



SOUTHERN STATES  
BANCSHARES, INC.

**Q1 2024**

**Investor Presentation**

April 22, 2024

# Important Notices and Disclaimers

## Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws, which reflect our current expectations and beliefs with respect to, among other things, future events and our financial performance. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. This may be especially true given recent events and trends in the banking industry and the inflationary environment. Although we believe that the expectations reflected in such forward-looking statements are reasonable as of the dates made, we cannot give any assurance that such expectations will prove correct and actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and in other SEC filings under the sections entitled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors". Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict.

These statements are often, but not always, made through the use of words or phrases such as "may," "can," "should," "could," "to be," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "likely," "anticipate," "seek," "estimate," "intend," "plan," "target," "project," "would" and "outlook," or the negative version of those words or other similar words or phrases of a future or forward-looking nature. Forward-looking statements appear in a number of places in this presentation and may include statements about business strategy and prospects for growth, operations, ability to pay dividends, competition, regulation and general economic conditions.

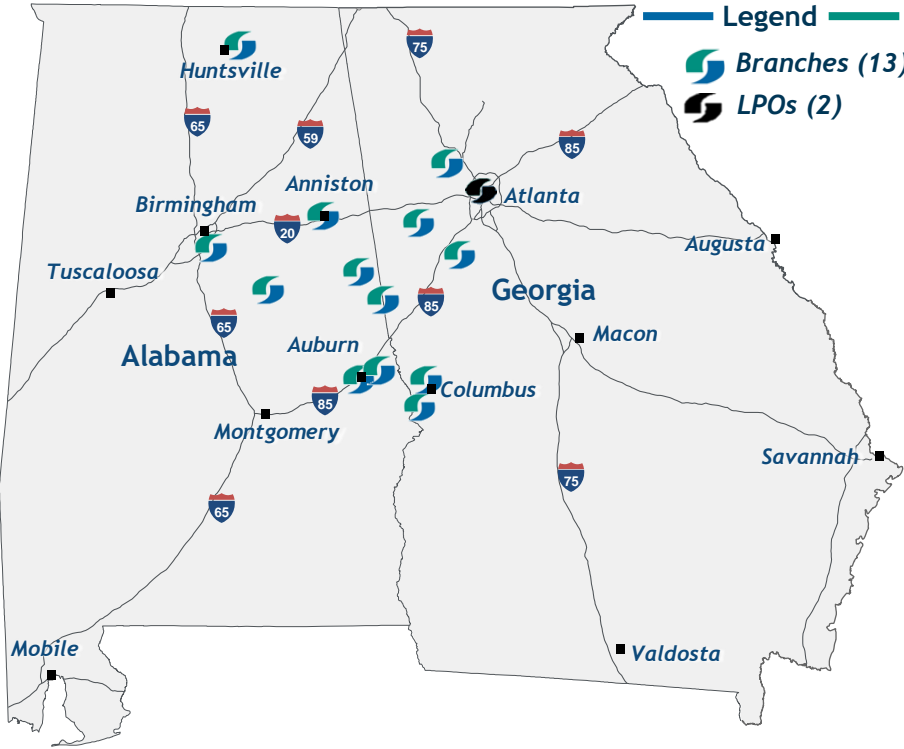
## Non-GAAP Financial Measures

In addition to reporting GAAP results, the Company reports non-GAAP financial measures in this presentation and other disclosures. Our management believes that these non-GAAP financial measures and the information they provide are useful to investors since these measures permit investors to view our performance using the same tools that our management uses to evaluate our performance. While we believe that these non-GAAP financial measures are useful in evaluating our performance, this information should be considered as supplemental in nature and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ from similar measures presented by other companies. For a reconciliation of the non-GAAP measures we use to the most comparable GAAP measures, see the Appendix to this presentation.



# Overview of Southern States Bancshares, Inc.

- **Southern States Bancshares (Nasdaq: SSBK)** was founded in August 2007 and priced its IPO on August 11, 2021
- Management team with **200 years of collective experience** in the banking industry and deep ties to local markets
- History of **solid growth, top-tier profitability** and a **strong credit culture**
- **Bifurcated expansion strategy** through organic growth and disciplined M&A
- Focused on being a **dominant bank** in our smaller markets and a **competitive player** in the larger metropolitan areas
- **Diversified loan portfolio** complemented by **lower-cost, core funding base**



## Q1 '24 Financial Highlights

Assets (\$B):	\$2.5	Quarterly Asset Growth <sup>(2)</sup> :	10.6%	NPLs / Loans:	0.18%	Core Net Income <sup>(1)</sup> (\$M):	\$8.1
Gross Loans (\$B):	\$2.0	Quarterly Loan Growth <sup>(2)</sup> :	17.2%	ACL / Loans:	1.28%	Core ROAA <sup>(1)</sup> :	1.34%
Deposits (\$B):	\$2.1	Quarterly Deposit Growth <sup>(3)</sup> :	18.3%	YTD NCOs / Avg. Loans:	0.10%	NIM:	3.59%
Loans / Deposits:	93.14%	Quarterly Deposit Excluding Brokered Growth <sup>(2)</sup> :	7.1%	TCE / TA <sup>(1)</sup> :	8.23%	Core Efficiency Ratio <sup>(1)</sup> :	46.90%

