

METROCITY BANKSHARES, INC.

FOR IMMEDIATE RELEASE

METROCITY BANKSHARES, INC. REPORTS EARNINGS FOR FIRST QUARTER 2021

ATLANTA, GA (April 23, 2021) – MetroCity Bankshares, Inc. (“MetroCity” or the “Company”) (NASDAQ: MCBS), holding company for Metro City Bank (the “Bank”), today reported net income of \$13.0 million, or \$0.50 per diluted share, for the first quarter of 2021, compared to \$9.5 million, or \$0.37 per diluted share, for the fourth quarter of 2020, and \$9.8 million, or \$0.38 per diluted share, for the first quarter of 2020.

First Quarter 2021 Highlights:

- Annualized return on average assets was 2.62%, compared to 2.14% for the fourth quarter of 2020 and 2.44% for the first quarter of 2020.
- Annualized return on average equity was 21.35%, compared to 15.78% for the fourth quarter of 2020 and 18.21% for the first quarter of 2020.
- Efficiency ratio of 36.0%, compared to 45.1% for the fourth quarter of 2020 and 42.9% for the first quarter of 2020.
- Total assets increased by \$256.9 million, or 13.5%, to \$2.15 billion from the previous quarter.
- Total loans increased by \$236.4 million, or 14.5%, to \$1.87 billion from the previous quarter.
- Total deposits increased by \$266.0 million, or 18.0%, to \$1.75 billion from the previous quarter.
- Net interest margin increased to 4.60%, compared to 4.46% for the fourth quarter of 2020 and 4.19% for the first quarter of 2020.

COVID-19 Pandemic

The Company prioritizes the health and safety of its employees and customers, and continues to take protective measures during the ongoing coronavirus (COVID-19) pandemic, such as implementing remote work arrangements to the fullest extent possible and by adjusting banking center hours and operational measures to promote social distancing. At the same time, the Company continues to closely monitor the effects of the COVID-19 pandemic on our loan and deposit customers, and is assessing the risks in our loan portfolio and working with our customers to reduce the pandemic’s impact on them while minimizing losses for the Company. Meanwhile, the Company remains focused on improving shareholder value, managing credit exposure, monitoring expenses, enhancing the customer experience and supporting the communities it serves.

We have implemented loan programs to allow customers who are experiencing hardships from the COVID-19 pandemic to defer loan principal and interest payments for up to twelve months. The Small Business Administration (the “SBA”) made debt relief payments for the principal, interest and fee payments of all our SBA loan customers for six months through the end of September 2020. As of March 31, 2021, we had nine non-SBA commercial customers with outstanding loan balances totaling \$26.5 million that were under approved payment deferrals. This is a decline from the active payment deferrals as of December 31, 2020 that were granted to 14 non-SBA commercial customers with outstanding balances totaling \$42.0 million. Included in the current

non-SBA payment deferrals were four loans totaling \$10.7 million with a weighted average loan-to-value (“LTV”) of 37.3% in the hotel industry and no loans in the restaurant industry, which are two industries heavily impacted by the COVID-19 pandemic. As of March 31, 2021, we had approved three month payment deferrals for 14 SBA loans with outstanding gross loan balances totaling \$32.6 million (\$8.1 million unguaranteed book balance). Of these SBA payment deferrals, eight loans totaling \$18.0 million (\$4.5 million unguaranteed book balance) were in the restaurant industry and no loans were in the hotel industry. As of March 31, 2021, the Company had 49 loans totaling \$123.4 million in the hotel industry and 117 loans totaling \$36.7 million in the restaurant industry.

As of March 31, 2021, our residential real estate loan portfolio made up 63.0% of our total loan portfolio and had a weighted average amortized LTV of approximately 55.6%. As of March 31, 2021, only 0.4% of our residential mortgages remain on hardship payment deferral covering principal and interest payments for two to six months. This is a significant decrease from the first round of payment deferrals granted during the second quarter of 2020, which made up 19.2% of our residential mortgage balances as of June 30, 2020, and a slight decrease from the last round of payment deferrals granted during the fourth quarter of 2020, which made up 1.0% of our residential mortgage balances as of December 31, 2020.

As a preferred SBA lender, we are participating in the Paycheck Protection Program (“PPP”) created under the Coronavirus Aid, Relief and Economic Security Act and implemented by the SBA to help provide loans to our business customers in need. During the first round of PPP funding in the second and third quarters of 2020, the Company approved and funded over 1,800 PPP loans totaling \$97.0 million. These PPP loans were funded with our current cash balances and all PPP loans are fully guaranteed by the SBA. As of April 20, 2021, the SBA had granted forgiveness for these PPP loans totaling \$29.1 million, or 30.0% of PPP loans funded.

The Economic Aid Act, signed into law on December 27, 2020, authorized an additional \$284.5 billion in new PPP funding and extends the authority of lenders to make PPP loans through March 31, 2021. We participated in this new round of PPP loan funding by offering first and second draw loans. As of March 31, 2021, the Company had approved and funded 773 loans totaling \$46.7 million under this new round of PPP loan funding.

