

**FOR IMMEDIATE RELEASE**

**Private Bancorp of America, Inc. Announces Record Net Income and Earnings Per Share for Full Year 2023 with Total Assets of \$2.2 Billion**

Fourth Quarter 2023 Highlights

- Net income for the fourth quarter of 2023 of \$7.9 million, compared to \$8.5 million in the prior quarter and up from \$7.4 million in the fourth quarter of 2022. Net income for the fourth quarter of 2023 represents a return on average assets of 1.51% and a return on average tangible common equity of 17.53%
- Diluted earnings per share for the fourth quarter of 2023 of \$1.36, compared to \$1.47 in the prior quarter and \$1.31 in the fourth quarter of 2022
- Loans held-for-investment (“HFI”) totaled \$1.85 billion as of December 31, 2023, an increase of \$82.3 million or 4.7% from September 30, 2023
- Provision for credit losses for the fourth quarter of 2023 was \$0.5 million, compared to \$0.5 million for the prior quarter and \$0.1 million for the fourth quarter of 2022
- Total deposits were \$1.88 billion as of December 31, 2023, an increase of \$105.7 million or 6.0% from September 30, 2023. Federal Home Loan Bank advances decreased by \$25.0 million as a consequence of deposit growth. Core deposits were \$1.58 billion as of December 31, 2023, an increase of \$62.1 million or 4.1% from September 30, 2023
- As of December 31, 2023, total available liquidity was \$1.6 billion or 172% of uninsured deposits, net of collateralized and fiduciary deposit accounts. Total available liquidity is comprised of \$272 million of on-balance sheet liquidity (cash and investment securities) and \$1.3 billion of unused borrowing capacity
- Net interest margin was 4.33% for the fourth quarter of 2023, as compared to 4.67% for the prior quarter and 5.17% for the fourth quarter of 2022
- Total cost of deposits was 2.41% for the fourth quarter of 2023, an increase from 1.92% for the prior quarter and 0.79% in the fourth quarter of 2022
- The spot rate for total deposits was 2.49% as of December 31, 2023, compared to 2.18% at September 30, 2023. Total cost of funding sources was 2.53% for the fourth quarter of 2023, an increase from 2.12% in the prior quarter and 0.86% in the fourth quarter of 2022
- Tangible book value per share was \$32.08 as of December 31, 2023, an increase of \$1.88 since September 30, 2023 as a result of strong earnings and a decrease in net unrealized losses on the available-for-sale investment securities portfolio. Tangible book value per share increased 6.2% quarter-over-quarter

2023 Full Year and Period End Highlights

- Record net income of \$40.9 million (GAAP basis), or \$33.6 million<sup>(1)</sup> (as adjusted), for FY'23, up from \$24.7 million in FY'22. Net income for 2023 represents a return on average assets of 1.70%<sup>(1)</sup> (as adjusted) and a return on average tangible common equity of 20.60%<sup>(1)</sup> (as adjusted)
- Record diluted earnings per share of \$7.11 (GAAP basis), or \$5.85<sup>(1)</sup> (as adjusted), for FY'23, up from \$4.33 in FY'22
- Loans held-for-investment (“HFI”) totaled \$1.85 billion as of December 31, 2023, an increase of \$258.9 million or 16.3% from December 31, 2022
- Provision for credit losses was a net reversal of \$6.1 million for FY'23, compared to a provision of \$2.2 million in FY'22. The net reversal for FY'23 reflects recoveries of \$8.6 million, which includes \$7.7 million for the settlement of a lawsuit against ANI Development, LLC/Gina Champion-Cain and Chicago Title (parent company, Fidelity National Financial)

(1) A reconciliation of net income to adjusted net income and diluted earnings per share to adjusted earnings per share is provided on page 15.

related to a previously charged-off loan, as well as a recovery of \$902 thousand for a loan that was acquired as part of a merger in 2013

- Total deposits were \$1.88 billion as of December 31, 2023, an increase of \$200.2 million or 12.0% from December 31, 2022. Federal Home Loan Bank advances increased by \$57.0 million as a consequence of funding loan growth. Core deposits were \$1.58 billion as of December 31, 2023, an increase of \$114.4 million or 7.8% from December 31, 2022
- Net interest margin was 4.65% for FY'23, as compared to 4.87% in FY'22
- Total cost of deposits was 1.81% for FY'23, an increase from 0.34% in FY'22. The spot rate for total deposits was 2.49% as of December 31, 2023, compared to 2.18% at December 31, 2022. Total cost of funding sources was 1.98% for FY'23, an increase from 0.42% in FY'22
- Tangible book value per share was \$32.08 as of December 31, 2023, an increase of \$7.02 since December 31, 2022 as a result of strong earnings and a decrease in net unrealized losses on the available-for-sale investment securities portfolio. Tangible book value per share increased 28.0% year-over-year

La Jolla, Calif. – January 19, 2024 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), (“Company”) and CalPrivate Bank (“Bank”) announced unaudited financial results for the fourth fiscal quarter ended December 31, 2023. The Company reported net income of \$7.9 million, or \$1.36 per diluted share, for the fourth quarter of 2023, which represents a 5.6% increase from \$7.4 million, or \$1.31 per diluted share, for the fourth quarter of 2022. For the fiscal year ended December 31, 2023, the Company reported record net income of \$40.9 million (GAAP basis), or \$33.6 million<sup>(1)</sup> (as adjusted), and record diluted earnings per share of \$7.11 (GAAP basis), or \$5.85<sup>(1)</sup> (as adjusted).

Rick Sowers, President and CEO of the Company and the Bank stated, “I am extremely proud of the accomplishments our Team achieved in 2023. Record earnings for yet another year in 2023, despite a challenging environment, is a testament to how CalPrivate Bank continues to build Relationships and provide valued Solutions to Clients. We are very pleased with achieving loan growth of 16% in 2023 while many other banks backed away from lending in their communities. Competition for deposits remains intense so we are focused on providing exceptional service and being a Trusted partner to our Clients.”

Sowers added, “The market disruptions during 2023 have provided an opportunity for CalPrivate Bank to hire exceptional talent and leverage our Distinctly Different Service model to serve the needs of our communities. Credit trends remain solid and we continue to diligently perform portfolio management activities to anticipate and prepare for changes in economic and interest rate conditions. Our goal remains to stay attuned to the market and enhance shareholder value.”

