

**WILSON**  
BANK HOLDING CO.

# Connected

*to our customers, our community and to each other*



## Inside

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- 6** Four generations of trust
- 8** Retirement planning
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AND MORE

## by the numbers

**Wilson Bank Holding Company** is a bank holding company whose primary business is conducted by its wholly-owned subsidiary, Wilson Bank & Trust (the "Bank"). The Bank is a commercial bank headquartered in Lebanon, Tennessee. The Bank provides a full range of banking services in its primary market areas of Wilson, Davidson, Rutherford, Trousdale, Sumner, DeKalb, Smith, Williamson and Putnam counties, Tennessee.

29  
locations

560+  
employees  
9  
counties

# 69.2%

of our customers  
utilize our online  
interface for business  
or personal banking.



# Connected

features

2021 ANNUAL REPORT



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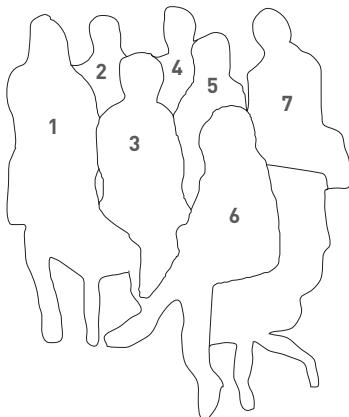
Middle Tennessee  
Mortgage Trends



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*“Our optimism comes from a very talented and focused group of employees and a loyal customer and shareholder base.”*



John Foster, left  
and John McDearman

# TO OUR SHAREHOLDERS

WILSON BANK HOLDING COMPANY

*“We are all CONNECTED to something, whether it be our friends, family, interests, morals or beliefs. As your community bank, we believe we are better together working towards a common purpose of serving others.”*

If the events of the last couple of years have taught us anything, it's that we should never take our connection to people for granted. We have certainly learned creative ways to stay connected, whether it be through video conferencing or FaceTime, but nothing compares to greeting a friend or family member face-to-face. Through agile and flexible communication, we were still able to stay connected in 2021 as employees, customers, and friends.

We began the year with our steadfast commitment to supporting local small businesses by hosting our annual Southern Home & Garden Expo virtually. Although we couldn't gather in person, we still wanted to do our part to highlight the many companies who were finding their own creative ways to navigate the challenges of the pandemic. As the year continued, 2021 featured many bright spots for our bank including the slow return to more in-person meetings and events. Our annual Oktoberfest event brought customers and friends from all nine counties, showing up in a way we have never seen before.

Our focus on planning for the future needs of our customers, employees, shareholders and communities continues to be sharpened as we grow. Expansion

means so much more today than the physical footprint of our offices. It is anchored in finding new and more meaningful ways to meet the financial needs of our customers. Whether it is enhancing onboarding of new customers, tailoring our offerings and services, or refreshing our website for easier navigation, the goal is to continually improve our customer experience. JD Power & Associates states the core drivers of customer satisfaction at banks are: convenience, tailored account offerings, and helping customers save time or money. Our investments in our people and technology are helping us deliver on these key drivers as well as stay committed to our commitments of accessibility, dependability, and responsiveness.

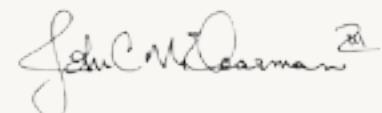
The achievements of the year were the result of an overall growing market, new product offerings, robust real estate demand and our aggressive approach to growing our loan portfolio. Non-interest income, boosted by our mortgage and investment divisions, the Paycheck Protection Program as well as the fees generated from loan originations and debit and credit card transactions, and increased activity were strong in 2021. All of this resulted in record growth in assets, deposits, and net income in 2021, which we believe has given us momentum heading into 2022.

In 2021, as a company, we completed a book study of The Energy Bus by Jon Gordon. As we continued through the uncertainty of the pandemic, We found the focus of this book (purpose, vision, enthusiasm, and spirit) prompted great communication that continued to bring us together as a company throughout the year.

We are cautiously optimistic about 2022 despite the head winds from increasing interest rates and geopolitical uncertainty. Our optimism comes from a very talented and focused group of employees and a loyal customer and shareholder base.

No one knows when or how things will completely return to normal but one thing will never change for us. We will continue to do our part to remain connected to our communities and our customers because to us, you are a part of our family. We truly appreciate your belief in the mission and direction of your community bank and we look forward to exciting things to come!

Sincerely,



John C. McDearman, III  
President/CEO  
Wilson Bank Holding Company



John Foster  
President  
Wilson Bank & Trust

# Home Sweet Home.

## Capitalizing on a Boom Year in Mortgages to Avoid a Potential Bust



*Our team of mortgage professionals is dedicated to meeting and exceeding the expectations of our customers in this ever-changing market. Superior customer service is always our top priority.*

**Tonya Strobel**  
SVP-MORTGAGE  
DIVISION PRESIDENT



Over the last two years, the mortgage industry has experienced a nice boost thanks to low interest rates. For Wilson Bank & Trust's mortgage division, it has been one for the record books. The combination of those low rates with high demand in our service area has kept our mortgage team exceptionally busy. Politics, cost of living, quality of life, and the success of remote work have attracted people from across the country, particularly from more expensive cities, to Middle Tennessee.

The influx of new home buyers paired with existing residents looking to capitalize on interest rates to refinance or purchase a new home generated 300 more mortgages at Wilson Bank & Trust than in 2019.

To accommodate this spike in demand, our mortgage division not only ramped up efforts, but also began preparing for a transition to a servicing model that keeps a percentage of our mortgage portfolio on our books for servicing instead of selling to the secondary market, marking a big shift for our bank.

While the robust refinancing markets of 2020 and 2021 marked a windfall for our mortgage-lending division, we avoided complacency and instead sought ways to ensure we grow our purchase business in the coming years. Mortgage interest rates are expected to rise as a result of inflation and the cessation of quantitative easing, and the number of people refinancing their homes is expected to decrease dramatically in 2022.

One such way we will continue to expand our business is through a joint venture with Willow Branch Homes and Celebration Homes to provide in-house financial services for customers buying from one of these two homebuilding

companies. The venture, unprecedented for a community bank, provides buyers with a "family of services" concept while allowing Middle Tennessee residents to work with familiar, local businesses that can combine a personal touch with the amenities of larger, national companies.

The venture is expected to add significant mortgage households per year to our production and will replace much of the refinance volume the mortgage division realized over the past two years. This strategic move should serve to gain mortgage market share for the mortgage division by not lowering production goals. The mortgage industry is expected to decrease significantly in 2022 as result of the loss of refinance volume. Most other mortgage entities will likely be reducing their operations, resulting in layoffs, as the industry is expecting a 50% decrease in production as a result of interest rates moving up. We believe through this new partnership we will be able to avoid much of the negative impact on our mortgage operations as we seek to gain share by growing our purchase money business production units year over year.

