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Q4 2020
Shareholder Engagement Call
January 21, 2021

Profits Through Purpose

Executive Leadership on This Call



Darrin Williams
CEO

Southern Bancorp, Inc.



Chris Wewers
CFO

Southern Bancorp, Inc.



John Olaimy
President and CEO

Southern Bancorp Bank

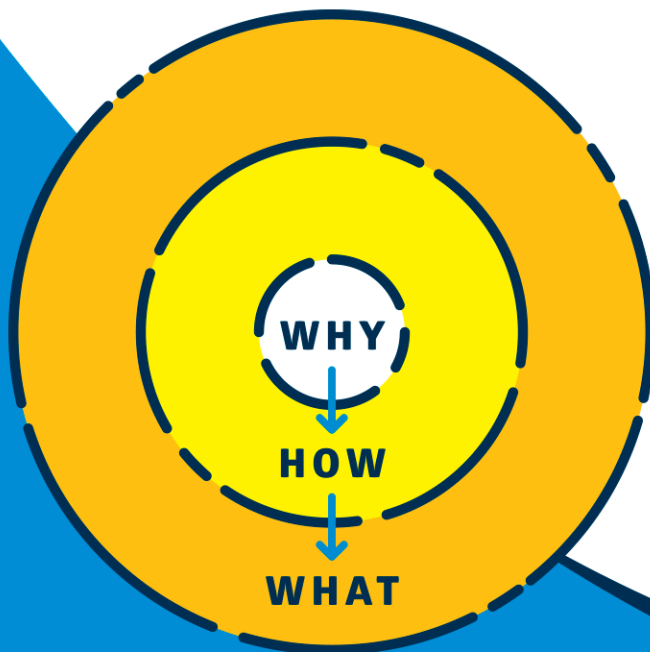


Karama Neal
President

Southern Bancorp
Community Partners

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

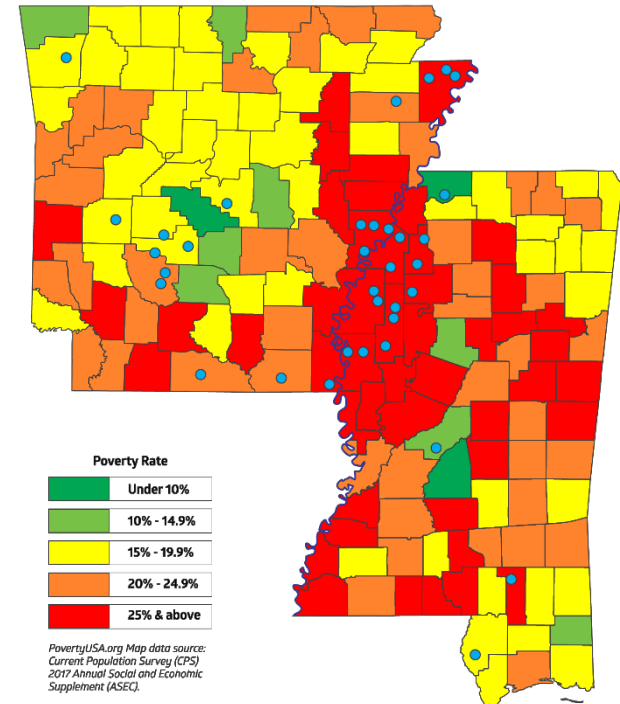
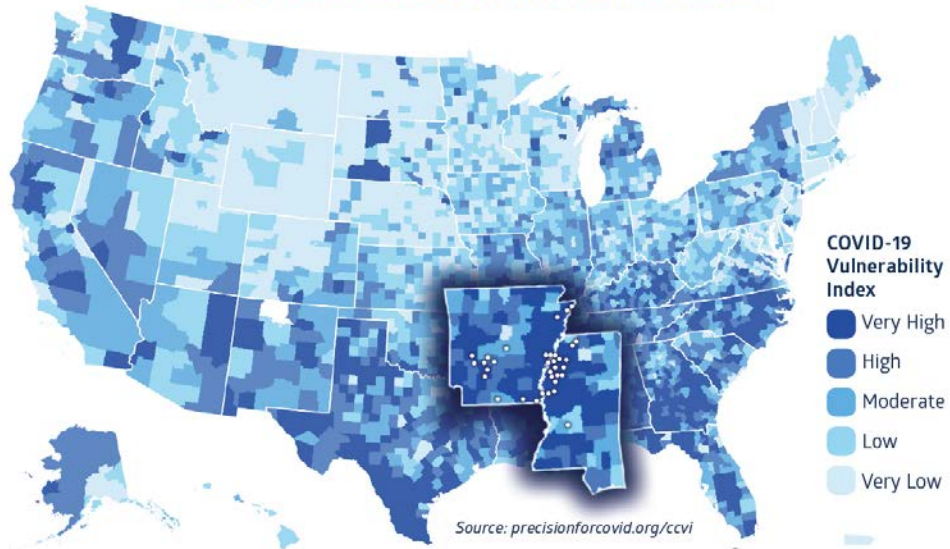
We combine the strength of a billion dollar bank with the flexibility of a non-profit financial education and development company to **EMPOWER** our customers and communities.

