

Press Release – For Immediate Release

January 24, 2023

CCFNB Bancorp, Inc. Reports Fourth Quarter 2022 Earnings

Bloomsburg, PA – CCFNB Bancorp, Inc. (OTC Pink: CCFN), parent company of First Columbia Bank & Trust Co., has released its unaudited financial statements for the fourth quarter of 2022.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended December 31, 2022 was \$2,595,000 compared to \$2,513,000 for the same period in 2021. Net income, as reported under U.S. Generally Accepted Accounting Principles, for the year-ended December 31, 2022 was \$9,514,000 compared to \$9,405,000 for the same period in 2021. Earnings per share for the quarters-ended December 31, 2022 and 2021 were \$1.25 and \$1.21, respectively. Earnings per share for the years-ended December 31, 2022 and 2021 were \$4.58 and \$4.53, respectively. The return on average assets and return on average equity were 1.0% and 10.45% for the year-ended December 31, 2022 as compared to 1.02% and 8.91% for the same period of 2021.

The net interest margin, tax effected, on interest earning assets and liabilities was 2.55% and 2.58% at December 31, 2022 and 2021, respectively.

Total assets amounted to \$944.0 million at December 31, 2022 as compared to \$952.7 at December 31, 2021. For the year-ended December 31, 2022, net loans, not held for sale, increased by \$62.3 million while investment securities increased \$3.3 million and cash and cash equivalents decreased \$84.5 million to \$13.1 million. Over the same time period, loans held for sale increased \$633 thousand. Total deposits decreased \$19.2 million while short term borrowings increased \$29.0 million since the end of 2021.

The Corporation invests in various forms of agency debt including mortgage-backed securities and callable agency debt. The fair value of these securities is influenced by market interest rates, prepayment speeds on mortgage securities, bid to offer spreads in the market place and credit premiums for various types of agency debt. These factors change continuously and therefore the fair market value of these securities may be higher or lower than the Corporation's carrying value at any measurement date. The temporary impact on Investments will also affect Stockholders' Equity as these fluctuations are recorded through Accumulated Other Comprehensive Loss. For the year ended December 31, 2022, the temporary impact of these unrealized losses on the Stockholders' Equity amounted to a reduction of \$24.5 million. The Corporation does not consider its debt securities to be other-than-temporarily impaired since it has both the intent and ability to hold the securities until a recovery of fair value, which may be maturity.

When compared to December 31, 2021, stockholders' equity, excluding accumulated other comprehensive loss, increased \$6.1 million to \$113.3 million as of December 31, 2022. Total stockholders' equity equated to a book value per share of \$41.34 at December 31, 2022 as compared with \$50.21 as of December 31, 2021. As mentioned above, the unrealized loss on the agency debt securities decreased the Corporation's book value. The unrealized losses have reduced the Corporation's book value by approximately \$11.79 per share since December 31, 2021. For the year-ended December 31, 2022 cash dividends of \$1.67 per share were paid to stockholders as compared to \$3.13 for the same 2021 period. During 2021, the Corporation paid a one-time special dividend of \$1.50 a share. CCFNB Bancorp, Inc. remains well capitalized, with an equity to assets ratio of 9.10% as of December 31, 2022 and 10.95% at December 31, 2021.

Note: This press release may contain forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Actual results and trends could differ materially from those set forth in such statements due to various factors. These factors include operating, legal and regulatory risks; changing economic and competitive conditions and other risks and uncertainties.

