



STRENGTH AND RESILIENCY



STRENGTH AND RESIL

ANNUAL LETTER TO OUR SHAREHOLDERS

Of all the things that can be said about 2020, the most telling is this: Range Bank, our shareholders, our team, our customers and the communities we serve in Michigan and Wisconsin met the challenges of the COVID-19 global pandemic with strength and resiliency.

When the first cases of the coronavirus were reported in our state in March 2020, we made immediate changes to the way we do business. Our goal, first and foremost, was to ensure the continued health and safety of our team and customers. Following county, state and federal mandates and best practices, we closed our offices to most in-person customer visits, enhanced our sanitation protocols and encouraged team members to work from home if they were able.

We then turned our focus to supporting customers and our communities. Range Bank put programs in place to support individuals who lost jobs and businesses that lost revenue because of the pandemic. We offered forbearance to mortgage customers to ensure no one lost their home due to COVID-19. We made payment relief available to business customers struggling with cutbacks and closures. We strengthened our digital toolbox to expand banking options safely. And we jumped at the opportunity to participate in the Paycheck Protection Program (PPP), which enabled us to approve more than \$37 million in loans to 282 small business customers in the first round of the program.

I look back at last year with both awe and gratitude, appreciative of our team's quick pivot to adapt to the unfolding health crisis to find meaningful ways to support and serve our customers. I am proud of the way our communities pulled together to support those in need by donating cleaning supplies, making masks, hosting food drives and a score of other initiatives. In addition, we focused our support on our local schools with financial literacy programs, our first annual school supply drive and our school spirit debit card program. By supporting our schools, we are ensuring the youth in our communities have the tools, resources and knowledge they need in order to have a bright future.

Against this challenging backdrop, I am particularly proud to share our 2020 financial results. For the third consecutive year, Range Bank posted record earnings – and for the first time, we crossed the \$3 million threshold in net earnings. During 2020, we continued to grow and closed the year by posting \$3.06 million in net earnings, an increase of 11% over 2019. While 2020's low interest rates were a challenge, they were offset by increased mortgage activity and proceeds from our PPP loans.

We also increased our balance sheet assets to \$460 million at the close of 2020, an increase of 23.7% from \$371 million in 2019. We grew our assets under management to \$930 million in 2020, up 14.7% from \$811 million in 2019. As a safety measure, we strengthened our loan loss reserve to \$5.5 million in 2020, up from \$3.6 million in 2019. While our loan portfolio remains solid, we took extra precautions to ensure we could meet whatever challenges may lie ahead in 2021.

Range Bank also had a record-breaking year in mortgages, closing more than \$182 million in new and refinanced loans for our customers. This represents a 119% increase over 2019 and an increase of 62% over our previous record of \$112 million mortgage loans set in 2012. Of all the things we do, helping make the dream of homeownership a reality for our customers is among the most satisfying.

TEAM PROMOTIONS AND RETIREMENTS

The strength of the Range Bank team is always our biggest asset and competitive advantage. That was never more true than in 2020, when our 115 team members went to tremendous lengths to serve our customers. I'm particularly pleased to share these well-deserved promotions:

◀ Cover Photo:

Marquette Photographer Katy Divine, with Divine Moment Photography, captured community members enjoying the rare event of the frozen Lower Harbor in Marquette during February 2021.

- **Jamey Markham** to Chief Lending Officer and Community Bank President – Copper Country
- **Michele Kontio** to Vice President, Trust & Wealth Management
- **Tim Shandonay** to Information Security and Technology Officer
- **Kimberly Wetton** to Compliance Officer

I also want to acknowledge the April 3, 2021, retirement of Terry Jutila, who has served Range Bank for 20 years, first in the dual role of Chief Lending and Chief Credit Officer and more recently as Executive Credit Officer. Terry has made significant contributions to our organization throughout his career, and we are so pleased he will stay on in a consulting capacity for a period of time after he retires. During 2020, Jamey Markham led this department as Chief Lending Officer. With nearly two decades of experience at Range Bank, Jamey will ensure a smooth and seamless transition in this key department.

