



FIRST PACIFIC BANCORP REPORTS FOURTH QUARTER AND FULL YEAR 2024 RESULTS

Whittier, California, February 6, 2025 – First Pacific Bancorp (the “Company”) (OTC Pink: FPBC), the holding company for First Pacific Bank (the “Bank”), today reported consolidated results for the fourth quarter and year ending December 31, 2024, marking its seventh consecutive quarter of profitability. The Company remains well-capitalized, with a robust liquidity position supported by a stable core deposit base and access to substantial sources of liquidity.

Highlights for the fourth quarter and full year 2024 include:

- **Total assets** ended 2024 at **\$433 million**, up \$13 million from \$420 million at year end 2023.
- **Total deposits** ended 2024 at **\$351 million**, up \$18 million since year end 2023.
- **Total loans** ended 2024 at **\$277 million**, up \$2 million from year end 2023.
- Asset quality remains excellent with minimal levels of classified or non-performing assets.
- The Bank ended the fourth quarter with a strong capital position, with a **leverage capital ratio of 9.0% and a total risk-based capital ratio of 13.4%**.
- As of December 31, 2024, **cash and cash equivalents totaled \$41 million**, including funds invested overnight, up \$19 million since year end 2023.
- **Unused borrowing capacity** from credit facilities in place on December 31, 2024, totaled **\$167 million**.

For the fourth quarter ending December 31, 2024, the Company realized a pre-tax, pre-provision profit of \$702 thousand, compared to a pre-tax, pre-provision profit of \$345 thousand in Q3 2024. Net income for the fourth quarter of 2024 was \$500 thousand, up from \$249 thousand in Q3 2024. For the twelve months ending December 31, 2024, the Company reported \$1.1 million in net income, up from a net loss of \$164 thousand reported for the twelve months ending December 31, 2023.

Asset quality remains excellent with minimal non-performing assets and the allowance for credit losses is 1.15% of total loans. There was no provision for credit losses recognized for the year ending 2024, compared to \$906 thousand for the year ending December 31, 2023.

“We are pleased to close out 2024 on a strong note, achieving seven consecutive quarters of profitability and demonstrating the success of our strategic approach,” said Joe Matranga, Chairman of the Board of Directors. “With a solid capital position, strong liquidity, and sound financial standing, we are well-positioned to continue to execute our strategy and drive sustainable, long-term value for our stakeholders.”

“We delivered another strong quarter of financial results highlighted by loan and deposit growth, excellent asset quality, and a solid capital and liquidity position,” said Nathan Rogge, President and Chief Executive Officer. “We enter 2025 with strong momentum and a clear growth strategy, driven by strategic investments in technology and innovation designed to enhance the banking experience and reinforce our competitive advantage.”

“As a Southern California-based company, we are deeply saddened by the devastation caused by the recent wildfires. Our thoughts and prayers are with everyone impacted by this disaster and we are committed to helping Los Angeles move forward.”

ABOUT FIRST PACIFIC BANK

First Pacific Bank is a wholly owned subsidiary of First Pacific Bancorp (OTC Pink: FPBC) and is a growing community bank catering to individuals, professionals, and small-to-medium sized businesses throughout Southern California. Since opening in 2006, the Bank has offered a personalized approach, access to decision makers, a broad range of solutions, and a commitment to delivering an exceptional customer experience. First Pacific Bank operates locations in Los Angeles County, Orange County, San Diego County, and the Inland Empire. For more information, visit firstpacbank.com or call 888.BNK.AT.FPB.