Source: Company Documents; financial data as of the three months ended 3/31/24 unless otherwise noted

(1) Please refer to non-U.S. GAAP reconciliation in the appendix  
 (2) Annualized  
 (3) Annualized; includes a \$60.2 million increase in brokered deposits in 1Q24

# Robust Market Dynamics

## Market Highlights

### Atlanta, GA



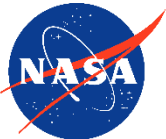
- 8<sup>th</sup> largest Metro Area in the USA
- Ranked 10<sup>th</sup> largest economy in the country
- Ranked 13<sup>th</sup> Best Places for Business and Careers by Forbes
- 17 Fortune 500 companies headquartered in Atlanta

### Birmingham, AL



- Largest market in Alabama, supported by strong steel, biotechnology, and banking industries
- Ranked 2<sup>nd</sup> best US city for job seekers by MoneyGeek
- University of Alabama Birmingham serves as an international leader in medicine and dentistry

### Huntsville, AL



- Voted best place to live in the country by US News
- Highest concentration of engineers in the US
- Ranked #1 best city for STEM workers by Livability
- Home of the Redstone Arsenal which includes the U.S. Space and Rocket Center, NASA's Marshall Space Flight Center, and the U.S. Army Aviation and Missile Command

### Auburn / Opelika, AL



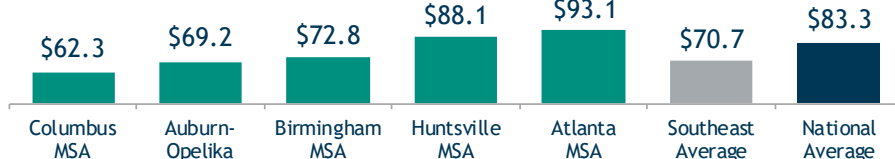
- Auburn University contributes \$5.6 billion annually and 27,000 jobs to the Alabama economy
- Named top-five growth city in America by U-Haul
- High-tech manufacturing and industrial hub for companies like Kia Motors, Hanwha Cimarron, and Niagara Bottling

### Columbus, GA

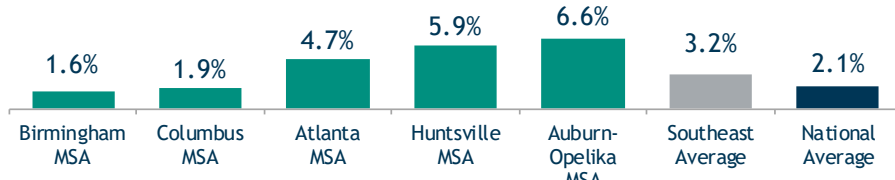


- Fort Benning Military Base
  - U.S. Army Infantry and Armor Training Post
  - Columbus Chamber of Commerce estimates annual economic impact of \$4.8 billion
- Major companies headquartered include Aflac and Total Systems Services, Inc.
- Contains seven colleges and universities, with 83,000 students pursuing degrees in higher education

## '28 Projected Median HHI (\$M)



## '23 - '28 Projected Population Growth (%)



## Major Employers



Source: U.S. Bureau of Labor Statistics; S&P Global Market Intelligence; Fortune; Forbes; Money.com; moneygeek.com; Business Facilities; USA Today; Livability.com; US News; Auburn.edu; Columbus, Georgia Economic Development  
 Note: Southeast defined as AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, VA, and WV

# Proven, Veteran Management Team

Our senior management team, on average, has more than 30 years of banking experience



**Mark Chambers**  
*CEO and President*

- **2007-2019** SEVP & President Southeast Region Southern States Bank
- **2004-2007** Market President Wachovia Bank
- **1998-2004** Commercial Lender Aliant Bank



**Lynn Joyce**  
*SEVP & Chief Financial Officer*

- **1992-2013** EVP & CFO First Financial Bank, a NASDAQ listed Financial Institution
- **1986-1992** Arthur Andersen & Co



**Greg Smith**  
*SEVP & Chief Risk and Credit Officer*

- **2006-2019** SEVP & CCO Southern States Bank
- **1986-2006** Credit Admin, Commercial Loan Officer and Market President Regions Bank



**Jack Swift**  
*SEVP & Chief Operating Officer*

- **2006-2019** SEVP & President Central Region Southern States Bank
- **1996-2006** Senior Vice President Colonial Bank
- **1992-1996** Vice President SouthTrust Bank

