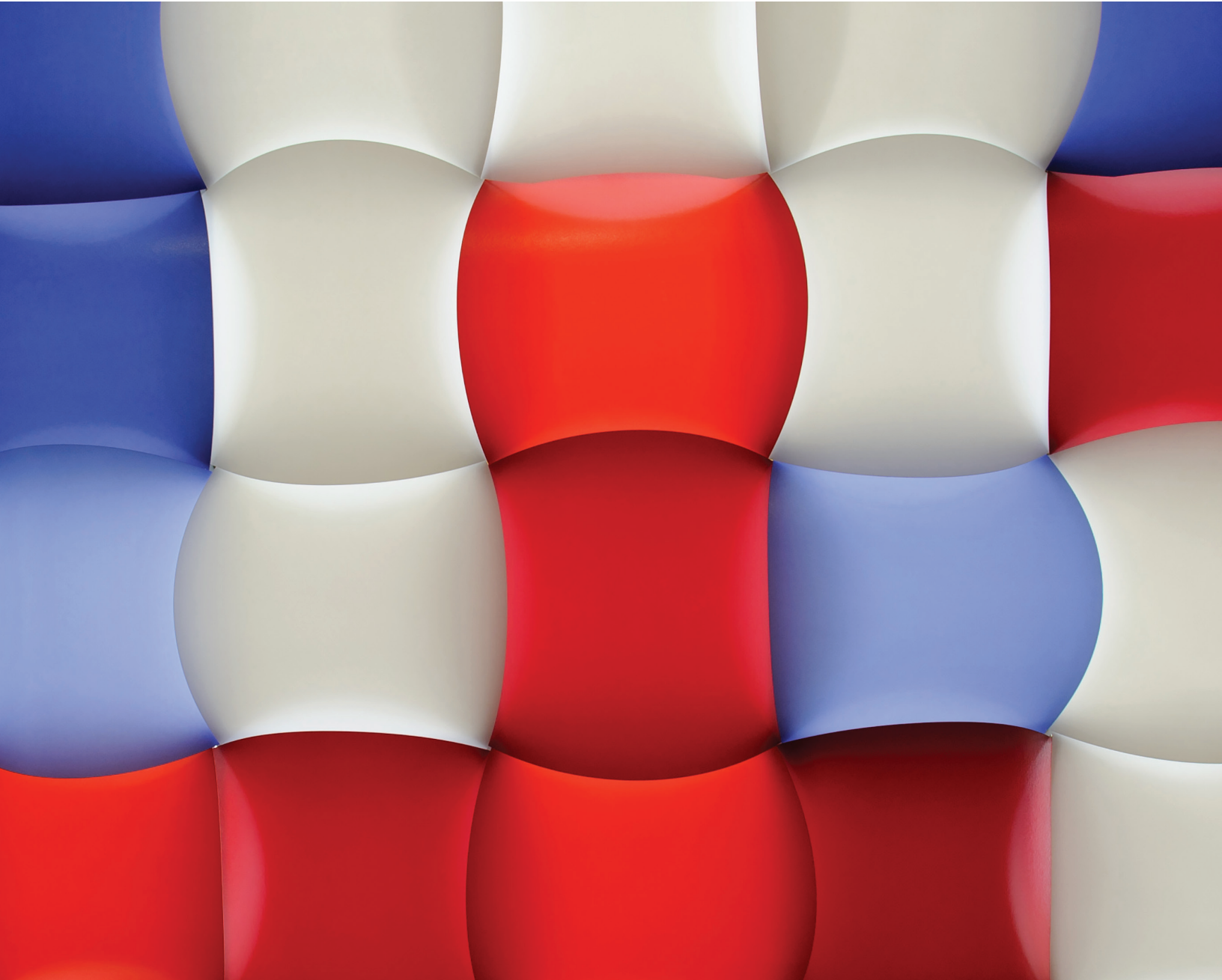




Making History



2022 Annual Report





Letter to Shareholders

If there is one word to describe the past year at American Bank it would be gratitude.

Gratitude for our clients who trust us with their financial futures. Gratitude for a dedicated team of employees who continue to set new standards for excellence in how they serve and meet the needs of our clients and communities. And gratitude for our directors, shareholders, regional boards, and bank leadership who have embraced our shared vision for American Bank.

