



MIDDLEBURY OFFICERS

D. Joe Caffee	President & CEO
Jared E. Sponseller	Senior Vice President & CFO
Eddie E. Tabor III	Senior Vice President & COO
Lance T. Weirich	Senior Vice President & CLO
James L. Neff	Senior Vice President
Eric J. Romzek	Senior Vice President
Samuel E. Weirich III	Senior Vice President, Risk Officer
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
Julie W. Whitehead	Vice President
Jaclyn D. Heath	Assistant Vice President, Controller
Tessa A. Trigg	Assistant Vice President
Timothy D. DeLuca	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	Retired 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	President, Powersports, Technology and Housing, Patrick Industries, Inc.
Anne F. Hayes	President, Hayes Towers
Cameron D. Boyer	Vice President, Brinkley RV
Wes Herschberger	Founder and Board Chair of MapleTronics

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
Savannah R. Lehman	Compliance Officer

ELKHART OFFICERS

Sheila L. Gordy	Senior Vice President
Patrice 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

**CRYSTAL VALLEY
FINANCIAL CORPORATION**

The directors and management of Crystal Valley Financial Corporation (CYVF) would like to report the financial results for the corporation and its subsidiary, First State Bank, for the year ended December 31, 2025. Consolidated Corporation net income is \$10,453,658 for the year, down from prior year net income of \$11,100,996. Earnings per share for the year are \$8.22 compared to \$8.59 in the prior year, a decrease of (4.31%).

While annual revenue was the best in the company's history, surpassing \$50,000,000 for the first time, net income was negatively impacted by an isolated credit challenge that we have been monitoring. That relationship came to a head in the fourth quarter. In fact, the impact on provision for loan losses is approximately \$2.4 million via the specific loan loss reserve for this credit. With this notable exception, overall credit quality remains steady and past due loans remain low.

Looking ahead, loan demand is strong heading into 2026. We expect net interest margin to continue its expansion. We look forward to Spring and are hopeful to begin construction of a new banking center in Shipshewana and a remodel and refresh of our downtown Middlebury office. Additionally, as part of our ongoing succession plan, Andy Murray has been appointed to the board of directors of the corporation. A Granger resident, Mr. Murray currently works with the Elkhart County Community Foundation. Recently, he retired after enjoying a 30-year career in the recreational vehicle industry.

The Board of Directors has approved a first quarter cash dividend of \$0.50 per share for shareholders with a record date of February 5, 2026, and a payable date of February 19, 2026. This represents an increase of 6.38% compared to the dividend paid in the first quarter of 2025.

For those shareholders desiring liquidity we are maintaining our share repurchase program in 2026. Please contact us to discuss this option.

Upward & Onward,
D. Joe Caffee, President & CEO

Statement of Condition

NOTICE

As electronic access to information continues to expand, we have made the decision to discontinue printing and mailing quarterly reports. Shareholders may continue to access quarterly reports on our Investor Relations website within 30 days of each quarter's end.

We appreciate your continued investment in our company.

