

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

Assets	September 30, 2022	December 31, 2021	September 30, 2021
Cash and due from banks	\$ 17,202,754	\$ 12,689,824	\$ 12,000,184
Federal reserve excess balance account	109,590,702	250,413,911	209,618,528
Total cash and cash equivalents	126,793,456	263,103,735	221,618,712
Investment securities, held to maturity	19,750,000	11,250,000	9,250,000
Investment securities, available for sale	137,718,105	70,319,743	56,913,940
Interest-bearing time deposits with other banks	10,246,995	6,245,995	9,988,995
Trading securities	4,696,546	5,082,560	-
Marketable equity securities	1,486,798	1,998,284	1,984,438
Loans, held for sale	862,684	2,094,560	2,197,138
Loans, held for investment	780,800,266	644,051,786	652,994,219
Less: Allowance for loan losses	(6,397,123)	(5,900,511)	(5,908,455)
Net Loans, held for investment	774,403,143	638,151,275	647,085,764
Premises and fixed assets - net	18,634,947	17,057,783	17,324,027
Cash value life insurance	21,424,103	18,033,112	17,945,086
Accrued interest receivable	3,100,676	2,266,689	2,420,889
Deferred income taxes	4,393,189	1,417,806	1,351,238
Right of use assets	515,366	648,874	714,008
Other assets	5,839,780	2,906,036	3,497,292
Total Assets	\$ 1,129,350,422	\$ 1,040,576,452	\$ 991,577,519
Liabilities and Stockholders' Equity			
Deposits			
Demand (noninterest-bearing)	\$ 292,264,666	\$ 237,772,169	\$ 240,580,046
Interest-bearing checking accounts	337,072,601	308,759,456	262,326,959
Money market accounts	166,253,476	162,524,322	160,763,891
Savings accounts	131,913,022	110,824,169	107,035,972
Time Deposits	109,255,883	125,407,075	126,806,729
Total Deposits	1,036,759,648	945,287,191	897,513,597
Borrowings	2,988,339	3,828,689	4,101,094
Index retirement plan liability	1,987,808	1,368,019	1,787,670
Dividends payable	-	1,581,447	-
Lease liability - buildings and equipment	527,977	656,118	719,554
Accrued interest payable	153,014	225,450	241,800
Accrued income tax payable	725,215	-	214,628
Other liabilities	4,260,895	3,192,601	3,451,923
Total Liabilities	1,047,402,896	956,139,515	908,030,266
Stockholders' Equity			
Common Stock ⁽¹⁾	947,493	947,847	948,360
Additional paid-in capital	5,660,485	5,598,448	5,577,758
Retained earnings	84,384,368	76,811,729	75,761,926
Unrealized security gains net of tax effect	(9,044,820)	1,078,913	1,259,209
Total Stockholders' Equity	81,947,526	84,436,937	83,547,253
Total Liabilities and Stockholders' Equity	\$ 1,129,350,422	\$ 1,040,576,452	\$ 991,577,519

(1) Common Stock, \$0.21 par value and 8,000,000 shares authorized. 4,515,830 shares issued and outstanding as of September 30, 2022; 4,518,422 shares issued and outstanding as of December 31, 2021; 4,520,865 shares issued and outstanding as of September 30, 2021.