FORWARD-LOOKING STATEMENTS

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

Contacts

Investor Relations Contact

Jim Burgess

858.461.7302

jburgess@firstpacbank.com

Media Relations Contact

Amanda Conover

858.461.7308

aconover@firstpacbank.com

--- Summary Financial Tables Follow ---

First Pacific Bancorp

Consolidated Balance Sheets

(Unaudited)

	<u>Dec 31, 2024</u>	<u>Sep 30, 2024</u>	<u>Jun 30, 2024</u>	<u>Mar 31, 2024</u>	<u>Dec 31, 2023</u>
ASSETS					
Cash and due from banks	\$ 4,708,926	\$ 23,584,084	\$ 4,671,483	\$ 7,317,500	\$ 4,308,149
Fed funds sold & int-bearing balances	36,290,000	25,520,000	37,860,000	37,575,000	18,060,000
Total cash and cash equivalents	40,998,926	49,104,084	42,531,483	44,892,500	22,368,149
Debt securities (AFS)	1,866,022	3,041,852	3,077,666	5,138,340	5,257,049
Debt securities (HTM)	100,257,560	101,260,391	102,202,926	103,474,749	104,343,133
Total debt securities	102,123,582	104,302,243	105,280,592	108,613,089	109,600,182
<i>Construction & land development</i>	23,320,351	23,067,204	24,651,513	25,480,398	27,070,749
<i>1-4 Family residential</i>	58,588,090	58,082,570	68,588,393	68,521,663	66,567,165
<i>Multifamily residential</i>	28,561,276	28,966,811	26,800,829	26,947,419	27,128,177
<i>Nonfarm, nonresidential real estate</i>	100,066,570	99,715,860	94,643,169	97,893,840	99,627,812
<i>Commercial & industrial</i>	62,322,690	57,342,017	53,504,969	54,785,564	53,938,659
<i>Consumer & Other</i>	4,525,108	780,639	1,831,036	1,123,918	865,849
Total loans	277,384,085	267,955,101	270,019,909	274,752,802	275,198,411
Allowance for credit losses (loans)	(3,179,637)	(3,109,975)	(3,109,975)	(3,109,975)	(3,109,975)
Total loans, net	274,204,448	264,845,126	266,909,934	271,642,827	272,088,436
Premises, equipment, and ROU net	1,328,964	1,452,886	1,714,833	1,992,588	2,268,671
Goodwill, core deposit & other intangibles	1,273,134	1,287,129	1,298,084	1,313,367	1,328,651
Bank owned life insurance	5,287,738	5,257,550	5,227,763	5,198,654	5,170,521
Accrued interest and other assets	7,755,355	7,505,380	7,476,554	7,415,609	7,392,301
Total Assets	\$ 432,972,147	\$ 433,754,398	\$ 430,439,243	\$ 441,068,634	\$ 420,216,911
LIABILITIES AND SHAREHOLDERS' EQUITY					
Deposits:					
Noninterest-bearing demand	\$ 131,515,568	\$ 129,473,091	\$ 144,240,187	\$ 133,945,262	\$ 121,348,095
Interest-bearing transaction accounts	28,454,639	24,660,000	24,797,108	28,166,207	34,716,150
Money market and savings	146,423,126	143,270,628	143,497,864	148,732,230	139,011,862
Time deposits	44,302,867	44,388,137	41,060,590	38,662,227	38,235,413
Total deposits	350,696,200	341,791,856	353,595,749	349,505,926	333,311,520
Borrowings	40,000,000	50,000,000	35,000,000	50,000,000	45,000,000
Accrued interest and other liabilities	3,122,902	3,430,132	3,781,444	3,936,909	4,530,208
Total liabilities	393,819,102	395,221,988	392,377,193	403,442,835	382,841,728
Shareholders' Equity:					
Capital stock and APIC	37,272,567	37,117,627	36,970,386	36,788,606	36,699,786
Retained earnings	2,650,877	2,151,305	1,902,788	1,705,174	1,543,264
Accum other comprehensive income	(770,399)	(736,522)	(811,124)	(867,981)	(867,867)
Total shareholders' equity	39,153,045	38,532,410	38,062,050	37,625,799	37,375,183
Total Liabilities and Shareholders' Equity	\$ 432,972,147	\$ 433,754,398	\$ 430,439,243	\$ 441,068,634	\$ 420,216,911

