



NEWS RELEASE

FORESIGHT FINANCIAL GROUP, INC.

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FOR IMMEDIATE RELEASE: **October 15, 2025**
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FORESIGHT REPORTS THIRD QUARTER 2025 RESULTS

Foresight Financial Group, Inc. (OTCQX: FGFH) reported net income of \$1.60 million for the quarter ended September 30, 2025, a 53% decrease compared to \$3.40 million reported for the third quarter of 2024, and a 46% decrease compared to \$2.99 million reported for the second quarter of 2025. Diluted Earnings per Share for the third quarter was \$0.44 compared to \$0.97 for the third quarter of 2024 and \$0.82 for the quarter ended June 30, 2025. The third quarter of 2025 results include \$1.65 million of non-recurring expenses, primarily related to the charter consolidation project and operating systems conversions. The third quarter results produced a Return on Average Equity of 3.90% and Return on Average Assets of 0.40%.

Net income for the nine months ended September 30, 2025 decreased by 48% to \$5.32 million compared to \$10.17 million for the first three quarters of 2024. The decrease in net income reflects a \$1.52 million increase in provision for loan losses, a \$1.96 million impairment charge related to other equity investments and \$3.53 million of non-recurring expenses, primarily related to the charter consolidation project and systems conversions. Diluted Earnings per Share for the first nine months of 2025 was \$1.48 compared to \$2.91 for the first three quarters of 2024.

Foresight CEO Peter Q. Morrison stated "the legal consolidation of our Company's six banking charters occurred on May 1, 2025, the operating systems of four of the former charters were combined during the third quarter and the remaining two are on track to be converted by the end of October. The operational consolidation has required a herculean effort by our staff to complete five core as well as ancillary system conversions in the same year. As reflected in our financial statements, and as expected when we embarked on this path, it has been an expensive

endeavor that will continue to a lesser extent into Q4 of 2025; however, it has positioned Foresight for future growth and profitability improvement. As we move forward, the Company is focused on gaining the efficiencies that operating as a single bank will provide, strengthening our sales culture and continuing to implement more robust and consistent credit administration practices.”

Net interest income for the third quarter of 2025 increased by \$872 thousand, or 7%, to \$13.16 million as compared to \$12.29 million for the third quarter of 2024; and increased by \$209 thousand, or 2%, compared to the quarter ended June 30, 2025. The net interest margin on a fully taxable equivalent basis increased to 3.41% compared to 3.21% in the third quarter of 2024; and 3.40% for the quarter ended June 30, 2025.

Net interest income for the nine months ended September 30, 2025 increased by \$1.61 million, or 4%, to \$38.37 million compared to \$36.76 million in the first nine months of 2024. The net interest margin on a fully taxable equivalent basis was 3.34% for the first nine months of 2025.

Total loans increased by \$6.88 million during the quarter to \$1.14 billion as of September 30, 2025 compared to \$1.13 billion as of June 30, 2025; and increased by \$22 million during the first three quarters of 2025. Total deposits decreased by \$1.77 million during the third quarter to \$1.38 billion as of September 30, 2025; and decreased by \$18.51 million as compared to total deposits at the end of 2024. The decrease in deposits for both the quarter and year-to-date reflects non-renewal of approximately \$40 million of time deposits related to the State of Illinois Ag Invest program due to a temporary disruption of the bank’s participation in the program during the charter consolidation process. The Company expects to renew most of that funding by the end of 2025, which will be accretive to net interest margin.

The provision for loan losses for the quarter ended September 30, 2025 increased by \$187 thousand to \$372 thousand as compared to \$185 thousand in the third quarter of the prior year; and increased by \$134 thousand compared to the second quarter of 2025. The provision for loan losses for the nine months ended September 30, 2025 was \$1.91 million, a \$1.52 million increase over the provision expense for the first nine months of 2024. Net loan charge-offs totaled \$363 thousand and \$3.30 million for the quarter and nine months ended September 30, 2025, respectively.

Total non-performing assets of the Company as of September 30, 2025 were \$28.44 million compared to \$28.29 million the previous quarter, and \$28.42 million at the end of 2024. The ratio of non-performing assets to total assets was largely unchanged at 1.75% as of September 30, 2025 compared to 1.76% as of June 30, 2025 and 1.74% as of December 31, 2024.