While mortgage volume in most places is expected to decline, we believe the Davidson and Williamson County markets should continue to grow simply based on demand. Growth in our rural markets should also benefit as housing prices in urban and suburban markets increase and proximity to an urban center for work becomes less important to some people.

So, while many markets around the country may experience a slowdown in the year ahead, we believe our mortgage team at Wilson Bank & Trust will be picking up the pace.



# Picking up the pace

**2018**  
Units closed 559  
Value \$127.6 Million

**2019**  
Units closed 687  
Value \$168.8 Million

**2020**  
Units closed 987  
Value \$247.3 Million

**2021**  
Units closed 995  
Value \$264.3 Million



Need to speak with  
a PRO like Tonya?

**(615) 994-9320**

Four generations of  
Wilson Bank and Trust  
shareholders

Left to right-back row: son-in-law, **David Couch**, daughter **Teresa Couch**,  
son-in-law **Jason Cripps**, daughter **Renee Cripps**, **Billy Joe Allison**;  
middle: great-grandson **Clay Hardeman** and grand daughter  
**Addie Hardeman**, **Jean Allison** and grand-daughter  
**Allison Cripps** (kneeling); not pictured: Alex Cripps,  
Jessi Couch and Eric Hardeman.



# Four Generations of Trust

Allison family  
was there from  
the beginning

hen Wilson Bank & Trust launched in 1987, Billy Joe and Jean Allison were among the first shareholders. They moved their checking and savings accounts and purchased certificates of deposit from the fledgling institution headquartered in the little house in Lebanon. Mr. Allison served on the bank's first community council, a group of local leaders who serve as advisors.

As the Allisons explain it, switching their banking relationship was an easy choice because they already had what mattered most to them in a financial institution: personal relationships with its leaders. “It was going to be a community bank, and we knew [founding CEO] Randall [Clemons] and a lot of the directors,” Mrs. Allison says.

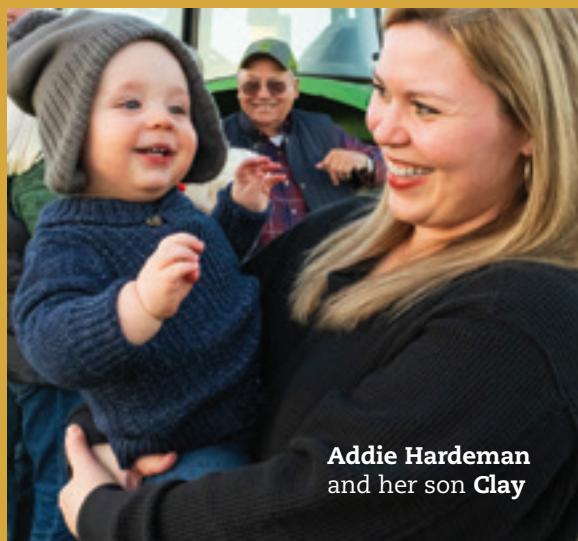
That the Allisons still refer to those longtime leaders by their first names — Randall, Harold, Jack, Charles — attests to the bonds that go beyond just banking. Those relationships broadened to include employees whom Mrs. Allison describes as top-notch. “They know you, and they’re there to help you,” she says. “The service is a big thing for shareholders.”

The Allisons' daughter Renee and her husband also bought shares at the bank's beginning. In fact, with help from gifts by the couple, three generations of the

Allisons' family — 11 people in all — are shareholders today. "You could say we're pretty invested in the bank," Mrs. Allison says. As Mr. Allison notes of his son-in-law Jason Cripps, a retired airline pilot and Air Guard general who transported wounded soldiers from Iraq to military hospitals in Germany, "He buys every bit of Wilson Bank stock he can get."

Earlier in his career, Mr. Allison committed to Nashville to work for Western Electric, which manufactured telephones for the Bell System. After 10 years he gave it up to be a full-time farmer. "I had already started a dairy farm on the side," he says. "I laid every block in my dairy barn. I'd milk the cows before going to work."

Now in their mid-80s, the Allisons are classified as retirees — you're never fully retired when you own a farm, Mrs. Allison notes — but they still raise a few Angus beef cattle. Their 100-year-old farmhouse with the American flag flying in front is just down the road from the old home place where Mr. Allison was raised, along the boundary that separates Wilson and Smith Counties. Like their bank, they're deeply rooted in the land here. "Invested," as Jean Allison might say.



You could say  
we're pretty  
invested in  
the bank.

Jean Allison



*Many individuals worry about outliving their savings. As a result, they sometimes underestimate what they can comfortably spend in retirement. Let us help you plan for some of the best years of your life.*

**Damon Bates**

BRANCH MANAGER /  
FINANCIAL ADVISOR

# PLANNING FOR THE BEST YEARS

**For years, you've been saving and investing for retirement. But what happens when you finally retire and it's time to switch gears from saving to spending?**

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It turns out, many people are so focused on accumulating assets that they never really think about actually withdrawing the money. In fact, recent studies show that many retirees aren't drawing down their retirement portfolios, opting instead to live on Social Security and the minimum required distributions (aka RMDs) so their portfolios can continue to grow. This may lead to unnecessary sacrifices in a retiree's standard of living. After almost two decades in retirement, most current retirees still have 80% of their pre-retirement savings, according to research from BlackRock.

## THE PROBLEM WITH UNCERTAINTY

So why aren't these retirees spending their nest eggs? Some may be spending as little as possible to leave behind a larger sum for their loved ones or philanthropic pursuits. But in many cases, it's because they aren't sure how to determine a sustainable withdrawal rate that accounts for their total lifespan. They worry about the "what ifs" retirement may throw their way and want to be prepared. You may be able to relate.

This latter group understands that over the course of a long-term retirement, inflation can erode savings. Portfolio returns can vary, and healthcare costs can quickly escalate. And they may be concerned about outliving their savings – only 25% of baby boomers believe their savings will last throughout retirement, according to the Insured Retirement Institute. By spending less and allowing their savings to potentially grow in the early years of retirement, they hope to offset some of the uncertainty.

Collaborating with your financial advisor can help increase your confidence about having enough money to live comfortably in retirement. Just like in your working years, you can establish a just-in-case cash cushion or line of credit that helps put you at ease. And having a sound distribution strategy in place – one that takes into account your income sources, lifestyle, asset locations and tax situation – can help you enjoy the retirement lifestyle you envisioned.

## WITHDRAWING YOUR MONEY

When it comes to withdrawing your retirement savings, here are a few things to consider:

**Organize your expenses:** Three typical categories include essential expenses (think food, housing and insurance), lifestyle expenses (vacations, hobbies) and unexpected expenses (healthcare costs, auto repairs). Consider paying for your essential expenses with guaranteed income sources such as Social Security or annuities. Use growth or income investments to pay for lifestyle expenses, and maintain a cash reserve for any unexpected costs that might occur.

**Be flexible.** For instance, a downturn in the market is a good time to tighten the reins on your spending. But if you experience some unexpected investment gains, the timing might be right for that dream vacation.

