

FOR IMMEDIATE RELEASE

CONTACT: Greg Oakes, CEO
(509) 782-2092
Mike Lundstrom, CFO
(509) 782-5495

Cashmere Valley Bank Announces Preliminary Results of Tender Offer

CASHMERE, WA, May 14, 2021 – Cashmere Valley Bank (OTCQB: CSHX) (the “Bank”), today announced the preliminary results of its previously announced cash tender offer for shares of its common stock, which expired at 5:00 p.m., Cashmere, Washington time, on Thursday, May 13, 2021.

Based on the preliminary count, the Bank expects to acquire approximately 98,223 shares of its common stock at a price of \$70.00 per share for a total cost of approximately \$6,875,610.00. These shares represent approximately 2.47 percent of the Bank’s outstanding common stock.

The number of shares to be purchased is preliminary. Final results for the tender offer will be determined subject to confirmation of the proper delivery of the shares validly tendered and not withdrawn. Payment for the shares accepted for purchase will occur promptly thereafter.

The tender offer was made pursuant to the Bank’s Offer to Purchase dated April 13, 2021, the letter of transmittal and related documents.

About Cashmere Valley Bank

Cashmere Valley Bank was established September 24, 1932 and now has 12 retail offices located in Chelan, Douglas, Kittitas and Yakima Counties. The Bank also maintains a municipal lending office in King County. The bank provides business and personal banking, commercial lending, insurance services through its wholly owned subsidiary, Mitchell, Reed & Schmitt insurance, investment services, mortgage services, equipment lease financing, auto and marine dealer financing and municipal lending.

Forward Looking Statements

This press release contains "forward-looking statements". Forward-looking statements contain words such as "anticipate," "believe," "can," "would," "should," "could," "may," "predict," "seek," "potential," "will," "estimate," "target," "plan," "project," "continuing," "ongoing," "expect," "intend" or similar expressions that relate to the Bank's strategy, plans or intentions. Forward-looking statements involve certain important risks, uncertainties and other factors, any of which could cause actual results to differ materially from those in such statements. Such factors include, without limitation, the "Risk Factors" referenced in the Offer to Purchase and the following additional factors: ability to execute our business strategy; business and economic conditions; economic, market, operational, liquidity, credit and interest rate risks associated with the Bank's business; effects of any changes in trade, monetary and fiscal policies and laws; changes imposed by regulatory agencies to increase capital standards; effects of inflation as well as interest rate, securities market and monetary supply fluctuations; changes in consumer spending, borrowings and savings habits; the Bank's ability to identify potential candidates for, consummate, integrate and realize operating efficiencies from, acquisitions; the Bank's ability to achieve organic loan and deposit growth and the composition of such growth; changes in sources and uses of funds; increased competition in the financial services industry; the effect of changes in accounting policies and practices; the share price of the Bank's stock; the Bank's ability to realize

deferred tax assets or the need for a valuation allowance; continued consolidation in the financial services industry; ability to maintain or increase market share and control expenses; costs and effects of changes in laws and regulations and of other legal and regulatory developments; technological changes; the timely development and acceptance of new products and services; the Bank's continued ability to attract and maintain qualified personnel; ability to implement and/or improve operational management and other internal risk controls and processes and reporting system and procedures; changes in estimates of future loan reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements; widespread natural and other disasters, dislocations, political instability, acts of war or terrorist activities, cyberattacks or international hostilities; impact of reputational risk; and success at managing the risks involved in the foregoing items. The Bank can give no assurance that any goal or plan or expectation set forth in forward-looking statements can be achieved and readers are cautioned not to place undue reliance on such statements. The forward-looking statements are made as of the date of this press release, and the Bank does not intend, and assumes no obligation, to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law.

SOURCE: Cashmere Valley Bank