

**CHINO COMMERCIAL BANCORP REPORTS**  
**19% INCREASE IN NET EARNINGS**

Chino, California, January 21, 2022 – 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, and year ended December 31, 2021. Net earnings for the fourth quarter of 2021, were \$707 thousand, or an increase of 1.2%, as compared with earnings of \$699 thousand for the same quarter last year. Net earnings per basic and diluted share was \$0.26 for the fourth quarter of 2021, and for the same quarter last year.

Net earnings for the fiscal year ended December 31, 2021 increased by 19.3% or by \$506 thousand to \$3.1 million, as compared to \$2.6 million for fiscal year 2020. Net earnings per basic and diluted share was \$1.17 for the fiscal year 2021, and \$0.98 for fiscal year 2020.

Dann H. Bowman, President and Chief Executive Officer, stated, “We are very pleased with the performance of the Bank during 2021, which ended the year with record levels of Deposits, Revenue, Earnings and Earnings per Share. As we begin to emerge from the Pandemic, we are optimistic about the business opportunities available to the Bank; and we are looking forward to 2022.”

**Financial Condition**

At December 31, 2021, total assets were \$378.5 million, an increase of \$63.7 million or 20.02% over \$314.8 million at December 31, 2020. Total deposits increased by \$61.2 million or 23.7% to \$318.9 million as of December 31, 2021, compared to \$257.7 million as of December 31, 2020. At December 31, 2021, the Company’s core deposits represent 97.9% of the total deposits.

Gross loans decreased by 10.0 % or \$19.5 million as of December 31, 2021 to \$176.2 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 December 31, 2021, and December 31, 2020. OREO properties remained at zero as of December 31, 2021 and December 31, 2020 respectively.

**Earnings**

The Company posted net interest income of \$2.6 million for the three months ended December 31, 2021 and \$2.9 million for the same quarter last year. Average interest-earning assets were \$348.6 million with average interest-bearing liabilities of \$145.9 million, yielding a net interest margin of 2.63% for the fourth quarter of 2021, as compared to the average interest-earning assets of \$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.

Non-interest income totaled \$606.2 thousand for the fourth quarter of 2021, or an increase of 15.9% as compared with \$440.2 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 \$1.9 million for the three months ended December 31, 2021, and \$1.8 million for the same period last year. The largest component of general and

administrative expenses was salary and benefits expense of \$1.2 million for the fourth quarter of 2021 and \$1.1 million for the same period last year.

Income tax expense was \$259.1 thousand which represents a decrease of \$16 thousand or 5.9% for the three months ended December 31, 2021, as compared to \$275.3 thousand for the three months ended September 30, 2020. The effective income tax rate for the fourth quarter of 2021 and 2020 were approximately 26.8% and 28.3% 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, 2021 and 2020

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
	(unaudited)	(audited)
<b>ASSETS:</b>		
Cash and due from banks	\$ 135,593,445	\$ 58,075,217
Federal funds sold	-	-
Total cash and cash equivalents	135,593,445	58,075,217
Interest-bearing deposits in other banks	-	-
Investment securities available for sale	40,270,538	32,370,042
Investment securities held to maturity (fair value approximates \$12,834,547 at December 31, 2021 and \$19,556,250 at December 31, 2020)	12,435,291	18,626,525
Total investments	52,705,829	50,996,567
<b>Loans</b>		
Construction	414,072	1,014,462
Real estate	119,542,970	119,302,116
Commercial	56,078,174	75,237,752
Installment	148,731	110,475
Credit Cards	0	-
Gross loans	176,183,947	195,664,805
Unearned fees and discounts	(1,419,084)	(1,678,642)
Loans net of unearned fees and discount	174,764,863	193,986,163
Allowance for loan losses	(3,888,480)	(3,271,921)
Net loans	170,876,383	190,714,242
Fixed assets, net	5,897,342	6,145,711
Accrued interest receivable	877,104	1,013,732
Stock investments, restricted, at cost	2,045,200	1,554,200
Bank-owned life insurance	7,871,339	4,721,232
Other assets	2,647,811	1,618,717
Total assets	\$ 378,514,453	\$ 314,839,618
<b>LIABILITIES:</b>		
<b>Deposits</b>		
Non-interest bearing	\$ 195,274,304	\$ 145,433,815
Interest bearing		
NOW and money market	85,144,889	76,774,242
Savings	25,147,966	21,467,034
Time deposits less than \$250,000	9,616,481	4,473,409
Time deposits of \$250,000 or greater	3,695,546	9,563,300
Total deposits	318,879,186	257,711,800
Accrued interest payable	130,327	137,487
Borrowings from Federal Home Loan Bank (FHLB)	15,000,000	25,000,000
Accrued expenses & other payables	1,817,704	1,674,150
Subordinated debt	10,000,000	-
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	348,920,217	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 December 31, 2021 and December 31, 2020, respectively.	10,502,558	10,502,557
Retained earnings	19,556,872	16,428,258
Accumulated other comprehensive income/(loss)	(465,194)	292,366
Total shareholders' equity	29,594,236	27,223,181
Total liabilities & shareholders' equity	\$ 378,514,453	\$ 314,839,618

