

American Riviera Bancorp and Subsidiaries

Balance Sheets (unaudited)

(dollars in thousands)

	June 30, 2024	June 30, 2023	One Year \$ Change	One Year % Change
Assets				
Cash & Due From Banks	\$ 28,557	\$ 30,428	\$ (1,871)	-6%
Available-for-sale securities	189,514	215,951	(26,437)	-12%
Held-to-maturity securities, net	41,360	41,295	65	0%
Loans	963,701	945,389	18,312	2%
Allowance For Credit Losses	(11,694)	(11,638)	(56)	0%
Net Loans	<u>952,008</u>	<u>933,751</u>	<u>18,257</u>	<u>2%</u>
Premise & Equipment	8,527	8,716	(189)	-2%
Operating Lease Right-of-Use Asset	4,636	6,126	(1,490)	-24%
Bank Owned Life Insurance	11,930	11,487	443	4%
Stock in Other Banks	6,786	6,699	87	1%
Goodwill and Other Intangibles	4,956	4,936	20	0%
Other Assets	24,932	25,665	(733)	-3%
Total Assets	<u>\$ 1,273,206</u>	<u>\$ 1,285,054</u>	<u>\$ (11,848)</u>	<u>-1%</u>
Liabilities & Shareholders' Equity				
Non-interest-bearing Demand Deposits	\$ 424,991	\$ 442,078	\$ (17,087)	-4%
Interest-bearing Demand Deposits	110,323	140,935	(30,612)	-22%
Other Interest-bearing Deposits	532,656	499,424	33,232	7%
Total Deposits	<u>1,067,970</u>	<u>1,082,437</u>	<u>(14,467)</u>	<u>-1%</u>
Borrowed Funds	86,500	98,000	(11,500)	-12%
Other Liabilities	13,342	11,819	1,523	13%
Total Liabilities	<u>1,167,812</u>	<u>1,192,256</u>	<u>(24,444)</u>	<u>-2%</u>
Common Stock	67,509	66,836	673	1%
Retained Earnings	58,812	49,324	9,488	19%
Other Capital	(20,927)	(23,362)	2,435	-10%
Total Shareholders' Equity	<u>105,394</u>	<u>92,798</u>	<u>12,596</u>	<u>14%</u>
Total Liabilities & Shareholders' Equity	<u>\$ 1,273,206</u>	<u>\$ 1,285,054</u>	<u>\$ (11,848)</u>	<u>-1%</u>

American Riviera Bancorp and Subsidiaries

Balance Sheets (unaudited)

(dollars in thousands)

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Assets					
Cash & Due From Banks	\$ 28,557	\$ 33,029	\$ 19,683	\$ 26,905	\$ 30,428
Available-for-sale securities	189,514	200,905	207,271	206,842	215,951
Held-to-maturity securities	41,360	41,343	41,326	41,309	41,295
Loans	963,701	950,820	946,411	941,124	945,389
Allowance for Credit Losses	(11,694)	(11,648)	(11,648)	(11,647)	(11,638)
Net Loans	952,008	939,172	934,763	929,477	933,751
Premise & Equipment	8,527	8,529	8,801	9,452	8,716
Operating Lease Right-of-Use Asset	4,636	4,931	5,193	5,234	6,126
Bank Owned Life Insurance	11,930	11,839	11,738	11,613	11,487
Stock in Other Banks	6,786	6,699	6,699	6,699	6,699
Goodwill and Other Intangibles	4,956	4,955	4,930	4,934	4,936
Other Assets	24,932	24,828	24,632	26,341	25,665
Total Assets	\$ 1,273,206	\$ 1,276,230	\$ 1,265,036	\$ 1,268,806	\$ 1,285,054
Liabilities & Shareholders' Equity					
Non-interest-bearing Demand Deposits	\$ 424,991	\$ 415,648	\$ 443,070	\$ 457,723	\$ 442,078
Interest-bearing Demand Deposits	110,323	134,532	123,686	129,484	140,935
Other Interest-bearing Deposits	532,656	499,236	482,926	514,266	499,424
Total Deposits	1,067,970	1,049,416	1,049,682	1,101,473	1,082,437
Borrowed Funds	86,500	113,000	103,000	63,000	98,000
Other Liabilities	13,342	12,120	11,715	11,976	11,819
Total Liabilities	1,167,812	1,174,535	1,164,397	1,176,449	1,192,256
Common Stock	67,509	67,198	67,388	67,108	66,836
Retained Earnings	58,812	56,357	54,177	51,972	49,324
Other Capital	(20,927)	(21,860)	(20,926)	(26,723)	(23,362)
Total Shareholders' Equity	105,394	101,695	100,639	92,357	92,798
Total Liabilities & Shareholders' Equity	\$ 1,273,206	\$ 1,276,230	\$ 1,265,036	\$ 1,268,806	\$ 1,285,054

