



**FOR IMMEDIATE RELEASE**

**Contact: Ms. Yvonne L. Chen  
EVP & CFO  
909.244.1418**

**GOLDEN STATE BANCORP ANNOUNCES THIRD QUARTER OF 2021 FINANCIAL RESULTS**

Glendale, CA, November 22, 2021 - 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 third quarter of 2021.

Current Quarter Highlights:

- Total assets increased by \$100.8 million, or 23.0%, from \$439.1 million at December 31, 2020 to \$539.9 million
- Loans, net of deferred fees, increased by \$74.1 million, or 22.8%, from \$325.5 million at December 31, 2020 to \$399.6 million
- Credit quality remains strong
- Cash and cash equivalents stood at \$133.3 million
- Deposits increased by \$95.9 million, or 26.0%, from \$369.7 million at December 31, 2020 to \$465.6 million
- Net income of \$927 thousand for the three months ended September 30, 2021
- Fully diluted book value per share of \$16.91

Mr. Robert Setrakian, Chairman of the Board and Chief Executive Officer of the Company stated, “We had a strong quarter. We are on the right track: decent earnings, strong balance sheet with plenty of cash and liquidity, and strong loan growth. Our loan pipeline remains robust and we should exceed the goals that we had set for ourselves for the year. Finally, we will have exciting news soon on our capital raise to support our growth.”

“As we continue to deploy our cash into loans, and manage expenses, we continue to see improvements in earnings.” said Ms. Mercedes Herrera, President and Chief Executive Officer of the Bank. “Credit risk control is very important to us and our loan portfolio performance remains strong. Our robust approach to risk/reward differentiates us from others.”

Ms. Herrera continued, “On an important note, we continue to build our team for our next stage of growth. On that front, we recently hired our new Chief Credit Officer, who starts with us on December 6<sup>th</sup>. The team, our Board, our investors and our clients continue to show excitement for our continued growth and success.”

**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>September 30, 2021</u>	<u>December 31, 2020</u> (audited)
<b>ASSETS</b>		
Cash & due from banks	\$ 6,961,179	\$ 7,259,821
Interest-earning deposit in FRB/FFS	126,318,240	98,551,443
Total Loans, net of deferred fees	399,550,986	325,470,113
Allowance for loan losses	(5,339,132)	(4,291,813)
<b>NET LOANS</b>	<u>394,211,854</u>	<u>321,178,301</u>
Federal Home Loan Bank stock, at cost	1,534,400	1,137,600
Premises and equipment	1,012,710	1,110,425
Other real estate owned	1,331,857	1,331,857
Operating lease ROU assets, net	1,351,761	1,421,486
Deferred tax asset	5,011,426	5,011,426
Other assets	2,168,747	2,098,648
<b>TOTAL ASSETS</b>	<u><u>\$ 539,902,173</u></u>	<u><u>\$ 439,101,006</u></u>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Noninterest bearing deposits	\$ 98,696,159	\$ 60,471,407
Interest bearing deposits	366,887,731	309,194,470
<b>TOTAL DEPOSITS</b>	<u>465,583,889</u>	<u>369,665,877</u>
FHLB borrowings	25,000,000	25,000,000
Secured debts	9,962,500	9,950,000
Other borrowings	1,746,439	-
Operating lease liabilities	1,535,634	1,631,397
Other liabilities	2,775,740	1,912,920
<b>TOTAL LIABILITIES</b>	<u>506,604,203</u>	<u>408,160,194</u>
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<u>33,297,970</u>	<u>30,940,812</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u><u>\$ 539,902,173</u></u>	<u><u>\$ 439,101,006</u></u>

**Selected Financial and Ratios**

**Asset Quality Ratios**

Nonperforming loans to total loans, net of deferred fees	0.55%	0.46%
Allowance for loan losses to total loans, net of deferred fees	1.34%	1.32%

**Capital Ratios (1)**

Tier 1 leverage ratio	7.70%	8.29%
Common equity tier 1 capital ratio	9.78%	10.34%
Tier 1 risk based capital ratio	9.78%	10.34%
Total risk based capital ratio	11.03%	11.59%
Common shares outstanding	1,844,788	1,836,538
Book value per share	\$18.05	\$16.85
Fully diluted book value per share (2)	\$16.91	\$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>Nine Months Ended September 30,</b>	
	<b>September 30, 2021</b>	<b>September 30, 2020</b>	<b>2021</b>	<b>2020</b>
Interest income	\$ 5,716,656	\$ 4,290,778	\$ 16,218,573	\$ 12,674,013
Interest expense	1,201,372	1,448,071	3,661,919	4,386,143
Net interest income	4,515,285	2,842,708	12,556,654	8,287,870
Provision for loan losses	575,000	267,000	1,225,000	522,000
Net interest income after provision for loan losses	3,940,285	2,575,708	11,331,654	7,765,870
Non-interest income	66,567	(50,871)	172,466	37,273
Non-interest expense	2,681,748	2,953,443	8,403,121	8,448,678
Income before taxes	1,325,103	(428,607)	3,100,998	(645,535)
Income tax	398,197	(118,970)	941,587	(162,950)
<b>Net Income (Loss)</b>	<b>\$ 926,906</b>	<b>\$ (309,637)</b>	<b>\$ 2,159,411</b>	<b>\$ (482,585)</b>