



# 2025 Annual Report



# *Reflections*

<b>HIGHLIGHTS</b>	<b>Year Ended</b>	
	<b>Dec. 31, 2025</b>	<b>Dec. 31, 2024</b>
<b>Total Members' Equity</b>	<b>\$20,095,000</b>	<b>\$24,696,000</b>
<b>Income from ProGold LLC</b>	<b>\$6,461,000</b>	<b>\$6,240,000</b>
<b>Net Income</b>	<b>\$6,059,000</b>	<b>\$6,041,000</b>
<b>Earnings per Unit</b>	<b>\$0.39</b>	<b>\$0.39</b>

## Financial Review

Golden Growers Cooperative is an agricultural cooperative owned by 1445 members who reside primarily in Minnesota, North Dakota, and South Dakota. The cooperative was created in 1994 with the goal of adding value to members' corn by processing it into value added products. Golden Growers and Cargill Inc. are 50/50 partners in ProGold, LLC which owns the ProGold Corn Milling Facility in Wahpeton, ND.

Effective March 1st, 2022, ProGold, LLC amended its lease agreement with Cargill Inc. to operate the ProGold corn wet-milling facility through December 31st, 2026. Under this agreement, ProGold retains ownership of the facility and receives rent of \$15.5 million for 2022-3, \$16 million for 2024-6. ProGold committed infrastructure maintenance spending of \$750,000 per year for 2022-3 and \$500,000 per year for 2024-6. Cargill will deploy capital for several approved projects. They will hold a leasehold interest in these capital projects and receive the benefit of depreciation during the lease period.

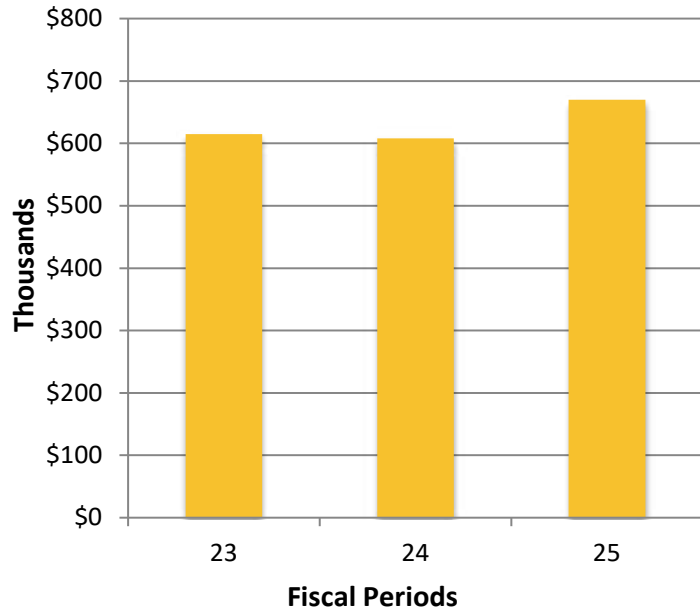
The 2022 agreement allowed for Golden Growers and Cargill to enter into an integrated JV agreement to operate the facility if certain conditions could be met. In December of 2024, Golden Growers and Cargill announced that an integrated JV agreement was not possible and that Cargill will purchase Golden Growers interest in ProGold for \$81,000,000 within 30 days of the end of the current lease that expires December 31, 2026.

Golden Growers is registered as a Minnesota cooperative governed by Minnesota statute 308B. The financial reports presented in this document reflect audited financial reports for the periods ending December 31, 2025, 2024, and 2023.

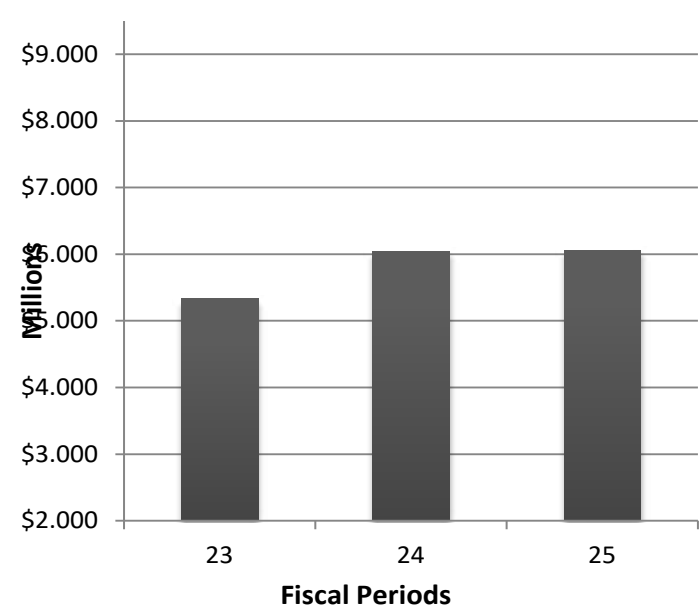
For the year ended December 31, 2025, Golden Growers had net income of \$6,059,000, compared with a net income of \$6,041,000 for 2024, and \$5,331,000 for 2023.

ProGold's net income for the twelve months ending December 31 of 2025 was \$12,922,000 compared to \$12,480,000 for calendar year 2024, and \$12,169,000 for calendar year 2023.

