



AGFIRST FARM CREDIT BANK & DISTRICT ASSOCIATIONS

2025 THIRD QUARTER FINANCIAL INFORMATION



FARM CREDIT

AgFirst Farm Credit Bank and District Associations

September 30, 2025 Financial Information

(unaudited)

INTRODUCTION AND DISTRICT OVERVIEW

The following commentary reviews the Combined Financial Statements of Condition and Results of Operations of AgFirst Farm Credit Bank (AgFirst or the Bank) and the District Agricultural Credit Associations (Associations or District Associations), collectively referred to as the AgFirst District (District), for the three and nine months ended September 30, 2025. AgFirst and the District Associations are part of the Farm Credit System (the System), a federally chartered network of borrower-owned lending institutions comprised of cooperatives and related service organizations. System institutions are generally organized as cooperatives. Cooperatives are organizations that are owned and controlled by their members who use the cooperatives' products or services. The U.S. Congress authorized the creation of the first System institutions in 1916. The System was created to provide support for the agricultural sector because of its significance to the well-being of the U.S. economy and the U.S. consumer. The mission of the System is to support rural communities and agriculture with reliable, consistent credit and financial services, today and tomorrow. The System does this by making appropriately structured loans to qualified individuals and businesses at competitive rates and providing financial services and advice to those persons and businesses. AgFirst and each District Association are individually regulated by the Farm Credit Administration (FCA).

The Associations are structured as cooperatives, and each Association is owned by its borrowers. AgFirst also operates as a cooperative. The District Associations, certain Other Financing Institutions (OFIs), and other System institutions jointly own AgFirst. As such, the benefits of ownership flow to the same farmer/rancher-borrowers that the System was created to serve.

As of September 30, 2025, the District consisted of the Bank and sixteen District Associations. All sixteen were structured as Agricultural Credit Association (ACA) holding companies, with Federal Land Credit Association (FLCA) and Production Credit Association (PCA) subsidiaries. PCAs originate and service short- and intermediate-term loans; FLCAs originate and service long-term real estate mortgage loans; and ACAs originate and service both long-term real estate mortgage loans and short- and intermediate-term loans.

Farm Credit's funds are raised by the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) and insured by the Farm Credit System Insurance Corporation (FCSIC). The Funding Corporation issues a variety of Federal Farm Credit Banks Consolidated Systemwide Debt Securities with broad ranges of maturities and structures on behalf of the System banks. Each System bank has exposure to Systemwide credit risk because each bank is jointly and severally liable for all Systemwide debt issued.

AgFirst provides funding and related services to the District Associations, which, in turn, provide loans and related services to agricultural and rural borrowers. AgFirst has in place with each of the District Associations a revolving line of credit, referred to as a "Direct Note", which eliminates in this combined District report. Each Association primarily funds its lending and general corporate activities by borrowing through its Direct Note. Virtually all assets of the Associations secure the Direct Notes. Lending terms are specified in a separate General Financing Agreement (GFA) between AgFirst and each Association, including the subsidiaries of the Associations.

AgFirst and the Associations are chartered to serve eligible borrowers in Alabama, Delaware, Florida, Georgia, Maryland, Mississippi, North Carolina, Pennsylvania, South Carolina, Virginia, West Virginia, Puerto Rico, and portions of Kentucky, Louisiana, Ohio, and Tennessee. Two other Farm Credit Banks (FCBs) and an Agricultural Credit Bank (ACB), through a number of Associations, provide loans and related services to eligible borrowers primarily in the remaining portion of the United States. While owned by its related associations, each FCB manages and controls its own business activities and operations. The ACB is owned by its related Associations as well as other agricultural and rural institutions, including agricultural cooperatives. Associations are not commonly owned or controlled and each manages and controls its own business activities and operations.

While combined District statements reflect the financial and operational interdependence of AgFirst and its Associations, AgFirst does not own or control the Associations as mentioned above. AgFirst publishes Bank-only audited financial statements (electronic version of which is available on AgFirst's website at www.agfirst.com) that may be referred to for a more complete analysis of AgFirst's financial condition and results of operations.

Financial Highlights

<i>(dollars in thousands)</i>	September 30, 2025	December 31, 2024
Total loans	\$ 45,769,805	\$ 43,432,432
Allowance for credit losses on loans	(181,811)	(148,069)
Net loans	\$ 45,587,994	\$ 43,284,363
Total assets	\$ 56,608,899	\$ 54,298,296
Total shareholders' equity	7,801,228	7,117,760
	For the Nine Months Ended September 30,	
	2025	2024
Net interest income	\$ 1,040,582	\$ 985,895
Provision for credit losses	42,407	10,264
Noninterest expense, net	(503,477)	(482,928)
Net income	\$ 494,698	\$ 492,703
Net interest income as a percentage of average earning assets	2.58 %	2.59 %
Net (charge-offs) recoveries to average loans	(0.02)%	(0.02)%
Return on average assets	1.21 %	1.27 %
Return on average shareholders' equity	8.80 %	9.29 %
Operating expense as a percentage of net interest income and noninterest income	50.64 %	51.63 %
Average loans	\$ 44,566,358	\$ 41,151,381
Average earning assets	53,906,326	50,822,579
Average assets	54,880,284	51,760,192

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

RESULTS OF OPERATIONS

Net income for the nine months ended September 30, 2025, was \$494.7 million compared to \$492.7 million for the same period in 2024, an increase of \$2.0 million or 0.40%. This increase was primarily due to higher net interest income and was partially offset by higher provision and noninterest expenses when compared to the prior year. Net income for the three months ended September 30, 2025, was \$198.4 million compared to \$150.9 million for the same period ending September 30, 2024, an increase of \$47.5 million, or 31.47%. This increase was primarily due to a provision reversal in the three months ended September 30, 2025 in addition to increased net interest income. These increases were partially offset by higher noninterest expenses when compared to the prior year.

