



EARNINGS RELEASE – April 29, 2020  
***Redwood Capital Bancorp First Quarter Earnings Release***  
***SBA Paycheck Protection Program Success - Dividend Continued***

REDWOOD CAPITAL BANCORP (RWCB.OB), the only locally owned and operated community bank holding company in Humboldt County, announced unaudited financial results for the three month period ended March 31, 2020. Redwood Capital Bank, the company's wholly owned subsidiary, proudly remains open for business to serve Humboldt County through the COVID-19 pandemic.

John Dalby, President and CEO remarked, "The Board of Directors and management team are beyond proud of the efforts put forth from our staff. At the beginning of 2020, no one could have predicted the extent of the COVID-19 pandemic, or the effects it would have within our community. As an essential business and the area's only local, community bank, it is vital that we remain accessible to our customers and continue providing the exceptional customer service that we are known for."

Dalby added, "Management and the Board of Directors are also pleased to announce that in response to the needs of our community, during the first round of funding, Redwood Capital Bank processed and funded over 350 SBA Paycheck Protection Program loans totaling over \$59 million. This was accomplished by our dedicated staff volunteering to work evenings and weekends. Redwood Capital Bank was founded in 2004 for the expressed purpose of supporting the local economy and the well-being of the community. Our staff has lived up to that standard. Management could not be more proud of their accomplishments".

The company continues to perform in the major balance sheet categories of assets, loans and deposits. Total assets as of March 31, 2020 were \$368.1 million, an increase of 3% from the same period last year. Total loans, net of unearned income saw a slight decline to \$276.4 million as of March 31, 2020, a decrease of 2% from the quarter ended March 31, 2019. Total deposits grew to \$325.5 million as of March 31, 2020, an increase of 1% over the March 31, 2019 figure.

Net interest income for the quarter ended March 31, 2020 totaled \$3,238,000, down 9% from the \$3,553,000 reported for the three months ended March 2019. The company reported net income after taxes in the first quarter of 2020 of \$529,000, down 47% from the \$992,000 reported for the first quarter of 2019. The decrease was primarily attributed to the addition of allowance for loan loss reserves as the bank prepares for the uncertain impact of the COVID-19 on our economy.

Additionally, the Board of Directors declared a quarterly cash dividend of \$0.07 per share, payable on May 18, 2020 to shareholders of record at the close of business on April 27, 2020. The dividend is equivalent to an annual rate of \$0.28 per share or 2.24%, based upon a market price of \$12.51 per common share.

For more information regarding Redwood Capital Bancorp, please visit our website at [www.redwoodcapitalbank.com](http://www.redwoodcapitalbank.com), contact Renee Byers, SVP/CFO, at (707) 444-9849, or stop by our headquarters and main office at 402 "G" Street, Eureka, California 95501.



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