



River Valley Community Bancorp Announces 4th Quarter and Annual Results (Unaudited) and Stock Repurchase Plan

Yuba City, California, January 21, 2025 – River Valley Community Bancorp (OTC markets: RVCB) with its wholly owned subsidiary, River Valley Community Bank (collectively referred to as the “Bank”), today announced financial results for the quarter ended December 31, 2024.

Consolidated financial highlights:

- Net income for the quarter ended December 31, 2024, totaled \$1.3 million or \$0.39 per diluted share compared to \$1.1 million or \$0.35 per diluted share for the quarter ended September 30, 2024, and \$1.3 million or \$0.40 per diluted share for the quarter ended December 31, 2023.
- Net interest income totaled \$4.6 million for the quarter ended December 31, 2024, compared to \$4.4 million for the quarter ended September 30, 2024, and \$4.5 million for the quarter ended December 31, 2023.
- Total assets ended the quarter at \$602.6 million as of December 31, 2024, compared to \$595.4 million as of September 30, 2024, and \$581.8 million as of December 31, 2023.

Selected Consolidated Financial Information - Unaudited (dollar amounts in thousands, except per share data)

	As of				
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
Total investment securities	\$ 187,849	\$ 199,389	\$ 201,511	\$ 208,698	\$ 219,037
Total loans, gross	350,936	324,004	298,742	294,922	295,307
Allowance for credit losses	(4,310)	(4,260)	(4,260)	(4,260)	(4,260)
Total assets	602,574	595,437	613,479	598,876	581,813
Total deposits	547,422	538,387	521,047	507,971	532,048
Borrowings	-	-	40,000	40,000	-
Total shareholders' equity	51,519	53,148	48,266	47,337	46,272
Loan to deposit ratio	64%	60%	57%	58%	56%
Book value per common share	\$ 16.56	\$ 17.00	\$ 15.50	\$ 15.21	\$ 14.92
Subsidiary Bank's Tier 1 leverage ratio	10.41%	9.75%	9.75%	10.05%	9.72%

Total loans were \$350.9 million as of December 31, 2024, which represents an increase of \$26.9 million or 8.3% from \$324.0 million as of September 30, 2024, and an increase of \$55.6 million or 18.8% from \$295.3 million as of December 31, 2023. As of December 31, 2024, the Bank had no non-performing assets.

Total deposits of \$547.4 million as of December 31, 2024, represents an increase of \$9.0 million or 1.7% from \$538.4 million as of September 30, 2024, and an increase of \$15.4 million or 2.9% from \$532.0 million as of December 31, 2023.

Selected Consolidated Financial Information - Unaudited (continued)
(dollar amounts in thousands, except per share data)

	Year ended		Variance	
	Dec 31,	Dec 31,	Amount	Percent
	2024	2023		
Total interest income	\$ 26,330	\$ 24,327	\$ 2,003	8.2%
Total interest expense	8,744	5,368	3,376	62.9%
Net interest income	17,586	18,959	(1,373)	-7.2%
Provision for loan losses	-	514	(514)	100.0%
Total noninterest income	1,020	994	26	2.6%
Total noninterest expense	12,631	11,364	1,267	11.1%
Net income	4,355	5,910	(1,555)	-26.3%
Earnings per share - basic	\$ 1.40	\$ 1.91	\$ (0.51)	-26.8%
Earnings per share - diluted	\$ 1.36	\$ 1.85	\$ (0.49)	-26.4%
Net interest margin	3.06%	3.33%	-0.27%	-8.2%
Net interest margin - tax equivalent	3.07%	3.34%	-0.27%	-8.2%
Efficiency ratio	67.86%	58.44%	9.43%	16.1%
Return on average assets	0.74%	1.01%	-0.28%	-27.4%
Return on average equity	8.80%	14.43%	-5.63%	-39.0%

Selected Consolidated Financial Information - Unaudited (continued)
(dollar amounts in thousands, except per share data)

