



COMMUNITY BANKERS' BANK

News Release

Community Bankers' Bank & CBB Financial Corp. Announce First Quarter 2022 Operating Results

Midlothian, Virginia, May 6, 2022: CBB Financial Corp. reported net income of \$211,000 for the three-month period ended March 31, 2022, compared to net income of \$236,000 for the three-month period ended December 31, 2021, and net income of \$104,000 in the three-month period ended March 31, 2021. CBB and CBBFC report on a consolidated basis.

The Company started 2022 with strong financial performance despite the challenges of the continuing COVID-19 pandemic and unprecedented liquidity in the community banking industry:

- a. Net loan balances were slightly down in the First Quarter of 2022 as the funding of new loans were offset by payoffs and balances re-financed by other institutions. Loans year over year are up 4%.
- b. The lower low rate environment for the majority of the First Quarter caused a 5% decrease in quarter over quarter interest income. This decrease was largely offset by utilizing excess liquidity to pay down borrowings.
- c. Non-interest income for the First Quarter of 2022 was 15% higher than the comparable period in 2021. The increase was driven by income from alliance partnerships that helped our clients improve their productivity.

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 12.61% at March 31, 2022, compared to 12.20% at December 31, 2021.

Gary R. Shook, President and Chief Executive Officer of CBB Financial Corp. and Community Bankers' Bank, commented, " Strong comparative revenue from fees positioned CBB for a strong performance in the First Quarter. We were especially pleased with the assimilation of FBBS Securities, our newest alliance partner, into our shareholder and client banks. Additionally, our alliance partners delivered on creating efficiency and all important savings for our community banks. The continued high level of liquidity in the system allowed for a greater number of loan pay-offs. We see fairly robust loan demand throughout CBB's footprint which bodes well for the coming year." Mr. Shook continued, "Community Bankers' Bank's 35th year of providing needed

services to community banks and bankers stands as an important milestone in the mid-Atlantic and southeast. As I have previously mentioned, CBB continues to be laser focused on adapting to the changing landscape and growing as we all navigate the dynamic environment of community banking. As I travel through our markets meeting community bankers in their hometowns, I continue to be both pleased and humbled as to the important role CBB plays in support of community banking.”

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

Financial Highlights
(Dollars in thousands)

	Three Months	Three Months	Three Months
	Ended	Ended	Ended
	March 31	December 31	March 31
	2022	2021	2021
Description	(Unaudited)	(Unaudited)	(Unaudited)
Earnings Summary			
Interest income	\$ 1,063	\$ 1,119	\$ 1,103
Interest expense	98	128	219
Net interest income	965	991	884
Provision for loan losses	0	0	0
Noninterest income	804	863	701
Noninterest expense	1,514	1,575	1,464
Income before income taxes	255	279	121
Income tax expense	44	43	17
Net income	<u>\$ 211</u>	<u>\$ 236</u>	<u>\$ 104</u>

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(Dollars in thousands)

	March 31		Dec. 31,		March 31
	2022		2021		2021
Description	(Unaudited)		(Unaudited)		(Unaudited)
Ending Balances:					
Assets					
Cash and due from banks	\$ 20,681		\$ 15,365		\$ 39,655
Fed funds sold	0		11,006		7,677
Investment portfolio	26,800		26,819		29,415
Loans, net of allowance	93,941		94,351		90,049
Other assets	9,370		9,203		9,745
Total assets	\$ 150,792		\$ 156,744		\$ 176,541
Liabilities and Equity					
Noninterest-bearing deposits	\$ 68,299		\$ 69,619		\$ 70,500
Interest-bearing deposits	47,491		50,215		64,472
Fed funds purchased	6,169		6,000		6,000
FHLB borrowings	8,000		9,000		13,500
Other liabilities	2,038		2,195		2,682
Total liabilities	131,997		137,029		157,154
Stockholders' equity	18,795		19,715		19,387
Total liabilities and equity	\$ 150,792		\$ 156,744		\$ 176,541

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Financial Highlights
(Dollars in thousands)

	Three Months Ended March 31 2022	Three Months Ended December 31 2021	Three Months Ended March 31 2021
Description	(Unaudited)	(Unaudited)	(Unaudited)
Average Balances:			
Assets			
Cash and due from banks	\$ 20,852	\$ 21,540	\$ 48,469
Fed funds sold	4,826	4,592	1,809
Investment portfolio	26,657	28,064	25,381
Loans, net of allowance	93,108	94,990	92,884
Other assets	9,199	9,280	9,553
Total assets	\$ 154,642	\$ 158,466	\$ 178,096
Liabilities and Equity			
Noninterest-bearing deposits	\$ 71,143	\$ 70,028	\$ 70,299
Interest-bearing deposits	47,884	51,437	62,494
Fed funds purchased	6,037	6,009	9,537
FHLB borrowings	8,456	9,000	13,611
Other liabilities	2,037	2,351	2,620
Total liabilities	135,557	138,825	158,561
Stockholders' equity	19,085	19,641	19,535
Total liabilities and equity	\$ 154,642	\$ 158,466	\$ 178,096

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Summary Consolidated Financial Data

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

	March 31		Dec. 31,		March 31
	2022		2021		2021
	(Unaudited)		(Unaudited)		(Unaudited)
CBBFC Common Share Data:					
Number of shares outstanding	25,460		25,460		25,460
Book Value per Share	\$ 738		\$ 774		\$ 762
Bank Level Capital Ratios:					
Community Bank Leverage Ratio	12.61%		12.20%		10.53%
Asset Quality:					
Nonaccrual Loans	\$ -		\$ -		\$ -
Foreclosed Real Estate (OREO)	-		-		-
Total Non-performing assets	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>