Net Interest Income

For the nine months ended September 30, 2025, net interest income increased \$54.7 million, or 5.55% to \$1.0 billion compared to the same period in the prior year. Net interest income increased \$23.4 million, or 6.98%, to \$359.1 million, for the three months ended September 30, 2025, compared to the same period in the prior year. The net interest margin, which is net interest income as a percentage of average earning assets, was 2.60% and 2.58% for the three and nine months ended September 30, 2025 which was an increase of two basis points and a decrease of one basis point, respectively, when compared to the same periods in the prior year.

Net interest income for the three and nine months ended September 30, 2025 improved despite the net interest margin remaining relatively flat. The increase in net interest income in both periods is primarily the result of higher growth within the Association retail lending and Capital Markets portfolios, partially offset by lower yields on interest earning assets, primarily loans.

The effects of changes in volume and interest rates on net interest income for the three and nine months ended September 30, 2025, as compared with the corresponding periods in 2024, 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.

	For the Three Months Ended			For the Nine Months Ended		
	September 30, 2025 vs. September 30, 2024			September 30, 2025 vs. September 30, 2024		
	Increase (decrease) due to changes in:			Increase (decrease) due to changes in:		
(dollars in thousands)	Volume	Rate	Total	Volume	Rate	Total
Interest Income:						
Loans	\$ 59,050	\$ (9,364)	\$ 49,686	\$ 163,576	\$ (24,306)	\$ 139,270
Investments & Cash Equivalents	(4,364)	(3,928)	(8,292)	(9,570)	(11,560)	(21,130)
Other	146	(974)	(828)	491	(2,873)	(2,382)
Total Interest Income	54,832	(14,266)	40,566	154,497	(38,739)	115,758
Interest Expense:						
Interest-Bearing Liabilities	27,066	(9,920)	17,146	78,391	(17,320)	61,071
Changes in Net Interest Income	\$ 27,766	\$ (4,346)	\$ 23,420	\$ 76,106	\$ (21,419)	\$ 54,687

Provision for Credit Losses

AgFirst and the District Associations measure risks inherent in their individual loan portfolios on an ongoing basis and, as necessary, recognize provision for credit loss expense so that appropriate allowances for credit losses (ACL) are maintained. Provision for credit losses, which includes the provision for loan loss and the provision for unfunded commitments, was a provision reversal of \$17.1 million and expense of \$42.4 million for the three and nine months ended September 30, 2025,

respectively, compared to a provision expense of \$11.7 million and \$10.3 million for the corresponding periods in 2024, as reflected in the table below.

For the three months ended									
(dollars in thousands)									
Provision for (reversal of) allowance for credit losses:	September 30, 2025				September 30, 2024				District Total
	Bank's Capital Markets Portfolio	Bank's Correspondent Lending Portfolio	District Associations Combined	District Total	Bank's Capital Markets Portfolio	Bank's Correspondent Lending Portfolio	District Associations Combined	District Total	
Asset-specific component	\$ 2,200	\$ (10)	\$ 4,495	\$ 6,685	\$ (65)	\$ 7	\$ 2,338	\$ 2,280	
Pooled component	(6,927)	337	(15,281)	(21,871)	477	—	7,926	8,403	
Unfunded Commitments	(551)	—	(1,365)	(1,916)	353	—	662	1,015	
Total	\$ (5,278)	\$ 327	\$ (12,151)	\$ (17,102)	\$ 765	\$ 7	\$ 10,926	\$ 11,698	

For the nine months ended									
(dollars in thousands)									
Provision for (reversal of) allowance for credit losses:	September 30, 2025				September 30, 2024				District Total
	Bank's Capital Markets Portfolio	Bank's Correspondent Lending Portfolio	District Associations Combined	District Total	Bank's Capital Markets Portfolio	Bank's Correspondent Lending Portfolio	District Associations Combined	District Total	
Asset-specific component	\$ 14,321	\$ 360	\$ 11,469	\$ 26,150	\$ (2,266)	\$ 72	\$ 4,336	\$ 2,142	
Pooled component	4,303	185	8,365	12,853	2,941	(11,145)	15,084	6,880	
Unfunded Commitments	1,260	—	2,144	3,404	690	—	552	1,242	
Total	\$ 19,884	\$ 545	\$ 21,978	\$ 42,407	\$ 1,365	\$ (11,073)	\$ 19,972	\$ 10,264	

For the three months ended September 30, 2025, the District recognized a net provision reversal of \$17.1 million, primarily for the Bank's Capital Markets and District Associations Combined portfolios that utilize similar macroeconomic outlooks in the pooled component of their calculations. This reversal was largely due to an improvement in the forecast for corporate debt spreads, a key macroeconomic input in the allowance model. On a year-to-date basis, changes in corporate debt spread forecasts had a minimal impact on the overall allowance. Additionally, during the third quarter, an increase in asset-specific reserves within the Bank's Capital Markets and the District Associations Combined portfolios were primarily related to several isolated borrowers.

For the nine months ended September 30, 2025, the District recorded a provision for credit losses of \$42.4 million, primarily driven by an increase in asset-specific provision expense within the Bank's Capital Markets and District Associations Combined portfolios to several isolated borrowers. Additionally, the pooled component of these two portfolios increased due to heightened stress in the unemployment macroeconomic factor used in the allowance model, as well as growth in each portfolio.

The provision for credit loss expense for the three and nine months ended September 30, 2024 was primarily the result of provision expense in the Bank's Capital Markets and Combined Association's portfolios due to macroeconomic outlooks projecting higher unemployment and lower credit spreads leading to increased reserve requirements. In addition, one District Association had increased provision expense in the third quarter in response to the impact of Hurricane Helene. The provision expense was partially offset by a provision reversal in the pooled component of the Bank's Correspondent Lending portfolio in the second quarter due to an update in the model used to calculate loss given default (LGD) that incorporates additional data which more closely aligns with the long-term unrealized losses experienced within this portfolio.