“The Company continues to exhibit successful customer acquisition activity despite a challenging interest rate environment. Additionally, the Company is investing in people and infrastructure, including strong risk management, product strategy and innovation needed to support the continued growth of the CalPrivate franchise,” said Selwyn Isakow, Chairman of the Board of the Company and the Bank.

## STATEMENT OF INCOME

### Net Interest Income

Net interest income for the fourth quarter of 2023 totaled \$22.2 million, a decrease of \$1.1 million or 4.6% from the prior quarter and a decrease of \$0.4 million or 1.8% from the fourth quarter of 2022. The decrease from the prior quarter was driven primarily by margin compression as interest expense increased by \$2.3 million, which resulted primarily from a 44 basis point increase in the cost of interest-bearing liabilities. Partially offsetting this was an increase of \$1.2 million in interest income, which resulted from a 2.9% increase in average earning assets and 4 basis point increase in yield on earning assets.

### Net Interest Margin

Net interest margin for the fourth quarter of 2023 was 4.33%, compared to 4.67% for the prior quarter and 5.17% in the fourth quarter of 2022. The 34 basis point decrease in net interest margin from the prior quarter was due primarily to higher rates paid on deposits and other funding sources, partially offset by higher rates on new loan originations and variable rate loans and investment securities. The yield on earning assets was 6.64% for the fourth quarter of 2023 compared to 6.60% for the prior quarter, and the cost of interest-bearing liabilities was 3.68% for the fourth quarter of 2023 compared to 3.24% in the prior quarter. The cost of total deposits

was 2.41% for the fourth quarter of 2023 compared to 1.92% in the prior quarter. The cost of core deposits, which excludes brokered deposits, was 1.93% in the fourth quarter of 2023 compared to 1.48% in the prior quarter.

#### Provision for Credit Losses

Provision expense for credit losses for the fourth quarter of 2023 was \$0.5 million, compared to \$0.5 million in the prior quarter and provision expense of \$0.1 million for the fourth quarter of 2022. For more details, please refer to the “Asset Quality” section below.

#### Noninterest Income

Noninterest income was \$1.2 million for the fourth quarter of 2023, compared to \$1.2 million in the prior quarter and \$1.1 million in the fourth quarter of 2022. SBA loan sales for the fourth quarter of 2023 were \$6.7 million with a 9.62% average trade premium resulting in a net gain on sale of \$436 thousand, compared with \$7.2 million with a 9.47% average trade premium resulting in a net gain on sale of \$466 thousand in the prior quarter. Management expects continued softness in the market for SBA 7a loans.

#### Noninterest Expense

Noninterest expense was \$11.8 million for the fourth quarter of 2023, compared to \$11.8 million in the prior quarter and \$13.1 million in the fourth quarter of 2022. Compensation and employee benefits expense increased \$430 thousand compared to the prior quarter driven by increased headcount and adjustments to share-based compensation. Other expenses declined by \$297 thousand due primarily to the reclassification adjustment recorded in the prior quarter for the reversal of reserve for unfunded commitments which was previously presented as other expenses and is now recorded in the provision (reversal) for credit losses line of the income statement. The efficiency ratio was 50.22% for the fourth quarter of 2023 compared to 48.51% in the prior quarter and 55.22% in the fourth quarter of 2022. The increase in the efficiency ratio from the prior quarter was due primarily to the aforementioned decrease in net interest income.

The Company remains committed to making investments in the business, including technology, marketing, and staffing. Inflationary pressures 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 \$3.3 million for the fourth quarter of 2023, compared to \$3.6 million for the prior quarter. The effective tax rate for the fourth quarter of 2023 was 29.9%, compared to 29.8% in the prior quarter and 29.4% in the fourth quarter of 2022.

### STATEMENT OF FINANCIAL CONDITION

As of December 31, 2023, total assets were \$2.15 billion, an increase of \$78.2 million since the prior quarter and \$297.6 million since December 31, 2022. The increase in assets from the prior quarter was primarily due to higher loans receivable and investment securities, partially offset by lower cash balances. Total cash and due from banks was \$178.1 million as of December 31, 2023, a decrease of \$20.2 million or 10.2%, since September 30, 2023, primarily due to the timing of the settlement of \$52 million of brokered certificates of deposit obtained at the end of September 2023 and subsequently used to pay off Federal Home Loan Bank Advances in early October 2023. Loans HFI totaled \$1.85 billion as of December 31, 2023, an increase of \$82.3 million or 4.7% since September 30, 2023. Investment securities available for sale (“AFS”) were \$102.5 million as of December 31, 2023, an increase of \$15.9 million, or 18.3% since September 30, 2023 as a result of new securities purchased and lower net unrealized losses. As of December 31, 2023, the net unrealized loss on the AFS investment securities portfolio, which is comprised mostly of US Treasury and Government Agency debt, was \$12.1 million (pre-tax) compared to a loss of \$15.8 million as of September 30, 2023. The average duration of the Bank’s AFS portfolio is 3.6 years. The Company has no held-to-maturity securities.

Total deposits were \$1.88 billion as of December 31, 2023, an increase of \$105.7 million since September 30, 2023. During the quarter, core deposits increased by \$62.1 million, which was driven by an \$84.4 million increase in interest-bearing core deposits (including balances in the Intrafi ICS and CDARS programs), partially offset by a \$22.3 million decrease in noninterest-bearing core deposits. A portion of the increase in core deposits is seasonal in nature due to end of year client activities. Noninterest-bearing deposits represent 36.1% of total core deposits. Uninsured deposits, net of collateralized and fiduciary deposit accounts, represent 48.0% of total deposits as of December 31, 2023.

## Asset Quality and Allowance for Credit Losses ("ACL")

As of December 31, 2023, the allowance for loan losses was \$24.5 million or 1.33% of loans HFI, compared to 1.35% as of September 30, 2023 and 1.21% at December 31, 2022. The increase in the coverage ratio from December 31, 2022 primarily resulted from the adoption of CECL. The Company continues to have strong credit metrics and its nonperforming assets are 0.23% of total assets as of December 31, 2023. The reserve for unfunded commitments was \$1.7 million as of December 31, 2023, compared to \$2.0 million as of September 30, 2023 and the change was due to a decrease in commitment balances available. Given the credit quality of the loan portfolio, management believes we are sufficiently reserved.

