



Dear Valued CFS & Nexus Grain Customers,

Year in and year out, our priority remains delivering value and a return on investment to you – our member-owners. To support that goal, we continually review our assets to ensure they align strategically with the needs of our members, offer market access, justify future investment, and support growth and profitability.

Following a recent review, an opportunity arose that we believe represents a strong strategic fit for both our cooperatives and the growers we serve. As a result, Central Farm Service has made the decision to sell its Minnesota Lake and Wells grain locations to Nexus Cooperative. This transition is expected to be finalized in the coming weeks.

This move reflects our shared commitment to the long-term success of both cooperatives—enabling us to reinvest in strategic assets, enhance operational strength, and ensure sustainable, reliable service for the member-owners and communities we serve. This transaction helps Nexus offset the loss of capacity at the nearby Alden facility for Nexus, while providing capital for CFS to reinvest nearby at the Delavan rail facility.

We understand that transitions like this can bring questions, and we are committed to working with you through every step of the change. Our goal remains the same—delivering dependable service, market access, and valuable resources to help your operation succeed. Nexus will be holding informational meetings to address any questions you may have on Tuesday, July 29th at the following times and locations.

8:00 AM - Nexus Emmons Location • 248 State Street, Emmons MN

11:00 AM - Wells Community Center • 189 2nd Street SE, Wells MN (Lunch provided)

5:00 PM - Alden Community Center • 174 N. Broadway, Alden MN

Thank you for your continued trust and support of your local cooperatives.

Sincerely,

KC Graner, CEO, CFS

Jason Schwenneker, CEO, Nexus



Q&A – Minnesota Lake & Wells Grain Elevator Transaction

Q: Why is Central Farm Service selling the Minnesota Lake and Wells grain locations to Nexus Cooperative?

A: Nexus Cooperative has recently identified the need for additional storage space for Harvest 2025 due to the Alden location grain assets being past its useful life.

Working together, the cooperatives identified complimentary opportunities: Nexus purchasing these facilities from CFS helps with offsetting their Alden capacity loss, and CFS utilizing the capital from the transaction to continue to invest in nearby projects at the Delavan CPKCS Rail Shuttle facility.

This decision supports both cooperatives' strategic plans and avoids duplication of assets that serve the nearby geography.

Q: Why doesn't Nexus just build a replacement for Alden?

A: The capital involved in building a new grain elevator with Alden's capacity is prohibitive. The Wells and MN Lake elevators are in good repair and will serve as a much more economical option to utilize. Additionally, Nexus and CFS will work cooperatively to direct overflow bushels to nearby export assets at Delavan.

Q: Will other CFS services still be available in the Minnesota Lake and Wells areas?

A: Yes. CFS will continue to offer agronomy, energy, and feed services in these areas. This sale involves only the grain assets at Minnesota Lake and Wells.

Q: What happens to the employees at these locations?

A: Since the same number of assets will be in use as before, just with different ownership, the same number of employees and jobs will be required in the area.

Q: Does this mean CFS and Nexus are merging?

A: No. CFS and Nexus have a long history of working cooperatively together in the area. For example, CFS has consistently stored and blended dry fertilizer for Nexus out of the Clarks Grove facility in recent years. The two cooperatives will continue to find ways to maximize efficiency and ensure patrons in their overlapping geographies are served well. Currently, CFS and Nexus are not in merger talks.

Q: Who can I contact with more questions?

A: Your local CFS or Nexus grain marketing representative is the best contact for specific questions. The CFS GPPS team will continue to help customers book deliveries to these sites.