See the *Loan Portfolio* section below for further information.

Noninterest Income

The following table illustrates the changes in noninterest income:

Change in Noninterest Income (dollars in thousands)	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2025	2024	Increase/ Decrease	2025	2024	Increase/ Decrease
Loan fees	\$ 10,722	\$ 10,954	\$ (232)	\$ 33,298	\$ 31,121	\$ 2,177
Fees for financially related services	7,306	6,528	778	15,892	15,273	619
(Losses) gains on sales of investments, net	—	—	—	(13,231)	105	(13,336)
Losses on debt extinguishment	(15,940)	(14,109)	(1,831)	(10,997)	(19,111)	8,114
Gains on other transactions	3,951	3,057	894	4,975	9,428	(4,453)
Insurance premium refund	—	—	—	8,011	13,106	(5,095)
Patronage refunds from other Farm Credit institutions	817	792	25	7,028	1,380	5,648
Other noninterest income	2,454	1,304	1,150	5,668	4,849	819
Total noninterest income	\$ 9,310	\$ 8,526	\$ 784	\$ 50,644	\$ 56,151	\$ (5,507)

Noninterest income increased \$784 thousand and decreased \$5.5 million for the three and nine months ended September 30, 2025, respectively, compared to the corresponding periods in 2024.

Loan fees increased by \$2.2 million, or 7.00%, for the nine months ended September 30, 2025 when compared to the prior year, primarily due to increased loan growth at the Bank and Associations of 5.38% during 2025.

During the nine months ended September 30, 2025, the Bank sold available-for-sale investments of \$85.7 million recording a loss on sale of \$13.2 million. Simultaneously with the sales of the investment securities, the Bank extinguished \$91.2 million of Systemwide Debt Securities during the nine months ended September 30, 2025 resulting in a gain on extinguishment of \$13.6 million. These economically offsetting transactions for the current year occurred as part of the Bank's strategy to reduce price sensitivity in the investment portfolio along with deleveraging the Bank's Balance Sheet by lowering total investments. Excluding the gains on debt extinguishment during the nine months ended September 30, 2025, losses on debt extinguishment from amortization of issuance costs were \$24.6 million resulting in an increase of \$5.5 million when compared to the same period in 2024 and was due to increased called debt activity in 2025. Debt issuance costs are amortized into interest expense over the contractual life of the underlying debt security. Debt is called to take advantage of favorable market interest rate changes. When debt securities are called prior to maturity, any unamortized issuance cost is expensed through losses on debt extinguishment. The amount of issuance cost expensed is dependent upon both the size and remaining maturity of the bond when called. These costs are more than offset by interest expense savings realized over the life of the replacement debt.

Gains on other transactions decreased by \$4.5 million for the nine months ended September 30, 2025, compared to the corresponding period in 2024 primarily due to lower market returns on nonqualified benefit plan trust assets during 2025 when compared to 2024. This amount is offset in Salaries and Employee Benefits within noninterest expense.

During 2025, the District received insurance premium refunds of \$8.0 million from FCSIC, which insures the System's debt obligations. In 2024, a similar refund of \$13.1 million was received. These refunds are not guaranteed and result from FCSIC assets exceeding the secure base amount, as defined by the Farm Credit Act, at the end of the preceding year.

Patronage refunds from other Farm Credit institutions increased by \$5.6 million for the nine months ended September 30, 2025, compared to the corresponding periods in 2024 primarily due to additional income received by AgFirst Associations from other Farm Credit institutions as a result of increased participated deals.

Noninterest Expenses

The following table illustrates the changes in noninterest expenses:

Change in Noninterest Expenses (dollars in thousands)	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2025	2024	Increase/ Decrease	2025	2024	Increase/ Decrease
Salaries and employee benefits	\$ 107,838	\$ 102,442	\$ 5,396	\$ 322,813	\$ 308,603	\$ 14,210
Occupancy and equipment	7,415	7,539	(124)	22,383	22,176	207
Insurance Fund premiums	10,564	9,839	725	31,009	28,736	2,273
Purchased services	11,456	14,390	(2,934)	33,743	43,678	(9,935)
Data processing	15,946	13,903	2,043	44,997	40,210	4,787
Other operating expenses	33,112	32,845	267	97,609	94,592	3,017
Losses (gains) from other property owned	617	59	558	850	(70)	920
Total noninterest expenses	\$ 186,948	\$ 181,017	\$ 5,931	\$ 553,404	\$ 537,925	\$ 15,479

Noninterest expenses increased \$5.9 million, or 3.27%, and \$15.5 million, or 2.88%, for the three and nine months ended September 30, 2025, respectively, compared to the corresponding periods in 2024.

Salaries and employee benefits expenses increased \$5.4 million and \$14.2 million, or 5.27% and 4.60%, for the three and nine months ended September 30, 2025, respectively. The increases were primarily due to annual merit salary adjustments at the Bank and District Associations.

FCSIC premium expenses increased by \$2.3 million primarily due to increased debt to support asset growth at the Bank and Associations.

Purchased services decreased by \$2.9 million and \$9.9 million for the three and nine months ended September 30, 2025, respectively, when compared to the same periods in the prior year. The decreases were a result of reduced contractor and consultant expenses at the Bank following the implementation of new loan systems in prior years.

Data processing expenses increased \$2.0 million and \$4.8 million for the three and nine months ended September 30, 2025, when compared to the same periods in 2024 primarily as the result of higher software expense related to the Bank's technology initiatives as a service provider to Associations.

