

Financial Statement
of



Legacy
Cooperative

Growing Value Together

31-Dec-25

~Board of Directors~

Jeff Teubner - President

Mark Heinz - Vice President

Cordell Beaver - Secretary/Treasurer

Bradyn Henderson

Tim Hendrickson

Tim Hudson

Adam Leiphon

Sebastian Wald

Dean Windjue

Craig Schommer-Advisory Director

Tom Haahr-CFO

Sean Slowinski - CEO

Abstracted from the financial statements
as audited by EIDE BAILLY LLP
Certified Public Accountants and Consultants
Aberdeen, South Dakota

The financial statements of Legacy Cooperative as of and
for the year ended December 31, 2025, including the notes
to the financial statements and independent auditor's report, have
been audited by Eide Bailly LLP and are on file at the Company's office.

Legacy Cooperative
Balance Sheets
December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 23,934,770	\$ 12,908,344
Accounts receivable - trade (net of allowance for credit losses)	\$ 3,897,038	\$ 5,727,355
Grain in transit	\$ 5,114,611	\$ 3,219,130
Advances	\$ 324,500	\$ -
Grain receivable	\$ 5,835,854	\$ 2,055,508
Storage/delayed price charges receivable	\$ 663,324	\$ 713,110
Margin deposit and other receivables	\$ 453,706	\$ 653,919
Grain inventory	\$ 33,805,408	\$ 35,784,608
Exchange-traded hedges	\$ 36,095	\$ 36,913
Forward Contracts	\$ 480,612	\$ 317,350
Merchandise inventory	\$ 36,624,413	\$ 29,587,051
Prepaid merchandise and prepaid expense	\$ 17,760,595	\$ 20,616,554
Total current assets	\$ 128,930,926	\$ 111,619,842
PROPERTY AND EQUIPMENT, at cost	\$ 151,211,159	\$ 131,093,181
Less accumulated depreciation	\$ 68,612,875	\$ 61,505,370
	\$ 82,598,284	\$ 69,587,811
OTHER ASSETS		
Marketable securities	\$ 954,516	\$ 997,143
Investments in other cooperatives	\$ 16,335,614	\$ 17,076,382
Non Qualified Investments in other cooperatives	\$ 8,104,483	\$ 5,633,910
Total other assets	\$ 25,394,613	\$ 23,707,435
	\$ 236,923,823	\$ 204,915,088
LIABILITIES AND PATRONS' EQUITY		
CURRENT LIABILITIES		
Drafts payable	\$ 12,620,928	\$ 9,016,313
Grain advances	\$ 4,796,819	\$ 2,948,400
Grain contracts payable - deferred payment	\$ 24,710,294	\$ 25,759,083
Grain contracts payable - grain payable	\$ 5,621,818	\$ 5,386,277
Accounts payable - trade	\$ 6,786,767	\$ 2,541,020
Accounts payable - grain delayed price	\$ 17,526,589	\$ 20,027,063
Customer credit balances	\$ 16,460,553	\$ 11,278,111
Accrued taxes and expenses	\$ 3,288,679	\$ 4,464,591
Patronage dividend payable (cash portion)	\$ 6,050,000	\$ 8,000,000
Current portion of long-term debt	\$ 3,979,320	\$ 4,144,320
Current portion of lease payable	\$ -	\$ 16,998
Total current liabilities	\$ 101,841,767	\$ 93,582,176
LONG-TERM LIABILITIES		
Deferred payment contracts	\$ 7,442,127	\$ 8,918,168
Long-term debt, net of current portion	\$ 26,989,753	\$ 6,970,180
Deferred income taxes payable	\$ 4,545,047	\$ 3,963,861
Total long term liabilities	\$ 38,976,927	\$ 19,852,209
PATRONS' EQUITY	\$ 96,105,129	\$ 91,480,703
	\$ 236,923,823	\$ 204,915,088

Legacy Cooperative
 Statements of Operations
 Years Ended December 31, 2025 and 2024

