



November 25, 2022

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 4th Quarter of 2022, which is \$0.35 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 November 7, 2022, with the dividend payable on November 25, 2022. This is an increase of approximately 29.63% from the dividend of \$0.27 per share paid in the 4th Quarter of 2021. This represents a \$1.40 per share dividend on an annualized basis and a dividend yield of approximately 3.45% (based on the closing price of \$40.55/share on November 7, 2022). I am proud to say this is the 44th consecutive quarterly cash dividend that has been paid. The Company's consistent financial performance has allowed us to increase our cash dividend every quarter since we began paying dividends, representing 11 consecutive years. Our original shareholders have now received over \$6 per share in cash dividends, which is more than half of their original purchase price of \$11 per share. This continued increase in our cash dividend is part of our long-term strategy to enhance your shareholder value.

The Company had record earnings in the 3rd Quarter of 2022. As outlined below, we also had double digit growth in loans, deposits and total assets.

(Dollars in Thousands, except per share data)	<u>3rd Quarter, 2022</u>	<u>3rd Quarter, 2021</u>	<u>Percent Change</u>
Assets	\$ 780,231	\$ 673,714	15.8%
Loans	\$ 617,267	\$ 521,731	18.3%
Deposits	\$ 616,527	\$ 541,310	13.9%
Equity	\$ 63,765	\$ 63,543	0.3%
Net Income (3 rd Quarter)	\$ 3,971	\$ 2,503	58.64
Net Income (YTD)	\$ 9,924	\$ 7,112	39.54
Basic Earnings Per Share (YTD)	\$ 4.48	\$ 3.24	38.27
Book Value of Stock	\$ 28.52	\$ 28.85	(1.1%)

Thank you for your continued support of Providence Bank.

Sincerely,

A handwritten signature in black ink that reads "Ted E. Whitehurst". The signature is written in a cursive, slightly slanted style.

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 September 30, 2022 and September 30, 2021 as presented are unaudited.

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