

**CHINO COMMERCIAL BANCORP REPORTS**  
**8% INCREASE IN NET EARNINGS**

Chino, California, October 21, 2021 – 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 third quarter ended September 30, 2021. Net earnings for the third quarter of 2021, were \$718 thousand, or an increase of 8.1%, as compared with earnings of \$664 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 \$0.27 for the third quarter of 2021, and \$0.25 for the same quarter last year.

Dann H. Bowman, President and Chief Executive Officer, stated, “As the economy emerges from the effects of the pandemic, the Bank continues to perform well. During the thirist quarter, the Bank posted record levels for total assets, and deposits. We are also pleased to report that loan quality remains very strong, with the Bank having no delinquent loans at quarter-end, no pending foreclosures, and no OREO. Despite the challenges of the last eighteen months, we are optimistic about the opportunities for growth and expansion in the future”

**Financial Condition**

At September 30, 2021, total assets were \$370.2 million, an increase of \$55.3 million or 17.6% over \$314.8 million at December 31, 2020. Total deposits increased by \$53.2 million or 20.6% to \$310.9 million as of September 30, 2021, compared to \$257.7 million as of December 31, 2020. At September 30, 2021, the Company’s core deposits represent 97.9% of the total deposits.

Gross loans decreased by 6.7 % or \$13.1 million as of September 30, 2021 to \$182.6 million, as compared with \$195.7 million as of December 31, 2020, primarily due to pay downs on loans made under the Payroll Protection Program. The Bank had one non-performing loan for the quarters ended September 30, 2021, and December 31, 2020. OREO properties remained at zero as of September 30, 2021 and December 31, 2020 respectively.

**Earnings**

The Company posted net interest income of \$2.6 million for the three months ended September 30, 2021 and \$2.3 million for the same quarter last year. Average interest-earning assets were \$334.5 million with average interest-bearing liabilities of \$145.6 million, yielding a net interest margin of 2.91% for the third quarter of 2021, as compared to the average interest-earning assets of \$283.4 million with average interest-bearing liabilities of \$135.8 million, yielding a net interest margin of 3.31% for the third quarter of 2020.

Non-interest income totaled \$544.6 thousand for the third quarter of 2021, or an increase of 37.5% as compared with \$395.9 thousand earned during the same quarter last year. The majority of the increase is attribute to service charges on deposit accounts and other fees.

General and administrative expenses were \$1.8 million for the three months ended September 30, 2021, and \$1.6 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 third quarter of 2021 and \$999.5 thousand for the same period last year.

Income tax expense was \$273.4 thousand which represents an increase of \$8 thousand or 2.9% for the three months ended September 30, 2021, as compared to \$265.5 thousand for the three months ended September 30, 2020. The effective income tax rate for the third quarter of 2021 and 2020 were approximately 27.6% 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**  
September 30, 2021 and December 31, 2020

	<b>September 30, 2021</b>	<b>December 31, 2020</b>
	(unaudited)	(audited)
<b>ASSETS:</b>		
Cash and due from banks	\$ 123,449,196	\$ 58,075,217
Federal funds sold	-	-
Total cash and cash equivalents	123,449,196	58,075,217
Interest-bearing deposits in other banks	-	-
Investment securities available for sale	36,474,971	32,370,042
Investment securities held to maturity (fair value approximates \$14,403,447 at September 30, 2021 and \$19,556,250 at December 31, 2020)	13,785,218	18,626,525
Total investments	50,260,189	50,996,567
<b>Loans</b>		
Construction	414,072.00	1,014,462
Real estate	120,111,335	119,302,116
Commercial	61,901,808	75,237,752
Installment	158,798	110,475
Credit Cards	0	-
Gross loans	182,586,013	195,664,805
Unearned fees and discounts	(1,615,273)	(1,678,642)
Loans net of unearned fees and discount	180,970,740	193,986,163
Allowance for loan losses	(3,877,017)	(3,271,921)
Net loans	177,093,723	190,714,242
Fixed assets, net	5,953,847	6,145,711
Accrued interest receivable	819,094	1,013,732
Stock investments, restricted, at cost	2,045,200	1,554,200
Bank-owned life insurance	7,825,628	4,721,232
Other assets	2,721,997	1,618,717
Total assets	\$ 370,168,874	\$ 314,839,618
<b>LIABILITIES:</b>		
<b>Deposits</b>		
Non-interest bearing	\$ 191,195,134	\$ 145,433,815
Interest bearing		
NOW and money market	80,027,619	76,774,242
Savings	25,939,170	21,467,034
Time deposits less than \$250,000	10,074,332	4,473,409
Time deposits of \$250,000 or greater	3,646,335	9,563,300
Total deposits	310,882,590	257,711,800
Accrued interest payable	202,379	137,487
Borrowings from Federal Home Loan Bank (FHLB)	15,000,000	25,000,000
Accrued expenses & other payables	1,847,228	1,674,150
Subordinated debt	10,000,000	-
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	341,025,197	287,616,437
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, authorized 10,000,000 shares with no par value, issued and outstanding 2,676,799 shares at September 30, 2021 and December 31, 2020, respectively.	10,502,558	10,502,557
Retained earnings	18,849,889	16,428,258
Accumulated other comprehensive income/(loss)	(208,770)	292,366
Total shareholders' equity	29,143,677	27,223,181
Total liabilities & shareholders' equity	\$ 370,168,874	\$ 314,839,618

