

CCBN CFO Panel



November 5, 2019

AMBZ, EVP/CFO, Karen Schoenbaum

Forward-Looking Statement

This communication contains certain forward-looking information about American Business Bank that is intended to be covered by the safe harbor for “forward-looking statements” provided by the Private Securities Litigation Reform Act of 1995. Such statements include future financial and operating results, expectations, intentions and other statements that are not historical facts. Such statements are based on information available at the time of this communication and are based on current beliefs and expectations of the Bank’s management and are subject to significant risks, uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from those set forth in the forward-looking statements due to a variety of factors, including various risk factors. We are under no obligation (and expressly disclaim any such obligation) to update or alter our forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

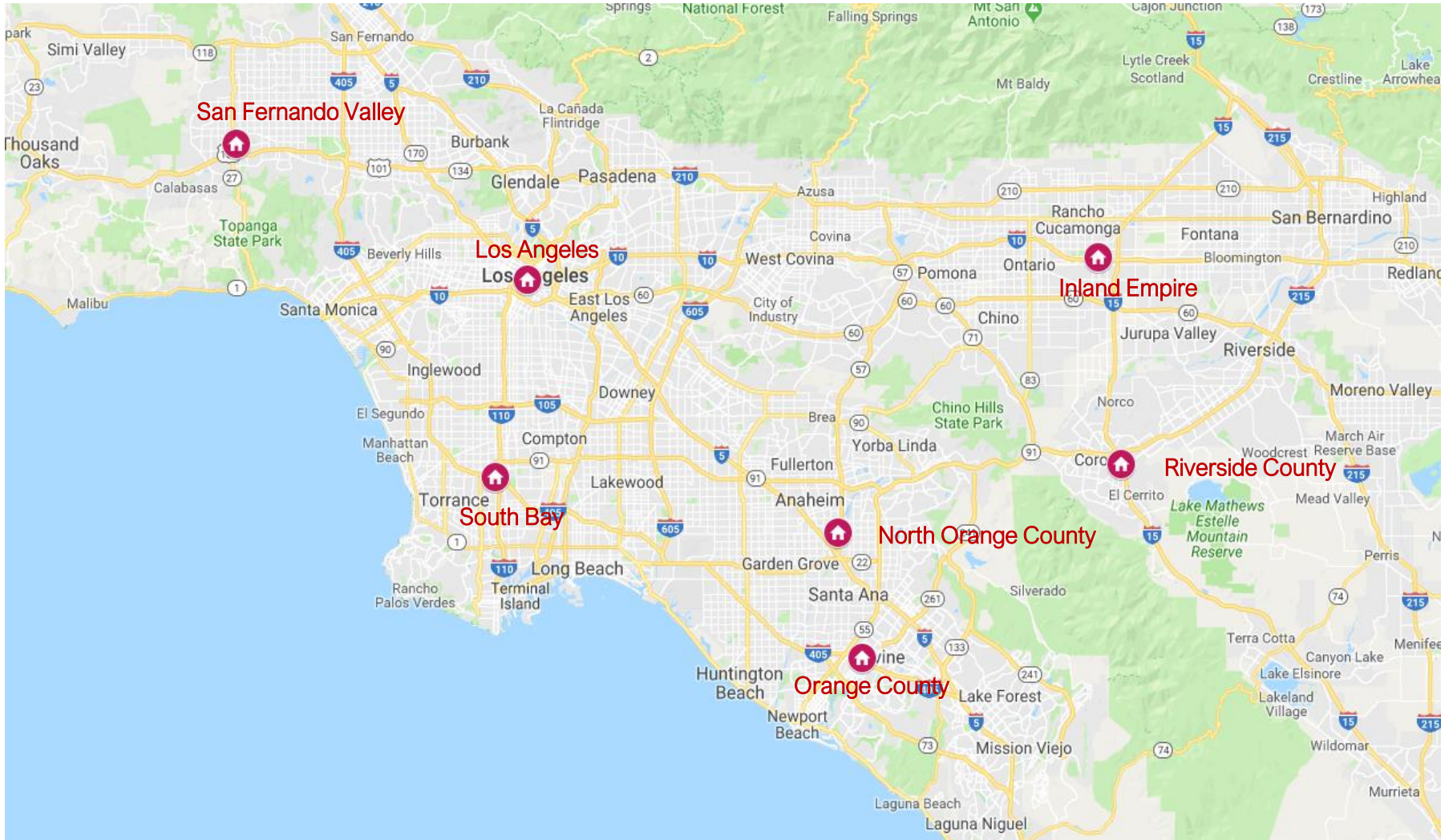
Corporate Overview

- American Business Bank (“AMBZ”) was founded in September 1998 to provide “high touch” banking services to small to medium size businesses in Southern California
- AMBZ offers its banking services to closely-held businesses with \$10-\$200 million in revenue
- In twenty-one years, the bank has grown organically to approximately \$2.3 billion in total assets. AMBZ serves its customer base through its headquarters in Los Angeles and six regional offices
- Currently 29 relationship officers serve the needs of over 1,600 clients

