

Oconee Financial Corporation Reports Second Quarter 2020 Results

WATKINSVILLE, Ga., August 3, 2020/PRNewswire/ -- Oconee Financial Corporation ("Oconee") (OTCQX: OSBK) is pleased to report results for the second quarter of 2020. Unaudited net income for the three months ending June 30, 2020, was \$889,370 or \$0.99 per common share. This compares to \$669,248 or \$0.75 per common share for the second quarter of the prior year. This represents a 32.9% increase in net earnings in the second quarter of 2020 as compared to the same period in 2019.

Unaudited net income YTD as of June 30, 2020 was \$1,038,711 or \$1.15 per common share. This compares to \$1,193,124 or \$1.33 per common share for YTD as of June 30 of the prior year. This represents a decrease of 12.9% in net earnings YTD June 30, 2020 as compared to the same period in 2019.

Total assets as of June 30, 2020, were \$469.1 million, compared to total assets of \$399.5 million as of December 31, 2019. Total loans were \$319.2 million and deposits were \$400.2 million as of June 30, 2020. This compared to total loans of \$248.8 million and deposits of \$361.5 million at December 31, 2019. As of June 30, 2020, total loans have increased 28.3% and total deposits have increased 10.7% versus December 31, 2019.

Neil Stevens, President and Chief Executive Officer of Oconee stated "We're pleased with second quarter earnings and the improvement over the prior year second quarter and the first quarter of 2020. During the quarter we provided over \$55 million in Paycheck Protection Program loans, marking the lives of many people in our communities."

Oconee Financial Corporation is headquartered in Watkinsville, Georgia and operates four full-service branches and one limited-service loan production office. In February 2020, Oconee State bank celebrated 60 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

	6/30/2020	12/31/2019
	(Unaudited)	
<u>ASSETS</u>		
Cash and due from banks	\$ 69,628,726	\$ 38,099,324
Securities available for sale (at fair value)	56,575,424	99,228,506
Other investment	359,600	314,900
Mortgage loans held for sale	6,271,606	1,572,800
Loans, less allowance for loan losses	319,225,237	248,771,230
Premises and equipment	4,178,827	4,294,867
Other real estate owned	--	--
Other assets	12,888,452	7,239,812
Total Assets	\$ 469,127,872	\$ 399,521,439
 <u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 400,184,890	\$ 361,522,574
Repurchase agreements	--	--
Dividends payable	--	--
Other borrowings	29,396,699	--
Accrued expenses and other liabilities	2,679,856	2,331,769
Total Liabilities	432,261,445	363,854,343
Stockholder's Equity:		
Common Stock	1,792,750	1,793,760
Restricted Stock	(36,745)	(36,745)
Additional Paid in Capital	4,122,790	4,139,146
Retained earnings	30,000,898	29,501,154
Unrealized gain/loss on securities	986,735	269,781
Total Stockholder's Equity	36,866,427	35,667,096
Total Liabilities and Stockholder's Equity	\$ 469,127,872	\$ 399,521,439

O CONEE FINANCIAL CORPORATION
STATEMENT OF INCOME-QTD

	6/30/2020	6/30/2019
	(Unaudited)	
Interest Income:		
Loans	\$ 3,794,685	\$ 3,117,939
Securities available for sale		
State, County & Municipal	85,972	117,974
Treasuries & Agencies	205,124	332,448
Corporate	875	--
Federal funds sold & other	19,445	30,750
	4,106,100	3,599,112
Interest Expense:		
Deposits	375,380	343,085
Other	18,196	9,541
Total Interest Expense	393,576	352,626
Net interest income	3,712,524	3,246,486
Provision for loan losses	187,500	142,500
Net income after provision for loan losses	3,525,024	3,103,986
Noninterest income		
Service charges on deposit accounts	99,217	142,790
Gain on Sale of Assets	(13,291)	--
Securities gains (losses), net	163,994	9,626
Mortgage banking income	461,907	104,101
SBA loan related income	179,570	394,976
Commissions on investment sales	137,669	169,827
Other	287,875	289,478
Total noninterest income	1,316,941	1,110,798
Noninterest expense		
Salaries and employee benefits	2,466,504	2,139,609
Occupancy	308,330	325,290
Other operating	939,104	913,472
Total noninterest expense	3,713,937	3,378,371
Income before provision for income taxes	1,128,028	836,414
Provision for income taxes	238,658	167,166
Net Income	\$ 889,370	\$ 669,248
Weighted Shares Outstanding	895,401	900,401
QTD Earnings Per Common Share	\$ 0.99	\$ 0.75

OCONEE FINANCIAL CORPORATION
STATEMENT OF INCOME-YTD

	<u>6/30/2020</u> (Unaudited)	<u>6/30/2019</u>
Interest Income:		
Loans	\$ 7,065,011	\$ 5,928,892
Securities available for sale		
State, County & Municipal	174,792	264,536
Treasuries & Agencies	496,949	678,092
Corporate	875	--
Federal funds sold & other	160,255	148,241
	<u>7,897,881</u>	<u>7,019,762</u>
Interest Expense:		
Deposits	972,292	643,841
Other	18,196	9,541
Total Interest Expense	<u>990,488</u>	<u>653,382</u>
Net interest income	6,907,393	6,366,380
Provision for loan losses	<u>375,000</u>	<u>285,000</u>
Net income after provision for loan losses	6,532,393	6,081,380
Noninterest income		
Service charges on deposit accounts	230,047	288,435
Gain on Sale of Assets	(13,291)	--
Securities gains (losses), net	163,994	9,626
Mortgage banking income	623,399	171,232
SBA loan related income	309,548	589,700
Commissions on investment sales	283,289	287,248
Other	609,281	644,044
Total noninterest income	<u>2,206,267</u>	<u>1,990,285</u>
Noninterest expense		
Salaries and employee benefits	4,897,962	4,201,990
Occupancy	593,458	646,320
Other operating	1,957,722	1,755,262
Total noninterest expense	<u>7,449,141</u>	<u>6,603,572</u>
Income before provision for income taxes	1,289,518	1,468,093
Provision for income taxes	<u>250,807</u>	<u>274,969</u>
Net Income	<u>\$ 1,038,711</u>	<u>\$ 1,193,124</u>
Weighted Shares Outstanding	895,401	900,401
YTD Earnings Per Common Share	\$ 1.15	\$ 1.33