At American Bank, we often say that “it’s all about the people, and it always will be.” Indeed, our bank is built on people and relationships. And we’re so glad you are a part of American Bank.

Our vision is to see American Bank become a leading Texas regional bank. We are well on our way. In fact, our collective efforts and top-to-bottom alignment led to 2022 being the most successful year in American Bank’s history and the year in which we reached the goals set out in our original 2017 five-year Strategic Plan.

Over the past 12 months, we also accomplished our 2022 goals and followed through on many of the key objectives in our refreshed 2021 five-year Strategic Plan. To start the year, we announced the acquisition of ACG Equipment Finance and onboarded their team. This partnership has exceeded our expectations. ACG (now referred to as American Bank Equipment Finance) also had their most successful year ever.

Then in October 2022, we acquired TexStar National Bank and navigated the challenges of a bank merger, with the systems conversion in March 2023. This acquisition adds six new San Antonio area branches to our network.

Financially, we experienced more loan growth in 2022 than any year in our history. We exceeded our performance goals, reaching nearly \$2.4 billion in total assets, including more than \$1.5 billion in total loans and over \$2.1 billion in total deposits.

While these numbers are important, what really matters is that we served more clients than ever before, welcomed new colleagues throughout the bank, and set American Bank up for long-term growth and success. 2022 was an historic year for our bank.

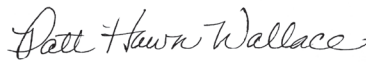
Looking to 2023 and beyond, there is another word that comes to mind — optimism. We are optimistic about where we are as a bank and where we are headed. While our organic growth has been strong and growing, the acquisitions of TexStar and ACG Equipment Finance accelerate our growth strategy and enhance our profitability, while further diversifying our geographic footprint. They also increase our scale and extend our ability to service clients throughout South and Central Texas. We are well positioned for continued growth and success across all our markets. There is good reason for all those associated with American Bank to be optimistic.

At American Bank, we remain committed to community banking where people, relationships, and service make a difference. We have the right strategy in place, and we have an exciting vision. Our future is filled with promise and new opportunities. Now is a great time to be at American Bank. **We're so glad you are with us.**



Stephen C. Raffaele, CFA

Chief Executive Officer and President, American Bank



Patt Hawn Wallace

Chair of the Board, American Bank Holding Company



Ben B. Wallace

Chairman of the Board, American Bank



*Corpus Christi
Port Aransas
Rockport*



*San Antonio
New Braunfels*



Austin



Houston



*Victoria
Goliad*

Who We Are

American Bank was founded in Corpus Christi, Texas, in 1970. Today, we have 19 locations in the Texas communities of Corpus Christi, San Antonio, Austin, Houston, Port Aransas, Rockport, New Braunfels, Goliad, and Victoria.

Our banking philosophy is fairly straightforward. We build personal connections with our clients, delight them with our exceptional service, and provide a full range of technology-enabled products and solutions built around their specific goals. That is how we've been doing business since 1970, and it's how we will approach our client relationships as we continue into the future.

We are proud to serve the needs of commercial businesses and professionals across South and Central Texas.





Our Services

COMMERCIAL BANKING

Centers of Excellence specializing in commercial real estate, medical, energy, SBA, equipment, and technology lending

