



AMERICAN RIVIERA
BANK

QUARTERLY FINANCIAL UPDATE

As of December 31, 2021



OVERVIEW OF AMERICAN RIVIERA BANK

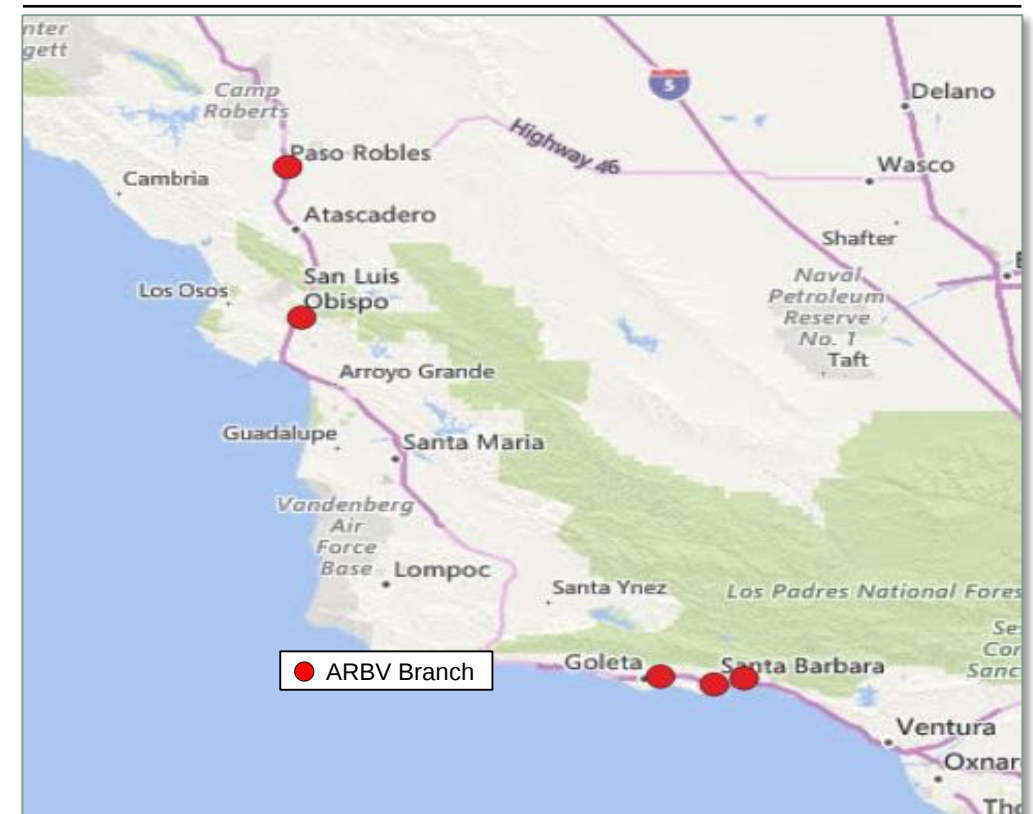
Company Overview

Headquarters	Santa Barbara, CA
Ticker / Exchange	ARBV / OTCQX
Market Cap.	\$ 107 MM
Outstanding Shares	5,134,993
Client Focus	Real Estate, Small Business, and Professionals
Geography	Central Coast of California
Year Established	2006
Branches	5

Financial Overview at 12/31/21 and FY 2021

Total Assets	\$1,307 MM	ROAA	1.04%
Gross Loans	\$ 793 MM	ROAE	13.02%
TCE Ratio	7.06%	Efficiency Ratio	60.6%
RBC Ratio	12.16%	NIM	3.58%

Branch Footprint





HISTORY OF THE BANK



*Unaudited company information as of 12/31/2021.

**BSB call report for the quarter ended 12/31/2015, which is the quarter-end prior to acquisition



EXECUTIVE MANAGEMENT TEAM

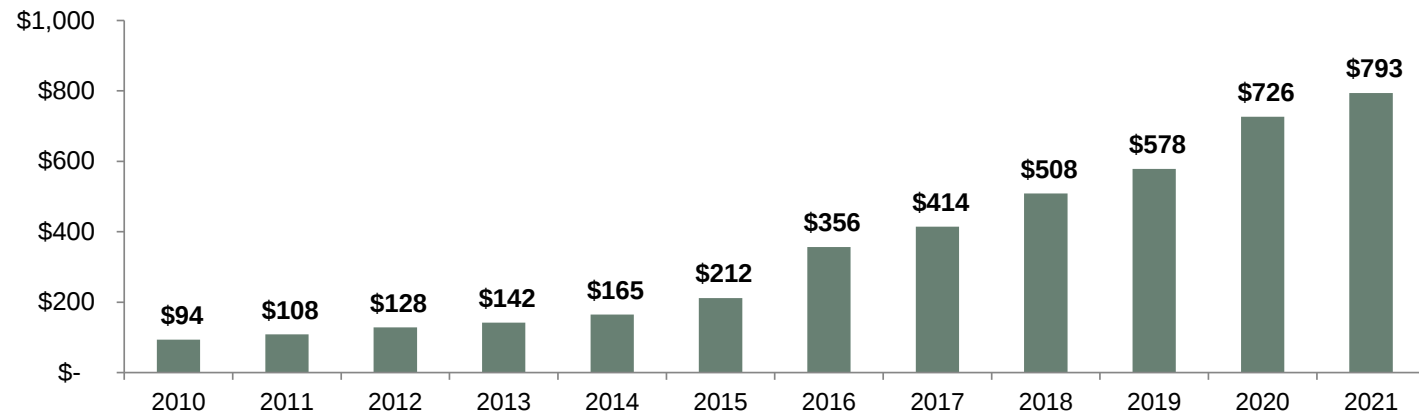
	Executive/ Title	Join ed	Biography
	Jeff DeVine President and CEO	<i>2008</i>	Mr. DeVine was appointed President and Chief Executive Officer of the Bank on August 21, 2008. Mr. DeVine previously was employed as Statewide Division Manager of commercial real estate by Rabobank, N.A. Prior to that, he was Regional President for the Greater Santa Barbara and Santa Ynez Valley Region of Mid-State Bank & Trust. He has held senior officer positions in a range of banking firms, serving roles in commercial, real estate, private and investment banking during his 20+ year career. He graduated with honors from the Pacific Coast Banking School at the University of Washington and received his Bachelors of Science from the University of California, San Diego in Quantitative Economics.
	Joanne Funari Chief Operating Officer	<i>2016</i>	Ms. Funari was appointed Executive Vice President and Chief Operating Officer of the Bank on January 1, 2016. Ms. Funari was previously employed as Executive Vice President and Chief Operating Officer and served as a Director for The Bank of Santa Barbara. Prior to joining The Bank of Santa Barbara, she served as Executive Vice President and Santa Barbara and Ventura Counties Market President for Business First National Bank. She was also a founder and president of Business First Bank and held senior officer positions at Santa Barbara Bank & Trust, City Commerce Bank and Bank of New York. Her education includes a graduate degree with honors from the Pacific Coast Banking School at the University of Washington and University of California, Los Angeles.
	Michelle Martinich, CPA Chief Financial Officer	<i>2006</i>	Ms. Martinich was appointed Senior Vice President and Chief Financial Officer of the Bank on April 20, 2006 and currently serves as the Executive Vice President and Chief Financial Officer. Ms. Martinich previously was employed by Pacific Capital Bancorp (PCB), dba Santa Barbara Bank & Trust. Ms. Martinich's financial and banking experience spans 20+ years, first as an external auditor with Arthur Andersen and then with responsibility for various functions in the Finance Department of PCB, reporting directly to the CFO. She graduated from UC Santa Barbara with a Bachelors of Arts in Business Economics.

	Executive/ Title	Joined	Biography
	Eusebio Cordova, Jr. Chief Credit Officer	<i>2009</i>	Mr. Cordova was appointed Senior Vice President and Chief Credit Officer of the Bank on July 20, 2016 and currently serves as the Executive Vice President and Chief Credit Officer. Mr. Cordova joined the Bank in 2009 and was serving as the Commercial Team Leader prior to his appointment as CCO. Prior to working at American Riviera Bank, Mr. Cordova was a Vice President, Commercial Banking Officer for Mid-State Bank and Trust. Mr. Cordova graduated with a Bachelor of Science Degree in Business and minor in Economics from CSU Channel Islands. He is a graduate of Pacific Coast Banking School at the University of Washington.
	Laurel Sykes Chief Risk Officer	<i>2019</i>	Ms. Sykes was appointed Executive Vice President and Chief Compliance and Risk Officer of the Bank on June 13, 2019. She holds the designation of Certified Regulatory Compliance Manager, and has specialized in regulatory compliance and risk management for the last 22 of her 28 years in the banking industry. Laurel launched her banking career in 1991 working for Wells Fargo. She joined Santa Barbara Bank & Trust in 1995 and moved into the bank's consumer compliance function in 1997. Sykes worked for 14 years at Santa Barbara Bank & Trust where she rose to the position of Director of Regulatory Affairs before accepting a position in 2009 with Montecito Bank & Trust as SVP, Chief Risk Officer. Ms. Sykes graduated with a degree in Business Economics at the University of California at Santa Barbara.
	Paul Abramson Chief Technology Officer	<i>2019</i>	Paul Abramson is the Executive Vice President, Chief Technology Officer for American Riviera Bank. He is leading our bank in technology and cyber security strategy. Mr. Abramson comes to us with over 20 years of experience in the Technology and Cybersecurity industries, of which 13 years has been in banking. He previously served as the lead technologist and cybersecurity architect for Montecito Bank & Trust, and before that worked for a network security solutions provider designing and implementing threat management deployments for large enterprises. He graduated from UC Santa Barbara with a BA in Business Economics, and recently completed the Western Bankers Association Executive Development Program.

