Press Release – For Immediate Release
April 25, 2023

CCFNB Bancorp, Inc. Reports First Quarter 2023 Earnings

Bloomsburg, PA – CCFNB Bancorp, Inc. (OTC Pink: CCFN), parent company of First Columbia Bank & Trust Co. ("Bank"), has released its unaudited financial statements for the first quarter of 2023.

Net income, as reported under U.S. Generally Accepted Accounting Principles, for the quarter-ended March 31, 2023 was $1,940,000 compared to $2,445,000 for the same period in 2022. Earnings per share for the quarters-ended March 31, 2023 and 2022 were $0.93 and $1.18, respectively. The return on average assets and return on average equity were 0.82% and 8.94% for the quarter-ended March 31, 2023 as compared to 1.03% and 9.64% for the same period of 2022.

The net interest margin, tax effected, on interest earning assets and liabilities was 2.41% and 2.48% at March 31, 2023 and 2022, respectively.

Total assets amounted to $955.0 million at March 31, 2023 as compared to $944.0 at December 31, 2022. For the quarter-ended March 31, 2023, net loans, not held for sale, increased by $12.6 million while investment securities increased $3.3 million and cash and cash equivalents decreased $2.9 million to $10.2 million. Over the same time period, loans held for sale decreased $1.7 million. Total deposits decreased $7.0 million while short term borrowings increased $11.2 million since the end of 2022.

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 quarter ended March 31, 2023, the temporary impact of these unrealized losses on the Stockholders' Equity amounted to a reduction of $22.4 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. As of March 31, 2023, the scheduled maturities of the callable agency debt, at par value, over the next 12 months amounted to $40.5 million. Additionally, the Corporation is expecting monthly cash flows from mortgage-backed securities.

Our liquidity position remains strong as the Bank has access to available funding with the Federal Home Loan Bank of Pittsburgh (FHLB). Under terms of a blanket agreement, the loans are secured by certain qualifying assets of the Bank which consisted principally of first mortgage loans. As of March 31, 2023, the maximum borrowing capacity with FHLB amounted to $254,623,650 and the available capacity was $240,944,873. The Bank also has unused lines of credit with the Federal Reserve Bank Discount Window and Atlantic Community Bankers Bank in the amount of $6,009,575 and $10,000,000, respectively, at March 31, 2023.

When compared to December 31, 2022, stockholders' equity, excluding accumulated other comprehensive loss, increased $1.6 million to $114.9 million as of March 31, 2023. Total stockholders' equity equated to a book value per share of $44.52 at March 31, 2023 as compared with $41.34 as of December 31, 2022. For the quarter ended March 31, 2023 cash dividends of $0.42 per share were paid to stockholders as compared to $0.41 for the same 2022 period. CCFNB Bancorp, Inc. remains well capitalized, with an equity to assets ratio of 9.70% as of March 31, 2023 and 9.10% at December 31, 2022.

CCFNB Bancorp, Inc. and Muncy Bank Financial, Inc. Merger - Additional Information and Where to Find It

On April 18, 2023 CCFNB Bancorp, Inc. (OTCPK: CCFN) and Muncy Bank Financial, Inc. (OTCQB: MYBF) jointly announced the signing of a definitive merger agreement to combine the two companies in a strategic merger of equals. In connection with the proposed transaction, additional information has been filed today with the SEC Pursuant to Rule Form 425. This information is also available in the "Investor Relations" section of our website, https://www.firstcolumbiabank.com. This additional information is being provided in response to questions from current and potential investors on the proposed transaction.

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. All forward-looking statements included in this press release are made as of the date hereof and are based on information currently available. CCFNB Bancorp, Inc. assumes no obligation to update any forward-looking statements.