



FIRST CAPITAL BANCSHARES

Media Contact

Joseph Kassim

President, First Capital Bank

Joe.Kassim@fcbcarolinas.com

843.990.7770

First Capital Bancshares, Inc. Announces Earnings for the 3rd Quarter Of 2020

Charleston, South Carolina, November 23, 2020, The Board of Directors of First Capital Bancshares, Inc. announced their third quarter results, for the period ended September 30, 2020.

Financial highlights for the third quarter of 2020 include:

- Total loans receivable increased \$47.5 million, or 62.1% annualized, to \$165.6 million since December 31, 2019. This growth excludes the Payment Protection Program (“PPP”) loans of approximately \$16.3 million.
- Total assets increased \$91.1 million, or 88.8% annualized, to \$227.7 million since December 31, 2019.
- Total deposits increased \$83.7 million, or 120.4% annualized, to \$176.4 million since December 31, 2019.
- Net Income for the third quarter of 2020 of \$214,000 compared to a net loss of (\$141,000) for the third quarter of 2019.
- Nonperforming assets to total assets decreased to 0.17% at September 30, 2020 from 0.43% at December 31, 2019

Operating Results:

“We are extremely pleased with the operating results for the third quarter 2020. We continue to experience excellent loan and deposit growth which is a testament to our team’s calling efforts and hard work during a most difficult operating environment. We are in the process of helping our customers navigate the PPP loan forgiveness process and expect most PPP loans to be forgiven and paid off by the end of 2020.

In addition to these operating results, we are pleased to report that we have secured a retail banking location in the Mount Pleasant market which is ranked as the 4th largest city in the state. The plan is to be open early second quarter of 2021. We have a high confidence level that our retail banking and commercial loan teams will be very successful in this new expanding market.”, stated Harvey Glick, Chief Executive Officer.

Harvey Glick continued “We also continue to see favorable trends in the asset quality. We are pleased to report that all loans previously granted loan modifications or deferrals due to Covid-19 have returned to making contractual interest and principal payments. Additionally, the bank’s largest problem loan paid off in full during the third quarter resulting in a recovery of previously charged off dollars of approximately \$47,000. As of September 30, 2020, our nonperforming assets to total assets were 0.17%.”

In response to the uncertainty of COVID-19 and the impact on our loan portfolio the bank has added \$760,000 to the provision for loan losses during 2020. The bank has limited exposure to industries currently deemed to be “high risk” such as lodging, energy, and restaurants. As of September 30, 2020, our allowance for loan losses to total loans was at 1.41%. Excluding the effect of PPP loans that are in the process of being forgiven and paid off, the allowance for loan loss to total loans as of September 30, 2020 is approximately 1.54%.

COVID-19 Update:

The economic shutdown driven by (COVID-19) has resulted in a loss of business and income for many of our customers. A recent surge in cases in our local markets has resulted in additional limitations and safeguards being implemented by state and local governmental authorities, which will delay the efforts of businesses to work toward normal operations until it is safe to do so. We continue to restrict access to our branches. and have approximately 50% of our workforce working remotely to mitigate exposure.

About First Capital Bancshares, Inc:

First Capital Bancshares, Inc. is the holding company of First Capital Bank. The Company was founded in 1999 and is headquartered in Charleston, South Carolina. First Capital Bank is a locally operated financial institution focused on providing personalized service and offers a full range of banking services with offices in Laurinburg, North Carolina as well as Bennettsville, Charleston, and Summerville, South Carolina.

	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Condensed Balance Sheet					
<i>(Dollars in Thousands, except per share data)</i>					
Assets					
Cash and cash equivalents	25,920	22,126	39,291	18,028	24,978
Securities available-for-sale	24,232	22,531	11,942	12,259	9,915
Gross Loans	167,985	154,746	123,195	103,429	72,436
Allowance for loan losses	(2,372)	(2,278)	(1,896)	(1,561)	(1,086)
Total Loans, net	165,613	152,468	121,299	101,868	71,350
Other assets	11,893	9,964	9,771	4,448	4,140
Total assets	<u>\$ 227,658</u>	<u>\$ 207,089</u>	<u>\$ 182,303</u>	<u>\$ 136,603</u>	<u>\$ 110,383</u>
Liabilities					
Deposits	176,368	157,378	133,280	92,678	66,161
Borrowings	16,050	15,000	15,000	10,000	10,000
Other liabilities	2,640	2,454	2,311	2,333	2,149
Total liabilities	<u>195,058</u>	<u>174,832</u>	<u>150,591</u>	<u>105,011</u>	<u>78,310</u>
Total shareholders' equity	<u>32,600</u>	<u>32,257</u>	<u>31,712</u>	<u>31,592</u>	<u>32,073</u>
Total liabilities and shareholders' equity	<u>\$ 227,658</u>	<u>\$ 207,089</u>	<u>\$ 182,303</u>	<u>\$ 136,603</u>	<u>\$ 110,383</u>

