



**Peter F. Stanton**  
**Chairman of the Board and**  
**Chief Executive Officer**

January 27, 2022

Dear Shareholders:

The year 2021 was remarkable in many ways, including record levels of company assets (\$11.1 billion), deposits (\$9.9 billion), book value per share (\$328.11) and earnings (\$100.0 million). To be candid, earnings came in well above our expectations as many issues tipped favorably in our direction. As we reflect on the past several years, it is clear that our strategy of balance sheet strength positioned us very well for the challenges and opportunities we faced. We also had the good fortune to have made the right calls on many opportunities, especially our decision to be early and aggressive participants in the Small Business Administration's ("SBA") Paycheck Protection Program ("PPP"). That decision was critical to both helping our clients navigate through the worst stages of the pandemic, but also adding many new clients to the Bank. We strengthened our leadership team by adding several high caliber people in senior positions and they are really making a big difference. We have invested heavily in our systems and customer facing delivery, and those capabilities are bringing a lot of value both inside the Company and to our clients. And frankly, some things just turned our way, like getting significant recoveries on charged off loans dating back to the financial crisis. I remain impressed at how the entire team executed on our strategies in the face of the many challenges we confronted along the way. All these elements were key ingredients for a great year at the Bank.

For the year, assets increased nearly \$1.3 billion, or 13.0 percent to \$11.1 billion. That impressive growth was funded largely by deposits, which grew almost \$1.2 billion, or 13.7 percent over the course of the year. That deposit growth resulted in part from the second round of PPP loan activity early in the year, but also just strong growth from our core clients whose financial positioning strengthened throughout the year. Loans ended the year at \$5.5 billion, down \$55.5 million, or 1.0 percent, suggesting a tough year for loan growth, but the underlying dynamics tell a very different story. Driving loan balances lower was the reduction of PPP loan principal from \$983.1 million at the beginning of the year down to \$211.2 million at the end of the year, a \$771.9 million change mainly from forgiveness. What was also happening, as PPP loans were being forgiven, was very strong loan growth from our core client base. Non-PPP loan growth during the year totaled \$709.3 million, or 15.4 percent (excluding PPP loans) across our commercial business and single-family loan customers. Our broad view of 2021 loan dynamics was that we effectively replaced forgiven PPP loans with core customer borrowings.

During 2021, shareholders' equity increased \$26.4 million, or 3.3 percent to \$832.9 million, while the Company's tangible book value per share rose \$11.81, or 3.7 percent to \$328.11. With shareholders' equity growing more slowly than assets, the Company's equity to assets ratio declined 71 basis points ("bps") to 7.51 percent. While an equity to assets ratio of 7.51 percent is

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considerably lower than historical levels, which are more typically above 9.00 percent, the recent decline in that capital ratio reflects extraordinary asset growth, with little shift in risk profile. Our asset growth accelerated due to significant success in acquiring new customers and growing deposit balances. Most of that deposit increase funded growth in cash and bonds, two low credit risk asset categories that are key components of a very strong liquidity position for the Bank.

With all these balance sheet dynamics taking place during the year, earnings powered higher to \$100.0 million for 2021, up \$23.7 million, or 31.1 percent over 2020 results. Earnings per share also showed strong growth, increasing \$9.33, or 31.0 percent to a record \$39.39. There were several significant contributors to our strong performance. Net interest revenue totaled \$299.1 million, up \$26.8 million, or 9.8 percent year-over-year. Higher net interest revenue was largely a result of a \$1.8 billion, or 21.9 percent increase in average earning assets, but also significant levels of prepayment penalties on some government agency bonds (\$8.0 million for the year). While earning assets grew substantially, the majority of that growth was in lower yielding cash and bonds. For example, average investible cash balances increased \$697.4 million, or 85.0 percent, while average investment securities balances increased \$899.6 million, or 42.9 percent. With loans remaining largely stable and so much growth coming in lower yielding asset classes, margin narrowed 33 bps to 2.95 percent.

Lower provision for loan loss expense was another contributor to full year performance, as compared with 2020. While we have not released loan loss reserves through negative provisioning, provision expense did decline \$24.0 million year-over-year to just \$9.0 million in 2021 as the expected credit difficulties from the COVID recession never really materialized in a meaningful way. As an example, year-over-year, loans that were credit graded as either special mention, substandard or doubtful declined \$68.5 million, or 19.4 percent to \$284.7 million. The Bank's allowance for loan loss position ended the year strong at \$140.6 million, or 2.54 percent of total loans.

