



West Coast Community Bancorp Announces Earnings and Dividend for the Fourth Quarter of 2025

January 27, 2026

SANTA CRUZ, Calif., Jan. 27, 2026 /PRNewswire/ -- West Coast Community Bancorp ("Bancorp," OTCQX: [WCCB](#)), the parent company of West Coast Community Bank (the "Bank"), announced unaudited earnings for the quarter ended December 31, 2025 of \$13.8 million, compared to \$12.1 million in the prior quarter and an increase of \$9.9 million, or 258.6%, from \$3.8 million reported for the quarter ended December 31, 2024. Earnings for the year ended December 31, 2025 were \$50.4 million, an increase of \$20.9 million, or 70.5%, from \$29.6 million reported for 2024. The year-over-year increase in earnings was largely driven by the merger with 1st Capital Bancorp that closed on October 1, 2024 (the "Merger"), reflecting a full year of merged operations, as well as a reduction in one-time merger-related expenses.

Basic and diluted earnings per share ("EPS") for the quarter ended December 31, 2025, were \$1.32 and \$1.31, respectively, compared to \$1.15 and \$1.14 in the third quarter of 2025. Basic and diluted EPS increased \$0.95 and \$0.95, or 256.9% and 262.8%, respectively, from the same quarter last year. For the year ended December 31, 2025, basic and diluted EPS were \$4.81 and \$4.76, respectively, representing an increase of \$1.49 and \$1.48, or 44.8% and 45.0%, respectively, from 2024. The year-over-year increase in EPS was largely driven by the Merger, reflecting a full year of merged operations, as well as a reduction in one-time merger-related expenses.

On January 22, 2026, the Bancorp Board of Directors declared a \$0.01 increase in quarterly cash dividend to \$0.23 per common share, payable on February 17, 2026, to shareholders of record at the close of business on February 10, 2026.

"Our strong fourth-quarter and full-year results underscore the continued momentum of our franchise and the disciplined execution of our strategic priorities throughout 2025," said Krista Snelling, Chairman and Chief Executive Officer of West Coast Community Bancorp. "In 2025, we expanded our assets by 7.6% to \$2.9 billion and delivered record annual net income of \$50.4 million through meaningful organic loan growth, sustained strength in our deposit base, successful integration of our merger activities earlier in the year and improved returns on both average assets and equity.

"The Board's decision to increase our quarterly dividend again reflects the strength of our capital position, the consistency of our earnings performance and our confidence in the long-term outlook for the Bank," added Snelling. "We remain committed to balancing disciplined growth with prudent capital management and returning value to our shareholders continues to be a key priority."

Financial Highlights

Performance highlights as of and for the quarter and year ended December 31, 2025, include the following:

- Total deposits were \$2.5 billion at December 31, 2025, which increased \$41.0 million, or 1.7%, from September 30, 2025, and increased \$166.6 million, or 7.2%, from December 31, 2024. The increase from September 30, 2025, is attributed to the seasonal inflows of deposits from large nonprofit organizations which brought in \$60.8 million in new deposits in the fourth quarter. The increase from December 31, 2024, was driven by new banking relationships, which generated \$134.0 million in new deposits by the end of 2025.
- Total loans were \$2.2 billion at December 31, 2025, representing an increase of \$45.3 million, or 2.1%, from September 30, 2025, and increased \$127.2 million, or 6.2%, from December 31, 2024. Loan growth during the fourth quarter of 2025 occurred in revolving and asset-based lines of credit. In addition, we originated new loan commitments of \$186.5 million during the fourth quarter of 2025. Growth in the fourth quarter was highest in Santa Cruz and Santa Clara counties, where \$71.0 million and \$48.6 million in new loan commitments were originated, respectively. Loan commitment growth in Santa Cruz and Santa Clara counties for 2025 was \$187.6 million and \$152.8.0 million, respectively. During 2025, we originated a total of \$534.0 million in new loan commitments.
- Net income for the quarter ended December 31, 2025, increased \$1.7 million, or 14.2%, from the third quarter of 2025 due to a \$2.0 million decrease in the provision for credit losses, which was largely attributed to provisions for individually evaluated loans that were recorded in the third quarter of 2025. The increase of \$9.9 million in net income over the quarter ended December 31, 2024, was mainly due to the Merger, organic growth, a reduction in merger-related expenses and the absence of the initial provision for credit losses associated with acquired loans recorded in the fourth quarter of 2024.
- Total assets were \$2.9 billion at December 31, 2025, an increase from \$2.8 billion at September 30, 2025, and \$2.7 billion at December 31, 2024. The increase of \$45.5 million, or 1.6%, over September 30, 2025, was primarily due to a \$45.3 million increase in loans held for investment and a \$47.3 million increase in cash and cash equivalents, partially offset by a decrease in available-for-sale ("AFS") debt securities of \$43.4 million. The increase of \$203.3 million, or 7.6%, over December 31, 2024, was largely the result of a \$127.2 million increase in loans held for investment and a \$106.0 million increase in cash and cash equivalents.
- Primary liquidity ratio, defined as cash and cash equivalents, deposits held in other banks and unpledged AFS securities as a percentage of total assets was 15.9%, 16.5% and 14.4% at December 31, 2025, September 30, 2025, and December 31, 2024, respectively.
- Taxable equivalent net interest margin was 4.99%, 5.28% and 5.38% for the quarters ended December 31, 2025, September 30, 2025, and December 31, 2024, respectively. The quarter-over-quarter decrease in the net interest margin is largely attributed to accelerated accretion of purchase discounts associated with the partial early redemption of \$4.3 million of subordinated debt assumed in the Merger, accounting for approximately 12 basis points of the quarter-over-quarter decrease. Taxable equivalent net interest margin for the years ended December 31, 2025, and 2024 was 5.21% and 5.09%, respectively. The taxable equivalent net interest margin excluding the purchase discount accretion on the acquired loan portfolio and accelerated accretion on discount of partially redeemed subordinated debt (non-GAAP¹) for the quarters ended December 31, 2025, and September 30, 2025, was 4.80% and 4.93%, respectively, and 4.87% and 4.88% for the years ended December 31, 2025, and 2024, respectively.
- The cost of funds was 1.46% in the fourth quarter of 2025 compared to 1.37% in the prior quarter and 1.37% in the fourth quarter of 2024. The cost of funds for the years ended December 31, 2025, and 2024 was 1.39% and 1.45%, respectively. The accelerated accretion of purchase discounts

associated with the partial early redemption of subordinated debentures assumed in the Merger, which is discussed below, was unfavorable to the cost of funds by approximately 14 basis points during the fourth quarter of 2025. The decrease in the cost of funds for all of 2025 as compared to 2024 can be attributed in large part to higher average balances of noninterest-bearing deposits as a percentage of total average deposits throughout 2025, as well as discretionary rate cuts on money market deposit accounts during 2025 responding to the three 25 basis point interest rate cuts by the Federal Open Market Committee ("FOMC") in late 2025. For the years ended December 31, 2025 and 2024, average noninterest-bearing deposits as a percentage of total average deposits were 42.2% and 39.7%, respectively.

