



NEWS RELEASE

American Riviera Bancorp Announces Results for the Second Quarter of 2023

7/27/2023

SANTA BARBARA, Calif.--(BUSINESS WIRE)-- American Riviera Bancorp ("Company") (OTCQX: ARBV), holding company of American Riviera Bank ("Bank"), announced today unaudited net income of \$5.7 million (\$0.98 per share) for the six months ended June 30, 2023, consistent with the \$5.7 million (\$1.00 per share) earned in the same reporting period in the previous year. Unaudited net income was \$2.7 million (\$0.47 per share) for the three months ended June 30, 2023, compared to \$2.6 million (\$0.45 per share) earned in the same reporting period in the previous year.

Jeff DeVine, President and CEO of the Company and the Bank, stated, "American Riviera Bank reported stable earnings, continued loan growth, and increased capital ratios despite the elevated interest rate environment. Our clients appreciate the Bank's relationship business model of providing friendly service to depositors and customized loans on the Central Coast of California as we have for the past 17 years. We experienced stable deposit levels this quarter, and the Bank has paid more interest to our local depositors while maintaining profitability year-over-year."

Second Quarter Highlights

- The Bank has the highest "Super Premier" rating for financial performance from the Findley Reports and has maintained a "5 Star - Superior" rating from Bauer Financial as of March 31, 2023.
- The Bank was rated "Outstanding" by the Federal Deposit Insurance Corporation in 2023 for its performance under the Community Reinvestment Act.
- Return on average assets for the second quarter ended June 30, 2023, was 0.85%, and return on average equity was 11.84%.

- Total loans reached \$945.4 million at June 30, 2023, an increase of \$20.6 million or 2.2% from the prior quarter-end, and \$84.6 million or 9.8% from June 30, 2022. The Bank's loan-to-deposit ratio at June 30, 2023, was 87.3%.
- Non-interest-bearing demand deposits totaled \$442.1 million at June 30, 2023, a decrease of \$18.6 million or 4.0% from the prior quarter-end, and a decrease of \$45.1 million or 9.3% from June 30, 2022. Non-interest-bearing demand deposits at June 30, 2023 represent 40.8% of total deposits, an increase from 38.8% one year ago.
- Interest-bearing deposits totaled \$640.4 million at June 30, 2023, an increase of \$1.4 million or 0.2% from the prior quarter-end, and a decrease of \$127.7 million or 16.6% from June 30, 2022. The Federal Reserve's actions over the last year to rapidly increase interest rates have caused a shift in interest-bearing depositor behavior as some clients have decided to reinvest their excess cash in non-FDIC insured, external investment products.
- As of July 24, 2023, total deposits have increased \$16.5 million or 1.5% subsequent to the most recent June 30, 2023 quarter-end and are at approximately the same level as reported at March 31, 2023.
- During the second quarter of 2023, the Bank opened 802 new deposit accounts, compared to 784 in the last quarter, and 585 in the same quarter last year.
- All of the Bank's deposits are local, retail deposits. At June 30, 2023, the Bank had no wholesale brokered deposits.
- The Bank maintains a diversified deposit base with no significant industry concentrations and does not engage in cryptocurrency transactions or service cryptocurrency related companies.
- Interest income in the second quarter of 2023 increased by \$2.6 million from the same quarter last year and was offset by a \$2.6 million increase in interest expense. Interest income for the first six months of 2023 increased by \$5.3 million from the same period last year and was offset by a \$4.0 million increase in interest expense. The increase in interest expense is due to higher rates paid on deposits and an increase in borrowed funds.
- Total cost of funding sources increased to 1.02% for the second quarter of 2023, compared to 0.59% in the prior quarter, and 0.12% for the same quarter in the prior year. Overall funding costs for the Company have increased due to Federal Reserve policy but remain modest compared to industry averages based on our relationship banking focus.
- On-balance sheet liquidity continues to be substantial with \$246.4 million of cash, due from banks, and available-for-sale ("AFS") securities market value at June 30, 2023.
- Access to available sources of liquidity including fed funds lines of credit with correspondent banks, unused secured borrowing capacity with the Federal Home Loan Bank, and unused secured borrowing capacity with the Federal Reserve totaled \$310.2 million at June 30, 2023, an increase from \$211.7 million at March 31, 2023.
- Allowance for Credit Losses ("ACL") was 1.23% of total loans at June 30, 2023, compared with 1.24% at March

31, 2023, and 1.20% at June 30, 2022. Provision for credit losses for the second quarter of 2023 was \$0.2 million, compared to zero last quarter, and \$0.9 million for the same quarter last year.

