

OUR PURPOSE:

To care, educate and serve to inspire a better future for all.

•THE FARMERS BANCORP•

Let's
Grow

2024

Annual Report

To Our Shareholders

Christopher Cook, CPA, MBA

President and Chief Executive Officer
The Farmers Bank



Loan Growth:

TFB:	2023: 20.2%	2024: 12.7%
Peer Avg:	2023: 15.2%	2024: 6.8%

Deposit Growth:

TFB:	2023: -0.4%	2024: 14.8%
Peer Avg:	2023: 2.9%	2024: 4.4%

Net Interest Margin:

TFB:	2023: 3.5%	2024: 3.1%
Peer Avg:	2023: 3.5%	2024: 3.2%

The Farmers Bank's legacy of 148 years did not happen by accident. Highly successful companies find ways to make investments that provide greater opportunities in the future, and that is exactly what The Farmers Bank has done this past year, despite being in the midst of an operating environment that has been one of the most difficult in the last 15 years. In order to position us for the future, last year The Farmers Bank made investments in each of the counties we serve. In order to build better name recognition in a growing market in Boone County, The Farmers Bank seized on the opportunity to have naming rights on the new fieldhouse in Lebanon. In Hamilton County, the largest populated county we serve, we opened our 10th full-service financial center in Westfield, which is currently one of the fastest growing cities in the United States. This investment provides The Farmers Bank with more visibility in a high growth market and the largest populated county we serve. Our largest investment in the last year is the remodel of our Main Office in Frankfort. This will position us to maintain our presence in Clinton County, while also providing opportunity to bring more employment opportunities as we continue to grow. Our goal is to make investments in areas that will benefit all of our communities, customers, employees and shareholders.

The new tagline for The Farmers Bank, "Let's Grow!" was more than just a statement this year - it's literally an exclamation! Along with the investments discussed above, The Farmers Bank exceeded loan and deposit growth goals as we approach \$1 billion in assets. The banking industry saw a lot of headwinds in the last year that have had a negative impact on earnings. Inflation and yield curve inversion are the main reasons that most banks saw a decline in earnings. The Farmers Bank saw strong growth in our markets but experienced the same headwinds as our peers. The metrics at left reflect The Farmers Bank's performance compared to peer based on Call Report data.

As I complete my first year at the helm of The Farmers Bank, I am honored to serve with a team that is dedicated to doing the right thing and providing the best possible service to each and every constituent. Although the past year has been difficult due to the operating environment, The Farmers Bank continues to remain focused on moving forward. The legacy of The Farmers Bank is important to both me and the team, and I believe that we are positioned for long-term success. Our future is bright!

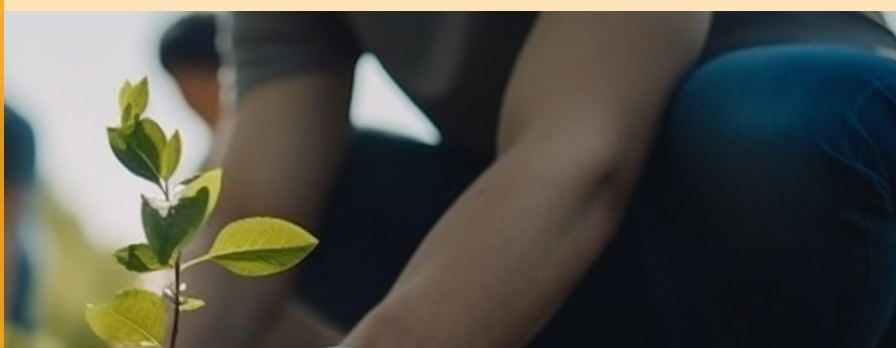
14.8% 2024 DEPOSIT
GROWTH
COMPARED TO PEER AVERAGE OF 4.4%

Financial Highlights

last year's achievements

Fiscal year ending June 30. Dollar amounts in thousands, except per share data.

Highly successful companies find ways to make investments that provide greater opportunities in the future, and that is exactly what The Farmers Bank has done this past year.



Financial Highlights

EARNINGS	2024	2023	% CHANGE
Net Income	4,739	10,466	(54.72)
Cash Dividends Paid	2,625	2,469	6.32

PER COMMON SHARE	2024	2023	% CHANGE
Earnings	2.60	5.77	(54.94)
Cash Dividends Paid	1.44	1.36	5.88
Book Value at Year-End	37.13	36.40	2.01

RATIOS	2024	2023	% CHANGE
Return on Average Assets	0.50%	1.25%	(60.00)
Return on Average Equity	7.27	16.74	(56.56)

AT YEAR-END	2024	2023	% CHANGE
Assets	\$987,737	\$898,502	9.93
Securities	177,420	181,422	(2.21)
Total Loans, incl. held for sale	713,559	633,282	12.68
Deposits/short-term borrowings	804,592	731,161	10.04
Shareholders' equity	67,821	66,139	2.54

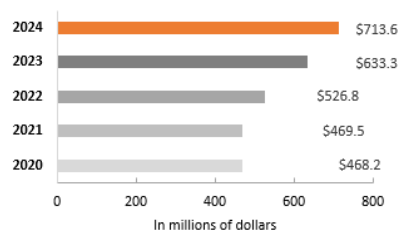
Board of Directors

Gregory J. Cagnassola
Partner | DeFur Voran LLP
Christopher Cook
President and Chief Executive Officer | The Farmers Bank
Thomas D. Crawford
Retired Administrator/CEO | St. Vincent Frankfort Hospital
Barb Cutillo
Lecturer of Management
IU-Indianapolis, Kelley School of Business
Kyle DeFur
President | National Christian Foundation of Indiana
Matt Jackson
President and Founder | Jackson Investment Group
Daniel J. Lahrman
President | Daniel Lahrman Farms, Inc.
James D. Moore
Attorney | Ryan, Moore, Cook, Triplett & Albertson, LLP
Edwin C. Sahn
President | Sahn's Companies
Stanley K. Smith
President | Gill Construction Management, Inc.

