# PIONEER BANKSHARES, INC. ANNOUNCES

# EARNINGS AS OF JUNE 30, 2026

Stanley, VA, July 31, 2026 -- Pioneer Bankshares, Inc., (OTCID Market: PNBI) the parent company of Pioneer Bank, reported unaudited consolidated net income of $5.1 million or $5.02 per share, for the six months ended June 30, 2026, compared to $2.0 million or $1.99 per share for the same period in 2025. The significant increase in earnings for the first half of 2026 was primarily driven by a non-recurring gain of $2.4 million, recognized on the sale of the Company's investment in Bearing Insurance during the second quarter. Core earnings, excluding the non-recurring gain on the sale of the insurance investment, were $3.2 million, compared to $2.0, million for the same period last year, which represents a 60% increase in core earnings year over year. Additionally, earnings benefited from higher interest income resulting from continued growth in the loan portfolio, lower interest expense, and a reduction in the provision for credit losses compared to a provision expense recorded during the same period in 2025. These factors have contributed to the Company's record earnings performance through the first six months of 2026.

Pioneer Bank, the Company's subsidiary, increased deposits by $12.8 million or 4.54% during the first six months of 2026. Total assets have increased by $17.6 million or 4.96% during the same period.

The Company issued a 2026 2nd quarter dividend payment of $0.28 per share, which brings the year-to-date dividend total paid to $0.56 a share. This dividend payment represents an annualized yield and return to investors of 2.70% based on the market price per share of PNBI stock as of the date of this release.

The Company and its bank subsidiary continue to maintain a strong capital position and are classified as well-capitalized with total consolidated capital of $46.4 million. The Company's total number of outstanding common shares as of June 30, 2026, were 1,006,581. The Company's book value per share is $46.13 as of June 30, 2026.

**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 or office locations in Shenandoah, Luray, Harrisonburg, Ruckersville, and Charlottesville, Virginia. The Bank also owns and operates two subsidiaries, one of which is Pioneer Special Assets, LLC, which is generally used as a means of minimizing risk of liability to the bank in foreclosure transactions. The second subsidiary owned by Pioneer Financial Services, LLC, which primarily handles non-bank investment services.

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

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

| | June 30, 2026 | June 30, 2025 |
|---|---|---|
| **Earnings Results** | | |
| Interest and dividend income | $ 10,803 | $ 9,505 |
| Interest expense | 2,661 | 2,843 |
| Net interest income | 8,142 | 6,662 |
| Provision for loan losses | (189) | 154 |
| Net interest income after provision for loan losses | 8,331 | 6,508 |
| Noninterest income | 3,198 | 815 |
| Noninterest expense | 5,152 | 4,817 |
| Income before income taxes | 6,377 | 2,506 |
| Income tax (benefit) expense | 1,325 | 509 |
| Net Income | $ 5,052 | $ 1,997 |
| **Financial Condition** | | |
| Assets | $ 372,200 | $ 338,099 |
| Deposits | 293,736 | 274,392 |
| Loans, net of allowance | 287,499 | 264,456 |
| Stockholders' Equity | 46,437 | 39,551 |
| **Per Share Data** | | |
| Net income per share, basic and diluted | $ 5.02 | $ 1.99 |
| Dividends per share | 0.56 | 0.50 |
| Book value per share | 46.13 | 39.47 |
| **Performance Ratios** | | |
| Return on assets | 2.02% | 1.15% |
| Return on equity | 16.19% | 9.81% |