



**FOR IMMEDIATE RELEASE**

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**GOLDEN STATE BANCORP ANNOUNCES SECOND QUARTER OF 2022 FINANCIAL RESULTS**

Glendale, CA, August 10, 2022 - Golden State Bancorp (OTC Pink: GSBX) (“us,” “we,” “our,” or the “Company”), the holding company of Golden State Bank (the “Bank”), today announced financial results for the second quarter of 2022.

Current Quarter Highlights:

- Total assets increased by \$78.1 million, or 14.8%, from \$526.3 million at December 31, 2021 to \$604.4 million
- Loans, net of deferred fees, increased by \$48.4 million, or 11.6%, from \$416.0 million at December 31, 2021 to \$464.4 million
- Credit quality remains strong
- Cash and cash equivalents increased by \$5.8 million, or 5.5%, from \$104.6 million at December 31, 2021 to \$110.4 million; also held \$24.6 million in short term US Treasuries at the end of the quarter
- Deposits increased by \$75.3 million, or 17.0%, from \$443.2 million at December 31, 2021 to \$518.5 million
- Net income of \$1.9 million for the three months ended June 30, 2022
- Fully diluted book value per share of \$18.55

Mr. Robert Setrakian, Chairman of the Board and Chief Executive Officer of the Company stated, “We had a quarter beyond our expectations. Besides the robustness of our loan and deposit pipelines, we were also well positioned to benefit from the rate increases that the Federal Reserve is implementing, and at the same time cognizant of some of the challenges that we and our clients may face going forward. We intend to complete the final phase of our previously announced capital raise in this quarter.”

“I am very pleased with our financial performance; we continue to meet loan growth expectations and have diligently maintained an above target net interest margin.” said Ms. Mercedes Herrera, President and Chief Executive Officer of the Bank. “Satisfied clients return for new loans and refer others to the bank. Our deposit business has been steadily growing, however, some of the recent increases specially in demand deposits may be temporary in nature. Overall, I could not be more pleased with our business development efforts. The last phase of our capital raise is timely to support immediate future growth and financial strength.”

**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, expectations regarding growth, credit quality, the success and timing of the Company's planned capital raise, 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).

<b>GOLDEN STATE BANCORP</b> <b>Condensed Consolidated Statement of Financial Condition</b> <b>(unaudited)</b>
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	<u>June 30, 2022</u>	<u>December 31, 2021</u> (audited)
<b>ASSETS</b>		
Cash & due from banks	\$ 3,097,219	\$ 6,642,406
Interest-earning deposit & FFS	107,279,871	97,976,054
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	110,377,090	104,618,459
Securities Investment	24,550,551	-
Total Loans, net of deferred fees	464,429,612	416,016,235
Allowance for loan losses	(6,554,130)	(5,736,672)
<b>NET LOANS</b>	457,875,482	410,279,563
Federal Home Loan Bank stock, at cost	2,060,200	1,534,400
Premises and equipment	912,108	1,021,351
Other real estate owned	1,056,200	1,331,857
Operating lease ROU assets, net	1,044,583	1,250,081
Deferred tax asset	4,251,905	4,251,905
Other assets	2,241,250	2,001,222
<b>TOTAL ASSETS</b>	<b>\$ 604,369,368</b>	<b>\$ 526,288,838</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Noninterest bearing deposits	\$ 141,757,766	\$ 76,407,218
Interest bearing deposits	376,730,686	366,822,110
<b>TOTAL DEPOSITS</b>	518,488,452	443,229,327
FHLB borrowings	17,500,000	25,000,000
Subordinated notes, net	14,696,896	14,662,605
Other borrowings	1,746,439	1,746,439
Operating lease liabilities	1,199,007	1,425,856
Other liabilities	3,458,856	2,287,737
<b>TOTAL LIABILITIES</b>	557,089,651	488,351,964
<b>TOTAL SHAREHOLDERS' EQUITY</b>	47,279,717	37,936,874
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>\$ 604,369,368</b>	<b>\$ 526,288,838</b>

<b>Selected Financial and Ratios</b>
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**Asset Quality Ratios**

Nonperforming loans to total loans, net of deferred fees	0.43%	0.46%
Allowance for loan losses to total loans, net of deferred fees	1.41%	1.38%

**Capital Ratios (1)**

Tier 1 leverage ratio	9.93%	9.05%
Common equity tier 1 capital ratio	12.62%	11.28%
Tier 1 risk based capital ratio	12.62%	11.28%
Total risk based capital ratio	13.87%	12.53%

Common shares outstanding	2,047,146	2,047,146
Book value per share (2)	\$23.10	\$18.53
Fully diluted book value per share (3)	\$18.55	\$17.43

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

(2) Basic book value per share is calculated as total shareholders' equity divided by the number of common shares outstanding as at the end of the period, giving no effect to dilutive shares. Book value per share of \$23.10 includes \$6.0MM net proceeds from the sale of the prefunded warrants which is recorded as additional paid-in capital.

(3) 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 all in-the-money employee stock options, warrants and the conditional, restricted and non-assignable rights to purchase common stock are exercised by investors.

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

	For the three months ended		For the six months ended June 30,	
	June 30, 2022	June 30, 2021	2022	2021
Interest income	\$ 7,329,939	\$ 5,381,017	\$ 13,518,965	\$ 10,501,916
Interest expense	1,128,527	1,204,697	2,256,211	2,460,547
Net interest income	6,201,412	4,176,320	11,262,754	8,041,370
Provision for loan losses	559,000	380,000	857,000	650,000
Net interest income after provision for loan losses	5,642,412	3,796,320	10,405,754	7,391,370
Noninterest income	57,133	58,781	118,588	105,898
Noninterest expense	3,055,673	2,864,707	5,945,846	5,721,373
Income before taxes	2,643,872	990,395	4,578,497	1,775,895
Income tax	790,396	304,710	1,369,326	543,390
<b>Net Income</b>	<b>\$ 1,853,476</b>	<b>\$ 685,685</b>	<b>\$ 3,209,171</b>	<b>\$ 1,232,505</b>