

FOR IMMEDIATE RELEASE

Bank of San Francisco Reports Second-Quarter 2025 Results

SAN FRANCISCO, CA—(7/31/2025)—Bank of San Francisco (OTCQX: BSFO), a leading Bay Area community and private bank serving local businesses, nonprofits, and individuals, today announced unaudited results for the quarter ended June 30, 2025. Net income for the quarter was \$1.6 million, or \$0.77 per diluted share, compared to \$1.1 million, or \$0.53 per diluted share, for the first quarter of 2025, and \$1.6 million, or \$0.75 per diluted share, for the second quarter of 2024.

“Our strategic plan is gaining momentum, as reflected in this quarter’s healthy balance sheet growth and rising net interest income,” said Ed Obuchowski, Chief Executive Officer. “This progress allows us to invest confidently in strategic initiatives that will deliver lasting value to our clients, shareholders, and community.”

“Our upcoming Laurel Village, San Francisco office, scheduled to open early 2026, is a tangible milestone in that plan, extending our high-touch, personalized banking experience into a vibrant, well-established neighborhood,” added Bill Ward, President and Chief Operating Officer.

Quarter-Over-Quarter Results:

- Total loans, net of deferred fees, were \$551 million, up 3.8%.
- Total deposits were \$582 million, up 5.2%.
- Net income was \$1.6 million, up 48.8%.
- Pre-tax, pre-provision income was \$2.6 million, up 40.3%.
- Net interest income was \$6.9 million, up 9.7%
- Net interest margin was 4.28%, up from 4.19%.
- Cost of funds remained flat at 1.30%.
- Operating expenses were \$4.4 million, down 4.3%, reflecting reduced restructuring costs; the efficiency ratio improved to 62.85% from 71.27%.
- Diluted earnings per common share were \$0.77, up 48.1%.
- Book value per share was \$36.33, up 2.8%.
- Allowance for credit losses was 1.32% of total loans, up from 1.31%.
- Non-accrual loans were 0.17% of total loans, down from 0.18%.
- Classified loans represented 1.0% of the total loan portfolio, up from 0.8%.

Year-Over-Year, Second-Quarter Results:

- Total loans, net of deferred fees, were \$551 million, up 7.1%.
- Total deposits were \$582 million, up 9.1%. Relationship deposits increased \$79 million; brokered deposits and public funds decreased \$31 million.
- Net income was \$1.6 million, up 3.7%.
- Pre-tax, pre-provision income was \$2.6 million, up 14.6%.
- Net interest margin was 4.28%, up from 3.78%.
- Cost of funds was 1.30%, down from 1.87%.
- Net interest income was \$6.9 million, up 19.3%, driven by higher loan and investment income and lower interest expense.
- Operating expenses were \$4.4 million, up 10.8%, primarily due to higher salaries and other operating costs; the efficiency ratio was 62.85%, down from 63.64%.
- Diluted earnings per common share were \$0.77, up 2.7%.
- The Bank remains well-capitalized, with a Tier 1 Leverage Ratio of 11.83%, Tier 1 Risk-Based Capital and Common Equity Tier 1 Ratios of 17.68%, and a Total Risk-Based Capital Ratio of 18.93%.

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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 of the Bay Area. We pair modern technology with the enduring values of high-touch, personalized service delivered with agility and accountability.

