FOR IMMEDIATE RELEASE
July 8, 2025

Highlands Bankshares, Inc.
Reports 2025 Second Quarter Earnings
And Declares Quarterly Dividend

Petersburg, WV - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of $2,808,000 for the first six-month period ended June 30, 2025. This represents an increase of 32.39% from the $2,121,000 earned during the same period in 2024. On a per share basis, net income was $2.12 for the first six months of 2025, compared to earnings of $1.59 per share for the six months ended June 30, 2024.

On July 8, 2025, the Board of Directors declared a quarterly dividend of $0.45 per share to be paid on August 1, 2025 to all shareholders of record as of July 18, 2025. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 5.14%.

Jack H. Walters, Chairman and Chief Executive Officer of the holding company, stated "I am very pleased with the performance of the company during the first half of 2025. We continued to see strong growth in deposits as well as across all loan segments. Our net interest margin continues to improve as legacy loans reprice and deposit costs have remained stable. Economic conditions in our region continue to be stable, but we are watchful for any potential downturns as we judge that the current credit cycle is closer to the end than the beginning. We enjoy and look forward to continuing to build partnerships with individuals and businesses throughout our area who appreciate our commitment to community banking."

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.