



## Third Quarter 2023 | Report to Shareholders

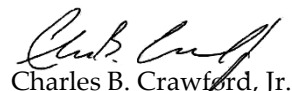
We are pleased to have five new associates as part of the bank. During the quarter we added Karen Chavarria – Loan Administration Specialist; Khiresha Collins – Universal Banker; Megan Fantini – Universal Banker; Nancy Hollingsworth – Loan Operations Specialist; and Cara Rossi – Credit Analyst.

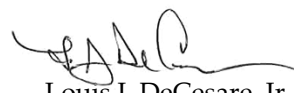
The third quarter resulted in moderate growth and increased profitability. Total revenue over the last 12 months is up 73% with slightly lower profits. The annual balance sheet growth has been very strong with loans up 32% and deposits up 29%. The banking industry is being challenged with the current interest rate environment and we are pleased to be outperforming our peers with a net interest margin that has averaged 4.28% over the last year. We continue to be conservative in our loan underwriting and our asset quality remains strong.

You can impact your investment and value by:

- Doing business with us;
- Referring business such as commercial customers, individuals, and prospective homebuyers to us;
- Connecting us with potential strategic partners; Informing us of talented people who you believe would be a good fit for our organization; and
- Connecting with us via social media (LinkedIn & Facebook) and sharing our posts.

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)

	September 30, 2023	September 30, 2022
<b>Assets:</b>		
Cash and due from banks	28,587,253	14,501,904
Securities available for sale	17,827,318	19,239,453
Other investments	2,331,700	1,373,900
Loans: Less allowance for loan loss	335,550,556	254,733,702
Premises and equipment, net	1,875,484	1,852,395
Accrued interest receivable	1,481,969	987,580
Bank Owned Life Insurance	7,419,626	7,221,212
Other Assets	4,696,734	3,747,289
<b>Total Assets</b>	<b>399,770,640</b>	<b>303,657,435</b>
<b>Liabilities:</b>		
Non interest bearing demand deposits	42,628,908	42,913,677
Interest bearing demand deposits	258,905,462	190,055,640
<b>Total deposits</b>	<b>301,534,370</b>	<b>232,969,317</b>
Federal Home Loan Bank advances	52,737,168	29,178,791
Federal Reserve Bank-PPPLF advances	-	384,600
Subordinated Debt	15,753,026	15,663,369
Accrued interest payable	378,223	285,972
Other liabilities	3,859,679	2,186,524
<b>Total liabilities</b>	<b>374,262,466</b>	<b>280,668,573</b>
<b>Stockholders' equity:</b>		
Common stock	2,297,523	2,255,564
Additional paid-in-capital	28,376,112	28,077,072
Accumulated deficit	(2,265,375)	(4,594,651)
Unrealized securities gain/loss	(2,900,086)	(2,749,123)
<b>Total stockholders' equity</b>	<b>25,508,174</b>	<b>22,988,862</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>399,770,640</b>	<b>303,657,435</b>



# Consolidated Statement of Operations

(unaudited)

	Nine Months Ended:	
	September 30, 2023	September 30, 2022
<b>Interest Income:</b>		
Loans, including fees	16,358,661	9,515,654
Securities	242,113	249,107
Other investments	939,987	259,879
<b>Total interest income</b>	<b>17,540,761</b>	<b>10,024,640</b>
<b>Interest Expense:</b>		
Deposits	6,041,011	970,822
Subordinated Debt	712,357	711,900
Other borrowings	426,177	309,632
<b>Total interest expense</b>	<b>7,179,545</b>	<b>1,992,354</b>
<b>Net interest income</b>	<b>10,361,216</b>	<b>8,032,286</b>
Provision for loan losses and unfunded commitments	495,797	92,842
<b>Net interest income after provision</b>	<b>9,865,419</b>	<b>7,939,444</b>
<b>Noninterest income:</b>		
Service charges on deposit accounts	92,825	70,034
Gain on sale of loans	115,059	27,874
Loan fees	143,903	198,516
Income from mortgage joint venture	27,711	12,260
Income from bank owned life insurance	149,715	143,692
Gain on the sale of OREO	60,703	-
Other income	3,982	3,325
<b>Total noninterest income</b>	<b>593,898</b>	<b>455,701</b>
<b>Noninterest expense:</b>		
Salaries and employee benefits	4,739,093	3,524,712
Occupancy and equipment	558,054	450,798
Data processing	869,997	761,269
Professional fees	668,082	450,546
Other operating expenses	2,015,556	1,529,820
<b>Total noninterest expense</b>	<b>8,850,782</b>	<b>6,717,145</b>
<b>Income before income taxes</b>	<b>1,608,535</b>	<b>1,678,000</b>
<b>Income taxes</b>	<b>321,547</b>	<b>313,760</b>
<b>Net income:</b>	<b>1,286,988</b>	<b>1,364,240</b>
 <b>Book Value Per Share</b>	 \$11.10	 \$10.19
<b>Book Value Per Share (not including unrealized gain/loss on securities)</b>	\$12.36	\$11.41
<b>Earnings Per Share</b>	\$0.56	\$0.60



## Hyperion Bank Team

Susan Battle  
Kimberly Bauer  
Alexandria Brown  
Karen Chavarria  
Khiresha Collins  
Charles Crawford  
Lou DeCesare  
Marsha Dollar  
Ryan Elliott  
Amy Ellis  
Megan Fantini  
Lauren Flowers  
Jennifer Gardella  
Lee Green

Kenny Harris  
Andres Herrera  
Nicole Hicken  
Joel Higdon  
Nancy Hollingsworth  
Toni Hughes  
Michael Iannarelli  
Bridget Jungblut  
James Kang  
Eric Kellum  
Christopher Kober  
Carlos Laverde  
Naja Leggins  
Nicole Leitz

Brian McNulty  
Asif Mujtaba  
Christopher Mumma  
George Perkins  
Cara Rossi  
Paul Rutkowski  
Danielle Selway  
Vonda Smith  
Andy Stein  
Frank Sullivan  
Ryan Sullivan  
Cassandra Tepper  
Elisa Varella  
Bill Young

## 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.*

