



**BANC OF
CALIFORNIA**

TOGETHER WE WIN[®]

Investor Presentation

Q4 2022



Forward Looking Statements

When used in this report and in documents filed with or furnished to the Securities and Exchange Commission (the “SEC”), in press releases or other public stockholder communications, or in oral statements made with the approval of an authorized executive officer, the words or phrases “believe,” “will,” “should,” “will likely result,” “are expected to,” “will continue,” “is anticipated,” “estimate,” “project,” “plans,” or similar expressions are intended to identify “forward-looking statements” within the meaning of the “Safe-Harbor” provisions of the Private Securities Litigation Reform Act of 1995. You are cautioned not to place undue reliance on any forward-looking statements. These statements may relate to future financial performance, strategic plans or objectives, revenue, expense or earnings projections, or other financial items of Banc of California, Inc. and its affiliates (“BANC,” the “Company”, “we”, “us” or “our”). By their nature, these statements are subject to numerous uncertainties that could cause actual results to differ materially from those anticipated in the statements.

Factors that could cause actual results to differ materially from the results anticipated or projected include, but are not limited to, the following: (i) the continuing effects of the COVID-19 pandemic and steps taken by governmental and other authorities to contain, mitigate, and combat the pandemic on our business, operations, financial performance and prospects; (ii) the costs and effects of litigation, including legal fees and other expenses, settlements and judgments; (iii) the risk that we will not be successful in the implementation of our capital utilization strategy, new lines of business, new products and services, or other strategic project initiatives; (iv) risks that the Company’s merger and acquisition transactions may disrupt current plans and operations and lead to difficulties in customer and employee retention, risks that the costs, fees, expenses and charges related to these transactions could be significantly higher than anticipated and risks that the expected revenues, cost savings, synergies, and other benefits of these transactions might not be realized to the extent anticipated, within the anticipated timetables, or at all and, in the case of our recent acquisition of Deepstack Technologies, reputational risk, regulatory risk and potential adverse reactions of the Company’s or Deepstack’s customers, suppliers, vendors, employees or other business partners; (v) the credit risks of lending activities, which may be affected by deterioration in real estate markets and the financial condition of borrowers, and the operational risk of lending activities, including but not limited to, the effectiveness of our underwriting practices and the risk of fraud, any of which may lead to increased loan delinquencies, losses, and nonperforming assets in our loan portfolio, and may result in our allowance for credit losses not being adequate and require us to materially increase our credit loss reserves; (vi) the quality and composition of our securities portfolio; (vii) changes in general economic conditions, either nationally or in our market areas, including the impact of supply chain disruptions, or changes in financial markets, and the risk of recession or an economic downturn; (viii) changes in the interest rate environment and levels of general interest rates, including the recent and anticipated increases by the FRB in its benchmark rate, the impacts of inflation, the relative differences between short- and long-term interest rates, deposit interest rates, our net interest margin, and funding sources; (ix) fluctuations in the demand for loans, and fluctuations in commercial and residential real estate values in our market area; (x) our ability to develop and maintain a strong core deposit base or other low cost funding sources necessary to fund our activities; (xi) results of examinations of us by regulatory authorities and the possibility that any such regulatory authority may, among other things, limit our business activities, require us to change our business mix, restrict our ability to invest in certain assets, increase our allowance for credit losses, result in write-downs of asset values, increase our capital levels, affect our ability to borrow funds or maintain or increase deposits, or impose fines, penalties or sanctions, any of which could adversely affect our liquidity and earnings; (xii) legislative or regulatory changes that adversely affect our business, including, without limitation, changes in tax laws and policies, changes in privacy laws, and changes in regulatory capital or other rules, and the availability of resources to address or respond to such changes; (xiii) our ability to control operating costs and expenses; (xiv) staffing fluctuations in response to product demand or the implementation of corporate strategies that affect our work force and potential associated charges; (xv) the risk that our enterprise risk management framework may not be effective in mitigating risk and reducing the potential for losses; (xvi) errors in estimates of the fair values of certain of our assets and liabilities, which may result in significant changes in valuation; (xvii) uncertainty regarding the expected discontinuation of the London Interbank Offered Rate (“LIBOR”) and the use of alternative reference rates; (xviii) failures or security breaches with respect to the network, applications, vendors and computer systems on which we depend, including but not limited to, due to cybersecurity threats; (xix) our ability to attract and retain key members of our senior management team; (xx) increased competitive pressures among financial services companies; (xxi) changes in consumer spending, borrowing and saving habits; (xxii) the effects of climate change, severe weather events, natural disasters, pandemics, epidemics and other public health crises, acts of war or terrorism, and other external events on our business; (xxiii) the ability of key third-party providers to perform their obligations to us; (xxiv) changes in accounting policies and practices, as may be adopted by the financial institution regulatory agencies or the Financial Accounting Standards Board or their application to our business, including additional guidance and interpretation on accounting issues and details of the implementation of new accounting standards; (xxv) continuing impact of the Financial Accounting Standards Board’s credit loss accounting standard, referred to as Current Expected Credit Loss, which requires financial institutions to determine periodic estimates of lifetime expected credit losses on loans, and provide for the expected credit losses as allowances for loan losses; (xxvi) share price volatility and reputational risks, related to, among other things, speculative trading and certain traders shorting our common shares and attempting to generate negative publicity about us; (xxvii) our ability to obtain regulatory approvals or non-objection to take various capital actions, including the payment of dividends by us or our bank subsidiary, or repurchases of our common stock; and (xxviii) other economic, competitive, governmental, regulatory, and technological factors affecting our operations, pricing, products and services and the other risks described in this report and from time to time in other documents that we file with or furnish to the SEC.

Executive Management Team

Together Since 2019; Track Record of Strong Performance At Larger Institutions



Jared Wolff (Joined 2019), President and Chief Executive Officer

A veteran California banking executive with deep expertise in finance, law and risk management, Mr. Wolff joined BANC from City National Bank, a Los Angeles-based \$90 billion asset regional bank and subsidiary of Royal Bank of Canada, where he was EVP and General Counsel, and served on the bank's executive committee. Prior to City National, Mr. Wolff was President and a member of the Board of Directors of Pacific Western Bank, a subsidiary of PacWest Bancorp (NASDAQ: PACW) and where he previously served as EVP and General Counsel. During his tenure, Mr. Wolff oversaw more than 20 acquisitions and joined PacWest from the law firm Sullivan & Cromwell, LLP.



**Lynn Hopkins (2019)
Chief Financial Officer**

30+ years of leadership positions, previously served as EVP, CFO of First Choice Bank and EVP, CAO of PacWest Bancorp



**John Sotoodeh (2019)
Chief Operating Officer**

30+ years of banking experience, previously held several key executive positions at Wells Fargo



**Hamid Hussain (2019)
President of the Bank**

25+ years of banking experience, previously served as EVP, Real Estate Market Executive for Wells Fargo



**Ido Dotan (2019), General Counsel
and Chief Administrative Officer**

Experienced in corporate securities, M&A, and structured finance. Previously served as EVP of Carrington Mortgage Holdings



**Bob Dyck (2019)
Chief Credit Officer**

35+ years of highly skilled credit experience, previously served at PacWest Bancorp as CCO for the Community Banking Division



**Jay Sanders (2016)
President, Specialty Banking**

25+ years of leadership experience in financial services including at CIT and Merrill Lynch



**Olivia Lindsay (2016)
Chief Risk Officer**

20+ years of experience in regulatory processes and controls, previously spent 15 years at MUFG Union Bank



**Alex Kveskin (2021)
Chief Human Resources Officer**

25+ years of experience in human resources, previously served in leadership positions for MUFG Union Bank and Wells Fargo



**Debbie Dahl-Amundson (2019)
Chief Internal Audit Officer**

Leads the internal audit group and SOX Compliance, previously served as Assistant General Auditor for PNC

Banc of California Overview

Growing EPS | Strong NIB Deposits | Consistent Credit | Robust Capital

82%⁽¹⁾

Adjusted EPS FY2022 / FY2021

41%

Average NIB Deposits

0.60%

Average NPA Ratio

9.2%⁽¹⁾

TCE Ratio

- **Relationship-focused business banking:** High touch service-oriented model designed to be the hub of the financial services ecosystem for clients
- 34 offices including 28 full-service branches located throughout Southern California
- 12th largest bank by assets headquartered in California, the 5th largest economy in the world
- Conservative balance sheet well positioned to manage through an economic downturn or recession
- Strong capital position and robust profitability
- With a full stack payment processing solution through our Deepstack subsidiary, BANC has a unique opportunity to combine banking and payments for SMID and larger companies



14.8%⁽¹⁾

Adjusted FY2022 ROTCE

\$9.2 Billion

Total Assets

\$7.1 Billion

Total Deposits

\$7.1 Billion

Total Loans



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(1) Denotes a non-GAAP financial measure; see "Non-GAAP Reconciliation" slides at end of presentation. 4Q22 capital ratios are preliminary. FY2022 includes a \$31.3 million pre-tax reversal of credit losses due to the recovery from the settlement of a previously charged-off loan.

Data as of 4Q22 except where noted.