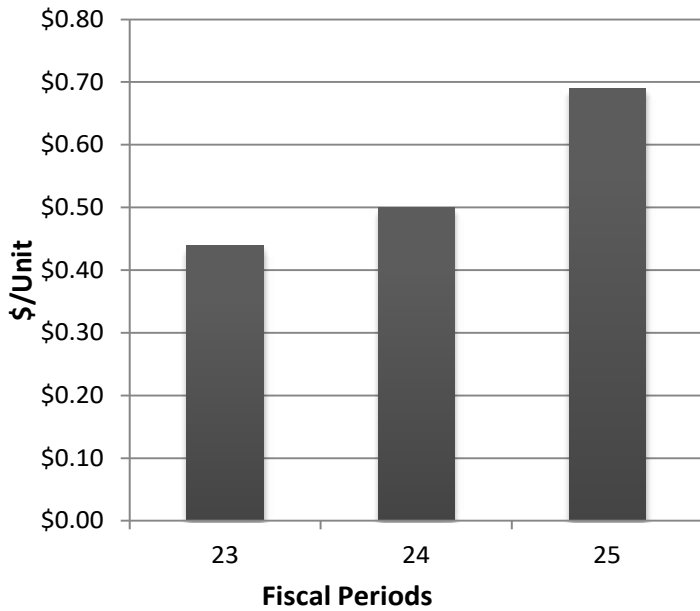
### General & Admin Expenses



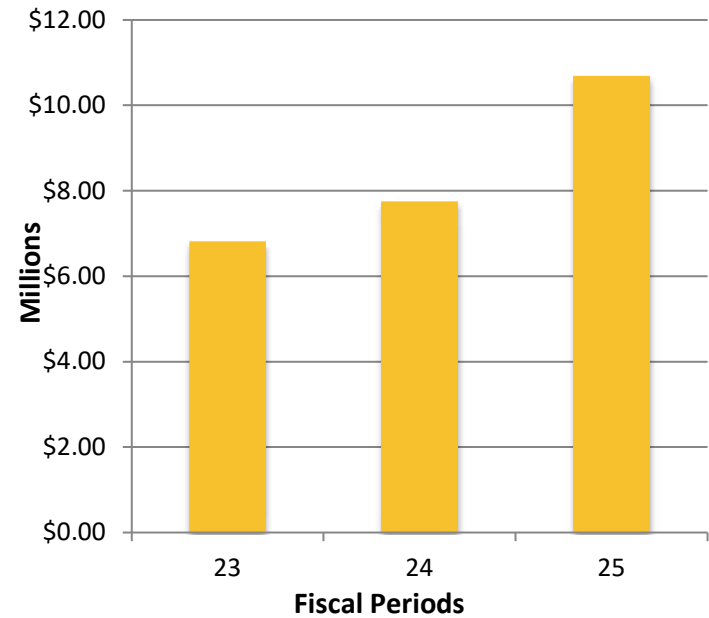
### Net Earnings



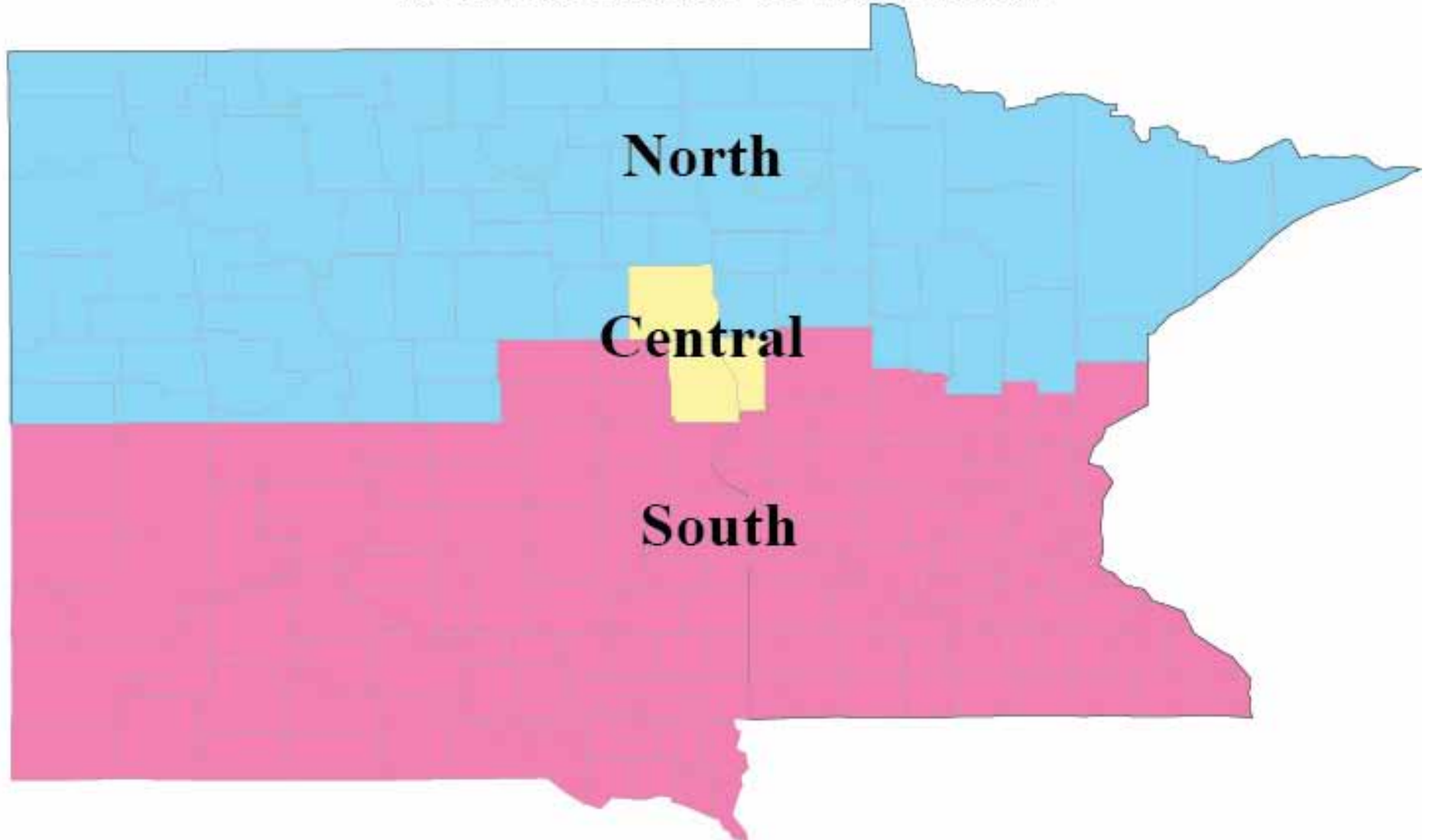
### Distributions Per Unit



### Distributions to Members



# Territorial Districts



This communication contains discussion of some of our expectations regarding Golden Growers Cooperative and ProGold LLC's future performance. These forward looking statements are based on our current views and assumptions. Actual results could differ materially from these current expectations and forecasts, and from historical performance. Members should consider such risks and uncertainties when evaluating any forward-looking statement and not put undue reliance on any forward-looking statements. Golden Growers Cooperative undertakes no obligation to update any forward-looking statements in this presentation to reflect future events or developments.

# Board of Directors and Management

## North



Blane Benedict  
Sabin, MN  
*Secretary*



David Kragnes  
Felton, MN  
*1st Vice Chair*

## Central



Chris Johnson  
Wahpeton, ND



Nicolas Pyle  
Casselton, ND  
*Chairman*



Scott Stofferahn  
*Executive Vice President*

## South



Richard Bot  
Minneota, MN



Larry Vipond  
Herman, MN  
*Treasurer*

## At Large



Mark Harless  
Borup, MN



Glenn Johnson  
Mayville, ND



Brady Koehl  
Hancock, MN  
*2nd Vice Chair*



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Salt Lake City, UT 84119  
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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee, Board of Directors and Members of  
Golden Growers Cooperative  
West Fargo, ND

### Opinion on the Financial Statements

We have audited the accompanying balance sheet of Golden Growers Cooperation (the Company) as of December 31, 2025, and 2024, and the related statements of operations, comprehensive income, changes in members' equity, and cash flows for each of the years then ended December 31, 2025, and 2024, and the related notes (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and 2024, and the results of its operations and its cash flows for each of the years ended December 31, 2025, and 2024, in conformity with accounting principles generally accepted in the United States of America.

### Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting.

As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Emphasis of Matter