WHAT

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

Our Markets – Serving Some of America’s Most Distressed Communities

THE COVID-19 COMMUNITY VULNERABILITY INDEX MAP



COVID 19 Vulnerability Index

Overall State Rankings

Arkansas = **.96**

Mississippi = **.92**

Un/Underbanked

National

6.5% Unbanked

18.7% Underbanked

Arkansas

7.5% Unbanked

19.0% Underbanked

Mississippi

15.8% Unbanked

22.5% Underbanked

Southern Bancorp, Inc. reappoints members to the Southern Bancorp Bank board



Hugh Arant, Jr.



Kim Evans



Walter Morris Jr.

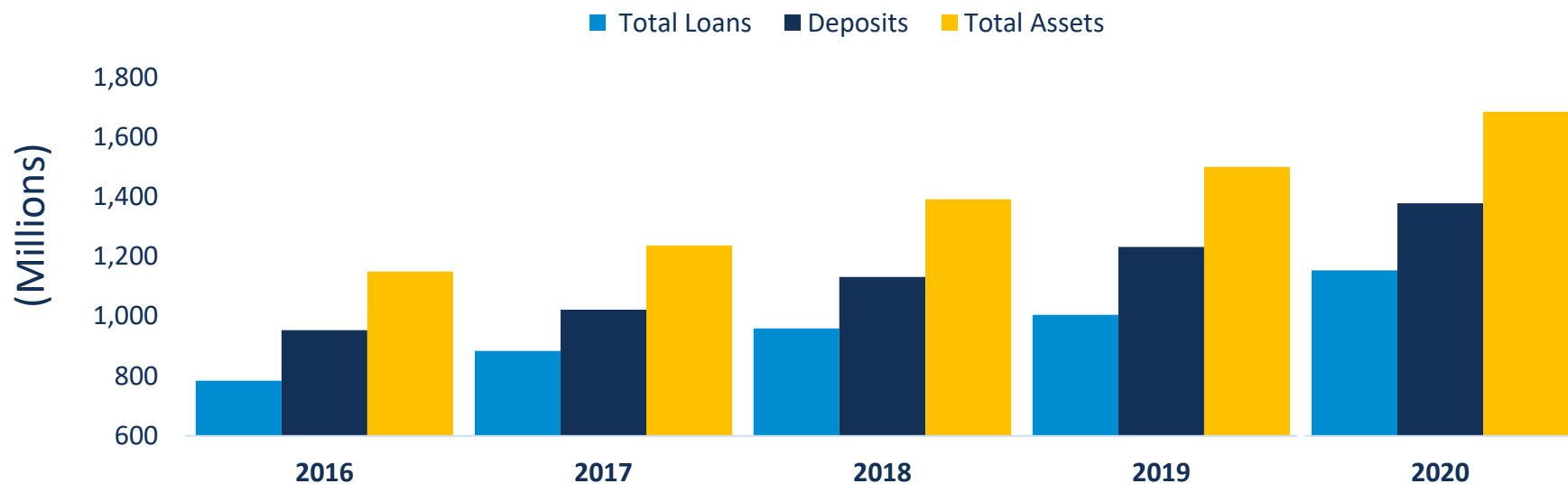


Sherman Tate

