



# NEWSLETTER

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## Western Illinois Bancshares, Inc.

Dear Shareholder:

At our annual meeting last month, we were excited to announce the signing of an agreement to merge Main Street Bancorp into Western Illinois Bancshares, Inc. Main Street Bancorp is the parent company of Princeville State Bank, which is contiguous with both our Galesburg and Peoria markets. In addition to location, we see a number of other strategic advantages with this new partnership. For more details, the complete press release is available at [www.westernilbancshares.com](http://www.westernilbancshares.com) under Investor Relations.

During the first quarter, we recorded earnings of \$818,046 compared to \$619,574 last quarter and \$1,040,845 for the first quarter of 2023. Earnings per share were \$0.62 for the period versus \$0.47 for last quarter and \$0.78 for the same quarter last year.

Year-to-date, our bank delivered a ROA of 0.68% compared to our local peer group of 0.82%. Our Net Interest Margin (NIM) was at 2.84% versus 3.20% for our peers while our Leverage (Capital) Ratio stood at 9.27% versus 9.73% for the group. Our financial performance improved during the quarter relative to peer.

Average loans increased in the first quarter reaching \$383.7 million compared to \$377.2 million for the prior quarter and \$355.5 million for the same period last year. We had another excellent quarter for loan growth which continues to help improve our net interest margin and overall revenue growth.

Investments were also up averaging \$214.9 million versus \$207.6 million for the prior quarter and \$233.2 million for the same period last year. We recently began reinvesting the cashflows from our portfolio to capitalize on higher yields while maintaining a balance with our loan funding opportunities and available liquidity.

Average deposits remained relatively unchanged for the quarter at \$521.5 million versus \$521.3 million last quarter, compared to \$542.9 million for the same period last year. Our team continues to work diligently in both competing for local deposits and managing our overall cash position. This has included the use of multiple funding sources that help control funding costs and reduce interest rate risk.

Credit quality remains strong and our metrics are in line with our goals. Non-accrual Loans to Loans were at 0.22%, significantly below peer average of 0.65%. Charge-offs to Loans stood at 0.04% for the quarter versus peer of 0.15%. Loan loss reserve balance was at 1.13% of total loans, compared with our peers at 1.32% which is reasonable considering our above peer credit quality.

We had 900 shares trade during the quarter at \$37.50 per share. As always if you have an interest in selling or buying, please contact Brooke Robinson (309-457-6284 / brooke.robinson@mbwi.com) or Chris (309-457-6227 / chris.gavin@mbwi.com) with the number of shares and the selling or offering price.

We extend our gratitude to all who attended our annual shareholder meeting. We had a good turnout and it was especially exciting with the acquisition announcement and the attendance by several of Main Street Bancorp's board members and shareholders. We hope you can make it next year!

Best regards,

*Gus & Chris*

### Western Illinois Bancshares, Inc. Financial Results

	2024 1st Quarter	2024 Year-to-Date	2023 Year-to-Date
Earnings	\$818,046	\$818,046	\$1,040,845
Return on Common Equity	8.23%	8.23%	11.61%
Common Dividends Paid	\$332,114	\$332,114	\$664,978
Dividends per Share	\$0.25	\$0.25	\$0.50
Tangible Book Value per Share	\$16.13	\$16.13	\$14.87