There's little doubt your income needs will fluctuate during retirement. The early years may be filled with travel and other big-ticket items that require more substantial withdrawals. As time goes on, you'll likely travel less, but your healthcare expenses may increase. Studies show that

spending tends to decline in the later years of retirement, most likely the result of less travel and similar pursuits. People ages 55 to 64 spend on average \$60,076 per year, while people ages 65 and over spend \$45,221, according to the Bureau of Labor Statistics.

Building in flexibility allows you to go with the flow. Just be sure to regularly touch base with your advisor so your budget can stay on track.

Review your plan. Work with your advisor to develop and review your retirement income and distribution strategies. You can run hypothetical simulations based on different withdrawal rates, how many years you will live in retirement or any other contingencies, which will allow you to develop a better idea of how much you can comfortably and confidently spend in retirement to help achieve your goals.

Everyone's retirement situation is different. You may have encountered some unexpected circumstances, such as a layoff or forced retirement that occurred earlier than you planned, and you weren't able to save as much as you hoped. On the other hand, leaving a legacy may be your primary goal. Whatever the case may be, establishing a withdrawal strategy that's right for you – while also keeping your emotions in check – is often a good plan of action.

Sources: [kitces.com](http://kitces.com); [forbes.com](http://forbes.com); [cnbc.com](http://cnbc.com); [ournextlife.com](http://ournextlife.com); [smartaboutmoney.org](http://smartaboutmoney.org); [thestreet.com](http://thestreet.com); [kiplinger.com](http://kiplinger.com); [myirionline.org](http://myirionline.org)

*Raymond James and its advisors do not offer tax advice. You should discuss any tax matters with the appropriate professional.*

## Empowered by Community

In 1999, Michelle Hill had just launched the EmpowerMe Center to provide therapeutic recreational opportunities for individuals with special needs. At the Wilson County Fair, where the new nonprofit had a hairspray painting booth to raise funds and awareness, Michelle found herself next to WBT Community Council member, Bob Clower, volunteering in a booth for the Shriners, another organization serving children with disabilities. Over the course of conversations during the nine days of the fair, Bob became an early believer in Michelle's work and wanted to help spread awareness to this cause. "I need to take you and introduce you to a few people," he told her. From there, Michelle met several bank employees who quickly became advocates of the EmpowerMe Center and its mission.

Today, the community of parents with individuals with special needs finds support from across the larger community — especially its community bank. Wilson Bank & Trust regularly sponsors the Center's fund-raising events. Various bank branches have designated EMC to receive funds from the We Believe Together program. Bank employees volunteer with the Center's Easter Egg Hunt, Spring Fling, Christmas Camp, and Fall Sports Festival. They also help with folding, stuffing and labeling envelopes for the newsletters. Twice a year, a board member from the bank bush-hogs the tall grass. "He just calls and says, 'I'm gonna be on your property,'" Michelle laughs.

Most of all, people give. Through the generosity of the community, EMC was able to purchase 25 acres off South Hartmann Drive to build community recreational facilities for their D.R.E.A.M. Programs (Day Camp, Recreational, Educational, Adult, and Multi-living facilities). The Center hopes to break ground in the coming year. Before he passed away in 2019, Bob Clower donated \$100,000 toward the adaptive playground at the new center.

"We are so grateful, we haven't had to solicit any of this support," Michelle says. "Wilson Bank is a family atmosphere, and they treat us like family."

**To donate to the EmpowerMe Center and to support its programs, visit [empowermecenter.com/donate](http://empowermecenter.com/donate).**

## Bank 'family' rallies around nonprofit for kids with special needs

Michelle Hill, Executive Director of the EmpowerMe Center, relaxes on a swing provided by community volunteer Alec Jakalski, who built it as his Eagle Scout project.



The WBT We Believe Together program was founded on the belief that together we can make a difference in the communities we serve. Here's a look back at some of the organizations and events we were privileged to partner with in 2021!



# Giving Back



**Left:** Christmas for All (CfA) – The bank's Annual Oktoberfest event collected donations from employees and attendees to benefit Christmas for All. CfA provides Christmas gifts for approximately 2000-2500 underprivileged children from newborns to age 13 in Wilson County every year with support from the US Marine Corps Toys for Tots, Lebanon Fire Department, and numerous other individuals & businesses. **Center:** Valerie Reta of Second Harvest Food Bank, Mary Hance, Wilson Bank CEO John McDearman and Wilson Bank Marketing and Community Relations Manager Mindy Simmons present a check for Ms. Cheap's Penny Drive. The bank has been a longtime sponsor of the penny drive, with all of its 29 offices participating. **Right:** Habitat for Humanity – Employees of WBT came together with other community banks in the area to participate in a weekend long Habitat for Humanity Build.

**\$585,457**  
total community impact  
including nonprofits, local schools  
and youth sports leagues

**100+**  
organizations assisted



**Left:** This year's Oktoberfest weekend hosted the Compassionate Hands Chili Cook-off. Compassionate Hands started as a network of churches working together to provide winter shelters to individuals experiencing homelessness in Wilson County, TN. **Center:** WBT's Wal-Mart office adopted a Salvation Army Angel Tree benefiting its program to help provide Christmas gifts for hundreds of thousands of children around the country each year. Once a child or senior adult has been registered and accepted as an Angel their Christmas wish list is shared with donors in your community who purchase gifts of new clothing and toys. **Right:** WBT had the pleasure of presenting two MTSU students the inaugural Jones College of Business Scholarship from Wilson Bank & Trust. This scholarship is for high-performing students in Finance. Pictured from left to right are Jacob King, Andy Jakes (WBT Regional President) and Grant Gardner.

# Your time is precious. We'll help you save more of it.

Online account opening turnaround time reduced from days to minutes with new digital transformation platform

An initiative referred to as the “Accelerating Digital” project made tremendous strides in 2021 as the dedicated team of bankers was laser-focused on all areas of deposit account opening and commercial loan origination. Before the implementation of this new platform, the bank had a very limited set of product options online, and it took days to set up new accounts. Now the bank’s customers can open their accounts in minutes with a seamless and personalized account opening experience, consistent across all

channels including in-branch, online desktop, laptop, tablet, and mobile.

“The goal of this project is to implement a comprehensive online account opening solution, which is a critical component in our pursuit to build an Omni-channel banking experience for our customers,” said Greg Sullins, EVP of Strategy, Quality & Productivity. “In order to continue to provide more opportunities to deepen existing customer relationships and acquire new ones, our team is dedicated to consistently providing a better customer experience while also improving the operational efficiency of our Bank.”

