



FOR IMMEDIATE RELEASE

PRIVATE BANCORP OF AMERICA, INC. REPORTS CONTINUED RECORD EARNINGS

- Net income for the quarter was \$4.3 million, or \$0.75 per diluted share
- Net interest margin for the quarter was 4.03% compared with 3.89% in the prior quarter. The net interest margin excluding SBA PPP loans was 4.14% and 3.75% in the prior quarter
- Net interest income up 6.4% for the quarter and 17% year-over-year
- Non-interest income up 50% for the quarter and 104% year-over-year
- Total loans were \$1.2 billion, up 7.6% for the quarter and 14.3% year-over-year
- Allowance for Loan Losses to total loans is 1.33% and 1.46% excluding PPP loans
- Total deposits were \$1.2 billion, up 3.6% for the quarter and 16.3% year over year
- Return on Average Assets was 1.26% and Return on Average Equity was 14.99%

La Jolla, Calif. – July 21, 2021 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), (“Company”) and CalPrivate Bank (“Bank”) announced unaudited financial results for the second quarter ending June 30, 2021. The Company reported net income of \$4.3 million, or \$0.75 per diluted share, for the second quarter of 2021 compared to \$4.6 million, or \$0.81 per diluted share for the first quarter of 2021. Net income for the six months ending June 30, 2021, was \$8.9 million, or \$1.56 per diluted share, compared to \$4.0 million or \$0.71 per diluted share for the same period in 2020.

Rick Sowers, President and CEO of the Company and the Bank stated, “Our second quarter results are a reflection of executing on our core business plan. Our Team continues to aggressively focus on our profitability and continued growth of the franchise in all our business lines and markets. The quarter reflected record loan production and strong gain on sale of SBA loans which added higher non-interest income. We are pleased with the results and have tremendous confidence in our Team and their ability to execute on behalf of our Clients.”

Sowers continued, “We continue to make progress in improving our operating leverage while adding resources to continue to scale and grow our market share. As part of our strategic plan, we began the implementation of new technologies including the nCino Lending Platform that will drive efficiency and allow us to continue to provide a level of service to our Clients that is second to none.”

Net Interest Income

Net interest income for the second quarter totaled \$13.6 million representing an increase of \$813 thousand, or 6.4% compared to the first quarter of 2021 and an increase of \$2.0 million or 17% increase for the same period in 2020. The increase in net interest income for the quarter is due to a \$505 thousand increase in interest income and a \$308 thousand decrease in funding costs. The increase in loan income is due to a \$916 thousand increase in non-PPP loan revenue due to increased average loan balances offset by a \$438 thousand decrease in revenue from SBA PPP loans due to less forgiveness recognized in the second quarter. The decrease in funding costs is due to a \$108 thousand decrease in deposit costs and \$200 thousand decrease in borrowing expense as more expensive FHLB borrowings were prepaid.

Net interest income for the year to date totaled \$26.4 million representing an increase of \$3.2 million, or 14% compared to the same period in 2020. The increase is due to increased average loan balances, increased SBA PPP loan income and lower deposit costs, partially offset by prepayment penalties in 2021 totaling \$1.2 million as a result of prepaying higher priced FHLB term advances.

Net Interest Margin

The net interest margin for the second quarter of 2021 was 4.03% (4.14% excluding PPP loans) compared with 3.89% (3.75% excluding PPP loans) for the first quarter of 2021 and 3.66% (3.77% excluding PPP loans) for the same period in 2020. The 14 bp increase in the net interest margin for the quarter was due to increased core loan yields and lower funding costs associated for the quarter. The yield on earning assets for the second quarter was 4.46% compared with 4.42% in the first quarter and 4.29% for the same period in 2020. The yield on loans for the quarter decreased to 5.21% (5.50% excluding PPP loans) compared to 5.50% (5.48% excluding PPP loans) in the first quarter and 5.30% (5.68% excluding PPP loans) in the second quarter of 2020. The cost of total funding sources was 0.46% for the quarter compared with 0.57% in the first quarter and 0.69% for the same period in 2020. During the quarter, the Company elected to prepay \$10 million in FHLB term advances and recorded a \$535 thousand prepayment fee resulting in a negative 16 bp impact on the net interest margin for the second quarter.

