



3Q 2024

Overview and Financial Results

Forward Looking Statements & Additional Disclosures

This news release contains a number of forward-looking statements. These statements may be identified by the use of words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “likely,” “may,” “outlook,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” and similar terms and phrases, including references to assumptions. Forward-looking statements are based upon various assumptions and analyses made by the Company in light of management’s experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate under the circumstances. These statements are not guaranties of future performance and are subject to risks, uncertainties and other factors (many of which are beyond the Company’s control) that could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. You should not place undue reliance on such statements. Factors that could affect our results include, without limitation, the following: the timing and occurrence or non-occurrence of events may be subject to circumstances beyond the Company’s control; increases in competitive pressure among financial institutions or from non-financial institutions may occur; changes in the interest rate environment may reduce interest margins; changes in deposit flows, loan demand or real estate values may adversely affect the business of the Company and the Bank; significant increases in loan losses may occur; the possibility that changes in accounting principles, policies or guidelines may cause the Company’s financial condition to be perceived differently; changes in corporate and/or individual income tax laws may adversely affect the Company’s financial condition or results of operations; general economic conditions, either nationally or locally in some or all areas in which the Company conducts business, the effects of the COVID-19 pandemic, and of other widespread outbreaks of disease or pandemics, together with related impacts on general economic conditions, including adverse impacts on our customers’ ability to make timely payments on their loans from us, reduced fee income due to reduced loan origination activity, reductions in or absence of gains on loan sales due to uncertainty in the loan sale market, and increased operating expense due to required changes in how we conduct our business may adversely affect us; conditions in the securities markets or the banking industry may be less favorable than the Company currently anticipates; legislation or regulatory changes may adversely affect the Company’s business; technological changes may be more difficult or expensive to implement or accommodate than the Company anticipates; there may be failures or breaches of information technology security systems; success or consummation of new business initiatives may be more difficult or expensive than the Company anticipates; or litigation or matters before regulatory agencies, whether currently existing or commencing in the future, may delay the occurrence or non-occurrence of events longer than the Company anticipates. The Company undertakes no obligation to revise any forward-looking statement contained herein to reflect any future events or circumstances, except to the extent required by law.

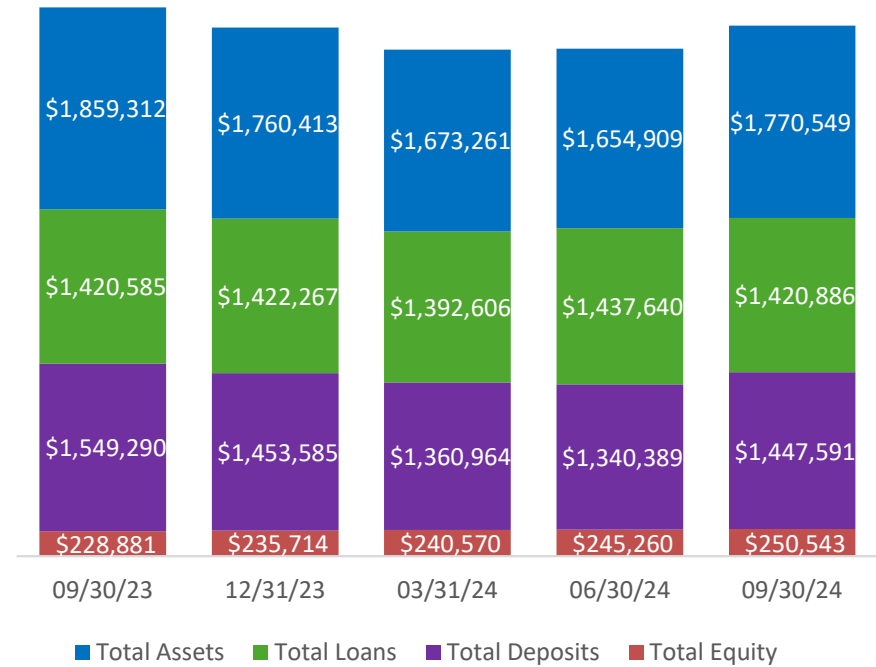
Balance Sheet Highlights

(\$ In thousands)

	09/30/23	12/31/23	03/31/24	06/30/24	09/30/24
Total Assets	\$1,859,312	\$1,760,413	\$1,673,261	\$1,654,909	\$1,770,549
Loans Receivable ¹	1,420,585	1,422,267	1,392,606	1,437,640	1,420,886
Core Deposits	1,031,384	955,584	908,060	881,952	960,044
Total Deposits	1,549,290	1,453,585	1,360,964	1,340,389	1,447,591
Total Equity	228,881	235,714	240,570	245,260	250,543
TE/Tangible Assets	12.19%	13.27%	14.25%	14.70%	14.03%
Total RBC Ratio	18.83%	19.30%	19.92%	19.59%	20.26%

