



 **SANTA CRUZ
COUNTY BANK**

Investor Presentation

July 2023

Disclaimer

This investor presentation has been prepared by Santa Cruz County Bank, (the “Company”) the wholly-owned subsidiary of West Coast Community Bancorp (traded as “SCZC” on the OTCQX), solely for informational purposes based on its own information, as well as information from public sources. Certain information contained herein may be derived from information provided by industry sources. The Company believes such information is accurate and that the sources from which it has been obtained are reliable. However, the Company has not independently verified such information and cannot guarantee the accuracy of such information.

This investor presentation has been prepared to assist interested parties in making their own evaluation of the Company and does not purport to contain all of the information that may be relevant. In all cases, interested parties should conduct their own investigation and analysis of the Company and the data set forth in the investor presentation and other information provided by or on behalf of the Company.

Cautionary Statement Regarding Forward-Looking Information

This communication may contain forward-looking statements that are subject to risks and uncertainties. Words such as “believe,” “expect,” “estimate,” “project,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “predicts,” “continue,” and similar expressions are intended to identify such forward-looking statements; however, the absence of these words does not mean the statements are not forward-looking. Such risks and uncertainties may include but are not necessarily limited to fluctuations in interest rates, inflation, government regulations and general economic conditions, the effects of and changes in monetary and fiscal policies, including the interest rate policies of the Federal Reserve Board and their related effects on inflation risk, and competition within the business areas in which the Bank is conducting its operations, including the real estate market in California and other factors beyond the Bank's control. Such risks and uncertainties could cause results for subsequent interim periods or for the entire year to differ materially from those indicated.

Actual results may differ materially from those contained in the forward-looking statements in this communication. Readers should not place undue reliance on the forward-looking statements, which reflect management's view only as of the date hereof. The Bank undertakes no obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Santa Cruz County Bank



Community bank headquartered in Santa Cruz, CA
Opened in 2004



About 150 employees
Krista Snelling joined as CEO on March 1, 2021



\$1.7 billion in assets



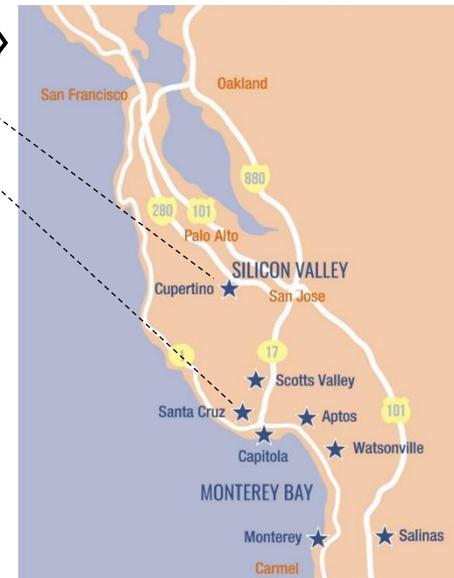
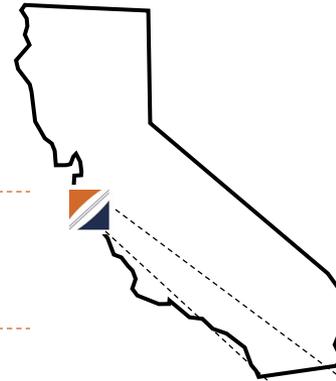
8 branches
Salinas branch (Monterey County) opened January 2023



West Coast Community Bancorp was established as
SCCB's bank holding company in Q3 2023



Merged with Lighthouse Bank in Q4 2019



Leadership Team



Krista Snelling
President & Chief Executive Officer



Cecilia Situ
EVP Chief Financial Officer



Jon P. Sisk
EVP Chief Banking Officer



Angelo DeBernardo
EVP Chief Lending Officer



Mary Anne Carson
EVP Chief Marketing Officer



Shawn Lipman
EVP Chief Credit Officer



Jaime Manriquez
EVP Chief Information Officer



Maxwell Sinclair
EVP Chief Risk Officer



Shamara van der Voort
EVP Chief Operations Officer



Frederick L. Caiocca
EVP Regional Credit Executive

Q2 2023 Results

Balance Sheet Strength

\$1.746 Billion

Total Assets

\$1.337 Billion

Record Total Loans (Excl. PPP)

\$1.467 Billion

Total Deposits

\$181 Million

Tangible Common Equity

Consistent Profitability

\$12.3 Million

Q2 PTPP Earnings

\$8.3 Million

Q2 Net Income

\$0.98

Q2 Diluted Earnings Per Share

Strong Earnings Metrics

1.94%

Q2 ROAA

18.42%

Q2 ROATCE

4.93%

Q2 Net Interest Margin

41.98%

Q2 Efficiency Ratio

Continued Strong Credit Quality

0.46%

NPAs/Assets

0.60%

NPLs/Loans

1.86%

ACL/Non-PPP Loans

0.30%

Annualized Q2 Net Charge-offs/Loans

Attractive Markets

County	# of Branches	Deposit Market Share	Population	Median Household Income
 Santa Cruz County	5	15.3%	273K	\$110K
 Santa Clara County	1	0.93%	2.1M	\$138K
 Monterey County	2	0.65%	446K	\$74K



Financial Highlights

Solid Liquidity Position (\$ in 000s)

As of June 30, 2023

	Total available	Amount used	Net availability
Cash and due from banks	\$ 47,928	\$ -	\$ 47,928
Unencumbered AFS securities	219,737	-	219,737
Total internal sources	267,665	-	267,665
FHLB	349,202	48,000	301,202
Lines at correspondents	80,000	-	80,000
Total external sources	429,202	48,000	381,202
Total liquidity	\$ 696,867	\$ 48,000	\$ 648,867

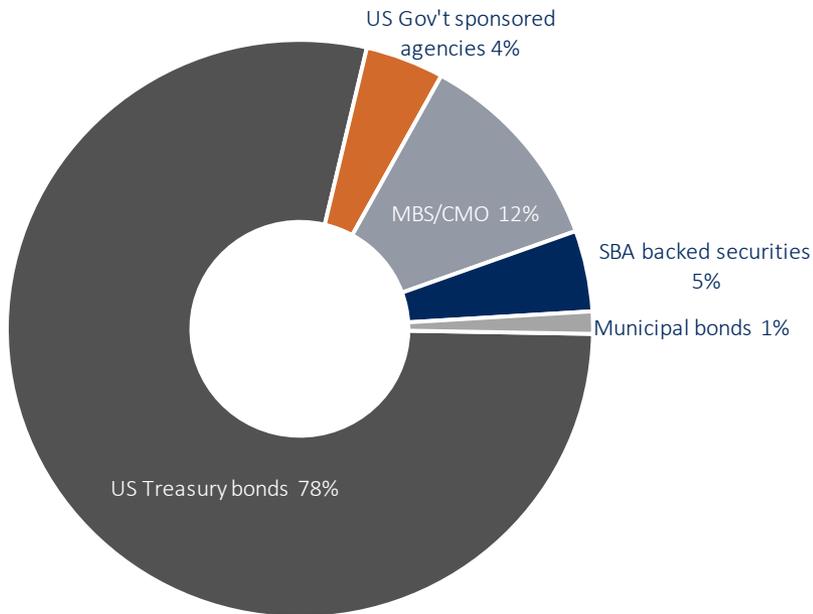
Strong on balance sheet liquidity position coupled with available external liquidity of \$381MM;

Total liquidity - 37% of assets;

Coverage ratio on uninsured deposits of 104%;

Access to brokered deposit networks as another source of contingency funding, such as IntraFi, not included in the table.

AFS Investments

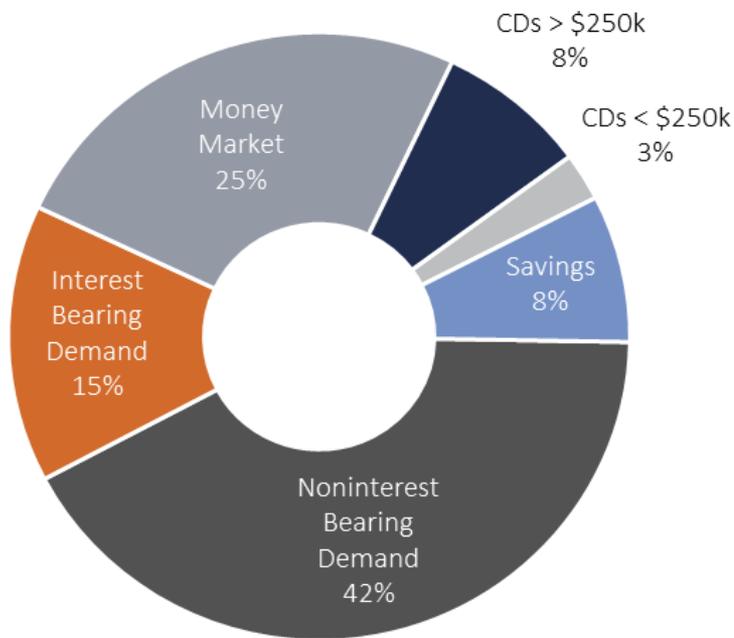


By market value as of June 30, 2023

Modified duration of 2.5 years.

97% of the carrying value of investment securities classified as available for sale (AFS)

Attractive Deposit Mix



As of June 30, 2023

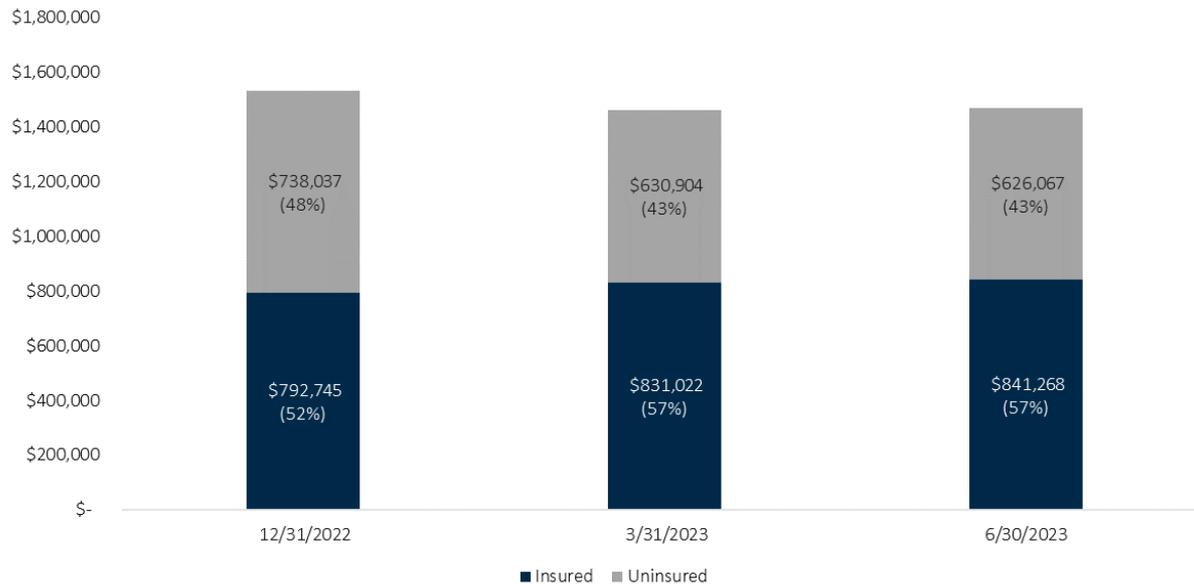
Top 10 deposit relationships (excluding government agency deposits that are fully collateralized) represent approximately 10% of total deposits.

Growth opportunities include:

- New Salinas market
- Silicon Valley / Bay Area
- Local municipalities

New treasury products and dedicated team provide additional opportunity.

Deposit Characteristics (\$ in thousands)



As of June 30, 2023

Insured deposits includes fully collateralized balances

Positive trend on insured %

Migration of deposits into IntraFi reciprocal deposit network products to maximize depositors' FDIC insurance protection

Exceptional Credit Culture

Nonperforming Loans

(\$000)	2018	2019	2020	2021	2022	2023Q1	2023Q2
Nonaccrual Loans							
1-4 Family	\$0	\$0	\$0	\$0	\$808	\$0	\$0
CRE & Multifamily	0	0	0	0	0	0	6,526
Construction	0	0	0	0	990	990	0
Consumer	0	0	31	60	0	0	0
Commercial	0	0	0	247	1,363	1,626	1,501
Total Nonaccrual	\$0	\$0	\$31	\$307	\$3,161	\$2,616	\$8,027
Accruing Restructured Loans	\$0	\$0	\$0	\$0	\$26	\$24	\$146
Total Impaired Loans	\$0	\$0	\$31	\$307	\$3,187	\$2,640	\$8,173
Loan Loss Reserve	\$9,837	\$10,296	\$13,021	\$19,978	\$21,444	\$25,879	\$24,808

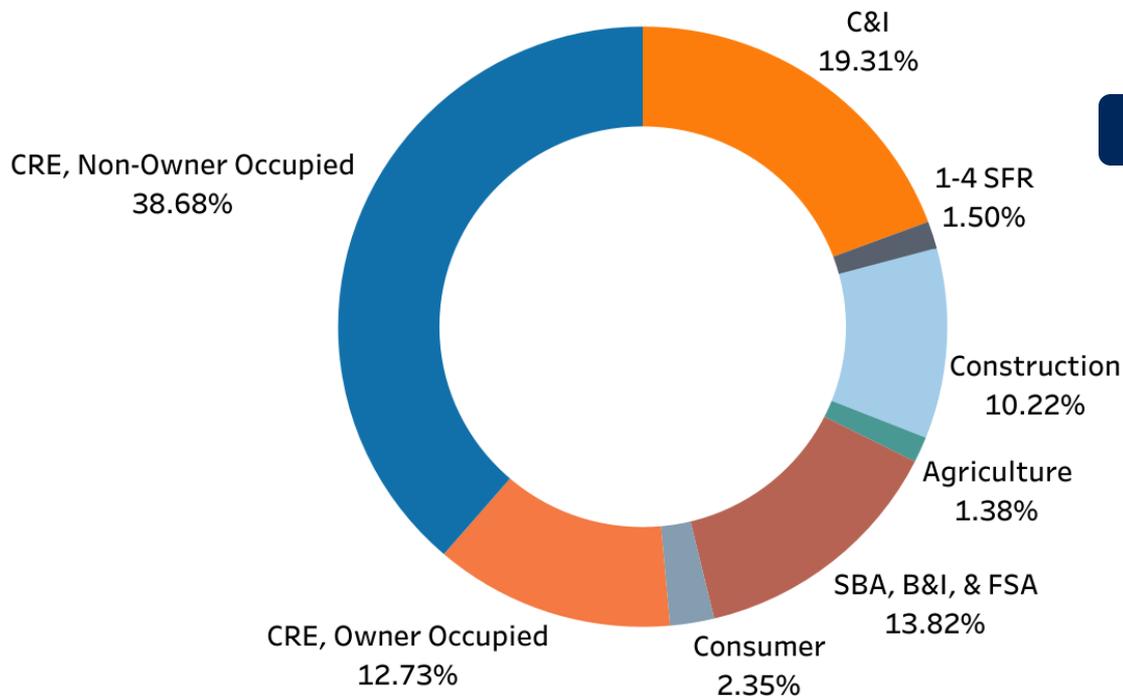
As of June 30, 2023

Nonperforming loans (including 90+ days past due) to total loans of 0.60%.

