FOR IMMEDIATE RELEASE

RIVER CITY BANK REPORTS NET INCOME OF $19.6 MILLION FOR THE SECOND QUARTER OF 2026 AND A QUARTERLY CASH DIVIDEND

SACRAMENTO, CA., July 22, 2026 — River City Bank ("the Bank") reported net income of $19.6 million or $1.37 per share for the quarter ended June 30, 2026, which compares to $15.4 million, or $1.05 per share, for the same period in 2025. Net income was $37.6 million or $2.60 per share for the six months ended June 30, 2026, which compares to $27.7 million, or $1.89 per share, for the six months ended June 30, 2025. The Bank's earnings for the quarter ended June 30, 2026 resulted in a 13.92% return on average equity and a 1.28% return on average assets. The Bank's book value per share rose to $40.58 as of June 30, 2026 from $35.61 per share as of June 30, 2025, an increase of 14%.

Second Quarter Highlights

Performance and operating highlights for the Bank for the periods noted below included the following:

	For the Three Months Ended		
	June 30, 2026	March 31, 2026	June 30, 2025
	($ in thousands, except per share data)		
Return on average assets ("ROAA")	1.28%	1.22%	1.16%
Return on average equity ("ROAE")	13.92%	13.07%	12.22%
Efficiency ratio	29.44%	32.10%	33.50%
Core pre-credit provision, pre-tax income [(1)]	$ 25,433	$ 24,599	$ 25,673
Net income	$ 19,616	$ 17,946	$ 15,411
Earnings per share	$ 1.37	$ 1.24	$ 1.05
Book value per share	$ 40.58	$ 39.37	$ 35.61
Weighted average shares outstanding	14,341,273	14,517,560	14,647,651
Common shares outstanding at end of period	13,994,875	14,323,381	14,322,040

[(1)] See the section entitled "Non-GAAP Reconciliation" for a reconciliation of this non-GAAP financial measure.

"The Bank continues to perform at a high level, as reflected in the metrics of growth in book value per share, return on average equity, return on average assets, and operating efficiency," said Steve Fleming, President and Chief Executive Officer. "The Bank delivered strong operating results in the second quarter of 2026, as evidenced by the earnings per share of $1.37 and continued compounding of book value per share. In addition, credit quality remains pristine as we have not suffered any material losses on loans originated since the current management team took over in 2008. Maintaining our best-in-class operating efficiency and credit culture are integral to our business model."

"Operational efficiency remains a core competency for the Bank, as evidenced by our second quarter 2026 efficiency ratio of 29%," said Brian Killeen, Chief Financial Officer of River City Bank. "We view this operational efficiency as a competitive advantage, contributing to sustained profitability and growth in shareholder value. In addition, the Bank continues to maintain high levels of liquidity with $1.4 billion of cash and investments combined with $2.2 billion in available borrowing capacity as of June 30, 2026. The Bank's high quality, short duration investment securities portfolio continues to perform well with a very low unrealized loss position of 0.8% as of June 30, 2026."

Financial Highlights

Financial highlights as of and during the three and six months ended June 30, 2026 compared to the same periods in the prior year included the following:

- Interest-earning asset growth – Total loans increased by $64 million during the quarter ended June 30, 2026. Average loans outstanding for the quarter ended June 30, 2026 increased by $326 million (7.5% growth) compared to the prior-year quarter, and for the first half of 2026 increased by $312 million (7.3% growth) compared to the same period in 2025. Average cash balances and investment securities increased $440 million for the second quarter in 2026 and $409 million for the first half of 2026, compared to the respective prior year periods. This growth in interest-earning assets led to interest income growth for both periods.

- Deposit growth – The Bank continues to see strong deposit growth. Average deposits for the second quarter of 2026 increased by $731 million (15.5% growth) compared to the same period in the prior year and by $702 million (15.0% growth) for the first half of 2026 compared to the same period in 2025, supporting the Bank's loan and interest-earning asset growth.

- Share repurchases – During the quarter ended June 30, 2026, the Bank repurchased $13 million of common stock with an average share price of $41.03, slightly above book value, which should be a significant long-term advantage for the Bank's shareholders and demonstrates the Bank's commitment to shareholder value.

- The Bank recognized a $3.2 million increase to noninterest income during the second quarter of 2026 compared to a $4.0 million reduction in noninterest income in the second quarter of the prior year related to undesignated interest rate swaps that have yet to be designated into a hedging relationship. The Bank regularly enters interest rate swaps to mitigate interest rate risk and all swaps are entered into for this purpose (regardless of accounting treatment). Approximately 17% of the Bank's interest rate swaps are undesignated as of June 30, 2026, and until these interest rate swaps are designated as a hedge to specific assets or liabilities, the mark-to-market ("MTM") fluctuations (positive and negative) will flow through the income statement. Given the hedging purpose of the swaps, Bank management does not view the MTM gains and losses, which are recognized for accounting purposes as economic gains and losses.

- As of June 30, 2026, the Bank had zero non-performing loans, virtually no delinquent loans (0.03% of total loans), no loans more than 90 days past due and still accruing interest, and the Bank's Allowance for Credit Losses for Loans ("ACL") was 2.30% of total loans. The Bank recorded a $1.5 million provision for credit losses (loans and unfunded commitments) for the three months ended June 30, 2026 and $3.0 million for the six months ended June 30, 2026.

- The Bank's efficiency ratio continued to be exceptionally low by industry standards at 29.4% and 33.5% for the three months ended June 30, 2026 and June 30, 2025, reflecting a highly productive team of employees and sustained cost discipline which is consistent with the Bank's commitment to being a low-cost producer.

- Net interest margin ("NIM") – The Bank's NIM was 2.34% and 2.59% for the three months ended June 30, 2026 and June 30, 2025. This is due to a 38 basis point decrease in the yield on average earning assets while the cost of funds only decreased by 16 basis points during the same period.

Summary Results

Three months ended June 30, 2026, as compared to three months ended June 30, 2025

	For the Three Months Ended		Variance	
	June 30, 2026	June 30, 2025	$	%
	($ in thousands, except per share data)			
Interest income	$ 73,544	$ 69,327	$ 4,217	6.1%
Interest expense	38,007	34,988	3,019	8.6%
Net interest income	35,537	34,339	1,198	3.5%
Provision for credit losses	1,518	—	1,518	100.0%
Net interest income after provision for credit losses	34,019	34,339	(320)	(0.9)%
Net changes in the fair value of derivatives	3,178	(4,009)	7,187	NM
Noninterest income	1,833	2,247	(414)	(18.4)%
Noninterest expense	11,937	10,913	1,024	9.4%
Income before taxes	27,093	21,664	5,429	25.1%
Provision for income taxes	7,477	6,253	1,224	19.6%
Net income	$ 19,616	$ 15,411	$ 4,205	27.3%
Earnings per share	$ 1.37	$ 1.05	$ 0.32	30.5%
ROAA	1.28%	1.16%	0.12%	10.3%
ROAE	13.92%	12.22%	1.70%	13.9%
Efficiency ratio	29.44%	33.50%	(4.06)%	(12.1)%

The Bank's net income was $19.6 million for the three months ended June 30, 2026, as compared to $15.4 million for the three months ended June 30, 2025. The primary items of note are as follows:

- Interest income increased by $4.2 million, primarily due to an increase in average balances of loans, investment securities and cash balances.
- Interest expense increased by $3.0 million due to significant growth in the average balance of interest-bearing deposits, partially offset by a 31 basis point decrease in the cost of interest-bearing deposits as compared to the same quarter in the prior year.
- The MTM adjustment associated with interest rate swaps yet to be designated into a hedge relationship increased by $7.2 million to a $3.2 million MTM gain compared to $4.0 million MTM loss in the same quarter of the prior year.
- Noninterest expense increased by $1.0 million over the prior year quarter, primarily due to increases in compensation expenses as the Bank continues to build out its team to support its growth. In addition, during the second quarter of 2026, the Bank donated $215,000 of Visa Class A shares to the Kelly Foundation, one of the largest charitable foundations based in Sacramento. These shares were received as part of a tender offer which Visa completed in May 2026.