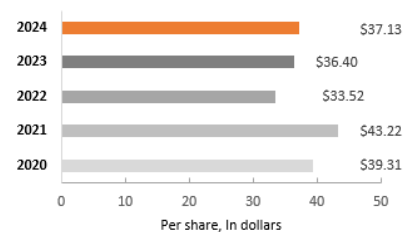


Financials - Key Graphs

TOTAL LOANS



BOOK VALUE

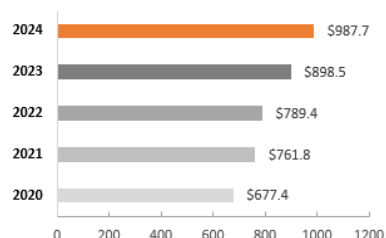


\$987.70

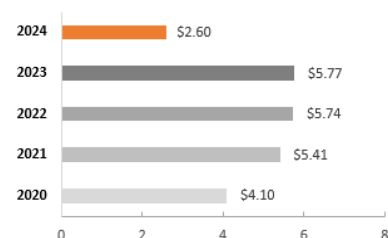
Total Assets

IN MILLIONS OF DOLLARS,
FISCAL YEAR ENDING JUNE 30

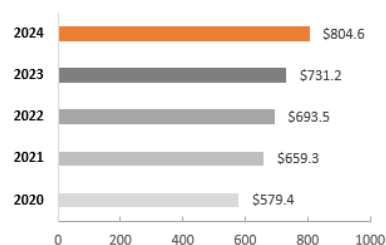
TOTAL ASSETS



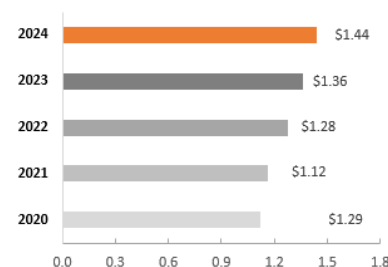
DILUTED EARNINGS



TOTAL DEPOSITS & SHORT-TERM BORROWINGS



CASH DIVIDENDS PAID



Want to know more?

The complete set of audited financial statements is available online at www.TheFarmersBank.com.

For a printed copy, please contact The Farmers Bank Finance Department at 765.654.8731.



Locations

● FRANKFORT MAIN

9 East Clinton Street | P.O. Box 129
Frankfort, IN 46041-0129

● CARMEL LOAN

PRODUCTION OFFICE

11350 North Meridian Street, Suite 500
Carmel, IN 46032-4528

● FISHERS

7126 East 116th Street
Fishers, IN 46038-1729

● FRANKFORT ATM

1951 East Wabash Street
Frankfort, IN 46041-2752

● KIRKLIN

110 North Main Street | P.O. Box 188
Kirklin, IN 46050-0188

● LEBANON

2304 North Lebanon Street
Lebanon, IN 46052-1110

● MICHIGANTOWN

219 Main Street | P.O. Box 298
Michigantown, IN 46057-0298

● MULBERRY

145 East Jackson Street | P.O. Box 280
Mulberry, IN 46058-0280

● NOBLESVILLE

16940 Clover Road
Noblesville, IN 46060-3643

● ROSSVILLE

5450 West State Road 26, Suite 300
Rossville, IN 46065-9479

● SHERIDAN

987 South White Avenue | P.O. Box 211
Sheridan, IN 46069-0211

● WESLEY MANOR

1555 North Main Street
Frankfort, IN 46041-1167

● WESTFIELD

17370 Farmers Bank Way
Westfield, IN 46074-9960



Independent Auditors

Forvis Mazars, LLP
820 Massachusetts Avenue
Suite 1370
Indianapolis, IN 46204-4224

Transfer Agent

Colonial Stock Transfer Company
7840 South 700 East
Sandy, UT 84070
801.355.5740



Our Core Values

- Choose joy and spread fun
- Embrace change
- Quiet competence
- Live your word
- Everyone you touch knows you care

Annual Meeting

The annual meeting of the shareholders of The Farmers Bancorp will be held Thursday, October 17, 2024, at 2:00 p.m. at Arborwood by Shoup’s, 100 Golf Preserve Lane, Frankfort, IN 46041. A formal notice of this meeting, together with a proxy statement, is mailed to shareholders. Shareholders are urged to sign and return their proxies promptly to ensure that the stock of the corporation will be represented as fully as possible at the meeting.



Get In Touch

www.TheFarmersBank.com
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765.654.8731

Stock Information

Persons interested in buying or selling our stock (FABP) should contact:

RAYMOND JAMES
222 South Riverside Plaza, 7th Floor | Chicago, IL 60606
800.800.4693

JANNEY MONTGOMERY SCOTT, LLC
1717 Arch Street | Philadelphia, PA 19103
215.665.6000