Only three nonaccrual loans.

A \$6.5 million commercial real estate loan was added to nonaccrual status during the second quarter of 2023. The loan was individually evaluated and well-secured by real estate and has no recorded reserve.

Loans By Type

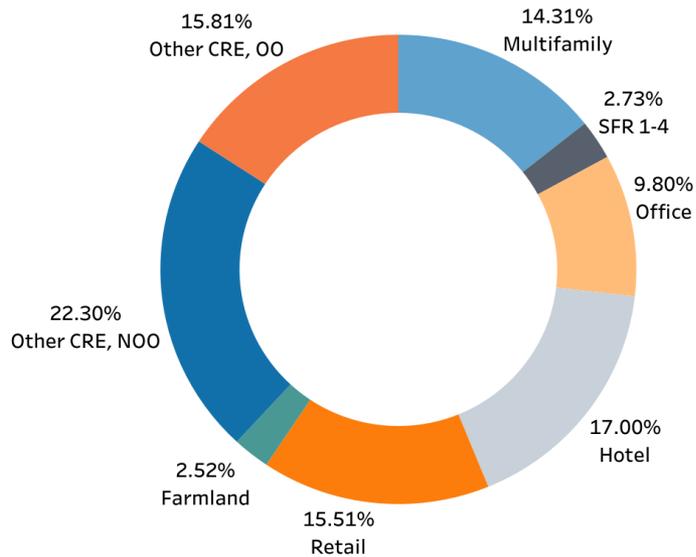


Outstanding Loans as of June 30, 2023

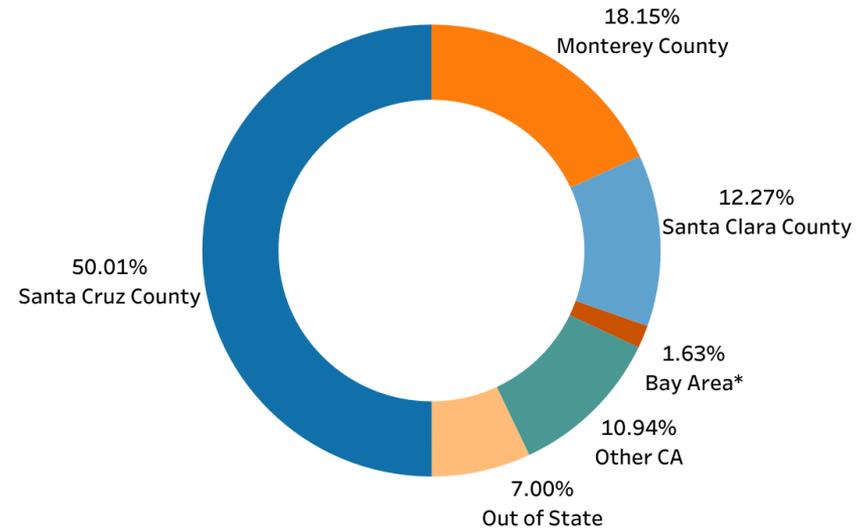
Q1 2023 loan yield of 6.61%.

PPP loans down from peak of \$550MM to \$400K

Real Estate Loan Detail



Total Weighted Average RE LTV: 50.02%



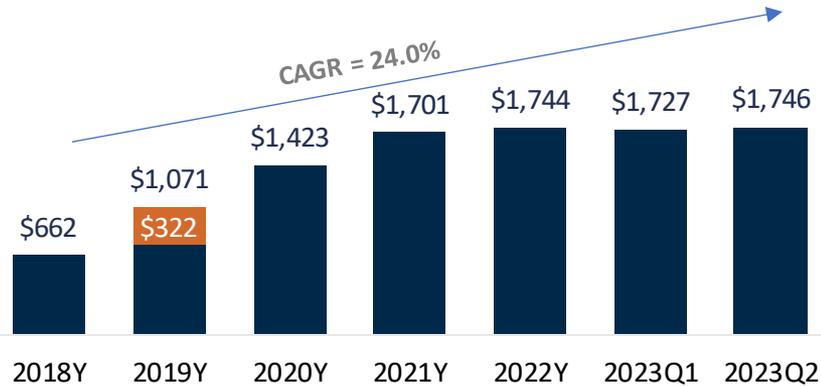
BY LOCATION:

*Bay Area: San Francisco, San Mateo, Contra Costa, Alameda, Solano, Napa, Marin, and Sonoma Counties

