



FOR IMMEDIATE RELEASE



PRIVATE BANCORP OF AMERICA, INC. ANNOUNCES RECORD FOURTH QUARTER AND FULL YEAR 2021 FINANCIAL RESULTS WITH TOTAL ASSETS OF \$1.5 BILLION

Fourth Quarter Highlights

- Net income for the quarter was \$7.3 million, compared to \$5.1 million for Q3'21 and \$4.4 million in Q4'20
- Diluted earnings per share of \$1.28, compared to \$0.89 for Q3'21 and \$0.78 per share in Q4'20.
- Net interest margin of 4.44%, compared to 4.39% for Q3'21
- Cost of funding sources was 0.19%, compared to 0.22% for Q3'21
- Total loans held-for-investment ("HFI"), excluding PPP loans, increased \$70.7 million, up 6.3% to \$1.2 billion
- Non-interest-bearing demand deposits grew \$36.4 million to \$682.6 million, representing 50.7% of total deposits
- Allowance for Loan Losses remained strong at 1.39% of total loans HFI
- Tangible book value per share of \$22.26, up \$0.99 per share or 4.7% from Q3'21
- Well capitalized Tier 1 risk-based capital ratio of 10.63% (preliminary)

2021 Full Year Highlights

- Net income of \$21.0 million, compared to \$10.9 million for FY'20, an increase of 93.1%
- Diluted earnings per share of \$3.69, compared to \$1.94 for FY'20, an increase of 90.4%
- Pre-provision net revenue of \$32.6 million, compared to \$21.3 million for FY'20, representing a 52.6% increase
- Return on average assets of 1.48%, compared to 0.89% for FY'20 and return on average equity of 17.77%, compared to 10.70% for FY'20
- Net interest margin of 4.19%, compared to 4.15% for FY'20
- Total assets increased to \$1.5 billion, representing an increase of 14.0% over FY'20.
- Total loans HFI, excluding PPP loans, increased \$252.1 million to \$1.2 billion or 26.9% compared to FY'20
- Non-interest-bearing demand deposits increased \$150.9 million or 28.4% compared to FY'20
- Tangible book value per share increased \$3.31 or 17.5% compared to FY'20

La Jolla, Calif. – January 21, 2022 (GLOBE NEWSWIRE) - Private Bancorp of America, Inc. (OTCQX:PBAM), ("Company") and CalPrivate Bank ("Bank") announced unaudited financial results for the fourth quarter ending December 31, 2021. The Company reported net income of \$7.3 million, or \$1.28 per diluted share, for the fourth quarter of 2021 compared to \$5.1 million, or \$0.89 per diluted share for the third quarter of 2021. Net income for the twelve months ending December 31, 2021, was \$21.0 million, or \$3.69 per diluted share, compared to \$10.9 million or \$1.94 per diluted share in FY'20.

Rick Sowers, President and CEO of the Company and the Bank stated, "In the face of a challenging environment with a global pandemic that continues to strain many sectors of our economy, our fourth

quarter results attest to the resilience of our CalPrivate Bank franchise. Our *Distinctly Different* service model allows us to focus our Team on delivering value to our Clients. The fourth quarter continued to reflect our strong organic loan production capabilities through building Customized Solutions for our Clients. We believe this approach has positioned us well to participate in the economic recovery we expect to see in 2022.”

Sowers continued, “We continue to make progress in improving our operating leverage: we grew loans, core deposits, and capital to record levels; and we are making progress on streamlining our internal processes. We remain excited about the implementation of new technologies including the nCino Bank Operating System that we expect will provide us additional insight into our Client relationships and result in enhanced productivity.”

“PBAM’s fourth quarter of 2021 demonstrated our agility and approach to serving our core markets. The Company’s strategy to grow commercial and private banking loans and expand relationships continued to be demonstrated in the fourth quarter. The dedication of our Team, and the tremendous success we have been able to achieve for our Clients and Stakeholders is impressive,” said Selwyn Isakow, Chairman of the Board of the Company and the Bank.

Isakow added, “Given the strength of our core Southern California market and our already solid foundation, we have a significant opportunity to strategically drive growth in our portfolio. Building on CalPrivate’s momentum over the past year positions us well to deliver solid shareholder returns in 2022.”

