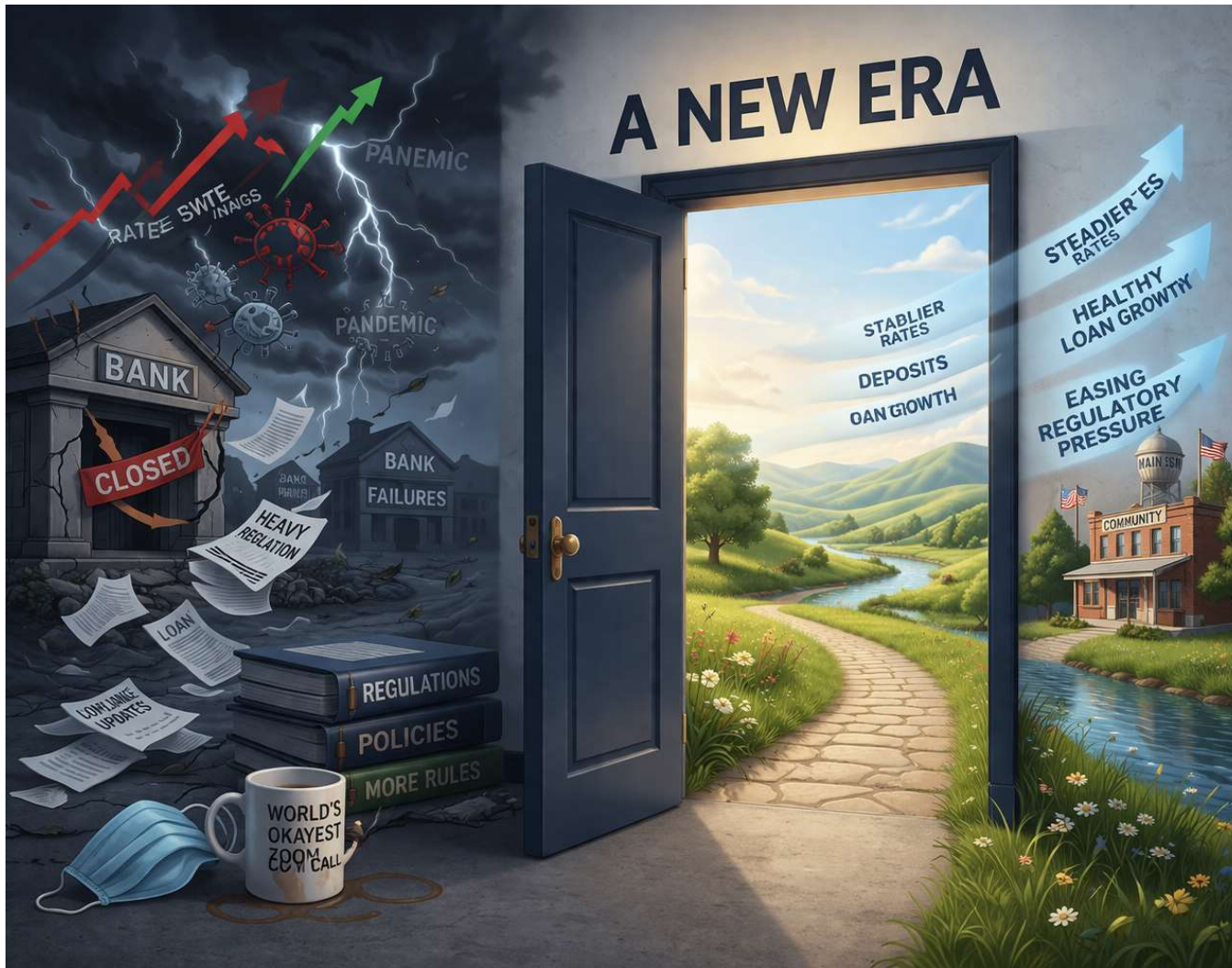




# Annual Shareholder Meeting

**Peoples State Bank**

*2025 Performance and Outlook*



## *A New Era* – Background

- Interest rates
- Balance sheet “settles back in”
- Deposit competition returns to “healthy” level
- Exceptional loan growth = more profitable asset mix
- Strong profitability
- Regulation – Headwind turned tailwind

