



## INBANKSHARES, CORP

### FOR IMMEDIATE RELEASE

## **INBANKSHARES, CORP REPORTS SECOND QUARTER 2021 FINANCIAL RESULTS**

*Company achieved continued core loan and deposit growth and improved core earnings*

**Denver, CO – July 27, 2021** – InBankshares, Corp (OTCQX: INBC) (the “Company”), parent company of InBank (“InBank” or the “Bank”), today reported its financial results for the quarter ended June 30, 2021. All results are unaudited.

### **Highlights for the quarter:**

- Net income of \$778,000, or \$0.10 per share, compared to \$661,000, or \$0.09 per share for the linked quarter and \$1.1 million, or \$0.16 for Q2-2020
- Net interest income of \$6.2 million, compared to \$6.1 million for the linked quarter and \$5.8 million for Q2-2020
- Excluding SBA Paycheck Protection Program (“PPP”) loans, core loan growth of \$21.3 million, or 6.3%, when compared to the linked quarter and up \$79.4 million, or 28.4%, compared to Q2-2020
- Deposit growth of \$6.0 million, or 1.0%, when compared to the linked quarter and up \$180.7 million, or 45.1%, compared to Q2-2020
- Net interest margin was 3.73%, compared to 3.98% for the linked quarter and 4.62% for Q2-2020
- Funding costs declined to 0.24% in the quarter, a decrease of 5 basis points from the linked quarter and a decrease of 23 basis points from Q2-2020
- Non-performing assets were 0.16% of assets, up 1 basis point from 0.15% in the linked quarter, and decreased 58 basis points from 0.74% in Q2-2020
- All InNeed loan modifications have returned to normal payments

“Our growth and earnings momentum continues,” said Ed Francis, Chairman of the Board, President and Chief Executive Officer of the Company and InBank. “The earnings run rate, excluding one-time events, is the strongest it has been since the acquisition of the bank in 2018 and we believe it will continue to grow as core loan growth replaces PPP loan runoff. We are also seeing strong progress in our treasury, SBA and payments businesses and continue to be optimistic about their contribution to our earnings.”

## Results of Operations

**Net income** for the second quarter of 2021 was \$778,000, or \$0.10 per share, compared to net income of \$661,000, or \$0.09 per share, for the linked quarter, and \$1.1 million, or \$0.16 per share, for the same quarter last year. The increase over the linked quarter was primarily the result of increases in noninterest income and net interest income, partially offset by an increase in provision for loan losses expense. The decrease from the same quarter last year was primarily the result of a \$664,000 one-time gain on sale of investment securities in the second quarter of 2020. Net income for the six months ended June 30, 2021 was \$1.4 million, or \$0.19 per share, representing an increase of 41.0% compared to \$1.0 million, or \$0.14 per share for the same period in 2020.

**Net interest margin**, expressed as net interest income as a percentage of average earning assets, was 3.73% during the second quarter of 2021, compared to 3.98% during the linked quarter, and 4.62% during the same quarter last year.

**Net interest income** for the second quarter of 2021 was \$6.2 million, an increase of \$89,000, or 1.5%, over the linked quarter, and an increase of \$445,000, or 7.7%, over the same quarter last year.

- Interest income increased to \$6.6 million from \$6.5 million during the linked quarter and \$6.3 million during the same quarter last year.
  - The increase over the linked quarter was primarily the result of increases in loan and investment portfolio volumes, partially offset by a decrease in the earning asset yield.
  - The increase compared to same quarter last year was again primarily the result of increases in loan and investment portfolio volumes, partially offset by a decrease in the earning asset yield.
- Interest expense decreased to \$377,000 from \$410,000 during the linked quarter and \$550,000 during the same quarter last year.
  - The decrease was primarily the result of the Company's cost of funds decreasing to 0.24%, from 0.29% during the linked quarter, and from 0.47% in the same quarter last year.