At both December 31, 2023 and September 30, 2023, there are no doubtful credits and classified assets were \$11.0 million. Total classified assets consisted of 9 loans as of December 31, 2023, which included 6 loans totaling \$7.1 million secured by real estate with a weighted average LTV of 58.5%. The remaining 3 loans were commercial and industrial loans, two of which were SBA loans with a balance of \$1.4 million, which includes one loan that is 75% guaranteed and one loan that is 90% guaranteed by the SBA, and the third was a \$2.5 million unsecured loan with a specific reserve of \$1.25 million.

## Capital Ratios <sup>(2)</sup>

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

	December 31, 2023 <sup>(2)</sup>	September 30, 2023
<b>CalPrivate Bank</b>		
Tier I leverage ratio	10.07%	9.98%
Tier I risk-based capital ratio	11.02%	11.03%
Total risk-based capital ratio	12.27%	12.28%

(2) *December 31, 2023 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, including adjusted income before provision for income taxes, adjusted net income, adjusted diluted earnings per share ("Adjusted EPS"), efficiency ratio, adjusted efficiency ratio, pretax pre-provision net revenue, average tangible common equity, adjusted return on average assets, return on average tangible common equity and adjusted return on average tangible common equity. 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 communication contains expressions of expectations, both implied and explicit, that are “forward-looking statements” within the meaning of such term in the Private Securities Litigation Reform Act of 1995. We caution you that a number of important factors could cause actual results to differ materially from those in the forward-looking statements, especially given the current turmoil in the banking and financial markets. These factors include the effects of depositors withdrawing funds unexpectedly, counterparties being unable to provide liquidity sources that we believe should be available, loan losses, economic conditions and competition in the geographic and business areas in which Private Bancorp of America, Inc. operates, including competition in lending and deposit acquisition, the unpredictability of fee income from participation in SBA loan programs, the effects of bank failures, liquidations and mergers in our markets and nationally, our ability to successfully integrate and develop business through the addition of new personnel, whether our efforts to expand loan, product and service offerings will prove profitable, system failures and data security, whether we can effectively secure and implement new technology solutions, 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. These factors could cause actual results to differ materially from what we anticipate or project. You should not place undue reliance on any such forward-looking statement, which speaks only as of the date on which it was made. Although we in good faith believe the assumptions and bases supporting our forward-looking statements to be reasonable there can be no assurance that those assumptions and bases will prove accurate.*

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

	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022
<b>Assets</b>			
Cash and due from banks	\$ 19,811	\$ 20,013	\$ 14,495
Interest-bearing deposits in other financial institutions	39,667	20,508	30,409
Interest-bearing deposits at Federal Reserve Bank	118,622	157,807	83,738
Total cash and due from banks	178,100	198,328	128,642
Interest-bearing time deposits with other institutions	4,000	1,500	7,923
Investment debt securities available for sale	102,499	86,648	104,652
Loans held for sale	1,233	4,071	7,061
Loans, net of deferred fees and costs and unaccreted discounts	1,847,161	1,764,846	1,588,248
Allowance for loan losses	(24,476)	(23,789)	(19,152)
Loans held-for-investment, net of allowance	1,822,685	1,741,057	1,569,096
Federal Home Loan Bank stock, at cost	8,915	8,915	7,020
Right of use asset	3,096	2,827	3,265
Premises and equipment, net	1,700	1,447	1,742
Servicing assets, net	2,318	2,449	3,007
Accrued interest receivable	7,499	6,877	5,291
Other assets	20,423	20,100	17,181
<b>Total assets</b>	<b>\$ 2,152,468</b>	<b>\$ 2,074,219</b>	<b>\$ 1,854,880</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Liabilities</b>			
Noninterest bearing	\$ 572,755	\$ 595,023	\$ 691,392
Interest bearing	1,302,615	1,174,664	983,730
Total deposits	1,875,370	1,769,687	1,675,122
FHLB borrowings	57,000	82,000	-
Other borrowings	17,961	17,959	17,954
Accrued interest payable and other liabilities	16,354	29,894	18,480
<b>Total liabilities</b>	<b>1,966,685</b>	<b>1,899,540</b>	<b>1,711,556</b>
<b>Shareholders' equity</b>			
Common stock	74,003	73,416	72,221
Additional paid-in capital	3,679	3,584	3,353
Retained earnings	116,604	108,757	77,810
Accumulated other comprehensive (loss) income, net	(8,503)	(11,078)	(10,060)
<b>Total shareholders' equity</b>	<b>185,783</b>	<b>174,679</b>	<b>143,324</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,152,468</b>	<b>\$ 2,074,219</b>	<b>\$ 1,854,880</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	
	Dec 31, 2023	Sep 30, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022
<b>Interest Income</b>					
Loans	\$ 31,482	\$ 30,568	\$ 24,717	\$ 116,548	\$ 80,922
Investment securities	655	562	592	2,357	2,143
Deposits in other financial institutions	1,926	1,748	756	6,757	1,467
Total interest income	34,063	32,878	26,065	125,662	84,532
<b>Interest Expense</b>					
Deposits	10,874	8,210	3,149	30,589	4,897
Borrowings	1,001	1,413	320	4,754	1,311
Total interest expense	11,875	9,623	3,469	35,343	6,208
<b>Net interest income</b>	22,188	23,255	22,596	90,319	78,324
Provision (reversal) for credit losses	459	471	60	(6,146)	2,178
<b>Net interest income after provision for credit losses</b>	21,729	22,784	22,536	96,465	76,146
<b>Noninterest income:</b>					
Service charges on deposit accounts	373	313	274	1,344	1,160
Net gain on sale of loans	436	466	792	1,547	4,678
Other noninterest income	435	380	18	2,031	1,202
Total noninterest income	1,244	1,159	1,084	4,922	7,040
<b>Noninterest expense:</b>					
Compensation and employee benefits	7,942	7,512	8,482	30,673	30,430
Occupancy and equipment	790	781	820	3,172	3,107
Data processing	1,001	1,064	942	3,887	3,411
Professional services	410	564	1,018	576	5,261
Other expenses	1,625	1,922	1,813	5,662	6,035
Total noninterest expense	11,768	11,843	13,075	43,970	48,244
<b>Income before provision for income taxes</b>	11,205	12,100	10,545	57,417	34,942
Provision for income taxes	3,346	3,611	3,102	16,561	10,233
<b>Net income</b>	<u>\$ 7,859</u>	<u>\$ 8,489</u>	<u>\$ 7,443</u>	<u>\$ 40,856</u>	<u>\$ 24,709</u>
<b>Net income available to common shareholders</b>	<u>\$ 7,800</u>	<u>\$ 8,422</u>	<u>\$ 7,394</u>	<u>\$ 40,563</u>	<u>\$ 24,495</u>
<b>Earnings per share</b>					
Basic earnings per share	\$ 1.38	\$ 1.49	\$ 1.33	\$ 7.18	\$ 4.41
Diluted earnings per share	\$ 1.36	\$ 1.47	\$ 1.31	\$ 7.11	\$ 4.33
Average shares outstanding	5,664,028	5,658,340	5,551,376	5,646,409	5,555,495
Diluted average shares outstanding	5,723,735	5,709,994	5,645,355	5,704,519	5,652,571

