



MIDDLEBURY OFFICERS

D. Joe Caffee	President & CEO
Jared E. Sponseller	Senior Vice President & CFO
Eddie E. Tabor	Senior Vice President & COO
Lance T. Weirich	Senior Vice President & CLO
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
Savannah R. Lehman	Compliance 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 Executive 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	Retired President, Powersports, Technology and Housing, Patrick Industries, Inc.
Anne F. Hayes	President, Hayes Towers
Cameron D. Boyer	Retired Vice President, Brinkley RV
Wes P. Hershberger	Founder and Board Chair of MapleTronics
Andy M. Murray	Chief Strategic Initiatives Officer, Community Foundation of Elkhart County

GOSHEN OFFICERS

Duane R. Miller	Senior 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

CRYSTAL VALLEY FINANCIAL CORPORATION

The directors and management team of Crystal Valley Financial Corporation are pleased to report a robust beginning to calendar year 2026. Consolidated net income of more than \$3.1 million marks the strongest opening quarter in our company's 116-year history. This is an increase of 19.6% relative to the prior year's net income. Favorable pricing of assets and liabilities, plus a strategic focus on increasing non-interest income, remains critical to our goal of maximizing shareholder value.

Our efficient earnings model continues to deliver peer-leading financial results. While year-over-year asset growth was a modest 1.58%, our net income benefited from margin expansion. As lower-rate commercial and on-book residential mortgage loans naturally repriced to higher rates, a handful of liabilities also repriced at lower market rates. A more attractive consumer mortgage secondary market led to a 10.8% increase in non-interest income when compared to the first quarter of 2025. Effective, up-to-date technology and information security remain paramount to all we do. During the quarter, we engaged a third-party consultant to evaluate our core processing technology. Along the way, we have learned a great deal about efficiency and expect to negotiate a cost-saving contract for these services in the second quarter of this year.

We continue to make strides regarding the establishment of a full-service office in Shipshewana. Due to significant development along state highways 5 and 20, the Indiana Department of Transportation has taken a keen interest in our project, resulting in multiple delays and restarts of the highway engineering process.

The Board of Directors has approved a second quarter dividend in the amount of \$.52 per share for shareholders of record as of May 7, 2026, and payable on May 21, 2026. This increase represents a 10.6% increase compared to the dividend paid at the end of 2025's first quarter. As of March 31, 2026, earnings per outstanding share were \$2.51, up 21.3% from the same quarter of 2025. For those shareholders seeking liquidity, our generous share repurchase program remains in force. Please contact me to learn more.

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

CRYSTAL VALLEY FINANCIAL CORPORATION

and its Principal Subsidiary

FIRST STATE | BANK



Statement of Condition March 31, 2026

Statement of Condition
March 31, 2026 and 2025
Unaudited

	2026	2025
Assets		
Cash and Due from Banks	\$10,433,913	\$12,137,169
Interest Bearing Balance with Banks	1,606,702	5,852,551
Federal Funds Sold	24,424	73,298
Investment Securities	126,440,745	127,297,017
Equity Securities	1,374,450	0
Federal Home Loan Bank Stock	3,530,500	3,530,500
Loans Gross	641,861,545	622,221,029
Less: Allowance for Loan Losses	-10,764,791	-7,714,470
Deferred Loan Fees	-25,483	-33,099
Net Loans	631,071,271	614,473,460
Premises and Equipment	8,722,977	5,098,266
Accrued Interest Receivable	3,043,218	2,899,408
CSV - Life Insurance	14,681,945	14,207,351
Other Assets	11,101,520	13,824,006
Total Assets	<u>\$812,031,665</u>	<u>\$799,393,026</u>
Liabilities and Shareholders Equity		
Liabilities		
Non Interest Bearing Demand	\$122,977,157	\$128,899,708
Interest Bearing Demand	266,012,978	263,301,897
Savings	123,433,458	123,863,265
Time Under \$100,000	33,203,908	35,459,107
Time \$100,000 and over	104,507,800	101,954,332
Total Deposits	650,135,301	653,478,309
Loans Payable	55,464,984	48,516,481
Repurchase Agreements	3,717,573	5,405,222
Allowance for Credit Losses on Off-Balance Sheet Credit Exposures	158,705	181,018
Accrued Interest Payable	660,467	679,786
Other Liabilities	8,076,418	7,159,504
Total Liabilities	<u>\$718,213,448</u>	<u>\$715,420,320</u>
Shareholders Equity		
Common Stock	\$2,048,000	\$2,048,000
Surplus	2,179,382	2,179,382
Retained Earnings	132,270,793	124,075,625
Treasury Stock	-25,743,358	-24,529,958
Net Unrealized Gain (Loss) on Securities	-16,936,600	-19,800,343
Total Shareholder Equity	<u>\$93,818,217</u>	<u>\$83,972,706</u>
Total Liabilities and Shareholders Equity	<u>\$812,031,665</u>	<u>\$799,393,026</u>
Book Value Per Share	\$74.38*	\$65.64**

* 2026 - Based on 1,261,307 shares outstanding

** 2025 - Based on 1,279,328 shares outstanding

Statement of Income
Three Months Ended March 31, 2026 and 2025
Unaudited

	2026	2025
Interest Income		
Interest and Fees on Loans	\$10,373,155	\$9,892,899
Interest on B.A.'s & Deposits with Banks	24,647	35,149
Interest on Investment Securities	839,110	894,223
Other Interest & Dividend Income	77,499	80,600
Total Interest Income	<u>\$11,314,411</u>	<u>\$10,902,871</u>
Interest Expense		
Interest on Deposits	\$2,631,854	\$2,727,062
Interest on FF Purch/Repos	49,433	69,463
Interest on Other Borrowed Funds	504,809	673,819
Total Interest Expense	<u>\$3,186,096</u>	<u>\$3,470,344</u>
Net Interest Income	\$8,128,315	\$7,432,527
Provision for Loan Losses	110,700	139,500
Net Interest Income After Provision for Loan Losses	<u>\$8,017,615</u>	<u>\$7,293,027</u>
Other Income		
Service Charges on Deposit Accounts	\$135,916	\$128,546
Other Service Charges, Commissions, Fees	395,889	372,279
Trust Income	373,148	378,065
Gain (Loss) on Sales of Securities	2,591	2,406
Gain (Loss) on Sales of Loans	86,301	14,216
Other Income	129,783	118,812
Total Other Income	<u>\$1,123,628</u>	<u>\$1,014,324</u>
Other Expenses		
Salaries and Employee Benefits	\$2,841,980	\$2,864,673
Occupancy Expense	363,120	318,155
Equipment and Processing	763,147	721,125
Postage & Supplies	80,585	77,635
Legal & Accounting	145,991	98,983
Advertising & Public Relations	254,679	206,181
FDIC Assessment	90,570	91,165
Other Expenses	752,525	750,463
Total Other Expenses	<u>\$5,292,597</u>	<u>\$5,128,380</u>
Income Before Taxes	\$3,848,646	\$3,178,971
Provision for Income Taxes	679,585	530,141
Net Income	<u>\$3,169,061</u>	<u>\$2,648,830</u>
Earnings Per Common Share	\$2.51*	\$2.07**

* 2026 - Based on 1,261,307 average shares outstanding

** 2025 - Based on 1,279,328 average shares outstanding