We draw attention to Note 8 to the financial statements, which describe the ProGold Limited Liability Company Operating Agreement with Cargill that contains an option for Cargill to acquire Golden Growers Cooperative's interest in ProGold, LLC., at the end of the Facility Lease between ProGold and Cargill, which expires December 31, 2026, under specified conditions. Cargill has determined to acquire Golden Growers Cooperative's interest in ProGold, LLC., with such transaction to be effective within thirty (30) days of the expiration of the Facility Lease. Our opinion is not modified in respect to this matter.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there is no critical audit matters found as of December 31, 2025 and 2024.

Haynie & Company  
Salt Lake City, UT  
March 17, 2026

We have served as **Golden Growers Cooperative's** auditor since 2024.



## MANAGEMENT'S DISCUSSION OF FINANCIAL RESPONSIBILITY

The management of Golden Growers Cooperative is responsible for the preparation, integrity and objectivity of the accompanying financial statements and related information contained in this annual report. The accompanying financial statements have been prepared in conformity with generally accepted accounting principles. Where appropriate, management has included estimates and judgments it believes are reasonable under the circumstances.

As a means of fulfilling its responsibility for the integrity of financial information included in this annual report, management has established a system of internal controls to obtain reasonable assurance that assets are safeguarded and transactions are properly recorded. Although no system of internal controls can detect and prevent all errors and irregularities, management believes the established system provides reasonable assurance that material errors and irregularities will be detected. The Board of Directors has also engaged independent certified accountants to review and assess the effectiveness of the internal accounting control system and to audit the cooperative's financial statements.

The Board of Directors has formed a finance committee to meet on a regular basis to review accounting, internal control, auditing and financial reporting matters. In addition, the finance committee meets with independent certified public accountants to discuss the planning and results of their audits.

Scott B. Stofferahn  
Executive Vice President

## Reflections

2026 will be our last annual members meeting. This is somewhat of a bittersweet for us as we look back on the history of Golden Growers and forward to our final days in just over a year from now.

