2023 ANNUAL REPORT

Northeast Indiana Bancorp, Inc.

NORTHEAST
INDIANA
Bancorp, Inc.

Michael S. Zahn

Northeast Indiana Bancorp, Inc.
President & CEO

PRESIDENT'S MESSAGE TO OUR SHAREHOLDERS

Dear Fellow Shareholders:

I'm excited to have the opportunity to recap what was another successful year for your company, First Federal Savings Bank. Our financial performance remained strong during an uncertain interest rate environment. The Bank continues to receive accolades, not only for our financial performance, but also for our commitment to the communities we serve and the banking industry. Looking forward we will continue to invest in our people and expand our geographic footprint.

While our annual earnings in 2023 retreated from our previous record earning years, we still performed at a high level. We were not immune to the rapid interest rate increases and the significant decline in mortgage production. Despite the challenges, we were able to increase loan balances by 16.0% and deposits by 9.0%. In addition, we were proactive and able to bolster our allowance for loan loss by over 33%.

For the 29th year in a row, your company increased its dividend. That keeps us on the "Dividend Champions" list of companies that have increased their regular dividend for 25 years or more. In addition, due to our strong financial performance, we were able to award a special dividend for the 9th consecutive year. We continue to be ranked on the Top 200 Community Banks list by the American Banker publication. This is the 12th year in a row to receive this honor. The recognition that I am most proud of is being named "Best Bank" in northeast Indiana by two different publications as voted by the communities. Receiving this designation for several years in a row tells me the communities in which we operate understand that we are more than just a bank, we are a part of the fabric of the community.

We remain focused on our long-term strategic plan. The Bank is opening its 8th location, 3rd overall in Fort Wayne, in Spring 2024. This year we will surpass over 100 team members and over a half of billion in assets, both milestones for your bank. We continue to follow the blueprint of steady, controlled growth while maximizing profitability. In 2023, we made the decision to partner with Shelton Financial Group to provide wealth management services to our customers. The culture and talent at Shelton Financial mirrors that of your bank and will enhance the customer experience.

I appreciate the trust of our customers, the dedication of our team, and the support of our shareholders.

Sincerely,

Michael S. Zahn
Northeast Indiana Bancorp, Inc.
President & CEO

NORTHEAST INDIANA Bancorp, Inc.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

	DECEMBER 31				
	2023*	2022	2021	2020	2019
SELECTED FINANCIAL CONDITION DATA:	(DOLLARS IN THOUSANDS, EXCLUDING EARNINGS PER SHARE DATA)				
Total asets	$498,684	$445,528	$417,657	$391,277	$353,924
Securities	88,984	90,336	98,561	85,434	63,620
Loans receivable, net	370,658	320,756	274,267	264,220	253,462
Deposits	401,072	366,816	341,949	296,958	252,282
Total borrowings	47,250	32,000	23,001	45,805	57,237
Shareholders' equity	46,420	43,127	48,694	45,552	41,207
SELECTED OPERATIONS DATA:					
Total interest income	$24,159	$17,552	$16,353	$15,449	$15,996
Total interest expense	9,585	2,245	2,107	3,041	4,336
Net interest income	14,574	15,307	14,246	12,408	11,660
Provision for loan losses	1,050	---	120	580	425
Net interest after provision for loan losses	13,524	15,307	14,126	11,828	11,235
Total noninterest income	3,206	3,345	4,646	4,627	3,420
Total noninterest expense	11,931	10,783	9,831	9,696	9,177
Income before income taxes	4,799	7,869	8,941	6,759	5,478
Income tax expense	539	1,316	1,644	1,160	793
Net income	$4,260	$6,553	$7,297	$5,599	$4,685
Basic earnings per common share	1.77	2.73	3.05	2.33	1.96
Diluted earnings per common share	1.77	2.73	3.04	2.33	1.96
SELECTED FINANCIAL RATIOS AND OTHER DATA:					
PERFORMANCE RATIOS:					
Return on assets (ratio of net income to average total assets)	0.90%	1.54%	1.77%	1.44%	1.33%
Return on equity (ratio of net income to average total shareholders' equity)	9.72	14.90	15.31	12.63	11.76
Interest rate spread information:					
Average during period	2.70	3.60	3.51	3.18	3.49
End of period	2.58	3.44	3.16	3.29	3.43
Net interest margin (1)	3.20	3.76	3.66	3.41	3.52
Efficiency Ratio	67.10	57.81	52.04	56.92	60.85
Ratio of operating expense to average total assets	2.53	2.51	2.39	2.42	2.52
Ratio of average interest-earning assets to average interest-bearing liabilities	123.88	128.07	128.05	123.57	118.90
QUALITY RATIOS:					
Nonperforming assets to total assets at end of period	1.39	0.67	0.77	1.38	1.95
Allowance for loan losses to nonperforming loans (2)	76.87	133.70	124.00	71.23	48.07
Allowance for loan losses to total loans	1.42	1.23	1.44	1.46	1.26
CAPITAL RATIOS:					
Total shareholders' equity to total assets at end of period	9.31	9.68	11.65	11.64	11.64
Average total shareholders' equity to average total assets	9.32	10.32	11.58	11.41	11.29
OTHER DATA:					
Dividends declared per share (3)	$0.90	$1.24	$1.20	$1.05	$0.89
Book Value	$19.15	$17.90	$20.20	$18.82	$17.08
Dividend payout ratio (3)	50.75%	45.24%	39.31%	45.17%	45.57%
Number of full-service offices	7	7	6	6	6

