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Vallant Financial, Inc. Reports Earnings for Second Quarter

ELBERTON, GA (July 22, 2026) - Vallant Financial, Inc. (OTCQX: VLNT) ("Vallant"), the holding company of Vallant Bank, today announced its results of operations for the quarter ended June 30, 2026.

Vallant Financial, Inc. Quarterly Highlights:

- Completed full systems integration
- Implemented brand changeover
- First full quarter of combined operations post-merger
- Annualized ROAA (GAAP) of 0.98%
- Adjusted ROAA 1.59% (non-GAAP, excluding one-time merger-related expenses)
- Announced 10:1 stock split
- Opened new branch office in Augusta, GA

On July 1, 2026, Vallant completed a 10:1 forward stock split, and shares began trading on a split-adjusted basis on July 2, 2026. Because the split became effective after quarter-end, the accompanying financial statements are not adjusted for the stock split. Certain per-share information herein is presented on both a pre-split and split-adjusted basis where noted.

Vallant reported total assets of $3.98 billion as of June 30, 2026. This marks the first quarter end for the combined company (formerly Pinnacle Financial Corporation and Morris State Bancshares, Inc.). Loans totaled $2.94 billion net of a $38.0 million reserve. Total deposits of $3.44 billion are primarily community-based, core deposits. The company is well capitalized and supported by $469.6 million in total equity.

Net income for the three months ending June 30, 2026 totaled $9.8 million on a GAAP basis, which includes $8.03 million of one-time, merger-related expenses. Core net income (excluding one-time charges) totaled $15.8 million. Net interest income for the quarter totaled $41.3 million, and other non-interest income totaled $11.9 million. Driving the net income results is a healthy net interest margin of 4.55%.

Earnings per fully diluted share (GAAP) on a pre-split basis totaled $3.90 per share, or $0.39 per share on a split-adjusted basis. Adjusted for the one-time expenses, EPS equaled $6.31 pre-split

or $0.63 on a split-adjusted basis. A dividend was declared during the quarter of $1.45 per share (pre-split).

The Bank's asset quality remains solid, ending the quarter with total adversely classified assets to Tier 1 capital plus allowance of 13.33%.

	Quarter Ending June 30, 2026	
	GAAP	**Adjusted**
Net Interest Income	$ 41,361,995	$ 41,361,995
Non-Interest Income	11,921,242	11,921,242
Other Expenses	31,793,200	31,793,200
Merger Related Expenses	8,038,205	-
Net Income after Taxes	9,798,380	15,847,548
Earnings per Share (fully diluted)	$ 3.90	$ 6.31
Split-Adjusted Earnings per Share	$ 0.39	$ 0.63
Annualized Return on Average Assets (ROAA)	0.98%	1.59%
Annualized Return on Average Equity (ROAE)	8.35%	13.50%

Citing the work involved in the systems conversion and brand change to Vallant, company CEO Jackson McConnell stated, "I am pleased with the core results of the company given the challenges of merging two large community banks into one. We think the fundamentals here will drive continued strong results in the quarters ahead."

David Voyles, CEO of Vallant Bank, added, "Our bankers have been fully focused on taking care of customers and looking for new opportunities despite the challenge of a systems conversion. It's been a very busy but successful second quarter."

Spence Mullis, President of Vallant Bank, commented, "We deeply appreciate the hard work of our team and the patience of our customers as we combined the brand and core technology systems of our bank. We are excited to now focus on growing our company and demonstrating our strength as Georgia's premier community bank."

About Vallant Financial

Vallant Financial, Inc. is a $3.98 billion asset, single bank holding company headquartered in Elberton, Georgia, and with offices throughout Northeast, Middle, and Southeast Georgia. Its bank subsidiary, Vallant Bank, has 36 branches in 22 counties of Georgia. Vallant Bank is an independent community bank, offering a wide range of personal and business financial services. Vallant Financial, Inc.'s investor relations website can be accessed at vallantfinancial.com. To learn more about products and services of Vallant Bank, including specialized offerings for all customers, www.vallant.bank.