The net interest margin for the six months ending June 30, 2021 was 3.95% (3.93% excluding PPP) compared with 4.03% (4.11% excluding PPP) for the same period in 2020. The decrease in the net interest margin is due to lower yields on loans, federal funds and increased borrowing costs partially offset by lower deposits costs. In the first six months of the year, the Company prepaid FHLB term advances and recorded \$1.2 million in prepayment fees resulting in a negative 17 bp impact on the net interest margin.

Non-Interest Income

Non-interest income was \$2.8 million for the second quarter of 2021, representing a \$934 thousand or 50% increase compared to the first quarter of 2021 and a \$1.4 million or 103.6% increase compared to the same period in 2020. The increase in non-interest income for the quarter is primarily due to \$850 thousand in additional revenue from SBA loans sales recorded in quarter. The increase in non-interest income compared to a year ago is primarily due to \$2.1 million in additional gains from the sale of SBA loans partially offset by a \$751 thousand decrease in investment gains due to no investment security sales in the second quarter of this year. SBA loan sales for the second quarter were \$19.4 million with a 15.2% trade premium compared with \$13.2 million with a 14.1% trade premium in the first quarter of 2021 and \$3.4 million with a 10.4% trade premium in the second quarter of 2020.

Non-interest income for the six months ending June 30, 2021 was \$4.7 million compared with \$2.5 million for the same period in 2020. The increase in non-interest income was primarily due to increased revenue from the sale of SBA loans partially offset by no investment securities gains in the current year. SBA loans sales for the first six months were \$32.6 million with a 14.7% trade premium compared to \$14.7 million with a 9.9% trade premium in 2020.

Non-Interest Expense

Non-interest expense was \$9.2 million for the second quarter of 2021 representing a \$1.4 million or 17.8% increase compared to the first quarter of 2021 and a \$452 thousand or 5.2% increase, compared to the same period in 2020. The increase in expenses for the quarter was primarily due to increases in salaries and benefits, professional fees and other expense. The increase in compensation and benefits is due to the full quarter impact of merit increases, additions to staff, one additional payroll cycle in the quarter and a

decrease in deferred labor costs. The increase in professional fees was due to increases in legal and audit expense. The increase in other expense is primarily due to increases in marketing and business development expenses related to our emphasis on resuming in person marketing efforts. The increase in expenses compared to the same quarter in 2020 is due in increases in compensation and benefits, professional fees, and data processing.

Non-interest expense for the six months ending June 30, 2021 was \$16.9 million compared with \$17.4 million for the same period in 2020. The \$436 thousand decrease was due to lower compensation and benefits and occupancy costs partially offset by increased data processing expense. The decrease in compensation and benefits is partially due to lower salary expense, greater deferred labor cost and lower vacation expense.

Balance Sheet

At June 30, 2021, the Company reported total assets of \$1.4 billion representing an increase of \$23 million or 1.7% compared to the first quarter of 2021 and an increase of \$108.8 million or 8.5% compared to June 30, 2020. The increase in assets for the quarter was due to increases in loans and investment securities offset by a decrease in cash and due from banks. Loans increased \$82.6 million or 7.6% in the quarter due to a \$105.7 million increase in non-SBA PPP loans offset by a \$23.1 million decrease in SBA-PPP loans. Total deposits were \$1.2 billion representing an increase of \$41.8 million, or 3.6%, compared to the first quarter of 2021 and an increase of \$168.8 million, or 16.3%, compared to June 30, 2020. Total non-interest-bearing deposits represented 50% of total deposits at June 30, 2021 compared with 50% at March 31, 2021 and 44% at June 30, 2020. During the quarter, total FHLB advances decreased \$20 million due to contractual maturities and the decision to prepay longer-term FHLB advances with a prepayment cost of \$535 thousand.

Asset Quality and Loan Deferrals

The Allowance for Loan Losses increased \$1.2 million to \$15.7 million in the quarter with a resulting coverage ratio of 1.33% of total loans outstanding, including PPP loans, compared to \$14.6 million or 1.33% at the first quarter of 2021 and \$11.1 million or 1.08% at the second quarter of 2020. The increase in the Allowance for Loan Losses was primarily due to loan growth and qualitative factors related to the general economic outlook in the markets we serve. The coverage ratio at June 30, 2021, excluding the impact of PPP loans, decreased to 1.46% from 1.52% in the prior quarter.

