

**American Riviera Bancorp and Subsidiaries**

**Balance Sheets (unaudited)**

(dollars in thousands)

	<u>September 30,</u> <u>2023</u>	<u>September 30,</u> <u>2022</u>	<u>One Year</u> <u>\$ Change</u>	<u>One Year</u> <u>% Change</u>
<b>Assets</b>				
Cash & Due From Banks	\$ 26,905	\$ 178,882	\$ (151,977)	-85%
Available-for-sale securities	206,842	222,910	(16,068)	-7%
Held-to-maturity securities, net	41,309	41,241	68	0%
Loans	941,124	886,208	54,916	6%
Allowance For Credit Losses	(11,647)	(10,500)	(1,147)	11%
<b>Net Loans</b>	<u>929,477</u>	<u>875,708</u>	<u>53,769</u>	<u>6%</u>
Premise & Equipment	14,686	9,649	5,037	52%
Goodwill and Other Intangibles	4,934	4,984	(50)	-1%
Other Assets	44,653	38,033	6,620	17%
<b>Total Assets</b>	<u>\$ 1,268,806</u>	<u>\$ 1,371,407</u>	<u>\$ (102,601)</u>	<u>-7%</u>
<b>Liabilities &amp; Shareholders' Equity</b>				
Non-interest-bearing Deposits	\$ 457,723	\$ 519,796	\$ (62,073)	-12%
Interest-bearing Deposits	643,750	744,052	(100,302)	-13%
<b>Total Deposits</b>	<u>1,101,473</u>	<u>1,263,848</u>	<u>(162,375)</u>	<u>-13%</u>
Borrowed Funds	63,000	18,000	45,000	250%
Other Liabilities	11,976	7,425	4,551	61%
<b>Total Liabilities</b>	<u>1,176,449</u>	<u>1,289,273</u>	<u>(112,824)</u>	<u>-9%</u>
Common Stock	67,108	57,123	9,985	17%
Retained Earnings	51,972	49,722	2,250	5%
Other Capital	(26,723)	(24,711)	(2,012)	08%
<b>Total Shareholders' Equity</b>	<u>92,357</u>	<u>82,134</u>	<u>10,223</u>	<u>12%</u>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<u>\$ 1,268,806</u>	<u>\$ 1,371,407</u>	<u>\$ (102,601)</u>	<u>-7%</u>

**American Riviera Bancorp and Subsidiaries**

**Balance Sheets (unaudited)**

(dollars in thousands)

	<b>September 30, 2023</b>	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
<b>Assets</b>					
Cash & Due From Banks	\$ 26,905	\$ 30,428	\$ 64,252	\$ 61,801	\$ 178,882
Available-for-sale securities	<b>206,842</b>	215,951	223,547	223,281	222,910
Held-to-maturity securities	<b>41,309</b>	41,295	41,274	41,293	41,241
Loans	<b>941,124</b>	945,389	924,761	907,685	886,208
Allowance for Credit Losses <sup>(a)</sup>	<b>(11,647)</b>	(11,638)	(11,468)	(10,626)	(10,500)
<b>Net Loans</b>	<b>929,477</b>	933,751	913,293	897,059	875,708
Premise & Equipment	<b>14,686</b>	14,842	14,098	12,347	9,649
Goodwill and Other Intangibles	<b>4,934</b>	4,936	4,942	4,947	4,984
Other Assets	<b>44,653</b>	43,851	40,588	40,931	38,033
<b>Total Assets</b>	<b>\$ 1,268,806</b>	\$ 1,285,054	\$ 1,301,994	\$ 1,281,659	\$ 1,371,407
<b>Liabilities &amp; Shareholders' Equity</b>					
Non-interest-bearing Deposits	\$ 457,723	\$ 442,078	\$ 460,667	\$ 478,519	\$ 519,796
Interest-bearing Deposits	<b>643,750</b>	640,359	638,986	685,008	744,052
<b>Total Deposits</b>	<b>1,101,473</b>	1,082,437	1,099,653	1,163,527	1,263,848
Borrowed Funds	<b>63,000</b>	98,000	98,000	18,000	18,000
Other Liabilities	<b>11,976</b>	11,819	12,785	13,036	7,425
<b>Total Liabilities</b>	<b>1,176,449</b>	1,192,256	1,210,438	1,194,563	1,289,273
Common Stock	<b>67,108</b>	66,836	67,411	66,346	57,123
Retained Earnings	<b>51,972</b>	49,324	46,251	44,672	49,722
Other Capital	<b>(26,723)</b>	(23,362)	(21,075)	(23,922)	(24,711)
<b>Total Shareholders' Equity</b>	<b>92,357</b>	92,798	91,556	87,096	82,134
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 1,268,806</b>	\$ 1,285,054	\$ 1,301,994	\$ 1,281,659	\$ 1,371,407

**Note:**

(a) CECL was adopted using the modified retrospective method. Results of reporting periods beginning after 1/1/23 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP.

