



SERVING OUR COMMUNITY FOR
145 YEARS



THE Farmers Bancorp

Our Mission, Purpose, Vision and Core Values

OUR PURPOSE

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

OUR VISION

Every customer brings every account and all their friends.

OUR CORE VALUES

Choose joy and spread fun

Embrace change

Everyone you touch knows you care

Live your word

Quiet competence

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Front Cover Photo – The Farmers Bank Board of Directors (Not pictured: Gregory J. Cagnassola)

Back Cover Photo – The Farmers Bank Management Committee

Photos by XJamesRamos.com

Letter to Shareholders

Dear Shareholders,

This past year has been filled with highs and lows. The low interest rates led to historically high mortgage volume. As we sell most of our long-term fixed-rate mortgages in the secondary market, our net gains on sales of loans added \$1,870,000 to our income. In addition, we recognized \$2,288,000 in Paycheck Protection Program (PPP) fees. These, as well as strong operating earnings, led to a record year in net income. For the fiscal year ending June 30, 2021, we experienced a return on average assets of 1.54% and return on average equity of 13.11% (compared to the previous year's 1.37% and 11.25%, respectively). Total loans increased marginally due to significant PPP loan forgiveness, while deposits and short-term borrowings increased by 13.79%.



Another high point for the year was The Farmers Bank's 145th anniversary. We celebrated by giving teams of two employees \$145 to make a positive impact in our communities. Not only did they benefit over 20 different organizations, but the employees also learned a lot about the community, and it stirred a desire to become more involved. This effort illustrates what we mean by **Community Banking with a Capital C**.

I am excited to announce that we have recently added two highly qualified and esteemed individuals to supplement our Board, Barb Cutillo and Kyle DeFur. They bring tremendous business acumen as well as community and employee focus. Please read the Annual Report for more detailed information about each of them. We are sad to say goodbye to long-time director Stephen Rothenberger. Steve embodies our core value of Quiet Competence. He can be counted upon to absorb and understand even the most complex issues, and he responds with clarity and common sense. We thank Steve for his many years of service to the bank and its shareholders.

This year, we launched The Farmers Bank Way (TFBW) with all of our employees. The Farmers Bank Way defines the behaviors that express our purpose: "to care, educate and serve to inspire a better future for all." It also clarifies our core values and customer care standards. This important initiative is to ensure that we attract and retain the best talent and continually provide great value for our customers.

I am exceedingly proud of our employees and how they have responded to the myriad of challenges and changes that were part of this past year. Through it all, they took excellent care of our customers, and they also took care of each other. Their efforts and commitment show in the incredible and record-breaking results that were achieved this past year.

In closing, I would like to thank our shareholders for the trust you place in us, our customers for allowing us to serve you, and our employees for your hard work and dedication to The Farmers Bank Way!

The Farmers Bank... my bank for life.

With kind regards,

Karen F. Gregerson
President & CEO

Financial Highlights

Dollar amounts in thousands, except per share data

Fiscal year ending June 30

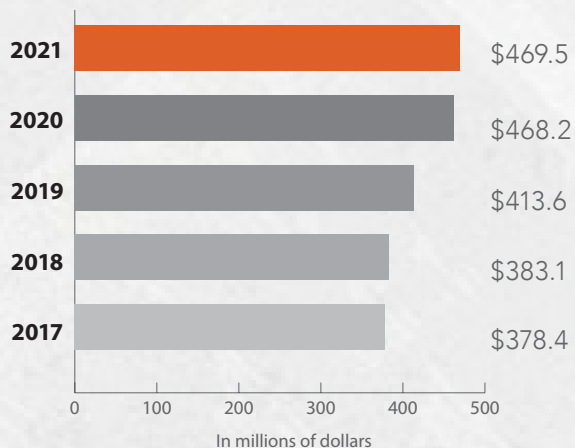
	2021	2020	% CHANGE
EARNINGS			
Net income	\$ 11,136	\$ 8,439	31.96%
Cash dividends paid	2,387	2,305	3.56
PER COMMON SHARE			
Earnings	\$ 5.41	\$ 4.10	31.95%
Cash dividends paid	1.16	1.12	3.57
Book value at year-end	43.22	39.31	9.95
RATIOS			
Return on average assets	1.54%	1.37%	12.41%
Return on average equity	13.11	11.25	16.53
AT YEAR-END			
Assets	\$ 761,825	\$ 677,393	12.46%
Securities	198,762	146,314	35.85
Total loans, including loans held for sale	469,501	468,246	0.27
Deposits and short-term borrowings	659,319	579,404	13.79
Shareholders' equity	88,984	80,822	10.10

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.

