

AGFIRST FARM CREDIT BANK & DISTRICT ASSOCIATIONS

2026 THIRD QUARTER FINANCIAL INFORMATION

FARM CREDIT

AgFirst Farm Credit Bank and District Associations September 30, 2026 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, 2026. 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, 2026, 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

(dollars in thousands)	September 30, 2026	December 31, 2025
Total loans	**$ 49,126,892**	$ 46,963,063
Allowance for credit losses on loans	**(217,298)**	(194,899)
Net loans	**$ 48,909,594**	$ 46,768,164
Total assets	**$ 59,781,866**	$ 57,736,931
Total shareholders' equity	**8,094,610**	7,740,372

	For the Nine Months Ended September 30,	
	2026	**2025**
Net interest income	**$ 1,137,459**	$ 1,040,582
Provision for credit losses	**32,909**	42,407
Noninterest expense, net	**(458,686)**	(503,477)
Net income	**$ 645,864**	$ 494,698
Net interest income as a percentage of average earning assets	**2.65 %**	2.58 %
Net charge-offs to average loans	**(0.02)%**	(0.02)%
Return on average assets	**1.48 %**	1.21 %
Return on average shareholders' equity	**10.73 %**	8.80 %
Operating expense as a percentage of net interest income and noninterest income	**45.40 %**	50.64 %
Average loans	**$ 47,968,737**	$ 44,566,358
Average earning assets	**57,490,147**	53,906,326
Average assets	**58,481,795**	54,880,284

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

RESULTS OF OPERATIONS

Net income for the nine months ended September 30, 2026, was $645.9 million compared to $494.7 million for the same period in 2025, an increase of $151.2 million or 30.56%. Net income for the three months ended September 30, 2026, was $214.5 million compared to $198.4 million for the same period ending September 30, 2025, an increase of $16.1 million, or 8.10%. The increase for both periods was primarily due to higher interest income in 2026 compared to 2025.

Net Interest Income

For the nine months ended September 30, 2026, net interest income increased $96.9 million, or 9.31% to $1.1 billion compared to the same period in the prior year. Net interest income increased $28.2 million, or 7.86%, to $387.3 million, for the three months ended September 30, 2026, 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 2.63% and 2.65% for the three and nine months ended September 30, 2026 which was an increase of 3 and 7 basis points, respectively, when compared to the same periods in the prior year.

Net interest income for the three and nine months ended September 30, 2026 improved with a higher average spread of 6 and 8 basis points, respectively. The increase in net interest income in both periods is primarily the result of favorable volume variance within the Association retail lending and Capital Markets portfolios that exceeded growth in interest-bearing liabilities. Additionally, rates paid on interest-bearing liabilities were lower for both periods in 2026 due to benefits realized from called debt in previous years and increased non-callable debt issuance in 2026.

The effects of changes in volume and interest rates on net interest income for the three and nine months ended September 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.

	For the Three Months Ended September 30, 2026 vs. September 30, 2025			For the Nine Months Ended September 30, 2026 vs. September 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	$ 49,668	$ (13,493)	$ 36,175	$ 160,508	$ (32,288)	$ 128,220
Investments & Cash Equivalents	2,549	(5,417)	(2,868)	3,830	(13,774)	(9,944)
Other	439	(140)	299	1,028	(1,043)	(15)
Total Interest Income	52,656	(19,050)	33,606	165,366	(47,105)	118,261
Interest Expense:						
Interest-Bearing Liabilities	26,665	(21,271)	5,394	83,003	(61,619)	21,384
Changes in Net Interest Income	$ 25,991	$ 2,221	$ 28,212	$ 82,363	$ 14,514	$ 96,877

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 losses 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 expense of $5.6 million and $32.9 million for the three and nine months ended September 30, 2026, respectively, compared to a provision reversal of $17.1 million and expense of $42.4 million for the corresponding periods in 2025, as reflected in the table below.

