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Q2 2022 Supplemental Package

Farmland Partners Inc. (NYSE: FPI) is an internally managed real estate company that owns and seeks to acquire high-quality farmland throughout North America addressing the global demand for food, feed, fiber and fuel.



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Some of the statements contained in this presentation, including statements regarding our full year 2022 guidance, portfolio development approach, our pending acquisitions and dispositions, the potential impacts of trade disputes and weather on the Company’s results, internal rates of return, and other investment opportunities, our future growth prospects and targeted returns, farmland investment characteristics and certain trends, constitute forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “may,” “will,” “should,” “expects,” “intends,” “plans,” “anticipates,” “believes,” “estimates,” “projects,” “predicts,” or “potential” or the negative of these words or similar words, which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

The forward-looking statements contained in this presentation reflect our current views about future events and are subject to numerous known and unknown risks, uncertainties, assumptions and changes in circumstances, many of which are beyond our control, that may cause actual results to differ significantly from those expressed in any forward-looking statement. While forward-looking statements reflect our good faith beliefs, assumptions and expectations, they are not guarantees of future performance. Furthermore, we expressly disclaim any obligation to update or revise any forward-looking statement to reflect changes in the underlying assumptions or factors, new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause our future results to differ significantly from any forward-looking statements, see the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021, and our other filings with the Securities and Exchange Commission.

This presentation contains statistics and other data that has been obtained from or compiled from information made available by third parties. We believe that the information obtained from or compiled by third parties is reliable, but we have not independently verified such information.

Farmland Partners Inc. Reports Second Quarter 2022 Results
FPI Significantly Improves Operating Performance, Reduces Leverage, Raises Guidance, and Continues to Grow Portfolio

DENVER, July 26, 2022 (BUSINESS WIRE) -- Farmland Partners Inc. (NYSE: FPI) (“FPI” or the “Company”) today reported financial results for the three and six months ended June 30, 2022.

Selected Q2 2022 Highlights

During the three months ended June 30, 2022, the Company:

- increased net income by \$5.9 million to \$3.0 million, or \$0.04 per share available to common stockholders, compared to \$(2.9) million, or \$(0.19) per share available to common stockholders, for the same period in 2021;
- increased AFFO by \$4.8 million to \$1.1 million, or \$0.02 per share, from \$(3.6) million, or \$(0.11) per share, for the same period in 2021;
- decreased debt by \$38.4 million, while maintaining \$32.0 million of undrawn capacity under its line of credit, bringing total debt to enterprise value to approximately 33.7%;
- has renewed over one-third of leases expiring in 2022 at average rent increases in excess of 15%; and
- received a federal judge’s dismissal of the class action lawsuit brought against FPI, which stemmed from a 2018 short and distort attack against the Company ([link](#)).

CEO Comments

Paul A. Pittman, Chairman and CEO said: “The second quarter of 2022 was an outstanding quarter in all respects—AFFO increased \$4.8 million and operating income was up over 250% compared Q2 2021. Operations benefitted from higher rents on fixed leases, increased fee revenue resulting from the 2021 acquisition of Murray Wise Associates, and lower capital costs (both interest and preferred distributions) resulting from the significant de-leveraging of the balance sheet. Across all row-crop regions, farmland values continue to appreciate strongly. In addition, we achieved total vindication from the 2018 short and distort scheme through the dismissal of the class action lawsuit against FPI, allowing management to focus attention on growing the business to deliver solid value to our shareholders. Despite pressure on the general economy, our outlook for 2022 remains positive, and we have increased both the bottom and top ends of our guidance range issued in May.”

Financial and Operating Results

- The tables below show financial and operating results for the three and six months ended June 30, 2022 and 2021. The values are shown as reported and after adjusting for litigation items.

Financial Results:	As reported			Adjusted for litigation ⁽¹⁾		
	For the three months ended			For the three months ended		
	June 30,			June 30,		
	2022	2021	Change	2022	2021	Change
Net Income (Loss)	\$ 2,993	\$ (2,865)	NM	\$ 3,326	\$ (735)	NM
Net income (loss) per share available to common stockholders	\$ 0.04	\$ (0.19)	NM	\$ 0.05	\$ (0.12)	NM
AFFO	\$ 1,111	\$ (3,648)	NM	\$ 1,444	\$ (1,518)	NM
AFFO per weighted average common shares	\$ 0.02	\$ (0.11)	NM	\$ 0.03	\$ (0.05)	NM
Adjusted EBITDAre	\$ 5,758	\$ 3,182	81.0 %	\$ 6,091	\$ 5,312	14.7 %

Operating Results:						
	2022	2021	Change	2022	2021	Change
Total Operating Revenues	\$ 12,357	\$ 10,013	23.4 %	\$ 12,357	\$ 9,463	30.6 %
Operating Income	\$ 3,455	\$ 955	261.8 %	\$ 3,788	\$ 3,085	22.8 %
Net Operating Income (NOI) ⁽²⁾	\$ 8,966	\$ 7,638	17.4 %	\$ 8,966	\$ 7,088	26.5 %

- ⁽¹⁾ Legal and accounting expense for the three months ended June 30, 2022 and 2021 included \$0.3 million and \$2.7 million, respectively, related to litigation. Revenue for the three months ended June 30, 2022 and 2021 included \$— million and \$0.6 million, respectively, of litigation settlement proceeds related to the Rota Fortuna case.

- ⁽²⁾ Please note change in the definition of NOI to include cost of goods sold.

Financial Results:	As reported			Adjusted for litigation ⁽¹⁾		
	For the six months ended			For the six months ended		
	June 30,			June 30,		
	2022	2021	Change	2022	2021	Change
Net Income (Loss)	\$ 4,131	\$ (388)	NM	\$ 5,300	\$ 4,250	24.7 %
Net income (loss) per share available to common stockholders	\$ 0.05	\$ (0.21)	NM	\$ 0.07	\$ (0.07)	NM
AFFO	\$ 3,266	\$ (5,259)	NM	\$ 4,435	\$ (621)	NM
AFFO per weighted average common shares	\$ 0.07	\$ (0.16)	NM	\$ 0.09	\$ (0.02)	NM
Adjusted EBITDAre	\$ 12,518	\$ 8,511	47.1 %	\$ 13,687	\$ 13,149	4.1 %

Operating Results:						
	2022	2021	Change	2022	2021	Change
Total Operating Revenues	\$ 26,247	\$ 21,589	21.6 %	\$ 26,247	\$ 21,039	24.8 %
Net Operating Income (NOI) ⁽²⁾	\$ 19,462	\$ 17,033	14.3 %	\$ 19,462	\$ 16,483	18.1 %
Operating Income	\$ 7,773	\$ 4,054	91.7 %	\$ 8,942	\$ 8,692	2.9 %

- ⁽¹⁾ Legal and accounting expense for the six months ended June 30, 2022 and 2021 included \$1.2 million and \$5.2 million, respectively, related to litigation. Revenue for the six months ended June 30, 2022 and 2021 included \$— million and \$0.6 million, respectively, of litigation settlement proceeds related to the Rota Fortuna case.