CCFNB Bancorp, Inc.
Consolidated Balance Sheets

	(Unaudited)	
	December 31,	December 31,
(In Thousands, except share data)	2022	2021
ASSETS		
Cash and due from banks	\$ 9,750	\$ 14,496
Interest-bearing deposits in other banks	3,333	74,868
Federal funds sold	1	8,179
Total cash and cash equivalents	13,084	97,543
Investment debt securities, available for sale, at fair value	341,051	337,832
Investment equity securities, at fair value	1,077	1,114
Restricted securities	3,223	3,060
Loans held for sale	4,568	3,935
Loans, net of unearned income	527,729	467,300
Less: Allowance for loan losses	7,279	9,136
Loans, net	520,450	458,164
Premises and equipment:		
Operating lease right-of-use asset	298	914
Other premises and equipment, net	12,514	12,877
Accrued interest receivable	2,222	1,490
Cash surrender value of bank-owned life insurance	21,859	20,964
Investment in limited partnerships	3,745	1,499
Goodwill	7,937	7,937
Other assets	11,986	5,384
TOTAL ASSETS	\$ 944,014	\$ 952,713
LIABILITIES		
Interest-bearing deposits	\$ 500,480	\$ 517,511
Noninterest-bearing deposits	181,845	183,984
Total deposits	682,325	701,495
Short-term borrowings	171,741	142,718
Long-term borrowings	24	28
Accrued interest payable	187	206
Operating lease liability	298	914
Other liabilities	3,497	3,010
TOTAL LIABILITIES	858,072	848,371
STOCKHOLDERS' EQUITY		
Common stock, par value \$1.25 per share; authorized 15,000,000 shares, issued 2,343,835 shares in 2022 and 2,342,184 shares in 2021	2,930	2,928
Surplus	30,030	29,950
Retained earnings	90,156	84,113
Accumulated other comprehensive loss	(27,384)	(2,884)
Treasury stock, at cost; 264,700 shares in 2022 and 264,200 in 2021	(9,790)	(9,765)
TOTAL STOCKHOLDERS' EQUITY	85,942	104,342
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 944,014	\$ 952,713

CCFNB Bancorp, Inc.
Consolidated Statements of Income
(Unaudited)

(In Thousands, Except Per Share Data)	For the Three Months Ended		For the Twelve Months Ended	
	December 31,		December 31,	
	2022	2021	2022	2021
INTEREST AND DIVIDEND INCOME				
Interest and fees on loans:				
Taxable	\$ 5,571	\$ 5,206	\$ 20,604	\$ 20,634
Tax-exempt	215	180	675	725
Interest and dividends on investment securities:				
Taxable	1,234	663	4,321	2,343
Tax-exempt	92	41	185	229
Dividend and other interest income	54	48	198	213
Federal funds sold	5	-	20	1
Deposits in other banks	123	37	385	128
TOTAL INTEREST AND DIVIDEND INCOME	7,294	6,175	26,388	24,273
INTEREST EXPENSE				
Deposits	484	445	1,773	1,923
Short-term borrowings	1,356	90	2,286	322
Long-term borrowings	1	1	2	2
TOTAL INTEREST EXPENSE	1,841	536	4,061	2,247
NET INTEREST INCOME	5,453	5,639	22,327	22,026
PROVISION FOR LOAN LOSSES	(450)	30	(1,810)	120
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	5,903	5,609	24,137	21,906
NON-INTEREST INCOME				
Service charges and fees	541	361	2,117	1,185
Gain on sale of loans	47	352	478	1,837
Earnings on bank-owned life insurance	332	105	652	421
Brokerage	149	147	597	599
Trust	240	264	845	901
Gain (loss) on equity securities	22	31	(38)	164
Investment security losses, net	-	-	(1,236)	-
Gain on sale of premises and equipment	-	-	-	149
Interchange fees	435	441	1,720	1,788
Other	242	241	936	954
TOTAL NON-INTEREST INCOME	2,008	1,942	6,071	7,998
NON-INTEREST EXPENSE				
Salaries	2,033	1,935	7,655	7,411
Employee benefits	494	(7)	2,751	2,140
Occupancy	469	308	1,476	1,309
Furniture and equipment	486	411	1,757	1,504
State shares tax	(109)	209	412	829
Professional fees	476	554	1,390	1,384
Director's fees	76	98	314	335
FDIC assessments	67	65	262	242
Telecommunications	77	96	351	395
Automated teller machine and interchange	132	131	338	321
Other	837	604	2,362	2,281
TOTAL NON-INTEREST EXPENSE	5,038	4,404	19,068	18,151
INCOME BEFORE INCOME TAX PROVISION	2,873	3,147	11,140	11,753
INCOME TAX PROVISION	278	634	1,626	2,348
NET INCOME	\$ 2,595	\$ 2,513	\$ 9,514	\$ 9,405
EARNINGS PER SHARE	\$ 1.25	\$ 1.21	\$ 4.58	\$ 4.53
CASH DIVIDENDS PER SHARE	\$ 0.42	\$ 0.41	\$ 1.67	\$ 3.13
WEIGHTED AVERAGE SHARES OUTSTANDING	2,078,705	2,077,606	2,078,218	2,076,963

