

Local Matters

The Quarterly Newsletter & Financial Report of Suncrest Bank

MAY 2020

EXECUTIVE UPDATE

Dear Shareholders, Customers and Friends,

We are pleased to report our financial results and other highlights for the first quarter of 2020, during which the Bank reached an important milestone by surpassing \$1.0 billion in total assets. This achievement is due to our successful acquisition strategy, our ability to grow organically (over the last year we increased our total assets by over 12%) and the incredible efforts of our dedicated and hardworking staff. In addition, this quarter we continued to demonstrate excellent loan growth and posted our sixth consecutive increase in new loan originations over the linked quarter.

[Click here to read the complete Earnings Report.](#)

On April 28 2020, Suncrest Bank's executive team held an earnings webcast discussing the Bank's performance during the quarter and also addressing the initial impact of Covid-19.

[Click here to view an audiovisual recording of our Q1 2020 Earnings Webcast.](#)

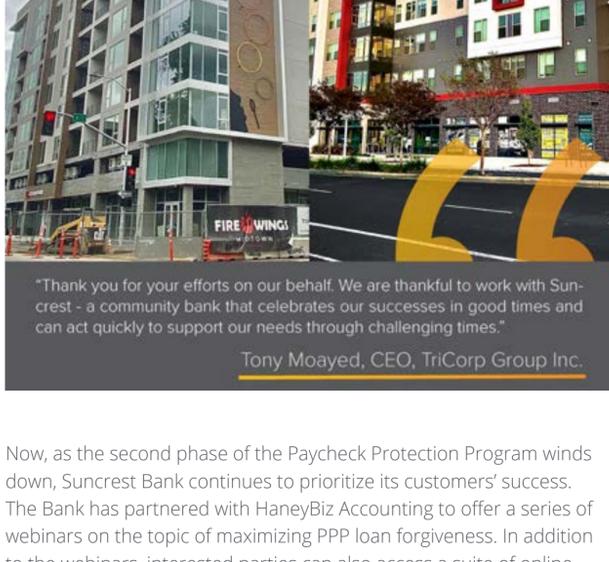
Recently, **Proactive Investors** interviewed President and CEO Ciaran McMullan about how well Suncrest Bank is positioned to manage through the economic impacts of the Covid-19 pandemic, and the Bank's participation in the CARES Act and Paycheck Protection Program in particular.

[Click here to view the interview.](#)

In response to the pandemic, Suncrest Bank quickly implemented protocols and programs to protect our clients' financial and physical health. We continued to provide full service in all seven of our markets, with reduced opening hours and operating in compliance with official state and regulatory guidelines. As designated "critical infrastructure workers," we owe a debt of gratitude to our frontline staff for continuing to keep our branches open at an incredibly stressful time for them and their families.



With the passage of the CARES Act and implementation of the Paycheck Protection Program, Suncrest Bank staff truly went above and beyond for their clients and communities. Providing access to this funding is critical to the survival and recovery of small businesses across our state, and our team worked tirelessly to process as many applications as possible. To date, we are proud to report that Suncrest has helped businesses in our local communities secure over 600 PPP loans representing over \$144 million.



[Click here for more information about the webinars, to view recordings, and access key assessment tools.](#)

In closing, we want to thank you for your support and encourage you to reach out to either of us anytime you would like to learn more about your bank.

William A. Benneyan
Chairman of the Board of Directors

Ciaran McMullan
President and CEO

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BUSINESS HIGHLIGHTS

FIRST QUARTER 2020

- Net income of \$2.88 million
- Diluted EPS of \$0.23
- Net Interest Margin (NIM) increased by 0.02%, to 4.16%
- Return on average tangible assets of 1.18%
- Total loans increased by \$44.0 million, or 6.9% over Q1 2019
- Total deposits increased by \$98.5 million, or 12.5% over Q1 2019

MARKET MAKERS

Shares of Suncrest Bank trade publicly on the OTCQX® Best Market under the ticker symbol SBKK.

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Stock purchases are not FDIC insured.

ABOUT US

Suncrest Bank, member FDIC, is majority locally owned and locally operated, and offers a full range of commercial, small business and agribusiness loans, cash management services and personal deposit products throughout the Greater Sacramento MSA and Central Valley of California. It is regularly rated Five Stars by BauerFinancial as one of the nation's strongest financial institutions, and in 2017 and 2018 was named to the OTCQX® Best 50, a ranking of top-performing companies traded on the OTCQX Best Market. It is a Preferred Lender with the Small Business Administration and its stock can be purchased on the open market, trading on the OTCQX under the ticker symbol SBKK.

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Learn more about Suncrest Bank by visiting SuncrestBank.com.

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