



August 22, 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 3<sup>rd</sup> Quarter of 2022 which is \$0.31 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 1, 2022, with the dividend payable on August 22, 2022. This is an increase of approximately 19.23% from the dividend of \$0.26 per share paid in the 3<sup>rd</sup> Quarter of 2021. This represents a \$1.24 per share dividend on an annualized basis and a dividend yield of approximately 3.10% (based on closing price of \$40.01/share on August 1, 2022). I am proud to say this is the 43<sup>rd</sup> 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 1<sup>st</sup> Quarter of 2012.

The Company reported record earnings for the 2<sup>nd</sup> quarter of 2022. Please see the selected financial highlights below:

(Dollars in Thousands, except per share data)	<u>2<sup>nd</sup> Quarter, 2022</u>	<u>2<sup>nd</sup> Quarter, 2021</u>	<u>Percent Change</u>
Assets	\$ 748,444	\$ 626,105	19.54%
Loans	\$ 584,270	\$ 501,668	16.47%
Deposits	\$ 606,317	\$ 495,500	22.36%
Equity	\$ 62,230	\$ 61,010	2.00%
Net Income (2 <sup>nd</sup> Quarter)	\$ 3,244	\$ 2,459	31.92%
Net Income (YTD)	\$ 5,954	\$ 4,609	29.18%
Basic Earnings Per Share (YTD)	\$ 2.69	\$ 2.10	28.10%
Book Value of Stock	\$ 27.95	\$ 27.69	0.94%

Thank you for your continued support of Providence Bank.

Sincerely,

A handwritten signature in black ink 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 June 30, 2022 and June 30, 2021 as presented are unaudited.*

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