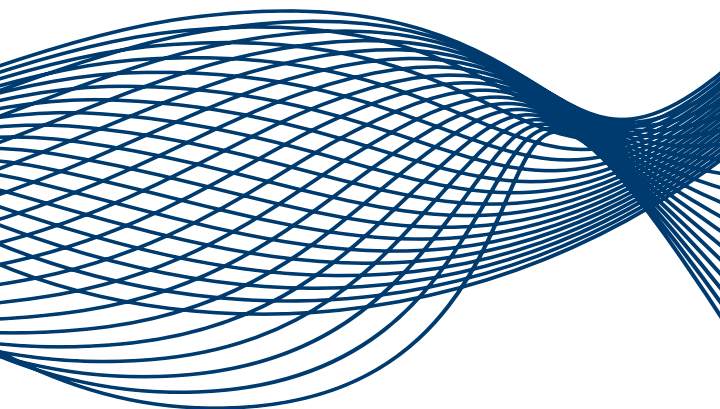




2022 Q1 REPORT



BALANCE SHEETS

Unaudited - 000s omitted

March 31,	2022	2021
ASSETS		
Cash & cash equivalents	\$ 111,553	\$ 388,991
Investment securities	1,464,743	1,067,359
Loans receivable	2,183,954	2,192,017
Allowance for loan losses	(26,561)	(22,946)
Loans receivable, net	2,157,393	2,169,071
Furniture, equipment & leasehold improvements, net	6,327	7,472
Bank/Corp owned life insurance	28,622	28,070
Other assets	58,242	44,247
TOTAL ASSETS	<u>\$3,826,880</u>	<u>\$ 3,705,210</u>
LIABILITIES		
Deposits:		
Non-interest bearing demand deposits	\$1,920,015	\$ 1,855,756
Interest bearing transaction accounts	277,016	260,610
Money market & savings deposits	1,297,039	1,270,228
Certificates of deposits	40,998	34,267
Total Deposits	3,535,068	3,420,861
FHLB Advances/Other borrowings	-	-
Other liabilities	36,588	36,265
TOTAL LIABILITIES	<u>\$ 3,571,656</u>	<u>\$3,457,126</u>
SHAREHOLDERS' EQUITY		
Common stock & retained earnings	\$ 294,843	\$ 251,429
Accumulated other comprehensive income/(loss)	(39,619)	(3,345)
TOTAL SHAREHOLDERS' EQUITY	<u>\$ 255,224</u>	<u>\$ 248,084</u>
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	<u>\$3,826,880</u>	<u>\$ 3,705,210</u>
Standby Letters of Credit	\$ 36,698	\$ 32,115

INCOME STATEMENTS

Unaudited - 000s omitted except share and per share amounts

Three months ended March 31,	2022	2021
INTEREST INCOME		
Loans	\$ 21,809	\$ 20,774
Investments	6,658	4,122
Interest earning deposits in other financial institutions	80	66
TOTAL INTEREST INCOME	<u>28,547</u>	<u>24,962</u>
INTEREST EXPENSE		
Interest bearing transaction accounts	26	41
Money market & savings deposits	323	414
Certificates of deposits	10	14
FHLB Advances/Other borrowings	-	-
TOTAL INTEREST EXPENSE	<u>359</u>	<u>469</u>
NET INTEREST INCOME	28,188	24,493
Provision for loan losses	1,486	-
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	26,702	24,493
TOTAL NONINTEREST INCOME	1,391	1,527
TOTAL NONINTEREST EXPENSE	14,705	13,934
EARNINGS BEFORE INCOME TAXES	13,388	12,086
Income tax expense	3,465	3,170
NET INCOME	<u>\$ 9,923</u>	<u>\$ 8,916</u>
Earnings per share* - basic	\$ 1.10	\$ 1.00
Earnings per share* - diluted	\$ 1.08	\$ 0.99
Weighted average shares - basic	9,040,825	8,921,941
Weighted average shares - diluted	9,167,184	9,033,128

* Share and per share amounts have been retroactively applied for the 10% stock dividend paid in July 2021.

SHAREHOLDERS & CLIENTS,

As the Bank celebrates 24 years of service this year, I reflect on the early days of our formation, and the vision that brought us together, and am most proud that the core principles that set us on a path of success to support our clients still govern our business today. Primarily, this Bank was founded by entrepreneurs to support our entrepreneur clientele.



With Q1 2022 under our belt, national headwinds are gaining strength, mainly in the rising rate environment, squeezed labor market, record inflation, and the lingering effects of the pandemic. As always we will navigate all of these issues by controlling, and emphasizing matters that are under our influence. Chiefly are the continued desire to bank the best clients in Southern California and partnering with them with our advocacy, advice, and expertise.

Our results for Q1 were excellent but first I'd like to acknowledge our lending staff that now total 38 and are to be considered best in class! This includes four new positions since March 31, 2021. These professionals round out the entire group of talented staff at the Bank now totaling 198. All of these folks are collectively responsible for driving our commendable results.

ABB reported net income of \$9.9MM or \$1.08 per fully diluted share for the first quarter of 2022 compared to \$9.7MM or \$1.06 per fully diluted share for the fourth quarter of 2021, an increase of 3%. The highlight for the quarter was generating \$163 million in core loan growth (non-PPP) matching our record increase from the fourth quarter of 2021. Net income increased \$1.0MM or 11% over that of March 31, 2021. The increase to our loan portfolio and income have been punctuated by maintaining our standard of high credit quality, with the Bank reporting nonperforming assets of 0%. We experienced no charge-offs in Q1 2022. Our status as well capitalized — the highest regulatory standard also remains for ABB in the first quarter.

I am grateful to our employees, our clients, and our shareholders for your continued support.

At your service,

- Leon Blankstein

President, Chief Executive Officer, Director

American Business Bank has eight offices in strategic locations including: Los Angeles, Irvine, Anaheim, Torrance, Woodland Hills, Corona, Ontario and Long Beach.



www.americanbb.bank