

FOR IMMEDIATE RELEASE

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Citizens Bancorp Investment, Inc. Reports Earnings for Second Quarter 2024

Lafayette, TN (July 18, 2024) – Citizens Bancorp Investment, Inc. (“Citizens”), the parent company of Citizens Bank of Lafayette (“Citizens Bank”), reported earnings of \$4.1 million for the second quarter of 2024. Fully diluted earnings per share were \$0.69 versus \$0.64 for the second quarter 2023 and \$0.54 for the first quarter 2024.

“We are pleased to report increased earnings for the second quarter,” said Pete Williston, Chief Executive Officer of Citizens. “Citizens Bank continues to improve its margin in spite of higher deposit and borrowing costs. Loan income has begun to increase faster than deposit expense.”

Earnings for the second quarter of 2024 compare to first quarter 2024 earnings of \$3.2 million, a 26.9% increase. Net income increased 7.1% from second quarter 2023 earnings of \$3.84 million. Earnings for 2024 year-to-date were \$7.35 million compared to \$7.50 million in 2023, a 2.1% decrease.

Net interest income for the quarter increased 10.0% compared to the second quarter of 2023 due primarily to a 30.2% increase in interest and fees on loans year over year. The increase in interest income was partially offset by a 63.9% increase in interest expense on deposits year over year. While the current high interest rates continue to maintain significant pressure on the net interest margin, the bank’s significant growth in loans at current market rates over the past twelve months has begun to expand the margin. While interest expense on borrowings was flat for the second quarter 2024 compared to 2023, borrowing costs year-to-date declined 17.4% compared to 2023.

Non-interest income for the second quarter declined 2.4% compared to 2023 due to reduced mortgage sale and servicing income. Due to relatively high mortgage rates, mortgage volume for purchases continues to be extremely modest. Non-interest expenses increased 2.7% year over year primarily due to higher salary and benefit costs.

Total assets were \$1.61 billion at June 30, 2024 versus \$1.50 billion in 2023, a 6.8% increase. Total deposits were \$1.36 billion at June 30, 2024, a 4.2% increase versus 2023. Total loans were \$1.1 billion at June 30, 2024, a 12.6% increase versus 2023. The bank’s loan officers continued to originate good quality loans at current market rates in the last half of 2023 and the first half of 2024, thus causing a \$123 million increase in loan balances year over year.

The growth in loans has challenged the bank’s liquidity; however, the 4.2% increase in deposits, or \$55 million year over year, along with \$32 million growth in borrowings has helped support that loan growth. While competition for deposits is strong, Citizens Bank has been able to meet customers’ needs.

Citizens Bancorp’s capital remained strong at \$138.2 million at June 30, 2024; this represents 8.63% of total assets. Capital increased 10.7% from June 2023 levels due primarily to retention

of earnings, net of dividends. However, capital is still impacted by net unrealized losses in investment portfolio values, net of related taxes. Management expects to hold the securities, and thus, does not expect to realize those losses.

“While deposit costs continue to be high, we have begun to see increases in our net interest margin in the past four months,” said Tommy Anderton, President of Citizens. “Loan yields are strong as newer loans are being booked at market rates. Management and our Board of Directors remain bullish on the economic prospects for our communities and our bank.”

The Citizens board of directors also approved a dividend of \$0.18 per share, to shareholders of record on July 31, 2024, payable on August 7, 2024.

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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