



FIVE STAR BANCORP



# Investor Presentation

First Quarter 2025

# Safe Harbor Statement and Disclaimer

## Forward-Looking Statements

In this presentation, “we,” “our,” “us,” “Five Star,” or “the Company” refers to Five Star Bancorp, a California corporation, and our consolidated subsidiaries, including Five Star Bank, a California state-chartered bank, unless the context indicates that we refer only to the parent company, Five Star Bancorp. This presentation 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 presentation. 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, 2024 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.

## Industry Information

This presentation includes statistical and other industry and market data that we obtained from government reports and other third-party sources. Our internal data, estimates, and forecasts are based on information obtained from government reports, trade, and business organizations and other contacts in the markets in which we operate and our management’s understanding of industry conditions. Although we believe that this information (including the industry publications and third-party research, surveys, and studies) is accurate and reliable, we have not independently verified such information. In addition, estimates, forecasts, and assumptions are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Finally, forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this presentation.

## Unaudited Financial Data

Numbers contained in this presentation for the quarter ended March 31, 2025 and for other quarterly periods are unaudited. Additionally, all figures presented as year-to-date, except for periods that represent a full fiscal year ended December 31, represent unaudited results. As a result, subsequent information may cause a change in certain accounting estimates and other financial information, including the Company’s allowance for credit losses, fair values, and income taxes.

## Non-GAAP Financial Measures

The Company uses financial information in its analysis of the Company’s performance that is not in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company’s financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. See the appendix to this presentation for a reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures.

# Agenda

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- Company Overview
- Financial Highlights
- Loans and Credit Quality
- Deposit and Capital Overview
- Financial Results

# Company Overview

# Executive Team



James Beckwith  
President and  
Chief Executive Officer  
*Five Star since 2003*



John Dalton  
Senior Vice President and  
Chief Credit Officer  
*Five Star since 2011*



DJ Kurtze  
Executive Vice President and  
San Francisco Bay Area President  
*Five Star since 2023*



Mike Lee  
Senior Vice President and  
Chief Regulatory Officer  
*Five Star since 2005*



Heather Luck  
Executive Vice President and  
Chief Financial Officer  
*Five Star since 2018*



Lydia Ramirez  
Executive Vice President and  
Chief Operating Officer  
*Five Star since 2017*



Michael Rizzo  
Executive Vice President and  
Chief Banking Officer  
*Five Star since 2005*



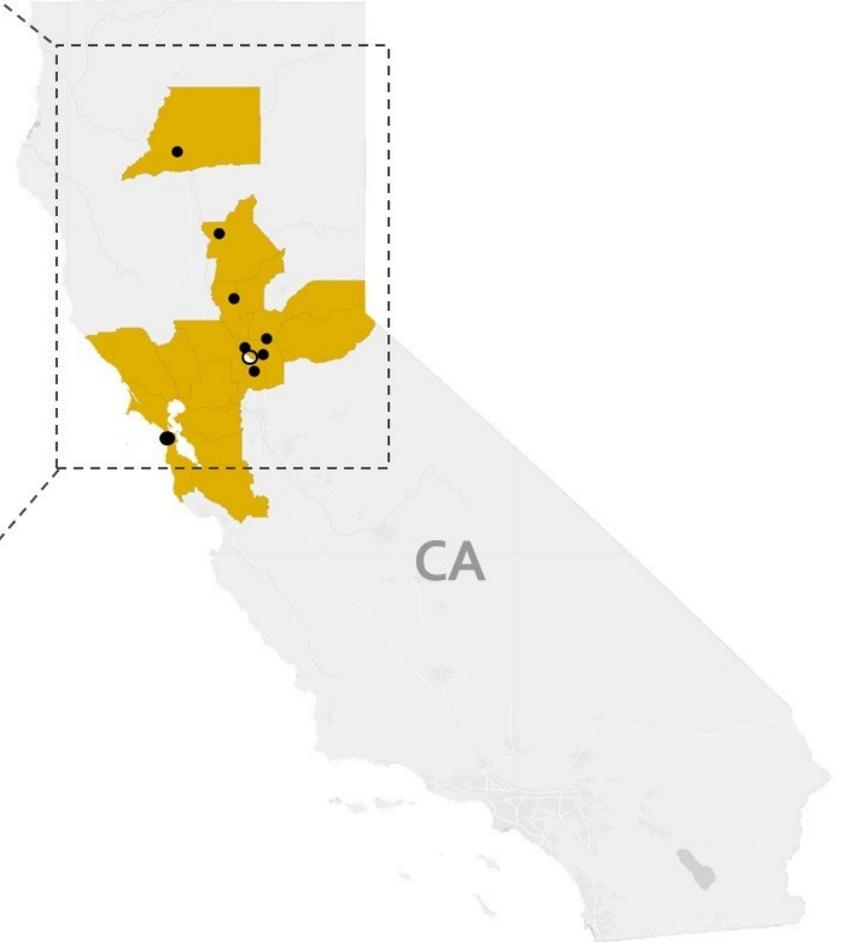
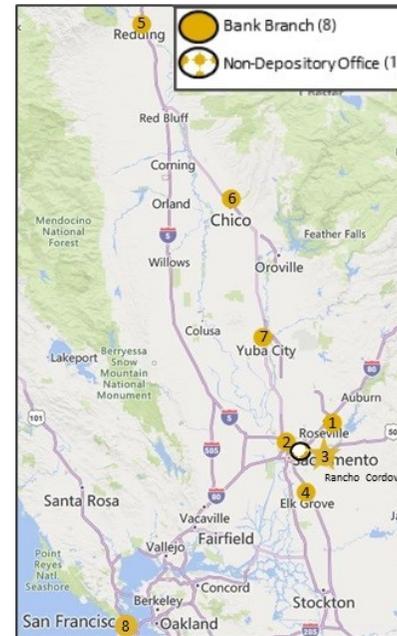
Brett Wait  
Senior Vice President and  
Chief Information Officer  
*Five Star since 2011*



Shelley Wetton  
Senior Vice President and  
Chief Marketing Officer  
*Five Star since 2015*

# Company Overview

Nasdaq:	FSBC
Headquarters:	Rancho Cordova, CA
Asset Size:	\$4.2 billion
Loans HFI:	\$3.6 billion
Deposits:	\$3.7 billion
Bank Branches:	8



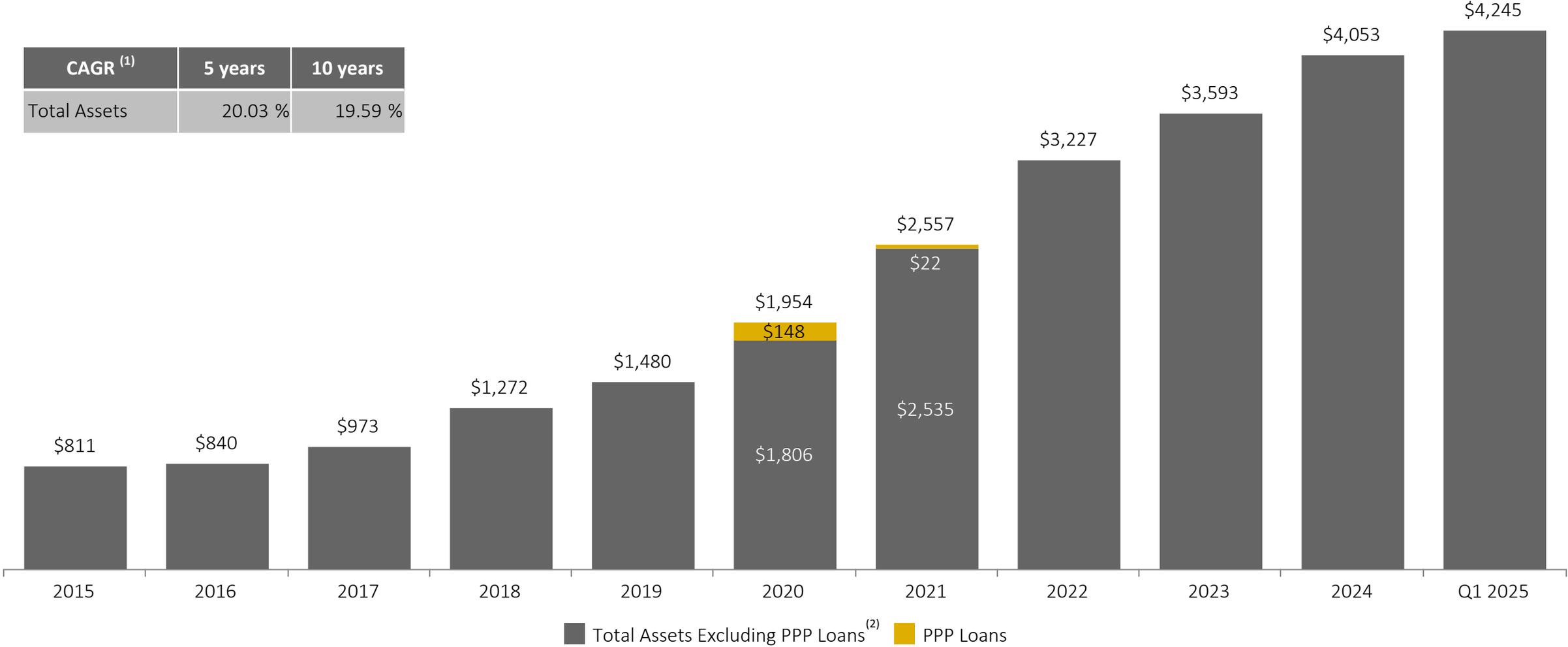
*Five Star is a community business bank that was founded to serve the commercial real estate industry. Today, the markets we serve have expanded to meet customer demand and now include manufactured housing and storage, faith-based, government, nonprofits, and more.*



# Financial Highlights

# Consistent and Organic Asset Growth

CAGR <sup>(1)</sup>	5 years	10 years
Total Assets	20.03 %	19.59 %



Note: Dollars are in millions. Balances are end of period. References to PPP are the Paycheck Protection Program.

- 1. CAGR is based upon balances as of March 31, 2025.
- 2. A reconciliation of this non-GAAP measure is set forth in the appendix.

