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**RBAZ Bancorp, Inc. Announces Unaudited Financial Results
For the Quarter Ending June 30, 2022**
Core Earnings Increase YoY as PPP Winds Down

PHOENIX, ARIZONA, July 27, 2022 – RBAZ Bancorp, Inc. (OTCBB: RBAZ) (the “Company”), parent company of Republic Bank of Arizona (the “Bank” or “RBAZ”), announced a consolidated net income of \$405,000, or \$0.22 per share, for the quarter ended June 30, 2022 and \$778,000, or \$0.43 per share, for the six months ended June 30, 2022.

Republic Bank of Arizona announced a net income of \$486,000, or \$0.27 per share, for the quarter ended June 30, 2022 and \$936,000, or \$0.52 per share, for the six months ended June 30, 2022 as compared to a net income of \$490,000, or \$0.27 per share, for the quarter ended June 30, 2021 and \$1,047,000, or \$0.58 per share, for the six months ended June 30, 2021. Current year Bank earnings of \$0.52 per share were comprised of \$0.43 per share attributable to core operations and \$0.09 per share due to impacts from the Paycheck Protection Program (“PPP”). Prior year Bank earnings of \$0.58 per share were comprised of \$0.37 per share attributable to core operations and \$0.21 per share due to impacts from the PPP.

President and CEO Brian Ruisinger stated “Our core earnings increased 16% year-over-year as net interest income improved \$689,000 or 22%. I am pleased that our concentrated efforts on topline revenue and controlling interest expense have produced this result. When we look back to the first half of last year, PPP forgiveness was at a high point of almost 3x compared to current year signaling the waning of the government assistance program and allowing us to get back to our core banking focus.”

Mr. Ruisinger continued, “Due to historic actions by the Federal Reserve raising interest rates at a record pace, our customers and prospects took a cautious view of the economic impacts on their business plans. For some, it was a wake-up call to proceed with urgency, while others have taken a pause to see how the economy reacts to these large and frequent rate increases in hopes of heading off inflation resulting in a stable quarter for the Bank. RBAZ remains well capitalized and poised for continued growth in its mission to be the premier Arizona based bank, as reflected in our Bauer Five-Star bank rating.”

June 30, 2022 Bank Highlights Include:

- Total loans of \$135,293,000 decreased \$103,000, or 0.1%, from December 31, 2021. This decrease consisted of \$3,929,000 of PPP loan forgiveness received during the year, offset by net portfolio loan growth of \$3,826,000 or 2.8%.
- Total deposits of \$225,521,000 were up \$19,991,000, or 9.7%, from December 31, 2021 as the Bank deepened existing relationships and earned new business through increased marketing efforts, online presence and referral sources.
- Total interest income increased \$467,000 to \$2,211,000 for the quarter ended June 30, 2022 outpacing total interest income of \$1,744,000 for the same period of the prior year equating to an increase of 26.8%.
- Cost of funds was reduced to 0.32% for the quarter ended June 30, 2022 from 0.40% for the quarter ended June 30, 2021 equating to an improvement of 20.0%.
- Total non-interest expense is up \$281,000 to \$1,258,000 for the quarter ended June 30, 2022 compared to \$977,000 for the same period of the prior year resulting primarily from seven additional full-time employees and investments made in technology and marketing as a result of the Bank’s growth.

The Bank remains “Well Capitalized” under the Community Bank Leverage Ratio (CBLR) framework as follows:

	<u>June 30, 2022</u> <u>(%)</u>	<u>Ratio to be Well</u> <u>Capitalized (%)</u>
CBLR ratio	9.59	9.00

About the Company

RBAZ Bancorp, Inc. was established on June 10, 2021 as a single-bank holding company for its Arizona state-chartered bank subsidiary, Republic Bank of Arizona. The Company is traded over-the-counter as RBAZ.

About the Bank

Republic Bank of Arizona is a locally owned, community bank in Phoenix and Scottsdale, Arizona. RBAZ is a full service, community bank providing deposit and loan products and convenient, online and mobile banking to individuals, businesses and professionals. The Bank was established in April 2007 and is headquartered at 645 E. Missouri Avenue, Suite 108, Phoenix, AZ. Our second location is at 6909 E. Greenway Parkway, Suite 150, Scottsdale, AZ. The Bank is the wholly-owned subsidiary of RBAZ Bancorp, Inc. For further information, please visit our web site: www.republicbankaz.com.

Forward-looking Statements

This press release may include forward-looking statements about the Company and the Bank (collectively referred to herein as the “Company”), for which the Company claims the protection of safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on management’s knowledge and belief as of

today and include information concerning the Company's possible or assumed future financial condition, and its results of operations and business. Forward-looking statements are subject to risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. Those factors include fluctuations in interest rates, government policies and regulations (including monetary and fiscal policies), legislation, economic conditions, borrower capacity to repay, operational factors and competition in the geographic and business areas in which the Company conducts its operations. All forward-looking statements included in this press release are based on information available at the time of the release, and the Company assumes no obligation to update any forward-looking statement.

