

Oconee State Bank and Elberton Federal Enter Into Merger Agreement

WATKINSVILLE, GA. and ELBERTON, GA. - June 1, 2021 – The boards of Oconee Financial Corporation (OTCQX: “OSBK”) and Elberton Federal Savings and Loan Association (Elberton) announced today that the organizations have entered into a definitive agreement for the merger of Elberton and Oconee State Bank, a wholly owned subsidiary of Oconee Financial Corporation.

The transaction is structured as a merger conversion, whereby Elberton, a federal mutual savings association, will convert to a stock form of organization and will simultaneously merge into Oconee State Bank. As part of the transaction, Oconee Financial Corporation will offer shares of its common stock to qualifying eligible Elberton account holders and possibly others in a subscription offering and a community offering.

Oconee Financial is the holding company for Oconee State Bank, a \$520 million asset community bank based in Watkinsville. Elberton is a \$29 million asset mutual savings association headquartered in Elberton.

“The opportunity to partner with Elberton President and CEO Daniel Graves and his team to expand our footprint in Northeast Georgia and strategically grow our relationship with local business owners and residents is a cohesive, strategic partnership,” said Neil Stevens, President and CEO of Oconee State Bank. “Achieving our goal of becoming Georgia’s most remarkable community bank requires top talent in strong communities, and this transaction checks both of those boxes. Daniel and the team at Elberton Federal have done an outstanding job serving their community for decades and we look forward to supporting them as we continue to deliver a remarkable customer experience throughout Northeast Georgia.”

Graves will serve as the Northeast Georgia Market Executive for Oconee State Bank after the merger is completed, and Elberton director Bob Paul will join the Oconee Financial and Oconee State Bank boards of directors. All Elberton Federal employees will remain with Oconee State Bank, and Elberton directors Kyle Branan, Phil Pitts and Jimmy Hill will serve on Oconee State Bank’s Northeast Georgia advisory board.

“Since 1922, the mission of Elberton Federal has always been to provide the highest level of financial service and commitment to our customers and community,” said Graves. “This mission has never been more relevant than it is right now. By partnering with Oconee State Bank, we are joining with an institution that unequivocally shares our values, culture and commitment to true community based banking. I’m grateful to Neil, his staff and the Board of Directors of Oconee State for their commitment to Elberton and their passion for rural Northeast Georgia. We’re excited for what our joint future holds and eagerly look forward to the things we will accomplish together.”

Shareholders at Oconee Financial and account holders at Elberton will be provided detailed information on the transaction in the months ahead. It is anticipated that the merger conversion will take 4 to 6 months to complete. Elberton will continue to operate independently until the merger conversion is completed. Accordingly, it will be business as usual until then.

The proposed transaction will require approval of banking regulators, including the Federal Deposit Insurance Corporation (FDIC), the Office of the Comptroller of the Currency (OCC) and the Georgia Department of Banking and Finance, as well as the members of Elberton.

Performance Trust Capital Partners LLC served as exclusive financial advisor in the transaction, and RP Financial, LC provided appraisal and valuation services. Alston & Bird LLP served as legal counsel to Oconee Financial, and Fenimore, Kay, Harrison & Ford, LLP served as legal counsel to Elberton.

About Elberton Federal Savings and Loan

Elberton Federal Savings and Loan Association is a federal mutual savings association operating from its home office located in Elberton, Georgia. For nearly 100 years, Elberton has sought to be an institution of excellence by providing the highest quality financial products and services to its customers, offering financial products at a fair price and creating the opportunity for personal and professional growth to its employees.

About Oconee Financial Corporation

Oconee Financial Corporation is headquartered in Watkinsville, Georgia and through its wholly-owned subsidiary Oconee State Bank 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.

Contacts:	Jim McLemore Chief Financial Officer Oconee State Bank (706) 769-6611	Daniel Graves President and Chief Executive Officer Elberton Federal Savings and Loan Association (706) 283-5821
	Neil Stevens President and Chief Executive Officer Oconee State Bank (706) 769-6611	

Important Additional Information

The information contained herein does not constitute an offer to sell or a solicitation of an offer to buy any securities or a solicitation of any vote or approval. The offering will only be made through the means of an offering circular. Neither the FDIC, the OCC, the Securities and Exchange Commission, nor any other federal or state regulatory authority has approved or disapproved Oconee Financial Corporation’s common stock or the terms of the offering in connection with the proposed merger conversion. It is illegal for any person to tell you otherwise. THE SECURITIES TO BE OFFERED BY OCONEE FINANCIAL CORPORATION ARE NOT DEPOSITS AND ARE NOT AND WILL NOT BE INSURED OR GUARANTEED BY THE FDIC OR ANY OTHER FEDERAL OR STATE GOVERNMENT AGENCY. OCONEE FINANCIAL CORPORATION’S COMMON STOCK IS SUBJECT TO INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPAL.