



**Summary Financial Statements,
Selected Financial Highlights and
Selected Credit Performance Highlights
Q2 2023**
(unaudited)



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

	June 30, 2023	March 31, 2023	June 30, 2022
ASSETS			
Cash and due from banks	\$ 110,570,273	\$ 135,344,562	\$ 126,783,957
Interest-bearing deposits with banks	372,670,765	341,116,215	869,483,231
Securities available for sale, at fair value	509,354,423	532,966,873	570,430,197
Securities held to maturity, at amortized cost	3,160,177,545	3,197,382,433	3,169,261,523
Federal Home Loan Bank and Pacific Coast Bankers' Bancshares stock, at cost	15,420,000	18,780,000	10,060,000
Loans receivable	6,285,984,837	6,099,478,730	5,685,124,146
Allowance for credit losses on loans	(141,008,789)	(138,976,018)	(117,252,879)
Loans, net of allowance for credit losses on loans	6,144,976,048	5,960,502,712	5,567,871,267
Premises and equipment, net	86,125,516	86,811,932	88,078,229
Accrued interest receivable	30,636,124	30,176,665	25,541,479
Other assets	217,047,285	212,268,656	196,916,949
Total assets	<u>\$ 10,646,977,979</u>	<u>\$ 10,515,350,048</u>	<u>\$ 10,624,426,832</u>
LIABILITIES			
Deposits:			
Noninterest-bearing	\$ 3,518,317,592	\$ 3,907,575,581	\$ 4,346,550,937
Interest-bearing	4,363,591,321	4,420,554,317	5,095,109,531
Total deposits	7,881,908,913	8,328,129,898	9,441,660,468
Securities sold under agreements to repurchase	205,874,361	129,519,341	227,483,165
Other borrowings	1,549,000,000	1,068,000,000	-
Accrued interest payable	17,749,024	2,412,427	219,623
Other liabilities	116,044,977	115,301,187	106,379,114
Total liabilities	9,770,577,275	9,643,362,853	9,775,742,370
SHAREHOLDERS' EQUITY			
Common stock	11,625,545	11,143,217	16,858,673
Surplus	32,665,000	32,665,000	32,665,000
Undivided profits	880,410,692	872,207,430	832,431,892
	924,701,237	916,015,647	881,955,565
Accumulated other comprehensive loss, net of tax	(48,300,533)	(44,028,452)	(33,271,103)
Total shareholders' equity	876,400,704	871,987,195	848,684,462
Total liabilities and shareholders' equity	<u>\$ 10,646,977,979</u>	<u>\$ 10,515,350,048</u>	<u>\$ 10,624,426,832</u>

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

	Three Months Ended		
	June 30, 2023	March 31, 2023	June 30, 2022
INTEREST REVENUE			
Loans, including fees	\$ 82,668,749	\$ 78,262,913	\$ 58,242,163
Deposits with banks	3,419,113	2,421,992	2,222,483
Securities	16,238,951	17,847,132	16,915,945
Other interest and dividend income	396,873	80,653	80,328
Total interest revenue	<u>102,723,686</u>	<u>98,612,690</u>	<u>77,460,919</u>
INTEREST EXPENSE			
Deposits	18,689,914	10,650,635	1,548,678
Funds purchased and other borrowings	16,144,361	6,162,564	(108,235)
Total interest expense	<u>34,834,275</u>	<u>16,813,199</u>	<u>1,440,443</u>
Net interest revenue	67,889,411	81,799,491	76,020,476
Provision (recapture) for credit losses	3,100,000	2,400,000	(24,000,000)
Net interest revenue after provision for credit losses	<u>64,789,411</u>	<u>79,399,491</u>	<u>100,020,476</u>
NONINTEREST REVENUE			
Fiduciary income	6,107,053	5,721,962	5,578,239
Investment services fees	896,156	1,025,658	985,632
Bank and credit card fees, net	3,161,113	4,093,504	4,686,880
Mortgage banking revenue, net	254,456	241,535	728,181
Other fees on loans	313,120	240,870	303,342
Service charges on deposits	1,298,849	1,453,239	1,743,473
Other income	2,045,244	2,230,196	2,458,951
Total noninterest revenue	<u>14,075,991</u>	<u>15,006,964</u>	<u>16,484,698</u>
NONINTEREST EXPENSE			
Salaries and benefits	38,000,467	41,136,420	38,419,698
Occupancy, furniture and equipment expense	6,280,391	6,833,174	6,564,166
Other expense	18,204,096	18,012,250	23,661,423
Total noninterest expense	<u>62,484,954</u>	<u>65,981,844</u>	<u>68,645,287</u>
Income before provision for income taxes	16,380,448	28,424,611	47,859,887
Provision for income taxes	3,542,214	6,172,116	10,497,883
NET INCOME	<u>\$ 12,838,234</u>	<u>\$ 22,252,495</u>	<u>\$ 37,362,004</u>
PER SHARE DATA			
Weighted average number of common stock shares outstanding			
Basic	2,505,390	2,502,465	2,523,817
Diluted	2,505,448	2,505,194	2,524,932
Earnings per common share (based on weighted average shares outstanding)			
Basic	\$ 5.12	\$ 8.89	\$ 14.80
Diluted	\$ 5.12	\$ 8.88	\$ 14.80

