## BANK OF SOUTH CAROLINA CORPORATION AND SUBSIDIARY CONSOLIDATED BALANCE SHEETS

	(Unaudited) September 30, 2023		December 31, 2022	
ASSETS				
Cash and due from banks	\$	6,817,759	\$	14,772,564
Interest-bearing deposits at the Federal Reserve		3,204,081		12,999,135
Investment securities available for sale		254,291,146		271,172,226
Mortgage loans to be sold		995,576		866,594
Loans		339,181,202		330,981,782
Less: Allowance for credit losses		(3,715,163)		(4,291,221)
Net loans		335,466,039		326,690,561
Premises, equipment and leasehold improvements, net		4,169,175		3,988,607
Right of use asset		12,958,323		13,433,692
Accrued interest receivable		2,196,170		2,145,522
Other assets		7,672,257		7,276,708
Total assets	\$	627,770,526	\$	653,345,609
LIABILITIES AND SHAREHOLDERS' EQUITY Liabilities Deposits:				
Non-interest bearing demand	\$	191,870,536	\$	223,117,903
Interest bearing demand	Ψ	153,367,690	Ψ	195,143,514
Money market accounts		101,227,623		100,014,125
Time deposits \$250,000 and over		10,202,190		5,303,509
Other time deposits		10,670,060		11,266,099
Other savings deposits		52,982,339		63,825,108
Total deposits		520,320,438		598,670,258
Short-term borrowings		50,000,000		-
Accrued interest payable and other liabilities		3,271,458		2,430,272
Lease liability		12,958,323		13,433,692
Total liabilities		586,550,219		614,534,222
Shareholders' equity Common stock - no par 12,000,000 shares authorized; Issued 5,852,325 shares at both September 30, 2023 and December 31, 2022. Shares outstanding 5,485,755 and 5,552,351 at September 30, 2023 and December 31, 2022, respectively Additional paid in capital Retained earnings		48,093,654 15,312,758		- 48,028,689 14,002,571
Treasury stock: 366,570 shares and 299,974 shares at September 30, 2023 and				•
December 31, 2022, respectively		(3,610,489)		(2,817,392)
Accumulated other comprehensive loss, net of income taxes		(18,575,616)		(20,402,481)
Total shareholders' equity		41,220,307		38,811,387
Total liabilities and shareholders' equity	\$	627,770,526	\$	653,345,609

## BANK OF SOUTH CAROLINA CORPORATION AND SUBSIDIARY CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

# Three Months Ended September 30,

		Septen	iiber 30,	
	20	23		2022
Interest and fee income				
Loans, including fees	\$	5,177,312	\$	4,037,017
Taxable securities		670,523		675,306
Tax-exempt securities		118,025		156,104
Other		188,278	-	179,325
Total interest and fee income		6,154,138		5,047,752
Interest expense				
Deposits		1,095,964		37,519
Short term-borrowings		523,618		-
Total interest expense		1,619,582		37,519
Net interest income		4,534,556		5,010,233
Provision for credit losses				
Net interest income after provision for credit losses		4,534,556		5,010,233
Other income				
Service charges and fees		353,340		324,610
Mortgage banking income		119,001		107,798
Other non-interest income		8,107		10,932
Total other income		480,448		443,340
Other expense				
Salaries and employee benefits		1,996,215		1,875,576
Net occupancy expense		684,400		641,547
Other operating expenses		394,194		289,579
Professional fees		150,443		165,154
Data processing fees		156,254		137,157
Total other expense		3,381,506		3,109,013
Income before income tax expense		1,633,498		2,385,840
Income tax expense		370,128		545,573
Net income	\$	1,263,370	\$	1,840,267
Weighted average shares outstanding				
Basic		5,535,808		5,552,351
Diluted		5,541,565		5,650,799
Basic income per common share	\$	0.23	\$	0.33
Diluted income per common share	\$	0.23	\$	0.33

