

# 2023 Annual Report



**QCR**  
HOLDINGS, INC.



# A MESSAGE FROM THE CHAIR OF THE BOARD

*On behalf of the entire Board of Directors, I am proud to bring you this year's Annual Report.*

2023 was the year of the unexpected. Unexpected increasing rate hikes. Unexpected bank closures. Even unexpected rides from driverless taxis.

But what was not unexpected was the strong performance of QCR Holdings Inc.

As always, the dedication and hard work of our leaders and employees ensured financial success even during a turbulent year. We achieved record net income, which is impressive, to say the least. With non-interest income growth and strategic loan initiatives for affordable housing, we retained our rank as a top-tier performer in the industry.

Our continued commitment to our communities and CRA investments was also not surprising. With over three-quarters of our employees volunteering for 22,971 hours, QCR Holdings, Inc. was actively supporting people and organizations right in our own backyards. Add to that the \$580 million in CRA eligible loans and over \$2 million in sponsorships and donations, there is no doubt that our employees and management understood the need to balance financial success with social responsibility.

As Larry, Todd, and I rang the closing bell at Nasdaq in August, we were reminded that success is created together and should be celebrated together. Each of our employees and management team members plays an important part in making QCR Holdings Inc. the strong performer it is today. We appreciate the support our shareholders have given and look forward to another rewarding year in 2024.

*Thank you for being a shareholder.*



**MARIE Z. ZIEGLER**

Chair of the Board, QCR Holdings, Inc.

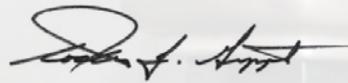
# SUCCESS IN A CHALLENGING 2023

A Message from our CEO and President



**LARRY J. HELLING**

Chief Executive Officer, QCR Holdings, Inc.



**TODD A. GIPPLE**

President and Chief Financial Officer, QCR Holdings, Inc.

In spite of a challenging environment for banks in 2023, QCR Holdings, Inc. reported record net income of \$113.6 million, marking a significant milestone in our financial performance.

This accomplishment was made possible by carefully navigating the industry challenges throughout the year. It is also a testament to the tremendous efforts of our employees and the ongoing support of our clients and stakeholders.

Our strong performance created a substantial increase in tangible book value per share (non-GAAP), which grew by \$6.99, or 19%, in 2023. This increase demonstrates our commitment to creating long-term shareholder value and maintaining a solid financial foundation.

Client relationships are critical to our future success. The reputation that we have earned in our communities is another demonstration of our employees' efforts. We value our current client relationships and the new ones that we build daily.

As we look forward to 2024, our commitment to our communities remains unwavering. Our initiatives to give back and foster community well-being are a source of pride. In addition to living our core values of passion, achievement, accountability, collaboration, innovation, and inclusion, our employees put these words into action through thousands of volunteer hours each year.

Thank you for the confidence that you've placed in us. With the success we've attained through our 9-6-5 strategic focus, we remain dedicated to delivering sustained proxy-peer top-quartile financial performance, ensuring that your investment in our institution is rewarded.

# 2023 FINANCIAL HIGHLIGHTS

## Strong Loan and Lease Growth

For 2023, total loans and leases grew \$670 million, or 11%, prior to the \$265 million in loan securitizations in the fourth quarter.

## Excellent Asset Quality

The ratio of NPAs to total assets remains low at 0.40% on December 31, 2023. In addition, our criticized loans and classified loans to total loans and leases improved to 2.93% and 1.03% in Q4 2023, respectively. The allowance for credit losses to total loans/leases held for investment was 1.33%.

## Record Capital Markets Revenue

With a 123% increase from 2022, QCRH achieved a total of \$92 million in capital markets revenue for the year. With a strong demand for affordable housing, our LIHTC lending continues to remain a healthy revenue pipeline.

