

Signature Bank, N.A.

August 23, 2021

Dear Shareholder:

We have continued to persevere through these unique times, and we are pleased to share our financial progress with you. The highlights of our financial performance through June 30, 2021 include:

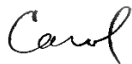
- Total Assets were \$1.27 Billion at June 30, 2021 reflecting an increase of \$44 Million from December 31, 2020. The increase in our Total Assets is primarily a result of the continued government stimulus programs.
- Total Loan balances have decreased by \$53 Million this year totaling \$842.7 Million at June 30, 2021. We expect loan balances to continue to decrease throughout the remainder of the year as the Payroll Protection Program (PPP) loans are forgiven and paid off by the Small Business Administration. Importantly, our credit quality metrics remain strong, and we have a healthy loan loss reserve balance of \$10.4 Million.
- Total Deposit balances continue to increase totaling \$1.14 Billion or an increase of \$39 Million through the first half of this year.
- Net Income for the first half of 2021 totaled \$7.7 Million compared to \$6.9 Million for the same period last year. This is an increase of 11% and is primarily attributed to the collection of PPP loan fees. We anticipate recognizing most of this fee income in 2021; therefore, we will see little to no benefit from these fees in 2022.
- ProBank Austin has updated our stock valuation as of June 30, 2021. The new value is \$125.00 per share which is an increase of \$2.50 per share from the value at December 31, 2020.

As we continue to build our Bank and infrastructure for the future, we are always appreciative of any new client referrals. If you have any referral recommendations, please reach out to one of us or your account officers. We would be happy to find ways to help other successful individuals and businesses with their banking needs. Thank you again for your continued support!

Sincerely,



Richard J. Brunner
Chairman and CEO



Carol A. Savage
Chief Operating Officer



Robert D. Shamy
President