Like the businesses, nonprofits, individuals, and families we serve, the Bay Area is our home. Significant local ownership keeps our decision-making close to our clients, and our diverse team enables us to understand our clients' unique needs and goals. To learn more, call (415) 744-6700 or visit www.bankbsf.com. Bank of San Francisco is a member of the FDIC and 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	
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	\$	%
Assets							
Cash and due from banks	\$ 8,754	\$ 9,076	\$ 6,023	\$ 6,391	\$ 7,965	\$ 789	10%
Interest bearing deposits in banks	78,541	69,116	69,200	83,288	82,544	(4,003)	-5%
Total cash and cash equivalents	87,295	78,192	75,223	89,679	90,509	(3,214)	-4%
Securities available-for-sale, at fair value	21,859	21,819	23,623	19,879	-	21,859	n/m
Loans, net of deferred costs/fees	550,910	530,817	507,970	519,131	514,296	36,614	7%
Allowance for credit losses	(7,258)	(6,968)	(6,662)	(6,982)	(6,744)	(514)	8%
Loans, net of allowance of credit losses	543,652	523,849	501,308	512,149	507,552	36,100	7%
Premises and equipment, net	1,501	1,351	1,411	1,456	1,516	(15)	-1%
Accrued interest receivable & other assets	17,608	13,696	13,872	13,938	13,969	3,639	26%
Total Assets	\$ 671,915	\$ 638,907	\$ 615,437	\$ 637,101	\$ 613,546	\$ 58,369	10%
Liabilities							
Non-interest bearing deposits	\$ 229,036	\$ 199,783	\$ 197,533	\$ 215,170	\$ 186,950	\$ 42,086	23%
Interest bearing deposits	353,188	353,748	333,202	339,946	346,877	6,311	2%
Total deposits	582,224	553,531	530,735	555,116	533,827	48,397	9%
Accrued interest payable and other liabilities	11,171	8,634	9,381	8,198	8,007	3,164	40%
Total Liabilities	593,395	562,165	540,116	563,314	541,834	51,561	10%
Shareholders' equity							
Common stock	29,075	28,944	28,757	28,631	28,468	607	2%
Retained earnings	49,475	47,841	46,743	45,115	43,244	6,231	14%
Accumulated other comprehensive income	(30)	(43)	(179)	41	-	(30)	100%
Total shareholders' equity	78,520	76,742	75,321	73,787	71,712	6,808	9%
Total Liabilities & Shareholders' Equity	\$ 671,915	\$ 638,907	\$ 615,437	\$ 637,101	\$ 613,546	\$ 58,369	10%
Book Value per Common Share	\$ 36.33	\$ 35.35	\$ 35.25	\$ 34.58	\$ 33.66	\$ 2.67	8%
Total Common Shares Outstanding	2,161,024	2,170,866	2,136,822	2,133,822	2,130,201	30,823	1%
Capital Ratios							
Tier 1 Leverage ratio	11.83%	11.41%	12.05%	11.46%	11.36%	0.47%	4%
Tier 1 RBC ratio	17.68%	18.16%	18.69%	17.90%	17.44%	0.24%	1%
Common Equity Tier 1 RBC ratio	17.68%	18.16%	18.69%	17.90%	17.44%	0.24%	1%
Total Risk-Based Capital (RBC) ratio	18.93%	19.41%	19.95%	19.16%	18.70%	0.23%	1%
Other Ratios							
Non-interest bearing to Total Deposits	39.34%	36.09%	37.22%	38.76%	35.02%	4.32%	12%
Loan to Deposit ratio	94.62%	95.90%	95.71%	93.52%	96.34%	-1.72%	-2%
Allowance for Credit Losses to Total Loans	1.32%	1.31%	1.31%	1.34%	1.31%	0.01%	1%
ACL to Nonperforming Loans	642.31%	593.21%	490.61%	252.35%	186.08%	456.23%	245%
Nonperforming Assets to Total Assets	0.17%	0.18%	0.22%	0.43%	0.59%	-0.42%	-71%

n/m - Not Meaningful

Bank of San Francisco
Statement of Income (Unaudited)

