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### **Suncrest Bank Reports Third Quarter Earnings. Net Income Increased by 19%.**

SACRAMENTO, Calif. and VISALIA, Calif. Suncrest Bank (OTCQX: SBKK) today reported unaudited financial results for the third quarter of 2020.

“We are delighted to report an increase in core net income of 19% over the linked quarter and 10% over the same quarter last year,” said Mr. Ciaran McMullan, President and CEO of Suncrest Bank. “This strong result was driven by increased net interest income and slightly reduced loan loss provision when compared to the linked quarter”

“We have also seen a significant reduction in the number of borrowers utilizing our loan modification program with only 1.4% of our total loans still on a deferred payment plan.”

“During the quarter we began assisting our PPP borrowers through the loan forgiveness application and over 30% of our customers have started the forgiveness process to date,” McMullan added. “We also began growing our relationship with the approximately 180 new customers assisted through the PPP, gaining over \$11 million in new deposits exclusive of PPP funds, and over \$16 million in new loan opportunities.”

“In addition, we were honored this quarter to receive a number of prestigious awards including The Corporate Citizenship Award for Economic Opportunity for our work promoting financial inclusion throughout our communities.”

### **Third Quarter 2020 Highlights**

- Net income of \$3.21 million, an increase of 19.3% over the linked quarter
- Diluted EPS of \$0.26 compared to \$0.22 for the linked quarter
- Total loans (excluding PPP loans) increased by \$2.8 million during the quarter
- New originations<sup>1</sup> (excluding PPP loans) of \$40.2 million
- Return on average tangible assets of 1.03%
- Return on average tangible equity of 10.52%
- Efficiency ratio of 51.27%
- Tangible book value per share of \$9.96, an increase of 34 cents during the quarter
- Tier 1 leverage ratio of 9.50%
- Repurchased 209,800 shares, average price of \$8.32
- Corporate Citizenship Award 2020 – Sacramento Business Journal
- Best Places to Work 2020 - Sacramento Business Journal
- Readers’ Choice Award for Best Bank 2020 – Porterville Recorder

### **Income Statement**

Net income for the quarter was \$3.21 million compared to \$2.69 million for the linked quarter and \$3.07 million for the same quarter last year. The increase over the linked quarter is primarily due to an increase in net interest income of approximately \$673,000 and a reduction in provision for loan losses of \$200,000. The increase over Q3 2019 is mostly driven by an increase in net interest income partially offset by an increase in the provision for loan losses from \$500,000 in Q3 2019 to \$1.0 million in the current quarter. Core net income, which excludes non-recurring items, increased by approximately 10% over the third quarter of 2019 driven by improved net interest income.

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<sup>1</sup> Includes unfunded commitments

Interest income increased to \$11.3 million versus \$10.6 million for the linked quarter and \$10.9 million for the third quarter of 2019. These increases are primarily due to the impact of increased average loans outstanding during the quarter (primarily Paycheck Protection Program “PPP” loans). Interest expense declined to \$704,000 as compared to \$750,000 over the linked quarter due to a decline in our cost of funds to 25 basis points (bps) from 29 bps last quarter. In addition, the decrease in interest expense was \$545,000 over the same quarter last year due to a decline in our cost of funds by 36 basis points.

Net interest Margin (NIM) declined to 3.47% for the quarter, a decrease of 9 bps over the linked quarter and 75 bps over the same quarter last year, primarily due to the decrease in yields on earning assets as well as the impact of PPP loans earning a note rate of 1%. Excluding PPP loans, our NIM would have been 3.56% for the quarter. Per the table below, we saw minimal non-recurring income during the quarter.

