



# **Earnings Results**

## **Third Quarter 2022**

**October 27, 2022**

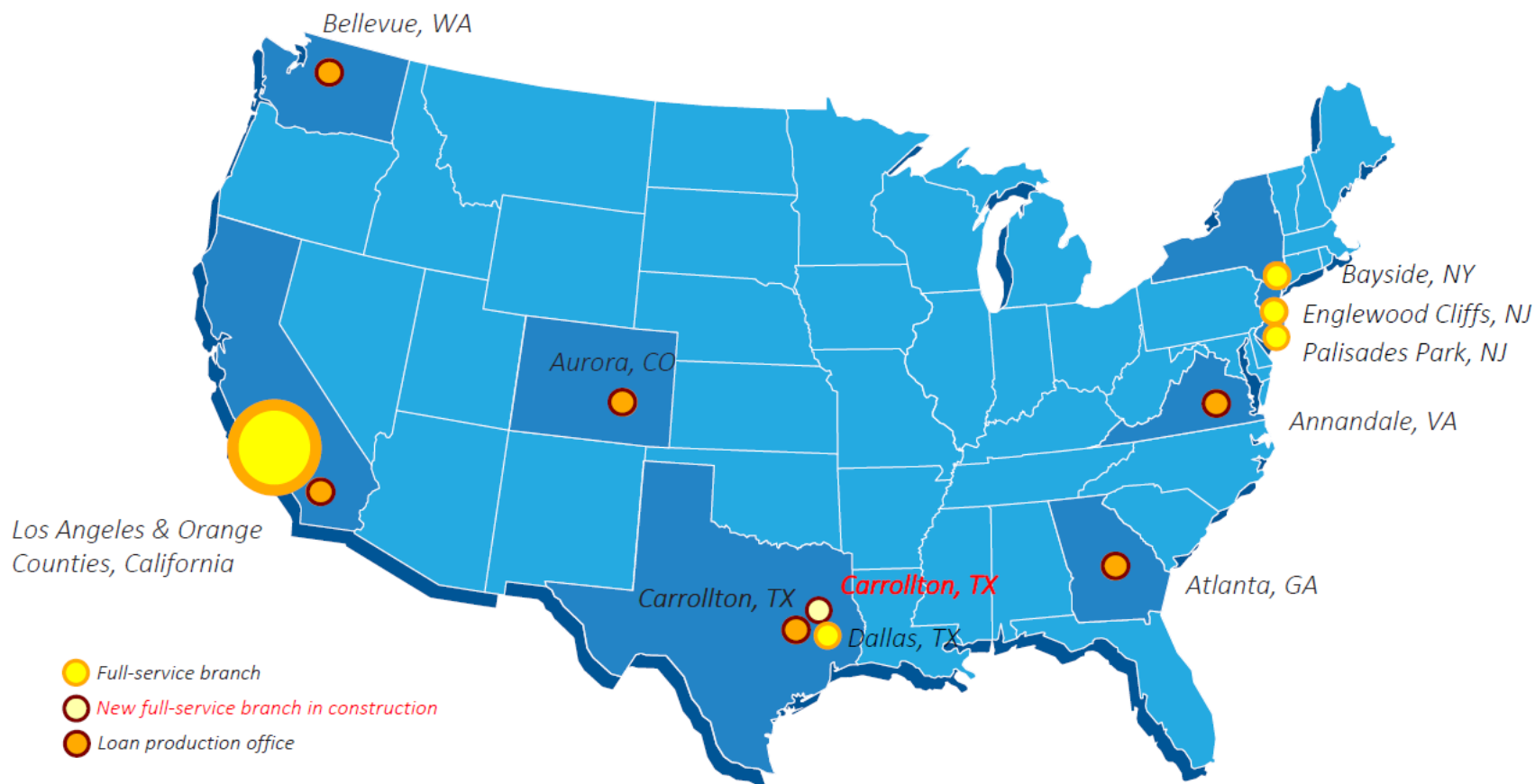
This presentation (and oral statements made regarding the subject of this presentation) contains certain “forward-looking statements” that are based on various facts and derived utilizing numerous important assumptions and are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include information about our future financial performance, business and growth strategy, projected plans and objectives, as well as projections of macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact economic trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing. Forward-looking statements are based on management’s current expectations and involve risks and uncertainties that could cause actual results to differ materially from the Company’s historical results or those described in our forward-looking statements. PCB Bancorp disclaims any obligation to update any forward-looking statement.

This presentation contains certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided at the end of this presentation. Numbers in the presentation may not sum due to rounding.



# Introduction

# Franchise Footprint (1)



## As of October 25, 2022

### Common Stock

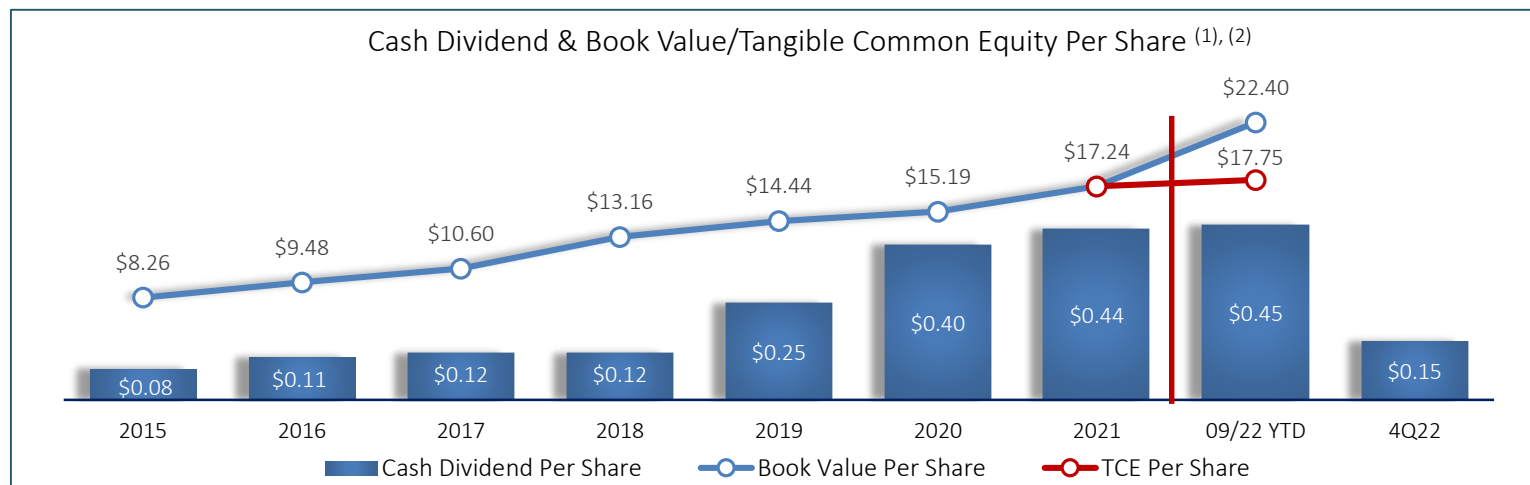
|                                        |                          |
|----------------------------------------|--------------------------|
| Ticker                                 | PCB                      |
| Market Cap                             | \$291.6 million          |
| Price Per Share                        | \$19.70                  |
| 52 Week Range                          | \$18.07 - \$25.43        |
| Dividend Yield (Dividend Payout Ratio) | 3.05% (22.89% 4Q21-3Q22) |
| Number of Shares                       | 14,800,133 Shares        |

### Preferred Stock

|                                           |                                |
|-------------------------------------------|--------------------------------|
| Senior Non-Cumulative Perpetual, Series C | 69,141 Shares (\$69.1 million) |
|-------------------------------------------|--------------------------------|

### Stock Repurchase Plan

Announced on July 28, 2022  
5% of Outstanding (747,938 shares)  
Purchased 172,948 shares as of October 25, 2022

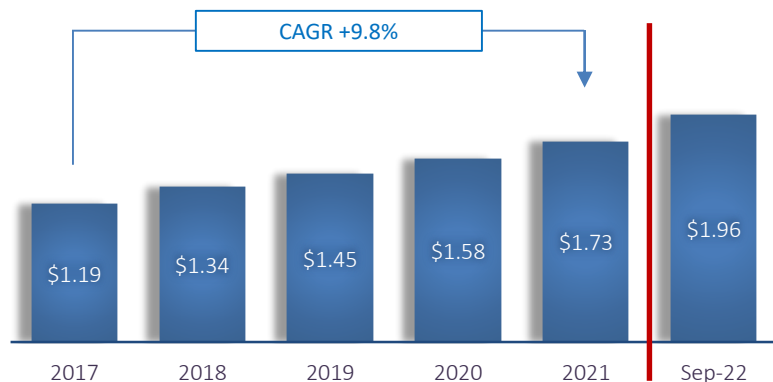


(1) Book value / Tangible Common Equity ("TCE") per share at period end.

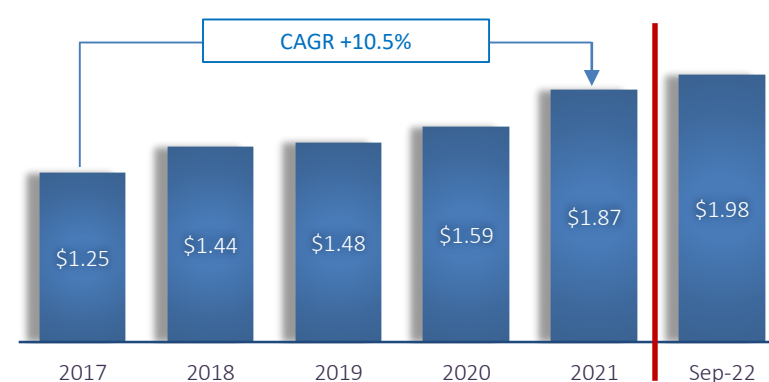
(2) TCE per share is not presented in accordance with U.S. generally accepted accounting principles ("GAAP"). See "Non-GAAP measure" for a reconciliation of this measure to its most comparable GAAP measure.