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

	Dec 31, 2023			For the three months ended Sep 30, 2023			Dec 31, 2022		
	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	\$ 144,265	\$ 1,926	5.30%	\$ 130,583	\$ 1,748	5.31%	\$ 91,324	\$ 756	3.28%
Investment securities	101,719	655	2.58%	101,313	562	2.22%	114,390	592	2.07%
Loans, including LHFS	1,788,572	31,482	6.98%	1,745,113	30,568	6.95%	1,527,863	24,717	6.42%
Total interest-earning assets	2,034,556	34,063	6.64%	1,977,009	32,878	6.60%	1,733,577	26,065	5.97%
Noninterest-earning assets	27,930			28,188			25,627		
<b>Total Assets</b>	<b>\$ 2,062,486</b>			<b>\$ 2,005,197</b>			<b>\$ 1,759,204</b>		
<b>Interest-Bearing Liabilities</b>									
Interest bearing DDA, excluding brokered	112,580	503	1.77%	99,243	402	1.61%	98,504	295	1.19%
Savings & MMA, excluding brokered	713,754	5,811	3.23%	657,453	4,248	2.56%	592,707	1,551	1.04%
Time deposits, excluding brokered	123,985	1,155	3.70%	114,437	933	3.23%	72,040	265	1.46%
Total deposits, excluding brokered	950,319	7,469	3.12%	871,133	5,583	2.54%	763,251	2,111	1.10%
Total brokered deposits	256,761	3,405	5.26%	202,644	2,627	5.14%	90,095	1,038	4.57%
<b>Total Interest-Bearing Deposits</b>	<b>1,207,080</b>	<b>10,874</b>	<b>3.57%</b>	<b>1,073,777</b>	<b>8,210</b>	<b>3.03%</b>	<b>853,346</b>	<b>3,149</b>	<b>1.46%</b>
FHLB advances	56,511	728	5.11%	87,190	1,142	5.20%	12,195	112	3.64%
Other borrowings	17,960	273	6.03%	17,958	271	5.99%	18,063	208	4.57%
<b>Total Interest-Bearing Liabilities</b>	<b>1,281,551</b>	<b>11,875</b>	<b>3.68%</b>	<b>1,178,925</b>	<b>9,623</b>	<b>3.24%</b>	<b>883,604</b>	<b>3,469</b>	<b>1.56%</b>
Noninterest-bearing deposits	581,579			625,115			720,656		
<b>Total Funding Sources</b>	<b>1,863,130</b>	<b>11,875</b>	<b>2.53%</b>	<b>1,804,040</b>	<b>9,623</b>	<b>2.12%</b>	<b>1,604,260</b>	<b>3,469</b>	<b>0.86%</b>
Noninterest-bearing liabilities	19,069			27,810			13,614		
Shareholders' equity	180,287			173,347			141,330		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 2,062,486</b>			<b>\$ 2,005,197</b>			<b>\$ 1,759,204</b>		
Net interest income/spread		\$ 22,188	4.11%		\$ 23,255	4.48%		\$ 22,596	5.11%
Net interest margin			4.33%			4.67%			5.17%



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

	Year to Date					
	Dec 31, 2023			Dec 31, 2022		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
<b>Interest-Earnings Assets:</b>						
Deposits in other financial institutions	\$ 134,783	\$ 6,757	5.01%	\$ 96,277	\$ 1,467	1.52%
Investment securities	106,470	2,357	2.21%	117,870	2,143	1.82%
Loans	1,702,321	116,548	6.85%	1,394,369	80,922	5.80%
Total interest-earning assets	1,943,574	125,662	6.47%	1,608,516	84,532	5.26%
Noninterest-earning assets	28,442			25,719		
<b>Total Assets</b>	<b>\$ 1,972,016</b>			<b>\$ 1,634,235</b>		
<b>Interest-Bearing Liabilities</b>						
Interest bearing DDA, excluding brokered	102,972	1,612	1.57%	89,442	530	0.59%
Savings & MMA, excluding brokered	659,191	16,007	2.43%	529,108	2,555	0.48%
Time deposits, excluding brokered	105,810	3,263	3.08%	69,154	636	0.92%
Total deposits, excluding brokered	867,973	20,882	2.41%	687,704	3,721	0.54%
Total brokered deposits	192,060	9,707	5.05%	34,200	1,176	3.44%
<b>Total Interest-Bearing Deposits</b>	<b>1,060,033</b>	<b>30,589</b>	<b>2.89%</b>	<b>721,904</b>	<b>4,897</b>	<b>0.68%</b>
FHLB advances	72,322	3,666	5.07%	11,889	288	2.42%
Other borrowings	17,966	1,088	6.06%	17,978	1,023	5.69%
<b>Total Interest-Bearing Liabilities</b>	<b>1,150,321</b>	<b>35,343</b>	<b>3.07%</b>	<b>751,771</b>	<b>6,208</b>	<b>0.83%</b>
Noninterest-bearing deposits	632,652			733,313		
<b>Total Funding Sources</b>	<b>1,782,973</b>	<b>35,343</b>	<b>1.98%</b>	<b>1,485,084</b>	<b>6,208</b>	<b>0.42%</b>
Noninterest-bearing liabilities	23,294			13,120		
Shareholders' equity	165,749			136,031		
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 1,972,016</b>			<b>\$ 1,634,235</b>		
Net interest income/spread		<u>\$ 90,319</u>	4.49%		<u>\$ 78,324</u>	4.84%
Net interest margin			4.65%			4.87%