- For the quarters ended December 31, 2025, September 30, 2025, and December 31, 2024, return on average assets ("ROAA") was 1.88%, 1.73% and 0.57%, respectively, return on average equity ("ROAE") was 14.55%, 13.16% and 4.55%, respectively, and return on average tangible equity ("ROATE") was 18.46%, 17.05% and 6.85%, respectively. Excluding merger-related items and accelerated accretion on the partial early redemption of subordinated debentures for the quarters ended December 31, 2025, September 30, 2025, and December 31, 2024, adjusted ROAA (non-GAAP¹) was 1.98%, 1.74% and 2.08%, respectively, adjusted ROAE (non-GAAP¹) was 15.34%, 13.27% and 16.65%, respectively, and adjusted ROATE (non-GAAP¹) was 19.41%, 17.20% and 22.07%, respectively.
- For the years ended December 31, 2025, and 2024, ROAA was 1.84% and 1.50%, respectively, ROAE was 14.06% and 11.11%, respectively, and ROATE was 18.25% and 13.35%, respectively. Excluding merger-related items and accelerated accretion on the partial early redemption of subordinated debentures for the years ended December 31, 2025, and 2024, adjusted ROAA (non-GAAP¹) was 1.89% and 2.05%, respectively, adjusted ROAE (non-GAAP¹) was 14.46% and 15.22%, respectively, and adjusted ROATE (non-GAAP¹) was 18.73% and 18.14%, respectively.
- The efficiency ratio was 44.12% for the fourth quarter of 2025 compared to 43.13% in the prior quarter and 61.62% in the fourth quarter of 2024. The efficiency ratio for the years ended December 31, 2025, and 2024 was 44.69% and 50.62%, respectively. Excluding merger-related items and accelerated accretion on the partial early redemption of subordinated debentures, the adjusted efficiency ratio (non-GAAP¹) was 42.54% for the fourth quarter of 2025, 42.71% for the third quarter of 2025 and 43.05% for the fourth quarter of 2024. The adjusted efficiency ratio (non-GAAP¹) was 43.77% and 43.29% for the years ended December 31, 2025, and 2024, respectively.
- All capital ratios were above regulatory requirements for a well-capitalized institution with a total risk-based capital ratio of 14.46%, 14.65% and 14.00% at December 31, 2025, September 30, 2025, and December 31, 2024, respectively. Tangible common equity to tangible asset ratio was 11.10%, 10.95% and 10.14% at December 31, 2025, September 30, 2025, and December 31, 2024, respectively.
- Tangible book value per share was \$29.85 at December 31, 2025, compared to \$28.81 at September 30, 2025, and \$25.09 at December 31, 2024. The increase in the fourth quarter of 2025 was driven by net income of \$13.8 million combined with a decrease in the unrealized losses on the AFS debt securities portfolio.

Merger with 1st Capital Bancorp

The merger between West Coast Community Bancorp and 1st Capital Bancorp closed on October 1, 2024, with the core system conversion completed in December 2024. At the effective time of the closing, each share of 1st Capital Bancorp common stock was converted into the right to receive 0.36 shares of common stock of Bancorp. As a result, 2,071,483 Bancorp shares were issued as of October 1, 2024. The Merger added total assets of \$994 million, which included \$258 million in investments and \$603.1 million in loans, net of fair value adjustment, as well as \$27.7 million in core deposit intangibles and \$14.3 million in goodwill. Additionally, the Merger added deposits of \$893 million and subordinated debt of \$11.5 million, net of fair value adjustments.

Interest Income, Interest Expense and Net Interest Margin

Net interest income of \$34.4 million for the quarter ended December 31, 2025, decreased \$190 thousand, or 0.5%, from \$34.6 million from the quarter ended September 30, 2025, and increased \$368 thousand, or 1.1%, from \$34.1 million for the quarter ended December 31, 2024. The decrease in net interest income in the fourth quarter of 2025 was largely the result of higher interest expense attributed to a partial early redemption of higher cost subordinated debentures. While average interest-earning assets grew during the fourth quarter of 2025, the associated increase in interest income was more than offset by an increase in interest expense resulting from \$864 thousand in accelerated accretion of purchase discounts on the partial early redemption of subordinated debentures. The increase in net interest income of \$368 thousand for the fourth quarter of 2025, compared to the same period in 2024, is largely attributed to growth in average interest-earning assets during 2025, contributing to a \$1.5 million year-over-year increase in interest income. This was partially offset by an increase in interest expense due largely to the subordinated debentures redeemed during 2025.

Net interest income for the year ended December 31, 2025, was \$134.2 million, an increase of \$39.1 million, or 41.1%, from that reported for the same period in 2024. The year-over-year increase was mainly due to the Merger, which increased investments and loans, in addition to the effect of organic growth during 2025.

The cost of funds increased nine basis points from 1.37% in the third quarter of 2025 to 1.46% in the fourth quarter of 2025. As previously mentioned, during the fourth quarter, \$4.3 million in par value of Bancorp's subordinated debentures assumed in the Merger were redeemed early, resulting in \$864 thousand additional interest expense from accelerated accretion of the associated fair value discount. The impact of the early redemption of subordinated debentures accounted for all of the quarter-over-quarter increase in the cost of funds. Absent the partial early redemption of subordinated debentures during the fourth quarter of 2025, the cost of funds decreased approximately five basis points from the third quarter of 2025, reflecting management's discretionary rate cuts on money market deposit accounts responding to three 25 basis point interest rate cuts by the FOMC in late 2025. The quarterly cost of funds increased year-over-year by nine basis points when compared to the 1.37% reported for the fourth quarter of 2024. The increase was driven by the accelerated accretion associated with the partial early redemption of subordinated debentures. Excluding the impact of the accelerated accretion, the cost of funds decreased approximately five basis points year-over-year, reflecting discretionary rate cuts on money market deposit accounts during 2025 as mentioned earlier.

During 2025, the cost of funds decreased six basis points to 1.39% as the Bank benefited from the full-year effect of the lower-costing deposit franchise from 1st Capital Bancorp, including a higher composition of noninterest-bearing demand deposits in 2025 relative to 2024. Further, a higher proportion of lower-cost deposit balances in 2025 allowed the Bank to pay down higher-cost wholesale borrowings and brokered deposits. These benefits to the cost of funds in 2025 were partially offset by \$1.0 million in accelerated accretion on the partial redemption of higher cost subordinated debentures previously discussed, which was unfavorable to the cost of funds by approximately four basis points during 2025.