On July 27th, 1993 a steering committee of farmers met formally for the first time as Northern Corn Processors Cooperative (NCPC). They discussed a feasibility study for the development of a corn wet milling plant. Members of the steering committee included leaders from other cooperatives, people with experience in value added agriculture, and farm leaders involved in other efforts to add value to their corn crop.

There was a lot of work to do. And over the course of the next year, ProGold LLC was formed and staffed, feasibility studies were commissioned, and site selection was in the works.

NCPC held eleven regional meetings in April of 1994 with over 2200 potential members contributing over \$1.7 million in 'seed' money to finance development. In June, NCPC officially changed its name to Golden Growers Cooperative (GGC), articles of incorporation were filed, bylaws and a growers agreement drafted, and a prospectus prepared. By December of 94, 2045 farmers contributed \$54 million to purchase shares in the fledgling cooperative.

In March of 95, the ProGold LLC board determined Wahpeton, ND as its preferred site. Construction was slated to begin in May with completion scheduled for late 1996.

It was a whirlwind of events which seemed overwhelming. The undertaking took significant leadership and that rested with the steering committees of ProGold and Golden Growers.

Clouds were on the horizon, however. HFCS capacity rapidly increased, but the market hadn't kept up. And anticipated exports to Mexico were unrealized. In September of 96, the ProGold plant began grinding corn and the plant appeared to be running well. But over the course of the next year, plant capacity was not fully utilized due to anemic market access, losses significantly exceeded projections and the next year looked even worse.

The ProGold Board faced a harsh reality. It was clear they would quickly spend down remaining working capital if they didn't take action. After considering their options, Cargill was selected to lease the plant. Over the next 10 years, debt would be paid down and equity in the plant would be preserved for its members.

Cargill would ultimately renew their lease three more times. MinnDak would its interest to American Crystal, Cargill would purchase American Crystal's interest and become 50/50 partners with Golden Growers. Soon, Cargill will purchase Golden Growers' interest in the ProGold plant. In about one year from now, Golden Growers will be returning that equity to our members. Equity that could have been lost without the leadership and courage of our early leaders.

I often wonder what those initial meetings were like as ProGold and GGC Boards moved this project forward while facing very difficult challenges. My father, Harvey Pyle, was on that 1995 original elected GGC board. I was sixteen years old, and he was mum about what went on in those board meetings. I often marvel at what occurred and am so proud to have been part of the journey that began so many years ago.

We have a lot to be thankful for. But most of all, we are thankful for the loyalty of our members who kept the faith in our cooperative through good times and in bad.

Nick Pyle, Golden Growers Cooperative Chairman

## BALANCE SHEETS

### Golden Growers Cooperative

December 31,

(in thousands)

2025

2024

## ASSETS

### Current Assets

Cash and Cash Equivalents

\$ 1,197 \$ 1,307

Short-Term Investments

4,638 7,328

Other Current Assets

277 298

Total Current Assets

6,112 8,933

Long-term Investments

47 379

Investment in ProGold Limited Liability Company

14,121 15,588

Total Assets

\$ 20,283 \$ 24,900

## LIABILITIES AND MEMBERS' EQUITY

### Current Liabilities

Accounts Payable

\$ - \$ -

Accrued Liabilities

188 204

Total Current Liabilities

188 204

Commitments and contingencies (Note 8)

### Members' Equity

Members' Equity

20,103 24,732

Membership Units, Authorized 60,000,000 Units, Issued  
and Outstanding 15,490,480 as of December 31, 2022 and 2021

Accumulated Other Comprehensive Loss

(8) (36)

Total Members' Equity

20,095 24,696

Total Liabilities and Members' Equity

\$ 20,283 \$ 24,900

See accompanying Report of Independent Registered Public Accounting Firm and Notes to Financial Statements

## STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

### OPERATIONS

<b>Golden Growers Cooperative</b> (in thousands)	<b>Year Ended</b> <b>December 31, 2025</b>	<b>Year Ended</b> <b>December 31, 2024</b>
Corn Revenue	\$ 62,279	\$ 1,998
Corn Expense	(62,293)	(62,033)
Net Income from ProGold Limited Liability Company	6,461	6,240
General & Administrative Expenses	<u>(608)</u>	<u>(608)</u>
Net Income from Operations	5,777	5,597
Other Income	<u>282</u>	<u>444</u>
Net Income	<u>\$ 6,059</u>	<u>\$ 6,041</u>
Weighted Average Shares/Units Outstanding	<u>15,490,480</u>	<u>15,490,480</u>
Earnings per Share/Membership Unit Primary and Fully Diluted	<u>\$ 0.39</u>	<u>\$ 0.39</u>

### COMPREHENSIVE INCOME

<b>Golden Growers Cooperative</b> (in thousands)	<b>Year Ended</b> <b>December 31, 2025</b>	<b>Year Ended</b> <b>December 31, 2024</b>
Net Income	\$ 6,059	\$ 6,041
Unrealized gain (loss) on investments	<u>28</u>	<u>(3)</u>
Comprehensive Income	<u>\$ 6,087</u>	<u>\$ 6,038</u>

## STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Golden Growers Cooperative (in thousands)	Total Members' Equity
<b>BALANCE, DECEMBER 31, 2023</b>	\$ 26,403
Net Income	6,041
Member Distributions	(7,745)
Unrealized loss on investments	(3)
<b>BALANCE, DECEMBER 31, 2024</b>	\$ 24,696
Net Income	6,059
Member Distributions	(10,688)
Unrealized loss on investments	28
<b>BALANCE, DECEMBER 31, 2025</b>	\$ 20,095

