



**FOR IMMEDIATE RELEASE**

**Private Bancorp of America, Inc. Announces Record Fourth Quarter and Full Year 2022 Financial Results with Total Assets of \$1.9 billion**

Fourth Quarter Highlights

- Net income for the fourth quarter of 2022 was \$7.4 million, up 17.0% from the prior quarter and 5.0% from the same period in the prior year
- Diluted earnings per share for the fourth quarter of 2022 was \$1.31, up 17.0% from the prior quarter and 5.6% from the same period in the prior year
- Total loans held-for-investment (“HFI”) reached \$1.6 billion at December 31, 2022, an increase of \$100.9 million or 6.8% from the prior quarter
- The allowance for loan losses was 1.21% of total loans HFI at December 31, 2022 compared to 1.28% as of September 30, 2022
- The provision for loan losses for the fourth quarter of 2022 was \$60 thousand, a decrease from \$1.3 million for the prior quarter
- Noninterest-bearing demand deposits, which represent 41.3% of total deposits at December 31, 2022, declined \$71.8 million or 9.4% from the prior quarter. Total core deposits, which exclude brokered deposits, were \$1.5 billion.
- Net interest margin was 5.17% for the fourth quarter of 2022, as compared to 4.99% for the prior quarter and 4.44% for the same period in the prior year
- Total cost of funding sources increased to 0.86% for the fourth quarter of 2022, an increase from 0.36% in the prior quarter. Total cost of deposits was 0.79%
- Tangible book value per share was \$25.02 at December 31, 2022, up from \$23.51 September 30, 2022 as a result of strong earnings

2022 Full Year and Period End Highlights

- Record net income of \$24.7 million, an increase of 17.4% from \$21.0 million for FY’21
- Diluted earnings per share of \$4.33, an increase of 17.2% from \$3.69 for FY’21
- Pretax, pre-provision net revenue of \$37.1 million, representing a 13.9% increase from \$32.6 million for FY’21
- Return on average assets of 1.51%, compared to 1.48% for FY’21
- Return on average equity of 18.16%, compared to 17.77% for FY’21
- Net interest margin of 4.87%, compared to 4.19% for FY’21
- Total assets increased to \$1.9 billion, representing an increase of 22.2% since December 31, 2021
- Loans HFI reached \$1.6 billion, an increase of \$363.8 million or 29.7% since December 31, 2021
- Total deposits reached \$1.7 billion, an increase of \$329.5 million or 24.5% since December 31, 2021
- Non-interest-bearing demand deposits reached \$691.4 million, an increase of \$8.8 million or 1.3% since December 31, 2021

La Jolla, Calif. – January 30, 2023 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), (“Company”) and CalPrivate Bank (“Bank”) announced unaudited financial results for the fourth quarter and full year ended December 31, 2022. The Company reported net income of \$7.4 million, or \$1.31 per diluted share, for the fourth quarter of 2022 compared to \$7.3 million, or \$1.28 per diluted share, for the prior year same quarter. Net income was \$24.7 million, or \$4.33 per diluted share, for the year ended December 31, 2022, compared to \$21.0 million, or \$3.69 per diluted share, in FY’21.

Rick Sowers, President and CEO of the Company and the Bank stated, “I am extremely proud of the progress our Team made this year. Earnings set a new record for the Company and despite a challenging environment, CalPrivate’s commitment to our *Distinctly Different* service remained steadfast and allowed our Team to focus on delivering value to Clients and Shareholders. Loan growth was strong for the quarter and full year, increasing \$100.9 million and \$363.8 million, respectively.”

Sowers added, “Net interest income was strong at \$22.6 million for Q4’22. Additionally, while growing our revenue, we continued efforts to monitor and manage our efficiency ratio, which was 55.2% in Q4’22. While we anticipate that funding costs will increase, and there is mounting competition for deposits, we will continue to invest in our infrastructure to bring world class service to our Clients.”

“The Company continues to exhibit successful customer acquisition activity as shown by the growth in loans despite a rising rate environment. Additionally, the Company continues to invest in people and infrastructure needed to support the continued growth of the CalPrivate franchise,” said Selwyn Isakow, Chairman of the Board of the Company and the Bank.

Isakow added, “The Board is pleased with CalPrivate’s financial performance in 2022, and we remain optimistic about management’s ability to react to and successfully navigate the Company during these uncertain times.”

## STATEMENT OF INCOME

### Net Interest Income

Net interest income for the fourth quarter of 2022 totaled \$22.6 million, representing an increase of \$2.0 million or 9.7% compared to the prior quarter. This increase was driven primarily by \$4.1 million higher interest income caused by the increase in average loan balances and higher yield on loans partially offset by the \$2.1 million increase in interest expense, which resulted from higher deposit costs due to higher average deposit balances along with an increase in deposit rates.