bfirst.bank/about-us/investor-relations/reports-statements/

December 31, 2025

**CRYSTAL VALLEY
FINANCIAL CORPORATION**

and its Principal Subsidiary

FIRST STATE | BANK

Statement of Condition
 December 31, 2025 and 2024
 Unaudited

	2025	2024
Asset		
Cash and Due from Banks	\$9,308,394	\$10,730,918
Interest Bearing Balance with Banks	829,845	853,140
Investment Securities	127,937,547	130,620,361
Federal Home Loan Bank Stock	3,530,500	3,530,500
Loans Gross	642,987,699	612,587,902
Less: Allowance for Loan Losses	-10,658,141	-7,600,295
Deferred Loan Fees	-26,182	-35,301
Net Loans	632,303,376	604,952,306
Premises and Equipment	8,875,477	5,113,985
Accrued Interest Receivable	3,173,282	3,027,352
CSV - Life Insurance	14,558,745	14,094,212
Other Assets	11,460,929	13,551,329
Total Assets	<u><u>\$811,978,095</u></u>	<u><u>\$786,474,103</u></u>
Liabilities and Shareholders Equity		
Liabilities		
Non-Interest Bearing Demand	\$131,156,498	\$131,047,307
Interest Bearing Demand	263,229,741	236,839,453
Savings	120,028,846	117,296,548
Time Under \$100,000	33,274,705	36,106,604
Time \$100,000 and over	105,848,319	100,709,724
Total Deposits	653,538,109	621,999,636
Loans Payable	45,964,984	62,016,481
Repurchase Agreements	4,764,167	4,300,115
Federal Funds Purchased	4,781,000	8,477,000
Allowance for Credit Losses on Off-Balance Sheet Credit Exposures	153,305	154,028
Accrued Interest Payable	733,355	702,210
Other liabilities	8,992,192	8,047,689
Total Liabilities	<u><u>\$718,927,112</u></u>	<u><u>\$705,697,159</u></u>
Shareholders Equity		
Common Stock	\$2,048,000	\$2,048,000
Surplus	2,179,382	2,179,382
Retained Earnings	129,732,386	122,028,080
Treasury Stock	-25,743,358	-24,529,958
Net Unrealized Gain (Loss) on Securities	-15,165,427	-20,948,560
Total Shareholder Equity	<u><u>\$93,050,983</u></u>	<u><u>\$80,776,944</u></u>
Total Liabilities and Shareholder Equity	<u><u>\$811,978,095</u></u>	<u><u>\$786,474,103</u></u>
Book Value Per Share	\$73.77*	\$63.14**

* 2025 - Based on 1,261,307 shares outstanding
 ** 2024 - Based on 1,279,328 shares outstanding

Statement of Income
 Year Ended December 31, 2025 and 2024
 Unaudited

	2025	2024
Interest Income		
Interest and Fees on Loans	\$42,100,164	\$38,721,233
Interest on B.A.'s & Deposits with Banks	183,396	158,169
Interest on Investment Securities	3,454,420	3,664,137
Other Interest & Dividend Income	316,444	333,109
Total Interest Income	<u><u>\$46,054,424</u></u>	<u><u>\$42,876,648</u></u>
Interest Expense		
Interest on Deposits	\$11,094,945	\$10,312,760
Interest on FF Purchased/Repos	251,310	262,951
Interest on Other Borrowed Funds	2,328,502	3,641,416
Total Interest Expense	<u><u>\$13,674,757</u></u>	<u><u>\$14,217,127</u></u>
Net Interest Income		
Provision for Loan Losses	\$32,379,667	\$28,659,521
Net Interest Income After Provision for Loan Losses	<u><u>\$29,342,243</u></u>	<u><u>\$28,692,552</u></u>
Other Income		
Service Charges on Deposit Accounts	\$570,252	\$525,538
Other Service Charges, Commissions, Fees	1,634,845	1,618,684
Trust Income	1,450,302	1,274,050
Gain (Loss) on Sales of Securities	-352,506	-2,446,416
Gain (Loss) on Sales of Loans	339,807	172,978
Other Income	485,078	3,159,327
Total Other Income	<u><u>\$4,127,778</u></u>	<u><u>\$4,304,161</u></u>
Other Expenses		
Salaries and Employee Benefits	\$11,570,752	\$11,018,008
Occupancy Expense	1,338,531	1,239,568
Equipment and Processing	3,053,322	2,675,558
Postage & Supplies	312,473	289,859
Legal & Accounting	282,750	342,239
Advertising & Public Relations	865,118	926,633
FDIC Assessment	364,844	358,006
Other Expenses	3,260,240	2,957,040
Total Other Expenses	<u><u>\$21,048,030</u></u>	<u><u>\$19,806,911</u></u>
Income Before Taxes		
Provision for Income Taxes	\$12,421,991	\$13,189,802
Net Income	<u><u>\$10,453,658</u></u>	<u><u>\$11,100,996</u></u>
Earnings Per Common Share		
	\$8.22*	\$8.59**

* 2025 - Based on 1,272,332 average shares outstanding
 ** 2024 - Based on 1,291,983 average shares outstanding