

South Atlantic



Bank

Annual Meeting of Shareholders

April 23, 2024

Forward Looking Statement

South Atlantic
Bank

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.

2023 Highlights

Year-End 2023 Results

- Net income totaled \$10.0 million
- Total deposits increased 6.4% to \$1.3 billion
- Gross loans increased 18.1% to \$1.2 billion
- Total assets increased 15.1% to \$1.6 billion

2023 Highlights

Cash Dividend Paid

- The Company's first cash dividend of \$0.10 paid in February 2023

2023 Highlights

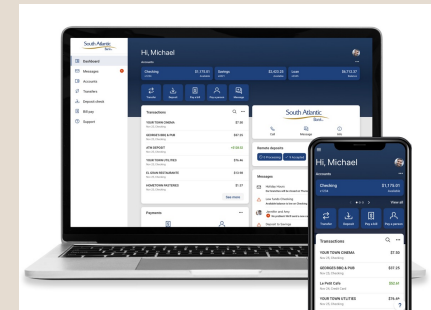
Market Share

- Pawleys Island office
 - #1 Market Share - 26.9%
- Georgetown office
 - #2 Market Share - 17.15%
- Murrells Inlet office
 - #2 Market Share - 15.96%

2023 Highlights

New Technology

- Upgraded Digital Banking Platform
 - New look
 - Added features
 - Additional Security
- Online Account Opening
- Contactless Debit Cards



2023 Highlights

Key Management Positions Added

- Director of Risk Management
 - Melissa Downs-High
- Director of Digital and Treasury Services
 - Alex Clayton

Emerging Talent Program Established

- Associates trained across departments and branches to prepare for placement within key areas of the Bank