Noninterest revenue remained steady at \$67.8 million, up just \$477,000, or 0.7 percent year-over-year. Beneath that apparent lack of growth in noninterest revenue were significant declines in mortgage banking revenue (down \$5.6 million, or 39.3 percent) and securities gains (down \$3.9 million, or 100.0 percent), which were roughly offset by strong growth in bank card revenue (up \$4.2 million, or 32.4 percent) and fiduciary revenue from our wealth management business (up \$2.9 million, or 15.6 percent). The decline in mortgage banking revenue was not due to lower origination activity; rather, it was a result of our strategy to portfolio, instead of sell, a higher proportion of single-family loan originations than we did in 2020. Expenses for the year rose \$21.2 million, or 10.1 percent as we continued to grow the Company, invest in our delivery platform, hire key divisional leaders and strengthen our governance and risk management capabilities.

Net interest margin for the year dropped 33 bps to 2.95 percent largely due to a higher proportion of earning assets being invested in cash and bonds. Noninterest expense as a percent of average assets dropped 22 bps to 2.21 percent largely due to assets growing faster than expenses, while the Company's efficiency ratio climbed 120 bps to 62.6 percent reflecting an expense growth rate

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slightly ahead of revenue growth. Return on assets improved 7 bps to 0.96 percent, while return on equity was up 244 bps to a solid 12.34 percent.

You get accustomed to seeing and understanding your financial footings in a certain way during times of methodical organic growth generated by a deliberate relationship-based business strategy. The past two years has brought other elements into the mix that sometimes make our customary operating metrics seem out of step with typical patterns. For example, I never imagined a year where deposits could grow \$1.2 billion, or 13.7 percent, while at the same time, loans would decline by \$55.5 million. I also didn't think I would ever see net interest margin sink below 3.00 percent and at the same time, be in a position for the Company to report record earnings. Nor would I have ever expected to have record earnings in the same year return on assets equaled a below normal, 0.96 percent. These are truly interesting times and our performance this past year is a testament to the capabilities, adaptability and dedication of our team.

But I don't think all the abnormalities of our times are behind us. While longer term interest rates have come up from the depths reached in the summer of 2020, we now have emerging inflation to contend with, along with the uncertainty of the Fed's policy response to get inflationary pressures under control. The capital markets are already anticipating the end of the Fed's Quantitative Easing policy and as many as four rate increases are projected in 2022. Merger activity seems to be picking up and we have had some big competitors join forces in our markets. We will see with the passage of time how those transformational transactions impact the competitive landscape. While originating more than \$1.7 billion in PPP loans took a big effort and was important for our small business clients, the majority of those loans have now been repaid. Liquidity remains at historically high levels and while that storehouse of cash and bonds helped drive margin lower, it also provides an important source of earnings, balance sheet strength and financial flexibility as we move into the future.

Under the existing \$10 million share repurchase authorization, which expires in February of this year, we have purchased 18,744 shares of W.T.B. Financial Corporation stock at an aggregate cost of \$7.3 million, leaving \$2.7 million in remaining repurchase capacity under the February 2021 board authorization. The extent to which the Company purchases shares and the timing of any such purchases will depend upon a variety of factors, including market conditions and relevant corporate considerations. The share repurchase program will be conducted in a manner intended to comply with the safe harbor provisions of Rule 10b-18 under the Securities and Exchange Act of 1934 and may be suspended or terminated at any time by the Company's Board of Directors without prior notice. We will continue to keep you apprised of our progress on share repurchases over time.

As we stand here looking forward to 2022, it seems as if the intense economic worries of the pandemic driven recession are behind us, but in their place, we may have inflationary pressures, Fed policy actions and interest rate uncertainties to contend with. You can add to that the continued difficult political environment, lingering COVID pandemic difficulties and a troublesome

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international scene. And of course, there is always the shifting competitive landscape and evolving impact of technology on our business to keep us sharp and focused. An evolving landscape of risk and opportunity has always been the case throughout my career, but our approach and positioning have remained fairly constant. We remain true to our relationship-based business model, we are devoted to maintaining balance sheet strength, and we empower our team to serve the customer and do the right thing. As always, we are grateful for the support of our shareholders and if we can help you in anyway, please let us know. For additional pertinent information, please also visit our Investor Relations webpage at [watrust.com/about/investor-relations](http://watrust.com/about/investor-relations).

