



September 3, 2021

Dear Fellow Shareholders,

As we approach the end of the third quarter, the Bank's balance sheet is strong in regard to assets and capital. Total assets are approaching \$400 million at the end of August.

The Paycheck Protection Program (PPP) was a tremendous success and is well into the forgiveness phase. Despite the PPP loan payoffs, we have experienced good loan growth, particularly in the real estate category.

Loan quality continues to be good, and the Bank's net interest margin is improving. Net income exceeds the prior year and should finish strong.

Our Homewood branch is under construction and is expected to be completed in December. The branch site is located at 2611 18th Place South in Homewood. If you are in the area, drive by and check out the progress.

One of COVID 19's effects on banking has been the increased use of digital technology. The Bank focuses on providing the best digital products available in the market today. Our digital banking team is currently evaluating new technologies that will make your banking experience even better in the coming months. Our goal is to provide the best service possible whether you visit us online or in person.

Finally, I am pleased to report that on August 19, 2021, the Board of Directors declared a distribution of \$.50 per share to shareholders of record on that date payable on September 3, 2021.

Please do not hesitate to call if we can ever be of service.

Sincerely yours,

A handwritten signature in cursive script that reads "William Gary Holemon".

William Gary Holemon
President and Chief Executive Officer