

announced the planned consolidation of our Ebenezer office. This branch is situated directly between, and within two miles of, two other JBT locations (Jonestown and Cleona). As client branch visits continue to decline, the efficiencies of operating branches in close proximity to each other also declines. It is important to understand that our branch system remains essential to us, our clients, and our strategies. We recognize the need to shift from operating as transaction centers to deposit gathering, advice dispensing, and problem resolution centers. The Ebenezer office will continue to operate until the end of the year and we plan to keep the ATM in service going forward.

On behalf of everyone at JBT, we appreciate your business, confidence, and investment.



Troy A. Peters
President & CEO

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Chief Executive Officer

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Chief Lending Officer

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Chief Information Officer

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Chief Risk Officer



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3RD QUARTER REPORT



JBT BANCORP, INC.



Inspiring Confidence

SEPTEMBER 30 2022

LETTER TO SHAREHOLDERS

I am pleased to report that the JBT Bancorp, Inc. Board of Directors has declared a third quarter dividend of \$0.22 per share for shareholders of record as of October 24, 2022 and payable on October 28, 2022. The company has produced year-to-date earnings of \$5,833,000 up 21.02% from \$4,820,000 in the prior year. Earnings per share were \$2.40, up 21.21% from \$1.98 in 2021. Overall earnings were positively affected by favorable net interest income movement.

Loan growth is strong with a year-to-date increase of 9.95%. We continue to perform very well in the indirect auto and commercial lending segments. However, mortgage banking activity has declined substantially.

In a year where deposit generation has become increasingly more difficult, we have grown deposits by 2.09% year-to-date and are up 5.58% year-over-year (YOY). Our efforts to attract new retail and business deposit relationships are supporting our strong growth in non-interest-bearing deposit balances – which are up 15.40% (YOY). Our loan-to-deposit ratio now stands at 103.47%.

During the quarter, the Federal Open Market Committee (FOMC) continued to raise rates. We saw 75 basis point (bp) increases in both July and September. This totals a 300 bp increase so far this year and it is widely expected that we will see additional upward moves coming out of the two remaining FOMC scheduled meetings.

The increase in rates has been of benefit to the Bank so far this year as there remains a high level of liquidity on bank balance sheets. However, that liquidity is shrinking and the competition for deposits is mounting. We anticipate that there will be much greater pressure on our net interest margin in the fourth quarter.

We routinely review all of our locations and closely monitor client patterns. As client preferences continue to migrate towards digital options, it is important for JBT to adapt and efficiently provide needed services. As a result, in September we

Balance Sheet (Unaudited)

as of September 30, 2022

(Dollars in thousands)

Assets	2022	2021
Cash and due from banks	\$ 31,558	\$ 46,034
Securities	31,184	27,402
Loans receivable net of the allowance for loan losses	759,473	691,626
Premises/equipment, net	11,058	11,828
Other assets	22,136	22,998
Total Assets	\$ 855,409	\$ 799,888

Liabilities and Shareholders' Equity

Liabilities		
Non-interest bearing deposits	\$ 132,621	\$ 110,753
Interest bearing deposits	606,727	589,487
Total Deposits	739,348	700,240
Short-term borrowings	14,000	0
Long-term debt	27,635	27,720
Other liabilities	5,738	6,438
Total Liabilities	786,721	734,398
Shareholders' Equity		
Common stock: Par value \$2.00 per share, 6,000,000 authorized shares, issued and outstanding 2,433,696 shares	4,867	4,867
Surplus	7,394	7,394
Undivided profits	58,582	53,250
Accumulated other comprehensive income	(2,155)	(21)
Total Shareholders' Equity	68,688	65,490
Total Liabilities and Shareholders' Equity	\$ 855,409	\$ 799,888

SELECTED FINANCIAL DATA

September 30,	2022	2021
Return on assets	0.93%	0.83%
Return on equity	11.59%	10.09%
Book value	\$28.22	\$26.91
Earnings per share	\$ 2.40	\$ 1.98

Income Statement (Unaudited)

for the 9 Months Ending September 30, 2022

(Dollars in thousands except per share amounts)

Interest Income	2022	2021
Loans receivable	\$ 22,669	\$ 21,180
Taxable securities	773	390
Tax-exempt securities	85	86
Other	181	124
Total Interest Income	23,708	21,780

Interest Expense

Deposits	1,554	1,743
Borrowed funds	537	398
Total interest expense	2,091	2,141
Net Interest Income	21,617	19,639
Provision for loan losses	1,108	647
Net Interest Income After Provision for Loan Losses	20,509	18,992

Other Income

Service charges on deposits	1,164	865
Mortgage banking activities	192	751
Other income	1,947	1,595
Total other income	3,303	3,211

Other Expenses

Salaries/employee benefits	8,753	8,857
Occupancy	1,023	1,063
Equipment	467	563
Marketing	529	452
Other operating expenses	5,886	5,343
Total other expenses	16,658	16,278
Income Before Income Taxes	7,154	5,925
Federal income taxes	1,321	1,105
Net income	\$ 5,833	\$ 4,820

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