- The Bank maintained strong credit quality with no other real estate owned, no loans 90 days or more past due, and only \$2.8 million or 0.30% of total loans on non-accrual status, which are well supported by collateral and reserves.
- Tangible book value per share increased by 1.3% to \$15.22 at June 30, 2023, up from \$15.03 at March 31, 2023, due to a profitable second quarter of 2023.
- All Bank and Company capital ratios increased in the second quarter of 2023. The Bank's regulatory capital ratios were all above "well-capitalized" standards. The Company's tangible common equity ratio has increased to 6.86% at June 30, 2023, from 6.68% at March 31, 2023, and 5.78% at June 30, 2022.

Second Quarter Earnings

For the second quarter of 2023, unaudited net income pre-tax, pre-provision, pre-PPP fees (a non-GAAP measure) was \$3.9 million, compared to \$4.1 million in the first quarter of 2023 and second quarter of 2022. For the second quarter of 2023, unaudited net income was \$2.7 million, compared to \$3.0 million in the first quarter of 2023, and \$2.6 million in the second quarter of 2022.

The Bank continues to grow interest and fees on loans sequentially over the last four quarters from \$9.4 million in the second quarter of 2022 to \$11.8 million in the second quarter of 2023, representing a \$2.4 million or 26.2% increase. However, the cost of funding has also increased sequentially from the historically low levels that existed prior to the Federal Reserve's aggressive rate increase policy. Interest expense on deposits has increased approximately nine-fold from \$0.2 million in the second quarter of 2022 to \$2.0 million in the second quarter of 2023.

At the same time, excess cash and due from banks has moved back to a more normalized level as the Federal Reserve has tightened economic conditions, resulting in a decline in interest on cash and due from which was at elevated levels for most of 2022. Interest on cash and due from peaked at \$1.3 million for the fourth quarter of 2022, compared to a more normalized level of \$0.3 million in the second quarter of 2023 and \$0.5 million in the second quarter of 2022.

Non-Interest Income and Expense

Non-interest income was \$1.0 million for the second quarter of 2023, compared to \$0.5 million for the first quarter of 2023, and \$0.7 million for the same quarter last year. Variances between the quarters relate primarily to SBA loan sale premiums, mortgage broker fees, loan swap fees, and loan prepayment fees. Loan swap fees totaled \$0.3 million in the second quarter of 2023 as borrowers continue to request fixed-rate loans and the Company can

choose to diversify its interest-rate risk profile by offering floating rate loan swaps.

Non-interest expense was \$8.0 million for the second quarter of 2023, compared to \$8.0 million in the first quarter of 2023, and \$7.2 million for the same quarter last year. The increase in non-interest expense in the second quarter of 2023 compared to the same quarter last year is primarily attributable to occupancy expenses, investment in technology projects, and timing of advertising and annual sponsorships. Occupancy expenses were temporarily elevated in the first half of 2023 as the Company was in the process of consolidating Santa Barbara office space which was recently completed, allowing for the termination of two leases, and is expected to decrease occupancy expenses by approximately \$70 thousand for the third quarter of 2023 compared to the second quarter of 2023. Additionally, accrual of non-recurring expense for technology upgrades was \$80 thousand per month in the second quarter of 2023 and is expected to continue at this level only through October 2023.

Loans and Asset Quality

Total loans reached \$945.4 million at June 30, 2023, an increase of \$20.6 million or 2.2% from the prior quarter-end, and \$84.6 million or 9.8% from June 30, 2022.

The Bank adopted the Current Expected Credit Losses ("CECL") accounting standard as of January 1, 2023, and recorded a \$1.3 million pre-tax reduction to retained earnings upon adoption, including \$0.5 million of additional reserve for unfunded loans recorded in other liabilities. The ACL increased \$0.2 million to \$11.6 million at June 30, 2023, with a resulting coverage ratio of 1.23% of total loans, as compared to \$11.5 million or 1.24% at March 31, 2023, and \$10.4 million or 1.20% at June 30, 2022.

Loan charge-offs totaled zero and loan recoveries totaled \$3 thousand for the second quarter of 2023. As of June 30, 2023, non-accrual loans totaled \$2.8 million, down \$0.2 million compared to the previous quarter. \$2.1 million of the non-accrual total at June 30, 2023, is comprised of one loan which is real estate secured at a 27% loan-to-value based upon a recent appraisal and is paying full principal and interest payments monthly. Credit quality remains strong.