Three months ended June 30, 2026, as compared to three months ended March 31, 2026

	For the Three Months Ended		Variance	
	June 30, 2026	March 31, 2026	$	%
	($ in thousands, except per share data)			
Interest income	$ 73,544	$ 71,961	$ 1,583	2.2%
Interest expense	38,007	36,946	1,061	2.9%
Net interest income	35,537	35,015	522	1.5%
Provision for credit losses	1,518	1,512	6	0.4%
Net interest income after provision for credit losses	34,019	33,503	516	1.5%
Net changes in the fair value of derivatives	3,178	1,729	1,449	83.8%
Noninterest income	1,833	2,028	(195)	(9.6)%
Noninterest expense	11,937	12,444	(507)	(4.1)%
Income before taxes	27,093	24,816	2,277	9.2%
Provision for income taxes	7,477	6,870	607	8.8%
Net income	$ 19,616	$ 17,946	$ 1,670	9.3%
Earnings per share	$ 1.37	$ 1.24	0.13	10.5%
ROAA	1.28%	1.22%	0.06%	4.9%
ROAE	13.92%	13.07%	0.85%	6.5%
Efficiency ratio	29.44%	32.10%	(2.66)%	(8.3)%

The Bank's net income was $19.6 million for the three months ended June 30, 2026, as compared to $17.9 million for the three months ended March 31, 2026. The primary items of note are as follows:

- Interest income increased by $1.6 million, primarily due to a $50 million increase in average balances of loans and an $87 million increase in average balances of cash and investment securities.
- Interest expense increased by $1.1 million due to $122 million growth in average deposit balances, as compared to the prior quarter, slightly offset by a 7 basis point decrease in the cost of interest-bearing deposits.
- Noninterest expense decreased by $507,000, primarily reflecting a decline in compensation expense compared to the prior quarter.

Six months ended June 30, 2026, as compared to six months ended June 30, 2025

	For the Six Months Ended		Variance	
	June 30, 2026	June 30, 2025	$	%
	($ in thousands, except per share data)			
Interest income	$ 145,506	$ 136,548	$ 8,958	6.6%
Interest expense	74,954	69,823	5,131	7.3%
Net interest income	70,552	66,725	3,827	5.7%
Provision for (reversal of) credit losses	3,030	(124)	3,154	NM
Net interest income after provision for (reversal of) credit losses	67,522	66,849	673	1.0%
Net changes in the fair value of derivatives	4,907	(10,445)	15,352	NM
Noninterest income	3,861	4,526	(665)	(14.7)%
Noninterest expense	24,381	21,922	2,459	11.2%
Income before taxes	51,909	39,008	12,901	33.1%
Provision for income taxes	14,347	11,291	3,056	27.1%
Net income	$ 37,562	$ 27,717	$ 9,845	35.5%
Earnings per share	$ 2.60	$ 1.89	$ 0.71	37.6%
ROAA	1.25%	1.05%	0.20%	19.0%
ROAE	13.50%	11.19%	2.31%	20.6%
Efficiency ratio	30.74%	36.05%	(5.31)%	(14.7)%

The Bank's net income was $37.6 million for the six months ended June 30, 2026, as compared to $27.7 million for the six months ended June 30, 2025. The primary items of note are as follows:

- Interest income increased by $9.0 million, primarily due to a $313 million increase in average balances of loans and a $409 million increase in average cash balances and investment securities.
- Interest expense increased by $5.1 million due to significant growth in the average balance of deposits, partially offset by a 17 basis point decrease in the cost of funds between the two periods.
- The MTM adjustment associated with interest rate swaps yet to be designated into a hedge relationship increased by $15.4 million to a $4.9 million MTM gain compared to $10.4 million MTM loss in the same period of the prior year.
- Noninterest expense increased by $2.5 million over the prior year period, primarily due to a $1.2 million increase in compensation expense as the Bank continues to build out its team to support growth. The increase also reflects higher operating expenses associated with the Bank's strategic initiatives.