LOAN PORTFOLIO

The District's aggregate loan portfolio consists primarily of loans made by the Associations to eligible borrowers located within their chartered territories. Diversification of the loan volume by FCA loan type is shown in the following table:

Loan Types	September 30, 2025		December 31, 2024		September 30, 2024	
<i>(dollars in thousands)</i>						
Real estate mortgage	\$ 21,771,944	47.57 %	\$ 21,096,106	48.57 %	\$ 20,795,015	48.95 %
Production and intermediate-term	8,674,032	18.95	8,000,020	18.42	7,726,378	18.19
Agribusiness:						
Loans to cooperatives	791,824	1.73	716,650	1.65	767,018	1.81
Processing and marketing	5,010,604	10.95	4,682,130	10.78	4,411,180	10.38
Farm-related business	725,915	1.59	677,104	1.56	642,819	1.51
Rural residential real estate	4,112,939	8.99	4,014,195	9.24	3,971,678	9.35
Rural infrastructure:						
Power	2,178,726	4.76	1,699,694	3.91	1,655,271	3.90
Communication	1,429,108	3.12	1,369,835	3.15	1,364,440	3.21
Water/Waste disposal	345,067	0.75	438,225	1.01	429,340	1.01
Other:						
International	258,223	0.56	267,182	0.62	248,398	0.58
Lease receivables	10,727	0.02	11,848	0.03	14,004	0.03
Loans to other financing institutions (OFIs)	179,760	0.39	175,122	0.40	179,954	0.42
Other (including mission related)	280,936	0.62	284,321	0.66	273,550	0.66
Total	\$ 45,769,805	100.00 %	\$ 43,432,432	100.00 %	\$42,479,045	100.00 %

Total loans outstanding were \$45.8 billion at September 30, 2025, an increase of \$2.3 billion, or 5.38%, compared to December 31, 2024 and an increase of \$3.3 billion, or 7.75%, since September 30, 2024.

Growth in both periods is due to new client acquisition, higher input costs related to inflationary pressures, and borrower needs due to merger and acquisition activity.

Credit 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 tables show the amortized cost of loans classified under the Uniform Loan Classification System by origination year and gross charge-offs for the periods presented:

Balance as of and for the nine months ended September 30, 2025	2025	2024	2023	2022	2021	Prior	Revolving	Total
Acceptable	\$ 6,077,299	\$ 6,087,606	\$ 4,979,195	\$ 4,915,010	\$ 4,720,810	\$ 10,128,432	\$ 6,542,097	\$ 43,450,449
OAEM	95,124	114,601	93,907	194,136	98,040	251,324	395,704	1,242,836
Substandard	78,109	88,254	92,485	220,794	85,478	206,216	287,777	1,059,113
Doubtful	2,105	351	896	356	125	13,212	40	17,085
Loss	—	—	89	37	—	169	27	322
Total	\$ 6,252,637	\$ 6,290,812	\$ 5,166,572	\$ 5,330,333	\$ 4,904,453	\$ 10,599,353	\$ 7,225,645	\$ 45,769,805
Current Period Gross Writeoffs	\$ —	\$ 528	\$ 1,471	\$ 959	\$ 588	\$ 917	\$ 2,568	\$ 7,031

Balance as of and for the year ended December 31, 2024	2024	2023	2022	2021	2020	Prior	Revolving	Total
Acceptable	\$ 6,767,864	\$ 5,682,876	\$ 5,811,566	\$ 5,437,569	\$ 3,408,102	\$ 8,290,703	\$ 6,192,885	\$ 41,591,565
OAEM	96,809	83,933	260,027	116,511	87,380	175,305	337,749	1,157,714
Substandard	58,827	76,365	86,250	59,788	66,121	159,091	172,973	679,415
Doubtful	392	22	234	201	36	354	2,307	3,546
Loss	—	—	1	2	198	—	(9)	192
Total	\$ 6,923,892	\$ 5,843,196	\$ 6,158,078	\$ 5,614,071	\$ 3,561,837	\$ 8,625,453	\$ 6,705,905	\$ 43,432,432
Current Period Gross Writeoffs	\$ 747	\$ 3,288	\$ 829	\$ 2,018	\$ 199	\$ 4,016	\$ 3,506	\$ 14,603

	September 30, 2025	December 31, 2024
Acceptable	94.93 %	95.76 %
OAEM	2.72	2.67
Substandard	2.31	1.56
Doubtful	0.04	0.01
Loss	—	—
Total	100.00 %	100.00 %

District credit quality remained strong overall but declined slightly in 2025 primarily within the District Capital Markets portfolio as a result of several downgrades to isolated borrowers. Credit quality may be impacted in future quarters due to continued inflationary input cost pressures and rising interest rates. Other factors that may impact future quarters are potential changes in government support for agricultural sectors, and unforeseen impacts from geopolitical, trade (including tariffs), supply chain, weather, or animal- or human- related health events.

Nonaccrual Loans

As a result of stable credit quality and the District's efforts to resolve problem assets, the District's nonaccrual assets continue to be a small percentage of the total loan volume and total assets. Nonaccrual loans by FCA loan type are as follows:

(dollars in thousands)	September 30, 2025	December 31, 2024
Nonaccrual loans:		
Real estate mortgage	\$ 116,948	\$ 88,214
Production and intermediate-term	75,791	57,147
Agribusiness	23,918	12,171
Rural infrastructure	10,029	35,619
Rural residential real estate	35,497	1,717
Other	—	11
Total	\$ 262,183	\$ 194,879
Nonaccrual Loans as Percentage of Total Loans	0.57 %	0.45 %

Nonaccrual by Portfolio					
	September 30, 2025			December 31, 2024	
	Total Amount	% of Total		Total Amount	% of Total
Bank's Capital Markets	\$ 32,814	12.52 %		\$ 27,388	14.05 %
Bank's Correspondent Lending	33,155	12.65		33,262	17.07
District Associations	196,214	74.83		134,229	68.88
Total	\$ 262,183	100.00 %		\$ 194,879	100.00 %

During 2025, the total nonaccrual balance increased to 0.57% of total loans outstanding which is consistent with slight declines in overall credit quality, compared to 0.45% at December 31, 2024. The commodity segments with the largest increase in nonaccruals were forestry and corn.