	For the Three Months Ended							
(dollars in thousands)	September 30, 2026				September 30, 2025			
Provision for (reversal of) allowance for credit losses:	**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	$ 158	$ 47	$ (2,886)	$ (2,681)	$ 2,200	$ (10)	$ 4,495	$ 6,685
Pooled component	540	(498)	5,910	5,952	(6,927)	337	(15,281)	(21,871)
Unfunded Commitments	831	—	1,505	2,336	(551)	—	(1,365)	(1,916)
Total	$ 1,529	$ (451)	$ 4,529	$ 5,607	$ (5,278)	$ 327	$ (12,151)	$ (17,102)

	For the Nine Months Ended							
(dollars in thousands)	September 30, 2026				September 30, 2025			
Provision for (reversal of) allowance for credit losses:	**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	$ (751)	$ 506	$ 6,633	$ 6,388	$ 14,321	$ 360	$ 11,469	$ 26,150
Pooled component	8,812	(253)	13,767	22,326	4,303	185	8,365	12,853
Unfunded Commitments	1,551	—	2,644	4,195	1,260	—	2,144	3,404
Total	$ 9,612	$ 253	$ 23,044	$ 32,909	$ 19,884	$ 545	$ 21,978	$ 42,407

For the three and nine months ended September 30, 2026, the provision expense for both periods was primarily in the Bank's Capital Markets and District Associations Combined portfolios driven by credit quality migration and macroeconomic variables. The most significant macroeconomic factors leading to increased provision expense are observed oil prices and elevated inflationary pressures. Asset-specific reserves were recorded on isolated credits at the Associations, primarily within the forestry, processing, corn, and utilities segments.

For the three and nine months ended September 30, 2025, the District recognized a net provision reversal of $17.1 million and a provision for credit losses of $42.4 million, respectively. The quarterly net provision reversal was primarily attributable to the Bank's Capital Markets and District Associations Combined portfolios, which utilize similar macroeconomic outlooks in the pooled component of their allowance calculations, and was largely driven by an improvement in the forecast for corporate debt spreads, a key macroeconomic variable in the allowance model. On a year-to-date basis, changes in corporate debt spread forecasts had a minimal impact on the overall allowance. During the third quarter of 2025, increases in asset-specific reserves within the Bank's Capital Markets and District Associations Combined portfolios were primarily related to several isolated borrowers. The year-to-date provision for credit losses was primarily driven by higher asset-specific provision expense related to these borrowers, as well as increases in the pooled component of the portfolios resulting from heightened stress in the unemployment macroeconomic factor used in the allowance model and portfolio growth.

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

Noninterest Income

The following table illustrates the changes in noninterest income:

Change in Noninterest Income	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
(dollars in thousands)	2026	2025	Increase/ Decrease	2026	2025	Increase/ Decrease
Loan fees	$ 14,052	$ 10,722	$ 3,330	$ 42,761	$ 33,298	$ 9,463
Fees for financially related services	7,300	7,306	(6)	20,150	15,892	4,258
Losses on sales of investments	(1,822)	—	(1,822)	(1,822)	(13,231)	11,409
Gains (losses) on debt extinguishment	1,887	(15,940)	17,827	(5,464)	(10,997)	5,533
(Losses) gains on other transactions	(132)	3,951	(4,083)	6,623	4,975	1,648
Insurance premium refund	—	—	—	23,371	8,011	15,360
Patronage refunds from other Farm Credit institutions	921	817	104	14,431	7,028	7,403
Other noninterest income	1,751	2,454	(703)	5,577	5,668	(91)
Total noninterest income	$ 23,957	$ 9,310	$ 14,647	$ 105,627	$ 50,644	$ 54,983

Noninterest income increased $14.6 million and $55.0 million for the three and nine months ended September 30, 2026, respectively, compared to the corresponding periods in 2025.

The increase for the nine months ended September 30, 2026 was primarily due to an increase in FCSIC refunds of $15.4 million, which is nonrecurring and resulted from FCSIC assets exceeding the secure base amount, as defined by the Farm Credit Act, at the end of the preceding year. Additionally, loan fees increased by $9.5 million, or 28.4%, for the nine months ended September 30, 2026 when compared to the prior year, primarily due to increased loan growth at the Bank and Associations and patronage refunds from other Farm Credit institutions increased by $7.4 million primarily due to increased participations sold to other Farm Credit entities outside of the AgFirst District. For the nine months ended September 30, 2026 and 2025, respectively, a loss on the sale of investments of $1.8 million and $13.2 million was incurred and economically offset by the early extinguishment of Systemwide Debt resulting in a gain of $1.9 million and $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.

The increase for the three months ended September 30, 2026 was primarily attributable to lower losses on debt extinguishment due to no called debt activities for the current period.

