



## NEWS RELEASE

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### Freedom Financial Holdings Announces Earnings for First Quarter of 2024 and Reauthorization of Stock Buyback Program

**FAIRFAX, Va. (April 25, 2024)** – [Freedom Financial Holdings](#) (OTCQX: FDVA), (the “Company” or “Freedom”), the holding company for The Freedom Bank of Virginia (the “Bank”) today announced net income of \$1,164,226 or \$0.16 per diluted share for the first quarter compared to a net loss of \$2,006,393, or -\$0.27 per diluted share for the three months ended December 31, 2023, and net income of \$1,236,635 or \$0.17 per diluted share for the three months ended March 31, 2023.

The Board approved and has implemented a refreshed stock repurchase program following the extinguishment of the prior buyback program in February 2024. We now have a new SEC Rule 10b-18 program authorized to purchase up to 250,000 shares.

Joseph J. Thomas, President, and CEO, commented, “We were pleased to report pretax income for the first quarter of \$1,522,651, higher by 28.4% compared to \$1,185,604 for the three months ended March 31, 2023. This was fueled by an increase in non-interest Income of 24.70% and strong expense management with non-interest expense down 2.89% compared to the same period in 2023. Equally important are the favorable trends in credit quality with a reduction of classified assets and the pending Trustee sale of property of our one large non-performing loan at a price above carrying value. In addition to improving asset quality, we are also remixing loans and deposits to protect the net interest margin and taking proactive steps to reduce expenses in an environment where rates are expected to stay higher for longer.”

#### First Quarter 2024 Highlights include:

- The Company posted net income of \$1,164,226 or \$0.16 per diluted share for the first quarter compared to a loss of \$2,006,393 or -\$0.27 per diluted share for the three months ended December 31, 2023, and net income of \$1,236,635 or \$0.17 per diluted share for the three months ending March 31, 2023.

- Pretax Income for the first quarter was \$1,522,651, higher by 28.4% compared to pretax income of \$1,185,604 for the three months ended March 31, 2023.
- Tangible Book Value per share<sup>1</sup> increased during the quarter to \$10.83 on March 31, 2024, compared to \$10.78 on December 31, 2023.
- Return on Average Assets ("ROAA") was 0.43% for the quarter ended March 31, 2024, compared to ROAA of -0.73% for the quarter ended December 31, 2023, and 0.51% for the three months ended March 31, 2023.
- Return on Average Equity ("ROAE") was 6.05% for the quarter ended March 31, 2024, compared to ROAE of -10.51% for the three months ended December 31, 2023, and 6.52% for the three months ended March 31, 2023.
- Total Assets were \$1.09 billion on March 31, 2024, an increase of \$7.79 million or 0.72% from total assets on December 31, 2023.
- Loans held-for-investment (excluding PPP loans) decreased by \$9.11 million or 1.18% during the quarter.
- Total deposits decreased by \$26.95 million or by 2.93% during the quarter, largely related to seasonal deposit activity from municipalities. Non-interest-bearing demand deposits decreased by \$2.26 million from the linked quarter to \$141.70 million and represented 15.85% of total deposits on March 31, 2024.
- The net interest margin<sup>2</sup> decreased in the first quarter to 2.54%, lower by 8 basis points compared to the linked quarter and lower by 58 basis points compared to the same period in 2023. The decrease in the net interest margin across linked quarters was primarily due to an increase in funding costs, as yields on earning assets were unchanged.
- The cost of funds was 3.60% for the first quarter, higher by 10 basis points compared to the linked quarter and higher by 123 basis points compared to the same period in 2023, as deposit costs increased, partially offset by income from balance sheet hedges.
- Non-interest income increased by 14.53% compared to the linked quarter and increased by 24.70% compared to the same period in 2023. The increase in non-interest income in the first quarter of 2024 compared to the linked and calendar quarters was primarily due to higher gain-on-sale revenue from mortgage and SBA loans.
- Non-interest expense in the first quarter increased by 8.04% compared to the linked quarter and decreased by 2.89% compared to the same period in 2023. The increase in non-interest expense compared to the linked quarter, was primarily due to higher expenses related to compensation and occupancy. The increase in occupancy costs was related to an adjustment to rental expense which is expected to be non-recurring. The decrease in expenses compared to the calendar quarter was primarily related to lower compensation costs, driven by lower incentive payouts. Costs related to FDICIA internal controls, including audit fees will be a non-recurring expense in 2024.
- The Efficiency Ratio<sup>3</sup> was 80.64% for the quarter ended March 31, 2024, compared to 73.93% for the linked quarter and 78.76% for the same period in 2023.
- Uninsured deposits were 24.31% of total deposits and total available secured liquidity<sup>4</sup> was 156.40% of uninsured deposits on March 31, 2024.
- Net charge offs decreased in the fourth quarter and were 0.14% of average loans compared to 0.19% in the prior quarter. The ratio of non-accrual loans to loans held-for-investment was 1.74% on March 31, 2024, compared to 0.96% on March 31, 2023. The ratio of non-performing assets to total assets was 1.21% on March 31, 2024, compared to 0.67% on March 31, 2023.
- The Company reduced the reserves for unfunded commitments and held-to-maturity securities, which resulted in a \$27,486 adjustment to the allowance for loan losses. The ratio of the allowance for loan losses to loans held-for-investment was 1.24% compared to 1.37% in the linked quarter.

