

**WILSON**  
BANK HOLDING CO.

# Connected

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

2022  
YEAR IN REVIEW

*inside*  
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AND MORE



Wilson Bank & Trust remains focused on serving our communities. We're local. We're independent. The people who make decisions and help you at the window are your neighbors and friends. As your local, independent bank, Wilson Bank & Trust takes a personal approach to business by providing customized banking solutions while staying committed to helping our communities prosper.

### 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.

31  
locations

580+  
employees

10  
counties

# WILSON BANK HOLDING CO. Connected

2022 ANNUAL REPORT

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Nearly 200 WBT employees and their families joined Habitat for Humanity of Wilson County to build a home for a local resident. The build spanned over three weekends and 10 local restaurants even joined this community effort by donating meals each day for the volunteers.



Member FDIC

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### Get Plugged In

Follow us on social media





## To Our Shareholders

**A**s we reflect on the previous year, we are proud to say that even through the fluctuation of economic conditions, your bank remained consistent and true to its mission of serving our customers and communities first. Our dedication to supporting local businesses and reinvesting in those economies was a key element of our success. We often remind ourselves of Wilson Bank & Trust's humble beginnings, rooted in the shared belief that banking could mean more than checking accounts and loans. We are a business built on purpose, not products.



John McDearman,  
left and John Foster

Continual investment in technology is always a priority for the bank but our ability to connect competitive banking products with personalized service for our customers is what sets us apart. It is our belief that community banks like ours continue to persist and thrive because of our people and their attention to service standards. Key elements of banking like compassion and perspective are human touches which cannot be replaced by technology. We strive to ensure that our customers have access to innovative products and services without losing sight of the value of relationships, which leads to established trust within our communities. Simply put, community banks do something technology cannot – relate.

In celebration of our 35th year of service, we kicked off the year by formalizing our employee-led initiative, the We Believe Together program. The mission of this program is to ensure that our employees feel empowered and encouraged to be involved with local organizations of their choosing. In celebration of our anniversary, employees from nine counties came together in partnership with Habitat for Humanity of Wilson County to build a bank-sponsored home for a local resident.

In May, we announced the official grand opening of Encompass Home Lending. This newly formed entity in partnership between Wilson Bank & Trust and local residential home builders, Celebration Homes and Willow Branch Homes, offers home loans to over 27 residential communities across Middle Tennessee.

We were pleased to see signature bank events like the Southern Home & Garden Expo, local fair participation and Oktoberfest return to pre-pandemic norms. Each event brought record breaking attendance and above all, gave us the opportunity to spend quality time with teammates and customers from all of our markets.

Another highlight of 2022 was being named a Top Workplace by the Tennessean. This honor just further solidified what we already believe, our bank is led by the best workforce in banking and beyond. With the continued growth of our employees in mind, we doubled down on our commitment to professional development by allocating more resources to nurture and cultivate the talent within our teams and allow space to build a career with WBT. Our people worked diligently throughout the year to identify and create efficiencies in an effort to enhance our customer experience and ease of doing business. In addition, several operational teams joined forces to refine many of our products ensuring that our services continue to meet the needs of our customers.

Growth into other markets within our state has always been part of the bank's future plans but we know timing and finding the right people to lead those efforts is critical in deciding to take the leap. In 2022, the leadership of the bank was presented with the opportunity to enter the Chattanooga market with a seasoned group of local bankers in a position to lead a loan production office focused on commercial banking. These three veteran bankers come to WBT with decades

of banking experience and we are confident in their ability to lead our growth efforts in this market.

While we know some economic challenges lie ahead, we are optimistic about the days and years to come for WBT. Together, we will work to show our customers and shareholders that we are here for you even when times are tough. It's our intent to continue to step forward in advancing and enriching the communities in which we live, work and play. Community banking means shared perspective because we travel the same roads you do, have known you for years, and appreciate all you're trying to accomplish at every stage of life. Thank you for allowing us the opportunity to serve you for the last 35 years and we look forward to many more to come.

Sincerely,

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

John Foster  
President  
Wilson Bank & Trust





SHAREHOLDER SPOTLIGHT:  
THE MITCHELL FAMILY



# Cleaning Up

Mitchell Brothers Partner With WBT to Sustain a Business Where ‘All are Welcome’.

*You’ll never see people from so many different walks of life chitchatting about the things coming to Lebanon. It really made me realize this was so much bigger than just business.*

**Wade Mitchell**

PARTNER, QUIK WASH

**W**hen Wade Mitchell and his wife, Camille, moved to Louisville, Kentucky, in 2014, they left one very important thing at home in Lebanon – their banking. While they knew they would eventually move back home to Wilson County, the decision to keep their accounts with Wilson Bank & Trust (WBT) stems primarily from the Mitchell family’s deeply rooted relationship with the bank.

“We had no interest in ever leaving Wilson Bank,” Wade explained. “We have so many relationships and connections with the bank. The people we’ve grown up with work there now, and Lebanon is so near and dear to our hearts.”

Wade felt that, by continuing to bank with WBT, he could continue to support his hometown, even if he was nearly 200 miles away. For him, it is not just a financial institution – it is a part of his upbringing.

Since he was born, Wade, along with his brother Cale, and his cousins Griffin, Ford, and Owen, have all received the same gift from their grandfather, Bobby Griffin – Wilson Bank shares. Whether it’s a wedding or a birth, Christmas or a birthday, Grandad is steadfast in his choice of gift. It’s never excessive – just enough

to express his affection while teaching his grandchildren about the stock market.

As Wilson County natives, the Mitchell family knew the bank’s founders personally. When Wilson Bank made its first stock offering in 1987, Grandad purchased shares, as did Dorie and Tim Mitchell, Wade and Cale’s parents.

“We always thought it would be a worthwhile investment because of the local tie. I knew the people. I had relationships with them. I felt good about the decision makers running the bank,” Dorie explained. “I’ve always been very community-minded, so I felt very connected because of its community focus.”

To say she’s community-minded is a bit of an understatement. In 2001, Dorie was selected for Leadership Wilson, a community leadership development program that serves to identify, train, and motivate individual citizens in community leadership. She has been the program’s Executive Director since 2007. Dorie is also a licensed Realtor. She and her business partner DeAnna Dodd own Dorie and DeAnna Demo and Design, a home purchasing and restoration company. WBT has been an important partner in their endeavors.



Dorie Mitchell holding her grandson, Camp and granddaughters, left to right, Crew and Cross at the family’s Quik Wash in Lebanon.



“I can’t imagine doing this through another bank.”

When Wade and Cale, along with their wives Camille and Caroline, started to flex their own entrepreneurial muscles, they too turned to WBT. “Wilson Bank & Trust is all we’ve ever known. Our entire family uses it, always have,” said Cale. The ability to work with people that knew their family has helped make it happen.

Wade got the idea of opening a laundromat while living in Louisville. He learned that laundromats are essential to the communities in which they operate. So, when he moved back to Lebanon, he teamed up with Cale and looked around for a laundry business to purchase. He got to know

the owner of Quik Wash, and soon after, the owner was in a position to sell it.