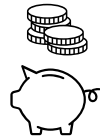
# Q1 2024 Results Highlights

## Operating Results



- **Net income** of \$8.1 million, or \$0.90 per diluted share, and **core net income** <sup>(1)</sup> of \$8.1 million, or \$0.90 per diluted share <sup>(1)</sup>
- **ROAA** of 1.33% and **ROATCE** of 16.17%; **Core ROAA** <sup>(1)</sup> of 1.34% and **Core ROATCE** <sup>(1)</sup> of 16.19%
- **Net interest margin** of 3.59%
- **Efficiency ratio** <sup>(1)</sup> of 46.90% and **core efficiency ratio** <sup>(1)</sup> of 46.90%
- **Monthly margin trends** - January 3.61%, February 3.65%, and March 3.58%

## Deposits/Liquidity



- **Deposits** of \$2.1 billion increased by \$91.6 million, or 4.5%, from Q4 2023 <sup>(2)</sup>
- **Deposits, excluding brokered deposits**, increased by \$31.5 million, or 7.1% annualized, from Q4 2023
- **Average cost of total deposits** increased to 3.12% from 2.86% in Q4 2023
- **Noninterest-bearing deposits** comprised 19.75% of total deposits compared to 21.70% at Q4 2023

## Loans



- **Loan portfolio** of \$2.0 billion increased \$80.6 million, or 4.3%, from Q4 2023
- **Annualized loan growth** of 17.2% from Q4 2023
- **Average yield on loans** of 7.06% improved 15 bps from 6.91% for Q4 2023
- **Loans / deposits ratio** of 93.14% compared to 93.38% for Q4 2023

## Asset Quality



- **Nonperforming loans to gross loans** of 0.17% increased 11 bps from Q4 2023
- **Net charge-offs** at \$470,000, or 0.10% of average loans, annualized
- **Allowance for credit losses to gross loans** of 1.28% compared to 1.29% at Q4 2023
- **Nonperforming loans** increased to \$3.4 million from \$1.2 million at Q4 2023

## Capital



- **Announced and paid quarterly dividend** of \$0.09 per share
- **Tangible common equity to tangible assets** <sup>(1)</sup> of 8.23%, compared to 8.12% at Q4 2023
- **Tangible book value per share** <sup>(1)</sup> of \$23.07, up 3.5% from Q4 2023

<sup>(1)</sup> Please refer to non-U.S. GAAP reconciliation in the appendix

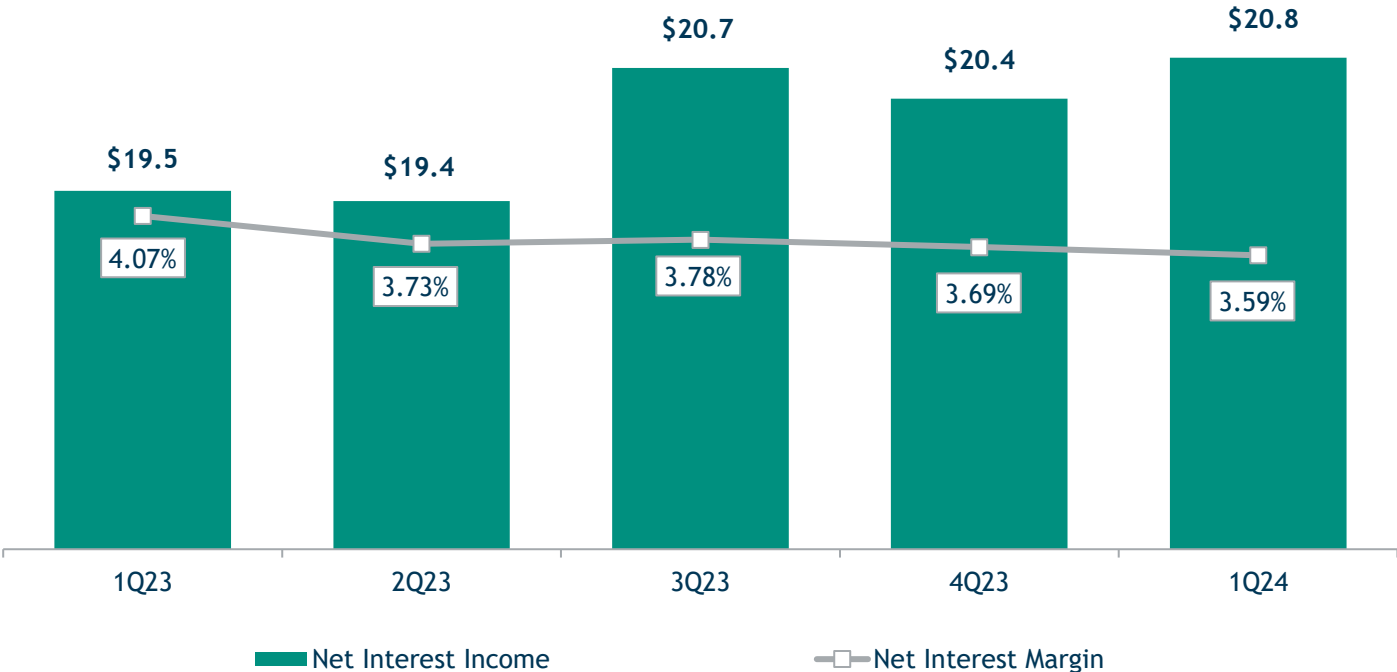
<sup>(2)</sup> Uninsured deposits are 28.92% of total deposits



