

South Atlantic



Bank

Annual Meeting of Shareholders

April 18, 2023

Forward Looking Statement

South Atlantic
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This presentation contains, among other things, certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, without limitation, statements preceded by, followed by, or that include the words "may," "could," "should," "would," "believe," "anticipate," "estimate," "expect," "intend," "plan," "projects," "outlook" or similar expressions, including statements related to the integration of Atlantic Bancshares. These statements are based upon the current beliefs and 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). 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. 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. 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.

2022 Highlights

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15th anniversary

Best results in our history

Transitional year

2022 Highlights

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Record growth

Record profitability

Key strategic hires

Market expansion

2022 Highlights

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Outstanding results

Double-digit growth across the balance sheet

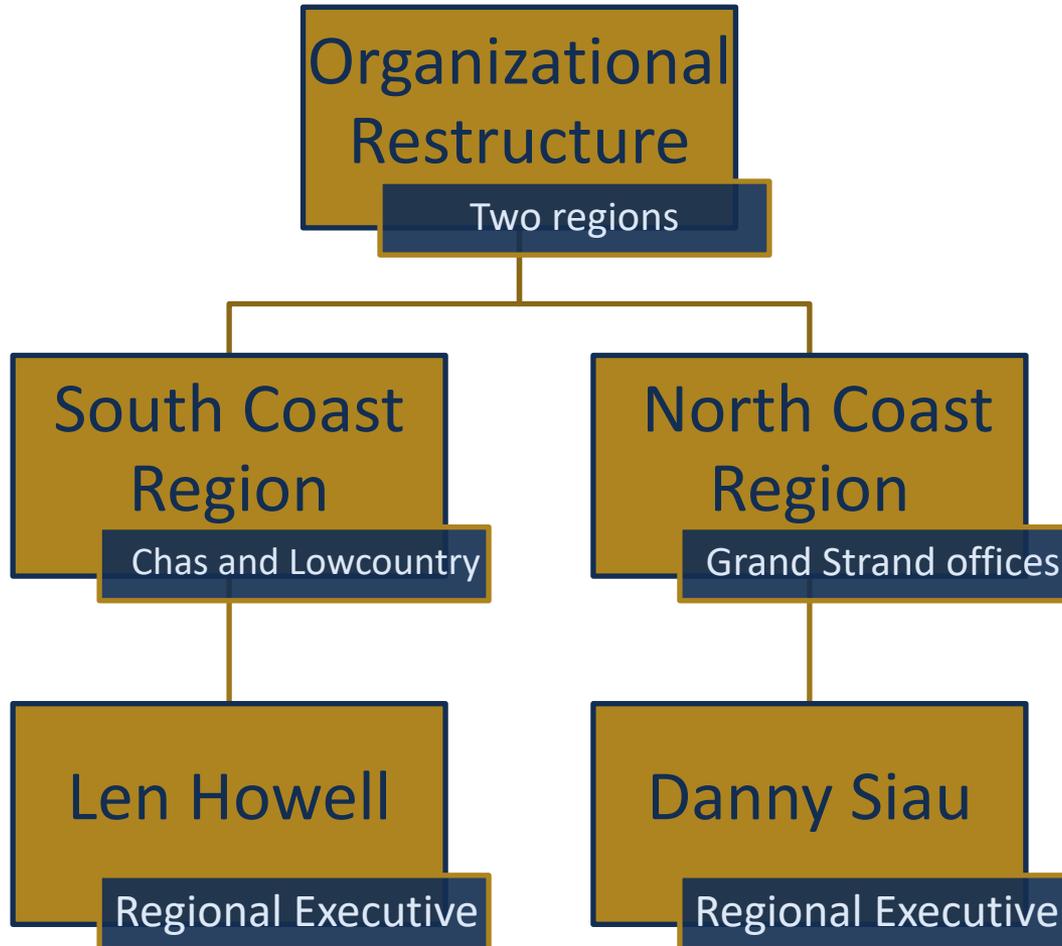
- Total assets increased 14.4 percent to \$1.4 billion
- Net income increased 11.5 percent to \$12.1 million
- Total gross loans increased 36.6 percent to \$1.0 billion

2022 Highlights

Strong performance across all markets

- Deposit growth & increased market share at every office
- Pawleys Island office - #1 in its market
- Murrells Inlet office - #2 in its market

