

SOUTH ATLANTIC BANCSHARES, INC. TAKE STOCK



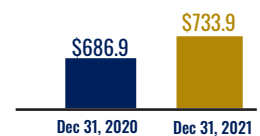
YEAR END 2021 REVIEW

Continued strong performance in the fourth quarter lead to record results in 2021. The Company reported consolidated net income of \$10.8 million, or \$1.42 per diluted common share, for the twelve months ended December 31, 2021, an increase of \$3.7 million, or \$0.46 per diluted common share, compared to the twelve months ended December 31, 2020. Consolidated net income was \$2.3 million, or \$0.29 per diluted common share, for the three months ended December 31, 2021, an increase of \$411 thousand, or \$0.05 per diluted common share, compared to the three months ended December 31, 2020.

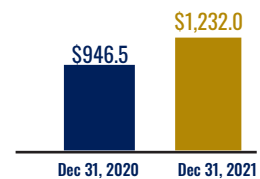
“We are very pleased with our financial performance for the year ended 2021. Our earnings improvements continued through the fourth quarter of 2021, reflecting higher than anticipated loan growth and deposit growth, while maintaining a strong credit culture. We are encouraged by the activity in our loan pipeline and believe we are well-positioned for future growth in all of our markets,” said K. Wayne Wicker, Chairman and Chief Executive Officer.

Please refer to our year-end 2021 earnings release dated January 19, 2022, for detailed information regarding our fourth quarter performance. The earnings release can be found on our Investor Relations webpage at southatlantic.bank.

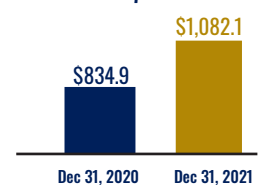
Loans



Assets



Deposits



Net Income

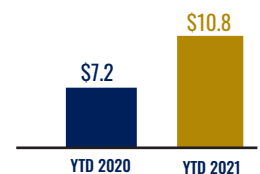


Chart data in millions.

New Beaufort Office Announced



We are excited to announce the expansion of our coastal franchise with a new office in Beaufort, SC. A loan production office opened in November, and a full-service branch will open in the near future.

This thriving market is a natural extension for us as we expand our footprint along the Carolina coast. We operate in some of the fastest growing areas in the country, and we look forward to establishing a presence in Beaufort with the opening of our 12th location.

Beaufort has an historic downtown waterfront area, strong healthcare and hospitality industries, and is home to three military installations.

Subordinated Debt Offering Raises \$30 Million

In December, South Atlantic Bancshares, Inc. announced the completion of a \$30 million capital raise through a subordinated debt offering to institutional accredited investors and qualified institutional buyers. K. Wayne Wicker, Chairman and Chief Executive Officer of South Atlantic, stated, “We are very pleased with the results of our subordinated debt offering and appreciate the strong support from the investment community. We believe this additional capital will provide us with opportunities to strategically grow the Bank and continue to support our customers and communities.”

2022 Annual Meeting and Shareholder Materials

Our Annual Meeting is scheduled for April 19, 2022 at 5:30 pm at our Towne Centre office (3990 River Oaks Drive, Myrtle Beach, SC 29579). In March, shareholders will be mailed a Notice of Internet Availability of Proxy Materials that will instruct you on how to access the proxy materials and proxy card to vote your shares over the internet or by phone. Internet distribution of our proxy materials is more timely and reduces the cost of the Annual Meeting. If you would like a paper copy of the materials free of charge, instructions will also be provided on how to request a copy of the materials.

South Atlantic Bancshares, Inc. (OTCQX: SABK) is a registered bank holding company based in Myrtle Beach, South Carolina with \$1.2 billion in total assets. The Company’s banking subsidiary, South Atlantic Bank, is a full-service financial institution spanning the entire coastal area of South Carolina. The Bank operates eleven offices in Myrtle Beach, Carolina Forest, North Myrtle Beach, Murrells Inlet, Pawleys Island, Georgetown, Mount Pleasant, Charleston, Bluffton, and Hilton Head Island, 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 treasury management and South Atlantic Bank goMobile, the Bank’s mobile banking app. For additional information, visit www.SouthAtlantic.bank.

Registrar and Transfer Agent ♦ Broadridge Shareholder Services...P.O. Box 1342...Brentwood, NY 11717-0718...shareholder@broadridge.com...303.562.9275 or 888.789.860

Take Stock is published quarterly for the shareholders and friends of South Atlantic Bancshares, Inc.

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Address Changes and Additions | To update the U.S. mail and e-mail addresses on file with us, e-mail us at investorrelations@southatlantic.bank or visit the investor relations area of our website. Your information will be updated upon receipt.

Cautionary Statement Regarding Forward-Looking Statements ♦ This document contains 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 subject to significant risks and uncertainties that may change based on various factors (many of which are beyond the Company’s control) which 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. The Company can give no assurance that the results contemplated in the forward-looking statements will be realized. 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 and readers are cautioned not to place undue reliance on the forward-looking statements contained in this document. Any forward-looking statements contained in this document 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 law.

Information contained herein is unaudited, other than information as of December 31, 2020. Please see the consolidated financial statements of the Company and the Bank as of and for the fiscal year ended December 31, 2020, as contained in the Company’s 2020 Annual Report located on the Company’s website.