



“SVB&T Corporation, Parent Company of Springs Valley Bank & Trust Company, Reports 2024 Second Quarter and Year to Date Earnings and Declares Quarterly Dividend”

JASPER, Indiana, August 13, 2024 -- SVB&T Corporation (OTCQX: SVBT), parent company of Springs Valley Bank & Trust Company, today announced 2024 second quarter unaudited earnings of \$1.70 million or \$1.55 earnings per share (EPS), a 14.81% increase over the same prior year period earnings on a per share basis. This second quarter 2024 performance translates to a return on average assets (ROAA) of 1.12%, compared to the same prior year period of 1.01%. SVB&T Corporation also announced that its Board of Directors declared a quarterly dividend of \$0.20 per share of the Corporation’s common stock. The quarterly dividend is payable on or about October 15, 2024, to shareholders of record as of the close of business on September 16, 2024. The dividend declared is an 11.11% annualized increase over the total dividend declared for the 2023 fiscal year.

Net interest income before provision expense for the second quarter ended June 30, 2024 was \$4.07 million compared to \$4.47 million for the same period in 2023. Interest income increased \$890,000 compared to the prior year second quarter, primarily due to increased loan balances and increased interest rates on loans resulting from the higher rate environment and assets repricing. Interest expense increased \$1.29 million compared to the same prior year quarter, again due to the higher interest rate environment and increased deposit balances, as well as the mix between interest- and noninterest-bearing deposits. Provision expense decreased by \$20,000 over the prior year second quarter. Additionally, noninterest income increased approximately \$922,000 to \$2.84 million from \$1.92 million. The higher income can be attributed to increased revenue over the prior year second quarter from a variety of areas, including the Financial Advisory Group, servicing fees on sold loans, sold mortgage income, and a gain on sale of other real estate owned. As it has been in the past, noninterest income generation continues to be a strategic focus of SVB&T’s by growing the Financial Advisory Group, increasing sold loan income, expanding electronic banking services, and other avenues, to continue to reduce margin dependence. Noninterest expense increased \$277,000 to \$4.85 million from \$4.57 million, attributable to increases in general operating expenses, the largest of which being increased core processing expenses, health insurance expenditures, and electronic banking expenses in the second quarter of 2024.

Quarter over trailing quarter earnings increased approximately \$294,000 or 21.00%. The earnings increase was largely driven by higher electronic banking income, servicing fees on sold loans, sold mortgage income, and a gain on sale of other real estate owned.

SVB&T Corporation book value has increased from \$52.37 per share as of June 30, 2023, to \$56.77 as of June 30, 2024, an 8.40% increase. SVB&T Corporation stock closed at \$38.42 per share on the OTCQX exchange on June 30, 2024. In February of 2021, the Corporation’s Board of Directors authorized a share repurchase program through December 31, 2022. Under the program, the Corporation was authorized to repurchase, from time to time as the Corporation deemed appropriate, shares of SVB&T Corporation’s common stock with an aggregate purchase price of up to \$2.00 million. As of December 31, 2022, SVB&T

had repurchased (adjusted for 2022 stock split) 24,400 shares, with an average purchase price of \$40.59, under the program. As of May 16, 2023, the repurchase program has been renewed with an aggregate purchase price of up to \$1.00 million. As of the end of the second quarter of 2024, 5,952 additional shares have been repurchased under the newly approved plan, with an average purchase price of \$42.00.

Total assets increased \$8.78 million to \$622.33 million on June 30, 2024, compared to December 31, 2023 assets of \$613.55 million. Total loans before allowance increased \$2.98 million to \$486.58 million on June 30, 2024, from \$483.60 million on December 31, 2023. Growth in commercial real estate loans on the balance sheet essentially replaced decreased balances in commercial lines of credit and agriculture real estate loans. Springs Valley has experienced healthy loan demand so far in 2024; however, the Bank is strategically managing loan growth to alleviate some of the pressure on the funding side of the balance sheet as cost of funds continue to increase, as well as to help mitigate any potential credit concerns that could arise due to the high interest rate and economic environment. Allowance as a percent of total loans was 1.46% as of June 30, 2024, compared to 1.44% as of December 31, 2023. Total deposits increased \$1.71 million to \$535.17 million on June 30, 2024, from \$533.46 million on December 31, 2023. Noninterest-bearing deposits decreased by approximately \$6.79 million due largely to decreases in business account balances and the Bank's free checking account product balances. Interest-bearing deposits have increased by approximately \$8.50 million. These increases occurred primarily in Springs Valley's public funds accounts and retail CDs. Core deposit growth continues to be a primary focus of Springs Valley's as it is a critical component in generating sustainable, long-term profitability for the institution.