With a goal of creating a robust digital option for consumer and business customers, the bank strives to simply make it easier to do business with WBT. Key highlights of this solution include:

- Real-time validation to ensure the secure collection and validation of documents
- Options to start, save, and complete application across multiple devices
- Digital document signing and funding of accounts



- Automatic risk assessment through integration with multiple government fraud checking systems
- Process insights including application volumes, channels, abandonment rates, and completion times

"Our partners in onboarding this platform demonstrated practical ways of integration and capability within their system which was something we could build upon with other products, be it on the deposit side or loan side. We are thrilled with the progress we have made and look forward to continuing to develop it for our customers," said Sullins.



Scan to open an account or visit [wilsonbank.com/openpersonal](http://wilsonbank.com/openpersonal)



In 2022, this teams' focus will shift from deposit accounts to business lending applications, all integrated online.



# LENDING STRENGTH

With more than 55 years of combined experience at WBT, our lending team always delivers options

**F**or 35 years, Wilson Bank & Trust has maintained consistent and increased loan growth throughout our entire market area. The management of our lending team remains focused on replicating this success through strategic planning, ongoing analysis and agile development of products. As our markets continue to develop and grow, the leadership of this group is up for the challenge of navigating varying economic conditions and fluctuating market trends.

“With consistent loan growth in mind, continued efficiency in processes will be essential to the bank’s success in this area,” said Gary Whitaker, EVP and Chief Credit Officer. “Our hope for the years to come is to continue to develop consistency with loan structures, pricing and loan analysis in order to maintain profitability.”



**Gary Whitaker**  
EVP/CHIEF CREDIT  
OFFICER

In 2021, our management team saw an increase in growth to our loan portfolio with 45 of our loan officers having books greater than \$10 million and seven loan officers with books greater than \$100 million. Because of the lending officers’ strong business development efforts, the bank was able to continue to grow and serve its communities throughout all of Middle Tennessee.

“As we look forward, we will continue to focus on diversification in commercial lending production and asset quality throughout the bank’s entire footprint,” said Taylor Walker, SVP and Head of Commercial Lending. “With the onboarding of new technology and systems,

we hope to see increased efficiency for our loan officers, analysts, and commercial loan processors which will better support the expected growth in our markets.”



**Taylor Walker**  
SVP/HEAD OF  
COMMERCIAL LENDING



**Wes Taylor**  
SVP/CONSUMER AND SMALL  
BUSINESS LENDING



**Paul Shearer**  
VP/HEAD OF  
CREDIT ADMINISTRATION

## A Partnership That Is Still Building

# S

eth McDowell understands his company, Agilitas Property Development, as more than a business. “I see it as a ministry and a calling,” he says. “It’s an opportunity to serve the Lord and to impact lives, from construction workers on our projects to loan officers to tenants of our buildings. It’s also an opportunity to come alongside others who want to serve.”

Just after Seth and his wife (a Lebanon native) moved to town and built a home, they came alongside John McDearman of Wilson Bank and Trust. After they met, Seth explains, “I just went to the bank and introduced myself.”

Wilson Bank has been a partner ever since. When Seth launched his company three years later, the bank was part of it. The web of personal relationships is strong. As Agilitas’ CFO, Heath Thorne (another Lebanon native) explains, “When I was growing up, I took tennis lessons from John’s mother.”

Today, 20 years after they began, Agilitas’ projects range across Tennessee, from the Memphis suburbs to Roane County, including a number of buildings in Middle Tennessee. “Wilson Bank,” says Heath, “has financed 80% to 90% of the deals we’ve done.” (That includes the new Ford dealership in Lebanon and the Legacy Pointe at Golden Bear development in Mt. Juliet.)

For Seth, the partnership with the bank goes even beyond helping to create jobs and economic impact. As one example, he cites the speed with which Wilson Bank conducts his transactions. That helps Agilitas pay subcontractors promptly. “That’s important to us,” Seth says. “They enable us to do business the way we want to do business.”

*For more information about the project pictured, visit [legacypointeMJ.com](http://legacypointeMJ.com) or to read more about other projects Agilitas Property Development has constructed, visit [apdincus.us](http://apdincus.us)*



Seth McDowell and Heath Thorne have been building Agilitas since 2001. Wilson Bank & Trust has been with them the whole time.



*In today's market, we firmly believe you don't have to blanket the market with locations, however having offices within a reasonable drive is still important to attract new customers.*

— John McDearman



Our new office in Sumner County opened its doors on January 21, 2022. Our local team of six banking professionals is excited to continue to serve the community.



Rendering of Williamson County / Maryland Farms location

# Growth Markets

The growth strategy for Wilson Bank & Trust has always been centered around organic development in our customer base, especially as it relates to physical locations. "In today's market, we firmly believe you don't have to blanket the market with locations, however having offices within a reasonable drive is still important to attract new customers," said John McDearman, Wilson Bank & Trust CEO. In January of 2022, the bank announced the opening of its newest Sumner County office on Nashville Pike in Gallatin, Tennessee. "Sumner County has quickly become one of our fastest growing markets and we are thrilled to be a part of this developing community."

Likewise, the bank continues to pursue Williamson County as another area of opportunity. WBT opened its first office in Cool Springs in 2019 and recently purchased a former bank site on Harpeth Drive in the Maryland Farms area of Brentwood, TN where it plans to open its 30th office. "We believe there is tremendous opportunity to bring our customer-centric, community-first approach to the residents of Williamson County," said McDearman. "We expect to have a full service office open there in the third quarter of 2022."

# THE 2021 FINANCIALS

WILSON BANK HOLDING COMPANY



Wilson Bank Holding Company Reports

# RECORD HIGH NET INCOME

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And

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# RECORD HIGH ASSETS



*A record year in net income was the result of an overall growing market in Middle Tennessee, new product offerings, strong loan demand, a low rate environment that encouraged home refinances and purchases, and a continued strong recovery in the stock market.*

**Even though 2021 was the second year of the COVID-19 pandemic, Wilson Bank reported a record high net income of \$49.4 million for the year ended December 31, 2021 compared to \$38.5 million for the same period in 2020. Basic earnings per share for the twelve month period ended December 31, 2021 was \$4.44 compared to \$3.52 for the same period in 2020.**

Net interest income before the provision for loan losses was \$119.2 million for the twelve months ending December 31, 2021 compared to \$105.6 for the year ended 2020. This increase was the result of a \$6.9 million, or 5.6%, increase in interest income and a decrease of \$6.7 million, or 38.7%, in total interest expense. The net interest margin was 3.5% in 2021 as compared to 3.6% for the same period in 2020. The net interest margin was negatively affected by the Federal Reserve's move to lower the federal funds rate from 1.75% to .25% during 2019 and 2020.

The 2021 provision for loan losses was \$1,143,000, a decrease of \$8,553,000 from the provision in 2020. The decrease in the provision in 2021 was attributable to returning to a more normalized economy in 2021, as the economic impacts of the COVID-19 pandemic waned in 2021. The provision for loan losses during 2021 was primarily the result of loan growth.

