

PBKC



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

CLEWISTON, FL, January 31, 2022 – Pioneer Bankcorp, Inc (OTC Markets: **PBKC**), the holding company for First Bank, today reported earnings for the twelve months ended December 31, 2021. Comparisons to 2021 noted below are for the twelve months ending December 31, 2020.

The Company reported net income of \$5.1 million or \$4.47 per fully diluted common share, compared with \$4.5 million or \$3.92 per fully diluted common share earned in 2020.

While loan yields decreased from 4.69 % to 4.47 %, net interest income increased from \$16.97 million in 2020 to \$17.15 million in 2021 due to a decrease in interest expense. Income from investments increased from \$934 thousand in 2020 to \$1.1 million in 2021. The net interest margin decreased from 3.48 % in 2020 to 3.07 % in 2021 as the earnings asset mix shifted up on the Balance Sheet into lower yielding assets.

Non-interest income increased 12.70 % from \$3.01 million in 2020 to \$3.39 million in 2021 and non-interest expenses increased 7.85 % from \$12.56 million in 2020 to \$13.55 million in 2021.

The provision for loan losses decreased from \$1.6 million in 2020 to \$360 thousand in 2021, and the allowance for loan loss reserves was \$6.47 million or 1.75 % of total loans as of December 31, 2021. Non-performing assets were .02 % of total assets compared to .00 % on that date in 2020.

Total assets as of December 31, 2021 were \$595.9 million, an increase of 19.41% from \$499 million reported as of December 31, 2020. Total deposits were \$540 million, an increase of 19.49% from \$451.9 million. Even after a \$15.5 million net reduction in PPP loans, net loans increased to \$363.5 million at December 31, 2021, compared to \$340.5 million at December 31, 2020, a 6.78% increase.

“At year end, we successfully closed our \$ 5 million new debenture campaign which lifted the Bank leverage ratio to 8.72%, above our internal policy target and the 5% regulatory requirement for a well capitalized financial institution. We were pleased with our 14% growth in EPS, even after experiencing a \$.9 million reduction in PPP fee income recognition in 2021. Our lending and retail associates continued their strong performance with over \$129 million in “new” loan production at an average rate of 4.39%, and deposit growth of over \$88 million on over 3,000 “new” accounts.” stated President & Chief Executive Officer Carey Soud.

“Our Centennial Anniversary couldn’t have come at a better time as we experience record growth and earnings, excellent asset quality and as we begin a year long celebration that will reflect the amazing legacy of our history and gratitude to all the stakeholders who helped make it happen. We have a lot to be thankful for.” said Miller Couse, Chairman of the Board.

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 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)

	12/31/2021	12/31/2020
	(unaudited)	(audited)
Total assets	\$ 595,901	\$ 499,033
Total loans, Net	363,536	340,457
Investments	140,301	84,397
Deposits	540,043	451,962
Stockholder's equity	44,619	41,972
Tier one leverage ratio (bank only)	8.72%	8.47%
Total risk-based capital ratio (bank only)	14.61%	13.77%
Non-performing assets to total assets	0.02%	0.00%
Loans past due more than 90 days to total loans	0.00%	0.27%
Allowance for loan losses to total loans	1.75%	1.75%
Tangible book value per common share	\$ 39.06	\$ 36.65

For the twelve months ended December 31st

	2021	2020
Interest income	\$ 18,125	\$ 18,362
Interest expense	972	1,397
Net interest income	17,153	16,965
Provision for loan losses	360	1,600
Net interest income after provision for loan losses	16,793	15,365
Noninterest income	3,395	3,012
Noninterest expense	13,551	12,565
Net income before taxes	6,637	5,812
Provision for income taxes	1,536	1,317
Net income	5,102	4,495
Net income available to common shareholders	5,102	4,495
Basic net income per share	4.47	3.92
Diluted net income per share	4.47	3.92
Return on average total assets (1)	0.91%	0.98%
Return on average total equity (1)	11.71%	11.21%
Yield on average interest earning assets	3.25%	3.80%
Cost of funds	0.17%	0.31%
Net yield on average interest earning assets	3.07%	3.48%
Overhead efficiency ratio	65.30%	62.42%
Net charge-offs/average loans	-0.01%	-0.02%

(1) Annualized for all periods presented

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