



US Metro Bancorp Announces First Quarter 2023 Results

Garden Grove, California: April 27, 2023: [US Metro Bancorp](#) (OTCQX: USMT): Mr. Dong Il Kim, President and CEO, announced US Metro Bancorp and US Metro Bank's financial results for the first quarter 2023. US Metro Bancorp ("Bancorp") is a bank holding company (BHC), with a single subsidiary, US Metro Bank. On a consolidated basis the Bancorp earned \$3,165,000 in the first quarter of 2023, compared to \$4,871,000 in the fourth quarter of 2022. For the three months ending March 31, 2023, the consolidated Bancorp earned \$3,165,000 compared to \$3,680,000 for the three months ending March 31, 2022. On a year-to-date basis the Bancorp recorded an annualized return on average assets ("ROAA") of 1.19% and an annualized return on average equity ("ROAE") of 12.08%. With 16,390,000 shares outstanding, earnings per share ("EPS") for the first quarter 2023 was \$0.19 compared to \$0.30 in the fourth quarter 2022. For the three months ended March 31, 2023, EPS was \$0.19 compared to \$0.23 for the three months ending March 31, 2022. On March 31, 2023, the Bancorp's Book Value was \$5.41 compared to \$4.77 per share a year earlier.

US Metro Bank recorded year over year loan growth of \$122.9 million or 14.7%. Deposits grew \$34.1 million or 3.6% over March 31, 2022. Five of a total of six branches have deposits exceeding \$100 million, with two branches having more than \$200 million in deposits. Net Interest Income increased \$0.8 million or 9.5% for the three months ending March 31, 2023, compared to the same period a year earlier. SBA premium income for the three months ending March 31, 2023, was \$1.4 million compared to \$2.4 million for the same period in 2022. Net income of \$3,459,000 for the three months ending March 31, 2023, compares to \$4,340,000 reported for the same three months in 2022, a year over year decrease of \$0.9 million or -20.3%.

The Bank reported total assets of \$1.137 billion as of March 31, 2023, representing a 7.1% increase compared to the reporting period ending March 31, 2022. The Bank opened a branch office on April 3, 2017, on Wilshire Boulevard in Koreatown, Los Angeles, and a new branch in downtown Los Angeles' Fashion District on November 1, 2017. On December 5, 2018, a fifth branch was opened in Buena Park (Fullerton Branch), California. On December 20, 2019, a sixth branch was opened in Torrance, California. As of March 31, 2023, the Wilshire branch recorded a total deposit base of \$113.3 million including \$19.2 million in non-interest-bearing deposits. The Fashion District Branch had \$136.2 million in total deposits on March 31, 2023, including \$44.7 million in non-interest-bearing deposits. The Fullerton Branch recorded a deposit base of \$209.4 million with \$62.9 million in non-interest-bearing deposits at March 31, 2023, and the newest Torrance Branch had \$121.5 million in deposits at March 31, 2023, including \$27.6 million in non-interest bearing deposits. The Bank's Headquarters Branch in Garden Grove had \$214.7 million in deposits including \$51.5 million in non-interest-bearing deposits at March 31, 2023. The Anaheim Branch, the only branch not in a Korean American community, focusing on loan originations, carries a loan to deposit ratio of 180% with total deposits of \$78.7 million including \$25.6 million in non-interest-bearing deposits. Total Bank deposits ended the first quarter of 2023 at \$985.3 million, a 3.6% increase from \$951.2 million on March 31, 2022. Non-interest-bearing deposits decreased to \$257.1 million on March 31, 2023, from \$325.0 million at March 31, 2022, a decrease of 20.9%.

SBA loan originations for the three months ending March 31, 2023, were \$46.0 million compared to \$43.1 million for the same three-month period in 2022.

Loan quality remains good with non-performing assets as a percent of total assets of 0.25% on March 31, 2023, compared to 0.28% as of March 31, 2022. The Bank had no Other Real Estate Owned on March 31, 2023, and two TDR loans totaling \$1.7 million. Allowance for loan and lease losses (ALLL) to gross loans was 1.39% as of March 31, 2023, compared to 1.47% as of

March 31, 2022. The Bank recorded a \$200 thousand provision for loan loss expense, for the three months ending March 31, 2023, compared to a \$600 thousand recorded for the three months ending March 31, 2022.