After buying the laundromat, the brothers quickly recognized that the laundry business is about connecting with others in a safe and welcoming space. This became apparent to Wade one day when he overheard a conversation at Quik Wash. A prominent business owner, an electrician, and a neighbor who had fallen on hard times were all engaging in a meaningful discussion about Lebanon’s growth – as equals.

“You’ll never see people from so many different walks of life chit-chatting about the things coming to

Lebanon,” Wade said. “It really made me realize this was so much bigger than just a business.”

Wade, Cale, Camille, and Caroline are committed to ensuring Quik Wash remains a safe, comfortable place where all are welcome, and they do it, not only with the help of WBT, but their entire family, as well. “We come from a family that works hard,” said Cale. “We taught ourselves how to do repairs and are fortunate to have relationships with local experts to help with larger projects. We’ve learned a lot since becoming business owners. It has made us adaptable.” Every member of the Mitchell clan lends a hand, whether it is cleaning, maintaining, and repairing equipment, managing the bulk laundry drop-off service, or helping look after Wade’s three young children. Tim can be found at the laundromat every evening and on weekends. As they say, it takes a village, and in this case, that village includes WBT.

“We knew having WBT as a partner in building this business would add strength to it from the local perspective,” Wade said. “While doing business in the bank, the customer service has been fantastic. It’s been great to see their level of commitment. It’s always, ‘How are you guys doing? Anything we can do? Has everything worked out?’ I can’t imagine doing this through another bank.”

As with any small business, Wade and Cale experience a great deal of ups and downs, challenges and successes, but they and their family members are fueled by the positive impact that this business has made on the community they love.

Standing left to right: Cale and Caroline Mitchell, Wade and Camille Mitchell and their three children; Cross (4), twins Camp and Crew(2)







## Connect Through Compassion

Comfort Connections, a Williamson County based non-profit organization, is on a mission to connect therapy comfort dogs with individuals working to heal after dealing with traumatic experiences. Jeanene Hupy, its founder, was inspired to establish this organization after working with students impacted by the tragic shooting at Sandy Hook Elementary. It was in this moment, Hupy was inspired to create a non-profit organization on a mission to provide a new approach to compassion and comfort to those in need.

“In the aftermath of a tragedy, often times students and adults do not possess the skillset needed to continue comforting one another after support organizations have moved on to the next crisis,” said Jeanene Hupy. “Our goal at Comfort Connections is to help individuals re-learn the skill of comfort. Some of the greatest instructors of compassion and comfort are dogs. It’s no secret that dogs have been used as therapy comfort animals for years. Studies have shown that simply petting a dog has tangible

evidence to reduce high blood pressure, reduce stress, increase socialization skills, and improve self-esteem. Dogs are accepting, with no criticism, and they truly enjoy interacting with people. Animals can sometimes understand and fill a need in ways that humans cannot.”

As a part of the bank’s “We Believe Together” initiative, the Cool Spring office partnered with Comfort Connections to help bring awareness to this organization and its powerful mission. Throughout the year, WBT and Comfort Connections worked together to provide opportunities to cultivate a culture of acceptance, inclusion, and comfort within their community. From visits to the local county fair, to “Hot Dog Day” and “Howl-O-Ween”, these two teams found various opportunities to spread awareness about this incredible cause. Throughout the year, the comfort dogs made visits to the Cool Springs office to spread happiness, comfort, and care through love and acceptance.



Scan here to learn more

## WBT’s Commitment to Preventing Cybercrime



“It’s important that our customers understand the level of sophistication these cybercriminals have when gaining access to personal information. It only takes one moment of vulnerability to have a significant financial impact. We help educate our customers and mitigate risk on their behalf.”

**Elvis Huff**

VICE PRESIDENT -  
INFORMATION SECURITY DIRECTOR

Technology adds so much convenience to our lives on a daily basis and we often take it for granted. While the banking industry has seen a number of technology advances making our lives more convenient, some of these advancements have also given cyber criminals more outlets than ever before to deceive and steal personal information from consumers. In order to better protect our customers from fraud and help mitigate breaches, Wilson Bank & Trust has assembled an experienced team of professionals specifically dedicated to working around the clock to protect the bank and its customers from fraud, scams, and other cybercrimes.

The WBT Security team consists of four full-time fraud specialists including two Fraud Investigators and two Fraud Analysts. In 2022, the WBT Security team worked over 750 fraud cases which prevented an estimated \$8 million in potential customer losses. Over 43% of these cases involved a check (either cashed or deposited). The largest channel for customer exposure is currently wire fraud. Wire fraud accounted for more than \$6.5 million in potential customer losses in 2022 that we were able to avoid due to the processes and procedures we have put in place to combat cybercrime.

### Two WBT Customer Fraud Prevention Examples:

**#1:** Wilson Bank & Trust received notification of multiple counterfeit checks attempting to clear the business checking account. Due to the quick action of the WBT Security team, they were able to prevent the checks from clearing the account. In response, the WBT Security team and the WBT Treasury Management Department worked together to setup a new service to help prevent fraud—the Positive Pay Service. Since the inception of this service, nearly 60 fraudulent checks have been stopped worth approximately \$245,000. No WBT customer has experienced loss at this time through the Positive Pay Service.

**#2:** The Security team was reviewing an alert from a wire transfer that was being sent through a well-established business customer. After further investigation, the team established the request was fraudulent and contacted the business, discovering that an email had been compromised when wire instructions were sent. We were able to avoid customer losses and recover the funds due to processes and procedures we put in place to combat cybercrime.

### Cybercrime by the Numbers\*

# \$6.9B

Around \$6.9 Billion was lost in the United States in 2022 due to cybercrime.



### TOP 3 SCAMS (NATION-WIDE):

1. Business email compromise
2. Investment scams
3. Romance scams



## Losses of \$12.6M

There were 144 victims of business email scams in Davidson, Rutherford, Sumner, Williamson, and Wilson Counties in 2022. The total losses amounted to \$12.6 million.

### Scams on the rise from 2022:

- Remote Access
- Romance Scams
- Wire Fraud
- Cryptocurrency Scam
- Postage Theft



To learn more about how to prevent fraud, visit [wbtsecurityblog.com](https://wbtsecurityblog.com).

\*According to the 2021 FBI IC3 Report



# Bringing THE **Best** TO Chattanooga

## Why Chattanooga?

We believe Chattanooga is a solid growth market in the state that continues to see increases in population due to the healthy economic and business climate. In addition, most of the major banking competitors in Chattanooga are banks we already compete with in other markets, so we like our chances of seeing success in this market.

One of the components for future growth for Wilson Bank & Trust has always been expansion into other markets within our state but timing and hiring the right people are key factors any time we consider taking the next step. With recent disruption in the banking industry related to mergers and acquisitions and an increase in availability of quality bankers looking to continue their careers with local institutions, 2022 provided the bank an opportunity to enter the Chattanooga market with a commercial lending presence.

