

American Riviera Bancorp and Subsidiaries

Balance Sheets (unaudited)

(dollars in thousands)

	<u>September 30,</u> <u>2024</u>	<u>September 30,</u> <u>2023</u>	<u>One Year</u> <u>\$ Change</u>	<u>One Year</u> <u>% Change</u>
Assets				
Cash & Due From Banks	\$ 40,549	\$ 26,905	\$ 13,644	51%
Available-for-sale securities	188,173	206,842	(18,669)	-9%
Held-to-maturity securities, net	41,377	41,309	68	0%
Loans	976,257	941,124	35,133	4%
Allowance For Credit Losses	<u>(11,694)</u>	<u>(11,647)</u>	<u>(47)</u>	<u>0%</u>
Net Loans	964,563	929,477	35,086	4%
Premise & Equipment	8,477	9,452	(975)	-10%
Operating Lease Right-of-Use Asset	5,153	5,234	(81)	-2%
Bank Owned Life Insurance	12,027	11,613	414	4%
Stock in Other Banks	6,786	6,699	87	1%
Goodwill and Other Intangibles	4,939	4,934	5	0%
Other Assets	<u>22,716</u>	<u>26,341</u>	<u>(3,625)</u>	<u>-14%</u>
Total Assets	<u>\$ 1,294,758</u>	<u>\$ 1,268,806</u>	<u>\$ 25,952</u>	<u>2%</u>
Liabilities & Shareholders' Equity				
Non-interest-bearing Demand Deposits	\$ 466,537	\$ 457,723	\$ 8,814	2%
Interest-bearing Demand Deposits	116,624	129,484	(12,860)	-10%
Other Interest-bearing Deposits	<u>549,601</u>	<u>514,266</u>	<u>35,335</u>	<u>7%</u>
Total Deposits	1,132,762	1,101,473	31,289	3%
Borrowed Funds	36,500	63,000	(26,500)	-42%
Other Liabilities	<u>13,372</u>	<u>11,976</u>	<u>1,396</u>	<u>12%</u>
Total Liabilities	1,182,634	1,176,449	6,185	1%
Common Stock	67,841	67,108	733	1%
Retained Earnings	60,901	51,972	8,929	17%
Other Capital	<u>(16,617)</u>	<u>(26,723)</u>	<u>10,106</u>	<u>-38%</u>
Total Shareholders' Equity	112,125	92,357	19,768	21%
Total Liabilities & Shareholders' Equity	<u>\$ 1,294,758</u>	<u>\$ 1,268,806</u>	<u>\$ 25,952</u>	<u>2%</u>

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Balance Sheets (unaudited)

(dollars in thousands)

	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Assets					
Cash & Due From Banks	\$ 40,549	\$ 28,557	\$ 33,029	\$ 19,683	\$ 26,905
Available-for-sale securities	188,173	189,514	200,905	207,271	206,842
Held-to-maturity securities	41,377	41,360	41,343	41,326	41,309
Loans	976,257	963,701	950,820	946,411	941,124
Allowance for Credit Losses	(11,694)	(11,694)	(11,648)	(11,648)	(11,647)
Net Loans	964,563	952,008	939,172	934,763	929,477
Premise & Equipment	8,477	8,527	8,529	8,801	9,452
Operating Lease Right-of-Use Asset	5,153	4,636	4,931	5,193	5,234
Bank Owned Life Insurance	12,027	11,930	11,839	11,738	11,613
Stock in Other Banks	6,786	6,786	6,699	6,699	6,699
Goodwill and Other Intangibles	4,939	4,956	4,955	4,930	4,934
Other Assets	22,716	24,932	24,828	24,632	26,341
Total Assets	\$ 1,294,758	\$ 1,273,206	\$ 1,276,230	\$ 1,265,036	\$ 1,268,806
Liabilities & Shareholders' Equity					
Non-interest-bearing Demand Deposits	\$ 466,537	\$ 424,991	\$ 415,648	\$ 443,070	\$ 457,723
Interest-bearing Demand Deposits	116,624	110,323	134,532	123,686	129,484
Other Interest-bearing Deposits	549,601	532,656	499,236	482,926	514,266
Total Deposits	1,132,762	1,067,970	1,049,416	1,049,682	1,101,473
Borrowed Funds	36,500	86,500	113,000	103,000	63,000
Other Liabilities	13,372	13,342	12,120	11,715	11,976
Total Liabilities	1,182,634	1,167,812	1,174,535	1,164,397	1,176,449
Common Stock	67,841	67,509	67,198	67,388	67,108
Retained Earnings	60,901	58,812	56,357	54,177	51,972
Other Capital	(16,617)	(20,927)	(21,860)	(20,926)	(26,723)
Total Shareholders' Equity	112,125	105,394	101,695	100,639	92,357
Total Liabilities & Shareholders' Equity	\$ 1,294,758	\$ 1,273,206	\$ 1,276,230	\$ 1,265,036	\$ 1,268,806