WEALTH MANAGEMENT

Private Banking, Investment Management, Trust, and non-bank investments

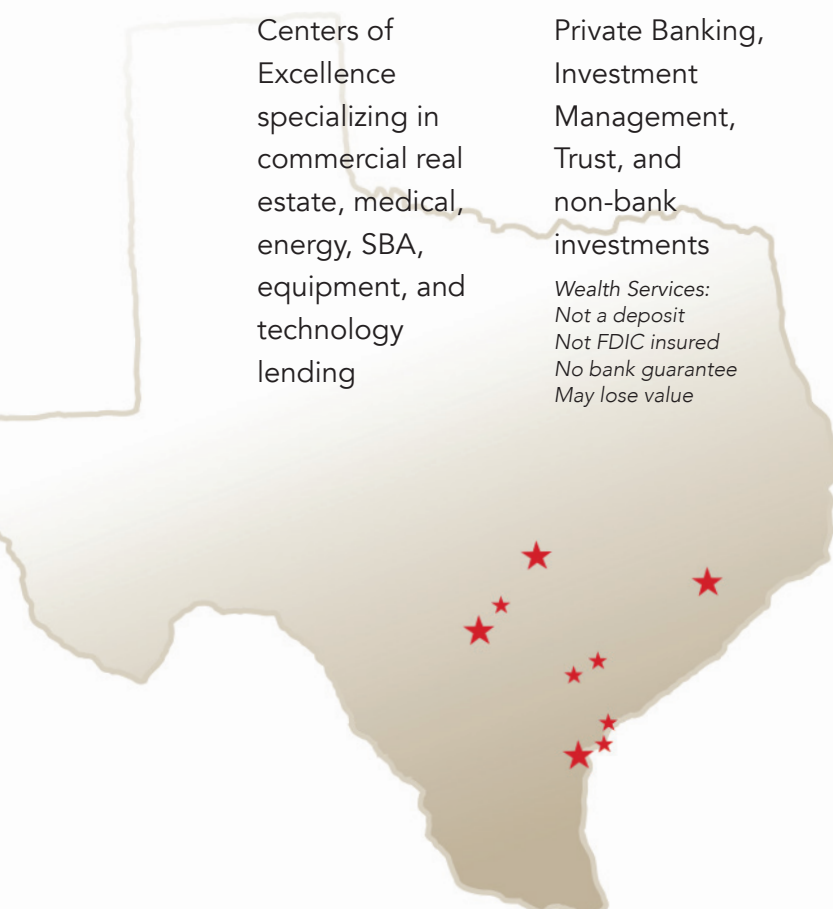
*Wealth Services:
Not a deposit
Not FDIC insured
No bank guarantee
May lose value*

TREASURY MANAGEMENT

Powered by a comprehensive suite of technology-enabled services

PERSONAL BANKING

A full range of personal deposit accounts, personal loans, and home mortgage and construction-related loans



Our Locations

Corpus Christi (6 locations)

San Antonio (6 locations)

Austin

Houston

Port Aransas

Rockport

New Braunfels

Goliad

Victoria

Leading *with* Integrity



Tom Adams
Chief Financial Officer

Donette Stubblefield
Chief Banking Executive,
Commercial and Wealth

Todd Lee
Chief Information Officer

Suzelle Tinnell
Director of Enterprise
Planning and Alignment

Stephen Raffaele, CFA
Chief Executive Officer
and President



David Doherty
Chief Credit Officer

John Wessman
Director of Consumer
Banking and Marketing

Eric Vigil
Chief Compliance
Officer

Rob Childers
President, American Bank
Equipment Finance



2022 | Our Best Year *Ever*

For more than 50 years, American Bank has been a trusted financial resource for businesses, professionals, and countless Texans. We've formed lasting relationships and built new ones with clients across the Coastal Bend and South and Central Texas. And we've done it with

one goal in mind — to see our clients succeed and help their dreams come true.

If there's one thing we've learned through the years: when our clients win, we win, and our shareholders win. The past year delivered on that principle.

~ Achieved historic financial results ~

\$26 million

The highest annual earnings in the history of the bank

(\$23 million, including acquisition costs)

Accomplished the largest acquisition in our history, **TexStar National Bank**

Highest annual loan growth in American Bank history

Completed the largest capital raise in the history of the bank, **\$57 million** equity and debt

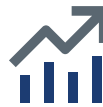
\$375 million

In total loan growth,
including ACG & TexStar,
32% year-over-year growth

Supported ACG Equipment
Finance in reaching
their best financial
performance in history

Exceeded
\$165 million
in core organic
loan growth,
with 15% year-
over-year growth

Attained
historically
outstanding
asset quality



Welcomed new
Regional Boards
in Austin and Houston

Began new investment
product program with
Ameriprise Financial
Institutions Group

