

HELPING TO BUILD A BRIGHTER COMMUNITY



2021 ANNUAL REPORT

“A name is the blueprint of the thing we call character.”

Morris Mandel



The uncertainty and volatility of the past year continued to reveal our true strengths as a community bank: our expertise to guide people through difficult and stressful decisions, and working together to provide simple and flexible solutions.

In times of rapid change, people don't just need information, they need guidance and support from someone who knows them and cares about what they are trying to achieve. Our team at Maine Community Bank does this so well. As the stories in this annual report demonstrate, we excel at authentically connecting with our customers and truly being their champions.

We continue to return to our name as the blueprint of our character: our commitment to and love for Maine, and our important role as a force for positive change in our communities.

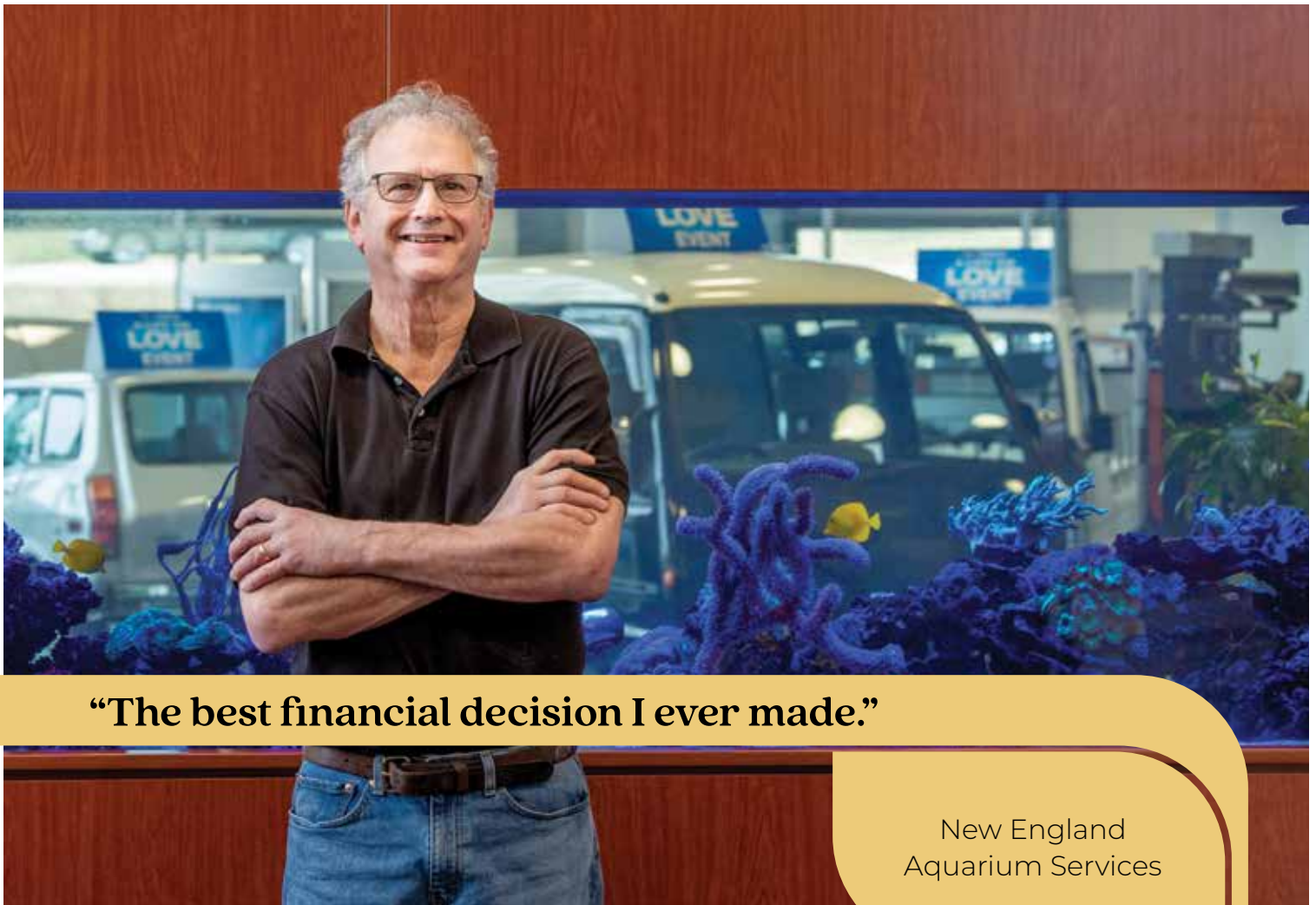
2021 was a year of growth, challenges, and change. The Bank grew to \$1 Billion in assets with pandemic-related deposit surges, record residential mortgage lending, and PPP loans that resulted in the bank having its most profitable year to date. All of this was accomplished in the midst of the restrictions and challenges wrought by the COVID-19 pandemic that saw our bank lobbies closed and staff working remotely for several months of the year.