2023 Highlights

South Atlantic
Bank



Calhoun Office relocation



Beaufort Office under construction

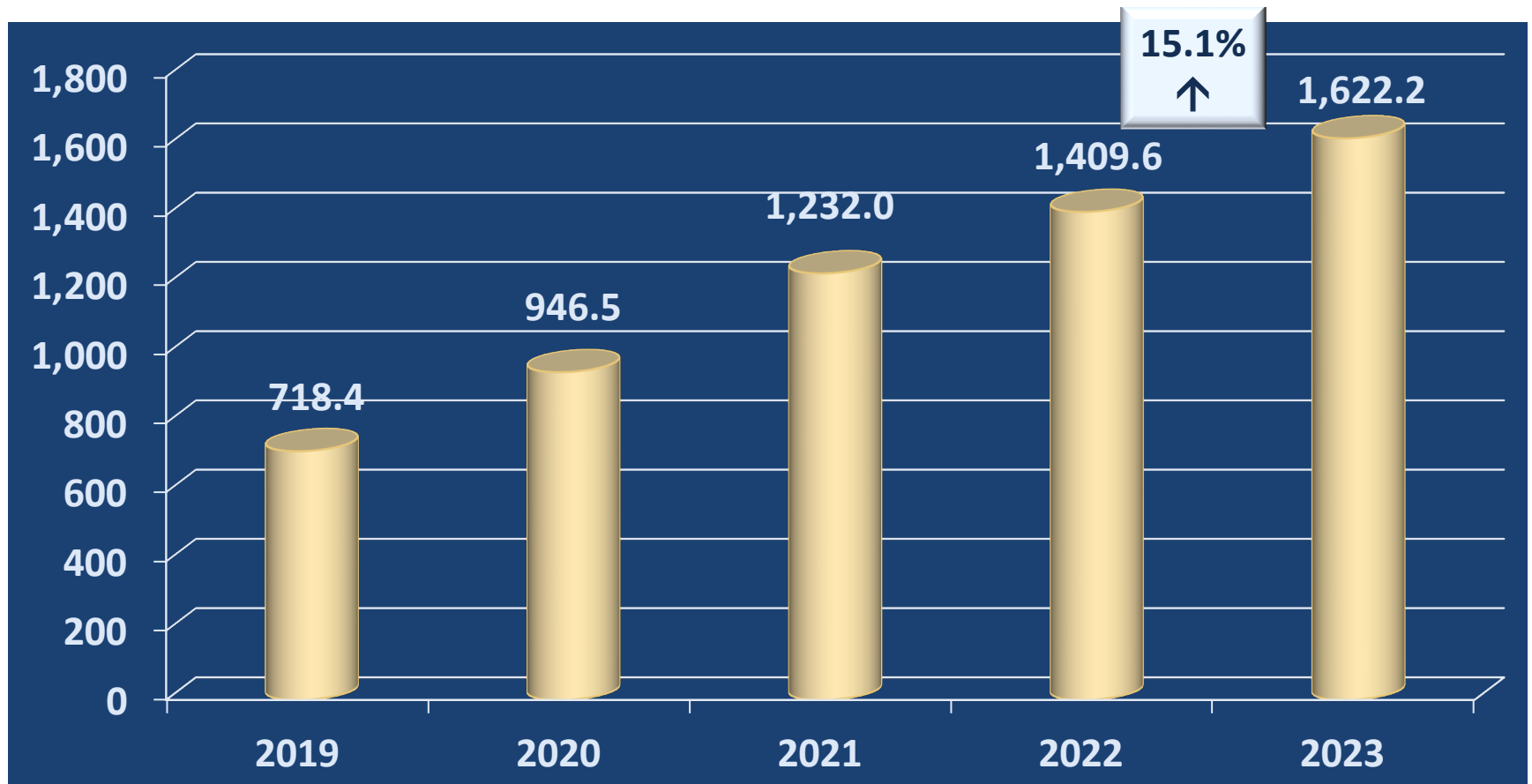


Carnes Crossroads Office announced