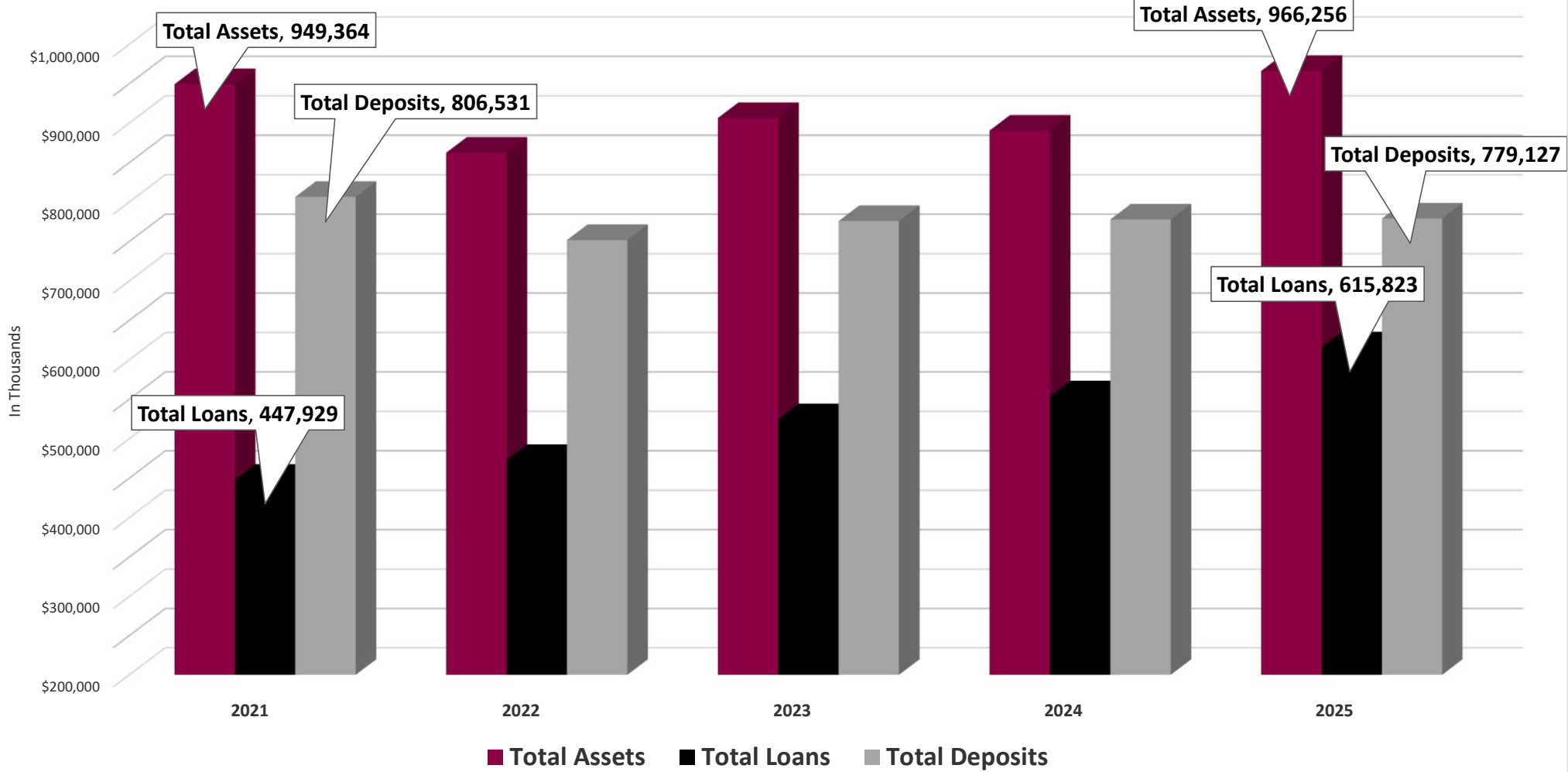


# Performance

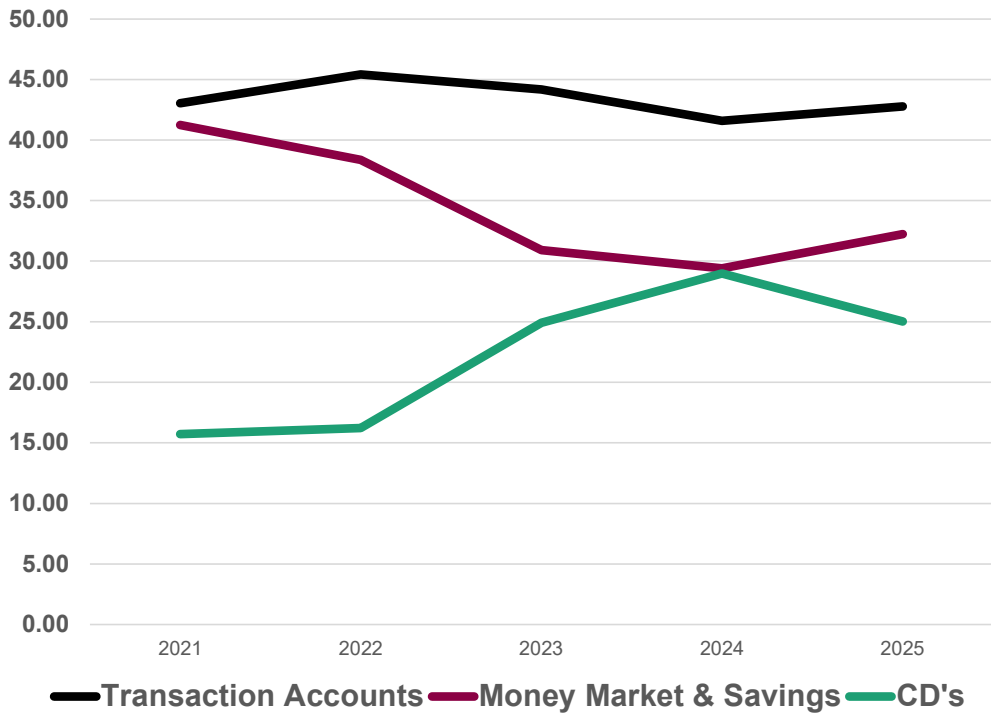