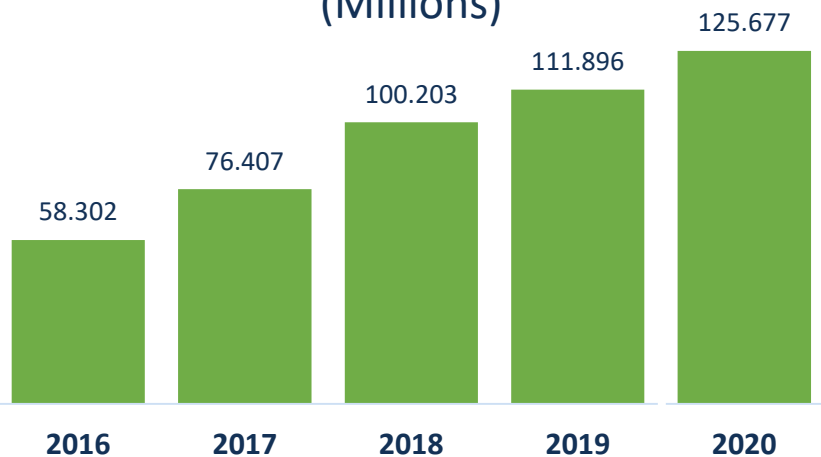


Darrin Williams

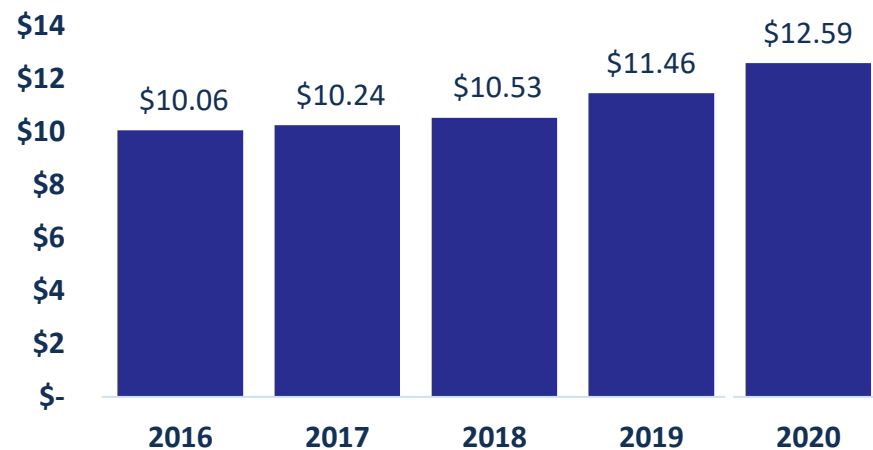
Financial Highlights



Tangible Common Equity (Millions)



Book Value



Q4 Financial Highlights YOY – Balance Sheet (000's)

	2019	2020
Cash & Investments	\$368,337	\$410,945
Net Loans	\$991,244	\$1,136,405
Fixed Assets	\$41,349	\$38,709
Intangibles	\$37,388	\$37,294
Other Assets	\$61,485	\$61,725
TOTAL ASSETS	\$1,499,803	\$1,685,078
Deposits	\$1,231,879	\$1,377,693
Other Borrowings	\$103,504	\$124,495
Other Liabilities	\$13,027	\$12,691
Shareholder's Equity	\$151,393	\$170,199
TOTAL LIABILITIES & EQUITY	\$1,499,803	\$1,685,078

