

Southeastern Banking Corporation Reports Third Quarter 2025 Results

Declares Quarterly Cash Dividend of \$0.22 Per Share



Darien, GA — November 20, 2025 – Southeastern Banking Corporation (OTCID:SEBC), the “Company”, the parent of Southeastern Bank, the “Bank”, today reported financial results for and through the third quarter of 2025. Financial highlights are shown below.

Additionally, the Board of Directors declared a quarterly dividend of \$0.22 per share, to be paid December 11, 2025, to shareholders of record on December 4, 2025. This reflects an increase of one penny per share compared to the most recent quarterly dividend.

Commenting on the Company’s results, Donald “Jay” Torbert, Jr., President and Chief Executive Officer, said, “The third quarter was another solid quarter for us. Earnings are slightly lower than our record 2024 levels, but the stability in our core operating results has been reassuring as we move to increase our dividend payout. We have been fortunate to not experience much asset quality concerns to date despite recent signs of economic unease and shifting conditions heading into 2026. However, we will continue to add to our allowance for credit losses as needed to provide for those uncertainties as well as to support growth in our loan portfolio.”

Earnings

- Net income was \$2.61 million (or \$0.82 per share) for the third quarter of 2025, an increase compared to \$2.44 million (or \$0.77 per share) for the second quarter of 2025 but slightly below the \$2.71 million (or \$0.86 per share) for the third quarter of 2024. Net interest income increased \$233 thousand (or 3.4%) from the previous quarter and \$394 thousand (or 5.9%) from the third quarter of 2024 due to continued loan growth and stable funding costs. Provision for credit losses in the third quarter of 2025 increased to \$220 thousand from \$120 thousand in the second quarter and no provision for the third quarter of 2024 in response to changing economic conditions and overall loan growth.
- Core operating earnings for the third quarter totaled \$3.63 million compared to \$3.41 million for the second quarter of 2025 and \$3.45 million for the third quarter of 2024.
- Our net interest margin was 4.84% in the third quarter, an increase from 4.73% for the second quarter of 2025 and 4.66% for the third quarter of 2024.
- The return on average assets for the third quarter of 2025 was 1.73%, compared to 1.64% for the second quarter of 2025 and 1.84% for the third quarter of 2024.
- The return on average equity was 12.64% versus 12.36% for the second quarter of 2025 and 14.30% for the third quarter of 2024. Capital levels continued to rise while earnings remained fairly constant.
- Year to date, net income was \$7.57 million (or \$2.38 per share), down 5.9% from \$8.05 million (or \$2.55 per share) for the first three quarters of 2024.

Balance Sheet

- Total assets increased \$13.1 million (or 2.2%) year-over-year to end the quarter at \$605.6 million.
- Deposits grew \$13.5 million (or 2.7%) year-over-year to end at \$519.0 million. Growing core deposits and overall banking relationships continue to be a key focus for us.
- Loans increased \$29.3 million (or 7.6%) year-over-year to end at \$414.8 million.
- Total loan production through commercial and retail lending activities was \$36.3 million during the third quarter, slightly down from \$36.7 million in the third quarter of 2024.

Capital

- Capital continues to exceed regulatory thresholds required for the Bank to be considered “well-capitalized.”
- The Bank’s leverage capital ratio was 13.10% at September 30, 2025, up 63 basis points over the last twelve months.
- Consolidated Tier 1 leverage capital ratio was 14.81% at September 30, 2025, up 49 basis points over the last twelve months.
- Book value per share was \$26.17 as of September 30, 2025, a \$1.33 increase over the past year.

Asset Quality

- Asset quality metrics remain low and stable, with minimal change over the last year.
- Nonperforming assets were \$1.12 million (or 0.19% of total assets) at September 30, 2025, down from \$1.39 million (or 0.23%) twelve months prior.
- The allowance for credit losses related to loans aggregated \$8.54 million (or 2.06% of total loans), at September 30, 2025, compared to \$8.16 million (or 2.12% of total loans) at September 30, 2024.

