West Coast Community Bancorp, Parent Company of Santa Cruz County Bank, Reports Earnings For the Quarter Ended September 30, 2023

Board Declares Increase in Quarterly Cash Dividend

SANTA CRUZ, CA – October 24, 2023: West Coast Community Bancorp ("Bancorp", OTCQX: SCZC), the parent company of Santa Cruz County Bank (the "Bank"), announced unaudited earnings for the quarter ended September 30, 2023 of $9.1 million, an increase of 10% from $8.3 million in the prior quarter and a decrease of 1% from $9.2 million in the third quarter of 2022. Basic and diluted earnings per share in the third quarter of 2023 were $1.09 and $1.08, respectively, and both improved over the prior quarter by $0.10. Basic and diluted earnings per share in the third quarter of 2023 improved over the prior year comparative quarter by $0.01 and $0.04, respectively.

Year-to-date earnings for the nine-month period ended September 30, 2023 were $26.3 million, an increase of 26% from $20.9 million over 2022. Basic and diluted earnings for the nine-month period of 2023 improved over 2022 by $0.68 and $0.73, respectively, to $3.13 and $3.11.

President and CEO, Krista Snelling commented: "We are pleased to report record gross loans and growth in deposits in the third quarter. The Bank's total FDIC deposit market share for the County of Santa Cruz increased to 15.5% as of June 30, 2023 as compared to over 15.3% a year ago. Market share improvements over prior year were also recorded in Monterey County due to the opening of our Salinas branch in January. Also during the quarter, we successfully completed the formation of the Bank's holding company which positions us to take advantage of future strategic opportunities for growth and diversification."

On October 19, 2023, the Board of Directors of Bancorp, declared a quarterly cash dividend of $0.16 per common share, an increase of $0.01 per share from the prior quarter, payable on November 13, 2023 to shareholders of record at the close of business on November 7, 2023.

"We are pleased to raise our quarterly cash dividend for the third consecutive year," said Stephen Pahl, Chairman of the Board of Directors. "This increase reflects the Board's confidence in our franchise and the management team, our strong capital position and 2023 year-to-date financial results."

Financial Highlights

Performance highlights as of and for the quarter ended September 30, 2023, included the following:

- Quarterly net income of $9.1 million increased 10% from $8.3 million in the prior quarter and decreased 1% from $9.2 million in the third quarter ended September 30, 2022. Net income for the nine-month period ended September 30, 2023 was $26.3 million, an increase of 26% from $20.9 million over the nine-month period of the prior year.
- Total assets of $1.77 billion as of September 30, 2023, increased $26.9 million or 2%, compared to $1.75 billion as of June 30, 2023.
- Liquidity position remains healthy. Primary liquidity ratio, defined as cash and equivalents, deposits held in other banks and unpledged available-for-sale ("AFS") securities as a percentage of total assets was 15.2% and 15.3% at September 30 and June 30, 2023, respectively.
- Deposits totaled $1.53 billion at September 30, 2023, an increase of $61.5 million or 4%, compared to June 30, 2023. Relationship deposits, i.e. deposits gathered outside of wholesale channels, increased $69.6 million

compared to June 30, 2023. Total uninsured deposits, excluding collateralized deposits, represented approximately 45% and 43% of total deposits as of September 30 and June 30, 2023, respectively. The increases reflected several significant new commercial deposit relationships and cyclical fluctuation from our large depositors influenced by tourism and the agricultural harvest cycle.

