

Citizens Bancorp of Virginia, Inc.

PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION

Dated: July 16, 2025

Record Earnings Reported by Citizens Bancorp of Virginia, Inc.

Blackstone, Virginia Citizens Bancorp of Virginia, Inc. (the “Company”) (OTCBB: CZBT), the parent company of Citizens Bank and Trust Company (the “Bank”), reported record earnings for the first six months of 2025. The Company reported earnings of \$4.871 million, or \$2.31 per share, for the first six months of 2025 compared to \$4.319 million, or \$2.04 per share, for the first six months of 2024. The Company reported earnings of \$2.504 million, or \$1.19 per share, for the quarter ended June 30, 2025 compared to \$2.159 million or \$1.02 per share, for the same period in 2024. The Company’s return on assets for the second quarter of 2025 was 1.78% versus 1.55% reported for the same period in 2024.

Earnings Highlights

Net interest income for the second quarter of 2025 exceeded the same period in 2024 by \$462 thousand, largely due to the current rate environment. Noninterest income increased by \$145 thousand from 2024 due to increases in interchange income, net gains on sales of loans, and income from bank owned life insurance (BOLI). Noninterest expense for the second quarter of 2025 increased to \$3.158 million from \$3.079 million in 2024, primarily due to an increase in 2025 personnel costs and other noninterest expense. The Company’s net interest margin for the second quarter of 2025 increased to 4.17% versus 3.81% in 2024, as the Company continues to benefit from a higher rate environment while remaining disciplined on managing funding costs.

Balance Sheet

At June 30, 2025 total Company assets were \$561.8 million, an increase of \$9.1 million from December 31, 2024. Gross loans ended the period at \$274.8 million, an increase of \$5.0 million from December 31, 2024. Total deposits increased by \$5.7 million to \$477.4 million from \$471.7 million at year end 2024. Interest-bearing deposits increased from \$362.8 million to \$366.4 million and noninterest-bearing deposits increased from \$108.9 million to \$111.0 million. Total stockholders’ equity increased from \$66.7 million on December 31, 2024 to \$73.5 million on June 30, 2025.

Capital Strength

The Company’s Community Bank Leverage Ratio was approximately 14.61%. This ratio significantly exceeds the current regulatory standards for well-capitalized status.

Credit Quality

The Bank’s loan portfolio continues to perform well and remains stable. At June 30, 2025 Other Real Estate Owned (OREO) was \$534 thousand, unchanged from December 31, 2024. Nonaccruing loans as a percentage of loans at June 30, 2024 remained flat at .01%.

The Company’s President and CEO, C. Taylor Quicke commented, “It is a pleasure to report that Citizens Bank & Trust Company had record earnings for the first half of 2025, exceeding the first six months of last year by \$552 thousand, or 12.78%. The strong earnings are largely attributed to the management of repricing assets, while

maintaining low cost of funds to create a strong net interest margin of 4.17% for the quarter. Our measured loan and deposit growth reflects our disciplined approach to risk management and our focus on long-term value and operational soundness, positioning us strongly to seize future opportunities in our existing markets.”

About Citizens Bancorp of Virginia, Inc. and Citizens Bank and Trust Company

Citizens Bank and Trust Company was founded in 1873 and is the second oldest independent bank in Virginia. The Bank has twelve locations in the Counties of Amelia, Chesterfield, Nottoway, Mecklenburg, Powhatan and Prince Edward and in the City of Colonial Heights, Virginia. The Bank also operates a loan production office in Goochland, Virginia. Citizens Bancorp of Virginia, Inc. is the parent company of the Bank and is headquartered in Blackstone, Virginia. The Company’s stock trades on the OTC Bulletin Board under the symbol “CZBT”. Additional information on the Company and the Bank is also available at its website: www.cbtva.com.

Cautionary Statement about Forward-Looking Statements

We caution you that certain statements in this release may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Although we believe that our expectations with respect to these forward-looking statements are based upon reasonable assumptions within the bounds of our business operations, there can be no assurance that the actual results, performance or achievements of the Company will not differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. For more details on factors that could affect expectations, see the Company’s Annual Report for the year ended December 31, 2024.

CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Balance Sheets
(Dollars in thousands, except share data)

	(Unaudited) June 30, 2025	December 31, 2024
Assets		
Cash and due from banks	\$ 7,266	\$ 6,561
Interest-bearing deposits in banks	309	288
Federal funds sold	33,008	21,099
Securities available for sale, at fair market value	216,890	224,683
Restricted securities, at cost	543	544
Loans, net of allowance for credit losses of \$3,438 in 2025 and \$3,329 in 2024	271,376	266,442
Premises and equipment, net	7,666	7,685
Accrued interest receivable	2,620	2,570
Other assets	3,488	4,062
Bank-owned life insurance	18,109	18,235
Other real estate owned	534	534
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Total assets	\$ 561,809	\$ 552,703
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Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Noninterest-bearing	\$ 110,955	\$ 108,930
Interest-bearing	366,463	362,822
Total deposits	477,418	471,752
Other borrowings	6,091	10,119
Accrued interest payable	1,116	1,369
Accrued expenses and other liabilities	3,648	2,795
Total liabilities	488,273	486,035
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Stockholders' Equity		
Preferred stock, \$0.50 par value; authorized 1,000,000 shares; none outstanding	-	-
Common stock, \$0.50 par value; authorized 10,000,000 shares; issued and outstanding, 2,105,646 for 2025 and 2,108,017 for 2024	1,053	1,054
Additional paid-in capital	-	-
Retained earnings	81,892	78,267
Accumulated other comprehensive loss	(9,409)	(12,653)
Total stockholders' equity	73,536	66,668
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Total liabilities and stockholders' equity	\$ 561,809	\$ 552,703
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CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Statements of Income
(Dollars in thousands, except per share data)

	Three Months Ended June 30, (Unaudited)		Six Months Ended June 30, (Unaudited)	
	2025	2024	2025	2024
Interest and Dividend Income				
Loans, including fees	\$ 4,641	\$ 4,136	\$ 9,080	\$ 8,102
Investment securities:				
Taxable	1,683	1,590	3,316	3,097
Tax-exempt	85	66	146	130
Federal funds sold	351	406	630	875
Other	10	11	21	22
Total interest and dividend income	6,770	6,209	13,193	12,226
Interest Expense				
Deposits	1,172	1,072	2,275	2,050
Borrowings	16	17	32	24
Total interest expense	1,188	1,089	2,307	2,074
Net interest income	5,582	5,120	10,886	10,152
Provision for credit losses	60	50	120	75
Net interest income after provision for loan losses	5,522	5,070	10,766	10,077
Noninterest Income				
Service charges on deposit accounts	147	177	304	348
Net loss on calls of securities	-	-	-	(11)
Net gain on sales of loans	20	5	30	8
Income from bank-owned life insurance	174	125	447	240
Interchange income, net	291	279	520	496
Other	106	107	197	197
Total noninterest income	738	693	1,498	1,278
Noninterest Expense				
Salaries and employee benefits	1,917	1,826	3,781	3,617
Net occupancy expense	187	254	391	434
Equipment expense	106	114	201	231
FDIC deposit insurance	61	62	121	124
OREO expenses, net of rental income	5	8	11	15
Other	882	815	1,748	1,563
Total noninterest expense	3,158	3,079	6,253	5,984
Income before income taxes	3,102	2,684	6,011	5,371
Income taxes	598	525	1,140	1,052
Net income	\$ 2,504	\$ 2,159	\$ 4,871	\$ 4,319
Earnings per share, basic & diluted	\$ 1.19	\$ 1.02	\$ 2.31	\$ 2.04

CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY
Consolidated Regulatory Capital Ratios
And Performance Ratios

(Dollars in thousands, except per share data)

	Three Months Ended				
	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Per Share Data:					
Earnings per weighted average share	\$1.19	\$1.12	\$0.95	\$1.06	\$1.02
Weighted average shares outstanding	2,106,853	2,107,917	2,110,185	2,112,423	2,119,276
Actual shares outstanding	2,105,646	2,107,517	2,108,017	2,110,867	2,115,285
Book value per share at period end	\$ 34.92	\$ 33.60	\$ 31.63	\$ 32.32	\$ 29.15
Dividend per share	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.27
Performance Ratios:					
Return on average assets	1.78%	1.73%	1.45%	1.61%	1.55%
Net interest margin, (FTE) ¹	4.17%	4.03%	3.99%	3.93%	3.81%
Efficiency ratio ²	49.80%	50.91%	54.26%	51.51%	52.82%
Capital and Other Ratios:					
(Ratios are period end, unless stated otherwise)					
Tier 1 leverage ratio	14.61%	14.47%	14.43%	14.11%	13.64%
Allowance for loan losses to total loans	1.25%	1.26%	1.24%	1.18%	1.16%
Nonaccruing loans to total loans	0.01%	0.02%	0.02%	0.02%	0.04%
Net charge-offs (net recoveries) to average loans (annualized)	0.00%	0.10%	0.00%	-0.05%	-0.01%

¹ The net interest margin is reported on a fully taxable equivalent basis.

² Computed by dividing noninterest expense by the sum of net interest income (on a fully taxable equivalent basis) and noninterest income.

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