Aging Analysis of Loans

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

September 30, 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
Real estate mortgage	\$ 112,465	\$ 59,411	\$ 171,876	\$ 21,600,068	\$ 21,771,944	\$ 6,167
Production and intermediate-term	47,654	44,909	92,563	8,581,469	8,674,032	1,027
Agribusiness	26,044	4,291	30,335	6,498,008	6,528,343	219
Rural residential real estate	23,982	13,429	37,411	4,075,528	4,112,939	126
Rural infrastructure	14,483	—	14,483	3,938,418	3,952,901	—
Other	24,509	2,178	26,687	702,959	729,646	2,178
Total	\$ 249,137	\$ 124,218	\$ 373,355	\$ 45,396,450	\$ 45,769,805	\$ 9,717

December 31, 2024						
(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
Real estate mortgage	\$ 111,178	\$ 48,610	\$ 159,788	\$ 20,936,318	\$ 21,096,106	\$ 679
Production and intermediate-term	55,153	23,858	79,011	7,921,009	8,000,020	850
Agribusiness	8,073	2,347	10,420	6,065,464	6,075,884	—
Rural residential real estate	52,619	19,047	71,666	3,942,529	4,014,195	—
Rural infrastructure	—	—	—	3,507,754	3,507,754	—
Other	17,158	12	17,170	721,303	738,473	—
Total	\$ 244,181	\$ 93,874	\$ 338,055	\$ 43,094,377	\$ 43,432,432	\$ 1,529

Allowance for Credit Losses

Each District institution maintains an ACL at a level management considers adequate to provide for estimable credit losses within its respective loan and finance lease portfolios as of each reported balance sheet date. Management's evaluations consider factors which include, among other things, loan loss experience, portfolio quality, loan portfolio composition, current agricultural production conditions, and general economic conditions. Although aggregated in the District's combined financial statements, the ACL for each District entity is particular to that institution and is not available to absorb losses realized by other District entities.

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

<i>(dollars in thousands)</i>	Real Estate Mortgage	Production and Intermediate- term	Agribusiness	Rural Residential Real Estate	Rural Infrastructure	Other	Total
Activity related to ACL on loans:							
Balance at June 30, 2025	\$ 73,740	\$ 66,357	\$ 38,029	\$ 10,276	\$ 9,820	\$ 594	\$ 198,816
Charge-offs	(325)	(925)	(676)	(506)	—	—	(2,432)
Recoveries	131	352	83	46	—	1	613
Provision for (reversal of) credit losses on loans	(6,096)	(6,286)	(2,284)	(255)	(108)	(157)	(15,186)
Balance at September 30, 2025	\$ 67,450	\$ 59,498	\$ 35,152	\$ 9,561	\$ 9,712	\$ 438	\$ 181,811
Allowance for unfunded commitments:							
Balance at June 30, 2025	\$ 1,244	\$ 6,744	\$ 8,354	\$ 541	\$ 947	\$ 56	\$ 17,886
Provision for (reversal of) unfunded commitments	98	(1,381)	(1,113)	24	484	(28)	(1,916)
Balance at September 30, 2025	\$ 1,342	\$ 5,363	\$ 7,241	\$ 565	\$ 1,431	\$ 28	\$ 15,970
Allowance for credit losses	\$ 68,792	\$ 64,861	\$ 42,393	\$ 10,126	\$ 11,143	\$ 466	\$ 197,781
Activity related to ACL on loans:							
Balance at December 31, 2024	\$ 64,028	\$ 45,736	\$ 22,555	\$ 9,681	\$ 5,593	\$ 476	\$ 148,069
Charge-offs	(901)	(4,127)	(1,290)	(713)	—	—	(7,031)
Recoveries	585	771	246	167	—	1	1,770
Provision for (reversal of) credit losses on loans	3,738	17,118	13,641	426	4,119	(39)	39,003
Balance at September 30, 2025	\$ 67,450	\$ 59,498	\$ 35,152	\$ 9,561	\$ 9,712	\$ 438	\$ 181,811
Allowance for unfunded commitments:							
Balance at December 31, 2024	\$ 505	\$ 4,698	\$ 6,039	\$ 29	\$ 594	\$ 701	\$ 12,566
Provision for (reversal of) unfunded commitments	837	665	1,202	536	837	(673)	3,404
Balance at September 30, 2025	\$ 1,342	\$ 5,363	\$ 7,241	\$ 565	\$ 1,431	\$ 28	\$ 15,970
Allowance for credit losses	\$ 68,792	\$ 64,861	\$ 42,393	\$ 10,126	\$ 11,143	\$ 466	\$ 197,781
Activity related to ACL on loans:							
Balance at June 30, 2024	\$ 66,812	\$ 38,017	\$ 23,037	\$ 9,593	\$ 5,195	\$ 418	\$ 143,072
Charge-offs	(413)	(1,117)	(478)	(35)	—	—	(2,043)
Recoveries	90	374	9	21	—	—	494
Provision for (reversal of) credit losses on loans	1,359	6,876	1,132	145	1,131	40	10,683
Balance at September 30, 2024	\$ 67,848	\$ 44,150	\$ 23,700	\$ 9,724	\$ 6,326	\$ 458	\$ 152,206
Allowance for unfunded commitments:							
Balance at June 30, 2024	\$ 1,600	\$ 5,014	\$ 6,134	\$ 109	\$ 639	\$ 96	\$ 13,592
Provision for (reversal of) unfunded commitments	268	213	519	(21)	29	7	1,015
Balance at September 30, 2024	\$ 1,868	\$ 5,227	\$ 6,653	\$ 88	\$ 668	\$ 103	\$ 14,607
Allowance for credit losses	\$ 69,716	\$ 49,377	\$ 30,353	\$ 9,812	\$ 6,994	\$ 561	\$ 166,813
Activity related to ACL on loans:							
Balance at December 31, 2023	\$ 62,237	\$ 41,220	\$ 20,734	\$ 20,960	\$ 4,966	\$ 381	\$ 150,498
Charge-offs	(569)	(8,471)	(536)	(152)	—	—	(9,728)
Recoveries	773	1,526	50	55	—	10	2,414
Provision for (reversal of) credit losses on loans	5,407	9,875	3,452	(11,139)	1,360	67	9,022
Balance at September 30, 2024	\$ 67,848	\$ 44,150	\$ 23,700	\$ 9,724	\$ 6,326	\$ 458	\$ 152,206
Allowance for unfunded commitments:							
Balance at December 31, 2023	\$ 2,372	\$ 4,250	\$ 6,041	\$ 97	\$ 499	\$ 106	\$ 13,365
Provision for (reversal of) unfunded commitments	(504)	977	612	(9)	169	(3)	1,242
Balance at September 30, 2024	\$ 1,868	\$ 5,227	\$ 6,653	\$ 88	\$ 668	\$ 103	\$ 14,607
Allowance for credit losses	\$ 69,716	\$ 49,377	\$ 30,353	\$ 9,812	\$ 6,994	\$ 561	\$ 166,813