Through it all, we stayed focused on meeting our mission: enriching our customers, communities and employees, and serving Central and Southern Maine with exceptional service and operational excellence. We celebrated the opening of our new Operations Center and Biddeford Savings branch location in Westbrook and made progress to relocate to a new full-service branch in Brunswick.

With the support of our Board and our team, we continue to aspire to be the bank of choice for the communities we serve. **Together, we are Maine Community Bank.**

Jeffrey Worthing, CPA
Board Chairman

Jeanne Hult
President and CEO



“The best financial decision I ever made.”

New England
Aquarium Services

Some relationships start with the unexpected. Four years ago, Laurie Warchol, Business Banking Officer at Maine Community Bank, was behind the same truck two days in a row, and noticed that the license plate of the first said “One Fish” and the second day said “Two Fish.” As a children’s book writer herself, Laurie couldn’t help but call the business to find out if the other trucks in their fleet continued the line of the Dr. Seuss classic.

Rick Oellers, President of New England Aquarium Services, who took the call, was fed up with the lack of response and care from his large national bank, so he was more than happy to be met with Laurie’s genuine interest about his business. He now refers to his decision to take her call as “the best financial decision I ever made.”

“We were able to refinance his trucks and get him better terms and rates, but that is just one small piece of our relationship. I’m Rick’s biggest cheerleader. He is brilliant, and also such a genuinely nice guy. You just want people like that to succeed,” explains Laurie.

And the feeling is mutual.

“I’m a scientist, not a business man. For so many years, I was winging it on my own, but now with my bank and my attorney and my CPA, now I feel like I truly have a team in my corner for the first time ever,” says Rick. “And I would say the head of that team is Laurie. She always steers me in the right direction.”

It is clear that the partnership between Rick and the Maine Community Bank team goes well beyond financing and deposits.

“She got me hooked up with a great bookkeeper, and a lot of other connections to help me grow my business. You just don’t get that from a big bank. Or when the PPP loans came out, my friends who went through the big banks didn’t get their money. Laurie looked after me, and was right with me to make sure I got my paperwork in and got my money. I am not exaggerating that she really saved my business. In my experience, bankers just don’t do what the team at Biddeford Savings does for me,” says Rick.



Businesses that endure for four generations are rare, and being flexible to evolve with the times is a critical component of that endurance. Richard Moody & Sons Construction is an example of a business that has embraced evolution. The family's decades of experience, craftsmanship, and quality have earned them a strong reputation for fine custom homebuilding along the coast of Southern Maine and New Hampshire, and they have more recently gained a reputation as a developer as well.

“The bank has enabled us to grow and evolve as a business.”

