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### **Suncrest Bank Reports Fourth Quarter and Full Year Net Income.**

SACRAMENTO & VISALIA, Calif. Suncrest Bank (OTCQX: SBKK) today reported unaudited financial results for the fourth quarter and full year of 2018.

“2018 was a transformational year for Suncrest with total assets increasing by approximately \$400 million through a combination of organic growth and our acquisition of the \$320 million Community Business Bank in May,” said Ciaran McMullan, President and CEO of Suncrest Bank. “In addition, our earnings per share have increased by over 30% when comparing our fourth quarter EPS to the quarter immediately prior to the acquisition, and we continue to demonstrate our ability to organically grow our core local funding base with non-maturity deposits increasing by 3% over the linked-quarter and 9% since June 30, 2018,” McMullan added.

### **Full Year 2018 Highlights**

- Record net income of \$9.9 million, up 191.2% over the prior year
- Diluted full year EPS of \$0.94, up 100% over the prior year
- Return on average assets of 1.30% compared to 0.69% for the prior year
- Return on average equity of 9.51% compared to 5.67% for the prior year
- Successfully completed the acquisition and integration of Community Business Bank
- Total assets increased by \$399.8 million during the year or 75.6%

### **Fourth Quarter 2018 Highlights**

- Return on average assets of 1.55%
- Efficiency ratio of 49.73% compared to 57.24% for Q4 2017
- Diluted EPS of \$0.28
- Net interest margin of 4.67%
- Total loan growth of \$9.6 million or 1.5% over the linked quarter
- New loan originations<sup>1</sup> of \$22.6 million during the quarter
- Non-maturity deposits<sup>2</sup> increased by \$20.3 million or 3.1% over the linked quarter
- Return on average equity of 10.62%
- Total risk based capital ratio was 13.14% and Tier 1 leverage ratio was 10.57%

### **Income Statement**

The comparability of fourth quarter net income to the same quarter last year is impacted significantly by one-time charges related to tax reform and non-recurring merger expenses experienced in the fourth quarter of 2017. The table also identifies non-recurring income items, income resulting from the accretion of acquired loan fair value marks (as those loans continue to perform), and non-recurring costs such as merger expenses.

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<sup>1</sup> Includes unfunded commitments

<sup>2</sup> Includes Noninterest-bearing Demand, Savings, NOW and Money Market Accounts

Period	Net Income	Non-recurring Income		Non-recurring costs <sup>5</sup>	Core Net Interest Income <sup>6</sup>	Core Net Income <sup>6</sup>	Core NIM <sup>6</sup>	Core Diluted EPS <sup>6</sup>
		Interest recoveries <sup>3</sup>	Income from accretion <sup>4</sup>					
Q4 2018	\$ 3,489,533	\$ 30,194	\$ 107,342	\$ -	\$ 9,514,237	\$ 3,392,532	4.61%	\$ 0.27
Q3 2018	\$ 3,502,724	\$ 255,169	\$ 166,167	\$ -	\$ 9,264,533	\$ 3,207,724	4.57%	\$ 0.26
Q4 2017	\$ 111,999	\$ 87,694	\$ 346,718	\$ 1,430,000	\$ 5,096,185	\$ 1,285,999	4.10%	\$ 0.18

Core net income increased over the linked quarter (excluding non-recurring income) by \$185,000 or 5.8%. This growth is primarily attributable to an increase in our overall average core net interest margin (NIM) from 4.57% for the quarter ended September 30, 2018 to 4.61% for the quarter ended December 31, 2018.

Net interest income for the quarter was \$9.7 million, an increase of \$4.1 million or 74.5% over the same quarter last year and was unchanged over the linked quarter. Core Net Interest Income increased \$250,000 or 2.7% over the linked quarter.

Non-interest income for the quarter was \$461,000, an increase of \$15,000 or 3.4% over the linked quarter. This increase is attributable to an increase in service charges.

Total non-interest expenses increased over the linked quarter by \$54,000 or 1.1% as a result of an increase in other professional fees.

Core net interest margin, which conservatively removes accretion of loan fair value marks and non-recurring items such as recovery of interest, was 4.61% for the quarter, an increase of 51 basis points from the same quarter last year. This improvement was driven primarily by an increase in overall yields.

Our core NIM improved by 4 basis points when compared to the linked quarter primarily driven by securities being a higher percentage of average earning assets in the current quarter.