- ⁽²⁾ Please note change in the definition of NOI to include cost of goods sold.

- See "Non-GAAP Financial Measures" for complete definitions of AFFO, Adjusted EBITDAre, and NOI and the financial tables accompanying this press release for reconciliations of net income to AFFO, Adjusted EBITDAre and NOI.

Acquisition and Disposition Activity

- During the six months ended June 30, 2022, the Company completed nine property acquisitions for total consideration of \$28.2 million.
- During the six months ended June 30, 2022, the Company completed five property dispositions for cash consideration of \$16.9 million and total gain on sale of \$4.0 million (or 30.6%).

Balance Sheet

- During the six months ended June 30, 2022, the Company sold 7.0 million shares of common stock at a weighted average price of \$14.00 for aggregate net proceeds of \$98.4 million under its "at-the-market" offering programs. After the end of the quarter, the Company sold an additional 247,416 shares of common stock at a weighted average price of \$14.17 for aggregate net proceeds of \$3.5 million.

- As of July 22, 2022, the Company had 54,283,413 shares of common stock outstanding on a fully diluted basis.
- The Company had total debt outstanding of \$426.5 million at June 30, 2022, compared to total debt outstanding of \$513.4 million at December 31, 2021. Debt as a percentage of enterprise value was approximately 33.7% at June 30, 2022, compared to approximately 44.1% at December 31, 2021.
- The company had Series A preferred units of \$113.7 million outstanding after the redemption of \$5.0 million of Series A preferred units in the quarter.
- The Company had liquidity of \$51.7 million, consisting of \$19.7 million in cash and \$32.0 million in undrawn availability under its credit facility at June 30, 2022, compared to cash of \$30.2 million at December 31, 2021.

Dividend Declarations

- The Company's Board of Directors declared a quarterly cash dividend of \$0.06 per share of common stock and per Class A Common OP unit. The dividends are payable on October 17, 2022, to stockholders and common unit holders of record on October 1, 2022.

Conference Call Information and Supplemental Package

The Company has scheduled a conference call on July 27, 2022, at 1:00 p.m. (Eastern Time) to discuss the financial results and provide a company update.

The call can be accessed by dialing 1-844-200-6205 (USA), 1-833-950-0062 (Canada), or 1-929-526-1599 (other locations) and using the access code 882915. The conference call will also be available via a live listen-only webcast and can be accessed through the Investor Relations section of the Company's website, www.farmlandpartners.com.

A replay of the conference call will be available beginning shortly after the end of the event until August 8, 2022, by dialing 1-866-813-9403 (USA), 1-226-828-7578 (Canada), or +44 (20) 4525-0658 (other locations) and using the access code 371344. A replay of the webcast will also be accessible on the Investor Relations section of the Company's website for a limited time following the event.

A supplemental package can be accessed through the Investor Relations section of the Company's website.

About Farmland Partners Inc.

Farmland Partners Inc. is an internally managed real estate company that owns and seeks to acquire high-quality North American farmland and makes loans to farmers secured by farm real estate. As of June 30, 2022, the Company owns and/or manages approximately 185,300 acres in 18 states, including Alabama, Arkansas, California, Colorado, Florida, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Michigan, Mississippi, Missouri, North Carolina, Nebraska, South Carolina, and Virginia. We have approximately 26 crop types and over 100 tenants. The Company elected to be taxed as a real estate investment trust, or REIT, for U.S. federal income tax purposes, commencing with the taxable year ended December 31, 2014. Additional information: www.farmlandpartners.com or (720) 452-3100.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the federal securities laws, including, without limitation, statements with respect to our outlook and the outlook for the farm economy generally, proposed and pending acquisitions and dispositions, financing activities, crop yields and prices and anticipated rental rates. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "may," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" or similar expressions or their negatives, as well as statements in future tense. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, beliefs and expectations, such forward-looking statements are not predictions of future events or guarantees of future performance and our actual results could differ materially from those set forth in the forward-looking statements. Some factors that might cause such a difference include the following: the on-going war in Ukraine and its impact on the world agriculture market, world food supply, the farm economy, and our tenants' businesses; general volatility of the capital markets and the market price of the Company's common stock; changes in the

Company's business strategy, availability, terms and deployment of capital; the Company's ability to refinance existing indebtedness at or prior to maturity on favorable terms, or at all; availability of qualified personnel; changes in the Company's industry, interest rates or the general economy; adverse developments related to crop yields or crop prices; the degree and nature of the Company's competition; the timing, price or amount of repurchases, if any, under the Company's share repurchase program; the ability to consummate acquisitions or dispositions under contract; and the other factors described in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and the Company's other filings with the Securities and Exchange Commission. Any forward-looking information presented herein is made only as of the date of this press release, and the Company does not undertake any obligation to update or revise any forward-looking information to reflect changes in assumptions, the occurrence of unanticipated events, or otherwise.

Farmland Partners Inc.
Consolidated Balance Sheets
As of June 30, 2022 (Unaudited) and December 31, 2021
(in thousands)

	June 30, 2022	December 31, 2021
ASSETS		
Land, at cost	\$ 960,593	\$ 945,951
Grain facilities	10,918	10,754
Groundwater	12,602	10,214
Irrigation improvements	53,431	52,693
Drainage improvements	12,528	12,606
Permanent plantings	53,698	53,698
Other	6,975	6,848
Construction in progress	12,804	10,647
Real estate, at cost	1,123,549	1,103,411
Less accumulated depreciation	(41,562)	(38,303)
Total real estate, net	1,081,987	1,065,108
Deposits	531	58
Cash	19,696	30,171
Assets held for sale	83	530
Notes and interest receivable, net	5,855	6,112
Right of use asset	387	107
Deferred offering costs	83	40
Accounts receivable, net	2,457	4,900
Derivative asset	698	—
Inventory	2,962	3,059
Equity method investments	4,148	3,427
Intangible assets, net	1,912	1,915
Goodwill	2,706	2,706
Prepaid and other assets	1,655	3,392
TOTAL ASSETS	\$ 1,125,160	\$ 1,121,525
LIABILITIES AND EQUITY		
LIABILITIES		
Mortgage notes and bonds payable, net	\$ 424,474	\$ 511,323
Lease liability	387	107
Dividends payable	3,239	2,342
Derivative liability	—	785
Accrued interest	2,991	3,011
Accrued property taxes	1,851	1,762
Deferred revenue	1,317	45
Accrued expenses	7,826	9,564
Total liabilities	442,085	528,939
Commitments and contingencies		
Redeemable non-controlling interest in operating partnership, Series A preferred units	113,680	120,510
EQUITY		
Common stock, \$0.01 par value, 500,000,000 shares authorized; 52,742,449 shares issued and outstanding at June 30, 2022, and 45,474,145 shares issued and outstanding at December 31, 2021	515	444
Additional paid in capital	623,748	524,183
Retained deficit	(2,456)	(4,739)
Cumulative dividends	(67,446)	(61,853)
Other comprehensive income	1,857	279
Non-controlling interests in operating partnership	13,177	13,762
Total equity	569,395	472,076
TOTAL LIABILITIES, REDEEMABLE NON-CONTROLLING INTERESTS IN OPERATING PARTNERSHIP AND EQUITY	\$ 1,125,160	\$ 1,121,525