First Pacific Bancorp

 Consolidated Income Statements - Quarterly
 (Unaudited)

	<u>Dec 31, 2024</u>	<u>Sep 30, 2024</u>	<u>Jun 30, 2024</u>	<u>Mar 31, 2024</u>	<u>Dec 31, 2023</u>
INTEREST INCOME					
Loans, including fees	\$ 4,814,128	\$ 4,817,174	\$ 4,655,844	\$ 4,700,535	\$ 4,653,303
Debt securities	484,508	499,268	514,613	543,857	544,330
Fed funds & int-bearing balances	419,597	450,166	573,022	410,685	258,178
Total interest income	<u>5,718,233</u>	<u>5,766,608</u>	<u>5,743,479</u>	<u>5,655,077</u>	<u>5,455,811</u>
INTEREST EXPENSE					
Deposits	1,777,351	1,790,578	1,687,121	1,746,032	1,542,541
Borrowings	332,375	444,250	524,599	507,390	705,324
Total interest expense	<u>2,109,726</u>	<u>2,234,828</u>	<u>2,211,720</u>	<u>2,253,422</u>	<u>2,247,865</u>
Net interest income	3,608,507	3,531,780	3,531,759	3,401,655	3,207,946
Provision for credit losses	-	-	-	-	101,538
Net interest income after provision	<u>3,608,507</u>	<u>3,531,780</u>	<u>3,531,759</u>	<u>3,401,655</u>	<u>3,106,408</u>
NONINTEREST INCOME					
Service charges, fees and other income	119,173	106,628	96,460	108,365	108,769
Sublease income	-	53,975	52,970	53,872	53,872
Gains (losses) on sale of assets	-	15,335	-	-	(12,982)
Gains on early payoff of debt	54,125	-	144,325	-	-
Total noninterest income	<u>173,298</u>	<u>175,938</u>	<u>293,755</u>	<u>162,237</u>	<u>149,659</u>
NONINTEREST EXPENSE					
Salaries and benefits	1,984,774	2,154,290	2,182,674	2,178,486	1,954,029
Occupancy and equipment	258,180	374,069	363,695	368,816	384,088
Other expense	836,692	834,281	1,007,247	794,158	894,440
Total noninterest expense	<u>3,079,646</u>	<u>3,362,640</u>	<u>3,553,616</u>	<u>3,341,460</u>	<u>3,232,557</u>
Income before income tax expense	702,159	345,078	271,898	222,432	23,510
Income tax expense (benefit)	202,586	96,563	74,281	60,524	(31,955)
Net Income	<u>\$ 499,573</u>	<u>\$ 248,515</u>	<u>\$ 197,617</u>	<u>\$ 161,908</u>	<u>\$ 55,465</u>
Earnings per share basic (QTR)	\$ 0.12	\$ 0.06	\$ 0.05	\$ 0.04	\$ 0.01
Weighted average shares outstanding (QTR)	4,293,829	4,288,851	4,283,351	4,281,653	4,231,841

First Pacific Bancorp

Consolidated Income Statements - Year-to-Date

(Unaudited)

	<u>Dec 31, 2024</u>	<u>Dec 31, 2023</u>
INTEREST INCOME		
Loans, including fees	\$ 18,987,681	\$ 16,705,212
Investment securities	2,042,246	2,279,349
Fed funds & int-bearing balances	1,853,470	1,000,827
Total interest income	<u>22,883,397</u>	<u>19,985,388</u>
INTEREST EXPENSE		
Deposits	7,001,082	4,744,486
Borrowings	1,808,614	2,440,727
Total interest expense	<u>8,809,696</u>	<u>7,185,213</u>
Net interest income	14,073,701	12,800,175
Provision for credit losses	<u>-</u>	<u>905,966</u>
Net interest income after provision	<u>14,073,701</u>	<u>11,894,209</u>
NONINTEREST INCOME		
Service charges, fees and other income	430,626	455,823
Sublease income	160,817	212,074
Gains (losses) on sale of assets	15,335	129,093
Gains on early payoff of debt	198,450	123,077
Total noninterest income	<u>805,228</u>	<u>920,067</u>
NON INTEREST EXPENSE		
Salaries and benefits	8,500,224	8,558,603
Occupancy and equipment	1,364,760	1,470,277
Other expense	3,472,378	3,124,577
Total noninterest expense	<u>13,337,362</u>	<u>13,153,457</u>
Income before income tax expense	1,541,567	(339,181)
Income tax expense (benefit)	433,954	(175,262)
Net Income (loss)	<u>\$ 1,107,613</u>	<u>\$ (163,919)</u>
Earnings (loss) per share basic (YTD)	\$ 0.26	\$ (0.04)
Weighted average shares outstanding (YTD)	4,286,945	3,992,738

