



## **Title: Bank of Botetourt posts profitable second quarter financial results**

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**BUCHANAN, VIRGINIA.** July 28, 2022 — Buchanan-based Bank of Botetourt (OTCPK: BORT) announced today its unaudited financial results for the three and six months-end June 30, 2022. The Bank produced net income amounting to \$1,763,000 or \$0.91 per basic share in the second quarter. This amount compares to a net income of \$1,582,000 or \$0.83 per share, for the same period last year. For the six months-ended the Bank produced net income amounting to \$3,306,000 or \$1.72 per basic share. This amount compares to a net income of \$3,562,000 or \$1.87 per share, for the same period last year.

At June 30, 2022, select financial information and key highlights include:

- Return on average assets of 0.94%
- Return on average equity of 11.26%
- Book value of \$29.86
- Total deposit growth of 9.74%
- Total asset growth of 8.09%
- Total loan growth of 1.88%
- Community Bank Leverage Ratio of 8.84%
- Strong liquidity position
- Net interest margin of 3.26% at June 30, 2022 compared to 3.03% one year prior.

As a result of the solid financial performance, the Board of Directors voted to pay the \$0.185 per share quarterly dividend, or \$0.74 per share annualized which is payable on August 19, 2022 to shareholders of record August 12, 2022. President & CEO, G. Lyn Hayth, III stated “We have had a strong 2022 so far spurred by steady loan and deposit growth. This momentum has helped our bank exceed budget expectations the first six months of the year.”

Net income for the three months ended June 30, 2022 was \$1,763,000 compared to \$1,582,000 for the same period last year, representing an increase of \$181,000 or 11.4%. Basic and diluted earnings per share increased \$0.08 from \$0.83 at June 30, 2021 to \$0.91 at June 30, 2022. The increase in net income is primarily due to \$301,000 increase in investment income and \$74,000 increase in interchange fees, offset by \$225,000 provision for loan loss.

### ***Financial Condition***

At June 30, 2022 total assets amounted to \$717,433,000, an increase of 8.1% above total assets at December 31, 2021 of \$663,766,000, an increase of \$53,667,000. Total net loans increased \$7,997,000 or 1.9% from \$425,902,000 at December 31, 2021 to \$433,899,000 at June 30, 2022. Total deposits at December 31, 2021 amounted to \$598,659,000, compared to \$656,985,000 at June 30, 2022, an increase of 9.7% or \$58,326,000. The increase in deposits is attributable to organic growth.

As of June 30, 2022 Bank of Botetourt reported its CBLR ratio at 8.84% which compares to a CBLR ratio of 9.14% at December 31, 2021.

### ***About Bank of Botetourt***

Bank of Botetourt was chartered in 1899 and operates thirteen retail offices in Botetourt, Rockbridge, Roanoke, and Franklin counties, the City of Salem, and the Town of Vinton, all in Virginia. Bank of Botetourt also operates a mortgage division, Virginia Mountain Mortgage and a financial services division, Botetourt Wealth Management.

Source: Bank of Botetourt