

AMERICAN BUSINESS BANK REPORTS RECORD QUARTERLY EARNINGS OF \$14.8 MILLION

Record Annual Earnings of \$54 million

Fourth Quarter 2025 Highlights

- **Net income for the quarter totaled \$14.8 million**, or \$1.61 per diluted share
- **Net interest margin expanded to 3.78%** from 3.66% in the prior quarter
- **Cost of average deposits declined to 1.02%** compared to 1.14% in the prior quarter
- **Total loans increased \$126 million** or 4% over the prior quarter
- **Net yield on interest earning assets increased 12 basis points** over the prior quarter
- **Non-interest bearing demand deposits represent 45%** of total deposits
- **Minimal past due loans**
- **No borrowings** during the fourth quarter
- **Return on Average Assets of 1.33%** for the current quarter
- **Return on Average Equity of 14.68%** for the current quarter
- **Quarterly cash dividend paid on common stock of \$0.25 per share**
- **Tangible book value per share increased \$1.99 to \$46.33**
- **Continued status as well-capitalized**, the highest regulatory category

Full Year 2025 Highlights

- **Net income for the year of \$54.2 million** or \$5.86 per diluted share
- **Total loans increased \$295 million** or 10.7%
- **Non-interest bearing demand deposits increased \$137 million** or 8.3%
- **Total deposits increased \$310 million** or 8.5%
- **Total core deposits increased \$450 million** or 13.5%

Los Angeles, California, January 27, 2026 [AMERICAN BUSINESS BANK \(OTCQX: AMBZ\)](#) today reported net income of \$14.8 million or \$1.61 per fully diluted share for the quarter ended December 31, 2025 compared to \$14.3 million or \$1.56 per fully diluted share for the quarter ended September 30, 2025, and \$12.5 million or \$1.33 per fully diluted share for the quarter ended December 31, 2024, representing an increase of 4% and 19%, respectively.

“For the first time since the Bank’s inception, outstanding loans exceeded \$3 billion! As a co-founder, I am humbled to have reached this pinnacle as part of the ABB team. We have originated roughly \$8 billion of loans in our 27 years of operation and have contributed positively to many lives in helping entrepreneurs thrive in their businesses.

“Loan growth during the year and last quarter combined with higher average non-interest bearing deposits continues to drive net interest margin expansion and earnings growth over the prior periods. Profitability metrics for the quarter were a Return on Average Equity of 15% and a Return on Average Assets of 1.33%. In addition, business momentum and the loan pipeline remains robust as prospects and existing customers are strong and continue to grow.”

“We are pleased with the core deposit growth for the year. The deposit pipeline of new customer relationships remains solid and should drive further core deposit growth over the course of 2026. The key to our success continues to be attracting new business clients by differentiating ourselves with professional bankers who deliver business acumen coupled with high touch service.”

“We have also prepared for the future of American Business Bank by promoting two of our own outstanding relationship managers to be executives to help lead corporate banking and develop relationship managers,” commented Leon Blankstein, Chief Executive Officer (CEO), President and Director.

For the quarter ended December 31, 2025, net interest income was \$41.8 million, a 22% increase compared to the prior year quarter. The higher balance of average loans, an increase in loan yields, and a decrease in the cost of deposits, all contributed to the increase in net interest income compared to the prior year quarter.

The allowance for credit losses as a percentage of loans was 1.10% at December 31, 2025 and September 30, 2025. A provision of \$1.4 million was recorded for the quarter to increase the allowance for credit losses due to growth in the loan portfolio.

For the year ended December 31, 2025, the Bank reported net income of \$54 million or \$5.86 per fully diluted share compared to \$43 million or \$4.64 per fully diluted share for the year ended December 31, 2024, representing an increase of 25% in net income. Net income was higher in 2025 due to higher average balance of loans and higher loan rates from new production and repricing of existing loans.

