

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934  
Date of Report (Date of earliest event reported): April 25, 2022



Southern States Bancshares, Inc.

(Exact Name of Registrant as Specified in its Charter)

Alabama  
(State or Other Jurisdiction  
of Incorporation)  
615 Quintard Ave.  
Anniston, AL  
(Address of Principal Executive Offices)

001-40727  
(Commission  
File Number)

26-2518085  
(IRS Employer  
Identification No.)

36201  
(Zip Code)

Registrant's telephone number, including area code: (256) 241-1092

Securities registered pursuant to Section 12(b) of the Act:

Title of each class  
Common Stock, \$5.00 par value

Trading  
Symbols(s)  
SSBK

Name of exchange  
on which registered  
The NASDAQ Stock Market LLC

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On April 25, 2022, Southern States Bancshares, Inc. (the "Company") issued a press release announcing its financial results for the first quarter ended March 31, 2022 (the "Earnings Release"). A copy of the Earnings Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K (this "Report").

The information set forth under Item 7.01 is also furnished pursuant to this Item 2.02

**Item 7.01 Regulation FD Disclosure.**

The Company has prepared a presentation of its results for the first quarter ended March 31, 2022 (the "Presentation") to be used from time to time during meetings with members of the investment community. A copy of the Presentation is furnished as Exhibit 99.2 to this Report. The Presentation will also be made available on the Company's investor relations website at [ir.southernstatesbank.net](http://ir.southernstatesbank.net) under the Presentations section.

The information contained in Items 2.02 and 7.01, including Exhibits 99.1 and 99.2 furnished herewith, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities under that section, nor shall it be deemed incorporated by reference into any registration statement or other documents pursuant to the Securities Act of 1933, as amended, or into any filing or other document pursuant to the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

Exhibit No.	Description
99.1	<a href="#">Earnings Release issued April 25, 2022 for the First Quarter Ended March 31, 2022.</a>
99.2	<a href="#">Southern States Bancshares, Inc. Presentation of Results for the First Quarter Ended March 31, 2022.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: April 25, 2022

**SOUTHERN STATES BANCSHARES, INC.**

By: /s/ Lynn Joyce  
Name: Lynn Joyce  
Title: Senior Executive Vice President and Chief Financial Officer



## Southern States Bancshares, Inc. Announces First Quarter 2022 Financial Results

### First Quarter 2022 Highlights

- **Linked-quarter loan growth was 19.4% annualized**
- **Net income of \$4.6 million, or \$0.50 per diluted share**
- **Core net income<sup>(1)</sup> of \$4.8 million, or \$0.53 per diluted share<sup>(1)</sup>**
- **Return on average assets ("ROAA") of 1.03%; return on average stockholders' equity ("ROAE") of 10.43%; and return on average tangible common equity ("ROATCE")<sup>(1)</sup> of 11.63%**
- **Core ROAA<sup>(1)</sup> of 1.09%; and core ROATCE<sup>(1)</sup> of 12.31%**
- **Implemented a stock repurchase program that authorized the purchase of up to \$10.0 million of our common stock, of which approximately 287,000 shares were purchased at a weighted average price of \$21.35**
- **Completed a \$48.0 million subordinated debt offering at a five-year annual fixed rate of 3.5% per annum, payable quarterly in arrears, with a maturity date of February 7, 2032**

(1) See "Reconciliation of Non-GAAP Financial Measures" below for reconciliation of non-GAAP financial measures to their most closely comparable GAAP financial measures.

ANNISTON, Ala., April 25, 2022 – Southern States Bancshares, Inc. (NASDAQ: SSBK) ("Southern States" or the "Company"), the holding company for Southern States Bank, an Alabama state-chartered commercial bank (the "Bank"), today reported net income of \$4.6 million, or \$0.50 diluted earnings per share, for the first quarter of 2022. This compares to net income of \$4.1 million, or \$0.44 diluted earnings per share, for the fourth quarter of 2021, and net income of \$5.7 million, or \$0.73 diluted earnings per share, for the first quarter of 2021. The Company reported core net income of \$4.8 million, or \$0.53 diluted core earnings per share, for the first quarter of 2022. This compares to core net income of \$4.3 million, or \$0.47 diluted core earnings per share, for the fourth quarter of 2021, and core net income of \$3.8 million, or \$0.49 diluted core earnings per share, for the first quarter of 2021 (see "Reconciliation of Non-GAAP Financial Measures").

Stephen Whatley, Chairman and Chief Executive Officer of Southern States, said, "We generated robust lending activity again in the first quarter, building on the momentum we established in 2021 with linked-quarter loan growth of 19.4%. Our investment in talent, combined with an economically vibrant footprint that presents ongoing organic expansion opportunities, positions us well for the year ahead."