Adjusted  
Net Income

\$115 m

Capital Markets  
Revenue Increase

+123%

Loan and Lease Growth  
Prior to Securitizations

11%

Deposit Growth

9%

Adjusted Diluted  
Earnings Per Share

\$6.82

Adjusted Return on  
Average Assets

1.41%

Adjusted Return  
on Average Equity

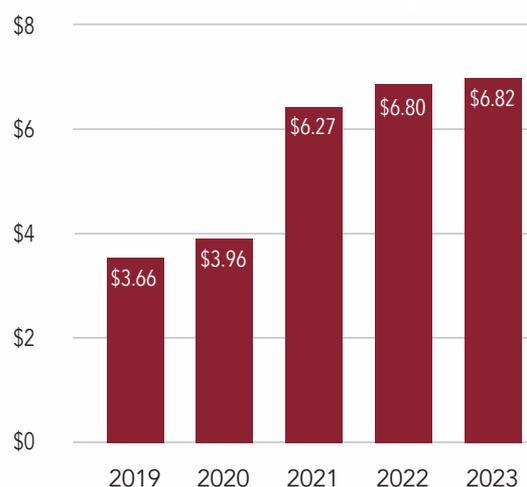
13.94%

# FINANCIAL HIGHLIGHTS

2019-2023  
Compound  
Annual  
Growth Rate  
in EPS of

**16.8%**

## Adjusted Earnings Per Share

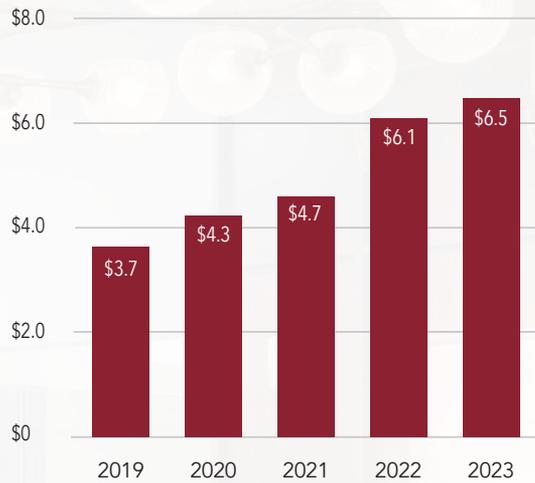


## Summary of Financial Results (thousands)

Adjusted Non-GAAP	2019	2020	2021	2022	2023
Net interest income	\$155,559	\$166,950	\$178,233	\$231,120	\$221,006
Provision for credit losses	(\$7,066)	(\$55,704)	(\$3,486)	\$4,110	(\$16,539)
Non-interest income	\$66,510	\$111,580	\$100,303	\$78,754	\$134,397
Non-interest expense	(\$143,892)	(\$146,304)	(\$152,136)	(\$180,775)	(\$210,324)
Net income before taxes	\$71,111	\$76,522	\$122,914	\$133,209	\$128,540
Income taxes	(\$12,630)	(\$13,281)	(\$22,866)	(\$18,348)	(\$13,465)
Net income	\$58,481	\$63,241	\$100,048	\$114,861	\$115,075
Pre-tax pre-provision net income	\$78,177	\$132,226	\$126,400	\$129,099	\$145,079

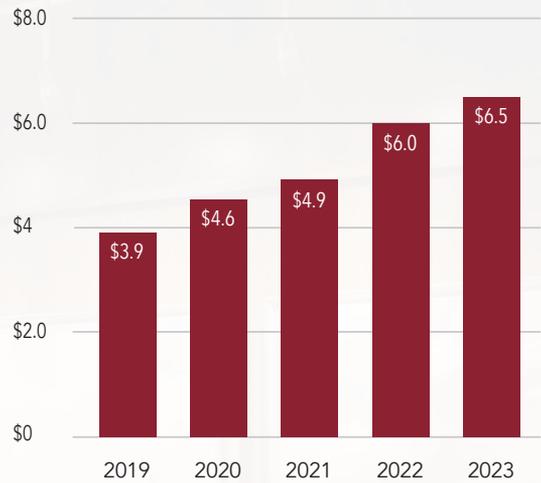
## Gross Loans/Leases

(billions)



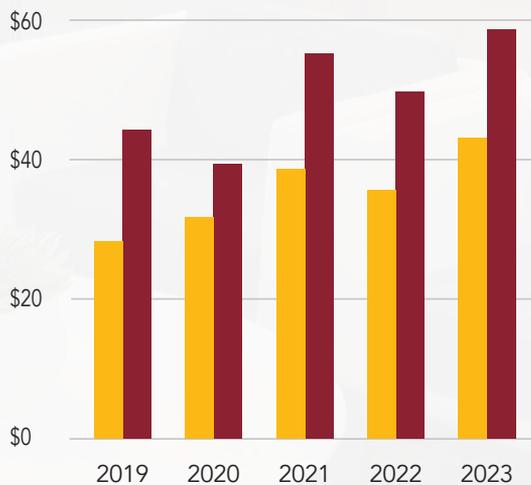
## Total Deposits

(billions)

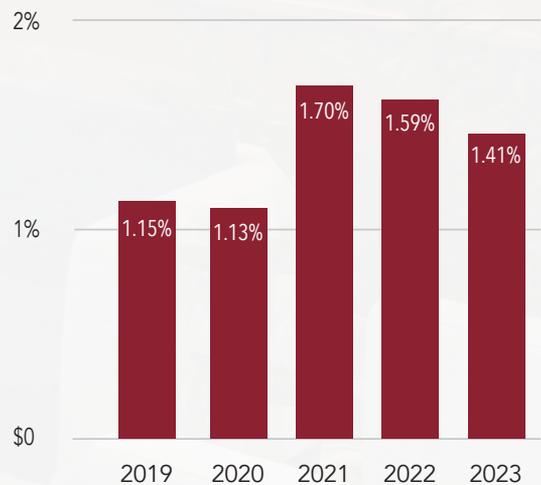


## Tangible Book Value/ Fair Market Value

■ TANGIBLE BOOK VALUE PER COMMON SHARE  
■ FAIR MARKET VALUE



## Adjusted ROAA





## OUR VALUES DRIVE US

### **Passion**

We care.

### **Achievement**

We expect to win.

### **Accountability**

We drive it.

