



Golden Valley Bancshares Reports Second Quarter 2024 Results (Unaudited)

CHICO, Calif. – Golden Valley Bancshares (OTC Markets: [GVYB](#)), with its wholly owned subsidiary, Golden Valley Bank headquartered in Chico, California today reported second quarter 2024 financial results.

Second quarter 2024 financial highlights compared to the second quarter of 2023 include:

- Assets increased \$5.0 million to \$492.3 million
- Loans remained at \$238 million
- Deposits remained at \$447.5 million
- Shareholder Equity increased 15.6%

Consolidated Balance Sheet (unaudited)

(Dollars in Thousands)

	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023
Total investment securities	\$ 164,229	\$ 175,578	\$ 181,989	\$ 180,194	\$ 184,234
Total loans, net of unearned income	237,880	236,226	240,104	238,665	238,318
Allowance for credit losses	(3,938)	(3,938)	(3,937)	(3,936)	(3,936)
Total assets	492,330	486,135	488,564	507,750	487,327
Total deposits	447,513	442,062	445,045	467,843	447,135
Subordinated debentures	5,867	5,855	5,843	5,831	5,819
Total shareholders' equity	36,610	35,348	34,627	30,884	31,654
Loan to deposit ratio	53.16%	53.44%	53.95%	51.01%	53.30%
Book value per share	\$ 16.37	\$ 15.86	\$ 15.54	\$ 13.86	\$ 14.19
Subsidiary Bank's Tier 1 leverage ratio	10.10%	9.87%	9.59%	9.26%	9.52%

Net profit for the quarter ended June 30, 2024, totaled \$781,000 compared to \$864,000 for the same period last year. For the six months ended June 30, 2024, the Company reported \$1,547,000 compared to net profit of \$1,855,000 for the first six months of 2023. The decline in earnings year over year was a result of increasing deposit costs during this higher interest rate environment.

Consolidated Income Statement (unaudited)

(Dollars in Thousands)

	Quarterly Highlights				
	2nd Quarter 2024	1st Quarter 2024	4th Quarter 2023	3rd Quarter 2023	2nd Quarter 2023
Interest income	5,160	5,070	5,159	5,092	4,680
Interest expense	1,630	1,565	1,413	1,328	1,050
Net interest income	3,530	3,505	3,746	3,764	3,630
Provision for credit losses	-	2	1	3	4
Noninterest income	301	268	248	258	245
Noninterest expense	3,050	3,005	3,087	3,029	2,652
Net income	781	766	906	990	864
Basic earnings per share	\$ 0.35	\$ 0.34	\$ 0.41	\$ 0.44	\$ 0.39
Diluted earnings per share	\$ 0.34	\$ 0.34	\$ 0.40	\$ 0.44	\$ 0.38
Return on average assets	0.64%	0.63%	0.73%	0.79%	0.72%
Return on average equity	8.87%	8.84%	11.43%	12.38%	11.09%
Net interest margin	2.95%	2.92%	3.05%	3.03%	3.04%
Efficiency ratio	71.01%	73.34%	67.60%	64.87%	68.04%

“In an economic cycle where other banks are experiencing a decline in deposits, we are pleased with the \$5.5 million deposit growth during the second quarter of this year,” said Mark Francis, President and Chief Executive Officer. “There’s no question it’s been a rough nine months for our industry, but we are definitely holding our own.”

“We pride ourselves in our ‘Absolutely Outstanding Customer Service’ but also our community involvement,” said Chief Banking Officer Laurie Kee. “We support many charities and events and we’re here to make a positive impact beyond just financial services. Our employees go above and beyond to participate in local causes,” she added.

Asset quality continues to be excellent as there were no loans considered to be non-performing. By comparison, the average was 0.58% of total assets for the Bank’s national peer group, based on data provided as of March 31, 2024 (the most recent data available). The company has set aside \$3.94 million in allowance for credit losses to protect it from future economic uncertainties.

The Bank continues to be a well-capitalized bank and far exceeds minimum regulatory requirements. To view our complete quarterly earnings release and additional financial information, please visit our Investors Relations page at goldenvalley.bank/Investor-Relations.

Golden Valley Bancshares, a bank holding company with its wholly owned subsidiary, Golden Valley Bank is a locally owned and operated commercial bank serving the needs of individuals and businesses in northern California. The Bank has full service offices in Chico, Redding and Oroville, California. For more information regarding the bank please call at (530) 894-1000 or visit goldenvalley.bank.

Forward-Looking Statements

Statements concerning future performance, developments or events, expectations for growth and income forecasts, and any other guidance on future periods, constitute forward-looking statements that are subject to a number of risks and uncertainties. Actual results are pre-fiscal year-end audit and may differ materially from stated expectations. Specific factors include, but are not limited to, loan production, balance sheet management, expanded net interest margin, the ability to control costs and expenses, interest rate changes, technological factors (including external fraud and cybersecurity threats), natural disasters, pandemics such as COVID-19 and financial policies of the United States government and general economic conditions. Golden Valley Bancshares disclaims any obligation to update any such factors.

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