American Riviera Bancorp and Subsidiaries
Statement of Income (unaudited)
(dollars in thousands, except per share data)

	Quarter Ended			Six Months Ended		
	June 30, 2024	June 30, 2023	Change	June 30, 2024	June 30, 2023	Change
Interest Income						
Interest and Fees on Loans	\$ 13,043	\$ 11,794	11%	\$ 25,715	\$ 22,996	12%
Interest on Securities	1,595	1,792	-11%	3,306	3,525	-6%
Interest on Due From Banks	291	265	10%	443	541	-18%
Total Interest Income	14,928	13,851	8%	29,465	27,061	9%
Interest Expense						
Interest Expense on Deposits	3,534	1,965	80%	6,340	3,239	96%
Interest Expense on Borrowings	1,370	1,006	36%	2,908	1,427	104%
Total Interest Expense	4,903	2,971	65%	9,248	4,666	98%
Net Interest Income	10,025	10,880	-8%	20,217	22,395	-10%
Provision for Credit Losses	45	163	-72%	43	163	-73%
Net Interest Income After Provision	9,980	10,717	-7%	20,174	22,233	-9%
Non-Interest Income						
Service Charges, Commissions and Fees	731	764	-4%	1,251	1,227	2%
Other Non-Interest Income	805	222	262%	1,165	289	304%
Total Non-Interest Income	1,536	987	56%	2,416	1,516	59%
Non-Interest Expense						
Salaries and Employee Benefits	5,104	4,588	11%	10,327	9,529	8%
Occupancy and Equipment	893	868	3%	1,766	1,773	0%
Other Non-Interest Expense	2,129	2,508	-15%	4,134	4,643	-11%
Total Non-Interest Expense	8,126	7,964	2%	16,228	15,946	2%
Net Income Before Provision for Taxes	3,389	3,740	-9%	6,362	7,803	-18%
Provision for Taxes	934	1,052	-11%	1,727	2,143	-19%
Net Income	\$ 2,455	\$ 2,687	-9%	\$ 4,635	\$ 5,660	-18%
					0	
Shares Outstanding	5,819,759	5,772,012	1%	5,819,759	5,772,012	1%
Earnings Per Share - Basic	\$ 0.42	\$ 0.47	-9%	\$ 0.80	\$ 0.98	-19%
Return on Average Assets	0.77%	0.85%	-9%	0.73%	0.92%	-21%
Return on Average Equity	9.57%	11.84%	-19%	9.11%	13.00%	-30%
Net Interest Margin	3.24%	3.51%	-8%	3.28%	3.64%	-10%

