



FIRST NEIGHBORHOOD BANCSHARES, INC.

UNAUDITED
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022



First Neighborhood Bancshares, Inc. and Subsidiary

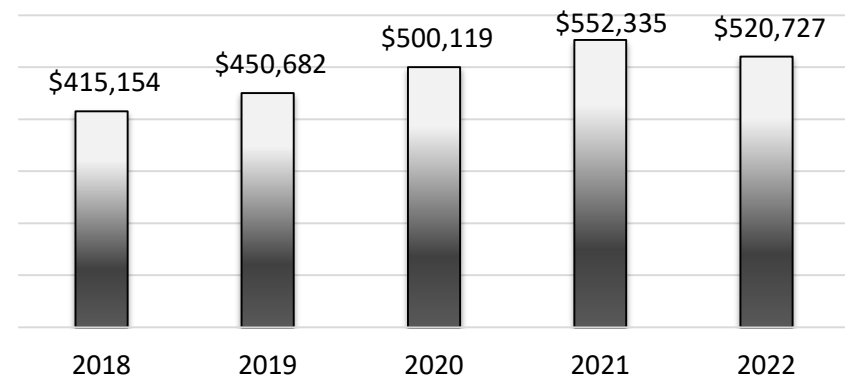
Consolidated Balance Sheets

December 31, 2022 and 2021

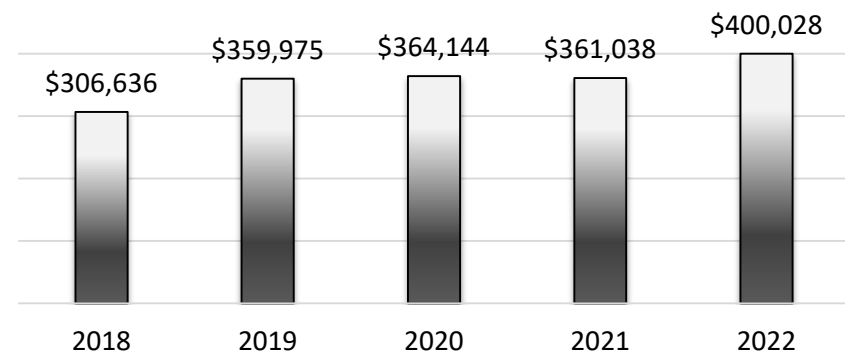
(\$ in thousands)

	2022	2021
<i>Assets</i>		
Cash and cash equivalents	\$ 27,583	\$ 107,506
Certificates of deposit	3,981	2,716
Federal funds sold	733	14,737
Securities available for sale	49,396	30,478
Equity securities	217	202
Loans held for sale	844	2,471
Loans, net of allowance for loan losses 2022 \$4,586; 2021 \$4,244	399,184	358,567
Premises and equipment	11,579	11,790
Bank-owned life insurance	12,828	12,545
Accrued interest receivable	2,982	2,642
Goodwill	1,093	1,093
Foreclosed real estate and other loan collateral	1,737	1,871
Other assets	8,570	5,717
Total assets	\$ 520,727	\$ 552,335
<i>Liabilities and Stockholders' Equity</i>		
Demand	\$ 116,033	\$ 113,101
NOW accounts	110,496	98,228
Savings	127,897	118,802
Time, \$250,000 and over	26,438	40,692
Other time	64,207	85,814
	445,071	456,637
Federal Home Loan Bank advances	20,000	39,649
Other liabilities	585	766
Total liabilities	465,656	497,052
<i>Stockholders' equity:</i>		
Common stock, \$1 par value; 200,000 shares authorized;		
118,554 shares issued	119	119
Surplus	5,379	5,329
Retained earnings	59,315	55,310
Accumulated other comprehensive income (loss)	(2,435)	302
Unearned Employee Stock Ownership Plan shares	(3,565)	(3,024)
Treasury stock (14,898 shares in 2022; 12,700 shares in 2021) at cost	(3,742)	(2,753)
	55,071	55,283
Total liabilities and stockholders' equity	\$ 520,727	\$ 552,335

