FOR IMMEDIATE RELEASE – July 30, 2025

Mission Bancorp Reports Second Quarter Earnings of $3.1 Million. Annualized Loan Growth of 18%.

Bakersfield, Calif., July 30, 2025 - Mission Bancorp ("Mission" or the "Company") (OTC Pink: MSBC), a bank holding company and parent of Mission Bank (the "Bank"), reported unaudited net income available to common shareholders of $3.1 million, or $1.11 per diluted common share, for the second quarter of 2025, compared to net income available to common shareholders of $7.3 million, or $2.60 per diluted common share, for the second quarter of 2024, and net income available to common shareholders of $7.2 million, or $2.53 per diluted common share, for the linked quarter.

Chief Executive Officer, A.J. Antongiovanni, commented, "Net income in the second quarter of $3.1 million, which is below our normalized earnings level, was adversely affected by several one-time, non-recurring expenses. Non-recurring expenses were attributed to several factors; we recorded a higher provision for credit losses this quarter, due to higher than expected loan growth; the settlement of litigation; upfront costs to establish our newest market with the opening of a loan production office in Westlake Village; and tax-loss harvesting efforts aimed at optimizing our tax position by rebalancing into higher-yielding assets."

Antongiovanni added, "Significant loan demand in the second quarter resulted in 18% annualized growth. We achieved these industry leading results, despite a challenging environment with elevated lending rates, a slow-down in new project development, and uncertainty around tariffs and inflation, which is driven by our relationship focused business model. We also grew non-interest income by achieving revenue growth from our Farmer Mac and SBA divisions."

Antongiovanni concluded, "With these non-recurring items behind us, and continued loan growth forecasted, we are well-positioned to achieve normalized earnings in the third quarter. As we continue to monitor the interest rate environment and global economic uncertainties, we remain committed to our service-centric business model and to investing in the Company's future through geographic expansion and continued focus on our people. We are excited about the opportunities ahead and extend our sincere thanks to our team, customers and shareholders for their continued support."

Second Quarter 2025 Financial Highlights

- Gross loans increased by $123.7 million, or 10.0%, to $1.36 billion as of June 30, 2025, compared to $1.23 billion as of June 30, 2024, and increased by $56.8 million, or 4.4%, compared to March 31, 2025, balances.

- Total deposits increased by $143.5 million, or 9.7%, to $1.63 billion as of June 30, 2025, compared with $1.48 billion a year earlier, and decreased by $24.0 million, or 1.5%, from $1.65 billion as of March 31, 2025. Noninterest-bearing deposits were $635.5 million and represent 39.0% of total deposits as of June 30, 2025.

- The allowance for credit losses ("ACL") as a percentage of gross loans declined from 1.52% as of June 30, 2024, to 1.50% as of June 30, 2025.
- Credit quality remains strong with nonaccrual loans representing 0.13% of total gross loans as of June 30, 2025, up from 0.04% as of June 30, 2024.
- The Community Bank Leverage Ratio for the Bank as of June 30, 2025, was 11.43%, compared to 11.81% as of June 30, 2024.

Net Income Available to Common Shareholders

Net income available to common shareholders for the second quarter of 2025 was $3.1 million, or $1.11 per diluted common share, compared with $7.2 million, or $2.53 per diluted common share, for the linked quarter ended March 31, 2025. Net income available to common shareholders was $7.3 million, or $2.60 per diluted common share, for the second quarter of 2024. Net income available to common shareholders decreased $0.4 million, or 5.0%, compared to the linked quarter, and by $0.5 million, or 6.7%, compared to the same prior year period.

Notable variances compared to both the linked quarter and the second quarter of 2024 were primarily driven by one-time, non-recurring charges, along with increases in credit loss expense and non-interest expense, partially offset by higher net interest income and non-interest income.

Net Interest Income

Net interest income was $18.1 million, or 4.07%, of average earning assets ("net interest margin"), for the second quarter of 2025, compared with $17.5 million, or a net interest margin of 4.47%, for the same period a year earlier, and $17.8 million, or a net interest margin of 4.06%, for the quarter ended March 31, 2025.

Net interest income increased by $0.6 million, or 3.4%, compared to the same prior year period, due primarily to an increase in interest income, which was partially offset by an increase in interest expense. Loan interest income and fee accretion increased by $1.1 million compared to the same prior year period, due to growth in the loan portfolio and partially offset by a modest decline in loan yields. Additionally, interest income from interest earning deposits in other banks increased by $1.0 million, primarily due to growth in interest earning cash balances, partially offset by a decline in yields. Interest expense increased $1.5 million compared to the second quarter of 2024, primarily due to average balance growth and a modest rise in the cost of interest-bearing deposits, partially offset by lower costs associated with other borrowings and subordinated debentures, due to the payoff of subordinated debt notes at the end of the fixed-rate term.