The ACL was \$197.8 million at September 30, 2025, as compared with \$160.6 million at December 31, 2024, an increase of \$37.1 million. The increase was primarily the result of \$42.4 million of provision for credit losses. See further discussion in the *Provision for Credit Losses* section above. The ACL was 0.43% and 0.37% of total loans outstanding at September 30, 2025 and December 31, 2024, respectively. Additional detail on the ACL is provided in the table below.

Allowance for Credit Losses by Portfolio

(dollars in thousands)	September 30, 2025				December 31, 2024			
	Bank's Capital Markets	Bank's Correspondent Lending	District Associations Combined	Total	Bank's Capital Markets	Bank's Correspondent Lending	District Associations Combined	Total
Asset-specific component	\$ 16,112	\$ 875	\$ 22,498	\$ 39,485	\$ 3,351	\$ 1,047	\$ 14,198	\$ 18,596
Pooled component	21,582	6,661	114,083	142,326	17,278	6,477	105,718	129,473
Unfunded commitments	5,235	—	10,735	15,970	3,975	—	8,591	12,566
Allowance for Credit Losses	\$ 42,929	\$ 7,536	\$ 147,316	\$ 197,781	\$ 24,604	\$ 7,524	\$ 128,507	\$ 160,635

INVESTMENTS

The Bank is responsible for meeting the District's funding, liquidity, and asset/liability management needs. Along with normal cash flows associated with lending operations, the District has two primary sources of liquidity: the capacity to issue Systemwide Debt Securities through the Federal Farm Credit Banks Funding Corporation, and cash and investments. The Bank also maintains several repurchase agreement facilities. In addition, the System has established a line of credit in the event contingency funding is needed to meet obligations of System banks.

The Bank's investments are primarily classified as available-for-sale (AFS) investments. Refer to the Bank's Third Quarter 2025 Report for additional information related to investments. District Associations also have regulatory authority to enter into certain government guaranteed investments, generally mortgage-backed or asset-backed securities. There was no allowance for credit loss on District investments at September 30, 2025 or December 31, 2024. The following tables summarize the District's investments:

(dollars in thousands)	September 30, 2025			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
District Bank investments	\$ 8,634,547	\$ 7,905	\$ (699,018)	\$ 7,943,434
District Association investments	226,133	1,445	(2,152)	225,426
Total District investments	\$ 8,860,680	\$ 9,350	\$ (701,170)	\$ 8,168,860

(dollars in thousands)	December 31, 2024			
	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
District Bank investments	\$ 8,901,434	\$ 6,646	\$ (906,658)	\$ 8,001,422
District Association investments	162,089	1,533	(2,005)	161,617
Total District investments	\$ 9,063,523	\$ 8,179	\$ (908,663)	\$ 8,163,039

At September 30, 2025, there were \$690.9 million in net unrealized losses in AFS investments, compared to \$899.5 million at December 31, 2024. The net unrealized losses are the result of the significant increase in interest rates in recent years which reduced the fair value of existing AFS fixed-rate investment securities held. The Bank evaluates investment securities with unrealized losses for impairment on a quarterly basis. 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 89 days of maturing debt through the sale of AFS securities before recognizing a net loss on the sale.

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 \$683.5 million, or 9.60%, from December 31, 2024, to \$7.8 billion at September 30, 2025. This increase is primarily attributed to net income of \$494.7 million and a decrease in the unrealized loss position in the AFS investment portfolio of \$208.6 million, as shown in the table below.

Accumulated Other Comprehensive Income (Loss)*(dollars in thousands)*

	September 30, 2025	December 31, 2024
Unrealized loss on investment securities	\$ (690,810)	\$ (899,416)
Employee benefit plans activity*	(163,915)	(177,893)
Total accumulated other comprehensive loss	\$ (854,725)	\$ (1,077,309)

*Employee benefit plan activity is primarily related to the District's defined benefit pension plans and includes actuarial gains and losses, prior service costs, and changes in the fair value of plan assets.

The FCA sets minimum regulatory capital requirements for Banks and Associations. The Bank and all Associations exceeded regulatory capital requirements, as demonstrated in the following table. These ratios are calculated using a three-month average daily balance.