Noninterest income for the quarter ended September 30, 2025 decreased \$203 thousand to \$1.78 million compared to \$1.99 million in the third quarter of the prior year. The decrease is primarily due to a \$405 thousand decrease in bank owned life insurance revenue due to benefits received in the third quarter of 2024.

Noninterest income for the nine months ended September 30, 2025 increased by \$1.41 million to \$6.73 million compared to \$5.32 million for the first three quarters of 2024. This increase includes \$1.2 million of non-recurring revenue received under a debit card branding agreement.

Noninterest expense for the quarter ended September 30, 2025 totaled \$12.36 million, a \$2.50 million increase over \$9.89 million in the third quarter of 2024; and a \$408 thousand increase from the quarter ended June 30, 2025. The increase in operating expenses over the third quarter of 2024 includes \$1.65 million in non-recurring expenses, primarily related to charter consolidation.

Noninterest expense for the nine months ended September 30, 2025 increased by \$7.84 million to \$36.49 million compared to \$28.64 million in the first three quarters of 2024. The increase in noninterest expense includes \$5.49 million in non-recurring expenses. The table below includes expenses for the nine months ended September 30, 2025 by expense category, breaks out the non-recurring expenses and compares the amount, excluding the non-recurring expenses, to the noninterest expenses for the first three quarters of 2024.

	Nine Months Ended September 30,			
	2025		2024	
	Actual Expenses	Non-Recurring Expenses	Non-Recurring Expenses	Actual Expenses
(in thousands)				
Operating Expenses:				
Salaries and employee benefits	19,419	352	19,067	18,287
Occupancy expense of premises, net	2,383		2,383	2,031
Outside services	1,703	420	1,283	1,176
Data processing	3,771		3,771	2,946
Other	9,209	4,719	4,490	4,203
	<hr/> <u>36,485</u>	<hr/> <u>5,491</u>	<hr/> <u>30,994</u>	<hr/> <u>28,643</u>

The non-recurring expenses included in salary and employee benefits and outside services are all attributable to the charter consolidation effort. The other non-recurring expenses include \$3.29 million of charter consolidation expenses such as conversion costs for the core and ancillary systems, contract cancellations, and customer communications; a \$1.96 million impairment charge on a nonmarketable equity investment; and \$238 thousand of other expenses. Excluding these non-recurring items noninterest expenses increased \$2.35 million, or 8%, over the first nine months of 2024.

The closing price for the Company's stock was \$34.15, as of the close of business October 14, 2025. Tangible Book Value per Share of the Company's common stock increased by \$1.87 and \$3.65 to \$46.24 compared to \$44.37 as of June 30, 2025 and \$42.59 as of December 31, 2024,

respectively. The Tangible Book Value per Share of the Company's common stock, excluding Accumulated Other Comprehensive Income was \$52.62 as of September 30, 2025, compared to \$51.79 at the end of 2024.

About Foresight Financial Group, Inc.

Foresight Financial Group, Inc. is a bank holding company headquartered in Winnebago County, Illinois and is the parent company of Foresight Bank, which operates in Northern Illinois under its divisional names Northwest Bank of Rockford, State Bank in Freeport, State Bank of Davis, German American State Bank in German Valley, Winnebago and Pecatonica, Lena State Bank, and the State Bank of Herscher. Foresight's common stock is traded on the "OTCQX" market under the trading symbol FGFH.

Forward-Looking Statements

When used in this communication, the words "believes," "expects," "likely", "would", and similar expressions are intended to identify forward-looking statements. The Company's actual results may differ materially from those described in the forward-looking statements. Factors which could cause such a variance to occur include, but are not limited to: heightened competition; adverse state and federal regulation; failure to obtain new or retain existing customers; ability to attract and retain key executives and personnel; changes in interest rates; unanticipated changes in industry trends; unanticipated changes in credit quality and risk factors, including general economic conditions particularly in the Company's markets; potential deterioration in real estate values, success in gaining regulatory approvals when required; changes in the Federal Reserve Board monetary policies; unexpected outcomes of new and existing litigation in which the Company, or its subsidiaries, officers, directors or employees is named defendants; technological changes; changes in accounting principles generally accepted in the United States; changes in assumptions or conditions affecting the application of "critical accounting policies"; inability to recover previously recorded losses as anticipated, and the inability of third party vendors to perform critical services for the Company or its customers. The inclusion of forward-looking information should not be construed as a representation by the Company or any person that future events or plans contemplated by the Company will be achieved. The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information or otherwise.

