2026 SECOND QUARTER REPORT

BUILDING OUR WINNING FUTURE

AGFIRST

SECOND QUARTER 2026

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CERTIFICATION

The undersigned certify that we have reviewed the June 30, 2026 quarterly report of AgFirst Farm Credit Bank, 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/ Jenny R. Black
Board Chair

/s/ Marion B. Harris
President and Chief Executive Officer

/s/ Corey M. MacGillivray
Executive Vice President and Chief Financial Officer

August 7, 2026

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

The following discussion reviews the results of operations and financial condition of AgFirst Farm Credit Bank (AgFirst or Bank) as of and for the three and six months ended June 30, 2026. These comments should be read in conjunction with the accompanying financial statements, the Notes to the Financial Statements, and the 2025 Annual Report of AgFirst Farm Credit Bank. AgFirst and its related associations (Associations or District Associations) are collectively referred to as the District.

Key ratios and data reported below, and in the accompanying financial statements, address the financial performance of AgFirst. However, the results of operations for the three and six months may not be indicative of an entire year due to the seasonal nature of a portion of AgFirst's business and potential variability in interest rates and credit conditions.

Terms not defined herein have the meaning set forth in the 2025 Annual Report. Information on how to find the Bank's 2025 Annual Report is included on page 11.

FORWARD-LOOKING INFORMATION

This quarterly report contains forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict. Words such as "anticipates," "believes," "could," "estimates," "may," "should," "will," or other variations of these terms are intended to identify the forward-looking statements. These statements are based on assumptions and analyses made in light of experience and other historical trends, current conditions, and expected future developments. However, actual results and developments may differ materially from AgFirst's expectations and predictions due to a number of risks and uncertainties, many of which are beyond AgFirst's control.

There have been no material changes to the risks described in the Bank's 2025 Annual Report.

RESULTS OF OPERATIONS

Net income for the six months ended June 30, 2026 increased $89.2 million, or 69.21%, to $218.0 million compared to $128.8 million for the six months ended June 30, 2025. Net income for the three months ended June 30, 2026, was $100.9 million compared to $62.4 million for the same period in the prior year, an increase of $38.5 million, or 61.65%. See below for further discussion of the change in net income by major components.

Key Results of Operations Comparisons

	For the Six Months Ended June 30, 2026	For the Six Months Ended June 30, 2025
Return on average assets [1]	0.87 %	0.55 %
Return on average shareholders' equity [1]	19.25 %	13.68 %
Net interest margin [1]	0.93 %	0.82 %
Efficiency Ratio [2]	34.05 %	42.19 %
Net (charge-offs) recoveries to average loans	0.00 %	(0.01)%

[1] Annualized

[2] The efficiency ratio is noninterest expense excluding gains or losses from other property owned divided by total revenue (net interest income and noninterest income)

The primary drivers for the improved key results of operations for the period ended June 30, 2026 are higher net interest income, lower provision for credit losses, and higher noninterest income. The higher total revenue positively impacted the efficiency ratio. The sections below include further discussion of the change in net income by major components.

Net Interest Income

Net interest income for the six months ended June 30, 2026, was $230.4 million compared to $188.1 million for the same period in 2025, an increase of $42.3 million, or 22.50%. The net interest margin was 0.93% compared to 0.82%, an increase of 11 basis points.

Net interest income for the three months ended June 30, 2026, was $117.9 million compared to $96.4 million for the three months ended June 30, 2025, an increase of $21.5 million, or 22.27%. Net interest margin was 0.94% compared to 0.81%, an increase of 13 basis points.

The effects of changes in volume and interest rates on net interest income for the three and six months ended June 30, 2026, as compared with the corresponding periods in 2025 are presented in the following table. The table distinguishes between the changes in interest income and interest expense related to average outstanding balances and to the levels of average interest rates. Accordingly, the benefit derived from funding earning assets with interest-free funds (principally capital) is reflected solely as a volume increase. As shown in the table below, the increases in net interest income are primarily the result of loan growth and lower rates paid on debt from benefits of called debt in previous years. See the *Loan Portfolio* section below for further discussion on the factors impacting growth.

	For the Three Months Ended June 30, 2026 vs. June 30, 2025			For the Six Months Ended June 30, 2026 vs. June 30, 2025		
	Increase (decrease) due to changes in:			Increase (decrease) due to changes in:		
(dollars in thousands)	Volume	Rate	Total	Volume	Rate	Total
Interest Income:						
Loans	$ 38,426	$ (4,716)	$ 33,710	$ 76,664	$ (3,689)	$ 72,975
Investments & Cash Equivalents	14	(3,851)	(3,837)	(606)	(8,172)	(8,778)
Other	1,172	(856)	316	1,376	(1,687)	(311)
Total Interest Income	39,612	(9,423)	30,189	77,434	(13,548)	63,886
Interest Expense:						
Interest-Bearing Liabilities	26,744	(18,024)	8,720	50,371	(28,810)	21,561
Changes in Net Interest Income	$ 12,868	$ 8,601	$ 21,469	$ 27,063	$ 15,262	$ 42,325

Provision for Credit Losses

AgFirst measures risks inherent in its loan portfolio on an ongoing basis and, as necessary, recognizes provision for credit losses so that appropriate reserves are maintained. The provision for credit losses includes the provision for loan loss and the provision for unfunded commitments. The provision for loan losses is further broken down to include an asset-specific component involving individual loans that do not share common characteristics with other loans and a pooled component for loans that share common risk characteristics. This is shown in the following tables separated by Capital Markets (loan participations/syndications purchased, net of sold) and Correspondent Lending loans (primarily first lien residential mortgages).

	For the Three Months Ended					
(dollars in thousands)	June 30, 2026			June 30, 2025		
Provision for (reversal of) allowance for credit losses:	**Capital Markets**	**Correspondent Lending**	**Total**	**Capital Markets**	**Correspondent Lending**	**Total**
Asset-specific component	$ (654)	$ 368	$ (286)	$ 4,166	$ 139	$ 4,305
Pooled component	5,518	230	5,748	6,515	524	7,039
Unfunded commitments	369	—	369	1,012	—	1,012
Provision for credit losses	$ 5,233	$ 598	$ 5,831	$ 11,693	$ 663	$ 12,356

	For the Six Months Ended					
(dollars in thousands)	June 30, 2026			June 30, 2025		
Provision for (reversal of) allowance for credit losses:	**Capital Markets**	**Correspondent Lending**	**Total**	**Capital Markets**	**Correspondent Lending**	**Total**
Asset-specific component	$ (909)	$ 459	$ (450)	$ 12,121	$ 370	$ 12,491
Pooled component	8,273	244	8,517	11,230	(152)	11,078
Unfunded commitments	720	—	720	1,811	—	1,811
Provision for credit losses	$ 8,084	$ 703	$ 8,787	$ 25,162	$ 218	$ 25,380

For the three and six months ended June 30, 2026, the provision for credit losses was $5.8 million and $8.8 million, respectively, primarily driven by an increase in pooled provision expense within the Capital Markets portfolio primarily due to slight credit deterioration and overall portfolio growth. See the *Credit Quality* section below for further information.

For the three and six months ended June 30, 2025, the provision for credit losses was $12.4 million and $25.4 million, respectively. The expense in both periods was primarily attributable to the Bank's Capital Markets portfolio. Within the Capital Markets portfolio, the increase in the asset-specific provision in both periods was primarily related to a single borrower. For the three months ended June 30, 2025, the pooled provision expense within the Capital Markets portfolio was due to the downgrade of several large borrowers and increased stress in the macroeconomic factors utilized in the calculation of current expected credit losses. The primary macroeconomic drivers in the second quarter leading to increased pooled provision expense were higher unemployment and lower equity market forecasts. For the six months ended June 30, 2025, the calculation was also impacted by the deterioration of the corporate credit spread forecasts that caused an increase in the pooled component of provision expense in the Capital Markets portfolio in the first quarter. This indicator represents the potential for corporate defaults due to credit risk or market uncertainty. Credits with Other Assets Especially Mentioned (OAEM) and Substandard ratings showed heightened sensitivity to these economic changes.

See the *Allowance for Credit Losses* section below and Note 2, *Loans and Allowance for Credit Losses,* in the Notes to the Financial Statements for further information.

Noninterest Income

The following table illustrates the changes in noninterest income:

Change in Noninterest Income	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
(dollars in thousands)	2026	2025	Increase/ (Decrease)	2026	2025	Increase/ (Decrease)
Loan fees	$ 4,129	$ 3,779	$ 350	$ 7,980	$ 6,911	$ 1,069
Losses on sale of investments	—	(7,341)	7,341	—	(13,231)	13,231
(Losses) gains on debt extinguishment	—	4,786	(4,786)	(7,351)	4,943	(12,294)
Gains (losses) on other transactions	481	127	354	1,538	(194)	1,732
Insurance premium refund	—	—	—	8,713	3,146	5,567
Patronage refunds from other Farm Credit institutions	1,032	388	644	15,656	10,788	4,868
Fees from other Farm Credit institutions	42,755	32,599	10,156	85,381	65,050	20,331
Other noninterest income	728	578	150	1,431	1,208	223
Total noninterest income	$ 49,125	$ 34,916	$ 14,209	$ 113,348	$ 78,621	$ 34,727

For the three and six months ended June 30, 2026, noninterest income increased $14.2 million and $34.7 million, respectively, compared to the corresponding periods in 2025.

For the six months ended June 30, 2026, the improvement was primarily attributable to higher core service fee income charged to Associations of $20.0 million, an increase in the return of excess insurance funds from FCSIC of $5.6 million, and increased patronage refunds of $4.9 million due to increased Capital Markets loans sold to other Farm Credit institutions. For the six months ended June 30, 2025, a loss on the sale of investments of $13.2 million was incurred and economically offset by the early extinguishment of Systemwide Debt resulting in a gain of $13.6 million. These transactions were executed as part of the Bank's strategy to reduce price sensitivity in the Bank's available-for-sale (AFS) portfolio and more efficiently deploy capital by lowering total investments. There were no such transactions during the six months ended June 30, 2026. Additionally, the Bank extinguished $3.8 billion and $4.8 billion of debt resulting in losses of debt extinguishment of $7.4 million and $8.7 million for the six months ended June 30, 2026 and 2025, respectively.

For the three months ended June 30, 2026, the improvement was primarily attributable to higher core service fee income charged to Associations of $10.0 million with no offsetting losses on sale of investments as incurred in the prior period.

Noninterest Expenses

The following table illustrates the changes in noninterest expenses:

Change in Noninterest Expenses	For the Three Months Ended June 30,			For the Six Months Ended June 30,		
(dollars in thousands)	2026	2025	Increase/ (Decrease)	2026	2025	Increase/ (Decrease)
Salaries and employee benefits	$ 27,170	$ 25,318	$ 1,852	$ 53,864	$ 49,745	$ 4,119
Occupancy and equipment	1,721	1,684	37	3,906	3,525	381
Insurance Fund premiums	3,941	3,855	86	7,815	7,625	190
Purchased services	6,166	6,517	(351)	11,019	13,412	(2,393)
Data processing	14,809	12,767	2,042	27,796	25,379	2,417
Other operating expenses	6,425	6,376	49	12,641	12,853	(212)
Losses (gains) from other property owned	2	(1)	3	(12)	(1)	(11)
Total noninterest expenses	$ 60,234	$ 56,516	$ 3,718	$ 117,029	$ 112,538	$ 4,491

Noninterest expenses for the three and six months ended June 30, 2026 increased $3.7 million and $4.5 million, respectively, compared to the corresponding periods in 2025. For both periods, the increases were primarily due to higher salaries and employee benefits stemming from annual merit adjustments and higher software expenses related to the Bank's technology initiatives as a service provider to the Associations.

FINANCIAL CONDITION

Loan Portfolio

AgFirst's loan portfolio consists of direct loans to District Associations (Direct Notes), Capital Markets loans, Correspondent Lending loans, and loans to Other Financing Institutions (OFIs) as shown below:

	Loan Portfolio			
(dollars in thousands)	**June 30, 2026**	**December 31, 2025**	**$ Change**	**% Change**
Direct Notes*	$ 28,840,013	$ 27,707,401	$1,132,612	4.09 %
Capital Markets*	9,034,281	8,839,732	194,549	2.20 %
Correspondent Lending	3,157,696	3,273,671	(115,975)	(3.54)%
Loans to OFIs	179,179	172,548	6,631	3.84 %
Total	$ 41,211,169	$ 39,993,352	$1,217,817	3.05 %

	Portfolio Distribution	
	June 30, 2026	**December 31, 2025**
Direct Notes*	69.98 %	69.28 %
Capital Markets*	21.93 %	22.10 %
Correspondent Lending	7.66 %	8.19 %
Loans to OFIs	0.43 %	0.43 %
Total	100.00 %	100.00 %

**Capital Markets and Direct Notes are presented net of participations sold*

Loans outstanding totaled $41.2 billion at June 30, 2026, an increase of $1.2 billion, or 3.05%, compared to December 31, 2025.

As noted in the table above, a significant portion of the Bank's loan portfolio is comprised of Direct Notes to District Associations. Since Direct Notes fund District Associations' lending activities, increases and decreases in the Direct Note portfolio are closely linked to the commodities and geographic distribution of the District Associations' loan portfolios.

