



First Choice Bank™

First in Speed | Service | Solutions



Peter Hui
Chairman



Robert M. Franko
President/CEO

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Dear Valued Shareholders, Customers and Staff:

Despite the ongoing Shelter-at-Home orders for our local communities and an overall slower economy nationwide over the last several months as a result of the Coronavirus (COVID-19) pandemic, Q2 2020 was one of the busiest quarters on record for First Choice Bank. Employees from all departments pitched in countless hours to help the Bank's existing and new clients get funding from the SBA's Paycheck Protection Program ("PPP"), a loan program designed to allow small businesses to continue paying their employees during this unprecedented time of the Coronavirus pandemic. As well, the Bank was recently approved to be a lender in the Federal Reserve's Main Street Lending Program ("MSLP"), which was created to help mid-size companies in America receive funds to maintain operations and keep workers employed. The processes for both loan programs have been a tremendous undertaking for our team, and we could not be more proud of the work our employee partners are doing to help FCB's clients and their businesses to survive.

In financial news, we are pleased to report strong earnings for the first half of the year. As of June 30, 2020, First Choice had earned \$10.2 million in net income year-to-date, with \$5.7 million net income during the second quarter alone, up 26.0% over the previous quarter. Total loans held for investment increased \$393.6 million, including \$389.2 million, net of unearned fees, of PPP loans, up 27.4% over the first quarter of this year. As well, the Board of Directors just approved the third quarterly cash dividend* of 2020, \$0.25 per share, to be paid on or around September 3, to shareholders of record as of August 20 ([First Choice Announces Q3 2020 Quarterly Cash Dividend](https://investors.firstchoicebankca.com/news-events/news/news-details/2020/First-Choice-Bancorp-Announces-Quarterly-Cash-Dividend-f4bde3605/default.aspx): <https://investors.firstchoicebankca.com/news-events/news/news-details/2020/First-Choice-Bancorp-Announces-Quarterly-Cash-Dividend-f4bde3605/default.aspx>). Additional performance details are included inside and in our recent press release ([First Choice Announces Second Quarter of 2020 Financial Results](https://investors.firstchoicebankca.com/news-events/news/news-details/2020/First-Choice-Bancorp-Announces-Second-Quarter-of-2020-Financial-Results/default.aspx): <https://investors.firstchoicebankca.com/news-events/news/news-details/2020/First-Choice-Bancorp-Announces-Second-Quarter-of-2020-Financial-Results/default.aspx>) and Investor Presentation ([First Choice Q2 2020 Overview and COVID-19 Updates](https://s1.q4cdn.com/111476562/files/doc_presentations/2020/07/FCBP-COVID-19-Impact-Slides_vFinal-(07-20-20).pdf): [https://s1.q4cdn.com/111476562/files/doc_presentations/2020/07/FCBP-COVID-19-Impact-Slides_vFinal-\(07-20-20\).pdf](https://s1.q4cdn.com/111476562/files/doc_presentations/2020/07/FCBP-COVID-19-Impact-Slides_vFinal-(07-20-20).pdf)).

Our 2020 Annual Shareholders' Meeting took place on June 16, with the meeting conducted 100% virtually for the first time in the Company's history. Although our Board of Directors and employees prefer the camaraderie and connection that happens when we get together with our customers and shareholders in person, the online-only meeting was done to ensure the safety of all participants during the Coronavirus pandemic. We look forward to hopefully seeing everyone again at next year's meeting.

As various parts of the state begin to open up and businesses get back to business, we are hopeful for a return to some sort of normalcy soon, especially with community events. For now, our team has been, for the most part, volunteering virtually, and continuing to make donations to local non-profit organizations that help those most in need in our communities. You can find details and pictures inside of our recent community activities.