# Historical Performance

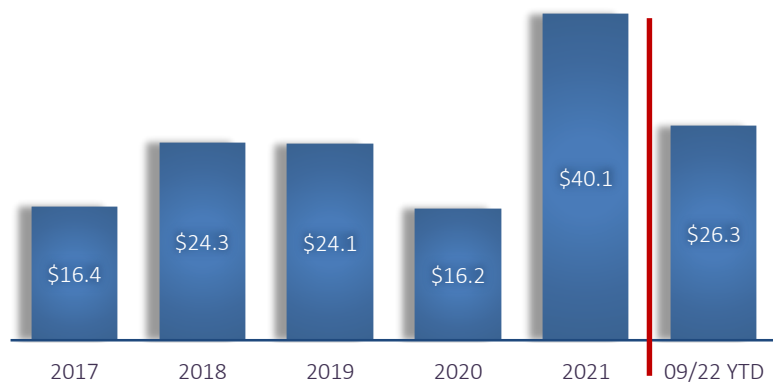
Held-For-Investment Loans (\$bn)



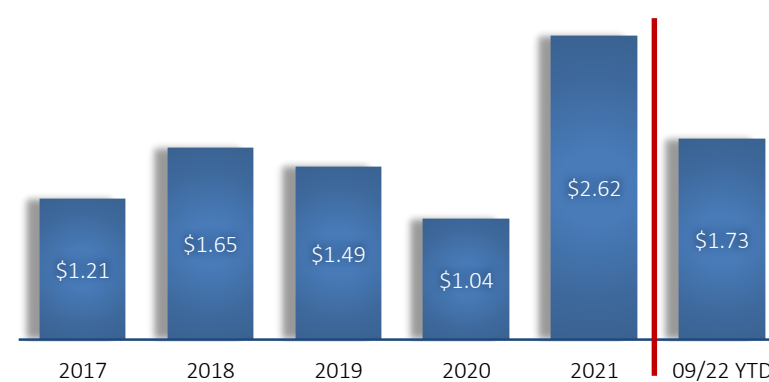
Deposits (\$bn)



Net Income (\$mm)

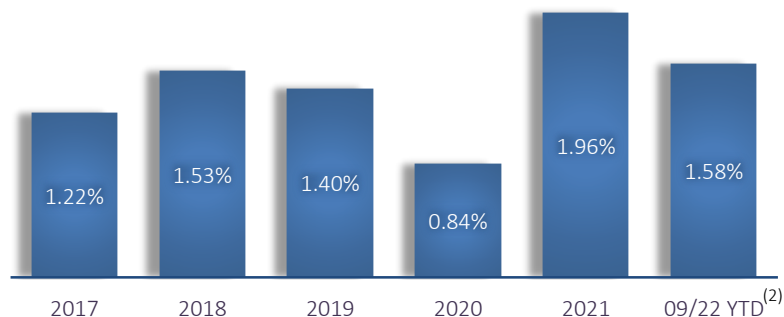


Diluted Earnings Per Share

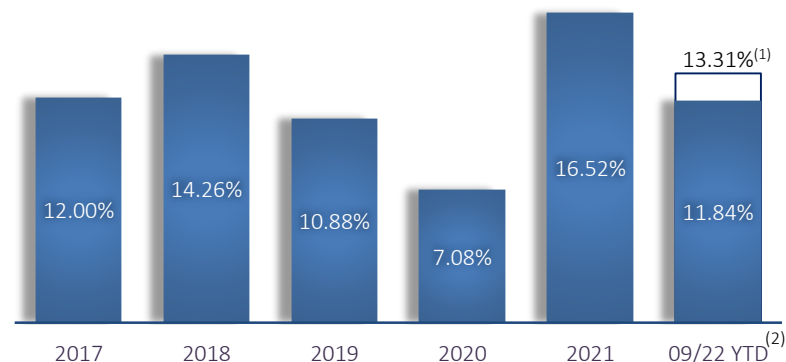


# Historical Performance

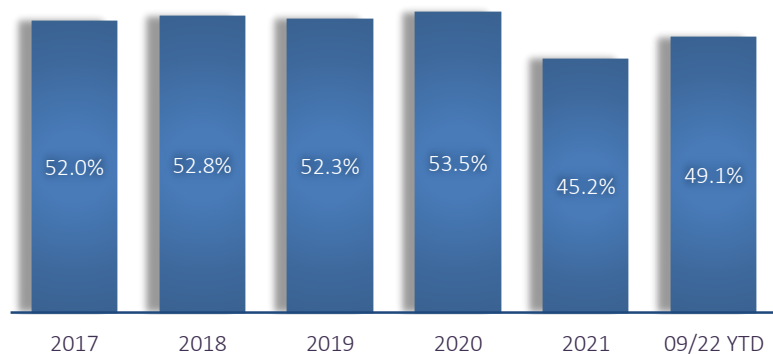
Return on Average Assets



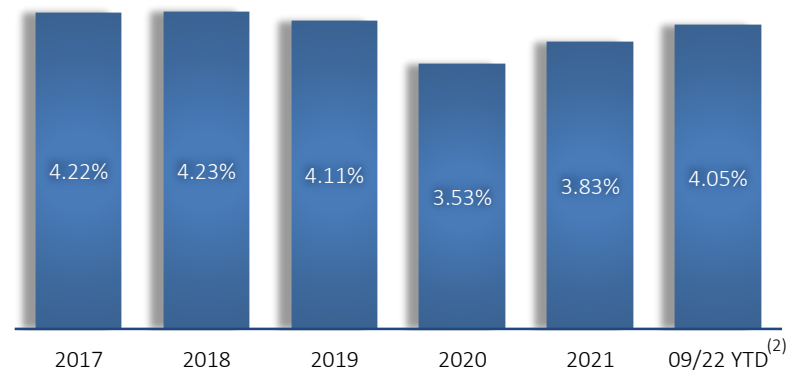
Return on Average Equity/TCE <sup>(1)</sup>



Efficiency Ratio



Net Interest Margin



(1) Return on average TCE ("ROATCE") is not presented in accordance with GAAP. See "Non-GAAP Measures" for reconciliation of this measure to its most comparable GAAP measure.

(2) Annualized.

# Recent Financial Performance

| (\$ in thousands except per share data) | As of or For the Quarter Ended |          |          |
|-----------------------------------------|--------------------------------|----------|----------|
|                                         | 09/30/22                       | 06/30/22 | 09/30/21 |

## Income Statement Summary:

|                                      |           |           |           |
|--------------------------------------|-----------|-----------|-----------|
| Interest Income                      | \$ 26,835 | \$ 22,446 | \$ 21,168 |
| Interest Expense                     | 2,812     | 1,095     | 941       |
| Net Interest Income                  | 24,023    | 21,351    | 20,227    |
| Noninterest Income                   | 3,176     | 3,648     | 5,588     |
| Noninterest Expense                  | 13,695    | 12,245    | 11,232    |
| Provision (reversal) for Loan Losses | 3,753     | (109)     | (1,053)   |
| Pretax Income                        | 9,751     | 12,863    | 15,636    |
| Income Tax Expense                   | 2,798     | 3,771     | 4,613     |
| Net Income                           | 6,953     | 9,092     | 11,023    |
| Diluted Earnings Per Share ("EPS")   | \$ 0.46   | \$ 0.60   | \$ 0.73   |

## Selected Balance Sheet Items:

|                                   |              |              |              |
|-----------------------------------|--------------|--------------|--------------|
| Loans held-for-investment ("HFI") | \$ 1,959,237 | \$ 1,833,010 | \$ 1,707,878 |
| Loans held-for-sale ("HFS")       | 18,982       | 9,627        | 29,020       |
| Total Deposits                    | 1,978,098    | 1,997,607    | 1,832,666    |
| Total Assets                      | 2,327,051    | 2,344,560    | 2,104,699    |
| Shareholders' Equity              | 332,719      | 334,375      | 247,598      |

## Key Metrics:

|                                                  |          |          |          |
|--------------------------------------------------|----------|----------|----------|
| Book Value Per Share                             | \$ 22.40 | \$ 22.36 | \$ 16.68 |
| TCE Per Share <sup>(1)</sup>                     | \$ 17.75 | \$ 17.73 | \$ 16.68 |
| Return on Average Assets ("ROAA") <sup>(2)</sup> | 1.19%    | 1.65%    | 2.11%    |
| Return on Average Equity ("ROAE") <sup>(2)</sup> | 8.16%    | 12.48%   | 17.98%   |
| ROATCE <sup>(1), (2)</sup>                       | 10.25%   | 13.85%   | 17.98%   |
| Net Interest Margin <sup>(2)</sup>               | 4.25%    | 4.01%    | 3.93%    |
| Efficiency Ratio                                 | 50.35%   | 48.98%   | 43.51%   |

- Recorded a provision for loan losses of \$3.8 million in 3Q22 primarily due to increases in gross loan balance, and qualitative adjustment factors related to current economic condition and increased charge-offs.
- Allowance for loan losses to HFI loans ratio was 1.21% at 09/30/22 compared with 1.15% at 06/30/22.
- Declared cash dividend of \$0.15 per share in 3Q22
- Changed the Bank's name from Pacific City Bank to PCB Bank, effective August 25, 2022 and introduced a new logo
- Opened 2 new branches in Dallas, Texas and Palisades Park, New Jersey

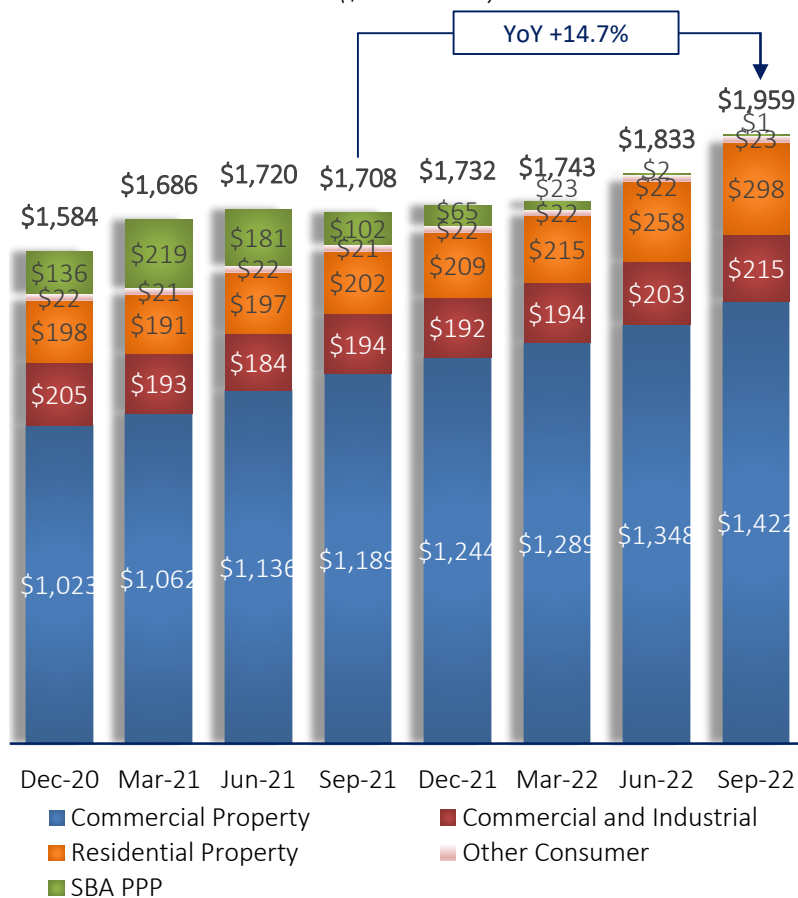
(1) Not presented in accordance with GAAP. See "Non-GAAP Measures" for reconciliation of these measures to their most comparable GAAP measures.

(2) Annualized.

# Loan Overview

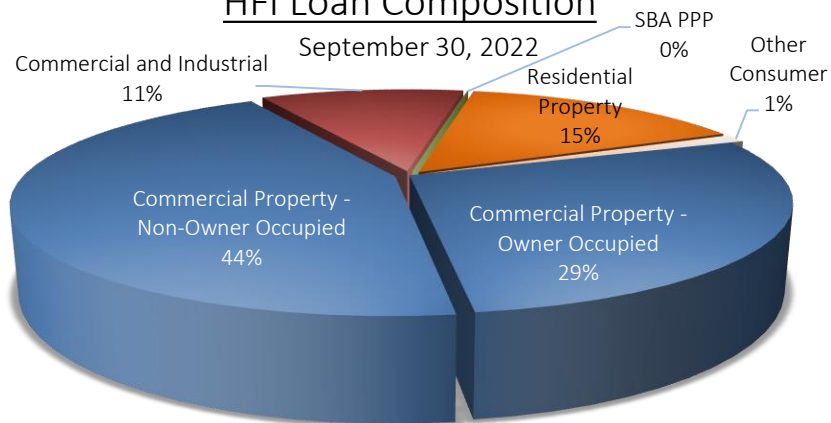
## HFI Loan Trend

(\$ in millions)



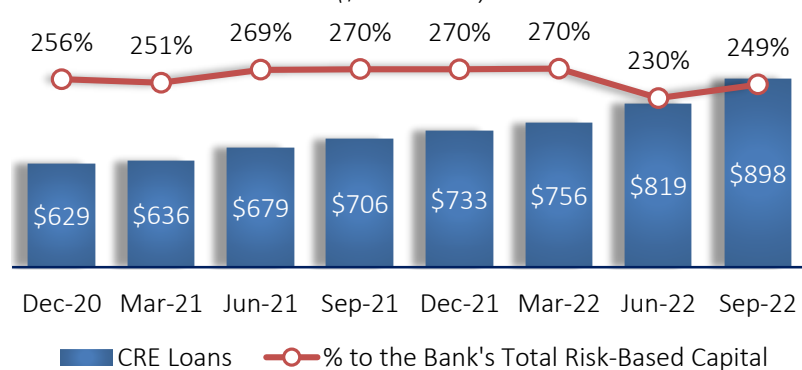
## HFI Loan Composition

September 30, 2022



## Commercial Real Estate<sup>(1)</sup> Loan Trend

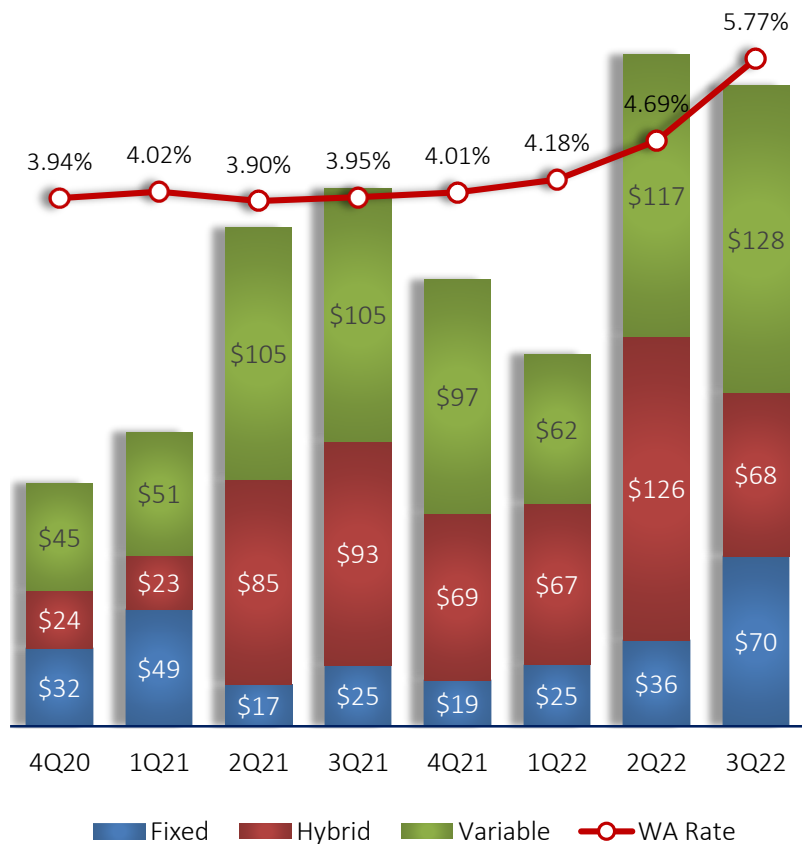
(\$ in millions)



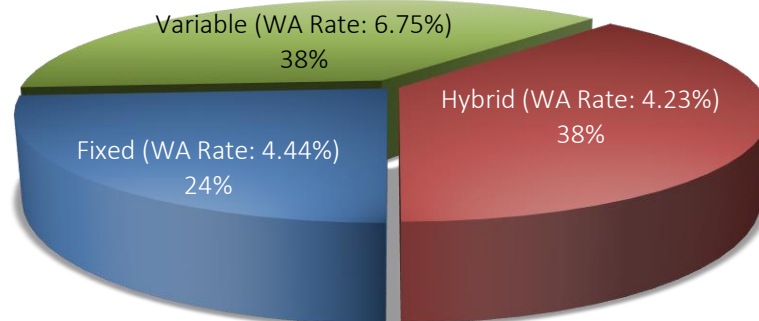
(1) Per regulatory definitions in the Commercial Real Estate ("CRE") Concentration Guidance

# Loan Rate Mix

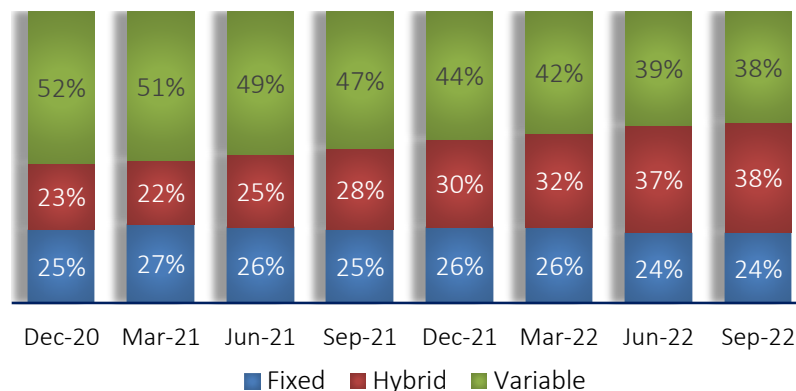
New Production<sup>(1),(2)</sup> by Rate Type  
(\$ in millions)



Interest Rate Mix<sup>(2)</sup>  
September 30, 2022



Interest Rate Mix Trend<sup>(2)</sup>



(1) Total commitment basis  
(2) Excluding SBA PPP loans.

# Loan Yield Analysis

Loan Repricing Schedule as of September 30, 2022

| (\$ in thousands)  | HFI Loans           |                     | HFS Loans        |                     | Total Loans <sup>(2)</sup> |                     |
|--------------------|---------------------|---------------------|------------------|---------------------|----------------------------|---------------------|
|                    | Carrying Value      | Rate <sup>(1)</sup> | Carrying Value   | Rate <sup>(1)</sup> | Carrying Value             | Rate <sup>(1)</sup> |
| Less Than 3 Months | \$ 690,860          | 6.96%               | \$ 18,982        | 7.65%               | \$ 709,842                 | 6.96%               |
| 3 to 12 Months     | 75,581              | 4.66%               | 0                |                     | 75,581                     | 4.66%               |
| 1 to 3 Years       | 282,507             | 4.62%               | 0                |                     | 282,507                    | 4.62%               |
| 3 to 5 Years       | 785,700             | 4.18%               | 0                |                     | 785,700                    | 4.18%               |
| More than 5 Years  | 124,589             | 4.10%               | 0                |                     | 124,589                    | 4.10%               |
| <b>Total</b>       | <b>\$ 1,959,237</b> | <b>5.24%</b>        | <b>\$ 18,982</b> | <b>7.65%</b>        | <b>\$ 1,978,219</b>        | <b>5.24%</b>        |

Breakout of Interest and Fee Income on Loans

| (\$ in thousands)                 | Total Loans <sup>(2)</sup> , Excl. SBA PPP |              | SBA PPP Loans    |               | Total Loans <sup>(2)</sup> |              |
|-----------------------------------|--------------------------------------------|--------------|------------------|---------------|----------------------------|--------------|
|                                   | Amount                                     | Yield        | Amount           | Yield         | Amount                     | Yield        |
| <b>3Q22</b>                       |                                            |              |                  |               |                            |              |
| <b>Average Carrying Value</b>     | <b>\$ 1,903,957</b>                        |              | <b>\$ 1,409</b>  |               | <b>\$ 1,905,366</b>        |              |
| Interest on Loans                 | \$ 23,721                                  | 4.94%        | \$ 4             | 1.13%         | \$ 23,725                  | 4.94%        |
| Fee (Cost)                        | 105                                        | 0.02%        | 12               | 3.38%         | 117                        | 0.02%        |
| Prepayment Penalty & Late Charges | 126                                        | 0.03%        | 0                |               | 126                        | 0.03%        |
| Discount (Premium)                | 867                                        | 0.18%        | 0                |               | 867                        | 0.18%        |
| <b>Total Interest &amp; Fees</b>  | <b>\$ 24,819</b>                           | <b>5.17%</b> | <b>\$ 16</b>     | <b>4.51%</b>  | <b>\$ 24,835</b>           | <b>5.17%</b> |
| <b>09/22 YTD</b>                  |                                            |              |                  |               |                            |              |
| <b>Average Carrying Value</b>     | <b>\$ 1,810,271</b>                        |              | <b>\$ 17,916</b> |               | <b>\$ 1,828,187</b>        |              |
| Interest on Loans                 | \$ 61,439                                  | 4.54%        | \$ 133           | 0.99%         | \$ 61,572                  | 4.50%        |
| Fee (Cost)                        | 249                                        | 0.02%        | 1,449            | 10.81%        | 1,698                      | 0.12%        |
| Prepayment Penalty & Late Charges | 316                                        | 0.02%        | 0                |               | 316                        | 0.02%        |
| Discount (Premium)                | 2,682                                      | 0.20%        | 0                |               | 2,682                      | 0.20%        |
| <b>Total Interest &amp; Fees</b>  | <b>\$ 64,686</b>                           | <b>4.78%</b> | <b>\$ 1,582</b>  | <b>11.81%</b> | <b>\$ 66,268</b>           | <b>4.85%</b> |

