FORESIGHT

financial group, inc.

NEWS RELEASE

FORESIGHT FINANCIAL GROUP, INC.
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FOR IMMEDIATE RELEASE: January 16, 2024
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FORESIGHT REPORTS ANNUAL 2023 OPERATING RESULTS

Foresight Financial Group, Inc., a Winnebago, IL based multi-bank holding company with fourteen offices in Winnebago, Stephenson, Boone and Kankakee counties, reports that for the full year of 2023 the net income of the company was $14,546,000 reflecting the third consecutive annual record earnings to be reported. This represents a 6.75% increase from earnings of $13,626,000 reported in 2022. Basic earnings per common share of $4.08, represents an increase of $0.25 from that reported for 2022. Return on average assets for 2023 was 0.96%, and return on stockholders' equity was 11.37%.

For the year 2023, net interest income increased 7.87% with provision expense increasing by $554,000 to a level of $1,105,000 for the year. Net Interest Margin though improved from 2022 levels continues to reflect compression due to rapidly increasing funding costs. Non-interest income was down 3.67% or $288,000 from 2022. Non-interest expense increased $1,385,000 or 3.86% with personnel and occupancy costs remaining flat.

Non-performing assets of the Company as of December 31, 2023 totaling $16.2 million is a 3% decrease from that reported as of September 30, 2023. Loans past due 30 to 89 days are at a modest 0.43% of outstanding loans. In the fourth quarter one significant non-performing credit resolved via payoff and a second was further secured allowing a reversal of $3.6 million of provision expense taken earlier in 2023.

President and Chief Executive Officer Peter Morrison stated: "We are very pleased to report that fiscal 2023 represents a third consecutive year of record earnings with an increase in net income of 6.75 percent from the prior year. Asset quality continues to remain strong, and despite funding cost pressures throughout the year, our net interest margin drove the success we realized in 2023. As we move into 2024 we expect increases in funding costs will drive our Net Interest Margin. We will continue to closely monitor credit quality trends both industry wide as well as within our own portfolio and react accordingly. Despite the economic challenges that we anticipate will continue into the year we look forward to a positive 2024."

Foresight's balance sheet as of year-end reflects growth in all areas with total loans, deposits and assets of $1.084 billion, $1.388 billion, and $1.574 billion respectively.

Foresight's community banks include Northwest Bank of Rockford, State Bank in Freeport, State Bank of Davis, German-American State Bank, German Valley, Lena State Bank and the State Bank of Herscher. Foresight's common stock is listed on the "OTCQX" market under the trading symbol FGFH. Closing price for the common stock was $26.40 per share at the close of business January 12, 2024. Book value of the company's common stock was $49.38 as of December 31, 2023. Tangible Book value per share (adjusting for Accumulated Other Comprehensive Income and Goodwill) as of December 31, 2023 was $39.75.

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