FOR IMMEDIATE RELEASE
October 14, 2025

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

Petersburg, WV - Highlands Bankshares, Inc. (OTC: HBSI) announced unaudited earnings of $4,326,000 for the first nine-month period ended September 30, 2025. This represents an increase of 33% from the $3,261,000 earned during the same period in 2024. On a per share basis, net income was $3.28 for the first nine months of 2025, compared to earnings of $2.44 per share for the nine months ended September 30, 2024.

On October 14, 2025, the Board of Directors declared a quarterly dividend of $0.45 per share to be paid on November 1, 2025 to all shareholders of record as of October 25, 2025. Based upon the current market price and annualizing the dividends paid to shareholders this quarter, Highlands' current dividend yield is 4.66%.

Jack H. Walters, Chairman and Chief Executive Officer of the holding company, stated "Earnings in Q3 continue to show marked improvement over the year ago period. Net interest income continues to improve, driven by increased balances in our loan portfolio and a more stable deposit expense environment compared to the prior two years. We are proud that our banks have been serving our local communities for over one hundred years, and we look forward to expanding our presence to serve more communities in our region."

Highlands Bankshares, Inc. currently 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. Capon Valley Bank will be opening their new Winchester North branch, located in Winchester, Virginia in early 2026. The Grant County Bank also plans to start construction of a new branch located in Falling Waters, WV in early 2026.