¹ Includes loans held-for-sale

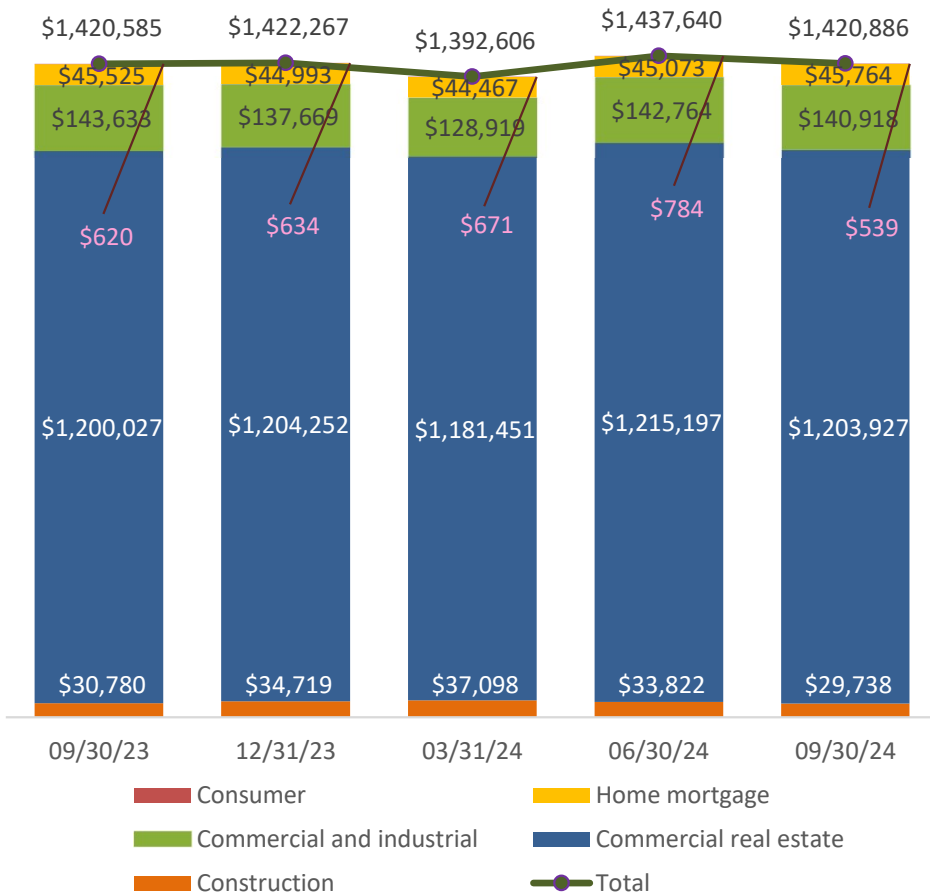
(\$ In thousands)



Loan Trends

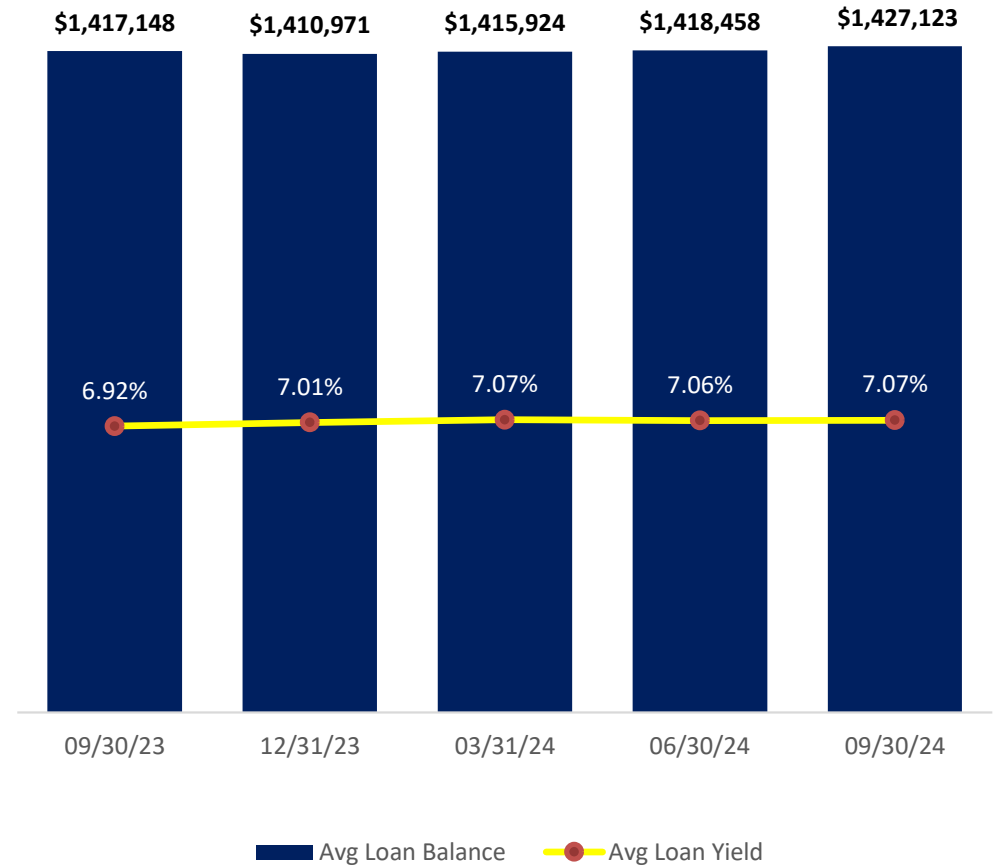
Loan Composition

(\$ In thousands)



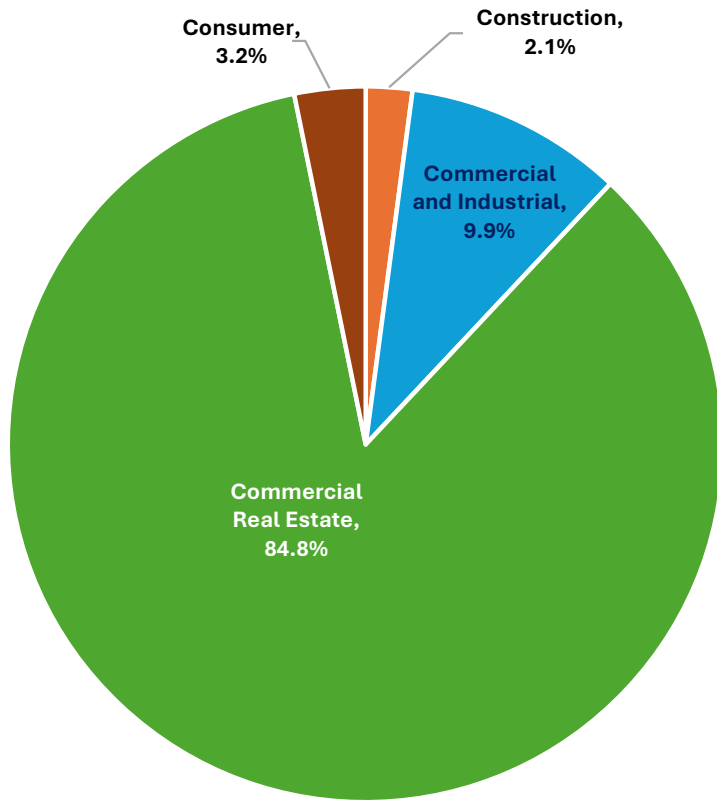
Average Loan Balance & Average Loan Yield

(\$ In thousands)