### **Collaboration**

We work together.

### **Innovation**

We embrace change.

### **Inclusion**

We respect all.

## OUR MISSION MAKES US

We make financial dreams a reality.

## OUR VISION GUIDES US

Exceptional people providing extraordinary performance for our clients, shareholders, and communities.

## OUR RELATIONSHIPS MATTER TO US

QCR Holdings is built on relationships and integrity. We adhere to those principles in all areas of our business and believe that our environmental, social, and governance (ESG) initiatives will drive shareholder value and make us a better company. Some of our 2023 efforts included:

**Environmental: We believe in responsible use of resources with a focus on sustainability.**

Facility enhancements to reduce energy consumption, including incorporating rooftop solar and other energy-efficient features in our new Cedar Rapids, IA, facility, replacing the HVAC system at our Brady Street, Davenport, IA, location with energy-efficient units, and ongoing LED conversions across the company.

Reduction of waste through recycling programs, donating old office furniture, eliminating single-use plastic products, and promoting the use of e-statements by customers.

\$98 million in financing for solar projects and \$9 million in Property Assessed Clean Energy (PACE) financing outstanding as of year-end 2023.

**Social: We are committed to fostering a culture of diversity, equity, and inclusion, promoting an engaged workforce, and supporting our communities.**

We hired a Chief Human Resources Officer to focus on attracting, retaining, and developing top talent, educating employees on compensation and benefits components, and maximizing benefits usage.

We expanded employee development with a new manager development series.

We added a "Volunteer Time Off" benefit to provide eight hours of paid leave to volunteer.

Our annual employee engagement survey score rated above the financial services national benchmark of 75%, with 92% of employees participating.

Our annual DEI Survey saw participation increase by 4.9% over the prior year, with an overall score of 4.0 on a 1-5 scale, up from 3.9 in 2022.

Since 2018, we have supported affordable housing with \$1.78 billion in loans and \$112.8 million in investments through 422 multifamily projects.

**Governance: We are committed to integrity in our business practices and strong corporate governance principles.**

Our board of directors includes 45% women and minorities, with women in several board leadership roles, including board chair and three committee chair positions.

Our Code of Business Conduct and Ethics Policy reinforces the company's commitment to ethical business practices, details the fundamental principles of ethical business behavior, and defines the responsibilities of all employees, officers, and directors.

We maintain a comprehensive cyber and information security program to ensure the protection and proper disposal of company information and customers' non-public personal information. All employees receive annual training on information security.

Employee  
Volunteer Hours

22,971

Total Individual  
Volunteers

625

Financial Literacy  
Volunteer Hours

4,335

Non-Profits  
Volunteered at

773

Employee Engagement  
Survey Score

78%

Donations and  
Sponsorships

\$2 million

CRA Eligible Loans  
and Investments

\$648 million

A NEW FOCUS

# STRATEGIC PLAN

## 2024-2026



### First Priority = Employees

Employee Engagement Score  
Unplanned Turnover Rates  
Internal Promotion Rates



### Optimized Experiences

Employee Engagement Score  
Net Promoter Scores



### Client Expectations

Net Promoter Scores  
Net New Account Rates  
Loan Growth Rates  
Deposit Market Share Growth



### Uplifting the Community

Dollars Invested  
Employee Hours Invested



### Sustainable Performance

9-6-5  
TBV Per Share Growth  
EPS Growth Rate  
Consolidated ROAA

**F.** We will attract, retain, and develop top talent.

**O.** We will invest in employee and client-facing technology and operations.

**C.** We will exceed the expectations of our clients.

**U.** We will invest in our communities.

**S.** We will deliver sustainable top-tier financial performance.

We enter 2024 with a new strategic plan called FOCUS. Our new plan still incorporates the successful initiative of 9-6-5, which centered on growing loans, fee income, and core deposits while being prudent with expenses. This initiative, along with our Best-In-Class Standard Operating Procedures, brought us solid EPS results, growing market share, an inclusive employee culture, and solid financial performance.

With FOCUS, we plan on sustaining this elevated performance level by further enhancing our employee and client experiences, investing in technology, supporting our communities, and continuing to deliver top-tier financial performance. We will hold ourselves accountable through various measurements such as EPS Growth Rate, Net Promoter Score, Net New Account Rates, and much more.

# INCLUSION MAKES US BETTER

At OCR Holdings, we are committed to fostering and preserving a culture of diversity, equity, and inclusion (DEI) and strongly believe that it is our differences - of all kinds - that make our company and our communities better and stronger.

This sentiment is reflected in our DEI Survey results, which have shown an improvement from an original score of 3 (out of 5) in 2020 to the most recent score of 4 (out of 5) in response to the statement, "I believe a more inclusive work environment will increase employee engagement."

With the work of our six inclusion committees, various public speaking engagements, and education through our internal DEI Docuseries videos, we demonstrate our DEI leadership within the industry.