Based on the Company’s capital levels as of March 31, 2021, conservative underwriting policies, low LTV ratios, and strong liquidity position, management expects to be able to continue to assist the Company’s customers and communities during these difficult times, manage the economic risks and uncertainties associated with the ongoing COVID-19 pandemic and remain well capitalized.

Results of Operations

Net Income

Net income was \$13.0 million for the first quarter of 2021, an increase of \$3.5 million, or 37.3%, from \$9.5 million for the fourth quarter of 2020. This increase was due to an increase in net interest income of \$3.1 million, an increase in noninterest income of \$2.0 million and a decrease in noninterest expense of \$369,000, offset by an increase in provision for loan losses of \$643,000 and an increase in provision for income taxes of \$1.4 million. Net income increased \$3.2 million, or 32.2%, in the first quarter of 2021 compared to net income of \$9.8 million for the first quarter of 2020. This increase was due to an increase in net interest income of \$5.6 million and an increase in noninterest income of \$577,000, offset by an increase in provision for loan losses of \$1.6 million, an increase in noninterest expense of \$559,000 and an increase in provision for income taxes of \$878,000.

Net Interest Income and Net Interest Margin

Interest income totaled \$22.7 million for the first quarter of 2021, an increase of \$2.8 million, or 14.3%, from the previous quarter, primarily due to a six basis points increase in the yield on average loans and a \$231.5 million increase in average loan balances. We also recognized PPP loan fee income of \$1.1 million during the first quarter of 2021. As compared to the first quarter of 2020, interest income for the first quarter of 2021 increased by \$2.1 million, or 10.3%, primarily due to an increase in average loan balances of \$469.7 million.

Interest expense totaled \$1.1 million for the first quarter of 2021, a decrease of \$273,000, or 19.3%, from the previous quarter, primarily due to a 12 basis points decrease in the cost of average money market deposits and a 24 basis points decrease in the cost of average time deposits. As compared to the first quarter of 2020, interest expense for the first quarter of 2021 decreased by \$3.5 million, or 75.5%, primarily due to a 150 basis points decrease in deposit costs coupled with a \$234.1 million decrease in higher cost average time deposits.

The net interest margin for the first quarter of 2021 was 4.60% compared to 4.46% for the previous quarter, an increase of 14 basis points. The cost of interest-bearing liabilities for the first quarter of 2021 decreased by 18 basis points to 0.38% compared with the previous quarter, while the yield on interest-earning assets for the first quarter of 2021 increased by 5 basis points to 4.85% from 4.80% for the previous quarter. Average earning assets increased by \$252.4 million from the previous quarter, primarily due to an increase in average loans of \$231.5 million and a \$28.5 million increase in average interest-earning cash accounts. Average interest-bearing liabilities increased by \$210.6 million from the previous quarter as average interest-bearing deposits increased by \$211.4 million and average borrowings decreased by \$725,000. The inclusion of PPP loan average balances, interest and fees had a one basis point impact on the yield on average loans and a three basis points impact on the net interest margin for the first quarter of 2021.

As compared to the same period in 2020, the net interest margin for the first quarter of 2021 increased by 41 basis points to 4.60% from 4.19%, primarily due to a 140 basis point decrease in the cost of interest-bearing liabilities of \$1.21 billion and a decrease of 57 basis points in the yield on average interest-earning assets of \$1.90 billion. Average earning assets for the first quarter of 2021 increased by \$371.5 million from the first quarter of 2020, primarily due to a \$469.7 million increase in average loans, offset by a \$67.7 million decrease in average interest-earning cash accounts and a \$32.0 million decrease in average securities purchased under agreements to resell. Average interest-bearing liabilities for the first quarter of 2021 increased by \$156.5 million from the first quarter of 2020, driven by an increase in average interest-bearing deposits of \$144.9 million and an increase in average borrowings of \$11.6 million.

Noninterest Income

Noninterest income for the first quarter of 2021 was \$8.2 million, an increase of \$2.0 million, or 33.4%, from the fourth quarter of 2020, primarily due to higher mortgage and SBA servicing income and gains on sale of SBA loans. During the first quarter of 2021, we recorded a \$896,000 fair value adjustment gain on our SBA servicing asset and a \$200,000 fair value impairment recovery on our mortgage servicing asset. These servicing asset adjustments had a \$0.03 per share impact on our diluted earnings per share for the quarter.

Compared to the same period in 2020, noninterest income for the first quarter of 2021 increased by \$577,000, or 7.6%, primarily due to the increase in mortgage loan fees and SBA servicing income, offset by a decrease in gains earned from the sales of mortgage loans. Mortgage loan originations totaled \$263.7 million during the first quarter of 2021 compared to \$120.1 million during the first quarter of 2021. There were no

mortgage loan sales during the first quarter of 2021 compared to mortgage loan sales of \$92.7 million during the same period in 2020.

Noninterest Expense

Noninterest expense for the first quarter of 2021 totaled \$10.7 million, a decrease of \$369,000, or 3.3%, from \$11.1 million for the fourth quarter of 2020. This decrease was primarily attributable to lower salaries and employee benefits and professional fees. Compared to the first quarter of 2020, noninterest expense during the first quarter of 2021 increased by \$559,000, or 5.5%, primarily due to higher salaries and employee benefits and loan related expenses.

