



NEWS RELEASE

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Great American Bancorp, Inc. Announces Earnings for Fourth Quarter 2020

Champaign, Illinois - Great American Bancorp, Inc. (OTC Pink®/GTPS), the holding company for First Federal Savings Bank of Champaign-Urbana, reported net income of \$1.231 million for the year ended December 31, 2020, which is a decrease of \$237 thousand, or 16.1% from \$1.468 million reported for the year ended December 31, 2019. Basic and fully diluted earnings per share were \$2.93 for the year ended December 31, 2020 compared to \$3.43 for the same period in 2019. The return on average assets ("ROA") and the return on average equity ("ROE") were 0.64% and 6.61% for the year ended December 31, 2020, decreasing from 0.86% ROA and 8.03% ROE for the same period in 2019.

Net interest income decreased \$1.184 million in 2020 compared to 2019 due to a \$1.033 million decrease in interest income from deposits with financial institutions and other, which are mostly overnight deposits maintained at the Federal Reserve Bank and the Federal Home Loan Bank ("FHLB"). Interest income earned on deposits with financial institutions and other was lower in 2020 due to the Federal Open Market Committee ("FOMC") decreasing the Federal funds target rate three times in 2019 (August, September, and October), as well as, two times in March 2020 as a result of the COVID-19 pandemic.

Noninterest income increased \$799 thousand in 2020, from \$3.375 million for 2019 to \$4.174 million in 2020. The increase in noninterest income is due to the increase in net gains on sales of loans offset by a decrease in most other categories. Net gain on sales of loans increased \$1.339 million in 2020 compared to 2019 due to the Company selling \$51.835 million in loans during 2020 compared to \$17.256 million in loans during 2019. Customer service fees decreased \$168 thousand during 2020 compared to 2019 due to less overdraft fees as a result of customers carrying higher average balances.

Total noninterest expense decreased \$100 thousand, from \$7.318 million for 2019 to \$7.218 million for 2020, primarily due to a decrease in salaries and employee benefits, offset by an increase in professional fees and FDIC deposit insurance expense. Salaries and employee benefits decreased \$122 thousand due to reduced part-time employee hours as a result of the Bank's lobbies being closed partially during 2020. The increase in the FDIC deposit insurance expense in 2020 compared to 2019 is due to the Bank receiving an assessment credit for the portion of its assessment that contributed to the growth in the reserve ratio. The one-time credit was recorded as income in 2019. In addition, the Company incurred additional professional fees during 2020 related to collection efforts regarding nonperforming loans.

Net income for the three months ended December 31, 2020 was \$227 thousand, which is an increase of \$65 thousand from \$162 thousand reported for the same period in 2019 primarily due to an increase in net gain on sales of loans offset by a decrease in interest income and loan servicing fees. Net interest income decreased \$336 thousand in the three months ended December 31, 2020 compared to the same period in 2019 primarily due to the decrease in the Federal funds target rate as a result of the COVID-19 pandemic. Net gain on sales of loans increased \$499 thousand in the three months ended December 31, 2020 compared to the same period in 2019 due to the Company selling \$14.311 million in loans during the three months ended December 31, 2020 compared to \$4.874 million in loans during the same period in 2019. Loan servicing fees, net of amortization of mortgage servicing rights decreased \$117 thousand in the three months ended December 31, 2020 compared to the same period in 2019 primarily due to a temporary impairment charge of \$109 thousand.

Total assets at December 31, 2020 were \$203.659 million compared to \$172.678 million at December 31, 2019, increasing \$30.981 million. Total net loans, including loans held for sale, were \$92.041 million at December 31, 2020, decreasing \$3.281 million or 3.44% from total net loans of \$95.322 million at December 31, 2019. Total deposits increased \$26.580 million, from \$150.276 million at December 31, 2019 to \$176.856 million at December 31, 2020.