Warm Regards,



Pete Stanton  
Chairman and CEO  
Enclosure



**Summary Financial Statements,  
Selected Financial Highlights and  
Selected Credit Performance Highlights  
Q4 2021**  
(unaudited)



**W.T.B. Financial Corporation**  
**Condensed Consolidated Statements of Financial Condition**  
**(unaudited)**

|  | December 31,<br>2021     | September 30,<br>2021    | December 31,<br>2020    |
|--|--------------------------|--------------------------|-------------------------|
| <b>ASSETS</b>  |                          |                          |                         |
| Cash and due from banks  | 62,283,161               | \$ 129,303,180           | \$ 101,564,883          |
| Interest-bearing deposits with banks   | 1,987,135,451            | 1,806,151,265            | 1,463,300,093           |
| Securities available for sale, at fair value                                   | 538,718,995              | 387,940,890              | 1,700,704,116           |
| Securities held to maturity, at amortized cost                                 | 2,787,035,395            | 2,606,021,411            | 877,655,640             |
| Federal Home Loan Bank and Pacific Coast Bankers' Bancshares<br>stock, at cost | 10,060,000               | 10,060,000               | 8,642,400               |
| Loans receivable   | 5,536,075,557            | 5,482,823,353            | 5,591,531,863           |
| Allowance for loan losses  | (140,603,388)            | (139,315,575)            | (132,811,083)           |
| Loans, net of allowance for loan losses  | 5,395,472,169            | 5,343,507,778            | 5,458,720,780           |
| Premises and equipment, net  | 88,114,622               | 87,828,618               | 92,078,811              |
| Accrued interest receivable  | 23,678,316               | 25,311,301               | 29,014,691              |
| Other assets   | 197,069,385              | 187,322,829              | 82,281,539              |
| Total assets   | <u>\$ 11,089,567,494</u> | <u>\$ 10,583,447,272</u> | <u>\$ 9,813,962,953</u> |
| <b>LIABILITIES</b>   |                          |                          |                         |
| Deposits:  |                          |                          |                         |
| Noninterest-bearing  | \$ 4,593,153,112         | \$ 4,266,671,173         | \$ 4,151,293,727        |
| Interest-bearing   | 5,297,117,374            | 5,130,332,287            | 4,547,496,931           |
| Total deposits   | 9,890,270,486            | 9,397,003,460            | 8,698,790,658           |
| Securities sold under agreements to repurchase                                 | 239,510,563              | 242,293,447              | 216,428,301             |
| Other borrowings   | 20,063,287               | 20,063,287               | -                       |
| Accrued interest payable   | 662,208                  | 299,749                  | 675,110                 |
| Other liabilities  | 106,115,618              | 104,180,181              | 91,551,137              |
| Total liabilities  | 10,256,622,162           | 9,763,840,124            | 9,007,445,206           |
| <b>SHAREHOLDERS' EQUITY</b>  |                          |                          |                         |
| Common stock   | 19,262,049               | 19,152,179               | 24,240,662              |
| Surplus  | 32,665,000               | 32,665,000               | 32,665,000              |
| Undivided profits  | 783,617,442              | 764,317,151              | 707,388,777             |
|  | 835,544,491              | 816,134,330              | 764,294,439             |
| Less treasury stock, at cost   | -                        | (154,006)                | -                       |
|  | 835,544,491              | 815,980,324              | 764,294,439             |
| Accumulated other comprehensive (loss) gain, net of tax                        | (2,599,159)              | 3,626,824                | 42,223,308              |
| Total shareholders' equity   | 832,945,332              | 819,607,148              | 806,517,747             |
| Total liabilities and shareholders' equity                                     | <u>\$ 11,089,567,494</u> | <u>\$ 10,583,447,272</u> | <u>\$ 9,813,962,953</u> |