Richard Moody & Sons
Construction



“We are four generations in this business, and Maine Community Bank has really enabled us to grow and evolve. As we have gotten more into subdivisions, having a bank that understands the needs of both a custom home builder and a developer has been critical,” explains Richard Moody.

Flexibility and responsiveness have helped to support this growing family business, especially with a booming housing market.

“I just know that we come to them with a project, and they figure it out. It means so much to have a local bank that really understands what it takes for a business to grow in this area,” says Moody.

Cindy Convery, their commercial loan officer, respects the expertise of Richard and his sons. “They know the area and their customers so well. And we have a great working relationship that helps us to be responsive and move quickly when they come to us with a new project. We have mutual respect for each other.”

That mutual respect is evident in Moody's praise of Cindy and the commercial lending team. “Cindy is a real expert when it comes to financing development projects. She understands our business very well, and she's been lockstep with us as we have grown. I can't say enough good things about her and the bank.”

“We believe in Erica and her business, and we really wanted this to happen for her.”



Brunswick
Veterinary Clinic



“I couldn’t ask for more from a lender.”

The right location for a growing business can be a game changer, and Erica Parthum, owner of Brunswick Veterinary Clinic, and Justin Laverriere, her commercial loan officer, were determined to find just the right fit. After over a year of searching, Erica found a great property, and working together with Justin and the realtor, built a plan on how to purchase, renovate, and finance it.

The loan process included a collaboration with Granite State Development on an SBA 504 loan. Justin and the Maine Community Bank team served as the hub between everyone involved, guiding the process to ensure that communication was smooth and all of the documents needed by the SBA were in order. The volatility of the past year made the loan process more complicated, and Erica was hit with rising construction costs and a lower than anticipated property appraisal.

Challenges like these might have easily stopped the loan from being approved by the SBA, or significantly delayed the process, but Justin and the team continued to problem-solve to make sure that everything came together by the closing date. Now Brunswick Veterinary Clinic has a beautiful new home, and the team couldn’t be more excited.

“It’s a matter of not giving up on your customer when things go wrong, and presenting alternative solutions to the issues. We believe in Erica and her business, and we really wanted this to happen for her,” explains Justin.

“Mechanics Savings is a terrific partner for my business,” says Erica. “They are professional, supportive, and most importantly available when I need them. I couldn’t ask for more from a lender.”



“It was actually easier than we expected.”

Industrial
Roofing Company

Industrial Roofing Company is a family business with a track record of success, and has been a customer of Maine Community Bank for almost two decades. This family business was going through the exciting and complex process of transferring ownership of the business to long-tenured employees.

Since the ownership transition involved both loans and deposit accounts at Maine Community Bank, it could have been long and complicated. Jeff Gosselin, senior commercial banker, pointed out how his team was able to help simplify the process. “When you have a high comfort level and work with people who you know and trust, it makes everything easier. On both the loan and the deposit side, we were able to make it simple for everyone involved.”

Mike Davis, one of the new owners, agreed. “It was actually easier than we expected it to be. We so appreciate being able to just pick up the phone or meet with Jeff, lay out a plan, and then have him come back with a way to make it happen. It’s a real win-win.”

“When you work
with people
you know and
trust, it makes
everything
easier.”

Feeding Those in Need

As a local bank, we are committed to being a vital part of the communities we serve. We are constantly seeking opportunities to invest in the future, both through monetary donations and employee volunteerism. One area that we felt would make a positive impact in our community was food insecurity.

With a growing number of food insecure Mainers (1 in 8 people and 1 in 6 children in Maine face hunger), Maine Community Bank has responded with focused efforts to get food to those who need it most.

The grand opening of our Operations Center and Biddeford Savings branch location in Westbrook provided a great opportunity to make a positive impact as a new member to the Westbrook community. We collected non-perishable food donations for the Westbrook Community Food and Resource Center through branch donations and two food drives at the Market Basket in Rock Row, located across the street from our new location.

