



2024
annual report
FS Bancorp

Total Team Effort in 2024

We continue to place significant emphasis on the importance of a positive culture at Farmers State Bank. We believe that having a great culture is the most important factor in our long-term success. We believe our culture allows us to attract and retain the best bankers, leading to our communities seeing the value in having a relationship with FSB. For many years, our core values have emphasized teamwork. We work hard to attract and retain individuals that are great teammates, and we work hard to help our employees become better teammates. The single greatest advantage a group of people can have is teamwork, and we know that we can be successful if we have the best team of bankers.

During 2024, teamwork was on display in many ways at FSB. Certain business lines were slower than normal, and those business lines stepped up and helped areas of the bank that were experiencing strong activity. FSB employees worked hard to identify people that could be great new additions to our team, and those efforts have been a big part of our success story during this period of tight labor markets. Our team also worked hard to develop new relationships with members of our community, and great teamwork led to the identification of ways to improve the operating performance of FSB.

Here are some of the highlights produced by our team during 2024:

- We ended the year with record totals for assets, loans, deposits and shareholders' equity.
- We achieved FS Bancorp records for net income and earnings per share.
- Our shareholders experienced meaningful stock price appreciation, and we returned significant capital to our shareholders through our Stock Repurchase Program and record shareholder dividends.

During 2024, Winford Jones retired from the boards of Farmers State Bank and FS Bancorp after more than 30 years of service. We are thankful for Winford's decades of service. Winford has been a reliable, consistent and steady leader for us, and he will be missed. We wish Winford the best in the future!!

During the first quarter of 2025, Lori White retired from Farmers State Bank after more than 40 years of service. Lori has served as the Chief Operating Officer of FSB since 2004. Lori has had a tremendous

impact on our growth and success during her career. Among her many contributions to FSB, Lori led the technology efforts at FSB through a period of rapid change. Additionally, Lori has been a tremendous contributor to the success of our community as she has served on many community organization boards. Few people have had the long-term impact Lori has had on the success of FSB. We wish Lori a great retirement.

Our team of Blue Button Bankers continue to have a tremendous impact on the quality of life in the communities we serve. We are very thankful for their unselfish contributions. We know our chances of being successful increase when the communities we serve thrive. We are thankful for our success in 2024, and we look forward to new opportunities in 2025.

Thank you for your continued investment in FS Bancorp!!

Joseph Urbanski
President and CEO



Roger A. Bird
Chairman



Senior Leadership



Joseph Urbanski
President
Chief Executive Officer



Stacy Merrifield
Executive Vice President
Chief Financial Officer



Lori White
Executive Vice President
Chief Operations Officer



TJ Kempf
Executive Vice President
Chief Loan Officer



Renea Boots
Executive Vice President
Chief Administration Officer



Mark Cowen
Executive Vice President
Chief Business
Development Officer

Board of Directors

Roger A. Bird
Retired Partner,
Bird, Scheske, Reed &
Beemer, P.C. Attorneys-at-Law
Chairman, FS BANCORP
Chairman, Farmers State Bank

Jordi Disler
North Market President,
Parkview Hospital

Kevin Lambright
Partner, KC Squared Farms, LLC

Rodney Perkins
Co-owner, Perkins
Twin Creek Farms, Stroh

Freeman D. Schlabach
President, Rock Run
Industries, LLC

Kerry Sprunger
Executive Vice President
(Retired)
Farmers State Bank

Mark Thompson
Senior Vice President
(Retired)
Farmers State Bank

Joseph Urbanski
President & CEO, F S BANCORP
President and CEO,
Farmers State Bank

Kayla Warren, CPA
Vice President for Finance
Trine University

Honorary Directors
Gordon T. Anderson
Frederic J. Brown
Jerry O. Grogg
Winford Jones
Thomas L. Miller
Ruth R. Perry
Joseph G. Pierce
C. Lynn Tracey