Net interest income increased by $0.3 million, or 1.5%, for the quarter ended June 30, 2025, compared to the linked quarter, due to an increase in interest income, which more than offset an increase in interest expense. Interest income increased $0.4 million for the current quarter, compared to the linked quarter, due in part to a shift in the asset mix toward higher-yielding assets. Interest expense increased marginally by $0.1 million, compared to the linked quarter, due to increased average balances on interest bearing deposits, partially offset by lower costs associated with the payoff of subordinated debt.

The net interest margin was 4.07% for the quarter ended June 30, 2025, compared to 4.47% for the same prior year period, and 4.06% for the linked quarter ended March 31, 2025. During the past year, asset yields have declined 26 basis points while the cost of interest-bearing liabilities has risen 7 basis points, contributing to the 40 basis point decline in the quarterly net interest margin. The Federal Reserve began lowering rates in the latter half of 2024, impacting the shorter end of the yield curve and reducing yields on interest-bearing deposits in other banks as well as the Company's variable rate loans. While short term rates have remained relatively stable through the first half of 2025, the growth in interest-bearing deposits has further compressed net interest margin by increasing reliance on higher cost funding.

The 1 basis point increase in the net interest margin for the second quarter of 2025, compared to the linked quarter, reflects the stability in the balance sheet profile, yields and costs; with nominal changes in average earning assets and interest-bearing liabilities, and stable asset yields and interest-bearing liability costs.

The yield on loans, interest earning deposits in other banks, and investment securities, decreased by 11 basis points to 6.39%, 92 basis points to 4.46%, and by 21 basis points to 3.98%, respectively, compared to the same prior year period. Additionally, average balances on loans increased $89.3 million, or 7.30%, average balances on interest earning deposits in other banks increased $109.9 million, or 106.0%, and average balances on investment securities increased $10.7 million, or 4.53%. The cost of interest-bearing deposits increased 10 basis points to 3.01%, while the average balances of interest-bearing deposits increased $191.2 million, or 23.1%. The cost of subordinated debentures decreased 25 basis points to 4.67%, and average balances decreased $4.5 million.

For the quarter ended June 30, 2025, the yield on loans decreased by 2 basis points to 6.39%, while the yield on interest earning deposits in other banks and investment securities both increased by 6 basis points to 4.46% and 3.98%, respectively, compared to the linked quarter. Average balances on loans increased $14.1 million, or 1.09%, average balances on investment securities increased $5.01 million, or 2.07%, and average balances on interest earning deposits in other banks decreased $18.6 million, or 8.01%. The cost of interest-bearing deposits increased 1 basis point to 3.01%, while the average balances on interest-bearing deposits increased $10.6 million, or 1.05%. The cost of subordinated debentures decreased 28 basis points to 4.67%, and average balances decreased $4.6 million.

The cost of funds was 1.90% for the quarter ended June 30, 2025, an increase of 17 basis points compared to 1.73%, for the same prior year period, and a slight increase of 1 basis point compared to 1.89%, for the linked quarter ended March 31, 2025. The increase in the Company's cost of funds is generally attributable to the higher short-term rate environment which led to increased competition for deposits over the past couple of years. The Bank has continued to grow its total deposit accounts through both new customer acquisition and the expansion of existing relationships over the past year. At the same time, our clients have continued to optimize the proportion of their operating account balances versus interest-bearing account balances. More recently, Federal Reserve rate cutting has helped alleviate some of the pressure on the cost of interest-bearing balances, providing modest relief in the competitive deposit environment.

The Company holds two pay-fixed, receive floating, interest rate swap contracts with notional balances totaling $108 million to hedge against rising rates on a portion of its fixed rate loan and investment securities portfolios. Combined, interest rate swap contracts generated an additional $0.1 million in interest income in both the second quarter of 2025 and the linked quarter, compared to $0.4 million for the second quarter of the prior year.

Provision for Credit Losses

A $0.8 million provision for credit losses was recorded for the quarter ended June 30, 2025, compared to $0.2 million for the linked quarter, and no provision for the same period a year ago. The Company's quarterly credit loss provisions over the past year have been recorded primarily to account for loan growth and changes in macro-economic conditions, which impact the calculated ACL under the current expected credit loss ("CECL") model, rather than in response to changing conditions in the Company's loan portfolio, which have remained stable, demonstrating a low credit risk profile during the past twelve months.