For the fourth quarter of 2025, taxable equivalent net interest margin was 4.99%, compared to 5.28% in the third quarter of 2025 and 5.38% for the fourth quarter of 2024. The decrease in the taxable equivalent net interest margin in the fourth quarter compared to the third quarter of 2025 was the result of an increase in the cost of funds, as previously discussed, as well as lower earning asset yields. The earning asset yield for the fourth quarter of 2025 decreased 22 basis points over the prior quarter. Average deposit inflows over the quarter outpaced the average growth in loan balances, resulting in an increase in the average balance of liquid assets such as investments and interest-earning due from banks; these lower-yielding assets thus represented a

proportionally larger share of the average earning asset mix for the fourth quarter of 2025 compared to prior quarter, leading to decline in the overall earning asset yield. Slightly lower loan yields in the fourth quarter also contributed to the decrease in earning asset yields. Lower loan yields are attributed, in part, to slightly lower purchase discount accretion on acquired loans as well as the absence net favorable adjustments to interest income that occurred in the prior quarter, consisting of: \$354 thousand of prepayment penalties related to early payoffs of commercial real estate credits, \$126 thousand from an interest recovery upon the full payoff of a problem credit, partially offset by a \$161 thousand in interest write-off related to the placement of a land development loan on nonaccrual status in the third quarter of 2025.

For the year ended December 31, 2025, taxable equivalent net interest margin was 5.21% compared to 5.09% for 2024. The taxable equivalent net interest margin for 2025 increased due to a lower cost of funds, as previously discussed, as well as higher overall yield on interest earning assets. Earning asset yields during 2025 benefited from higher yields on investments, due in large part to the higher yielding investments acquired in the Merger. While loan yields decreased slightly during 2025, they benefited from a full year of purchase discount accretion on acquired loans, totaling approximately \$9.8 million, and represented an increase of \$6.0 million from that recorded in 2024. Excluding both the purchase discount accretion on the acquired loan portfolio and the acceleration of the discount related to the partial redemption of Bancorp's subordinated debentures, as previously discussed, the adjusted net interest margin (non-GAAP¹) for the quarters ended December 31, 2025, September 30, 2025, and December 31, 2024 was to 4.80%, 4.93% and 4.79%, respectively, and 4.87% and 4.88% for the years ended December 31, 2025, and 2024, respectively.

¹Non-GAAP measure. See Non-GAAP Financial Measures table for reconciliation to GAAP financial measures below.

The following tables compare interest income, average interest-earning assets, interest expense, average interest-bearing liabilities, net interest income, net interest margin and cost of funds for each period reported:

	For the Quarters Ended								
	December 31, 2025			September 30, 2025			December 31, 2024		
<i>(Dollars in thousands)</i>	Average Balance	Interest Income/Expense	Avg Yield/Cost	Average Balance	Interest Income/Expense	Avg Yield/Cost	Average Balance	Interest Income/Expense	Avg Yield/Cost
ASSETS									
Interest-earning due from banks	\$ 164,017	\$ 1,630	3.94 %	\$ 116,056	\$ 1,284	4.39 %	\$ 83,210	\$ 928	4.44 %
Investments*	429,125	3,909	3.61 %	385,235	3,374	3.47 %	421,681	3,519	3.32 %
Loans*	2,154,451	38,240	7.04 %	2,109,593	38,356	7.21 %	2,023,902	37,845	7.44 %
Total interest-earning assets	2,747,593	43,779	6.32 %	2,610,884	43,014	6.54 %	2,528,793	42,292	6.65 %
Noninterest-earning assets	158,417			161,773			164,421		
Total assets	\$ 2,906,010			\$ 2,772,657			\$ 2,693,214		
LIABILITIES									
Interest checking deposits	\$ 247,632	604	0.97 %	\$ 248,684	666	1.06 %	\$ 356,531	629	0.70 %
Money market deposits	882,550	6,041	2.72 %	785,520	5,787	2.92 %	580,526	4,817	3.30 %
Savings deposits	178,595	423	0.94 %	181,256	440	0.96 %	183,240	353	0.77 %
Time certificates of deposits	149,677	1,057	2.80 %	152,992	1,125	2.92 %	180,334	1,643	3.62 %
Brokered deposits	—	—	— %	—	—	— %	28,284	380	5.34 %
Short-term borrowings	—	—	— %	—	—	— %	—	4	4.90 %
Subordinated debt	10,417	1,077	41.02 %	11,052	229	8.22 %	11,551	237	8.16 %
Total interest-bearing liabilities	1,468,871	9,202	2.49 %	1,379,504	8,247	2.37 %	1,340,466	8,063	2.39 %

Noninterest-bearing deposits	1,039,184	1,008,555	994,214	
Noninterest-bearing liabilities	22,386	20,913	22,827	
Total liabilities	2,530,441	2,408,972	2,357,507	
EQUITY	375,569	363,685	335,707	
Total liabilities and equity	\$ 2,906,010	\$ 2,772,657	\$ 2,693,214	
Net interest income/margin-taxable equivalent adjusted	\$ 34,577	4.99 %	\$ 34,767 5.28 %	\$ 34,229 5.38 %
GAAP net interest income	\$ 34,444		\$ 34,634	\$ 34,076
Cost of funds		1.46 %	1.37 %	1.37 %

**Interest income on investments and loans is reported as tax equivalent basis. Prior period figures have been restated for comparability.*

(Dollars in thousands)	For the Years Ended					
	December 31, 2025			December 31, 2024		
	Average Balance	Interest Income/Expense	Avg Yield/Cost	Average Balance	Interest Income/Expense	Avg Yield/Cost
ASSETS						
Interest-earning due from banks	\$ 80,922	\$ 3,364	4.16 %	\$ 45,809	\$ 2,018	4.41 %
Investments*	393,862	13,728	3.49 %	279,557	6,486	2.32 %
Loans*	2,111,331	150,594	7.13 %	1,550,601	111,410	7.18 %
Total interest-earning assets	2,586,115	167,686	6.48 %	1,875,967	119,914	6.39 %
Noninterest-earning assets	161,208			100,139		
Total assets	\$ 2,747,323			\$ 1,976,106		
LIABILITIES						
Interest checking deposits	\$ 250,291	2,556	1.02 %	\$ 240,999	2,117	0.88 %
Money market deposits	773,333	21,701	2.81 %	465,003	13,703	2.95 %
Savings deposits	175,686	1,549	0.88 %	116,491	743	0.64 %
Time certificates of deposits	157,111	4,756	3.03 %	148,789	5,185	3.48 %
Brokered deposits	—	—	— %	44,961	2,394	5.32 %

Short-term borrowings	9,213	412	4.47 %	2,210	130	5.87 %
Subordinated debt	11,072	1,937	17.49 %	2,904	237	8.16 %
Total interest-bearing liabilities	1,376,706	32,911	2.39 %	1,021,357	24,509	2.40 %
Noninterest-bearing deposits	989,327			669,753		
Noninterest-bearing liabilities	22,677			18,716		
Total liabilities	2,388,710			1,709,826		
EQUITY	358,613			266,280		
Total liabilities and equity	\$ 2,747,323			\$ 1,976,106		
Net interest income/margin-taxable equivalent adjusted	\$ 134,775	5.21 %		\$ 95,405	5.09 %	
GAAP net interest income	\$ 134,230			\$ 95,128		
Cost of funds		1.39 %			1.45 %	

**Interest income on investments and loans is reported as tax equivalent basis. Prior period figures have been restated for comparability.*

Noninterest Income and Expense

Noninterest income for the quarter ended December 31, 2025, was \$1.3 million compared to \$1.3 million for the previous quarter and \$911 thousand in the fourth quarter of 2024. The year-over-year increase in noninterest income is attributable to the absence of \$508 thousand in losses in the fourth quarter of 2024, which was almost entirely associated with the sale of a branch building resulting from post-merger consolidation. Noninterest income for the year ended December 31, 2025, was \$5.0 million compared to \$4.1 million for the year ended December 31, 2024. The year-over-year increase is largely due to the inclusion of a full year of 1st Capital Bank's operations as well as a reduction in the loss on sale of assets associated with post-merger branch consolidation.

