



FOR IMMEDIATE RELEASE

Bank of San Francisco Reports Results for the Quarter And Year Ended December 31, 2024

SAN FRANCISCO, CA—(2/3/2025)—Bank of San Francisco (OTCQX: BSFO), a leading Bay Area community and private bank, announced unaudited results for the fourth quarter and year ended December 31, 2024. Net income for the quarter was \$1.6 million, down \$243,000 compared to the preceding quarter, and up \$18,000 achieved in the fourth quarter of 2023. Diluted earnings per share for the quarter were \$0.77, down \$0.12 compared to the preceding quarter, and flat from \$0.77 diluted earnings per share achieved in the fourth quarter of 2023. Net income for the year ended December 31, 2024, was \$6.5 million, or \$3.10 diluted earnings per share, compared to \$6.9 million, or \$3.33 diluted earnings per share, for the year ended December 31, 2023.

Ed Obuchowski, CEO, noted, “2024 was an exciting year for the Bank as we expanded into Private Banking, grew our relationship deposits, and positioned the Bank well for the future.”

James Herbert, President, said, “We will be making meaningful investments in our colleagues, technology, and processes in 2025 and beyond to support exceptional service, sustained growth, and strong credit quality in the years ahead. I am thrilled to have joined the team at such an exciting time.”

Year-Over-Year Fourth-Quarter 2024 Results:

- Total loans, net of deferred fees, were \$508 million, up 1.2%.
- Total deposits were \$531 million, down 0.9%. Relationship deposits increased by \$64 million, and the Bank paid off all brokered deposits.
- Net income was \$1.6 million, up 1.1%.
- Net interest margin increased to 4.18%, up from 3.70%.
- Cost of funds was 1.38%, down from 1.61%.
- Net interest income was \$6.5 million, up 17.1%. The increase was the result of an increase in loan interest and fee income, securities, and other interest income, and was partially offset by a decrease in interest earned on deposits at banks. Interest expense decreased.
- Operating expenses were \$4.6 million, up 48.8%. 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 69.64%, up from 54.52%.

- Diluted earnings per common share were \$0.77, remaining flat.
- Book value per share increased to \$35.25, up 8.7%.
- The Bank continues to be well-capitalized, with a Tier 1 Leverage Ratio of 12.05%, Tier 1 Risk-Based Capital and Common Equity Tier 1 Ratios of 18.69%, and a Total Risk-Based Capital Ratio of 19.95%.

Quarter-Over-Quarter Results:

- Total loans, net of deferred fees, were \$508 million, down 2.1%.
- Total deposits were \$531 million, down 4.4%.
- Net interest income was \$6.5 million, remaining flat.
- Net interest margin increased to 4.18%, up from 4.09%.
- Cost of funds decreased to 1.38%, down from 1.56%.
- Operating expenses were \$4.6 million, up 20.2%. The increase was the result of restructuring costs in personnel compensation. The efficiency ratio increased to 69.64% from 58.10%.
- Diluted earnings per common share were \$0.77, down 13.5%.
- Book value per share increased to \$35.25, up 1.9%.
- The Allowance for Credit Losses was 1.31%, down from 1.34%.
- Non-accrual loans totaled 0.27% of the total loan portfolio, compared to 0.52%.
- Classified loans totaled 0.8% of the total loan portfolio, compared to 2.7%.

Year Ended December 31, 2024, Results:

- Net interest income was \$24.2 million, up 11.2%. The increase was primarily from older loans being replaced by new, higher-yielding loans, increased interest income earned on deposits in banks, and interest earned on securities from the Bank's new investment portfolio, offset partially by increased interest expense from higher brokered deposits during in the first half of the year.
- Net interest margin was 3.96%, up from 3.68%.
- Cost of funds was 1.63%, up from 1.41%.
- Operating expenses were \$16.0 million, up 27.6%. The increase was the result of an increase in personnel compensation and other operating expenses. The efficiency ratio was 63.63%, up from 55.25%.
- Net income was \$6.5 million, down 5.7%.
- Diluted earnings per common share were \$3.10, down 6.9%.

Jennifer Corr, CFO, noted, “In 2024, we increased our year-over-year relationship deposits by \$64 million allowing the Bank to pay off all \$59 million in brokered deposits by year end. This reduction in higher-cost funds resulted in an increase to our margin and positions the Bank for future growth.”

In reference to the Bank’s recent shift in leadership, Mr. Obuchowski noted, “I cannot thank Wendy enough for her invaluable contributions to the bank we founded together nearly 20 years ago, and I look forward to her continued leadership on our Board.”

