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SSB Bancorp, Inc.
April 30, 2024

SSB Bancorp, Inc. Reports Unaudited Consolidated Financial Results

For the three months ended March 31, 2024

Pittsburgh, Pennsylvania, April 30, 2024 /Accesswire/ - SSB Bancorp, Inc. (OTC: SSBP – news) (the “Company”), the holding company for SSB Bank (the “Bank”), today announced the Company’s unaudited, consolidated results of operations for the three months ended March 31, 2024.

Total assets increased \$12.9 million to \$308.7 million at March 31, 2024, from \$295.8 million at December 31, 2023. The increase in assets was due to an increase in deposits of \$12.6 million as well as an increase in retained earnings of \$497,000. These funding increases were converted into a net increase of \$9.8 million in net loans, \$490,000 in certificates of deposit, and \$2.4 million in interest-bearing deposits with other financial institutions.

For the three months ended March 31, 2024

Net earnings for the three months ended March 31, 2024, was \$497,000 million, or \$0.23 per basic and diluted share, compared to net earnings of \$418,000, or \$0.19 per basic and diluted share, for the three months ended March 31, 2023.

Total interest and fee income increased by \$904,000, or 29.6%, when comparing the results of the three months ended March 31, 2024, to the three months ended March 31, 2023. This is due to the increase in average volume interest-earning assets as well as an increase in yield of interest-earning assets when comparing the two periods.

Interest expense increased by \$506,000, or 39.2%, to \$1.8 million in the three months ended March 31, 2024, from \$1.3 million in the three months ended March 31, 2023. The increase in interest expense is due to the increase in cost of interest-bearing liabilities when comparing the two periods as average interest-bearing has remained relatively static over the two periods.

Noninterest income increased by \$245,000, or 54.9%, to \$692,000 from \$447,000 when comparing the three months ended March 31, 2024, to the three months ended March 31, 2023. The increase is due to the increase in credit card processing fees of \$188,000 when comparing the two periods. The credit card processing portfolio continues to grow in both the number of merchants as well as the volume of transactions settled.

Noninterest expense increased by \$527,000 or 34.1% to \$2.1 million. This was mainly due to increases in salaries and employee benefits of \$219,000, outside professional fees of \$198,000, data processing fees of \$54,000, and federal deposit insurance of \$32,000, when comparing the two periods. These increases were offset by a decrease in marketing expense. The decrease in marketing fees reflects a

change in business development methods with a higher emphasis on business development through referral of existing business channels.

This release may contain forward-looking statements within the meaning of the federal securities laws. These statements are not historical facts; rather, they are statements based on the Company's current expectations regarding its business strategies and their intended results and its future performance. Forward-looking statements are preceded by terms such as "expects", "believes", "anticipates", "intends" and similar expressions.

Forward-looking statements are not guarantees of future performance. Numerous risks and uncertainties could cause or contribute to the Company's actual results, performance and achievements to be materially different from those expected or implied by the forward-looking statements. Factors that may cause or contribute to these differences include, without limitation, general economic conditions, including changes in market interest rates and changes in monetary and fiscal policies of the federal government; legislative and regulatory changes.

Because of the risks and uncertainties inherent in forward-looking statements, readers are cautioned not to place undue reliance on them, whether included in this report or made elsewhere from time to time by the Company or on its behalf. The Company assumes no obligation to update any forward-looking statements.

