



ODNB Financial Corporation Reports Fourth Quarter and Full-Year 2025 Financial Results

ODNB achieves record revenue and earnings; surpasses \$1.6 billion in total assets

TYSONS CORNER, Va., January 28, 2026 – ODNB Financial Corporation (“ODNB” or the “Company”), the holding company for Old Dominion National Bank (the “Bank”) and its Centre 1st Bank division (“Centre 1st Bank”), reported financial results for the fourth quarter and year ended December 31, 2025.

“Driven by the trust of our clients and shareholders, and the commitment of our talented team, ODNB delivered record fourth-quarter and full-year financial performance,” said Chairman and Chief Executive Officer Mark Merrill. “In 2025, the Company achieved all-time highs in revenue, earnings, deposits, loans, and total assets, while expanding margins and maintaining disciplined credit quality. We enter 2026 with a strong balance sheet, significant liquidity, and ample capital to support the continued execution of our organic growth strategy. ODNB is stronger than ever and well positioned to continue creating sustainable shareholder value in 2026 and beyond.”

Selected Highlights

- **Record Earnings** – Net income reached a quarterly record of \$3.0 million, increasing 37.4% from \$2.2 million in the prior quarter and 42.0% from \$2.1 million in the fourth quarter of 2024. Full-year net income more than doubled to a record \$8.9 million in 2025, up from \$3.7 million in 2024. Pre-tax earnings also reached a quarterly record of \$3.8 million, up 36.0% from \$2.8 million in the prior quarter and 59.1% from \$2.4 million in the fourth quarter of 2024. For the year, pre-tax earnings more than doubled to \$11.4 million, from \$4.5 million in 2024.
- **Accelerating Revenue Growth** – Net interest income grew to a quarterly record of \$11.1 million, increasing 8.8% from the prior quarter and 23.8% from the fourth quarter of 2024. For the full-year, net interest income reached a record \$39.8 million, up 23.0% from 2024. Noninterest income increased to \$806 thousand, up 30.4% from the prior quarter and 49.0% from the fourth quarter of 2024. The increase in non-interest income was primarily due to the significant contributions from the new Wealth Management division, which ended the year with \$625 million in assets under management. Full-year noninterest income rose to \$2.4 million, a 48.4% increase from 2024.
- **Sustained Margin Expansion** – Net interest margin (“NIM”) expanded to 2.93%, compared to 2.84% in the prior quarter and 2.64% in the fourth quarter of 2024. NIM improved in seven of the last eight quarters and increased 48 basis points from its low of 2.45% in the fourth quarter of 2023. For the full-year, NIM expanded to 2.80% in 2025, up from 2.54% in 2024.
- **Valuable Core Deposit Franchise** – Deposits grew to a record \$1.31 billion at period end, increasing \$71.2 million, or 23.0% annualized, during the quarter and \$184.9 million, or 16.4%, from December 31, 2024. Deposit mix continued to improve as higher-cost time deposits declined 4.1% on an annualized basis during the quarter and were more than offset by targeted growth in demand, savings, and money market deposits, which collectively increased 35.2% on an annualized basis. At period end, noninterest-bearing deposits totaled \$281.8 million, up 18.4% from December 31, 2024, and represented 21.5% of total deposits, reflecting strong contributions from the Title & Escrow Services and Government Contracting divisions.

- **New Charlottesville Branch** – ODNB relocated its North Garden, Virginia, charter office to a new full-service branch in downtown Charlottesville, enhancing the Bank's ability to serve consumers, small businesses, and nonprofits in the local market. Together with the Scottsville branch, the Charlottesville-area market grew customer deposits by 17.5% in 2025.
- **Diversified Loan Growth** – Loans grew to a record \$1.35 billion at period end, rising \$78.1 million or 24.6% annualized, during the quarter and \$164.6 million, or 13.9%, from December 31, 2024. Growth in loans was diversified across all product lines, including commercial and industrial, commercial real estate, and residential lending.
- **Strong and Stable Asset Quality** – ODNB reported no loans past due 30-89 days and no loans past due 90 days or more and still accruing. Nonperforming loans totaled \$13.7 million, or 1.01% of total loans, at period end. The Company held no other real estate owned assets. Provision expense was \$175 thousand in the fourth quarter of 2025, and the allowance for credit losses increased to \$12.8 million to support continued loan growth.
- **Well-Capitalized Balance Sheet** – The Company completed a \$25.0 million private placement of a 7.25% Fixed-to-Floating Rate Subordinated Note due 2035, qualifying as Tier 2 Capital, with a subsidiary of EJF Capital, LLC, a locally-based global institutional asset management firm specializing in financials. Regulatory capital ratios remained well in excess of "well-capitalized" thresholds, with a Tier 1 leverage ratio of 12.18%, Tier 1 risk-based capital ratio of 13.61%, and total risk-based capital ratio of 14.57% at December 31, 2025.
- **Tangible Book Value Growth** – Tangible book value per share increased to \$12.67 at December 31, 2025, up from \$12.36 at September 30, 2025, and \$11.66 at December 31, 2024. The tangible common equity to tangible assets ratio was 9.01% at period end.