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

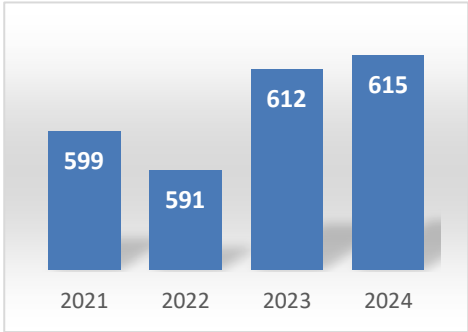
	Three Months Ended						
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	\$	%
Interest on loans, including fees	\$ 7,596	\$ 7,071	\$ 7,152	\$ 7,167	\$ 6,769	\$ 827	12%
Interest on deposits in banks	928	677	881	1,342	1,473	(545)	-37%
Interest on investment securities	210	221	217	66	-	210	100%
Other interest income	72	74	74	73	73	(1)	-1%
Total interest income	8,806	8,043	8,324	8,648	8,315	491	6%
Deposits interest expense	1,868	1,719	1,878	2,200	2,499	(631)	-25%
Other interest expense	-	-	-	-	-	-	-
Total interest expense	1,868	1,719	1,878	2,200	2,499	(631)	-25%
Net interest income	6,938	6,324	6,446	6,448	5,816	1,122	19%
Provision (reversal) for credit losses	290	300	(320)	100	40	250	625%
Net interest income after provision	6,648	6,024	6,766	6,348	5,776	872	15%
Service charges on deposits	108	102	112	94	89	19	21%
Gains on sale of loans	-	-	-	-	306	(306)	n/m
Other non-interest income	(5)	61	46	45	65	(70)	-108%
Total non-interest income	103	163	158	139	460	(357)	-78%
Salaries and employee benefits expense	2,885	3,033	3,144	2,413	2,731	154	6%
Occupancy	336	291	303	314	325	11	3%
Information Technology and Equipment	324	315	301	285	291	33	11%
Other operating expense	880	984	851	815	647	233	36%
Total non-interest expense	4,425	4,623	4,599	3,827	3,994	431	11%
Income before income taxes	2,326	1,564	2,325	2,660	2,242	84	4%
Income tax expense	692	466	697	789	666	26	4%
Net income	\$ 1,634	\$ 1,098	\$ 1,628	\$ 1,871	\$ 1,576	\$ 58	4%
Basic Earnings per Share	\$ 0.78	\$ 0.53	\$ 0.78	\$ 0.90	\$ 0.76	\$ 0.02	3%
Average Shares Outstanding	2,097,194	2,090,394	2,089,978	2,085,894	2,084,161	13,033	1%
Diluted Earnings per Share	\$ 0.77	\$ 0.52	\$ 0.77	\$ 0.89	\$ 0.75	\$ 0.02	3%
Average Shares Outstanding	2,124,402	2,130,962	2,110,598	2,095,823	2,088,640	35,762	2%
Annualized Performance Ratios							
Return on Average Assets	0.98%	0.70%	1.06%	1.17%	1.00%	-0.02%	-2%
Return on Average Common Equity	8.32%	5.78%	8.86%	10.29%	8.90%	-0.58%	-7%
Net Interest Margin	4.28%	4.19%	4.18%	4.09%	3.78%	0.50%	13%
Cost of Funds	1.30%	1.30%	1.38%	1.56%	1.87%	-0.57%	-30%
Efficiency Ratio	62.85%	71.27%	69.64%	58.10%	63.64%	-0.79%	-1%
n/m - Not Meaningful							
Reconciliation of GAAP to Non-GAAP Financial Measures							
Net income	\$ 1,634	\$ 1,098	\$ 1,628	\$ 1,871	\$ 1,576	\$ 58	4%
Provision (reversal) for credit losses	290	300	(320)	100	40	250	625%
Income tax expense	692	466	697	789	666	26	4%
Pre-tax, pre-provision income	\$ 2,616	\$ 1,864	\$ 2,005	\$ 2,760	\$ 2,282	\$ 334	15%

Bank of San Francisco
Statement of Income (Unaudited)
(\$000, except share and per share amounts)

