



NASDAQ: SSBI / \$17.43
July 28, 2023

FACT SHEET

2Q23 FINANCIAL HIGHLIGHTS

- Net income was \$2,985,000, or \$0.45 per diluted share, compared to \$4,501,000, or \$0.67 per diluted share, in the second quarter of 2022 and \$4,116,000, or \$0.62 per diluted share, for the quarter ended March 31, 2023.
- Provision for credit losses was \$35,000, compared to \$998,000 in the second quarter a year ago.
- Net interest margin was 3.44%, compared to 3.69% in the preceding quarter and 4.36% in the second quarter a year ago.
- Second quarter revenues (net interest income plus noninterest income) decreased 12.2% to \$11,113,000, compared to \$12,656,000 in the second quarter a year ago.
- Annualized return on average assets was 1.03%, compared to 1.85% in the second quarter of 2022.
- Annualized return on average equity was 12.69%, compared to 21.26% in the second quarter a year ago.
- Net loans increased \$86,541,000 to \$924,806,000 at June 30, 2023, compared to \$838,265,000 one year earlier.
- Net loans increased \$17,183,000 during the quarter to \$924,806,000 at June 30, 2023, compared to \$907,623,000 three months earlier.
- Total deposits increased 28% to \$1,048,316,000 at June 30, 2023 compared to \$819,932,000 at June 30, 2022 and increased 3% when compared to the prior quarter end. Deposit growth during the quarter consisted primarily of increases in NOW and money market accounts gathered from the Bank's existing five-branch network.
- The Bank maintains loan loss reserves at the high-end when compared to peers due to increases in nonperforming loans. This is exhibited by loans to gross loans increasing to 2.65% at June 30, 2023 compared to 1.13% at March 31, 2023 and 0.07% at June 30, 2022. Additionally, nonperforming assets to total assets increased to 2.14%, at June 30, 2023 compared to 0.91% at March 31, 2023 and 0.06% at June 30, 2022.
- Tangible book value was \$13.92 per share, compared to \$12.66 per share a year ago.
- Declared a quarterly cash dividend of \$0.12 per share for the three months ended June 30, 2023, March 31, 2023 and June 30, 2022.

ABOUT SUMMIT STATE BANK

Founded in 1982 and headquartered in Sonoma County, Summit State Bank (Nasdaq: SSBI), is an award-winning community bank servicing the North Bay. The Bank serves small businesses, nonprofits, and the community, with total assets of \$1,161 million and total equity of \$94 million at June 30, 2023. The Bank has built its reputation over the past 40 years by specializing in providing exceptional customer service and customized financial solutions to aid in the success of its customers.

Summit State Bank is dedicated to investing in and celebrating the diverse backgrounds, cultures and talents of its employees to create high performance and support the evolving needs of its customers and community it serves. The Bank has been consistently recognized for its achievements and has been awarded Best Places to Work in the North Bay, Top Community Bank Loan Producer, Raymond James Bankers Cup, Super Premier Performing Bank, the Piper Sandler SM-ALL Star Award, and the Independent Community Bankers of America's Best-Performing Community Banks. For more information, visit www.summitstatebank.com.

Stock Price (7/28/23)	\$17.43
Shares Outstanding	6.738M
Market Cap	\$117.4
TTM EPS	\$2.35
Price/TTM EPS	7.42x
Book Value/Share	\$13.92
Price/ Book Value	1.25x
NIM (annualized)	3.44%
ROAA (2Q23)	1.03%
ROAE (2Q23)	12.69%
Dividend Yield	2.75%

Corporate Information

Summit State Bank

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Santa Rosa, CA 95403
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Executive Management

Brian Reed

President & CEO

Camille Kazarian

EVP & Chief Financial Officer

Genie Del Secco

EVP & Chief Operating Officer

Brandy Seppi

EVP & Chief Lending Officer

Michael Castlio

EVP & Chief Credit Officer

FINANCIAL HIGHLIGHTS

(\$ in thousands, except per share data)

Income Statement

(unaudited)

	Three Months Ended		
	30-Jun-23	31-Mar-23	30-Jun-22
Total interest income	\$ 15,625	\$ 14,648	\$ 11,346
Total interest expense	5,961	4,613	1,044
Net interest income	9,664	10,035	10,302
Provision for credit losses on loans	-	400	988
Provision (reversal) for credit losses on unfunded loan commitments	35	(33)	10
Net interest income after provision	9,629	9,668	9,304
Total non-interest income	1,449	1,961	2,354
Total non-interest expense	6,822	5,818	5,298
Income before provision for income taxes	4,256	5,811	6,360
Provision for income taxes	1,271	1,695	1,859
Net income	\$ 2,985	\$ 4,116	\$ 4,501

Selected per Common Share Data

Diluted EPS (4)	\$ 0.45	\$ 0.62	\$ 0.67
Dividends per share (4)	\$ 0.12	\$ 0.12	\$ 0.12
Book value per common share (1)(4)	\$ 13.92	\$ 13.76	\$ 12.66

Balance Sheet

	30-Jun-23	31-Mar-23	30-Jun-22
Total assets	\$ 1,161,409	\$ 1,147,023	\$ 980,785
Total shareholders' equity	\$ 94,435	\$ 92,665	\$ 84,664
Total deposits	\$ 1,048,316	\$ 1,015,652	\$ 819,932
Loans receivable, net	\$ 924,806	\$ 907,623	\$ 838,265

Select Financial Ratios

	30-Jun-23	31-Mar-23	30-Jun-22
Return on average assets (2)	1.03%	1.47%	1.85%
Return on average common shareholders' equity (2)	12.69%	18.38%	21.26%
Efficiency ratio (3)	61.39%	48.50%	41.86%
Net interest margin (2)	3.44%	3.69%	4.36%

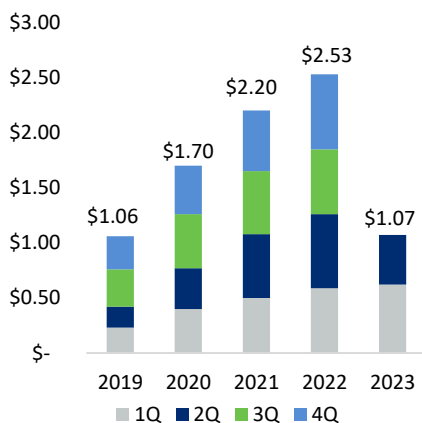
(1) Total shareholders' equity divided by total common shares outstanding.

(2) Annualized.

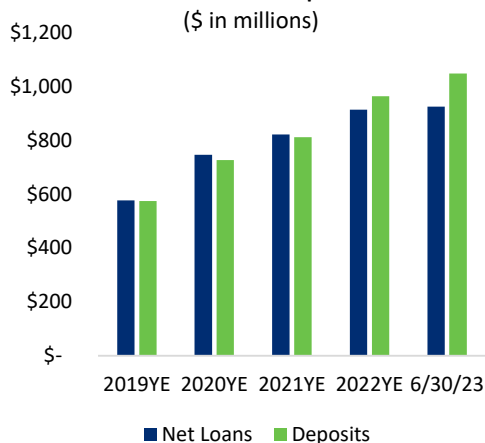
(3) Non-interest expenses to net interest and non-interest income, net of securities gains.

(4) Adjusted for 10% stock dividend declared; effective October 29, 2021.

Diluted EPS



Net Loans/Deposits



Total Revenue