### Net Interest Margin

The net interest margin for the fourth quarter of 2022 was 5.17% compared to 4.99% for the prior quarter. The 18 basis point increase in net interest margin was due to higher rates on new loan originations and variable rate loans and investment securities, partially offset by higher rates paid on deposits. The yield on earning assets was 5.97% for the fourth quarter of 2022 compared with 5.32% for the prior quarter and the cost of total funding sources was 0.86% for the fourth quarter of 2022 compared to 0.36% in the prior quarter.

### Provision for Loan Losses

The provision for loan losses for the fourth quarter of 2022 was \$60 thousand, as compared to \$1.3 million in the prior quarter. For more details, please refer to the “Asset Quality” section below.

### Noninterest Income

Noninterest income was \$1.1 million for the fourth quarter of 2022, a decline of \$333 thousand compared to the third quarter of 2022. SBA loan sales for the fourth quarter of 2022 were \$11.4 million with a 10.23% average trade premium resulting in a net gain on sale of \$792 thousand, compared with \$10.4 million with a 9.2% average trade premium resulting in a net gain on sale of \$647 thousand in the prior quarter. The decline in noninterest income was primarily related to faster prepayments in the SBA portfolio which resulted in accelerated amortization and valuation adjustments to the SBA servicing asset.

### Noninterest Expense

Noninterest expense was \$13.1 million for the fourth quarter of 2022, an increase of \$1.3 million, or 11.5%, compared to the prior quarter. Much of the increase was due to higher variable compensation and benefits expense related to strong loan growth, partially offset by the decline in professional services related to the active and on-going lawsuit for the recovery of the charged-off loan for the ANI Development, LLC/Gina Champion-Cain fraud case and Chicago Title (parent company, Fidelity National Financial) for its alleged involvement with the fraud scheme.

Additionally, the Company remains committed to making investments in the business, including technology, marketing, and staffing. Historically high inflation and low unemployment continue to have an impact on rising wages as well as increased costs related to third party service providers, which we proactively monitor and manage.

### Provision for Income Tax Expense

Provision for income tax expense was \$3.1 million for the fourth quarter of 2022, compared to \$2.6 million for the prior quarter. The effective tax rate for 2022 was 29.3% compared to 29.6% for 2021.

## STATEMENT OF FINANCIAL CONDITION

The Company reported total assets of \$1.9 billion as of December 31, 2022, representing an increase of \$126.6 million or 7.3% since September 30, 2022. The increase in assets was primarily due to higher net loans, which were funded by growth in deposits and an increase in wholesale borrowings. Loans HFI totaled \$1.6 billion as of December 31, 2022, an increase of \$100.9 million or 6.8% since September 30, 2022. Total deposits were \$1.7 billion as of December 31, 2022, an increase of \$144.5 million since September 30, 2022. Noninterest-bearing deposits represented 41.3% of total deposits as of December 31, 2022. Interest-bearing deposits grew \$216.4 million from the prior quarter and included \$61.6 million of callable brokered CDs. Additionally, as of December 31, 2022, the net unrealized loss on the available-for-sale investment securities portfolio, which is comprised mostly of US Treasury and Government Agency debt, was \$14.4 million (pre-tax) compared to a loss of \$15.2 million as of September 30, 2022. The average duration of the Bank's investment securities portfolio is 4.7 years.

### Asset Quality

As of December 31, 2022, the allowance for loan losses was \$19.2 million or 1.21% of total loans HFI (excluding PPP loans), compared to 1.29% at September 30, 2022. The decrease in the coverage ratio was due to adjustments to the historical loss rate factors and qualitative factors which reflects the continuation of a sustained period of no charge-offs and low delinquencies. There were no net charge-offs (recoveries) during the quarter. Given the credit quality of the loan portfolio, management believes we are sufficiently reserved.

As of December 31, 2022, there are no doubtful credits and classified assets were \$15.7 million, down from \$15.9 million at September 30, 2022. Total classified assets at December 31, 2022 consisted of 13 loans, of which 7 loans totaling \$10.0 million were secured by real estate with a weighted average LTV of 46%. The remaining 6 loans included 5 SBA loans with a balance of \$3.2 million where 3 loans were 75% and 2 were 90% guaranteed by the SBA.