Non-interest income for the twelve months ended December 31, 2021 was \$37.1 million compared to \$33.1 million for the same period in 2020. Included in this increase is an increase in debit and credit card interchange fees due to the increase in the number and volume of card holders and transactions. The increase in the volume of transactions was partially attributable to an increase in the economic activity in 2021 as businesses reopened and mitigation efforts related to COVID-19 were relaxed, which resulted in increased consumer spending. Brokerage income primarily increased due to the opening of new investment accounts, which was aided by the hiring of new investment advisors as well as an increase in estate planning and trust asset accounts. Brokerage income was also aided by the continued strong recovery in the stock market from the lows of the first quarter of 2020 resulting from the COVID-19 pandemic. Fees and gains on sales of mortgage loans primarily increased due to the continued influx of refinance volume as a result of continued low interest rates due to ongoing government stimulus efforts.

## NET INCOME

**28.31% INCREASE**



## NET INTEREST INCOME BEFORE PROVISION

**12.89% INCREASE**



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# Balance Sheet

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Wilson Bank reported total assets of \$4.0 billion at December 31, 2021 compared to \$3.4 billion at December 31, 2020, an increase of \$620 million, or 18.4%.

At December 31, 2021 securities were \$897.6 million, an increase of 54.6% from \$580.5 million at December 31, 2020. The increase in securities was a result of management's decision to invest excess liquidity into higher yielding assets.

Loans, net of allowance for loan losses, totaled \$2.4 billion at December 31, 2021, a \$161.5 million, or 7.1%, increase compared to December 31, 2020. This increase resulted from an overall increase in loan demand in the housing market, as well as other sectors in which we lend money, along with continued demand during the first part of 2021 for PPP loans by small businesses and individuals as result of the COVID-19 pandemic.

The allowance for loan losses increased to \$39.6 million in 2021 compared to \$38.5 million in 2020. The allowance for loan losses was 1.6% of outstanding loans at December 31, 2021.

Total deposits were \$3.6 billion at December 31, 2021 compared to \$3.0 billion at December 31, 2020, representing growth of \$594.5 million, or 20.1% during 2021. Deposits increased throughout the year as the Bank continued to increase market share in our growth markets, economic activity increased, and the economic stimulus programs continued from 2020 into 2021. The inflated deposit balances are also reflected in the \$400.9 million in interest balances held at other financial institutions at year end, which was an increase of \$96.2 million, or 31.6% over levels at December 31, 2020.

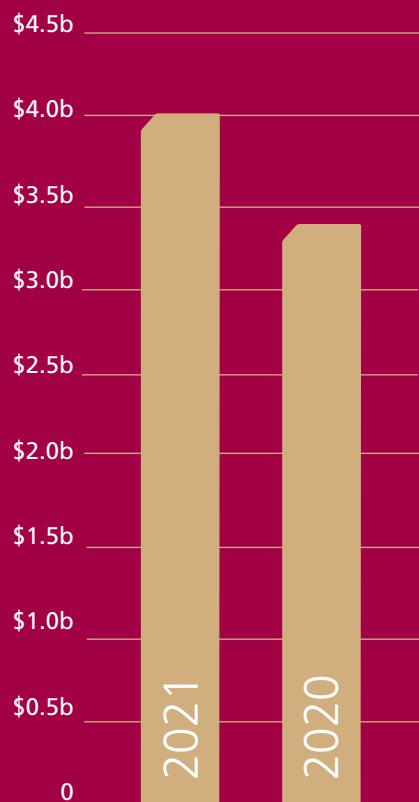


**Lisa Pominski**

EVP-CHIEF FINANCIAL OFFICER

*As the CFO of WBT, my staff and I have the opportunity to live the Bank's mission statement every day by being able to "maximize sustainable earnings while being a responsible business that renders high-quality service to customers through the efforts of fairly treated employees." 2021 was a great year of maximizing sustainable earnings as the bank reached a record net income and experienced significant balance sheet growth in a continued COVID-19 environment.*

## TOTAL ASSETS



**18.40%**

Increase  
in Assets

## TOTAL LOANS, NET OF ALLOWANCE FOR LOAN LOSSES



**7.08%**

Increase  
in Loans

**13.9%**

Total Capital to Risk  
Weighted Assets

**10.37%**

Equity to  
Assets

**8.84%**

Increase in  
Stockholder's  
Equity

# Capital

Shareholders' equity totaled \$413.7 million at December 31, 2021 compared to \$380.1 million at December 31, 2020, an increase of 33.6 million or 8.8%. Return on shareholder's equity for 2021 was 12.45%, total capital to risk weighted assets was 13.9%, and the equity to assets ratio was 10.37%.

**\$413.7  
MILLION**

Shareholder's Equity

# Holding Company & Stock Information

## Wilson Bank Holding Company Directors

William P. Jordan, Chairman; James Anthony Patton; James F. Comer; J. Randall Clemons; Jack W. Bell; John C. McDearman III; H. Elmer Richerson; Clinton M. Swain; Michael G. Maynard; and Deborah Varallo.

## Common Stock Market Information

The common stock of Wilson Bank Holding Company is not traded on an exchange nor is there a known active trading market. The number of shareholders of record at February 24, 2022 was 4,563. Based solely on information made available to the Company from limited numbers of buyers and sellers, the Company believes that the following table sets forth the quarterly range of sale prices for the Company's stock during the years 2020 and 2021.

On January, 2020, a \$.60 per share cash dividend was declared and on July 1, 2020, a \$.60 per share cash dividend was declared and paid to shareholders of record on those dates. On January 1, 2021, a \$.60 per share cash dividend was declared and on July 1, 2021, a \$.75 per share cash dividend was declared and paid to shareholders of record on those dates. Future dividends will be dependent upon the Company's profitability, its capital needs, overall financial condition and economic and regulatory considerations.

## Stock Prices

2020	High	Low
First Quarter	\$ 55.75	\$ 54.75
Second Quarter	\$ 56.75	\$ 54.75
Third Quarter	\$ 60.00*	\$ 56.75
Fourth Quarter	\$ 58.75	\$ 56.75
2021	High	Low
First Quarter	\$ 59.80	\$ 58.75
Second Quarter	\$ 60.95	\$ 59.80
Third Quarter	\$ 62.10	\$ 60.95
Fourth Quarter	\$ 63.25	\$ 62.10

\* Represents one transaction of 377 shares during the third quarter of 2020 of which the Company is aware where the sale prices were at least \$2.25 higher than any other trade during the quarter. The volume weighted average stock price during the third quarter of 2020 was \$56.83.