# Net Interest Margin

## Net Interest Income and Net Interest Margin

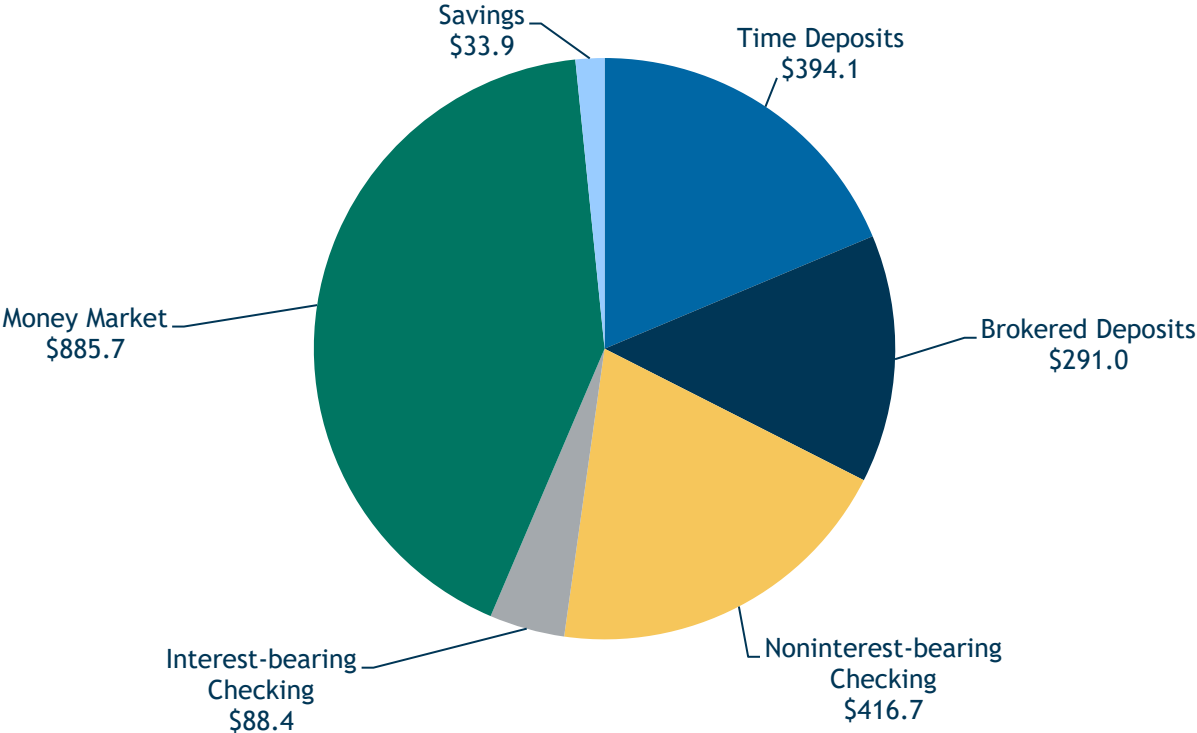
(Dollars in millions)



# Deposit Portfolio

## Deposits by Type - \$2.11B

(Dollars in millions)



## Account Composition <sup>(1)</sup>

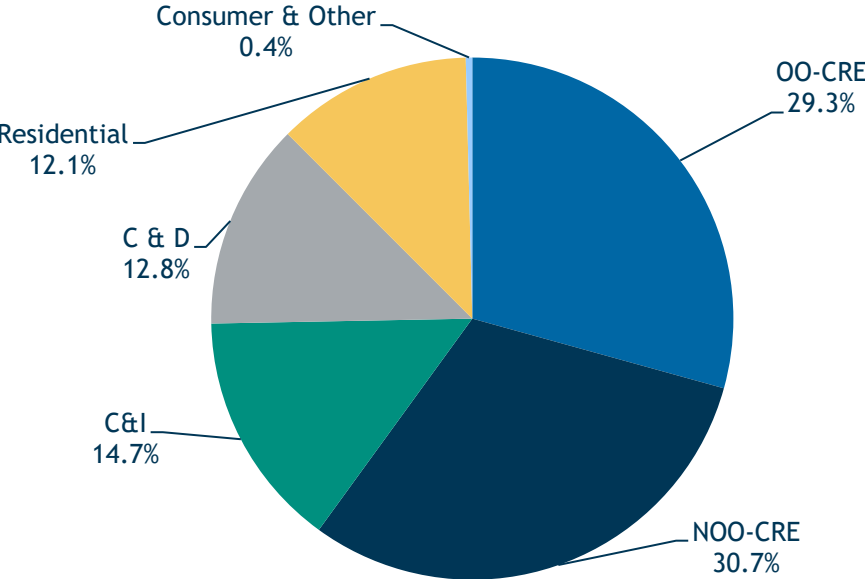
Deposit Type	Composition %	Average Balance
Commercial	64%	\$166.8
Retail	36%	\$44.5

