



FIRST CAPITAL BANCSHARES

April 28, 2023

Dear Shareholder,

We are very pleased to share our financial results for the quarter ended March 31, 2023

Financial highlights include:

- Total loans increased \$53.9 million, or 44.5% annualized, from December 31, 2022.
- Total assets increased \$72.4 million, or 50.9% annualized, from December 31, 2022.
- Total deposits increased \$45.1 million, or 38.2% annualized, from December 31, 2022.
- Pre-tax pre-provision of net income of \$1.4 million for the quarter ended March 31, 2023, compared to pre-tax pre-provision of \$541,000 the quarter ended March 31, 2022.
- Net Income after loan loss provision and taxes was \$883,000 for the quarter ended March 31, 2023, compared to a net income of \$376,000 for the quarter ended March 31, 2022.
- Nonperforming assets to total assets remain low at 0.04% as of March 31, 2023, and December 31, 2022.
- During the first quarter, the Company completed the sale of common stock through a private placement memorandum resulting in gross proceeds of \$13.4 million.

Commenting on the quarterly results, Chairman and CEO Harvey Glick stated, “The bank is off to a great start in 2023 with continued growth in assets, loans, deposits, and earnings. Charleston continues to provide a great environment for community banking!”

Chairman Glick continued stating “In light of the recent turmoil in the banking sector, our timing for raising \$13.4 million in new capital through our first quarter private placement could not have been better. We plan to use the new capital to support the growth of our balance sheet.”

While in town, please stop in and visit our new location in Summerville at 234 Main Street. The new location provides us with more space for support staff and replaces our original inline branch in Summerville on Cedar Street.

Harvey L. Glick
Chairman and CEO

For More Information, Contact:

Joseph S. Kassim
President & Chief Operating Officer
First Capital Bank
(843) 990-7770

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities. The securities offered and sold in the private placement have not been registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and may not be offered or sold in the United States absent registration, or an applicable exemption from registration under the Securities Act and applicable state securities laws.

About First Capital Bancshares, Inc.

First Capital Bancshares, Inc. is a bank holding company headquartered in Charleston, South Carolina with assets of approximately \$641 million as March 31, 2023. Its principal activity is the ownership and operation of First Capital bank, a state-chartered community bank that operates four branches and one loan production office in South Carolina and North Carolina. For more information, please visit www.bankwithfirstcapital.com.

Forward-Looking Statements

Certain statements in this news release contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, such as statements relating to future plans and expectations, and are thus prospective. Such forward-looking statements are identified by words such as "believe," "expect," "anticipate," "estimate," "intend," "plan," "target," and "project," as well as similar expressions. Such statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from future results expressed or implied by such forward-looking statements. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could prove to be inaccurate. Therefore, we can give no assurance that the results contemplated in the forward-looking statements will be realized. The inclusion of this forward-looking information should not be construed as a representation by our company or any person that the future events, plans, or expectations contemplated by our company will be achieved.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: (1) competitive pressures among depository and other financial institutions may increase significantly and have an effect on pricing, spending, third-party relationships and revenues; (2) the strength of the United States economy in general and the strength of the local economies in which the company conducts operations may be different than expected, including, but not limited to, due to the negative impacts and disruptions resulting from the national political turmoil as well as continuing impact of the novel coronavirus, or COVID-19, on the economies and communities the company serves, which may have an adverse impact on the company's business, operations and performance, and could have a negative impact on the company's credit portfolio, share price, borrowers, and on the economy as a whole, both domestically and globally; (3) the rate of delinquencies and amounts of charge-offs, the level of allowance for loan loss, the rates of loan growth, or adverse changes in asset quality in our loan portfolio, which may result in increased credit risk related losses and expenses; (4) changes in legislation, regulation, policies, or administrative practices, whether by judicial, governmental, or legislative action, including, but not limited to, changes affecting oversight of the financial services industry or consumer protection; (5) adverse conditions in the stock market, the public debt market and other capital markets (including changes in interest rate conditions) could have a negative impact on the company; (6) changes in interest rates, which may affect the company's net income, prepayment penalty income, mortgage banking income, and other future cash flows, or the market value of the company's assets, including its

investment securities; and (7) changes in accounting principles, policies, practices, or guidelines. All subsequent written and oral forward-looking statements concerning the company or any person acting on its behalf is expressly qualified in its entirety by the cautionary statements above. We do 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 law.

First Capital Bancshares, Inc.