LOOKING TO THE YEAR AHEAD

As we move further into 2021, Range Bank will focus on initiatives designed to enhance our culture, grow our market share and improve our profitability while keeping a mindful eye on COVID-19. From an internal perspective, we will work to promote a mindset of continuous improvement with our team. Building on the positive results from our most recent employee engagement survey, we are developing a plan to showcase and cross-promote each department within the bank so our entire team will be better equipped to serve our customers. We will also tap into the newly formed Culture Committee to help us continue to promote a positive bank culture.

As we look to grow, we will implement our strategy to expand our staff and deepen our penetration of the Wisconsin market. As you know, we opened our first full-service office in Green Bay in 2019. Our team has done a great job of growing our business banking and mortgage business in the market. We are extremely pleased with the input we have received from our Advisory Board, and look forward to tapping into their expertise to further gain traction in this market.

Range Bank will also stay updated and innovative when it comes to technology. Our investment in digital banking tools allowed us to continue serving our customers safely throughout the pandemic. We recently launched a digital banking department with a team of experts dedicated to supporting customers, ensuring they have the solutions and resources needed to bank when and where it is convenient.

GRATITUDE TO OUR BOARD AND SHAREHOLDERS

I want to acknowledge and applaud the service of Dr. John F. Pillote, who will retire as a director of Range Financial Corporation and Range Bank when his term ends May 18, 2021. Words cannot adequately express our deep appreciation for his 41 years of leadership, guidance and support as our Lead Director. We have had no bigger cheerleader than Dr. Pillote, and I want to thank him for his dedication and commitment to our success.

Please join us May 18, 2021, at 4 p.m. for our annual shareholder meeting. You'll find specific details in your annual meeting notice. This will be the first year and, we hope, final year we need to host an all-virtual gathering. We look forward to "seeing" you then – and to the not-too-distant day when we can again gather safely together in person.

In a year that has truly been like no other, your support of Range Bank has truly meant the world to us. On behalf of our directors, officers and team, I want to extend our deep gratitude for your continued confidence in our organization.

Gratefully yours,



Roxanne M. Daust

Chairman, President & Chief Executive Officer

AGENCY

LEADERSHIP TEAM



Roxanne M. Daust
Chairman, President & Chief Executive Officer



Lucy Grove
Vice President, Human Resources Officer



Terry L. Jutila
Executive Credit Officer



James P. Markham, Jr.
Chief Lending Officer & Community Bank President, Copper Country



Rachel M. Simonsen
Vice President, Branch Administration & Digital Banking Officer



David A. Symons, CPA
Vice President & Chief Financial Officer



Brian L. Syrjala
Senior Vice President, Home Mortgage Services



Benjamin M. Wood
Community Bank President, Brown County & Dickinson County

RANGE FINANCIAL CORPORATION AND RANGE BANK BOARD OF DIRECTORS

Roxanne M. Daust
Chairman, President & CEO, Range Bank

Timothy J. Baroni
Retired Community Bank President, Range Bank – Copper Country

Anita A. Johns
Retired, Holiday Travel Vacations

Allan L. Koskey
Retired, Koskey Funeral Home, Inc.

Anthony N. Kronicich, CPA
President, Kronicich, Hill & Associates

Janet R. Kuru
Retired CEO, Range Bank – Copper Country

Peter A. LaFreniere, DDS
Dental Practice

John F. Marshall
Retired, Lake Superior & Ishpeming Railroad Co.

John F. Pillote, MD
Retired, Physician

Stephen D. Vairo
President, Calumet Electronics Corp.

Stephen W. Verrette
Chairman & CEO, Champion, Inc.

GREEN BAY ADVISORY BOARD

Gail McNutt
Coach & Consultant, GMM Consulting

Kurt Voss
Owner/CEO, AmeriLux International

Hans Schaupp
President, LCL Bulk Transport Inc.

Randall Peterson
Management Consultant, Retired Commercial Bank Chairman, President and CEO

JOHN F. PILLOTE, MD THANK YOU FOR YOUR SERVICE

Dr. John F. Pillote will be retiring from the Board of Directors in May, 2021. Words cannot adequately express our deep appreciation for Dr. John F. Pillote and his 41 years of leadership, guidance and support to the bank and our Board of Directors. We have had no bigger cheerleader. Thank you for your dedication and commitment to our success. We wish you all the best in your retirement.



