

South Atlantic Bancshares, Inc. Reports Earnings of \$2.10 per Diluted Common Share for the Year Ended December 31, 2025

MYRTLE BEACH, S.C., January 22, 2026 /PRNewswire/ -- South Atlantic Bancshares, Inc. ("South Atlantic" or the "Company") (OTCQX: SABK), parent of South Atlantic Bank (the "Bank"), reported consolidated net income of \$4.8 million, or \$0.62 per diluted common share, for the fourth quarter of 2025, compared to \$4.4 million, or \$0.57 per diluted common share, for the third quarter of 2025. The Company reported \$16.2 million, or \$2.10 per diluted common share, for the year ended December 31, 2025, compared to \$10.1 million, or \$1.31 per diluted common share, for the year ended December 31, 2024.

Fourth Quarter and Year Ended December 31, 2025 Financial Highlights:

- **Net income totaled \$16.2 million for the twelve months ended December 31, 2025, a year-over-year increase of \$6.1 million, or 60.8 percent, when compared to net income of \$10.1 million for the twelve months ended December 31, 2024**
- **Net income totaled \$4.8 million for the fourth quarter of 2025, a quarter-over-quarter increase of \$380.0 thousand, or 8.7 percent, and an increase of \$1.6 million, or 50.3 percent, over the fourth quarter of 2024**
- **Return on average assets and return on average equity for the three months ended December 31, 2025 were 1.02 percent and 14.25 percent, respectively**
- **Total assets increased \$130.0 million to \$1.9 billion during the year ended December 31, 2025, an increase of 7.3 percent, from December 31, 2024**
- **Total loans grew \$127.5 million in the twelve months ended December 31, 2025, an increase of 9.5 percent over December 31, 2024**
- **Total deposits grew \$93.7 million in the twelve months ended December 31, 2025, an increase of 6.4 percent over December 31, 2024**
- **Tangible book value per share (non-GAAP) increased \$2.58, or 18.0 percent, during 2025 to \$16.88 as of December 31, 2025**

"Our fourth quarter and full year 2025 results underscore the strength of our franchise and our team's disciplined focus on sustainable, profitable growth," said K. Wayne Wicker, the Company's Chairman and CEO. "We delivered record annual net income of \$16.2 million in 2025, an increase of over 60 percent from 2024. We continue to see linked quarter earnings expansion, as return on average assets for the fourth quarter of 2025 moved above 1.0 percent. Our performance in 2025 highlights the momentum of our core banking strategy and our commitment to balance sheet management as tangible book value per share increased 18.0 percent during the year" Wicker continued. "As we look ahead, we are encouraged by our positive trajectory, supported by robust credit quality, healthy pipelines, a resilient economy and the continued dedication of our associates across the markets we serve."

Selected Financial Highlights
For the Periods / Three Months Ended

Balance Sheet (000's)	December 31, September 30,		Change (\$)	Change (%)¹
	2025	2025		
Total Assets	\$ 1,916,827	\$ 1,891,373	\$ 25,454	5.4%
Total Loans, Net of Unearned Income	1,466,440	1,426,537	39,903	11.2%
Total Deposits	1,554,325	1,588,682	(34,357)	-8.7%
Borrowings (Excluding Subordinated debt)	180,000	120,000	60,000	200.0%
Total Equity	131,758	128,597	3,161	9.8%
December 31, September 30,				
Income Statement and Per Share Data	2025	2025	Change (\$)	Change (%)
	\$ 4,763	\$ 4,383	\$ 380	8.7%
Diluted Earnings Per Share	0.62	0.57	0.05	8.8%
Tangible Book Value Per Share	16.88	16.49	0.39	2.4%
December 31, September 30,				
Selected Financial Ratios	2025	2025		
	1.02%	0.93%		
Return on Average Assets				
NPAs to Average Assets	0.00%	0.00%		
Efficiency Ratio	60.02%	63.57%		
Net Interest Margin	3.35%	3.28%		
For the Periods / Twelve Months Ended				
Balance Sheet (000's)	December 31, December 31,		Change (\$)	Change (%)
	2025	2024		
Total Assets	\$ 1,916,827	\$ 1,787,150	\$ 129,677	7.3%
Total Loans, Net of Unearned Income	1,466,440	1,338,904	127,536	9.5%
Total Deposits	1,554,325	1,460,653	93,672	6.4%
Borrowings (Excluding Subordinated Debt)	180,000	160,000	20,000	12.5%
Total Equity	131,758	113,769	17,989	15.8%
Income Statement and Per Share Data	December 31, December 31,		Change (\$)	Change (%)
	2025	2024		
Net Income (000's)	\$ 16,167	\$ 10,055	\$ 6,112	60.8%
Diluted Earnings Per Share	2.10	1.31	0.79	60.3%

¹ Results annualized.

