

MIDDLEBURY OFFICERS

D. Joe Caffee	President & CEO
Sam H. Hoover III	Exec. Vice President
Lance T. Weirich	Senior Vice President & CLO
Jared E. Sponseller	Senior Vice President & CFO
James L. Neff	Senior Vice President
Eric J. Romzek	Senior Vice President
Jessica E. Hamood	Vice President
Darla K. Kauffman	Vice President
Kirsten T. King	Vice President
Jon E. Miller	Vice President
Sue Ann Von Blon	Vice President
Samuel E. Weirich III	Vice President
Julie W. Whitehead	Vice President
Tessa A. Trigg	Assistant Vice President
Jaclyn D. Health	Controller, Banking Officer
Debbie L. Gordon	Banking Officer
Emilee A. Hendron	Banking Officer
Amanda L. Kindig	Banking Officer
Rebecca L. Yoder	Banking Officer

BOARD OF DIRECTORS

Joe A. Smucker	Chairman of the Board, Retired President, Parkland Plastics Inc.
D. Joe Caffee	President and CEO, First State Bank and CVFC
Sam H. Hoover III	Exec. Vice President, First State Bank and CVFC
Derald L. Bontrager	Retired President, Jayco, Inc.
Carl D. Eash	Retired Business Owner and Real Estate Investor
Cynthia S. Gillard	Partner, Warrick & Boyn LLP
Kip B. Ellis	Exec. Vice President & COO, Patrick Industries, Inc.
Anne F. Hayes	President, Hayes Towers
Cameron D. Boyer	Vice President, Brinkley RV

GOSHEN OFFICERS

Duane R. Miller	Senior Vice President
Louis W. Gerber	Vice President & CCO
Jeff D. Showalter	Vice President
Lynda L. Hershberger	Assistant Vice President

ELKHART OFFICERS

Sheila L. Gordy	Senior Vice President
Patrece D. Yates	Senior Vice President & Trust Officer
Duane S. Klein	Vice President
Shannon G. Klein-Bruggeman	Vice President & Trust Officer
Nicholas B. Corpe	Assistant Vice President
Lori A. Faltynski	Assistant Vice President

SOUTH BEND OFFICERS

Dana D. Trowbridge	Senior Vice President
Elizabeth L. Groulx	Vice President
Nicholas R. Matthews	Vice President

**CRYSTAL VALLEY
FINANCIAL CORPORATION**

On behalf of the directors and management team of Crystal Valley Financial Corporation (CVF) and its primary subsidiary, First State Bank, it is a pleasure to announce strong financial results for the third quarter and year to date, 2024. Net income exceeded \$8,200,000 an increase of 4.1% compared to the same period of 2023. Year over year, total assets for the corporation have grown by 5.60% to more than \$796 million as of September 30, 2024.

The recent decrease in interest rates immediately lowered our cost of funding and we expect additional rate relief in the fourth quarter. Likewise, there is downward pressure on lending rates, but an uptick in borrowing, especially in the consumer mortgage market. First State Bank is poised to take advantage as we added a veteran mortgage lender to our team during the third quarter.

The directors have approved a fourth quarter dividend in the amount of \$.46 per share for shareholders of record as of November 1, 2024 and payable on November 15, 2024. This dividend is an increase of 7.0% compared to the dividend paid for the same period of 2023. Year over year, earnings per share increased from \$5.85 to \$6.36.

During the quarter our South Bend office surpassed \$100 million in loan outstandings. The neighborhood surrounding that office continues its revitalization. First State Bank remains well-positioned to fund these opportunities. Construction progress continues regarding the administration building project at the corner of Warren and Scott Streets in downtown Middlebury. Local shareholders are encouraged to drive by to watch the building take shape.

We appreciate your investment in Crystal Valley Financial. Feel free to call if you would like to discuss our financial results or your investment. Our stock repurchase plan remains in place for the fourth quarter of 2024. Those shareholders seeking liquidity can contact Jared Sponseller, CFO or myself to discuss this option with you.

