



FOR IMMEDIATE RELEASE

**CITBA FINANCIAL CORPORATION ANNOUNCES FIRST QUARTER 2025
EARNINGS**

MOORESVILLE, IN, April 11, 2025 – Today CITBA Financial Corporation (the “Company”) (OTCQX: CBAF), the holding company for Citizens Bank, announced earnings for the quarter ended March 31, 2025 of \$2.1 million or \$1.28 per share compared to \$881,000 or \$0.52 per share for the quarter ended March 31, 2024. Net income for the quarter increased \$1.2 million or 136.3% compared to the same quarter in 2024. The Company’s annualized return on average assets and average equity for the quarter were 1.28% and 13.99%, respectively, compared to 0.55% and 6.11%, respectively, for the quarter ended March 31, 2024.

The Company’s Board of Directors declared a quarterly cash dividend of \$0.21 per share of the Company’s common stock. The dividend will be payable to stockholders of record as of April 14, 2025 and will be paid on April 28, 2025.

The Company reported net interest income for the quarter ended March 31, 2025 of \$5.4 million compared to \$4.5 million for the quarter ended March 31, 2024. Net interest income for the quarter increased \$919,000 or 20.5% compared to the same quarter ended in 2024. The increase was a result of both a higher average yield on interest-earning assets as well as a lower average cost of funds. The net interest margin at March 31, 2025 was 3.61%, expanding from 3.04% at March 31, 2024.

A provision for credit losses of \$158,000 was recorded for the quarter ended March 31, 2025 compared to \$34,000 for the quarter ended March 31, 2024. The provision for credit losses increased \$124,000 or 364.2% compared to the same quarter in 2024. The increase in provision expense is a result of higher loan growth during the first quarter of 2025 compared to the first quarter of 2024. Non-performing loans at March 31, 2025 were \$87,000 or 0.02% of total loans compared to \$120,000 or 0.03% of total loans at December 31, 2024 and \$95,000 or 0.02% of total loans at March 31, 2024. The allowance for credit losses to non-performing loans was 6,596.8% at March 31, 2025 compared to 4,688.4% at December 31, 2024 and 5,810.4% at March 31, 2024.

The Company reported non-interest income for the quarter ended March 31, 2025 of \$1.9 million compared to \$995,000 for the quarter ended March 31, 2024. Non-interest income for the quarter increased \$924,000 or 92.9% compared to the same quarter ending in 2024. The increase in non-interest income was due to an increase in other income and a gain on sale of other assets. Other income for the quarter ending March 31, 2025 increased \$534,000 or 397.7% compared the quarter ending March 31, 2024. The increase in other income was a result of a contract renewal associated with our debit card branding. A \$353,000 gain on sale of other assets was recorded in the first quarter of 2025 as a result of the sale of the East Morgan branch real estate. The branch closed in December of 2024.

Non-interest expense was \$4.7 million for the quarter ended March 31, 2025, compared to \$4.5 million for the quarter ended March 31, 2024. Non-interest expense for the quarter increased \$135,000 or 3% compared to the same quarter ended in 2024. Premises and equipment expenses increased \$109,000 or 19.5% due to increased equipment maintenance and licensing expense and expense related to the remodel of the Monrovia branch.

Total assets at March 31, 2025 were \$657 million. Total assets increased \$13.4 million or 2.1% compared to \$643.5 million at December 31, 2024 and increased \$10.7 million or 1.7% compared to \$646.2 million at March 31, 2024. Total loans were \$442.3 million at March 31, 2025. Total loans increased \$8.2 million or 1.9% compared to \$434.2 million at December 31, 2024 and increased \$28.1 million or 6.8% compared to \$414.3 million at March 31, 2024. Total investment securities at March 31, 2025 were \$178.3 million. Total investment securities increased \$9.4 million or 5.6% compared to \$168.9 million at December 31, 2024 and decreased \$12.5 million or 6.5% compared to \$190.8 million at March 31, 2024. Cash and cash equivalents at March 31, 2025 were \$20.4 million. Cash and cash equivalents decreased \$3.3 million or 14% compared to \$23.8 million at December 31, 2024 and decreased \$6.4 million or 23.9% compared to \$26.8 million at March 31, 2024.

Total deposits at March 31, 2025 were \$596.1 million. Total deposits increased \$12.7 million or 2.2% compared to \$583.5 million at December 31, 2024 and increased \$8.6 million or 1.5% compared to \$587.5 million at March 31, 2024. The Company had no short-term borrowings outstanding at March 31, 2025.

