

AvidbankTM

Investor Presentation | Q1 2025

This Investor Presentation is dated as of March 31, 2025.

Cautionary Statements

This presentation contains, and any accompanying oral statements by us and our management may contain, forward-looking statements. These forward-looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections and statements of our beliefs concerning future events, business plans, objectives, expected operating results and the assumptions upon which those statements are based. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and are typically identified with words such as “may,” “could,” “should,” “will,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “aim,” “strive,” “intend,” “plan” or words or phrases of similar meaning. We caution that the forward-looking statements are based largely on our expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond our control. Such forward-looking statements are based on various assumptions (some of which may be beyond our control) and are subject to risks and uncertainties, which change over time, and other factors which could cause actual results to differ materially from those currently anticipated. Such risks and uncertainties include, but are not limited to: uncertain market conditions and economic trends nationally, regionally and particularly in the Bay Area (which we define as the California counties of Alameda, Contra Costa, Marin, Monterey, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma) and California generally; risks related to the concentration of our business in California, and specifically within the Bay Area, including risks associated with any downturn in the real estate sector; effects of any actions we may take with respect to our asset or liability portfolios; the occurrence of significant natural disasters, including fires and earthquakes, and acts of war or terrorism; our ability to conduct our business could be disrupted by natural or man-made disasters, including the effects of pandemic viruses; changes in market interest rates that affect the pricing of our loans and deposits and our net interest income; risks related to our strategic focus on lending to small to medium-sized businesses; the sufficiency of the assumptions and estimates we make in establishing reserves for potential loan losses and the value of loan collateral and securities; our ability to attract and retain executive officers and key employees and their customer and community relationships; adverse changes in the financial performance and/or condition of our borrowers and, as a result, increased loan delinquency rates, deterioration in asset quality and losses in our loan portfolio; the costs of and effects of legal and regulatory developments, including legal proceedings and lawsuits we are or may become subject to; the results of regulatory examinations or reviews and the effect of and our ability to comply with, any regulations or regulatory orders or actions we are or may become subject to; our level of nonperforming assets and the costs associated with resolving problem loans; our ability to maintain adequate liquidity and to raise necessary capital to fund our growth strategy and operations or to meet increased minimum regulatory capital levels; the effects of increased competition from a wide variety of local, regional, national and other providers of financial services; technological changes and developments; negative trends in our market capitalization and adverse changes in the price of our common stock; risks associated with unauthorized access, cyber-crime and other threats to data security; the effects of any acquisitions or dispositions we may make or evaluate, and the costs associated with any potential or actual acquisition or disposition; our ability to comply with various governmental and regulatory requirements applicable to financial institutions, including supervisory actions by federal and state banking agencies; the impact of recent and future legislative and regulatory changes, including changes in banking, accounting, securities and tax laws and regulations and their application by our regulators, and economic stimulus programs; governmental monetary and fiscal policies, including the policies of the Federal Reserve and policies related to tariffs; our ability to implement, maintain and improve effective internal controls; and our success at managing any of the risks involved in the foregoing items.

The foregoing factors should not be considered exhaustive. New risks and uncertainties may emerge from time to time, and it is not possible for us to predict their occurrence or how they will affect us. If one or more of the factors affecting our forward-looking information and statements proves incorrect, then our actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this press release. Therefore, we caution you not to place undue reliance on our forward-looking information and statements. We disclaim any duty to revise or update the forward-looking statements, whether written or oral, to reflect actual results or changes in the factors affecting the forward-looking statements, except as specifically required by law.

Avidbank at a Glance

- \$2.3 billion commercial bank headquartered in San Jose with expanding national reach
- Diversified core funding base and well-balanced loan portfolio
- Experienced management team with continued investment in talent acquisition and development
- Achieving scale while managing risk and maximizing profitability
- Positioned to grow organically – Bay Area and beyond



	San Jose - Sunnyvale - Santa Clara MSA	Nationwide
Feb. 2025 Unemployment Rate (%)	4.2	4.1
Median HHI (\$000s)	\$156.7	\$78.8
Projected HHI Growth ('24-'29) (%)	9.8	8.8

Founded
2003

Assets
\$2.3B

Employees
143

Sources: US BLS, S&P Capital IQ Pro

Our Business Model

Local Bay Area Focus

Corporate Banking	Commercial Real Estate	Construction Lending
<ul style="list-style-type: none">• Traditional core C&I corporate banking• Provides high touch service that enables our local clients to meet their financing needs and manage their cash• Focus on commercial customers throughout the Bay Area	<ul style="list-style-type: none">• Provides a range of financing options at competitive rates and terms for seasoned, stabilized asset, or potential “value-add” opportunities• Focus on commercial, multi-family and mixed-use properties throughout the Bay Area	<ul style="list-style-type: none">• Provides land acquisition loans, pre-development loans and construction loans on residential, commercial and mixed-use properties• Primary focus is high end residential properties in desirable Bay Area neighborhoods