Farmland Partners Inc.
Consolidated Statements of Operations
Three and Six Months Ended June 30, 2022 and 2021
(Unaudited)
(in thousands except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
OPERATING REVENUES:				
Rental income	\$ 9,196	\$ 8,291	\$ 18,741	\$ 18,551
Tenant reimbursements	809	839	1,587	1,777
Crop sales	1,150	237	1,845	453
Other revenue	1,202	646	4,074	808
Total operating revenues	<u>12,357</u>	<u>10,013</u>	<u>26,247</u>	<u>21,589</u>
OPERATING EXPENSES				
Depreciation, depletion and amortization	1,660	1,885	3,411	3,820
Property operating expenses	2,058	1,708	4,013	3,639
Cost of goods sold	1,333	667	2,772	917
Acquisition and due diligence costs	—	—	62	—
General and administrative expenses	3,004	1,897	6,108	3,514
Legal and accounting	816	2,901	2,072	5,643
Other operating expenses	31	—	36	2
Total operating expenses	<u>8,902</u>	<u>9,058</u>	<u>18,474</u>	<u>17,535</u>
OPERATING INCOME	<u>3,455</u>	<u>955</u>	<u>7,773</u>	<u>4,054</u>
OTHER (INCOME) EXPENSE:				
Other income	(34)	(8)	(14)	(52)
Income from equity method investment	(8)	—	(15)	—
Gain on disposition of assets	(3,335)	(74)	(3,995)	(3,467)
Interest expense	3,743	3,902	7,570	7,961
Total other expense	<u>366</u>	<u>3,820</u>	<u>3,546</u>	<u>4,442</u>
Net income (loss) before income tax expense	<u>3,089</u>	<u>(2,865)</u>	<u>4,227</u>	<u>(388)</u>
Income tax expense	96	—	96	—
NET INCOME (LOSS)	<u>2,993</u>	<u>(2,865)</u>	<u>4,131</u>	<u>(388)</u>
Net (income) loss attributable to non-controlling interests in operating partnership	(77)	130	(110)	13
Net income (loss) attributable to the Company	<u>2,916</u>	<u>(2,735)</u>	<u>4,021</u>	<u>(375)</u>
Nonforfeitable distributions allocated to unvested restricted shares	(16)	(14)	(31)	(28)
Distributions on Series A Preferred Units and Series B Preferred Stock	<u>(840)</u>	<u>(3,055)</u>	<u>(1,680)</u>	<u>(6,120)</u>
Net income (loss) available to common stockholders of Farmland Partners Inc.	<u>\$ 2,060</u>	<u>\$ (5,804)</u>	<u>\$ 2,310</u>	<u>\$ (6,523)</u>
Basic and diluted per common share data:				
Basic net income (loss) available to common stockholders	\$ 0.04	\$ (0.19)	\$ 0.05	\$ (0.21)
Diluted net income (loss) available to common stockholders	\$ 0.04	\$ (0.19)	\$ 0.05	\$ (0.21)
Basic weighted average common shares outstanding	50,362	31,072	48,084	30,747
Diluted weighted average common shares outstanding	50,362	31,072	48,084	30,747
Dividends declared per common share	\$ 0.06	\$ 0.05	\$ 0.11	\$ 0.10

Farmland Partners Inc.
Reconciliation of Non-GAAP Measures
Three and Six Months Ended June 30, 2022 and 2021
(Unaudited)

<i>(in thousands except per share amounts)</i>	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
Net income (loss)	\$ 2,993	\$ (2,865)	\$ 4,131	\$ (388)
Gain on disposition of assets	(3,335)	(74)	(3,995)	(3,467)
Depreciation, depletion and amortization	1,660	1,885	3,411	3,820
FFO	1,318	(1,054)	3,547	(35)
Stock-based compensation and incentive	601	334	1,243	585
Deferred impact of interest rate swap terminations	32	127	94	311
Real estate related acquisition and due diligence costs	—	—	62	—
Distributions on Preferred units and stock	(840)	(3,055)	(1,680)	(6,120)
AFFO	\$ 1,111	\$ (3,648)	\$ 3,266	\$ (5,259)
AFFO per diluted weighted average share data:				
AFFO weighted average common shares	51,985	32,836	49,739	32,527
Net loss per share available to common stockholders	\$ 0.04	\$ (0.19)	\$ 0.05	\$ (0.21)
Income available to redeemable non-controlling interest and non-controlling interest in operating partnership	0.02	0.10	0.04	0.21
Depreciation and depletion	0.03	0.06	0.07	0.12
Stock-based compensation and incentive	0.01	0.01	0.02	0.02
(Gain) loss on disposition of assets	(0.06)	—	(0.08)	(0.11)
Distributions on Preferred units and stock	(0.02)	(0.09)	(0.03)	(0.19)
AFFO per diluted weighted average share	\$ 0.02	\$ (0.11)	\$ 0.07	\$ (0.16)

<i>(in thousands)</i>	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
Net income (loss)	\$ 2,993	\$ (2,865)	\$ 4,131	\$ (388)
Interest expense	3,743	3,902	7,570	7,961
Income tax expense	96	—	96	—
Depreciation, depletion and amortization	1,660	1,885	3,411	3,820
Gain on disposition of assets	(3,335)	(74)	(3,995)	(3,467)
EBITDAre	\$ 5,157	\$ 2,848	\$ 11,213	\$ 7,926
Stock-based compensation and incentive	601	334	1,243	585
Real estate related acquisition and due diligence costs	—	—	62	—
Adjusted EBITDAre	\$ 5,758	\$ 3,182	\$ 12,518	\$ 8,511