- Record gross loans (excluding PPP) of $1.37 billion, an increase of $37.6 million or 3%, compared to June 30, 2023, and an increase of $140.6 million or 11%, compared to September 30, 2022. The Bank continues to capitalize on lending opportunities in both the core Santa Cruz market and its expanded markets with a strong mix of loans serving our business community and the development of multifamily housing.
- Nonaccrual loans totaled $10.7 million, or 0.78% of gross loans, as of September 30, 2023, compared to $8.0 million, or 0.60% of total loans as of June 30, 2023. The increase during the third quarter is primarily due to the addition of a $3.0 million commercial real estate loan that is well-secured without loss expected.
- Current Expected Credit Loss ("CECL") methodology was adopted January 1, 2023. The allowance for credit losses ("ACL"), which is based on estimating credit losses for the life of the loans in the portfolio, totaled $25.1 million, or 1.83% of total loans at September 30, 2023, compared to 1.85% at June 30, 2023. The slight decline in ACL as a percentage of total outstanding loans was due to adjustments to the qualitative factors, as well as slight declines in historical loss rates. In addition, the allowance on unfunded credit commitments, presented as part of other liabilities, increased $556 thousand in the third quarter of 2023 due to higher reserve level on unfunded multi-year construction commitments.
- Provision for credit losses, including funded and unfunded credit commitments, was $858 thousand in the third quarter, compared to $486 thousand for the second quarter of 2023 and a reversal of $317 thousand for the same period in 2022. The provision was driven by growth in the portfolio, particularly the large and longer-term credit commitments mentioned above.
- Net interest margin was 4.92% in the third quarter of 2023, compared to 4.93% in the prior quarter and 4.22% for the corresponding quarter in 2022. In the third quarter of 2023, higher yields on interest-earning assets were more than offset by increased funding costs. Net interest margin was 4.98% for the nine months ended September 2023, compared to 3.97% for the nine months ended September of 2022. The Bank's large proportion of adjustable-rate loans benefited from the rising prime index rate in 2022. However, the Bank experienced pressure from the rising cost of funds, particularly in 2023 following the failures of several high-profile banks which accelerated a trend of bank depositors shifting to higher rate deposit networks for increased FDIC insurance coverage and to higher yielding investment opportunities, increasing funding pressure across the banking industry.
- For the quarters ended September 30, 2023 and June 30, 2023, return on average assets was 2.05% and 1.94%, respectively, return on average equity was 16.85% and 15.98%, respectively, and the return on average tangible equity was 19.33% and 18.42%, respectively. For the nine months ended September 30, 2023, return on average assets was 2.02%, compared to 1.60% for the nine months ended September 30, 2022, return on average equity was 16.90% and 14.89% for the nine months ended September 30, 2023 and 2022, respectively, and return on average tangible equity was 19.50% and 17.51% for the nine months ended September 30, 2023 and 2022, respectively.
- The efficiency ratio was 38.23% for the third quarter of 2023, as compared to 41.52% in the prior quarter and 36.17% in the third quarter of 2022. The efficiency ratio was 39.83% and 42.41% for the nine months ended September 2023 and 2022, respectively.
- All capital ratios were above regulatory requirements for a well-capitalized institution with a total risk-based capital ratio of 14.83% at September 30, 2023 compared to 14.57% at June 30, 2023. Tangible common equity to tangible asset ratio increased from 10.51% at June 30, 2023 to 10.89% at September 30, 2023.
- Tangible book value per share increased to $22.65 at September 30, 2023 from $21.54 at June 30, 2023 and $18.77 at September 30, 2022.

Liquidity Position

Our liquidity position remains healthy, as our primary liquidity ratio (cash and equivalents, deposits held in other banks and unpledged available-for-sale ("AFS") securities as a percentage of total assets) was 15.2% at September 30, 2023, compared to 15.3% at June 30, 2023. As of September 30, 2023, on-balance sheet liquidity including cash and equivalents, deposits held in other banks and unpledged available-for-sale securities totaled $269.7 million. This, combined with available borrowing capacity of $514.1 million, exceeded uninsured and uncollateralized deposits of $687.9 million, with a coverage ratio greater than 114%. SBA loans held for sale of $34.6 million at September 30, 2023 also provides additional liquidity.

