



## Fourth Quarter 2022 | Report to Shareholders


Happy New Year! The final quarter of 2022 was an excellent one and thanks goes to all our constituents who helped us accomplish the results for the past year. We are pleased to have added Vonda Smith in Deposit Operations; Jennifer Gardella in Commercial Lending; and Nicole Leitz in Business Development to the Hyperion team during the fourth quarter.


Our growth continued with an annual increase in loans and deposits of 16% and 19% respectively. We continue to see strong demand from new and existing customers for our services in both the Philadelphia and Atlanta markets. Total revenue for the year increased by 18% and net income was up 28% as the bank scales and becomes more efficient. Earnings per share for 2022 was \$1.15 compared to \$0.91 in 2021.

You can impact your investment and add value to the company by:

- Doing business with us;
- Referring business such as commercial customers, individuals, and prospective homebuyers to us;
- Connecting us with potential strategic partners; and
- Informing us of talented people who you believe would be a good fit for our organization.

Thank you for your support,

  
Charles B. Crawford, Jr.  
Chairman and CEO

  
Louis J. DeCesare, Jr.  
President & COO

*This letter does not constitute an offer to sell or the solicitation of an offer to buy the rights or the underlying shares of common stock or warrants nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful under the securities laws of any such jurisdiction.*



## Consolidated Balance Sheet

(unaudited)

	Year Ended	
	December 31, 2022	December 31, 2021
<b>Assets:</b>		
Cash and due from banks	21,919,871	18,887,781
Securities available for sale	19,063,275	23,530,307
Other investments	1,693,900	1,339,300
Loans: Less allowance for loan loss	269,585,551	232,470,319
Premises and equipment, net	1,860,605	1,886,345
Accrued interest receivable	910,482	978,382
Bank Owned Life Insurance	7,269,910	7,077,520
Other Assets	3,893,271	1,618,483
<b>Total Assets</b>	<b>326,196,865</b>	<b>287,788,437</b>
<b>Liabilities:</b>		
Non interest bearing demand deposits	37,675,623	37,922,233
Interest bearing demand deposits	208,605,860	169,350,362
<b>Total deposits</b>	<b>246,281,483</b>	<b>207,272,595</b>
Federal Home Loan Bank advances	37,193,505	29,135,127
Federal Reserve Bank-PPPLF advances	-	9,376,830
Subordinated Debt	15,685,669	15,596,468
Accrued interest payable	163,539	161,304
Other liabilities	2,474,345	2,329,634
<b>Total liabilities</b>	<b>301,798,541</b>	<b>263,871,958</b>
<b>Stockholders' equity:</b>		
Common stock	2,255,564	2,238,277
Additional paid-in-capital	28,145,443	28,044,244
Accumulated deficit	(3,363,210)	(6,113,890)
Unrealized securities gain/loss	(2,639,473)	(252,152)
<b>Total stockholders' equity</b>	<b>24,398,324</b>	<b>23,916,479</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>326,196,865</b>	<b>287,788,437</b>



# Consolidated Statement of Operations

(unaudited)

	Year Ended	
	December 31, 2022	December 31, 2021
<b>Interest Income:</b>		
Loans, including fees	13,771,770	11,591,983
Securities	330,870	139,283
Other investments	384,048	189,488
<b>Total interest income</b>	<b>14,486,688</b>	<b>11,920,754</b>
<b>Interest Expense:</b>		
Deposits	1,641,741	1,182,705
Subordinated Debt	949,201	518,682
Other borrowings	497,376	456,144
<b>Total interest expense</b>	<b>3,088,318</b>	<b>2,157,531</b>
<b>Net interest income</b>	<b>11,398,370</b>	<b>9,763,223</b>
Provision for loan losses	259,242	526,360
<b>Net interest income after provision</b>	<b>11,139,128</b>	<b>9,236,863</b>
<b>Noninterest income:</b>		
Service charges on deposit accounts	95,634	116,035
Gain on sale of loans	27,874	97,216
Loan fees	270,826	292,756
Mortgage broker fee income	-	85,255
Income from mortgage joint venture	(13,016)	143,230
Income from bank owned life insurance	192,390	77,520
Other income	(1,621)	9,746
<b>Total noninterest income</b>	<b>572,087</b>	<b>821,758</b>
<b>Noninterest expense:</b>		
Salaries and employee benefits	4,716,342	4,027,498
Occupancy and equipment	616,466	556,220
Data processing	1,019,553	878,181
Professional fees	669,956	728,006
Other operating expenses	2,028,750	1,701,627
<b>Total noninterest expense</b>	<b>9,051,067</b>	<b>7,891,532</b>
<b>Income before income taxes</b>	<b>2,660,148</b>	<b>2,167,089</b>
<b>Income taxes</b>	<b>64,486</b>	<b>132,927</b>
<b>Net income:</b>	<b>2,595,662</b>	<b>2,034,162</b>
<b>Book Value Per Share</b>	<b>\$10.82</b>	<b>\$10.69</b>
<b>Book Value Per Share (not including unrealized gain/loss on securities)</b>	<b>\$11.99</b>	<b>\$10.80</b>
<b>Earnings Per Share</b>	<b>\$1.15</b>	<b>\$0.91</b>



## Hyperion Bank Team

Stephanie Berrocal  
Jennifer Carney  
Cameron Chislom  
Steve Cope  
Charles Crawford  
Lou DeCesare  
Marsha Dollar  
Amy Ellis  
Lauren Flowers  
Jennifer Gardella  
Anne Garland  
Lee Green  
Christian Guers

Kenny Harris  
Andres Herrera  
Nicole Hicken  
Joel Higdon  
Michael Iannarelli  
Bridget Jungblut  
James Kang  
Eric Kellum  
Christopher Kober  
Nicole Leitz  
Brian McNulty  
Asif Mujtaba  
Christopher Mumma

Alisha Nasse  
George Perkins  
Paul Rutkowski  
Danielle Selway  
Bob Senske  
Analy Siqueira  
Vonda Smith  
Andy Stein  
Frank Sullivan  
Ryan Sullivan  
Naja Thompson  
Elisa Varella

## Board of Directors

Charles Crawford  
Lou DeCesare  
Jill Jinks  
James J. McAlpin, Jr.

Robert N.C. Nix, III  
Michael Purcell  
Lara Rhame  
Gretchen Santamour



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### Forward Looking Statements.

*This document includes forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions that are not historical facts, and other statements identified by words such as "may," "will," "expects," "believes," "plans," "anticipates," "opportunity," "current," "seeks," "estimates," or "potential," or the negative thereof or other and similar expressions. These forward-looking statements are based on current expectations and projections about future events. Investors are cautioned that forward-looking statements are not guarantees of future performance or results and involve risks and uncertainties that cannot be predicted or quantified, and, consequently, our actual performance may differ materially from that expressed or implied by such forward-looking statements.*