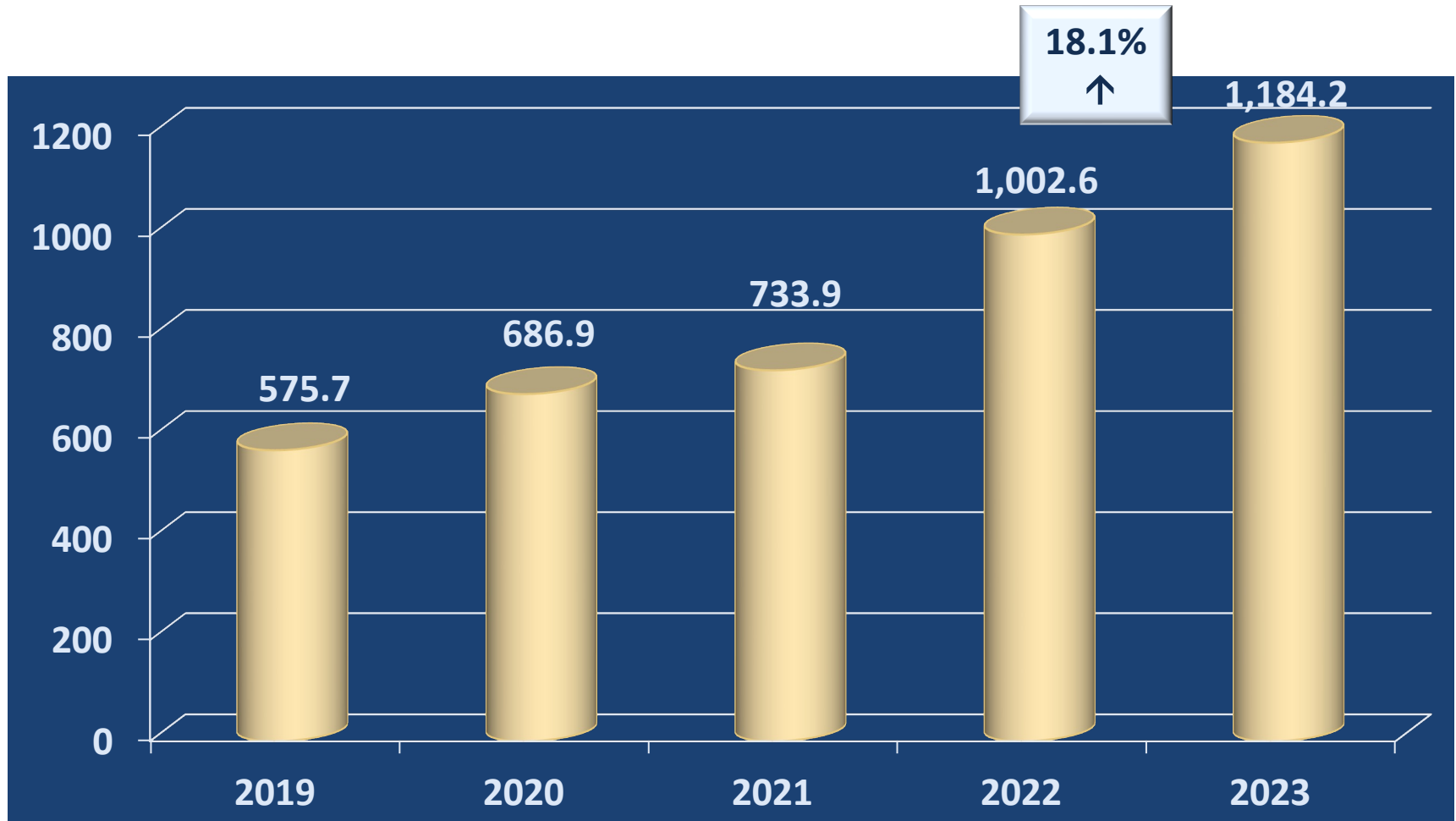
2023 Financials



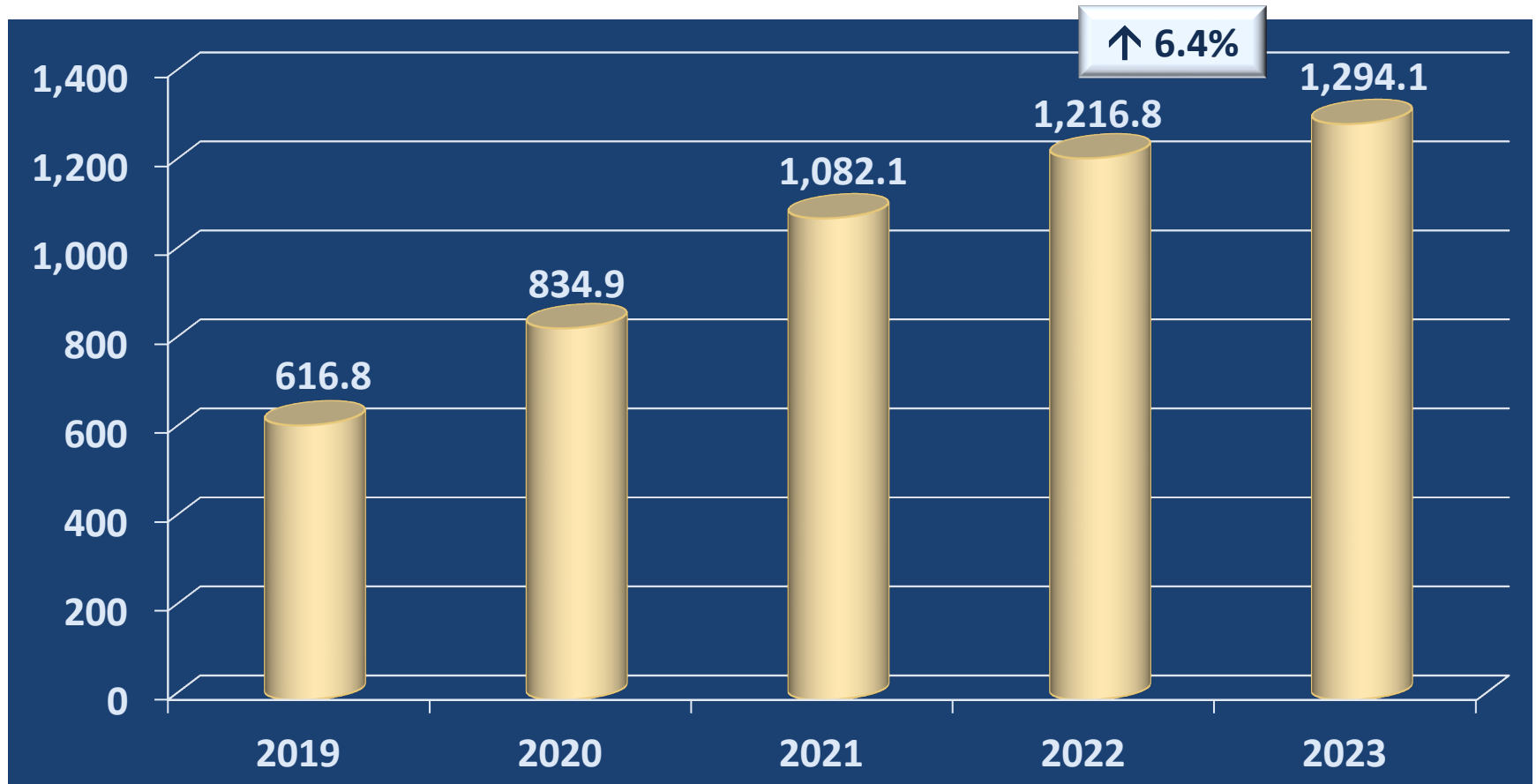
Assets *(years ending December 31, \$000,000)*



