South Atlantic Bancshares, Inc. Reports Earnings of $0.67 per Diluted Common Share for the Three Months Ended September 30, 2026

MYRTLE BEACH, S.C., October 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 $5.2 million, or $0.67 per diluted common share, for the third quarter of 2026, compared to $4.7 million, or $0.61 per diluted common share, for the second quarter of 2026. The Company reported $14.4 million, or $1.85 per diluted common share, for the nine months ended September 30, 2026, compared to $11.4 million, or $1.48 per diluted common share, for the nine months ended September 30, 2025.

Third Quarter 2026 Financial Highlights:

- **Net income totaled $5.2 million for the third quarter of 2026, a quarter-over-quarter increase of $483.0 thousand or 10.2 percent, and an increase of $847.0 thousand, or 19.3 percent, over the third quarter of 2025**
- **Net income totaled $14.4 million for the nine months ended September 30, 2026, a year-over-year increase of $3.0 million, or 26.7 percent, when compared to net income of $11.4 million for the nine months ended September 30, 2025**
- **Total assets increased $103.3 million to $2.0 billion when compared to the period ended September 30, 2025, a year-over-year increase of 5.5 percent**
- **Total loans grew $82.0 million in the nine months ended September 30, 2026, an annualized increase of 7.5 percent over December 31, 2025**
- **Total deposits grew $136.5 million in the nine months ended September 30, 2026, an annualized increase of 11.7 percent over December 31, 2025**
- **Tangible book value per share (non-GAAP)* increased $2.18, or 13.2 percent to $18.67 at September 30, 2026 when compared to the period ended September 30, 2025**

"We are very pleased with the strong financial results achieved during the third quarter of 2026," remarked K. Wayne Wicker, Chairman and CEO of the Company. "We continue to see positive momentum across our Company, supported by continued balance sheet growth and improved operating performance. Our markets continue to benefit from healthy economic activity, providing opportunities for both loan and deposit growth. We remain focused on maintaining strong profitability and preserving sound credit quality while responsibly positioning the Company for continued growth. Although macroeconomic and geopolitical uncertainties persist, credit quality and other risk indicators remain favorable. We are encouraged by our performance through the first nine months of 2026 and remain optimistic about our prospects as we approach year-end."

* Non-GAAP financial measure, please see non-GAAP reconciliation at conclusion of this earnings press release

Selected Financial Highlights
For the Periods / Three Months Ended

Balance Sheet (000's)	September 30, 2026	June 30, 2026	Change ($)	Change (%)[1]
Total Assets	$ 1,994,631	$ 1,982,571	$ 12,060	2.4%
Total Loans, Net of Unearned Income	1,548,486	1,540,002	8,484	2.2%
Total Deposits	1,690,862	1,676,805	14,057	3.4%
Borrowings (Excluding Subordinated Debt)	105,000	109,000	(4,000)	-14.7%
Total Equity	146,937	143,131	3,806	10.6%

Income Statement and Per Share Data	September 30, 2026	June 30, 2026	Change ($)	Change (%)
Net Income (000's)	$ 5,230	$ 4,747	$ 483	10.2%
Diluted Earnings Per Share	0.67	0.61	0.06	9.8%
Tangible Book Value Per Share*	18.67	18.10	0.57	3.1%

Selected Financial Ratios	September 30, 2026	June 30, 2026
Return on Average Assets	1.04%	0.99%
NPAs to Average Assets	0.01%	0.01%
Efficiency Ratio*	62.06%	61.31%
Net Interest Margin	3.38%	3.36%

For the Periods / Nine Months Ended

Balance Sheet (000's)	September 30, 2026	September 30, 2025	Change ($)	Change (%)
Total Assets	$ 1,994,631	$ 1,891,373	$ 103,258	5.5%
Total Loans, Net of Unearned Income	1,548,486	1,426,537	121,949	8.5%
Total Deposits	1,690,862	1,588,682	102,180	6.4%
Borrowings (Excluding Subordinated Debt)	105,000	120,000	(15,000)	-12.5%
Total Equity	146,937	128,597	18,340	14.3%

Income Statement and Per Share Data	September 30, 2026	September 30, 2025	Change ($)	Change (%)
Net Income (000's)	$ 14,446	$ 11,405	$ 3,041	26.7%
Diluted Earnings Per Share	1.85	1.48	0.37	25.0%
Tangible Book Value Per Share*	18.67	16.49	2.18	13.2%

[1] Results annualized.