Total stockholders' equity at March 31, 2025 was \$59.1 million. Total stockholders' equity increased \$1.8 million or 3.2% compared to \$57.3 million at December 31, 2024 and increased \$2 million or 3.5% compared to \$57.1 million at March 31, 2024. Accumulated other comprehensive income (AOCI) at March 31, 2025 is (\$7) million compared to (\$7.1) million at December 31, 2024 and (\$7.1) million at March 31, 2024.

CITBA Financial Corporation is the parent company of Citizens Bank. Citizens Bank offers a full range of financial and investment services through its nine full-service banking offices and ATM/ITMs located in Morgan, Hendricks, Johnson and Marion counties in Indiana. Citizens Bank is a member of the FDIC and an Equal Housing Lender.

FORWARD LOOKING STATEMENTS

This document contains forward-looking statements. Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance, nor should they be relied upon as representing management's views as of any subsequent date. The forward-looking statements are based on management's expectations and are subject to a number of risks and uncertainties. Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include, without limitation, the Corporation's ability to effectively execute its business plans; changes in general economic and financial market conditions; changes in interest rates; changes in the competitive environment; continuing consolidation in the financial services industry; new litigation or changes in existing litigation; losses, customer bankruptcy, claims and assessments; changes in banking regulations or other regulatory or legislative requirements affecting the Corporation's business; and changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies. Management may elect to update forward-looking statements at some future point; however, it specifically disclaims any obligation to do so.

CITBA Financial Corporation
Selected Financial Data

(In thousands, except share and per share data)

	March 31, <u>2025</u> (unaudited)	December 31, <u>2024</u>	March 31, <u>2024</u> (unaudited)	
Financial Condition Data:				
Total assets	\$ 656,968	\$ 643,537	\$ 646,248	
Cash and cash equivalents	20,432	23,767	26,835	
Investment securities	178,288	168,895	190,780	
Net loans	436,575	428,564	408,747	
Deposits	596,105	583,454	587,499	
Short-term borrowings	-	-	-	
Total stockholders' equity	59,094	57,257	57,073	
Total equity to total assets	8.99%	8.90%	8.83%	
Book value per share	\$ 36.34	\$ 35.21	\$ 33.73	
Tangible book value per share	36.34	35.21	33.73	
Allowance for credit losses (ACL)	\$ 5,767	\$ 5,627	\$ 5,543	
Non-performing loans	87	120	95	
Non-performing assets	87	120	95	
ACL to total loans	1.30%	1.30%	1.34%	
ACL to non-performing loans	6596.79%	4688.36%	5810.38%	
Non-performing assets to total assets	0.01%	0.02%	0.01%	
Non-performing loans to total loans	0.02%	0.03%	0.02%	
Dividends paid	\$ 342	\$ 1,401	\$ 355	
Dividends paid per share	\$ 0.21	\$ 0.84	\$ 0.21	
Dividend payout ratio	16.41%	37.42%	40.35%	
	Three Months Ended March 31, <u>2025</u> (unaudited)	Three Months Ended March 31, <u>2024</u> (unaudited)	Three Months Ended March 31, <u>2025</u> (unaudited)	Three Months Ended March 31, <u>2024</u> (unaudited)
Operations Data:				
Interest income	\$ 7,739	\$ 7,160	\$ 7,739	\$ 7,160
Interest expense	2,337	2,677	2,337	2,677
Net interest income	5,402	4,483	5,402	4,483
Provision for credit losses	158	34	158	34
Net interest income after provision for credit losses	5,244	4,449	5,244	4,449
Non-interest income	1,918	995	1,918	995
Non-interest expense	4,672	4,537	4,672	4,537
Income before income tax	2,490	906	2,490	906
Income tax expense	409	26	409	26
Net income	2,081	881	2,081	881
Per Common Share Data				
Shares outstanding	1,626,315	1,692,025	1,626,315	1,692,025
Average shares - basic	1,626,315	1,694,191	1,626,315	1,694,191
Average shares - diluted	1,626,315	1,694,191	1,626,315	1,694,191
Earnings - basic	\$ 1.28	\$ 0.52	\$ 1.28	\$ 0.52
Earnings - diluted	\$ 1.28	\$ 0.52	\$ 1.28	\$ 0.52
Performance Ratios				
Return on avg assets (ROAA)	1.28%	0.55%	1.28%	0.55%
Average assets	\$ 649,501	\$ 646,234	\$ 649,504	\$ 646,234
Return on avg equity (ROAE)	13.99%	6.11%	13.99%	6.11%
Average equity	\$ 59,520	\$ 57,625	\$ 59,520	\$ 57,625
Net interest spread	2.81%	2.18%	2.81%	2.18%
Net interest margin (TE)	3.61%	3.04%	3.61%	3.04%