About Southeastern Banking Corporation

Southeastern Banking Corporation is the bank holding company for Southeastern Bank. Established in 1888, Southeastern Bank has a long history of serving its customers and communities through its 10 branch locations in coastal Georgia and northeast Florida, including Brunswick, Callahan (FL), Darien, Eulonia, Folkston, Hilliard (FL), Kingsland, Nahunta, Richmond Hill and St. Simons Island. In addition to these full service branches, the Bank has a loan production office in Hinesville, Georgia. The Bank is headquartered in Darien, Georgia.

Southeastern Banking Corporation's common stock is traded on the OTCID Market under the symbol "SEBC."

For more information, please visit www.southeasternbank.com.

Forward-Looking Statements

Certain statements contained in this release may not be based on historical facts and are forward-looking statements. These forward-looking statements may be identified by their reference to a future period or periods or by the use of forward-looking terminology such as "anticipate," "believe," "estimate," "expect," "outlook," "may," "might," "will," "would," "could," "should," "potential" or "intend." We caution you not to place undue reliance on the forward-looking statements contained in this news release, as actual results could differ materially from those indicated in such forward-looking statements. We undertake no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of this news release.

Explanation of Certain Unaudited Non-GAAP Financial Measures

The measure entitled core operating earnings is not a measure recognized under U.S. generally accepted accounting principles (GAAP) and therefore is considered to be a non-GAAP financial measure. The most comparable GAAP measure is net income before taxes. Core operating earnings exclude select revenues and expenditures not considered core to the Company's daily operations.

Management uses this non-GAAP financial measure in its analysis of the Company's performance and believes these presentations provide useful supplemental information and a clearer understanding of the Company's operating performance. These disclosures should not be considered an alternative to GAAP. The computations of core operating earnings are set forth in the Quarterly Financial Highlights table.

CONTACT: Robert M. Eidson, Jr.
Treasurer
912-437-4141
robbie.eidson@southeasternbank.com

SOUTHEASTERN BANKING CORPORATION

Quarterly Financial Highlights

The following table presents selected consolidated financial data for Southeastern Banking Corporation. This data is derived from quarterly unaudited financial statements and should be read in conjunction with the annual audited financial statements and related notes. The 2024 Annual Report is available online at www.edocumentview.com/sebc.