*Unaudited

(1) Net interest income divided by average interest-earning assets.

(2) Nonperforming loans includes Troubled Debt Restructurings (TDR's).

(3) The Company paid a "Special" cash dividend of $0.25/share in 2023; $0.625/share in 2022 and 2021; $0.50/share in 2020; and $0.375/share in 2019.

(4) All share data has been adjusted for the 2:1 stock split on July 14, 2023.

OUR PEOPLE

BOARD OF DIRECTORS

Stephen E. Zahn	Chairman of the Board
William A. Zimmer	President, W. A. Zimmer Company
Michael S. Zahn	President and Chief Executive Officer
Kyle D. Koob	President, Advanced Machine & Tool Corporation
Dr. Julie A. Utendorf	Medical Doctor, Parkview Physicians Group

NORTHEAST INDIANA BANCORP INC. EXECUTIVE OFFICERS

Michael S. Zahn	President and Chief Executive Officer
Travis A. Penrod	Senior Vice President, Treasurer and Chief Financial Officer
Cindy L. Krumanaker	Senior Vice President, Secretary and Chief Operations Officer

FIRST FEDERAL SAVINGS BANK OFFICERS

Michael S. Zahn	President and Chief Executive Officer
Travis A. Penrod	Senior Vice President and Chief Financial Officer
Cynthia L. Krumanaker	Senior Vice President and Chief Operations Officer
Thomas N. Mills	Senior Vice President Commercial Lending
Cindy A. Zay	Vice President Mortgage Operations
Joseph A. Cavacini	Vice President Commercial Lending / Business Development
Eric M. Todd	Vice President Commercial Credit
Peter L. Confer	Vice President Controller
Tracy R. Hamilton	Vice President Human Resources
Carla M. Williams	Vice President Mortgage Lending
Amanda Stroup	Vice President Marketing Director / Mortgage Lending
Donald K. Haire	Vice President Consumer/Mortgage Lending
Benjamin P. Capper	Vice President Commercial Lending / Business Development
Aaron R. Campbell	Vice President Commercial Lending / Business Development
Kimberly L. Fischer	Vice President Mortgage Underwriting
Lisa L. Hockemeyer	Assistance Vice President / Warsaw Downtown Branch Manager
Peggy L. Genshaw	Assistant Vice President / Warsaw North Branch Manager
Andrea N. Nightenhelser	Assistant Vice President Branch Administration Officer
Heather D. Dorsett	Assistant Vice President Records Management/Special Projects Manager
Julia A. Bazur	Assistant Vice President / Maysville Branch Manager
Debra K. Kaufman	Assistant Vice President BSA Officer / Operations Manager
Matthew E. Bochard	Assistant Vice President Commercial Lending
Emily M. Doss	Assistant Vice President Deposits
Stuart A. Foust	Assistant Vice President / IT Manager
Sara E. Kiefer	Assistant Vice President Commercial Processing

AUDITED FINANCIAL STATEMENTS AND INVESTOR INFORMATION

A copy of the Company's audited financial statements is available without charge in PDF format at www.firstfedindiana.bank or by writing:

TRAVIS A. PENROD

Senior Vice President/Chief Financial Officer
Northeast Indiana Bancorp, Inc.
100 Frontage Road
Huntington, Indiana 46750

NORTHEAST INDIANA
Bancorp, Inc.

CORPORATE OFFICE

Northeast Indiana Bancorp, Inc.
648 North Jefferson Street
Huntington, Indiana 46750
(260) 356-3311

SCAN FOR BRANCH LOCATION INFORMATION

SPECIAL COUNSEL

Amundsen Davis LLC
201 North Illinois, Suite 1400
Capital Center, South Tower
Indianapolis, IN 46204

INDEPENDENT AUDITOR

FORVIS, LLP
201 N. Illinois Street, Suite 700
P.O. Box 44998
Indianapolis, IN 46244-0998

STOCK TRANSFER AGENT

Inquiries regarding stock transfer, registration, lost certificates, or changes in name and address should be directed to the stock transfer agent and registrar by contacting:

COMPUTERSHARE

P.O. Box 43078
Providence, RI 02940-3078
(800) 736-3001 or (781) 575-3100
computershare.com/investor