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

	Quarter Ended			Nine Months Ended		
	September 30, 2024	September 30, 2023	Change	September 30, 2024	September 30, 2023	Change
Interest Income						
Interest and Fees on Loans	\$ 13,395	\$ 12,134	10%	\$ 39,110	\$ 35,130	11%
Interest on Securities	1,577	1,664	-5%	4,884	5,189	-6%
Interest on Due From Banks	305	221	38%	748	761	-2%
Total Interest Income	15,277	14,019	9%	44,742	41,080	9%
Interest Expense						
Interest Expense on Deposits	4,225	2,514	68%	10,565	5,753	84%
Interest Expense on Borrowings	624	618	1%	3,532	2,044	73%
Total Interest Expense	4,849	3,131	55%	14,097	7,797	81%
Net Interest Income	10,428	10,888	-4%	30,645	33,283	-8%
Provision for Credit Losses	(0)	9	-101%	111	171	-35%
Net Interest Income After Provision	10,428	10,879	-4%	30,534	33,112	-8%
Non-Interest Income						
Service Charges, Commissions and Fees	606	467	30%	1,857	1,694	10%
Other Non-Interest Income	272	225	21%	1,438	514	180%
Total Non-Interest Income	878	692	27%	3,295	2,208	49%
Non-Interest Expense						
Salaries and Employee Benefits	4,965	4,599	8%	15,292	14,128	8%
Occupancy and Equipment	978	862	14%	2,744	2,635	4%
Other Non-Interest Expense	2,429	2,450	-1%	6,496	7,095	-8%
Total Non-Interest Expense	8,372	7,911	6%	24,532	23,858	3%
Net Income Before Provision for Taxes	2,934	3,660	-20%	9,297	11,462	-19%
Provision for Taxes	845	1,011	-16%	2,572	3,154	-18%
Net Income	\$ 2,089	\$ 2,649	-21%	\$ 6,724	\$ 8,308	-19%
Shares Outstanding	5,833,825	5,771,679	1%	5,833,825	5,771,679	1%
Earnings Per Share - Basic	\$ 0.36	\$ 0.46	-22%	\$ 1.15	\$ 1.44	-20%
Return on Average Assets	0.65%	0.80%	-19%	0.70%	0.88%	-20%
Return on Average Equity	7.73%	10.98%	-30%	8.64%	12.31%	-30%
Net Interest Margin	3.33%	3.47%	-4%	3.29%	3.58%	-8%