Minutes of Translation  
Services Used

1,491

Number of Languages  
Translated

11

Employee DEI  
Workshops

120

Employee DEI  
Survey Score

4 (out of 5)

DEI Docuseries  
Video Viewed

2,200x

Inclusion Committee  
Members

50

Public DEI  
Speaking Events

20

# OUR ENTITIES



## JOHN H. ANDERSON

Chief Executive Officer,  
Quad City Bank & Trust and  
Chief Deposit Officer,  
QCR Holdings, Inc.

During 2023 at Quad City Bank & Trust, we continued to emphasize our mission of being the premier relationship-driven community bank. Our commitment to the community was shown through our employees' volunteer efforts, including at our very own Quad City Bank & Trust Riverfront Pops Concert in August. We offered community support through many donations and sponsorships. Our Wisconsin-based subsidiary, m2 Equipment Finance, even developed intern opportunities for local high school students. We were also honored to be recognized with numerous local awards, including receiving the inaugural Corporate Citizen of the Year award.

2023 was also marked by a complete renovation of the Brady Street branch, crowned by the completion of the customer-facing areas of the main lobby, creating an inviting, state-of-the-art space for both our customers and employees to feel proud to come to. This continual look to the future has been shown in Quad City Bank & Trust's consistent growth year over year as it continues to maintain the largest segment of market share in the Quad Cities at nearly 22%.



QUAD  
CITY  
BANK &  
TRUST



EQUIPMENT FINANCE

## COMMUNITY SUPPORT:

176 employees volunteered a total of 7,621 hours

253 organizations were supported through volunteer efforts

\$594,640 was provided through donations/sponsorships

## ACCOMPLISHMENTS:

Named *Quad Cities Regional Business Journal*: Corporate Citizen of the Year - 2023

Named *Quad City Times* Best of the Region Awards for Best Bank (2 years in a row) and Best Home Mortgages

Quad City Bank & Trust Riverfront Pops Concert named top 5 Quad Cities events

Named *Quad Cities Regional Business Journal* Best Bank & Best Wealth Management

Won Locals Love Us Award

## INCLUSION INITIATIVES:

Quad City Bank & Trust's Inclusion Committee created a full video highlighting the team's diversity, equity and inclusion efforts incorporating thoughts from leadership as well as Inclusion Committee members. Additionally, numerous organizations supporting community members of diverse backgrounds were supported monetarily and through volunteer efforts such as The Project of the Quad Cities, Clock, Inc., Center for Active Seniors, Inc., Empowering Abilities and The Arc Quad Cities Area.



**JAMES D. KLEIN**  
President, Cedar Rapids  
Bank & Trust



Our internal rally cry for 2023 was “Embrace!” And that we did. We embraced the challenge to grow deposits and experienced significant core client growth in 2023 with over 1,000 retail checking accounts, as well as the addition of core commercial relationships that will serve us well into the future. Both our Wealth Management and Specialty Finance Group had a record setting year of fee income. These accomplishments are a testament to our employees’ collective hard work and commitment.

Our continued focus on diversity, equity, inclusion, and mental well-being made us more united, ensuring that every member of our team felt supported. I’m proud of what our employees do to embrace our core beliefs and foster our culture. Cedar Rapids Bank & Trust was recognized with numerous accolades, including a 2023 Top Workplace in Iowa and the USA.

We also embraced our community by volunteering at over 164 nonprofit organizations. In addition, we proudly hosted our 18th annual CRBT Movies on the Riverbank summer movie series. These are just a few of the many efforts that strengthened our ties to the community.

Finally, we are excited for our campus expansion. The new downtown building is a physical manifestation of our growth and readiness to embrace a future filled with possibilities.

## COMMUNITY SUPPORT:

169 employees volunteered a total of 6,486 hours

164 organizations were supported through volunteer efforts

\$843,376 was provided through donations and sponsorships (combined with Community Bank & Trust)

## ACCOMPLISHMENTS:

Named A Top Workplace USA

Named A Top Workplace in Iowa by *The Des Moines Register*

Named *Corridor Business Journal* Best Bank, Best Commercial Real Estate, 2nd Runner Up Best Residential Real Estate, and 2nd Runner Up Best Business Leader-James Klein

James Klein named *Corridor Business Journal's* Most Influential Person in Corridor

CRBT Marion branch recognized at the Commercial Real Estate Design Awards Luncheon

Received Iowa Top Workplaces Leaders & Managers Communication Award

## INCLUSION INITIATIVES:

Held first annual all-employee DEI event, “A Seat at the Table: A DEI Panel Conversation”

Used 10 different languages via United Language Group Interpretation Service

Sponsored 11 Cultural events

Co-sponsored “Free Summers at the Cedar Rapids Museum of Art”





**STACEY J. BENTLEY**  
President and Chief Executive Officer,  
Community Bank & Trust



2023 was a year of celebration for Community Bank & Trust. We marked our 10-year anniversary of being acquired by Cedar Rapids Bank & Trust. What a great journey it has been. Over the past decade, our partnership with the company has been amazing. Community Bank & Trust has continued to grow loans and deposits in our local market. Our clients are appreciative of the partnership with Cedar Rapids Bank & Trust. We have experts to assist and help our local businesses and clients prosper and grow. In addition, our Wealth Management Department continues to grow as they assist many clients to prepare for financial success today and succession of assets for the future.