Non-Interest Income

Non-interest income increased by $0.2 million to $1.8 million for the quarter ended June 30, 2025, compared to $1.6 million for both the linked quarter and the quarter ended June 30, 2024, representing increases of 12.8% and 15.3%, respectively. Compared to the linked quarter, the increase was primarily driven by an increase in Farmer Mac referral and servicing fee income. When compared to the same prior year period, the increase was primarily due to an increase in service charges, fees, and other income.

Non-Interest Expense

Non-interest expense increased by $5.5 million, or 59.2%, to $14.7 million for the quarter ended June 30, 2025, compared to $9.2 million for the linked quarter, and increased by $5.7 million, or 62.9%, compared to $9.0 million for the quarter ended June 30, 2024.

The increase in non-interest expense for the second quarter of 2025, compared to the linked quarter, was primarily due to a $5.1 million increase in other expense attributable to one-time, non-recurring items; furthermore, a $0.5 million increase in professional services, associated with elevated legal expenses, was partially offset by a $0.2 million decrease in salaries and benefits expense, reflecting higher deferred salary loan origination costs, along with lower payroll taxes and bank owned life insurance accruals, partially offset by higher compensation accruals.

The increase in non-interest expense for the second quarter of 2025 compared to the same period a year ago, was primarily due to a $5.1 million increase in other expense attributable to one-time, non-recurring items. Additionally, there was a $0.3 million increase in salaries and benefits expense, primarily driven by higher employee compensation, including higher base compensation expense and associated payroll taxes, incentive compensation accruals, and group insurance costs, which was partially offset by higher deferred salary loan origination costs and lower bank owned life insurance accruals.

Operating Efficiency

The Company's operating efficiency ratio increased to 73.8% for the second quarter of 2025, compared to 47.3% for the second quarter of 2024, and 47.5% for the linked quarter. Total non-interest expense as a percentage of average assets, another measure of the Company's efficiency, was 3.15% for the second quarter of 2025, compared to 2.19% for the second quarter of 2024, and 2.01% for the quarter ended March 31, 2025.

Income Taxes

Income tax expense was $1.3 million for the second quarter of 2025, compared to $2.8 million for the quarter ended June 30, 2024, and $2.9 million for the linked quarter ended March 31, 2025. The Company's effective tax rate for the second quarter of 2025 was 29.7%, compared to 27.5% for the same period a year ago, and 28.8% for the quarter ended March 31, 2025.

Asset and Equity Returns

The return on average equity for the second quarter of 2025 was 6.28%, down from 17.4% for the same prior year period, and 15.0% for the linked quarter. The quarterly return on average assets for the second quarter of 2025 was 0.67%, down from 1.77% for the same prior year period, and 1.56% for the linked quarter.

The decline in quarterly returns on both average equity and average assets for the quarter ended June 30, 2025, compared to both the second quarter of 2024 and the linked quarter, is primarily attributable to a decline in quarterly net income, coupled with growth in average equity outpacing growth in average assets. Average equity grew 18.6%, compared to the second quarter of 2024, while average assets grew 12.9%.

Balance Sheet

Total assets increased by $165.0 million, or 9.7%, to $1.86 billion as of June 30, 2025, compared to June 30, 2024, and decreased by $28.5 million, or 1.5%, compared to March 31, 2025. Cash and cash equivalents increased by $24.0 million, or 13.5%, to $201.8 million as of June 30, 2025, compared to the same prior year period, and decreased by $98.7 million, or 32.8%, compared to March 31, 2025.

The increase in the Company's cash position over the last year reflects the robust deposit growth, net of a subordinated debt repayment upon reaching its fixed rate maturity date, and earnings, which outpaced strong loan portfolio growth and increased investment security balances. The decrease in the Company's position over the past quarter reflects exceptional loan growth and increased investment security balances, which outpaced a decline in deposits, subordinated debt repayment, and continued earnings generation.

Investment securities increased by $16.1 million or 6.9%, to $250.2 million as of June 30, 2025, compared to $234.1 million as of June 30, 2024, and increased by $8.3 million, or 3.4%, compared to $241.9 million on March 31, 2025. The increase in the investment securities portfolio over the past year primarily reflects the deployment of excess liquidity into new, higher yielding securities, to supplement strong lending demand, net of repayment and amortization of the bond portfolio. The increase in the investment portfolio during the second quarter of 2025, compared to the linked quarter, reflects the Company's strategic deployment of excess liquidity into higher yielding securities, net of increased unrealized losses on the investment securities portfolio attributable to market rate changes during the quarter.