**Noninterest income** for the second quarter of 2021 was \$804,000, an increase of \$236,000, or 41.50%, over the linked quarter, and a decrease of \$195,000, or 19.5%, from the same quarter last year. The increase over the linked quarter was primarily due to increases in commercial, treasury and card fees, and gains on sales of SBA loans, partially offset by lower mortgage banking fees and lower gains on sales of mortgage loans. The current quarter did not have any realized gains on sale of investment securities, compared to \$664,000 during the same quarter last year.

**Noninterest expense** for the second quarter of 2021 was \$5.7 million, a decrease of \$71,000, or 1.2% when compared to the linked quarter, and an increase of 16.4% from \$4.9 million for the same quarter last year. The increase over the same quarter last year was mostly due to an increase in salaries and employee benefits expense as we continued to hire and invest in new personnel to support our growth plans.

The Company's efficiency ratio was 80.7% in the second quarter of 2021, compared with 85.6% in the linked quarter and 79.7% in the second quarter of 2020.

### **Balance Sheet Summary**

**Total assets** were \$708.4 million at June 30, 2021, an increase of \$10.4 million or 1.5% from \$698.1 million at March 31, 2021. During the quarter there was an increase in investment securities of \$19.7 million, an increase in cash and cash equivalents of \$8.3 million, and a decrease in total loans of \$19.4 million due to PPP loan decreases of \$40.8 million. Investment securities were \$192.3 million and total cash and equivalents were \$68.4 million at June 30, 2021, which combined represented 36.8% of total assets. Total assets increased \$130.7, or 22.6%, over the same quarter last year, primarily as a result of increases in investments and cash and equivalents funded by deposit growth.

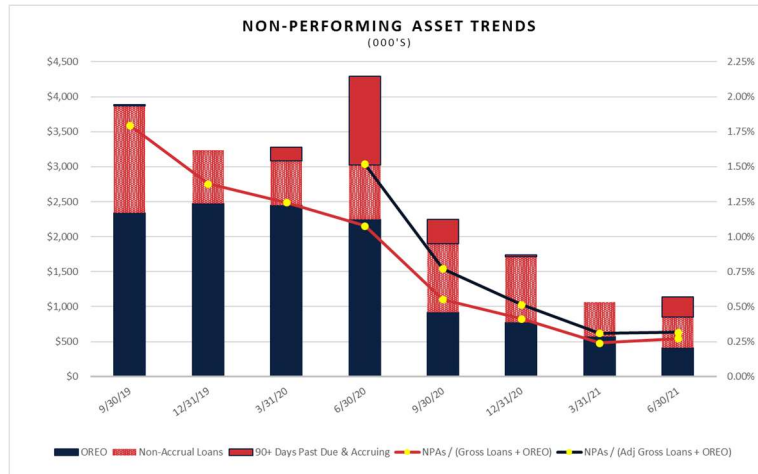
**Total deposits** were \$581.7 million at June 30, 2021, an increase of \$6.0 million, or 1.0%, from \$575.7 million at March 31, 2021, and increased by \$180.7 million, or 45.1%, compared to \$400.9 million at June 30, 2020. Noninterest-bearing deposits grew by 39.4% from June 30, 2020 and represented 39.0% of total deposits at June 30, 2021.

**Total loans**, which excluded loans held-for-sale ("HFS"), were \$418.2 million at June 30, 2021, compared to \$437.6 million at March 31, 2021, which was a decrease of \$19.4 million, or 4.4%. Total loans increased \$23.6 million, or 6.0%, from June 30, 2020.

- PPP loan balances were \$59.7 million at June 30, 2021 compared to \$100.4 million at March 31, 2021 and \$115.5 million at June 31, 2020.
- During the quarter, the Company continued to assist its customers through the loan forgiveness application process on the PPP loans originated in 2020 from the first round of the PPP program ("PPP1") and started to assist customers with forgiveness on the second round of the PPP program ("PPP2"). As of June 30, 2021, there was approximately \$1.1 million remaining in fees to be recognized upon forgiveness or repayment of SBA PPP loans.
- Excluding PPP loans, core loans were \$358.5 million at June 30, 2021, an increase of \$21.3 million, or 6.3% (annualized growth of approximately 25.3%), during the quarter.
- Core loans increased \$79.4 million, or 28.4%, from June 30, 2020.

