



2021
Annual Report

your Partner, your Choice, **your Bank**

Pacific City Bank Headquarters



Company Profile

PCB Bancorp ("PCB") is the parent company of Pacific City Bank, (the "Bank") a community bank founded in 2003 with a mission to help first generation Asian-American immigrants realize the American dream through business ownership.

The Bank is a full-service bank that offers a broad range of loans along with deposit products focused on individuals, professionals, and small-to-medium sized businesses.

The Bank serves a diverse customer base through its thirteen branch locations, 11 full-service branches in the Greater Los Angeles Area, one full-service branch in each of Englewood Cliffs, New Jersey and Bayside, New York, as well as nine loan production offices ("LPOs") in seven states serving a diverse ethnic background. The Bank is one of the leading banks in the Korean-American community.

Welcome



Moving Forward

These tough times showcased our resilience and brought out the best of PCB, prompting us to actively seek and identify new opportunities.

Growing with Our Customers and Communities

Dear Shareholders:

We are pleased to share with you how we successfully operated to benefit our customers, employees, shareholders, and the communities we serve with emphasis on keeping everyone's health safe, while achieving record financial performance during the past year. During the past two years of global pandemic, we drastically enhanced our ability to work with more flexibility, forged stronger bonds amongst co-workers and with our valued customers. These tough times showcased our resilience and brought out the best of PCB, prompting us to actively seek and identify new opportunities.

In 2021, our strength was displayed in various forms as we continued to deliver unmatched services to our customers.

We will continue to make smart investments in technology to enhance digital banking and cyber-security, expand our branch network, and retain and hire talented professionals.



Henry Kim President & Chief Executive Officer



During the past two years of global pandemic, we drastically enhanced our ability to work with more flexibility, forged stronger bonds amongst co-workers and with our valued customers.



Our conservative and vigilance in overall credit monitoring in 2020 has provided us with an opportunity to release \$4.6 million in provision for loan losses during 2021 as the economic outlook improved and our credit quality maintained a historically low problem loans.

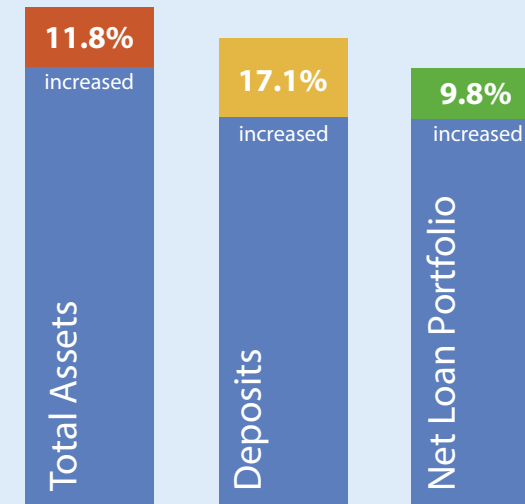
In addition to providing the convenience of digital banking, we also earnestly accommodated our customers who preferred face-to-face meetings through our branch network and even on-site client visits by our dedicated professionals. As the pandemic-related shutdowns declined, and consumer and business sentiment gradually improved during the year, we experienced an increase in business activity that resulted in more deposit inflows and an increase in loan demands. Regarding our credit costs, our conservative and vigilance in overall credit monitoring at the peak of global pandemic in 2020 has provided us with an opportunity to release \$4.6 million in provision for loan losses during 2021 as the economic outlook improved and our credit quality maintained a historically low problem loans.



(Left to Right) **Sang Young Lee** Chairman of the Board / **Henry Kim** President & Chief Executive Officer



Even with a global pandemic on our backdrop, we earned a record **\$40.1 million**



In all aspects of financial performance, 2021 was a tremendous year. Even with a global pandemic on our backdrop, we earned a record \$40.1 million, or \$2.62 per diluted share, and our return on assets was 1.96%. We increased total assets by \$226.9 million, or 11.8%, to \$2,149.7 million and grew our deposits by \$272.3 million, or 17.1%, to \$1,867.1 million, and our net loan portfolio increased by \$152.8 million, or 9.8%, to \$1,709.8 million.

For the year, our stock price increased by 117%, and we increased our quarterly cash dividend by 20%. Including the share repurchase, we returned \$17.5 million in capital back to our shareholders in 2021. Despite such a significant capital return to our shareholders, we maintained an extremely strong capital position with a total-capital-ratio of 16.04% at 2021 year-end.