Operating Results

Net income was \$3.0 million for the fourth quarter of 2025, increasing 37.4% from \$2.2 million in the prior quarter and 42.0% from \$2.1 million in the prior-year period. For the full-year, net income was \$8.9 million in 2025, compared to \$3.7 million in 2024.

Net interest income grew to a record \$11.1 million in the fourth quarter of 2025, increasing 8.8% from \$10.2 million in the prior quarter and 23.8% from \$9.0 million in the prior-year period. For the full-year, net interest income increased 23.0% to \$39.8 million in 2025, compared to \$32.4 million in 2024. Net interest income growth for both the quarter and full-year primarily reflected higher average earning assets, increased interest income from improved loan yields despite a lower interest rate environment, and lower interest expense as deposit products continued to reprice to lower levels.

NIM expanded to 2.93% in the fourth quarter of 2025, up 9 basis points from 2.84% in the prior quarter and 29 basis points from 2.64% in the fourth quarter of 2024. For the full-year, NIM expanded to 2.80% in 2025, compared to 2.54% in 2024. NIM expansion during the fourth quarter and full-year was primarily attributable to improved margins on new business activity and the continued decline in the average cost of deposits.

Noninterest income increased to \$806 thousand in the fourth quarter of 2025, up 30.4% from \$618 thousand in the prior quarter and 49.0% from \$541 thousand in the prior-year period. For the full-year, noninterest income increased 48.4% to \$2.4 million in 2025, compared to \$1.6 million in 2024. The Company's Wealth Management division, launched earlier in 2025, contributed \$299 thousand to noninterest income in the fourth quarter, an increase of 139.2% from \$125 thousand in the third quarter of 2025. For the full-year, Wealth Management income totaled \$545 thousand. Assets under management, which are not included on the Company's balance sheet, grew from

zero at the start of 2025 to \$625.0 million at December 31, 2025. Growth in noninterest income for the quarter also reflected higher fee-based transactions and other cash management service charges, higher bank-owned life insurance income, and distributions from the Company's equity investment in Frost & Conn, an insurance agency located in State College, Pennsylvania.

Noninterest expense totaled \$7.9 million for the fourth quarter of 2025, compared to \$7.6 million in the prior quarter and \$7.3 million in the prior-year period. The increase in noninterest expense from the prior quarter primarily reflects higher salaries and employee benefits, increases in occupancy and equipment expenses, marketing expenses and other operating expenses, partially offset by lower professional services, data processing, and FDIC assessments. For the full-year, noninterest expenses increased 3.1% to \$29.6 million, up from \$28.7 million in 2024.

The Company's margin expansion and growth in noninterest income have resulted in total revenue growth significantly outpacing noninterest expense growth, improving operating leverage and reducing the efficiency ratio to 69.3% in 2025, compared to 78.6% in 2024.

Financial Condition

Total assets grew to a record \$1.61 billion at December 31, 2025, increasing 6.7% from \$1.51 billion at the end of the prior quarter and 16.2% from \$1.39 billion at December 31, 2024. Gross loans totaled \$1.35 billion at December 31, 2025, increasing 6.2% from \$1.27 billion at the end of the prior quarter and 13.9% from \$1.18 billion at December 31, 2024. The Company continues to see high-quality loan opportunities across its footprint from both existing and new customers, emphasizing organic loan growth over other earning asset alternatives.

Total deposits increased to \$1.31 billion at December 31, 2025, rising 5.7% from \$1.24 billion at the end of the prior quarter and 16.4% from \$1.13 billion at December 31, 2024. At December 31, 2025, noninterest-bearing deposits represented 21.5% of total deposits, interest-bearing checking, savings, and money market deposits represented 49.4%, and time deposits represented 29.1%, including brokered certificates of deposit comprising 13.7% of total deposits. ODNB continues to emphasize core customer deposit relationships to reduce its overall cost of funding and improve deposit mix and concentration.