Noninterest Expenses

The following table illustrates the changes in noninterest expenses:

Change in Noninterest Expenses	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
(dollars in thousands)	2026	2025	Increase/ Decrease	2026	2025	Increase/ Decrease
Salaries and employee benefits	$ 114,318	$ 107,838	$ 6,480	$ 338,421	$ 322,813	$ 15,608
Occupancy and equipment	9,612	7,415	2,197	25,390	22,383	3,007
Insurance Fund premiums	11,217	10,564	653	33,207	31,009	2,198
Purchased services	10,147	11,456	(1,309)	30,593	33,743	(3,150)
Data processing	15,802	15,946	(144)	47,049	44,997	2,052
Other operating expenses	30,124	33,112	(2,988)	89,757	97,609	(7,852)
(Gains) losses from other property owned	(251)	617	(868)	(854)	850	(1,704)
Total noninterest expenses	$ 190,969	$ 186,948	$ 4,021	$ 563,563	$ 553,404	$ 10,159

Noninterest expenses increased $4.0 million, or 2.15%, and $10.2 million, or 1.84%, for the three and nine months ended September 30, 2026, respectively, compared to the corresponding periods in 2025.

The increase in noninterest expense for both periods was driven primarily by higher salaries and employee benefits expenses of $6.5 million and $15.6 million, or 6.01% and 4.83%, for the three and nine months ended September 30, 2026, respectively, when compared to the corresponding periods in the prior year. The increases were primarily due to annual merit salary adjustments at the Bank and District 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

(dollars in thousands)	September 30, 2026		December 31, 2025	
Real estate mortgage	$ 23,371,117	47.58 %	$ 22,253,459	47.39 %
Production and intermediate-term	9,286,867	18.90	8,993,087	19.15
Agribusiness:				
Loans to cooperatives	980,215	2.00	852,218	1.81
Processing and marketing	5,464,420	11.12	5,166,081	11.00
Farm-related business	816,552	1.66	748,758	1.59
Rural residential real estate	4,035,762	8.22	4,138,540	8.81
Rural infrastructure:				
Power	2,530,726	5.15	2,321,963	4.94
Communication	1,548,986	3.15	1,459,300	3.11
Water/Waste disposal	449,834	0.92	326,759	0.70
Other:				
International	234,387	0.48	258,264	0.55
Lease receivables	11,520	0.02	9,921	0.02
Loans to other financing institutions (OFIs)	178,182	0.36	172,548	0.37
Other (including mission related)	218,324	0.44	262,165	0.56
Total	$ 49,126,892	100.00 %	$ 46,963,063	100.00 %

Total loans outstanding were $49.1 billion at September 30, 2026, an increase of $2.2 billion, or 4.61%, compared to December 31, 2025. The loan growth was primarily due to new and existing customers to finance higher borrower input costs, such as seed, fertilizer, fuel, and replacement livestock. Additionally, increased credit was needed to manage tighter margins and refinance or extend existing debt. Growth was primarily in the forestry, field crops, and poultry commodity segments.

While there should be no material District loan volume impact, the Bank announced that it ceased the purchase of rural residential mortgage loans effective June 30, 2026. Associations will continue to maintain those portfolios either on-balance sheet or will sell to non-Farm Credit System brokers. Refer to the Bank's Third Quarter 2026 Report for additional information related to this strategy.

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, 2026							
(dollars in thousands)	**2026**	**2025**	**2024**	**2023**	**2022**	**Prior**	**Revolving**	**Total**
Acceptable	$5,891,043	$ 7,729,950	$ 5,171,726	$ 3,916,026	$ 3,965,609	$12,258,304	$ 7,663,077	$46,595,735
OAEM	65,019	115,372	90,075	59,006	161,411	419,388	283,888	1,194,159
Substandard	52,946	92,534	136,810	195,979	186,916	308,990	358,206	1,332,381
Doubtful	—	1,860	336	150	464	1,268	389	4,467
Loss	—	—	—	12	—	138	—	150
Total	$6,009,008	$ 7,939,716	$ 5,398,947	$ 4,171,173	$ 4,314,400	$12,988,088	$ 8,305,560	$49,126,892
Current Period Gross Writeoffs	$ —	$ —	$ —	$ 1,631	$ 69	$ 300	$ 7,626	$ 9,626

