

# Signature Bank, N.A.

August 18, 2022

Dear Shareholder:

We are proud to report the positive momentum happening at Signature Bank, N.A. during the first half of 2022. The highlights of our financial results are summarized below:

- As of June 30, 2022, total assets stood at \$1.25 billion which is a slight decline from last quarter. We continue to witness the government stimulus money being deployed by our clients as capital spending and investing in their businesses has increased.
- Total loans have grown to \$845 million as of June 30, 2022, compared to \$804 million as of March 31, 2022. Almost all Paycheck Protection Program (PPP) loans have now been forgiven and paid off. Our loan balances now reflect core borrowings by our clients, and provide the positive momentum mentioned previously.
- Net interest margin is finally starting to increase after the past two years of steadily declining margins. Our year-to-date margin is 2.74% which is still quite a bit below normalized levels. However, our margin hit a low point of 2.62% in the first quarter. Again, some positive momentum which we predict will continue for the remainder of 2022 and have a positive impact on net income.
- For the six months ending June 30, 2022, net income totaled \$6.7 million compared to \$7.7 million for the same period last year. At our annual meeting, we shared our projection of a 20% decrease in our net income. Given the Federal Reserve's interest rate increases, we expect our net income to now be within 95% of our record income last year.

ProBank Austin has updated our stock value as of June 30, 2022. The new value is \$132.00 per share which is an increase of \$3.00 per share from the December 31, 2021 value.

We would like to take a moment to recognize you, our shareholders, for your continued trust and support. You continue to be critical to our long-term success!

Sincerely,



Richard J. Brunner  
Chairman and CEO



Carol A. Savage  
Chief Operating Officer



Robert D. Shamy  
President