



Press Release

Queenstown Bancorp of Maryland, Inc. Announces June 30, 2024 Financial Results

QUEENSTOWN, MD., August 22, 2024 / Company Release / -- Queenstown Bancorp of Maryland, Inc. reported their consolidated financial results for the six months ended June 30, 2024.

Net income for the six months ended June 30, 2024 was \$2.7 million (\$2.26 per common share) compared to \$3.1 million (\$2.62 per common share) for the same period of 2023. Net interest income was \$9.7 million for the period, compared to \$ 10.1 for the first half of 2023. There was no loan loss provision for the first half of 2024 and 2023. The Bank has experienced net recoveries of loan losses of \$100 thousand for the first half of 2024. The Bank remains very well capitalized with the ratio of common equity to risk-based total assets of 18.37% as of June 30, 2024 and 17.82% as of June 30, 2023. Tier I regulatory common equity to total assets was 11.51% as of June 30, 2024, and 11.21% as of June 30, 2023.

The continued tight financial conditions, resulting from the Federal Reserve interest rate increases, continue to impact both our deposit pricing and loan pricing. We are committed to providing our customers with the best rates we can offer while producing the financial results expected for our shareholders. “We will continue to monitor the actions of the Federal Reserve and make the necessary adjustments to our operations. Asset quality has remained stable, which is a good sign for the Bank and our community. We will continue to focus on technology, prudent growth and credit quality”, stated President and CEO Kevin B. Cashen.

About Queenstown Bank of Maryland: Queenstown Bank of Maryland (“Bank”) is the sole subsidiary of Queenstown Bancorp of Maryland Inc. (“Company”). Founded in 1899, Queenstown Bank is a full-service community bank offering a wide array of personal and commercial banking loan and deposit products. The Bank is active in both the residential and commercial mortgage lending markets and has developed a robust on-line banking suite of products for both individuals and businesses. The Bank has total assets of \$683 million and nine branches located in Queenstown, Easton, Grasonville, Chester, Stevensville, Centreville, Church Hill, Ridgely and Cambridge, Maryland. The Bank is well known for its outstanding customer service and responsiveness to its community. For more information on the Bank or if you are interested in buying or selling stock, please visit us at www.queenstownbank.com or contact us at 410-827-8881.

Forward Looking Statements

In addition to the historical information contained herein, this press release may contain forward-looking statements that involve risks and uncertainties that may be affected by various factors that may cause actual results to differ materially from those in any forward-looking statements.

| Queenstown Bancorp of Maryland , Inc. and Subsidiary | | | |
|---|-----------------|-----------------|---------------|
| Financial Performance Summary | | | |
| For the six months ended June 30, 2024 | | | |
| | June 30, | June 30, | % |
| (Dollars in thousands, except per share data) | 2024 | 2023 | change |
| PROFITABILITY | | | |
| Net interest income | \$ 9,713 | \$ 10,154 | -4.34% |
| Noninterest income | 862 | 879 | -1.93% |
| Other real estate gains (losses) | - | - | |
| Noninterest expenses | 6,978 | 6,799 | 2.63% |
| Provision for loan losses | - | - | |
| Income before taxes | 3,597 | 4,234 | -15.04% |
| Income tax expense | 896 | 1,094 | -18.10% |
| Net income | 2,701 | 3,140 | -13.98% |
| Return on average assets* | 0.79% | 0.90% | |
| Return on average equity* | 8.69% | 8.03% | |
| Net interest margin | 2.88% | 3.10% | |
| Efficiency ratio | 65.52% | 61.61% | |
| PER SHARE DATA (Bancorp) | | | |
| Net income | 2.26 | 2.62 | -13.87% |
| Book value | 53.39 | 49.22 | 8.47% |
| Shares outstanding | 1,194,610 | 1,196,927 | |
| BALANCE SHEET | | | |
| Loans | 458,775 | 447,112 | 2.61% |
| Loan loss reserve | 6,834 | 7,587 | -9.92% |
| Loans, net of loan loss reserve | 451,941 | 439,525 | 2.82% |
| Interest bearing deposits with banks | 57,956 | 50,178 | 15.50% |
| Securities available for sale | 130,500 | 143,562 | -9.10% |
| Total assets | 682,970 | 676,873 | 0.90% |
| Deposits | 589,042 | 593,868 | -0.81% |
| Borrowings | 25,000 | 20,000 | |
| Stockholders' equity | 63,779 | 58,913 | 8.26% |
| Loans / Deposits | 77.88% | 75.29% | |
| Loan loss reserve / Loans | 1.49% | 1.70% | |
| REGULATORY CAPITAL RATIOS | | | |
| QUEENSTOWN BANK - | | | |
| Tier I leverage ratio | 11.51% | 11.21% | |
| Common equity risk based | 17.11% | 16.56% | |
| Tier I risk-based capital ratio | 17.11% | 16.56% | |
| Total risk based capital ratio | 18.37% | 17.82% | |
| Total risk weighted assets | 472,191 | 471,388 | |
| Total average assets quarter to date | 702,368 | 696,350 | |
| Tier I | 80,813 | 78,068 | |
| Total capital | 86,728 | 83,982 | |