Growing National Presence

Venture Lending	Specialty Finance
<ul style="list-style-type: none">• Comprehensive suite of banking and financing solutions for technology sector entrepreneurs and their investors• Venture-backed companies generate higher volumes of deposits relative to borrowing needs• High-touch, relationship-based approach	<ul style="list-style-type: none">• Provides creative financing solutions to emerging growth and established companies across the U.S.• Lending focus includes asset-based lending, AR financing, and M&A sponsor finance• High-touch, relationship-based approach

Q1 2025 Highlights

- Book value per share was \$24.85, a 5% increase from December 31, 2024 and 16% increase from March 31, 2024.
- Deposits increased \$38 million from December 31, 2024 and \$172 million from March 31, 2024.
- Taxable equivalent net interest margin expanded to 3.52%, compared to 3.49% in the fourth quarter of 2024.
- Annualized net charge-offs to average loans totaled -0.01% for the first quarter of 2025 compared to 0.93% for the fourth quarter of 2024.

\$5.4 million

Net income

3.52%

Net interest margin

12.86%

Total risk-based capital ratio

0.06%

Nonperforming assets to total assets

Financial Results

	Q1 2025	Q4 2024	Q1 2024	Change vs		Q1 2024		
				Q4 2024*				
Income								
Diluted EPS	\$ 0.71	\$ 0.84	\$ 0.69	\$ (0.13)	(75%)	\$ 0.02	3%	
Net income	5,436	6,457	5,246	(1,021)	(78%)	190	4%	
Balance Sheet								
Total assets (period-end)	\$ 2,319,922	\$ 2,304,488	\$ 2,256,511	15,434	3%	63,411	3%	
Total loans, net of deferred fees (period-end)	1,841,187	1,864,942	1,783,024	(23,755)	(5%)	58,163	3%	
Total deposits (quarterly average)	1,885,993	1,894,321	1,724,845	(8,328)	(2%)	161,148	9%	
Performance Measures								
Book value per common share	\$ 24.85	\$ 23.57	\$ 21.41	1.28	24%	3.44	16%	
Return on average assets ²	0.96%	1.14%	0.95%	(18) bps		1 bps		
Net interest margin	3.52%	3.48%	3.54%	4 bps		(2) bps		
Taxable equivalent net interest margin ¹	3.52%	3.49%	3.54%	3 bps		(2) bps		
Efficiency ratio	62.57%	52.53%	61.62%	1,004 bps		95 bps		
FTE	143	148	141	(5)		2		
Capital Ratios								
Common equity to assets	8.48%	8.09%	7.40%	39 bps		108 bps		
Tier 1 leverage	10.39%	10.35%	9.88%	4 bps		51 bps		
Common equity tier 1 capital	11.10%	10.59%	10.03%	51 bps		107 bps		
Total risk based capital	12.86%	12.30%	12.01%	56 bps		85 bps		
Credit Quality								
Allowance for credit losses / total loans	1.14%	1.12%	1.21%	2 bps		(7) bps		
Net charge-offs / average loans ²	(0.01%)	0.93%	0.00%	(94) bps		(1) bps		
Nonperforming assets / total assets	0.06%	0.06%	0.06%	- bps		- bps		

\$ in thousands, except per share data.

¹Non-GAAP financial measure. See Non-GAAP reconciliation at the end of this presentation.