BANC is a Compelling Value Proposition Against Top Peers⁽¹⁾

BANC trades for 1.2x TBVPS and 10.1x 2023E EPS vs.
Peers at 2.0x TBVPS and 10.6x 2023E

**Leading
Presence in
a Top 5
Global
Economy**

**A Top Deposit
Franchise**

**Strong
Capital and
TBVPS
Protection**

**Positioned
to Deliver
Through an
Economic
Downturn**

**Potential for
Diversified
Earnings
Stream**

**4.2 million
Businesses in CA⁽²⁾**

Significant opportunity to continue to add commercial operating accounts in California, the 5th largest stand-alone economy in the world

**4Q22 Average NIB
Deposits of 41%**

NIB Deposits / Total Deposits doubled over the last three years

**Capital
Flexibility**

>9% TCE Ratio and >11% CET 1 Ratio provides ample capital to continue to deliver long-term shareholder value

**Strong
Credit Profile**

~2/3 of loans backed by residential real estate and a robust 1.28% loan loss reserve

**Acquisition of
Deepstack**

Deepstack's payments solution adds potential for more diversified earnings stream and new opportunities to grow core deposits that is not reflected in our current valuation



(1) Peers include all publicly traded U.S. banks between \$5B and \$50B in assets with >35% NIB Deposits / Total Deposits. Peer data reflects YTD information as of 3Q22 unless 4Q22 has been reported as of 1/23/2023. Stock Price and P/E estimates as of 1/23/2023 per S&P Global Market Intelligence.

(2) Source: U.S. Small Business Administration.

Focus on Core Business Banking and Serving SMID Size Businesses that Power our Markets

BANC Aims to be the Hub of the Financial Services Ecosystem for our Clients

COMMERCIAL & BUSINESS BANKING

- Full stack payment processing solution through our Deepstack subsidiary
- Business Banking
- Middle Market Banking
- Asset-Based Lending & Term Loans
- Depository Services
- Cash Management and Treasury Management Solutions

COMMUNITY BANKING

- Personal Banking
- Savings and Investments

SPECIALTY DEPOSITS



- Escrow
- Bankruptcy/Fiduciary Services
- Title/1031/Property Management
- Government Banking
- Institutional Deposits
- Tailored Cash Management and Credit Solutions

SPECIALTY BANKING

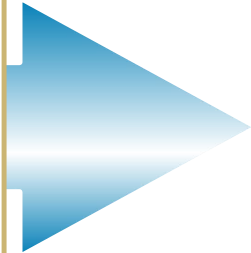
- Entertainment
- Healthcare & Education
- Professional Services
- Foundations/Non-Profit Banking
- Government
- Business Management Banking

REAL ESTATE BANKING

- CRE & Multifamily Lending
- Mortgage Warehouse Lending
- Bridge & Construction Lending
- Cash Management and Treasury Management Solutions

Executing On Planned Strategic Initiatives

Phase One 2019-2020 Building the Foundation ⁽¹⁾	Phase Two 2021 Profitable Growth	Phase Three 2022 and Beyond High performing Institution
<ul style="list-style-type: none"> • Improved deposit mix <ul style="list-style-type: none"> ✓ Noninterest bearing deposits increased to ~40% of total deposits from 14% • Reduced cost of funds and capital <ul style="list-style-type: none"> ✓ Improved deposit mix resulting in an 84 bps increase in the NIM ✓ Refinanced term debt including, FHLBs and AFS securities, increasing asset sensitivity ✓ Redeemed \$240mm of Preferred Series D & E; savings of ~\$17mm per year • Rightsized balance sheet <ul style="list-style-type: none"> ✓ Assets decreased 5%; resulting in increased capital ratios • Reduced expenses <ul style="list-style-type: none"> ✓ 81 FTE reduction and noninterest expense reduced 14% (<i>includes exited LAFC Agreement</i>) ✓ Exited SFR mortgage origination 	<ul style="list-style-type: none"> ✓ Optimized deposit mix and grew DDA balances ✓ Grew total loan balances ✓ Realized operating leverage ✓ Maintained/Expanded net interest margin ✓ Expanded commercial customer base ✓ Grew and optimized capital 	<p>Consistently generate performance that compares favorably to peer group:</p> <ul style="list-style-type: none"> • ROAA, ROATCE • Consistent and stable earnings • Efficiency ratio • Grow revenues and diversify sources • Cost / mix of deposits • Minimize credit noise / continue stable credit quality • Protect and grow TBVPS • Strong capital ratios • Payments / fee income growth



Additional Initiatives that are Accelerating Financial Performance		
<ul style="list-style-type: none"> • Terminated LAFC Agreement • Moved a portion of securities to HTM 	<ul style="list-style-type: none"> • Repurchased 7% of Shares in 2022 • Grew NIBs to 41% of avg. 4Q22 deposits 	<ul style="list-style-type: none"> • Acquired Pacific Mercantile Bank • Acquired Deepstack to Generate New Sources of Fee Income and Deposits

Fourth Quarter and FY 2022 Results Continued to Strengthen the Franchise

<i>(\$ in Thousands Except Per Share Data)</i>	4Q22	3Q22	4Q21
Net interest income	\$ 80,217	\$ 79,408	\$ 73,039
Provision for credit losses	-	-	\$ 11,262
Net income	\$ 21,519	\$ 24,196	\$ 5,751
Net income available to common stockholders	\$ 21,519	\$ 24,196	\$ 4,024
Earnings per diluted common share	\$ 0.36	\$ 0.40	\$ 0.07
Adjusted net income ⁽¹⁾	\$ 26,764	\$ 26,732	\$ 14,831
Adjusted net income available to common stockholders ⁽¹⁾	\$ 26,764	\$ 26,732	\$ 13,104
Adjusted earnings per diluted common share ⁽¹⁾	\$ 0.45	\$ 0.44	\$ 0.22
Pre-tax pre-provision (PTPP) income ⁽¹⁾	\$ 30,587	\$ 34,127	\$ 19,772
Adjusted PTPP income ⁽¹⁾	\$ 38,034	\$ 37,728	\$ 32,663
Return on average assets (ROAA)	0.92%	1.02%	0.24%
Adjusted ROAA ⁽¹⁾	1.15%	1.13%	0.63%
PTPP ROAA ⁽¹⁾	1.31%	1.44%	0.84%
Adjusted PTPP ROAA ⁽¹⁾	1.63%	1.59%	1.39%
Average assets	\$ 9,257,311	\$ 9,408,740	\$ 9,331,955
Net interest margin	3.69%	3.58%	3.28%
Allowance for credit losses coverage ratio	1.28%	1.36%	1.35%
NIE / Average Assets ⁽¹⁾	2.07%	2.15%	2.50%
Adjusted NIE / Average Assets ⁽¹⁾	2.08%	2.00%	1.95%
Common equity tier 1 ⁽²⁾	11.88%	11.43%	11.31%
Tangible common equity per share ⁽¹⁾	\$ 14.19	\$ 13.79	\$ 13.88
Noninterest-bearing deposits as % of total ending deposits	39.5%	40.4%	37.5%



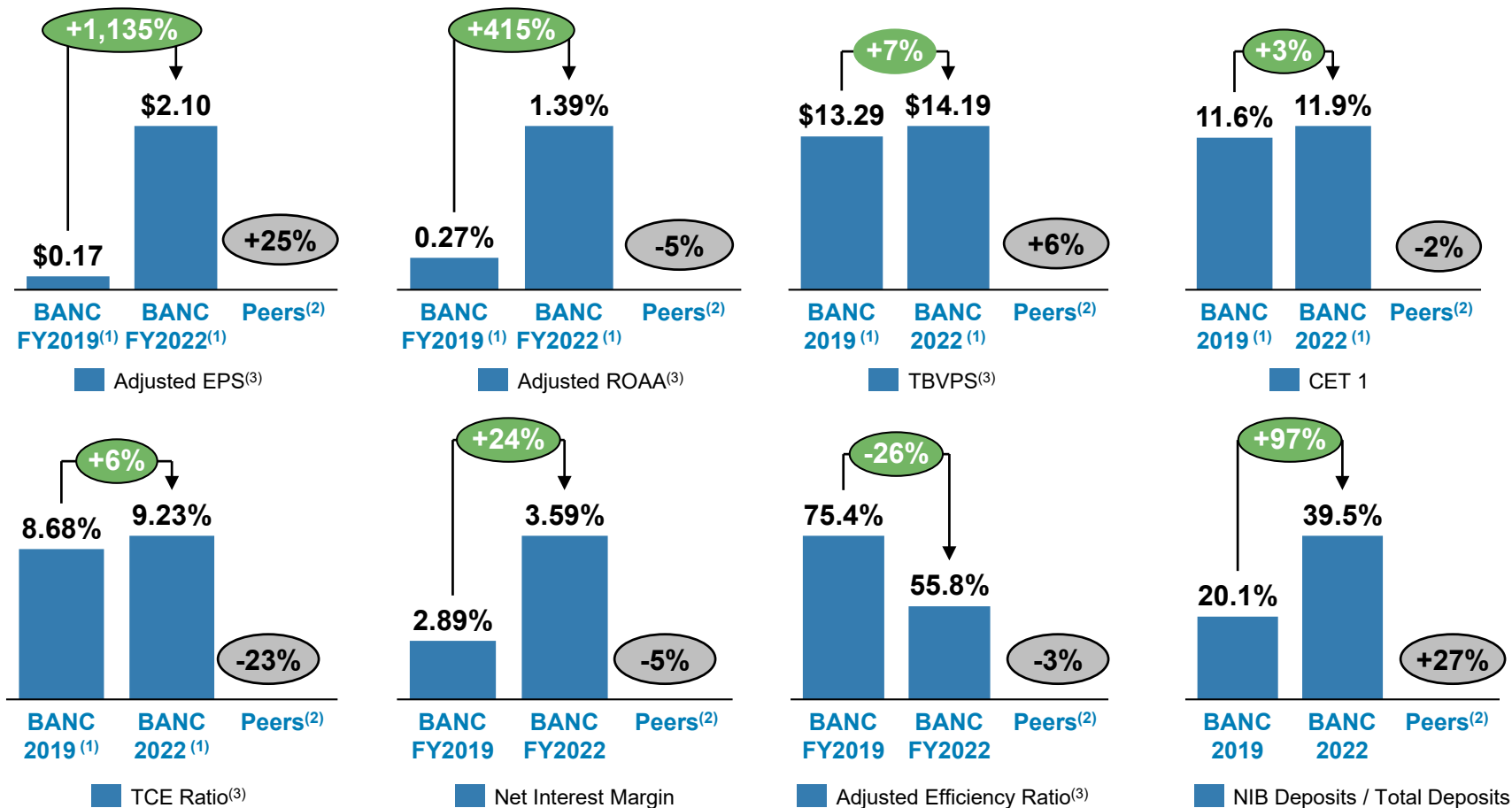
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(1) Denotes a non-GAAP financial measure; see “Non-GAAP Reconciliation” slides at end of presentation.

