

**STATEMENT OF INCOME AND PERFORMANCE HIGHLIGHT (Unaudited) - Table 1**

*(Dollars in thousands, except per share amounts)*

	Three Months Ended							Six Months Ended			
	June 30,	March 31,	\$	%	June 30,	\$	%	June 30,	June 30,	\$	%
	2024	2024	Change	Change	2023	Change	Change	2024	2023	Change	Change
Interest income	\$ 27,755	\$ 28,463	\$ (708)	(2.5%)	\$ 28,664	\$ (909)	(3.2%)	\$ 56,218	\$ 55,912	\$ 306	0.5%
Interest expense	12,391	12,655	(264)	(2.1%)	9,930	2,461	24.8%	25,046	18,098	6,948	38.4%
<b>Net interest income</b>	<b>15,364</b>	<b>15,808</b>	<b>(444)</b>	<b>(2.8%)</b>	<b>18,734</b>	<b>(3,370)</b>	<b>(18.0%)</b>	<b>31,172</b>	<b>37,814</b>	<b>(6,642)</b>	<b>(17.6%)</b>
Provision for credit losses	200	400	(200)	(50.0%)	-	200	100.0%	600	-	600	100.0%
<b>Net interest income after provision for credit losses</b>	<b>15,164</b>	<b>15,408</b>	<b>(244)</b>	<b>(1.6%)</b>	<b>18,734</b>	<b>(3,570)</b>	<b>(19.1%)</b>	<b>30,572</b>	<b>37,814</b>	<b>(7,242)</b>	<b>(19.2%)</b>
Gain on sale of loans	1,064	1,489	(425)	-28.5%	1,952	(888)	319.8%	2,553	1,952	601	30.8%
Gain (loss) on sale of OREO	-	(1)	1	(100.0%)	-	-	-	(1)	-	(1)	(100.0%)
SBA servicing fee income, net	768	633	135	21.3%	440	328	74.5%	1,401	1,094	307	28.1%
Recovery on impaired servicing liability	-	10	(10)	(100.0%)	-	-	-	10	-	10	100.0%
Service charges and other income	503	430	73	17.0%	407	96	23.6%	933	805	128	15.9%
<b>Noninterest income</b>	<b>2,335</b>	<b>2,561</b>	<b>(226)</b>	<b>(8.8%)</b>	<b>2,799</b>	<b>(464)</b>	<b>(16.6%)</b>	<b>4,896</b>	<b>3,851</b>	<b>1,045</b>	<b>27.1%</b>
Salaries and employee benefits	5,927	6,024	(97)	(1.6%)	5,581	346	6.2%	11,951	11,660	291	2.5%
Occupancy and equipment	1,114	1,122	(8)	(0.7%)	1,122	(8)	(0.7%)	2,236	2,246	(10)	(0.4%)
Marketing expense	403	402	1	0.2%	409	(6)	(1.5%)	805	783	22	2.8%
Professional expense	440	412	28	6.8%	436	4	0.9%	852	890	(38)	(4.3%)
Other expenses	1,972	2,084	(112)	(5.4%)	2,635	(663)	(25.2%)	4,056	4,879	(823)	(16.9%)
<b>Noninterest expense</b>	<b>9,856</b>	<b>10,044</b>	<b>(188)</b>	<b>(1.9%)</b>	<b>10,183</b>	<b>(327)</b>	<b>(3.2%)</b>	<b>19,900</b>	<b>20,458</b>	<b>(558)</b>	<b>(2.7%)</b>
<b>Income before income tax provision</b>	<b>7,643</b>	<b>7,925</b>	<b>(282)</b>	<b>(3.6%)</b>	<b>11,350</b>	<b>(3,707)</b>	<b>(32.7%)</b>	<b>15,568</b>	<b>21,207</b>	<b>(5,639)</b>	<b>(26.6%)</b>
Income tax provision	2,163	2,253	(90)	(4.0%)	3,248	(1,085)	(33.4%)	4,416	6,015	(1,599)	(26.6%)
<b>Net income</b>	<b>\$ 5,480</b>	<b>\$ 5,672</b>	<b>\$ (192)</b>	<b>(3.4%)</b>	<b>\$ 8,102</b>	<b>\$ (2,622)</b>	<b>(32.4%)</b>	<b>\$ 11,152</b>	<b>\$ 15,192</b>	<b>\$ (4,040)</b>	<b>(26.6%)</b>
<b>Effective tax rate</b>	<b>28.3%</b>	<b>28.4%</b>	<b>(0.1%)</b>	<b>(0.5%)</b>	<b>28.6%</b>	<b>(0.3%)</b>	<b>(1.1%)</b>	<b>28.4%</b>	<b>28.4%</b>	<b>0.00%</b>	<b>0.0%</b>
<b>Outstanding number of shares</b>	10,588,136	10,588,136	-	-	10,588,136	-	-	10,588,136	10,588,136	-	-
<b>Weighted average shares for basic EPS</b>	10,588,136	10,588,136	-	-	10,588,136	-	-	10,588,136	10,582,197	5,939	0.1%
<b>Weighted average shares for diluted EPS</b>	10,588,136	10,588,688	(552)	(0.0%)	10,591,350	(3,214)	(0.0%)	10,558,688	10,595,803	(37,115)	(0.4%)
<b>Basic EPS</b>	\$ 0.51	\$ 0.54	\$ (0.03)	(5.6%)	\$ 0.77	\$ (0.26)	(33.8%)	\$ 1.05	\$ 1.44	\$ (0.39)	-27.1%
<b>Diluted EPS</b>	\$ 0.51	\$ 0.54	\$ (0.03)	(5.6%)	\$ 0.76	\$ (0.25)	(32.9%)	\$ 1.05	\$ 1.43	\$ (0.38)	(26.6%)
<b>Return on average assets</b>	1.31%	1.32%	(0.01%)	(0.8%)	1.79%	(0.48%)	(26.8%)	1.32%	1.69%	(0.37%)	(21.9%)
<b>Return on average equity</b>	9.06%	9.57%	(0.51%)	(5.3%)	14.76%	(5.70%)	(38.6%)	9.31%	14.12%	(4.81%)	(34.1%)
<b>Efficiency ratio<sup>1</sup></b>	55.69%	54.68%	1.01%	1.9%	47.29%	8.40%	17.8%	55.17%	49.10%	6.07%	12.4%
<b>Yield on interest-earning assets<sup>2</sup></b>	6.79%	6.77%	0.02%	0.3%	6.46%	0.33%	5.1%	6.78%	6.36%	0.42%	6.6%
<b>Cost of funds</b>	3.52%	3.48%	0.04%	1.2%	2.53%	0.99%	39.1%	3.50%	2.32%	1.18%	50.9%
<b>Net interest margin<sup>2</sup></b>	3.77%	3.77%	0.00%	0.0%	4.23%	(0.46%)	(10.9%)	3.77%	4.30%	(0.53%)	(12.3%)