	For the Quarter Ended				
	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023
Total interest income	\$ 6,677	\$ 6,961	\$ 6,572	\$ 6,119	\$ 6,196
Total interest expense	2,044	2,539	2,386	1,774	1,705
Net interest income	4,633	4,422	4,186	4,345	4,491
Provision for loan losses	-	-	-	-	90
Total noninterest income	252	255	300	213	269
Total noninterest expense	3,149	3,124	3,183	3,174	2,884
Net income	1,257	1,121	945	1,032	1,287
Earnings per share - basic	\$ 0.40	\$ 0.36	\$ 0.30	\$ 0.33	\$ 0.42
Earnings per share - diluted	\$ 0.39	\$ 0.35	\$ 0.30	\$ 0.32	\$ 0.40
Net interest margin	3.24%	2.96%	2.89%	3.15%	3.18%
Net interest margin - tax equivalent	3.25%	2.97%	2.90%	3.16%	3.19%
Efficiency ratio	64.44%	66.98%	70.95%	69.39%	61.76%
Return on average assets	0.85%	0.73%	0.64%	0.73%	0.89%
Return on average equity	9.64%	8.82%	8.06%	8.84%	12.09%

Net interest income of \$4.6 million for the quarter ended December 31, 2024, is an increase of \$211,000 or 4.8% from the quarter ended September 30, 2024, and an increase of \$142,000 or 3.2% from the quarter ended December 31, 2023.

The increase in net interest income from the quarter ended September 30, 2024, is primarily due from the paydown of borrowings at the end of the third quarter and moderating deposit costs.

On October 15, 2024, the Board of Directors authorized a new stock repurchase plan for up to \$1,000,000 of the Company's outstanding common stock. Under the repurchase program, repurchases can be made from time to time by way of open market purchases, privately negotiated transactions, or otherwise, all in accordance with applicable legal requirements. The purchase program was effective on January 1, 2025 and will remain in effect until December 31, 2026. The specific timing, price, and size of purchases will depend on prevailing stock prices, general economic and market conditions, and other considerations. The Board of Directors has determined that the maximum aggregate repurchases will not impair the capital of the Company.

The repurchase program does not obligate the Company to acquire any amount of common stock and may be suspended or discontinued at any time at the Company's discretion. The stock repurchase program is intended to provide management with an effective mechanism for capital management, increased return on equity to our existing shareholders, and provide additional market liquidity for our common shares outstanding.

CFO Kevin S. Reynolds stated, "Between September and the end of 2024, the Federal Open Market Committee (or "FOMC") lowered the Federal Funds rate by 100 basis points. While the rates we pay on deposits generally follow the Fed Funds rate, the Bank's overall deposit costs were down only marginally by year-end. Most of the benefits of lower rates were offset by deposit migration from non-interest bearing into interest bearing accounts. However, lower overall deposit costs coupled with our strong loan production in the latter half of the year enabled the bank to experience net interest margin expansion in each of the last two quarters. We believe that margin expansion can continue as a function of the steepening in the yield curve, barring unanticipated market changes."

CEO John M Jelavich commented, "As we had noted in previous quarters, relatively high Fed Funds rates drove heightened competition for deposits from bank and non-bank institutions which persisted in 2024. As a result, higher deposit costs remained a challenge and were the single biggest factor in the reduced net income we earned in 2024 compared to 2023. That said, we are pleased that, after bottoming in 2Q, we have seen improvement in our profitability in each of our last two quarters with net income of \$1.3 million, in the fourth quarter, being the highest of the year."

Jelavich continued, "We are particularly pleased with the strong loan growth we achieved in 2024. Our loan portfolio increased by nearly \$56 million during the year and reflects the investment we have made in our lending and credit team, including the opening of our Roseville loan production office in 2Q 2023. Our 2024 loan growth helps position the bank for continued growth in net interest income and net interest margins which we believe are achievable in 2025."

"As we look forward, we continue to believe our bank remains well positioned for ongoing growth. The markets we serve reflect plenty of opportunity and the community focused relationship brand of banking we offer is valued. Further, the banking team we have built and strong capital base we have established, position us well to deliver for our customers and shareholders alike." Jelavich concluded.

The Bank remains highly rated with BauerFinancial, and Depositaccounts.com and serves its customer base through its offices located at:

- 1629 Colusa Avenue, Yuba City, CA
- 580 Brunswick Rd, Grass Valley, CA
- 905 Lincoln Way, Auburn, CA
- 904 B Street, Marysville, CA

- 401 Ryland Street, Ste. 205, Reno, NV (Loan Production Office)
- 1508 Eureka Rd., Ste. 100, Roseville, CA (Loan Production Office)

The Bank offers a full suite of competitive products, services, and banking technology. For more information please visit our website at www.myrvcb.com or contact John M. Jelavich at (530) 821-2469.

Forward Looking Statements: This document may contain comments and information that constitute forward-looking statements. Forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements. Forward-looking statements speak only as to the date they are made. The Bank does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made.