



GREGORY J. LUNDBERG
President & CEO
Fortifi Bank

2020 HIGHLIGHTS:

- **June:** Processed 334 SBA Paycheck Protection Program loans, totaling \$38.4 million
- **July:** New branch opens in Ripon, Wisconsin
- **September:** Book Value Per Share grows to \$90.73
- **October:** YTD - 800 new mortgage loans totalling \$165 Million
- **December:** Retail account overhaul completed
- Efficiency ratio drops to lowest in bank's history

Dear Valued Shareholder,

As we reflect on this year, there is no denying that we've all faced unprecedented challenges. Challenges in our personal lives, political differences, social issues and the economic impact of it all. We are disappointed, that due to COVID-19 conditions, we were unable to host an annual shareholder meeting.

These same conditions have impacted many areas of our lives and forced us to do without so many of the things we hold dear. I find it remarkable that through these challenges the Fortifi team has accomplished so much. Not only in terms of financial performance but in our steadfast dedication to help our clients and our communities.

2019 was a good year for the bank and 2020 is shaping up to be our best year ever. Our team is focused on providing an outstanding client experience while always keeping a sharp eye on efficiency. This simple formula has resulted in significant financial improvements for the Bank. This will allow us to continue to grow and prosper.

The strong financial performance means that your investment in us continues to grow in value. I am pleased to report that our Book Value Per Share was \$90.73 at the end of September 2020. This is a 12.5% annualized Return on Equity.

Adding to the excitement in 2020 was the opening of our new Ripon location. Fortifi is committed to Growin' Wisconsin and looking forward to showing Ripon why so many people and businesses call Fortifi "my bank."

None of our success is possible without the support of our shareholders. Your ownership represents an investment in our communities. You are helping make it possible for families to own homes and small businesses to start and thrive. Consider the profitable growth of the company, and we hope you'll agree that investing in a strong community Bank is a true win/win.

We look forward to the future. To healthier and safer times.

Sincerely,

Gregory J. Lundberg
President & CEO

Russel L. Kuehn
Chairman of the Board &
President of First Berlin Bancorp



WENDY SWANSBY
Personal Banker
Berlin since 1978

"In my 42 years of banking, I've seen hours change from 9 to 3, to 24/7. Although technology can be scary, it offers people the freedom to bank when they want and where they want. I am always happy to provide great client service in person but am happy knowing clients can call, chat, or email too."



DAVE MILLS
Senior Lender
Waukegan since 2012

"The current health crisis allowed us to show the business community our strength and security while other institutions were not even communicating. We were approached by many for help with the PPP process, which resulted in new relationships, an increased footprint, and many new referral sources."



MICHELLE OLIVER
VP Retail Banking
Green Bay since 2019

"The future of retail banking includes a dedicated relationship manager for every client; enriching the health and wellbeing of their financial picture. Leveraging our team and technology will enhance each interaction and provide individualized solutions for a robust and personalized client experience."



MICHAEL BOETTCHER
Chief Financial Officer

In a year of uncertainty, Fortifi Bank's 2020 financial performance is very strong as reflected in the key measures shared in this report.

The book value per share of your investment in First Berlin Bancorp increased by \$10.76 during the first three quarters of 2020 to \$90.73 as of September 30, 2020. This is consistent with improved performance trends since 2018.

Earnings momentum at Fortifi Bank is driving the increase in book value. In the first nine months of 2020, the Bank earned \$4.2 million compared to \$2.9 million for the twelve months ended December 31, 2019.

Return on Assets (ROA) is trending upward, as well. Our year-to-date ROA is 1.11% which is 0.42% and 0.72% higher than 2019 and 2018, respectively.

Total assets of Fortifi Bank have increased \$70 million in 2020. Strong growth in deposits is supporting loan and total asset growth. This combination has improved net interest margin which in turn is contributing to our strong financial performance in 2020.

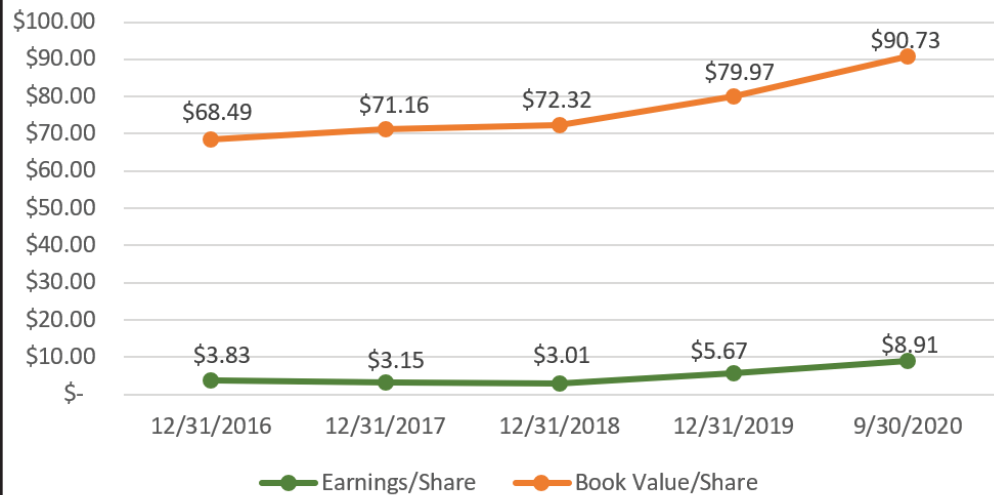


FortifiBank.com
855.876.1500

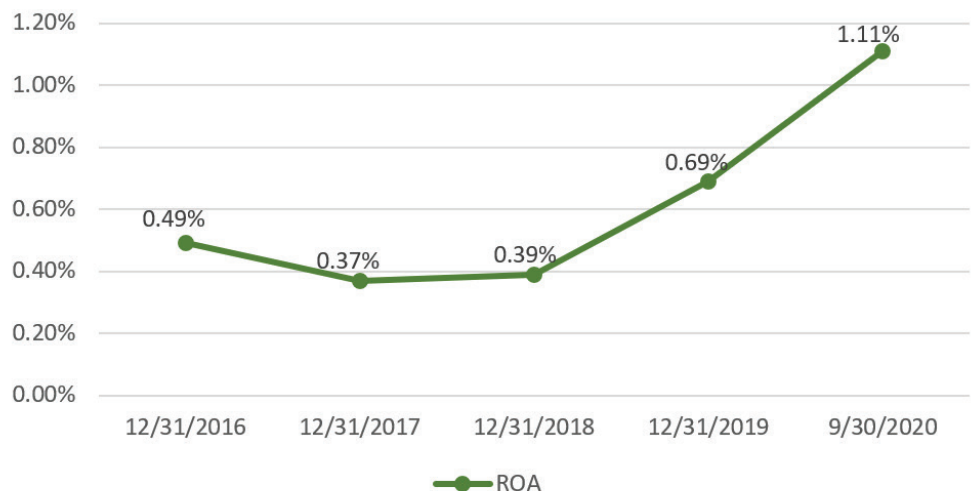
09/30/2020



First Berlin - Book Value and Earnings Per Share



Fortifi Bank - Return on Assets



Fortifi Bank - Loans and Deposits (in millions)

