



## Golden Valley Bancshares Reports Fourth 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 fourth quarter 2024 financial results.

Golden Valley Bank had strong growth in 2024 despite the unique challenges of economic uncertainty, a persistent inverted yield curve, compressed margins and a general malaise in the banking industry.

We ended the year with all-time highs in both assets and deposits. After a weak start, not uncommon in our industry in 2024, our deposits grew by \$50 million in the final eight months of the year, more than 11%, to end at \$489 million. Assets jumped by \$54 million in that same time period and ended the year at \$536 million. While enduring a sluggish loan market, we were able to grow our loan totals by over \$10 million with over \$50 million in originations. These results are a direct reflection of the effort put in by our staff to retain and grow both deposits and loans during a very difficult time.

Our asset quality continued to be exceptional with no loans over 30 days past due at year end. In fact, very few loans were past due by any margin at the end of the year. It's been over a decade since we had a charge off in our loan portfolio. We understand our markets and are loaning to qualified individuals and businesses.

The inverted yield curve compressed margins in 2024 and we had a series of one-time expenses that reduced profitability, however we were still able to post net income of over \$3.2 million.

The momentum created by our strong asset growth at the end of 2024 positions us well to make significant strides in each of our markets – Chico, Redding and Oroville – in 2025.

### Consolidated Balance Sheet (unaudited)

(Dollars in Thousands)

	12/31/2024	9/30/2024	6/30/2024	3/31/2024	12/31/2023
Total investment securities	\$ 182,525	\$ 163,244	\$ 164,229	\$ 175,578	\$ 181,989
Total loans, net of unearned income	247,500	241,501	237,880	236,226	240,104
Allowance for credit losses	(3,938)	(3,938)	(3,938)	(3,938)	(3,937)
Total assets	536,291	499,636	492,330	486,135	488,564
Total deposits	488,916	451,498	447,513	442,062	445,045
Subordinated debentures	5,891	5,879	5,867	5,855	5,843
Total shareholders' equity	38,704	39,387	36,610	35,348	34,627
Loan to deposit ratio	50.62%	53.49%	53.16%	53.44%	53.95%
Book value per share	\$ 17.30	\$ 17.61	\$ 16.37	\$ 15.86	\$ 15.54
Subsidiary Bank's Tier 1 leverage ratio	9.76%	10.10%	10.10%	9.87%	9.59%

Net profit for the quarter ended December 31, 2024, totaled \$830,000 compared to \$867,000 for the quarter ending September 30, 2024. For the year ended December 31, 2024, the Company reported \$3,245,000 compared to net profit of \$3,750,000 for 2023. The decline in earnings year over year was a result of increasing deposit costs during this higher interest rate environment.

Interest income increased to \$5,781,000 versus \$5,521,000 for the prior quarter and \$5,159,000 for the fourth quarter of 2023. These increases are primarily due to the impact of higher loan yields and increased average balances of overnight investments. Interest expense increased to \$1,868,000 for quarter ending December 31, 2024 versus \$1,728,000 for the prior quarter due to increased money market balances. In addition, interest expense totaled \$6,790,000 for year ended December 31, 2024, a \$2,360,000 increase from year end December 31, 2023. The increase is a direct result of the elevated interest rate environment and the shift in deposit mix from noninterest bearing deposit accounts to interest bearing as customers desire higher returns.

## Consolidated Income Statement (unaudited)

(Dollars in Thousands)

	Quarterly Highlights				
	4th Quarter 2024	3rd Quarter 2024	2nd Quarter 2024	1st Quarter 2024	4th Quarter 2023
Interest income	\$ 5,781	\$ 5,521	\$ 5,160	\$ 5,070	\$ 5,159
Interest expense	1,868	1,728	1,630	1,565	1,413
Net interest income	3,913	3,793	3,530	3,505	3,746
Provision for credit losses	-	2	-	2	1
Noninterest income	258	275	301	268	248
Noninterest expense	3,008	2,847	2,736	2,784	2,715
Net income	830	867	781	766	906
Basic earnings per share	\$ 0.37	\$ 0.39	\$ 0.35	\$ 0.34	\$ 0.41
Diluted earnings per share	\$ 0.36	\$ 0.38	\$ 0.34	\$ 0.34	\$ 0.40
Return on average assets	0.63%	0.69%	0.64%	0.63%	0.73%
Return on average equity	8.40%	9.13%	8.87%	8.84%	11.43%
Net interest margin	3.01%	3.08%	2.95%	2.92%	3.05%
Efficiency ratio	71.73%	69.61%	71.01%	73.34%	67.60%

## Consolidated Income Statement (unaudited)

(Dollars in Thousands)

	Twelve months ended			
	12/31/2024	12/31/2023	\$ Change	% Change
Interest income	\$ 21,533	\$ 19,428	\$ 2,105	10.8%
Interest expense	6,790	4,430	2,360	53.3%
Net interest income	14,743	14,998	(255)	(1.7%)
Provision for credit losses	4	9	(5)	0.0%
Noninterest income	1,102	973	129	13.3%
Noninterest expense	11,376	10,678	698	6.5%
Net income	3,245	3,750	(505)	(13.5%)
Basic earnings per share	\$ 1.45	\$ 1.68	\$ (0.23)	(13.7%)
Diluted earnings per share	\$ 1.42	\$ 1.66	\$ (0.24)	(14.5%)
Return on average assets	0.65%	0.77%		(0.1%)
Return on average equity	8.83%	12.17%		(3.3%)
Net interest margin	2.99%	3.10%		(0.1%)
Efficiency ratio	71.40%	66.48%		4.9%

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 [goldenvally.bank/Investor-Relations](http://goldenvally.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 [goldenvally.bank](http://goldenvally.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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