During the year, certain investments with longer duration and below market yields were sold opportunistically. The following table presents net income excluding the after-tax losses on sales of investment securities to arrive at core net income:

	Three Months Ended			Twelve Months Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Figures in \$000s, except per share amounts)					
Net Income	\$ 14,837	\$ 14,324	\$ 12,501	\$ 54,204	\$ 43,277
Excluding After-Tax					
Net Losses on Sale of Investment Securities	2,315	1,828	214	5,262	1,001
Core Net Income	\$ 17,152	\$ 16,152	\$ 12,715	\$ 59,466	\$ 44,278
Core Earnings after taxes per shares - Diluted	\$ 1.87	\$ 1.75	\$ 1.36	\$ 6.43	\$ 4.75

Net Interest Margin

The net interest margin for the fourth quarter of 2025 increased to 3.78% from 3.66% for the prior quarter and 3.32% for the prior year quarter. The increase compared to the prior quarter is primarily due to an increase in average loans with higher interest rates and a reduction of interest expense on deposits. The increase in the average balances of non-interest bearing deposits also contributed to margin expansion. The loan yield for the month of December was 5.65%. As of December 31, 2025, 56% of the loan portfolio was fixed rate with a weighted average remaining life of 62 months. During 2026, \$129 million of fixed rate loans currently yielding 4.5% will mature. Approximately 46% of variable rate loans are indexed to prime of which \$552 million are adjustable within 90 days of a change in the prime rate. The Bank has experienced net interest margin expansion for the past six consecutive quarters.

Net Interest Income

For the quarter ended December 31, 2025, net interest income increased by \$2 million, or 5%, compared to the quarter ended September 30, 2025 primarily due to growth in loans with higher interest rates and a decrease in the cost of deposits. For the quarter ended December 31, 2025, net interest income increased by \$7.7 million, or 22%, compared to the quarter ended December 31, 2024. The increase in net interest income was attributable to an increase in the average balance of loans. Interest income was further enhanced in the fourth quarter by recovery of interest on a non-accrual loan and accelerated loan fees on payoffs that enhanced the loan yield. Without the one time events in the quarter, the loan yield would have been 5.66%, a reduction over the prior quarter as a result of the prime rate reduction on the loan portfolio. For the quarter ended December 31, 2025, the cost of deposits was 1.02% representing a decrease of 12 bps compared to the quarter ended September 30, 2025. This decrease is mainly due to a decline in interest rates on money market and savings deposit accounts coupled with a reduction in the balance of certificates of deposit. The loan-to-deposit ratio was 77% as of December 31, 2025, 73% as of September 30, 2025, and 75% as of December 31, 2024, respectively.

Provision for Credit Losses

The following table presents details of the provision for credit losses for the periods indicated:

	Three Months Ended			Twelve Months Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Figures in \$000s)					
Addition (recapture) to allowance for loan losses	\$ 1,394	\$ 221	\$ 1,350	\$ 3,059	\$ 1,840
Addition (recapture) to reserve for unfunded loan commitments	(24)	(50)	(590)	(293)	(856)
Total loan-related provision	\$ 1,370	\$ 171	\$ 760	\$ 2,766	\$ 984
Addition to allowance for held-to-maturity securities	-	-	-	-	-
Total provision for credit losses	\$ 1,370	\$ 171	\$ 760	\$ 2,766	\$ 984

Non-Interest Income

The decrease in non-interest income compared to the prior quarter, the prior year quarter and the prior year is primarily due to realized losses on the sale of investment securities with longer durations and below market yields.

Non-Interest Expense

For the quarter ended December 31, 2025, total non-interest expense decreased \$0.3 million and increased \$1.3 million compared to the prior quarter and the prior year quarter, respectively. The decrease from the prior quarter is mainly due to a decrease in salaries and employee benefits. The decrease over the prior quarter was primarily due to an over accrual of estimated bonus payments in the prior quarter. The increase over the prior year quarter was primarily due to an increase in new employees coupled with higher salaries and bonuses commensurate with increased profitability. The efficiency ratio decreased to 44% for the fourth quarter compared to 47% for the third quarter and 48% for the fourth quarter of 2024.

There were 255 full time equivalent employees at December 31, 2025 compared to 247 a year ago and 256 at September 30, 2025. The Bank had 42 relationship managers in nine offices at December 31, 2025 compared to 45 at September 30, 2025 and 47 at December 31, 2024. This reduction is mainly due to the movement of two relationship managers into the executive group.

For the year ended December 31, 2025, non-interest expense increased \$7.4 million or 10% compared to the same period a year ago, primarily due to increases in salaries and employee benefits commensurate with the increase in full time equivalent employees.

Income Taxes

The effective income tax rate was 27.4% for the quarter ended December 31, 2025, 28.4% for the quarter ended September 30, 2025, and 28.3% for the quarter ended December 31, 2024. For calendar 2025, the effective income tax rate was 28%.