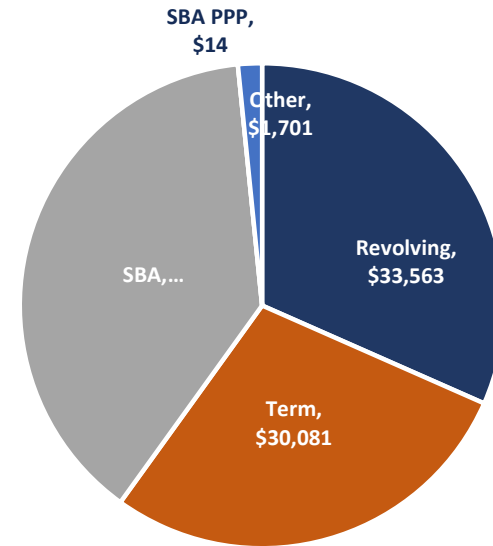


Loan Composition

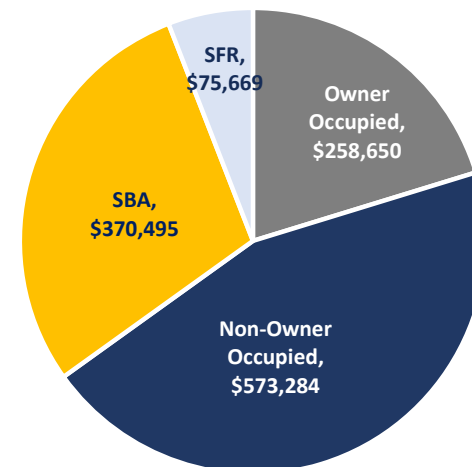
Total Gross Loan Composition



Total C&I Loan Composition

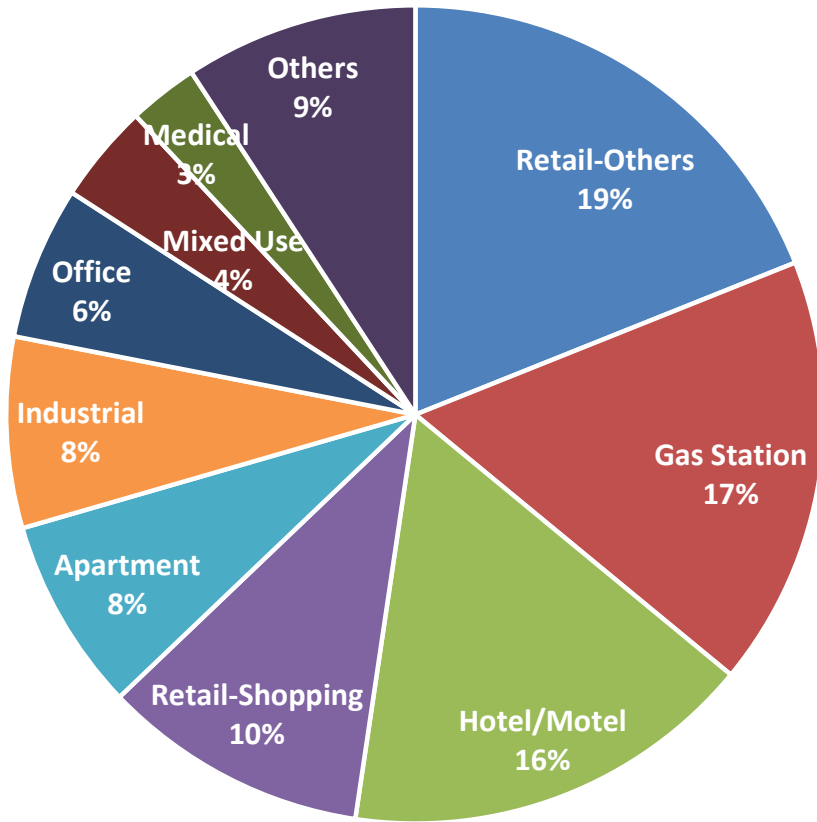


Total CRE Loan Composition



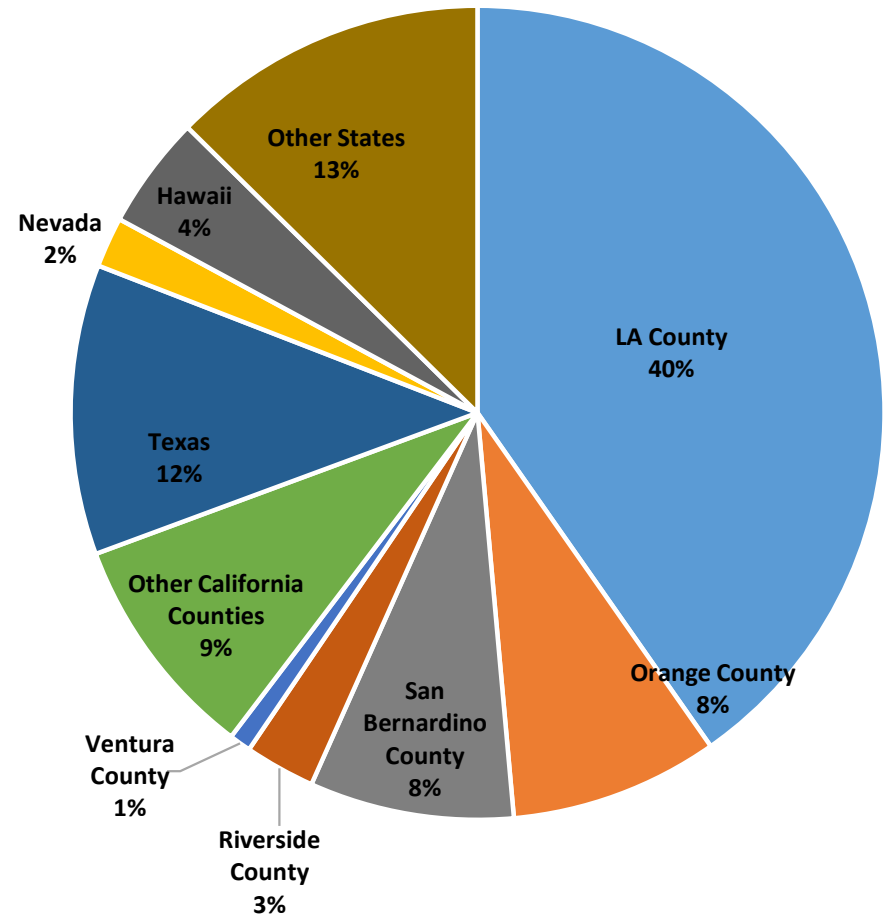
CRE Loan Stratification

Composition By Property Type