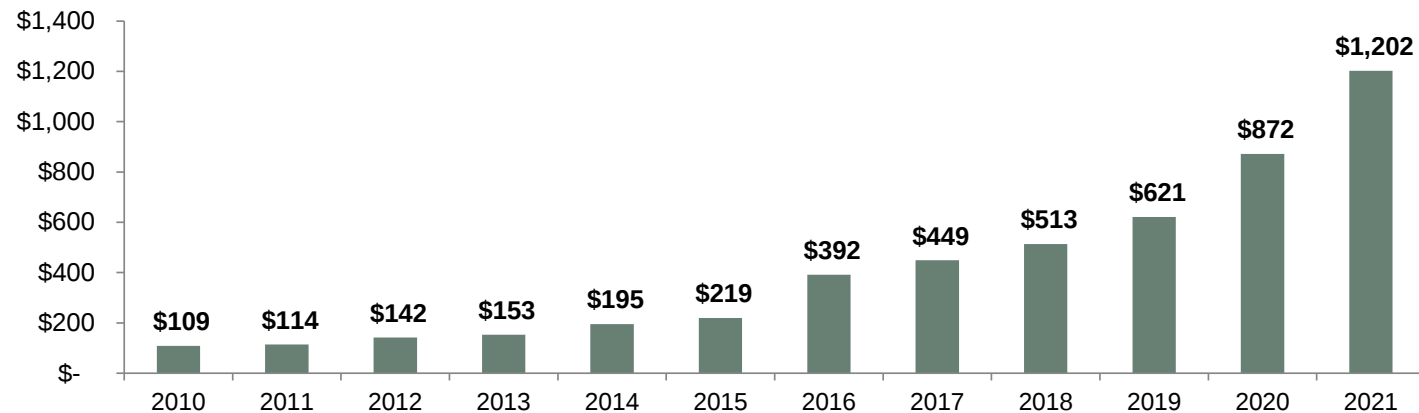


TRACK RECORD OF ORGANIC & ACQUISITIVE GROWTH

Gross Loans (\$MM)



Total Deposits (\$MM)



- ✓ 9.3% loan growth (including SBA PPP) over the last 12 months
- ✓ 17.4% loan growth (excluding SBA PPP) over the last 12 months
- ✓ Loan-to-deposit ratio of 66.0%
- ✓ Originated \$118 million in PPP loans in 2020, and \$68 million in 2021. \$40 million remaining at December 31, 2021
- ✓ 37.8% deposit growth over the last 12 months

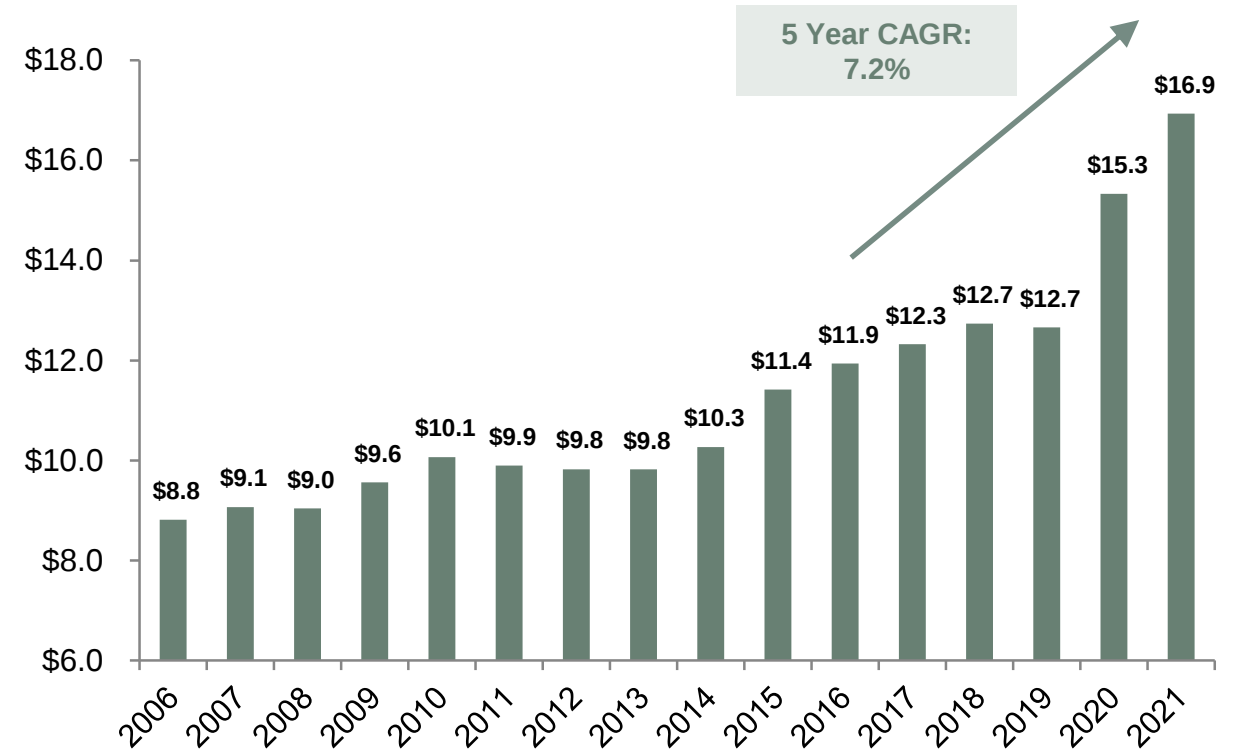


SANTA BARBARA COUNTY

Economic Overview and Demographic Trends

- ✓ Thriving local economy with meaningful job growth in tourism, professional services, and healthcare sectors
- ✓ Home to UC Santa Barbara, which ranks as the 6th best public university in the United States and employs over 11,000 people⁽¹⁾
- ✓ Santa Barbara's population has grown 6.1% since 2010 and is expected to grow 2.5% over the next five years⁽²⁾
- ✓ Median household incomes for the cities of Santa Barbara and Montecito are \$87,316 and \$149,864, which are 29% and 121% higher than the national average, respectively⁽²⁾
- ✓ Major employers in Santa Barbara include: Lockheed Martin, Raytheon, Santa Barbara Education System, UC Santa Barbara, and the City of Santa Barbara⁽³⁾

Total Deposits (\$B) – Santa Barbara County



Note: All dollars in billions, unless noted otherwise. All information is for Santa Barbara County, unless noted otherwise