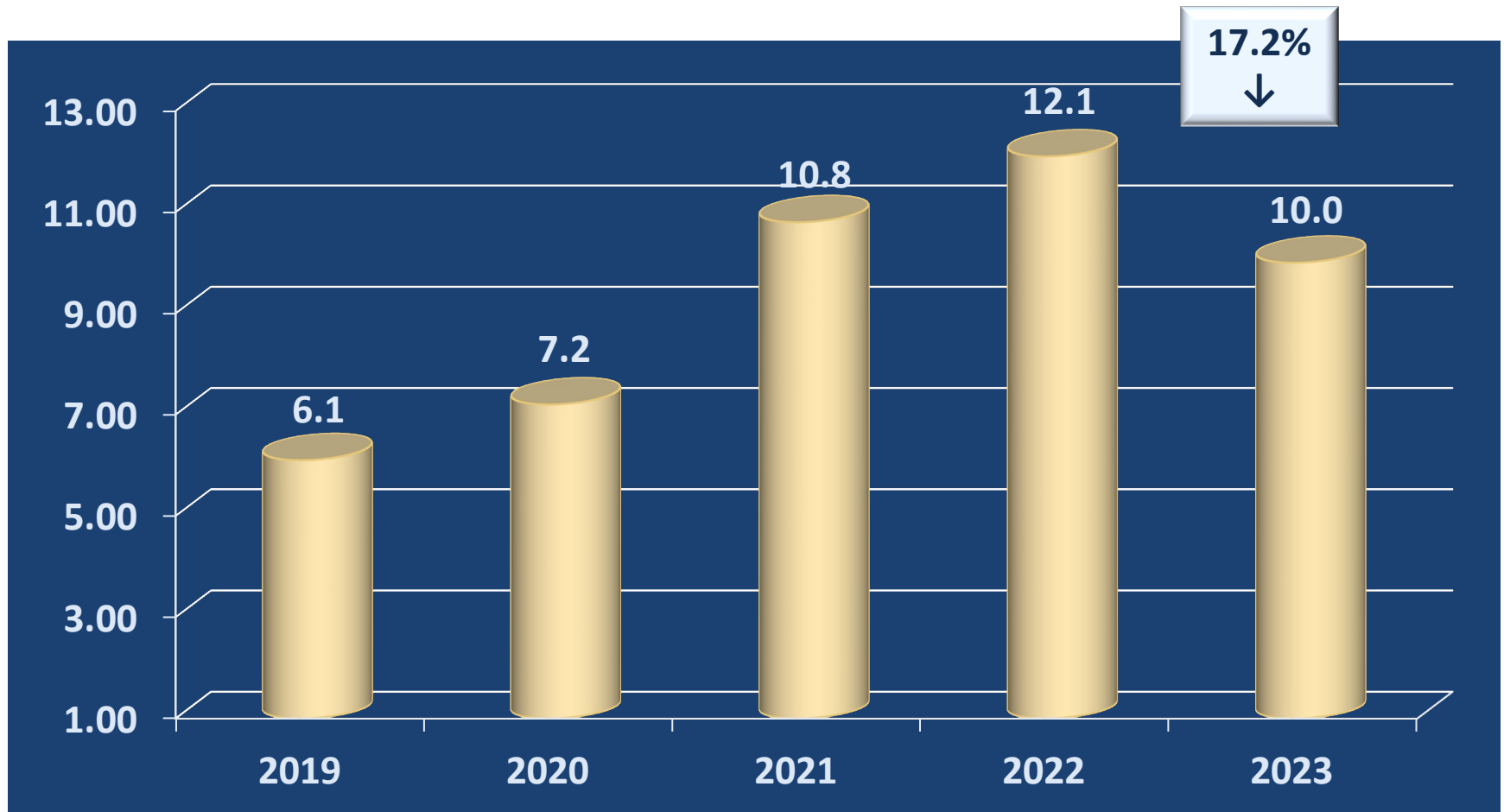
Loans *(years ending as of December 31, \$000,000)*



