



US Metro Bancorp Announces Fourth Quarter 2020 Financial Results
Year over Year US Metro BANK (only):
51% ANNUAL INCREASE IN LOANS
40% ANNUAL INCREASE IN DEPOSITS
2.5% ANNUAL INCREASE IN EARNINGS

Garden Grove, California: January 29, 2020: [US Metro Bancorp](#) (OTC Pink: USMT) Mr. Dong Il Kim, President and CEO, announced US Metro Bancorp and US Metro Bank's financial results for the fourth quarter 2020. As of January 2, 2020, US Metro Bancorp ("Bancorp"), a small bank holding company (BHC), was formed making US Metro Bank its lone subsidiary. On a consolidated basis the Bancorp earned \$1,235,000 in the fourth quarter of 2020 compared to \$1,105,000 in the third quarter and \$4,439,000 for the twelve months ending December 31, 2020. On a year-to-date basis the Bancorp recorded a return on average assets ("ROAA") of 0.67% and a return on average equity ("ROAE") of 6.40%. With 16,230,000 shares outstanding, earnings per share ("EPS") for the fourth quarter was \$0.08 compared to \$0.07 in the third quarter. At December 31, 2020 the Bancorp's Book Value was \$3.86 per share.

US Metro Bank recorded year over year loan growth of \$200.7 million or 51%. Included in the annual loan growth is \$65 million in Payroll Protection Program (PPP) loans booked during the second quarter. Deposits grew \$191.1 million or 40% over December 31, 2019. The opening of the Bank's Torrance Branch in December 2019 accounted for \$73.6 million of the total deposit growth. Net Interest Income increased \$0.8 million or 16% for the fourth quarter compared to the fourth quarter a year earlier with interest income decreasing \$0.1 million while interest expense decreased \$0.9 million. On a full year over year basis Net Interest Income increased \$3.1 million or 17%. SBA premium income for the twelve months ending December 31, 2020 was \$3.9 million compared to \$3.1 million for the same period in 2019, an increase of 26%. Net income of \$5,372,000 for the twelve months ending December 31, 2020 compares to \$5,239,000 reported for the same twelve months in 2019, a year over year increase of \$133 thousand or 2.5%.

The Bank reported total assets of \$767.0 million as of December 31, 2020, representing a 41.4% increase compared to the reporting period ending December 31, 2019. In 2017 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 December 31, 2020 the Wilshire branch recorded a total deposit base of \$99.7 million including \$18.0 million in non-interest bearing deposits. The Fashion District Branch had \$103.3 million in total deposits at December 31, 2020 including \$41.5 million in non-interest bearing deposits. The Fullerton Branch recorded a deposit base of \$139.7 million with \$31.8 million in non-interest bearing deposits at December 31, 2020 and the new Torrance Branch had \$73.6 million in deposits at December 31, 2020 including \$21.5 million in non-interest bearing deposits. Total Bank deposits ended the year of 2020 at \$668.3 million, a 40% increase from \$477.2 million at December 31, 2019.

SBA loan originations for the year ending December 31, 2020 were \$65.6 million compared to \$70.0 million for the full year 2019. Due to the Covid19 Pandemic and the uncertainty of current economic climate, the Bank closed three of its four SBA Loan Production Offices on April 15, 2020. The Dallas LPO remained open in 2020 and in November the Bank reopened the Seattle LPO.

Loan quality remains good with non-performing assets as a percent of total assets of 0.26% compared to 0.17% as of December 31, 2019. The Bank had no Other Real Estate Owned at December 31, 2020. Allowance for loan and lease losses (ALLL) to gross loans was 1.56% as of

December 31, 2020 compared to 1.30% as of December 31, 2019. Excluding PPP Loans, the ALLL was 1.74% of gross loans at year end. With the uncertainty in the economy related to the COVID 19 Pandemic, the Bank recorded \$4.4 million in provision for loan loss expense, for the twelve months ending December 31, 2020 compared to \$1.6 million recorded for the twelve months ending December 31, 2019.

“The Board of Directors is pleased with the continued growth and profitability of the Bank during 2020. However, beginning with the interest rate decreases seen mid-March, earnings on liquid investments have decreased substantially. Fortunately SBA loan demand has been positive. The Bank has been proactive in implementing elements of the Strategic Plan and has formed a Mortgage Finance Group which has contributed \$82.2 million in outstanding mortgage warehouse loans as of December 31, 2020. Through the COVID 19 pandemic economic stimulus programs, the Bank funded \$70 million in PPP loans and have provided loan modifications on \$149 million for our borrowers. We have implemented the Bank’s Pandemic Contingency Plan with staff working remotely if possible and practicing social distancing through telecommunication meetings and rotating staff through shelter at home practices. Capital and Liquidity remain strong and USMB is well positioned to manage through the Pandemic.”

