



October 31, 2022

Dear Shareholder:

We are pleased to share some exciting news about Signature Bank. During the third quarter 2022, we appointed two new Board Members, continued to generate solid financial results, and increased our semi-annual dividend.

In October 2022, the Board of Directors approved the appointment of two new Board Members. Please join us in welcoming Amy Hall and Zac Isaac to the Signature Bank team!

Amy Hall is President of Ebony Construction, Inc., a locally based, heavy highway construction company. Ms. Hall has held leadership positions with the Associated General Contractors at both the local and national levels. She is currently a Board Member for the Toledo Lucas County Port Authority and the Historic South Initiative.

Zac Isaac is President of the Isaac Property Company, a real estate development company. Mr. Isaac previously served as an Executive Officer of State Bank and Trust Company. He is currently on the Spangler Candy Company Board of Directors and the University of Toledo Board of Trustees.

We continue to realize positive financial results and are proud to share the following highlights with you.

- Our balance sheet has continued to adjust back towards a “normalized” structure with increased loan balances and an outflow of excess deposit balances. Total loans have grown to \$846 million, compared to \$811 million on December 31, 2021. Total deposits have decreased to \$1.1 billion as the excess liquidity in the banking system continues to be deployed.
- Net interest margin continues to steadily increase due to the Federal Reserve increasing the federal funds rate. Our year-to-date net interest margin reached 2.86% as of September 30, 2022. We are projecting our margin to be back above 3% in 2023.

- For the nine months ending September 30, 2022, net income totaled \$10.5 million, compared to \$11.5 million for the same period last year. We projected a 20% decline in our net income for 2022 due to the expiration of Paycheck Protection Program (PPP) fee income. However, with the expansion of our net interest margin, we are optimistic we will report less than a 10% decline in our net income in 2022 compared to our record income in 2021.

Our Board of Directors recently approved an increase in our semi-annual cash dividend payment. Shareholders of record on November 1, 2022, will receive a cash dividend of \$1.10 per share, payable on November 15, 2022. The total dividends paid in 2022 equals \$2.10 per share, compared to \$1.90 per share last year.

Once again, we would like to thank you for your continued support. Your banking relationships and referrals of friends and business associates are important to our continued success.

Sincerely,



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Signature Bank, N.A.
Service is our Signature.