Our focus has been to invest and provide opportunities for professional development. This will help individual members of our team as they continue to grow in their careers.

Community Bank & Trust continues to be a leader in our community. We exhibit this commitment in a variety of ways, including our premier sponsorship for Grow Cedar Valley's annual event and our sponsorship/committee engagement for the Annual Mental Health breakfast. These are two of the largest events in our communities and we are proud to have a seat at the table for these, and dozens of other events across the Cedar Valley.



## COMMUNITY SUPPORT:

28 employees volunteered a total of 1,387 hours  
69 organizations were supported through volunteer efforts  
\$843,376 was provided through donations and sponsorships  
(combined with Cedar Rapids Bank & Trust)

## ACCOMPLISHMENTS:

Named *The Courier* Best Bank Honorable Mention  
25 Years of 100% Giving to Cedar Valley United Way  
Stacey Bentley named 2023 Business & Professional Woman of the Year  
Stacey Bentley named Human Rights Commission Honoree  
Stacey Bentley inducted into the Junior Achievement of Eastern Iowa  
Cedar Valley Business Hall of Fame

## INCLUSION INITIATIVES:

Partnered with Four Corners Coalition LLC, an organization bringing individuals from all over the world to meet the staffing needs of the Cedar Valley  
Implemented a language translating service via United Language Group Interpretation Service  
Featured a diverse group of businesses representing business owners from all areas of our community during Business Spotlights  
Sponsored Financial Education and Cultural events, including World Grace Project financial education sessions and a sponsored meal for Haitian immigrants, Neighborhood Resource Fair, Iowa State Extension (Hispanic Group), House of Hope Boost Programs, SHPHT Youth financial education, and Excellence Expo financial education sessions.  
Community Cares Events with financial education included One City United, Impact Church, Road Home, Friends of the Family, Boys & Girls Club of Cedar Valley, and Payne Memorial AME Church



**KURT A. GIBSON**  
President and Chief Executive Officer,  
Community State Bank

During 2023 at Community State Bank, we continued to make significant strides to drive our mission of employees, clients, and communities first - in everything we do. Leadership development programs supporting our employees, proactive client strategies, and robust community initiatives and involvement led to achieving sustainable 14% compounded annual growth rate and record earnings.

Our goal to create welcoming and inclusive environments in our branches made great progress through our multi-year facility refresh project, which features a variety of wall art pieces from diverse local artists. We continued to achieve smooth leadership succession transitions and capture market share in an extremely competitive and vibrant Central Iowa market.



### COMMUNITY SUPPORT:

165 employees volunteered a total of 4,187 hours  
78 organizations were supported through volunteer efforts  
\$376,186 was provided for donations/sponsorships

### ACCOMPLISHMENTS:

Named *Des Moines Register* Ankeny's Best Bank, Ankeny's Best Mortgage Lending Company, and Ankeny's Best Financial Planning Services  
Named *Des Moines Register* Metro's Best Bank top 3 finalist  
Received Iowa Homeless Youth Centers Outstanding Service Award

### INCLUSION INITIATIVES:

Sponsored various events, including Iowa Juneteenth, Discover Diverse Des Moines event, Capital City Pride, and Habitat for Humanity Panel Build  
Donated to a variety of non-profits focused on individuals in need, including the National Alliance on Mental Illness, Hope Ministries, the Iowa Homeless Youth Center, Children & Families Urban Movement, and many more





**MONTE C. MCNEW**

Chief Executive Officer, Guaranty Bank and  
Chief Lending Officer, QCR Holdings, Inc.



During 2023 at Guaranty Bank, the organic culture of the organization grew after the merger of two outstanding banks.

We continued to see results of cultural growth throughout the year as the teams melded together. Significant strides were made towards the “One Bank. One Team. One Goal.” initiative. The buildout of our Farmers Park location continued to provide a pathway forward for a collaborative work environment for cross-department knowledge-sharing and offer space for our newly added wealth management team.

Our team’s efforts resulted in Guaranty Bank moving up to #3 in market share in the Springfield MSA. Furthermore, Guaranty Bank developed a strategic plan that has provided direction for the years ahead. Guaranty Bank had a strong year of income growth overall in a challenging year in banking.

### COMMUNITY SUPPORT:

87 employees volunteered 3,236 hours  
209 non-profits supported through volunteer efforts  
\$151,091 was provided for donations and sponsorships

### ACCOMPLISHMENTS:

Moved up to #3 in the Springfield MSA market share and increased market percentage in the Joplin MSA  
Named 4th Largest Mortgage Lender by the *Springfield Business Journal*  
Marc Mayer awarded *Springfield Business Journal's* Most Trusted Advisor Award

### INCLUSION INITIATIVES:

Participated in MLK Walk in Springfield, MO  
Sponsored local Juneteenth events  
Sponsored the Springfield Multicultural Festival  
Donated to Connect2Culture, who ignite passion for The Arts, Culture, and Entertainment



**TODD A. GIPPLE**  
President, Chief Financial Officer,  
QCR Holdings, Inc.

In 2023, Group Operations (GO) had another successful year of delivering shared services to our internal clients, helping them provide “raving fan” service to our external clients. Our Group Operations employees are intentionally located throughout our Company’s geographic footprint and in each of our markets. This creates strong engagement and collaboration between our teams and allows our member banks to be nimble and agile and truly deliver *relationship-based* community banking in each of our markets. Together, we focus on delivering an exceptional client experience.



