



FOR IMMEDIATE RELEASE

Limerick, Pennsylvania –May 16, 2024

THE VICTORY BANCORP, INC., ANNOUNCES 2024 FIRST QUARTER EARNINGS

The Victory Bancorp, Inc. (OTCQX: VTYB), the holding company for The Victory Bank, announced unaudited results for the quarter ended March 31, 2024.

Joseph W. Major, Bank Leader and Chief Executive Officer, stated, “Victory Bancorp's first quarter results reflect the strength of our balance sheet and the dedication of our team. Despite continued difficult market factors, we achieved strong financial results and grew deposits by \$17.7 million from the end of the year to first quarter 2024 and increasing our total assets by \$8 million. Since March 2023, our net loans rose by 14.3% to \$378 million, and our net interest income increased by \$1.1 million.

We also maintained solid credit quality metrics, with nonaccrual loans decreasing and delinquencies over 30 days dropping significantly. The Victory Bank remains a well-capitalized institution and we controlled expenses well, achieving positive operating leverage.

Looking ahead, Victory Bancorp is well-positioned to continue delivering strong results for all stakeholders, both now and in the future.”

First Quarter 2024 Highlights compared to First Quarter 2023

- Net Loans increased 14.3% to \$378 million from \$330 million at March 31, 2023
- \$937 thousand increase in stockholders' equity
- \$0.065 per share cash dividend paid to shareholders
- Net interest margin at the Bank was 3.08% for the quarter
- Net income of \$230 thousand, totaling approximately \$0.11 per common share fully diluted
- Book value per share as of March 31, 2024 was \$14.18
- Total assets increased by \$29.7 million to \$450.1 million as of March 31, 2024
- Credit quality is strong

Capital Insights and Credit Quality:

- Nonaccrual loans decreased in the first quarter of 2024, from \$2,173 thousand at year end in 2023 to \$736 thousand in the current quarter.
- Non-performing assets to total assets increased from 0.08% in the linked quarter to 0.17% in the current quarter.
- Delinquencies greater than 30 days were 0.25% of total loans as of March 31, 2024, down from 0.68% as of December 31, 2023.
- The bank's ACL ratio was 0.91% as of March 31, 2024, down slightly from 0.94% at year-end 2023. The March 31, 2024 ACL covered non-performing loans 4.7 times.
- The bank remains well capitalized.

Victory Bancorp, Inc. is traded on the OTCQX market under the symbol VTYB (<https://www.otcmarkets.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.

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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Contact:

Joseph W. Major,
Chairman and Chief Executive Officer

Robert H. Schultz,
Chief Financial Officer, Chief Operating Officer

The Victory Bancorp, Inc.
548 N. Lewis Rd.
Limerick, PA 19468

CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)

(dollars in thousands, except per share data)

Selected Financial Data	March 31, 2024	December 31, 2023	March 31, 2023
Investment securities	\$ 47,015	\$ 47,931	\$ 51,440
Loans, net of allowance for loan losses	377,792	364,383	330,467
Total assets	450,102	442,163	420,377
Deposits	381,783	364,032	371,018
Borrowings	25,725	36,200	8,250
Subordinated debt	12,836	12,830	12,811
Stockholders' equity	\$ 27,940	\$ 27,948	\$ 27,003
Book value per common share	\$ 14.18	\$ 14.17	\$ 13.70
Allowance/loans	0.91%	0.94%	0.98%
Nonperforming assets/total assets	0.17%	0.49%	0.08%

Selected Operations Data	3 Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Interest income	\$ 6,860	\$ 6,680	\$ 5,711
Interest expense	3,759	3,337	2,242
Net interest income	3,101	3,343	3,469
Provision for loan losses	49	170	0
Other income	199	210	139
Other expense	2,957	2,748	2,770
Income before income taxes	294	635	838
Income taxes	(64)	(160)	(173)
Net income	\$ 230	\$ 475	\$ 665
Earnings per common share (basic)	\$ 0.12	\$ 0.24	\$ 0.34
Earnings per common share (diluted)	\$ 0.11	\$ 0.23	\$ 0.32
Return on average assets (annualized)	0.20%	0.45%	0.64%
Return on average equity (annualized)	3.29%	6.97%	10.00%
Net charge-offs(recoveries)/average loans	0.03%	0.00%	0.00%