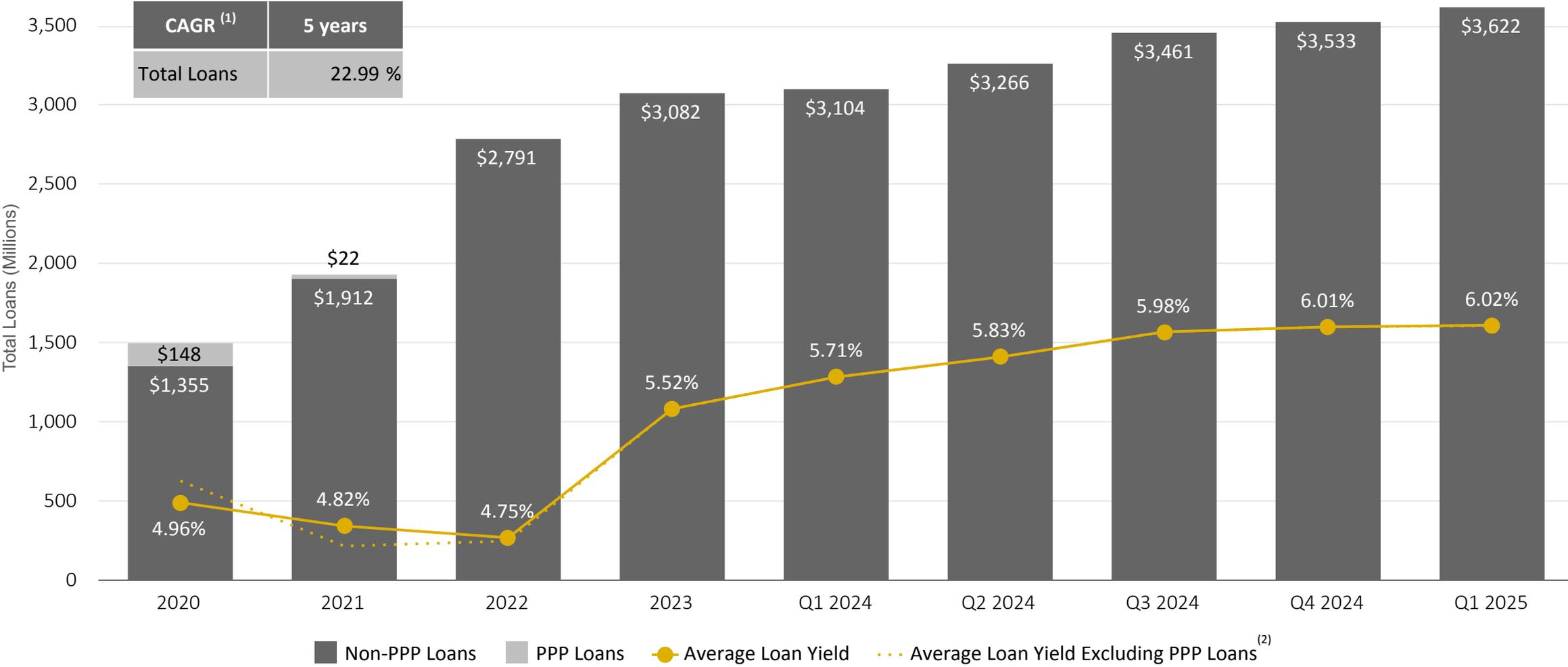
# Financial Highlights - March 31, 2025

<p>Growth</p>	<ul style="list-style-type: none"> <li>Continued balance sheet growth with increases in loans held for investment of \$89.1 million and non-wholesale<sup>(1)</sup> deposits of \$48.4 million since December 31, 2024.</li> </ul>
<p>Funding</p>	<ul style="list-style-type: none"> <li>Non-interest-bearing deposits comprised 24.99% of total deposits, as compared to 25.93% of total deposits as of December 31, 2024.</li> <li>Deposits comprised 97.34% of total liabilities, as compared to 97.30% of total liabilities as of December 31, 2024.</li> </ul>
<p>Liquidity</p>	<ul style="list-style-type: none"> <li>Insured and collateralized deposits were approximately \$2.5 billion, representing 67.55% of total deposits, as compared to 66.92% as of December 31, 2024.</li> <li>Cash and cash equivalents were \$452.6 million, representing 12.11% of total deposits, as compared to 9.90% as of December 31, 2024.</li> </ul>
<p>Capital</p>	<ul style="list-style-type: none"> <li>All capital ratios were above well-capitalized regulatory thresholds.</li> <li>On January 16, 2025 and April 17, 2025, the Company declared cash dividends of \$0.20 per share for the three months ended December 31, 2024 and March 31, 2025, respectively.</li> </ul>



# Loans and Credit Quality

# Consistent Loan Growth

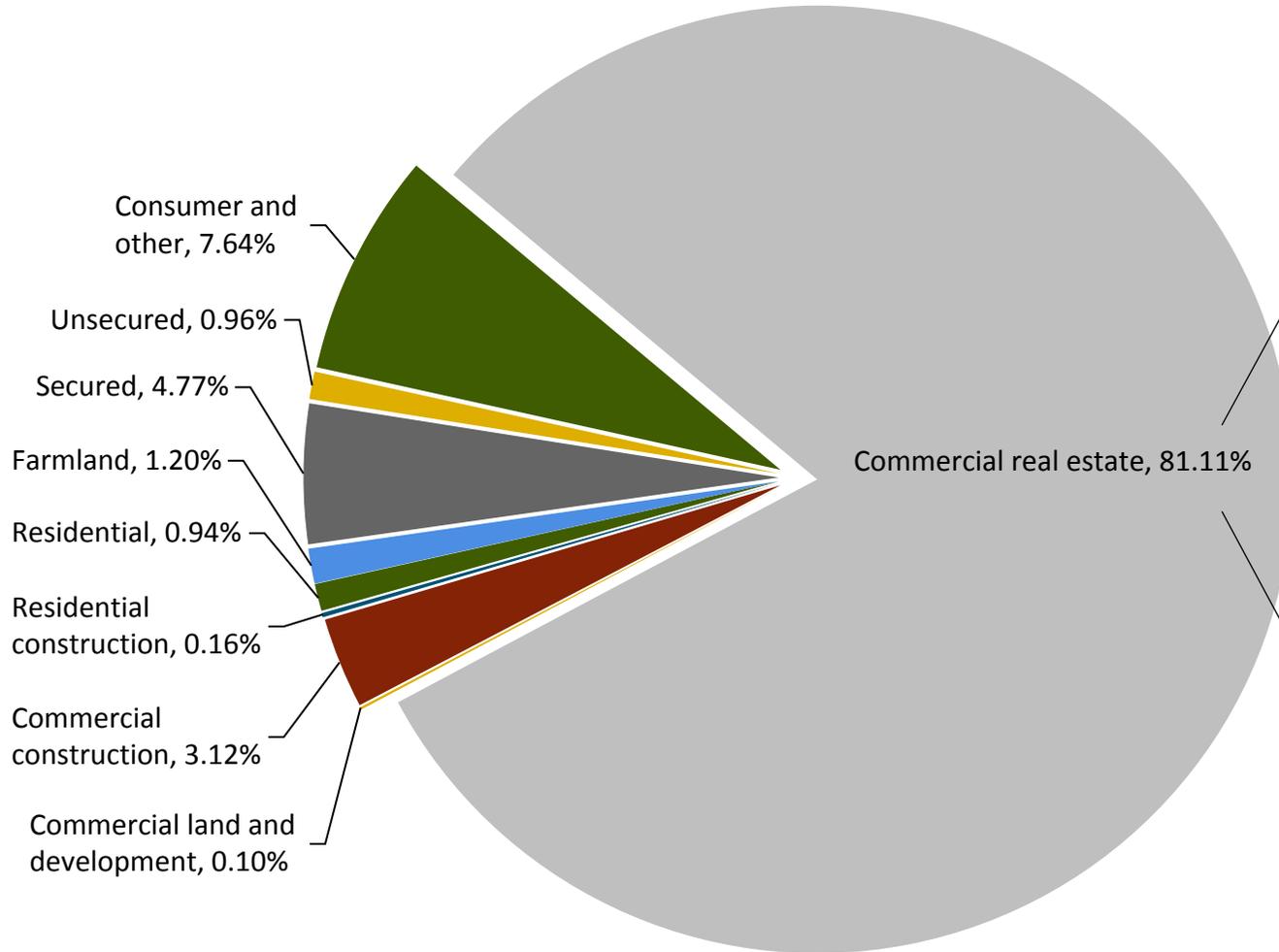


Non-PPP Loans
  PPP Loans
  Average Loan Yield
  Average Loan Yield Excluding PPP Loans <sup>(2)</sup>

Note: Loan balances are end of period loans held for investment. Yields are based on average balance and annualized quarterly interest income.