<sup>1</sup> Represents the ratio of noninterest expense less other real estate owned operations to the sum of net interest income before provision for credit losses and total noninterest income.

<sup>2</sup> Amounts calculated on a fully taxable equivalent basis using the current statutory federal tax rate

**BALANCE SHEET, CAPITAL AND OTHER DATA (Unaudited) - Table 2**

*(Dollars in thousands)*

	June 30, 2024	March 31, 2024	\$ Change	% Change	June 30, 2023	\$ Change	% Change
<b>ASSETS</b>							
Cash and due from banks	\$ 11,667	\$ 11,612	\$ 55	0.5%	\$ 12,704	\$ (1,037)	(8.2%)
Interest-earning deposits at the FRB and other banks	101,415	181,366	(79,951)	(44.1%)	293,394	(191,979)	(65.4%)
Investment securities <sup>1</sup>	73,051	59,143	13,908	23.5%	66,400	6,651	10.0%
Loans held-for-sale	209,144	198,167	10,977	5.5%	215,083	(5,939)	(2.8%)
Loans held-for-investment	1,228,496	1,194,439	34,057	2.9%	1,201,237	27,259	2.3%
Less: Allowance for credit losses ("ACL")	(16,042)	(16,048)	6	0.0%	(15,626)	(416)	(2.7%)
Loans held-for-investment, net	<u>1,212,454</u>	<u>1,178,391</u>	<u>34,063</u>	<u>2.9%</u>	<u>1,185,611</u>	<u>26,843</u>	<u>2.3%</u>
Other real estate owned ("OREO")	-	-	-	-	-	-	-
Restricted stock investments	11,011	11,011	-	-	11,011	-	-
Servicing assets	7,404	7,560	(156)	(2.1%)	8,426	(1,022)	(12.1%)
Goodwill	2,185	2,185	-	-	2,185	-	-
Intangible assets	235	245	(10)	(4.1%)	279	(44)	(15.8%)
Other assets	26,343	23,581	2,762	11.7%	24,537	1,806	7.4%
<b>Total assets</b>	<u><b>\$ 1,654,909</b></u>	<u><b>\$ 1,673,261</b></u>	<u><b>\$ (18,352)</b></u>	<u><b>(1.1%)</b></u>	<u><b>\$ 1,819,630</b></u>	<u><b>\$ (164,721)</b></u>	<u><b>(9.1%)</b></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>							
Noninterest-bearing	\$ 281,243	\$ 286,766	\$ (5,523)	(1.9%)	\$ 426,333	\$ (145,090)	(34.0%)
Interest-bearing	1,059,146	1,074,198	(15,052)	(1.4%)	1,096,078	(36,932)	(3.4%)
Total deposits	<u>1,340,389</u>	<u>1,360,964</u>	<u>(20,575)</u>	<u>(1.5%)</u>	<u>1,522,411</u>	<u>(182,022)</u>	<u>(12.0%)</u>
FHLB advances and other borrowing	50,000	50,000	-	-	50,000	-	-
Other liabilities	19,260	21,727	(2,467)	(11.4%)	23,956	(4,696)	(19.6%)
<b>Total liabilities</b>	<u>1,409,649</u>	<u>1,432,691</u>	<u>(23,042)</u>	<u>(1.6%)</u>	<u>1,596,367</u>	<u>(186,718)</u>	<u>(11.7%)</u>
<b>Stockholders' Equity</b>	<u>245,260</u>	<u>240,570</u>	<u>4,690</u>	<u>1.9%</u>	<u>223,263</u>	<u>21,997</u>	<u>9.9%</u>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<u><b>\$ 1,654,909</b></u>	<u><b>\$ 1,673,261</b></u>	<u><b>\$ (18,352)</b></u>	<u><b>(1.1%)</b></u>	<u><b>\$ 1,819,630</b></u>	<u><b>\$ (164,721)</b></u>	<u><b>(9.1%)</b></u>
<b>CAPITAL RATIOS</b>							
Leverage ratio							
Company	14.51%	13.85%	0.66%	4.8%	12.23%	2.28%	18.7%
Bank	14.45%	13.84%	0.61%	4.4%	12.20%	2.25%	18.5%
Common equity tier 1 risk-based capital ratio							
Company	18.36%	18.67%	(0.31%)	(1.7%)	17.08%	1.28%	7.5%
Bank	18.28%	18.65%	(0.38%)	(2.0%)	17.03%	1.25%	7.3%
Tier 1 risk-based capital ratio							
Company	18.36%	18.67%	(0.31%)	(1.7%)	17.08%	1.28%	7.5%
Bank	18.28%	18.65%	(0.38%)	(2.0%)	17.03%	1.25%	7.3%
Total risk-based capital ratio							
Company	19.59%	19.92%	(0.34%)	(1.7%)	18.32%	1.27%	6.9%
Bank	19.50%	19.91%	(0.40%)	(2.0%)	18.27%	1.23%	6.7%
Tangible book value per share	\$ 22.94	\$ 22.49	\$ 0.45	2.0%	\$ 20.85	\$ 2.09	10.0%
Loans Held for Investments-to-Deposit ("LHFITD") ratio	91.65%	87.76%	3.89%	4.4%	78.90%	12.75%	16.2%
Net Loan-to-Deposit ("LTD") ratio	106.06%	101.15%	4.91%	4.9%	92.00%	14.06%	15.3%
Nonperforming assets	\$ 5,797	\$ 4,447	\$ 1,350	30.4%	\$ 684	\$ 5,113	747.5%
Nonperforming assets as a % of loans held-for-investment	0.47%	0.37%	0.10%	27.0%	0.06%	0.41%	683.3%
ACL as a % of loans held-for-investment	1.31%	1.34%	(0.03%)	(2.24%)	1.30%	0.01%	0.8%

