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Q2 2021
Shareholder Engagement Call
July 15, 2021

Profits Through Purpose

Executive Leadership on This Call



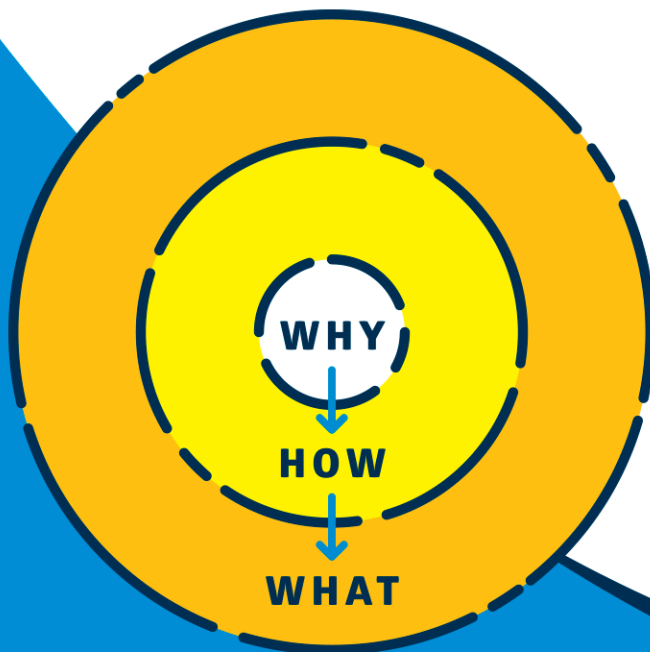
Darrin Williams
CEO, Southern Bancorp, Inc.
& Interim President,
Southern Bancorp Community Partners



Chris Wewers, CFO
Southern Bancorp, Inc.

We are Wealth Builders for Everyone.

THE GOLDEN CIRCLE



WHY

We believe that wealth building isn't just for the wealthy. We were founded to **INVEST** in rural towns, under-capitalized communities, and people's dreams. We are wealth builders for everyone.

HOW

We combine the strength of a billion dollar bank with the flexibility of a non-profit financial education and development company to **EMPOWER** our customers and communities.

WHAT

Southern Bancorp is a bank...and so much more. We offer financial products and services that improve financial health and **TRANSFORM** lives.

2021 Annual Shareholder Meeting

Reappointed to the board:



Glen Jones
Board Chair
Nominations Committee
SBB Director



Daniel Koehler
Accountability Committee



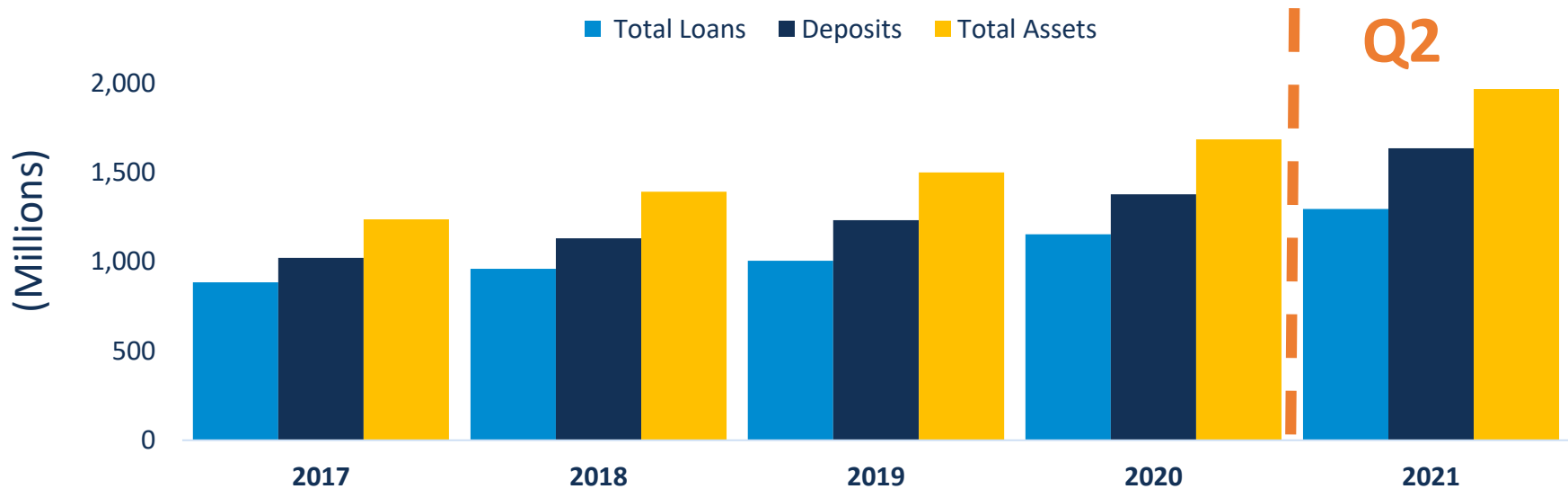
Jim Prouty
Capital Allocation Committee

Appointed to the board:



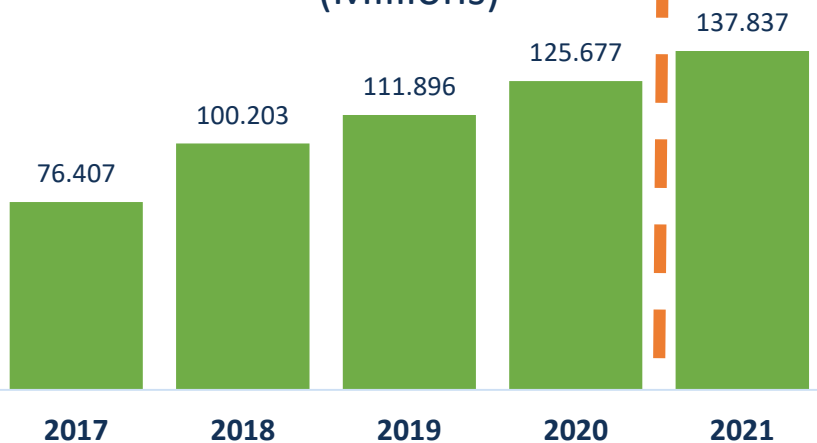
Aurelia Jones-Taylor
SBCP Director

Financial Highlights



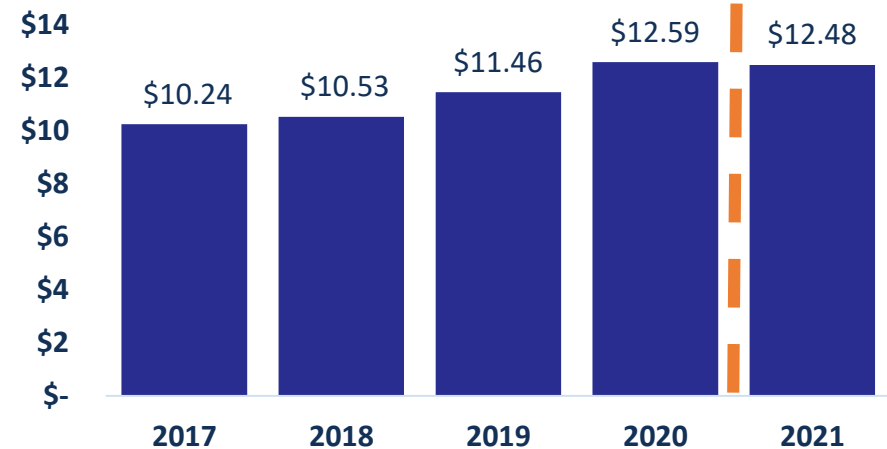
Tangible Common Equity (Millions)

Q2



Book Value

Q2



Q2 Financial Highlights YOY – Balance Sheet (000's)

	2020	2021
Cash & Investments	\$356,496	\$534,513
Net Loans	\$1,138,750	\$1,279,459
Fixed Assets	\$39,280	\$43,702
Intangibles	\$37,337	\$41,914
Other Assets	\$64,230	\$68,061
TOTAL ASSETS	\$1,636,093	\$1,967,649
Deposits	\$1,358,226	\$1,634,683
Other Borrowings	\$103,933	\$138,688
Other Liabilities	\$13,299	\$12,921
Shareholder's Equity	\$160,635	\$181,357
TOTAL LIABILITIES & EQUITY	\$1,636,093	\$1,967,649

