

For Immediate Release

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**THE SOUTHERN BANC COMPANY, INC. ANNOUNCES
FIRST QUARTER EARNINGS**

The Southern Banc Company, Inc. (OTCBB: SRNN), the holding company for The Southern Bank Company, formerly First Federal Savings and Loan Association of Gadsden, Alabama, announced a net income of approximately \$176,000, or \$0.23 per basic and diluted share, for the quarter ended September 30, 2024, as compared to a net income of approximately \$367,000, or \$0.48 per basic and diluted share, for the quarter ended September 30, 2023.

Gates Little, President and Chief Executive Officer of the Company stated that the Company's net interest income decreased approximately \$95,000 or (5.06%) during the quarter as compared to the same period in 2023. For the three-months ended September 30, 2024, total interest income increased by approximately \$536,000 or 23.65% as compared to the same period in 2023. Total interest expense increased approximately \$256,000 or 65.79% for the three-months ended September 30, 2024, as compared to the same period in 2023. During the three-months ended September 30, 2024, provisions for credit losses was approximately \$373,000 compared to no provisions for the three-months ended September 30, 2023. For the quarter ended September 30, 2024, total non-interest income increased approximately by \$3,000 or 2.10%, while total non-interest expense increased approximately by \$167,000 or 10.93% as compared to the same three-month period in 2023. The increase in non-interest income was primarily attributable to increases in miscellaneous income of approximately \$4,000 or 3.72% offset in part by a decrease in customer service fees of approximately \$1,000 or (2.79%). The increase in non-interest expense was primarily attributable to increases in salaries and benefits of approximately \$119,000 or 13.09%; occupancy expenses of approximately \$8,000 or 9.26%, professional service expenses of approximately \$74,000 or 58.41%, offset in part by decreases in other operating expenses of approximately \$32,000 or (14.50%) and data processing expenses of approximately \$2,000 or (1.60%).

The Company's total assets at September 30, 2024 were \$113.5 million, as compared to \$113.0 million at June 30, 2024. Total stockholders' equity was approximately \$15.7 million at September 30, 2024, or 13.82% of total assets, as compared to approximately \$14.5 million at June 30, 2024, or approximately 12.80% of total assets.

The Bank has four offices located in Gadsden, Albertville, Guntersville, and Centre, Alabama and a loan production office located in Birmingham, AL. The stock of The Southern Banc Company, Inc. trades in the over-the-counter market under the symbol "SRNN".

Certain statements in this release contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, which statements can generally be identified by the use of forward-looking terminology, such as "may," "will," "expect," "estimate," "anticipate," "believe," "target," "plan," "project," "continue," or the negatives thereof, or other variations thereon or similar terminology, and are made on the basis of management's plans and current analyses of the Company, its business and the industry as a whole. These forward-looking statements are subject to risks and uncertainties, including, but not limited to, economic conditions, competition, interest rate sensitivity and exposure to regulatory and legislative changes. The above factors, in some cases, have affected, and in the future could affect the Company's financial performance and could cause actual results to differ materially from those expressed or implied in such forward-looking statements, even if experience or future changes make it clear that any projected results expressed or implied therein will not be realized.

(Selected financial data on following pages)

THE SOUTHERN BANC COMPANY, INC.
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION
(Dollar Amounts in Thousands)

	September 30, 2024 Unaudited	June 30, 2024 Audited
ASSETS		
CASH AND CASH EQUIVALENTS	\$ 12,426	\$ 12,632
SECURITIES AVAILABLE FOR SALE, at fair value	38,539	37,912
FEDERAL HOME LOAN BANK STOCK	120	120
LOANS RECEIVABLE, net of allowance for loan losses of \$1,483 and \$1,160	58,742	58,199
PREMISES AND EQUIPMENT, net	1,098	1,133
ACCRUED INTEREST AND DIVIDENDS RECEIVABLE	913	934
PREPAID EXPENSES AND OTHER ASSETS	1,698	2,124
TOTAL ASSETS	\$ 113,536	\$ 113,054
LIABILITIES		
DEPOSITS	\$ 91,098	\$ 92,250
OTHER LIABILITIES	6,748	6,338
TOTAL LIABILITIES	97,846	98,588
STOCKHOLDERS' EQUITY:		
Preferred stock, par value \$.01 per share 500,000 shares authorized; no shares issued and outstanding	-	-
Common stock, par value \$.01 per share, 3,500,000 authorized, 1,454,750 shares issued	15	15
Additional paid-in capital	13,945	13,943
Shares held in trust, 46,454 at cost	(772)	(772)
Retained earnings	14,060	13,884
Treasury stock, at cost, 648,664 shares	(8,825)	(8,825)
Accumulated other comprehensive (loss) income	(2,733)	(3,779)
TOTAL STOCKHOLDERS' EQUITY	15,690	14,466
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 113,536	\$ 113,054

THE SOUTHERN BANC COMPANY, INC.
 UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME
 (Dollar Amounts in Thousands, except per share data)

	Three Months Ended September 30,	
	2024 (Unaudited)	2023 (Unaudited)
INTEREST INCOME:		
Interest and fees on loans	\$ 2,474	\$ 1,966
Interest and dividends on securities	166	185
Other interest income	155	108
Total interest income	2,795	2,260
INTEREST EXPENSE:		
Interest on deposits	645	389
Interest on borrowings	-	-
Total interest expense	645	389
Net interest income before provision for loan losses	2,150	1,871
Provision for loan losses	373	-
Net interest income after provision for loan losses	1,777	1,871
NON-INTEREST INCOME:		
Fees and other non-interest income	35	36
Net gain on sale of securities	-	-
Miscellaneous income	113	109
Total non-interest income	148	145
NON-INTEREST EXPENSE:		
Salaries and employee benefits	1,025	906
Office building and equipment expenses	94	86
Professional Services Expense	201	127
Data Processing Expense	182	184
Other operating expense	185	217
Total non-interest expense	1,687	1,521
Income before income tax expense	238	496
INCOME TAX EXPENSE	62	129
Net Income	\$ 176	\$ 367
INCOME PER SHARE:		
Basic	\$ 0.23	\$ 0.48
Diluted	0.23	0.48
DIVIDENDS DECLARED PER SHARE	\$ -	\$ -
AVERAGE SHARES OUTSTANDING:		
Basic	759,632	761,257
Diluted	765,236	768,861