Raised our minimum wage
for bank employees

Introduced a new
Mortgage Loan
Origination System

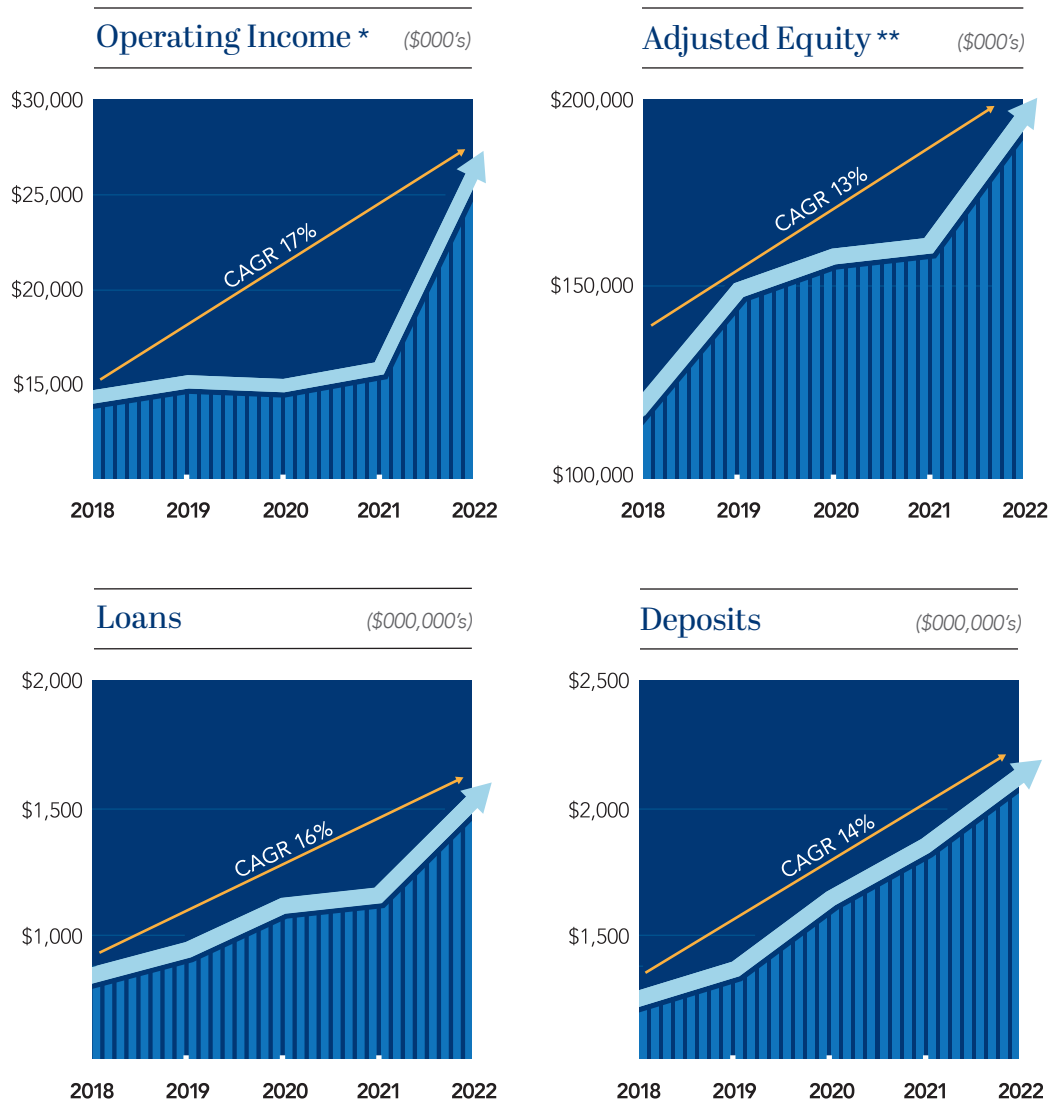
Launched a redesigned
company website

Implemented an
upgraded Wealth
Management
brand offering

2022 Highlights

Success *by the* Numbers

Despite the economic challenges our country faced over the past year, American Bank had its most successful year on record in 2022. Loan volume grew, deposits increased, and **total assets were nearly \$2.4 billion, the highest in bank history**. As a result, American Bank is serving more clients, with more bankers, in more markets, with a larger balance sheet and higher earnings than at any time in its history.



* Pre-provision net income, excluding discontinued operations and one-time, acquisition-related costs.