ABB Ranking By Assets

- ABB ranks 11th of the 57 banking institutions headquartered in the five-county area of Los Angeles, Orange, Ventura, San Bernardino and Riverside counties
- ABB ranks 35th of the 134 banking institutions headquartered in California
- ABB ranks 370th of the 4,831 United States banking institutions

HQ and LPO Locations



Target Industries

Who We Serve

- Wholesalers
- Manufacturers
- Service businesses
- Contractors
- Professionals
- Non-profits
- Real estate investors

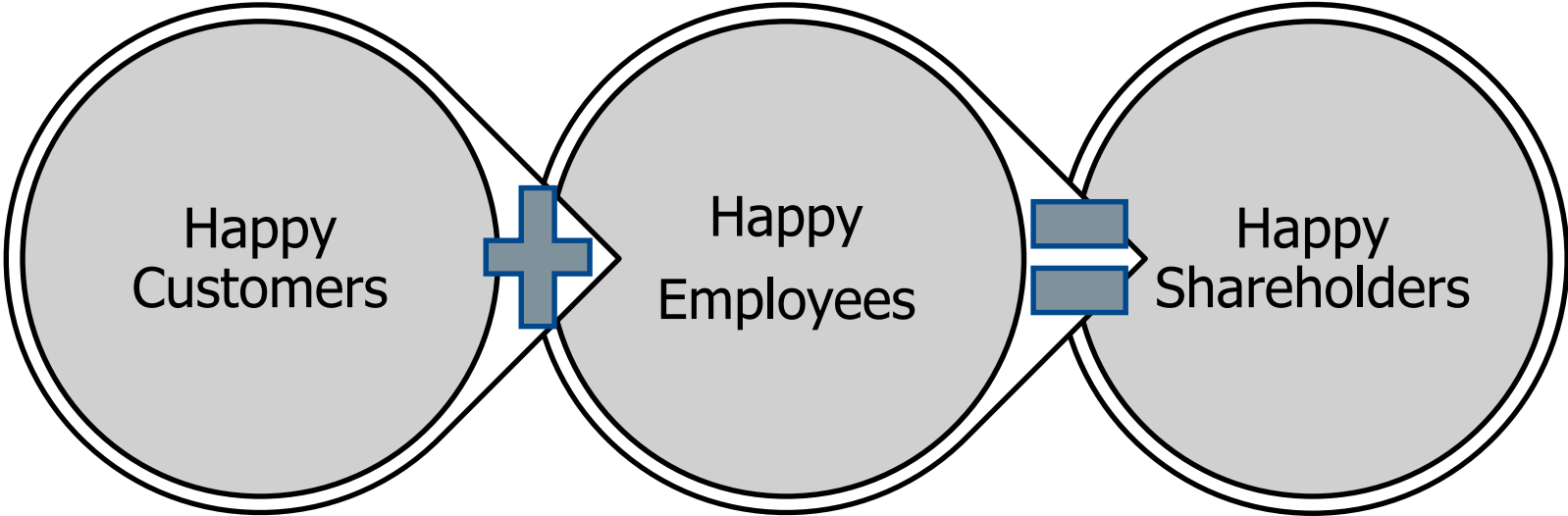
Who We Don't Serve

- Hi-tech
- Movie finance
- Heavy retail
- Venture capital
- Spec real estate developers
- MRB's and MSB's

How We Do It

- Emphasize acquisition of new relationships as the key growth driver for our business
- Leverage relationship-based banking approach and superior service
- Personalized and responsive service – no “800” number, customer service delivered by dedicated relationship managers
- Grow low-cost core deposits to fund loan growth with excess funds invested in high-quality investments
- Exceptional credit quality
- Strong capital management

