

PIONEER BANKSHARES, INC.
ANNOUNCES 2024 YEAR-END EARNINGS

Stanley, VA, April 8, 2025 -- Pioneer Bankshares, Inc., (OTC Bulletin Board: PNBI) parent company of Pioneer Bank, reported consolidated net income for the year ended December 31, 2024 of \$2.7 million or \$2.69 per share as compared to \$1.9 million or \$1.92 per share for the year ended December 31, 2023. The net increase in earnings for 2024, as compared to the prior year, is primarily attributed to increased interest rates and reduced provisions for credit losses during 2024.

The Company issued a 2024 4th quarter dividend payment of \$0.25 per share, which brought the 2024 dividend payments to a total of \$1.00 per share. This dividend payment represents an annualized yield and return to investors of 4.00% based on the market price per share of PNBI stock as of the date of this release.

Pioneer Bankshares' consolidated total assets as of December 31, 2024, were \$344.9 million compared to \$322.1 million as of December 31, 2023. The Company had deposit growth of \$7.9 million or 3.0% for the period ending December 31, 2024, compared to an increase of \$6.4 million or 2.49% in deposit growth for 2023. The bank had a net increase in its loan portfolio of \$22.8 million or 9.53% during 2024 when compared to a net increase of \$31.9 million or 15.39% during the same period in 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 \$37.2 million. The Company's total number of outstanding common shares as of December 31, 2024, were 999,470. The Company's book value as of December 31, 2024 was \$37.18 per share compared to \$34.55 per share as of December 31, 2023.

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 comparative year-end financial highlights for December 31, 2024 and December 31, 2023 are included in the tables below:

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

	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Earnings Results		
Interest and dividend income	\$ 18,310	\$ 14,081
Interest expense	<u>6,524</u>	<u>3,146</u>
Net interest income	11,786	10,935
Reserve for credit losses	<u>345</u>	<u>823</u>
Net interest income after provision for credit losses	11,441	10,112
Noninterest income	1,509	1,412
Noninterest expense	<u>9,608</u>	<u>9,365</u>
Income before income taxes	3,342	2,159
Income tax expense	<u>666</u>	<u>263</u>
Net Income	<u>\$ 2,676</u>	<u>\$ 1,896</u>
Financial Condition		
Assets	\$ 344,916	\$ 322,134
Deposits	271,656	263,755
Loans, net of allowance for credit losses	260,088	237,444
Stockholders' Equity	37,163	34,247
Per Share Data		
Net income per share, basic and diluted	\$ 2.69	\$ 1.92
Dividends per share	1.00	1.00
Book value per share	37.18	34.55
Performance Ratios		
Return on average assets ¹	0.76%	0.62%
Return on average equity ¹	7.51%	5.73%
Dividend payout ratio	37.27%	52.15%
Average equity to average assets ¹	10.18%	10.89%

¹Ratios are based primarily on daily average balances