Regulatory Capital Requirements and Ratios					
As of September 30, 2025	Primary Components of Numerator	Regulatory Minimums	Minimum with Buffer	Bank	Range of District Associations
Risk adjusted:					
Common equity tier 1 capital ratio	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity) ¹	4.50 %	7.00 %	14.10%	14.40% - 33.79%
Tier 1 capital ratio	CET1 capital, non-cumulative perpetual preferred stock	6.00 %	8.50 %	14.10%	14.40% - 33.79%
Total capital ratio	Tier 1 capital, allowance for loan losses ² , common cooperative equities ³ and term preferred stock and subordinated debt ⁴	8.00 %	10.50 %	14.40%	15.14% - 34.80%
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock, and subordinated debt, subject to certain limits	7.00 %	7.00 %	14.14%	14.81% - 34.11%
Non-risk adjusted:					
Tier 1 leverage ratio*	Tier 1 capital	4.00 %	5.00 %	5.61%	12.74% - 33.12%
URE and UREE component	URE and URE equivalents	1.50 %	1.50 %	4.37%	10.78% - 32.82%

¹ Equities outstanding 7 or more years

² Capped at 1.25% of risk-adjusted assets

³ Outstanding 5 or more years, but less than 7 years

⁴ Outstanding 5 or more years

* Must include the regulatory minimum requirement for the URE and UREE Leverage ratio.

REGULATORY MATTERS

On November 29, 2024, the FCA proposed rule on internal control over financial reporting (ICFR) was published in the Federal Register. The proposed rule would amend the financial reporting regulations to require System Associations that meet certain asset thresholds or conditions, as well as the Banks, to obtain annual attestation reports from their external auditors that express an opinion on the effectiveness of ICFR (also known as integrated audit). Associations would meet the requirement for an integrated audit if it represents 1% or more of total System assets; 15% or more of its District Bank's direct loans to Associations or if the Farm Credit Administration's Office of Examination determines that a material weakness in the Association's ICFR exists. The comment period ended on March 31, 2025. The Bank is already subjected to an integrated audit, and this rule is expected to apply to one Association in the District.

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) 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 less than \$500,000. On October 16, 2024, the FCA extended the implementation date of this rule from January 1, 2025 to January 1, 2026.

On October 5, 2023, the Farm Credit Administration approved a final rule on cyber risk management that requires each System institution to develop and implement a comprehensive, written cyber risk management program. Each institution's cyber risk plan must require the institution to take the necessary actions to assess internal and external risk factors, identify potential system and software vulnerabilities, establish a risk management program for the risks identified, develop a cyber risk training program, set policies for managing third-party relationships, maintain robust internal controls and establish board reporting requirements. The final rule became effective on January 1, 2025 and the Bank and Associations have developed a program in accordance with this guidance.

OTHER MATTERS

Direct Notes

See the *Direct Notes* section of *Management's Discussion & Analysis of Financial Condition & Results of Operations* in the AgFirst Farm Credit Bank 2024 annual report for a discussion of the Bank's funding to District Associations. The Bank's Direct Notes to Associations are eliminated for the purposes of this report on a combined District basis.

At September 30, 2025, one Association (0.42% of total Direct Note), was operating under a special credit agreement with the Bank pursuant to the GFA and classified as Substandard. 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 risk funds of an Association, including both capital and the allowance for credit losses, also protect the interest of the Bank should a Direct Note default.

Balance Sheets

(unaudited)

<i>(dollars in thousands)</i>	September 30, 2025	December 31, 2024
Assets		
Cash	\$ 764,607	\$ 819,557
Cash equivalents	1,020,000	1,040,000
Investments in debt securities	8,169,776	8,164,010
Loans	45,769,805	43,432,432
Allowance for credit losses on loans	(181,811)	(148,069)
Net loans	45,587,994	43,284,363
Loans held for sale	1,526	2,339
Accrued interest receivable	457,980	404,802
Accounts receivable	55,884	62,075
Equity investments in other Farm Credit institutions	75,580	72,951
Other Investments	15,757	11,277
Premises and equipment, net	369,126	348,728
Other property owned	9,851	10,081
Other assets	80,818	78,113
Total assets	<u>\$ 56,608,899</u>	<u>\$ 54,298,296</u>
Liabilities		
Systemwide bonds payable	\$ 43,180,648	\$ 41,673,261
Systemwide notes payable	5,036,710	4,467,291
Accrued interest payable	270,544	328,297
Accounts payable	67,860	434,515
Advanced conditional payments	33,559	35,776
Other liabilities	218,350	241,396
Total liabilities	<u>48,807,671</u>	<u>47,180,536</u>
Shareholders' Equity		
Protected borrower equity	445	445
Capital stock and participation certificates	194,492	193,098
Additional paid-in-capital	516,563	516,563
Retained earnings		
Allocated	2,264,117	2,299,606
Unallocated	5,680,336	5,185,357
Accumulated other comprehensive loss	(854,725)	(1,077,309)
Total shareholders' equity	<u>7,801,228</u>	<u>7,117,760</u>
Total liabilities and equity	<u>\$ 56,608,899</u>	<u>\$ 54,298,296</u>

Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest Income				
Investments & Cash Equivalents	\$ 83,567	\$ 91,859	\$ 245,152	\$ 266,282
Loans	738,752	689,066	2,134,714	1,995,444
Other	5,005	5,833	14,847	17,229
Total interest income	827,324	786,758	2,394,713	2,278,955
Interest Expense	468,236	451,090	1,354,131	1,293,060
Net interest income	359,088	335,668	1,040,582	985,895
Provision for credit losses	(17,102)	11,698	42,407	10,264
Net interest income after provision for credit losses	376,190	323,970	998,175	975,631
Noninterest Income				
Loan fees	10,722	10,954	33,298	31,121
Fees for financially related services	7,306	6,528	15,892	15,273
(Losses) gains on sales of investments, net	—	—	(13,231)	105
Losses on debt extinguishment	(15,940)	(14,109)	(10,997)	(19,111)
Gains on other transactions	3,951	3,057	4,975	9,428
Insurance premium refund	—	—	8,011	13,106
Patronage refunds from other Farm Credit institutions	817	792	7,028	1,380
Other noninterest income	2,454	1,304	5,668	4,849
Total noninterest income	9,310	8,526	50,644	56,151
Noninterest Expenses				
Salaries and employee benefits	107,838	102,442	322,813	308,603
Occupancy and equipment	7,415	7,539	22,383	22,176
Insurance Fund premiums	10,564	9,839	31,009	28,736
Purchased services	11,456	14,390	33,743	43,678
Data processing	15,946	13,903	44,997	40,210
Other operating expenses	33,112	32,845	97,609	94,592
Losses (gains) from other property owned	617	59	850	(70)
Total noninterest expenses	186,948	181,017	553,404	537,925
Income before income taxes	198,552	151,479	495,415	493,857
Provision for income taxes	136	561	717	1,154
Net income	\$ 198,416	\$ 150,918	\$ 494,698	\$ 492,703
Other comprehensive income:				
Unrealized gains on investments	\$ 55,084	\$ 232,444	\$ 208,604	\$ 174,587
Employee benefit plans adjustments	4,660	5,593	13,980	16,778
Other comprehensive income	59,744	238,037	222,584	191,365
Comprehensive income	\$ 258,160	\$ 388,955	\$ 717,282	\$ 684,068

DISTRICT ASSOCIATIONS

As of September 30, 2025

Associations	Direct Notes *	% of Direct Note Total	Total Assets	Total Allowance and Capital	Total Regulatory Capital Ratio	Nonperforming Loans as a % of Total Loans	ROA
<i>(dollars in thousands)</i>							
Horizon Farm Credit, ACA	\$ 6,425,501	22.49 %	\$ 7,840,434	\$ 1,381	15.14 %	0.62 %	1.57 %
AgSouth Farm Credit, ACA	4,302,085	15.05	5,233,275	891	15.61	0.82	2.15
Ag Credit, ACA	3,208,040	11.23	3,843,993	615	19.30	0.74	1.92
First South Farm Credit, ACA	2,798,110	9.79	3,513,511	714	17.26	0.40	1.59
AgCarolina Farm Credit, ACA	2,481,377	8.68	3,065,707	575	16.32	0.73	2.08
Farm Credit of the Virginias, ACA	1,962,839	6.87	2,506,439	531	19.34	0.84	1.59
AgGeorgia Farm Credit, ACA	1,399,794	4.90	1,722,874	315	17.38	0.55	2.05
Farm Credit of Florida, ACA	1,327,905	4.65	1,748,425	395	19.36	0.18	1.74
Farm Credit of Central Florida, ACA	987,890	3.46	1,173,201	169	15.79	0.09	1.94
Central Kentucky, ACA	699,763	2.45	871,574	167	18.26	0.14	1.73
Colonial Farm Credit, ACA	691,689	2.42	916,766	219	21.51	0.21	1.94
ArborOne, ACA	626,918	2.19	774,869	145	17.09	0.53	1.72
Southwest Georgia Farm Credit, ACA	603,307	2.11	753,256	147	18.61	1.49	1.59
River Valley AgCredit, ACA	569,007	1.99	724,792	144	18.51	1.42	1.59
Farm Credit of Northwest Florida, ACA	379,303	1.33	486,346	104	20.43	0.01	1.39
Puerto Rico Farm Credit, ACA	112,594	0.39	176,256	63	34.80	2.34	1.32

* Includes fair value adjustments resulting from mergers

AgFirst Farm Credit Bank

AgFirst Farm Credit Bank
1901 Main Street
Columbia, SC 29201
803-799-5000
www.agfirst.com

AgFirst District Associations

AgCarolina Farm Credit, ACA
636 Rock Spring Road
Greenville, NC 27834
800-951-3276
www.agcarolina.com

AgCredit Agricultural Credit Association
610 W. Lytle Street
Fostoria, OH 44830-3422
419-435-7758
www.agcredit.net

AgGeorgia Farm Credit, ACA
468 Perry Parkway
Perry, GA 31069
478-987-8300
www.aggeorgia.com

AgSouth Farm Credit, ACA
146 Victory Lane
Statesville, NC 28625
704-873-0276
www.agsouthfc.com

ArborOne, ACA
800 Woody Jones Boulevard
Florence, SC 29501
843-662-1527
www.arborone.com

Central Kentucky Agricultural Credit Association
2429 Members Way
Lexington, KY 40504
859-253-3249
www.agcreditonline.com

Colonial Farm Credit, ACA
7104 Mechanicsville Turnpike
Mechanicsville, VA 23111
804-746-1252
www.colonialfarmcredit.com

Farm Credit of Central Florida, ACA
204 East Orange Street, Suite 200
Lakeland, FL 33801
863-682-4117
www.farmcreditcfl.com

Farm Credit of Florida, ACA
11903 Southern Boulevard, Suite 200
West Palm Beach, FL 33411
561-965-9001
www.farmcreditfl.com

Farm Credit of Northwest Florida, ACA
5052 Highway 90 East
Marianna, FL 32446
850-526-4910
www.farmcredit-fl.com

Farm Credit of the Virginias, ACA
102 Industry Way
Staunton, VA 24401
800-919-3276
www.farmcreditofvirginias.com

First South Farm Credit, ACA
574 Highland Colony Parkway, Suite 100
Ridgeland, MS 39157
601-977-8381
www.firstsouthfarmcredit.com

Horizon Farm Credit, ACA
300 Winding Creek Boulevard
Mechanicsburg, PA 17050
888-339-3334
www.horizonfc.com

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URB Baldrich
213 Calle Manuel Domenech
San Juan, PR 00918-3505
1-800-981-3323
www.prfarmercredit.com

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2731 Olivet Church Road
Paducah, KY 42001
270-554-2912
www.rivervalleyagcredit.com

Southwest Georgia Farm Credit, ACA
305 Colquitt Highway
Bainbridge, GA 39817
229-246-0384
www.swgafarmcredit.com