



Ag Focused Community Minded Hometown Hospitality

2022 | ANNUAL REPORT



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An aerial photograph of a combine harvester working in a large field of golden-brown crops. The harvester is moving from the upper left towards the lower right, leaving a trail of dust and a path of harvested crops behind it. The field is divided into sections by curved furrows.

“

As we continue down the path of our second 100 years, we desire to thrive as an independent community bank, serving the individual communities we touch regardless of where they are located or how many there may be.

Our focus is agriculture, but most importantly, we are driven by our desire always to be community minded. We will remain true to our mission, vision, and core values, as we have for over 103 years.

DOUG FISH
PRESIDENT & CEO



Message from the President & CEO

The Board of Directors, Management, and Employees of BTC Bank appreciate your continued support of your bank—as both a customer and shareholder—during the past 12 months. Throughout 2022, the financial markets experienced unprecedented changes that had not occurred in over 40 years. A short 13-14 months ago, officials at the Federal Reserve were still saying inflation was transitory. Less than 12 months ago, those same officials forecasted interest rate increases of .75% or 75 basis points during 2022. Inflation only transitioned higher, and rate increases became 4.25% or 466% higher than their January 2022 predictions.

These actions by the Federal Reserve created losses in bond portfolios that markets had never seen. The first quarter of 2022 was the worst quarter the bond market had experienced in more than 40 years, and subsequent quarters two and three were each the worst quarter in 40 years. This created unrealized losses on bonds held by U.S. banks to grow to almost \$700 Billion by September 30, 2022. The \$700 billion in losses held by the banking industry is dwarfed by the \$1.3 trillion that our Federal Reserve Banks held on their books as of September 30, 2022. Unrealized bond losses are included in the equity or book value calculation for banks/holding companies. However, regulatory capital calculations do not retain these losses, and BTC’s regulatory capital remains stable and robust.

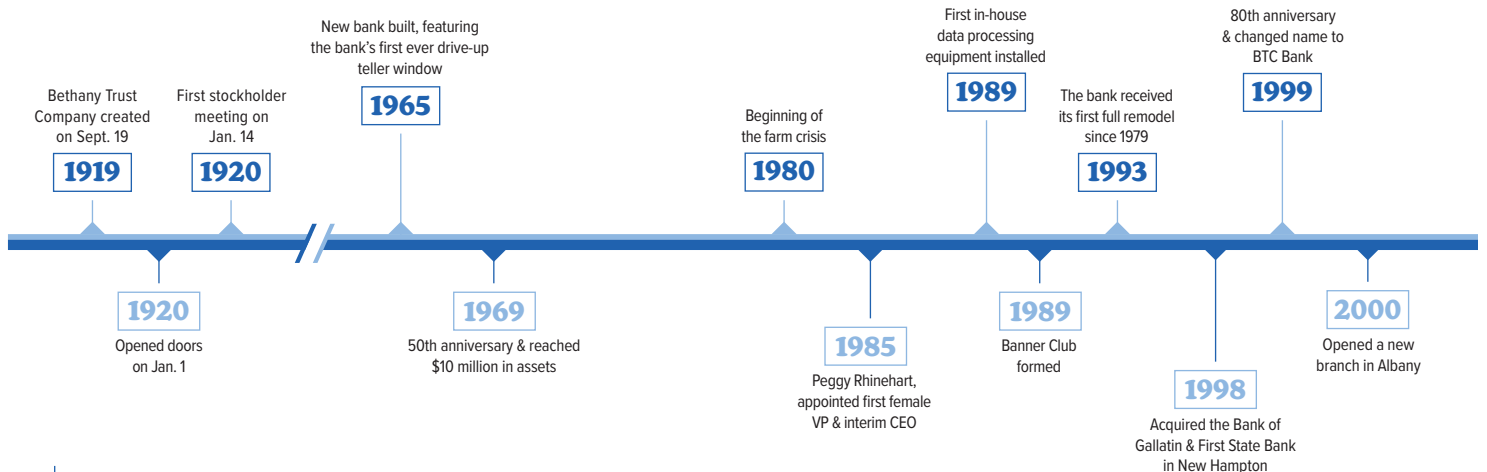
These challenging times also created opportunities. In October 2022, BTC Bank acquired Merchants and Farmers Bank. New branch locations include Hardin, Salisbury, Fayette, and Columbia, Missouri. The Merchants and Farmers Bank acquisition provided a significant opportunity to grow our footprint and ensure financial services are accessible to more rural communities. BTC Bank now encompasses 22 locations throughout Missouri and Iowa. **BTC Bank’s total assets have climbed to just over \$1 billion.**

