



# 2021 Annual Report



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**CHICO • DOWNTOWN SACRAMENTO (LPO) • ELK GROVE • NATOMAS  
RANCHO CORDOVA • REDDING • ROSEVILLE • SANTA ROSA (LPO) • YUBA CITY**

\*LPO: Loan Production Office

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Every achievement, every action and every good deed in this report are a tribute to our founders, shareholders, employees and clients.

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# Dear Clients and Shareholders:

We are very pleased to share Five Star Bancorp's 2021 Annual Report – our first report as a public company!

While we all experienced challenges, 2021 was also a remarkable year of growth, renewed purpose and commitment to our shareholders, employees, clients and the communities we serve. Every day, we worked as a team toward common goals while individual talents contributed to shared wins. Yet, it is how we succeeded that shaped and defined us. Most banks offer similar, if not the same, products. However, it has been said it is not what you do, but *how* you do it. No other bank has our engaged team, our speed to serve or our certainty of execution. No other bank has our commitment to treating clients with an empathetic spirit, understanding and care. We are proud to have earned the trust of those we serve.

Dollars in Millions

## Financial Highlights 2016-2021

DECEMBER 31,	2016	2017	2018	2019	2020	2021
Total Assets	\$840.4	\$972.8	\$1,272.1	\$1,479.9	\$1,953.8	<b>\$2,556.8</b>
Total Loans Held for Investment	\$641.4	\$771.6	\$960.2	\$1,180.3	\$1,503.2	<b>\$1,934.5</b>
Total Deposits	\$761.2	\$864.5	\$1,161.4	\$1,311.8	\$1,784.0	<b>\$2,285.9</b>
Total Tier 1 Capital	\$78.7	\$81.2	\$81.5	\$107.4	\$130.3	<b>\$233.4</b>
Net Income	\$15.8	\$21.4	\$22.6	\$29.3	\$35.9	<b>\$42.4</b>
Return on Average Assets	2.0%	2.3%	2.0%	2.2%	2.0%	<b>1.9%</b>
Return on Average Shareholders' Equity	24.6%	27.8%	29.3%	31.4%	31.2%	<b>22.5%</b>

## A History of Organic Growth

Five Star Bancorp was founded in 1999 by a group of local entrepreneurs who wanted to create the kind of personalized banking services they desired themselves – services provided by industry experts who are committed to partnerships grounded in shared vision and goals. Today, Five Star Bancorp is a community business bank guided by purpose-driven banking, community stewardship, regional and industry expertise and a commitment to economic development. In May 2021, the Company completed its initial public offering. Prior to this achievement, and for over twenty years, the Company focused on organic growth by strategically and thoughtfully expanding its reach in Northern California (and beyond) and by developing its team, business verticals, internal processes, community partnerships and brand.

Today, the Company provides a broad range of banking products and services to small and medium-sized businesses, professionals and individuals primarily in Northern California through seven branch offices, two loan production offices and the internet with our mobile banking application. Our primary loan products are commercial real estate loans, commercial loans, commercial land and construction loans and farmland loans. Our principal geographic market is the Roseville/Sacramento/Rancho Cordova/Elk Grove area (Greater Sacramento Area). The Greater Sacramento Area has a profitable and productive economy driven by the governmental, education, technology, healthcare, agricultural and manufacturing sectors. Since 2016, our market share of the total deposits in the Greater Sacramento Area has increased significantly, according to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Reports. We believe our market growth confirms the quality of the purpose-driven and integrity-centered banking we strive to deliver to clients. Our mission is to become the top business bank in the markets we serve through exceptional service, deep connectivity and client empathy.

## A Year of Service & Recognition

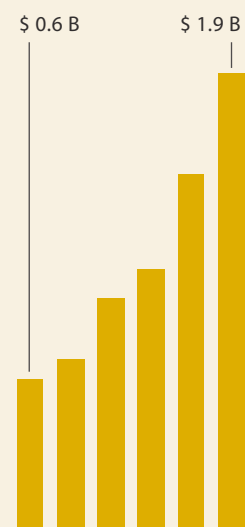
In 2021, we added to our board of directors, significantly expanded our team, adopted new technology, expanded our verticals, deepened our commitment to Diversity, Equity and Inclusion (DE&I) initiatives and created robust internal training programs. We also established an investor relations function, introduced and expanded new product offerings and created a department to manage energy efficiency loans – all while adhering to COVID-19 protocols and maintaining a deep sense of purpose. The strength of our team also brought Five Star Bancorp a tremendous amount of recognition and awards including placement on the **Sacramento Business Journal's Best Places to Work** and **Fastest Growing Companies** lists, a **Comstock's Magazine Woman in Leadership** recognition, a **Vistage Leadership Award**, the **Sacramento Asian Pacific Chamber of Commerce's Corporate Steward of the Year Award** and the **Sacramento Business Journal's Corporate Champion of the Year**. These awards are attributable to our highly engaged, motivated and committed team of employees.

### FRANCHISE GROWTH 2016-2021

#### LOANS

**+24.7%**

CAGR

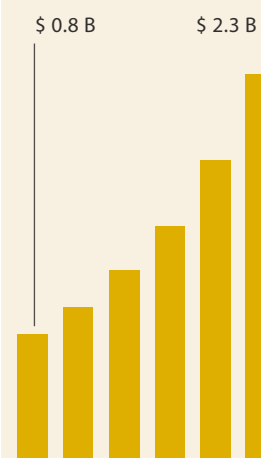


2016-2021

#### DEPOSITS

**+24.6%**

CAGR



2016-2021

## **A Culture of Engagement & Belonging | Diversity, Equity & Inclusion**

We facilitate talent attraction and retention through an inclusive, safe and healthy workplace where employees have opportunities to grow and develop their careers. They are also supported by strong compensation, benefits and health and welfare programs. As of December 31, 2021, we had 163 full-time and five part-time employees. In addition to salaries, we offer annual bonus opportunities, a 401(k) plan with an employer matching contribution, healthcare and insurance benefits, flexible spending accounts, paid time off, family leave and an employee assistance program. We invest in the growth and development of our employees by providing a multi-dimensional approach to learning that empowers, intellectually grows and professionally develops our employees through support to attend conferences and obtain degrees, licenses and certifications. This support has resulted in a highly educated and exceptionally engaged workforce.

Further, DE&I initiatives and programs are foundational to our core business model as we seek to ensure forward-thinking principles permeate workforce development as well as relationships with community partners and clients. We understand and appreciate the complexity and importance of the inclusion of a full range of identity groups, from ethnicity and nationality to age, gender, religious commitment, socioeconomic status, sexual orientation and those with disabilities. We also recognize DE&I initiatives build trust which affects financial ecosystems and drives companies' bottom lines.

Banking can often leave clients feeling vulnerable and exposed as they reveal details of their financial history. There is a vulnerability that can be difficult to overcome if trust has not been created – and trust is often more easily established between those with shared experiences. We believe embracing and understanding this reality through a diverse workforce creates opportunity not only from a business perspective but also opportunity to profoundly help those from diverse communities. We believe a successful program will ultimately benefit both the Company and those the Company serves.

## **Environmental, Social & Governance**

Five Star Bancorp has taken a proactive approach to Environmental, Social and Governance (ESG) initiatives and believes our ability to manage ESG demonstrates strength in leadership and governance that are essential to sustainable growth. We are executing ESG strategies that will drive positive change while focusing on the impacts of our business, social factors in the communities we serve and the governance of our board of directors. As stewards of our environment, we also support clients focused on sustainable energy and environmental impact, from affordable energy to climate action. We believe social impact is inherent in banking and we work with clients and partners committed to the same values. We also support clients who provide innovative environmental solutions and restore life and vitality to areas devastated by catastrophic events.

We are proud to be a partner to energy efficiency and sustainability-focused organizations including those who provide energy efficiency loan programs. In 2021, the Company was selected to work with a local utility district on a new energy efficiency loan program that allows for the community to “go green” and bring energy efficient devices into their homes. Beginning in June 2021, we onboarded over 2,000 loans in this micro-loan program which funded residential energy efficiency equipment.

We have reduced our own carbon footprint by utilizing e-signature to conduct business to reduce paper consumption and reducing in-office occupation, where possible.

## **Exceptional Credit Quality**

Exceptional asset quality has consistently been our focus. We have well-established loan policies and underwriting practices that have resulted in very low levels of charge-offs and nonperforming assets. Additionally, we have a multi-faceted loan monitoring framework established to regularly evaluate our asset quality after the origination process. Our 2021 results are a testament to the strength of our loan portfolio. The ratio of nonperforming loans to period end loans was three basis points as of December 31, 2021, representing no change from the prior year. Our allowance for loan losses increased slightly from 2020, as general economic conditions improved from the previous year, albeit at a pace slower than expected due to unforeseen disruptions in the supply chain and increasing energy prices. Looking ahead to 2022, and as economic conditions continue to improve, asset quality remains at the forefront of our objectives.



Five Star Bank customer SSEC doesn't just lead the environmental services industry - they helped create it and have been protecting the earth's natural resources for more than 50 years. We thank SSEC for rebuilding, restoring and renewing our region after catastrophic wildfires and for their commitment to environmental sustainability and wildlife protection.