Condensed Consolidated Balance Sheets

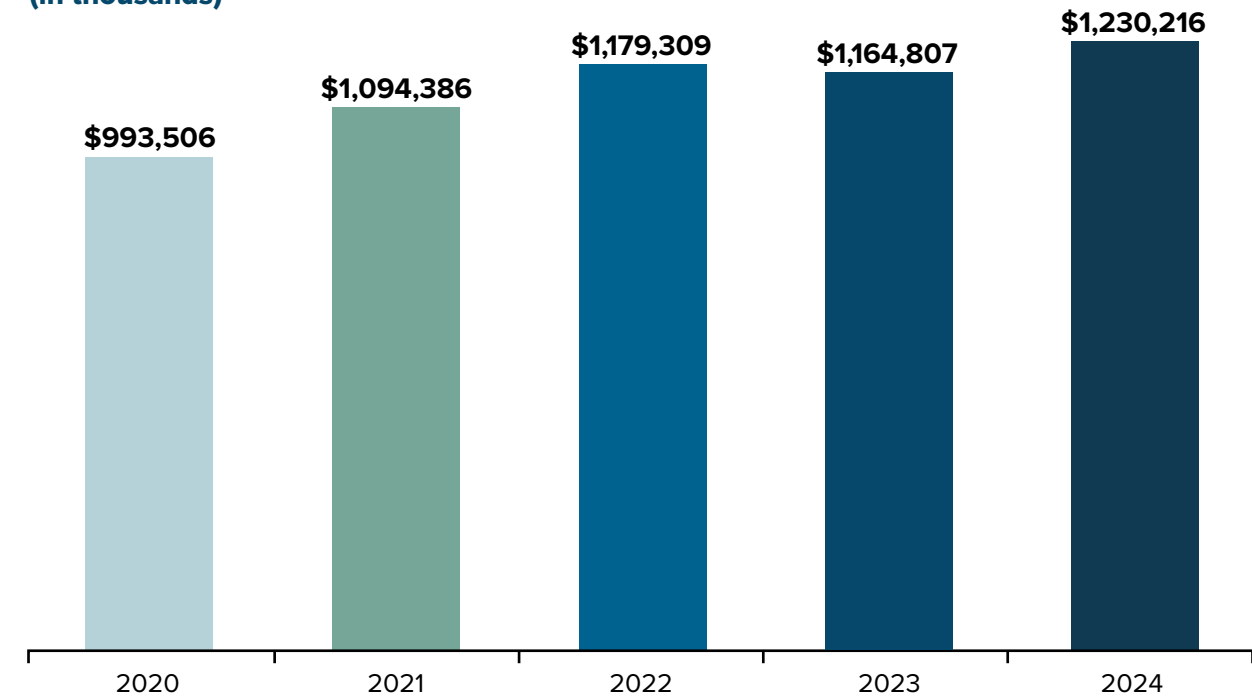
December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
ASSETS		
Cash and cash equivalents	\$ 94,989,000	\$ 94,355,000
Investment securities	266,141,000	235,561,000
Loans, net of allowance of \$7,288,000 and \$7,145,000 as of December 31, 2024 and 2023	821,877,000	787,793,000
Premises and equipment, net	11,139,000	10,219,000
Bank owned life insurance	18,847,000	18,342,000
Other assets	17,223,000	18,537,000
Total assets	<u>\$ 1,230,216,000</u>	<u>\$ 1,164,807,000</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Noninterest-bearing demand deposits	\$ 252,808,000	\$ 255,298,000
Interest-bearing deposits	840,610,000	795,808,000
Total deposits	1,093,418,000	1,051,106,000
Advances from FHLB and other borrowings	15,007,000	5,068,000
Other liabilities	8,463,000	7,227,000
Total liabilities	1,116,888,000	1,063,401,000
Shareholders' equity	113,328,000	101,406,000
Total liabilities and shareholders' equity	<u>\$ 1,230,216,000</u>	<u>\$ 1,164,807,000</u>