Loans increased by $123.7 million, or 10.0%, to $1.36 billion as of June 30, 2025, compared to June 30, 2024, and increased by $56.8 million, or 4.4%, compared to March 31, 2025. Loan growth during the last year has been concentrated in non-owner occupied commercial real estate, multi family, commercial and industrial, loans secured by farmland, and residential 1 to 4 units, which were partially offset by the contraction in owner occupied commercial real estate and construction and land development loans. Loan growth during the last quarter was diversified across the portfolio, with growth in owner and non-owner occupied commercial real estate, loans secured by farmland, commercial and industrial, and multi-family loans, which were partially offset by the contraction in construction and land development loans.

Total deposits increased by $143.5 million, or 9.7%, to $1.63 billion as of June 30, 2025, from $1.48 billion as of June 30, 2024, and decreased by 24.0 million, or 1.5%, compared to March 31, 2025. Noninterest-bearing deposits increased by $16.3 million, or 2.6%, during the last year, and increased by $8.8 million, or 1.4%, since March 31, 2025. The increase in non-interest-bearing deposits over the past year reflects continued growth in new account openings, a lower account closure ratio, and the stabilization of deposit costs, while average balances on retained deposits have remained relatively stable. Noninterest-bearing deposits represented 39.0% of total deposits on June 30, 2025.

During the quarter, the Company repaid $10 million of subordinated debentures, which carried a fixed rate of 5.50% through the end of their fixed term on May 20, 2025, after which they would have converted to a floating rate indexed to SOFR plus a spread of 514 basis points. The repayment was possible due to the Company's high earnings, capital accretion rates and liquidity position demonstrated over the last several years.

Total shareholders' equity was $199.3 million as of June 30, 2025, an increase of $25.7 million, or 14.8%, compared to June 30, 2024, and an increase of $1.6 million, or 0.8%, compared to March 31, 2025, due primarily to quarterly earnings, net of changes in accumulated other comprehensive loss. The accumulated other comprehensive loss component of equity increased $0.8 million during the past year resulting from a $1.0 million increase in the accumulated other comprehensive loss associated with the interest rate swap contacts, partially offset by a $0.2 million decrease in the accumulated other comprehensive loss on the investment securities portfolio. The accumulated other comprehensive loss component of equity increased by $1.3 million during the quarter, attributable to a $1.0 million increase in the accumulated other comprehensive loss on the investment securities portfolio and a $0.3 million increase in the accumulated other comprehensive loss associated with the swap contracts. The decline in accumulated other comprehensive loss is primarily the result of an increase in the fair market value of our investment securities portfolio attributable to a decline in interest rates and not related to credit quality.

Allowance for Credit Losses and Credit Quality

The allowance for credit losses ("ACL") as a percentage of gross loans decreased to 1.50% as of June 30, 2025, from 1.51% as of March 31, 2025, and 1.52% as of June 30, 2024. The nominal decline in the ACL as a percentage of gross loans over the last twelve months reflects the continued stable credit profile of the loan portfolio.

Nonperforming assets were $1.7 million on June 30, 2025, up from $0.9 million on March 31, 2025, and $0.5 million on June 30, 2024. Nonperforming assets as a percentage of total assets were 0.09% as of June 30, 2025, up from 0.05% as of March 31, 2025, and 0.03% as of June 30, 2024.

Regulatory Capital

The Bank's reported regulatory capital ratio exceeded the ratio generally required to be considered a "well capitalized" financial institution for regulatory purposes. The Community Bank Leverage Ratio for the Bank was 11.43%, as of June 30, 2025, compared with the requirement of 9.00% to generally be considered a "well capitalized" financial institution for regulatory purposes. The Bank's Community Bank Leverage ratio has decreased by 38 basis points from 11.81%, and decreased by 4 basis points from 11.47%, as of the periods ended June 30, 2024, and March 31, 2025, respectively. Earnings have remained stable over the past year, however, the growth in average assets, coupled with dividends paid to the Company during the past year, has resulted in a decrease in the Bank's Community Bank Leverage ratio compared to the prior year.

Stock Repurchase Program

The Company announced on April 28, 2025, the extension of its plan Rule 10b5-1 (the "2022 10b5-1 Plan") to facilitate the repurchase of its common stock. Pursuant to the 2022 10b5-1 Plan, a maximum of $3.0 million of the Company's common stock may be repurchased by the Company. The previous extension under the Plan expired on April 24, 2025, and the Company extended the Plan for an additional six months, through October 23, 2025. The Company may suspend or discontinue the Plan at any time. Hilltop Securities, Inc. is acting as the Company's agent to purchase its shares on pre-arranged terms pursuant to the 2022 10b5-1 Plan.

