

Benchmark Bankshares, Inc.
Consolidated Statements of Financial Condition

	As of December 31,	
Assets	2021	2020
Cash and due from banks	\$ 12,689,824	\$ 12,685,471
Federal reserve excess balance account	250,413,911	150,355,249
Total cash and cash equivalents	263,103,735	163,040,720
Interest-bearing time deposits with other banks	6,245,995	11,973,000
Investment securities, held to maturity	11,250,000	-
Investment securities, available for sale	70,319,743	39,985,402
Trading Securities	5,082,560	-
Marketable equity securities	1,998,284	1,979,939
Loans, held for sale	2,094,560	1,130,279
Loans, held for investment	644,051,786	615,428,589
Less: Allowance for loan losses	(5,900,511)	(5,596,817)
Net Loans, held for investment	638,151,275	609,831,772
Premises and equipment, net	17,057,783	17,044,011
Bank owned life insurance	18,033,112	17,652,509
Other real estate owned	-	1,162,916
Accrued interest receivable	2,266,689	2,341,817
Right of use assets	648,874	352,033
Deferred income taxes	1,417,806	1,478,276
Other assets	2,906,036	2,852,649
Total Assets	\$ 1,040,576,452	\$ 870,825,323
Liabilities and Stockholders' Equity		
Deposits		
Non-interest bearing demand deposits	\$ 237,772,169	\$ 194,362,507
Interest-bearing checking deposits	308,759,456	249,675,542
Money market deposits	162,524,322	122,321,861
Savings deposits	110,824,169	86,849,518
Time deposits	125,407,075	130,139,356
Total Deposits	945,287,191	783,348,784
Borrowings	3,828,689	4,902,298
Index retirement plan liability	1,368,019	1,158,611
Dividends payable	1,581,447	1,498,395
Lease liability - buildings and equipment	656,118	361,783
Accrued interest payable	225,450	281,159
Other liabilities	3,192,601	2,815,413
Total Liabilities	956,139,515	794,004,660
Stockholders' Equity		
Common stock ^{(1) (2)}	947,847	952,230
Additional paid-in capital	5,598,448	5,427,760
Retained earnings	76,811,729	68,958,489
Accumulated other comprehensive income	1,078,913	1,482,184
Total Stockholders' Equity	84,436,937	76,820,663
Total Liabilities and Stockholders' Equity	\$ 1,040,576,452	\$ 870,825,323

(1) Common Stock, \$0.21 par value and 8,000,000 shares authorized. 4,518,422 and 4,540,592 shares issued and outstanding as of December 31, 2021 and 2020, respectively.

(2) 4,866 and 6,165 shares outstanding as of December 31, 2021 and December 31, 2020, respectively, are restricted shares.

Benchmark Bankshares, Inc.
Consolidated Statements of Operations and Comprehensive Income

	Three Months Ended December 31,	
	2021	2020
Interest Income		
Interest and fees on loans	\$ 8,849,191	\$ 8,604,681
Interest on investment securities:		
U. S. Government agencies	10,586	(2,532)
Mortgage-backed securities	759	1,051
Corporate debt	72,330	212
State and political subdivisions	282,544	241,263
Trading securities	18,200	-
Other securities	30,572	5,101
Interest on short-term investments	7,905	18,170
Interest on federal funds sold	85,553	26,514
Total Interest Income	9,357,640	8,894,248
Interest Expense		
Interest-bearing checking deposits	123,403	156,509
Money market demand deposits	67,062	117,022
Savings deposits	27,931	21,415
Time deposits	344,395	417,676
Borrowings	43,071	54,826
Total Interest Expense	605,862	767,448
Net Interest Income	8,751,778	8,126,800
Provision for Loan Losses	-	90,324
Net Interest Income After Provision for Loan Losses	8,751,778	8,036,476
Other Income		
Service charges on deposit accounts	1,220,600	1,012,994
Gain on sale of loans	475,441	341,540
Gain (loss) on sale of other real estate owned	-	(17,640)
Other operating income	639,445	629,035
Total Other Income	2,335,486	1,965,929
Other Expenses		
Salaries and benefits	4,514,765	3,459,270
Depreciation	302,370	312,933
Occupancy expense	687,982	558,251
Other operating expenses	2,264,231	2,285,567
Total Other Expenses	7,769,348	6,616,021
Income Before Income Taxes	3,317,916	3,386,384
Provision for income taxes	633,411	609,077
Net Income	\$ 2,684,505	\$ 2,777,307
Earnings Per Common Share - Basic	\$ 0.59	\$ 0.61

Benchmark Bankshares, Inc.
Consolidated Statements of Operations and Comprehensive Income

	Years Ended December 31,	
	<u>2021</u>	<u>2020</u>
Interest Income		
Interest and fees on loans	\$ 34,293,555	\$ 32,980,382
Interest on investment securities:		
U. S. Government agencies	35,321	(59)
Mortgage-backed securities	3,247	5,514
Corporate debt	149,130	-
State and political subdivisions	1,059,958	966,442
Trading Securities	18,200	-
Other securities	70,754	23,132
Interest on time deposits with other banks	39,991	88,462
Interest on federal funds sold	268,236	156,084
Total Interest Income	<u>35,938,391</u>	<u>34,219,957</u>
Interest Expense		
Interest-bearing checking deposits	540,379	676,364
Money market demand deposits	331,926	535,160
Savings deposits	111,092	130,391
Time deposits	1,446,061	1,882,634
Borrowings	188,411	259,753
Total Interest Expense	<u>2,617,869</u>	<u>3,484,302</u>
Net Interest Income	<u>33,320,522</u>	<u>30,735,655</u>
Provision for Loan Losses	<u>330,384</u>	<u>561,920</u>
Net Interest Income After Provision for Loan Losses	<u>32,990,138</u>	<u>30,173,735</u>
Other Income		
ATM and debit card income	3,487,989	2,794,270
Service charges on deposit accounts	1,125,784	1,021,107
Gain on sale of loans held for sale	1,973,657	1,336,679
Gain (loss) on sale of other real estate owned	(99,468)	(101,262)
Gain on sale of AFS securities	798	32,749
Other operating income	2,250,593	2,446,941
Total Other Income	<u>8,739,352</u>	<u>7,530,484</u>
Other Expenses		
Salaries and benefits	15,326,976	14,031,648
Depreciation	1,208,163	1,135,343
OREO/other asset expense	212,185	414,060
FDIC insurance expense	445,438	178,165
Debit card expense	1,570,753	1,310,666
Internet banking expense	1,007,374	1,002,924
Bank franchise taxes	627,112	645,225
Occupancy expense	2,390,815	2,171,416
Other operating expenses	4,650,313	4,225,423
Total Other Expenses	<u>27,439,128</u>	<u>25,114,870</u>
Income Before Income Taxes	<u>14,290,362</u>	<u>12,589,349</u>
Provision for income taxes	<u>2,766,319</u>	<u>2,370,568</u>
Net Income	<u>\$ 11,524,043</u>	<u>\$ 10,218,781</u>
Earnings Per Common Share - Basic	<u>\$ 2.55</u>	<u>\$ 2.28</u>