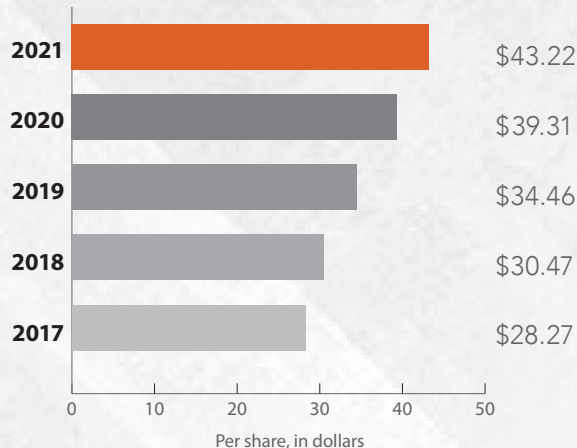
Financial Key Graphs

Fiscal year ending June 30

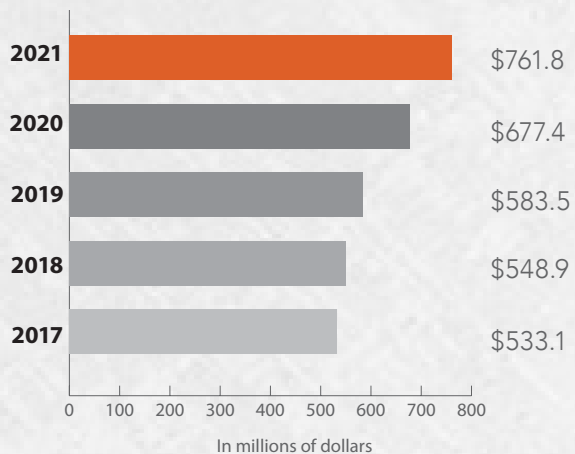
TOTAL LOANS



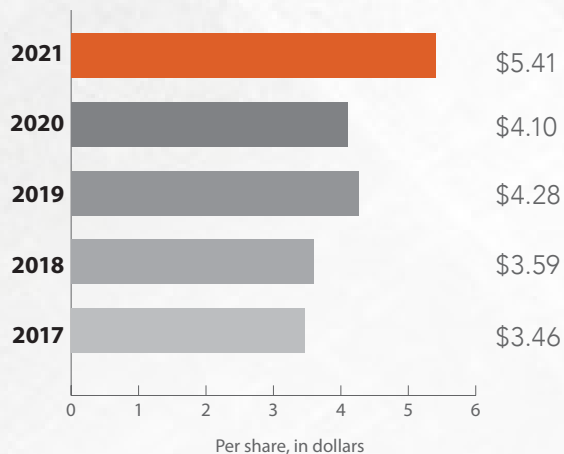
BOOK VALUE



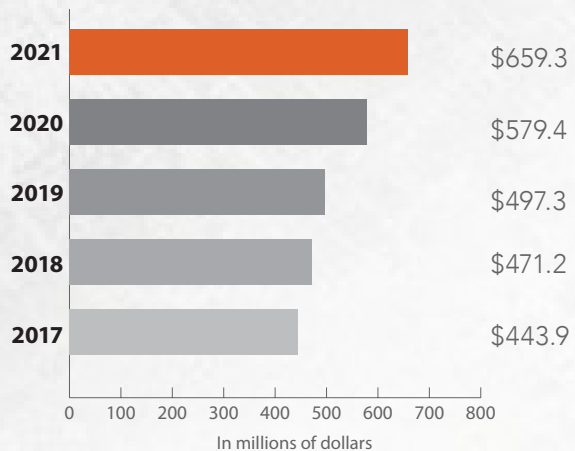
TOTAL ASSETS



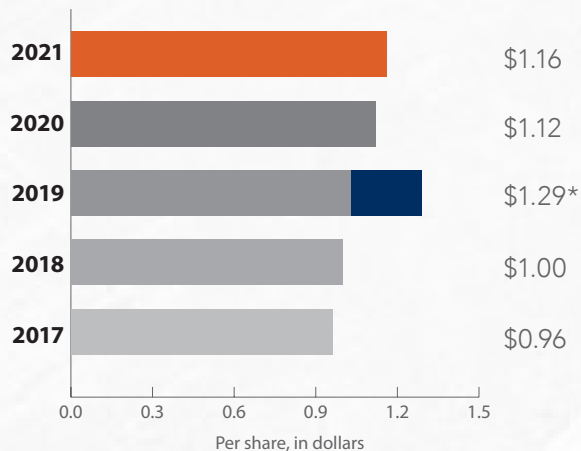
DILUTED EARNINGS



TOTAL DEPOSITS & SHORT-TERM BORROWINGS



CASH DIVIDENDS PAID



*Special \$0.25 dividend paid in September 2018.