#### Capital Ratios (1)

The Bank’s capital ratios were in excess of the levels established for “well capitalized” institutions and are as follows:

	Dec 31, 2022 (1)	Dec 31, 2021
<b>CalPrivate Bank</b>		
Tier I leverage ratio	9.52%	9.27%
Tier I risk-based capital ratio	10.10%	11.63%
Total risk-based capital ratio	11.35%	12.88%

(1) *December 31, 2022, capital ratios are preliminary and subject to change.*

#### **About Private Bancorp of America, Inc.**

Private Bancorp of America, Inc. (OTCQX: PBAM), is the holding company for CalPrivate Bank. CalPrivate Bank provides a *Distinctly Different* banking experience through unparalleled service and creative funding solutions to high-net-worth individuals, professionals, locally owned businesses, and real estate entrepreneurs. Customers are serviced through offices in Coronado, San Diego, La Jolla, Newport Beach, El Segundo and Beverly Hills as well as efficient electronic banking offerings. The Bank also offers various portfolio and government guaranteed lending programs, including SBA and cross-border Export-Import Bank programs. CalPrivate Bank is an SBA Preferred Lender and a Bauer Financial 5-star rated bank.

CalPrivate Bank’s website is [www.calprivate.bank](http://www.calprivate.bank).

#### **Non-GAAP Financial Measures**

This press release contains certain non-GAAP financial measures in addition to results presented in accordance with GAAP. The Company uses certain non-GAAP financial measures to provide meaningful supplemental information regarding the Company's results of operations and financial condition and to enhance investors’ overall understanding of such results of operations and financial condition, permit investors to effectively analyze financial trends of our business activities, and enhance comparability with peers across the financial services sector. These non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures prepared in accordance with GAAP and should be read in conjunction with the Company’s GAAP financial information. A reconciliation of the most comparable GAAP financial measures to non-GAAP financial measures is included in the accompanying financial tables.

#### **Investor Relations Contacts**

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**Safe Harbor Paragraph**

*This press release includes forward-looking statements that involve inherent risks and uncertainties. Private Bancorp of America, Inc. cautions readers that a number of important factors could cause actual results to differ materially from those in the forward-looking statements. These factors include the effects of the COVID-19 pandemic and related government actions on the Bank and its customers, loan losses, economic conditions and competition in the geographic and business areas in which Private Bancorp of America, Inc. operates, our ability to successfully integrate and develop business through the addition of new personnel and facilities and merged banks, whether our efforts to expand loan, product and service offerings will prove profitable, the effects of the bank mergers and acquisitions in our markets, system failures and internet security, inflation, fluctuations in interest rates, legislation and governmental regulation. You should not place undue reliance on forward-looking statements, and we undertake no obligation to update those statements whether as a result of changes in underlying factors, new information, future events or otherwise.*

**PRIVATE BANCORP OF AMERICA, INC.**  
**CONSOLIDATED BALANCE SHEET**  
(Unaudited)  
(Dollars in thousands)

	<u>December 31, 2022</u>	<u>September 30, 2022</u>	<u>December 31, 2021</u>
<b>Assets</b>			
Cash and due from banks	\$ 14,495	\$ 13,506	\$ 12,336
Interest-bearing deposits in other financial institutions	32,175	44,776	39,663
Interest-bearing deposits at Federal Reserve Bank	83,738	43,891	97,086
Total cash and due from banks	130,408	102,173	149,085
Interest-bearing time deposits with other institutions	6,157	6,157	5,760
Investment securities available for sale	104,652	107,332	102,066
Loan held for sale	6,981	7,789	24,658
Total loans held-for-investment	1,587,960	1,487,098	1,224,158
Allowance for loan losses	(19,152)	(19,092)	(16,974)
Net loans	1,568,808	1,468,006	1,207,184
Federal Home Loan Bank stock, at cost	7,020	7,020	4,909
Right of use asset	3,265	2,669	3,759
Premises and equipment, net	1,742	2,040	2,294
Servicing assets, net	3,007	3,502	3,079
Accrued interest receivable	5,291	4,262	3,355
Other assets	16,180	15,951	10,935
<b>Total assets</b>	<b>\$ 1,853,511</b>	<b>\$ 1,726,901</b>	<b>\$ 1,517,084</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Liabilities</b>			
Noninterest bearing	\$ 691,392	\$ 763,227	\$ 682,589
Interest Bearing	983,730	767,371	663,074
Total deposits	1,675,122	1,530,598	1,345,663
FHLB borrowings	-	30,000	10,000
Other borrowings	17,954	17,952	17,947
Accrued interest payable and other liabilities	17,111	13,417	15,110
<b>Total liabilities</b>	<b>1,710,187</b>	<b>1,591,967</b>	<b>1,388,720</b>
<b>Shareholders' equity</b>			
Common stock	72,221	71,671	70,850
Additional paid-in capital	3,353	3,568	3,343
Retained earnings	77,810	70,386	54,922
Accumulated other comprehensive (loss) income, net	(10,060)	(10,691)	(751)
<b>Total shareholders' equity</b>	<b>143,324</b>	<b>134,934</b>	<b>128,364</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,853,511</b>	<b>\$ 1,726,901</b>	<b>\$ 1,517,084</b>