Earnings Summary

Net interest income increased \$2.7 million, or 22.5 percent, to \$14.8 million for the three months ended December 31, 2025 when compared to \$12.1 million for the three months ended December 31, 2024. The increase in interest income during the three months ended December 31, 2025 compared to the prior year period was primarily driven by a \$2.8 million increase in interest income on the Company's loan portfolio due to increased yields and organic loan growth, partially offset by a reduction in interest income of \$1.2 million, or 35.5 percent, on the Company's investment portfolio and cash and cash equivalents held with the Federal Reserve Bank of Richmond (the "FRB") and correspondent banks, which was primarily due to a targeted and strategic sale of investment securities in the second quarter of 2025. The Company recognized a decrease in interest expense of \$1.1 million, or 10.6 percent, for the three months ended December 31, 2025 compared to the same period in 2024. The reduction in interest expense during the period was primarily driven by decreases in interest rates on

interest bearing deposits, despite deposit growth in interest bearing deposit balances. Also contributing to the decrease in overall interest expense during the fourth quarter of 2025 were decreases in interest rates on short-term borrowings.

For the year ended December 31, 2025, net interest income increased \$11.4 million, or 25.9 percent, to \$55.5 million when compared to \$44.1 million for the year ended December 31, 2024. This increase was driven primarily by an increase in interest income of \$8.4 million, or 9.6 percent, from \$87.2 million for the twelve months ended December 31, 2024 to \$95.6 million for the twelve months ended December 31, 2025, coupled with a decrease in interest expense on deposits and borrowings of \$3.0 million, or 7.0 percent, for the twelve months ended December 31, 2025 when compared to the same twelve-month period in 2024.

Noninterest income decreased \$217.0 thousand, or 11.5 percent, for the three months ended December 31, 2025 compared to the same three-month period in 2024, primarily driven by a decrease in other income of \$393.0 thousand, or 48.6 percent, related to a recognizable capital gain on a bank held investment in the fourth quarter of 2024, partially offset by an increase in secondary mortgage income of \$112.0 thousand, or 29.2 percent, as well as an increase in service charges and fees of \$30.0 thousand, or 30.3 percent, and an increase in merchant and interchange income of \$34.0 thousand, or 5.7 percent, when compared to the same three-month period in 2024. The Company recognized an increase in noninterest expense of \$494.0 thousand, or 5.3 percent, for the three months ended December 31, 2025 when compared to the same three-month period in 2024, primarily driven by an increase in salaries and employee benefits of \$285.0 thousand, or 5.2 percent, an increase in data processing and software expense of \$96.0 thousand, or 12.2 percent, and an increase of \$255.0 thousand, or 13.0 percent, in other noninterest expense, partially offset by a decrease in occupancy expense of \$142.0 thousand, or 12.5 percent.

For the twelve months ended December 31, 2025, noninterest income increased \$590.0 thousand, or 9.7 percent, when compared to the twelve months ended December 31, 2024, primarily from the benefit of increased secondary mortgage income of \$582.0 thousand, or 43.2 percent, as well as an increase of \$159.0 thousand, or 6.6 percent, in merchant and interchange income, as well as an increase of \$104.0 thousand, or 28.3 percent, in service charge and fee income. For the twelve months ended December 31, 2025, noninterest expense increased \$4.0 million, or 11.3 percent, when compared to the twelve months ended December 31, 2024, primarily resulting from increases of \$1.8 million, or 24.2 percent, in other noninterest expense, including the realization of a \$322.4 thousand loss upon the targeted sale of investment securities as part of a strategic portfolio restructuring the proceeds of which were reinvested into higher yielding loans, an increase in audit, compliance, and regulatory assessments, as well as increases of \$1.6 million, or 7.4 percent, in salaries and employee benefits, an increase of \$556.0 thousand, or 17.8 percent, in data processing and software, and \$119.0 thousand, or 2.8 percent, in occupancy expense and insurance.