1. U.S. News & Reports, 2021 Rankings, UCSB Administrative Services

2. S&P Global Market Intelligence

3. Pacific Coast Business Times

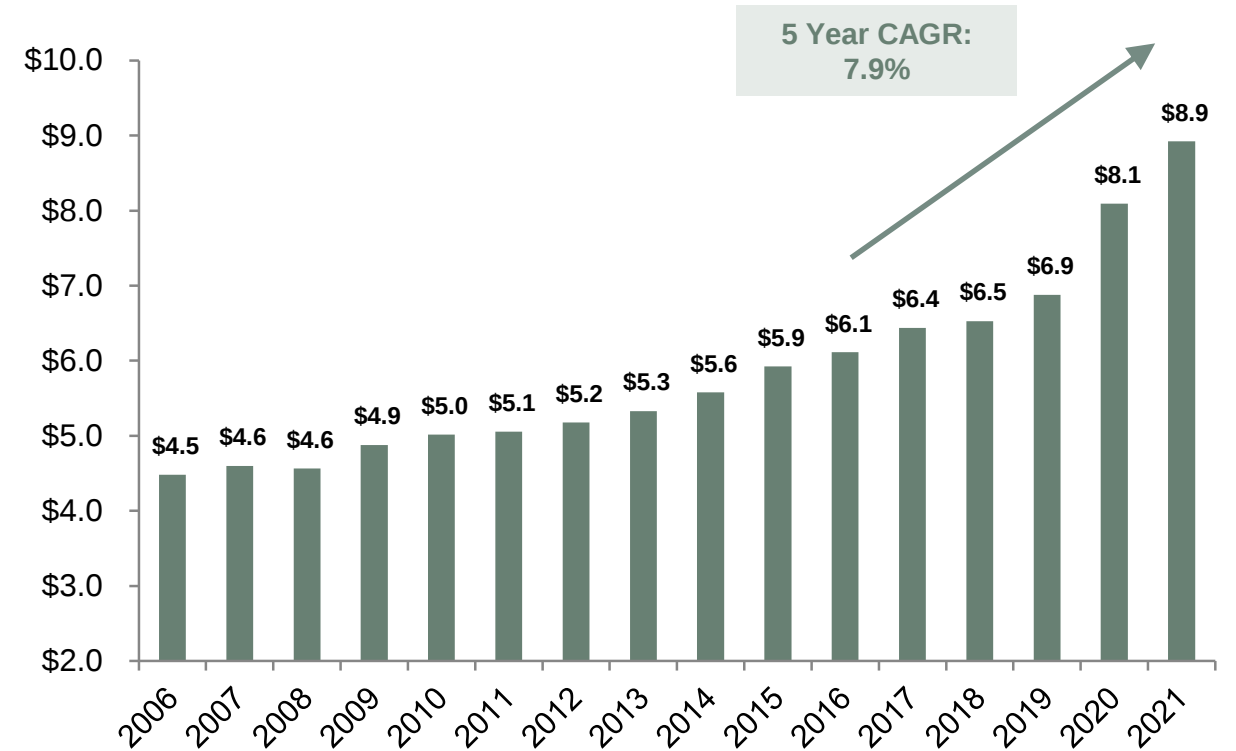


SAN LUIS OBISPO COUNTY

Economic Overview and Demographic Trends

- ✓ Diverse region characterized by agricultural and ranching operations, a robust wine industry, and small-to-mid sized businesses
- ✓ Home to nationally-ranked California Polytechnic State University, which is comprised of approximately 21,000 students and employs over 3,000 faculty and staff⁽¹⁾
- ✓ San Luis Obispo's population has grown 4.5% since 2010 and is expected to grow 2.0% over the next five years⁽²⁾
- ✓ Median household income for San Luis Obispo is \$80,312, which is 19% higher than the national average⁽²⁾

Total Deposits (\$B) – San Luis Obispo County



Note: All dollars in billions, unless noted otherwise. All information is for San Luis Obispo County, unless noted otherwise

1. Cal Poly, San Luis Obispo Quick Facts
2. S&P Global Market Intelligence



MARKET DISRUPTION LOOKING BACK 10 YEARS

11 banks with \$6.7B of deposits in ARBV's footprint have been acquired or failed since 2011, including 8 banks which are headquartered in-market*

Deposit Market Share* in 2011

Rank	In-Mkt.		Number of Branches	Deposits in Market	Market Share
	Total	HQ			
1	1	Pacific Capital Bancorp (CA)	21	\$ 2,359,513	15.6%
2	-	Wells Fargo & Co. (CA)	16	\$ 2,348,306	15.6%
3	-	Rabobank	33	\$ 2,275,210	15.1%
4	-	Bank of America Corp. (NC)	15	\$ 2,048,021	13.6%
5	-	JPMorgan Chase & Co. (NY)	16	\$ 1,018,115	6.7%
6	2	Heritage Oaks Bancorp (CA)	14	\$ 803,164	5.3%
7	3	Montecito Bancorp (CA)	6	\$ 797,789	5.3%
8	4	Community West Bancshares (CA)	4	\$ 383,879	2.5%
9	-	PacWest Bancorp (CA)	7	\$ 258,068	1.7%
10	-	Northern Trust Corp. (IL)	2	\$ 234,053	1.6%
11	5	Santa Lucia Bancorp (CA)	4	\$ 228,089	1.5%
12	-	Mitsubishi UFJ Financial Group Inc.	5	\$ 211,057	1.4%
13	-	BNP Paribas SA	2	\$ 208,041	1.4%
14	-	Citigroup Inc. (NY)	4	\$ 202,064	1.3%
15	6	American Perspective Bank (CA)	2	\$ 196,507	1.3%
16	7	Mission Community Bank (CA)	6	\$ 190,774	1.3%
17	-	U.S. Bancorp (MN)	9	\$ 182,945	1.2%
18	-	First Republic Bank (CA)	1	\$ 174,517	1.2%
19	-	FB Corp. (MO)	3	\$ 144,619	1.0%
20	8	Community Bank of Santa Maria (CA)	3	\$ 135,688	0.9%
21	-	First California Financial Group Inc. (CA)	1	\$ 125,885	0.8%
22	9	Coast Bancorp (CA)	5	\$ 124,105	0.8%
23	10	American Riviera Bank (CA)	1	\$ 106,717	0.7%
24	11	Founders Bancorp (CA)	2	\$ 103,294	0.7%
25	12	Bank of Santa Barbara (CA)	1	\$ 86,995	0.6%
26	-	Dickinson Financial Corp. II (MO)	1	\$ 1,919	0.0%
Total for All Institutions in Market			178	\$ 14,949,334	
Total Disruption (11 Companies)			94	\$ 6,704,593	44.4%

Deposit Market Share* in 2021

Rank	In-Mkt.		Number of Branches	Deposits in Market	Market Share
	Total	HQ			
1	-	Wells Fargo & Co. (CA)	18	\$ 4,372,474	16.9%
2	-	JPMorgan Chase & Co. (NY)	17	\$ 3,704,088	14.3%
3	-	Bank of America Corp. (NC)	10	\$ 3,597,409	13.9%
4	-	Mechanics Bank (TX)	26	\$ 2,958,570	11.4%
5	-	U.S. Bancorp (MN)	21	\$ 2,835,675	11.0%
6	-	Pacific Premier Bancorp Inc. (CA)	11	\$ 2,100,197	8.1%
7	1	Montecito Bancorp (CA)	11	\$ 1,715,921	6.6%
8	2	American Riviera Bank (CA)	5	\$ 1,051,473	4.1%
9	3	Community West Bancshares (CA)	6	\$ 656,629	2.5%
10	-	PacWest Bancorp (CA)	7	\$ 583,057	2.3%
11	-	First Republic Bank (CA)	1	\$ 536,986	2.1%
12	4	Community Bancorp of Santa Maria (CA)	2	\$ 339,464	1.3%
13	-	BNP Paribas SA	2	\$ 260,552	1.0%
14	-	Sierra Bancorp (CA)	5	\$ 244,375	0.9%
15	-	Northern Trust Corp. (IL)	1	\$ 237,808	0.9%
16	-	Heartland Financial USA Inc. (IA)	2	\$ 184,989	0.7%
17	-	FB Corp. (MO)	3	\$ 179,156	0.7%
18	-	1st Capital Bancorp (CA)	1	\$ 84,298	0.3%
19	-	Umpqua Holdings Corp. (OR)	1	\$ 56,543	0.2%
20	-	Palomar Enterprises LLC (CA)	1	\$ 48,467	0.2%
21	-	Banc of California Inc. (CA)	1	\$ 47,199	0.2%
22	-	Murphy Bank (CA)	1	\$ 32,324	0.1%
23	-	CVB Financial Corp. (CA)	1	\$ 21,106	0.1%
24	-	Mission Bancorp (CA)	1	\$ 8,704	0.0%
Total for All Institutions in Market			154	\$ 25,857,464	

Source: S&P Global Market Intelligence, deposit data as of June 30 of respective years

Note: All dollars in thousands. Companies highlighted in tan color represent companies which have been acquired or failed

*Footprint includes Santa Barbara and San Luis Obispo Counties



SCARCITY VALUE IN THE CENTRAL COAST OF CALIFORNIA

- ✓ American Riviera is the second largest bank headquartered in the Central Coast of California as ranked by total assets*
- ✓ No banks headquartered in San Luis Obispo County