The Company's efficiency ratio was 36.0% for the first quarter of 2021 compared to 45.1% and 42.9% for the fourth quarter of 2020 and first quarter of 2020, respectively.

Income Tax Expense

The Company's effective tax rate for the first quarter of 2021 was 25.5%, compared to 24.6% for the fourth quarter of 2020 and 26.6% for the first quarter of 2020.

Balance Sheet

Total Assets

Total assets were \$2.15 billion at March 31, 2021, an increase of \$256.9 million, or 13.5%, from \$1.90 billion at December 31, 2020, and an increase of \$549.8 million, or 34.3%, from \$1.60 billion at March 31, 2020. The \$256.9 million increase in total assets at March 31, 2021 compared to December 31, 2020 was primarily due to increases in loans of \$236.4 million and cash and due from banks of \$29.0 million, partially offset by a \$5.5 million decrease in federal funds sold and \$1.6 million increase in the allowance for loan losses. The \$549.8 million increase in total assets at March 31, 2021 compared to March 31, 2020 was primarily due to increases in loans of \$605.2 million and bank owned life insurance of \$15.7 million, partially offset by decreases in cash and due from banks of \$31.2 million, securities purchased under agreements to resell of \$40.0 million and an increase in the allowance for loan losses of \$4.9 million.

Loans

Loans held for investment were \$1.87 billion at March 31, 2021, an increase of \$236.4 million, or 14.5%, compared to \$1.63 billion at December 31, 2020, and an increase of \$605.2 million, or 48.0%, compared to \$1.26 billion at March 31, 2020. The increase in loans held for investment at March 31, 2021 compared to December 31, 2020 was primarily due to a \$206.9 million increase in residential mortgages, a \$29.6 million increase in commercial and industrial loans and a \$6.5 million increase in construction and development loans, offset by a \$4.1 million decrease in commercial real estate loans. Included in commercial and industrial loans are PPP loans totaling \$125.6 million as of March 31, 2021. There were no loans classified as held for sale at March 31, 2021, December 31, 2020 or March 31, 2020.

Deposits

Total deposits were \$1.75 billion at March 31, 2021, an increase of \$266.0 million, or 18.0%, compared to total deposits of \$1.48 billion at December 31, 2020, and an increase of \$503.0 million, or 40.5%, compared to total deposits of \$1.24 billion at March 31, 2020. The increase in total deposits at March 31, 2021 compared

to December 31, 2020 was primarily due to the \$83.3 million increase in noninterest-bearing demand deposits, \$135.4 million increase in money market accounts, \$11.7 million increase in interest-bearing demand deposits, and a \$34.6 million increase in time deposits. The increase in money market accounts was mostly due to the addition of \$135.2 million in brokered money market accounts during the quarter.

Noninterest-bearing deposits were \$546.2 million at March 31, 2021, compared to \$462.9 million at December 31, 2020 and \$321.0 million at March 31, 2020. Noninterest-bearing deposits constituted 31.3% of total deposits at March 31, 2021, compared to 31.3% at December 31, 2020 and 25.8% at March 31, 2020. Interest-bearing deposits were \$1.2 billion at March 31, 2021, compared to \$1.0 billion at December 31, 2020 and \$921.9 million at March 31, 2020. Interest-bearing deposits constituted 68.7% of total deposits at March 31, 2021, compared to 68.7% at December 31, 2020 and 74.2% at March 31, 2020.

Asset Quality

The Company recorded a provision for loan losses of \$1.6 million during the first quarter of 2021. Annualized net charge-offs to average loans for the first quarter of 2021 was 0.00%, compared to 0.04% for the fourth quarter of 2020 and a net recovery of 0.01% for the first quarter of 2020. We continue to include qualitative factors in our allowance for loan losses calculation in light of the continued economic uncertainties caused by the ongoing COVID-19 pandemic, resulting in the increased provision expense recorded during the first quarter of 2021. The Company is not required to implement the provisions of the current expected credit losses accounting standard issued by the Financial Accounting Standards Board in the Accounting Standards Update No. 2016-13 until January 1, 2023, and is continuing to account for the allowance for loan losses under the incurred loss model.

Nonperforming assets totaled \$15.8 million, or 0.73% of total assets, at March 31, 2021, a decrease of \$1.1 million from \$16.9 million, or 0.89% of total assets, at December 31, 2020, and an increase of \$1.5 million from \$14.3 million, or 0.89% of total assets, at March 31, 2020. The decrease in nonperforming assets at March 31, 2021 compared to December 31, 2020 was due to a \$1.1 million decrease in nonaccrual loans.

Allowance for loan losses as a percentage of total loans was 0.63% at March 31, 2021, compared to 0.62% at December 31, 2020 and 0.54% at March 31, 2020. Excluding outstanding PPP loans of \$125.6 million as of March 31, 2021 and \$92.4 million as of December 31, 2020, the allowance for loan losses as a percentage of total loans was 0.67% at March 31, 2021 and 0.66% at December 31, 2020. Allowance for loan losses as a percentage of nonperforming loans was 98.33% at March 31, 2021, compared to 77.40% and 49.47% at December 31, 2020 and March 31, 2020, respectively.