**PRIVATE BANCORP OF AMERICA, INC.**  
**Condensed Balance Sheets**  
**(Unaudited)**  
**(Dollars in thousands, except per share amounts)**

	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
<b>Assets</b>					
Cash and due from banks	\$ 178,100	\$ 198,328	\$ 135,859	\$ 211,812	\$ 128,642
Interest-bearing time deposits with other institutions	4,000	1,500	7,661	7,661	7,923
Investment securities	102,499	86,648	94,574	103,790	104,652
Loans held for sale	1,233	4,071	1,982	465	7,061
Total loans held-for-investment	1,847,161	1,764,846	1,717,705	1,623,028	1,588,248
Allowance for loan losses	(24,476)	(23,789)	(22,588)	(21,135)	(19,152)
Loans held-for-investment, net of allowance	1,822,685	1,741,057	1,695,117	1,601,893	1,569,096
Right of use asset	3,096	2,827	2,525	2,889	3,265
Premises and equipment, net	1,700	1,447	1,539	1,744	1,742
Other assets and interest receivable	39,155	38,341	37,480	36,374	32,499
<b>Total assets</b>	<b>\$ 2,152,468</b>	<b>\$ 2,074,219</b>	<b>\$ 1,976,737</b>	<b>\$ 1,966,628</b>	<b>\$ 1,854,880</b>
<b>Liabilities and Shareholders' Equity</b>					
<b>Liabilities</b>					
Noninterest Bearing	\$ 572,755	\$ 595,023	\$ 657,980	\$ 639,664	\$ 691,392
Interest Bearing	1,302,615	1,174,664	1,041,192	944,102	983,730
Total Deposits	1,875,370	1,769,687	1,699,172	1,583,766	1,675,122
Borrowings	74,961	99,959	83,958	209,956	17,954
Accrued interest payable and other liabilities	16,354	29,894	26,396	20,592	18,480
<b>Total liabilities</b>	<b>1,966,685</b>	<b>1,899,540</b>	<b>1,809,526</b>	<b>1,814,314</b>	<b>1,711,556</b>
<b>Shareholders' equity</b>					
Common stock	74,003	73,416	73,379	73,254	72,221
Additional paid-in capital	3,679	3,584	3,405	3,289	3,353
Retained earnings	116,604	108,757	100,281	84,751	77,810
Accumulated other comprehensive (loss) income	(8,503)	(11,078)	(9,854)	(8,980)	(10,060)
<b>Total shareholders' equity</b>	<b>185,783</b>	<b>174,679</b>	<b>167,211</b>	<b>152,314</b>	<b>143,324</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 2,152,468</b>	<b>\$ 2,074,219</b>	<b>\$ 1,976,737</b>	<b>\$ 1,966,628</b>	<b>\$ 1,854,880</b>
Book value per common share	\$ 32.48	\$ 30.63	\$ 29.32	\$ 26.83	\$ 25.60
Tangible book value per common share <sup>(1)</sup>	\$ 32.08	\$ 30.20	\$ 28.82	\$ 26.30	\$ 25.06
Shares outstanding	5,719,115	5,703,350	5,702,637	5,676,017	5,599,025

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

**PRIVATE BANCORP OF AMERICA, INC.**  
**Condensed Statements of Income**  
**(Unaudited)**  
**(Dollars in thousands, except per share amounts)**

	For the three months ended				
	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Interest income	\$ 34,063	\$ 32,878	\$ 30,763	\$ 27,958	\$ 26,065
Interest expense	11,875	9,623	8,055	5,790	3,469
<b>Net interest income</b>	<b>22,188</b>	<b>23,255</b>	<b>22,708</b>	<b>22,168</b>	<b>22,596</b>
Provision (reversal) for credit losses	459	471	(7,149)	73	60
<b>Net interest income after provision for credit losses</b>	<b>21,729</b>	<b>22,784</b>	<b>29,857</b>	<b>22,095</b>	<b>22,536</b>
Service charges on deposit accounts	373	313	310	348	274
Net gain on sale of loans	436	466	171	474	792
Other noninterest income	435	380	573	643	18
<b>Total noninterest income</b>	<b>1,244</b>	<b>1,159</b>	<b>1,054</b>	<b>1,465</b>	<b>1,084</b>
Compensation and employee benefits	7,942	7,512	7,189	8,030	8,482
Occupancy and equipment	790	781	795	806	820
Data processing	1,001	1,064	878	944	942
Professional services	410	564	(836)	438	1,018
Other expenses	1,625	1,922	776	1,339	1,813
<b>Total noninterest expense</b>	<b>11,768</b>	<b>11,843</b>	<b>8,802</b>	<b>11,557</b>	<b>13,075</b>
<b>Income before provision for income taxes</b>	<b>11,205</b>	<b>12,100</b>	<b>22,109</b>	<b>12,003</b>	<b>10,545</b>
Income taxes	3,346	3,611	6,575	3,029	3,102
Net income	\$ 7,859	\$ 8,489	\$ 15,534	\$ 8,974	\$ 7,443
<b>Net income available to common shareholders</b>	<b>\$ 7,800</b>	<b>\$ 8,422</b>	<b>\$ 15,407</b>	<b>\$ 8,923</b>	<b>\$ 7,394</b>
<b>Earnings per share</b>					
Basic earnings per share	\$ 1.38	\$ 1.49	\$ 2.72	\$ 1.59	\$ 1.33
Diluted earnings per share	\$ 1.36	\$ 1.47	\$ 2.69	\$ 1.57	\$ 1.31
Average shares outstanding	5,664,028	5,658,340	5,654,435	5,608,193	5,551,376
Diluted average shares outstanding	5,723,735	5,709,994	5,726,522	5,673,394	5,645,355