Balance Sheet

For the quarter ended December 31, 2025, total loans increased \$126 million, or 4% compared to the prior quarter. The majority of this quarter's increase in loan balances was in owner-occupied commercial real estate loans secured by industrial collateral. The increase in Commercial and Industrial (C&I) loans is mainly due to an increase in line utilization. At December 31, 2025, the utilization rate for the Bank's commercial lines of credit increased to 31%, a 3% increase compared to September 30, 2025 and a 2% increase compared to December 31, 2024.

The following table is the composition of Commercial Real Estate (CRE) loans as of:

	December 31, 2025	September 30, 2025
(Figures in \$000s)		
RE - Owner-occupied	\$ 1,380,966	\$ 1,317,701
RE - Non-owner occupied	772,322	757,578
Construction & Land	98,683	93,598
Total CRE Loans	\$ 2,251,971	\$ 2,168,876

The following table is the composition of the owner-occupied and non-owner-occupied CRE loans by collateral type:

	as of December 31, 2025	
	Owner-occupied	Non owner-occupied
(Figures in \$000s)		
Industrial	\$ 877,765	\$ 326,459
Office	178,693	92,279
Retail	24,749	197,366
Automobile Service Facilities	65,264	28,432
Contractor's Yard	88,778	15,434
School	38,494	-
Storage	-	11,010
Miscellaneous	107,223	101,343
Total	\$ 1,380,966	\$ 772,322

Total investment securities at December 31, 2025 were \$1 billion including \$528 million (53%) in held-to-maturity (HTM) securities based on book value. The Bank has no non-agency mortgage-backed securities in its portfolio. The duration of the available-for-sale (AFS) securities portfolio was 5.6 years as of December 31, 2025, 5.8 years as of September 30, 2025 and 5.9 years as of December 31, 2024. Accumulated other comprehensive loss (AOCI) decreased to \$52.9 million as of December 31, 2025 from \$57.9 million as of September 30, 2025 as market rates relevant to securities pricing decreased. The duration

of the held-to-maturity portfolio, which consists primarily of municipal securities, is 7.9 years. As of December 31, 2025, the unrealized after tax loss on HTM securities was \$60 million.

Deposits declined by \$43 million or 1% to \$4.0 billion in the quarter ended December 31, 2025. A portion of the quarterly decrease was related to federal and state tax payments that were delayed until October 15, 2025 as a result of the January fires in Los Angeles County. Customer certificates of deposit declined by \$34 million in the quarter. For the year, new deposit relationships have totaled approximately \$169 million from 176 new clients. The Bank has never had brokered or internet-solicited deposits. The ratio of non-interest bearing deposits to total deposits was 45%, 47% and 45% at December 31, 2025, September 30, 2025 and December 31, 2024, respectively.

During the fourth quarter of 2025, total assets decreased \$50 million, or 1%, total loans increased by \$126 million, or 4%, and total deposits decreased by \$43 million, or 1%. As of December 31, 2025, the Bank has \$1.6 billion in total borrowing capacity from the discount window of the Federal Reserve Board and loans pledged at the Federal Home Loan Bank of San Francisco. There were no borrowings outstanding at the end of all four quarters of 2025.

Capital Management

As of December 31, 2025, total shareholders’ equity increased to \$411 million. During the quarter, the Bank declared and paid a cash dividend of \$0.25 per share and repurchased 46,564 shares of common stock.

The following table presents a summary of quarterly cash dividends for 2025:

	<u>Dividend Declared</u>	<u>Payment Date</u>
(Figures in \$000s)		
March 31, 2025	\$ 2,320	March 17, 2025
June 30, 2025	2,300	June 17, 2025
September 30, 2025	2,282	September 17, 2025
December 31, 2025	<u>2,275</u>	December 16, 2025
Total cash dividends	\$ 9,177	

The Bank announced its first stock repurchase program in January 2025 for 227,541 shares which was completed in August 2025. The Bank’s Board of Directors has authorized a second stock repurchase program for 205,453 shares, or approximately 2.3% of the Bank’s outstanding shares of common stock, which expires in August 2026. As of December 31, 2025, there are 143,889 shares remaining to be repurchased in the current authorization.

For the year, the Bank repurchased 289,105 shares at a cost of \$13.6 million.