Noninterest expense for the fourth quarter of 2025 was \$15.8 million, compared to \$15.5 million for the previous quarter and \$21.6 million for the fourth quarter of 2024. The slight quarter-over-quarter increase in noninterest expense can be attributed to \$186 thousand in higher professional fees incurred in preparation of becoming an SEC registrant as well as a \$51 thousand increase in merger-related costs, largely associated with the cancellation of a duplicative service contract. These increases were partially offset by a \$77 thousand decrease in core deposit intangible amortization as well as a \$96 thousand reduction in other expenses, largely attributed to the absence of \$101 thousand in costs incurred in the third quarter associated with an annual employee appreciation event. The \$5.8 million, or 26.8%, decrease over the fourth quarter of 2024 was mainly due to the absence of \$6.3 million in merger-related expenses incurred in the fourth quarter of 2024 and partially offset by higher expenses associated with professional fees as well as marketing and business development expenses. Noninterest expense for the year ended December 31, 2025, totaled \$62.2 million, an increase of \$12.0 million, or 23.9%, when compared to the \$50.2 million reported for 2024. The increase in noninterest expenses during 2025 as compared to 2024 is largely associated with higher overall costs stemming from the expansion of the Bank's footprint following the Merger, including higher salaries and employee benefits for increased personnel retained in the Merger, increased amortization of core deposit intangible assets stemming from the Merger and other operating expenses. The overall increase in operating costs in 2025, following the Merger, was partially offset by a \$6.4 million decrease in one-time merger-related expenses, the majority of which were incurred in the fourth quarter of 2024.

Liquidity Position

The following table summarizes the Bank's liquidity for each period reported:

	As of		
	December 31,	September 30,	December 31,
(Dollars in thousands)	2025	2025	2024
Cash and due from banks	\$ 190,782	\$ 143,504	\$ 84,758
Unencumbered AFS securities	267,150	326,183	302,386

Total on-balance-sheet liquidity	457,932	469,687	387,144
Line of credit from the Federal Home Loan Bank of San Francisco – collateralized	709,451	662,537	645,716
Line of credit from the Federal Reserve Bank of San Francisco – collateralized	356,450	382,095	322,258
Lines at correspondent banks – unsecured	100,000	100,000	95,000
Total external contingency liquidity capacity	1,165,901	1,144,632	1,062,974
Less: short-term borrowings	—	—	—
Net available liquidity sources	\$ 1,623,833	\$ 1,614,319	\$ 1,450,118

As of December 31, 2025, net liquidity exceeded uninsured and uncollateralized deposits of \$1.3 billion, with a coverage ratio of 129%.

Investment Portfolio

Securities issued by U.S. Government-sponsored agencies, U.S. Treasury bonds and SBA securities accounted for 49%, 21% and 2%, respectively, of the investment portfolio as of December 31, 2025. These securities carry explicit or implicit credit guarantees from the U.S. Government and thus present minimal credit or liquidity risk. Municipal bonds, corporate bonds and private-label collateralized mortgage obligations/asset-backed instruments represent 21%, 4% and 3% of the carrying value of the portfolio, respectively.

The investment portfolio totaled \$391.2 million at December 31, 2025, representing a decrease from \$434.6 million at September 30, 2025, and \$407.7 million at December 31, 2024. The quarter-over-quarter and year-over-year decrease in the investment portfolio was primarily due to maturities, principal paydowns and sales outpacing purchases. Maturities and paydowns totaled \$63.3 million during the fourth quarter of 2025, while purchases totaled \$16.1 million. For 2025, maturities, paydowns and sales totaled \$137.9 million, while purchases totaled \$106.4 million. The investment portfolio had an average life of 5.3 years as of December 31, 2025, 5.5 years as of September 30, 2025, and 5.4 years at December 31, 2024.

Net unrealized losses on AFS securities improved to \$6.4 million (\$4.5 million after-tax) at December 31, 2025, from \$9.5 million (\$6.7 million after-tax) at September 30, 2025. The improvement in the net unrealized loss on the AFS portfolio resulted from lower short-term interest rates positively impacting the value of our short-term Treasury securities. Additionally, tightening credit spreads in the fourth quarter led to an increase in the fair value of our municipal bonds. Net unrealized losses on AFS securities were \$18.8 million (\$13.2 million after-tax) at December 31, 2024.

Loans and Asset Quality

Gross loans, net of unaccrued purchase discount and deferred fees and costs, increased \$45.3 million, or 2.1%, from September 30, 2025, and increased \$127.2 million, or 6.2%, compared to December 31, 2024. Loan growth during the fourth quarter of 2025 was led by revolving lines of credit and asset-based lines of credit, which collectively grew by \$28.9 million. Outstanding loans made to new organic relationships established in 2025 totaled \$117.0 million at December 31, 2025, with an average loan size of \$1.2 million. New loan commitments originated during the fourth quarter of 2025 were \$186.5 million, driven by \$77.1 million in new commercial and industrial ("C&I") loan commitments in addition to \$59.4 million in new construction loan commitments.

Nonaccrual loans of \$14.1 million accounted for 0.6% of gross loans at December 31, 2025, \$14.4 million, or 0.7%, of gross loans at September 30, 2025, and \$618 thousand, or 0.03%, of gross loans at December 31, 2024. Nonaccrual loans at December 31, 2025, are comprised of a \$10 million land development loan and eight SBA loans totaling \$4.1 million, which have a total government guarantee of \$2.1 million. The collateral property securing the \$10 million land development loan was foreclosed on in January 2026 and the Bank is in the process of marketing the property and seeking recourse to guarantors to offset any collateral deficiency. Accruing loans past due 30-89 days totaling \$8.8 million at December 31, 2025, increased \$8.4 million from December 31, 2024. The increase was primarily due to a \$6.0 million SBA relationship with a \$3.7 million government guarantee and a \$1.0 million line of credit that matured and has since been renewed. There were no loans more than 90 days past due still accruing as of December 31, 2025.

The allowance for credit losses on loans ("ACL") was \$38.2 million at December 31, 2025, or 1.76% of total loans, compared to \$37.1 million at September 30, 2025, or 1.74% of total loans, and \$31.6 million, or 1.55% of total loans, at December 31, 2024. The increase in the ACL-to-loan ratio by two basis points from September 30, 2025, to December 31, 2025, was due to an increase in specific reserves on individually analyzed loans as well as the growth in C&I and construction loans, which carry a higher loss reserve rate. The allowance attributed to individually evaluated loans was \$5.0 million, \$4.4 million and \$235 thousand as of December 31, 2025, September 30, 2025, and December 31, 2024, respectively. The allowance on unfunded credit commitments, recorded in other liabilities, as a percentage of unfunded credit commitments was 0.42% at December 31, 2025, an increase from 0.35% at both September 30, 2025, and December 31, 2024, primarily due to higher funding probability assumptions.