- The Company continues to be well capitalized and capital ratios continue to be strong with a Leverage ratio of 10.26%, Common Equity Tier 1 ratio of 12.92%, Tier 1 Risk Based Capital ratio of 12.92% and a Total Capital ratio of 14.01%.

#### Net Interest Income

The Company recorded net interest income of \$6.55 million for the first quarter of 2024, lower by 3.28% compared to the linked quarter, and lower by 9.05% compared to the same period in 2023. The net interest margin in the first quarter of 2024 was 2.54%, lower by 8 basis points compared to the linked quarter and lower by 58 basis points compared to the same period in 2023.

The following factors contributed to the changes in net interest margin during the first quarter of 2024 compared to the linked and calendar quarters.

- Yields on average earning assets were 5.99% in the first quarter of 2024, unchanged from the linked quarter and 5.38% in the calendar quarter. Higher yields on investment securities and loans drove the increase in yields on earning assets.
- Loan yields increased by 10 basis points to 6.39% from 6.29% in the linked quarter, while yields on investment securities decreased by 22 basis points to 4.88% from 5.10% in the linked quarter. Loan yields increased by 64 basis points, while yields on investment securities increased by 54 basis points compared to the calendar quarter. Repricing of loans and securities in the higher rate environment was the primary reason for higher yields on these asset categories.
- Cost of funds increased by 10 basis points to 3.60% from 3.50% in the linked quarter, and by 123 basis points compared to the calendar quarter, primarily due to rising rates on interest checking and money market accounts and a decrease in non-interest-bearing deposits. The increase in deposit expense was partially offset by lower costs for borrowings as well as interest income from balance sheet hedges, in the form of interest rate swaps, whereby the bank pays a fixed rate and receives the Federal Funds effective rate for the duration of the swaps. The notional amount of the interest rate swaps was \$80 million with a weighted average remaining term of 2.76 years, as of March 31, 2024.

#### Non-interest Income

Non-interest income was \$1.17 million for the first quarter, an increase of 14.53% when compared to the linked quarter and an increase of 24.70% when compared to the same period in 2023. The increase in non-interest income in the first quarter of 2024 compared to the linked and calendar quarters was primarily due to higher gain-on-sale revenue from mortgage and SBA loans.

#### Total Revenue<sup>5</sup>

Total revenue, defined as the sum of net interest income, before provision for loan losses, and non-interest income, was lower by 0.94% compared to the linked quarter and lower by 5.14% compared to the calendar quarter in 2023. The decrease in total revenue compared to the linked quarter was primarily due to one less calendar day, and a decrease in the net interest margin. The decrease compared to the calendar quarter was due to lower net interest income, resulting from net interest margin compression.

#### Non-interest Expense

Non-interest expense in the first quarter increased by 8.04% compared to the linked quarter and decreased by 2.89% compared to the same period in 2023. The increase in non-interest expense compared to the linked quarter, was primarily due to higher expenses related to compensation and occupancy. The increase in occupancy costs

was related to an adjustment to rental expense which is expected to be non-recurring. The decrease in expenses compared to the calendar quarter was primarily related to lower compensation costs, driven by lower incentive payouts. Costs related to FDICIA internal controls, including audit fees will be a non-recurring expense in 2024.

The Efficiency Ratio was 80.64% for the quarter ended March 31, 2024, compared to 73.93% for the linked quarter and 78.76% for the same period in 2023.

#### Asset Quality

Non-accrual loans were flat in the fourth quarter at \$13,236,852 or 1.74% of loans held-for-investment compared to \$13,209,892 or 1.72% of loans held-for-investment at the end of the linked quarter. As of March 31, 2024, there were no loans that were 90 days or more past due and accruing. There was no Other Real Estate Owned ("OREO") on the balance sheet as of March 31, 2024. Total non-performing assets (defined as the sum of loans on non-accrual, loans greater than 90 days past due and accruing, and OREO assets) were \$13,236,852 or 1.21% of total assets as of March 31, 2024, compared to \$13,209,892 or 1.22% of total assets, at the end of the linked quarter.

Following an assessment of the collectability of the loans held-for-investment at the end of the first quarter, the Company reduced reserves for unfunded commitments and held-to-maturity securities, which resulted in an adjustment of \$27,486 to the allowance for loan losses. The Company booked a provision of \$4,751,441 in the fourth quarter of 2023.

The Company's ratio of Allowance for Loan Losses to loans held-for-investment was 1.24% as of March 31, 2024, compared to the ratio of Allowance for Loan Losses to loans held-for-investment of 1.01% as of March 31, 2023.

