

**CHINO COMMERCIAL BANCORP REPORTS
FIRST QUARTER EARNINGS**

Chino, California, April 17, 2020 – The Board of Directors of Chino Commercial Bancorp (OTC: CCBC), the parent company of Chino Commercial Bank, N.A., announced the results of operations for the Bank and the consolidated holding company for the first quarter ended March 31, 2020. Net earnings for the first quarter 2020, were \$614 thousand, or an decrease of 1.73%, as compared with earnings of \$625 thousand for the same quarter last year. The decrease in earnings is primarily attributed to an increase in provision for loan losses due to current economic condition created by the COVID-19 pandemic. Net earnings per basic and diluted share was \$0.28 for the first quarter of 2020, same as for the same quarter last year.

Dann H. Bowman, President and Chief Executive Officer, stated: “The beginning of the year started out very strong, however, the current economic, political and health conditions in our community are very troubling. With the statewide “Shelter at Home” order in place, initial jobless claims hit an all time record of 6.6 million last week. The CARE Act allocated roughly \$2 Trillion to be sent to individuals and businesses, however, the process for distribution seems to be getting a slow start.

Because the Bank specializes in providing services to small businesses, we have experienced significant demand for the new SBA Payroll Protection Program loans (PPP). In the last 10 days requests for PPP loans have become overwhelming, however, we are stepping up to the challenge and are providing the credit needed by our customers during these tough times. In the end, I believe we will emerge from this experience, even stronger and more capable than we were before. We have a great team, a great market, and we are excited about the prospects for the Company over the next several years.”

Financial Condition

At March 31, 2020, total assets were \$233 million, an increase of \$3.5 million or 1.6% over \$229.5 million at December 31, 2019. Total deposits increased by 1.7% or \$3 million to \$183 million as of March 31, 2020, compared to \$180 million as of December 31, 2018. At March 31, 2020, the Company’s core deposits represent 95.6% of the total deposits.

Gross loans increased by 1% or \$1.2 million as of March 31, 2020 to \$145.6 million, as compared with \$144.3 million as of December 31, 2019. The Bank had one non-performing loan for the quarters ended March 31, 2020, and December 31, 2019. OREO properties remained at zero as of March 31, 2020 and December 31, 2019 respectively.

Earnings

The Company posted net interest income of \$2 million for the three months ended March 31, 2020 and 2019 respectively. Average interest-earning assets were \$184 million with average interest-bearing liabilities of \$114.7 million, yielding a net interest margin of 4.56% for the first quarter of 2020, as compared to the average interest-earning assets of \$184 million with average interest-bearing liabilities of \$98.6 million, yielding a net interest margin of 4.46% for the first quarter of 2019.

Non-interest income totaled \$460 thousand for the first quarter of 2020, or an increase of 1.3% as compared with \$425 thousand earned during the same quarter last year.

General and administrative expenses were \$1.6 million for the three months ended March 31, 2020, and \$1.5 million for the same period last year. The largest component of general and administrative expenses was salary and benefits expense of \$1 million for the first quarter of 2020 and 2019, respectively.

Income tax expense was \$244 thousand which represents a decrease of \$10 thousand or 1.73% for the three months ended March 31, 2020, as compared to \$251 thousand for the three months ended March 31, 2019. The effective income tax rate for the first quarter of 2020 and 2018 is approximately 28.5% and 28.7% respectively, and for the year ending March 31, 2020 and 2018, the effective income tax rates were 27.8% and 28.6% respectively.

Forward-Looking Statements

The statements contained in this press release that are not historical facts are forward-looking statements based on management's current expectations and beliefs concerning future developments and their potential effects on the Company. Readers are cautioned not to unduly rely on forward-looking statements. Actual results may differ from those projected. These forward-looking statements involve risks and uncertainties, including but not limited to, the health of the national and California economies, the Company's ability to attract and retain skilled employees, customers' service expectations, the Company's ability to successfully deploy new technology and gain efficiencies therefrom, and changes in interest rates, loan portfolio performance, and other factors.

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CHINO COMMERCIAL BANCORP
CONSOLIDATED BALANCE SHEET
March 31, 2020 and December 31, 2019