Earnings Summary

Net interest income increased $1.5 million, or 10.4 percent, to $16.1 million for the three months ended September 30, 2026, when compared to $14.6 million for the three months ended September 30, 2025. The increase in interest income during the three months ended September 30, 2026 compared to the prior year period was primarily driven by a $1.2 million increase in interest income on the Company's loan portfolio due to organic loan growth. The Company recognized a decrease in interest expense of $203 thousand, or 2.0 percent, for the three months ended September 30, 2026 compared to the same period in 2025. 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 decline in realized interest expense during the period were decreases in interest rates on short-term borrowings.

* Non-GAAP financial measure, please see non-GAAP reconciliation at conclusion of this earnings press release

For the nine months ended September 30, 2026, net interest income increased $4.8 million, or 11.9 percent, to $45.6 million when compared to $40.8 million for the nine months ended September 30, 2025. This increase was driven primarily by an increase in interest income of $3.6 million, or 5.0 percent, from $71.2 million for the nine months ended September 30, 2025 to $74.8 million for the nine months ended September 30, 2026, coupled with a decrease in interest expense on deposits and borrowings of $1.3 million, or 4.2 percent, for the nine months ended September 30, 2026 when compared to the same nine month period in 2025.

Noninterest income was unchanged for the three months ended September 30, 2026 compared to the same three-month period in 2025, with all components of noninterest income producing consistent results between the two periods. The Company recognized an increase in noninterest expense of $689.0 thousand, or 6.6 percent, for the three months ended September 30, 2026 when compared to the same three-month period in 2025, primarily driven by an increase in salaries and employee benefits of $720.0 thousand, or 12.0 percent.

For the nine months ended September 30, 2026, noninterest income increased $245.0 thousand, or 4.9 percent, when compared to the nine months ended September 30, 2025, primarily from the benefit of increased secondary mortgage income of $163.0 thousand, or 11.4 percent. For the nine months ended September 30, 2026, noninterest expense increased $1.6 million, or 5.4 percent, when compared to the nine months ended September 30, 2025, primarily resulting from an increase of $1.9 million, or 11.6 percent in salaries and employee benefits, this increase was partially offset by a $361.0 thousand combined decrease other non interest expense and data processing and software expense.

Financial Performance

Dollars in Thousands Except Per Share Data

	Three Months Ended				
	September 30, 2026	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Interest Income					
Loans	$ 23,440	$ 22,440	$ 21,526	$ 22,152	$ 22,263
Investments	2,635	2,355	2,362	2,231	2,506
Total Interest Income	**$ 26,075**	**$ 24,795**	**$ 23,888**	**$ 24,383**	**$ 24,769**
Interest Expense	9,999	9,573	9,588	9,597	10,202
Net Interest Income	**$ 16,076**	**$ 15,222**	**$ 14,300**	**$ 14,786**	**$ 14,567**
Provision for Credit Losses	200	600	300	600	450
Noninterest Income	1,793	1,760	1,696	1,673	1,795
Noninterest Expense	11,090	10,411	10,074	9,879	10,401
Income Before Taxes	**$ 6,579**	**$ 5,971**	**$ 5,622**	**$ 5,980**	**$ 5,511**
Provision for Income Taxes	1,349	1,224	1,153	1,217	1,128
Net Income	**$ 5,230**	**$ 4,747**	**$ 4,469**	**$ 4,763**	**$ 4,383**
Basic Earnings Per Share	**$ 0.69**	**$ 0.62**	**$ 0.59**	**$ 0.63**	**$ 0.59**
Diluted Earnings Per Share	**$ 0.67**	**$ 0.61**	**$ 0.58**	**$ 0.62**	**$ 0.57**
Weighted Average Shares Outstanding					
Basic	7,613,921	7,597,714	7,586,345	7,523,195	7,469,487
Diluted	7,815,641	7,805,093	7,768,831	7,690,660	7,646,539
Total Shares Outstanding	7,583,394	7,607,440	7,589,514	7,575,873	7,469,563

