



## 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.

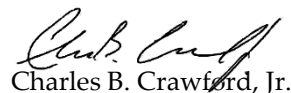
Credit quality remains very healthy and the bank put almost twice as much money aside in our loan loss provision as a result of strong loan growth.

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

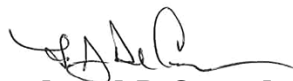
You can impact your investment and value by:

- 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
<b>Assets:</b>		
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
<b>Total Assets</b>	<b>413,287,843</b>	<b>326,898,497</b>
<b>Liabilities:</b>		
Non interest bearing demand deposits	46,997,177	37,675,623
Interest bearing demand deposits	269,908,796	208,605,860
<b>Total deposits</b>	<b>316,905,973</b>	<b>246,281,483</b>
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
<b>Total liabilities</b>	<b>386,450,992</b>	<b>302,500,173</b>
<b>Stockholders' equity:</b>		
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)
<b>Total stockholders' equity</b>	<b>26,836,851</b>	<b>24,398,324</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>413,287,843</b>	<b>326,898,497</b>



# Consolidated Statement of Operations

(unaudited)

	Year Ended:	
	December 31, 2023	December 31, 2022
<b>Interest Income:</b>		
Loans, including fees	22,598,180	13,771,770
Securities	321,561	330,870
Other investments	1,200,217	384,048
<b>Total interest income</b>	<b>24,119,958</b>	<b>14,486,688</b>
<b>Interest Expense:</b>		
Deposits	8,170,475	1,641,741
Subordinated Debt	949,809	949,201
Other borrowings	1,306,997	497,376
<b>Total interest expense</b>	<b>10,427,281</b>	<b>3,088,318</b>
<b>Net interest income</b>	<b>13,692,677</b>	<b>11,398,370</b>
Provision for loan losses and unfunded commitments	515,060	259,242
<b>Net interest income after provision</b>	<b>13,177,617</b>	<b>11,139,128</b>
<b>Noninterest income:</b>		
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)
<b>Total noninterest income</b>	<b>742,564</b>	<b>572,087</b>
<b>Noninterest expense:</b>		
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
<b>Total noninterest expense</b>	<b>11,545,134</b>	<b>9,051,067</b>
<b>Income before income taxes</b>	<b>2,375,047</b>	<b>2,660,148</b>
<b>Income taxes</b>	<b>474,922</b>	<b>64,486</b>
<b>Net income:</b>	<b>1,900,125</b>	<b>2,595,662</b>
 <b>Book Value Per Share</b>	 \$11.68	 \$10.82
<b>Book Value Per Share (not including unrealized gain/loss on securities)</b>	 \$12.67	 \$11.99
<b>Earnings Per Share</b>	 \$0.83	 \$1.15



## Hyperion Bank Team

Lexus Banks  
Susan Battle  
Kimberly Bauer  
Alexandria Brown  
Karen Chavarria  
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



199 W. Girard Avenue  
Philadelphia, PA 19123  
215.789.4200

3525 Piedmont Rd., Suite 5-215  
Atlanta, GA 30305  
404.381.2110

[HyperionBank.com](http://HyperionBank.com)

### 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.*