Deposits & Borrowings

Total deposits were \$1.1 billion at June 30, 2023, representing a decrease of \$17.2 million or 1.6% from March 31, 2023, and a decrease of \$172.8 million or 13.8% since June 30, 2022. As a result of the current rate environment, the reduction in deposit balances is primarily due to some clients deciding to reinvest their excess cash in non-FDIC insured, external investment products. The weighted average cost of deposits for the second quarter of 2023 was 0.73%, compared to 0.45% for the previous quarter, and 0.07% for the same quarter last year. Non-interest-bearing demand deposits represent 40.8% of total deposits at June 30, 2023, a decrease from 41.9% at the prior quarter-

end, and an increase from 38.8% at June 30, 2022.

At June 30, 2023, the Bank had \$60.0 million of short-term, 30 days or less, FHLB advances and another \$10.0 million of long-term FHLB advances outstanding. At June 30, 2023, the Company also had \$10.0 million drawn on a correspondent bank line of credit at a favorable rate of 3.85% and \$18.0 million of subordinated notes outstanding at a favorable rate of 3.75%. The weighted average cost on all borrowings for the quarter was 4.93%, resulting in \$1.0 million in interest expense. The \$98.0 million level of wholesale funding was consistent at the first and second quarter of 2023.

The Bank's liquidity position remained strong with a primary liquidity ratio (cash and cash equivalents, deposits held in other banks and unpledged AFS securities as a percentage of total assets) of 19.2% at June 30, 2023, compared to 22.1% at March 31, 2023.

As of June 30, 2023, the Bank had no brokered deposits and no borrowings outstanding from the Federal Reserve's discount window or its new Bank Term Funding Program. Available and unused, secured borrowing capacity with the Federal Home Loan Bank of San Francisco ("FHLB") totaled \$167.6 million as of June 30, 2023. The Bank also had \$100.0 million of unused fed funds lines of credit with correspondent banks at June 30, 2023. Available contingent funding sources remain robust.

Overall uninsured deposits, excluding public agency deposits that are collateralized, are conservatively estimated to be \$428.8 million, or 39.6% of total deposit balances as of June 30, 2023. The actual level of uninsured deposits is lower than the percentage stated above, as our knowledgeable bankers have helped clients obtain more than \$250 thousand of FDIC insurance with vesting structures such as joint accounts, payable upon death accounts, and revocable trust accounts with multiple beneficiaries. In addition, the Bank can offer up to \$50 million of FDIC pass-through insurance to clients via the IntraFi network Insured Cash Sweep ("ICS") or Certificate of Deposit Account Registry System ("CDARS") products.

Shareholders' Equity

Total shareholders' equity was \$92.8 million at June 30, 2023, a \$1.2 million or 1.4% increase since March 31, 2023, and an increase of \$9.3 million or 11.1% over the prior year. The tax adjusted unrealized loss on securities, which is a component of equity (accumulated other comprehensive income or "AOCI"), increased slightly from \$21.1 million at the end of the first quarter of 2023 to \$23.4 million at the end of the second quarter of 2023, resulting in a reduction of \$2.3 million of shareholders' equity. The Bank fully expects to receive all principal when the investments mature.

Company Profile

American Riviera Bancorp (OTCQX: ARBV) is a registered bank holding company headquartered in Santa Barbara, California. American Riviera Bank, the 100% owned subsidiary of American Riviera Bancorp, is a full-service community bank focused on serving the lending and deposit needs of businesses and consumers on the Central Coast of California. The state-chartered bank opened for business on July 18, 2006, with the support of local shareholders. Full-service branches are located in Santa Barbara, Montecito, Goleta, Santa Maria, San Luis Obispo, and Paso Robles. The Bank provides commercial business, commercial real estate, residential mortgage, construction, and Small Business Administration lending services as well as convenient online and mobile technology. For thirteen consecutive years, the Bank has been recognized for strong financial performance by the Findley Reports and has received the highest “Super Premier” rating from Findley every year since 2016. The Bank was rated “Outstanding” by the Federal Deposit Insurance Corporation in 2023 for its performance under the Community Reinvestment Act.

Statements concerning future performance, developments or events concerning expectations for growth and market forecasts, and any other guidance on future periods, constitute forward looking statements that are subject to a number of risks and uncertainties. Actual results may differ materially from stated expectations. Specific factors include, but are not limited to, effects of interest rate changes, ability to control costs and expenses, impact of consolidation in the banking industry, financial policies of the US government, and general economic conditions.

