



Fiscal 2021 Year in Review

Despite the impact of the Covid-19 pandemic, Brentwood Bank delivered strong financial results while supporting our customers and the community.

In the beginning, to help slow the spread of the virus, there were government mandated shutdowns of local businesses, stay at home orders and mandated social distancing. Our team at Brentwood Bank rose to the challenge.

The restrictions made it difficult, if not impossible, for customers to conduct their daily business in-person. Thanks to our team of dedicated employees and our investment in technology, Brentwood Bank's customers were able to conduct their financial transactions remotely via our online banking and mobile app, through drive-up windows, or old fashion meetings in our parking lot. We never missed a beat!

Financial highlights include:

- Net Income of \$6M was second highest in Bank history.
- Deposits increased 11% to \$629.3M from \$567.3M.
- Assets increased 7% to \$787.6M from \$734.5M.
- Loans increased 6% to \$608.6M from \$572.0M.
- Total Equity Capital increased 6% to \$95.4M from \$89.6M.

For our small business customers who faced unprecedented challenges, Brentwood Bank responded by embracing the Federal Government's first round of the Payment Protection Program. Leveraging excess capacity at the time, our business development officers, credit analysts and commercial lenders were able to help over 80 businesses receive these loans, saving countless jobs in the process.

The business shutdowns also affected hundreds of our mortgage customers in the form of job furloughs and layoffs. We responded by offering a 3-month loan payment deferral to those who needed temporary relief. At the height of the pandemic, we assisted 273 borrowers with balances of more than \$89M. Even with customers taking advantage of the flexible payment terms, the Bank's asset quality continues to be resilient, ranking it among the highest of its peers.

We also waived overdraft fees for our consumer and business checking customers, and in some cases waived early withdrawal penalties for those in need of cash.

The Bank generated over 500 new and refinanced loans totaling \$173M. Three hundred fifteen (315) of these loans provided more than \$62M for home financing and 218 loans, or \$107M, helped provide financing for commercial real estate and businesses. Equally impressive was the \$53M growth in new deposits, adding 1,600 new accounts.

All of this was made possible because of investments we have made in remote technology. Our I.T. Team built systems that allowed our employees to work from

home. Our online and mobile applications provided a reliable and consistent channel for our customers to do their banking. We saw dramatic increases in call center volume and increased utilization of all our remote banking services. Our customers were able to go about their daily financial lives in a safe and secure way. Listening to customers and providing solutions to achieve their goals is one of our core beliefs and we feel it is being accomplished.

The technology was critical to enable all of this, but the true heroes of FY 2021 are the team members that made it happen. Dining room tables and spare bedrooms became makeshift offices. Loans were processed on porches and in driveways. Our team took care of their families and their customers. The challenges were many. There were early mornings and long nights, and in every case, the Brentwood Bank team rose to the occasion.

As we move into fiscal 2022, we will enable our customers and our community to recover and grow. We will accelerate our advancements in technology services to ensure we provide the right financial solutions for the growing number of individuals, families, and businesses that bank with us. We will strive to deepen customer relationships without losing sight of our commitment to exceptional service and being easy to do business with, regardless of the channel our customers choose to interact with us.

For nearly 100 years, Brentwood Bank has believed in acting professionally, ethically and being fiscally responsible. We are committed to continuing to strengthen the customers and communities we serve in the years ahead.

I would like to express particular thanks to Mr. Nicholas A. Garrubba, EVP, who retired after 26-years of service to the Bank.

Finally, a special thank you to the Bank's Board of Trustees, for their support, dedication, counsel, and trust throughout the past year.

Thank you,

A handwritten signature in cursive script that reads "Thomas Bailey".

Thomas Bailey
President & C.E.O.



SELECT FINANCIAL DATA

STATEMENT OF CONDITION

As of March 31, 2021 & 2020 (Unaudited) (In Thousands)

ASSETS	2021	2020
Cash on Hand & In Banks	25,764	34,341
Investment Securities	129,363	105,333
Loans	608,556	571,972
FHLB Stock	3,257	3,905
Accrued Interest Receivable	1,858	1,879
Office Property & Equipment, Net	1,480	1,652
Deferred Charges & Other Assets	17,313	15,454
Total Assets	787,591	734,536
LIABILITIES & EQUITY CAPITAL		
Deposits	629,276	567,278
Borrowings	60,445	75,364
Other Liabilities	2,511	2,306
Total Liabilities	692,232	644,948
Total Equity Capital	95,359	89,588
Total Liabilities & Equity Capital	787,591	734,536

STATEMENT OF INCOME

For Fiscal Years Ended March 31, 2021, 2020 & 2019 (Unaudited) (In Thousands)

INTEREST INCOME	2021	2020	2019
Loans	24,796	24,393	21,307
Investments	2,346	3,590	3,191
Total Interest Income	27,142	27,983	24,498
Interest Expense	4,408	7,728	6,457
Net Interest Income	22,734	20,255	18,041
Provision for Loss on Loans	466	1,368	212
Net Interest Income After Provision For Loan Loss	22,268	18,887	17,829
OTHER INCOME			
Loan Fees & Other Income	1,581	1,743	1,794
Gain/(loss) on Sale Assets	17	832	3,599
Total Other Income	1,598	2,575	5,393
OPERATING EXPENSES			
Compensation & Employee Benefits	9,388	8,323	7,295
Office Occupancy & Depreciation	1,617	1,720	1,577
Data Processing	2,049	1,764	1,443
Merger Expense	-	709	253
Other Operating Expenses	3,097	3,109	2,795
Total Operating Expenses	16,151	15,625	13,363
Income Before Taxes	7,715	5,837	9,859
Tax Provision	1,698	1,149	2,433
Net Income	6,017	4,688	7,426