Over the past ten years, the number of bank charters in the U.S. has been reduced by 1/3 (2,000). If this same rate of contraction continues, the number of bank charters could be less than 2,000 by 2033. I plan for BTC Bank to remain a community bank serving communities as we have for the past 103 years and will continue to do so well beyond 2033. Most signs indicate the financial uncertainty we are in today will continue in 2023. Rest assured, with the guidance of the Board of Directors and the hard work of the entire BTC team, we will continue the success of our past as we move toward the future. Thank you again for your continued support and the opportunity to serve as the C.E.O. of BTC Bank.

Sincerely,


Doug Fish
 PRESIDENT & CEO

BTC BANK THROUGH THE YEARS



Board of Directors and Senior Officers



L to R: Ed Oram, Ron Wolf, Jerry Findley, Andrew McCrea, Allan Mulnix, Danny Marsh, Kirby Payne, Doug Fish

Senior Officers

PAULA ADDISON
Branch President & SVP

SARA BERRY
Retail Branch Administration and
Education Officer

JESSE BIRD
Regional President & SVP

SHELBY CAUBLE
Secondary Mkt Lending Mgr & VP

VICKIE CLINE
Human Resources Officer

PENNY COLLINS
Chief Compliance Officer

JEFF DONOVAN
Investment Adviser Representative

DEVON ELLIS
Senior Internal Auditor

BRIAN FONSECA
Chief Technology Officer

COREY GOTT
Loan Review Officer

COHLBY JONES
Regional President & SVP, Investment
Adviser Representative

JOHNATHAN L. MEYER
Trust Officer and General Counsel

VIRGIL MILLER
Market President & SVP

JEFF MULLETT
Market President & SVP

DAVID NOWLAND
Agricultural Credit Analyst

WENDY PRESTON
Chief Finance Officer

WENDY LOGES
Marketing Director

MIKALA SMITH
Retail Banking Officer

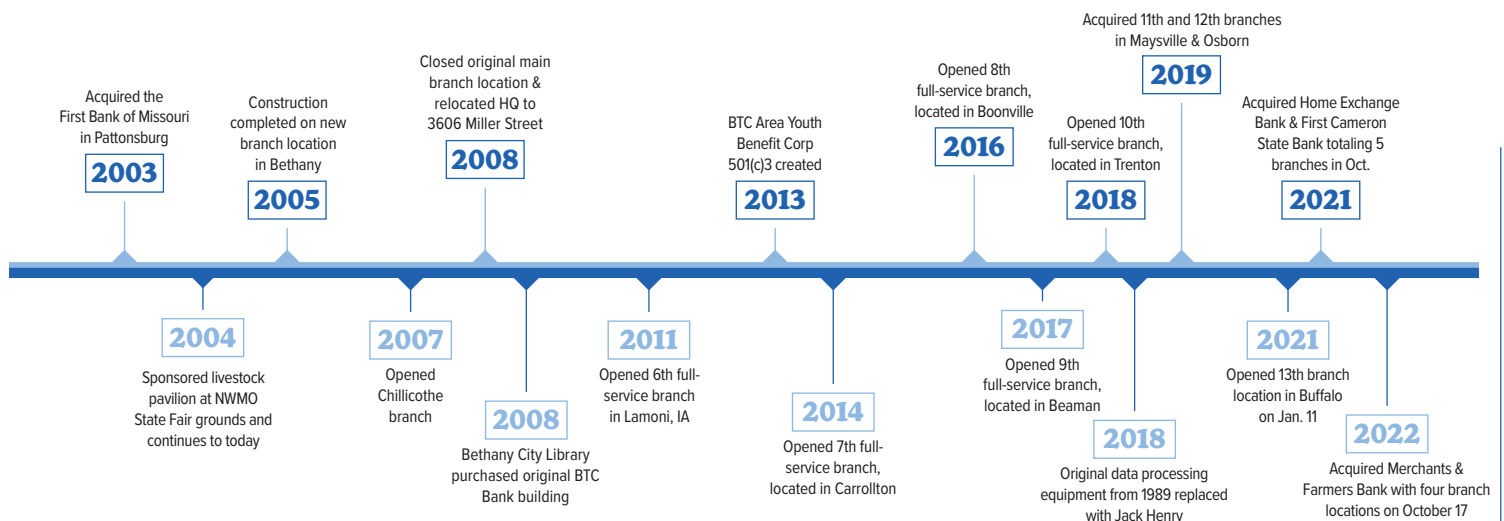
ASHLEY SWARTZ
Operations Officer

SAM SPERRY
Chief Credit Officer & SVP

JEFF WALLACE
Risk & ISO Officer

MARCIA WILLIS
Executive Secretary

TOM WITTEN
Chief Lending Officer & SVP



2022 Year-in-Review

BUFFALO BRANCH CONSTRUCTION NEARLY COMPLETE

In January 2022, BTC Bank quickly opened a temporary building for our staff to serve the Buffalo community. Of course, a permanent structure has been in the works all year long, and we can't wait to unveil the impressive finished product soon.