PRIVATE BANCORP OF AMERICA, INC.  
CONSOLIDATED STATEMENTS OF INCOME  
(Unaudited)  
(Dollars in thousands, except per share amounts)

	For the three months ended			Year to Date	
	December 31, 2022	September 30, 2022	December 31, 2021	December 31, 2022	December 31, 2021
<b>Interest Income</b>					
Loans	\$ 24,717	\$ 21,028	\$ 16,941	\$ 80,922	\$ 61,806
Investment securities	592	578	352	2,143	1,338
Deposits in other financial institutions	756	372	63	1,467	221
Total interest income	<u>26,065</u>	<u>21,978</u>	<u>17,356</u>	<u>84,532</u>	<u>63,365</u>
<b>Interest Expense</b>					
Deposits	3,149	1,011	353	4,897	1,689
Borrowings	320	364	314	1,311	2,885
Total interest expense	<u>3,469</u>	<u>1,375</u>	<u>667</u>	<u>6,208</u>	<u>4,574</u>
<b>Net interest income</b>	<b>22,596</b>	<b>20,603</b>	<b>16,689</b>	<b>78,324</b>	<b>58,791</b>
Provision for loan losses	60	1,316	834	2,178	2,713
<b>Net interest income after provision for loan losses</b>	<b>22,536</b>	<b>19,287</b>	<b>15,855</b>	<b>76,146</b>	<b>56,078</b>
<b>Noninterest income:</b>					
Service charges on deposit accounts	274	306	254	1,160	945
Net gain on sale of loans	792	647	3,670	4,678	9,309
Other noninterest income	6	452	348	1,190	1,084
Total noninterest income	<u>1,072</u>	<u>1,405</u>	<u>4,272</u>	<u>7,028</u>	<u>11,338</u>
<b>Noninterest expense:</b>					
Compensation and employee benefits	8,482	7,261	6,802	30,430	24,278
Occupancy and equipment	819	756	741	3,106	3,855
Data processing	942	993	703	3,411	2,827
Professional services	1,018	1,493	843	5,261	2,837
Other expenses	1,814	1,224	1,068	6,036	3,756
Total noninterest expense	<u>13,075</u>	<u>11,727</u>	<u>10,157</u>	<u>48,244</u>	<u>37,553</u>
<b>Income before provision for income taxes</b>	<b>10,533</b>	<b>8,965</b>	<b>9,970</b>	<b>34,930</b>	<b>29,863</b>
Provision for income taxes	3,102	2,614	2,891	10,233	8,833
<b>Net income</b>	<b>\$ 7,431</b>	<b>\$ 6,351</b>	<b>\$ 7,079</b>	<b>\$ 24,697</b>	<b>\$ 21,030</b>
<b>Net income available to common shareholders</b>	<b>\$ 7,383</b>	<b>\$ 6,306</b>	<b>\$ 7,002</b>	<b>\$ 24,495</b>	<b>\$ 20,746</b>
<b>Earnings per share</b>					
Basic earnings per share	\$ 1.33	\$ 1.14	\$ 1.26	\$ 4.40	\$ 3.75
Diluted earnings per share	\$ 1.31	\$ 1.12	\$ 1.24	\$ 4.33	\$ 3.69
Average shares outstanding	5,561,376	5,549,480	5,547,422	5,561,358	5,535,581
Diluted average shares outstanding	5,655,355	5,640,841	5,638,186	5,658,434	5,617,017

PRIVATE BANCORP OF AMERICA, INC.  
Consolidated average balance sheet, interest, yield and rates  
(Unaudited)  
(Dollars in thousands)

