

PIONEER BANKSHARES, INC. ANNOUNCES

2025 3rd QUARTER EARNINGS

Stanley, VA, December 5, 2025 -- Pioneer Bankshares, Inc., (OTC Bulletin Board: PNBI) parent company of Pioneer Bank, reported unaudited consolidated net income for the 3rd quarter of 2025 of \$3.0 million or \$3.04 per share as compared to \$1.8 million or \$1.85 per share for the 3rd quarter of 2024. The net increase in earnings for the period ending September 30, 2025, as compared to the same period for 2024 is primarily attributed to increased interest income due to the growth in the loan portfolio, reduced interest expense and reductions in certain operational expenses over the same period last year.

The Company issued a 3rd quarter dividend payment in September 2025 of \$0.28 per share, which brings the year-to-date dividend total paid to \$0.78 a share. This dividend payment represents an annualized yield and return to investors of 3.67% based on the market price per share of PNBI stock as of the date of this release. Pioneer Bankshares' consolidated total assets as of September 30, 2025, were \$345.7 million compared to \$362.2 million as of September 30, 2024.

Pioneer Bank, the Company's subsidiary, had loan growth of \$15.5 million or 5.91% for the 9 month period ending September 30, 2025 compared to an increase of \$19.7 million or 8.21% for the same period in 2024. Deposits have increased by \$9.0 million or 3.32% during 2025 and are at \$280.7 million as of September 30, 2025.

The Company and its bank subsidiary continue to maintain a strong capital position and are classified as well-capitalized with total consolidated capital of \$40.7 million. The Company's total number of outstanding common shares as of September 30, 2025, were 1,001,199. The Company's book value per share is \$40.64 as of September 30, 2025.

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 consolidated quarter-end financial highlights are included in the tables below:

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

	<u>September 30, 2025</u>	<u>September 30, 2024</u>
Earnings Results		
Interest and dividend income	\$ 14,338	\$ 13,715
Interest expense	4,188	5,069
Net interest income	<u>10,150</u>	<u>8,646</u>
Provision for loan losses	304	284
Net interest income after provision for loan losses	<u>9,846</u>	<u>8,362</u>
Noninterest income	1,228	1,152
Noninterest expense	<u>7,250</u>	<u>7,346</u>
Income before income taxes	3,824	2,168
Income tax (benefit) expense	<u>777</u>	<u>326</u>
Net Income	<u>\$ 3,047</u>	<u>\$ 1,842</u>
 Financial Condition		
Assets	\$ 345,650	\$ 362,241
Deposits	280,685	272,734
Loans, net of allowance	275,523	256,960
Stockholders' Equity	40,686	36,845
 Per Share Data		
Net income per share, basic and diluted	\$ 3.04	\$ 1.85
Dividends per share	0.78	0.75
Book value per share	40.64	36.94
 Performance Ratios		
Return on assets	1.16%	0.67%
Return on equity	9.85%	6.62%