First Pacific Bancorp
Quarterly Financial Highlights
(Unaudited)

	Quarterly				
	2024 4th Qtr	2024 3rd Qtr	2024 2nd Qtr	2024 1st Qtr	2023 4th Qtr
(\$ in thousands except per share data)					
EARNINGS					
Net interest income	\$ 3,609	3,532	3,532	3,402	3,208
Provision for loan losses	\$ 0	0	0	0	102
Noninterest income	\$ 173	176	294	162	150
Noninterest expense	\$ 3,080	3,363	3,554	3,341	3,233
Income tax expense	\$ 203	97	74	61	(32)
Net income	\$ 500	249	198	162	55
Earnings per share basic	\$ 0.12	0.06	0.05	0.04	0.01
Weighted average shares outstanding	4,293,829	4,288,851	4,283,351	4,281,653	4,231,841
Ending shares outstanding	4,294,500	4,291,927	4,283,351	4,283,351	4,231,841
PERFORMANCE RATIOS					
Return on average assets	0.47%	0.23%	0.18%	0.15%	0.05%
Return on average common equity	5.12%	2.58%	2.10%	1.73%	0.59%
Yield on loans	6.91%	6.98%	6.97%	6.84%	6.69%
Yield on earning assets	5.50%	5.58%	5.52%	5.49%	5.35%
Cost of deposits	1.98%	2.05%	1.96%	2.05%	1.89%
Cost of funding	2.18%	2.32%	2.28%	2.35%	2.37%
Net interest margin	3.47%	3.42%	3.40%	3.31%	3.15%
Efficiency ratio	81.4%	90.7%	92.9%	93.8%	96.3%
CAPITAL					
Tangible equity to tangible assets	8.77%	8.61%	8.57%	8.26%	8.61%
Book value (BV) per common share	\$ 9.12	8.98	8.89	8.78	8.83
Tangible BV per common share	\$ 8.82	8.68	8.58	8.48	8.52
ASSET QUALITY					
Net loan charge-offs (recoveries)	\$ 0	0	0	0	0
Allowance for credit losses (loans)	\$ 3,180	3,110	3,110	3,110	3,110
Allowance to total loans	1.15%	1.16%	1.15%	1.13%	1.13%
Nonperforming loans	\$ 672	991	77	160	61
END OF PERIOD BALANCES					
Total loans	\$ 277,384	267,955	270,020	274,753	275,198
Total assets	\$ 432,972	433,754	430,439	441,069	420,217
Deposits	\$ 350,696	341,792	353,596	349,506	333,312
Loans to deposits	79.1%	78.4%	76.4%	78.6%	82.6%
Shareholders' equity	\$ 39,153	38,532	38,062	37,626	37,375
Full-time equivalent employees	49	44	44	46	45
AVERAGE BALANCES (QTRLY)					
Total loans	\$ 276,294	273,960	267,766	275,578	276,016
Earning assets	\$ 412,417	410,298	416,965	412,791	404,210
Total assets	\$ 425,750	424,199	430,830	426,592	417,595
Deposits	\$ 355,369	346,142	346,032	341,226	323,300
Shareholders' equity	\$ 38,746	38,267	37,788	37,443	37,179