	Performance Ratios				
	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
ROAA	1.51%	1.68%	3.18%	1.96%	1.68%
ROAE	17.29%	19.43%	38.42%	24.80%	20.89%
ROATCE <sup>(1)</sup>	17.53%	19.74%	39.14%	25.32%	21.41%
Net interest margin	4.33%	4.67%	4.73%	4.90%	5.17%
Net interest spread	4.11%	4.48%	4.58%	4.80%	5.11%
Efficiency ratio <sup>(1)</sup>	50.22%	48.51%	37.04%	48.90%	55.22%
Noninterest expense / average assets	2.26%	2.34%	1.80%	2.52%	2.95%

(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, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Total assets	\$ 2,062,486	\$ 2,005,197	\$ 1,959,802	\$ 1,857,994	\$ 1,759,204
Earning assets	\$ 2,034,556	\$ 1,977,009	\$ 1,927,061	\$ 1,833,089	\$ 1,733,577
Total loans, including loans held for sale	\$ 1,788,572	\$ 1,745,113	\$ 1,675,790	\$ 1,597,236	\$ 1,527,863
Total deposits	\$ 1,788,659	\$ 1,698,892	\$ 1,656,540	\$ 1,624,777	\$ 1,574,002
Total shareholders' equity	\$ 180,287	\$ 173,347	\$ 162,173	\$ 146,778	\$ 141,330

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

	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
<b>Commercial Real Estate (CRE):</b>					
Investor owned	\$ 583,069	\$ 541,088	\$ 527,819	\$ 514,194	\$ 517,462
Owner occupied	202,106	185,296	177,177	178,511	161,880
Multifamily	168,324	159,700	158,082	151,262	139,894
Secured by single family	146,370	153,132	148,464	147,813	135,164
Land and construction	33,655	30,253	32,519	26,953	21,234
SBA secured by real estate	349,676	343,576	329,403	272,059	263,355
Total CRE	1,483,200	1,413,045	1,373,464	1,290,792	1,238,989
<b>Commercial business:</b>					
Commercial and industrial	350,879	337,815	332,394	319,154	336,012
SBA non-real estate secured	9,807	11,081	9,121	10,591	11,449
Total commercial business	360,686	348,896	341,515	329,745	347,461
Consumer	3,275	2,905	2,726	2,491	1,798
Total loans held for investment	<u>\$ 1,847,161</u>	<u>\$ 1,764,846</u>	<u>\$ 1,717,705</u>	<u>\$ 1,623,028</u>	<u>\$ 1,588,248</u>

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

	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
Noninterest-bearing DDA	\$ 572,755	\$ 595,023	\$ 657,980	\$ 639,664	\$ 691,392
Interest-bearing DDA, excluding brokered	121,829	108,508	101,064	99,988	109,130
Savings & MMA, excluding brokered	742,617	696,499	670,195	637,031	614,991
Time deposits, excluding brokered	147,583	122,622	105,757	77,052	54,887
Total deposits, excluding brokered	1,584,784	1,522,652	1,534,996	1,453,735	1,470,400
Total brokered deposits	290,586	247,035	164,176	130,031	204,722
Total deposits	<u>\$ 1,875,370</u>	<u>\$ 1,769,687</u>	<u>\$ 1,699,172</u>	<u>\$ 1,583,766</u>	<u>\$ 1,675,122</u>

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

**Rollforward of Allowance for Credit Losses**  
**(Dollars in thousands)**  
**For the three months ended**

	<u>Dec 31, 2023</u>	<u>Sep 30, 2023</u>	<u>Jun 30, 2023</u>	<u>Mar 31, 2023</u>	<u>Dec 31, 2022</u>
Allowance for loan losses:					
Beginning balance	\$ 23,789	\$ 22,588	\$ 21,135	\$ 19,152	\$ 19,092
Impact of CECL adoption	-	-	-	1,910	-
Provision for loan losses	687	1,194	(7,149)	73	60
Net (charge-offs) recoveries	-	7	8,602	-	-
Ending balance	24,476	23,789	22,588	21,135	19,152
Reserve for unfunded commitments <sup>(1)</sup>	1,741	1,969	2,172	2,802	1,718
Total allowance for credit losses	<u>\$ 26,217</u>	<u>\$ 25,758</u>	<u>\$ 24,760</u>	<u>\$ 23,937</u>	<u>\$ 20,870</u>

(1) Includes \$974 thousand related to the impact of CECL adoption on January 1, 2023.

**Asset Quality**  
**(Dollars in thousands)**

	<u>Dec 31, 2023</u>	<u>Sep 30, 2023</u>	<u>Jun 30, 2023</u>	<u>Mar 31, 2023</u>	<u>Dec 31, 2022</u>
Total loans held-for-investment	\$1,847,161	\$1,764,846	\$1,717,705	\$1,623,028	\$1,588,248
Allowance for loan losses	\$ (24,476)	\$ (23,789)	\$ (22,588)	\$ (21,135)	\$ (19,152)
30-89 day past due loans and still accruing	\$ -	\$ -	\$ -	\$ -	\$ -
90+ day past due loans and still accruing	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 5,053	\$ 5,105	\$ 3,354	\$ 4,384	\$ 3,880
NPAs / Assets	0.23%	0.25%	0.17%	0.22%	0.21%
NPLs / Total loans held-for-investment & OREO	0.27%	0.29%	0.20%	0.27%	0.24%
Net quarterly charge-offs (recoveries)	\$ -	\$ (7)	\$ (8,602)	\$ -	\$ -
Net charge-offs (recoveries) /avg loans (annualized)	0.00%	0.00%	(2.05)%	0.00%	0.00%
Allowance for loan losses to loans HFI	1.33%	1.35%	1.32%	1.30%	1.21%
Allowance for loan losses to nonaccrual loans	484.39%	465.99%	673.46%	482.09%	493.61%

