



RiverBank Holding Company reports record earnings for the 4th quarter and twelve months of 2024. Expansion in net interest income and non-interest income contributed to positive results.

SPOKANE, WA / January 24, 2025 / RiverBank Holding Company (OTC Pink: RBNK), the parent company of RiverBank, is pleased to announce its fourth quarter 2024 financial results.

RiverBank Holding Company (Company) today reported financial results (unaudited) for the fourth quarter ended December 31, 2024.

Income Statement

Net income after tax for the three months ended December 31, 2024, totaled \$677,656 or \$0.61 per fully diluted share, compared to \$356,283 or \$0.32 per share for the three months ended December 31, 2023. Net income after tax for the twelve months ended December 31, 2024, totaled \$2,059,542 or \$1.86 per fully diluted share, compared to \$1,209,733 or \$1.09 per share for the twelve months ended December 31, 2023.

Net interest income increased over the prior quarter and past year in spite of declining yields on loans due to repricing at lower rates as Prime decreased. Net interest margin increased in the three months ended December 31, 2024 to 4.33% from 3.91% in the prior year. For the twelve months ended December 31, 2024, the margin increased to 4.03% from 3.90% in the prior year. Rate changes continued in November and December of the 4th quarter as the FOMC cut the fed funds target rate a combined 0.50%. The company continues to emphasize full banking relationships which provide a stable source of funding that has the ability to provide profitable net interest margin across multiple interest rate scenarios. A significant focus also continues to be placed on minimizing operating expenses, while still pushing forward with investment in technology and digital tools that enhance our customer's banking experience.

The bank established an SBA lending unit in early 2024 and is working to grow that business line in the future. There were no sales in the three months ended December 31, 2024, yet sales of recently originated SBA loans are expected in the first three months of 2025. For the year, RiverBank recorded a \$165,941 gain on sale of the government guaranteed portion of loans.

The provision for credit losses in the three months ended December 31, 2024, increased to \$219,048 from \$81,000 in the same three months of 2023. The increased provision expense in Q4 2024 was appropriate due to growth in the loan portfolio as well as management's ongoing evaluation of macroeconomic conditions and ongoing monitoring of the loan portfolio. For the twelve months ended December 31, 2024, provision expense decreased to \$406,648 from \$585,852 for the twelve months ended December 31, 2023. The provision expense has been more volatile since the bank adopted the Comprehensive Economic Credit Losses methodology in 2023. At December 31, 2024 RiverBank has one non-performing loan that is tied to an estate resolution. Management has evaluated the collateral and cash flow of this loan and believes this relationship has been adequately reserved.



The Company emphasizes relationship banking and keeping higher rate, non-relationship wholesale and borrowing liquidity sources at a minimum. These liquidity efforts have been successful throughout 2023 and 2024, as evidenced by no borrowings outstanding in an environment where many across the industry have had to turn to higher cost borrowing sources. We expect deposit competition to be a continuing challenge across the industry in 2025 but one which we are well prepared to face.

Balance Sheet

Total assets were \$262.4 million at December 31, 2024, an increase of \$21.3 million compared to December 31, 2023. Total assets of the Company have increased as deposit growth is invested in loans and liquid assets. The bank has strategically let investments decrease by \$6.2 million over the same period due to the yields available.

Total net loans grew by \$32.7 million, a 17.7% increase since December 31, 2023. The loan growth was funded through a concentrated effort in deposit efforts predicated any loan growth. This overall production activity shows robust growth while many financial institutions have dramatically slowed lending efforts as deposit growth slowed or turned to runoff. This position of market strength has allowed selective loan activity, demonstrated by an expansion in average loan yield from 6.01% to 6.58% over the last twelve months.

On balance sheet deposit balances at December 31, 2024 increased \$24.0 million, or a 11.3% increase since December 31, 2023. This increase over the past year shows a positive result for the Company compared to deposit attrition or slow growth experienced by many banks during 2023 and 2024. RiverBank proactively made deposit retention and growth a focus early in the rate hike cycle and offered our customers competitive rates even though it meant a higher cost of funds in the short term for the Company. That approach improved our ability to maintain deposits throughout 2023 and for all of 2024. The Company also offers custodial deposit relationships that allow the Company to offer customers full FDIC insurance coverage on deposits well in excess of standard FDIC insurance limits. This kept deposit balances at RiverBank versus being moved to other institutions, while providing our customers with an acceptable return on their funds. Regardless of that preliminary success, growth of the deposit customer base and relationships continues to be a primary focus for the Company and will be for the foreseeable future.