Balance Sheet Summary

Year over Year Balance Sheet Change

	As of June 30,		Variance	
	2026	2025	$	%
	($ in thousands)			
Total assets	$ 6,042,514	$ 5,322,651	$ 719,863	13.5%
Total loans	4,678,130	4,351,223	326,907	7.5%
Total investments	1,003,538	707,827	295,711	41.8%
Total deposits	5,374,670	4,521,132	853,538	18.9%
Total shareholders' equity	567,881	510,018	57,863	11.3%

Loans outstanding increased by $327 million or 7.5% as of June 30, 2026 compared to June 30, 2025. The growth was primarily in Commercial Real Estate loans that grew $293 million from June 30, 2025.

Deposit balances increased by $854 million from June 30, 2025 to June 30, 2026, due primarily to significant growth in Commercial and Clean Energy client relationships.

Shareholders' equity increased $58 million to $568 million as of June 30, 2026 when compared to $510 million as of June 30, 2025. The increase was driven primarily by growth in retained earnings, as the Bank continues to maintain a relatively low dividend payout ratio, albeit partly mitigated by $17 million in share repurchases over the period.

Trailing Quarter Balance Sheet Change

	As of		Variance	
	June 30, 2026	March 31, 2026	$	%
	($ in thousands)			
Total assets	$ 6,042,514	$ 6,047,747	$ (5,233)	(0.1)%
Total loans	4,678,130	4,614,166	63,964	1.4%
Total investments	1,003,538	735,971	267,567	36.4%
Total deposits	5,374,670	5,386,542	(11,872)	(0.2)%
Total shareholders' equity	567,881	563,858	4,023	0.7%

Total loans increased slightly by $64 million during the quarter ended June 30, 2026. Loan originations totaled approximately $174 million for the quarter ended June 30, 2026.

Deposit balances decreased slightly by $12 million during the quarter ended June 30, 2026, reflecting stable deposit levels within the Bank's existing client base. As of June 30, 2026, the Bank had no wholesale funding.

Shareholders' equity increased $4 million to $568 million as of June 30, 2026 when compared to $564 million as of March 31, 2026. The increase was driven primarily by the current year retained earnings, less $13 million of share repurchases during the quarter ended June 30, 2026. The Bank's capital ratios remain healthy and well above the regulatory definition for being Well Capitalized with a Tier 1 Leverage Ratio of 9.22% and a Total Risk-Based Capital Ratio of 14.44% as of June 30, 2026.

Asset Quality Ratios

	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
ACL/Total loans	2.30%	2.29%	2.24%	2.27%	2.33%
Delinquent loans/Total loans	0.03%	0.02%	0.02%	0.00%	0.00%
Non-performing loans/Total loans	0.00%	0.00%	0.00%	0.00%	0.00%
Year-to-date net charge-off ratio	0.00%	0.00%	0.00%	0.00%	0.00%

As of June 30, 2026, the Bank had no other real estate owned or non-performing loans and there were no charge-offs during the quarter. The Bank's allowance for credit losses was $108 million as of June 30, 2026, as compared to $104 million as of December 31, 2025.

Provision for Income Taxes

The Bank's effective tax rate was 27.6% and 28.9% for the six months ended June 30, 2026 and 2025, respectively. Differences between the Bank's effective tax rate and applicable federal and state (primarily California) blended statutory rate of approximately 29.4% are primarily due to the proportion of excess benefit from restricted share instruments vesting, the benefits of tax credits, and changes in the Bank's apportionment of taxable income in certain states.

Dividend Announcement

Mr. Fleming announced that the Bank's board of directors has approved a cash dividend of $0.05 per common share to shareholders of record as of August 3, 2026, and payable on August 17, 2026.