* Based on collateral type

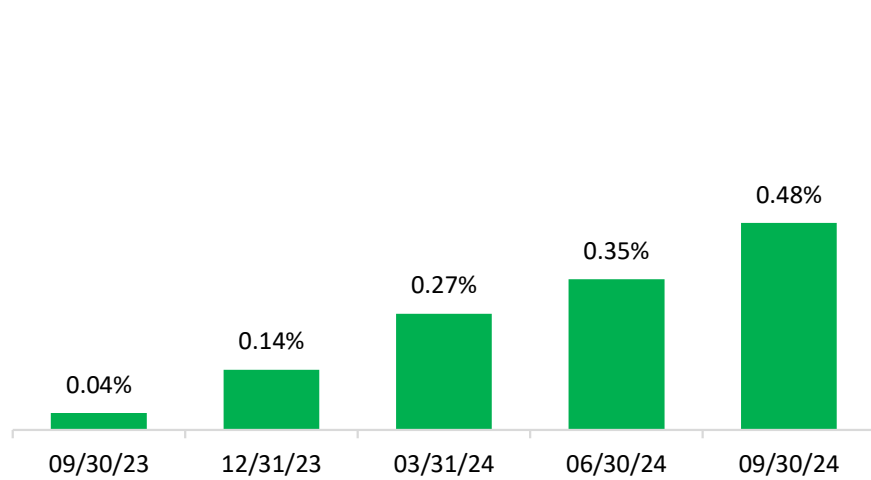
Composition By Location



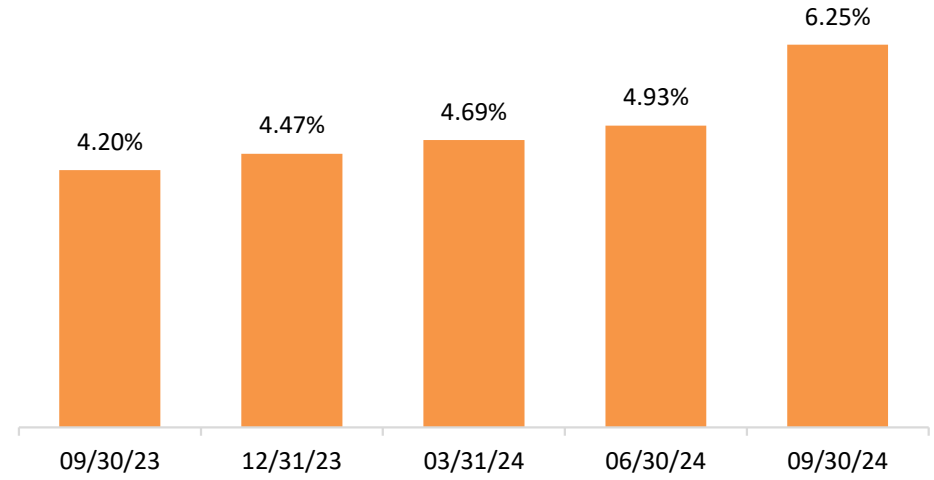
* Based on collateral type

Asset Quality Trends

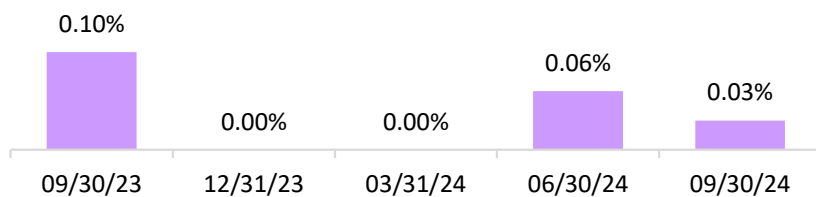
Nonperforming Assets¹ / Total Assets



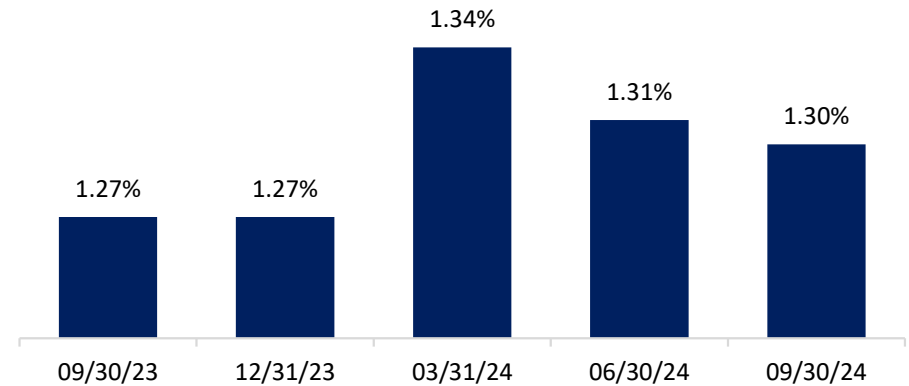