The increase in our cost of funds by 8 basis points over the linked quarter was primarily attributable to increased customer expectations of improved yields on business interest checking and business money market accounts in particular

## Balance Sheet

The acquisition of CBB, with total assets of approximately \$320 million at March 31, 2018, which closed on May 21, 2018, will affect the comparability of balance sheet information for the quarter versus the same quarter of 2017.

Total assets at December 31, 2018 were \$928.7 million representing an increase by \$17.2 million or 1.9% during the quarter. The increase was driven primarily by strong growth in deposits.

Total deposits at December 31, 2018 were \$791.0 million, an increase of \$14.5 million or 1.9% over the linked quarter. This growth was largely driven by an increase in non-maturity deposits, which were \$679.0 million at quarter end, an increase of \$20.3 million or 3.1% over the linked quarter.

<sup>3</sup> Represents interest recoveries on non-accrual loans

<sup>4</sup> Represents accretion of acquired loan fair value marks

<sup>5</sup> Includes \$1.3 million related to tax reform and \$130,000 in non-recurring merger expenses for Q4 2017

<sup>6</sup> Excludes non-recurring income, income from accretion of fair value marks and non-recurring costs, non-GAAP financial measure

Total loans at December 31, 2018 were \$650.1 million, an increase of \$9.6 million or 1.5% over the linked quarter. Our agricultural production lines declined by \$4.1 million or 9.9% over the linked quarter while our commercial and industrial loans increased during the quarter by \$1.5 million or 2.2%. Fluctuations in both these product categories reflect normal business-cycle driven utilization of these lines.

Loan growth this quarter was primarily driven by increases in non-owner occupied commercial real estate which increased by \$11.9 million or 8.0%. Total loans secured by real estate increased by 3.4% or 13.6% annualized. New loan originations were \$22.6 million which is lower than in previous quarters and we saw an elevated level of payoffs. All new loan growth is locally sourced and has not come through purchased participations.

The table below details the major categories of our loan portfolio as compared to the linked quarter. The percentages within all major categories remained relatively similar.

	<b>% of Total Loans at 12/31/18</b>	<b>% of Total Loans at 09/30/18</b>
Commercial & Industrial Loans	11.2%	11.2%
Farmland & Agricultural Production	24.9%	25.9%
Non Owner Occupied CRE	24.7%	23.3%
Owner Occupied CRE	13.6%	14.1%
Construction	6.4%	6.1%
1-4 and Multifamily	16.2%	15.7%

### **Asset Quality**

Non-performing assets were \$1.1 million or 0.12% of total assets at December 31, 2018 compared to \$684,000 or 0.08% of total assets at September 30, 2018. The resolution of smaller non-accrual loans in the fourth quarter was offset by the reclassification of one slightly larger relationship.

During the fourth quarter the company recorded an additional \$350,000 provision for loan losses and the allowance for loan losses as a percentage of total loans, excluding acquired loans that have been marked to fair value, was 1.20% at December 31, 2018 compared to 1.24% at September 30, 2018 and 1.20% at June 30, 2018.

### **Capital**

Suncrest Bank remained well capitalized at December 31, 2018. All of the Bank's capital ratios are above minimum regulatory standards for "well capitalized" institutions.

At December 31, 2018 the tangible book value per common share was \$7.25 with common shares issued of 12,420,300 as of the same date. This compares to a tangible book value per common share of \$6.84 at September 30, 2018 and \$6.56 at June 30, 2018.

Excluding the unrealized loss on securities, the tangible book value per common share at December 31, 2018 was \$7.35