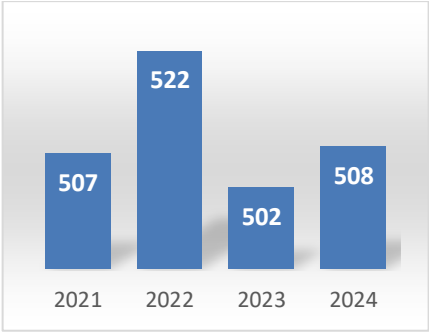
	Six Months Ended		Over Year Change	
	6/30/2025	6/30/2024	\$	%
Interest on loans, including fees	\$ 14,667	\$ 13,360	\$ 1,307	10%
Interest on deposits in banks	1,605	2,571	(966)	-38%
Interest on investment securities	431	-	431	100%
Other interest income	146	147	(1)	-1%
Total interest income	16,849	16,078	771	5%
Deposits interest expense	3,587	4,803	(1,216)	-25%
Other interest expense	-	-	-	0%
Total interest expense	3,587	4,803	(1,216)	-25%
Net interest income	13,262	11,275	1,987	18%
Provision for credit losses	590	40	550	1375%
Net interest income after provision	12,672	11,235	1,437	13%
Service charges on deposits	210	189	21	11%
Gains on sale of loans	-	306	(306)	-100%
Other non-interest income	56	138	(82)	-59%
Total non-interest income	266	633	(367)	-58%
Salaries and employee benefits expense	5,918	4,985	933	19%
Occupancy	627	622	5	1%
Information Technology and Equipment	639	622	17	3%
Other operating expense	1,864	1,316	548	42%
Total non-interest expense	9,048	7,545	1,503	20%
Income before income taxes	3,890	4,323	(433)	-10%
Income tax expense	1,158	1,284	(126)	-10%
Net income	\$ 2,732	\$ 3,039	\$ (307)	-10%
Basic Earnings per Share	\$ 1.30	\$ 1.46	\$ (0.16)	-11%
Average Shares Outstanding	2,097,194	2,083,665	13,529	1%
Diluted Earnings per Share	\$ 1.28	\$ 1.45	\$ (0.17)	-12%
Average Shares Outstanding	2,132,030	2,096,080	35,950	2%
Annualized Performance Ratios				
Return on Average Assets	0.82%	0.99%	-0.17%	-17%
Return on Average Common Equity	7.04%	8.60%	-1.56%	-18%
Net Interest Margin	4.12%	3.77%	0.35%	9%
Cost of Funds	1.30%	1.80%	-0.50%	-28%
Efficiency Ratio	66.88%	63.36%	3.52%	6%
n/m - Not Meaningful				
Reconciliation of GAAP to Non-GAAP Financial Measures				
Net income	\$ 2,732	\$ 3,039	\$ (307)	-10%
Provision (reversal) for credit losses	590	40	550	1375%
Income tax expense	1,158	1,284	(126)	-10%
Pre-tax, pre-provision income	\$ 4,480	\$ 4,363	\$ 117	3%

FINANCIAL HIGHLIGHTS

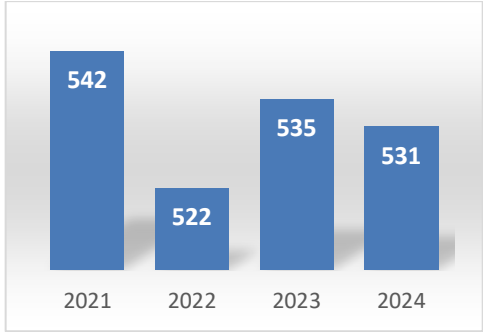
Total Assets (\$ Millions)
As of December 31,



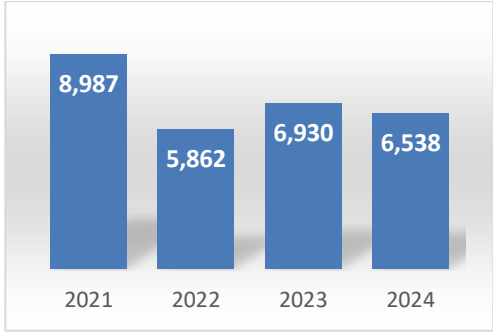
Total Loans (\$ Millions)
As of December 31,