(1) Weighted-average contractual rate

(2) Include both HFI & HFS loans

# Loan Concentration

## Real Estate Loans – Commercial By Property Type as of September 30, 2022

| (\$ in thousands)             | Carrying Value      | % to Total    | LTV <sup>(1)</sup> |
|-------------------------------|---------------------|---------------|--------------------|
| Retail (More than 50%)        | \$ 300,929          | 21.1%         | 49.8%              |
| Industrial                    | 271,675             | 19.1%         | 50.9%              |
| Mixed Use                     | 148,624             | 10.4%         | 48.3%              |
| Apartments                    | 101,649             | 7.1%          | 51.9%              |
| Gas Station                   | 98,008              | 6.9%          | 55.1%              |
| Office                        | 96,172              | 6.8%          | 54.7%              |
| Motel / Hotel                 | 91,774              | 6.5%          | 52.0%              |
| Medical                       | 65,957              | 4.6%          | 47.0%              |
| Car Wash                      | 44,999              | 3.2%          | 57.4%              |
| Auto (Sales, Repair, & etc.)  | 39,358              | 2.8%          | 58.4%              |
| Golf Course                   | 31,607              | 2.2%          | 51.6%              |
| Condominium (Commercial)      | 26,073              | 1.8%          | 49.8%              |
| Spa, Sauna, & other self-care | 25,103              | 1.8%          | 53.8%              |
| Construction                  | 14,592              | 1.0%          | 51.4%              |
| Church                        | 12,401              | 0.9%          | 34.9%              |
| Supermarket                   | 6,952               | 0.5%          | 67.6%              |
| Others                        | 46,588              | 3.3%          | 51.8%              |
| <b>Total</b>                  | <b>\$ 1,422,461</b> | <b>100.0%</b> | <b>51.3%</b>       |

## Real Estate Loans – Residential as of September 30, 2022

| (\$ in thousands)    | Carrying Value | LTV <sup>(1)</sup> | FICO |
|----------------------|----------------|--------------------|------|
| Residential Property | \$ 297,506     | 60.3%              | 760  |

(1) Collateral value at origination

## Commercial and Industrial Loans – By Industry Type as of September 30, 2022

| <i>(\$ in thousands)</i>                      | Carrying Value    | % to Total    |
|-----------------------------------------------|-------------------|---------------|
| General Manufacturing & Wholesale Trade       | \$ 58,584         | 27.1%         |
| Food Services                                 | 37,080            | 17.2%         |
| Real Estate Related                           | 33,499            | 15.5%         |
| Retail Trade                                  | 29,695            | 13.7%         |
| Finance & Insurance                           | 17,216            | 8.0%          |
| Professional, Scientific & Technical Services | 16,319            | 7.6%          |
| Entertainment & Recreation                    | 6,806             | 3.2%          |
| Other Services                                | 5,806             | 2.7%          |
| Health Care & Social Assistance               | 4,530             | 2.1%          |
| Transportation & Warehousing                  | 3,135             | 1.5%          |
| All Other                                     | 3,366             | 1.6%          |
| <b>Total</b>                                  | <b>\$ 216,036</b> | <b>100.0%</b> |

# Loan Concentration

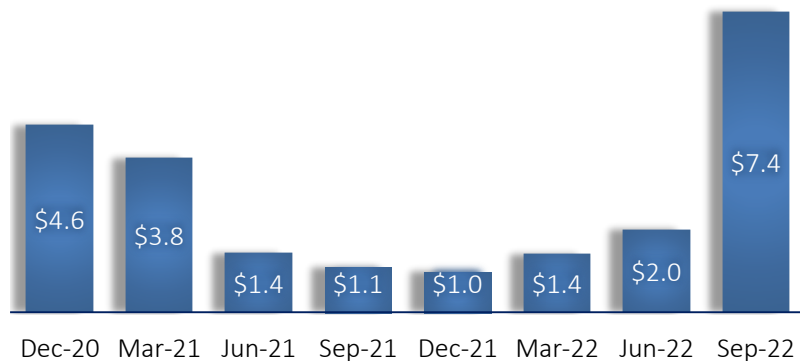
Geographic Concentration as of September 30, 2022

| (\$ in thousands) | Real Estate - Commercial |               | Real Estate – Residential |               | Commercial & Industrial |               |
|-------------------|--------------------------|---------------|---------------------------|---------------|-------------------------|---------------|
|                   | Carrying Value           | % to Total    | Carrying Value            | % to Total    | Carrying Value          | % to Total    |
| California        | \$ 1,161,281             | 81.7%         | \$ 295,880                | 99.5%         | \$ 176,369              | 81.6%         |
| Texas             | 62,802                   | 4.4%          | 0                         |               | 3,564                   | 1.6%          |
| New York          | 50,933                   | 3.6%          | 0                         |               | 9,048                   | 4.2%          |
| New Jersey        | 43,368                   | 3.0%          | 1,626                     | 0.5%          | 8,996                   | 4.2%          |
| Washington        | 38,326                   | 2.7%          | 0                         |               | 3,157                   | 1.5%          |
| Nevada            | 16,637                   | 1.2%          | 0                         |               | 3,741                   | 1.7%          |
| Georgia           | 9,751                    | 0.7%          | 0                         |               | 712                     | 0.3%          |
| Illinois          | 6,691                    | 0.5%          | 0                         |               | 813                     | 0.4%          |
| Colorado          | 6,524                    | 0.5%          | 0                         |               | 882                     | 0.4%          |
| Oregon            | 3,286                    | 0.2%          | 0                         |               | 4,056                   | 1.9%          |
| Virginia          | 3,470                    | 0.2%          | 0                         |               | 68                      | 0.0%          |
| Maryland          | 1,860                    | 0.1%          | 0                         |               | 1,060                   | 0.5%          |
| Pennsylvania      | 2,678                    | 0.2%          | 0                         |               | 16                      | 0.0%          |
| Other States      | 14,854                   | 1.0%          | 0                         |               | 3,554                   | 1.6%          |
| <b>Total</b>      | <b>\$ 1,422,461</b>      | <b>100.0%</b> | <b>\$ 258,259</b>         | <b>100.0%</b> | <b>\$ 216,036</b>       | <b>100.0%</b> |

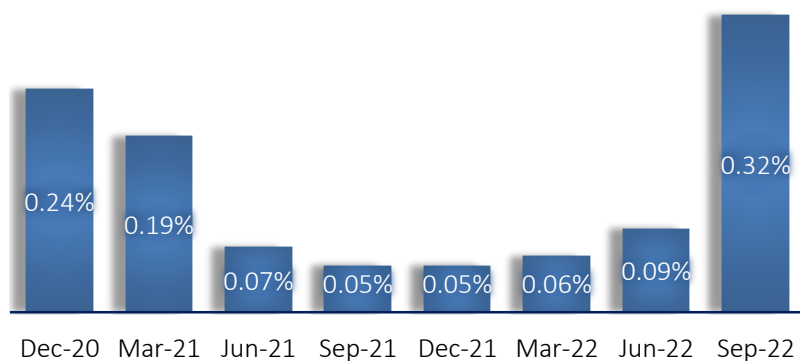
# Credit Quality

## Non-Performing Assets ("NPAs")

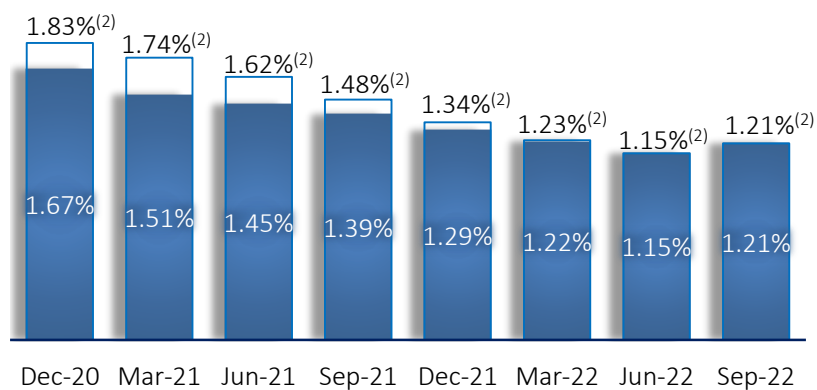
(\$ in millions)



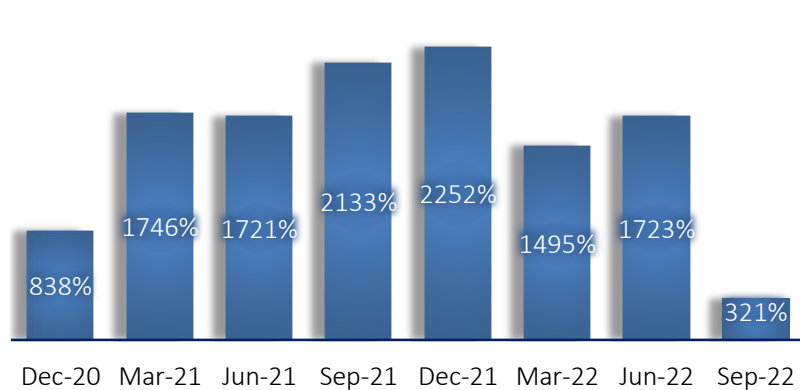
## NPAs to Total Assets



## Allowance<sup>(1)</sup> to HFI Loans



## Allowance<sup>(1)</sup> to Non-Performing Loans

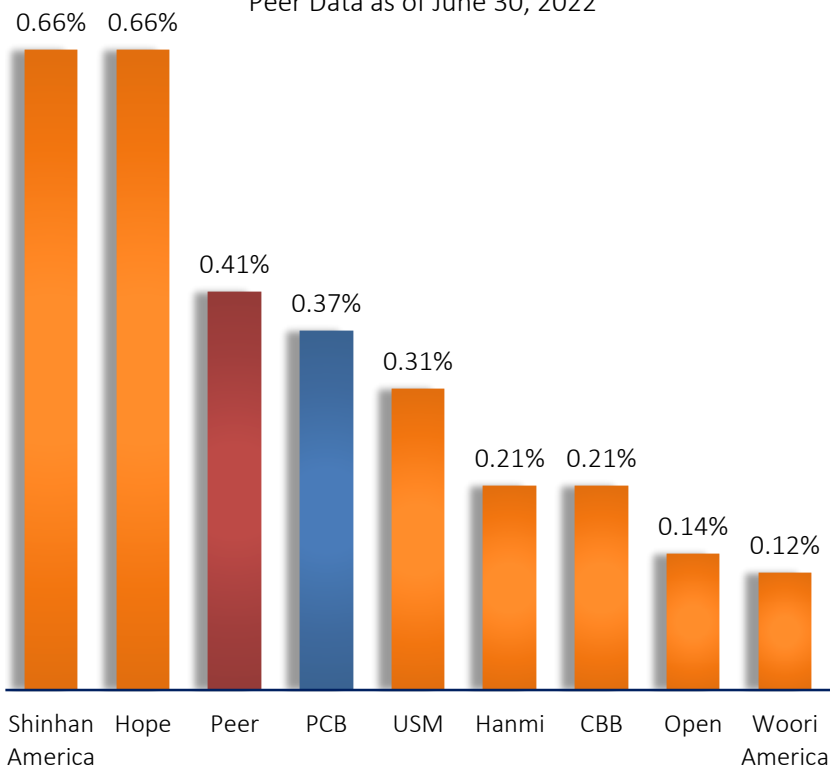


(1) Allowance for Loan Losses

(2) This adjusted allowance to HFI Loans ratio excludes SBA PPP loans and is not presented in accordance with GAAP. See "Non-GAAP Measures" for reconciliation of this measure to its most comparable GAAP measures.