▲ Photo: School Supply Drive

“ We have always supported our schools through our school spirit debit card program but felt we needed to do something extra this year. We are thankful to our community for their donations and pleased Range Bank could contribute additional funds outside of our matching commitment.”
 Roxanne Daust, President & CEO

SUPPORTING OUR SCHOOLS

Range Bank is committed to strengthening our communities, and the future of our communities is our youth. By supporting our schools, we are ensuring the youth in our communities have the tools, resources and knowledge they need in order to have a bright future. Range Bank supports our schools in multiple ways, including our financial literacy program, school spirit debit card and our annual fall school supply drive.

We recognize the importance of financial literacy in our communities and are committed to providing resources that empower students to make smart financial decisions. Through Range Bank’s financial literacy program we are now providing lessons and learning to our elementary, middle and high school students relating to the importance of financial literacy. To learn more about our program, visit: RangeBank.com/financial-literacy.

Range Bank recently updated our school spirit debit card program. Now Range Bank customers can support our schools by linking any checking account to a school spirit debit card of their choice. Through our school spirit debit card we have donated over **\$20,000** to our local schools. Please contact your local Range Bank office if you would like a Range Bank School Spirit debit card or visit: RangeBank.com/schoolspirit to learn more.

Additionally, Range Bank held our annual school supply drive this past fall to collect supplies as well as monetary donations to purchase school supplies for our local schools. Range Bank committed to donating \$5,000. In total from the supply drive, **\$8,000** worth of supplies was donated to partner schools in the Upper Peninsula. All of the funds were used to purchase supplies such as snacks, headphones, facial tissue, hand sanitizer and masks, along with typical school supplies like backpacks, pencils, notebooks and glue. The schools that benefited from the supply drive were:

- Copper Country
 Adams Township (Jeffers) School District
 Calumet (CLK) Public Schools
 Hancock Public Schools
 Houghton-Portage Township Schools
 Lake Linden-Hubbell Public Schools

- Dickinson County
 Breitung (Kingsford) Township Schools
 Iron Mountain Public Schools
 North Dickinson County School

- Marquette County
 Ishpeming Public Schools
 Marquette Area Public Schools
 Negaunee Public Schools
 NICE Community Schools District

STRENGTHENING OUR COM

Photo: Iron Mountain 3rd grader, Mia Wood, sporting some of the headphones donated from the Range Bank school supply drive. ▶



Photo: Kelly Jandron, Vice President, Regional Branch Administrator Marquette County, and Carrie Meyer, Ishpeming Public Schools Superintendent.



Photo: Range Bank Negaunee Office employees Missy Delliss, Customer Service Manager, and Kristin Knapp, Loan Officer, present a check for \$3,467 to Dan Skewis, Negaunee Public Schools Superintendent. The funds were raised from the Range Bank school spirit debit card for Negaunee Public Schools.



Photo: Funds from the Range Bank school supply drive allowed North Dickinson School to purchase a touchless drinking fountain. Pictured are: North Dickinson Superintendent Angel Inglese; Krystal Fayas, Range Bank Customer Service Manager, and Krystal's children, Weston and Jolie Fayas, who attend North Dickinson School.

COMMUNITIES

TOGETHER WE ARE RESILIENT

Throughout the year 2020, Range Bank's commitment to our community has never been stronger. We faced unprecedented times with resiliency and strength.

Our goal, first and foremost, was to ensure the continued health and safety of our team and customers. Throughout the year, we communicated and supported our customers in safe and unique ways to make sure their banking needs were met. This meant a large increase in usage of our digital banking tools, increased traffic in our drive-thrus and even closing loans on the tailgate of a truck while the weather cooperated.

The strength of our Range Bank team is always our biggest asset and they worked hard to support our customers. Our business banking team worked tirelessly to support our small businesses by offering payment relief and our participation in the Paycheck Protection Program (PPP). The mortgage department had a record year and helped make the dream of homeownership a reality for a record number of customers.

The Range Bank team truly lived our core values of: respect, ownership, community, knowledge and strength (ROCKS) in 2020, and we couldn't be prouder!



