



FOR IMMEDIATE RELEASE

## Bank of San Francisco Reports First-Quarter 2025 Results

SAN FRANCISCO, CA—(5/1/2025)—Bank of San Francisco (OTCQX: BSFO), a leading Bay Area community and private bank serving Bay Area businesses, nonprofits, and individuals, announced unaudited results for the first quarter ended March 31, 2025. Net income for the quarter was \$1.1 million, down \$530,000 compared to the preceding quarter, and down 25% from \$1.5 million achieved in the first quarter of 2024. Diluted earnings per share for the quarter were \$0.52, down \$0.25 compared to the preceding quarter, and down 26% from \$0.70 diluted earnings per share achieved in the first quarter of 2024.

Ed Obuchowski, Chief Executive Officer, noted, “We are pleased to have had strong loan and deposit growth in the first quarter. As we invested in high-quality team members and strategic initiatives to support the Bank’s continued growth, both contributed to decreased profitability in the short term. We remain focused on the immense opportunity ahead of us.”

Jennifer Corr, Chief Financial Officer, noted, “We are pleased with the solid growth in our loan portfolio resulting in the increased credit loss provision during the quarter.” She continued, “We believe pre-tax, pre-provision income is an appropriate metric to consider going forward given the growth trajectory we anticipate.”

### Year-Over-Year, First-Quarter 2025 Results:

- Total loans, net of deferred fees, were \$531 million, up 5.4%.
- Total deposits were \$554 million, up 3.4%. Relationship deposits increased by \$77 million, and the Bank decreased brokered deposits and public funds by \$59 million.
- Net income was \$1.1 million, down 24.9%.
- Pre-tax, pre-provision income was \$1.9 million, down 10.4%.
- Net interest margin increased to 4.19%, up from 3.74%.
- Cost of funds was 1.30%, down from 1.72%.
- Net interest income was \$6.3 million, up 15.8%. The increase was the result of an increase in loan interest and fee income, and investments, and was partially offset by a decrease in interest earned on deposits at banks. Interest expense decreased.
- Operating expenses were \$4.6 million, up 30.2%. The increase was the result of increased salary and benefit expenses from restructuring costs in personnel compensation and increased salary expenses. The efficiency ratio was 71.3%, up from 63.1%.

- Diluted earnings per common share were \$0.52, down 26%.
- The Bank continues to be well-capitalized, with a Tier 1 Leverage Ratio of 11.41%, Tier 1 Risk-Based Capital and Common Equity Tier 1 Ratios of 18.16%, and a Total Risk-Based Capital Ratio of 19.41%.

#### **Quarter-Over-Quarter Results:**

- Total loans, net of deferred fees, were \$531 million, up 4.5%.
- Total deposits were \$554 million, up 4.3%.
- Net income was \$1.1 million, down 32.6%.
- Pre-tax, pre-provision income was \$1.9 million, down 7.0%.
- Net interest income was \$6.3 million, down 1.9%
- Net interest margin increased to 4.19%, up from 4.18%.
- Cost of funds decreased to 1.30%, down from 1.38%.
- Operating expenses were \$4.6 million, up 0.5%. The increase was the result of restructuring costs in personnel compensation. The efficiency ratio increased to 71.3% from 69.6%.
- Diluted earnings per common share were \$0.52, down 32.5%.
- Book value per share increased to \$35.35, up 0.3%.
- The Allowance for Credit Losses was 1.31%, remaining flat.
- Non-accrual loans totaled 0.22% of the total loan portfolio, compared to 0.27%.
- Classified loans totaled 0.9% of the total loan portfolio, compared to 0.8%.

Ed Obuchowski, Chief Executive Officer, noted, “Our team remains laser-focused on being nimble in our decision-making and providing the absolute best service possible to our business, nonprofit and individual clients. Our Executive Team continues to implement the strategic initiatives we have established, which will allow us to streamline various processes, further enhance our clients’ banking experience, and scale to support our growth.”

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#### **Non-GAAP Financial Measure**

To supplement our financial statements, which are prepared and presented in accordance with GAAP, we use pre-tax, pre-provision income as a non-GAAP financial measure. Our non-GAAP financial measure does have limitations as analytical tools, and you should not consider pre-tax, pre-provision income in isolation or as a substitute for an analysis of our results under GAAP.

We believe these non-GAAP financial measures provide management and investors with additional information about the financial performance of our business and enable comparison of financial results between periods where certain items may vary independently of business performance. We believe pre-tax, pre-provision income is an important measure because it reflects the financial performance of our business operations. Pre-tax, pre-provision income is a non-GAAP financial measure calculated by subtracting the provision for credit losses and income tax expense from net income.