The following table presents a summary of quarterly stock repurchases for 2025:



	Shares	Weighted Average Price
March 31, 2025	71,797	\$ 43.84
June 30, 2025	120,000	42.87
September 30, 2025	50,744	49.99
December 31, 2025	46,564	59.59
Total shares repurchased	289,105	\$ 47.05

Asset Quality

The following table presents an overview of asset quality:

	December 31, 2025	September 30 2025
(Figures in \$000s)		
Non-performing assets (NPA)	\$ 11,953	\$ 11,733
Loans 90+ days past due and still accruing	-	-
Total NPA	\$ 11,953	\$ 11,733
NPA as a % of total assets	0.27%	0.26%
Past Due as a % of total loans	0.07%	0.00%
Criticized as a % of total loans	4.34%	3.43%
Classified as a % of total loans	0.93%	0.98%

During the fourth quarter of 2025, non-performing assets increased by \$0.2 million. The Bank believes that it is well positioned with collateral and SBA enhancements, therefore no loss is expected on the credits. As of December 31, 2025, NPAs have a \$505 thousand allowance on individually evaluated loans related to six non-performing C&I loans.

The loan portfolio has approximately 9% in office collateral of which the majority is owner-occupied, and substantially all are three stories or under and located in suburban markets.

Our commercial real estate lending is primarily owner-occupied which is not dependent on rent rolls, but reliant on the cash flows of the operating business that occupies the property. C&I and owner-occupied commercial real estate portfolios comprise 61% of total loans while non-owner occupied represent 25% of total loans.

As of December 31, 2025, the loan portfolio has one piece of collateral on a commercial property that had been destroyed by the January fires in Los Angeles County; the loan was subsequently paid in full in January 2026.

The following table represents the allowance for credit losses for loans as of and for the dates and periods indicated:

	Three Months Ended			Twelve Months Ended	
	December 31, 2025	September 30 2025	December 31, 2024	December 31, 2025	December 31, 2024
(Figures in \$000s)					
Balance, beginning of period	\$ 32,113	\$ 31,892	\$ 29,105	\$ 30,448	\$ 28,460
Charge-offs	(5)	-	(10)	(5)	(113)
Recoveries	-	-	3	-	261
Net (charge-offs) / recoveries	\$ (5)	\$ -	\$ (7)	\$ (5)	\$ 148
Provision	1,394	221	1,350	3,059	1,840
Balance, end of period	\$ 33,502	\$ 32,113	\$ 30,448	\$ 33,502	\$ 30,448
Allowance as a % of loans	1.10%	1.10%	1.11%	1.10%	1.11%

The allowance for credit losses for loans increased to \$33.5 million during the fourth quarter of 2025 primarily as a result of growth in the loan portfolio. There were charge-offs of \$5 thousand and recoveries of \$160 in the fourth quarter of 2025. Three loans totaling \$5 million were restructured in the past twelve months involving borrowers experiencing financial difficulty.

ABOUT AMERICAN BUSINESS BANK

American Business Bank, headquartered in downtown Los Angeles, offers a wide range of financial services to the business marketplace. Clients include wholesalers, manufacturers, service businesses, professionals and non-profits. American Business Bank has nine Loan Production Offices in strategic locations including: North Orange County in Anaheim, Orange County in Irvine, South Bay in Torrance, San Fernando Valley in Woodland Hills, Southern Inland Empire in Corona, Inland Empire in Ontario, Riverside County in Downtown Riverside, LA Coastal in Long Beach and North County in San Diego.

FORWARD LOOKING STATEMENTS

This communication contains certain forward-looking information about American Business Bank that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Such statements include future financial and operating results, expectations, intentions and other statements that are not historical facts. Such statements are based on information available at the time of this communication and are based on current beliefs and expectations of the Bank’s management and are subject to significant risks, uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from those set forth in the forward-looking statements due to a variety of factors, including various risk factors. We are under no obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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American Business Bank
Figures in \$000, except share and per share amounts
BALANCE SHEETS (unaudited)