The Direct Note portfolio growth since December 31, 2025 was primarily due to new client acquisition and borrower needs resulting from inflationary pressures impacting input and borrowing costs.

The Bank's Capital Markets portfolio increased when compared to December 31, 2025 primarily due to new relationships and borrower needs resulting from inflationary pressures impacting input and borrowing costs.

Effective June 30, 2026, the Bank ceased purchasing Correspondent Lending loans after evaluating the market conditions and long-term sustainability of the portfolio. This decision allows the Bank to improve its interest rate risk profile and redeploy capital to other assets. This decision is not expected to have a significant impact on current year earnings. There are currently no intentions to sell the remaining portfolio.

Credit Quality

Credit quality of AgFirst's loans is shown below:

	Loan Portfolio Credit Quality as of:							
	June 30, 2026				December 31, 2025			
Classification	**Direct Notes**	**Capital Markets**	**Correspondent Lending**	**Total Loans**	**Direct Notes**	**Capital Markets**	**Correspondent Lending**	**Total Loans**
Acceptable	99.63 %	93.33 %	98.86 %	**98.20 %**	99.61 %	94.30 %	98.99 %	**98.39 %**
OAEM	— %	3.72 %	— %	**0.81 %**	— %	3.31 %	— %	**0.73 %**
Substandard/doubtful/loss	0.37 %	2.95 %	1.14 %	**0.99 %**	0.39 %	2.39 %	1.01 %	**0.88 %**

Bank credit quality remains strong with 98.20% of the loan portfolio classified as Acceptable at June 30, 2026. For both periods presented, one Direct Note is classified as Substandard. Since the first quarter of 2026, this Association has been operating under a written agreement with the Farm Credit Administration (FCA). Presently, collection of the full Direct Note amount due is expected from all Associations, including the Association classified as Substandard, in accordance with the contractual terms of the debt arrangements, and no allowance has been recorded for Direct Notes. Virtually all assets of the Associations are pledged as collateral for their respective Direct Notes. In the opinion of management, all Association Direct Notes are adequately collateralized. The earnings, capital, and allowance for credit losses (ACL) of the Associations are available to absorb losses in their respective retail loan portfolios.

Credit quality may be impacted in future quarters as a result of potential changes in government support for agricultural sectors, inflationary input cost pressures, sustained high interest rates, and unforeseen impacts from geopolitical, trade (including tariffs), supply chain, weather, or animal- or human-related health events.

Refer to Note 2, *Loans and Allowance for Credit Losses*, for loan classification definitions.

Direct Notes

AgFirst's primary business is to provide funding, operational support, and technology services to District Associations. Each Association, in addition to the Bank, is a federally chartered instrumentality of the United States and is regulated by the FCA. AgFirst provides a revolving line of credit, referred to as a Direct Note, to each of the District Associations. Each of the Associations funds its lending and general corporate activities primarily by borrowing under its Direct Note. Lending terms are specified in a separate General Financing Agreement (GFA) between AgFirst and each Association. Each GFA contains minimum borrowing base margin, capital, and earnings requirements that must be maintained by the Association.

At June 30, 2026, the total Direct Note volume outstanding was $28.8 billion, an increase of $1.1 billion, or 4.09%, compared to December 31, 2025. See the *Loan Portfolio* section above for the primary reasons for the change in Direct Notes volume.

Capital Markets

The Capital Markets portfolio consists of loan participations and syndications purchased primarily from other System institutions. As of June 30, 2026, this portfolio totaled $9.0 billion, an increase of $194.5 million, or 2.20%, from December 31, 2025. See the *Loan Portfolio* section above for the primary reasons for the change in Capital Markets volume.

AgFirst employs a number of management techniques to limit credit risk, including underwriting standards, limits on the amounts of loans purchased from a single originator, and maximum hold positions to a single borrower and commodity. Although the Capital Markets portfolio is comprised of a small number of relatively large loans, it is diversified both geographically and on a commodity basis. Management makes adjustments to credit policy and underwriting standards when appropriate as a part of the ongoing risk management process.

Correspondent Lending

The Correspondent Lending portfolio consists primarily of purchased first lien residential mortgages. As of June 30, 2026, the Correspondent Lending portfolio totaled $3.2 billion, a decrease of $116.0 million due mostly to the discontinuation of the portfolio. See the *Loan Portfolio* section above for further discussion.

As of June 30, 2026, $403.0 million, or 12.76% of loans in the Correspondent Lending portfolio include a long-term standby commitment to purchase, which gives AgFirst the right to deliver delinquent loans to Fannie Mae and/or Federal Agricultural Mortgage Corporation (Farmer Mac) at par. The remaining loans are included in the Bank's ACL methodology related to this portfolio.

Effective July 13, 2026, the Bank terminated its Farmer Mac long-term standby commitment to purchase loans. The termination of this agreement eliminates the guarantee on $84.3 million of loans in the Correspondent Lending portfolio which is not expected to have a significant impact on the Bank's financial condition, results of operations, and cash flows.

Nonaccrual Loans

Nonaccrual loans are loans for which there is reasonable doubt as to the collection of principal and/or interest under the contractual terms of the loan. Nonaccrual loans for the Bank totaled $131.0 million or 0.32% of total loans outstanding at June 30, 2026 compared to $109.8 million or 0.27% of total loans outstanding at December 31, 2025. Additional detail regarding nonaccrual loans is provided in the table below:

Nonaccrual by Portfolio

	June 30, 2026		December 31, 2025	
	Total Amount	**% of Portfolio**	**Total Amount**	**% of Portfolio**
Capital Markets	$ 93,170	1.03 %	$ 74,137	0.84 %
Correspondent Lending	37,807	1.20 %	35,666	1.09 %
Total	$ 130,977	0.32 %	$ 109,803	0.27 %

Allowance for Credit Losses

The ACL is an estimate of expected credit losses in the Bank's portfolio. The Bank determines the appropriate level of ACL based on a disciplined process and methodology that incorporates expected probabilities of default, severity of loss based on historical portfolio performance, forecasts of future economic conditions, and management's judgment with respect to unique aspects of current and expected conditions that may not be contemplated in historical loss experience or forecasted economic conditions. For further details on the methodology used to determine the ACL, see Note 2, *Summary of Significant Accounting Policies*, from the latest Annual Report. The ACL was $64.3 million at June 30, 2026, as compared with $55.6 million at December 31, 2025. Additional details on the ACL are provided in the table below:

Allowance for Credit Losses by Portfolio

(dollars in thousands)	June 30, 2026			December 31, 2025		
	Capital Markets	**Correspondent Lending**	**Total**	**Capital Markets**	**Correspondent Lending**	**Total**
Asset-specific component	$ 21,303	$ 542	21,845	$ 22,165	$ 255	$ 22,420
Pooled component	29,210	6,338	35,548	20,938	6,094	27,032
Unfunded commitments	6,883	—	6,883	6,163	—	6,163
Allowance for Credit Losses	$ 57,396	$ 6,880	$ 64,276	$ 49,266	$ 6,349	$ 55,615

The ACL on loans was 0.14% and 0.12% of total loans outstanding and 43.82% and 45.04% of nonaccrual loans at June 30, 2026 and December 31, 2025, respectively. For both periods presented, there was no ACL related to the

Direct Note portfolio. A summary of changes in the ACL during the six months ended June 30, 2026 are included in the table below:

(dollars in thousands)	ACL
Balance at December 31, 2025	$ 55,615
Charge-offs	(357)
Recoveries	231
Provision for credit losses	8,787
Balance at June 30, 2026	$ 64,276

See *Provision for Credit Losses* section and Note 2, *Loans and Allowance for Credit Losses*, in the Notes to the Financial Statements for further information.

Liquidity and Funding Sources

One of AgFirst's primary responsibilities is to maintain sufficient liquidity to fund the lending operations of the District Associations, in addition to its own needs. Along with normal cash flows associated with lending operations, AgFirst has three primary sources of liquidity: cash; the capacity to issue Systemwide Debt Securities through the Federal Farm Credit Banks Funding Corporation; and the sale of high-quality liquid securities. The Bank can also pledge investment securities through repurchase agreements that are in place with twelve commercial banks, however, that liquidity source is highly dependent on market and financial conditions at that time. In addition, the System has established lines of credit in the event contingency funding is needed to meet obligations of System banks.

FCA regulations require that the Bank have a liquidity policy that establishes a minimum total "coverage" level of 90 days and that short-term liquidity requirements must be met by certain high-quality investments or cash. "Coverage" is defined as the number of days that maturing debt could be funded with eligible cash, cash equivalents, and available-for-sale investments maintained by the Bank. At June 30, 2026, AgFirst had a total of 176 days of maturing debt coverage compared to 161 days at December 31, 2025. Cash provided by the Bank's operating activities is an additional source of liquidity for the Bank that is not reflected in the coverage calculation.

See Note 4, *Debt*, in the Notes to the Financial Statements and the 2025 Annual Report for further information.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents, which decreased $210.5 million from December 31, 2025 to a total of $1.4 billion at June 30, 2026, consist primarily of cash on deposit, reverse repurchase agreements, and money market securities that are short-term in nature (maturities of overnight to 90 days).

Investment securities totaled $8.1 billion and $8.0 billion at June 30, 2026 and December 31, 2025, respectively. Nearly all investments are classified as available-for-sale and include $642.5 million in U.S. Treasury securities, $3.4 billion in U.S. government guaranteed securities, $3.9 billion in U.S. government agency guaranteed securities, and $118.9 million in non-agency asset-backed securities. Since the majority of the portfolio is invested in U.S. government guaranteed and agency securities, the portfolio is highly liquid and potential credit loss exposure is minimal.

At June 30, 2026, there were $648.9 million (7.42% of the book value of the available-for-sale portfolio) in net unrealized losses in investments, compared to $647.3 million (7.46%) at December 31, 2025. The net unrealized losses are the result of the significant increase in interest rates in recent years which reduced the fair value of existing available-for-sale fixed-rate investment securities held. The Bank evaluates investment securities with unrealized losses for impairment on a quarterly basis. No ACL on investments was considered necessary for the periods presented. In the unlikely event the Bank could not access the capital markets to issue debt or raise cash through repurchase agreements, the Bank approximates it could cover 76 days of maturing debt through the utilization of cash and cash equivalents and the sale of available-for-sale securities before recognizing a net loss on the sale.

See Note 3, *Investments*, in the Notes to the Financial Statements for further information.

Capital

Capital serves to support future asset growth, investment in new products and services, and to provide protection against credit, interest rate, and other risks, as well as operating losses. A sound capital position is critical to provide protection to investors in Systemwide Debt Securities and to ensure long-term financial success.

Total shareholders’ equity increased $228.1 million from December 31, 2025 to $2.4 billion at June 30, 2026, primarily due to net income of $218.0 million.

Regulatory Capital Ratios

The FCA sets minimum regulatory capital adequacy requirements for System banks and associations. The requirements are determined by regulatory ratios as defined by the FCA.

AgFirst’s regulatory ratios are shown in the following table:

	Regulatory Minimum, Including Buffer*	6/30/26	12/31/25
Permanent Capital Ratio	7.00%	14.38%	14.90%
Common Equity Tier 1 (CET1) Capital Ratio	7.00%	14.34%	14.86%
Tier 1 Capital Ratio	8.50%	14.34%	14.86%
Total Regulatory Capital Ratio	10.50%	14.63%	15.14%
Tier 1 Leverage Ratio**	5.00%	5.73%	5.89%
Unallocated Retained Earnings (URE) and URE Equivalents	1.50%	4.26%	4.45%

** Includes full capital conservation buffers*
*** The Tier 1 Leverage Ratio must include a minimum of 1.50% of URE and URE Equivalents*

For all periods presented, AgFirst exceeded minimum regulatory requirements for all of the ratios. The Bank’s capital ratios were lower at June 30, 2026 compared to December 31, 2025 primarily due to the declaration of cash patronage of $238.1 million on December 31, 2025. The impact of patronage is fully recognized in the capital ratios, which are calculated using a three-month average daily balance, at June 30, 2026.

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 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 Bank's capital ratios.

OTHER MATTERS

On June 1, 2026, Kellie Bickenbach was named Executive Vice President and Chief Risk Officer of the Bank, succeeding John P. Calhoun, who retired effective May 31, 2026.

On June 30, 2026, Juan Silvera, Executive Vice President and Chief Marketing Officer, retired from the Bank.

NOTE: 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 AgFirst Farm Credit Bank, P.O. Box 1499, Columbia, SC 29202. Combined information concerning AgFirst Farm Credit Bank and District Associations can also be obtained at the Bank's website, *www.agfirst.com*.

Balance Sheets

(dollars in thousands)	June 30, 2026	December 31, 2025
	(unaudited)	**(audited)**
Assets		
Cash	**$ 735,073**	$ 705,550
Cash equivalents	**660,000**	900,000
Investments in debt securities:		
Available-for-sale (amortized cost of $8,734,763, and $8,678,104, respectively)	**8,085,854**	8,030,765
Held-to-maturity (fair value of $8,992, and $9,323, respectively)	**9,276**	9,481
Total investments in debt securities	**8,095,130**	8,040,246
Loans	**41,211,169**	39,993,352
Allowance for credit losses on loans	**(57,393)**	(49,452)
Net loans	**41,153,776**	39,943,900
Loans held for sale	**720**	—
Accrued interest receivable	**190,667**	185,582
Accounts receivable	**70,207**	87,982
Equity investments in other Farm Credit institutions	**85,112**	86,606
Premises and equipment, net	**172,404**	163,950
Other property owned	**516**	915
Other assets	**47,913**	40,034
Total assets	**$ 51,211,518**	$ 50,154,765
Liabilities		
Systemwide bonds payable	**$ 46,459,358**	$ 43,918,527
Systemwide notes payable	**1,967,223**	3,476,668
Accrued interest payable	**337,174**	286,404
Accounts payable	**36,807**	285,902
Other liabilities	**47,663**	52,114
Total liabilities	**48,848,225**	48,019,615
Commitments and contingencies (Note 10)		
Shareholders' Equity		
Capital stock and participation certificates	**741,401**	715,664
Additional paid-in-capital	**63,668**	63,668
Retained earnings		
Allocated	**413**	413
Unallocated	**2,205,704**	2,001,729
Accumulated other comprehensive loss	**(647,893)**	(646,324)
Total shareholders' equity	**2,363,293**	2,135,150
Total liabilities and equity	**$ 51,211,518**	$ 50,154,765

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

Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended June 30, 2026	2025	For the Six Months Ended June 30, 2026	2025
Interest Income				
Investments & Cash Equivalents	**$ 73,765**	$ 77,602	**$ 148,387**	$ 157,165
Loans	**469,882**	436,172	**920,861**	847,886
Other	**5,191**	4,875	**9,524**	9,835
Total interest income	**548,838**	518,649	**1,078,772**	1,014,886
Interest Expense	**430,986**	422,266	**848,339**	826,778
Net interest income	**117,852**	96,383	**230,433**	188,108
Provision for credit losses	**5,831**	12,356	**8,787**	25,380
Net interest income after provision for credit losses	**112,021**	84,027	**221,646**	162,728
Noninterest Income				
Loan fees	**4,129**	3,779	**7,980**	6,911
Losses on sale of investments	**—**	(7,341)	**—**	(13,231)
(Losses) gains on debt extinguishment	**—**	4,786	**(7,351)**	4,943
Gains (losses) on other transactions	**481**	127	**1,538**	(194)
Insurance premium refund	**—**	—	**8,713**	3,146
Patronage refunds from other Farm Credit institutions	**1,032**	388	**15,656**	10,788
Fees from other Farm Credit institutions	**42,755**	32,599	**85,381**	65,050
Other noninterest income	**728**	578	**1,431**	1,208
Total noninterest income	**49,125**	34,916	**113,348**	78,621
Noninterest Expenses				
Salaries and employee benefits	**27,170**	25,318	**53,864**	49,745
Occupancy and equipment	**1,721**	1,684	**3,906**	3,525
Insurance Fund premiums	**3,941**	3,855	**7,815**	7,625
Purchased services	**6,166**	6,517	**11,019**	13,412
Data processing	**14,809**	12,767	**27,796**	25,379
Other operating expenses	**6,425**	6,376	**12,641**	12,853
Gains from other property owned	**2**	(1)	**(12)**	(1)
Total noninterest expenses	**60,234**	56,516	**117,029**	112,538
Net income	**$ 100,912**	$ 62,427	**$ 217,965**	$ 128,811
Other comprehensive (loss) income:				
Unrealized (losses) gains on investments	**$ (1,434)**	$ 30,327	**$ (1,570)**	$ 153,524
Employee benefit plans adjustments	**—**	(1)	**1**	(2)
Other comprehensive (loss) income (Note 5)	**(1,434)**	30,326	**(1,569)**	153,522
Comprehensive income	**$ 99,478**	$ 92,753	**$ 216,396**	$ 282,333

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

Statements of Changes in Shareholders' Equity

(unaudited)

(dollars in thousands)	Capital Stock and Participation Certificates	Additional Paid-In-Capital	Retained Earnings Allocated	Retained Earnings Unallocated	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2024	$ 600,182	$ 63,668	$ 413	$ 1,964,881	$ (898,347)	$ 1,730,797
Comprehensive income				128,811	153,522	282,333
Capital stock/participation certificates issued, net	255					255
Stock dividends declared/paid	(2,196)					(2,196)
Cash patronage distribution				(9,059)		(9,059)
Balance at June 30, 2025	$ 598,241	$ 63,668	$ 413	$ 2,084,633	$ (744,825)	$ 2,002,130
Balance at December 31, 2025	$ 715,664	$ 63,668	$ 413	$ 2,001,729	$ (646,324)	$ 2,135,150
Comprehensive income (loss)				**217,965**	**(1,569)**	**216,396**
Capital stock/participation certificates issued, net	**25,737**					**25,737**
Cash patronage distribution				**(13,990)**		**(13,990)**
Balance at June 30, 2026	**$ 741,401**	**$ 63,668**	**$ 413**	**$ 2,205,704**	**$ (647,893)**	**$ 2,363,293**

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

Statements of Cash Flows

(unaudited)

(dollars in thousands)	For the Six Months Ended June 30, 2026	2025
Cash flows from operating activities:		
Net income	**$ 217,965**	$ 128,811
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation on premises and equipment	**12,099**	11,376
Amortization of net deferred loan fees and discount accretion	**(1,154)**	(1,182)
Discount amortization on investment securities	**815**	855
Discount accretion on bonds and notes	**51,348**	66,919
Provision for credit losses	**8,787**	25,380
Gains on other property owned	**(12)**	(1)
Losses on sales of investments	**—**	13,231
Losses (gains) on debt extinguishment	**7,351**	(4,943)
(Gains) losses on other transactions	**(1,538)**	202
Net increase in loans held for sale	**(720)**	—
Changes in operating assets and liabilities:		
Increase in accrued interest receivable	**(5,085)**	(6,742)
Decrease in accounts receivable	**17,775**	22,795
Increase in accrued interest payable	**50,770**	6,224
Decrease in accounts payable	**(22,269)**	(16,986)
Change in other, net	**(11,497)**	(10,150)
Total adjustments	**106,670**	106,978
Net cash provided by operating activities	**324,635**	235,789
Cash flows from investing activities:		
Investment securities purchased	**(502,237)**	(437,095)
Proceeds from maturities and prepayments of investment securities	**444,968**	527,911
Proceeds from sales of investment securities	**—**	72,099
Net increase in loans	**(1,216,848)**	(1,676,943)
(Increase) decrease in equity investments in other Farm Credit System institutions	**1,494**	826
Purchase of premises, software and equipment	**(20,571)**	(21,400)
Proceeds from sale of premises and equipment	**—**	87
Proceeds from sale of other property owned	**474**	831
Net cash used in investing activities	**(1,292,720)**	(1,533,684)
Cash flows from financing activities:		
Bonds and notes issued	**16,450,517**	17,176,969
Bonds and notes retired	**(15,477,830)**	(15,832,397)
Capital stock and participation certificates issued/(retired), net	**25,737**	255
Distribution to shareholders	**(240,816)**	(262,826)
Net cash provided by financing activities	**757,608**	1,082,001
Net decrease in cash and cash equivalents	**(210,477)**	(215,894)
Cash and cash equivalents, beginning of period	**1,605,550**	1,857,000
Cash and cash equivalents, end of period	**$ 1,395,073**	$ 1,641,106
Supplemental schedule of non-cash activities:		
Receipt of property in settlement of loans	**$ 59**	$ 348
Change in unrealized (losses) gains on investments, net	**(1,570)**	153,524
Employee benefit plans adjustments	**(1)**	2
Supplemental information:		
Interest paid	**$ 746,220**	$ 753,636

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

Notes to the Financial Statements

(unaudited)

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

Organization
The accompanying financial statements include the accounts of AgFirst Farm Credit Bank (AgFirst or Bank). AgFirst and its related Agricultural Credit Associations (Associations or District Associations) are collectively referred to as the AgFirst District (District). Descriptions of the organization and operations, the significant accounting policies followed, and the financial condition and results of operations of the Bank as of and for the year ended December 31, 2025 are contained in the 2025 Annual Report to Shareholders. These unaudited interim financial statements should be read in conjunction with the latest Annual Report to Shareholders.

Basis of Presentation
In the opinion of management, the accompanying 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.

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

Significant Accounting Policies and Estimates
The Bank'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*), investment securities (Note 3, *Investments*), and financial instruments (Note 6, *Fair Value Measurement*). Actual results could differ from those estimates.

There were no material changes to accounting policies or estimates since the Annual Report. For further details of significant accounting policies, see Note 2, *Summary of Significant Accounting Policies*, from the 2025 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 Bank 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 Bank'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 (1) all entities with a practical expedient and (2) 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 practical expedient 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 in this guidance became effective for annual reporting periods beginning after December 15, 2025, and interim periods within those annual reporting

periods under a prospective approach. This did not have a significant impact on the Bank'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:

(dollars in thousands)	June 30, 2026		December 31, 2025	
Direct Notes	$ 28,840,013	69.98 %	$ 27,707,401	69.28 %
Rural residential real estate	3,071,626	7.45	3,184,211	7.96
Agribusiness:				
Loans to cooperatives	653,575	1.59	593,014	1.48
Processing and marketing	2,426,990	5.89	2,370,997	5.93
Farm-related business	227,176	0.55	187,352	0.47
Rural infrastructure:				
Communication	892,186	2.16	865,330	2.16
Power and water/waste disposal	2,359,706	5.73	2,273,356	5.68
Production and intermediate-term	1,408,580	3.42	1,481,838	3.71
Real estate mortgage	1,045,489	2.54	1,034,495	2.59
Other:				
International	101,501	0.25	117,521	0.29
Lease receivables	1,057	—	1,023	—
Loans to other financing institutions (OFIs)	179,179	0.43	172,548	0.44
Other (including Mission Related)	4,091	0.01	4,266	0.01
Total loans	$ 41,211,169	100.00 %	$ 39,993,352	100.00 %

A substantial portion of the Bank's loan portfolio consists of notes receivable from District Associations (Direct Notes). These notes are used by the Associations to fund their loan portfolios, which collateralize the notes. Therefore, the Bank's concentration of credit risk in various agricultural commodities associated with these notes approximates that of the District as a whole. Loan concentrations are considered to exist when there are amounts loaned to borrowers engaged in similar activities, which would cause them to be similarly impacted by economic or other conditions. A substantial portion of the Associations' lending activities is collateralized, and their exposure to credit loss associated with lending activities is reduced accordingly. The risk funds of an Association, including both capital and the allowance for credit losses, also protect the interest of the Bank.

The Bank may purchase or sell participation interests with other parties in order to diversify risk, manage loan volume, and comply with FCA regulations. The following tables present the principal balance of participation loans at periods ended:

	June 30, 2026					
	Within Farm Credit System		Outside Farm Credit System		Total	
(dollars in thousands)	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold
Direct Notes	$ —	$ 1,907,827	$ —	$ —	$ —	$ 1,907,827
Agribusiness	3,240,376	1,736,730	1,808,123	—	5,048,499	1,736,730
Rural infrastructure	3,907,911	650,196	—	—	3,907,911	650,196
Production and intermediate-term	2,859,563	1,713,408	272,305	—	3,131,868	1,713,408
Real estate mortgage	1,386,215	428,655	3,054	—	1,389,269	428,655
Other	184,624	77,754	—	—	184,624	77,754
Total	$ 11,578,689	$ 6,514,570	$ 2,083,482	$ —	$ 13,662,171	$ 6,514,570

	December 31, 2025					
	Within Farm Credit System		Outside Farm Credit System		Total	
(dollars in thousands)	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold	Participations Purchased	Participations Sold
Direct Notes	$ —	$ 1,802,283	$ —	$ —	$ —	$ 1,802,283
Agribusiness	3,040,053	1,729,986	1,849,040	—	4,889,093	1,729,986
Rural infrastructure	3,733,112	589,328	1	—	3,733,113	589,328
Production and intermediate-term	3,106,198	1,804,812	184,828	—	3,291,026	1,804,812
Real estate mortgage	1,375,961	434,334	3,208	—	1,379,169	434,334
Other	200,766	77,754	—	—	200,766	77,754
Total	$ 11,456,090	$ 6,438,497	$ 2,037,077	$ —	$ 13,493,167	$ 6,438,497

During the first six months of 2026, the Bank purchased $62.4 million of residential mortgage loans from various Farm Credit System (System) associations and sold $7.3 million from that portfolio, compared to $114.5 million purchased and $1.8 million sold for the same period in the prior year. These amounts are not included in the tables above.

Loan Quality

Each loan in the District's portfolio is classified according to a Uniform Classification System, which is used by all System institutions. Below are the classification definitions:

- Acceptable – Assets are expected to be fully collectible and represent the highest quality. In addition, these assets may include loans with properly executed and structured guarantees that might otherwise be classified less favorably.
- OAEM – Assets are currently collectible but exhibit some potential weakness.
- Substandard – Assets exhibit some serious weakness in repayment capacity, equity, and/or collateral pledged on the loan.
- Doubtful – Assets exhibit similar weaknesses to substandard assets. However, doubtful assets have additional weaknesses in existing facts, conditions and values that make collection in full highly questionable.
- Loss – Assets are considered uncollectible.

The following table shows the amortized cost of loans classified under the Uniform Loan Classification System by origination year at June 30, 2026 and the gross charge-offs for the six months ended June 30, 2026:

	Term Loans Amortized Cost by Origination Year							
	2026	**2025**	**2024**	**2023**	**2022**	**Prior**	**Revolving Loans Amortized Cost Basis**	**Total**
Direct Notes								
Acceptable	$ —	$ —	$ —	$ —	$ —	$ —	$ 28,733,914	$ 28,733,914
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	—	—	—	—	—	106,099	106,099
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ 28,840,013	$ 28,840,013
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Rural residential real estate								
Acceptable	$ 54,106	$ 91,210	$ 298,715	$ 248,444	$ 461,934	$ 1,883,106	$ —	$ 3,037,515
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	245	2,182	2,922	3,032	25,730	—	34,111
Total	$ 54,106	$ 91,455	$ 300,897	$ 251,366	$ 464,966	$ 1,908,836	$ —	$ 3,071,626
Gross charge-offs	$ —	$ —	$ —	$ 137	$ 68	$ 61	$ —	$ 266
Agribusiness								
Acceptable	$ 211,586	$ 555,219	$ 416,376	$ 166,253	$ 184,959	$ 460,335	$ 1,048,440	$ 3,043,168
OAEM	—	1,135	4,129	20,269	10,706	34,603	40,554	111,396
Substandard/Doubtful/Loss	—	1,470	14,187	6,018	40,358	24,684	66,460	153,177
Total	$ 211,586	$ 557,824	$ 434,692	$ 192,540	$ 236,023	$ 519,622	$ 1,155,454	$ 3,307,741
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 7	$ 84	$ 91
Rural infrastructure								
Acceptable	$ 138,851	$ 853,215	$ 472,037	$ 509,969	$ 402,588	$ 404,210	$ 294,464	$ 3,075,334
OAEM	—	—	—	—	8,308	82,795	8,887	99,990
Substandard/Doubtful/Loss	—	—	—	74,524	—	2,018	26	76,568
Total	$ 138,851	$ 853,215	$ 472,037	$ 584,493	$ 410,896	$ 489,023	$ 303,377	$ 3,251,892
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Production and intermediate-term								
Acceptable	$ 53,565	$ 295,364	$ 114,650	$ 109,943	$ 34,320	$ 116,669	$ 578,433	$ 1,302,944
OAEM	—	—	—	783	27,484	6,711	50,742	85,720
Substandard/Doubtful/Loss	—	—	—	48	3,098	—	16,770	19,916
Total	$ 53,565	$ 295,364	$ 114,650	$ 110,774	$ 64,902	$ 123,380	$ 645,945	$ 1,408,580
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Real estate mortgage								
Acceptable	$ 37,164	$ 132,230	$ 41,591	$ 72,367	$ 138,968	$ 530,783	$ 36,923	$ 990,026
OAEM	—	10,947	—	3,676	5,154	17,611	1,341	38,729
Substandard/Doubtful/Loss	—	1,538	—	3,750	4,738	6,708	—	16,734
Total	$ 37,164	$ 144,715	$ 41,591	$ 79,793	$ 148,860	$ 555,102	$ 38,264	$ 1,045,489
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Other								
Acceptable	$ —	$ —	$ 762	$ 68,369	$ 16,812	$ 20,703	$ 179,182	$ 285,828
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	—	—	—	—	—	—	—
Total	$ —	$ —	$ 762	$ 68,369	$ 16,812	$ 20,703	$ 179,182	$ 285,828
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Loans								
Acceptable	$ 495,272	$ 1,927,238	$ 1,344,131	$ 1,175,345	$ 1,239,581	$ 3,415,806	$ 30,871,356	$ 40,468,729
OAEM	—	12,082	4,129	24,728	51,652	141,720	101,524	335,835
Substandard/Doubtful/Loss	—	3,253	16,369	87,262	51,226	59,140	189,355	406,605
Total	$ 495,272	$ 1,942,573	$ 1,364,629	$ 1,287,335	$ 1,342,459	$ 3,616,666	$ 31,162,235	$ 41,211,169
Gross charge-offs	$ —	$ —	$ —	$ 137	$ 68	$ 68	$ 84	$ 357

The following table shows the amortized cost of loans classified under the Uniform Loan Classification System by origination year at December 31, 2025 and the gross charge-offs for the year ended December 31, 2025:

	Term Loans Amortized Cost by Origination Year							
	2025	2024	2023	2022	2021	Prior	Revolving Loans Amortized Cost Basis	Total
Direct Notes								
Acceptable	$ —	$ —	$ —	$ —	$ —	$ —	$ 27,599,969	$ 27,599,969
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	—	—	—	—	—	107,432	107,432
Total	$ —	$ —	$ —	$ —	$ —	$ —	$ 27,707,401	$ 27,707,401
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Rural residential real estate								
Acceptable	$ 97,639	$ 319,003	$ 274,126	$ 480,596	$ 515,115	$ 1,464,768	$ —	$ 3,151,247
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	1,796	2,756	5,053	4,736	18,623	—	32,964
Total	$ 97,639	$ 320,799	$ 276,882	$ 485,649	$ 519,851	$ 1,483,391	$ —	$ 3,184,211
Gross charge-offs	$ —	$ 67	$ 93	$ 286	$ 194	$ 221	$ —	$ 861
Agribusiness								
Acceptable	$ 574,558	$ 456,941	$ 195,005	$ 250,955	$ 210,651	$ 295,827	$ 883,095	$ 2,867,032
OAEM	9,481	2,904	9,411	15,351	13,510	24,707	48,634	123,998
Substandard/Doubtful/Loss	1,949	16,457	15,834	44,587	7	18,531	62,968	160,333
Total	$ 585,988	$ 476,302	$ 220,250	$ 310,893	$ 224,168	$ 339,065	$ 994,697	$ 3,151,363
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 112	$ 6,092	$ 6,204
Rural infrastructure								
Acceptable	$ 878,569	$ 490,147	$ 588,613	$ 414,775	$ 214,190	$ 285,388	$ 218,609	$ 3,090,291
OAEM	—	5,231	—	8,475	—	29,313	1,889	44,908
Substandard/Doubtful/Loss	—	—	1,410	—	2,077	—	—	3,487
Total	$ 878,569	$ 495,378	$ 590,023	$ 423,250	$ 216,267	$ 314,701	$ 220,498	$ 3,138,686
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Production and intermediate-term								
Acceptable	$ 342,252	$ 107,458	$ 125,132	$ 54,663	$ 43,191	$ 77,432	$ 602,908	$ 1,353,036
OAEM	—	—	1,442	28,882	—	7,034	68,834	106,192
Substandard/Doubtful/Loss	—	111	15	3,900	—	187	18,397	22,610
Total	$ 342,252	$ 107,569	$ 126,589	$ 87,445	$ 43,191	$ 84,653	$ 690,139	$ 1,481,838
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 11,834	$ 1,474	$ 13,308
Real estate mortgage								
Acceptable	$ 132,873	$ 41,547	$ 76,938	$ 142,293	$ 187,567	$ 393,935	$ 17,022	$ 992,175
OAEM	11,116	—	3,675	—	—	2,649	—	17,440
Substandard/Doubtful/Loss	1,793	390	3,921	10,158	6,227	804	1,587	24,880
Total	$ 145,782	$ 41,937	$ 84,534	$ 152,451	$ 193,794	$ 397,388	$ 18,609	$ 1,034,495
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ 1,838	$ —	$ 1,838
Other								
Acceptable	$ —	$ 16,710	$ 68,381	$ 16,893	$ 16,561	$ 4,263	$ 172,550	$ 295,358
OAEM	—	—	—	—	—	—	—	—
Substandard/Doubtful/Loss	—	—	—	—	—	—	—	—
Total	$ —	$ 16,710	$ 68,381	$ 16,893	$ 16,561	$ 4,263	$ 172,550	$ 295,358
Gross charge-offs	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Total Loans								
Acceptable	$ 2,025,891	$ 1,431,806	$ 1,328,195	$ 1,360,175	$ 1,187,275	$ 2,521,613	$ 29,494,153	$ 39,349,108
OAEM	20,597	8,135	14,528	52,708	13,510	63,703	119,357	292,538
Substandard/Doubtful/Loss	3,742	18,754	23,936	63,698	13,047	38,145	190,384	351,706
Total	$ 2,050,230	$ 1,458,695	$ 1,366,659	$ 1,476,581	$ 1,213,832	$ 2,623,461	$ 29,803,894	$ 39,993,352
Gross charge-offs	$ —	$ 67	$ 93	$ 286	$ 194	$ 14,005	$ 7,566	$ 22,211

Accrued interest receivable on loans of $160.5 million and $156.4 million at June 30, 2026 and December 31, 2025, respectively, have been excluded from the amortized cost of loans and reported separately in the Balance Sheets.

The following tables provide an aging analysis of past due loans at amortized cost by portfolio segment as of:

	June 30, 2026					
(dollars in thousands)	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	Accruing Loans 90 Days or More Past Due
Direct Notes	$ —	$ —	$ —	$ 28,840,013	$ 28,840,013	$ —
Rural residential real estate	9,984	15,466	25,450	3,046,176	3,071,626	—
Agribusiness	144,863	—	144,863	3,162,878	3,307,741	—
Rural infrastructure	47,858	827	48,685	3,203,207	3,251,892	—
Production and intermediate-term	28,785	—	28,785	1,379,795	1,408,580	—
Real estate mortgage	9,340	1,409	10,749	1,034,740	1,045,489	—
Other	—	—	—	285,828	285,828	—
Total	$ 240,830	$ 17,702	$ 258,532	$ 40,952,637	$ 41,211,169	$ —

	December 31, 2025					
(dollars in thousands)	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	Accruing Loans 90 Days or More Past Due
Direct Notes	$ —	$ —	$ —	$ 27,707,401	$ 27,707,401	$ —
Rural residential real estate	47,236	15,830	63,066	3,121,145	3,184,211	—
Agribusiness	21,192	—	21,192	3,130,171	3,151,363	—
Rural infrastructure	—	—	—	3,138,686	3,138,686	—
Production and intermediate-term	958	155	1,113	1,480,725	1,481,838	—
Real estate mortgage	623	1,402	2,025	1,032,470	1,034,495	—
Other	—	—	—	295,358	295,358	—
Total	$ 70,009	$ 17,387	$ 87,396	$ 39,905,956	$ 39,993,352	$ —

The following tables provide the amortized cost for nonaccrual loans, as well as interest income recognized on nonaccrual loans during the period:

	June 30, 2026			Interest Income Recognized	
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total	For the Three Months Ended June 30, 2026	For the Six Months Ended June 30, 2026
Rural residential real estate	$ 2,658	$ 34,504	$ 37,162	$ 28	$ 431
Agribusiness	60,549	—	60,549	51	63
Rural infrastructure	1,244	—	1,244	—	—
Production and intermediate-term	—	16,821	16,821	—	17
Real estate mortgage	3,568	11,633	15,201	—	51
Total	$ 68,019	$ 62,958	$ 130,977	$ 79	$ 562

	December 31, 2025			Interest Income Recognized	
Nonaccrual loans:	Amortized Cost with Allowance	Amortized Cost without Allowance	Total	For the Three Months Ended June 30, 2025	For the Six Months Ended June 30, 2025
Rural residential real estate	$ 1,688	$ 33,323	$ 35,011	$ 351	$ 683
Agribusiness	67,071	91	67,162	—	—
Rural infrastructure	—	1,410	1,410	—	—
Production and intermediate-term	—	266	266	225	337
Real estate mortgage	3,208	2,746	5,954	7	11
Total	$ 71,967	$ 37,836	$ 109,803	$ 583	$ 1,031

Loan Modifications to Borrowers Experiencing Financial Difficulty

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.