## STATEMENTS OF CASH FLOWS

Golden Growers Cooperative (in thousands)	For the Years Ended December 31	
	2025	2024
Cash Flows from Operating Activities		
Net Income	\$ 6,059	\$ 6,041
Net (Income) from ProGold LLC	(6,461)	(6,240)
Realized (Gain)Loss - Investments	-	-
Changes in Assets and Liabilities		
Other Current Assets	22	20
Accrued Liabilities and Payables	(16)	(217)
Net Cash Used in Operating Activities	(396)	(396)
Cash Flows from Investing Activities		
(Purchase) Sale of Investments	(6,544)	(8,802)
Proceeds from investments	9,594	8,428
Distribution received from ProGold LLC	7,924	7,725
Net Cash Provided by Investing Activities	10,794	7,351
Cash Flows from Financing Activities		
Member Distributions Paid	(10,688)	(7,745)
Net Cash Used by Financing Activities	(10,688)	(7,745)
Decrease in Cash and Cash Equivalents	(110)	(790)
Cash and Cash Equivalents, Beginning of Year	1,307	2,097
Cash and Cash Equivalents, End of Year	\$ 1,197	\$ 1,307
Supplemental Schedule of Non-Cash and Investing Activity		
Investing Activity		
Unrealized Gain(Loss) on Investments	\$ 28	\$ (3)

See accompanying Report of Independent Registered Public Accounting Firm and Notes to Financial Statements

## NOTE 1 - NATURE OF OPERATIONS

**Organization** - Golden Growers Cooperative was initially organized as a North Dakota member-owned cooperative incorporated on January 19, 1994 (“GG-ND”). GG-ND and two other partners, one of whom was American Crystal Sugar Company (“ACSC”) entered into a joint venture that formed ProGold Limited Liability Company, a Minnesota limited liability company (“ProGold”) which designed and constructed a corn wet-milling facility in Wahpeton, North Dakota (the “Facility”). Effective March 1, 2022, Cargill exercised its Option to purchase a 50% interest in ProGold from American Crystal Sugar. Simultaneously with the exercise of the Option, the Cooperative, pursuant to the Consent Agreement, elected to purchase American Crystal’s remaining 1% interest in ProGold. Under the joint venture, GG-ND (and indirectly its members) had the right and obligation to deliver corn to be processed at the Facility. In 1997, the Facility was leased to Cargill Incorporated (“Cargill”) who continues to operate the Facility. In connection with the Option exercise, ProGold and Cargill entered into that certain First Amended and Second Amended and Restated Facility lease, effective March 1, 2022, which extended the term of the Facility Lease through December 31, 2026.

On July 29, 2009 GG-ND formed a wholly owned cooperative subsidiary in the state of Minnesota (GG-MN), organized under Minnesota Statutes chapter 308A, solely for the purpose of reincorporating into the state of Minnesota. On September 1, 2009, GG-ND merged into GG-MN and reincorporated into the state of Minnesota. Immediately after the merger, GG-MN statutorily converted into a cooperative association governed under Minnesota Statutes 308B. As a result of its reincorporation and reorganization Golden Growers — North Dakota, a North Dakota cooperative association historically taxed as a tax-exempt cooperative under Subchapter T of the Internal Revenue Code, became Golden Growers Cooperative, a Minnesota cooperative association governed by Minnesota Statutes chapter 308B as a cooperative for state law purposes but taxed as a partnership under Subchapter K of the Internal Review Code for tax purposes. Golden Growers Cooperative succeeded to the business of Golden Growers — North Dakota and except for changes to the structure and operations as a result of the reincorporation and statutory conversion, continues to operate the business of Golden Growers — North Dakota.

As part of the Conversion, GG-ND’s members exchanged their shares of Class A Common Voting Membership Stock and Class B Non-Voting Equity Stock for identical and equal shares of such stock in GG-MN. Each member’s single share of Class A Common Voting Membership Stock was redeemed for \$150 and each member received membership units in GG-MN equal to the number of shares of Class B Non-Voting Equity Stock each member held in GG-ND prior to the Merger.

Prior to September 1, 2009, ownership of membership stock, which signified membership in the Cooperative, was restricted to producers of agricultural products. The ownership of equity stock was restricted to members of the Cooperative. Preferred stock could be held by persons who were not members of the Cooperative. At August 31, 2009 and 2008, the Cooperative had 10,000 shares of non-voting, \$1,000 par-value preferred stock authorized, of which none were issued or outstanding. Equity requirements, as determined by the board of directors, could be retained from amounts due to patrons and credited to members’ equity in the form of unit retains or allocated patronage.

The Cooperative reserved the right to acquire any of its stock offered for sale and the right to recall the stock of any member. In the event this right was exercised, the consideration paid for such stock was 25% of its book value.

Beginning September 1, 2009, ownership of membership units is available to any person or entity residing in the United States of America. Net proceeds or losses will be allocated to members on the basis of their patronage of the Cooperative.

In connection with the Conversion, the Cooperative changed its fiscal year end to December 31.

