

For immediate release
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BUILDING ON TRADITION AND VALUES
First Waterloo Bancshares, Inc. to Acquire
Best Hometown Bancorp, Inc. Collinsville, Illinois

Gary D. Hemmer, President & CEO, First National Bank of Waterloo and its parent company, First Waterloo Bancshares, Inc., and Ron Shambaugh, President & CEO, Best Hometown Bank and its parent company, Best Hometown Bancorp, Inc., are pleased to announce the signing of an Agreement and Plan of Merger. First Waterloo Bancshares, Inc., Waterloo, Illinois, will acquire all of the outstanding shares of common stock of Best Hometown Bancorp, Inc., Collinsville, Illinois. Pursuant to the merger agreement and based on the estimated book value of Best Hometown Bancorp, Inc. at closing, the shareholders of Best Hometown Bancorp, Inc. will receive cash consideration of \$14.89 per share of common stock, subject to certain adjustments as outlined in the merger agreement.

As of September 30, 2019, there were 826,208 shares of Best Hometown Bancorp, Inc. common stock outstanding. Based on the number of shares outstanding and the \$14.89 per share price consideration, the aggregate deal value would be \$12.302 million.

“We are excited about the opportunity to partner with Best Hometown Bank. The bank has been serving the Collinsville and neighboring communities for more than 132 years. Best Hometown Bank is a true community bank and has been built upon tradition and strong core values,” said Hemmer.

“This is a unique opportunity for Best Hometown Bank to partner with an organization that operates with a similar philosophy as Best Hometown Bank. First National Bank of Waterloo has a long-standing history and is very community focused. We look forward to offering our customers additional new products and services,” said Shambaugh.

As of September 30, 2019, First National Bank of Waterloo had total assets of approximately \$485 million. The bank currently has eleven banking centers in central and southern Illinois and is serving customers in Waterloo, Columbia, Millstadt, O’Fallon, Dupo, Smithton, Effingham and Stewardson. Best Hometown Bank had total assets of \$115 million and has two banking centers in Madison County and is serving customers in Collinsville and Maryville.

The transaction is expected to enable First National Bank of Waterloo and Best Hometown Bank to:

- Create a financially strong, well-capitalized, community bank.
- Provide a full array of competitive products and services for consumers and businesses.
- Maintain a banking organization built upon traditions and values.
- Offer growth and career opportunities for employees.
- Be better positioned to respond to future challenges.

The transaction is subject to certain closing conditions, including the approval of the appropriate regulatory authorities and of the shareholders of Best Hometown Bancorp, Inc. The parties presently anticipate that the transaction will close in the first quarter of 2020.

Sandler O’Neill + Partners, L.P. served as financial advisor, and Bryan Cave Leighton Paisner LLP served as legal counsel to First Waterloo Bancshares, Inc. Raymond James & Associates, Inc. served as financial advisor, and Howard & Howard Attorneys, PLLC served as legal counsel to Best Hometown Bancorp, Inc.

Not an Offer. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in any state or jurisdiction.

Forward-Looking Statements. This press release contains forward-looking statements. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “believes,” “can,” “could,” “may,” “predicts,” “potential,” “should,” “will,” “estimate,” “plans,” “projects,” “continuing,” “ongoing,” “expects,” “intends” and similar words or phrases. Accordingly, these statements are only predictions and involve estimates, known and unknown risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. Our actual results could differ materially from those anticipated in such forward-looking statements, including as a result of factors outside First Waterloo Bancshares, Inc.’s or Best Hometown Bancorp, Inc.’s, control, such as economic and other conditions in the markets in which the companies and their subsidiary banks operate; inability to complete the transaction announced today or delays in completing the transaction; managements’ ability to effectively execute their respective business plans; inflation, interest rate, cost of funds, securities market and monetary fluctuations; changes in laws and regulations; and competition. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events.

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