Financial Performance

Dollars in Thousands Except Per Share Data

	Three Months Ended					
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	
Interest Income						
Loans	\$ 22,152	\$ 22,263	\$ 21,090	\$ 20,097	\$ 19,349	
Investments	2,231	2,506	2,422	2,815	3,457	
Total Interest Income	\$ 24,383	\$ 24,769	\$ 23,512	\$ 22,912	\$ 22,806	
Interest Expense	9,597	10,202	10,139	10,088	10,732	
Net Interest Income	\$ 14,786	\$ 14,567	\$ 13,373	\$ 12,824	\$ 12,074	
Provision for Loan Losses	600	450	625	397	532	
Noninterest Income	1,673	1,795	1,756	1,452	1,890	
Noninterest Expense	9,879	10,401	9,906	9,655	9,385	
Income Before Taxes	\$ 5,980	\$ 5,511	\$ 4,598	\$ 4,224	\$ 4,047	
Provision for Income Taxes	1,217	1,128	912	887	879	
Net Income	\$ 4,763	\$ 4,383	\$ 3,686	\$ 3,337	\$ 3,168	
Basic Earnings Per Share	\$ 0.64	\$ 0.59	\$ 0.49	\$ 0.44	\$ 0.42	
Diluted Earnings Per Share	\$ 0.62	\$ 0.57	\$ 0.48	\$ 0.43	\$ 0.41	
Weighed Average Shares Outstanding						
Basic	7,478,283	7,469,487	7,566,808	7,572,042	7,571,823	
Diluted	7,680,368	7,646,539	7,723,349	7,692,154	7,669,723	
Total Shares Outstanding	7,483,873	7,469,563	7,469,063	7,572,253	7,571,823	
Twelve Months Ended						
	December 31, 2025	December 31, 2024				
Interest Income						
Loans	\$ 85,602	\$ 72,690				
Investments	9,974	14,502				
Total Interest Income	\$ 95,576	\$ 87,192				
Interest Expense	40,027	43,060				
Net Interest Income	\$ 55,549	\$ 44,132				
Provision for Loan Losses	2,072	1,432				
Noninterest Income	6,677	6,087				
Noninterest Expense	39,843	35,805				
Income Before Taxes	\$ 20,311	\$ 12,982				
Provision for Income Taxes	4,144	2,927				
Net Income	\$ 16,167	\$ 10,055				
Basic Earnings Per Share	\$ 2.15	\$ 1.33				
Diluted Earnings Per Share	\$ 2.10	\$ 1.31				
Weighed Average Shares Outstanding						
Basic	7,521,254	7,588,455				
Diluted	7,688,553	7,661,540				
Total Shares Outstanding	7,483,873	7,571,823				

Noninterest Income/Expense

Dollars in Thousands

	Three Months Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Noninterest Income					
Service charges and fees	\$ 129	\$ 123	\$ 115	\$ 105	\$ 99
Secondary mortgage income	496	555	531	348	384
Merchant and interchange income	632	695	697	560	598
Other income	416	422	413	439	809
Total noninterest income	\$ 1,673	\$ 1,795	\$ 1,756	\$ 1,452	\$ 1,890
Noninterest expense					
Salaries and employee benefits	\$ 5,773	\$ 5,978	\$ 5,438	\$ 5,380	\$ 5,488
Occupancy	996	1,132	1,125	1,089	1,138
Data processing & Software	886	1,032	858	908	790
Other expense	2,224	2,259	2,485	2,278	1,969
Total noninterest expense	\$ 9,879	\$ 10,401	\$ 9,906	\$ 9,655	\$ 9,385
 Twelve Months Ended					
December 31, 2025 December 31, 2024					
Noninterest Income					
Service charges and fees	\$ 472	\$ 368			
Secondary mortgage income	1,930	1,348			
Merchant and interchange	2,584	2,425			
Other income	1,691	1,946			
Total noninterest income	\$ 6,677	\$ 6,087			
 Noninterest expense					
Salaries and employee benefits	\$ 22,568	\$ 21,004			
Occupancy	4,343	4,224			
Data processing & Software	3,685	3,129			
Other expense	9,247	7,448			
Total noninterest expense	\$ 39,843	\$ 35,805			