	December 2025	September 2025	December 2024
Assets:			
Cash and Due from Banks	\$ 36,066	\$ 99,665	\$ 35,544
Interest Earning Deposits in Other Financial Institutions	209,463	300,246	66,073
Investment Securities:			
US Agencies	66,043	64,091	71,836
Mortgage Backed Securities	348,912	362,735	375,402
State and Municipals	65,799	66,331	76,442
Corporate Bonds	10,633	13,780	14,594
Securities Available-for-Sale, at Fair Value	491,387	506,937	538,274
Mortgage Backed Securities	154,528	157,398	166,915
State and Municipals	373,302	373,831	377,947
Allowance for Credit Losses, Held-To-Maturity	(55)	(55)	(55)
Securities Held-to-Maturity, at Amortized Cost, Net of Allowance for Credit Losses	527,775	531,174	544,807
Federal Home Loan Bank Stock, at Cost	15,000	15,000	15,000
Total Investment Securities	1,034,162	1,053,111	1,098,081
Loans Receivable:			
Commercial Real Estate	2,251,971	2,168,876	2,054,135
Commercial and Industrial	602,481	564,098	485,307
Residential Real Estate	183,434	178,508	201,996
Installment and Other	7,993	8,053	9,128
Total Loans Receivable	3,045,879	2,919,535	2,750,566
Allowance for Credit Losses	(33,502)	(32,113)	(30,448)
Loans Receivable, Net	3,012,377	2,887,422	2,720,118
Furniture, Equipment and Leasehold Improvements, Net	4,726	4,863	4,963
Bank/Corporate Owned Life Insurance	31,028	30,782	29,943
Other Assets	78,771	80,253	85,621
Total Assets	\$ 4,406,593	\$ 4,456,342	\$ 4,040,343
Liabilities:			
Non-Interest Bearing Demand Deposits	\$ 1,781,419	\$ 1,872,827	\$ 1,644,635
Interest Bearing Transaction Accounts	496,248	449,797	388,154
Money Market and Savings Deposits	1,520,563	1,484,786	1,315,005
Certificates of Deposit	155,823	189,772	296,206
Total Deposits	3,954,053	3,997,182	3,644,000
Federal Home Loan Bank Advances / Other Borrowings	-	-	-
Other Liabilities	41,415	63,613	41,565
Total Liabilities	\$ 3,995,468	\$ 4,060,795	\$ 3,685,565
Shareholders' Equity:			
Common Stock	\$ 198,957	\$ 200,863	\$ 210,345
Retained Earnings	265,050	252,621	220,023
Accumulated Other Comprehensive Income / (Loss)	(52,882)	(57,937)	(75,590)
Total Shareholders' Equity	\$ 411,125	\$ 395,547	\$ 354,778
Total Liabilities and Shareholders' Equity	\$ 4,406,593	\$ 4,456,342	\$ 4,040,343
Standby Letters of Credit	\$ 32,472	\$ 48,789	\$ 47,223
Per Share Information:			
Common Shares Outstanding	8,873,452	8,919,548	9,102,461
Book Value Per Share	\$ 46.33	\$ 44.35	\$ 38.98
Tangible Book Value Per Share	\$ 46.33	\$ 44.35	\$ 38.98

American Business Bank

Figures in \$000, except share and per share amounts

INCOME STATEMENTS (unaudited)

	For the three months ended:		
	December 2025	September 2025	December 2024
<u>Interest Income:</u>			
Interest and Fees on Loans	\$ 42,378	\$ 41,368	\$ 36,164
Interest on Investment Securities	6,569	6,664	7,087
Interest on Interest Earning Deposits in Other Financial Institutions	3,109	3,053	2,966
Total Interest Income	52,056	51,085	46,217
<u>Interest Expense:</u>			
Interest on Interest Bearing Transaction Accounts	793	936	868
Interest on Money Market and Savings Deposits	8,147	8,528	8,451
Interest on Certificates of Deposits	1,315	1,780	2,754
Interest on Federal Home Loan Bank Advances and Other Borrowings	-	-	1
Total Interest Expense	10,255	11,244	12,074
Net Interest Income	41,801	39,841	34,143
Provision for Credit Losses	1,370	171	760
Net Interest Income after Provision for Credit Losses	40,431	39,670	33,383
<u>Non-Interest Income:</u>			
Deposit Fees	1,338	1,278	1,142
International Fees	418	361	436
Gain (Loss) on Sale of Investment Securities, Net	(3,209)	(2,555)	(298)
Gain on Sale of SBA Loans, Net	-	-	90
Bank/Corporate Owned Life Insurance Income (Expense)	246	457	228
Other	896	686	709
Total Non-Interest Income	(311)	227	2,307
<u>Non-Interest Expense:</u>			
Salaries and Employee Benefits	13,239	13,881	12,412
Occupancy and Equipment	1,433	1,383	1,257
Professional Services	2,429	2,258	2,210
Promotion Expenses	854	756	780
Other	1,596	1,604	1,595
Total Non-Interest Expense	19,551	19,882	18,254
Earnings before income taxes	20,569	20,015	17,436
Income Tax Expense	5,732	5,691	4,935
NET INCOME	\$ 14,837	\$ 14,324	\$ 12,501
<u>Per Share Information:</u>			
Earnings Per Share - Basic	\$ 1.63	\$ 1.57	\$ 1.35
Earnings Per Share - Diluted	\$ 1.61	\$ 1.56	\$ 1.33
Weighted Average Shares - Basic	9,081,340	9,127,340	9,280,972
Weighted Average Shares - Diluted	9,192,450	9,209,491	9,364,220

