

FALL 2025



Crystal Connections

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Refocusing for the Future

— Mitch Altermatt, CEO



This fall marks a season of change not just for me personally, but for Crystal Valley as a whole. I stepped into the role of CEO earlier this year. While I'm still learning the ins and outs of the cooperative, I've already seen the strength of our people, assets, and communities.

I grew up on a farm in Wabasso, Minnesota, and that experience continues to shape how I think and lead. I'm a farm kid turned businessman, with a career rooted in agriculture and the cooperative system. Agriculture has always been part of my life, and by staying actively involved in my family's farm today, I stay grounded in the same realities our members face.

Before joining Crystal Valley, I served as CEO of United Farmers Cooperative and held leadership roles at CHS. My focus has always been the same: serving growers and rural communities across southern Minnesota.

We all know agriculture is under pressure. Input costs are high, margins are thin, and more headwinds are ahead. To remain strong, we need to operate differently. In the months ahead, we will be ultra-focused on streamlining systems, processes, and structure to better utilize our current assets, improving services and driving stronger returns on investment for our member-owners.

I am a firm believer in the cooperative system because it directly benefits the member-owners who choose to do business with us, unlike a multinational or independent competitor whose profits serve themselves. The cooperative system in southern Minnesota has work to do to improve, and I intend to push the limits to make that happen.

We will also focus on working collaboratively, both inside our organization and with neighboring cooperatives. Working together where it makes sense will help minimize overlap in the countryside and strengthen our ability to serve patrons.

There's no quick fix, but we are putting in the work to ensure Crystal Valley remains a stable, dependable partner for years to come. Thank you for your continued support and trust. I look forward to meeting more of you and building a cooperative that keeps its patrons first.



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Year in Review from the Board of Directors

— Gene Meyer, Chairman



The fall of 2024 began with tough conditions across the region with poor crop performance and low grain volumes at all of our locations. In late October and early November, the board made the decision to take a new direction for the cooperative and initiate a leadership change. Roger officially retired at the end of December, and we brought in an interim manager to lead the company during the transition and assist with a full evaluation while we conducted the search for a new CEO.

To support this process, we partnered with Hedlin Ag, who helped us find an excellent pool of candidates. We were pleased with the quality of applicants and confident in the direction we chose.

We also saw a significant change on the Board. Longtime board member Tom Trahms of Janesville retired this year. We want to sincerely thank Tom for his many years of service and dedication to Crystal Valley. His experience and insights will be greatly missed.

In January, we held director elections with two incumbents running alongside four new candidates for three open positions. Both incumbents were re-elected, and we're pleased to welcome Ryan Brandts to the board. Ryan brings a fresh perspective and valuable insight to the boardroom, and we look forward to his contributions.

In late March, after a thorough interview process, we selected our new CEO: Mitch Altermatt. Mitch brings a deep understanding of the cooperative system along with a unique management approach. In his first six months, he has already identified key areas of improvement and is setting a strong vision for the future. We encourage everyone to take the opportunity to meet Mitch. He's eager to listen to members and values your feedback.

In early September, the board held its annual retreat where we reviewed and approved the FY 2026 budget and fixed asset plans. Given the current state of the farm economy, we are

scaling back fixed asset spending and focusing on maximizing the efficiency of the assets we already have in place.

That said, we did complete the new liquid fertilizer addition in Madelia in August. This is a major enhancement to our infrastructure and will serve our patrons well for years to come. Thanks to the continued support of our members, Crystal Valley was able to return over \$4.9 million in patronage in the past 12 months. While FY 2025 is shaping up to be a challenging year due to low grain volumes and cautious producer spending, we are optimistic about FY 2026. Early indications suggest a strong crop year, and we anticipate increased grain movement along with continued agronomy success.

Lastly, we want our members to know that we are always in conversation with neighboring cooperatives, looking for smart ways to collaborate. Our goal is to avoid duplication of assets and improve how we serve our members, both today and into the future.

On behalf of the Board of Directors, thank you for your ongoing support. We wish everyone a safe and successful harvest season and a joyful holiday season ahead.

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Focused on Stability and Service

— Todd Wihlm, Chief Financial Officer



As we close out the fiscal year and prepare for the year ahead, the finance team at Crystal Valley remains focused on building a stronger cooperative for our members.

This past year was marked by significant change, especially in leadership. Even so, we've continued to invest in the future, with approximately \$16 million major improvements in Madelia, including a new bulk weigher in grain and liquid storage facilities in agronomy. Along with upgrades to equipment and facilities, these investments will support greater efficiency and service for years to come.