Pictured left to right: Jay W. Selby, Founder, SSEC;  
Jen Matulich, SVP, Business Development Officer, Five Star Bank;  
Jay R. Selby, President, SSEC

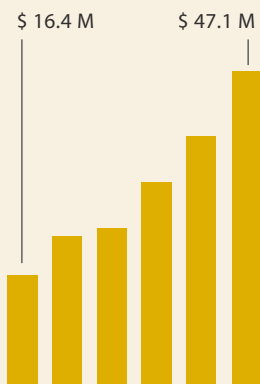


**COMPOUND ANNUAL GROWTH RATE 2016-2021**

**TOTAL INCOME BEFORE TAXES**

**+23.6%**

CAGR



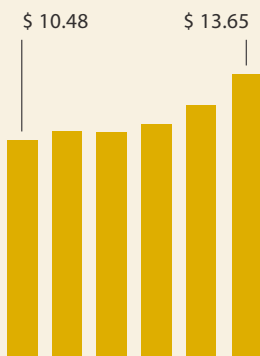
2016-2021

CAGR computed over 5 years since December 31, 2016

**TANGIBLE BOOK VALUE PER SHARE**

**+5%**

CAGR



2016-2021

CAGR computed over 5 years since December 31, 2016

**Strong and Growing Capital**

We continue to be well-capitalized and on May 7, 2021, we completed our IPO and raised approximately \$111.2 million in net proceeds after deducting underwriting discounts, commissions and other certain offering expenses. Our book value per share as of December 31, 2021 was \$13.65 per share, representing an increase of approximately \$1.49 per share, or 12.3% compared to 2020.

We have paid cash dividends on our common stock in every quarter since January 2002, with the exception of the third and fourth quarters of 2009 and all quarters of 2010. It is currently the intention of the board of directors to continue payment of cash dividends on a quarterly basis. During the year ended December 31, 2021, we paid approximately \$51.9 million in dividends. This included a \$27.0 million cash distribution to shareholders of record as of May 3, 2021, for the payout of the Accumulated Adjustments Account (AAA), which was described in further detail in our Registration Statement on Form S-1.

**2021 Results**

Results for 2021 reflect the continuation of our organic growth story and 2021 was our strongest year yet. As of December 31, 2021, our total assets were \$2.6 billion, an increase of \$603.0 million, or 30.9%, from the prior year. Net income increased from the prior year by approximately 18.1% to \$42.4 million, which included the impact of increased taxes from our conversion to a C Corporation during the year in conjunction with our IPO. Our return on average assets and return on average equity during 2021 were 1.9% and 22.5%, respectively.

Total loans, net, were \$1.9 billion as of December 31, 2021. Loan originations, net of repayments, totaled \$426.9 million for the year, growing the loan portfolio by approximately 29.0% during 2021.

Total deposits were \$2.3 billion as of December 31, 2021. Deposits grew by \$501.9 million, or 28.1%, during 2021, and we ended the year with a 39.5% ratio of non-interest-bearing deposits to total deposits.

**Information Technology Investments**

In 2021, we continued to make significant investments in our information technology systems and staff for our banking and lending operations and treasury management activities. We believe this investment will support our continued growth and enable us to enhance our capabilities to offer new products, improve the overall client experience, improve profitability through efficiencies and provide scale for future growth. We utilize nationally recognized software vendors, using their cloud/hosted models, which allows us to outsource the processing of our data which provides greater scalability and disruption avoidance.

**Community Engagement & Investment**

In 2021, Five Star Bancorp was an engaged member of 16 Chambers of Commerce. Among other initiatives, we were committed to supporting educational programs, wildfire relief efforts, affordable housing, and clients and community partners who continued to experience the impacts of COVID-19. We were also committed to a robust Community Reinvestment Act (CRA) Program. You will read more about these efforts in this report. We stand on a sturdy foundation of what we have built together so that we may encourage, support and strengthen those who need us most.

# THANK YOU

# FIREFIGHTERS AND FIRST RESPONDERS



Five Star Bank supports the men and women fighting wildfires in our communities. Join us and the Del Oro Division of The Salvation Army to make a donation today - 100% of donations go toward disaster readiness and direct support for the initial and long-term recovery of evacuees and first responders. Together, we can make a difference.



**FIVE  
STAR  
BANK**

## Executive Leadership Depth

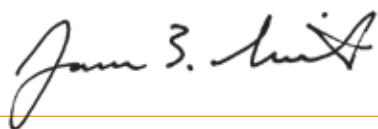
Five Star Bancorp's leadership team includes executives who have diverse backgrounds, education, ages and areas of expertise. They share a depth of knowledge in the Company's corporate culture, strategic objectives, core business model, business verticals and client expectations. They are each committed to an exceptional client experience guided by a speed to serve and certainty of execution. Our executive leadership is a synergistic and dynamic team with a high level of mutual respect and trust; this trust permeates the entire organization and has made Five Star Bancorp an attractive company for employees to experience their own successes.

## A Look Ahead

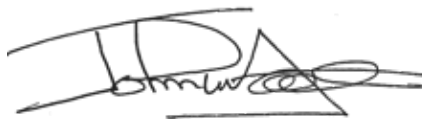
While we remain focused on the future and maintaining a position of distinction and respect in the markets and communities we serve, we are proud to look back at 2021 as an extraordinary year of achievement. The Company's stellar performance included a successful IPO, outstanding year-over-year growth in loans, assets, and deposits, strong earnings per share, and a regular shareholder dividend. This is the culmination of our entire team's efforts, even while working through a pandemic. This is also emblematic of the cohesion that exists among our team which grew in strength and stamina after being a vital force for clients in 2020. An adaptive team is critical to our success and we will continue to hire those who can quickly respond to changing market conditions and demands.

In the coming year, we will stay at the forefront of innovation and technology by making investments in people and processes. We will also remain focused on the successful execution of our ongoing digital transformation and the continued build-out of our verticals.

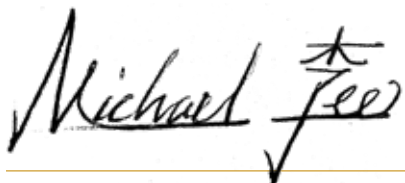
We are humbled and proud of our team's accomplishments and look forward to the continuation of our organic growth story. Five Star Bancorp has never been better positioned for the future. We look to the coming year with optimism and in anticipation of the possibilities it holds for all of us. Our clients, shareholders and employees are our driving force, our reason for existing and our greatest champions. It has been our privilege to serve you.



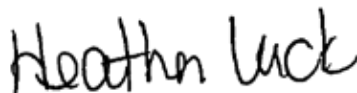
**James Beckwith**  
President & CEO



**Jack Dalton**  
SVP, Chief Credit Officer



**Mike Lee**  
SVP, Chief Regulatory Officer



**Heather Luck**  
SVP, Chief Financial Officer



**Lydia Ramirez**  
SVP, Chief Operations Officer &  
Chief DE&I Officer



**Mike Rizzo**  
SVP, Chief Banking Officer



**Brett Wait**  
SVP, Chief Information Officer



**Shelley Wetton**  
SVP, Chief Marketing Officer



**James Beckwith**  
*President & CEO*



**Jack Dalton**  
*SVP, Chief Credit Officer*



**Mike Lee**  
*SVP, Chief Regulatory Officer*



**Heather Luck**  
*SVP, Chief Financial Officer*



**Lydia Ramirez**  
*SVP, Chief Operations Officer &  
Chief DE&I Officer*



**Mike Rizzo**  
*SVP, Chief Banking Officer*



**Brett Wait**  
*SVP, Chief Information Officer*



**Shelley Wetton**  
*SVP, Chief Marketing Officer*





Our Clients

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## **NON-PROFIT:** **3Strands Global Foundation**

“We are so grateful for **FIVE STAR BANK**. They help us focus on those we serve so that we can make sure our clients have the basic necessities to survive.”

Ashlie Bryant, Co-Founder & CEO

3Strands Global Foundation is a local non-profit working toward creating a world free from human trafficking. They serve survivors by providing support and employment opportunities. They also work to educate the public about the dangers and signs of human trafficking and have educated over 500,000 adults and students. Through hosted events, such as their annual Break Free Run, 3Strands Global Foundation is able to mobilize communities to combat human trafficking and advocate for freedom.



## **MANUFACTURED HOUSING COMMUNITIES:** **Monte Christo Communities**

“What separates **FIVE STAR BANK** from the rest is the entrepreneurial spirit of their people. Since day one of our relationship, Five Star’s people have gone out of their way to demonstrate that they are here to be a partner in our success.”

**John McDougall, Principal & CEO**

Monte Christo Communities operates manufactured housing communities and RV parks throughout the Western United States. They know that this form of housing is needed and valued now more than ever and are proud to serve the communities they have been given stewardship over. With decades of combined experience, Monte Christo is dedicated to investing in their communities to build long-term value for their team, residents, and investors, which they affectionately refer to as their “Trinity.”



## **BUSINESS - AUTO DEALERSHIP:** **Von Housen Automotive Group**

“Our commitment to serve our team members and the community has always been my first priority. **FIVE STAR BANK** makes sure we keep that commitment.”

George Grinzewitsch, Owner & CEO

For more than 60 years, Von Housen Automotive Group has delivered high-end luxury vehicles to discerning clients throughout the Greater Sacramento Area. They are known for quality, service and a large selection of Mercedes-Benz vehicles.