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

	Three Months Ended				
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Interest Income					
Interest and Fees on Loans	\$ 13,395	\$ 13,043	\$ 12,672	\$ 12,557	\$ 12,134
Interest on Securities	1,577	1,595	1,712	1,751	1,664
Interest on Due From Banks	305	291	153	293	221
Total Interest Income	15,277	14,928	14,537	14,601	14,019
Interest Expense					
Interest Expense on Deposits	4,225	3,534	2,806	2,735	2,514
Interest Expense on Borrowings	624	1,370	1,538	863	618
Total Interest Expense	4,849	4,903	4,344	3,598	3,131
Net Interest Income	10,428	10,025	10,192	11,003	10,888
Provision for Credit Losses	(0)	78	33	(84)	9
Net Interest Income After Provision	10,428	9,947	10,159	11,087	10,879
Non-Interest Income					
Service Charges, Commissions and Fees	606	731	520	525	467
Other Non-Interest Income	272	805	361	(257)	225
Total Non-Interest Income	878	1,536	881	268	692
Non-Interest Expense					
Salaries and Employee Benefits	4,965	5,104	5,223	4,838	4,599
Occupancy and Equipment	978	893	873	907	862
Other Non-Interest Expense	2,429	2,096	1,971	2,569	2,450
Total Non-Interest Expense	8,372	8,094	8,067	8,314	7,911
Net Income Before Provision for Taxes	2,935	3,389	2,973	3,041	3,660
Provision for Taxes	845	934	793	838	1,011
Net Income	\$ 2,089	\$ 2,455	\$ 2,180	\$ 2,203	\$ 2,649
Shares Outstanding	5,833,825	5,819,759	5,820,150	5,768,697	5,771,679
Earnings Per Share - Basic	\$ 0.36	\$ 0.42	\$ 0.37	\$ 0.38	\$ 0.46
<i>Net Income pre-tax, pre-provision (Non-GAAP)</i>	\$ 2,935	\$ 3,434	\$ 2,972	\$ 3,039	\$ 3,668

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, 2024	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Income and performance ratios:					
Net Income	\$ 2,089	\$ 2,455	\$ 2,180	\$ 2,203	\$ 2,649
Earnings per share - basic	0.36	0.42	0.37	0.38	0.46
Return on average assets	0.65%	0.77%	0.69%	0.69%	0.80%
Return on average equity	7.73%	9.57%	8.65%	9.36%	10.98%
Loan yield	5.52%	5.48%	5.37%	5.26%	5.03%
Cost of funds	1.66%	1.70%	1.51%	1.23%	1.06%
Cost of deposits	1.52%	1.35%	1.09%	1.00%	0.90%
Net interest margin	3.33%	3.24%	3.34%	3.61%	3.47%
Efficiency ratio ^(b)	74.06%	70.30%	74.33%	73.01%	68.79%
Balance Sheet ratios:					
Loan-to-deposit ratio	86.18%	90.24%	90.60%	90.16%	85.44%
Non-interest-bearing deposits / total deposits	41.19%	39.79%	39.61%	42.21%	41.56%
Demand deposits / total deposits	51.48%	50.12%	52.43%	53.99%	53.31%
Asset quality:					
Allowance for credit losses	\$ 11,694	\$ 11,694	\$ 11,648	\$ 11,648	\$ 11,647
Nonperforming assets	521	614	631	595	2,708
Allowance for credit losses / total loans and leases	1.20%	1.21%	1.23%	1.23%	1.24%
Net charge-offs / average loans and leases (annualized)	0.00%	0.00%	0.00%	0.00%	0.00%
Texas ratio ^(a)	0.54%	0.69%	0.74%	0.71%	2.73%
Capital ratios for American Riviera Bank ^(c):					
Tier 1 risk-based capital	12.93%	12.85%	12.76%	12.62%	12.14%
Total risk-based capital	14.05%	13.99%	13.90%	13.77%	13.28%
Tier 1 leverage ratio	11.15%	11.00%	10.82%	10.62%	10.12%
Capital ratios for American Riviera Bancorp ^(c):					
Tier 1 risk-based capital	11.24%	11.17%	11.07%	10.94%	10.52%
Total risk-based capital	13.80%	13.77%	13.84%	13.72%	13.31%
Tier 1 leverage ratio	9.70%	9.56%	9.39%	9.21%	8.77%
Tangible common equity ratio	8.31%	7.92%	7.61%	7.60%	6.92%
Equity and share related:					
Common equity	\$ 112,125	\$ 105,394	\$ 101,695	\$ 100,639	\$ 92,357
Book value per share	19.22	18.11	17.47	17.45	16.00
Tangible book value per share	18.37	17.26	16.62	16.59	15.15
Tangible book value per share, excluding AOCI ^(d)	21.22	20.85	20.38	20.22	19.78
Stock closing price per share	19.40	16.60	15.96	16.50	16.15
Number of shares issued and outstanding	5,833.83	5,819.76	5,820.15	5,768.70	5,771.68

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.