American Business Bank

Figures in \$000, except share and per share amounts

INCOME STATEMENTS (unaudited)

	For the twelve months ended:	
	December 2025	December 2024
<u>Interest Income:</u>		
Interest and Fees on Loans	\$ 160,849	\$ 139,700
Interest on Investment Securities	27,009	29,351
Interest on Interest Earning Deposits in Other Financial Institutions	8,573	6,183
Total Interest Income	196,431	175,234
<u>Interest Expense:</u>		
Interest on Interest Bearing Transaction Accounts	3,477	4,167
Interest on Money Market and Savings Deposits	32,220	32,698
Interest on Certificates of Deposits	7,552	10,235
Interest on Federal Home Loan Bank Advances and Other Borrowings	1	4,165
Total Interest Expense	43,250	51,265
Net Interest Income	153,181	123,969
Provision for Credit Losses	2,766	984
Net Interest Income after Provision for Credit Losses	150,415	122,985
<u>Non-Interest Income:</u>		
Deposit Fees	4,998	4,314
International Fees	1,532	1,692
Gain (Loss) on Sale of Investment Securities, Net	(7,290)	(1,391)
Gain on Sale of SBA Loans, Net	244	346
Bank/Corporate Owned Life Insurance Income (Expense)	1,085	1,045
Other	2,356	2,018
Total Non-Interest Income	2,925	8,024
<u>Non-Interest Expense:</u>		
Salaries and Employee Benefits	53,623	48,735
Occupancy and Equipment	5,471	4,867
Professional Services	9,475	8,425
Promotion Expenses	3,073	2,708
Other	6,605	6,092
Total Non-Interest Expense	78,247	70,827
Earnings before income taxes	75,093	60,182
Income Tax Expense	20,889	16,905
<i>NET INCOME</i>	\$ 54,204	\$ 43,277
<u>Per Share Information:</u>		
Earnings Per Share - Basic	\$ 5.91	\$ 4.67
Earnings Per Share - Diluted	\$ 5.86	\$ 4.64
Weighted Average Shares - Basic	9,167,502	9,264,446
Weighted Average Shares - Diluted	9,253,383	9,318,759

QUARTERLY AVERAGE BALANCE SHEETS AND YIELD ANALYSIS (unaudited)

	For the three months ended:					
	December 2025			September 2025		
	Average Balance	Interest Inc/Exp	Average Yield/Rate	Average Balance	Interest Inc/Exp	Average Yield/Rate
Interest Earning Assets:						
Interest Earning Deposits in Other Financial Institutions	\$ 312,560	\$ 3,109	3.95%	\$ 273,463	\$ 3,053	4.43%
Investment Securities:						
US Agencies	66,168	792	4.78%	64,694	776	4.80%
Mortgage Backed Securities	583,698	2,837	1.94%	603,763	2,892	1.92%
State and Municipals	445,246	2,477	2.23%	452,198	2,504	2.21%
Corporate Bonds	12,579	134	4.28%	14,750	163	4.42%
Securities Available-for-Sale and Held-to-Maturity	1,107,691	6,240	2.25%	1,135,405	6,335	2.23%
Federal Home Loan Bank Stock	15,000	329	8.76%	15,000	329	8.76%
Total Investment Securities	1,122,691	6,569	2.34%	1,150,405	6,664	2.32%
Loans Receivable:						
Commercial Real Estate	2,171,368	29,329	5.36%	2,132,576	28,680	5.34%
Commercial and Industrial	584,304	10,118	6.87%	549,476	9,467	6.84%
Residential Real Estate	185,075	2,869	6.15%	198,067	3,155	6.32%
Installment and Other	10,104	62	2.44%	9,214	66	2.83%
Total Loans Receivable	2,950,851	42,378	5.70%	2,889,333	41,368	5.68%
Total Interest Earning Assets	\$ 4,386,102	\$ 52,056	4.64%	\$ 4,313,201	\$ 51,085	4.63%
Liabilities:						
Non-Interest Bearing Demand Deposits	1,838,605	-	0.00%	1,809,605	-	0.00%
Interest Bearing Transaction Accounts	447,896	793	0.70%	447,169	936	0.83%
Money Market and Savings Deposits	1,536,890	8,147	2.10%	1,453,229	8,528	2.33%
Certificates of Deposit	176,896	1,315	2.95%	219,979	1,780	3.21%
Total Deposits	4,000,287	10,255	1.02%	3,929,982	11,244	1.14%
Federal Home Loan Bank Advances / Other Borrowings	-	-	-	-	-	-
Total Interest Bearing Deposits and Borrowings	2,161,682	10,255	1.88%	2,120,377	11,244	2.10%
Total Deposits and Borrowings	\$ 4,000,287	\$ 10,255	1.02%	\$ 3,929,982	\$ 11,244	1.14%
Net Interest Income		\$ 41,801			\$ 39,841	
Net Interest Rate Spread			3.62%			3.49%
Net Interest Margin			3.78%			3.66%