The increase in the ACL this quarter was primarily driven by loan growth and higher specific reserves. The increase in individually evaluated reserves during the fourth quarter was primarily attributable to the migration of several commercial relationships to individual analysis following downgrades to substandard risk grades and updated estimated credit loss assessments. These loans warranted higher specific reserves where collateral and guaranty support were not sufficient to fully mitigate exposure. As a result, the allowance allocated to individually evaluated loans increased by approximately \$652 thousand, from \$4.4 million at September 30, 2025, to \$5.0 million at December 31, 2025.

In contrast to specific reserves on individually evaluated loans, the general reserve for the allowance for credit losses is measured on a collective basis for loans with similar risk characteristics. The general reserve increased modestly from the prior quarter, driven by greater loan volume and change in portfolio mix. These were partially offset by favorable changes in qualitative factor assessments which were largely associated with modest improvement in the overall financial condition of borrowers in the commercial real estate segment of portfolio.

The following table summarizes the Bank's loan mix:

	As of			Change % vs.	
	December 31,	September 30,	December 31,	September 30,	December 31,
<i>(Dollars in thousands)</i>	2025	2025	2024	2025	2024
SBA and B&I loans	\$ 179,659	\$ 177,493	\$ 183,240	1 %	(2) %
Commercial term loans	123,267	123,755	121,238	— %	2 %
Revolving commercial lines	185,604	168,864	148,336	10 %	25 %
Asset-based lines of credit	57,238	45,117	28,788	27 %	99 %
Construction loans	253,978	246,774	191,772	3 %	32 %
Commercial real estate loans	1,352,215	1,345,230	1,364,352	1 %	(1) %
Home equity lines of credit	36,005	37,239	33,853	(3) %	6 %
Consumer and other loans	3,435	3,596	2,125	(4) %	62 %
Deferred loan expenses, net of fees	1,904	2,160	2,133	(12) %	(11) %
Total loans, net of deferred fees and costs	2,193,305	2,150,228	2,075,837	2 %	6 %
Purchase discount on acquired loans	(20,841)	(23,050)	(30,622)	(10) %	(32) %
Total loans, net of unaccreted purchase discount	\$ 2,172,464	\$ 2,127,178	\$ 2,045,215	2 %	6 %

The following table summarizes delinquent and nonperforming loans, net of deferred fees and costs, and purchase discounts:

	As of or for the three months ended		
<i>(Dollars in thousands)</i>	December 31, 2025	September 30, 2025	December 31, 2024
Loans past due 30-89 days	\$ 8,778	\$ 8,418	\$ 387
<i>Loans past due 30-89 days, net of government guaranteed amounts</i>	<i>3,717</i>	<i>4,693</i>	<i>387</i>
Delinquent loans (past due 90+ days still accruing)	—	—	—
Nonaccrual loans	14,101	14,355	618
Other real estate owned	267	—	—
Nonperforming assets	\$ 14,368	\$ 14,355	\$ 618
<i>Nonperforming assets, net of government guaranteed amounts</i>	<i>\$ 11,962</i>	<i>\$ 12,495</i>	<i>\$ 515</i>

Net loan charge-offs (recoveries) QTD	\$	(346)	\$	—	\$	—
Net loan charge-offs (recoveries) YTD	\$	(323)	\$	23	\$	55

Deposits

Deposits totaled \$2.5 billion at December 31, 2025, an increase of \$41.0 million compared to September 30, 2025, and an increase of \$166.6 million compared to December 31, 2024. The increase in deposits in the fourth quarter of 2025 is partly attributed to seasonal growth in deposits held by large nonprofit organizations, which grew \$60.8 million from September 30, 2025, to December 31, 2025. We have seen additional benefit from large clients associated with the construction industry, whose deposits grew by \$32.2 million over the fourth quarter of 2025. Strong deposit growth was also from long-time clients in the agricultural industry, who brought in \$15.3 million over the fourth quarter. New banking relationships established in 2025 generated \$134.0 million in deposits and more than 1,000 new deposit accounts during the year.

Noninterest-bearing deposits to total deposits was 40.9% at December 31, 2025, compared to 43.5% at September 30, 2025, and 43.9% at December 31, 2024.

The 10 largest deposit relationships, excluding fully collateralized government agency deposits, represent approximately 12% of total deposits as of both December 31, 2025, and September 30, 2025, compared to 13% as of December 31, 2024.

The following table summarizes the Bank's deposit mix:

	As of		Change % vs.		
	December 31,	September 30,	December 31,	September 30,	December 31,
(Dollars in thousands)	2025	2025	2024	2025	2024
Noninterest-bearing demand	\$ 996,788	\$ 1,058,787	\$ 1,014,263	(6) %	(2) %
Interest-bearing demand	262,597	235,025	270,254	12 %	(3) %
Money markets	900,535	810,311	668,584	11 %	35 %
Savings	168,312	181,282	183,507	(7) %	(8) %
Time certificates of deposit	148,820	150,692	173,875	(1) %	(14) %
Brokered deposits	—	—	—	— %	— %
Total deposits	\$ 2,477,052	\$ 2,436,097	\$ 2,310,483	2 %	7 %
Deposits – personal	\$ 813,138	\$ 779,312	\$ 794,990	4 %	2 %
Deposits – business	1,663,914	1,656,785	1,515,493	— %	10 %
Deposits – brokered	—	—	—	— %	(100) %
Total deposits	\$ 2,477,052	\$ 2,436,097	\$ 2,310,483	2 %	7 %

Shareholders' Equity

Total shareholders' equity was \$376.8 million at December 31, 2025, an \$8.3 million, or 2.3%, increase compared to September 30, 2025, and a \$43.8 million, or 13.2%, increase compared to December 31, 2024. The increase during the fourth quarter of 2025 was primarily due to quarterly earnings of \$13.8 million and a decrease in the unrealized loss on the AFS debt securities portfolio, resulting in the improvement in accumulated other comprehensive losses by \$2.1 million. This was partially offset by quarterly dividends declared of \$2.3 million as well as \$5.6 million of share repurchases made in the fourth quarter of 2025 as part of the Share Repurchase Program noted below. The increase over December 31, 2024, was primarily due to earnings accumulation over the past 12 months of \$50.4 million and a reduction in accumulated other comprehensive loss of \$8.6 million, stemming from decreases in unrealized losses on the AFS debt securities portfolio, partially offset by dividends declared over the past 12 months of \$8.7 million and \$8.2 million of share repurchases in 2025.