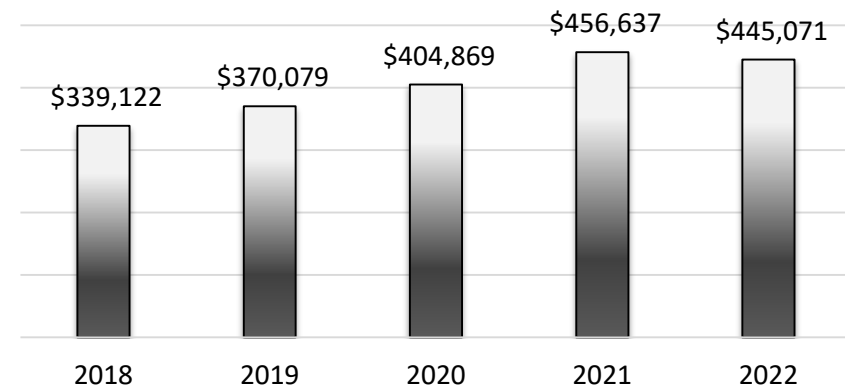
Total Assets (\$000's)



Total Loans (000's)



Total Deposits (000's)





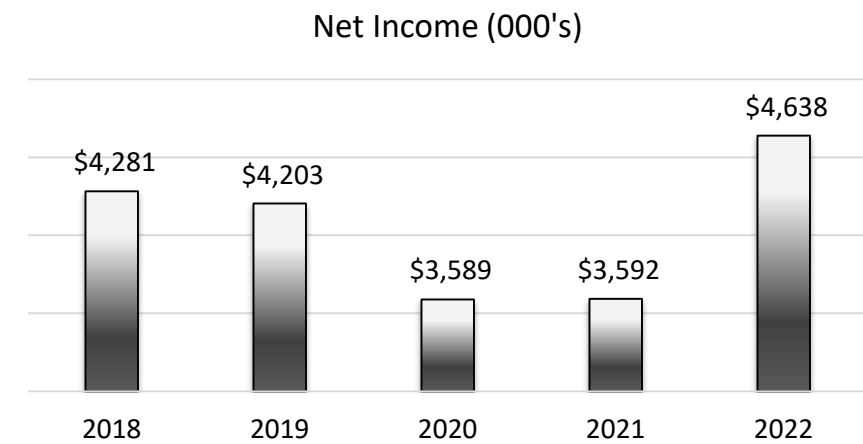
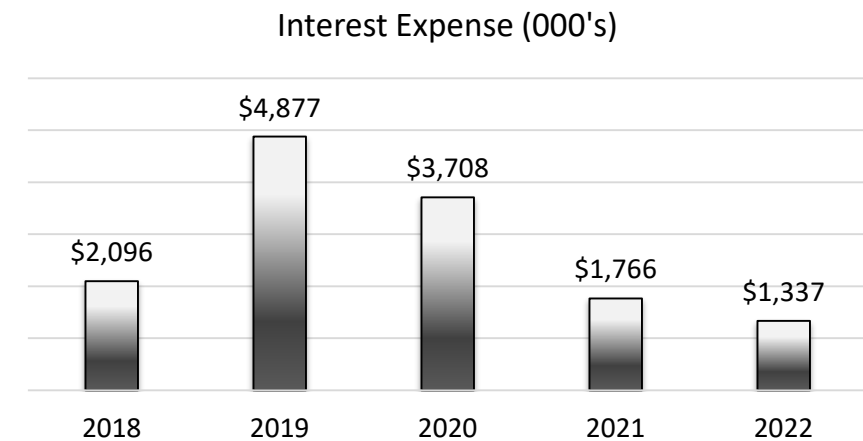
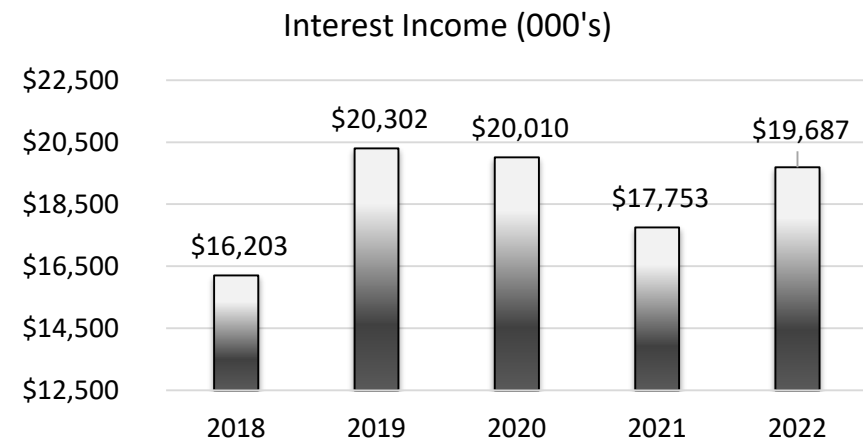
First Neighborhood Bancshares, Inc. and Subsidiary

