**$ 445**	**$ 2,488**	**$ 7,873**	**$ 157,056**	**$ 230,162**	**$ (121)**	**$ 397,903**

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.

Accounting Standards Updates (ASUs) Issued but Not Yet Adopted

The Financial Accounting Standards Board (FASB) has issued certain accounting standards that will become effective for the Association in future periods. There were no ASUs issued, nor were there material updates to previously disclosed accounting standards, during the six months ended June 30, 2026 that are expected to have a material impact on the Association's financial statements. For a detailed description of ASUs previously issued, see the latest Annual Report.

ASUs Effective During the Period

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.

Note 2 — Loans and Allowance for Credit Losses

A summary of loans outstanding at period end follows:

	June 30, 2026	December 31, 2025
Real estate mortgage	$ 1,117,492	$ 1,031,953
Production and intermediate-term	337,483	322,113
Agribusiness:		
Loans to cooperatives	37,868	33,560
Processing and marketing	190,628	204,621
Farm-related business	38,513	40,523
Rural infrastructure:		
Communication	72,741	71,673
Power and water/waste disposal	81,250	63,284
Rural residential real estate	24,720	21,659
Other:		
International	21,533	21,529
Other (including mission related)	3,683	3,824
Total loans	$ 1,925,911	$ 1,814,739

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 Farm Credit Administration (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:

	June 30, 2026	December 31, 2025
Real estate mortgage:		
Acceptable	97.20%	97.41%
OAEM	2.34	2.02
Substandard/doubtful/loss	0.46	0.57
	100.00%	100.00%
Production and intermediate-term:		
Acceptable	95.25%	93.19%
OAEM	4.57	6.64
Substandard/doubtful/loss	0.18	0.17
	100.00%	100.00%
Agribusiness:		
Acceptable	89.31%	90.90%
OAEM	5.69	4.30
Substandard/doubtful/loss	5.00	4.80
	100.00%	100.00%
Rural infrastructure:		
Acceptable	89.29%	99.32%
OAEM	4.77	0.68
Substandard/doubtful/loss	5.94	–
	100.00%	100.00%
Rural residential real estate:		
Acceptable	99.38%	99.22%
OAEM	0.15	0.20
Substandard/doubtful/loss	0.47	0.58
	100.00%	100.00%
Other:		
Acceptable	100.00%	100.00%
OAEM	–	–
Substandard/doubtful/loss	–	–
	100.00%	100.00%
Total loans:		
Acceptable	95.20%	95.86%
OAEM	3.33	3.04
Substandard/doubtful/loss	1.47	1.10
	100.00%	100.00%

Accrued interest receivable on loans of $13,675 and $10,989 at June 30, 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:

	June 30, 2026				
	30 Through 89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
Real estate mortgage	$ 22,523	$ 2,529	$ 25,052	$ 1,092,440	$ 1,117,492
Production and intermediate-term	372	398	770	336,713	337,483
Agribusiness	193	–	193	266,816	267,009
Rural infrastructure	–	–	–	153,991	153,991
Rural residential real estate	12	77	89	24,631	24,720
Other	–	–	–	25,216	25,216
Total	$ 23,100	$ 3,004	$ 26,104	$ 1,899,807	$ 1,925,911

	December 31, 2025				
	30 Through 89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans
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

There were no accruing loans greater than 90 days past due as of June 30, 2026 and December 31, 2025.

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

	June 30, 2026		
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total
Real estate mortgage	$ –	$ 2,899	$ 2,899
Production and intermediate-term	442	101	543
Rural residential real estate	–	117	117
Total	$ 442	$ 3,117	$ 3,559

	December 31, 2025		
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost 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 $55 and $99 of interest income on nonaccrual loans during the three and six months ended June 30, 2026, respectively. The Association recognized $38 and $112 of interest income on nonaccrual loans during the three and six months ended June 30, 2025, respectively.

Reversals of interest income on loans that moved to nonaccrual status were not material for the three and six months ended June 30, 2026 and 2025.

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

	Three Months Ended June 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 5,259	$ 5,027
Charge-offs	(2)	(25)
Recoveries	4	23
Provision for credit losses on loans	1,148	358
Balance at end of period	$ 6,409	$ 5,383
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 1,046	$ 1,006
Provision for unfunded commitments	38	307
Balance at end of period	$ 1,084	$ 1,313
Total allowance for credit losses	$ 7,493	$ 6,696

	Six Months Ended June 30,	
	2026	2025
Allowance for Credit Losses on Loans:		
Balance at beginning of period	$ 4,886	$ 4,430
Charge-offs	(2)	(25)
Recoveries	16	32
Provision for credit losses on loans	1,509	946
Balance at end of period	$ 6,409	$ 5,383
Allowance for Credit Losses on Unfunded Commitments:		
Balance at beginning of period	$ 1,064	$ 940
Provision for unfunded commitments	20	373
Balance at end of period	$ 1,084	$ 1,313
Total allowance for credit losses	$ 7,493	$ 6,696

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 and six months ended June 30, 2026 and 2025. There were no material commitments to lend to borrowers experiencing financial difficulty whose loans have been modified at June 30, 2026 and 2025. There were no material modifications to borrowers experiencing financial difficulty 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 June 30, 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 June 30, 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:

	Amortized Cost			
	June 30, 2026		December 31, 2025	
RABs	$	1,322	$	1,319
ABSs		116		168
Total	$	1,438	$	1,487

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

	Amortized Cost	
	June 30, 2026	
In one year or less	$	–
After one year through five years		33
After five years through ten years		83
After ten years		1,322
Total	$	1,438

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 June 30, 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 Farm Credit Bank (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 4.29% of the issued stock and allocated retained earnings of the Bank as of June 30, 2026, net of any reciprocal investment. As of that date, the Bank's assets totaled $51.2 billion and shareholders' equity totaled $2.4 billion. The Bank's earnings were $218 million for the six months ended June 30, 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 June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
Employee Benefit Plans:								
Balance at beginning of period	$	(123)	$	(120)	$	(125)	$	(121)
Other comprehensive income before reclassification		–		–		–		–
Amounts reclassified from AOCI		2		2		4		3
Net current period other comprehensive income		2		2		4		3
Balance at end of period	$	(121)	$	(118)	$	(121)	$	(118)

	Reclassifications Out of Accumulated Other Comprehensive Income *(b)*				
	Three Months Ended June 30,		Six Months Ended June 30,		
	2026	2025	2026	2025	Income Statement Line Item
Defined Benefit Pension Plans:					
Periodic pension costs	$ (2)	$ (2)	$ (4)	$ (3)	Salaries and employee benefits
Net amounts reclassified	$ (2)	$ (2)	$ (4)	$ (3)	

(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.

There were no changes to valuation methodologies or fair value hierarchy classifications during the periods presented. See Note 8, *Fair Value Measurement* of the most recent Annual Report to Shareholders for descriptions of the valuation methodologies used for assets and liabilities measured at fair value.

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.

	June 30, 2026			
	Fair Value Measurement Using			Total Fair Value
	Level 1	Level 2	Level 3	
Recurring assets				
Assets held in trust funds	$ 1,536	$ –	$ –	$ 1,536
Nonrecurring assets				
Nonaccrual loans	$ –	$ –	$ 103	$ 103
Other property owned	$ –	$ –	$ 6	$ 6

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

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 August 7, 2026, which was the date the financial statements were issued.