



Investing In Relationships.

# Quarterly Report

First Quarter 2023 | May 2023

## Financial Highlights

### First Quarter 2023

For the quarter ended March 31, 2023, compared to the quarter ended 2022:

Unaudited Consolidated Net Income  
**\$6,970,000 ▲ \$6,086,000**

Fully Diluted Earnings per Common Share  
**\$0.59 ▲ \$0.51**

Total Deposits increased

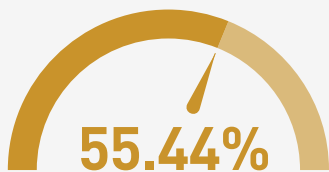
**3.62%**  
(\$76 MILLION)



Average Non-Interest Bearing Demand Deposit Accounts (as a percentage of Total Average Deposits) increased

March 31, 2023 compared to March 31, 2022

**5.15%**



**EFFICIENCY RATIO**

at quarter ended March 31, 2023  
(Compared to 57.66% at March 31, 2022)

**55.44%**



Total Average Assets increased

**1.02%**  
(\$23.29 MILLION)

Quarter ended March 31, 2023 compared to Quarter ended March 31, 2022

**\$0.12**  
PER COMMON SHARE CASH DIVIDEND

Payable on May 19, 2023 to shareholders of record as of May 5, 2023

## Security to Bank On



Throughout our 43-year history, CVCB has successfully navigated the economic seas through storms of all types and durations. Guided by our commitment to relationships and with our focus always on client success, the Company continues to demonstrate why it has earned a reputation for resiliency.

This is appropriate to bear in mind considering the recent headlines regarding certain banks. Financial experts largely agree that the recent, well-publicized bank failures do not signify systemic problems industrywide. The banks involved represent a narrow segment that are susceptible to specific financial stress. As a traditional community bank, CVCB operates above and apart from the stressed banks. Our Company is financially sound, well-capitalized and managed above industry standards – and has been since day one.

### Strength from many sources

As a result of our financial safety and security, CVCB was largely unaffected by the banking system turmoil in the first quarter of 2023, experiencing growth and capitalizing on market opportunities for continued expansion.

Just as important, CVCB retained all client relationships through this period, due in part to our team's truly exceptional service and personal relationships. When questions arose as a result of the news reports, our team quickly and proactively contacted clients to provide answers and instill confidence.

While investing in relationships has always been a key CVCB strength, another vital source is our highly-experienced executive leadership – including a Board of Directors with diverse skills, perspectives and life experiences, including three former bank CEOs. Without a doubt, CVCB is led by a team of seasoned banking professionals whose collective knowledge, experience and expertise give our Company a distinct advantage in any economic circumstance.

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## Security to Bank On

### Safety & security with a difference

We often speak about “the CVCB difference” in terms of the elevated client experience and satisfaction we provide through relationship banking. But that difference can also be seen in CVCB’s safety and security.

Our exceptional levels of safety and security are rooted in the Company’s conservative business model and strong financial position. Our liquidity is substantial, and it is managed conservatively and monitored daily. For added security, the Company’s capital is maintained at levels that exceed regulatory thresholds.

Another aspect of financial safety is the stability of CVCB’s highly-diversified deposit base. For over four decades, we have served businesses and consumers across a broad range of industries and socioeconomic demographics, resulting in a uniquely stable client base upon which to grow.

CVCB’s financial safety and security have been validated by independent analysts, which have ranked our performance at the top of their scales for financial and operational results.

### More than your bank – your partner

Our message of financial strength and security stands in sharp contrast to the prevailing headlines of trouble in the handful of stressed banks. Likewise, the value of community banks in strengthening businesses and communities has never been clearer. All of which is good news for CVCB and is reinforced in our strong first quarter performance.

Remember, our goal at CVCB is not to be just your bank, but your **partner** in every economic environment. To be your financial advocate, earning your trust and building a relationship that grows more valuable with each passing year. We are honored to support you through today’s needs and whatever tomorrow may bring.

## A Strong History of Financial Performance

REPORTED ASSETS EXCEED

**\$2.4 BILLION**

AS OF 3/31/23

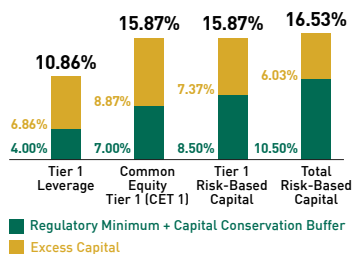
**OVER 20 CONSECUTIVE YEARS OF PROFITABILITY**

**LIQUIDITY 59.09%**

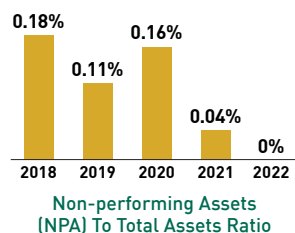
(LOAN-TO-DEPOSIT RATIO)

AS OF 3/31/23

### CAPITAL RATIOS



### STRONG CREDIT QUALITY



## Expanded Leadership For Banking Centers



Providing exceptional service is a top priority at CVCB’s Banking Centers and Customer Service Center. Fully committed to that priority is our new Senior Vice President, Director of Banking Center Operations, **Crystal Grieco**. She succeeds Karen Smith, who is working part-time on special growth and service projects.

Crystal joined CVCB in 2003 and has served in several key Banking Center positions, gaining a deep understanding of Banking Center operations, financial compliance and team management.

### Enhanced Client & Small Business Service

Under Crystal’s oversight are Branch Operations Administrators and two new leadership positions: Regional Community Banking Managers, established in our Northern and Southern regions to assist in developing strategies for enhancing client, community and small business relationships.