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

	Three Months Ended September 30,	
	<u>2022</u>	<u>2021</u>
Interest Income		
Interest and fees on loans	\$ 9,413,716	\$ 8,956,668
Interest on investment securities		
U. S. Government agencies	539,687	10,786
Mortgage-backed securities	610	685
Corporate debt	102,400	55,424
State and political subdivisions	269,955	286,509
Trading securities	31,208	-
Other Securities	11,500	3,566
Time deposits with other banks	3,554	9,156
Interest on federal funds sold	521,749	83,720
Total Interest Income	<u>10,894,379</u>	<u>9,406,514</u>
Interest Expense		
Interest-bearing checking deposits	117,522	136,809
Money market demand deposits	52,982	89,688
Savings deposits	35,164	30,083
Time deposits	240,520	362,211
Borrowings	31,116	46,053
Total Interest Expense	<u>477,304</u>	<u>664,844</u>
Net Interest Income	10,417,075	8,741,670
Provision for Loan Losses	338,191	181,082
Net Interest Income After Provision for Loan Losses	10,078,884	8,560,588
Other Income		
Service charges on deposit accounts	1,285,178	1,187,554
Gain on sale of loans	184,917	536,638
Gain (loss) on sale of AFS securities	-	-
Gain (loss) on sale of other assets	4,270	(92,548)
Other operating income	1,049,954	551,744
Total Other Income	<u>2,524,319</u>	<u>2,183,388</u>
Other Expenses		
Salaries and Benefits	3,899,745	3,716,978
Occupancy expense	854,782	595,942
Depreciation	308,741	305,655
OREO / other asset expense	(475)	7,204
Debit card expense	606,427	374,116
Internet banking expense	220,497	179,704
Bank franchise taxes	175,422	156,201
Other operating expenses	1,430,528	1,256,920
Total Other Expenses	<u>7,495,667</u>	<u>6,592,720</u>
Income Before Income Taxes	5,107,536	4,151,256
Provision for Income Taxes	1,002,251	808,135
Net Income	<u>\$ 4,105,285</u>	<u>\$ 3,343,121</u>
Earnings Per Common Share - Basic & Diluted	<u>\$ 0.91</u>	<u>\$ 0.74</u>

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

	Nine Months Ended September 30,	
	<u>2022</u>	<u>2021</u>
Interest Income		
Interest and fees on loans	\$ 25,945,612	\$ 25,444,363
Interest on investment securities:		
U. S. Government agencies	956,407	24,735
Mortgage-backed securities	2,079	2,488
Corporate debt	308,420	-
State and political subdivisions	822,557	805,686
Trading securities	101,662	-
Other securities	12,666	88,709
Interest on time deposits with other banks	6,507	32,086
Interest on federal funds sold	924,397	182,683
Total Interest Income	<u>29,080,307</u>	<u>26,580,750</u>
Interest Expense		
Interest-bearing checking deposits	509,764	681,841
Savings deposits	97,621	83,161
Time deposits	769,803	1,101,662
Borrowings	98,412	145,341
Total Interest Expense	<u>1,475,600</u>	<u>2,012,005</u>
Net Interest Income	27,604,707	24,568,745
Provision for Loan Losses	559,017	330,384
Net Interest Income After Provision for Loan Losses	27,045,690	24,238,361
Other Income		
Service charges on deposit accounts	3,750,368	3,393,173
Gain on sale of loans	911,608	1,498,216
Gain (loss) on sale of AFS securities	-	798
Gain (loss) on sale of other real estate owned	3,956	(99,468)
Other operating income	1,544,208	1,611,147
Total Other Income	<u>6,210,140</u>	<u>6,403,866</u>
Other Expenses		
Salaries and Benefits	11,762,478	10,812,210
Occupancy expense	2,197,580	1,702,833
Depreciation	906,052	905,793
OREO / other asset expense	(24)	212,165
Debit card expense	1,646,551	1,095,526
FDIC insurance expense	390,360	313,396
Internet banking expense	620,849	768,238
Bank franchise taxes	526,266	493,603
Other operating expenses	3,674,572	3,366,017
Total Other Expenses	<u>21,724,684</u>	<u>19,669,781</u>
Income Before Income Taxes	11,531,146	10,972,446
Provision for Income Taxes	2,230,329	2,132,908
Net Income	<u>\$ 9,300,817</u>	<u>\$ 8,839,538</u>
Earnings Per Common Share - Basic & Diluted	<u>\$ 2.06</u>	<u>\$ 1.95</u>

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