During the second quarter of 2025 the Company repurchased 7,054 shares under the 2022 10b5-1 Plan at an average price of $92.58. Since Plan inception the Company has repurchased 19,553 shares at an average price of $90.41.

About Mission Bancorp and Mission Bank

With $1.9 billion in assets, Mission Bancorp is headquartered in Bakersfield, California and is the holding company of three wholly owned subsidiaries, Mission Bank, Mission 1031 Exchange, LLC, and Mission Community Development, LLC. Mission Bank has eight Business Banking Centers, serving the greater areas of Bakersfield, Lancaster, San Luis Obispo, Stockton, Ventura, and Visalia, California. Visit Mission Bank online at www.missionbank.bank. By including the foregoing website address, Mission Bancorp does not intend to and shall not be deemed to incorporate by reference any material contained therein.

Forward Looking Statements

This press release may contain forward-looking statements that are subject to risks and uncertainties. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, rapid and/or unanticipated deposit withdrawals, the unavailability of sources of liquidity, additional regulatory requirements that may be imposed on community banks or banks in general, general and industry-specific changes in market conditions, investor reaction to industry developments, government regulations and general economic conditions, and competition within the business areas in which the bank is conducting its operations, including the real estate market in California and other factors beyond the bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Contacts:

A.J. Antongiovanni, President, and Chief Executive Officer

661.859.2517

Jason Castle, Chief Operating Officer, and Chief Financial Officer

661.437.4418

MISSION BANCORP

CONSOLIDATED BALANCE SHEETS

(Unaudited)

(Dollars in thousands)

	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024	Variance 06/25 - 03/25	Variance 06/25 - 06/24
Assets						
Cash and due from banks	$ 65,544	$ 50,339	$ 46,596	$ 47,820	$ 15,205	$ 17,724
Interest earning deposits in other banks	136,287	250,205	246,872	129,983	(113,918)	6,304
Total cash and cash equivalents	201,831	300,544	293,468	177,803	(98,713)	24,028
Interest earning deposits maturing over ninety days	490	490	490	490	-	-
Investment securities available-for-sale, at fair value	250,199	241,925	244,922	234,130	8,274	16,069
Loans	1,355,615	1,298,780	1,290,802	1,231,905	56,835	123,710
Allowance for credit losses	(20,332)	(19,580)	(19,423)	(18,669)	(752)	(1,663)
Loans, net	1,335,283	1,279,200	1,271,379	1,213,236	56,083	122,047
Premises and equipment, net	2,855	2,855	2,785	2,997	-	(142)
Bank owned life insurance	22,211	22,054	21,899	21,588	157	623
Deferred tax asset, net	16,595	16,046	16,364	15,230	549	1,365
Interest receivable and other assets	29,277	24,119	24,549	28,284	5,158	993
Total Assets	$ 1,858,741	$ 1,887,233	$ 1,875,856	$ 1,693,758	$ (28,492)	$ 164,983
Liabilities and Shareholders' Equity						
Deposits						
Noninterest-bearing demand	$ 635,530	$ 626,723	$ 646,129	$ 619,278	$ 8,807	$ 16,252
Interest bearing	992,734	1,025,549	1,003,196	865,448	(32,815)	127,286
Total deposits	1,628,264	1,652,272	1,649,325	1,484,726	(24,008)	143,538
Other borrowings	-	-	-	-	-	-
Subordinated debentures, net of issuance costs	11,966	21,952	21,934	21,898	(9,986)	(9,932)
Interest payable and other liabilities	19,183	15,282	15,111	13,502	3,901	5,681
Total Liabilities	1,659,413	1,689,506	1,686,370	1,520,126	(30,093)	139,287
Shareholders' Equity						
Common stock	101,331	89,829	89,496	88,880	11,502	12,451
Retained earnings	116,806	125,400	118,248	102,738	(8,594)	14,068
Accumulated other comprehensive loss	(18,809)	(17,502)	(18,258)	(17,986)	(1,307)	(823)
Total shareholders' equity	199,328	197,727	189,486	173,632	1,601	25,696
Total Liabilities and Shareholders' Equity	$ 1,858,741	$ 1,887,233	$ 1,875,856	$ 1,693,758	$ (28,492)	$ 164,983
SBA Paycheck Protection Program Loans	355	414	452	559	(59)	(204)