About MetroCity Bankshares, Inc.

MetroCity Bankshares, Inc. is a Georgia corporation and a registered bank holding company for its wholly-owned banking subsidiary, Metro City Bank, which is headquartered in the Atlanta, Georgia metropolitan area. Founded in 2006, Metro City Bank currently operates 19 full-service branch locations in multi-ethnic communities in Alabama, Florida, Georgia, New York, New Jersey, Texas and Virginia. To learn more about Metro City Bank, visit www.metrocitybank.bank.

Forward-Looking Statements

Statements in this press release regarding future events and our expectations and beliefs about our future financial performance and financial condition, as well as trends in our business and markets, including statements regarding the potential effects of the ongoing COVID-19 pandemic on our business and financial results and

conditions, constitute “forward-looking statements” within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are not historical in nature and may be identified by references to a future period or periods of by the use of the words “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” “project,” “outlook,” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” or “may.” The forward-looking statements in this press release should not be relied on because they are based on current information and on assumptions that we make about future events and circumstances that are subject to a number of known and unknown risks and uncertainties that are often difficult to predict and beyond our control. As a result of those risks and uncertainties, and other factors, our actual financial results in the future could differ, possibly materially, from those expressed in or implied by the forward-looking statements contained in this press release and could cause us to make changes to our future plans. Factors that might cause such differences include, but are not limited to: general business and economic conditions, particularly those affecting the financial services; the impact of the ongoing COVID-19 pandemic on the Company’s assets, business, cash flows, financial condition, liquidity, prospects and results of operations; potential increases in the provision for loan losses resulting from the ongoing COVID-19 pandemic; changes in the interest rate environment, including changes to the federal funds rate; competition in our markets that may result in increased funding costs or reduced earning assets yields, thus reducing margins and net interest income; interest rate fluctuations, which could have an adverse effect on the Company’s profitability; legislation or regulatory changes which could adversely affect the ability of the consolidated Company to conduct business combinations or new operations, including changes to statutes, regulations or regulatory policies or practices as a result of, or in response to, the ongoing COVID-19 pandemic; changes in tax laws; and adverse results from current or future litigation, regulatory examinations or other legal and/or regulatory actions, including as a result of the Company’s participation in and execution of government programs related to the ongoing COVID-19 pandemic. Therefore, the Company can give no assurance that the results contemplated in the forward-looking statements will be realized. Additional information regarding these and other risks and uncertainties to which our business and future financial performance are subject is contained in the sections titled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in the Company’s most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q on file with the U.S. Securities and Exchange Commission (the “SEC”), and in other documents that we file with the SEC from time to time, which are available on the SEC’s website, <http://www.sec.gov>. In addition, our actual financial results in the future may differ from those currently expected due to additional risks and uncertainties of which we are not currently aware or which we do not currently view as, but in the future may become, material to our business or operating results. Due to these and other possible uncertainties and risks, readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release or to make predictions based solely on historical financial performance. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, express or implied, included in this press release are qualified in their entirety by this cautionary statement.