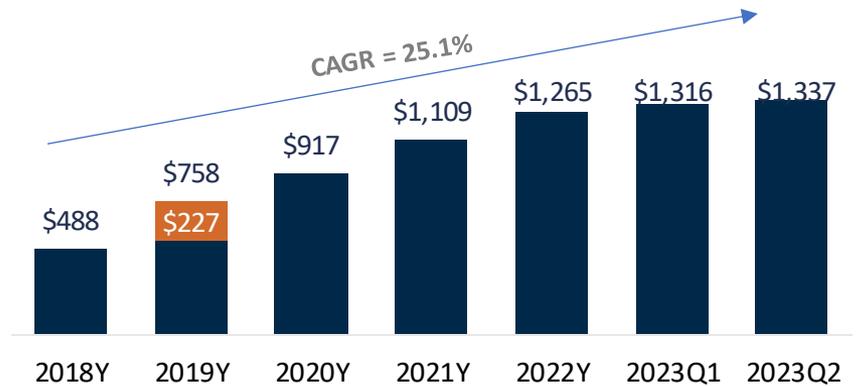
Real Estate Loans as of June 30, 2023

Consistent Balance Sheet Growth

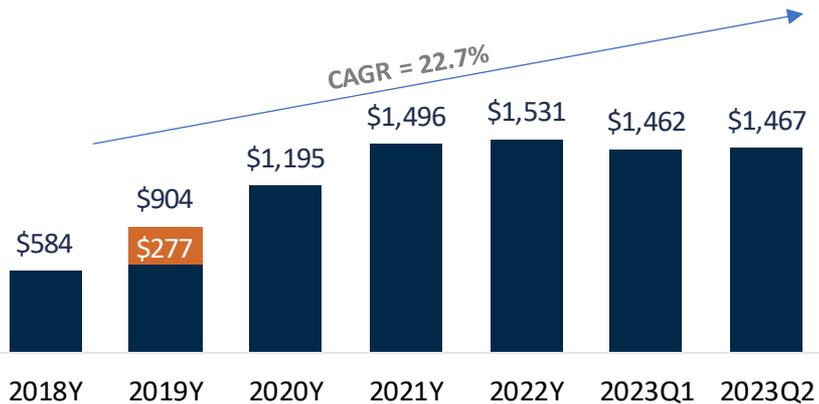
Total Assets (\$MM)



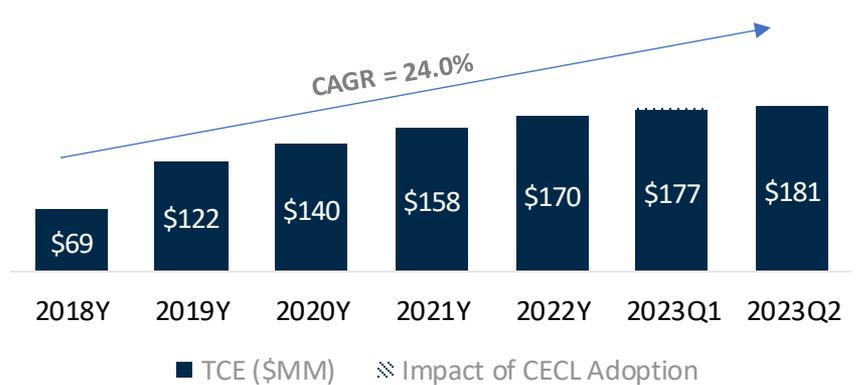
Gross Loans Excl. PPP Incl. Deferred Fees (\$MM)



Total Deposits (\$MM)



Tangible Common Equity (\$MM)



■ TCE (\$MM) ⌘ Impact of CECL Adoption

Denotes Lighthouse acquisition

Strong Profitability

Net Income (\$MM)



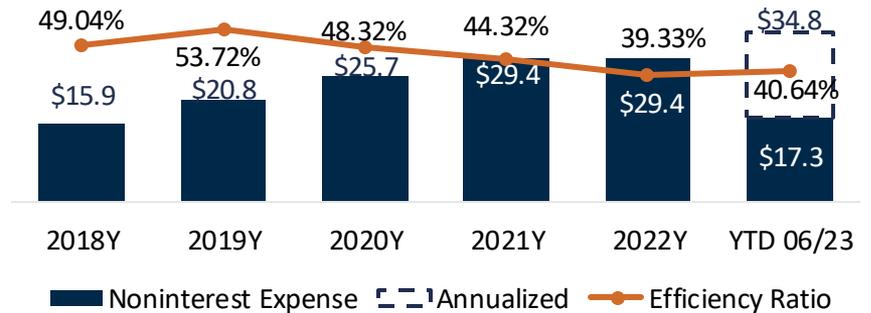
Pre-Tax, Pre-Provision Net Income (\$MM)



Net Interest Income (\$MM)



Noninterest Expense (\$MM)



Disciplined Pricing Drives NIM

Yield on Loans

High yielding loan portfolio with excellent credit quality



Cost of Deposits

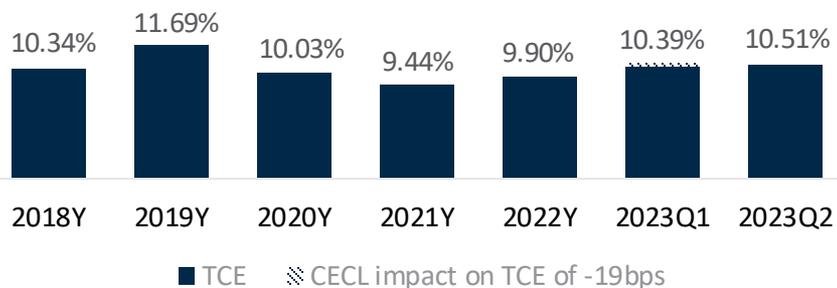
Low-cost deposit base



Peers include all publicly listed banks headquartered in California with total assets \$1 billion to \$5 billion as of 12/31/22
 The Bank's total cost of funds was 0.78% for Q2 2023.