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

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: adjusted income before provision for income taxes, adjusted net income and adjusted EPS. 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, except per share amounts)				
	For the three months ended				
	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
<b><u>Adjusted income before provision for income taxes</u></b>					
Income before provision for income taxes	\$ 11,205	\$ 12,100	\$ 22,109	\$ 12,003	\$ 10,545
ANI recovery <sup>(1)</sup>	-	-	(7,708)	-	-
Settlement of legal fees related to ANI litigation <sup>(2)</sup>	-	-	(1,635)	-	-
Recovery of principal and interest on a loan acquired with credit deterioration as part of a business combination <sup>(3)</sup>	-	-	(986)	-	-
Adjusted income before provision for income taxes (non-GAAP)	\$ 11,205	\$ 12,100	\$ 11,780	\$ 12,003	\$ 10,545
<b><u>Adjusted net income</u></b>					
Net income	\$ 7,859	\$ 8,489	\$ 15,534	\$ 8,974	\$ 7,443
ANI recovery, net of tax <sup>(1)(4)</sup>	-	-	(5,430)	-	-
Settlement of legal fees related to ANI litigation, net of tax <sup>(2)(4)</sup>	-	-	(1,152)	-	-
Recovery of principal and interest on a loan acquired with credit deterioration as part of a business combination, net of tax <sup>(3)(4)</sup>	-	-	(694)	-	-
Adjusted net income (non-GAAP)	\$ 7,859	\$ 8,489	\$ 8,258	\$ 8,974	\$ 7,443
<b><u>Adjusted diluted earnings per share ("Adjusted EPS")</u></b>					
Diluted earnings per share	\$ 1.36	\$ 1.47	\$ 2.69	\$ 1.57	\$ 1.31
ANI recovery, net of tax <sup>(1)(4)</sup>	-	-	(0.94)	-	-
Settlement of legal fees related to ANI litigation, net of tax <sup>(2)(4)</sup>	-	-	(0.20)	-	-
Recovery of principal and interest on a loan previously acquired with credit deterioration as part of a business combination, net of tax <sup>(3)(4)</sup>	-	-	(0.12)	-	-
Adjusted EPS (non-GAAP)	\$ 1.36	\$ 1.47	\$ 1.43	\$ 1.57	\$ 1.31
Diluted average shares outstanding	5,723,735	5,709,994	5,726,522	5,673,394	5,645,355

(1) In the second quarter of 2023, the Company reached a settlement with the Receiver for ANI Investments and Gina Champion-Cain in which the Company recovered \$7.7 million (or approximately \$0.94 per diluted share after tax) plus certain rights to future recoveries from a guarantor of the charged off loan. This recovery amount represents 80% of the original principal charge-off and is net of the participant bank's share.

(2) In the second quarter of 2023, in conjunction with the resolution of the ANI litigation, the Company was reimbursed \$0.9 million of legal costs by the participant bank. In addition, \$0.7 million of previously invoiced legal fees were waived at settlement of the litigation.

(3) In the second quarter of 2023, the Company received \$1.0 million related to a loan that was originated and written off by San Diego Private Bank ("SDPB") prior to SDPB merging with the Company in 2013. Accordingly, the Company recorded an allowance recovery of \$0.9 million for the amount that would have been written off at the time of the merger under CECL and \$0.1 million of interest income for recovered interest.

(4) Net of tax effect of 29.6%, which is comprised of 21.0% for the statutory Federal tax rate plus 8.6% for state franchise taxes, net of Federal benefits.

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

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: adjusted income before provision for income taxes, adjusted net income and adjusted EPS. 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, except per share amounts)	
	Year to Date	
	Dec 31, 2023	Dec 31, 2022
<b><u>Adjusted income before provision for income taxes</u></b>		
Income before provision for income taxes	\$ 57,417	\$ 34,942
ANI recovery <sup>(1)</sup>	(7,708)	-
Settlement of legal fees related to ANI litigation <sup>(2)</sup>	(1,635)	-
Recovery of principal and interest on a loan acquired with credit deterioration as part of a business combination <sup>(3)</sup>	(986)	-
Adjusted income before provision for income taxes (non-GAAP)	\$ 47,088	\$ 34,942
<b><u>Adjusted net income</u></b>		
Net income	\$ 40,856	\$ 24,709
ANI recovery, net of tax <sup>(1)(4)</sup>	(5,430)	-
Settlement of legal fees related to ANI litigation, net of tax <sup>(2)(4)</sup>	(1,152)	-
Recovery of principal and interest on a loan acquired with credit deterioration as part of a business combination, net of tax <sup>(3)(4)</sup>	(694)	-
Adjusted net income (non-GAAP)	\$ 33,580	\$ 24,709
<b><u>Adjusted diluted earnings per share ("Adjusted EPS")</u></b>		
Diluted earnings per share	\$ 7.11	\$ 4.33
ANI recovery, net of tax <sup>(1)(4)</sup>	(0.94)	-
Settlement of legal fees related to ANI litigation, net of tax <sup>(2)(4)</sup>	(0.20)	-
Recovery of principal and interest on a loan previously acquired with credit deterioration as part of a business combination, net of tax <sup>(3)(4)</sup>	(0.12)	-
Adjusted EPS (non-GAAP)	\$ 5.85	\$ 4.33
Diluted average shares outstanding	5,704,519	5,652,571

(1) In the second quarter of 2023, the Company reached a settlement with the Receiver for ANI Investments and Gina Champion-Cain in which the Company recovered \$7.7 million (or approximately \$0.94 per diluted share after tax) plus certain rights to future recoveries from a guarantor of the charged off loan. This recovery amount represents 80% of the original principal charge-off and is net of the participant bank's share.

(2) In the second quarter of 2023, in conjunction with the resolution of the ANI litigation, the Company was reimbursed \$0.9 million of legal costs by the participant bank. In addition, \$0.7 million of previously invoiced legal fees were waived at settlement of the litigation.

(3) In the second quarter of 2023, the Company received \$1.0 million related to a loan that was originated and written off by San Diego Private Bank ("SDPB") prior to SDPB merging with the Company in 2013. Accordingly, the Company recorded an allowance recovery of \$0.9 million for the amount that would have been written off at the time of the merger under CECL and \$0.1 million of interest income for recovered interest.

(4) Net of tax effect of 29.6%, which is comprised of 21.0% for the statutory Federal tax rate plus 8.6% for state franchise taxes, net of Federal benefits.