Farmland Partners Inc.
Reconciliation of Non-GAAP Measures
Three and Six Months Ended June 30, 2022 and 2021
(Unaudited)

<i>(\$ in thousands)</i>	For the three months ended June 30,		For the six months ended June 30,	
	2022	2021	2022	2021
OPERATING REVENUES:				
Rental income	\$ 9,196	\$ 8,291	\$ 18,741	\$ 18,551
Tenant reimbursements	809	839	1,587	1,777
Crop sales	1,150	237	1,845	453
Other revenue	1,202	646	4,074	808
Total operating revenues	12,357	10,013	26,247	21,589
Property operating expenses	2,058	1,708	4,013	3,639
Cost of goods sold	1,333	667	2,772	917
NOI	8,966	7,638	19,462	17,033
Depreciation, depletion and amortization	1,660	1,885	3,411	3,820
Acquisition and due diligence costs	—	—	62	—
General and administrative expenses	3,004	1,897	6,108	3,514
Legal and accounting	816	2,901	2,072	5,643
Other operating expenses	31	—	36	2
Other (income)	(34)	(8)	(14)	(52)
(Income) loss from equity method investment	(8)	—	(15)	—
Gain on disposition of assets	(3,335)	(74)	(3,995)	(3,467)
Interest expense	3,743	3,902	7,570	7,961
Income tax expense	96	—	96	—
NET INCOME (LOSS)	\$ 2,993	\$ (2,865)	\$ 4,131	\$ (388)

Non-GAAP Financial Measures

The Company considers the following non-GAAP measures as useful to investors as key supplemental measures of its performance: FFO, NOI, AFFO, EBITDAre and Adjusted EBITDAre. These non-GAAP financial measures should be considered along with, but not as alternatives to, net income or loss as a measure of the Company's operating performance. FFO, NOI, AFFO, EBITDAre and Adjusted EBITDAre, as calculated by the Company, may not be comparable to other companies that do not define such terms exactly as the Company.

FFO

The Company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income (loss) (calculated in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, plus real estate related depreciation, depletion and amortization (excluding amortization of deferred financing costs), and after adjustments for unconsolidated partnerships and joint ventures. Management presents FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the Company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from sales of depreciable operating properties, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs. The Company also believes that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the Company's operating performance with that of other REITs. However, other equity REITs may not calculate FFO in accordance with the NAREIT definition as the Company does, and, accordingly, the Company's FFO may not be comparable to such other REITs' FFO.

AFFO

The Company calculates AFFO by adjusting FFO to exclude the income and expenses that the Company believes are not reflective of the sustainability of the Company's ongoing operating performance, including, but not limited to, real estate related acquisition and due diligence costs, stock-based compensation and incentive, deferred impact of interest rate swap terminations, and distributions on the Company's Series A preferred units. For the avoidance of doubt, \$5.7 million non-cash redemption of Series B Participating Preferred Stock in Q4 2021 is not included in AFFO.

Changes in GAAP accounting and reporting rules that were put in effect after the establishment of NAREIT's definition of FFO in 1999 result in the inclusion of a number of items in FFO that do not correlate with the sustainability of the Company's operating performance. Therefore, in addition to FFO, the Company presents AFFO and AFFO per share, fully diluted, both of which are non-GAAP measures. Management considers AFFO a useful supplemental performance metric for investors as it is more indicative of the Company's operational performance than FFO. AFFO is not intended to represent cash flow or liquidity for the period and is only intended to provide an additional measure of the Company's operating performance. Even AFFO, however, does not properly capture the timing of cash receipts, especially in connection with full-year rent payments under lease agreements entered into in connection with newly acquired farms. Management considers AFFO per share, fully diluted to be a supplemental metric to GAAP earnings per share. AFFO per share, fully diluted provides additional insight into how the Company's operating performance could be allocated to potential shares outstanding at a specific point in time. Management believes that AFFO is a widely recognized measure of the operations of REITs and presenting AFFO will enable investors to assess the Company's performance in comparison to other REITs. However, other REITs may use different methodologies for calculating AFFO and AFFO per share, fully diluted and, accordingly, the Company's AFFO and AFFO per share, fully diluted may not always be comparable to AFFO and AFFO per share amounts calculated by other REITs. AFFO and AFFO per share, fully diluted should not be considered as an alternative to net income (loss) or earnings per share (determined in accordance with GAAP) as an indication of financial performance, or as an alternative to net income (loss) earnings per share (determined in accordance with GAAP) as a measure of the Company's liquidity, nor are they indicative of funds available to fund the Company's cash needs, including its ability to make distributions.

EBITDAre and Adjusted EBITDAre

The Company calculates Earnings Before Interest Taxes Depreciation and Amortization for real estate (“EBITDAre”) in accordance with the standards established by NAREIT in its September 2017 White Paper. NAREIT defines EBITDAre as net income (calculated in accordance with GAAP) excluding interest expense, income tax, depreciation and amortization, gains or losses on disposition of depreciated property (including gains or losses on change of control), impairment write-downs of depreciated property and of investments in unconsolidated affiliates caused by a decrease in value of depreciated property in the affiliate, and adjustments to reflect the entity’s pro rata share of EBITDAre of unconsolidated affiliates. EBITDAre is a key financial measure used to evaluate the Company’s operating performance but should not be construed as an alternative to operating income, cash flows from operating activities or net income, in each case as determined in accordance with GAAP. The Company believes that EBITDAre is a useful performance measure commonly reported and will be widely used by analysts and investors in the Company’s industry. However, while EBITDAre is a performance measure widely used across the Company’s industry, the Company does not believe that it correctly captures the Company’s business operating performance because it includes non-cash expenses and recurring adjustments that are necessary to better understand the Company’s business operating performance. Therefore, in addition to EBITDAre, management uses Adjusted EBITDAre, a non-GAAP measure.

The Company calculates Adjusted EBITDAre by adjusting EBITDAre for certain items such as stock-based compensation and incentive and real estate related acquisition and due diligence costs that the Company considers necessary to understand its operating performance. The Company believes that Adjusted EBITDAre provides useful supplemental information to investors regarding the Company’s ongoing operating performance that, when considered with net income and EBITDAre, is beneficial to an investor’s understanding of the Company’s operating performance. However, EBITDAre and Adjusted EBITDAre have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of the Company’s results as reported under GAAP.

In prior periods, the Company has presented EBITDA and Adjusted EBITDA. In accordance with NAREIT’s recommendation, beginning with the Company’s reported results for the three months ended March 31, 2018, the Company is reporting EBITDAre and Adjusted EBITDAre in place of EBITDA and Adjusted EBITDA.

