



Fourth Quarter 2023 | Report to Shareholders

2023 was another strong year of growth with loans and deposits increasing by 29%. Our revenue was 65% higher for the year with lower profits as the cost of deposits was significantly higher, we increased our provision for loan losses, and we no longer had tax credits. The fourth quarter of the year was our most profitable quarter. The bank is focused on increasing non-interest income which was up 30% over the last 12 months.

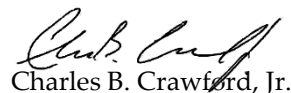
Credit quality remains very healthy and the bank put almost twice as much money aside in our loan loss provision as a result of strong loan growth.

And we finished the year with two new additions to our team: Michael DiPietro, Deposit Operations Specialist, and Lexus Banks, Universal Banker.

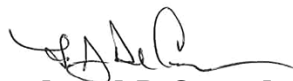
You can impact your investment and value by:

- Doing business with us - both commercial & individual;
- Referring business such as commercial customers (including SBA), 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)

	December 31, 2023	December 31, 2022
Assets:		
Cash and due from banks	27,727,826	21,919,871
Securities available for sale	18,363,316	19,063,275
Other investments	3,431,700	1,693,900
Loans: Less allowance for loan loss	347,728,998	269,585,551
Premises and equipment, net	1,832,038	1,860,605
Accrued interest receivable	1,692,882	910,482
Bank Owned Life Insurance	7,476,479	7,269,910
Other Assets	5,034,604	4,594,903
Total Assets	413,287,843	326,898,497
Liabilities:		
Non interest bearing demand deposits	46,997,177	37,675,623
Interest bearing demand deposits	269,908,796	208,605,860
Total deposits	316,905,973	246,281,483
Federal Home Loan Bank advances	50,251,883	37,193,505
Subordinated Debt	15,775,478	15,685,669
Accrued interest payable	195,090	163,539
Other liabilities	3,322,568	3,175,977
Total liabilities	386,450,992	302,500,173
Stockholders' equity:		
Common stock	2,297,523	2,255,564
Additional paid-in-capital	28,460,505	28,145,443
Accumulated deficit	(1,652,240)	(3,363,210)
Unrealized securities gain/loss	(2,268,937)	(2,639,473)
Total stockholders' equity	26,836,851	24,398,324
Total Liabilities and Stockholders' Equity	413,287,843	326,898,497



Consolidated Statement of Operations

(unaudited)

	Year Ended:	
	December 31, 2023	December 31, 2022
Interest Income:		
Loans, including fees	22,598,180	13,771,770
Securities	321,561	330,870
Other investments	1,200,217	384,048
Total interest income	24,119,958	14,486,688
Interest Expense:		
Deposits	8,170,475	1,641,741
Subordinated Debt	949,809	949,201
Other borrowings	1,306,997	497,376
Total interest expense	10,427,281	3,088,318
Net interest income	13,692,677	11,398,370
Provision for loan losses and unfunded commitments	515,060	259,242
Net interest income after provision	13,177,617	11,139,128
Noninterest income:		
Service charges on deposit accounts	124,603	95,634
Gain on sale of loans	115,059	27,874
Loan fees	204,532	270,826
Income (loss) from mortgage joint venture	27,089	(13,016)
Income from bank owned life insurance	206,569	192,390
Gain on the sale of OREO	60,730	-
Other income (loss)	3,982	(1,621)
Total noninterest income	742,564	572,087
Noninterest expense:		
Salaries and employee benefits	6,124,683	4,716,342
Occupancy and equipment	711,045	616,466
Data processing	1,192,388	1,019,553
Professional fees	832,814	669,956
Other operating expenses	2,684,204	2,028,750
Total noninterest expense	11,545,134	9,051,067
Income before income taxes	2,375,047	2,660,148
Income taxes	474,922	64,486
Net income:	1,900,125	2,595,662
 Book Value Per Share	 \$11.68	 \$10.82
Book Value Per Share (not including unrealized gain/loss on securities)	 \$12.67	 \$11.99
Earnings Per Share	 \$0.83	 \$1.15



Hyperion Bank Team

Lexus Banks
Susan Battle
Kimberly Bauer
Alexandria Brown
Karen Chavarria
Khiresha Collins
Charles Crawford
Lou DeCesare
Michael DiPietro
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.