"Our focus on disciplined growth enabled us to bolster net interest income while holding the line on expenses and improving our core efficiency ratio. As always, we are committed to strong credit quality and our loan portfolio bears this out as nonperforming loans totaled just 0.25% of total loans. Our commitment to excellent customer service, sound underwriting and responsible growth continually strengthens the franchise and serves our shareholders well through all credit cycles," said Mr. Whatley.

**Net Interest Income and Net Interest Margin**

Net interest income for the first quarter of 2022 was \$14.7 million, an increase of 4.0% from \$14.1 million for the fourth quarter of 2021. The increase was primarily attributable to an increase in interest-earning assets.

Relative to the first quarter of 2021, net interest income increased \$2.4 million, or 19.3%. The increase was substantially the result of an increase in interest-earning assets.

Net interest margin for the first quarter of 2022 was 3.53%, compared to 3.68% for the fourth quarter of 2021. The decrease was primarily the result of a decline in the yield on interest-earning assets and, to a lesser degree, an increase in the cost of funds.

Relative to the first quarter of 2021, net interest margin decreased from 3.97%. The decrease was primarily due to a decline in the yield on interest-earning assets that more than offset a decrease in the cost of funds.

**Noninterest Income**

Noninterest income for the first quarter of 2022 was \$1.3 million, a decrease of 23.9% from \$1.8 million for the fourth quarter of 2021. The decrease was substantially the result of a decline in gains on the sale of SBA/USDA loans and a \$361,000 net loss on securities during the first quarter of 2022.

Relative to the first quarter of 2021, noninterest income decreased 70.4% from \$4.5 million. First quarter 2021 results included a gain of \$2.8 million on the sale of a USDA loan and additional income from interest rate swaps resulting from elevated transaction volume.

**Noninterest Expense**

Noninterest expense for the first quarter of 2022 was \$9.3 million, down from \$9.6 million for the fourth quarter of 2021. The decrease was primarily attributable to a reduction in occupancy expense during the first quarter of 2022 and a net loss related to OREO properties during the fourth quarter of 2021.

Relative to the first quarter of 2021, noninterest expense increased 8.9% from \$8.5 million. The increase was primarily attributable to higher salaries and employee benefits expense as production personnel were added in the Georgia market, and higher insurance and professional fees as a result of going public, net of elevated SBA expense during the first quarter of 2021.

**Loan Portfolio**

Total loans outstanding, before allowance for loan losses, were \$1.3 billion at March 31, 2022, up \$59.8 million from December 31, 2021 and up from \$1.1 billion at March 31, 2021. The linked-quarter increase in loans was primarily attributable to an increase in commercial real estate loans.

**Deposits**

Total deposits were \$1.5 billion at March 31, 2022, compared with \$1.6 billion at December 31, 2021 and \$1.3 billion at March 31, 2021. The \$14.6 million net decrease in total deposits from December 31, 2021 was due to a decrease of \$26.4 million in noninterest-bearing deposits that more than offset an increase of \$11.8 million in interest-bearing account balances.

**Asset Quality**

Nonperforming loans totaled \$3.2 million, or 0.25% of gross loans, at March 31, 2022, compared with \$2.0 million, or 0.16% of gross loans, at December 31, 2021, and \$3.9 million, or 0.35% of gross loans, at March 31, 2021. The \$1.3 million increase in nonperforming loans from December 31, 2021 was primarily attributable to a commercial real estate loan associated with one borrower that was placed on nonaccrual. The \$611,000 reduction in nonperforming loans from March 31, 2021 was primarily attributable to one commercial real estate loan that was moved back to accruing status, one construction and development loan that was paid off, one residential mortgage loan that was paid off, and partially offset by commercial real estate loan associated with one borrower.

The Company recorded a provision for loan losses of \$700,000 for the first quarter of 2022, compared to \$732,000 for the fourth quarter of 2021. The provision was primarily due to loan growth.

Net charge-offs for the first quarter of 2022 were \$52,000, or 0.02% of average loans on an annualized basis, compared to net recoveries of \$15,000, or 0.00% of average loans on an annualized basis, for the fourth quarter of 2021, and net charge-offs of \$4,000, or 0.00% of average loans on an annualized basis, for the first quarter of 2021.

The Company's allowance for loan losses was 1.18% of total loans and 477.26% of nonperforming loans at March 31, 2022, compared with 1.19% of total loans and 752.74% of nonperforming loans at December 31, 2021.