Q4 Financial Highlights YOY – Income Statement (000's)

	2019	2020
Interest Income	\$59,849	\$62,424
Interest Expense	(\$11,668)	(\$8,906)
Net Interest Revenue	\$48,181	\$53,518
PLLL	(\$5,280)	(\$5,850)
Non Interest Income	\$11,870	\$9,941
Non Interest Expense	(\$43,750)	(\$45,512)
Income Before Taxes	\$11,021	\$12,097
Taxes	(\$1,220)	(\$1,885)
Net Income	\$9,801	\$10,212

Providing Access to Credit in CDFI Targeted Underserved Communities

SBB	Q1 YTD	Q2 YTD*	Q3 YTD	Q4 YTD
% of loans (#) in CDFI tracts	68.6%	95.8%	95.36%	95.6%
% of loans (\$) in CDFI tracts	65.9%	88.4%	89.06%	88.3%
Loans originated (#)	1,349	3,796	5,020	7,220
Loan originations (\$ millions)	\$150	\$386	\$500	\$655
% of loans under \$10,000	41.9%	37.3%	38.6%	47.4%
# of loans under \$1,000	118	206	308	1,413

*Southern Bancorp modified its CDFI Target Market in May 2020

2020 Highlights – Succeeding through the viruses: COVID-19 & RACISM

- Net Income – \$10.2 MLN
- Earnings Per Share – \$0.77
- Asset Quality – Texas Ratio 7.666%; \$6 MLN contributed to loan loss reserves
- Balance Sheet Management – \$4.88 MLN annual decrease in cost of funds (32 bps decrease)
- SBCP – A+ AERIS rating
- Shareholder Liquidity – \$1.5 MLN in share buybacks; \$611,000 dividends (15 consecutive quarters)

2020 Highlights – Succeeding through the viruses: COVID-19 & RACISM

- New markets – Hattiesburg, MS and Glenwood, AR
- \$50 MLN New Market Tax Credit allocation; \$1.8 MLN MS Tax Credit allocation
- Bankworx (S61) operational – rails that digital apps run on
- TeamWALT (digital bank) – WALT App interface design complete, small group using it
- Plan to reduce carbon footprint by 10% adopted
- Minority Business Empowerment fund launched
- DEI Committee strategic plan

2020 Highlights – Succeeding through the viruses: COVID-19 & RACISM

Paycheck Protection Program

Total Loans #	1,285
Total Loans \$	\$111,806,265
Jobs Supported	15,714
1 – 10 Employees	1,001 (77.90%)
11- 25 Employees	160 (12.45%)
\$1- \$10,000	410 (31.91%)

Business Continuity Grants

- 128 grant @ \$1,000 each
- 60% African American
- 51% Female
- 330 jobs supported