<sup>1</sup> Includes AFS and HTM

**FIVE-QUARTER STATEMENT OF INCOME (Unaudited) - Table 3**  
*(Dollars in thousands, except per share amounts)*

	Three Months Ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Interest income	\$ 27,755	\$ 28,463	\$ 29,624	\$ 29,450	\$ 28,664
Interest expense	12,391	12,655	12,462	11,442	9,930
<b>Net interest income</b>	<b>15,364</b>	<b>15,808</b>	<b>17,162</b>	<b>18,008</b>	<b>18,734</b>
Provision for credit losses	200	400	-	-	-
<b>Net interest income after provision for credit losses</b>	<b>15,164</b>	<b>15,408</b>	<b>17,162</b>	<b>18,008</b>	<b>18,734</b>
Gain on sale of loans	1,064	1,489	838	419	1,952
Gain (loss) on sale of OREO	-	(1)	-	-	-
SBA servicing fee income, net	768	643	690	639	440
Service charges and other income	503	430	436	402	407
<b>Noninterest income</b>	<b>2,335</b>	<b>2,561</b>	<b>1,964</b>	<b>1,460</b>	<b>2,799</b>
Salaries and employee benefits	5,927	6,024	5,356	5,569	5,581
Occupancy and equipment	1,114	1,122	1,128	1,103	1,122
Marketing expense	403	402	250	475	409
Professional expense	440	412	360	443	436
Other expenses	1,972	2,084	2,363	2,579	2,635
<b>Noninterest expense</b>	<b>9,856</b>	<b>10,044</b>	<b>9,457</b>	<b>10,169</b>	<b>10,183</b>
<b>Income before income tax expense</b>	<b>7,643</b>	<b>7,925</b>	<b>9,669</b>	<b>9,299</b>	<b>11,350</b>
Income tax expense	2,163	2,253	2,670	2,630	3,248
<b>Net income</b>	<b>\$ 5,480</b>	<b>\$ 5,672</b>	<b>\$ 6,999</b>	<b>\$ 6,669</b>	<b>\$ 8,102</b>
<b>Effective tax rate</b>	<b>28.3%</b>	<b>28.4%</b>	<b>27.6%</b>	<b>28.3%</b>	<b>28.6%</b>
<b>Outstanding number of shares</b>	10,588,136	10,588,136	10,588,136	10,588,136	10,588,136
<b>Weighted average shares for basic EPS</b>	10,588,136	10,588,136	10,588,136	10,588,136	10,588,136
<b>Weighted average shares for diluted EPS</b>	10,588,136	10,588,688	10,588,937	10,594,155	10,591,351
<b>Basic EPS</b>	\$ 0.51	\$ 0.54	\$ 0.66	\$ 0.63	\$ 0.77
<b>Diluted EPS</b>	\$ 0.51	\$ 0.54	\$ 0.66	\$ 0.63	\$ 0.76

**FIVE-QUARTER SALARIES BENEFIT METRICS (Unaudited) - Table 4**  
*(Dollars in thousands)*

	<b>At or for the Three Months Ended</b>				
	<b>June 30, 2024</b>	<b>March 31, 2023</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>
Salaries and benefits	\$ 5,927	\$ 6,024	\$ 5,356	\$ 5,569	\$ 5,581
FTE at the end of period	172	168	169	172	165
Average FTE during the period	171	169	169	168	164
Salaries and benefits/average FTE <sup>1</sup>	\$ 139	\$ 143	\$ 126	\$ 131	\$ 137
Salaries and benefits/average assets <sup>1</sup>	1.42%	1.41%	1.18%	1.22%	1.23%
Noninterest expense/average assets <sup>1</sup>	2.36%	2.35%	2.08%	2.22%	2.25%

<sup>1</sup> Annualized

**FIVE-QUARTER BALANCE SHEET (Unaudited) - Table 5**  
(Dollars in thousands)

	<u>June 30,</u> <u>2024</u>	<u>March 31,</u> <u>2024</u>	<u>December 31,</u> <u>2023</u>	<u>September 30,</u> <u>2023</u>	<u>June 30,</u> <u>2023</u>
<b>ASSETS</b>					
Cash and due from banks	\$ 11,667	\$ 11,612	\$ 14,282	\$ 11,188	\$ 12,704
Interest-earning deposits at the FRB and other banks	101,415	181,366	233,255	335,016	293,394
Investment securities	73,051	59,143	59,883	61,617	66,400
Loans held-for-sale	209,144	198,167	218,258	219,355	215,083
Loans held-for-investment	1,228,496	1,194,439	1,204,009	1,201,230	1,201,237
Less: Allowance for credit losses	(16,042)	(16,048)	(15,291)	(15,284)	(15,626)
Loans held-for-investment, net	<u>1,212,454</u>	<u>1,178,391</u>	<u>1,188,718</u>	<u>1,185,946</u>	<u>1,185,611</u>
Other real estate owned	-	-	55	55	-
Restricted stock investments	11,011	11,011	11,011	11,011	11,011
Servicing assets	7,404	7,560	7,673	7,873	8,426
Goodwill	2,185	2,185	2,185	2,185	2,185
Intangible assets	235	245	255	267	279
Other assets	26,343	23,581	24,838	24,799	24,537
<b>Total assets</b>	<u><u>\$ 1,654,909</u></u>	<u><u>\$ 1,673,261</u></u>	<u><u>\$ 1,760,413</u></u>	<u><u>\$ 1,859,312</u></u>	<u><u>\$ 1,819,630</u></u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
Noninterest-bearing	\$ 281,243	\$ 286,766	\$ 305,923	\$ 406,033	\$ 426,333
Interest-bearing	1,059,146	1,074,198	1,147,662	1,143,257	1,096,078
Total deposits	<u>1,340,389</u>	<u>1,360,964</u>	<u>1,453,585</u>	<u>1,549,290</u>	<u>1,522,411</u>
FHLB advances	50,000	50,000	50,000	50,000	50,000
Other liabilities	19,260	21,727	21,114	31,141	23,956
<b>Total liabilities</b>	<u>1,409,649</u>	<u>1,432,691</u>	<u>1,524,699</u>	<u>1,630,431</u>	<u>1,596,367</u>
<b>Stockholders' Equity</b>	<u>245,260</u>	<u>240,570</u>	<u>235,714</u>	<u>228,881</u>	<u>223,263</u>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<u><u>\$ 1,654,909</u></u>	<u><u>\$ 1,673,261</u></u>	<u><u>\$ 1,760,413</u></u>	<u><u>\$ 1,859,312</u></u>	<u><u>\$ 1,819,630</u></u>