Additionally, compared to the 2020 year-end figure, our book value increased by 13.5% to \$17.24 at 2021 year-end compared with 2020 year-end.

As we head into 2022, our top priority is disciplined growth. We will continue to make smart investments in technology to enhance digital banking and cybersecurity, expand our branch network, and retain and hire talented professionals. As we move forward to the post-pandemic “new normal,” we are well-positioned to deliver unmatched growth and benefit to our shareholders for the next several years.

We are delighted by our accomplishments, and our



Delivering Consistently Strong Financial Performance

In all aspects of financial performance, 2021 was a tremendous year.

Enhancing Stockholder Returns

Our stock price increased by 117%, and we increased our quarterly cash dividend by 20%.

Looking Forward to a Greater Tomorrow

goals are clear. We will be relentless in striving for the success of our customers, be socially responsible to the communities in our marketplace, keep investing in the resources our professionals need to better serve our customers, and always make decisions that benefit our shareholders in the long term. We are well-positioned to make the right moves for disciplined growth ahead and have the right professionals to make it possible.

On behalf of our professionals, our management, and the board of directors, we thank you for your partnership and investing in us.

Sincerely,



Sang Young Lee
Chairman of the Board



Henry Kim
President & Chief Executive Officer

Financial Highlights



AS OF OR FOR THE YEARS ENDED DECEMBER 31,

(dollars in thousands except share and per share data)

	2021	2020	2019	2018	2017
BALANCE SHEET DATA					
Total assets	\$ 2,149,735	\$ 1,922,853	1,746,328	\$ 1,697,028	\$ 1,441,999
Net loans*	1,746,850	1,559,047	1,438,426	1,331,296	1,183,072
Total deposits	1,867,134	1,594,851	1,479,307	1,443,753	1,251,290
Shareholders' equity	256,286	233,788	226,834	210,296	142,184

STATEMENT OF INCOME DATA

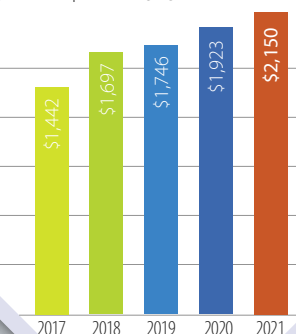
Interest income	\$ 81,472	\$ 79,761	\$ 92,945	\$ 83,699	\$ 65,267
Interest expense	4,335	13,572	23,911	17,951	10,097
Net interest income	77,137	66,189	69,034	65,748	55,170
Provision (reverse) for loan losses	(4,596)	13,219	4,237	1,231	1,827
Noninterest income	18,434	11,740	11,869	10,454	13,894
Noninterest expenses	43,208	41,699	42,315	40,226	35,895
Income tax expense	16,856	6,836	10,243	10,444	14,939
Net income	\$ 40,103	\$ 16,175	\$ 24,108	\$ 24,301	\$ 16,403

PER SHARE DATA

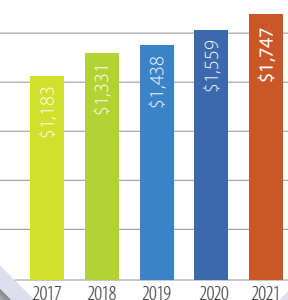
Book value per common share at year end	\$ 17.24	\$ 15.19	\$ 14.44	\$ 13.16	\$ 10.60
Basic earnings per common share	2.66	1.05	1.52	1.69	1.22
Diluted earnings per common share	2.62	1.04	1.49	1.65	1.21
Weighted-average shares outstanding - basic	15,017,637	15,384,231	15,873,383	14,397,075	13,408,030
Weighted-average shares outstanding - diluted	15,253,820	15,448,892	16,172,282	14,691,370	13,540,293
Shares of common stock outstanding	14,865,825	15,385,878	15,707,016	15,977,754	13,417,899