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Interest Income		
Loans	$ 67,406	$ 63,450
Investments	7,352	7,743
Total Interest Income	**$ 74,758**	**$ 71,193**
Interest Expense	29,160	30,429
Net Interest Income	**$ 45,598**	**$ 40,764**
Provision for Loan Losses	1,100	1,472
Noninterest Income	5,249	5,004
Noninterest Expense	31,575	29,964
Income Before Taxes	**$ 18,172**	**$ 14,332**
Provision for Income Taxes	3,726	2,927
Net Income	**$ 14,446**	**$ 11,405**
Basic Earnings Per Share	**$ 1.90**	**$ 1.51**
Diluted Earnings Per Share	**$ 1.85**	**$ 1.48**
Weighted Average Shares Outstanding		
Basic	7,600,077	7,535,737
Diluted	7,802,052	7,688,200
Total Shares Outstanding	7,583,394	7,469,563

Noninterest Income/Expense

Dollars in Thousands

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Noninterest Income					
Service charges and fees	$ 135	$ 126	$ 122	$ 129	$ 123
Secondary mortgage income	532	504	561	496	555
Merchant and interchange income	687	690	589	632	695
Other income	439	440	424	416	422
Total noninterest income	**$ 1,793**	**$ 1,760**	**$ 1,696**	**$ 1,673**	**$ 1,795**
Noninterest expense					
Salaries and employee benefits	$ 6,698	$ 6,061	$ 5,979	$ 5,773	$ 5,978
Occupancy	1,156	1,126	1,094	996	1,132
Data processing & Software	955	843	852	886	1,032
Other expense	2,281	2,381	2,149	2,224	2,259
Total noninterest expense	**$ 11,090**	**$ 10,411**	**$ 10,074**	**$ 9,879**	**$ 10,401**

	Nine Months Ended	
	September 30, 2026	September 30, 2025
Noninterest Income		
Service charges and fees	$ 383	$ 343
Secondary mortgage income	1,597	1,434
Merchant and interchange	1,966	1,952
Other income	1,303	1,275
Total noninterest income	**$ 5,249**	**$ 5,004**
Noninterest expense		
Salaries and employee benefits	$ 18,738	$ 16,795
Occupancy	3,376	3,347
Data processing & Software	2,650	2,799
Other expense	6,811	7,023
Total noninterest expense	**$ 31,575**	**$ 29,964**

Balance Sheet Activity

Total assets increased $75.0 million to $2.0 billion as of September 30, 2026, compared to $1.9 billion as of December 31, 2025, an increase of 3.9 percent. The increase in total assets during the nine months ended September 30, 2026 was driven primarily by an increase in the Company's loan portfolio of $82.0 million, or 5.6 percent, and partially offset by an $8.2 million, or 2.8 percent, decrease in investment securities.

Total deposits increased $136.5 million, or 8.8 percent, during the nine months ended September 30, 2026. Total borrowings excluding subordinated debt decreased by $75.0 million, or 41.7 percent, during the nine months ended September 30, 2026.

Shareholders' equity totaled $146.9 million as of September 30, 2026, an increase of $12.4 million, or 9.2 percent, from December 31, 2025, primarily driven by $13.7 million in retained earnings during the nine months ended September 30, 2026, which included the declaration and payment of an ordinary cash dividend of $750.0 thousand on the Company's common stock during the first quarter of 2026.

The Company reported 7,583,394 total shares of common stock outstanding as of September 30, 2026. Tangible book value per share (non-GAAP)* increased $1.62, or 9.5 percent, to $18.67 per share as of September 30, 2026, when compared to $17.05 per share as of December 31, 2025, and has increased $2.18 per share, or 13.2 percent, when compared to $16.49 per share as of September 30, 2025.

