

### Oconee Financial Corporation Reports Third Quarter 2020 Results

WATKINSVILLE, Ga., November 10, 2020/PRNewswire/ -- Oconee Financial Corporation ("Oconee") (OTCQX: OSBK) is pleased to report results for the third quarter of 2020. Unaudited net income for the three months ending September 30, 2020, was \$516,483 or \$0.58 per common share. This compares to \$629,863 or \$0.71 per common share for the third quarter of 2019 and \$889,370 or \$0.99 per common share for the second quarter of 2020. Third quarter 2020's results included \$487,500 of loan loss provision expense versus \$142,500 for the third quarter of 2019 and \$187,500 for the second quarter of 2020.

Unaudited net income YTD as of September 30, 2020 was \$1,555,195 or \$1.73 per common share. This compares to \$1,822,985 or \$2.03 per common share for YTD as of September 30 of the prior year. This represents a decrease of 14.7% in net earnings YTD September 30, 2020 as compared to the same period in 2019.

Total assets as of September 30, 2020, were \$469.4 million, compared to total assets of \$399.5 million as of December 31, 2019. Total loans were \$326.1 million and deposits were \$391.2 million as of September 30, 2020. This compared to total loans of \$248.8 million and deposits of \$361.5 million at December 31, 2019. As of September 30, 2020, total loans have increased 31.1% and total deposits have increased 8.2% versus December 31, 2019.

Neil Stevens, President and Chief Executive Officer of Oconee stated "while third quarter 2020's earnings showed a decline over the third quarter of 2019, this was the result of additional loan loss provisioning in the third quarter. This move, along with the successful completion of a \$10 million subordinated debt capital raise in August, both serve to further strengthen our balance sheet."

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**

	<u>9/30/2020</u>	<u>12/31/2019</u>
	(Unaudited)	
<b><u>ASSETS</u></b>		
Cash and due from banks	\$ 61,243,175	\$ 38,099,324
Securities available for sale (at fair value)	56,632,642	99,228,506
Other investment	359,600	314,900
Mortgage loans held for sale	9,916,992	1,572,800
Loans, less allowance for loan losses	326,077,498	248,771,230
Premises and equipment	4,257,940	4,294,867
Other real estate owned	--	--
Other assets	10,865,826	7,239,812
Total Assets	\$ 469,353,672	\$ 399,521,439
 <b><u>LIABILITIES AND STOCKHOLDERS' EQUITY</u></b>		
Liabilities:		
Deposits	\$ 391,183,960	\$ 361,522,574
Repurchase agreements	--	--
Subordinated debenture, net of capitalized expenses	9,783,216	
Dividends payable	--	--
Other borrowings	28,552,722	--
Accrued expenses and other liabilities	2,408,448	2,331,769
Total Liabilities	431,928,346	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	30,517,383	29,501,154
Unrealized gain/loss on securities	1,029,150	269,781
Total Stockholder's Equity	37,425,327	35,667,096
Total Liabilities and Stockholder's Equity	\$ 469,353,672	\$ 399,521,439

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

	<u>9/30/2020</u>	<u>9/30/2019</u>
	(Unaudited)	
Interest Income:		
Loans	\$ 3,820,044	\$ 3,231,071
Securities available for sale		
State, County & Municipal	82,218	96,282
Treasuries & Agencies	168,215	285,207
Corporate	12,531	
Federal funds sold & other	19,813	82,050
Total Interest Income	<u>4,102,822</u>	<u>3,694,609</u>
Interest Expense:		
Deposits	338,078	403,897
Other	117,597	1,272
Total Interest Expense	<u>455,675</u>	<u>405,169</u>
Net interest income	3,647,147	3,289,440
Provision for loan losses	<u>487,500</u>	<u>142,500</u>
Net income after provision for loan loss	3,159,647	3,146,940
Noninterest income		
Service charge on deposit accounts	109,566	156,199
Gain on Sale of Assets	(4,864)	--
Securities gains (losses), net	18,866	(3,119)
Mortgage banking income	627,119	152,128
SBA loan related income	279,804	215,077
Commissions on investment sales	147,232	99,115
Other	310,801	299,555
Total noninterest income	<u>1,488,524</u>	<u>918,955</u>
Noninterest expense		
Salaries and employee benefits	2,593,803	2,113,003
Occupancy	306,541	332,058
Other operating	1,139,494	838,223
Total noninterest expense	<u>4,039,838</u>	<u>3,283,284</u>
Income before provision for income tax	608,333	782,612
Provision for income taxes	<u>91,850</u>	<u>152,749</u>
Net Income	<u>\$ 516,483</u>	<u>\$ 629,863</u>
Period-Ending Outstanding Shares	895,237	\$ 899,051
Weighted Average Shares Outstanding	895,401	899,778
QTD Earnings Per Common Share	\$ 0.58	\$ 0.71

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

	<u>9/30/2020</u>	<u>9/30/2019</u>
	(Unaudited)	
Interest Income:		
Loans	\$ 10,885,055	\$ 9,159,963
Securities available for sale		
State, County & Municipal	257,010	360,818
Treasuries & Agencies	665,164	963,299
Corporate	13,406	
Federal funds sold & other	180,068	230,291
Total Interest Income	<u>12,000,704</u>	<u>10,714,370</u>
Interest Expense:		
Deposits	1,310,370	1,047,738
Other	135,793	10,813
Total Interest Expense	<u>1,446,163</u>	<u>1,058,551</u>
Net interest income	10,554,541	9,655,819
Provision for loan losses	<u>862,500</u>	<u>427,500</u>
Net income after provision for loan loss	9,692,041	9,228,319
Noninterest income		
Service charges on deposit accounts	339,613	444,634
Gain on Sale of Assets	(18,155)	--
Securities gains (losses), net	182,860	6,507
Mortgage banking income	1,250,518	323,360
SBA loan related income	589,352	804,777
Commissions on investment sales	430,521	386,363
Other	920,082	943,599
Total noninterest income	<u>3,694,791</u>	<u>2,909,240</u>
Noninterest expense		
Salaries and employee benefits	7,491,765	6,314,993
Occupancy	899,999	978,378
Other operating	3,097,216	2,593,485
Total noninterest expense	<u>11,488,980</u>	<u>9,886,856</u>
Income before provision for income tax	1,897,852	2,250,703
Provision for income taxes	<u>342,657</u>	<u>427,718</u>
Net Income	<u>\$ 1,555,195</u>	<u>\$ 1,822,985</u>
Period-Ending Outstanding Shares	895,237	\$ 899,051
Weighted Average Shares Outstanding	895,401	899,778
YTD Earnings Per Common Share	\$ 1.73	\$ 2.03