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Significant Accounting Policies:

**Receivables** — The Cooperative charges members an agency fee in connection with corn procurement services provided to the members. The Cooperative has tracked historical loss information for its member receivables and has compiled historical credit loss percentages for different aging categories. The Cooperative's member receivables are included in Other Current Assets in the accompanying balance sheets and totaled \$231,000 as of December 31, 2025 and \$224,000 as of December 31, 2024.

The Cooperative believes that the historical loss information it has compiled is a reasonable base on which to determine expected credit losses for member receivables held at December 31, 2025 and 2024 because the composition of the member receivables at those dates are consistent with that used in developing the historical credit-loss percentages (i.e., the similar risk characteristics of its members and its lending practices have not changed significantly over time). Additionally, the Cooperative has determined that the current and reasonable and supportable forecasted economic conditions are consistent with the economic conditions included in the historical information. As a result, the historical loss rates have not been adjusted for differences in current conditions or forecasted changes. Accordingly, there was no allowance for credit losses at December 31, 2025 and 2024.

**Investments** – The Cooperative's investment in ProGold is recorded at historical cost plus its pro-rata share of ProGold's net income and additional paid-in capital less distributions received from ProGold.

The Cooperative classifies its debt securities into held-to-maturity, trading, or available-for-sale categories. Debt securities are classified as held-to-maturity when the Cooperative has the positive intent and ability to hold the securities to maturity. Held-to-maturity securities are recorded as either short-term or long-term on the balance sheet based on contractual maturity date and are stated at amortized cost. Debt securities not classified as held-to-maturity or as trading are classified as available-for-sale and are carried at fair market value, with unrealized gains and losses included in the determination of comprehensive income and reported as a component of stockholders' equity.

The Cooperative establishes an allowance for credit losses on debt securities where the fair value is less than the amortized cost basis to the extent the unrealized loss is due to credit losses. The expected credit losses are presented as loss on investments in the accompanying statement of operations. The Cooperative's process for establishing the allowance for

credit losses considers the risk characteristics of the security class. To the extent possible, losses are estimated collectively for classes of securities with similar risk characteristics. For securities that do not share similar risk characteristics with others, the losses are estimated individually. For available-for-sale debt securities, losses are estimated at the individual security level. The Cooperative's allowance for credit losses are influenced by a variety of factors, including portfolio credit quality and general economic conditions. General economic conditions are forecasted using economic variables which will create volatility as those variables change over time. The Cooperative's allowance for credit losses on its held to maturity securities and its available for sale securities was not significant as of December 31, 2025 and 2024. The Cooperative did not recognize any credit losses on its held to maturity securities and available for sale securities for the years ended December 31, 2025 and 2024.

**Cash and Cash Equivalents** — The Cooperative considers all demand accounts and overnight sweep accounts to be cash equivalents. Cash equivalents do not include money market accounts maintained by the Cooperative's investment managers. Cash equivalents do not include any investment with a stated maturity date, regardless of the term to maturity.

**Income Taxes** – Golden Growers Cooperative is taxed as a limited liability company under Subchapter K of the Internal Revenue Code. As such, the Cooperative is generally not subject to income taxes. Instead, net income is reported by its members who will be responsible for any income taxes which may be due. The Cooperative's net financial basis in its assets and liabilities exceeded its tax basis by approximately \$4.5 million and \$5.3 million as of December 31, 2025 and 2024, respectively.

**Property and Equipment** — Property and equipment are stated at cost. Depreciation on assets placed in service is provided using the straight-line method over estimated useful lives ranging from 5 to 10 years.

**Accounting Estimates** — The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Revenue Recognition** — Revenue from marketing of members' corn is recognized as a point in time upon delivery of the corn to the cooperative.

## NOTE 2 - Continued

The Cooperative's members are contractually obligated to annually deliver corn to the Cooperative by either Method A or Method B or a combination of both. Under Method A, a member is required to physically deliver corn to the cooperative and under Method B, the Cooperative, at the request of the member, arranges for the acquisition and delivery of corn on the member's behalf. For those members delivering under Method A, the Cooperative has an agreement with Cargill, Inc. ("Cargill") in which Cargill coordinates the delivery of the corn to the ProGold plant by the Cooperative's members. For those members delivering under Method B, the Cooperative has an agreement with Cargill in which Cargill acquires corn on behalf of the Cooperative's members in fulfillment of the members' delivery commitments. In exchange for these services, the Cooperative pays Cargill an annual fee of \$60,000, paid in quarterly installments.

In fiscal year 2025, the Cooperative paid members who deliver corn under Method A an incentive payment of \$.05 per bushel while members who elect Method B to deliver corn pay the Cooperative a \$.02 per bushel fee for the cost of having the Cooperative deliver corn on their behalf. For fiscal year 2026, the Cooperative will pay a \$.05 per bushel Method A incentive payment and assess a \$.02 Method B fee. The board has the discretion to change the incentive fees based on the Cooperative's corn delivery needs. The delivery fees are a component of Corn Expense.

With respect to all Method A corn deliveries, members who deliver corn under Method A are paid the market or contracted price for their corn. However, per agreement with the Cooperative, Cargill reports the purchase price as the product of Method A bushels delivered during a month and the average market price for the month. If at the conclusion of the year, a Method A member fails to fully satisfy the corn delivery requirement, Cargill will purchase replacement corn. The member with a Method A shortfall will be responsible for a purchased corn fee payable to Cargill and a fee determined by the Board of Directors for all bushels needed to complete their annual Method A delivery.

