

To be mailed to
shareholders on or about
June 21, 2023

MNB HOLDINGS CORPORATION
3060 16th Street
San Francisco, California 94103
Telephone (415) 826-3627

2023 ANNUAL MEETING OF SHAREHOLDERS
INFORMATION STATEMENT
JULY 26, 2023

Introduction

This Information Statement is being furnished to the shareholders of MNB Holdings Corporation, a California corporation (the **“Company”**), in connection with the 2023 Annual Meeting of Shareholders to be held in person at Mission National Bank (the **“Bank”**), 3060 16th Street, San Francisco, CA 94103 on Wednesday, July 26, 2023 at 10:00 a.m. and at any adjournments or postponements thereof (the **“Annual Meeting”**). This Information Statement is being mailed to our Shareholders on or about June 21, 2023.

A copy of the annual report of the Company for the fiscal year ended December 31, 2022 (Independent Auditor’s Report and Consolidated Financial Statements) (the **“Annual Report”**) is enclosed with this Information Statement. Additional copies of the Annual Report are also available upon request to the Secretary of the Company at MNB Holdings Corporation, 3060 16th Street, San Francisco, California 94103.

VOTING SECURITIES

The Board of Directors has designated Monday, June 12, 2023 as the Record Date for the Annual Meeting (the **“Record Date”**). Only shareholders of record as of the close of business on the Record Date will be entitled to notice of and to vote at the Meeting. As of the Record Date, the Company had 456,788 shares of Common Stock outstanding.

Any person giving a proxy in the form accompanying this Information Statement has the power to revoke that proxy prior to its exercise by delivering written notice to the Company stating that the proxy is revoked, by executing a subsequent proxy that is presented at the meeting, or by attending the Annual Meeting and voting in person.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table page sets forth information, as of the Record Date, pertaining to beneficial ownership of the Company’s Common Stock (the sole class of stock outstanding) by persons known to the Company to own 5% or more of the Company’s Common Stock. This information has been obtained from the Company’s records, or from information furnished directly by the individual or entity to the Company. The table should be read with the understanding that more than one person may be the beneficial owner or possess certain attributes of beneficial ownership with respect to the same securities.

Name and Address	Relationship to Company	Amount Beneficially Owned ¹	Percentage Ownership ²
Rommel R. Medina 1028 Mission Street San Francisco, CA 94103	Shareholder	134,140	29.37%
Alma Vivar ³ 315 Abbot Avenue Daly City, CA 94014	Shareholder Director	153,120	33.52%

The following table page sets forth information, as of the Record Date, pertaining to beneficial ownership of the Company’s Common Stock (the sole class of stock outstanding) by current directors of the Company, nominees for director and all directors, nominees for director and executive officers of the Company as a group. This information has been obtained from the Company’s records, or from information furnished directly by the individual or entity to the Company. The table should be read with the understanding that more than one person may be the beneficial owner or possess certain attributes of beneficial ownership with respect to the same securities. Therefore, careful attention should be given to the footnote references set forth in the column “Amount and Nature of Beneficial Ownership.”

¹ Based on information available to the Company without independent verification.

² Based upon 456,788 shares outstanding.

³ 128,120 shares held in the Medina 2021 MNBH Trust of which Alma Vivar is the trustee. On July 19, 2022 these 128,120 shares were transferred to the Medina 2021 MNBH Trust from Ruell Medina. Regulatory approval for the acquisition of these shares by the Medina 2021 MNBH Trust and Alma Vivar as trustee was obtained on February 10, 2022.

<u>Name and Address of Beneficial Owner (1)</u>	<u>Relationship With the Company</u>	<u>Amount and Nature of Beneficial Ownership (2)</u>	<u>Percent of Class (3)</u>
Jarhett Blonien	Current Chairman and Director of Company, Director of Bank and Nominee for Director	28	< 1%
William (Billy) R. Chan	Current Director of Company and Bank, Secretary of the Bank and Nominee for Director	30	< 1%
David Choi	Current Director of Bank	20	< 1%
Ming Chow	Vice Chairman, President, Chief Financial Officer & Current Director of Company, President, Chief Financial Officer and current Director of the Bank, and nominee for Director	1300	< 1%
JoAnne Loughlin	Current Chairman and Director of the Bank	121	< 1%
Julio Prada	Current Director of the Bank	150	< 1%
Ray G. Skinner	Current Director and Secretary of Company, CEO of the Bank and nominee for Director	415	<1%
Alma M. Vivar	Current Director of Company and the Bank and Nominee for Director	153,120	33.52%
All Directors, Nominees for Directors, and Executive Officers as a Group (8 in Number)		155,184	33.95%