145 Years of Growth, Service & Support



It's no secret that the past two years have been fraught with challenges. But The Farmers Bank has persevered through every hardship for the past 145 years. Time and time again, we have proven that no matter the circumstances or difficulties that befall us, we are ready to serve as a pillar of enduring strength and support for our community – and this last year was no exception. Despite ongoing effects of the COVID-19 pandemic, we were able to launch a Pay It Forward campaign, welcome new Board members and more.

From all of us at The Farmers Bank, thank you for the role you have played in helping us reach this anniversary. We look forward to serving our customers, shareholders, and the communities we serve for another 145 years and beyond!

Pay It Forward Campaign

At The Farmers Bank, serving our communities is at the core of who we are. Unfortunately, COVID-19 caused many of our community outreach efforts to be put on hold – so we got creative!

During the month of June, in celebration of our 145th anniversary, employees were encouraged to team up in groups of two, with each team receiving \$145 to Pay It Forward to someone in need. Employees were asked to purchase items and personally deliver them to organizations in the communities we serve.

The Pay it Forward Campaign provided over \$8,500 to organizations in our local communities. Many of the supplies were also purchased locally – making the gifts twice as impactful.



Karen Gregerson Named IBA Woman of the Year

Karen F. Gregerson, President and CEO of The Farmers Bank, was honored with the 2020 Indiana Bankers Association Woman of the Year award. This annual award recognizes a woman in banking who is community-active

and achievement-oriented, and who contributes to team success. Gregerson had 34 years of financial experience with a northeast Indiana bank before joining The Farmers Bank in 2016. She serves in leadership as a board member of the Indiana Statewide Certified Development Corporation and as a director of the Federal Home Loan Bank of Indianapolis. Additionally, she has served on a number of boards within the community. Congratulations to Karen and thank you for your service to all!



Stephen Rothenberger Retires From Board of Directors

Stephen G. Rothenberger has been a director of The Farmers Bank since 1994 – serving on the Audit, Asset/Liability, Directors Loan and 401K Committees. Early in his career, Mr. Rothenberger worked as a commercial

lender in Illinois before returning to Clinton County to his family farm. He retired from grain and hog farming after 25 years and subsequently joined The Farmers Bank as Investment Officer in the Trust Department, where he served for 10 years. Mr. Rothenberger brought a unique perspective to our Board based on his banking experience as well as his knowledge of the agricultural industry on a local, regional and national level. We thank him for his many years of dedicated service and leadership!



A Tribute to Fred Agnew

The Farmers Bank family was sad to learn that Fred K Agnew – former President and Chairman of the Board of Directors – passed away on March 28, 2021, after a long illness.

Fred began his career at The Farmers Bank in 1967. He was President of The Farmers Bank from 1986–1995 and served as Chairman of the Board of Directors from 1995–2008. He left his mark on the bank in countless ways, and he will forever be remembered for his dedication to the community along with his sense of humor and love of food.

We offer our deepest sympathies to his son, Charles, and daughter, Nancy, and we pray that he may rest in peace.

New Board of Directors Members

Recently, we welcomed Barb Cutillo and Kyle DeFur to our Board of Directors. “We are excited to have both Barb and Kyle join our Board of Directors,” said Karen F. Gregerson, President and Chief Executive Officer. “They embody the spirit of community, and I am confident they will bring additional insight, expertise and energy to our growing bank.”



Barb Cutillo received her Bachelor of Science (BS) degree in accounting from the University of Kentucky. She received her Master of Business Administration (MBA) degree from Kelley School of Business, Indiana University, majoring in finance and entrepreneurship. In addition to serving on the Board of The Farmers Bank, she is Lecturer of

Management at Kelley School of Business at IUPUI in Indianapolis, Indiana, and the Managing Director of Prasada Consulting, LLC, in Indianapolis, Indiana. As co-founder of Stonegate Mortgage, she grew the company from a small residential broker to a publicly traded national residential mortgage lender and servicer. She is a licensed CPA in the state of Indiana. At various times in her career, she has been a member of Indiana Society for CPAs, American Institute of CPAs, Financial Executives Institute, Society for Human Resource Management, Mortgage Bankers Association and Angel Capital Association. Barb was named an IBJ “Woman of Influence” in 2013 and has served her community by her involvement in a number of organizations, including Board Member of Boys & Girls Club of Indianapolis and Executive Committee Member – Dean’s Council for Kelley School of Business Indianapolis. Barb currently resides in McCordsville, Indiana, with her two college-age daughters, Anna and Kate, and likes to travel, read and practice yoga.