As of June 30, 2021, there were no doubtful credits or charge offs, no past due loans and Classified assets totaled \$11 million. Classified assets included one real estate loan totaling \$1.5 million on non-accrual and the remaining \$9.5 million consisted of ten loans with three borrowers related to the impacts of COVID-19.

At June 30, 2021, two loans totaling \$1.9 million are on COVID-19 related deferrals. No new deferrals were granted during the quarter and of the loans on deferral one loan for \$1.1 million is real estate secured with an average LTV of 51% and the other loan for \$750 thousand is unsecured. The remaining loans that were granted payment deferrals have resumed their contractual payments.

“The record last twelve months EPS of \$2.81 reflects the resilience of CalPrivate Bank’s mix of revenue streams. Strong loan growth and SBA activities, fees on PPP loan forgiveness, and the strategic management of funding sources, including increased non-interest deposit balances, is a result of the Team’s commitment to our relationship business model based on distinctly superior client service and solutions

which continue differentiating the Bank in the markets we serve.”, said Selwyn Isakow Chairman of the Board of the Company and Bank.

Isakow added, “The Bank’s outstanding client base together with solid credit underwriting and loan portfolio processes and relationship managers, resulted in the decline of loans on deferrals and zero delinquent loans at the end of the quarter. The Bank remains financially strong and well-positioned for sustainable future growth within clearly defined risk management parameters.”

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.

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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)

	June 30, 2021	March 31, 2021	Dollar change	Percentage change	June 30, 2020	Dollar change	Percentage change
Assets							
Cash and due from banks	\$ 12,783	\$ 8,922	\$ 3,861	43.3%	\$ 18,431	\$ (5,648)	-30.6%
Interest-bearing deposits in other financial institutions	13,969	4,187	9,782	233.6%	1,200	12,769	1064.1%
Interest-bearing deposits at Federal Reserve Bank	65,356	151,641	(86,285)	-56.9%	179,615	(114,259)	-63.6%
Total cash and due from banks	92,108	164,750	(72,642)	-44.1%	199,246	(107,138)	-53.8%
Interest-bearing time deposits with other institutions	5,760	5,760	-	0.0%	5,758	2	0.0%
Investment securities available for sale	88,755	81,429	7,326	9.0%	27,664	61,091	220.8%
Loan held for sale	19,625	12,430	7,195	57.9%	7,409	12,216	164.9%
Loans, net of deferred fees and costs	1,164,611	1,082,000	82,611	7.6%	1,019,100	145,511	14.3%
Allowance for loan losses	(15,708)	(14,561)	(1,147)	7.9%	(11,100)	(4,608)	41.5%
Net loans	1,148,903	1,067,439	81,464	7.6%	1,008,000	140,903	14.0%
Federal Home Loan Bank stock, at cost	4,909	4,602	307	6.7%	4,602	307	6.7%
Right of use asset	5,185	5,589	(404)	-7.2%	5,632	(447)	-7.9%
Premises and equipment, net	2,578	2,582	(4)	-0.2%	3,055	(477)	-15.6%
Other intangible assets	2,123	1,789	334	18.7%	1,281	842	65.7%
Deferred tax asset	7,012	5,982	1,030	17.2%	4,141	2,871	69.3%
Accrued interest receivable	3,501	3,659	(158)	-4.3%	3,556	(55)	-1.5%
Other assets	2,311	3,706	(1,395)	-37.6%	3,668	(1,357)	-37.0%
Total assets	\$ 1,382,770	\$ 1,359,717	\$ 23,053	1.7%	\$ 1,274,012	\$ 108,758	8.5%
Liabilities and Shareholders' Equity							
Liabilities							
Noninterest bearing	\$ 603,914	\$ 579,318	\$ 24,596	4.2%	\$ 452,155	\$ 151,759	33.6%
Interest Bearing	601,530	584,341	17,189	2.9%	584,451	17,079	2.9%
Total deposits	1,205,444	1,163,659	41,785	3.6%	1,036,606	168,838	16.3%
FHLB borrowings	30,000	50,000	(20,000)	-40.0%	105,000	(75,000)	-71.4%
Other borrowings	17,943	17,941	2	0.0%	17,936	7	0.0%
Accrued interest payable and other liabilities	13,059	16,507	(3,448)	-20.9%	14,097	(1,038)	-7.4%
Total liabilities	1,266,446	1,248,107	18,339	1.5%	1,173,639	92,807	7.9%
Shareholders' equity							
Common stock	70,405	70,053	352	0.5%	69,512	893	1.3%
Additional paid-in capital	3,179	3,317	(138)	-4.2%	3,002	177	5.9%
Retained earnings	42,810	38,510	4,300	11.2%	26,984	15,826	58.6%
Accumulated other comprehensive (loss) income	(70)	(270)	200	-74.1%	875	(945)	-108.0%
Total stockholders' equity	116,324	111,610	4,714	4.2%	100,373	15,951	15.9%
Total liabilities and stockholders' equity	\$ 1,382,770	\$ 1,359,717	\$ 23,053	1.7%	\$ 1,274,012	\$ 108,758	8.5%