# BANK OF SOUTH CAROLINA CORPORATION AND SUBSIDIARY CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

### Nine Months Ended September 30,

Interest and fee income		<u> </u>	iibei 30,		
Coans, including fees   \$ 14,858,155   \$ 11,326,953   Taxable securities   2,050,257   1,848,955   Tax-exempt securities   399,192   398,160   Other   505,428   311,896   Total interest and fee income   17,813,032   13,885,964    Interest expense		2023		2022	
Taxable securities         2,050,257         1,848,955           Tax-exempt securities         399,192         398,160           Other         505,428         311,896           Total interest and fee income         17,813,032         13,885,964           Interest expense         1         1,7813,032         112,140           Short term-borrowings         831,711         -         -           Short term-borrowings         831,711         -         -           Total interest expense         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income         13,797,269         13,848,824           Other income         323,355         606,526           Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         26,743         28,053           Total other expense         1,366,770         1,671,592           Other expense         2,909,36         1,888,977           Other perating expenses					
Tax-exempt securities         399,192         398,160           Other         505,428         311,896           Total interest and fee income         17,813,032         13,885,964           Interest expense         3,139,052         112,140           Deposits         3,139,052         112,140           Short term-borrowings         831,711         -           Total interest expense         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income         13,849,269         13,773,824 </td <td></td> <td></td> <td>\$</td> <td></td>			\$		
Other         505,428         311,896           Total interest and fee income         17,813,032         13,885,964           Interest expense         3,139,052         112,140           Short term-borrowings         831,711         -           Short term-borrowings         3,970,763         112,140           Net interest income         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         292,878           Professional fees         472,362         427,175           Total other expense         5,146,150         6,297,7					
Total interest and fee income	-	· ·			
Interest expense   Deposits   3,139,052   112,140   Short term-borrowings   831,711       Total interest expense   3,970,763   112,140     Net interest income   13,842,269   13,773,824     Provision for credit losses   45,000   (75,000)     Net interest income after provision for credit losses   13,797,269   13,848,824     Other income   Service charges and fees   1,014,672   975,233     Mortgage banking income   325,355   606,526     Gain on sales of securities   -   61,780     Other non-interest income   26,743   28,053     Total other income   1,366,770   1,671,592     Other expense   Salaries and employee benefits   5,996,417   5,551,871     Net occupancy expense   2,019,936   1,888,977     Other operating expenses   1,051,127   929,788     Professional fees   478,047   424,900     Data processing fees   472,362   427,175     Total other expense   1,016,284   1,450,350     Net income tax expense   1,016,284   1,450,350     Net income tax expense   5,546,493   5,549,312     Weighted average shares outstanding   Basic   5,546,493   5,549,312     Diluted   5,551,925   5,642,262     Basic income per common share   \$ 0.074   \$ 0.87					
Deposits         3,139,052         112,140           Short term-borrowings         831,711         -           Total interest expense         3,970,763         112,140           Net interest income         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income         Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense         2,019,936         1,888,977           Other operating expenses         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         5,146,150         6,297,05           Income before income tax expense         1,016,284         1,450,350	Total interest and fee income	17,813,032	-	13,885,964	
Short term-borrowings         831,711         ————————————————————————————————————	Interest expense				
Net interest income         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income           Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         2.6743         28,053           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         1,010,17,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355 <td>Deposits</td> <td>3,139,052</td> <td></td> <td>112,140</td>	Deposits	3,139,052		112,140	
Net interest income         13,842,269         13,773,824           Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income           Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355     <	Short term-borrowings	831,711		-	
Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income         Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense         2,019,936         1,888,977           Other operating expenses         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Basic         5,546,493         5,549,312           Diluted         5,551,925	Total interest expense	3,970,763		112,140	
Provision for credit losses         45,000         (75,000)           Net interest income after provision for credit losses         13,797,269         13,848,824           Other income         Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense         2,019,936         1,888,977           Other operating expenses         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Basic         5,546,493         5,549,312           Diluted         5,551,925	Net interest income	13,842,269		13,773,824	
Other income           Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Basic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262	Provision for credit losses				
Service charges and fees         1,014,672         975,233           Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Weighted average shares outstanding         \$         4,129,866         \$         4,847,355           Weighted average shares outstanding         5,546,493         5,549,312         5,642,262           Basic income per common share         \$         0.74         \$         0.87	Net interest income after provision for credit losses	13,797,269		13,848,824	
Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Basic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Other income				
Mortgage banking income         325,355         606,526           Gain on sales of securities         -         61,780           Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Basic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Service charges and fees	1,014,672		975,233	
Other non-interest income         26,743         28,053           Total other income         1,366,770         1,671,592           Other expense         Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         \$ 5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Mortgage banking income				
Total other income         1,366,770         1,671,592           Other expense         Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         S         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Gain on sales of securities	<del>-</del>		61,780	
Other expense           Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Other non-interest income	26,743		28,053	
Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Total other income	1,366,770		1,671,592	
Salaries and employee benefits         5,996,417         5,551,871           Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Other expense				
Net occupancy expense         2,019,936         1,888,977           Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         \$ 5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	_	5,996,417		5,551,871	
Other operating expenses         1,051,127         929,788           Professional fees         478,047         424,900           Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         S         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87					
Data processing fees         472,362         427,175           Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         S         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87		1,051,127		929,788	
Total other expense         10,017,889         9,222,711           Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding Basic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Professional fees	478,047		424,900	
Income before income tax expense         5,146,150         6,297,705           Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Data processing fees	472,362		427,175	
Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Sasic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Total other expense	10,017,889		9,222,711	
Income tax expense         1,016,284         1,450,350           Net income         \$ 4,129,866         \$ 4,847,355           Weighted average shares outstanding         Sasic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87	Income before income tax expense	5,146,150		6,297,705	
Weighted average shares outstanding           Basic         5,546,493         5,549,312           Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87					
Basic       5,546,493       5,549,312         Diluted       5,551,925       5,642,262         Basic income per common share       \$ 0.74       \$ 0.87	Net income	\$ 4,129,866	\$	4,847,355	
Basic       5,546,493       5,549,312         Diluted       5,551,925       5,642,262         Basic income per common share       \$ 0.74       \$ 0.87	Weighted average shares outstanding				
Diluted         5,551,925         5,642,262           Basic income per common share         \$ 0.74         \$ 0.87		5.546.493		5.549.312	
·					
·	Basic income per common share	\$ 0.74	\$	0.87	
	_	\$ 0.74	\$	0.86	