²Annualized

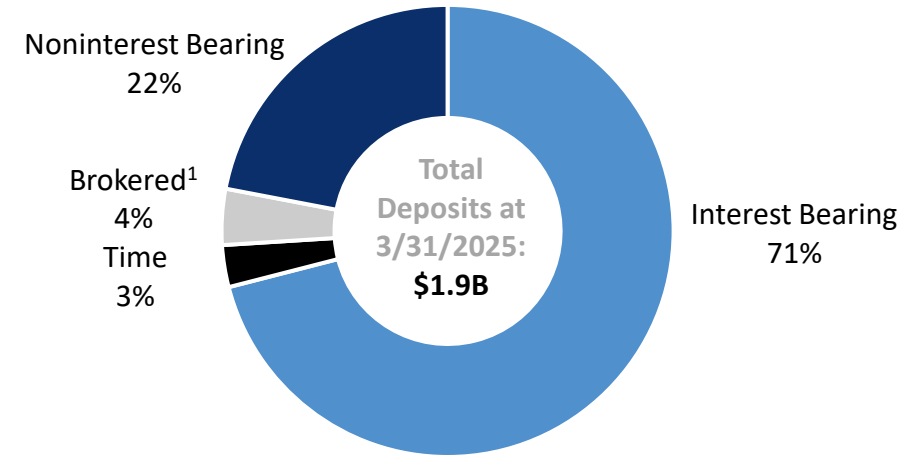
*Quarterly growth rates are annualized

Deposits

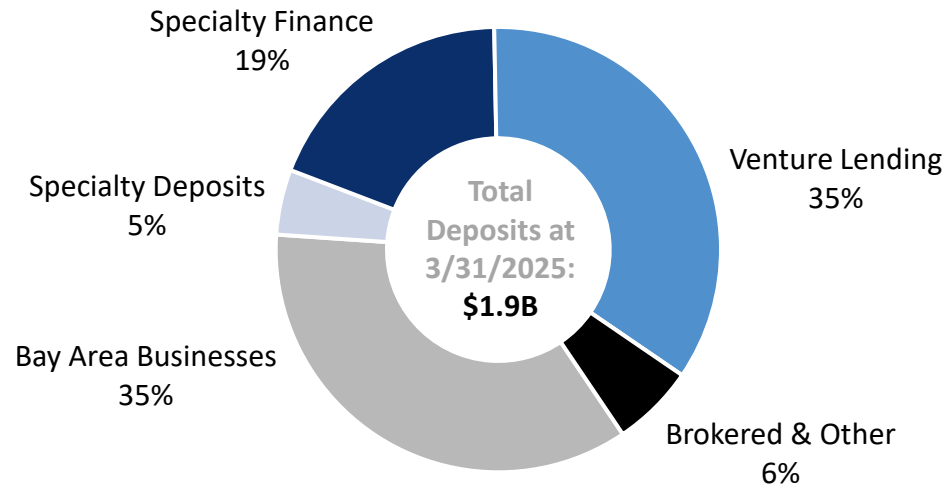
Highlights

- Deposits increased \$38 million from December 31, 2024, and \$172 million from March 31, 2024
- Deposits are diversified across multiple business lines
- Uninsured deposits represented 35% of total deposits at March 31, 2025