ABOUT RIVER CITY BANK:

As a leading boutique commercial bank with assets over $6.0 billion, River City Bank is the largest, independent, locally owned and managed bank in the Sacramento region, with an office in San Francisco and a focus on the Western United States. River City Bank offers a comprehensive suite of banking services with a tailored, concierge-like level of service, to redefine the banking experience. Please visit http://www.rivercitybank.com or call (916) 567-2600. Member FDIC. Equal Housing Lender.

FORWARD-LOOKING STATEMENTS

The statements contained herein 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 us. These forward-looking statements reflect our current views with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “might,” “should,” “could,” “predict,” “potential,” “believe,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “goal,” “target,” “outlook,” “aim,” “would,” “annualized” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements.

The financial results reported in this document are preliminary and unaudited.

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Condensed Financial Data (Unaudited)

Income Statement Data

	For the Three Months Ended			For the Six Months Ended	
	June 30, 2026	March 31, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	($ in thousands)				
Interest income	$ 73,544	$ 71,961	$ 69,327	$ 145,506	$ 136,548
Interest expense	38,007	36,946	34,988	74,954	69,823
Net interest income	35,537	35,015	34,339	70,552	66,725
Provision for (reversal of) credit losses	1,518	1,512	—	3,030	(124)
Net interest income after provision for (reversal of) credit losses	34,019	33,503	34,339	67,522	66,849
Service charges on deposit accounts	215	202	199	417	388
Check card revenue	164	157	175	321	354
Net payments received on undesignated derivatives	909	935	1,372	1,844	2,693
Net changes in the fair value of derivatives	3,178	1,729	(4,009)	4,907	(10,445)
Real estate lease income	162	162	67	323	131
FHLB dividends	187	760	324	947	654
Loss on investment securities, net	(42)	(441)	(91)	(483)	(91)
Other noninterest income	238	253	201	492	397
Total noninterest income	5,011	3,757	(1,762)	8,768	(5,919)
Salaries and employee benefits	7,646	8,258	7,243	15,904	14,671
Occupancy and equipment	594	638	632	1,234	1,226
Data processing	983	921	920	1,904	1,794
Federal deposit insurance	720	675	600	1,395	1,250
Other noninterest expense	1,994	1,952	1,518	3,944	2,981
Total noninterest expense	11,937	12,444	10,913	24,381	21,922
Income before taxes	27,093	24,816	21,664	51,909	39,008
Provision for income taxes	7,477	6,870	6,253	14,347	11,291
Net income	$ 19,616	$ 17,946	$ 15,411	$ 37,562	$ 27,717

Net Interest Income and Net Interest Margin

	For the Three Months Ended								
	June 30, 2026			March 31, 2026			June 30, 2025		
	Average Balance	Interest & Fees	Yield/ Rate	Average Balance	Interest & Fees	Yield/ Rate	Average Balance	Interest & Fees	Yield/ Rate
Interest-earning assets	*(tax-equivalent basis, $ in thousands)*								
Interest-earning deposits in banks	$ 512,960	$ 4,747	3.71%	$ 670,552	$ 6,017	3.64%	$ 315,248	$ 3,332	4.24%
Investment securities (TE)	936,585	8,723	3.74%	691,581	6,608	3.88%	694,549	7,091	4.10%
Loans	4,643,971	60,082	5.19%	4,593,636	59,342	5.24%	4,318,463	58,911	5.47%
Total interest-earning assets	6,093,516	73,552	4.84%	5,955,769	71,967	4.90%	5,328,260	69,334	5.22%
Total noninterest-earning assets	33,786			21,964			19,308		
Total average assets	$6,127,302			$5,977,733			5,347,568		
Interest-bearing liabilities									
Interest-bearing transaction accounts	2,460,332	20,460	3.34%	2,321,935	19,351	3.38%	1,912,085	17,210	3.61%
Money market accounts	1,438,964	11,586	3.23%	1,330,101	10,776	3.29%	944,331	7,822	3.32%
Savings deposits	85,313	103	0.48%	88,718	107	0.49%	97,355	119	0.49%
Time deposits	603,903	5,572	3.70%	692,286	6,563	3.84%	877,579	9,321	4.26%
Interest-bearing deposits	4,588,512	37,721	3.30%	4,433,040	36,797	3.37%	3,831,350	34,472	3.61%
Borrowings	6	—	0.00%	278	3	4.38%	4,410	50	4.55%
Other interest-bearing liabilities	81,171	286	1.41%	61,020	146	0.97%	87,162	465	2.14%
Total interest-bearing liabilities	$4,669,689	$ 38,007	3.26%	$4,494,338	$ 36,946	3.33%	$3,922,922	$ 34,987	3.58%
Noninterest-bearing liabilities									
Noninterest-bearing deposits	869,041			902,202			895,336		
Other noninterest-bearing liabilities	23,466			24,253			23,477		
Total noninterest-bearing liabilities	892,507			926,455			918,813		
Total average liabilities	5,562,196			5,420,793			4,841,735		
Shareholders' equity	565,106			556,940			505,833		
Total liabilities and shareholders' equity	$6,127,302			$5,977,733			$5,347,568		
Net interest income		$ 35,545			$ 35,021			$ 34,347	
NIM			2.34%			2.38%			2.59%
Cost of funds	$5,538,730	$ 38,007	2.75%	$5,396,540	$ 36,946	2.78%	$4,818,258	$ 34,987	2.91%
Cost of deposits	$5,457,553	$ 37,721	2.77%	$5,335,242	$ 36,797	2.80%	$4,726,686	$ 34,472	2.93%

