

Statement of Financial Condition

For the years ending December 31, 2023 and 2022 (in thousands)

ASSETS	2023	2022	
Cash and Cash Equivalents	\$ 95,122	\$ 223,622	
Loans, Net			
Real Estate	980,345	958,207	
Consumer	179,606	180,313	
Commercial	109,692	91,125	
Total Loans, Net	1,269,643	1,229,645	1
Long & Short-Term Investments	543,946	597,518	
Property and Equipment, Net	30,133	31,645	
Other Assets	86,107	93,523	
Total Assets	\$ 2,024,951	\$ 2,175,953	

LIABILITIES & EQUITY	2023	2022	
Liabilities			
Deposits	\$ 1,713,161	\$ 1,883,664	2
Borrowed Funds	-	-	
Interest Payable & Other Liabilities	20,982	24,235	
Total Liabilities	1,734,143	1,907,899	
Equity			
Total Equity	290,808	268,054	3
Total Liabilities & Equity	\$ 2,024,951	\$ 2,175,953	

Statement of Income

For the years ending December 31, 2023 and 2022 (in thousands)

	2023	2022	
Interest Income	\$ 63,165	\$ 54,823	
Interest Expense	(12,757)	(4,024)	
Net Interest Income	50,408	50,799	4
Provision for Loan Losses	(955)	(471)	5
Non-Interest Income	19,620	20,014	6
Operating Expense	(54,711)	(51,080)	7
Income Before Income Tax Expense	14,362	19,262	
Income Tax Expense	(3,356)	(4,808)	
Net Income	\$ 11,006	\$ 14,454	8

See notes on reverse side.

A message from our Board Chair and CEO:

Think Bank's mission of providing peace of mind to those we serve and helping them build better lives guided us to several positive outcomes in 2023. From launching new budgeting tools in online banking to introducing additional safeguards to protect customers from cybersecurity threats, we focused on meeting our customers' needs and helping them create a more secure financial future. Those efforts led to solid financial results in 2023 including a strong capital position, positive net income, and a well-performing loan portfolio. Think's financial success is directly tied to serving our mission and ensuring you, our customer, is our first priority.

Thank you for doing business with us.



John Wade, Chair, Board of Directors



Jenny Hosfeld, President and CEO

Notes to the report

- Loans, Net** | Loans increased \$40.0 million driven by growth in first and second mortgage and business loans.
- Deposits** | Deposits decreased \$170.5 million reflecting the impact of inflation on consumer spending (savings) as well as elevated competition including non-bank savings alternatives.
- Equity** | Equity (capital) increased by \$22.8 million in 2023. Our community bank leverage ratio increased to 16.4% as growth in retained earnings outpaced asset growth. The following table illustrates our strong regulatory capital ratios:

Regulatory Capital Ratio	2023	2022	*Well Capitalized
Community Bank Leverage Ratio	16.4%	14.7%	9.0%

*Minimum regulatory capital ratio to be considered "well capitalized."

- Net Interest Income** | Net Interest Income was flat as higher interest expense for deposits offset higher loan and investment income.
- Provision for Credit Losses** | Provision for Credit Losses increased \$484 thousand versus 2022, remaining below historical averages, as loan charge-offs were low and asset quality remained strong. Think's net charge-off and non-performing loan ratios were 0.05% and 0.09%, both of which are significantly below their corresponding industry averages (0.12% and 0.78%, respectively).
- Non-Interest Income** | Non-Interest Income fell marginally as a result of lower mortgage originations and gain on sale of loans. This decrease was partially offset by higher financial planning and insurance revenue.
- Operating Expenses** | Operating Expenses increased \$3.6 million or 7.1% above 2022. The increase is due to the continued focus on investing in our people, organization, and customers while ensuring efficient use of company resources.
- Net Income** | Net Income decreased by \$3.4 million from 2022 and finished at \$11.0 million with an ROA of 0.54%.

Management

Jenny Hosfeld President / Chief Executive Officer
Becky Wendland SVP / Chief Technology and Innovation Officer
Chad DeCook SVP / Business Banking / Chief Credit Officer
Chad Murray SVP / Marketing
Jeff Ihrke SVP / Chief Risk Officer
Larry Guse SVP / Chief People Officer
Nate Boyer SVP / Chief Financial Officer
Tammy Pfeffer SVP / Financial Services

Board of Directors

John Wade Chair
Melissa Brinkman Vice Chair
Paul Mackin Secretary
Bruce Shay Director
Dennis Dahlen Director
Jill Rock Director
Virginia Witherspoon Merritt Director
Walt Ling Director

Think Bank has eight branch offices in Minnesota.
Headquarters: 5200 Members Pkwy NW, Rochester, MN 55901