### **Asset Quality**

**Nonperforming assets**, which include nonperforming loans and other real estate owned ("OREO"), marginally increased \$82,000 to \$1.1 million, or 0.16% of total assets at June 30, 2021, compared to \$1.1 million, or 0.15% of total assets at March 31, 2021, and compared to \$4.3 million, or 0.74% of total assets at June 30, 2020. Nonperforming loans, which include non-accrual loans and loans more than 90 days past due and still accruing, were \$728,000, or 0.17% of total loans (excluding HFS) at June 30, 2021, compared to \$486,000, or 0.11% of total loans at March 31, 2021. This increase was due to a single loan that was in the process of renewal, which was completed after quarter end. OREO balances decreased \$160,000 to \$415,000 at June 30, 2021, compared to \$575,000 at March 31, 2021 as the result of one property sale. Remaining OREO consists of three small properties.



**Loans delinquent** (past due) 30-89 days were \$4.9 million, or 1.17% of total loans (excluding HFS) at June 30, 2021, compared to \$1.6 million, or 0.37% of total loans at March 31, 2021. This was primarily due to a single loan reaching maturity with additional information needed to reset. The subject loan is currently in the process of being renewed and expected to be completed in early Q3.

**The allowance for loan and lease losses** (“ALLL”) totaled \$2.7 million, or 0.64% of total loans (excluding HFS) at June 30, 2021. If PPP loans are excluded, the ALLL represents 0.75% of total loans (excluding HFS). As of June 30, 2021 the Company also had \$3.8 million in purchase discounts on loans acquired in the acquisition of the Bank in 2018. When combined, the purchase discounts and ALLL represent 1.55% of total loans (excluding HFS) at the end of the quarter. Provision for loan losses expense for the quarter ended June 30, 2021 totaled \$375,000, compared to \$129,000 for the quarter ended March 31, 2021 and \$422,000 for the quarter ended June 30, 2020. Net charge-offs/recoveries of \$14,000 were recorded as a recovery for the second quarter of 2021.

**Loan modification programs:** during the second quarter of 2020, InBank rolled out InNeed, two programs for loan deferrals for borrowers that were adversely affected by the COVID-19 pandemic. The programs allowed an interest-only option for 90 days or a 90-day total payment deferral (interest and principal). The programs were discontinued during the first quarter of 2021. All 15 borrowers who participated in the interest-only program and each of the 42 borrowers in the total payment deferral program have returned to normal payments.

The Bank is tracking the recovery of accrued interest on these loans and as of June 30, 2021, 33 of the loans had repaid the interest accrual and were making principal and interest payments. Seven loans still had an accrued interest balance and the accrued interest is expected to be recovered by the first quarter of 2022. Two loans have paid in full.

## **Capital**

Capital Ratios of the Company and InBank continue to exceed the “well-capitalized” regulatory thresholds. At June 30, 2021, InBank’s leverage ratio was 8.76% and the total risk-based capital ratio was 12.84%.

At June 30, 2021, the Company had tangible common equity (total stockholders’ equity less intangible assets) of \$67.0 million and \$8.43 tangible book value per share, with 7,946,858 shares of common stock issued and outstanding as of the same date. During the quarter the Company raised capital through the sale of shares of the Company’s common stock to existing shareholders which led to the issuance of 610,000 shares for gross proceeds of \$5,002,000. The shares of common stock were issued in a private placement pursuant to Section 4(a)(2) of the Securities Act of 1933, as amended. The Company and the Bank paid no dividends during the quarter.