	For the three months ended								
	December 31, 2022			September 30, 2022			December 31, 2021		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
<b>Interest-Earnings Assets</b>									
Deposits in other financial institutions	\$ 91,324	\$ 756	3.28%	\$ 77,353	\$ 372	1.91%	\$ 171,279	\$ 63	0.15%
Investment securities	114,390	592	2.07%	122,184	578	1.89%	96,722	351	1.44%
Loans, including LHFS	1,527,863	24,717	6.42%	1,438,489	21,028	5.80%	1,222,234	16,942	5.50%
Total interest-earning assets	1,733,577	26,065	5.97%	1,638,026	21,978	5.32%	1,490,235	17,356	4.62%
Noninterest-earning assets	25,627			27,465			24,348		
<b>Total Assets</b>	<u>\$ 1,759,204</u>			<u>\$ 1,665,491</u>			<u>\$ 1,514,583</u>		
<b>Interest-Bearing Liabilities</b>									
Interest-bearing transaction accounts	\$ 141,030	\$ 295	0.83%	\$ 92,986	\$ 166	0.71%	\$ 74,158	\$ 14	0.07%
Money market	597,670	1,674	1.11%	535,473	680	0.50%	504,171	202	0.16%
Savings deposits	13,444	18	0.53%	13,437	8	0.24%	10,602	3	0.11%
Certificates of deposit	101,202	1,162	4.56%	69,676	157	0.89%	68,408	134	0.78%
<b>Total Interest-Bearing Deposits</b>	853,346	3,149	1.46%	711,572	1,011	0.56%	657,339	353	0.21%
FHLB advances	12,195	112	3.64%	15,299	92	2.39%	10,000	42	1.67%
Other borrowings	18,063	208	4.57%	17,951	272	6.06%	17,945	272	6.01%
<b>Total Interest-Bearing Liabilities</b>	30,258	320	4.20%	33,250	364	4.34%	27,945	314	4.46%
Noninterest-bearing deposits	720,656			771,167			689,438		
<b>Total Funding Sources</b>	1,604,260	3,469	0.86%	1,515,989	1,375	0.36%	1,374,722	667	0.19%
Noninterest-bearing liabilities	13,614			4,775			12,474		
Shareholders' equity	141,330			144,727			127,387		
<b>Total Liabilities and Shareholders' Equity</b>	<u>\$ 1,759,204</u>			<u>\$ 1,665,491</u>			<u>\$ 1,514,583</u>		
Net interest income/spread		<u>\$ 22,596</u>	5.11%		<u>\$ 20,603</u>	4.96%		<u>\$ 16,689</u>	4.43%
Net interest margin			5.17%			4.99%			4.44%

**PRIVATE BANCORP OF AMERICA, INC.**  
**Consolidated average balance sheet, interest, yield and rates**  
**(Unaudited)**  
**(Dollars in thousands)**

	Year to Date					
	December 31, 2022			December 31, 2021		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
<b>Interest-Earnings Assets:</b>						
Deposits in other financial institutions	\$ 96,277	\$ 1,467	1.52%	\$ 172,268	\$ 221	0.13%
Investment securities	117,870	2,143	1.82%	84,261	1,338	1.59%
Loans	1,394,369	80,922	5.80%	1,145,320	61,806	5.40%
Total interest-earning assets	1,608,516	84,532	5.26%	1,401,849	63,365	4.52%
Noninterest-earning assets	25,719			21,115		
<b>Total Assets</b>	<b>\$ 1,634,235</b>			<b>\$ 1,422,964</b>		
<b>Interest-Bearing Liabilities</b>						
Interest-bearing transaction accounts	\$ 100,216	\$ 530	0.53%	\$ 66,575	\$ 50	0.08%
Money market	531,317	2,789	0.52%	463,595	915	0.20%
Savings deposits	13,654	33	0.24%	9,564	10	0.10%
Certificates of deposit	76,717	1,545	2.01%	78,193	714	0.91%
<b>Total Interest-Bearing Deposits</b>	<b>721,904</b>	<b>4,897</b>	<b>0.68%</b>	<b>617,927</b>	<b>1,689</b>	<b>0.27%</b>
FHLB advances	11,889	288	2.42%	34,521	1,798	5.21%
Other borrowings	17,978	1,023	5.69%	17,943	1,087	6.06%
<b>Total Interest-Bearing Liabilities</b>	<b>29,867</b>	<b>1,311</b>	<b>4.39%</b>	<b>52,464</b>	<b>2,885</b>	<b>5.50%</b>
Noninterest-bearing deposits	733,313			621,042		
<b>Total Funding Sources</b>	<b>1,485,084</b>	<b>6,208</b>	<b>0.42%</b>	<b>1,291,433</b>	<b>4,574</b>	<b>0.35%</b>
Noninterest-bearing liabilities	13,120			13,180		
Shareholders' equity	136,031			118,351		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 1,634,235</b>			<b>\$ 1,422,964</b>		
Net interest income/spread		\$ 78,324	4.84%	\$ 58,791		4.17%
Net interest margin			4.87%			4.19%

PRIVATE BANCORP OF AMERICA, INC.