“The Board of Directors and I are pleased with another good quarter of earnings. Despite the recent industry challenges, the Bank has navigated the situation well and continues to move forward. We are excited to announce the opening of our newest branch location in Lynnwood, Washington, which is the Bank’s first location outside of California. The Bank is positioned to continue its strong performance throughout the remainder of 2023.” said Mr. Kim.

US Metro Bank is a California chartered, full service commercial nonmember bank headquartered in Garden Grove, California with six branch offices in California - Garden Grove, Anaheim, Buena Park (Fullerton Branch), Koreatown/Los Angeles, Fashion District/Los Angeles, Torrance and with loan production offices in Dallas, Seattle, Inland Empire of Southern California, Northern California, Fresno and Sacramento. The Bank opened for business on September 15, 2006, and offers deposit and loan products (including commercial real estate, commercial and industrial and SBA loans), as well as related banking services to its targeted client base of executives, professionals, and small to medium-sized businesses, generally in the Southern California area.

This release contains forward-looking statements, including our expectations with respect to future events that are subject to various risks and uncertainties. Factors that could cause actual results to differ materially from management's projections, forecasts, estimates and expectations include: fluctuation in market rates of interest and loan and deposit pricing, adverse changes in the overall national economy as well as adverse economic conditions in our specific market areas, maintenance and development of well-established and valued client relationships and referral source relationships, and acquisition or loss of key production personnel. Other risks that can affect the Bank are detailed from time to time in our annual reports. We caution readers that the list of factors above is not exclusive. The forward-looking statements are made as of the date of this release, and we may not undertake steps to update the forward-looking statements to reflect the impact of any circumstances or events that arise after the date the forward-looking statements are made. In addition, our past results of operations are not necessarily indicative of future performance.

Contact: Dong Il Kim
(714) 620-8888
SOURCE US Metro Bancorp

US METRO BANCORP
CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)

(All amounts in thousands except per share information)

| | At or for the Three Months Ended | | | Y-O-Y Change | |
|-------------------------------|----------------------------------|--------------|----------|--------------|----------|
| | 3/31/2023 | 12/31/2022 | % Change | 3/31/2022 | % Change |
| Net Income | \$ 3,165 | \$ 4,871 | -35.01% | \$ 3,680 | -13.98% |
| Net Income Per Share (Basic) | \$ 0.19 | \$ 0.30 | -35.13% | \$ 0.23 | -14.82% |
| ROAA (Annualized) | 1.12% | 1.76% | -0.64% | 1.45% | -0.33% |
| ROAE (Annualized) | 14.59% | 23.56% | -8.98% | 19.11% | -4.53% |
| Efficiency Ratio | 62.45% | 53.23% | 9.22% | 51.22% | 11.23% |
| Assets | \$ 1,137,559 | \$ 1,122,179 | 1.37% | \$ 1,062,023 | 7.11% |
| Gross Loans | \$ 957,983 | \$ 930,748 | 2.93% | \$ 834,714 | 14.77% |
| Deposits | \$ 984,751 | \$ 976,263 | 0.87% | \$ 950,918 | 3.56% |
| Non-Interest Bearing Deposits | \$ 256,491 | \$ 299,422 | -14.34% | \$ 324,658 | -21.00% |
| Common Equity | \$ 88,741 | \$ 84,878 | 4.55% | \$ 77,374 | 14.69% |
| Ending Common Shares O/S | 16,390,000 | 16,360,000 | | 16,230,000 | |
| Book Value Per Common Shares | \$ 5.41 | \$ 5.19 | \$ 0.23 | \$ 4.77 | \$ 0.65 |

US METRO BANK (only)
FINANCIAL HIGHLIGHTS (unaudited)