- (1) The business address for all persons is c/o MNB Holdings Corporation, 3060 16th Street, San Francisco, CA 94103.
- (2) Includes shares beneficially owned directly and indirectly together with associates. Subject to applicable community property laws and shared voting and investment power with a spouse, the persons listed have sole voting and investment power with respect to such shares unless otherwise noted. Except as otherwise noted, the figures set forth above may include shares held by such person's spouse (except where legally separated) and minor children, and by any other relative of such person who has the same home; shares held in "street name" for the benefit of such person; shares held by a family or retirement trust to which such person is a trustee and primary beneficiary with sole voting and investment power (or shared power with a spouse); or shares held in an Individual Retirement Account or pension plan as to which such person (and/or his/her spouse) is the sole beneficiary and has pass-through voting rights and investment power.
- (3) Based upon 456,788 shares outstanding.

INFORMATION REGARDING CORPORATE GOVERNANCE

The directors of the Company are elected annually by the shareholders to manage the Company's overall business and affairs. The Company, as the sole shareholder of Mission National Bank (the "**Bank**"), is entitled to elect the directors of the Bank. The Board of Directors of the Bank, in turn, selects and oversees the members of the Bank's senior management who are charged with conducting the business of the Bank under applicable standards of safety and soundness. The Board of Directors of the Bank (the "**Bank Board**") then appoints certain committees for oversight of Bank various activities.

Committees of the Bank Board of Directors

In 2022, the Bank had the following Board committees:

- Audit Committee
- ALCO (Asset and Liabilities Committee)
- Loan and Investment Committee
- Compliance Committee
- Compensation Committee

Following is a brief description of the members and functions of each of the standing committees of the Bank:

Audit Committee:

The Audit Committee has been established by the Bank Board. The primary purpose of the Audit Committee of the Bank is to assist the Board in fulfilling its oversight responsibilities by reviewing the Bank's financial reports and other financial information provided by the Bank to governmental bodies (e.g., federal banking regulators and the Internal Revenue Service) or the public, the Bank's systems of internal controls regarding finance, accounting, regulatory compliance and ethics that management and the Board have established, the Bank's internal audit function and the Bank's auditing, accounting and financial reporting processes. Consistent with the Audit Committee's primary purpose, the Audit Committee should encourage continuous improvement of, and should foster adherence to, the Bank's policies, procedures and practices at all levels. Members of the Audit Committee are independent of management. The Members of the Bank's Audit Committee are: Joanne Loughlin, Billy Chan and Alma Vivar. The Audit Committee met 11 times in 2022.

ALCO (Asset and Liabilities Committee):

The Asset/Liability Committee of the Board (ALCO) has been established by the Bank Board to assist the Board of Directors by assessing the adequacy and monitoring the implementation of the Bank's Asset/Liability Management (ALM) and related procedures. The ALM includes specific policies and procedures relating to (i) interest rate risk, (ii) market and investment risk, (iii) liquidity risk, (iv) credit risk, and (v) capital risk. The members of the Bank's ALCO are: Jarhett Blonien, Billy Chan, and Alma Vivar. The ALCO met 4 times in 2022.

Compliance Committee:

The Compliance Committee has been created by the Bank Board. The Committee oversees the Bank's compliance with laws and regulations applicable to the Bank's banking business, including the statutes and regulations administered by the Office of the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and other regulators ("Regulators"). The members of the Bank's Compliance Committee are: Julio Prada, JoAnne Loughlin and David Choi. The Compliance Committee met 17 times in 2022.

Compensation Committee:

The Compensation Committee was created by the Bank Board. The Compensation Committee was responsible for determining, or recommending to the Bank Board for determination, the compensation of the CEO and all other executive officers of the Bank. However, on May 25, 2023 the Compensation Committee was dissolved by the Bank Board. Thus, the Bank Board as a whole is now responsible for determining the compensation of the CEO and all other executives of the Bank. The current members of the Bank's Board are: Joanne Loughlin, Julio Prada, David Choi, Jarhett Blonien, Billy Chan, and Alma Vivar. The Compensation Committee met 1 times in 2022

Loan and Investment Committee:

The Loan and Investment Committee ("LIC") has been created by the Bank Board. The LIC oversees: the credit and lending strategies and objectives of the Bank; the credit risk management of the Bank, including reviewing internal credit policies and establishing portfolio limits as further described below; and the quality and performance of the Company and the Bank's credit portfolio. Additionally the LIC approves or declines loans that are presented to them by the Bank's Credit Administration. The LIC also reviews on a quarterly basis, for recommendation to the full Board. the Allowance for Loan and Lease Losses ("ALLL") also known as the Allowance for Credit Losses ("ACL"). In addition, the LIC reviews the stress test, at least semi-annually. Members of the Bank's LIC are: David Choi, Jarhett Blonien and Julio Prada. The LIC met 24 times in 2022.