Our Operating Principle

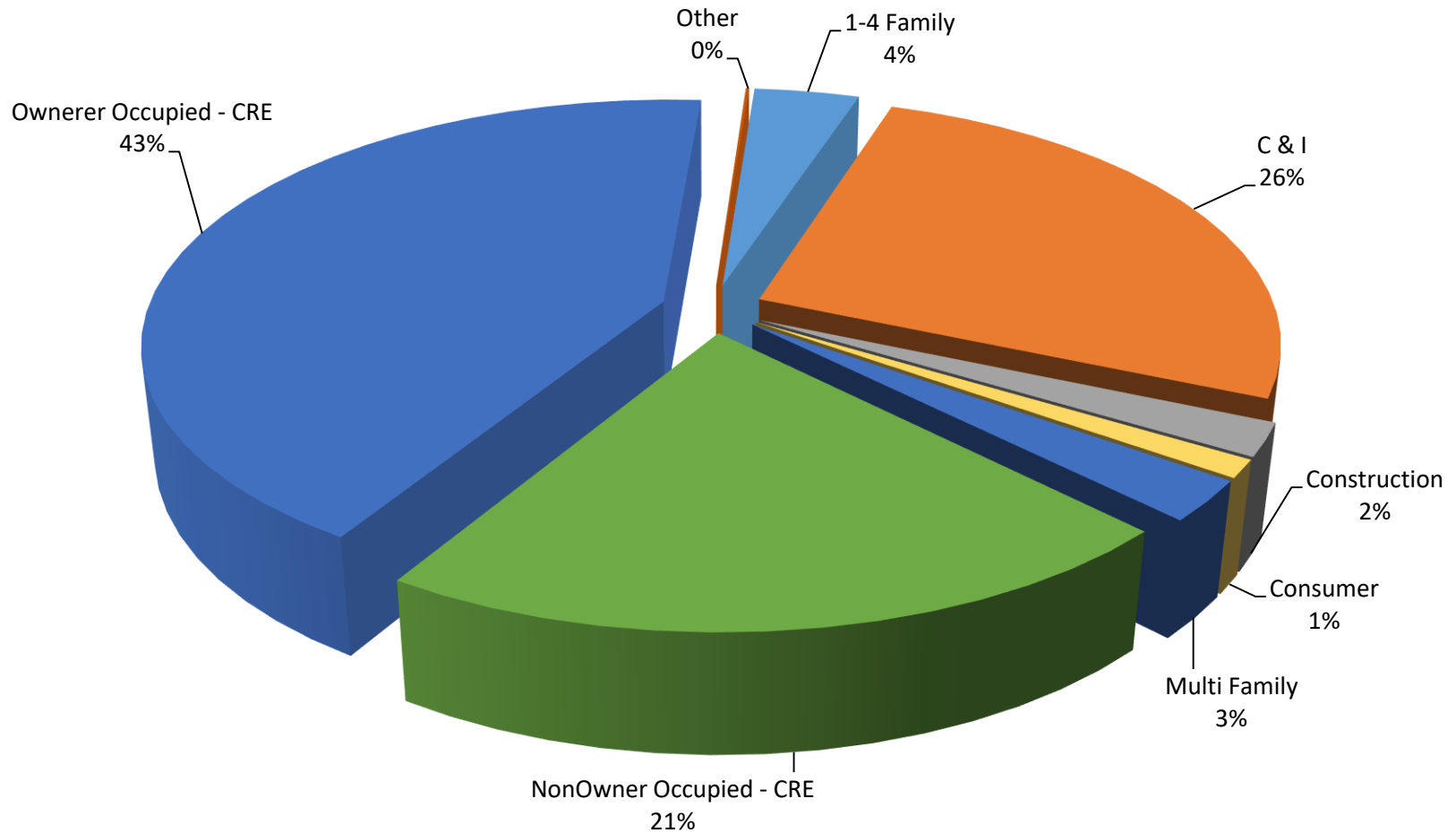


YTD 2019 Highlights

- Investment made in hiring seasoned banking personnel in Q4 2017 has paid off with substantial increase in earnings year-over-year
- Significant increases in loans and net interest income
- Approximately 52% Non-Interest Bearing Deposits to Total Deposits
- Cost of Deposits under 0.25%
- Over 95% Core Deposits to Total Deposits
- Achieved Loan to Deposit Ratio of 66%
- S&P Investment Grade Bond Rating

