



FOR IMMEDIATE RELEASE

April 9, 2024

**Highlands Bankshares, Inc.  
Reports 2024 First Quarter Earnings  
And Declares Quarterly Dividend**

**Petersburg, WV** - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of \$891,000 for the first three-month period ended March 31, 2024. This represents an increase of 13.9% from the \$782,000 earned during the same period in 2023. On a per share basis, net income was \$0.67 for the first three months of 2024, compared to earnings of \$0.58 per share for the three months ended March 31, 2023.

On April 9, 2024, the Board of Directors declared a quarterly dividend of \$0.42 per share to be paid on May 3, 2024 to all shareholders of record as of April 26, 2024. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 4.67%.

Jack H. Walters, Chairman and Chief Executive Officer of the holding company, stated "Highlands is pleased to report increased earnings for Q1 2024 compared to the year ago period. Earnings were positively impacted by continued growth in our loan portfolio, leading to higher interest income that has helped offset increased interest costs paid on deposits. In addition, we took a write down on an impaired investment in Q1 2023 that negatively impacted earnings during that period. We are thankful for the continued trust of our shareholders and will continue to do our best to serve all of our local communities with the very best banking products and customer service."

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.