Peoples State Bank - 2025



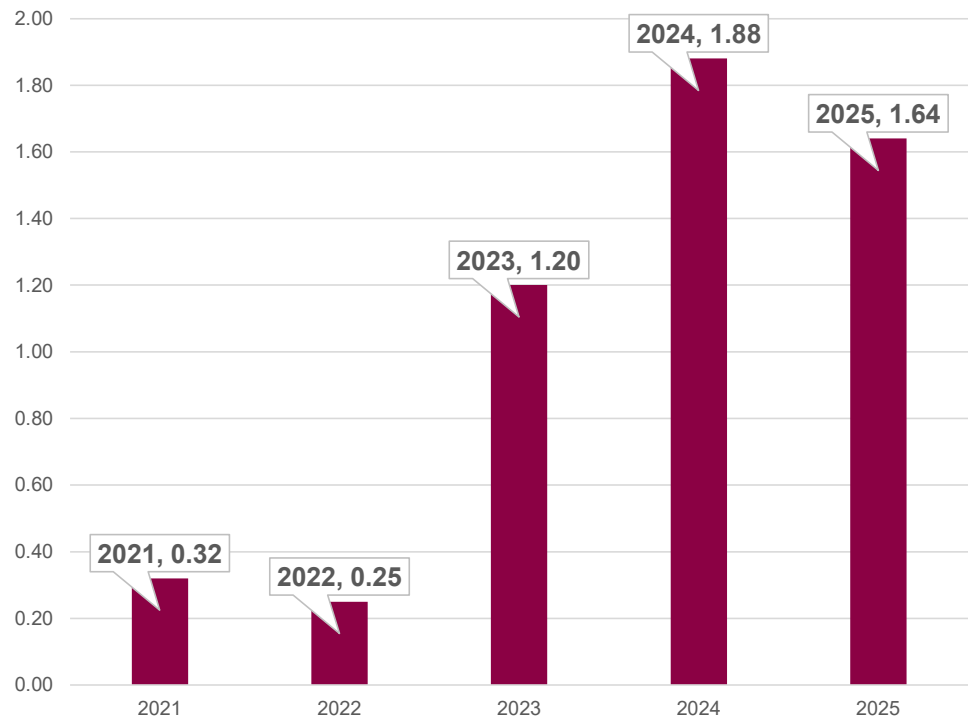
Assets, Loans, & Deposits (Last 5 Years)



