

Local Matters

The Quarterly Newsletter & Financial Report of Suncrest Bank

AUGUST 2020

EXECUTIVE UPDATE

Dear Shareholders, Customers and Friends,

We are delighted to report our financial results and other highlights for the second quarter of 2020. Despite economic challenges persisting due to the Covid-19 pandemic, net income remained strong at approximately \$2.7 million. This is on par with income from the first quarter and from the same quarter last year. Total deposits increased substantially during the second quarter by \$165 million, a 18.6% increase over the linked quarter partially due to our active participation in the Paycheck Protection Program. As a result our total assets were just under \$1.3 billion at June 30, 2020.

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

On July 28, 2020, Suncrest Bank's executive team held an earnings webcast discussing the Bank's performance during the quarter and also discussing the Bank's participation in the Paycheck Protection Program.

[Click here to view an audiovisual recording of our Q2 2020 Earnings Webcast.](#)

Our ability to remain resilient in the face of economic headwinds can be attributed to Suncrest Bank's strong capital position and its role serving as a source of relief for small businesses through its participation in the PPP. The Bank has assisted almost 700 businesses, funding over \$150 million in PPP loans. We are pleased that a quarter of these businesses, roughly 180 borrowers, represent new customers to the Bank. Many of the borrowers we assisted sent messages of gratitude; some examples are included below.

We are looking forward to beginning the forgiveness phase of the program. Shortly, Suncrest will provide online access to an automated filing system that will streamline the process for both borrowers and bank employees. In addition, through our partnership with HaneyBiz, clients can continue to access a suite of online tools such as an assessment guide and forgiveness calculator.



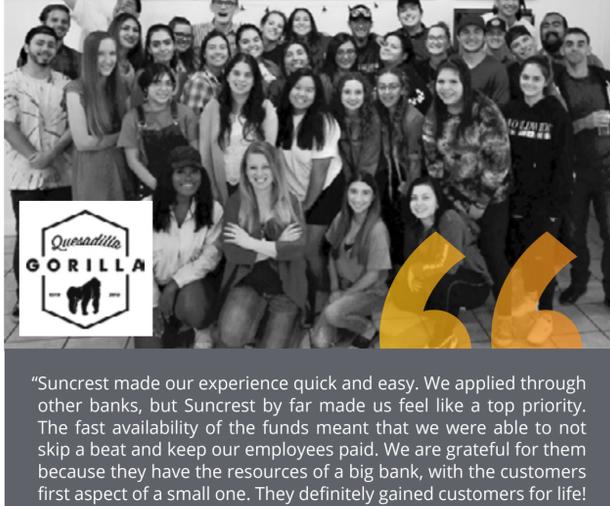
"At TETER, we appreciate your excellent customer service in helping us take advantage of the PPP loan program before the funding was exhausted. Our firm's ability to weather these current challenging circumstances will be significantly enhanced as the result of your tenacity and commitment to assist us. TETER looks forward to a long-lasting continuation of our relationship."

Glen Teter, CEO, Teter AE



"Thank you for your efforts on our behalf. We are thankful to work with Suncrest—a community bank that celebrates our successes in good times and can act quickly to support our needs through challenging times."

Tony Moayed, CEO, TriCorp Group, Inc.



"Suncrest made our experience quick and easy. We applied through other banks, but Suncrest by far made us feel like a top priority. The fast availability of the funds meant that we were able to not skip a beat and keep our employees paid. We are grateful for them because they have the resources of a big bank, with the customers first aspect of a small one. They definitely gained customers for life!

Jimmy Clark, Director of Operations, Quesadilla Gorilla

[Click here to access the HaneyBiz PPP Forgiveness Site.](#)

We are also pleased to release our 2019 Annual Report this month. A virtual copy of the report can be viewed via the link below.

[Click here to access the Bank's 2019 Annual Report.](#)

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

SECOND QUARTER 2020

- Net income of \$2.69 million
- Diluted EPS of \$0.22
- Cost of funds declined to 29 basis points
- Total deposits increased by \$255.5 million or 32.2% over Q2 2019
- Return on average tangible equity of 9.31%
- New loan originations of \$35.3 million (excluding PPP loans)

MARKET MAKERS

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

For stock purchase information, please contact:

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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.

Follow us on LinkedIn for informational articles, industry news and exclusive promotions to save you money and maximize your budget.

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