



A publication of the  
Foresight Financial Group, Inc.

# INSIGHT

## INVESTOR FACTS

### Transfer Agent

Computershare  
Investor Services LLC  
P.O. Box 505000  
Louisville, KY 40233-5000  
800.368.5948  
[www.computershare.com/investor](http://www.computershare.com/investor)

### Market Makers

Raymond James & Associates, Inc.  
222 South Riverside Plaza  
Seventh Floor  
Chicago, IL 60606  
800.800.4693

Monroe Securities, Inc.  
100 North Riverside Plaza, Suite 1620  
Chicago, IL 60606  
312.327.2530

### Corporate Information

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### Corporate Officers

Rex K. Entsminger  
President/CEO  
  
Dean E. Cooke  
Chief Financial Officer  
  
Nora Koehler  
Director of Human Resources  
  
Andrew LaPour  
Director of Information Technology  
  
Lori Morgan  
Director of Corporate Operations  
  
K. Denise Osadjian  
Chief Risk Officer/Corporate Secretary  
  
Rusti Swanson  
Chief Credit Officer

### Directors

Robert W. Stenstrom, Chairman  
John Collman  
Rex K. Entsminger  
Doug Fitzgerald  
Fred Kundert  
John J. Morrissey  
Carolyn Sluiter, D.V.M.  
Jeffrey Sterling  
Judd Thruman, J.D.  
Douglas Wagner

## Dear Shareholders,

August 2022

Our Company's reported earnings for both the first and second quarter of 2022 has surpassed the budget target and significantly exceeded our expectations. The net interest margin has continued to expand and is a major reason for our financial success. Another contributor is the loan growth we have experienced thus far this year. For the six months ended June 30, 2022, reported net income was just over \$6.9 million, the best financial start for our company in its history.

Our credit quality is strong as we close the first half of the year. The pipeline for new loans going forward will continue to help our future earnings as we replace lower yielding investment securities with higher yielding loans.

On July 20, 2022, we issued a press release announcing a stock purchase agreement between Foresight Financial Group and Greg Kidd, an entrepreneur focused on FinTech innovation in the payment systems area, for the sale of the State Bank of Herscher. This opportunity was brought to us by Mr. Kidd after significant research on his part indicated the State Bank of Herscher would be an ideal fit for his mission. The Foresight Board was delighted with the offer from Mr. Kidd which included an attractive premium to book value that allows our company to enhance our organization as a result of the sale. The transaction is expected to close by year end 2022 or shortly thereafter. No other bank within the Foresight group is involved in the transaction.

We continue to strive for attainment of our "Big Goal" to grow the company and obtain financial performance in the upper twenty-five percent of our banking peer group. The F2, Future Forward initiative continues to be a focus for all employees concentrated on realizing expense efficiencies and revenue enhancements aiding in achievement of the Big Goal.

The Board of Directors of Foresight declared a quarterly cash dividend of \$0.16 per share reflecting an increase of over 45% from the prior quarter. Our earnings are stronger than ever, and Foresight's capital position remains solid as does our commitment to enhancing shareholder value.

Thank you for your support.

Respectfully,

Rex K. Entsminger  
President & CEO

## Celebrating Over Thirty Five Years of Community Building Through Community Banking!

This release contains information and "forward-looking statements" that relate to matters that are not historical facts and which are usually preceded by words "may," "will," "should," "could," "would," "plan," "potential," "estimate," "project," "believe," "intend," "anticipate," "expect," "target," and similar expressions. These forward-looking statements are subject to significant risks, assumptions and uncertainties. Because of these and other uncertainties, our actual results may be materially different from those described in these forward-looking statements. The forward-looking statements in this release speak only as of the date of the release, and we do not assume any obligation to update the forward-looking statements or to update the reasons why actual results differ from those contained in the forward-looking statements.

# FINANCIAL HIGHLIGHTS

(Dollars in thousands, except per share data (Unaudited))

	For the Six Month Period Ended June 30,			For the Years Ended December 31,		
Income Statement Data	2022	2021	% Chg	2021	2020	2019
Net Interest Income	\$21,229	\$19,574	8.46%	\$41,228	\$39,835	\$38,881
Provision for loan losses	(28)	744	-103.76%	756	3,785	1,125
Noninterest income	4,645	4,759	-2.40%	9,671	9,329	7,175
Noninterest expense	16,946	16,907	0.23%	35,520	32,324	30,725
Income Taxes	2,046	1,446	41.49%	3,237	2,766	3,184
Net Income	6,910	\$5,236	31.97%	\$11,386	\$10,289	\$11,022
	For the Six Month Period Ended June 30,			For the Years Ended December 31,		
Ratios	2022	2021	% Chg	2021	2020	2019
Return on Average Assets	0.96%	0.74%	29.73%	0.79%	0.78%	0.92%
Return on Average Common Stockholders' Equity	9.61%	6.96%	38.07%	7.42%	7.03%	8.18%
Net interest margin (tax equivalent)	3.20%	3.04%	5.26%	3.14%	3.29%	3.59%
Allowance as a percent of total loans	1.54%	1.70%	-9.41%	1.62%	1.64%	1.64%
Dividends per common share paid	\$0.22	\$0.20	10.00%	\$0.42	\$0.36	\$0.33
Earnings per common share (Calculated by dividing net income by the weighted average number of common stock shares outstanding)	\$1.94	\$1.42	36.67%	\$3.11	\$2.76	\$2.98
Book value per common share (Calculated by dividing stockholders' equity, excluding other comprehensive income or loss by outstanding common shares)	\$44.52	\$40.98	8.62%	\$42.74	\$39.66	\$37.33
	At June 30,			At December 31,		
Balance Sheet	2022	2021	% Chg	2021	2020	2019
Assets	\$1,439,713	\$1,423,271	1.16%	\$1,453,823	\$1,384,704	\$1,213,488
Investment Securities (AFS Securities at Market Value)	\$425,608	\$428,173	-0.60%	\$444,261	\$366,999	\$310,368
Loans, net of unearned income	\$903,595	\$827,445	9.20%	\$862,085	\$835,135	\$793,918
Deposits & Repurchase (SWEET) Agreements	\$1,299,642	\$1,240,712	4.75%	\$1,270,552	\$1,185,609	\$1,046,690
Short-term and other borrowings	\$7,361	\$20,480	-64.06%	\$17,609	\$36,912	\$17,417
Subordinated Debentures	\$0	\$0	0.00%	\$0	\$0	\$0
Stockholders' Equity (Excludes accumulated other comprehensive income or loss)	\$158,598	\$150,584	5.32%	\$153,684	\$147,503	\$138,681
	For the Six Month Period Ended June 30,			For the Years Ended December 31,		
Stock Value Per Common Share Information	2022	2021	% Chg	2021	2020	2019
Price/earnings ratio	7.8	11.1	-29.18%	10.4	10.8	12.2
Stock Price - High	\$34.65	\$32.90		\$32.95	\$36.00	\$36.90
Low	\$30.36	\$29.10		\$29.10	\$20.25	\$32.87
Ending	\$30.36	\$31.50	-3.62%	\$32.90	\$29.88	\$36.10
Book value per common share	\$44.52	\$40.98	8.62%	\$42.74	\$39.66	\$37.33
Price/book value per common share	0.68	0.77	-11.27%	0.77	0.75	0.97
Common shares outstanding (excludes Treasury Stock Shares)	3,562,672	3,674,187		3,595,769	3,719,415	3,714,962

German  
American  
State Bank

SBH  
STATE BANK OF HERSHEY



LENA STATE BANK

STATE BANK of DAVIS

northwestbank

State Bank  
Freeport, IL