## **CONSTRUCTION:** **A.P. Thomas Construction**

“The **FIVE STAR BANK** team makes banking easy! They are proactive and provide solutions to make us successful.”

**Amy Thomas, Vice President**

A.P. Thomas Construction is an award-winning, full-service general contractor based in the Sacramento area. For two decades, they have delivered innovation and quality to commercial, retail and industrial projects. The A.P. Thomas Construction team listens and then carefully executes a plan to bring their customers' visions to life.



## **NON-PROFIT:**

### **Saint John's Program for Real Change**

"Saint John's Program for Real Change is grateful for **FIVE STAR BANK's** responsiveness, service and partnership. Their service allows us to continue our mission work and strengthen our community."

**Julie Hirota, CEO**

Saint John's Program for Real Change is designed to help homeless women and children living in crisis. They provide women the ability to rise above devastating, negative elements and achieve job readiness and self-sustainability through supportive services, mental health services, career education and on-the-job training.



## **VENTURE BANKING, TECHNOLOGY & START-UP: Black Star Fund**

“**FIVE STAR BANK** has been with Black Star Fund from the beginning. What sets Five Star Bank apart is their focus on customer service and support. From our customer relationship manager helping us to integrate multiple accounts through the online portal to the President of the bank checking in to make sure everything is moving smoothly, everyone at Five Star Bank has always treated Black Star Fund as a VIP client.”

**Kwame Anku, Chairman & CEO**

Black Star Fund invests in innovators and those who see new enterprise as a gateway to a world that is more abundant, balanced and productive. Their approach to investing combines the ease of early stage “friends and family” funding with the rigor of venture capital. Black Star Fund keeps their investment philosophy simple because they know the harvest is only as good as the cultivation.



**SMALL BUSINESS:**  
**DC Investments One, LLC**

“The biggest benefit of working with **FIVE STAR BANK** is that it’s a local bank that caters towards entrepreneurs. Their service and willingness to help us achieve our goals and dreams is what we appreciate the most.”

**Chenoa Rivera and David Rivera, Owners**

Chenoa Rivera and David Rivera are real estate investing experts and the stars of HGTV’s Rustic Rehab. They share a passion for transforming neglected houses into beautiful homes. Chenoa and David also own Brooklyn Bridge Bagel Works in Downtown Chico, California.



## **VENTURE BANKING, TECHNOLOGY & START-UP:** **Moneta Ventures**

“A lot of banks will not look at early-stage companies. The fact that **FIVE STAR BANK** is willing to take a look benefits our portfolio and supports companies in getting to the next stage.”

**Lokesh Sikaria, Founder & Managing Partner**

Moneta Ventures invests in early-stage companies in the enterprise technology, healthcare and internet/consumer application sectors in the Greater Sacramento Area. Aside from capital investment, the Moneta Ventures team works closely with entrepreneurs, developers and sales and marketing teams to optimize growth and profitability so promising early-stage startups can thrive.



**FAITH-BASED:**  
**William Jessup University**

**"FIVE STAR BANK** has been a terrific banking partner for William Jessup. We value the personalized service their team provides and the fact that their team is always just a phone call away."

**Dr. John Jackson, President**

As a nationally-ranked Christian university, William Jessup University seeks to develop the whole person by developing skills in communication, quantitative reasoning and critical thinking and by exposing students to a broad cross-section of knowledge in science, social science and the humanities. The university aims to maintain high academic standards while guiding students toward fulfilling careers and authentic relationships with Christ.



## **PROFESSIONAL SERVICES & PRACTICE:** **Afineol IT Consulting**

“We found a partner in **FIVE STAR BANK** the moment we became a customer. They helped us through the everchanging landscape of the past few years with professionalism and outstanding customer service.”

**Margaret Strong, President**

Afineol IT Consulting has been serving the Sacramento region since 2000. Their team of dedicated IT professionals has a strong focus on customer service and the technical skills to keep their clients' businesses running smoothly.



## **SMALL BUSINESS:** **Woody's Brewing Company**

"I don't consider **FIVE STAR BANK** just a bank - I consider them friends. Talk to any of them and I can almost guarantee you'll walk out a new customer."

**Andrew Wlodarczyk, Operations Manager**

Woody's Brewing Company started with a passion for brewing (and consuming) beer and has turned into one of Redding's most beloved spots for delicious food and great beer. Family-owned, family-brewed and finely-crafted, Woody's Brewing Company earned the title of the Best of North State's Best Bar in 2020.



**SMALL BUSINESS:**  
**Rytina Fine Cleaners**

“It is during the tough times that I have learned who really has our back...  
**FIVE STAR BANK** has ours!”

Katie Brown, Owner

Rytina Fine Cleaners is a third-generation, family-owned business offering more than 60 years of expertise in caring for Sacramento’s finest fashions. From garment care and laundering to alterations and specialty items, Rytina offers couture level service and quality to every textile that passes through their doors.



## **AGRICULTURE & AG TECHNOLOGY:** **Millennium Farms**

“Our family has been involved in farming for nearly 50 years and has dealt with many banks. We appreciate the speed and quality of service provided by **FIVE STAR BANK**. They are up front regarding what they can and can’t do, and unlike other banks, they get the job done in a timely fashion and often faster than promised.”

**Gurvinder Pamma and Amar Pamma, Owners**

Millennium Farms has been growing and harvesting walnuts, almonds, prunes and peaches for nearly 50 years. The family-owned and operated farm spans over 2,500 acres in Live Oak, California, and provides delicious, fresh produce to the Greater Sacramento Region.



## **SMALL BUSINESS:**

### **Fizz Champagne & Bubbles Bar**

“**FIVE STAR BANK** doesn’t just talk the talk or walk the walk... they run the race with you! They are the bank of the entrepreneur, the small business, the dreamer, and I couldn’t be more honored to have created a lifelong banking partnership and friendship with them.”

**Raymond James Irwin, Chief Champagne Officer,  
2020 SBA Sacramento District Entrepreneur of the Year**

Fizz is a champagne bar with more than 150 different champagnes and sparkling wines. They are located in the heart of Downtown Sacramento and help their customers celebrate the smallest wins and the biggest life events.



## **NON-PROFIT:**

### **SMUD Museum of Science and Curiosity**

“The best way to describe **FIVE STAR BANK** is community champions! Their leadership and staff are committed to lending their expertise to support our community in challenging times and help our community thrive in good times.”

**Shahnaz Van Deventer, Director of Marketing & Development**

The SMUD Museum of Science and Curiosity (MOSAC) is a dynamic epicenter for science, technology, engineering, arts and math education and an anchor point for Sacramento’s revitalized waterfront. MOSAC serves as a regional hub that engages and inspires people of all ages to explore the wonders, possibilities and responsibilities of science.



## **VENTURE BANKING, TECHNOLOGY & START-UP: Growth Factory**

“Our family of companies proudly banks with **FIVE STAR BANK**. Together, we are a winning combination for entrepreneurship.”

**Mark Haney, Founding Partner**

The Growth Factory is a non-profit pre-seed accelerator and accompanying venture capital fund on a mission to scale great companies in the Greater Sacramento Region. Designed for highly-motivated, action-oriented entrepreneurs, Growth Factory helps companies through 12 months of structured support.



## **CONSTRUCTION | NON-PROFIT:** **Sacramento Regional Builders Exchange (SRBX)**

“**FIVE STAR BANK** is not just our bank. They are a key partner in helping us serve the Capital Region’s commercial construction industry.”

Tim Murphy, CEO

Founded in 1901, Sacramento Regional Builders Exchange is the construction industry’s oldest and largest association in the region. Members include contractors and subcontractors, suppliers and industry support organizations. SRBX provides education programs, safety programs, bidding information, political advocacy, networking opportunities and other related information and events for the construction industry.



## **PROFESSIONAL SERVICES & PRACTICE:** **Pacific Staffing**

“Pacific Staffing sincerely appreciates **FIVE STAR BANK**’s customer service, attention to detail and accountability. We look forward to doing business with them for years to come.”

Preet Kaur, CEO

For more than 30 years, Pacific Staffing has helped Northern California hire better, staff more efficiently and find more rewarding jobs. They are a trusted partner for their clients and candidates because of their innovative approach to staffing. They focus on the details and bring success to both employers and job seekers.



## **COMMERCIAL & INDUSTRIAL BUSINESS:** **General Produce**

“**FIVE STAR BANK** makes you feel like you are the most important customer in the world to them. Moving to Five Star Bank was an easy decision.”

Thomas Chan and Dan Chan, Owners

General Produce is a third-generation, locally-owned and operated fresh produce company located in Northern California. They distribute fresh fruits and vegetables that are local, organic, sustainable, regional and globally sourced. General Produce plays an integral part in stocking grocery store shelves with fresh produce and also provides produce to hotels, restaurants, caterers and schools.



## **NON-PROFIT:**

### **National Federation of Independent Business (NFIB) California**

“**FIVE STAR BANK** has superior banking services, team members and programs to serve our number one job creators - small businesses - and so many others throughout our communities.”