2022 Highlights



2022 Highlights

New Chief Financial Officer

- Matt Hobert

New Chief Operating Officer

- Travis Minter

New Beaufort Office

12th office in
our coastal
franchise

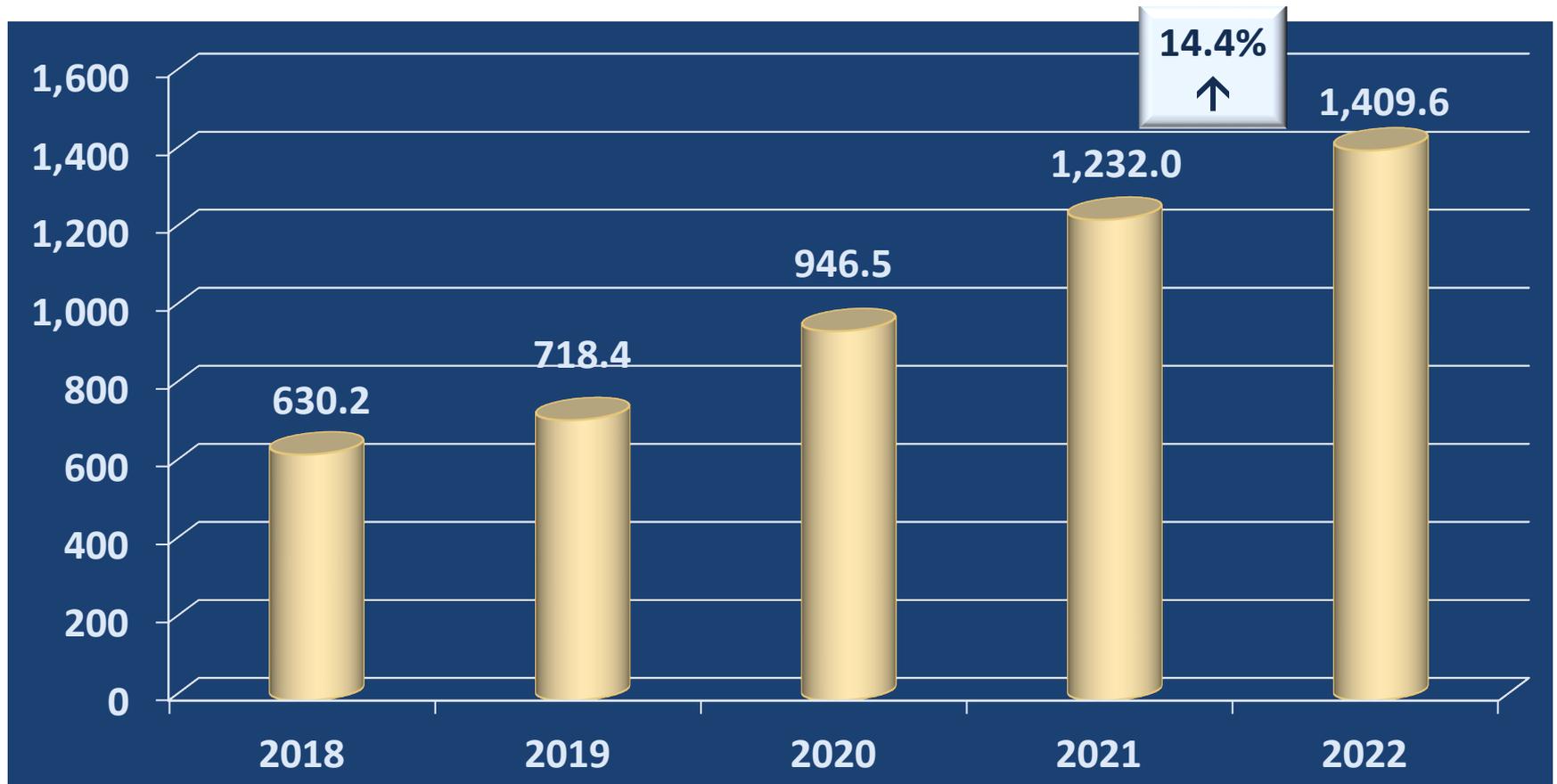
Opened
November
2022

Permanent
office under
construction