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METROCITY BANKSHARES, INC.
SELECTED FINANCIAL DATA

| | As of and for the Three Months Ended | | | | |
|---|--------------------------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
| <i>(Dollars in thousands, except per share data)</i> | | | | | |
| Selected income statement data: | | | | | |
| Interest income | \$ 22,672 | \$ 19,839 | \$ 18,131 | \$ 19,083 | \$ 20,556 |
| Interest expense | 1,138 | 1,411 | 2,192 | 3,240 | 4,646 |
| Net interest income | 21,534 | 18,428 | 15,939 | 15,843 | 15,910 |
| Provision for loan losses | 1,599 | 956 | 1,450 | 1,061 | — |
| Noninterest income | 8,186 | 6,138 | 7,964 | 5,500 | 7,509 |
| Noninterest expense | 10,708 | 11,077 | 10,150 | 9,724 | 10,049 |
| Income tax expense | 4,432 | 3,079 | 2,918 | 2,819 | 3,554 |
| Net income | 12,981 | 9,454 | 9,385 | 7,739 | 9,816 |
| Per share data: | | | | | |
| Basic income per share | \$ 0.51 | \$ 0.37 | \$ 0.37 | \$ 0.30 | \$ 0.38 |
| Diluted income per share | \$ 0.50 | \$ 0.37 | \$ 0.36 | \$ 0.30 | \$ 0.38 |
| Dividends per share | \$ 0.10 | \$ 0.09 | \$ 0.09 | \$ 0.11 | \$ 0.11 |
| Book value per share (at period end) | \$ 9.95 | \$ 9.54 | \$ 9.23 | \$ 8.94 | \$ 8.76 |
| Shares of common stock outstanding | 25,674,573 | 25,674,573 | 25,674,067 | 25,674,067 | 25,529,891 |
| Weighted average diluted shares | 25,881,827 | 25,870,885 | 25,858,741 | 25,717,339 | 25,736,435 |
| Performance ratios: | | | | | |
| Return on average assets | 2.62 % | 2.14 % | 2.20 % | 1.89 % | 2.44 % |
| Return on average equity | 21.35 | 15.78 | 16.22 | 13.92 | 18.21 |
| Dividend payout ratio | 19.91 | 24.60 | 24.78 | 36.53 | 28.80 |
| Yield on total loans | 5.20 | 5.14 | 5.05 | 5.69 | 6.11 |
| Yield on average earning assets | 4.85 | 4.80 | 4.51 | 4.93 | 5.42 |
| Cost of average interest bearing liabilities | 0.38 | 0.56 | 0.91 | 1.32 | 1.78 |
| Cost of deposits | 0.36 | 0.55 | 0.94 | 1.38 | 1.86 |
| Net interest margin | 4.60 | 4.46 | 3.97 | 4.09 | 4.19 |
| Efficiency ratio ⁽¹⁾ | 36.03 | 45.09 | 42.46 | 45.56 | 42.91 |
| Asset quality data (at period end): | | | | | |
| Net charge-offs/(recoveries) to average loans held for investment | 0.00 % | 0.04 % | 0.00 % | 0.01 % | (0.01)% |
| Nonperforming assets to gross loans and OREO | 0.84 | 1.03 | 1.19 | 1.00 | 1.13 |
| ALL to nonperforming loans | 98.33 | 77.40 | 54.24 | 59.66 | 49.47 |
| ALL to loans held for investment | 0.63 | 0.62 | 0.64 | 0.58 | 0.54 |
| Balance sheet and capital ratios: | | | | | |
| Gross loans held for investment to deposits | 107.33 % | 110.48 % | 109.50 % | 101.48 % | 101.67 % |
| Noninterest bearing deposits to deposits | 31.28 | 31.28 | 34.44 | 33.28 | 25.83 |
| Common equity to assets | 11.85 | 12.90 | 13.63 | 13.32 | 13.94 |
| Leverage ratio | 12.23 | 13.44 | 13.44 | 13.44 | 13.40 |
| Common equity tier 1 ratio | 19.23 | 20.00 | 21.09 | 21.75 | 21.75 |
| Tier 1 risk-based capital ratio | 19.23 | 20.00 | 21.09 | 21.75 | 21.75 |
| Total risk-based capital ratio | 20.15 | 20.86 | 21.96 | 22.53 | 22.44 |
| Mortgage and SBA loan data: | | | | | |
| Mortgage loans serviced for others | \$ 856,432 | \$ 961,670 | \$ 1,063,500 | \$ 1,136,824 | \$ 1,186,825 |
| Mortgage loan production | 263,698 | 194,951 | 120,337 | 48,850 | 120,076 |
| Mortgage loan sales | — | — | — | — | 92,737 |
| SBA loans serviced for others | 521,182 | 507,442 | 500,047 | 476,629 | 464,576 |
| SBA loan production | 76,558 | 34,631 | 52,742 | 114,899 | 43,447 |
| SBA loan sales | 22,399 | 25,505 | 37,923 | 35,247 | 29,958 |

(1) Represents noninterest expense divided by the sum of net interest income plus noninterest income.

METROCITY BANKSHARES, INC.
CONSOLIDATED BALANCE SHEETS (UNAUDITED)

