



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

CLEWISTON, FL, January 31, 2021 – Pioneer Bankcorp, Inc (OTC Markets: **PBKC**), the holding company for First Bank, reported earnings today for the twelve months ending December 31, 2020. Comparisons to 2020 noted below are for the twelve months ending December 31, 2019.

The Company reported net income of \$4,495,000 or \$3.92 per fully diluted common share, compared with \$3,712,000 or \$3.15 per fully diluted common share earned in 2019.

Net interest income increased from \$14,246,000 in 2019 to \$16,965,000 in 2020 due to an increase in loans outstanding, while loan yields decreased from 5.27 percent to 4.69 percent. Income from investments increased from \$768,806 in 2019 to \$934,339 in 2020. The net interest margin decreased from 4.02 percent in 2019 to 3.48 percent in 2020 as YOY market rates declined precipitously decreasing earning asset yields and the loan mix absorbed the 1% PPP loans.

Non-interest income increased 1.76 percent from \$2,960,000 in 2019 to \$3,012,000 in 2020 and non-interest expenses increased 5.68 percent from \$11,890,000 in 2019 to \$12,565,000 in 2020.

The provision for loan losses increased from \$445,000 in 2019 to \$1,600,000 in 2020. This increase is due to loan growth and the uncertainty of the potential economic impact from COVID. The allowance for loan loss reserves was \$6,059,000 or 1.75 percent of total loans as of December 31, 2020, and non-performing assets were .00 percent of total assets compared to .05 percent on that date in 2019.

Total assets as of December 31, 2020 were \$498,991,000, an increase of 26.20 percent from \$395,408,000 reported as of December 31, 2019. Total deposits were \$452,940,000, an increase of 28.73 percent from \$351,847,000. Net loans, including \$34,018,559 in PPP loans, increased to \$340,457,000 at December 31, 2020, compared to \$276,520,000 at December 31, 2019, a 23.12 percent increase.

“In case you may be seeing or thinking things are beginning to slow down, not here. December was a record month for new loan production as we closed fifty seven or \$25MM in commercial and residential loans. For the 12 months of 2019 we generated \$66.1 million in new loan production at an average yield of 5.21% as compared to new loan production in 2020 of \$108.7 million at an average yield of 4.30%. While our branch footprint has been strategic and efficient, we are blessed to have a Sunshine State economy and a Governor whose policies have remained **Open for Business**. Our 2021 budget plan forecasts Net Income of \$4.58MM, a 1% increase over the 2019 Net Income which surged from PPP lending and provided the additional loan provision needed to cover the potential COVID fallout. The 2021 budget ignores the new round of PPP stimulus which is underway and difficult to predict. While the hospitality industry outlook remains cautious, we continue to see no signs yet of a deterioration in credit quality”, stated President & Chief Executive Officer Carey Soud.

“Make sure you mark your calendars for the Fall of 2022 for what will be a major commemorative celebration of a major milestone that few banks have occasioned - our centennial anniversary” 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)

	12/31/2020 (unaudited)	12/31/2019 (audited)
Total assets	\$ 498,991	\$ 395,408
Total loans, Net	340,457	276,520
Investments	81,176	43,012
Deposits	452,940	351,847
Stockholder's equity	41,972	38,385
Non-performing assets to total assets	0.00%	0.05%
Loans past due more than 90 days to total loans	0.27%	0.00%
Allowance for loan losses to total loans	1.75%	1.57%
Tangible book value per common share	\$ 36.65	\$ 32.61

**For the twelve months
ended December 31st**

	2020	2019
Interest income	\$ 18,362	\$ 16,304
Interest expense	1,397	2,058
Net interest income	16,965	14,246
Provision for loan losses	1,600	445
Net interest income after provision for loan losses	15,365	13,801
Noninterest income	3,012	2,960
Noninterest expense	12,565	11,890
Net income before taxes	5,812	4,872
Provision for income taxes	1,317	1,160
Net income	4,495	3,712
Net income available to common shareholders	4,495	3,712
Basic net income per share	3.92	3.15
Diluted net income per share	3.92	3.15
Return on average total assets (1)	0.98%	0.97%
Return on average total equity (1)	11.21%	10.37%
Yield on average interest earning assets	3.80%	4.58%
Cost of funds	0.31%	0.56%
Net yield on average interest earning assets	3.48%	4.02%
Overhead efficiency ratio	62.42%	68.22%
Net charge-offs/average loans	-0.02%	-0.01%

(1) Annualized for all periods presented

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