Full-year deposit growth was primarily driven by increases in the Government Contracting, Commercial Real Estate, Title & Escrow, Nonprofit, and Consumer segments. Brokered deposits were significantly reduced during the year, resulting in a stronger core deposit franchise while still delivering double-digit deposit growth.

ODNB's balance sheet remains highly liquid. At December 31, 2025, the Company's on balance sheet liquidity position, defined as the sum of cash and unencumbered marketable securities, totaled \$218.3 million.

Asset Quality and Capital Strength

The Company's ability to maintain attractive long-term asset quality metrics is largely attributable to the high-quality nature of the Bank's borrowers, the strength of customer relationships, and the Bank's stringent underwriting criteria.

At December 31, 2025, the Bank had no loans past due 30-89 days, no loans past due 90 days or more and still accruing, and no other real estate owned. Nonaccrual loans totaled \$13.7 million, or 1.01% of total loans, at December 31, 2025, and consisted of two commercial real estate loans secured by mixed-use and multifamily properties in the Washington, D.C. metropolitan area. As previously reported, these two loans experienced credit deterioration and were placed on nonaccrual in the second quarter of 2025. Nonaccrual loans totaled \$13.8 million, or 1.09% of total loans, at September 30, 2025, and were zero at December 31, 2024.

Provision expense was \$175 thousand in the fourth quarter of 2025, compared to \$375 thousand in the prior quarter and a \$176 thousand release of provision for credit losses in the prior-year period. The allowance for credit losses totaled \$12.8 million, or 0.95% of gross loans, at December 31, 2025, compared to \$12.3 million, or 0.97%, at September 30, 2025, and \$11.7 million, or 0.99%, at December 31, 2024.

The Bank's regulatory capital ratios at December 31, 2025 remained well above levels required to be considered "well capitalized," with a Tier 1 leverage ratio of 12.18%, Tier 1 risk-based capital ratio of 13.61%, and total risk-based capital ratio of 14.57%. The Company's tangible equity to tangible assets ratio was 9.01% at December 31, 2025.

Book value per share increased to \$12.67 at December 31, 2025, from \$12.36 at the end of the prior quarter and \$11.66 at December 31, 2024. Non-GAAP book value per share, excluding available-for-sale ("AFS") securities losses reported in accumulated other comprehensive income ("AOCI"), increased to \$12.97 per share at December 31, 2025, from \$12.68 at the end of the prior quarter and \$12.14 at December 31, 2024.

About ODNB Financial Corporation

ODNB Financial Corporation is the holding company for [Old Dominion National Bank](#), a locally owned community bank serving markets including the Washington, D.C. metropolitan area. The Bank's executive headquarters is located in the heart of Northern Virginia in Tysons Corner, with full-service branches in Tysons Corner and Leesburg, Virginia, as well as communities in Central Virginia through its Albemarle County branches and in South Florida through its Boca Raton office.

[Centre 1st Bank](#), a wholly owned division of Old Dominion National Bank, serves customers in Pennsylvania and New Jersey from offices in State College, Pennsylvania. ODNB Wealth Management, a wholly owned division of the Bank, serves clients from its office in Haverford, Pennsylvania.

ODNB offers a full range of commercial and consumer financial services, including commercial and industrial lending, commercial real estate financing, residential mortgage lending, deposit services, and wealth management solutions, in the communities it serves. The Company had \$1.61 billion in total assets at December 31, 2025.

Forward-Looking Statements

This news release may contain certain forward-looking statements, such as statements of the Company's plans, objectives, expectations, estimates and intentions. Forward-looking statements may be identified using words such as "expects," "subject," "will," "intends," "will be" or "would." These statements are subject to change based on various important factors (some of which are beyond the Company's control) and actual results may differ materially. Accordingly, readers should not place undue reliance on any forward-looking statements (which reflect management's analysis of factors only as of the date of which they are given). These factors include general economic conditions, trends in interest rates, the ability of the Company to effectively manage its growth and results of regulatory examinations, among other factors. The foregoing list of important factors is not exclusive.

