

# SOUTH ATLANTIC BANCSHARES, INC. TAKE STOCK



## THIRD QUARTER 2021 REVIEW

We continued to build on our success in 2021 during the third quarter. The Company reported net income of \$8.6 million, or \$1.12 per diluted common share, for the nine months ended September 30, 2021, an increase of \$3.2 million, or \$0.41 per diluted common share, compared to the nine months ended September 30, 2020.

“We are very pleased with our financial performance. South Atlantic continued earnings improvements with good loan and deposit growth while maintaining a strong credit culture. We believe our earnings continue to perform at high levels even while experiencing margin compression. We are encouraged by the activity in our loan pipeline and believe it prepares us well for future growth,” said K. Wayne Wicker, Chairman and Chief Executive Officer.

Our coastal economies thrived during the third quarter with a strong tourism season and a continued influx of new residents. Our noninterest income increased 34.9 percent for the nine months ended September 30, 2021, compared to the same period last year due to an increase in merchant card activity, debit card fees and secondary mortgage fees.

Please refer to our third quarter 2021 earnings release dated October 19, 2021, for detailed information regarding our third quarter performance. The earnings release can be found on our Investor Relations webpage at [southatlantic.bank](http://southatlantic.bank).

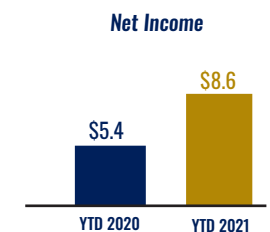
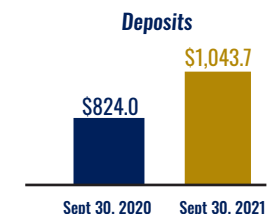
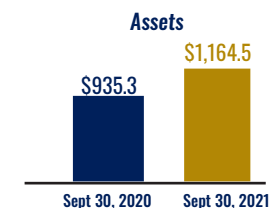
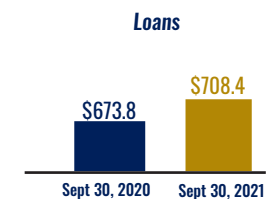


Chart data in millions.

## Workplace Banking Program Launched



Our new Workplace Banking program launched in the third quarter and is designed to provide financial solutions for our business customers and their employees. The program promotes employee participation in direct deposit while helping to increase employee satisfaction and productivity in the workplace.

“Financial stress is a leading concern for today’s workforce. Our bank is a resource that can help mitigate those worries,” said Michelle Coletta, senior vice president, retail sales manager. The program includes group presentations, one-on-one consultations and educational resources

for employees. Our bankers work directly with business owners to schedule events on-site. Our goal is to reinforce loyalty and assurance in the workplace to help improve retention rates in today’s turbulent economy.

## Market Share Data Released

Deposit share data recently released by the FDIC shows that South Atlantic Bank is holding strong in the markets it serves. In the Myrtle Beach market with two offices, the bank ranks sixth out of 20 financial institutions. Our Pawleys Island office has moved to first in its market with 26.3 percent deposit market share. Murrells Inlet continues with its second place rank, and Georgetown maintains its third place rank. We are proud of our team’s achievements in the competitive markets we serve.

## Advanced Card Controls Introduced in goMobile app

Debit card users now have an added layer of fraud detection and prevention at their fingertips through enhancements to our goMobile app. Advanced Card Controls give cardholders the assurance for debit card spending on their terms.

Users can set controls and alerts to turn the card on and off; set per-transaction spending limits based on dollar amount, transaction type or merchant type; and block transactions from all international locations. Business cardholders can set employer controls and monitoring.

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](http://www.SouthAtlantic.bank).

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

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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.