The following tables show the amortized cost basis at the end of the reporting period for loan modifications granted to borrowers experiencing financial difficulty during the three and six months ended June 30, 2026, disaggregated by loan type and type of modification granted:

	For the Three Months Ended June 30, 2026				
(dollars in thousands)	Maturity Extension	Combination - Interest Rate Reduction and Maturity Extension	Combination - Maturity Extension and Payment Deferral	Total	Percentage of Total by Loan Type
Rural residential real estate	$ —	$ 303	$ 871	$ 1,174	0.04 %
Agribusiness	11,323	—	—	11,323	0.34 %
Production and intermediate-term	16,770	—	—	16,770	1.19 %
Total	$ 28,093	$ 303	$ 871	$ 29,267	0.07 %

	For the Six Months Ended June 30, 2026				
(dollars in thousands)	Maturity Extension	Combination - Interest Rate Reduction and Maturity Extension	Combination - Maturity Extension and Payment Deferral	Total	Percentage of Total by Loan Type
Rural residential real estate	$ —	$ 817	$ 1,591	$ 2,408	0.08 %
Agribusiness	12,793	—	—	12,793	0.39 %
Production and intermediate-term	16,770	—	—	16,770	1.19 %
Total	$ 29,563	$ 817	$ 1,591	$ 31,971	0.08 %

The following tables show the amortized cost basis at the end of the reporting period for loan modifications granted to borrowers experiencing financial difficulty during the three and six months ended June 30, 2025, disaggregated by loan type and type of modification granted:

	For the Three Months Ended June 30, 2025					
(dollars in thousands)	Maturity Extension	Payment Deferral	Combination - Interest Rate Reduction and Maturity Extension	Combination - Maturity Extension and Payment Deferral	Total	Percentage of Total by Loan Type
Rural residential real estate	$ 928	$ 827	$ 988	$ 1,104	$ 3,847	0.12 %
Agribusiness	5,031	—	882	—	5,913	0.19 %
Production and intermediate-term	—	169	—	—	169	0.01 %
Total	$ 5,959	$ 996	$ 1,870	$ 1,104	$ 9,929	0.03 %

	For the Six Months Ended June 30, 2025					
(dollars in thousands)	Maturity Extension	Payment Deferral	Combination - Interest Rate Reduction and Maturity Extension	Combination - Maturity Extension and Payment Deferral	Total	Percentage of Total by Loan Type
Rural residential real estate	$ 1,287	$ 827	$ 988	$ 1,104	$ 4,206	0.13 %
Agribusiness	5,031	—	882	—	5,913	0.19 %
Production and intermediate-term	—	169	—	—	169	0.01 %
Total	$ 6,318	$ 996	$ 1,870	$ 1,104	$ 10,288	0.03 %

The following tables describe the financial effects of the modifications made to borrowers experiencing financial difficulty during the three months ended June 30, 2026 and June 30, 2025:

	Maturity Extension	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate		Added a weighted average 16.9 years to the life of loans
Agribusiness	Added a weighted average 1.0 year to the life of loans	Added a weighted average 1.0 year to the life of loans
Production and intermediate-term	Added a weighted average 4.0 months to the life of loans	

	Payment Deferral	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate		Provided a weighted average 4.6 months of payment deferrals
Production and intermediate-term		Provided a weighted average 5.0 months of payment deferrals

	Combination - Interest Rate Reduction and Maturity Extension	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate	Reduced weighted average contractual interest rate from 7.50% to 6.13% and added a weighted average 12.0 years to the life of loans	Reduced weighted average contractual interest rate from 7.60% to 5.00% and added a weighted average 11.1 years to the life of loans
Agribusiness		Reduced weighted average contractual interest rate from 8.50% to 8.00% and added a weighted average 2.9 years to the life of loans

	Combination - Maturity Extension and Payment Deferral	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate	Added a weighted average 9.7 years to the life of loans and provided a weighted average 5.8 months of payment deferrals	Added a weighted average 12.0 years to the life of loans and provided a weighted average 7.3 months of payment deferrals

The following tables describe the financial effects of the modifications made to borrowers experiencing financial difficulty during the six months ended June 30, 2026 and June 30, 2025:

	Maturity Extension	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate		Added a weighted average 17.6 years to the life of loans
Agribusiness	Added a weighted average 1.0 year to the life of loans	Added a weighted average 1.0 year to the life of loans
Production and intermediate-term	Added a weighted average 4.0 months to the life of loans	

	Payment Deferral	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate		Provided a weighted average 4.6 months of payment deferrals
Production and intermediate-term		Provided a weighted average 5.0 months of payment deferrals

	Combination - Interest Rate Reduction and Maturity Extension	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate	Reduced weighted average contractual interest rate from 7.42% to 6.28% and added a weighted average 23.1 years to the life of loans	Reduced weighted average contractual interest rate from 7.60% to 5.00% and added a weighted average 11.1 years to the life of loans
Agribusiness		Reduced weighted average contractual interest rate from 8.50% to 8.00% and added a weighted average 2.9 years to the life of loans

	Combination - Maturity Extension and Payment Deferral	
	Financial Effect	
	June 30, 2026	June 30, 2025
Rural residential real estate	Added a weighted average 10.9 years to the life of loans and provided a weighted average 6.2 months of payment deferrals	Added a weighted average 12.0 years to the life of loans and provided a weighted average 7.3 months of payment deferrals

The following tables set forth the amortized cost of loans to borrowers experiencing financial difficulty that defaulted during the three and six months ended June 30, 2026 and received a modification in the twelve months before default:

	For the Three Months Ended June 30, 2026		
(dollars in thousands)	Maturity Extension	Payment Deferral	Combination - Maturity Extension and Payment Deferral
Rural residential real estate	$ 140	$ —	$ 215
Agribusiness	5,700	—	—
Production and intermediate-term	16,770	—	—
Real estate mortgage	$ —	$ 3,054	$ —
Total	$ 22,610	$ 3,054	$ 215

	For the Six Months Ended June 30, 2026		
(dollars in thousands)	Maturity Extension	Payment Deferral	Combination - Maturity Extension and Payment Deferral
Rural residential real estate	$ 680	$ —	$ 667
Agribusiness	7,171	—	—
Production and intermediate-term	16,770	—	—
Real estate mortgage	—	3,054	—
Total	$ 24,621	$ 3,054	$ 667

Loans to borrowers experiencing financial difficulty that had a modification in the preceding 12 months and subsequently defaulted during the three and six months ended June 30, 2025 had an amortized cost of $408 thousand and had received a combination of interest rate reductions and maturity extensions.

The following tables set forth an aging analysis of loans to borrowers experiencing financial difficulty that were modified during the twelve months prior to June 30, 2026 and June 30, 2025:

	Payment Status of Loans Modified During the Twelve Months Prior to June 30, 2026			
(dollars in thousands)	**Current**	**30-89 Days Past Due**	**90 Days or More Past Due**	**Total**
Rural residential real estate	$ 9,660	$ 392	$ 2,390	$ 12,442
Agribusiness	42,273	—	—	42,273
Production and intermediate-term	2,435	16,770	—	19,205
Real estate mortgage	3,054	—	—	3,054
Total	$ 57,422	$ 17,162	$ 2,390	$ 76,974

	Payment Status of Loans Modified During the Twelve Months Prior to June 30, 2025			
(dollars in thousands)	**Current**	**30-89 Days Past Due**	**90 Days or More Past Due**	**Total**
Rural residential real estate	$ 6,047	$ 70	$ 270	$ 6,387
Agribusiness	36,321	—	—	36,321
Production and intermediate-term	6,527	—	—	6,527
Real estate mortgage	5,917	—	—	5,917
Total	$ 54,812	$ 70	$ 270	$ 55,152

Accrued interest receivable at the end of the reporting period related to loan modifications granted to borrowers experiencing financial difficulty during the three and six months ended June 30, 2026 were $67 thousand and $70 thousand, respectively. Accrued interest receivable at the end of the reporting period related to loan modifications granted to borrowers experiencing financial difficulty during both the three and six months ended June 30, 2025 was $51 thousand. Additional commitments to lend to borrowers experiencing financial difficulties whose loans have been modified during the year were $8.1 million and $8.2 million at June 30, 2026 and December 31, 2025, respectively.

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

(dollars in thousands)	Rural Residential Real Estate	Agribusiness	Rural Infrastructure	Production and Intermediate -term	Real Estate Mortgage	Other	Total
Allowance for credit losses on loans:							
Balance at March 31, 2026	$ 6,420	$ 32,790	$ 6,117	$ 3,452	$ 2,957	$ 288	$ 52,024
Charge-offs	(183)	(91)	—	—	—	—	(274)
Recoveries	45	—	—	136	—	—	181
Provision for (reversal of) credit losses on loans	598	(712)	6,060	(363)	9	(130)	5,462
Balance at June 30, 2026	$ 6,880	$ 31,987	$ 12,177	$ 3,225	$ 2,966	$ 158	$ 57,393
Allowance for unfunded commitments:							
Balance at March 31, 2026	$ —	$ 3,952	$ 865	$ 1,553	$ 52	$ 92	$ 6,514
Provision for (reversal of) unfunded commitments	—	457	26	(76)	(23)	(15)	369
Balance at June 30, 2026	$ —	$ 4,409	$ 891	$ 1,477	$ 29	$ 77	$ 6,883
Total allowance for credit losses	**$ 6,880**	**$ 36,396**	**$ 13,068**	**$ 4,702**	**$ 2,995**	**$ 235**	**$ 64,276**
Allowance for credit losses on loans:							
Balance at December 31, 2025	$ 6,348	$ 31,926	$ 5,404	$ 2,729	$ 2,908	$ 137	$ 49,452
Charge-offs	(266)	(91)	—	—	—	—	(357)
Recoveries	94	—	—	137	—	—	231
Provision for (reversal of) credit losses on loans	704	152	6,773	359	58	21	8,067
Balance at June 30, 2026	$ 6,880	$ 31,987	$ 12,177	$ 3,225	$ 2,966	$ 158	$ 57,393
Allowance for unfunded commitments:							
Balance at December 31, 2025	$ —	$ 3,812	$ 718	$ 1,543	$ 34	$ 56	$ 6,163
Provision for (reversal of) unfunded commitments	—	597	173	(66)	(5)	21	720
Balance at June 30, 2026	$ —	$ 4,409	$ 891	$ 1,477	$ 29	$ 77	$ 6,883
Total allowance for credit losses	**$ 6,880**	**$ 36,396**	**$ 13,068**	**$ 4,702**	**$ 2,995**	**$ 235**	**$ 64,276**
Allowance for credit losses on loans:							
Balance at March 31, 2025	$ 7,096	$ 11,547	$ 5,573	$ 13,704	$ 2,209	$ 267	$ 40,396
Charge-offs	(188)	—	—	(1,473)	—	—	(1,661)
Recoveries	94	—	—	—	—	—	94
Provision for (reversal of) credit losses on loans	663	4,935	1,295	4,580	(129)	—	11,344
Balance at June 30, 2025	$ 7,665	$ 16,482	$ 6,868	$ 16,811	$ 2,080	$ 267	$ 50,173
Allowance for unfunded commitments:							
Balance at March 31, 2025	$ —	$ 2,886	$ 633	$ 1,195	$ 32	$ 28	$ 4,774
Provision for unfunded commitments	—	744	58	208	2	—	1,012
Balance at June 30, 2025	$ —	$ 3,630	$ 691	$ 1,403	$ 34	$ 28	$ 5,786
Total allowance for credit losses	**$ 7,665**	**$ 20,112**	**$ 7,559**	**$ 18,214**	**$ 2,114**	**$ 295**	**$ 55,959**
Allowance for credit losses on loans:							
Balance at December 31, 2024	7,523	8,398	4,228	5,713	2,132	159	28,153
Charge-offs	(195)	—	—	(1,473)	—	—	(1,668)
Recoveries	119	—	—	—	—	—	119
Provision for (reversal of) credit losses on loans	218	8,084	2,640	12,571	(52)	108	23,569
Balance at June 30, 2025	$ 7,665	$ 16,482	$ 6,868	$ 16,811	$ 2,080	$ 267	$ 50,173
Allowance for unfunded commitments:							
Balance at December 31, 2024	$ —	$ 2,479	$ 445	$ 999	$ 23	$ 29	$ 3,975
Provision for (reversal of) unfunded commitments	—	1,151	246	404	11	(1)	1,811
Balance at June 30, 2025	$ —	$ 3,630	$ 691	$ 1,403	$ 34	$ 28	$ 5,786
Total allowance for credit losses	**$ 7,665**	**$ 20,112**	**$ 7,559**	**$ 18,214**	**$ 2,114**	**$ 295**	**$ 55,959**

There was no allowance for credit loss for the Direct Note portfolio at June 30, 2026 or December 31, 2025.

For the six months ended June 30, 2026, the ACL increased by $8.7 million primarily as a result of increased provision expense of $8.1 million. The increased provision expense was primarily within the Bank's Capital Markets portfolio due to slight credit deterioration and overall portfolio growth.

For the six months ended June 30, 2025, the ACL increased by $23.8 million primarily as a result of increased provision expense of $23.6 million. The increased provision expense was primarily within the Bank's Capital

Markets portfolio and was due to the downgrade of several large borrowers and increased stress in the macroeconomic factors utilized in the calculation of current expected credit losses.

Note 3 — Investments

Equity Investments in Other Farm Credit System 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.

Investments in Debt Securities

The Bank's investments in debt securities consist primarily of mortgage-backed securities (MBSs) collateralized by U.S. government or U.S. agency guaranteed residential and commercial mortgages. Also included are asset-backed securities (ABSs) which are issued through the Small Business Administration and are guaranteed by the full faith and credit of the U.S. government. They are held to maintain a liquidity reserve, manage short-term surplus funds, and manage interest rate risk. These securities meet the applicable FCA regulatory guidelines related to government agency guaranteed investments.

Non-agency ABSs are included in available-for-sale (AFS) investments. These securities must meet the applicable FCA regulatory guidelines, which require them to be high quality, senior class, and rated in the top category (AAA/Aaa) by Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase. To achieve these ratings, the securities may have a guarantee of timely payment of principal and interest, credit enhancements achieved through over-collateralization or other means, priority of payments for senior classes over junior classes, or bond insurance. All of the non-agency securities owned have one or more credit enhancement features.

Held-to-Maturity (HTM) investments in debt securities consist primarily of Mission Related Investments acquired primarily under the Rural America Bond (RAB) pilot programs. RABs are private placement securities which generally have some form of credit enhancement.

