



 **First Choice Bank**[™]
First in Speed | Service | Solutions



2015

Exceptional People. Extraordinary Service.

ANNUAL MEETING PRESENTATION

Letter from the Chairman and President

Dear Valued Shareholders, Customers, and Staff:

We'd like to welcome all of our new shareholders to the First Choice Family and welcome back all of you who have been with us previously. Right now is such an exciting time for the Bank, and we are pleased to be able to share that with all of you.

Last year was a banner year for the Bank, with continued strong earnings and excellent credit-quality performance. We closed out 2014 with income of at least \$1 million every quarter. We experienced substantial growth in all areas, including Total Assets, Gross Loans, Total Deposits and number of employees.

As we continue through 2015, we are looking forward to a healthy U.S. and California economy and hope to have another strong year. We are honored to see how much the Bank and our employee partners continue to contribute to the local community and make a positive difference in so many lives.

We would like to wish all of you and your families the best of health and happiness in 2015. Thank you for your continued support.

Respectfully,



Peter Hui
Chairman



Robert M. Franko
President/CEO

Board of Directors



Peter Hui
Chairman



Phillip Thong
Vice Chairman



Pravin Pranav



Roshan Bhakta



James Gray



Fred Jensen



Homer Chan



Uka Solanki

Executive Management



Robert Franko
Director
President/CEO



Yolanda S. Su
EVP/Chief Operations
Administrator



Yvonne Chen
EVP/Chief Financial
Officer



Gene May
EVP/Chief Credit Officer

OUR CORE VALUES AND CULTURE

At the heart of First Choice Bank is a set of core values and a culture that we all believe in and adhere to, now and for the last ten years, which have been the primary drivers of our success.

- ▶ All Board Members and Staff are Shareholders, and as such, everyone shares completely in the upsides and the downsides of the Bank's performance.
- ▶ 100% of Employees are Shareholders and Partners of the Bank.
- ▶ Attracting, recognizing and retaining key talent are critical.
- ▶ We are and always strive to be "First in Speed, Service and Solutions."
- ▶ In the end, it's not "who is right" that's important, but "what is right" that counts – doing what is best for the organization as a whole.
- ▶ With First Choice Bank, there is no "I" in team. The star of the team is the Team.
- ▶ Pulling together, pulling as a team, pulling in the same direction.
- ▶ Group and individual contributions in Community Service are essential.
- ▶ The desire amongst all Partners to be better and to perform more effectively is catching, one might even say, contagious.

Five-Year Summary of Selected Financial Information

For Year Ended December 31,

	2014	2013	2012	2011	2010
(\$ In thousands, except per share, outstanding shares, and ratios)	(Audited)				
Summary Income Data					
Total interest income	\$23,514	\$15,900	\$11,346	\$9,149	\$7,643
Total interest expense	4,458	2,890	2,738	2,471	2,631
Net interest income	19,056	13,010	8,608	6,678	5,012
Provision for loan losses	2,745	2,430	1,090	893	786
Non-interest income	3,957	2,365	2,216	1,037	534
Non-interest expense	13,291	9,124	5,452	4,153	4,042
Income before income taxes	6,977	3,821	4,282	2,669	718
Provision for income taxes (benefits)	2,905	1,138	1,710	647	(288)
Net income	4,072	2,683	2,572	2,022	1,006
Dividends and accretion on preferred stock	-	47	103	103	224
Net income available to common shareholders	\$4,072	\$2,636	\$2,469	\$1,919	\$782
Per Common Share					
Net income per share—basic	\$1.02	\$0.88	\$1.11	\$1.03	\$0.57
Dividend declared	\$0.20	\$0.11	n/a	n/a	n/a
Book value per share	\$12.37	\$10.76	\$10.80	\$9.72	\$8.20
Common shares outstanding at period end	4,547,910	3,020,136	2,590,682	2,103,684	1,363,528
Selected Balance Sheet Data (period end)					
Total Assets	626,473	440,053	334,333	248,377	201,964
Investment securities	41,100	56,056	98,357	96,033	81,218
Loans held for sale	5,484	-	150	-	-
Loans, net of allowance	498,057	342,947	197,953	125,754	91,542
Allowance for loan and lease losses	8,501	5,749	3,255	2,355	1,893
Deposits	536,118	379,692	289,847	212,368	174,001
Federal home loan bank borrowings	32,000	27,000	11,000	8,000	7,000
Shareholders' equity	56,252	32,485	33,094	25,573	16,298
Performance Ratios (averages)					
Return on shareholders' equity	8.89%	7.96%	9.26%	9.45%	6.29%
Return on assets	0.76%	0.72%	0.94%	0.95%	0.58%
Net interest income total assets	3.54%	3.49%	3.13%	3.13%	2.90%
Shareholders' equity to assets	8.98%	7.38%	9.90%	10.30%	8.07%
Efficiency ratio	57.75%	59.34%	50.37%	53.83%	72.88%
Asset Quality Data					
Nonperforming assets to total assets	0.00%	0.18%	0.70%	0.66%	0.95%
Nonperforming loans to total loans	0.00%	0.13%	1.16%	1.27%	2.06%
Reserve for loan losses to total loans	1.68%	1.65%	1.60%	1.84%	2.02%
Net charge-offs to average loans	0.00%	-0.02%	0.12%	0.41%	0.53%
Capital Ratios					
Total Risk-Based Capital (to risk-weighted assets)	11.23%	10.38%	15.63%	18.59%	16.81%
Tier 1 Risk-Based Capital (to risk-weighted assets)	9.97%	9.13%	14.38%	17.34%	15.56%
Tier 1 Leverage Capital (to average assets)	8.95%	8.22%	10.82%	10.63%	8.72%

