FIRST CAPITAL BANCSHARES

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First Capital Bancshares, Inc. Announces Earnings for the 4th Quarter Of 2020

Charleston, South Carolina, February 12, 2021, The Board of Directors of First Capital Bancshares, Inc. announced their fourth quarter results, for the period ended December 31, 2020.

Financial highlights for the fourth quarter of 2020 include:

- Total loans receivable increased $81.8 million, or 79.1% annualized, to $185.2 million since December 31, 2019. This growth includes $8.8 million of Payment Protection Program ("PPP") loans still outstanding as of December 31, 2020.
- Total assets increased $130.1 million, or 95.2% annualized, to $266.7 million since December 31, 2019.
- Total deposits increased $122.3 million, or 132.0% annualized, to $215.0 million since December 31, 2019.
- Net Income for the fourth quarter of 2020 was $357,000 compared to a net loss of (558,000) for the fourth quarter of 2019.
- Nonperforming assets to total assets decreased to 0.24% at December 31, 2020 from 0.43% at December 31, 2019

Operating Results:

"I am pleased to report these excellent financial highlights for the fourth quarter of 2020. Our bank has continued to grow despite the uncertainty caused by the COVID-19 pandemic, particularly in the Charleston market. We will soon have a third Charleston branch, located in Mount Pleasant, which is anticipated to open in the second quarter of 2021. In addition, we continue to support our clients and communities by preparing for the third round of PPP loans recently authorized by Congress", stated Chairman and CEO Harvey Glick.

Harvey Glick continued to note that, "Our credit metrics continue to indicate the current strong quality of our loan portfolio. This combined with virtually no loans that have continual payment deferrals is good news for our company and community! At the same time, there is much unknown about the continued economic impact of the pandemic; therefore, we continue to prepare our balance sheet and our resources for an uncertain future."

Bank Chairman John Russ added, "I want to thank and recognize the First Capital team for their work and outstanding results for 2020. We look forward to continued progress as we enter into 2021!"

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 of cases in our local markets has resulted in additional limitations and safeguards being implemented by state and local governmental authorities, which will further delay area business's efforts to resume normal operations. We continue to restrict access to our branches and approximately 50% of our workforce is working remotely to mitigate exposure.

In response to the uncertainty of COVID-19 and the impact on our loan portfolio, the bank has added $980,000 to the provision for loan losses during 2020. The bank experienced net recoveries of $46,000 for 2020, $47,000 of which was recoveries associated with the repayment resolution of the bank's largest problem asset in the third quarter. The bank has limited exposure to industries currently deemed to be "high risk," such as lodging, energy, and restaurants. As of December 31, 2020, our allowance for loan losses to total loans was at 1.39%. Excluding the outstanding PPP loans currently in the forgiveness process, the allowance for loan loss to total loans as of December 31, 2020 is approximately 1.45%.

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 with a focus on providing personalized service and a full range of banking services. The bank has with offices in Laurinburg, North Carolina as well as Bennettsville, Charleston, and Summerville, South Carolina.

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) the impact of the results of the recent U.S. elections on the regulatory landscape, capital markets, and the response to and management of the COVID-19 pandemic; (6) 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; (7) 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 (8) 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.

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Condensed Balance Sheet		*(Dollars In Thousands, except per share data)*			
Assets					
Cash and cash equivalents	47,725	25,920	22,126	39,291	18,028
Securities available-for-sale	24,489	24,232	22,531	11,942	12,259
Gross Loans	185,243	167,985	154,746	123,195	103,429
Allowance for loan losses	(2,588)	(2,372)	(2,278)	(1,896)	(1,561)
Total Loans, net	182,655	165,613	152,468	121,299	101,868
Other assets	11,794	11,893	9,964	9,771	4,448
Total assets	$ 266,663	$ 227,658	$ 207,089	$ 182,303	$ 136,603
Liabilities					
Deposits	214,968	176,368	157,378	133,280	92,678
Borrowings	16,050	16,050	15,000	15,000	10,000
Other liabilities	2,323	2,640	2,454	2,311	2,333
Total liabilities	233,341	195,058	174,832	150,591	105,011
Total shareholders’ equity	33,322	32,600	32,257	31,712	31,592
Total liabilities and shareholders' equity	$ 266,663	$ 227,658	$ 207,089	$ 182,303	$ 136,603