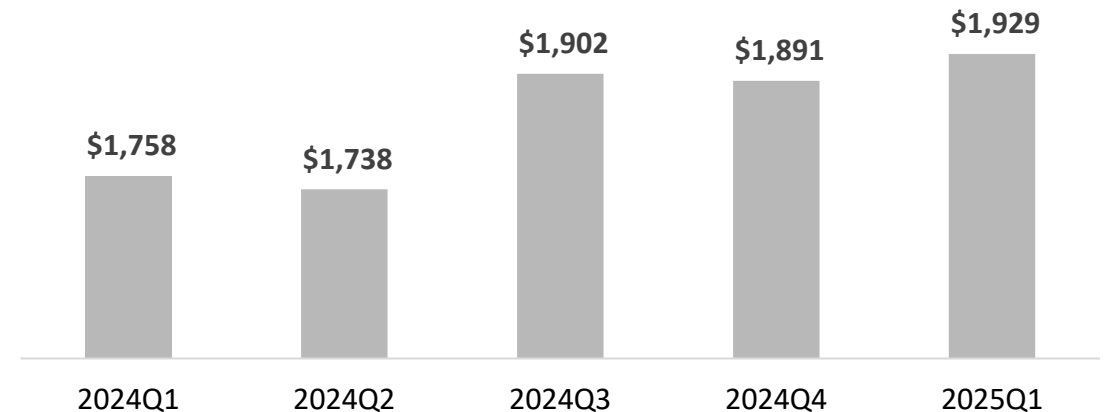
Deposit Composition by Product Type



Deposit Composition by Customer Segment



Deposit Trend



\$s in millions

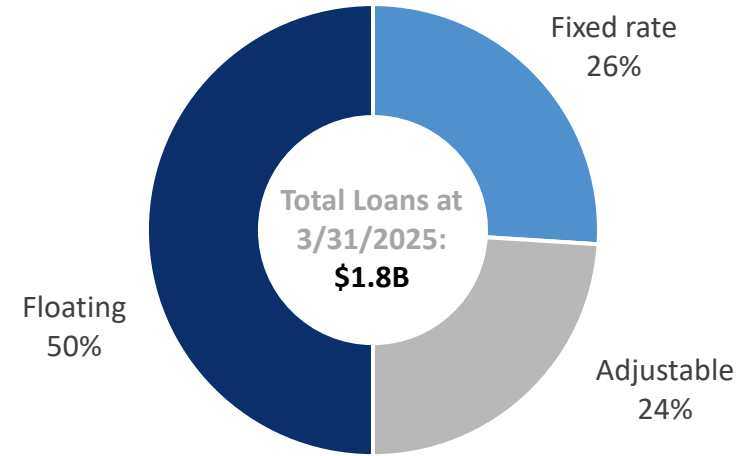
¹FDIC regulations impose a general cap on reciprocal deposits that may be exempt from brokered deposits classification equal to 20% of the Bank's total liabilities. As of March 31, 2025, an additional \$447.8 million of our deposits were considered brokered deposits by the FDIC due to being in excess of the general cap.

Loans

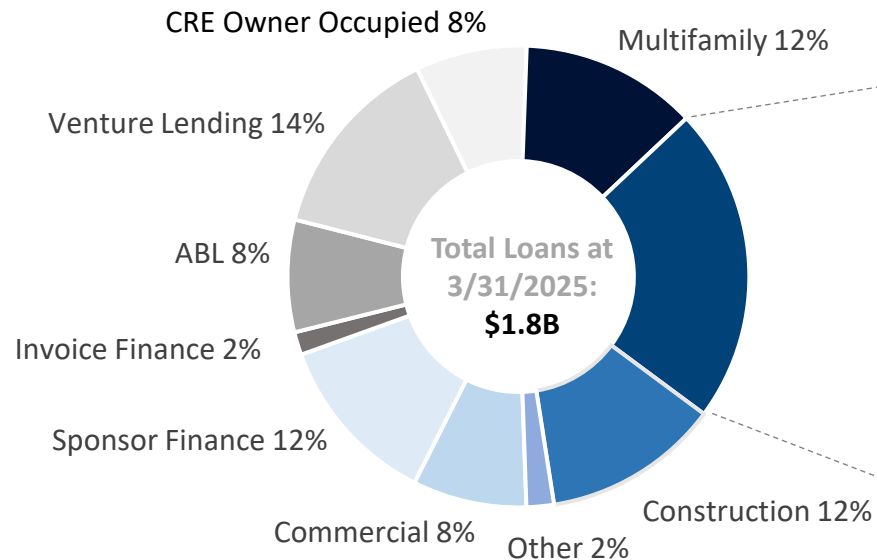
Overview

- Diversified loan portfolio
 - 70% of total loans are to Bay Area customers while the remainder are primarily from our national business lines: Specialty Finance and Venture Lending
- Non-owner occupied office loans represent 8% of the total loan portfolio with an average loan size of \$2.8 million

Loan Portfolio Composition



Loan Portfolio by Type



Non-Owner Occupied CRE at 3/31/2025

\$s in 000s; % of total loans

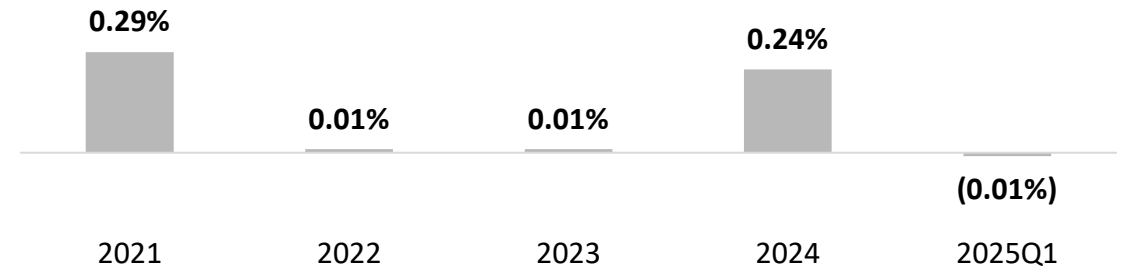
Office	\$	146,762	8%
Hotel/Motel		79,524	4%
Retail		69,617	4%
Industrial		58,424	3%
Warehouse		15,552	1%
Other		35,909	2%
Total	\$	405,788	22%