Foresight Financial Group, Inc. and Subsidiaries
Consolidated Balance Sheets
September 30, 2025 and December 31, 2024
(Unaudited)

Assets	September 30,	December 31,
	2025	2024
(in thousands, except per share data)		
Cash and due from banks	\$ 19,601	\$ 16,905
Interest-bearing deposits in banks	25,371	45,357
Federal funds sold	1,989	1,738
Total cash and cash equivalents	46,961	64,000
Interest-bearing deposits in banks - term deposits	1,624	4,434
Debt securities:		
Debt securities available-for-sale (AFS)	369,287	369,945
Debt securities held-to-maturity (HTM)	2,741	3,263
Marketable equity securities and other investments	5,545	7,592
Loans held for sale	-	852
Loans, net of allowance for credit losses	1,123,376	1,100,657
Foreclosed assets and other real estate owned, net	56	-
Premises and equipment, net	18,054	17,125
Bank owned life insurance	24,812	24,459
Other assets	36,317	40,892
Total assets	\$ 1,628,772	\$ 1,633,219

Liabilities and Stockholders' Equity

Liabilities:		
Deposits:		
Noninterest-bearing	\$ 241,473	\$ 249,076
Interest-bearing	1,140,725	1,151,627
Total deposits	1,382,198	1,400,703
Federal funds purchased	-	5,804
Securities sold under agreements to repurchase	26,354	15,017
Federal Home Loan Bank (FHLB) and other borrowings	37,662	40,911
Accrued interest payable and other liabilities	15,666	17,386
Total liabilities	1,461,880	1,479,821
Stockholders' equity:		
Preferred stock	-	-
Common stock	1,063	1,060
Additional paid-in capital	16,716	16,482
Retained earnings	188,119	184,961
Treasury stock, at cost	(16,013)	(16,008)
Accumulated other comprehensive loss	(22,992)	(33,097)
Total stockholders' equity	166,892	153,398
Total liabilities and stockholders' equity	\$ 1,628,772	\$ 1,633,219

Foresight Financial Group, Inc. and Subsidiaries
Consolidated Statements of Income
(Unaudited)

	Nine Months Ended September 30,	
	2025	2024
(in thousands, except per share data)		
Interest and dividend income:		
Loans, including fees	\$ 52,550	\$ 52,035
Debt securities:		
Taxable	6,231	5,351
Tax-exempt	1,201	1,241
Interest-bearing deposits in banks and other	955	1,650
Federal funds sold	12	91
Total interest income	<u>60,949</u>	<u>60,368</u>
Interest expense:		
Deposits	21,395	22,214
Federal funds purchased	6	57
Securities sold under agreements to repurchase	166	352
FHLB and other borrowings	1,011	986
Total interest expense	<u>22,578</u>	<u>23,609</u>
Net interest income	<u>38,371</u>	<u>36,759</u>
Provision for credit losses	1,908	387
Net interest and dividend income, after provision for credit losses	<u>36,463</u>	<u>36,372</u>
Noninterest income:		
Customer service fees	1,316	1,050
Loss on sales and calls of AFS securities, net	0	-111
Gain on sale of loans, net	243	590
Loan servicing fees, net	641	57
Bank owned life insurance	500	950
ATM / interchange fees	1,655	1,604
Other	2,375	1,180
Total noninterest income	<u>6,730</u>	<u>5,320</u>
Noninterest expenses:		
Salaries and employee benefits	19,419	18,287
Occupancy expense of premises, net	2,383	2,031
Outside services	1,703	1,176
Data processing	3,771	2,946
Other	9,209	4,203
Total noninterest expenses	<u>36,485</u>	<u>28,643</u>
Income before income taxes	6,708	13,049
Income tax expense	1,384	2,878
Net income	<u>\$ 5,324</u>	<u>\$ 10,171</u>
Earnings per common share:		
Basic	\$ 1.48	\$ 2.92
Diluted	\$ 1.48	\$ 2.91

