



Q2 2023

SHAREHOLDER ENGAGEMENT CALL

July 20, 2023

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Profits Through Purpose

Executive Leadership on This Call



Darrin Williams
Southern Bancorp, Inc. CEO



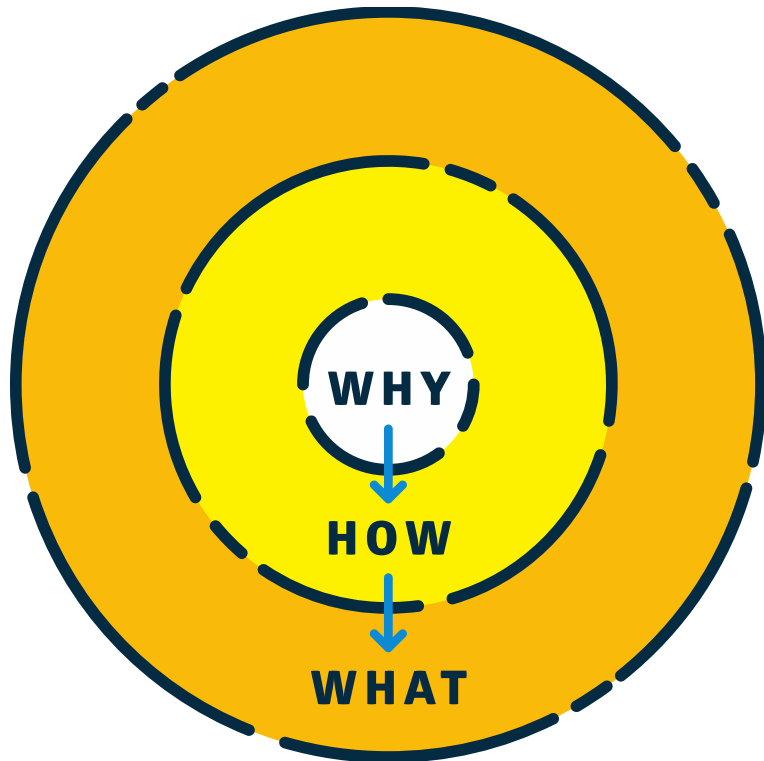
John Olaimy
Southern Bancorp Bank President & CEO



Chris Wewers
Southern Bancorp, Inc. CFO

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.

A woman with short dark hair and teal highlights, wearing a white t-shirt and a leopard print top, sitting in front of a wall of lockers. She is looking slightly to the right of the camera with a neutral expression. Her sunglasses are perched on her head.

Jessica Drye
Glenwood, AR

Southern Bancorp Deposits & Liquidity in light of recent bank failures.

- We have not seen movement in our deposit base to larger banks.

Total Deposits (Billions)

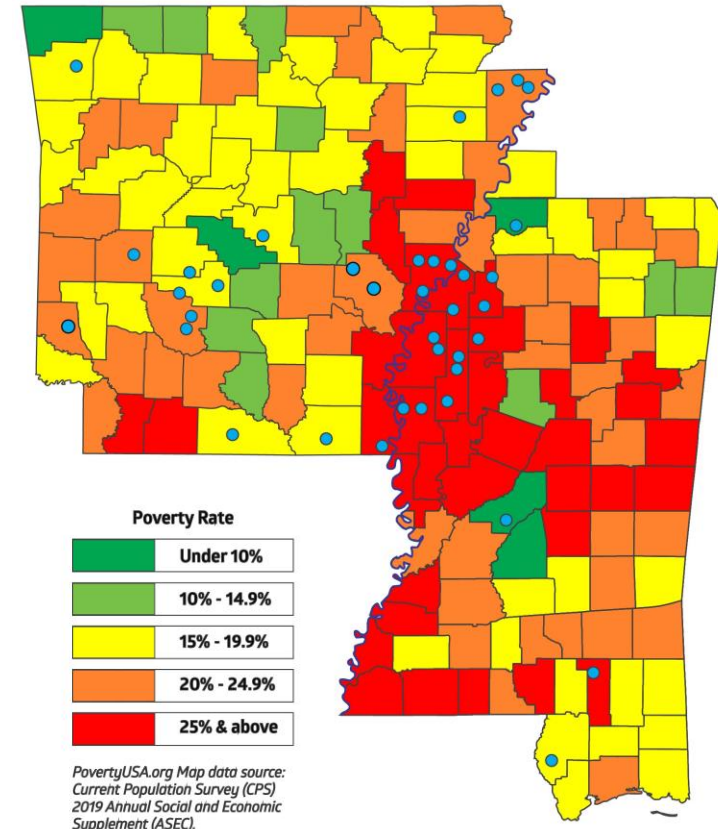
| | |
|------------|---------|
| June 2023 | \$1.962 |
| March 2023 | \$2.037 |
| June 2022 | \$1.772 |

- We have 89,609 different deposit accounts, representing almost \$1.9 BLN in deposits.
- We have roughly \$213 MLN in deposits above the \$250,000 FDIC limits, which represents about **11.21%** of our \$1.9 BLN in deposits.
- We have approximately \$884 MLN in on and off-balance sheet liquidity available in short order.