The company had no borrowings at December 31, 2024. The Company continues to be in a strong primary liquidity position and has access to diverse and secure short-term funding sources that provide further liquidity if needed.

Shareholders' equity at December 31, 2024 totaled \$24.5 million, an increase of \$2.3 million compared to equity of \$22.2 million at December 31, 2023, providing for a strong community bank leverage ratio of 10.12% at quarter end. Net book value per share at December 31, 2024 was \$21.95 per share vs \$20.06 per share at December 31, 2023, an increase of 9.4% over the past year.

RiverBank Holding Company, parent company of RiverBank, is headquartered in Spokane, WA. RiverBank is a Washington State chartered, FDIC Insured, commercial bank with one physical branch in Spokane with online and mobile branching services.

For more information, visit www.riverbankonline.com or contact Mike Wilson at 509-744-6900.

Prior period income statement accounts have been reclassified to conform with current reporting.

Financial results reported in this document are preliminary. Final financial results and other disclosures will be reported in our Audited Financial Statements for the year ending December 31, 2024, and may differ materially from the results and disclosures in this document due to, among other things, the completion of final review procedures, the occurrence of subsequent events, or the discovery of additional information.



Balance Sheet Overview

(Unaudited)

	December 31, 2024	December 31, 2023
Assets:		
Cash and due from banks	\$ 10,967,651	\$ 15,946,177
Investments	30,614,614	36,847,365
Net loans	217,357,159	184,618,756
Other assets	3,433,660	3,684,071
Total assets	\$ 262,373,084	\$ 241,096,369
Liabilities and Shareholders' Equity:		
Total deposits	\$ 236,227,198	\$ 212,184,960
Borrowings	-	5,000,000
Other liabilities	1,670,628	1,759,472
Shareholders' Equity	24,475,258	22,151,937
Total liabilities and shareholders' equity	\$ 262,373,084	\$ 241,096,369

Income Statement Overview

(Unaudited)

	For the three months ended		Year-to-date	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	Interest income	\$ 4,252,172	\$ 3,424,076	\$ 15,262,088
Interest expense	1,346,535	1,086,104	5,064,090	3,620,699
Net interest income	2,905,637	2,337,972	10,197,998	9,122,301
Noninterest income	99,527	84,952	547,786	362,828
Salaries and employee benefits	1,278,448	1,150,963	5,046,297	4,827,762
Occupancy	115,280	114,172	459,790	467,137
Other noninterest expense	531,091	626,232	2,222,294	2,072,421
Pre-tax pre-provision income	1,080,345	531,557	3,017,403	2,117,809
Provision for credit losses	219,048	81,000	406,648	585,852
Income tax expense	183,641	94,274	551,213	322,224
Net income	\$ 677,656	\$ 356,283	\$ 2,059,542	\$ 1,209,733
Basic EPS	\$ 0.61	\$ 0.33	\$ 1.86	\$ 1.11
Diluted EPS	\$ 0.61	\$ 0.32	\$ 1.83	\$ 1.09

Performance metrics and ratios

	For the three months ended		Year-to-date	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Return on average assets	1.02 %	0.59 %	0.82 %	0.52 %
Return on average equity	11.11 %	6.78 %	8.86 %	5.77 %
Net interest margin ⁽²⁾	4.33 %	3.91 %	4.03 %	3.90 %
Efficiency ratio ⁽²⁾	64.19 %	77.70 %	71.50 %	77.46 %
Community bank leverage ratio ⁽²⁾			10.12 %	10.32 %
Nonperforming assets to total assets			0.44 %	0.00 %
Nonperforming assets to tier 1 capital			4.23 %	0.00 %

⁽²⁾ Denotes bank-only ratios

Some of the statements in this press release contain, among other things, certain forward-looking statements or statements of future expectations based on currently available information, within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements often include, without limitation, statements preceded by, followed by, or that include the words "believe", "expect", "anticipate", "intend", "estimate", "assume", "outlook", "will", "should", "would", "may", "could", "plan", or similar expressions. Such statements are naturally subject to known and unknown risks, uncertainties and other factors, some of which are beyond our control. Factors such as the development of general economic conditions, future market conditions, unusual catastrophic loss events, changes in the capital markets and other circumstances may cause the actual events or results to be materially different from those anticipated by such statements. Forward-looking statements were based on information, plans, and estimates as of the date of this report, and RiverBank does not assume any obligation to update any forward-looking statements to reflect changes in underlying assumptions or factors, new information, future events or other changes after the date the forward-looking statements are made, except as required by law. RiverBank does not make any representation or warranty, express or implied, as to the accuracy, completeness, or updated status of such statements.