	Balance as of and for the Year Ended December 31, 2025							
(dollars in thousands)	**2025**	**2024**	**2023**	**2022**	**2021**	**Prior**	**Revolving**	**Total**
Acceptable	$8,419,376	$ 5,919,859	$ 4,695,522	$ 4,619,813	$ 4,498,011	$ 9,652,788	$ 6,857,432	$44,662,801
OAEM	124,408	105,036	97,864	175,489	81,347	259,201	360,291	1,203,636
Substandard	87,521	103,803	105,286	214,969	99,273	205,877	275,706	1,092,435
Doubtful	2,045	322	152	411	128	544	218	3,820
Loss	—	—	77	37	—	161	96	371
Total	$8,633,350	$ 6,129,020	$ 4,898,901	$ 5,010,719	$ 4,678,759	$10,118,571	$ 7,493,743	$46,963,063
Current Period Gross Writeoffs	$ 115	$ 753	$ 1,554	$ 1,379	$ 703	$ 14,702	$ 8,646	$ 27,852

	September 30, 2026	**December 31, 2025**
Acceptable	94.85 %	95.10 %
OAEM	2.43	2.56
Substandard	2.71	2.33
Doubtful	0.01	0.01
Loss	—	—
Total	100.00 %	100.00 %

Credit quality is still considered to be strong overall with 94.85% classified as acceptable, but declined slightly in the nine months ended September 30, 2026, primarily within the District Capital Markets portfolio as a result of several downgrades to isolated borrowers. Credit quality may continue to be impacted in future quarters due to persistent inflationary pressure on input costs and higher interest rates. Other factors that may impact credit quality in 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

Nonaccrual loans by FCA loan type are as follows:

(dollars in thousands)	**September 30, 2026**	**December 31, 2025**
Nonaccrual loans:		
Real estate mortgage	$ 152,071	$ 118,876
Production and intermediate-term	143,603	70,710
Agribusiness	125,178	111,991
Rural infrastructure	1,017	38,847
Rural residential real estate	40,150	9,945
Total	$ 462,019	$ 350,369
Nonaccrual Loans as Percentage of Total Loans	0.94 %	0.75 %

	Nonaccrual by Portfolio			
	September 30, 2026		December 31, 2025	
	Total Amount	% of Total	Total Amount	% of Total
Bank's Capital Markets	$ 106,040	22.95 %	$ 74,137	21.16 %
Bank's Correspondent Lending	36,837	7.97	35,666	10.18 %
District Associations	319,142	69.08	240,566	68.66 %
Total	$ 462,019	100.00 %	$ 350,369	100.00 %

During 2026, the total nonaccrual balance increased to 0.94% of total loans outstanding which is consistent with slight declines in overall credit quality discussed above, compared to 0.75% at December 31, 2025. The commodity segments with the largest increase in nonaccruals were forestry, grains, and corn.

Aging Analysis of Loans

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

	September 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
Real estate mortgage	$ 182,199	$ 81,178	$ 263,377	$ 23,107,740	$ 23,371,117	$ 10,967
Production and intermediate-term	122,282	75,239	197,521	9,089,346	9,286,867	523
Agribusiness	144,682	7,398	152,080	7,109,107	7,261,187	109
Rural residential real estate	17,630	13,564	31,194	4,004,568	4,035,762	—
Rural infrastructure	8,183	431	8,614	4,520,932	4,529,546	—
Other	11,593	8,711	20,304	622,109	642,413	8,711
Total	$ 486,569	$ 186,521	$ 673,090	$ 48,453,802	$ 49,126,892	$ 20,310

	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
Real estate mortgage	$ 129,162	$ 56,979	$ 186,141	$ 22,067,318	$ 22,253,459	$ 1,703
Production and intermediate-term	70,657	33,525	104,182	8,888,905	8,993,087	1,643
Agribusiness	40,844	3,839	44,683	6,722,374	6,767,057	—
Rural residential real estate	56,825	17,958	74,783	4,063,757	4,138,540	—
Rural infrastructure	134	8,433	8,567	4,099,455	4,108,022	—
Other	19,383	13,125	32,508	670,390	702,898	13,125
Total	$ 317,005	$ 133,859	$ 450,864	$ 46,512,199	$ 46,963,063	$ 16,471