### **About Bank of San Francisco**

Bank of San Francisco is a leading community and private bank that reflects the best qualities of San Francisco and the Bay Area. We combine advanced, modern technology with the enduring values of high-touch, personalized financial services, delivered with agility and accountability.

Like the businesses, nonprofits, individuals, and families we serve, the Bay Area is our home. We are a local bank, with significant ownership by members of the community. Our team is as diverse as the community we serve, which allows us to understand our clients' unique needs and goals. We invite you to learn more about our Bank, and to join our family of successful, community-minded clients, employees, and investors. For more information about Bank of San Francisco, please call us at (415) 744-6700, or visit us at [www.bankbsf.com](http://www.bankbsf.com). Bank of San Francisco is a member of the FDIC and is an Equal Housing Lender.

### **Forward-Looking Statements**

This press release contains certain forward-looking statements that involve risks and uncertainties, including statements relating to new products and anticipated growth. Forward-looking statements are those that are not statements of historical fact and may be identifiable by use of the words "believe," "expect," "intend," "anticipate," "plan," "estimate," "project," or similar expressions. These statements are based on current expectations, estimates and projections about Bank of San Francisco's business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties may affect the operations, performance, development, growth, capital needs and results of operations of Bank of San Francisco, and include, but are not limited to, local and national economic conditions; interest rate changes; inflation and monetary policy; changes in the financial performance and/or condition of our loan and deposit clients; changes in the levels of performing and nonperforming assets and charge-offs; timely implementation by Bank of San Francisco of new products and technology enhancements; the impact of competitive products, services and pricing; acts of war, terrorism or civil unrest; the soundness or failure of other financial institutions that may directly or indirectly affect the Bank; potential deposit withdrawals triggered by client concerns following the failures of or risks at other depository institutions; the effect of the COVID-19 pandemic and other infectious illness outbreaks that may arise in the future; natural disasters, such as earthquakes; clients' requirements and preferences; federal, state and local legislation and regulatory developments; the ability to retain or increase market share, retain or grow client

relationships and control expenses; changes in regulatory or generally accepted accounting principles and other similar matters. Readers are cautioned not to place undue reliance on forward-looking statements, which are subject to influence by the foregoing risk factors and unanticipated future events. Actual results, accordingly, may differ materially from management expectations. Bank of San Francisco undertakes no obligation to update such forward-looking statements except as required by law.

**Bank of San Francisco**  
**Balance Sheets (Unaudited)**

(\$000, except share and per share amounts)