Buffalo branch construction as of December 5, 2022.

2022 Acquisitions

MERCHANTS & FARMERS BANK



COLUMBIA

4000 Range Line Street
Columbia, MO 65202
Phone: (573) 499-0955 | Fax: (573) 499-0647

FAYETTE

100 E. Morrison
Fayette, MO 65248
Phone: (660) 248-3337 | Fax: (660) 248-3500

HARDIN

301 NE 2nd Street
Hardin, MO 64035
Phone: (660) 398-4312 | Fax: (660) 398-4317



SALISBURY

507 N Weber
Salisbury, MO 65281
Phone: (660) 388-6145 | Fax: (660) 388-6466

The Merchants & Farmers Bank was established in 1903 in the State of Missouri as a full-service bank.

Merchants & Farmers Bank's goal was to provide the best financial services to customers while developing lasting business relationships that span across generations.



“Merchants and Farmers Bank strongly aligns with BTC Bank’s culture, values and dedication to its customers and communities. The blending of talent and expertise from both banks along with increased product and service capabilities will be a tremendous benefit to all stakeholders involved.”

DOUG FISH
PRESIDENT & CEO

2022 Acquisitions

MERCHANTS & FARMERS BANK COMMUNITY INVOLVEMENT

BTC Bank wasted no time diving into our new branch communities just days after the acquisition was finalized. In Fayette, donations were presented on behalf of the Bank and BTC Area Youth Benefit Corp (BTC AYBC) to the Fayette High School Band for funding toward their January 2023 performance at the 85th MMEA In-Service Workshop and Conference. In Salisbury, BTC Bank and BTC AYBC teamed up again to financially support the Lady Panthers softball team as they advanced to the MSHSAA State Championships. In Hardin and Columbia, our branch members held an engaging presence at community-focused events like Trunk-or-Treat and Friendsgiving Week. BTC Bank looks forward to continually showering these new communities with the hometown hospitality we're famous for.



TOP LEFT: BTC Bank Salisbury and BTC Area Youth Benefit donated to help the Lady Salisbury softball team go to Quarterfinals in October 2022.

TOP RIGHT: BTC Bank Hardin employees at Trunk or Treat.



BTC Bank Fayette collected donations for the Christmas Holiday House to help neighbors in need.



BTC Bank Columbia created a welcoming display for their customers this Friendsgiving.



BTC Bank Fayette and BTC AYBC donated to send the Fayette High Band to play at the 85th MMEA In-Service Workshop and Conference this coming January.



BTC Bank Salisbury donated to the Chariton County Child Welfare Advisory Committee.

