



RBB Bancorp Announces Second Quarter Financial Results

Los Angeles, California: July 22, 2016: RBB Bancorp Mr. Alan Thian, Chairman of the Board of RBB Bancorp, a single bank holding company headquartered in Los Angeles, California, today announced the company's financial results for the second quarter.

The Company reported total assets of \$1.4 billion as of June 30, 2016, representing a 42.7% increase compared to the reporting period ending on June 30, 2015 and a 40.8% increase from year-end 2015. The Company acquired TFC Holding Company and its banking subsidiary on February 19, 2016 which added \$495.8 million in asset, \$390.6 million in loans and \$405.3 million in deposits. Deposits closed at \$1.2 billion, representing a 41.7% increase, when compared to June 30, 2015 and a 40.4% increase from year-end 2015. Gross loans were \$1.2 billion as of June 30, 2016, compared to \$771.3 million as of June 30, 2015, a 57.35% increase and a 45.6% increase from year-end 2015.

The Company sold \$70.1 million in mortgage loans for a net gain of \$1.1 million in the quarter ended June 30, 2016, compared to \$20 million loans sold and \$250,000 net gain for the same period last year. For the six months ended June 30, 2016, the Company sold \$98.8 million in mortgage loans for a gain of \$1.6 million compared to \$59.3 million loans sold and a \$688,000 net gain for the same period last year. The Company originated \$156.6 million in mortgage loans during the six months ending June 30, 2016 and \$71.1 million for the quarter ended June 30, 2016. For the same periods last year the Company originated \$84.1 million and \$33.6 million, respectively, in mortgage loans. The Residential Mortgage Unit is on target with loan originations and loan sales.

Likewise, the Company sold \$8.5 million in SBA loans for a net gain of \$468,000 for the quarter ended June 30, 2016 compared to zero loan sold for the same period last year. For the six months ending June 30, 2016 the company sold \$11.7 million in SBA loans for a net gain of \$706,000 compared to \$8.7 million loans sold and a net gain of \$678,000 for the same period last year. SBA loan originations for the six months ending June 30, 2016 were \$45.1 million compared to \$54.30 million for the same period in 2015. SBA loan originations for the quarter ending June 30, 2016 were \$24.2 million compared to \$23 million for the same period in 2015. The Company's gross loans are net of the mortgage and SBA loans sold during the quarter.

The Company reported net income of \$5.1 million or \$0.40 per share for the quarter ended June 30, 2016, compared to a net income of \$3.1 million or \$0.24 per share for the same time period in 2015. Net income for the six months ended June 30, 2016 was \$7.8 million or \$0.61 per share compared to \$6.4 million or \$0.50 per share for the same period of 2015. Included in the June 30, 2016 income is \$2.0 million in conversion and integration expenses associated with the TFC merger.

Loan quality remains good with non-performing assets as a percent of total assets of 0.36% compared to 0.51% as of June 30, 2015. Non-performing assets are Other Real Estate Owned (foreclosed properties) and non-accrual loans. Allowance for loan losses (ALLL) to gross loans has decreased from 1.12% as of June 30, 2015, to 1.00% as of June 30, 2016. The reason for the decrease is under acquisition accounting rules loans are recorded at market value and the ALLL is eliminated.

"The directors of the Company are pleased with the continued growth and the increased profits," said Chairman Alan Thian. Continuing, Mr. Thian stated, "Not only did the Company successfully integrate TFC into the Bank, but the Bank continued to grow the mortgage and SBA lending product lines and introduce mobile banking to its customers."

RBB Bancorp is a Bank Holding Company. It owns Royal Business Bank, which provides business banking services to the Chinese-American communities in Los Angeles County, Orange County, Ventura County and in Las Vegas, including remote deposit, E-banking, mobile banking, commercial and investor real estate loans, business loans and lines of credit, SBA 7A and 504 loans, mortgage loans, trade finance and a full range of depository accounts. It also owns RBB Asset



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Management Company, which was formed to hold and manage problem assets acquired in business combinations. Its executive office is located at 660 S. Figueroa Street, Suite 1888, Los Angeles, California 90017.