Condensed Balance Sheets

(Unaudited)

(Dollars in thousands, except per share amounts)

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
<b>Assets</b>					
Cash and due from banks	\$ 130,408	\$ 102,173	\$ 88,792	\$ 124,015	\$ 149,085
Interest-bearing time deposits with other institutions	6,157	6,157	6,157	5,817	5,760
Investment securities	104,652	107,332	113,565	114,382	102,066
Loans held for sale	6,981	7,789	4,460	1,999	24,658
Total loans held-for-investment (excluding PPP loans)	1,586,681	1,485,749	1,376,801	1,276,043	1,188,634
SBA PPP loans	1,279	1,349	2,718	8,795	35,524
Allowance for loan losses	(19,152)	(19,092)	(17,776)	(17,117)	(16,974)
Net loans	1,568,808	1,468,006	1,361,743	1,267,721	1,207,184
Right of use asset	3,265	2,669	3,037	3,400	3,759
Premises and equipment, net	1,742	2,040	2,640	2,813	2,294
Other assets and interest receivable	31,498	30,735	31,708	25,335	22,278
<b>Total assets</b>	<b>\$ 1,853,511</b>	<b>\$ 1,726,901</b>	<b>\$ 1,612,102</b>	<b>\$ 1,545,482</b>	<b>\$ 1,517,084</b>
<b>Liabilities and Shareholders' Equity</b>					
<b>Liabilities</b>					
Noninterest Bearing	\$ 691,392	\$ 763,227	\$ 747,006	\$ 724,469	\$ 682,589
Interest Bearing	983,730	767,371	693,646	646,545	663,074
Total Deposits	1,675,122	1,530,598	1,440,652	1,371,014	1,345,663
Borrowings	17,954	47,952	27,950	27,948	27,947
Accrued interest payable and other liabilities	17,111	13,417	13,305	14,630	15,110
<b>Total liabilities</b>	<b>1,710,187</b>	<b>1,591,967</b>	<b>1,481,907</b>	<b>1,413,592</b>	<b>1,388,720</b>
<b>Shareholders' equity</b>					
Common stock	72,221	71,671	71,516	70,899	70,850
Additional paid-in capital	3,353	3,568	3,368	3,602	3,343
Retained earnings	77,810	70,386	64,036	61,424	54,922
Accumulated other comprehensive (loss) income	(10,060)	(10,691)	(8,725)	(4,035)	(751)
<b>Total shareholders' equity</b>	<b>143,324</b>	<b>134,934</b>	<b>130,195</b>	<b>131,890</b>	<b>128,364</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,853,511</b>	<b>\$ 1,726,901</b>	<b>\$ 1,612,102</b>	<b>\$ 1,545,482</b>	<b>\$ 1,517,084</b>
Book value per common share	\$ 25.55	\$ 24.12	\$ 23.31	\$ 23.42	\$ 22.81
Tangible book value per common share	\$ 25.02	\$ 23.51	\$ 22.68	\$ 22.80	\$ 22.26
Shares outstanding	5,609,025	5,594,380	5,584,465	5,630,993	5,627,735

PRIVATE BANCORP OF AMERICA, INC.

Condensed Statements of Income

(Unaudited)

(Dollars in thousands, except per share amounts)

For the three months ended

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Interest income	\$ 26,065	\$ 21,978	\$ 18,706	\$ 17,781	\$ 17,356
Interest expense	3,469	1,375	723	640	667
<b>Net interest income</b>	<b>22,596</b>	<b>20,603</b>	<b>17,983</b>	<b>17,141</b>	<b>16,689</b>
Provision for loan losses	60	1,316	659	142	834
<b>Net interest income after provision for loan losses</b>	<b>22,536</b>	<b>19,287</b>	<b>17,324</b>	<b>16,999</b>	<b>15,855</b>
<b>Noninterest income</b>	<b>1,072</b>	<b>1,405</b>	<b>1,442</b>	<b>3,109</b>	<b>4,272</b>
Compensation and employee benefits	8,482	7,261	7,374	7,313	6,802
Occupancy and equipment	819	756	808	723	741
Data processing	942	993	824	653	703
Professional services	1,018	1,493	1,835	915	843
Other expenses	1,814	1,224	1,759	1,239	1,068
<b>Total noninterest expense</b>	<b>13,075</b>	<b>11,727</b>	<b>12,600</b>	<b>10,843</b>	<b>10,157</b>
<b>Income before provision for income taxes</b>	<b>10,533</b>	<b>8,965</b>	<b>6,166</b>	<b>9,265</b>	<b>9,970</b>
Income taxes	3,102	2,614	1,769	2,747	2,891
Net income	\$ 7,431	\$ 6,351	\$ 4,397	\$ 6,518	\$ 7,079
<b>Net income available to common shareholders</b>	<b>\$ 7,383</b>	<b>\$ 6,306</b>	<b>\$ 4,347</b>	<b>\$ 6,448</b>	<b>\$ 7,002</b>
<b>Earnings per share</b>					
Basic earnings per share	\$ 1.33	\$ 1.14	\$ 0.78	\$ 1.16	\$ 1.26
Diluted earnings per share	\$ 1.31	\$ 1.12	\$ 0.77	\$ 1.14	\$ 1.24
Average shares outstanding	5,561,376	5,549,480	5,543,065	5,568,400	5,547,422
Diluted average shares outstanding	5,655,355	5,640,841	5,639,282	5,672,701	5,638,186