An agreement with a commercial bank requires AgFirst to maintain $50.0 million as a compensating balance. At June 30, 2026, the Bank held $42.0 million in U.S. Treasury securities for that purpose. The remainder of the compensating balance was held in cash in a demand deposit account. These securities are excluded when calculating the amount of eligible liquidity investments.

Available-for-sale

A summary of the amortized cost and fair value of debt securities held as available-for-sale investments at period end is as follows:

	June 30, 2026				
(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Yield
U.S. Govt. Agency Guaranteed	$ 4,249,580	$ 1,785	$ (302,974)	$ 3,948,391	3.24 %
U.S. Govt. Guaranteed	3,724,379	2,754	(351,056)	3,376,077	2.95
U.S. Govt. Treasury Securities	642,364	480	(331)	642,513	3.90
Non-Agency ABSs	118,440	433	—	118,873	4.95
Total	$ 8,734,763	$ 5,452	$ (654,361)	$ 8,085,854	3.19 %

	December 31, 2025				
(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Yield
U.S. Govt. Agency Guaranteed	$ 4,482,208	$ 2,267	$ (301,149)	$ 4,183,326	3.56 %
U.S. Govt. Guaranteed	3,435,068	4,115	(354,061)	3,085,122	2.74
U.S. Govt. Treasury Securities	642,359	490	(29)	642,820	3.89
Non-Agency ABSs	118,469	1,028	—	119,497	4.91
Total	$ 8,678,104	$ 7,900	$ (655,239)	$ 8,030,765	3.28 %

Held-to-maturity

A summary of the amortized cost and fair value of debt securities held as held-to-maturity investments at period end is as follows:

	June 30, 2026				
(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Yield
RABs and Other	$ 9,164	$ 88	$ (371)	$ 8,881	5.82 %
U.S. Govt. Agency Guaranteed	112	—	(1)	111	5.71
Total	$ 9,276	$ 88	$ (372)	$ 8,992	5.82 %

	December 31, 2025				
(dollars in thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Yield
RABs and Other	$ 9,353	$ 148	$ (304)	$ 9,197	5.82 %
U.S. Govt. Agency Guaranteed	128	—	(2)	126	5.57
Total	$ 9,481	$ 148	$ (306)	$ 9,323	5.82 %

A summary of the contractual maturity, estimated fair value and amortized cost of investment securities at June 30, 2026 follows:

Available-for-sale

	Due in 1 Year or Less		Due After 1 Year Through 5 Years		Due After 5 Years Through 10 Years		Due After 10 Years		Total	
(dollars in thousands)	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield
U.S. Govt. Agency Guaranteed	$ 67,277	3.35 %	$1,344,315	4.16 %	$ 666,957	3.93 %	$1,869,842	2.45 %	$3,948,391	3.24 %
U.S. Govt. Guaranteed	561	2.05	149,315	1.79	647,635	3.90	2,578,566	2.79	3,376,077	2.95
U.S. Govt. Treasury Securities	412,700	3.89	229,813	3.91	—	—	—	—	642,513	3.90
Non-Agency ABSs	—	—	118,873	4.95	—	—	—	—	118,873	4.95
Total fair value	$ 480,538	3.81 %	$1,842,316	3.97 %	$1,314,592	3.92 %	$4,448,408	2.65 %	$8,085,854	3.19 %
Total amortized cost	$ 480,588		$1,859,000		$1,331,831		$5,063,344		$8,734,763	

Held-to-maturity

	Due in 1 Year or Less		Due After 1 Year Through 5 Years		Due After 5 Years Through 10 Years		Due After 10 Years		Total	
(dollars in thousands)	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield	Amount	Weighted Average Yield
RABs and Other	$ —	— %	$ —	— %	$ —	— %	$ 9,164	5.82 %	$ 9,164	5.82 %
U.S. Govt. Agency Guaranteed	—	—	—	—	112	5.71	—	—	112	5.71
Total amortized cost	$ —	— %	$ —	— %	$ 112	5.71 %	$ 9,164	5.82 %	$ 9,276	5.82 %
Total fair value	$ —		$ —		$ 111		$ 8,881		$ 8,992	

A substantial portion of these investments has contractual maturities in excess of ten years. However, expected maturities for these types of securities will differ from contractual maturities because borrowers may have the right to prepay obligations with or without prepayment penalties.

An investment is considered impaired if its fair value is less than its cost. The following tables show the fair value and gross unrealized losses for AFS investments that have been in a continuous unrealized loss position aggregated by investment category at each reporting period. A continuous unrealized loss position for an investment is measured from the date the impairment was first identified.

	June 30, 2026					
	Less Than 12 Months		12 Months Or Greater		Total	
(dollars in thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Govt. Agency Guaranteed	$ 810,041	$ (929)	$ 2,558,885	$ (302,045)	$ 3,368,926	$ (302,974)
U.S. Govt. Guaranteed	554,444	(2,425)	2,533,436	(348,631)	3,087,880	(351,056)
U.S. Govt. Treasury Securities	42,033	(331)	—	—	42,033	(331)
Total	$ 1,406,518	$ (3,685)	$ 5,092,321	$ (650,676)	$ 6,498,839	$ (654,361)

	December 31, 2025					
	Less Than 12 Months		12 Months Or Greater		Total	
(dollars in thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Govt. Agency Guaranteed	$ 611,700	$ (556)	$ 2,768,045	$ (300,593)	$ 3,379,745	$ (301,149)
U.S. Govt. Guaranteed	130,867	(697)	2,711,174	(353,364)	2,842,041	(354,061)
U.S. Govt. Treasury Securities	99,971	(29)	—	—	99,971	(29)
Total	$ 842,538	$ (1,282)	$ 5,479,219	$ (653,957)	$ 6,321,757	$ (655,239)

The Bank evaluates investment securities with unrealized losses for credit loss on a quarterly basis. As part of this assessment, it was concluded that the Bank would not be required to sell the security prior to recovery of the amortized cost basis. The Bank 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 Bank does not consider any unrealized losses to be credit-related and an allowance for credit losses is not necessary.

Note 4 — Debt

Bonds and Notes

AgFirst, unlike commercial banks and other depository institutions, obtains funds for its lending operations primarily from the sale of Systemwide Debt Securities issued jointly by the System banks through the Funding Corporation. Certain conditions must be met before AgFirst can participate in the issuance of Systemwide Debt Securities. As one condition of participation, AgFirst is required by the Farm Credit Act and FCA regulations to maintain specified eligible assets at least equal in value to the total amount of debt obligations outstanding for which it is primarily liable. This requirement does not provide holders of Systemwide Debt Securities with a security interest in any assets of the banks.

In accordance with FCA regulations, each issuance of Systemwide Debt Securities ranks equally with other unsecured Systemwide Debt Securities. Systemwide Debt Securities are not issued under an indenture, and no trustee is provided with respect to these securities. Systemwide Debt Securities are not subject to acceleration prior to maturity upon the occurrence of any default or similar event.

The following table provides a summary of AgFirst's participation in outstanding Systemwide Debt Securities by maturity.

	June 30, 2026					
(dollars in thousands)	Bonds		Discount Notes		Total	
Maturities	Amortized Cost	Weighted Average Interest Rate	Amortized Cost	Weighted Average Interest Rate	Amortized Cost	Weighted Average Interest Rate
One year or less	$ 13,969,920	3.37 %	$ 1,967,223	3.68 %	$ 15,937,143	3.41 %
Greater than one year to two years	11,246,581	3.41	—	—	11,246,581	3.41
Greater than two years to three years	3,549,591	2.85	—	—	3,549,591	2.85
Greater than three years to four years	3,181,034	3.01	—	—	3,181,034	3.01
Greater than four years to five years	2,697,264	3.40	—	—	2,697,264	3.40
Greater than five years	11,814,968	4.39	—	—	11,814,968	4.39
Total	$ 46,459,358	3.58 %	$ 1,967,223	3.68 %	$ 48,426,581	3.58 %

Discount notes are issued with maturities of one year or less. The weighted average maturity of discount notes at June 30, 2026 was 45 days.

Note 5 — Shareholders' Equity

Accumulated Other Comprehensive Income

The following tables present the activity related to accumulated other comprehensive income (AOCI):

Changes in Accumulated Other Comprehensive Income by Component *(a)*

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(dollars in thousands)	2026	2025	2026	2025
Investment Securities:				
Balance at beginning of period	$ (647,475)	$ (776,316)	$ (647,339)	$ (899,513)
Other comprehensive income before reclassifications	(1,434)	22,986	(1,570)	140,293
Amounts reclassified from AOCI	—	7,341	—	13,231
Net current period other comprehensive (loss) income	(1,434)	30,327	(1,570)	153,524
Balance at end of period	$ (648,909)	$ (745,989)	$ (648,909)	$ (745,989)
Cash Flow Hedges:				
Balance at beginning of period	$ —	$ —	$ —	$ —
Other comprehensive income before reclassifications	—	(8)	—	(86)
Amounts reclassified from AOCI	—	8	—	86
Net current period other comprehensive income	—	—	—	—
Balance at end of period	$ —	$ —	$ —	$ —
Employee Benefit Plans:				
Balance at beginning of period	$ 1,016	$ 1,165	$ 1,015	$ 1,166
Amounts reclassified from AOCI	—	(1)	1	(2)
Net current period other comprehensive income (loss)	—	(1)	1	(2)
Balance at end of period	$ 1,016	$ 1,164	$ 1,016	$ 1,164
Total Accumulated Other Comprehensive Loss:				
Balance at beginning of period	$ (646,459)	$ (775,151)	$ (646,324)	$ (898,347)
Other comprehensive income before reclassifications	(1,434)	22,978	(1,570)	140,207
Amounts reclassified from AOCI	—	7,348	1	13,315
Net current period other comprehensive (loss) income	(1,434)	30,326	(1,569)	153,522
Balance at end of period	$ (647,893)	$ (744,825)	$ (647,893)	$ (744,825)

	Reclassifications Out of AOCI *(b)*				
	For the Three Months Ended June 30,		For the Six Months Ended June 30,		
(dollars in thousands)	**2026**	**2025**	**2026**	**2025**	**Income Statement Line Item**
Investment Securities:					
Losses on sale of investments	$ —	$ (7,341)	$ —	$ (13,231)	Losses on sale of investments
Net amounts reclassified	—	(7,341)	—	(13,231)	
Cash Flow Hedges:					
Losses on other transactions	—	(8)	—	(86)	Gains (losses) on other transactions
Net amounts reclassified	—	(8)	—	(86)	
Employee Benefit Plans:					
Periodic pension costs	$ —	$ 1	$ (1)	$ 2	See Note 8, *Employee Benefit Plans*
Net amounts reclassified	—	1	(1)	2	
Total reclassifications for period	$ —	$ (7,348)	$ (1)	$ (13,315)	

(a) Amounts in parentheses indicate reductions to AOCI
(b) Amounts in parentheses indicate reductions to net income

Note 6 — 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 value measurements are categorized as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.
Level 2 – Observable inputs other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities or inputs corroborated by observable market data.
Level 3 – Unobservable inputs supported by little or no market activity.

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. For nonrecurring measurements, as for nonaccrual loans and other property owned, it is not practicable to provide specific information on inputs as each collateral property is unique. System institutions utilize appraisals to value these loans and other property owned and take into account unobservable inputs such as income and expense, comparable sales, replacement cost and comparability adjustments. Other Financial Instruments are assets and liabilities not measured at fair value in the *Balance Sheets*, but their fair values are estimated as of each period end date. The tables below summarize the carrying amount and fair value hierarchy levels for assets and liabilities on the *Balance Sheets*.