U.S. Treasury bonds, securities issued by U.S. Government sponsored agencies and SBA accounted for 76%, 17% and 4% of the investment portfolio as of September 30, 2023, respectively, and thus presented minimal credit or liquidity risk. The investment portfolio of $291.1 million at September 30, 2023 has an average life of 2.6 years, and the Bank expects to receive principal, in full, when the investments mature. Net unrealized losses on AFS securities totaled $21.4 million ($15.1 million after-tax). Held-to-maturity securities totaled $7.6 million at September 30, 2023 with an insignificant amount of unrealized losses.

As of quarter-end, the Bank had no borrowings outstanding from the Federal Reserve's discount window or its new Bank Term Funding Program. Available secured borrowing capacity with the Federal Home Loan Bank of San Francisco increased to $434.1 million with no overnight borrowings outstanding as of September 30, 2023, compared to the borrowing capacity of $301.2 million with $48 million in overnight borrowings at June 30, 2023.

Quarterly Earnings

For the third quarter 2023, net income was $9.1 million, compared to $8.3 million in the second quarter of 2023 and $9.2 million in the third quarter of 2022. Major factors impacting earnings in the third quarter include: interest income on loans, gain on sale of assets and interest expense on deposits and borrowings. Interest income on loans increased $911 thousand in the third quarter of 2023 from the previous quarter, primarily attributable to increases in the market interest rates and growth in the loan portfolio. On the other hand, market interest rate pressure resulted in a $441 thousand interest expense increase during the third quarter of 2023. In addition, the Bank sold its vacant office property in the third quarter of 2023 and recorded a gain of $255 thousand.

Interest Income / Interest Expense and Net Interest Margin

Net interest income of $21.1 million in the third quarter of 2023 improved $873 thousand from $20.2 million for the quarter ended June 30, 2023, primarily due to increased volume of interest-bearing assets and a decrease in volume of interest-bearing liabilities, partially offset by the impact of rising rates, which caused a larger increase in deposit costs than the corresponding increase in loan yields. The Bank's cost of funds increased nine basis points from the second quarter of 2023 of 0.78%, to 0.87% in the third quarter of 2023.

For the third quarter of 2023, net interest margin was 4.92%, compared to 4.93% in the second quarter and 4.22% for the corresponding quarter in 2022. The slight decrease from the prior quarter reflected rising costs of funds, and the impact of the placement of a commercial real estate loan on nonaccrual status, partially offset by the benefit from higher yields on interest-earning assets and a slight shift from interest-bearing deposits to noninterest-bearing deposits due to seasonal fluctuation in the Bank's largest commercial depositors.

Net interest income increased from the same quarter last year by $2.6 million, or 14%, primarily due to the rise in market interest rates benefiting our loan interest income and to a lesser degree, the organic loan growth during 2023 and 2022, partially offset by an increase of 75 basis points in the cost of funds from 0.12% in the third quarter of 2022.

For the nine months ended September 2023, net interest margin was 4.98%, compared to 3.97% for the corresponding period in 2022. The increase from prior year is attributed to an improvement on yield from earning assets, favorably impacted by multiple increases in prime rate and other indices, and increases in our cost of funds lagging behind the market rate increases during most of 2022.

	For the Quarter Ended					
	September 30, 2023			June 30, 2023		
(Dollars in thousands)	Average Balance	Interest Income/ Expense	Avg Yield/ Cost	Average Balance	Interest Income/ Expense	Avg Yield/ Cost
ASSETS						
Interest-earning due from banks	$ 52,137	$ 538	4.10%	$ 24,158	$ 220	3.66%
Investments	297,352	1,239	1.65%	299,055	1,154	1.55%
Loans	1,346,981	22,616	6.66%	1,317,378	21,705	6.61%
Total interest-earning assets	1,696,470	24,393	5.70%	1,640,591	23,079	5.64%
Noninterest-earning assets	67,660			75,402		
Total assets	$ 1,764,130			$ 1,715,993		
LIABILITIES						
Interest-bearing deposits	$ 874,172	3,327	1.51%	$ 857,260	2,588	1.21%
Borrowings	1,217	16	5.36%	24,517	314	5.14%
Total interest-bearing liabilities	875,389	3,343	1.52%	881,777	2,902	1.32%
Noninterest-bearing deposits	650,865			606,997		
Other noninterest-bearing liabilities	23,286			18,426		
Total liabilities	1,549,540			1,507,200		
EQUITY	214,590			208,793		
Total liabilities and equity	$ 1,764,130			$ 1,715,993		
Net interest income /margin		$ 21,050	4.92%		$ 20,177	4.93%
Cost of funds			0.87%			0.78%