Balance Sheet Trends

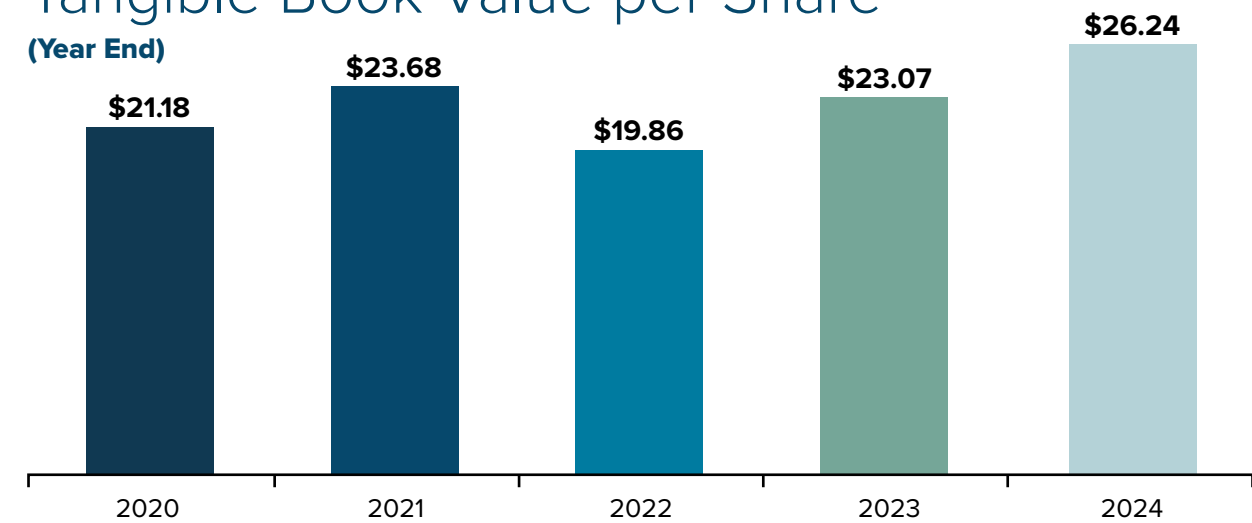
Total Assets

(in thousands)



Tangible Book Value per Share

(Year End)



Condensed Consolidated Statements of Income

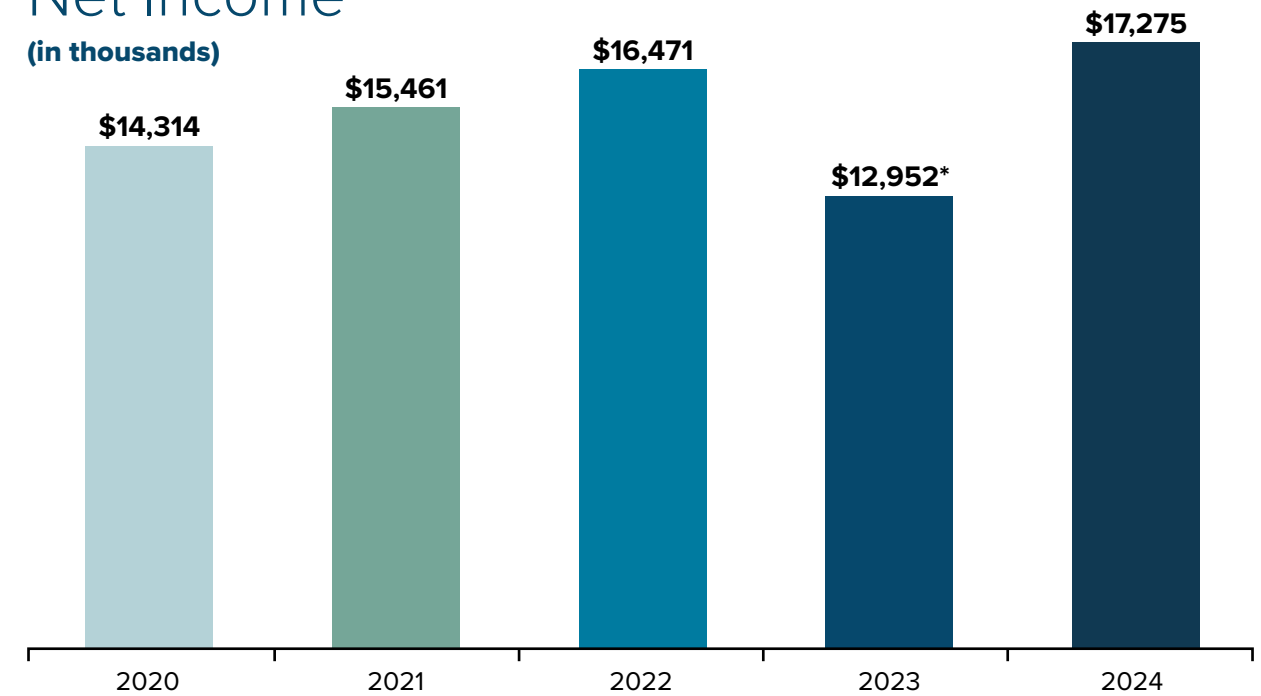
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Interest income		
Interest and fees on loans	\$ 46,801,000	\$ 40,273,000
Interest on securities and other	<u>12,371,000</u>	<u>9,616,000</u>
Total interest income	59,172,000	49,889,000
Interest expense		
Deposits	19,646,000	14,250,000
Advances from FHLB and other borrowings	<u>329,000</u>	<u>659,000</u>
Total interest expense	19,975,000	14,909,000
Net interest income	39,197,000	34,980,000
Credit loss expense- loans	<u>221,000</u>	<u>192,000</u>
Net interest income after credit loss expense	38,976,000	34,788,000
Non-interest income		
Service charges on deposit accounts	1,819,000	2,023,000
Credit and debit card income	3,545,000	3,424,000
Security losses	(23,000)	(2,947,000)
Other income	<u>1,351,000</u>	<u>1,154,000</u>
Total non-interest income	6,692,000	3,654,000
Non-interest expenses		
Salaries and employee benefits	13,577,000	13,233,000
Occupancy expense of premises, furniture and equipment net	1,900,000	1,937,000
Data processing	2,635,000	2,374,000
Other expenses	<u>6,713,000</u>	<u>5,675,000</u>
Total non-interest expenses	24,825,000	23,219,000
Income before income taxes	20,843,000	15,223,000
Provision for income taxes	<u>3,568,000</u>	<u>2,271,000</u>
Net income	<u>\$ 17,275,000</u>	<u>\$ 12,952,000</u>
Basic earnings per share	<u>\$4.06</u>	<u>\$3.02</u>
Diluted earnings per share	<u>\$4.05</u>	<u>\$3.01</u>

Income Statement Trends

Net Income

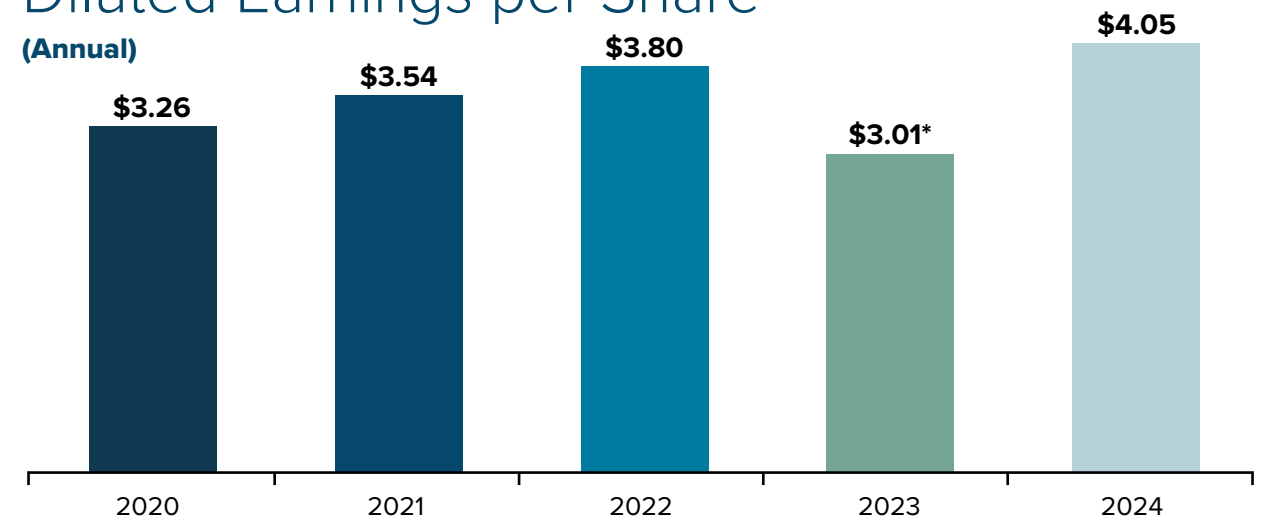
(in thousands)



*2023 includes net of tax loss on sale of securities of \$2,328,000.

Diluted Earnings per Share

(Annual)



*2023 excluding net of tax loss on sale of securities of \$2,328,000 EPS was \$3.56.

