



PRESS RELEASE

For more information, contact:

Ted E. Whitehurst, President and CEO

252-467-2990; twhitehurst@pbknc.com

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PB FINANCIAL CORPORATION REPORTS RECORD FIRST QUARTER 2021 EARNINGS

Rocky Mount, North Carolina... Ted E. Whitehurst, President and CEO of PB Financial Corporation (the "Company"), the holding company for Providence Bank, reported net income for the quarter ended March 31, 2021, of \$2,150,425 compared to \$1,515,938 for the same period in 2020, an increase of 41.85%.

As of March 31, 2021, the Company reported total assets of \$617.6 million compared to \$531.5 million at March 31, 2020, an increase of 16.20%. Total deposits were \$484.5 million and gross loans were \$495.9 million at the end of the first quarter of 2021, compared to total deposits of \$397.6 million and gross loans of \$419.6 million at the end of the first quarter of 2020, increases of 21.86% and 18.19% respectively.

Whitehurst commented, "I am very pleased to report the largest quarterly earnings in our history. Continued growth in loans and deposits along with a focus on expense management has allowed us to provide consistent financial results for our shareholders. We have also been very active in assisting businesses in our communities with the Small Business Administration's Paycheck Protection Program (PPP), including working through the forgiveness process for round one PPP loans and originating round two PPP loans."

For the three-month period ended March 31, 2021, the Bank had basic earnings of \$0.98 per share compared to \$0.69 per share for the same period last year, an increase of 42.03%. As of March 31, 2021, book value per common share was \$27.06 compared to \$25.00 at March 31, 2020, an increase of 8.24%. On February 25, 2021, the Company paid its first quarter dividend of \$0.23 per share for each share of common stock outstanding. It was our 37th consecutively increased quarterly cash dividend paid to shareholders.

Providence Bank is a state-chartered community bank headquartered at 450 N. Winstead Avenue in Rocky Mount, North Carolina with branches in Rocky Mount, Tarboro, Nashville, Wilson and Raleigh.

www.pbknc.com

This press release 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 Company'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 March 31, 2021 and March 31, 2020 as presented are unaudited.

PB Financial Corporation

Consolidated Balance Sheets and Statements of Operations

Balance Sheets

In Thousands

Assets

	March 31, 2021	December 31, 2020
	(unaudited)	*
Cash and due from banks	\$ 11,856	\$ 6,939
Interest-earning deposits with banks	42,780	56,301
Investment securities	41,487	32,551
Loans, gross	495,879	464,220
Allowance for loan losses	(4,949)	(4,592)
Other assets	30,539	31,140
Total assets	\$ 617,592	\$ 586,559

Liabilities and

Shareholders' Equity

Deposits	\$ 484,510	\$ 456,413
Borrowed funds	70,366	68,431
Other liabilities	3,445	3,614
Shareholders' Equity	59,271	58,101
Total liabilities and shareholders' equity	\$ 617,592	\$ 586,559

Book value per share	\$ 27.06	\$ 26.60
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Statements of Operations

In Thousands

	For the three months ended	
	March 31, 2021	March 31, 2020
	(unaudited)	(unaudited)
Interest income	\$ 6,349	\$ 5,966
Interest expense	1,360	1,649
Net interest income	4,989	4,317
Provision for loan losses	356	475
Net interest income after provision for loan losses	4,633	3,842
Non interest income	339	209
Non interest expense	2,196	2,091
Income before income taxes	2,776	1,960
Income tax expense	626	444
Net income	\$ 2,150	\$ 1,516
Net income per common share - basic	\$ 0.98	\$ 0.69
Net income per common share - diluted	\$ 0.96	\$ 0.67

* Derived from audited financial statements