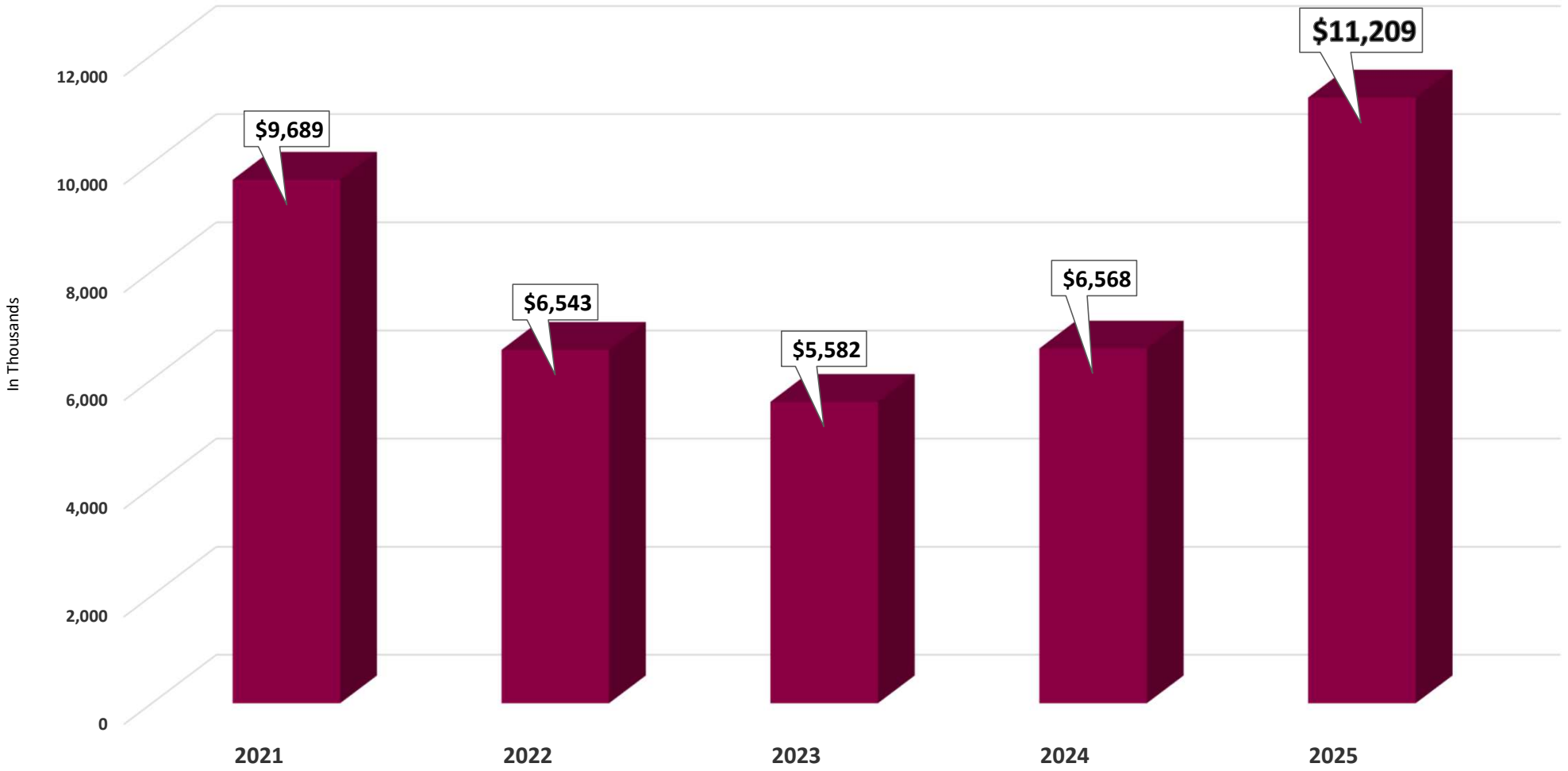
Deposit Mix % (Last 5 Years)