Selected Financial Highlights (unaudited)

	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
<i>(Dollars In Thousands, except per share data)</i>					
Condensed Balance Sheet					
Assets					
Cash and cash equivalents	18,703	14,788	18,642	48,627	63,831
Securities	68,577	54,673	59,274	55,597	50,172
Gross Loans	534,503	480,572	386,691	337,050	293,203
Allowance for loan losses	(4,911)	(4,393)	(3,892)	(3,612)	(3,494)
Total Loans, net	529,592	476,179	382,798	333,438	289,709
Other assets	24,208	23,036	20,749	19,910	16,160
Total assets	<u>\$ 641,080</u>	<u>\$ 568,676</u>	<u>\$ 481,463</u>	<u>\$ 457,572</u>	<u>\$ 419,872</u>
Liabilities					
Deposits	516,118	471,049	405,455	391,605	355,789
Borrowings	55,630	42,630	22,627	27,840	27,840
Other liabilities	4,335	4,100	3,368	4,114	2,477
Total liabilities	<u>576,083</u>	<u>517,779</u>	<u>431,450</u>	<u>423,559</u>	<u>386,106</u>
Total shareholders' equity (1)	<u>64,997</u>	<u>50,897</u>	<u>50,013</u>	<u>34,013</u>	<u>33,766</u>
Total liabilities and shareholders' equity	<u>\$ 641,080</u>	<u>\$ 568,676</u>	<u>\$ 481,463</u>	<u>\$ 457,572</u>	<u>\$ 419,872</u>

	For the Three Months Ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
<i>(Dollars In Thousands, except per share data)</i>					
Condensed Income Statement					
Interest income	\$ 7,824	\$ 6,625	\$ 5,049	\$ 4,000	\$ 3,357
Interest expense	3,134	2,104	1,159	784	647
Net interest income	<u>4,690</u>	<u>4,522</u>	<u>3,890</u>	<u>3,216</u>	<u>2,710</u>
Provision for loan losses	300	500	300	125	40
Noninterest income	104	94	117	100	94
Noninterest expense	3,369	2,971	2,643	2,351	2,263
Income before for income taxes	<u>1,125</u>	<u>1,145</u>	<u>1,064</u>	<u>840</u>	<u>501</u>
Income tax expense	242	273	257	197	125
Net income	<u>\$ 883</u>	<u>\$ 872</u>	<u>\$ 807</u>	<u>\$ 643</u>	<u>\$ 376</u>
Earnings per share - Diluted (1)	\$ 0.13	\$ 0.13	\$ 0.14	\$ 0.12	\$ 0.07
Weighted avg. shares outstanding - Diluted	6,948,754	6,926,119	5,760,400	5,160,458	5,194,040

	At or for the Three Months Ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Performance Ratios (annualized):					
Book value per share	\$ 7.86	\$ 7.46	\$ 7.33	\$ 6.69	\$ 6.64
Return on average stockholders' equity	6.10%	6.92%	7.68%	7.59%	4.44%
Return on average assets	0.58%	0.66%	0.69%	0.59%	0.37%
Yield on earning assets	5.30%	5.05%	4.41%	3.85%	3.45%
Cost of funds	2.20%	1.63%	0.97%	0.68%	0.61%
Net interest margin	3.26%	3.55%	3.51%	3.21%	2.89%
Efficiency ratio	70.27%	64.37%	65.97%	70.91%	80.71%
Nonperforming assets to total assets	0.04%	0.04%	0.06%	0.07%	0.11%
Allowance for loan losses to total loans	0.92%	0.91%	1.01%	1.07%	1.19%