(2) 4Q22 capital ratios are preliminary.

Management Has Consistently Outperformed Peers in Terms of Relative Change Since 2019

Delivering on our Strategic Transformation Plan



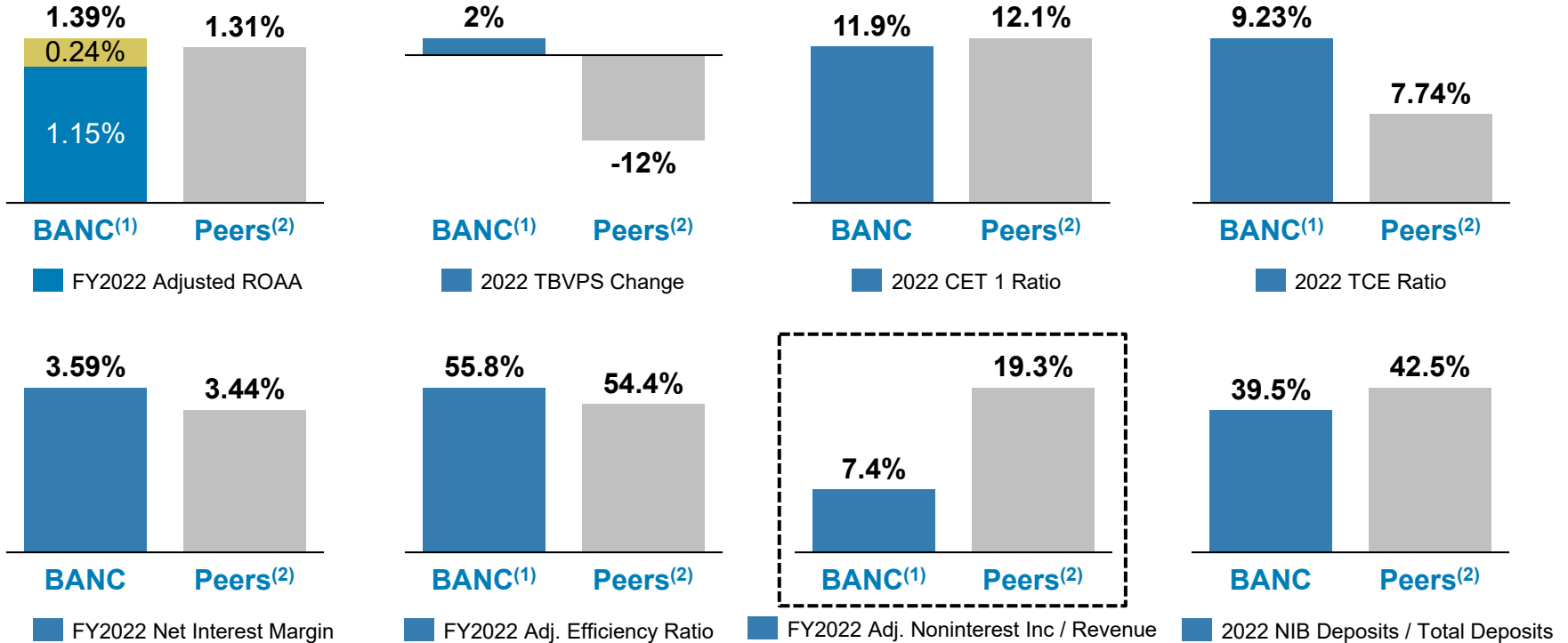
(1) FY2019 includes a \$35.1 million pre-tax provision for credit losses due to the charge-off of a single loan and FY2022 includes a \$31.3 million pre-tax reversal of credit losses due to the recovery from the settlement of such loan.

(2) Peers include all publicly traded U.S. banks between \$5B and \$50B in assets with >35% NIB Deposits / Total Deposits. Peer data reflects YTD information as of 3Q22 unless 4Q22 has been reported as of 1/23/2023. Data for peers per S&P Global Market Intelligence.

(3) Represents a non-GAAP or adjusted measure for BANC at or for the year-ended December 31. See appendix for non-GAAP reconciliation.

Strong Current Performance Against Top NIB Deposit Peers

Peers with >35% NIB Deposits trade for an avg. of 2.0x TBVPS and 10.6x 2023E EPS



Deepstack to Accelerate Fee Income Growth and Narrow the Fee Income Gap

 Represents the impact of a \$31.3 million pre-tax reversal of credit losses due to the recovery from the settlement of a previously charged-off loan



(1) Represents a non-GAAP or adjusted measure for BANC. See appendix for non-GAAP reconciliation.

(2) Peers include all publicly traded U.S. banks between \$5B and \$50B in assets with >35% NIB Deposits / Total Deposits. Peer data reflects YTD information as of 3Q22 unless 4Q22 has been reported as of 1/23/2023. Data for peers per S&P Global Market Intelligence. Stock price as of 1/23/2023.

Overview of Deepstack Technologies Acquisition



- Software-led and e-commerce payments platform that provides clients with payment solutions, including merchant processing, payments acceptance and disbursements, tokenization, virtual accounts, fraud protection tools, chargeback management, and reconciliation and reporting services
- Founded: 2010
- Employees located in Southern CA and in FL
- All employees joined BANC
- www.deepstack.io

Deepstack Technologies LLC (“Deepstack”) is a Wholly owned Subsidiary of BANC

- Provides Banc of California with proprietary payments software solution and entrance into payment processing space for business customers
- Provides opportunity to offer payment processing services to current Banc of California clients as well as integrated software vendors (“ISVs”), e-commerce marketplaces, fintechs and other merchants serving business clients. Opening deposit accounts at Banc of California will give businesses same day visibility into merchant transactions and faster funding
- Provides a meaningful opportunity to grow fee income and core deposits
- Further differentiates the Banc of California experience and provides commercial banking teams with another tool for developing relationships with commercial clients in California
- Advances Banc of California’s goal to be the hub of the financial services ecosystem for clients while creating another driver of profitable long-term growth and franchise value
- Advanced Technology: Built to ISO 8583 standards, with ability to accurately process transactions at a speed and volume capable of connecting directly to card brands. Eventually can reduce processing costs while also having the ability to build data warehouse necessary to provide real-time insights for clients

Deepstack Technologies - A Full Suite of Payments Capabilities Few Other Banks Have

Owning the technology that powers payment processing offers clients same day visibility into their receivables when they have their merchant settlement account at BANC, providing BANC with another source of NIB deposits

Scalable, Meaningful Fee-Based Income

- Provides BANC with growing source of recurring fee income

New Clients in Verticals Attractive to BANC

- Mid-size ISVs targeting businesses need customized payment solutions that help them overcome payment and banking system barriers that processors and banks don't offer today

Generates Noninterest-Bearing (NIB) Deposits

- Same day visibility into merchant transactions will be available to merchants who open their settlement account at Banc of California – a service few other merchant processors currently provide

Customer Solutions Via Technology Focus

- Banc of California is providing all the solutions business clients need under one roof