Year to date (YTD) unaudited earnings for the six months ended June 30, 2024 was \$3.10 million or \$2.82 EPS, a 5.62% increase over the same prior year period earnings on a per share basis. This YTD performance translates to an ROAA of 1.02%, which is in line with the same prior year period ROAA of 1.02% as well.

Net interest income before provision expense for the six months ended June 30, 2024 was \$8.13 million compared to \$8.99 million for the same period in 2023, a decrease of \$858,000. Interest income increased approximately \$2.24 million as compared to the same prior year period, largely due to increased loan balances and increased interest rates on loans resulting from the higher rate environment and assets repricing. Additionally, interest expense increased by \$3.10 million over the same period, again due to the rising interest rate environment and increased deposit balances, as well as the mix between interest- and noninterest-bearing deposits. YTD provision expense decreased by \$250,000, compared to the same prior year period, as the Bank had a sufficient coverage ratio to adequately cover risk in the loan portfolio, and therefore, less provision was needed during the first half of 2024. Total noninterest income increased \$1.23 million to \$5.13 million YTD June 2024 from \$3.90 million for the same period in 2023. The largest contributing factors to the favorable variance were increased Financial Advisory Group revenues, Financial Services income from annuity sales, electronic banking income, servicing fees on sold loans, income from sold mortgages, and a gain on sale of other real estate owned. Growing noninterest income to reduce margin dependence continues to be a strategic focus of Springs Valley Bank & Trust. Noninterest expense increased \$456,000 to \$9.60 million YTD June 2024 from \$9.14 million for the same period in 2023. This expense increase was largely driven by various overhead components that have been necessary to build out the infrastructure to support the future growth of the Bank and serve a growing customer base. The largest components of this expense increase have been increased salary, health insurance, and electronic banking expenses.

President J. Craig Buse commented, "Springs Valley has continued the positive momentum in 2024 through the second quarter, generating a very respectable 1.02% ROAA year to date, especially given the current environment in which we're operating which includes a persistent inverted yield curve, lower crop

prices, and a slowing economy. Our strategic focus remains the same relationship-oriented approach to community banking, which we believe will drive continued financial performance for all stakeholders.”

CEO Jamie Shinabarger concurred and added, “We continue to execute the core fundamentals of banking very well and are hopeful that current banking headwinds are tempered with future Fed rate cuts expected on the horizon. These actions, if taken, will help create a positively sloping yield curve and will almost certainly reduce our cost of funds, which is a current pain point, and allow for margin expansion. That said, potential asset quality concerns that could arise from a slowing economy and lower than desired crop prices are a couple of the things we have our eyes on as we close out the last half of 2024.”

##

For more information contact: Ryan Heim, Treasurer & CFO, SVB&T Corporation, at 812.634.4889 or rheim@svbt.bank.

SVB&T Corporation is headquartered at 8482 West State Road 56, French Lick, Indiana 47432 with administrative offices at 1500 Main Street, Jasper, Indiana 47546. Its subsidiary, Springs Valley Bank & Trust Company, has locations in Dubois, Daviess, Gibson, and Orange Counties, offering full-service bank and financial services. Springs Valley has products and services for all types of families and businesses, including checking and savings accounts, certificates of deposit, electronic services, online consumer and mortgage applications, and a variety of other loan options. Springs Valley Bank is a member of FDIC and is an Equal Housing Lender.

In addition, the company has a full-service financial advisory group managed by experienced, talented professionals specializing in estate planning, tax planning, and wealth management. Investment services are also offered by a licensed, professional Springs Valley representative. Trust and investment products are not deposits; not insured by the FDIC; not a deposit or other obligation of, or guaranteed by, the depository institution; not insured by any Federal Government Agency; and may lose value - subject to investment risks, including possible loss of the principal amount invested.

More information can be found online at www.svbt.bank. The Corporation’s stock is traded on the OTCQX trading platform under ticker symbol SVBT (www.otcm Markets.com).

Information conveyed in this press release regarding SVB&T Corporation’s and its subsidiaries’ anticipated future performance is forward-looking and therefore involves risks and uncertainties that could cause the results or developments to differ significantly from those indicated in these statements. These risks and uncertainties include, but are not limited to, risks and uncertainties inherent in general and local banking, as well as mortgage conditions, competitive factors specific to markets in which the company and its subsidiaries operate, future interest rate levels, changes in local real estate markets, legislative and regulatory decisions, capital market conditions, and/or other factors.