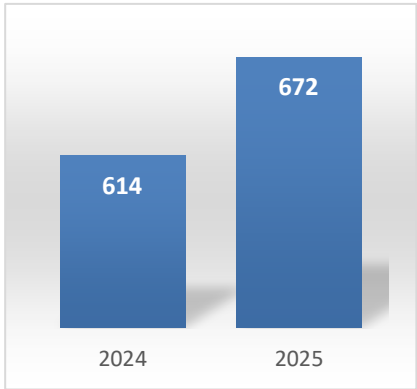
Total Deposits (\$ Millions)
As of December 31,



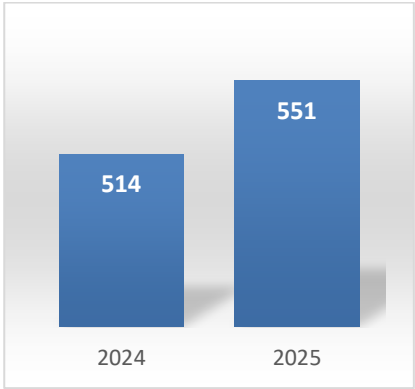
Net Income (\$ Thousands)
Year Ended December 31,



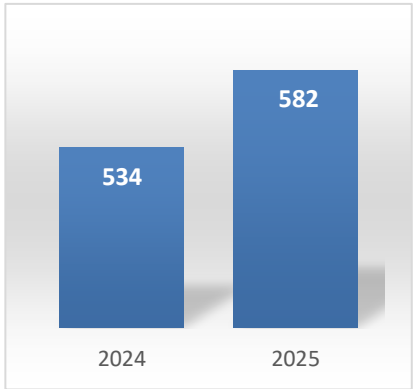
Total Assets (\$ Millions)
As of June 30,



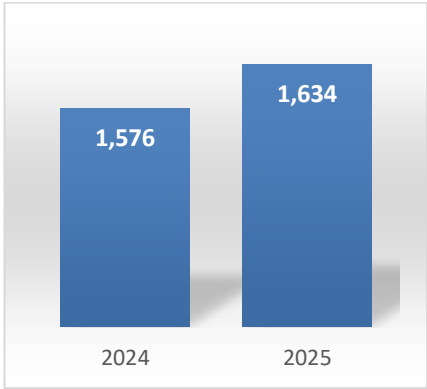
Total Loans (\$ Millions)
As of June 30,



Total Deposits (\$ Millions)
As of June 30,

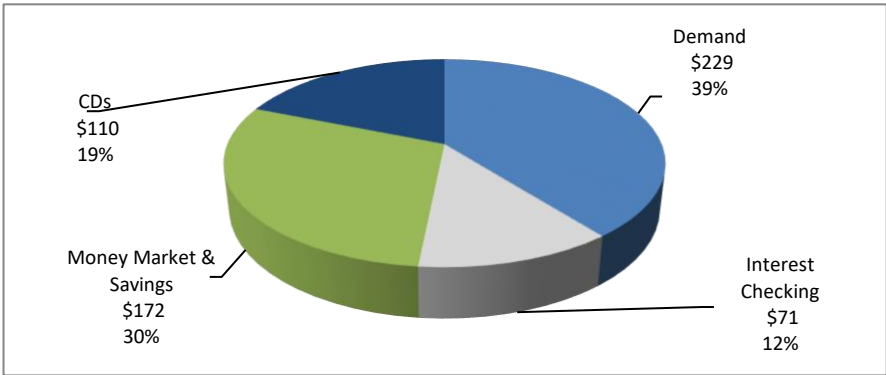


Net Income (\$ Thousands)
Three Months Ended June 30,



As of June 30, 2025

Deposit Composition (\$ Millions)



Loan Composition (\$ Millions)

