



COMMUNITY BANKERS' BANK

News Release

Community Bankers' Bank & CBB Financial Corp. Announce First Quarter 2023 Operating Results

Midlothian, Virginia, May 9, 2023: CBB Financial Corp. reported net income of \$47,000 for the three-month period ended March 31, 2023, compared to net income of \$36,000 for the three-month period ended December 31, 2022, and net income of \$211,000 in the three-month period ended March 31, 2022. CBB and CBBFC report on a consolidated basis.

The Company started 2023 with strong financial performance despite the challenges of the rapid rise in interest rates and macroeconomic turbulence within the banking industry:

- a. Net loan balances were slightly down in the First Quarter of 2023 as the funding of new loans was offset by payoffs and balances re-financed by other institutions. Loans year over year are up 5%.
- b. The increase in rates helped net interest income improve 7% year over year.
- c. Non-interest income for the First Quarter of 2023 increased quarter over quarter. The increase was driven by income from alliance partnerships helping 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 12.96% at March 31, 2023, compared to 12.99% at December 31, 2022.

Gary R. Shook, President and Chief Executive Officer of CBB Financial Corp. and Community Bankers' Bank commented, "The first quarter of 2023 underscored the importance of community banks and bankers in the American economy. The CBB Team is so pleased and fortunate to serve our shareholders and clients as partners to ensure the vibrancy of all community banks. CBB's focus on expanding revenue sources, loan participation banks, and growing our partnership with FBBS Securities continued to strengthen revenue streams. The 5% year-over-year loan growth was especially gratifying. Moreover, CBB's consulting partnerships for core technology and check printing have brought our shareholders and clients stronger contracts and substantial savings on a go-forward basis."

Mr. Shook continued, "Finally, with the upcoming launch of faster payments and the FedNowSM Service, CBB is your best partner to guide you and your team through the process. Be on the lookout as we make the rounds over the coming months. Your support is much appreciated."

For further information, please contact:

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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
	2023	2022	2022
Description	(Unaudited)	(Unaudited)	(Unaudited)
Earnings Summary			
Interest income	\$ 1,609	\$ 1,572	\$ 1,063
Interest expense	575	424	98
Net interest income	1,034	1,148	965
Provision for loan losses	(112)	0	0
Non-interest income	578	474	804
Non-interest expense	1,675	1,587	1,514
Income before income taxes	49	35	255
Income tax expense	2	(1)	44
Net income	\$ 47	\$ 36	\$ 211

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	March 31	December 31	March 31
	2023	2022	2022
Description	(Unaudited)	(Unaudited)	(Unaudited)
Ending Balances:			
Assets			
Cash and due from banks	\$ 8,883	\$ 9,012	\$ 20,681
Fed funds sold	505	14,400	0
Investment portfolio	24,555	24,430	26,800
Loans, net of allowance	99,123	104,303	93,941
Other assets	10,068	9,922	9,370
Total assets	\$ 143,134	\$ 162,067	\$ 150,792
Liabilities and Equity			
Noninterest-bearing deposits	\$ 53,276	\$ 59,553	\$ 68,299
Interest-bearing deposits	55,668	54,616	47,491
Fed funds purchased	6,000	20,000	6,169
FHLB borrowings	8,000	8,000	8,000
Other liabilities	2,113	2,137	2,038
Total liabilities	125,057	144,306	131,997
Stockholders' equity	18,077	17,761	18,795
Total liabilities and equity	\$ 143,134	\$ 162,067	\$ 150,792

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	Three Months	Three Months	Three Months
	Ended	Ended	Ended
	March 31	December 31	March 31
	2023	2022	2022
Description	(Unaudited)	(Unaudited)	(Unaudited)
Average Balances:			
Assets			
Cash and due from banks	\$ 8,783	\$ 8,193	\$ 20,852
Fed funds sold	5,038	6,211	4,826
Investment portfolio	24,445	24,842	26,657
Loans, net of allowance	102,662	100,279	93,108
Other assets	10,009	10,185	9,201
Total assets	\$ 150,937	\$ 149,710	\$ 154,644
Liabilities and Equity			
Noninterest-bearing deposits	\$ 57,474	\$ 62,225	\$ 71,143
Interest-bearing deposits	55,523	48,523	47,438
Fed funds purchased	9,987	11,467	6,037
FHLB borrowings	8,000	8,000	8,456
Other liabilities	2,071	1,992	2,037
Total liabilities	133,055	132,207	135,111
Stockholders' equity	17,882	17,503	19,533
Total liabilities and equity	\$ 150,937	\$ 149,710	\$ 154,644

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Summary Consolidated Financial Data

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

	March 31	December 31	March 31
	2023	2022	2022
	(Unaudited)	(Unaudited)	(Unaudited)
CBBFC Common Share Data:			
Number of shares outstanding	25,460	25,460	25,460
Book Value per Share	\$ 710	\$ 698	\$ 738
Bank Level Capital Ratios:			
Community Bank Leverage Ratio	12.96%	12.99%	12.61%
Asset Quality:			
Nonaccrual Loans	\$ -	\$ -	\$ -
Foreclosed Real Estate (OREO)	-	-	-
Total Non-performing assets	\$ -	\$ -	\$ -