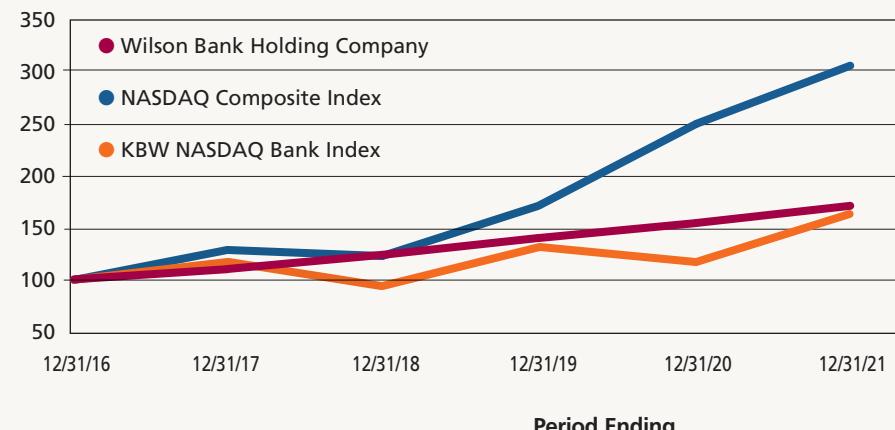
## Annual Meeting and Information Contacts

The Annual Meeting of Shareholders of Wilson Bank Holding Company will be held on Thursday, April 28, 2022 at 6:00 p.m. (CDT) at the Clemons-Richerson Operations Center, located at 105 North Castle Heights Avenue, Lebanon, TN 37087.

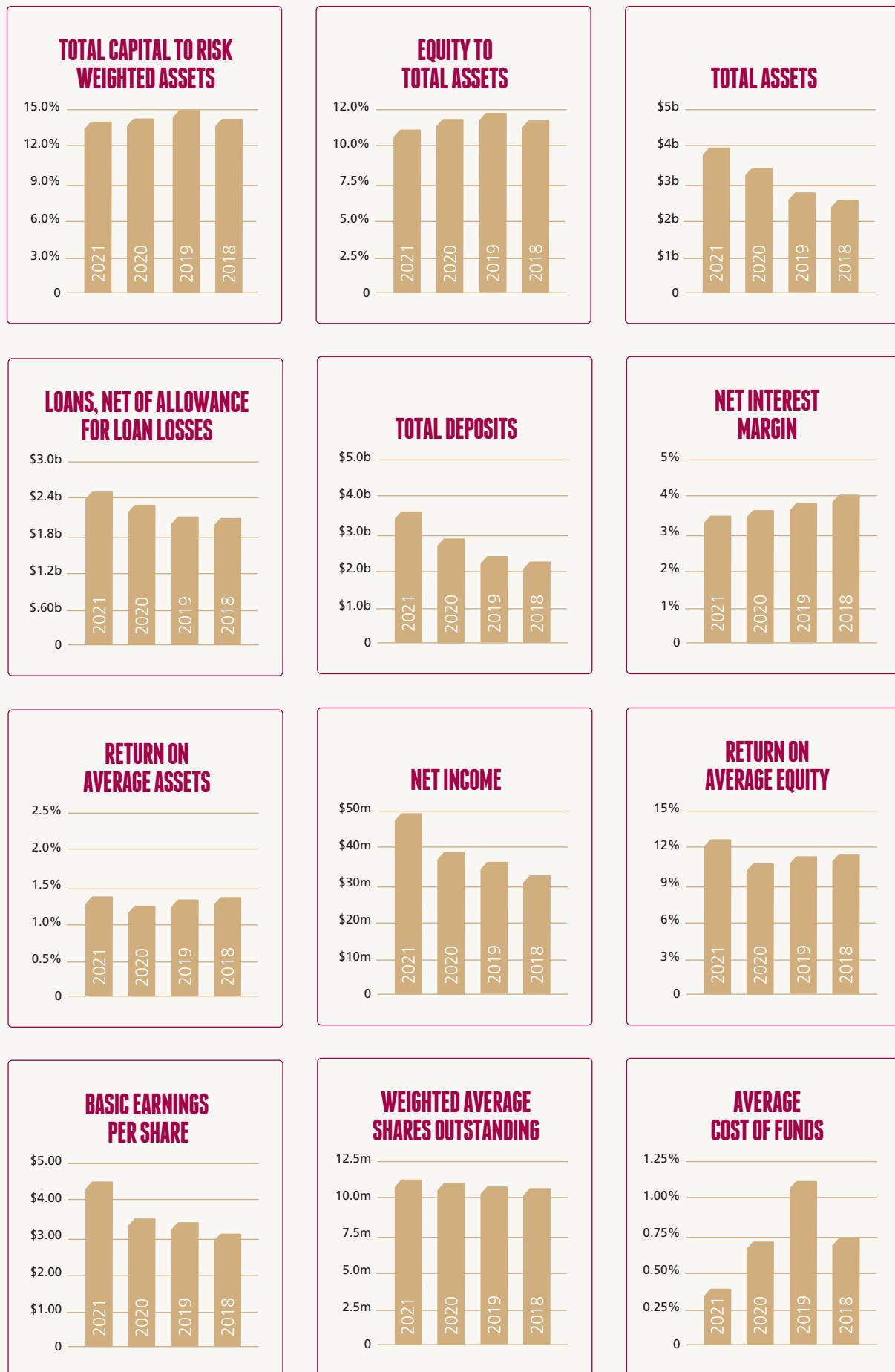
For further information concerning Wilson Bank Holding Company or Wilson Bank & Trust, or to obtain a copy of the Company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission, which is available without charge to shareholders, please contact Lisa Pominski, CFO, Wilson Bank & Trust, P.O. Box 768, Lebanon, Tennessee 37088-0768, phone (615) 443-6612.

## Wilson Bank Holding Company Five Year Performance Index

The graph to the right compares the percentage change in the unaudited total return on the Wilson bank Holding Company's common stock against the cumulative total return of the NASDAQ Index and the KBW NASDAQ Bank Index between December 31, 2016 and December 31, 2021. The graph assumes the value of the investment in Wilson Bank Holding Company's common stock and each index was \$100 at December 31, 2016 and that all dividends were reinvested.



Index	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21
Wilson Bank Holding Company	100.00	111.53	126.42	142.14	155.83	171.56
NASDAQ Composite Index	100.00	129.64	125.96	172.18	249.51	304.85
KBW NASDAQ Bank Index	100.00	118.59	97.58	132.84	119.14	164.80



**WILSON BANK HOLDING COMPANY**

For the years ended December 31,

	2021	2020	2019	2018
<b>Equity</b>				
Total Capital to Risk Weighted Assets	13.9%	14.3%	15.0%	14.1%
Equity to Total Assets	10.37%	11.28%	12.06%	11.62%
Total Assets	\$3,989,596,000	\$3,369,604,000	\$2,794,209,000	\$2,543,682,000
Loans, net of allowance for loan losses	\$2,444,282,000	\$2,282,766,000	\$2,057,175,000	\$2,016,005,000
Total Deposits	\$3,555,071,000	\$2,960,595,000	\$2,417,605,000	\$2,235,655,000
Net Interest Margin	3.47%	3.63%	3.81%	4.01%
Return on Average Assets	1.35%	1.24%	1.34%	1.35%