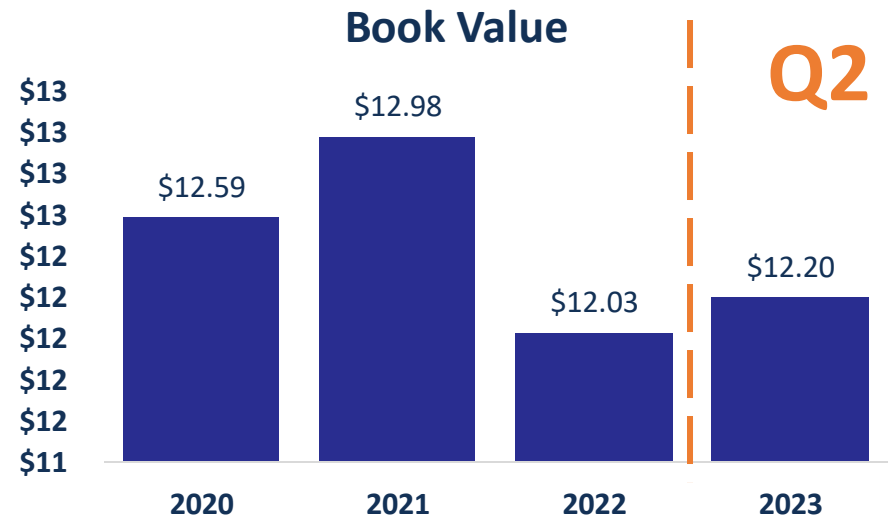
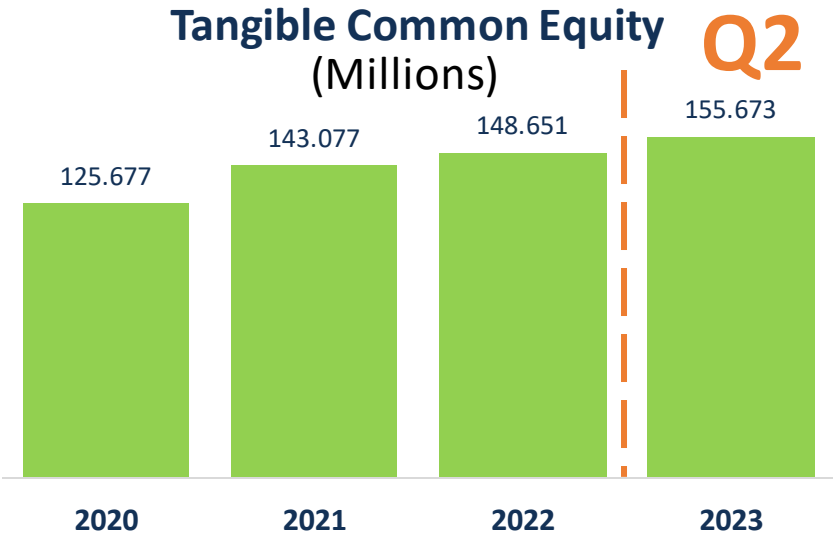
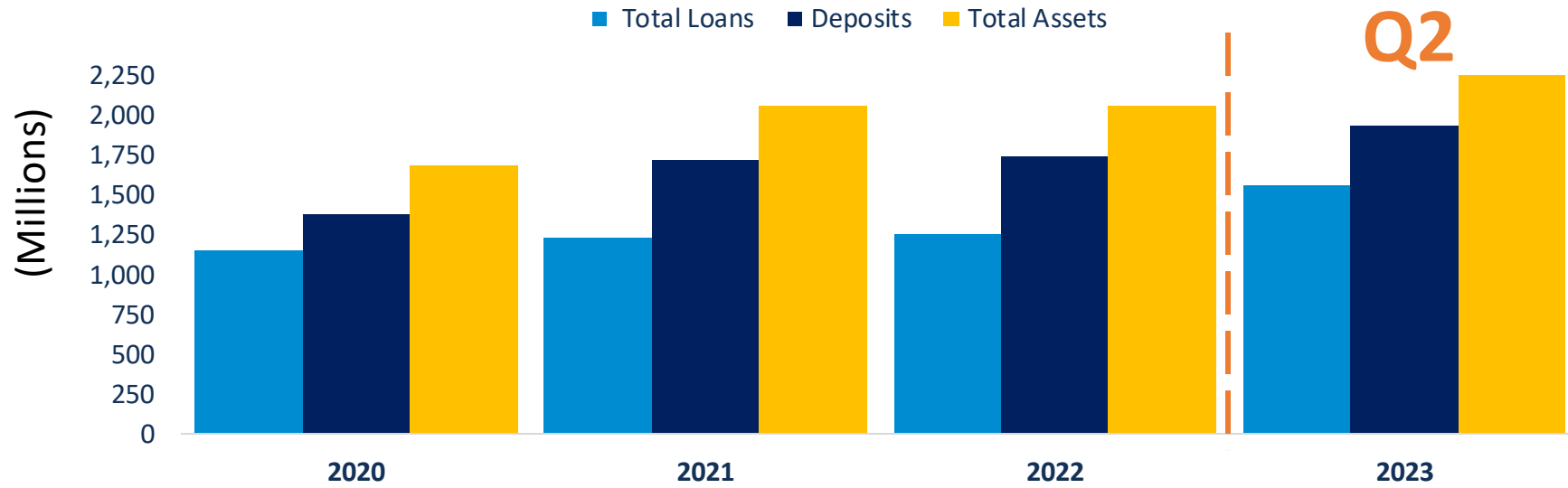
Providing Access to Credit in CDFI Targeted Underserved Communities

