

Bank of South Carolina Corporation Announces First Quarter Earnings

CHARLESTON, S.C., April 9, 2024 /PRNewswire/ -- The Bank of South Carolina Corporation (OTCQX: BKSC) announced unaudited earnings of \$1,375,796 or \$0.25 basic and diluted earnings per share for the quarter ended March 31, 2024 – a decrease of \$212,983, or 13.41%, from earnings for the quarter ended March 31, 2023 of \$1,588,779 or \$0.29 and \$0.28 basic and diluted earnings per share, respectively. Annualized returns on average assets and average equity for the three months ended March 31, 2024 were 0.88% and 11.66%, respectively, compared with March 31, 2023 annualized returns on average assets and average equity of 1.00% and 15.73%, respectively.

Eugene H. Walpole, IV, President and Chief Executive Officer, stated, "We are pleased with our performance in the first quarter, in which we generated a return on average assets of 0.88% and a return on average equity of 11.66%. When compared to last quarter, we produced higher net interest income, net income, and book value per share. These improved results are in large part due to strong commercial loan activity experienced during the quarter that propelled average loan growth of 2.5%. Meanwhile, credit quality is sound and non-performing assets minimal, and we are encouraged to be ahead of our 2024 profit plan to-date. As we continue to closely monitor the actions of the Federal Reserve, our strategy remains focused on using bond maturities within our investment portfolio to extinguish borrowings and fund loan growth in our market. In doing so, we expect to see gradual enhancement of our net interest margin as the year goes."

Selected Condensed Consolidated Financial Data (Unaudited)

	For the Three Months Ended			
	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Total Interest and Fee Income	\$ 6,593,463	\$ 6,500,593	\$ 6,154,138	\$ 6,027,060
Total Interest Expense	1,861,311	1,821,435	1,619,582	1,420,080
Net Interest Income	4,732,152	4,679,158	4,534,556	4,606,980
Provision for Credit Losses	-	-	-	-
Net Interest Income After Provision for Credit Losses	4,732,152	4,679,158	4,534,556	4,606,980
Total Other Income	423,497	397,970	480,448	437,121
Total Other Expense	3,359,684	3,309,138	3,381,506	3,386,022
Income Before Income Tax Expense	1,795,965	1,767,988	1,633,498	1,658,079
Income Tax Expense	420,169	404,239	370,128	380,362
Net Income	\$ 1,375,796	\$ 1,363,749	\$ 1,263,370	\$ 1,277,717
Earnings Per Share - Basic	\$ 0.25	\$ 0.25	\$ 0.23	\$ 0.23
Earnings Per Share - Diluted	\$ 0.25	\$ 0.24	\$ 0.23	\$ 0.23
Return on Average Assets	0.88 %	0.86 %	0.86 %	0.89 %
Return on Average Equity	11.66 %	12.90 %	12.95 %	13.61 %
Common Stock Shares Outstanding	5,462,794	5,469,251	5,485,755	5,548,239
Book Value Per Share	\$ 8.69	\$ 8.61	\$ 7.51	\$ 7.67
Efficiency Ratio	65.17 %	65.18 %	67.43 %	67.13 %
Allowance for Credit Losses as a Percentage of Total Loans	1.04 %	1.07 %	1.09 %	1.08 %
Quarterly Averages:				
Total Assets	\$ 624,732,564	\$ 625,093,859	\$ 639,253,597	\$ 650,131,459
Total Loans	\$ 353,396,331	\$ 344,789,580	\$ 339,152,054	\$ 341,123,966
Total Deposits	\$ 519,023,338	\$ 518,397,166	\$ 540,290,630	\$ 574,075,057
Total Shareholders' Equity	\$ 47,328,863	\$ 42,464,898	\$ 42,997,996	\$ 43,952,144

About Bank of South Carolina Corporation

The Bank of South Carolina Corporation is the holding company of The Bank of South Carolina ("The Bank"). The Bank is a South Carolina state-chartered financial institution with offices in Charleston, North Charleston, Summerville, Mt. Pleasant, James Island, and the West Ashley community and has been in continuous operation since 1987. Our website is www.banksc.com. Bank of South Carolina Corporation currently trades its common stock on the OTCQX® Best Market under the symbol "BKSC".

Forward-Looking-Statements

This release contains forward-looking statements that are not historical facts and that are intended to be "forward-looking statements" as that term is defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements may include, but are not limited to, statements about the Company's plans, objectives, expectations and intentions and other statements contained in this

release that are not historical facts and pertain to the Company's future operating results. When used in this release, the words "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates" and similar expressions are generally intended to identify forward-looking statements. Actual results may differ materially from the results discussed in these forward-looking statements, because such statements are inherently subject to significant assumptions, risks and uncertainties, many of which are difficult to predict and are generally beyond the Company's control. These include but are not limited to: the possibility of adverse economic developments that may, among other things, increase default and delinquency risks in the Company's loan portfolios; shifts in interest rates; shifts in the rate of inflation; shifts in the demand for the Company's loan and other products; unforeseen increases in costs and expenses; lower-than-expected revenue or cost savings in connection with acquisitions; changes in accounting policies; changes in the monetary and fiscal policies of the federal government; and changes in laws, regulations and the competitive environment. Unless legally required, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

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