

United Bancorporation of Alabama, Inc.
And Subsidiaries
Consolidated Statements of Earnings
(Unaudited)

	March 31, 2020 (Unaudited)	March 31, 2019 (Unaudited)
Assets		
Cash and due from banks	\$ 35,691,439	\$ 28,053,064
Interest bearing deposits in banks	73,796,421	51,566,303
Federal funds sold	2,000,000	4,000,000
Cash and cash equivalents	111,487,860	83,619,367
Securities available for sale (amortized cost of \$113,221,250 and \$126,139,856 respectively)	115,584,618	124,664,896
Securities held to maturity (fair values of \$17,804,832 and \$17,675,322 respectively)	17,321,868	17,604,924
	132,906,486	142,269,820
Loans held for sale	738,990	377,150
Loans held for investment	459,649,937	412,423,085
Less: Allowance for loan losses	5,983,472	4,679,110
Net loans	453,666,465	407,743,975
NMTC Sub-CDE QLICI Loans	3,500,000	-
Premises and equipment, net	16,031,589	14,027,994
Interest receivable	3,800,958	3,285,247
Bank owned life insurance	11,792,313	11,463,168
Other real estate owned	1,083,359	847,845
Other assets	7,969,281	9,739,829
Total assets	742,977,301	673,374,395
Liabilities and Stockholders' Equity		
Deposits:		
Non-interest bearing	281,411,800	280,446,738
Interest bearing	348,347,519	324,333,768
Total deposits	629,759,319	604,780,506
Other borrowings	10,435,594	4,524,676
Interest payable	239,856	190,651
Accrued expenses and other liabilities	5,701,155	3,537,426
Note payable to Trust	10,310,000	10,310,000
Total liabilities	656,445,924	623,343,259
Stockholders' equity		
Preferred stock of \$.01 par value. Authorized 250,000 shares; no shares issued in 2020 and 2019, respectively	-	-
Class A common stock, \$.01 par value. Authorized 5,000,000 shares; issued 3,704,782 and, 2,449,265 shares, respectively	37,764	24,493
Class B common stock, \$.01 par value. Authorized 250,000 shares; no shares issued or outstanding	-	-
Additional paid in capital	33,261,848	7,905,970
Retained earnings	53,022,968	43,289,680
Accumulated other comprehensive loss net of tax	1,772,527	(1,106,219)
	88,095,107	50,113,924
Less: 239 and 239 treasury shares, at cost, respectively	1,951	1,951
Less: Unvested Restricted Stock and Unallocated ESOP shares	1,561,779	80,837
Total stockholders' equity	86,531,377	50,031,136
Total liabilities and stockholders' equity	\$ 742,977,301	\$ 673,374,395

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	Three Months Ended March 31	
	2020	2019
	(Unaudited)	(Unaudited)
Interest income:		
Interest and fees on loans	\$ 6,222,688	\$ 5,476,575
Interest on investment securities:		
Taxable	574,513	618,952
Nontaxable	195,297	212,126
Total investment income	<u>769,810</u>	<u>831,078</u>
Other interest income	259,555	177,760
Total interest income	<u>7,252,053</u>	<u>6,485,413</u>
Interest expense:		
Interest on deposits	728,569	575,417
Interest on other borrowed funds	154,230	163,417
Total interest expense	<u>882,799</u>	<u>738,834</u>
Net interest income	6,369,254	5,746,579
Provision for loan losses	<u>700,000</u>	<u>275,000</u>
Net interest income after provision for loan losses	<u>5,669,254</u>	<u>5,471,579</u>
Noninterest income:		
Service charge and fees	1,178,029	1,114,432
Investment securities gains, net	207,454	(4,858)
Mortgage loan and related fees	260,402	217,849
Other	464,386	270,704
CDFI Award Income	799,000	233,244
New market tax credit sub-allocation and placement fees	420,000	-
Total noninterest income	<u>3,329,271</u>	<u>1,831,371</u>
Noninterest expense:		
Salaries and benefits	3,321,898	2,998,196
Net occupancy expense	653,599	512,567
Other	2,039,870	1,728,214
Total noninterest expense	<u>6,015,367</u>	<u>5,238,977</u>
Earnings before income tax expense	2,983,157	2,063,973
Income tax expense	613,689	421,717
Net earnings	<u>2,369,468</u>	<u>1,642,256</u>
Preferred stock dividends	-	-
Net earnings available to common shareholders	<u>\$ 2,369,468</u>	<u>\$ 1,642,256</u>
Basic earnings per share available to common shareholders	\$0.64	\$0.67
Diluted earnings per share available to common shareholders	\$0.64	\$0.67
Basic weighted average shares outstanding	<u>3,704,441</u>	<u>2,446,966</u>
Diluted weighted average shares outstanding	<u>3,704,441</u>	<u>2,446,966</u>
Cash dividend declared per share	\$ -	\$ -

United Bancorporation of Alabama, Inc.

Quarterly Comparison

	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Equity					
Tier One Leverage	12.95%	12.70%	12.89%	12.60%	9.28%
Tier One Capital	17.99%	17.33%	17.14%	17.35%	13.20%
Equity to Total Assets	11.69%	11.29%	11.28%	11.37%	7.41%

At Month End

Loans, net of unearned income	459,649,937	455,066,647	448,255,160	428,616,425	412,420,938
Total Deposits	629,759,319	622,567,234	611,518,624	582,004,983	606,765,960
Total Assets	742,977,301	730,777,733	713,481,344	677,213,627	674,982,030

Earnings & Performance Ratios

Net Income	2,369,468	2,418,150	3,058,430	2,455,395	1,642,258
Net Interest Margin	3.95%	4.08%	4.18%	4.05%	3.98%
Return on Average Equity	11.22%	11.79%	16.43%	13.27%	14.03%
Return on Average Assets	1.30%	1.32%	1.86%	1.44%	1.02%
Earnings per Share	0.64	0.65	0.83	0.67	0.67
Weighted Avg Shares Outstanding	3,704,441	3,692,880	3,680,597	3,652,255	2,440,571



Quarterly Comparison

	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Equity					
Tier One Leverage	9.79%	9.60%	9.36%	9.04%	9.21%
Tier One Capital	13.73%	13.25%	12.60%	12.46%	13.18%
Equity/Assets	9.92%	9.57%	9.23%	9.21%	8.84%
Cost of Funds					
United Bank Cost of Funds	0.49%	0.50%	0.49%	0.44%	0.40%
AL Banks Peers Cost of Funds	n/a	0.79%	0.83%	0.86%	0.81%