Share Repurchase Program

On May 6, 2025, Bancorp announced the launch of a new Share Repurchase Program approved by its Board of Directors to repurchase up to \$10 million of common stock in the open market or through privately negotiated transactions as market conditions warrant. Bancorp intends to fund repurchases with

dividends from the Bank, as needed, and to execute repurchases in compliance with applicable federal and state securities laws and bank regulations including Rules 10b-18 and 10b5-1 as promulgated under the Securities Exchange Act of 1934. The stock repurchase program may be suspended, terminated or modified at any time and will expire on June 30, 2026. The timing and amount of common stock repurchases made pursuant to the Share Repurchase Program are subject to various factors, including Bancorp's capital position, liquidity, financial performance, alternative uses of capital, stock trading price, regulatory requirements, Bancorp's blackout periods and general market conditions. Stock repurchases are accounted for as a reduction in equity. As of December 31, 2025, 198,743 shares had been repurchased at a weighted average share price of \$40.92 for a total of \$8.2 million.

Non-GAAP Financial Measures¹

In addition to evaluating Bancorp's results of operations in accordance with generally accepted accounting principles ("GAAP") in the United States of America, certain non-GAAP financial measures are widely accepted by the institutional investor community. Non-GAAP measures provide the reader with additional perspectives on operating results, financial condition and performance trends, while facilitating comparisons with the performance of other financial institutions. Disclosing these non-GAAP measures is both useful internally and expected by our investors to understand the overall performance of Bancorp.

Examples of non-GAAP financial measures include adjusted net income, adjusted efficiency ratio, adjusted tangible common equity and adjusted return on average tangible common equity:

- Adjusted net income excludes the impact of certain non-recurring activity. This financial measure is useful for evaluating the performance of a business consistently.
- Adjusted efficiency ratio is a common comparable metric used by banks to understand the expense structure relative to total revenue. To improve the comparability of the ratio to our peers and internally across periods, non-recurring items are excluded.
- Adjusted tangible common equity and adjusted tangible book value per common share measures exclude the impact of intangible assets, net of deferred taxes and their related amortization. These financial measures are useful for evaluating the performance of a business consistently.
- Adjusted return on average tangible common equity is used by management and readers of our financial statements to understand how efficiently Bancorp is deploying its common equity. Companies that can demonstrate more efficient use of common equity are more likely to be viewed favorably by current and prospective investors.

A reconciliation of GAAP to non-GAAP financial measures and other performance ratios used by Bancorp, as adjusted, is presented in the table at the end of this earnings release.

ABOUT WEST COAST COMMUNITY BANK AND WEST COAST COMMUNITY BANCORP

Founded in 2004, West Coast Community Bank is the wholly owned subsidiary of West Coast Community Bancorp, a bank holding company. The Bank is a top-rated, locally operated and full-service community bank headquartered in Santa Cruz, Calif. with branches in Aptos, Capitola, Cupertino, King City, Monterey, Salinas, San Luis Obispo, Santa Cruz, Scotts Valley and Watsonville. West Coast Community Bank is distinguished from "big banks" by its relationship-based service, problem-solving focus and direct access to decision makers. The Bank is a leading SBA lender in Santa Cruz County and Silicon Valley. As a full-service bank, West Coast Community Bank offers competitive deposit and lending solutions for businesses and individuals; including business loans, lines of credit, commercial real estate financing, construction lending, asset-based lending, agricultural loans, SBA and USDA government guaranteed loans, credit cards, merchant services, remote deposit capture, mobile and online banking, bill payment and treasury management. True to its community roots, West Coast Community Bank has supported regional well-being by actively participating in and donating to local nonprofit organizations. Visit wccb.com for more information.

NATIONAL, STATE AND LOCAL RATINGS AND AWARDS

- **Newsweek Magazine:** Named one of America's Best Banks and Credit Unions 2026.
- **TIME Magazine America's Growth Leaders for 2026:** Ranked #330 of 501 in inaugural list of top performing publicly listed companies in the U.S.
- **Bank Director Magazine 2025 RankingBanking Report:** Ranked #4 among Top 25 U.S. publicly traded banks and #2 for banks with assets less than \$5B (for full-year 2024 performance).
- **S&P Global Market Intelligence:** Ranked #62 among top U.S. community banks under \$3B in assets (for full-year 2024 financial performance).
- **The Findley Reports, Inc.:** Super Premier Performing Bank rating for 16 consecutive years.
- **BauerFinancial:** Rated 5-star "Superior" for first three quarters of 2025.
- **American Banker Magazine:** Ranked #59 among top U.S. community banks with \$2-\$10B in assets (for full-year 2024 financial performance).
- **Independent Community Bankers of America Top 25 of 2024:** Ranked #12 for best-performing community banks with assets greater than \$1 billion (for full-year 2023 financial performance).
- **Silicon Valley Business Journal**
 - Ranked #11 among Top 20 largest Silicon Valley banks by deposits as of June 30, 2025.
 - Ranked #11 among fastest-growing real estate lenders as of March 31, 2025.
 - Ranked #17 among largest corporate philanthropists in Silicon Valley for 2024 giving.
- **Santa Cruz Area Chamber of Commerce:** 2025 Business of the Year.
- **Santa Cruz Sentinel, 2025 Readers' Choice Award:** Voted number one bank in Santa Cruz County for 11 years.
- **Good Times Best of Santa Cruz County Readers' Poll:** Voted Best Local Bank for the thirteenth consecutive year.
- **The Pajaronian 2025 Best of the Pajaro Valley Readers' Poll:** Silver Award for Best Bank.
- **The Press Banner 2025 The Best of Scotts Valley Readers' Poll:** Silver Award for Best Local Bank.

Forward-Looking Statements

This release may contain statements that we believe are, or may be considered to be, "forward-looking statements." Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on our current beliefs, expectations, or assumptions regarding the future of the business, future plans and strategies, operational results, and other future conditions of the Bancorp. All statements other than statements of historical fact included in this release may constitute forward-looking statements, including statements regarding the prospects of our industry or our prospects, plans, expected operating results, financial position, or business strategy. In addition, forward-looking statements generally can be identified by the use of forward-looking words such as "plans," "expects" or "does not expect," "is expected," "look forward to," "budget," "scheduled," "estimates," "forecasts," "will continue," "intends," "the intent of," "have the potential," "anticipates," "does not anticipate," "believes," "should," "should not," "may," "could," "would," "might," "will," "be taken," "occur," "be achieved," or the negative of these terms or variations of them or similar terms. Although we believe

that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that these expectations will prove to be correct. These forward-looking statements are subject to certain known and unknown risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such risks and uncertainties may include but are not necessarily limited to achieving the intended synergies with 1st Capital Bancorp post-merger, retaining employees and clients, fluctuations in interest rates (including but not limited to changes in depositor behavior and/or impacts on our core deposit intangible in relation thereto), inflation, government regulations and general economic conditions and competition within the business areas in which the Bank and the Bank's clients are conducting their operations, including the impact of proposed or imposed tariffs or other trade restrictions, labor or supply chain issues, health of the real estate market in California, Bancorp's ability to effectively execute its business plans and other factors beyond Bancorp and the Bank's control. Therefore, we caution you not to place undue reliance on any forward-looking statements contained herein, which reflect management's opinions only as of the date hereof. Except as required by law, we undertake no obligation to revise or publicly release the results of any revision to any forward-looking statements.