	For the Nine Months Ended					
	September 30, 2023			September 30, 2022		
(Dollars in thousands)	Average Balance	Interest Income/ Expense	Avg Yield/ Cost	Average Balance	Interest Income/ Expense	Avg Yield/ Cost
ASSETS						
Interest-earning due from banks	$ 38,358	$ 1,042	3.63%	$ 136,483	$ 1,327	1.30%
Investments	307,976	3,625	1.57%	330,165	2,559	1.04%
Loans	1,317,840	64,952	6.59%	1,200,157	46,745	5.21%
Total interest-earning assets	1,664,174	69,619	5.59%	1,666,805	50,631	4.06%
Noninterest-earning assets	73,199			76,665		
Total assets	$ 1,737,373			$ 1,743,470		
LIABILITIES						
Interest-bearing deposits	$ 858,200	7,049	1.10%	$ 827,059	1,214	0.20%
Borrowings	16,034	609	5.08%	112	-	0.43%
Total interest-bearing liabilities	874,234	7,658	1.17%	827,171	1,214	0.20%
Noninterest-bearing deposits	636,117			712,454		
Other noninterest-bearing liabilities	18,958			15,980		
Total liabilities	1,529,309			1,555,605		
EQUITY	208,064			187,865		
Total liabilities and equity	$ 1,737,373			$ 1,743,470		
Net interest income /margin		$ 61,961	4.98%		$ 49,417	3.97%
Cost of funds			0.68%			0.11%

Noninterest Income / Expense

Noninterest income for the quarter ended September 30, 2023 was $1.2 million compared to $839 thousand for the previous quarter and $1.5 million in the third quarter of 2022. The Bank sold its vacant office property in July 2023 and recognized a $255 thousand gain. There were no SBA sales in any of the first three quarters of 2023. Gains on SBA loan sales were $658 thousand in the third quarter of 2022. The market premium on SBA loans declined, making it less favorable to sell SBA loans in 2023.

Noninterest expense was $8.5 million in the third quarter of 2023, $238 thousand or 3% less than prior quarter, primarily due to a decrease in employee incentive and benefit expense, partially offset by higher professional expenses resulting from the formation of the Bank's holding company. Noninterest expense increased $1.3 million, or 18% compared to the same quarter last year, the result of higher operating costs across the board due to inflation, as well as holding company formation expenses and the new Salinas branch. Noninterest expense increased $3.2 million, or 14% during the first nine months of 2023 compared to the corresponding period of 2022 for similar reasons.

Loans and Asset Quality

Non-PPP loans increased $37.6 million or 3% from June 30, 2023 and $140.6 million or 11% compared to September 30, 2022. Growth in the non-PPP loan portfolio was driven by new originations in commercial real estate loans, including multifamily projects, and funding of commercial lines.

The allowance for credit losses was $25.1 million, or 1.83% of the total loans, at September 30, 2023, compared to $24.8 million, or 1.85% of the total loans, at June 30, 2023. The decrease in the allowance as a percent of total loans was due to adjustments to the qualitative factors, as well as slight declines in historical loss rates.

The allowance for credit losses includes specific reserves in the amount of $1.4 million as of September 30, 2023 and $1.5 million as of June 30, 2023, for individually evaluated commercial loans on nonaccrual status. A $3.0 million and a $6.5 million commercial real estate loan were added to nonaccrual status during the third and second quarter of 2023, respectively. Both loans were individually evaluated and determined to be collateral dependent but are adequately secured by real estate and have no recorded reserve.