Franchise Enhancing

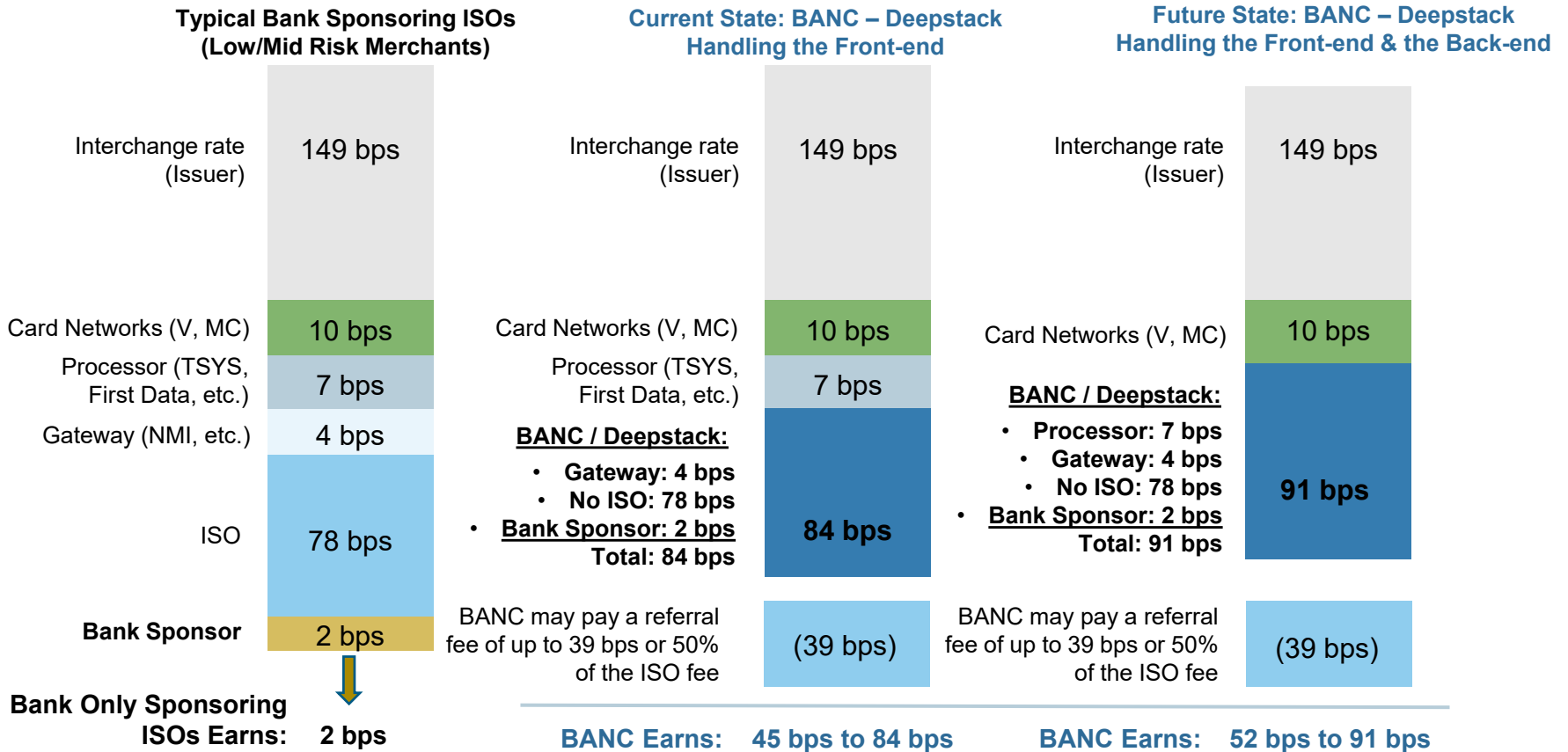
- A proprietary, software-based payments platform that can be customized for clients

	Company Needs	Current BANC Platform	BANC + Deepstack
Traditional Banking Services	Credit Lines	✓	✓
	Business Loans	✓	✓
	Deposit Accounts	✓	✓
	Treasury Management	✓	✓
	ACH Processing	✓	✓
New Client Services	Payment Processing		✓
	Card Acceptance		✓
	Payout Management		✓
	Fraud & Chargeback Management		✓
	Tailored Payments / Reporting Products		✓



Owning the Payment Tech Stack and a Direct to Merchant Software Solution Provides BANC with Compelling Economics

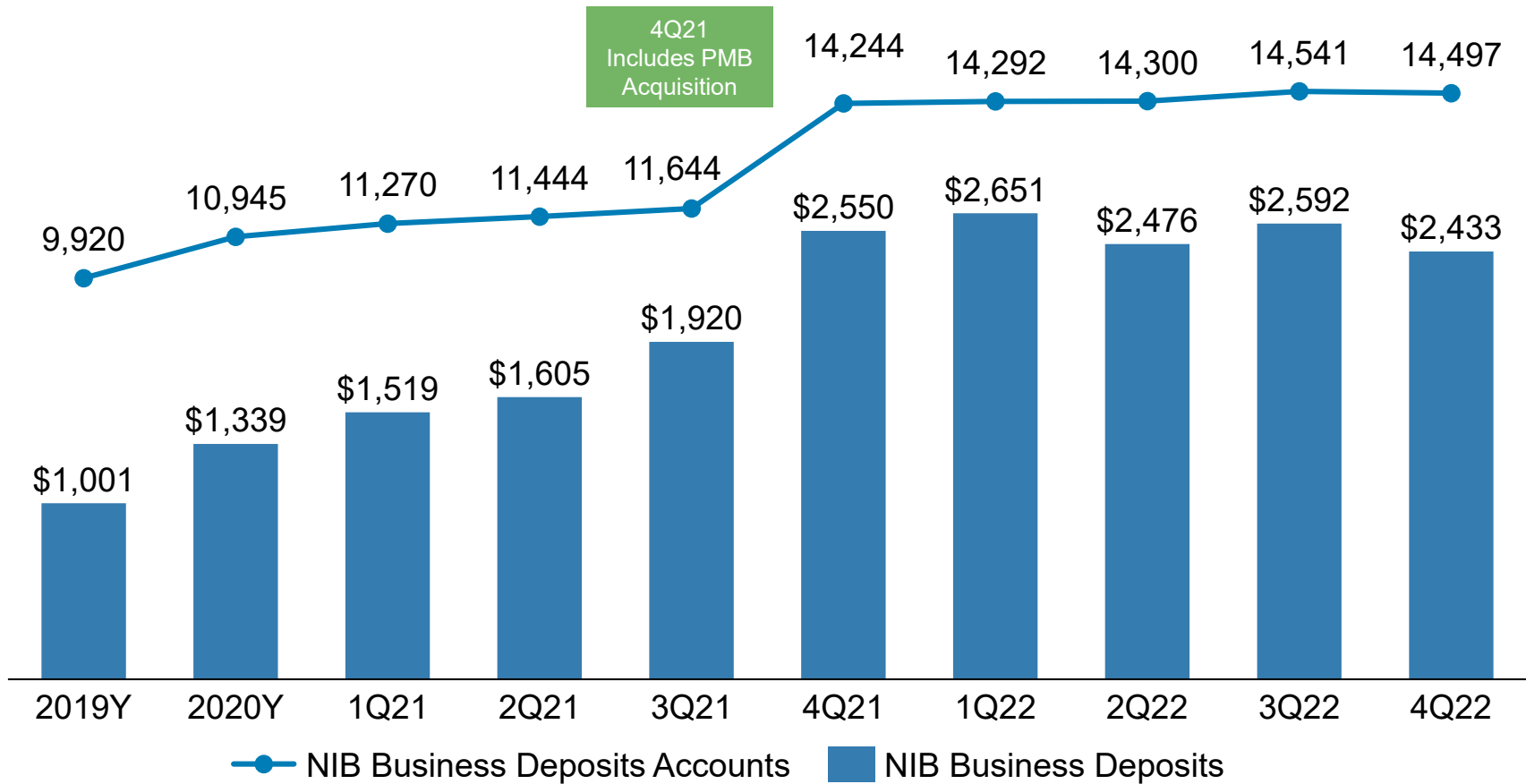
Illustrative: \$100 Transaction Value with a 250 bps Credit Card Transaction Fee



Transaction has the potential to generate fees of up to 91 bps in front-end and back-end fee income

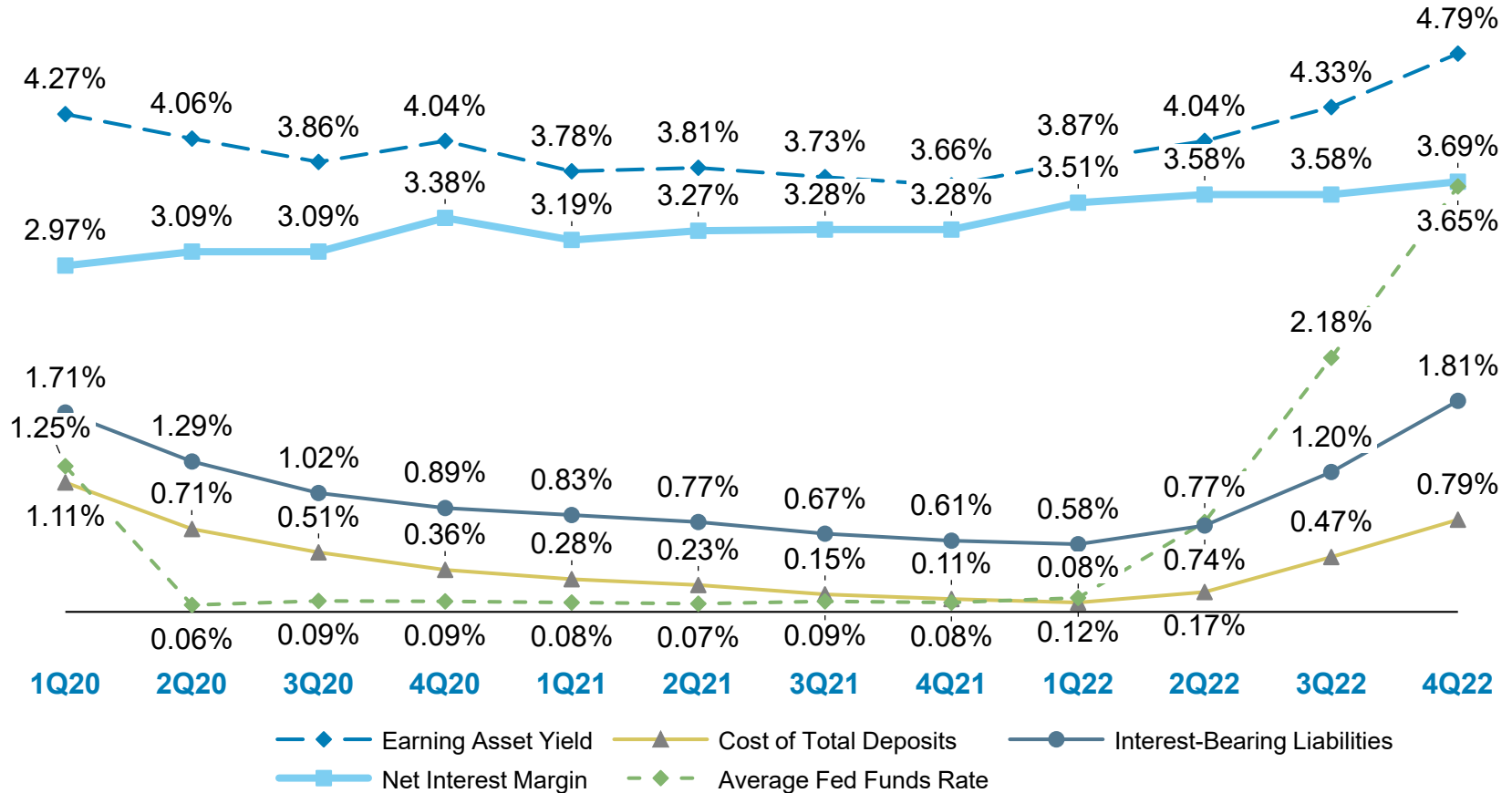
Consistent Growth in Commercial Noninterest-Bearing Deposits (NIB) and Number of Accounts

