



---

**FOR IMMEDIATE RELEASE**

February 13, 2024

**Highlands Bankshares, Inc.  
Reports Year End Earnings  
And Declares Quarterly Dividend**

**Petersburg, WV** - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$3,557,000 for the year ended December 31, 2023. This represents a decrease of 19.65% from the \$4,427,000 earned during 2022. On a per share basis, net income was \$2.66 for 2023, compared to earnings of \$3.31 per share for the year ended December 31, 2022.

On February 13, 2024, the Board of Directors declared a quarterly dividend of \$0.42 per share to be paid on March 1, 2024 to all shareholders of record as of February 26, 2024. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 4.36%.

Jack H. Walters, Chairman and Chief Executive Officer of the holding company, stated "2023 was marked by increasing challenges to banks' net interest margins as competition for deposits and recent rate increases combined to increase interest expense. In addition, losses on securities and increased provisions for loan losses weighed on profits. On a positive note, loan growth was strong across all loan segments in 2023 and offset some of the expense increases. We are pleased to again deliver a dividend to our shareholders and we look forward to serving our many customers throughout the Potomac Highlands and Virginia in 2024."

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.