Cost of Funds (Last 5 Years)



Net Income (Last 5 Years)

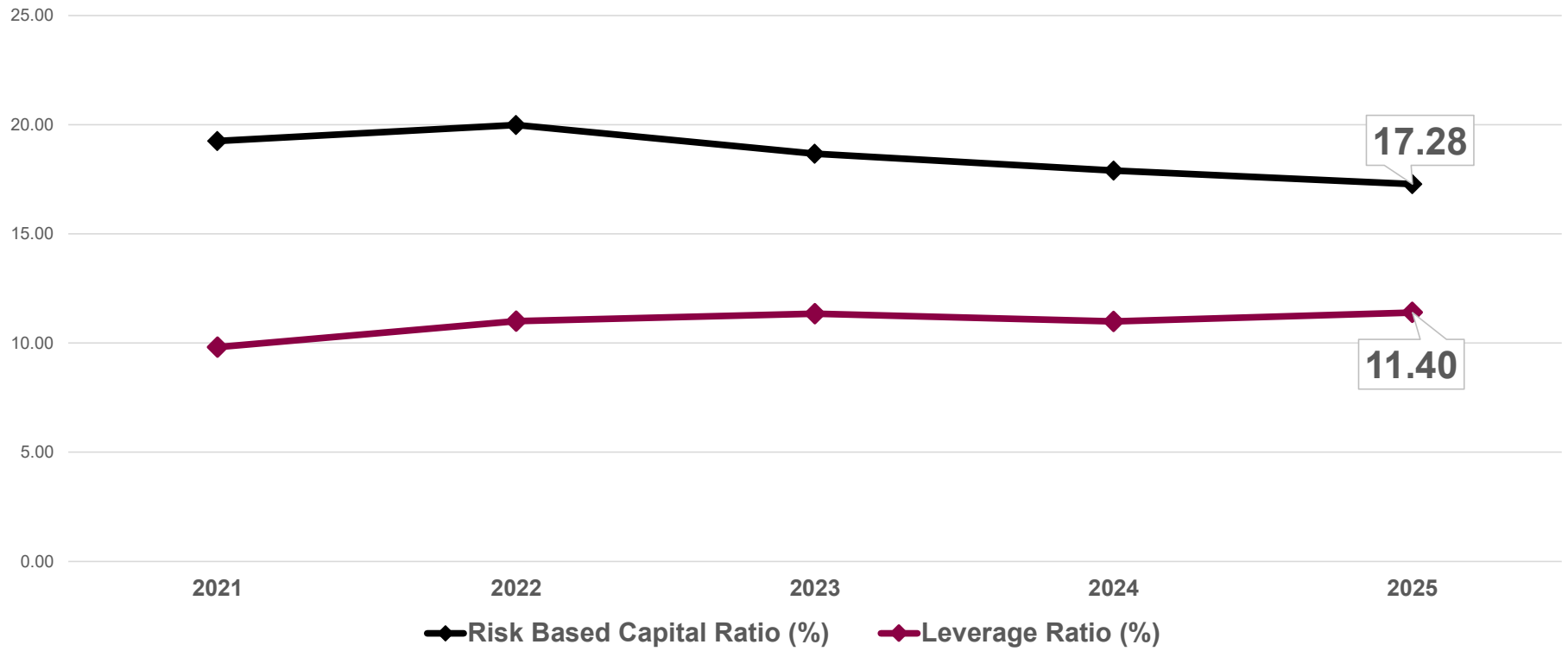


# Safety & Soundness

Peoples State Bank - 2025

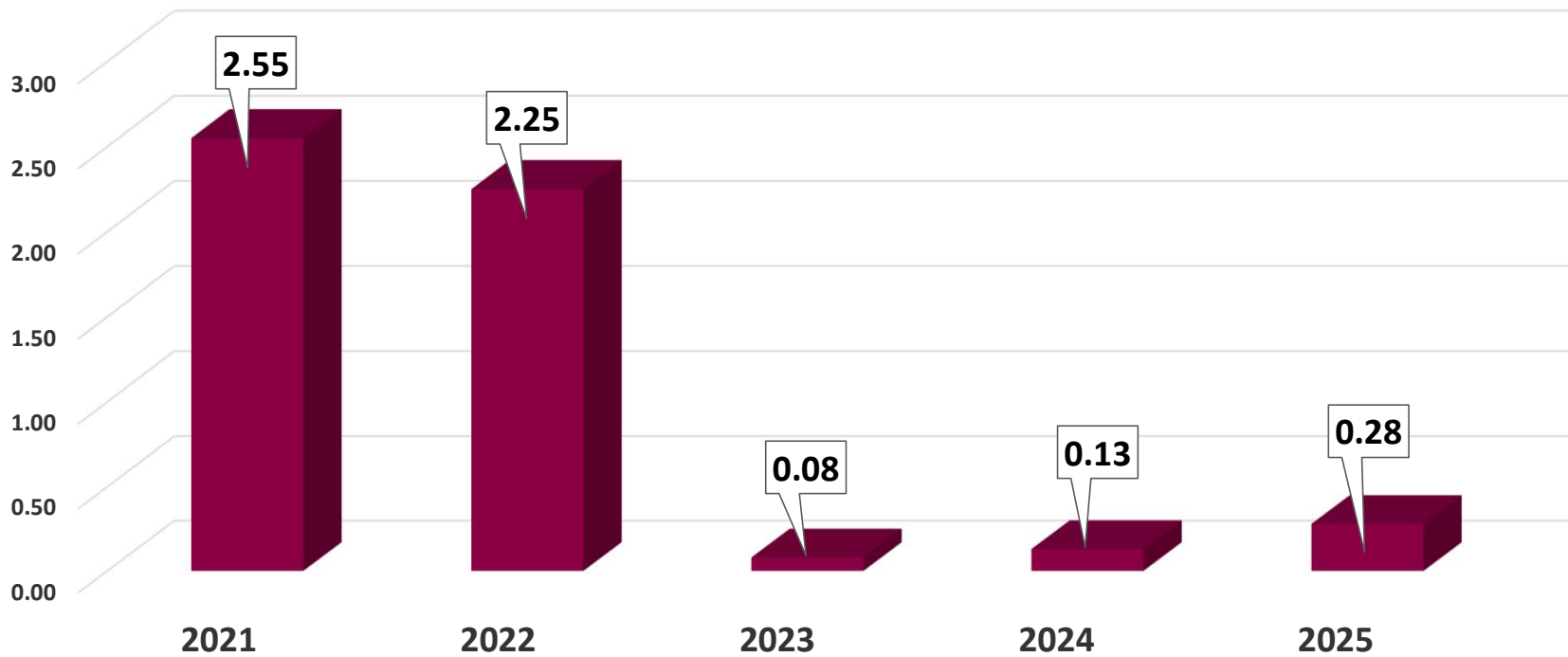


# Capital



# Asset Quality

Noncurrent Loans/Loans (Last 5 Years)



# 2026 & Beyond

Continuing a New Era



# Outlook

- Q1 2026 – Financial Trends Continue
  - Loans up \$22 million
  - Deposits up \$13 million
  - Margin expanding, \$3.384 million in Q1 earnings
- 2026 Full Year Earnings Expectations
- Economy/Interest Rates
- Continuing a New Era