American Riviera Bancorp and Subsidiaries
Balance Sheets (unaudited)
(dollars in thousands)

	Jun 30, 2023	Jun 30, 2022	One Year \$ Change	One Year % Change
Assets				
Cash & Due From Banks	\$ 30,428	\$ 212,675	\$ (182,247)	-86%
Available-for-sale securities	215,951	250,132	(34,181)	-14%
Held-to-maturity securities, net	41,295	-	41,295	100%
Loans	945,389	860,762	84,627	10%
Allowance For Credit Losses	(11,638)	(10,367)	(1,271)	12%
Net Loans	933,751	850,395	83,356	10%
Premise & Equipment	14,842	9,491	5,351	56%
Goodwill and Other Intangibles	4,936	5,025	(89)	-2%
Other Assets	43,851	35,470	8,381	24%
Total Assets	\$ 1,285,054	\$ 1,363,188	\$ (78,134)	-6%
Liabilities & Shareholders' Equity				
Non-interest-bearing Deposits	\$ 442,078	\$ 487,187	\$ (45,109)	-9%
Interest-bearing Deposits	640,359	768,029	(127,670)	-17%
Total Deposits	1,082,437	1,255,216	(172,779)	-14%
Borrowed Funds	98,000	18,000	80,000	444%
Other Liabilities	11,819	6,460	5,359	83%
Total Liabilities	1,192,256	1,279,676	(87,420)	-7%
Common Stock	66,836	56,897	9,939	17%
Retained Earnings	49,324	45,922	3,402	7%
Other Capital	(23,362)	(19,307)	(4,055)	21%

Total Shareholders' Equity	92,798	83,512	9,286	11%
Total Liabilities & Shareholders' Equity	<u>\$ 1,285,054</u>	<u>\$ 1,363,188</u>	<u>\$ (78,134)</u>	<u>-6%</u>

American Riviera Bancorp and Subsidiaries
Balance Sheets (unaudited)
(dollars in thousands)

	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Assets					
Cash & Due From Banks	\$ 30,428	\$ 64,252	\$ 61,801	\$ 178,882	\$ 212,675
Available-for-sale securities	215,951	223,547	223,281	222,910	250,132
Held-to-maturity securities	41,295	41,274	41,293	41,241	-
Loans	945,389	924,761	907,685	886,208	860,762
Allowance for Credit Losses (a)	(11,638)	(11,468)	(10,626)	(10,500)	(10,367)
Net Loans	<u>933,751</u>	<u>913,293</u>	<u>897,059</u>	<u>875,708</u>	<u>850,395</u>
Premise & Equipment	14,842	14,098	12,347	9,649	9,491
Goodwill and Other Intangibles	4,936	4,942	4,947	4,984	5,025
Other Assets	43,851	40,588	40,931	38,033	35,470
Total Assets	<u>\$ 1,285,054</u>	<u>\$ 1,301,994</u>	<u>\$ 1,281,659</u>	<u>\$ 1,371,407</u>	<u>\$ 1,363,188</u>
Liabilities & Shareholders' Equity					
Non-interest-bearing Deposits	\$ 442,078	\$ 460,667	\$ 478,519	\$ 519,796	\$ 487,187
Interest-bearing Deposits	640,359	638,986	685,008	744,052	768,029
Total Deposits	<u>1,082,437</u>	<u>1,099,653</u>	<u>1,163,527</u>	<u>1,263,848</u>	<u>1,255,216</u>
Borrowed Funds	98,000	98,000	18,000	18,000	18,000
Other Liabilities	11,819	12,785	13,036	7,425	6,460
Total Liabilities	<u>1,192,256</u>	<u>1,210,438</u>	<u>1,194,563</u>	<u>1,289,273</u>	<u>1,279,676</u>
Common Stock	66,836	67,411	66,346	57,123	56,897
Retained Earnings	49,324	46,251	44,672	49,722	45,922
Other Capital	(23,362)	(21,075)	(23,922)	(24,711)	(19,307)
Total Shareholders' Equity	<u>92,798</u>	<u>91,556</u>	<u>87,096</u>	<u>82,134</u>	<u>83,512</u>
Total Liabilities & Shareholders' Equity	<u>\$ 1,285,054</u>	<u>\$ 1,301,994</u>	<u>\$ 1,281,659</u>	<u>\$ 1,371,407</u>	<u>\$ 1,363,188</u>

Note:

(a) CECL was adopted using the modified retrospective method. Results of reporting periods beginning after 1/1/23 are presented under ASC 326 while prior period amounts continue to be reported in accordance with previously applicable GAAP.