Performance Ratios

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
ROAA	1.68%	1.51%	1.11%	1.74%	1.91%
ROAE	20.86%	17.41%	13.28%	19.95%	22.72%
ROATCE (1)	21.37%	17.85%	13.64%	20.48%	23.25%
Net interest margin	5.17%	4.99%	4.61%	4.65%	4.44%
Net interest spread	5.11%	4.96%	4.60%	4.63%	4.43%
Efficiency ratio (1)	55.24%	53.29%	64.86%	53.55%	48.46%
Noninterest expense / average assets	2.95%	2.79%	3.17%	2.90%	2.66%

(1) Non-GAAP measure. See GAAP to non-GAAP Reconciliation table.

**PRIVATE BANCORP OF AMERICA, INC.**  
(Unaudited)

**Selected Quarterly Average Balances**  
(Dollars in thousands)

For the three months ended

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Total assets	\$ 1,759,204	\$ 1,665,491	\$ 1,592,276	\$ 1,516,352	\$ 1,514,583
Earning assets	\$ 1,733,577	\$ 1,638,026	\$ 1,564,662	\$ 1,494,850	\$ 1,490,235
Total loans, including loans held for sale	\$ 1,527,863	\$ 1,438,489	\$ 1,339,095	\$ 1,268,695	\$ 1,222,234
Total deposits	\$ 1,574,002	\$ 1,482,740	\$ 1,419,648	\$ 1,341,631	\$ 1,346,777
Total shareholders' equity	\$ 141,330	\$ 144,727	\$ 132,789	\$ 132,472	\$ 127,387

**Loan Balances by Type**  
(Dollars in thousands)

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Real estate - investor owned	\$ 476,404	\$ 403,950	\$ 390,628	\$ 350,152	\$ 324,167
Real estate - owner occupied	394,077	382,689	359,270	371,840	339,081
Real estate - multifamily	130,901	136,841	121,693	105,964	97,285
Real estate - single family	118,502	107,728	94,212	89,630	86,400
Commercial business	404,640	393,020	359,692	307,421	294,950
SBA PPP loans	1,279	1,349	2,718	8,795	35,524
Land and construction	56,153	55,418	44,856	44,856	39,702
Consumer	6,004	6,103	6,450	6,180	7,049
Total loans held for investment	<u>\$ 1,587,960</u>	<u>\$ 1,487,098</u>	<u>\$ 1,379,519</u>	<u>\$ 1,284,838</u>	<u>\$ 1,224,158</u>

**Deposits by Type**  
(Dollars in thousands)

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Non interest bearing DDA	\$ 691,392	\$ 763,227	\$ 747,006	\$ 724,469	\$ 682,589
Interest bearing DDA	174,248	95,677	93,405	75,904	81,788
Savings & MMA	655,052	591,408	533,145	503,552	513,070
Retail CD	3,486	3,478	3,387	3,384	5,281
Jumbo CD	150,944	76,808	63,709	63,705	62,935
Total deposits	<u>\$ 1,675,122</u>	<u>\$ 1,530,598</u>	<u>\$ 1,440,652</u>	<u>\$ 1,371,014</u>	<u>\$ 1,345,663</u>

**Asset Quality**  
(Dollars in thousands)

	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
Total loans held-for-investment	\$ 1,587,960	\$ 1,487,098	\$ 1,379,519	\$ 1,284,838	\$ 1,224,158
Allowance for Loan Losses	\$ (19,152)	\$ (19,092)	\$ (17,776)	\$ (17,117)	\$ (16,975)
30-89 day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
90+ day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 3,880	\$ 4,593	\$ 1,453	\$ 1,453	\$ 1,510
NPAs / Assets	0.21%	0.27%	0.09%	0.09%	0.10%
NPLs / Total loans held-for-investment & OREO	0.24%	0.31%	0.11%	0.11%	0.12%
Net quarterly charge-offs	\$ -	\$ -	\$ -	\$ -	\$ -
Net charge-offs/avg loans (annualized)	0.00%	0.00%	0.00%	0.00%	0.00%
Allowance for loan losses to loans HFI	1.21%	1.28%	1.29%	1.33%	1.39%
Allowance for loan losses to nonaccrual loans	493.61%	415.68%	1,223.40%	1,178.05%	1,124.11%

PRIVATE BANCORP OF AMERICA, INC.  
(Unaudited)

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: efficiency ratio, pretax pre-provision net revenue, average tangible common equity, return on average tangible common equity. We believe the presentation of certain non-GAAP financial measures provides useful information to assess our consolidated financial condition and consolidated results of operations and to assist investors in evaluating our financial results relative to our peers. These non-GAAP financial measures complement our GAAP reporting and are presented below to provide investors and others with information that we use to manage the business each period. Because not all companies use identical calculations, the presentation of these non-GAAP financial measures may not be comparable to other similarly titled measures used by other companies. These non-GAAP measures should be taken together with the corresponding GAAP measures and should not be considered a substitute of the GAAP measures.

