

**EXCHANGE BANK**  
and Subsidiaries  
**Consolidated Balance Sheets**  
(Unaudited)

**September 30, 2021 and 2020**  
(In Thousands)

| <b>ASSETS</b>   | 2021                | 2020                | Change<br>21/20   | % Change<br>21/20 |
|---|---------------------|---------------------|-------------------|-------------------|
| Cash and due from banks                                   | \$ 32,870           | \$ 47,398           | \$ (14,528)       | -30.65%           |
| Federal Reserve Bank                                      | 523,081             | 208,182             | 314,899           | 151.26%           |
| <b>Total Cash and cash equivalents</b>                    | <b>555,951</b>      | <b>255,580</b>      | <b>300,371</b>    | <b>117.53%</b>    |
| Investments   |                     |                     |                   |                   |
| Interest-earning deposits in other financial institutions | 17,000              | 41,000              | (24,000)          | -58.54%           |
| Securities available for sale                             | 1,244,297           | 809,046             | 435,251           | 53.80%            |
| FHLB Stock  | 14,465              | 13,483              | 982               | 7.28%             |
| Loans and leases  |                     |                     |                   |                   |
| Real estate   | 1,077,009           | 1,159,649           | (82,640)          | -7.13%            |
| Consumer  | 131,542             | 134,910             | (3,368)           | -2.50%            |
| Commercial  | 383,618             | 528,474             | (144,856)         | -27.41%           |
|   | 1,592,169           | 1,823,033           | (230,864)         | -12.66%           |
| Less allowance for loan and lease losses                  | (43,638)            | (40,443)            | (3,195)           | 7.90%             |
| <b>Net loans and leases</b>                               | <b>1,548,531</b>    | <b>1,782,590</b>    | <b>(234,059)</b>  | <b>-13.13%</b>    |
| Bank premises and equipment                               | 18,955              | 20,265              | (1,310)           | -6.46%            |
| Other assets  | 135,244             | 115,240             | 20,004            | 17.36%            |
| <b>Total Assets</b>                                       | <b>\$ 3,534,443</b> | <b>\$ 3,037,204</b> | <b>\$ 497,239</b> | <b>16.37%</b>     |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>               |                     |                     |                   |                   |
| Deposits  |                     |                     |                   |                   |
| Non-Interest Bearing Demand                               | \$ 1,256,952        | \$ 1,076,938        | \$ 180,014        | 16.72%            |
| Interest Bearing  |                     |                     |                   |                   |
| Transaction   | 614,291             | 501,106             | 113,185           | 22.59%            |
| Money market  | 408,423             | 322,945             | 85,478            | 26.47%            |
| Savings   | 713,497             | 582,954             | 130,543           | 22.39%            |
| Time  | 178,680             | 190,683             | (12,003)          | -6.29%            |
| <b>Total Deposits</b>                                     | <b>3,171,843</b>    | <b>2,674,626</b>    | <b>497,217</b>    | <b>18.59%</b>     |
| Other liabilities   | 46,541              | 64,501              | (17,960)          | -27.84%           |
| <b>Total liabilities</b>                                  | <b>3,218,384</b>    | <b>2,739,127</b>    | <b>479,257</b>    | <b>17.50%</b>     |
| <b>Stockholders' equity</b>                               | <b>316,059</b>      | <b>298,077</b>      | <b>17,982</b>     | <b>6.03%</b>      |
| <b>Total Liabilities and Stockholder's Equity</b>         | <b>\$ 3,534,443</b> | <b>\$ 3,037,204</b> | <b>\$ 497,239</b> | <b>16.37%</b>     |

**EXCHANGE BANK**  
and Subsidiaries  
**Consolidated Statements of Operations**  
(Unaudited)

**For the Period Ended September 30, 2021 and 2020**

(In Thousands, except per share amounts)

|  | Quarter Ended          |                        | Nine Months Ended       |                         | Nine Months Ended      |                      |
|--|------------------------|------------------------|-------------------------|-------------------------|------------------------|----------------------|
|  | 2021                   | 2020                   | 2021                    | 2020                    | Change<br>21/20        | % Change<br>21/20    |
| Interest Income  |                        |                        |                         |                         |                        |                      |
| Interest and fees on loans   | \$ 19,870              | \$ 20,821              | \$ 59,346               | \$ 60,386               | \$ (1,040)             | -1.72%               |
| Interest on investments securities                                 | 4,542                  | 3,980                  | 12,488                  | 13,470                  | (982)                  | -7.29%               |
| <b>Total interest income</b>                                       | <u>24,412</u>          | <u>24,801</u>          | <u>71,834</u>           | <u>73,856</u>           | <u>(2,022)</u>         | <u>-2.74%</u>        |
| Interest expense   |                        |                        |                         |                         |                        |                      |
| Interest on deposits   | 424                    | 717                    | 1,336                   | 2,684                   | (1,348)                | -50.22%              |
| <b>Total interest expense</b>                                      | <u>424</u>             | <u>717</u>             | <u>1,336</u>            | <u>2,684</u>            | <u>(1,348)</u>         | <u>-50.22%</u>       |
| <b>Net interest income</b>   | <u><b>23,988</b></u>   | <u><b>24,084</b></u>   | <u><b>70,498</b></u>    | <u><b>71,172</b></u>    | <u><b>(674)</b></u>    | <u><b>-0.95%</b></u> |
| Provision (reversal of) for losses on loans                        | -                      | 900                    | 2,000                   | 900                     | 1,100                  | 0.00%                |
| <b>Net interest income after<br/>provision for loan and leases</b> | <u><b>23,988</b></u>   | <u><b>23,184</b></u>   | <u><b>68,498</b></u>    | <u><b>70,272</b></u>    | <u><b>(1,774)</b></u>  | <u><b>-2.52%</b></u> |
| <b>Non-interest income</b>   | 5,550                  | 5,218                  | 16,905                  | 15,831                  | 1,074                  | 6.78%                |
| Non interest expense   |                        |                        |                         |                         |                        |                      |
| Salary and benefit costs   | 9,385                  | 9,786                  | 27,419                  | 29,221                  | (1,802)                | -6.17%               |
| Other expenses   | 6,485                  | 7,615                  | 21,185                  | 23,088                  | (1,903)                | -8.24%               |
| <b>Total non-interest expense</b>                                  | <u>15,870</u>          | <u>17,401</u>          | <u>48,604</u>           | <u>52,309</u>           | <u>(3,705)</u>         | <u>-7.08%</u>        |
| <b>Income before income taxes</b>                                  | 13,668                 | 11,001                 | 36,799                  | 33,794                  | 3,005                  | 8.89%                |
| Provision for income taxes   | 3,821                  | 3,023                  | 10,238                  | 9,331                   | 907                    | 9.72%                |
| <b>Net income</b>  | <u><b>\$ 9,847</b></u> | <u><b>\$ 7,978</b></u> | <u><b>\$ 26,561</b></u> | <u><b>\$ 24,463</b></u> | <u><b>\$ 2,098</b></u> | <u><b>8.58%</b></u>  |
| Basic earnings per common share                                    | \$ 5.74                | \$ 4.65                | \$ 15.49                | \$ 14.27                | \$ 1.22                | 8.58%                |
| Dividends per share  | \$ 1.20                | \$ 1.20                | \$ 3.60                 | \$ 3.60                 | \$ -                   | 0.00%                |

Earnings per share is computed by dividing net income,  
by the weighted averaged number of shares outstanding during the year.

Total average shares outstanding for both 2021 and 2020 was 1,714,344