Bank of South Carolina Investor Relations

Bank of South Carolina Corporation Announces Second Quarter Earnings

CHARLESTON, S.C., July 11, 2024 /PRNewswire/ -- The Bank of South Carolina Corporation (OTCQX: BKSC) announced unaudited earnings of $1,753,798, or $0.32 basic and diluted earnings per share for the quarter ended June 30, 2024 – an increase of $476,081, or 37.26%, from earnings for the quarter ended June 30, 2023 of $1,277,717, or $0.23 basic and diluted earnings per share. Unaudited earnings for the six months ended June 30, 2024 increased $263,098, or 9.18%, to $3,129,594 compared to $2,866,496 for the six months ended June 30, 2023. Annualized returns on average assets and average equity for the six months ended June 30, 2024 were 1.04% and 13.21%, respectively, compared with June 30, 2023 annualized returns on average assets and average equity of 0.89% and 13.61%, respectively.

Eugene H. Walpole, IV, President and Chief Executive Officer, stated, "While six months don't make a year, we are quite pleased with operating results for the quarter and year-to-date, in which we generated a return on average assets of 1.19% and 1.04%, respectively, and a return on average equity of 14.71% and 13.21%, respectively. Our continued focus on reallocating maturing investment securities into higher-yielding loans, while simultaneously reducing our reliance on borrowed funds, is having its intended effect on net interest margin. These initiatives - supported by consistent management of noninterest income and expense - have resulted in improved profitability. Meanwhile, loan demand in our markets remains strong, and we are continuing to price risk appropriately without sacrificing credit quality. The likelihood and extent of any easing by the Federal Reserve in 2024 remains to be seen. We intend to stay the course by executing on our strategic objectives in the second half of the year."

Selected Condensed Consolidated Financial Data
(Unaudited)

	For the Three Months Ended				
	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023	June 30, 2023
Total Interest and Fee Income	$ 6,702,792	$ 6,593,463	$ 6,500,593	$ 6,154,138	$ 6,027,060
Total Interest Expense	1,564,362	1,861,311	1,821,435	1,619,582	1,420,080
Net Interest Income	5,138,430	4,732,152	4,679,158	4,534,556	4,606,980
Provision for Credit Losses	50,000	-	-	-	-
Net Interest Income After Provision for Credit Losses	5,088,430	4,732,152	4,679,158	4,534,556	4,606,980
Total Other Income	471,075	423,497	397,970	480,448	437,121
Total Other Expense	3,339,934	3,359,684	3,309,138	3,381,506	3,386,022
Income Before Income Tax Expense	2,219,571	1,795,965	1,767,988	1,633,498	1,658,079
Income Tax Expense	465,773	420,169	404,239	370,128	380,362
Net Income	$ 1,753,798	$ 1,375,796	$ 1,363,749	$ 1,263,370	$ 1,277,717
Earnings Per Share - Basic	$ 0.32	$ 0.25	$ 0.25	$ 0.23	$ 0.23
Earnings Per Share - Diluted	$ 0.32	$ 0.25	$ 0.24	$ 0.23	$ 0.23
Return on Average Assets	1.19 %	0.89 %	0.87 %	0.78 %	0.79 %
Return on Average Equity	14.71 %	11.69 %	12.74 %	11.66 %	11.66 %
Common Stock Shares Outstanding	5,457,907	5,462,794	5,469,251	5,485,755	5,548,239
Book Value Per Share	$ 8.93	$ 8.69	$ 8.61	$ 7.51	$ 7.67
Efficiency Ratio	59.54 %	65.17 %	65.18 %	67.43 %	67.13 %
Net Interest Margin	3.68 %	3.20 %	3.12 %	2.96 %	2.98 %
% Loans Past Due > 30 Days	0.19 %	0.32 %	0.53 %	0.75 %	0.68 %
Allowance for Credit Losses as a % of Total Loans	1.04 %	1.04 %	1.07 %	1.09 %	1.08 %
Quarterly Averages:					
Total Assets	$ 590,639,502	$ 624,732,564	$ 625,093,859	$ 639,253,597	$ 650,131,459
Total Loans	$ 359,514,482	$ 353,396,331	$ 344,789,580	$ 339,152,054	$ 341,123,966
Total Deposits	$ 516,221,132	$ 519,023,338	$ 518,397,166	$ 540,290,630	$ 574,075,057
Total Shareholders' Equity	$ 47,951,482	$ 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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