**Capital**

As of March 31, 2022, total stockholders' equity was \$169.2 million, compared with \$177.2 million at December 31, 2021. The decrease of \$8.0 million was primarily due to a decrease in accumulated other comprehensive income resulting from changes in the value of the available for sale securities portfolio due to rapid increases in interest rates during the quarter.

In connection with its recently announced stock repurchase program, the Company repurchased 287,244 shares of its common stock during the first quarter of 2022 at an average price of \$21.35 per share.

**About Southern States Bancshares, Inc.**

Headquartered in Anniston, Alabama, Southern States Bancshares, Inc. is a bank holding company that operates primarily through its wholly-owned subsidiary, Southern States Bank. The Bank is a full service community banking institution, which offers an array of deposit, loan and other banking-related products and services to businesses and individuals in its communities. The Bank operates 15 branches in Alabama and Georgia and a loan production office in Atlanta.

## Forward-Looking Statements

This press release 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 the current COVID-19 pandemic and uncertainty about its continuation. 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, 2021 under the section 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 earnings release and may include statements about business strategy and prospects for growth, operations, ability to pay dividends, competition, regulation and general economic conditions.

### Contact Information:

Lynn Joyce  
(205) 820-8065  
ljoyce@ssbank.bank

Kevin Dobbs  
(310) 622-8245  
ssbankir@finprofiles.com

**CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION**

*(In thousands, except share amounts)*

	<u>March 31, 2022 (Unaudited)</u>	<u>December 31, 2021 (Audited)</u>	<u>March 31, 2021 (Audited)</u>
<b>Assets</b>			
Cash and due from banks	\$ 22,851	\$ 6,397	\$ 17,536
Interest-bearing deposits in banks	111,951	203,537	129,071
Federal funds sold	74,022	74,022	24,121
Total cash and cash equivalents	<u>208,824</u>	<u>283,956</u>	<u>170,728</u>
Securities available for sale, at fair value	151,027	132,172	106,217
Securities held to maturity, at amortized cost	19,667	19,672	—
Other equity securities, at fair value	8,937	9,232	4,995
Restricted equity securities, at cost	2,825	2,600	2,788
Loans held for sale	2,509	2,400	2,268
Loans, net of unearned income	1,310,070	1,250,300	1,083,274
Less allowance for loan losses	15,492	14,844	12,605
Loans, net	<u>1,294,578</u>	<u>1,235,456</u>	<u>1,070,669</u>
Premises and equipment, net	28,065	27,044	24,900
Accrued interest receivable	4,427	4,170	4,088
Bank owned life insurance	29,343	22,201	22,583
Annuities	15,523	12,888	12,920
Foreclosed assets	2,930	2,930	10,230
Goodwill	16,862	16,862	16,862
Core deposit intangible	1,434	1,500	1,698
Other assets	11,883	9,509	8,290
<b>Total assets</b>	<u>\$ 1,798,834</u>	<u>\$ 1,782,592</u>	<u>\$ 1,459,236</u>
<b>Liabilities and Stockholders' Equity</b>			
Liabilities:			
Deposits:			
Noninterest-bearing	\$ 515,110	\$ 541,546	\$ 365,114
Interest-bearing	1,026,729	1,014,905	894,930
Total deposits	<u>1,541,839</u>	<u>1,556,451</u>	<u>1,260,044</u>
Other borrowings	—	12,498	7,982
FHLB advances	25,950	25,950	31,900
Subordinated notes	47,154	—	4,497
Accrued interest payable	107	132	274
Other liabilities	14,595	10,363	9,939
<b>Total liabilities</b>	<u>1,629,645</u>	<u>1,605,394</u>	<u>1,314,636</u>



**CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION***(In thousands, except share amounts)*

	<u>March 31, 2022 (Unaudited)</u>	<u>December 31, 2021 (Audited)</u>	<u>March 31, 2021 (Audited)</u>
Stockholders' equity:			
Common stock	43,749	45,064	38,582
Capital surplus	76,426	80,640	65,886
Retained earnings	53,604	49,858	39,173
Accumulated other comprehensive income (loss)	(3,755)	2,113	1,808
Unvested restricted stock	(835)	(477)	(849)
<b>Total stockholders' equity</b>	<u>169,189</u>	<u>177,198</u>	<u>144,600</u>
<b>Total liabilities and stockholders' equity</b>	<u>\$ 1,798,834</u>	<u>\$ 1,782,592</u>	<u>\$ 1,459,236</u>
<b>Shares issued and outstanding</b>	8,749,878	9,012,857	7,716,428

**CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)**

(In thousands, except per share amounts)