Consolidated Statements of Income

Years Ended December 31, 2022 and 2021

(\$ in thousands)

	2022	2021
Interest income:		
Loans and fees on loans	\$ 17,950	\$ 17,015
Investment securities	908	429
Federal funds sold and other	829	309
	19,687	17,753
Interest expense:		
Deposits	1,201	1,319
Other borrowings	136	447
	1,337	1,766
Net interest income	18,350	15,987
Provision for loan losses	1,589	1,758
Net interest income after provision for loan losses	16,761	14,229
Other income:		
Service fees	1,351	3,091
Increase in cash surrender value of life insurance	283	286
Gain on sale of loans held for sale	232	568
Other	2,704	2,464
	4,570	6,409
Other expense:		
Salaries and employee benefits	9,431	9,768
Occupancy expenses	1,780	1,940
Other	4,202	3,609
	15,413	15,317
Income before income taxes	5,918	5,321
Income taxes	1,280	1,729
Net income	\$ 4,638	\$ 3,592





**First Neighborhood Bancshares, Inc. and Subsidiary
Consolidated Statements of Comprehensive Income
Years Ended December 31, 2022 and 2021
(\$ in thousands)**

	2022	2021
Net income	\$ 4,638	\$ 3,592
Other comprehensive loss before tax:		
Unrealized net loss on securities	(3,828)	(440)
Other comprehensive loss before tax	(3,828)	(440)
Income tax expense related to items of other comprehensive loss	(1,091)	(125)
Other comprehensive loss, net of tax	(2,737)	(315)
Comprehensive income	\$ 1,901	\$ 3,277



FIRST NEIGHBORHOOD BANCSHARES, INC.
FIVE-YEAR SELECTED DATA
(in thousands, except per share data)

	2022	2021	2020	2019	2018
EARNINGS AND DIVIDENDS					
Interest Income	\$ 19,687	\$ 17,753	\$ 20,010	\$ 20,302	\$ 16,203
Interest Expense	1,337	1,766	3,708	4,877	2,096
Net Interest Income	18,350	15,987	16,302	15,425	14,107
Provision For Loan Losses	1,589	1,758	1,566	1,259	885
Net Interest Income After Provision For Loan Losses	16,761	14,229	14,736	14,166	13,222
Other Income	4,570	6,409	5,017	3,698	3,900
Other Expense	15,413	15,317	14,229	12,701	11,243
Income Before Income Taxes	5,918	5,321	5,524	5,163	5,879
Income Taxes	1,280	1,729	1,935	960	1,598
Net Income	\$ 4,638	\$ 3,592	\$ 3,589	\$ 4,203	\$ 4,281
Dividends to Shareholders	\$ 305	\$ 272	\$ 277	\$ 285	\$ 301
Dividends paid on ESOP shares owned by ESOP	328	263	252	246	226
Dividends	\$ 633	\$ 535	\$ 529	\$ 531	\$ 527
PER SHARE DATA					
Income Before Taxes*	\$ 62.33	\$ 54.10	\$ 55.13	\$ 50.43	\$ 55.83
Net Income*	48.85	36.52	35.82	41.05	40.65
Dividends	6.10	5.05	5.00	5.00	4.85
Book Value	531.29	522.26	501.73	476.19	438.83
SELECTED BALANCE SHEET DATA					
Assets					
Cash and cash equivalents	\$ 27,583	\$ 107,506	\$ 60,860	\$ 22,888	\$ 51,392
Federal funds sold	733	14,737	5,032	2,884	1,816
Securities and certificates of deposit	53,377	33,194	36,111	35,560	30,846
Net loans and loans held for sale	400,028	361,038	364,144	359,975	306,636
Other assets	39,006	35,860	33,972	29,375	24,464
Total assets	\$ 520,727	\$ 552,335	\$ 500,119	\$ 450,682	\$ 415,154
Liabilities and Stockholders' Equity					
Deposits	\$ 445,071	\$ 456,637	\$ 404,869	\$ 370,079	\$ 339,122
FHLB advances and Federal funds purchased	20,000	39,649	41,284	29,950	27,500
Other liabilities	585	766	756	77	865
Stockholders' equity	55,071	55,283	53,210	50,576	47,667
Total Liabilities and Stockholders' Equity	\$ 520,727	\$ 552,335	\$ 500,119	\$ 450,682	\$ 415,154