STATEMENT OF INCOME

Net Interest Income

Net interest income for the fourth quarter totaled \$16.7 million, representing an increase of \$972 thousand or 6.2% compared to the third quarter of 2021. The increase in net interest income for the quarter was primarily due to increases in organic non-PPP loan balances. PPP interest and fee income was \$1.4 million in Q4’21, compared to \$1.5 million in Q3’21. Interest expense on deposits decreased \$56 thousand in Q4’21 vs Q3’21. The fourth quarter decrease in funding costs was due to the strategic reduction of deposit costs.

Net interest income for the full year totaled \$58.8 million representing an increase of \$8.5 million, or 17.0% compared to FY’20. The increase was due to higher average loan balances, increased SBA PPP loan income and lower cost of funds, partially offset by prepayment penalties in 2021 totaling \$1.2 million as a result of proactively prepaying high priced FHLB term advances.

Net Interest Margin

The net interest margin for the fourth quarter was 4.44% (4.23% excluding PPP loans) compared to 4.39% (4.27% excluding PPP loans) for the third quarter. The 5bps increase in the net interest margin for the quarter was due to higher loan yields and lower funding costs for the quarter. Average portfolio loan yields were 5.50%, compared to 5.38% for Q3’21. The yield on earning assets for the fourth quarter was 4.62% compared with 4.60% for the third quarter.

The net interest margin for the full year 2021 was 4.19% (4.10% excluding PPP) compared with 4.15% (4.09% excluding PPP) for the prior year 2020. The increase in the net interest margin was due to lower deposit costs offset with higher borrowing costs related to the pre-payment of FHLB advances. The costs of funds in the full year 2021 was 0.35% compared to 0.62% in FY’20. In the first half of 2021, the Bank prepaid FHLB term advances and recorded \$1.2 million in prepayment expense.

Provision for Loan Losses

The provision for loan losses for the fourth quarter was \$834 thousand, an increase of \$401 thousand compared to the third quarter. The driver for the fourth quarter provision was organic growth in the loan portfolio. While the economy continued to recover in the fourth quarter, new COVID-19 variants have created uncertainty, and this is reflected in our total loan loss provision to total loans HFI of 1.39% or 1.43% excluding PPP loans.

Non-Interest Income

Non-interest income was \$4.3 million for the fourth quarter, representing a \$1.9 million increase, or 78.5% increase compared to the third quarter of 2021. The increase in non-interest income was primarily due to an outsized increase in SBA loans sales during the fourth quarter. This increase was the result of a change in the SBA servicing provider which caused a delay in the sale of loans during Q3'21. SBA loan sales for the fourth quarter were \$36.0 million with a 12.9% trade premium compared with \$15.6 million with a 14.5% trade premium in the third quarter. The Company had \$24.7 million of loans held for sale at December 31, 2021, down from \$35.4 million in the third quarter. Total non-interest income increased \$6.2 million or 122.3% year over year.

Non-Interest Expense

Non-interest expense was \$9.8 million for the fourth quarter representing a \$625 thousand or 6% decline compared to the third quarter of 2021. As a result of CalPrivate's prior quarter decision to empower employees with the choice to work remotely, the Bank consolidated one of its administrative locations, resulting in reduced occupancy expenses.

Professional services and other expenses continue to remain at elevated levels given on-going legal and related expenses associated with the ANI Development, LLC, and Gina Champion-Cain fraud recovery cases. We continue to pursue recovery opportunities that could positively impact earnings and tangible book value per share in future quarters. Additionally, as the Bank continues to grow and has encountered a challenging labor market, we have engaged with some staffing agencies to provide temporary additional high-quality resources.

STATEMENT OF FINANCIAL CONDITION

Balance Sheet

At December 31, 2021, the Company reported total assets of \$1.5 billion representing an increase of \$41.5 million or 2.8% compared to the third quarter of 2021. The increase in assets for the quarter was due to increases in loans and investment securities supported by additional growth in core deposits. Total loans HFI increased \$32.0 million during the quarter, up 2.7%; excluding PPP loans, total loans increased \$70.6 million, up 6.3%. Total deposits were \$1.3 billion representing an increase of \$32.4 million, or 2.5%, compared to the third quarter. Total non-interest-bearing deposits represented 50.7% of total deposits at December 31, 2021. Additionally, during the quarter, the bank judiciously grew the securities portfolio to \$102.1 million, an increase of \$9.0 million from the prior quarter.