Community Service

First Choice Bank has always believed in the ongoing importance of improving our surrounding communities. Over the last decade, our passion to help and our ability to deliver have made a difference in many lives, including our own.



EverFi Financial Literacy Program

EverFi, Inc. is the leading education technology company focused on teaching, assessing and certifying K-12 and college students in the critical skills they need for life. First Choice Bank had the honor of sponsoring an ongoing financial literacy program for EverFi that allowed schools to have the most innovative technology and curricula at no cost to its students.

We are delighted to learn that, as of January 2015, the sponsored program has reached nearly 400 students in public high schools in Los Angeles and Orange County.



WE Connect Health and Resource Fair

First Choice Bank had the pleasure of participating in the WE Connect Health and Resource Fair on November 15, 2014. Nearly 600 Long Beach residents attended this free event where they accessed various resources, including health coverage renewal and enrollment support, medical services, financial advising and a healthy grocery giveaway.



Annual Charity Golf Tournament

First Choice Bank held its Fourth Annual Golf Tournament at the Black Gold Golf Course in Yorba Linda on October 9, 2014. Last year's donation was a record high for this annual event since its inception in August 2005. More than \$25,000.00 was raised in support and recognition of 18 non-profit organizations in our local communities. Also, for the first time, a Citizen of the Year award was presented at the dinner reception to recognize an outstanding citizen who has exemplified the values of volunteerism and philanthropy.



OC Food Bank

On Saturday, June 7, 2014, First Choice Bank staff, families, friends and directors came together to support the Orange County Regional Food Bank. Everyone helped assemble food baskets for low-income families and seniors in Orange County and surrounding areas.



Senior Crimestoppers Program

To assist seniors in nursing homes and subsidized housing who are vulnerable to abuse and financial exploitation, First Choice Bank provided a grant to the Senior Housing Crime Prevention Foundation. The Foundation helps tackle these issues by supporting various preventive programs offered to low-income seniors at no cost. On August 18, 2014, First Choice Bank President Mr. Franko and Chairman Mr. Hui visited Norwalk Skilled Nursing & Wellness Centre to greet the senior residents and to present the grant to the Nursing Centre.



Investing in Working Families Financial Workshop

The month of April is nationally recognized as Financial Literacy Month. During that month in 2014, the City of LA's ongoing "Investing in Working Families" campaign provided access for families to learn how to save money and achieve financial security. First Choice Bank representatives were delighted to be at various outreach locations to support this important campaign and provide information on Savings Accounts and Identity Theft Prevention, along with other financial resources in Money Management.



Habitat for Humanity

On March 21, 2015, First Choice Bank participated in Southern California Edison and Habitat for Humanity's partnership to build a completely green, LEED-certified home. The home will be made available to the family of a disabled U.S. veteran through Habitat for Humanity on a lot donated by the City of Walnut.