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

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: efficiency ratio, adjusted efficiency ratio, pretax pre-provision net revenue, average tangible common equity, adjusted return on average assets, return on average tangible common equity and adjusted 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, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022
<b><u>Efficiency Ratio</u></b>					
Noninterest expense	\$ 11,768	\$ 11,843	\$ 8,802	\$ 11,557	\$ 13,075
Net interest income	22,188	23,255	22,708	22,168	22,596
Noninterest income	1,244	1,159	1,054	1,465	1,084
Total net interest income and noninterest income	23,432	24,414	23,762	23,633	23,680
Efficiency ratio (non-GAAP)	50.22%	48.51%	37.04%	48.90%	55.22%
<b><u>Adjusted Efficiency Ratio</u></b>					
Noninterest expense	\$ 11,768	\$ 11,843	\$ 8,802	\$ 11,557	\$ 13,075
Settlement of legal fees related to ANI litigation	-	-	1,635	-	-
Adjusted noninterest expense (non-GAAP)	11,768	11,843	10,437	11,557	13,075
Total net interest income and noninterest income	23,432	24,414	23,762	23,633	23,680
Recovery of interest on a loan acquired with credit deterioration as part of a business combination	-	-	(84)	-	-
Adjusted total net interest income and noninterest income (non-GAAP)	23,432	24,414	23,678	23,633	23,680
Adjusted Efficiency ratio (non-GAAP)	50.22%	48.51%	44.08%	48.90%	55.22%
<b><u>Pretax pre-provision net revenue</u></b>					
Net interest income	\$ 22,188	\$ 23,255	\$ 22,708	\$ 22,168	\$ 22,596
Noninterest income	1,244	1,159	1,054	1,465	1,084
Total net interest income and noninterest income	23,432	24,414	23,762	23,633	23,680
Less: Noninterest expense	11,768	11,843	8,802	11,557	13,075
Pretax pre-provision net revenue (non-GAAP)	\$ 11,664	\$ 12,571	\$ 14,960	\$ 12,076	\$ 10,605
<b><u>Return and Adjusted Return on Average Assets, Average Equity, Average Tangible Equity</u></b>					
Net income	\$ 7,859	\$ 8,489	\$ 15,534	\$ 8,974	\$ 7,443
Adjusted net income (non-GAAP) <sup>(1)</sup>	7,859	8,489	8,258	8,974	7,443
Average assets	2,062,486	2,005,197	1,959,802	1,857,994	1,759,204
Average shareholders' equity	180,287	173,347	162,173	146,778	141,330
Less: Average intangible assets	2,451	2,709	2,975	3,026	3,385
Average tangible common equity (non-GAAP)	177,836	170,638	159,198	143,752	137,945
Return on average assets	1.51%	1.68%	3.18%	1.96%	1.68%
Adjusted return on average assets (non-GAAP) <sup>(1)</sup>	1.51%	1.68%	1.69%	1.96%	1.68%
Return on average equity	17.29%	19.43%	38.42%	24.80%	20.89%
Adjusted return on average equity (non-GAAP) <sup>(1)</sup>	17.29%	19.43%	20.42%	24.80%	20.89%
Return on average tangible common equity (non-GAAP)	17.53%	19.74%	39.14%	25.32%	21.41%
Adjusted return on average tangible common equity (non-GAAP) <sup>(1)</sup>	17.53%	19.74%	20.81%	25.32%	21.41%
<b><u>Tangible book value per share</u></b>					
Total equity	185,783	174,679	167,211	152,314	143,324
Less: Total intangible assets	2,318	2,449	2,875	3,057	3,007
Total tangible equity	183,465	172,230	164,336	149,257	140,317
Shares outstanding	5,719,115	5,703,350	5,702,637	5,676,017	5,599,025
Tangible book value per share (non-GAAP)	\$ 32.08	\$ 30.20	\$ 28.82	\$ 26.30	\$ 25.06

(1) A reconciliation of net income to adjusted net income is provided on page 14.



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

The following tables present a reconciliation of non-GAAP financial measures to GAAP measures for: efficiency ratio, adjusted efficiency ratio, pretax pre-provision net revenue, average tangible common equity, adjusted return on average assets, return on average tangible common equity and adjusted 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, 2023	Dec 31, 2022
<b><u>Efficiency Ratio</u></b>		
Noninterest expense	\$ 43,970	\$ 48,244
Net interest income	90,319	78,324
Noninterest income	4,922	7,040
Total net interest income and noninterest income	95,241	85,364
Efficiency ratio (non-GAAP)	46.17%	56.52%
<b><u>Adjusted Efficiency Ratio</u></b>		
Noninterest expense	\$ 43,970	\$ 48,244
Settlement of legal fees related to ANI litigation	1,635	-
Adjusted noninterest expense (non-GAAP)	45,605	48,244
Total net interest income and noninterest income	95,241	85,364
Recovery of interest on a loan acquired with credit deterioration as part of a business combination	(84)	-
Adjusted total net interest income and noninterest income (non-GAAP)	95,157	85,364
Adjusted Efficiency ratio (non-GAAP)	47.93%	56.52%
<b><u>Pretax pre-provision net revenue</u></b>		
Net interest income	\$ 90,319	\$ 78,324
Noninterest income	4,922	7,040
Total net interest income and noninterest income	95,241	85,364
Less: Noninterest expense	43,970	48,244
Pretax pre-provision net revenue (non-GAAP)	\$ 51,271	\$ 37,120
<b><u>Return and Adjusted Return on Average Assets, Average Equity, Average Tangible Equity</u></b>		
Net income	\$ 40,856	\$ 24,709
Adjusted net income (non-GAAP) <sup>(1)</sup>	33,580	24,709
Average assets	1,972,016	1,634,235
Average shareholders' equity	165,749	136,031
Less: Average intangible assets	2,774	3,463
Average tangible common equity	162,975	132,568
Return on average assets	2.07%	1.51%
Adjusted return on average assets (non-GAAP) <sup>(1)</sup>	1.70%	1.51%
Return on average equity	24.65%	18.16%
Adjusted return on average equity (non-GAAP) <sup>(1)</sup>	20.26%	18.16%
Return on average tangible common equity (non-GAAP)	25.07%	18.64%
Adjusted return on average tangible common equity (non-GAAP) <sup>(1)</sup>	20.60%	18.64%

(1) A reconciliation of net income to adjusted net income is provided on page 15.