



# COMMUNITY BANKERS' BANK

## News Release

### **Community Bankers' Bank & CBB Financial Corp. Announce Fourth Quarter 2021 Operating Results**

**Midlothian, Virginia, January 31, 2022:** CBB Financial Corp. reported net income of \$235,000 for the three-month period ended December 31, 2021, compared to net income of \$76,000 for the three-month period ended December 31, 2020. Net income of \$749,000 was recorded for the twelve-month period ended December 31, 2021, compared to net income of \$540,000 for the twelve-month period ended December 31, 2020. CBB and CBBFC report on a consolidated basis.

The Company reported strong financial performance in 2021 despite the challenges of the continuing COVID-19 pandemic and unprecedented liquidity in the community banking industry:

- a. Non-interest income for the Fourth Quarter of 2021 was 33% higher than the comparable period in 2020. The increase was driven in part by interest-sensitive fee income that rises when market rates fall. Additionally, income from alliance partnerships helping our clients improve productivity drove the remaining increase.
- b. Net loan balances fell by 2.7% in 2021. The funding of new loans was offset by payoffs and balances re-financed by other institutions.
- c. Despite the lower rate environment, net interest income remained flat as lower loan yields were offset by utilizing excess liquidity to pay down borrowings.
- d. The Board of Directors of CBBFC paid a two-dollar (\$2.00) per share annual dividend for shareholders on December 1, 2021.

The Bank continues to maintain a strong capital position that exceeds all regulatory requirements to be classified as "well-capitalized," with a Community Bank Leverage Ratio of 12.20% at December 31, 2021, compared to 11.24% on December 31, 2020.

Gary R. Shook, President and Chief Executive Officer of CBB Financial Corp. and Community Bankers' Bank, commented, "CBB's focus on driving fee income began to show results in the 4<sup>th</sup> Quarter and for all of 2021. As with many of our shareholder banks, CBB is primarily driven by balance sheet-related income. The focus on building multiple revenue channels is important to CBB, and the investments we make will provide needed revenue and savings opportunities for our shareholders and clients. One of those areas of focus is our new partnership with FBBS Securities.

This joining of forces and resources will greatly enhance the investment options and the level of portfolio advice and services available to CBB's shareholders and clients."

Mr. Shook continued, "Finally, as Community Bankers' Bank embarks on the 35<sup>th</sup> year of providing needed services to banks and bankers, we continue to be laser-focused on adapting to the changing landscape and growing as we all navigate the changing environment of community banking. Be on the lookout as we look back, and more importantly, look forward to celebrating this important milestone."

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**CBB Financial Corp & Community Bankers' Bank**  
**Summary Consolidated Financial Data**

**Financial Highlights**  
**(Dollars in thousands)**

	Three Months	Three Months	Twelve Months	Twelve Months
	Ended	Ended	Ended	Ended
	Dec. 31	Dec. 31	Dec. 31	Dec. 31
	2021	2020	2021	2020
Description	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Earnings Summary</b>				
Interest income	\$ 1,119	\$ 1,249	\$ 4,410	\$ 5,199
Interest expense	128	264	695	1,281
Net interest income	991	985	3,715	3,918
Provision for loan losses	0	25	(30)	225
Noninterest income	863	649	3,274	2,590
Noninterest expense	1,575	1,525	6,124	5,648
Income before income taxes	279	84	895	635
Income tax expense	44	8	146	95
Net income	<u>\$ 235</u>	<u>\$ 76</u>	<u>\$ 749</u>	<u>\$ 540</u>

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**(Dollars in thousands)**

	<b>Dec. 31</b>		<b>Dec. 31,</b>		<b>Dec. 31</b>
	<b>2021</b>		<b>2020</b>		<b>2019</b>
<b>Description</b>	(Unaudited)		(Unaudited)		(Unaudited)
<b>Ending Balances:</b>					
<b>Assets</b>					
Cash and due from banks	\$ 15,365		\$ 36,055		\$ 10,967
Fed funds sold	11,006		2,827		2,407
Investment portfolio	26,819		23,721		25,502
Loans, net of allowance	94,351		96,981		89,844
Other assets	9,203		9,466		9,941
<b>Total assets</b>	<b>\$ 156,744</b>		<b>\$ 169,050</b>		<b>\$ 138,661</b>
<b>Liabilities and Equity</b>					
Noninterest-bearing deposits	\$ 69,619		\$ 73,841		\$ 45,251
Interest-bearing deposits	50,215		52,371		48,894
Fed funds purchased	6,000		6,000		6,000
FHLB borrowings	9,000		14,500		17,000
Other liabilities	2,195		2,764		2,677
<b>Total liabilities</b>	<b>137,029</b>		<b>149,476</b>		<b>119,822</b>
Stockholders' equity	19,715		19,574		18,839
<b>Total liabilities and equity</b>	<b>\$ 156,744</b>		<b>\$ 169,050</b>		<b>\$ 138,661</b>

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**Summary Consolidated Financial Data**

**Financial Highlights**  
**(Dollars in thousands)**

	Three Months	Three Months	Twelve Months	Twelve Months
	Ended	Ended	Ended	Ended
	Dec. 31	Dec. 31	Dec. 31	Dec. 31
	2021	2020	2021	2020
Description	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Average Balances:</b>				
<b>Assets</b>				
Cash and due from banks	\$ 21,540	\$ 38,257	\$ 32,312	\$ 30,255
Fed funds sold	4,592	1,922	2,991	1,787
Investment portfolio	28,064	19,868	27,839	21,981
Loans, net of allowance	94,990	96,242	92,842	94,076
Other assets	9,280	9,535	9,507	9,718
Total assets	<u>\$ 158,466</u>	<u>\$ 165,824</u>	<u>\$ 165,491</u>	<u>\$ 157,817</u>
<b>Liabilities and Equity</b>				
Noninterest-bearing deposits	\$ 70,028	\$ 70,702	\$ 70,821	\$ 63,098
Interest-bearing deposits	51,437	52,100	53,552	50,941
Fed funds purchased	6,009	6,344	7,868	6,098
FHLB borrowings	9,000	14,500	11,142	15,714
Other liabilities	2,351	2,636	2,562	2,567
Total liabilities	<u>138,825</u>	<u>146,282</u>	<u>145,945</u>	<u>138,418</u>
Stockholders' equity	19,641	19,542	19,546	19,399
Total liabilities and equity	<u>\$ 158,466</u>	<u>\$ 165,824</u>	<u>\$ 165,491</u>	<u>\$ 157,817</u>

**CBB Financial Corp & Community Bankers' Bank**  
**Summary Consolidated Financial Data**

**Financial Highlights**  
**(Dollars in thousands)**  
**(Except per share data)**

	<b>Dec. 31</b>		<b>Dec. 31,</b>		<b>Dec. 31</b>
	<b>2021</b>		<b>2020</b>		<b>2019</b>
	(Unaudited)		(Unaudited)		(Unaudited)
<b>CBBFC Common Share Data:</b>					
Number of shares outstanding	25,460		25,460		26,210
Book Value per Share	\$ 774		\$ 769		\$ 719
<b>Bank Level Capital Ratios:</b>					
Community Bank Leverage Ratio	12.20%		11.24%		-
<b>Asset Quality:</b>					
Nonaccrual Loans	\$ -		\$ -		\$ -
Foreclosed Real Estate (OREO)	-		-		-
Total Non-performing assets	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>

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