The following tables summarize the Bank's loan mix and delinquent/nonperforming loans:

Loan Mix

	As of			Change % vs.	
(Dollars in thousands)	09/30/2023	06/30/2023	09/30/2022	6/30/2023	9/30/2022
Loans held for sale	$ 34,564	$ 34,354	$ 56,915	1%	-39%
SBA and B&I loans	140,279	146,875	125,388	-4%	12%
PPP loans	346	397	6,773	-13%	-95%
Commercial term loans	109,526	110,076	112,943	-1%	-3%
Revolving commercial lines	120,220	135,148	115,243	-11%	4%
Asset-based lines of credit	8,025	7,569	489	6%	1541%
Construction loans	138,164	134,655	146,674	3%	-6%
Real estate loans	779,143	726,477	634,142	7%	23%
Home equity lines of credit	27,611	28,753	27,917	-4%	-1%
Consumer and other loans	15,176	10,852	12,170	40%	25%
Deferred loan expenses, net of fees	2,163	2,547	2,407	-15%	-10%
Total gross loans	$ 1,375,217	$ 1,337,703	$ 1,241,061	3%	11%

Delinquent and Nonperforming Loans

	As of or for the Quarter Ended		
(Dollars in thousands)	09/30/2023	06/30/2023	09/30/2022
Loans past due 30-89 days, excluding PPP loans	$ 1	$ 2,999	$ 1,351
PPP loans past due 30-89 days	--	--	2,936
Delinquent loans (past due 90+ days still accruing)	--	--	336
Nonaccrual loans	10,697	8,027	2,358
Other real estate owned	--	--	--
Nonperforming assets	10,697	8,027	2,694
Net loan charge-offs (recoveries) QTD	(4)	1,000	54
Net loan charge-offs (recoveries) YTD	996	1,000	126

Deposits

Deposits were $1.53 billion at September 30, 2023, reflecting an increase of $61.5 million during the third quarter of 2023. The increase reflected several significant new commercial deposit relationships and cyclical fluctuation from our large depositors influenced by tourism and harvest season. The ten largest deposit relationships, excluding fully collateralized government agency deposits, represent approximately 12% of total deposits as of September 30, 2023, up from 10% at June 30, 2023, primarily reflecting the seasonal factor noted earlier. The Bank's noninterest-bearing deposits represented 42% of total deposits at both September 30, 2023 and June 30, 2023.

Deposit Mix

	As of			Change % vs.	
(Dollars in thousands)	09/30/2023	06/30/2023	09/30/2022	06/30/2023	09/30/2022
Noninterest-bearing demand	$ 643,661	$ 615,923	$ 773,527	5%	-17%
Interest-bearing demand	213,270	208,421	242,102	2%	-12%
Money markets	404,116	368,282	384,845	10%	5%
Savings	113,069	114,946	143,803	-2%	-21%
Time certificates of deposit	147,534	144,486	111,994	2%	32%
Brokered deposits	7,199	15,276	--	-53%	100%
Total deposits	$ 1,528,849	$ 1,467,334	$ 1,656,271	4%	-8%
Total deposits – personal	$ 624,705	$ 599,902	$ 636,234	4%	-2%
Total deposits – business	$ 904,144	$ 867,432	$ 1,020,037	4%	-11%

Shareholders' Equity

Total shareholders' equity was $217.7 million at September 30, 2023, a $9.5 million or 5% increase over June 30, 2023 and an increase of $30.7 million or 16% over September 30, 2022. Earnings of $9.1 million in the third quarter of 2023 contributed to the increase over last quarter-end. The after-tax unrealized losses on AFS securities decreased slightly from $15.2 million as of June 30, 2023 to $15.1 million as of September 30, 2023.

