Citizens Bancorp of Virginia, Inc.

PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION

Dated: July 21, 2026

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 both the second quarter and the first six months of 2026. The Company reported earnings of $5.825 million, or $2.77 per share, for the first six months of 2026 compared to $4.871 million, or $2.31 per share, for the first six months of 2025. The Company reported quarterly earnings of $3.220 million, or $1.53 per share, for the quarter ended June 30, 2026 compared to $2.504 million, or $1.19 per share, for the same period in 2025. The Company’s return on assets for the second quarter of 2026 was 2.22% versus 1.78% reported for the same period in 2025.

Earnings Highlights

Net interest income for the second quarter of 2026 exceeded the same period in 2025 by $693 thousand, largely due to the current rate environment. Noninterest income increased by $393 thousand from 2025, primarily due to increases in net interchange income and income from bank owned life insurance (BOLI). Noninterest expense for the second quarter of 2026 increased to $3.460 million from $3.158 million in 2025, primarily due to personnel costs and other noninterest expense. The Company’s net interest margin for the second quarter of 2026 increased to 4.59% from 4.17% for the same period of 2025. The Company continues to benefit from the elevated rate environment while remaining disciplined on managing funding costs.

Balance Sheet

At June 30, 2026 total Company assets were $577.8 million, a decrease of $1.0 million from December 31, 2025. Gross loans ended the period at $288.5 million, an increase of $8.5 million from December 31, 2025. Total deposits decreased by $2.3 million to $484.5 million from $486.8 million at year end 2025. Interest-bearing deposits decreased from $374.5 million to $361.4 million and noninterest-bearing deposits increased from $112.3 million to $123.2 million. Total stockholders’ equity increased from $80.0 million on December 31, 2025 to $83.4 million on June 30, 2026.

Capital Strength

The Company’s Community Bank Leverage Ratio was approximately 15.48%. This ratio significantly exceeds the current regulatory standards for well-capitalized status.

Credit Quality

The Bank’s loan portfolio remains stable and continues to perform well. At June 30, 2026 Other Real Estate Owned (OREO) was $254 thousand, unchanged from December 31, 2025. Nonaccruing loans as a percentage of loans at June 30, 2026 remained flat.

The Company’s President and CEO, C. Taylor Quicke commented, “Management is pleased to report record earnings for both the second quarter and first half of 2026. Net income for the second quarter increased by $716 thousand, or 28.60%, compared to the same period of last year. These results were driven primarily by the continued expansion of the Bank's net interest margin, which increased from 4.17% in the second quarter of 2025 to 4.59% in the second quarter of 2026. Margin improvement was supported by the repricing of a portion of the investment securities portfolio and approximately $8.5 million in loan growth since December 31, 2025. We believe our balance sheet remains poised for continued growth and strong financial performance.”

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, 2025.

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

Assets	**(Unaudited) June 30, 2026**	**December 31, 2025**
Cash and due from banks	$ 6,813	$ 5,659
Interest-bearing deposits in banks	418	328
Federal funds sold	39,964	49,851
Securities available for sale, at fair market value	211,614	212,653
Restricted securities, at cost	561	543
Loans, net of allowance for credit losses of $3,685 in 2026 and $3,584 in 2025	284,796	276,428
Premises and equipment, net	7,916	7,748
Accrued interest receivable	3,048	2,774
Other assets	3,887	3,685
Bank-owned life insurance	18,554	18,925
Other real estate owned	254	254
Total assets	$ 577,825	$ 578,848
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Noninterest-bearing	$ 123,169	$ 112,280
Interest-bearing	361,375	374,558
Total deposits	484,544	486,838
Other borrowings	4,989	8,073
Accrued interest payable	1,041	1,064
Accrued expenses and other liabilities	3,854	2,906
Total liabilities	494,428	498,881
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, 2,103,846 for 2026 and 2025	1,052	1,052
Additional paid-in capital	-	-
Retained earnings	89,946	85,383
Accumulated other comprehensive loss	(7,601)	(6,468)
Total stockholders' equity	83,397	79,967
Total liabilities and stockholders' equity	$ 577,825	$ 578,848

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)	
	2026	**2025**	**2026**	**2025**
Interest and Dividend Income				
Loans, including fees	$ 5,069	$ 4,641	$ 9,958	$ 9,080
Investment securities:				
Taxable	1,787	1,683	3,460	3,316
Tax-exempt	168	85	334	146
Federal funds sold	411	351	868	630
Other	10	10	20	21
Total interest and dividend income	**7,445**	**6,770**	**14,640**	**13,193**
Interest Expense				
Deposits	1,158	1,172	2,352	2,275
Borrowings	12	16	26	32
Total interest expense	**1,170**	**1,188**	**2,378**	**2,307**
Net interest income	**6,275**	**5,582**	**12,262**	**10,886**
Provision for credit losses	40	60	100	120
Net interest income after provision for loan losses	**6,235**	**5,522**	**12,162**	**10,766**
Noninterest Income				
Service charges on deposit accounts	170	147	341	304
Net gain on calls of securities	-	-	5	-
Net gain on sales of loans	23	20	26	30
Income from bank-owned life insurance	478	174	643	447
Interchange income, net	316	291	493	520
Other	144	106	259	197
Total noninterest income	**1,131**	**738**	**1,767**	**1,498**
Noninterest Expense				
Salaries and employee benefits	2,087	1,917	4,150	3,781
Net occupancy expense	203	187	441	391
Equipment expense	131	106	248	201
FDIC deposit insurance	62	61	124	121
OREO expenses, net of rental income	4	5	10	11
Other	973	882	1,838	1,748
Total noninterest expense	**3,460**	**3,158**	**6,811**	**6,253**
Income before income taxes	**3,906**	**3,102**	**7,118**	**6,011**
Income taxes	686	598	1,293	1,140
Net income	**$ 3,220**	**$ 2,504**	**$ 5,825**	**$ 4,871**
Earnings per share, basic & diluted	**$ 1.53**	**$ 1.19**	**$ 2.77**	**$ 2.31**

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, 2026	March 31, 2026	December 31, 2025	September 30, 2025	June 30, 2025
Per Share Data:					
Earnings per weighted average share	$1.53	$1.24	$1.07	$1.19	$1.19
Weighted average shares outstanding	2,103,846	2,103,846	2,103,846	2,104,611	2,106,853
Actual shares oustanding	2,103,846	2,103,846	2,103,846	2,103,846	2,105,646
Book value per share at period end	$ 39.64	$ 38.50	$ 38.01	$ 36.69	$ 34.92
Dividend per share	$ 0.30	$ 0.30	$ 0.29	$ 0.29	$ 0.28
Performance Ratios:					
Return on average assets	2.22%	1.82%	1.55%	1.76%	1.78%
Net interest margin, (FTE)[1]	4.59%	4.43%	4.38%	4.33%	4.17%
Efficiency ratio[2]	46.45%	50.28%	56.49%	51.04%	49.80%
Capital and Other Ratios:					
(Ratios are period end, unless stated otherwise)					
Tier 1 leverage ratio	15.48%	15.10%	15.08%	14.93%	14.61%
Allowance for loan losses to total loans	1.29%	1.28%	1.29%	1.27%	1.25%
Nonaccruing loans to total loans	0.01%	0.00%	0.00%	0.01%	0.01%
Net charge-offs (net recoveries) to average loans (annualized)	-0.01%	0.01%	0.03%	0.00%	0.00%

[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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