# Peoples Bancorp., Inc.

2025 Distributions & Returns



# Taxable Income & Distributions

	Net Income	Net Taxable Income (NTI)	Total Distributions	Distributions (Percent of NTI)	Top Tax Bracket	Differential
<b>12/31/2021</b>	\$9,689,101	\$5,619,058	\$2,812,500	50.05%	37%	13.05%
<b>12/31/2022</b>	\$6,542,782	\$3,367,017	\$1,810,000	53.76%	37%	16.76%
<b>12/31/2023</b>	\$5,582,032	\$1,804,723	\$1,812,000	100.40%	37%	63.40%
<b>12/31/2024</b>	\$6,567,857	\$2,618,516	\$1,752,000	66.91%	37%	29.91%
<b>12/31/2025</b>	\$11,209,082	\$7,868,800	\$3,243,500	41.22%	37%	4.22%



# Shareholder Return

Year Ending	Tangible Book Value (adj for 2025 stock split)	Distributions	Book Value Appreciation	Total Return
12/31/21	\$6,249.33	3.23%	8.26%	11.49%
12/31/22	\$6,588.46	1.92%	5.43%	7.35%
12/31/23	\$6,863.96	1.82%	4.18%	6.00%
12/31/24	\$7,238.50	1.75%	5.46%	7.21%
12/31/25	\$7,844.26	2.93%	8.37%	11.30%







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# Appendix

Misc. Financial Data

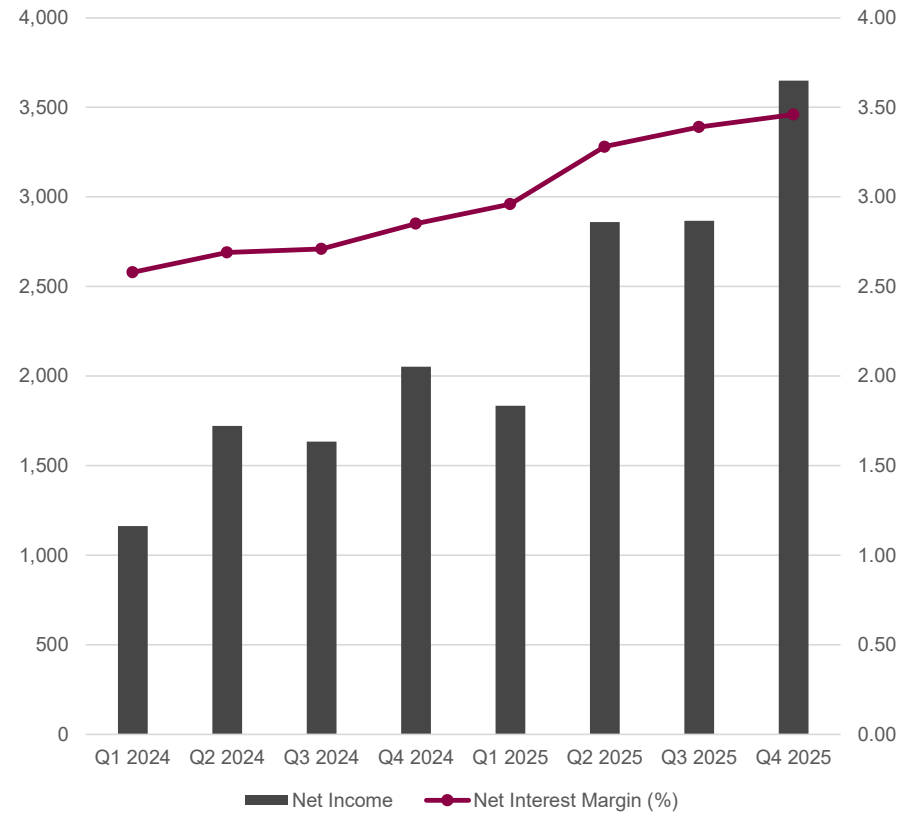
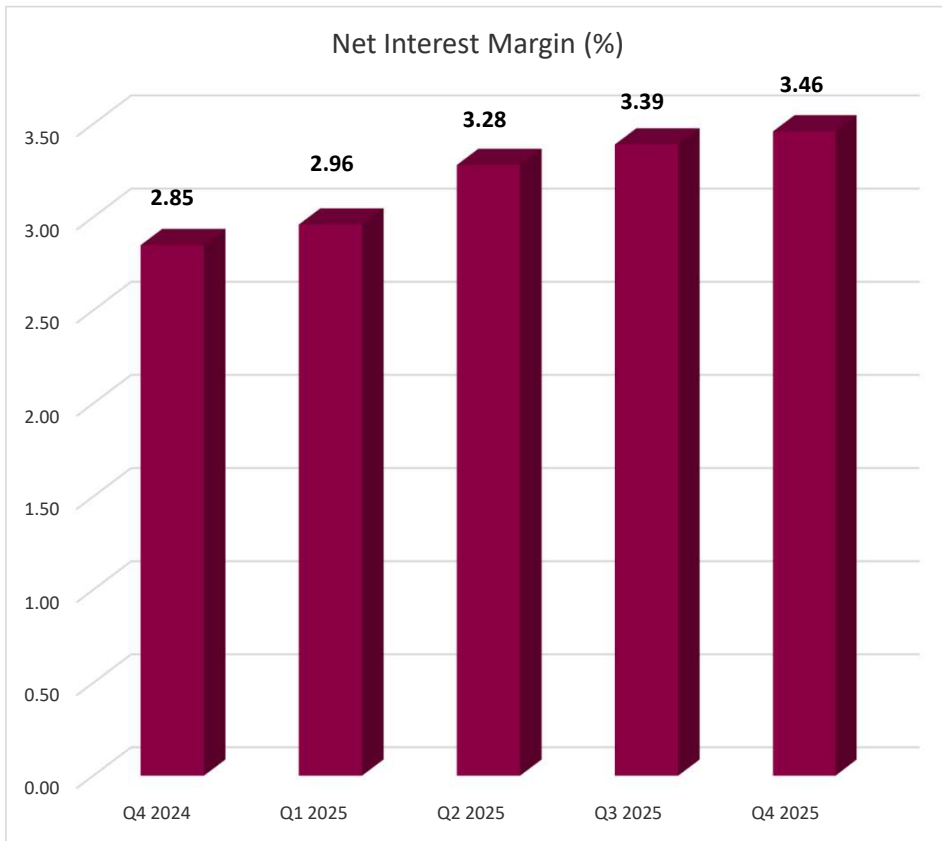