**FIVE-QUARTER LOANS RECEIVABLE COMPONENTS (Unaudited) - Table 6**  
*(Dollars in thousands)*

	<b>June 30, 2024</b>		<b>March 31, 2024</b>		<b>December 31, 2023</b>		<b>September 30, 2023</b>		<b>June 30, 2023</b>	
	<u>Balance</u>	<u>%</u>	<u>Balance</u>	<u>%</u>	<u>Balance</u>	<u>%</u>	<u>Balance</u>	<u>%</u>	<u>Balance</u>	<u>%</u>
Construction	\$ 33,918	2.8%	\$ 37,216	3.1%	\$ 34,886	2.9%	\$ 30,924	2.6%	\$ 20,106	1.7%
Commercial real estate	1,035,425	84.3%	1,005,765	84.2%	1,010,495	83.9%	1,005,735	83.7%	1,014,785	84.5%
Commercial and industrial	108,742	8.9%	101,784	8.5%	108,123	9.0%	113,374	9.4%	114,106	9.4%
Home mortgage	44,987	3.7%	44,389	3.7%	44,920	3.7%	45,452	3.8%	45,987	3.8%
Consumer	782	0.1%	668	0.1%	630	0.1%	616	0.1%	1,074	0.1%
<b>Gross loans held-for-investment</b>	<b>1,223,854</b>	<b>99.6%</b>	<b>1,189,822</b>	<b>99.6%</b>	<b>1,199,054</b>	<b>99.6%</b>	<b>1,196,101</b>	<b>99.6%</b>	<b>1,196,058</b>	<b>99.6%</b>
Deferred loan fees/costs, net	4,642	0.4%	4,617	0.4%	4,955	0.4%	5,129	0.4%	5,179	0.4%
<b>Loans held-for-investment</b>	<b>\$ 1,228,496</b>	<b>100.0%</b>	<b>\$ 1,194,439</b>	<b>100.0%</b>	<b>\$ 1,204,009</b>	<b>100.0%</b>	<b>\$ 1,201,230</b>	<b>100.0%</b>	<b>\$ 1,201,237</b>	<b>100.0%</b>
<b>Loans held-for-sale</b>	<b>\$ 209,144</b>		<b>\$ 198,167</b>		<b>\$ 218,258</b>		<b>\$ 219,355</b>		<b>\$ 215,083</b>	
<b>Total loans receivable</b>	<b>\$ 1,437,640</b>		<b>\$ 1,392,606</b>		<b>\$ 1,422,267</b>		<b>\$ 1,420,585</b>		<b>\$ 1,416,320</b>	

**FIVE-QUARTER SBA LOAN PRODUCTIONS/SALES DATA (Unaudited) - Table 7**  
*(Dollars in thousands)*

	Three Months Ended					Six Months Ended	
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	June 30, 2024	June 30, 2023
SBA loans held-for-sale at beginning of the quarter/year	\$ 198,167	\$ 218,258	\$ 219,355	\$ 215,083	\$ 243,753	\$ 218,258	\$ 230,431
SBA loans originated/transferred from/to held-for-investment during the quarter/year	34,366	14,589	27,022	16,260	18,273	48,955	35,163
SBA loans sold during the quarter/year	(19,508)	(28,164)	(21,749)	(9,245)	(42,437)	(47,672)	(42,437)
SBA loans principal paydown/payoff, net of advance	(3,881)	(6,516)	(6,370)	(2,743)	(4,506)	(10,397)	(8,074)
SBA loans held-for-sale at end of the quarter/year	<u>\$ 209,144</u>	<u>\$ 198,167</u>	<u>\$ 218,258</u>	<u>\$ 219,355</u>	<u>\$ 215,083</u>	<u>\$ 209,144</u>	<u>\$ 215,083</u>
Gain on sale of SBA loans	\$ 1,064	\$ 1,489	\$ 838	\$ 419	\$ 1,952	\$ 2,553	\$ 1,952
Premium on sale (weighted average)	8.3%	8.4%	6.8%	8.3%	6.8%	8.4%	6.8%
SBA loan production	<u>\$ 45,126</u>	<u>\$ 18,089</u>	<u>\$ 37,821</u>	<u>\$ 24,270</u>	<u>\$ 24,013</u>	<u>\$ 63,215</u>	<u>\$ 45,732</u>

**FIVE QUARTER SBA SERVICING ASSETS AND SERVICING FEES (Unaudited) - Table 8**  
*(Dollars in thousands)*

	Three Months Ended					Six Months Ended	
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023	June 30, 2024	June 30, 2023
SBA servicing assets @ beginning of the quarter/year	\$ 7,560	\$ 7,673	\$ 7,873	\$ 8,426	\$ 8,528	\$ 7,673	\$ 9,232
Newly added SBA servicing assets from SBA loans sold	395	555	430	182	806	950	806
Regular quarterly/annual servicing assets amortization	(335)	(332)	(356)	(371)	(379)	(667)	(782)
SBA servicing assets amortized from SBA loans paid off/charged off	(216)	(336)	(274)	(364)	(529)	(552)	(830)
Subtotal before impairment	7,404	7,560	7,673	7,873	8,426	7,404	8,426
Reversal of valuation allowance on servicing assets	-	-	-	-	-	-	-
<b>SBA servicing assets @ the end of the quarter/year</b>	<b>\$ 7,404</b>	<b>\$ 7,560</b>	<b>\$ 7,673</b>	<b>\$ 7,873</b>	<b>\$ 8,426</b>	<b>\$ 7,404</b>	<b>\$ 8,426</b>



