



November 26, 2021

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 2021, which is \$0.27 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 9, 2021, with the dividend payable on November 26, 2021. This is an increase of approximately 22.73% from the dividend of \$0.22 per share paid in the 4th Quarter of 2020. This represents a \$1.08 per share dividend on an annualized basis and a dividend yield of approximately 2.88% (based on the closing price of \$37.50/share on November 9, 2021). I am proud to say this is the 40<sup>th</sup> consecutive quarterly cash dividend that has been paid. The Company has been able to increase its cash dividend every quarter since it began paying dividends in the 1<sup>st</sup> Quarter of 2012. This represents ten consecutive years during which not only have we paid, but also increased, the quarterly cash dividend. This continued increase in our cash dividend is part of our strategy to enhance your shareholder value.

The Company had record earnings in the 3<sup>rd</sup> Quarter of 2021. As outlined below, we also had double digit growth in loans, deposits and total assets.

(Dollars in Thousands, except per share data)	<u>3<sup>rd</sup> Quarter, 2021</u>	<u>3<sup>rd</sup> Quarter, 2020</u>	<u>Percent Change</u>
Assets	\$ 673,714	\$ 575,963	17.0%
Loans	\$ 521,731	\$ 451,566	15.5%
Deposits	\$ 541,310	\$ 439,852	23.1%
Equity	\$ 63,543	\$ 56,597	12.3%
Net Income (3 <sup>rd</sup> Quarter)	\$ 2,503	\$ 1,742	43.7%
Net Income (YTD)	\$ 7,112	\$ 4,916	44.7%
Basic Earnings Per Share (YTD)	\$ 3.24	\$ 2.23	45.3%
Book Value of Stock	\$ 28.91	\$ 25.98	11.3%

Thank you for your continued support of Providence Bank.

Sincerely,

A handwritten signature in cursive script that reads "Ted E. Whitehurst".

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, 2021 and September 30, 2020 as presented are unaudited.*

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