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

	For the three months ended						
	June 30, 2021	March 31, 2021	Dollar change	Percentage change	June 30, 2020	Dollar change	Percentage change
Interest Income							
Loans	\$ 14,637	\$ 14,159	\$ 478	3.4%	\$ 13,293	\$ 1,344	10.1%
Investment securities	351	306	45	14.7%	251	100	39.8%
Deposits in other financial institutions	40	58	(18)	-31.0%	91	(51)	-56.0%
Total interest income	<u>15,028</u>	<u>14,523</u>	<u>505</u>	<u>3.5%</u>	<u>13,635</u>	<u>1,393</u>	<u>10.2%</u>
Interest Expense							
Deposits	409	517	(108)	-20.9%	1,356	(947)	-69.8%
Borrowings	1,020	1,220	(200)	-16.4%	659	361	54.8%
Total interest expense	<u>1,429</u>	<u>1,737</u>	<u>(308)</u>	<u>-17.7%</u>	<u>2,015</u>	<u>(586)</u>	<u>-29.1%</u>
Net interest income	13,599	12,786	813	6.4%	11,620	1,979	17.0%
Provision for loan losses	1,146	300	846	282.0%	1,511	(365)	-24.2%
Net interest income after provision for loan losses	<u>12,453</u>	<u>12,486</u>	<u>(33)</u>	<u>-0.3%</u>	<u>10,109</u>	<u>2,344</u>	<u>23.2%</u>
Noninterest income:							
Service charges on deposit accounts	231	224	7	3.1%	143	88	61.5%
Net gain on sale of loans	2,326	1,476	850	57.6%	210	2,116	1007.6%
Gain on sale of investment securities	-	-	-	0.0%	751	(751)	-100.0%
Other noninterest income	248	171	77	45.0%	274	(26)	-9.5%
Total noninterest income	<u>2,805</u>	<u>1,871</u>	<u>934</u>	<u>49.9%</u>	<u>1,378</u>	<u>1,427</u>	<u>103.6%</u>
Noninterest expense:							
Salary and employee benefits	5,966	4,915	1,051	21.4%	5,790	176	3.0%
Occupancy and equipment	820	810	10	1.2%	900	(80)	-8.9%
Data processing	690	635	55	8.7%	561	129	23.0%
Professional services	791	650	141	21.7%	628	163	26.0%
Other expenses	891	763	128	16.8%	827	64	7.7%
Total noninterest expense	<u>9,158</u>	<u>7,773</u>	<u>1,385</u>	<u>17.8%</u>	<u>8,706</u>	<u>452</u>	<u>5.2%</u>
Income before provision for income taxes	6,100	6,584	(484)	-7.4%	2,781	3,319	119.3%
Provision for income taxes	1,806	1,977	(171)	-8.6%	711	1,095	154.0%
Net income	<u>\$ 4,294</u>	<u>\$ 4,607</u>	<u>\$ (313)</u>	<u>-6.8%</u>	<u>\$ 2,070</u>	<u>\$ 2,224</u>	<u>107.4%</u>
Net income available to common shareholders	<u>\$ 4,231</u>	<u>\$ 4,529</u>	<u>\$ (298)</u>	<u>-6.6%</u>	<u>\$ 2,038</u>	<u>\$ 2,193</u>	<u>107.6%</u>
Earnings per share							
Basic earnings per share	\$ 0.76	\$ 0.82	\$ (0.06)	-7.3%	\$ 0.37	\$ 0.39	105.4%
Diluted earnings per share	\$ 0.75	\$ 0.81	\$ (0.06)	-7.4%	\$ 0.37	\$ 0.38	102.7%
Average shares outstanding	5,536,111	5,514,887	21,224	0.4%	5,435,155	100,956	1.9%
Diluted average shares outstanding	5,622,075	5,579,477	42,598	0.8%	5,453,597	168,478	3.1%