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:

(dollars in thousands)	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, 2026	$ 70,624	$ 52,766	$ 64,297	$ 9,195	$ 17,579	$ 508	$ 214,969
Charge-offs	(314)	(1,151)	(248)	(241)	—	—	(1,954)
Recoveries	118	546	278	70	—	—	1,012
Provision for (reversal of) credit losses on loans	1,069	(1,495)	1,200	(400)	2,942	(45)	3,271
Balance at September 30, 2026	$ 71,497	$ 50,666	$ 65,527	$ 8,624	$ 20,521	$ 463	$ 217,298
Allowance for unfunded commitments:							
Balance at June 30, 2026	$ 2,693	$ 5,502	$ 7,761	$ 135	$ 1,274	$ 87	$ 17,452
Provision for (reversal of) unfunded commitments	104	474	74	11	1,682	(9)	2,336
Balance at September 30, 2026	$ 2,797	$ 5,976	$ 7,835	$ 146	$ 2,956	$ 78	$ 19,788
Allowance for credit losses	$ 74,294	$ 56,642	$ 73,362	$ 8,770	$ 23,477	$ 541	$ 237,086
Activity related to ACL on loans:							
Balance at December 31, 2025	$ 67,041	$ 47,769	$ 60,090	$ 8,655	$ 10,811	$ 533	$ 194,899
Charge-offs	(1,279)	(5,074)	(1,262)	(517)	(1,494)	—	(9,626)
Recoveries	770	1,601	769	171	—	—	3,311
Provision for (reversal of) credit losses on loans	4,965	6,370	5,930	315	11,204	(70)	28,714
Balance at September 30, 2026	$ 71,497	$ 50,666	$ 65,527	$ 8,624	$ 20,521	$ 463	$ 217,298
Allowance for unfunded commitments:							
Balance at December 31, 2025	$ 1,326	$ 5,071	$ 7,554	$ 621	$ 913	$ 108	$ 15,593
Provision for (reversal of) unfunded commitments	1,471	905	281	(475)	2,043	(30)	4,195
Balance at September 30, 2026	$ 2,797	$ 5,976	$ 7,835	$ 146	$ 2,956	$ 78	$ 19,788
Allowance for credit losses	$ 74,294	$ 56,642	$ 73,362	$ 8,770	$ 23,477	$ 541	$ 237,086
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

The ACL was $237.1 million at September 30, 2026, as compared with $210.5 million at December 31, 2025, an increase of $26.6 million. The increase was primarily the result of $32.9 million of provision for credit losses and offset by $9.6 million of charge-offs. See further discussion in the *Provision for Credit Losses* section above. The ACL on loans was 0.48% and 0.45% of total loans outstanding at September 30, 2026 and December 31, 2025, respectively. Additional detail on the ACL is provided in the table below.

	Allowance for Credit Losses by Portfolio							
(dollars in thousands)	September 30, 2026				December 31, 2025			
	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	$ 21,461	$ 428	$ 34,579	$ 56,468	$ 22,165	$ 255	$ 33,975	$ 56,395
Pooled component	29,750	5,840	125,240	160,830	20,938	6,094	111,472	138,504
Unfunded commitments	7,714	—	12,074	19,788	6,163	—	9,430	15,593
Allowance for Credit Losses	$ 58,925	$ 6,268	$ 171,893	$ 237,086	$ 49,266	$ 6,349	$ 154,877	$ 210,492

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 2026 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, 2026 or December 31, 2025. The following tables summarize the District's investments:

	September 30, 2026			
(dollars in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
District Bank investments	$ 9,040,127	$ 4,439	$ (827,194)	$ 8,217,372
District Association investments	304,065	2,406	(2,130)	304,341
Total District investments	$ 9,344,192	$ 6,845	$ (829,324)	$ 8,521,713

	December 31, 2025			
(dollars in thousands)	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
District Bank investments	$ 8,687,585	$ 8,048	$ (655,545)	$ 8,040,088
District Association investments	254,378	1,610	(1,881)	254,107
Total District investments	$ 8,941,963	$ 9,658	$ (657,426)	$ 8,294,195

At September 30, 2026, there were $822.1 million in net unrealized losses in AFS investments, compared to $647.3 million 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 AFS fixed-rate investment securities held at the Bank. 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 95 days of maturing debt through the utilization of cash and cash equivalents and 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 $354.2 million, or 4.58%, from December 31, 2025, to $8.1 billion at September 30, 2026. This increase is primarily attributed to net income of $645.9 million, partially offset by the revolvement of allocated

retained earnings of $110.4 million at the District Associations and an increase to the accumulated other comprehensive loss of $174.7 million.