Asset Quality and Loan Deferrals

The Allowance for Loan Losses increased \$834 thousand to \$17.0 million in the quarter with a resulting coverage ratio of 1.39% of total loans outstanding, including PPP loans. The increase in the Allowance for

Loan Losses was primarily due to non-PPP organic loan growth and qualitative factors related to the general economic outlook in the markets we serve.

As of December 31, 2021, there were no doubtful credits or charge offs and Classified assets totaled \$13.4 million. Total classified assets consisted of 12 loans, of which 5 loans totaling \$7.9 million were secured by real estate with a weighted average LTV of 47%. In addition, all loans that were previously granted payment deferrals related to COVID-19 have resumed their contractual payments.

Capital Ratios (1)

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

	Dec 31, 2021 (1)	Sep 30, 2021	Dec 31, 2020
Private Bancorp of America			
Tier I leverage ratio	8.42%	8.19%	8.52%
Tier I risk-based capital ratio	10.63%	10.64%	11.20%
Total risk-based capital ratio	13.38%	13.48%	14.36%
CalPrivate Bank			
Tier I leverage ratio	9.29%	9.21%	9.73%
Tier I risk-based capital ratio	11.73%	11.69%	12.79%
Total risk-based capital ratio	12.98%	12.94%	14.05%

(1) December 31, 2021, capital ratios are preliminary

Stock Repurchase Program

Since announcing the stock repurchase program in July 2021, the Company has not repurchased any shares of its common stock. The remaining number of shares authorized to be repurchased under this program at December 31, 2021, was 75,000 shares.

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.

Investor Relations Contacts

Rick Sowers

President and Chief Executive Officer
Private Bancorp of America, Inc., and CalPrivate Bank
(424) 303-4894

Mag Wangsuwana

Executive Vice President and Chief Financial Officer
Private Bancorp of America, Inc., and CalPrivate Bank
(424) 348-2145

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)

	December 31, 2021	September 30, 2021	Dollar change	Percentage change	December 31, 2020	Dollar change	Percentage change
Assets							
Cash and due from banks	\$ 12,336	\$ 12,570	\$ (234)	1.9%	\$ 8,040	\$ 4,296	5.4%
Interest-bearing deposits in other financial institutions	39,663	2,736	36,927	1349.7%	7,309	32,354	442.7%
Interest-bearing deposits at Federal Reserve Bank	97,086	123,247	(26,161)	-21.2%	260,876	(163,790)	-62.8%
Total cash and due from banks	149,085	138,553	10,532	7.6%	276,225	(127,140)	-46.0%
Interest-bearing time deposits with other institutions	5,760	5,760	-	0.0%	5,760	-	0.0%
Investment securities available for sale	102,116	93,099	9,017	9.7%	26,086	76,030	291.5%
Loan held for sale	24,658	35,448	(10,790)	-30.4%	9,687	14,971	154.5%
Total loans held-for-investment	1,224,151	1,192,135	32,016	2.7%	998,870	225,287	22.6%
Allowance for loan losses	(16,975)	(16,141)	(834)	5.2%	(14,262)	(2,712)	19.0%
Net loans	1,207,176	1,175,994	31,182	2.7%	984,608	222,575	22.6%
Federal Home Loan Bank stock, at cost	4,909	4,909	-	0.0%	4,602	307	6.7%
Right of use asset	3,760	4,115	(355)	-8.7%	5,990	(2,231)	-37.2%
Premises and equipment, net	2,294	2,459	(165)	-6.7%	2,649	(355)	-13.4%
Other intangible assets	3,079	2,374	705	29.7%	1,602	1,477	92.2%
Deferred tax asset	6,258	6,256	2	0.0%	5,982	276	4.6%
Accrued interest receivable	3,355	3,404	(49)	-1.5%	3,540	(186)	-5.3%
Other assets	3,684	2,311	1,373	59.2%	3,009	670	22.3%
Total assets	\$ 1,516,134	\$ 1,474,682	\$ 41,452	2.8%	\$ 1,329,740	\$ 186,394	14.0%
Liabilities and Shareholders' Equity							
Liabilities							
Noninterest bearing	\$ 682,589	\$ 646,233	\$ 36,356	5.6%	\$ 531,732	\$ 150,857	28.4%
Interest Bearing	663,074	667,012	(3,938)	-0.6%	581,216	81,858	14.1%
Total deposits	1,345,663	1,313,245	32,418	2.5%	1,112,948	232,715	20.9%
FHLB borrowings	10,000	10,000	-	0.0%	75,000	(65,000)	-86.7%
Other borrowings	17,947	17,945	2	0.0%	17,939	8	0.0%
Accrued interest payable and other liabilities	14,160	11,613	2,547	21.9%	16,100	(1,940)	-12.0%
Total liabilities	1,387,770	1,352,803	34,967	2.6%	1,221,987	165,783	13.6%
Shareholders' equity							
Common stock	70,850	70,470	380	0.5%	69,557	1,293	1.9%
Additional paid-in capital	3,343	3,465	(122)	-3.5%	3,496	(153)	-4.4%
Retained earnings	54,922	47,845	7,077	14.8%	33,904	21,018	62.0%
Accumulated other comprehensive (loss) income	(751)	99	(850)	-858.6%	796	(1,547)	-194.3%
Total stockholders' equity	128,364	121,879	6,485	5.3%	107,753	20,611	19.1%
Total liabilities and stockholders' equity	\$ 1,516,134	\$ 1,474,682	\$ 41,452	2.8%	\$ 1,329,740	\$ 186,394	14.0%