Farmers State Bank Officers

OPERATIONS CENTER

- Joe Urbanski
Chief Executive Officer
- Stacy Merrifield
Executive Vice President
- Lori White
Executive Vice President
- TJ Kempf
Executive Vice President
- Renea Boots
Executive Vice President
- Mark Cowen
Executive Vice President
- Chad German
Senior Vice President
- John Malone
Vice President
- April Alleshouse
Vice President
- Monica Severe
Vice President
- Nichole Marple
Vice President
- Brianne Thomas
Vice President
- Andrea Howe
Vice President
- Kim Emerson
Vice President
- Susan Allshouse
Vice President
- Lana Wright
Vice President
- Debbra Taylor
Assistant Vice President
- Matt Dunker
Assistant Vice President
- Maria Curtis
Assistant Vice President
- Krystal Reed
Assistant Vice President
- Emily Burkhead
Assistant Vice President
- Josie Rinehold
Assistant Vice President
- Kathi Miller
Banking Officer
- Mandi Stearns
Banking Officer
- Kaitlyn Royal
Banking Officer
- Kelli Call
Banking Officer

ANGOLA

- Nicole Lovett
Vice President
- Tim Newby
Vice President

FREMONT

- Nickie Grange
Banking Officer
- Wesley Ireland
Banking Officer

HAMILTON

- Ginny Houlton
Assistant Vice President

HOWE

- Nikole Byroad
Assistant Vice President

LAGRANGE

- Marjorie Booth
Vice President
- Joe Walter
Vice President
- Dane Alexander
Assistant Vice President

MILLERSBURG

- Sara Evers
Assistant Vice President

SHIPSHEWANA

- Jonathan Puckett
Vice President
- Erin Olinger
Assistant Vice President
- Gabrielle Hites
Banking Officer

STROH

- Aaron Folk
Banking Officer

STURGIS

- Misti Gardner
Assistant Vice President

TOPEKA

- Quinn Groff
Vice President
- Jordan Younce
Vice President
- Danielle Slabaugh
Vice President
- Kenneth Wright
Vice President
- Francisco Tijerina
Assistant Vice President
- Marcy Yuska
Assistant Vice President

WOLCOTTVILLE

- Gary Fry
Banking Officer
- Lynne Zolman-Duncan
Banking Officer

Supporting our Communities.

Farmers State Bank supports over 100 local organizations each year through monetary donations, serving on non-profit boards and committees and volunteering in the community.



Thrive by 5

Angola Chamber – Ebbie Awards



Crossroads – United Fund Recognition



Habitat Build



Paddle for Parkview



Law Enforcement Appreciation Day 2024 – LaGrange County

2024 Fine Arts Sponsorship Program

In the fall of 2024, Farmers State Bank made a commitment to support the fine arts programs in the local schools. FSB was made aware of the challenges the fine arts programs were currently facing. Following discussions with several local school corporations, FSB decided that they could make a difference by doing a multiyear sponsorship to the programs and support the fine arts students across their market footprint. Farmers State Bank is proud to support its local schools.



Angola High School



Lakeland High School



Fairfield High School



Fremont High School

Prairie Heights High School



Hamilton Community Schools



Sturgis High School



Westview High School

Locations

Operations Center

220 S Detroit St
LaGrange, IN 46761
Call: (260) 463-7111

Hamilton

3840 E Bellefontaine Rd
Hamilton, IN 46742
Call: (260) 488-2116

Millersburg

400 N Benton St
Millersburg, IN 46543
Call: (574) 642-3734

Sturgis

809 W Chicago Rd
Sturgis, MI 49091
Call: (269) 651-9820

Angola

1800 N Wayne St
Angola, IN 46703
Call: (260) 665-7506

Howe

5485 N State Road 9
Howe, IN 46746
Call: (260) 562-2232

Shipshewana

110 W Walnut St
Shipshewana, IN 46565
Call: (260) 768-7484

Topeka

109 N Main St
Topeka, IN 46571
Call: (260) 593-2259

Fremont

105 S Wayne St
Fremont, IN 46737
Call: (260) 495-9861

LaGrange

516 S Detroit St
LaGrange, IN 46761
Call: (260) 463-7500

Stroh

100 N Main St
Stroh, IN 46789
Call: (260) 351-3001

Wolcottville

107 N Main St
Wolcottville, IN 46795
Call: (260) 854-2551

Information Request

Investor Relations Contact

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See the Difference.


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