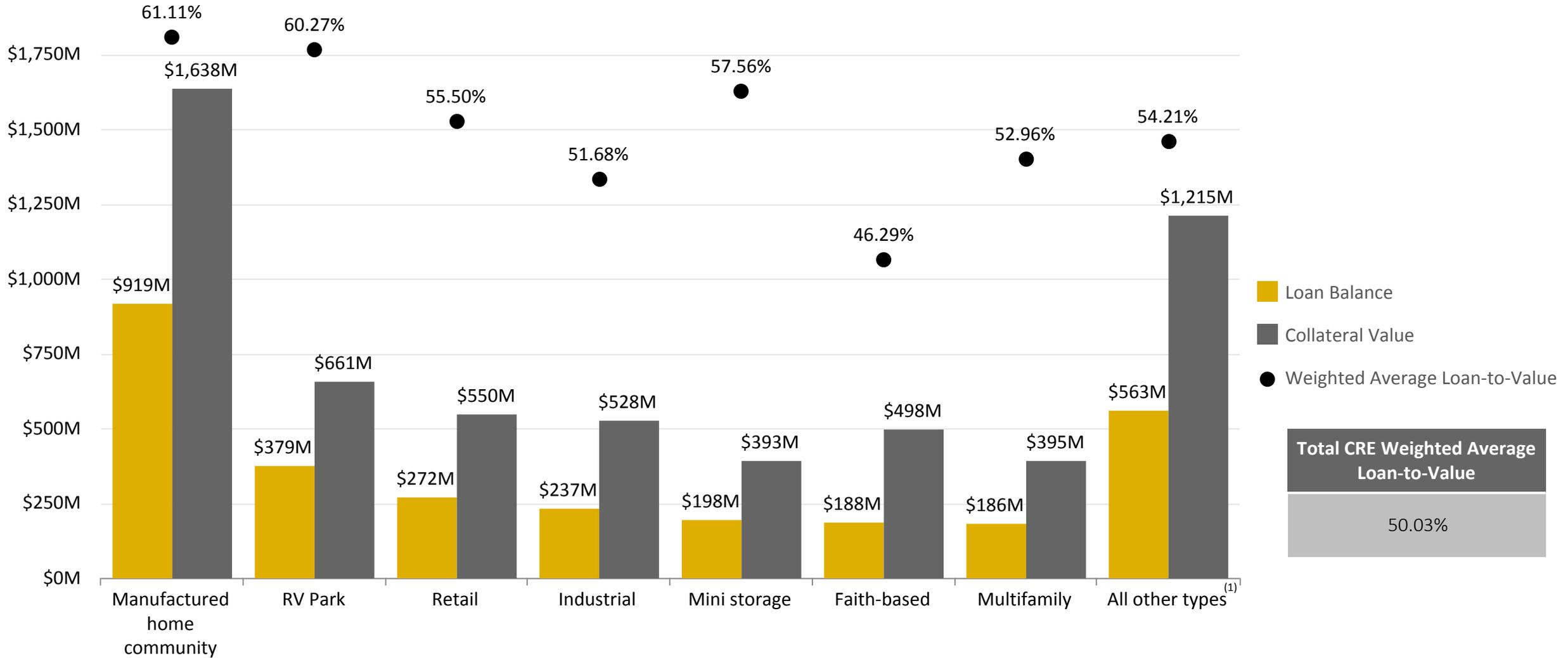
1. CAGR is based upon balances as of March 31, 2025.
2. A reconciliation of this non-GAAP measure is set forth in the appendix.

# Loan Portfolio Composition



Types of collateral securing commercial real estate ("CRE") loans	Loan Balance (\$000s)	# of Loans	% of CRE
Manufactured home community	\$ 918,864	419	31.24 %
RV Park	378,525	125	12.87 %
Retail	272,441	96	9.26 %
Industrial	237,128	140	8.06 %
Mini storage	198,126	50	6.74 %
Faith-based	187,733	105	6.38 %
Multifamily	185,543	97	6.31 %
All other types <sup>(1)</sup>	562,841	271	19.14 %
<b>Total</b>	<b>\$ 2,941,201</b>	<b>1,303</b>	<b>100.00 %</b>

# CRE Collateral Values



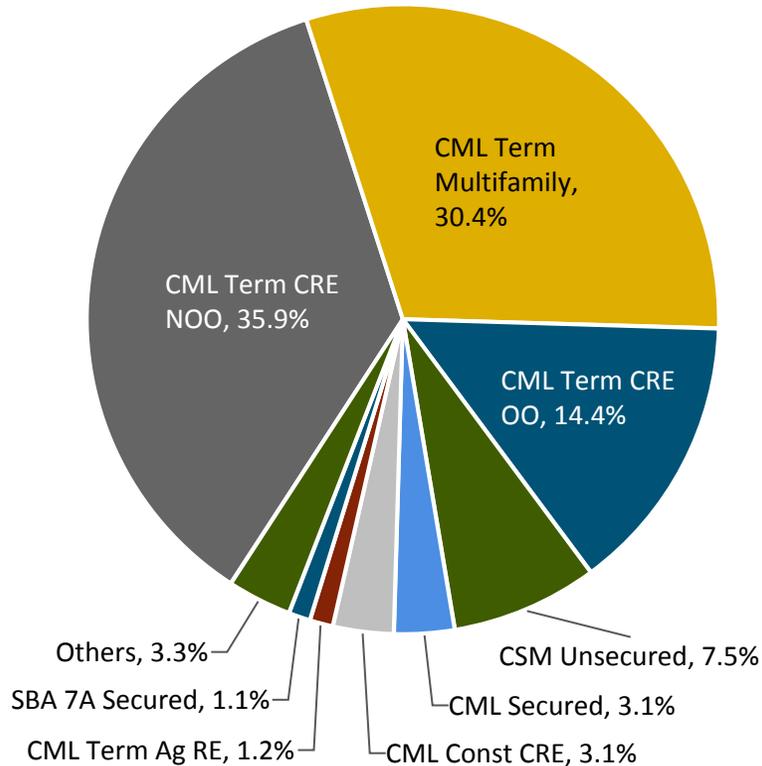
Note: Balances are net book value as of March 31, 2025, before allowance for credit losses, before deferred loan fees, and exclude loans held for sale.

1. Types of collateral in “all other types” are those that individually make up less than 5% CRE concentration.

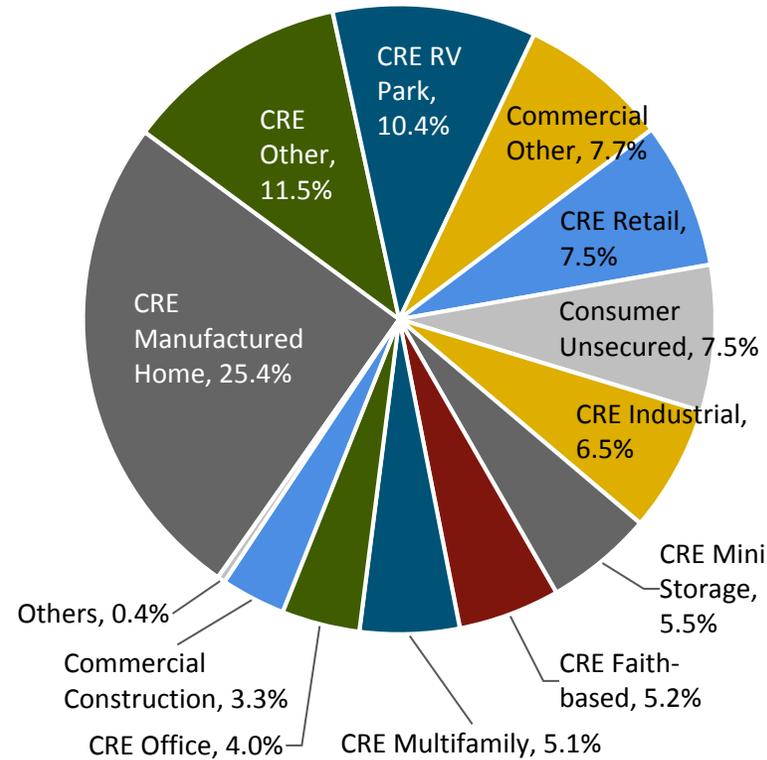
# Loan Portfolio Diversification

We focus primarily on commercial lending, with an emphasis on commercial real estate. We offer a variety of loans to small and medium-sized businesses, professionals, and individuals, including commercial real estate, commercial land and construction, and farmland loans. To a lesser extent, we also offer residential real estate, construction real estate, and consumer loans.

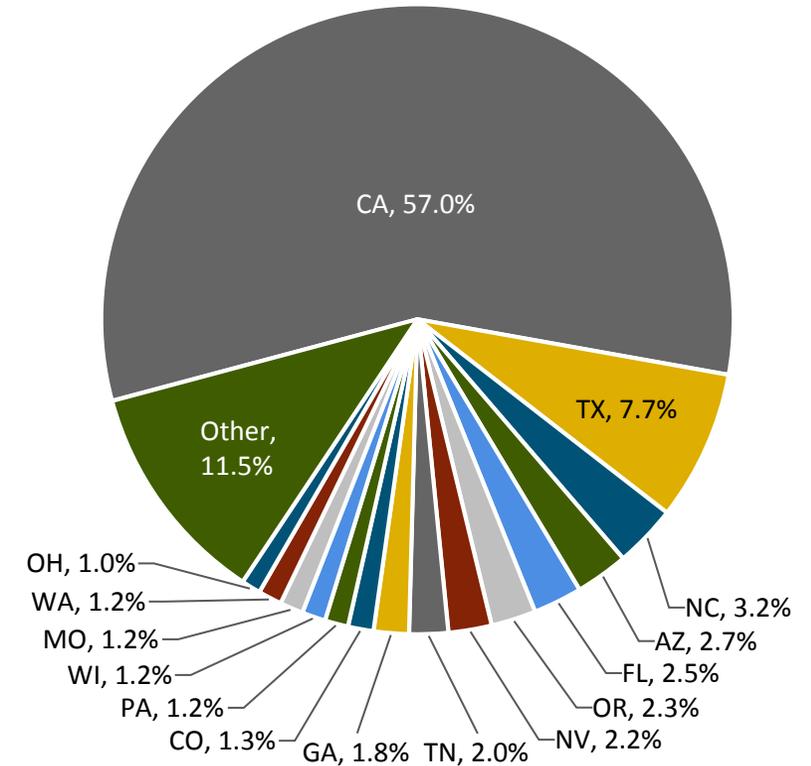
Loans by Product



Loans by Purpose



Real Estate Loans by Geography



# Loan Rollforward



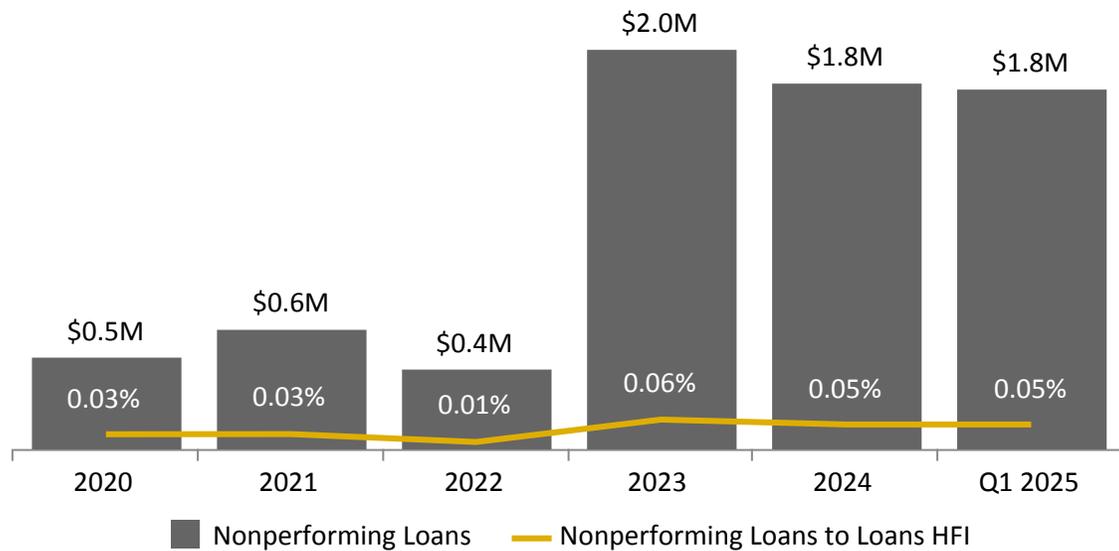
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Beginning Balance	\$ 3,082	\$ 3,104	\$ 3,266	\$ 3,461	\$ 3,533
Ending Balance	\$ 3,104	\$ 3,266	\$ 3,461	\$ 3,533	\$ 3,622