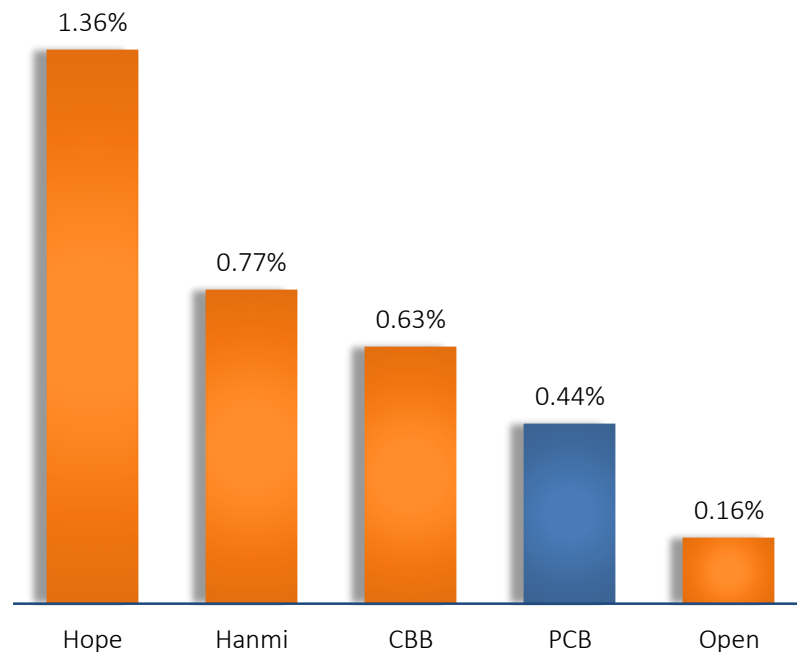
## NPAs / (Total Loans + OREO)<sup>(2)</sup>

September 30, 2022  
Peer Data as of June 30, 2022



## Classified Assets to Total Assets<sup>(3)</sup>

September 30, 2022  
Peer Data as of June 30, 2022



(1) Korean-American banks operating in Southern California

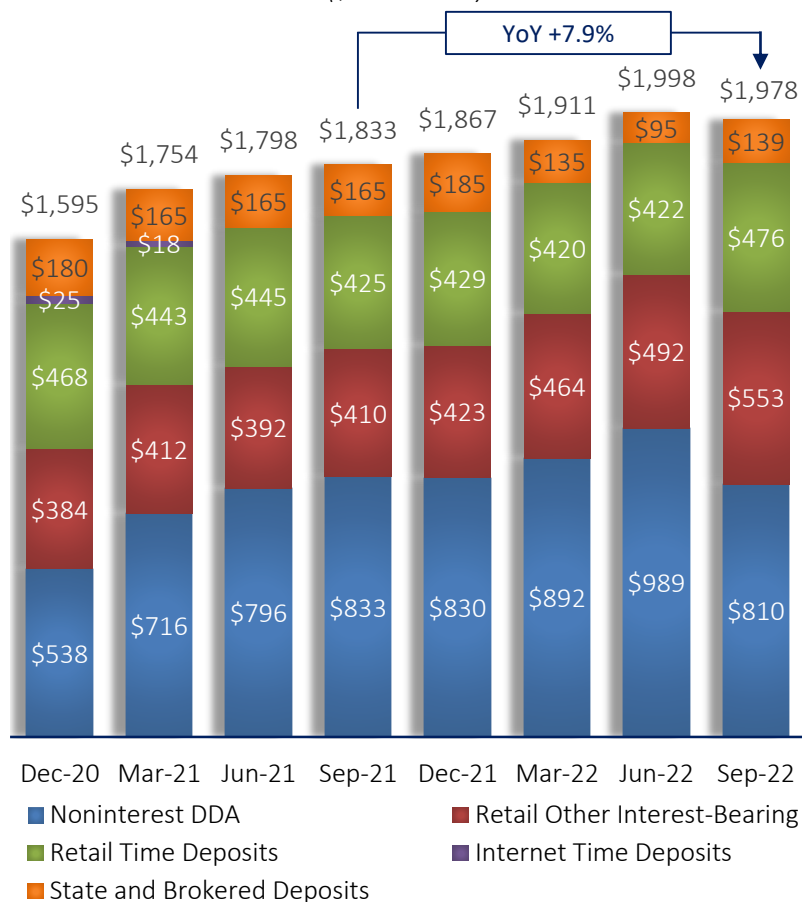
(2) Source: UBPR

(3) Source: Press release concerning financial performance

# Deposit Overview

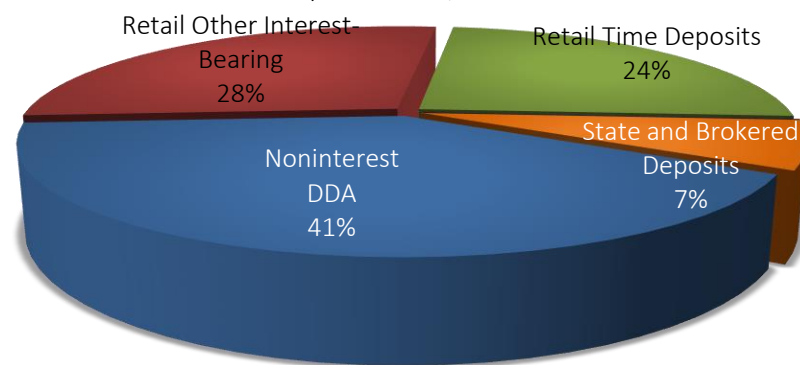
## Deposit Trend

(\$ in millions)



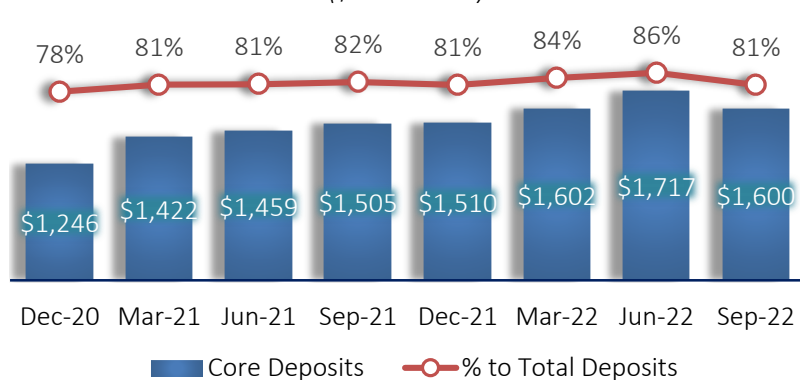
## Deposit Composition

September 30, 2022



## Core Deposits<sup>(1)</sup>

(\$ in millions)



(1) Not presented in accordance with GAAP. See "Non-GAAP Measures" for reconciliation of this measure to its most comparable GAAP measure.

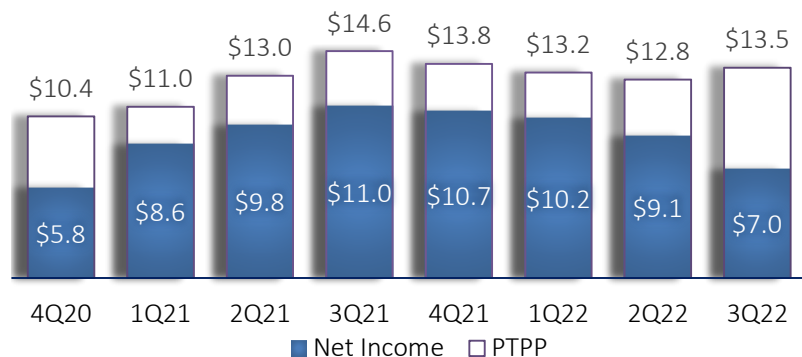
# Maturity Schedule

Time Deposits as of September 30, 2022

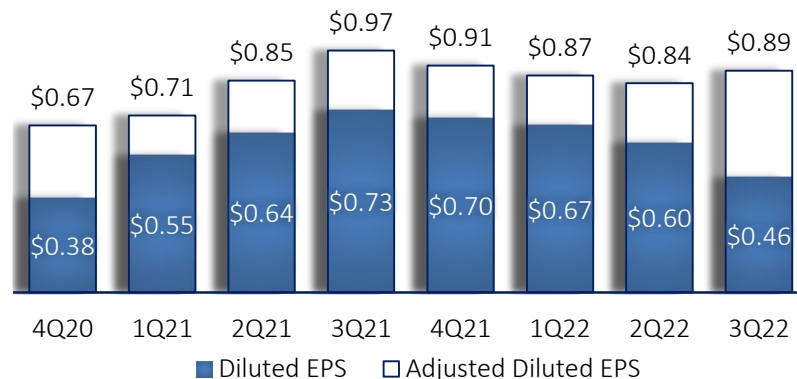
| (\$ in thousands)   | Retail Time Deposits |              | State and Brokered Time Deposits |              | Total             |              |
|---------------------|----------------------|--------------|----------------------------------|--------------|-------------------|--------------|
|                     | Amount               | WA Rate      | Amount                           | WA Rate      | Amount            | WA Rate      |
| Less Than 3 Months  | \$ 136,203           | 1.05%        | \$ 95,000                        | 1.14%        | \$ 231,203        | 1.23%        |
| 3 to 6 Months       | 100,535              | 1.26%        | 10,004                           | 3.60%        | 110,539           | 1.47%        |
| 6 to 9 Months       | 68,859               | 1.13%        | 10,000                           | 3.90%        | 78,859            | 1.48%        |
| 9 to 12 Months      | 163,566              | 2.24%        | 10,361                           | 3.85%        | 173,927           | 2.34%        |
| More than 12 Months | 6,972                | 1.26%        | 3,756                            | 3.90%        | 10,728            | 2.19%        |
| <b>Total</b>        | <b>\$ 476,135</b>    | <b>1.52%</b> | <b>\$ 129,121</b>                | <b>2.10%</b> | <b>\$ 605,256</b> | <b>1.64%</b> |

# Profitability

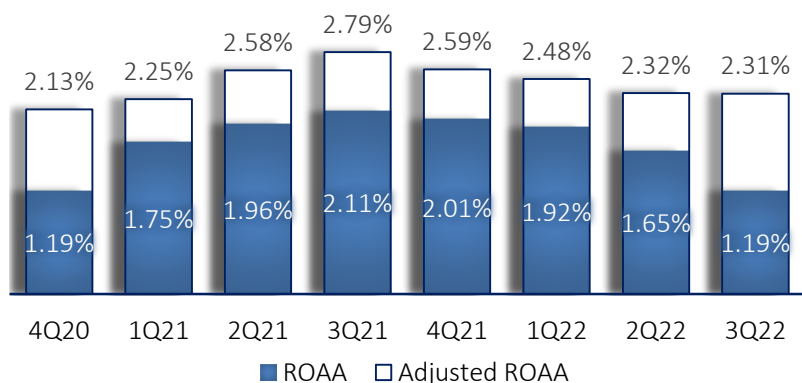
Net Income & PTPP<sup>(1)</sup> Income  
(\$ in millions)



