



August 23, 2024

Dear Fellow Shareholder,

I would like to take this opportunity to thank you for your investment in PB Financial Corporation (OTCQX:PBNC) (the "Company"), the holding company for Providence Bank. Included with this letter is your dividend check or your direct deposit notification for the 3rd Quarter of 2024 which is \$0.54 per share for each share of common stock you own. This is based on the Company's shareholders of record at the close of business on August 2, 2024, with the dividend payable on August 23, 2024. This is an increase of approximately 8.00% from the dividend of \$0.50 per share paid in the 3rd Quarter of 2023. This represents a \$2.16 per share dividend on an annualized basis and a dividend yield of approximately 5.28% (based on the closing price of \$40.90/share on August 2, 2024). I am proud to say this is the 51st consecutive quarterly cash dividend that has been paid. The Company has been able to increase its cash dividend each quarter since it began paying dividends in the 1st Quarter of 2012.

We completed the legal merger with Coastal Bank & Trust after the close of business on April 9, 2024 and completed the systems conversion over the weekend of May 17, 2024. We are very excited to have completed these important milestones for the Company.

The Company reported improved earnings for the 2nd quarter of 2024. Please see the selected financial highlights below:

(Dollars in Thousands, except per share data)	<u>2nd Quarter, 2024</u>	<u>2nd Quarter, 2023</u>	<u>Percent Change</u>
Assets	\$ 1,261,078	\$ 879,082	43.45%
Loans	\$ 1,065,919	\$ 713,141	49.47%
Deposits	\$ 1,050,993	\$ 698,160	50.54%
Equity	\$ 126,679	\$ 72,394	74.99%
Net Income available to common shareholder (2 nd Quarter)	\$ 4,112	\$ 3,742	9.87%
Net Income available to common shareholder (YTD)	\$ 7,281	\$ 7,454	(2.33%)
Basic Earnings Per Share (YTD)	\$ 2.76	\$ 3.32	(16.87%)
Book Value of Stock	\$ 37.19	\$ 31.74	17.17%

Thank you for your continued support of Providence Bank.

Sincerely,

Ted Whitehurst
President and Chief Executive Officer

This letter may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 regarding PB Financial Corporation. Those statements may include but are not limited to statements regarding the Bank's plans, objectives, expectations and intentions and other statements identified by words such as "believes," "considers," "expects," "anticipates," "estimates," "intends," "plans," "targets," "projects," "would be," and similar expressions. These statements are based upon current beliefs and expectations of management of PB Financial Corporation and are subject to significant risks and uncertainties. Actual or future results or events may differ from those set forth in the forward-looking statements. PB Financial Corporation does not undertake to update any forward-looking statements in this press release. The information as of and for the quarters ended June 30, 2024 and June 30, 2023 as presented are unaudited.

AUG3958