	Quarterly Results					Year-To-Date Results	
	Sep. 30, 2025	June 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Sep. 30, 2025	Sep. 30, 2024
As of and for the periods ended:							
<i>(Dollars in thousands except per share data)</i>							
Summary of Operations:							
Interest income	\$ 8,199	\$ 7,908	\$ 7,737	\$ 7,833	\$ 7,724	\$ 23,844	\$ 22,531
Interest expense	1,176	1,118	1,168	1,101	1,095	3,462	2,520
Net interest income	7,023	6,790	6,569	6,732	6,629	20,382	20,011
Provision for credit losses	220	120	40	-	-	380	342
Other noninterest income	892	901	834	871	796	2,627	2,583
Other noninterest expense	4,301	4,373	4,083	4,236	4,024	12,757	12,094
Net income before taxes	3,394	3,198	3,280	3,367	3,401	9,872	10,158
Income taxes	784	755	762	779	690	2,301	2,111
Net income	\$ 2,610	\$ 2,443	\$ 2,518	\$ 2,588	\$ 2,711	\$ 7,571	\$ 8,047
Core Operating Earnings¹:							
Net income before taxes	\$ 3,394	\$ 3,198	\$ 3,280	\$ 3,367	\$ 3,401	\$ 9,872	\$ 10,158
+ Provision for credit losses	220	120	40	-	-	380	342
+ Net loss on sales of investment securities	-	-	-	125	30	-	30
- Net gain on sales/disposition of assets	(6)	(6)	(5)	-	-	(17)	(8)
+ Net noninterest expense for bank-owned properties	2	2	-	(6)	3	4	9
+ Donations related to specific community support initiatives	20	100	-	55	20	120	120
=Core operating earnings ¹	\$ 3,630	\$ 3,414	\$ 3,315	\$ 3,541	\$ 3,454	\$ 10,359	\$ 10,651
Per Share Ratios:							
Diluted earnings	\$ 0.82	\$ 0.77	\$ 0.79	\$ 0.81	\$ 0.86	\$ 2.38	\$ 2.55
Dividends	0.21	0.21	0.21	1.20	0.19	0.63	0.57
Book value at end of period	26.17	25.30	24.54	23.45	24.84	26.17	24.84
Profitability Ratios:							
Return on average assets	1.73%	1.64%	1.71%	1.74%	1.84%	1.69%	1.83%
Return on average equity	12.64%	12.36%	13.34%	13.25%	14.30%	12.77%	14.87%
Net interest margin	4.84%	4.73%	4.61%	4.70%	4.66%	4.73%	4.70%
Selected Quarter-End Balances:							
Total assets	\$ 605,565	\$ 609,987	\$ 605,281	\$ 601,959	\$ 592,490		
Loans, net of unearned income	414,798	405,950	397,216	386,064	385,454		
Allowance for credit losses (loans)	8,537	8,379	8,301	8,165	8,159		
Investment securities, at amortized cost	129,487	132,961	135,677	140,040	155,539		
Deposits	519,003	524,394	522,990	522,744	505,464		
Shareholders' equity	83,226	80,451	78,044	74,563	78,253		
Nonperforming assets:							
Nonperforming loans	\$ 1,084	\$ 1,169	\$ 931	\$ 1,162	\$ 1,340		
Bank-owned properties	40	40	40	50	50		
Total nonperforming assets	\$ 1,124	\$ 1,209	\$ 971	\$ 1,212	\$ 1,390		
Asset Quality Ratios:							
Annualized net charge-offs (recoveries) per quarter to quarterly average loans	0.08%	0.03%	-0.10%	-0.01%	-0.14%		
Nonperforming assets to total assets	0.19%	0.20%	0.16%	0.20%	0.23%		
Allowance for credit losses (loans) to net loans	2.06%	2.06%	2.09%	2.11%	2.12%		
Liquidity and Capital Ratios:							
Liquid assets (excl. securities) to total assets	7.68%	9.31%	9.80%	10.77%	6.36%		
Loans, net to total deposits	79.92%	77.41%	75.95%	73.85%	76.26%		
Average loans to average earning assets (quarterly)	70.77%	69.66%	67.32%	67.28%	66.48%		
Tier 1 leverage capital ratio	14.81%	14.52%	14.16%	14.00%	14.32%		



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 the outlined revenues and expenditures not considered as core to the Company's daily operations.

SOUTHEASTERN BANKING CORPORATION

Consolidated Statements of Condition

	September 30, 2025 <i>(Unaudited)</i>	December 31, 2024 <i>(Audited)</i>
<i>(Dollars in thousands)</i>		
ASSETS		
Cash and due from banks	\$ 5,836	\$ 6,010
Interest-bearing deposits in other banks	37,993	55,130
Federal funds sold	2,658	3,697
Cash and cash equivalents	<u>46,487</u>	<u>64,837</u>
Investment securities:		
Available for sale, at fair value (amortized cost of \$89,079 and \$98,938)	80,189	86,237
Held to maturity, net of allowance for credit losses of \$15 and \$15 (fair value of \$36,358 and \$35,632)	40,393	41,087
Loans, gross	414,828	386,095
Unearned income	(30)	(31)
Allowance for credit losses	<u>(8,537)</u>	<u>(8,165)</u>
Net loans	406,261	377,899
Premises and equipment, net	11,847	11,415
Bank-owned life insurance, at cash surrender value	13,244	12,906
Other real estate	40	50
Deferred tax assets, net	4,008	4,765
Other assets	<u>3,096</u>	<u>2,763</u>
Total assets	<u>\$ 605,565</u>	<u>\$ 601,959</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits:		
Noninterest-bearing demand deposits	\$ 150,692	\$ 147,936
Interest-bearing demand, savings and time deposits	368,310	374,808
Total deposits	<u>519,002</u>	<u>522,744</u>
Allowance for credit losses on off-balance sheet credit exposures	770	780
Other liabilities	2,568	3,873
Total liabilities	<u>522,340</u>	<u>527,397</u>
Shareholders' equity		
Common stock, \$1.25 par	4,476	4,476
Additional paid-in-capital	949	855
Retained earnings	92,695	87,128
Treasury stock, at cost	(7,900)	(7,900)
Accumulated other comprehensive loss	<u>(6,995)</u>	<u>(9,997)</u>
Total shareholders' equity	<u>83,225</u>	<u>74,562</u>
Total liabilities and shareholders' equity	<u>\$ 605,565</u>	<u>\$ 601,959</u>

