



Title: Bank of Botetourt Posts Profitable Second Quarter Financial Results

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BUCHANAN, VIRGINIA. July 27, 2023 /PRNewswire/ — Buchanan-based Bank of Botetourt (OTCPK: BORT and BORTP) announced today its unaudited financial results for the three and six months-end June 30, 2023. The Bank produced net income amounting to \$1,993,000 or \$0.96 per basic share in the second quarter. This amount compares to a net income of \$1,763,000 or \$0.91 per share, for the same period last year. For the six months-ended the Bank produced net income amounting to \$4,287,000 or \$2.08 per basic share. This amount compares to a net income of \$3,306,000 or \$1.72 per share, for the same period last year.

At June 30, 2023, select financial information and key highlights include:

- Return on average assets of 1.19%
- Return on average equity of 12.53%
- Book value of \$36.09
- Total deposit growth of 1.96%
- Total asset growth of 4.38%
- Total loan growth of 11.28%
- Community Bank Leverage Ratio of 10.75%
- Strong liquidity position
- Net interest margin of 3.25% at June 30, 2023 compared to 3.26% one year prior.

As a result of the solid financial performance, the Board of Directors voted to pay the 7.00% preferred dividend, which calculates to \$0.49 per share on August 9, 2023 to preferred shareholders of record August 2, 2023. Furthermore, the Board of Directors voted to pay the \$0.1925 per share quarterly dividend, or \$0.77 per share annualized which is payable on August 18, 2023 to common shareholders of record August 11, 2023. CEO & Vice-Chairman, G. Lyn Hayth, III stated “Our financial results for 2023 continue to meet budget expectations, despite the impact of significant increases in interest rates. Bank of Botetourt continues to sustain significant loan growth while conserving strong relationships with our current customers.”

Financial Condition

At June 30, 2023 total assets amounted to \$746,836,000, an increase of 4.38% above total assets at December 31, 2022 of \$715,514,000, an increase of \$31,322,000. Total net loans increased \$54,406,000 or 11.28% from \$482,163,000 at December 31, 2022 to \$536,569,000 at June 30, 2023. Total deposits at December 31, 2022 amounted to \$645,720,000, compared to \$658,362,000 at June 30, 2023, an increase of 1.96% or \$12,642,000.

As of June 30, 2023 Bank of Botetourt reported its CBLR ratio at 10.75% which meets the required regulatory minimum ratio. This compares to a CBLR ratio of 10.32% on December 31, 2022.

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