



FIRST PACIFIC BANCORP REPORTS SECOND QUARTER 2024 RESULTS

Whittier, California, August 7, 2024 – First Pacific Bancorp (the “Company”) (OTC Pink: FPBC), the holding company for First Pacific Bank (the “Bank”), today reported consolidated results for the second quarter ending June 30, 2024, underscored by the fifth consecutive quarter of profitability.

Highlights for the second quarter of 2024 include:

- **Total assets** ended Q2 2024 at **\$430 million**, up \$10 million from \$420 million at year end 2023.
- **Total deposits** ended the second quarter of 2024 at **\$354 million**, up \$21 million since year end 2023.
- **Total loans** ended the second quarter of 2024 at **\$270 million**, down \$5 million from year end 2023.
- Asset quality remains excellent, and we have experienced no significant changes in classified or non-performing assets.
- The Bank ended the second quarter with a strong capital position, with a **leverage capital ratio of 8.6% and a total risk-based capital ratio of 12.8%**.
- As of June 30, 2024, **cash and cash equivalents totaled \$43 million**, including funds invested overnight, up \$21 million since year end 2023.
- **Unused borrowing capacity** from credit facilities in place on June 30, 2024, totaled **over \$155 million**.

For the second quarter ended June 30, 2024, the Company realized a pre-tax, pre-provision profit of \$272 thousand, compared to a pre-tax, pre-provision profit of \$222 thousand in Q1 2024. Net income for the second quarter of 2024 was \$198 thousand, up from \$162 thousand in Q1 2024. For the six months ended June 30, 2024, the Company reported \$360 thousand in net income.

Asset quality remains excellent with minimal non-performing assets and the allowance for credit losses is 1.15% of total loans.

“The strategic adjustments we’ve made over the past two years are evident in our results and our fifth consecutive quarter of profitability,” said Joe Matranga, Chairman of the Board of Directors. “We continue to maintain a healthy capital, liquidity, and financial position, supported by outstanding asset quality and a well-diversified portfolio.”

“Our second-quarter results reflect another strong period of profitability, marked by significant growth in noninterest-bearing deposits, stable credit quality, and prudent expense management. We are pleased with our performance and continue to expand our customer base by adding experienced relationship-focused bankers, and looking for opportunities to enhance the customer experience,” said Nathan Rogge, President and Chief Executive Officer. “We enter the second half of the year from a position of strength and look forward to continued progress as we work towards achieving our growth and profitability goals during the remainder of 2024.”

ABOUT FIRST PACIFIC BANK

First Pacific Bank is a wholly owned subsidiary of First Pacific Bancorp (OTC Pink: FPBC) and is a growing community bank catering to individuals, professionals, and small-to-medium sized businesses throughout Southern California. With a history that spans 17 years, the Bank offers a personalized approach, access to decision makers, a broad range of solutions, and a commitment to delivering an exceptional customer experience. First Pacific Bank operates locations in Los Angeles County, Orange County, San Diego County, and the Inland Empire. For more information, visit firstpacbank.com or call 888.BNK.AT.FPB.

FORWARD-LOOKING STATEMENTS

This news release may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended, and First Pacific Bancorp intends for such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Future events are difficult to predict, and the expectations described above are necessarily subject to risk and uncertainty that may cause actual results to differ materially and adversely. Forward-looking statements relate to, among other things, our business plan, and strategies, and can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate,” or words of similar meaning, or future or conditional verbs such as “will,” “would,” “should,” “could,” or “may” and similar expressions. These forward-looking statements are not guarantees of future performance, nor should they be relied upon as representing management’s views as of any subsequent date. Factors that might cause such differences include, but are not limited to: successfully realizing the benefits of our business strategy and plans; changes in general economic and financial market conditions, either nationally or locally, in areas in which First Pacific Bank conducts its operations; effects of inflation and changes in interest rates; continuing consolidation in the financial services industry; new litigation or changes in existing litigation; increased competitive challenges and expanding product and pricing pressures among financial institutions; impact of any natural disasters, including earthquakes; effect of governmental supervision and regulation, including any regulatory or other enforcement actions; legislation or regulatory changes which adversely affect First Pacific Bank’s operations or business; loss of key personnel; and changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies. The Company does not undertake, and specifically disclaims any obligation to update any forward-looking statements to reflect occurrences or unanticipated events, or circumstances after the date of such statements except as required by law.