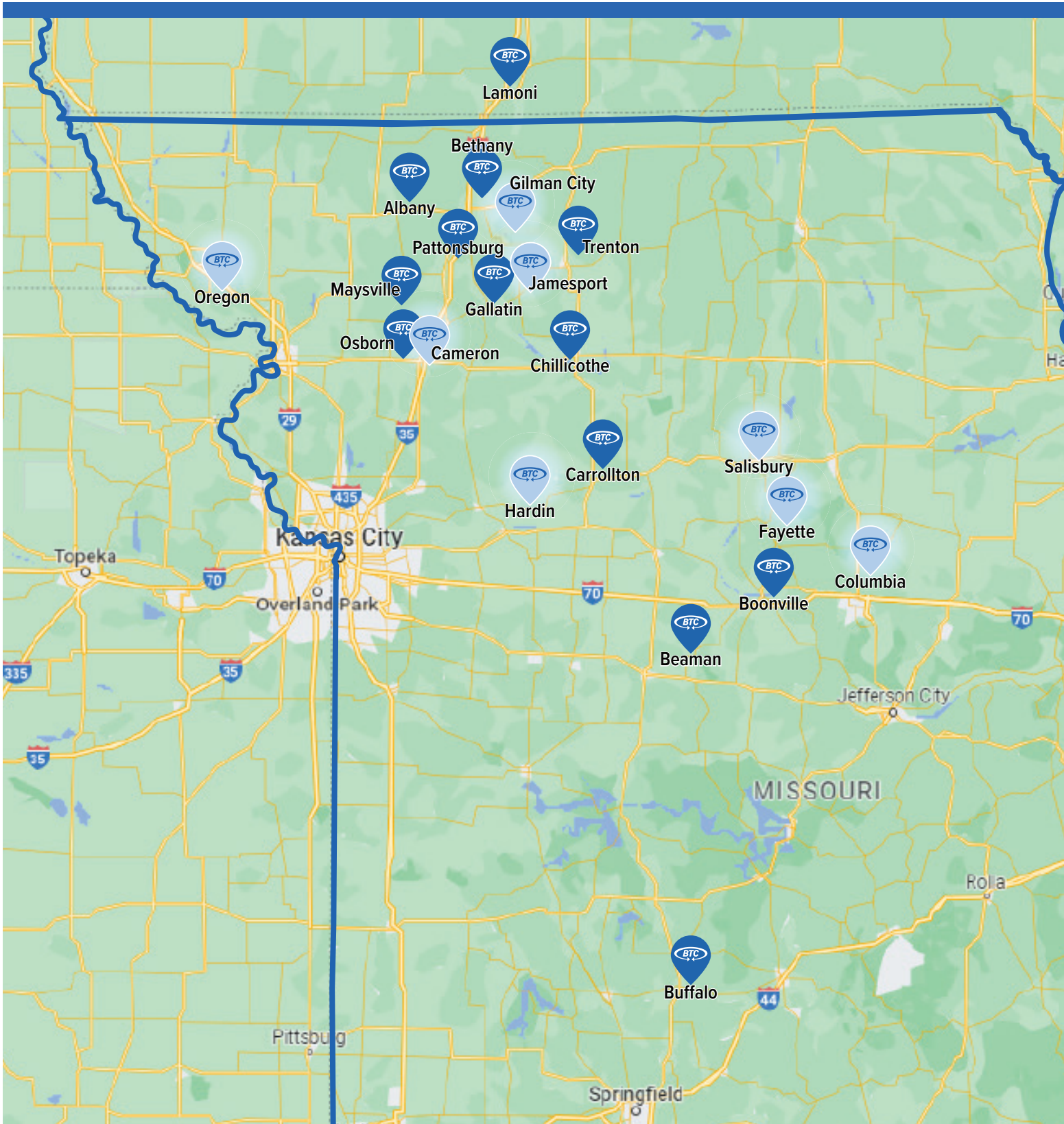
BTC Bank Footprint



BTC BANK BRANCHES



BRANCHES ADDED IN 2021-2022



Financial Highlights

AT YEAR-END	2022	2021	% CHANGE
Assets	\$999,079	\$904,991	10.4%
Deposits	\$905,433	\$791,283	14.4%
Loans	\$705,830	\$566,296	24.6%
Stockholders' Equity	\$89,185	\$97,355	(8.39%)
FOR THE YEAR			
Net Income	\$8,001	\$7,522	6.4%
Return on Assets	0.85%	1.03%	(17.5%)
Return on Equity	9.12%	8.18%	11.5%
PER SHARE			
Dividends Per Share	\$14.00	\$13.00	8.3%
Book Value at Year End	\$963.19	\$ 1069.67	(10%)

LOOK BACK 10 YEARS: 2012 vs. 2022

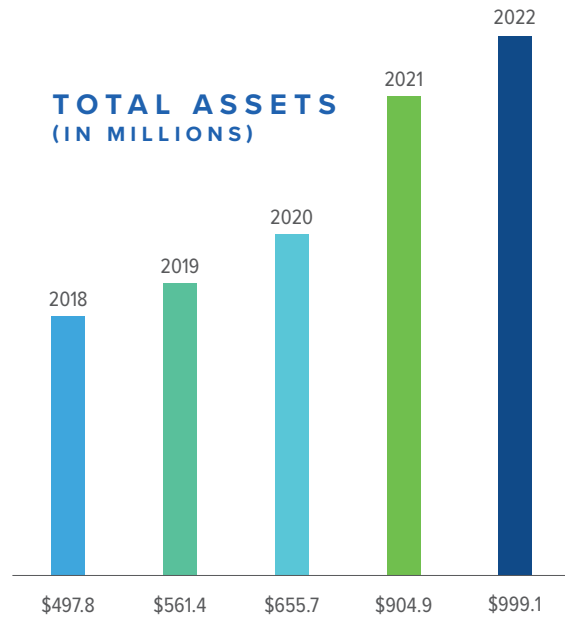
AT YEAR-END	2022	2012	% CHANGE
Assets	\$999,079	\$353,634	182.5%
Deposits	\$905,433	\$311,741	190.4%
Loans	\$705,830	\$209,839	236.4%
Stockholders' Equity	\$89,185	\$40,177	121.9%
FOR THE YEAR			
Net Income	\$8,001	\$5,002	60.1%
Return on Assets	0.85%	1.47%	(42.2%)
Return on Equity	9.12%	13.14%	(30.6%)
PER SHARE			
Dividends Per Share	\$14.00	\$6.75	107.4%
Book Value at Year End	\$963.19	\$504.35	90.90%