Period	Net Income	NIM	Non-recurring Income		Non-recurring costs	Core Net Interest Income <sup>4</sup>	Core Net Income <sup>4</sup>	Core NIM <sup>4</sup>	Core Diluted EPS <sup>4</sup>
			Interest recoveries <sup>2</sup>	Income from accretion <sup>3</sup>					
Q3 2020	\$ 3,208,462	3.47%	\$ 8,956	\$ (14,727)	\$ -	\$ 10,582,442	\$ 3,212,527	3.47%	\$ 0.26
Q2 2020	\$ 2,688,843	3.56%	\$ 6,663	\$ (28,495)	\$ -	\$ 9,879,346	\$ 2,704,221	3.56%	\$ 0.22
Q3 2019	\$ 3,065,315	4.31%	\$ 578	\$ 197,226	\$ -	\$ 9,406,133	\$ 2,923,315	4.22%	\$ 0.23

Noninterest income increased over the linked quarter by approximately \$87,000 driven in part by a loss on sale of securities of \$54,000 recorded in the linked quarter together with an increase in service charges.

Total noninterest expense increased over the linked quarter and the same quarter last year by approximately \$282,000 and \$339,000 respectively. While noninterest expense increased, our key cost management performance ratios all improved during the quarter. Our efficiency ratio declined to 51.27% while our burden ratio and noninterest expense to average assets improved to 1.62% and 1.74% respectively.

## Balance Sheet

Total assets at September 30, 2020 remained unchanged at \$1.29 billion as compared to the linked quarter. Total assets increased \$293.0 million or 29.4% over the same quarter last year as a result of an increase in loans of \$152.3 million, including PPP loans of \$130.4 million. Investment Securities increased \$140.0 million over the same quarter last year and were funded by an increase in deposits.

Total deposits at September 30, 2020 were \$1.051 billion, an increase of \$1.7 million or 0.2% over the linked quarter. Total deposits increased year over year by \$207.3 million or 24.6% with the growth being in non-maturity deposits<sup>5</sup> of \$216.2 million or 28.4%. Over the same period certificate of deposit (CD) balances declined by \$8.9 million or 10.9%.

In order to encourage involvement in the Paycheck Protection Program, the Federal Reserve provided a liquidity facility to participating financial institutions, in the form of term financing backed by PPP loans. The PPP Liquidity Facility carries an interest rate of 35 bps and at September 30, 2020 the bank had drawn \$68.6 million on the facility.

<sup>2</sup> Represents interest recoveries on non-accrual loans

<sup>3</sup> Represents accretion of acquired loan fair value marks

<sup>4</sup> Excludes non-recurring income, income from accretion of fair value marks and non-recurring costs, non-GAAP financial measure

<sup>5</sup> Includes noninterest-bearing Demand, Savings, NOW and Money Market Accounts

Total loans at September 30, 2020 were \$809.5 million, an increase of \$4.9 million or 0.6% over the linked quarter.

Total loans (excluding PPP loans) increased by \$21.9 million or 3.33% over Q3, 2019. The largest year over year increases have been in Non-Owner Occupied CRE which increased by \$52.7 million or approximately 29.7%.

#### *Additional Business Generated Through PPP*

Through our participation in the PPP the bank was able to assist approximately 180 new customers. During the quarter we started to expand our relationship with these customers beyond their PPP loan. To date, approximately 50 of these customers have established additional non-PPP related business with the bank, including over \$11 million in new deposits (exclusive of PPP funds), approximately \$7.0 million in new loan commitments booked and an additional \$9.0 million in the pipeline.

#### *PPP Loan Forgiveness*

During the quarter we began assisting our PPP borrowers through the loan forgiveness application. To date, over 30% of our customers have started the forgiveness process utilizing the bank's dedicated online portal. In addition, 46% of all PPP loans funded by Suncrest are under \$150,000 and could qualify for automatic or further simplified loan forgiveness in the future.

#### **Asset Quality**

Non-performing assets remained at \$4.4 million or 0.34% of total assets at September 30, 2020 compared to the same percentage at June 30, 2020.

Based on our scenario analyses of potential COVID-19 impacts on the economy in general and on the Bank's portfolio in particular, we increased our provision for loan losses by \$1.0 million during the quarter. Our allowance as a percentage of total loans (excluding PPP loans and acquired loans that have been marked to fair value) was 1.60% at September 30, 2020 compared to 1.43% at June 30, 2020.