Net Operating Income (NOI)

The Company calculates net operating income (NOI) as total operating revenues (rental income, tenant reimbursements, crop sales and other revenue), less property operating expenses (direct property expenses and real estate taxes), less cost of goods sold. Since net operating income excludes general and administrative expenses, interest expense, depreciation and amortization, acquisition-related expenses, other income and losses and extraordinary items, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and leasing farmland real estate, providing a perspective not immediately apparent from net income. However, net operating income should not be viewed as an alternative measure of the Company’s financial performance since it does not reflect general and administrative expenses, interest expense, depreciation and amortization costs, other income and losses.

Supplemental Information

Overview Information

About Farmland Partners (NYSE: FPI)

- Internally managed REIT that owns and manages high-quality farmland located in agricultural markets throughout North America.
- ~70% of portfolio (by value) grows primary crops, such as corn, soybeans, wheat, rice, and cotton.
- ~30% of portfolio (by value) grows specialty crops, such citrus and tree nuts.
- FPI provides exposure to the increasing global food demand in the face of growing scarcity of high-quality farmland.
- FPI also provides auction, brokerage, third-party farm management, and third-party asset management services.

Equity Analyst Coverage

Firm	Name	Email
B Riley Securities	Craig Kucera	craigkucera@brileyfin.com
Berenberg	Keegan Carl	keegan.carl@berenberg-us.com
Janney Montgomery Scott	Robert Stevenson	bobstevenson@janney.com
Raymond James	Buck Home	buck.home@raymondjames.com
Robert W. Baird	David Rodgers	drodgers@rwbaird.com
Roth	Gerry Sweeney	gsweeney@roth.com

Board of Directors

Name	Position
Paul A. Pittman	Chairman
Chris A. Downey	Lead Independent Director
Joseph W. Glauber	Independent Director
John A. Good	Independent Director
Thomas P. Heneghan	Independent Director
Danny D. Moore	Independent Director
Toby L. O'Rourke	Independent Director
Murray Wise	Director

Senior Management Team

Name	Position
Paul A. Pittman	Chairman & Chief Executive Officer
Luca Fabbri	President
James Gilligan	Chief Financial Officer & Treasurer
Christine Garrison	General Counsel & Secretary
Richard Keck	Vice President, Operations
Murray Wise	Chief Executive Officer, Murray Wise Associates
Eric Sarff	President, Murray Wise Associates

Contact Information

- Exchange: Ticker — NYSE: FPI
- Website — <http://www.farmlandpartners.com>
- Transfer Agent — AST (<https://www.astfinancial.com>)
- Corporate Office — 4600 S. Syracuse Street, Suite 1450, Denver, CO 80237
- Phone Number — (720) 452-3100
- General Inquiries — info@farmlandpartners.com
- Investor Relations Inquiries — ir@farmlandpartners.com
- FPI Loan Program Inquiries — FPIloans@farmlandpartners.com

FPI Second Quarter Financial Review

Financial Highlights

	For the Three Months Ended				
	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
<i>(\$ in thousands except per share amounts)</i>					
As Reported					
Net Income	\$ 2,993	\$ 1,139	\$ 13,316	\$ (2,669)	\$ (2,865)
Net income (loss) available to common stockholders	\$ 0.04	\$ 0.00	\$ 0.12	\$ (0.17)	\$ (0.19)
AFFO	\$ 1,111	\$ 2,119	\$ 8,903	\$ (3,236)	\$ (3,648)
AFFO per diluted weighted average share	\$ 0.02	\$ 0.04	\$ 0.20	\$ (0.09)	\$ (0.11)
Adjusted for Litigation					
Net Income	\$ 3,326	\$ 1,975	\$ 14,672	\$ (439)	\$ (735)
Net income (loss) available to common stockholders	\$ 0.05	\$ 0.02	\$ 0.15	\$ (0.10)	\$ (0.13)
AFFO	\$ 1,444	\$ 2,955	\$ 10,259	\$ (1,006)	\$ (1,518)
AFFO per diluted weighted average share	\$ 0.03	\$ 0.06	\$ 0.23	\$ (0.02)	\$ (0.05)
Litigation Settlement Proceeds	\$ —	\$ —	\$ 20	\$ —	\$ 550
Litigation Related Expenses	\$ (333)	\$ (836)	\$ (1,377)	\$ (2,230)	\$ (2,680)

Debt Summary as of June 30, 2022

<i>(\$ in thousands)</i>	
Total Outstanding Principal	\$ 426,486
Debt Issuance Costs	(2,012)
Total Debt, net	<u>\$ 424,474</u>
Fixed Rate to Maturity	\$ 24,987
Fixed Rate Adjusting Periodically	261,999
Floating Rate	139,500
Total Outstanding Principal	<u>\$ 426,486</u>

Capitalization Summary as of June 30, 2022

<i>(\$ in thousands except per share amounts)</i>	
Fully Diluted Shares Outstanding ⁽¹⁾	53,989,788
Share Price as of June 30, 2022	\$ 13.80
Equity Market Capitalization	<u>\$ 745,059</u>
Total Debt Outstanding	\$ 426,486
Preferred	113,680
Cash	(19,696)
Enterprise Value	<u>\$ 1,265,529</u>

Weighted Average Cost of Debt ⁽²⁾ 3.23 %

Debt Summary as of June 30, 2022

Loan	Interest Rate Terms	Annual Interest Rate	Principal Outstanding	Maturity Date
Farmer Mac Bond #6	3.69%	3.69%	\$ 13,827	April 2025
Farmer Mac Bond #7	3.68%	3.68%	11,160	April 2025
MetLife Term Loan #1	3.30% fixed until 2023	3.30%	72,622	March 2026
MetLife Term Loan #4	3.30% fixed until 2023	3.30%	9,880	June 2026
MetLife Term Loan #5	3.50% fixed until 2023	3.50%	5,179	January 2027
MetLife Term Loan #6	3.45% fixed until 2023	3.45%	21,726	February 2027
MetLife Term Loan #7	3.20% fixed until 2023	3.20%	15,698	June 2027
MetLife Term Loan #8	4.12% fixed until 2027	4.12%	44,000	December 2042
MetLife Term Loan #9	3.20% fixed until 2024	3.20%	16,800	May 2028
MetLife Term Loan #10	3.00% fixed until 2023	3.00%	48,985	October 2030
MetLife Term Loan #11	2.85% fixed until 2024	2.85%	12,750	October 2031
MetLife Term Loan #12	3.11% fixed until 2024	3.11%	14,359	December 2031
Rabobank	LIBOR + 1.70% adjustable every two years	2.82%	59,500	March 2028
Rutledge Facility	SOFR + 1.95%	2.60%	80,000	March 2027
Total outstanding principal			426,486	
Debt issuance costs			(2,012)	
Total mortgage notes and bonds payable, net			<u>\$ 424,474</u>	