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

	For the six months ended			
	June 30, 2021	June 30, 2020	Dollar change	Percentage change
Interest Income				
Loans	\$ 28,796	\$ 26,421	\$ 2,375	9.0%
Investment securities	656	652	4	0.6%
Deposits in other financial institutions	99	395	(296)	-74.9%
Total interest income	<u>29,551</u>	<u>27,468</u>	<u>2,083</u>	<u>7.6%</u>
Interest Expense				
Deposits	926	3,066	(2,140)	-69.8%
Borrowings	2,239	1,248	991	79.4%
Total interest expense	<u>3,165</u>	<u>4,314</u>	<u>(1,149)</u>	<u>-26.6%</u>
Net interest income	26,386	23,154	3,232	14.0%
Provision for loan losses	<u>1,446</u>	<u>2,508</u>	<u>(1,062)</u>	<u>-42.3%</u>
Net interest income after provision for loan losses	24,940	20,646	4,294	20.8%
Noninterest income:				
Service charges on deposit accounts	454	317	137	43.2%
Net gain on sale of loans	3,802	889	2,913	327.7%
Gain on sale of investment securities	-	751	(751)	-100.0%
Other noninterest income	420	568	(148)	-26.1%
Total noninterest income	<u>4,676</u>	<u>2,525</u>	<u>2,151</u>	<u>85.2%</u>
Noninterest expense:				
Salary and employee benefits	10,881	11,343	(462)	-4.1%
Occupancy and equipment	1,630	1,784	(154)	-8.6%
Data processing	1,326	1,079	247	22.9%
Professional services	1,441	1,487	(46)	-3.1%
Other expenses	1,654	1,675	(21)	-1.3%
Total noninterest expense	<u>16,932</u>	<u>17,368</u>	<u>(436)</u>	<u>-2.5%</u>
Income before provision for income taxes	12,684	5,803	6,881	118.6%
Provision for income tax	<u>3,784</u>	<u>1,827</u>	<u>1,957</u>	<u>107.1%</u>
Net income	<u>\$ 8,900</u>	<u>\$ 3,976</u>	<u>\$ 4,924</u>	<u>123.8%</u>
Net income available to common shareholders	<u>\$ 8,761</u>	<u>\$ 3,909</u>	<u>\$ 4,852</u>	<u>124.1%</u>
Earnings per share				
Basic earnings per share	\$ 1.59	\$ 0.71	\$ 0.88	123.9%
Diluted earnings per share	\$ 1.56	\$ 0.71	\$ 0.85	119.7%
Average shares outstanding	5,525,557	5,488,160	37,397	0.7%
Diluted average shares outstanding	5,601,705	5,530,697	71,008	1.3%