▲ **Photo:** Chris Gobert, Assistant Vice President – Loan Officer, assists a customer closing on a home loan through our drive-thru at the Range Bank headquarters in downtown Marquette.

► **Photo:** Range Bank employees (Left to Right) Cara Scicotte, Customer Service Representative; Katherine Bressette, Mortgage Loan Processor; Erica Nelson, Loan Servicing Specialist; and Casey Dallapiazza, Customer Service Manager, take a group photo outside of our headquarters on Front Street in downtown Marquette.



▼ **Photos:** Many Range Bank offices showed support for our communities by decorating their office windows with hearts, in display of 'Hearts of Hope.' The idea is for homes and businesses to put up hearts or other decorations in their windows or on their door to show a little bit of love. Additionally, many offices displayed the "Keep Calm and Yooper On" sign created by LoyalTees in Marquette. The sign is meant to help UP businesses remind each other and the community that we are stronger together, even if we have to keep a distance.



PROMOTIONS



Jamey Markham

Chief Lending Officer, Community Bank President – Copper Country

Jamey Markham was promoted to Chief Lending Officer, along with his role of Community Bank President – Copper Country. Jamey has been leading the business banking department for the past year and has 19 years of experience at Range Bank. He holds a bachelor's degree in finance from Michigan Technological University and is a graduate of the Graduate School of Banking at the University of Wisconsin. Jamey serves as a board member on the Portage Health Foundation and MTU's Applied Portfolio Management Program. He lives in Houghton with his wife and children.



Michele Kontio

Vice President, Trust Officer

Michele Kontio was promoted to Vice President, Trust Officer. Michele began her career at Range Bank in 2012. She helped launch the Trust & Wealth Management Department at Range Bank. Her commitment to her customers and Range Bank, along with her 33 years of banking experience, have played important roles in growing the department. Michele is the treasurer of the Negaunee Irontown Association and is a trustee of the Negaunee VFW Auxiliary. Michele lives in Negaunee with her husband.



Tim Shandonay

Information Security & Technology Officer

Tim Shandonay was promoted to Information Security and Technology Officer. Tim joined Range Bank in 2017. He holds a bachelor's degree from Northern Michigan University in Computer Information Systems and has over 22 years of experience working with computer information systems. Tim volunteers with the UP200 race and is an ultramarathon runner. He lives in Marquette with his wife, Karla, and their two daughters.



Kimberly Wetton

Compliance Officer

Kimberly Wetton was promoted to Compliance Officer. Kimberly began her career at Range Bank in 2016 and has made significant contributions to Range Bank during her time at the bank. Kimberly holds an associate's degree from Henry Ford Community College and has over 25 years' experience as a paralegal. Kimberly is a board member of the Fred Waara Chapter of Trout Unlimited. She lives in Negaunee with her husband.

TERRY JUTILA RETIRES AFTER 20 YEARS OF SERVICE



Terry Jutila

Executive Credit Officer

Terry Jutila, Executive Credit Officer, has announced his retirement from Range Bank, effective April 2021. He has been with Range Bank for 20 years, serving a dual role of Chief Lending and Chief Credit Officer prior to moving to his most recent role of Executive Credit Officer. Terry has made many significant contributions to Range Bank and we are happy that he will be continuing on in a consultant capacity for a period of time after retirement.

2020 FINANCIAL SUMMARY

5-Year Summary (in thousands of dollars, except per share data)

As of December 31,	2020	2019	2018	2017	2016
AT YEAR END					
Total Assets	\$ 459,665	\$ 371,110	\$ 382,402	\$ 371,046	\$ 350,401
Total Assets Under Management	929,673	810,726	774,245	758,280	706,617
Total Deposits	412,013	328,789	346,034	335,754	317,178
Net Loans	271,686	232,598	218,881	216,465	204,514
Investments	122,776	85,381	99,583	106,940	114,612
Capital Funds	41,696	37,440	32,922	32,226	30,059

EARNINGS

Operating Income	\$ 20,161	\$ 18,039	\$ 16,581	\$ 15,406	\$ 14,977
Operating Expense	15,923	14,828	13,575	12,365	12,253
Income Tax Expense	1,178	510	368	577	511
Net Income	3,060	2,756	2,637	2,464	2,213
Return on Average Assets	0.71%	0.74%	0.70%	0.68%	0.65%
Return on Average Equity	7.42%	7.43%	7.85%	7.37%	6.59%

