



FOR IMMEDIATE RELEASE

October 13, 2020

**Highlands Bankshares, Inc.
Reports 2020 Third Quarter Earnings
And Declares Quarterly Dividend**

Petersburg, WV - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$2,392,000 for the first nine-month period ended September 30, 2020. This represents a decrease of 4.0% from the \$2,491,000 earned during the same period in 2019. On a per share basis, net income was \$1.79 for the first nine months of 2020, compared to earnings of \$1.82 per share for the nine months ended September 30, 2019.

On October 13, 2020, the Board of Directors declared a quarterly dividend of **\$0.40** per share to be paid on November 6, 2020 to all shareholders of record as of October 30, 2020. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is **4.39%**.

John Van Meter, Chairman and Chief Executive Officer of the holding company, stated "2020 has certainly been challenging for all of us, in many different ways. We have been focused on ensuring the safety of our customers and employees, providing safe and convenient access to banking services, and supporting our many individual and small business customers. While the economy has begun to rebound, both locally and nationally, we have elected to increase our provisions for loan losses as there will be inevitable impacts to some businesses. We remain grateful for the hard work of our staff and the support of our shareholders as we navigate uncharted waters."

Highlands Bankshares, Inc. operates twelve banking locations in West Virginia and Virginia through its two wholly-owned subsidiary banks, The Grant County Bank and Capon Valley Bank, and offers insurance services through its wholly-owned subsidiary HBI Life Insurance Company.