

**CHINO COMMERCIAL BANCORP REPORTS**  
**3% INCREASE IN NET EARNINGS**

Chino, California, January 21, 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 fourth quarter ended December 31, 2020. Net earnings for the fourth quarter 2020, were \$699 thousand, or an increase of 39.1%, as compared with earnings of \$502 thousand for the same quarter last year. The increase in earnings is primarily attributed to the increase in loan interest and loan fee income. Net earnings per basic and diluted share was \$0.31 for the fourth quarter of 2020, and \$0.23 for the same quarter last year.

Dann H. Bowman, President and Chief Executive Officer, stated: “Despite the difficulty being experienced in our community because of COVID, the Bank has performed well during this time. By assisting small business customers and households, we have experienced a 37% increase in total assets, a 35% increase in total loans, and a 2.7% increase in net after tax earnings. Loan quality also remains very strong, with the Bank having no loan delinquencies and no foreclosed properties at year-end.

We believe that during tough times like these, the Bank’s value proposition stands out the most, and we may have many more opportunities to gain new banking relationships. 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 December 31, 2020, total assets were \$314.8 million, an increase of \$85.3 million or 37.2% over \$229.5 million at December 31, 2019. Total deposits increased by 43.1% or \$77.6 million to \$257.7 million as of December 31, 2020, compared to \$180.2 million as of December 31, 2019. At December 31, 2020, the Company’s core deposits represent 96.3% of the total deposits.

Gross loans increased by 35.5% or \$51.3 million as of December 31, 2020 to \$195.7 million, as compared with \$144.4 million as of December 31, 2019. The Bank had one non-performing loan for the quarters ended December 31, 2020, and December 31, 2019. OREO properties remained at zero as of December 31, 2020 and December 31, 2019 respectively.

The increases in total assets, deposits and loans are attributed to Bank’s response to the overwhelming request of PPP loans. Overall, the Bank approved and funded 396 PPP loans with an outstanding balance of \$46.7 million as of December 31, 2020.

**Earnings**

The Company posted net interest income of \$2.3 million for the three months ended December 31, 2020 and \$2.0 million for the same quarter last year. Average interest-earning assets were \$292.2 million with average interest-bearing liabilities of \$136.3 million, yielding a net interest margin of 3.66% for the fourth quarter of 2020, as compared to the average interest-earning assets of \$177.3 million with average interest-bearing liabilities of \$119.4 million, yielding a net interest margin of 4.41% for the fourth quarter of 2019.

Non-interest income totaled \$440.2 thousand for the fourth quarter of 2020, or a decrease of 3.6% as compared with \$456.6 thousand earned during the same quarter last year. The majority of the decrease is attribute to a significant decrease in overdraft fees.

General and administrative expenses were \$1.8 million for the three months ended December 31, 2020, and \$1.7 million for the same period last year. The largest component of general and administrative expenses was salary and benefits expense of \$1.1 million for the fourth quarter of 2020 and \$1.0 million thousand for the same period last year.

Income tax expense was \$275.3 thousand which represents an increase of \$78 thousand or 39.8% for the three months ended December 31, 2020, as compared to \$197.0 thousand for the three months ended December 31, 2019. The effective income tax rate for the fourth quarter of 2020 and 2019 were approximately 28.6% and 28.5% respectively, and for the nine months ending December 31, 2020 and 2019, the effective income tax rates were 28.3% and 28.2% 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**  
December 31, 2020 and December 31, 2019

	<b>December 31, 2020</b>	<b>December 31, 2019</b>
	(unaudited)	(audited)
<b>ASSETS:</b>		
Cash and due from banks	\$ 58,075,217	\$ 4,363,753
Federal funds sold	-	32,415,000
Total cash and cash equivalents	58,075,217	36,778,753
Interest-bearing deposits in other banks	-	496,000
Investment securities available for sale	32,370,042	7,977,936
Investment securities held to maturity (fair value approximates \$19,556,250 at December 31, 2020 and \$21,683,834 at December 31, 2019)	18,626,525	28,367,056
Total investments	50,996,567	36,840,992
<b>Loans</b>		
Construction	1,014,462.00	-
Real estate	119,302,116	115,633,626
Commercial	75,237,752	28,522,543
Installment	110,475	232,328
Credit Cards	0	-
Gross loans	195,664,805	144,388,497
Unearned fees and discounts	(1,678,641)	(438,380)
Loans net of unearned fees and discount	193,986,164	143,950,117
Allowance for loan losses	(3,271,921)	(2,391,765)
Net loans	190,714,243	141,558,352
Fixed assets, net	6,145,711	6,401,773
Accrued interest receivable	1,013,732	619,856
Stock investments, restricted, at cost	1,554,200	1,440,900
Bank-owned life insurance	4,721,232	4,595,584
Other assets	1,618,716	1,270,936
Total assets	\$ 314,839,618	\$ 229,507,145
<b>LIABILITIES:</b>		
<b>Deposits</b>		
Non-interest bearing	\$ 145,433,815	\$ 88,412,668
Interest bearing		
NOW and money market	76,774,420	64,520,387
Savings	21,466,856	12,209,281
Time deposits less than \$250,000	9,563,300	9,537,555
Time deposits of \$250,000 or greater	4,473,409	5,471,451
Total deposits	257,711,800	180,151,342
Accrued interest payable	137,487	203,246
Borrowings from Federal Home Loan Bank (FHLB)	25,000,000	20,000,000
Accrued expenses & other payables	1,674,150	1,686,979
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	287,616,437	205,134,567
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, authorized 10,000,000 shares with no par value, issued and outstanding 2,230,808 shares at December 31, 2020 and December 31, 2019, respectively.	10,502,558	10,502,557
Retained earnings	16,428,258	13,803,528
Accumulated other comprehensive income/(loss)	292,365	66,493
Total shareholders' equity	27,223,181	24,372,578
Total liabilities & shareholders' equity	\$ 314,839,618	\$ 229,507,145