| | As of the Quarter Ended | | | | |
|--|-------------------------|----------------------|-----------------------|---------------------|---------------------|
| | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
| <i>(Dollars in thousands, except per share data)</i> | | | | | |
| ASSETS | | | | | |
| Cash and due from banks | \$ 169,775 | \$ 140,744 | \$ 109,263 | \$ 208,325 | \$ 201,020 |
| Federal funds sold | 4,444 | 9,944 | 17,268 | 7,444 | 6,618 |
| Cash and cash equivalents | 174,219 | 150,688 | 126,531 | 215,769 | 207,638 |
| Securities purchased under agreements to resell | — | — | 40,000 | 40,000 | 40,000 |
| Securities available for sale (at fair value) | 18,739 | 18,117 | 18,204 | 18,415 | 18,182 |
| Loans | 1,866,785 | 1,630,344 | 1,459,899 | 1,364,989 | 1,261,603 |
| Allowance for loan losses | (11,735) | (10,135) | (9,339) | (7,894) | (6,859) |
| Loans less allowance for loan losses | 1,855,050 | 1,620,209 | 1,450,560 | 1,357,095 | 1,254,744 |
| Loans held for sale | — | — | — | — | — |
| Accrued interest receivable | 10,515 | 10,671 | 7,999 | 8,270 | 5,534 |
| Federal Home Loan Bank stock | 3,951 | 6,147 | 5,723 | 4,873 | 4,873 |
| Premises and equipment, net | 13,663 | 13,854 | 14,083 | 14,231 | 14,344 |
| Operating lease right-of-use asset | 10,483 | 10,348 | 10,786 | 11,220 | 11,663 |
| Foreclosed real estate, net | 3,844 | 3,844 | 282 | 423 | 423 |
| SBA servicing asset, net | 10,535 | 9,643 | 10,173 | 8,446 | 7,598 |
| Mortgage servicing asset, net | 11,722 | 12,991 | 14,599 | 16,064 | 16,791 |
| Bank owned life insurance | 36,033 | 35,806 | 35,578 | 20,450 | 20,335 |
| Other assets | 5,606 | 5,171 | 5,355 | 6,501 | 2,417 |
| Total assets | <u>\$ 2,154,360</u> | <u>\$ 1,897,489</u> | <u>\$ 1,739,873</u> | <u>\$ 1,721,757</u> | <u>\$ 1,604,542</u> |
| LIABILITIES | | | | | |
| Noninterest-bearing deposits | \$ 546,164 | \$ 462,909 | \$ 460,679 | \$ 449,185 | \$ 320,982 |
| Interest-bearing deposits | 1,199,756 | 1,016,980 | 877,112 | 900,713 | 921,899 |
| Total deposits | 1,745,920 | 1,479,889 | 1,337,791 | 1,349,898 | 1,242,881 |
| Federal Home Loan Bank advances | 80,000 | 110,000 | 100,000 | 80,000 | 80,000 |
| Other borrowings | 479 | 483 | 491 | 3,060 | 3,097 |
| Operating lease liability | 11,048 | 10,910 | 11,342 | 11,769 | 12,198 |
| Accrued interest payable | 206 | 222 | 310 | 549 | 760 |
| Other liabilities | 61,332 | 51,154 | 52,843 | 47,060 | 41,871 |
| Total liabilities | <u>\$ 1,898,985</u> | <u>\$ 1,652,658</u> | <u>\$ 1,502,777</u> | <u>\$ 1,492,336</u> | <u>\$ 1,380,807</u> |
| SHAREHOLDERS' EQUITY | | | | | |
| Preferred stock | — | — | — | — | — |
| Common stock | 257 | 257 | 257 | 257 | 255 |
| Additional paid-in capital | 55,977 | 55,674 | 55,098 | 54,524 | 54,142 |
| Retained earnings | 199,102 | 188,705 | 181,576 | 174,518 | 169,606 |
| Accumulated other comprehensive income (loss) | 39 | 195 | 165 | 122 | (268) |
| Total shareholders' equity | 255,375 | 244,831 | 237,096 | 229,421 | 223,735 |
| Total liabilities and shareholders' equity | <u>\$ 2,154,360</u> | <u>\$ 1,897,489</u> | <u>\$ 1,739,873</u> | <u>\$ 1,721,757</u> | <u>\$ 1,604,542</u> |

METROCITY BANKSHARES, INC.
CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

| | Three Months Ended | | | | |
|--|--------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
| <i>(Dollars in thousands, except per share data)</i> | | | | | |
| Interest and dividend income: | | | | | |
| Loans, including Fees | \$ 22,500 | \$ 19,658 | \$ 17,880 | \$ 18,826 | \$ 19,508 |
| Other investment income | 170 | 164 | 187 | 196 | 882 |
| Federal funds sold | 2 | 17 | 64 | 61 | 166 |
| Total interest income | <u>22,672</u> | <u>19,839</u> | <u>18,131</u> | <u>19,083</u> | <u>20,556</u> |
| Interest expense: | | | | | |
| Deposits | 992 | 1,262 | 2,046 | 3,096 | 4,514 |
| FHLB advances and other borrowings | 146 | 149 | 146 | 144 | 132 |
| Total interest expense | <u>1,138</u> | <u>1,411</u> | <u>2,192</u> | <u>3,240</u> | <u>4,646</u> |
| Net interest income | 21,534 | 18,428 | 15,939 | 15,843 | 15,910 |
| Provision for loan losses | 1,599 | 956 | 1,450 | 1,061 | — |
| Net interest income after provision for loan losses | 19,935 | 17,472 | 14,489 | 14,782 | 15,910 |
| Noninterest income: | | | | | |
| Service charges on deposit accounts | 373 | 350 | 309 | 277 | 376 |
| Other service charges, commissions and fees | 3,398 | 3,223 | 2,076 | 990 | 2,256 |
| Gain on sale of residential mortgage loans | — | — | — | — | 2,529 |
| Mortgage servicing income, net | 166 | (82) | 235 | 783 | 372 |
| Gain on sale of SBA loans | 1,854 | 1,625 | 2,265 | 1,276 | 1,301 |
| SBA servicing income, net | 2,133 | 724 | 2,931 | 1,959 | 516 |
| Other income | 262 | 298 | 148 | 215 | 259 |
| Total noninterest income | <u>8,186</u> | <u>6,138</u> | <u>7,964</u> | <u>5,500</u> | <u>7,609</u> |
| Noninterest expense: | | | | | |
| Salaries and employee benefits | 6,699 | 6,822 | 6,416 | 5,749 | 6,513 |
| Occupancy | 1,275 | 1,293 | 1,302 | 1,277 | 1,211 |
| Data Processing | 308 | 313 | 287 | 201 | 277 |
| Advertising | 145 | 138 | 127 | 140 | 161 |
| Other expenses | 2,281 | 2,511 | 2,018 | 2,357 | 1,987 |
| Total noninterest expense | <u>10,708</u> | <u>11,077</u> | <u>10,150</u> | <u>9,724</u> | <u>10,149</u> |
| Income before provision for income taxes | 17,413 | 12,533 | 12,303 | 10,558 | 13,370 |
| Provision for income taxes | 4,432 | 3,079 | 2,918 | 2,819 | 3,554 |
| Net income available to common shareholders | <u>\$ 12,981</u> | <u>\$ 9,454</u> | <u>\$ 9,385</u> | <u>\$ 7,739</u> | <u>\$ 9,816</u> |