**American Riviera Bancorp and Subsidiaries**

**Statement of Income (unaudited)**

(dollars in thousands, except per share data)

	Quarter Ended			Nine Months Ended		
	September 30,	September 30,	Change	September 30,	September 30,	Change
	2023	2022		2023	2022	
<b>Interest Income</b>						
Interest and Fees on Loans	\$ 12,134	\$ 10,161	19%	\$ 35,130	\$ 28,116	25%
Fees on PPP Loans	-	199	-100%	-	1,320	-100%
Interest on Securities	1,664	1,539	8%	5,189	3,496	48%
Interest on Due From Banks	221	1,046	-79%	761	1,726	-56%
<b>Total Interest Income</b>	<b>14,019</b>	<b>12,944</b>	<b>8%</b>	<b>41,080</b>	<b>34,658</b>	<b>19%</b>
<b>Interest Expense</b>						
Interest Expense on Deposits	2,514	266	846%	5,753	693	731%
Interest Expense on Borrowings	618	169	266%	2,044	402	409%
<b>Total Interest Expense</b>	<b>3,131</b>	<b>435</b>	<b>620%</b>	<b>7,797</b>	<b>1,094</b>	<b>613%</b>
<b>Net Interest Income</b>	<b>10,888</b>	<b>12,509</b>	<b>-13%</b>	<b>33,283</b>	<b>33,564</b>	<b>-1%</b>
Provision for Credit Losses	8	122	-94%	170	1,038	-84%
<b>Net Interest Income After Provision</b>	<b>10,880</b>	<b>12,387</b>	<b>-12%</b>	<b>33,112</b>	<b>32,526</b>	<b>2%</b>
<b>Non-Interest Income</b>						
Service Charges, Commissions and Fees	467	602	-22%	1,694	1,945	-13%
Other Non-Interest Income	225	210	7%	514	724	-29%
<b>Total Non-Interest Income</b>	<b>692</b>	<b>812</b>	<b>-15%</b>	<b>2,208</b>	<b>2,668</b>	<b>-17%</b>
<b>Non-Interest Expense</b>						
Salaries and Employee Benefits	4,599	4,717	-2%	14,128	13,353	6%
Occupancy and Equipment	862	777	11%	2,635	2,299	15%
Other Non-Interest Expense	2,452	2,260	8%	7,094	6,273	13%
<b>Total Non-Interest Expense</b>	<b>7,912</b>	<b>7,754</b>	<b>2%</b>	<b>23,858</b>	<b>21,925</b>	<b>9%</b>
Net Income Before Provision for Taxes	3,660	5,446	-33%	11,462	13,269	-14%
Provision for Taxes	1,011	1,645	-39%	3,154	3,739	-16%
<b>Net Income</b>	<b>\$ 2,648</b>	<b>\$ 3,800</b>	<b>-30%</b>	<b>\$ 8,308</b>	<b>\$ 9,531</b>	<b>-13%</b>
Shares Outstanding	5,771,679	5,693,820	1%	5,771,679	5,693,820	1%
Earnings Per Share - Basic	\$ 0.46	\$ 0.67	-31%	\$ 1.44	\$ 1.67	-14%
Return on Average Assets	0.80%	1.08%	-26%	0.88%	0.95%	-7%
Return on Average Equity	10.98%	17.26%	-36%	12.31%	14.72%	-16%
Net Interest Margin	3.47%	3.69%	-6%	3.58%	3.39%	6%

Note> Share data for prior periods has been adjusted to reflect stock dividends

**American Riviera Bancorp and Subsidiaries**  
**Five Quarter Statements of Income (unaudited)**  
*(dollars in thousands, except per share data)*

	<b>Three Months Ended</b>				
	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>	<b>September 30, 2022</b>
<b>Interest Income</b>					
Interest and Fees on Loans	\$ 12,134	\$ 11,794	\$ 11,200	\$ 11,081	\$ 10,160
Fees on PPP Loans	-	-	1	-	199
Interest on Securities	1,664	1,792	1,733	1,716	1,539
Interest on Due From Banks	221	265	276	1,323	1,046
<b>Total Interest Income</b>	<b>14,019</b>	<b>13,851</b>	<b>13,210</b>	<b>14,120</b>	<b>12,944</b>
<b>Interest Expense</b>					
Interest Expense on Deposits	2,514	1,965	1,274	669	266
Interest Expense on Borrowings	618	1,006	421	169	169
<b>Total Interest Expense</b>	<b>3,131</b>	<b>2,971</b>	<b>1,695</b>	<b>838</b>	<b>435</b>
<b>Net Interest Income</b>	<b>10,888</b>	<b>10,880</b>	<b>11,515</b>	<b>13,282</b>	<b>12,509</b>
Provision for Credit Losses	8	163	-	109	122
<b>Net Interest Income After Provision</b>	<b>10,880</b>	<b>10,717</b>	<b>11,515</b>	<b>13,173</b>	<b>12,387</b>
<b>Non-Interest Income</b>					
Service Charges, Commissions and Fees	467	764	463	522	602
Other Non-Interest Income	225	222	66	157	210
<b>Total Non-Interest Income</b>	<b>692</b>	<b>987</b>	<b>529</b>	<b>679</b>	<b>812</b>
<b>Non-Interest Expense</b>					
Salaries and Employee Benefits	4,599	4,588	4,942	4,948	4,717
Occupancy and Equipment	862	868	905	856	777
Other Non-Interest Expense	2,452	2,508	2,134	2,561	2,260
<b>Total Non-Interest Expense</b>	<b>7,912</b>	<b>7,964</b>	<b>7,981</b>	<b>8,365</b>	<b>7,754</b>
Net Income Before Provision for Taxes	3,660	3,740	4,063	5,487	5,446
Provision for Taxes	1,011	1,052	1,090	1,524	1,645
<b>Net Income</b>	<b>\$ 2,648</b>	<b>\$ 2,687</b>	<b>\$ 2,973</b>	<b>\$ 3,963</b>	<b>\$ 3,800</b>
Shares Outstanding	5,771,679	5,772,012	5,763,854	5,692,161	5,693,820
Earnings Per Share - Basic	\$ 0.46	\$ 0.47	\$ 0.52	\$ 0.70	\$ 0.67
<i>Net Income pre-tax, pre-provision, pre-PPP fees (Non-GAAP)</i>	\$ 3,668	\$ 3,902	\$ 4,062	\$ 5,596	\$ 5,369