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

	For the three months ended		For the 12 months ended	
	December 31		December 31	
	2021	2020	2021	2020
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income				
Interest and fee income on loans	\$2,271,284	\$2,624,645	\$9,914,710	\$9,207,406
Interest on federal funds sold and FRB deposits	47,599	14,194	130,615	154,934
Interest on time deposits in banks	-	-	-	1,856
Interest on investment securities	242,681	225,264	880,324	912,489
Total interest income	<u>2,561,564</u>	<u>2,864,103</u>	<u>10,925,649</u>	<u>10,276,685</u>
Interest Expense				
Interest on deposits	42,090	53,723	187,460	369,628
Other borrowings	207,193	124,947	693,963	511,815
Total interest expense	<u>249,283</u>	<u>178,670</u>	<u>881,423</u>	<u>881,443</u>
Net interest income	2,312,281	2,685,433	10,044,226	9,395,242
Provision for loan losses	-	400,000	555,000	770,000
Net interest income after provision for loan losses	<u>2,312,281</u>	<u>2,285,433</u>	<u>9,489,226</u>	<u>8,625,242</u>
Non-interest income				
Service charges on deposit accounts	412,268	342,342	1,545,628	1,293,966
Other miscellaneous income	119,487	47,642	343,247	163,514
Dividend income from restricted stock	28,693	18,421	101,622	71,664
Income from bank-owned life insurance	45,711	31,840	150,107	125,648
Total non-interest income	<u>606,159</u>	<u>440,245</u>	<u>2,140,604</u>	<u>1,654,792</u>
Non-interest expenses				
Salaries and employee benefits	1,234,412	1,064,780	4,408,276	4,058,653
Occupancy and equipment	157,939	160,415	619,851	623,102
Data and item processing	173,749	147,958	664,422	589,351
Advertising and marketing	26,664	33,869	126,457	144,167
Legal and professional fees	900	76,075	138,895	209,565
Regulatory assessments	41,768	33,480	149,569	116,167
Insurance	10,106	10,567	40,141	38,380
Directors' fees and expenses	32,520	32,040	129,600	130,054
Other expenses	274,294	192,528	1,018,815	692,060
Total non-interest expenses	<u>1,952,352</u>	<u>1,751,712</u>	<u>7,296,026</u>	<u>6,601,499</u>
Income before income tax expense	966,088	973,966	4,333,804	3,678,535
Income tax expense	259,105	275,285	1,202,816	1,053,805
Net income	<u>\$ 706,983</u>	<u>\$ 698,681</u>	<u>\$3,130,988</u>	<u>\$2,624,730</u>
Basic earnings per share	\$ 0.26	\$ 0.26	\$ 1.17	\$ 0.98
Diluted earnings per share	\$ 0.26	\$ 0.26	\$ 1.17	\$ 0.98

	For the three months ended		For the twelve months ended	
	December 31		December 31	
	2021	2020	2021	2020
<b>KEY FINANCIAL RATIOS</b>				
(unaudited)				
Annualized return on average equity	10.68%	11.37%	11.70%	10.69%
Annualized return on average assets	0.75%	0.89%	0.89%	0.92%
Net interest margin	2.63%	3.66%	3.06%	3.81%
Core efficiency ratio	66.90%	56.04%	59.88%	59.74%
Net chargeoffs/(recoveries) to average loans	-0.008%	0.008%	-0.03%	-0.07%

#### AVERAGE BALANCES

(thousands, unaudited)

Average assets	\$	374,871	\$	313,827	\$	353,393	\$	284,525
Average interest-earning assets	\$	348,574	\$	292,210	\$	328,772	\$	246,612
Average gross loans	\$	175,748	\$	192,418	\$	187,096	\$	173,923
Average deposits	\$	325,436	\$	253,908	\$	305,234	\$	224,966
Average equity	\$	26,488	\$	24,583	\$	26,772	\$	24,551

#### CREDIT QUALITY

(unaudited)

	End of period	
	December 31, 2021	December 31, 2020
Non-performing loans	\$ 115,434	\$ 119,836
Non-performing loans to total loans	0.07%	0.06%
Non-performing loans to total assets	0.03%	0.04%
Allowance for loan losses to total loans	2.21%	1.67%
Nonperforming assets as a percentage of total loans and OREO	0.07%	0.06%
Allowance for loan losses to non-performing loans	3368.57%	2730.33%

#### OTHER PERIOD-END STATISTICS

(unaudited)

Shareholders equity to total assets	7.82%	8.65%
Net loans to deposits	53.59%	74.00%
Non-interest bearing deposits to total deposits	61.24%	56.43%
Total capital to total risk-weighted assets	21.40%	18.30%
Tier 1 capital to total risk-weighted assets	24.35%	20.16%
Company Leverage Ratio	8.84%	11.44%