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

	For the three months ended						
	December 31, 2021	September 30, 2021	Dollar change	Percentage change	December 31, 2020	Dollar change	Percentage change
Interest Income							
Loans	\$ 16,941	\$ 16,068	\$ 873	5.4%	\$ 15,540	\$ 1,401	9.0%
Investment securities	352	330	22	6.7%	245	107	43.7%
Deposits in other financial institutions	63	60	3	5.0%	41	22	53.7%
Total interest income	17,356	16,458	898	5.5%	15,826	1,530	9.7%
Interest Expense							
Deposits	353	409	(56)	-13.7%	596	(243)	-40.8%
Borrowings	314	332	(18)	-5.4%	613	(299)	-48.8%
Total interest expense	667	741	(74)	-10.0%	1,209	(542)	-44.8%
Net interest income	16,689	15,717	972	6.2%	14,617	2,072	14.2%
Provision for loan losses	834	433	401	92.6%	1,579	(745)	-47.2%
Net interest income after provision for loan losses	15,855	15,284	571	3.7%	13,038	2,817	21.6%
Noninterest income:							
Service charges on deposit accounts	254	236	18	7.6%	196	58	29.6%
Net gain on sale of loans	3,670	1,837	1,833	99.8%	1,170	2,500	213.7%
Gain on sale of investment securities	-	-	-	NM	-	-	NM
Other noninterest income	341	316	25	7.9%	270	71	26.3%
Total noninterest income	4,265	2,389	1,876	78.5%	1,636	2,629	160.7%
Noninterest expense:							
Salary and employee benefits	6,492	6,595	(103)	-1.6%	5,293	1,199	22.7%
Occupancy and equipment	741	1,484	(743)	-50.1%	774	(33)	-4.3%
Data processing	703	799	(96)	-12.0%	624	79	12.7%
Professional services	843	552	291	52.7%	949	(106)	-11.2%
Other expenses	1,060	1,034	26	2.5%	780	280	35.9%
Total noninterest expense	9,839	10,464	(625)	-6.0%	8,420	1,419	16.9%
Income before provision for income taxes	10,281	7,209	3,072	42.6%	6,254	4,027	64.4%
Provision for income taxes	2,986	2,158	828	38.4%	1,874	1,112	59.3%
Net income	<u>\$ 7,295</u>	<u>\$ 5,051</u>	<u>\$ 2,244</u>	<u>44.4%</u>	<u>\$ 4,380</u>	<u>\$ 2,915</u>	<u>66.6%</u>
Net income available to common shareholders	<u>\$ 7,204</u>	<u>\$ 4,984</u>	<u>\$ 2,220</u>	<u>44.5%</u>	<u>\$ 4,307</u>	<u>\$ 2,897</u>	<u>67.3%</u>
Earnings per share							
Basic earnings per share	\$ 1.30	\$ 0.90	\$ 0.40	44.4%	\$ 0.78	\$ 0.52	66.7%
Diluted earnings per share	\$ 1.28	\$ 0.89	\$ 0.39	43.8%	\$ 0.78	\$ 0.50	64.1%
Average shares outstanding	5,547,422	5,543,403	4,019	0.1%	5,501,272	46,150	0.8%
Diluted average shares outstanding	5,638,186	5,629,900	8,286	0.1%	5,540,232	97,954	1.8%