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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. 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		
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	\$	%
Assets							
Cash and due from banks	\$ 6,023	\$ 6,391	\$ 7,965	\$ 7,689	\$ 12,853	\$ (6,830)	-53%
Interest bearing deposits in banks	69,200	83,288	82,544	93,949	88,701	(19,501)	-22%
Total cash and cash equivalents	75,223	89,679	90,509	101,638	101,554	(26,331)	-26%
Securities available-for-sale, at fair value	23,623	19,879	-	-	-	23,623	100%
Loans, net of deferred costs/fees	507,970	519,131	514,296	503,631	501,941	6,029	1%
Allowance for credit losses	(6,662)	(6,982)	(6,744)	(6,704)	(6,745)	83	-1%
Loans, net of allowance of credit losses	501,308	512,149	507,552	496,927	495,196	6,112	1%
Premises and equipment, net	1,411	1,456	1,516	1,553	1,604	(193)	-12%
Accrued interest receivable & other assets	13,872	13,938	13,969	13,033	13,622	250	2%
Total Assets	\$ 615,437	\$ 637,101	\$ 613,546	\$ 613,151	\$ 611,976	\$ 3,461	1%
Liabilities							
Non-interest bearing deposits	\$ 197,533	\$ 215,170	\$ 186,950	\$ 188,681	\$ 190,040	\$ 7,493	4%
Interest bearing deposits	333,202	339,946	346,877	346,532	345,385	(12,183)	-4%
Total deposits	530,735	555,116	533,827	535,213	535,425	(4,690)	-1%
Accrued interest payable and other liabilities	9,381	8,198	8,007	7,980	8,178	1,203	15%
Total Liabilities	540,116	563,314	541,834	543,193	543,603	(3,487)	-1%
Shareholders' equity							
Common stock	28,757	28,631	28,468	28,289	28,168	589	2%
Retained earnings	46,743	45,115	43,244	41,669	40,205	6,538	16%
Accumulated other comprehensive income	(179)	41	-	-	-	(179)	100%
Total shareholders' equity	75,321	73,787	71,712	69,958	68,373	6,948	10%
Total Liabilities & Shareholders' Equity	\$ 615,437	\$ 637,101	\$ 613,546	\$ 613,151	\$ 611,976	\$ 3,461	1%
Book Value per Common Share	\$ 35.25	\$ 34.58	\$ 33.66	\$ 32.73	\$ 32.43	\$ 2.82	9%
Total Common Shares Outstanding	2,136,822	2,133,822	2,130,201	2,137,138	2,108,162	28,660	1%
Capital Ratios							
Tier 1 Leverage ratio	12.05%	11.46%	11.36%	11.71%	11.21%	0.84%	7%
Tier 1 RBC ratio	18.69%	17.90%	17.44%	17.61%	17.11%	1.58%	9%
Common Equity Tier 1 RBC ratio	18.69%	17.90%	17.44%	17.61%	17.11%	1.58%	9%
Total Risk-Based Capital (RBC) ratio	19.95%	19.16%	18.70%	18.86%	18.36%	1.59%	9%
Other Ratios							
Non-interest bearing to Total Deposits	37.22%	38.76%	35.02%	35.25%	35.49%	1.73%	5%
Loan to Deposit ratio	95.71%	93.52%	96.34%	94.10%	93.75%	1.96%	2%
Allowance for Credit Losses to Total Loans	1.31%	1.34%	1.31%	1.33%	1.34%	-0.03%	-2%
ACL to Nonperforming Loans	490.61%	252.35%	186.08%	180.95%	178.87%	311.74%	174%
Nonperforming Assets to Total Assets	0.22%	0.43%	0.59%	0.60%	0.62%	-0.40%	-64%

Bank of San Francisco
Statement of Income (Unaudited)