**Dollar amounts in millions, except per share data*

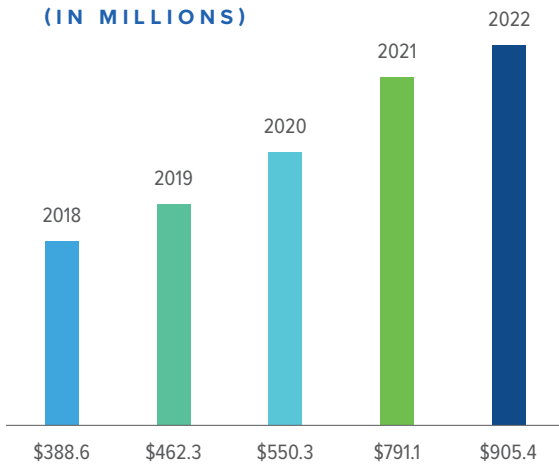
**TOTAL INCOME
(IN MILLIONS)**



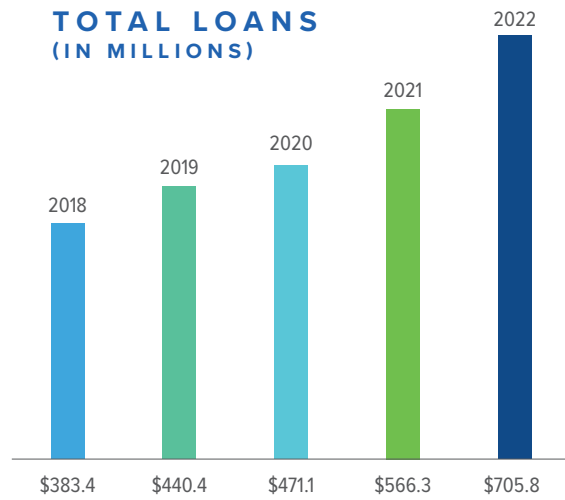
**TOTAL ASSETS
(IN MILLIONS)**



**TOTAL DEPOSITS
(IN MILLIONS)**



**TOTAL LOANS
(IN MILLIONS)**



DIVIDENDS PER SHARE



BOOK VALUE PER SHARE



BTC Area Youth Benefit Corp.

The BTC Area Youth Benefit Corp. believes it's vital for our kids to have experiences that offer learning opportunities - whether that is mentally, physically, socially or emotionally.

As the future leaders of our communities, we want them to have the resources they need, in order for them and our communities to have a chance at vibrant, active futures.



\$60,980

donated to youth in BTC service area communities in 2022



The BTC AYBC was created in 2012 by BTC Bank team members who wanted to support kids in the bank's communities, beyond what was possible through the constraints of a banking institution.

Over the past ten years, this idea has grown from its humble beginnings with initial donations of \$2,000 in its first year, to donations of nearly \$60,000 this year, its 10th year.

106 DONATION REQUESTS RECEIVED IN 2022



101 requests received AYBC support

BTCYOUTHBENEFIT.COM

By the Numbers

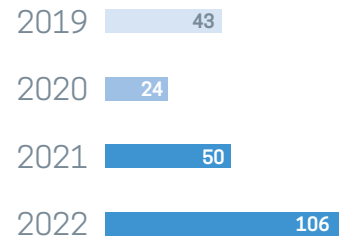
\$192,955

donated to youth in BTC service area communities since 2013

\$25,000+

given in scholarships since 2017

Number of Youth Projects Funded



Yearly Outgoing Donation Totals



With growth comes confidence,
with confidence comes the ability and drive

TO DO GREAT THINGS.

COMMUNITY MINDED
Just Like You



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Member
FDIC