8 Source: Company Documents; data as of 3/31/24  
 (1) Excludes brokered deposits; dollars in thousands



# Loan Portfolio

## Loans by Type \$1.97B



## Loan Composition

Loan Type	Composition %
Fixed	50.2%
Variable	49.8%

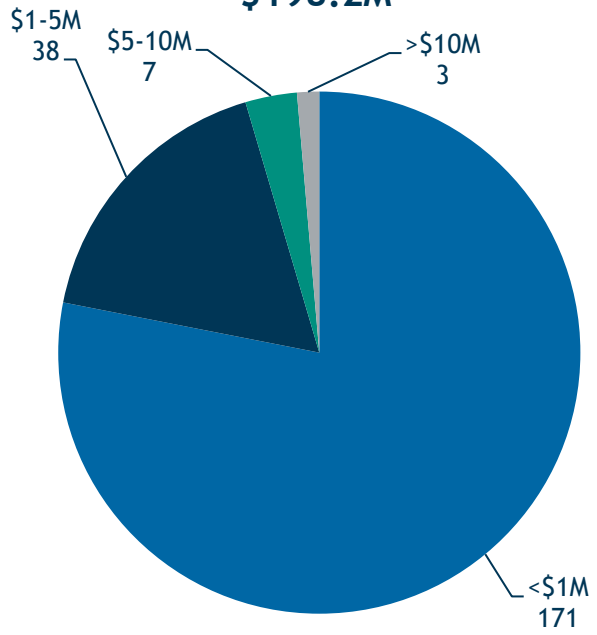
## Concentration Highlights

(Dollars in millions)

Loan Type	Total
Office Buildings	\$198.2
Industrial Warehouse / Heavy Manufacturing	\$178.6
Convenience Stores	\$159.6
Hotels / Motels	\$137.2
Multi-Family (5+)	\$131.7
Retail Warehouse / Light Manufacturing	\$127.7
Commercial Retail Building	\$92.5

