

RESOURCE BANKSHARES INC.

Directors

G. Chris Keller, Jr., *Chairman*
Michael B. Burris, *Lead Director*
J. Storey Charbonnet
Dennis E. Crowe

Chandler Craig, Jr., *Vice Chairman*
Maura W. Donahue
Katherine M. Gibert
David D. Lindsey
Trula H. Remson

James E. Walther, III, *Emeritus*

RESOURCE BANK

Executives

G. Chris Keller, Jr., *Chief Executive Officer*
Chandler Craig, Jr., *President*
Pat Campbell, *Executive Vice President, Chief Lending Officer*
Douglas M. Ferrer, *Executive Vice President, Chief Credit Officer*
Lynn Kennedy, *Executive Vice President, Chief Operations Officer*
Jamie R. Gabourel, *Executive Vice President, Chief Administration Officer*

BRANCH LOCATIONS

BATON ROUGE: 9513 Jefferson Hwy.

BOGALUSA: 402 Avenue B

COVINGTON: 70533 Highway 21
5100 Village Walk, Suite 102
ATM at 1598 Ochsner Blvd.

FRANKLINTON: 950 10th Avenue

MANDEVILLE: 68177 Highway 59
1695 W. Causeway Approach
ATM at Trailhead on Lafitte St.
ATM at 2190 N. Causeway Blvd.

METAIRIE: 321 Veterans Blvd., Suite 101

NEW ORLEANS: 412 Magazine St.

SLIDELL: 2283 Gause Blvd. East



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RESOURCE
BANKSHARES, INC.
A BANK HOLDING COMPANY

70533 Highway 21
Covington, LA 70433



2019 FINANCIAL REPORT
4TH QUARTER



January 7, 2020

Dear Shareholder:

Your Bank celebrates the end of a decade with gratitude. Our growth is attributed to our customers' loyalty and referrals, our devoted employees, and our valued shareholders. Our vision for the year 2020 is clear; we intend to remain the finest true community bank.

As of quarter end, our total assets were \$753 million, an increase of 0.79 percent from the same quarter last year. Loans ended at \$642 million and deposits ended at \$638 million, changes of 1.48 percent and 10.44 percent, respectively. The undiluted book value per share was \$57.45, an increase of \$4.28 per share with our total capital equal to 12.30 percent of total assets.

At the close of the year, Board Member David Briggs, Jr. announced his retirement. Your Bank has greatly appreciated his twenty years of service and guidance. The Board will miss his wealth of knowledge and input.

We enter the new year diligently tackling our company objectives. Internal projects include a major enhancement to our core banking system that will provide efficiencies and improved customer service. Additionally, plans are underway for upgrades to our debit card processing and an expansion into digital signature acceptance. Construction proceeds in Franklinton as we eagerly build our new location. Our growth continues to be driven by referrals and brand awareness. Therefore, we are pleased to announce the formation of a Baton Rouge Advisory Board. The new group has strong ties to the Baton Rouge community and we are confident their support will have a positive effect on your Bank's market share.

Yours truly,

G. Chris Keller, Jr.
CEO & Chairman of the Board

Chandler Craig, Jr.
President & Vice Chairman of the Board

RESOURCE BANKSHARES INC.

STATEMENT OF FINANCIAL CONDITION (IN THOUSANDS)

	Holding Company Consolidated 12/31/2019	Holding Company Consolidated 12/31/2018
	(unaudited)	(unaudited)
ASSETS		
Cash & due from banks	\$9,570	\$8,983
Interest bearing deposits in other banks	109	47
Fed funds sold	29,318	34,037
Investment securities: Available-for-sale, at fair value	45,011	43,117
Other stocks, at cost	2,105	4,251
Loans, less allowance for loan losses	641,666	632,283
(12/31/2019 Allowance for loan losses \$ 4,281,728)		
(12/31/2018 Allowance for loan losses \$ 4,120,180)		
Bank premises & equipment, net of accumulated depreciation	21,014	20,394
Deferred tax receivable	0	107
Accrued interest receivable	1,987	1,960
Other real estate owned	1,127	1,040
Other assets	1,101	922
TOTAL ASSETS	\$753,008	\$747,141
LIABILITIES		
Deposits		
Demand Deposit Accounts	\$146,646	\$142,385
NOW Accounts	275,826	246,530
Money Market Accounts	91,243	93,393
Savings Accounts	21,926	22,176
Certificates of Deposits \$100,000 & over	79,414	52,895
Other Certificates of Deposit	23,395	20,721
Total Deposits	638,450	578,100
Accrued expenses and other liabilities	1,011	1,202
Deferred Tax Payable	243	186
Accrued Interest Payable	693	236
Other Borrowed Funds	20,000	81,000
Total Liabilities	660,397	660,724
STOCKHOLDERS' EQUITY		
Common stock: \$1.00 par value; 2,000,000 shares authorized; 1,612,055 and 1,625,245 shares issued and outstanding at 12/31/2019 & 12/31/2018, respectively.	1,612	1,625
Preferred stock: \$0.00 par value; 100,000 shares authorized; no shares issued and outstanding	0	0
Stock Subscription Receivable	(1,135)	(1,036)
Capital Surplus	26,113	27,739
Retained Earnings	56,126	49,141
Earnings year to date (* Bank only \$9,418,912, year to date)	9,372	9,238
Net unrealized gains (losses) on securities held	523	(290)
Total Stockholder's Equity	92,611	86,417
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$753,008	\$747,141
Book Value per Share-Undiluted	\$57.45	\$53.17
Book Value per Share-Diluted	\$56.70	\$52.38
Quarterly Return on Average Assets (ROA) (*Bank only as of December 31)	1.23%	1.29%
Quarterly Efficiency Ratio (*Bank only as of December 31)	63.09%	63.19%
YTD Return on Average Assets (ROA) (*Bank Only as of December 31)	1.26%	1.29%
YTD Efficiency Ratio (*Bank only as of December 31)	64.35%	63.84%

Management has elected to omit substantially all of the disclosures and the related statements of income, cash flow and changes in equity required by the generally accepted accounting principles as issued by the U. S. Financial Accounting Standards Board. If the omitted disclosures and the statements of cash flows and changes in equity were included in the financial statements, they might influence the user's conclusions about the company's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.