Although we are dealing with some very unusual times right now, we wanted to wish our shareholders, customers and employees a very Happy Anniversary! Fifteen years ago this month, on August 18, 2005, First Choice Bank opened its doors for the first time. There was only one branch, in Cerritos, and a handful of people with a vision to make a difference for those businesses and individuals most in need in our local community. Even after all of these years, FCB still strives to have a positive impact on all those we serve. It is only with the trust and loyalty of our shareholders and customers, and the hard work and dedication of each of our employees and directors, that we have been able to achieve our current level of success. Thank you all, and congratulations!

Respectfully,

Peter Hui
Chairman of the Board

Robert M. Franko
President/Chief Executive Officer

*The declaration of cash dividends in the future is subject to final determination each quarter by the Board based on a number of factors, including our financial performance and available cash resources. As such, there can be no assurance that dividends in the future will be declared or that the Board will not decide to suspend or discontinue the payment of cash dividends in the future.

Active in Our Communities



Blind Children's Learning Center
Destination → Independence

Despite the pandemic, FCB employees and directors got creative during the second quarter of the year to continue supporting our local communities. Our team participated virtually in the Blind Children's Learning Center's 16th Annual Destination Independence Virtual 5K Walk on June 13, donating funds to help ensure children with visual impairments and their families can continue to receive essential services.



We also provided financial assistance to Burbank Housing Corporation, an organization dedicated to preserving, updating and developing affordable housing opportunities in Burbank, CA, as well as providing other services, such as affordable childcare and student scholarships, to hundreds of low- and moderate-income families.



We partnered once again with The American Wheat Mission in Southern California ("Milal Mission"), a

non-profit missionary organization that serves people with disabilities in local communities. The group is currently focused on assisting local families with much-needed food, transportation and emotional and spiritual support during the ongoing COVID-19 pandemic. In June, FCB donated \$2,000 to help the organization with the work it is doing for the most vulnerable in the communities it serves.

From the beginning, Weingart East Los Angeles YMCA ("WELA YMCA") has been dedicated to strengthening the surrounding community by providing health and wellness programs, childcare and youth and teen enrichment activities. The organization's COVID-19 Relief Initiative was launched on March 20, and since then, 25,816 bags filled with groceries have been delivered to the elderly; 149,457 grab-and-go meals have been served to families; 14,441 warm meals have been provided to the homeless; and 800 toy kits have been distributed to area youth. As the need right now is only growing, the Bank's recent donation to the organization will be instrumental in helping WELA YMCA to continue to provide these important services to the community.



Rising Cyber Attacks Amid the COVID-19 Outbreak

Coronavirus scams are spreading nearly as fast as the virus itself. As of July 26, 2020, the Federal Trade Commission (FTC) reported approximately 144,000 consumer complaints related to COVID-19 and stimulus payments. Below are some common scams to look out for.

1. Fake Government Announcements

Threat actors are sending phishing emails disguised as government announcements. Fraudulent emails have included logos and other imagery associated with the Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO). Emails include links to items of interest, such as "updated cases of the coronavirus near you," that lead to malicious sites designed to steal your email credentials.

2. Operational Disruption

The spread of COVID-19 is disrupting temporary supplies and revenue in some industries. Emails disguised as invoices, shipping receipts and job applications include attachments that contain harmful malware or ransomware.

3. Hidden Malware

There is a rise in malicious emails directing recipients to educational and health-related websites riddled with malware. A recent scam sends coronavirus maps loaded from legitimate sources that run malware in the background.

4. False Advice and Cures

Emails purporting to hail from regional medical providers invite recipients to download attachments containing "secret cures" for the virus. The attachments instead contain malware designed to steal the personal and financial information of the victim.

5. False Charity

Emails designed to mimic the CDC are soliciting donations to fight the spread of the virus. The emails appeal to recipients' altruism, urging victims to donate into a Bitcoin wallet or to make other types of payments. The CDC is a federal agency and does not solicit donations.

What can you do to protect yourself?

