



# American Commercial Bank & Trust

## First Ottawa Bancshares, Inc.

### SECOND QUARTER 2023 HIGHLIGHTS

(At or for period ended 6/30/2023 compared to period ended 6/30/2022)

#### Income Statement Highlights

- Quarter to Date and Year to Date Interest Income on Loans increased by \$7.1 million and \$14.0 million over the same periods in 2022. Increases were driven by higher loan balances and variable rate repricing.
- Quarter to Date and Year to Date Interest Income on Investments increased by \$992 thousand and \$2.1 million over the same periods in 2022. Increases were driven by higher balances and variable rate repricing.
- Quarter to Date and Year to Date Interest Expense increased by \$6.4 million and \$11.3 million over the same periods in 2022. Increases were driven by a \$231.7 million increase in deposit balances and an additional \$47.7 million in other borrowings compared to the same period in 2022.
- Quarter to Date and Year to Date Income from Service Charges increased by \$27 thousand and \$54 thousand over the same periods in 2022. The increase is attributed to new customer acquisition and continued growth in deposit balances during 2023.
- Quarter to Date and Year to Date Residential Mortgage Servicing Income, including gain on sale, declined by \$1.5 million and \$1.7 million primarily due to a \$1.4 million valuation increase recorded in 2022 compared to no material valuation adjustment recorded in the current year.
- Quarter to Date and Year to Date Non-Interest Expense increased by \$255 thousand and \$985 thousand, primarily due to increased salaries and benefits expense and facilities related expenses.
- Quarter to Date Net Income decreased by \$602 thousand, due primarily to the \$1.4 million market value adjustment to the Mortgage Servicing Asset in 2022 as compared to no material valuation adjustment recorded in 2023. Year to Date Net Income increased by \$425 thousand compared to prior year periods. This increase was primarily driven by growth in earning assets.

#### Balance Sheet Highlights

- Securities Available for Sale increased by \$23.7 million, primarily in GNMA instruments compared to end of year 2022.
- Loans Held for Sale increased by \$2.1 million compared to end of year 2022.
- Loans Net of ALLL increased by \$73.6 million compared to end of year 2022 as a result of new client acquisition.
- Deposits increased by \$112.2 million compared to end of year 2022. This increase was due to increased wholesale deposits and new customer acquisition.



### Markets

#### Chicago - Goose Island

1315 N North Branch St., Chicago 60642

#### Lisle

4733 Main St., Lisle, IL 60532

#### Morris

1771 N. Division St., Morris, IL 60450

#### Ottawa

701 LaSalle St., Ottawa, IL 61350

#### Schaumburg

1475 Woodfield Rd., STE 100, Schaumburg, IL 60173

#### Streator

409 E. Bridge St., Streator, IL 61364

#### Yorkville

1459 Cannonball Tr., Yorkville, IL 60560

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Return on Ave Equity	15.96%
Return on Ave Assets	1.09%
Shares Outstanding	902,344
Book Value at Period End	\$93.09
Earnings Per Share - Basic	\$6.71
TTM EPS	\$13.18
NIM (annualized)*	3.92%

\*Bank Only Ratio



**Balance Sheet**  
**(\$ in thousands, Except Share and Per Share Data)**

	End of Period 6/30/2023	End of Period 6/30/2022	End of Period 12/31/2022	End of Period 12/31/2021
<b>Assets</b>				
Cash and Due from Banks	\$ 4,610	\$ 9,733	\$ 7,590	\$ 8,196
Interest Bearing Deposits in Financial Institutions	49,086	31,484	45,224	10,985
Cash and Cash Equivalents	53,696	41,217	52,814	19,181
Interest Bearing Time Deposits with Financial Institutions				
Securities Available for Sale	136,787	103,579	113,045	67,817
Loans Held for Sale	37,631	164	35,460	19,974
Loans, Net of Allowance for Loan Losses	1,162,337	958,771	1,088,775	810,909
Premise & Equipment, net	14,327	14,563	10,437	9,821
Other Real Estate Owned	134	-	-	654
Accrued Interest Receivable and Other Assets	50,150	43,352	54,157	42,524
Total Assets	<u>\$ 1,455,062</u>	<u>\$ 1,161,646</u>	<u>\$ 1,354,688</u>	<u>\$ 970,880</u>
<b>Liabilities and Shareholder's Equity</b>				
Deposits, Total	\$ 1,225,059	\$ 993,335	\$ 1,082,765	\$ 839,582
Borrowings	139,000	91,250	189,800	58,500
Other Liabilities	12,833	10,657	10,622	9,131
Total Liabilities	1,376,892	1,095,242	1,283,187	907,213
Shareholder's Equity	78,170	66,404	71,501	63,667
Total Liabilities and Shareholders Equity	<u>\$ 1,455,062</u>	<u>\$ 1,161,646</u>	<u>\$ 1,354,688</u>	<u>\$ 970,880</u>

**Income Statement**  
**(\$ in thousands, Except Share and Per Share Data)**

	QTD 6/30/2023	QTD 6/30/2022	YTD 6/30/2023	YTD 6/30/2022
<b>Interest and Dividend Income</b>				
Loans, Including Fees	\$ 17,835	\$ 10,739	\$ 34,054	\$ 20,015
Securities Available for Sale:				
Taxable	1,538	550	2,902	831
Exempt from Federal Tax	50	46	100	92
Other	503	59	864	115
Total Interest and Dividend Income	<u>19,926</u>	<u>11,394</u>	<u>37,920</u>	<u>21,053</u>
<b>Interest Expense</b>				
Deposits	5,731	475	9,957	828
Borrowings	1,683	543	3,154	1,006
Total Interest Expense	<u>7,414</u>	<u>1,018</u>	<u>13,111</u>	<u>1,834</u>
<b>Net Interest Income</b>	12,512	10,376	24,809	19,219
Provision for Loan Losses	1,770	650	3,540	1,250
<b>Net Income After Provision for Loan Losses</b>	<u>10,742</u>	<u>9,726</u>	<u>21,269</u>	<u>17,969</u>
<b>Non Interest Income</b>				
Service Fees	601	574	1,156	1,102
Trust and Farm Management Fees	225	219	450	438
Mortgage Servicing Income, Net	78	1,560	86	1,812
Other	107	280	363	486
Total Non Interest Income	<u>1,011</u>	<u>2,633</u>	<u>2,055</u>	<u>3,838</u>
<b>Non Interest Expense</b>				
Salaries and Employment Benefits	5,189	5,125	10,340	9,844
Occupancy and Equipment	743	695	1,538	1,370
Data Processing Fees	493	451	939	907
Advertising	43	81	109	205
Professional Fees	223	194	459	420
Other Real Estate Owned, Net	53	54	86	(80)
Supplies	25	32	67	70
Other	833	715	1,623	1,440
Total Non Interest Expenses	<u>7,602</u>	<u>7,347</u>	<u>15,161</u>	<u>14,176</u>
<b>Income Before Income Tax</b>	4,151	5,012	8,163	7,631
Income Tax Expense	1,091	1,350	2,133	2,026
<b>Net Income</b>	<u>\$ 3,060</u>	<u>\$ 3,662</u>	<u>\$ 6,030</u>	<u>\$ 5,605</u>
<b>QTD Earnings Per Share</b>	\$ 3.39	\$ 4.20	\$ 6.71	\$ 6.47