Prepared by: Eunice Jhee  
Reviewed by: Jeesoo Sohn

**FIVE-QUARTER DEPOSIT COMPONENTS (Unaudited) - Table 9**  
(Dollars in thousands)

	<b>June 30, 2024</b>		<b>March 31, 2024</b>		<b>December 31, 2023</b>		<b>September 30, 2023</b>		<b>June 30, 2023</b>	
	Balance	%	Balance	%	Balance	%	Balance	%	Balance	%
Noninterest-bearing demand	\$ 281,243	21.0%	\$ 286,766	21.1%	\$ 305,923	21.1%	\$ 406,033	26.2%	\$ 426,333	28.0%
Interest-bearing demand	7,901	0.6%	6,709	0.5%	7,504	0.5%	6,395	0.4%	9,056	0.6%
NOW & MMDA	240,951	18.0%	229,642	16.9%	237,548	16.3%	227,283	14.7%	210,429	13.8%
Savings	80,360	6.0%	84,999	6.2%	88,689	6.1%	78,969	5.1%	62,324	4.1%
TCDs of \$250K and under	295,109	22.0%	299,944	22.0%	315,920	21.7%	312,704	20.2%	298,520	19.6%
TCDs of \$250K over	314,119	23.4%	339,482	25.0%	353,866	24.4%	373,345	24.1%	368,262	24.2%
Wholesale deposits	120,706	9.0%	113,422	8.3%	144,135	9.9%	144,561	9.3%	147,487	9.7%
<b>Total Deposits</b>	<b>\$ 1,340,389</b>	<b>100.0%</b>	<b>\$ 1,360,964</b>	<b>100.0%</b>	<b>\$ 1,453,585</b>	<b>100.0%</b>	<b>\$ 1,549,290</b>	<b>100.0%</b>	<b>\$ 1,522,411</b>	<b>100.0%</b>
<b>Recap:</b>										
Noninterest-bearing demand	\$ 281,243	21.0%	\$ 286,766	21.1%	\$ 305,923	21.0%	\$ 406,033	26.2%	\$ 426,333	28.0%
Interest-bearing demand	7,901	0.6%	6,709	0.5%	7,504	0.5%	6,395	0.4%	9,056	0.6%
NOW & MMDA	217,339	16.2%	229,642	16.9%	237,548	16.3%	227,283	14.7%	210,429	13.8%
Savings	80,360	6.0%	84,999	6.2%	88,689	6.1%	78,969	5.1%	62,324	4.1%
TCDs of \$250K and under	295,109	22.0%	299,944	22.0%	315,920	21.7%	312,704	20.2%	298,520	19.6%
<b>Core Deposits</b>	<b>881,952</b>	<b>65.8%</b>	<b>908,060</b>	<b>66.7%</b>	<b>955,584</b>	<b>65.7%</b>	<b>1,031,384</b>	<b>66.6%</b>	<b>1,006,662</b>	<b>66.1%</b>
TCDs of \$250K over	314,119	23.4%	339,482	24.9%	353,866	24.3%	373,345	24.1%	368,262	24.2%
ICS MMDA	23,612	1.8%								
Wholesale deposits	120,706	9.0%	113,422	8.3%	144,135	9.9%	144,561	9.3%	147,487	9.7%
<b>Noncore Deposits</b>	<b>458,437</b>	<b>34.2%</b>	<b>452,904</b>	<b>33.3%</b>	<b>498,001</b>	<b>34.3%</b>	<b>517,906</b>	<b>33.4%</b>	<b>515,749</b>	<b>33.9%</b>
<b>Total Deposits</b>	<b>\$ 1,340,389</b>	<b>100.0%</b>	<b>\$ 1,360,964</b>	<b>100.0%</b>	<b>\$ 1,453,585</b>	<b>100.0%</b>	<b>\$ 1,549,290</b>	<b>100.0%</b>	<b>\$ 1,522,411</b>	<b>100.0%</b>