Kathryn Gann, Ami Ingle and Alise O'Brien are three veteran Chattanooga bankers who joined the WBT team to represent our

brand in this new market. With nearly 20 years of experience in the banking industry, Kathryn Gann was hired as Vice President and Commercial Lender. Gann moved to Chattanooga more than 10 years ago and resides in Georgetown with her husband. Joining her, Ami Ingle will serve as Assistant Vice President and Small Business Lender. Ingle brings more than 15 years of experience in the banking industry, serving in various roles including bank teller, treasury sales and lending. She attended Chattanooga State and currently resides in Chattanooga. Lastly, Alise O'Brien rounds out the team as the Portfolio Manager. O'Brien has more than 25 years working in the banking industry

and has served as a commercial lending assistant for 20 of those years. She is a graduate of UT Chattanooga and resides with her husband and daughter in Chattanooga.

"We've worked with an expanding list of loan clients in Hamilton County for many years, and it was clear that our brand would be a great fit to expand into Chattanooga when the right opportunity came along," CEO John McDearman said. "We're excited not only to start serving new loan customers and building new relationships, but also to get involved and make a real difference in the community, which is a big part of our mission anytime we grow."

Left to right;  
Ami Ingle,  
Alise O'Brien and  
Kathryn Gann



# Leave a Legacy that Goes Beyond Money

**Share Something of Significance and Pass on so Much More than Money.**

## Heidi King Named Woman of Distinction award winner

“The Women of Distinction award recognizes women advisors affiliated with Raymond James as we celebrate extraordinary women doing extraordinary work within the financial planning profession and in the community,” said Renée Baker, head of Advisor Inclusion Networks at Raymond James. “This is an opportunity for the firm’s leadership and the Women Financial Advisors Network to recognize the efforts of women and celebrate their successes in a genuine way.”

**Heidi King, CPFA, AAMSTM**  
Financial Advisor  
Raymond James Financial  
Services, Inc.

**E**veryone leaves behind a unique legacy. For some, it’s meaningful to pass down something tangible – an item or heirloom. For other people, contributing to a cause that’s close to their heart is what matters most. Regardless of your priorities, sharing your life’s passions with your loved ones is one of the finest ways to create a legacy that lives on.

## Igniting that Spark of Connection

Our lives are complex and multilayered. Connect the dots with those you cherish by sharing the many aspects that make you who you are – your professional life, creative side, civic contributions, values and family history.

Passing on a meaningful legacy improves your family ties across generations. Your children and grandchildren undoubtedly want to feel a spark of connection with you and your life experiences, so take the opportunity today to share your interests with those close to you. In telling the story behind your passions, you can leave a true sense of yourself that allows your family to better value and understand you.

## Your Legacy Starts Today

Imparting your passions requires some thought and planning. But, starting today, you can leave your mark.

Your passions may run the gamut – doubles tennis, skiing, fine art, jewelry collecting, repairing antique cars and so on. Involve your family in the daily activities, the quiet moments where you

*Telling the story behind your passions, you can leave a true sense of yourself that allows your family to better value and understand you.*

explain how a tool works or why you enjoy a hard-fought match even if you don’t win. Consistently sharing your pastimes with your family can positively influence how they think about you. Your loved ones will come to appreciate your pursuits as they experience your excitement and passion. This may even leave them with a lasting desire to follow in your footsteps.

Talking about what matters to you most likely comes naturally because it’s incorporated into your everyday life. Continue telling people about the things that bring you true fulfillment, but also consider writing about them and why they’re important to you. A memoir or written record can be kept, stored and passed down through the generations.

To pass down your interests in a way that celebrates your life, it will take thoughtfulness, creativity and organization. The investment will be worth it to ensure your legacy is so much more than the things you’ll leave behind. You have the power to leave people with warm memories and a glimpse into your life’s true spirit.

## Next Steps

- Share your passions, interests and stories with those closest to you.
- Consider the most important parts of your legacy and who you’d like to share them with.
- Speak with your financial advisor about how to gift assets that align with your legacy.

Securities offered through Raymond James Financial Services, Inc., member FINRA / SIPC. Investment advisory services offered through Raymond James Financial Services Advisors, Inc. Wilson Bank and Wilson Bank & Trust Investment Services are not registered broker/dealers and are independent of Raymond James Financial Services. Investment products are: not deposits, not FDIC/NCUA insured, not insured by any government agency, not bank guaranteed, subject to risk and may lose value.



**WILSON Bank & Trust**  
INVESTMENT SERVICES  
**RAYMOND JAMES**

Speak with an advisor  
**(615) 443-6509**



## We're Independent, Local and Right by Your Side.

Dr. Jonathan Cornelius, current President of Middle Tennessee's Hughston Clinic Orthopedics, wasn't looking to lead a healthcare practice when the opportunity came along but his innovative approach to surgical practices coupled with a trusted network of peers and patients, made him the obvious choice to help grow the business to what it is today.

"People shouldn't need to travel an hour or more to have access to quality healthcare services," said Cornelius. "I firmly believe a critical piece of being a local healthcare provider means creating the opportunity for the community to receive the same access to cutting edge technology and solutions without sacrificing convenience. Interacting with patients who care as much about this community as we do allows us the opportunity to create more meaningful relationships along the way."

Meaningful relationships are exactly what led Dr. Cornelius to seek a partnership with Wilson Bank & Trust. Like so many local businesses, the uncertainty of the pandemic shed new light on who was really there for locally operated businesses when times got hard. The pandemic brought a drastic halt to many healthcare operations, chief among those being surgical procedures.

"Elective surgeries were cancelled, and no one knew when surgeons would be allowed back into the hospital's operating rooms," said Cornelius. "Providers were stretched to the limit while trying to reassure patients their hopes for necessary treatments weren't lost."

At the time, Cornelius had a pre-existing banking relationship with another financial

institution and quickly learned the value of picking up the phone and knowing someone would be on the other end of the line, willing to provide solutions. It was his relationships within the local business community that helped change the narrative of this business from moments of doubt to encouragement for the future.

"I met John McDearman when I first came to Lebanon and was familiar with Wilson Bank & Trust but wasn't looking to move our banking relationship at the time," said Cornelius. "But when I was looking for answers and I needed a partner I could rely on to answer the phone and find solutions, John was there with options which helped bridge the gap of uncertain times and get us where we are today. It started with one business transaction and led to a full-service business banking relationship in the end. He introduced me to a team of people at the bank who made the transition easy."