For the years ended December 31,

	2021	2020	2019	2018
<b>Earnings &amp; Performance Ratios</b>				
Net Income	\$ 49,426,000	\$ 38,492,000	\$ 36,044,000	\$ 32,594,000
Return on Average Equity	12.45%	10.65%	11.31%	11.70%
Basic Earnings per Share	\$ 4.44	\$ 3.52	\$ 3.36	\$ 3.09
Weighted Average Shares Outstanding	11,131,897	10,927,065	10,743,269	10,564,172

For the years ended December 31,

	2021	2020	2019	2018
<b>Average Cost of Funds</b>				
Average Cost of Funds	0.38%	0.74%	1.09%	0.75%

# Consolidated Balance Sheets

WILSON BANK HOLDING COMPANY

## ASSETS

	<i>Dollars in Thousands</i>	
	2021	2020
Loans, net of allowance for loan losses of \$39,632 and \$38,539, respectively	\$2,444,282	\$2,282,766
Available-for-sale securities, at market (amortized cost \$906,135 and \$570,842, respectively)	897,585	580,543
Loans held for sale	11,843	19,474
Interest bearing deposits	400,940	304,750
Federal funds sold	27,055	675
Restricted equity securities, at cost	5,089	5,089
<b>Total earning assets</b>	<b>3,786,794</b>	<b>3,193,297</b>
Cash and due from banks	25,423	33,431
Premises and equipment, net	62,846	58,202
Accrued interest receivable	7,641	7,516
Deferred income taxes	12,792	7,089
Bank owned life insurance	46,206	35,197
Goodwill	4,805	4,805
Other assets	43,089	30,067
<b>Total assets</b>	<b>\$3,989,596</b>	<b>3,369,604</b>

## LIABILITIES

	<i>Dollars in Thousands</i>	
	2021	2020
Deposits	\$3,555,071	\$2,960,595
Federal Home Loan Bank advances	—	3,638
Accrued interest and other liabilities	20,808	25,250
<b>Total liabilities</b>	<b>3,575,879</b>	<b>\$2,989,483</b>

## SHAREHOLDERS' EQUITY

	<i>Dollars in Thousands</i>	
	2021	2020
Common stock, par value \$2.00 per share, authorized 50,000,000 shares, 11,201,504 and 10,993,404 shares issued and outstanding, respectively	\$ 22,403	\$ 21,987
Additional paid-in capital	105,177	93,034
Retained earnings	292,452	257,935
Net unrealized gains (losses) on available-for-sale securities, net of taxes of \$2,235 and \$2,536, respectively	(6,315)	7,165
<b>Total shareholders' equity</b>	<b>413,717</b>	<b>380,121</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$3,989,596</b>	<b>\$3,369,604</b>

# Consolidated Statements of Earnings

WILSON BANK HOLDING COMPANY

## INTEREST INCOME

	<i>Dollars in Thousands (except per share data)</i>		
	2021	2020	2019
Interest and fees on loans	\$ 118,676	\$ 113,224	\$ 105,783
Interest and dividends on securities:			
Taxable securities	8,922	7,272	8,559
Exempt from Federal income taxes	1,229	1,102	773
Interest on loans held for sale	438	616	325
Interest on Federal funds sold	13	56	275
Interest on interest bearing deposits	445	582	2,164
Interest and dividends on restricted equity securities	118	116	198
Total interest income	\$ 129,841	\$ 122,968	\$ 118,077

## INTEREST EXPENSE

Interest on negotiable order of withdrawal accounts	878	1,314	2,311
Interest on money market accounts and other savings accounts	2,027	4,163	6,855
Interest on certificates of deposit and individual retirement accounts	7,610	10,939	12,896
Interest on Federal funds purchased	—	—	4
Interest on Federal Home Loan Bank advances	133	967	581
Total interest expense	\$ 10,648	\$ 17,383	\$ 22,647
Net interest income before provision for loan losses	119,193	105,585	95,430
Provision for loan losses	1,143	9,696	2,040
Net interest income after provision for loan losses	\$ 118,050	\$ 95,889	\$ 93,390

# NON-INTEREST INCOME

	<i>Dollars in Thousands (except per share data)</i>		
	2021	2020	2019
Service charges on deposits	\$ 6,137	\$ 5,659	\$ 6,952
Brokerage income	6,368	4,837	4,411
Debit and credit card interchange income	12,029	9,187	8,301
Other fees and commissions	1,446	1,404	1,608
BOLI and annuity earnings	1,109	959	723
Security gain (losses), net	28	882	(268)
Fees and gains on sales of mortgage loans	9,997	9,560	6,802
Gain (loss) on sale of other real estate, net	(15)	658	(48)
Loss on the sale of fixed assets, net	(43)	(63)	(128)
Gain (loss) on sale of other assets, net	6	(4)	(4)
Other income	34	61	—
Total non-interest income	\$ 37,096	\$ 33,140	\$ 28,349

# NON-INTEREST EXPENSE

Employee salaries and benefits	52,722	45,661	42,541
Equity-based compensation	1,428	1,180	786
Occupancy expenses	5,473	5,216	4,789
Furniture and equipment expenses	3,323	3,267	3,110
Data processing expenses	6,079	5,101	4,495
Advertising expenses	2,736	2,487	2,498
ATM & interchange fees	4,783	3,880	3,439
Accounting, legal & consulting expenses	988	909	1,382
FDIC insurance	1,130	598	373
Directors' fees	686	634	586
Other operating expenses	11,640	11,986	10,629
Total non-interest expense	\$ 90,988	\$ 80,919	\$ 74,628

Earnings before income taxes	64,158	48,110	47,111
Income taxes	14,732	9,618	11,067
Net earnings	\$ 49,426	\$ 38,492	\$ 36,044
Basic earnings per common share	\$ 4.44	\$ 3.52	\$ 3.36
Diluted earnings per common share	\$ 4.43	\$ 3.51	\$ 3.35
Weighted average common shares outstanding:			
Basic	11,131,897	10,927,065	10,743,269
Diluted	11,162,956	10,953,746	10,761,467

# Get to know our Board of Directors



Jack is a founding Board member and brings real estate construction and development experience as the owner of a building enterprise that engages in residential and commercial construction in the WBT market areas.

## **Jack Bell**

DIRECTOR; OWNER —  
JACK W. BELL BUILDERS, INC.



Randall remained on the Board after his retirement as WBT's founding CEO in 2019. He brings valuable experience as a banker and is a community leader that is actively involved in a number of community activities.

## **Randall Clemons**

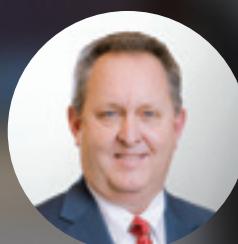
RETIRED WBT CEO



Jimmy brings extensive agricultural expertise, having been involved in agricultural-related professions for more than 20 years. He also has extensive experience in making loans and other extensions of credit to agricultural borrowers.

## **Jimmy Comer**

COMERICA ENTERPRISES



Will has experience in the real estate industry as a real estate investor in Middle Tennessee. He is also involved in a number of community and public service activities and serves on the Advisory Board of the Rutherford County branches of the Bank.

