



**FOR IMMEDIATE RELEASE**

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**GOLDEN STATE BANCORP ANNOUNCES FOURTH QUARTER AND FULL YEAR 2021 FINANCIAL RESULTS**

Glendale, CA, March 2, 2022 - Golden State Bancorp (OTCBB: GSBX) (“us,” “we,” “our,” or the “Company”), the holding company of Golden State Bank (the “Bank”), today announced financial results for the fourth quarter and full year of 2021.

Full Year Highlights:

- Total assets increased by \$87.5 million, or 19.9%, from \$439.1 million at December 31, 2020 to \$526.6 million
- Loans, net of deferred fees, increased by \$90.5 million, or 27.8%, from \$325.5 million at December 31, 2020 to \$416.0 million
- Credit quality remains strong
- Cash and cash equivalents stood at \$104.6 million
- Deposits increased by \$73.6 million, or 19.9%, from \$369.7 million at December 31, 2020 to \$443.2 million
- Net income of \$3.6 million for 2021; pre-tax, pre-loan loss provision earnings of \$6.7 million for 2021
- Completed Phase I of our equity capital raise and issuance of subordinated notes in November 2021
- Fully diluted book value per share of \$17.43

Mr. Robert Setrakian, Chairman of the Board and Chief Executive Officer of the Company stated, “We had a great year. We are proud of our accomplishments in 2021 which is a testament of the efforts of our entire team. 2022 is off to a good start and, barring the unforeseen, should be another solid year of profitability and growth. Finally, you will see in a separate announcement soon that we recently completed Phases I (November 2021) and II (March 2022) of our equity capital raise of \$10 million to support our expected growth.”

“Another exciting quarter to close a great year for Golden State Bank as we continue to see results and improved financial performance. Everyone’s hard work is highlighted through our year-end numbers.” said Ms. Mercedes Herrera, President and Chief Executive Officer of the Bank. “Credit quality remains strong, our pipeline is robust and one of the most gratifying things for us is that our clients not only keep coming back for new business but also refer us new clients. Our team remains steadfast in our dedication to our clients, shareholders and communities that we serve.”

**About Golden State Bancorp and Golden State Bank**

Golden State Bancorp is the holding company of Golden State Bank. Golden State Bank is a full service bank, serving the business, commercial and professional markets. The Bank meets financial needs of its business clients with loans for working capital, equipment, owner-occupied and investment commercial real estate, and a full array of cash management services and deposit products for businesses and their owners. Golden State Bank meets its clients' needs through its head office and branch in Glendale and regional office and branch in Upland, California. For more information, please visit [www.goldenstatebank.com](http://www.goldenstatebank.com) and [www.goldenstatebancorp.com](http://www.goldenstatebancorp.com).

**Forward Looking Statements**

Certain statements in this press release that are not historical facts are "forward-looking statements". Such statements are not guarantees of future performance and are subject to risks and uncertainties that could cause the Company's actual results and financial position to differ materially from those included within the forward-looking statements. Specific factors include, but are not limited to, the impact of the COVID-19 pandemic, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes and financial policies of the United States government, and general economic conditions. The Company disclaims any obligation to update any such factors or to publicly announce the results of any revisions to any forward-looking statements contained in this release to reflect future events or developments. Forward-looking statements involve risks and uncertainties, including those relating to the illiquidity of the Company's stock. Actual results may differ materially from projected results, and reported results should not be considered as an indication of future performance. More information about the Bank is available via the Federal Deposit Insurance Corporation's website: [www.fdic.gov](http://www.fdic.gov).

**GOLDEN STATE BANCORP**  
**Condensed Consolidated Statement of Financial Condition**  
**(unaudited)**

	<u>December 31, 2021</u>	<u>December 31, 2020</u> (audited)
<b>ASSETS</b>		
Cash & due from banks	\$ 6,642,406	\$ 7,259,821
Interest-earning deposit in FRB/FFS	97,976,054	98,551,443
Total Loans, net of deferred fees	416,016,235	325,470,113
Allowance for loan losses	(5,736,672)	(4,291,813)
<b>NET LOANS</b>	<b>410,279,563</b>	<b>321,178,301</b>
Federal Home Loan Bank stock, at cost	1,534,400	1,137,600
Premises and equipment	1,021,351	1,110,425
Other real estate owned	1,331,857	1,331,857
Operating lease ROU assets, net	1,250,081	1,421,486
Deferred tax asset	4,251,905	5,011,426
Other assets	2,338,617	2,098,648
<b>TOTAL ASSETS</b>	<b>\$ 526,626,233</b>	<b>\$ 439,101,006</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Noninterest bearing deposits	\$ 76,407,218	\$ 60,471,407
Interest bearing deposits	366,822,110	309,194,470
<b>TOTAL DEPOSITS</b>	<b>443,229,327</b>	<b>369,665,877</b>
FHLB borrowings	25,000,000	25,000,000
Secured debts	-	9,950,000
Subordinated notes	15,000,000	-
Other borrowings	1,746,439	-
Operating lease liabilities	1,425,856	1,631,397
Other liabilities	2,287,737	1,912,920
<b>TOTAL LIABILITIES</b>	<b>488,689,359</b>	<b>408,160,194</b>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>37,936,874</b>	<b>30,940,812</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 526,626,233</b>	<b>\$ 439,101,006</b>

**Selected Financial and Ratios**

**Asset Quality Ratios**

Nonperforming loans to total loans, net of deferred fees	0.46%	0.46%
Allowance for loan losses to total loans, net of deferred fees	1.38%	1.32%

**Capital Ratios (1)**

Tier 1 leverage ratio	9.05%	8.29%
Common equity tier 1 capital ratio	11.27%	10.34%
Tier 1 risk based capital ratio	11.27%	10.34%
Total risk based capital ratio	12.53%	11.59%
Common shares outstanding	2,047,146	1,836,538
Book value per share	\$18.53	\$16.85
Fully diluted book value per share (2)	\$17.43	\$15.85

(1) All ratios calculated are at the "Bank" level, except per share information, which is at the "Bancorp" level.

(2) Fully diluted book value per share is calculated based on fully diluted equity and the total number of common shares that would be outstanding if the in-the-money employee stock options are exercised.

**GOLDEN STATE BANCORP**  
**Condensed Consolidated Statement of Income**  
**(Unaudited)**

	<b>Three Months Ended</b>		<b>12 Months Ended December 31,</b>	
	<b>December 31, 2021</b>	<b>December 30, 2020</b>	<b>2021</b>	<b>2020</b>
Interest income	\$ 6,174,742	\$ 4,661,042	\$ 22,393,315	\$ 17,335,055
Interest expense	1,253,897	1,344,778	4,915,815	5,730,921
Net interest income	4,920,845	3,316,264	17,477,499	11,604,134
Provision for loan losses	370,000	392,000	1,595,000	914,000
Net interest income after provision for loan losses	4,550,845	2,924,264	15,882,499	10,690,134
Non-interest income	68,048	38,202	240,514	75,475
Non-interest expense	2,645,462	3,055,661	11,048,584	11,504,339
Income before taxes	1,973,431	(93,195)	5,074,429	(738,730)
Income tax	580,288	(1,407)	1,521,875	(164,357)
<b>Net Income (Loss)</b>	<b>\$ 1,393,143</b>	<b>\$ (91,788)</b>	<b>\$ 3,552,554</b>	<b>\$ (574,373)</b>