

Citizens Bancorp of Virginia, Inc.

PRESS RELEASE - FOR IMMEDIATE DISTRIBUTION

Dated: April 24, 2025

Record First Quarter 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 first quarter earnings for the first quarter of 2025. Earnings were \$2.367 million or \$1.12 per share for the period ended March 31, 2025, compared to \$2.160 million, or \$1.02 per share for the same period in 2024. The Company’s return on assets for the first quarter of 2025 was 1.73% versus 1.56% reported for the same period in 2024.

Earnings Highlights

Net interest income for 2025 exceeded the same period in 2024 by \$272 thousand, largely due to the current rate environment. Noninterest income increased by \$175 thousand from 2024, primarily due to proceeds from a bank owned life insurance policy (BOLI). Excluding the proceeds from the BOLI policy, noninterest income increased by \$27 thousand compared to 2024. Noninterest expense increased to \$3.095 million in 2025 from \$2.905 million in 2024 primarily due to an increase in 2025 personnel costs and occupancy expense. The Company’s net interest margin for the first quarter of 2025 increased to 4.03% versus 3.78% in 2024.

Balance Sheet

At March 31, 2025 total Company assets were \$566.7 million, an increase of \$14.0 million from December 31, 2024. Gross loans ended the period at \$269.6 million, a decrease of \$130 thousand from December 31, 2024. Total deposits increased by \$11.5 million to \$483.2 million from \$471.7 million at year end 2024. Interest-bearing deposits increased from \$362.8 million to \$369.4 million and noninterest-bearing deposits increased from \$108.9 million to \$113.8 million. Total stockholders’ equity increased from \$66.7 million on December 31, 2024 to \$70.8 million on March 31, 2025.

Capital Strength

The Company’s Community Bank Leverage Ratio was approximately 14.47%. 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 March 31, 2025 Other Real Estate Owned (OREO) was \$534 thousand, unchanged from December 31, 2024. Nonaccruing loans as a percentage of loans at March 31, 2024 remained flat at .02%.

The Company’s President and CEO, C. Taylor Quicke commented, “Management is pleased to report that Citizens Bank & Trust Company had record earnings for the first quarter of 2025, exceeding the first quarter of last year by \$207 thousand, or 9.58%. The strong earnings are largely attributed to the management of repricing of assets, while maintaining low cost of funds to create a strong net interest margin of 4.03%. We are also pleased with the deposit growth experienced in the first quarter of \$11.5 million. Although uncertainty exists in the current economic environment, Citizens Bank & Trust Company remains well-positioned to maintain strong 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, 2024.

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

	(Unaudited) March 31, 2025	December 31, 2024
Assets		
Cash and due from banks	\$ 6,324	\$ 6,561
Interest-bearing deposits in banks	299	288
Federal funds sold	41,927	21,099
Securities available for sale, at fair market value	219,290	224,683
Restricted securities, at cost	543	544
Loans, net of allowance for credit losses of \$3,381 in 2025 and \$3,329 in 2024	266,260	266,442
Premises and equipment, net	7,736	7,685
Accrued interest receivable	2,425	2,570
Other assets	3,429	4,062
Bank-owned life insurance	17,934	18,235
Other real estate owned	534	534
	<hr/>	<hr/>
Total assets	<u>\$ 566,701</u>	<u>\$ 552,703</u>
Liabilities and Stockholders' Equity		
Liabilities		
Deposits:		
Noninterest-bearing	\$ 113,752	\$ 108,930
Interest-bearing	369,476	362,822
Total deposits	483,228	471,752
Other borrowings	7,573	10,119
Accrued interest payable	1,066	1,369
Accrued expenses and other liabilities	4,027	2,795
Total liabilities	<u>495,894</u>	<u>486,035</u>
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, 2,107,517 for 2025 and 2,108,017 for 2024	1,054	1,054
Additional paid-in capital	-	-
Retained earnings	80,030	78,267
Accumulated other comprehensive loss	(10,277)	(12,653)
Total stockholders' equity	<u>70,807</u>	<u>66,668</u>
	<hr/>	<hr/>
Total liabilities and stockholders' equity	<u>\$ 566,701</u>	<u>\$ 552,703</u>

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

	Three Months Ended March 31, (Unaudited)	
	2025	2024
Interest and Dividend Income		
Loans, including fees	\$ 4,439	\$ 3,966
Investment securities:		
Taxable	1,633	1,507
Tax-exempt	61	64
Federal funds sold	279	469
Other	11	11
Total interest and dividend income	6,423	6,017
Interest Expense		
Deposits	1,103	978
Borrowings	16	7
Total interest expense	1,119	985
Net interest income	5,304	5,032
Provision for credit losses	60	25
Net interest income after provision for loan losses	5,244	5,007
Noninterest Income		
Service charges on deposit accounts	157	171
Net loss on calls of securities	-	(11)
Net gain on sales of loans	10	3
Income from bank-owned life insurance	273	115
Interchange income, net	229	217
Other	91	90
Total noninterest income	760	585
Noninterest Expense		
Salaries and employee benefits	1,864	1,791
Net occupancy expense	204	180
Equipment expense	95	117
FDIC deposit insurance	60	62
OREO expenses, net of rental income	6	7
Other	866	748
Total noninterest expense	3,095	2,905
Income before income taxes	2,909	2,687
Income taxes	542	527
Net income	\$ 2,367	\$ 2,160
Earnings per share, basic & diluted	\$ 1.12	\$ 1.02

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

(Dollars in thousands, except per share data)

	Three Months Ended				
	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024
Per Share Data:					
Earnings per weighted average share	\$1.12	\$0.95	\$1.06	\$1.02	\$1.02
Weighted average shares outstanding	2,107,917	2,110,185	2,112,423	2,119,276	2,123,474
Actual shares outstanding	2,107,517	2,108,017	2,110,867	2,115,285	2,122,833
Book value per share at period end	\$ 33.60	\$ 31.63	\$ 32.32	\$ 29.15	\$ 28.34
Dividend per share	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.27	\$ 0.27
Performance Ratios:					
Return on average assets	1.73%	1.45%	1.61%	1.55%	1.56%
Net interest margin, (FTE) ¹	4.03%	3.99%	3.93%	3.81%	3.78%
Efficiency ratio ²	50.91%	54.26%	51.51%	52.82%	51.57%
Capital and Other Ratios:					
(Ratios are period end, unless stated otherwise)					
Tier 1 leverage ratio	14.47%	14.43%	14.11%	13.64%	13.46%
Allowance for loan losses to total loans	1.26%	1.24%	1.18%	1.16%	1.17%
Nonaccruing loans to total loans	0.02%	0.02%	0.02%	0.04%	0.02%
Net charge-offs (net recoveries) to average loans (annualized)	0.10%	0.00%	-0.05%	-0.01%	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.

CONTACT: Lisa H. Whitehead
SVP and Controller
Voice: 434-292-8100 or E-mail: Lisa.Whitehead@cbtva.com
