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PINNACLE BANCSHARES ANNOUNCES RESULTS FOR THIRD QUARTER ENDED SEPTEMBER 30, 2026

Jasper, Alabama (October 20, 2026) – Robert B. Nolen, Jr., President and Chief Executive Officer of Pinnacle Bancshares, Inc. (OTCID: PCLB), today announced Pinnacle's third quarter results of operations.

- For the three months ended September 30, 2026, Pinnacle's basic/diluted earnings per share was $1.40 as compared to $1.19 for the three months ended September 30, 2025. Net income for the three months ended September 30, 2026 was $1,260,000 as compared to $1,069,000 for the three months ended September 30, 2025.

- For the nine months ended September 30, 2026, Pinnacle's basic/diluted earnings per share was $3.75 as compared to $3.41 for the nine months ended September 30, 2025. Net income for the nine months ended September 30, 2026 was $3,367,000 as compared to $3,071,000 for the nine months ended September 30, 2025.

- Included in net income for the nine months ended September 30, 2026 was a loss of $268,000 in the sale of available for sale securities. The proceeds from the sale of these available for sale securities were used to purchase higher yielding securities with a shorter duration.

- Income tax expenses was reduced by $62,000 and $145,000 for the three and nine months ended September 30, 2026 from the amortization of solar income tax credits purchased at a discount. There was no amortization for the corresponding periods in 2025.

- For the three and nine months ended September 30, 2026, return on average assets was 1.33%, and 1.19%, respectively, compared to 1.18% and 1.15%, respectively, in the comparable 2025 period.

Pinnacle's net interest margin was 3.26% and 3.23% for the three and nine months ended September 30, 2026, respectively, compared to 3.20% and 3.17% for the three and nine months ended September 30, 2025, respectively.

At September 30, 2026, Pinnacle's allowance for loan losses as a percent of total loans was 1.46%, compared to 1.52% at December 31, 2025. There were $2,000 and $22,000 in nonperforming assets at September 30, 2026 and December 31, 2025, respectively.

Pinnacle Bank was classified as "well capitalized" at September 30, 2026. All capital ratios are higher than the requirements for a well-capitalized institution. As of September 30, 2026, the Bank's common equity Tier 1 capital and Tier 1 risk-based capital ratios were each 20.18%. As of September 30, 2026, its total capital ratio was 21.05%, and its Tier 1 leverage ratio was 11.58%.

Dividends of $.27 and $.81 per share were paid to shareholders during the three and nine months ended for both September 30, 2026 and September 30, 2025.

Management believes that the Company has adequate liquidity through its low loan to deposit ratio at September 30, 2026, as well as available funding from outside sources. Our net funding availability, as a percentage of our franchise funding, is 95.14% as compared to our established minimal limit of 25%. In addition, the Bank provides access to additional FDIC insurance coverage for accounts that would otherwise exceed deposit insurance coverage.

The Company's total deposits, excluding brokered deposits, at September 30, 2026 increased $13.2 million, or 4.3%, as compared to December 31, 2025.

Effects of Inflation

Inflation caused a substantial rise in interest rates during 2023 and 2022 which has had a negative effect in the securities market. As a result of the rising interest rates, the Company has recorded an accumulated other comprehensive loss on securities available for sale of approximately $30.2 million as of September 30, 2026 as compared to recording other comprehensive loss in the amount of $22.8 million as of December 31, 2025. Although these unrealized losses recorded as of September 30, 2026 were significant, management does not anticipate these losses to be other than temporary as these unrealized losses do not currently appear related to any credit deterioration within the portfolio but from higher interest rates.

Litigation

The Company is the plaintiff in an action pending in the United States District Court for the Northern District of Alabama, Jasper Division, asking the court to issue a permanent injunction preventing Pinnacle Bank, headquartered in Nashville, Tennessee, from using the "Pinnacle Bank" corporate title in the Company's market area. The Company believes that the defendants have created, and will continue to create, confusion among depositors, borrowers and other customers of both banks, and is therefore seeking a prompt resolution of the matter. The Company cannot predict the timing or the final outcome of the litigation

Forward-Looking Statements

Information contained in this press release, other than historical information, may be considered forward-looking in nature and is subject to various risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or expected. Pinnacle undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in Pinnacle's expectations. Certain tabular presentations may not reconcile because of rounding.

Pinnacle Bancshares, Inc.'s wholly owned subsidiary Pinnacle Bank has seven offices located in central and northwest Alabama.