**GROUP OPERATIONS**

Last year, we began exploring opportunities to create an even better customer experience, reduce cybersecurity risks, and optimize performance across the organization. Our solution was to integrate our Deposit Operations, Loan Operations, and Information Technology - now called TechOps. This newly integrated group harnesses the combined leadership and synergy of expertise to improve customer experience through optimized processes, automated workflow, and new technologies.

We also successfully completed the standardization phase of our Best in Class initiative, having implemented a total of 325 standard operating procedures as of year-end to allow for collaboration, agility, transformation, and innovation throughout the company.



# OUR LEADERSHIP

## BOARD OF DIRECTORS



**LARRY J. HELLING**  
Chief Executive Officer,  
QCR Holdings, Inc. and  
Cedar Rapids Bank & Trust



**TODD A. GIPPLE**  
President, Chief Financial Officer,  
QCR Holdings, Inc.



**MARIE Z. ZIEGLER**  
Chair of the Board,  
QCR Holdings, Inc.,  
Vice President and Deputy  
Financial Officer (Retired),  
Deere and Company



**JAMES M. FIELD**  
Vice Chair of the Board,  
QCR Holdings, Inc.,  
President, Worldwide Construction  
& Forestry Division and Deere  
Power Systems (Retired),  
Deere and Company



**MARY KAY BATES**  
President and Chief Executive  
Officer, Bank Midwest



**JOHN-PAUL E. BESONG**  
Retired Executive,  
Rockwell Collins



**BRENT R. COBB**  
Chief Executive Officer,  
World Class Industries, Inc.



**JOHN F. GRIESEMER**  
President and Chief Executive  
Officer, Erien Group



**ELIZABETH S. JACOBS**  
President,  
The Jacobs Group, LLC



**MARK C. KILMER**  
Chairman,  
The Republic Companies



**DONNA J. SORENSEN, J.D.**  
President,  
Sorensen Consulting

# MANAGEMENT CABINET

Our Management Cabinet is made up of 6 key leaders within our organization who oversee QCR Holdings, Inc. strategic development, critical decision making, and talent management. They work hand-in-hand with our Leadership Team.



**JOHN H. ANDERSON**  
Chief Executive Officer,  
Quad City Bank & Trust and  
Chief Deposit Officer,  
QCR Holdings, Inc.



**TODD A. GIPPLE**  
President, Chief Financial Officer,  
QCR Holdings, Inc.



**LARRY J. HELLING**  
Chief Executive Officer,  
QCR Holdings, Inc. and  
Cedar Rapids Bank & Trust



**NIKI A. LEE**  
Executive Vice President,  
Chief Human Resources Officer,  
QCR Holdings, Inc.



**MONTE C. MCNEW**  
Chief Executive Officer,  
Guaranty Bank and  
Chief Lending Officer,  
QCR Holdings, Inc.



**REBA K. WINTER**  
Executive Vice President,  
Chief Operating Officer,  
QCR Holdings, Inc.

# LEADERSHIP TEAM

Members of the Leadership Team include the Management Cabinet and other key leaders from around the company. Their leadership ensures effective communication and execution of the holding company's strategic plan and reinforces our values and culture.



**STACEY J. BENTLEY**  
President and Chief  
Executive Officer,  
Community Bank & Trust



**ROBERT M. EBY**  
Executive Vice President,  
Chief Credit Officer,  
QCR Holdings, Inc.



**KURT A. GIBSON**  
Chief Executive Officer,  
Community State Bank



**CARI J. HENSON**  
Vice President Corporate  
Communications Manager,  
QCR Holdings, Inc.



**TODD C. KERSKA**  
Executive Vice President,  
Best-In-Class Initiatives,  
QCR Holdings, Inc.  
Cashier, Cedar Rapids Bank  
& Trust



**JAMES D. KLEIN**  
President, Cedar Rapids  
Bank & Trust

	<b>FOR THE YEAR ENDED</b>	
	December 31, 2023	December 31, 2022
	<i>(dollars in thousands)</i>	
<b>CONDENSED BALANCE SHEET</b>	<b>Amount</b>	<b>Amount</b>
Cash and due from banks	\$97,123	\$59,723
Federal funds sold and interest-bearing deposits	140,369	124,270
Securities, net	1,005,528	928,102
Net loans/leases	6,456,216	6,051,165
Intangibles	13,821	16,759
Goodwill	139,027	137,607
Derivatives	187,341	177,631
Other assets	499,469	453,580
<b>Total assets</b>	<b>\$8,538,894</b>	<b>\$7,948,837</b>
Total deposits	\$6,514,005	\$5,984,217
Total borrowings	718,295	825,894
Derivatives	215,735	200,701
Other liabilities	204,263	165,301
Total stockholders' equity	886,596	772,724
<b>Total liabilities and stockholders' equity</b>	<b>\$8,538,894</b>	<b>\$7,948,837</b>