John Kabateck, President, Kabateck Strategies and CA State Director, NFIB CA

The National Federation of Independent Business (NFIB) California is the voice of small business, advocating on behalf of America’s small and independent business owners. When a big issue affects small and independent businesses, NFIB is there. For the past 75 years, NFIB has advocated on the most pressing small business issues, such as taxes, healthcare and regulations.



## **PROFESSIONAL SERVICES & PRACTICE:** **Group Concepts**

“Moving my bank accounts to **FIVE STAR BANK** was one of the best decisions I have made as a business owner. I highly recommend Five Star Bank to any business!”

**Andrea Casillas, Owner & President**

Group Concepts is a seasoned association management company, serving trade associations with sound and profitable membership services since 1976. They specialize in leveraging technology to increase efficiency in volunteer organizations. Group Concepts provides financial management, member services, executive oversight, marketing, professional development, and conference planning to not-for-profit trade associations.



## **BUSINESS - AUTO DEALERSHIP:** **Maita Automotive Group**

“**FIVE STAR BANK** has provided a new level of customer service to the Maita Automotive Group. They streamlined our banking processes, added efficiencies and provided resources that have been extremely beneficial to our operations, but it is their ongoing speed to serve and responsiveness that is truly impressive.”

**Steve Maita, Owner**

The Maita Automotive Group is a family-owned dealership and an integral part of the community. They provide the vehicles that their customers need without jeopardizing their customers' budgets or long-term financial goals.





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# The Entrepreneur's Bank

Five Star Bancorp recognizes entrepreneurs are the foundation of a strong and growing economy. Whether a business is just getting started or is a thriving enterprise, we are committed and compassionate bankers ready to serve. This commitment is authentic and meaningful and has resulted in Five Star Bancorp earning a high level of trust among our clients. Further, the depth and scope of our expertise in specific verticals ensure our clients are provided a greater level of service than our competitors can provide.

## **Agriculture & Ag Tech**

We have a long history and extensive experience financing agricultural operations throughout California. We help farmers, ranchers and growers with irrigation, agriculture development, land clearing and leveling, agriculture real estate, livestock and dairy, crop loans, equipment financing and more. We also serve customers with vineyards and wineries.

## **Business Lending**

Five Star Bancorp helps clients by providing specialized business financing products, including lines of credit, term loans, equipment leasing, business vehicle loans and more. We also offer a full suite of treasury solutions including receivables, payables and liquidity management.

## **Commercial Real Estate & Construction**

In 1999, we were founded to serve the commercial real estate industry. Today, our vast market knowledge serves developers and brokers through loan programs that assist with the purchase or refinance of general-purpose, owner-occupied and investment properties for both commercial and industrial real estate. Our expertise includes commercial office buildings, industrial warehouses, industrial manufacturing facilities and retail shopping centers.

## **Faith Community**

Our experienced, trusted and highly respected team has provided financial tools to pastors and church administrators for over 30 years. Widely known as leaders in faith banking innovation, Five Star Bancorp ensures our faith partners can focus on what they do best by serving others.

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## Government

We fully support public entities and their critical role in our communities by ensuring they meet the three priorities of managing public funds: Safety, Liquidity and Yield. As a trusted partner, we help reduce costs, increase interest earnings and improve efficiency.

## Manufactured Housing, RV & Self Storage

Five Star Bancorp is widely regarded as a leader in manufactured housing lending, providing financial tools to the manufactured housing community (MHC) and RV park owners and operators nationwide. We finance the land, not the homes themselves. While we work with MHC owners and operators, we understand our clients often provide opportunity for home ownership for many while also serving as critical workforce housing.

## Non-profit

As community stewards with extensive experience working with non-profits, we know cost-effective banking services are vital to successfully managing cash flow and maximizing return. Our commitment to our non-profit clients goes beyond simply providing banking services. As a long-time supporter of many local non-profit organizations, we understand the unique financial challenges of the modern charitable institution.

## Practice & Professional Services

Five Star Bancorp takes our clients' professional practices to the next level. Every day, we provide clients with access to capital and customized banking solutions to create successful medical, veterinarian, dental, legal and accounting practices and more. Whether our clients are acquiring, buying-in, selling or expanding their business, we advise them on a path of sustainable success. We also provide law firms, accounting firms and other professional services providers with cost-effective and efficient banking services.

## Small Business Administration (SBA)

Five Star Bancorp has consistently been named among the top producing SBA lenders in the nation. Ensuring small business owners have the support, resources and capital to build successful companies is embedded in our mission and culture. We also provide loans to minorities, women and veterans, in cities and rural communities. Our SBA Department manages loans from our own originations and works with several wholesale partners.

## Venture Banking, Technology & Start-Up

Entrepreneurs need a partner who understands their industry, business model, investment requirements and banking needs. We are the only bank in our market dedicated to emerging business. In 2021, we were a founding launch partner of the Sacramento Business Journal's *Sacramento Inno* web platform which covers our region's innovation economy. We are the creator of Five Star Bank Tank which brings together start-ups with investors. We are also a partner of Growth Factory which helps accelerate companies in our region.

# 2021 Financial Summary

# Consolidated Statements of Income

in thousands, except per share data

	Year ended December 31,	
	2021	2020
Interest and dividend income		
Loans, including fees	\$ 78,894	\$ 71,405
Taxable securities	1,321	1,287
Nontaxable securities	821	500
Interest-bearing deposits in other banks	547	1,198
	<u>81,583</u>	<u>74,390</u>
Interest expense		
Deposits	2,199	7,407
Subordinated notes	1,773	1,773
	<u>3,972</u>	<u>9,180</u>
Net interest income	77,611	65,210
Provision for loan losses	1,700	9,000
Net interest income after provision for loan losses	<u>75,911</u>	<u>56,210</u>
Non-interest income		
Service charges on deposit accounts	424	367
Net gain on sales of securities	724	1,438
Gain on sale of loans	4,082	4,145
Loan-related fees	639	2,309
Federal Home Loan Bank of San Francisco ("FHLB") stock dividends	372	321
Earnings on bank-owned life insurance ("BOLI")	237	220
Other	802	502
	<u>7,280</u>	<u>9,302</u>
Non-interest expense		
Salaries and employee benefits	19,825	16,084
Occupancy and equipment	1,938	1,715
Data processing and software	2,494	1,982
Federal Deposit Insurance Corporation insurance	700	1,137
Professional services	3,792	1,960
Advertising and promotional	1,300	1,102
Loan-related expenses	1,045	732
Other operating expenses	4,949	3,545
	<u>36,043</u>	<u>28,257</u>
Income before provision for income taxes	47,148	37,255
Provision for income taxes	4,707	1,327
Net income	<u>\$ 42,441</u>	<u>\$ 35,928</u>
Basic earnings per share	<u>\$ 2.83</u>	<u>\$ 3.57</u>
Diluted earnings per share	<u>\$ 2.83</u>	<u>\$ 3.57</u>

See notes to consolidated financial statements in our Annual Report on Form 10-K.

# Consolidated Balance Sheets

in thousands, except share data

Assets	December 31,	
	2021	2020
Cash and due from financial institutions	\$ 136,074	\$ 46,028
Interest-bearing deposits in banks	289,255	244,465
Cash and cash equivalents	425,329	290,493
Time deposits in banks	14,464	23,705
Securities available-for-sale, at fair value	148,807	114,949
Securities held-to-maturity, at amortized cost (fair value of \$5,197 and \$8,755 at December 31, 2021 and December 31, 2020, respectively)	4,946	7,979
Loans held for sale	10,671	4,820
Loans held for investment, net of allowance for loan losses of \$23,243 and \$22,189 at December 31, 2021 and December 31, 2020, respectively	1,911,217	1,480,970
FHLB stock	6,723	6,232
Premises and equipment, net	1,773	1,663
BOLI	11,203	8,662
Interest receivable and other assets	21,628	14,292
Total assets	\$ 2,556,761	\$ 1,953,765
<b>Liabilities and Shareholders' Equity</b>		
Deposits		
Non-interest-bearing	\$ 902,118	\$ 701,079
Interest-bearing	1,383,772	1,082,922
Total deposits	2,285,890	1,784,001
Subordinated notes, net	28,386	28,320
Interest payable and other liabilities	7,439	7,669
Total liabilities	2,321,715	1,819,990
Shareholders' equity		
Preferred stock, no par value; 10,000,000 shares authorized; zero issued and outstanding at December 31, 2021 and December 31, 2020	—	—
Common stock, no par value; 100,000,000 shares authorized; 17,224,848 shares issued and outstanding at December 31, 2021; 11,000,273 shares issued and outstanding at December 31, 2020	218,444	110,082
Retained earnings	17,168	22,348
Accumulated other comprehensive (loss) income, net	(566)	1,345
Total shareholders' equity	235,046	133,775
Total liabilities and shareholders' equity	\$ 2,556,761	\$ 1,953,765

See notes to consolidated financial statements in our Annual Report on Form 10-K.

