Report of Organizational Actions Affecting Basis of Securities

Part I Reporting Issuer

1 Issuer's name

SOUTHERN BANCORP, INC.

3 Name of contact for additional information

CHRISTOPHER WEWERS

6 Number and street (or P.O. box if mail is not delivered to street address) of contact

605 MAIN STREET, SUITE 202

8 Date of action

MAY 31, 2022

10 CUSIP number

NA

12 Ticker symbol

NA

13 Account number(s)

NA

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► SEE ATTACHMENT

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► SEE ATTACHMENT

16 Describe the calculation of the change in basis and the date that supports the calculation, such as the market values of securities and the valuation dates ► SEE ATTACHMENT

For Paperwork Reduction Act Notice, see the separate instructions.
Part II | Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► SEE ATTACHMENT


18 Can any resulting loss be recognized? ► SEE ATTACHMENT


19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► SEE ATTACHMENT


Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶

Print your name ▶ Title ▶

Preparer

ROBERT PARKER, CPA

Preparer’s signature ◄ Date: 07/11/2022

Check □ if self-employed

PTIN: 000866-82

Firm’s name ▶ CROWE LLP

Firm’s address ▶ 720 COOL SPRINGS BLVD, STE 600, FRANKLIN, TN 37067

Phone no.: 615-360-5500

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054
Attachment to Form 8937
Report of Organizational Actions Affecting Basis of Securities
Southern Bancorp, Inc.
FEIN: 71-0646525

Part II, Line 14
Effective May 31, 2022, Southern Bancorp, Inc. ("Southern") acquired FCB Financial Services, Inc. ("FCB") via a merger transaction whereby its wholly owned subsidiary, SBI Acquisition III, Inc. merged with and into FCB with FCB as the surviving entity and wholly owned subsidiary of Southern. Immediately following the merger, FCB's wholly owned subsidiary, Premier Bank of Arkansas ("Premier") merged with and into Southern's wholly owned subsidiary, Southern Bancorp Bank ("SBB"). The merger was a qualified stock purchase under Section 338 of the Internal Revenue Code pursuant to Rev. Ruling 90-95 whereby Southern is treated as having directly purchased all of FCB shares from its shareholders for cash consideration of $40,200,000.

Part II, Line 15
Pursuant to the agreement and plan of merger, each share of FCB common stock was exchanged for $422.36 from Southern, in addition to $179.73 per share of cash from FCB as a special dividend. Both Southern and FCB intend the dividend to be part of the merger consideration paid by Southern.

The shareholders of FCB common stock will recognize a capital gain or loss equal to the difference between their tax basis in the common stock and the cash received.

Part II, Line 16
Each shareholder of FCB will receive $422.36 per share from Southern and $179.73 from FCB in cash. This being the case, the shareholder will generally recognize capital gain or loss (discussed in #18), with the nature of the gain being determined by how long FCB stock was held by each individual shareholder.

Part II, Line 17
Tax treatment of the merger is based on the following Internal Revenue Code (IRC) sections and subsections as more fully discussed below: 338, 1001, and 1221.

Part II, Line 18
FCB shareholders receiving cash in exchange for their stock will generally recognize capital gain or loss equal to the difference between the total amount of cash received and that shareholder's basis in their respective FCB stock. Shareholders should consult their tax advisors for individual tax impact and specific guidance.

Part II, Line 19
The reportable tax year of the capital gain or loss associated with the merger is the shareholder's tax year that includes May 31, 2022.