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ODNB FINANCIAL CORPORATION
Consolidated Balance Sheets (Unaudited)
(\$ in thousands except per share data)

	December 31, 2025	September 30, 2025	December 31, 2024
ASSETS			
Cash and due from banks	\$ 118,489	\$ 105,011	\$ 46,173
Federal funds sold	36,831	26,285	46,404
Cash and cash equivalents	155,320	131,296	92,577
Investment securities available-for-sale, at fair value	47,713	48,231	49,047
Investment securities held-to-maturity, at amortized cost	15,217	16,709	22,183
Restricted equity securities, at cost	10,388	10,383	10,020
Loans held for sale	1,010	1,431	709
Gross loans	1,347,478	1,269,403	1,182,849
Allowance for credit losses	(12,810)	(12,307)	(11,722)
Loans, net of allowance for credit losses	1,334,668	1,257,096	1,171,127
Property and equipment, net	2,298	2,156	1,269
Accrued interest receivable	5,592	5,141	5,376
Bank owned life insurance	25,220	25,006	24,394
Other assets	14,169	13,019	9,789
Total assets	<u>\$ 1,611,595</u>	<u>\$ 1,510,468</u>	<u>\$ 1,386,491</u>
LIABILITIES AND STOCKHOLDERS' EQUITY			
Liabilities			
Deposits			
Non interest-bearing demand	\$ 281,781	\$ 286,035	\$ 238,000
NOW and interest-bearing demand	337,966	279,136	277,106
Money market and savings	308,811	288,214	274,779
Time deposits	381,881	385,872	335,694
Total deposits	1,310,439	1,239,257	1,125,579
Federal Home Loan Bank advances	95,000	95,000	95,000
Subordinated debt, net	48,379	23,481	23,425
Accrued interest payable	2,562	2,025	1,915
Other liabilities	10,037	9,233	7,297
Total liabilities	<u>1,466,417</u>	<u>1,368,996</u>	<u>1,253,216</u>
Stockholders' Equity			
Common stock, \$0.25 par value; 20,000,000 shares authorized;	2,864	2,862	2,857
Additional paid-in capital	139,335	139,023	138,477
Retained earnings (accumulated deficit)	6,328	3,311	(2,603)
Accumulated other comprehensive loss	(3,349)	(3,724)	(5,456)
Total stockholders' equity	145,178	141,472	133,275
Total liabilities and stockholders' equity	<u>\$ 1,611,595</u>	<u>\$ 1,510,468</u>	<u>\$ 1,386,491</u>
Tangible Book Value:			
Shares outstanding	11,456,755	11,446,764	11,428,765
Tangible book value per share	\$ 12.67	\$ 12.36	\$ 11.66
Tangible book value per share excluding AOCI ⁽¹⁾	\$ 12.96	\$ 12.68	\$ 12.14
Capital Ratios:			
Equity to assets	9.01%	9.37%	9.61%
Bank Tier 1 leverage ratio	12.18%	11.05%	11.15%
Bank Tier 1 risk-based capital ratio	13.61%	12.61%	12.67%
Bank Total risk-based capital ratio	14.57%	13.63%	13.69%
Asset Quality:			
Allowance for credit losses	\$ 12,810	\$ 12,307	\$ 11,722
Allowance for credit losses/total gross loans	0.95%	0.97%	0.99%
Loans past due 30-89 days and accruing	\$ -	\$ 703	\$ 980
Loans past due 90 days or more and accruing	\$ -	\$ -	\$ -
Nonaccrual loans	\$ 13,663	\$ 13,800	\$ -
Loans past due 30-89 days and accruing to total gross loans	0.00%	0.06%	0.08%
Loans past due 90 days or more and accruing to total gross loans	0.00%	0.00%	0.00%
Nonaccrual loans to total gross loans	1.01%	1.09%	0.00%
Net charge-offs/average loans ⁽²⁾	0.11%	0.14%	0.01%

⁽¹⁾ Non-GAAP, Accumulated Other Comprehensive Income (AOCI)

⁽²⁾ Annualized net charge-offs

ODNB FINANCIAL CORPORATION
Consolidated Statements of Income (Unaudited)
(\$ in thousands)