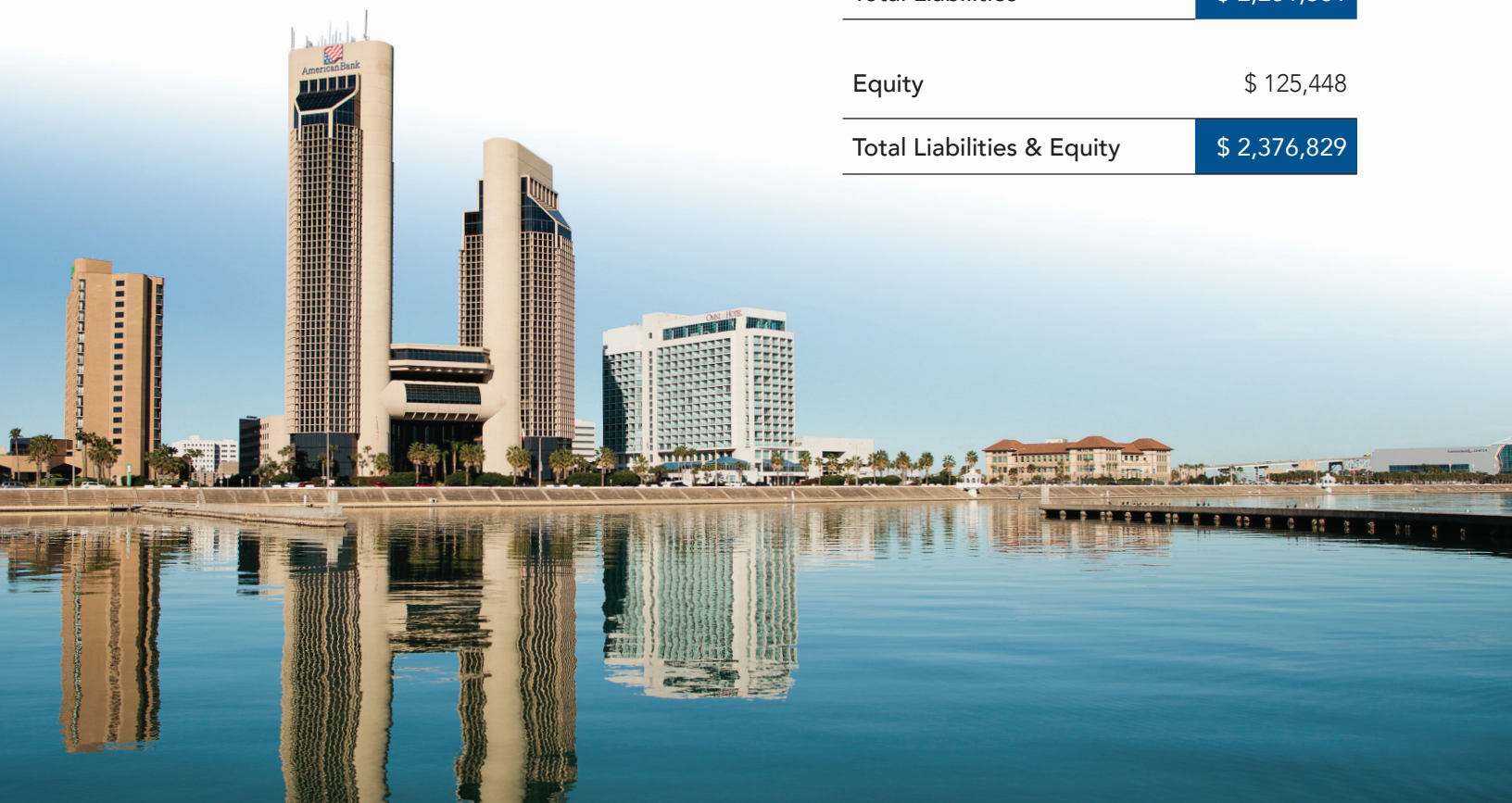
** GAAP Equity, excluding impact of AOCI (unrealized bond portfolio gains or losses).