# Asset Quality

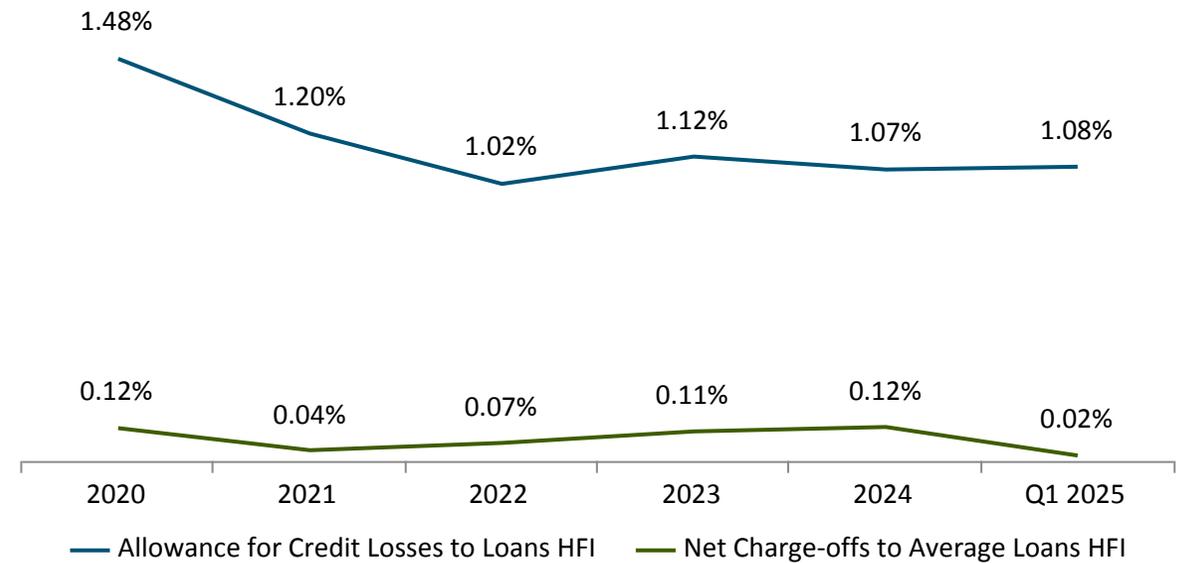
Our primary objective is to maintain a high level of asset quality in our loan portfolio. Therefore, we:

- Place emphasis on our commercial portfolio, where we reevaluate risk assessments as a result of reviewing commercial property operating statements and borrower financials
- Monitor payment performance, delinquencies, tax compliance, and property insurance compliance of our borrowers
- Design our practices to facilitate the early detection and remediation of problems within our loan portfolio
- Employ the use of an outside, independent consulting firm to evaluate our underwriting and risk assessment process

Nonperforming Loan Trend



Allowance for Credit Losses and Net Charge-off Trend



# Allocation of Allowance for Credit Losses

<i>(dollars in thousands)</i>				
	December 31, 2024		March 31, 2025	
Allowance for Credit Losses	Amount	% of Total	Amount	% of Total
<b>Real estate:</b>				
Commercial	\$ 25,864	68.44 %	\$ 27,027	68.91 %
Commercial land & development	78	0.21 %	70	0.18 %
Commercial construction	2,268	6.00 %	2,227	5.68 %
Residential construction	64	0.17 %	78	0.20 %
Residential	270	0.71 %	279	0.71 %
Farmland	607	1.61 %	598	1.52 %
<b>Total real estate loans</b>	<b>29,151</b>	<b>77.14 %</b>	<b>30,279</b>	<b>77.20 %</b>
<b>Commercial:</b>				
Secured	5,866	15.52 %	5,905	15.05 %
Unsecured	278	0.74 %	403	1.03 %
<b>Total commercial loans</b>	<b>6,144</b>	<b>16.26 %</b>	<b>6,308</b>	<b>16.08 %</b>
Consumer and other	2,496	6.60 %	2,637	6.72 %
<b>Total allowance for credit losses</b>	<b>\$ 37,791</b>	<b>100.00 %</b>	<b>\$ 39,224</b>	<b>100.00 %</b>

# Risk Grade Migration

Classified Loans (Loans Rated Substandard or Doubtful)			
<i>(dollars in thousands)</i>	2023	2024	Q1 2025
Real estate:			
Commercial	\$ 1,892	\$ 2,587	\$ 3,653
Commercial land and development	—	—	—
Commercial construction	—	—	—
Residential construction	—	—	—
Residential	—	—	—
Farmland	—	—	—
Commercial:			
Secured	72	48	43
Unsecured	—	—	—
Consumer and other	12	9	8
<b>Total</b>	<b>\$ 1,976</b>	<b>\$ 2,644</b>	<b>\$ 3,704</b>
<b>% of Loan Portfolio Outstanding by Risk Grade:</b>			
Pass	98.66 %	96.44 %	96.81 %
Watch	1.28 %	3.49 %	3.09 %
Substandard	0.06 %	0.07 %	0.10 %

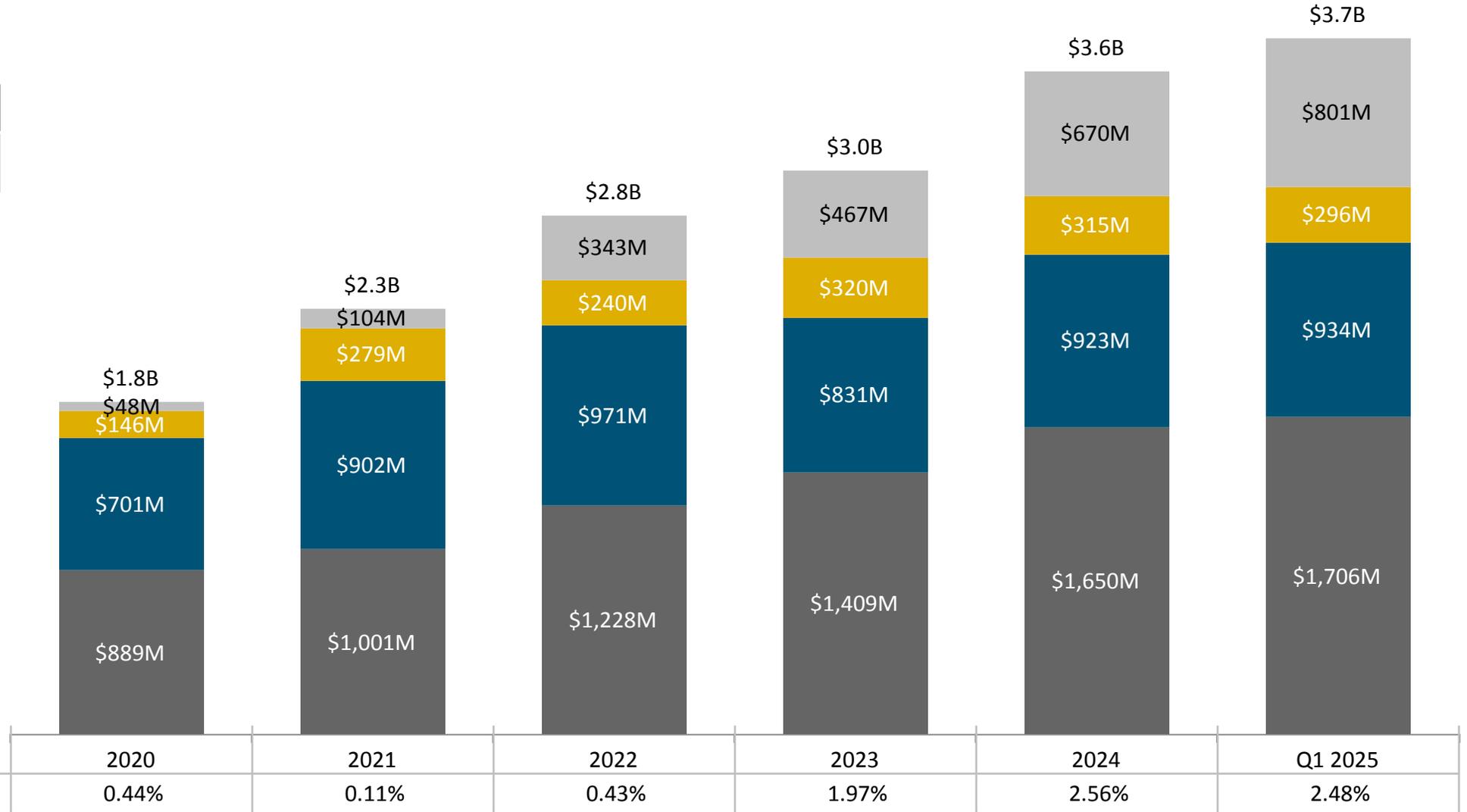
Note: Loan portfolio outstanding is total balance of loans outstanding at period end, before deferred loan fees, before allowance for credit losses, and exclude loans held for sale.

