

PIONEER BANKSHARES, INC. ANNOUNCES

2026 - 1st QUARTER EARNINGS

Stanley, VA, June 1, 2026--- Pioneer Bankshares, Inc., (OTCID Market: PNBI) the parent company of Pioneer Bank, reported unaudited consolidated net income of \$1.43 million, or \$1.43 per share, for the first quarter of 2026, compared to \$1.07 million, or \$1.07 per share for the first quarter of 2025. The increase in earnings for the first quarter of 2026 was driven primarily by higher interest income resulting from growth in the loan portfolio over the prior year and reduced interest expense on deposits compared to the same period last year.

The Company declared and paid a first-quarter 2026 cash dividend of \$0.28 per share. Based on the market price of PNBI common stock as of the date of this release of \$41.14, the dividend represents an annualized dividend yield of 2.72%. Pioneer Bankshares' consolidated total assets increased to \$363.0 million as of March 31, 2026, compared to \$350.9 million as of March 31, 2025.

Pioneer Bank, the Company's subsidiary, increased the loan portfolio by \$23.9 million or 9.13% compared to the same period last year. Total loans declined \$5.0 million from December 31, 2025, reflecting anticipated paydowns in the consumer and automobile loan portfolios, as well as reduced activity in loan mortgage participation programs. Deposits grew \$7.0 million, or 2.48%, during the first quarter of 2026 compared to \$4.9 million, or 1.79%, during the first quarter of 2025. Total assets increased \$8.6 million during the first quarter of 2026.

The Company and its banking subsidiary continue to maintain a strong capital position and remain well-capitalized, with total consolidated capital of \$43.1 million. As of March 31, 2026, the Company had 1,006,461 common shares outstanding. Book value per share increased to \$42.78 as of March 31, 2026, compared to \$38.52 per share as of March 31, 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 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 unaudited quarter-end financial highlights are included in the tables below:

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

	<u>March 31, 2026</u>	<u>March 31, 2025</u>
Earnings Results		
Interest and dividend income	\$ 5,233	\$ 4,736
Interest expense	1,338	1,441
Net interest income	<u>3,895</u>	<u>3,295</u>
Provision for loan losses	<u>(27)</u>	<u>(32)</u>
Net interest income after provision for loan losses	3,922	3,327
Noninterest income	435	424
Noninterest expense	<u>2,552</u>	<u>2,437</u>
Income before income taxes	1,805	1,314
Income tax expense	<u>372</u>	<u>241</u>
Net Income	<u>\$ 1,433</u>	<u>\$ 1,073</u>
Financial Condition		
Assets	\$ 363,010	\$ 350,861
Deposits	287,955	276,524
Loans, net of allowance	282,743	258,926
Stockholders' Equity	43,058	38,587
Per Share Data		
Net income per share, basic and diluted	\$ 1.43	\$ 1.07
Dividends per share	0.28	0.25
Book value per share	42.78	38.52
Performance Ratios		
Return on assets	1.37%	1.06%
Return on equity	11.56%	9.61%