Foresight Financial Group, Inc. and Subsidiaries
Consolidated Condensed Statements of Income
(Unaudited)

	For the Quarter Ended				
	September				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	30, 2024
Interest and dividend income:					
Loans, including fees	\$ 17,893	\$ 17,739	\$ 16,918	\$ 17,249	\$ 17,943
Interest on investment securities	2,447	2,394	2,591	2,269	2,183
Interest on fed funds sold and other deposits	150	285	532	818	573
Total interest income	20,490	20,418	20,041	20,336	20,699
Interest expense:					
Deposits	6,930	7,099	7,366	7,641	7,885
Federal funds purchased	4	-	2	7	29
FHLB and other borrowings	398	370	409	460	499
Total interest expense	7,332	7,469	7,777	8,108	8,413
Net interest income	13,158	12,949	12,264	12,228	12,286
Provision for credit losses	372	238	1,298	665	185
Net interest income after provision for loan losses	12,786	12,711	10,966	11,563	12,101
Noninterest income:					
Customer service fees	424	551	341	371	366
Net securities gains (losses)	-	-	-	-	-
Gain on sale of loans, net	79	26	138	182	303
Loan servicing fees, net	106	226	309	192	(98)
Bank owned life insurance	166	177	157	160	571
ATM / debit card revenue	605	555	495	539	547
Other	404	1,468	503	429	298
Total noninterest income	1,784	3,003	1,943	1,873	1,987
Noninterest expenses:					
Salaries and employee benefits	6,808	6,408	6,203	6,383	6,302
Occupancy expense of premises, net	911	772	700	660	663
Outside services	615	422	666	435	411
Data processing	1,227	1,403	1,141	1,359	1,073
Other	2,795	2,943	3,471	1,414	1,409
Total noninterest expenses	12,356	11,948	12,181	10,251	9,858
Income before income taxes	2,214	3,766	728	3,185	4,230
Income tax expense	612	779	(7)	692	833
Net income	\$ 1,602	\$ 2,987	\$ 735	\$ 2,493	\$ 3,397

