

QUARTERLY REPORT

September 30, 2023

SOMERSET TRUST HOLDING COMPANY

Financial Highlights *(in thousands)*

	September 30	
	2023	2022
ASSETS		
Cash and due from banks	\$ 50,788	\$ 40,877
Securities	567,742	565,988
Loans	1,358,930	1,260,951
Less allowance for loan losses	(17,175)	(18,860)
Net loans	1,341,755	1,242,091
Premises and equipment, net	46,488	36,504
Other assets	94,363	91,215
Total assets	<u>\$ 2,101,137</u>	<u>\$ 1,976,675</u>
LIABILITIES		
Total deposits	1,813,520	1,694,530
Borrowings	161,080	170,009
Other liabilities	20,176	24,356
Total liabilities	1,994,776	1,888,895
STOCKHOLDERS' EQUITY	106,361	87,780
Total liabilities and stockholders' equity	<u>\$ 2,101,137</u>	<u>\$ 1,976,675</u>

	September 30	
	2023	2022
INTEREST INCOME		
Total interest income	\$ 78,075	\$ 56,318
Total interest expense	17,049	5,205
Net interest income	61,026	51,113
Provision for possible loan losses	1,500	1,045
Net interest income after provision	59,526	50,068
OTHER INCOME		
Trust department income	3,261	3,078
Service fees	7,613	7,660
Other operating income	1,408	1,695
Net securities gains (losses)	(253)	-
Total other income	12,029	12,433
OTHER EXPENSES		
Salaries and employee benefits	25,143	24,588
Occupancy and equipment	6,147	5,264
Other operating expense	15,886	14,559
Total other expenses	47,177	44,411
INCOME BEFORE INCOME TAXES	24,378	18,090
INCOME TAX EXPENSE	3,868	2,447
NET INCOME	<u>\$ 20,510</u>	<u>\$ 15,644</u>

Unaudited

	September 30	
	2023	2022
PER SHARE DATA		
Earnings per share	\$ 8.13	\$ 6.20
Dividends.....	0.40	0.39
PERFORMANCE RATIOS		
Return on average assets	1.33 %	1.09 %
Return on average equity	24.12 %	18.07 %
Net interest margin	4.12 %	3.69 %
Net overhead/average assets.....	2.22 %	2.17 %
BALANCE SHEET RATIOS		
Loans to deposits	73.99 %	73.30 %
Securities to assets	27.02 %	28.63 %
ASSET QUALITY RATIOS		
Allowance for loan losses to total loans.....	1.26 %	1.50 %
Non-performing loans to total loans.....	0.48 %	0.45 %
Non-performing assets to total assets.....	0.33 %	0.30 %
Coverage ratio.....	260.70 %	331.69 %
CAPITAL ADEQUACY		
Tier 1 common equity (CET1) (in thousands).....	\$ 173,274	\$ 150,377
Leverage ratio.....	8.43 %	7.84 %
CET1 capital ratio.....	11.11 %	10.32 %
Total capital ratio.....	12.31 %	11.57 %

	9/30/2023	9/30/2022	% Change
GROWTH RATES (in thousands)			
Net income	\$ 20,510	\$ 15,644	31.11 %
Total deposits.....	1,813,520	1,694,530	7.02 %
Total assets.....	2,101,137	1,976,675	6.30 %
Total loans	1,358,930	1,260,951	7.77 %
Trust assets	767,050	696,747	10.09 %

Unaudited

Board of Directors

Thomas J. Cook, Esq.
Somerset Trust Company

Sean M. Cook
Somerset Trust Company

Jeffrey P. Anzovino
Deluzio & Company LLP

Vickie L. Beer
Beer, Ream & Company

Sean C. Isgan
CME Management LLC

James G. Knepper, Jr.
The Knepper Agency Inc.

Troy A. Miller
Luther P. Miller, Inc.

Ann B. Persun
Somerset Trust Company

J. Scott Roberts
Sunstorm LLC

Gregory D. Glosser
M. Glosser and Sons, Inc.

Holding Company Officers

Sean M. Cook
President

Christopher R. Robbins
Secretary

Jennifer A. Sheeler
Treasurer