NIB Commercial Deposits Comprise 89% of Total NIB Deposits



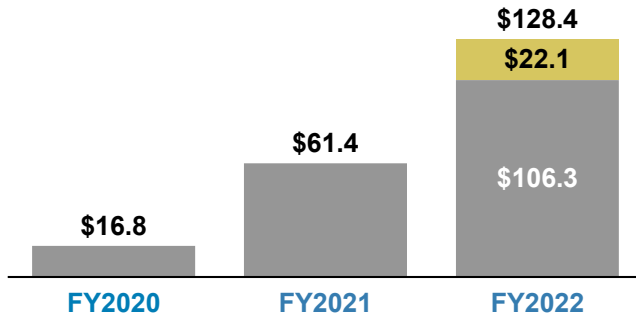
Strong Margin and Earning Asset Yield

Well Positioned with Slight Asset Sensitivity

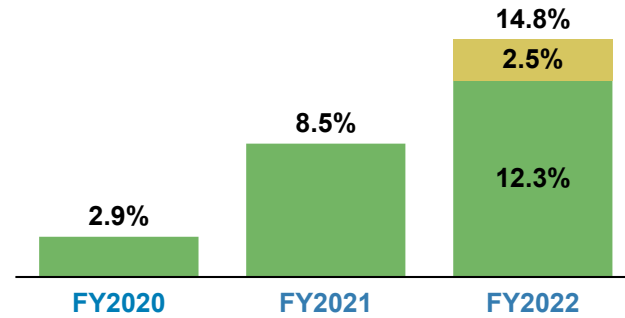


Strong and Growing Profitability

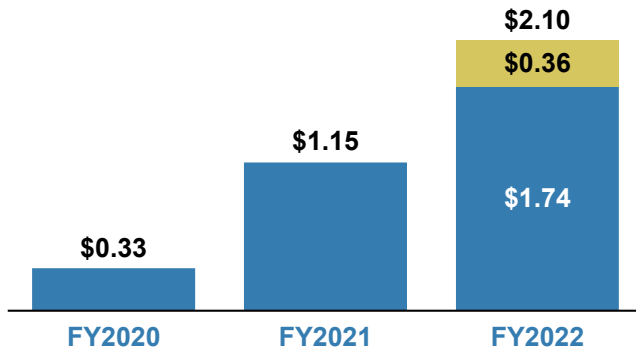
Adjusted Net Income Available to Common (\$ millions)⁽¹⁾



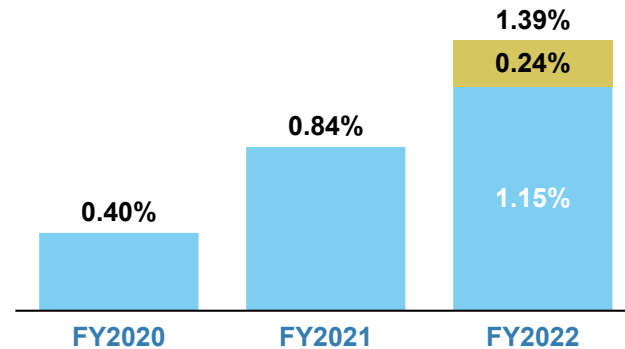
Adjusted ROATCE⁽¹⁾



Adjusted EPS (Diluted)⁽¹⁾



Adjusted ROAA⁽¹⁾

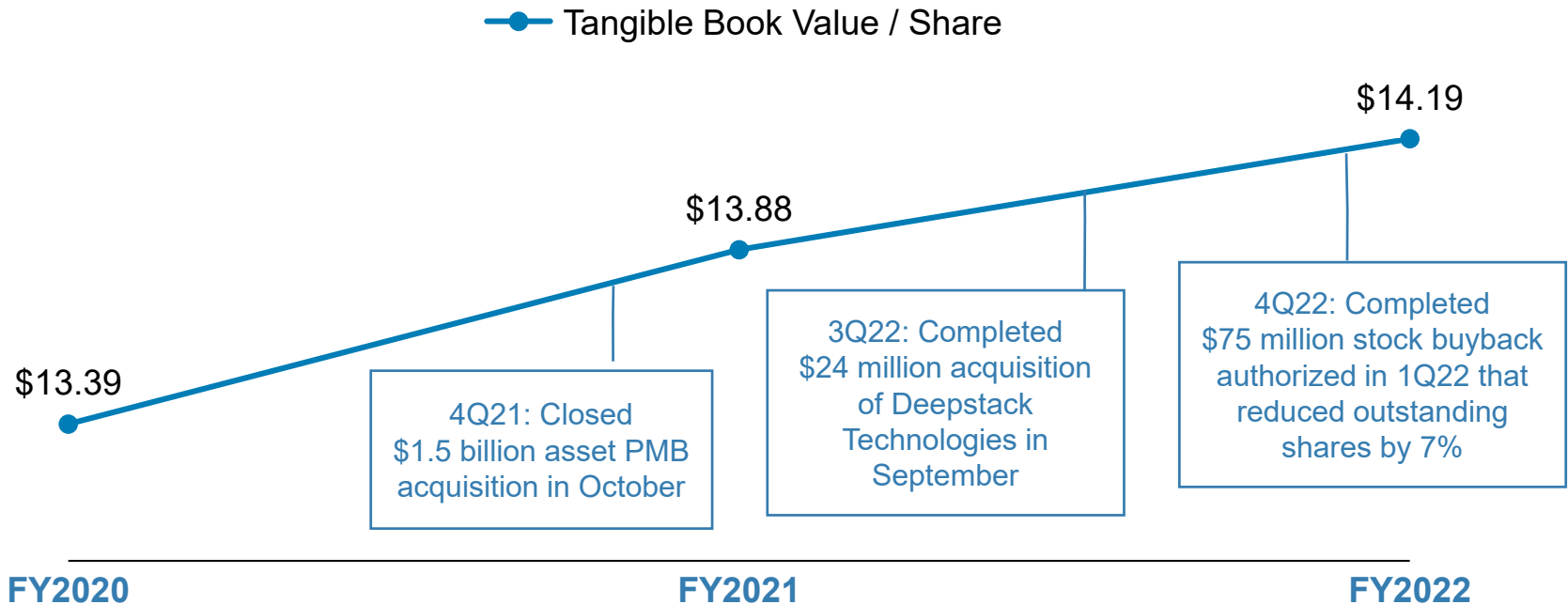


Represents the impact of \$31.3 million pre-tax reversal of credit losses due to the recovery from the settlement of a previously charged-off loan



Protection of Tangible Book Value

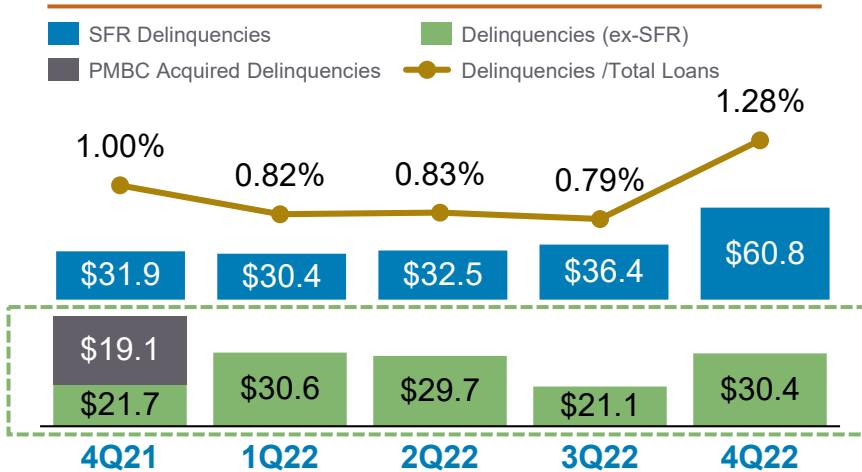
In 2022, we realized growth in TBV per common share⁽¹⁾, as a result of good earnings and prudent balance sheet management, which more than offset negative AOCI marks, dividends, common stock repurchases and the acquisition of Deepstack Technologies