	For the Periods Ended					Year Over Year Change	
	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024	\$	%
<b>Assets</b>							
Cash and due from banks	\$ 9,076	\$ 6,023	\$ 6,391	\$ 7,965	\$ 7,689	\$ 1,387	18%
Interest bearing deposits in banks	69,116	69,200	83,288	82,544	93,949	(24,833)	-26%
Total cash and cash equivalents	78,192	75,223	89,679	90,509	101,638	(23,446)	-23%
Securities available-for-sale, at fair value	21,819	23,623	19,879	-	-	21,819	n/m
Loans, net of deferred costs/fees	530,817	507,970	519,131	514,296	503,631	27,186	5%
Allowance for credit losses	(6,968)	(6,662)	(6,982)	(6,744)	(6,704)	(264)	4%
Loans, net of allowance of credit losses	523,849	501,308	512,149	507,552	496,927	26,922	5%
Premises and equipment, net	1,351	1,411	1,456	1,516	1,553	(202)	-13%
Accrued interest receivable & other assets	13,696	13,872	13,938	13,969	13,033	663	5%
<b>Total Assets</b>	<b>\$ 638,907</b>	<b>\$ 615,437</b>	<b>\$ 637,101</b>	<b>\$ 613,546</b>	<b>\$ 613,151</b>	<b>\$ 25,756</b>	<b>4%</b>
<b>Liabilities</b>							
Non-interest bearing deposits	\$ 199,783	\$ 197,533	\$ 215,170	\$ 186,950	\$ 188,681	\$ 11,102	6%
Interest bearing deposits	353,748	333,202	339,946	346,877	346,532	7,216	2%
Total deposits	553,531	530,735	555,116	533,827	535,213	18,318	3%
Accrued interest payable and other liabilities	8,634	9,381	8,198	8,007	7,980	654	8%
<b>Total Liabilities</b>	<b>562,165</b>	<b>540,116</b>	<b>563,314</b>	<b>541,834</b>	<b>543,193</b>	<b>18,972</b>	<b>3%</b>
<b>Shareholders' equity</b>							
Common stock	28,944	28,757	28,631	28,468	28,289	655	2%
Retained earnings	47,841	46,743	45,115	43,244	41,669	6,172	15%
Accumulated other comprehensive income	(43)	(179)	41	-	-	(43)	100%
<b>Total shareholders' equity</b>	<b>76,742</b>	<b>75,321</b>	<b>73,787</b>	<b>71,712</b>	<b>69,958</b>	<b>6,784</b>	<b>10%</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 638,907</b>	<b>\$ 615,437</b>	<b>\$ 637,101</b>	<b>\$ 613,546</b>	<b>\$ 613,151</b>	<b>\$ 25,756</b>	<b>4%</b>
Book Value per Common Share	\$ 35.35	\$ 35.25	\$ 34.58	\$ 33.66	\$ 32.73	\$ 2.62	8%
Total Common Shares Outstanding	2,170,866	2,136,822	2,133,822	2,130,201	2,137,138	33,728	2%
<b>Capital Ratios</b>							
Tier 1 Leverage ratio	11.41%	12.05%	11.46%	11.36%	11.71%	-0.30%	-3%
Tier 1 RBC ratio	18.16%	18.69%	17.90%	17.44%	17.61%	0.55%	3%
Common Equity Tier 1 RBC ratio	18.16%	18.69%	17.90%	17.44%	17.61%	0.55%	3%
Total Risk-Based Capital (RBC) ratio	19.41%	19.95%	19.16%	18.70%	18.86%	0.55%	3%
<b>Other Ratios</b>							
Non-interest bearing to Total Deposits	36.09%	37.22%	38.76%	35.02%	35.25%	0.84%	2%
Loan to Deposit ratio	95.90%	95.71%	93.52%	96.34%	94.10%	1.80%	2%
Allowance for Credit Losses to Total Loans	1.31%	1.31%	1.34%	1.31%	1.33%	-0.02%	-1%
ACL to Nonperforming Loans	593.21%	490.61%	252.35%	186.08%	180.95%	412.26%	228%
Nonperforming Assets to Total Assets	0.18%	0.22%	0.43%	0.59%	0.60%	-0.42%	-70%

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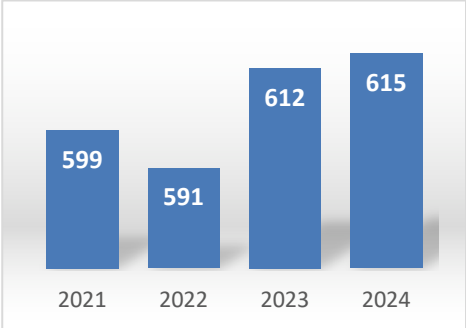
**Bank of San Francisco**  
**Statement of Income (Unaudited)**

(\$'000, except share and per share amounts)