ANALYSIS OF LOAN PORTFOLIO	FOR THE YEAR ENDED	
	December 31, 2023	December 31, 2022
	<i>(dollars in thousands)</i>	
Loan/lease mix:		
Commercial and industrial - revolving	\$325,243	\$296,869
Commercial and industrial - other	1,390,068	1,371,590
Commercial and industrial - other - LIHTC	91,710	80,103
<b>Total commercial and industrial</b>	<b>1,807,021</b>	<b>1,748,562</b>
Commercial real estate, owner occupied	607,365	629,367
Commercial real estate, non-owner occupied	1,008,892	963,239
Construction and land development	477,424	448,986
Construction and land development - LIHTC	943,101	743,075
Multi-family	284,721	236,043
Multi-family - LIHTC	711,422	727,760
Direct financing leases	31,164	31,889
1-4 family real estate	544,971	499,529
Consumer	127,335	110,421
<b>Total loans/leases</b>	<b>\$6,543,416</b>	<b>\$6,138,871</b>
Less allowance for credit losses	87,200	87,706
<b>Net loans/leases</b>	<b>\$6,456,216</b>	<b>\$6,051,165</b>

#### ANALYSIS OF DEPOSITS

Deposit mix:		
Noninterest-bearing demand deposits	\$1,038,689	\$1,262,981
Interest-bearing demand deposits	4,338,390	3,875,497
Time deposits	851,950	744,593
Brokered deposits	284,976	101,146
<b>Total deposits</b>	<b>\$6,514,005</b>	<b>\$5,984,217</b>



	<b>FOR THE YEAR ENDED</b>	
	December 31, 2023	December 31, 2022
	<i>(dollars in thousands)</i>	
<b>INCOME STATEMENT</b>	<b>Amount</b>	<b>Amount</b>
Interest income	\$413,410	\$292,571
Interest expense	192,404	61,451
Net interest income	221,006	231,120
Provision for credit losses <sup>(1)</sup>	16,539	8,284
<b>Net interest income after provision for credit losses</b>	<b>\$204,467</b>	<b>\$222,836</b>
<b>Total noninterest income</b>	<b>\$132,684</b>	<b>\$80,729</b>
<b>Total noninterest expense</b>	<b>\$210,531</b>	<b>\$190,016</b>
<b>Net income before taxes</b>	<b>\$126,620</b>	<b>\$113,549</b>
Income tax expense	13,062	14,483
<b>Net income</b>	<b>\$113,558</b>	<b>\$99,066</b>
Basic EPS	\$6.79	\$5.94
Diluted EPS	\$6.73	\$5.87
Weighted average common shares outstanding	16,732,406	16,681,844
Weighted average common and common equivalent shares outstanding	16,866,391	16,890,007

(1) Provision for credit losses for the year ended December 31, 2022 included \$11.0 million related to the acquired Guaranty Bank



	<b>FOR THE YEAR ENDED</b>	
	December 31, 2023	December 31, 2022
	<i>(dollars in thousands, except per share data)</i>	
<b>COMMON SHARE DATA</b>		
Common shares outstanding	16,749,254	16,795,942
Book value per common share <sup>(1)</sup>	\$52.93	\$46.01
Tangible book value per common share <sup>(2)</sup>	\$43.81	\$36.82
Closing stock price	\$58.39	\$49.64
Market capitalization	\$977,989	\$833,751
Market price / book value	110.31%	107.90%
Market price / tangible book value	133.29%	134.83%
Earnings per common share (basic)	\$6.79	\$5.95
Price earnings ratio	8.61 x	8.35 x
Basic adjusted earnings per common share (non-GAAP) <sup>(3)</sup>	6.88%	6.89%
Diluted adjusted earnings per common share (non-GAAP) <sup>(3)</sup>	6.82%	6.80%
TCE / TA <sup>(4)</sup>	8.75%	7.93%

#### **CONDENSED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY**

Beginning balance	\$772,724	\$677,010
Net income	113,558	99,066
Other comprehensive income (loss), net of tax	8,939	(66,450)
Proceeds from issuance of 2,071,291 shares of common stock as a result of the acquisition of Guaranty Federal Bancshares"	-	117,214
Repurchase and cancellation of shares of common as a result of a share repurchase program	(8,686)	(52,954)
Common stock cash dividends declared	(4,020)	(4,022)
Other <sup>(5)</sup>	4,081	2,860
Ending balance	\$886,596	\$772,724

(1) Includes accumulated other comprehensive income (loss).

(2) Includes accumulated other comprehensive income (loss) and excludes intangible assets (Non-GAAP).

(3) See GAAP to Non-GAAP reconciliation.

(4) TCE / TCA : tangible common equity / total tangible assets. See GAAP to Non-GAAP reconciliations.