American Riviera Bancorp and Subsidiaries
Statement of Income (unaudited)
(dollars in thousands, except per share data)

	Quarter Ended	Six Months Ended
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	June 30, 2023	Jun 30, 2022	Change	Jun 30, 2023	Jun 30, 2022	Change
Interest Income						
Interest and Fees on Loans	\$ 11,794	\$ 9,347	26%	\$ 22,994	\$ 17,954	28%
Fees on PPP Loans	-	209	-100%	1	1,122	-100%
Interest on Securities	1,792	1,116	61%	3,525	1,957	80%
Interest on Due From Banks	265	539	-51%	541	681	-21%
Total Interest Income	13,851	11,211	24%	27,061	21,714	25%
Interest Expense						
Interest Expense on Deposits	1,965	216	808%	3,239	426	660%
Interest Expense on Borrowings	1,006	166	506%	1,427	233	512%
Total Interest Expense	2,971	382	677%	4,666	659	608%
Net Interest Income	10,880	10,829	0%	22,395	21,055	6%
Provision for Credit Losses	163	916	-82%	163	916	-82%
Net Interest Income After Provision	10,717	9,913	8%	22,232	20,139	10%
Non-Interest Income						
Service Charges, Commissions and Fees	764	672	14%	1,227	1,342	-9%
Other Non-Interest Income	222	20	1012%	289	514	-44%
Total Non-Interest Income	987	692	43%	1,516	1,856	-18%
Non-Interest Expense						
Salaries and Employee Benefits	4,588	4,326	6%	9,529	8,636	10%
Occupancy and Equipment	868	766	13%	1,773	1,521	17%
Other Non-Interest Expense	2,508	2,119	18%	4,643	4,014	16%
Total Non-Interest Expense	7,964	7,211	10%	15,946	14,171	13%
Net Income Before Provision for Taxes	3,740	3,394	10%	7,803	7,824	0%
Provision for Taxes	1,052	818	29%	2,143	2,093	2%
Net Income	\$ 2,687	\$ 2,576	4%	\$ 5,660	\$ 5,731	-1%
Shares Outstanding	5,772,012	5,690,710	1%	5,772,012	5,690,710	1%
Earnings Per Share - Basic	\$ 0.47	\$ 0.45	3%	\$ 0.98	\$ 1.01	-3%
Return on Average Assets	0.85%	0.75%	13%	0.92%	0.95%	-3%
Return on Average Equity	11.84%	11.40%	4%	13.00%	13.41%	-3%
Net Interest Margin	3.51%	3.26%	8%	3.64%	3.30%	10%

Note> Share data for prior periods has been adjusted to reflect stock dividends

American Riviera Bancorp and Subsidiaries
Five Quarter Statements of Income (unaudited)
(dollars in thousands, except per share data)

	Three Months Ended				
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Interest Income					
Interest and Fees on Loans	\$ 11,794	\$ 11,200	\$ 11,081	\$ 10,160	\$ 9,347
Fees on PPP Loans	-	1	-	199	209
Interest on Securities	1,792	1,733	1,716	1,539	1,116
Interest on Due From Banks	265	276	1,323	1,046	539
Total Interest Income	13,851	13,210	14,120	12,944	11,211
Interest Expense					
Interest Expense on Deposits	1,965	1,274	669	266	216
Interest Expense on Borrowings	1,006	421	169	169	166
Total Interest Expense	2,971	1,695	838	435	382
Net Interest Income	10,880	11,515	13,282	12,509	10,829
Provision for Credit Losses	163	-	109	122	916
Net Interest Income After Provision	10,717	11,515	13,173	12,387	9,913
Non-Interest Income					

