

## PIONEER BANKSHARES, INC. ANNOUNCES

### 2023 1<sup>st</sup> QUARTER EARNINGS

Stanley, VA, May 30, 2023--- Pioneer Bankshares, Inc., (OTC Bulletin Board: PNBI) parent company of Pioneer Bank, reported unaudited consolidated net income for the 1<sup>st</sup> quarter of 2023 of \$711,000 or \$0.72 per share as compared to \$313,000 or \$0.31 per share for the 1<sup>st</sup> quarter of 2022. The increase in earnings for the first quarter of 2023 as compared to the first quarter of the prior year is primarily attributed to the unrealized loss in the first quarter of 2022 as compared to 2023. Also contributing to the increase in earnings is interest income on loans and investments.

The Company issued a 2023 1<sup>st</sup> quarter dividend payment of \$0.25 per share. This dividend payment represents an annualized yield and return to investors of 4.55% based on the market price per share of PNBI stock as of the date of this release. Pioneer Bankshares' consolidated total assets as of March 31, 2023, were \$297.8 million compared to \$300.1 million as of March 31, 2022, and \$293.3 million as of December 31, 2022.

Pioneer Bank, the Company's subsidiary, had a net increase in its loan portfolio of \$2.6 million or 1.23% during the 1<sup>st</sup> quarter of 2023 as compared to an increase of \$1.5 million or 0.85% during the 1<sup>st</sup> quarter of 2022. Total assets have increased by \$6.1 million during the first quarter of 2023.

The Company and its bank subsidiary continue to maintain a strong capital position and are classified as well-capitalized with total consolidated capital of \$32.6 million. The Company's total number of outstanding common shares as of March 31, 2023, were 986,214. The Company's book value per share has remained stable at \$33.07 as of March 31, 2023, compared to \$33.40 per share as of March 31, 2022.

#### **About Pioneer Bankshares, Inc.**

Pioneer Bankshares, Inc. is a one-bank holding company headquartered in Page County, Virginia. The Company's main branch and corporate office are located in Stanley, Virginia, with other branch locations in Shenandoah, Luray, Harrisonburg, Ruckersville, and Charlottesville, Virginia. The bank also operates a small finance company known as Valley Finance Services, a division of Pioneer Bank, which specializes in consumer and auto lending.

#### **Forward-Looking Statements**

This press release may contain "forward-looking statements" as defined by federal securities laws, which may involve significant risks and uncertainties. These statements address issues that involve risks, uncertainties, estimates and assumptions made by management, and actual results could differ materially from the results contemplated by these forward-looking statements. Other risk factors that could have a material adverse effect on our operations and future prospects include, but are not limited to, changes in: interest rates, general economic conditions, legislative and regulatory policies, and a variety of other matters. Readers should consider these risks and uncertainties in evaluating forward-looking statements and should not place undue reliance on such statements. We undertake no obligation to update these statements following the date of this press release.

The Company's unaudited quarter-end financial highlights are included in the tables below:

**FINANCIAL HIGHLIGHTS**  
(In thousands, except for per share information)

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>Earnings Results</b>		
Interest and dividend income	\$ 3,183	\$ 2,471
Interest expense	359	113
Net interest income	<u>2,824</u>	<u>2,358</u>
Provision for loan losses	---	(122)
Net interest income after provision for loan losses	<u>2,824</u>	<u>2,480</u>
Noninterest income	393	58
Noninterest expense	<u>2,377</u>	<u>2,259</u>
Income before income taxes	840	279
Income tax expense (benefit)	<u>129</u>	<u>(34)</u>
Net Income	<u>\$ 711</u>	<u>\$ 313</u>
<b>Financial Condition</b>		
Assets	\$ 297,755	\$ 300,123
Deposits	253,110	264,198
Loans, net of allowance	208,132	178,325
Stockholders' Equity	32,612	33,385
<b>Per Share Data</b>		
Net income per share, basic and diluted	\$ 0.72	\$ 0.31
Dividends per share	0.25	0.24
Book value per share	33.07	33.40
<b>Performance Ratios</b>		
Return on assets	0.71%	0.41%
Return on equity	6.52%	3.66%