



FOR IMMEDIATE RELEASE

Limerick, Pennsylvania – August 1, 2024

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

The Victory Bancorp, Inc. (OTCQX: VTYB), the holding company for The Victory Bank, announced unaudited results for the quarter ended June 30, 2024.

Joseph W. Major, Bank Leader and Chief Executive Officer, stated, “Our second quarter performance underscores the resilience of our financial position and the commitment of our team. In spite of challenging market conditions, we delivered robust financial outcomes, including a \$20.6 million increase in deposits from year-end to the second quarter of 2024, and expanded our total assets by \$27.6 million. Since June 2023, our net loans have grown over \$55 million to reach \$396.5 million, producing a 20.5% increase in interest income.

In addition, we maintained strong credit quality metrics in 2024, with reductions in delinquencies exceeding 30 days and a significant decrease in nonaccrual loans. The Victory Bancorp remains a well-capitalized institution, effectively managing expenses to achieve increased operational efficiency.

Looking forward, Victory Bancorp is well-positioned to continue delivering substantial results for every stakeholder, both now and in the future.”

Second Quarter 2024 Highlights compared to Second Quarter 2023

- Net Loans increased 16.3% to \$396.5 million from \$341.0 million at June 30, 2023
- \$1.4 million increase in stockholders’ equity
- \$0.065 per share cash dividend paid to shareholders
- Net interest margin at the Bank was 3.14% for the quarter
- Net income of \$289 thousand, totaling approximately \$0.14 per common share fully diluted
- Book value per share as of June 30, 2024 was \$14.28
- Total assets increased by \$55.9 million from June 30, 2023 to \$469.8 million as of June 30, 2024
- Credit quality is strong

Capital Insights and Credit Quality:

- Nonaccrual loans decreased in the second quarter of 2024, from \$2.2 million at year end 2023 to \$65 thousand in the current quarter.
- Non-performing assets to total assets decreased from 0.09% in the linked quarter to 0.01% in the current quarter.
- Delinquencies greater than 30 days were 0.09% of total loans as of June 30, 2024, down from 0.68% as of December 31, 2023.

- The bank's ACL ratio was 0.89% as of June 30, 2024, down slightly from 0.94% at year-end 2023. The June 30, 2024 ACL covered non-performing loans 53.3 times, an increase from 1.58 times at year-end 2023.
- The bank remains well capitalized.

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

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Chairman and Chief Executive Officer

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Chief Financial Officer, Chief Operating Officer

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CONSOLIDATED FINANCIAL HIGHLIGHTS (unaudited)

(dollars in thousands, except per share data)

Selected Financial Data	June 30,	December 31,	June 30,
	2024	2023	2023
Investment securities	\$ 46,325	\$ 47,931	\$ 49,513
Loans, net of allowance for loan losses	396,499	364,383	340,978
Total assets	469,787	442,163	413,839
Deposits	384,615	364,032	369,256
Borrowings	42,617	36,200	3,750
Subordinated debt	12,843	12,830	12,817
Stockholders' equity	\$ 28,155	\$ 27,948	\$ 26,759
Book value per common share	\$ 14.28	\$ 14.17	\$ 13.57
Allowance/loans	0.89%	0.94%	0.95%
Nonperforming assets/total assets	0.01%	0.49%	0.09%
	3 Months Ended		
Selected Operations Data	June 30,	December 31,	June 30,
	2024	2023	2023
Interest income	\$ 7,200	\$ 6,680	\$ 5,977
Interest expense	3,994	3,337	2,629
Net interest income	3,206	3,343	3,348
Provision for loan losses	110	170	0
Other income	209	210	118
Other expense	2,935	2,748	2,796
Income before income taxes	370	635	670
Income taxes	(81)	(160)	(215)
Net income	\$ 289	\$ 475	\$ 455
Earnings per common share (basic)	\$ 0.15	\$ 0.24	\$ 0.23
Earnings per common share (diluted)	\$ 0.14	\$ 0.23	\$ 0.22
Return on average assets (annualized)	0.25%	0.45%	0.44%
Return on average equity (annualized)	4.08%	6.97%	6.84%
Net charge-offs(recoveries)/average loans	0.01%	0.00%	0.00%