

Paragon Financial Solutions, Inc.
Consolidated Statements of Financial Condition

	September 30, 2022 (unaudited)	December 31, 2021
ASSETS		
Cash, cash equivalents & fed funds sold	\$ 8,239,874	\$ 70,880,581
Securities, available for sale	71,146,895	67,009,232
Loans, net	501,424,277	386,666,700
Restricted equity securities, at cost	2,591,100	1,396,800
Fixed assets	5,609,523	4,400,829
Other real estate owned	102,000	102,000
Other assets	11,646,680	8,367,977
Total assets	\$ 600,760,349	\$ 538,824,119
LIABILITIES AND SHAREHOLDERS' EQUITY		
Non-interest-bearing demand deposits	\$ 156,928,522	\$ 165,391,079
Interest-bearing deposits		
Interest-bearing checking	137,137,152	146,619,386
Savings and money market demand	134,001,382	121,382,545
Certificates of deposit	75,098,657	46,355,008
Total deposits	503,165,713	479,748,018
Repurchase agreements	3,209,988	3,334,588
Short-term borrowings	42,000,000	-
Accrued interest and other liabilities	5,194,258	5,369,842
Total liabilities	553,569,959	488,452,448
Total shareholders' equity	47,190,390	50,371,671
Total liabilities and shareholders' equity	\$ 600,760,349	\$ 538,824,119
Tangible Book Value Per Share	\$ 10.73	\$ 11.63

Paragon Financial Solutions, Inc.
Consolidated Statement of Operations (unaudited)

	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Interest and dividend income:				
Loans, including fees	\$ 5,876,445	\$ 4,248,100	\$ 1,628,345	38.33%
Securities, available for sale	378,935	225,195	153,740	68.27%
Federal funds sold and other	28,411	13,072	15,339	117.34%
Total interest income	6,283,791	4,486,367	1,797,424	40.06%
Interest expense:				
Deposits	388,526	204,715	183,811	89.79%
Securities sold under agreements to repurchase	8,517	1,061	7,456	702.73%
Federal funds purchased and other borrowings	232,578	1	232,577	100.00%
Total interest expense	629,621	205,777	423,844	205.97%
Net interest income	5,654,170	4,280,590	1,373,580	32.09%
Provision for loan losses	-	-	-	0.00%
Net interest income after provision for loan losses	5,654,170	4,280,590	1,373,580	32.09%
Non-interest income	665,044	1,021,153	(356,109)	-34.87%
Non-interest expense				
Salaries and employee benefits	3,136,777	2,391,901	744,876	31.14%
Occupancy and equipment expense	500,499	465,579	34,920	7.50%
Other expenses	1,032,631	821,946	210,685	25.63%
Total operating expenses	4,669,907	3,679,426	990,481	26.92%
Income (loss) before income taxes	1,649,307	1,622,317	26,990	1.66%
Income tax expense (benefit)	396,431	409,413	(12,982)	-3.17%
Net income (loss)	\$ 1,252,876	\$ 1,212,904	\$ 39,972	3.30%
Basic earnings per share	\$ 0.28	\$ 0.28	\$ -	

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	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Interest and dividend income:				
Loans, including fees	\$ 14,785,727	\$ 12,869,192	\$ 1,916,535	14.89%
Securities, available for sale	1,021,773	674,465	347,308	51.49%
Federal funds sold and other	76,573	19,870	56,703	285.37%
Total interest income	15,884,073	13,563,527	2,320,546	17.11%
Interest expense:				
Deposits	780,657	651,162	129,495	19.89%
Securities sold under agreements to repurchase	11,990	3,558	8,432	236.99%
Federal funds purchased and other borrowings	251,711	101	251,610	249118.81%
Total interest expense	1,044,358	654,821	389,537	59.49%
Net interest income	14,839,715	12,908,706	1,931,009	14.96%
Provision for loan losses	-	973,000	(973,000)	-100.00%
Net interest income after provision for loan losses	14,839,715	11,935,706	2,904,009	24.33%
Non-interest income	2,149,546	3,224,553	(1,075,007)	-33.34%
Non-interest expense				
Salaries and employee benefits	9,194,603	6,999,014	2,195,589	31.37%
Occupancy and equipment expense	1,456,902	1,419,392	37,510	2.64%
Other expense	2,807,693	2,399,514	408,179	17.01%
Total operating expenses	13,459,198	10,817,920	2,641,278	24.42%
Income (loss) before income taxes	3,530,063	4,342,339	(812,276)	-18.71%
Income tax expense (benefit)	870,911	1,081,611	(210,700)	-19.48%
Net income (loss)	\$ 2,659,152	\$ 3,260,728	\$ (601,576)	-18.45%
Basic earnings per share	\$ 0.61	\$ 0.74	\$ (0.13)	