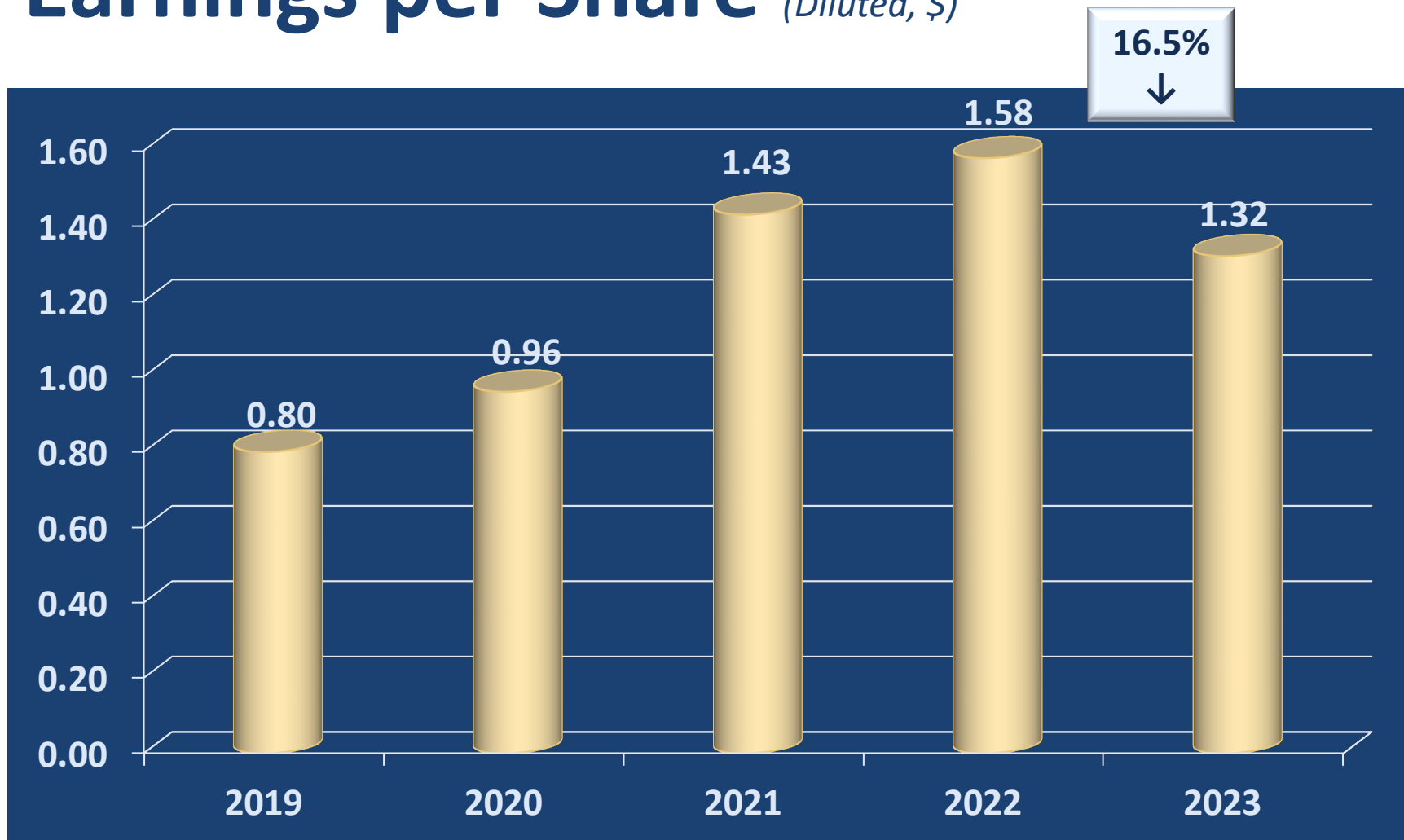
Deposits *(years as of December 31, \$000,000)*