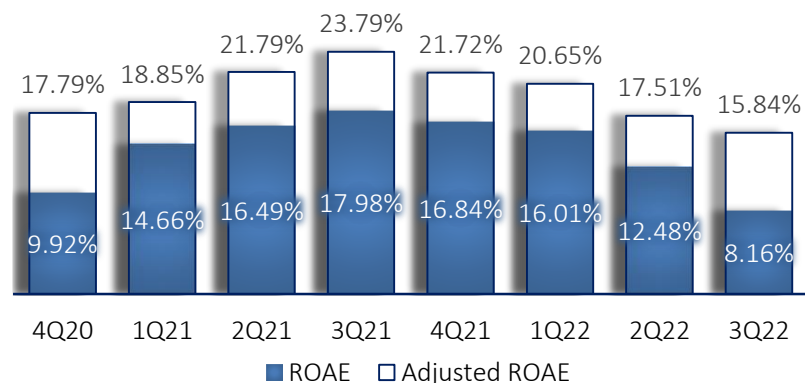
Diluted EPS & Adjusted Diluted EPS<sup>(1)</sup>



ROAA & Adjusted ROAA<sup>(1)</sup>



ROAE & Adjusted ROAE<sup>(1)</sup>

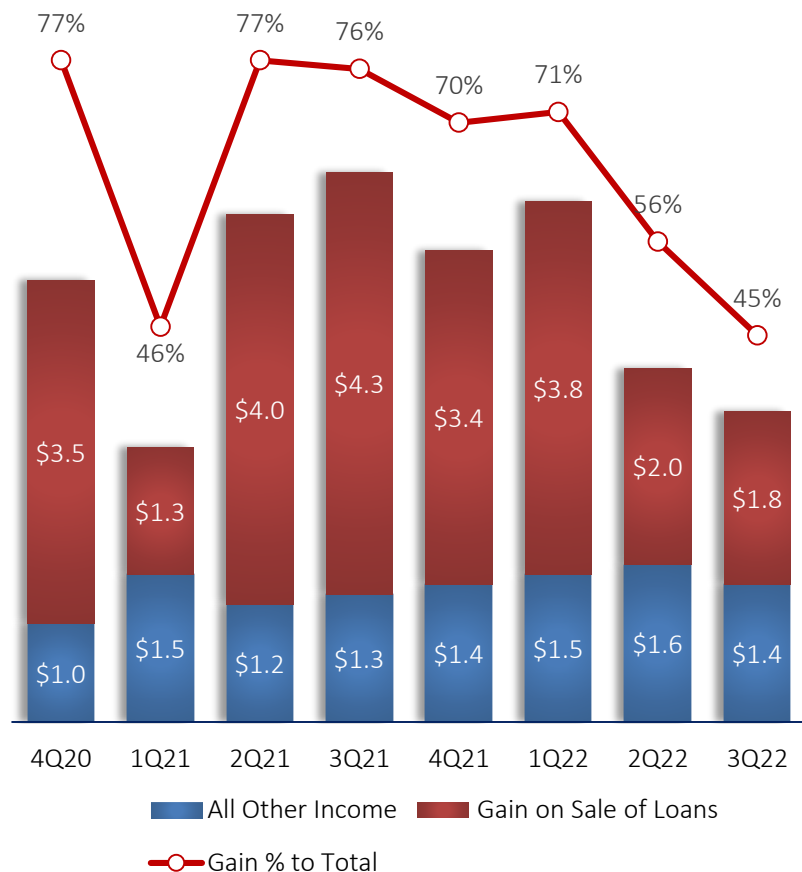


(1) PTPP (Pre-Tax Pre-Provision) income, and adjusted EPS, ROAA and ROAE for PTPP are not presented in accordance with GAAP. See "Non-GAAP measure" for reconciliations of these measures to their most comparable GAAP measures.

# Noninterest Income

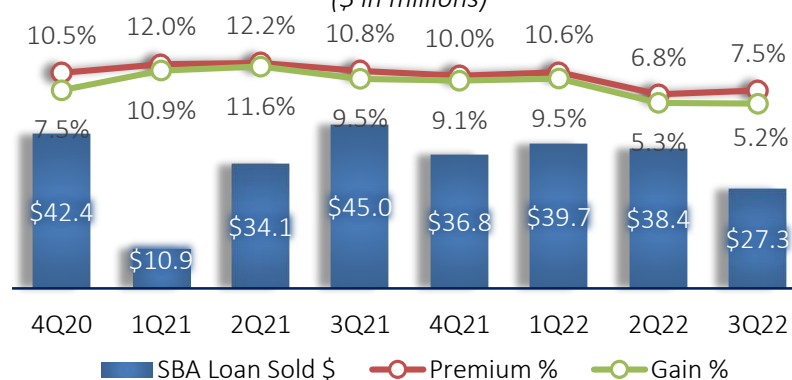
## Noninterest Income Trend

(\$ in millions)



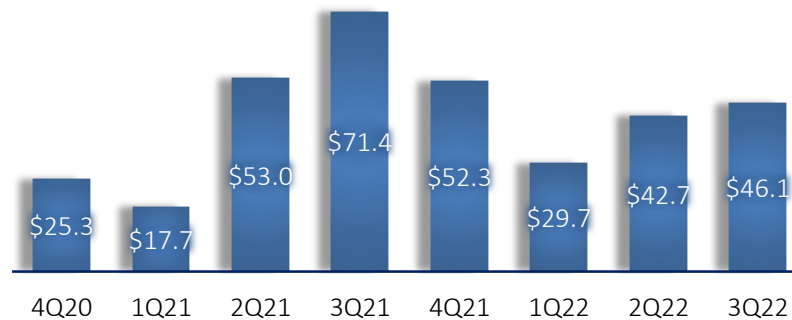
## SBA Loan Sale Trend

(\$ in millions)



## SBA 7(a) Loan Production <sup>(1)</sup>

(\$ in millions)

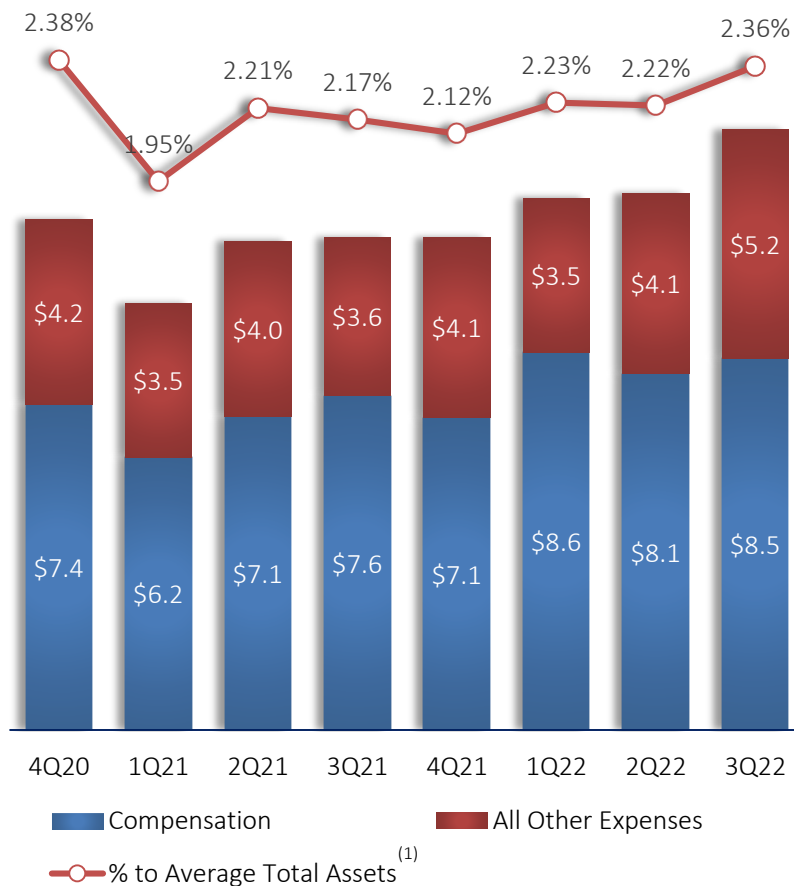


(1) Total commitment basis

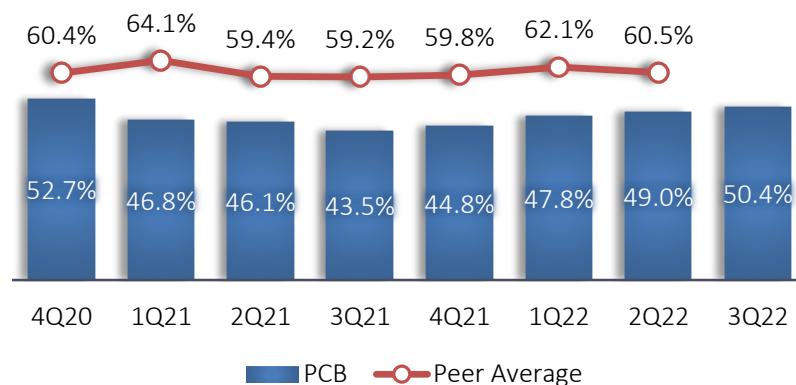
# Noninterest Expense

## Noninterest Expense Trend

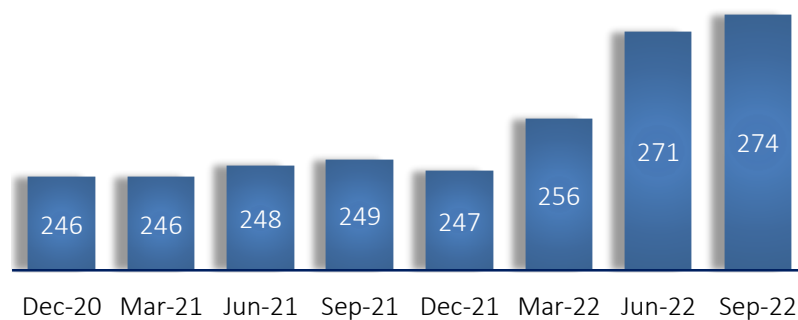
(\$ in millions)