Summary Financial Information (unaudited)

RBAZ Bancorp, Inc.
(consolidated)

Republic Bank of Arizona
(Bank only)

	For the three months ended June 30, 2022	For the six months ended June 30, 2022	Year- End 2021*	For the three months ended June 30, 2022	For the three months ended June 30, 2021	For the six months ended June 30, 2022	For the six months ended June 30, 2021	Year- End 2021
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(dollars in thousands, except per share data)

Summary Income Data:

Interest income	\$2,211	\$4,145	\$7,544	\$2,211	\$1,744	\$4,145	\$3,517	\$7,544
Interest expense	267	515	945	185	201	350	411	761
Net interest income	1,944	3,630	6,599	2,026	1,543	3,795	3,106	6,783
Provision for loan losses	105	105	176	105	26	105	26	176
Non-interest income	28	35	386	28	104	35	199	386
Non-interest expense	1,286	2,476	4,328	1,258	977	2,428	1,938	4,248
Realized loss on sales of securities	-	-	7	-	8	-	7	7
Income before income taxes	581	1,084	2,474	691	636	1,297	1,334	2,738
Provision for income tax	176	306	556	205	146	361	287	624
Net income	\$405	\$778	\$1,918	\$486	\$490	\$936	\$1,047	\$2,114

Per Share Data:

Shares outstanding end-of-period	1,797	1,797	1,805	1,807	1,807	1,807	1,807	1,807
Earnings per common share	\$0.22	\$0.43	\$1.06	\$0.27	\$0.27	\$0.52	\$0.58	\$1.17
Diluted earnings per common share	\$0.21	\$0.41	\$1.02	\$0.27	\$0.27	\$0.52	\$0.58	\$1.17
Total shareholders' equity	\$17,573	\$17,573	\$18,672	\$22,911	\$23,620	\$22,911	\$23,620	\$24,360
Book value per share	\$9.78	\$9.78	\$10.34	\$12.68	\$13.07	\$12.68	\$13.07	\$13.48

Selected Balance Sheet Data:

Total assets	\$249,658	\$249,658	\$231,420	\$249,658	\$231,015	\$249,658	\$231,015	\$231,420
Securities available-for-sale, at fair value	42,608	42,608	38,041	42,608	36,198	42,608	36,198	38,041
Securities held-to-maturity	12,342	12,342	8,510	12,342	8,203	12,342	8,203	8,510
Loans	135,293	135,293	135,396	135,293	116,897	135,293	116,897	135,396
Allowance for loan losses	1,602	1,602	1,468	1,602	1,280	1,602	1,280	1,468
Deposits	225,084	225,084	205,403	225,521	205,832	225,521	205,832	205,530
Other borrowings	5,885	5,885	5,870	-	-	-	-	-
Shareholders' equity	17,573	17,573	18,672	22,911	23,620	22,911	23,620	24,360

Performance Ratios:

Return on average shareholders' equity (annualized) (%)	9.22	8.85	10.27	8.31	10.44	7.89	11.67	9.98
Net interest margin (%)	3.13	3.07	3.09	3.28	2.92	3.22	3.10	3.20
Average assets	\$256,644	\$247,843	\$220,742	\$256,644	\$220,981	\$247,843	\$210,085	\$220,742
Return on average assets (annualized) (%)	0.63	0.63	0.87	0.76	0.89	0.76	1.01	0.96
Shareholders' equity to assets (%)	7.04	7.04	8.07	9.18	10.22	9.18	10.22	10.53
Efficiency ratio (%)	65.21	67.56	61.96	61.25	59.10	63.39	58.19	58.72

Asset Quality Data:

Nonaccrual loans	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Troubled debt restructurings	\$173	\$173	\$234	\$173	\$249	\$173	\$249	\$234
Other real estate	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Nonperforming loans	\$139	\$139	\$82	\$139	\$-	\$139	\$-	\$82
Nonperforming loans to total assets (%)	0.06	0.06	0.04	0.06	-	0.06	-	0.04
Nonperforming loans to total loans (%)	0.10	0.10	0.06	0.10	-	0.10	-	0.06
Reserve for loan losses to total loans (%)	1.18	1.18	1.08	1.18	1.09	1.18	1.09	1.08
Reserve for loan losses to nonperforming loans (%)	1,152.52	1,152.52	1,790.24	1,152.52	n/a	1,152.52	n/a	1,790.24
Net recoveries for period	\$9	\$29	\$68	\$9	\$15	\$29	\$30	\$68
Average loans	\$130,784	\$133,956	\$117,309	\$130,784	\$113,783	\$133,956	\$114,843	\$117,309
Ratio of net recoveries to average loans (%)	0.01	0.02	0.06	0.01	0.01	0.02	0.03	0.06

Regulatory Capital Ratios:

CBLR ratio (%)	n/a	n/a	n/a	9.59	10.52	9.59	10.52	10.55
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*RBAZ Bancorp, Inc. was formed on June 10, 2021. Year-end consolidation consists of Bank data beginning January 1, 2021 and Company data beginning June 10, 2021.