Compensation of Directors

Each non-independent director of the Bank, receives a monthly retainer of \$3,500 per month or a total of \$42,000 per year. The independent directors of the Bank receive \$5,000 per month for a total of \$60,000 per year. The directors of the Company do not receive separate compensation for their services as such. The independence of a director is determined by the Bank Board applying factors found in FDIC regulations applicable to banks with more than \$500 million in assets.

EXECUTIVE OFFICERS OF THE COMPANY

Set forth below is certain information with respect to the Company's Executive Officers. (As used throughout this Information Statement, the term "Executive Officer" refers to the Bank's Chief Executive Officer, and the Company's President and Chief Financial Officer, who holds the same offices with the Bank. The Company does not have a Chief Executive Officer at this time.

<u>NAME</u>	<u>AGE</u>	<u>POSITION</u>	<u>EXECUTIVE OFFICER SINCE</u>
Ray G. Skinner	59	Chief Executive Officer of the Bank	June 2022
Ming S. Chow	49	President and Chief Financial Officer of the Company and the Bank	June 2021 (1)

(1) Ming Chow was previously Executive Vice President & Chief Financial Officer from September 2013 to June 2021, when he was promoted to President.

For more information on the background and business experience of the Executive Officers of the Company, see the descriptions for these individuals who are also nominees for director under Proposal No. 1 below.

TRANSACTIONS WITH DIRECTORS AND EXECUTIVE OFFICERS

Some of the executive officers, directors, and principal shareholders of the Company and the companies with which they are associated have been customers of, and have had banking transactions with the Bank in the ordinary course of the Bank's business during 2022, and the Bank expects to continue to have such banking transactions in the future. All loans and commitments to lend included in such transactions have been made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with other persons of similar creditworthiness; and in the opinion of the Management of the Bank, have not involved more than the normal risk of repayment or presented any other unfavorable features.

PROPOSALS TO BE MADE AT THE 2023 ANNUAL MEETING OF SHAREHOLDERS

PROPOSAL NO. 1 - Election of Directors of the Company

The Bylaws of the Company, as amended, provide that the Board of Directors shall consist of not less than five (5) and not more than nine (9) directors. Previously, the authorized number of directors has been fixed by resolution of the Board of Directors at five (5).

The persons named on the following pages have been nominated for election as directors of the Company, to serve until the next Annual Meeting and until their successors are duly elected and qualified. All of those nominees who are elected to be directors of the Company will also serve as members of the Board of Directors of the Bank, in addition to other persons appointed by the Board of Directors of the Company. Directors will be elected by a plurality of the votes cast by the holders of the Company's Common Stock, voting in person or by proxy at the Annual Meeting. A plurality vote means that the five nominees receiving the largest number of votes cast will be elected. If any nominee becomes unable or unwilling to serve as a director, new nominees may be proposed at the Annual Meeting in accordance with the Company's Bylaws. The Board of Directors presently has no knowledge that any of the nominees will be unable or unwilling to serve.

Any Shareholder wishing to nominate an individual to serve on the Board of Directors should give notice to the President of the Company as provided in the Bylaws and as reflected in the Notice of Annual Meeting mailed with this Information Statement. The Chairperson of the Meeting may disregard nominations not made in accordance with the procedures set forth in the Company's Bylaws.

In connection with the election of directors (only), shares may be voted under the rules of cumulative voting. Cumulative voting is a process that allows every Shareholder to cast a number of votes equal to the number of shares held in his or her name as of the Record Date, multiplied by the number of directors to be elected (five, in the case of this Annual Meeting). All of these votes may be cast for any one nominee, or they may be distributed among as many nominees as the Shareholder sees fit. The nominees receiving the highest number of votes, up to the number of places to be filled, will be elected.