**W.T.B. Financial Corporation**  
**Condensed Consolidated Statements of Income**  
**(unaudited)**

|   | Three Months Ended   |                       |                      |
|---|----------------------|-----------------------|----------------------|
|   | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
| <b>INTEREST REVENUE</b>   |                      |                       |                      |
| Loans, including fees   | \$ 61,706,891        | \$ 61,713,229         | \$ 63,777,586        |
| Deposits with banks   | 839,926              | 583,130               | 300,510              |
| Securities  | 20,417,612           | 14,569,917            | 12,154,516           |
| Other interest and dividend income  | 87,560               | 86,757                | 76,365               |
| Total interest revenue  | <u>83,051,989</u>    | <u>76,953,033</u>     | <u>76,308,977</u>    |
| <b>INTEREST EXPENSE</b>   |                      |                       |                      |
| Deposits  | 1,772,467            | 1,802,376             | 2,820,574            |
| Funds purchased and other borrowings  | 471,010              | 96,744                | 291,546              |
| Total interest expense  | <u>2,243,477</u>     | <u>1,899,120</u>      | <u>3,112,120</u>     |
| Net interest revenue  | <u>80,808,512</u>    | <u>75,053,913</u>     | <u>73,196,857</u>    |
| Provision for loan losses   | -                    | -                     | 9,500,000            |
| Net interest revenue after provision for loan losses                            | <u>80,808,512</u>    | <u>75,053,913</u>     | <u>63,696,857</u>    |
| <b>NONINTEREST REVENUE</b>  |                      |                       |                      |
| Fiduciary income  | 5,638,328            | 5,411,728             | 4,803,327            |
| Investment services fees  | 974,786              | 1,213,051             | 1,322,348            |
| Bank and credit card fees, net  | 4,510,168            | 4,629,972             | 3,483,639            |
| Mortgage banking revenue, net   | 1,470,829            | 1,344,664             | 6,007,859            |
| Other fees on loans   | 433,173              | 320,591               | 342,260              |
| Service charges on deposits   | 1,631,678            | 1,576,381             | 1,465,958            |
| Other income  | 2,677,774            | 2,202,656             | 938,313              |
| Total noninterest revenue   | <u>17,336,736</u>    | <u>16,699,043</u>     | <u>18,363,704</u>    |
| <b>NONINTEREST EXPENSE</b>  |                      |                       |                      |
| Salaries and benefits   | 36,350,006           | 35,358,469            | 35,497,762           |
| Occupancy, furniture and equipment expense                                      | 5,818,939            | 5,901,188             | 5,986,331            |
| Other expense   | 18,927,793           | 15,567,633            | 16,497,352           |
| Total noninterest expense   | <u>61,096,738</u>    | <u>56,827,290</u>     | <u>57,981,445</u>    |
| Income before provision for income taxes  | <u>37,048,510</u>    | <u>34,925,666</u>     | <u>24,079,116</u>    |
| Provision for income taxes  | 8,026,881            | 7,631,757             | 5,292,935            |
| <b>NET INCOME</b>   | <u>\$ 29,021,629</u> | <u>\$ 27,293,909</u>  | <u>\$ 18,786,181</u> |
| <b>PER SHARE DATA</b>   |                      |                       |                      |
| <b>Weighted average number of common stock shares outstanding</b>               |                      |                       |                      |
| Basic   | 2,524,943            | 2,535,537             | 2,534,772            |
| Diluted   | 2,530,923            | 2,540,458             | 2,537,095            |
| <b>Earnings per common share (based on weighted average shares outstanding)</b> |                      |                       |                      |
| Basic   | \$ 11.49             | \$ 10.76              | \$ 7.41              |
| Diluted   | \$ 11.47             | \$ 10.74              | \$ 7.40              |

