



Farmers & Merchants Bancorp, Inc. Purchases Assets and Clients of Adams County Financial Resources

December 2, 2020

Purchase Expected to Contribute Over \$500,000 to Noninterest Income in 2021

ARCHBOLD, Ohio, Dec. 02, 2020 (GLOBE NEWSWIRE) -- Farmers & Merchants Bancorp, Inc. (Nasdaq: FMAO) today announced that FM Investment Services, a division of Farmers & Merchants State Bank, has purchased the assets and clients of Adams County Financial Resources ("ACFR"), a full-service registered investment advisory firm located in Geneva, Indiana. FM Investment Services also announced the addition of Lorie A. Garwood as Vice President / Financial Advisor.

ACFR was founded in 1994 by R. Lee Flueckiger and provides clients and their families with financial confidence through personalized investment planning and services. At November 30, 2020, ACFR had approximately \$83 million of assets under management and over 450 clients. The majority of ACFR's business comes from Northeastern Indiana, and the typical customer has been with the company for 15 years on average. ACFR employees, including Mr. Flueckiger, have joined FM Investment Services.

Lars B. Eller, President and Chief Executive Officer, stated: "ACFR has been helping individuals and their families for over 25 years and I look forward to working with Lee and his team. We are also excited to welcome ACFR's clients to FM Investment Services, many of which already bank at F&M as a result of our 2019 Bank of Geneva acquisition."

Mr. Eller continued, "Diversifying our sources of revenue is an important part of our growth strategy. ACFR significantly increases the scale of FM Investment Services, while further expanding our presence in Northeastern Indiana. We expect the purchase will contribute over \$500,000 of revenue to noninterest income in 2021."

"By partnering with FM Investment Services, Adams County Financial Resources is able to offer continued stability while introducing additional value-added services to our clients," stated R. Lee Flueckiger. "F&M's growing presence in Eastern Indiana is exciting and I look forward to working with the team at FM Investment Services."

Farmers & Merchants Bancorp also announced that Lorie A. Garwood joined FM Investment Services as Vice President / Financial Advisor. Ms. Garwood has over 20 years of investment and banking experience throughout Western Ohio and Northeastern Indiana. Most recently, Ms. Garwood was an investment advisor at a community bank in Berne, Indiana. Ms. Garwood has an associate degree from the University of Northwestern Ohio.

"Lorie provides F&M with an experienced investment advisor who will support the growth and expansion of FM Investment Services throughout Eastern Indiana. FM Investment Services now has five investment advisors with approximately \$260 million in assets under management. I am excited by the opportunities we have to grow FM Investment Services," concluded Mr. Eller.

About Farmers & Merchants State Bank:

The Farmers & Merchants State Bank is a local independent community bank that has been serving Northwest Ohio and Northeast Indiana since 1897. The Farmers & Merchants State Bank provides commercial banking, retail banking and other financial services through its offices. Our locations are in Fulton, Defiance, Hancock, Henry, Lucas, Williams, and Wood counties in Northwest Ohio. In Northeast Indiana, we have offices located in Adams, Allen, DeKalb, Jay, and Steuben counties.

Safe harbor statement

Farmers & Merchants Bancorp, Inc. ("F&M") wishes to take advantage of the Safe Harbor provisions included in the Private Securities Litigation Reform Act of 1995. Statements by F&M, including management's expectations and comments, may not be based on historical facts and are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21B of the Securities Exchange Act of 1934, as amended. Actual results could vary materially depending on risks and uncertainties inherent in general and local banking conditions, competitive factors specific to markets in which F&M and its subsidiaries operate, future interest rate levels, legislative and regulatory decisions, capital market conditions, or the effects of the COVID-19 pandemic, and its impacts on our credit quality and business operations, as well as its impact on general economic and financial market conditions. F&M assumes no responsibility to update this information. For more details, please refer to F&M's SEC filing, including its most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q. Such filings can be viewed at the SEC's website, www.sec.gov or through F&M's website www.fm.bank.

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