#### Total Assets

Total assets on March 31, 2024, were \$1.09 billion compared to total assets of \$1.08 billion on December 31, 2023. Changes in major asset categories since December 31, 2023, were as follows:

- Interest bearing deposits at banks increased by \$9.54 million.
- Available for sale investment balances increased by \$5.24 million.
- Other loans held-for investment decreased by \$9.11 million

#### Total Liabilities

Total liabilities on March 31, 2024, were \$1.02 billion compared to total liabilities of \$1.01 billion on December 31, 2023. Total deposits were \$894.11 million on March 31, 2024, compared to total deposits of \$921.06 million on December 31, 2023. Non-interest-bearing demand deposits decreased by \$2.26 million during the first quarter and comprised 15.85% of total deposits at the end of the first quarter. Other interest-bearing demand deposits decreased by \$52.97 million, primarily due to seasonal activity related to municipalities, savings deposits decreased by \$1.12 million and time deposits increased by \$29.40 million during the quarter. Federal Home Loan Bank borrowings increased by \$15 million during the quarter and borrowings from the Federal Reserve Bank of Richmond increased by \$20 million.

#### Stockholders' Equity and Capital

Stockholders' equity as of March 31, 2024, was \$77.46 million compared to \$77.23 million on December 31, 2023. AOCI decreased during the first quarter by \$611,706, primarily related to an increase in unrealized losses on available-for-sale securities. The tangible book value of the Company's common stock on March 31, 2024, was \$10.83

per share compared to \$10.78 per share on December 31, 2023. Excluding AOCI losses/gains, the tangible book value of the Company's common stock on March 31, 2024, was \$13.39 per share compared to \$13.25 per share on December 31, 2023.

#### Stock Buyback Program

In February of 2024, the Company repurchased 19,968 shares that fully extinguished our previously authorized 250,000 share repurchase program. The Board has now approved and implemented a refreshed stock repurchase program following SEC Rule 10b-18 program authorized to purchase up to 250,000 shares. Our Board of Directors believes that share buyback program represents continued disciplined capital management strategy for the company.

#### Capital Ratios

As of March 31, 2024, the Bank's capital ratios were well above regulatory minimum capital ratios for well-capitalized bank holding companies. The Bank's capital ratios as of March 31, 2024, and December 31, 2023, were as follows:

	March 31, 2024	December 31, 2023
Total Capital Ratio	14.01%	13.82%
Tier 1 Capital Ratio	12.92%	12.65%
Common Equity Tier 1 Capital Ratio	12.92%	12.65%
Leverage Ratio	10.26%	10.26%

#### **About Freedom Financial Holdings, Inc.**

Freedom Financial Holdings, Inc. is the holding company of The Freedom Bank of Virginia, a community bank with locations in Fairfax, Reston, Chantilly, Vienna, and Manassas, Virginia. For information about deposits, loans and other services, visit the website at [www.freedom.bank](http://www.freedom.bank).

#### **Forward Looking Statements**

This release contains forward-looking statements, including our expectations with respect to future events that are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates, and expectations include: fluctuation in market rates of interest and loan and deposit pricing; general economic and financial market conditions, in the United States generally and particularly in the markets in which the Company operates and in which its loans are concentrated, including the effects of declines in real estate values, increases in unemployment levels, inflation, recessions and slowdowns in economic growth, including as a result of COVID-19 and the impact of geopolitical conflicts, such as the war between Russia and Ukraine; adverse developments in the financial services industry such as the recent bank failures; maintenance and development of well-established and valued client relationships and referral source relationships; the adequacy or inadequacy of our allowance for loan and lease losses; acquisition or loss of key production personnel; and the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, wars, terrorist acts or public health events, and of governmental and societal responses thereto; these

potential adverse effects may include, without limitation, adverse effects on the ability of the Company's borrowers to satisfy their obligations to the Company, on the value of collateral securing loans, on the demand for the Company's loans or its other products and services, on incidents of cyberattack and fraud, on the Company's liquidity or capital positions, on risks posed by reliance on third-party service providers, on other aspects of the Company's business operations and on financial markets and economic growth. The Company cautions readers that the list of factors above is not exclusive. The forward-looking statements are made as of the date of this release, and the Company may not undertake steps to update the forward-looking statements to reflect the impact of any circumstances or events that arise after the date the forward-looking statements are made. In addition, our past results of operations are not necessarily indicative of future performance.