# Deposit and Capital Overview

# Strong Deposit Growth

CAGR <sup>(1)</sup>	5 years
Total Deposits	19.00 %

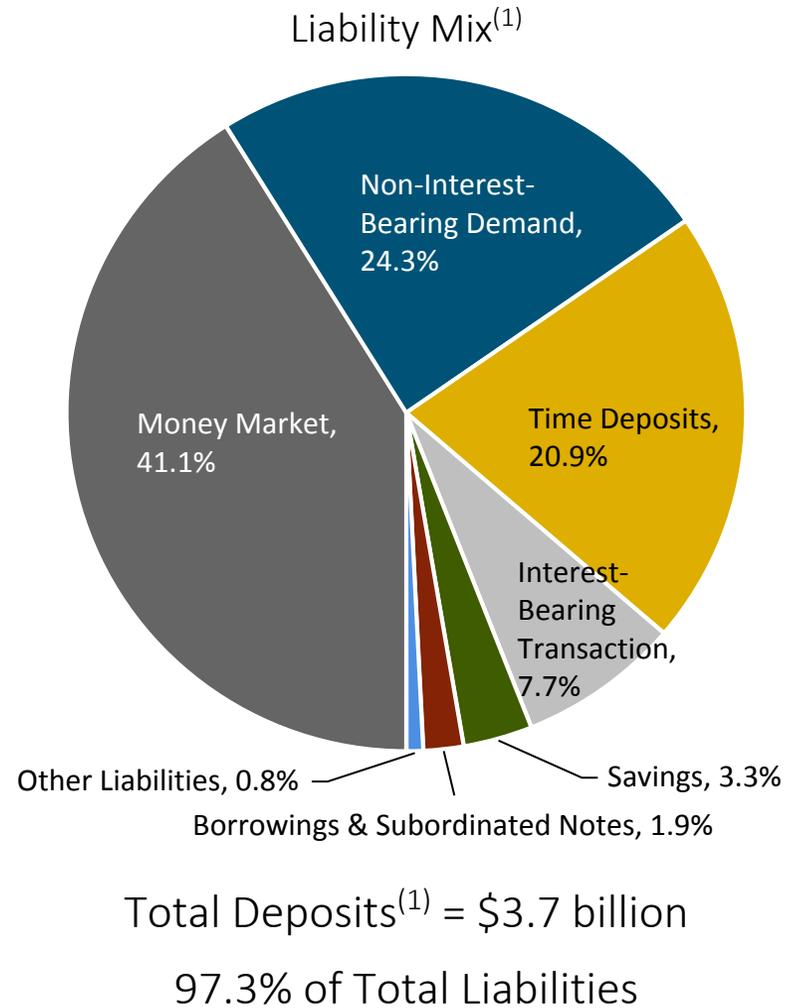
- Money Market & Savings
- Non-Interest-Bearing Demand
- Interest-Bearing Transaction
- Time Deposits



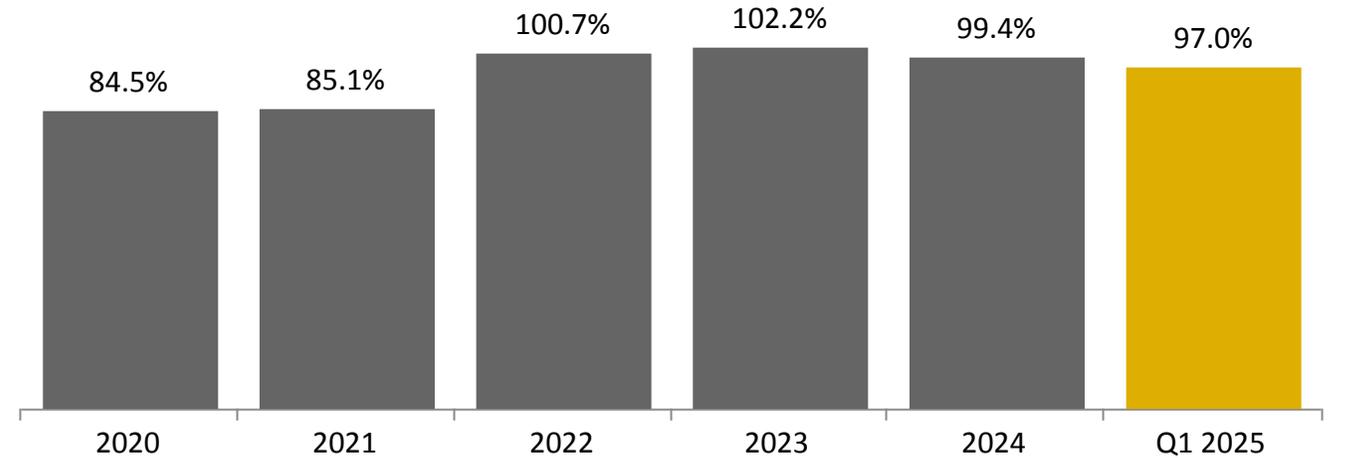
Note: Balances are end of period. Cost of total deposits is based on total average balance of interest-bearing and non-interest-bearing deposits and annualized quarterly deposit interest expense.