# Consolidated Statements of Changes in Shareholders' Equity

in thousands, except share and per share data

	Common Stock		Retained Earnings	Accumulated Other	Total
	Shares	Amount		Comprehensive Income (Loss), Net of Taxes	
Balance at December 31, 2019	9,674,875	\$ 96,114	\$ 12,789	\$ (26)	\$ 108,877
Net income	—	—	35,928	—	35,928
Other comprehensive income	—	—	—	1,371	1,371
Stock offering	1,250,000	12,500	—	—	12,500
Stock issued under stock award plans	9,398	—	—	—	—
Stock compensation expense	—	316	—	—	316
Director stock compensation expense	16,000	252	—	—	252
Common stock issued	50,000	900	—	—	900
Cash dividends paid (\$2.63 per share)	—	—	(26,369)	—	(26,369)
Balance at December 31, 2020	11,000,273	\$ 110,082	\$ 22,348	\$ 1,345	\$ 133,775
Net income	—	—	42,441	—	42,441
Other comprehensive loss	—	—	—	(1,911)	(1,911)
Stock offering	6,054,750	111,243	—	—	111,243
Stock issued under stock award plans	132,707	—	—	—	—
Stock compensation expense	—	594	—	—	594
Director stock compensation expense	41,640	846	—	—	846
Restricted stock forfeitures	(4,522)	—	—	—	—
Reclassification of retained deficit	—	(4,321)	4,321	—	—
Cash dividends paid (\$4.55 per share)	—	—	(51,942)	—	(51,942)
Balance at December 31, 2021	17,224,848	\$ 218,444	\$ 17,168	\$ (566)	\$ 235,046

**See notes to consolidated financial statements in our Annual Report on Form 10-K.**

# Consolidated Statements of Cash Flows

*in thousands*

	<b>Year ended December 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 42,441	\$ 35,928
Adjustments to reconcile net income to net cash provided by operating activities:		
Provision for loan losses	1,700	9,000
Loans originated for sale	(48,169)	(98,399)
Gain on sale of loans	(4,082)	(4,145)
Proceeds from sale of loans	43,024	108,149
Net gain on sale of securities	(724)	(1,438)
Earnings on BOLI	(237)	(220)
Stock compensation expense	594	316
Director stock compensation expense	846	252
Change in deferred loan fees	(1,689)	2,367
Amortization and accretion of security premiums and discounts	1,561	1,138
Amortization of subordinated notes issuance costs	66	67
Depreciation and amortization	607	461
Deferred taxes	(4,001)	(143)
Net changes in:		
Interest receivable and other assets	(3,050)	(3,548)
Interest payable and other liabilities	(230)	1,690
Net cash provided by operating activities	<u>28,657</u>	<u>51,475</u>
<b>Cash flows from investing activities:</b>		
Proceeds from sale of securities available-for-sale	47,096	46,406
Maturities, prepayments and calls of securities available-for-sale	18,732	16,118
Purchases of securities available-for-sale	(99,686)	(97,571)
Increase (decrease) in time deposits in banks	9,241	(3,761)
Loan originations, net of repayments	(426,882)	(330,837)
Purchase of premises and equipment	(717)	(833)
Purchase of FHLB stock	(491)	(1,152)
Purchase of BOLI	(2,304)	(1,000)
Net cash used in investing activities	<u>(455,011)</u>	<u>(372,630)</u>
<b>Cash flows from financing activities:</b>		
Net change in deposits	501,889	472,251
Proceeds from issuance of common stock	111,243	13,400
FHLB repayment	—	(25,000)
Cash dividends paid	(51,942)	(26,369)
Net cash provided by financing activities	<u>561,190</u>	<u>434,282</u>
Net change in cash and cash equivalents	<u>134,836</u>	<u>113,127</u>
Cash and cash equivalents at beginning of period	290,493	177,366
Cash and cash equivalents at end of period	<u>\$ 425,329</u>	<u>\$ 290,493</u>
<b>Supplemental disclosure of cash flow information:</b>		
Interest paid	\$ 4,505	\$ 9,713
Income taxes paid	\$ 10,450	\$ 1,655
<b>Supplemental disclosure of noncash investing and financing activities:</b>		
Transfer from loans held for investment to loans held for sale	\$ 4,820	\$ 6,527
Unrealized (loss) gain on securities	\$ (2,199)	\$ 1,422
Disposal of premises and equipment	\$ 515	\$ —
Reclassification of retained deficit	\$ 4,321	\$ —

See notes to consolidated financial statements in our Annual Report on Form 10-K.

# Consolidated Statements of Comprehensive Income

*in thousands*

	Year ended December 31,	
	2021	2020
Net income	\$ 42,441	\$ 35,928
Net unrealized holding (loss) gain on securities available-for-sale during the period	(1,475)	2,860
Reclassification adjustment for net realized gains included in net income	(724)	(1,438)
Income tax (benefit) expense related to other comprehensive (loss) income	(288)	51
Other comprehensive (loss) income	(1,911)	1,371
Total comprehensive income	\$ 40,530	\$ 37,299

**See notes to consolidated financial statements in our Annual Report on Form 10-K.**

## Five Star Bancorp Common Stock

The Company's common stock, no par value per share, is traded on the Nasdaq Global Select Market under the symbol "FSBC." As of December 31, 2021, there were 240 holders of record of the Company's common stock.

## Additional Information and Where to Find It

In accordance with the Securities Exchange Act of 1934 (Exchange Act), the Company files annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and proxy statements for the annual meeting of shareholders, copies of which are also available in the Investor Relations section of our website at <https://investors.fivestarbancorp.com/financial-information/sec-filings>, or upon written request to us at Corporate Secretary, Five Star Bancorp, 3100 Zinfandel Drive, Suite 100, Rancho Cordova, California 95670.

## Forward – Looking Statements

This document contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections and statements of the Company's beliefs concerning future events, business plans, objectives, expected operating results and the assumptions upon which those statements are based. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and are typically identified with words such as "may," "could," "should," "will," "would," "believe," "anticipate," "estimate," "expect," "aim," "intend," "plan" or words or phrases of similar meaning. The Company cautions that the forward-looking statements are based largely on the Company's expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond the Company's control. Such forward-looking statements are based on various assumptions (some of which may be beyond the Company's control) and are subject to risks and uncertainties, which change over time, and other factors which could cause actual results to differ materially from those currently anticipated. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. If one or more of the factors affecting the Company's forward-looking information and statements proves incorrect, then the Company's actual results, performance or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this document. Therefore, the Company cautions you not to place undue reliance on the Company's forward-looking information and statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2021 under the section entitled "Risk Factors," and other documents filed by the Company with the Securities and Exchange Commission from time to time.

The Company disclaims any duty to revise or update the forward-looking statements, whether written or oral, to reflect actual results or changes in the factors affecting the forward-looking statements, except as specifically required by law.

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We believe in action over words and recognize it is the effort of our entire team that allows us to donate, volunteer, engage and lead.

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# Community Reinvestment

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At Five Star Bancorp, we seize opportunities, embrace challenges and value the intrinsic reward of serving others. It is our hope you fully understand our commitment extends to our community's most vulnerable, under-resourced and underrepresented. As such, we are also committed to a robust Community Reinvestment Act Program (CRA) and are grateful to be a source of strength for our clients and advocates for our community and our region's non-profits.

### **Non-profit & Economic Impact**

Five Star Bancorp is extensively engaged with a wide range of non-profits and economic development corporations in the communities we serve through direct charitable giving and through active board engagement. Our executive team members serve on numerous non-profit boards of directors, including 3Strands Global Foundation, the Sacramento Hispanic Chamber of Commerce, the Sacramento Black Chamber of Commerce, the Asian Pacific Chamber of Commerce, Sacramento Regional Conservation Corps, Sacramento Food Bank & Family Services, Project R.I.D.E. and the American River Parkway Foundation.

In 2021, we made donations to non-profits to soften the continued impact of COVID-19. We also led a regional fundraising campaign in support of the Salvation Army's Del Oro division to help those affected by Northern California's wildfires. We continued our commitment to educational initiatives as mentors, funders and advocates, including Cristo Rey High School Sacramento, City Year Sacramento and more. We support the meaningful work of those who serve students from low-to-moderate income communities who have little financial and emotional support.

### **Education**

Supporting educational institutions is critically important to us. Five Star Bancorp supports robust educational programs at the elementary school, high school, college and university levels.

#### ***Cristo Rey High School Sacramento***

Cristo Rey High School transforms lives by providing college preparatory education and professional work experience to high school students with limited financial and emotional support. The school's vision is to create the most effective and highly regarded high school that transforms underserved students into faith-filled, educated, professional and service-oriented people through work experience programs.

#### ***City Year Sacramento***

City Year partners with schools and school districts across the United States to create positive learning environments that benefit the entire school community. In 2021, Five Star Bancorp helped fund a City Year AmeriCorps member who served as a student success coach, supporting the development, growth and success of students while cultivating skills to be leaders in their communities and successful in their careers.

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### ***The Sacramento State University Business Honors Program***

The Sacramento State University Business Honors Program immerses students in an exceptional learning experience through cohort groups and prepares them to become highly qualified managers through a cross-functional and integrated program. Our employees also teach classes on business marketing. When the program was on the verge of being closed due to budget cuts, Five Star Bancorp stepped in to sponsor the cohort from 2017 to 2024.

### ***University of the Pacific***

Five Star Bancorp underwrites University of the Pacific's Leadership Development Program and the Five Star Bank Leadership Fund which provide financial support to students. Our employees present leadership development webinars and have regularly taught as visiting lecturers.

### ***University of California, Davis***

The Five Star Bank Athletes in Business Group serves student athletes interested in careers in banking or finance and provides opportunities for employees to interact with students while providing insight into transitioning from college to the workforce.