On the financial side, we recently retired 50% of our 2011 equity, returning \$1.5 million back to members. We're also keeping a close watch on interest rates and credit trends as higher input costs and global uncertainty continue to shape the farm economy. Tight controls and clear payment expectations will be essential moving forward, helping both our members and our cooperative stay on solid footing.

Looking ahead to 2026, our goal is to deliver a positive local margin. Achieving that requires measured internal spending and a strong balance sheet, while also supporting members with tools like deferred grain checks and prepay options that can provide tax benefits and protect against in-season price spikes.

We're grateful for your partnership and want to remind you that our accounting and credit teams are here to help as you make year-end decisions. Together, we can finish this year strong and position Crystal Valley for continued success in 2026.

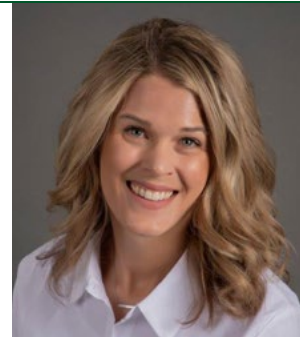


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Investing in People: Growing Our Workforce at Crystal Valley

— Jenny Krohn, Director of Human Resources



I'm excited to be part of the Crystal Valley team and to introduce myself to many of you for the first time. I bring 15 years of human resources experience within the agricultural cooperative sector, most recently from United Farmers Cooperative, where I oversaw human resources and supported seasonal workforce needs, including leading the H-2A program to bring essential labor into our region.

My husband Richard and I live in Courtland, MN, where we own Krohn Construction, LLC and operate a crop farm near Nicollet. We stay plenty busy raising our three boys Mason, Matthew, and Nathan.

At Crystal Valley, I'm focused on building a workforce that supports our mission and serves our patrons well. Like many in agriculture, we're navigating ongoing labor shortages, especially in rural areas. One of the ways we're addressing this is by exploring the H-2A Temporary Agricultural Workers Program, which helps bring in qualified seasonal workers when demand is highest. While this is a new initiative for Crystal Valley, I've seen firsthand how successful this program can be, and I'm optimistic about what it can offer here.

Beyond seasonal support, we're always looking for dedicated individuals to join our team full-time across our agronomy, energy, feed, and grain divisions. If you or someone you know is interested, we encourage you to visit our website and apply online at crystalvalley.coop.

We're also investing in the future of ag through our internship program, offering hands-on opportunities in agronomy operations, agronomy sales, grain, feed, and precision ag. These roles give students real-world experience while helping build the next generation of talent in our industry.

I'm grateful to be part of this cooperative and look forward to meeting more of you in the months ahead. Thank you for your continued support of Crystal Valley. We're proud to serve alongside you!



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Planning Ahead with Agronomy

— Matt Schoper, Vice President of Agronomy



As we reflect on the past year and look ahead to the next, one thing is clear: uncertainty continues to shape today's marketplace. Global conflicts, tariffs, and ongoing supply chain challenges are all affecting availability and pricing across the ag industry.

Despite these hurdles, we were able to meet product needs across all areas last season. However, it often required sourcing from farther away than usual. That's why early communication remains critical. When you share your needs ahead of time, we can better plan and secure inventory to support your operation when it matters most.

One of the most effective ways to help with that planning is by prepaying for products rather than waiting until the season is underway. As we approach prepay season, it's important to recognize that global uncertainty has made it more difficult and riskier to keep sheds fully stocked without clear demand. Complex tariffs, including some tied to fentanyl-related regulations, add further challenges and make it hard to know the final cost of certain products until they are in our possession.

Prepaying allows us to take secure positions in the market, helping reduce risk for both you and your member-owned cooperative. It gives us the ability to lock in products and pricing while ensuring timely access for your operation.

On a more exciting note, we're proud to announce the completion of our Madelia facility upgrade. This investment includes a newly expanded NH₃ site, a modern chemical shed with increased bulk capacity, and most notably, enhanced capabilities for distributing large volumes of liquid fertilizer.

Thanks to its rail access, the facility can now receive product more efficiently and with greater flexibility. That's a key advantage during peak seasons when truck deliveries can be limited. Even better, the liquid fertilizer system offers 24/7 loadout access, giving you the freedom to refill on your schedule. We truly appreciate your continued trust and investment in Crystal Valley. This new facility is built not only to serve your needs today but also to support the generations of growers to come.