# Loan Portfolio - Office Building

## Office Building Loans \$198.2M



## Loan Composition

Location	Composition %
Georgia	72%
Alabama	24%
Other	4%

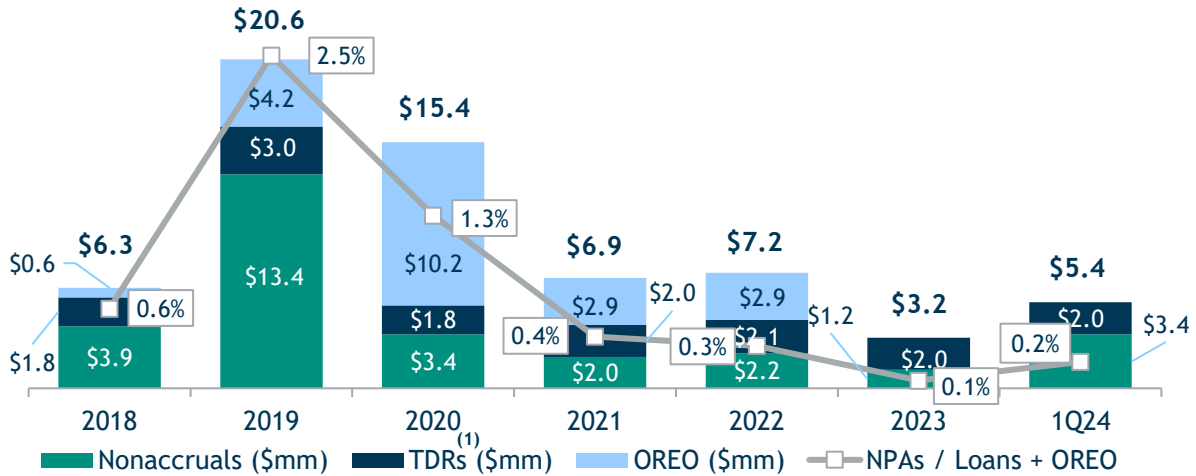
## Office Building Type

# of Stories	Total
Six Stories	3
Five stories	2
Four stories	5
Three stories	8
One & two stories	201

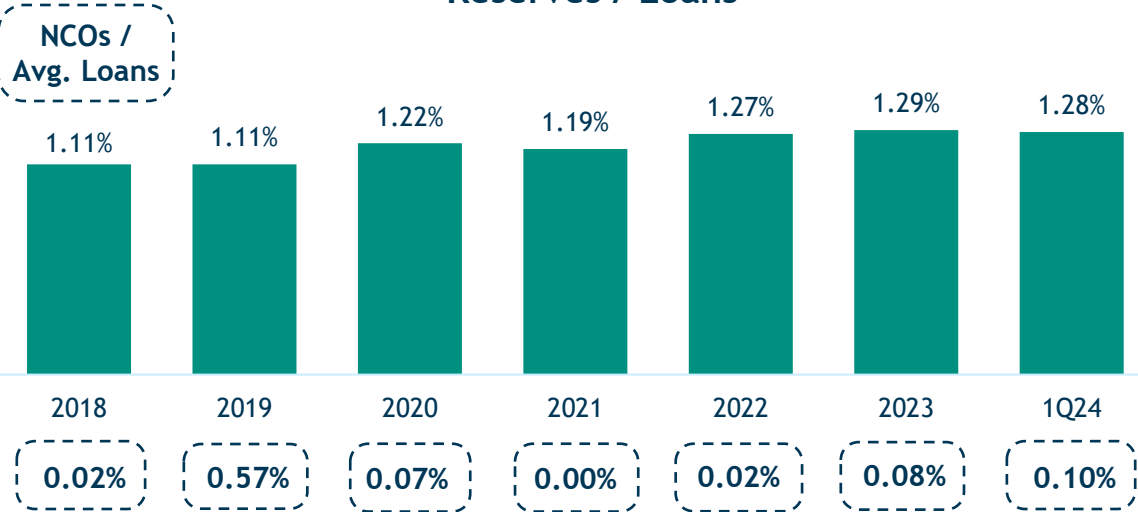
# Asset Quality

- Comprehensive and conservative underwriting process
- Highly experienced bankers incentivized with equity ownership
- Commitment to a diverse loan portfolio while maintaining strong asset quality metrics
- Proactively manage loan concentrations with all collateral types capped at approximately 50% of risk-based capital
- Proactive approach to resolving problem credits

## Nonperforming Assets by Type



## Reserves / Loans



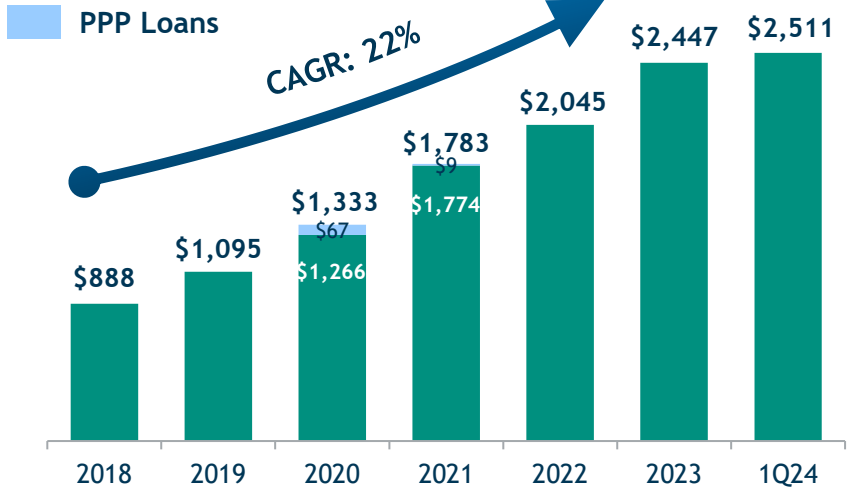
Source: Company Documents; data as of 3/31/24  
Dollars in millions

(1) TDRs reflect COVID-19 relief under the CARES Act and bank regulatory COVID-19 relief in 2020 and 2021

