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## The Victory Bancorp, Inc.

### Fourth Quarter Earnings

#### Fourth Quarter Highlights

- **Record earnings of \$0.66 per share**
- **Book value per common share increased to \$12.92**
- **\$3.2 million increase in stockholders' equity since December 31, 2020**
- **\$0.05 per share cash dividend paid to shareholders**
- **\$0.10 special, one-time cash dividend paid to shareholders**
- **Deposit increase of \$57.3 million since December 31, 2020**

*Limerick, Pennsylvania – February 15, 2022* – The Victory Bancorp, Inc. (OTCQX: VTYB) reported a net income of \$1.3 million, or 66 cents per share (diluted), for the fourth quarter ended December 31, 2021, compared to \$993 thousand, or 50 cents per share, for the fourth quarter ended December 31, 2020. This represents a \$343 thousand or 35% increase over the fourth quarter of 2020. A one-time, special cash dividend of 10 cents per outstanding share of common stock was declared in November 2021. Net income for the year ended December 31, 2021, was \$4.0 million, or \$1.94 per share (diluted), an increase of \$1.7 million, or 74%, over the last year.

Book value per common share climbed to \$12.92 on December 31, 2021.

Interest income increased \$1.3 million or 8.1%, from \$15.6 million for the year ended December 31, 2020, to \$16.9 million for the year ended December 31, 2021. The bank increased total loan loss reserves from \$3.1 million at December 31, 2020, to \$3.5 million at December 31, 2021; the loan loss reserve approximated 1.13% of total loans and 1.22% of non-PPP loans (Small Business Administration Paycheck Protection Program loans). Non-performing assets remained low during the quarter, increasing slightly from \$117 thousand at September 30, 2021, to \$195 thousand at December 31, 2021.

Consolidated pre-tax income, excluding provisions for loan losses, for the quarter ended December 31, 2021, was \$1.6 million, compared with pre-provision pre-tax income of \$1.3 million for the same quarter in 2020. Consolidated net income was \$1.3 million, an increase of \$343 thousand as compared to \$993 thousand for the same quarter in 2020, totaling approximately \$0.66 per common share. Deposits grew to \$394.3 million at December 31, 2021, from \$337.0 million at December 31, 2020, a 17.0% increase. Including SBA PPP loans, net loans increased 6.2% to \$301.2 million at December 31, 2021, from \$283.6 million at December 31, 2020. Total net loans, net of PPP loans, increased 16.0% or \$38.5 million from \$240.9 million at December 31, 2020, to \$279.4 million at December 31, 2021. Total assets increased by \$14.4 million to \$443.8 million as of December 31, 2021, an increase of 3.3% over one year.

Bank Leader, Joseph W. Major, stated, “Despite continuing economic disruption due to the Pandemic, the bank experienced substantial income, loan and deposit growth in 2021, while generating record-setting fourth-quarter results. We have responded to customer needs under these trying circumstances and have continued to expand our customer base. Most notably, our team remained steadfast in their commitment to our clients and during 2020 and 2021 combined, closed \$100 million of Small Business Administration (SBA) Paycheck Protection Program (PPP) loans, and helped businesses in our communities protect over 11,000 local jobs. We continue to see strong commercial lending and banking demand, which resulted in loan growth of \$17.5mm and deposit growth of over \$57mm from the previous year. In addition, our new Horsham loan office has successfully completed its first full quarter of operations.”

Victory Bancorp, Inc. is traded on the OTCQX market under the symbol VTYB (<https://www.otcm Markets.com>) and is the parent company of The Victory Bank, a Pennsylvania state-chartered commercial bank, headquartered in Limerick, Pennsylvania, which is located just outside the Philadelphia market in Montgomery County. The Victory Bank was established in 2008 as a specialized business lender that provides high-quality banking services to small and mid-sized businesses and professionals through its three offices located in Montgomery and Berks Counties, Pennsylvania. Additional information about Victory Bancorp is available on its website, [VictoryBank.com](http://VictoryBank.com).

This presentation may contain forward-looking statements (within the meaning of Private Securities Litigation Reform Act of 1995). Actual results may differ materially from the results discussed in these forward-looking statements. Factors that might cause such a difference include, but are not limited to, general economic conditions, changes in interest rates, deposit flows, loan demand, real estate values and competition; changes in accounting principles, policies, or guidelines; changes in legislation or regulation; and other economic, competitive, governmental, regulatory, and technological factors affecting the Company’s operations, pricing, products, and services.

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**CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)**

(dollars in thousands, except per share data)

<b>Selected Financial Data</b>	<b>December 31, 2021</b>	<b>September 30, 2021</b>	<b>December 31, 2020</b>
Securities available-for-sale	\$ 24,088	\$ 18,341	\$ 13,306
Loans, net of allowance for loan losses	301,166	302,024	283,618
Total assets	443,778	446,869	429,425
Deposits	394,349	397,696	337,013
Borrowings	10,500	10,500	51,481
Subordinated debt	12,777	12,771	17,709
Stockholders' equity	25,190	24,231	22,022
Book value per common share	\$ 12.92	\$ 12.43	\$ 11.29
Allowance/loans	1.13%	1.10%	1.10%
Nonperforming assets/total assets	0.04%	0.03%	0.04%

**Three months ended**

<b>Selected Operations Data</b>	<b>December 31, 2021</b>	<b>September 30, 2021</b>	<b>December 31, 2020</b>
Interest income	\$ 4,188	\$ 4,376	\$ 4,312
Interest expense	585	621	822
Net interest income	3,603	3,755	3,490
Provision for loan losses	91	21	51
Other income	513	131	217
Other expense	2,537	2,723	2,380
Income before income taxes	1,488	1,142	1,276
Income taxes	(152)	(246)	(283)
Net income	\$ 1,336	\$ 896	\$ 993
Earnings per common share (basic)	\$ 0.69	\$ 0.46	\$ 0.51
Earnings per common share (diluted)	\$ 0.66	\$ 0.44	\$ 0.50
Return on average assets (annualized)	1.17%	0.78%	0.92%
Return on average equity (annualized)	21.71%	15.02%	18.48%
Net charge-offs(recoveries)/average loans	0.00%	0.00%	0.34%