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Citizens Bancorp Investment, Inc. Reports Earnings for Second Quarter 2022

Lafayette, TN (August 10, 2022) – Citizens Bancorp Investment, Inc. (“Citizens”), the parent company of Citizens Bank of Lafayette (“Citizens Bank”), reported earnings of \$4.4 million for the second quarter of 2022. Fully diluted earnings per share were \$0.74 versus \$0.84 for the second quarter 2021.

“We are extremely pleased to report solid earnings for the second quarter,” said Pete Williston, Chairman and Chief Executive Officer of Citizens. “Our officers and employees met the challenge from the expiration of the Paycheck Protection Program and from significantly reduced secondary market mortgage activity with a 10.3% growth in portfolio loans in the second quarter of 2022 compared to the second quarter of 2021.”

Earnings for the second quarter of 2022 equaled first quarter earnings of \$4.4 million in 2021, but were down 11.2% from second quarter 2021 earnings of \$5.0 million. Earnings for 2022 year-to-date were \$8.8 million compared to \$9.5 million in 2021, a 7.3% decrease. Net interest income declined due primarily to lower loan fees resulting from the end of the Paycheck Protection Program in 2021 and continued lower rates on portfolio loans due to the low rate environment at the beginning of 2022. Lower revenue on loans in 2022 was only partially offset by higher income on securities and lower interest costs on deposits compared to 2021. Non-interest income for the second quarter declined 9.7% compared to 2021 due to significantly reduced mortgage refinancing activity and lower insurance income. However, increases in mortgage serving income, debit card income, and overdraft income partially offset the reduction in mortgage refinancing gains and insurance income. Due to higher mortgage rates, mortgage volume for purchases continues to be modest.

Total assets grew \$80 million to \$1.48 billion at June 30, 2022 compared to June 30, 2021, a 5.4% increase. Total deposits were \$1.33 billion at June 30, 2022, an 8.8% increase versus 2021. The government stimulus factored significantly in the \$107 million growth in Citizens Bank’s deposits since June 30, 2021. Total loans were \$876 million at June 30, 2022, a 10.3% increase versus 2021. Bank management pursued an aggressive loan growth strategy in early 2022 to take advantage of a strong economy and market fears of rising interest rates. Citizens Bancorp’s capital remained strong at \$116.2 million at June 30, 2022; this represents 7.84% of total assets. Capital declined approximately 12.4% from June 2021 levels due to unrealized losses in investment portfolio values, net of retained earnings. Management expects to hold the securities, and thus, does not expect to realize those losses.

“We have produced good core loan growth in the first half of the year,” said Tommy Anderton, President of Citizens “Our officers and staff have worked extremely hard to take advantage of opportunities in our markets and that loan growth should produce good earnings for several years. As the Federal Reserve Board continues to increase interest rates and the economy begins

to soften, your management and board have guided the bank to solid earnings, strong credit quality, and a dedicated employee group.”

The Citizens board of directors also approved a dividend of \$0.16 per share, to shareholders of record on August 3, 2022, payable on August 10, 2022.

About Citizens Bancorp Investment, Inc.

Citizens Bancorp Investment, Inc., is the bank holding company for Citizens Bank of Lafayette. Citizens Bank is a state-chartered banking corporation founded in 1909 and currently operates 22 banking locations in 12 counties in Middle Tennessee. For additional information, visit www.citizens-bank.org

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