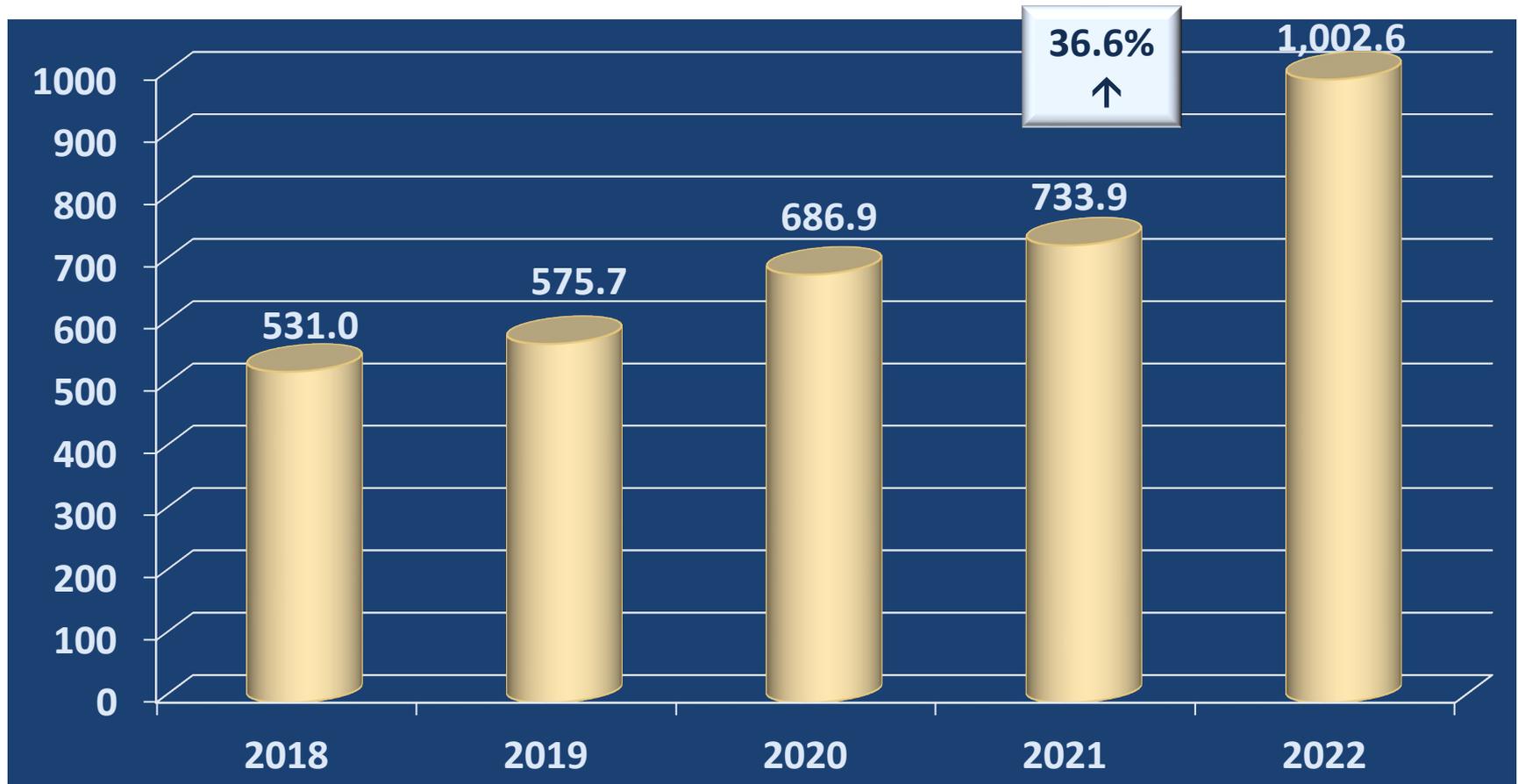
2022 Financials



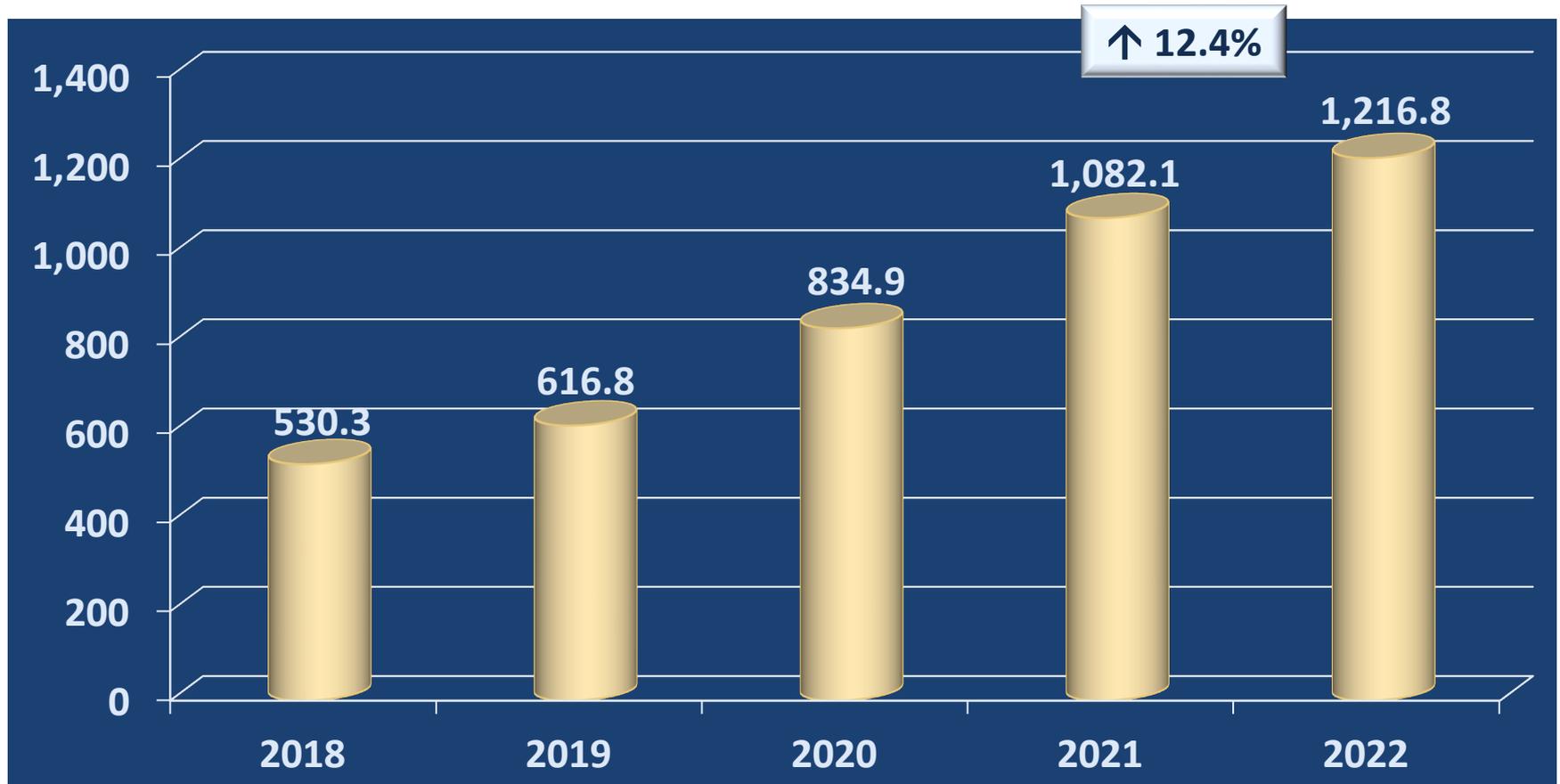
Assets *(years ending December 31, \$000,000)*