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

	For the twelve months ended			
	December 31, 2021	December 31, 2020	Dollar change	Percentage change
Interest Income				
Loans	\$ 61,806	\$ 55,539	\$ 6,267	11.3%
Investment securities	1,338	1,128	210	18.6%
Deposits in other financial institutions	221	487	(266)	-54.6%
Total interest income	63,365	57,154	6,211	10.9%
Interest Expense				
Deposits	1,689	4,369	(2,680)	-61.3%
Borrowings	2,885	2,517	368	14.6%
Total interest expense	4,574	6,886	(2,312)	-33.6%
Net interest income	58,791	50,268	8,523	17.0%
Provision for loan losses	2,713	5,670	(2,957)	-52.2%
Net interest income after provision for loan losses	56,078	44,598	11,480	25.7%
Noninterest income:				
Service charges on deposit accounts	945	654	291	44.5%
Net gain on sale of loans	9,309	2,614	6,695	256.1%
Gain on sale of investment securities	-	751	(751)	-100.0%
Other noninterest income	1,077	1,078	(1)	-0.1%
Total noninterest income	11,331	5,097	6,234	122.3%
Noninterest expense:				
Salary and employee benefits	24,278	22,000	2,278	10.4%
Occupancy and equipment	3,855	3,422	433	12.7%
Data processing	2,827	2,345	482	20.6%
Professional services	2,837	2,951	(114)	-3.9%
Other expenses	3,749	3,302	447	13.5%
Total noninterest expense	37,546	34,020	3,526	10.4%
Income before provision for income taxes	29,863	15,675	14,188	90.5%
Provision for income tax	8,833	4,784	4,049	84.6%
Net income	<u>\$ 21,030</u>	<u>\$ 10,891</u>	<u>\$ 10,139</u>	<u>93.1%</u>
Net income available to common shareholders	<u>\$ 20,746</u>	<u>\$ 10,710</u>	<u>\$ 10,036</u>	<u>93.7%</u>
Earnings per share				
Basic earnings per share	\$ 3.75	\$ 1.95	\$ 1.80	92.3%
Diluted earnings per share	\$ 3.69	\$ 1.94	\$ 1.75	90.2%
Average shares outstanding	5,535,581	5,494,423	41,158	0.7%
Diluted average shares outstanding	5,617,017	5,527,284	89,733	1.6%

