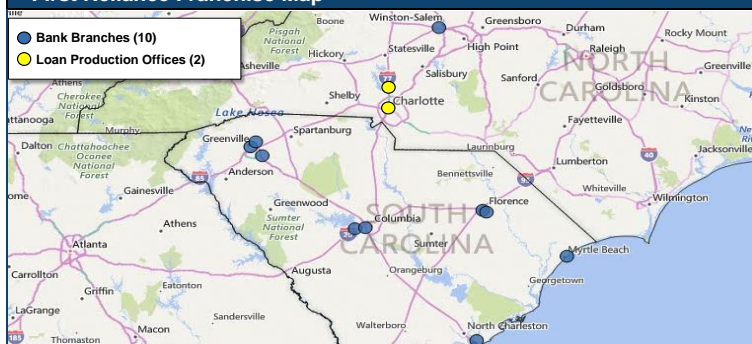


First Reliance Bancshares, Inc. (OTCPK: FSRL) - Florence, SC
has issued
\$5.5 Million in Subordinated Debt

Hovde Group, LLC Served as Sole Placement Agent for First Reliance Bancshares, Inc.

Offering Summary

- First Reliance Bancshares, Inc. (the "Company" or "First Reliance"), headquartered in Florence, SC, has approximately \$661 million in assets
- The Company's subsidiary, First Reliance Bank (the "Bank"), currently operates 12 offices in South Carolina and North Carolina
- The Company intends to use the net proceeds from this offering to support continued organic growth and for general corporate purposes
- This represents Hovde's 48th capital transaction since 2017, with over \$1.4 billion issued since 2017
- This represents Hovde's 16th subordinated debt transaction since 2017, with over \$291 million issued since 2017

First Reliance Franchise Map

Offering Terms

Closing Date:	June 2, 2020
Total Offering:	\$5.5 Million
Rate:	5.875%
Term:	10 Years
Fixed / Floating:	Fixed to Floating
Non-Call Period:	5 Years
Payment Structure:	Interest Only
Rating / Collateral:	Non-Rated / Unsecured

Tombstone Announcement


Florence, SC
Has Issued

\$5.5 Million in Subordinated Debt

Hovde Group, LLC
served as the Sole Placement Agent for
First Reliance Bancshares, Inc.



June 2, 2020

Financial Highlights (3/31/2020)

Headquarters:	Florence, SC
Year Established:	1999
State of Operation (Offices):	SC (9) & NC (3)
Total Assets (\$000):	\$660,886
Total Deposits (\$000):	\$506,225
Core Deposits / Total Deposits: ⁽¹⁾	82.6%
Gross Loans (\$000):	\$514,640
Loans-to-Deposit Ratio: ⁽²⁾	94.9%
LTM Yield-on-Loans:	5.31%
Total Equity (\$000):	\$58,016
Tangible Common Equity (\$000):	\$56,851
Tangible Common Equity / Tangible Assets:	8.62%
LTM ROAA:	0.67%
LTM ROAE:	7.60%
LTM ROATCE:	8.05%

(1) Core deposits defined as total deposits less time deposits greater than \$100,000; (2) Excludes loans held for sale
Source: S&P Global Market Intelligence

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