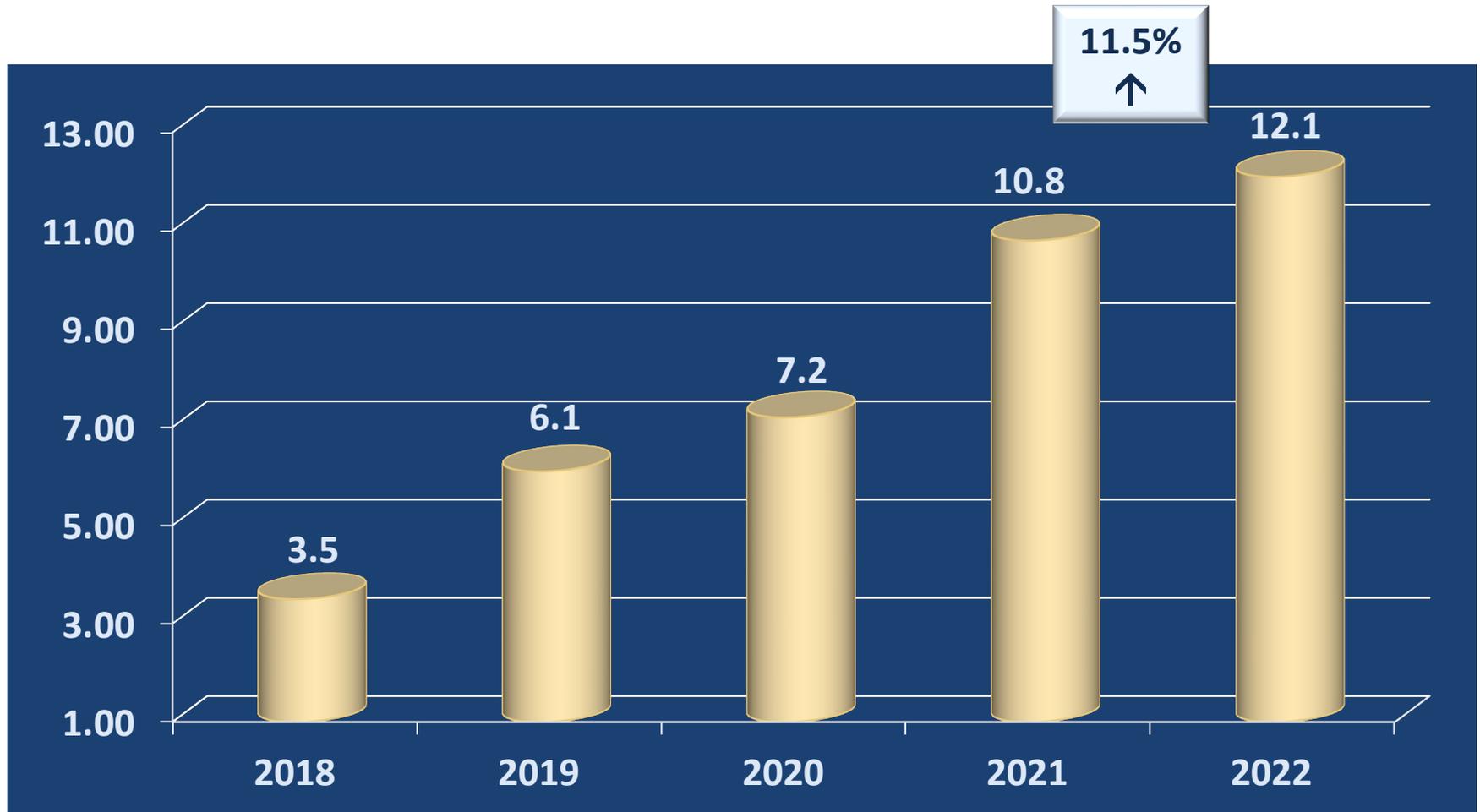
Loans *(years ending as of December 31, \$000,000)*