Accumulated Other Comprehensive Income (Loss)

(dollars in thousands)	September 30, 2026	December 31, 2025
Unrealized loss on investment securities	$ (821,976)	$ (647,250)
Employee benefit plans activity*	(140,733)	(152,894)
Total accumulated other comprehensive loss	$ (962,709)	$ (800,144)

**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, 2026	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 %	14.71%	13.19% - 34.18%
Tier 1 capital ratio	CET1 capital, non-cumulative perpetual preferred stock	6.00 %	8.50 %	14.71%	13.19% - 34.18%
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 %	15.02%	13.64% - 35.02%
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock, and subordinated debt, subject to certain limits	7.00 %	7.00 %	14.75%	13.24% - 34.45%
Non-risk adjusted:					
Tier 1 leverage ratio*	Tier 1 capital	4.00 %	5.00 %	5.83%	11.57% - 33.62%
URE and UREE component	URE and URE equivalents	1.50 %	1.50 %	4.39%	10.57% - 33.30%

[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 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 became effective on August 24.

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) 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. This rule went into effect on January 1, 2026 and did not have a material impact to any District entity.

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 2026 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, 2026, one Association (0.39% of total Direct Notes), was operating under a written agreement with the FCA. This Association is also operating under a special credit agreement with the Bank pursuant to the GFA and is 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)

(dollars in thousands)	September 30, 2026	December 31, 2025
Assets		
Cash	**$ 722,698**	$ 708,449
Cash equivalents	**455,000**	900,000
Investments in debt securities	**8,522,130**	8,294,624
Loans	**49,126,892**	46,963,063
Allowance for credit losses on loans	**(217,298)**	(194,899)
Net loans	**48,909,594**	46,768,164
Loans held for sale	**16,399**	709
Accrued interest receivable	**501,283**	432,485
Accounts receivable	**66,021**	73,389
Equity investments in other Farm Credit institutions	**84,504**	80,420
Other equity investments	**21,089**	17,430
Premises and equipment, net	**390,624**	374,355
Other property owned	**3,189**	3,963
Other assets	**89,335**	82,943
Total assets	**$ 59,781,866**	$ 57,736,931
Liabilities		
Systemwide bonds payable	**$ 47,509,579**	$ 43,918,527
Systemwide notes payable	**3,512,793**	5,162,250
Accrued interest payable	**348,002**	293,564
Accounts payable	**66,005**	358,196
Advanced conditional payments	**31,209**	34,002
Other liabilities	**219,668**	230,020
Total liabilities	**51,687,256**	49,996,559
Shareholders' Equity		
Protected borrower equity	**445**	445
Capital stock and participation certificates	**201,345**	202,633
Additional paid-in-capital	**516,563**	516,563
Retained earnings		
Allocated	**2,324,415**	2,433,096
Unallocated	**6,014,551**	5,387,779
Accumulated other comprehensive loss	**(962,709)**	(800,144)
Total shareholders' equity	**8,094,610**	7,740,372
Total liabilities and equity	**$ 59,781,866**	$ 57,736,931

Statements of Comprehensive Income

(unaudited)