1. Includes unvested restricted shares. 2. Includes swap associated with Rabobank debt.

Income Statement Overview

(in millions)

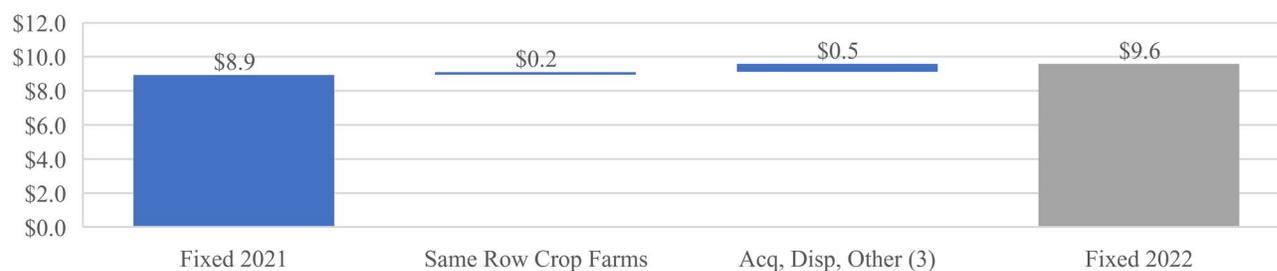
Item	Explanation	Timing of Cash	Timing of Revenue Recognition
Fixed Payments	<ul style="list-style-type: none"> Fixed farm rent Solar, wind, recreation rent Tenant reimbursements Management fees Interest income 	<ul style="list-style-type: none"> Farm rent: 50% to 100% of individual leases paid before planting (generally Q1) 	<ul style="list-style-type: none"> Generally straight-lined over the term of the lease contract
Variable Payments	<ul style="list-style-type: none"> Rent paid by tenants, determined as a percentage of the farm revenue or gross profit Low-risk variable rent: one large ~\$6.5 million contract is ~2x covered by farm revenue 	<ul style="list-style-type: none"> Vast majority of cash received after harvest in Q4, with some spillover into Q1 	<ul style="list-style-type: none"> Variable rent is generally recognized when FPI has certainty of amounts (tenant crop insurance provides a baseline)
Direct Operations Gross Profit	<ul style="list-style-type: none"> Crop sales and crop insurance proceeds less cost of goods sold 	<ul style="list-style-type: none"> Varies by crop 	<ul style="list-style-type: none"> Crop sales, crop insurance, and COGS are recognized when FPI has certainty of amounts
Other	<ul style="list-style-type: none"> Auction and brokerage Miscellaneous 	<ul style="list-style-type: none"> Varies 	<ul style="list-style-type: none"> Varies

Q2 Income Statement Details

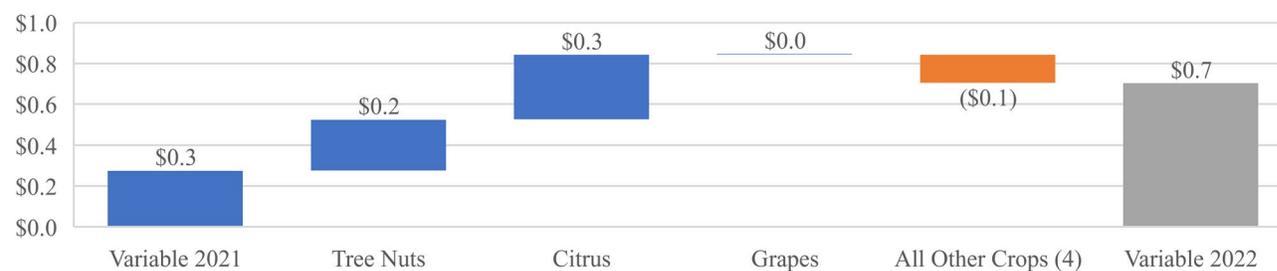
(in millions)



Fixed Details



Variable Details



The highly seasonal nature of the agriculture industry causes partial-year comparisons to be less meaningful than full-year comparisons.

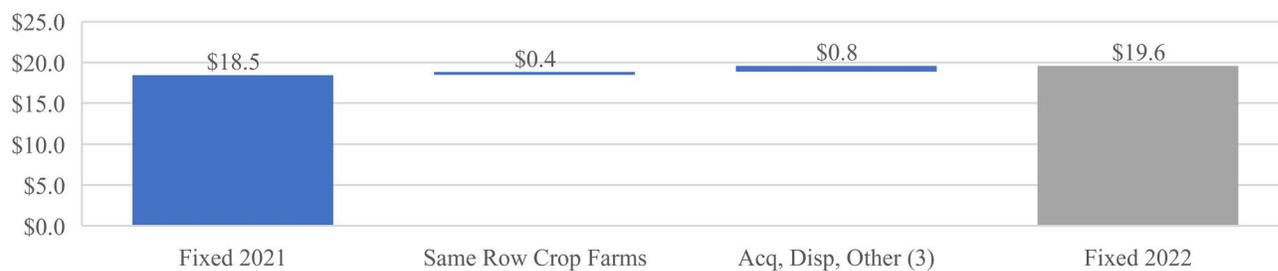
1. Crop Sales + Crop Insurance Proceeds (received in lieu of crop sales) – Cost of Goods Sold
2. Total Operating Revenue – Cost of Goods Sold
3. Permanent crops, farms under direct operations, and other non-comparable farms between the periods.
4. Primarily includes corn, soybeans, and wheat.

YTD Income Statement Details

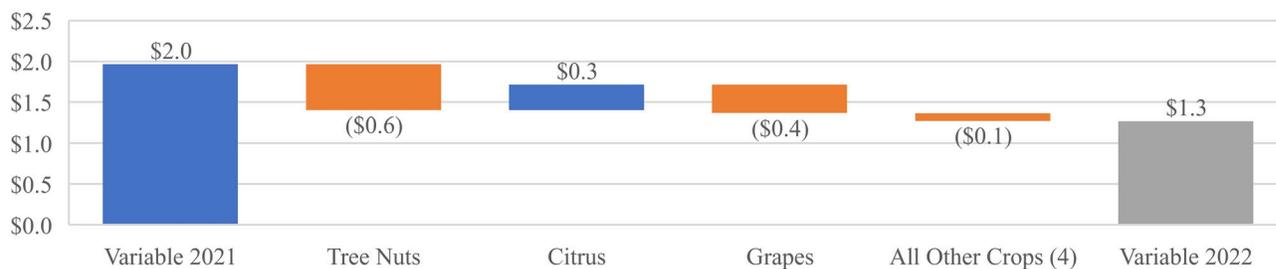
(in millions)



Fixed Details



Variable Details



The highly seasonal nature of the agriculture industry causes partial-year comparisons to be less meaningful than full-year comparisons.

