

We are very pleased to have performed extremely well financially under extraordinary economic conditions this past year. The commitment of our staff, the resilience of our borrowers, and the mutual support between this institution and the community it was founded to serve has never been more apparent.

Deposits increased by 19.1% year over year as we ended 2020 entrusted with \$203,114,902 of local funds. New loan originations in the amount of \$67,369,336 far exceeded budget. Total assets grew by 16.6% to \$263,376,096 and net income of \$3,252,050 represents a 1.24 ROA (return on average assets). This unprecedented level of profitability places us in the top 11% of our peer group which earned an average ROA of 0.54 in 2020.

The COVID 19 pandemic inflicted immediate and acute harm across the globe and our community was not spared. Efforts to limit the outbreak included business shutdowns which caused a spike in unemployment and a swift reduction in economic activity. 13.3% of workers in Person County and 10.8% throughout the triangle region were jobless at the height of the crisis in May.

We committed ourselves to supporting this community through the implementation of programs designed to help families and businesses survive the financial stress brought on by the pandemic. Loan payment deferrals were extended to borrowers with a combined \$8,937,616 in outstanding loan balances and numerous special accommodations were made.

Continuity of service was critical to our success in 2020. We committed ourselves to remaining accessible, providing uninterrupted credit, and being a stable, familiar, reliable source of financial services. Competitor banks pulled back from issuing home equity lines of credit and non-government guaranteed loans, but we did not hesitate to continue lending to our friends and neighbors.

The Director's support of management's strategic initiatives proved timely as we expanded our delivery channels through the implementation of new technology. A portal for online mortgage and consumer loan applications, mobile digital banking, remote deposit capture and a new core processing system were all introduced in 2020. The core upgrade project was a major undertaking requiring a tremendous effort on the part of our staff who worked a combined 663 overtime hours in October to complete the job. Business digital banking and a secure online loan payment portal will further enhance our customer experience this year.

We have never enjoyed a greater level of support from the markets we serve as evidenced by our \$32,573,245 in deposit growth and a record 374 new loan originations in 2020. The privilege of your business carries an obligation to contribute to the future prosperity of the local economy. Promoting financial literacy, affordable housing, internet access and inclusivity have been, and will remain, focal points and the areas into which our resources are deployed.

The powerful combination of a \$52.7MM capital base, modern digital infrastructure, dedicated bankers, a diversely talented Board of Directors, and a bond forged with our community over the course of 98 years positions Roxboro Savings Bank to proudly serve the households and business in Person and contiguous markets for a second century.

Keith Epstein  
Community Banker  
EVP/CEO