(dollars in thousands)	For the Three Months Ended September 30, 2026	2025	For the Nine Months Ended September 30, 2026	2025
Interest Income				
Investments & Cash Equivalents	**$ 80,699**	$ 83,567	**$ 235,208**	$ 245,152
Loans	**774,927**	738,752	**2,262,934**	2,134,714
Other	**5,304**	5,005	**14,832**	14,847
Total interest income	**860,930**	827,324	**2,512,974**	2,394,713
Interest Expense	**473,630**	468,236	**1,375,515**	1,354,131
Net interest income	**387,300**	359,088	**1,137,459**	1,040,582
Provision for credit losses	**5,607**	(17,102)	**32,909**	42,407
Net interest income after provision for credit losses	**381,693**	376,190	**1,104,550**	998,175
Noninterest Income				
Loan fees	**14,052**	10,722	**42,761**	33,298
Fees for financially related services	**7,300**	7,306	**20,150**	15,892
Losses on sales of investments	**(1,822)**	—	**(1,822)**	(13,231)
Gains (losses) on debt extinguishment	**1,887**	(15,940)	**(5,464)**	(10,997)
(Losses) gains on other transactions	**(132)**	3,951	**6,623**	4,975
Insurance premium refund	**—**	—	**23,371**	8,011
Patronage refunds from other Farm Credit institutions	**921**	817	**14,431**	7,028
Other noninterest income	**1,751**	2,454	**5,577**	5,668
Total noninterest income	**23,957**	9,310	**105,627**	50,644
Noninterest Expenses				
Salaries and employee benefits	**114,318**	107,838	**338,421**	322,813
Occupancy and equipment	**9,612**	7,415	**25,390**	22,383
Insurance Fund premiums	**11,217**	10,564	**33,207**	31,009
Purchased services	**10,147**	11,456	**30,593**	33,743
Data processing	**15,802**	15,946	**47,049**	44,997
Other operating expenses	**30,124**	33,112	**89,757**	97,609
(Gains) losses from other property owned	**(251)**	617	**(854)**	850
Total noninterest expenses	**190,969**	186,948	**563,563**	553,404
Income before income taxes	**214,681**	198,552	**646,614**	495,415
Provision for income taxes	**203**	136	**750**	717
Net income	**$ 214,478**	$ 198,416	**$ 645,864**	$ 494,698
Other comprehensive income:				
Unrealized gains on investments	**$ (173,155)**	$ 55,084	**$ (174,729)**	$ 208,604
Employee benefit plans adjustments	**4,055**	4,660	**12,164**	13,980
Other comprehensive (loss) income	**(169,100)**	59,744	**(162,565)**	222,584
Comprehensive income	**$ 45,378**	$ 258,160	**$ 483,299**	$ 717,282

DISTRICT ASSOCIATIONS

As of September 30, 2026

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
(dollars in thousands)							
Horizon Farm Credit, ACA	$ 7,140,155	22.72 %	$ 8,626,711	$ 1,454,728	14.09 %	0.76 %	1.71 %
AgSouth Farm Credit, ACA	4,887,246	15.55	5,836,851	906,322	13.64	1.23	2.12
Ag Credit, ACA	3,395,447	10.80	4,076,989	662,777	18.30	0.92	1.86
First South Farm Credit, ACA	3,104,139	9.88	3,841,082	743,665	16.09	0.93	1.51
AgCarolina Farm Credit, ACA	2,610,795	8.31	3,216,589	593,320	15.97	1.36	2.03
Farm Credit of the Virginias, ACA	2,135,680	6.80	2,689,732	541,832	17.75	1.18	1.56
AgGeorgia Farm Credit, ACA	1,584,463	5.04	1,923,380	332,404	15.90	0.95	2.22
Farm Credit of Florida, ACA	1,521,074	4.84	1,958,049	412,400	17.43	0.19	1.59
Farm Credit of Central Florida, ACA	1,112,992	3.54	1,307,439	179,934	16.11	0.93	1.56
Central Kentucky, ACA	777,963	2.48	958,605	176,016	17.50	0.08	1.75
Colonial Farm Credit, ACA	732,438	2.33	958,312	222,228	20.22	0.42	1.49
ArborOne, ACA	672,393	2.14	829,766	151,303	16.71	1.55	1.83
Southwest Georgia Farm Credit, ACA	661,089	2.10	816,019	152,581	17.97	0.78	1.62
River Valley AgCredit, ACA	566,589	1.80	727,664	150,769	18.79	0.97	1.53
Farm Credit of Northwest Florida, ACA	408,258	1.30	520,092	108,282	18.98	0.72	1.48
Puerto Rico Farm Credit, ACA	115,889	0.37	178,540	62,357	35.02	2.54	0.75

** 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

Ag Credit 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
804-746-4581
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
618 Crescent Boulevard
Ridgeland, MS 39157
601-707-2928
www.firstsouthfarmcredit.com

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

Puerto Rico Farm Credit, ACA
URB Baldrich
213 Calle Manuel Domenech
San Juan, PR 00918-3505
800-981-3323
www.prfarmcredit.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