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 and Seattle. 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				
	12/31/20	9/30/20	% Change	
Net Income	\$ 1,235	\$ 1,105	11.76%	
Net Income Per Share (Basic)	\$ 0.08	\$ 0.07	11.76%	
ROAA (Annualized)	0.65%	0.65%	0.00%	
ROAE (Annualized)	7.82%	7.19%	0.63%	
Efficiency Ratio	60.80%	53.16%	7.64%	
Assets	\$ 766,987	\$ 733,656	4.54%	
Gross Loans	\$ 594,349	\$ 582,012	2.12%	
Deposits	\$ 667,360	\$ 641,144	4.09%	
Non-Interest Bearing Deposits	\$ 192,110	\$ 189,238	1.52%	
Common Equity	\$ 62,602	\$ 61,367	2.01%	
<i>Ending Common Shares O/S</i>	<i>16,230,000</i>	<i>16,230,000</i>		
<i>Book Value Per Common Shares</i>	<i>\$ 3.86</i>	<i>\$ 3.78</i>		

At or for the Twelve Months Ended				
	12/31/20			
Net Income	\$ 4,439			
Net Income Per Share (Basic)	\$ 0.27			
ROAA (Annualized)	0.67%			
ROAE (Annualized)	6.40%			
Efficiency Ratio	59.50%			
Assets	\$ 766,987			
Gross Loans	\$ 594,349			
Deposits	\$ 666,435			
Non-Interest Bearing Deposits	\$ 191,185			
Common Equity	\$ 62,602			
<i>Ending Common Shares O/S</i>	<i>16,230,000</i>			
<i>Book Value Per Common Shares</i>	<i>\$ 3.86</i>			

* BANCORP Formed in January 2020

US METRO BANK (only)
FINANCIAL HIGHLIGHTS (unaudited)

BALANCE SHEET

(All amounts in thousands except per share information)

Assets	12/31/20	12/31/19	Y-O-Y Change	
Cash and Due From Bank	\$ 11,383	\$ 13,074	\$ (1,691)	-12.9%
Investments and Fed Funds Sold	\$ 152,429	\$ 125,781	26,648	21.2%
Loans Outstanding	594,349	393,648	200,701	51.0%
Loan Loss Reserve	(9,361)	(5,206)	(4,155)	79.8%
Other Assets	18,187	14,991	3,196	21.3%
Total Assets	\$ 766,987	\$ 542,288	\$ 224,699	41.4%

Liabilities and Capital	12/31/20	12/31/19	Y-O-Y Change	
Deposits	\$ 668,285	\$ 477,180	\$ 191,105	40.0%
Borrowings	8,864	4,172	4,692	112.5%
Other Liabilities	2,301	2,775	(474)	-17.1%
Equity	87,537	58,161	29,376	50.5%
Total Liabilities and Capital	\$ 766,987	\$ 542,288	\$ 224,699	41.4%

STATEMENT OF OPERATIONS

Three Months Ended

Income Statement	12/31/20	12/31/19	Q-O-Q Change	
Interest Income	\$ 6,827	\$ 6,902	\$ (75)	-1.1%
Interest Expense	863	1,774	(911)	-51.4%
Net Interest Income	5,964	5,128	836	16.3%
Provision for Loan Losses	1,360	400	960	240.0%
Other Income	2,593	1,352	1,241	91.8%
Operating Expenses	4,865	3,747	1,118	29.8%
Tax	696	688	8	1.2%
Net Income	\$ 1,636	\$ 1,645	\$ (9)	-0.5%

STATEMENT OF OPERATIONS

Twelve Months Ended

Income Statement	12/31/20	12/31/19	Y-O-Y Change	
Interest Income	\$ 26,165	\$ 24,745	\$ 1,420	5.7%
Interest Expense	4,930	6,576	(1,646)	-25.0%
Net Interest Income	21,235	18,169	3,066	16.9%
Provision for Loan Losses	4,445	1,600	2,845	N/A
Other Income	6,506	5,343	1,163	21.8%
Operating Expenses	15,636	14,384	1,252	8.7%
Tax	2,288	2,289	(1)	NM
Net Income	\$ 5,372	\$ 5,239	\$ 133	2.5%

Ratios	12/31/20	12/31/19	Y-O-Y Change
Net Loan to Deposits	87.54%	81.40%	6.13%
ALLL/Gross Loans	1.58%	1.32%	0.25%
NPAs/Total Assets	0.30%	0.17%	0.13%
Tier One Leverage Ratio	11.37%	10.89%	0.48%
YTD ROAA (annualized)	0.81%	1.12%	-0.30%
YTD ROAE (annualized)	7.79%	9.49%	-1.69%
Net Interest Margin (QTD)	3.23%	4.13%	-0.90%
Net Interest Margin (YTD)	3.32%	4.16%	-0.84%