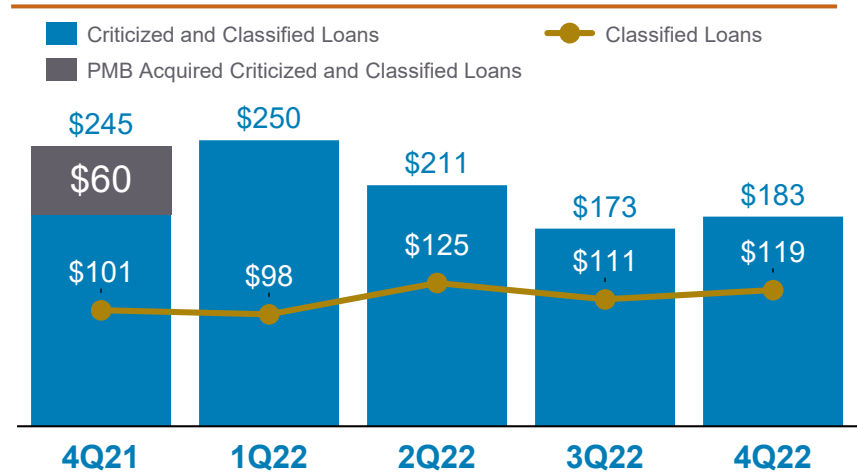
Solid Asset Quality

- NPLs declined excluding SFR loans, which are well-secured with low average LTVs of 57%⁽¹⁾

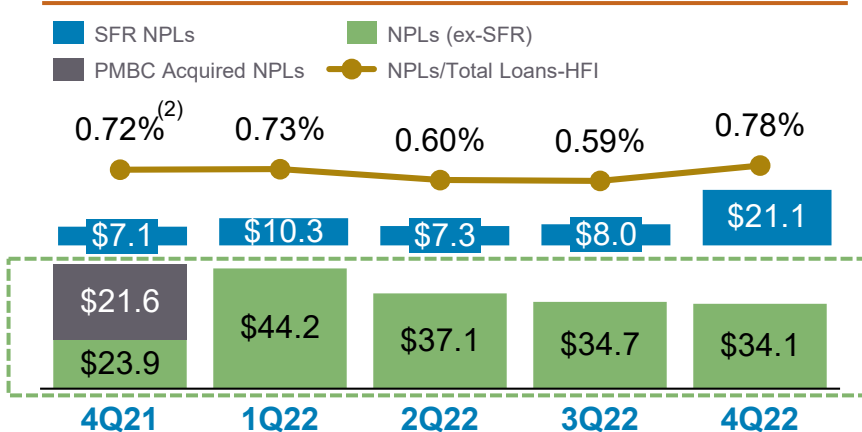
Delinquencies (\$ in millions)



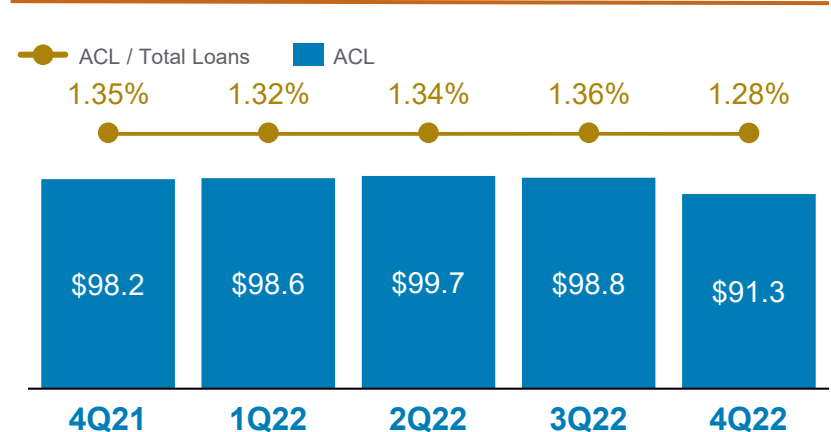
Criticized and Classified Loans (\$ in millions)



Non-performing Loans (NPLs) (\$ in millions)



ACL / Non-performing Loans (NPLs) (\$ in millions)



(1) SFR average LTV is 57% as of 4Q22.

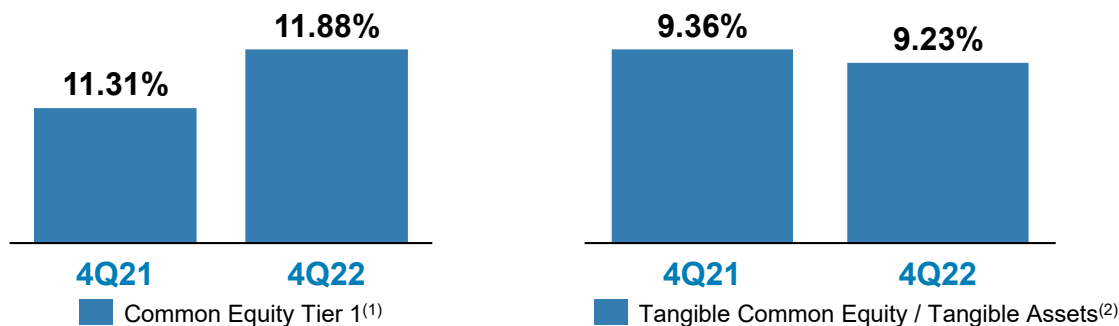
(2) The NPL ratio related to BANC originated loans is 0.49% when PMB's NPLs of \$21.6 million and PMB acquired loans outstanding at December 31, 2021 of \$905 million are excluded.

Robust Capital Base

	4Q21	1Q22	2Q22	3Q22	4Q22
Common Equity Tier 1 ⁽¹⁾	11.31%	11.40%	11.29%	11.43%	11.88%
Tier 1 Risk-based Capital ⁽¹⁾	12.55%	11.40%	11.29%	11.43%	11.88%
Leverage Ratio ⁽¹⁾	10.37%	9.72%	9.58%	9.52%	9.71%
Tangible Equity / Tangible Assets ⁽²⁾	10.38%	9.27%	9.03%	8.97%	9.23%
Tangible Common Equity / Tangible Assets ⁽²⁾	9.36%	9.27%	9.03%	8.97%	9.23%

- 1Q22 included the Series E Preferred Stock Redemption of \$98.7 million
- 1Q22, 2Q22, 3Q22 and 4Q22 included \$4.3 million, \$38.9 million, \$13.0 million and \$18.9 million in common stock repurchases, respectively
- 3Q22 included the impact from the Deepstack acquisition and 4Q21 included the impact from the PMB acquisition

BANC is Focused on Key Capital Ratios



2022 Strategic Goals

We delivered on what we said we would do in our Q4 2021 Investor Presentation



Fully Realize Synergies of PMB Acquisition

- Achieved 40%+ cost saves
- Compared to 2021:
 - 2022 adjusted efficiency ratio⁽¹⁾ declined from 62% to 56%
 - 2022 adjusted noninterest expense to average assets ratio⁽¹⁾ declined from 2.05% to 2.03%
- Adjusted ROAA⁽¹⁾ increased to 115 bps for 4Q22 compared to 63 bps for 4Q21



Continue Generating Strong Loan Production

- 2022 core commercial loans increased 13%⁽²⁾
- Attracted new leaders for ABL, Education and Entertainment



Capitalize on Asset Sensitivity

- 2022 NIM expanded 33 bps
- 2022 average NIB deposits increased 9% to 39%
- Margin expansion in first half of year brought earnings forward, and ended the year remaining slightly asset sensitive with strong loan yields and a high percentage of noninterest-bearing deposits



Accelerate Investment in Technology

- Launched several internal tech initiatives, including the rollout of nCino in 4Q22
- Launched payments vertical including acquisition of Deepstack Technologies
- Strategic investment in Finexio



Continue Optimizing Use of Capital to Increase Earnings and Enhance Franchise Value

- Redeemed Series E preferred stock in 1Q22 for annualized savings of \$6.9 million
- Repurchased \$75M in stock in 2022
- Acquired Deepstack with stock and cash
- Shifted a portion of the securities portfolio from AFS to HTM to protect TBVPS
- Repositioned a portion of the AFS securities portfolio for a \$5.4 million after-tax loss on sales and ~3 year pay-back through reinvestment



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(1) Denotes a non-GAAP financial measure; see "Non-GAAP Reconciliation" slides at end of presentation.

(2) Core commercial loans include CRE, Multifamily, Construction and C&I.

2023 Strategic Goals

Well Positioned to Grow Franchise Value Regardless of Economic Environment

Protect The Balance Sheet

- Continued focus on noninterest-bearing deposits, credit quality, robust capital and tangible book value growth

Proactively Manage Asset-Liability Mix

- Balance asset sensitivity while also proactively taking advantage of opportunities to enhance earnings for the long term

Target Opportunistic Growth in our Core Niches

- Continue momentum in media/entertainment, healthcare and selective bridge real estate where we have unique expertise

Scale Payments Business and Related Initiatives

- Build highly-differentiated payment business that will drive fee income and commercial deposits