Deposits *(years as of December 31, \$000,000)*

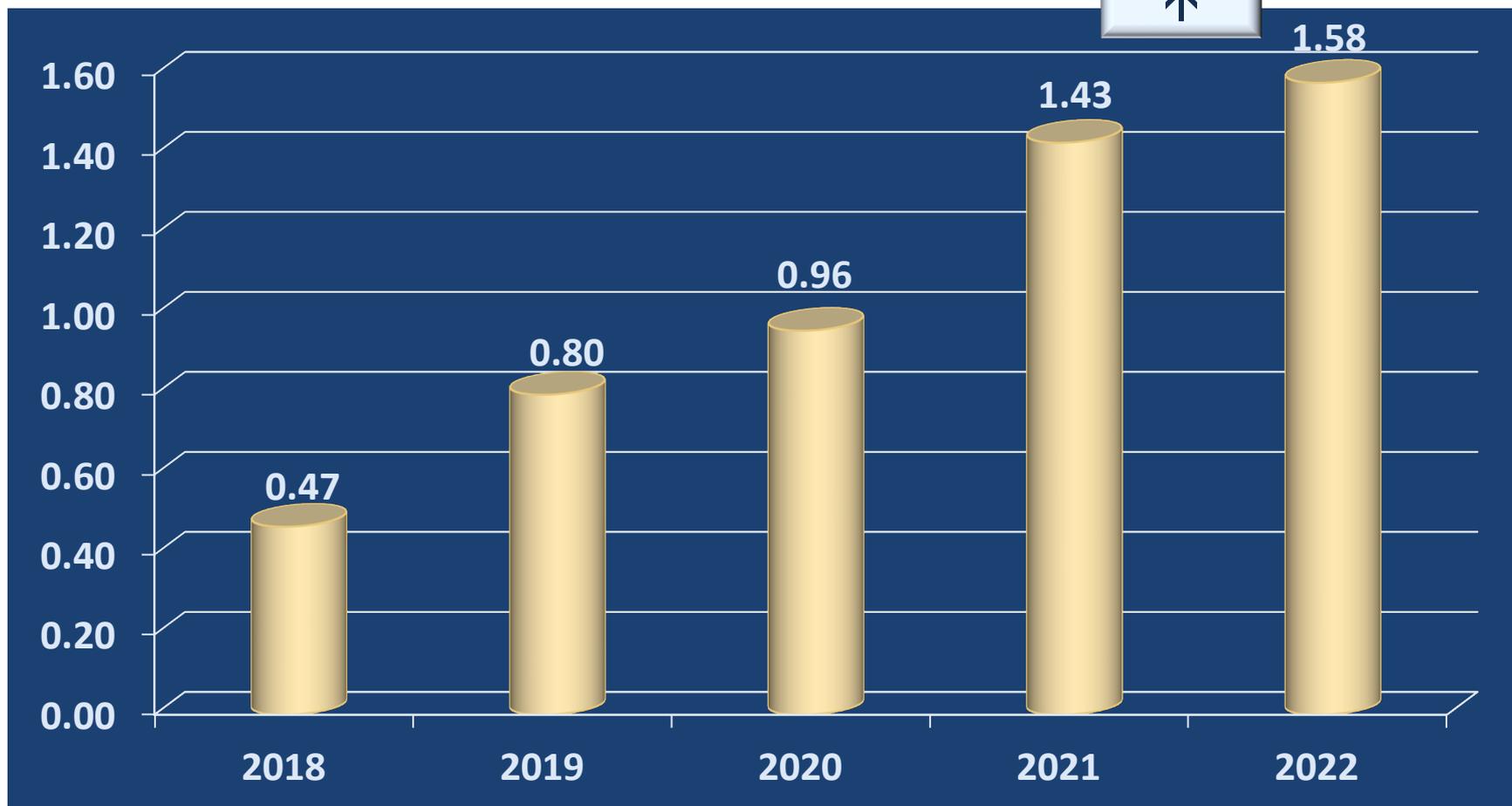


Net Income *(years as of December 31, \$000,000)*

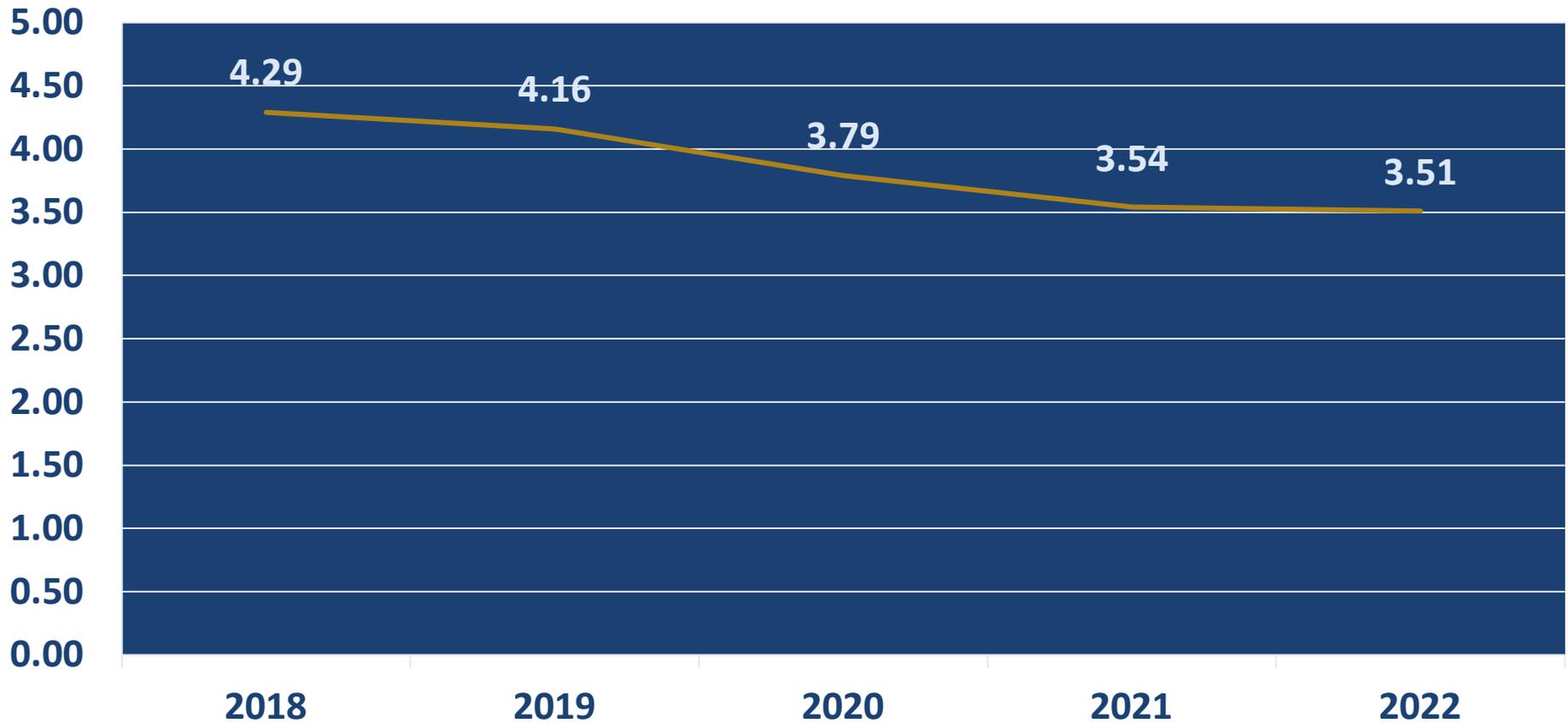


Earnings per Share *(Diluted, \$)*

10.5%
↑



Net Interest Margin *(years ending December 31, %)*



Comparative Income Statement

(at December 31)

	<u>2022</u>	<u>2021</u>	<u>Change</u>
Total interest income.....	\$48,832,883	\$37,986,367	28.6%
Total interest expense.....	<u>4,195,884</u>	<u>2,198,401</u>	90.9%
Net interest income.....	<u>\$44,636,999</u>	<u>\$35,787,966</u>	24.7%
Provision for loan losses.....	1,950,000	1,324,220	47.3%
Total other income.....	4,938,708	9,839,283	(49.8%)
Total other operating expense...	<u>32,542,027</u>	<u>30,772,486</u>	5.8%
Income before taxes.....	15,083,680	13,580,543	11.1%
Income taxes.....	<u>2,990,179</u>	<u>2,733,760</u>	9.4%
Net income.....	<u>\$12,093,501</u>	<u>\$10,846,783</u>	11.5%

Questions about 2022?



