

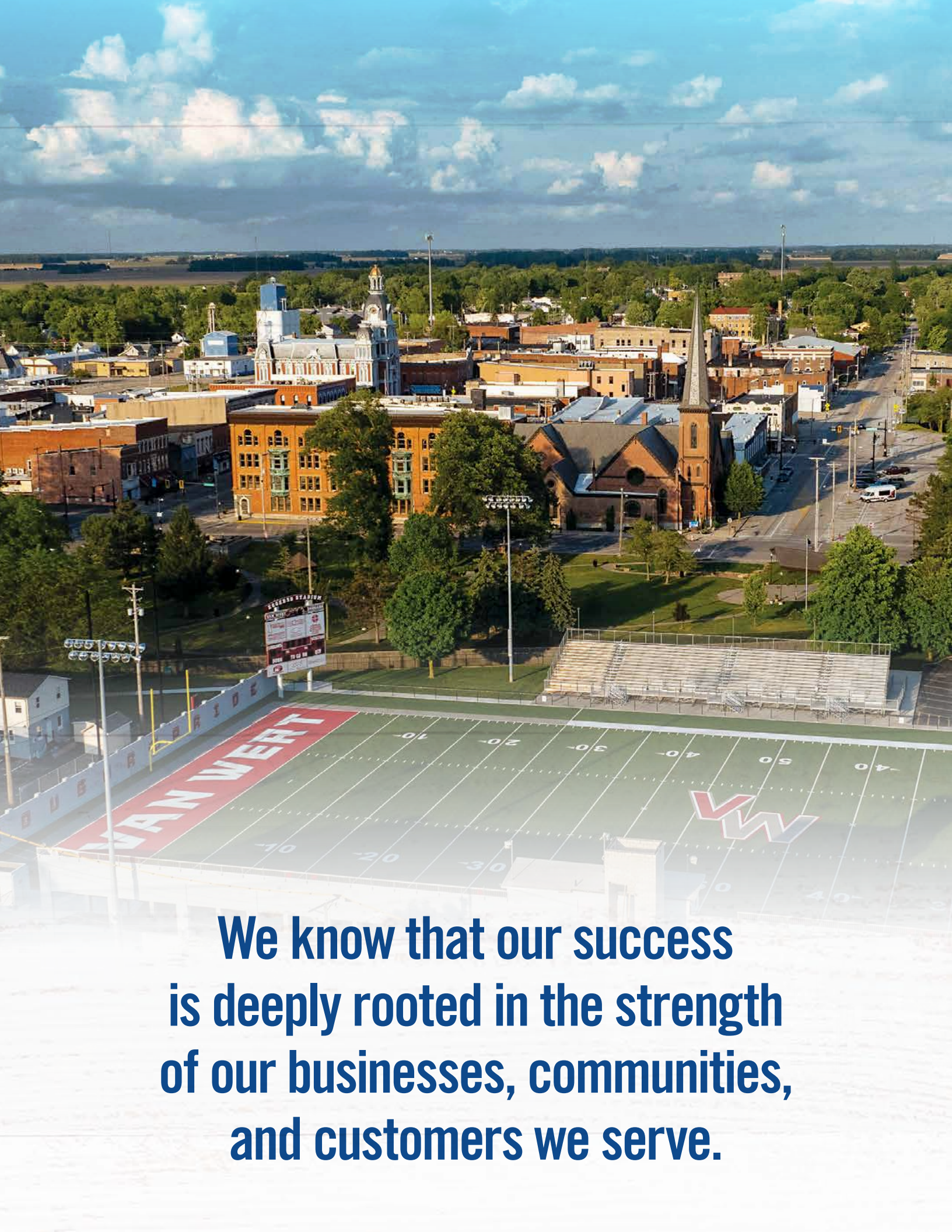
2024

ANNUAL REPORT

We believe
IN IMPROVING THE FINANCIAL FUTURE OF OUR COMMUNITIES



First Bank
of Berne



**We know that our success
is deeply rooted in the strength
of our businesses, communities,
and customers we serve.**



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PURPOSE

WE HELP OUR
CUSTOMERS IMPROVE
THEIR FINANCIAL FUTURE.