(5) Includes mostly common stock issued for options exercised and the employee stock purchase plan, as well as stock-based compensation.

	<b>FOR THE YEAR ENDED</b>	
	December 31, 2023	December 31, 2022
<b>REGULATORY CAPITAL RATIOS:</b>	<i>(dollars in thousands)</i>	
Total risk-based capital ratio	14.29%	14.28%
Tier 1 risk-based capital ratio	10.27%	9.95%
Tier 1 leverage capital ratio	10.03%	9.61%
Common equity tier 1 ratio	9.67%	9.29%

#### **KEY PERFORMANCE RATIOS AND OTHER METRICS**

Adjusted return on average assets	1.41%	1.59%
Adjusted return on average total equity	13.94%	15.36%
Net interest margin	2.97%	3.49%
Net interest margin (TEY) (Non-GAAP) <sup>(1) (2)</sup>	3.35%	3.73%
Adjusted net interest margin (TEY) (Non-GAAP) <sup>(1) (2)</sup>	3.32%	3.60%
Efficiency ratio (Non-GAAP) <sup>(2)</sup>	59.52%	60.93%
Gross loans and leases / total assets	76.63%	77.23%
Full-time equivalent employees	996	973

#### **AVERAGE BALANCES**

Assets	\$8,165,805	\$7,206,180
Loans/leases	6,337,551	5,604,074
Deposits	6,325,790	5,676,546
Total stockholders' equity	825,557	748,032

(1) TEY : Tax equivalent yield.

(2) See GAAP to Non-GAAP reconciliations in the Company's Form 10-K.

# STOCK LISTING INFORMATION

The common stock of QCR Holdings, Inc. is traded on the Nasdaq Global Market under the symbol "QCRH".

## 2024 Annual Meeting of Stockholders

We invite you to electronically attend the virtual annual meeting which will be held on Thursday, May 16, 2024 at 8:00 a.m. Central Daylight Time. You will be able to attend the meeting and vote during the meeting by visiting: [www.virtualshareholdermeeting.com/QCRH2024](http://www.virtualshareholdermeeting.com/QCRH2024). Prior to the meeting, you will be able to vote by visiting [www.proxyvote.com](http://www.proxyvote.com).

## Stockholders interested in information may contact:

Shellee R. Showalter  
Senior Vice President,  
Equity Administration and Executive Compensation  
QCR Holdings, Inc.  
3551 Seventh Street, Moline, IL 61265  
309.743.7760

## Annual Report on Form 10-K

Copies of the QCR Holdings annual report on Form 10-K and exhibits filed with the Securities and Exchange Commission are available to stockholders without charge by accessing our website at [www.qcrh.com](http://www.qcrh.com) or may contact:

Nick W. Anderson  
Senior Vice President, Chief Accounting Officer  
QCR Holdings, Inc.  
3551 Seventh Street, Moline, IL 61265  
309.743.7707

## Internet Information

Information on our subsidiaries' history, locations, products and services can be accessed on the internet at: [www.qcibt.bank](http://www.qcibt.bank), [www.crbt.bank](http://www.crbt.bank), [www.communitybt.bank](http://www.communitybt.bank), [www.bankcsb.com](http://www.bankcsb.com), [www.gbankmo.com](http://www.gbankmo.com), and [www.m2equipmentfinance.com](http://www.m2equipmentfinance.com)

## Stock Transfer Agent

Inquiries related to stockholder records, stock transfers, lost certificates, changes of ownership, changes of address, and dividend payments should be sent to our transfer agent at:

Equiniti Trust Company, LLC  
55 Challenger Road 2nd floor  
Ridgefield Park, New Jersey 07660

Toll Free: 800.937.5449

Local & International: 718.921.8124

Hours: 8 a.m. - 8 p.m. ET Monday-Friday

Email: [helpast@equiniti.com](mailto:helpast@equiniti.com)

Website: [equiniti.com](http://equiniti.com)

## Analysts or other investors interested in information may contact:

Todd A. Gipple  
President, and Chief Financial Officer  
QCR Holdings, Inc.  
3551 Seventh Street, Moline, IL 61265  
309.743.7745

Heather L. Brummel  
Group Operations Executive Administrative Assistant  
QCR Holdings, Inc.  
3551 Seventh Street, Moline, IL 61265  
309.277.2657

## Independent Registered Public Accounting Firm

RSM US LLP, Davenport, IA

## Corporate Counsel

Lane & Waterman LLP, Davenport, IA

Barack Ferrazzano Kirschbaum & Nagelberg LLP, Chicago, IL

# QCR HOLDINGS, INC.



## DIVIDEND INFORMATION

RECORD DATE	PAYMENT DATE	CASH AMOUNT
03/17/23	04/05/23	\$0.06
06/16/23	07/06/23	\$0.06
09/15/23	10/04/23	\$0.06
12/15/23	01/04/24	\$0.06

## 2023 Stock Performance - Annual Percent Change







**QCR**  
HOLDINGS, INC.

3551 SEVENTH STREET | MOLINE, IL 61265  
QCRH.COM