**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. 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>December 31,</u> <u>2018</u>	<u>September 30,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
<b>ASSETS</b>			
Cash and Due from Banks	\$ 54,747,273	\$ 45,939,304	\$ 29,728,313
Federal Funds Sold	18,137,000	25,447,000	33,006,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>72,884,273</b>	<b>71,386,304</b>	<b>62,734,313</b>
Investment Securities Available for Sale (AFS)	137,719,068	127,135,695	90,368,057
Loans:			
Total Loans	650,146,414	640,515,026	353,368,194
Allowance for Loan Losses	( 4,372,547)	( 4,021,747)	( 3,412,669)
<b>NET LOANS</b>	<b>645,773,867</b>	<b>636,493,279</b>	<b>349,955,525</b>
Federal Home Loan Bank and Other Bank Stock, at Cost	5,453,891	5,453,891	3,152,891
Premises and Equipment	6,014,471	6,123,388	5,904,262
Other Real Estate Owned	313,720	313,720	313,720
Bank Owned Life Insurance	8,284,240	8,231,954	5,238,821
Goodwill	38,989,566	41,126,689	3,325,220
Core Deposit Intangible	3,974,505	4,191,333	1,313,301
Accrued Interest and Other Assets	9,269,273	11,055,161	6,611,278
	<u>\$ 928,676,874</u>	<u>\$ 911,511,414</u>	<u>\$ 528,917,388</u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits:			
Noninterest-bearing Demand	\$ 292,174,413	\$ 303,565,381	\$ 162,335,707
Savings, NOW and Money Market Accounts	386,793,012	355,074,099	235,311,974
Time Deposits	112,050,259	117,903,291	69,253,295
<b>TOTAL DEPOSITS</b>	<b>791,017,684</b>	<b>776,542,771</b>	<b>466,900,976</b>
Other Borrowings	-	-	-
Accrued Interest and Other Liabilities	4,622,642	4,755,688	1,199,304
<b>TOTAL LIABILITIES</b>	<b>795,640,326</b>	<b>781,298,459</b>	<b>468,100,280</b>
Shareholders' Equity:			
Common Stock - No par value	119,643,464	121,716,187	57,279,494
Additional Paid-in Capital	2,441,948	2,355,357	1,985,398
Retained Earnings (Deficit)	12,152,741	8,663,208	2,295,485
Accumulated Other Comprehensive Income (Loss) - Net			
Unrealized Gain (Loss) on Securities AFS	(1,201,605)	( 2,521,797)	( 743,269)
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>133,036,548</b>	<b>130,212,955</b>	<b>60,817,108</b>
	<u>\$ 928,676,874</u>	<u>\$ 911,511,414</u>	<u>\$ 528,917,388</u>

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

	<u>December 31,</u> <u>2018</u>	<u>September 30,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
<b>INTEREST INCOME</b>			
Interest and Fees on Loans	\$ 9,333,352	\$ 9,376,674	\$ 5,170,322
Interest on Investment Securities	913,560	782,859	368,311
Interest on Federal Funds Sold and Other	<u>278,425</u>	<u>238,646</u>	<u>269,180</u>
<b>TOTAL INTEREST INCOME</b>	10,525,337	10,398,179	5,807,813
<b>INTEREST EXPENSE</b>			
Interest on Savings Deposits, NOW and Money Market Accounts	575,868	449,095	159,900
Interest on Time Deposits	297,696	261,992	117,316
Interest on Other Borrowings	<u>-</u>	<u>1,223</u>	<u>-</u>
<b>TOTAL INTEREST EXPENSE</b>	<u>873,564</u>	<u>712,310</u>	<u>277,216</u>
<b>NET INTEREST INCOME</b>	9,651,773	9,685,869	5,530,597
Provision for Loan Losses	<u>350,000</u>	<u>350,000</u>	<u>-</u>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	9,301,773	9,335,869	5,530,597
<b>NONINTEREST INCOME</b>			
Service Charges, Fees, and Other Income	461,282	446,104	286,759
Gain on Sale of Loans	<u>-</u>	<u>-</u>	<u>-</u>
	461,282	446,104	286,759
<b>NONINTEREST EXPENSE</b>			
Salaries and Employee Benefits	2,546,380	2,619,448	1,862,316
Occupancy Expenses	522,999	539,438	344,874
Other Expenses	<u>1,959,843</u>	<u>1,815,963</u>	<u>1,122,764</u>
	<u>5,029,222</u>	<u>4,974,849</u>	<u>3,329,954</u>
<b>INCOME BEFORE INCOME TAXES</b>	4,733,833	4,807,124	2,487,402
Income Taxes	<u>1,244,300</u>	<u>1,304,400</u>	<u>2,375,403</u>
<b>NET INCOME</b>	<u>\$ 3,489,533</u>	<u>\$ 3,502,724</u>	<u>\$ 111,999</u>