Balance Sheets

Dollars in Thousands

	For the Periods Ended				
	September 30, 2026	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Cash and Cash Equivalents	$ 72,176	$ 63,355	$ 72,711	$ 68,975	$ 90,119
Investment Securities	284,958	290,076	294,760	293,140	288,486
Loans Held for Sale	3,371	6,109	3,743	7,293	1,619
Loans					
Loans	1,548,486	1,540,002	1,478,121	1,466,440	1,426,537
Less Allowance for Credit Losses	(14,811)	(14,610)	(14,010)	(13,715)	(13,155)
Loans, Net	$ 1,533,675	$ 1,525,392	$ 1,464,111	$ 1,452,725	$ 1,413,382
OREO					
Property, net of accumulated depreciation	$ 28,872	$ 29,095	$ 29,273	$ 29,575	$ 29,386
BOLI	37,389	37,095	36,806	36,522	36,234
Goodwill	5,349	5,349	5,349	5,349	5,349
Core Deposit Intangible	38	52	67	85	104
Other Assets	28,803	26,048	25,402	25,972	26,694
Total Assets	**$ 1,994,631**	**$ 1,982,571**	**$ 1,932,222**	**$ 1,919,636**	**$ 1,891,373**
Deposits					
Noninterest bearing	$ 360,958	$ 361,777	$ 325,894	$ 324,851	$ 347,469
Interest bearing	1,329,904	1,315,028	1,268,749	1,229,474	1,241,213
Total Deposits	$ 1,690,862	$ 1,676,805	$ 1,594,643	$ 1,554,325	$ 1,588,682
Subordinated Debt	30,000	30,000	30,000	30,000	30,000
Other Borrowings	105,000	109,000	147,000	180,000	120,000
Other Liabilities	21,832	23,635	22,142	20,744	24,094
Total Liabilities	**$ 1,847,694**	**$ 1,839,440**	**$ 1,793,785**	**$ 1,785,069**	**$ 1,762,776**
Stock with Related Surplus	$ 79,168	$ 78,443	$ 78,095	$ 77,840	$ 77,638
Retained Earnings	87,125	81,895	77,148	73,428	68,666
Accumulated Other Comprehensive Loss	(19,356)	(17,207)	(16,806)	(16,701)	(17,707)
Shareholders' Equity	**$ 146,937**	**$ 143,131**	**$ 138,437**	**$ 134,567**	**$ 128,597**
Total Liabilities and Shareholders' Equity	**$ 1,994,631**	**$ 1,982,571**	**$ 1,932,222**	**$ 1,919,636**	**$ 1,891,373**

Net Interest Margin

Net interest margin increased 2 basis points to 3.38 percent for the three months ended September 30, 2026 when compared to the three months ended June 30, 2026. The yield on interest earning assets increased by 1 basis point during the third quarter of 2026 to 5.48 percent from 5.47 percent for the second quarter of 2026, coupled with a decrease in cost of funds of 1 basis point during the third quarter of 2026 to 2.18 percent from 2.19 percent for the second quarter of 2026.

Net Interest Margin Analysis

Dollars in Millions

	Three Months Ended											
	September 30, 2026			June 30, 2026			March 31, 2026			December 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	$ 1,544	$ 23.5	6.05%	$ 1,504	$ 22.5	6.01%	$ 1,466	$ 21.6	5.99%	$ 1,447	$ 22.2	6.06%
Loan fees	0.0	(0.1)	-0.03%	0.0	(0.1)	-0.03%	0.0	(0.1)	-0.04%	0.0	0.0	0.01%
Loans with fees	$ 1,544	$ 23.4	6.02%	$ 1,504	$ 22.4	5.98%	$ 1,466	$ 21.5	5.95%	$ 1,447	$ 22.2	6.07%
Total interest earning assets	$ 1,888	$ 26.1	5.48%	$ 1,818	$ 24.8	5.47%	$ 1,791	$ 23.9	5.41%	$ 1,752	$ 24.4	5.52%
Interest-bearing liabilities												
Total interest bearing deposits	$ 1,338	$ 8.9	2.64%	$ 1,275	$ 8.2	2.58%	$ 1,241	$ 7.9	2.61%	$ 1,216	$ 8.2	2.67%
Total interest bearing liabilities	$ 1,451	$ 10.0	2.73%	$ 1,413	$ 9.6	2.72%	$ 1,410	$ 9.6	2.76%	$ 1,347	$ 9.6	2.83%
Cost of funds*			**2.18%**			**2.19%**			**2.25%**			**2.25%**
Net interest margin			**3.38%**			**3.36%**			**3.24%**			**3.35%**

Credit Quality

We continue to see excellent credit quality in our markets through September 30, 2026, with one loan classified as non-accrual, and no loans past due greater than 30 days as of September 30, 2026.

