

**CHINO COMMERCIAL BANCORP REPORTS**  
**42% INCREASE IN NET EARNINGS**

Chino, California, July 22, 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 second quarter ended June 30, 2022. Net earnings for the second quarter of 2022, were \$1.2 million, or an increase of 42.4%, as compared with earnings of \$867 thousand for the same quarter last year. Net earnings per basic and diluted share was \$0.46 for the second quarter of 2022, and \$0.32 for the same quarter last year.

Dann H. Bowman, President and Chief Executive Officer, stated “The fundamentals of the Bank continue to remain strong. During the second quarter the company saw an increase in revenue of 35% and net earnings year-to-date increased by 25%. Loan quality continues to remain strong, with the Bank having no delinquent loans at quarter-end, no foreclosed properties. We do see some weakness in the economy over the next 18 months, however, even this has the potential to create opportunities to expand the customer base and grow the company. We are excited about the opportunities for growth and expansion of the Bank as we offer new products and services to help small businesses to grow and innovate as we navigate through challenging times.”

**Financial Condition**

At June 30, 2022, total assets were \$406.8 million, an increase of \$28.3 million or 7.5% over \$378.5 million at December 31, 2021. Total deposits increased by \$28.2 million or 8.8% to \$347.1 million as of June 30, 2022, compared to \$318.9 million as of December 31, 2021. At June 30, 2022, the Company’s core deposits represent 98.4% of the total deposits.

Gross loans decreased by 2.1% or \$3.7 million as of June 30, 2022 to \$172 million as compared with \$176.2 million at December 31, 2021, primarily attributed to continued payoffs of PPP loans. The Bank had two non-performing loans for the quarter ended June 30, 2022, and one non-performing loan as of December 31, 2021. OREO properties remained at zero as of June 30, 2022 and December 31, 2021 respectively.

**Earnings**

The Company posted net interest income of \$3.3 million for the three months ended June 30, 2022 and \$2.6 million for the same quarter last year. Average interest-earning assets were \$385.4 million with average interest-bearing liabilities of \$154.5 million, yielding a net interest margin of 3.43% for the second quarter of 2022, as compared to the average interest-earning assets of \$326 million with average interest-bearing liabilities of \$143.8 million, yielding a net interest margin of 3.17% for the second quarter of 2021.

Non-interest income totaled \$594.5.3 thousand for the second quarter of 2022, or an increase of 12.9% as compared with \$526.4 thousand earned during the same quarter last year. The majority of the increase is attributed to service charges on deposit accounts and other fees.

General and administrative expenses were \$1.9 million for the three months ended June 30, 2022, and \$1.7 million for the same period last year. The largest component of general and administrative expenses was salary and benefits expense of \$1.2 million for the second quarter of 2022 and \$1.0 million for the same period last year.

Income tax expense was \$492 thousand which represents an increase of \$150 thousand or 44% for the three months ended June 30, 2022, as compared to \$342 thousand for the three months ended June 30, 2021. The effective income tax rate for the second quarter of 2022 and 2021 were approximately 28.5% 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**  
June 31, 2022 and 2021

	<b>June 30, 2022</b>	<b>December 31, 2021</b>
	(unaudited)	(audited)
<b>ASSETS:</b>		
Cash and due from banks	\$ 65,532,718	\$ 135,593,445
Federal funds sold	-	-
Total cash and cash equivalents	65,532,718	135,593,445
	-	-
Investment securities available for sale	6,754,523	40,270,538
Investment securities held to maturity	147,370,317	12,435,291
Total investments	154,124,840	52,705,829
Loans		
Construction	718,156	414,072
Real estate	139,783,238	125,894,826
Commercial	31,847,131	48,133,781
Installment	138,524	1,741,267
Gross loans	172,487,049	176,183,946
Unearned fees and discounts	(605,511)	(1,419,084)
Loans net of unearned fees and discount	171,881,538	174,764,862
Allowance for loan losses	(3,969,967)	(3,888,480)
Net loans	167,911,571	170,876,382
Fixed assets, net	5,760,131	5,897,342
Accrued interest receivable	1,021,469	877,104
Stock investments, restricted, at cost	2,045,200	7,871,339
Bank-owned life insurance	7,960,490	2,045,200
Other assets	2,490,260	2,647,812
Total assets	\$ 406,846,679	\$ 378,514,453
<b>LIABILITIES:</b>		
Deposits		
Non-interest bearing	\$ 214,792,565	\$ 195,274,304
Interest bearing		
NOW and money market	91,053,995	85,144,889
Savings	30,443,494	25,147,965
Time deposits less than \$250,000	8,223,753	3,695,546
Time deposits of \$250,000 or greater	2,574,278	9,616,481
Total deposits	347,088,085	318,879,185
Accrued interest payable	117,711	130,327
Borrowings from Federal Home Loan Bank (FHLB)	15,000,000	15,000,000
Accrued expenses & other payables	1,597,793	1,817,705
Subordinated debt	10,000,000	10,000,000
Subordinated notes payable to subsidiary trust	3,093,000	3,093,000
Total liabilities	376,896,589	348,920,217
<b>SHAREHOLDERS' EQUITY</b>		
Common stock, authorized 10,000,000 shares with no par value, issued and outstanding 2,676,799 shares at June 30, 2022 and December 31, 2021, respectively.	10,502,558	10,502,557
Retained earnings	21,691,938	19,556,872
Accumulated other comprehensive income/(loss)	(2,244,406)	(465,193)
Total shareholders' equity	29,950,090	29,594,236
Total liabilities & shareholders' equity	\$ 406,846,679	\$ 378,514,453