Banks Headquartered in the Central Coast of California

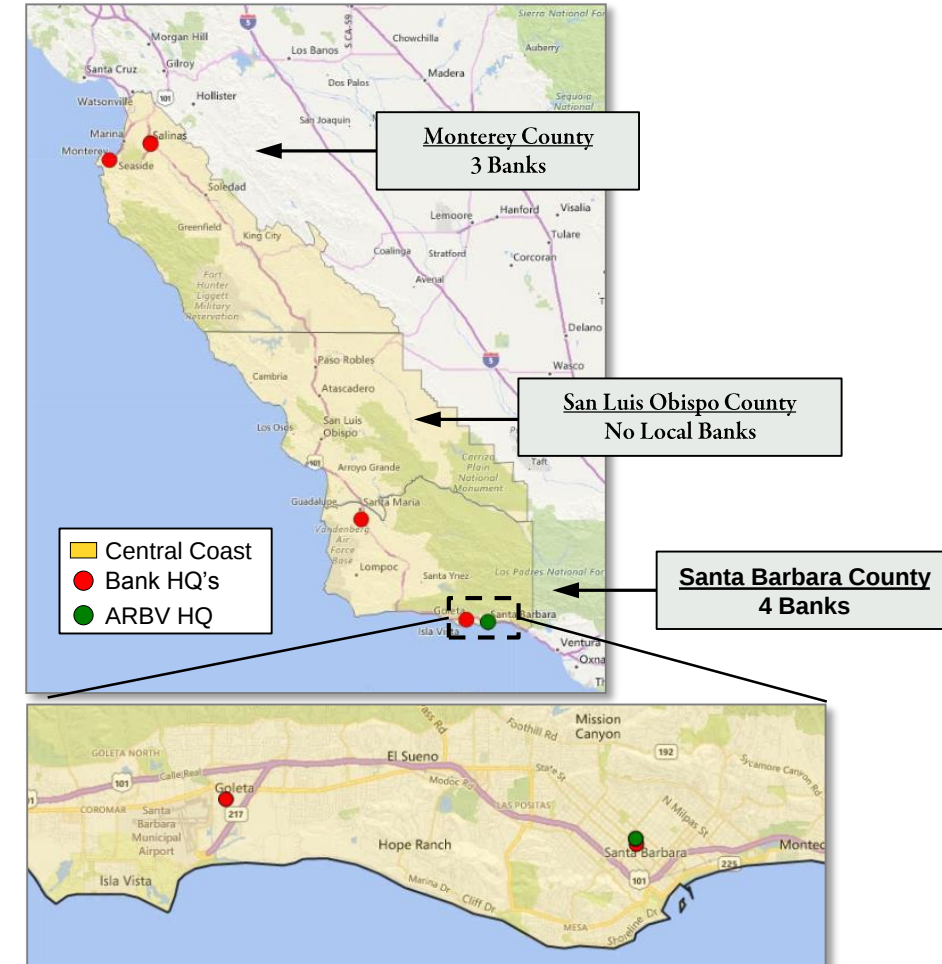
Company	County	Assets (\$MM)
★ Montecito Bank & Trust	Santa Barbara	\$ 2,351
★ American Riviera Bank	Santa Barbara	\$ 1,307
★ Community West Bank, N.A.	Santa Barbara	\$ 1,157
1st Capital Bancorp	Monterey	\$ 999
Pacific Valley Bancorp	Monterey	\$ 499
★ Community Bank of Santa Maria	Santa Barbara	\$ 415
Monterey County Bank	Monterey	\$ 234

★ = Headquartered in Santa Barbara County

Source: S&P Capital IQ Pro as of the most recent quarter publicly available, ARBV unaudited company information as of 12/31/2021

Note: All dollars in millions

*Central Coast of California is defined as the counties of Santa Barbara, San Luis Obispo, and Monterey





AMERICAN RIVIERA
BANK

FINANCIAL OVERVIEW



FINANCIAL HIGHLIGHTS

Earnings

- 1.04% ROA and 13.02 % ROE with record net income of \$11.8 million for 2021, compared to \$7.4 million for 2020, an increase of 60%.
- Earnings per share of \$2.30 for 2021, compared to \$1.31 for 2020, an increase of 59%

Performance

- Net interest margin of 3.58% for 2021, compared to 3.97% for 2020
- Efficiency ratio of 61% for 2021, compared to 65% for 2020. Efficiency ratio has benefitted from increased scale from expansion into SLO County.

Deposits

- Total deposits of over \$1.2 billion, an increase of \$330 million or 38%, from December 31, 2020
- 58% of deposits are transaction and 39% are non-interest bearing
- Cost of deposits of 0.09% for 2021, compared to 0.26% for 2020

Loans

- Gross loans of \$753 million, excluding \$40 million in PPP loans, an increase of \$112 million, or 17%, from December 31, 2020
- Loan-to-deposit ratio of 66%, and 63% excluding PPP loans
- Yield on loans of 4.79% in Q4 2021, compared to 5.07% in Q3 2021, 4.92% in Q2 2021 excluding a non-recurring \$751,000 interest recovery, 4.76% for Q1 2021, and 5.04% for Q4 2020

Credit Quality

- Nonperforming assets of \$2.9 million, or 0.22% of total assets, as of December 31, 2021
- Loan loss reserve of \$9.4 million, which represents 1.18% of gross loans and 1.25% of gross loans excluding PPP loans

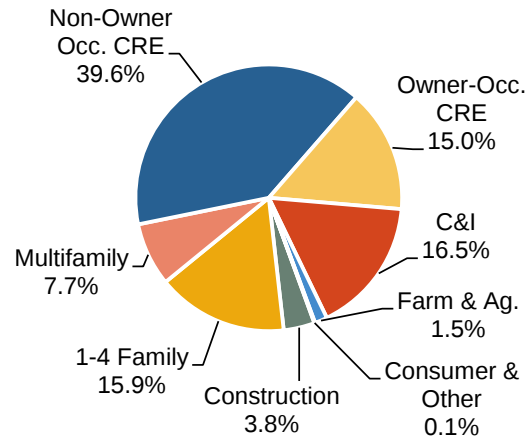
Capital

- Tangible common equity ratio of 7.06%, leverage ratio of 7.23%, and risk-based capital ratio of 12.16% at December 31, 2021
- \$8.5 million Common Stock offering completed in March 2019 at market price of \$18 per share



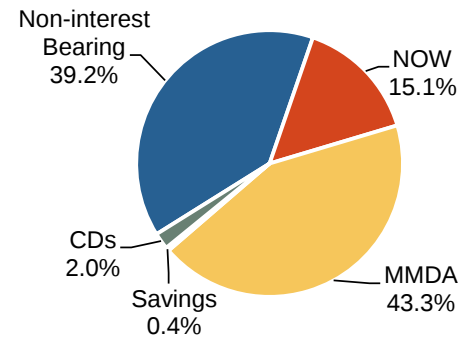
BALANCE SHEET MIX

Loan Portfolio



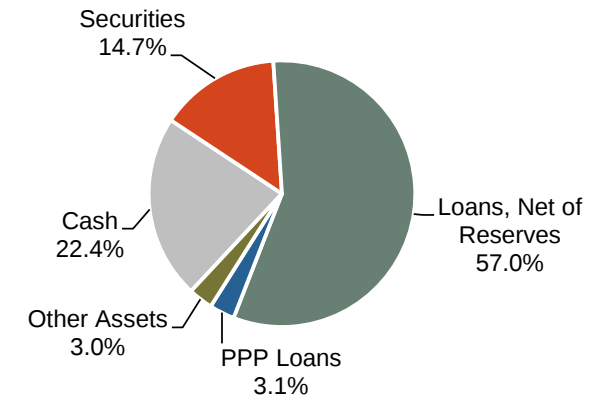
- Gross loans of \$793 million, which includes \$40 million of PPP loans
- 4.79% loan yield in Q4 2021
- 71.0% of loans are C&I and CRE

Deposit Base



- Total deposits of \$1.2 billion
- 0.07% cost of deposits in Q4 2021
- 39.2% of deposits are non-interest bearing
- 58.4% of deposits are transaction accounts

Total Asset Mix

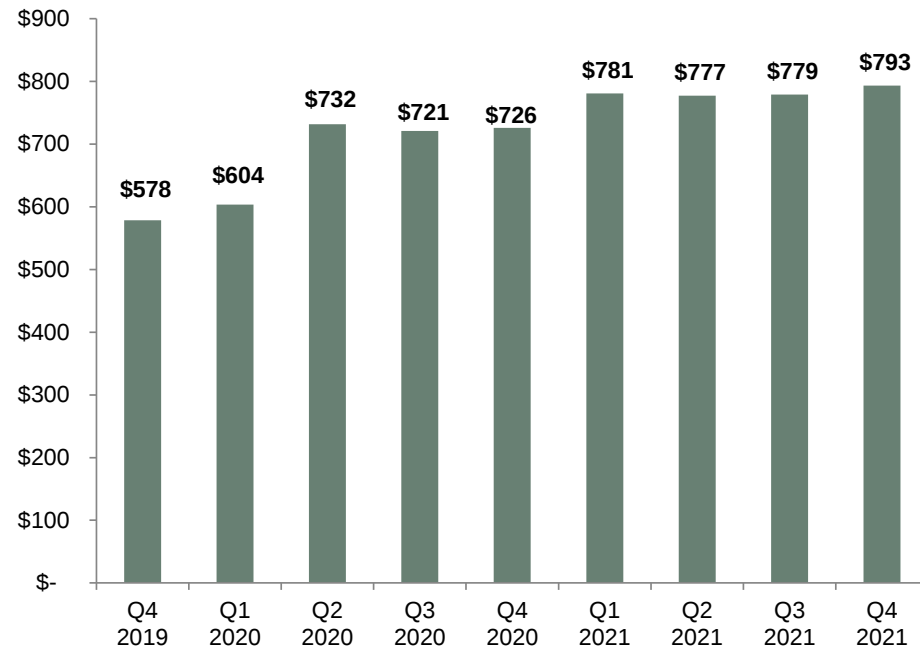


- Total assets of \$1.3 billion
- 66.0% loan-to-deposit ratio
- 62.7% loan-to-deposit ratio, excluding PPP loans