## **Women in Business**

The Company recognizes the impact of connecting, supporting and celebrating women in business which leads to the expansion of our client base. This also influences our customers' success while creating brand loyalty (and advocacy) that translate to revenue. The Company's support of women in business also positively affects corporate culture by promoting authentic, meaningful and mutually beneficial business relationships.

## **Affordable Housing**

Five Star Bancorp provided financing for multifamily rental properties in low-to-moderate income census tracts that benefit the residents. The Company also provided financing to a non-profit organization that offers low-income housing to college students in the Sacramento region. The Company also invests in mortgage-backed securities that support low-to-moderate income homeowners.

## **Chambers of Commerce**

In 2021, Five Star Bancorp funded a Program Manager position for the Sacramento Asian Pacific Chamber of Commerce's Connecting Diverse Communities Program (CDCP) through a donation of \$60,000. This donation funded the salary of a Project Manager who connected minority-owned businesses with funding opportunities to support their business, including but not limited to, government funding, capital resources and business coaching.



"I see what **FIVE STAR BANK** does for other women-owned businesses like mine and I'm blown away by the love and care. I'm grateful that I have Five Star Bank in my corner!"

Kellie DeMarco, President  
Kellie DeMarco Communications

**WOMEN IN BUSINESS**

**"FIVE STAR BANK** has taken business banking to the next level. From the very first call through our banking transition and ongoing business needs, we could not be happier with our relationship with Five Star Bank."

Michelle Shipman,  
Founder & CEO  
SearchLight Properties





"We are so grateful to **FIVE STAR BANK** for being long term supporters and advocates for Corpsmembers and the work of the SRCC."

Paula Birdsong,  
Executive Director  
Sacramento Regional  
Conservation Corps

**NON-PROFIT**

“It is critical that we have a relationship with our financial institution. Our relationship with **FIVE STAR BANK** has been incredible. They care about the community and about our mission and the people we serve.”

Blake Young,  
President & CEO  
Sacramento Food Bank  
& Family Services





Five Star Bank is committed to the vision and mission of the Sacramento Hispanic Chamber of Commerce and is very pleased to announce our SVP, Chief Operations Officer & Chief DE&I Officer, Lydia Ramirez, will assume the role of SHCC Board Chair in 2021!

**Cathy Rodriguez Aguirre, President & CEO, SHCC** pictured with Lydia Ramirez

**CHAMBERS OF COMMERCE**



“The Sacramento Asian Pacific Chamber of Commerce is pleased to present Five Star Bank with the 2021 Corporate Steward Award! We are grateful to work with community partners like Five Star Bank who advocate for the strength, resilience and vitality of our region’s businesses.”

**Pat Fong Kushida, President & CEO**  
Sacramento Asian Pacific Chamber of Commerce  
(Pat Fong Kushida pictured with James Beckwith)



“Five Star Bank is an extraordinary supporter of the Business Honors Cohort. The close partnership we enjoy connects our students with businesses and brings new perspective and innovative best practices to our classrooms.”

**Dr. Pingsheng Tong, Faculty Director, Business Honors Program**



“Five Star Bank was one of the first corporate partners to recognize the impact that the Aggie Evolution System (EVO) has. Their generosity, wisdom and partnership are enormous contributors to our ability to help student athletes better know and navigate the world of work.”

**Dr. Michael Lorenzen, Executive Director, EVO**



“Students who engage with Five Star Bank are inspired and motivated. Beyond elevating leadership skills, this partnership is boosting students’ confidence in approaching their careers in an unusually difficult economic environment. We are excited to collaborate in the development of future business leaders with Five Star Bank’s exceptional team.”

**Margaret Roberts, Director, Eberhardt Career Management Center**



“Five Star Bank has been an incredible partner to City Year Sacramento and has a deep commitment to the communities we serve. Thank you, Five Star Bank, for being a champion of City Year.”

**Jeff Owen, Executive Director, City Year Sacramento**

## EDUCATION



“Our mission is to educate and prepare young people for college and our region’s workforce. Paola Jimenez represents this mission come to fruition! Paola is a Cristo Rey High School graduate and a member of the Five Star Bank team - one of our Work Study partners. As we prepare for the coming school year, we celebrate our students and the support we receive from our community. Cristo Rey really is *the school that works.*”

~David Perry, Ed.D., President, Cristo Rey High School Sacramento

Pictured left to right:

David Perry, Ed.D., President, Cristo Rey High School Sacramento;

Paola Jimenez, Treasury Specialist, Five Star Bank;

Tracy Beckwith, 2020-22 Board Chair, Cristo Rey High School Sacramento



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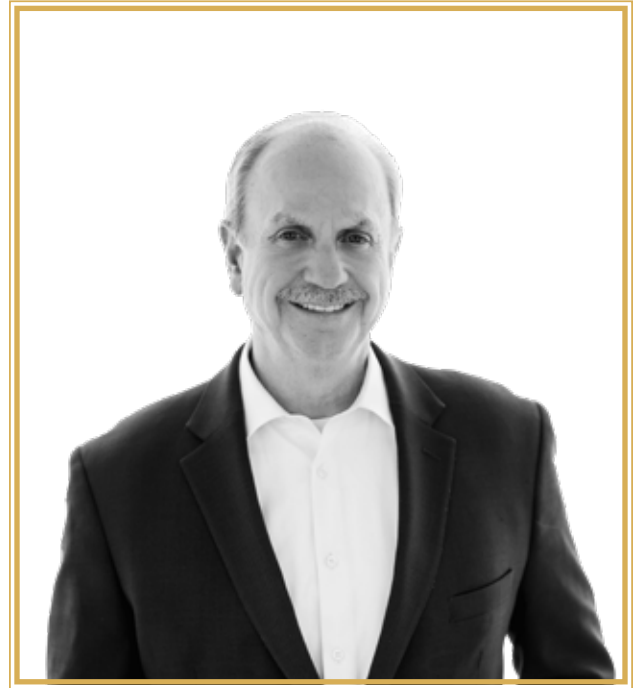
# Executive Leadership

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**James Beckwith**  
*President & CEO*

With nearly 30 years of experience, Mr. Beckwith serves as our President and Chief Executive Officer and is a member of our board of directors. Mr. Beckwith joined Five Star Bank in 2003. He is deeply connected to the Sacramento community and has chaired several community-based organizations which include the Sacramento Metro Chamber of Commerce, Valley Vision, and KVIE (the local PBS affiliate). Mr. Beckwith is currently the Chair of the Western Bankers Association, a Private Sector Director with the Greater Sacramento Economic Council, and a member of the Sacramento State University College of Business Advisory Council. Mr. Beckwith previously served as Chief Financial Officer and Chief Operating Officer of National Bank of the Redwoods in Santa Rosa, California. He graduated from San Francisco State University with a Bachelor of Science degree in Business Administration with a concentration in Accounting. He is also a graduate of Pacific Coast Banking School at the University of Washington where he was class president. Recently, Mr. Beckwith was recognized by the Sacramento Metro Chamber of Commerce as the Businessman of the Year in 2020, and he was named among the Most Admired CEOs of 2020 by the Sacramento Business Journal.



**Jack Dalton**  
*Senior Vice President, Chief Credit Officer*

Mr. Dalton joined Five Star Bank as Senior Vice President and Chief Credit Officer in 2011. He has more than 41 years of experience in the lending and banking industry. Prior to joining us, Mr. Dalton started his lending career with the Farm Credit System in 1980 as a Credit Analyst, then transitioned into roles as a Loan Officer, Branch Manager and Senior Vice President and Senior Lender. In 1991, Mr. Dalton moved to Stockmans Bank as their Senior Vice President and Chief Credit Officer. Through a merger in 2008, he later served as Senior Vice President and Region Credit Administrator at PremierWest Bank. Mr. Dalton currently serves on the Sacramento Metro-PAC board of directors and is a member of the District 3 Grower Liaison Committee for Blue Diamond. He is also a member of the Sacramento Sutter Club's Member Service Committee. Mr. Dalton serves on the board of Project R.I.D.E., a nonprofit organization based in Elk Grove, California that provides those with disabilities with therapeutic horseback riding. Mr. Dalton graduated from California Polytechnic State University, San Luis Obispo, with a Bachelor of Science degree in Animal Science.

# Executive Leadership

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**Mike Lee**  
*Senior Vice President, Chief Regulatory Officer*

Mr. Lee has served as our Senior Vice President and Chief Regulatory Officer since 2010. He joined us in 2005 as Chief Financial Officer after serving over 14 years with the Federal Deposit Insurance Corporation. He later transitioned to the position of Chief Credit Officer in 2007 and served in that position until being appointed Chief Regulatory Officer in 2010. Mr. Lee graduated from Midwestern State University in Texas with a Bachelor of Business Administration degree with a concentration in Economics. He graduated with honors from the Pacific Coast Banking School at the University of Washington. He serves on the boards of directors of the Sacramento Asian Pacific Chamber of Commerce and the Sacramento Regional Conservation Corps.