MISSION

WE MAKE
BANKING EASY.

VISION

TO BE THE TRUSTED AND
RECOMMENDED FINANCIAL
INSTITUTION IN OUR MARKET AREA.

VALUES

INTEGRITY, KNOWLEDGE,
EMPOWERMENT, COMMUNITY,
TEAMWORK, FUN.

2024 President's Letter



As we reflect on 2024, I am pleased to report another year of progress, resilience, and collaboration at the First Bank of Berne. In an ever-changing economic landscape, we remain steadfast in our commitment to serving as a trusted financial partner for individuals, businesses, and families across Indiana and Ohio.

The past year has been a year of asset and earnings growth with financial stability. Through prudent management and a focus on long-term sustainability, we crossed over the \$1.1 billion asset threshold. These achievements reflect not only the dedication of our team, but also the trust placed in us by our customers and shareholders.

At First Bank of Berne, we know that our success is deeply rooted in the strength of our communities. This year, we continued to invest in programs and partnerships that uplift our market areas. From supporting small businesses with financing and cash management services to funding community development projects, we are committed to fostering local economic vitality.

In an era of rapid technological advancement, we are making significant strides in enhancing our digital banking services. Extensive planning throughout last year has allowed

for the introduction of a new digital platform in Q1 of 2025. This enables us to offer state-of-the-art industry convenience and security to our customers, while leading the way in a modern banking environment.

As we progress onward in 2025, we remain focused on building upon our strong foundation.

**OUR PRIORITIES ARE CLEAR:
DELIVERING EXCEPTIONAL
CUSTOMER EXPERIENCES,
MAINTAINING FINANCIAL
STRENGTH, AND SERVING
AS A PILLAR OF SUPPORT
FOR OUR COMMUNITY.**

Together, with the hard work of our dedicated employees and the trust of our stakeholders, we are confident in our ability to navigate the opportunities and challenges ahead with determination and optimism.

Thank you for being part of the First Bank of Berne family. Your trust and partnership encourage us every day to strive for excellence.

A handwritten signature in black ink that reads "Kent A. Liechty".

Kent A. Liechty
President & CEO

CROP PERFORMANCE

Jonathan and Amber Patterson first launched their agribusiness, Crop Performance, as a soil sampling company, but it quickly expanded to support all aspects of crop growth. “We provide specialty nutrients that make up for any deficiencies in a grower’s corn, soybean, wheat, or alfalfa program,” says Jonathan.

“WE CHOSE TO WORK WITH FIRST BANK OF BERNE BECAUSE OTHER LENDERS DON’T OFFER THE KIND OF SUPPORTIVE RELATIONSHIP THEY DO. AT FIRST BANK OF BERNE, THEY WORK WITH US AND ARE COMMITTED TO HELPING US GROW. THEY ARE EXCITED FOR US AND OUR BUSINESS.”



VIDEO CONTENT
Learn more about how
First Bank of Berne
supports Crop Performance.

Jonathan appreciates the experience and knowledge that the ag bankers at First Bank of Berne bring to the table. He says, “First Bank of Berne understands our business. We don’t have to explain things to them; they get it. Most of our local customers bank with First Bank of Berne. They know what our customers are dealing with, and they know what we’re trying to provide for those customers, so it’s just a natural fit that feels good. It feels like home.” Amber agrees, “It’s easy to go to them and have a conversation about what you want to do, and how they can help you reach your goals.”



Jonathan & Amber Patterson

“OUR SUCCESS IS A COMMUNITY EFFORT AND WE’LL NEED FIRST BANK OF BERNE’S HELP AS WE CONTINUE TO EXPAND. IT’S GOOD TO KNOW THEY ARE RIGHT BESIDE US.”



“FIRST BANK OF BERNE HAS COME ALONGSIDE US AND HELPED US NAVIGATE THE CHANGES THAT COME WITH GROWTH.”