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

	For the three months ended		For the six months ended	
	June 30		June 30	
	2022	2021	2022	2021
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Interest income				
Interest and fee income on loans	\$2,591,015	\$2,536,482	\$ 4,904,212	\$5,184,945
Interest on federal funds sold and FRB deposits	121,723	23,835	174,910	40,100
Interest on time deposits in banks	-	-	-	-
Interest on investment securities	842,810	218,100	1,192,224	431,543
Total interest income	<u>3,555,548</u>	<u>2,778,417</u>	<u>6,271,346</u>	<u>5,656,588</u>
Interest Expense				
Interest on deposits	48,804	48,752	91,321	98,546
Other borrowings	212,719	155,818	419,222	277,882
Total interest expense	<u>261,523</u>	<u>204,570</u>	<u>510,543</u>	<u>376,428</u>
Net interest income	3,294,025	2,573,847	5,760,803	5,280,160
Provision for loan losses	<u>250,000</u>	<u>170,000</u>	50,000	370,000
Net interest income after provision for loan losses	<u>3,044,025</u>	<u>2,403,847</u>	<u>5,710,803</u>	<u>4,910,160</u>
Non-interest income				
Service charges on deposit accounts	444,237	391,238	853,482	739,336
Other miscellaneous income	71,781	80,061	130,469	141,777
Dividend income from restricted stock	33,460	23,917	61,686	47,025
Income from bank-owned life insurance	45,018	31,162	89,151	61,726
Total non-interest income	<u>594,496</u>	<u>526,378</u>	<u>1,134,788</u>	<u>989,864</u>
Non-interest expenses				
Salaries and employee benefits	1,191,030	1,032,909	2,435,342	2,081,133
Occupancy and equipment	152,959	151,628	312,722	307,914
Data and item processing	190,698	164,107	372,179	320,655
Advertising and marketing	25,704	27,236	75,521	54,420
Legal and professional fees	43,770	46,167	87,795	90,432
Regulatory assessments	46,430	36,561	89,098	70,041
Insurance	10,124	10,106	20,053	19,929
Directors' fees and expenses	32,040	32,880	64,200	65,160
Other expenses	219,000	219,444	409,791	514,181
Total non-interest expenses	<u>1,911,755</u>	<u>1,721,038</u>	<u>3,866,701</u>	<u>3,523,865</u>
Income before income tax expense	1,726,766	1,209,187	2,978,890	2,376,159
Income tax expense	491,913	341,717	843,824	670,277
Net income	<u>\$1,234,853</u>	<u>\$ 867,470</u>	<u>\$ 2,135,066</u>	<u>\$1,705,882</u>
Basic earnings per share	\$ 0.46	\$ 0.32	\$ 0.80	\$ 0.64
Diluted earnings per share	\$ 0.46	\$ 0.32	\$ 0.80	\$ 0.64

	For the three months ended		For the six months ended	
	June 30		June 30	
	2022	2021	2022	2021
<b>KEY FINANCIAL RATIOS</b>				
(unaudited)				
Annualized return on average equity	17.68%	13.00%	15.00%	12.69%
Annualized return on average assets	1.22%	0.99%	1.07%	1.01%
Net interest margin	3.43%	3.17%	3.09%	3.37%
Core efficiency ratio	49.16%	55.51%	56.07%	56.20%
Net chargeoffs/(recoveries) to average loans	-0.011%	-0.008%	-0.02%	-0.02%

#### AVERAGE BALANCES

(thousands, unaudited)

Average assets	\$ 405,447	\$ 350,226	\$ 397,719	\$ 338,983
Average interest-earning assets	\$ 385,416	\$ 325,987	\$ 376,406	\$ 315,817
Average gross loans	\$ 175,736	\$ 196,470	\$ 175,021	\$ 196,228
Average deposits	\$ 355,910	\$ 303,611	\$ 348,217	\$ 291,780
Average equity	\$ 27,942	\$ 26,684	\$ 28,466	\$ 26,886

#### CREDIT QUALITY

(unaudited)

	End of period	
	June 30, 2022	December 31, 2021
Non-performing loans	\$ 453,427	\$ 115,434
Non-performing loans to total loans	0.26%	0.07%
Non-performing loans to total assets	0.11%	0.03%
Allowance for loan losses to total loans	2.30%	2.21%
Nonperforming assets as a percentage of total loans and OREO	0.26%	0.07%
Allowance for loan losses to non-performing loans	875.55%	3368.57%

#### OTHER PERIOD-END STATISTICS

(unaudited)

Shareholders equity to total assets	7.36%	7.82%
Net loans to deposits	48.38%	53.59%
Non-interest bearing deposits to total deposits	61.88%	61.24%
Total capital to total risk-weighted assets	22.74%	18.30%
Tier 1 capital to total risk-weighted assets	26.12%	20.16%
Company Leverage Ratio	8.16%	8.84%