METROCITY BANKSHARES, INC.
AVERAGE BALANCES AND YIELDS/RATES

| | Three Months Ended | | | | | | | | |
|---|--------------------|----------------------|-----------------|--------------------|----------------------|-----------------|--------------------|----------------------|-----------------|
| | March 31, 2021 | | | December 31, 2020 | | | March 31, 2020 | | |
| | Average Balance | Interest and Fees | Yield / Rate | Average Balance | Interest and Fees | Yield / Rate | Average Balance | Interest and Fees | Yield / Rate |
| <i>(Dollars in thousands)</i> | | | | | | | | | |
| Earning Assets: | | | | | | | | | |
| Federal funds sold and other investments ⁽¹⁾ | \$ 125,699 | \$ 72 | 0.23 % | \$ 97,228 | \$ 70 | 0.29 % | \$ 193,361 | \$ 802 | 1.67 % |
| Securities purchased under agreements to resell | — | — | — | 7,826 | 13 | 0.66 | 32,033 | 140 | 1.76 |
| Securities available for sale | 18,164 | 100 | 2.23 | 17,983 | 98 | 2.17 | 16,664 | 106 | 2.56 |
| Total investments | 143,863 | 172 | 0.48 | 123,037 | 181 | 0.59 | 242,058 | 1,048 | 1.74 |
| Construction and development | 40,954 | 531 | 5.26 | 34,145 | 453 | 5.28 | 27,233 | 397 | 5.86 |
| Commercial real estate | 491,635 | 7,078 | 5.84 | 488,746 | 6,779 | 5.52 | 476,684 | 7,520 | 6.34 |
| Commercial and industrial | 152,433 | 1,920 | 5.11 | 138,021 | 1,376 | 3.97 | 60,019 | 979 | 6.56 |
| Residential real estate | 1,068,495 | 12,930 | 4.91 | 860,977 | 11,018 | 5.09 | 718,469 | 10,571 | 5.92 |
| Consumer and other | 174 | 41 | 95.56 | 261 | 32 | 48.78 | 1,629 | 41 | 10.12 |
| Gross loans ⁽²⁾ | 1,753,691 | 22,500 | 5.20 | 1,522,150 | 19,658 | 5.14 | 1,284,034 | 19,508 | 6.11 |
| Total earning assets | 1,897,554 | 22,672 | 4.85 | 1,645,187 | 19,839 | 4.80 | 1,526,092 | 20,556 | 5.42 |
| Noninterest-earning assets | 111,164 | | | 111,078 | | | 93,504 | | |
| Total assets | 2,008,718 | | | 1,756,265 | | | 1,619,596 | | |
| Interest-bearing liabilities: | | | | | | | | | |
| NOW and savings deposits | 92,312 | 47 | 0.21 | 78,697 | 41 | 0.21 | 58,202 | 43 | 0.30 |
| Money market deposits | 534,192 | 337 | 0.26 | 346,193 | 328 | 0.38 | 189,262 | 669 | 1.42 |
| Time deposits | 491,913 | 608 | 0.50 | 482,162 | 893 | 0.74 | 726,034 | 3,802 | 2.11 |
| Total interest-bearing deposits | 1,118,417 | 992 | 0.36 | 907,052 | 1,262 | 0.55 | 973,498 | 4,514 | 1.86 |
| Borrowings | 87,483 | 146 | 0.68 | 88,208 | 149 | 0.67 | 75,876 | 132 | 0.70 |
| Total interest-bearing liabilities | 1,205,900 | 1,138 | 0.38 | 995,260 | 1,411 | 0.56 | 1,049,374 | 4,646 | 1.78 |
| Noninterest-bearing liabilities: | | | | | | | | | |
| Noninterest-bearing deposits | 483,691 | | | 453,984 | | | 299,088 | | |
| Other noninterest-bearing liabilities | 72,534 | | | 68,702 | | | 54,325 | | |
| Total noninterest-bearing liabilities | 556,225 | | | 522,686 | | | 353,413 | | |
| Shareholders' equity | 246,593 | | | 238,319 | | | 216,809 | | |
| Total liabilities and shareholders' equity | \$ 2,008,718 | | | \$ 1,756,265 | | | \$ 1,619,596 | | |
| Net interest income | | \$ 21,534 | | | \$ 18,428 | | | \$ 15,910 | |
| Net interest spread | | | 4.47 | | | 4.24 | | | 3.64 |
| Net interest margin | | | 4.60 | | | 4.46 | | | 4.19 |

(1) Includes income and average balances for term federal funds sold, interest-earning cash accounts and other miscellaneous interest-earning assets.

(2) Average loan balances include nonaccrual loans and loans held for sale.