* includes loans held-for-sale

Total Assets \$ in millions



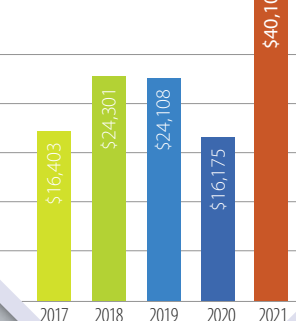
Net Loans* \$ in millions



Total Deposits \$ in millions



Net Income \$ in thousands



* Includes loans held for sale

Financial Highlights



Corporate Information

Board of Directors	Executive Officers	Corporate Offices	Regional Offices	Shareholder Information
<p>Kijun Ahn Project Manager Moffatt & Nichol</p> <p>Daniel Cho President & CEO Maya Tech.</p> <p>Haeyoung Cho Former President and CEO PCB Bancorp & Pacific City Bank</p> <p>Janice Chung President & CEO BIC Technologies Group</p> <p>Sarah Jun Attorney Law Offices of Sarah Jun, Inc.</p> <p>Sang Young Lee Chairman of the Board President & CEO Lee's Gold & Diamond Import, Inc.</p> <p>Hong Kyun "Daniel" Park Partner KNP, LLP</p> <p>Don Rhee President & CEO Active USA, Inc.</p> <p>Henry Kim President & Chief Executive Officer PCB Bancorp & Pacific City Bank</p>	<p>Henry Kim President & Chief Executive Officer</p> <p>Timothy Chang Executive Vice President & Chief Financial Officer</p> <p>Andrew Chung Executive Vice President & Chief Risk Officer Corporate Secretary</p> <p>Brian Bang Executive Vice President & Chief Credit Officer</p> <p>David W. Kim Executive Vice President & Chief Banking Officer</p> <p>John Ju Executive Vice President & Chief Lending Officer</p> <p>Justin Chon Executive Vice President & Chief Consumer Lending Officer</p> <p>Michael A. Kwon Senior Vice President & Chief Technology Officer</p> <p>Mimi Lee Senior Vice President & Chief Operations Administrator</p>	<p>Headquarters 3701 Wilshire Blvd., Suite 900 Los Angeles, CA 90010 213.210.2000</p> <p>Consumer Loan Department 3701 Wilshire Blvd., Suite 409 Los Angeles, CA 90010 213.210.2077 • <i>Joon Hee Lee</i> Senior Vice President & Manager</p> <p>Commercial Loan Center 3701 Wilshire Blvd., Suite 409 Los Angeles, CA 90010 213.210.2069 • <i>Brian Kim</i> Senior Vice President & Manager</p> <p>Residential Mortgage Center 3701 Wilshire Blvd., Suite 402 Los Angeles, CA 90010 213.355.8899 • <i>Jay Lee</i> Senior Vice President & RMC Manager</p> <p>SBA Department 3701 Wilshire Blvd., Suite 310 Los Angeles, CA 90010 213.210.2070 • <i>Eunice Kwak</i> Senior Vice President & SBA Manager</p> <p>Warehouse Lending Division 3550 George Busbee Pkwy. Kennesaw, GA 30144 425.519.3736 • <i>Joy Beam-Bums</i> Senior Vice President & Manager</p>	<p>LA Regional Office 3701 Wilshire Blvd., Suite 650 Los Angeles, CA 90010 213.201.5405 • <i>Michael Kang</i> Senior Vice President & LA Regional Manager</p> <p>Orange County Regional Office 17100 Pioneer Blvd., Suite 470 Artesia, CA 90701 562.207.3060 • <i>Woo Young Choung</i> Senior Vice President & OC Regional Manager</p>	<p>Independent Public Accountant Crowe LLP Sherman Oaks, CA 91403</p> <p>Registrar and Transfer Agent Computershare Canton, MA</p> <p>Legal Counsel STUART MOORE STAUB San Luis Obispo, CA</p>
				<p>Listing of Common Stock</p> <p>PCB Bancorp's common stock is traded on the Nasdaq. Its symbol is "PCB".</p>