## **Non-GAAP Financial Measures**

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with generally accepted accounting principles in the United States (“GAAP”). These non-GAAP financial measures include “efficiency ratio,” “tangible common equity,” “tangible common equity to tangible assets,” and “tangible book value per common share.” Efficiency ratio is computed by dividing noninterest expense by the sum of net interest income and noninterest income, excluding gain on sale of investment securities. Tangible common equity is computed by subtracting goodwill and core deposit intangibles from total stockholders’ equity. Tangible common equity to tangible assets is computed by dividing total assets, less goodwill and core deposit intangibles, by tangible common equity. Tangible book value per share is computed by dividing tangible common equity by common shares outstanding. The Company believes these non-GAAP financial measures provide both management and investors a more complete understanding of the Company’s financial position and performance. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures. Not all companies use the same calculation of these measures; therefore, this presentation may not be comparable to other similarly titled measures as presented by other companies.

## **About InBankshares, Corp**

InBankshares, Corp is the holding company for InBank, an independent commercial bank growing throughout the Colorado Front Range and serving southern Colorado and northern New Mexico markets. InBank offers a full suite of commercial, business, personal and mortgage banking solutions with a focus on personalized service, technology and local decision-making. InBank was built on the entrepreneurial spirit and is led by a team of experienced banking professionals committed to the mission of positively impacting the lives of its customers, communities and associates. For more information, visit [www.InBank.com](http://www.InBank.com).

## **Forward-Looking Statements**

This press release contains, among other things, certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements preceded by,

followed by, or that include the words “may,” “could,” “should,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “intend,” “plan,” “projects,” “outlook” or similar expressions. These statements are based upon the current belief and expectations of the Company’s management team and are subject to significant risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company’s control). Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Therefore, the Company can give no assurance that the results contemplated in the forward-looking statements will be realized. The inclusion of this forward-looking information should not be construed as a representation by the Company or any person that the future events, plans, or expectations contemplated by the Company will be achieved.

All subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. The Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made, except as required by law.

**For further information:**

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**InBankshares, Corp**  
**Consolidated Statements of Condition (Unaudited)**  
(Dollars in thousands except per share data)

	<u>June 30,</u> <u>2021</u>	<u>March 31,</u> <u>2021</u>	<u>June 30,</u> <u>2020</u>
<b>ASSETS</b>			
Cash and due from banks	\$ 6,478	\$ 5,589	\$ 6,150
Interest-bearing deposits in banks	61,872	54,468	47,782
Total cash and cash equivalents	<u>68,350</u>	<u>60,057</u>	<u>53,932</u>
Investment securities	192,342	172,617	100,702
Nonmarketable securities	3,024	2,940	3,921
Federal funds sold and reverse repurchase agreements	5,111	-	-
Loans held for sale	1,770	3,846	1,015
PPP loan balance	59,685	100,438	115,461
Loans excluding PPP	358,536	337,208	279,144
Total loans	<u>418,221</u>	<u>437,646</u>	<u>394,605</u>
Allowance for loan losses	(2,680)	(2,291)	(1,711)
Net loans	<u>415,541</u>	<u>435,355</u>	<u>392,894</u>
Premises and equipment, net	7,223	7,286	7,706
Other real estate owned	414	575	2,246
Goodwill	7,944	7,944	7,944
Core deposit intangible	2,322	2,476	2,979
Accrued interest and other assets	4,395	4,982	4,386
<b>Total assets</b>	<b><u>\$ 708,436</u></b>	<b><u>\$ 698,078</u></b>	<b><u>\$ 577,725</u></b>
<b>LIABILITIES</b>			
Noninterest-bearing deposits	\$ 226,951	\$ 215,414	\$ 162,838
Interest-bearing deposits	354,704	360,265	238,093
Total deposits	<u>581,655</u>	<u>575,679</u>	<u>400,931</u>
Securities under agreements to repurchase	6,796	9,993	12,598
Other short-term borrowings	34,000	34,000	87,205
Subordinated debentures	4,885	4,879	4,862
Other liabilities	3,864	3,389	3,598
Total liabilities	<u>631,200</u>	<u>627,940</u>	<u>509,194</u>
<b>STOCKHOLDER'S EQUITY</b>			
Common stock	80	73	70
Surplus	74,552	69,602	66,965
Retained earnings	(393)	(1,170)	(2,087)
Accumulated other comprehensive income	2,997	1,633	3,583
Total stockholders' equity	<u>77,236</u>	<u>70,138</u>	<u>68,531</u>
<b>Total liabilities and stockholders' equity</b>	<b><u>\$ 708,436</u></b>	<b><u>\$ 698,078</u></b>	<b><u>\$ 577,725</u></b>
<b>Select additional information and ratios:</b>			
Net loans to deposits	71.4%	75.6%	98.0%
Tangible common equity	\$ 66,970	\$ 59,718	\$ 57,608
Tangible common equity to tangible assets	9.59%	8.68%	10.16%
Common shares outstanding	7,946,858	7,315,116	7,088,250
Book value per share	\$9.72	\$9.59	\$9.67
Tangible book value per share	\$8.43	\$8.16	\$8.13