Jason Gerber

Matthew Gerber

Gene Gerber

MEYER BUILDING

For more than 56 years, Meyer Building has constructed high-quality agricultural, commercial, and residential buildings for customers throughout Indiana and Ohio. Owners, Gene Gerber, and his sons, Jason and Matthew, maintain that throughout the inevitable economic ups and downs all businesses experience, First Bank of Berne has always been there for them. “Our relationship with First Bank of Berne is vital to the success of our company and the sustenance of it. It’s a relationship built on trust that has grown over the years,” says Matthew. Gene says that beyond providing the services they need, the fact that First Bank of Berne is locally owned and managed gives him peace of mind. “When you pick up the phone and call First Bank of Berne, you know there’s going to be somebody there to answer. It makes it easy for us,” says Gene. Jason adds,

“WE APPRECIATE THEIR LOCAL PRESENCE, THEIR COMMUNITY INVOLVEMENT, AND THEIR ABILITY TO BE THERE WHENEVER WE NEED THEM.”

“At a minimum, a bank should provide cash when you need it, but a bank that provides strategy, counsel, and perspective of others in the industry or even locally — that’s powerful — and that’s what First Bank of Berne does,” says Matthew.



VIDEO CONTENT
Learn more about how First Bank of Berne is always there for Meyer Building.



DASH 90 WINES HERR FARMS

Bruce and Twilla Herr established Herr Farms in 1993, and for decades their focus was on poultry, and growing corn, soybeans, alfalfa, and hay. In 2014, they expanded their operation by adding homemade wine to their repertoire, which soon led to the opening of their winery, Dash 90 Wines. Twilla says that having a bank that's quick to respond to opportunities has been an essential part of their continued growth. "In agriculture, things can happen pretty quickly, so it's important to be able to pick up the phone and get a hold of somebody, and First Bank of Berne has always been there for us," says Twilla. Bruce agrees,

"TO BE SUCCESSFUL, YOU NEED TO FIND A BANK THAT YOU CAN TRUST AND WORK WITH, AND THAT'S WHAT WE FOUND IN FIRST BANK OF BERNE."

Although Bruce and Twilla are first-generation farmers, the second and third generation of Herr family members are already at work continuing the family legacy. "As a father and young farmer, I want a bank that supports the same values that I have of helping our community and our farm grow, for my family now, and for the generations after us," says Abraham Herr. "When we were getting started with the winery, working with First Bank of Berne made everything seamless and easy to do," says Zane Herr. "As you're planning to pass your farm down to the second and third generation, you have to have a banking institution that's on your team, one that is not only forward-thinking, but thinks long-term, and First Bank of Berne is that bank," says Twilla.



VIDEO CONTENT
Learn more about how
First Bank of Berne makes
banking easy for Herr Farms
and Dash 90 Wines.

"AS MOM AND DAD PREPARE TO RETIRE, IT'S GOOD TO KNOW THAT FIRST BANK OF BERNE WILL BE THERE TO PROVIDE OPPORTUNITIES FOR MY FAMILY, AND THE NEXT GENERATION."



Zane Herr

Bruce Herr

Twilla Herr

Abraham Herr



INTERNSHIP PROGRAM



The First Bank of Berne Internship Program offers college students a great opportunity to explore a career in banking. In 2024, the bank welcomed two students to the program, and both walked away with fresh insights on how they can grow professionally, apply their skills, and thrive in the field of banking.

Isaac Gorrell relished the knowledge he gained, saying, “Being immersed in the environment at First Bank of Berne is incredibly valuable. I feel that I learned more in three months than I did in one semester of college.” Fellow intern, AJ Dull said,

“THE INTERNSHIP OPENED MY EYES TO THE DIFFERENT ROUTES YOU CAN PURSUE IN BANKING, FROM BUSINESS BANKING AND CREDIT, TO WORKING AT THE OPERATIONS CENTER, OR A LOCAL BRANCH.”