MISSION BANCORP

CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(Dollars in thousands)

	Three Months Ended			Variance		For the Six Months Ended		Variance
	June 30, 2025	March 31, 2025	June 30, 2024	06/25 - 03/25	06/25 - 06/24	June 30, 2025	June 30, 2024	06/25 - 06/24
Interest and Dividend Income								
Loans	$ 20,920	$ 20,533	$ 19,790	$ 387	$ 1,130	$ 41,454	$ 39,108	$ 2,346
Investment securities	2,449	2,334	2,458	115	(9)	4,782	5,043	(261)
Other	2,558	2,673	1,568	(115)	990	5,231	3,165	2,066
Total interest and dividend income	25,927	25,540	23,816	387	2,111	51,467	47,316	4,151
Interest Expense								
Other deposits	7,020	6,587	5,244	433	1,776	13,607	9,866	3,741
Time deposits	608	859	729	(251)	(121)	1,466	1,404	62
Total interest expense on deposits	7,628	7,446	5,973	182	1,655	15,073	11,270	3,803
Other borrowings	-	-	80	-	(80)	-	315	(315)
Subordinated debentures	202	268	268	(66)	(66)	470	535	(65)
Total interest expense	7,830	7,714	6,321	116	1,509	15,543	12,120	3,423
Net Interest Income	18,097	17,826	17,495	271	602	35,924	35,196	728
Credit Loss Expense	750	155	-	595	750	906	675	231
Net Interest Income After Provision for Credit Losses	17,347	17,671	17,495	(324)	(148)	35,018	34,521	497
Non-Interest Income								
Service charges, fees and other income	1,153	1,067	980	86	173	2,221	1,922	299
Farmer Mac referral and servicing fees	389	287	334	102	55	675	626	49
SBA servicing fees and gain on sale of loans	305	240	266	65	39	544	641	(97)
Loss on sale of securities	(49)	-	(20)	(49)	(29)	(49)	(31)	(18)
Total non-interest income	1,798	1,594	1,560	204	238	3,391	3,158	233
Non-Interest Expense								
Salaries and benefits	5,732	5,935	5,385	(203)	347	11,666	10,787	879
Professional services	1,558	1,039	1,336	519	222	2,597	2,311	286
Occupancy and equipment	583	576	588	7	(5)	1,159	1,160	(1)
Data processing and communication	382	367	404	15	(22)	748	801	(53)
Other	6,431	1,310	1,300	5,121	5,131	7,742	2,448	5,294
Total non-interest expense	14,686	9,227	9,013	5,459	5,673	23,912	17,507	6,405
Net Income Before Provision for Income Taxes	4,459	10,038	10,042	(5,579)	(5,583)	14,497	20,172	(5,675)
Provision for Income Taxes	1,323	2,886	2,757	(1,563)	(1,434)	4,209	5,540	(1,331)
Net Income	$ 3,136	$ 7,152	$ 7,285	$ (4,016)	$ (4,149)	$ 10,288	$ 14,632	$ (4,344)

MISSION BANCORP

FINANCIAL HIGHLIGHTS

(Unaudited)

(Dollars in thousands, except per share data)

