VALLANT FINANCIAL, INC. REPORTS EARNINGS FOR THIRD QUARTER 2026

ELBERTON, Georgia, October 20, 2026 – Vallant Financial, Inc. (OTCQX: VLNT) ("Vallant"), the holding company of Vallant Bank, today announced its results of operations for the quarter ended September 30, 2026.

Vallant Financial, Inc. Quarterly Highlights:

- Loan demand remains steady
- Annualized ROAA of 1.73%
- Completed 10:1 stock split
- EPS growth quarter over quarter

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. Narrative contained herein makes certain adjustments for comparison purposes on a split-adjusted basis.

Vallant reported total assets of $3.86 billion as of September 30, 2026. This marks the second quarter end for the combined company following the merger with Morris State Bancshares, Inc. Loans totaled $2.97 billion net of a $38.9 million reserve, an approximate 1.0% growth over the prior quarter. Total deposits of $3.31 billion are primarily community-based, core deposits. Deposits are down slightly quarter over quarter but have stabilized from post-merger disruption. The company is well capitalized and supported by $466.2 million in total equity.

Net income for the three months ending September 30, 2026, totaled $16.7 million, or $0.67 per share, as compared to $15.8 million the prior quarter, or $0.64 per share, following adjustment to exclude merger-related expenses. Both references are fully diluted and on a split-adjusted basis. Net interest income for the quarter totaled $46.6 million, and other non-interest income totaled $11.6 million. In the prior quarter, net interest income totaled $41.3 million, and other non-interest income was $11.9 million. Driving the improved interest income is a healthy net interest margin of 4.79%. Vallant's board of directors declared a dividend during the quarter of $0.16 per share. The Bank's asset quality remains solid, ending the quarter with total adversely classified assets to Tier 1 capital plus allowance of 10.13%.

Below is selected financial data from the three months ended September 30, 2026.

	Quarterly Comparison of Selected Data	
	9/30/26	**6/30/26**
Net Interest Income	$ 46,618,905	$ 41,361,995
Non-Interest Income	11,614,147	11,921,242
Other Expenses	35,166,367	31,793,201
Net Income after Taxes	$ 16,694,118	$ 15,847,548 [1]
EPS (fully diluted and split-adjusted)	$ 0.67	$ 0.64[1]
Quarterly Dividends per Share	$ 0.16	$ 0.145
Annualized Return on Average Assets (ROAA)	1.73%	1.59%[1]
Annualized Return on Average Equity (ROAE)	14.25%	13.48%[1]

[1] Adjusted to exclude merger-related expenses

Referencing the work involved in consolidating two independent community banks, Vallant Financial CEO Jackson McConnell stated, “We have naturally been focused internally on ensuring we are taking advantage of the core competencies of each legacy bank. Therefore, I am particularly pleased the results reflect the opportunity we envisioned.”

David Voyles, CEO of Vallant Bank, added, “Leadership has been focused on ensuring Vallant Bank is thoughtful about how we serve customers and reward our talented bankers. We continue to work on delivering superior products, service and pricing to our communities.”

Spence Mullis, President of Vallant Bank, commented, “The team has been engaged on serving customers and completing the conversion. With that work behind us, I’m excited we can now turn our attention to growth and new opportunities. I can’t thank the bankers enough for their hard work and dedication over the last several months.”

About Vallant Financial

Vallant Financial, Inc. is a $3.86 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 37 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.

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VALLANT FINANCIAL, INC.
AND SUBSIDIARY

CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2026 AND JUNE 30, 2026

unaudited

Assets	**September 30, 2026**	**June 30, 2026**
Cash and due from banks	**$ 27,949,709**	**$ 26,064,800**
Interest-bearing deposits at other financial institutions	**39,731,612**	**184,823,900**
Federal funds sold	**10,200,000**	**11,787,727**
Securities available for sale	**492,762,568**	**510,812,277**
Federal Home Loan Bank stock, at cost	**2,921,900**	**2,921,900**
Loans, net of allowance for credit losses of $38,921,002 and $30,059,208, respectively	**2,972,334,610**	**2,946,891,500**
Premises and equipment, net	**83,045,030**	**76,469,892**
Accrued interest receivable	**16,162,200**	**14,900,227**
Goodwill and intangibles, net	**133,446,368**	**130,620,504**
Cash surrender value of life insurance	**31,109,607**	**30,919,929**
Other real estate owned	**832,099**	**616,435**
Other assets	**49,906,823**	**45,355,789**
Total assets	**$ 3,860,402,526**	**$ 3,982,184,880**
Liabilities and Stockholders' Equity		
Liabilities:		
Deposits:		
Non-interest bearing	**$ 946,615,399**	**$ 1,041,651,020**
Interest-bearing	**2,363,309,973**	**2,400,305,700**
Total deposits	**3,309,925,372**	**3,441,956,720**
Securities sold under repurchase agreements	**526,026**	**525,933**
Federal funds purchased	**66,000**	**-**
Subordinate Notes	**24,284,926**	**24,272,469**
Subordinated debentures	**11,341,000**	**11,341,000**
Accrued interest payable	**5,563,120**	**5,386,652**
Other liabilities	**42,488,575**	**29,115,257**
Total liabilities	**3,394,195,020**	**3,512,598,031**
Commitments and contingencies		
Stockholders' equity:		
Common stock, no par value, 10,000,000 shares authorized;		
24,911,750 and 2,491,175 shares issued, respectively*	**324,745,324**	**324,482,237**
Dividends Paid	**(9,583,302)**	**(5,597,422)**
Retained earnings	**198,924,143**	**182,230,025**
Accumulated other comprehensive loss	**(47,878,658)**	**(31,527,991)**
Total stockholders' equity	**466,207,507**	**469,586,849**
Total liabilities and stockholders' equity	**$ 3,860,402,526**	**$ 3,982,184,880**

*10:1 stock split on July 1, 2026

VALLANT FINANCIAL, INC.
AND SUBSIDIARY

CONSOLIDATED STATEMENTS OF OPERATIONS
THREE MONTHS ENDED SEPTEMBER 30, 2026 AND JUNE 30, 2026

	September 30, 2026 (*unaudited*)	June 30, 2026 (unaudited)	June 30, 2026 less transaction expenses (*unaudited*)
Interest income:			
Loans, including fees	**$ 53,768,253**	$ 47,636,411	$ 47,636,411
Securities:			
Taxable	**3,828,859**	3,360,229	3,360,229
Nontaxable	**496,282**	640,536	640,536
Federal funds sold and interest-bearing deposits in banks	**1,278,340**	2,497,951	2,497,951
Total interest income	**59,371,734**	54,135,126	54,135,126
Interest expense:			
Deposits	**12,191,567**	12,147,912	12,147,912
Borrowings	**561,262**	625,219	625,219
Total interest expense	**12,752,829**	12,773,131	12,773,131
Net interest income	**46,618,905**	41,361,995	41,361,995
Provision for loan losses	**1,300,000**	638,000	638,000
Net interest income after provision for loan losses	**45,318,905**	40,723,995	40,723,995
Other income:			
Service charges on deposit accounts	**5,081,069**	5,345,710	5,345,710
Mortgage loan origination fees	**1,179,991**	1,549,016	1,549,016
Other service charges and fees	**603,344**	597,682	597,682
Security gains, net	**-**	-	-
Other income	**4,749,743**	4,428,835	4,428,835
Total other income	**11,614,147**	11,921,242	11,921,242
Other expenses:			
Salaries and employee benefits	**16,928,937**	16,035,660	16,035,660
Occupancy and equipment expense	**3,740,841**	3,707,143	3,707,143
Other expenses*	**14,496,589**	20,088,602	12,050,397
Total other expenses	**35,166,367**	39,831,405	31,793,201
Net income (loss) before taxes	**$ 21,766,684**	$ 12,813,832	$ 20,852,036
Taxes	**$ 5,072,566**	$ 3,015,452	$ 5,004,489
Net Income	**$ 16,694,118**	$ 9,798,380	$ 15,847,548
Basic earnings per share	**$ 0.67**	$ 0.39	$ 0.64
Diluted earnings per share	**0.67**	0.39	0.64
Average shares outstanding^ - basic	**24,911,750**	24,911,750	24,911,750
Average shares outstanding+ - diluted	**25,095,750**	24,930,150	24,930,150

*2nd Quarter total transaction expense, $8,038,205 (Vallant Financial, Inc. $2,714,485 and Vallant Bank $5,323,720)
^Average shares at June 30th reflect a split adjusted basis
+Includes 184,000 outstanding options