

## CAPITAL MARKETS ANNOUNCEMENT

**Southern First Bancshares, Inc. (NASDAQ: SFST; Greenville, SC) Closes \$26.4 Million Offering of Common Stock**

Sandler O'Neill + Partners, L.P. served as Sole Book-Running Manager for this offering.

This transaction represents the 122<sup>nd</sup> public offering or private placement of common stock for a bank or thrift since January 1, 2012 for which Sandler O'Neill acted as book-runner, co-manager or placement agent—more than any other investment bank during that period. These transactions have raised approximately \$21.2 billion for our clients.<sup>1</sup>

**About the Offering:**

Greenville, South Carolina, May 2, 2017 – Southern First Bancshares, Inc. (NASDAQ: SFST), the Company, announced today that it has completed its previously announced public offering of 805,000 shares of its common stock at a public offering price of \$32.75 per share, representing a 0.9% discount to market close<sup>2</sup>, including the exercise in full by the underwriter, Sandler O'Neill + Partners, L.P., of its option to purchase an additional 105,000 shares. The offering resulted in gross proceeds of \$26.4 million and net proceeds of approximately \$24.7 million. The Company intends to use the proceeds of the offering to improve its capital structure, including by repaying its \$10 million holding company line of credit, to fund future organic growth and for working capital and other general corporate purposes.

*This announcement is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy securities.*

**About the Company:**

Southern First Bancshares, Inc., Greenville, South Carolina is a registered bank holding company incorporated under the laws of South Carolina and serves as the parent company to Southern First Bank. Southern First Bank operates in nine locations in the Greenville, Columbia, and Charleston markets of South Carolina along with one location in Raleigh, North Carolina. Southern First Bancshares, Inc. has assets of approximately \$1.47 billion and its common stock is traded in The NASDAQ Global Market under the symbol SFST.

- 1) Source: SNL Financial
- 2) Based on closing price of \$33.05 as of April 26, 2017
- 3) Financial data is not pro forma for the offering

May 2, 2017

## Common Stock Offering

**\$26.4 Million**

Sole Book-Running Manager

SANDLER O'NEILL + PARTNERS

Financial Highlights as of March 31, 2017<sup>3</sup>*(Dollars in millions)*

Total Assets	\$1,468
Net Loans	1,203
Total Deposits	1,211
Total Equity	114
Tang. Common Equity / Tang. Assets	7.74%
LTM ROAA	1.01%
LTM ROAE	12.38%

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