First Federal Savings Bank of Champaign-Urbana is headquartered in Champaign, Illinois, and operates through its administrative/branch office in Champaign and through one additional full service branch located in Urbana, Illinois. The Bank also provides full service brokerage activities through a third-party broker-dealer. The Bank's subsidiary, Park Avenue Service Corporation, sells insurance products through the GTPS Insurance Agency. The Bank's deposits are insured by the Federal Deposit Insurance Corporation.

This earnings report may contain certain forward-looking statements which are based on management's current expectations regarding economic, legislative, and regulatory issues that may impact the Company's earnings in future periods. Factors that could cause future results to vary materially from current management expectations include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, real estate values, and competition, changes in accounting principles, policies, or guidelines, changes in legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors affecting the Company's operations, pricing, products and services. Great American Bancorp, Inc. stock is traded on OTC Pink®, under the symbol, "GTPS."

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GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Balance Sheets
December 31, 2020 and 2019

(in thousands, except share data)

	<u>2020</u>	<u>2019</u>
<i>Assets</i>		
Cash and due from banks	\$ 5,567	\$ 4,300
Interest-bearing demand deposits	97,570	65,596
Cash and cash equivalents	<u>103,137</u>	<u>69,896</u>
Securities available for sale	70	87
Securities held to maturity	9	10
Federal Home Loan Bank stock, at cost	258	258
Loans held for sale	2,394	647
Loans, net of allowance for loan losses of \$990 in 2020 and \$944 in 2019	89,647	94,675
Premises and equipment, net	4,131	3,852
Goodwill	485	485
Other real estate owned	752	295
Other assets	2,776	2,473
Total assets	<u>\$ 203,659</u>	<u>\$ 172,678</u>
<i>Liabilities and Stockholders' Equity</i>		
<i>Liabilities</i>		
<i>Deposits</i>		
Noninterest-bearing	\$ 41,845	\$ 34,241
Interest-bearing	135,011	116,035
Total deposits	<u>176,856</u>	<u>150,276</u>
Federal Home Loan Bank advances	4,000	-
Advances from borrowers for taxes and insurance	185	253
Other liabilities	3,995	3,744
Total liabilities	<u>185,036</u>	<u>154,273</u>
<i>Stockholders' Equity</i>		
Preferred stock, \$0.01 par value; 1,000,000 shares authorized; none issued	-	-
Common stock, \$0.01 par value; 1,000,000 shares authorized and issued	10	10
Additional paid-in capital	3,310	3,310
Retained earnings	34,550	33,605
Accumulated other comprehensive (loss) income	(701)	(339)
Common stock in treasury, at cost (2020 -585,135 shares; 2019 - 572,963 shares)	(18,546)	(18,181)
Total stockholders' equity	<u>18,623</u>	<u>18,405</u>
Total liabilities and stockholders' equity	<u>\$ 203,659</u>	<u>\$ 172,678</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY
Consolidated Statements of Income
Years Ended December 31, 2020 and 2019

(unaudited, in thousands, except share data)

	2020	2019
Interest and Dividend Income		
Loans	\$ 4,638	\$ 4,830
Securities	3	5
Dividends on Federal Home Loan Bank stock	7	6
Deposits with financial institutions and other	283	1,316
Total interest and dividend income	<u>4,931</u>	<u>6,157</u>
Interest Expense		
Deposits	69	110
Other	4	5
Total interest expense	<u>73</u>	<u>115</u>
Net Interest Income	4,858	6,042
Provision (Credit) for Loan Losses	50	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>4,808</u>	<u>6,042</u>
Noninterest Income		
Insurance sales commissions	1,604	1,666
Customer service fees	419	587
Other service charges and fees	356	363
Net gain on sales of loans	1,691	352
Loan servicing fees, net of amortization of mortgage servicing rights	(56)	122
Net gain (loss) on sales of other real estate owned	(8)	90
Other	168	195
Total noninterest income	<u>4,174</u>	<u>3,375</u>
Noninterest Expense		
Salaries and employee benefits	4,306	4,428
Occupancy expense	618	627
Equipment expense	812	803
Professional fees	299	245
Marketing expense	151	224
Printing and office supplies	110	115
Directors and committee fees	176	177
Other real estate owned expense, net	83	53
FDIC deposit insurance expense	52	1
Other	611	645
Total noninterest expense	<u>7,218</u>	<u>7,318</u>
Income Before Income Taxes	1,764	2,099
Income tax expense	533	631
Net Income	<u>\$ 1,231</u>	<u>\$ 1,468</u>
Earnings per share, basic and diluted	<u>\$ 2.93</u>	<u>\$ 3.43</u>
Dividends Declared per Share	<u>\$ 0.68</u>	<u>\$ 0.68</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Consolidated Statements of Income