Per the table below, classified loans remained stable over the quarter and are 1.78% of total loans.

	<b>Q3 2020</b>	<b>Q2 2020</b>	<b>Q1 2020</b>	<b>Q4 2019</b>
Total Classified Loans (a)	\$14,370,053	\$14,399,989	\$7,691,907	\$8,513,450
Classified - Accrual Loans	\$10,111,838	\$10,102,519	\$3,394,437	\$3,327,728
Classified - Non-Accrual Loans	\$4,258,215	\$4,297,470	\$4,297,470	\$5,185,722
Total Classified / Total Loans	1.78%	1.79%	1.13%	1.28%
Total Classified / Total Loans (excluding PPP)	2.12%	2.13%	1.13%	1.28%

(a) Includes classified accrual loans and non-accrual loans

## Loan Modification Program

During the quarter we saw a significant reduction in the number of borrowers utilizing the banks Covid-19 loan modification program. Per the table below, only 23 borrowers or 1.4% of total loans remain on a deferred payment plan. All other borrowers with approved loan modifications have resumed payments in full.

Industry Sector	Loans Modified		Loans on Deferred Payment 9/30/20	
Hotels	\$ 20,792,810	7	\$ -	0
Non Owner Occupied (NOO) CRE – Retail	\$ 17,138,466	18	\$ 4,980,233	7
C&I / Owner Occupied CRE	\$ 13,914,698	45	\$ 3,542,943	9
NOO CRE-Other	\$ 12,331,232	6	\$ -	0
Multi-Family	\$ 4,046,357	5	\$ 480,591	1
Restaurants	\$ 2,160,460	5	\$ 1,549,891	4
SFR Secured	\$ 492,079	2	\$ 492,079	2
Agribusiness	\$ 792,583	1	\$ -	0
Total Payment Relief	\$ 71,668,685	89	\$ 11,045,737	23
% of Total Portfolio	8.9%		1.4%	
% of Total Portfolio (excluding PPP)	10.6%		1.6%	

## SBA Loans

Per the CARES Act, the Small Business Administration (SBA) was empowered to make all required payments on the Bank's eligible SBA loans for six months. This program expired in September 2020. As of September 30, 2020, the bank's SBA loan portfolio comprised 40 loans with a principal balance of \$18.5 million. All of these SBA borrowers have resumed payments with the exception of two loans with a principal balance of \$0.4 million. We expect both loans to resume normal payments in October.

## Capital

Suncrest Bank remained well capitalized at September 30, 2020. All of the bank's capital ratios are above minimum regulatory standards for "well capitalized" institutions.

During the quarter the bank repurchased 209,800 shares at an average price of \$8.32 per share.

At September 30, 2020 tangible book value per common share was \$9.96 with common shares issued of 12,235,500 as of the same date. This compares to a tangible book value per common share of \$9.62 at June 30, 2020.

## **About Suncrest Bank**

Suncrest Bank, member FDIC, is locally owned and operated and offers a full range of commercial, small business and agribusiness loans, cash management services and personal deposit products throughout the Central Valley of California and the Greater Sacramento Region. It is regularly rated Five Stars by Bauer Financial 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. For all other information, visit [www.suncrestbank.com](http://www.suncrestbank.com)

## **Forward Looking Statements**

Except for the historical information in this news release, the matters described herein contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and are subject to risks and uncertainties that could cause actual results to differ materially. Such risks and uncertainties include: the credit risks of lending activities, including changes in the level and trend of loan delinquencies and charge-offs, results of examinations by our banking regulators, our ability to maintain adequate levels of capital and liquidity, our ability to manage loan delinquency rates, our ability to price deposits to retain existing customers and achieve low-cost deposit growth, manage expenses and lower the efficiency ratio, expand or maintain the net interest margin, mitigate interest rate risk for changes in the interest rate environment, competitive pressures in the banking industry, access to available sources of credit to manage liquidity, the local and national economic environment, and other risks and uncertainties. Accordingly, undue reliance should not be placed on forward-looking statements. These forward-looking statements speak only as of the date of this release. Suncrest Bank undertakes no obligation to update publicly any forward-looking statements to reflect new information, events or circumstances after the date of this release or to reflect the occurrence of unanticipated events. Investors are encouraged to read the Suncrest Bank annual reports which are available on our website.