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Safety and Quality is Our Priority

— Doug Lund, Vice President of Energy



As we close out one fiscal year and look ahead to the next, our focus in the energy division remains steady: keeping our customers safe, supplied, and supported.

One of our biggest priorities right now is propane safety. We've been working to update customer systems to ensure everything is fully up to code. These efforts take time, but they're critical to keeping your operations safe and reliable for the long term.

Another important change coming over the next several months is how lubricants are delivered. Once our current inventory is drawn down, deliveries will transition to Cenex Lubricants Terminal (CLT) out of Sibley, Iowa. CLT delivers about 700,000 gallons of oil annually to cooperatives across the region, compared to our 35,000. By leveraging their scale, we'll gain efficiency and improve consistency of service.

For customers, the ordering process will stay the same, contact your salesman or call the office to place an order. The only difference will be delivery frequency. Instead of weekly routes, lubricants may be delivered every two to three weeks, so we encourage you to plan ahead.

We're also excited to announce the launch of our Cardtrol discount program. Beginning in November, members will receive a 10-cent discount at the pump when using your coop card. Be sure your card is active so you can take advantage of this benefit.

Energy may not be as seasonal as other parts of our business, but it plays a critical role in everything we do. Thank you for trusting Crystal Valley to keep your homes, farms, and businesses running smoothly. We look forward to serving you in the year ahead.



Mark Your Calendar!



WINTER CONFERENCE

January 14, 2026

Mayo Clinic Health System Event Center
Civic Center Plaza, Mankato, MN 56001

With Keynote Speaker Jim Morris from
the award winning film "The Rookie"

REGISTRATION DETAILS COMING SOON.

Ready for a Big Harvest

— Ben Buie, Vice President of Grain



As we wrap up the fiscal year and turn the page to a new one, there's a renewed sense of optimism across the grain division at Crystal Valley.

Last year brought its fair share of challenges. Poor crop conditions across our trade area made it a difficult year for many, and when yields suffer, the entire grain system feels the impact. But this fall has brought a welcome change. We've seen strong yields coming in across much of our territory, proof of a big crop and the resilience of local growers.

As always, our top priority during harvest is simple: be here when our growers need us. October and November is about keeping grain moving and helping you get the crop out of the field. Every hour counts, and our team is focused on keeping things running smoothly across all locations.

Because harvest hours can shift quickly depending on weather and volume, we encourage you to check your location's page on our website or log into the portal for the most current updates.

Also, as the long hours of harvest continue, a gentle reminder: don't let fatigue or routine put safety on the back burner. Whether you're in the field, on the road, or in the shop, every safe choice matters. Slow down and be safe.

We're grateful for your partnership and proud to be your grain marketing and handling partner during this busy season and beyond.



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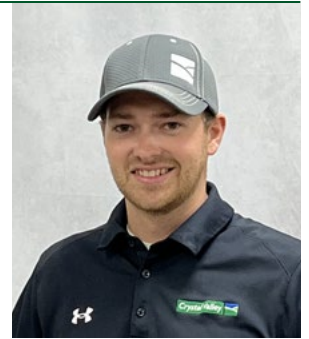




Feed Update

Seasonal Health Risks & Quality Assurance

— Colby Wagenaar, Feed Account Manager



As we move into the colder months, livestock health becomes an even greater concern especially in November, which historically starts to see an uptick in PRRS and other respiratory challenges. At Crystal Valley, we take proactive steps to protect the animals you care for. From daily and weekly truck washdowns to drivers disinfecting and wearing booties between sites, our team is committed to maintaining strict biosecurity protocols that help limit the spread of disease.

But safety is just one piece of the puzzle. We also take pride in delivering a high-quality product every time. Our team puts in the work with maintaining equipment, monitoring ingredient consistency, and conducting regular quality checks so you can be confident in what you're feeding your livestock. Reliable feed leads to more predictable results, better gains, and fewer surprises in the barn.

We're also seeing real opportunities right now, especially as pig placement and sourcing, and nutrition programs continue to evolve. Whether you're managing your own pigs or contracted out, this is a good time to reevaluate your feeding strategy. Reach out to me at colby.wagenaar@crystalvalley.coop or at 507.514.1340 to help find a solution that fits your livestock needs. Let's keep your operation running strong with dependable feed, expert support, and a partner who's always in your corner.

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