In addition to learning about the variety of career paths available, intern program graduate, Jesse Franck shared that he enjoyed seeing all the different ways the bank supports and impacts local organizations within the community. Madi Fear, another graduate, had such a positive experience that she is taking advantage of First Bank of Berne’s tuition reimbursement program, and works full-time for the bank, while pursuing her master’s degree. She says, “I love that my degree is helping me with my work, and my work is helping me with my degree.”

Collin Affolder, another graduate of the program said, “If I had to tell my 20-year-old self what to do, I would say, ‘Take an internship at First Bank of Berne, and continue to work there!’ It’s a great experience that led to where I am now — and I really enjoy what I do.”



VIDEO CONTENT
Learn more about our
interns and watch their
full-circle internship
experience.

Isaac Gorrell

*Internship Program, 2024
Indiana Wesleyan University*

Collin Affolder

*Internship Program, 2016 & 2017
Bethel University
Business Banker, First Bank of Berne*

Madi Fear

*Internship Program, 2023
Indiana University
Controller, First Bank of Berne*

AJ Dull

*Internship Program, 2024
Indiana Tech University*

Jesse Franck

*Internship Program, 2022
Huntington University
Digital Banking Manager, First Bank of Berne*

We believe in Strengthening Our Communities Through Investment.

At First Bank of Berne, we take great pride in making a difference through volunteering and financial contributions. Whether supporting youth sports leagues, local parks, health programs, or educational initiatives, we are committed to helping organizations that serve our neighbors. Additionally, we proudly continue to sponsor and guide the annual Shop Local campaign, promoting a healthy economy by encouraging residents to support local businesses. By partnering with community leaders and chambers of commerce, we demonstrate our dedication to ensuring local businesses thrive.

\$233K DONATED

to food banks, family services, community events,
education, and more.

4,600+ HOURS VOLUNTEERED

to local sports leagues, schools, educational programs, 4-H events,
and in service to numerous organizations and their boards.



EXECUTIVE LEADERSHIP



Jayde Ketring
Agribusiness Banking Manager

Deon Shoaf
Chief Operations Manager

Kent Liechty
President, Chief Executive Officer

Matthew Reinoehl
Chief Financial Officer

Jenilee Bransteter
Business Banking Manager

Sharon Neuenschwander
Human Resources Manager

We believe

the leadership team and board of directors at First Bank of Berne are committed to the bank's long-term success, growth, and community impact. We value their integrity, expertise, and vision, and remain dedicated to our core values: integrity, knowledge, empowerment, community, teamwork, and fun.

BOARD OF DIRECTORS



Lindsey R. Beer
Operations Manager,
Best-One Tire

Josh Oswalt
O&R Precision Grinding

Todd Fiechter
Fiechter Family Livestock

David Baumgartner
Chairman of the Board,
Baumgartner Attorneys

Matthew Subler
St. Henry Tile Company,
Vice President

Kent Liechty
President, Chief Executive Officer

Roger Muselman
Chairman, DRG, Inc.

Lisa Girod
CPA, Honegger,
Ringger & Co.

CONSOLIDATED STATEMENT OF CONDITION (000s)

Close of Business December 31, 2024 and December 31, 2023

ASSETS	2024	2023
Cash and Cash Equivalents	\$47,103	\$21,880
Investment Securities	\$241,471	\$272,640
Loan (net of valuation reserve) (\$11,049 in 2024 and \$10,515 in 2023)	\$772,891	\$735,678
Premises & Equipment, Net	\$8,930	\$9,426
Accrued Income	\$8,232	\$7,247
Cash Value of Life Insurance	\$16,873	\$16,310
Other Assets	\$5,201	\$4,246
TOTAL ASSETS	\$1,100,701	\$1,067,427

LIABILITIES AND STOCKHOLDERS' EQUITY	2024	2023
Non-Interest Bearing Deposits	\$329,248	\$349,784
Interest Bearing Deposits	\$663,682	\$569,744
TOTAL DEPOSITS	\$992,930	\$919,528
Other Liabilities	\$4,885	\$3,990
Federal Home Loan Bank Advances	\$40,000	\$45,000
Bank Term Funding Program	\$0	\$45,000
Other Short Term Borrowings	\$9,384	\$4,166
TOTAL LIABILITIES	\$1,047,199	\$1,017,684

