



2024 Annual Report

Statement of Financial Condition

For the years ending December 31, 2024 and 2023 (in thousands)

ASSETS	2024	2023	
Cash	\$ 5,124	\$ 4,800	
Loans, Net			
Real Estate	960,027	980,345	
Consumer	143,733	179,606	
Commercial	117,768	109,692	
Total Loans, Net	1,221,528	1,269,643	1
Investments	720,929	634,268	
Property & Equipment, Net	28,525	30,133	
Other Assets	82,606	86,107	
Total Assets	\$ 2,058,712	\$ 2,024,951	

LIABILITIES & EQUITY

Liabilities	2024	2023	
Deposits	\$ 1,729,398	\$ 1,713,161	2
Borrowed Funds	-	-	
Interest Payable & Other Liabilities	20,132	20,982	
Total Liabilities	1,749,530	1,734,143	
Equity			
Total Equity	309,182	290,808	3
Total Liabilities & Equity	\$ 2,058,712	\$ 2,024,951	

Statement of Income

For the years ending December 31, 2024 and 2023 (in thousands)

	2024	2023	
Interest Income	\$ 69,940	\$ 63,165	
Interest Expense	(21,729)	(12,757)	
Net Interest Income	48,211	50,408	4
Provision for Credit Losses	(523)	(955)	5
Non-Interest Income	20,958	19,620	6
Operating Expense	(55,622)	(54,711)	7
Income Before Income Tax Expense	13,024	14,362	
Income Tax Expense	(2,762)	(3,356)	
Net Income	\$ 10,262	\$ 11,006	8

See notes on reverse side.

A message from our Board Chair and CEO:

Helping people find peace of mind and build better lives is why we exist. In 2024, we remained focused on this mission. From new online account opening options for existing customers to technological enhancements for convenient access to accounts, our mission guided our commitment to exceptional customer care. The day-to-day efforts of our team resulted in strong financial outcomes, including increased deposits, equity growth, positive net income, and higher revenues in financial planning and insurance services. As we look to the future, we remain committed to doing our best to continue supporting you, our customer, in creating a strong financial future. Thank you for choosing Think Bank!

John Wade, Chair, Board of Directors

Jenny Hosfeld, President & CEO

Notes to the report

- 1

Loans, Net | Loans decreased \$48.1 million driven by reductions in consumer secured and first mortgage, offset partially by higher second mortgage and business real estate loans. Total loan originations were \$282.5 million in 2024, remaining comparable to 2023 as elevated interest rates continued to weigh on loan demand.
- 2

Deposits | Certificate deposits grew \$95.6 million while core deposits decreased \$79.3 million, resulting in an overall increase of \$16.2 million.
- 3

Equity | Equity (capital) increased by \$18.4 million in 2024. Our community bank leverage ratio increased to 16.75% as growth in retained earnings outpaced asset growth. The following table illustrates our strong regulatory capital ratios:

Regulatory Capital Ratio	2024	2023	*Well Capitalized
Community Bank Leverage Ratio	16.75%	16.44%	9.0%

*Minimum regulatory capital ratio to be considered “well capitalized.”

- 4

Net Interest Income | Net interest income decreased as higher deposit rates (interest expense) offset higher loan and investment income.
- 5

Provision for Credit Losses | Provision for credit losses decreased \$432 thousand versus 2023, remaining below historical averages, as loan charge-offs were low, and asset quality remained strong. Think’s net chargeoff and non-performing loan ratios were 0.05% and 0.08%, both of which are significantly below their corresponding industry averages (0.45% and 0.80%, respectively).
- 6

Non-Interest Income | Non-interest income increased \$1.3 million as a result of higher gains on the sale of loans and higher financial planning and insurance revenues.
- 7

Operating Expenses | Operating expenses increased \$911 thousand or 1.7% over 2023. The increase reflects the continued focus on investing in our people, organization, and customers while ensuring efficient use of company resources.
- 8

Net Income | Net income decreased \$744 thousand from 2023, finishing at \$10.3 million with an ROA of 0.51%.

Management

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

Board of Directors

John Wade Chair
Melissa Brinkman Vice Chair
Paul Mackin Secretary
Jenny Hosfeld President / Chief Executive Officer
Dennis Dahlen Director
Robert Ehren Director
Sara Patrick Director
Jill Rock Director
Virginia Witherspoon Director

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

Member FDIC