



May 26, 2021

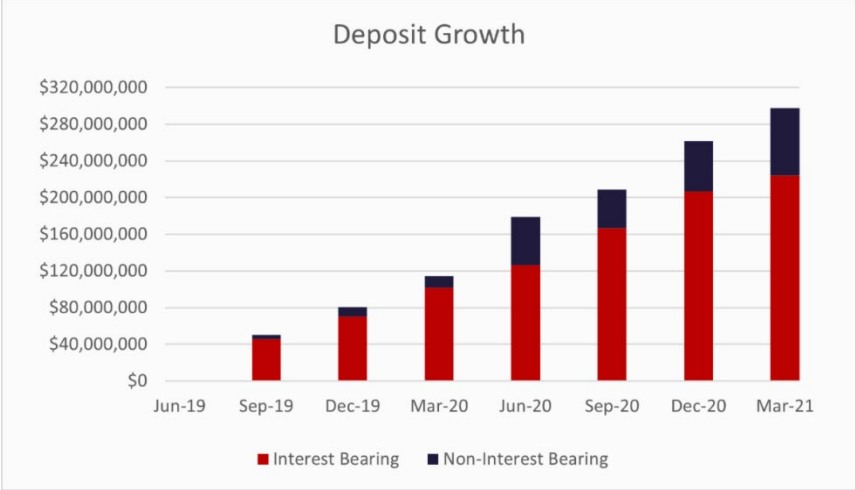
Dear Trustar Bank Shareholder:

We are proud to share our accomplishments over the most recent quarter. First, a thank you to all who participated in our virtual stockholders' meeting on April 20<sup>th</sup>. We had a productive meeting with record attendance. We hope to welcome you all in person for next year's meeting, as things slowly shift to our new normal.

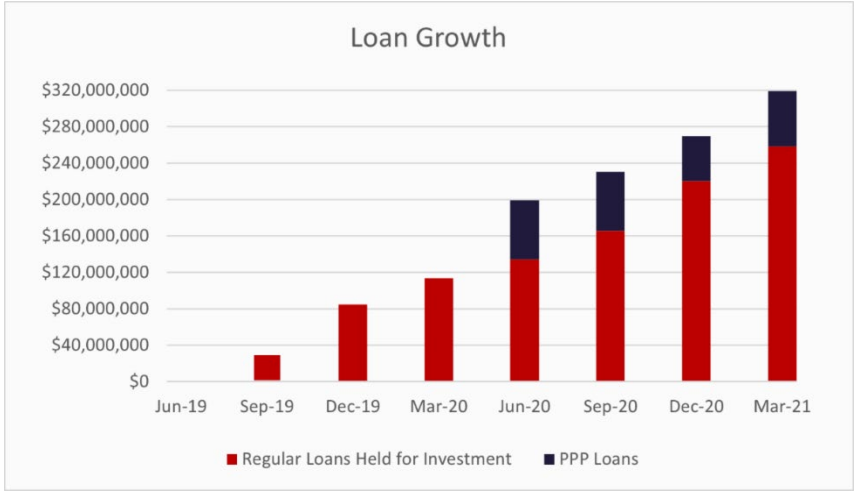
We continued to achieve key performance milestones in the first quarter of 2021. As of March 31, 2021, total assets were \$376 million, recognizing an increase of \$201 million, or 115%, from March 31, 2020. Total assets increased \$45.3 million, or 13.7%, during the first quarter of 2021.



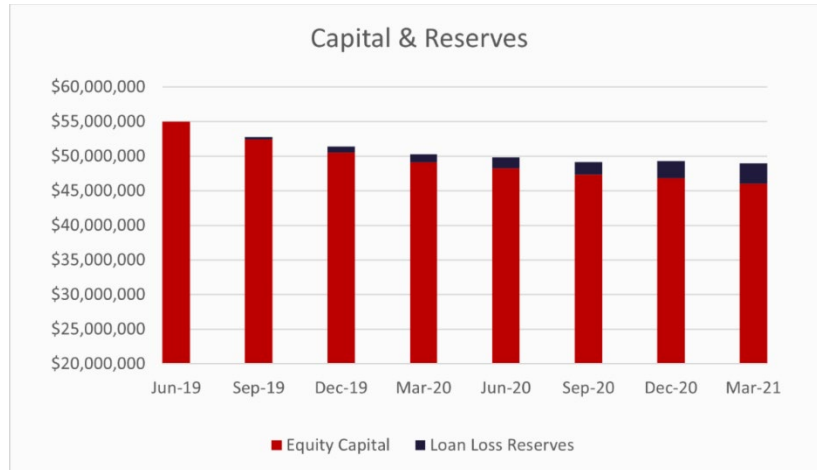
Total deposits as of March 31, 2021, were \$298 million, representing an increase of \$183 million, or 159% since March 31, 2020. Total deposits increased \$36.1 million or 13.8% compared to December 31, 2020. We continue to be pleased with the proportion of our deposits – 24.7% as of the end of the first quarter – that are held in non-interest-bearing demand deposit accounts.