| SBB 2023 | Q2 YTD |
|---------------------------------|----------|
| % of loans (#) in CDFI tracts | 95.59% |
| % of loans (\$) in CDFI tracts | 90.40% |
| Loans originated (#) | 2,744 |
| Loan originations (\$ millions) | \$312.76 |
| % of loans under \$10,000 | 45.66% |
| # of loans under \$1,000 | 282 |

Loans in persistent poor counties Q2 YTD: 1,058 loans Total: \$127.62M
 % of all loans made: 38.56% (#) 40.81% (\$)



Financial Highlights



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

| | 2022 | 2023 |
|---------------------------------------|--------------------|--------------------|
| Cash & Investments | \$676,237 | \$785,560 |
| Net Loans | \$1,476,887 | \$1,540,458 |
| Fixed Assets | \$47,069 | \$40,917 |
| Intangibles | \$58,058 | \$59,368 |
| Other Assets | \$87,327 | \$117,551 |
| TOTAL ASSETS | \$2,345,578 | \$2,543,854 |
| Deposits | \$1,964,068 | \$1,931,953 |
| Other Borrowings | \$198,824 | \$163,949 |
| Other Liabilities | \$9,582 | \$17,229 |
| Shareholder's Equity | \$173,104 | \$430,723 |
| TOTAL LIABILITIES & EQUITY | \$2,345,578 | \$2,543,854 |

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

| | <u>2022</u> | <u>2023</u> |
|----------------------|-----------------|----------------|
| Interest Income | \$35,240 | \$51,300 |
| Interest Expense | \$(2,851) | \$(10,926) |
| Net Interest Revenue | \$32,389 | \$40,374 |
| PLLL | - | \$(600) |
| Non Interest Income | \$17,630 | \$6,744 |
| Non Interest Expense | \$(33,730) | \$(37,469) |
| Income Before Taxes | \$16,289 | \$9,049 |
| Taxes | \$(642) | \$(1,110) |
| Net Income | <u>\$15,647</u> | <u>\$7,939</u> |

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

| | <u>2022</u> | <u>2023</u> |
|----------------------|-----------------|----------------|
| Interest Income | \$17,734 | \$26,344 |
| Interest Expense | \$(1,604) | \$(6,915) |
| Net Interest Revenue | \$16,130 | \$19,429 |
| PLLL | - | \$(600) |
| Non Interest Income | \$14,619 | \$3,622 |
| Non Interest Expense | \$(18,234) | \$(18,400) |
| Income Before Taxes | \$12,515 | \$4,051 |
| Taxes | \$(300) | \$16 |
| Net Income | <u>\$12,215</u> | <u>\$4,067</u> |

Empowering People to Save

Volunteer Income Tax Assistance Program 2023

| | 2023 | 2005 – 2023 |
|--------------------------------------|-------------|--------------|
| Total Returns Filed | 4,403 | 46,420 |
| Total Refunds Processed | 4,169 | 38,597 |
| Total Refund Amount | \$5,635,463 | \$86,353,645 |
| Total EIC Qualified Returns | 1,064 | 17,874 |
| Total EIC Qualified Refunds | \$1,705,882 | \$41,202,404 |
| Average Adjusted Gross Income | \$27,209 | - |

Exciting Announcements

Jonesboro, Marion, West Memphis & Little Rock Grand Openings



Q & A

SAVE THE DATE:

Q3 2023 Shareholder Engagement Call

Thursday, October 19th 2023

9:30 am CST

Visit banksouthern.com/investors



Kenya Davenport






All investor questions can be directed to

Kenya Davenport, Chief of Staff and SVP Stakeholder Engagement

Kenya.Davenport@banksouthern.com | (501) 501-492-3493 | TF (800) 789-3428



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