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

	For the three months ended								
	June 30, 2021			March 31, 2021			June 30, 2020		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-Earnings Assets:									
Deposits in other financial institutions	\$ 137,902	\$ 40	0.12%	\$ 227,393	\$ 58	0.10%	\$ 231,621	\$ 91	0.16%
Investment securities	88,132	351	1.59%	59,227	306	2.07%	38,539	251	2.61%
Loans	1,125,958	14,637	5.21%	1,044,828	14,159	5.50%	1,008,220	13,293	5.30%
Total interest-earning assets	1,351,992	15,028	4.46%	1,331,448	14,523	4.42%	1,278,380	13,635	4.29%
Noninterest-earning assets	18,217			31,439			15,104		
Total Assets	<u>\$ 1,370,209</u>			<u>\$ 1,362,887</u>			<u>\$ 1,293,484</u>		
Interest-Bearing Liabilities									
Interest-bearing transaction accounts	\$ 65,283	\$ 12	0.07%	\$ 58,042	\$ 12	0.08%	\$ 73,509	\$ 26	0.14%
Money market	424,371	231	0.22%	431,423	235	0.22%	394,523	476	0.49%
Savings deposits	9,229	2	0.09%	8,766	2	0.09%	8,863	2	0.09%
Certificates of deposit	75,537	164	0.87%	100,521	268	1.08%	126,545	852	2.71%
Total Interest-Bearing Deposits	574,420	409	0.29%	598,752	517	0.35%	603,440	1,356	0.90%
FHLB advances	41,153	748	7.29%	73,056	948	5.26%	100,385	387	1.55%
Other borrowings	17,942	272	6.06%	17,940	272	6.06%	17,934	272	6.07%
Total Interest-Bearing Liabilities	59,095	1,020	6.92%	90,996	1,220	5.44%	118,319	659	2.24%
Noninterest-bearing deposits	609,932			547,024			458,631		
Total Funding Sources	1,243,447	1,429	0.46%	1,236,772	1,737	0.57%	1,180,390	2,015	0.69%
Noninterest-bearing liabilities	11,881			15,831			12,964		
Shareholders' equity	114,881			110,284			100,130		
Total Liabilities and Shareholders' Equity	<u>\$ 1,370,209</u>			<u>\$ 1,362,887</u>			<u>\$ 1,293,484</u>		
Net interest spread			4.00%			3.85%			3.60%
Net interest income		<u>\$ 13,599</u>			<u>\$ 12,786</u>			<u>\$ 11,620</u>	
Net interest margin			4.03%			3.89%			3.66%

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

For the six months ended

	June 30, 2021			June 30, 2020		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-Earnings Assets:						
Deposits in other financial institutions	\$ 187,826	\$ 99	0.11%	\$ 163,332	\$ 394	0.49%
Investment securities	73,759	656	1.79%	46,778	652	2.79%
Loans	1,085,617	28,796	5.35%	944,937	26,422	5.62%
Total interest-earning assets	1,347,202	29,551	4.42%	1,155,047	27,468	4.78%
Noninterest-earning assets	19,368			35,816		
Total Assets	\$ 1,366,570			\$ 1,190,863		
Interest-Bearing Liabilities						
Interest-bearing transaction accounts	\$ 61,682	\$ 24	0.08%	\$ 78,490	\$ 191	0.49%
Money market	427,877	466	0.22%	392,526	1,448	0.74%
Savings deposits	8,999	5	0.11%	9,037	8	0.18%
Certificates of deposit	87,960	431	0.99%	120,621	1,419	2.37%
Total Interest-Bearing Deposits	586,518	926	0.32%	600,674	3,066	1.03%
FHLB advances	57,017	1,696	6.00%	81,889	704	1.73%
Other borrowings	17,941	544	6.11%	17,934	544	6.07%
Total Interest-Bearing Liabilities	74,958	2,240	6.03%	99,823	1,248	2.51%
Noninterest-bearing deposits	578,652			378,525		
Total Funding Sources	1,240,128	3,166	0.51%	1,079,022	4,314	0.80%
Noninterest-bearing liabilities	13,845			12,993		
Shareholders' equity	112,597			98,848		
Total Liabilities and Shareholders' Equity	\$ 1,366,570			\$ 1,190,863		
Net interest spread			3.91%			3.98%
Net interest income		\$ 26,385			\$ 23,154	
Net interest margin			3.95%			4.03%

PRIVATE BANCORP OF AMERICA, INC.