Q2 Financial Highlights YOY – Income Statement (000's)

	2020	2021
Interest Income	\$33,059	\$32,741
Interest Expense	(\$5,139)	(\$2,987)
Net Interest Revenue	\$27,920	\$29,754
PLLL	(\$3,100)	-
Non Interest Income	\$5,004	\$5,143
Non Interest Expense	(\$22,627)	(\$26,078)
Income Before Taxes	\$7,197	\$8,819
Taxes	(\$1,650)	(\$3,025)
Net Income	\$5,547	\$5,794

Providing Access to Credit in CDFI Targeted Underserved Communities

SBB	Q1 YTD	Q2 YTD
% of loans (#) in CDFI tracts	95.6%	95.7%
% of loans (\$) in CDFI tracts	90.5%	87.9%
Loans originated (#)	1,728	4,037
Loan originations (\$ millions)	\$219	\$366
% of loans under \$10,000	30.2%	35.9%
# of loans under \$1,000	88	223

Asset Quality as of June 30, 2021

- **Total Loans - \$1,295,200,000**
- **Allowance for Loan and Lease Losses – 1.311%**
- **Past Due Loans – 0.47%**
- **Past Due Loans Excluding Non-accrual Loans – 0.21%**

SBA Paycheck Protection Program (PPP)

PPP Loans	2021	Total (2020 & 2021)
Total loans by #	1,329	2,614
Total loans by \$	\$45,868,239	\$157,674,509J
Jobs Supported	6,384	22,098
1-10 Employees	1,219	2,214
11-25 Employees	77	237
\$10,000 or less	474	884

These PPP numbers include 190 PPP loans totaling \$2,960,465 originated by Arkansas County Bank

PPP Loan Forgiveness	
Applied	1,095
Granted	1,084
Total Granted by \$	\$85,953,824

Empowering People to Save - Volunteer Income Tax Assistance Program

VITA Program	2021 (2020 Tax Year)	Totals 2005-2021
Total Returns Filed	3,800	38,202
Total Refunds Processed	3,094	31,298
Total Refund Amount	\$7,637,861	\$73,374,517
Total EIC Qualified Returns	1,143	15,241
Total EIC Qualified Return Refunds	\$2,555,318	\$36,827,752

Southern Bancorp Capital Raising in 2021

\$12.5 MLN Common Equity Raised by SBI (\$7MLN in Q2)

[Square, Inc., Relyance Bank, Encore Bank]

\$2 MLN in Loan Capital and Grants Raised by SBCP

[OFN/Google, Wells Fargo, US Bank]

\$3.3 MLN in CDFI Fund Rapid Response Program Grants:

- \$1.8 MLN Received by SBI
- \$1.5 MLN Received by SBCP

**CDFI Emergency Capital Investment Program – Application
deadline extended**

Building a *New* CDFI Model

Capital raised since 2017

- WKKF (Kellogg Foundation) converted \$4MLN in preferred to common stock

Per Share Purchase Price	Total Shares Purchased	Total Proceeds
\$8.40	2,288,014	\$19,219,317.60
\$9.83	1,195,126	\$11,748,088.58
\$11.73	427,172	\$5,010,727.56
\$12.40	1,015,099	\$12,587,227.60

Southern Bancorp KSOP has purchased 275,311 shares of common stock

Liquidity

Return on capital

- Southern has paid regular quarterly dividends in 2017
- Total dividends - \$2,396,639.71

Return of capital

- Share buybacks - \$10,249,983.04

2020 Annual Report



To view, visit:
BankSouthern.com/AnnualReport



2020 ANNUAL REPORT



Supporting small business startups

Q & A

SAVE THE DATE:

Q3 2020 Shareholder Engagement Call

Thursday, October 21, 2021

9:30 am CST



BankSouthern.com

SouthernPartners.org

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southern



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