Credit Quality

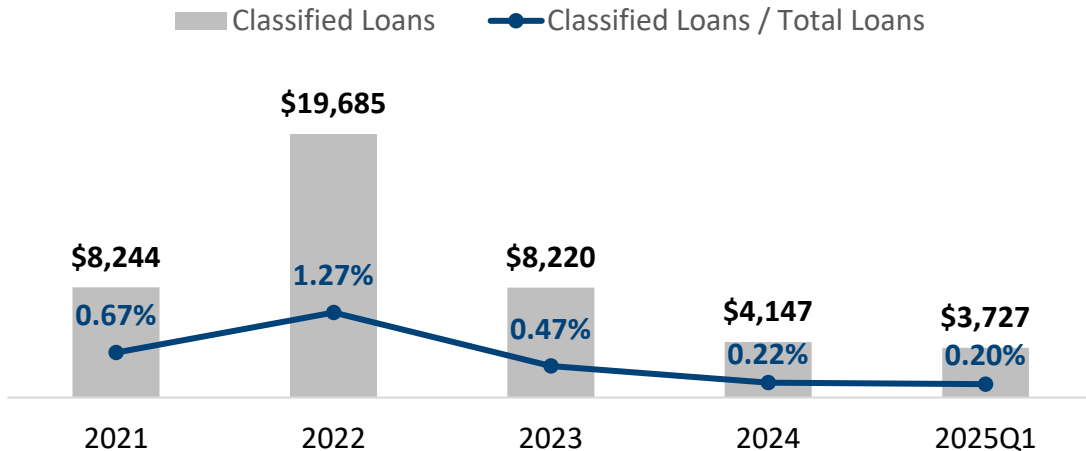
Overview

- Nonperforming loans were 0.07% of total loans as of March 31, 2025
- To maintain exceptional credit quality, the bank follows well established safeguards and practices including:
 - monthly credit reviews
 - deposit requirements on venture loans with authority to sweep balances, and
 - detailed collateral tracking for invoice based and ABL loans

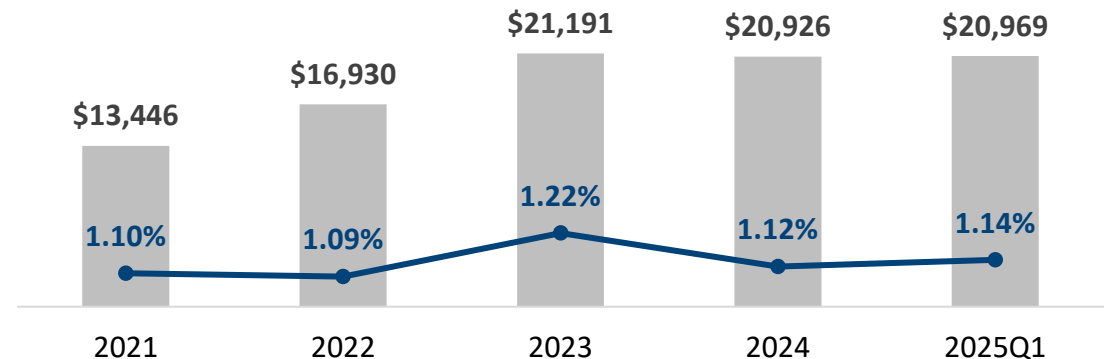
Net Charge-offs/Average Loans



Classified Loans



Allowance for Credit Losses/Total Loans



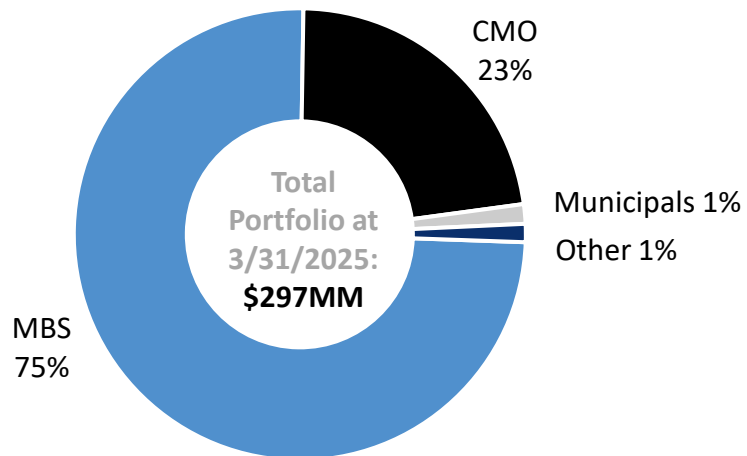
\$s in thousands
Classified loans refer to substandard and doubtful loans

