

## Oconee Financial Corporation Reports Second Quarter 2021 Results

WATKINSVILLE, Ga., August 03, 2021/PRNewswire/ -- Oconee Financial Corporation ("Oconee") (OTCQX: OSBK) is pleased to report results for the second quarter of 2021. Unaudited net income for the three months ending June 30, 2021, was \$812,417 or \$0.91 per common share. This compares to \$889,370 or \$0.99 per common share for the second quarter of the prior year. This represents an 8.7% decrease in net earnings in the second quarter of 2021 as compared to the same period in 2020. The decrease for the second quarter was mainly attributed to merger expenses of \$196,000 relating to our pending acquisition of Elberton Federal Savings and Loan Association. Excluding these merger-related charges, net earnings for the second quarter were \$967,257. This represents an 8.8% increase over the second quarter of 2020.

Unaudited net income YTD as of June 30, 2021 was \$1,636,638 or \$1.83 per common share. This compares to \$1,038,711 or \$1.15 per common share for YTD as of June 30 of the prior year. This represents an increase of 57.6% in net earnings YTD June 30, 2021 as compared to the same period in 2020. The increase in earnings over the previous year was primarily attributable to increases in net interest income from Paycheck Protection Program (PPP) fees recognized of \$835,000 and increases in mortgage banking income of \$579,000.

Total assets as of June 30, 2021, were \$529.3 million, compared to total assets of \$494.5 million as of December 31, 2020. Total loans were \$301.0 million and deposits were \$478.9 million as of June 30, 2021. This compared to total loans of \$319.6 million and deposits of \$444.7 million at December 31, 2020. As of June 30, 2021, total loans decreased 5.8% and total deposits increased 7.7% versus December 31, 2020. Book value per share at June 30, 2021 was \$43.43.

Neil Stevens, President and Chief Executive Officer of Oconee, commenting on the second quarter's results noted "we're pleased with our earnings for the second quarter. So far in the third quarter we're seeing good lending momentum across all our markets".

Stevens also noted "in the second quarter, we moved into our corporate headquarters in downtown Watkinsville. This move allowed us to not only house our executive and support staff in one building but also downsize our square footage and reduced our occupancy costs. Also, the regulatory application for the Elberton Federal merger has now been filed and we are looking forward to completing the merger."

Oconee Financial Corporation is headquartered in Watkinsville, Georgia and operates four full-service branches and one limited-service branch. In February 2021, Oconee State bank celebrated 61 years of service and continues to be the only locally owned and operated community bank headquartered in Oconee County. Oconee State Bank has proudly served the local community, providing an unparalleled commitment to personalized service, innovative products and solutions, and strives to bring exceptional value to our customers through local ownership, involvement and decision-making. We continuously strive to create remarkable experiences that significantly mark the lives of others.

**OCONEE FINANCIAL CORPORATION**  
**BALANCE SHEET**

	6/30/2021	12/31/2020
	(Unaudited)	
<b><u>ASSETS</u></b>		
Cash and due from banks	\$ 76,805,785	\$ 76,418,430
Securities available for sale (at fair value)	126,595,713	75,548,813
Other investment	247,400	359,700
Mortgage loans held for sale	5,294,138	6,408,720
Loans, net of unearned income	305,344,255	323,624,861
Allowance for loan loss	(4,313,844)	(4,057,091)
Loans, net	301,030,411	319,567,770
Premises and equipment	8,105,088	5,103,036
Other real estate owned	--	--
Other assets	11,189,054	11,129,233
Total Assets	\$ 529,267,589	\$ 494,535,702
<b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
Liabilities:		
Deposits	\$ 478,936,187	\$ 444,701,932
Subordinated debenture, net of capitalized expenses	9,782,471	9,770,497
Dividends payable	--	--
Accrued expenses and other liabilities	1,652,497	1,928,168
Total Liabilities	490,371,155	456,400,597
Stockholder's Equity:		
Common Stock	1,795,076	1,794,250
Restricted Stock	(63,724)	(37,976)
Additional Paid in Capital	4,159,822	4,147,114
Retained earnings	31,905,437	30,850,978
Unrealized gain/loss on securities	1,099,823	1,380,739
Total Stockholder's Equity	38,896,434	38,135,105
Total Liabilities and Stockholder's Equity	\$ 529,267,589	\$ 494,535,702
Book Value Per Share	\$ 43.43	\$ 42.56