**Suncrest Bank**  
**Statements of Financial Condition**  
**(Unaudited)**

	<u>September 30,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
<b>ASSETS</b>			
Cash and Due from Banks	\$ 44,079,328	\$ 13,228,364	\$ 35,955,286
Federal Funds Sold	44,895,000	142,930,000	49,599,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	88,974,328	156,158,364	85,554,286
Investment Securities Available for Sale (AFS)	326,352,206	256,315,062	186,336,686
Loans:			
Total Loans	809,529,778	804,668,120	657,223,581
Allowance for Loan Losses	( 8,259,802)	( 7,261,565)	( 5,988,203)
<b>NET LOANS</b>	801,269,976	797,406,555	651,235,378
Federal Home Loan Bank and Other Bank Stock, at Cost	5,862,141	5,862,141	5,472,491
Premises and Equipment	6,318,134	6,465,203	10,409,258
Other Real Estate Owned	129,644	129,644	313,720
Bank Owned Life Insurance	8,665,725	8,607,800	8,438,162
Goodwill	38,989,566	38,989,566	38,989,566
Core Deposit Intangible	2,687,236	2,844,243	3,378,466
Accrued Interest and Other Assets	11,119,069	13,738,199	7,284,576
	<u>\$ 1,290,368,025</u>	<u>\$ 1,286,516,777</u>	<u>\$ 997,412,589</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits:			
Noninterest-bearing Demand	\$ 403,423,298	\$ 417,386,498	\$ 306,169,502
Savings, NOW and Money Market Accounts	574,519,221	555,112,706	455,549,521
Time Deposits	72,677,647	76,411,399	81,606,567
<b>TOTAL DEPOSITS</b>	1,050,620,166	1,048,910,603	843,325,590
Accrued Interest and Other Liabilities	7,586,690	7,503,426	8,361,487
Other Borrowings	68,559,008	68,559,008	-
<b>TOTAL LIABILITIES</b>	1,126,765,864	1,124,973,037	851,687,077
Shareholders' Equity:			
Common Stock - No par value	118,088,766	119,676,119	119,743,464
Additional Paid-in Capital	3,331,027	3,201,835	2,843,756
Retained Earnings	32,843,797	29,635,334	21,025,310
Accumulated Other Comprehensive Income (Loss) - Net			
Unrealized Gain (Loss) on Securities AFS	9,338,571	9,030,452	2,112,982
<b>TOTAL SHAREHOLDERS' EQUITY</b>	163,602,161	161,543,740	145,725,512
	<u>\$ 1,290,368,025</u>	<u>\$ 1,286,516,777</u>	<u>\$ 997,412,589</u>