	June 30, 2026				
(dollars in thousands)	Total Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Recurring Measurements					
Assets:					
Investments in debt securities available-for-sale:					
U.S. Govt. Agency Guaranteed	$ 3,948,391	$ —	$ 3,948,391	$ —	$ 3,948,391
U.S. Govt. Guaranteed	3,376,077	—	3,376,077	—	3,376,077
U.S. Govt. Treasury Securities	642,513	—	642,513	—	642,513
Non-Agency ABSs	118,873	—	118,873	—	118,873
Total investments in debt securities available-for-sale	8,085,854	—	8,085,854	—	8,085,854
Cash equivalents	660,000	—	660,000	—	660,000
Assets held in trust funds	19,452	19,452	—	—	19,452
Recurring Assets	$ 8,765,306	$ 19,452	$ 8,745,854	$ —	$ 8,765,306
Nonrecurring Measurements					
Assets:					
Nonaccrual loans	$ 46,174	$ —	$ —	$ 46,174	$ 46,174
Other property owned	516	—	—	584	584
Loans held for sale	720	—	720	—	720
Nonrecurring Assets	$ 47,410	$ —	$ 720	$ 46,758	$ 47,478
Other Financial Instruments					
Assets:					
Cash	$ 735,073	$ 735,073	$ —	$ —	$ 735,073
Investments in debt securities held-to-maturity	9,276	—	111	8,881	8,992
Loans	41,107,602	—	—	39,795,135	39,795,135
Other Financial Assets	$ 41,851,951	$ 735,073	$ 111	$ 39,804,016	$ 40,539,200
Liabilities:					
Systemwide debt securities	$ 48,426,581	$ —	$ —	$ 47,556,553	$ 47,556,553
Other Financial Liabilities	$ 48,426,581	$ —	$ —	$ 47,556,553	$ 47,556,553

	December 31, 2025				
(dollars in thousands)	Total Carrying Amount	Level 1	Level 2	Level 3	Total Fair Value
Recurring Measurements					
Assets:					
Investments in debt securities available-for-sale:					
U.S. Govt. agency guaranteed	$ 4,183,326	$ —	$ 4,183,326	$ —	$ 4,183,326
U.S. Govt. guaranteed	3,085,122	—	3,085,122	—	3,085,122
U.S. Govt. Treasury securities	642,820	—	642,820	—	642,820
Non-agency ABSs	119,497	—	119,497	—	119,497
Total investments in debt securities available-for-sale	8,030,765	—	8,030,765	—	8,030,765
Cash equivalents	900,000	—	900,000	—	900,000
Assets held in trust funds	19,046	19,046	—	—	19,046
Recurring Assets	$ 8,949,811	$ 19,046	$ 8,930,765	$ —	$ 8,949,811
Nonrecurring Measurements					
Assets:					
Nonaccrual loans	$ 49,546	$ —	$ —	$ 49,546	$ 49,546
Other property owned	915	—	—	915	915
Nonrecurring Assets	$ 50,461	$ —	$ —	$ 50,461	$ 50,461
Other Financial Instruments					
Assets:					
Cash	$ 705,550	$ 705,550	$ —	$ —	$ 705,550
Investments in debt securities held to maturity	9,481	—	126	9,197	9,323
Loans	39,894,354	—	—	38,908,021	38,908,021
Other Financial Assets	$ 40,609,385	$ 705,550	$ 126	$ 38,917,218	$ 39,622,894
Liabilities:					
Systemwide debt securities	$ 47,395,195	$ —	$ —	$ 46,783,979	$ 46,783,979
Other Financial Liabilities	$ 47,395,195	$ —	$ —	$ 46,783,979	$ 46,783,979

There were no Level 3 assets or liabilities measured at fair value on a recurring basis for the periods presented.

There were no transfers between Levels 1, 2, or 3 during the periods presented.

Note 7 — Revenue Recognition

The following table presents income from services provided to Farm Credit institutions, primarily to District Associations. Core services include areas such as accounting and reporting, loan operations, human resources, information technology and security.

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(dollars in thousands)	2026	2025	2026	2025
Core services	$ 41,250	$ 31,250	$ 82,500	$ 62,500
Expanded services	1,505	1,349	2,881	2,550
Total	$ 42,755	$ 32,599	$ 85,381	$ 65,050

For the year ended December 31, 2026, the Bank increased the service charge to District Associations by $40 million to fully compensate the Bank for its costs as a service provider, which resulted in the core service increase of $10 million for the three months ended June 30, 2026 and $20 million for the six months ended June 30, 2026.

Note 8 — Employee Benefit Plans

The following table presents retirement and other postretirement benefit expenses for the Bank:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
(dollars in thousands)	2026	2025	2026	2025
Pension	$ 1,113	$ 592	$ 1,639	$ 1,184
401k	1,815	1,531	3,371	2,934
Other postretirement benefits	332	287	661	555
Total	$ 3,260	$ 2,410	$ 5,671	$ 4,673

Expenses in the above table include allocated estimates of funding for multiemployer plans in which the Bank participates. These amounts may change when a total funding amount and allocation is determined by the respective Plans' Sponsor Committees. Also, market conditions could impact discount rates and return on plan assets which could change contributions necessary before the next plan measurement date of December 31, 2026.

Further details regarding employee benefit plans are contained in the most recent Annual Report to Shareholders.

Note 9 — Segment Reporting

As AgFirst activity either directly or indirectly provides service to eligible borrowers, AgFirst operates under a single operating segment. The Bank is engaged in a single line of business which, by regulation, is to support rural communities and agriculture with reliable, consistent credit and financial services to eligible borrowers. The Bank provides funding either by directly financing the eligible borrowers through affiliated District Associations or indirectly financing through the purchase of participation loans in collaboration with District Associations, other Farm Credit entities and financial institutions. Eligible borrowers include farmers, ranchers, producers or harvesters of aquatic products, rural residents and farm-related businesses.

The chief operating decision maker (CODM) is the Chief Executive Officer, who uses net income as the reportable measure of segment portfolio and loss, found in the accompanying financial statements, when assessing segment performance, resource allocation, and other operational decisions. Within the reportable measure, some of those key operational profit and loss measures include interest income and expense as well as noninterest expense found in the accompanying *Statements of Comprehensive Income.* The measure of segment assets is reported on the *Balance Sheets* as total assets. The accounting policies of this segment are the same as those disclosed in *Note 2 - Summary of Significant Accounting Policies* of the most recent Annual Report to Shareholders. There is no separate segment financial information as the entity has only one segment.

The Bank's major customers include members that accounted for revenue in excess of 10 percent of the Bank's total revenue, which includes interest income and noninterest income. Based on this criteria, the Bank had two major customers (Associations) for the three and six months ended June 30, 2026, and received $152.1 million and $297.9 million during those periods. For the three and six months ended June 30, 2025, the Bank had two major customers (Associations) with total revenue received from these customers of $134.5 million and $263.5 million.

Note 10 — Commitments and Contingencies

At June 30, 2026, outstanding commitments to extend credit and commercial letters of credit were $8.0 billion and $1.5 million, respectively.

Under the Farm Credit Act of 1971, each System bank is primarily liable for its portion of Systemwide bond and discount note obligations. Additionally, the four banks are jointly and severally liable for the bonds and notes of the other System banks under the terms of the Joint and Several Liability Allocation Agreement. Published in the Federal Register, the agreement prescribes the payment mechanisms to be employed in the event one of the banks is unable to meet its debt obligations.

In the event a bank is unable to timely pay principal or interest on an insured debt obligation for which it is primarily liable, the Farm Credit System Insurance Corporation (FCSIC) must expend amounts in the Insurance Fund to the extent available to ensure the timely payment of principal and interest on the insured debt obligation. The provisions of the Farm Credit Act providing for joint and several liability of the banks on the obligation cannot be invoked until the amounts in the Insurance Fund have been exhausted. However, because of other mandatory and discretionary uses of the Insurance Fund, there is no assurance that there will be sufficient funds to pay the principal or interest on the insured debt obligation.

Once joint and several liability provisions are initiated, the FCA is required to make “calls” to satisfy the liability first on all non-defaulting banks in the proportion that each non-defaulting bank’s available collateral (collateral in excess of collateralized obligations) bears to the aggregate available collateral of all non-defaulting banks. If these calls do not satisfy the liability, then a further call would be made in proportion to each non-defaulting bank’s remaining assets. Upon making a call on non-defaulting banks with respect to a Systemwide Debt Security issued on behalf of a defaulting bank, the FCA is required to appoint FCSIC as the receiver for the defaulting bank. The receiver would be required to expeditiously liquidate assets of the bank.

AgFirst did not anticipate making any payments on behalf of its co-obligors under the Joint and Several Liability Allocation Agreement for any of the periods presented. The total amount of System debt outstanding is $480.3 billion at June 30, 2026.

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

Note 11 — Additional Financial Information

Offsetting of Financial Assets

(dollars in thousands)	June 30, 2026	December 31, 2025
Reverse repurchase and similar arrangements	$ 660,000	$ 900,000
Gross Amount of Recognized Assets	660,000	900,000
Reverse repurchase and similar arrangements	—	—
Gross Amounts Offset in the Balance Sheets	—	—
Net Amounts of Assets Presented in the Balance Sheets	$ 660,000	$ 900,000
Financial Instruments	(660,000)	(900,000)
Gross Amounts Not Offset in the Balance Sheets	(660,000)	(900,000)
Net Amount	$ —	$ —

There were no liabilities subject to master netting arrangements or similar agreements during the reporting periods.

The reverse repurchase agreements are accounted for as collateralized lending.

Combined Districtwide Financial Statements

The accompanying financial statements exclude financial information of the Bank’s affiliated Associations. The Bank and its affiliated Associations are collectively referred to as the AgFirst District. The Bank separately publishes certain unaudited combined financial information of the AgFirst District, including a statement of condition and statement of comprehensive income, which can be found on the Bank’s website at **www.agfirst.com**.

Note 12 — Subsequent Events

Effective July 13, 2026, the Bank terminated its Farmer Mac long-term standby commitment to purchase loans. The termination of this agreement eliminates the guarantee on $84.3 million of loans in the Correspondent Lending portfolio which is not expected to have a significant impact on the Bank’s financial condition, results of operations, and cash flows.

The Bank evaluated subsequent events and determined no other subsequent events have occurred requiring disclosure through August 7, 2026, which was the date the financial statements were issued.

Additional Regulatory Information

(unaudited)

Overview

The following quantitative disclosures contain regulatory disclosures as required for the Bank under Regulation §628.62 and §628.63. These disclosures should be read in conjunction with our 2025 Annual Report, which includes additional qualitative disclosures. As required, these disclosures are made available for at least three years and can be accessed within the financial reports on AgFirst's website at www.agfirst.com.

SCOPE OF APPLICATION

AgFirst is one of the four banks of the Farm Credit System (System), a nationwide system of cooperatively owned banks and associations, established by Congress and subject to the provisions of the Farm Credit Act of 1971, as amended. The Bank prepares financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) and prevailing practices within the financial services industry.

As of June 30, 2026, the AgFirst District consisted of the Bank and 16 District Associations. All Associations were structured as Agricultural Credit Association (ACA) holding companies, with Production Credit Association (PCA) and Federal Land Credit Association (FLCA) subsidiaries. AgFirst is owned jointly by these Associations, certain Other Financing Institutions (OFIs), and other System institutions. The Bank does not have any subsidiaries requiring consolidation; therefore, there are no consolidated entities for which the total capital requirement is deducted, there are no restrictions on transfer of funds or total capital with other consolidated entities and no subsidiary exists which is below the minimum total capital requirement individually or when aggregated at the Bank's level. In conjunction with other System entities, the Bank jointly owns certain service organizations: the Federal Farm Credit Banks Funding Corporation (Funding Corporation), the FCS Building Association (FCSBA), and the Farm Credit Association Captive Insurance Corporation (Captive). Certain of the Bank's investments in other System institutions, including the investment in the Funding Corporation and FCSBA, are deducted from capital as only the institution that issued the equities may count the amount as capital.

CAPITAL STRUCTURE

The table below outlines the Bank's capital structure for the capital adequacy calculations as of June 30, 2026:

(dollars in thousands)	**3-Month Average Daily Balance**
Common Equity Tier 1 Capital (CET1)	
Common cooperative equities:	
Statutory minimum purchased borrower stock	$ 19
Other required member purchased stock	398,202
Allocated equities:	
Allocated stock subject to retirement	343,182
Nonqualified allocated surplus subject to retirement	413
Unallocated retained earnings	2,175,676
Paid-in capital	63,668
Regulatory adjustments and deductions made to CET1*	(81,159)
Total CET1 Capital	$ 2,900,001
Additional Tier 1 Capital (AT1)	
Total AT1 Capital	$ —
Total Tier 1 Capital	$ 2,900,001
Tier 2 Capital	
Allowance for credit losses on loans	$ 52,083
Reserve for unfunded commitments	6,518
Total Tier 2 Capital	$ 58,601
Total Regulatory Capital	$ 2,958,602

**Primarily investments in other System institutions*

CAPITAL ADEQUACY AND CAPITAL BUFFERS

The table below outlines the Bank's risk-weighted assets, by exposure, calculated on a three-month average daily balance (including accrued interest of that exposure) as of June 30, 2026:

(dollars in thousands)	**Risk-Weighted Assets**
Exposures to:	
Government-sponsored entities, including Direct Notes to Associations	$ 6,673,964
Depository institutions	119,317
Corporate exposures, including borrower loans and leases	8,799,955
Residential mortgage loans	1,686,224
Past due > 90 days and nonaccrual loans	143,209
Securitizations	27,489
Exposures to obligors and other assets	277,507
Off-balance sheet exposures	2,496,077
Total risk-weighted assets	$ 20,223,742

As of June 30, 2026, the Bank exceeded all capital requirements to which it was subject, including applicable capital buffers. The risk-adjusted capital ratios exceeded the regulatory minimum levels, including the conservation buffer, by at least 4.13%. Additionally, the Bank's tier 1 leverage ratio was 0.73% in excess of the required minimum leverage ratio, including the buffer. 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.

The following sets forth the regulatory capital ratios as of June 30, 2026:

Ratio	Regulatory Minimum Requirement	Capital Conservation Buffer	Minimum Requirement, Including Buffer	Capital Ratios
Risk-adjusted ratios:				
CET1 Capital	4.50 %	2.50 %	7.00 %	14.34 %
Tier 1 Capital	6.00 %	2.50 %	8.50 %	14.34 %
Total Regulatory Capital	8.00 %	2.50 %	10.50 %	14.63 %
Permanent Capital	7.00 %	0.00 %	7.00 %	14.38 %
Non-risk-adjusted ratios:				
Tier 1 Leverage*	4.00 %	1.00 %	5.00 %	5.73 %
URE and URE Equivalents Leverage	1.50 %	0.00 %	1.50 %	4.26 %

**The Tier 1 Leverage Ratio must include a minimum of 1.5% of URE and URE Equivalents*

CREDIT RISK

System entities have specific lending authorities within their chartered territories. The Bank is subject to credit risk by lending to the District's FLCAs, PCAs, and ACAs as well as OFIs. The Bank also purchases participations and syndications and first lien residential mortgage loans. The allowance for credit losses is determined based on a periodic evaluation of the loan portfolio, which identifies loans that may be impaired based on characteristics such as probability of default (PD) and loss given default (LGD). Allowance needs by geographic region are only considered in rare circumstances that may not otherwise be reflected in the PD and LGD (flooding, drought, etc.). There was no allowance attributed to a geographic area as of June 30, 2026. See Note 2, *Loans and Allowance for Credit Losses*, and Note 3, *Investments*, in the Notes to the Financial Statements for quantitative disclosures related to the Bank's credit risk.