Selected Consolidated Financial Data of SVB&T Corporation
(In Thousands, Except Shares Outstanding and Per Share Data)

	Unaudited		Audited	
	30-Jun		31-Dec	
	2024	2023	2024	2023
Assets				
Cash and due from banks	\$17,289	\$10,340	\$13,180	
Interest-bearing time deposits	0	984	0	
Fed funds sold	25,877	42,052	26,705	
Available for sale securities	64,483	59,302	61,924	
Other investments	2,517	2,517	2,517	
Loans held for sale	131	97	576	
Loans net of allowance for credit losses	479,595	462,616	476,534	
Premises and equipment	6,166	6,568	6,341	
Bank-owned life insurance	10,616	9,417	10,513	
Accrued interest receivable	3,375	3,058	3,345	
Foreclosed assets held for sale	103	49	49	
Mortgage servicing rights	2,259	2,007	2,005	
Lender risk account (FHLBI)	1,574	1,572	1,637	
Other assets	8,346	8,182	8,224	
Total assets	\$622,331	\$608,761	\$613,550	
Liabilities and Stockholders' Equity				
Noninterest-bearing deposits	80,818	84,271	87,611	
Interest-bearing deposits	454,353	449,539	445,847	
Borrowed funds	12,000	5,000	5,000	
Subordinated debentures	5,000	5,000	5,000	
Accrued interest payable and other liabilities	7,941	7,407	9,812	
Total liabilities	\$560,112	\$551,217	\$553,270	
Stockholders' equity	62,219	57,544	60,280	
Total liabilities and stockholders' equity	\$622,331	\$608,761	\$613,550	
Three Months Ended Six Months Ended				
	30-Jun		30-Jun	
	2024	2023	2024	2023
Operating Data:				
Interest and dividend income	\$8,291	\$7,401	\$16,396	\$14,159
Interest expense	4,221	2,935	8,265	5,170
Net interest income	\$4,070	\$4,466	\$8,131	\$8,989
Provision for credit losses	82	102	94	344
Net interest income after provision for credit losses	\$3,988	\$4,364	\$8,037	\$8,645
Fiduciary activities	1,242	1,099	2,452	2,178
Customer service fees	249	215	478	422
Increase in cash surrender value of life insurance	51	41	103	81
Net gain/(loss) on loan sales	273	159	461	344
Realized gain/(loss) on securities	0	0	0	0
Other income	1,030	409	1,639	874
Total noninterest income	\$2,845	\$1,923	\$5,133	\$3,899
Salary and employee benefits	2,966	2,743	5,916	5,439
Premises and equipment	518	586	1,091	1,134
Data processing	549	392	917	804
Deposit insurance premium	68	63	135	131
Professional fees	203	190	363	408
Other expenses	548	601	1,179	1,229
Total noninterest expense	\$4,852	\$4,575	\$9,601	\$9,145
Income before taxes	1,981	1,712	3,569	3,399
Income tax expense	285	231	472	461
Net income	\$1,696	\$1,481	\$3,097	\$2,938
Shares outstanding (adjusted for stock split)	1,095,956	1,098,836	1,095,956	1,098,836
Average shares - basic (adjusted for stock split)	1,095,956	1,098,836	1,097,196	1,098,528
Average shares - diluted (adjusted for stock split)	1,095,956	1,098,836	1,097,196	1,098,528
Basic earnings per share (adjusted for stock split)	\$1.55	\$1.35	\$2.82	\$2.67
Diluted earnings per share (adjusted for stock split)	\$1.55	\$1.35	\$2.82	\$2.67
Other Data:				
Yield on average assets	5.48%	5.04%	5.42%	4.92%
Cost on average assets	2.79%	2.00%	2.73%	1.80%
Interest rate spread	2.69%	3.04%	2.69%	3.12%
Net interest margin	2.78%	3.15%	2.78%	3.26%
Number of full service banking centers	6	6	6	6
Return on average assets	1.12%	1.01%	1.02%	1.02%
Average assets	\$605,799	\$587,149	\$605,186	\$575,594
Return on average equity	11.13%	10.47%	10.23%	10.48%
Average equity	\$60,955	\$56,598	\$60,556	\$56,068
Equity to assets ratio (EOP)	10.00%	9.45%	10.00%	9.45%
Average total deposits	\$525,933	\$510,784	\$525,733	\$492,735
Loans past due 30 to 89 days (still accruing)	\$1,813	\$1,593	\$1,813	\$1,593
Loans past due 90 days or more (still accruing)	\$416	\$249	\$416	\$249
Nonaccrual loans	\$1,135	\$3,145	\$1,135	\$3,145
Book value per share (adjusted for stock split)	\$56.77	\$52.37	\$56.77	\$52.37
Market value per share - end of period close (adjusted for stock split)	\$38.42	\$37.15	\$38.42	\$37.15