BALANCE SHEET

(All amounts in thousands except per share information)

| Assets | 3/31/2023 | 3/31/2022 | Y-O-Y Change | |
|--------------------------------|---------------------|---------------------|---------------------|-------------|
| Cash and Due From Bank | \$ 12,842 | \$ 13,149 | \$ (307) | -2.3% |
| Investments and Fed Funds Sold | \$ 148,560 | \$ 203,487 | (54,927) | -27.0% |
| Loans Outstanding | 957,983 | 835,064 | 122,919 | 14.7% |
| Loan Loss Reserve | (13,318) | (12,415) | (903) | 7.3% |
| Other Assets | 30,592 | 22,318 | 8,274 | 37.1% |
| Total Assets | \$ 1,136,660 | \$ 1,061,603 | \$ 75,057 | 7.1% |

| Liabilities and Capital | 3/31/2023 | 3/31/2022 | Y-O-Y Change | |
|--------------------------------------|---------------------|---------------------|---------------------|-------------|
| Deposits | \$ 985,341 | \$ 951,243 | \$ 34,098 | 3.6% |
| Borrowings | 31,346 | 3,892 | 27,454 | 705.4% |
| Other Liabilities | 6,629 | 3,760 | 2,869 | 76.3% |
| Equity | 113,343 | 102,708 | 10,635 | 10.4% |
| Total Liabilities and Capital | \$ 1,136,660 | \$ 1,061,603 | \$ 75,057 | 7.1% |

STATEMENT OF OPERATIONS

(All amounts in thousands)

| Income Statement | Three Months Ended | | | | |
|---------------------------|---------------------------|-------------------|---------------------|---------------|--|
| | 3/31/2023 | 12/31/2022 | Q-O-Q Change | | |
| Interest Income | \$ 15,255 | \$ 13,718 | \$ 1,537 | 11.2% | |
| Interest Expense | 5,873 | 3,043 | 2,829 | 93.0% | |
| Net Interest Income | 9,382 | 10,675 | (1,293) | -12.1% | |
| Provision for Loan Losses | 200 | - | 200 | | |
| Other Income | 3,102 | 2,958 | 144 | 4.9% | |
| Operating Expenses | 7,525 | 7,013 | 511 | 7.3% | |
| Tax | 1,300 | 1,461 | (161) | -11.0% | |
| Net Income | \$ 3,459 | \$ 5,158 | \$ (1,699) | -32.9% | |

STATEMENT OF OPERATIONS

(All amounts in thousands)

| Income Statement | Three Months Ended | | | | |
|---------------------------|---------------------------|------------------|---------------------|---------------|--|
| | 3/31/2023 | 3/31/2022 | Y-O-Y Change | | |
| Interest Income | \$ 15,255 | \$ 9,162 | \$ 6,093 | 66.5% | |
| Interest Expense | 5,873 | 595 | 5,278 | 887.0% | |
| Net Interest Income | 9,382 | 8,567 | 815 | 9.5% | |
| Provision for Loan Losses | 200 | 600 | (400) | -66.7% | |
| Other Income | 3,102 | 3,750 | (648) | -17.3% | |
| Operating Expenses | 7,525 | 5,553 | 1,972 | 35.5% | |
| Tax | 1,300 | 1,824 | (524) | -28.7% | |
| Net Income | \$ 3,459 | \$ 4,340 | \$ (881) | -20.3% | |

| Ratios | 3/31/2023 | 3/31/2022 | Y-O-Y Change |
|---------------------------|------------------|------------------|---------------------|
| Net Loan to Deposits | 95.87% | 86.48% | 9.39% |
| ALLL/Gross Loans | 1.39% | 1.47% | -0.08% |
| NPAs/Total Assets | 0.25% | 0.28% | -0.03% |
| Tier One Leverage Ratio | 10.57% | 10.47% | 0.10% |
| YTD ROAA (annualized) | 1.19% | 1.71% | -0.52% |
| YTD ROAE (annualized) | 12.08% | 16.74% | -4.66% |
| Net Interest Margin (QTD) | 3.41% | 3.49% | -0.08% |
| Net Interest Margin (YTD) | 3.41% | 3.49% | -0.08% |