**Suncrest Bank**  
**Statements of Income (Unaudited)**  
**For the Three Months Ended**

	<u>September 30,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
<b>INTEREST INCOME</b>			
Interest and Fees on Loans	\$ 9,621,006	\$ 9,043,344	\$ 9,289,213
Interest on Investment Securities	1,620,278	1,533,208	1,185,810
Interest on Federal Funds Sold and Other	39,284	31,418	377,710
<b>TOTAL INTEREST INCOME</b>	<u>11,280,568</u>	<u>10,607,970</u>	<u>10,852,733</u>
<b>INTEREST EXPENSE</b>			
Interest on Savings Deposits, NOW and Money Market Accounts	451,276	492,277	1,007,223
Interest on Time Deposits	191,864	221,256	241,573
Interest on Other Borrowings	60,757	36,923	-
<b>TOTAL INTEREST EXPENSE</b>	<u>703,897</u>	<u>750,456</u>	<u>1,248,796</u>
<b>NET INTEREST INCOME</b>	10,576,671	9,857,514	9,603,937
Provision for Loan Losses	1,000,000	1,200,000	500,000
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<u>9,576,671</u>	<u>8,657,514</u>	<u>9,103,937</u>
<b>NONINTEREST INCOME</b>			
Service Charges, Fees, and Other Income	407,018	320,080	456,593
Gain on Sale of Loans	-	-	-
	<u>407,018</u>	<u>320,080</u>	<u>456,593</u>
<b>NONINTEREST EXPENSE</b>			
Salaries and Employee Benefits	3,148,861	2,910,755	2,796,181
Occupancy Expenses	587,021	570,479	577,580
Other Expenses	1,895,345	1,867,817	1,918,154
	<u>5,631,227</u>	<u>5,349,051</u>	<u>5,291,915</u>
<b>INCOME BEFORE INCOME TAXES</b>	4,352,462	3,628,543	4,268,615
Income Taxes	1,144,000	939,700	1,203,300
<b>NET INCOME</b>	<u>\$ 3,208,462</u>	<u>\$ 2,688,843</u>	<u>\$ 3,065,315</u>

**Suncrest Bank**  
**Statements of Income (Unaudited)**  
**For the Nine Months Ended**

	<b>September 30,</b>	<b>September 30,</b>
	<b>2020</b>	<b>2019</b>
<b>INTEREST INCOME</b>		
Interest and Fees on Loans	\$ 27,975,918	\$ 27,656,607
Interest on Investment Securities	4,439,179	3,290,148
Interest on Federal Funds Sold and Other	333,081	1,074,530
<b>TOTAL INTEREST INCOME</b>	<b>32,748,178</b>	<b>32,021,285</b>
<b>INTEREST EXPENSE</b>		
Interest on Savings Deposits, NOW and Money Market Accounts	1,851,301	2,556,708
Interest on Time Deposits	650,650	725,313
Interest on Other Borrowings	97,680	-
<b>TOTAL INTEREST EXPENSE</b>	<b>2,599,631</b>	<b>3,282,021</b>
<b>NET INTEREST INCOME</b>	<b>30,148,547</b>	<b>28,739,264</b>
Provision for Loan Losses	3,300,000	1,600,000
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	<b>26,848,547</b>	<b>27,139,264</b>
<b>NONINTEREST INCOME</b>		
Service Charges, Fees, and Other Income	1,177,288	1,310,745
Gain on Sale of Loans	-	-
	1,177,288	1,310,745
<b>NONINTEREST EXPENSE</b>		
Salaries and Employee Benefits	9,100,782	8,610,865
Occupancy Expenses	1,745,487	1,675,077
Other Expenses	5,694,756	5,842,697
	16,541,025	16,128,639
<b>INCOME BEFORE INCOME TAXES</b>	<b>11,484,810</b>	<b>12,321,370</b>
Income Taxes	2,702,600	3,448,800
<b>NET INCOME</b>	<b>\$ 8,782,210</b>	<b>\$ 8,872,570</b>



## Suncrest Bank

### Selected Financial Data & Ratios (Unaudited)

	September 30, 2020	June 30, 2020	September 30, 2019
<b>For the three months ended:</b>			
Return on Average Assets(ROAA)	0.99%	0.90%	1.27%
ROAA excluding non-recurring items <sup>(1) (2)</sup>	0.99%	0.90%	1.21%
Return on Average Tangible Assets <sup>(2)</sup>	1.03%	0.93%	1.33%
Return on Average Equity(ROAE)	7.84%	6.83%	8.51%
ROAE excluding non-recurring items <sup>(1) (2)</sup>	7.85%	6.87%	8.11%
Return on Average Tangible Equity <sup>(2)</sup>	10.52%	9.31%	11.93%
Noninterest Expense (NIE) To Average Assets	1.74%	1.79%	2.19%
NIE to Average Assets excluding non-recurring items <sup>(1) (2)</sup>	1.74%	1.79%	2.19%
Efficiency Ratio	51.27%	52.56%	52.60%
Efficiency Ratio excluding non-recurring items <sup>(1) (2)</sup>	51.24%	52.44%	53.66%
Burden Ratio	1.62%	1.68%	2.00%
Net Interest Margin	3.47%	3.56%	4.31%
Core Net Interest Margin <sup>(1) (2)</sup>	3.47%	3.56%	4.22%
Cost of Funds	0.25%	0.29%	0.61%
Basic Earnings Per Share (EPS)	\$ 0.26	\$ 0.22	\$ 0.25
Diluted EPS	\$ 0.26	\$ 0.22	\$ 0.24
Diluted EPS excluding non-recurring items <sup>(1) (2)</sup>	\$ 0.26	\$ 0.22	\$ 0.23