	For the Three Months Ended				
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
<i>(Dollars in Thousands, except per share data)</i>					
Condensed Income Statement					
Interest income	\$ 2,076	\$ 2,434	\$ 1,715	\$ 1,449	\$ 1,311
Interest expense	432	476	472	312	256
Net interest income	<u>1,644</u>	<u>1,958</u>	<u>1,243</u>	<u>1,137</u>	<u>1,055</u>
Provision for loan losses	40	380	340	475	-
Noninterest income	67	57	610	15	21
Noninterest expense	1,419	1,317	1,299	1,377	1,231
Income (loss) before for income taxes	252	318	214	(700)	(155)
Income tax expense (benefit)	38	69	80	(142)	(14)
Net income (loss)	<u>\$ 214</u>	<u>\$ 249</u>	<u>\$ 134</u>	<u>\$ (558)</u>	<u>\$ (141)</u>
Diluted earnings (loss) per share	\$ 0.04	\$ 0.05	\$ 0.03	\$ (0.11)	\$ (0.03)
Weighted average diluted shares	5,083,936	5,083,936	5,083,936	5,083,936	5,083,936

	At or for the Three Months Ended				
	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
<i>(Dollars in Thousands, except per share data)</i>					
Selected Average Balances:					
Total assets	\$ 216,670	\$ 205,468	169,872	128,095	108,271
Earning assets	207,798	197,347	163,385	124,471	101,422
Investment securities and FHLB stock	24,139	19,020	12,806	12,174	3,668
Loans receivable	163,756	147,711	117,754	93,300	72,223
Deposits	173,596	163,779	130,393	91,651	76,657
Stockholders' equity	32,428	31,924	31,590	31,872	32,138
Performance Ratios (annualized):					
Book value per common share	\$ 6.41	\$ 6.34	\$ 6.24	\$ 6.21	\$ 6.31
Return on average stockholders' equity	2.63%	3.11%	1.70%	-7.00%	-1.76%
Return on average assets	0.39%	0.48%	0.32%	-1.74%	-0.52%
Average loans receivable to average deposits	94.33%	90.19%	90.31%	101.80%	94.22%
Average stockholders' equity to average assets	14.97%	15.54%	18.60%	24.88%	29.68%
Yield on earning assets (1)	3.98%	4.92%	4.20%	4.68%	5.17%
Cost of funds	0.92%	1.07%	1.31%	1.23%	1.28%
Net interest margin (1)	3.15%	3.96%	3.04%	3.68%	4.16%
Efficiency ratio	82.97%	65.36%	70.06%	119.50%	114.47%
Nonperforming assets to total assets	0.17%	0.20%	0.37%	0.43%	0.57%
Allowance for loan losses to total loans	1.41%	1.47%	1.54%	1.51%	1.50%