Investment Portfolio

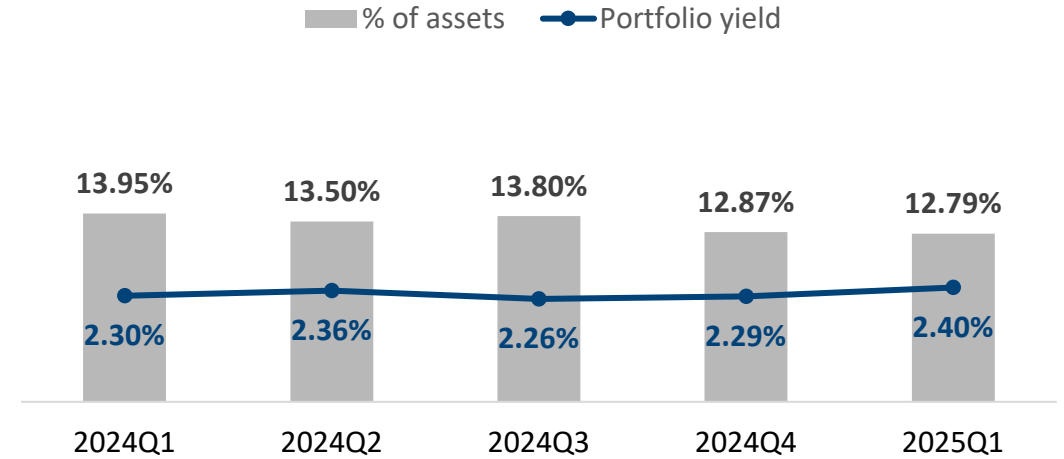
Highlights

- Investment portfolio totaled \$297 million as of March 31, 2025
- Comprised primarily of agency MBS and CMOs
- Effective portfolio duration: 6 years
- Portfolio continues to shrink as a percentage of total assets

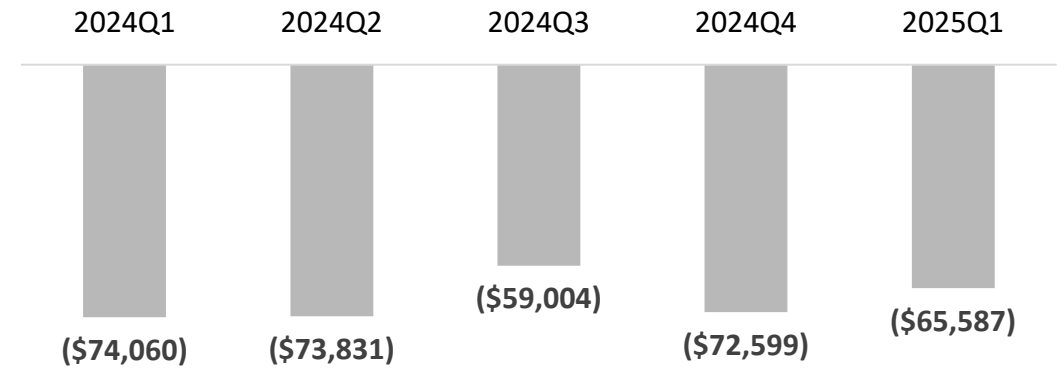
Portfolio Composition



Investment Portfolio / Total Assets



Unrealized Loss on Securities



Appendix

Leadership Team

Over 100 combined years of financial services experience

Mark D. Mordell
Chairman
Chief Executive Officer

Gina Thoma Peterson
Executive Vice President
Chief Operating Officer

Patrick Oakes
Executive Vice President
Chief Financial Officer

Geoff Butner
Executive Vice President
Chief Credit Officer

Victor DeMarco
Executive Vice President
Chief Legal Officer

Tami Benedict
Executive Vice President
Chief of Staff



Financial Services Experience

All have approximately 20 to 30 years experience in the financial services industry

Previous Experience

CBC Properties, LLC
MMM Management, Inc.
Pacific Real Estate
Investment Trust

MUFG Americas Union
Bank
PricewaterhouseCoopers
Office of the Comptroller
of the Currency

Atlantic Capital Bank
Square 1 Financial
Encore Bancshares
Sterling Bank

Square 1 Bank
New Resource Bank
Silicon Valley Bank
eFinance Corporation

Pacific Western Bank
Square 1 Bank
Smith Anderson

Bank of Santa Clara
Coast Commercial

Joined Avidbank

2006

2019

2022

2016

2020

2006

Business Development Leadership Team

Proven track record of building quality portfolios – Strong ties to the business community – Specialized teams focus on niche markets

Sam Bhaumik
Executive Vice President
Venture Lending

Mark Cameron
Executive Vice President
Specialty Finance

Joe Maleti
Executive Vice President
Commercial Real Estate

Fergal O’Boyle
Executive Vice President
Construction Lending

Art Wasson
Executive Vice President
Treasury Management

Sarah Wesner
Senior Vice President
Corporate Banking



Financial Services Experience

All have approximately 20 to 30 years experience in the Financial Services industry