5. Crop Sales + Crop Insurance Proceeds (received in lieu of crop sales) – Cost of Goods Sold
6. Total Operating Revenue – Cost of Goods Sold
7. Permanent crops, farms under direct operations, and other non-comparable farms between the periods.
8. Primarily includes corn, soybeans, and wheat.

Full Year 2022 Outlook

(in millions, except per share data)

	May 2022		July 2022	
	2022 Forecast Range		2022 Forecast Range	
	Low	High	Low	High
Fixed Payments	\$37.2	\$37.4	\$38.6	\$38.8
Variable Payments	10.5	11.0	10.6	11.1
Direct Operations Gross Profit	2.0	2.4	1.7	2.1
Other	2.7	2.9	2.9	3.1
Revenue Less COGS	\$52.3	\$53.7	\$53.7	\$55.1
Property Operating Expenses	(\$7.6)	(\$7.4)	(\$7.7)	(\$7.5)
General & Administrative	(11.4)	(11.2)	(12.7)	(12.5)
Legal & Accounting	(4.1)	(3.5)	(3.2)	(3.0)
Interest Expense	(16.4)	(16.2)	(16.2)	(16.0)
Preferred Dividends	(\$3.5)	(\$3.5)	(\$3.4)	(\$3.4)
Weighted Average Diluted Shares	50.5	50.5	51.6	51.6
AFFO	\$11.4	\$14.0	\$13.4	\$15.6
AFFO / Diluted Share	\$0.22	\$0.28	\$0.26	\$0.30

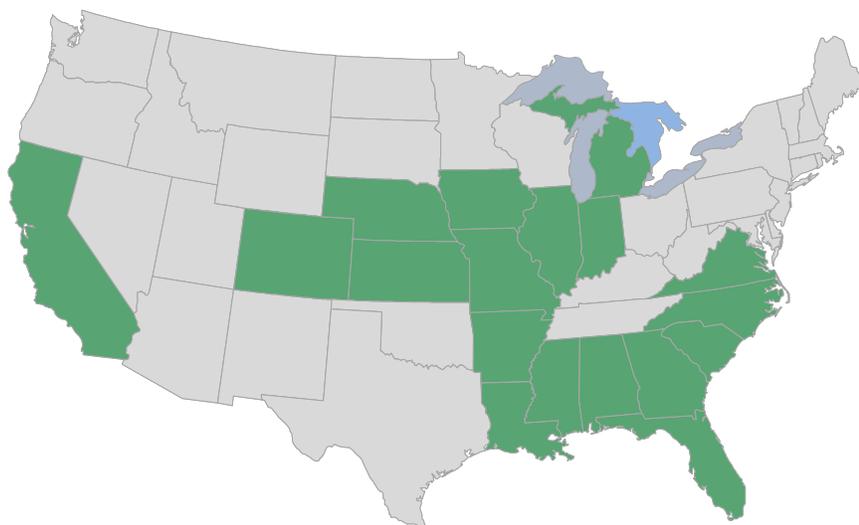
Changes in Assumptions from Full Year 2022 Outlook Provided in May 2022:

- Does not include any additional material acquisitions or dispositions. This outlook will be updated as necessary/practical.
- Fixed Payments increased due to farm acquisitions and additional leases signed.
- Direct Operations Gross Profit decreased due to lower prices for citrus products.
- “Other” increased due to additional auction business from MWA.
- Property Operating Expenses increased due to farm acquisitions and small increases in various items.
- General & Administrative increased due to accounting treatment for ~\$0.75 million of MWA non-cash incentive connected with the 2021 acquisition (which is added back to AFFO), higher travel expenses, and higher personnel expenses.
- Legal and accounting decreased due to lower expected litigation expenses as a result of the dismissal of the class action suit (from the range of \$1.8 to \$2.4 million to the range of \$1.3 to \$1.5 million).
- Interest expense assumes lower debt levels, partially offset by rising rates.
- Weighted average shares increased due to sales of shares via the Company’s ATM program.

Portfolio Overview

Portfolio

- As of June 30, 2022, the portfolio included approximately 160,100 acres of owned farmland and 25,200 acres of managed farmland.
- 18 states with approximately 26 crop types and over 100 tenants.
- Portfolio vacancy is 0%.



Region ⁽¹⁾	Owned Acres	Managed Acres	Total Acres
Corn Belt	45,995	17,568	63,563
Delta and South	32,878	1,489	34,367
High Plains	29,163	—	29,163
Southeast	40,354	6,107	46,461
West Coast	11,752	—	11,752
	160,142	25,164	185,306

1. Corn Belt includes farms located in Illinois, Indiana, Iowa, Michigan, Missouri and eastern Nebraska.
Delta and South includes farms located in Arkansas, Louisiana, Mississippi.
High Plains includes farms located in Colorado, Kansas, and western Nebraska.
Southeast includes farms located in Alabama, Florida, Georgia, North Carolina, South Carolina and Virginia.
West Coast includes farms located in California.

Consolidated Balance Sheets — Quarterly

(Unaudited)

