

FOR IMMEDIATE RELEASE
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Mission Valley Bancorp Reports Second Quarter Results

SUN VALLEY, CA (July 31, 2025) -- Mission Valley Bancorp (OTCQX: MVLY, "Mission Valley", or the "Company") announced today net income of \$1.2 million, or \$0.37 per diluted share, for the second quarter of 2025, compared to a net income of \$2.0 million, or \$0.60 per diluted share, for the second quarter of 2024. Net income for the six months ended June 30, 2025 was \$2.8 million, or \$0.84 per diluted share, compared to net income of \$3.7 million, or \$1.10 per diluted share, for the six months ended June 30, 2024.

Tamara Gurney, President and Chief Executive Officer, commented, "Some highlights of the quarter include the core deposit growth from the core deposit initiatives that we began last year along with the momentum generated in the first quarter, and the \$1.2 million in net income that we reported for the quarter despite some negative fair value adjustments from our servicing asset portfolio, putting out less loans for sale, and continuing our investment in technology and digital transformation initiatives, and branch restructuring and expansion efforts."

Ms. Gurney continued, "We also recently executed a lease in Arcadia, California, situated in the heart of the San Gabriel Valley, which will be our fourth full-service branch with a target open date in late third quarter or early fourth quarter."

Second Quarter 2025 Highlights

- Net Income of \$1.2 million, or \$0.37 per diluted share, for the second quarter of 2025.
- Net Interest Income was \$7.5 million for the second quarter of 2025, an increase of \$0.8 million, or 11.94%, compared to the second quarter of 2024.
- Net Interest Margin of 4.38% for the second quarter of 2025 compared to 4.32% for the second quarter of 2024.
- Non-Interest Income was \$2.2 million for the second quarter of 2025, a decrease of \$0.7 million, or 24.14%, compared to the second quarter of 2024.
- \$14.3 million in SBA loans were sold resulting in gain on sale of \$0.7 million in the second quarter of 2025, compared to \$21.7 million in SBA loans sold and gain on sale of \$1.1 million in the second quarter of 2024.
- Change in the fair value of SBA servicing assets resulted in a loss of \$0.5 million for the second quarter of 2025, compared to a loss of \$0.1 million for the second quarter of 2024.
- Cash dividend of \$0.15 per share paid on June 2, 2025 to shareholders of record as of the close of business on May 19, 2025 with total dividends paid of \$0.5 million.

Balance Sheet Highlights

- Total Assets were \$740.6 million as of June 30, 2025, an increase of \$63.3 million, or 9.35%, compared to December 31, 2024.
- Gross Loans were \$594.9 million as of June 30, 2025, an increase of \$47.9 million, or 8.76%, compared to December 31, 2024.
- Total Deposits were \$599.4 million as of June 30, 2025, an increase of \$48.1 million, or 8.72%, compared to December 31, 2024. Brokered Deposits were \$34.5 million as of June 30, 2025, a decrease of \$25.4 million, or 42.40%, compared to December 31, 2024.

Asset Quality

- \$35 thousand in net charge-offs in the second quarter of 2025, compared to \$12 thousand in net recoveries from previously charged loans in the second quarter of 2024.
- \$4.9 million in Past Due Loans as of June 30, 2025, compared to \$5.3 million in Past Due Loans as of December 31, 2024.
- \$29.8 million in Classified Loans as of June 30, 2025, compared to \$26.4 million in Classified Loans as of December 31, 2024.
- \$12.1 million in Non-Accrual Loans as of June 30, 2025, compared to \$5.3 million in Non-Accrual Loans as of December 31, 2024.
- The Allowance for Credit Losses was \$8.3 million, or 1.39% of Gross Loans, as of June 30, 2025, compared to \$8.1 million, or 1.48% of Gross Loans, as of December 31, 2024.

Capital and Liquidity

- Capital position remains strong, which is reflected by Common Equity Tier 1 Capital Ratio of 9.94%, Tier 1 Capital ratio of 10.85%, Total Risk Based Capital Ratio of 12.10%, and Leverage Ratio of 9.79%.
- Available borrowing capacity of \$171.5 million as of June 30, 2025, a decrease of \$37.2 million, or 17.82%, compared to December 31, 2024.
- Unpledged available-for-sale investment securities of \$45.7 million as of June 30, 2025.

About Mission Valley Bancorp

Mission Valley Bancorp is a bank holding company headquartered in Sun Valley, California with two wholly owned subsidiaries Mission Valley Bank (the "Bank") and Mission SBA Loan Servicing LLC ("Mission SBA"). The Bank was founded in 2001 and is a full-service, independent, commercial bank specializing in the banking needs of small to medium businesses with full-service branches in the San Fernando & Santa Clarita Valleys. Mission SBA is a de novo SBA lender service provider ("LSP") established in March 2021 that provides SBA lending services to other financial institutions.

Forward-looking statements:

Certain matters discussed in this news release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based upon current management expectations and, therefore, are subject to certain risks and uncertainties that could cause actual results, performance, or achievements to differ materially from those expressed, suggested, or implied by the forward-looking statements. Forward-looking statements are effective only as of the date that they are made and the Company assumes no obligation to update this information. www.MissionValleyBank.com.