Under California law and the Company's bylaws, no Shareholder may cumulate votes unless at least one Shareholder present in person at the Annual Meeting gives notice to the Chairperson of the Meeting, prior to the vote, of his or her intention to vote cumulatively (notice of intention to vote cumulatively may not be given by proxy). Once the cumulative voting process has been properly invoked, all Shareholders eligible to vote will be entitled to cumulate their votes in voting for the election of the directors, but only for persons whose names have been duly placed in nomination prior to the voting for election of directors. Again, the cumulative voting rules only apply to the election of directors – no other matter that may come before the Annual Meeting will be subject to cumulative voting. The Board of Directors does not, at this time, intend to seek cumulative voting unless the required notice by a Shareholder is given. If that happens, the shares to be voted by the members of the Board of Directors may be voted cumulatively in the discretion of the individual directors, or at the discretion of their proxy holders, if any of them have given proxies.

The table on the following pages sets forth certain information with respect to those persons who have been nominated and recommended to be elected by the current Board of Directors. For information pertaining to stock ownership of each of the nominees, please refer to the “SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT” section of this Information Statement above.

The Company’s Board of Directors has nominated the following candidates for election to the Board of Directors, commencing after the Annual Meeting. Information regarding the age, background and experience of each director nominee is set forth below.

Nominees for Election to the Board of Directors

Jarhett Blonien, age 39, has served as a director of the Company since 2021 and as Chairman of the Board of the Company since 2022. He is a government relations attorney with J. Blonien, A Professional Law Corporation. He is also the owner of JR Digital Strategies, LLC. Mr. Blonien has years of experience working at various levels of state government and has spent his career mastering the legislative process, forming relationships with key players and learning how to creatively implement successful strategies amidst a constantly evolving political landscape. Mr. Blonien is a recognized expert of gaming and government law. His practice area covers issues such as health care, local government, land use, financial institutions, water and environmental issues. Prior to starting his own business, Mr. Blonien served under Kamala Harris in the California Department of Justice as a Deputy Attorney General. The focus of his public sector legal work included environmental, criminal and civil rights issues. Prior to working in the Attorney General’s Office, he attended Santa Clara University where he received both his Bachelors of Science and Juris Doctorate Degrees. Mr. Blonien is a member of the California State Bar.

William (Billy) R. Chan, age 47, has served as a director of the Company since 2017. Mr. Chan is a business transactions lawyer with Chan Punzalan LLP (and previously the Law Offices of Billy Chan) in San Francisco, California. He handles business and corporate work for new companies, established businesses, individual entrepreneurs, family shops, large enterprises, multi-entity groups, private firms, small corporations, and big partnerships. Mr. Chan completed his undergraduate education at UCLA, where he graduated with honors. He attended law school at Berkeley, then-known as the UC Berkeley School of Law (Boalt Hall). Mr. Chan is an active member of the legal community. He is a past President of both the Asian American Bar Association and the Filipino Bar Association of Northern California. His current community involvement includes service as a director for the nonprofit that organizes the Undiscovered night market in the SoMa district of San Francisco.

Ming S. Chow, age 49, has served as President of the Company and the Bank since June 2021 and Chief Financial Officer since 2013. Mr. Chow also served as Acting Chief Executive Officer from September 2017 to March 2018. Mr. Chow has over 25 years of experience in the financial services industry. Mr. Chow has held a number of executive and senior positions with community banks in California, Nevada, and Arizona, ranging from \$200 million to \$3 billion in total assets. Mr. Chow has served as a Director of the Association of Asian American Bankers since 2021. Mr. Chow received a Master of Business Administration from Queens University of Charlotte

and a Bachelor of Science degree from the University of North Carolina at Charlotte. Mr. Chow is also a graduate of the Pacific Coast Banking School at the University of Washington.

Ray G. Skinner, age 59, has served as the Chief Executive Officer director of the Bank since June 2022. Mr. Skinner has also served as a director of the Company since June 2022. Previously, Mr. Skinner served as Chief Executive Officer of Town & Country Bank in Salem, Missouri from January 2019 to August 2021. Before that, he was Chief Banking Officer of Highland Union Bank in Abingdon, Virginia (which was acquired by First Community Bank) from January 2016 to January 2019. He has over 30 years of experience leading and building high-performance bank teams that help individuals, organizations, and communities grow. Mr. Skinner has also served as CEO and in other senior executive positions for banks in Georgia, Hawaii, and Tennessee. Mr. Skinner received his bachelor's degree from the University of Mississippi and is a graduate of the Barret Graduate School of Banking at Christian Brothers University. Mr. Skinner serves as Chairman of the Board of Trustees of Mid-America Baptist Seminary and College. He is also a member of the executive committee of the Board of Regents at the Barret School of Banking.

Alma M. Vivar, age 74, has served as a director of the Company since 2010. Since 2001, she has been the owner of Vestal House ICF/DD-H, a San Leandro, California based Residential Care Facility. She served as President of the Players Group from 2000 to 2008.