Classified Assets¹ / Capital



Net Charge-Offs / Avg Loans

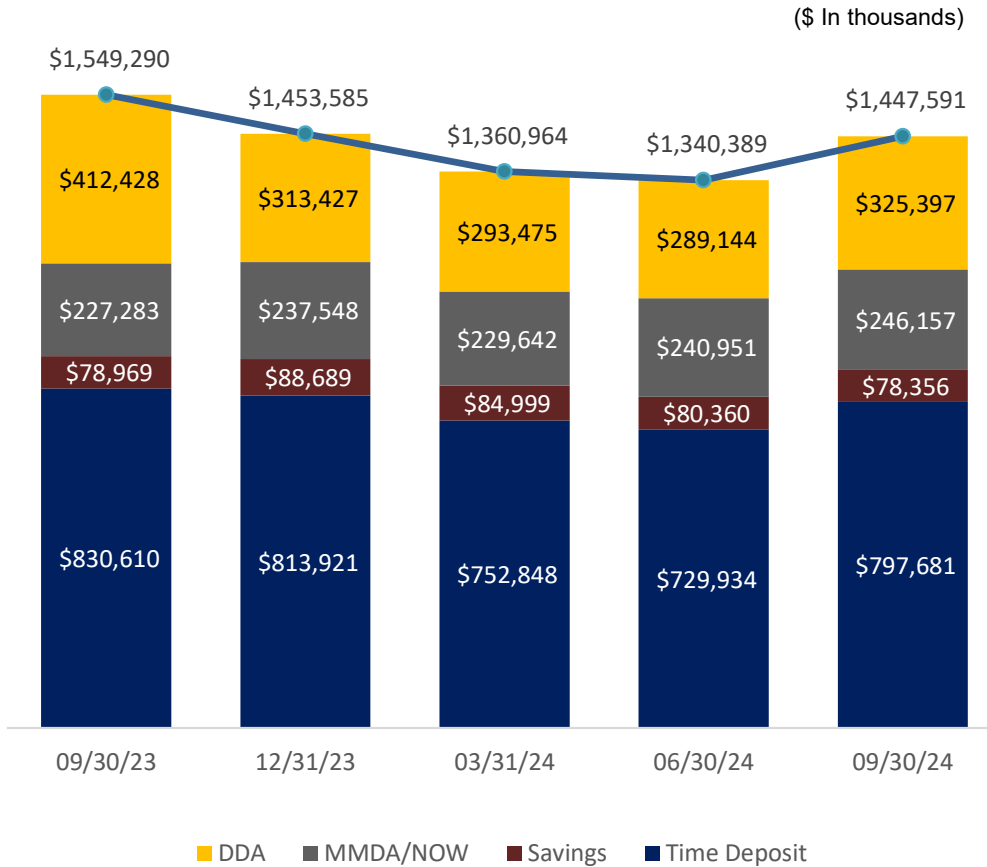


Allowance for Credit Losses / Loans Held for Investment

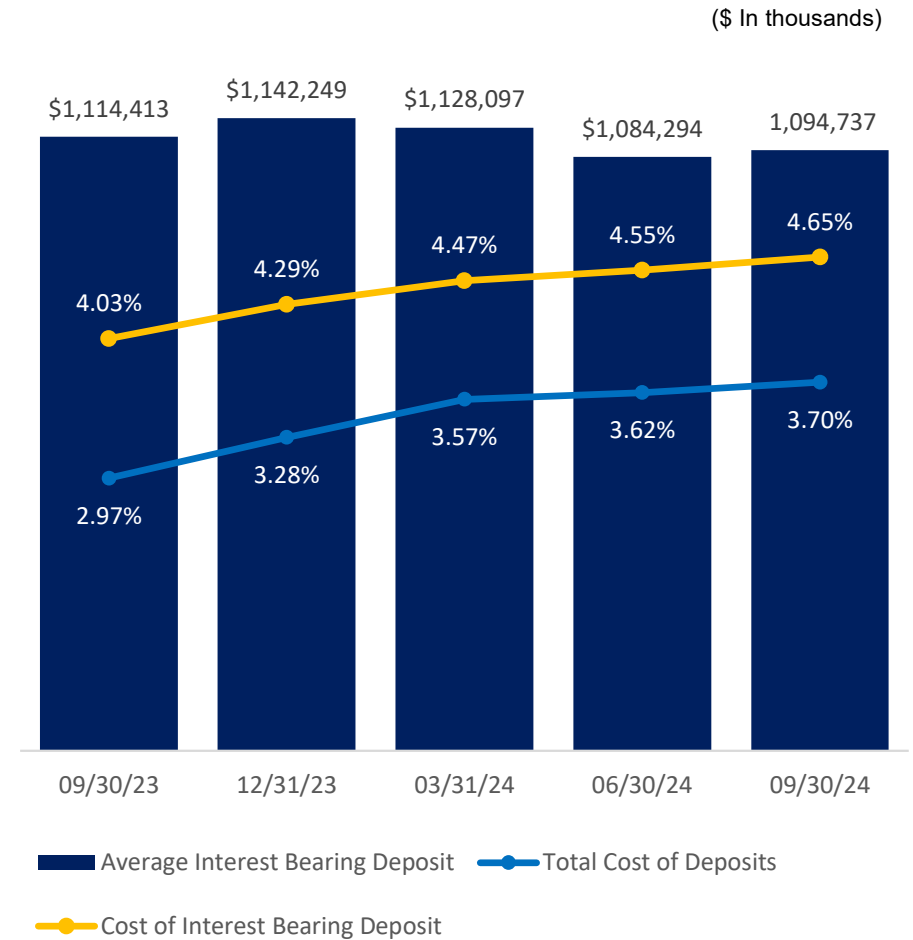


Deposit Trends

Deposit Composition



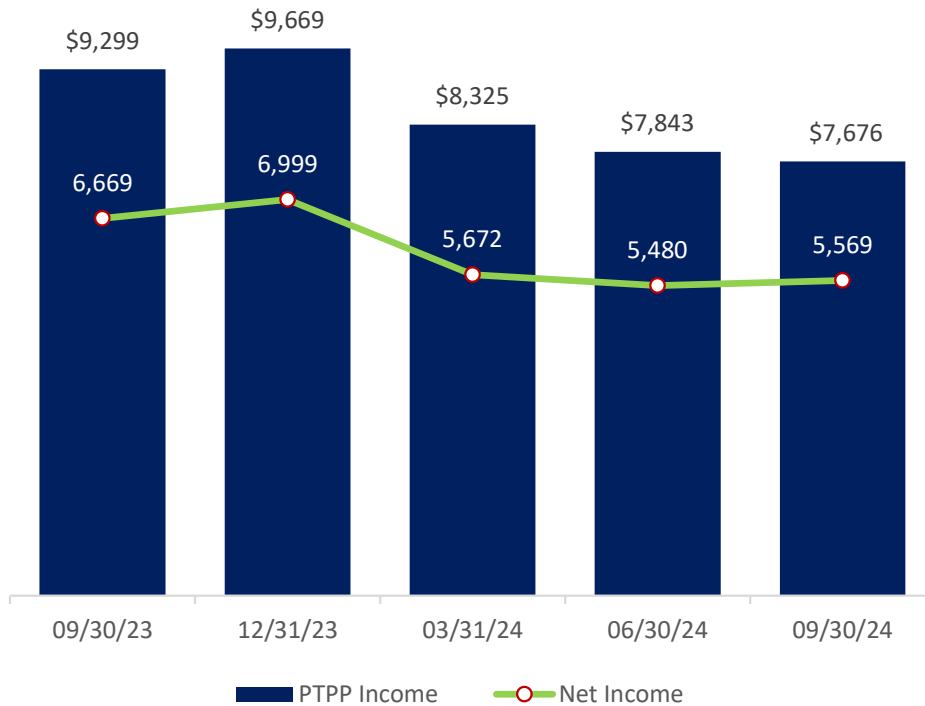
Average Interest Bearing Deposits & Cost of Deposits