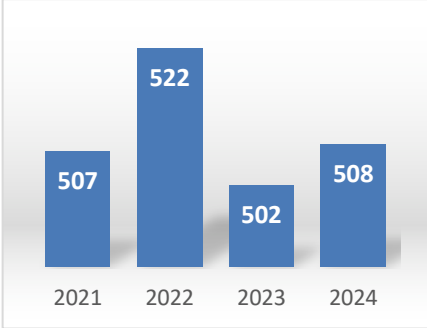
	Three Months Ended					Year Over Year Change	
	3/31/2025	12/31/2024	9/30/2024	6/30/2024	3/31/2024	\$	%
Interest on loans, including fees	\$ 7,071	\$ 7,152	\$ 7,167	\$ 6,769	\$ 6,591	\$ 480	7%
Interest on deposits in banks	677	881	1,342	1,473	1,098	(421)	-38%
Interest on investment securities	221	217	66	-	-	221	100%
Other interest income	74	74	73	73	74	-	0%
<b>Total interest income</b>	<b>8,043</b>	<b>8,324</b>	<b>8,648</b>	<b>8,315</b>	<b>7,763</b>	<b>280</b>	<b>4%</b>
Deposits interest expense	1,719	1,878	2,200	2,499	2,304	(585)	-25%
Other interest expense	-	-	-	-	-	-	-
<b>Total interest expense</b>	<b>1,719</b>	<b>1,878</b>	<b>2,200</b>	<b>2,499</b>	<b>2,304</b>	<b>(585)</b>	<b>-25%</b>
<b>Net interest income</b>	<b>6,324</b>	<b>6,446</b>	<b>6,448</b>	<b>5,816</b>	<b>5,459</b>	<b>865</b>	<b>16%</b>
Provision (reversal) for credit losses	300	(320)	100	40	-	300	n/m
<b>Net interest income after provision</b>	<b>6,024</b>	<b>6,766</b>	<b>6,348</b>	<b>5,776</b>	<b>5,459</b>	<b>565</b>	<b>10%</b>
Service charges on deposits	102	112	94	89	100	2	2%
Gains on sale of loans	-	-	-	306	-	-	-
Other non-interest income	61	46	45	65	73	(12)	-16%
<b>Total non-interest income</b>	<b>163</b>	<b>158</b>	<b>139</b>	<b>460</b>	<b>173</b>	<b>(10)</b>	<b>-6%</b>
Salaries and employee benefits expense	3,033	3,144	2,413	2,731	2,254	779	35%
Occupancy	291	303	314	325	297	(6)	-2%
Information Technology and Equipment	315	301	285	291	331	(16)	-5%
Other operating expense	984	851	815	647	669	315	47%
<b>Total non-interest expense</b>	<b>4,623</b>	<b>4,599</b>	<b>3,827</b>	<b>3,994</b>	<b>3,551</b>	<b>1,072</b>	<b>30%</b>
<b>Income before income taxes</b>	<b>1,564</b>	<b>2,325</b>	<b>2,660</b>	<b>2,242</b>	<b>2,081</b>	<b>(517)</b>	<b>-25%</b>
Income tax expense	466	697	789	666	618	(152)	-25%
<b>Net income</b>	<b>\$ 1,098</b>	<b>\$ 1,628</b>	<b>\$ 1,871</b>	<b>\$ 1,576</b>	<b>\$ 1,463</b>	<b>\$ (365)</b>	<b>-25%</b>
Basic Earnings per Share	\$ 0.53	\$ 0.78	\$ 0.90	\$ 0.76	\$ 0.70	\$ (0.17)	-24%
Average Shares Outstanding	2,090,394	2,089,978	2,085,894	2,084,161	2,083,168	7,226	0%
Diluted Earnings per Share	\$ 0.52	\$ 0.77	\$ 0.89	\$ 0.75	\$ 0.70	\$ (0.18)	-26%
Average Shares Outstanding	2,130,962	2,110,598	2,095,823	2,088,640	2,095,854	35,108	2%
<b>Annualized Performance Ratios</b>							
Return on Average Assets	0.70%	1.06%	1.17%	1.00%	0.98%	-0.28%	-29%
Return on Average Common Equity	5.78%	8.86%	10.29%	8.90%	8.46%	-2.68%	-32%
Net Interest Margin	4.19%	4.18%	4.09%	3.78%	3.74%	0.45%	12%
Cost of Funds	1.30%	1.38%	1.56%	1.87%	1.72%	-0.42%	-24%
Efficiency Ratio	71.27%	69.64%	58.10%	63.64%	63.05%	8.22%	13%
n/m - Not Meaningful							
<b>Reconciliation of GAAP to Non-GAAP Financial Measures</b>							
Net income	\$ 1,098	\$ 1,628	\$ 1,871	\$ 1,576	\$ 1,463	\$ (365)	-25%
Provision (reversal) for credit losses	300	(320)	100	40	-	300	n/m
Income tax expense	466	697	789	666	618	(152)	-25%
Pre-tax, pre-provision income	\$ 1,864	\$ 2,005	\$ 2,760	\$ 2,282	\$ 2,081	\$ (217)	-10.4%

# FINANCIAL HIGHLIGHTS

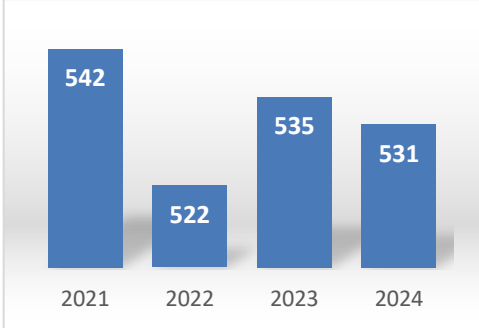
Total Assets (\$ Millions)  
As of December 31,