Previous Experience

Square 1 Bank
Hercules Capital
Imperial Bank
Silicon Valley Bank

Square 1 Bank
Sand Hill Finance
Sand Hill Capital
Imperial Bank

City National
Mid-Peninsula Bank
Comerica Bank

Bridge Bank
Greater Bay Bank

Signature Bank
Pacific Western Bank
Square 1 Bank

Bridge Bank
Umpqua Bank

Joined Avidbank

2018

2019

2013

2008

2023

2012

Consolidated Historical Income Statement

	Fiscal Year Ended December 31,					Quarter Ended				
	2024	2023	2022	2021	2020	Mar 31. 2025	Dec. 31 2024	Sept. 30 2024	Jun. 30 2024	Mar 31. 2024
Interest and fees on loans	\$ 130,878	\$ 112,494	\$ 71,813	\$ 50,823	\$ 49,517	\$ 31,885	\$ 32,308	\$ 33,488	\$ 33,255	\$ 31,828
Interest on investment securities	7,162	8,658	9,877	3,606	901	1,749	1,770	1,767	1,801	1,824
Federal Home Loan Bank dividends	752	690	367	272	193	185	185	183	193	190
Other interest income	3,649	3,140	1,342	456	482	706	681	1,198	951	819
Total interest income	\$ 142,441	\$ 124,982	\$ 83,399	\$ 55,157	\$ 51,093	\$ 34,525	\$ 34,944	\$ 36,636	\$ 36,200	\$ 34,661
Interest on deposits	54,146	36,414	7,513	2,618	4,712	12,827	14,015	14,602	13,494	12,034
Interest on borrowings	13,073	15,009	1,440	1,238	1,243	2,346	1,730	3,421	4,180	3,742
Total interest expense	\$ 67,219	\$ 51,423	\$ 8,953	\$ 3,856	\$ 5,955	\$ 15,173	\$ 15,745	\$ 18,023	\$ 17,674	\$ 15,776
Net interest income before provision	\$ 75,222	\$ 73,559	\$ 74,446	\$ 51,301	\$ 45,138	\$ 19,352	\$ 19,199	\$ 18,613	\$ 18,526	\$ 18,885
Provision for credit losses	4,096	3,042	3,510	3,572	1,702	-	779	-	2,998	319
Net interest income after provision	\$ 71,126	\$ 70,517	\$ 70,936	\$ 47,729	\$ 43,436	\$ 19,352	\$ 18,420	\$ 18,613	\$ 15,528	\$ 18,566
Service charges, fees and other income	3,496	2,620	2,871	2,366	2,169	982	840	921	866	869
Gain (loss) on sale of investment securities	-	(6,214)	(404)	735	-	-	-	-	-	-
Other non-interest income	2,514	942	1,836	1,940	269	189	1,000	869	232	414
Total non-interest income	\$ 6,010	\$ (2,652)	\$ 4,303	\$ 5,041	\$ 2,438	\$ 1,171	\$ 1,840	\$ 1,790	\$ 1,098	\$ 1,283
Salaries and employee benefits	32,499	30,572	29,102	25,256	23,233	9,097	7,389	8,336	7,980	8,794
Occupancy and equipment	4,019	3,954	3,652	4,078	4,123	996	919	1,033	1,039	1,028
Other	10,815	9,367	8,036	6,282	5,811	2,749	2,744	2,728	2,739	2,605
Total non-interest expense	\$ 47,333	\$ 43,893	\$ 40,790	\$ 35,616	\$ 33,167	\$ 12,842	\$ 11,052	\$ 12,097	\$ 11,758	\$ 12,427
Income before provision for income taxes	29,803	23,972	34,449	17,154	12,707	7,681	9,208	8,306	4,868	7,422
Provision for income taxes	8,788	7,171	9,426	4,890	3,080	2,245	2,751	2,460	1,402	2,176
Net income	\$ 21,015	\$ 16,801	\$ 25,023	\$ 12,264	\$ 9,627	\$ 5,436	\$ 6,457	\$ 5,846	\$ 3,466	\$ 5,246
Basic earnings per common share (actual)	\$ 2.83	\$ 2.29	\$ 3.68	\$ 2.08	\$ 1.64	\$ 0.73	\$ 0.87	\$ 0.79	\$ 0.47	\$ 0.71
Diluted earnings per common share (actual)	\$ 2.76	\$ 2.24	\$ 3.60	\$ 2.02	\$ 1.61	\$ 0.71	\$ 0.84	\$ 0.77	\$ 0.46	\$ 0.69