**W.T.B. Financial Corporation**  
**Condensed Consolidated Statements of Income**  
**(unaudited)**

|   | Twelve Months Ended  |                      |
|---|----------------------|----------------------|
|   | December 31,<br>2021 | December 31,<br>2020 |
| <b>INTEREST REVENUE</b>   |                      |                      |
| Loans, including fees   | \$ 243,317,106       | \$ 237,474,817       |
| Deposits with banks   | 2,037,865            | 2,490,312            |
| Securities  | 62,949,831           | 47,197,119           |
| Other interest and dividend income  | 332,345              | 307,834              |
| Total interest revenue  | 308,637,147          | 287,470,082          |
| <b>INTEREST EXPENSE</b>   |                      |                      |
| Deposits  | 8,479,987            | 13,623,061           |
| Funds purchased and other borrowings  | 1,100,531            | 1,589,790            |
| Total interest expense  | 9,580,518            | 15,212,851           |
| Net interest revenue  | 299,056,629          | 272,257,231          |
| Provision for loan losses   | 9,000,004            | 33,000,000           |
| Net interest revenue after provision for loan losses                            | 290,056,625          | 239,257,231          |
| <b>NONINTEREST REVENUE</b>  |                      |                      |
| Fiduciary income  | 21,805,428           | 18,855,810           |
| Investment services fees  | 4,071,692            | 3,732,509            |
| Bank and credit card fees   | 17,064,063           | 12,887,206           |
| Mortgage banking revenue, net   | 8,566,457            | 14,122,775           |
| Other fees on loans   | 1,478,571            | 1,057,232            |
| Service charges on deposits   | 6,087,808            | 5,845,480            |
| Other income  | 8,774,851            | 10,870,994           |
| Total noninterest revenue   | 67,848,870           | 67,372,006           |
| <b>NONINTEREST EXPENSE</b>  |                      |                      |
| Salaries and benefits   | 141,915,882          | 130,112,912          |
| Occupancy, furniture and equipment expense                                      | 23,878,722           | 22,223,495           |
| Other expense   | 64,115,466           | 56,403,518           |
| Total noninterest expense   | 229,910,070          | 208,739,925          |
| Income before provision for income taxes  | 127,995,425          | 97,889,312           |
| Provision for income taxes  | 27,965,314           | 21,577,556           |
| <b>NET INCOME</b>   | \$ 100,030,111       | \$ 76,311,756        |
| <br><b>PER SHARE DATA</b>   |                      |                      |
| <b>Weighted average number of common stock shares outstanding</b>               |                      |                      |
| Basic   | 2,535,053            | 2,535,908            |
| Diluted   | 2,539,660            | 2,538,290            |
| <b>Earnings per common share (based on weighted average shares outstanding)</b> |                      |                      |
| Basic   | \$ 39.46             | \$ 30.09             |
| Diluted   | \$ 39.39             | \$ 30.06             |



**W.T.B. Financial Corporation**  
**Selected Financial Highlights**  
**(unaudited)**

(dollars in thousands)

|   | Quarters Ended       |                       |                  |                   |                      |
|---|----------------------|-----------------------|------------------|-------------------|----------------------|
|   | December 31,<br>2021 | September 30,<br>2021 | June 30,<br>2021 | March 31,<br>2021 | December 31,<br>2020 |
| <b>SELECTED DATA</b>                                |                      |                       |                  |                   |                      |
| Interest-bearing deposits with banks                | \$ 1,987,135         | \$ 1,806,151          | \$ 1,330,547     | \$ 961,600        | \$ 1,463,300         |
| Securities  | 3,325,754            | 2,993,962             | 3,065,531        | 3,102,849         | 2,578,360            |
| Total loans   | 5,536,076            | 5,482,823             | 5,675,805        | 5,832,079         | 5,591,532            |
| Allowance for loan losses                           | 140,603              | 139,316               | 139,113          | 139,160           | 132,811              |
| Earning assets <sup>1</sup>                         | 10,854,717           | 10,282,215            | 10,068,641       | 9,884,576         | 9,561,272            |
| Total assets  | 11,089,567           | 10,583,447            | 10,280,864       | 10,108,189        | 9,813,963            |
| Deposits  | 9,890,270            | 9,397,003             | 9,120,085        | 9,003,460         | 8,698,791            |
| Interest-bearing liabilities                        | 5,556,691            | 5,392,689             | 5,059,169        | 4,983,178         | 4,763,925            |
| Total shareholders' equity                          | 832,945              | 819,607               | 805,828          | 776,568           | 806,518              |
| Total equity to total assets                        | 7.51%                | 7.74%                 | 7.84%            | 7.68%             | 8.22%                |
| Full-time equivalent employees                      | 1,092                | 1,101                 | 1,100            | 1,087             | 1,066                |
| <b>ASSET QUALITY RATIOS</b>                         |                      |                       |                  |                   |                      |
| Allowance for loan losses to total loans            | 2.54%                | 2.54%                 | 2.45%            | 2.39%             | 2.38%                |
| Allowance for loan losses to noncurrent loans       | 273%                 | 267%                  | 257%             | 406%              | 1162%                |
| Net charge-offs (recoveries) to total average loans | -0.02%               | 0.00%                 | 0.05%            | -0.01%            | -0.04%               |
| Noncurrent loans and ORE to assets                  | 0.46%                | 0.49%                 | 0.53%            | 0.34%             | 0.12%                |
| Noncurrent loans, ORE and TDRs to assets            | 0.47%                | 0.50%                 | 0.54%            | 0.35%             | 0.13%                |