FORWARD LOOKING STATEMENTS

Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods, constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results may differ materially from stated expectations. Specific factors include, but are not limited to, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes and financial policies of the United States government (including the Small Business Administration), and general economic conditions. The Bank disclaims any obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained herein to reflect future events or developments.

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| Balance Sheets (unaudited) | <i>For the periods ending</i> | | | |
|---|--|----------------------|--------------------------|----------------------|
| | <i>(All amounts in thousands except per share information)</i> | <i>June 30, 2016</i> | <i>December 31, 2015</i> | <i>June 30, 2015</i> |
| Asset: | | | | |
| Cash and due from banks | \$ | 53,652 | \$ 80,391 | \$ 103,784 |
| Investments and Federal Funds sold | | 98,702 | 68,056 | 92,108 |
| Loans | | 1,213,680 | 833,858 | 771,304 |
| Less allowance for loan losses | | (12,149) | (10,023) | (8,627) |
| Loans, net | | 1,201,531 | 823,835 | 762,677 |
| Other real estate owned | | 293 | 293 | 293 |
| Deferred tax asset | | 11,047 | 7,449 | 8,702 |
| Bank premises and equipment | | 6,876 | 6,860 | 6,997 |
| Cash Surrender Value of Life Insurance | | 21,679 | 21,398 | 21,112 |
| Goodwill | | 28,178 | 4,001 | 4,001 |
| Other assets | | 18,040 | 10,801 | 9,463 |
| Total assets | \$ | 1,439,998 | \$ 1,023,084 | \$ 1,009,137 |
| Liabilities and shareholders' equity: | | | | |
| Deposits | \$ | 1,198,432 | \$ 853,417 | \$ 845,906 |
| Other borrowings | | 62,594 | - | - |
| Reserve for unfunded commitments | | 394 | 320 | 258 |
| Other liabilities | | 8,257 | 5,702 | 6,574 |
| Total liabilities | | 1,269,676 | 859,439 | 852,737 |
| Shareholders' equity | | 170,322 | 163,645 | 156,400 |
| Total liabilities and shareholders' equity | \$ | 1,439,998 | \$ 1,023,084 | \$ 1,009,137 |

| Statements of Operations (unaudited) | <i>Three months ended June 30,</i> | | <i>Six months ended June 30,</i> | |
|---|------------------------------------|-------------|----------------------------------|-------------|
| | | <i>2016</i> | <i>2015</i> | <i>2016</i> |
| Interest income | \$18,332 | \$10,304 | \$32,214 | \$20,375 |
| Interest expense | \$3,144 | \$1,669 | 5,208 | 3,214 |
| Net interest income | 15,188 | 8,635 | 27,006 | 17,161 |
| Provision for loan losses | 1,351 | - | 2,349 | - |
| Other income | \$2,467 | \$1,302 | 3,924 | 3,711 |
| Other expense | \$7,652 | \$4,799 | 15,338 | 10,077 |
| Income before income taxes | 8,652 | 5,138 | 13,243 | 10,795 |



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| Selected Financial Ratios | <i>For the periods ending</i> | | |
|--|-------------------------------|--------------------------|----------------------|
| | <i>June 30, 2016</i> | <i>December 31, 2015</i> | <i>June 30, 2015</i> |
| Net loans to deposits | 100.26% | 96.53% | 90.16% |
| Allowance for loan losses to gross loans | 1.00% | 1.20% | 1.12% |
| Non-performing assets as a percent of total assets | 0.36% | 0.46% | 0.51% |
| Equity to assets | 11.83% | 16.00% | 15.50% |
| Ending book value per share | \$13.28 | \$12.81 | \$12.25 |
| YTD return on average assets, annualized | 1.20% | 1.29% | 1.35% |
| YTD return on average equity, annualized | 9.34% | 8.23% | 8.37% |
| | | | |