	As of or for the Three Months Ended				For the Six Months Ended	
	June 30, 2025	**March 31, 2025**	**December 31, 2024**	**June 30, 2024**	**June 30, 2025**	**June 30, 2024**
Ratio of total loans to total deposits	83.26%	78.61%	78.26%	82.97%	83.26%	82.97%
Return on average assets	0.67%	1.56%	1.64%	1.77%	1.11%	1.78%
Return on average equity	6.28%	14.99%	16.27%	17.35%	10.54%	17.84%
Net interest margin	4.07%	4.06%	3.96%	4.47%	4.07%	4.51%
Efficiency ratio	73.82%	47.51%	42.03%	47.30%	60.82%	45.65%
Non-interest expense as a percent of average assets	3.15%	2.01%	1.74%	2.19%	2.58%	2.13%
Non-interest income as a percent of average assets	0.39%	0.35%	0.34%	0.38%	0.37%	0.38%
Community Bank Leverage Ratio	11.43%	11.47%	11.07%	11.81%	11.63%	11.33%
Weighted average shares outstanding - basic*	2,783,721	2,776,511	2,767,351	2,761,129	2,780,156	2,751,469
Weighted average shares outstanding - diluted*	2,834,836	2,824,496	2,821,693	2,805,288	2,831,310	2,795,220
Shares outstanding at period end - basic*	2,780,875	2,786,550	2,768,438	2,764,978	2,780,875	2,764,978
Earnings per share - basic	$ 1.13	$ 2.58	$ 2.77	$ 2.64	$ 3.70	$ 5.32
Earnings per share - diluted	$ 1.11	$ 2.53	$ 2.72	$ 2.60	$ 3.63	$ 5.23
Total assets	$ 1,858,741	$ 1,887,233	$ 1,875,856	$ 1,693,758	$ 1,858,741	$ 1,693,758
Loans and leases net of deferred fees	$ 1,355,615	$ 1,298,780	$ 1,290,802	$ 1,231,905	$ 1,355,615	$ 1,231,905
Noninterest-bearing demand deposits	$ 635,530	$ 626,723	$ 646,129	$ 619,278	$ 635,530	$ 619,278
Total deposits	$ 1,628,264	$ 1,652,272	$ 1,649,325	$ 1,484,726	$ 1,628,264	$ 1,484,726
Noninterest-bearing deposits as a percentage total deposits	39.03%	37.93%	39.18%	41.71%	39.03%	41.71%
Average total assets	$ 1,868,348	$ 1,864,899	$ 1,863,633	$ 1,655,220	$ 1,866,633	$ 1,650,498
Average total equity	$ 200,310	$ 193,498	$ 187,377	$ 168,845	$ 196,923	$ 164,921
Shareholders' equity / total assets	10.72%	10.48%	10.10%	10.25%	10.72%	10.25%
Book value per share	$ 71.68	$ 70.96	$ 68.44	$ 62.80	$ 71.68	$ 62.80

***Outstanding shares adjusted for 5% dividend declared on April 24, 2025.**

MISSION BANCORP

AVERAGE BALANCES AND RATES

(Unaudited)

(Dollars in thousands)

	For the Quarter Ended June 30, 2025			For the Quarter Ended March 31, 2025			For the Quarter Ended June 30, 2024		
	Average Balance	**Income / Expense**	**Yield / Rate**	**Average Balance**	**Income / Expense**	**Yield / Rate**	**Average Balance**	**Income / Expense**	**Yield / Rate**
Assets									
Interest earning deposits in other banks	$ 213,500	$ 2,373	4.46%	$ 232,078	$ 2,519	4.40%	$ 103,635	$ 1,386	5.38%
Investment securities	246,748	2,449	3.98%	241,737	2,334	3.92%	236,055	2,458	4.19%
Loans	1,313,087	20,920	6.39%	1,298,947	20,533	6.41%	1,223,791	19,790	6.50%
Other earning assets	9,027	185	8.22%	9,026	154	6.92%	9,000	182	8.13%
Total Earning Assets	**1,782,362**	**25,927**	**5.83%**	**1,781,788**	**25,540**	**5.81%**	**1,572,481**	**23,816**	**6.09%**
Non-interest earning assets	85,986			83,111			82,739		
Total Assets	$ 1,868,348			$ 1,864,899			$ 1,655,220		
Liabilities and Capital									
Interest-bearing deposits									
Interest-bearing transaction accounts	$ 910,089	$ 6,985	3.08%	$ 878,043	$ 6,541	3.02%	$ 701,837	$ 5,170	2.96%
Time deposits	72,975	608	3.34%	92,409	859	3.77%	76,666	729	3.82%
1031 Exchange deposits	34,358	35	0.41%	36,369	46	0.51%	47,730	74	0.62%
Total interest-bearing deposits	1,017,422	7,628	3.01%	1,006,821	7,446	3.00%	826,233	5,973	2.91%
Borrowed funds									
Other borrowings	-	-	0.00%	-	-	0.00%	6,651	80	4.84%
Subordinated debt	17,343	202	4.67%	21,941	268	4.95%	21,888	268	4.92%
Total interest-bearing liabilities	1,034,765	7,830	3.04%	1,028,762	7,714	3.04%	854,772	6,321	2.97%
Noninterest-bearing deposits	616,724			625,981			616,242		
Total Funding	**1,651,489**	**7,830**	**1.90%**	**1,654,743**	**7,714**	**1.89%**	**1,471,014**	**6,321**	**1.73%**
Other noninterest-bearing liabilities	16,549			16,658			15,361		
Total Liabilities	1,668,038			1,671,401			1,486,375		
Total Capital	200,310			193,498			168,845		
Total Liabilities and Capital	$ 1,868,348			$ 1,864,899			$ 1,655,220		
Net Interest Margin	4.07%			4.06%			4.47%		
Net Interest Spread	3.93%			3.92%			4.36%		

