



For Release
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Peoples Ltd. Announces First Quarter Earnings

Wyalusing, PA – Peoples Ltd. (OTC:PPLL). Anthony J. Gabello, President and Chief Executive Officer of Peoples Ltd., holding company for PS Bank, has announced results for the first quarter 2021. Consolidated net income year-to-date was \$1,617,000 or \$2.31 earnings per share. Net income for the first quarter 2020 was \$1,030,000 or \$1.47 per share as adjusted for the 5% stock dividend at year-end 2020. Net income for the first quarter of 2021 represents an increase of 57% over the first quarter of 2020.

Year-to-date return on assets was 1.43% as of March 31, 2021 compared to 1.01% for the same period in 2020. Year-to-date return on equity was 14.76% as of March 31, 2021 compared to the prior year-to-date of 11.24%.

Total assets increased 2.50% to \$454,556,000 from \$443,455,000 as of December 31, 2020. Deposits increased 2.77% to \$386,859,000 compared to \$376,431,000 as of December 31, 2020. Loans increased 5.95% from \$263,862,000 year-end 2020 to \$279,574,000 as of March 31, 2021.

PS Bank experienced a solid first quarter, resulting in an increase of net income of 57% over the same period 2020. These results were driven by strong mortgage sales, increased net interest income, fees recognized from PPP loans, and reduced loan loss provisions. In the first quarter of 2021, provisions were \$150,000, a reduction from \$355,000, taken at the onset of the pandemic in the first quarter of 2020. Loan deferrals approximate 2.5%, and are comprised of a small number of borrowers in the highest impacted industries. Management expects positive resolution during 2021. Loan growth in the first quarter was primarily attributable to increased PPP loans from the latest round of the SBA program, and increased demand for commercial loans is anticipated to support further loan growth in 2021.

“As economic conditions continue to improve both locally and nationally, our bank was able to continue to improve its performance in the first quarter of 2021. We are extremely pleased with the results of the first quarter, which are a direct result of the hard work and diligent efforts of our banking team and the loyalty of our customers and our communities”, stated Gabello.

Note: This press release may contain forward looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results and trends could differ materially from those set forth in such statements due to various factors. These factors include operating, legal and regulatory risks; changing economic and competitive conditions and other risks and uncertainties.

Peoples Ltd. is the holding company for PS Bank. PS Bank is an independent community bank, established 1914, with locations throughout Bradford, Sullivan, Wyoming, Lackawanna, and Susquehanna counties. Peoples Ltd. is traded in the Over-the-Counter market under the symbol PPLL. Learn more about PS Bank at PSBanking.com.

Peoples Ltd.
STATEMENT OF CONDITION (unaudited)
For the Quarters Ending
March 31, 2021 and 2020
(in thousands, except share amounts)

	2021	2020
ASSETS		
Cash and due from banks	\$ 8,313	\$ 12,668
Interest bearing balances with banks	51,359	22,443
Investment securities	97,970	107,965
Loans held for sale	13,240	842
Loans	270,304	256,575
Allowance for loan losses	(3,969)	(3,144)
Loans, net	<u>279,574</u>	<u>254,273</u>
Bank premises and equipment, net	5,196	4,824
Accrued interest receivable	1,062	963
Other assets	11,082	9,986
TOTAL ASSETS	<u><u>\$ 454,556</u></u>	<u><u>\$ 413,123</u></u>
LIABILITIES		
Deposits:		
Noninterest-bearing	\$ 113,628	\$ 90,020
Interest-bearing	<u>273,231</u>	<u>259,025</u>
Total deposits	386,859	349,045
Borrowings	21,000	21,000
Accrued interest payable	68	140
Other liabilities	<u>2,703</u>	<u>2,578</u>
TOTAL LIABILITIES	410,630	372,764
SHAREHOLDERS' EQUITY:		
Common Stock - Par Value \$0.50; 5,000,000 Authorized		
2021 - 715,155 issued; 2020 - 681,964 issued	358	341
Surplus	18,865	16,857
Treasury stock: 2021 - 14,655; 2020 - 14,655	(512)	(512)
Accumulated other comprehensive income	962	1,666
Retained earnings	<u>24,253</u>	<u>22,008</u>
TOTAL STOCKHOLDERS' EQUITY	<u>43,925</u>	<u>40,360</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 454,556</u></u>	<u><u>\$ 413,123</u></u>

Peoples Ltd.
STATEMENT OF INCOME (unaudited)
For the Quarters Ending
March 31, 2021 and 2020
(in thousands, except per share amounts)

	Year to Date	
	2021	2020
INTEREST INCOME:		
Interest and fees on loans	\$ 3,323	\$ 3,286
Interest and dividends on investments:		
Taxable Interest and Dividends	332	515
Tax Exempt	94	113
Interest on Deposits in Banks	10	79
Total interest income	3,759	3,993
INTEREST EXPENSE:		
Interest on deposits	249	670
Interest on borrowed funds	73	95
Total interest expense	322	765
NET INTEREST INCOME	3,437	3,228
PROVISION FOR POSSIBLE LOAN LOSSES	150	355
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	3,287	2,873
OTHER INCOME:		
Service charges	370	351
Other operating income	256	158
Increase in cash surrender value, life insurance	50	64
Gain on sale of loans	613	274
Gain on sale of other real estate	-	-
Unrealized gain(loss) on equity securities	-	-
Total other income	1,288	847
OTHER EXPENSES:		
Salaries and employee benefits	1,292	1,394
Occupancy and equipment	297	272
Other losses	1	2
Other operating expenses	982	770
Total other expenses	2,572	2,437
INCOME (LOSS) BEFORE PROVISION FOR INCOME TAXES	2,003	1,283
Income Taxes	386	227
NET INCOME	\$ 1,617	\$ 1,056
Earnings Per Share	\$ 2.31	\$ 1.47