Our Employees



Sheau-Wen Chi, Julia Tran, Frances Lo, Kitty Chung, Judy To



Nelson Chan, Linda Willis, Sejal Hira, Kathy Feng, Nick Chow



(Sitting left to right) Marc Amescua, Mike Martin, Debbie Franco; (1st row standing) Jimmy Choi, Michael Kwon, Vanessa Gomez, Phyllis Sison, Uschi Sherrard, M.J. Himmelstein, Cheryl Harrison; (2nd row standing) Tamika Carr-Gaines, Alicia Madrigal, Jennifer Yang, Gene May, Claudia Suro, Daphne Chu, Vincent Wong



(Sitting left to right) Tommy Le, Vandana Gavandi, Kim Liu, Robert Garcia; (1st row standing) Francesca Rivera, Tiffany Natividad, Kate McCloskey, Maggie Hender, Joann Monserrat, Marian Abido, Paula Hernandez, Natividad Maneja, Hyun Park; (2nd row standing) Rajeev Rangaraj, Scott Miller, Peter Brar, Paresh Patel



(Front) Maricar Canonigo, Marge Lizama, Pushpa Ajwani; (Back) Yvonne Chen, Anthony Molina, Scott Rosen, Anthony Cheung



Isela Buenabad, Sameena Khan, Connie Nguyen



Jae Park, Bonnie Soto, Nora Perez, Nadine Lam, Helen Lau



Fanny Wang, Angel Leung, James Yu, Kevin Khuu, Andy Ung



(Sitting) Tiffany Natividad, Gary Youmans, Janice LaRue; (Standing) Dayna Herron, Kate McCloskey, Krista Renga, Tom Vasquez, Angel Chang, Antoinette Sanchez, Gayle Garcia, Neriza Bolor



(Front) Judith Choi, Brooke Crockett, Lynn Flanagan, Janice Craton, Yolanda Su; (Back) Daniel Kim, Jay Patel, Joe Sun, Jose Bravo

Recent Transactions

First Choice Bank's successful completion of a multitude of transactions across widely different lending areas highlights the strength and experience we bring to every client deal. Here are a few examples:

\$6,500,000

Beachfront Single-Family Residence Construction Loan

Hermosa Beach, CA

April 2015

\$6,200,000

Hotel Acquisition

Hesperia, CA

March 2015

\$2,800,000

Helicopter Loan

Santa Monica, CA

February 2015

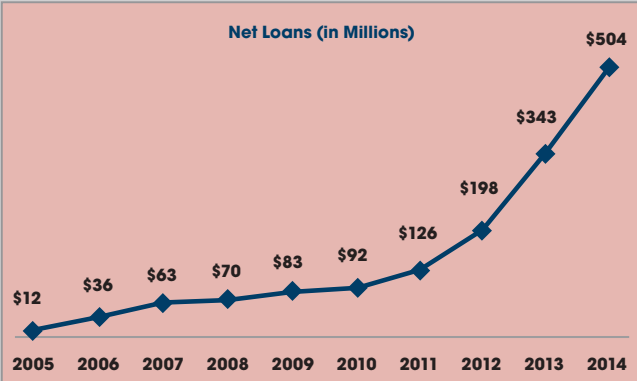
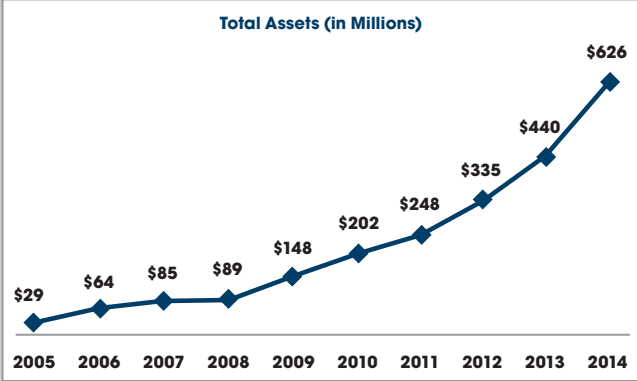
\$6,000,000

Asset-Based Revolving Line of Credit

Temecula, CA

January 2015

Financial Progress – First Choice Bank





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www.FirstChoiceBankCA.com