## Efficiency Ratio<sup>(2)</sup>



## Number of FTE<sup>(3)</sup> Employees



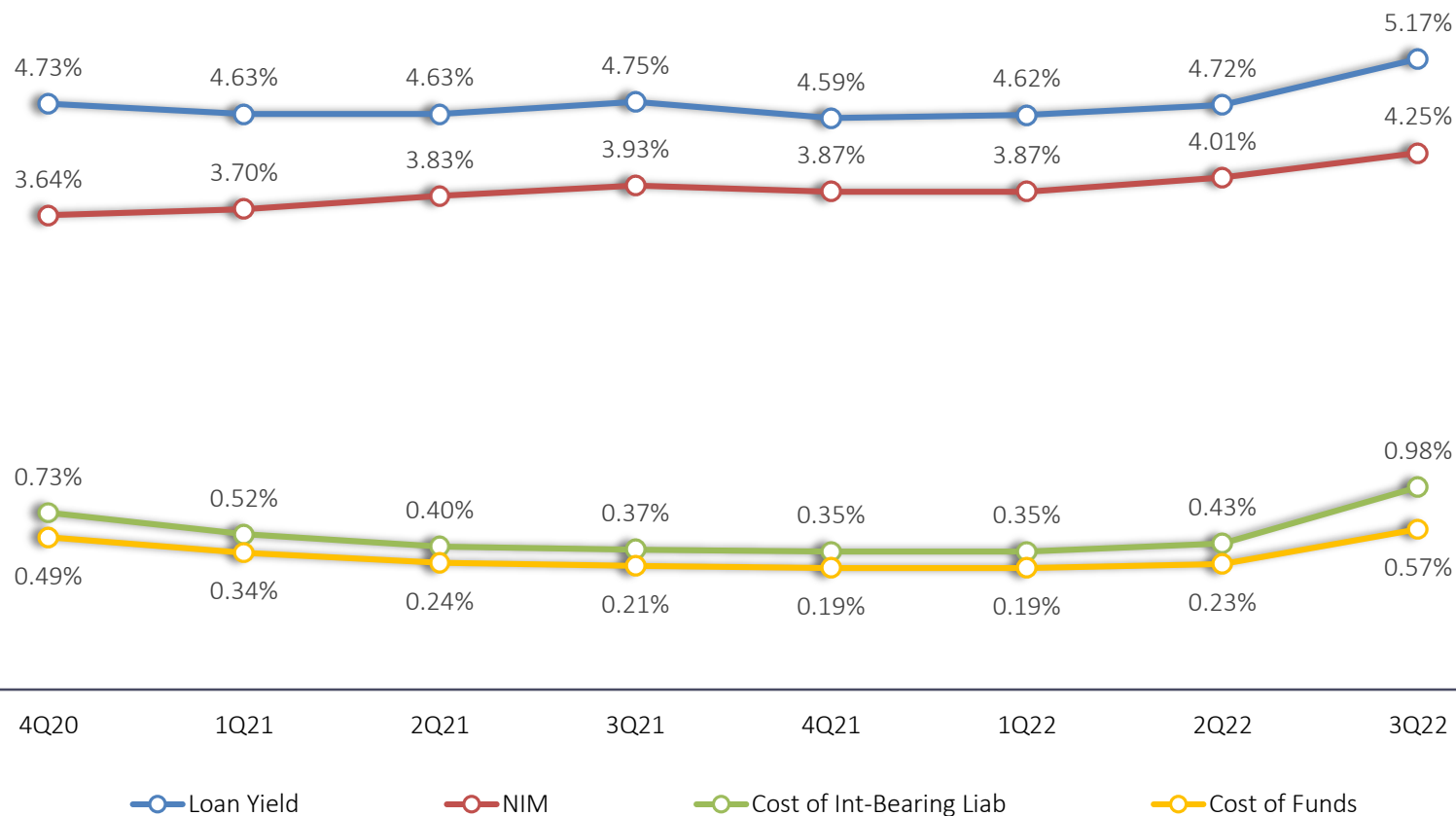
(1) Annualized

(2) Source: Peer \$1 to \$3 billion per UBPR

(3) Full-time equivalent

# Net Interest Margin

Yield & Cost<sup>(1)</sup>

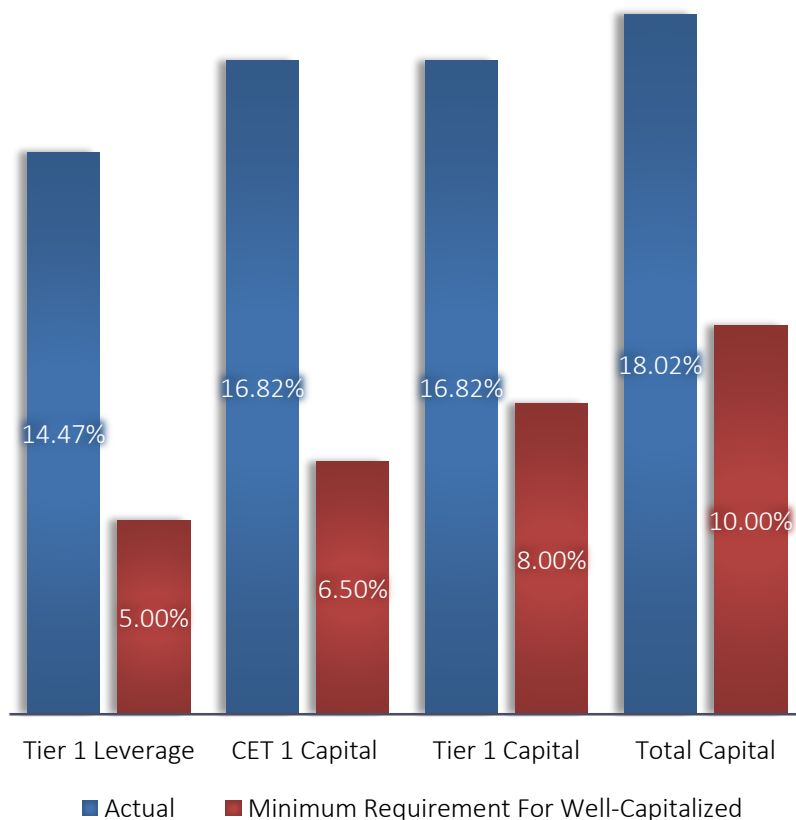


(1) Annualized

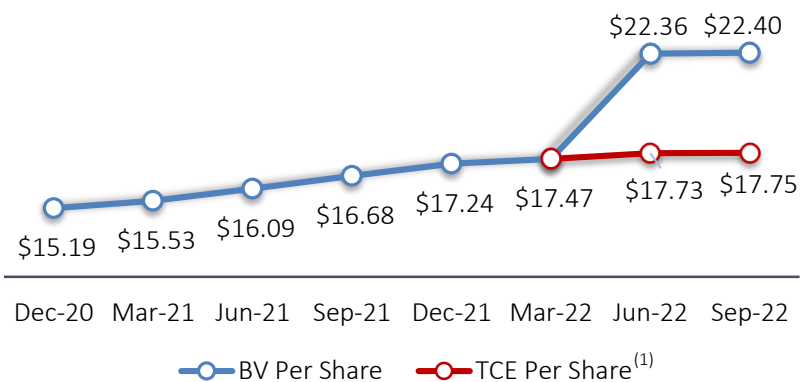
# Capital

## Bank Regulatory Capital Ratios

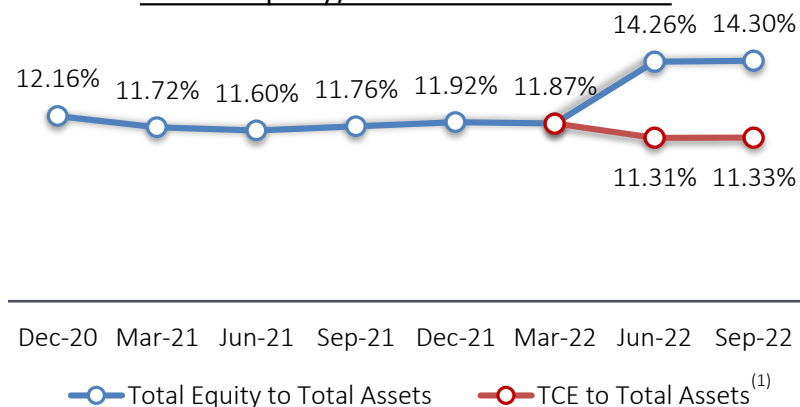
September 30, 2022



## Book Value/TCE Per Share



## Total Equity/TCE to Total Assets



(1) Not presented in accordance with U.S. GAAP. See "Non-GAAP measure" for a reconciliation of these measure to its most comparable GAAP measures.

## Adjusted Allowance to HFI Loans Ratio

Adjusted allowance to HFI loans ratio is a non-GAAP measure that we use to enhance comparability to prior periods and provide supplemental information regarding the Company's credit trends. We calculate adjusted allowance to HFI loan ratio as allowance divided by loans held-for-investment excluding SBA PPP loans. The SBA launched the PPP to provide a direct incentive for small businesses to keep their workers on the payroll in response to the COVID-19 pandemic. The SBA guarantees 100% of the PPP loans made to eligible borrowers, and the loans are eligible to be forgiven if certain conditions are met, at which point the SBA will make payments to the Bank for the forgiven amounts. The SBA guarantee on PPP loans cannot be separated from the loan and therefore is not a separate unit of account. The Company considered the SBA guarantee in the allowance for loan losses evaluation and determined that it is not required to reserve an allowance on SBA PPP loans.

## Core Deposits

Core Deposits are a non-GAAP measure that we use to measure the portion of our total deposits that are thought to be more stable, lower cost and reprice less frequently on average in a rising rate environment. We calculate core deposits as total deposits less time deposits greater than \$250,000 and brokered deposits. Management tracks its core deposits because management believes it is a useful measure to help assess the Company's deposit base and, among other things, potential volatility therein.

## PTPP Income, and Adjusted ROAA, ROAE and Diluted EPS for PTPP

PTPP income, and adjusted ROAA, ROAE and Diluted EPS are non-GAAP measures that we use to measure the Company's performance and believe these presentations provide useful supplemental information, and a clearer understanding of the Company's performance. We calculated PTPP income as net income excluding income tax provision and provision for loan losses. Management believes the non-GAAP measures enhance investors' understanding of the Company's business and performance. These measures are also useful in understanding performance trends and facilitate comparisons with the performance of other financial institutions. The limitations associated with operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and that different companies might calculate these measures differently.

## ROATCE, TCE Per Share and TCE to Total Assets

ROATCE, TCE per share and TCE to total assets measures that we use to measure the Company's performance. We calculated TCE as total shareholders' equity excluding preferred stock. Management believes the non-GAAP measures provide useful supplemental information, and a clearer understanding of the Company's performance.