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

	For the three months ended								
	December 31, 2021			September 30, 2021			December 31, 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	\$ 171,279	\$ 63	0.15%	\$ 142,647	\$ 60	0.17%	\$ 189,856	\$ 41	0.09%
Investment securities	96,722	351	1.45%	92,458	330	1.43%	30,238	245	3.24%
Loans	<u>1,222,234</u>	<u>16,942</u>	5.50%	<u>1,185,865</u>	<u>16,068</u>	5.38%	<u>1,005,712</u>	<u>15,540</u>	6.15%
Total interest-earning assets	1,490,235	17,356	4.62%	1,420,970	16,458	4.60%	1,225,806	15,826	5.14%
Noninterest-earning assets	<u>24,348</u>			<u>21,308</u>			<u>8,805</u>		
Total Assets	<u><u>\$ 1,514,583</u></u>			<u><u>\$ 1,442,278</u></u>			<u><u>\$ 1,234,611</u></u>		
Interest-Bearing Liabilities									
Interest-bearing transaction accounts	\$ 74,158	\$ 14	0.07%	\$ 68,618	\$ 14	0.08%	\$ 56,867	\$ 17	0.12%
Money market	504,171	202	0.16%	493,289	245	0.20%	400,764	270	0.27%
Savings deposits	10,602	3	0.11%	9,639	3	0.12%	8,617	3	0.14%
Certificates of deposit	<u>68,408</u>	<u>134</u>	0.78%	<u>68,761</u>	<u>147</u>	0.85%	<u>98,225</u>	<u>306</u>	1.24%
Total Interest-Bearing Deposits	657,339	353	0.21%	640,307	409	0.25%	564,473	596	0.42%
FHLB advances	10,000	42	1.67%	14,783	60	1.61%	77,348	341	1.75%
Other borrowings	<u>17,945</u>	<u>272</u>	6.06%	<u>17,944</u>	<u>272</u>	6.06%	<u>17,938</u>	<u>272</u>	6.07%
Total Interest-Bearing Liabilities	27,945	314	4.46%	32,727	332	4.02%	95,286	613	2.56%
Noninterest-bearing deposits	<u>689,438</u>			<u>636,042</u>			<u>452,916</u>		
Total Funding Sources	1,374,722	667	0.19%	1,309,076	741	0.22%	1,112,675	1,209	0.43%
Noninterest-bearing liabilities	12,474			12,584			15,062		
Shareholders' equity	<u>127,387</u>			<u>120,618</u>			<u>106,874</u>		
Total Liabilities and Shareholders' Equity	<u><u>\$ 1,514,583</u></u>			<u><u>\$ 1,442,278</u></u>			<u><u>\$ 1,234,611</u></u>		
Net interest income/spread		<u>\$ 16,689</u>	4.43%		<u>\$ 15,717</u>	4.38%		<u>\$ 14,617</u>	4.71%
Net interest margin			4.44%			4.39%			4.74%

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

	For the Twelve months ended					
	December 31, 2021			December 31, 2020		
	Average Balance	Interest	Average Yield/Rate	Average Balance	Interest	Average Yield/Rate
Interest-Earnings Assets:						
Deposits in other financial institutions	\$ 172,268	\$ 221	0.13%	\$ 188,109	\$ 487	0.26%
Investment securities	84,261	1,338	1.59%	38,978	1,128	2.89%
Loans	1,145,320	61,806	5.40%	983,405	55,539	5.65%
Total interest-earning assets	1,401,849	63,365	4.52%	1,210,492	57,154	4.72%
Noninterest-earning assets	21,115			11,602		
Total Assets	\$ 1,422,964			\$ 1,222,094		
Interest-Bearing Liabilities						
Interest-bearing transaction accounts	\$ 66,575	\$ 50	0.08%	\$ 68,313	\$ 227	0.33%
Money market	463,595	915	0.20%	397,050	2,068	0.52%
Savings deposits	9,564	10	0.10%	8,928	13	0.15%
Certificates of deposit	78,193	714	0.91%	109,165	2,061	1.89%
Total Interest-Bearing Deposits	617,927	1,689	27.00%	583,456	4,369	0.75%
FHLB advances	34,521	1,798	5.21%	85,532	1,430	1.67%
Other borrowings	17,943	1,087	6.06%	17,936	1,087	6.06%
Total Interest-Bearing Liabilities	52,464	2,885	5.50%	103,468	2,517	2.43%
Noninterest-bearing deposits	621,042			419,676		
Total Funding Sources	1,291,433	4,574	0.35%	1,106,600	6,886	0.62%
Noninterest-bearing liabilities	13,180			13,701		
Shareholders' equity	118,351			101,793		
Total Liabilities and Shareholders' Equity	\$ 1,422,964			\$ 1,222,094		
Net interest income/spread		\$ 58,791	4.17%		\$ 50,268	4.10%
Net interest margin			4.19%			4.15%

PRIVATE BANCORP OF AMERICA, INC.

Condensed Balance Sheets

(Unaudited)