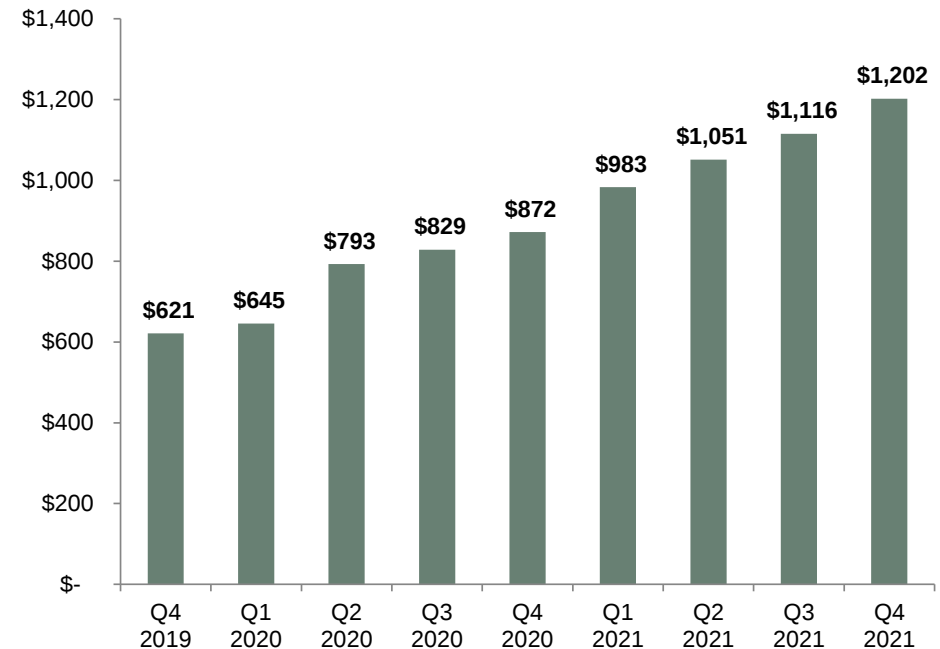
BALANCE SHEET GROWTH

Gross Loans



- \$215 million increase in gross loans since Q4 2019, which is a CAGR of 17.1%
- Excluding PPP loans, gross loans increased \$175 million since Q4 2019, which is a CAGR of 14.1%

Total Deposits

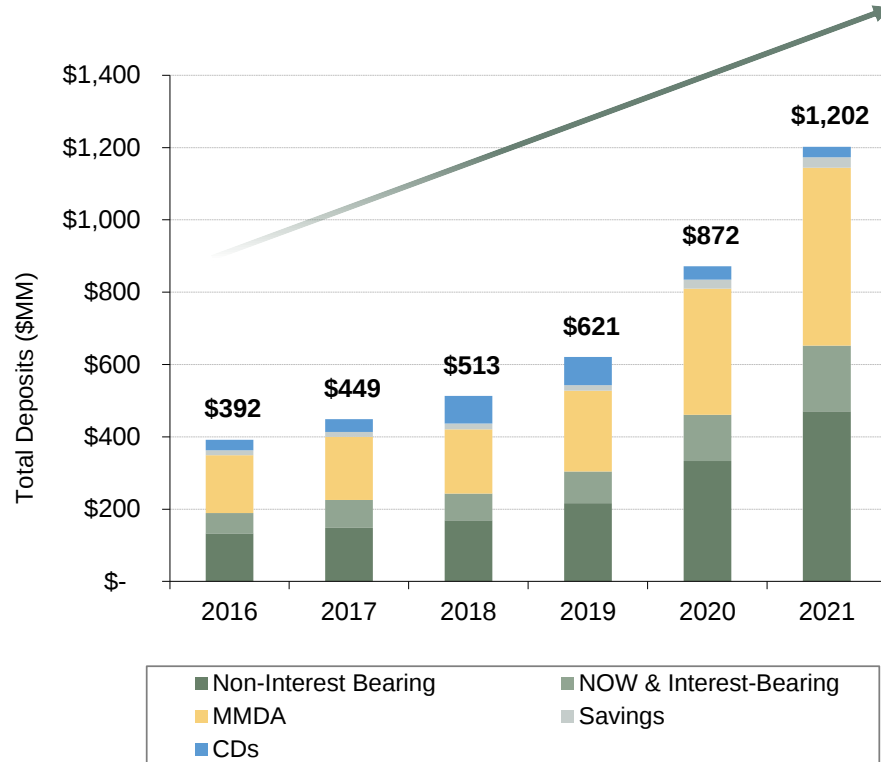


- \$581 million increase in total deposits since Q4 2019, or CAGR of 39.1%

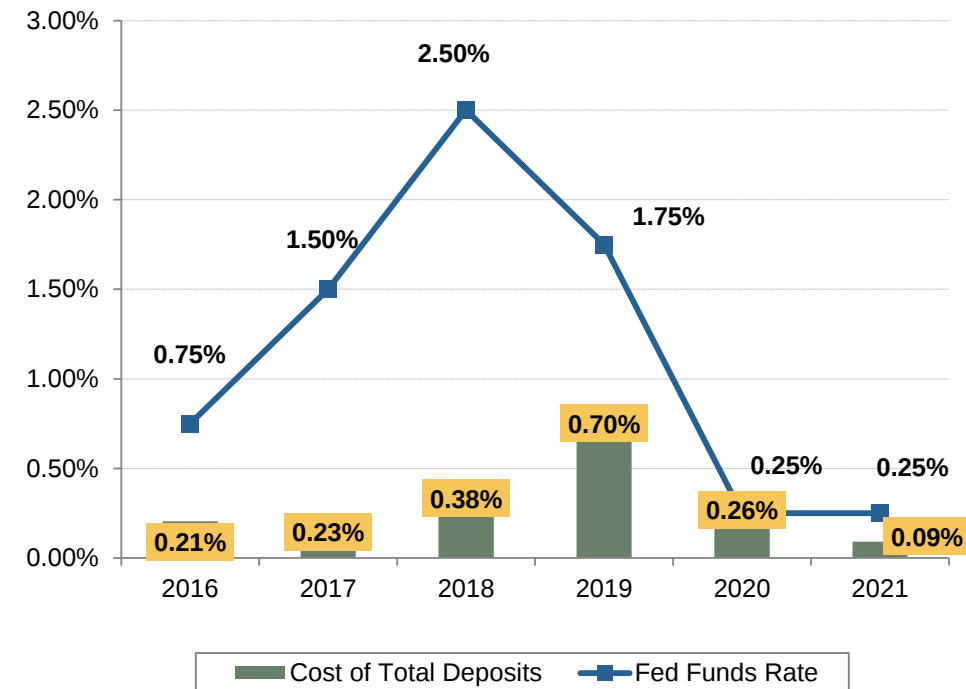


CORE DEPOSIT FRANCHISE

Deposit Mix



Cost of Deposits vs. Fed Funds Rate

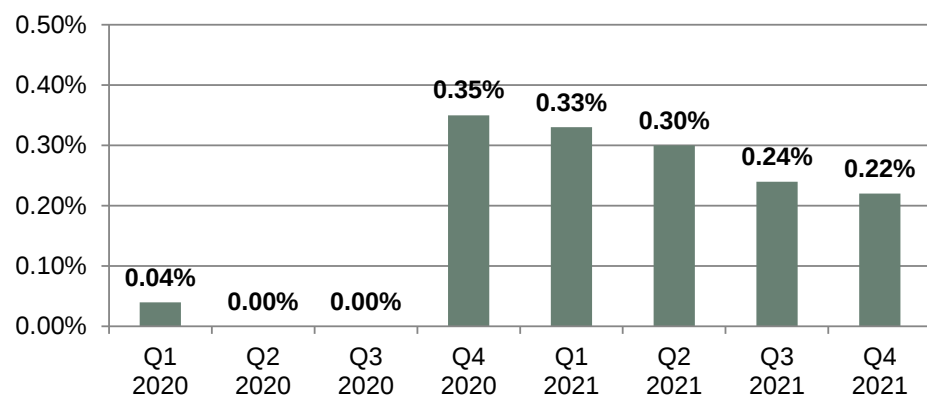


Source: Unaudited company information, call reports and press releases as of 12/31/2021, and Federal Reserve website
Note: Fed Funds rate represents FOMC's high-end of target federal funds rate as of the end of each respective period
Note: All dollars in millions