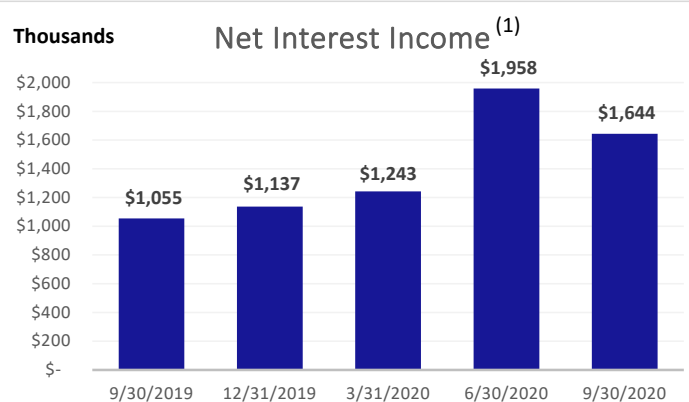
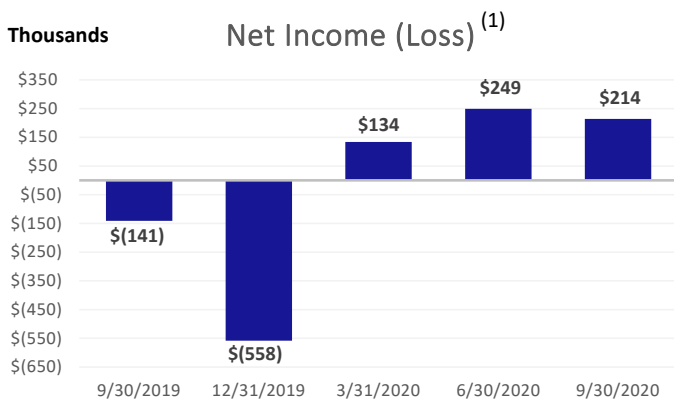
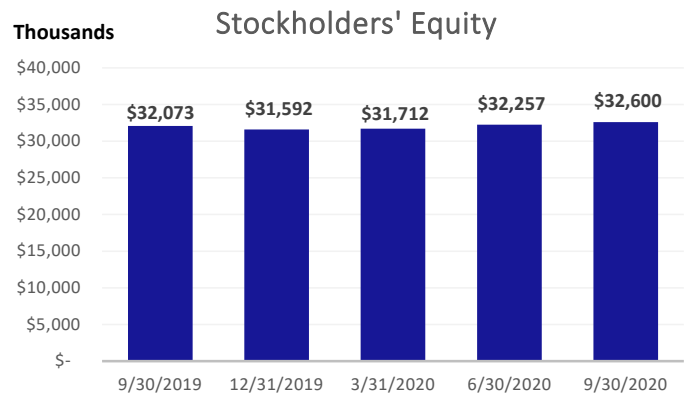
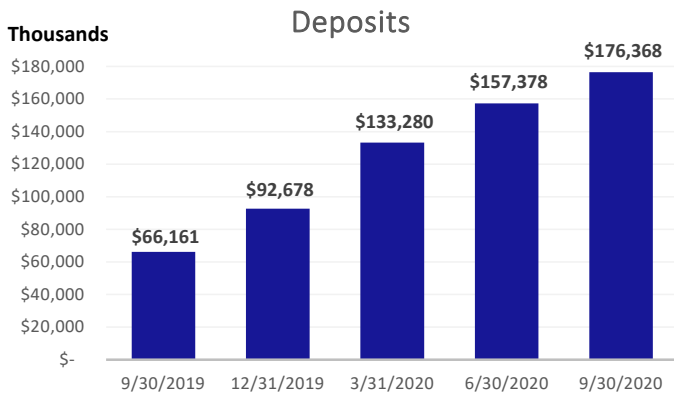
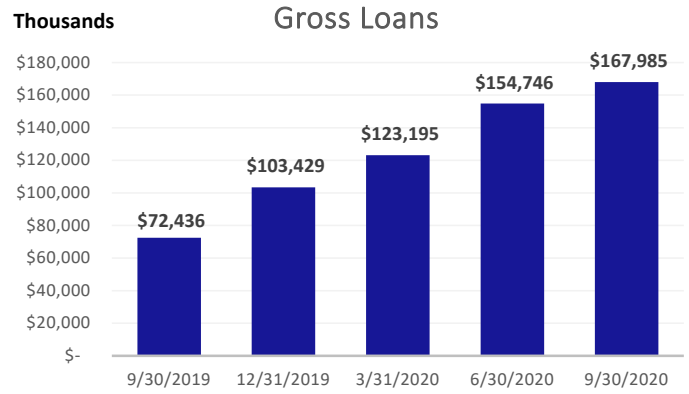
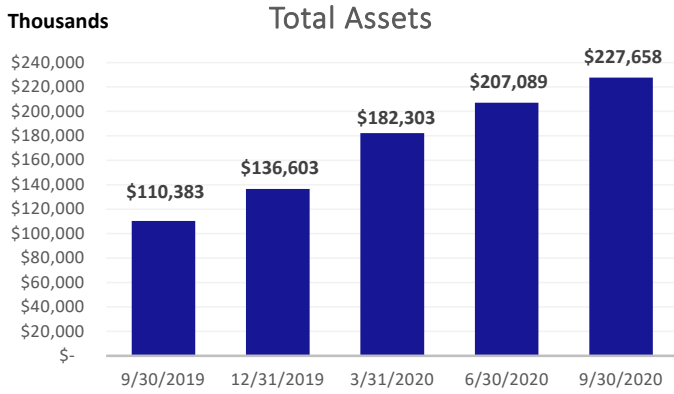
Notes:

(1) Included in June 30, 2020 were fees paid by the SBA in conjunction with payment protection loans



FIRST CAPITAL BANCSHARES

As of September 30, 2020



Notes:

(1) Included in June 30, 2020 were fees paid by the SBA in conjunction with payment protection loans