



March 28, 2022

Dear Shareholders:

### **Financial Summary**

We are pleased to announce that U & I Financial Corp. (“the Company”) had another record year of performance.

As of December 31, 2021, total assets reached a record, \$455.7 million, increasing by \$51.8 million or 12.8% from the year earlier period of \$403.9 million. The combined net loans and Loans Held for Sale (LHFS) ended at a record \$342.5 million, increasing by \$45.8 million or 15.4% from the year earlier period of \$296.7 million. Total deposits grew by \$36.8 million or 10.9% to a record, \$374.4 million, from the year earlier period of \$337.6 million. Finally, net income was an annual record of \$8.5 million or \$1.53 per share. This was an increase of \$2.3 million or \$0.41 per share from the same period last year, primarily from generating higher net interest income.

Although COVID-19 has created economic and social challenges over the past two years, the banking industry has generally fared well due to the various governmental financial stimulus programs. UniBank, because of its expertise in government guaranteed loans, was positioned exceptionally well to assist our customers to take advantage of such programs. We will strive to build upon our achievements and create long term shareholder value. To better position the bank for future growth in 2022, we plan to increase our investment in personnel and infrastructure.

We encourage you to review Unibank’s full annual report at our website at <https://www.unibankusa.com/About-Us/Investor-Relations>.

### **Annual Shareholders Meeting**

Our next annual general meeting of shareholders will be held at UniBank’s headquarters on Friday, May 20, 2022 at 10:00 a.m. However, as a precaution from the current COVID conditions, we will close the meeting for in-person participation. We encourage shareholders to vote by delivering the completed proxy by mail or fax per the instructions in the Shareholders Meeting Notice so that your votes may be counted.

### **Transferring Shares to Brokerage Accounts**

We encourage our shareholders who have not yet transferred their respective shares to brokerage accounts to strongly consider doing so, in order to take advantage of the enhanced liquidity and transparency offered by the “OTCQX Best Market,” which is the OTC’s

highest tier market place. For any questions regarding this process, please contact Simon Bai at (425) 275-9704 or simon.bai@unibankusa.com.

### **Stock Repurchase Program**

On November 30, 2021, the Company announced that its Board of Directors has authorized a stock repurchase program, starting December 1, 2021, under which the Company may repurchase up to \$3.0 million of its outstanding common stock.

### **Shareholders Dividend**

As the year unfolds, the Board will continuously evaluate the Bank's financial position and the economic climate to determine the best possible use of capital including issuing dividends or increasing the share repurchase with the goal of maximizing shareholder value.

Thank you once again for your continued support of and interest in UniBank. We look forward to your participation by voting your shares before the upcoming shareholders meeting.



D. Benjamin Lee, Chairman



Peter R. Park, President & CEO

### **U & I Financial Corp. Consolidated Statement of Condition - Key Items**

**12/31/2021**

*(\$'s in thousands)*

	<b>12/31/2021</b>	<b>12/30/2020</b>	<b>Variance</b>	<b>Var %</b>
Total Assets	\$455,683	\$403,898	\$51,785	12.8%
LHFS & Loans, Net of Reserve	\$342,548	\$296,739	\$45,809	15.4%
Total Deposits	\$374,380	\$337,568	\$36,812	10.9%

### **Consolidated Statement of Income**

	<b>2021</b>	<b>2020</b>	<b>Variance</b>	<b>Var %</b>
Net Interest Income	\$17,117	\$14,728	\$2,389	16.2%
Provision for Loan Loss	0	1,750	(1,750)	-100.0%
Non-interest Income	5,154	4,580	574	12.5%
Non-interest Expense	11,775	10,042	1,733	17.3%
Net Income before Income Taxes	10,496	7,516	2,980	39.6%
Income Taxes	1,994	1,303	691	53.0%
<b>Net Income/(Loss)</b>	<b>\$8,502</b>	<b>\$6,213</b>	<b>\$2,289</b>	<b>36.8%</b>