Robust Capital Position

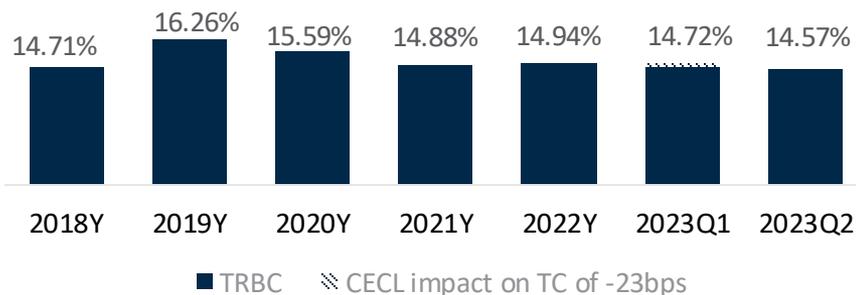
TCE Ratio



Tier 1 Ratio



Total Capital Ratio

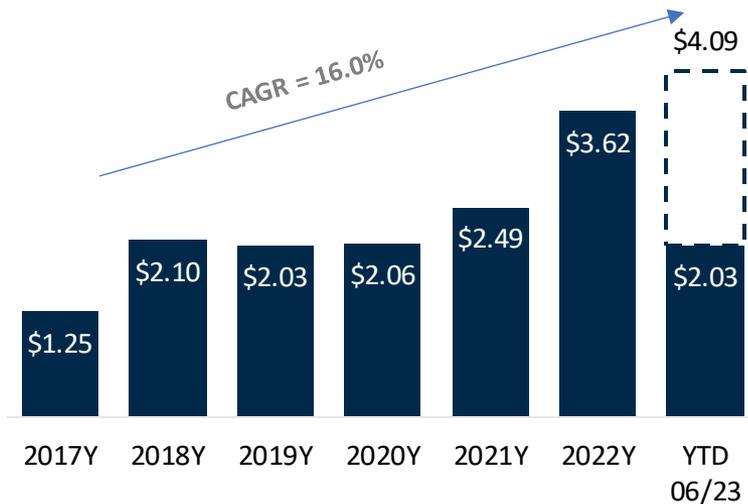


Leverage Ratio

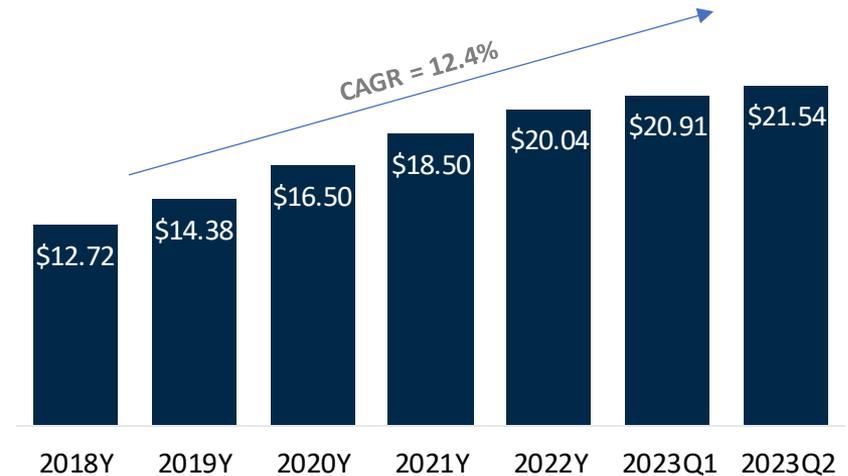


Per Share Data

Earnings per Share (EPS)



Tangible Book Value per Share (TBVPS)



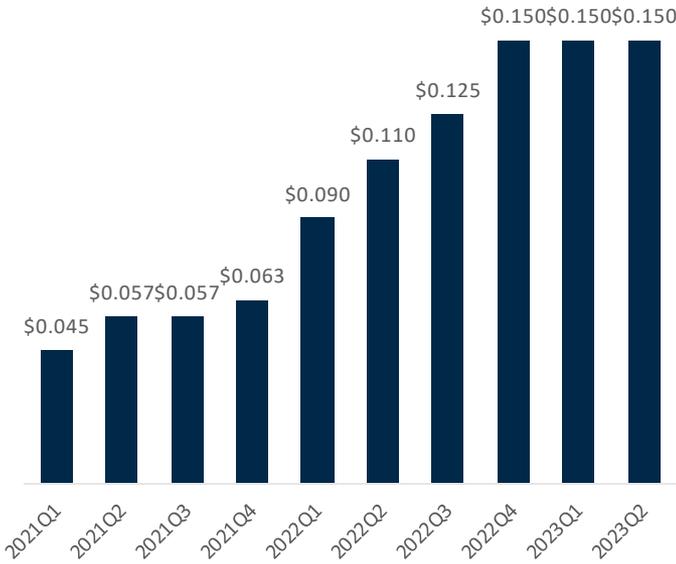
*Dotted line represents annualized quarterly figure

