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PREFERRED BANK CLOSES ACQUISITION OF UNITED INTERNATIONAL BANK

LOS ANGELES, CALIFORNIA, November 23, 2015 – Preferred Bank (NASDAQ: PFBC), an independent commercial bank focusing on the diversified California market, today reported that as of the close of business Friday, November 20, 2015, it had completed the acquisition of United International Bank (“UIB”), as announced on July 20, 2015. UIB is headquartered in Flushing New York, and was founded 2006.

Total value of the transaction is \$22.2 million, or \$1.2 million in excess of shareholder’s equity, which will be paid in cash. This represents just under 1.06 times tangible book value. At the closing, UIB had approximately \$187 million in total assets, \$150 million in total loans and \$158 million in total deposits.

Li Yu, Chairman and CEO of Preferred, said, “We are so pleased to consummate this transaction. Our two banks share a philosophy of building franchise value through high touch service and access to decision-makers. This transaction will allow us to offer UIB’s clients a greater suite of products and services and a significantly expanded legal lending limit. We look forward to continuing the strong community banking foundation that UIB has established.”

Advisors

Sandler O’Neill & Partners, LP acted as exclusive financial advisor to Preferred Bank in the transaction. Manatt, Phelps & Phillips acted as Preferred’s legal advisor and Schiff Hardin LLP acted as legal advisor to UIB.

About Preferred Bank

Preferred Bank (the “Bank”) is one of the larger independent commercial banks headquartered in California. The Bank is chartered by the State of California, and its deposits are insured by the Federal Deposit Insurance Corporation, or FDIC, to the maximum extent permitted by law. The Bank conducts its banking business from its main office in Los Angeles, California, and through eleven full-service branch banking offices in California (Alhambra, Century City, City of Industry, Torrance, Arcadia, Irvine, Diamond Bar, Anaheim, Pico Rivera, Tarzana and San Francisco) and one branch in Flushing, New York. Preferred Bank offers a broad range of deposit and loan products and services to both commercial and consumer customers. The Bank provides personalized deposit services as well as real estate finance, commercial loans and trade finance to small and mid-sized businesses, entrepreneurs, real estate developers, professionals and high net worth individuals. Although originally founded as a Chinese-American Bank, Preferred Bank now derives most of its customers from the diversified mainstream market but does continue to benefit from the significant migration to California of ethnic Chinese from China and other areas of East Asia.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about the Bank’s future financial and operating results, the Bank’s plans, objectives, expectations and intentions and other statements that are not historical facts. Such statements are based upon the current beliefs and expectations of the Bank’s management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: changes in economic conditions; changes in the California real estate market; the loss of senior management and other employees; natural disasters or recurring energy shortage; changes in interest rates; competition from other financial services companies; ineffective underwriting practices; inadequate allowance for loan and lease losses to cover actual losses; risks inherent in construction lending; adverse economic conditions in Asia; downturn in international trade; inability to attract deposits; inability to raise additional capital when needed or on favorable terms; inability to manage growth; inadequate communications, information, operating and financial control systems, technology from fourth party service providers; the U.S. government’s monetary policies; government regulation; environmental liability with respect to properties to which the bank takes title; and the threat of terrorism. Additional factors that could cause the Bank’s results to differ materially from those described in the forward-looking statements can be found in the Bank’s 2014 Annual Report on Form 10-K filed with the Federal Deposit Insurance Corporation which can be found on Preferred Bank’s website. The forward-looking statements in this press release speak only as of the date of the press release, and the Bank assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those contained in the forward-looking statements. For additional information about Preferred Bank, please visit the Bank’s website at www.preferredbank.com.