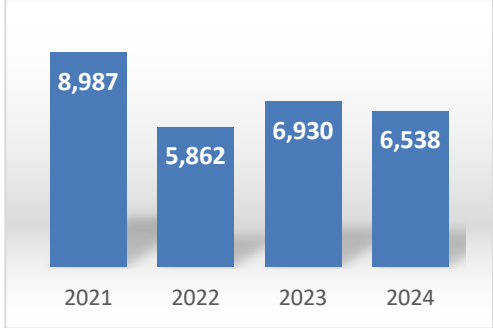
Total Loans (\$ Millions)  
As of December 31,



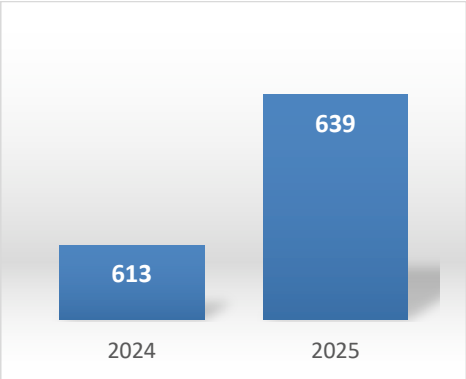
Total Deposits (\$ Millions)  
As of December 31,



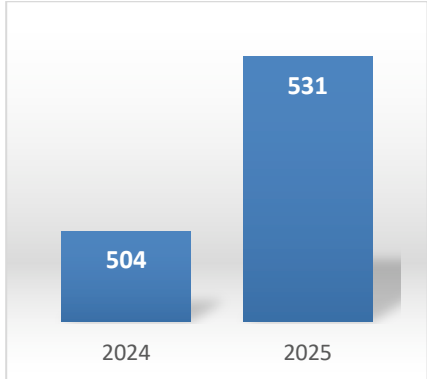
Net Income (\$ Thousands)  
Year Ended December 31,



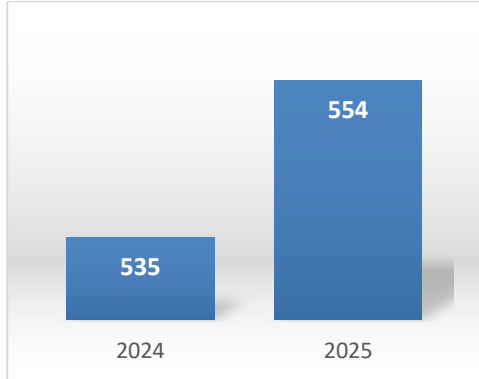
Total Assets (\$ Millions)  
As of March 31,



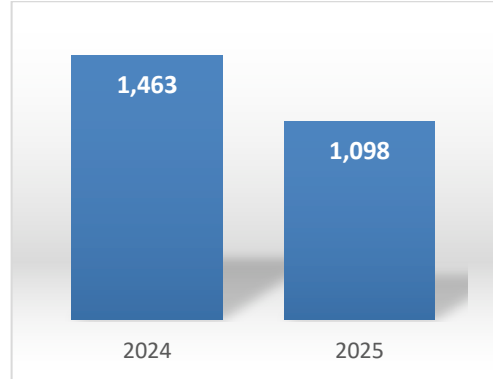
Total Loans (\$ Millions)  
As of March 31,



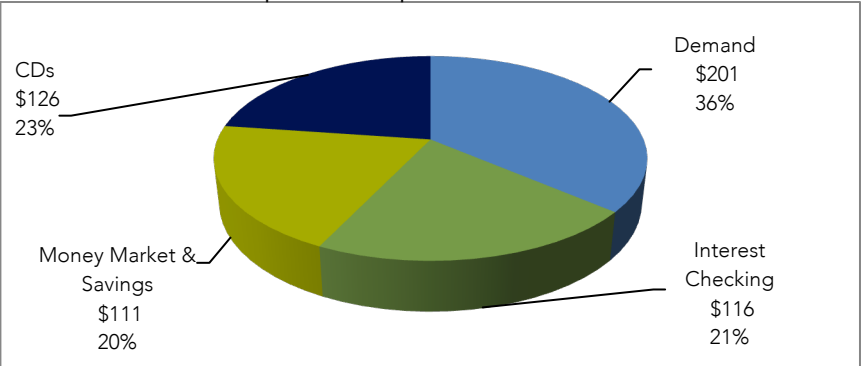
Total Deposits (\$ Millions)  
As of March 31,



Net Income (\$ Thousands)  
Three Months Ended March 31,



Deposit Composition (\$ Millions) As of March 31, 2025



Loan Composition (\$ Millions)