Kyle DeFur received his Bachelor of Arts (BA) degree from Anderson University in Anderson, Indiana. He received his Master of Business Administration (MBA) degree from Xavier University in Cincinnati, Ohio. Kyle also received his Master of Hospital and Health Administration (MHA) degree from Xavier University. In addition to serving on

the Board of The Farmers Bank, he is President of trueU, Indianapolis. Prior to that, Kyle was President of Ascension St. Vincent Indianapolis Hospital. At various times in his career, he has been a member of the American College of Healthcare Executives, a graduate of the two-year intensive Ascension Health Formation for Catholic Healthcare Ministry Leadership Program, named as one of the “100 Leaders of Great Hospitals in America” and “300 Hospital and Health System Leaders to Know,” and was mentor of the year at the 2019 Inspire Awards. Kyle has served his community by serving as a mentor to a number of young leaders in their 20s and 30s. He is currently on the board of EDGE Mentoring and Anderson University. When not working, Kyle enjoys spending time with his wife of over 30 years, Dana. They have two married sons, Cameron and Clayton, and two grandsons. He enjoys golf, reading and serving at his church.

Directors and Officers

DIRECTORS OF THE FARMERS BANK AND THE FARMERS BANCORP

Gregory J. Cagnassola
Partner, DeFur Voran LLP

Thomas D. Crawford
*Retired Administrator/CEO,
St. Vincent Frankfort Hospital*

Barb Cutillo
*Managing Director,
Prasada Consulting, LLC*

Kyle DeFur
President, trueU

Karen F. Gregerson
*President and Chief Executive
Officer, The Farmers Bank*

Daniel J. Lahrman
President, Daniel Lahrman Farms, Inc.

James D. Moore
*Attorney,
Ryan, Moore, Cook, Triplett
& Albertson, LLP*

Jack W. Ransom
*Retired Businessman, Kramer
Brothers Lumber Company, Inc.*

Edwin C. Sahn
President, Sahn's Companies

Stanley K. Smith
*President, Gill Construction &
Management, Inc.*

OFFICERS OF THE FARMERS BANCORP

Jack W. Ransom
Chairman of the Board

Stanley K. Smith
Vice Chairman of the Board

Karen F. Gregerson
President

Bradley S. Cunningham
Vice President and Secretary

Chad Kozuch
Treasurer

James D. Moore
Assistant Secretary to the Board

OFFICERS OF THE FARMERS BANK

ADMINISTRATION

Karen F. Gregerson
President/Chief Executive Officer

Kim Compton
*Senior Vice President/
Chief Strategy Officer*

Bradley S. Cunningham
*Senior Vice President of
Commercial Banking*

Donna Howell
*Senior Vice President/
Chief Operations Officer*

Chad Kozuch
*Senior Vice President/
Chief Financial Officer*

Mark S. Novak
*Senior Vice President/
Chief Credit Officer*

Steven A. Walter
*Senior Vice President of
Consumer Banking*

ACCOUNTING / FUNDS MANAGEMENT

Stephanie Buntin
Senior Financial Analyst

Ryan Kaufman
Controller

AUDIT / COMPLIANCE / SECURITY

Carroll Valentino
*Vice President/Risk Management
Officer/Information Security Officer*

Tammy Dunham
Compliance Officer/CRA Officer

Kathleen W. Knoll
Internal Auditor

COLLECTIONS

Brandi Dunn
Retail Credit Manager

William J. Popich
Special Assets Officer

COMMERCIAL BANKING

Allison A. Bramblett
Treasury Management Officer

Brian P. Carroll
*Vice President/Senior
Commercial Banking Officer*

Kendra M. Chastain
*Agricultural and Commercial
Banking Officer*

Andrew V. Cripe
*Vice President of Commercial/
Ag Banking*

Bryon Dispennett
Merchant Services Manager

Brian Jimenez
Commercial Banking Officer

Joshua D. Kline
*Commercial Banking Officer/
SBA Lender*

Tracy Mosson
Senior Credit Analyst

Alan Oyler
*Vice President/Senior Commercial
Banking Officer*

Dwain Pitzer
*Vice President/Senior Commercial
Banking Officer*

Susan M. Ruch
Small Business Lender

HUMAN RESOURCES

Cindy L. Swope
*Vice President/Director
of Human Resources*

Casie Ticen
Training Director

LOAN ADMINISTRATION

Theda Anderson
Loan Operations Manager

Erin Matz
Loan Operations Officer

MARKETING

Lisa L. Ferguson
Director of Marketing

MORTGAGE LENDING

Andrea Smart
Mortgage Loan Officer

Directors and Officers (cont.)