Pre-Tax Pre-Provision (PTPP) Income, Net Income, Net Interest Income (NII), and Net Interest Margin (NIM)

PTPP Income & Net Income

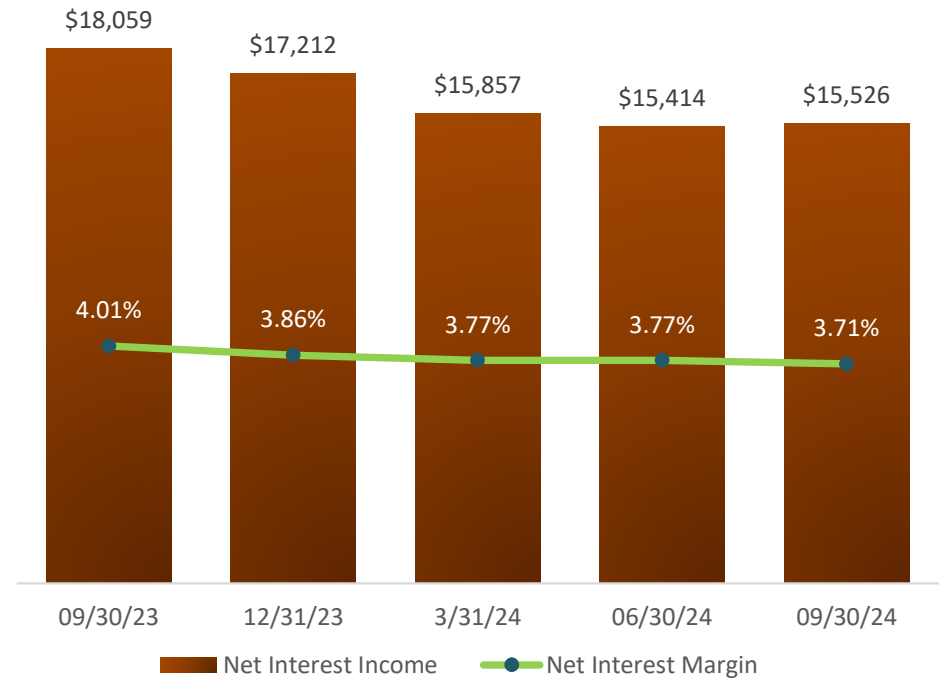
(\$ In thousands)



- ❖ PTPP income for the third quarter 2024 decreased by \$167 thousand Q-o-Q, primarily driven by an increase in noninterest expense and a decrease in gain on sale of loans.
- ❖ Net Income for the third quarter 2024 increased by \$89 thousand Q-o-Q, primarily driven by a negative provision for credit losses.

Net Interest Income¹ & Net Interest Margin

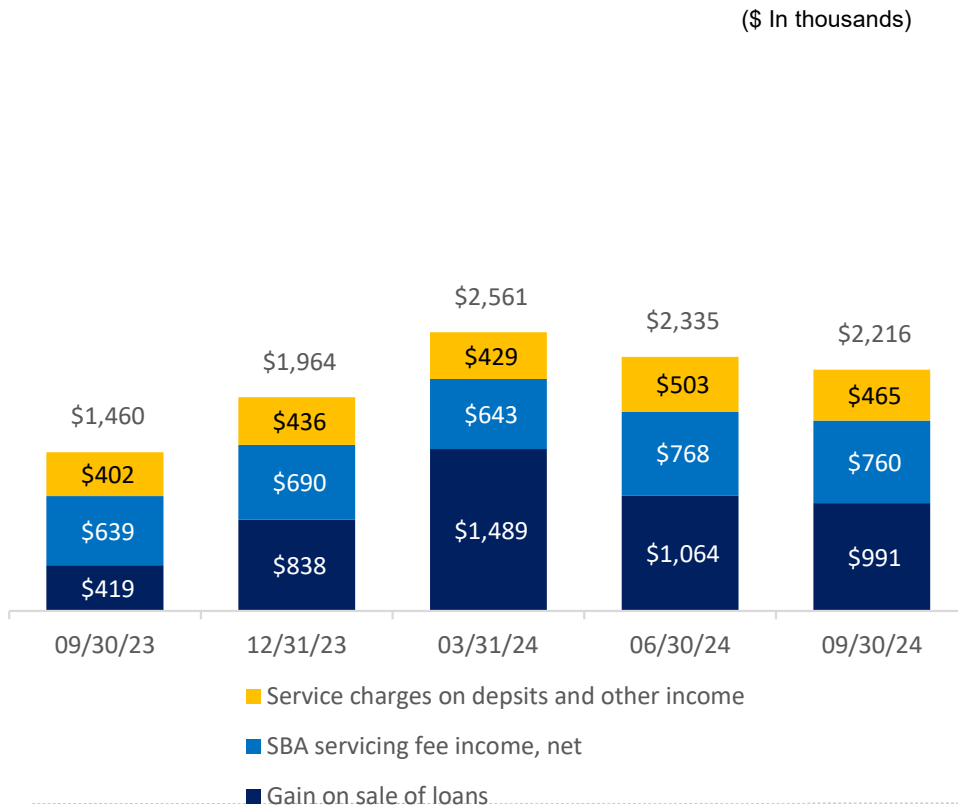
(\$ In thousands)



- ❖ NII for the third quarter 2024 increased by \$112 thousand Q-o-Q, driven by the impact of increases in interest income from the FRB and other banks.
- ❖ NIM for the third quarter 2024 decreased to 3.71% from 3.77% due to the higher cost of deposits.