With respect to Method B corn deliveries, the Cooperative shall notify

Cargill of the number of Method B bushels to be purchased during the quarter. Cargill will certify to the Cooperative that it has purchased the necessary Method B bushels. Method B corn revenue will be determined to be equal to the price paid. The Cooperative has determined Corn Expense for Method B deliveries based on the average quarterly market price per bushel reported by Cargill to the Cooperative's members for Method A quarterly deliveries.

**Concentrations** - Several times during the year, the Cooperative maintained a cash balance in excess of the Federal Deposit Insurance Corporation ("FDIC") limits. At December 31, 2025, the Cooperative's cash balance exceeded the FDIC insurance limits by approximately \$1.0 million.

**Fair Value Measurements** - The Cooperative has determined the fair value of certain assets and liabilities in accordance with the provisions of Accounting Standards Codification ("ASC") 820-10, which provides a framework for measuring fair value under generally accepted accounting principles.

ASC 820-10 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820-10 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820-10 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

## NOTE 3 - RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Beginning in 2024 annual reporting, the Cooperative adopted Accounting Standards Update (ASU) No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures (ASU 2023-07) that was issued by the Financial Accounting Standards Board (FASB).

This new standard requires an enhanced disclosure of significant segment expenses on an annual basis. Upon adoption, the guidance was applied retrospectively to all prior periods presented in the financial statements.

## NOTE 3 - CONTINUED

### *Operating Segments and Related Disclosures*

The Cooperative is managed as a single reportable operating segment, which markets members' corn for processing at ProGold LLC's corn wet-milling plant, and derives income from its investment in ProGold LLC. The single segment information aligns with how the Cooperative's Chief Operating Decision Maker ("CODM") reviews and manages the Cooperative's business. The Cooperative's CODM is the Executive Vice President.

Financial information and annual operating plans and forecasts are prepared and reviewed by the CODM at the entity level. The CODM assesses

performance for the segment and decides how to better allocate resources based on net income that is reported on the Statements of Operations. The Cooperative's objective in making resource allocation decisions is to optimize the financial results. The accounting policies of the Cooperative's single segment are the same as those described in the summary of significant accounting policies herein.

For single reportable segment-level financial information, total assets, and significant non-cash transactions, see Financial Statements.

## NOTE 4 - PROGOLD LIMITED LIABILITY COMPANY

For 2023, 2024, and 2025 the Cooperative had a 50% ownership in ProGold LLC. Following is summary financial information for ProGold LLC. (in thousands):

	<u>December 31</u>	
	<u>2025</u>	<u>2024</u>
Current Assets	\$ 255	\$ 293
Long-Term Assets	<u>28,042</u>	<u>30,969</u>
Total Assets	<u>\$ 28,297</u>	<u>\$ 31,262</u>
Current Liabilities	\$ 49	\$ 88
Long-Term Liabilities	<u>-</u>	<u>-</u>
Total Liabilities	49	88
Members' Equity	<u>28,248</u>	<u>31,174</u>
Total Liabilities and Members' Equity	<u>\$ 28,297</u>	<u>\$ 31,262</u>
Rent Revenue on Operating Lease	\$ 16,230	\$ 15,825
Expenses	<u>3,308</u>	<u>3,345</u>
Net Income	<u>\$ 12,922</u>	<u>\$ 12,480</u>

## NOTE 5 - INVESTMENTS

The Cooperative has determined fair value of its investments based on Level 2 inputs (in thousands).

	Level 1	Level 2	Level 3	Total
December 31, 2025				
Corporate Bonds - Held to Maturity	\$ -	\$ 366	\$ -	\$ 366
Fixed Income Funds	-	737	-	737
Money Market & CD's	-	3,570	-	3,570
	<u>\$ -</u>	<u>\$ 4,673</u>	<u>\$ -</u>	<u>\$ 4,673</u>
December 31, 2024				
Corporate Bonds - Held to Maturity	\$ -	\$ 2,665	\$ -	\$ 2,665
Fixed Income Funds	-	710	-	710
Money Market & CD's	-	4,328	-	4,328
	<u>\$ -</u>	<u>\$ 7,703</u>	<u>\$ -</u>	<u>\$ 7,703</u>

The Cooperative's investments are as follows as of December 31, 2025 and 2024 (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2025				
Corporate Bonds - Held to Maturity	\$ 378	\$ 1	\$ (13)	\$ 366
Fixed Income Funds	745	-	(8)	737
Money Market & CD's	3,570	-	-	3,570
	<u>\$ 4,693</u>	<u>\$ 11</u>	<u>\$ (21)</u>	<u>\$ 4,673</u>
December 31, 2024				
Corporate Bonds - Held to Maturity	\$ 2,669	\$ 17	\$ (21)	\$ 2,665
Fixed Income Funds	746	-	(36)	710
Money Market & CD's	4,328	-	-	4,328
	<u>\$ 7,743</u>	<u>\$ 17</u>	<u>\$ (57)</u>	<u>\$ 7,703</u>

## NOTE 5 - INVESTMENTS, Continued

Corporate bond maturities are as follows as of December 31, 2025 (in thousands):