SOUTHEASTERN BANKING CORPORATION

Consolidated Statements of Income

(Unaudited, dollars in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest income:				
Interest and fees on loans	\$ 7,039	\$ 6,325	\$ 20,136	\$ 17,862
Interest on investment securities	779	1,102	2,412	3,688
Other interest income	381	297	1,296	981
Total interest income	<u>8,199</u>	<u>7,724</u>	<u>23,844</u>	<u>22,531</u>
Interest expense:				
Interest on deposits	1,176	981	3,462	2,369
Other interest expense	-	114	-	151
Total interest expense	<u>1,176</u>	<u>1,095</u>	<u>3,462</u>	<u>2,520</u>
Net interest income	7,023	6,629	20,382	20,011
Provision for (recovery of) credit losses:				
Investment securities held to maturity	-	-	-	7
Loans	240	75	390	510
Off-balance sheet credit exposures	(20)	(75)	(10)	(175)
Total provision for credit losses	<u>220</u>	<u>-</u>	<u>380</u>	<u>342</u>
Net interest income after provision for credit losses	6,803	6,629	20,002	19,669
Noninterest income:				
Service charges on deposit accounts	217	214	642	623
Net gain on sales/disposition of assets	6	-	17	8
Other noninterest income	669	582	1,968	1,952
Total noninterest income	<u>892</u>	<u>796</u>	<u>2,627</u>	<u>2,583</u>
Noninterest expense:				
Salaries and employees benefits	2,716	2,479	8,004	7,580
Occupancy and equipment, net	889	845	2,583	2,456
Net loss on sales/disposition of assets	-	31	-	31
Other noninterest expense	696	669	2,170	2,027
Total noninterest expense	<u>4,301</u>	<u>4,024</u>	<u>12,757</u>	<u>12,094</u>
Income before tax expense	3,394	3,401	9,872	10,158
Income tax expense	784	690	2,301	2,111
Net income	<u>\$ 2,610</u>	<u>\$ 2,711</u>	<u>\$ 7,571</u>	<u>\$ 8,047</u>