Also, through the Charitable Foundation, we committed \$49,000 to 12 different food pantries across the bank's footprint. These donations will help feed approximately 49,000 families of three, or the equivalent of 147,000 meals. The 12 agencies provide essential services in partnership with food pantries, meal sites, senior and health centers, and schools across the 3 counties in our market.

2021 COMMUNITY SUPPORT TOTALS

\$327,230 in donations

2,362 volunteer hours

242 organizations supported



Biddeford and Mechanics Savings Charitable Foundation

The Maine Community Bank Board of Directors established the Biddeford and Mechanics Savings Charitable Foundation in 2020 with the mission of providing support to families and individuals in our communities through health, housing, hunger, and youth initiatives. Our Foundation is structured to give back to our communities in a larger, more enduring way, and we are proud of the impact it has made to date.

One such example was the Foundation's response to the rising cost of home heating oil, donating \$25,000 to support the Keep ME Warm Fund, providing direct and immediate home heating assistance to financially vulnerable individuals. According to Liz Cotter Schlax, President and CEO of United Way of Southern Maine and Lead Administrator for the Keep ME Warm Fund, the Foundation's gift of \$25,000 will heat 80 Maine homes.

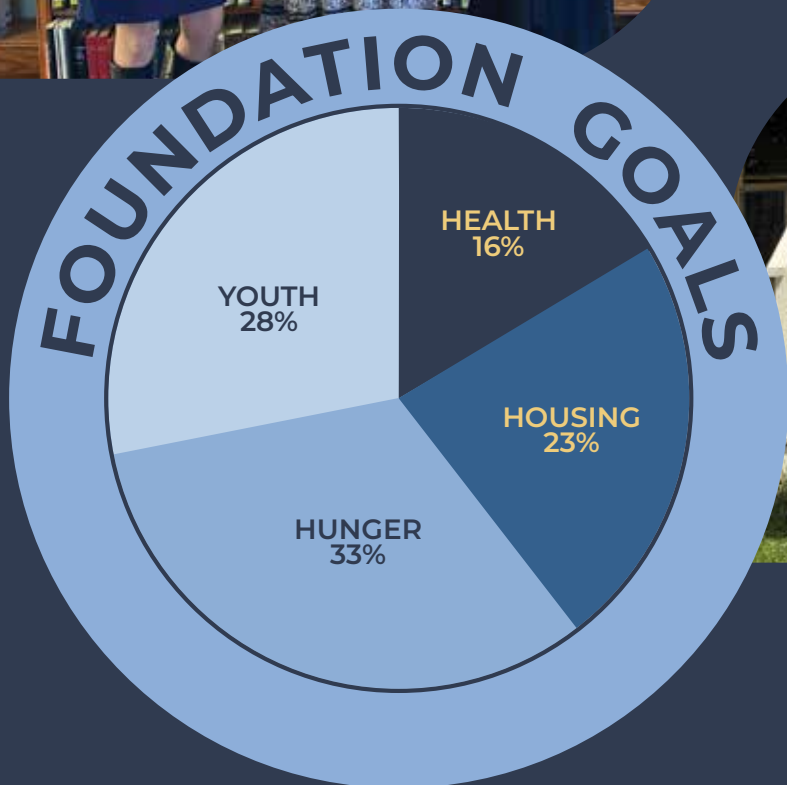
"Making a contribution to the Keep ME Warm program will allow us to help our neighbors when they need it most – during the winter months. No one should have to choose between paying for heat and other essentials like electricity and food," said Jeanne Hulit. "Our hope is that we can make the lives of individuals and families in the communities we serve a little easier this year."

MEETING OUR MISSION

The Foundation's mission is to help individuals and families in the Bank's local communities meet their basic needs and achieve financial empowerment.