- Avoid online offers for coronavirus-related vaccines or cures. They are not legitimate.
- Be wary of emails, calls and social media posts advertising "free" or government-ordered COVID-19 tests. Check the FDA website for a list of approved tests and testing companies.
- Do not click on links or download files from unexpected emails, text messages or unfamiliar websites.
- Do not share personal information such as Social Security, Medicare and credit card numbers in response to an unsolicited call, text or email.
- Be skeptical of fundraising calls or emails for COVID-19 victims or virus research.

First Choice Bank | Zelle®



We are excited to announce that First Choice Bank is now offering *Zelle*, a fast, safe, easy and contact-free way to send and receive money with friends, family and others you trust. With just an email address or U.S. mobile phone number, FCB consumer clients can use their mobile app to send money to people they trust, regardless of where they bank in the U.S. More details on *Zelle* and how to use it can be found on our website: <https://www.firstchoicebankca.com/zelle>.

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FCB's Annual Charity Golf Tournament

Due to ongoing concerns over the continued increase in COVID-19 cases, First Choice Bank has made the difficult decision to cancel this year's Annual Charity Golf Tournament, originally scheduled for October 22, 2020. With the impact of the pandemic, however, there is more need than ever to raise money for our 18 charitable organizations. If you are able, please make a donation by mail or through our website. 100% of all donations will go to the 18 nonprofits, to be matched dollar-for-dollar by both First Choice Bank and Much is Given Foundation, tripling the total amount given to the charities. Please email CharityGolf@FirstChoiceBankCA.com for more information. Thank you for your support.



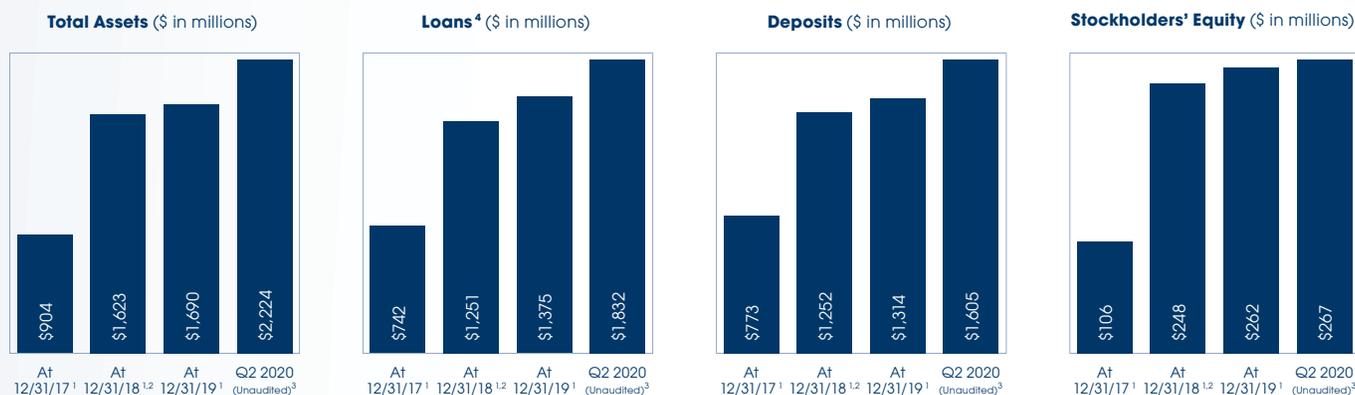
Consolidated Financial Highlights

Balance Sheet (\$ in millions)	At 12/31/17 ¹	At 12/31/18 ^{1,2}	At 12/31/19 ¹	At 06/30/20 ³
TOTAL ASSETS	\$904	\$1,623	\$1,690	\$2,224
LOANS HELD FOR INVESTMENT ⁴	\$742	\$1,251	\$1,375	\$1,832
DEPOSITS	\$773	\$1,252	\$1,314	\$1,605
STOCKHOLDERS' EQUITY	\$106	\$248	\$262	\$267

