

Press Release - Acquisition of Village Bancshares 6.09.22

Rick R. Parks, President and CEO, First National Bank of Waterloo and its parent company, First Waterloo Bancshares, Inc., and Kathleen L. Cook, President and CEO of The Village Bank and its parent company, Village Bancshares, Inc., are pleased to announce the signing of an Agreement and Plan of Merger. First Waterloo Bancshares, Inc., Waterloo, Illinois, will acquire the outstanding shares of common stock of Village Bancshares, Inc., St. Libory, Illinois. The financial terms of the transaction were not disclosed.

“First National Bank of Waterloo and The Village Bank are two relationship-focused community banks that have rich histories, compatible cultures and shared commitment to helping our clients achieve financial success. We believe that we are stronger together and can better serve the needs of our customers and our communities through this merger. We also believe that The Village Bank customers will benefit greatly from the expanded products and resources First National Bank is able to bring to the table.” states Rick Parks.

Gary Hemmer, First National Bank of Waterloo Chairman of the Board added, “we are excited about the opportunity to partner with The Village Bank. This will bring together two community-oriented banks with similar philosophies which will further strengthen our market position within St. Clair County.”

Kathy Cook, President and CEO of The Village Bank shared, “This is a unique opportunity for The Village Bank to partner with an organization that operates with a similar customer and community-focused philosophy as us. We are truly looking forward to joining the First National Bank of Waterloo family.”

As of March 31, 2022, First National Bank of Waterloo had total assets of approximately \$803.1 million. The bank currently has thirteen banking centers in central and southern Illinois and is serving customers in Waterloo, Columbia, Millstadt, O’Fallon, Effingham, Stewardson, Dupo, Smithton, Collinsville, Maryville and Swansea. The Village Bank had total assets of \$115.8 million and has three banking centers in St. Clair County and is serving customers in St. Libory, Marissa and New Athens.

This transaction is expected to enable the combined entity to:

- Provide greater lending capacity for our customers
- Offer added career opportunities for our employees
- Expand the support of the communities we serve
- Strengthen our market position in St. Clair County
- Continue building value for our shareholders

The transaction is subject to certain closing conditions, including the approval of the appropriate regulatory authorities and of the shareholders of Village Bancshares, Inc. The parties presently anticipate that the transaction will close in the fourth quarter of 2022.

Bryan Cave Leighton Paisner LLP served as legal counsel to First Waterloo Bancshares, Inc.
Armstrong Teasdale, LLP served as legal counsel to Village Bancshares, Inc.