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

	Three Months Ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Interest Income					
Interest and Fees on Loans	\$ 13,043	\$ 12,672	\$ 12,557	\$ 12,134	\$ 11,794
Interest on Securities	1,595	1,712	1,751	1,664	1,792
Interest on Due From Banks	291	153	293	221	265
Total Interest Income	14,928	14,537	14,601	14,019	13,851
Interest Expense					
Interest Expense on Deposits	3,534	2,806	2,735	2,514	1,965
Interest Expense on Borrowings	1,370	1,538	863	618	1,006
Total Interest Expense	4,903	4,344	3,598	3,131	2,971
Net Interest Income	10,025	10,192	11,003	10,888	10,880
Provision for Credit Losses	45	(2)	-	8	163
Net Interest Income After Provision	9,980	10,194	11,003	10,880	10,717
Non-Interest Income					
Service Charges, Commissions and Fees	731	520	525	467	764
Other Non-Interest Income	805	361	(257)	225	222
Total Non-Interest Income	1,536	881	268	692	987
Non-Interest Expense					
Salaries and Employee Benefits	5,104	5,223	4,838	4,599	4,588
Occupancy and Equipment	893	873	907	862	868
Other Non-Interest Expense	2,129	2,006	2,485	2,452	2,508
Total Non-Interest Expense	8,126	8,101	8,230	7,912	7,964
Net Income Before Provision for Taxes	3,389	2,974	3,041	3,660	3,740
Provision for Taxes	934	793	838	1,011	1,052
Net Income	\$ 2,455	\$ 2,180	\$ 2,203	\$ 2,649	\$ 2,688
Shares Outstanding	5,819,759	5,820,150	5,768,697	5,771,679	5,772,012
Earnings Per Share - Basic	\$ 0.42	\$ 0.37	\$ 0.38	\$ 0.46	\$ 0.47
<i>Net Income pre-tax, pre-provision (Non-GAAP)</i>	\$ 3,434	\$ 2,972	\$ 3,039	\$ 3,668	\$ 3,902

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

	At or for the Three Months Ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Income and performance ratios:					
Net Income	\$ 2,455	\$ 2,180	\$ 2,203	\$ 2,649	\$ 2,688
Earnings per share - basic	0.42	0.37	0.38	0.46	0.47
Return on average assets	0.77%	0.69%	0.69%	0.80%	0.85%
Return on average equity	9.57%	8.65%	9.36%	10.98%	11.84%
Cost of Funds	1.70%	1.51%	1.23%	1.06%	1.02%
Cost of Deposits	1.35%	1.09%	1.00%	0.90%	0.73%
Net interest margin	3.24%	3.34%	3.61%	3.47%	3.51%
Efficiency ratio ^(b)	70.30%	74.33%	73.01%	68.79%	66.97%
Balance Sheet ratios:					
Loan-to-deposit ratio	90.24%	90.60%	90.16%	85.44%	87.34%
Non-interest-bearing deposits / total deposits	39.79%	39.61%	42.21%	41.56%	40.84%
Demand deposits / total deposits	50.12%	52.43%	53.99%	53.31%	53.86%
Asset quality:					
Allowance for credit losses	\$ 11,694	\$ 11,648	\$ 11,648	\$ 11,647	\$ 11,638
Nonperforming assets	614	631	595	2,708	2,818
Allowance for credit losses / total loans and leases	1.21%	1.23%	1.23%	1.24%	1.23%
Net charge-offs / average loans and leases (annualized)	0.00%	0.00%	0.00%	0.00%	0.00%
Texas ratio ^(a)	0.69%	0.74%	0.71%	2.73%	2.83%
Capital ratios for American Riviera Bank ^(c):					
Tier 1 risk-based capital	12.85%	12.76%	12.62%	12.14%	12.02%
Total risk-based capital	13.99%	13.90%	13.77%	13.28%	13.17%
Tier 1 leverage ratio	11.00%	10.82%	10.62%	10.12%	9.95%
Capital ratios for American Riviera Bancorp ^(c):					
Tier 1 risk-based capital	11.17%	11.07%	10.94%	10.52%	10.39%
Total risk-based capital	13.77%	13.84%	13.72%	13.31%	13.22%
Tier 1 leverage ratio	9.56%	9.39%	9.21%	8.77%	8.60%
Tangible common equity ratio	7.92%	7.61%	7.60%	6.92%	6.86%
Equity and share related:					
Common equity	\$ 105,394	\$ 101,695	\$ 100,639	\$ 92,357	\$ 92,798
Book value per share	18.11	17.47	17.45	16.00	16.08
Tangible book value per share	17.26	16.62	16.59	15.15	15.22
Tangible book value per share, excluding AOCI ^(d)	20.85	20.38	20.22	19.78	19.27
Stock closing price per share	16.60	15.96	16.50	16.15	15.20
Number of shares issued and outstanding	5,819.76	5,820.15	5,768.70	5,771.68	5,772.01

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.