	For the Three Months Ended				
	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
Condensed Income Statement		*(Dollars In Thousands, except per share data)*			
Interest income	$ 2,215	$ 2,076	$ 2,434	$ 1,715	$ 1,449
Interest expense	453	432	476	472	312
Net interest income	1,762	1,644	1,958	1,243	1,137
Provision for loan losses	220	40	380	340	475
Noninterest income	307	67	57	610	15
Noninterest expense	1,612	1,419	1,317	1,299	1,377
Income (loss) before for income taxes	237	252	318	214	(700)
Income tax expense (benefit)	(120)	38	69	80	(142)
Net income (loss)	$ 357	$ 214	$ 249	$ 134	$ (558)
Diluted earnings (loss) per share	$ 0.07	$ 0.04	$ 0.05	$ 0.03	$ (0.11)
Weighted average diluted shares	5,083,936	5,083,936	5,083,936	5,083,936	5,083,936

	Year-Over-Year Growth		
	December 31, 2020	December 31, 2019	% Change
Selected % Increases (Dollars In Thousands)			
Total assets	$ 266,663	$ 136,603	95.21%
Total gross loans	185,243	103,429	79.10%
Allowance for loan losses	2,588	1,561	65.78%
Total deposits	214,968	92,678	131.95%
Total shareholders' equity	33,322	31,592	5.48%
Income (loss) before income taxes	1,022	(1,516)	167.38%
Net income (loss)	954	(1,245)	176.65%

	At or for the Three Months Ended				
	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019
	(Dollars In Thousands, except per share data)				
Selected Average Balances:					
Total assets	$ 244,662	$ 216,670	205,468	169,872	128,095
Earning assets	234,599	207,798	197,347	163,385	124,471
Investment securities and FHLB stock	24,026	24,139	19,020	12,806	12,174
Loans receivable	174,919	163,756	147,711	117,754	93,300
Deposits	199,403	173,596	163,779	130,393	91,651
Stockholders' equity	32,961	32,428	31,924	31,590	31,872
Performance Ratios (annualized):					
Book value per common share	$ 6.55	$ 6.41	$ 6.34	$ 6.24	$ 6.21
Return on average stockholders' equity	4.34%	2.63%	3.11%	1.70%	-7.00%
Return on average assets	0.58%	0.39%	0.48%	0.32%	-1.74%
Average loans receivable to average deposits	87.72%	94.33%	90.19%	90.31%	101.80%
Average stockholders' equity to average assets	13.47%	14.97%	15.54%	18.60%	24.88%
Yield on earning assets (1)	3.76%	3.98%	4.92%	4.20%	4.68%
Cost of funds	0.84%	0.92%	1.07%	1.31%	1.23%
Net interest margin (1)	2.99%	3.15%	3.96%	3.04%	3.68%
Efficiency ratio	77.90%	82.97%	65.36%	70.06%	119.50%
Nonperforming assets to total assets	0.24%	0.17%	0.20%	0.37%	0.43%
Allowance for loan losses to total loans	1.39%	1.41%	1.47%	1.54%	1.51%