QUARTERLY AVERAGE BALANCE SHEETS AND YIELD ANALYSIS (unaudited)

	For the three months ended:					
	December 2025			December 2024		
	Average Balance	Interest Inc/Exp	Average Yield/Rate	Average Balance	Interest Inc/Exp	Average Yield/Rate
Interest Earning Assets:						
Interest Earning Deposits in Other Financial Institutions	\$ 312,560	\$ 3,109	3.95%	\$ 245,966	\$ 2,966	4.80%
Investment Securities:						
US Agencies	66,168	792	4.78%	73,241	973	5.31%
Mortgage Backed Securities	583,698	2,837	1.94%	641,499	3,053	1.90%
State and Municipals	445,246	2,477	2.23%	462,644	2,546	2.20%
Corporate Bonds	12,579	134	4.28%	16,250	186	4.57%
Securities Available-for-Sale and Held-to-Maturity	1,107,691	6,240	2.25%	1,193,634	6,758	2.26%
Federal Home Loan Bank Stock	15,000	329	8.76%	15,000	329	8.76%
Total Investment Securities	1,122,691	6,569	2.34%	1,208,634	7,087	2.35%
Loans Receivable:						
Commercial Real Estate	2,171,368	29,329	5.36%	1,969,878	25,124	5.07%
Commercial and Industrial	584,304	10,118	6.87%	459,346	7,812	6.77%
Residential Real Estate	185,075	2,869	6.15%	197,932	3,164	6.36%
Installment and Other	10,104	62	2.44%	9,509	64	2.69%
Total Loans Receivable	2,950,851	42,378	5.70%	2,636,665	36,164	5.46%
Total Interest Earning Assets	\$ 4,386,102	\$ 52,056	4.64%	\$ 4,091,265	\$ 46,217	4.42%
Liabilities:						
Non-Interest Bearing Demand Deposits	1,838,605	-	0.00%	1,735,603	-	0.00%
Interest Bearing Transaction Accounts	447,896	793	0.70%	367,644	868	0.94%
Money Market and Savings Deposits	1,536,890	8,147	2.10%	1,349,195	8,451	2.49%
Certificates of Deposit	176,896	1,315	2.95%	289,945	2,754	3.78%
Total Deposits	4,000,287	10,255	1.02%	3,742,387	12,073	1.28%
Federal Home Loan Bank Advances / Other Borrowings	-	-	-	73	1	4.77%
Total Interest Bearing Deposits and Borrowings	2,161,682	10,255	1.88%	2,006,857	12,074	2.39%
Total Deposits and Borrowings	\$ 4,000,287	\$ 10,255	1.02%	\$ 3,742,460	\$ 12,074	1.28%
Net Interest Income		\$ 41,801			\$ 34,143	
Net Interest Rate Spread			3.62%			3.14%
Net Interest Margin			3.78%			3.32%

American Business Bank

Figures in \$000

QUARTERLY AVERAGE BALANCE SHEETS AND YIELD ANALYSIS (unaudited)

