

South Atlantic Bancshares, Inc. Announces Completion of Atlantic Bancshares, Inc. Acquisition

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South Atlantic Bancshares, Inc. →

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MYRTLE BEACH, S.C., April 2, 2018 /PRNewswire/ -- South Atlantic Bancshares, Inc. (OTCQX: SABK) ("South Atlantic"), parent of South Atlantic Bank, today announced the closing of its acquisition of Atlantic Bancshares, Inc. (OTCPink: ATBA) ("Atlantic Bancshares"), parent of Atlantic Community Bank, effective April 2, 2018. Atlantic Bancshares had assets of approximately \$85 million.

The acquisition expands South Atlantic's footprint along the South Carolina coast into Bluffton and Hilton Head Island, adding relevant new markets to the coastal community bank franchise. Bob McKinney, former president and CEO of Atlantic Community Bank, will serve as regional executive for the Bluffton/Hilton Head region. Atlantic Bancshares board member Edgar L. Woods, president and owner of Palmetto Grain Brokerage LLC, has been appointed to the South Atlantic Board of Directors.

South Atlantic Chairman and Chief Executive Officer K. Wayne Wicker said, "We are pleased to welcome the Atlantic Bancshares employees, customers and shareholders to South Atlantic Bank. I am proud of the joint effort in bringing this merger to completion. The opportunity to expand our presence and partner with a company that shares our commitment to customer service and the community positions us well for continued growth."

At the closing, Atlantic Bancshares shareholders holding Atlantic Bancshares common stock and Atlantic Bancshares Series AAA preferred stock received 0.2452 shares of South Atlantic common stock for each share exchanged. The transaction is valued at \$17.5 million based on the closing price of South Atlantic common stock on March 30, 2018.

The combined company now has nine offices serving coastal South Carolina's most desirable markets, and has assets in excess of \$600 million.

FIG Partners, LLC served as financial advisor to South Atlantic and Hunton & Williams LLP acted as legal counsel for the company. Banks Street Partners served as financial advisor to Atlantic Bancshares and James-Bates-Brannan-Groover LLP served as legal counsel for the company.

About South Atlantic Bank

South Atlantic Bank, the subsidiary bank of South Atlantic Bancshares, Inc. (OTCQX: SABK), is a \$533 million financial institution that is locally owned, controlled, and operated. The bank is headquartered in Myrtle Beach, South Carolina, with additional offices in Murrells Inlet, Pawleys Island, Georgetown, North Myrtle Beach, Charleston, and Mount Pleasant, South Carolina. South Atlantic Bank offers a wide variety of services for businesses and consumers, including South Atlantic Bank goMobile, its mobile banking app. The bank also offers internet banking, no-fee ATM access, checking, CD, and money market accounts, merchant services, mortgage loans, remote deposit capture, and more. For more information, visit SouthAtlantic.bank.

Cautionary Statement Regarding Forward-Looking Statements

Forward-looking statements in this press release, such as statements relating to future plans and expectations, are subject to risks, uncertainties, and other important factors, such as continued economic difficulties at local, national, or global levels, greater than expected noninterest expenses, regulatory changes, unpredictable natural or other disasters, or a deterioration in credit quality, which could cause actual results to differ materially from our expectations of future results, performance or achievements, or industry results, expressed or implied by such forward-looking statements. These statements are "forward looking statements" for purposes of applicable securities laws, and are based on current information and/or management's good faith belief as to future events. The words "believe," "expect," "anticipate," "project," "should," and similar expressions signify forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance.

South Atlantic Bancshares, Inc. and Atlantic Bancshares, Inc. undertake no obligation to revise or update publicly any forward-looking statements for any reason.

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