STOCKHOLDERS' EQUITY	2024	2023
Capital Stock	\$1,600	\$1,600
Additional Paid-in Capital	\$ 11,695	\$11,430
Retained Earnings	\$125,597	\$119,748
Unearned ESOP Compensation	(\$2,187)	(\$2,370)
Treasury Stock	(\$36,585)	(\$35,297)
Unrealized Gain/Loss on Securities	(\$46,618)	(\$45,368)
TOTAL STOCKHOLDERS' EQUITY	\$53,502	\$49,743
TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	\$1,100,701	\$1,067,427

CONSOLIDATED STATEMENT OF INCOME (000s)

Close of Business December 31, 2024 and December 31, 2023

INCOME	2024	2023
Interest Income	\$52,951	\$45,598
Interest Expense	(\$23,070)	(\$17,892)
NET INTEREST INCOME	\$29,881	\$27,706

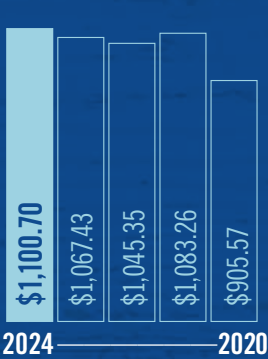
Credit Loss Expense	\$730	\$700
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NON-INTEREST INCOME	2024	2023
Service Charges on Deposit Accounts	\$1,901	\$1,894
Debit Card Income	\$2,203	\$2,412
Other Non-Interest Income	\$2,331	\$2,377
TOTAL NON-INTEREST INCOME	\$6,435	\$6,683

NON-INTEREST EXPENSE	2024	2023
Salaries and Employee Benefits	\$10,133	\$9,461
Occupancy and Equipment Expense	\$1,839	\$1,864
Other Non-Interest Expense	\$8,527	\$8,810
TOTAL NON-INTEREST EXPENSE	\$20,499	\$20,135
NET INCOME	\$15,087	\$13,554

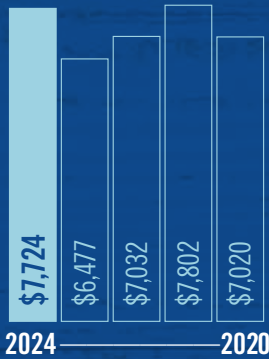
ASSETS

As of December 31, Dollars (In millions)



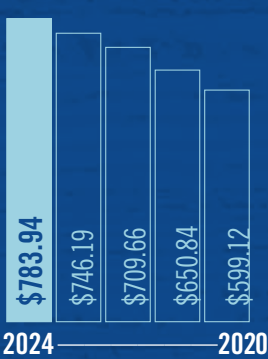
STOCK TRADE PRICE

As of December 31, Dollars (Not in millions)



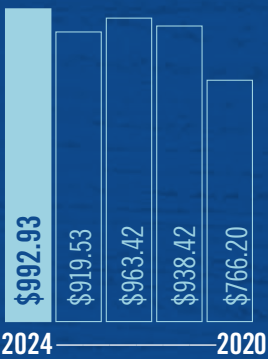
GROSS LOANS

As of December 31, Dollars (In millions)



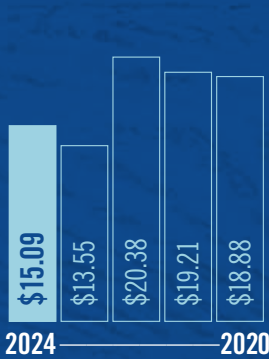
DEPOSITS

As of December 31, Dollars (In millions)



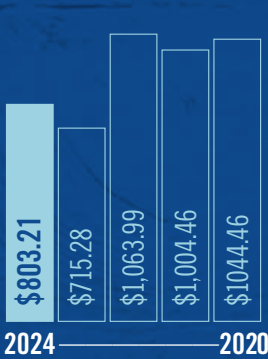
NET INCOME

As of December 31, Dollars (In millions)