Business Model – Loans

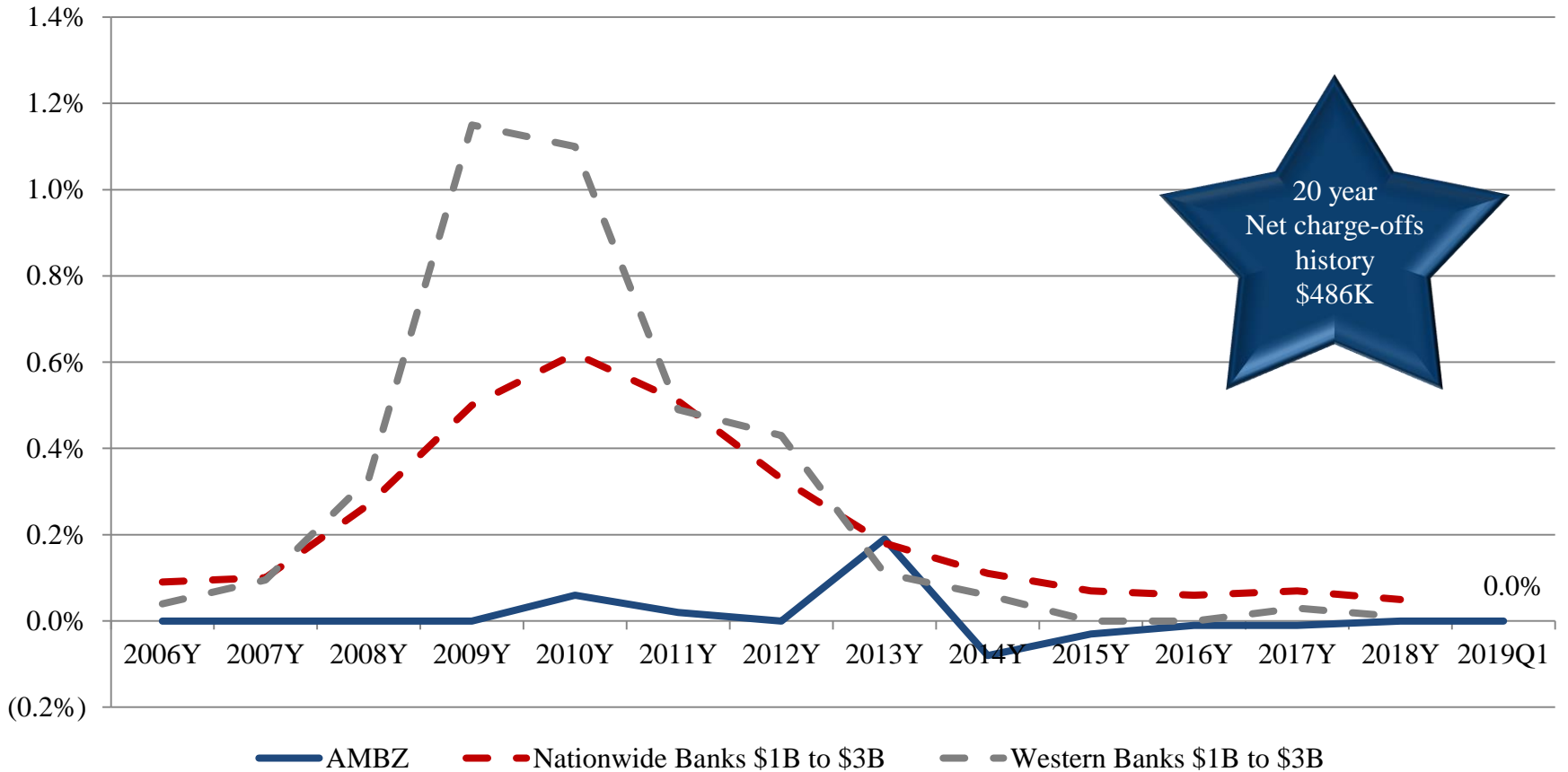
Loan Portfolio Composition as of September 30, 2019



C & I and Owner Occupied - CRE Loans total 69%

Peer Comparison – Stellar Credit History

Net Charge-Offs / Average Loans



Panel Questions

Challenges

- NIM Compression
- Spread not a fee Bank
Resist Commoditizing
- B- Employees & CA
Labor Law
- Relationship Bank with the
Internet of Everything

Opportunities

- Leverage Technology/
Fintech
- Leverage Experience
- Earning Asset Mix
- Need peer counseling
- Social Media