METROCITY BANKSHARES, INC.
LOAN DATA

| | As of the Quarter Ended | | | | | | | | | |
|-------------------------------|-------------------------|------------|---------------------|------------|---------------------|------------|---------------------|------------|---------------------|------------|
| | March 31, 2021 | | December 31, 2020 | | September 30, 2020 | | June 30, 2020 | | March 31, 2020 | |
| | Amount | % of Total | Amount | % of Total | Amount | % of Total | Amount | % of Total | Amount | % of Total |
| <i>(Dollars in thousands)</i> | | | | | | | | | | |
| Construction and Development | \$ 52,202 | 2.8 % | \$ 45,653 | 2.8 % | \$ 38,607 | 2.6 % | \$ 42,847 | 3.1 % | \$ 36,477 | 2.9 % |
| Commercial Real Estate | 473,281 | 25.3 | 477,419 | 29.2 | 447,596 | 30.6 | 429,019 | 31.3 | 431,205 | 34.1 |
| Commercial and Industrial | 166,915 | 8.9 | 137,239 | 8.4 | 146,880 | 10.0 | 141,540 | 10.3 | 60,183 | 4.8 |
| Residential Real Estate | 1,181,385 | 63.0 | 974,445 | 59.6 | 831,334 | 56.7 | 755,521 | 55.2 | 734,262 | 58.1 |
| Consumer and other | 169 | — | 183 | — | 505 | 0.1 | 967 | 0.1 | 1,454 | 0.1 |
| Gross loans | \$ 1,873,952 | 100.0 % | \$ 1,634,939 | 100.0 % | \$ 1,464,922 | 100.0 % | \$ 1,369,894 | 100.0 % | \$ 1,263,581 | 100.0 % |
| Unearned income | (7,167) | | (4,595) | | (5,023) | | (4,905) | | (1,978) | |
| Allowance for loan losses | (11,735) | | (10,135) | | (9,339) | | (7,894) | | (6,859) | |
| Net loans | <u>\$ 1,855,050</u> | | <u>\$ 1,620,209</u> | | <u>\$ 1,450,560</u> | | <u>\$ 1,357,095</u> | | <u>\$ 1,254,744</u> | |

METROCITY BANKSHARES, INC.
NONPERFORMING ASSETS

| | As of the Quarter Ended | | | | |
|---|-------------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
| <i>(Dollars in thousands)</i> | | | | | |
| Nonaccrual loans | \$ 9,071 | \$ 10,203 | \$ 9,730 | \$ 10,335 | \$ 10,944 |
| Past due loans 90 days or more and still accruing | — | — | — | — | — |
| Accruing troubled debt restructured loans | 2,863 | 2,891 | 7,487 | 2,896 | 2,922 |
| Total non-performing loans | 11,934 | 13,094 | 17,217 | 13,231 | 13,866 |
| Other real estate owned | 3,844 | 3,844 | 282 | 423 | 423 |
| Total non-performing assets | <u>\$ 15,778</u> | <u>\$ 16,938</u> | <u>\$ 17,499</u> | <u>\$ 13,654</u> | <u>\$ 14,289</u> |
| Nonperforming loans to gross loans | 0.64 % | 0.80 % | 1.18 % | 0.97 % | 1.10 % |
| Nonperforming assets to total assets | 0.73 | 0.89 | 1.01 | 0.79 | 0.89 |
| Allowance for loan losses to non-performing loans | 98.33 | 77.40 | 54.24 | 59.66 | 49.47 |

METROCITY BANKSHARES, INC.
ALLOWANCE FOR LOAN LOSSES

| | As of and for the Three Months Ended | | | | |
|--|--------------------------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2021 | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 |
| <i>(Dollars in thousands)</i> | | | | | |
| Balance, beginning of period | \$ 10,135 | \$ 9,339 | \$ 7,894 | \$ 6,859 | \$ 6,839 |
| Net charge-offs/(recoveries): | | | | | |
| Construction and development | — | — | — | — | — |
| Commercial real estate | (3) | 107 | (3) | (3) | (2) |
| Commercial and industrial | 4 | 51 | — | — | (25) |
| Residential real estate | — | — | — | — | — |
| Consumer and other | (2) | 2 | 8 | 29 | 7 |
| Total net charge-offs/(recoveries) | (1) | 160 | 5 | 26 | (20) |
| Provision for loan losses | 1,599 | 956 | 1,450 | 1,061 | — |
| Balance, end of period | \$ 11,735 | \$ 10,135 | \$ 9,339 | \$ 7,894 | \$ 6,859 |
| Total loans at end of period | \$ 1,873,952 | \$ 1,634,939 | \$ 1,464,922 | \$ 1,369,894 | \$ 1,263,581 |
| Average loans ⁽¹⁾ | \$ 1,753,691 | \$ 1,522,150 | \$ 1,407,670 | \$ 1,330,729 | \$ 1,241,138 |
| Net charge-offs to average loans | 0.00 % | 0.04 % | 0.00 % | 0.01 % | (0.01)% |
| Allowance for loan losses to total loans | 0.63 | 0.62 | 0.64 | 0.58 | 0.54 |

(1) Excludes loans held for sale