60_decibels survey of PPP and BCG recipients

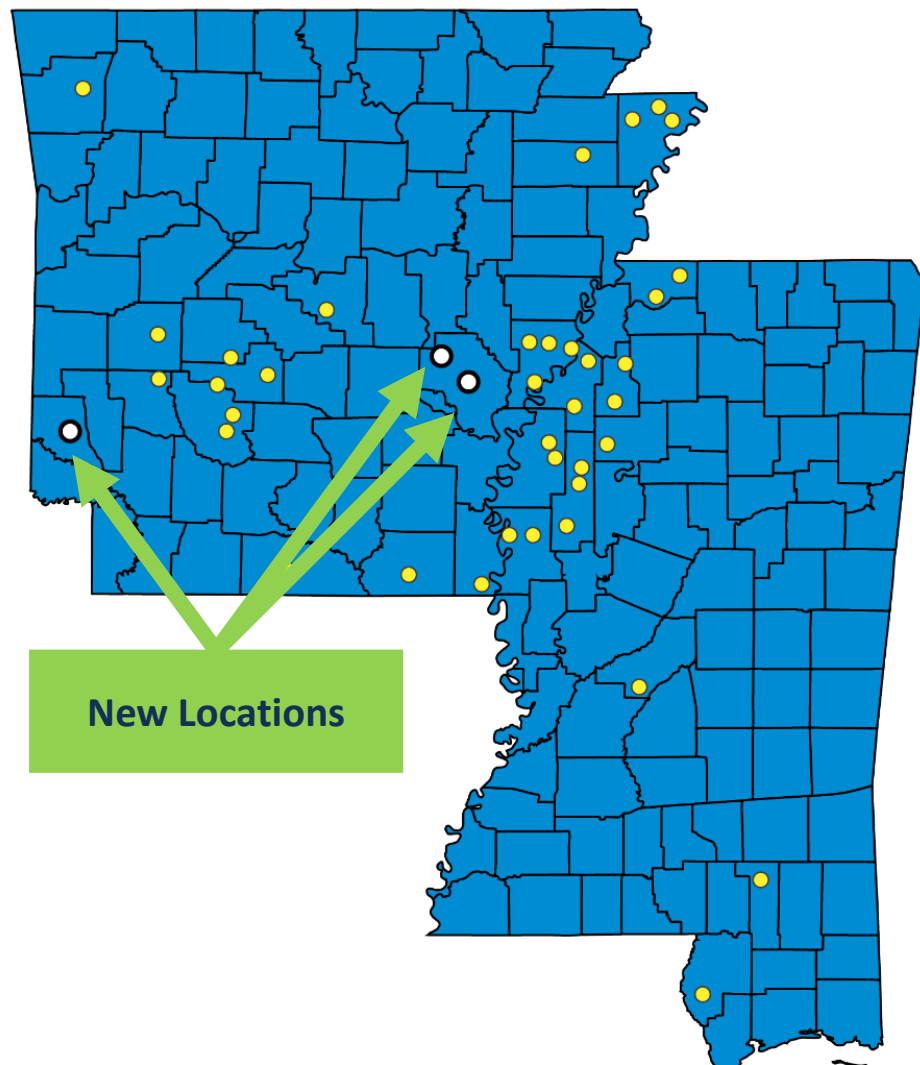
- 69% could not have found alternative assistance
- 54% of Black-owned businesses would have closed (vs. 20% of White-owned)
- 60% of female borrowers closed business for a period of time (vs. 33% of male borrowers)

2020 Highlights – Succeeding through the viruses: COVID-19 & RACISM

Unprecedented National Attention

- > \$25 MLN in mission driven deposits
- 5.15 MLN in common equity raised
- \$2 MLN unrestricted grant to SBCP from MacKenzie Scott
- Advised White House, Treasury & SBA on the PPP and other policy initiatives
- Hosted CFPB Director Kathy Kraninger
- Panelist for Fed Listens: How COVID-19 Affecting Your Community hosted by Fed Chairman Jerome Powell and moderated by Fed Governor Lael Brainard
- 41 national earned media stories about Southern – Bloomberg, CNBC, FOX News, The Economist
- 47% increase in earned media from 2019

Growth and Expansion – Southern Bancorp, Inc. signs merger agreement to acquire Arkansas County Bank



- **\$185 MLN in assets**
- **3 locations:** DeWitt, Stuttgart, Lockesburg
- **Subject to regulatory approval**
- **Expected to close Q2 2021**

Important Shareholder Information

Next Proposed Share Buyback

- Notice mailed: 3/9/2021
- Offer period closes: 4/23/2021
- Payment made by: 4/30/2021

NOTICE: New mailing address

400 Hardin Road, Suite 100, Little Rock, AR 72211

To receive dividend payments by ACH or wire contact:

Jayla.Wilson@banksouthern.com

(501) 850-8960

(800) 789-3428



Q & A

SAVE THE DATE:

Q1 2021 Shareholder Engagement Call

Thursday, April 15, 2021

9:30 am CT



BankSouthern.com

SouthernPartners.org

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