Forward-looking Statements

Certain statements contained in this release may not be based on historical facts and are forward-looking statements. These forward-looking statements may be identified by their reference to a future period or periods or by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "may," "might," "will," "would," "could" or "intend." We caution you not to place undue reliance on the forward-looking statements contained in this news release, in that actual results could differ materially from those indicated in such forward-looking statements as a result of a variety of factors, including, among others, the business and economic conditions; risks related to the integration of acquired businesses and any future acquisitions; changes in management personnel; interest rate risk; ability to execute on planned expansion and organic growth; credit risk and concentrations associated with Vallant's loan portfolio; asset quality and loan charge-offs; inaccuracy of the assumptions and estimates management of Vallant makes in establishing reserves for probable loan losses and other estimates; lack of liquidity; impairment of investment securities, goodwill or other intangible assets; Vallant's risk management strategies; increased competition; system failures or failures to prevent breaches of our network security; changes in federal tax law or policy; the impact of recent and future legislative and regulatory changes; and increases in capital requirements. We undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of this news release.

VALLANT FINANCIAL, INC.
AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
JUNE 30, 2026
unaudited

Assets	**2026**
Cash and due from banks	**$ 26,064,800**
Interest-bearing deposits at other financial institutions	**184,823,900**
Federal funds sold	**11,787,727**
Securities available for sale	**510,812,277**
Federal Home Loan Bank stock, at cost	**2,921,900**
Loans, net of allowance for loan losses of $38,059,208 and $20,647,463, respectively	**2,946,891,500**
Premises and equipment, net	**76,469,892**
Accrued interest receivable	**14,900,227**
Goodwill and intangibles, net	**130,620,504**
Cash surrender value of life insurance	**30,919,929**
Other real estate owned	**616,435**
Other assets	**45,355,789**
Total assets	**$ 3,982,184,880**
Liabilities and Stockholders' Equity	
Liabilities:	
Deposits:	
Non-interest bearing	**$ 1,041,651,020**
Interest-bearing	**2,400,305,700**
Total deposits	**3,441,956,720**
Securities sold under repurchase agreements	**525,933**
Federal funds purchased	**-**
Subordinate Notes	**24,272,469**
Subordinated debentures	**11,341,000**
Accrued interest payable	**5,386,652**
Other liabilities	**29,115,257**
Total liabilities	**3,512,598,031**
Commitments and contingencies	
Stockholders' equity:	
Common stock, no par value, 10,000,000 shares authorized; 2,491,175 shares oustanding	**324,482,237**
Dividends Paid	**(5,597,422)**
Retained earnings	**182,230,025**
Accumulated other comprehensive loss	**(31,527,991)**
Total stockholders' equity	**469,586,849**
Total liabilities and stockholders' equity	**$ 3,982,184,880**

VALLANT FINANCIAL, INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED JUNE 30, 2026

	June 30, 2026 (*unaudited*)
Interest income:	
Loans, including fees	**$ 47,636,411**
Securities:	
Taxable	**3,360,229**
Nontaxable	**640,536**
Federal funds sold and interest-bearing deposits in banks	**2,497,951**
Total interest income	**54,135,126**
Interest expense:	
Deposits	**12,147,912**
Borrowings	**625,219**
Total interest expense	**12,773,131**
Net interest income	**41,361,995**
Provision for loan losses	**638,000**
Net interest income after provision for loan losses	**40,723,995**
Other income:	
Service charges on deposit accounts	**5,345,710**
Mortgage loan origination fees	**1,549,016**
Other service charges and fees	**597,682**
Security gains, net	**-**
Other income	**4,428,835**
Total other income	**11,921,242**
Other expenses:	
Salaries and employee benefits	**16,035,660**
Occupancy and equipment expense	**3,707,143**
Other expenses *	**20,088,602**
Total other expenses	**39,831,405**
Net income (loss) before taxes	**$ 12,813,832**
Taxes	**$ 3,015,452**
Net Income	**$ 9,798,380**
Basic earnings per share	**$ 3.93**
Diluted earnings per share	**3.90**
Average shares outstanding - basic	**2,491,175**
Average shares outstanding+ - diluted	**2,509,575**

*2nd Quarter total transaction expense, $8,038,205; Vallant Financial, Inc., $2,714,485 and Vallant Bank, $5.323,720
+Includes 18,400 outstanding options