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

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2021	2020	2021	2020
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
<b>Interest income</b>				
Interest and fee income on loans	\$2,458,482	\$2,301,354	\$7,643,426	\$6,582,760
Interest on federal funds sold and FRB deposits	42,915	14,828	83,015	140,741
Interest on time deposits in banks	-	-	-	1,856
Interest on investment securities	206,101	232,571	637,644	687,225
Total interest income	<u>2,707,498</u>	<u>2,548,753</u>	<u>8,364,085</u>	<u>7,412,582</u>
<b>Interest Expense</b>				
Interest on deposits	46,825	63,271	145,370	315,906
Other borrowings	207,096	125,396	486,770	386,868
Total interest expense	<u>253,921</u>	<u>188,667</u>	<u>632,140</u>	<u>702,774</u>
Net interest income	2,453,577	2,360,086	7,731,945	6,709,808
Provision for loan losses	<u>185,000</u>	<u>215,000</u>	<u>555,000</u>	<u>370,000</u>
Net interest income after provision for loan losses	<u>2,268,577</u>	<u>2,145,086</u>	<u>7,176,945</u>	<u>6,339,808</u>
<b>Non-interest income</b>				
Service charges on deposit accounts	394,024	306,081	1,133,360	951,624
Other miscellaneous income	81,984	39,864	223,761	115,872
Dividend income from restricted stock	25,903	18,421	72,928	53,243
Income from bank-owned life insurance	42,669	31,578	104,395	93,808
Total non-interest income	<u>544,580</u>	<u>395,944</u>	<u>1,534,444</u>	<u>1,214,547</u>
<b>Non-interest expenses</b>				
Salaries and employee benefits	1,092,730	999,501	3,173,864	2,993,873
Occupancy and equipment	153,998	155,160	461,912	462,687
Data and item processing	170,018	154,317	490,673	441,393
Advertising and marketing	29,035	20,802	91,121	107,167
Legal and professional fees	49,355	42,100	137,995	133,490
Regulatory assessments	37,761	33,480	107,801	82,687
Insurance	10,106	10,567	30,035	27,813
Directors' fees and expenses	31,920	32,520	97,080	98,014
Other expenses	246,677	162,981	753,192	502,659
Total non-interest expenses	<u>1,821,600</u>	<u>1,611,428</u>	<u>5,343,673</u>	<u>4,849,783</u>
Income before income tax expense	991,557	929,602	3,367,716	2,704,572
Income tax expense	<u>273,434</u>	<u>265,522</u>	<u>943,711</u>	<u>778,520</u>
Net income	<u>\$ 718,123</u>	<u>\$ 664,080</u>	<u>\$2,424,005</u>	<u>\$1,926,052</u>
Basic earnings per share	\$ 0.27	\$ 0.25	\$ 0.91	\$ 0.72
Diluted earnings per share	\$ 0.27	\$ 0.25	\$ 0.91	\$ 0.72

	For the three months ended		For the nine months ended	
	September 30		September 30	
	2021	2020	2021	2020
<b>KEY FINANCIAL RATIOS</b>				
(unaudited)				
Annualized return on average equity	10.71%	10.06%	12.03%	10.03%
Annualized return on average assets	0.80%	0.87%	0.93%	0.94%
Net interest margin	2.91%	3.31%	3.21%	3.87%
Core efficiency ratio	60.76%	58.47%	57.67%	61.20%
Net chargeoffs/(recoveries) to average loans	-0.011%	-0.007%	-0.03%	-0.06%

#### AVERAGE BALANCES

(thousands, unaudited)

Average assets	\$ 360,266	\$ 304,432	\$ 346,155	\$ 274,626
Average interest-earning assets	\$ 334,456	\$ 283,374	\$ 322,099	\$ 231,302
Average gross loans	\$ 180,478	\$ 186,761	\$ 190,920	\$ 167,713
Average deposits	\$ 311,254	\$ 242,964	\$ 298,413	\$ 215,248
Average equity	\$ 26,830	\$ 26,394	\$ 26,867	\$ 25,609

#### CREDIT QUALITY

(unaudited)

	End of period	
	September 30, 2021	December 31, 2020
Non-performing loans	\$ 118,448	\$ 107,672
Non-performing loans to total loans	0.06%	0.06%
Non-performing loans to total assets	0.03%	0.03%
Allowance for loan losses to total loans	2.12%	1.67%
Nonperforming assets as a percentage of total loans and OREO	0.06%	0.06%
Allowance for loan losses to non-performing loans	3273.18%	3038.79%

#### OTHER PERIOD-END STATISTICS

(unaudited)

Shareholders equity to total assets	7.87%	8.65%
Net loans to deposits	56.96%	74.00%
Non-interest bearing deposits to total deposits	61.50%	56.43%
Total capital to total risk-weighted assets	20.97%	18.30%
Tier 1 capital to total risk-weighted assets	23.77%	20.16%
Company Leverage Ratio	9.01%	11.44%