

# Citizens Bancorp of Virginia, Inc.

## PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION

**Dated: January 28, 2025**

### **Record 2024 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 of \$8.563 million in 2024 compared to \$8.496 in 2023, or an increase of .79%. Earnings per share were \$4.05 per share for the year ended 2024 versus \$4.00 for the same period in 2023. The Company's return on assets increased to 1.55% in 2024 from 1.53% in 2023. Earnings for the quarter ended December 31, 2024 were \$2.013 million or \$.95 per share, an increase of 31% compared to \$1.530 million or \$.72 per share for the same period in 2023. The Company's return on assets for the fourth quarter of 2024 was 1.45% versus 1.11% in 2023.

#### **Earnings Highlights**

Net interest income for 2024 exceeded 2023 by \$249 thousand, largely due to the current rate environment. Noninterest income for 2024 declined by \$250 thousand from 2023, primarily due to 2023 proceeds from a bank owned life insurance policy (BOLI). Excluding the 2023 proceeds from the BOLI policy, 2024 noninterest income increased by \$66 thousand compared to 2023. Noninterest expense decreased to \$12.271 million in 2024 from \$12.591 million in 2023 due to a decline in 2024 personnel costs. Based on the strong growth of its loan portfolio, the Bank provided \$363 thousand to the Allowance for Credit Losses. The Company's net interest margin increased to 3.88% in 2024 from 3.80% in 2023.

The Company reported an increase of \$248 thousand, or 5.0%, in net interest income for the fourth quarter of 2024 compared to the same quarter in 2023. Interest income increased by \$422 thousand but was offset by a \$174 thousand increase in interest expense. Noninterest income for the quarter increased by \$53 thousand from \$690 thousand in 2023 primarily due to increases in income from the sales of secondary market loans and increases related to income from BOLI. Noninterest expense decreased \$371 thousand to \$3.259 million in the fourth quarter of 2024 from \$3.630 million in 2023. The Company's net interest margin for the fourth quarter of 2024 was 3.99%, versus 3.75% reported for the same period in 2023 as the bank benefits from a higher rate environment while remaining disciplined on the cost of funds.

#### **Balance Sheet**

At December 31, 2024 total Company assets were \$552.7 million, a decrease of \$1.6 million from December 31, 2023. Gross loans ended the period at \$269.8 million, an increase of \$17.5 million from December 31, 2023.

During the fourth quarter the Company saw a decline in deposits primarily due to customer utilization and reallocation of funds. Total deposits decreased by \$12.3 million to \$471.7 million from \$484.0 million at year end 2023. Interest-bearing deposits decreased from \$370.6 million to \$362.8 million and noninterest-bearing deposits decreased from \$113.4 million to \$108.9 million. Total stockholders' equity increased from \$59.7 million on December 31, 2023 to \$66.7 million on December 31, 2024.

## **Capital Strength**

The Company's Community Bank Leverage Ratio was approximately 14.43%. 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 December 31, 2024 Other Real Estate Owned (OREO) had decreased to \$534 thousand, or by 15.6%, from December 31, 2023. Nonaccruing loans as a percentage of loans at December 31, 2024 remained flat at .02%.

The Company's President and CEO, C. Taylor Quicke commented, "It is a pleasure to report that Citizens Bank & Trust Company experienced record earnings for 2024 of \$8.563 million. This was the first year in Bank history that net income exceeded \$8.5 million. Management largely attributes the Bank's 2024 success to the higher rate environment which facilitated an increase in the pricing of new and maturing assets. The Bank grew loans by \$17.5 million, or by 6.9%, resulting in the highest loan balances in the Bank's history. The Bank's Management and Board of Directors are very pleased with the 2024 results, and we believe that the Bank is well positioned for future success."

## **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](http://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, 2023.

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

<b>Assets</b>	<b>(Unaudited) December 31, 2024</b>	<b>December 31, 2023</b>
	<b>2024</b>	<b>2023</b>
Cash and due from banks	\$ 6,561	\$ 7,433
Interest-bearing deposits in banks	288	232
Federal funds sold	21,099	39,671
Securities available for sale, at fair market value	224,683	226,138
Restricted securities, at cost	544	558
Loans, net of allowance for credit losses of \$3,329 in 2024 and \$2,969 in 2023	266,442	249,279
Premises and equipment, net	7,685	7,751
Accrued interest receivable	2,570	2,241
Other assets	4,062	4,671
Bank-owned life insurance	18,235	15,734
Other real estate owned	534	633
	<b>\$ 552,703</b>	<b>\$ 554,341</b>
<b>Liabilities and Stockholders' Equity</b>		
<b>Liabilities</b>		
Deposits:		
Noninterest-bearing	\$ 108,930	\$ 113,421
Interest-bearing	362,822	370,612
Total deposits	471,752	484,033
Other borrowings	10,119	5,632
Accrued interest payable	1,369	1,236
Accrued expenses and other liabilities	2,795	3,745
Total liabilities	486,035	494,646
<b>Stockholders' Equity</b>		
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, 2,108,017 for 2024 and 2,123,863 for 2023	1,054	1,062
Additional paid-in capital	-	-
Retained earnings	78,267	72,438
Accumulated other comprehensive loss	(12,653)	(13,805)
Total stockholders' equity	66,668	59,695
Total liabilities and stockholders' equity	<b>\$ 552,703</b>	<b>\$ 554,341</b>