ABOUT SANTA CRUZ COUNTY BANK AND WEST COAST COMMUNITY BANCORP

Founded in 2004, Santa Cruz County Bank is the wholly owned subsidiary of West Coast Community Bancorp, a bank holding company. The Bank is a top-rated, locally operated, and full-service community bank headquartered in Santa Cruz, California with branches in Aptos, Capitola, Cupertino, Monterey, Salinas, Santa Cruz, Scotts Valley, and Watsonville. Santa Cruz County Bank is distinguished from "big banks" by its relationship-based service, problem-solving focus, and direct access to decision makers. The Bank is a leading SBA lender in Santa Cruz County and Silicon Valley and a top USDA lender in the state of California. As a full-service bank, Santa Cruz County Bank offers competitive deposit and lending solutions for businesses and individuals; including business loans, lines of credit, commercial real estate financing, construction lending, asset-based lending, agricultural loans, SBA and USDA government guaranteed loans, credit cards, merchant services, remote deposit capture, mobile and online banking, bill payment, and treasury management. True to its community roots, Santa Cruz County Bank has supported regional well-being by actively participating in and donating to local not-for-profit organizations.

NATIONAL, STATE, AND LOCAL RATINGS AND AWARDS

- American Banker Magazine: The Bank is ranked #89 in the Top 200 Community Banks list based upon 3-year average equity for banks under $2 billion in assets and ranked #13 out of 21 California banks.
- S&P Global Market Intelligence: The Bank is ranked #6 in the Top 100 banks nationwide for 2022 performance for banks under $3 billion in assets and ranked #3 for the best-performing community banks in the Western U.S. with assets under $10 billion.
- The Findley Reports, Inc.: The Bank has received the top ranking of Super Premier for 13 consecutive years.
- Bauer Financial Reports, Inc.: The Bank is rated 5-star "Superior" based upon its financial performance.
- U.S. Small Business Administration: The Bank is in the Top 100 most active SBA 7(a) lenders in the nation.
- Silicon Valley Business Journal: The Bank is ranked 15th in volume of SBA loans lent to Silicon Valley businesses from October 1, 2021 to September 1, 2022.
- Good Times, 2023 Best of Santa Cruz County Award, Voted "Best Bank" for 11 consecutive years.
- Santa Cruz Sentinel, 2022 Reader's Choice Award, number one bank in Santa Cruz County as voted by Santa Cruz Sentinel readers for 8 years.

Forward-Looking Statements

This release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates (including but not limited to changes in depositor behavior in relation thereto), inflation, government regulations and general economic conditions, and competition within the business areas in which the Bank is conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Concurrent with this earnings release, the Bank issued presentation slides providing supplemental information, intended to be reviewed together with this release and can be found online at: https://www.sccountybank.com/investor_relations.cfm