**PEOPLES STATE BANK**

(\$000)	2024 Y	2025 Y
<b>Balance Sheet Highlights</b>		
Total Assets	890,603	966,256
Asset Growth Rate (%)	(1.76)	8.49
Total Loans	553,618	615,823
Loan Growth Rate (%)	5.51	11.24
Total Deposits	777,895	779,127
Deposit Growth Rate (%)	0.25	0.16
Loans/ Deposits (%)	71.17	79.04
<b>Performance Measures</b>		
Net Income	6,568	11,209
ROAA (%)	0.70	1.18
ROAE (%)	8.67	13.30
Noninterest Expense/ Avg Assets (%)	2.31	2.27
Net Interest Margin (%)	2.71	3.27
Efficiency Ratio (FTE) (%)	73.94	62.20
<b>Capitalization</b>		
Tier 1 Capital	102,061	110,602
Risk Based Capital Ratio (%)	17.90	17.28
Leverage Ratio (%)	10.99	11.40

(\$000)	2024 Y	2025 Y
<b>Asset Quality (%)</b>		
Noncurrent Loans/ Loans	0.13	0.28
Loan Loss Reserves/ Gross Loans	1.68	1.51
<b>Liquidity (%)</b>		
Liquidity Ratio	31.44	30.16
<b>Yields/Cost (%)</b>		
Yield on Loans	5.92	6.23
Yield on Debt and Equity Securities	1.80	2.18
Cost of Funds	1.88	1.64
<b>Interest Rate Sensitivity</b>		
Rate-sensitive Assets	154,494	195,025
Rate-sensitive Liabilities	237,382	243,159
One Year Cumulative Repricing Gap	(82,888)	(48,134)
One Year Gap/Assets	(9.31)	(4.98)
Rate-sensitive Assets/Assets	17.35	20.18
Rate-sensitive Liab/Assets	26.65	25.17





# PEOPLES STATE BANK