(1) Includes only the amortized cost for securities. Includes non-accrual loans.

|  | Quarters Ended       |                       |                      | % Change              |                   |
|--|----------------------|-----------------------|----------------------|-----------------------|-------------------|
|  | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 | Sequential<br>Quarter | Year over<br>Year |
| <b>PERFORMANCE</b>                                   |                      |                       |                      |                       |                   |
| Net interest revenue, fully tax-equivalent           | \$ 80,866            | \$ 75,117             | \$ 73,307            | 7.7%                  | 10.3%             |
| Fully tax-equivalent adjustment                      | 57                   | 63                    | 110                  | -9.5%                 | -48.2%            |
| Net interest revenue                                 | 80,809               | 75,054                | 73,197               | 7.7%                  | 10.4%             |
| Provision for loan losses                            | -                    | -                     | 9,500                | NM                    | -100.0%           |
| Net interest revenue after provision for loan losses | 80,809               | 75,054                | 63,697               | 7.7%                  | 26.9%             |
| Noninterest revenue                                  | 17,337               | 16,699                | 18,364               | 3.8%                  | -5.6%             |
| Noninterest expense                                  | 61,097               | 56,827                | 57,982               | 7.5%                  | 5.4%              |
| Income before provision for income taxes             | 37,049               | 34,926                | 24,079               | 6.1%                  | 53.9%             |
| Provision for income taxes                           | 8,027                | 7,632                 | 5,293                | 5.2%                  | 51.7%             |
| <b>Net income</b>                                    | <u>\$ 29,022</u>     | <u>\$ 27,294</u>      | <u>\$ 18,786</u>     | 6.3%                  | 54.5%             |
| <b>PER COMMON SHARE</b>                              |                      |                       |                      |                       |                   |
| Earnings per common share - basic                    | \$ 11.49             | \$ 10.76              | \$ 7.41              | 6.8%                  | 55.1%             |
| Earnings per common share - diluted                  | 11.47                | 10.74                 | 7.40                 | 6.8%                  | 55.0%             |
| Common cash dividends                                | 3.85                 | 1.84                  | 1.85                 | 109.2%                | 108.1%            |
| Common shareholders' equity                          | 328.11               | 322.79                | 316.30               | 1.6%                  | 3.7%              |

|   | Quarters Ended       |                       |                      | % Change              |                   |
|---|----------------------|-----------------------|----------------------|-----------------------|-------------------|
|   | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 | Sequential<br>Quarter | Year over<br>Year |
| <b>PERFORMANCE RATIOS</b>                     |                      |                       |                      |                       |                   |
| Return on average assets                      | 1.05%                | 1.03%                 | 0.78%                | 0.02%                 | 0.27%             |
| Return on average shareholders' equity        | 13.89%               | 13.28%                | 9.30%                | 0.61%                 | 4.59%             |
| Margin on average earning assets <sup>1</sup> | 3.00%                | 2.90%                 | 3.14%                | 0.10%                 | -0.14%            |
| Noninterest expense to average assets         | 2.21%                | 2.14%                 | 2.42%                | 0.07%                 | -0.21%            |
| Noninterest revenue to average assets         | 0.63%                | 0.63%                 | 0.77%                | 0.00%                 | -0.14%            |
| Efficiency ratio                              | 62.2%                | 61.9%                 | 63.3%                | 0.3%                  | -1.1%             |
| Common cash dividends to net income           | 33.50%               | 17.13%                | 24.96%               | 16.37%                | -7.83%            |

(1) Tax exempt interest has been adjusted to a taxable equivalent basis using a tax rate of 21%.