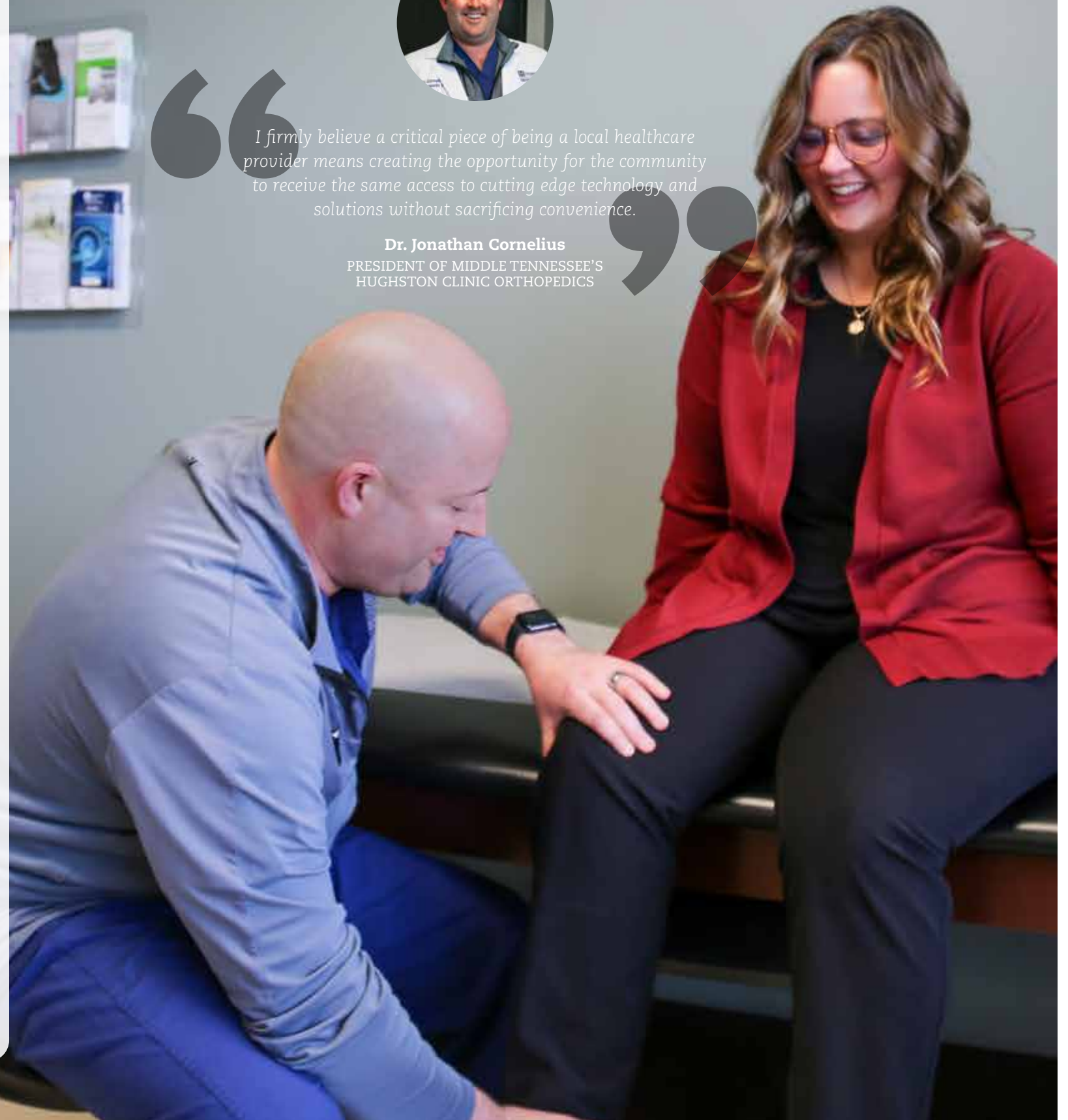
Today, Hughston Clinic Orthopedics operates nine offices across Middle Tennessee, including 23 physicians and a surgery center in its early stages of development.

Dr. Cornelius is board certified with the American Board of Orthopedic Surgery and was the first surgeon in Tennessee to adopt the robotic joint replacement of the knee and hip starting in 2011. In addition to joint replacement of the knee, hip and shoulder, he also treats a variety of sports medicine and trauma conditions. He is a team sports medicine physician for Wilson County Schools and currently operates at Vanderbilt Wilson County Hospital and Summit Hospital.



*I firmly believe a critical piece of being a local healthcare provider means creating the opportunity for the community to receive the same access to cutting edge technology and solutions without sacrificing convenience.*

**Dr. Jonathan Cornelius**  
PRESIDENT OF MIDDLE TENNESSEE'S  
HUGHSTON CLINIC ORTHOPEDICS





## Our Communities



Where we Live  
and Work are  
the Heartbeat  
of Our Business.



**M**aking an impact on the communities where we live and work has been a fundamental component of Wilson Bank & Trust's identity since the beginning. From supporting local organizations through sponsorships and donations, to providing every employee with the opportunity to give back to their community in the way that's most meaningful to them, our ultimate goal is to make our local neighborhoods stronger than they were before we entered their market.

In 2022, \$590,338 was invested into various nonprofit and community organizations through sponsorships and donations while nearly \$150,000 was contributed to local schools and sports teams. Through continuous partnership with local organizations, we hope to help provide meaningful solutions and create better quality of life for all of our communities.

Wilson Bank Holding Company

## The 2022 Financials



Wilson Bank Holding Company Reports

RECORD HIGH  
NET INCOME

And

RECORD HIGH  
ASSETS



A record year in net income was the result of an overall growing market in Middle Tennessee that led to record loan growth and robust deposit growth that resulted in an overall increase in net interest margin.

Wilson Bank reported record high net income of \$53.0 million for the year ended December 31, 2022 compared to \$49.4 million for the same period in 2021. Diluted earnings per share for the twelve month period ended December 31, 2022 was \$4.65 compared to \$4.43 for the same period in 2021.

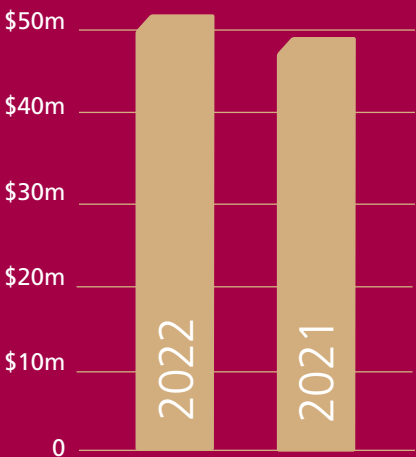
Net interest income before the provision for credit losses was \$141.4 million for the twelve months ending December 31, 2022 compared to \$118.2 million for the year ended 2021. This increase was the result of a \$27.7 million, or 21.3%, increase in interest income and an increase of \$4.5 million, or 38.6%, in total interest expense. The net interest margin was 3.70% in 2022 as compared to 3.44% for 2021. The net interest margin was positively impacted by the Federal Reserve’s move to increase the federal funds rate from .25% to 4.50% during 2022 and record loan growth for the period.

The 2022 provision for credit losses was \$8,656,000, an increase of \$7,513,000 from the provision in 2021. The increase in the provision in 2022 was largely attributable to an increase in the volume of loans originated during the period.