**CITIZENS BANCORP OF VIRGINIA, INC. AND SUBSIDIARY**  
**Consolidated Statements of Income**  
(Dollars in thousands, except per share data)

	Three Months Ended December 31, (Unaudited)		Twelve Months Ended December 31, (Unaudited)	
	2024	2023	2024	2023
Interest and Dividend Income				
Loans, including fees	\$ 4,485	\$ 3,819	\$ 16,990	\$ 14,160
Investment securities:				
Taxable	1,623	1,473	6,347	6,025
Tax-exempt	63	66	257	270
Federal funds sold	141	533	1,201	2,478
Other	11	10	45	37
<b>Total interest and dividend income</b>	<b>6,323</b>	<b>5,901</b>	<b>24,840</b>	<b>22,970</b>
Interest Expense				
Deposits	1,058	899	4,191	2,619
Borrowings	18	3	56	7
<b>Total interest expense</b>	<b>1,076</b>	<b>902</b>	<b>4,247</b>	<b>2,626</b>
<b>Net interest income</b>	<b>5,247</b>	<b>4,999</b>	<b>20,593</b>	<b>20,344</b>
Provision for credit losses	228	165	363	210
<b>Net interest income after provision for loan losses</b>	<b>5,019</b>	<b>4,834</b>	<b>20,230</b>	<b>20,134</b>
Noninterest Income				
Service charges on deposit accounts	170	167	700	652
Net loss on disposition of land, premises and equipment	-	-	-	(11)
Net loss on calls of securities	(1)	(1)	(12)	(1)
Net gain on sales of loans	28	4	57	50
Income from bank-owned life insurance	132	113	501	782
Interchange income, net	224	233	951	958
Other	190	174	492	509
<b>Total noninterest income</b>	<b>743</b>	<b>690</b>	<b>2,689</b>	<b>2,939</b>
Noninterest Expense				
Salaries and employee benefits	2,036	2,335	7,565	7,932
Net occupancy expense	186	195	819	726
Equipment expense	99	126	444	504
FDIC deposit insurance	61	62	247	255
Net gain on sale of other real estate owned	-	(11)	(71)	(96)
OREO expenses, net of rental income	2	(8)	22	14
Other	875	931	3,245	3,256
<b>Total noninterest expense</b>	<b>3,259</b>	<b>3,630</b>	<b>12,271</b>	<b>12,591</b>
<b>Income before income taxes</b>	<b>2,503</b>	<b>1,894</b>	<b>10,648</b>	<b>10,482</b>
Income taxes	490	364	2,085	1,986
<b>Net income</b>	<b>\$ 2,013</b>	<b>\$ 1,530</b>	<b>\$ 8,563</b>	<b>\$ 8,496</b>
<b>Earnings per share, basic &amp; diluted</b>	<b>\$ 0.95</b>	<b>\$ 0.72</b>	<b>\$ 4.05</b>	<b>\$ 4.00</b>

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

(Dollars in thousands, except per share data)

	Three Months Ended				
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
<b>Per Share Data:</b>					
Earnings per weighted average share	\$0.95	\$1.06	\$1.02	\$1.02	\$0.72
Weighted average shares outstanding	2,110,185	2,112,423	2,119,276	2,123,474	2,123,863
Actual shares outstanding	2,108,017	2,110,867	2,115,285	2,122,833	2,123,863
Book value per share at period end	\$ 31.63	\$ 32.32	\$ 29.15	\$ 28.34	\$ 28.11
Dividend per share	\$ 0.28	\$ 0.28	\$ 0.27	\$ 0.27	\$ 0.27
<b>Performance Ratios:</b>					
Return on average assets	1.45%	1.61%	1.55%	1.56%	1.11%
Net interest margin, (FTE) <sup>1</sup>	3.99%	3.93%	3.81%	3.78%	3.75%
Efficiency ratio <sup>2</sup>	54.75%	51.51%	52.82%	51.57%	63.62%
<b>Capital and Other Ratios:</b>					
<b>(Ratios are period end, unless stated otherwise)</b>					
Tier 1 leverage ratio	14.43%	14.11%	13.64%	13.46%	13.45%
Allowance for loan losses to total loans	1.24%	1.18%	1.16%	1.17%	1.18%
Nonaccruing loans to total loans	0.02%	0.02%	0.04%	0.02%	0.01%
Net charge-offs (net recoveries) to average loans (annualized)	0.00%	-0.05%	-0.01%	0.00%	0.02%

<sup>1</sup> The net interest margin is reported on a fully taxable equivalent basis.

<sup>2</sup> 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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