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

	<u>December 31,</u> <u>2018</u>	<u>December 31,</u> <u>2017</u>
<b>INTEREST INCOME</b>		
Interest and Fees on Loans	\$ 30,336,365	\$ 20,173,453
Interest on Investment Securities	2,899,825	978,572
Interest on Federal Funds Sold and Other	<u>925,138</u>	<u>809,129</u>
<b>TOTAL INTEREST INCOME</b>	34,161,328	21,961,154
<b>INTEREST EXPENSE</b>		
Interest on Savings Deposits, NOW and Money Market Accounts	1,412,820	507,232
Interest on Time Deposits	894,540	518,576
Interest on Other Borrowings	<u>27,325</u>	<u>-</u>
<b>TOTAL INTEREST EXPENSE</b>	<u>2,334,685</u>	<u>1,025,808</u>
<b>NET INTEREST INCOME</b>	31,826,643	20,935,346
Provision for Loan Losses	<u>1,270,000</u>	<u>950,000</u>
<b>NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES</b>	30,556,643	19,985,346
<b>NONINTEREST INCOME</b>		
Service Charges, Fees, and Other Income	1,579,389	1,081,099
Gain on Sale of Loans	<u>332,288</u>	<u>275,515</u>
	1,911,677	1,356,614
<b>NONINTEREST EXPENSE</b>		
Salaries and Employee Benefits	9,297,693	7,524,994
Occupancy Expenses	1,835,758	1,389,326
Other Expenses	<u>7,726,813</u>	<u>4,309,610</u>
	<u>18,860,264</u>	<u>13,223,930</u>
<b>INCOME BEFORE INCOME TAXES</b>	13,608,056	8,118,030
Income Taxes	<u>3,750,800</u>	<u>4,732,503</u>
<b>NET INCOME</b>	<u>\$ 9,857,256</u>	<u>\$ 3,385,527</u>

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

	<b>December 31,</b> <b>2018</b>	<b>September 30,</b> <b>2018</b>	<b>December 31,</b> <b>2017</b>
<b>For the three months ended:</b>			
Return on Average Assets(ROAA)	1.55%	1.58%	0.08%
ROAA excluding non-recurring items <sup>(1)(2)</sup>	1.51%	1.44%	0.97%
Return on Average Equity(ROAE)	10.62%	10.85%	0.73%
ROAE excluding non-recurring items <sup>(1)(2)</sup>	10.33%	9.94%	8.35%
Noninterest Expense (NIE) To Average Assets	2.23%	2.24%	2.50%
NIE to Average Assets excluding non-recurring items <sup>(1)(2)</sup>	2.23%	2.24%	2.40%
Efficiency Ratio	49.73%	49.10%	57.24%
Efficiency Ratio excluding non-recurring items <sup>(1)(2)</sup>	50.42%	51.23%	59.44%
Net Interest Margin	4.67%	4.78%	4.45%
Core Net Interest Margin <sup>(1)(2)</sup>	4.61%	4.57%	4.10%
Cost of Funds	0.45%	0.37%	0.23%
Basic Earnings Per Share (EPS)	\$ 0.28	\$ 0.28	\$ 0.01
Diluted EPS	\$ 0.28	\$ 0.28	\$ 0.01
Diluted EPS excluding non-recurring items <sup>(1)(2)</sup>	\$ 0.27	\$ 0.26	\$ 0.18

	<b>December 31,</b> <b>2018</b>	<b>December 31,</b> <b>2017</b>
<b>For the twelve months ended:</b>		
ROAA	1.30%	0.69%
ROAA excluding non-recurring items <sup>(1)(2)</sup>	1.39%	0.76%
ROAE	9.51%	5.67%
ROAE excluding non-recurring items <sup>(1)(2)</sup>	10.17%	6.20%
NIE To Average Assets	2.49%	2.71%
NIE to Average Assets excluding non-recurring items <sup>(1)(2)</sup>	2.29%	2.63%
Efficiency Ratio	55.90%	59.32%
Efficiency Ratio excluding non-recurring items <sup>(1)(2)</sup>	52.29%	63.73%
Net Interest Margin	4.59%	4.66%
Core Net Interest Margin <sup>(1)(2)</sup>	4.50%	4.19%
Cost of Funds	0.36%	0.24%
Basic EPS	\$ 0.95	\$ 0.48
Diluted EPS	\$ 0.94	\$ 0.47
Diluted EPS excluding non-recurring items <sup>(1)(2)</sup>	\$ 1.00	\$ 0.52

