STATEMENT OF CONDITION

December 31, 2019

ASSETS
Cash and due from banks ................................................................. $ 10,218
Interest-bearing deposits with banks ............................................... 56,407
Total cash and cash equivalents ..................................................... 66,625
Investment securities available for sale, at fair value ...................... 400,358
Investment securities held to maturity, at amortized cost, fair value of $10,243 10,245
Equity securities, at fair value ......................................................... 9,965
Loans, net of allowance for loan losses of $19,574 ......................... 2,376,570
Accrued interest receivable ......................................................... 8,407
Bank owned life insurance .......................................................... 84,320
Federal Home Loan Bank of New York (FHLBNY) stock - at cost 23,329
Deferred tax asset ................................................................ 22,632
Premises and equipment - net ...................................................... 16,192
Goodwill .............................................................................. 17,317
Other assets ........................................................................ 5,755
TOTAL ASSETS ........................................................................ $ 3,041,715

LIABILITIES AND RETAINED EARNINGS
Liabilities:
Deposits .................................................................................. $ 2,166,638
Borrowings .............................................................................. 441,966
Advances from borrowers for taxes and insurance ..................... 13,615
Accounts payable and other liabilities ...................................... 76,285
TOTAL LIABILITIES ................................................................. $ 2,698,504
Equity:
Retained Earnings, substantially restricted ............................... 356,355
Accumulated other comprehensive loss - net of taxes ............ (13,144)
TOTAL RETAINED EARNINGS .............................................. $ 343,211

TOTAL LIABILITIES AND RETAINED EARNINGS ................. $ 3,041,715

REGULATORY CAPITAL REQUIREMENTS
December 31, 2019

<table>
<thead>
<tr>
<th></th>
<th>Amount (in thousands)</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capital (to risk - weighted assets)</td>
<td>$ 357,206</td>
<td>16.39%</td>
</tr>
<tr>
<td>Actual</td>
<td>174,685</td>
<td>8.00%</td>
</tr>
<tr>
<td>Required</td>
<td></td>
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<tr>
<td>Excess</td>
<td>$ 182,521</td>
<td>8.39%</td>
</tr>
<tr>
<td>Tier I Capital (to risk - weighted assets)</td>
<td>$ 337,632</td>
<td>15.49%</td>
</tr>
<tr>
<td>Actual</td>
<td>131,014</td>
<td>6.00%</td>
</tr>
<tr>
<td>Required</td>
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<td></td>
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<tr>
<td>Excess</td>
<td>$ 206,618</td>
<td>9.49%</td>
</tr>
<tr>
<td>Core Capital (to adjusted total assets)</td>
<td>$ 337,632</td>
<td>11.16%</td>
</tr>
<tr>
<td>Actual</td>
<td>121,230</td>
<td>4.00%</td>
</tr>
<tr>
<td>Required</td>
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<td></td>
</tr>
<tr>
<td>Excess</td>
<td>$ 216,402</td>
<td>7.16%</td>
</tr>
</tbody>
</table>

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, President 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, President & CEO Spencer Savings Bank, SLA

STATEMENT OF INCOME

December 31, 2019

INTEREST INCOME
Interest-bearing deposits with banks ........................................... $ 514
Investment securities ............................................................... 16,337
Loans .................................................................................. 97,073
Total interest income ............................................................... $ 113,924

INTEREST EXPENSE
Deposits .................................................................................. $ 27,242
Borrowings .............................................................................. 12,384
Total interest expense ............................................................... $ 39,626

Net interest income before provision for loan losses ................ $ 74,298
Provision for loan losses ......................................................... 6,250
Net interest income after provision for loan losses .................... $ 68,048

NON-INTEREST INCOME
Service charges ...................................................................... $ 1,939
Income from bank-owned life insurance ................................... 2,281
Impairment losses on securities available for sale .................... (23)
Other income ....................................................................... 1,414
Total non-interest income ....................................................... $ 5,611

NON-INTEREST EXPENSE
Compensation & employee benefits ........................................... $ 34,363
Occupancy and equipment ....................................................... 7,071
Data processing .................................................................... 2,832
Professional and legal fees ...................................................... 3,432
FDIC deposit insurance premiums ........................................... 61
Advertising ........................................................................... 1,180
Other .................................................................................. 3,493
Total non-interest expense ....................................................... $ 52,432

INCOME BEFORE INCOME TAXES ........................................... $ 21,227
INCOME TAXES ................................................................... $ 4,276
NET INCOME ...................................................................... $ 16,951