PINNACLE BANCSHARES, INC.
Unaudited Financial Highlights
(In Thousands, except share and per share data)

	Three Months Ended September 30,	
	2026	**2025**
Net income	$ 1,260,000	$ 1,069,000
Basic and diluted earnings per share	$ 1.40	$ 1.19
Performance ratios (annualized):		
Return on average assets	1.33%	1.18%
Return on average equity (excluding OCI)	10.61%	9.71%
Interest rate spread	2.66%	2.63%
Net interest margin	3.26%	3.20%
Operating cost to assets	2.25%	2.32%
Weighted average basic and diluted shares outstanding	898,336	898,336
Dividends per share	$ 0.27	$ 0.27
Provision for loan losses	$ 15,000	$ -

	Nine Months Ended September 30,	
	2026	**2025**
Net income	$ 3,367,000	$ 3,071,000
Basic and diluted earnings per share	$ 3.75	$ 3.41
Performance ratios (annualized):		
Return on average assets	1.19%	1.15%
Return on average equity (excluding OCI)	9.64%	9.46%
Interest rate spread	2.64%	2.61%
Net interest margin	3.23%	3.17%
Operating cost to assets	2.27%	2.34%
Weighted average basic and diluted shares outstanding	898,336	899,739
Dividends per share	$ 0.81	$ 0.81
Provision for loan losses	$ 45,000	$ -

	September 30, 2026	***(Audited)*** **December 31, 2025**
Total assets	$ 379,396,000	$ 364,232,000
Loans receivable, net	$ 136,080,000	$ 130,849,000
Deposits	$ 351,165,000	$ 331,496,000
Brokered CD's included in deposits	$ 27,370,000	$ 20,983,000
Total stockholders' equity	$ 17,969,000	$ 22,646,000
Book value per share	$ 20.00	$ 25.21
Book value per share (excluding OCI)	$ 53.13	$ 50.19
Average Stockholders' equity to assets ratio (excluding OCI)	12.33%	12.20%
Asset quality ratios:		
Nonperforming loans as a percent of total loans	.01%	.02%
Nonperforming assets as a percent of total loans	.01%	.02%
Allowance for loan losses as a percent of total loans	1.46%	1.52%

FINANCIAL INFORMATION

PINNACLE BANCSHARES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

	(Unaudited) September 30, 2026	*(Audited)* December 31, 2025
Assets		
Cash and cash equivalents	$ 3,824,477	2,763,958
Interest bearing deposits in banks	28,826,229	21,122,646
Securities available for sale	175,266,693	176,921,364
Restricted equity securities	969,600	957,100
Loans	138,090,263	132,861,644
Less Allowance for loan losses	2,011,188	2,013,072
Loans, net	136,079,075	130,848,572
Premises and equipment, net	8,318,243	7,801,667
Right-of-use lease assets – operating	944,181	981,519
Goodwill	306,488	306,488
Bank owned life insurance	11,888,511	11,498,037
Accrued interest receivable	1,730,587	2,072,700
Deferred tax assets, net	10,277,564	7,548,292
Other assets	963,983	1,409,158
Total assets	$ 379,395,631	$ 364,231,501
Liabilities and Stockholders' Equity		
Deposits		
Noninterest-bearing	$ 100,289,409	$ 92,867,774
Interest-bearing	250,875,398	238,627,990
Total deposits	351,164,807	331,495,764
Subordinated debentures	3,093,000	3,093,000
Other borrowings	4,000,000	4,000,000
Accrued interest payable	871,581	781,290
Operating lease liabilities	944,181	981,519
Other liabilities	1,352,813	1,233,844
Total liabilities	361,426,382	341,585,417
Stockholders' equity		
Common stock, par value $.01 per share; 2,400,000 authorized; 1,872,313 issued; 898,336 shares outstanding	18,723	18,723
Additional paid-in capital	8,923,223	8,923,223
Treasury stock, 973,977shares at cost	(15,929,095)	(15,929,095)
Retained earnings	54,714,720	52,075,496
Accumulated other comprehensive loss, net	(29,758,322)	(22,442,263)
Total stockholders' equity	17,969,249	22,646,084
Total liabilities and stockholders' equity	$ 379,395,631	$ 346,231,501

PINNACLE BANCSHARES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Interest income				
Loans, including fees	$ 2,374,601	$ 2,248,276	$ 7,064,051	$ 6,744,633
Securities available for sale	1,683,420	1,457,691	4,882,432	4,255,734
Other interest	235,757	320,497	686,435	813,226
Total interest income	4,293,778	4,026,464	12,632,918	11,813,593
Interest expense				
Deposits	1,126,197	1,025,478	3,284,722	2,931,302
Borrowings	43,800	50,641	138,578	162,755
Subordinated debentures	38,000	28,000	114,000	104,450
Total interest expense	1,207,997	1,104,119	3,537,300	3,198,507
Net interest income	3,085,781	2,922,345	9,095,618	8,615,086
Provision for loan losses	15,000	-	45,000	-
Net interest income after provision for loan losses	3,070,781	2,922,345	9,050,618	8,615,086
Other income				
Fees and service charges on deposit accounts	426,988	409,618	1,253,759	1,201,307
Service fee income, net	-	-	-	-
Bank owned life insurance	134,493	121,500	390,473	354,221
Loss on sales of securities available for sale	-	-	(267,613)	-
Mortgage fee income	3,269	1,147	22,646	6,477
Total other income	564,750	532,265	1,399,265	1,562,005
Other expense:				
Salaries and employee benefits	1,173,361	1,215,331	3,643,839	3,624,843
Occupancy expense	297,820	307,641	906,832	928,704
Marketing and professional expense	131,131	79,040	321,079	202,883
Other operating expenses	527,350	497,121	1,548,918	1,527,705
Total other expenses	2,129,662	2,099,133	6,420,668	6,284,135
Income before income taxes	1,505,869	1,355,477	4,029,215	3,892,956
Income tax expense	245,895	286,544	662,339	821,682
Net income	$ 1,259,974	$1,068,933	$ 3,366,876	$ 3,071,274
Cash dividend per share	$ 0.27	$ 0.27	$ 0.81	$ 0.81
Basic and diluted earnings per share	$ 1.40	$ 1.19	$ 3.75	$ 3.41
Weighted –average basic and diluted shares outstanding	898,336	898,336	898,336	899,739