Shareholder Focused

Superior Price Performance



Cash Dividend



Adjusted for stock dividends and splits

Community Reinvestment

2,400+ Hours of Community Service in 2022 Outstanding CRA Rating – Corporate Leadership

Through volunteerism and service on boards and committees, we reinvest our time and financials into the communities we serve by supporting local non-profits, service clubs, chambers and charitable organizations. Our directors, management team, and employees are involved in hundreds of activities, and generously give their time, energy, and talent.

We offer our employees participation in a Community Service Program which supports activities that enhance and serve the communities in which we live and work. This program allows full-time employees to donate up to 40 hours per calendar year toward a 501(c)(3) charitable organization of their choice.



Second Harvest Food Bank – Holiday Food & Fund Drive



CASA of Santa Cruz County – Holiday Fundraising



Habitat for Humanity, Women Build Day

Rankings and Recognition

National



S&P GLOBAL

Ranked 6th in the nation in performance, for banks under \$3 billion in assets



BAUER FINANCIAL, INC

Rated 5-Star Superior for every quarter



INDEPENDENT COMMUNITY BANKERS OF AMERICA

Ranked 7th in the 2021 Top Commercial Lenders in the nation for community banks over \$1 billion in assets.



AMERICAN BANKER MAGAZINE

Ranked 83rd in the Top 200 Community Banks in the nation and 13th out of 22 California banks. This is the Bank's 8th consecutive year in the Top 200.

California



FINANCIAL MANAGEMENT CONSULTING (FMC) GROUP

Ranked 13th out of 127 Banks in California for 2022 overall financial performance.



THE FINDLEY REPORTS INC.

Top ranking of Super Premier Performing Bank for 13 consecutive years.

Local



BUSINESS OF THE YEAR

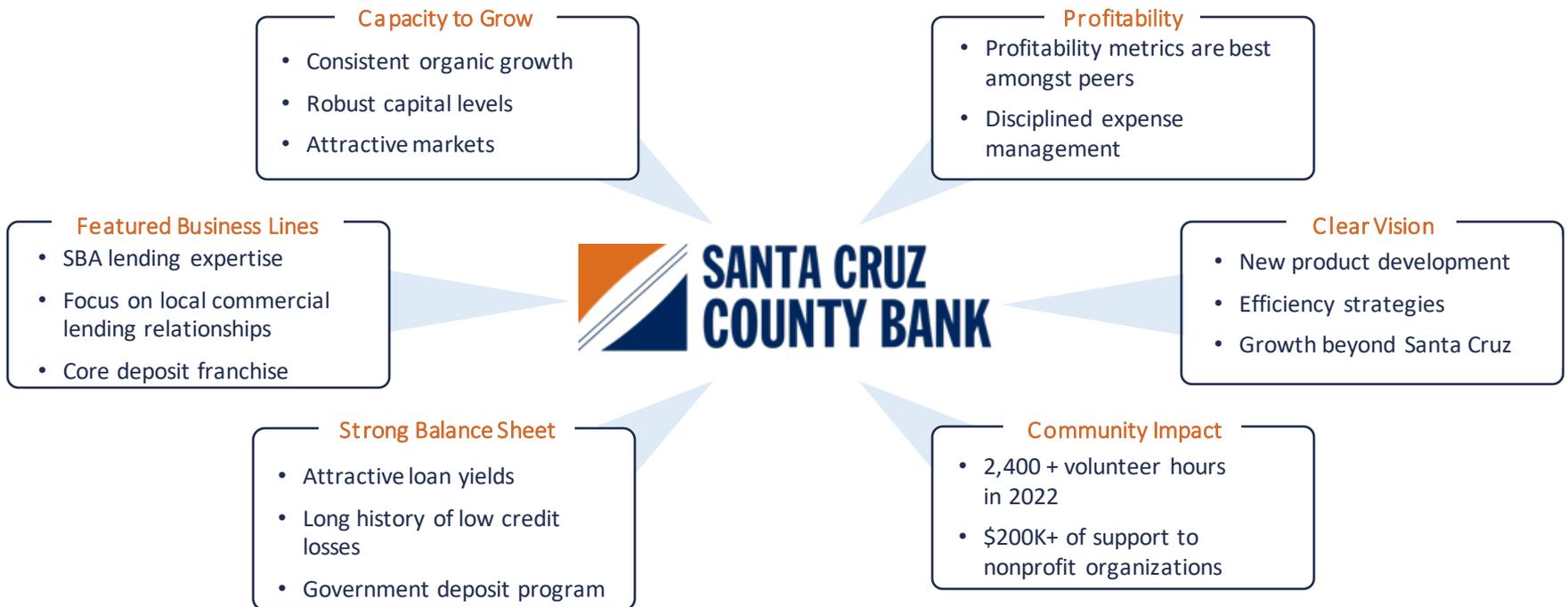
The Santa Cruz County Chamber of Commerce recognized the Bank's PPP support during the pandemic – \$574 MM, 4,204 PPP loan applications and 50,000 jobs saved. The Bank previously received recognition as Business of the Year in 2018.