	September 30, 2020	September 30, 2019
<b>For the nine months ended:</b>		
Return on Average Assets(ROAA)	1.00%	1.26%
ROAA excluding non-recurring items <sup>(1) (2)</sup>	0.97%	1.17%
Return on Average Tangible Assets <sup>(2)</sup>	1.04%	1.32%
Return on Average Equity(ROAE)	7.42%	8.47%
ROAE excluding non-recurring items <sup>(1) (2)</sup>	7.19%	7.87%
Return on Average Tangible Equity <sup>(2)</sup>	10.09%	12.04%
Noninterest Expense (NIE) To Average Assets	1.89%	2.30%
NIE to Average Assets excluding non-recurring items <sup>(1) (2)</sup>	1.75%	2.30%
Efficiency Ratio	52.80%	53.67%
Efficiency Ratio excluding non-recurring items <sup>(1) (2)</sup>	53.48%	55.32%
Burden Ratio	1.75%	2.11%
Net Interest Margin	3.70%	4.49%
Core Net Interest Margin <sup>(1) (2)</sup>	3.65%	4.35%
Cost of Funds	0.35%	0.56%
Basic Earnings Per Share (EPS)	\$ 0.71	\$ 0.71
Diluted EPS	\$ 0.70	\$ 0.71
Diluted EPS excluding non-recurring items <sup>(1) (2)</sup>	\$ 0.68	\$ 0.66

(1) Non-recurring items include merger expenses, discount accretion on acquired loans and recovery of interest on non-accrual loans.

(2) These non-GAAP measures have inherent limitations, are not required to be uniformly applied and are not audited. They should not be considered in isolation or as a substitute for analyses of results reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

**Suncrest Bank**  
**Selected Financial Data & Ratios Continued (Unaudited)**

	<u>September 30,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
<b>At Period End:</b>			
Loans to Deposits	77.05%	76.71%	77.93%
Average Loans to Average Deposits (QTD)	76.22%	76.80%	79.64%
Non-Performing Assets to Assets	0.34%	0.34%	0.74%
Outstanding Shares	12,235,500	12,443,800	12,434,800
Tangible Book Value Per Share <sup>(2)</sup>	\$ 9.96	\$ 9.62	\$ 8.31
Tangible Book Value Per Share excluding Unrealized Gain on Securities <sup>(2)</sup>	\$ 9.20	\$ 8.90	\$ 8.14
Book Value Per Share	\$ 13.37	\$ 12.98	\$ 11.72

Regulatory Capital Ratios

Tier 1 Leverage (to average assets)	9.50%	9.93%	10.90%
Common Equity Tier 1 Capital (to risk weighted assets)	13.72%	13.61%	13.50%
Tier 1 Capital (to risk weighted assets)	13.72%	13.61%	13.50%
Total Capital (to risk weighted assets)	14.74%	14.52%	14.32%