<i>(in thousands)</i>	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
ASSETS					
Total real estate, net	\$ 1,081,987	\$ 1,071,659	\$ 1,065,108	\$ 1,052,203	\$ 1,052,510
Deposits	531	1,776	58	2,155	65
Cash	19,696	16,102	30,171	21,373	40,159
Assets held for sale	83	407	530	518	530
Notes and interest receivable, net	5,855	7,488	6,112	6,128	2,440
Convertible notes receivable	—	—	—	—	2,428
Right of use asset	387	443	107	142	178
Deferred offering costs	83	23	40	76	75
Deferred financing fees, net	—	—	—	22	44
Accounts receivable, net	2,457	3,104	4,900	7,221	3,520
Derivative asset	698	259	—	—	—
Inventory	2,962	2,973	3,059	1,705	742
Equity method investments	4,148	3,435	3,427	3,424	—
Intangible assets, net	1,912	1,913	1,915	—	—
Goodwill	2,706	2,706	2,706	—	—
Prepaid and other assets	1,655	2,778	3,392	1,919	1,628
TOTAL ASSETS	\$ 1,125,160	\$ 1,115,066	\$ 1,121,525	\$ 1,096,886	\$ 1,104,319
LIABILITIES AND EQUITY					
LIABILITIES					
Mortgage notes and bonds payable, net	\$ 424,474	\$ 462,836	\$ 511,323	\$ 499,533	\$ 500,705
Lease liability	387	443	107	142	178
Dividends payable	3,239	2,496	2,342	1,715	1,715
Derivative liability	—	—	785	1,239	1,738
Accrued interest	2,991	3,120	3,011	3,103	3,373
Accrued property taxes	1,851	2,337	1,762	2,588	1,752
Deferred revenue	1,317	7,926	45	31	2,420
Accrued expenses	7,826	8,331	9,564	12,767	11,132
Total liabilities	442,085	487,489	528,939	521,118	523,013
Series B Participating Preferred Stock	—	—	—	139,116	139,116
Series A preferred units	113,680	117,878	120,510	119,633	118,755
EQUITY					
Common stock	515	474	444	319	317
Additional paid in capital	623,748	562,717	524,183	374,966	373,299
Retained earnings (deficit)	(2,456)	(4,511)	(4,739)	(11,066)	(5,457)
Cumulative dividends	(67,446)	(64,281)	(61,853)	(59,579)	(57,932)
Other comprehensive income	1,857	1,386	279	(284)	(908)
Non-controlling interests in operating partnership	13,177	13,914	13,762	12,663	14,116
Total equity	569,395	509,699	472,076	317,019	323,435
TOTAL LIABILITIES AND EQUITY	\$ 1,125,160	\$ 1,115,066	\$ 1,121,525	\$ 1,096,886	\$ 1,104,319

Consolidated Statement of Operations — Quarterly

(Unaudited)

<i>(in thousands except per share amounts)</i>	For the Three Months Ended				
	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
OPERATING REVENUES:					
Rental income	\$ 9,196	\$ 9,547	\$ 17,851	\$ 8,850	\$ 8,291
Tenant reimbursements	809	778	812	861	839
Crop sales	1,150	695	165	262	237
Other revenue	1,202	2,870	1,218	132	646
Total operating revenues	<u>12,357</u>	<u>13,890</u>	<u>20,046</u>	<u>10,105</u>	<u>10,013</u>
OPERATING EXPENSES					
Depreciation, depletion and amortization	1,660	1,751	1,898	1,911	1,885
Property operating expenses	2,058	1,955	1,699	1,993	1,708
Cost of goods sold	1,333	1,439	191	417	667
Acquisition and due diligence costs	—	63	50	5	—
General and administrative expenses	3,004	3,103	2,948	1,746	1,897
Legal and accounting	816	1,256	1,905	2,599	2,901
Other operating expenses	31	3	29	—	—
Total operating expenses	<u>8,902</u>	<u>9,570</u>	<u>8,720</u>	<u>8,671</u>	<u>9,058</u>
OPERATING INCOME	<u>3,455</u>	<u>4,320</u>	<u>11,326</u>	<u>1,434</u>	<u>955</u>
OTHER (INCOME) EXPENSE:					
Other (income) expense	(34)	21	(7)	(8)	(8)
Income from equity method investment	(8)	(7)	(4)	(15)	—
Loss (gain) on disposition of assets	(3,335)	(660)	(5,936)	112	(74)
Interest expense	3,743	3,827	3,957	4,014	3,902
Total other expense	<u>366</u>	<u>3,181</u>	<u>(1,990)</u>	<u>4,103</u>	<u>3,820</u>
Income tax expense	96	—	—	—	—
NET INCOME (LOSS)	<u>2,993</u>	<u>1,139</u>	<u>13,316</u>	<u>(2,669)</u>	<u>(2,865)</u>
Net (income) loss attributable to non-controlling interests	(77)	(33)	(396)	115	130
Nonforfeitable distributions allocated to unvested restricted shares	(16)	(15)	(15)	(14)	(14)
Distributions on Series A Preferred Units and Series B Preferred Stock	(840)	(878)	(878)	(3,055)	(3,055)
Redemption of Series B Participating Preferred Stock	—	—	(5,716)	—	—
Net income (loss) available to common stockholders of Farmland Partners Inc.	<u>\$ 2,060</u>	<u>\$ 213</u>	<u>\$ 6,311</u>	<u>\$ (5,623)</u>	<u>\$ (5,804)</u>

Reconciliation of Non-GAAP Measures — Quarterly

(Unaudited)

<i>(in thousands except per share amounts)</i>	For the Three Months Ended				
	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021
Net income (loss)	\$ 2,993	\$ 1,139	\$ 13,316	\$ (2,669)	\$ (2,865)
(Gain) loss on disposition of assets	(3,335)	(660)	(5,936)	112	(74)
Depreciation, depletion and amortization	1,660	1,751	1,898	1,911	1,885
FFO	1,318	2,230	9,278	(646)	(1,054)
Stock-based compensation and incentive	601	642	344	334	334
Deferred impact of interest rate swap terminations	32	62	109	126	127
Real estate related acquisition and due diligence costs	—	63	50	5	—
Distributions on Preferred units	(840)	(878)	(878)	(3,055)	(3,055)
AFFO	\$ 1,111	\$ 2,119	\$ 8,903	\$ (3,236)	\$ (3,648)
AFFO weighted average common shares	51,985	47,427	46,038	34,298	32,836
Net loss per share available to common stockholders	\$ 0.04	\$ 0.00	\$ 0.14	\$ (0.17)	\$ (0.19)
Income available to redeemable non-controlling interest and non-controlling interest in operating partnership	0.02	0.02	0.16	0.10	0.10
Depreciation and depletion	0.03	0.04	0.04	0.06	0.06
Stock-based compensation and incentive	0.01	0.01	0.01	0.01	0.01
(Gain) loss on disposition of assets	(0.06)	(0.01)	(0.13)	—	—
Distributions on Preferred units	(0.02)	(0.02)	(0.02)	(0.09)	(0.09)
AFFO per diluted weighted average share	\$ 0.02	\$ 0.04	\$ 0.20	\$ (0.09)	\$ (0.11)
FFO	1,318	2,230	9,278	(646)	(1,054)
Interest expense	3,743	3,827	3,957	4,014	3,902
Stock-based compensation and incentive	601	642	344	334	334
Income Tax Expense	(96)	—	—	—	—
Real estate related acquisition and due diligence costs	—	63	50	5	—
Adjusted EBITDAre	\$ 5,566	\$ 6,762	\$ 13,629	\$ 3,707	\$ 3,182

Note: Per share values will not sum to annual total due to difference in weighted average share count for quarters compared to year.