Concurrent with this earnings release, Bancorp issued presentation slides providing supplemental information intended to be reviewed together with this release. Slides may be viewed online at: wccb.com/investor_relations.

Balance Sheet	As of		
	December 31, 2025	September 30, 2025	December 31, 2024
<i>(Dollars in thousands)</i>			
ASSETS			
Cash and cash equivalents	\$ 190,782	\$ 143,504	\$ 84,758
Interest-bearing deposits in other financial institutions	—	249	249
Debt securities available for sale (amortized cost \$390,996, \$437,487 and \$419,237 at December 31, 2025, September 30, 2025, and December 31, 2024, respectively, net of allowance of credit losses of \$0)	384,608	428,007	400,473
Debt securities held to maturity, net of allowance for credit losses of \$0 (fair value \$6,257, \$6,133 and \$6,805 at December 31, 2025, September 30, 2025, and December 31, 2024, respectively)	6,544	6,570	7,273
Loans held for investment	2,172,464	2,127,178	2,045,215
Less: Allowance for credit losses on loans	(38,173)	(37,091)	(31,622)
Loans, net of allowance	2,134,291	2,090,087	2,013,593
Non-marketable equity investments, at cost	15,355	15,355	15,355
Premises and equipment, net	10,285	10,206	9,397
Goodwill	40,054	40,054	40,054
Core deposit intangible asset, net	23,858	24,849	28,051
Bank-owned life insurance	29,492	28,097	27,550
Deferred income taxes, net	24,289	25,856	28,472
Accrued interest receivable and other assets	24,126	25,337	25,203
Total assets	\$ 2,883,684	\$ 2,838,171	\$ 2,680,428

LIABILITIES AND SHAREHOLDERS' EQUITY

Deposits

Noninterest-bearing	\$ 1,012,201	\$ 1,058,787	\$ 1,014,263
Interest-bearing	1,464,851	1,377,310	1,296,220
Total deposits	2,477,052	2,436,097	2,310,483
Subordinated debentures	7,790	11,092	11,608
Accrued interest payable and other liabilities	22,015	22,486	25,356
Total liabilities	2,506,857	2,469,675	2,347,447
Shareholders' equity			
Preferred stock, no par value; 10,000,000 shares authorized; no shares issued or outstanding	—	—	—
Common stock, no par value; 30,000,000 shares authorized; 10,482,767, 10,537,167 and 10,556,467 outstanding for the periods ended at December 31, 2025, September 30, 2025, and December 31, 2024, respectively	198,250	203,493	204,787
Retained earnings	182,448	170,992	140,672
Accumulated other comprehensive loss, net of taxes	(3,871)	(5,989)	(12,478)
Total shareholders' equity	376,827	368,496	332,981
Total liabilities and shareholders' equity	\$ 2,883,684	\$ 2,838,171	\$ 2,680,428

Income Statement

Three months ended

Year ended

December 31, September 30, December 31, December 31, December 31,

(Dollars in thousands, except share data)

2025 2025 2024 2025 2024

Interest income

Loans, including fees	\$ 38,219	\$ 38,334	\$ 37,821	\$ 150,507	\$ 111,315
Interest-bearing deposits in other financial institutions	1,630	1,284	928	3,364	2,018
Taxable securities	3,229	2,693	2,729	10,954	5,381
Tax-exempt securities	568	570	661	2,316	923
Total interest income	43,646	42,881	42,139	167,141	119,637

Interest expense

Deposits	8,125	8,018	7,822	30,562	24,142
Subordinated debentures	1,077	229	237	1,937	237

Federal Home Loan Bank advances and other borrowings	—	—	4	412	130
Total interest expense	9,202	8,247	8,063	32,911	24,509
Net interest income before provision for credit losses	34,444	34,634	34,076	134,230	95,128
Provision for credit losses on loans	736	3,540	7,729	6,178	6,929
Provision (reversal) for credit losses on unfunded loan commitments	735	(50)	210	785	110
Net interest income after provision (reversal) for credit losses	32,973	31,144	26,137	127,267	88,089
Noninterest income					
Service charges on deposits	227	177	257	742	681
Loan servicing fees	114	126	127	508	568
ATM fee income	272	280	236	1,107	883
Earnings on bank-owned life insurance	195	185	181	742	548
Dividends on non-marketable equity securities	288	281	302	1,144	844
(Loss) on sale of assets	—	(2)	(508)	(281)	(507)
Other	243	238	316	1,060	1,036
Total noninterest income	1,339	1,285	911	5,022	4,053
Noninterest expense					
Salaries and employee benefits	8,360	8,300	8,312	33,898	24,611
Occupancy	772	797	967	3,289	2,685
Furniture and equipment	1,029	888	1,023	3,734	2,688
Marketing, business development and shareholder-related expense	525	519	276	1,965	1,035
Data and item processing	720	698	760	2,789	2,229
Regulatory assessments, including federal deposit insurance	399	369	350	1,559	1,054
Amortization of core deposit intangibles	991	1,068	1,071	4,193	1,320
Professional fees	815	629	529	2,173	1,310
Acquisition-related expense	201	150	6,278	698	7,050
Other	1,977	2,073	1,993	7,927	6,223

Total noninterest expense	15,789	15,491	21,559	62,225	50,205
Income before income taxes	18,523	16,938	5,489	70,064	41,937
Income tax expense	4,751	4,877	1,649	19,635	12,358
Net income	\$ 13,772	\$ 12,061	\$ 3,840	\$ 50,429	\$ 29,579
Earnings per share					
Basic	\$ 1.32	\$ 1.15	\$ 0.37	\$ 4.81	\$ 3.32
Diluted	\$ 1.31	\$ 1.14	\$ 0.36	\$ 4.76	\$ 3.28

Financial Highlights

As of or for the three months ended

For the year ended

December 31, September 30, December 31, December 31, December 31,

(Dollars in thousands, except share data)

2025 2025 2024 2025 2024

Ratios and Growth Rates

Net interest margin, tax equivalent ^a	4.99 %	5.28 %	5.38 %	5.21 %	5.09 %
Cost of funds ^b	1.46 %	1.37 %	1.37 %	1.39 %	1.45 %
Efficiency ratio ^c	44.12 %	43.13 %	61.62 %	44.69 %	50.62 %
Return on:					
Average assets	1.88 %	1.73 %	0.57 %	1.84 %	1.50 %
Average equity	14.55 %	13.16 %	4.55 %	14.06 %	11.11 %
Average tangible equity ^d	18.46 %	17.05 %	6.85 %	18.25 %	13.35 %
ACL/Gross loans	1.76 %	1.74 %	1.55 %		
Noninterest-bearing deposits to total deposits	40.86 %	43.46 %	43.90 %		
Gross loan-to-deposit ratio	87.70 %	87.32 %	88.52 %		
Growth in loans	2.13 %	0.82 %	46.66 %	6.22 %	44.92 %
Growth in deposits	1.68 %	7.79 %	51.31 %	7.21 %	52.50 %