The Company recorded a provision for credit losses of $200 thousand during the three months ended September 30, 2026, compared to a provision of $600 thousand for the three months ended June 30, 2026 and a provision of $450 thousand for the three months ended September 30, 2025. The provision expense during the three months ended September 30, 2026 was primarily due to organic in the company's loan portfolio.

The Company continues to closely monitor credit quality in light of the current economic environment in the U.S. and our market areas including, among other factors, the fluctuating market interest rate environment, the lingering inflationary pressures in the United States and our market areas, evolving U.S. trade and tariff policies, ongoing military conflicts and geopolitical instability. Accordingly, additional provisions for credit losses may be necessary in future periods.

Credit Quality Analysis

	For the Periods Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
LLR to Total Loans	0.96%	0.95%	0.95%	0.94%	0.92%
NPAs to Avg Assets	0.01%	0.01%	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%	0.00%	0.00%	0.01%
Total NPAs (thousands)	$ 131	$ 131	$ -	$ -	$ -

Performance Ratios

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
ROAA	1.04%	0.99%	0.96%	1.02%	0.93%
ROAE	14.17%	13.43%	13.12%	14.25%	13.89%
Efficiency*	62.06%	61.31%	62.98%	60.02%	63.57%
NIM	3.38%	3.36%	3.24%	3.35%	3.28%
Book Value	$ 19.38	$ 18.81	$ 18.24	$ 17.76	$ 17.22
Tangible Book Value*	$ 18.67	$ 18.10	$ 17.53	$ 17.05	$ 16.49

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 12.12 percent and leverage ratio of 9.38 percent as of September 30, 2026. The Company currently operates under the Small Bank Holding Company Policy Statement of the Board of Governors of the Federal Reserve System (the “Federal Reserve”) and, therefore, is not currently subject to the Federal Reserve’s consolidated capital reporting requirements.

Regulatory Capital Ratios

	For the Periods Ended				
Bank Only	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Tier 1	11.20%	11.26%	11.37%	11.24%	11.30%
Leverage	9.38%	9.42%	9.27%	9.19%	8.86%
CET-1	11.20%	11.26%	11.37%	11.24%	11.30%
Total	12.12%	12.21%	12.32%	12.18%	12.23%

	For the Periods Ended				
Additional Data	**September 30, 2026**	**June 30, 2026**	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**
Branches	12	12	12	12	12
Employees (Full Time Equivalent)	179	175	173	170	168

* Non-GAAP financial measure, please see non-GAAP reconciliation at conclusion of this earnings press release

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 $2.0 billion in total assets as of September 30, 2026. 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.

Non-GAAP Financial Measures

Some of the financial measures included in this press release are not measures of financial performance recognized in accordance with generally accepted accounting principles in the United States ("GAAP"). These non-GAAP financial measures include tangible common equity, tangible book value, tangible book value per share, average interest bearing liabilities, average noninterest bearing DDA, total average funding liabilities, cost of funds, total net interest revenue, and efficiency ratio. The Company believes these non-GAAP financial measures provide both management and investors a more complete understanding of the Company's financial position and performance. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP financial measures.

We classify a financial measure as being a non-GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are included or excluded, as the case may be, in the most directly comparable measure calculated and presented in accordance with GAAP as in effect from time to time in the United States in our statements of income, balance sheets or statements of cash flows. Not all companies use the same calculation of these measures; therefore, this presentation may not be comparable to other similarly titled measures as presented by other companies.

A reconciliation of non-GAAP financial measures to GAAP financial measures is provided at the end of this press release.