**FREEDOM FINANCIAL HOLDINGS**  
CONSOLIDATED BALANCE SHEETS

	(Unaudited) March 31, 2024	(Audited) December 31, 2023
<b>ASSETS</b>		
Cash and Due from Banks	\$ 3,367,684	\$ 2,442,050
Interest Bearing Deposits with Banks	31,347,571	21,806,078
Securities Available-for-Sale	216,503,816	211,263,518
Securities Held-to-Maturity	20,789,233	20,114,269
Restricted Stock Investments	5,551,550	4,769,900
Loans Held for Sale	4,369,801	6,663,929
PPP Loans Held for Investment	234,840	259,794
Other Loans Held for Investment	760,376,517	769,484,088
Allowance for Loan Losses	(9,465,851)	(10,519,335)
Net Loans	751,145,506	759,224,547
Bank Premises and Equipment, net	849,378	878,957
Accrued Interest Receivable	4,420,462	3,721,730
Deferred Tax Asset	7,998,822	7,954,018
Bank-Owned Life Insurance	26,929,302	26,731,339
Right of Use Asset, net	2,119,110	1,987,075
Other Assets	17,331,241	17,110,642
Total Assets	\$ 1,092,723,477	\$ 1,084,668,051
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Deposits		
Demand Deposits		
Non-interest Bearing	\$ 141,696,408	\$ 143,956,306
Interest Bearing	466,369,810	519,339,202
Savings Deposits	2,997,171	4,120,770
Time Deposits	283,045,173	253,641,860
Total Deposits	894,108,562	921,058,138
Federal Home Loan Bank Advances	50,000,000	35,000,000
Other Borrowings	35,234,840	15,270,576
Subordinated Debt (Net of Issuance Costs)	19,772,200	19,752,719
Accrued Interest Payable	3,302,056	2,842,646
Lease Liability	2,201,003	1,925,672
Other Liabilities	10,644,432	11,590,247
Total Liabilities	\$ 1,015,263,093	\$ 1,007,439,998
<b>Stockholders' Equity</b>		
Preferred stock, \$0.01 par value, 5,000,000 shares authorized:		
0 Shares Issued and Outstanding, March 31, 2024 and December 31, 2023		
Common Stock, \$0.01 Par Value, 25,000,000 Shares:		
23,000,000 Shares Voting and 2,000,000 Shares Non-voting.		
Voting Common Stock:		
6,622,542 and 6,582,677 Shares Issued and Outstanding		
at March 31, 2024 and December 31, 2023 respectively		
(Includes 140,484 and 88,993 Unvested Shares on March 31, 2024 and December 31, 2023 respectively)		
	64,821	64,937
Non-Voting Common Stock:		
673,000 Shares Issued and Outstanding at March 31, 2024 and December 31, 2023 respectively)		
	6,730	6,730
Additional Paid-in Capital	58,000,382	58,320,419
Accumulated Other Comprehensive Income, Net	(18,326,721)	(17,715,015)
Retained Earnings	37,715,174	36,550,783
Total Stockholders' Equity	77,460,385	77,228,054
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 1,092,723,477</b>	<b>\$ 1,084,668,051</b>

**FREEDOM FINANCIAL HOLDINGS**  
CONSOLIDATED STATEMENTS OF OPERATIONS

	(Unaudited) For the three months ended March 31, 2024	(Unaudited) For the three months ended March 31, 2023
<b>Interest Income</b>		
Interest and Fees on Loans	\$ 12,283,239	\$ 9,982,737
Interest on Investment Securities	2,871,479	2,165,723
Interest on Deposits with Other Banks	328,257	300,906
Total Interest Income	15,482,975	12,449,366
<b>Interest Expense</b>		
Interest on Deposits	8,023,891	4,871,007
Interest on Borrowings	911,926	379,866
Total Interest Expense	8,935,817	5,250,873
Net Interest Income	6,547,158	7,198,492
<b>Provision for Loan Losses</b>	27,486	(543,000)
Net Interest Income After Provision for Loan Losses	6,574,644	6,655,492
<b>Non-Interest Income</b>		
Mortgage Loan Gain-on-Sale and Fee Revenue	536,724	378,558
SBA Gain-on-Sale Revenue	287,032	-
Service Charges and Other Income	117,361	154,588
Gain on Sale of Securities	-	-
Servicing Income	35,253	65,415
Swap Fee Income	-	-
Increase in Cash Surrender Value of Bank- owned Life Insurance	197,963	343,139
Total Non-interest Income	1,174,333	941,700
Total Revenue	7,721,491	8,140,194
<b>Non-Interest Expenses</b>		
Officer and Employee Compensation and Benefits	3,735,139	4,149,212
Occupancy Expense	391,876	327,919
Equipment and Depreciation Expense	195,345	181,495
Insurance Expense	224,007	155,068
Professional Fees	526,574	350,080
Data and Item Processing	261,282	320,000
Advertising	114,999	118,479
Franchise Taxes and State Assessment Fees	309,869	282,739
Mortgage Fees and Settlements	95,001	59,286
Other Operating Expense	372,234	467,312
Total Non-interest Expenses	6,226,326	6,411,589
Income Before Income Taxes	1,522,651	1,185,604
<b>Income Tax Expense/(Benefit)</b>	358,425	\$ (51,031)
<b>Net Income</b>	\$ 1,164,226	\$ 1,236,635
<b>Earnings per Common Share - Basic</b>	\$ 0.16	\$ 0.17
<b>Earnings per Common Share - Diluted</b>	\$ 0.16	\$ 0.17
<b>Weighted-Average Common Shares Outstanding - Basic</b>	7,285,108	7,280,803
<b>Weighted-Average Common Shares Outstanding - Diluted</b>	7,325,415	7,317,805



