

Signature Bank, N.A.

April 28, 2022

Dear Shareholder:

We recently celebrated our 20th Anniversary at our 2022 Annual Shareholder meeting at the Valentine Theater with over 300 guests. It was great to gather with everyone in person again and express our appreciation for our shareholders' support over the last 20 years.

We shared our first quarter results which reflect the expiration of many of the government stimulus programs. The highlights of our financial results are summarized below:

- Total Assets have declined slightly in the first quarter from \$1.31 billion at December 31, 2021 to \$1.28 billion at March 31, 2022. This was primarily a result of the typical decline in deposits that happens in our first quarter of each year.
- Our total loan balances declined from \$811 million to \$804 million in the first quarter with the continuation of PPP loan forgiveness taking place. At the end of March, we had only \$10 million of PPP loans yet to be forgiven. Importantly, our core loan balances grew in the first quarter by \$8 million and now total \$796 million.
- As expected, net income declined compared to the first quarter last year due to the reduction in PPP loan fee income and the continued pressure on our net interest margin. Net income totaled \$3.3 million for the quarter and included \$600,000 of income relieved from our loan loss reserve. Our credit quality metrics continue to be strong, and we anticipate the possibility of more reserves being brought back into income later in 2022. As the Federal Reserve increases interest rates this year, our net interest margin should begin to improve which will also help our net income.
- We are pleased to announce an increase in our semi-annual dividend. We will be paying \$1.00 per share on May 16, 2022, which is an increase from the \$0.95 per share paid semi-annually in 2021.

Continued.....

Page 2
April 28, 2022

Finally, we would like to thank the numerous people who have believed in us, supported us, and made the bank what it is today. Our employees and their families have been dedicated to making our bank the “best in class” and providing unparalleled service to our clients. Our Board of Directors have provided valuable guidance and business insight to build a successful company for our shareholders. Our clients and shareholders have been a loyal and supportive group from the beginning of the bank and continue to contribute to our success.

We would like to thank all of you and our many business advisors who have helped us successfully reach this 20th anniversary milestone. We look forward to the future growth and success of Signature Bank with your continued support.

Sincerely,



Richard J. Brunner
Chairman and CEO



Carol A. Savage
Chief Operating Officer



Robert D. Shamy
President