PER SHARE DATA

Net Income	\$ 17.04	\$ 15.37	\$ 14.71	\$ 13.76	\$ 12.31
Cash Dividends	5.40	5.40	5.40	5.25	5.20
Book Value	232.18	208.76	183.61	179.97	167.24

Reconciliation of Reserve for Bad Debt

(in thousands of dollars)

As of December 31,	2020	2019
Balance beginning of period	\$ 3,593	\$ 2,914
Recoveries credited to reserve	96	53
Provision for possible loan losses	1,960	720
Losses charged to reserve	(148)	(94)
Balance end of period	\$ 5,501	\$ 3,593

ASC 820 Valuation – Securities Footnote

Y to Y

Date	12/31/20	12/31/19	Change
No.	145	140	5
Par	\$114,567,197	\$81,946,516	\$32,620,681
Book	118,000,379	83,290,046	34,710,333
Market	121,659,336	84,264,469	37,394,867
Gain/Loss	3,658,957	974,423	2,684,534
		Book-Par change	\$2,089,652

Combined Statement of Condition (unaudited, in thousands of dollars)

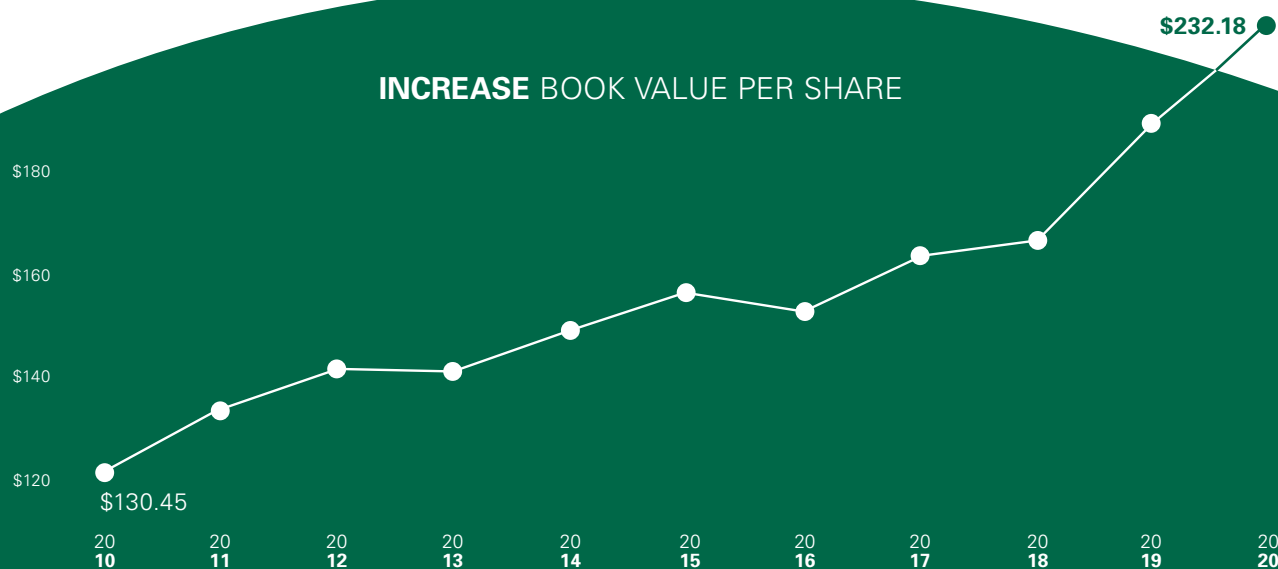
As of December 31,	2020	2019
ASSETS		
Cash and Due from Banks	\$ 40,988	\$ 29,219
Investment Securities		
Held to Maturity	-	-
Available for sale (stated at fair value)	122,776	85,381
Federal funds sold and securities purchased under agreements to resell	-	-
Loans, net of unearned income	277,186	236,191
Allowance for possible loan loss	(5,501)	(3,593)
Loans, net	271,685	232,598
Bank Premises, Furniture and Equipment	10,645	11,054
Real Estate owned other than bank premises	403	324
Goodwill	1,772	1,772
All Other Assets	11,396	10,762
Total Assets	\$ 459,665	\$ 371,110
LIABILITIES		
Total Deposits	\$ 412,013	\$ 328,789
Total Demand Deposits	218,140	158,548
Total Time and Savings Deposits	193,872	170,241
All Other Liabilities	5,957	4,881
Total Liabilities (excluding subordinated notes and debentures)	417,969	333,670
EQUITY CAPITAL		
Common Stock (\$1 par value)		
1,000,000 shares authorized, 179,584 shares outstanding	179	179
Capital in Excess of Par	4,973	4,930
Retained Earnings	33,653	31,561
Unrealized gain (loss) on securities available for sale	2,891	770
Total Equity Capital	41,696	37,440
Total Liabilities and Equity Capital	\$ 459,665	\$ 371,110
Memo Item: Standby Letters of Credit	\$ 1,572	\$ 1,203