**FIVE-QUARTER SELECTED LOAN AND ASSET QUALITY HIGHLIGHTS (Unaudited) - Table 10**  
(Dollars in thousands)

	<b>2nd Qtr. 2024</b>	<b>1st Qtr. 2024</b>	<b>4th Qtr. 2023</b>	<b>3rd Qtr. 2023</b>	<b>2nd Qtr. 2023</b>
<b>Allowance for Credit Losses</b>					
Balance at beginning of period	\$ 16,048	\$ 15,291	\$ 15,284	\$ 15,626	\$ 15,627
CECL transition provision		-	-	-	-
Provision for credit losses	200	743	-	-	-
Charge-offs	(257)		(2)	(350)	(11)
Recoveries	51	14	9	8	10
Balance at the end of period	<b>\$ 16,042</b>	<b>\$ 16,048</b>	<b>\$ 15,291</b>	<b>\$ 15,284</b>	<b>\$ 15,626</b>
<b>Nonperforming Assets:<sup>1</sup></b>					
Over 90 days still accruing	\$ -	\$ 1,605	\$ 399	\$ 2	\$ 39
Nonaccrual loans	5,797	2,842	2,030	616	645
<b>Total nonperforming loans</b>	<b>5,797</b>	<b>4,447</b>	<b>2,429</b>	<b>618</b>	<b>684</b>
Other real estate owned	\$ -	\$ -	\$ 55	\$ 55	\$ -
<b>Total nonperforming assets</b>	<b>\$ 5,797</b>	<b>\$ 4,447</b>	<b>\$ 2,484</b>	<b>\$ 673</b>	<b>\$ 684</b>
<b>Classified Assets:<sup>1</sup></b>					
Substandard	\$ 12,762	\$ 11,912	\$ 11,063	\$ 10,105	\$ 10,491
Doubtful	-	-	-	-	-
Loss					
<b>Total classified loans</b>	<b>\$ 12,762</b>	<b>\$ 11,912</b>	<b>\$ 11,063</b>	<b>\$ 10,105</b>	<b>\$ 10,491</b>
Other real estate owned	\$ -	\$ -	\$ 55	\$ 55	\$ -
<b>Total classified assets</b>	<b>\$ 12,762</b>	<b>\$ 11,912</b>	<b>\$ 11,118</b>	<b>\$ 10,160</b>	<b>\$ 10,491</b>
<b>Performing modified loans:<sup>1</sup></b>	<b>\$ 464</b>	<b>\$ 3,811</b>	<b>\$ 3,336</b>	<b>\$ 3,336</b>	<b>\$ 3,336</b>
<b>Delinquent Loans:<sup>1</sup></b>					
Loans 30-89 days past due	\$ 8,613	\$ 16,907	\$ 5,981	\$ 10,620	\$ 4,420
90 days or more past due and still accruing	-	1,605	399	2	39
Nonaccrual	5,797	2,842	2,030	616	645
<b>Total delinquent loans</b>	<b>\$ 14,410</b>	<b>\$ 21,354</b>	<b>\$ 8,410</b>	<b>\$ 11,238</b>	<b>\$ 5,104</b>
<b>Asset Quality Ratios:</b>					
Net (recoveries) charge-offs to average loans <sup>2</sup>	0.06%	0.00%	0.00%	0.10%	0.00%
Nonaccrual loans to loans held-for-investment	0.47%	0.24%	0.17%	0.05%	0.05%
Nonperforming loans to loans held-for-investment	0.47%	0.37%	0.20%	0.05%	0.06%
Nonperforming assets to total assets	0.35%	0.27%	0.14%	0.04%	0.04%
Classified loans to loans held-for-investment	1.04%	1.00%	0.92%	0.84%	0.87%
Classified loans to Tier 1 and ACL	4.93%	4.69%	4.45%	4.18%	4.44%
Classified assets to total assets	0.77%	0.71%	0.63%	0.55%	0.58%
Classified assets to Tier 1 and ACL	4.93%	4.69%	4.47%	4.20%	4.44%
ACL to loans held-for-investment	1.31%	1.34%	1.27%	1.27%	1.30%
ACL to nonaccrual loans	276.73%	564.67%	753.25%	2481.17%	2422.64%
ACL to nonperforming loans	276.73%	360.87%	629.52%	2473.14%	2284.50%
ACL to nonperforming assets	276.73%	360.87%	615.58%	2271.03%	2284.50%
Texas ratio <sup>3</sup>	2.24%	1.75%	1.00%	0.28%	0.29%

<sup>1</sup> Net of SBA guaranteed balance

<sup>2</sup> Includes loans held-for-sale

<sup>3</sup> Nonperforming assets divided by tangible common equity and ACL

**Allowance for Credit Losses on Off-Balance Sheet Items:**

Balance at beginning of period	\$ 324	\$ 667	\$ 667	\$ 667	\$ 667
Provision for credit losses on off-balance sheet items		(343)	-	-	-
Balance at the end of period	<b>\$ 324</b>	<b>\$ 324</b>	<b>\$ 667</b>	<b>\$ 667</b>	<b>\$ 667</b>

Loans held-for-sale	209,144	198,167	218,258	219,355	215,083
Loans held-for-investment	1,228,496	1,194,439	1,204,009	1,201,230	1,201,237
Loans receivable	1,437,640	1,392,606	1,422,267	1,420,585	1,416,320
Total assets	1,654,909	1,673,261	1,760,413	1,859,312	1,819,630
Tier 1 and ACL	258,882	254,188	248,565	241,713	236,425
Tangible Common Equity	242,840	238,140	233,274	226,429	220,799
ACL	\$ 16,042	\$ 16,048	\$ 15,291	\$ 15,284	\$ 15,626
Nonperforming assets to loans held-for-investment	0.47%	0.37%	0.21%	0.1%	0.06%

**FIVE-QUARTER CAPITAL RATIOS (Unaudited) - Table 11**

	<b>Well Capitalized Regulatory Requirement</b>	<b>Adequately Capitalized BASEL III Fully Phased In</b>	<b>June 30, 2024</b>	<b>March 31, 2024</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>
Leverage ratio							
Company	N/A	N/A	14.51%	13.85%	12.98%	12.53%	12.23%
Bank	5.00%	4.00%	14.45%	13.84%	12.96%	12.50%	12.20%
Common equity tier 1 risk-based capital ratio							
Company	N/A	N/A	18.36%	18.67%	18.08%	17.61%	17.08%
Bank	6.50%	7.00%	18.28%	18.65%	18.05%	17.57%	17.03%
Tier 1 risk-based capital ratio							
Company	N/A	N/A	18.36%	18.67%	18.08%	17.61%	17.08%
Bank	8.00%	8.50%	18.28%	18.65%	18.05%	17.57%	17.03%
Total risk-based capital ratio							
Company	N/A	N/A	19.59%	19.92%	19.30%	18.83%	18.32%
Bank	10.00%	10.50%	19.50%	19.91%	19.27%	18.79%	18.27%
Tangible common equity/total assets			14.70%	14.25%	13.27%	12.19%	12.15%
Tangible common equity per share			\$ 22.94	\$ 22.49	\$ 22.03	\$ 21.39	\$ 20.85