\$s in thousands except share data

Consolidated Historical Balance Sheet

	Fiscal Year Ended December 31,					Quarter Ended				
	2024	2023	2022	2021	2020	Mar. 31 2025	Dec. 31 2024	Sept. 30 2024	Jun. 30 2024	Mar. 31 2024
Cash and due from banks	\$ 8,662	\$ 9,546	\$ 17,435	\$ 29,616	\$ 14,327	\$ 18,866	\$ 8,662	\$ 15,172	\$ 13,750	\$ 9,971
Due from Federal Reserve Bank and interest-bearing deposits in banks	74,039	71,850	29,853	463,727	215,705	106,135	74,039	121,361	97,974	80,208
Total cash and cash equivalents	\$ 82,701	\$ 81,396	\$ 47,288	\$ 493,343	\$ 230,032	\$ 125,001	\$ 82,701	\$ 136,533	\$ 111,724	\$ 90,179
Total investment securities	296,556	325,320	444,664	380,170	163,631	296,617	296,556	316,741	308,661	314,793
Loans, less allowance for credit losses on loans	1,846,263	1,721,516	1,537,741	1,210,290	980,925	1,822,465	1,846,263	1,764,441	1,784,197	1,763,682
Property and equipment, net	2,331	3,297	4,163	4,565	5,565	2,118	2,331	2,549	2,810	3,061
Cash surrender value of BOLI	12,674	12,315	32,747	31,875	11,425	12,764	12,674	12,580	12,490	12,401
Other assets	63,963	86,992	66,665	42,235	39,048	60,957	63,963	62,625	67,139	72,395
Total assets	\$ 2,304,488	\$ 2,230,836	\$ 2,133,268	\$ 2,162,478	\$ 1,430,626	\$ 2,319,922	\$ 2,304,488	\$ 2,295,469	\$ 2,287,021	\$ 2,256,511
Non-interest bearing	414,327	472,517	765,079	993,156	665,096	419,823	414,327	405,528	405,644	477,728
Interest bearing	1,477,028	1,181,812	1,058,156	986,254	588,658	1,509,665	1,477,028	1,496,000	1,332,848	1,280,130
Total deposits	\$ 1,891,355	\$ 1,654,329	\$ 1,823,235	\$ 1,979,410	\$ 1,253,754	\$ 1,929,488	\$ 1,891,355	\$ 1,901,528	\$ 1,738,492	\$ 1,757,858
Subordinated debt, net	22,000	21,906	21,805	21,703	21,565	22,000	22,000	21,982	21,957	21,931
Short-term borrowings	185,000	360,000	130,000	-	-	155,000	185,000	160,000	330,000	290,000
Accrued interest payable and other liabilities	19,771	29,289	20,690	24,265	27,383	16,815	19,771	23,438	25,123	19,638
Total liabilities	\$ 2,118,126	\$ 2,065,524	\$ 1,995,730	\$ 2,025,378	\$ 1,302,702	\$ 2,123,303	\$ 2,118,126	\$ 2,106,948	\$ 2,115,572	\$ 2,089,427
Common stock	106,997	104,499	102,359	72,799	70,721	106,839	106,997	106,169	105,487	104,771
Retained earnings	130,703	109,688	93,824	68,801	56,537	136,139	130,703	124,246	118,400	114,934
AOCI	(51,338)	(48,875)	(58,645)	(4,500)	666	(46,359)	(51,338)	(41,894)	(52,438)	(52,621)
Total shareholders' equity	\$ 186,362	\$ 165,312	\$ 137,538	\$ 137,100	\$ 127,924	\$ 196,619	\$ 186,362	\$ 188,521	\$ 171,449	\$ 167,084
Total liabilities and shareholders' equity	\$ 2,304,488	\$ 2,230,836	\$ 2,133,268	\$ 2,162,478	\$ 1,430,626	\$ 2,319,922	\$ 2,304,488	\$ 2,295,469	\$ 2,287,021	\$ 2,256,511

\$s in thousands

Non-GAAP Reconciliation

	Quarter Ended,				
	Mar. 31 2025	Dec. 31 2024	Sept. 30 2024	Jun. 30 2024	Mar. 31 2024
Net interest income - GAAP	\$ 19,352	\$ 19,199	\$ 18,613	\$ 18,526	\$ 18,885
Taxable equivalent adjustment	9	7	6	5	6
Net interest income - taxable equivalent	\$ 19,361	\$ 19,206	\$ 18,619	\$ 18,531	\$ 18,891
Net interest margin - GAAP	3.52%	3.48%	3.35%	3.39%	3.54%
Impact of taxable equivalent adjustment	0.00%	0.01%	0.00%	0.00%	0.00%
Net interest margin - taxable equivalent	3.52%	3.49%	3.35%	3.39%	3.54%