**InBankshares, Corp**  
**Consolidated Statements of Income (Unaudited)**  
(Dollars in thousands, except per share data)

	For the Quarter Ended		
	June 30, 2021	March 31, 2021	June 30, 2020
<b>INTEREST INCOME</b>			
Interest and fees on loans	\$ 5,343	\$ 5,708	\$ 5,439
Interest on securities & interest bearing balances	1,260	839	892
Total interest income	<u>6,603</u>	<u>6,547</u>	<u>6,331</u>
<b>INTEREST EXPENSE</b>			
Interest on deposits	306	329	411
Interest on repurchase agreements & other borrowings	25	35	77
Interest on subordinated debentures	46	46	62
Total interest expense	<u>377</u>	<u>410</u>	<u>550</u>
<b>NET INTEREST INCOME</b>	6,226	6,137	5,781
<b>Provision for loan losses</b>	375	129	442
<b>NONINTEREST INCOME</b>			
Service charges and fees	331	301	258
Gain on sale of investment securities	-	-	664
Other noninterest income	473	267	77
Total noninterest income	<u>804</u>	<u>568</u>	<u>999</u>
<b>NONINTEREST EXPENSE</b>			
Salaries and employee benefits	3,587	3,597	2,965
Occupancy and equipment	477	367	479
IT and data processing	455	520	455
Intangible amortization	154	154	175
Other noninterest expense	996	1,102	796
Total noninterest expense	<u>5,669</u>	<u>5,740</u>	<u>4,870</u>
Income before income taxes	986	836	1,468
Income tax expense	208	175	353
Net income	<u>\$ 778</u>	<u>\$ 661</u>	<u>\$ 1,115</u>
Basic income per share	\$0.10	\$0.09	\$0.16
Weighted average shares outstanding - basic	7,601,132	7,319,894	7,101,839



**InBankshares, Corp**  
**Consolidated Statements of Income (Unaudited)**  
(Dollars in thousands, except per share data)

	<b>For the Six Months Ended</b>	
	<b>June 30, 2021</b>	<b>June 30, 2020</b>
<b>INTEREST INCOME</b>		
Interest and fees on loans	\$ 11,046	\$ 9,336
Interest on securities & interest bearing balances	2,100	1,692
Total interest income	<u>13,146</u>	<u>11,028</u>
<b>INTEREST EXPENSE</b>		
Interest on deposits	634	937
Interest on repurchase agreements & other borrowings	61	151
Interest on subordinated debentures	93	131
Total interest expense	<u>788</u>	<u>1,219</u>
<b>NET INTEREST INCOME</b>	12,358	9,809
<b>Provision for loan losses</b>	504	722
<b>NONINTEREST INCOME</b>		
Service charges and fees	640	591
Gain on sale of investment securities	-	1,014
Other noninterest income	707	183
Total noninterest income	<u>1,347</u>	<u>1,788</u>
<b>NONINTEREST EXPENSE</b>		
Salaries and employee benefits	7,184	5,839
Occupancy and equipment	947	931
IT and data processing	872	679
Intangible amortization	308	349
Other noninterest expense	2,068	1,695
Total noninterest expense	<u>11,379</u>	<u>9,493</u>
Income before income taxes	1,822	1,382
Income tax expense	384	362
Net income	<u>\$ 1,438</u>	<u>\$ 1,020</u>
Basic income per share	\$0.19	\$0.14
Weighted average shares outstanding - basic	7,456,262	7,095,039