Non-interest income for the twelve months ended December 31, 2022 was \$27.4 million compared to \$32.9 million for the same period in 2021. Included in this decrease is a decrease in fees and gains on sales of mortgage loans due to the rising rate environment which contributed to weakened demand for purchase money mortgage loans and refinancing transactions, offset in part by gains in our mortgage hedging activities. Also negatively impacting non-interest income in 2022 was a loss we recognized on the sale of lower yielding securities due to management’s decision to sell securities due to the rising rate environment to restructure a portion of the securities portfolio into higher yielding securities in an effort to increase net interest margin in future periods. These decreases were offset in part by an increase in service charges on deposit accounts. We also saw an increase in debit and credit card interchange income due to an increase in the number and volume of debit card and credit card holders and transactions. Brokerage income increased due to the opening of new investment accounts as well as growth in assets under management, which can be attributed to marketing efforts and overall population growth of the middle Tennessee markets. In addition, the increase in interest rates has increased customers’ interest in opportunities to capitalize on products and services provided.

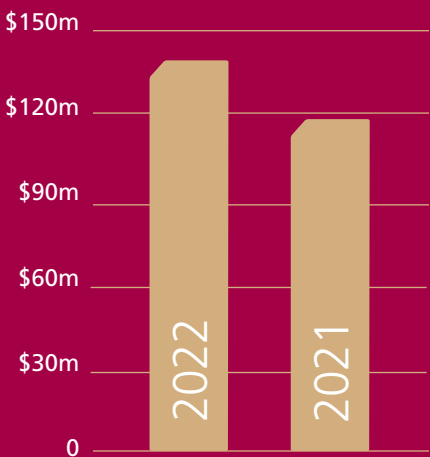
NET INCOME

7.32% INCREASE



NET INTEREST INCOME BEFORE  
PROVISION FOR CREDIT LOSSES

19.63% INCREASE





# Balance Sheet

Wilson Bank reported total assets of \$4.3 billion at December 31, 2022 compared to \$4.0 billion at December 31, 2021, an increase of \$296.1 million, or 7.4%.

At December 31, 2022 securities were \$822.8 million, a decrease of 8.3% from \$897.6 million at December 31, 2021. The decrease in securities was due to an increase in interest rates that caused the fair market value of our securities portfolio to decline, partially offset by the purchase of new securities.

Loans, net of allowance for credit losses, totaled \$3.1 billion at December 31, 2022, a \$669.5 million, or 27.4%, increase compared to December 31, 2021. This increase resulted from an overall increase in loan demand across all loan segments, primarily driven by a robust local housing, construction and commercial real estate market.

The allowance for credit losses increased to \$39.8 million in 2022 compared to \$39.6 million in 2021. On January 1, 2022, we adopted FASB ASU 2016-13,

which introduces the current expected credit losses (CECL) methodology and requires us to estimate all expected credit losses over the remaining life of our loan portfolio. This resulted in a downward adjustment to the opening balance of the allowance for credit losses of \$7.6 million, which during 2022 was offset by an increased provision expense principally due to loan growth. The allowance for credit losses was 1.26% of outstanding loans at December 31, 2022.

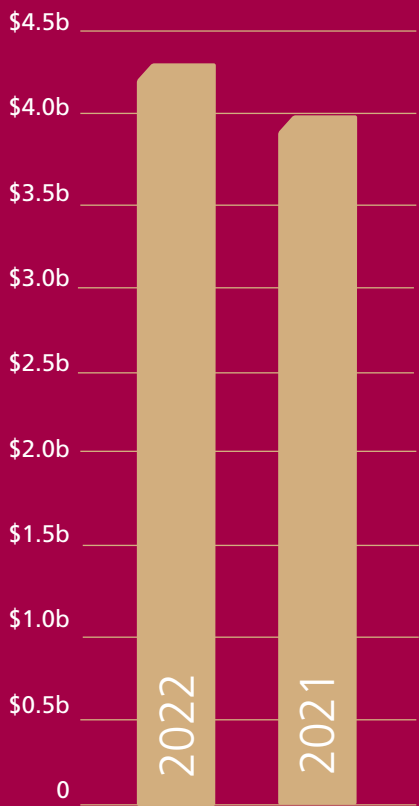
Total deposits were \$3.9 billion at December 31, 2022 compared to \$3.6 billion at December 31, 2021, representing growth of \$337.6 million, or 9.5% during 2022. Deposit growth is primarily attributable to growth in market share which resulted in the opening of new accounts.



**Lisa Pominski**  
EVP-CHIEF FINANCIAL OFFICER

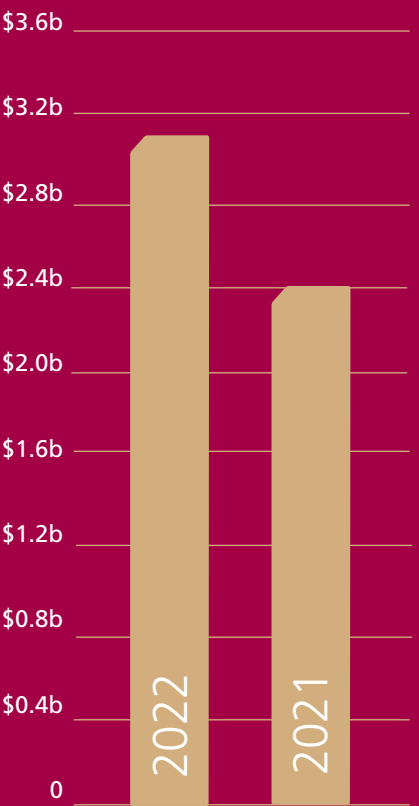
*As the CFO of WBT, my staff and I strive on a daily basis to live out the Bank’s core values which are customer focus, community centric, faith, integrity, teamwork and success. One of the many ways we measure success is through financial performance and the return that we provide to our shareholders. 2022 was an exceptional year of maximizing earnings and shareholder return as the bank reported its highest net income in its history reflecting record loan growth and strong deposit growth from deepening existing customer relationships and the expansion into new markets.*

## TOTAL ASSETS



**7.42%**  
Increase  
in Assets

## TOTAL LOANS, NET OF ALLOWANCE FOR CREDIT LOSSES



**27.39%**  
Increase  
in Loans



**13.5%**  
Total Capital to Risk  
Weighted Assets

**8.41%**  
Equity to  
Assets

**14.36%**  
Return on  
Average Equity

# Capital

Shareholders' equity totaled \$360.5 million at December 31, 2022 compared to \$413.7 million at December 31, 2021, a decrease of \$53.3 million or 12.9%. The decrease in shareholders equity includes an increase in net unrealized losses on available-for-sale securities, net of taxes, and dividends paid on the Company's common stock, partially offset by net earnings, the issuance of stock pursuant to the Company's Dividend Reinvestment Plan, and the exercise of stock options. Return on average shareholder's equity for 2022 was 14.36%, total capital to risk weighted assets was 13.5%, and the equity to assets ratio was 8.41%.

**\$360.5  
MILLION**  
Shareholder's Equity

## Holding Company & Stock Information

### Wilson Bank Holding Company Directors

H. Elmer Richerson, Chairman; James Anthony Patton; James F. Comer; J. Randall Clemons; Jack W. Bell; William P. Jordan; John C. McDearman III; 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 stockholders of record at February 22, 2023 was 4,674. 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 common stock during the years 2021 and 2022.