Balance Sheet Activity

Total assets increased \$130.0 million to \$1.9 billion as of December 31, 2025, compared to \$1.8 billion as of December 31, 2024, an increase of 7.3 percent. The increase in total assets during the year ended December 31, 2025 was driven primarily by an increase in the Company's loan portfolio of \$127.5 million, or 9.5 percent, and an increase of \$7.6 million, or 12.4 percent, in cash and cash equivalents, partially offset by a reduction in investment securities of \$10.2 million due to the targeted sale of securities held for investment, the proceeds of which were strategically reinvested into higher yielding loans.

Total deposits increased \$93.7 million, or 6.4 percent, during the year ended December 31, 2025, as well as an increase in use of short-term borrowings by \$20.0 million, or 12.5 percent, during the year ended December 31, 2025.

Shareholders' equity totaled \$131.8 million as of December 31, 2025, an increase of \$18.0 million, or 15.8 percent, from December 31, 2024, primarily driven by an increase of \$15.4 million in retained earnings during the twelve months ended December 31, 2025, which included the declaration and payment of an ordinary cash dividend of \$757.0 thousand on the Company's common stock during the first quarter of 2025, as well as a \$1.7 million outlay to repurchase common stock during the second quarter of 2025 pursuant to the Company's authorized stock repurchase program.

The Company reported 7,483,873 total shares of common stock outstanding as of December 31, 2025. The decrease of 87,950 shares of common stock outstanding during the twelve months ended December 31, 2025 was due to a share repurchase completed by the Company during the second quarter of 2025 pursuant to the Company's authorized stock repurchase program, partially offset by the exercise of stock options during the period. Tangible book value increased \$2.58 per share, or 18.0 percent, to \$16.88 per share as of December 31, 2025 when compared to \$14.30 per share as of December 31, 2024.

Balance Sheets

Dollars in Thousands

	For the Periods Ended				
	December 31, 2025		September 30, 2025	June 30, 2025	March 31, 2025
	2025	2024	2025	2025	2024
Cash and Cash Equivalents	\$ 68,975	\$ 90,119	\$ 65,944	\$ 96,195	\$ 61,370
Investment Securities	289,416	288,486	280,473	305,150	299,592
Loans Held for Sale	7,293	1,619	3,159	1,473	1,176
Loans					
Loans	1,466,440	1,426,537	1,434,251	1,380,593	1,338,904
Less Allowance for Loan Losses	(13,715)	(13,155)	(12,706)	(12,648)	(11,698)
Loans, Net	\$ 1,452,725	\$ 1,413,382	\$ 1,421,545	\$ 1,367,945	\$ 1,327,206
OREO					
Property, net of accumulated depreciation	\$ 29,575	\$ 29,386	\$ 29,413	\$ 29,192	\$ 27,903
BOLI	36,522	36,234	35,949	35,670	35,403
Goodwill	5,349	5,349	5,349	5,349	5,349
Core Deposit Intangible	85	104	126	150	175
Other Assets	26,887	26,694	27,875	26,581	28,976
Total Assets	\$ 1,916,827	\$ 1,891,373	\$ 1,869,833	\$ 1,867,705	\$ 1,787,150
Deposits					
Noninterest bearing	\$ 324,851	\$ 347,469	\$ 362,360	\$ 326,681	\$ 315,069
Interest bearing	1,229,474	1,241,213	1,253,133	1,241,251	1,145,584
Total Deposits	\$ 1,554,325	\$ 1,588,682	\$ 1,615,493	\$ 1,567,932	\$ 1,460,653
Subordinated Debt	29,887	29,857	29,826	29,795	29,765
Other Borrowings	180,000	120,000	80,000	130,000	160,000
Other Liabilities	20,857	24,237	23,459	21,594	22,963
Total Liabilities	\$ 1,785,069	\$ 1,762,776	\$ 1,748,778	\$ 1,749,321	\$ 1,673,381
Stock with Related Surplus	\$ 77,840	\$ 77,638	\$ 77,566	\$ 78,643	\$ 78,745
Retained Earnings	73,428	68,666	64,284	60,599	58,009
Accumulated Other Comprehensive Income	(19,510)	(17,707)	(20,795)	(20,858)	(22,985)
Shareholders' Equity	\$ 131,758	\$ 128,597	\$ 121,055	\$ 118,384	\$ 113,769
Total Liabilities and Shareholders' Equity	\$ 1,916,827	\$ 1,891,373	\$ 1,869,833	\$ 1,867,705	\$ 1,787,150