2023 Focus



Q1 Accomplishments

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First Cash
Dividend
Paid

\$0.10 per
share paid
in February

Q1 Accomplishments

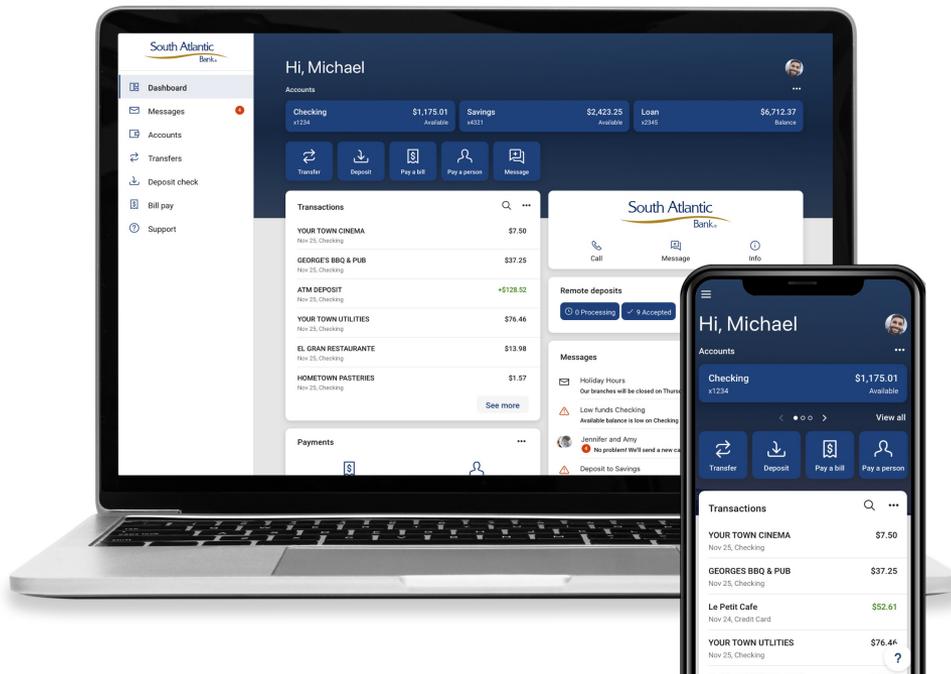
Charleston Office Relocation

- Newly renovated Class-A office space
- Premier corner of East Bay and Calhoun streets
- Commercial and mortgage lenders added



Q1 Accomplishments

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▶ Launched new online and mobile banking platform

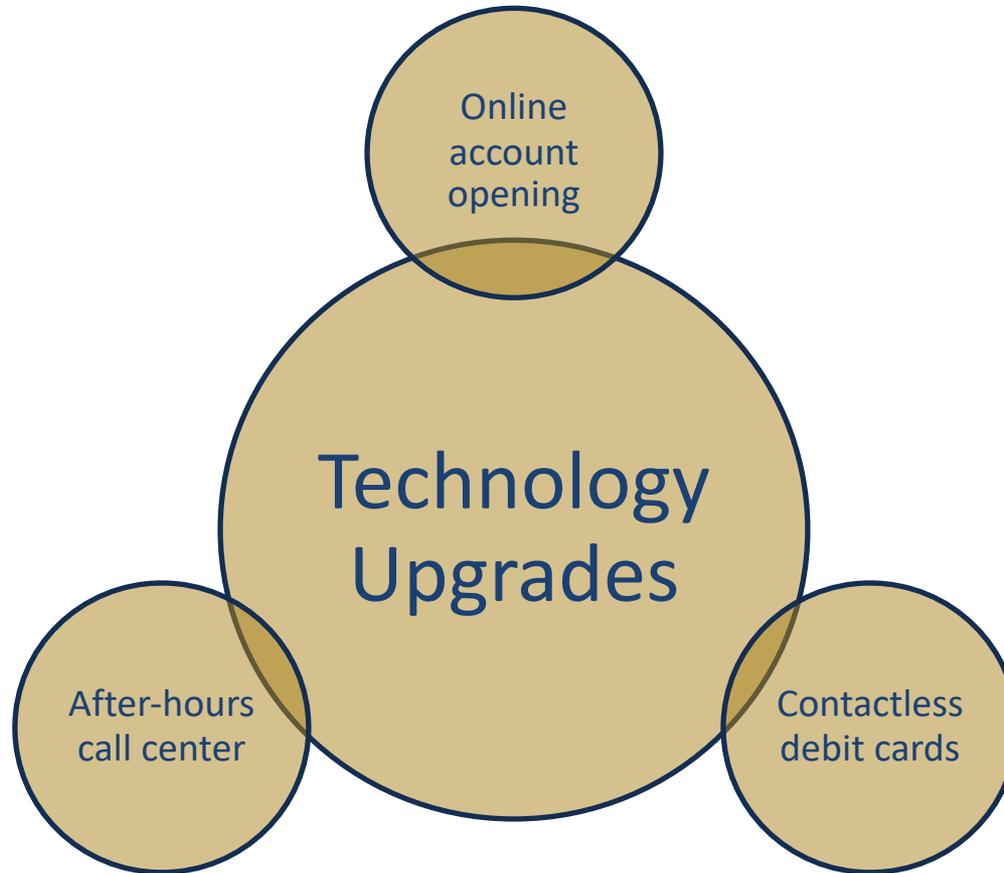
Focus in 2023

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South Coast growth initiative

- Summerville office planned

Focus in 2023



Mission Statement

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To serve, in a fair, balanced, and superior manner, the interest of shareholders, customers, employees, and the public through adherence to high standards of financial soundness, exemplary customer service, employee professionalism, business ethics, corporate citizenship, and profitability.

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