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. On January 1, 2022, a \$.75 per share cash dividend was declared, on April 11, 2022, a \$.35 per share cash dividend was declared, and on July 1, 2022, a \$0.75 per share cash dividend was declared and thereafter paid to shareholders of record as of 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

	High	Low
<b>2021</b>		
First Quarter	\$ 59.80	\$ 58.75
Second Quarter	\$ 60.95	\$ 59.80
Third Quarter	\$ 62.10	\$ 60.95
Fourth Quarter	\$ 63.25	\$ 62.10

	High	Low
<b>2022</b>		
First Quarter	\$ 64.40	\$ 63.25
Second Quarter	\$ 65.55	\$ 63.25 *
Third Quarter	\$ 70.00 **	\$ 65.55
Fourth Quarter	\$ 67.85	\$ 65.55 *

\* Represents one transaction of 712 shares during the second quarter of 2022 and one transaction of 500 shares during the fourth quarter of 2022 of which the Company is aware where the sale price was at least \$1.15 lower than any other trade during the quarter. The volume weighted average stock price during the second quarter of 2022 was \$64.44 and the volume weighted average stock price during the fourth quarter of 2022 was \$67.36.

\*\*Represents one transaction of 2,429 shares during the third quarter of 2022 of which the Company is aware where the sale price was at least \$3.30 higher than any other trade during the quarter. The volume weighted average stock price during the third quarter of 2022 was \$66.14.

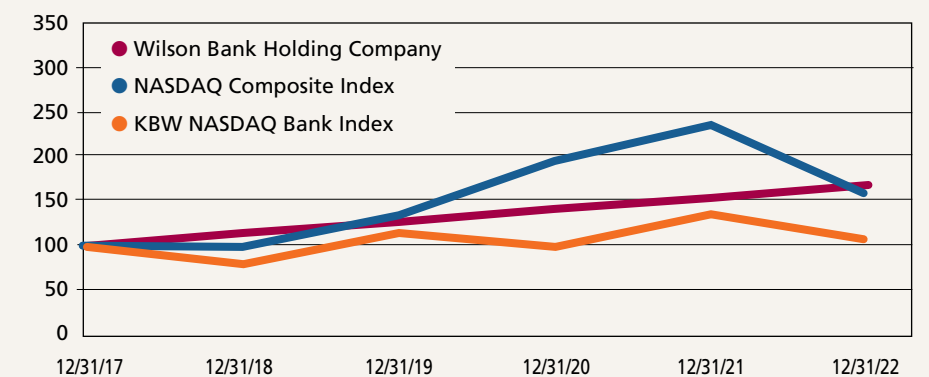
### Annual Meeting and Information Contacts

The Annual Meeting of Shareholders of Wilson Bank Holding Company will be held on Tuesday, April 25, 2023 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.

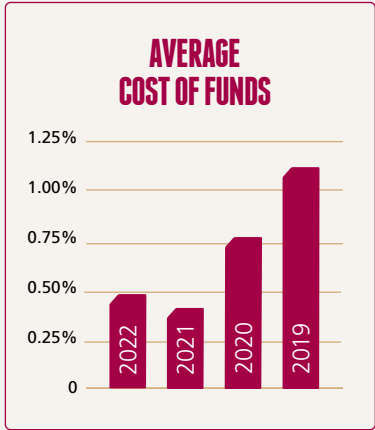
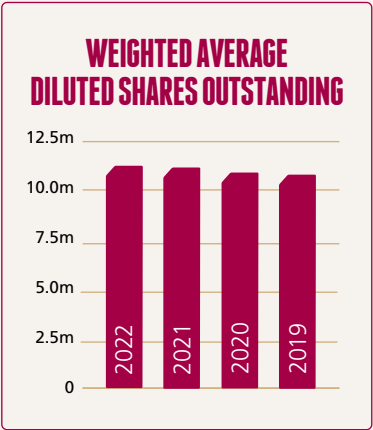
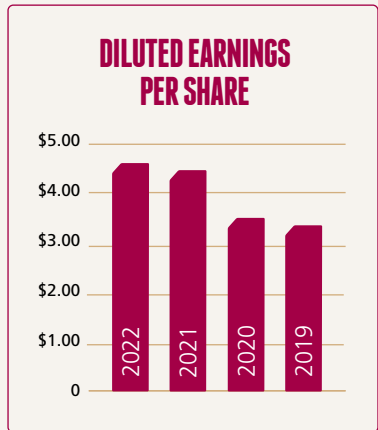
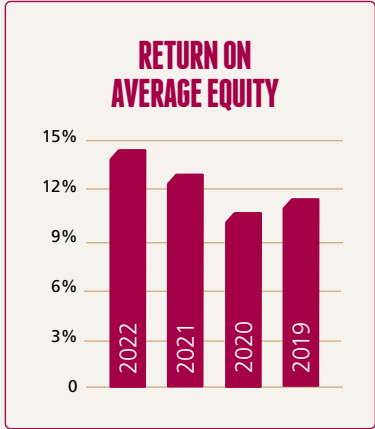
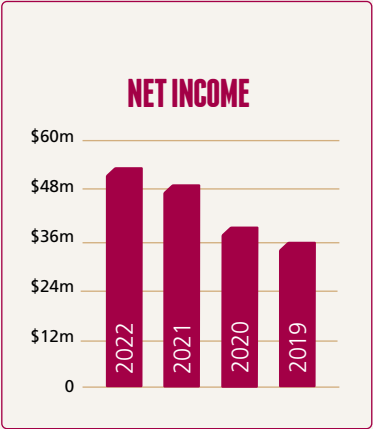
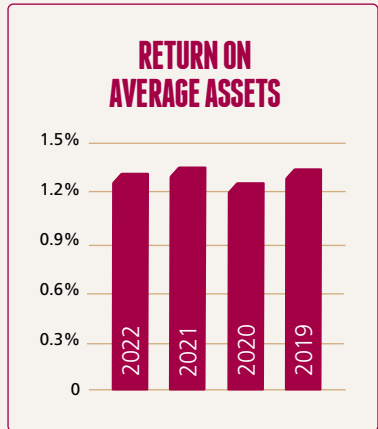
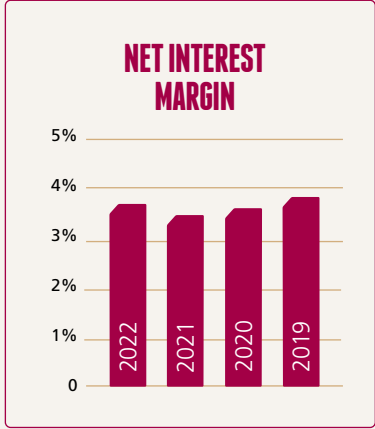
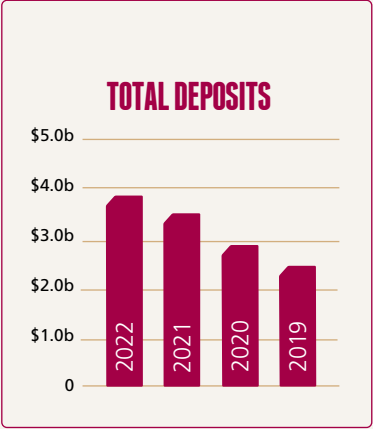
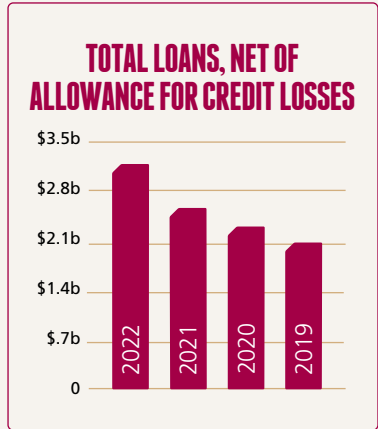
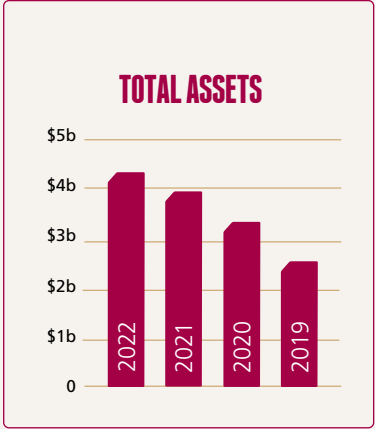
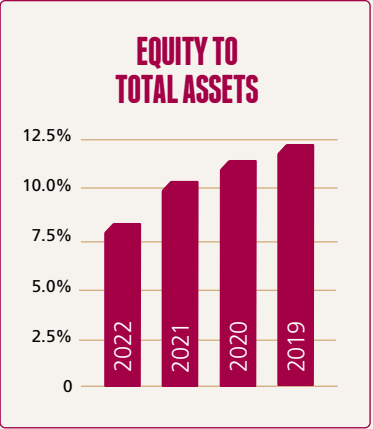
### Wilson Bank Holding Company Five Year Performance Index

