



November 24, 2023

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 2023, which is \$0.51 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, 2023, with the dividend payable on November 24, 2023. This is an increase of approximately 45.71% from the dividend of \$0.35 per share paid in the 4th Quarter of 2022. This represents a \$2.04 per share dividend on an annualized basis and a dividend yield of approximately 5.20% (based on the closing price of \$39.24/share on November 7, 2023). I am proud to say this is the 48th 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 12 consecutive years. Our original shareholders have now received \$7.87 per share in cash dividends, which is approx. 71.5% 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.

In spite of the margin compression experienced by our industry, you will see the Company still had good earnings in the 3rd Quarter and nine-month period. 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, 2023</u>	<u>3rd Quarter, 2022</u>	<u>Percent Change</u>
Assets	\$ 929,942	\$ 780,231	19.19%
Loans	\$ 775,026	\$ 617,267	25.56%
Deposits	\$ 729,304	\$ 616,527	18.29%
Equity	\$ 82,410	\$ 63,765	29.24%
Net Income (3 rd Quarter)	\$ 3,096	\$ 3,971	(22.02%)
Net Income (YTD)	\$ 10,551	\$ 9,924	6.31%
Basic Earnings Per Share (YTD)	\$ 4.61	\$ 4.48	2.90%
Book Value of Stock	\$ 33.04	\$ 28.52	15.85%

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 September 30, 2023 and September 30, 2022 as presented are unaudited.

NOV3958