PINNACLE BANCSHARES, INC.

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
Nine Months Ended September 30, 2026 and 2025

	Common Stock		Additional Paid-in	Treasury	Retained	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Stock	Earnings	Loss	Equity
Balance December 31, 2024	1,872,313	$ 18,723	$ 8,923,223	$ (15,698,015)	$ 48,857,057	$ (28,239,616)	$ 13,861,372
Net income	-	-	-		3,071,274	-	3,071,274
Cash dividends declared ($.81 per share)	-	-	-	-	(728,191)	-	(728,191)
Purchase of treasury stock	-	-	-	(231,080)	-	-	(231,080)
Other comprehensive income	-	-	-	-	-	4,790,688	4,790,688
Balance September 30, 2025	1,872,313	$ 18,723	$ 8,923,223	$ (15,929,095)	$ 51,200,140	$ (23,448,928)	$ 20,764,063

	Common Stock		Additional Paid-in	Treasury	Retained	Accumulated Other Comprehensive	Total Stockholders'
	Shares	Amount	Capital	Stock	Earnings	Loss	Equity
Balance December 31, 2025	1,872,313	$ 18,723	$ 8,923,223	$ (15,929,095)	$ 52,075,496	$ (22,442,263)	$ 22,646,084
Net income	-	-	-		3,366,876	-	3,366,876
Cash dividends declared ($.81 per share)	-	-	-	-	(727,652)	-	(727,652)
Other comprehensive loss	-	-	-	-	-	(7,316,059)	(7,316,059)
Balance September 30, 2026	1,872,313	$ 18,723	$ 8,923,223	$ (15,929,095)	$ 54,714,720	$ (29,758,322)	$ 17,969,249

PINNACLE BANCSHARES, INC,

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the Nine Months Ended September 30,	
	2026	**2025**
OPERATING ACTIVITIES:		
Net income	$ 3,366,876	$ 3,071,274
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	362,417	356,135
Provision for loan losses	45,000	-
Loss on sale of securities available for sale	267,613	-
Net investment (accretion) amortization expense	(37,177)	111,466
Amortization of discount of solar income tax credit	(144,954)	-
Net increase in bank owned life insurance	(390,473)	(354,221)
Decrease in accrued interest receivable	342,113	483,829
Increase (decrease) in accrued interest payable	90,291	(217,010)
Net other operating activities	46,913	(168,543)
Net cash provided by operating activities	3,948,619	3,282,930
INVESTING ACTIVITIES:		
Net (increase) decrease in loans	(5,275,503)	3,427,946
Net (increase) decrease in interest bearing deposits in other banks	(7,703,583)	866,249
Purchase of securities available for sale	(31,827,338)	(17,193,506)
Proceeds from sale of securities available for sale	7,982,921	-
Proceeds from maturing, calls, and payments received on securities available for sale	15,217,709	9,152,014
Net purchase of restricted equity securities	(12,500)	(2,800)
Purchase of income tax credit at discount	(1,675,443)	(601,439)
Proceeds from income tax refund associated with federal solar tax credit	2,343,239	-
Purchase of premises and equipment	(878,993)	(68,488)
Net cash used in investing activities	(21,829,491)	(4,420,024)
FINANCING ACTIVITIES:		
Net increase in deposits	19,669,043	7,677,334
Proceeds from other borrowings	2,000,000	-
Repayments of other borrowings	(2,000,000)	(5,000,000)
Purchase of treasury stock	-	(231,080)
Payments of cash dividends	(727,652)	(728,191)
Net cash provided by financing activities	18,941,391	1,718,063
Net increase in cash and cash equivalents	1,060,519	580,969
Cash and cash equivalents at beginning of period	2,763,958	2,406,608
Cash and cash equivalents at end of period	$ 3,824,477	$ 2,987,577
SUPPLEMENTAL DISCLOSURES:		
Cash paid during the period for:		
Interest	$ 3,447,009	$ 3,415,517
Taxes	$ 809,985	$ 851,759
OTHER NONCASH TRANSACTIONS		
Real estate acquired through foreclosure	$ -	$ -
Internally financed sales of other real estate owned	$ -	$ -