Reconciliation of Equity Capital Accounts

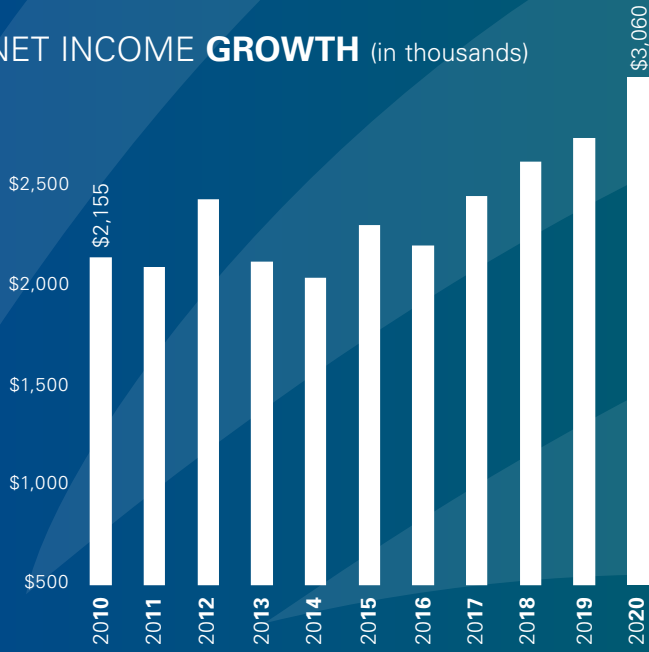
	Common Stock	Retained Earnings	Unrealized Gain (Loss) on Securities Available for Sale	Total Stockholders' Equity
Balance, December 31, 2019	\$ 5,109,133	\$ 31,560,934	\$ 769,794	\$ 37,439,861
Net Income		3,060,124		3,060,124
Cash dividends declared, \$5.40 per share		(968,603)		(968,603)
Issuance of shares	109,011			109,011
Acquisition of shares outstanding	(65,335)			(65,335)
Change in unrealized gain (loss) on securities available-for- sale, net of applicable deferred income taxes			2,120,782	2,120,782
Balance, December 31, 2020	\$ 5,152,809	\$ 33,652,455	\$ 2,890,576	\$ 41,695,840

Combined Statement of Income (unaudited, in thousands of dollars)