	For the Six Months Ended					
	June 30, 2026			June 30, 2025		
	Average Balance	Interest & Fees	Yield/ Rate	Average Balance	Interest & Fees	Yield/ Rate
	(tax-equivalent basis, $ in thousands)					
Interest-earning assets						
Interest-earning deposits in banks	$ 591,321	$ 10,764	3.67%	$ 302,627	$ 6,332	4.22%
Investment securities (TE)	814,760	15,331	3.79%	694,615	14,406	4.18%
Loans	4,618,942	119,424	5.21%	4,306,444	115,826	5.42%
Total interest-earning assets	6,025,023	145,519	4.87%	5,303,686	136,564	5.19%
Total noninterest-earning assets	27,910			21,726		
Total average assets	$ 6,052,933			$ 5,325,412		
Interest-bearing liabilities						
Interest-bearing transaction accounts	2,391,516	39,811	3.36%	1,866,069	33,600	3.63%
Money market accounts	1,384,833	22,363	3.26%	966,265	16,038	3.35%
Savings deposits	87,006	210	0.49%	98,668	244	0.50%
Time deposits	647,850	12,134	3.78%	862,118	18,608	4.35%
Interest-bearing deposits	4,511,205	74,518	3.33%	3,793,120	68,490	3.64%
Borrowings	141	3	4.29%	2,493	56	4.53%
Other interest-bearing liabilities	71,151	432	1.22%	103,569	1,277	2.49%
Total interest-bearing liabilities	$ 4,582,497	$ 74,953	3.30%	$ 3,899,182	$ 69,823	3.61%
Noninterest-bearing liabilities						
Noninterest-bearing deposits	885,530			901,931		
Other noninterest-bearing liabilities	23,860			24,751		
Total noninterest-bearing liabilities	909,390			926,682		
Total average liabilities	5,491,887			4,825,864		
Shareholders' Equity	561,045			499,548		
Total liabilities and shareholders' equity	$ 6,052,932			$ 5,325,412		
Net interest income		$ 70,566			$ 66,741	
NIM			2.36%			2.54%
Cost of funds	$ 5,468,027	$ 74,953	2.76%	$ 4,801,113	$ 69,823	2.93%
Cost of deposits	$ 5,396,735	$ 74,518	2.78%	$ 4,695,051	$ 68,490	2.94%