**BIDDEFORD &
MECHANICS**
S A V I N G S
Charitable Foundation





Executive Team

Jeanne Hulit
*President & Chief
Executive Officer*

Carri Brown, CPA
*Chief Financial Officer
& Treasurer*

Thomas MacDonald
Chief Risk Officer

Susan Mellon
*Customer Experience
& Market Expansion*

Jeffrey Wright
Chief Operating Officer

Board Members

Stephen Bryant, CPA

Carl Goodwin

Alan Hahnel

Joyce Haley

Jeanne Hulit

Keith Jacques, Esq.

Amy Landry, MHA

Elaine Runyon, CPA

Wayne Sherman

Edward Snook
Vice Chair

Thomas Wells

Jeffrey Worthing, CPA
Board Chair

Corporators

Todd Abbott

Mark Anthoine

Eric Aube

Ralph Austin, Esq.

Christopher Bailey

Paul O. Baril

Kevin Beaulieu

Marcel Bertrand

Jo Boshold

Betsy Boudreau

Christopher Brann

Carri Brown, CPA

Stephen Bryant, CPA

JoAnne Campbell

Suzanne Carney

Diane M. Champoux

Lynn Chase

Daniel Chasse

Andrew B. Choate

Daniel Colby

Terri Cook

Daniel P. Cote

Walter W. Crites III

Michael Cyr

Daniel D'Auteuil

Michael Davis

Brian Devlin

Shawn Douston

Gervais Dube

Prudence Duross

Kirk Egge

Gary Emmons

Michael Eon

Stephen Fairchild, MD

John H. Fiske, Jr

Dennis Flaherty

Douglas Foglio

Judy Fox

Gerard Gelinias

Joyce Gibson

Carl Goodwin

Jeffrey Gosselin

Donald Grant

Alan Hahnel

Joyce Haley

Dixie Harris

Timothy Hebert

Tina Hewett-Gordon

Jim Howard

Jeanne Hulit

Richard Hull III, Esq.

Dale Huot

Barbara Jacques

Keith Jacques, Esq

Douglas Jones

Christopher Jordan

Amy Landry, MHA

Dana Lane

Justin Laverriere

Susan Lessard

Thomas MacDonald

Marc Malon, DC

Jerry Mansfield

Sam Marcisso

Raymond Martel

Marianne Mason

Craig Millett

Michael Nadeau

Stephen Ness

Harry Nielson

Renee O'Neil

Curt Pepper

Aaron Perkins

Jim Pittman

Betty Robinson

Leo (Chip) Roche III

Steve Roop

Deborah Roy

Elaine Runyon, CPA

Joseph Ryan

Mark Sandler

David Saunders

Harold Shaw

Wayne Sherman

Edward Snook

Donald Spann

Peter Sylvestre

Paulette Taschereau

Craig Thorne

Michele Tribou

Zark VanZandt

John Vigue

Thomas Wells

Janet Whelan, OD, PA

Diane Whiting

Richard Whiting

Chris Wilson

Sarah Wormwood, DVM

Jeffrey Worthing, CPA

Jeffrey Wright

Victor Wright

Karen Youland

Honorary Corporators

Priscilla Baillargeon

Caroline Bean

Margaret Beavis

Thomas C. Boyer

Philip Curry

Sandra Dolby

Reynald Gonneville

Connie Laflamme

Jane Norris

Wallace Nutting

Jon S. Oxman, Esq.