Net Interest Margin

Net interest margin increased 7 basis points to 3.35 percent for the three months ended December 31, 2025 when compared to the three months ended September 30, 2025. The yield on interest earning assets decreased by 5 basis points during the fourth quarter of 2025 to 5.52 percent from 5.57 percent for the third quarter of 2025, coupled with a decrease in cost of funds of 11 basis points during the fourth quarter of 2025 to 2.25 percent from 2.36 percent for the third quarter of 2025.

Net Interest Margin Analysis

Dollars in Millions

	Three Months Ended											
	December 31, 2025			September 30, 2025			June 30, 2025			March 31, 2025		
	Average Balance	Related Interest	Yield/Rate	Average Balance	Related Interest	Yield/Rate	Average Balance	Related Interest	Yield/Rate	Average Balance	Related Interest	Yield/Rate
Interest earning assets												
Loans	\$ 1,447	\$ 22.2	6.06%	\$ 1,439	\$ 22.2	6.12%	\$ 1,406	\$ 21.2	6.05%	\$ 1,358	\$ 20.0	5.96%
Loan fees		0.0	0.01%		0.1	0.02%		(0.1)	-0.03%		0.1	0.04%
Loans with fees	\$ 1,447	\$ 22.2	6.07%	\$ 1,439	\$ 22.3	6.14%	\$ 1,406	\$ 21.1	6.02%	\$ 1,358	\$ 20.1	6.00%
Total interest earning assets	\$ 1,752	\$ 24.4	5.52%	\$ 1,764	\$ 24.8	5.57%	\$ 1,733	\$ 23.5	5.44%	\$ 1,699	\$ 22.9	5.46%
Interest-bearing liabilities												
Total interest bearing deposits	\$ 1,216	\$ 8.2	2.67%	\$ 1,252	\$ 9.0	2.86%	\$ 1,246	\$ 8.9	2.86%	\$ 1,187	\$ 8.3	2.84%
Total interest bearing liabilities	\$ 1,347	\$ 9.6	2.83%	\$ 1,363	\$ 10.2	2.97%	\$ 1,333	\$ 10.1	3.05%	\$ 1,351	\$ 10.1	3.03%
Cost of funds			2.25%			2.36%			2.40%			2.46%
Net interest margin			3.35%			3.28%			3.09%			3.05%

Credit Quality

We continue to see excellent credit quality in our markets through December 31, 2025, with no loans classified as non-accrual and no loans past due greater than 30 days as of December 31, 2025.

The Company recorded a provision for credit losses of \$600 thousand during the three months ended December 31, 2025, compared to a provision of \$450 thousand for the three months ended September 30, 2025 and a provision of \$532 thousand for the three months ended December 31, 2024.

The Company continues to closely monitor credit quality in light of the continued economic uncertainty. While the Board of Governors of the Federal Reserve System (the "Federal Reserve") has signaled a desire to move forward with further market interest rate cuts to address signs of softening labor market, lingering inflationary pressures and other macroeconomic concerns remain. These include the potential for the resurgence of elevated levels of inflation in the U.S. and our market areas, persistent ambiguity surrounding U.S. trade and tariff policies, geopolitical instability, elevated asset prices and the unknown impact of monetary policy on consumer and business behavior across our market areas. As such, additional provisions for credit losses may be necessary in future periods.

Credit Quality Analysis

	For the Periods Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
LLR* to Total Loans	0.96%	0.96%	0.92%	0.92%	0.92%
NPAs to Avg Assets	0.00%	0.00%	0.00%	0.00%	0.00%
NCOs to Total Loans	0.00%	0.00%	0.00%	0.00%	0.00%
Past Due > 30 Days to Total Loans	0.00%	0.00%	0.01%	0.00%	0.00%
Total NPAs (thousands)	\$ -	\$ -	\$ -	\$ -	\$ 55

*Including reserve for credit losses for unfunded commitments outstanding.