*Note> Share data for prior periods has been adjusted to reflect stock dividends*

**American Riviera Bancorp and Subsidiaries**  
**Selected Financial Highlights (unaudited)**  
*(dollars in thousands, except per share data)*

	At or for the Three Months Ended				
	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022
<b>Income and performance ratios:</b>					
Net Income	\$ 2,648	\$ 2,687	\$ 2,973	\$ 3,963	\$ 3,800
Earnings per share - basic <sup>(f)</sup>	0.46	0.47	0.52	0.70	0.67
Return on average assets	0.80%	0.85%	0.98%	1.14%	1.08%
Return on average equity	10.98%	11.84%	14.22%	19.12%	17.26%
Cost of Funds	1.06%	1.02%	0.59%	0.26%	0.16%
Cost of Deposits	0.90%	0.73%	0.45%	0.21%	0.08%
Net interest margin	3.47%	3.51%	3.76%	3.94%	3.69%
Efficiency ratio <sup>(b)</sup>	68.79%	66.97%	65.52%	60.21%	58.58%

**Asset quality:**

Allowance for credit losses	\$ 11,647	\$ 11,638	\$ 11,468	\$ 10,626	\$ 10,500
Nonperforming assets	2,708	2,818	2,955	3,066	6,337
Allowance for credit losses / total loans and leases	1.24%	1.23%	1.24%	1.17%	1.18%
Net charge-offs / average loans and leases (annualized)	0.00%	0.00%	0.00%	0.00%	-0.04%
Texas ratio <sup>(a)</sup>	2.73%	2.83%	3.01%	3.30%	6.07%

**Capital ratios for American Riviera Bank <sup>(c)</sup>:**

Tier 1 risk-based capital	12.14%	12.02%	11.96%	11.85%	11.68%
Total risk-based capital	13.28%	13.17%	13.12%	12.89%	12.73%
Tier 1 leverage ratio	10.12%	9.95%	9.67%	8.83%	8.48%

**Capital ratios for American Riviera Bancorp <sup>(c)</sup>:**

Tier 1 risk-based capital	10.52%	10.39%	10.32%	10.22%	10.05%
Total risk-based capital	13.31%	13.22%	13.21%	12.99%	12.87%
Tier 1 leverage ratio	8.77%	8.60%	8.32%	7.62%	7.29%
Tangible common equity ratio	6.92%	6.86%	6.68%	6.43%	5.65%

**Equity and share related <sup>(f)</sup>:**

Common equity	\$ 92,357	\$ 92,798	\$ 91,556	\$ 87,096	\$ 82,134
Book value per share	16.00	16.08	15.88	15.30	14.43
Tangible book value per share	15.15	15.22	15.03	14.43	13.55
Tangible book value per share, excluding AOCI <sup>(d)</sup>	19.78	19.27	18.68	18.63	17.89
Stock closing price per share	16.15	15.20	16.81	17.00	17.15
Number of shares issued and outstanding <sup>(e)</sup>	5,771.68	5,772.01	5,763.85	5,692.16	5,693.82

**Notes:**

(a) The sum of Nonperforming assets and Other Real Estate Owned, divided by the sum of Total Shareholder Equity and Total Allowance for Credit Losses (less Preferred Stock and Intangible Assets).

(b) Annualized Operating Expense excluding Provision for Credit Losses minus Annualized Extraordinary Expense, divided by Annualized Interest Income including Loan Fees minus Annualized Interest Expense plus Annualized Non-Interest Income minus Annualized Extraordinary Income, expressed as a percentage.

(c) Current period capital ratios are preliminary.

(d) Accumulated Other Comprehensive Income (AOCI), is comprised of the tax adjusted unrealized loss on securities and is presented as Other Capital on the Balance Sheet.

(e) Prior period number of shares issued and outstanding are adjusted for respective 10% stock dividend recorded as of November 24, 2022.

(f) Share data for prior periods has been adjusted to reflect stock dividends