**FREEDOM FINANCIAL HOLDINGS**  
CONSOLIDATED STATEMENTS OF OPERATIONS

	(Unaudited) For the three months ended March 31, 2024	(Unaudited) For the three months ended December 31, 2023	(Unaudited) For the three months ended September 30, 2023	(Unaudited) For the three months ended June 30, 2023	(Unaudited) For the three months ended March 31, 2023
<b>Interest Income</b>					
Interest and Fees on Loans	\$ 12,283,239	\$ 12,076,745	\$ 11,513,273	\$ 10,857,368	\$ 9,982,737
Interest on Investment Securities	2,871,479	2,933,870	2,730,411	2,522,682	2,165,723
Interest on Deposits with Other Banks	328,257	502,411	471,031	464,321	300,906
Total Interest Income	15,482,975	15,513,026	14,714,715	13,844,371	12,449,366
<b>Interest Expense</b>					
Interest on Deposits	8,023,891	8,108,762	7,829,199	6,796,570	4,871,008
Interest on Borrowings	911,926	634,972	359,191	350,096	379,866
Total Interest Expense	8,935,816	8,743,734	8,188,390	7,146,666	5,250,874
Net Interest Income	6,547,159	6,769,292	6,526,324	6,697,705	7,198,492
<b>Provision for Loan Losses</b>	27,486	(4,751,441)	(205,000)	(238,000)	(543,000)
Net Interest Income after Provision for Loan Losses	6,574,645	2,017,851	6,321,324	6,459,705	6,655,492
<b>Non-Interest Income</b>					
Mortgage Loan Gain-on-Sale and Fee Revenue	536,724	467,874	470,800	769,649	378,558
SBA Gain-on-Sale Revenue	287,032	-	-	-	-
Service Charges and Other Income	117,361	326,205	99,563	94,428	154,588
Gains on Sale of Securities	-	-	-	-	-
Servicing Income	35,253	39,525	57,106	64,688	65,415
Swap Fee Income	-	-	-	-	-
Increase in Cash Surrender Value of Bank- owned Life Insurance	197,963	191,788	188,781	183,235	343,140
Total Non-interest Income	1,174,334	1,025,392	816,250	1,112,000	941,701
Total Revenue <sup>2</sup>	\$ 7,721,494	\$ 7,794,684	\$ 7,342,574	\$ 7,809,705	\$ 8,140,192
<b>Non-Interest Expenses</b>					
Officer and Employee Compensation and Benefits	3,735,139	3,293,628	3,410,564	3,469,477	4,149,212
Occupancy Expense	391,876	191,674	188,413	38,488	327,919
Equipment and Depreciation Expense	195,345	212,999	213,363	148,901	181,495
Insurance Expense	224,007	237,133	276,713	136,555	155,068
Professional Fees	526,574	524,328	365,316	325,405	350,080
Data and Item Processing	261,282	323,605	355,733	323,906	320,000
Advertising	114,999	116,107	105,183	133,907	118,479
Franchise Taxes and State Assessment Fees	309,869	313,043	304,432	290,049	282,739
Mortgage Fees and Settlements	95,001	36,328	83,250	141,333	59,286
Other Operating Expense	372,234	514,081	309,231	382,577	467,311
Total Non-interest Expenses	6,226,327	5,762,926	5,612,199	5,390,599	6,411,589
Income before Income Taxes	1,522,651	(2,719,684)	1,525,376	2,181,106	1,185,604
<b>Income Tax Expense</b>	358,425	(713,291)	206,998	411,031	(51,031)
<b>Net Income</b>	\$ 1,164,226	\$ (2,006,393)	\$ 1,318,378	\$ 1,770,075	\$ 1,236,635
<b>Earnings per Common Share - Basic</b>	\$ 0.16	\$ (0.27)	\$ 0.18	\$ 0.24	\$ 0.17
<b>Earnings per Common Share - Diluted</b>	\$ 0.16	\$ (0.27)	\$ 0.18	\$ 0.24	\$ 0.17
<b>Weighted-Average Common Shares</b>					
Outstanding - Basic	7,285,108	7,335,949	7,277,022	7,307,802	7,280,803
<b>Weighted-Average Common Shares</b>					
Outstanding - Diluted	7,325,415	7,361,422	7,293,482	7,317,113	7,317,805

Average Balances, Income and Expenses, Yields and Rates  
(Unaudited)

