

# Signature Bank, N.A.

April 24, 2023

Dear Shareholder:

We recently hosted our 21<sup>st</sup> annual meeting at the Valentine Theatre with over 300 guests. It was another successful event, and we enjoyed the opportunity to express our appreciation for our shareholders' support. We shared our first quarter results which included the following highlights:

- As the government stimulus programs have expired and the Federal Reserve continues to raise interest rates, we have experienced some outflow of our deposit balances. Our Total Assets have remained essentially flat in the first quarter and total \$1.2 billion at March 31, 2023.
- Total Loan balances have grown over the past year reaching \$891 million at March 31, 2023. This represents growth of \$87 million over the past 12 months.
- We have experienced downward pressure on our net interest margin given the unprecedented pace of interest rate increases. This has impacted our first quarter net income which totaled \$2.5 million. This is a decline from the \$3.3 million we earned in the first quarter, last year. As the pace of rate increases starts to stabilize, we expect to see some improvement in our net interest margin in the second half of this year.
- We are pleased to announce an increase in our semi-annual dividend. We will be paying \$1.15 per share on May 15, 2023. This is an increase from \$1.10 per share we paid on November 15, 2022.

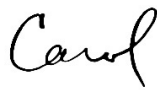
At the annual meeting, we also paid tribute to one of our founding directors, Mike Fischer. Mike has decided to retire from our board. We have benefitted greatly over the past 21 years from Mike's guidance and counsel, and we wish him all the best.

Finally, as we navigate the turbulence that exists in the banking industry lately, we sincerely appreciate our clients' and shareholders' loyal support.

Sincerely,



Richard J. Brunner  
Chairman and CEO



Carol A. Savage  
Chief Operating Officer



Robert D. Shamy  
President