Branches & Loan Production Offices

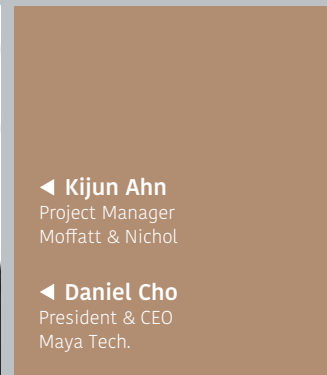
Branches	Loan Production Offices			
<p>Bayside 220-34 Northern Blvd. Bayside, NY 11361 347.220.0001 • <i>Jennifer Kim</i> First Vice President & Branch Manager</p> <p>Buena Park 5400 Beach Blvd., Suite 101 Buena Park, CA 90621 714.367.7990 • <i>Joanne Kim</i> Senior Vice President & Branch Manager</p> <p>Cerritos 17709 Pioneer Blvd. Artesia, CA 90701 562.207.3060 • <i>Woo Young Choung</i> Senior Vice President & OC Regional Manager</p> <p>Downtown Fashion District 777 E. 12th St., Suite 200 Los Angeles, CA 90021 213.342.2800 • <i>Thomas Kim</i> Senior Vice President & Downtown Regional Manager</p> <p>Englewood Cliffs 45-47 Sylvan Ave. Englewood Cliffs, NJ 07632 201.849.6000 • <i>Jungwhan Ryu</i> Senior Vice President & NJ/NY Regional Manager</p>	<p>Fullerton 5301 Beach Blvd. Buena Park, CA 90621 714.860.7100 • <i>Joanne Kim</i> Senior Vice President & Branch Manager</p> <p>Irvine 13140 Yale Ave. Irvine, CA 92620 714.263.1800 • <i>Kyoung Soo Yim</i> Senior Vice President & Branch Manager</p> <p>Little Tokyo 333 S. Alameda St., Suite 109 Los Angeles, CA 90013 213.694.4360 • <i>Michael Cho</i> Senior Vice President & Branch Manager</p> <p>Olympic 2730 W. Olympic Blvd. Los Angeles, CA 90006 213.201.5600 • <i>Yeon Ho Lee</i> Senior Vice President & Branch Manager</p> <p>Rowland Heights 18160 Colima Rd. Rowland Heights, CA 91748 626.363.6730 • <i>Hyun Hee "Connie" Kim</i> Senior Vice President & Branch Manager</p>	<p>Torrance 2505 Torrance Blvd. Torrance, CA 90503 310.755.6900 • <i>Joanne Oh</i> Senior Vice President & Branch Manager</p> <p>Western 450 S. Western Ave., Suite 213 Los Angeles, CA 90010 213.915.5266 • <i>Young Hoon Jang</i> Senior Vice President & Branch Manager</p> <p>Wilshire 3701 Wilshire Blvd., Suite 100 Los Angeles, CA 90010 213.210.2001 • <i>Annie Jo</i> Senior Vice President & Wilshire Regional Manager</p>	<p>Chicago LPO 2454 E Dempster St., Suite 402 Des Plaines, IL 60016 847.768.9500 • <i>Seikeun Ahn</i> Senior Vice President & Manager</p> <p>Denver LPO 2851 S. Parker Rd., Suite 540 Aurora, CO 80014 303.905.1181 • <i>Kelvin Huh</i> Senior Vice President & Manager</p> <p>Georgia LPO 11555 Medlock Bridge Rd., Suite 100 Johns Creek, GA 30097 678.458.4420 • <i>Karl Chang</i> Senior Vice President & Manager</p> <p>Los Angeles LPO 3701 Wilshire Blvd., Suite 310 Los Angeles, CA 90010 213.210.2027 • <i>Peter Han</i> Senior Vice President & Manager</p>	<p>Orange County LPO 13140 Yale Ave. Irvine, CA 92620 714.263.1810 • <i>Taeho Kim</i> Senior Vice President & Manager</p> <p>Texas LPO 2625 Old Denton Rd., Suite 404-A Carrollton, TX 75007 214.908.8638 • <i>Simon Lee</i> Senior Vice President & Manager</p> <p>Virginia LPO 7535 Little River Tpke., Suite 204 Annandale, VA 22003 703.256.0119 • <i>Yong Jae Park</i> Senior Vice President & Manager</p> <p>Washington/Bellevue LPO 14205 SE 36th St., Suite 100 Bellevue, WA 98006 425.519.3736 • <i>Steven Yang</i> Senior Vice President & Manager</p>



◀ **Kijun Ahn**
Project Manager
Moffatt & Nichol



◀ **Daniel Cho**
President & CEO
Maya Tech.