SOUTHEASTERN BANKING CORPORATION

Average Balance Sheet and Net Interest Analysis

Three Months Ended September 30,

	2025			2024		
	Average Balances	Income/Expense	Yields/Rates	Average Balances	Income/Expense	Yields/Rates
<i>(Unaudited, dollars in thousands)</i>						
Assets						
Interest earning assets:						
Loans, net of unearned income ¹	\$ 410,722	\$ 7,063	6.82%	\$ 379,972	\$ 6,360	6.66%
Investment securities, taxable ²	109,782	675	2.44%	141,826	999	2.80%
Investment securities, tax-exempt ^{2,3}	21,803	132	2.40%	24,295	130	2.13%
Other	38,067	381	3.97%	25,468	297	4.64%
Total interest earning assets	580,374	8,251	5.64%	571,561	7,786	5.42%
Noninterest earning assets	19,102			15,234		
Total assets	<u>\$ 599,476</u>			<u>\$ 586,795</u>		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing demand	\$ 217,094	\$ 649	1.19%	\$ 206,215	\$ 495	0.95%
Savings	101,606	204	0.80%	98,503	197	0.80%
Time deposits	45,033	323	2.85%	42,233	289	2.72%
Other short-term borrowings	-	-	0.00%	8,174	114	5.55%
Total interest-bearing deposits	363,733	1,176	1.28%	355,125	1,095	1.23%
Noninterest-bearing liabilities:						
Demand deposits	150,348			152,896		
Other liabilities	3,519			3,307		
Stockholders' equity	81,876			75,467		
Total liabilities and stockholders' equity	<u>\$ 599,476</u>			<u>\$ 586,795</u>		
Interest rate spread			<u>4.36%</u>			<u>4.19%</u>
Net interest income		<u>\$ 7,075</u>			<u>\$ 6,691</u>	
Net interest margin			<u>4.84%</u>			<u>4.66%</u>

¹ Nonperforming loans are included in average balances. Income on nonaccrual loans, if recognized, is recorded on the cash basis. Loan income includes loan fees and late charges. Tax-equivalent adjustments to loan income were \$24,000 and \$35,000 for the three months ended September 30, 2025 and 2024, respectively.

² Securities are presented on an amortized cost basis.

³ Tax-equivalent adjustments totaling \$28,000 and \$27,000 for the three months ended September 30, 2025 and 2024, respectively, are included in income on tax-exempt securities.

SOUTHEASTERN BANKING CORPORATION

Average Balance Sheet and Net Interest Analysis

Nine Months Ended September 30,

	2025			2024		
	Average Balances	Income/Expense	Yields/Rates	Average Balances	Income/Expense	Yields/Rates
<i>(Unaudited, dollars in thousands)</i>						
Assets						
Interest earning assets:						
Loans, net of unearned income ¹	\$ 402,117	\$ 20,196	6.71%	\$ 368,189	\$ 17,956	6.51%
Investment securities, taxable ²	112,859	2,099	2.49%	152,340	3,331	2.92%
Investment securities, tax-exempt ^{2,3}	21,868	396	2.42%	25,036	452	2.41%
Other	43,803	1,296	3.96%	28,792	981	4.55%
Total interest earning assets	580,647	23,987	5.52%	574,357	22,720	5.28%
Noninterest earning assets	17,764			13,701		
Total assets	<u>\$ 598,411</u>			<u>\$ 588,058</u>		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing demand	\$ 215,278	\$ 1,831	1.14%	\$ 217,649	\$ 1,275	0.78%
Savings	100,892	602	0.80%	100,533	551	0.73%
Time deposits	47,932	1,029	2.87%	33,637	543	2.16%
Other short-term borrowings	-	-	0.00%	3,620	151	0.00%
Total interest-bearing deposits	364,102	3,462	1.27%	355,439	2,520	0.95%
Noninterest-bearing liabilities:						
Demand deposits	151,073			156,967		
Other liabilities	3,984			3,371		
Stockholders' equity	79,252			72,281		
Total liabilities and stockholders' equity	<u>\$ 598,411</u>			<u>\$ 588,058</u>		
Interest rate spread			<u>4.25%</u>			<u>4.33%</u>
Net interest income		<u>\$ 20,525</u>			<u>\$ 20,200</u>	
Net interest margin			<u>4.73%</u>			<u>4.70%</u>

¹ Nonperforming loans are included in average balances. Income on nonaccrual loans, if recognized, is recorded on the cash basis. Loan income includes loan fees and late charges. Tax-equivalent adjustments to loan income were \$60,000 and \$94,000 for the nine months ended September 30, 2025 and 2024, respectively.

² Securities are presented on an amortized cost basis.

³ Tax-equivalent adjustments totaling \$83,000 and \$95,000 for the nine months ended September 30, 2025 and 2024, respectively, are included in income on tax-exempt securities.