



Endeavor Bank Contact Information:

Dan C. Yates, CEO
(858) 230-5185
dyates@bankendeavor.com

Steven D. Sefton, President
(858) 230-4243
ssefton@bankendeavor.com

Endeavor Bank Announces 2021 Third Quarter Financial Results

Healthy Profitability and Core (non-PPP) Loan and Deposit Growth

SAN DIEGO, California (November 22, 2021) – The Bank continues to record healthy earnings, as well as core (non-PPP) loan and deposit growth. Forgiveness of Paycheck Protection Program (PPP) loans and repayment of associated PPPLF borrowings over the third quarter resulted in lower total assets compared to June 30, 2021, as expected. As of September 30, 2021, the Bank's total assets equaled almost \$440 million, a decline of \$24 million from the \$464 million reported at June 30, 2021. Total loans equaled nearly \$347 million as of September 30, 2021, reflecting a decline of \$17 million from the \$364 million reported as of June 30, 2021. The quarterly decline in loan balances includes reductions in PPP loan balances of almost \$52 million from PPP forgiveness, coupled with core (non-PPP) loan growth of \$34 million during the quarter. During the same period, total deposits increased nearly \$31 million from the \$269 million reported at June 30, 2021, to end the third quarter at just under \$300 million.

Pretax net income for the third quarter totaled \$2.1 million, a \$123 thousand decrease from second quarter earnings, mainly from a \$360 thousand increase in provisions to the allowance for loan and lease losses from Q2 to Q3, prompted by robust core loan growth experienced during the quarter.

Financial Results (\$000) Unaudited	June 30, 2021	Sept. 30, 2021
Total Assets	\$463,855	\$439,853
Total Loans	\$364,359	\$346,995
Total Deposits	\$269,026	\$299,812
Total Equity	\$29,744	\$31,222
Net Income After Tax (Year to Date)	\$2,035	\$3,461

For detailed financial statements covering the Bank's operating results, please refer to the call report filed with the FDIC located at <https://www.otcmartets.com/stock/EDVR/disclosure>.

Dan Yates, CEO, said, "The amount of PPP loans Endeavor Bank made from the inception of the PPP program in April of 2020 to the end of the program in June of 2021 totaled over \$304 million. So far, through the end of the third quarter of this year, \$195 million of total PPP loans have been forgiven and repaid since the program began, leaving almost \$109 million remaining PPP loans outstanding." Yates added, "More important to Bank earnings is the fee income the Bank recognizes upon PPP loan forgiveness. Once all loans are forgiven or repaid, participation in the PPP program will have yielded net fee income of over \$10 million, a non-recurring yet permanent boost to capital."

Steve Sefton, President, stated, "As proud as the Endeavor team is of the hard work we did to extend more than 1600 PPP loans, and the assistance this provided to the San Diego business community, we are even prouder of our continued focus on our Core Mission of serving local business owner clients to drive loan and deposit growth. Masked in the balance sheet beneath the noise created by PPP, was core bank loan and deposit growth and resultant earnings. While PPP loan balances initially increased, and then contracted, core loans have steadily grown. In fact, core loan growth exceeded \$111 million compared to last year same quarter, an increase of 86%."

Scott Parker, Chief Credit Officer, commented, "Credit quality continues as we focus on core loan and deposit growth. Endeavor has no material loan delinquencies, no non-accrual loans, and no loan charge-offs."

About Endeavor Bank

Endeavor Bank is primarily owned and operated by San Diegans for San Diego businesses and their owners. The bank's focus is local: local decision-making, local board, local founders, local owners, and relationships with local clients in the San Diego metropolitan marketplace and its surrounding areas.

Headquartered in downtown San Diego in the landmark Symphony Towers building, the Bank also operates a loan production and executive administration office in Carlsbad. Endeavor Bank provides traditional business banking services across a broad spectrum of industries and specialties. Unique to the bank is its consultative banking approach that partners business clients with Endeavor Bank's senior management. Together, we build strategies and provide resources that solve problems, plan for the future, and help clients' efforts to grow revenues and profits. Visit www.bankendeavor.com for more information.

EDVR Shareholders

With many of our shareholders transferring their EDVR shares to their brokerage companies, along with ongoing trading taking place, the Bank may not have the most current shareholder contact information. If you are an EDVR shareholder and would like to receive information via a more timely method, please complete the **Shareholder Communication Preference Form** on our website: <https://www.bankendeavor.com/investor-relations> so we can keep you updated on EDVR news, and invite you to various shareholder networking events throughout the year.

Forward-Looking Statements

This press release includes “forward-looking statements,” as such term is defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on the current beliefs of the Bank’s directors and executive officers (collectively, “Management”), as well as assumptions made by and information currently available to the Bank’s Management. All statements regarding the Bank’s business strategy and plans and objectives of Management of the Bank for future operations, are forward-looking statements. When used in this press release, the words “anticipate,” “believe,” “estimate,” “expect” and “intend” and words or phrases of similar meaning, as they relate to the Bank or the Bank’s Management, are intended to identify forward-looking statements. Although the Bank believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from the Bank’s expectations (“cautionary statements”) are the effects of the COVID-19 pandemic and related government actions on the Bank and its customers, loan losses, changes in interest rates, loss of key personnel, lower lending limits and capital than competitors, regulatory restrictions and oversight of the Bank, the secure and effective implementation of technology, risks related to the local and national economy, the Bank’s implementation of its business plans and management of growth, loan performance, interest rates, and regulatory matters, the effects of trade, monetary and fiscal policies, inflation, and changes in accounting policies and practices. Based upon changing conditions, if any one or more of these risks or uncertainties materialize, or if any underlying assumptions prove incorrect, actual results may vary materially from those described as anticipated, believed, estimated, expected, or intended. The Bank does not intend to update these forward-looking statements.

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