	For the Three Months Ended			For the Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Interest and dividend income					
Loans and fees on loans	\$ 19,696	\$ 18,954	\$ 17,403	\$ 74,257	\$ 64,310
Interest bearing deposits and federal funds sold	1,228	805	1,076	3,624	3,921
Investment securities and dividend income	539	572	617	2,322	2,500
Total interest and dividend income	<u>21,463</u>	<u>20,331</u>	<u>19,096</u>	<u>80,203</u>	<u>70,731</u>
Interest expense					
Deposits	8,975	8,799	8,810	35,014	33,029
Federal Home Loan Bank advances and other borrowings	929	943	929	3,704	3,745
Subordinated debt	463	394	394	1,644	1,574
Total interest expense	<u>10,367</u>	<u>10,136</u>	<u>10,133</u>	<u>40,362</u>	<u>38,348</u>
Net interest income	<u>11,096</u>	<u>10,195</u>	<u>8,963</u>	<u>39,841</u>	<u>32,383</u>
Provision for credit losses	<u>175</u>	<u>375</u>	<u>(176)</u>	<u>1,242</u>	<u>832</u>
Net interest income after provision for credit losses	<u>10,921</u>	<u>9,820</u>	<u>9,139</u>	<u>38,599</u>	<u>31,551</u>
Noninterest income					
Service charges on deposit accounts and other service charges	234	207	247	844	675
Gain on sale of loans, net	25	19	35	88	60
Bank owned life insurance income	215	213	198	827	770
Wealth income	299	125	-	545	-
Other income	33	54	61	139	141
Total noninterest income	<u>806</u>	<u>618</u>	<u>541</u>	<u>2,443</u>	<u>1,646</u>
Noninterest expense					
Salaries and employee benefits	4,850	4,401	4,234	17,803	16,623
Occupancy and equipment	612	570	424	2,193	2,009
Other operating expense	2,443	2,656	2,619	9,647	10,054
Total noninterest expense	<u>7,905</u>	<u>7,627</u>	<u>7,277</u>	<u>29,643</u>	<u>28,686</u>
Pre-tax income	<u>3,822</u>	<u>2,811</u>	<u>2,403</u>	<u>11,399</u>	<u>4,511</u>
Income tax expense	<u>804</u>	<u>614</u>	<u>278</u>	<u>2,468</u>	<u>843</u>
Net income	<u>\$ 3,018</u>	<u>\$ 2,197</u>	<u>\$ 2,125</u>	<u>\$ 8,931</u>	<u>\$ 3,668</u>
Performance Ratios:					
Net interest margin	2.93%	2.84%	2.64%	2.80%	2.54%
Efficiency ratio	66.42%	70.54%	76.57%	70.10%	84.30%
Efficiency ratio ⁽²⁾	66.42%	67.19%	74.37%	69.25%	78.61%
Noninterest income/average assets ⁽¹⁾	0.21%	0.17%	0.16%	0.17%	0.13%
Noninterest expense/average assets ⁽¹⁾	2.04%	2.08%	2.11%	2.02%	2.21%
Noninterest expense/average assets ⁽²⁾	2.04%	1.98%	2.05%	2.00%	2.06%

⁽¹⁾ Annualized noninterest income and noninterest expense for the three months ended

⁽²⁾ Non-GAAP, adjusted for nonrecurring items

Use of Non-GAAP Financial Measures

Certain information set forth in this press release refers to financial measures that are determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). The Company believes that certain non-GAAP measures may be helpful to investors and provide a greater understanding of its business and financial results. These measures are not necessarily comparable to similar measures that may be presented by other companies and should not be considered in isolation or as a substitute for the related GAAP measure. See the table below for reconciliations of the non-GAAP information identified herein and its most comparable GAAP measures.

	For the Three Months Ended			For the Year Ended	
	December 31, 2025	September 30, 2025	December 31, 2024	December 31, 2025	December 31, 2024
GAAP Noninterest Expense	\$ 7,905	\$ 7,627	\$ 7,277	\$ 29,643	\$ 28,686
Nonrecurring (expenses) recovery	-	(362)	(216)	(362)	(1,935)
Non-GAAP Noninterest Expense	<u>\$ 7,905</u>	<u>\$ 7,265</u>	<u>\$ 7,061</u>	<u>\$ 29,281</u>	<u>\$ 26,751</u>
GAAP Pre-Tax Income	\$ 3,822	\$ 2,811	\$ 2,403	\$ 11,399	\$ 4,511
Nonrecurring expenses (recovery)	-	362	216	362	1,935
Tax expense	(804)	(697)	(304)	(2,452)	(1,205)
Non-GAAP Net Income	<u>\$ 3,018</u>	<u>\$ 2,476</u>	<u>\$ 2,315</u>	<u>\$ 9,309</u>	<u>\$ 5,241</u>