**FIVE-QUARTER MARGIN ANALYSIS (Unaudited) -Table 12**  
(Dollars in thousands)

	Three Months Ended														
	June 30, 2024			March 31, 2024			December 31, 2023			September 30, 2023			June 30, 2023		
	Avg Balance	Interest	Yield	Avg Balance	Interest	Yield	Avg Balance	Interest	Yield	Avg Balance	Interest	Yield	Avg Balance	Interest	Yield
Number of Days in the Period	Checked														
<b>INTEREST-EARNING ASSETS</b>															
Loans Receivable <sup>1</sup>	\$ 1,418,458	\$ 24,887	7.06%	\$ 1,415,924	\$ 24,906	7.07%	\$ 1,410,971	\$ 24,926	7.01%	\$ 1,417,148	\$ 24,734	6.92%	\$ 1,444,608	\$ 24,661	6.85%
Investment securities <sup>2</sup>	70,052	723	4.15%	59,554	575	3.88%	60,094	563	3.72%	64,587	577	3.54%	67,958	595	3.51%
Interest-earning deposits at the FRB and other banks	146,956	1,995	5.46%	207,155	2,817	5.47%	288,769	3,973	5.46%	293,081	3,994	5.41%	258,236	3,296	5.12%
Other earning assets	11,011	200	7.31%	11,011	214	7.82%	11,011	212	7.64%	11,011	196	7.06%	10,825	163	6.04%
<b>Total interest-earning assets<sup>2</sup></b>	<b>1,646,477</b>	<b>27,805</b>	<b>6.79%</b>	<b>1,693,644</b>	<b>28,512</b>	<b>6.77%</b>	<b>1,770,845</b>	<b>29,674</b>	<b>6.65%</b>	<b>1,785,827</b>	<b>29,501</b>	<b>6.55%</b>	<b>1,781,627</b>	<b>28,715</b>	<b>6.46%</b>
<b>NONINTEREST-EARNING ASSETS</b>															
Cash and due from banks	12,907			12,172			12,567			13,045			12,792		
Other noninterest-earning assets	33,263			31,967			32,985			33,331			34,060		
<b>Total noninterest-earning assets</b>	<b>46,170</b>			<b>44,139</b>			<b>45,552</b>			<b>46,376</b>			<b>46,852</b>		
Less: Allowance for credit losses	(16,058)			(15,322)			(15,291)			(15,622)			(15,622)		
<b>TOTAL ASSETS</b>	<b>\$ 1,676,589</b>			<b>\$ 1,722,461</b>			<b>\$ 1,801,106</b>			<b>\$ 1,816,581</b>			<b>\$ 1,812,852</b>		
<b>INTEREST-BEARING DEPOSITS</b>															
Interest-bearing demand	\$ 11,864	\$ 6	0.20%	\$ 12,680	\$ 6	0.19%	\$ 12,657	\$ 7	0.22%	\$ 12,347	\$ 6	0.19%	\$ 14,522	\$ 7	0.19%
Money market	230,261	2,272	3.97%	229,441	2,285	4.01%	222,289	2,158	3.85%	211,152	1,907	3.58%	192,872	1,414	2.94%
Savings	82,215	700	3.42%	84,854	724	3.43%	82,403	664	3.20%	70,579	494	2.78%	63,786	324	2.04%
Time deposits	759,954	9,296	4.92%	801,122	9,523	4.78%	824,900	9,515	4.58%	820,335	8,916	4.31%	839,198	8,068	3.86%
<b>Total interest-bearing deposits</b>	<b>1,084,294</b>	<b>12,274</b>	<b>4.55%</b>	<b>1,128,097</b>	<b>12,538</b>	<b>4.47%</b>	<b>1,142,249</b>	<b>12,344</b>	<b>4.29%</b>	<b>1,114,413</b>	<b>11,323</b>	<b>4.03%</b>	<b>1,110,378</b>	<b>9,813</b>	<b>3.54%</b>
Borrowings	50,013	117	0.94%	50,000	117	0.94%	50,001	118	0.94%	50,001	119	0.94%	50,000	117	0.94%
<b>Total interest-bearing liabilities</b>	<b>1,134,307</b>	<b>12,391</b>	<b>4.39%</b>	<b>1,178,097</b>	<b>12,655</b>	<b>4.32%</b>	<b>1,192,250</b>	<b>12,462</b>	<b>4.15%</b>	<b>1,164,414</b>	<b>11,442</b>	<b>3.90%</b>	<b>1,160,378</b>	<b>9,930</b>	<b>3.43%</b>
Noninterest-bearing deposits	279,765			284,867			350,656			397,791			411,432		
Other liabilities	19,287			21,112			25,602			27,519			20,934		
Stockholders' equity	243,230			238,385			232,598			226,857			220,108		
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>\$ 1,676,589</b>			<b>\$ 1,722,461</b>			<b>\$ 1,801,106</b>			<b>\$ 1,816,581</b>			<b>\$ 1,812,852</b>		
<b>Net interest income<sup>2</sup></b>		<b>\$ 15,414</b>			<b>\$ 15,857</b>			<b>\$ 17,212</b>			<b>\$ 18,059</b>			<b>\$ 18,785</b>	
<b>Net interest spread</b>			<b>2.40%</b>			<b>2.45%</b>			<b>2.50%</b>			<b>2.65%</b>			<b>3.03%</b>
<b>Effect of noninterest-bearing sources</b>			<b>1.37%</b>			<b>1.32%</b>			<b>1.36%</b>			<b>1.36%</b>			<b>1.20%</b>
<b>Net interest margin<sup>2</sup></b>			<b>3.77%</b>			<b>3.77%</b>			<b>3.86%</b>			<b>4.01%</b>			<b>4.23%</b>
<b>Cost of deposits</b>	<b>\$ 1,364,059</b>	<b>\$ 12,274</b>	<b>3.62%</b>	<b>\$ 1,412,964</b>	<b>\$ 12,538</b>	<b>3.57%</b>	<b>\$ 1,492,905</b>	<b>\$ 12,344</b>	<b>3.28%</b>	<b>\$ 1,512,204</b>	<b>\$ 11,323</b>	<b>2.97%</b>	<b>\$ 1,521,810</b>	<b>\$ 9,813</b>	<b>2.59%</b>
<b>Cost of funds</b>	<b>\$ 1,414,072</b>	<b>\$ 12,391</b>	<b>3.52%</b>	<b>\$ 1,462,964</b>	<b>\$ 12,655</b>	<b>3.48%</b>	<b>\$ 1,542,906</b>	<b>\$ 12,462</b>	<b>3.20%</b>	<b>\$ 1,562,205</b>	<b>\$ 11,442</b>	<b>2.91%</b>	<b>\$ 1,571,810</b>	<b>\$ 9,930</b>	<b>2.53%</b>