Contacts

Investor Relations Contact

Jim Burgess

858.461.7302

jburgess@firstpacbank.com

Media Relations Contact

Amanda Conover

562.501.9062

aconover@firstpacbank.com

--- Summary Financial Table Follows ---

First Pacific Bancorp and Subsidiary
Consolidated Balance Sheets (Unaudited)

	<u>Jun 2024</u>	<u>Dec 2023</u>	<u>Jun 2023</u>
ASSETS			
Total cash & due from banks	\$4,671,483	\$4,308,149	\$4,734,305
Total FFS & EBA	37,860,000	18,060,000	14,885,000
Total cash and cash equivalents	42,531,483	22,368,149	19,619,305
Debt securities	105,280,592	109,600,182	114,060,437
Loans	270,019,909	275,198,411	269,181,057
Allowance for credit losses	(3,109,975)	(3,109,975)	(2,812,427)
Loans, net	266,909,934	272,088,436	266,368,630
Restricted stock and equity securities	4,280,150	4,128,350	3,989,550
Premises, equipment, and right of use asset, net	1,714,833	2,268,671	1,863,789
Bank owned life insurance	5,227,763	5,170,521	5,114,208
Goodwill and core deposit intangible	1,298,084	1,328,651	1,306,225
Accrued interest receivable and other assets	3,196,404	3,263,951	3,335,283
Total Assets	<u>\$430,439,243</u>	<u>\$420,216,911</u>	<u>\$415,657,427</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Noninterest-bearing deposits	\$144,240,187	\$121,348,095	\$133,625,334
Interest-bearing deposits	209,355,562	211,963,425	185,352,721
Total deposits	353,595,749	333,311,520	318,978,055
Borrowings	35,000,000	45,000,000	57,500,000
Accrued interest payable and other liabilities	3,781,444	4,530,208	2,810,760
Total Liabilities	<u>392,377,193</u>	<u>382,841,728</u>	<u>379,288,815</u>
Total Shareholders' Equity	<u>38,062,050</u>	<u>37,375,183</u>	<u>36,368,612</u>
Total Liabilities and Shareholders' Equity	<u>\$430,439,243</u>	<u>\$420,216,911</u>	<u>\$415,657,427</u>
Common Shares Outstanding	4,283,351	4,231,841	4,171,235
Book Value Per Share	\$8.89	\$8.83	\$8.72

First Pacific Bancorp and Subsidiary
Consolidated Statements of Operations (Unaudited)

	<u>For the three months ended Jun 2024</u>	<u>For the three months ended Mar 2024</u>	<u>For the six months ended Jun 2024</u>
Interest Income	\$5,743,479	\$5,655,077	\$11,398,556
Interest Expense	2,211,720	2,253,422	4,465,142
Net Interest Income	3,531,759	3,401,655	6,933,414
Provision for credit losses	0	0	0
Net Interest Income After Provision for Credit Losses	3,531,759	3,401,655	6,933,414
Noninterest income	293,755	162,237	455,991
Noninterest expense	3,553,616	3,341,460	6,895,075
Income before Provision for Income Taxes	271,898	222,432	494,330
Provision for income taxes	74,281	60,524	134,805
Net Income	<u>\$197,617</u>	<u>\$161,908</u>	<u>\$359,525</u>
Earnings Per Share - Basic	<u>\$0.05</u>	<u>\$0.04</u>	<u>\$0.08</u>