NM = not meaningful

**W.T.B. Financial Corporation**  
**Selected Financial Highlights**  
**(unaudited)**

(dollars in thousands, except per share data)

|  | <b>Twelve Months Ended</b> |                      | <b>% Change</b>   |
|--|----------------------------|----------------------|-------------------|
|  | December 31,<br>2021       | December 31,<br>2020 | Year over<br>Year |
| <b>PERFORMANCE</b>                                   |                            |                      |                   |
| Net interest revenue, fully tax-equivalent           | \$ 299,320                 | \$ 272,625           | 9.8%              |
| Fully tax-equivalent adjustment                      | 263                        | 368                  | -28.5%            |
| Net interest revenue                                 | 299,057                    | 272,257              | 9.8%              |
| Provision for loan losses                            | 9,000                      | 33,000               | -72.7%            |
| Net interest revenue after provision for loan losses | 290,057                    | 239,257              | 21.2%             |
| Noninterest revenue                                  | 67,849                     | 67,372               | 0.7%              |
| Noninterest expense                                  | 229,910                    | 208,740              | 10.1%             |
| Income before provision for income taxes             | 127,995                    | 97,889               | 30.8%             |
| Provision for income taxes                           | 27,965                     | 21,577               | 29.6%             |
| <b>Net income</b>                                    | <b>\$ 100,030</b>          | <b>\$ 76,312</b>     | <b>31.1%</b>      |
| <b>PER COMMON SHARE</b>                              |                            |                      |                   |
| Earnings per common share - basic                    | \$ 39.46                   | \$ 30.09             | 31.1%             |
| Earnings per common share - diluted                  | 39.39                      | 30.06                | 31.0%             |
| Common cash dividends                                | 9.39                       | 7.40                 | 26.9%             |
| Common shareholders' equity                          | 328.11                     | 316.30               | 3.7%              |
| <b>PERFORMANCE RATIOS</b>                            |                            |                      |                   |
| Return on average assets                             | 0.96%                      | 0.89%                | 0.07%             |
| Return on average shareholders' equity               | 12.34%                     | 9.90%                | 2.44%             |
| Margin on average earning assets <sup>1</sup>        | 2.95%                      | 3.28%                | -0.33%            |
| Noninterest expense to average assets                | 2.21%                      | 2.43%                | -0.22%            |
| Noninterest revenue to average assets                | 0.65%                      | 0.79%                | -0.14%            |
| Efficiency ratio                                     | 62.6%                      | 61.4%                | 1.2%              |
| Common cash dividends to net income                  | 23.79%                     | 24.60%               | -0.81%            |

(1) Tax exempt interest has been adjusted to a taxable equivalent basis using a tax rate of 21%.

**W.T.B. Financial Corporation**  
**Selected Credit Performance Highlights**  
**(unaudited)**

|                                     | Quarters Ended          |                         |                         |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
|                                     | December 31,<br>2021    | September 30,<br>2021   | December 31,<br>2020    |
| <b>Loans by Credit Risk Rating:</b> |                         |                         |                         |
| Pass                                | \$ 5,251,410,269        | \$ 5,179,790,796        | \$ 5,238,360,564        |
| Special Mention                     | 158,368,527             | 162,814,511             | 212,850,074             |
| Substandard                         | 126,288,810             | 140,214,932             | 140,280,662             |
| Doubtful                            | 7,951                   | 3,114                   | 40,563                  |
| Total                               | <u>\$ 5,536,075,557</u> | <u>\$ 5,482,823,353</u> | <u>\$ 5,591,531,863</u> |

|   | Quarters Ended          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | December 31,<br>2021    | September 30,<br>2021   | December 31,<br>2020    |
| <b>Loans by Payment Status:</b>           |                         |                         |                         |
| Current Loans                             | \$ 5,477,845,054        | \$ 5,429,189,074        | \$ 5,578,414,741        |
| Noncurrent Loans                          | 51,476,560              | 52,169,933              | 11,429,588              |
| Loans Past Due 30-89 Days, Still Accruing | 6,753,943               | 1,464,346               | 1,687,534               |
| Total                                     | <u>\$ 5,536,075,557</u> | <u>\$ 5,482,823,353</u> | <u>\$ 5,591,531,863</u> |

|  | Quarters Ended       |                       |                      |
|--|----------------------|-----------------------|----------------------|
|  | December 31,<br>2021 | September 30,<br>2021 | December 31,<br>2020 |
| <b>Allowance for Loan Losses Position:</b> |                      |                       |                      |
| Allowance for Loan Losses                  | \$ 140,603,388       | \$ 139,315,575        | \$ 132,811,083       |
| Allowance to Total Loans                   | 2.54%                | 2.54%                 | 2.38%                |