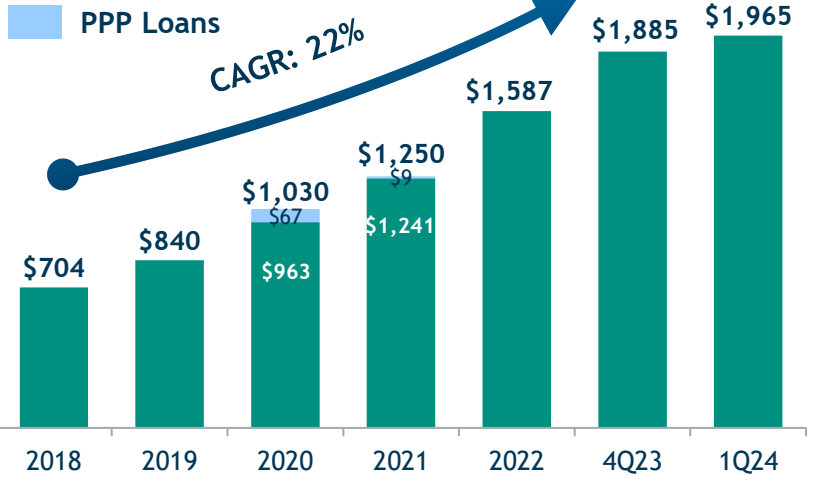


# Growth History

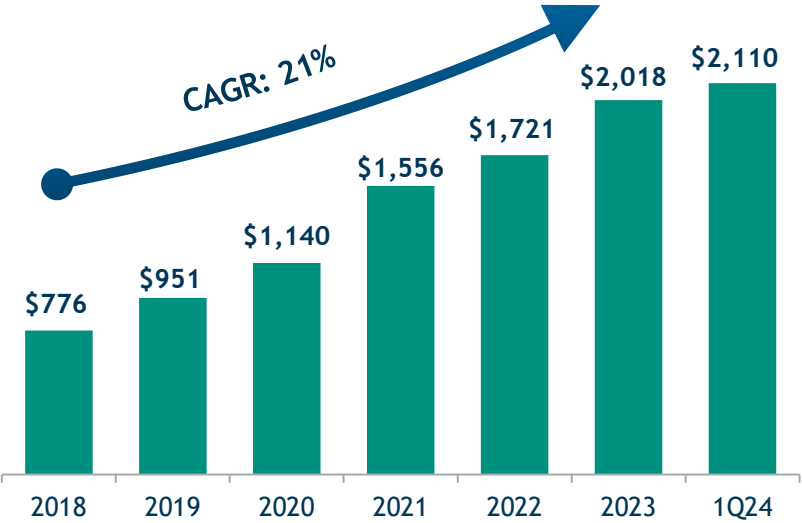
Total Assets (\$M)



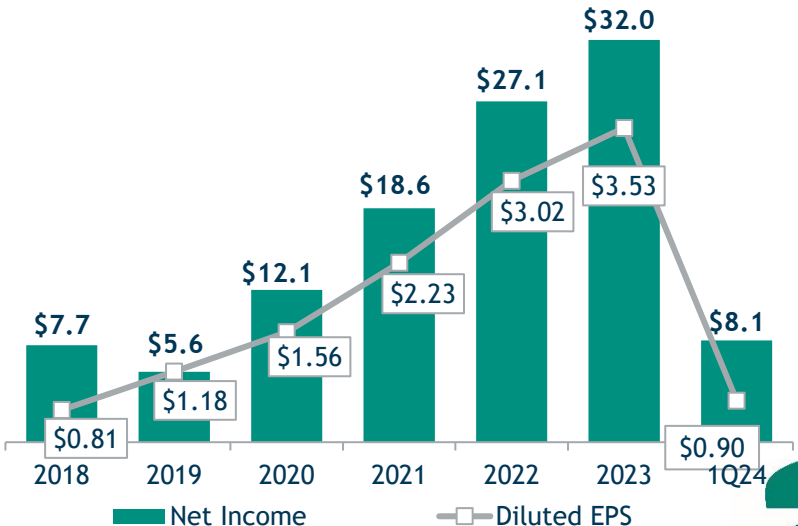
Total Loans (\$M)



Total Deposits (\$M)



Net Income (\$M)



# Building Shareholder Value

## Our Strategic Focus

- Maintain focus on strong, profitable organic growth without compromising our credit quality
- Further develop and grow our core deposit franchise
- Expand into new markets by hiring commercial bankers
- Focus on high growth markets and further expand our Atlanta franchise
- Evaluate strategic acquisition opportunities
- Continue implementing technology to optimize customer service and provide efficient opportunities to scale the business
- Prudently manage capital between balance sheet growth and return to shareholders



# Near-Term Outlook

- ☞ **Loan balances** expected to continue to grow at a modest pace
- ☞ **Deposit balances** expected to grow slightly
- ☞ **Net interest income** expected to be fairly flat as loans grow, though this will be somewhat offset by net interest margin declines
- ☞ **Core noninterest income** expected to be consistent with Q1 2024
- ☞ **Core noninterest expense** is expected to be fairly consistent with Q1 2024
- ☞ **Credit metrics** are currently strong and future provision levels are expected to consider both current and evolving economic conditions, as well as changes in credit
- ☞ **Balanced approach to capital deployment** with flexibility to support organic loan growth trajectory and cash dividend while evaluating stock repurchases
- ☞ **Century Bank** closing and conversion anticipated in Q3 2024



# Appendix



SOUTHERN STATES  
BANCSHARES, INC.

