

Benchmark Bankshares, Inc.
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Unaudited)

Assets	June 30, 2022	December 31, 2021	June 30, 2021
Cash and due from banks	\$ 18,818,175	\$ 12,689,824	\$ 16,472,615
Federal reserve excess balance account	113,530,851	250,413,911	200,575,367
Total cash and cash equivalents	132,349,026	263,103,735	217,047,982
Interest-bearing time deposits with other banks	996,995	6,245,995	9,988,995
Trading securities	4,715,188	5,082,560	-
Investment securities, held to maturity	14,750,000	11,250,000	-
Investment securities, available for sale	140,492,508	70,319,743	60,359,095
Marketable equity securities	1,582,562	1,998,284	1,975,086
Loans, held for sale	430,525	2,094,560	3,037,843
Loans, held for investment	723,062,634	644,051,786	649,294,996
Less: Allowance for loan losses	(6,077,142)	(5,900,511)	(5,768,928)
Net Loans, held for investment	716,985,492	638,151,275	643,526,068
Premises and fixed assets - net	16,916,470	17,057,783	17,558,118
Cash value life insurance	21,319,793	18,033,112	17,855,527
Other real estate owned	-	-	232,760
Accrued interest receivable	2,679,557	2,266,689	2,338,424
Deferred income taxes	3,632,755	1,417,806	1,440,485
Right of use assets	579,003	648,874	475,366
Other assets	3,985,334	2,906,036	3,063,559
Total Assets	\$ 1,060,836,205	\$ 1,040,576,452	\$ 978,423,942
Liabilities and Stockholders' Equity			
Deposits			
Demand (noninterest-bearing)	\$ 262,097,524	\$ 237,772,169	\$ 235,091,543
Interest-bearing checking accounts	307,403,303	308,759,456	278,632,327
Money market accounts	169,422,682	162,524,322	147,323,248
Savings accounts	120,886,946	110,824,169	102,892,918
Time Deposits	110,235,803	125,407,075	123,323,198
Total Deposits	970,046,258	945,287,191	887,263,233
Borrowings	3,270,887	3,828,689	4,370,538
Index retirement plan liability	1,746,277	1,368,019	1,523,958
Dividends payable	1,580,541	1,581,447	1,492,801
Lease liability - buildings and equipment	590,347	656,118	480,784
Accrued interest payable	165,160	225,450	246,907
Accrued income tax payable	491,846	-	(450,386)
Other liabilities	3,090,494	3,192,601	3,104,658
Total Liabilities	980,981,810	956,139,515	898,032,493
Stockholders' Equity			
Common Stock ⁽¹⁾	947,493	947,847	948,943
Additional paid-in capital	5,636,731	5,598,448	5,485,867
Retained earnings	80,279,083	76,811,729	72,555,891
Unrealized security gains net of tax effect	(7,008,912)	1,078,913	1,400,747
Total Stockholders' Equity	79,854,395	84,436,937	80,391,448
Total Liabilities and Stockholders' Equity	\$ 1,060,836,205	\$ 1,040,576,452	\$ 978,423,942

(1) Common Stock, \$0.21 par value and 8,000,000 shares authorized. 4,515,830 shares issued and outstanding as of June 30, 2022; 4,518,422 shares issued and outstanding as of December 31, 2021; 4,523,638 shares issued and outstanding as of June 30, 2021.

Benchmark Bankshares, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	Six Months Ended June 30,	
	<u>2022</u>	<u>2021</u>
Interest Income		
Interest and fees on loans	\$ 16,531,892	\$ 16,487,695
Interest on investment securities:		
U. S. Government agencies	416,720	13,950
Mortgage-backed securities	1,469	1,803
Corporate debt	199,539	21,375
State and political subdivisions	552,602	519,177
Trading securities	70,455	-
Other securities	7,646	8,343
Interest on time deposits with other banks	2,953	22,930
Interest on federal funds sold	402,648	98,963
Total Interest Income	<u>18,185,924</u>	<u>17,174,236</u>
Interest Expense		
Interest-bearing checking deposits	239,896	280,168
Money market demand deposits	99,365	175,177
Savings deposits	62,458	53,078
Time deposits	529,281	739,452
Borrowings	67,296	99,287
Total Interest Expense	<u>998,296</u>	<u>1,347,162</u>
Net Interest Income	17,187,628	15,827,074
Provision for Loan Losses	220,826	149,302
Net Interest Income After Provision for Loan Losses	16,966,802	15,677,772
Other Income		
Service charges on deposit accounts	2,465,190	2,205,619
Gain on sale of loans	726,692	961,578
Gain (loss) on sale of AFS securities	-	798
Gain (loss) on sale of other real estate owned	(314)	(6,920)
Other operating income	494,251	1,059,403
Total Other Income	<u>3,685,819</u>	<u>4,220,478</u>
Other Expenses		
Salaries and Benefits	7,862,731	7,095,233
Occupancy expense	1,342,799	1,106,891
Depreciation	597,312	600,138
OREO / other asset expense	451	204,961
Debit card expense	1,040,125	721,410
Internet banking expense	400,352	588,535
Bank franchise taxes	350,844	337,402
Other operating expenses	2,634,396	2,422,490
Total Other Expenses	<u>14,229,010</u>	<u>13,077,060</u>
Income Before Income Taxes	6,423,611	6,821,190
Provision for Income Taxes	1,228,079	1,324,773
Net Income	<u>\$ 5,195,532</u>	<u>\$ 5,496,417</u>
Earnings Per Common Share - Basic & Diluted	<u>\$ 1.15</u>	<u>\$ 1.21</u>

Benchmark Bankshares, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited)

	Three Months Ended June 30,	
	2022	2021
Interest Income		
Interest and fees on loans	\$ 8,512,471	\$ 8,311,628
Interest on investment securities		
U. S. Government agencies	358,151	10,090
Mortgage-backed securities	710	791
Corporate debt	108,447	-
State and political subdivisions	272,502	270,262
Trading securities	40,448	-
Other Securities	4,220	25,713
Time deposits with other banks	652	10,035
Interest on federal funds sold	300,433	50,131
Total Interest Income	9,598,034	8,678,650
Interest Expense		
Interest-bearing checking deposits	122,077	139,103
Money market demand deposits	51,432	81,353
Savings deposits	32,731	28,274
Time deposits	254,465	360,912
Borrowings	33,574	48,456
Total Interest Expense	494,279	658,098
Net Interest Income	9,103,755	8,020,552
Provision for Loan Losses	133,133	78,891
Net Interest Income After Provision for Loan Losses	8,970,622	7,941,661
Other Income		
Service charges on deposit accounts	1,276,097	1,156,550
Gain on sale of loans	308,859	504,366
Gain (loss) on sale of AFS securities	-	-
Gain (loss) on sale of other real estate owned	-	(4,068)
Other operating income	311,980	551,690
Total Other Income	1,896,936	2,208,538
Other Expenses		
Salaries and Benefits	3,846,845	3,597,323
Occupancy expense	692,024	549,268
Depreciation	296,101	299,284
OREO / other asset expense	475	173,107
Debit card expense	574,244	401,662
Internet banking expense	206,213	305,776
Bank franchise taxes	175,422	166,201
Other operating expenses	1,145,049	1,292,314
Total Other Expenses	6,936,373	6,784,935
Income Before Income Taxes	3,931,185	3,365,264
Provision for Income Taxes	763,562	643,970
Net Income	\$ 3,167,623	\$ 2,721,294
Earnings Per Common Share - Basic & Diluted	\$ 0.70	\$ 0.60

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