

STATEMENT OF CONDITION

STATEMENT OF INCOME

	<i>December 31, 2023</i> (in thousands)	
ASSETS		
Cash and due from banks	\$	9,379
Interest-bearing deposits with banks		34,565
Total cash and cash equivalents		43,944
Investment securities available for sale, at fair value		349,641
Investment securities held to maturity, at amortized cost, fair value of \$21,755		21,713
Equity securities, at fair value		54
Loans, net of allowance for credit losses of \$29,159		3,184,378
Accrued interest receivable		14,428
Bank owned life insurance		101,872
Federal Home Loan Bank of New York (FHLBNY) stock - at cost		26,225
Deferred tax asset, net		24,478
Premises and equipment, net		15,546
Goodwill		33,375
Right of Use (ROU) Asset		17,643
Other assets		26,539
TOTAL ASSETS	\$	3,859,836
LIABILITIES AND EQUITY		
Liabilities:		
Deposits	\$	2,862,833
Borrowings		476,000
Advances from borrowers for taxes and insurance		13,850
Lease liability		19,221
Accounts payable and other liabilities		63,764
TOTAL LIABILITIES		3,435,668
Equity:		
Retained Earnings, substantially restricted		441,887
Accumulated other comprehensive loss - net of taxes		(17,719)
TOTAL EQUITY		424,168
TOTAL LIABILITIES AND EQUITY	\$	3,859,836

REGULATORY CAPITAL REQUIREMENTS

	<i>December 31, 2023</i> (in thousands)	
	Amount	Percent
Total Capital (to risk - weighted assets)		
Actual	\$ 438,020	15.85%
Required	221,112	8.00%
Excess	<u>\$ 216,908</u>	<u>7.85%</u>
Tier I Capital (to risk - weighted assets)		
Actual	\$ 407,780	14.75%
Required	165,834	6.00%
Excess	<u>\$ 241,946</u>	<u>8.75%</u>
Core Capital (to adjusted total assets)		
Actual	\$ 407,780	10.52%
Required	110,556	4.00%
Excess	<u>\$ 297,224</u>	<u>6.52%</u>

This statement has been prepared in accordance with regulatory reporting requirements of the Federal Deposit Insurance Company (FDIC). Total and Tier I Capital are the elements of regulatory capital determined under such reporting requirements. Regulatory capital is a basis by which the FDIC determines whether a savings association is operating in a safe and sound manner.

I, José B. Guerrero, Chairman and CEO of Spencer Savings Bank SLA, do hereby declare that this statement of condition has been prepared in conformance with the instructions issued by the FDIC and is true to the best of my knowledge and belief.

José B. Guerrero

Chairman & CEO Spencer Savings Bank, SLA

	<i>December 31, 2023</i> (in thousands)	
INTEREST INCOME		
Interest-bearing deposits with banks	\$	1,672
Investment securities		13,939
Loans		147,427
Total interest income		163,038
INTEREST EXPENSE		
Deposits		62,062
Borrowings		17,494
Total interest expense		79,556
Net interest income before provision for credit losses		83,482
Provision for credit losses		1,306
Net interest income after provision for credit losses		82,176
NON-INTEREST INCOME		
Service charges		3,311
Income from bank-owned life insurance		2,658
Other income		(44)
Total non-interest income		5,925
NON-INTEREST EXPENSE		
Compensation & employee benefits		39,091
Occupancy and equipment		10,031
Data processing		4,205
Professional and legal fees		5,175
FDIC deposit insurance premiums		1,900
Advertising		987
Other		4,182
Total non-interest expense		65,571
INCOME BEFORE INCOME TAXES		22,530
INCOME TAXES		5,151
NET INCOME	\$	17,379