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, further increases in interest rates, or future reductions in interest rates and a resulting decline in net interest income; (vi) the persistent inflationary pressures in the United States and our market areas; (vii) the uncertain impacts of current and future monetary policies of the Federal Reserve; (viii) a deterioration of credit quality; (ix) changes in unemployment rates in the United States and our market areas; (x) adverse changes in customer sentiment, spending, borrowing and savings habits; (xi) elevated asset prices; (xii) declines in housing and commercial real estate values and prices; (xiii) 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; (xiv) 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; (xv) severe weather, natural disasters, military conflicts (including the conflicts in the Middle East, the possible expansion of such conflicts and potential geopolitical and economic consequences), acts of 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; (xvi) 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; (xvii) competition and market expansion opportunities; (xviii) changes in non-interest expenditures or in the anticipated benefits of such expenditures; (xix) the receipt of required regulatory approvals; (xx) changes in tax laws; (xxi) out ability to keep pace with changes in, and the risks related to the development, implementation, use and management of, emerging technologies, including digital assets, artificial intelligence and machine learning; (xxii) potential costs related to the impacts of climate change; (xxiii) current or future litigation, regulatory examinations or other legal and/or regulatory actions; (xxiv) our ability to successfully make and integrate acquisitions, which may include regulatory approvals and conditions, and our ability to recognize the expected benefits and synergies of our completed acquisitions; (xxv) changes in accounting principles and standards, including those related to loan loss recognition under the current expected credit loss, or CECL, methodology; and (xxvi) 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, 2025, 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, 2025, as contained in the Company's 2025 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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Member FDIC

Non-GAAP Reconciliation

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Common Equity (GAAP)	$ 146,937	$ 143,131	$ 138,437	$ 134,567	$ 128,597
Intangible Assets (GAAP)	5,387	5,401	5,416	5,434	5,453
Tangible Common Equity (Book Value) (non-GAAP)	$ 141,550	$ 137,730	$ 133,021	$ 129,133	$ 123,144

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Tangible Book Value Per Common Share (non-GAAP)	$ 18.67	$ 18.10	$ 17.53	$ 17.05	$ 16.49
Effect to Adjust for Intangible Assets	0.71	0.71	0.71	0.72	0.73
Book Value Per Common Share (GAAP)	$ 19.38	$ 18.81	$ 18.24	$ 17.76	$ 17.22

	Three Months Ended				
Dollars in Thousands	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Total Quarterly Interest Expense (GAAP)	$ 9,999	$ 9,573	$ 9,588	$ 9,597	$ 10,202
Days In Quarter	92	91	90	92	92
Interest Expense Per Day	109	105	107	104	111
Annualization of Daily Interest Expense	39,670	38,397	38,885	38,075	40,475
Average Interest Bearing Liabilities (non-GAAP)	1,451,233	1,413,238	1,410,436	1,347,334	1,362,528
Average Noninterest Bearing DDA (non-GAAP)	365,560	339,721	320,188	347,431	355,222
Total Average Funding Liabilities (non-GAAP)	$ 1,816,793	$ 1,752,959	$ 1,730,624	$ 1,694,765	$ 1,717,750
Cost of Funds (non-GAAP)	2.18%	2.19%	2.25%	2.25%	2.36%

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Total Noninterest Expense (GAAP)	$ 11,090	$ 10,411	$ 10,074	$ 9,879	$ 10,401
Net Interest Income (GAAP)	16,076	15,222	14,300	14,786	14,567
Noninterest Income (GAAP)	1,793	1,760	1,696	1,673	1,795
Total Net Interest Revenue (non-GAAP)	$ 17,869	$ 16,982	$ 15,996	$ 16,459	$ 16,362
Efficiency Ratio (non-GAAP)	62.06%	61.31%	62.98%	60.02%	63.57%

	Three Months Ended				
	September 30, 2026	June 30, 2026	March 31, 2026	December 31, 2025	September 30, 2025
Income Before Taxes (GAAP)	$ 6,579	$ 5,971	$ 5,622	$ 5,980	$ 5,511
Provision for Credit Losses (GAAP)	200	600	300	600	450
Pre-Provision Net Revenue (Non-GAAP)	$ 6,779	$ 6,571	$ 5,922	$ 6,580	$ 5,961