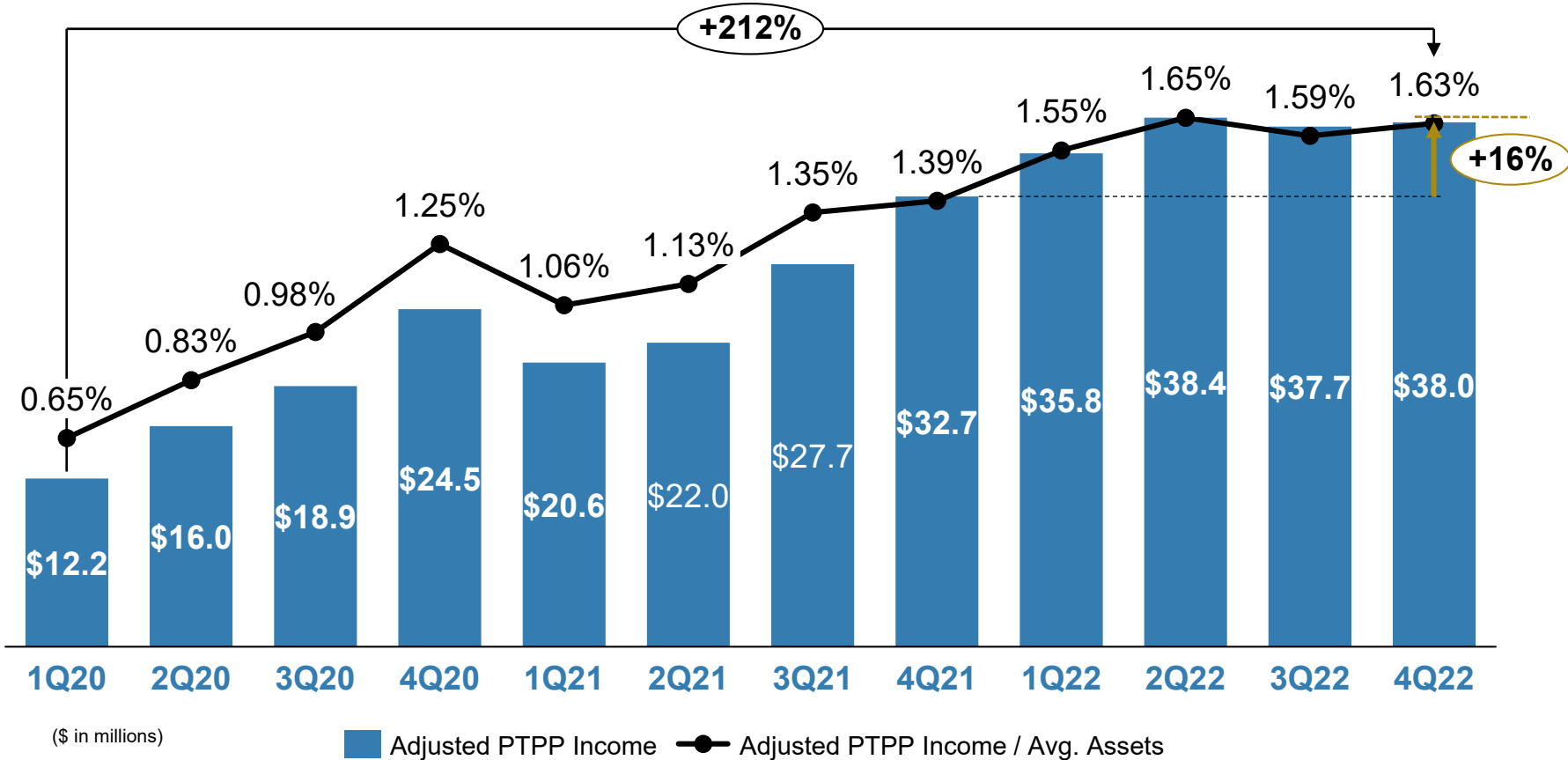
Allocate Capital to Drive Long Term Shareholder Returns

- Options include, but are not limited to: balance sheet growth, investments in people and technology, stock repurchases, debt paydowns, and other targeted ways to enhance yield

Appendix

Steady Increase in Pre-tax Pre-provision Profitability

Adjusted Pre-tax Pre-provision (PTPP) Income⁽¹⁾



Non-GAAP Financial Information

This presentation contains certain financial measures determined by methods other than in accordance with U.S. generally accepted accounting principles (GAAP). These measures include tangible assets, tangible equity, tangible common equity, tangible equity to tangible assets, tangible common equity to tangible assets, tangible common equity per share, return on average tangible common equity, adjusted noninterest income, adjusted noninterest expense, adjusted noninterest expense to average total assets, pre-tax pre-provision (PTPP) income (loss), adjusted PTPP income (loss), PTPP income (loss) ROAA, adjusted PTPP income (loss) ROAA, efficiency ratio, adjusted efficiency ratio, adjusted net income, adjusted net income available to common stockholders, adjusted diluted earnings per share (EPS) and adjusted return on average assets (ROAA) constitute supplemental financial information determined by methods other than in accordance with GAAP. These non-GAAP measures are used by management in its analysis of the Company's performance.

Tangible assets and tangible equity are calculated by subtracting goodwill and other intangible assets from total assets and total equity. Tangible common equity is calculated by subtracting preferred stock from tangible equity. Return on average tangible common equity is computed by dividing net income (loss) available to common stockholders, after adjustment for amortization of intangible assets, by average tangible common equity. Banking regulators also exclude goodwill and other intangible assets from stockholders' equity when assessing the capital adequacy of a financial institution.

PTPP income is calculated by adding net interest income and noninterest income (total revenue) and subtracting noninterest expense. Adjusted PTPP income is calculated by adding adjusted total revenue and subtracting adjusted noninterest expense. PTPP income ROAA is computed by dividing annualized PTPP income by

average assets. Adjusted PTPP income ROAA is computed by dividing annualized adjusted PTPP income by average assets. Efficiency ratio is computed by dividing noninterest expense by total revenue.

Adjusted efficiency ratio is computed by dividing adjusted noninterest expense by adjusted total revenue. Adjusted net income (loss) is calculated by adjusting net income (loss) for tax-effected noninterest expense adjustments and the tax impact from the exercise of stock appreciation rights for the periods indicated. Adjusted net income is calculated by adjusting net income for tax-effected noninterest income and noninterest expense adjustments and the tax impact from the exercise of stock appreciation rights for the periods indicated. Adjusted ROAA is computed by dividing annualized adjusted net income by average assets. Adjusted net income (loss) available to common stockholders is computed by removing the impact of preferred stock redemptions from adjusted net income (loss). Adjusted diluted earnings per share is computed by dividing adjusted net income (loss) available to common stockholders by the weighted average diluted common shares outstanding.

Management believes the presentation of these financial measures adjusting the impact of these items provides useful supplemental information that is essential to a proper understanding of the financial results and operating performance of the Company. This disclosure should not be viewed as a substitute for results determined in accordance with GAAP, nor is it necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Reconciliations of these measures to measures determined in accordance with GAAP are contained on slides 25-29 of this presentation.

Non-GAAP Reconciliation

(Dollars in thousands)	4Q22	3Q22	4Q21	FY2022	FY2021	FY2020	FY2019
Net interest income	\$ 80,217	\$ 79,408	\$ 73,039	\$ 314,365	\$ 253,778	\$ 224,594	\$ 248,163
Noninterest income	(1,427)	5,681	5,605	17,350	19,376	18,518	12,116
Total revenue	78,790	85,089	78,644	331,715	273,154	243,112	260,279
Noninterest expense	48,203	50,962	58,872	194,373	183,678	199,033	196,472
Pre-tax pre-provision income ⁽¹⁾	\$ 30,587	\$ 34,127	\$ 19,772	\$ 137,342	\$ 89,476	\$ 44,079	\$ 63,807
Total revenue	\$ 78,790	\$ 85,089	\$ 78,644	\$ 331,715	\$ 273,154	\$ 243,112	\$ 260,279
Total noninterest income adjustments	\$ 7,708	-	-	7,692	-	(2,011)	4,852
Adjusted total revenue ⁽¹⁾	\$ 86,498	\$ 85,089	\$ 78,644	\$ 339,407	\$ 273,154	\$ 241,101	\$ 265,131
Noninterest expense	\$ 48,203	\$ 50,962	\$ 58,872	\$ 194,373	\$ 183,678	\$ 199,033	\$ 196,472
Total noninterest expense adjustments	261	(3,601)	(12,891)	(4,890)	(13,613)	(28,246)	3,450
Adjusted noninterest expense ⁽¹⁾	48,464	47,361	45,981	189,483	170,065	170,787	199,922
Adjusted pre-tax pre-provision income ⁽¹⁾	\$ 38,034	\$ 37,728	\$ 32,663	\$ 149,924	\$ 103,089	\$ 70,314	\$ 65,209
Average Assets	\$ 9,257,311	\$ 9,408,740	\$ 9,331,955	\$ 9,350,054	\$ 8,294,004	\$ 7,689,016	\$ 9,132,980
Pre-tax pre-provision ROAA ^{(1),(2)}	1.31%	1.44%	0.84%	1.47%	1.08%	0.57%	0.70%
Adjusted pre-tax pre-provision ROAA ^{(1),(2)}	1.63%	1.59%	1.39%	1.60%	1.24%	0.91%	0.71%
Efficiency Ratio ⁽¹⁾	61.18%	59.89%	74.86%	58.60%	67.24%	81.87%	75.49%
Adjusted efficiency ratio ^{(1),(2)}	56.03%	55.66%	58.47%	55.83%	62.26%	70.84%	75.40%

Non-GAAP Reconciliation

(Dollars in thousands)

Adjusted Noninterest Income

	4Q22	3Q22	4Q21	FY2022	FY2021	FY2020	FY2019
Total noninterest income	(1,427)	5,681	5,605	17,350	19,376	18,518	12,116
Net (gain) on securities available for sale	7,708	-	-	7,692	-	(2,011)	4,852
Adjusted noninterest income ⁽¹⁾	\$ 6,281	\$ 5,681	\$ 5,605	\$ 25,042	\$ 19,376	\$ 16,507	\$ 16,968