(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)

	December 31, 2018	September 30, 2018	December 31, 2017
<b>At Period End:</b>			
Loans to Deposits	82.19%	82.48%	75.68%
Average Loans to Average Deposits (QTD)	82.99%	84.32%	73.46%
Non-Performing Assets to Assets	0.12%	0.08%	0.18%
Outstanding Shares	12,420,300	12,412,300	7,007,594
Tangible Book Value Per Share <sup>(2)</sup>	\$ 7.25	\$ 6.84	\$ 8.02
Tangible Book Value Per Share excluding Unrealized Loss on Securities <sup>(2)</sup>	\$ 7.35	\$ 7.04	\$ 8.12
Book Value Per Share	\$ 10.71	\$ 10.49	\$ 8.68

#### Regulatory Capital Ratios

Tier 1 Leverage (to average assets)	10.57%	10.29%	10.58%
Common Equity Tier 1 Capital (to risk weighted assets)	12.53%	11.99%	13.63%
Tier 1 Capital (to risk weighted assets)	12.53%	11.99%	13.63%
Total Capital (to risk weighted assets)	13.14%	12.55%	14.47%

	December 31, 2018	September 30, 2018	December 31, 2017
<u>Loan Composition</u>			
Commercial and Industrial:	\$ 73,040,907	\$ 71,502,960	\$ 39,160,436
Loans to Finance Agricultural Production and Other Loans to Farmers:	37,504,128	41,647,206	20,213,687
Loans Secured by Real Estate:			
Secured by Farmland	124,326,456	124,493,140	74,503,408
Construction, Land Development and Other Land	41,740,821	39,036,669	12,383,517
1-4 Family Residential Properties	57,692,599	55,643,334	45,261,076
Multifamily Residential Properties	47,803,422	45,148,329	18,504,600
Owner Occupied Nonresidential Properties	88,176,104	90,151,385	50,715,973
Non-Owner Occupied Nonresidential Properties	160,834,825	148,948,159	92,378,431
Total Loans Secured by Real Estate	520,574,227	503,421,016	293,747,005
Municipal Leases	18,535,425	23,662,086	-
Other Loans:	491,727	281,758	247,066
Total Loans	<u>\$ 650,146,414</u>	<u>\$ 640,515,026</u>	<u>\$ 353,368,194</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**

	<u>December 31, 2018</u>			<u>September 30, 2018</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	\$ 50,439,804	\$ 278,425	2.19%	\$ 47,719,043	\$ 238,646	1.98%
Investment Securities	134,589,141	913,560	2.72%	121,612,179	782,859	2.57%
Loans	<u>634,520,351</u>	<u>9,333,352</u>	5.84%	<u>634,575,951</u>	<u>9,376,674</u>	5.86%
Total Interest Earning Assets	819,549,296	10,525,337	5.10%	803,907,173	10,398,179	5.13%
Noninterest Earning Assets	<u>81,342,243</u>			<u>84,836,567</u>		
Total Assets	<u><u>\$900,891,539</u></u>			<u><u>\$888,743,740</u></u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 81,176,619	83,148	0.41%	\$ 76,528,434	31,182	0.16%
Savings and Money Market Accounts	278,309,634	492,720	0.70%	267,298,485	417,913	0.62%
Time Deposits	<u>116,154,051</u>	<u>297,696</u>	1.02%	<u>120,286,031</u>	<u>261,992</u>	0.86%
Total Interest Bearing Deposits	475,640,304	873,564	0.73%	464,112,950	711,087	0.61%
Other Borrowings	<u>-</u>	<u>-</u>		<u>2,146,739</u>	<u>1,223</u>	0.23%
Total Interest Bearing Liabilities	475,640,304	873,564	0.73%	466,259,689	712,310	0.61%
Noninterest Bearing Transaction Accounts	<u>288,947,791</u>			<u>288,434,695</u>		
Total Funding Sources	764,588,095			754,694,384		
Noninterest Bearing Liabilities	4,907,925			4,916,648		
Shareholders' Equity	<u>131,395,519</u>			<u>129,132,708</u>		
Total Liabilities and Shareholder's Equity	<u><u>\$900,891,539</u></u>			<u><u>\$888,743,740</u></u>		
Net Interest Income		<u>\$ 9,651,773</u>			<u>\$ 9,685,869</u>	
Net Interest Margin			4.67%			4.78%