**CHINO COMMERCIAL BANCORP**  
**CONSOLIDATED STATEMENTS OF NET INCOME**

	For the three months ended		For the twelve months ended	
	December 31		December 31	
	2020	2019	2020	2019
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income				
Interest and fee income on loans	\$ 2,624,645	\$ 1,982,610	\$ 9,207,404	\$ 7,884,573
Interest on federal funds sold and FRB deposits	14,194	184,875	154,934	510,650
Interest on time deposits in banks	-	3,219	1,856	35,077
Interest on investment securities	225,264	167,707	912,489	1,078,908
Total interest income	<u>2,864,103</u>	<u>2,338,411</u>	<u>10,276,683</u>	<u>9,509,208</u>
Interest Expense				
Interest on deposits	53,723	230,243	369,628	935,215
Other borrowings	124,947	139,476	511,815	413,749
Total interest expense	<u>178,670</u>	<u>369,719</u>	<u>881,443</u>	<u>1,348,964</u>
Net interest income	2,685,433	1,968,692	9,395,240	8,160,244
Provision for loan losses	400,000	-	770,000	40,000
Net interest income after provision for loan losses	<u>2,285,433</u>	<u>1,968,692</u>	<u>8,625,240</u>	<u>8,120,244</u>
Non-interest income				
Service charges on deposit accounts	342,342	382,839	1,293,966	1,530,853
Other miscellaneous income	47,642	24,567	163,513	190,565
Dividend income from restricted stock	18,421	17,267	71,664	88,281
Income from bank-owned life insurance	31,840	31,901	125,648	110,699
Total non-interest income	<u>440,245</u>	<u>456,574</u>	<u>1,654,791</u>	<u>1,920,398</u>
Non-interest expenses				
Salaries and employee benefits	1,064,780	1,002,259	4,058,653	3,941,211
Occupancy and equipment	160,415	155,473	623,102	632,501
Data and item processing	147,958	123,409	589,351	469,176
Advertising and marketing	33,869	30,867	144,167	97,035
Legal and professional fees	76,075	217,088	209,565	430,050
Regulatory assessments	33,480	(12,940)	116,167	81,578
Insurance	10,567	10,295	38,380	37,911
Directors' fees and expenses	32,040	32,742	130,054	137,142
Other expenses	192,528	166,709	692,057	675,289
Total non-interest expenses	<u>1,751,712</u>	<u>1,725,902</u>	<u>6,601,496</u>	<u>6,501,893</u>
Income before income tax expense	973,966	699,364	3,678,535	3,538,749
Income tax expense	275,285	196,971	1,053,805	984,794
Net income	<u>\$ 698,681</u>	<u>\$ 502,393</u>	<u>\$ 2,624,730</u>	<u>\$ 2,553,955</u>
Basic earnings per share	\$ 0.31	\$ 0.23	\$ 1.18	\$ 1.14
Diluted earnings per share	\$ 0.31	\$ 0.23	\$ 1.18	\$ 1.14

	For the three months ended		For the nine months ended	
	December 31		December 31	
	2020	2019	2020	2019
<b>KEY FINANCIAL RATIOS</b>				
(unaudited)				
Annualized return on average equity	11.37%	8.31%	10.69%	11.03%
Annualized return on average assets	0.89%	0.85%	0.92%	1.17%
Net interest margin	3.66%	4.41%	3.81%	4.46%
Core efficiency ratio	56.04%	71.16%	59.74%	64.50%
Net chargeoffs/(recoveries) to average loans	0.008%	0.002%	-0.07%	-0.05%

<b>AVERAGE BALANCES</b>				
(thousands, unaudited)				
Average assets	\$ 313,827	\$ 235,723	\$ 284,525	\$ 219,167
Average interest-earning assets	\$ 292,210	\$ 177,259	\$ 246,617	\$ 183,108
Average gross loans	\$ 192,418	\$ 136,963	\$ 173,927	\$ 136,504
Average deposits	\$ 253,908	\$ 186,587	\$ 224,971	\$ 179,226
Average equity	\$ 24,583	\$ 24,182	\$ 24,551	\$ 23,156

<b>CREDIT QUALITY</b>		
(unaudited)		
	End of period	
	December 31, 2020	December 31, 2019
Non-performing loans	\$ 119,836	\$ 120,423
Non-performing loans to total loans	0.06%	0.08%
Non-performing loans to total assets	0.04%	0.05%
Allowance for loan losses to total loans	1.67%	1.66%
Nonperforming assets as a percentage of total loans and OREO	0.06%	0.08%
Allowance for loan losses to non-performing loans	2730.33%	1986.14%

<b>OTHER PERIOD-END STATISTICS</b>		
(unaudited)		
Shareholders equity to total assets	8.65%	10.62%
Net loans to deposits	74.00%	78.58%
Non-interest bearing deposits to total deposits	56.43%	49.08%
Community Bank Leverage Ratio	11.44%	13.74%