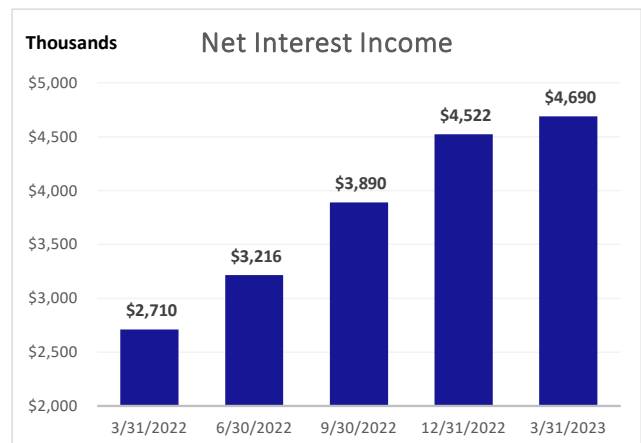
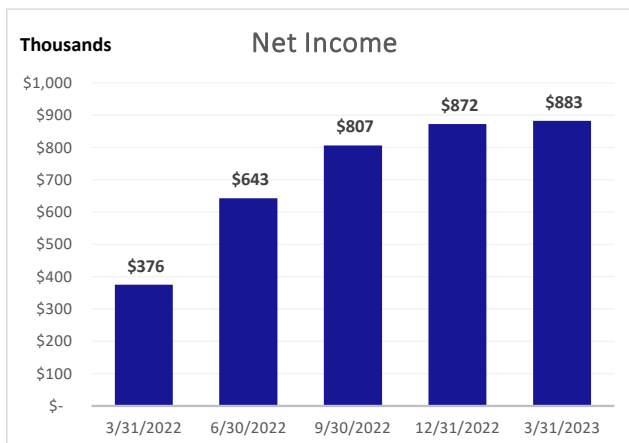
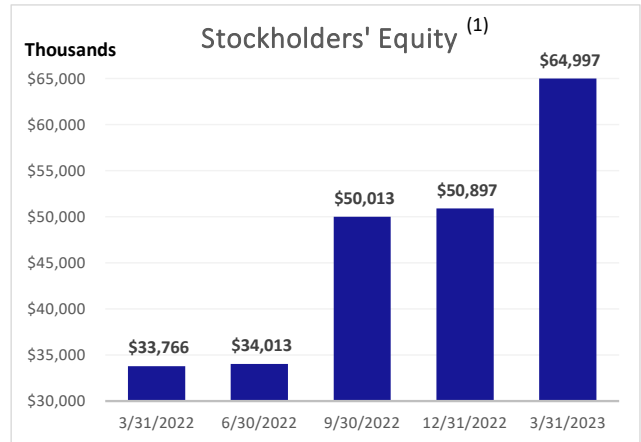
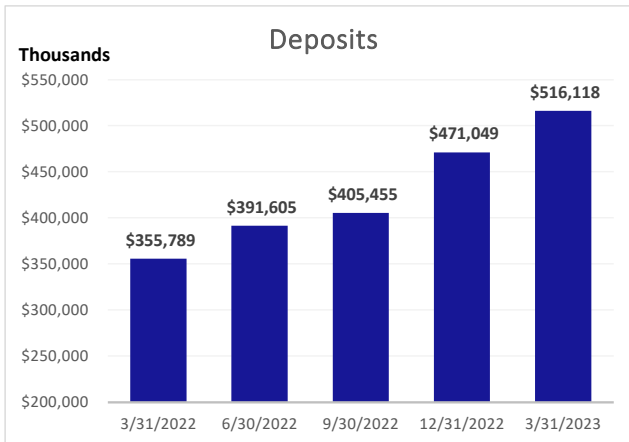
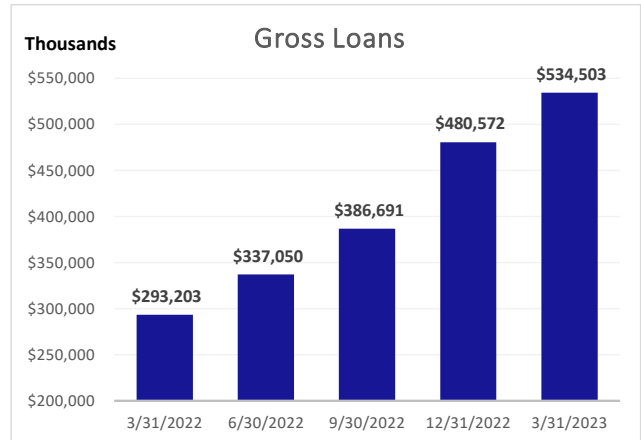
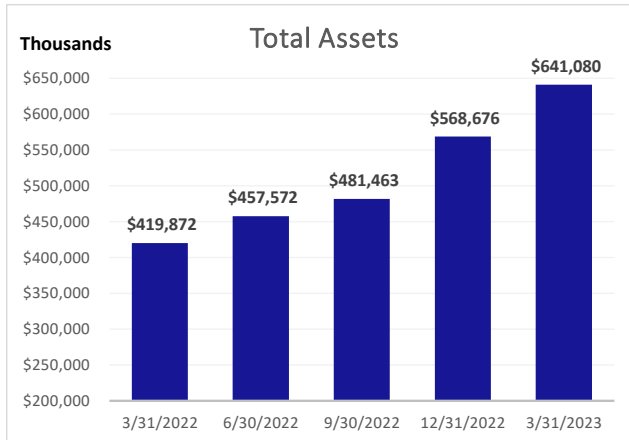
Notes:

(1) In the first quarter of 2023, the Company completed the sale of common stock through a private placement memorandum resulting in gross proceeds of \$13.4 million. In addition, the Company completed the sale of common stock through private placement memorandum resulting in gross proceeds of \$15.1 million during the third quarter of 2022.



FIRST CAPITAL BANCSHARES

As of March 31, 2023



Notes:

(1) In the first quarter of 2023, the Company completed the sale of common stock through a private placement memorandum resulting in gross proceeds of \$13.4 million. In addition, the Company completed the sale of common stock through private placement memorandum resulting in gross proceeds of \$15.1 million during the third quarter of 2022.