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

	Six Months Ended	
	June 30, 2023	June 30, 2022
INTEREST REVENUE		
Loans, including fees	\$ 160,931,662	\$ 114,582,131
Deposits with banks	5,841,106	3,053,265
Securities	34,086,082	31,447,268
Other interest and dividend income	477,526	157,498
Total interest revenue	201,336,376	149,240,162
INTEREST EXPENSE		
Deposits	29,340,550	3,174,117
Funds purchased and other borrowings	22,306,924	142,557
Total interest expense	51,647,474	3,316,674
Net interest revenue	149,688,902	145,923,488
Provision (recapture) for credit losses	5,500,000	(24,000,000)
Net interest revenue after provision for credit losses	144,188,902	169,923,488
NONINTEREST REVENUE		
Fiduciary income	11,829,016	11,015,100
Investment services fees	1,921,814	2,038,372
Bank and credit card fees	7,254,618	9,657,471
Mortgage banking revenue, net	495,991	1,250,071
Other fees on loans	553,990	541,137
Service charges on deposits	2,752,088	3,499,212
Other income	4,275,437	4,773,634
Total noninterest revenue	29,082,954	32,774,997
NONINTEREST EXPENSE		
Salaries and benefits	79,136,888	76,493,423
Occupancy, furniture and equipment expense	13,113,565	12,775,775
Other expense	36,216,345	39,072,941
Total noninterest expense	128,466,798	128,342,139
Income before provision for income taxes	44,805,058	74,356,346
Provision for income taxes	9,714,330	16,198,907
NET INCOME	\$ 35,090,728	\$ 58,157,439
PER SHARE DATA		
Weighted average number of common stock shares outstanding		
Basic	2,503,935	2,524,257
Diluted	2,505,322	2,526,812
Earnings per common share (based on weighted average shares outstanding)		
Basic	\$ 14.01	\$ 23.04
Diluted	\$ 14.01	\$ 23.02

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

(dollars in thousands)

	Quarters Ended				
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
SELECTED DATA					
Interest-bearing deposits with banks	\$ 372,671	\$ 341,116	\$ 273,938	\$ 643,622	\$ 869,483
Securities	3,669,532	3,730,349	3,759,164	3,687,733	3,739,692
Total loans	6,285,985	6,099,479	6,042,262	5,903,011	5,685,124
Allowance for credit losses (ACL) on loans ¹	141,009	138,976	120,839	118,231	117,253
Earning assets ²	10,389,254	10,231,511	10,133,251	10,293,630	10,336,044
Total assets	10,646,978	10,515,350	10,423,090	10,559,417	10,624,427
Deposits	7,881,909	8,328,130	9,217,086	9,374,985	9,441,660
Interest-bearing liabilities	6,118,466	5,618,074	5,180,503	5,283,297	5,322,593
Total shareholders' equity	876,401	871,987	867,129	855,259	848,684
Total equity to total assets	8.23%	8.29%	8.32%	8.10%	7.99%
Full-time equivalent employees	1,189	1,166	1,146	1,134	1,116

ASSET QUALITY RATIOS

ACL on loans to total loans	2.24%	2.28%	2.00%	2.00%	2.06%
ACL on loans to noncurrent loans	2548%	3417%	3743%	3842%	3249%
Net charge-offs (recoveries) to total average loans	0.00%	0.01%	0.00%	0.00%	-0.01%
Noncurrent loans and ORE to assets	0.05%	0.04%	0.03%	0.03%	0.03%

(1) 2022 allowance balances are based on the incurred loss model. 2023 allowance balance is based on the current expected credit loss ("CECL") model.