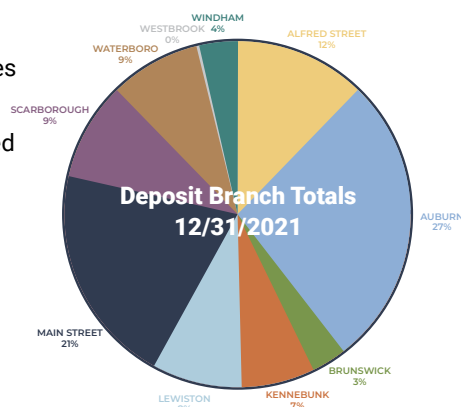
Robert Quinn

Rene Roy

Roger Timmons

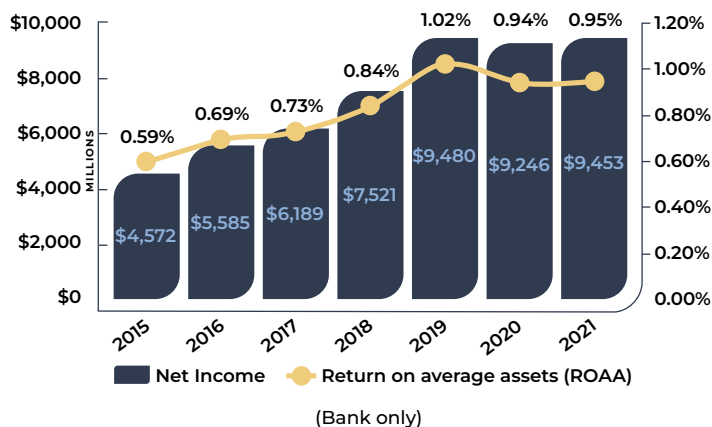
The Communities We Serve

Serving our historic hometown communities continues to be our strength. We are excited about the opportunity to grow and serve in our newer locations across Central and Southern Maine.



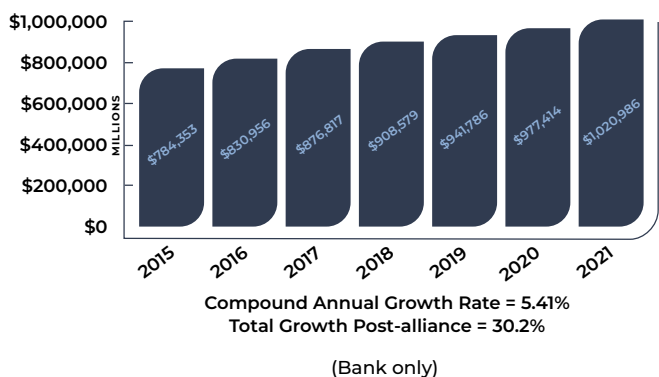
Revenue Growth

Since our merger, Maine Community Bank has experienced continued growth. We have been able to add new staff, expand our footprint, and enhance our product offerings. We are proud of the commitment to service demonstrated by our employees and the resilience of our customers.



Asset Growth

Today, Maine Community Bank has grown to over one billion dollars in assets. Our commitment to the local community remains unchanged as we continue to uphold the same values and goals that we were founded upon.



CONSOLIDATED STATEMENT OF CONDITION

at December 31, 2021

ASSETS

Cash and cash equivalents	\$ 94,263,000
Investment securities	97,467,000
Loans	792,868,000
Reserve for loan losses	(7,369,000)

Net Loans

785,499,000

Premises and equipment	22,116,000
Bank owned life insurance	5,202,000
Other assets	16,103,000

TOTAL ASSETS

\$1,020,650,000

LIABILITIES AND CAPITAL

Non-interest bearing deposits	\$ 167,959,000
Interest bearing deposits	685,227,000

Total deposits

853,186,000

Borrowed funds	27,744,000
Other liabilities	7,854,000

TOTAL LIABILITIES

888,784,000

TOTAL CAPITAL

131,866,000

TOTAL LIABILITIES and CAPITAL

\$1,020,650,000

INCOME STATEMENT

for the year ending December 31, 2021

Interest and dividend income	\$ 36,285,000
Interest expense	2,828,000
Net interest income	33,457,000
Provisions for loan losses	944,000
Net interest income after provisions for loan losses	32,513,000
Net gains on investment securities	774,000
Operating income	3,442,000
Operating expenses	25,471,000
Income before income taxes	11,258,000
Income taxes	2,278,000
NET INCOME	\$ 8,980,000

Member
FDIC



The Maine Community Bank Family