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

	Three Months Ended					Year Over Year Change	
	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023	\$	%
Interest on loans, including fees	\$ 7,152	\$ 7,167	\$ 6,769	\$ 6,591	\$ 6,360	\$ 792	12%
Interest on deposits in banks	881	1,342	1,473	1,098	1,227	(346)	-28%
Interest on investment securities	217	66	-	-	-	217	100%
Other interest income	74	73	73	74	70	4	6%
Total interest income	8,324	8,648	8,315	7,763	7,657	667	9%
Deposits interest expense	1,878	2,200	2,499	2,304	2,153	(275)	-13%
Other interest expense	-	-	-	-	-	-	-
Total interest expense	1,878	2,200	2,499	2,304	2,153	(275)	-13%
Net interest income	6,446	6,448	5,816	5,459	5,504	942	17%
Provision for credit losses	(320)	100	40	-	290	(610)	-210%
Net interest income after provision	6,766	6,348	5,776	5,459	5,214	1,552	30%
Service charges on deposits	112	94	89	100	91	21	23%
Gains on sale of loans	-	-	306	-	-	-	0%
Other non-interest income	46	45	65	73	73	(27)	-37%
Total non-interest income	158	139	460	173	164	(6)	-4%
Salaries and employee benefits expense	3,144	2,413	2,731	2,254	1,961	1,183	60%
Occupancy	303	314	325	297	289	14	5%
Information Technology and Equipment	301	285	291	331	276	25	9%
Other operating expense	851	815	647	669	564	287	51%
Total non-interest expense	4,599	3,827	3,994	3,551	3,090	1,509	49%
Income before income taxes	2,325	2,660	2,242	2,081	2,288	37	2%
Income tax expense	697	789	666	618	678	19	3%
Net income	\$ 1,628	\$ 1,871	\$ 1,576	\$ 1,463	\$ 1,610	\$ 18	1%
Basic Earnings per Share	\$ 0.78	\$ 0.90	\$ 0.76	\$ 0.70	\$ 0.77	\$ 0.01	1%
Average Shares Outstanding	2,089,978	2,085,894	2,084,161	2,083,168	2,083,168	6,810	0%
Diluted Earnings per Share	\$ 0.77	\$ 0.89	\$ 0.75	\$ 0.70	\$ 0.77	\$ -	0%
Average Shares Outstanding	2,110,598	2,095,823	2,088,640	2,095,854	2,092,143	18,455	1%
Annualized Performance Ratios							
Return on Average Assets	1.06%	1.17%	1.00%	0.98%	1.06%	0.00%	0%
Return on Average Common Equity	8.86%	10.29%	8.90%	8.46%	9.54%	-0.68%	-7%
Net Interest Margin	4.18%	4.09%	3.78%	3.74%	3.70%	0.48%	13%
Cost of Funds	1.38%	1.56%	1.87%	1.72%	1.61%	-0.23%	-14%
Efficiency Ratio	69.64%	58.10%	63.64%	63.05%	54.52%	15.12%	28%

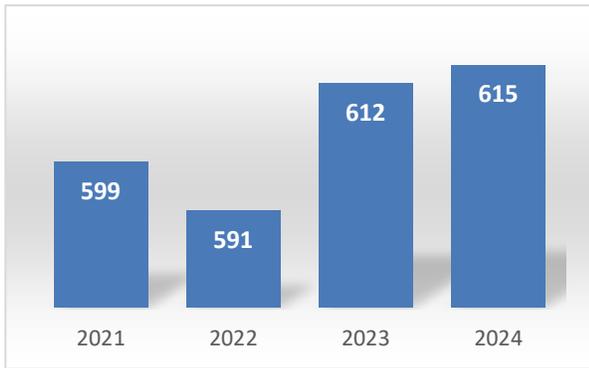
Bank of San Francisco
Statement of Income (Unaudited)
(\$000, except share and per share amounts)

	Twelve Months Ended		Year Over Year Change	
	12/31/2024	12/31/2023	\$	%
Interest on loans, including fees	\$ 27,679	\$ 25,035	\$ 2,644	11%
Interest on deposits in banks	4,794	4,032	762	19%
Interest on investment securities	283	-	283	100%
Other interest income	294	242	52	21%
Total interest income	33,050	29,309	3,741	13%
Deposits interest expense	8,881	7,571	1,310	17%
Other interest expense	-	4	(4)	n/m
Total interest expense	8,881	7,575	1,306	17%
Net interest income	24,169	21,734	2,435	11%
Provision for credit losses	(180)	290	(470)	-162%
Net interest income after provision	24,349	21,444	2,905	14%
Service charges on deposits	395	354	41	12%
Gains on sale of loans	306	299	7	2%
Other non-interest income	229	268	(39)	-15%
Total non-interest income	930	921	9	1%
Salaries and employee benefits expense	10,542	8,194	2,348	29%
Occupancy	1,239	948	291	31%
Information Technology and Equipment	1,208	1,112	96	9%
Other operating expense	2,982	2,264	718	32%
Total non-interest expense	15,971	12,518	3,453	28%
Income before income taxes	9,308	9,847	(539)	-5%
Income tax expense	2,770	2,917	(147)	-5%
Net income	\$ 6,538	\$ 6,930	\$ (392)	-6%
Basic Earnings per Share	\$ 3.14	\$ 3.35	\$ (0.21)	-6%
Average Shares Outstanding	2,084,423	2,071,000	13,423	1%
Diluted Earnings per Share	\$ 3.10	\$ 3.33	\$ (0.23)	-7%
Average Shares Outstanding	2,107,815	2,082,704	25,111	1%
Annualized Performance Ratios				
Return on Average Assets	1.05%	1.15%	-0.10%	-9%
Return on Average Common Equity	9.10%	10.57%	-1.47%	-14%
Net Interest Margin	3.96%	3.68%	0.28%	8%
Cost of Funds	1.63%	1.41%	0.22%	16%
Efficiency Ratio	63.63%	55.25%	8.38%	15%