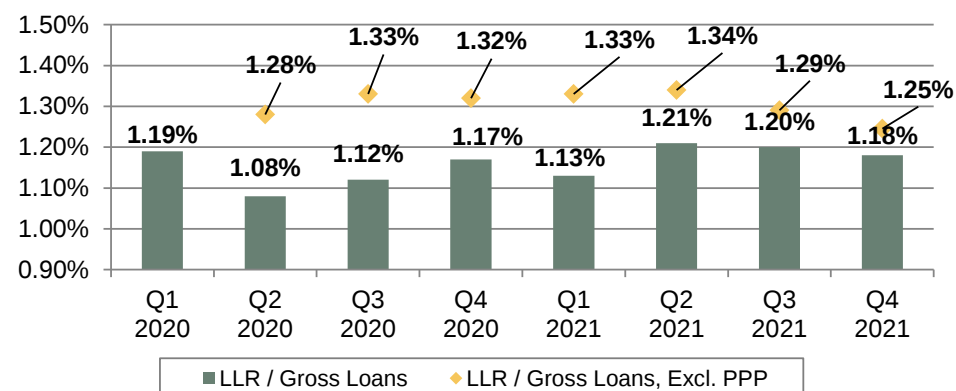


CREDIT QUALITY TRENDS

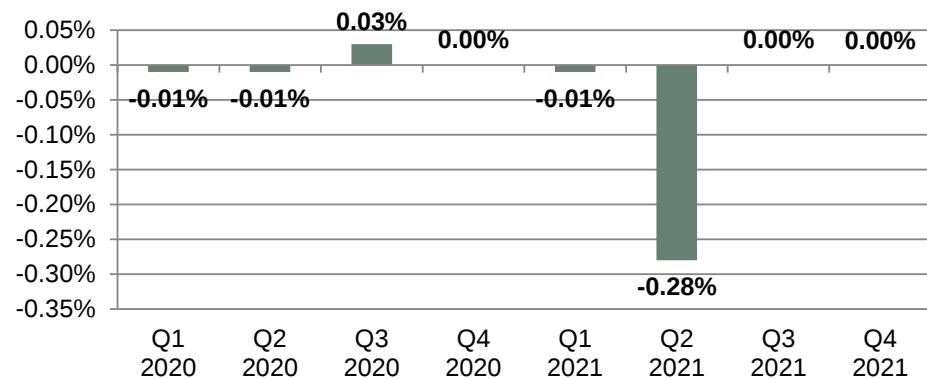
Nonperforming Assets / Total Assets*



Allowance for Loan Losses / Gross Loans



Net Charge-Offs (Recoveries) / Average Loans



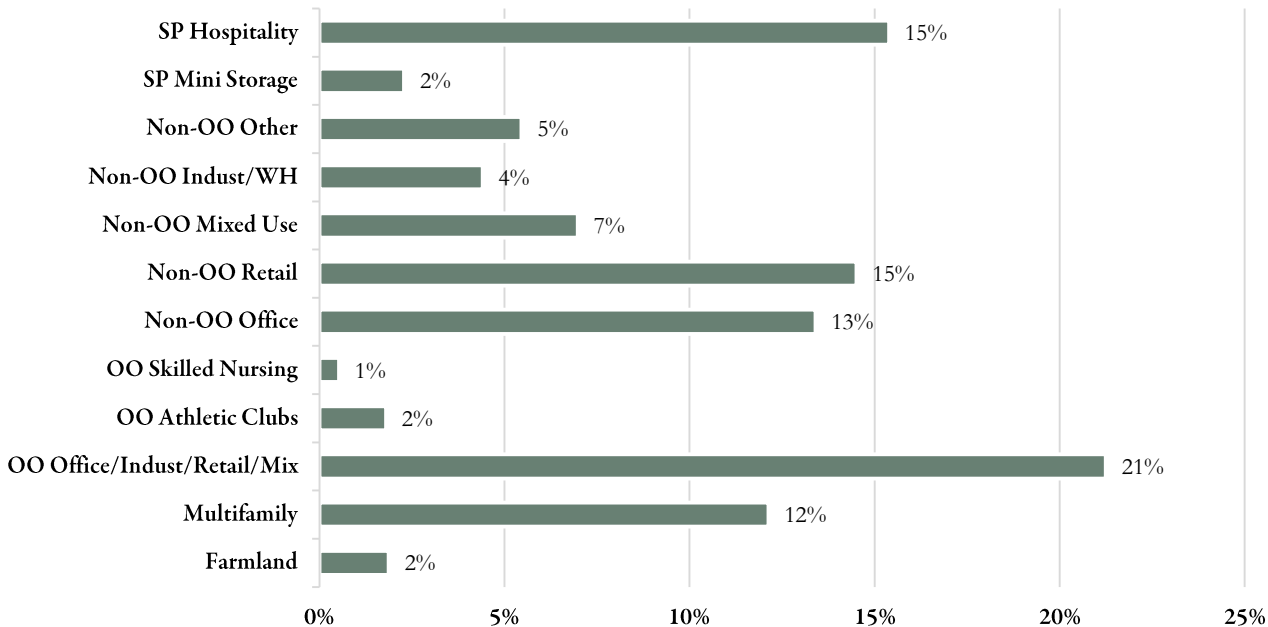
Source: Unaudited company information, call reports and press releases as of 12/31/2021

*Excludes troubled debt restructurings



CREDIT QUALITY TRENDS

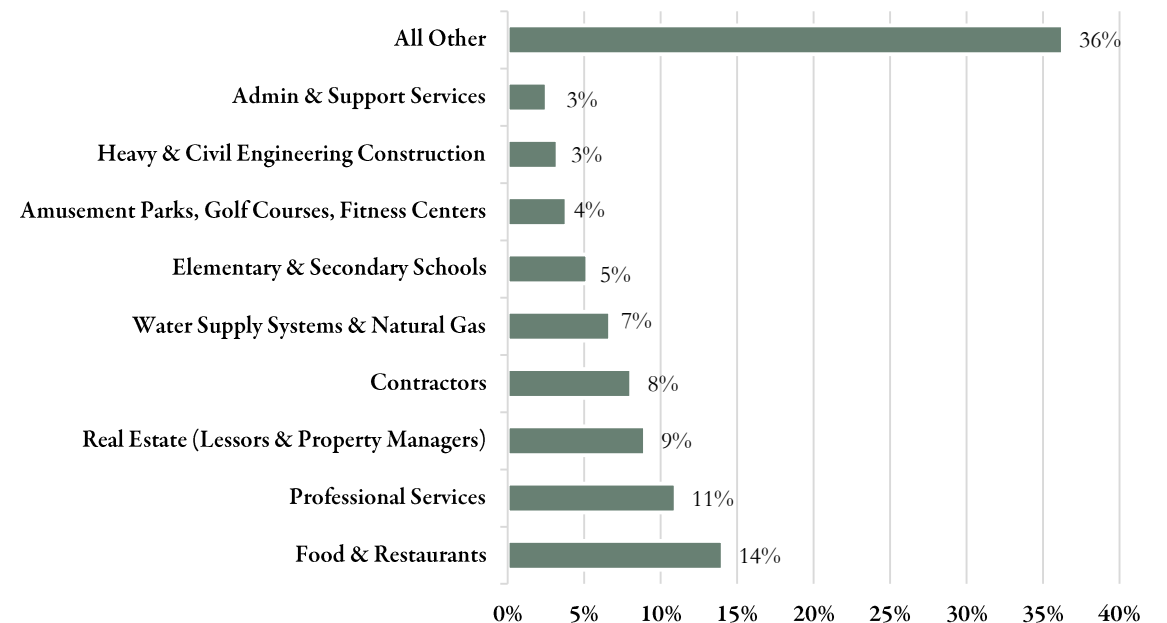
December 31, 2021
CRE Portfolio



Strong LTV and DCR will support CMRE portfolio
(data as of July 31, 2021 stress test)

	DCR	LTV
Non-OO Indust/WH	2.23	45%
Non-OO Mixed Use	2.14	48%
Non-OO Office	2.15	44%
Non-OO Other	1.99	54%
Non-OO Retail	1.75	47%
SP Hospitality	1.73	54%

December 31, 2021
C&I Portfolio, including PPP



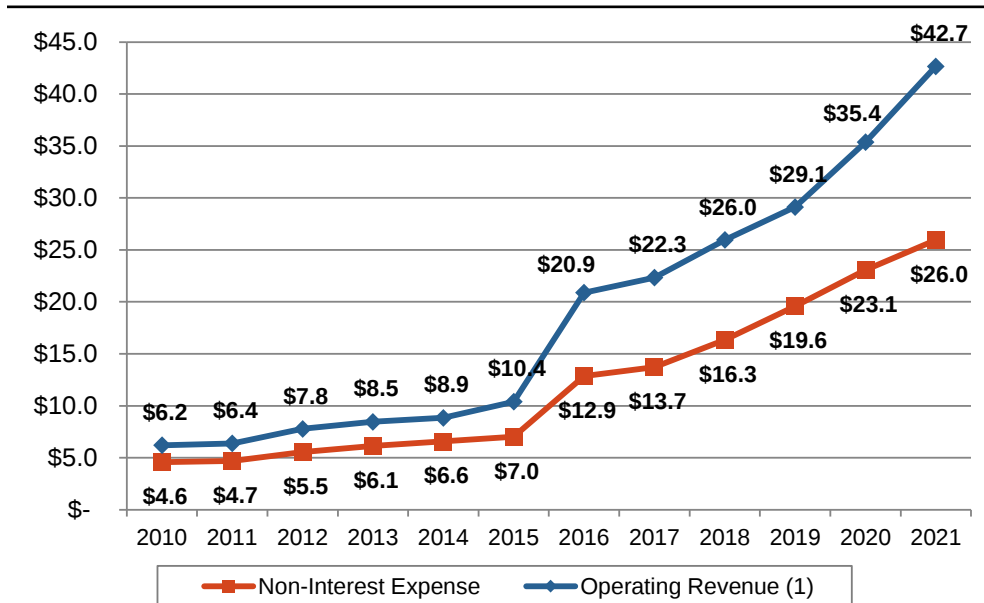
PPP loans are included in their applicable category.
Approximately 20% of the 'Other' in C& I represents PPP loans.



