

PBKC

*First*¹*Bank*
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Pioneer Bankcorp, Inc. (PBKC) is the bank holding company for First Bank

CLEWISTON, FL, July 30, 2024 – Pioneer Bankcorp, Inc (OTC Markets: **PBKC**), the holding company for First Bank, today reported earnings for the six months ended June 30, 2024. Comparisons to 2023 noted below are for the six months ending June 30, 2023.

The Company reported net income of \$4.17 million or \$3.69 per fully diluted common share, compared with \$3.59 million or \$3.10 per fully diluted common share earned in 2023.

YTD loan yields increased from 4.97% to 5.55%, and net interest income increased from \$10.12 million in 2023 to \$12.18 million in 2024. Income from investments increased from \$1.77 million in 2023 to \$2.67 million in 2024. The net interest margin increased from 3.03% to 3.50%, with the yield on earning assets and cost of funds both increasing due to the continued rising rate environment over the past year.

Non-interest income decreased 24.3% from \$3.25 million in 2023 to \$2.46 million in 2024 and non-interest expenses increased 6.04% from \$8.5 million in 2023 to \$8.9 million in 2024. The decrease in non-interest income is due to reclassifying fee income on off-balance sheet deposit programs and is reflected in a reduction to interest expense.

The provision for loan losses increased slightly from \$210 thousand in 2023 to \$225 thousand in 2024, and the allowance for credit losses was \$7.14 million or 1.66 % of total loans as of June 30, 2024. The balance in the reserve for unfunded commitments required by CECL was \$616,000 and non-performing assets were .05 % of total assets.

Total assets as of June 30, 2024, were \$727.4 million, an increase of 1% from \$720.1 million reported as of June 30, 2023. Net loans increased to \$423.7 million at June 30, 2024, compared to \$382.1 million at June 30, 2023, a 10.9% increase. The investment portfolio grew by 1.6% year over year and stood at \$191.8 million at June 30, 2024. Total deposits were \$659.2 million, a decrease of .20% from \$660.5 million. Liquidity remains well above our policy minimums and our loan to deposit ratio was 65.9%.

“Very pleased to report yet another robust performance this quarter. We continue to benefit from a strong balance sheet. Deposit runoff has been minimal, and the rate pressure appears to have leveled off. Our securities and loans continue to reprice upward driving up our overall NIM.” noted President & COO Andrew Couse.

“In June we purchased and retired an additional 9,000 shares. This brings the total to 19,000 shares retired this year. These transactions are excellent uses of excess capital to enhance our shareholder value.” continued Couse.

“We also said goodbye to Deborah VanSickle SVP & Chief Lending Officer. Deborah retired on June 30th ending a 24-year career at First Bank and an almost 50-year career in community banking. While we will miss Deborah and her leadership, we have been planning for this transition. We are pleased to announce her replacements; Tuesday Tritt, SVP & Senior Lender and Matt Soud SVP & Chief Credit Officer. Both have had extensive careers at First Bank and are well prepared to lead us into the future.” stated Couse.

About Pioneer Bankcorp

Pioneer Bankcorp, Inc. is the Bank holding company for First Bank (the “Bank”) and is located at 300 East Sugarland Highway, Clewiston, Florida. Full-service branch offices are also located at 301 State Road 80 in Labelle, 101 South Berner Rd. in Clewiston, 11741 Palm Beach Boulevard in Fort Myers, 24704 US Highway 27 In Moore Haven, 325 South Main Street in Belle Glade, and 316 North 15th Street in Immokalee.

First Bank is engaged in financial planning and the sale of brokerage service products under the trademark First1Financial. First Bank can be found online at www.first1bank.com.

Non-GAAP Financial Measures

This report refers to the overhead efficiency ratio, which is computed by dividing non-interest expense by the sum of net interest income and non-interest income. This is a non-GAAP financial measure that we believe provides investors with important information regarding our operational efficiency. Comparison of our efficiency ratio with those of other companies may not be possible because other companies may calculate the efficiency ratio differently. Such information is not in accordance with generally accepted accounting principles in the United States (GAAP) and should not be construed as such. Management believes such financial information is meaningful to the reader in understanding operating performance but cautions that such information should not be viewed as a substitute for GAAP. Pioneer Bankcorp, in referring to its net income, is referring to income under GAAP.

Forward-Looking Statements

Information in this press release may contain “forward-looking statements.” These statements reflect management's current beliefs as to the expected outcomes of future events and are not guarantees of future performance. These statements involve certain risks, uncertainties and assumptions that are difficult to predict with regard to timing, extent, likelihood and degree of occurrence. As such, actual results and outcomes may materially differ from what may be expressed or forecast in such forward-looking statements. Factors that could cause a difference include, among others: changes in the national and local economies or market conditions; changes in interest rates, deposit levels, loan demand and asset quality, including real estate and other collateral values; changes in banking regulations and accounting principles, policies, or guidelines; and the impact of competition from traditional or new sources. These and other factors that may emerge could cause decisions and actual results to differ materially from current expectations. Pioneer Bankcorp takes no obligation to revise, update, or clarify forward-looking statements to reflect events or conditions after the date of this press release.

CONSOLIDATED FINANCIAL HIGHLIGHTS
(Dollars in thousands, except per share amounts)

	6/30/2024	12/31/2023	6/30/2023
	(unaudited)	(audited)	(unaudited)
Total assets	\$ 727,396	\$ 704,620	\$ 720,120
Total loans, Net	423,721	412,095	382,133
Investments	191,761	197,742	188,771
Deposits	659,181	640,984	660,515
Stockholder's equity	54,620	51,855	46,412
Tier one leverage ratio (bank only)	9.16%	8.98%	8.31%
Total risk-based capital ratio (bank only)	15.72%	15.38%	15.69%
Non-performing assets to total assets	0.05%	0.31%	0.30%
Loans past due more than 90 days to total loans	0.15%	0.11%	0.05%
Allowance for loan losses to total loans	1.66%	1.66%	1.72%
Tangible book value per common share	\$ 48.34	\$ 45.11	\$ 40.02

**For the six months ended
June 30th**

	2024	2023
Interest income	\$ 16,135	\$ 13,869
Interest expense	3,953	3,749
Net interest income	12,182	10,121
Provision for loan losses	225	210
Net interest income after provision for loan losses	11,957	9,911
Noninterest income	2,459	3,250
Noninterest expense	8,962	8,451
Net income before taxes	5,454	4,709
Provision for income taxes	1,283	1,111
Net income	4,171	3,598
Net income available to common shareholders	4,171	3,598
Basic net income per share	3.69	3.10
Diluted net income per share	3.69	3.10
Return on average total assets (1)	1.16%	1.01%
Return on average total equity (1)	17.59%	16.11%
Yield on average interest earning assets	4.66%	4.10%
Cost of funds	1.18%	1.12%
Net yield on average interest earning assets	3.50%	3.03%
Overhead efficiency ratio	60.12%	60.05%
Net charge-offs/average loans	0.01%	0.00%

(1) Annualized for all periods presented

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