Performance Ratios

	Three Months Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
ROAA	1.02%	0.93%	0.80%	0.75%	0.70%
ROAE	14.25%	13.89%	12.28%	11.67%	11.00%
Efficiency	60.02%	63.57%	65.48%	67.63%	67.21%
NIM	3.35%	3.28%	3.09%	3.05%	2.83%
Book Value	\$ 17.61	\$ 17.22	\$ 16.21	\$ 15.63	\$ 15.03
Tangible Book Value	\$ 16.88	\$ 16.49	\$ 15.47	\$ 14.91	\$ 14.30

Regulatory Capital Position

The Bank's capital position remains above the regulatory thresholds required to be deemed "well-capitalized," as shown in the table below, with a total risk-based capital ratio of 12.18 percent and a leverage ratio of 9.19 percent as of December 31, 2025. The Company currently operates under the Small Bank Holding Company Policy Statement of the Federal Reserve and, therefore, is not currently subject to the Federal Reserve's consolidated capital reporting requirements.

Regulatory Capital Position

Bank Only	For the Periods Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Tier 1	11.24%	11.30%	10.85%	10.83%	10.87%
Leverage	9.19%	8.86%	8.74%	8.67%	8.49%
CET-1	11.24%	11.30%	10.85%	10.83%	10.87%
Total	12.18%	12.23%	11.74%	11.70%	11.74%
Additional Data	For the Periods Ended				
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Branches	12	12	12	12	12
Employees (Full Time Equivalent)	170	168	172	164	159

Liquidity and Interest Rate Risk Management

The Company regularly pledges loans and securities to the FRB and the Federal Home Loan Bank of Atlanta (the "FHLB"), resulting in total net borrowing capacity with the FRB, the FHLB, and correspondent lines of credit of approximately \$233.6 million. Additionally, the Company pledges portions of its investment securities portfolio to secure public funds deposits.

As part of the Company's ongoing interest rate risk management, the Company has entered into a series of pay-fixed rate, receive-floating cash flow swap transactions ("Pay-Fixed Swap Agreements"). The Pay-Fixed Swap Agreements are designed as an interest rate hedge for matched-term FHLB advances and to hedge the risk of changes in fair value of certain fixed rate loans in the Company's loan portfolio, which converts the hedged loans from a fixed rate to a synthetic floating Secured Overnight Financing Rate (SOFR). The Pay-Fixed Swap Agreements have a total notional value of \$117.5 million, have stratified maturities, and have a weighted average life of less than one and a half years.

About South Atlantic Bancshares, Inc.

South Atlantic Bancshares, Inc. (OTCQX: SABK) is a registered bank holding company based in Myrtle Beach, South Carolina with approximately \$1.9 billion in total assets as of December 31, 2025. The Company's banking subsidiary, South Atlantic Bank, is a full-service financial institution spanning the entire coastal area of South Carolina, and is locally owned, controlled and operated. The Bank operates twelve locations in Myrtle Beach, Carolina Forest, North Myrtle Beach, Murrells Inlet, Pawleys Island, Georgetown, Mount Pleasant, Charleston, Bluffton, Hilton Head Island, Summerville and Beaufort, South Carolina. The Bank specializes in providing personalized community banking services to individuals, small businesses and corporations. Services include a full range of consumer and commercial banking products, including mortgage, and treasury management, including South Atlantic Bank goMobile, the Bank's mobile banking app. The Bank also offers internet banking, no-fee ATM access, checking, certificates of deposit and money market accounts, merchant services, mortgage loans, remote deposit capture, and more. For more information, visit www.SouthAtlantic.bank.

Cautionary Statement Regarding Forward-Looking Statements

This press release contains, among other things, certain statements about future events that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements with references to a future period or statements preceded by, followed by, or that include the words "may," "could," "should," "would," "believe," "anticipate," "estimate," "expect," "intend," "plan," "project," "outlook" or similar terms or expressions. These statements are based upon the current beliefs and good faith expectations of the Company's management team and are subject to significant risks and uncertainties that are subject to change based on various factors (many of which are beyond the Company's control). These risks, uncertainties and other factors may cause the actual results, performance, and achievements of the Company to be materially different from the anticipated future results, performance or achievements expressed in, or implied by, the forward-looking statements. Factors that could cause such differences include, but are not limited to: (i) the impact on us or our customers of a decline in general economic conditions, and any regulatory responses thereto; (ii) slower economic growth rates or potential recession in the United States and our market areas; (iii) uncertainty or perceived instability in the banking industry as a whole; (iv) increased competition for deposits among traditional and nontraditional financial services companies, and related changes in deposit customer behavior; (v) the impact of changes in market interest rates, whether due to a continuation of the elevated interest rate environment or further reductions in interest rates and a resulting decline in net interest income; (vi) the lingering inflationary pressures, and the risk of the resurgence of elevated levels of inflation, in the United States and our market areas; (vii) the uncertain impacts of ongoing quantitative tightening and current