“ We’re extremely pleased with the bank’s overall financial results and the team’s diligence in achieving our Strategic Plan. ”

— Ben B. Wallace
Chairman of the Board

Statement of Condition

Dec. 31, 2022	(\$000's)
Assets	
Cash & Due from Banks	\$ 130,809
Securities	584,611
Loans, net	1,515,918
Other Assets	145,491
Total Assets	\$ 2,376,829
Liabilities	
Deposits	\$ 2,129,322
Borrowings	88,241
Other Liabilities	33,818
Total Liabilities	\$ 2,251,381
Equity	\$ 125,448
Total Liabilities & Equity	\$ 2,376,829



Growth *through* Acquisitions

2022 Highlights



From copy machines to earth movers, American Bank Equipment Finance delivers quick-turn equipment financing for businesses across the US.

Major parts of our growth in 2022 can be attributed not only to organic growth, but also to the acquisition of ACG Equipment Finance and TexStar National Bank.

With ACG Equipment Finance (ACG), we saw an opportunity to provide a more efficient banking solution for delivering financing for essential business-use equipment. The acquisition also diversified our loan portfolio and supplemented our potential to generate sustainable revenue for the organization. The acquisition of ACG (now known as American Bank Equipment Finance) has met and exceeded our expectations, with ACG experiencing their best year in history after joining the American Bank family.



We also acquired TexStar National Bank and their six branch locations in the San Antonio area. TexStar, founded in 2004, brings a strong client base in a key geographic market with high growth potential. With the right technology already in place as a result of our 2017 Strategic Plan, we were positioned for an acquisition of this size.



These additions to the American Bank family position our bank to serve the next generation of Texas businesses and professionals. We're excited about the added value they will deliver for American Bank's shareholders, clients, and communities.



American Bank added six new locations in San Antonio with the acquisition of TexStar National Bank.

Looking to **2023 and Beyond**

In 2017, American Bank embarked on a five-year strategic plan focused on growth. Our vision was to double the bank's assets and reach at least 12% return on equity by 2022. To do so, we would need to drive profitable growth, improve our productivity and operational efficiency, leverage our technology, deliver on our brand promise with new products and solutions, and build a winning team at American Bank.

Not only was this an ambitious plan, but it was also one that would face the unexpected difficulties of coping with the devastation of Hurricane Harvey across our South Texas market areas, implementing a required systems conversion that impacted all of our core technology, navigating the challenges of a worldwide pandemic, delivering nearly 1,600 Paycheck Protection Program (PPP) loans, and managing through the unprecedented economic and interest rate challenges of 2020–2021 due to COVID-19. All of those factors combined were more than enough to significantly impact any long-term plan.

But the American Bank team faced these challenges head-on and rose to the occasion. We accomplished our 2017 five-year strategic plan as we saw our assets grow from \$1.2 billion in December 2016 to \$2.4 billion in December 2022. And our return on equity, including our investments in technology and people, reached 16.5%.*

In 2021, we refreshed our Strategic Plan and set our sights on a new five-year goal. We initiated a new Strategic Plan with primary goals of growing bank assets to \$3 billion and increasing our earnings to \$30 million by the end of 2026.

The future is exciting for American Bank. And as we continue the hard work of growth and progress, we know that none of it would be possible without the support of our clients and shareholders.

* Excludes TexStar acquisition costs.

“ *When I think about the history and future of American Bank, there’s a common thread. And it involves people. Relationships matter.* ”

— **Stephen C. Raffaele, CFA**
Chief Executive Officer and President, American Bank





Community Support

Providing solutions for businesses and individuals is just part of what we do. As a community bank, we're more than a business partner. We're also a neighbor and friend. And we give back in time and resources as both our duty and our delight. It's all part of building life-long relationships with our clients and communities.

American Bank's employees are the ones who make this happen.

We encourage our employees to remain involved with their communities by providing eight hours of paid time off to spend time volunteering with organizations of their choosing.

Throughout 2022, our employees served more than 3,500 hours at local organizations such as Habitat for Humanity, Foster Angels of South Texas, Central Texas Food Bank, Rodeo Austin, Baptist Health Systems, Big Brothers Big Sisters of South Texas, Buffalo Bayou Partnership, and Gigi's Playhouse.

American Bank also made hundreds of thousands of dollars of financial contributions to organizations throughout South and Central Texas. The following are just a few of the ways we've given back to our local communities.