As of March 31, 2021, total loans held for investment were \$319 million, a year-over-year increase of \$206 million, or 181%. Total gross loans year-to-date reflect an increase of \$53.5 million or 24.1%. A significant contributor to our loan growth during the past twelve months has come in the form of U.S. government guaranteed loans issued under the Paycheck Protection Program (PPP), which comprised \$61 million, or 19% of the bank's total loan portfolio, as of March 31, 2021.



The Bank continues to be well capitalized, with 89% of its original capital intact in the form of shareholders' equity and reserves. Our loan loss reserve equates to approximately 1.1% of non-PPP loans outstanding, and we continue to experience strong credit quality.

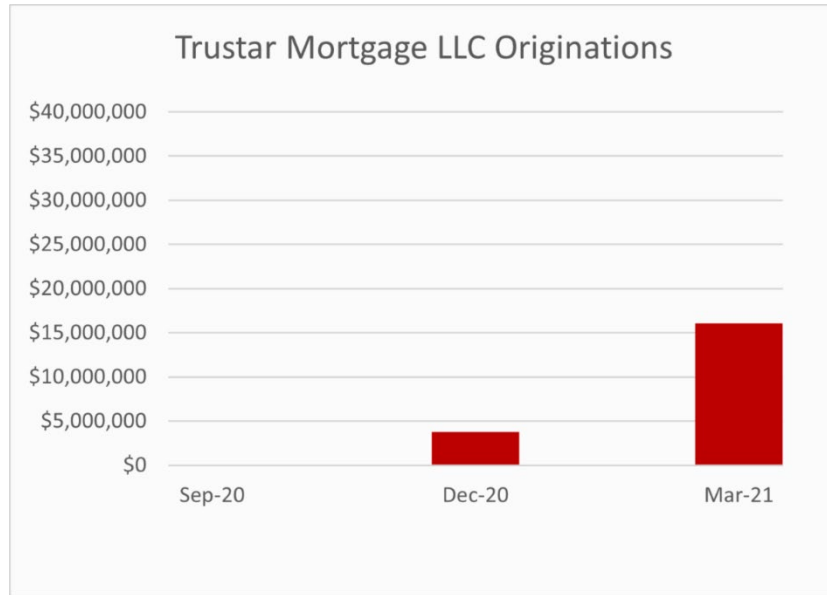


From an earnings perspective, we believe that the Bank is nearing a breakeven point. We expensed several non-recurring items during the first quarter, but we reported a small profit during the month of April, and we are cautiously optimistic that this trend will continue in the coming months.

Our Trustar Bank team is honored to have been recognized as one of the Washington Business Journal’s 75 Best Places to Work. We strive to go above and beyond for our team and create a positive and enjoyable work environment for all employees! We are delighted to have received this distinction and will continue to make Trustar Bank a wonderful place to work.

In early January, we opened our new branch, located in Great Falls Center at 9883 Georgetown Pike. We invite you to visit this full-service location, complete with ATM, night-drop, and drive-through conveniences. We have also opened a “by appointment only” office located in Potomac, Maryland.

In late March, Granite Mortgage, LLC, the full-service mortgage company acquired by Trustar Bank in 2020, officially changed its name to Trustar Mortgage, LLC and launched its new [website](#). Since the acquisition, our mortgage subsidiary has originated approximately \$20 million in mortgage loans. We expect this business to become a meaningful contributor to the Bank’s earnings later this year.



We remain committed to achieving profitability through continued quality driven growth within our market area and look to achieve consistent profitability within the coming quarter. We ask for your renewed loyalty and referrals. Together, we are building the premiere community bank in the Washington DC Metro area.

Very truly yours,

Shaza Andersen

CEO



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