(Dollars in thousands, except per share amounts)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Assets					
Cash and due from banks	\$ 149,085	\$ 138,553	\$ 92,108	\$ 164,750	\$ 276,225
Interest-bearing time deposits with other institutions	5,760	5,760	5,760	5,760	5,760
Investment securities	102,116	93,099	88,755	81,429	26,086
Loans held for sale	24,658	35,448	19,625	12,430	9,687
Total loans held-for-investment (excluding PPP loans)	1,188,627	1,117,983	1,053,938	948,260	936,532
SBA PPP loans	35,524	74,152	110,673	133,740	62,338
Allowance for loan losses	(16,975)	(16,141)	(15,708)	(14,561)	(14,262)
Net loans	1,207,176	1,175,994	1,148,903	1,067,439	984,608
Right of use asset	3,760	4,115	5,185	5,589	5,990
Premises and equipment, net	2,294	2,459	2,578	2,582	2,649
Other assets and interest receivable	21,285	19,254	19,856	19,738	18,735
Total assets	\$ 1,516,134	\$ 1,474,682	\$ 1,382,770	\$ 1,359,717	\$ 1,329,740
Liabilities and Shareholders' Equity					
Liabilities					
Noninterest Bearing	\$ 682,589	\$ 646,233	\$ 603,914	\$ 579,318	\$ 531,732
Interest Bearing	663,074	667,012	601,530	584,341	581,216
Total Deposits	1,345,663	1,313,245	1,205,444	1,163,659	1,112,948
Borrowings	27,947	27,945	47,943	67,941	92,939
Accrued interest payable and other liabilities	14,160	11,613	13,059	16,507	16,100
Total liabilities	1,387,770	1,352,803	1,266,446	1,248,107	1,221,987
Shareholders' equity					
Common stock	70,850	70,470	70,405	70,053	69,557
Additional paid-in capital	3,343	3,465	3,179	3,317	3,496
Retained earnings	54,922	47,845	42,810	38,510	33,904
Accumulated other comprehensive (loss) income	(751)	99	(70)	(270)	796
Total shareholders' equity	128,364	121,879	116,324	111,610	107,753
Total liabilities and shareholders' equity	\$ 1,516,134	\$ 1,474,682	\$ 1,382,770	\$ 1,359,717	\$ 1,329,740
Book value per common share	\$ 22.81	\$ 21.70	\$ 20.71	\$ 19.87	\$ 19.24
Tangible book value per common share	\$ 22.26	\$ 21.27	\$ 20.33	\$ 19.55	\$ 18.95
Shares outstanding	5,627,735	5,617,273	5,617,020	5,618,324	5,600,508

Regulatory Capital Ratios (PBAM) ¹

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Tier 1 leverage ratio	8.42%	8.19%	8.36%	8.07%	8.52%
Tier 1 risk-based capital ratio	10.63%	10.64%	10.74%	11.35%	11.20%
Common equity Tier 1 ratio	10.63%	10.64%	10.74%	11.35%	11.20%
Total risk-based capital ratio	13.38%	13.48%	13.68%	14.46%	14.36%
Tangible equity / tangible assets	8.35%	8.12%	8.28%	8.09%	7.99%

¹ Preliminary ratios for December 31, 2021

PRIVATE BANCORP OF AMERICA, INC.

Condensed Statements of Income

(Unaudited)

(Dollars in thousands, except per share amounts)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Interest income	\$ 17,356	\$ 16,458	\$ 15,028	\$ 14,523	\$ 15,826
Interest expense	667	741	1,429	1,737	1,209
Net interest income	16,689	15,717	13,599	12,786	14,617
Provision for loan losses	834	433	1,146	300	1,579
Net interest income after provision for loan losses	15,855	15,284	12,453	12,486	13,038
Noninterest income	4,265	2,389	2,805	1,871	1,636
Salary and employee benefits	6,492	6,595	5,966	4,915	5,293
Occupancy and equipment	741	1,484	820	810	774
Data processing	703	799	690	635	624
Professional services	843	552	791	650	949
Other expenses	1,060	1,034	891	763	780
Total noninterest expense	9,839	10,464	9,158	7,773	8,420
Income before provision for income taxes	10,281	7,209	6,100	6,584	6,254
Income taxes	2,986	2,158	1,806	1,977	1,874
Net income	\$ 7,295	\$ 5,051	\$ 4,294	\$ 4,607	\$ 4,380
Net income available to common shareholders	\$ 7,204	\$ 4,984	\$ 4,231	\$ 4,529	\$ 4,307
Earnings per share					
Basic earnings per share	\$ 1.30	\$ 0.90	\$ 0.76	\$ 0.82	\$ 0.78
Diluted earnings per share	\$ 1.28	\$ 0.89	\$ 0.75	\$ 0.81	\$ 0.78
Average shares outstanding	5,547,422	5,543,403	5,536,111	5,514,887	5,501,272
Diluted average shares outstanding	5,638,186	5,629,900	5,622,075	5,579,477	5,540,232

