

Quarterly Financial Update

1st Quarter 2021

The following table presents selected consolidated financial data for the Company. This data is derived from the Company's quarterly unaudited financial statements and should be read in conjunction with the Company's annual audited financial statements and related notes. The Company's 2020 Annual Report is available online at www.edocumentview.com/sebc.

	Quarterly Results					Annual Results	
	Mar. 31, 2021	Dec. 31, 2020	Sep. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2020	Dec. 31, 2019
As of and for the periods ended: <i>(Dollars in thousands except per share data)</i>							
Summary of Operations:							
Interest income	\$ 4,345	\$ 4,731	\$ 4,265	\$ 4,275	\$ 4,457	\$ 17,728	\$ 17,771
Interest expense	103	119	145	166	229	659	988
Net interest income	4,242	4,612	4,120	4,109	4,228	17,069	16,783
Provision for (recovery of) loan losses	(850)	425	150	600	-	1,175	(375)
Other noninterest income	1,015	1,041	941	823	836	3,641	3,669
Other noninterest expense	3,095	3,143	3,105	3,073	3,091	12,412	12,503
Net income before tax	3,012	2,085	1,806	1,259	1,973	7,123	8,324
Income tax	595	439	346	238	388	1,411	1,670
Net income	\$ 2,417	\$ 1,646	\$ 1,460	\$ 1,021	\$ 1,585	\$ 5,712	\$ 6,654
Core Operating Earnings¹:							
Net income before tax	\$ 3,012	\$ 2,085	\$ 1,806	\$ 1,259	\$ 1,973	\$ 7,123	\$ 8,324
+ Provision for (recovery of) loan losses	(850)	425	150	600	-	1,175	(375)
- Net gain (loss) on investments	-	26	-	-	1	27	(48)
- Net gain on sales of bank-owned properties	88	62	33	4	11	110	332
+ Valuation write-downs on bank-owned properties	-	19	-	13	50	82	94
+ Net noninterest expense for bank-owned properties	14	8	19	17	21	65	66
= Core operating earnings ¹	\$ 2,088	\$ 2,449	\$ 1,942	\$ 1,885	\$ 2,032	\$ 8,308	\$ 7,825
Per Share Ratios:							
Diluted earnings	\$ 0.77	\$ 0.52	\$ 0.46	\$ 0.32	\$ 0.50	\$ 1.81	\$ 2.12
Dividends	0.15	0.15	0.15	0.15	0.15	0.60	1.52
Book value at end of period	21.04	20.68	20.45	20.09	19.36	20.68	18.89
Profitability Ratios:							
Return on average assets	1.80%	1.27%	1.15%	0.84%	1.43%	1.17%	1.56%
Return on average equity	14.91%	10.11%	9.06%	6.57%	10.46%	9.05%	11.30%
Net interest margin	3.38%	3.85%	3.50%	3.65%	4.13%	3.77%	4.28%
Selected Quarter-End Balances:							
Total assets	\$ 570,198	\$ 542,981	\$ 505,611	\$ 508,991	\$ 447,354		
Loans, net of unearned income	271,547	264,570	270,885	270,999	239,990		
Allowance for loan losses	7,301	6,683	6,054	5,961	5,178		
Investment securities, at amortized cost	142,446	128,075	117,397	116,791	121,953		
Deposits	502,417	476,725	434,083	431,926	384,862		
Shareholders' equity	66,293	65,165	64,448	63,291	61,002		
Nonperforming assets:							
Nonperforming loans	\$ 832	\$ 1,031	\$ 1,104	\$ 1,030	\$ 1,081		
Bank-owned properties	669	1,211	1,365	1,550	1,568		
Total nonperforming assets	\$ 1,501	\$ 2,242	\$ 2,469	\$ 2,580	\$ 2,649		
Asset Quality Ratios:							
Annualized net charge-offs (recoveries) per quarter to quarterly average loans	-2.25%	-0.30%	0.08%	-0.28%	-1.24%		
Nonperforming assets to total assets	0.26%	0.41%	0.49%	0.51%	0.59%		
Allowance for loan losses to net loans	2.69%	2.53%	2.23%	2.20%	2.16%		
Allowance to nonperforming loans	878.01%	648.05%	548.30%	578.93%	479.09%		
Liquidity and Capital Ratios:							
Liquid assets to total assets	23.98%	23.69%	18.64%	19.23%	14.10%		
Loans, net to total deposits	54.05%	55.50%	62.40%	62.74%	62.36%		
Average loans to average earning assets (quarterly)	51.62%	56.04%	56.74%	57.78%	58.22%		
Noninterest-bearing deposits to total deposits	30.37%	26.82%	30.35%	30.43%	26.45%		
Tier 1 leverage capital ratio	11.92%	12.28%	12.25%	12.45%	13.44%		



¹ Core operating earnings is a non-GAAP (generally accepted accounting principles) measure. This alternative earnings measure is presented to highlight pre-tax earnings capacity exclusive of credit-related charges (e.g., provision for or recovery of loan losses, gains and losses on sales of foreclosed properties, valuation write-downs on foreclosed properties and expenses related to carrying and disposing of foreclosed properties net of any rental income received on such properties) and any gains and losses on investment securities and other assets.