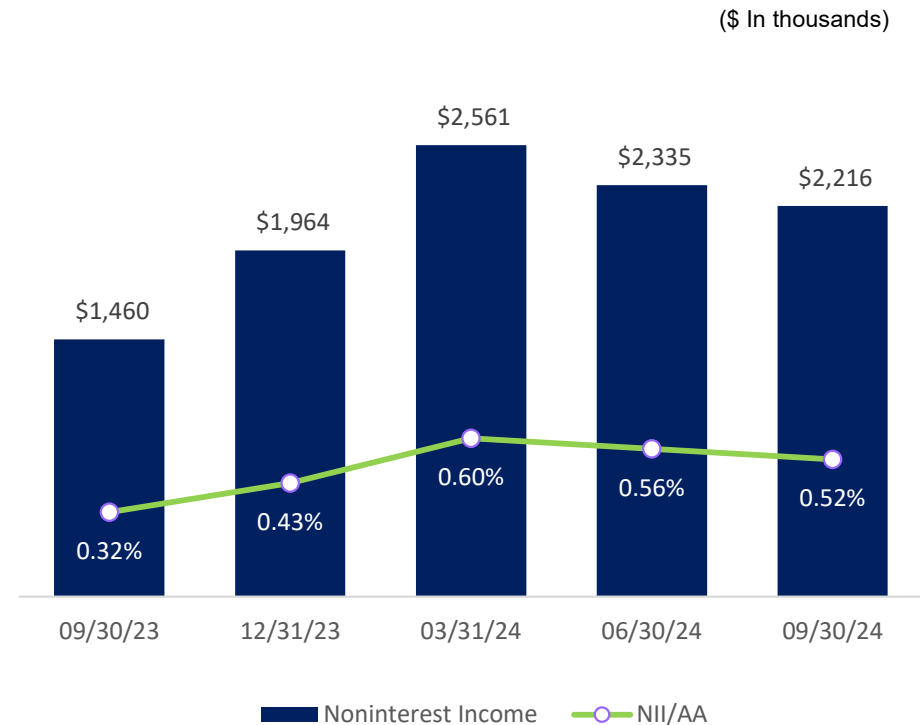
Noninterest Income and NII/AA

Noninterest Income



❖ Noninterest income for the third quarter 2024 decreased by \$119 thousand Q-o-Q, primarily due to lower gain on sales of SBA loans, which resulted from a lower average premium received compared to the prior quarter.

Noninterest Income & NII/AA¹

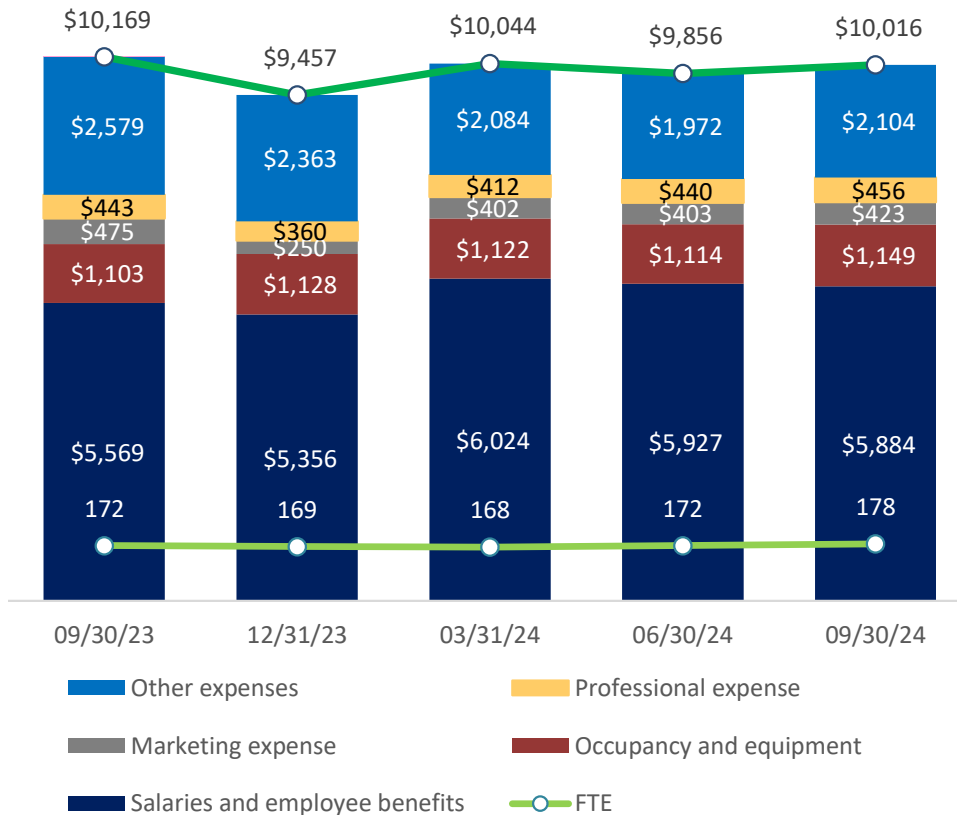


❖ NII/AA for the third quarter 2024 decreased by 0.04% Q-o-Q, primarily due to a lower gain on sales of SBA loans. Average assets increased by \$18.8 million, or 1.1%, compared to the prior quarter.

Noninterest Expense and NIE/AA

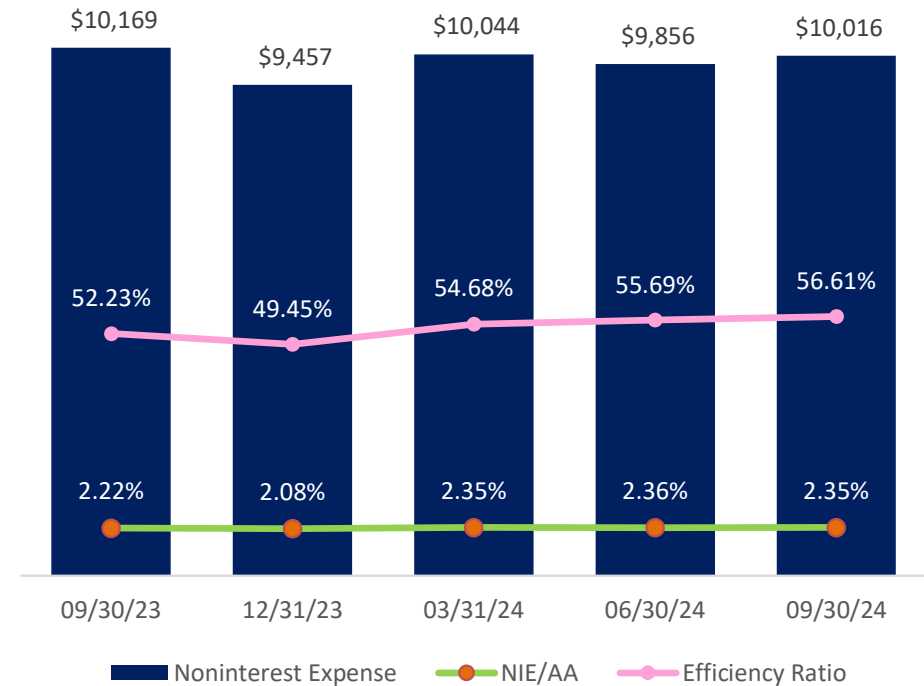
Noninterest Expense & FTE

(\$ In thousands)



Noninterest Expense, Efficiency Ratio & NIE/AA¹

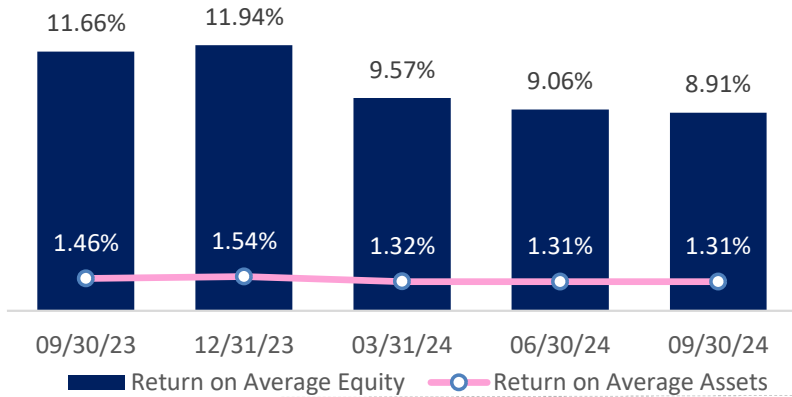
(\$ In thousands)



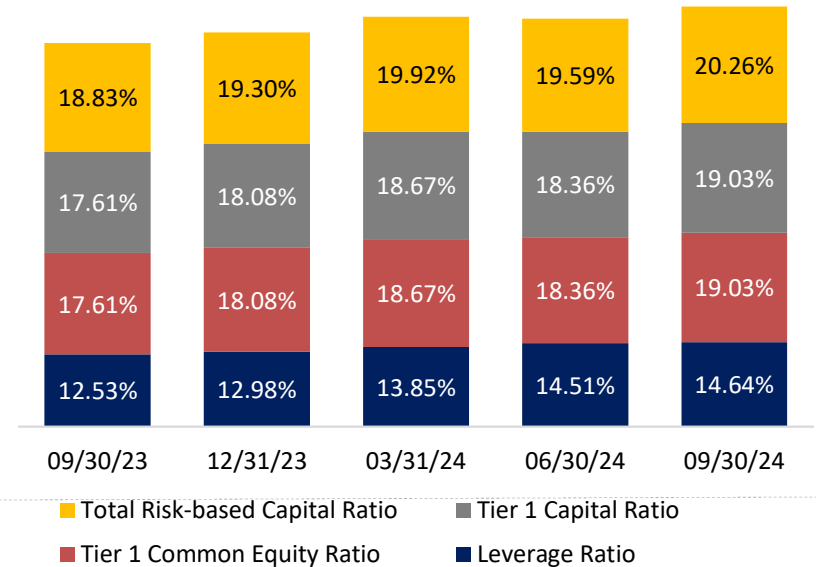
❖ Noninterest expense for the third quarter 2024 was \$10.0 million, compared to \$9.9 million in the second quarter of 2024 and \$10.2 million in the third quarter 2023. Salaries and employee benefits totaled \$5.9 million for the third quarter 2024, compared to \$5.9 million in the second 2024, and \$5.6 million for the third quarter 2023.

Capital Trend

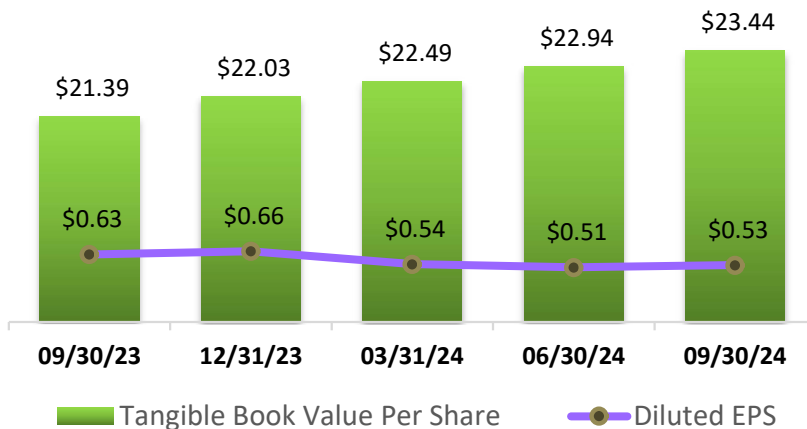
Return on Average Assets and Return of Average Equity



Capital Ratios



Tangible Book Value Per Share and Diluted Earning Per Share



❖ Each capital ratio increased from the prior quarter.

❖ Growing Tangible Book Value Per share of \$23.44, up \$0.50 per share or 2.2% compared to \$22.94 in the second quarter 2024, and up \$2.05 per share, or 9.6% compared to \$21.39 in the third quarter 2023.