



American Commercial Bank & Trust

First Ottawa Bancshares, Inc.

FOURTH QUARTER 2023 HIGHLIGHTS

(At or for period ended 12/31/2023 compared to period ended 12/31/22)

Income Statement Highlights

- Quarter to Date and Year to Date Interest Income on Loans increased by \$5.2 million and \$25.4 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 \$895 thousand and \$3.9 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 \$5.5 million and \$22.9 million over the same periods in 2022. Increases were driven by increases in the cost of funding due to the current rate environment and a \$153.0 million increase in deposit balances compared to the same period in 2022.
- Quarter to Date and Year to Date Income from Service Charges increased by \$79 thousand and \$171 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 \$454 thousand and \$2.2 million primarily due to a \$1.9 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 \$2.0 million and \$318 thousand, primarily due to decreased salaries and benefits expense.
- Quarter to Date Net Income increased by \$1.5 million, due primarily to the reduction in salaries and benefits expense. Year to Date Net Income increased by \$1.7 million compared to prior year periods. This increase was primarily driven by growth in earning assets.

Balance Sheet Highlights

- Securities Available for Sale increased by \$47.7 million, primarily in GNMA instruments compared to end of year 2022.
- Loans Held for Sale decreased by \$34.2 million compared to end of year 2022.
- Loans Net of ALLL increased by \$138.0 million compared to end of year 2022 as a result of new client acquisition.
- Deposits increased by \$153.0 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

Return on Ave Equity	17.85%
Return on Ave Assets	1.00%
Shares Outstanding	904,506
Book Value at Period End	\$101.18
Earnings Per Share - Basic	\$15.56
TTM EPS	\$15.56
NIM (annualized)*	3.98%

*Bank Only Ratio



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

	YTD 12/31/2023	YTD 12/31/2022
Assets		
Cash and Due from Banks	\$ 5,054	\$ 7,590
Interest Bearing Deposits in Financial Institutions	22,562	45,224
Cash and Cash Equivalents	27,616	52,814
Interest Bearing Time Deposits with Financial Institutions		
Securities Available for Sale	160,790	113,045
Loans Held for Sale	1,251	35,460
Loans, Net of Allowance for Loan Losses	1,226,781	1,088,775
Premise & Equipment, net	9,948	10,437
Other Real Estate Owned	-	-
Cash Surrender Value of Life Insurance	32,484	24,280
Accrued Interest Receivable and Other Assets	30,073	29,877
Total Assets	\$ 1,488,943	\$ 1,354,688
Liabilities and Shareholder's Equity		
Deposits, Total	\$ 1,235,731	\$ 1,082,765
Borrowings	153,500	189,800
Other Liabilities	13,107	10,622
Total Liabilities	1,402,338	1,283,187
Shareholder's Equity	86,605	71,501
Total Liabilities and Shareholders Equity	\$ 1,488,943	\$ 1,354,688

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

	QTD 12/31/2023	QTD 12/31/2022	YTD 12/31/2023	YTD 12/31/2022
Interest and Dividend Income				
Loans, Including Fees	\$ 20,288	\$ 15,069	\$ 73,726	\$ 48,302
Securities Available for Sale:				
Taxable	2,047	1,147	6,760	2,832
Exempt from Federal Tax	46	51	196	189
Other	344	270	1,679	531
Total Interest and Dividend Income	<u>22,725</u>	<u>16,537</u>	<u>82,361</u>	<u>51,854</u>
Interest Expense				
Deposits	7,831	2,755	24,415	4,545
Borrowings	1,489	1,104	6,274	3,179
Total Interest Expense	<u>9,320</u>	<u>3,859</u>	<u>30,689</u>	<u>7,724</u>
Net Interest Income	13,405	12,678	51,672	44,130
Provision for Loan Losses	1,770	1,725	7,080	3,975
Net Income After Provision for Loan Losses	<u>11,635</u>	<u>10,953</u>	<u>44,592</u>	<u>40,155</u>
Non Interest Income				
Service Fees	668	589	2,466	2,295
Trust and Farm Management Fees	286	344	961	1001
Mortgage Servicing Income, Net	21	475	127	2,334
Other	347	442	1,147	1,194
Total Non Interest Income	<u>1,322</u>	<u>1,850</u>	<u>4,701</u>	<u>6,824</u>
Non Interest Expense				
Salaries and Employment Benefits	3,953	6,518	19,617	21,450
Occupancy and Equipment	716	691	2,955	2,695
Data Processing Fees	287	555	1,711	1,839
Insurance	504	315	1,649	1,145
Advertising	116	105	296	326
Professional Fees	223	272	862	911
Other Real Estate Owned, Net	38	43	105	(109)
Supplies	25	40	130	155
Other	1,221	575	2,783	2,014
Total Non Interest Expenses	<u>7,083</u>	<u>9,114</u>	<u>30,108</u>	<u>30,426</u>
Income Before Income Tax	5,874	3,689	19,185	16,553
Income Tax Expense	1,596	883	5,171	4,310
Net Income	<u>\$ 4,278</u>	<u>\$ 2,806</u>	<u>\$ 14,014</u>	<u>\$ 12,243</u>
Earnings Per Share	\$ 4.74	\$ 3.15	\$ 15.56	\$ 13.95