and future monetary policies of the Board of Governors of the Federal Reserve System; (viii) changes in unemployment rates in the United States and our market areas; (ix) adverse changes in customer spending, borrowing and savings habits; (x) declines in commercial real estate values and prices; (xi) a deterioration of the credit rating for the United States long-term sovereign debt or the impact of uncertain or changing political conditions, including federal government shutdowns and uncertainty regarding United States fiscal debt, deficit and budget matters; (xii) cyber incidents or other failures, disruptions or breaches of our operational or security systems or infrastructure, or those of our third-party vendors or other service providers, including as a result of cyber-attacks; (xiii) severe weather, natural disasters, acts of war or terrorism, geopolitical instability, domestic civil unrest or other external events, including as a result of in the policies of the current U.S. presidential administration or Congress; (xiv) the impact of tariffs, sanctions and other trade policies of the United States and its global trading counterparts and the resulting impact on the Company and its customers; (xv) competition and market expansion opportunities; (xvi) changes in non-interest expenditures or in the anticipated benefits of such expenditures; (xvii) the receipt of required regulatory approvals; (xviii) changes in tax laws; (xix) the risks related to the development, implementation, use and management of emerging technologies, including artificial intelligence and machine learnings; (xx) potential costs related to the impacts of climate change; (xxi) current or future litigation, regulatory examinations or other legal and/or regulatory actions; (xxii) changes in accounting principles and standards, including those related to loan loss recognition under the current expected credit loss, or CECL, methodology; and (xxiii) changes in applicable laws, regulations or policies in the United States including those affecting our business, operations, pricing, products or services. These forward-looking statements are based on current information and/or management's good faith belief as to future events. Although the Company believes that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Therefore, the Company can give no assurance that the results contemplated in the forward-looking statements will be realized. Due to these and other possible uncertainties and risks, readers are cautioned not to place undue reliance on the forward-looking statements contained in this press release. The inclusion of this forward-looking information should not be construed as a representation by the Company or any person that the future events, plans, or expectations contemplated by the Company will be achieved. All subsequent written and oral forward-looking statements attributable to the Company or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above. Any forward-looking statements contained in this press release are made as of the date hereof, and the Company does not undertake any obligation to update any forward-looking statement to reflect circumstances or events that occur after the date the forward-looking statements are made, except as required by applicable law. All forward-looking statements, express or implied, included in the press release are qualified in their entirety by this cautionary statement.

Information contained herein, other than information as of December 31, 2024, is unaudited. All financial data should be read in conjunction with the notes to the consolidated financial statements of the Company and the Bank as of and for the fiscal year ended December 31, 2024, as contained in the Company's 2024 Annual Report located on the Company's website.

Available Information

The Company maintains an Internet web site at www.southatlantic.bank/about-us/investor-relations. The Company makes available, free of charge, on its web site the Company's annual meeting materials, annual reports, quarterly earnings reports, and other press releases. In addition, the OTC Markets Group maintains an Internet site that contains reports, proxy and information statements, and other information regarding the Company (at www.otcmarkets.com/stock/SABK/overview).

The Company routinely posts important information for investors on its web site (under www.southatlantic.bank and, more specifically, under the Investor Relations tab at www.southatlantic.bank/about-us/investor-relations). The Company intends to use its web site as a means of disclosing material non-public information and for complying with its disclosure obligations under the OTC Markets Group OTCQX Rules for U.S. Banks. Accordingly, investors should monitor the Company's web site, in addition to following the Company's press releases, OTC filings, public conference calls, presentations and webcasts.

The information contained on, or that may be accessed through, the Company's web site is not incorporated by reference into, and is not a part of, this press release.

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