1. CAGR is based upon balances as of March 31, 2025.

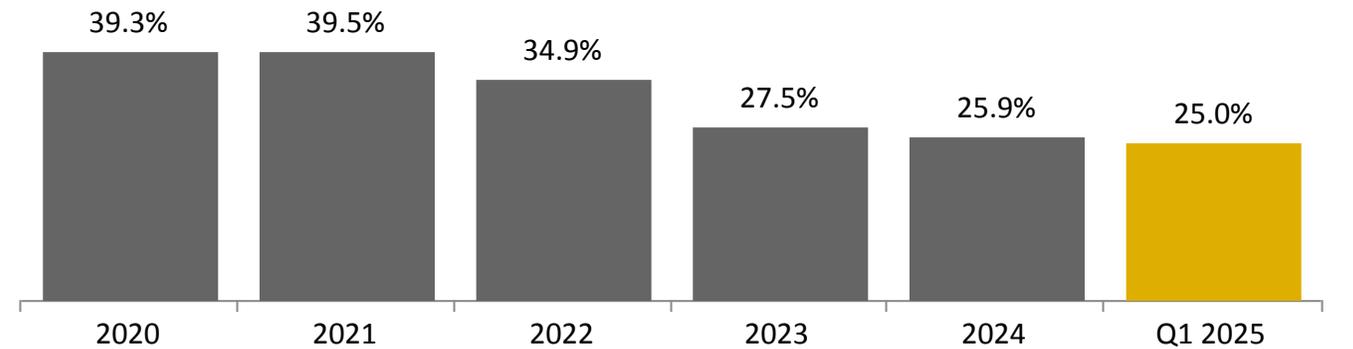
# Diversified Funding



Loan<sup>(2)</sup> to Deposit Ratio

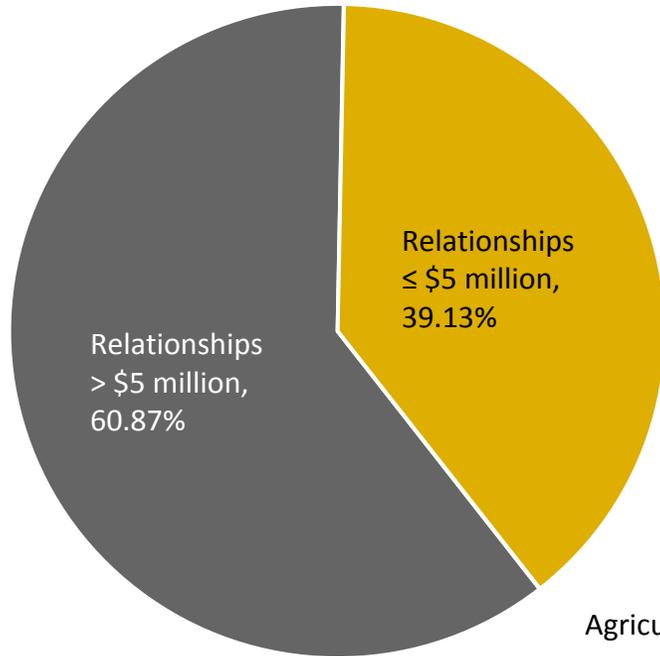


Non-Interest-Bearing Deposits to Total Deposits



# Deposit Composition

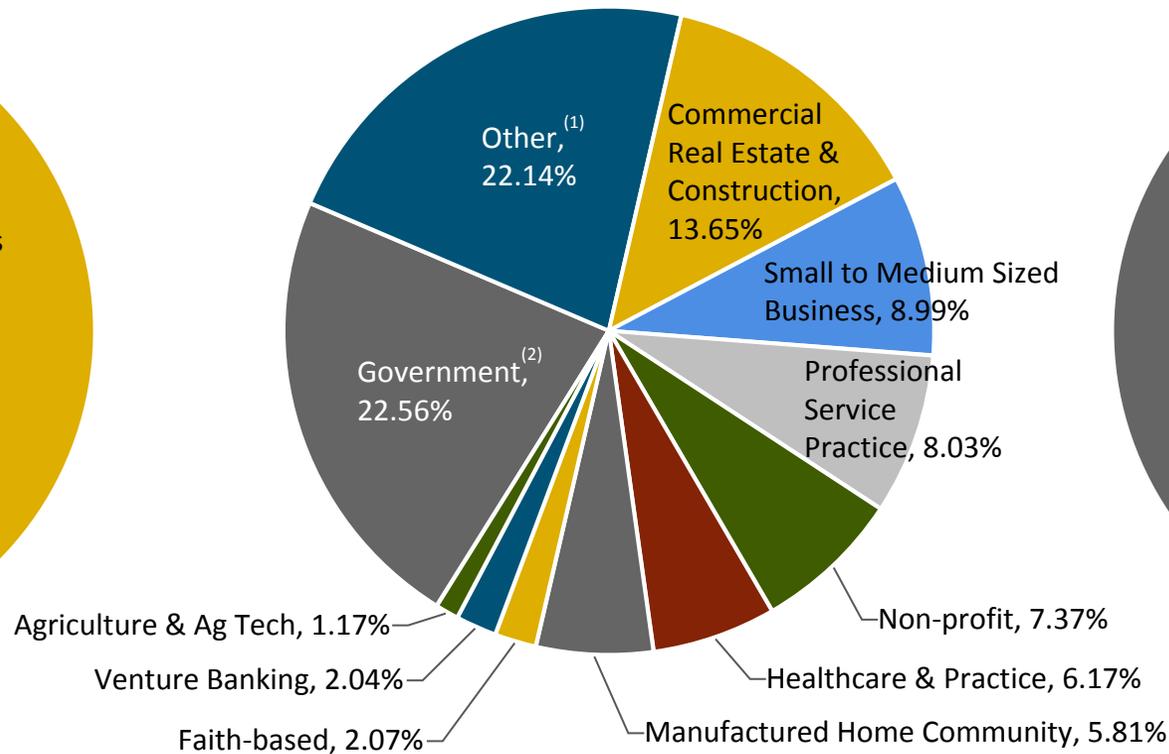
Total Deposits by Relationship Size



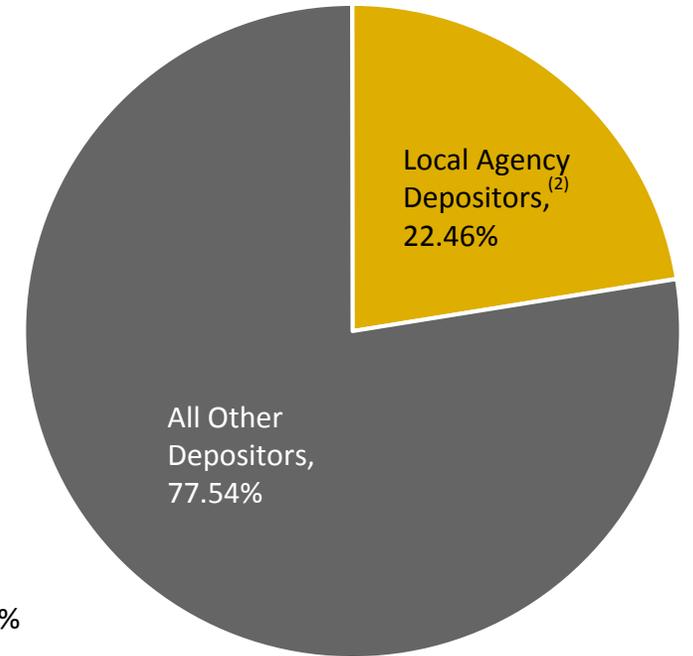
**8.80 Years**

Average Age of Relationships > \$5 million

Total Deposits by Market Vertical



Local Agency Breakout



**\$267,000**

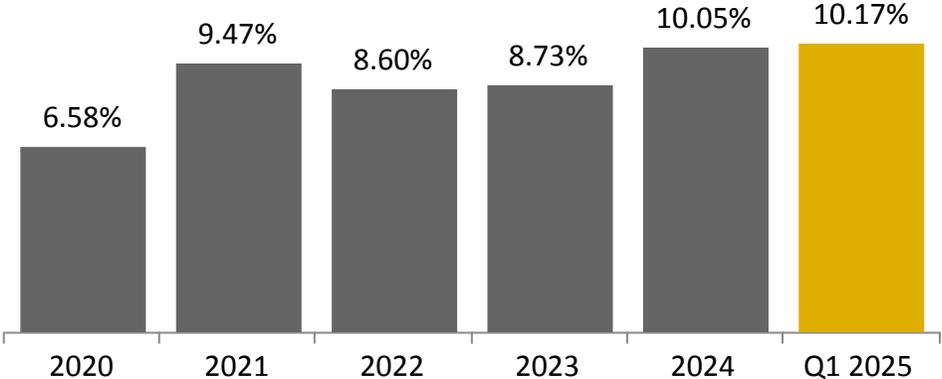
Average Deposit Account Balance

Note: Balances are as of March 31, 2025 and include time and wholesale deposits.

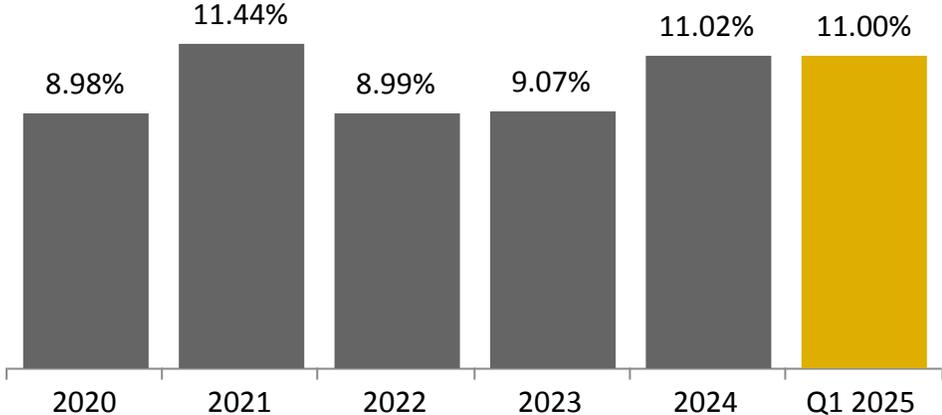
- Types of accounts in "Other" are brokered deposits, which comprise 10.70% of total deposits, individuals, trusts, estates, and market verticals that individually make up less than 0.40% of all deposits.
- Government and Local Agency Depositors include State of California, which comprises 7.76% of total deposits.

# Capital Ratios

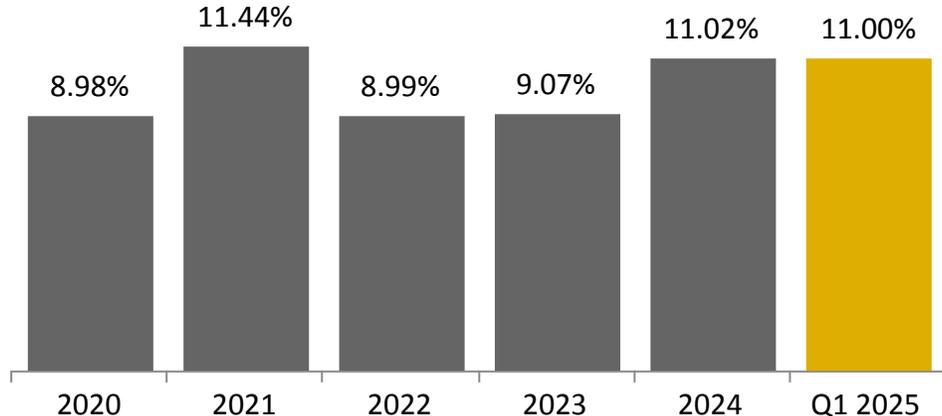
Tier 1 Leverage Ratio



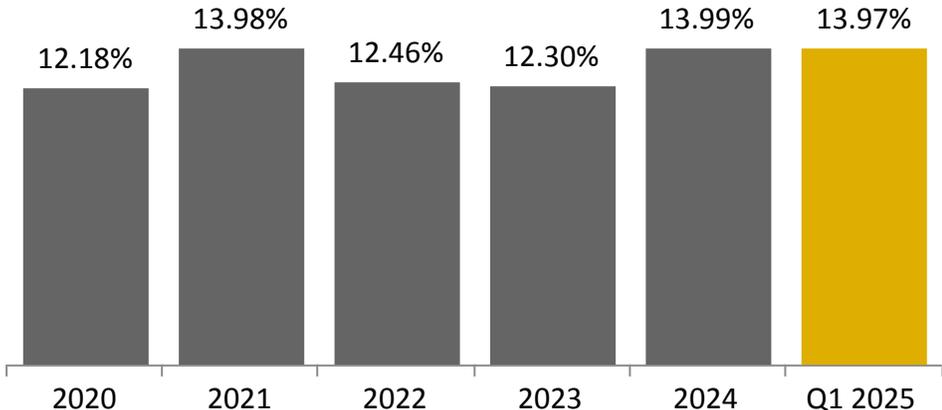
Common Equity Tier 1 to RWA



Tier 1 Capital to RWA



Total Capital to RWA



# Financial Results

# Financial Highlights

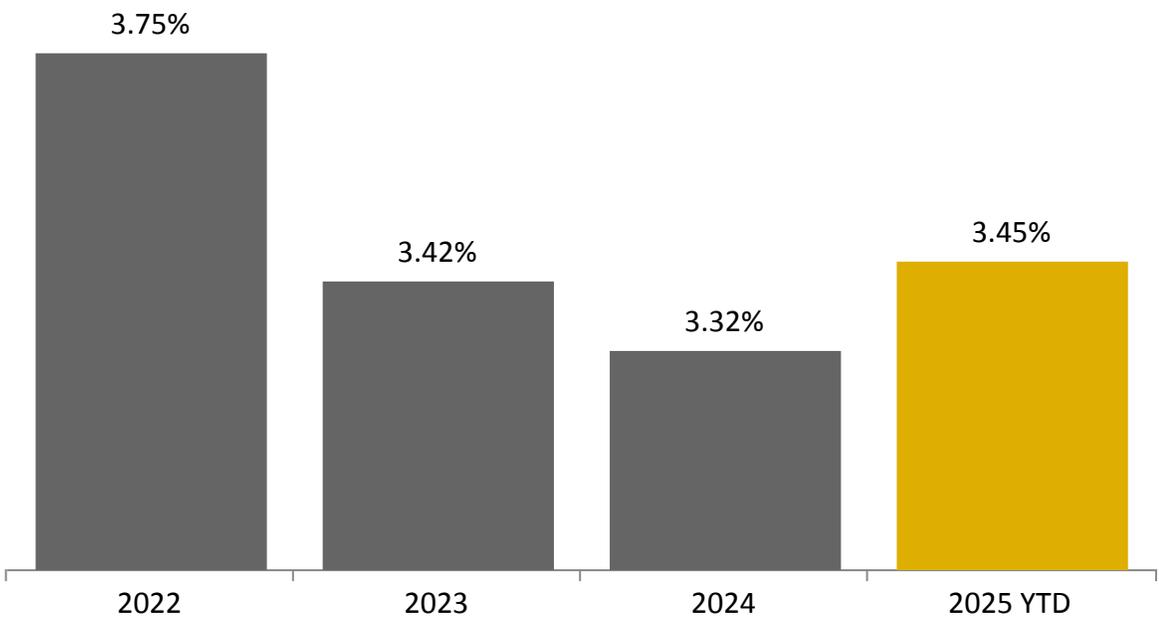
(dollars in thousands, except per share data)