Three Months Ended December 31, 2020 and 2019

(unaudited, in thousands, except share data)

	<u>2020</u>	<u>2019</u>
Interest and Dividend Income		
Loans	\$ 1,074	\$ 1,182
Securities	-	1
Dividends on Federal Home Loan Bank stock	2	2
Deposits with financial institutions and other	23	261
Total interest and dividend income	<u>1,099</u>	<u>1,446</u>
Interest Expense		
Deposits	16	27
Other	1	1
Total interest expense	<u>17</u>	<u>28</u>
Net Interest Income	1,082	1,418
Provision (Credit) for Loan Losses	-	-
Net Interest Income After Provision (Credit) for Loan Losses	<u>1,082</u>	<u>1,418</u>
Noninterest Income		
Insurance sales commissions	290	291
Customer service fees	110	149
Other service charges and fees	95	90
Net gain on sales of loans	589	90
Loan servicing fees, net of amortization of mortgage servicing rights	(87)	30
Net gain (loss) on sales of other real estate owned	3	(7)
Other	31	32
Total noninterest income	<u>1,031</u>	<u>675</u>
Noninterest Expense		
Salaries and employee benefits	1,037	1,102
Occupancy expense	151	147
Equipment expense	204	206
Professional fees	70	62
Marketing expense	21	56
Printing and office supplies	26	32
Directors and committee fees	44	44
Other real estate owned expense, net	59	27
FDIC deposit insurance expense	13	11
Other	153	162
Total noninterest expense	<u>1,778</u>	<u>1,849</u>
Income Before Income Taxes	335	244
Income tax expense	108	82
Net Income	<u>\$ 227</u>	<u>\$ 162</u>
Earnings per share, basic and diluted	<u>\$ 0.55</u>	<u>\$ 0.38</u>
Dividends Declared per Share	<u>\$ 0.17</u>	<u>\$ 0.17</u>

GREAT AMERICAN BANCORP, INC. AND SUBSIDIARY

Selected Financial Data

(unaudited, in thousands, except share data)

	As of December 31, 2020	As of December 31, 2019
Total assets	\$ 203,659	\$ 172,678
Total loans, net	92,041	95,322
Loan loss reserve	990	944
Non-performing loans	2,483	3,594
Non-performing loans to total assets	1.22%	2.08%
Allowance for loan losses to total non-performing loans	39.87%	26.27%
Allowance for loan losses to total assets	0.49%	0.55%
Other real estate owned	752	295
Investment securities	79	97
Total deposits	176,856	150,276
Checking deposits	96,768	80,183
Money market deposits	28,180	23,306
Savings deposits	39,433	33,470
Certificates of deposit	12,475	13,317
Total stockholders' equity	18,623	18,405

	Three Months Ended December 31, 2020	Three Months Ended December 31, 2019	Year Ended December 31, 2020	Year Ended December 31, 2019
Net interest margin (annualized)	2.29%	3.53%	2.69%	3.77%
Return on average assets (annualized)	0.45%	0.38%	0.64%	0.86%
Return on average equity (annualized)	4.78%	3.44%	6.61%	8.03%