BEST BANK SENTINEL & GOOD TIMES

Voted **Best Bank** for the eighth year by Santa Cruz County Sentinel readers and eleven years in a row by Good Times readers.

Investment Highlights



Appendix

Non-GAAP Reconciliation

Tangible common equity to tangible assets (the "tangible common equity ratio") and tangible book value per share are non-U.S. GAAP financial measures derived from U.S. GAAP-based amounts. We calculate the tangible common equity ratio by excluding the balance of intangible assets from common stockholders' equity and dividing by tangible assets. We calculate tangible book value per share by dividing tangible common equity by common shares outstanding, as compared to book value per common share, which we calculate by dividing common stockholders' equity by common shares outstanding. We believe that this information is consistent with the treatment by bank regulatory agencies, which exclude intangible assets from the calculation of risk-based capital ratios. Accordingly, we believe that these non-U.S. GAAP financial measures provide information that is important to investors and that is useful in understanding our capital position and ratios. However, these non-U.S. GAAP financial measures are supplemental and are not a substitute for an analysis based on U.S. GAAP measures. As other companies may use different calculations for these measures, this presentation may not be comparable to other similarly titled measures reported by other companies. A reconciliation of the non-U.S. GAAP measure of tangible common equity ratio to the U.S. GAAP measure of common equity ratio and tangible book value per share to the U.S. GAAP measure of book value per share are set forth below.

<i>All dollars in thousands, except per share data</i>						as of March 31,	as of June 30,
	2018	2019	2020	2021	2022	2023	2023
						2023Q1	2023Q2
Total Stockholders' Equity	\$68,523	\$151,098	\$168,486	\$186,090	\$197,676	\$204,240	\$208,201
Less: Intangible Assets	0	29,331	28,688	28,202	27,796	27,705	27,614
Tangible Common Equity	\$68,523	\$121,767	\$139,798	\$157,888	\$169,880	\$176,535	\$180,587
Total Assets	\$662,408	\$1,070,983	\$1,422,872	\$1,701,249	\$1,744,487	\$1,727,414	\$1,746,377
Less: Intangible Assets		29,331	28,688	28,202	27,796	27,705	27,614
Tangible Assets	\$662,408	\$1,041,652	\$1,394,184	\$1,673,047	\$1,716,691	\$1,699,709	\$1,718,763
Tangible Common Equity Ratio	10.3%	11.7%	10.0%	9.4%	9.9%	10.4%	10.5%
Basic Shares Outstanding	5,386,906	8,469,650	8,475,024	8,536,000	8,477,272	8,442,240	8,384,461
Book Value per Share	\$12.72	\$17.84	\$19.88	\$21.80	\$23.32	\$24.19	\$24.83
Less: Intangible Book Value per Share	0.00	3.46	3.39	3.30	3.28	3.28	3.29
Tangible Book Value per Share	\$12.72	\$14.38	\$16.50	\$18.50	\$20.04	\$20.91	\$21.54

Non-GAAP Reconciliation

Pre-tax, pre-provision net income is a non-U.S. GAAP financial measure derived from U.S. GAAP-based amounts. We calculate pre-tax, pre-provision net income by excluding income tax and provision for credit losses from net income. Management believes that the exclusion of such items from this financial measure provides useful information to gain an understanding of the operating results of our core business. This non-U.S. GAAP financial measure is supplemental and is not a substitute for an analysis based on U.S. GAAP measures. As companies may use different calculations for this measure, this presentation may not be comparable to other similarly titled measures reported by other companies. A calculation of the non-U.S. GAAP measure of pre-provision net income is set forth below.

<i>All dollars in thousands</i>						For the Six Months
	2018	2019	2020	2021	2022	Ended 2023Q2
Net Income	\$11,380	\$12,275	\$17,550	\$21,274	\$30,944	\$17,197
Plus: Provision for Income Taxes	4,486	5,153	7,128	8,791	12,815	7,208
Plus: Provision for Loan Losses	688	450	2,816	6,858	1,592	801
Pre-Tax, Pre-Provision Net Income	\$16,554	\$17,878	\$27,494	\$36,923	\$45,351	\$25,206
Average Assets	\$649,653	\$784,586	\$1,294,813	\$1,610,478	\$1,756,075	\$1,723,750
PTPP Net Income / Avg. Assets	2.55%	2.28%	2.12%	2.29%	2.58%	1.46%
PTPP Net Income / Avg. Assets (Annualized)	2.55%	2.28%	2.12%	2.29%	2.58%	2.95%