		For the three months ended		
		3/31/2025	12/31/2024	3/31/2024
<b>Profitability</b>	Net income	\$ 13,111	\$ 13,317	\$ 10,631
	Return on average assets ("ROAA")	1.30 %	1.31 %	1.22 %
	Return on average equity ("ROAE")	13.28 %	13.48 %	14.84 %
	Earnings per share (basic and diluted)	\$ 0.62	\$ 0.63	\$ 0.62
<b>Net Interest Margin</b>	Net interest margin	3.45 %	3.36 %	3.14 %
	Average loan yield	6.02 %	6.01 %	5.71 %
	Average cost of interest-bearing deposits	3.33 %	3.48 %	3.46 %
	Average cost of total deposits	2.48 %	2.58 %	2.53 %
	Total cost of funds	2.56 %	2.65 %	2.62 %
<b>Deposits and Securities</b>		<b>3/31/2025</b>	<b>12/31/2024</b>	
	Non-interest-bearing deposits	\$ 933,652	\$ 922,629	
	Interest-bearing deposits	2,802,702	2,635,365	
	Total deposits	3,736,354	3,557,994	
	Total securities	99,696	100,914	
	Total securities to interest-earning assets	2.41 %	2.55 %	
<b>Asset Quality</b>	Nonperforming loans to loans held for investment	0.05 %	0.05 %	
	Allowance for credit losses to loans held for investment	1.08 %	1.07 %	