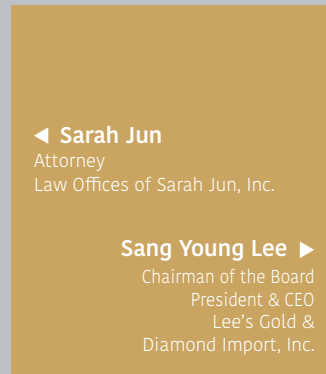
◀ **Haeyoung Cho**
Former President & CEO
PCB Bancorp & Pacific City Bank



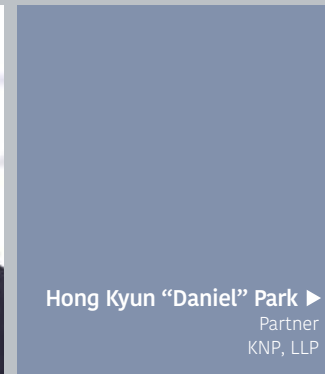
Board of Directors



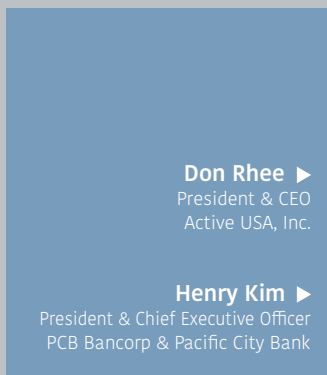
◀ **Sarah Jun**
Attorney
Law Offices of Sarah Jun, Inc.



Sang Young Lee ▶
Chairman of the Board
President & CEO
Lee's Gold &
Diamond Import, Inc.



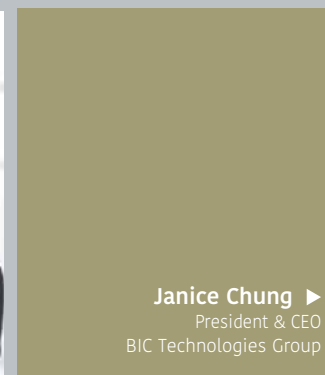
Hong Kyun "Daniel" Park ▶
Partner
KNP, LLP



Don Rhee ▶
President & CEO
Active USA, Inc.



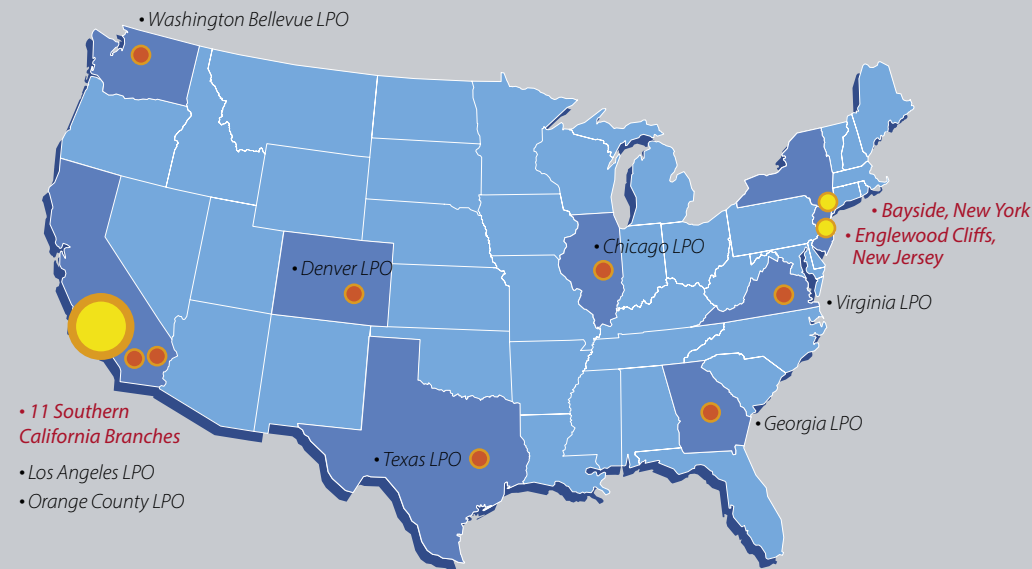
Henry Kim ▶
President & Chief Executive Officer
PCB Bancorp & Pacific City Bank



Janice Chung ▶
President & CEO
BIC Technologies Group



Branches & Loan Production Office (As of March 31, 2022)



The complete PCB 2021 Form 10-K is saved in the attached USB (64GB USB)



3701 Wilshire Blvd., Suite 900, Los Angeles, CA 90010
Tel: (213)210-2000 / www.paccitybank.com

PCB
PCB