Foresight Financial Group, Inc. and Subsidiaries
Consolidated Balance Sheets
(Unaudited)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Assets					
Cash and due from banks	\$ 19,601	\$ 28,002	\$ 19,996	\$ 16,905	\$ 30,162
Interest-bearing deposits in banks	25,371	13,025	46,118	45,357	20,040
Federal funds sold	1,989	787	452	1,738	2,183
Total cash and cash equivalents	<u>46,961</u>	<u>41,814</u>	<u>66,566</u>	<u>64,000</u>	<u>52,385</u>
Interest-bearing deposits in banks - term deposits	1,624	2,259	2,466	4,434	5,169
Debt securities:					
Debt securities available-for-sale (AFS)	369,287	361,146	380,667	369,945	368,386
Debt securities held-to-maturity (HTM)	2,741	3,263	3,263	3,263	3,616
Marketable equity securities and other investments	5,545	5,446	5,671	7,592	6,738
Loans held for sale	-	480	573	852	794
Loans, net of allowance for credit losses	1,123,376	1,116,498	1,084,761	1,100,657	1,102,342
Foreclosed assets and other real estate owned, net	56	703	-	-	-
Premises and equipment, net	18,054	16,889	16,978	17,125	17,125
Bank owned life insurance	24,812	24,646	24,615	24,459	24,300
Other assets	36,317	37,870	40,519	40,892	39,350
Total assets	<u>\$ 1,628,772</u>	<u>\$ 1,611,014</u>	<u>\$ 1,626,079</u>	<u>\$ 1,633,219</u>	<u>\$ 1,620,205</u>
Liabilities and Stockholders' Equity					
Liabilities:					
Deposits:					
Noninterest-bearing	\$ 241,473	\$ 247,002	\$ 250,709	\$ 249,076	\$ 237,685
Interest-bearing	<u>1,140,725</u>	<u>1,136,961</u>	<u>1,142,009</u>	<u>1,151,627</u>	<u>1,138,578</u>
Total deposits	<u>1,382,198</u>	<u>1,383,963</u>	<u>1,392,718</u>	<u>1,400,703</u>	<u>1,376,263</u>
Federal funds purchased	-	-	55	5,804	4,764
Securities sold under agreements to repurchase	26,354	12,466	21,095	15,017	23,381
Federal Home Loan Bank (FHLB) and other borrowing	37,662	39,889	37,810	40,911	39,174
Accrued interest payable and other liabilities	15,666	14,737	16,670	17,386	16,970
Total liabilities	<u>1,461,880</u>	<u>1,451,055</u>	<u>1,468,348</u>	<u>1,479,821</u>	<u>1,460,552</u>
Stockholders' equity:					
Preferred stock	-	-	-	-	-
Common stock	1,063	1,062	1,060	1,060	1,060
Additional paid-in capital	16,716	16,704	16,482	16,482	16,445
Retained earnings	188,119	187,237	184,972	184,961	183,118
Treasury stock, at cost	(16,013)	(16,013)	(16,008)	(16,008)	(16,008)
Accumulated other comprehensive loss	<u>(22,992)</u>	<u>(29,031)</u>	<u>(28,775)</u>	<u>(33,097)</u>	<u>(24,963)</u>
Total stockholders' equity	<u>166,892</u>	<u>159,959</u>	<u>157,731</u>	<u>153,398</u>	<u>159,653</u>
Total liabilities and stockholders' equity	<u>\$ 1,628,772</u>	<u>\$ 1,611,014</u>	<u>\$ 1,626,079</u>	<u>\$ 1,633,219</u>	<u>\$ 1,620,205</u>

KEY FINANCIAL RATIOS
(Unaudited)

	As of and for the Quarter Ended				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Basic earnings per common share	\$ 0.44	\$ 0.83	\$ 0.20	\$ 0.69	\$ 0.97
Diluted earnings per common share	0.44	0.82	0.20	0.69	0.97
Dividends per common share	0.20	0.20	0.20	0.18	0.18
Book value per common share	46.28	44.41	43.84	42.63	44.38
Tangible book value per common share	46.24	44.37	43.80	42.59	44.34
Tangible book value, excluding AOCI, per share	52.62	52.43	51.80	51.79	51.28
End of period shares outstanding	3,606,123	3,606,087	3,598,042	3,598,042	3,597,418
Average number of shares outstanding	3,606,119	3,606,137	3,598,042	3,597,478	3,494,270
Return on average assets	0.40%	0.75%	0.21%	0.58%	0.82%
Return on average equity	3.90%	7.60%	2.18%	6.08%	8.83%
Net interest margin, tax equivalent	3.41%	3.40%	3.25%	3.14%	3.21%
Efficiency ratio, tax equivalent	81.23%	73.61%	83.72%	72.58	68.97

ASSET QUALITY DATA
(Unaudited)

(Amounts in thousands)

	As of				
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Nonaccrual Loans	25,452	25,939	28,564	28,175	23,653
Accruing loans past due 90 days or more	1,967	688	185	230	680
Total non-performing loans	27,419	26,627	28,749	28,405	24,333
Other real estate owned and other assets	56	703	6	13	7
Impaired other investments	961	961	961	-	-
Total non-performing Assets	28,436	28,291	29,716	28,418	24,340
Total Loans	1,137,006	1,130,124	1,100,853	1,115,351	1,117,022
Allowance for credit losses	13,630	13,626	16,092	14,694	14,678
Loans, net of allowance for credit losses	1,123,376	1,116,498	1,084,761	1,100,657	1,102,344
Nonperforming assets to total assets	1.75%	1.76%	1.83%	1.74%	1.50%
Nonperforming loans to total loans	2.41%	2.36%	2.61%	2.55%	2.18%
Allowance for credit losses to total loans	1.20%	1.21%	1.46%	1.32%	1.31%
Allowance for credit losses to nonperforming loans	49.71%	51.17%	55.97%	51.73%	60.32%