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

	<u>December 31, 2018</u>			<u>December 31, 2017</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	\$ 50,439,804	\$ 278,425	2.19%	\$ 74,631,467	\$ 269,180	1.43%
Investment Securities	134,589,141	913,560	2.72%	73,019,626	368,311	2.02%
Loans	<u>634,520,351</u>	<u>9,333,352</u>	5.84%	<u>345,324,119</u>	<u>5,170,322</u>	5.94%
Total Interest Earning Assets	819,549,296	10,525,337	5.10%	492,975,212	5,807,813	4.67%
Noninterest Earning Assets	<u>81,342,243</u>			<u>39,859,575</u>		
Total Assets	<u><u>\$900,891,539</u></u>			<u><u>\$532,834,787</u></u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 81,176,619	83,148	0.41%	\$ 57,337,498	18,006	0.12%
Savings and Money Market Accounts	278,309,634	492,720	0.70%	178,504,255	141,894	0.32%
Time Deposits	<u>116,154,051</u>	<u>297,696</u>	1.02%	<u>71,184,502</u>	<u>117,316</u>	0.65%
Total Interest Bearing Deposits	475,640,304	873,564	0.73%	307,026,255	277,216	0.36%
Other Borrowings	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	-
Total Interest Bearing Liabilities	475,640,304	873,564	0.73%	307,026,255	277,216	0.36%
Noninterest Bearing Transaction Accounts	<u>288,947,791</u>			<u>163,029,890</u>		
Total Funding Sources	764,588,095			470,056,145		
Noninterest Bearing Liabilities	4,907,925			1,188,217		
Shareholders' Equity	<u>131,395,519</u>			<u>61,590,425</u>		
Total Liabilities and Shareholder's Equity	<u><u>\$900,891,539</u></u>			<u><u>\$532,834,787</u></u>		
Net Interest Income		<u>\$ 9,651,773</u>			<u>\$ 5,530,597</u>	
Net Interest Margin			4.67%			4.45%

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

	<u>December 31, 2018</u>			<u>December 31, 2017</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	\$ 49,317,617	\$ 925,138	1.88%	\$ 65,872,699	\$ 809,129	1.23%
Investment Securities	117,125,123	2,899,825	2.48%	53,504,090	978,572	1.83%
Loans	<u>527,011,060</u>	<u>30,336,365</u>	5.76%	<u>329,661,707</u>	<u>20,173,453</u>	6.12%
Total Interest Earning Assets	693,453,800	34,161,328	4.93%	449,038,496	21,961,154	4.89%
Noninterest Earning Assets	<u>62,805,723</u>			<u>38,625,020</u>		
Total Assets	<u><u>\$ 756,259,523</u></u>			<u><u>\$ 487,663,516</u></u>		
<b>Interest Bearing Liabilities</b>						
Interest Bearing Transaction Accounts	\$ 70,147,520	157,046	0.22%	\$ 54,413,673	66,391	0.12%
Savings and Money Market Accounts	235,428,381	1,255,774	0.53%	157,970,997	440,841	0.28%
Time Deposits	<u>99,656,127</u>	<u>894,540</u>	0.90%	<u>77,542,385</u>	<u>518,576</u>	0.67%
Total Interest Bearing Deposits	405,232,028	2,307,360	0.57%	289,927,055	1,025,808	0.35%
Other Borrowings	<u>1,751,175</u>	<u>27,325</u>	1.56%	<u>-</u>	<u>-</u>	-
Total Interest Bearing Liabilities	406,983,203	2,334,685	0.57%	289,927,055	1,025,808	0.35%
Noninterest Bearing Transaction Accounts	<u>242,158,095</u>			<u>136,974,114</u>		
Total Funding Sources	649,141,298			426,901,169		
Noninterest Bearing Liabilities	3,428,135			1,063,685		
Shareholders' Equity	<u>103,690,090</u>			<u>59,698,662</u>		
Total Liabilities and Shareholder's Equity	<u><u>\$ 756,259,523</u></u>			<u><u>\$ 487,663,516</u></u>		
Net Interest Income		<u>\$ 31,826,643</u>			<u>\$ 20,935,346</u>	
Net Interest Margin			4.59%			4.66%