SSB BANCORP, INC.
UNAUDITED CONSOLIDATED BALANCE SHEETS

	March 31, 2024	December 31, 2023
	(unaudited)	
ASSETS		
Cash and due from banks	\$ 397,291	\$ 533,582
Interest-bearing deposits with other financial institutions	15,332,752	12,799,993
Cash and cash equivalents	15,730,043	13,333,575
Certificates of deposit	13,872,000	13,382,000
Securities available for sale	6,603,129	6,652,416
Loans	253,881,249	243,840,519
Allowance for credit losses	(2,655,225)	(2,460,248)
Net loans	251,226,024	241,380,271
Accrued interest receivable	1,516,128	1,450,158
Federal Home Loan Bank stock, at cost	4,992,300	5,059,400
Premises and equipment, net	3,900,576	3,928,503
Bank-owned life insurance	3,596,085	3,574,177
Deferred tax asset, net	778,400	755,648
Intangible asset	4,126,000	4,126,000
Other assets	2,379,831	2,181,821
TOTAL ASSETS	\$ 308,720,516	\$ 295,823,969
 LIABILITIES		
Deposits:		
Noninterest-bearing demand	\$ 68,954,441	\$ 60,836,791
Interest-bearing demand	29,789,862	29,760,504
Money market	64,653,944	65,870,280
Savings	5,159,604	5,117,003
Time	86,318,297	80,727,160
Total deposits	254,876,148	242,311,738
Federal Home Loan Bank advances	20,250,000	20,250,000
Paycheck Protection Program Liquidity Facility advances	1,799,679	1,802,144
Advances by borrowers for taxes and insurance	690,451	655,491
Advances by borrowers for construction	403,096	2,727,613
Accrued interest payable	226,317	430,579
Off-Balance Sheet Reserve	2,167,152	226,317
Other liabilities	605,480	222,334
TOTAL LIABILITIES	281,018,323	268,626,216
 STOCKHOLDERS' EQUITY		
Preferred Stock: \$0.01 par value per share: 5,000,000 shares authorized and no shares issued or outstanding	-	-
Common Stock: 20,000,000 shares authorized; 2,279,191 shares issued; and 2,222,310 shares outstanding at \$0.01 par value	22,769	22,769
Treasury stock, at cost; 56,881 shares	(522,425)	(482,425)
Paid-in capital	8,938,272	8,923,623
Retained earnings	19,182,882	18,686,325
Unearned Employee Stock Ownership Plan (ESOP)	(605,906)	(616,922)
Equity in SMLM	945,110	945,110
Accumulated other comprehensive loss	(258,509)	(280,727)
TOTAL STOCKHOLDERS' EQUITY	27,702,193	27,197,753
 TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	 \$ 308,720,516	 \$ 295,823,969

SSB BANCORP, INC.
UNAUDITED CONSOLIDATED STATEMENTS OF NET INCOME

	Three months ended March 31,	
	2024	2023
	(unaudited)	
INTEREST INCOME		
Loans, including fees	\$ 3,463,306	\$ 2,652,568
Interest-bearing deposits with other financial institutions	140,457	223,106
Certificates of deposit	191,322	26,943
Investment securities:		
Taxable	157,869	153,154
Exempt from federal income tax	9,872	3,049
Total interest income	3,962,826	3,058,820
INTEREST EXPENSE		
Deposits	1,643,174	1,182,541
Federal Home Loan Bank advances and other bank obligations	151,676	106,734
Total interest expense	1,794,850	1,289,275
NET INTEREST INCOME	2,167,976	1,769,545
Provision for credit losses	125,000	125,000
Provision for off-balance sheet items	-	-
Total Provision for credit losses	125,000	125,000
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	2,042,976	1,644,545
NONINTEREST INCOME		
Gain on sale of loans	12,942	19,642
Loan servicing fees	60,065	66,520
Earnings on bank-owned life insurance	21,908	19,337
Credit card processing fees	472,349	284,500
Other	124,623	56,738
Total noninterest income	691,887	446,737
NONINTEREST EXPENSE		
Salaries and employee benefits	1,014,094	795,295
Occupancy	117,848	118,897
Professional fees	333,243	135,525
Federal deposit insurance	86,000	54,000
Data processing	166,534	112,873
Director fees	43,944	40,560
Contributions and donations	40,800	31,003
Marketing	9,055	46,000
Other	262,072	212,587
Total noninterest expense	2,073,590	1,546,740
Income before income taxes	661,273	544,542
Provision for income taxes	164,716	126,765
NET INCOME	\$ 496,557	\$ 417,777
EARNINGS PER COMMON SHARE		
Basic	\$ 0.23	\$ 0.19
Diluted	\$ 0.23	\$ 0.19
AVERAGE COMMON SHARES OUTSTANDING		
Basic	2,160,516	2,150,459
Diluted	2,170,124	2,153,590