	Three Months Ended March 31, 2024			Three Months Ended December 31, 2023			Three Months Ended September 30, 2023			Three Months Ended June 30, 2023			Three Months Ended March 31, 2023		
	Average Balance	Income/ Expense	Yield	Average Balance	Income/ Expense	Yield	Average Balance	Income/ Expense	Yield	Average Balance	Income/ Expense	Yield	Average Balance	Income/ Expense	Yield
<b>Assets</b>															
Cash	\$ 28,655,861	\$ 328,257	4.61%	\$ 36,921,568	\$ 502,411	5.40%	\$ 38,989,836	\$ 471,031	4.79%	\$ 36,370,275	\$ 464,321	5.12%	\$ 31,062,495	\$ 300,906	3.93%
Investments (Tax Exempt)	21,297,872	204,625		20,012,255	195,353		20,763,539	197,591		21,202,088	187,739		21,182,371	182,470	
Investments (Taxable)	219,134,075	2,709,825		211,208,265	2,779,541		208,005,473	2,574,314		197,080,849	2,374,368		184,686,055	2,021,572	
Total Investments	240,431,947	2,914,450	4.88%	231,220,520	2,974,894	5.10%	228,769,012	2,771,905	4.81%	218,282,937	2,562,107	4.71%	205,868,426	2,204,042	4.34%
Total Loans	773,171,917	12,283,239	6.39%	761,583,960	\$12,076,745	6.29%	736,781,506	11,513,273	6.20%	726,201,568	10,857,368	6.00%	703,610,368	9,982,737	5.75%
Earning Assets	1,042,259,725	15,525,946	5.99%	1,029,726,048	15,554,050	5.99%	1,004,540,354	14,756,209	5.83%	980,854,780	13,883,796	5.68%	940,541,289	12,487,685	5.38%
Assets	\$ 1,093,119,403			\$ 1,084,945,735			\$ 1,062,975,635			\$ 1,035,350,077			\$ 988,804,262		
<b>Liabilities</b>															
Interest Checking	\$ 229,520,401	\$ 2,515,315	4.41%	\$ 221,430,570	\$ 2,364,166	4.24%	\$ 213,956,322	\$ 2,130,491	3.95%	\$ 197,224,144	\$ 1,892,301	3.85%	\$ 154,625,978	\$ 1,320,093	3.46%
Money Market	274,088,309	2,930,085	4.30%	288,937,873	2,738,774	3.76%	289,350,365	3,130,570	4.29%	282,452,498	2,308,846	3.28%	261,801,221	2,036,801	3.16%
Savings	3,416,245	1,129	0.13%	4,155,974	1,238	0.12%	4,344,566	1,310	0.12%	5,678,056	1,586	0.11%	6,935,212	2,326	0.14%
Time Deposits	261,965,440	2,577,362	3.96%	258,903,945	3,004,586	4.60%	248,550,686	2,566,827	4.10%	239,305,940	2,593,837	4.35%	248,679,942	1,511,787	2.47%
Interest Bearing Deposits	768,990,395	8,023,891	4.20%	773,428,362	8,108,764	4.16%	756,201,939	7,829,198	4.11%	724,660,638	6,796,570	3.76%	672,042,353	4,871,007	2.94%
Borrowings	\$ 84,021,016	\$ 911,926	4.37%	\$ 56,817,293	\$ 634,972	4.43%	\$ 40,480,346	\$ 359,191	3.52%	\$ 45,865,355	\$ 350,096	3.06%	\$ 49,125,142	\$ 379,866	3.14%
Interest Bearing Liabilities	853,011,411	8,935,817	4.21%	830,245,656	8,743,736	4.18%	796,682,285	8,188,389	4.08%	770,525,994	7,146,666	3.72%	721,167,495	5,250,873	2.95%
Non Interest Bearing Deposits	\$ 146,048,180			\$ 161,836,675			\$ 169,935,416			\$ 169,160,626			\$ 176,477,412		
Cost of Funds			3.60%			3.50%			3.36%			3.05%			2.37%
Net Interest Margin		\$ 6,590,129	2.54%		\$ 6,810,314	2.62%		\$ 6,567,819	2.59%		\$ 6,737,130	2.76%		\$ 7,236,812	3.12%
Shareholders Equity	\$ 77,333,773			\$ 75,770,938			\$ 77,445,100			\$ 77,557,760			\$ 76,928,018		

**Average Balances, Income and Expenses, Yields and Rates  
(Unaudited)**

	Three Months Ended March 31, 2024			Three Months Ended March 31, 2023		
	Average Balance	Income / Expense	Yield	Average Balance	Income / Expense	Yield
<b>Assets</b>						
Cash	\$ 28,655,861	\$ 328,257	4.61%	\$ 31,062,495	\$ 300,906	3.93%
Investments (Tax Exempt)	21,297,872	204,625		21,182,371	182,470	
Investments (Taxable)	219,134,075	2,709,825		184,686,055	2,021,572	
Total Investments	240,431,947	2,914,450	4.88%	205,868,426	2,204,042	4.34%
Total Loans	773,171,917	12,283,239	6.39%	703,610,368	9,982,737	5.75%
Earning Assets	1,042,259,725	15,525,946	5.99%	940,541,289	12,487,685	5.38%
Assets	\$ 1,093,119,403			\$ 988,804,262		
<b>Liabilities</b>						
Interest Checking	\$ 229,520,401	\$ 2,515,315	4.41%	\$ 154,625,978	\$ 1,320,093	3.46%
Money Market	274,088,309	2,930,085	4.30%	261,801,221	2,036,801	3.16%
Savings	3,416,245	1,129	0.13%	6,935,212	2,326	0.14%
Time Deposits	261,965,440	2,577,362	3.96%	248,679,942	1,511,787	2.47%
Interest Bearing Deposits	768,990,395	8,023,891	4.20%	672,042,353	4,871,007	2.94%
Borrowings	\$ 84,021,016	911,926	4.37%	\$ 49,125,142	379,866	3.14%
Interest Bearing Liabilities	853,011,410	8,935,817	4.21%	721,167,495	5,250,873	2.95%
Non Interest Bearing Deposits	\$ 146,048,180			\$ 176,477,412		
Cost of Funds			3.60%			2.37%
Net Interest Margin		\$ 6,590,129	2.54%		\$ 7,236,812	3.12%
Shareholders Equity	\$ 77,333,773			\$ 76,928,018		
ROAA	0.43%			0.51%		
ROAE	6.05%			6.52%		