Adjusted Noninterest Expense

Total noninterest expense	\$ 48,203	\$ 50,962	\$ 58,872	\$ 194,373	183,674	199,033	196,472
Noninterest expense adjustments:							
Indemnified legal recoveries (fees)	869	(1,017)	(642)	(497)	2,073	673	9,407
Naming rights termination	-	-	-	-	-	(26,769)	-
Extinguishment of debt	-	-	-	-	-	(2,515)	-
Restructuring expense	-	-	-	-	-	-	(4,263)
Acquisition, integration and transaction costs	-	(2,080)	(13,469)	(2,080)	(15,890)	-	-
Noninterest expense adjustments before gain (loss) in alternative energy partnership investments	869	(3,097)	(14,111)	(2,577)	(13,817)	(28,611)	5,144
(Loss) gain in alternative energy partnership investments	(608)	(504)	1,220	(2,313)	204	365	(1,694)
Total noninterest expense adjustments	261	(3,601)	(12,891)	(4,890)	(13,613)	(28,246)	3,450
Adjusted noninterest expense ⁽¹⁾	\$ 48,464	\$ 47,361	\$ 45,981	\$ 189,483	\$ 170,061	\$ 170,787	\$ 199,922

Average assets	\$9,257,311	\$9,408,740	\$9,331,955	\$9,350,054	\$8,294,004	\$7,689,016	\$9,132,980
Noninterest income to total revenue	(1.81%)	6.68%	7.13%	5.23%	7.09%	7.62%	4.66%
Adjusted noninterest income to adjusted total revenue ⁽¹⁾	7.26%	6.68%	7.13%	7.38%	7.09%	6.85%	6.40%
Noninterest expense / Average assets ⁽²⁾	2.07%	2.15%	2.50%	2.08%	2.21%	2.59%	2.15%
Adjusted noninterest expense / Average assets ⁽¹⁾⁽²⁾	2.08%	2.00%	1.95%	2.03%	2.05%	2.22%	2.19%



Non-GAAP Reconciliation

(Dollars in thousands)

Tangible Common Equity to Tangible Assets Ratio

	4Q22	3Q22	4Q21	FY2020	FY2019
Total assets	\$ 9,197,016	\$ 9,368,578	\$ 9,393,743	\$ 7,877,334	\$ 7,828,410
Less: goodwill	(114,312)	(114,312)	(94,301)	(37,144)	(37,144)
Less: other intangible assets	(7,526)	(8,081)	(6,411)	(2,633)	(4,151)
Tangible assets ⁽¹⁾	\$ 9,075,178	\$ 9,246,185	\$ 9,293,031	\$ 7,837,557	\$ 7,787,115
Total stockholders' equity	\$ 959,618	\$ 951,990	\$ 1,065,290	\$ 897,207	\$ 907,245
Less: preferred stock	-	-	(94,956)	(184,878)	(189,825)
Total common stockholders' equity	\$ 959,618	\$ 951,990	\$ 970,334	\$ 712,329	\$ 717,420
Total stockholders' equity	\$ 959,618	\$ 951,990	\$ 1,065,290	\$ 897,207	\$ 907,245
Less: goodwill	(114,312)	(114,312)	(94,301)	(37,144)	(37,144)
Less: other intangible assets	(7,526)	(8,081)	(6,411)	(2,633)	(4,151)
Tangible equity ⁽¹⁾	837,780	829,597	964,578	857,430	865,950
Less: preferred stock	-	-	(94,956)	(184,878)	(189,825)
Tangible common equity ⁽¹⁾	\$ 837,780	\$ 829,597	\$ 869,622	\$ 672,552	\$ 676,125
Total stockholders' equity to total assets	10.43%	10.16%	11.34%	11.39%	11.59%
Tangible equity to tangible assets ⁽¹⁾	9.23%	8.97%	10.38%	10.94%	11.12%
Tangible common equity to tangible assets ⁽¹⁾	9.23%	8.97%	9.36%	8.58%	8.68%
Common shares outstanding	58,544,534	59,679,558	62,188,206	49,767,489	50,413,681
Class B non-voting non-convertible common shares outstanding	477,321	477,321	477,321	477,321	477,321
Total common shares outstanding	59,021,855	60,156,879	62,665,527	50,244,810	50,891,002
Book value per common share	\$ 16.26	\$ 15.83	\$ 15.48	\$ 14.18	\$ 14.10
Tangible common equity per common share ⁽¹⁾	\$ 14.19	\$ 13.79	\$ 13.88	\$ 13.39	\$ 13.29

Non-GAAP Reconciliation

(Dollars in thousands)

Return on tangible common equity

	4Q22	3Q22	4Q21	FY2022	FY2021	FY2020	FY2019
Average total stockholders' equity	\$ 989,414	\$ 960,806	\$ 1,035,782	\$ 992,252	\$ 896,988	\$ 882,050	\$ 948,446
Less: Average preferred stock	-	-	(94,956)	(18,731)	(112,201)	(186,209)	(216,304)
Average common stockholders' equity	989,414	960,806	940,826	973,521	784,787	695,841	732,142
Less: Average goodwill	(114,312)	(98,916)	(86,911)	(100,715)	(49,688)	(37,144)	(37,144)
Less: Average other intangible assets	(7,869)	(4,570)	(4,994)	(5,884)	(2,924)	(3,392)	(5,246)
Average tangible common equity ⁽¹⁾	\$ 867,233	\$ 857,320	\$ 848,921	\$ 866,922	\$ 732,175	\$ 655,305	\$ 689,752
Net income available to common stockholders	\$ 21,519	\$ 24,196	\$ 4,024	\$ 115,772	\$ 50,563	\$ (1,103)	\$ 2,624
Add: Amortization of intangible assets	555	396	430	1,705	1,276	1,518	2,195
Less: Tax effect on amortization of intangible assets ⁽²⁾	(164)	(117)	(127)	(504)	(377)	(449)	(649)
Net income available to common stockholders after the adjustments for intangible assets ⁽¹⁾	\$ 21,910	\$ 24,475	\$ 4,327	\$ 116,973	\$ 51,462	\$ (34)	\$ 4,170
Return on average equity	8.63%	9.99%	2.20%	12.19%	6.95%	1.43%	2.51%
Return on average tangible common equity ⁽¹⁾	10.02%	11.33%	2.02%	13.49%	7.03%	(0.01%)	0.60%



Non-GAAP Reconciliation

(Dollars in thousands, except per share data)

	4Q22	3Q22	4Q21	FY2022	FY2021	FY2020	FY2019
Adjusted net income							
Net income ⁽¹⁾⁽²⁾	\$ 21,519	\$ 24,196	\$ 5,751	\$ 120,939	\$ 62,346	\$ 12,574	\$ 23,759
Adjustments:							
Noninterest income adjustments	7,708	-	-	5,418	-	(1,416)	3,418
Noninterest expense adjustments	(261)	3,601	12,891	3,444	9,574	19,894	(2,430)
Tax impact of adjustments above ⁽³⁾	(2,202)	(1,065)	(3,811)	(2,620)	(2,830)	(5,463)	(292)
Adjustments to net income	5,245	2,536	9,080	6,242	6,744	13,015	696
Adjusted net income ⁽¹⁾⁽⁴⁾	\$ 26,764	\$ 26,732	\$ 14,831	\$ 129,801	\$ 69,827	\$ 31,052	\$ 24,747
Average Assets	\$ 9,257,311	\$ 9,408,740	\$ 9,331,955	\$ 9,350,054	\$ 8,294,004	\$ 7,689,016	\$ 9,132,980
ROAA ⁽⁵⁾	0.92%	1.02%	0.24%	1.29%	0.75%	0.16%	0.26%
Adjusted ROAA ⁽⁴⁾⁽⁵⁾	1.15%	1.13%	0.63%	1.39%	0.84%	0.40%	0.27%
Adjusted net income available to common stockholders							
Net income available to common stockholders	\$ 21,519	\$ 24,196	\$ 4,024	\$ 115,772	\$ 50,563	\$ (1,103)	\$ 2,624
Adjustments to net income	5,245	2,536	9,080	8,862	7,481	18,478	988
Adjustments for impact of preferred stock redemption	-	-	-	3,747	3,347	(568)	5,093
Adjusted net income available to common stockholders ⁽⁴⁾	\$ 26,764	\$ 26,732	\$ 13,104	\$ 128,381	\$ 61,391	\$ 16,807	\$ 8,705
Average diluted common shares	59,725,283	60,492,460	60,690,046	61,175,108	53,302,926	50,182,096	50,851,594
Diluted EPS	\$ 0.36	\$ 0.40	\$ 0.07	\$ 1.89	\$ 0.95	\$ (0.02)	\$ 0.05
Adjusted diluted EPS ⁽⁴⁾⁽⁶⁾	\$ 0.45	\$ 0.44	\$ 0.22	\$ 2.10	\$ 1.15	\$ 0.33	\$ 0.17
Adjusted return on average tangible common equity ⁽⁴⁾	12.3%	12.5%	6.2%	14.8%	8.4%	2.6%	1.3%

(1) Net income and adjusted net income for the year ended December 31, 2022 includes a \$31.3 million pre-tax reversal of credit losses due to the recovery from the settlement of a loan charged-off in the third quarter of 2019; there is no similar recovery in any of the other periods presented. Net income and adjusted net income for the year ended December 31, 2019 includes the impact of a \$35.1 million pre-tax charge-off of a loan subsequently recovered in the first quarter of 2022.

(2) Net income for the three months and year ended December 31, 2021 includes an \$11.3 million pre-tax charge for the expected lifetime credit losses for non-purchased credit deteriorated loans acquired in the PMB Acquisition; there is no similar charge in any of the other periods presented.

(3) Tax impact of adjustments shown at a statutory tax rate of 29.6%.

(4) Non-GAAP measure.

(5) Ratio presented on an annualized basis.

(6) Represents adjusted net income available to common stockholders divided by average diluted common shares.