



## First Ottawa Bancshares, Inc.

### SECOND QUARTER 2024 HIGHLIGHTS

#### Income Statement Highlights

(At or for the period ended 6/30/2024 compared to the period ended 6/30/23)

- Quarter to Date and Year to Date Interest Income on Loans increased by \$4.1 million and \$8.7 million over the same periods in 2023. Increases were driven by higher loan balances and variable rate repricing.
- Quarter to Date and Year to Date Interest Income on Investments increased by \$708 thousand and \$1.4 million over the same periods in 2023. Increases were driven by higher balances and variable rate repricing.
- Quarter to Date and Year to Date Interest Expense increased by \$4.0 million and \$8.8 million over the same periods in 2023. Increases were driven by a \$212.8 million increase in deposit balances, which was partially offset by a \$58.5 million reduction in other borrowings compared to the same period in 2023.
- Quarter to Date and Year to Date Income from Service Charges increased by \$149 thousand and \$298 thousand over the same periods in 2023. The increase is attributed to new customer acquisition and continued growth in deposit balances during the first half of 2024 and in 2023.
- Quarter to Date and Year to Date Residential Mortgage Servicing Income, including gain on sale, increased by \$90 thousand and \$74 thousand primarily due to a nominal increase in mortgage loan volume in the current rate environment. No valuation adjustment to the mortgage servicing asset was recorded in the current year.
- Quarter to Date and Year to Date Non-Interest Expense increased by \$456 thousand and \$875 thousand, primarily due to increased hazard and FDIC insurance expense, professional fees, and other expenses.
- Quarter to Date Net Income increased by \$761 thousand, due primarily to the \$1.0 million increase in net interest income after then Provision for Loan Losses. Year to Date Net Income increased by \$1.3 million compared to prior year periods. This increase was primarily driven by growth in earning assets and the resulting increase in net interest income after the Provision for Loan Losses.

#### Balance Sheet Highlights

- Securities Available for Sale increased by \$12.2 million, primarily in GNMA instruments compared to end of year 2023.
- Loans Held for Sale decreased by \$948 thousand compared to the end of year 2023.
- Loans Net of ALLL increased by \$110.2 million compared to end of year 2023 as a result of new client acquisition.
- Deposits increased by \$202.1 million compared to the end of year 2023. This increase was due to increased wholesale deposits, new customer acquisition and seasonal municipality deposits related to real estate tax proceeds.



### 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	16.36%
Return on Ave Assets	0.93%
Shares Outstanding	917.137
Book Value at Period End	\$108.47
Earnings Per Share - Basic	\$8.07
TTM EPS	\$16.92
NIM (annualized)*	3.54%

\*Bank Only Ratio



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

	End of Period 6/30/2024	End of Period 6/30/2023	End of Period 12/31/2023	End of Period 12/31/2022
<b>Assets</b>				
Cash and Due from Banks	\$ 3.482	\$ 4,610	\$ 5,054	\$ 7,590
Interest Bearing Deposits in Financial Institutions	38.711	49,086	22,562	45,224
Cash and Cash Equivalents	42.193	53,696	27,616	52,814
Interest Bearing Time Deposits with Financial Institutions				
Securities Available for Sale	172.939	136,787	160,790	113,045
Loans Held for Sale	303	37,631	1,251	35,460
Loans, Net of Allowance for Loan Losses	1,336.943	1,162,337	1,226,781	1,088,775
Premise & Equipment, net	9.530	10,275	9,948	10,437
Other Real Estate Owned	-	134	-	-
Cash Surrender Value of Life Insurance	33,082	24,613	32,484	24,280
Accrued Interest Receivable and Other Assets	31,248	29,589	30,073	29,877
Total Assets	\$ 1,626,238	\$ 1,455,062	\$ 1,488,943	\$ 1,354,688
<b>Liabilities and Shareholder's Equity</b>				
Deposits, Total	\$ 1,437,824	\$ 1,225,059	\$ 1,235,731	\$ 1,082,765
Borrowings	80,500	139,000	153,500	189,800
Other Liabilities	13,750	12,833	13,107	10,622
Total Liabilities	1,532,074	1,376,892	1,402,338	1,283,187
Shareholder's Equity	94,164	78,170	86,605	71,501
Total Liabilities and Shareholders Equity	\$ 1,626,238	\$ 1,455,062	\$ 1,488,943	\$ 1,354,688

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

	QTD 6/30/2024	QTD 6/30/2023	YTD 6/30/2024	YTD 6/30/2023
<b>Interest and Dividend Income</b>				
Loans, Including Fees	\$ 21,899	\$ 17,835	\$ 42,715	\$ 34,054
Securities Available for Sale:				
Taxable	2,271	1,538	4,365	2,902
Exempt from Federal Tax	25	50	49	100
Other	364	503	731	864
Total Interest and Dividend Income	<u>24,559</u>	<u>19,926</u>	<u>47,860</u>	<u>37,920</u>
<b>Interest Expense</b>				
Deposits	9,552	5,731	18,227	9,957
Borrowings	1,906	1,683	3,688	3,154
Total Interest Expense	<u>11,458</u>	<u>7,414</u>	<u>21,915</u>	<u>13,111</u>
<b>Net Interest Income</b>	13,101	12,512	25,944	24,809
Provision for Loan Losses	1,350	1,770	2,700	3,540
<b>Net Income After Provision for Loan Losses</b>	<u>11,751</u>	<u>10,742</u>	<u>23,244</u>	<u>21,269</u>
<b>Non Interest Income</b>				
Service Fees	750	601	1,454	1,156
Trust and Farm Management Fees	228	225	456	450
Mortgage Servicing Income, Net	168	78	160	86
Other	366	107	726	363
Total Non Interest Income	<u>1,512</u>	<u>1,011</u>	<u>2,796</u>	<u>2,055</u>
<b>Non Interest Expense</b>				
Salaries and Employment Benefits	5,072	5,189	10,483	10,340
Occupancy and Equipment	797	743	1,556	1,538
Data Processing Fees	532	493	989	939
Insurance	506	371	1,020	687
Advertising	145	43	193	109
Professional Fees	276	223	514	459
Other Real Estate Owned, Net	(20)	53	8	86
Supplies	66	25	86	67
Other	684	462	1,187	936
Total Non Interest Expenses	<u>8,058</u>	<u>7,602</u>	<u>16,036</u>	<u>15,161</u>
<b>Income Before Income Tax</b>	5,205	4,151	10,004	8,163
Income Tax Expense	1,384	1,091	2,657	2,133
<b>Net Income</b>	<u>\$ 3,821</u>	<u>\$ 3,060</u>	<u>\$ 7,347</u>	<u>\$ 6,030</u>
<b>QTD Earnings Per Share</b>	\$ 4.17	\$ 3.39	\$ 8.07	\$ 6.71