Condensed Balance Sheets

(Unaudited)

(Dollars in thousands, except per share amounts)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Assets					
Cash and due from banks	\$ 92,108	\$ 164,750	\$ 276,225	\$ 155,346	\$ 199,246
Interest-bearing time deposits with other institutions	5,760	5,760	5,760	5,760	5,758
Investment securities	88,755	81,429	26,086	26,525	27,664
Loans held for sale	19,625	12,430	9,687	8,402	7,409
Loans (excluding SBA PPP loans)	1,030,871	948,260	936,532	880,174	865,603
SBA PPP loans	133,740	133,740	62,338	154,210	153,497
Allowance for loan losses	(15,708)	(14,561)	(14,262)	(12,682)	(11,100)
Net loans	1,148,903	1,067,439	984,608	1,021,702	1,008,000
Right of use asset	5,185	5,589	5,990	5,186	5,632
Premises and equipment, net	2,578	2,582	2,649	2,859	3,055
Other assets and interest receivable	19,856	19,738	18,735	18,414	17,248
Total assets	\$ 1,382,770	\$ 1,359,717	\$ 1,329,740	\$ 1,244,194	\$ 1,274,012
Liabilities and Shareholders' Equity					
Liabilities					
Noninterest Bearing	\$ 603,914	\$ 579,318	\$ 531,732	\$ 471,324	\$ 452,155
Interest Bearing	601,530	584,341	581,216	557,455	584,451
Total Deposits	1,205,444	1,163,659	1,112,948	1,028,779	1,036,606
Borrowings	47,943	67,941	92,939	97,938	122,936
Accrued interest payable and other liabilities	13,059	16,507	16,100	14,227	14,097
Total liabilities	1,266,446	1,248,107	1,221,987	1,140,944	1,173,639
Shareholders' equity					
Common stock	70,405	70,053	69,557	69,540	69,512
Additional paid-in capital	3,179	3,317	3,496	3,230	3,002
Retained earnings	42,810	38,510	33,904	29,521	26,984
Accumulated other comprehensive (loss) income	(70)	(270)	796	959	875
Total shareholders' equity	116,324	111,610	107,753	103,250	100,373
Total liabilities and shareholders' equity	\$ 1,382,770	\$ 1,359,717	\$ 1,329,740	\$ 1,244,194	\$ 1,274,012
Book value per common share	\$ 20.71	\$ 19.87	\$ 19.24	\$ 18.50	\$ 17.99
Tangible book value per common share	\$ 20.33	\$ 19.55	\$ 18.95	\$ 18.26	\$ 17.76
Shares outstanding	5,617,020	5,618,324	5,600,508	5,580,456	5,578,884

Regulatory Capital Ratios (PBAM) ¹

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Tier 1 leverage ratio	8.30%	8.07%	8.52%	7.92%	7.57%
Tier 1 risk-based capital ratio	11.62%	11.35%	11.20%	11.35%	9.66%
Common equity Tier 1 ratio	11.62%	11.35%	11.20%	11.35%	9.66%
Total risk-based capital ratio	14.69%	14.46%	14.36%	14.63%	12.60%
Tangible equity / tangible assets	8.27%	8.09%	7.99%	8.20%	7.79%

¹ Preliminary ratios for June 30, 2021

PRIVATE BANCORP OF AMERICA, INC.

Condensed Statements of Income

(Unaudited)

(Dollars in thousands, except per share amounts)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Interest income	\$ 15,028	\$ 14,523	\$ 15,826	\$ 13,860	\$ 13,635
Interest expense	1,429	1,737	1,209	1,363	2,015
Net interest income	13,599	12,786	14,617	12,497	11,620
Provision for loan losses	1,146	300	1,579	1,582	1,511
Net interest income after provision for loan losses	12,453	12,486	13,038	10,915	10,109
Noninterest income	2,805	1,871	1,636	936	1,378
Salary and employee benefits	5,966	4,915	5,293	5,365	5,790
Occupancy and equipment	820	810	774	864	900
Data processing	690	635	624	643	561
Professional services	791	650	949	514	628
Other expenses	891	763	780	846	827
Total noninterest expense	9,158	7,773	8,420	8,232	8,706
Income before provision for income taxes	6,100	6,584	6,254	3,619	2,781
Income taxes	1,806	1,977	1,874	1,084	711
Net income	\$ 4,294	\$ 4,607	\$ 4,380	\$ 2,535	\$ 2,070
Net income available to common shareholders	\$ 4,231	\$ 4,529	\$ 4,307	\$ 2,499	\$ 2,038
Earnings per share					
Basic earnings per share	\$ 0.76	\$ 0.82	\$ 0.78	\$ 0.45	\$ 0.37
Diluted earnings per share	\$ 0.75	\$ 0.81	\$ 0.78	\$ 0.45	\$ 0.37
Average shares outstanding	5,536,111	5,514,887	5,501,272	5,499,970	5,435,155
Diluted average shares outstanding	5,622,075	5,579,477	5,540,232	5,516,013	5,453,597