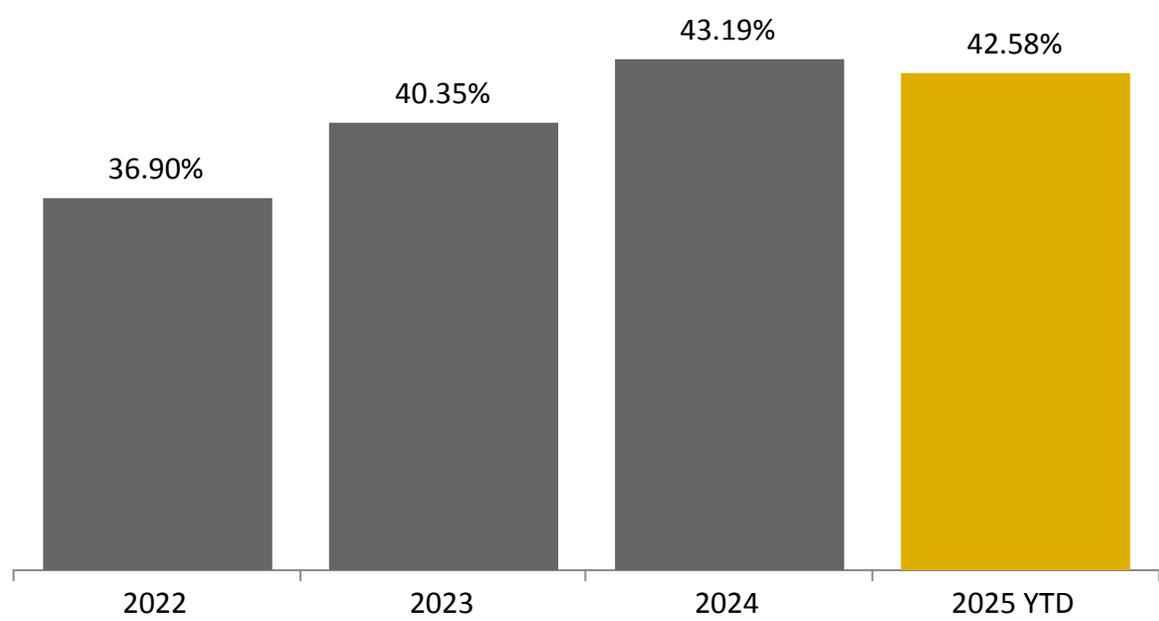


# Operating Metrics

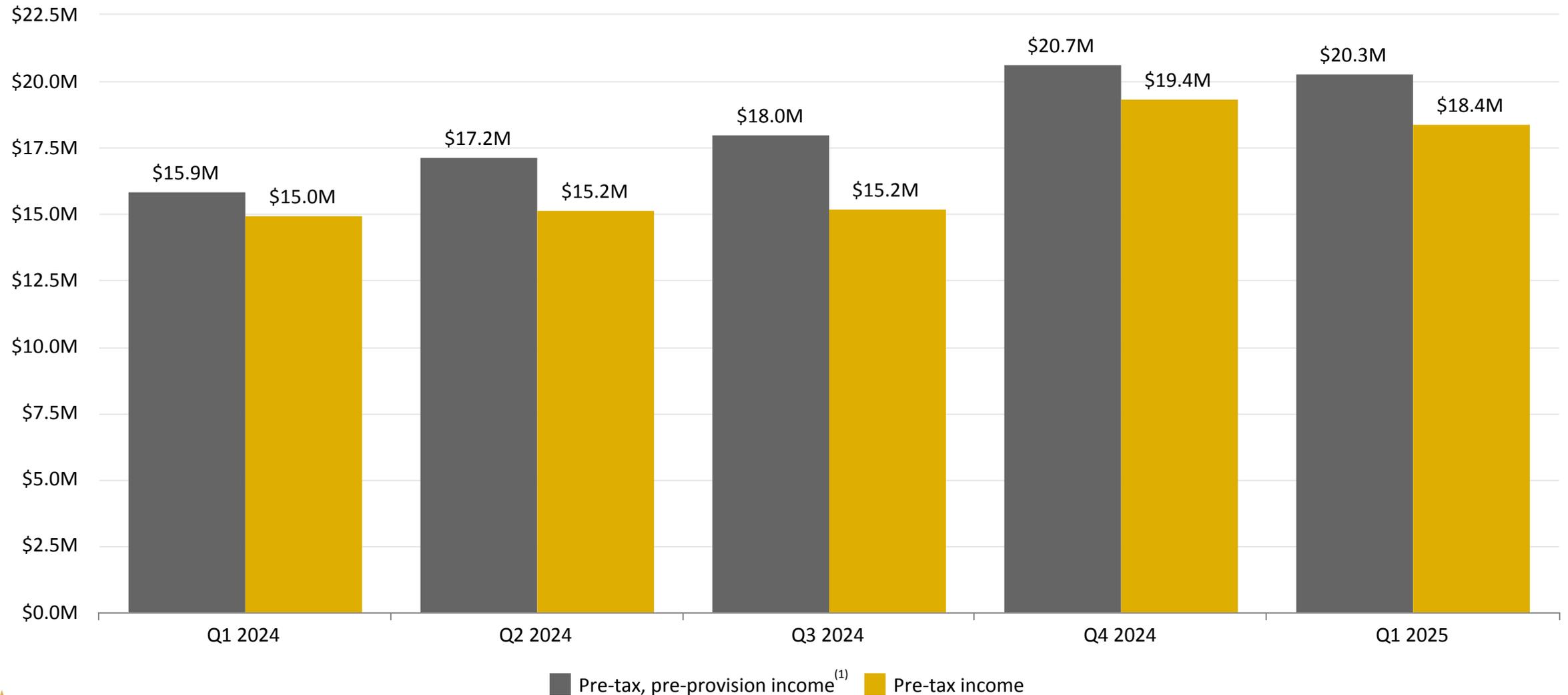
Net Interest Margin



Efficiency Ratio



# Earnings Track Record

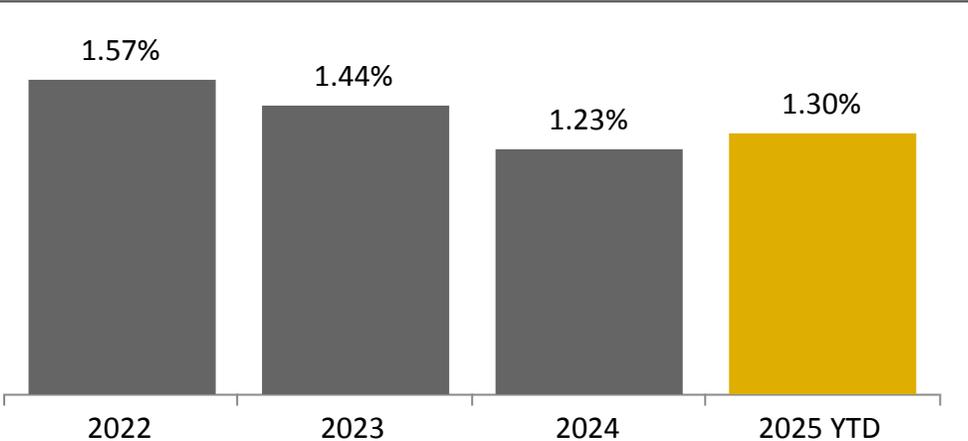


# Non-interest Income and Expense Comparison

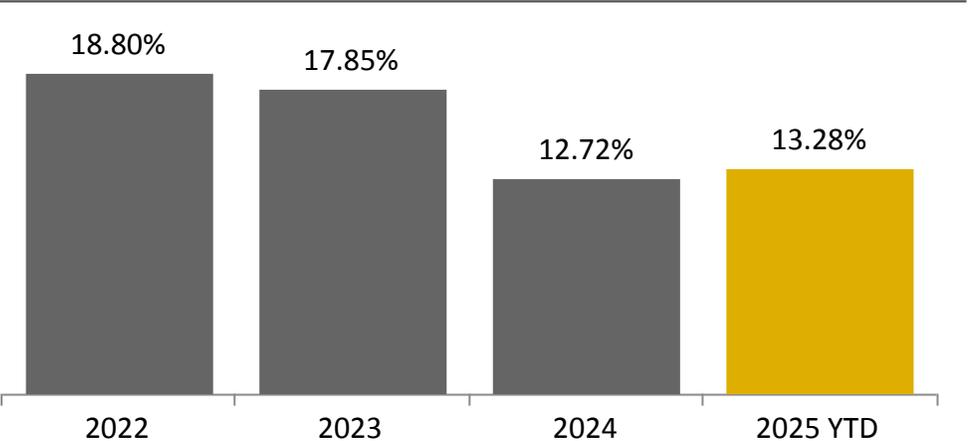
		For the three months ended		
		3/31/2025	12/31/2024	3/31/2024
<i>(dollars in thousands)</i>				
<b>Non-interest Income</b>	Service charges on deposit accounts	\$ 215	\$ 179	\$ 188
	Gain on sale of loans	125	150	369
	Loan-related fees	448	400	429
	FHLB stock dividends	331	332	332
	Earnings on bank-owned life insurance	161	182	142
	Other income	79	423	373
	<b>Total non-interest income</b>	<b>\$ 1,359</b>	<b>\$ 1,666</b>	<b>\$ 1,833</b>
<b>Non-interest Expense</b>	Salaries and employee benefits	\$ 9,134	\$ 8,360	\$ 7,577
	Occupancy and equipment	637	649	626
	Data processing and software	1,457	1,369	1,157
	Federal Deposit Insurance Corporation insurance	455	440	400
	Professional services	913	774	707
	Advertising and promotional	522	752	460
	Loan-related expenses	319	321	297
	Other operating expenses	1,608	1,823	1,492
	<b>Total non-interest expense</b>	<b>\$ 15,045</b>	<b>\$ 14,488</b>	<b>\$ 12,716</b>

# Shareholder Returns

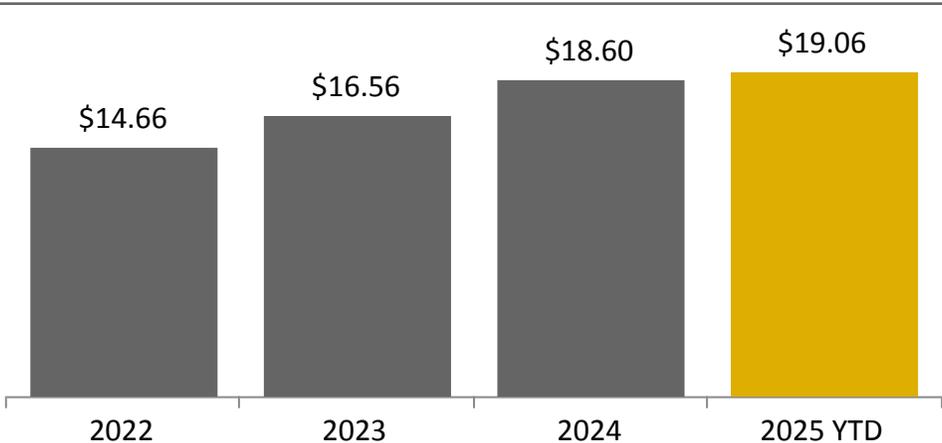
ROAA



ROAE



Value per Share (book and tangible book<sup>(1)</sup>)



Note: All 2025 figures are through March 31, 2025.  
 1. A reconciliation of this non-GAAP measure is set forth in the appendix.



**Five Star Bank customer, Visit Sacramento, ensures our region is a leading destination for meetings, conventions, travel trade and leisure, which support the vitality of our regional economy by driving almost \$200 million in visitor spending annually. Their vision is for every person in the world to say, “I want to visit Sacramento!”**

David Eadie, Chief Sports & Entertainment Officer  
Sonya Bradley, Chief DEI & Community Relations Officer  
Mariles Krock, Chief Convention Sales & Services Officer  
Kari Miskit, Chief Operating Officer & Media Relations  
Mike Testa, President & CEO



**Five Star Bank supports our customer, Street Soccer USA ("SSUSA"), and their mission to fight poverty and strengthen communities through soccer. SSUSA serves youth and special needs populations including families experiencing homelessness, and adults recovering from addiction/substance abuse and mental health diagnoses. SSUSA is the official partner of the Homeless World Cup and Street Child World Cup. We share their mission to fight poverty and strengthen others as they encourage positive changes in their players' lives.**

Sienna Jackson, Homeless World Cup 2023 Sacramento, California – Team USA  
Lisa Wrightsman, Managing Director, SSUSA and Homeless World Cup 2010 Rio De Janeiro, Brazil – Team USA  
Angela Draws, Homeless World Cup 2014 Santiago, Chile – Team USA



**Five Star Bank customer, Cristo Rey High School Sacramento, is a Catholic, fully-accredited college preparatory high school. They offer a focused curriculum designed to support students not only in being accepted to college, but in graduating from college. Their goal is to educate the “whole person,” that is the mind, body and spirit of each student. They offer a challenging academic curriculum, as well as opportunities for co-curricular, spiritual and religious formation.**

Dave Lucchetti, Five Star Bancorp Retired Board Chair  
Father Christopher Calderon, President  
Cristo Rey Students



**FIVE STAR BANCORP**

We strive to become the top business bank in all markets we serve through exceptional service, deep connectivity, and customer empathy. We are dedicated to serving real estate, agricultural, faith-based, and small to medium-sized enterprises. We aim to consistently deliver value that meets or exceeds the expectations of our shareholders, customers, employees, business partners, and community.

# Appendix: Non-GAAP Reconciliation (Unaudited)

The Company uses financial information in its analysis of the Company's performance that is not in conformity with GAAP. The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company's financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. As such, investors should not view these disclosures as a substitute for results determined in accordance with GAAP. Additionally, these non-GAAP measures are not necessarily comparable to non-GAAP financial measures that other banking companies use. Other banking companies may use names similar to those the Company uses for the non-GAAP financial measures the Company discloses but may calculate them differently. Investors should understand how the Company and other companies each calculate their non-GAAP financial measures when making comparisons.

Average loan yield, excluding PPP loans, is defined as the daily average loan yield, excluding PPP loans, and includes both performing and nonperforming loans. The most directly comparable GAAP financial measure is average loan yield. Management believes that average loan yield, excluding PPP loans, is a useful financial measure because it enables management, investors, and others to assess the Company's ability to manage yield on core loans. We had no PPP loans nor interest and fee income on PPP loans for the periods shown in this presentation other than the years ended December 31, 2020, 2021, and 2022. As a result, average loan yield, excluding PPP loans, is the same as daily average loan yield for all periods presented other than the years ended December 31, 2020, 2021, and 2022. Reconciliations for such periods are provided below.

Total assets, excluding PPP loans, is defined as total assets less PPP loans. The most directly comparable GAAP financial measure is total assets. Management believes that total assets, excluding PPP loans, is a useful financial measure because it enables management, investors, and others to assess the Company's ability to manage core assets. We had no PPP loans as of the period ends shown in this presentation other than as of December 31, 2020 and 2021. As a result, total assets, excluding PPP loans, is the same as total assets for all periods presented, other than as of December 31, 2020 and 2021. Reconciliations for such periods are provided below.

Pre-tax, pre-provision income is defined as pre-tax income plus provision for credit losses. The most directly comparable GAAP financial measure is pre-tax income. Management believes that pre-tax, pre-provision income is a useful financial measure because it enables management, investors, and others to assess the Company's ability to generate operating profit and capital.

Tangible book value per share is defined as total shareholders' equity less goodwill and other intangible assets, divided by the outstanding number of common shares at the end of the period. The most directly comparable GAAP financial measure is book value per share. Management believes that tangible book value per share is a useful financial measure because it enables management, investors, and others to assess the Company's value and use of equity. We had no goodwill or other intangible assets at the end of any period indicated. As a result, tangible book value per share is the same as book value per share at the end of each of the periods indicated.

# Appendix: Non-GAAP Reconciliation (Unaudited)

<i>(dollars in thousands)</i>	Year ended				Three months ended				
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
<b>Average loan yield, excluding PPP loans</b>									
Interest and fee income on loans	\$ 71,405	\$ 78,894	\$ 111,795	\$ 162,713	\$ 43,786	\$ 46,362	\$ 50,390	\$ 52,803	\$ 52,931
Less: interest and fee income on PPP loans	6,535	7,417	635	—	—	—	—	—	—
Interest and fee income on loans, excluding PPP loans	64,870	71,477	111,160	162,713	43,786	46,362	50,390	52,803	52,931
Annualized interest and fee income on loans, excluding PPP loans (numerator)	64,870	71,477	111,160	162,713	176,106	186,467	200,465	210,064	214,665
Average loans held for investment and sale	1,439,380	1,637,280	2,353,148	2,947,603	3,082,290	3,197,921	3,354,050	3,498,109	3,567,992
Less: average PPP loans	165,414	116,652	2,297	—	—	—	—	—	—
Average loans held for investment and sale, excluding PPP loans (denominator)	1,273,966	1,520,628	2,350,851	2,947,603	3,082,290	3,197,921	3,354,050	3,498,109	3,567,992
<b>Average loan yield, excluding PPP loans</b>	5.09 %	4.70 %	4.73 %	5.52 %	5.71 %	5.83 %	5.98 %	6.01 %	6.02 %

<i>(dollars in millions)</i>	As of					
	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	3/31/2025
<b>Total assets, excluding PPP loans</b>						
Total assets	\$ 1,954	\$ 2,557	\$ 3,227	\$ 3,593	\$ 4,053	\$ 4,245
Less: PPP loans	148	22	—	—	—	—
<b>Total assets, excluding PPP loans</b>	\$ 1,806	\$ 2,535	\$ 3,227	\$ 3,593	\$ 4,053	\$ 4,245

<i>(dollars in thousands)</i>	Three months ended				
	3/31/2024	6/30/2024	9/30/2024	12/31/2024	3/31/2025
<b>Pre-tax, pre-provision income</b>					
Pre-tax income	\$ 14,961	\$ 15,152	\$ 15,241	\$ 19,367	\$ 18,391
Add: provision for credit losses	900	2,000	2,750	1,300	1,900
<b>Pre-tax, pre-provision income</b>	\$ 15,861	\$ 17,152	\$ 17,991	\$ 20,667	\$ 20,291