	For the twelve months ended:					
	December 2025			December 2024		
	Average Balance	Interest Inc/Exp	Average Yield/Rate	Average Balance	Interest Inc/Exp	Average Yield/Rate
Interest Earning Assets:						
Interest Earning Deposits in Other Financial Institutions	\$ 201,741	\$ 8,573	4.25%	\$ 121,158	\$ 6,183	5.10%
Investment Securities:						
US Agencies	66,325	3,259	4.91%	80,458	4,473	5.56%
Mortgage Backed Securities	609,038	11,717	1.92%	657,108	12,413	1.89%
State and Municipals	454,030	10,048	2.21%	473,922	10,401	2.19%
Corporate Bonds	14,885	661	4.44%	16,250	750	4.62%
Securities Available-for-Sale and Held-to-Maturity	1,144,278	25,685	2.24%	1,227,738	28,037	2.28%
Federal Home Loan Bank Stock	15,000	1,324	8.83%	15,000	1,314	8.76%
Total Investment Securities	1,159,278	27,009	2.33%	1,242,738	29,351	2.36%
Loans Receivable:						
Commercial Real Estate	2,118,963	111,956	5.28%	1,916,601	95,286	4.97%
Commercial and Industrial	535,696	36,315	6.78%	468,000	31,667	6.77%
Residential Real Estate	197,419	12,324	6.24%	196,746	12,487	6.35%
Installment and Other	9,380	254	2.70%	8,930	260	2.91%
Total Loans Receivable	2,861,458	160,849	5.62%	2,590,277	139,700	5.39%
Total Interest Earning Assets	\$ 4,222,477	\$ 196,431	4.59%	\$ 3,954,173	\$ 175,234	4.36%
Liabilities:						
Non-Interest Bearing Demand Deposits	1,751,697	-	0.00%	1,665,890	-	0.00%
Interest Bearing Transaction Accounts	430,009	3,477	0.81%	382,057	4,167	1.09%
Money Market and Savings Deposits	1,425,955	32,220	2.26%	1,221,916	32,698	2.68%
Certificates of Deposit	240,091	7,552	3.15%	273,882	10,235	3.74%
Total Deposits	3,847,752	43,249	1.12%	3,543,745	47,100	1.33%
Federal Home Loan Bank Advances / Other Borrowings	33	1	4.50%	77,452	4,165	5.38%
Total Interest Bearing Deposits and Borrowings	2,096,088	43,250	2.06%	1,955,307	51,265	2.62%
Total Deposits and Borrowings	\$ 3,847,785	\$ 43,250	1.12%	\$ 3,621,197	\$ 51,265	1.42%
Net Interest Income	\$ 153,181			\$ 123,969		
Net Interest Rate Spread			3.47%			2.94%
Net Interest Margin			3.63%			3.14%

American Business Bank*Figures in \$000***SUPPLEMENTAL DATA (unaudited)**

	December 2025	September 2025	December 2024
<u>Performance Ratios:</u>			
<u>Quarterly:</u>			
Return on Average Assets (ROAA)	1.33%	1.31%	1.21%
Return on Average Equity (ROAE)	14.68%	15.09%	14.03%
Efficiency Ratio	43.69%	46.53%	48.07%
<u>Year-to-Date</u>			
Return on Average Assets (ROAA)	1.27%	1.24%	1.08%
Return on Average Equity (ROAE)	14.34%	14.21%	13.02%
Efficiency Ratio	47.71%	49.22%	52.46%
<u>Capital Adequacy:</u>			
Total Risk Based Capital Ratio	13.00%	12.96%	13.02%
Common Equity Tier 1 Capital Ratio	12.11%	12.09%	12.14%
Tier 1 Risk Based Capital Ratio	12.11%	12.09%	12.14%
Tier 1 Leverage Ratio	10.29%	10.22%	10.21%
Tangible Common Equity / Tangible Assets	9.33%	8.88%	8.78%
<u>Asset Quality Overview</u>			
Non-Performing Loans	\$ 11,953	\$ 11,733	\$ 8,830
Loans 90+ Days Past Due and Still Accruing	-	-	-
Total Non-Performing Loans	11,953	11,733	8,830
Loans Modified with Financial Difficulty	\$ 5,028	\$ 5,714	\$ 5,573
Other Real Estate Owned	-	-	-
ACL / Loans Receivable	1.10%	1.10%	1.11%
Non-Performing Loans / Total Loans Receivable	0.39%	0.40%	0.32%
Non-Performing Assets / Total Assets	0.27%	0.26%	0.22%
Net Charge-Offs (Recoveries) quarterly	\$ 5	\$ -	\$ 7
Net Charge-Offs (Recoveries) year-to-date	\$ 5	\$ -	\$ (148)
Net Charge-Offs (Recoveries) year-to-date / Average Loans Receivable	0.00%	0.00%	(0.01%)