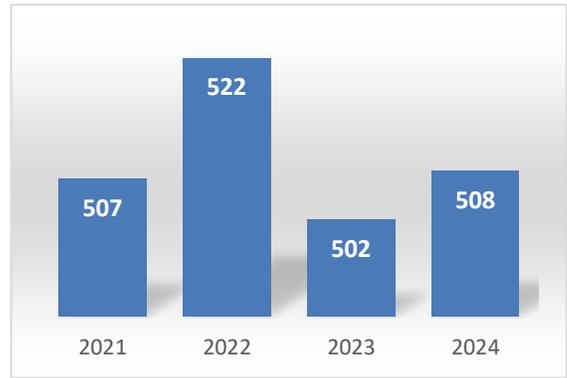
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FINANCIAL HIGHLIGHTS

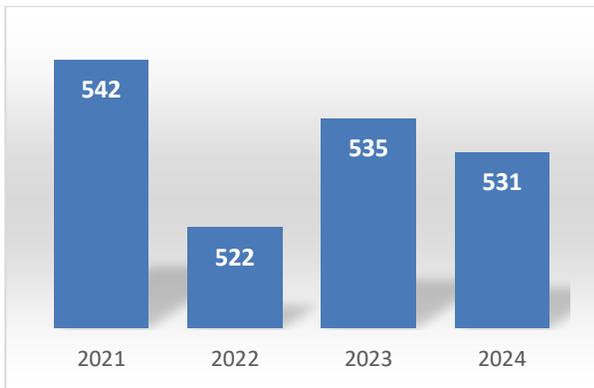
Total Assets (\$ Millions)
As of December 31,



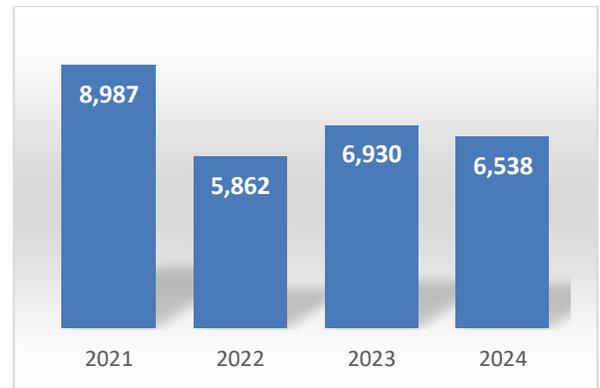
Total Loans (\$ Millions)
As of December 31,



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

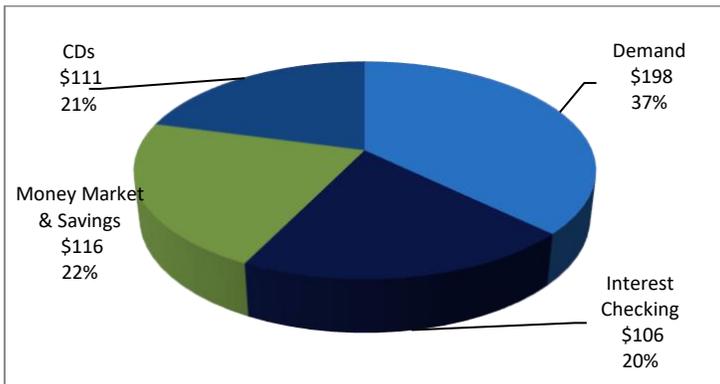


Net Income (\$ Thousands)
As of December 31,



As of December 31, 2024

Deposit Composition (\$ Millions)



Loan Composition (\$ Millions)