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 Composite Index and the KBW NASDAQ Bank Index between December 31, 2017 and December 31, 2022. The graph assumes the value of the investment in Wilson Bank Holding Company's common stock and each index was \$100 at December 31, 2017 and that all dividends were reinvested.



Index	Period Ending					
	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
Wilson Bank Holding Company	100.00	113.35	127.45	139.72	153.82	169.80
NASDAQ Composite Index	100.00	97.16	132.81	192.47	235.15	158.65
KBW NASDAQ Bank Index	100.00	82.29	112.01	100.46	138.97	109.23





## WILSON BANK HOLDING COMPANY

	As of or for the year ended December 31,			
	2022	2021	2020	2019
<b>Equity</b>				
Total capital to risk weighted assets	13.5%	13.9%	14.3%	15.0%
Equity to assets	8.41%	10.37%	11.28%	12.06%
Total assets	\$4,285,650,000	\$3,989,596,000	\$3,369,604,000	\$2,794,209,000
Loans, net of allowance for credit losses	\$3,113,796,000	\$2,444,282,000	\$2,282,766,000	\$2,057,175,000
Total deposits	\$3,892,705,000	\$3,555,071,000	\$2,960,595,000	\$2,417,605,000
Net interest margin	3.70%	3.44%	3.60%	3.81%
Return on average assets	1.29%	1.35%	1.24%	1.34%

	As of or for the year ended December 31,			
	2022	2021	2020	2019
<b>Earnings &amp; Performance Ratios</b>				
Net income	\$ 53,042,000	\$ 49,426,000	\$ 38,492,000	\$ 36,044,000
Return on average equity	14.36%	12.45%	10.65%	11.31%
Diluted earnings per share	\$ 4.65	\$ 4.43	\$ 3.51	\$ 3.35
Weighted average diluted shares outstanding	11,408,924	11,162,956	10,953,746	10,761,467

	For the year ended December 31,			
	2022	2021	2020	2019
<b>Average Cost of Funds</b>	0.49%	0.41%	0.76%	1.09%



# Consolidated Balance Sheets

WILSON BANK HOLDING COMPANY

## ASSETS

	<i>Dollars in Thousands</i>	
	2022	2021
Loans, net of allowance for credit losses of \$39,813 and \$39,632, respectively	\$ 3,113,796	\$ 2,444,282
Available-for-sale securities, at market (amortized cost \$972,315 and \$906,135, respectively)	822,812	897,585
Loans held for sale	3,355	11,843
Interest bearing deposits	78,694	400,940
Federal funds sold	308	27,055
Restricted equity securities, at cost	4,357	5,089
Total earning assets	\$ 4,023,322	\$ 3,786,794
Cash and due from banks	25,787	25,423
Premises and equipment, net	62,031	62,846
Accrued interest receivable	11,397	7,641
Deferred income taxes	51,323	12,792
Bank owned life insurance	58,007	46,206
Goodwill	4,805	4,805
Other assets	48,978	43,089
Total assets	\$ 4,285,650	\$ 3,989,596

## LIABILITIES

	<i>Dollars in Thousands</i>	
	2022	2021
Deposits:		
Noninterest-bearing	\$ 414,905	\$ 433,500
Interest bearing	3,477,800	3,121,571
Total deposits	3,892,705	3,555,071
Accrued interest and other liabilities	32,493	20,808
Total liabilities	\$ 3,925,198	\$ 3,575,879

## SHAREHOLDERS' EQUITY

	<i>Dollars in Thousands</i>	
	2022	2021
Common stock, par value \$2.00 per share, authorized 50,000,000 shares, 11,472,181 and 11,201,504 shares issued and outstanding, respectively	\$ 22,944	\$ 22,403
Additional paid-in capital	122,298	105,177
Retained earnings	325,625	292,452
Noncontrolling interest in consolidated subsidiary	15	—
Accumulated other comprehensive losses, net of taxes of \$39,073 and \$2,235, respectively	(110,430)	(6,315)
Total stockholders' equity	\$ 360,452	\$ 413,717
Total liabilities and stockholders' equity	\$ 4,285,650	\$ 3,989,596



# Consolidated Statements of Earnings

WILSON BANK HOLDING COMPANY

## INTEREST INCOME

*Dollars in Thousands (except per share data)*

	2022	2021	2020
Interest and fees on loans	\$ 138,161	\$ 118,676	\$ 113,224
Interest and dividends on securities:			
Taxable securities	15,902	8,922	7,272
Exempt from Federal income taxes	1,392	1,229	1,102
Interest on loans held for sale	264	438	616
Interest on Federal funds sold	111	13	56
Interest on interest bearing deposits	1,522	445	582
Interest and dividends on restricted equity securities	188	118	116
Total interest income	\$ 157,540	\$ 129,841	\$ 122,968

## INTEREST EXPENSE

Interest on negotiable order of withdrawal accounts	\$ 2,546	\$ 1,866	\$ 2,150
Interest on money market accounts and other savings accounts	7,021	2,027	4,163
Interest on certificates of deposit and individual retirement accounts	6,486	7,610	10,939
Interest on Federal funds purchased	14	—	—
Interest on Federal Home Loan Bank advances	—	133	967
Interest on finance leases	66	—	—
Total interest expense	\$ 16,133	\$ 11,636	\$ 18,219