MISSION BANCORP

AVERAGE BALANCES AND RATES

(Unaudited)

(Dollars in thousands)

	For the Six Months Ended June 30, 2025			For the Six Months Ended June 30, 2024		
	Average Balance	**Income / Expense**	**Yield / Rate**	**Average Balance**	**Income / Expense**	**Yield / Rate**
Assets						
Interest earning deposits in other banks	$ 222,737	$ 4,891	4.43%	$ 106,394	$ 2,828	5.34%
Investment securities	244,256	4,782	3.95%	237,366	5,043	4.27%
Loans	1,306,056	41,454	6.40%	1,215,138	39,108	6.47%
Other earning assets	9,027	340	7.60%	8,986	337	7.54%
Total Earning Assets	**1,782,076**	**51,467**	**5.82%**	**1,567,884**	**47,316**	**6.07%**
Non-interest earning assets	84,557			82,614		
Total Assets	$ 1,866,633			$ 1,650,498		
Liabilities and Capital						
Interest-bearing deposits						
Interest-bearing transaction accounts	$ 894,154	$ 13,526	3.05%	$ 693,298	$ 9,668	2.80%
Time deposits	82,638	1,466	3.58%	74,973	1,404	3.77%
1031 Exchange deposits	35,359	81	0.46%	46,331	198	0.86%
Total interest-bearing deposits	1,012,151	15,073	3.00%	814,602	11,270	2.78%
Borrowed funds						
Other borrowings	-	-	0.00%	13,325	315	4.75%
Subordinated debt	19,629	470	4.83%	21,879	535	4.92%
Total interest-bearing liabilities	1,031,780	15,543	3.04%	849,806	12,120	2.87%
Noninterest-bearing deposits	621,327			619,233		
Total Funding	**1,653,107**	**15,543**	**1.90%**	**1,469,039**	**12,120**	**1.66%**
Other noninterest-bearing liabilities	16,603			16,538		
Total Liabilities	1,669,710			1,485,577		
Total Capital	196,923			164,921		
Total Liabilities and Capital	$ 1,866,633			$ 1,650,498		
Net Interest Margin	4.07%			4.51%		
Net Interest Spread	3.93%			4.41%		

MISSION BANCORP
LOAN DETAIL
(Unaudited)
(Dollars in thousands)

	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024	Variance 06/25 - 03/25	Variance 06/25 - 06/24
Loans						
Construction and land development	$ 45,471	$ 64,330	$ 59,474	$ 50,664	$ (18,859)	$ (5,193)
Secured by farmland	154,032	138,903	137,376	132,898	15,129	21,134
Residential 1 to 4 units	65,603	60,385	61,596	52,022	5,218	13,581
Multi-family	67,589	57,367	47,050	34,016	10,222	33,573
Owner occupied commercial real estate	504,883	498,524	525,745	516,043	6,359	(11,160)
Non-owner occupied commercial real estate	242,205	217,358	195,339	193,357	24,847	48,848
Commercial and industrial	184,405	172,577	170,433	159,636	11,828	24,769
Agricultural production	92,609	91,585	95,669	95,702	1,024	(3,093)
Other loans	1,611	328	684	120	1,283	1,491
Net Deferred Fees-Costs	(2,793)	(2,577)	(2,564)	(2,553)	(216)	(240)
Total Loans	$ 1,355,615	$ 1,298,780	$ 1,290,802	$ 1,231,905	$ 56,835	$ 123,710

MISSION BANCORP

Credit Quality

(Unaudited)

(Dollars in thousands)

	June 30, 2025	March 31, 2025	December 31, 2024	June 30, 2024
Asset quality				
Loans past due 90 days or more and accruing interest	$ -	$ -	$ -	$ -
Nonaccrual loans	$ 1,698	$ 871	$ 1,062	$ 489
Restructured loans				
Nonperforming restructured loans	$ -	$ -	$ -	$ -
Performing restructured loans	$ -	$ -	$ -	$ -
Other real estate owned	$ -	$ -	$ -	$ -
Total nonperforming assets	$ 1,698	$ 871	$ 1,062	$ 489
Allowance for credit losses to total loans	1.50%	1.51%	1.50%	1.52%
Allowance for credit losses to nonperforming loans	1197.41%	2247.99%	1828.91%	3817.79%
Nonaccrual loans to total loans	0.13%	0.07%	0.08%	0.04%
Nonperforming assets to total assets	0.09%	0.05%	0.06%	0.03%