	March 31, 2020	December 31, 2019
	(unaudited)	(audited)
ASSETS:		
Cash and due from banks	\$ 4,507,178	\$ 4,363,753
Federal funds sold	28,170,000	32,415,000
Total cash and cash equivalents	32,677,178	36,778,753
Interest-bearing deposits in other banks	-	496,000
Investment securities available for sale	17,528,015	7,977,936
Investment securities held to maturity (fair value approximates \$26,500,168 at March 31, 2019 and \$28,625,251 at December 31, 2019)	25,878,009	28,367,056
Total investments	43,406,024	36,840,992
Loans		
Construction	-	-
Real estate	117,668,667	115,633,626
Commercial	27,878,781	28,522,543
Installment	111,323	232,328
Credit Cards	2,709	-
Gross loans	145,661,480	144,388,497
Unearned fees and discounts	(441,684)	(438,380)
Loans net of unearned fees and discount	145,219,796	143,950,117
Allowance for loan losses	(2,524,666)	(2,391,765)
Net loans	142,695,130	141,558,352
Fixed assets, net	6,352,334	6,401,773
Accrued interest receivable	664,413	619,856
Stock investments, restricted, at cost	1,440,900	1,440,900
Bank-owned life insurance	4,626,619	4,595,584
Other assets	1,210,261	1,270,936
Total assets	\$ 233,072,859	\$ 229,507,145
LIABILITIES:		
Deposits		
Non-interest bearing	\$ 95,260,169	\$ 88,412,668
Interest bearing		
NOW and money market	63,257,086	64,520,387
Savings	12,226,414	12,209,281
Time deposits less than \$250,000	9,387,549	9,537,555
Time deposits of \$250,000 or greater	3,121,585	5,471,451
Total deposits	183,252,803	180,151,342
Accrued interest payable	155,810	203,246
Borrowings from Federal Home Loan Bank (FHLB)	20,000,000	20,000,000
Accrued expenses & other payables	1,465,993	1,686,979
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	207,967,606	205,134,567
SHAREHOLDERS' EQUITY		
Retained earnings	10,502,557	10,502,557
Accumulated other comprehensive income/(loss)	14,417,205	13,803,528
Total shareholders' equity	185,491	66,493
Total liabilities & shareholders' equity	\$ 233,072,859	\$ 229,507,145

CHINO COMMERCIAL BANCORP
CONSOLIDATED STATEMENTS OF NET INCOME

	For the three months ended	
	March 31	
	2020	2019
	(unaudited)	(unaudited)
Interest income		
Interest and fee income on loans	\$ 2,068,444	\$ 1,951,881
Interest on federal funds sold and FRB deposits	112,930	70,411
Interest on time deposits in banks	1,856	11,887
Interest on investment securities	214,152	266,232
Total interest income	<u>2,397,382</u>	<u>2,300,411</u>
Interest Expense		
Interest on deposits	177,833	217,017
Other borrowings	134,654	49,431
Total interest expense	<u>312,487</u>	<u>266,448</u>
Net interest income	2,084,895	2,033,963
Provision for loan losses	<u>50,000</u>	<u>40,000</u>
Net interest income after provision for loan losses	<u>2,034,895</u>	<u>1,993,963</u>
Non-interest income		
Service charges on deposit accounts	368,683	356,065
Other miscellaneous income	39,100	22,975
Dividend income from restricted stock	21,971	22,474
Income from bank-owned life insurance	31,035	23,512
Total non-interest income	<u>460,789</u>	<u>425,026</u>
Non-interest expenses		
Salaries and employee benefits	1,023,362	1,010,328
Occupancy and equipment	149,686	153,132
Data and item processing	134,488	104,899
Advertising and marketing	42,604	6,318
Legal and professional fees	44,640	33,418
Regulatory assessments	18,261	29,435
Insurance	8,834	9,005
Directors' fees and expenses	33,214	33,769
Other expenses	182,394	162,978
Total non-interest expenses	<u>1,637,483</u>	<u>1,543,282</u>
Income before income tax expense	858,201	875,707
Income tax expense	244,524	251,197
Net income	<u>\$ 613,677</u>	<u>\$ 624,510</u>
Basic earnings per share	\$ 0.28	\$ 0.28
Diluted earnings per share	\$ 0.28	\$ 0.28

	For the three months ended	
	March 31	
	2020	2019
KEY FINANCIAL RATIOS		
(unaudited)		
Annualized return on average equity	9.89%	11.33%
Annualized return on average assets	1.05%	1.24%
Net interest margin	4.56%	4.46%
Core efficiency ratio	64.32%	62.76%
Net chargeoffs/(recoveries) to average loans	-0.056%	-0.010%
AVERAGE BALANCES		
(thousands, unaudited)		
Average assets	\$ 233,703	\$ 201,500
Average interest-earning assets	\$ 184,016	\$ 184,800
Average gross loans	\$ 144,491	\$ 136,882
Average deposits	\$ 183,970	\$ 171,868
Average equity	\$ 24,809	\$ 22,051
CREDIT QUALITY		
(unaudited)		
	March 31, 2020	December 31, 2019
Non-performing loans	\$ 120,423	\$ 120,423
Non-performing loans to total loans	0.08%	0.08%
Non-performing loans to total assets	0.05%	0.05%
Allowance for loan losses to total loans	1.73%	1.73%
Nonperforming assets as a percentage of total loans and OREO	0.08%	0.08%
Allowance for loan losses to non-performing loans	2096.51%	n/a
OTHER PERIOD-END STATISTICS		
(unaudited)		
Shareholders equity to total assets	10.77%	10.62%
Net loans to deposits	77.87%	78.58%
Non-interest bearing deposits to total deposits	51.98%	49.08%
Community Bank Leverage Ratio	14.21%	13.74%