	<u>September 30,</u> <u>2020</u>	<u>June 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>
<u>Loan Composition</u>			
Commercial and Industrial:	\$ 45,755,958	\$ 48,655,792	\$ 54,001,348
Paycheck Protection Program:	130,394,846	128,358,805	\$ -
Loans to Finance Agricultural Production and Other Loans to Farmers:	38,392,086	36,941,792	39,207,688
Loans Secured by Real Estate:			
Secured by Farmland	138,428,801	139,799,353	139,167,050
Construction, Land Development and Other Land	26,641,282	28,680,776	42,376,121
1-4 Family Residential Properties	41,388,691	41,713,258	47,642,776
Multifamily Residential Properties	45,446,188	45,975,886	43,850,002
Owner Occupied Nonresidential Properties	93,084,165	93,341,233	91,316,105
Non-Owner Occupied Nonresidential Properties	230,224,802	222,079,538	177,481,492
Total Loans Secured by Real Estate	575,213,929	571,590,044	541,833,546
Municipal Leases:	19,626,108	18,961,522	21,889,871
Other Loans:	146,851	160,165	291,128
Total Loans	<u>\$ 809,529,778</u>	<u>\$ 804,668,120</u>	<u>\$ 657,223,581</u>

(2) These non-GAAP measures have inherent limitations, are not required to be uniformly applied and are not audited. They should not be considered in isolation or as a substitute for analyses of results reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

**Suncrest Bank****Average Balance Sheet and Yields (Unaudited)****For the Three Months Ended**

	<b>September 30, 2020</b>			<b>June 30, 2020</b>		
	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>
<b>Interest Earning Assets:</b>						
Deposits in Other Financial Institutions	\$ 134,317,994	\$ 39,284	0.12%	\$ 104,997,550	\$ 31,418	0.12%
Investment Securities	277,443,763	1,620,278	2.34%	248,509,748	1,533,208	2.47%
Loans	<u>801,674,194</u>	<u>9,621,006</u>	4.77%	<u>761,220,714</u>	<u>9,043,344</u>	4.78%
Total Interest Earning Assets	1,213,435,951	11,280,568	3.70%	1,114,728,012	10,607,970	3.83%
Noninterest Earning Assets	<u>78,283,592</u>			<u>81,563,032</u>		
Total Assets	<u>\$ 1,291,719,543</u>			<u>\$ 1,196,291,044</u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 205,419,584	165,969	0.32%	\$ 173,993,644	114,631	0.26%
Savings and Money Market Accounts	364,811,548	285,307	0.31%	361,680,471	377,646	0.42%
Time Deposits	<u>74,361,165</u>	<u>191,864</u>	1.03%	<u>78,902,446</u>	<u>221,256</u>	1.13%
Total Interest Bearing Deposits	644,592,297	643,140	0.40%	614,576,561	713,533	0.47%
Other Borrowings	<u>68,563,899</u>	<u>60,757</u>	0.35%	<u>42,628,331</u>	<u>36,923</u>	0.35%
Total Interest Bearing Liabilities	713,156,196	703,897	0.39%	657,204,892	750,456	0.46%
Noninterest Bearing Transaction Accounts	<u>407,213,033</u>			<u>374,417,383</u>		
Total Funding Sources	1,120,369,229			1,031,622,275		
Noninterest Bearing Liabilities	7,730,135			7,260,169		
Shareholders' Equity	<u>163,620,179</u>			<u>157,408,600</u>		
Total Liabilities and Shareholder's Equity	<u>\$ 1,291,719,543</u>			<u>\$ 1,196,291,044</u>		
Net Interest Income		<u>\$10,576,671</u>			<u>\$ 9,857,514</u>	
Net Interest Margin			3.47%			3.56%