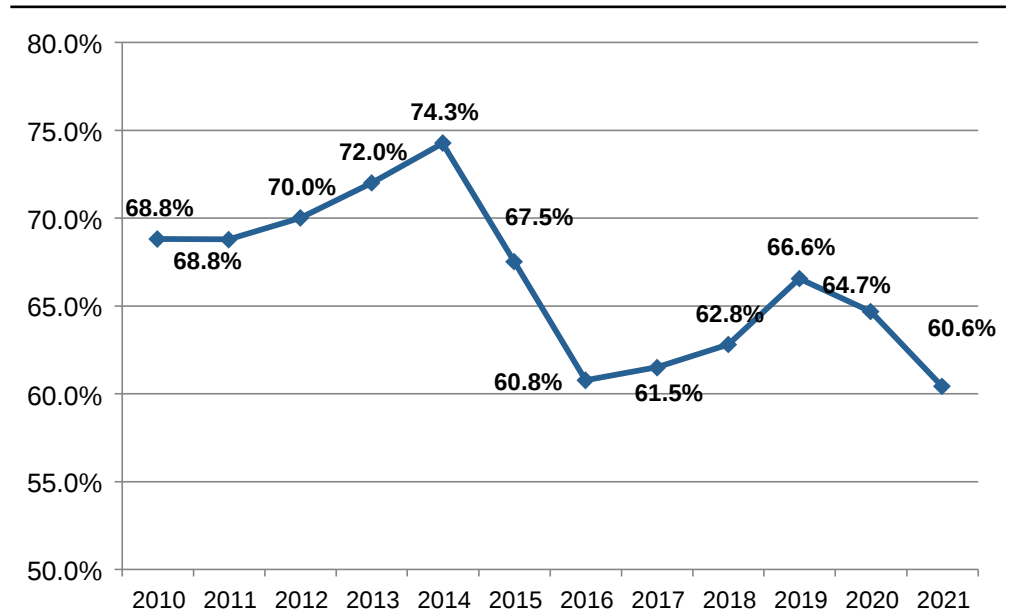
CREATING OPERATING LEVERAGE

- Operating revenue continues to outpace non-interest expense as the Company grows and creates operating leverage and greater efficiencies

Operating Revenue vs. Non-Interest Expense



Efficiency Ratio⁽²⁾



Source: Unaudited company information, call reports and press releases as of 12/31/2021

Note: All dollars in millions

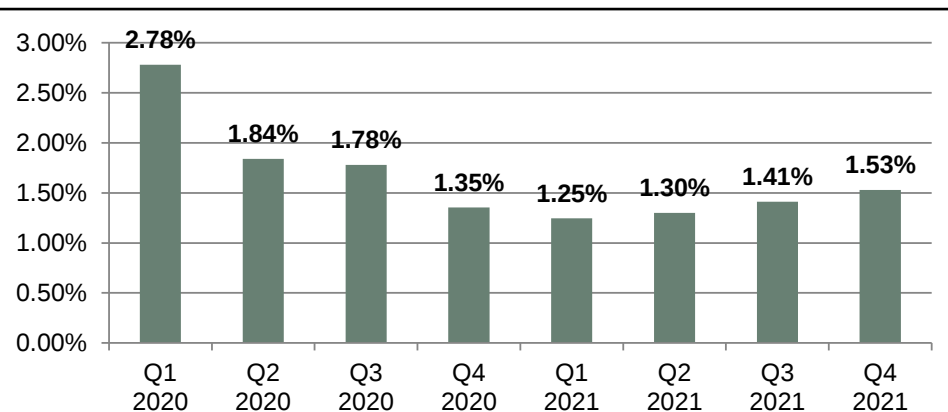
1. Operating revenue = net interest income + non-interest income. Excludes gain on securities

