



FOR IMMEDIATE RELEASE

The Victory Bancorp, Inc.

2024 Fourth Quarter Earnings

Limerick, Pennsylvania – January 30, 2025 – The Victory Bancorp, Inc. (OTCQX: VTYB), the holding company for The Victory Bank, today announced record growth and financial highlights for the year ended December 31, 2024.

Financial Highlights for 2024:

- **Loan Growth:** Loans increased by \$26.6 million despite much higher interest rates and softening demand for loans, underlining the Bank's commitment to a strong lending culture and continued investment in lending infrastructure.
- **Deposit Growth:** Deposits grew by \$33 million in 2024, driven by the bank's focus on delivering exceptional customer service and focus on relationship banking.
- **Capital Acquisition:** The Bancorp successfully issued \$4.65 million of subordinated debt in the fourth quarter, of which \$2.5 million was down-streamed to the bank to support growth initiatives and enhance capital strength.
- **Net consolidated earnings:** Earnings rose by \$83 thousand year-over-year in the fourth quarter. Compared to the third quarter, earnings remained stable, with a slight decrease from \$586 thousand to \$558 thousand. The return on average equity for the fourth quarter was 7.58%.
- **Book Value:** Book value per common share remained nearly consistent, decreasing slightly from \$14.89 in the third quarter to \$14.84 in the fourth quarter. This stability reflects a solid foundation and demonstrates the company's ability to maintain value per share despite market fluctuations.
- **Stockholders' Equity:** As of December 31, 2024, the company's equity position grew by \$1.4 million compared to the end of 2023.
- **Dividends:** The bank paid a quarterly cash dividend of \$0.065 per share; \$0.26 per share for the calendar year

Loan Quality Metrics: The bank maintained superior loan quality metrics that outperformed peers:

- Losses to Average Loans at 0.0% as of December 31, 2024, compared to the peer average of 0.05% (as of September 30, 2024).
- 30-89 Day Past Due Loans at 0.01%, significantly better than the peer average of 0.42%.
- Non-Performing Loans at 0.05%, well below the peer average of 0.49%.

Bank Leader, Joseph W. Major, stated, "The year 2024 has been a remarkable period of growth and achievement. Despite a challenging economic landscape, our team's dedication and strategic initiatives have driven record results. The \$26.7 million growth in our loan portfolio and \$33 million increase in deposits underscore our ability to attract and retain high-value clients, and earnings showed substantial improvement based on improvements to net interest margin and overall balance sheet growth. Additionally, our successful capital acquisition strengthens our financial foundation and positions us for continued expansion."

“Our commitment to maintaining exceptional asset quality remains unwavering. The fact that our loan quality metrics significantly outperform peers is a testament to the vast experience of our lending and credit teams, our disciplined approach to risk management and our focus on long-term stability.”

“We are excited about the future and remain committed to delivering exceptional value to our shareholders, clients, and communities.”

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.

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)

Selected Financial Data	December 31, 2024	September 30, 2024	December 31, 2023
Investment securities	\$ 44,642	\$ 46,110	\$ 47,931
Loans, net of allowance for loan losses	390,954	395,213	364,383
Total assets	461,024	467,939	442,163
Deposits	397,080	398,169	364,032
Borrowings	15,440	24,692	36,200
Subordinated debt	17,309	12,851	12,830
Stockholders' equity	\$ 29,337	\$ 29,437	\$ 27,948
Book value per common share	\$ 14.84	\$ 14.89	\$ 14.17
Allowance/loans	0.92%	0.91%	0.94%
Nonperforming assets/total assets	0.05%	0.04%	0.49%

Selected Operations Data	3 Months Ended		
	December 31, 2024	September 30, 2024	December 31, 2023
Interest income	\$ 7,281	\$ 7,526	\$ 6,680
Interest expense	3,886	4,064	3,337
Net interest income	3,395	3,462	3,343
Provision for loan losses	(32)	71	170
Other income	299	239	210
Other expense	3,000	2,895	2,748
Income before income taxes	726	735	635
Income taxes	(168)	(149)	(160)
Net income	\$ 558	\$ 586	\$ 475
Earnings per common share (basic)	\$ 0.28	\$ 0.30	\$ 0.24
Earnings per common share (diluted)	\$ 0.28	\$ 0.29	\$ 0.23
Return on average assets (annualized)	0.48%	0.50%	0.45%
Return on average equity (annualized)	7.58%	8.14%	6.97%
Net charge-offs(recoveries)/average loans	0.00%	0.00%	0.00%