**Heather Luck**  
*Senior Vice President, Chief Financial Officer*

Ms. Luck serves as our Senior Vice President and Chief Financial Officer, a position she has held since February 2021. She first joined Five Star Bank in October 2018 as Vice President and Director of Finance. Prior to this, she was a Manager in Assurance Services for Ernst & Young, LLP from 2010 through 2017 where she led multiple audit engagements simultaneously, including coordination with tax, valuation, and other specialist groups required to achieve audit objectives in accordance with standards enumerated by the PCAOB and American Institute of Certified Public Accountants. Her audit experience at Ernst & Young, LLP comprised of work within several industries including manufacturing, real estate, technology, media and entertainment, and telecommunications. Ms. Luck's client portfolio included multinational SEC registrants, private issuers, and sub-orders. She then served as Senior Assistant Controller-Global Business Units and Mergers & Acquisitions at Oracle from March 2018 until September 2018 where she was responsible for overseeing the integration of general ledgers of newly acquired entities onto the Oracle Cloud Platform, which included ensuring compliance with accounting policies and intercompany eliminations. Ms. Luck earned a Bachelor of Science degree in Marketing from the University of Utah and earned a Master of Science degree in Accounting and Finance from the University of Maryland Global Campus. She is a licensed Certified Public Accountant in the state of California and is currently a student at Pacific Coast Banking School at the University of Washington.



### **Lydia Ramirez**

#### ***Senior Vice President, Chief Operations Officer & Chief DE&I Officer***

Ms. Ramirez serves as Senior Vice President and Chief Operations Officer and Chief DE&I Officer, a position she has held since 2021. She previously served as Senior Vice President and Director of Operations from 2018 to 2021 and as Senior Vice President and Director of Branch Administration from 2017 to 2018. Ms. Ramirez has over 16 years of experience in senior-level banking and is skilled in strategic operational processes and sales management. Before joining us, she served as Vice President and Multi-Branch Manager at MUFG Union Bank from 2010 to 2017 where she implemented and steered sales activities, developed a team to act as trusted client advisors, and provided leadership on operational integrity and compliance awareness. Ms. Ramirez graduated from the University of California, Davis, with a Bachelor of Science degree in Psychology and Bachelor of Arts degree in Spanish. She is a member of the UC Davis Alumni Association Board. She recently graduated from California State University, Sacramento, with a Master of Business Administration degree. Ms. Ramirez is also a graduate of CBA Executive Banking School. She is the Chair of the board of directors and a member of the executive committee of the Sacramento Hispanic Chamber of Commerce. She also serves on the boards of directors of the Sacramento Black Chamber of Commerce, the Sacramento Food Bank & Family Services, and the North Natomas Little League.



### **Michael Rizzo**

#### ***Senior Vice President, Chief Banking Officer***

Mr. Rizzo joined Five Star Bank in 2005 as Senior Vice President and Business Development Officer. He helped establish our business banking practice and developed commercial real estate loans. He opened our de novo Rancho Cordova office in June 2006. As of January 2017, he serves as our Senior Vice President and Chief Banking Officer, supporting and managing the bank's team of Business Development Officers. As of January 2021, Mr. Rizzo also oversees our SBA division. He earned a Bachelor of Science degree in Business Administration with a concentration in Finance from California State University, Sacramento. He is also a graduate of Pacific Coast Banking School at the University of Washington. Mr. Rizzo currently serves as Board Chair of the American River Parkway Foundation.

# Executive Leadership

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**Brett Wait**  
*Senior Vice President, Chief Information Officer*

Mr. Wait first joined Five Star Bank in 2011 and currently serves as Senior Vice President and Chief Information Officer, a position he has held since 2018. He has over 15 years of community bank experience and information technology fluency and served in various roles with us including Operations Officer from 2011 to 2013, Vice President and Technology & Operations Manager from 2013 to 2015, and Senior Vice President and Chief Operating Officer from 2015 to 2017. He also served as Chief Information Officer of River City Bank from 2017 to 2018 where he was responsible for overseeing information technology, information security, and data analytics, before rejoining us in his current position in 2018. Mr. Wait graduated from the University of Wisconsin - Whitewater with a Bachelor of Business Administration degree in Finance. He also holds a Master of Business Administration degree from California State University, Sacramento.



**Shelley Wetton**  
*Senior Vice President, Chief Marketing Officer*

Ms. Wetton has served as Senior Vice President and Chief Marketing Officer, since 2018, after first joining Five Star Bank in 2015 as Vice President, Community Relations and Communications. She has 25 years of corporate branding, media relations, and strategic marketing expertise. She previously served as Vice President of Corporate Communications at The Buzz Oates Group of Companies where she worked for Buzz Oates for over 15 years and until his passing in 2013. She has worked closely with our board of directors since our inception in 1999. Ms. Wetton is responsible for strategic branding initiatives and leads all marketing and branding efforts. She is also responsible for corporate partnerships and corporate giving. Ms. Wetton earned her Bachelor of Arts and Master of Arts degrees in English from California State University, Sacramento. She is a graduate of the Sacramento Metro Chamber Foundation's 2018 Leadership Sacramento class. She currently serves on the board of directors of 3Strands Global Foundation. She recently served on the Board of Trustees of the Leukemia & Lymphoma Society from 2017 to 2020.



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Board of Directors

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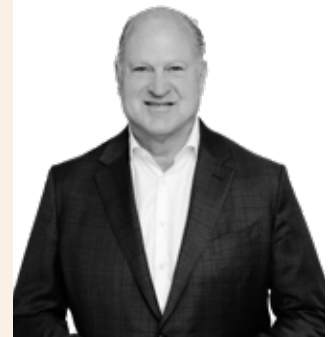
### **David J. Lucchetti, Chairperson of the Board**

Mr. Lucchetti serves as Chairperson of the board of directors, a position he has held since May of 2019. Mr. Lucchetti currently serves as the Executive Chairman of the board of directors of Pacific Coast Building Products, Inc. He also previously served as the President and Chief Executive Officer of Pacific Coast Building Products, Inc., from 1979 and 1988, respectively, until his retirement in 2021, after originally joining the company in 1970. Mr. Lucchetti also serves on the board of directors and executive committee of the Greater Sacramento Economic Council. He has been a member of the California State University Sacramento Business Advisory Board and a member of the boards of trustees of the Sacramento Regional Foundation and Sacramento Neighborhood Housing Service. He previously served as a gubernatorial appointee to the Contractors State License Board. He has also previously served on numerous charitable foundations. Mr. Lucchetti is a member of the Governance and Nominating Committee.



### **David F. Nickum, Vice Chairperson of the Board**

Mr. Nickum serves as Vice Chairperson of the board of directors, a position he has held since May of 2019. Since 2010, Mr. Nickum has served as Owner and President of Waveco, Inc. d.b.a. Valley Farm Transport, Inc., one of the largest agricultural trucking companies in the United States, after being employed there in various capacities since 1988. Mr. Nickum is a past chairperson of Make-A-Wish Foundation of Northeastern and Central California and Northern Nevada, a former board member of St. Michael's Episcopal Day School, and a past board member of Tesco Controls, Inc. Mr. Nickum is also a member of Cal Poly College of Agriculture, Food, and Environmental Sciences' Dean's Advisory Council.



### **Larry Allbaugh, Board Member**

Mr. Allbaugh has served as an executive of Buzz Oates Commercial Real Estate since 1990, serving as Chief Executive Officer for the past eleven years. Mr. Allbaugh serves on the board of directors of Teichert Inc. and serves as Chair of its Audit Committee. He also serves on the boards of directors of the Greater Sacramento Economic Council as its Vice Chair and the Marvin Buzz Oates Charitable Foundation as a founding director. He is active in multiple charitable and faith-based activities locally and internationally. Mr. Allbaugh is the Chairperson of the Governance and Nominating Committee.



# Board of Directors

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## **James Beckwith, President, Chief Executive Officer and Board Member**

With nearly 30 years of experience, Mr. Beckwith serves as our President and Chief Executive Officer and is a member of our board of directors. Mr. Beckwith joined Five Star Bank in 2003. He is deeply connected to the Sacramento community and has chaired several community-based organizations which include the Sacramento Metro Chamber of Commerce, Valley Vision, and KVIE (the local PBS affiliate). Mr. Beckwith is currently the Chair of the Western Bankers Association, a Private Sector Director with the Greater Sacramento Economic Council, and a member of the Sacramento State University College of Business Advisory Council. Mr. Beckwith previously served as Chief Financial Officer and Chief Operating Officer of National Bank of the Redwoods in Santa Rosa, California. He graduated from San Francisco State University with a Bachelor of Science degree in Business Administration with a concentration in Accounting. He is also a graduate of Pacific Coast Banking School at the University of Washington where he was class president. Recently, Mr. Beckwith was recognized by the Sacramento Metro Chamber of Commerce as the Businessman of the Year in 2020, and he was named among the Most Admired CEOs of 2020 by the Sacramento Business Journal.



## **Michael Campbell, Board Member**

Mr. Campbell served as a Partner at Ernst & Young, LLP, an international accounting firm, in the Seattle, Washington office from 1971 to 1994. From 1994 to 2004, Mr. Campbell served as Chief Financial Officer at Surewest Communications (Nasdaq: SURW), a publicly traded telecommunications company, directing all accounting, finance, audit, regulatory, external affairs, investor relations, human resources and administrative service functions for the corporation and each of its subsidiaries. He then served as Chief Executive Officer of the California Trucking Association from 2005 until his retirement in 2013.