OPERATIONS

Denisa D. Stetler
Deposit Operations Officer

RETAIL BANKING

Jeffrey K. Davis
Consumer Loan Manager

Russ Doyle
Consumer Loan Portfolio Manager

Leota Walker
Manager of Branch Administration

FISHERS OFFICE

Ashley Roose
Branch Manager

Nick Jennings
Assistant Branch Manager

FRANKFORT OFFICE

Lorita Pearson
Branch Manager

Brittini Fairclough
Assistant Branch Manager

KIRKLIN OFFICE

Sandra Brant
Branch Manager

LEBANON OFFICE

Janis Braner
Branch Manager

Lori Allen
Assistant Branch Manager

Grant Doyle
Consumer Loan Officer

MICHIGANTOWN OFFICE

Sandra Brant
Branch Manager

MULBERRY OFFICE

Kathy Ledman
Branch Manager

NOBLESVILLE OFFICE

Sydney S. Loomis
*Assistant Vice President/Small
Business Banker/Market Manager*

Jamie White
Assistant Branch Manager

ROSSVILLE OFFICE

Kathy Ledman
Branch Manager

SHERIDAN OFFICE

Brittany Breen
Branch Manager

INVESTMENT & TRUST SERVICES

Tamara S. Moss
*Vice President and Manager of
Investment & Trust Services*

Greg Clapp
*AAMS®/Assistant Vice President/
Trust Investment Officer*

Yvonne Baird
Trust Administration Officer

Austin Hoover
Trust Investment Officer

Russ Odle
Personal Trust Officer



Gregory J. Cagnassola



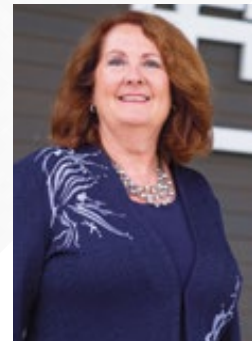
Thomas D. Crawford



Barb Cutillo



Kyle DeFur



Karen F. Gregerson



Daniel J. Lahrman



James D. Moore



Jack W. Ransom



Edwin C. Sahn



Stanley K. Smith

Corporate Information



INDEPENDENT AUDITORS

BKD, LLP
201 North Illinois Street
Suite 700
P.O. Box 44998
Indianapolis, IN 46244-0998
317-383-4000

EMAIL ADDRESS

contactus@thefarmersbank.com

WEBSITE

www.thefarmersbank.com

ANNUAL MEETING

The annual meeting of the shareholders of The Farmers Bancorp will be held Thursday, October 14, 2021, at 2:00 p.m. at Arborwood by Shoup's, 100 Golf Preserve Lane, Frankfort, Indiana 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.

TRANSFER AGENT

The Farmers Bancorp
9 East Clinton Street
P.O. Box 129
Frankfort, IN 46041-0129
765-654-8731

STOCK INFORMATION

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

RAYMOND JAMES

222 South Riverside Plaza
7th Floor
Chicago, IL 60606
800-800-4693

BOENNING & SCATTERGOOD

400 Lydia Street
Suite 100
Carnegie, PA 15106
800-889-6440

Locations of The Farmers Bank



FRANKFORT OFFICE

9 East Clinton Street
P.O. Box 129
Frankfort, IN 46041-0129
765-654-8731



NOBLESVILLE OFFICE

16940 Clover Road
Noblesville, IN 46060-3643
317-773-3100



FISHERS OFFICE

7126 East 116th Street
Fishers, IN 46038-1729
317-841-5960



ROSSVILLE OFFICE

5450 West State Road 26, Suite 300
Rossville, IN 46065-9479
765-379-2535



KIRKLIN OFFICE

110 North Main Street
P.O. Box 188
Kirklin, IN 46050-0188
765-279-8351



SHERIDAN OFFICE

987 South White Avenue
P.O. Box 211
Sheridan, IN 46069-0211
317-758-9620



LEBANON OFFICE

2304 North Lebanon Street
Lebanon, IN 46052-1110
765-482-4556



WESLEY MANOR OFFICE

1555 North Main Street
Frankfort, IN 46041-1167
765-654-6719



MICHIGANTOWN OFFICE

219 Main Street
P.O. Box 298
Michigantown, IN 46057-0298
765-249-2216



MULBERRY OFFICE

145 East Jackson Street
P.O. Box 280
Mulberry, IN 46058-0280
765-296-3733





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THE Farmers Bancorp