**InBankshares, Corp**  
**Average Balance Sheet and Yields (Unaudited)**  
(Dollars in thousands)

	June 30, 2021			For the Quarter Ended March 31, 2021			June 30, 2020		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate	Average Balance	Interest	Rate
<b>Earning Assets</b>									
Investment securities	\$ 177,260	\$ 1,217	2.75%	\$ 139,104	\$ 797	2.32%	\$ 120,798	\$ 862	2.87%
Other interest-bearing balances	63,324	43	0.27%	65,357	42	0.26%	33,793	30	0.36%
Total investments and interest-bearing	240,584	1,260	2.10%	204,461	839	1.66%	154,591	892	2.32%
Loans, excluding PPP loans	339,363	4,187	4.95%	331,772	4,210	5.15%	259,068	3,633	5.64%
PPP loans	91,419	1,155	5.07%	91,303	1,498	6.65%	90,541	1,806	8.02%
Loans	430,782	5,343	4.97%	423,075	5,708	5.47%	349,609	5,439	6.26%
Less allowance for loan losses	(2,385)	-	-	(2,206)	-	-	(1,387)	-	-
Net loans	428,397	5,343	5.00%	420,869	5,708	5.50%	348,222	5,439	6.28%
<b>Total interest earning assets</b>	<b>668,981</b>	<b>6,603</b>	<b>3.96%</b>	<b>625,330</b>	<b>6,547</b>	<b>4.25%</b>	<b>502,813</b>	<b>6,331</b>	<b>5.06%</b>
Noninterest earning assets	36,790			32,280			34,066		
Total assets	\$ 705,771			\$ 657,610			\$ 536,879		
<b>Interest Bearing Liabilities</b>									
Interest bearing transaction deposits	\$ 60,068	\$ 74	0.49%	\$ 57,420	\$ 77	0.54%	\$ 43,199	\$ 31	0.29%
Savings and MMDA deposits	204,637	121	0.24%	188,043	122	0.26%	91,928	90	0.39%
Time deposits	91,260	111	0.49%	91,473	130	0.58%	82,578	290	1.41%
Total interest bearing deposits	355,965	306	0.34%	336,936	329	0.40%	217,705	411	0.76%
Repurchase agreements & other borrowings	42,314	25	0.24%	43,281	35	0.33%	75,359	77	0.41%
Subordinated debentures	4,881	46	3.78%	4,875	46	3.83%	4,859	62	5.13%
Total interest bearing liabilities	403,160	377	0.38%	385,092	410	0.43%	297,923	550	0.74%
Noninterest bearing deposits	224,999	-	0.00%	196,744	-	0.00%	168,871	-	0.00%
<b>Total funding liabilities</b>	<b>628,159</b>	<b>377</b>	<b>0.24%</b>	<b>581,836</b>	<b>410</b>	<b>0.29%</b>	<b>466,794</b>	<b>550</b>	<b>0.47%</b>
Other noninterest bearing liabilities	3,812			3,964			2,999		
Total liabilities	631,971			585,800			469,793		
Stockholders' equity	73,799			71,810			67,086		
Total liabilities and stockholders' equity	\$ 705,771			\$ 657,610			\$ 536,879		
<b>Net Interest Income</b>		<b>\$ 6,226</b>			<b>\$ 6,137</b>			<b>\$ 5,781</b>	
<b>Net Interest Margin</b>			<b>3.73%</b>			<b>3.98%</b>			<b>4.62%</b>

