



Mission Valley Bancorp Reports First Quarter Results

SUN VALLEY, CA (May 1, 2026) -- Mission Valley Bancorp (OTCQX: MVLY, "Mission Valley", or the "Company") announced today net income of \$0.7 million, or \$0.21 per diluted share, for the first quarter of 2026, compared to net income of \$1.6 million, or \$0.47 per diluted share, for the first quarter of 2025.

Tamara Gurney, President and Chief Executive Officer, commented, "Our first quarter results were adversely impacted by two specific borrower relationships with one relationship primarily responsible for driving the increase in our provision for credit losses and the other relationship resulting in the reversal of interest income which we expect to be temporary. We continue to closely monitor our loan portfolio and take prudent and proactive measures to maintain sound credit quality."

Ms. Gurney continued, "A highlight of the first quarter was the successful grand opening celebration of our Arcadia branch, which was well attended by local community leaders and business owners that we proudly serve. While our first quarter results did not meet our initial expectations, we remain optimistic about our outlook and momentum for the remainder of 2026, which also marks the 25th year of serving our local communities. Lastly, I am pleased to announce our fifth consecutive annual cash dividends in the amount of \$0.15 per common share coming on the heels of a very strong 2025 for Mission Valley."

Mission Valley's board of directors declared a cash dividend of \$0.15 per share on April 28, 2026. The dividend will be payable on or about June 3, 2026 to shareholders of record as of the close of business on May 18, 2026. The board of directors also set the date for the Company's Annual Meeting of Shareholders, which will be held on July 28, 2026.

First Quarter 2026 Highlights

- Net Income of \$0.7 million, or \$0.21 per diluted share, for the first quarter of 2026.
- Net Interest Income was \$7.2 million for the first quarter of 2026.
- Net Interest Margin was 4.08% for the first quarter of 2026.
- Non-Interest Income was \$2.6 million for the first quarter of 2026. Non-Interest Income includes gain on sale of loans and the change in the fair value of Small Business Administration ("SBA") servicing assets.
- \$12.1 million in loan principal sold resulting in gain on sale of \$0.8 million in the first quarter of 2026.
- Gross Loans increased by \$48.3 million in the first quarter of 2026.

Balance Sheet Highlights

- Total Assets were \$773.8 million as of March 31, 2026, an increase of \$13.3 million, or 1.75%, compared to December 31, 2025.
- Gross Loans were \$626.1 million as of March 31, 2026, an increase of \$16.5 million, or 2.71%, compared to December 31, 2025.
- Total Deposits were \$631.9 million as of March 31, 2026, a decrease of \$3.6 million, or 0.56%, compared to December 31, 2025.

Asset Quality

- \$22 thousand in net recoveries from previously charged-off loans in the first quarter of 2026, compared to \$24 thousand in net recoveries in the first quarter of 2025.
- \$16.2 million in Non-Accrual Loans as of March 31, 2026, compared to \$9.2 million in Non-Accrual Loans as of December 31, 2025. The increase in Non-Accrual Loans in the first quarter was primarily due to one loan that went ninety days past due during the quarter as a result of a pending legal matter impacting the borrower, which is expected to be resolved within one to two quarters.
- \$21.8 million in Classified Loans as of March 31, 2026, compared to \$16.7 million in Classified Loans as of December 31, 2025.
- \$17.5 million in Past Due Loans as of March 31, 2026, compared to \$15.6 million in Past Due Loans as of December 31, 2025.
- Provision for Credit Losses of \$1.0 million for the first quarter of 2026. The first quarter provision was primarily driven by an increase in specific reserves on individually evaluated loans. The increase in specific reserves was primarily due to one loan that was downgraded at the end of the quarter and required a specific reserve on the unguaranteed portion of the loan.
- The Allowance for Credit Losses was \$9.1 million, or 1.45% of Gross Loans, as of March 31, 2026, compared to \$8.1 million, or 1.33% of Gross Loans, as of December 31, 2025.

Capital and Liquidity

- Capital position remains strong, which is reflected by Common Equity Tier 1 Capital Ratio of 10.31%, Tier 1 Capital ratio of 11.18%, Total Risk Based Capital Ratio of 12.44%, and Leverage Ratio of 10.13%.
- Available borrowing capacity of \$211.1 million as of March 31, 2026, a decrease of \$12.2 million, or 5.46%, compared to December 31, 2025.
- Unpledged available-for-sale investment securities of \$42.9 million as of March 31, 2026.

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, and San Gabriel 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.