**Selected Financial Data by Quarter Ended:**  
(Unaudited)

	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
<b>Balance Sheet Ratios</b>					
Loans held-for-investment to Deposits	85.07%	83.57%	81.63%	80.45%	81.18%
<b>Income Statement Ratios (Quarterly)</b>					
Return on Average Assets (ROAA)	0.43%	-0.73%	0.49%	0.69%	0.51%
Return on Average Equity (ROAE)	6.05%	-10.51%	6.75%	9.15%	6.52%
Efficiency Ratio	80.64%	73.93%	76.43%	69.02%	78.76%
Net Interest Margin	2.54%	2.62%	2.59%	2.76%	3.12%
Yield on Average Earning Assets	5.99%	5.99%	5.83%	5.68%	5.38%
Yield on Securities	4.88%	5.10%	4.81%	4.71%	4.34%
Yield on Loans	6.39%	6.29%	6.20%	6.00%	5.75%
Cost of Funds	3.60%	3.50%	3.36%	3.05%	2.37%
Noninterest income to Total Revenue	15.21%	13.16%	11.12%	14.24%	11.57%
<b>Liquidity Ratios</b>					
Uninsured Deposits to Total Deposits	24.31%	25.65%	28.10%	25.78%	21.77%
Total Liquidity to Uninsured Deposits	156.40%	130.30%	120.27%	120.82%	149.16%
Total Liquidity to Unfunded Commitments, CDs and Borrowings maturing in next 30 days	386.89%	258.25%	345.53%	213.43%	206.92%
Tangible Common Equity Ratio	7.09%	7.12%	7.14%	7.43%	7.62%
Tangible Common Equity Ratio (adjusted for unrealized losses on HTM securities)	6.85%	6.88%	6.83%	7.16%	7.38%
Available -for-Sale securities (as % of total securities)	91.24%	91.31%	90.96%	90.41%	91.89%
<b>Per Share Data</b>					
Tangible Book Value	\$10.83	\$10.78	\$10.50	\$10.75	\$10.96
Tangible Book Value (ex AOCI)	\$13.39	\$13.25	\$13.50	\$13.29	\$13.32
<b>Share Price Data</b>					
Closing Price	\$9.75	\$10.42	\$10.61	\$10.56	\$13.95
Book Value Multiple	92%	97%	101%	98%	127%
<b>Common Stock Data</b>					
Outstanding Shares at End of Period	7,155,058	7,166,684	7,198,334	7,197,834	7,048,603
Weighted Average shares outstanding, basic	7,285,108	7,335,949	7,277,022	7,307,802	7,280,803
Weighted Average shares outstanding, diluted	7,325,415	7,361,422	7,293,482	7,317,113	7,317,805
<b>Capital Ratios (Bank Only)</b>					
Tier 1 Leverage ratio	10.26%	10.26%	10.64%	10.99%	11.30%
Common Equity Tier 1 ratio	12.92%	12.65%	13.26%	13.52%	13.47%
Tier 1 Risk Based Capital ratio	12.92%	12.65%	13.26%	13.52%	13.47%
Total Risk Based Capital ratio	14.00%	13.82%	14.10%	14.37%	14.34%
<b>Credit Quality</b>					
Net Charge-offs to Average Loans	0.14%	0.19%	0.03%	0.04%	0.06%
Total Non-performing Loans to loans held-for-investment	1.74%	1.72%	0.92%	0.93%	0.96%
Total Non-performing Assets to Total Assets	1.21%	1.22%	0.66%	0.65%	0.67%
Nonaccrual Loans to loans held-for-investment	1.74%	1.72%	0.92%	0.93%	0.96%
Provision for Loan Losses	-\$27,486	\$4,751,441	\$205,000	\$238,000	\$543,000
Allowance for Loan Losses to net loans held-for-investment	1.24%	1.37%	0.95%	0.98%	1.01%
Allowance for Loan Losses to net loans held-for-investment (ex PPP loans)	1.24%	1.37%	0.95%	0.98%	1.02%

FREEDOM FINANCIAL HOLDINGS, INC.  
CONSOLIDATED SELECTED FINANCIAL DATA  
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES:

<sup>1</sup>**Tangible Book Value (ex-AOCI) (non-GAAP)**

	Quarter Ending				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Shareholder's Equity	\$ 77,460,385	\$ 77,228,054	\$ 75,573,033	\$ 77,399,123	\$ 77,256,026
Outstanding Shares at End of Period	7,155,058	7,166,684	7,198,334	7,197,834	7,048,603
Tangible Book Value (GAAP)	\$ 10.83	\$ 10.78	\$ 10.50	\$ 10.75	\$ 10.96
Accumulated Other Comprehensive Income (Net) (AOCI)	\$ (18,326,721)	\$ (17,715,015)	\$ (21,597,860)	\$ (18,280,904)	\$ (16,644,981)
AOCI per share equivalent	(2.56)	(2.47)	(3.00)	(2.54)	(2.36)
Tangible Book Value (ex-AOCI) (non-GAAP)	\$ 13.39	\$ 13.25	\$ 13.50	\$ 13.29	\$ 13.32

**Income on Tax Exempt Securities**

	Quarter Ending					Year Ending	
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	March 31, 2024	March 31, 2023
Tax Equivalent Adjustment	\$ 54,394	\$ 51,929	\$ 41,494	\$ 39,425	\$ 38,319	\$ 204,625	\$ 144,151
Income on Tax Exempt Securities (Non-GAAP)	\$ 259,019	\$ 247,282	\$ 197,591	\$ 187,739	\$ 182,470	\$ 259,019	\$ 182,470

<sup>2</sup>**Net Interest Margin**

Average Earning Assets	\$ 1,042,259,725	\$ 1,029,726,048	\$ 1,004,540,354	\$ 980,854,780	\$ 940,541,289	\$ 1,042,259,725	\$ 940,541,289
Yield on Interest Earning Assets (GAAP)	5.99%	5.99%	5.81%	5.66%	5.37%	5.99%	5.37%
Yield on Interest-Earning Assets (FTE) (Non-GAAP)	5.99%	5.99%	5.83%	5.68%	5.38%	5.99%	5.38%
Net Interest Margin (NIM) (GAAP)	2.54%	2.62%	2.58%	2.74%	3.10%	2.54%	2.97%
Net Interest Margin (NIM) (FTE) (Non-GAAP)	2.54%	2.62%	2.59%	2.76%	3.12%	2.54%	3.12%

<sup>2</sup> Net interest margin is calculated as fully taxable equivalent net interest income divided by average earning assets and represents the Bank's net yield on its earning assets

<sup>3</sup>**Efficiency Ratio (Non-GAAP)**

	Quarter Ending					Year Ending	
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	March 31, 2024	March 31, 2023
Net Interest Income	\$ 6,547,159	\$ 6,769,292	\$ 6,526,324	\$ 6,697,705	\$ 7,198,492	\$ 6,547,158	\$ 7,198,492
Non-Interest Income	1,174,334	1,025,392	816,250	1,112,000	941,701	1,174,333	941,700
Total Revenue	\$ 7,721,494	\$ 7,794,684	\$ 7,342,574	\$ 7,809,705	\$ 8,140,193	\$ 7,721,492	\$ 8,140,193
Non-Interest Expense	6,226,327	5,762,926	5,612,199	5,390,599	6,411,589	6,226,326	6,411,589
Efficiency Ratio (Non-GAAP)	80.64%	73.93%	76.43%	69.02%	78.76%	80.64%	78.76%

<sup>4</sup>**Liquidity Ratios (Non-GAAP)**

	Quarter Ending				
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Available-for-Sale Securities (as % of total securities)	91.31%	91.31%	90.96%	90.41%	91.89%
Uninsured Deposits to Total Deposits	24.31%	25.65%	28.10%	25.78%	21.77%
Total Liquidity to Uninsured Deposits	156.40%	130.30%	120.27%	120.82%	149.16%
Total Liquidity to Unfunded Commitments, CDs and Borrowings maturing in next 30 day	386.89%	258.26%	345.53%	213.43%	206.92%
Tangible Common Equity Ratio	7.09%	7.12%	7.14%	7.43%	7.62%
Tangible Common Equity Ratio(adjusted for unrealized losses on HTM Securities)	6.85%	6.88%	6.83%	7.16%	7.38%

<sup>4</sup> Total Liquidity is the sum of cash, cash balances at banks, unencumbered available-for-sale securities and secured borrowing availability at the Federal Reserve and the Federal Home Loan Bank.

<sup>5</sup>**Total Revenue (Non-GAAP)**

	Quarter Ending					Year-to-Date	
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	March 31, 2024	March 31, 2023
Net Interest Income	\$ 6,547,159	\$ 6,769,292	\$ 6,526,324	\$ 6,697,705	\$ 7,198,492	\$ 27,191,814	\$ 31,587,930
Non-Interest Income	1,174,334	1,025,392	816,250	1,112,000	941,701	3,895,342	5,698,937
Total Revenue (non-GAAP)	\$ 7,721,494	\$ 7,794,684	\$ 7,342,574	\$ 7,809,705	\$ 8,140,193	\$ 31,087,156	\$ 37,286,867