	2025	2024
Total Sales	\$ 305,604,547	\$ 314,400,951
GRAIN		
Wheat	\$ 7,596,607	\$ 8,372,120
Corn	\$ 475,633	\$ 352,333
Soybeans	\$ 4,018,288	\$ 3,378,695
Oats & Rye	\$ 16,749	\$ 7,238
Flax	\$ 8,523	\$ 25,390
Canola	\$ 1,499,576	\$ 1,593,109
Barley	\$ 107,348	\$ 108,616
NuSun and Sunflowers	\$ 42,177	\$ 17,576
Pinto Beans	\$ 28,294	\$ 14,682
Peas	\$ 37,193	\$ 17,218
	<u>\$ 13,830,388</u>	<u>\$ 13,886,977</u>
MERCHANDISE		
Chemicals	\$ 5,750,330	\$ 5,798,403
Fertilizer	\$ 7,250,909	\$ 7,658,056
Seed	\$ 2,583,241	\$ 87,275
Feed & Livestock Supply	\$ 75,352	\$ 3,095,544
Tires and Automotive	\$ 581,122	\$ 356,800
Misc Merchandise	\$ 1,718,336	\$ 1,545,413
Petroleum Products	\$ 3,047,317	\$ 2,782,334
	<u>\$ 21,006,607</u>	<u>\$ 21,323,825</u>
Gross Trading Margin	<u>\$ 34,836,995</u>	<u>\$ 35,210,802</u>
Other Income		
Storage and handling	\$ 1,613,709	\$ 2,024,023
Labor and service	\$ 484,234	\$ 494,782
Spreading/Spraying	\$ 1,915,373	\$ 2,046,137
Cleaning, treating and drying	\$ 526,910	\$ 322,226
Grinding and weighing	\$ 12,340	\$ 12,293
Bad debt recoveries	\$ 1,942	\$ 2,406
Rent	\$ -	\$ 4,260
Interest, dividend income and finance charges	\$ 517,312	\$ 1,205,316
Miscellaneous	\$ 1,754,829	\$ 1,396,158
Gain on disposal of fixed assets	\$ 394,035	\$ 1,027,792
	<u>\$ 7,221,544</u>	<u>\$ 8,535,393</u>
Gross margin and other income	<u>\$ 42,058,539</u>	<u>\$ 43,746,195</u>
Expenses		
General and administrative	\$ 22,979,657	\$ 21,818,314
Depreciation	\$ 8,170,830	\$ 6,610,735
Interest	\$ 1,011,752	\$ 224,474
Total expenses	<u>\$ 32,162,239</u>	<u>\$ 28,653,523</u>
LOCAL SAVINGS	\$ 9,896,300	\$ 15,092,672
PATRONAGE INCOME	\$ 6,608,320	\$ 9,692,644
SAVINGS BEFORE INCOME TAXES	\$ 16,504,620	\$ 24,785,316
INCOME TAX EXPENSE	<u>\$ 1,214,154</u>	<u>\$ 2,134,785</u>
NET INCOME	<u>\$ 15,290,466</u>	<u>\$ 22,650,531</u>
GRAIN RECEIPTS		
	2025	2024
Wheat - bu.	14,681,354	12,742,092
Corn - bu.	1,591,375	821,513
Soybeans - bu.	6,658,902	6,134,409
Oats & Rye - bu.	5,997	12,002
Flax - bu.	15,157	33,216
Canola - cwt.	1,832,619	1,773,244
Barley - bu.	92,419	323,874
NuSun & Sunflowers - cwt.	32,195	4,211
Pinto Beans - cwt	23,617	5,076
Peas - bu.	60,154	28,393
	<u>24,993,789</u>	<u>21,878,030</u>

Legacy Cooperative
Statements of Cash Flows
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
<u>OPERATING ACTIVITIES</u>		
Net income	\$ 15,290,466	\$ 22,650,531
Adjustments to reconcile net income to net cash from (used for) operating activities:		
Depreciation	\$ 8,170,830	\$ 6,610,735
Accretion of discount on investments in other cooperatives	\$ (104,880)	\$ (104,880)
Gain on disposal of fixed assets	\$ (394,895)	\$ (1,027,792)
Credit loss	\$ 4,707	\$ 110,464
Deferred income taxes	\$ 581,186	\$ 1,239,998
Dividend allocations from other cooperatives	\$ (3,212,532)	\$ (6,190,897)
Unrealized (gain) loss on securities	\$ 51,169	\$ 26,153
Changes in assets and liabilities:		
Receivables and margin deposits	\$ (3,924,718)	\$ 2,024,946
Inventories	\$ (5,058,162)	\$ 15,570,419
Prepays	\$ 2,855,959	\$ (6,925,789)
Exchange traded hedges and forward contracts	\$ (162,443)	\$ 359,055
Payables	\$ 8,915,548	\$ (23,734,447)
NET CASH FROM (USED FOR) OPERATING ACTIVITIES	<u>\$ 23,012,235</u>	<u>\$ 10,608,496</u>
<u>INVESTING ACTIVITIES</u>		
Purchase of fixed assets	\$ (21,181,304)	\$ (25,604,126)
Proceeds from disposal of fixed assets	\$ 394,895	\$ 570,415
Purchase of marketable securities	\$ (8,542)	\$ (6,542)
Investments in other cooperatives redeemed	\$ 1,587,607	\$ 3,427,298
NET CASH USED FOR INVESTING ACTIVITIES	<u>\$ (19,207,344)</u>	<u>\$ (21,612,955)</u>
<u>FINANCING ACTIVITIES</u>		
Payments on finance lease payable	\$ (16,998)	\$ (16,373)
Payments on long-term debt	\$ (4,145,427)	\$ (3,773,320)
Proceeds from long-term debt	\$ 24,000,000	\$ 1,816,500
Payment of prior year dividends	\$ (8,119,002)	\$ (5,905,939)
Payment of prior year patronage credits	\$ (4,497,038)	\$ (6,099,678)
NET CASH USED FOR FINANCING ACTIVITIES	<u>\$ 7,221,535</u>	<u>\$ (13,978,810)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ 11,026,426	\$ (24,983,269)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>\$ 12,908,344</u>	<u>\$ 37,891,613</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 23,934,770</u>	<u>\$ 12,908,344</u>
<u>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</u>		
Cash paid during the period for:		
Interest	\$ 973,736	\$ 222,844
Income taxes paid	\$ 1,022,568	\$ 884,187
<u>SUPPLEMENTAL DISCLOSURES OF NONCASH</u>		
<u>INVESTING AND FINANCING ACTIVITIES</u>		
Patronage dividends payable	\$ 6,050,000	\$ 8,000,000
Trade in allowances on fixed assets	\$ 36,608	\$ 1,156,435