Performance Ratios

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
ROAA	1.26%	1.37%	1.41%	0.79%	0.64%
ROAE	14.99%	16.94%	16.30%	9.84%	8.31%
ROTE	15.25%	17.19%	16.54%	9.96%	8.42%
Net interest margin	4.03%	3.89%	4.74%	3.94%	3.66%
Net interest spread	4.00%	3.85%	4.71%	3.90%	3.60%
Efficiency ratio	55.83%	53.03%	51.81%	61.28%	66.98%
Noninterest expense / average assets	2.68%	2.31%	2.71%	2.58%	2.71%

PRIVATE BANCORP OF AMERICA, INC.

Average Balances

(Unaudited)

(Dollars in thousands)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Total assets	\$ 1,370,209	\$ 1,362,887	\$ 1,234,611	\$ 1,271,363	\$ 1,293,484
Earning assets	\$ 1,351,992	\$ 1,331,448	\$ 1,225,806	\$ 1,260,834	\$ 1,278,380
Total loans	\$ 1,125,958	\$ 1,044,828	\$ 1,005,712	\$ 1,037,195	\$ 1,008,220
Total deposits	\$ 1,184,352	\$ 1,145,776	\$ 1,017,389	\$ 1,036,223	\$ 1,062,071
Total equity	\$ 114,881	\$ 110,284	\$ 106,874	\$ 102,539	\$ 100,130

Loan Balances by Type

(Dollars in thousands)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Real estate - investor owned	\$ 293,461	\$ 247,928	\$ 243,745	\$ 231,787	\$ 234,806
Real estate - owner occupied	313,579	284,494	268,193	259,375	240,587
Real estate - multifamily	72,790	75,361	69,187	64,268	66,431
Real estate - single family	90,223	75,353	67,522	59,994	57,521
Commercial business	244,493	227,635	251,711	228,914	231,885
SBA PPP loans	110,673	133,740	62,338	154,210	153,497
Land and construction	32,413	30,103	29,377	28,277	26,327
Consumer	6,979	7,386	6,797	7,559	8,046
Total loans held for investment	1,164,611	1,082,000	998,870	1,034,384	1,019,100
Loans held for sale	19,625	12,430	9,687	8,402	7,409
Total loans, including loans held for sale	1,184,236	1,094,430	1,008,557	1,042,786	1,026,509
Allowance for loan losses	(15,708)	(14,561)	(14,262)	(12,682)	(11,100)
Net loans	\$ 1,168,528	\$ 1,079,869	\$ 994,295	\$ 1,030,104	\$ 1,015,409

Deposits by Type

(Dollars in thousands)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Non interest bearing DDA	\$ 603,914	\$ 579,318	\$ 531,732	\$ 471,324	\$ 452,155
Interest bearing DDA	70,320	59,399	60,606	56,837	63,805
Savings & MMA	463,165	423,957	424,540	396,233	427,685
Retail CD	5,827	5,855	7,770	8,401	8,493
Jumbo CD	62,218	95,130	88,300	95,984	84,468
Total deposits	\$ 1,205,444	\$ 1,163,659	\$ 1,112,948	\$ 1,028,779	\$ 1,036,606

Asset Quality

(Dollars in thousands)

	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020
Total loans, including loans held for sale	\$ 1,184,236	\$ 1,094,430	\$ 1,008,557	\$ 1,042,786	\$ 1,026,509
30-89 day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
90+ day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 1,540	\$ 1,609	\$ 1,609	\$ 1,743	\$ -
NPAs / Assets	0.11%	0.12%	0.12%	0.14%	0.00%
NPLs / loans & OREO	0.13%	0.15%	0.16%	0.17%	0.00%
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	1.33%	1.33%	1.41%	1.22%	1.08%
Allowance for loan losses to nonaccrual loans	1020.00%	904.97%	886.39%	727.60%	NM