Holiday Bear Drive

Something as simple as a stuffed bear can bring comfort to a child in crisis. For nearly 20 years, American Bank has hosted an annual Teddy Bear Drive to help children and families in need. We invite clients, employees, and friends to donate new stuffed bears at our branches. In 2022, nearly 1,000 stuffed bears were donated to nonprofit organizations in Corpus Christi, Rockport, Austin, and San Antonio. Since the program's inception, more than 22,000 stuffed bears have been donated.



American Bank employees attend the 2022 Visit Corpus Christi HOSPIS Awards where American Bank was the presenting sponsor.



Foster Angels of Central Texas

Foster Angels of Central Texas strives to improve the lives of children in foster care. For the seventh year in a row, American Bank was the presenting sponsor for the Foster Angels Shining Stars Luncheon, celebrating these extraordinary children and volunteers on the frontlines of foster care.



CHRISTUS Spohn Hospital

American Bank partnered with CHRISTUS Spohn, the largest acute medical care facility in the Coastal Bend, to establish a Comprehensive Stroke Center through a multi-year financial commitment.



Driscoll Children's Hospital

As the only free-standing children's hospital and emergency room in South Texas, Driscoll Children's Hospital serves 31 counties and 33,000 square miles. It cares for 120,000 patients annually. American Bank supported Driscoll Children's Hospital in 2022 through a multi-year capital fundraising campaign.



Honoring the Legacy of **George S. Hawn**

August 3, 1929 – December 10, 2022

The founder of American Bank, George S. Hawn, passed away on December 10, 2022. He will always be remembered for his vision, leadership, and commitment to serving others.

In August 1970, George S. Hawn and his business partners organized a group of local investors to open American Bank in Corpus Christi, Texas, with its first branch on South Padre Island Boulevard.

Over the next three decades, Mr. Hawn's vision for growth would see American Bank expand throughout Corpus Christi and the Coastal Bend, including locations in Port Aransas and Rockport. Eventually, the bank would open locations in Austin, San Antonio, Victoria, Goliad, and Houston.

Even during the tough economic years, Mr. Hawn's vision was not daunted. He always challenged the bank's Board of Directors to look to the future. Mr. Hawn's conservative yet visionary leadership, and his "do the right thing" credo with bank clients and employees alike, laid the foundation for American Bank to remain a strong and fiercely independent financial institution.

Mr. Hawn retired from his position as American Bank's Chairman of the Board in September 2004, still envisioning what the bank could become and serving as wise and trusted counsel for bank leadership from that day on. He held the position of Chairman Emeritus until his passing.

American Bank is grateful for Mr. Hawn's vision, dedication, leadership, and invaluable contributions to its employees and clients, and the communities it serves. And even though Mr. Hawn will be dearly missed, his legacy lives on.





August 3, 1929 – December 10, 2022

American Bank Board of Directors

Ben B. Wallace

Chairman

Richard Scanio

Vice Chairman

Ralph Abendshein

Oakum Holdings, LLC

Bibiana Dykema

Levy Dykema Architects

Douglas (Kit) Fox, MD

NeuroTexas, PLLC

Clayton J. Hoover, Jr.

CHH Interests, Ltd.

Mark Nini

GN Ventures, Ltd.

Ted Oakley

Oxbow Advisors

Jorge Rangel

Rangel Law Firm

Stephen C. Raffaele, CFA

*Chief Executive Officer
and President*

Hil Stroup

Key Title Group

Gary Valdez

Focus Strategies, LLC

John Wallace

Republic Ranches, LLC

Patt Hawn Wallace

Hawn/Wallace Investments

Robert Webster, MD

Third Coast Health

Brad Wheelless

*Business Advisor
and Consultant*

American Bank Holding Company Board of Directors

Patt Hawn Wallace

Chair

Ben B. Wallace

Vice Chairman

Christina Hawn

CHH Interests, Ltd.

Al Jones

Retired

Stephen C. Raffaele, CFA

President

Ted Oakley

Oxbow Advisors

Richard Scanio

Scanio Investments

americanbank.com

(800) 257-8316



“ Last year’s achievements were nothing short of historic for American Bank, and they fall right in line with what we’ve always tried to do: help people and businesses pursue their dreams. It’s an exciting time to be at American Bank. ”

— **Stephen C. Raffaele, CFA**
Chief Executive Officer and
President, American Bank