Net interest income before provision for credit losses	\$ 141,407	\$ 118,205	\$ 104,749
Provision for credit losses - loans	8,656	1,143	9,696
Provision for credit losses - off-balance sheet exposures	(1,014)	262	259
Net interest income after provision for credit losses	\$ 133,765	\$ 116,800	\$ 94,794

## NON-INTEREST INCOME

*Dollars in Thousands (except per share data)*

	2022	2021	2020
Service charges on deposits	\$ 7,382	\$ 6,137	\$ 5,659
Brokerage income	6,929	6,368	4,837
Debit and credit card interchange income, net	8,416	7,783	5,842
Other fees and commissions	1,653	1,446	1,404
BOLI and annuity earnings	1,346	1,109	959
Gain (loss) on sale of securities, net	(1,620)	28	882
Fees and gains on sales of mortgage loans	2,973	9,997	9,560
Mortgage servicing income	111	—	—
Gain (loss) on sale of other real estate, net	—	(15)	658
Gain (loss) on the sale of fixed assets, net	291	(43)	(63)
Gain (loss) on sale of other assets, net	8	6	(4)
Other income (loss)	(69)	34	61
Total non-interest income	\$ 27,420	\$ 32,850	\$ 29,795

## NON-INTEREST EXPENSE

Employee salaries and benefits	\$ 56,707	\$ 52,722	\$ 45,661
Equity-based compensation	1,864	1,428	1,180
Occupancy expenses	5,563	5,473	5,216
Furniture and equipment expenses	3,389	3,323	3,267
Data processing expenses	7,727	6,079	5,101
Advertising expenses	3,455	2,736	2,487
Accounting, legal & consulting expenses	1,019	988	909
FDIC insurance	1,527	1,130	598
Directors' fees	650	686	634
Other operating expenses	11,208	10,927	11,426
Total non-interest expense	\$ 93,109	\$ 85,492	\$ 76,479

Earnings before income taxes	68,076	64,158	48,110
Income taxes	15,056	14,732	9,618
Net earnings	\$ 53,020	\$ 49,426	\$ 38,492
Net loss attributable to noncontrolling interest	22	—	—
Net earnings attributable to Wilson Bank Holding Company	\$ 53,042	\$ 49,426	\$ 38,492
Basic earnings per common share	\$ 4.66	\$ 4.44	\$ 3.52
Diluted earnings per common share	\$ 4.65	\$ 4.43	\$ 3.51
Weighted average common shares outstanding:			
Basic	11,377,617	11,131,897	10,927,065
Diluted	11,408,924	11,162,956	10,953,746



## 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.



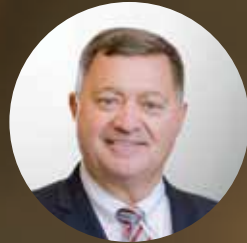
Randall remained on the Board after his retirement as WBT's founding CEO in 2019. He brings valuable experience as a banker and is a community leader that is actively involved in a number of community activities.

### **Randall Clemons** RETIRED WBT CEO



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



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



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** PREVIOUS OWNER, FOUR STAR PAVING



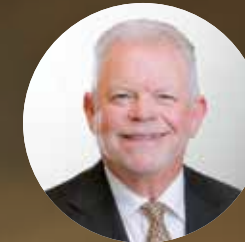
After joining Wilson Bank in 1998, John worked as a commercial lender and then a branch manager. He later returned to the Main Office in a lending role, and eventually served as a regional president before succeeding Elmer Richerson as president in 2018 and Randall Clemons as CEO in 2020.

### **John McDearman** CEO, WILSON BANK HOLDING COMPANY



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



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



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



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.

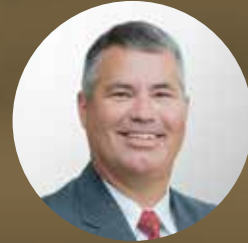
### **Elmer Richerson** RETIRED WBT PRESIDENT



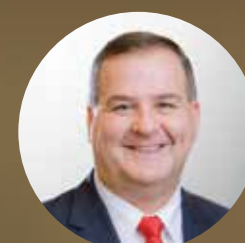
# Executive Management



**John McDearman**  
*Chief Executive Officer*



**John Foster**  
*President*



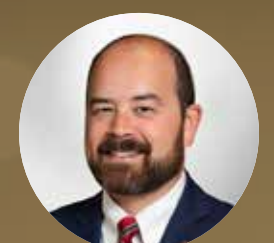
**Scott Jasper**  
*EVP/Chief Retail Officer*



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



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



**Taylor Walker**  
*EVP/Chief Credit Officer*



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



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



**Patrick Carrin**  
*SVP/Mortgage Director*



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



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



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



**Paul Shearer**  
*SVP/Credit Administration*



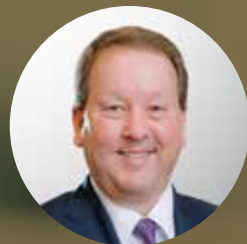
**Vickie Shrum**  
*SVP/Human Resources Director*



**Rachel Fisher**  
*SVP/Chief Risk Officer*



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



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



**Mac Griffin**  
*SVP/Regulatory*



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



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



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



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



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



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

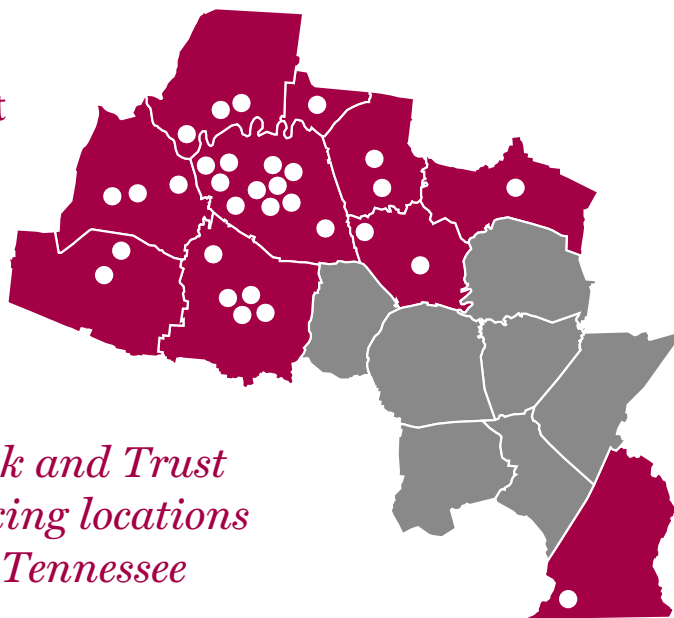


**Stephen Jaquish**  
*SVP/Chief Information Officer*





wilsonbank.com



*Wilson Bank and Trust  
has 31 banking locations  
throughout 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

#### **Hamilton County**

Chattanooga- Loan  
Production Office  
1300 Broad Street Suite 200B  
Chattanooga, TN 37402  
(423) 671-7216

#### **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

5029 Harpeth Drive  
Brentwood, TN 37027  
(615) 695-8880

**WILSON**  
BANK HOLDING CO.

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