# Non-GAAP Measures

The following table reconciles adjusted allowance to HFI loans ratio and core deposits to their most comparable GAAP measures:

| (\$ in thousands)                       |         | 12/31/20            | 03/31/21            | 06/30/21            | 09/30/21            | 12/31/21            | 03/31/22            | 06/30/22            | 09/30/22            |
|-----------------------------------------|---------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| HFI Loans                               | (a)     | \$ 1,583,578        | \$ 1,685,916        | \$ 1,719,656        | \$ 1,707,878        | \$ 1,732,205        | \$ 1,742,955        | \$ 1,833,010        | \$ 1,959,237        |
| Less: SBA PPP Loans                     |         | (135,654)           | (218,709)           | (181,019)           | (101,901)           | (65,329)            | (22,926)            | (1,583)             | (1,309)             |
| HFI Loans, Excluding SBA PPP Loans      | (b)     | <u>\$ 1,447,924</u> | <u>\$ 1,467,207</u> | <u>\$ 1,538,637</u> | <u>\$ 1,605,977</u> | <u>\$ 1,666,876</u> | <u>\$ 1,720,029</u> | <u>\$ 1,831,427</u> | <u>\$ 1,957,928</u> |
| Allowance                               | (c)     | \$ 26,510           | \$ 25,514           | \$ 24,889           | \$ 23,807           | \$ 22,381           | \$ 21,198           | \$ 21,071           | \$ 23,761           |
| Allowance to HFI Loans Ratio            | (c)/(a) | 1.67%               | 1.51%               | 1.45%               | 1.39%               | 1.29%               | 1.22%               | 1.15%               | 1.21%               |
| Adjusted Allowance to HFI Loans Ratio   | (c)/(b) | 1.83%               | 1.74%               | 1.62%               | 1.48%               | 1.34%               | 1.23%               | 1.15%               | 1.21%               |
| Total Deposits                          | (d)     | \$ 1,594,851        | \$ 1,753,772        | \$ 1,797,648        | \$ 1,832,666        | \$ 1,867,134        | \$ 1,910,379        | \$ 1,997,607        | \$ 1,978,098        |
| Less: Time Deposits Greater Than \$250K |         | (268,683)           | (266,845)           | (273,401)           | (263,127)           | (272,269)           | (273,844)           | (246,024)           | (299,271)           |
| Less: Brokered Deposits                 |         | (80,002)            | (65,004)            | (65,004)            | (65,004)            | (85,001)            | (35,001)            | (35,001)            | (79,131)            |
| Core Deposits                           | (e)     | <u>\$ 1,246,166</u> | <u>\$ 1,421,923</u> | <u>\$ 1,459,243</u> | <u>\$ 1,504,535</u> | <u>\$ 1,509,864</u> | <u>\$ 1,601,534</u> | <u>\$ 1,716,582</u> | <u>\$ 1,599,696</u> |
| Core Deposits to Total Deposits         | (e)/(d) | 78.1%               | 81.1%               | 81.2%               | 82.1%               | 80.9%               | 83.8%               | 85.9%               | 80.9%               |

# Non-GAAP Measures

The following table reconciles PTPP income, and adjusted ROAA, ROAE and diluted EPS for PTPP to their most comparable GAAP measures:

| (\$ in thousands)                                  |            | 4Q20          | 1Q21          | 2Q21          | 3Q21          | 4Q21          | 1Q22          | 2Q22          | 3Q22          |
|----------------------------------------------------|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Net Income                                         | (a) \$     | 5,787         | \$ 8,560      | \$ 9,844      | \$ 11,023     | \$ 10,676     | \$ 10,240     | \$ 9,092      | \$ 6,953      |
| Add: Provision (Reversal) for Loan Losses          |            | 2,142         | (1,147)       | (934)         | (1,053)       | (1,462)       | (1,191)       | (109)         | 3,753         |
| Add: Income Tax Provision                          |            | 2,452         | 3,594         | 4,098         | 4,613         | 4,551         | 4,159         | 3,771         | 2,798         |
| PTPP Income (Non-GAAP)                             | (b) \$     | <u>10,381</u> | <u>11,007</u> | <u>13,008</u> | <u>14,583</u> | <u>13,765</u> | <u>13,208</u> | <u>12,754</u> | <u>13,504</u> |
| Average Total Assets                               | (c) \$     | 1,939,326     | \$ 1,987,217  | \$ 2,018,789  | \$ 2,070,365  | \$ 2,111,834  | \$ 2,161,132  | \$ 2,208,059  | \$ 2,319,439  |
| ROAA <sup>(1)</sup>                                | (a)/(c)    | 1.19%         | 1.75%         | 1.96%         | 2.11%         | 2.01%         | 1.92%         | 1.65%         | 1.19%         |
| Adjusted ROAA (Non-GAAP) <sup>(1)</sup>            | (b)/(c)    | 2.13%         | 2.25%         | 2.58%         | 2.79%         | 2.59%         | 2.48%         | 2.32%         | 2.31%         |
| Average Total Shareholders' Equity                 | (d) \$     | 232,156       | \$ 236,790    | \$ 239,448    | \$ 243,185    | \$ 251,477    | \$ 259,367    | \$ 292,135    | \$ 338,248    |
| ROAE <sup>(1)</sup>                                | (a)/(d)    | 9.92%         | 14.66%        | 16.49%        | 17.98%        | 16.84%        | 16.01%        | 12.48%        | 8.16%         |
| Adjusted ROAE (Non-GAAP) <sup>(1)</sup>            | (b)/(d)    | 17.79%        | 18.85%        | 21.79%        | 23.79%        | 21.72%        | 20.65%        | 17.51%        | 15.84%        |
| Net Income                                         | \$         | 5,787         | \$ 8,560      | \$ 9,844      | \$ 11,023     | \$ 10,676     | \$ 10,240     | \$ 9,092      | \$ 6,953      |
| Less: Income Allocated to Participating Securities |            | (11)          | (33)          | (41)          | (43)          | (40)          | (48)          | (42)          | (30)          |
| Net Income Allocated to Common Stock               | (e)        | 5,776         | 8,527         | 9,803         | 10,980        | 10,636        | 10,192        | 9,050         | 6923          |
| Add: Provision for Loan Losses                     |            | 2,142         | (1,147)       | (934)         | (1,053)       | (1,462)       | (1,191)       | (109)         | 3,753         |
| Add: Income Tax Provision                          |            | 2,452         | 3,594         | 4,098         | 4,613         | 4,551         | 4,159         | 3,771         | 2,798         |
| PTPP Income Allocated to Common Stock              | (f) \$     | <u>10,370</u> | <u>10,974</u> | <u>12,967</u> | <u>14,540</u> | <u>13,725</u> | <u>13,160</u> | <u>12,712</u> | <u>13,474</u> |
| WA common shares outstanding, diluted              | (g)        | 15,392,355    | 15,533,608    | 15,309,873    | 15,031,558    | 15,093,351    | 15,141,693    | 15,122,452    | 15,088,089    |
| Diluted EPS                                        | (e)/(g) \$ | 0.38          | \$ 0.55       | \$ 0.64       | \$ 0.73       | \$ 0.70       | \$ 0.67       | \$ 0.60       | \$ 0.46       |
| Adjusted Diluted EPS (Non-GAAP)                    | (f)/(g) \$ | 0.67          | \$ 0.71       | \$ 0.85       | \$ 0.97       | \$ 0.91       | \$ 0.87       | \$ 0.84       | \$ 0.89       |

(1) Annualized.

The following table reconciles ROATCE to its most comparable GAAP measure:

| (\$ in thousands)                  |         | 4Q20           | 1Q21              | 2Q21              | 3Q21              | 4Q21              | 1Q22              | 2Q22              | 3Q22              | 09/22 YTD         |
|------------------------------------|---------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Average Total Shareholders' Equity | (a)\$   | 232,156        | \$ 236,790        | \$ 239,448        | \$ 243,185        | \$ 251,477        | \$ 259,367        | \$ 292,135        | \$ 338,248        | \$ 296,871        |
| Less: Average Preferred Stock      |         | 0              | 0                 | 0                 | 0                 | 0                 | 0                 | 28,872            | 69,141            | 32,924            |
| Average TCE (Non-GAAP)             | (b)\$   | <u>232,156</u> | <u>\$ 236,790</u> | <u>\$ 239,448</u> | <u>\$ 243,185</u> | <u>\$ 251,477</u> | <u>\$ 259,367</u> | <u>\$ 263,263</u> | <u>\$ 269,107</u> | <u>\$ 263,947</u> |
| Net Income                         | (c)\$   | 5,787          | \$ 8,560          | \$ 9,844          | \$ 11,023         | \$ 10,676         | \$ 10,240         | \$ 9,092          | \$ 6,953          | \$ 26,285         |
| ROAE <sup>(1)</sup>                | (c)/(a) | 9.92%          | 14.66%            | 16.49%            | 17.98%            | 16.84%            | 16.01%            | 12.48%            | 8.16%             | 11.84%            |
| ROATCE (Non-GAAP) <sup>(1)</sup>   | (c)/(b) | 9.92%          | 14.66%            | 16.49%            | 17.98%            | 16.84%            | 16.01%            | 13.85%            | 10.25%            | 13.31%            |

The following table reconciles TCE per share and TCE to total assets to their most comparable GAAP measures:

| (\$ in thousands, except per share data)   |           | 12/31/20       | 03/31/21          | 06/30/21          | 09/30/21          | 12/31/21          | 03/31/22          | 06/30/22          | 09/30/22          |
|--------------------------------------------|-----------|----------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Total Shareholders' Equity                 | (a)\$     | 233,788        | \$ 240,263        | \$ 238,941        | \$ 247,598        | \$ 256,286        | \$ 261,058        | \$ 334,375        | \$ 332,719        |
| Less: Preferred Stock                      |           | 0              | 0                 | 0                 | 0                 | 0                 | 0                 | 69,141            | 69,141            |
| TCE (Non-GAAP)                             | (b)\$     | <u>233,788</u> | <u>\$ 240,263</u> | <u>\$ 238,941</u> | <u>\$ 247,598</u> | <u>\$ 256,286</u> | <u>\$ 261,058</u> | <u>\$ 265,234</u> | <u>\$ 263,578</u> |
| Outstanding Shares                         | (c)       | 15,385,878     | 15,468,242        | 14,854,315        | 14,841,626        | 14,865,825        | 14,944,663        | 14,956,760        | 14,853,140        |
| Book Value Per Share                       | (a)/(c)\$ | 15.19          | \$ 15.53          | \$ 16.09          | \$ 16.68          | \$ 17.24          | \$ 17.47          | \$ 22.36          | \$ 22.40          |
| TCE Per Share (Non-GAAP)                   | (b)/(c)\$ | 15.19          | \$ 15.53          | \$ 16.09          | \$ 16.68          | \$ 17.24          | \$ 17.47          | \$ 17.73          | \$ 17.75          |
| Total Assets                               | (d)\$     | 1,922,853      | \$ 2,050,672      | \$ 2,060,003      | \$ 2,104,699      | \$ 2,149,735      | \$ 2,199,742      | \$ 2,344,560      | \$ 2,327,051      |
| Total Shareholders' Equity to Total Assets | (a)/(d)   | 12.16%         | 11.72%            | 11.60%            | 11.76%            | 11.92%            | 11.87%            | 14.26%            | 14.30%            |
| TCE to Total Assets (Non-GAAP)             | (b)/(d)   | 12.16%         | 11.72%            | 11.60%            | 11.76%            | 11.92%            | 11.87%            | 11.31%            | 11.33%            |