## **Will Jordan**

REAL ESTATE INVESTOR AND  
FARMING OPERATION PARTNER



Mike brings business experience in the transportation and paving industry. His experience and knowledge of businesses allows him to offer business insight to the Board of Directors on a wide range of matters impacting the Company's operations.

## **Mike Maynard**

FOUR STAR PAVING



After joining Wilson Bank in 1998, John worked as a commercial lender and then a branch manager. He later returned to the Main Office in a lending role, and eventually served as a regional president before succeeding Elmer Richerson as president in 2018 and Randall Clemons as CEO in 2020.

**John McDearman**

CEO, WILSON BANK HOLDING COMPANY



Tony is a founding Board member and his previous experience in sales and contract negotiation in the medical industry gives him insight to board functions and financials that allow him to offer expertise to the Board of Directors on a wide range of matters impacting the Company's operations.

**James Anthony Patton**

OWNER, C&T FARMS



Elmer remained on the Board in 2018 after serving as the bank's President. He brings experience as a banker and is a valued community leader who is actively involved in a number of community organizations. His extensive knowledge of the Bank's history allows him to provide the Board of Directors with company-specific experience and expertise.

**Elmer Richerson**

RETIRED WBT PRESIDENT



Clint joined the Board in 2019 and brings experience as a salesman and business owner. His years of experience in the building industry including management, human resources, sales, marketing and advertising allows him to provide the Board of Directors with a wide range of valuable expertise.

**Clint Swain**

CO-OWNER, FAKES & HOOKER



With more than 30 years of experience, Deborah has excellent relationships with the media which includes reporters, editors, news directors, bloggers, news producers and community leaders in non-profit, for-profit and government entities. Deborah and her firm have been involved with numerous successful projects that required building community awareness to generate positive responses.

**Deborah Varallo**

OWNER, VARALLO PUBLIC RELATIONS

# Executive Management



**John McDearman**  
*Chief Executive Officer*



**John Foster**  
*President*



**Curt Baker**  
*SVP/Lebanon Market Leader*



**Damon Bates**  
*SVP/Investment Center Manager*



**Chad Colwell**  
*SVP/Dekalb and Smith County Market Leader*



**Christy Evans**  
*SVP/Operations*



**Doug Gold**  
*SVP/Commercial Lender & Community Development Leader*



**John Goodman**  
*SVP/Regional President*



**Mac Griffin**  
*SVP/Regulatory*



**Kayla Hawkins**  
*SVP/Reporting Manager*



**Andy Jakes**  
*SVP/Regional President*



**Westley James**  
*SVP/Commercial Lending*



**Stephen Jaquish**  
*SVP/Chief Information Officer*



**Scott Jasper**  
*EVP/Chief Retail Officer*



**Clark Oakley**  
*EVP/Chief Operating Officer*



**Lisa Pominski**  
*EVP/Chief Financial Officer*



**Kelly Purdue**  
*SVP/Commercial Lending*



**Kevin Sanders**  
*SVP/West Wilson Market Leader*



**Vickie Shrum**  
*SVP/Human Resources Director*



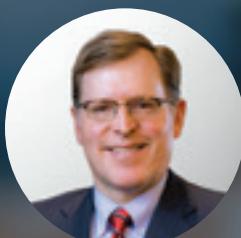
**Tonya Strobel**  
*President Mortgage Division*



**Greg Sullins**  
*EVP/Strategy, Quality and Production*



**Wes Taylor**  
*SVP/Consumer and Small Business Lending*



**Price Thompson**  
*SVP/General Counsel*



**Amelia Vance**  
*SVP/Support and Service*



**Taylor Walker**  
*SVP/Head of Commercial Lending*



**Gary Whitaker**  
*EVP/Senior Credit Officer*



623 West Main Street  
Lebanon, Tennessee 37087  
(615) 444-BANK (2265)

*Wilson Bank and Trust has 29 banking locations throughout Middle Tennessee*

**Wilson County**

*Main Office*  
623 West Main Street  
Lebanon, TN 37087  
(615) 444-BANK (2265)

1444 Baddour Pkwy W.  
Lebanon, TN 37087  
(615) 444-7560

1130 Castle Heights Ave. N.  
Lebanon, TN 37087  
(615) 443-0492

440 Hwy. 109 N.  
Lebanon, TN 37090  
(615) 453-1086

200 Tennessee Blvd.  
Lebanon, TN 37087  
(615) 443-6178

615 S. Cumberland St.  
Lebanon, TN 37087  
(615) 443-6293

1476 N. Mt. Juliet Rd  
Mt. Juliet, TN 37122  
(615) 754-0600

8875 Stewarts Ferry Pike  
Gladeville, TN 37071  
(615) 443-6522

11835 Lebanon Rd  
Mt. Juliet, TN 37122  
(615) 773-7841

709 S. Mt. Juliet Rd  
Mt. Juliet, TN 37122  
(615) 773-7900

402 Public Square  
Watertown, TN 37184  
(615) 237-3302

**Davidson County**

2930 West End Ave  
Nashville, TN 37203  
(615) 600-0700

217 Donelson Pike  
Nashville, TN 37214  
(615) 232-5925

4736 Andrew Jackson Pkwy  
Hermitage, TN 37076  
(615) 885-0040

**DeKalb County**

576 W. Broad St.  
Smithville, TN 37166  
(615) 597-4663

306 Brush Creek Rd.  
Alexandria, TN 37012  
(615) 529-4663

**Putnam County**

320 S. Jefferson Ave.  
Cookeville, TN 38501  
(931) 528-4928

**Rutherford County**

4195 Franklin Rd.  
Murfreesboro, TN 37128  
(615) 904-6340

3110 Memorial Blvd  
Murfreesboro, TN 37129  
(615) 904-6350

710 N.W. Broad St.  
Murfreesboro, TN 37129  
(615) 867-7777

2640 S. Church St.  
Murfreesboro, TN 37127  
(615) 904-6330

210 Commerce Dr.  
Smyrna, TN 37167  
(615) 904-6300

**Smith County**

1300 Main St. N  
Carthage, TN 37030  
(615) 735-3990

7 New Middleton Hwy  
Gordonsville, TN 38563  
(615) 683-3990

**Sumner County**

455 West Main St.  
Gallatin, TN 37066  
(615) 442-1470

175 East Main St  
Hendersonville, TN 37075  
(615) 447-2990

1630 Nashville Pike  
Suite 100  
Gallatin, TN 37066  
615-442-1480

**Trousdale County**

127 McMurry Blvd  
Hartsville, TN 37074  
(615) 374-4133

**Williamson County**  
9200 Carothers Pkwy  
Suite 108  
Franklin, TN 37067  
(615) 600-0928

**WILSON**  
**Bank** & **Trust**  
[wilsonbank.com](http://wilsonbank.com)

*Come in WE ARE  
OPEN!*