CREDIT RISK MITIGATION

Credit Risk Mitigation Related to Loans

The Bank uses various strategies to mitigate credit risk in its lending portfolio. As described in Note 1 of the Bank's most recent Annual Report, a substantial portion of the loan balance is concentrated in notes receivable from the District Associations to fund their earning assets, which collateralize the notes. In addition, the earnings, capital and loan loss reserves of the Associations are available to absorb losses in their respective retail loan portfolios. Excluding accrued interest receivable, at June 30, 2026, the Bank's total loan portfolio totaled $41.2 billion which included the Direct Note portfolio that totaled $28.8 billion. The aggregate District Associations' loan portfolios totaled $35.9 billion.

The following table, which includes accrued interest, illustrates certain credit risk mitigants within AgFirst's loan portfolio, which reduce capital requirements as of June 30, 2026:

(dollars in thousands)	Ending Balance	3-Month Average Balance	Risk-Weighted Exposures	% of Total Loans
Loans with unconditional guarantee	$ 3,885	$ 3,950	$ —	— %
Loans with conditional guarantee	403,662	409,535	81,907	1 %
Direct Notes	28,941,298	28,617,737	5,723,547	70 %
Total	$ 29,348,845	$ 29,031,222	$ 5,805,454	71 %

The following tables illustrate the amortized cost (excludes accrued interest) of AgFirst District Associations loan portfolio by geographic location (state), borrower eligibility and repayment dependency distributions. The AgFirst District Associations' loan portfolios approximate the credit risk in the Bank's Direct Note portfolio. The following tables are calculated as of June 30, 2026.

Distribution by State*		Distribution by Eligibility		Distribution by Repayment Dependency	
North Carolina	14 %	Forestry	17 %	Non-Farm Income	35 %
Pennsylvania	12	Field Crops	12	Poultry	11
Georgia	11	Poultry	11	Field Crops	6
Virginia	8	Cattle	9	Grains	6
Florida	8	Grains	7	Forestry	6
Ohio	8	Processing	5	Processing	5
South Carolina	6	Corn	5	Corn	4
Alabama	5	Other Real Estate	4	Cattle	4
Maryland	5	Dairy	4	Dairy	4
Kentucky	3	Tree Fruits and Nuts	3	Nursery/Greenhouse	3
Mississippi	3	Nursery/Greenhouse	3	Tree Fruits and Nuts	3
Louisiana	2	Rural Home Loans	3	Utilities	2
Delaware	2	Utilities	2	Other Real Estate	2
All Other States	13	Cotton	2	Other	9
Total	100 %	Other	13	Total	100 %
		Total	100 %		

**The distribution is based on the state in which the borrower is headquartered and may not be representative of their operations and business activities.*

The following tables present AgFirst's loan portfolio exposure as of June 30, 2026. This includes both outstanding balances and unfunded commitments, excluding accrued interest. The data is organized by geographic location (state), borrower eligibility, and repayment dependency. It reflects the total exposure at the end of the reporting period and the year-to-date (YTD) average, and includes the Bank's Direct Notes in total.

Distribution by State*	At Period End	YTD Average Balance	Distribution by Eligibility	At Period End	YTD Average Balance	Distribution by Repayment Dependency	At Period End	YTD Average Balance
Georgia	4 %	4 %	Utilities	8 %	9 %	Utilities	7 %	7 %
North Carolina	4	4	Rural Home Loans	6	6	Non-Farm Income	8	9
Texas	3	3	Processing	6	6	Processing	6	6
Florida	3	3	Forestry	3	3	Forestry	3	3
All other states	22	22	Field Crops	2	2	Field Crops	2	2
Direct Note	64	64	Other	11	10	Other	10	9
Total loans	100 %	100 %	Direct Note	64	64	Direct Note	64	64
			Total loans	100 %	100 %	Total loans	100 %	100 %

**The distribution is based on the state in which the borrower is headquartered and may not be representative of their operations and business activities.*

A significant source of liquidity for the Bank is the repayment of loans. The following table presents the contractual maturity distribution of loans by loan type at the latest period end. This table does not include accrued interest.

	June 30, 2026				
(dollars in thousands)	Due Less Than 1 Year	Due 1 Through 5 Years	Due 5 to 15 Years	Due After 15 Years	Total
Direct Notes*	$ 1,252,659	$ 7,392,298	$ 9,790,941	$ 10,404,115	$ 28,840,013
Real estate mortgage	21,314	253,632	536,189	234,354	1,045,489
Production and intermediate-term	124,584	923,882	359,335	779	1,408,580
Agribusiness	444,737	2,024,278	834,393	4,333	3,307,741
Rural infrastructure:	306,158	1,895,371	715,720	334,643	3,251,892
Rural residential real estate	13,521	22,458	351,770	2,683,877	3,071,626
Other:	179,254	82,240	24,334	—	285,828
Total loans	$ 2,342,227	$ 12,594,159	$ 12,612,682	$ 13,662,101	$ 41,211,169
Percentage	5.68 %	30.56 %	30.61 %	33.15 %	100.00 %

**Based on the underlying Association loans serving as collateral for the Direct Note which is a revolving line of credit.*

The following table illustrates AgFirst's nonperforming loans by geographic distribution at June 30, 2026. This table does not include accrued interest.

Total Outstanding Nonperforming Loans by State*

(dollars in thousands)	At Period End	Year-to-Date Average Balance
Florida	$ 62,913	$ 46,895
North Carolina	42,982	35,322
South Carolina	6,508	6,024
Georgia	5,154	4,397
Virginia	3,435	3,336
New York	3,054	2,215
Texas	1,629	1,423
Nebraska	1,244	930
Kentucky	1,239	1,181
Maryland	1,214	762
All other states	1,605	1,762
Total nonperforming loans	$ 130,977	$ 104,247

**The distribution is based on the state in which the borrower is headquartered and may not be representative of their operations and business activities.*

The Bank does not use credit default swaps as part of its credit risk management approach.

Credit Risk Mitigation Related to Investments

Credit risk in AgFirst's investment portfolio is largely mitigated by investing primarily in securities issued or guaranteed by the U.S. government or one of its agencies.

The following table shows the investment exposures covered by a guarantee as of June 30, 2026. This table does not include accrued interest.

(dollars in thousands)	Amortized Cost	Fair Value	% of Total Investments	Risk- Weighted Exposures
Unconditional Guarantee:				
U.S. Govt. Treasury Securities	$ 642,364	$ 642,513	8 %	$ —
U.S. Govt. Guaranteed	3,724,379	3,376,077	42 %	—
Conditional Guarantee:				
U.S. Govt. Agency Guaranteed	4,249,692	3,948,502	49 %	868,947
Total	$ 8,616,435	$ 7,967,092	99 %	$ 868,947

COUNTERPARTY CREDIT RISK

Counterparty credit risk exposures may consist of derivative instruments and repurchase-style transactions. By using derivative instruments, the Bank exposes itself to credit and market risk. The amount of this exposure depends on the value of underlying market factors (e.g., interest rates and foreign exchange rates), which can be volatile and uncertain in nature. If a counterparty fails to fulfill its performance obligations under a derivative contract, the Bank's credit risk will equal the fair value gain in the derivative. Generally, when the fair value of a derivative contract is positive, this indicates that the Bank is exposed to an economic loss if the counterparty defaults. When the fair value of the derivative contract is negative, the counterparty is exposed to an economic loss in the event of a Bank default and the Bank has no credit risk exposure.

To minimize the risk of credit losses, the Bank transacts with counterparties that have an investment grade credit rating from a major rating agency and also monitors the credit standing of, and levels of exposure to, individual counterparties. The Bank typically enters into master agreements that contain netting provisions. These provisions allow the Bank to require the net settlement of covered contracts with the same counterparty in the event of default by the counterparty on one or more contracts.

Financial instruments qualifying as eligible collateral are specifically defined under individual counterparty credit support agreements, but generally include cash, U.S. Treasury debt obligations, debt obligations of certain federal agencies and mortgage-backed securities guaranteed by certain federal agencies. Federal agencies include the Government National Mortgage Association, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and the Federal Home Loan Banks. The value of the instrument when used as collateral may be discounted from its market price up to 10%, depending on the security type, issuer, and term. Such discounts are defined in the credit support agreement.

At June 30, 2026, the Bank had forward commitments for loans held for sale with a notional value of $703 thousand.

SECURITIZATION

The Bank has elected to utilize the simplified supervisory formula risk-based capital approach (SSFA) for securitization exposures. As such, the Bank's asset-backed securities (ABS) portfolio is risk weighted at an individual security level. As of June 30, 2026, the portfolio consisted of $118.4 million in credit card ABSs and were risk weighted at 20.00%. Total risk-weighted assets for these investment securities utilizing a three-month average daily balance were $23.7 million at June 30, 2026.

As of June 30, 2026, the Bank did not hold any off-balance sheet securitization exposures nor were any securitization exposures deducted from capital. For the six months ended June 30, 2026, there were no sales of ABS securities that resulted in realized gains or losses.

Refer to Note 3, *Investments*, in the Notes to the Financial Statements for additional information related to purchases and sales of securitization exposures as well as the amortized cost, unrealized gains/(losses) and fair value of mortgage-backed securities (MBSs) and ABSs held in the Bank's investment portfolio.

EQUITIES

At June 30, 2026, the Bank had no equity investments other than equity investments in other Farm Credit institutions.

INTEREST RATE RISK

The following table represents changes in AgFirst's market value of equity and projected change over the next twelve months in net interest income for various interest rate movements as of June 30, 2026. The upward and downward shocks of 100 and 200 basis points in interest rates, which are generally considered significant enough to capture the effects of embedded options and convexity within the assets and liabilities, so that underlying risk may be revealed. However, when the Treasury bill is below 4 percent, the downward shock is based on one-half of the three-month Treasury bill rate, which was 191 basis points at June 30, 2026. Under these simulations, changes in net interest income and market value of equity are as follows:

	June 30, 2026			
	-191	**-100**	**+100**	**+200**
Change in net interest income	8.8 %	1.1 %	2.1 %	1.4 %
Change in market value of equity	20.7 %	6.5 %	(3.0)%	(5.0)%

Controls and Procedures

The Bank maintains a system of disclosure controls and procedures. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information disclosed in the quarterly and annual reports is accumulated and communicated to management, including the chief executive officer and chief financial officer, as appropriate, to allow timely decisions to be made regarding disclosure. The chief executive officer and the chief financial officer have evaluated the disclosure controls and procedures as of the end of the period covered by this quarterly report and have concluded that disclosure controls and procedures are effective as of that date.

The Bank also maintains a system of internal controls. The term “internal controls,” as defined by the American Institute of Certified Public Accountants’ Codification of Statement on Auditing Standards, AU-C Section 315, means a process - effected by the board of directors, management, and other personnel - designed to provide reasonable assurance regarding the achievement of objectives in reliability of financial reporting, the effectiveness and efficiency of operations, and compliance with applicable laws and regulations. The Bank continually assesses the adequacy of internal controls over financial reporting and enhances controls in response to internal control assessments and internal and external audit and regulatory requirements and recommendations.

There have been no significant changes in internal controls or in other factors that occurred during the quarter ended June 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Bank’s internal control over financial reporting.

Certification

I, Marion B. Harris, certify that:

1. I have reviewed this quarterly report of the Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Bank as of, and for, the periods presented in this report.

4. The Bank's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Bank and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank is made known to us, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the Bank's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the Bank's internal control over financial reporting that occurred during the Bank's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Bank's internal control over financial reporting.

5. The Bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Bank's auditors and the Bank's Audit Committee:
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Bank's ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal control over financial reporting.

/s/ Marion B. Harris
President and Chief Executive Officer

August 7, 2026

Certification

I, Corey M. MacGillivray, certify that:

1. I have reviewed this quarterly report of the Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.

3. Based on my knowledge, the financial statements and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Bank as of, and for, the periods presented in this report.

4. The Bank's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Bank and have:
    a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Bank is made known to us, particularly during the period in which this report is being prepared;
    b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c. evaluated the effectiveness of the Bank's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d. disclosed in this report any change in the Bank's internal control over financial reporting that occurred during the Bank's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Bank's internal control over financial reporting.

5. The Bank's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Bank's auditors and the Bank's Audit Committee:
    a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Bank's ability to record, process, summarize and report financial information; and
    b. any fraud, whether or not material, that involves management or other employees who have a significant role in the Bank's internal control over financial reporting.

/s/ Corey M. MacGillivray
Executive Vice President and Chief Financial Officer

August 7, 2026