Upward & Onward,



D. Joe Caffee, President & CEO


Statement of Condition

SEPTEMBER 30, 2024
**CRYSTAL VALLEY
FINANCIAL CORPORATION**

and its Principal Subsidiary

FIRST STATE | BANK

Statement of Condition
September 30, 2024 and 2023
Unaudited

	2024	2023
Assets		
Cash and Due from Banks	\$12,879,832	\$12,055,213
Interest Bearing Balance with Banks	7,463,346	1,495,707
Federal Funds Sold	54,095	63,295
Investment Securities	138,005,221	145,875,141
Federal Home Loan Bank Stock	3,530,500	3,530,500
Loans Gross	607,255,874	561,363,251
Less: Allowance for Loan Losses	-7,471,224	-7,808,668
Deferred Loan Fees	-36,635	-46,385
Net Loans	599,748,015	553,508,198
Premises and Equipment	5,321,552	4,991,540
Accrued Interest Receivable	3,016,688	2,952,725
CSV - Life Insurance	12,751,522	12,388,107
Other Assets	14,051,803	17,719,954
Total Assets	<u>\$796,822,574</u>	<u>\$754,580,380</u>

Liabilities and Shareholders Equity

Liabilities		
Non-Interest Bearing Demand	\$131,833,656	\$145,768,588
Interest Bearing Demand	237,340,316	212,128,420
Savings	124,999,373	138,716,864
Time Under \$100,000	35,295,031	32,786,543
Time \$100,000 and over	101,095,192	83,818,020
Total Deposits	630,563,568	613,218,435
Loans Payable	69,064,354	60,608,858
Repurchase Agreements	3,884,764	5,370,939
Federal Funds Purchased	0	1,609,651
Allowance for Credit Losses on Off Balance Sheet Credit Exposure	146,131	0
Accrued Interest Payable	1,530,023	556,303
Other Liabilities	7,809,203	8,664,693
Total Liabilities	<u>\$712,998,043</u>	<u>\$690,028,879</u>
Shareholders Equity		
Common Stock	\$2,048,000	\$2,048,000
Surplus	2,179,382	2,179,382
Retained Earnings	119,748,113	111,538,854
Treasury Stock	-23,904,308	-22,008,591
Net Unrealized Gain (Loss) on Securities	-16,246,656	-29,206,144
Total Shareholder Equity	<u>\$83,824,531</u>	<u>\$64,551,501</u>
Total Liabilities and Shareholder Equity	<u>\$796,822,574</u>	<u>\$754,580,380</u>

Book Value Per Share

* 2024 - Based on 1,288,828 shares outstanding
** 2023 - Based on 1,320,834 shares outstanding

65.04*

48.87**

Statement of Income
Nine Months Ended September 30, 2024 and 2023
Unaudited

	2024	2023
Interest Income		
Interest and Fees on Loans	\$28,776,715	\$23,943,779
Interest on B.A.'s & Deposits with Banks	112,480	124,069
Interest on Investment Securities	2,764,669	2,827,418
Other Interest & Dividend Income	253,043	146,600
Total Interest Income	<u>\$31,906,907</u>	<u>\$27,041,866</u>
Interest Expense		
Interest on Deposits	\$7,617,427	\$3,981,026
Interest on FF Purchased/Repos	192,781	230,263
Interest on Other Borrowed Funds	2,868,171	1,863,392
Total Interest Expense	<u>\$10,678,379</u>	<u>\$6,074,681</u>
Net Interest Income	\$21,228,528	\$20,967,185
Provision for Loan Losses	-163,000	513,000
Net Interest Income After Provision for Loan Losses	<u>\$21,391,528</u>	<u>\$20,454,185</u>
Other Income		
Service Charges on Deposit Accounts	\$410,729	\$353,645
Other Service Charges, Commissions, Fees	1,199,736	1,244,799
Trust Income	957,220	877,165
Gain (Loss) on Sales of Securities	-2,446,399	34,827
Gain (Loss) on Sales of Loans	266,934	-84,745
Gain (Loss) on Other Real Estate	0	41
Other Income	2,865,228	312,817
Total Other Income	<u>\$3,253,448</u>	<u>\$2,738,549</u>
Other Expenses		
Salaries and Employee Benefits	\$8,272,847	\$7,629,174
Occupancy Expense	939,315	843,455
Equipment and Processing	1,961,744	1,955,397
Postage & Supplies	215,051	229,158
Legal & Accounting	235,770	239,055
Advertising & Public Relations	741,466	673,241
FDIC Assessment	268,383	254,208
Other Expenses	2,024,687	2,128,489
Total Other Expenses	<u>\$14,659,263</u>	<u>\$13,952,177</u>
Income Before Taxes	\$9,985,713	\$9,240,557
Provision for Income Taxes	1,757,096	1,339,287
Net Income	<u>\$8,228,617</u>	<u>\$7,901,270</u>

Earnings Per Common Share

* 2024 - Based on 1,293,759 average shares outstanding
** 2023 - Based on 1,349,995 average shares outstanding

\$6.36*

5.85**