Service Charges, Commissions and Fees	764	463	522	602	672
Other Non-Interest Income	222	66	157	210	20
Total Non-Interest Income	987	529	679	812	692
Non-Interest Expense					
Salaries and Employee Benefits	4,588	4,942	4,948	4,717	4,326
Occupancy and Equipment	868	905	856	777	766
Other Non-Interest Expense	2,508	2,134	2,561	2,260	2,119
Total Non-Interest Expense	7,964	7,981	8,365	7,754	7,211
Net Income Before Provision for Taxes	3,740	4,063	5,487	5,446	3,394
Provision for Taxes	1,052	1,090	1,524	1,645	818
Net Income	\$ 2,687	\$ 2,973	\$ 3,963	\$ 3,800	\$ 2,576
Shares Outstanding	5,772,012	5,763,854	5,692,161	5,693,820	5,690,710
Earnings Per Share - Basic	\$ 0.47	\$ 0.52	\$ 0.70	\$ 0.67	\$ 0.45
Net Income pre-tax, pre-provision, pre-PPP fees (Non-GAAP)	\$ 3,902	\$ 4,062	\$ 5,596	\$ 5,369	\$ 4,101

Note> Share data for prior periods has been adjusted to reflect stock dividends

American Riviera Bancorp and Subsidiaries
Selected Financial Highlights (unaudited)
(dollars in thousands, except per share data)

	At or for the Three Months Ended				
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Income and performance ratios:					
Net Income	\$ 2,687	\$ 2,973	\$ 3,963	\$ 3,800	\$ 2,576
Earnings per share - basic (f)	0.47	0.52	0.70	0.67	0.45
Return on average assets	0.85%	0.98%	1.14%	1.08%	0.75%
Return on average equity	11.84%	14.22%	19.12%	17.26%	11.40%
Cost of Funds	1.02%	0.59%	0.26%	0.16%	0.12%
Cost of Deposits	0.73%	0.45%	0.21%	0.08%	0.07%
Net interest margin	3.51%	3.76%	3.94%	3.69%	3.26%
Efficiency ratio (b)	66.97%	65.52%	60.21%	58.58%	62.89%
Asset quality:					
Allowance for credit losses	\$ 11,638	\$ 11,468	\$ 10,626	\$ 10,500	\$ 10,367
Nonperforming assets	2,818	2,955	3,066	6,337	3,505
Allowance for credit losses / total loans and leases	1.23%	1.24%	1.17%	1.18%	1.20%
Net charge-offs / average loans and leases (annualized)	0.00%	0.00%	0.00%	-0.04%	-0.03%
Texas ratio (a)	2.83%	3.01%	3.30%	6.07%	3.94%
Capital ratios for American Riviera Bank(c):					
Tier 1 risk-based capital	12.02%	11.96%	11.85%	11.68%	11.85%
Total risk-based capital	13.17%	13.12%	12.89%	12.73%	12.94%
Tier 1 leverage ratio	9.95%	9.67%	8.83%	8.48%	8.29%
Capital ratios for American Riviera Bancorp(c):					
Tier 1 risk-based capital	10.39%	10.32%	10.22%	10.05%	10.15%
Total risk-based capital	11.54%	11.48%	11.26%	11.10%	11.24%
Tier 1 leverage ratio	8.60%	8.32%	7.62%	7.29%	7.11%
Equity and share related(f):					
Common equity	\$ 92,798	\$ 91,556	\$ 87,096	\$ 82,134	\$ 83,512
Book value per share	16.08	15.88	15.30	14.43	14.68

Tangible book value per share	15.22	15.03	14.43	13.55	13.79
Tangible book value per share, excluding AOCI (d)	19.27	18.68	18.63	17.89	17.18
Stock closing price per share	15.20	16.81	17.00	17.15	17.90
Number of shares issued and outstanding (e)	5,772.01	5,763.85	5,692.16	5,693.82	5,690.71

Notes:

(a) The sum of Nonperforming assets and Other Real Estate Owned, divided by the sum of Total Shareholder Equity and Total Allowance for Credit Losses (less Preferred Stock and Intangible Assets).

(b) Annualized Operating Expense excluding Provision for Credit Losses minus Annualized Extraordinary Expense, divided by Annualized Interest Income including Loan Fees minus Annualized Interest Expense plus Annualized Non-Interest Income minus Annualized Extraordinary Income, expressed as a percentage.

(c) Current period capital ratios are preliminary.

(d) Accumulated Other Comprehensive Income (AOCI), is comprised of the tax adjusted unrealized loss on securities and is presented as Other Capital on the Balance Sheet.

(e) Prior period number of shares issued and outstanding are adjusted for respective 10% stock dividend recorded as of November 24, 2022.

(f) Share data for prior periods has been adjusted to reflect stock dividends

American Riviera Bank

www.americanriviera.bank

805-965-5942

Michelle Martinich

Source: American Riviera Bancorp