We are pleased to introduce **Toni Taboada**, Vice President, Regional Community Banking Manager (Northern Region) and **Sylvia Gallaway**, Vice President, Regional Community Banking Manager (Southern Region).

Toni is an accomplished financial services professional with a successful track record in business development and branch management. She leads our Northern Region Banking Centers with over 40 years of banking and small business lending expertise, including eight with CVCB.

Sylvia Gallaway leads our Southern Region Banking Centers, bringing over two decades of banking experience from community and regional institutions. She has served in a variety of management positions, earning a well-deserved reputation for excellent client service and exceeding expectations at all levels.

“We are excited to welcome new talent and energy into these important roles,” said Blaine Lauhon, Executive Vice President, Chief Banking Officer. “Crystal, Toni and Sylvia are poised to take our Banking Centers to the next level of service and exceeding client expectations.”



For 2023 First Quarter Results  
» [Click Here](#)

# Consolidated Balance Sheets and Consolidated Statements of Income

## First Quarter 2023

### Condensed Consolidated Balance Sheets

	(In thousands)	
(Unaudited)	March 31, 2023	Dec. 31, 2022
<i>Assets:</i>		
Cash and cash equivalents	\$ 64,262	\$ 31,170
Investment securities, net	942,031	960,490
Loans, net	1,270,297	1,245,456
Premises and equipment, net	8,040	7,987
Goodwill	53,777	53,777
Accrued interest receivable, intangibles & other assets	<u>125,486</u>	<u>123,639</u>
<b>Total assets</b>	<b><u>\$ 2,463,893</u></b>	<b><u>\$ 2,422,519</u></b>
<i>Liabilities and Shareholders' Equity:</i>		
<b>Deposits:</b>		
Non-interest bearing	\$ 975,424	1,056,567
Interest bearing	<u>1,200,323</u>	<u>1,043,082</u>
<b>Total deposits</b>	2,175,747	2,099,649
Subordinated debentures & borrowings	69,635	115,599
Accrued interest payable & other liabilities	<u>36,459</u>	<u>32,611</u>
<b>Total liabilities</b>	<b><u>2,281,841</u></b>	<b><u>2,247,859</u></b>
<b>Total shareholders' equity</b>	<b><u>182,052</u></b>	<b><u>174,660</u></b>
<b>Total liabilities and equity</b>	<b><u>\$ 2,463,893</u></b>	<b><u>\$ 2,422,519</u></b>

### Condensed Consolidated Statements of Income For three months ended March 31, 2023 and 2022

	(In thousands, except per share amounts)	
(Unaudited)	2023	2022
Net interest income	\$ 21,312	\$ 17,597
Provision for credit losses	<u>518</u>	<u>—</u>
Net interest income after provision for credit losses	20,794	17,597
Total non-interest income	1,575	1,834
Total non-interest expense	13,051	11,445
Provision for income taxes	<u>2,348</u>	<u>1,900</u>
<b>Net income</b>	<b><u>\$ 6,970</u></b>	<b><u>\$ 6,086</u></b>
<b>Basic earnings per common share</b>	<b><u>\$ 0.60</u></b>	<b><u>\$ 0.51</u></b>
<b>Diluted earnings per common share</b>	<b><u>\$ 0.59</u></b>	<b><u>\$ 0.51</u></b>
<b>Cash dividends paid per share</b>	<b><u>\$ 0.12</u></b>	<b><u>\$ 0.12</u></b>



# NASDAQ Celebrates CVCB Community Banking

To celebrate Community Banking Month (April 2023), the NASDAQ Stock Exchange proudly displayed images of its banking members on Times Square's seven-story-tall MarketSite Tower. Central Valley Community Bancorp (CVCY) was among the community banking members featured in the rotating display.

CVCB is honored to serve the San Joaquin Valley and Greater Sacramento region as a true community bank, helping businesses and consumers achieve their financial goals while making our communities stronger and more prosperous.



Get more from  
your bank  
than banking.  
Get a partner.

With **CVCB**, you get an advocate who respects what it takes to achieve business success. Who listens. Who helps you navigate your unique business landscape. Who's empowered to solve problems that improve your bottom line.

For 43 years, CVCB has partnered with businesses of every type and size, providing financial strength, exceptional service and a deep commitment to our communities.

**What can we do for you?**

## News Briefs

### 5-Star Bauer Rating

CVCB once again earned Bauer Financial's highest distinction: the 5-Star Superior rating, based on 2022 fourth quarter financial results. The 5-Star Superior rating signifies that CVCB is a dependable and financially-sound bank, performing among the strongest financial institutions in the nation.

### CVCB Named "Super Premier" Performer

CVCB was honored to receive the "Super Premier Performing" rating from The Findley Reports, the highest of the firm's three performance tiers. This outstanding achievement is based on the Company's 2022 operating results. To receive this designation, banks must meet the A-Quality scoring criteria which considers growth, net operating income, net loss and equity return.

## Locations and Hours

Visit [www.cvcb.com](http://www.cvcb.com) for a listing of our Locations and Hours.

## Board of Directors

*Central Valley Community Bancorp and Central Valley Community Bank*

**Daniel J. Doyle**  
*Chairman*

**Daniel N. Cunningham**  
*Vice Chairman*

**James J. Kim**  
*President & CEO*

**F.T. "Tommy" Elliott, IV**

**Robert J. Flautt**

**Gary D. Gall**

**Andriana D. Majarian**

**Steven D. McDonald**

**Louis C. McMurray**

**Karen A. Musson**

**Dorothea D. Silva**

**William S. Smittcamp**



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