	Quarter Ended (unaudited)				
(Dollars in Thousands, Except Per Share Data)	12/31/2022	9/30/2022	6/30/2022	3/31/2022	12/31/2021
Operating Highlights					
Net income	\$ 2,595	\$ 2,521	\$ 1,953	\$ 2,445	\$ 2,513
Net interest income	5,453	5,953	5,528	5,393	5,639
Provision for loan losses	(450)	(1,200)	(190)	30	30
Non-interest income	2,008	498	1,607	1,958	1,942
Non-interest expense	5,038	4,668	4,848	4,514	4,404
Financial Condition Data:					
Total assets	\$ 944,014	\$ 952,822	\$ 953,045	\$ 955,767	\$ 952,713
Loans, net and loans held for sale	525,018	506,760	487,334	453,793	462,099
Intangibles	7,937	7,937	7,937	7,937	7,937
Total deposits					
Noninterest-bearing	\$ 181,845	\$ 182,469	\$ 184,855	\$ 185,590	\$ 183,984
Savings	171,462	174,173	176,056	173,923	165,664
NOW	152,656	156,961	159,048	164,403	159,028
Money Market	51,850	51,894	56,293	55,493	52,479
Time Deposits	124,512	129,900	135,784	139,948	140,340
Total interest-bearing deposits	500,480	512,928	527,181	533,767	517,511
Core deposits*	557,813	565,497	576,252	579,409	561,155
Selected Ratios					
Net interest margin(YTD)	2.55%	2.56%	2.51%	2.48%	2.58%
Annualized return on average assets	1.00%	0.97%	0.93%	1.03%	1.02%
Annualized return on average equity	10.45%	9.82%	9.14%	9.64%	8.91%
Capital Ratios					
Common equity tier I capital ratio	19.79%	20.77%	20.32%	21.22%	21.26%
Tier I capital ratio	19.79%	20.77%	20.32%	21.22%	21.26%
Total risk-based capital ratio	21.04%	22.03%	21.58%	22.48%	22.52%
Leverage ratio	11.02%	10.74%	10.79%	10.71%	10.50%
Asset Quality Ratios					
Non-performing assets	\$ 2,654	\$ 2,678	\$ 2,816	\$ 2,821	\$ 2,870
Allowance for loan losses	7,279	7,743	8,960	9,159	9,136
Allowance for loan losses to total loans	1.37%	1.51%	1.81%	1.98%	1.94%
Allowance for loan losses to non-performing loans	274.33%	293.22%	318.16%	324.66%	318.31%
Per Share Data					
Earnings per share	\$ 1.25	\$ 1.21	\$ 0.94	\$ 1.18	\$ 1.21
Dividend declared per share	0.42	0.42	0.42	0.41	0.41
Book value	41.34	39.88	42.29	45.37	50.21
Common stock price:					
Bid	\$ 45.00	\$ 45.50	\$ 52.20	\$ 53.00	\$ 53.00
Ask	51.00	49.50	55.90	48.75	53.99
Weighted average common shares	2,078,705	2,078,204	2,077,971	2,077,984	2,077,606
* Core deposits are defined as total deposits less time deposits					