<sup>1</sup> Loan held-for-investment, plus loans held-for-sale

<sup>2</sup> Amounts calculated on a fully taxable equivalent basis using the current statutory federal tax rate

**FIVE-QUARTER COMPONENTS OF YIELD ON LOANS (Unaudited) - Table 13**  
*(Dollars in thousands)*

	Three Months Ended									
	June 30, 2024		March 31, 2024		December 31, 2023		September 30, 2023		June 30, 2023	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
Contractual yield	\$ 24,271	6.88%	\$ 24,138	6.86%	\$ 24,235	6.81%	\$ 23,932	6.70%	\$ 23,767	6.60%
SBA discount accretion	736	0.21%	926	0.26%	845	0.24%	921	0.25%	1,124	0.31%
Prepayment penalties and late fees	36	0.01%	67	0.01%	40	0.01%	18	0.01%	60	0.02%
Amortization of net deferred costs	(156)	-0.04%	(225)	-0.06%	(194)	-0.05%	(137)	-0.04%	(290)	-0.08%
<b>As reported yield on loans</b>	<b>\$ 24,887</b>	<b>7.06%</b>	<b>\$ 24,906</b>	<b>7.07%</b>	<b>\$ 24,926</b>	<b>7.01%</b>	<b>\$ 24,734</b>	<b>6.92%</b>	<b>\$ 24,661</b>	<b>6.85%</b>

**MARGIN ANALYSIS (Unaudited) - Table 14**  
(Dollars in thousands)

	Six Months Ended					
	June 30, 2024			June 30, 2023		
	Avg Balance	Interest	Yield	Avg Balance	Interest	Yield
Number of Days in the Period						
<b>INTEREST-EARNING ASSETS</b>						
Loans Receivable <sup>1</sup>	\$ 1,417,191	\$ 49,793	7.07%	\$ 1,473,184	\$ 49,040	6.71%
Investment securities <sup>2</sup>	64,803	1,298	4.03%	69,046	1,172	3.42%
Interest-earning deposits at the FRB and other banks	177,056	4,812	5.47%	224,651	5,474	4.91%
Other earning assets	11,011	414	7.56%	10,475	327	6.30%
<b>Total interest-earning assets <sup>2</sup></b>	<b>1,670,061</b>	<b>56,317</b>	<b>6.78%</b>	<b>1,777,356</b>	<b>56,013</b>	<b>6.36%</b>
<b>NONINTEREST-EARNING ASSETS</b>						
Cash and due from banks	12,540			13,523		
Other noninterest-earning assets	32,122			35,296		
<b>Total noninterest-earning assets</b>	<b>44,662</b>			<b>48,819</b>		
Less: Allowance for credit losses	(15,690)			(15,590)		
<b>TOTAL ASSETS</b>	<b>\$ 1,699,033</b>			<b>\$ 1,810,585</b>		
<b>INTEREST-BEARING DEPOSITS</b>						
Interest-bearing demand	\$ 12,271	\$ 12	0.20%	\$ 16,261	\$ 16	0.20%
Money market	229,851	4,557	3.99%	212,261	2,883	2.74%
Savings	83,534	1,424	3.43%	59,704	488	1.65%
Time deposits	780,539	18,819	4.85%	818,251	14,478	3.57%
<b>Total interest-bearing deposits</b>	<b>1,106,195</b>	<b>24,812</b>	<b>4.51%</b>	<b>1,106,477</b>	<b>17,865</b>	<b>3.26%</b>
Borrowings	50,007	234	0.9%	50,000	233	0.94%
<b>Total interest-bearing liabilities</b>	<b>1,156,202</b>	<b>25,046</b>	<b>4.36%</b>	<b>1,156,477</b>	<b>18,098</b>	<b>3.16%</b>
Noninterest-bearing deposits	282,316			418,273		
Other liabilities	19,707			18,904		
Stockholders' equity	240,808			216,931		
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS' EQUITY</b>	<b>\$ 1,699,033</b>			<b>\$ 1,810,585</b>		
<b>Net interest income<sup>2</sup></b>		<b>\$ 31,271</b>			<b>\$ 37,915</b>	
<b>Net interest spread</b>			<b>2.42%</b>			<b>3.20%</b>
<b>Effect of noninterest-bearing sources</b>			<b>1.35%</b>			<b>1.10%</b>
<b>Net interest margin<sup>2</sup></b>			<b>3.77%</b>			<b>4.30%</b>
<b>Cost of deposits</b>	<b>\$ 1,388,511</b>	<b>\$ 24,812</b>	<b>3.59%</b>	<b>\$ 1,524,750</b>	<b>\$ 17,865</b>	<b>2.36%</b>
<b>Cost of funds</b>	<b>\$ 1,438,518</b>	<b>\$ 25,046</b>	<b>3.50%</b>	<b>\$ 1,574,750</b>	<b>\$ 18,098</b>	<b>2.32%</b>

<sup>1</sup> Loan held-for-investment, plus loans held-for-sale

<sup>2</sup> Amounts calculated on a fully taxable equivalent basis using the current statutory federal tax rate

**COMPONENTS OF YIELD ON LOANS (Unaudited) - Table 15**  
*(Dollars in thousands)*

**Six Months Ended**

	<b>June 30, 2024</b>		<b>June 30, 2023</b>	
	<b>Amount</b>	<b>Yield</b>	<b>Amount</b>	<b>Yield</b>
Contractual yield	\$ 48,409	6.87%	\$ 47,410	6.49%
SBA discount accretion	1,662	0.24%	2,061	0.28%
Prepayment penalties and late fees	103	0.01%	90	0.01%
Amortization of net deferred costs	(381)	-0.05%	(521)	-0.07%
<b>As reported yield on loans</b>	<b>\$ 49,793</b>	<b>7.07%</b>	<b>\$ 49,040</b>	<b>6.71%</b>