**GAAP to Non-GAAP Reconciliation**  
(Dollars in thousands)

	For the three months ended				
	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	Dec 31, 2021
<b>Efficiency Ratio</b>					
Noninterest expense	\$ 13,075	\$ 11,727	\$ 12,600	\$ 10,843	\$ 10,157
Net interest income	22,596	20,603	17,983	17,141	16,689
Noninterest income	1,072	1,405	1,442	3,109	4,272
Total net interest income and noninterest income	23,668	22,008	19,425	20,250	20,961
Efficiency ratio (non-GAAP)	55.2%	53.3%	64.9%	53.5%	48.5%
<b>Pretax pre-provision net revenue</b>					
Net interest income	\$ 22,596	\$ 20,603	\$ 17,983	\$ 17,141	\$ 16,689
Noninterest income	1,072	1,405	1,442	3,109	4,272
Total net interest income and noninterest income	23,668	22,008	19,425	20,250	20,961
Less: Noninterest expense	13,075	11,727	12,600	10,843	10,157
Pretax pre-provision net revenue (non-GAAP)	\$ 10,593	\$ 10,281	\$ 6,825	\$ 9,407	\$ 10,804
<b>Return on Average Assets, Average Equity, Average Tangible Equity</b>					
Net income	\$ 7,431	\$ 6,351	\$ 4,397	\$ 6,518	\$ 7,079
Average assets	1,759,204	1,665,491	1,592,276	1,516,352	1,514,583
Average shareholders' equity	141,330	144,727	132,789	132,472	127,387
Less: Average intangible assets	3,385	3,599	3,490	3,379	2,908
Average tangible common equity (non-GAAP)	137,945	141,128	129,299	129,093	124,479
Return on average assets	1.68%	1.51%	1.11%	1.74%	1.91%
Return on average equity	20.86%	17.41%	13.28%	19.95%	22.72%
Return on average tangible common equity (non-GAAP)	21.37%	17.85%	13.64%	20.48%	23.25%
<b>Tangible book value per share</b>					
Total equity	143,324	134,934	130,195	131,890	128,364
Less: Total intangible assets	3,007	3,502	3,525	3,079	2,374
Total tangible equity	140,317	131,432	126,670	128,811	125,990
Shares outstanding	5,609,025	5,594,380	5,584,465	5,630,993	5,627,735
Tangible book value per share (non-GAAP)	\$ 25.02	\$ 23.49	\$ 22.68	\$ 22.88	\$ 22.39

PRIVATE BANCORP OF AMERICA, INC.  
(Unaudited)

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: efficiency ratio, pretax pre-provision net revenue, average tangible common equity, return on average tangible common equity. We believe the presentation of certain non-GAAP financial measures provides useful information to assess our consolidated financial condition and consolidated results of operations and to assist investors in evaluating our financial results relative to our peers. These non-GAAP financial measures complement our GAAP reporting and are presented below to provide investors and others with information that we use to manage the business each period. Because not all companies use identical calculations, the presentation of these non-GAAP financial measures may not be comparable to other similarly titled measures used by other companies. These non-GAAP measures should be taken together with the corresponding GAAP measures and should not be considered a substitute of the GAAP measures.

**GAAP to Non-GAAP Reconciliation**  
(Dollars in thousands)

	Year to Date	
	Dec 31, 2022	Dec 31, 2021
<b>Efficiency Ratio</b>		
Noninterest expense	\$ 48,244	\$ 37,553
Net interest income	78,324	58,791
Noninterest income	7,028	11,338
Total net interest income and noninterest income	85,352	70,129
Efficiency ratio (non-GAAP)	56.5%	53.5%
<b>Pretax pre-provision net revenue</b>		
Net interest income	\$ 78,324	\$ 58,791
Noninterest income	7,028	11,338
Total net interest income and noninterest income	85,352	70,129
Less: Noninterest expense	48,244	37,553
Pretax pre-provision net revenue (non-GAAP)	\$ 37,108	\$ 32,576
<b>Return on Average Assets, Average Equity, Average Tangible Equity</b>		
Net income	\$ 24,697	\$ 21,030
Average assets	1,634,235	1,422,964
Average shareholders' equity	136,031	118,351
Less: Average intangible assets	3,464	2,194
Average tangible common equity(3)	132,567	116,157
Return on average assets	1.51%	1.48%
Return on average equity	18.16%	17.77%
Return on average tangible common equity(non-GAAP)	18.63%	18.10%