



Oconee Financial Corporation

P.O. Box 205
Watkinsville, GA 30677
706-769-6611
Oconeeestatebank.com

FOR IMMEDIATE RELEASE

Oconee Financial Corporation Reports First Quarter 2026 Results

Watkinsville, GA May 6, 2026 -- Oconee Financial Corporation ("Oconee") (OTCQX: OSBK) is pleased to report results for the first quarter of 2026. Unaudited net income for the three months ending March 31, 2026, was \$991,000, or \$0.94 per common share. This compares to \$1.0 million, or \$0.97 per common share for the first quarter of 2025. The 1.9% decrease in net income for the first quarter of 2026 was mainly attributable to an increase in non-interest expense of \$713,000, offset by an increase in net interest income of \$543,000, a decrease in provision for loan losses of \$92,000 and an increase in non-interest income of \$83,000 over the same period of 2025. The increase in net interest income was due to increases in interest income on loans of \$1.3 million, offset by increases in interest expense on deposits and borrowings of \$682,000. While loan growth continues to be strong, the provision for loan losses decreased \$92,000 compared to the same period in 2025. The increase in non-interest income compared to the same period of 2025 is mainly attributable to an increase in mortgage banking income of \$137,000 and the recognition of a gain on sale of fixed assets of \$36,000, offset by SBA loan related income decreasing by \$151,000. In addition, the first quarter of 2025 non-interest income included a restructuring loss on the sale of securities of \$61,000. The increase in non-interest expense was primarily due to salaries and employee benefits increasing \$668,000 compared to the same period in 2025 with the increase in employee headcount from 101 FTE at March 31, 2025 to 111 FTE at March 31, 2026.

Total assets as of March 31, 2026, were \$724.0 million, compared to total assets of \$734.2 million as of December 31, 2025, a decrease of 1.4%. Total loans, net of unearned income, were \$502.6 million and total deposits were \$631.2 million as of March 31, 2026. This compares to total loans of \$481.6 million and total deposits of \$640.3 million at December 31, 2025. As of March 31, 2026, total loans increased 4.4% and total deposits decreased 1.4% from December 31, 2025. Tangible book value per share at March 31, 2026, was \$51.28 versus \$51.80 at December 31, 2025. The 1.0% decrease in book value per share at March 31, 2026, was largely due to the retention of earnings after accounting for the annual dividend of \$1.15 per share that was payable to shareholders on April 1, 2026. Also affecting the decrease in book value per share is a year-to-date decrease in Other Comprehensive Income, which includes an increase in the Bank's unrealized loss in the investment portfolio of \$890,000, offset by an increase in the Bank's unrealized gain in the fair value of derivatives of \$335,000.

Neil Stevens, President and Chief Executive Officer of Oconee, commenting on the first quarter results noted "We delivered solid first-quarter performance with net earnings of \$991,000, supported by strong loan growth and higher net interest income. While expenses increased as we invested in additional talent to serve our customers and communities, we remain focused on disciplined growth and long-term value for shareholders."

About the Company

Oconee Financial Corporation, established in January 1999, serves as the holding company for Oconee State Bank, established in 1960 and headquartered in Watkinsville, Georgia. The Bank operates six full-service financial centers across Oconee, Athens-Clarke, Gwinnett, Macon-Bibb, and Elbert counties. The Bank also maintains Loan and Deposit Production Offices in Johnson City, Tennessee, under its Trio South Bank division, and in Statesboro, Georgia. The Bank is the only locally owned and operated community bank headquartered in Oconee County. Oconee State Bank proudly serves its communities, providing unparalleled commitment to personalized service, innovative products, and solutions, and brings exceptional value to all stakeholders, through local ownership, involvement, and decision-making. The Bank strives to be essential to those it serves, by creating remarkable experiences that significantly mark the lives of others.

Contacts: Neil Stevens
President & Chief Executive Officer
706-583-3660
nstevens@oconeestatebank.com

Jim McLemore
Chief Financial Officer
706-583-3862
jmclmore@oconeestatebank.com

Oconee Financial Corporation

OCONEE FINANCIAL CORPORATION
BALANCE SHEET

	3/31/2026	12/31/2025
	(Unaudited)	(Audited)
<u>ASSETS</u>		
Cash and due from banks	\$ 47,002,707	\$ 76,069,901
Securities available for sale (at fair value)	141,640,448	144,882,895
Other investment	988,800	923,000
Mortgage loans held for sale	2,040,414	1,925,074
Loans, net of unearned income	502,557,040	481,562,043
Allowance for loan loss	(6,829,005)	(6,529,377)
Loans, net	495,728,035	475,032,666
Premises and equipment	11,061,918	11,316,072
Other assets	25,561,360	24,009,015
Total Assets	\$ 724,023,682	\$ 734,158,623
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Liabilities:		
Deposits	\$ 631,170,840	\$ 640,314,041
Federal Home Loan Bank Advances	10,000,000	10,000,000
Subordinated debenture, net of capitalized expenses	19,582,268	19,558,168
Dividends payable	1,206,432	--
Accrued expenses and other liabilities	6,498,440	8,031,473
Total Liabilities	668,457,980	677,903,682
Stockholder's Equity:		
Common Stock	2,102,692	2,101,848
Restricted Stock	(76,796)	(53,020)
Additional Paid in Capital	7,335,622	7,231,766
Retained earnings	52,106,453	52,322,045
Unrealized gain/loss on securities and derivatives	(5,902,270)	(5,347,698)
Total Stockholder's Equity	55,565,702	56,254,941
Total Liabilities and Stockholder's Equity	\$ 724,023,682	\$ 734,158,623
Book Value Per Share	\$ 52.98	\$ 53.52
Tangible Book Value Per Share	\$ 51.28	\$ 51.80

OCONEE FINANCIAL CORPORATION
STATEMENT OF INCOME-YTD

	3/31/2026	3/31/2025
	(Unaudited)	
Interest Income:		
Loans	\$ 8,112,544	\$ 6,790,390
Securities available for sale		
State, County & Municipal	153,893	156,853
Treasuries & Agencies	928,478	1,005,522
Corporate	59,811	94,766
Federal funds sold & other	470,989	452,932
	9,725,715	8,500,463
Interest Expense:		
Deposits	2,610,247	2,130,357
Other	496,475	293,974
Total Interest Expense	3,106,722	2,424,331
Net interest income	6,618,992	6,076,132
Provision for loan losses	331,875	423,700
Net income after provision for loan losses	6,287,117	5,652,432
Noninterest income		
Service charges on deposit accounts	172,734	173,409
Gain (loss) on Sale of Assets	36,056	--
Securities gains (losses), net	--	(60,958)
Mortgage banking income	442,011	305,193
SBA loan related income	38,859	189,513
Commissions on investment sales	45,598	34,952
Other	549,941	559,671
Total noninterest income	1,285,199	1,201,781
Noninterest expense		
Salaries and employee benefits	4,070,220	3,402,069
Occupancy	475,545	398,531
Other operating	1,793,922	1,826,011
Total noninterest expense	6,339,688	5,626,611
Income before provision for income taxes	1,232,629	1,227,602
Provision for income taxes	241,790	217,242
Net Income	\$ 990,839	\$ 1,010,360
Period-Ending Outstanding Shares	1,048,893	1,046,375
Weighted Average Shares Outstanding	1,048,896	1,046,377
YTD Earnings Per Common Share	\$ 0.94	\$ 0.97