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

(dollars in thousands, except per share data)

	Quarters Ended			% Change	
	June 30, 2023	March 31, 2023	June 30, 2022	Sequential Quarter	Year over Year
PERFORMANCE					
Net interest revenue, fully tax-equivalent	\$ 67,975	\$ 81,867	\$ 76,064	-17.0%	-10.6%
Fully tax-equivalent adjustment	86	68	44	26.5%	95.5%
Net interest revenue	67,889	81,799	76,020	-17.0%	-10.7%
Provision (recapture) for credit losses	3,100	2,400	(24,000)	29.2%	-112.9%
Net interest revenue after provision for credit losses	64,789	79,399	100,020	-18.4%	-35.2%
Noninterest revenue	14,076	15,007	16,485	-6.2%	-14.6%
Noninterest expense	62,484	65,981	68,645	-5.3%	-9.0%
Income before provision for income taxes	16,381	28,425	47,860	-42.4%	-65.8%
Provision for income taxes	3,543	6,173	10,498	-42.6%	-66.3%
Net income	\$ 12,838	\$ 22,252	\$ 37,362	-42.3%	-65.6%

PER COMMON SHARE

Earnings per common share - basic	\$ 5.12	\$ 8.89	\$ 14.80	-42.4%	-65.4%
Earnings per common share - diluted	5.12	8.88	14.80	-42.3%	-65.4%
Common cash dividends	1.85	1.85	1.85	0.0%	0.0%
Common shareholders' equity	347.52	345.77	334.64	0.5%	3.8%

	Quarters Ended			% Change	
	June 30, 2023	March 31, 2023	June 30, 2022	Sequential Quarter	Year over Year
PERFORMANCE RATIOS					
Return on average assets	0.49%	0.87%	1.39%	-0.38%	-0.90%
Return on average shareholders' equity	5.84%	10.49%	18.00%	-4.65%	-12.16%
Margin on average earning assets ²	2.67%	3.29%	2.90%	-0.62%	-0.23%
Noninterest expense to average assets	2.39%	2.59%	2.55%	-0.20%	-0.16%
Noninterest revenue to average assets	0.54%	0.59%	0.61%	-0.05%	-0.07%
Efficiency ratio	76.2%	68.1%	74.2%	8.1%	2.0%
Common cash dividends to net income	36.10%	20.83%	12.49%	15.27%	8.34%

(2) 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)

	Six Months Ended		% Change
	June 30, 2023	June 30, 2022	Year over Year
PERFORMANCE			
Net interest revenue, fully tax-equivalent	\$ 149,843	\$ 146,014	2.6%
Fully tax-equivalent adjustment	154	91	69.2%
Net interest revenue	149,689	145,923	2.6%
Provision (recapture) for credit losses	5,500	(24,000)	-122.9%
Net interest revenue after provision for credit losses	144,189	169,923	-15.1%
Noninterest revenue	29,083	32,775	-11.3%
Noninterest expense	128,467	128,342	0.1%
Income before provision for income taxes	44,805	74,356	-39.7%
Provision for income taxes	9,714	16,199	-40.0%
Net income	\$ 35,091	\$ 58,157	-39.7%
PER COMMON SHARE			
Earnings per common share - basic	\$ 14.01	\$ 23.04	-39.2%
Earnings per common share - diluted	14.01	23.02	-39.1%
Common cash dividends	3.70	3.70	0.0%
Common shareholders' equity	347.52	334.64	3.8%
PERFORMANCE RATIOS			
Return on average assets	0.68%	1.08%	-0.40%
Return on average shareholders' equity	8.12%	14.07%	-5.95%
Margin on average earning assets ²	2.98%	2.78%	0.20%
Noninterest expense to average assets	2.49%	2.38%	0.11%
Noninterest revenue to average assets	0.56%	0.61%	-0.05%
Efficiency ratio	71.8%	71.8%	0.0%
Common cash dividends to net income	26.42%	16.07%	10.35%

(2) 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) (dollars in thousands)

	Quarters Ended		
	June 30, 2023	March 31, 2023	June 30, 2022
Loans by Credit Risk Rating:			
Pass	\$ 6,074,955	\$ 5,887,608	\$ 5,452,013
Special Mention	89,441	123,042	153,683
Substandard	121,531	88,801	79,424
Doubtful/Loss	58	28	4
Total	<u>\$ 6,285,985</u>	<u>\$ 6,099,479</u>	<u>\$ 5,685,124</u>

	Quarters Ended		
	June 30, 2023	March 31, 2023	June 30, 2022
Loans by Payment Status:			
Current Loans	\$ 6,278,386	\$ 6,088,000	\$ 5,679,566
Loans Past Due 30-89 Days, Still Accruing	2,064	7,412	1,949
Noncurrent Loans	5,535	4,067	3,609
Total	<u>\$ 6,285,985</u>	<u>\$ 6,099,479</u>	<u>\$ 5,685,124</u>

	Quarters Ended		
	June 30, 2023	March 31, 2023	June 30, 2022
Allowance Position ⁽¹⁾:			
Allowance for Loans ⁽¹⁾	\$ 141,009	\$ 138,976	\$ 117,253
Allowance to Total Loans	2.24%	2.28%	2.06%

(1) 2022 allowance balances are based on the incurred loss model. 2023 allowance balance is based on the current