# Non-GAAP Financial Measures Reconciliations

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Net income	\$ 8,119	\$ 8,896	\$ 7,671
Add: Net OREO gains	—	(154)	—
Less: Provision fee received on early loan payoff	—	1,863	—
Less: Net (loss) gain on securities	(12)	98	514
Less: Tax effect	3	(508)	(123)
<b>Core net income</b>	<b>\$ 8,128</b>	<b>\$ 7,289</b>	<b>\$ 7,280</b>
Average assets	\$ 2,447,278	\$ 2,303,398	\$ 2,057,005
<b>Core return on average assets</b>	<b>1.34 %</b>	<b>1.26 %</b>	<b>1.44 %</b>
Net income	\$ 8,119	\$ 8,896	\$ 7,671
Add: Net OREO gains	—	(154)	—
Add: Provision for credit losses	1,236	2,579	1,181
Less: Provision fee received on early loan payoff	—	1,863	—
Less: Net (loss) gain on securities	(12)	98	514
Add: Income taxes	2,377	2,330	2,322
<b>Pretax pre-provision core net income</b>	<b>\$ 11,744</b>	<b>\$ 11,690</b>	<b>\$ 10,660</b>
Average assets	\$ 2,447,278	\$ 2,303,398	\$ 2,057,005
<b>Pretax pre-provision core return on average assets</b>	<b>1.93 %</b>	<b>2.01 %</b>	<b>2.10 %</b>
Net interest income	\$ 20,839	\$ 20,404	\$ 19,546
Add: Fully-taxable equivalent adjustments <sup>(1)</sup>	73	99	85
<b>Net interest income - FTE</b>	<b>\$ 20,912</b>	<b>\$ 20,503</b>	<b>\$ 19,631</b>
Net interest margin	3.59 %	3.69 %	4.07 %
Effect of fully-taxable equivalent adjustments <sup>(1)</sup>	0.01 %	0.02 %	0.02 %
<b>Net interest margin - FTE</b>	<b>3.60 %</b>	<b>3.71 %</b>	<b>4.09 %</b>
Total stockholders' equity	\$ 222,881	\$ 214,964	\$ 189,663
Less: Intangible assets	17,679	17,761	18,006
<b>Tangible common equity</b>	<b>\$ 205,202</b>	<b>\$ 197,203</b>	<b>\$ 171,657</b>

(1) Assumes a 24.0% tax rate.





# Non-GAAP Financial Measures Reconciliations

	Three Months Ended		
	March 31, 2024	December 31, 2023	March 31, 2023
Core net income	\$ 8,128	\$ 7,289	\$ 7,280
Diluted weighted average shares outstanding	9,043,122	9,021,358	9,044,490
<b>Diluted core earnings per share</b>	<b>\$ 0.90</b>	<b>\$ 0.81</b>	<b>\$ 0.80</b>
Common shares outstanding at year or period end	8,894,794	8,841,349	8,723,763
<b>Tangible book value per share</b>	<b>\$ 23.07</b>	<b>\$ 22.30</b>	<b>\$ 19.68</b>
Total assets at end of period	\$ 2,510,975	\$ 2,446,663	\$ 2,135,622
Less: Intangible assets	17,679	17,761	18,006
Adjusted assets at end of period	\$ 2,493,296	\$ 2,428,902	\$ 2,117,616
<b>Tangible common equity to tangible assets</b>	<b>8.23 %</b>	<b>8.12 %</b>	<b>8.11 %</b>
Total average shareholders equity	\$ 219,622	\$ 207,324	\$ 186,639
Less: Average intangible assets	17,730	17,809	18,055
Average tangible common equity	\$ 201,892	\$ 189,515	\$ 168,584
Net income to common shareholders	\$ 8,119	\$ 8,896	\$ 7,671
<b>Return on average tangible common equity</b>	<b>16.17 %</b>	<b>18.62 %</b>	<b>18.45 %</b>
Average tangible common equity	\$ 201,892	\$ 189,515	\$ 168,584
Core net income	\$ 8,128	\$ 7,289	\$ 7,280
<b>Core return on average tangible common equity</b>	<b>16.19 %</b>	<b>15.26 %</b>	<b>17.51 %</b>
Net interest income	\$ 20,839	\$ 20,404	\$ 19,546
Add: Noninterest income	1,268	3,118	1,786
Less: Provision fee received on early loan payoff	—	1,863	—
Less: Net (loss) gain on securities	(12)	98	514
Operating revenue	\$ 22,119	\$ 21,561	\$ 20,818
Expenses:			
Total noninterest expense	\$ 10,375	\$ 9,717	\$ 10,158
Less: Net OREO gains	—	(154)	—
Adjusted noninterest expenses	\$ 10,375	\$ 9,871	\$ 10,158
<b>Core efficiency ratio</b>	<b>46.90 %</b>	<b>45.78 %</b>	<b>48.79 %</b>