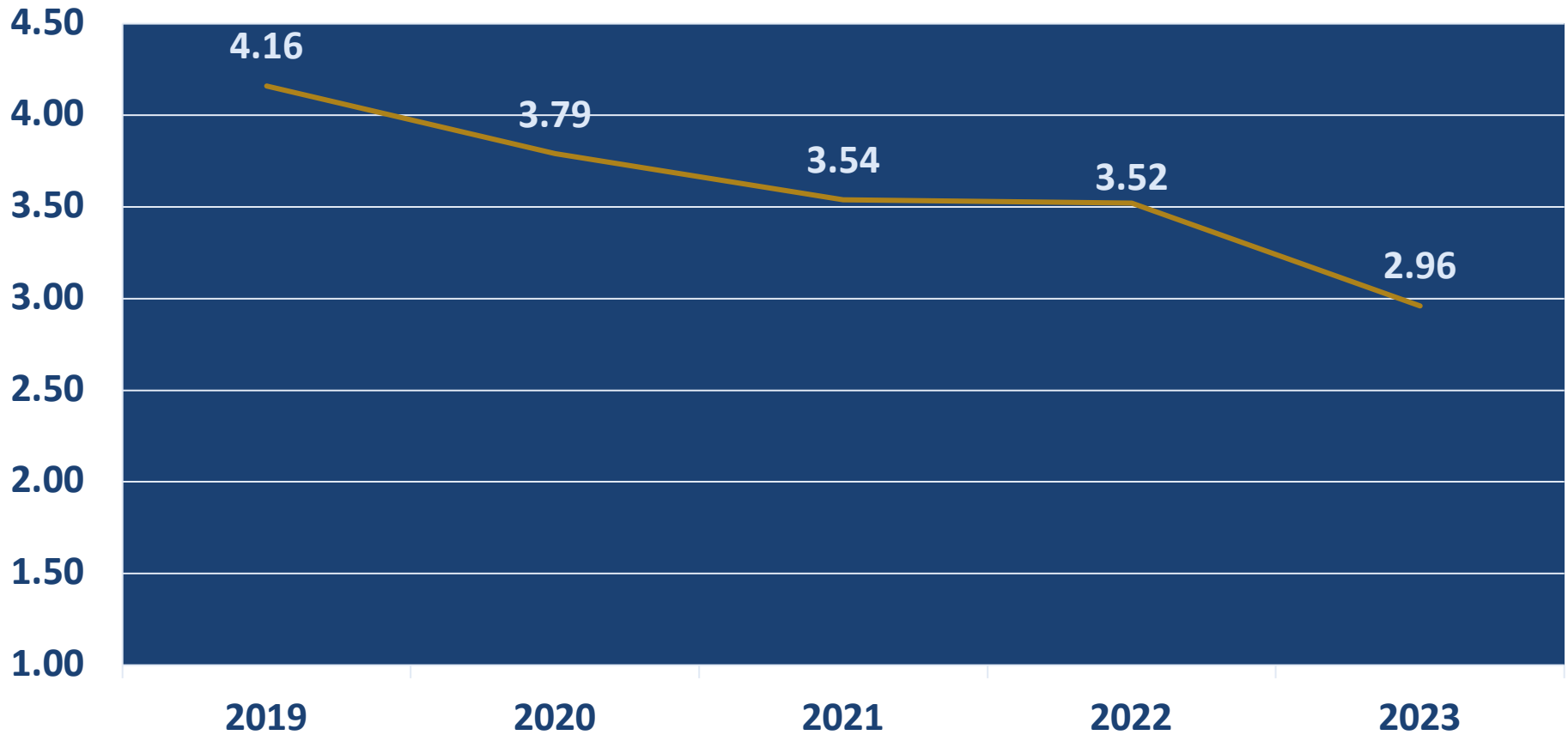
Net Income *(years as of December 31, \$000,000)*



Earnings per Share *(Diluted, \$)*



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



Comparative Income Statement

(at December 31)

	<u>2023</u>	<u>2022</u>	<u>Change</u>
Total interest income.....	\$69,198,953	\$48,832,883	41.7%
Total interest expense.....	<u>26,703,523</u>	<u>4,195,884</u>	536.4%
Net interest income.....	<u>\$42,495,430</u>	<u>\$44,636,999</u>	(4.8%)
Provision for credit losses.....	755,000	1,950,000	(61.3%)
Total other income.....	4,938,336	4,938,708	(.01%)
Total other operating expense...	<u>33,929,603</u>	<u>32,542,027</u>	4.3%
Income before taxes.....	12,749,163	15,083,680	(15.5%)
Income taxes.....	<u>2,730,481</u>	<u>2,990,179</u>	(8.7%)
Net income.....	<u>\$10,018,682</u>	<u>\$12,093,501</u>	(17.2%)

Questions about 2023?



2024 Focus



Q1 Accomplishments



Focus in 2024

Growth Strategy

- South Coast Expansion
 - Greater Charleston market
 - New Carnes Crossroads location
 - 13th branch opening Summer 2024



Focus in 2024

Commitment to our Communities

- Bank On certification
- Community development sponsorships
- Financial literacy outreach

Mission Statement

South Atlantic
Bank

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.

South Atlantic



Bank

Annual Meeting of Shareholders

April 23, 2024