**InBankshares, Corp**  
**Average Balance Sheet and Yields (Unaudited)**  
(Dollars in thousands)

	For the Six Months Ended					
	June 30, 2021			June 30, 2020		
	Average Balance	Interest	Rate	Average Balance	Interest	Rate
<b>Earning Assets</b>						
Investment securities	\$ 158,288	\$ 2,013	2.56%	\$ 112,050	\$ 1,584	2.84%
Other interest-bearing balances	64,335	87	0.27%	28,249	108	0.77%
Total investments and interest-bearing	222,623	2,100	1.90%	140,299	1,692	2.43%
Loans, excluding PPP loans	335,589	8,393	5.04%	253,724	7,530	5.97%
PPP loans	91,361	2,653	5.86%	45,271	1,806	0.00%
Loans	426,950	11,046	5.22%	298,995	9,336	6.28%
Less allowance for loan losses	(2,296)	-	-	(1,236)	-	-
Net loans	424,654	11,046	5.25%	297,759	9,336	6.31%
<b>Total interest earning assets</b>	<b>647,277</b>	<b>13,146</b>	<b>4.10%</b>	<b>438,058</b>	<b>11,028</b>	<b>5.06%</b>
Noninterest earning assets	34,546			33,037		
Total assets	<u>\$ 681,823</u>			<u>\$ 471,095</u>		
<b>Interest Bearing Liabilities</b>						
Interest bearing transaction deposits	\$ 58,751	\$ 150	0.51%	\$ 41,380	\$ 96	0.47%
Savings and MMDA deposits	196,386	241	0.25%	81,544	189	0.47%
Time deposits	91,366	243	0.54%	85,806	652	1.53%
Total interest bearing deposits	346,503	634	0.37%	208,730	937	0.90%
Repurchase agreements & other borrowings	42,795	61	0.29%	51,474	151	0.59%
Subordinated debentures	4,878	93	3.84%	4,856	131	5.43%
Total interest bearing liabilities	394,176	788	0.40%	265,060	1,219	0.92%
Noninterest bearing deposits	210,950	-	0.00%	137,581	-	0.00%
<b>Total funding liabilities</b>	<b>605,126</b>	<b>788</b>	<b>0.26%</b>	<b>402,641</b>	<b>1,219</b>	<b>0.61%</b>
Other noninterest bearing liabilities	3,887			2,239		
Total liabilities	609,013			404,880		
Stockholders' equity	72,810			66,215		
Total liabilities and stockholders' equity	<u>\$ 681,823</u>			<u>\$ 471,095</u>		
<b>Net Interest Income</b>		<u><b>\$ 12,358</b></u>			<u><b>\$ 9,809</b></u>	
<b>Net Interest Margin</b>			<b>3.85%</b>			<b>4.50%</b>

**InBankshares, Corp**  
**Selected Financial Data (Unaudited)**  
(Dollars in thousands, except per share data)

	As of and For the Quarter Ended				
	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
<b>Performance Ratios (1)</b>					
Return on average assets	0.44%	0.41%	0.15%	0.01%	0.90%
Return on average equity	4.23%	3.73%	1.34%	0.10%	6.64%
Net interest margin	3.73%	3.98%	3.56%	3.22%	4.62%
Cost of funds	0.24%	0.29%	0.31%	0.32%	0.47%
Efficiency ratio	80.67%	85.61%	99.70%	99.09%	79.68%
Noninterest income to average assets	0.46%	0.35%	0.68%	0.35%	0.80%
Noninterest expense to average assets	3.22%	3.54%	3.65%	3.41%	3.91%
Earnings per share - basic	\$0.10	\$0.09	\$0.03	\$0.00	\$0.16