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

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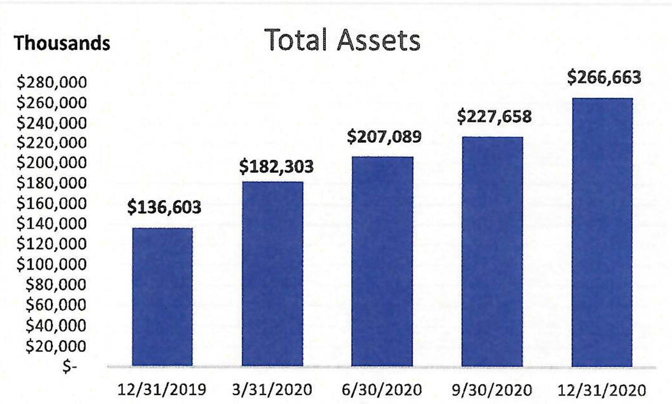
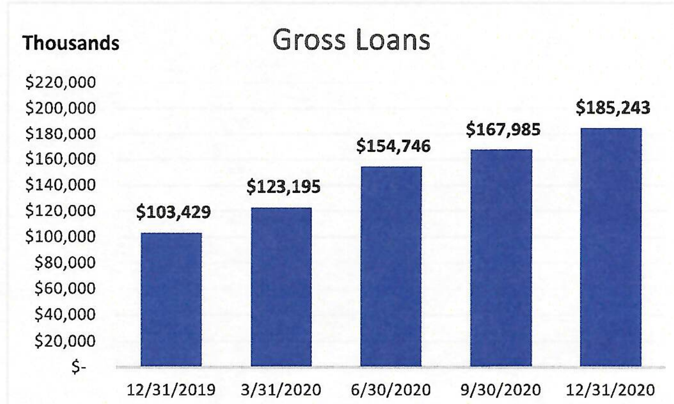
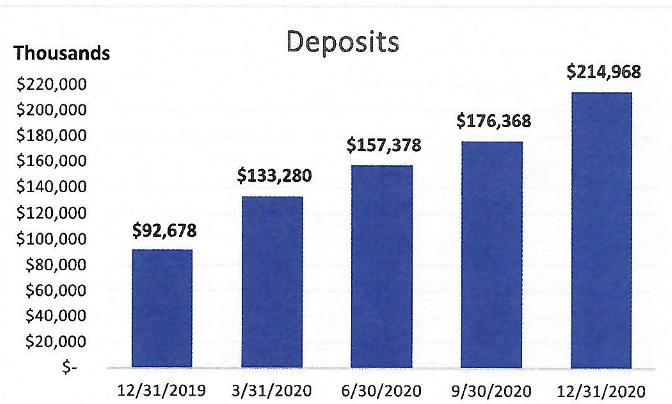
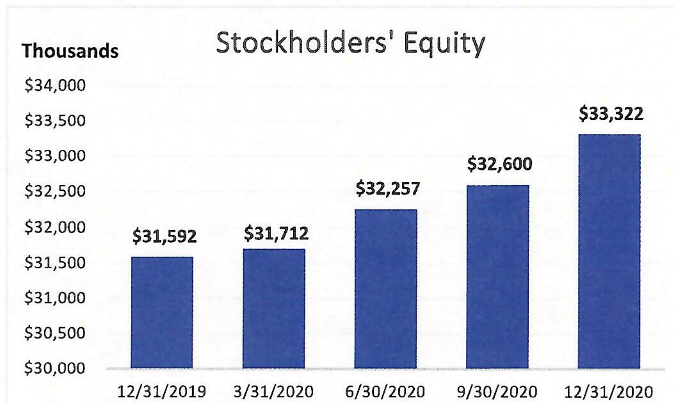
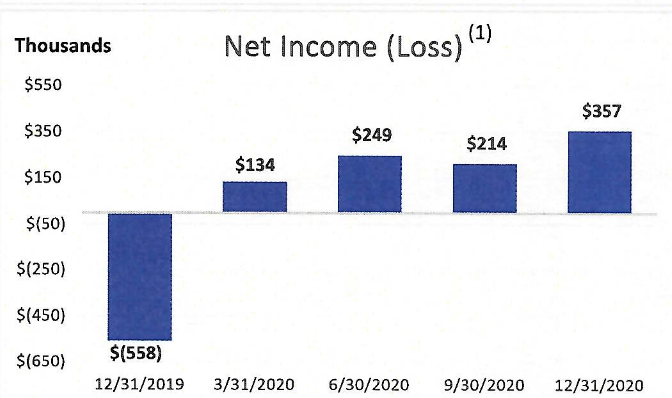
As of December 31, 2020

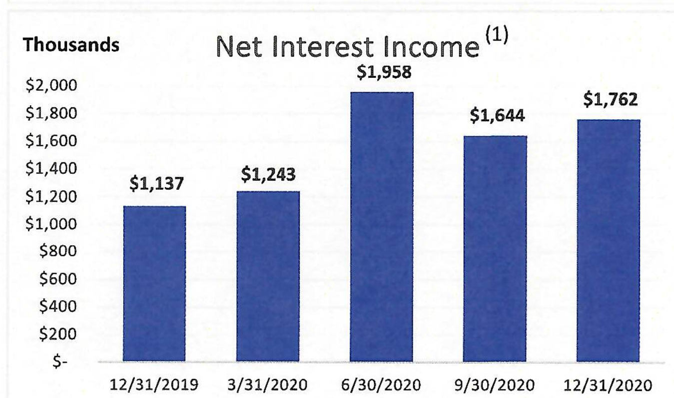












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