**Suncrest Bank****Average Balance Sheet and Yields (Unaudited)****For the Three Months Ended**

	<b>September 30, 2020</b>			<b>September 30, 2019</b>		
	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>
<b>Interest Earning Assets:</b>						
Deposits in Other Financial Institutions	\$ 134,317,994	\$ 39,284	0.12%	\$ 66,235,223	\$ 377,710	2.26%
Investment Securities	277,443,763	1,620,278	2.34%	170,128,601	1,185,810	2.79%
Loans	<u>801,674,194</u>	<u>9,621,006</u>	4.77%	<u>647,802,385</u>	<u>9,289,213</u>	5.69%
Total Interest Earning Assets	1,213,435,951	11,280,568	3.70%	884,166,209	10,852,733	4.87%
Noninterest Earning Assets	<u>78,283,592</u>			<u>81,814,739</u>		
Total Assets	<u><u>\$ 1,291,719,543</u></u>			<u><u>\$ 965,980,948</u></u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 205,419,584	165,969	0.32%	\$ 125,805,706	277,724	0.88%
Savings and Money Market Accounts	364,811,548	285,307	0.31%	311,362,668	729,499	0.93%
Time Deposits	<u>74,361,165</u>	<u>191,864</u>	1.03%	<u>83,727,219</u>	<u>241,573</u>	1.14%
Total Interest Bearing Deposits	644,592,297	643,140	0.40%	520,895,593	1,248,796	0.95%
Other Borrowings	<u>68,563,899</u>	<u>60,757</u>	0.35%	<u>-</u>	<u>-</u>	-
Total Interest Bearing Liabilities	713,156,196	703,897	0.39%	520,895,593	1,248,796	0.95%
Noninterest Bearing Transaction Accounts	<u>407,213,033</u>			<u>292,501,786</u>		
Total Funding Sources	1,120,369,229			813,397,379		
Noninterest Bearing Liabilities	7,730,135			8,459,265		
Shareholders' Equity	<u>163,620,179</u>			<u>144,124,304</u>		
Total Liabilities and Shareholder's Equity	<u><u>\$ 1,291,719,543</u></u>			<u><u>\$ 965,980,948</u></u>		
Net Interest Income		<u>\$ 10,576,671</u>			<u>\$ 9,603,937</u>	
Net Interest Margin			3.47%			4.31%

**Suncrest Bank****Average Balance Sheet and Yields (Unaudited)****For the Nine Months Ended**

	<u>September 30, 2020</u>			<u>September 30, 2019</u>		
	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>	<u>Average Balance</u>	<u>Interest</u>	<u>Average Yield/Rate</u>
<b>Interest Earning Assets:</b>						
Deposits in Other Financial Institutions	\$ 106,016,940	\$ 333,081	0.42%	\$ 59,321,012	\$ 1,074,530	2.42%
Investment Securities	242,738,055	4,439,179	2.44%	157,637,114	3,290,148	2.78%
Loans	<u>740,923,105</u>	<u>27,975,918</u>	5.04%	<u>638,373,647</u>	<u>27,656,607</u>	5.79%
Total Interest Earning Assets	1,089,678,100	32,748,178	4.01%	855,331,773	32,021,285	5.01%
Noninterest Earning Assets	<u>80,211,321</u>			<u>81,006,373</u>		
Total Assets	<u><u>\$ 1,169,889,421</u></u>			<u><u>\$ 936,338,146</u></u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 169,564,411	314,028	0.25%	\$ 108,180,748	563,784	0.70%
Savings and Money Market Accounts	359,887,691	1,537,273	0.57%	303,680,421	1,992,924	0.88%
Time Deposits	<u>77,858,739</u>	<u>650,650</u>	1.12%	<u>90,867,700</u>	<u>725,313</u>	1.07%
Total Interest Bearing Deposits	607,310,841	2,501,951	0.55%	502,728,869	3,282,021	0.87%
Other Borrowings	<u>37,179,040</u>	<u>97,680</u>	0.35%	<u>-</u>	<u>-</u>	-
Total Interest Bearing Liabilities	644,489,881	2,599,631	0.54%	502,728,869	3,282,021	0.87%
Noninterest Bearing Transaction Accounts	<u>360,079,432</u>			<u>285,921,489</u>		
Total Funding Sources	1,004,569,313			788,650,358		
Noninterest Bearing Liabilities	7,608,560			8,091,897		
Shareholders' Equity	<u>157,711,548</u>			<u>139,595,891</u>		
Total Liabilities and Shareholder's Equity	<u><u>\$ 1,169,889,421</u></u>			<u><u>\$ 936,338,146</u></u>		
Net Interest Income		<u>\$ 30,148,547</u>			<u>\$ 28,739,264</u>	
Net Interest Margin			3.70%			4.49%