Growth (Year-to-date actual %)	YTD 12/31/17 ¹	YTD 12/31/18 ^{1,2}	YTD 12/31/19 ¹	YTD 06/30/20 ^{3,5}
TOTAL ASSETS	4.8%	79.6%	4.1%	63.2%
LOANS HELD FOR INVESTMENT ⁴	6.6%	68.6%	9.9%	66.5%
DEPOSITS	2.1%	62.0%	5.0%	44.3%
STOCKHOLDERS' EQUITY	3.1%	134.6%	5.6%	3.8%

Key Performance Metrics (\$ in millions)	YTD 12/31/17 ¹	YTD 12/31/18 ^{1,2}	YTD 12/31/19 ¹	YTD 06/30/20 ³
NET INCOME	\$7.4	\$15.1	\$27.8	\$10.3
RETURN ON AVERAGE ASSETS	0.8%	1.3%	1.7%	1.1%
RETURN ON AVERAGE EQUITY	7.0%	9.1%	10.9%	7.8%
EFFICIENCY RATIO	59.6%	61.1%	50.3%	53.9%
NON-PERFORMING LOANS OF TOTAL ASSETS	0.2%	0.1%	0.7%	0.4%

Strong Growth



(1) Audited; (2) Acquisition of Pacific Commerce Bancorp completed on July 31, 2018; (3) Unaudited financial results at and for the six months ended June 30, 2020; (4) Represents loans held for investment, net of premium/discount and deferred costs/fees; (5) Represents annualized growth.

Branch Locations

Corporate Headquarters

17785 Center Court Dr. N., Ste. 750 | Cerritos, CA 90703
Phone: 562.345.9092 | Toll Free: 877.256.9809
By Appointment Only

6th and Figueroa Branch

888 W. 6th St., Ste. 550 | Los Angeles, CA 90017
Phone: 213.613.5000
Mon–Fri: 10:00am–3:00pm

Alhambra Branch

407 W. Valley Blvd., Ste. 1 | Alhambra, CA 91803
Phone: 626.300.8987
Mon–Fri: 10:00am–3:00pm

Anaheim Branch

2401 E. Katella Ave., Ste. 125 | Anaheim, CA 92806
Phone: 714.634.5119
Mon–Fri: 10:00am–3:00pm

Carlsbad Branch

5857 Owens Ave., Ste. 106 | Carlsbad, CA 92008
Phone: 760.448.4700
Mon–Fri: 10:00am–3:00pm

Cerritos Branch

12845 Towne Center Dr. | Cerritos, CA 90703
Phone: 844.392.2842
Mon–Fri: 10:00am–3:00pm

Chula Vista Branch

530 Broadway | Chula Vista, CA 91910
Phone: 619.422.5300
Mon–Fri: 10:00am–3:00pm

Manhattan Beach Private Banking Office

2321 Rosecrans Ave. | El Segundo, CA 90245
Phone: 310.696.6669
By Appointment Only

Pasadena Branch

918 E. Green St., Ste. 100 | Pasadena, CA 91106
Phone: 626.714.3232
Mon–Fri: 10:00am–3:00pm

Rowland Heights Branch

17458 E. Colima Rd. | Rowland Heights, CA 91748
Phone: 626.964.3400
Mon–Fri: 10:00am–3:00pm

San Diego Loan Production Office

12730 High Bluff Dr., Ste. 100 | San Diego, CA 92130
Phone: 858.500.3098
Mon–Fri: 10:00am–3:00pm or By Appointment

West LA Branch

11300 W. Olympic Blvd., Ste. 100 | Los Angeles, CA 90064
Phone: 310.445.9033
Mon–Fri: 10:00am–3:00pm

www.FirstChoiceBankCA.com



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Reminder – Branch Hours of Operations

This year, Labor Day falls on Monday, September 7, 2020. In accordance with the Federal Reserve Bank holiday schedule, all First Choice branch locations will be closed that day in observance of the holiday. As a reminder, due to the Coronavirus pandemic, the adjusted hours of operation for all of our branches are Monday through Friday from 10:00am (local time) to 3:00pm (local time). Please refer to our website for more details, <https://www.firstchoicebankca.com/locations>.



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