Balance Sheet Data

Assets	June 30, 2026	March 31, 2026	June 30, 2025
		($ in thousands)	
Cash and due from financial institutions	$ 353,369	$ 689,524	$ 255,984
Investment securities	1,003,538	735,971	707,827
Loans by type:			
Commercial real estate - owner occupied	161,637	161,440	156,005
Commercial real estate - non-owner occupied	4,060,364	4,038,861	3,773,399
Construction and land development	41,763	19,952	12,035
Residential real estate	191,404	192,232	193,980
Commercial and industrial	154,676	145,990	161,815
Consumer	9,089	8,786	8,363
Agricultural	59,197	46,905	45,626
Total gross loans	4,678,130	4,614,166	4,351,223
Less: Net deferred loan fees & hedged loan MTM	(69,389)	(56,687)	(56,600)
Less: Allowance for credit losses - loans	(107,826)	(105,471)	(101,415)
Net loans	4,500,915	4,452,008	4,193,208
Accrued interest receivable	22,815	25,106	22,506
Premise and equipment, net	10,712	10,632	10,343
Deferred tax assets, net	28,791	27,907	25,656
Derivatives	84,278	68,849	68,502
Other assets	38,096	37,750	38,625
Total assets	$ 6,042,514	$ 6,047,747	$ 5,322,651
Liabilities and shareholders' equity			
Deposits:			
Noninterest-bearing demand deposits	$ 825,271	$ 845,209	$ 815,993
Money market accounts	1,416,955	1,449,930	898,173
Interest-bearing transaction accounts	2,428,866	2,379,298	1,836,416
Savings deposits	84,606	86,611	95,383
Time deposits	618,972	625,494	875,167
Total deposits	5,374,670	5,386,542	4,521,132
Accrued interest payable	2,952	3,885	6,010
Other borrowings	—	—	200,000
Cash collateral held related to derivatives	81,970	72,500	73,130
Other liabilities	15,041	20,962	12,361
Total liabilities	5,474,633	5,483,889	4,812,633
Shareholders' equity	567,881	563,858	510,018
Total liabilities and shareholders' equity	$ 6,042,514	$ 6,047,747	$ 5,322,651

Capital Ratios

	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Tier 1 leverage ratio	9.22%	9.35%	9.40%	9.54%	9.42%
Common equity tier 1 capital ratio	13.18%	13.14%	12.75%	12.58%	12.45%
Tier 1 risk-based capital ratio	13.18%	13.14%	12.75%	12.58%	12.45%
Total risk-based capital ratio	14.44%	14.41%	14.02%	13.85%	13.71%

Non-GAAP Reconciliation

In addition to results presented in accordance with generally accepted accounting principles in the United States of America (GAAP), this press release contains a non-GAAP financial measure. Management has presented this non-GAAP financial measure in this press release because it believes that it provides useful and comparative information to assess trends in the Bank's core operations. However, the non-GAAP financial measure is supplemental and is not a substitute for any analysis based on GAAP. Where applicable, comparable earnings information using GAAP financial measures is also presented. Because not all companies use the same calculations, our presentation may not be comparable to other similarly titled measures as calculated by other companies. For a reconciliation of the non-GAAP financial measure, see the table below:

Core Pre-Credit Provision, Pre-Tax Income

This figure is defined as net interest income, plus noninterest income, less the change in fair value of derivatives, less noninterest expense. The purpose of this non-GAAP financial measure is to remove the market volatility that can be included in the change in the fair value of derivatives that do not have fair value hedge accounting treatment (undesignated), which is a component of noninterest income. We hedge our interest rate risk through interest rate derivatives and a portion of the gain/loss on derivatives is reflected in our income statement. In addition, this measure is shown before the provision for credit losses and income tax expense. We believe that this non-GAAP financial measure provides a clearer picture of our operational earnings.

	For the Three Months Ended		
	June 30, 2026	March 31, 2026	June 30, 2025
		($ in thousands)	
Net interest income	$ 35,537	$ 35,015	$ 34,339
Noninterest income	5,011	3,757	(1,762)
Non-core item:			
Less change in the fair value of undesignated derivatives	3,178	1,729	(4,009)
Core noninterest income	1,833	2,028	2,247
Less noninterest expense	11,937	12,444	10,913
Core pre-credit provision, pre-tax income	$ 25,433	$ 24,599	$ 25,673