Performance Ratios

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
ROAA	1.91%	1.39%	1.26%	1.37%	1.41%
ROAE	22.72%	16.61%	14.99%	16.94%	16.30%
ROTE	23.07%	16.88%	15.25%	17.19%	16.54%
Net interest margin	4.44%	4.39%	4.03%	3.89%	4.74%
Net interest spread	4.43%	4.38%	4.00%	3.85%	4.71%
Efficiency ratio	46.96%	57.79%	55.83%	53.03%	51.81%
Noninterest expense / average assets	2.58%	2.88%	2.68%	2.31%	2.71%

PRIVATE BANCORP OF AMERICA, INC.

(Unaudited)

Selected Quarterly Average Balances
(Dollars in thousands)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Total assets	\$ 1,514,583	\$ 1,442,278	\$ 1,370,209	\$ 1,362,887	\$ 1,234,611
Earning assets	\$ 1,490,235	\$ 1,420,970	\$ 1,351,992	\$ 1,331,448	\$ 1,225,806
Total loans, including loans held for sale	\$ 1,222,234	\$ 1,185,865	\$ 1,125,958	\$ 1,044,828	\$ 1,005,712
Total deposits	\$ 1,346,777	\$ 1,276,349	\$ 1,184,352	\$ 1,145,776	\$ 1,017,389
Total equity	\$ 127,387	\$ 120,618	\$ 114,881	\$ 110,284	\$ 106,874

Loan Balances by Type
(Dollars in thousands)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Real estate - investor owned	\$ 324,167	\$ 307,469	\$ 293,461	\$ 247,928	\$ 243,745
Real estate - owner occupied	339,081	329,985	313,579	284,494	268,193
Real estate - multifamily	97,285	82,460	72,790	75,361	69,187
Real estate - single family	86,399	81,239	90,223	75,353	67,522
Commercial business	294,944	274,708	244,493	227,635	251,711
SBA PPP loans	35,524	74,152	110,673	133,740	62,338
Land and construction	39,702	34,996	32,413	30,103	29,377
Consumer	7,049	7,126	6,979	7,386	6,797
Total loans held for investment	1,224,151	1,192,135	1,164,611	1,082,000	998,870
Loans held for sale	24,658	35,448	19,625	12,430	9,687
Total loans, including loans held for sale	1,248,809	1,227,583	1,184,236	1,094,430	1,008,557
Allowance for loan losses	(16,975)	(16,141)	(15,708)	(14,561)	(14,262)
Net loans	\$ 1,231,834	\$ 1,211,442	\$ 1,168,528	\$ 1,079,869	\$ 994,295

Deposits by Type
(Dollars in thousands)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Non interest bearing DDA	\$ 682,589	\$ 646,233	\$ 603,914	\$ 579,318	\$ 531,732
Interest bearing DDA	81,788	68,056	70,320	59,399	60,606
Savings & MMA	513,070	530,782	463,165	423,957	424,540
Retail CD	5,281	5,633	5,827	5,855	7,770
Jumbo CD	62,935	62,541	62,218	95,130	88,300
Total deposits	\$ 1,345,663	\$ 1,313,245	\$ 1,205,444	\$ 1,163,659	\$ 1,112,948

Asset Quality
(Dollars in thousands)

	Dec 31, 2021	Sep 30, 2021	Jun 30, 2021	Mar 31, 2021	Dec 31, 2020
Total loans held-for-investment	\$ 1,224,151	\$ 1,192,135	\$ 1,164,611	\$ 1,082,000	\$ 998,870
30-89 day past due loans	\$ -	\$ 200	\$ -	\$ -	\$ -
90+ day past due loans	\$ -	\$ -	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 1,510	\$ 1,494	\$ 1,540	\$ 1,609	\$ 1,609
NPA's / Assets	0.10%	0.10%	0.11%	0.12%	0.12%
NPLs / Total loans held-for-investment & OREO	0.12%	0.12%	0.13%	0.15%	0.16%
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	1.39%	1.35%	1.35%	1.35%	1.43%
Allowance for loan losses to nonaccrual loans	1124.11%	1080.39%	1020.00%	904.97%	886.39%