There are no family relationships among any of the Company's executive officers or directors. No director of the Company is known by the Company to be a director of any company with a class of securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended, or subject to the requirements of Section 15(d) of such Act, or of any company registered as an investment company under the Investment Company Act of 1940, as amended.

Certain Legal Proceedings

In 2015, the Office of the Comptroller of the Currency ("OCC"), the primary federal regulator of the Company's subsidiary, Mission National Bank ("Bank"), issued a Supervisory Condition Imposed in Writing ("SCIW") requiring the Bank Board to submit an acceptable strategic plan to the OCC for no supervisory objection on at least an annual basis. Despite repeated efforts by the Bank, as has been previously disclosed, the OCC determined the Bank Board failed to meet this requirement. In 2020, the Bank Board and the OCC executed a Consent Order ("2020 CO") requiring the Bank Board to address certain Bank Secrecy Act and Anti-Money Laundering deficiencies, as well as to ensure appropriate Board and management oversight. The OCC later determined that certain members of the Bank Board failed to ensure that the Bank achieved compliance with the 2020 CO and that the Bank was in violation of multiple Articles of the 2020 CO.

Members of the Bank Board disputed the characterization of the OCC's criticism and made numerous efforts to correct the cited deficiencies through the extensive efforts of management resources, time and attention, as well as the use of outside advisors and consultants. Many of the matters requiring board attention were in fact resolved. However, the OCC issued letters threatening legal action against some but not all of the Bank's directors, including Bank directors Cesar V. Alegria, Jr., William (Billy) R. Chan, David Choi, JoAnne Loughlin, Julio

Prada and Alma M. Vivar. In the interest of cooperation and to avoid the costs associated with future administrative and judicial proceedings, and without admitting or denying any wrongdoing, those members of the Bank Board, including Company director nominees William R. (Billy) Chan and Alma M. Vivar, each individually consented to the issuance of a consent order and to pay a civil money penalty in amount of \$10,000 each in 2022. Directors Alegria, Choi, Loughlin, and Prada subsequently decided to not seek reelection to the Company Board of Directors at the 2022 Annual Meeting, but remained on the Board of Directors of the Bank. Director Alegria has since passed away.

The consent orders do not otherwise prohibit such directors from continuing their involvement as directors of the Bank or the Company, and all such directors committed to resolving all pending issues between the OCC and the Bank as expeditiously as possible. No portion of these penalties or legal expenses of such directors were indemnified by nor paid by the Company or the Bank. In addition, the current director nominees of the Company are now comprised of a majority of individuals who have not been subject to a consent order or civil money penalty with the OCC, providing the Company in 2022 with new Board leadership to assist in resolving pending regulatory matters.

Recommendation of Management

The Board of Directors of the Company recommends a vote “**FOR**” the election of the directors nominated by the Board of Directors.

PROPOSAL NO. 2 - Ratification of Appointment of Independent Auditors

The Board of Directors has appointed Moss Adams LLP to serve as the Company’s independent auditors for the 2023 fiscal year. In this Proposal No. 2, the shareholders of the Company are being asked to ratify the Board’s appointment of Moss Adams LLP as independent auditors of the Company.

A representative of Moss Adams LLP is expected to attend the Annual Meeting and will have an opportunity to make a statement if the representative desires to do so, and the representative is expected to be available to respond to appropriate questions.

Vote Required

Ratification of the appointment of Moss Adams LLP as the Company’s independent auditors for the 2023 fiscal year requires the affirmative vote of the holders of a majority of the shares of Common Stock present or represented by proxy and voting at the Annual Meeting.

Recommendation of Management

The Board of Directors of the Company recommends a vote “**FOR**” ratification of the appointment of Moss Adams LLP as independent auditors of the Company for the 2023 fiscal year.

2024 ANNUAL MEETING OF SHAREHOLDERS

Next year's Annual Meeting of Shareholders will be held on or about July 24, 2024. The deadline for shareholders to submit proposals for inclusion in the Information Statement and form of proxy for the 2024 Annual Meeting of Shareholders is December 31, 2023. All shareholder proposals to be included in the 2024 Information Statement and form of proxy should be submitted by Certified Mail, Return Receipt Requested, to the Secretary, MNB Holdings Corporation, 3060 16th Street, San Francisco, California 94103.

June 21, 2023
San Francisco, California

BY ORDER OF THE BOARD OF DIRECTORS OF MNB HOLDINGS CORPORATION