Selected Unaudited Financial Information

(Dollars in thousands, except per share amounts)	As of or for the Quarter Ended September 30, 2023	2022	Change $	Change %	As of or for the Quarter Ended June 30, 2023	Change $	Change %
Balance Sheet							
Assets							
Cash and due from banks	$ 37,751	$ 225,908	$ (188,157)	-83%	$ 47,928	$ (10,177)	-21%
Securities – AFS	284,002	319,113	(35,111)	-11%	280,273	3,729	1%
Securities – HTM	7,628	2,916	4,712	162%	8,665	(1,037)	-12%
Gross loans, excluding PPP	1,374,871	1,234,288	140,583	11%	1,337,306	37,565	3%
SBA PPP loans	346	6,773	(6,427)	-95%	397	(51)	-13%
Allowance for credit losses	(25,114)	(20,802)	(4,312)	21%	(24,808)	(306)	1%
Goodwill and other intangibles	27,523	27,897	(374)	-1%	27,614	(91)	0%
Other assets	66,238	65,835	403	1%	69,002	(2,764)	-4%
Total assets	$ 1,773,245	$ 1,861,928	$ (88,683)	-5%	$ 1,746,377	$ 26,868	2%
Liabilities and Equity							
Noninterest-bearing deposits	$ 643,661	$ 773,527	$ (129,866)	-17%	$ 615,923	$ 27,738	5%
Interest-bearing non-brokered deposits	877,989	882,744	(4,755)	-1%	836,135	41,854	5%
Brokered deposits	7,199	--	7,199	100%	15,276	(8,077)	-53%
Borrowings	--	--	--	N/A	48,000	(48,000)	-100%
Other liabilities	26,723	18,631	8,092	43%	22,842	3,881	17%
Shareholders' equity	217,673	187,026	30,647	16%	208,201	9,472	5%
Total liabilities and equity	$1,773,245	$ 1,861,928	$ (88,683)	-5%	$ 1,746,377	$ 26,868	2%
Income Statement							
Interest income	$ 24,393	$ 18,878	$ 5,515	29%	$ 23,079	$ 1,314	6%
Interest expense	3,343	469	2,874	613%	2,902	441	15%
Net interest income	21,050	18,409	2,641	14%	20,177	873	4%
Provision for credit losses	858	(317)	1,175	371%	486	372	77%
Noninterest income	1,151	1,499	(348)	-23%	839	312	37%
Noninterest expense	8,487	7,200	1,287	18%	8,725	(238)	-3%
Net income before taxes	12,856	13,025	(169)	-1%	11,805	1,051	9%
Income tax expense	3,744	3,852	(108)	-3%	3,487	257	7%
Net income after taxes	$ 9,112	$ 9,173	$ (61)	-1%	$ 8,318	$ 794	10%
Basic earnings per share	$ 1.09	$ 1.08	$ 0.01	1%	$ 0.99	$ 0.10	10%
Diluted earnings per share	$ 1.08	$ 1.04	$ 0.04	4%	$ 0.98	$ 0.10	10%
Book value per share	$ 25.93	$ 22.06	$ 3.87	18%	$ 24.83	$ 1.10	4%
Tangible book value per share	$ 22.65	$ 18.77	$ 3.88	21%	$ 21.54	$ 1.11	5%
Shares outstanding	8,394,725	8,478,622			8,384,461		
Ratios							
Net interest margin	4.92%	4.22%			4.93%		
Cost of funds	0.87%	0.12%			0.78%		
Efficiency ratio	38.23%	36.17%			41.52%		
Return on:							
Average assets	2.05%	2.01%			1.94%		
Average equity	16.85%	19.10%			15.98%		
Average tangible equity	19.33%	22.38%			18.42%		
Tier 1 leverage ratio	11.64%	9.84%			11.43%		
Total risk-based capital ratio	14.83%	14.46%			14.57%		
Tangible common equity ratio	10.89%	8.68%			10.51%		
ACL / Non-PPP loans	1.83%	1.69%			1.86%		
Noninterest-bearing to total deposits	42.10%	46.70%			41.98%		
Gross loans to deposits	89.95%	74.93%			91.17%		

Selected Unaudited Financial Information

(Dollars in thousands, except per share amounts)	For the Nine Months Ended September 30, 2023	2022	Change $	Change %
Income Statement				
Interest income	$ 69,619	$ 50,631	$ 18,988	38%
Interest expense	7,658	1,214	6,444	531%
Net interest income	61,961	49,417	12,544	25%
Provision for loan losses	1,659	950	709	75%
Noninterest income	2,722	3,740	(1,018)	-27%
Noninterest expense	25,763	22,545	3,218	14%
Net income before taxes	37,261	29,662	7,599	26%
Income tax expense	10,952	8,739	2,213	25%
Net income after taxes	$ 26,309	$ 20,923	$ 5,386	26%
Basic earnings per share *	$ 3.13	$ 2.45	$ 0.68	28%
Diluted earnings per share *	$ 3.11	$ 2.38	$ 0.73	31%
Ratios				
Net interest margin	4.98%	3.97%		
Cost of funds	0.68%	0.11%		
Efficiency ratio	39.83%	42.41%		
Return on:				
Average assets	2.02%	1.60%		
Average equity	16.90%	14.89%		
Average tangible equity	19.49%	17.51%		

* Share data for prior periods has been adjusted to reflect stock split in March 2022