**OCONEE FINANCIAL CORPORATION**  
**STATEMENT OF INCOME-YTD**

	6/30/2021	6/30/2020
	(Unaudited)	
Interest Income:		
Loans	\$ 7,740,280	\$ 7,065,011
Securities available for sale		
State, County & Municipal	353,938	174,792
Treasuries & Agencies	360,916	496,949
Corporate	158,622	875
Federal funds sold & other	39,954	160,255
	8,653,710	7,897,882
Interest Expense:		
Deposits	546,632	972,292
Other	311,974	18,196
Total Interest Expense	858,606	990,488
Net interest income	7,795,104	6,907,394
Provision for loan losses	235,500	375,000
Net income after provision for loan losses	7,559,604	6,532,394
Noninterest income		
Service charges on deposit accounts	215,134	230,047
Loss on Sale of Assets	(36,462)	(13,291)
Securities gains (losses), net	172,312	163,994
Mortgage banking income	1,202,670	623,399
SBA loan related income	118,545	309,548
Commissions on investment sales	139,341	283,289
Other	749,472	609,281
Total noninterest income	2,561,011	2,206,266
Noninterest expense		
Salaries and employee benefits	4,645,279	4,897,962
Occupancy	661,406	593,458
Other operating	2,743,975	1,957,723
Total noninterest expense	8,050,659	7,449,143
Income before provision for income taxes	2,069,956	1,289,518
Provision for income taxes	433,318	250,807
Net Income	\$ 1,636,638	\$ 1,038,711
Period-Ending Outstanding Shares	895,662	895,237
Weighted Average Shares Outstanding	895,662	895,401
YTD Earnings Per Common Share	\$ 1.83	\$ 1.15

**OCONEE FINANCIAL CORPORATION**  
**STATEMENT OF INCOME-QTD**

	6/30/2021	6/30/2020
	(Unaudited)	
Interest Income:		
Loans	\$ 3,887,179	\$ 3,794,685
Securities available for sale		
State, County & Municipal	166,595	85,972
Treasuries & Agencies	256,269	205,124
Corporate	90,849	875
Federal funds sold & other	19,381	19,445
	4,420,273	4,106,101
Interest Expense:		
Deposits	260,545	375,380
Other	155,987	18,196
Total Interest Expense	416,532	393,576
Net interest income	4,003,741	3,712,525
Provision for loan losses	--	187,500
Net income after provision for loan losses	4,003,741	3,525,025
Noninterest income		
Service charges on deposit accounts	108,952	99,217
Loss on Sale of Assets	(36,462)	(13,291)
Securities gains (losses), net	(23,991)	163,994
Mortgage banking income	617,436	461,907
SBA loan related income	74,099	179,570
Commissions on investment sales	60,124	137,669
Other	347,393	287,875
Total noninterest income	1,147,551	1,316,941
Noninterest expense		
Salaries and employee benefits	2,354,327	2,466,504
Occupancy	354,390	308,330
Other operating	1,416,609	939,104
Total noninterest expense	4,125,326	3,713,938
Income before provision for income taxes	1,025,966	1,128,028
Provision for income taxes	213,549	238,658
Net Income	\$ 812,417	\$ 889,370
Period-Ending Outstanding Shares	895,662	895,237
Weighted Average Shares Outstanding	895,662	895,401
QTD Earnings Per Common Share	\$ 0.91	\$ 0.99