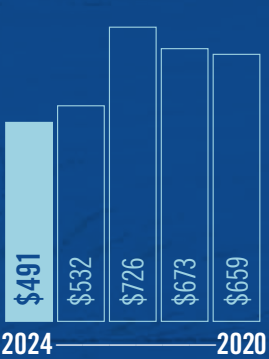
EARNINGS PER SHARE

As of December 31, Dollars (Not in millions)

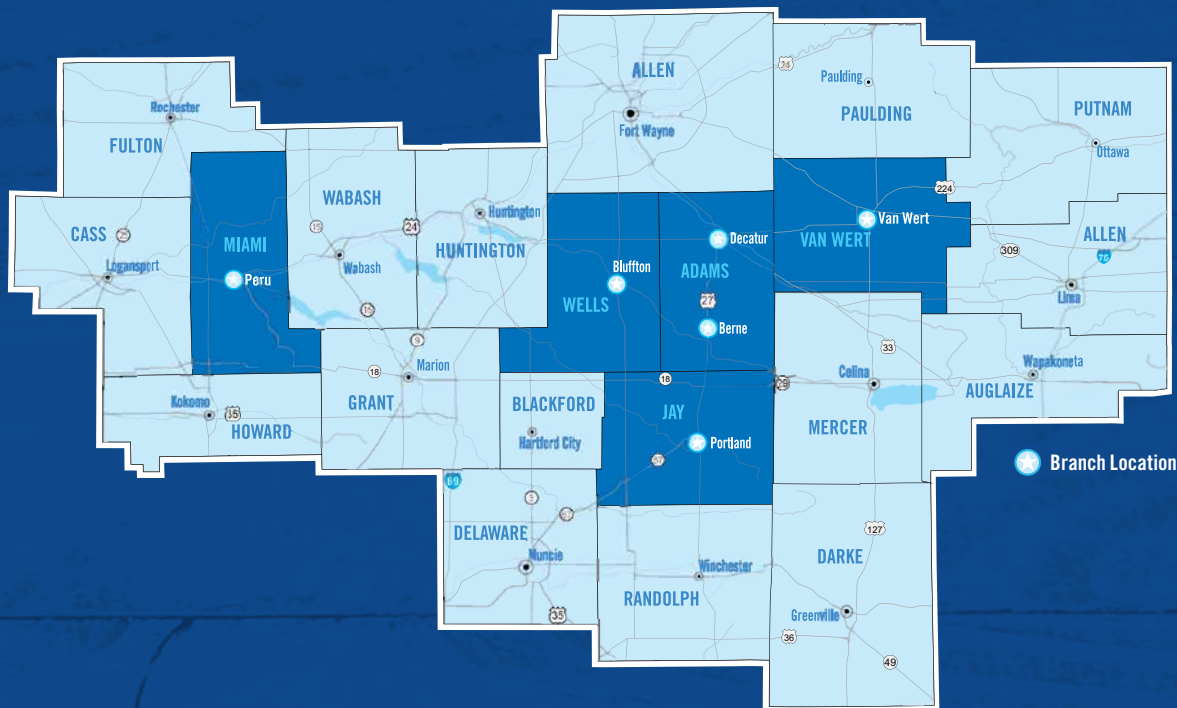


DISTRIBUTIONS PER SHARE

As of December 31, Dollars (Not in millions)



We believe in serving our communities well.



Berne

1105 North U.S. Hwy 27
Berne, Indiana 46711
(260) 589-2670

Bluffton

404 N. Main Street
Bluffton, Indiana 46714
(260) 824-9982

Decatur

1111 S. 13th Street
Decatur, Indiana 46733
(260) 728-2727

Peru

915 W. Main St.
Peru, Indiana 46970
(765) 472-1991

Portland

185 Industrial Drive
Portland, Indiana 47371
(280) 726-2133

Van Wert

102 Christopher Crossing
Van Wert, Ohio 45891
(419) 232-2222



FirstBankofBerne.com