2. Excludes gain on securities and amortization of core deposit intangible

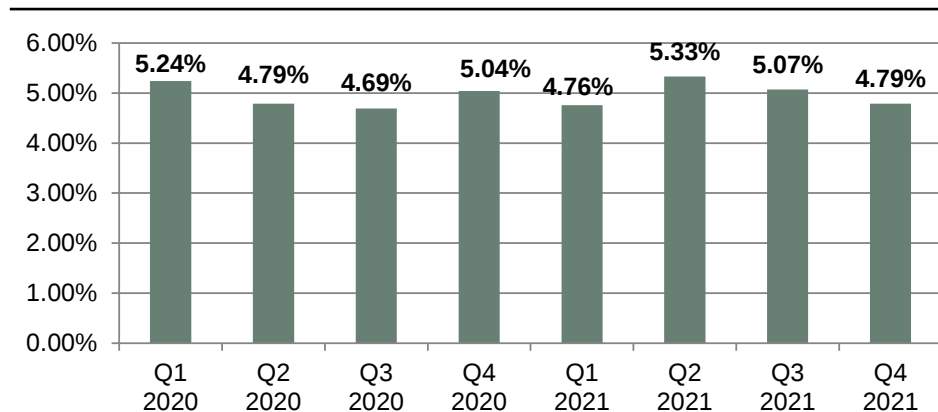


YIELD & COST TRENDS

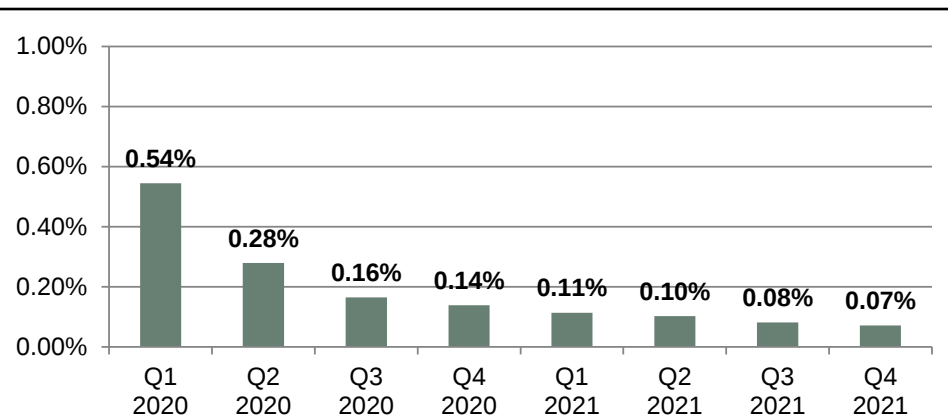
Yield on Investment Securities



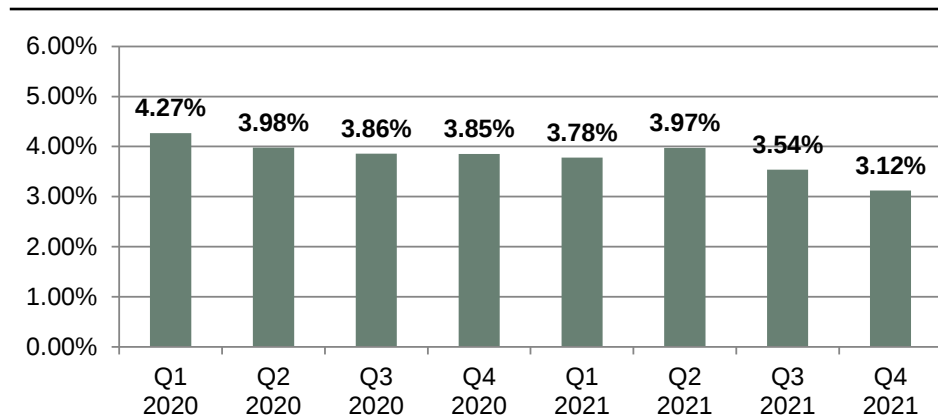
Yield on Loans



Cost of Deposits



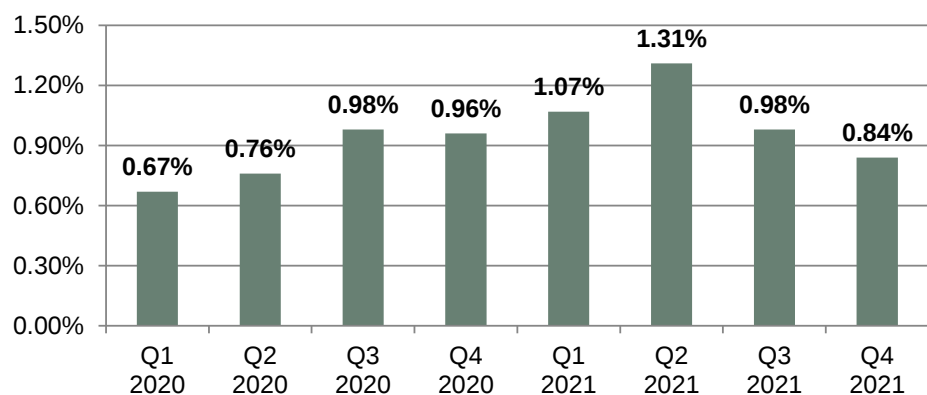
Net Interest Margin



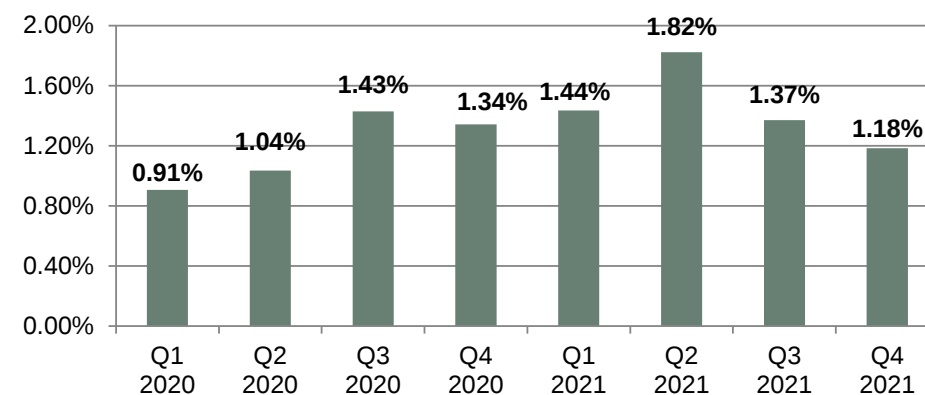


PROFITABILITY TRENDS

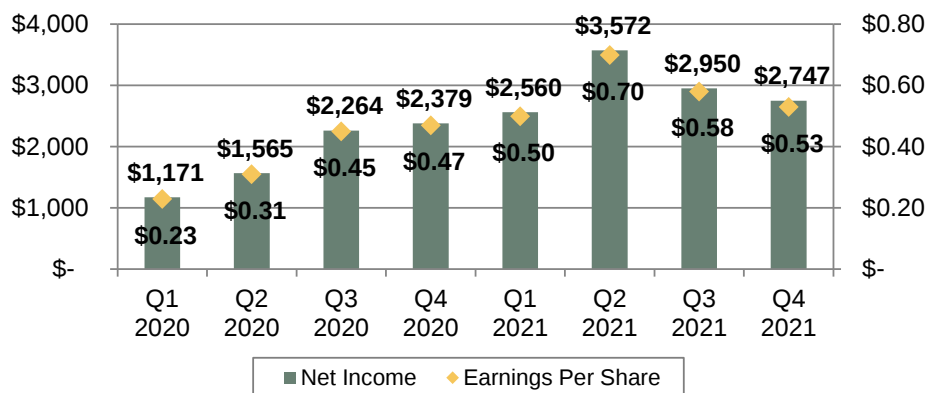
Return on Average Assets



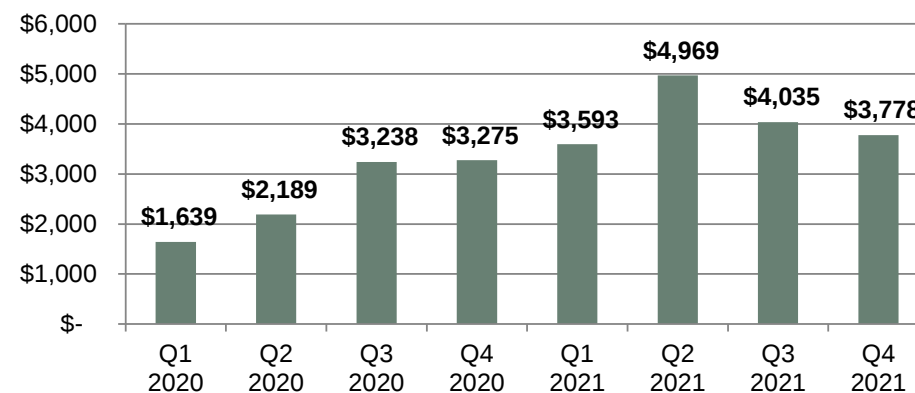
Pre-Tax Return on Average Assets



Net Income (\$000s)



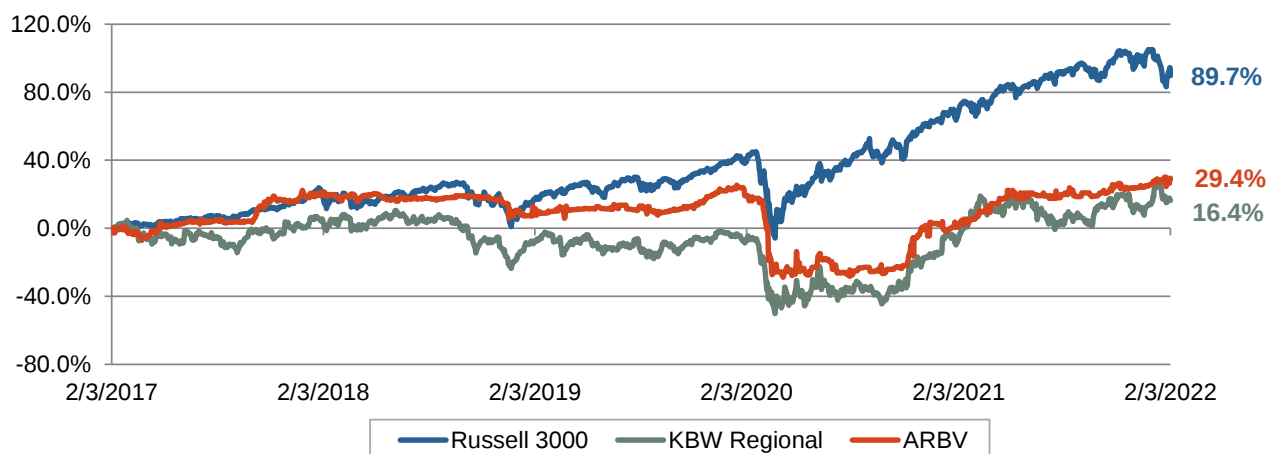
Pre-Tax Income (\$000s)





STOCK PERFORMANCE

Market Performance – Last Five Years



Periods	Beginning Date	Index			ARBV vs. KBW Regional
		Russell 3000	KBW Regional	ARBV	
30-Day	12/22/2021	-5.7%	4.2%	3.5%	-0.7%
Year-To-Date	12/31/2021	-7.0%	2.3%	3.0%	0.7%
60-Day	11/9/2021	-6.9%	-2.4%	5.0%	7.4%
90-Day	9/28/2021	0.3%	5.0%	8.9%	3.8%
Last Twelve Months	2/2/2021	12.4%	24.2%	25.9%	1.7%
Since March 2019 Stock Offering	3/27/2019	56.9%	33.8%	21.5%	-12.3%
Last Five Years	2/3/2017	89.7%	16.4%	29.4%	13.0%

Summary Market Profile

Ticker	ARBV
Exchange	OTCQX
Stock Price	\$ 20.90
Market Cap. (\$MM)	\$ 107
Dividend Yield	0.00%
<u>Average Daily Volume (3 Months)</u>	
Avg. Daily Volume (Shares)	3,362
Avg. Daily Volume (\$000s)	\$ 70
<u>52-Week High/Low</u>	
52-Week High (1/07/2022)	\$ 21.27
52-Week Low (2/10/2021)	\$ 16.48
% Difference vs. 52-Week High	-1.7%
% Difference vs. 52-Week Low	26.8%
<u>Valuation Ratios</u>	
Price / Tg. Book Value	120.9%
Price / MRQ EPS	9.9x
Price / LTM EPS	9.1x



LOOKING AHEAD

- ✓ Growing commercial banking franchise in California's Central Coast
- ✓ Creating operating leverage with scale and strategic investments
- ✓ Highly successful expansion via de novo branches in San Luis Obispo and Paso Robles
- ✓ Well positioned to continue to take advantage of opportunities to enhance franchise value
- ✓ Focused on building long term value for our shareholders
- ✓ Establishment of Holding Company expected to be completed in February 2022