Capital Ratios

Tier 1 leverage ratio	11.12 %	11.38 %	10.51 %		
Common equity tier 1 risk-based capital ratio	12.89 %	12.93 %	12.24 %		

Tier 1 risk-based capital ratio	12.89 %	12.93 %	12.24 %
Total risk-based capital ratio	14.46 %	14.65 %	14.00 %
Tangible common equity ratio ^e	11.10 %	10.95 %	10.14 %

Per Share Data

Book value per share	\$ 35.95	\$ 34.97	\$ 31.54		
Tangible book value per share ^f	\$ 29.85	\$ 28.81	\$ 25.09		
Shares outstanding	10,482,767	10,537,167	10,556,467		
Basic weighted average common shares outstanding	10,429,104	10,489,496	10,487,152	10,486,508	8,920,590
Diluted weighted average common shares outstanding	10,546,203	10,601,694	10,614,204	10,599,879	9,015,943

^a Net interest margin is calculated by dividing annualized taxable equivalent net interest income by period average interest-earning assets. Interest income on tax-exempt securities and loans are presented on a taxable-equivalent basis using the Federal statutory rate of 21 percent.

^b Cost of funds is computed by dividing annualized interest expense by the sum of period average deposits and borrowings.

^c Efficiency ratio equals total noninterest expenses divided by the sum of net interest income and noninterest income.

^d Return on average tangible equity is calculated by dividing annualized net income by period average tangible shareholders' equity. Tangible shareholders' equity is defined in note ^f below.

^e Tangible common equity ratio is calculated by dividing tangible shareholders' equity as defined in note ^f below by assets less goodwill and other intangible assets.

^f Tangible equity equals total shareholders' equity less goodwill and other intangible assets. Tangible book value per share divides tangible equity by period ending shares outstanding

¹ Non-GAAP Financial Measures	As of or for the three months ended			As of or for the year ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
<i>(Dollars in thousands, except share data)</i>					
Noninterest expense reported per GAAP	\$ 15,789	\$ 15,491	\$ 21,559	\$ 62,225	\$ 50,205
Less: merger expense	201	150	6,278	698	7,050
Adjusted non-interest expense (non-GAAP)	\$ 15,588	\$ 15,341	\$ 15,281	\$ 61,527	\$ 43,155
Net interest income, taxable equivalent (TE)	\$ 34,577	\$ 34,767	\$ 34,229	\$ 134,775	\$ 95,405
Less: accretion of purchase discount of acquired loans	(2,210)	(2,321)	(3,783)	(9,781)	(3,783)

Add: accelerated accretion on discount of partially redeemed subordinated debt	864	—	—	1,024	—
Adjusted net interest income (non-GAAP)	\$ 33,231	\$ 32,446	\$ 30,446	\$ 126,018	\$ 91,622
Average interest earning assets	\$ 2,747,593	\$ 2,610,884	\$ 2,528,793	\$ 2,586,115	\$ 1,875,967
Adjusted loan yield without purchase discount accretion (non-GAAP)	6.63 %	6.78 %	6.70 %	6.67 %	6.94 %
Net interest margin, taxable equivalent	4.99 %	5.28 %	5.38 %	5.21 %	5.09 %
Adjusted net interest margin (TE) (non-GAAP)	4.80 %	4.93 %	4.79 %	4.87 %	4.88 %
Non-interest income reported per GAAP	\$ 1,339	\$ 1,285	\$ 911	\$ 5,022	\$ 4,053
Add: net loss on sale of Monterey branch facility	—	—	509	—	509
Add: net loss on sale of investments	—	2	—	280	—
Adjusted non-interest income (non-GAAP)	\$ 1,339	\$ 1,287	\$ 1,420	\$ 5,302	\$ 4,562
Efficiency ratio	44.12 %	43.13 %	61.62 %	44.69 %	50.62 %
Net income reported per GAAP	\$ 13,772	\$ 12,061	\$ 3,840	\$ 50,429	\$ 29,579
Add: Day 1 provision for credit losses on acquired non-PCD loans	—	—	7,667	—	7,667
Add: net loss on sale of Monterey branch facility	—	—	509	—	509
Add: net loss on sale of investments	—	2	—	280	—
Add: accelerated accretion on discount of partially redeemed subordinated debt	864	—	—	1,024	—
Add: merger expense	201	150	6,278	698	7,050
Adjusted non-recurring items	1,065	152	14,454	2,002	15,226
Tax effected non-recurring items	750	107	10,210	1,410	10,946
Adjusted net income (non-GAAP)	\$ 14,522	\$ 12,168	\$ 14,050	\$ 51,839	\$ 40,525
Adjusted efficiency ratio (non-GAAP)	42.54 %	42.71 %	43.05 %	43.77 %	43.29 %
GAAP basic earnings per share	\$ 1.32	\$ 1.15	\$ 0.37	\$ 4.81	\$ 3.32
Adjusted basic earnings per share (non-GAAP)	\$ 1.39	\$ 1.16	\$ 1.34	\$ 4.94	\$ 4.54
GAAP diluted earnings per share	\$ 1.31	\$ 1.14	\$ 0.36	\$ 4.76	\$ 3.28
Adjusted diluted earnings per share (non-GAAP)	\$ 1.38	\$ 1.15	\$ 1.32	\$ 4.89	\$ 4.49

Adjusted non-GAAP ROAA	1.98 %	1.74 %	2.08 %	1.89 %	2.05 %
Adjusted non-GAAP ROAE	15.34 %	13.27 %	16.65 %	14.46 %	15.22 %
Adjusted non-GAAP ROATE	19.41 %	17.20 %	22.07 %	18.73 %	18.14 %

¹ Non-GAAP Financial Measures <i>(Continued)</i>	As of or for the three months ended			As of or for the year ended	
	December 31,	September 30,	December 31,	December 31,	December 31,
	2025	2025	2024	2025	2024
<i>(Dollars in thousands, except share data)</i>					
Total shareholders' equity	\$ 376,827	\$ 368,496	\$ 332,981	\$ 376,827	\$ 332,981
Less: goodwill and other intangibles	63,912	64,903	68,105	63,912	68,105
Tangible common equity (non-GAAP)	\$ 312,915	\$ 303,593	\$ 264,876	\$ 312,915	\$ 264,876
Tangible book value per common share (non-GAAP)	\$ 29.85	\$ 28.81	\$ 25.09	\$ 29.85	\$ 25.09
Total assets	\$ 2,883,684	\$ 2,837,486	\$ 2,680,428	\$ 2,883,684	\$ 2,680,428
Less: goodwill and other intangibles	63,912	64,903	68,105	63,912	68,105
Tangible assets	\$ 2,819,772	\$ 2,772,583	\$ 2,612,323	\$ 2,819,772	\$ 2,612,323
Total shareholders' equity to total assets	13.07 %	12.99 %	12.42 %	13.07 %	12.42 %
Tangible equity to tangible assets (non-GAAP)	11.10 %	10.95 %	10.14 %	11.10 %	10.14 %

SOURCE West Coast Community Bancorp