## **Shannon Deary-Bell, Board Member**

Ms. Deary-Bell serves as President and Chief Executive Officer of Nor-Cal Beverage, a position she has held since 2010. She has held several positions in her more than 30 years of service at Nor-Cal Beverage, including positions in the food service and vending divisions, Assistant Manager of the Sacramento Vending Department, Branch Manager of the Stockton facility, and Executive Vice President of Operations. Ms. Deary-Bell has been an active member of the Women Business Leaders of Sacramento since 2015, a member of the Sacramento Host Committee, and a member of Vistage, a CEO coaching and peer advisory organization, since 2013. Ms. Deary-Bell serves on the board of directors of Nor-Cal Beverage and served on the Jesuit High School board of directors for six years. Ms. Deary-Bell is a member of the Governance and Nominating Committee.

## **Warren Kashiwagi, Board Member**

Mr. Kashiwagi has over 40 years of professional public accounting experience. A retired certified public accountant, he has advised, counseled, and represented various businesses in tax planning and compliance, business succession planning, strategic planning, and merger and acquisition consulting. From 2011 to 2017, Mr. Kashiwagi was a tax partner with Crowe Horwath, LLP. Prior to that role, he was a tax partner with Perry-Smith LLP from 1988 to 2011. Mr. Kashiwagi has served on the boards of directors of the Sacramento Metropolitan Chamber of Commerce, the California Asian Pacific Chamber of Commerce, the Los Rios Colleges Foundation, and the Crocker Art Museum. He also served as Board Chair of Sutter Community Hospitals and as Board President of the Sacramento Japanese American Citizens League. Mr. Kashiwagi is a member of the Audit Committee.



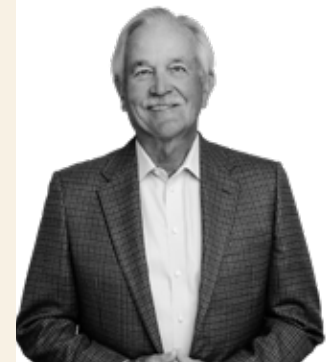
## **Donna Lucas, Board Member**

Ms. Lucas has been the President and Chief Executive Officer of Lucas Public Affairs since its opening in 2006. Ms. Lucas served as Deputy Chief of Staff for strategic planning and initiatives for Governor Arnold Schwarzenegger and Chief of Staff for First Lady Maria Shriver. Ms. Lucas was also the Deputy Press Secretary for Governor George Deukmejian, Deputy Treasurer for State Treasurer Tom Hayes, and California Press Secretary for the 1988 presidential campaign of then-Vice President George H.W. Bush. Ms. Lucas is a past Chair of the California Chamber of Commerce board of directors and the Maria Shriver's Women's Alzheimer's Movement. She serves as the chair of the College Futures Foundation and is on the boards of directors of the Scripps Institution of Oceanography and John Burton Advocates for Youth. Ms. Lucas is also a member of the Statewide Leadership Council of the Public Policy Institute of California (PPIC) and was on the PPIC's board of directors from 2007 to 2019, chairing the Board from 2013 to 2016. Ms. Lucas is a founding member of She Shares, a unique conversation series featuring trailblazing women leaders who have created a lasting impact on women in California and beyond. She was named by the Sacramento Metro Chamber of Commerce as the Sacramento Businesswoman of the Year in 2018.



## **Robert T. Perry-Smith, Board Member**

Mr. Perry-Smith founded and served as Chief Executive Officer of Perry-Smith LLP, an accounting and consulting firm that provided professional services to the banking industry, primarily in California. Upon his retirement in 2013, Mr. Perry-Smith concluded his 40-year career as a certified public accountant at both the national and regional levels, where he provided a number of professional services to the banking industry, specializing in audits, regulatory compliance, capital structures, and merger and acquisition services. Mr. Perry-Smith has been a frequent speaker at banking industry conferences and trade association meetings, including the Western Bankers Association. He is a member of the American Institute of Certified Public Accountants and the California Society of Certified Public Accountants. Mr. Perry-Smith has served on the board of directors of Presidio Bank, Sierra Vista Bank (as Chairman), and the Perry-Smith Foundation. Mr. Perry-Smith is the Chairperson of the Audit Committee and a member of the Compensation Committee.



# Board of Directors

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## **Kevin Ramos, Board Member**

Mr. Ramos is the Chief Investment Officer of Buzz Oates Commercial Real Estate, a position he has held since 1995, and Investment Committee Chairman of Pac West Industrial Equities, LP, a position he has held since 2017. He has 35 years of experience in the commercial real estate industry with specific experience in finance, entitlement, development, leasing, property management, investment, and asset management. He also currently serves on the board of directors of Saint John's Program for Change and the Sacramento chapter of NAIOP, a national commercial real estate association. Mr. Ramos is a member of the Compensation Committee.



## **Randall Reynoso, Board Member**

Mr. Reynoso has 40 years of banking experience, including serving as Executive Vice President of Wells Fargo Bank from 2007 until his retirement in 2020, leading the bank's Business Banking for the San Francisco Bay Area and investor real estate for the nation and serving as Middle Market Banking Leader for Northern California. Prior to this, Mr. Reynoso served as President and Chief Operating Officer, and on the boards of directors, of both Placer Sierra Bancshares and Placer Sierra Bank. Additionally, Mr. Reynoso was instrumental in taking Placer Sierra Bank public in 2004 as well as facilitating the sale of the bank to Wells Fargo Bank in June 2007. A native of Sacramento, Mr. Reynoso has held leadership roles with numerous Northern California philanthropic organizations, including the San Francisco Opera Association, the San Francisco Travel Association, and the Zuckerberg San Francisco General Hospital. Past service includes leadership roles with the Sacramento Hispanic Chamber of Commerce, the Stanford Home for Children, the Mondavi Center for the Performing Arts, KVIE, the Nonprofit Resource Center, and Naturebridge. Mr. Reynoso is a member of the Audit Committee.



## **Judson Riggs, Board Member**

Mr. Riggs is the Chief Executive Officer and Chairman of Teichert Inc., positions he has held since 2003 and 2010, respectively. Mr. Riggs serves on the boards of directors of Teichert Inc., the Greater Sacramento Economic Council, the Host Committee, the Dean's Advisory Council of the Graduate School of Management at University of California, Davis, and the Juvenile Justice Chaplaincy, and is the Vice Chair of the board of directors and Chair of the Finance Committee of PRIDE Industries. Mr. Riggs is the Chairperson of the Compensation Committee.



## **Leigh White, Board Member**

Ms. White has over 30 years of experience in key positions in television broadcast management throughout the United States. From 2015 to 2020, Ms. White served as Vice President and General Manager of KTXL-TV in Sacramento, California (FOX, Tribune Broadcasting). In February of 2022, Ms. White joined Vydiant, Inc., as Chief Revenue Officer. Ms. White recently completed service as Board Chair of the Sacramento Metro Chamber of Commerce. In addition, she is a member of the Salvation Army board of directors and past Chair of its Public Relations/Marketing Committee. Ms. White recently joined the Capital City Airshow Board as Director. She is a graduate of the University of Minnesota with a Bachelor of Science degree in Applied Studies/Communications. She is also a graduate of Leadership Sacramento and Leadership Knoxville. She most recently graduated from the Said School of Business Digital Disruption Program at the University of Oxford in Oxford, England. She is currently pursuing her MBA in Finance at Louisiana State University.

Retired: **Phil Joffe, Retired 12/31/2021**



# CORE VALUES

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We foster a sense of urgency toward thoughtful action.

We hire, retain and develop customer-centric talent.

We create a culture of belonging and engagement through a diverse and inclusive workforce.

We engage with our community for mutual success through representation, innovation and investment.

We fulfill commitments as promised, on time and with the highest standards.

We serve customers and colleagues with professionalism and respect.

**NASDAQ CONGRATULATES**

**FIVE STAR BANCORP**

**ON ITS IPO**

**WELCOME TO THE**

**NASDAQ FAMILY!**



**FIVE STAR BANK**

**FSBC NasdaqListed**



# LOCATIONS

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## **Chico Office**

1370 E. Lassen Avenue, Suite 100  
Chico, CA 95973  
530.924.5121

## **Natomas Office**

2400 Del Paso Road, Suite 100  
Sacramento, CA 95834  
916.640.1500

## **Roseville Office**

2240 Douglas Boulevard, Suite 100  
Roseville, CA 95661  
916.626.5000

## **Downtown Sacramento Office (LPO)**

555 Capitol Mall, Suite 985  
Sacramento, CA 95814  
916.306.1655

## **Rancho Cordova Office**

3100 Zinfandel Drive, Suite 100  
Rancho Cordova, CA 95670  
916.851.5440

## **Santa Rosa Office (LPO)**

250 D Street, Suite 202  
Santa Rosa, CA 95404  
707.292.0892

## **Elk Grove Office**

9250 Laguna Springs Drive, Suite 102  
Elk Grove, CA 95785  
916.714.2444

## **Redding Office**

358 Hartnell Avenue, Suite B  
Redding, CA 96002  
530.223.6652

## **Yuba City Office**

855 Harter Pkwy, Suite 350B  
Yuba City, CA 95993  
530.431.0950





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