	Net Carrying Amount	Fair Value
Due in 1 Year or Less	\$ 331	\$ 331
Due in 2 to 5 Years	-	-
Due in 6-10 Years	<u>47</u>	<u>35</u>
	<u>\$ 378</u>	<u>\$ 366</u>

The following table shows the gross unrealized losses and fair value of the Cooperative's Securities with unrealized losses that are not deemed to have credit losses, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2025 and 2024:

	Less than 12 months		More than 12 months	
	Fair Value	Gross Unrealized Gains	Fair Value	Gross Unrealized Gains
December 31, 2025 Corporate Bonds - Held to Maturity	\$ -	\$ -	\$ 134	\$ (13)
Fixed Income Funds - Available for Sale	<u>466</u>	<u>(1)</u>	<u>194</u>	<u>(7)</u>
	<u>\$ 466</u>	<u>\$ (1)</u>	<u>\$ 328</u>	<u>\$ (20)</u>
December 31, 2024 Corporate Bonds - Held to Maturity	\$ 36	\$ (16)	\$ 95	\$ (5)
Fixed Income Funds	<u>34</u>	<u>-</u>	<u>676</u>	<u>(36)</u>
	<u>\$ 70</u>	<u>\$ (16)</u>	<u>\$ 771</u>	<u>\$ (41)</u>

The Cooperative has determined that the unrealized losses are deemed to be temporary impairments as of December 31, 2025 and 2024. The Cooperative believes that the unrealized losses generally are caused by interest rate increases and increases in the risk premiums required by market participants rather than an adverse change in cash flows or a fundamental weakness in the credit quality of the issuer or underlying assets.

## NOTE 6 - INCOME TAXES

The Cooperative follows the provisions of ASC 740-10 related to accounting for uncertainty in income taxes.

The Cooperative had no unrecognized tax benefits on December 31, 2025 and 2024. No interest or penalties are recognized in the statements of operations or in the balance sheets.

The Cooperative recognized no income tax expense for the years ended December 31, 2025 and 2024.

## **NOTE 7 - EMPLOYEE BENEFIT PLANS**

*Pension Plan* – In December 2012, the Cooperative approved a change to freeze the Cooperative’s defined benefit pension plan as of January 1, 2013. As a result, no additional benefits accrued to participants in the plan. During the years ended December 31, 2025 and 2024, there were no pension expenses.

In December 2022, the Cooperative approved a resolution to terminate the plan on March 31, 2023. The process of terminating the plan included the purchase of annuities from the assets of the plan to satisfy payment of vested benefits to the remaining participant as prescribed by the Pension Benefit Guarantee Corporation’s standard termination process. There were sufficient funds to purchase an annuity for the plan’s remaining participant to pay all of the benefits owed under the plan. In May 2024, excess funds totaling \$37,603 were returned to the Cooperative and in August the Cooperative paid an excise tax to the U.S. Treasury in the amount of \$18,802. The Cooperative was notified of the plan termination on August 6, 2024.

*401(k) Plan* - The Cooperative has a 401(k) plan that covers employees that meet eligibility requirements. The Cooperative’s contributions to the plan totaled \$8,640 and \$7,983 for the years ended December 31, 2025 and 2024, respectively.

## **NOTE 8 - COMMITMENTS AND CONTINGENCIES**

The Cooperative contracted with Cargill, Incorporated in connection with the procurement of corn which includes payments of \$60,000 in 2025. The contract continues through 2026.

On March 1, 2022, the Cooperative and Cargill entered into that certain ProGold Limited Liability Company Operating Agreement (the “Operating Agreement”). The Operating Agreement defined a triggering event, whereby the Cooperative and Cargill would work together to finalize a long-term joint venture agreement for the structure, governance and operation of ProGold according to certain operating principles and other guideline terms. In December of 2024, the Cooperative and Cargill determined that a long-term joint venture would not be possible and that Cargill will purchase the Cooperative’s 50% interest in ProGold for \$81 million within 30 days following expiration of the Facility Lease pursuant to the terms of the Operating Agreement.

At the 2025 Annual Member Meeting, the Cooperative’s members approved a Plan of Liquidation and Dissolution of the Cooperative providing (i) for approval of the sale of the Cooperative’s 50% interest in ProGold pursuant to the terms of the Operating Agreement and distribution of the proceeds of such sale, along with all other assets of the Cooperative, to the members; and (ii) granting the Board of Directors authority to negotiate, execute and file all agreements, documents or instruments necessary to effect such liquidation and dissolution of Golden Growers Cooperative.

## **NOTE 9 - LINE OF CREDIT**

The Cooperative established a \$2,000,000 line of credit with a variable interest rate based on the prime rate that terminates on October 16, 2026. The line of credit is secured by the Investment Management Agency account for Golden Growers maintained by Bell Bank. There is no outstanding balance as of December 31, 2025 and 2024.

## **NOTE 10 - SUBSEQUENT EVENTS**

In January of 2025, the Cooperative declared a distribution of \$3,562,810, or \$0.23 per outstanding membership unit.

Management evaluated all other activity of the Cooperative through March 15, 2025, the date to which the financial statements were available to be issued, and concluded that, other than the matters described above, no other subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**Auditor:**  
Haynie and Company  
Salt Lake City, UT

**Fiscal Year:**  
January 1 through December 31

**Annual Meeting:**  
March 19, 2026  
DoubleTree by Hilton, West Fargo

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