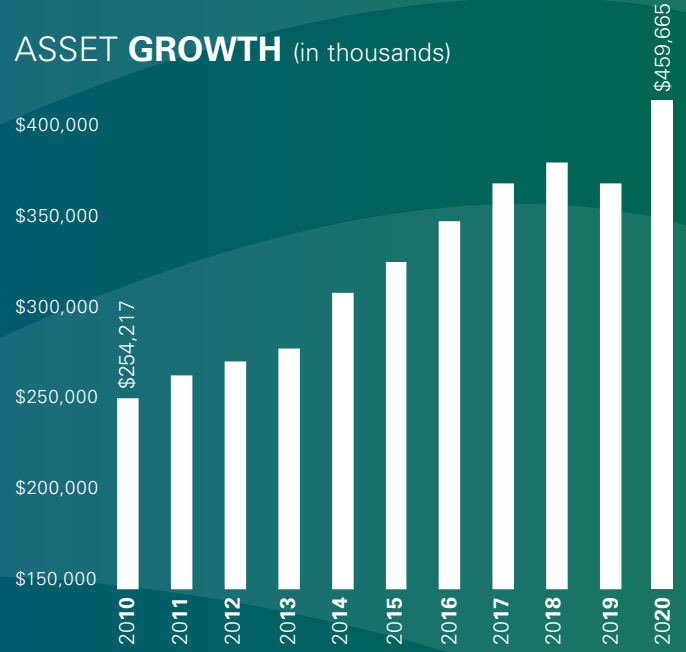
As of December 31,	2020	2019
INTEREST INCOME		
Interest and fees on loans	\$ 16,357	\$ 13,190
Interest on investment securities:		
Taxable	1,241	1,713
Tax-exempt	510	680
Total Interest Income	18,108	15,583
INTEREST EXPENSE		
Interest expense on deposits	1,259	1,473
Interest expense on borrowings	89	123
Total Interest Expense	1,348	1,596
Net interest income	16,760	13,987
Provision for loan losses	(1,960)	(720)
Net Interest Income After Provision for Loan Losses	14,800	13,267
OTHER INCOME		
Service charges	422	476
Other operating income	1,620	2,008
Total Other Income	2,042	2,484
OPERATING EXPENSES		
Salaries and employee benefits	8,026	7,583
Occupancy	911	993
Other operating expenses	3,678	3,936
Total Operating Expenses	12,615	12,512
Income before provision for income taxes	4,227	3,239
Provision for income taxes	(1,178)	(510)
Income before other gains and losses	3,049	2,729
Security gains (losses)	11	27
Extraordinary gains (losses)	0	0
Net Income	\$ 3,060	\$ 2,756
	2020	2019
Earnings Per Common Share	\$ 17.04	\$ 15.37



NET INCOME GROWTH (in thousands)



ASSET GROWTH (in thousands)



LOAN GROWTH (in thousands)



DEPOSIT GROWTH (in thousands)



Corporate Office

Range Financial Corporation

100 North Front Street
Marquette, MI 49855
(906) 226-1025

Marquette County

Marquette Headquarters
Negaunee
Marquette, McClellan Avenue
Harvey

Copper Country

Calumet
Houghton
Lake Linden

Dickinson County

Kingsford

Brown County

Green Bay

Officers

Roxanne M. Daust, Chairman, President & Chief Executive Officer
David A. Symons, CPA, Vice President & Chief Financial Officer
James P. Markham, Jr., Chief Lending Officer & Community Bank President – Copper Country
Benjamin M. Wood, Community Bank President – Dickinson County & Wisconsin Region
Terry L. Jutila, Executive Credit Officer
Brian L. Syrjala, Senior Vice President, Home Mortgage Services
Rachel M. Simonsen, Vice President, Branch Administration and Digital Banking Officer
Lucy Grove, Vice President, Human Resources Officer
Michelle M. McLaughlin, Chief Credit Officer
Kristy M. Sibilsky, Senior Vice President, Business Banker
Charlotte L. Gaudreau, Senior Vice President, Loan Administration Officer
Sally L. Shaver, Senior Vice President, Mortgage Loan Underwriting
Bryan A. Spaeth, Senior Vice President, Business Banker
Kelly L. Jandron, Vice President, Regional Branch Administrator
Angela M. Knauss, Vice President, Loan Officer
John W. Lenten, CPA, Vice President, Internal Audit & BSA Officer
Christopher H. DeRoche, Vice President, Loan Officer
Michele M. Kontio, Vice President, Trust Officer
Kelli J. Hendrickson, Assistant Vice President, Loan Officer
Christopher J. Gobert, Assistant Vice President, Loan Officer
Kimberley S. Kaura, Assistant Vice President, Loan Officer
Eric M. Kucharczyk, Business Banking Officer
Cheryl L. O'Brien, Loan Officer
Kristin D. Knapp, Loan Officer
Alex M. Roy, Business Banking Officer
Stacey L. Sedar, Loan Officer
Ryan D. Miller, Loan Officer
Timothy P. Shandonay, Information Security & Technology Officer
Kimberly C. Wetton, Compliance Officer