	As of and For the Quarter Ended				
	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
<b>Selected Balance Sheet Ratios</b>					
Net loans (excl HFS) to deposits	71.44%	75.62%	84.87%	91.77%	98.00%
Noninterest-bearing deposits to total deposits	39.02%	37.42%	35.55%	37.29%	40.61%
Share Data:					
Shares outstanding	7,946,858	7,315,116	7,325,116	7,107,196	7,088,250
Book value per share	\$9.72	\$9.59	\$9.82	\$9.74	\$9.67
Tangible book value per share	\$8.43	\$8.16	\$8.37	\$8.23	\$8.13

<b>InBank Regulatory Capital Ratios (2)</b>					
Tier 1 leverage ratio	8.76%	9.44%	9.30%	9.43%	10.42%
Common equity tier 1 capital ratio	12.29%	12.54%	11.55%	12.33%	12.38%
Tier 1 capital ratio	12.29%	12.54%	11.55%	12.33%	12.38%
Total capital ratio	12.84%	13.03%	12.03%	12.77%	12.80%

(1) Ratios are annualized

(2) Represents InBank data

**InBankshares, Corp**  
**Consolidated Asset Quality Data (Unaudited)**  
(Dollars in thousands)

	<b>As of and For the Quarter Ended</b>				
	<b>Jun 30, 2021</b>	<b>Mar 31, 2021</b>	<b>Dec 31, 2020</b>	<b>Sep 30, 2020</b>	<b>Jun 30, 2020</b>
<b>Asset Quality</b>					
Loans past due (30-89 days)	\$ 4,911	\$ 1,601	\$ 424	\$ 673	\$ 4,773
Nonaccrual loans	\$ 439	\$ 486	\$ 937	\$ 974	\$ 781
Accruing loans past due 90 days or more	289	-	25	348	1,262
Total nonperforming loans (NPLs)	728	486	962	1,322	2,043
Other real estate owned (OREO)	415	575	778	922	2,246
Total nonperforming assets (NPAs)	\$ 1,143	\$ 1,061	\$ 1,740	\$ 2,244	\$ 4,289
Performing troubled debt restructured loans	\$ 4,129	\$ 3,380	\$ 4,732	\$ 3,931	\$ 4,733
<b>Allowance for Loan and Lease Losses (ALLL)</b>					
Balance, beginning of period	\$ 2,291	\$ 2,151	\$ 1,787	\$ 1,711	\$ 1,259
Provision for loan losses	375	129	353	67	442
Net (chargeoffs) / recoveries	14	11	11	9	10
Balance, end of period	\$ 2,680	\$ 2,291	\$ 2,151	\$ 1,787	\$ 1,711
Purchase discounts on loans acquired in the acquisition	\$ 3,803	\$ 3,949	\$ 4,173	\$ 4,294	\$ 4,441
<b>Selected Ratios</b>					
Loans past due 30-89 days to total loans (excl HFS)	1.17%	0.37%	0.10%	0.17%	1.21%
NPLs to total loans (excl HFS)	0.17%	0.11%	0.23%	0.33%	0.52%
NPLs to total loans (excl HFS and PPP loans)	0.20%	0.14%	0.29%	0.46%	0.73%
NPAs to total loans (excl HFS) and OREO	0.27%	0.24%	0.42%	0.55%	1.08%
NPAs to total assets	0.16%	0.15%	0.29%	0.36%	0.74%
NPAs to total assets (excl PPP Loans)	0.18%	0.18%	0.33%	0.45%	0.93%
ALLL to loans (excl HFS)	0.64%	0.52%	0.52%	0.44%	0.43%
ALLL to loans (excl HFS and PPP loans)	0.75%	0.68%	0.66%	0.62%	0.61%
ALLL plus purchase discount to loans (excl HFS)	1.55%	1.43%	1.54%	1.51%	1.56%
Net chargeoffs (recoveries) to average loans (1)	-0.01%	-0.01%	-0.01%	-0.01%	-0.01%

(1) Ratios are annualized