	For the Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
<b>Interest income:</b>			
Loans, including fees	\$ 14,766	\$ 14,280	\$ 13,021
Taxable securities	619	459	401
Nontaxable securities	299	294	207
Other interest and dividends	188	138	48
<b>Total interest income</b>	<b>15,872</b>	<b>15,171</b>	<b>13,677</b>
<b>Interest expense:</b>			
Deposits	873	955	1,190
Other borrowings	345	120	203
<b>Total interest expense</b>	<b>1,218</b>	<b>1,075</b>	<b>1,393</b>
<b>Net interest income</b>	<b>14,654</b>	<b>14,096</b>	<b>12,284</b>
<b>Provision for loan losses</b>	<b>700</b>	<b>732</b>	<b>750</b>
<b>Net interest income after provision for loan losses</b>	<b>13,954</b>	<b>13,364</b>	<b>11,534</b>
<b>Noninterest income:</b>			
Service charges on deposit accounts	445	428	360
Swap fees	15	(6)	558
SBA/USDA fees	388	533	2,865
Mortgage origination fees	286	269	407
Net gain (loss) on securities	(361)	(40)	(232)
Other operating income	560	567	538
<b>Total noninterest income</b>	<b>1,333</b>	<b>1,751</b>	<b>4,496</b>
<b>Noninterest expenses:</b>			
Salaries and employee benefits	5,725	5,563	5,057
Equipment and occupancy expenses	705	943	879
Data processing fees	564	563	514
Regulatory assessments	263	263	221
Other operating expenses	2,033	2,280	1,861
<b>Total noninterest expenses</b>	<b>9,290</b>	<b>9,612</b>	<b>8,532</b>
<b>Income before income taxes</b>	<b>5,997</b>	<b>5,503</b>	<b>7,498</b>
Income tax expense	1,440	1,445	1,817
<b>Net income</b>	<b>\$ 4,557</b>	<b>\$ 4,058</b>	<b>\$ 5,681</b>
<b>Basic earnings per share</b>	<b>\$ 0.51</b>	<b>\$ 0.45</b>	<b>\$ 0.74</b>
<b>Diluted earnings per share</b>	<b>\$ 0.50</b>	<b>\$ 0.44</b>	<b>\$ 0.73</b>

The following table provides an analysis of the allowance for loan losses as of the dates indicated.

	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
	<i>(Dollars in thousands)</i>		
Average loans, net of unearned income	\$ 1,278,413	\$ 1,191,688	\$ 1,066,556
Loans, net of unearned income	\$ 1,310,070	\$ 1,250,300	\$ 1,083,274
Allowance for loan losses at beginning of the period	\$ 14,844	\$ 14,097	\$ 11,859
Charge-offs:			
Construction and development	66	—	—
Residential	—	—	16
Commercial	—	—	—
Commercial and industrial	—	—	—
Consumer and other	6	—	2
<b>Total charge-offs</b>	<b>72</b>	<b>—</b>	<b>18</b>
Recoveries:			
Construction and development	—	—	—
Residential	17	13	2
Commercial	—	—	—
Commercial and industrial	—	1	11
Consumer and other	3	1	1
<b>Total recoveries</b>	<b>20</b>	<b>15</b>	<b>14</b>
<b>Net charge-offs (recovery)</b>	<b>\$ 52</b>	<b>\$ (15)</b>	<b>\$ 4</b>
Provision for loan losses	\$ 700	\$ 732	\$ 750
Balance at end of period	\$ 15,492	\$ 14,844	\$ 12,605
Ratio of allowance to end of period loans	1.18 %	1.19 %	1.16 %
Ratio of net charge-offs (recovery) to average loans	0.00 %	0.00 %	0.00 %

The following table sets forth the allocation of the Company's nonperforming assets among different asset categories as of the dates indicated. Nonperforming assets consist of nonperforming loans plus OREO and repossessed property. Nonperforming loans include nonaccrual loans and loans past due 90 days or more.

	March 31, 2022	December 31, 2021	March 31, 2021
<i>(Dollars in thousands)</i>			
Nonaccrual loans	\$ 3,246	\$ 1,478	\$ 3,857
Past due loans 90 days or more and still accruing interest	—	494	—
Total nonperforming loans	<u>3,246</u>	<u>1,972</u>	<u>3,857</u>
OREO	2,930	2,930	10,229
Total nonperforming assets	<u>\$ 6,176</u>	<u>\$ 4,902</u>	<u>\$ 14,086</u>
Troubled debt restructured loans – nonaccrual <sup>(1)</sup>	904	940	731
Troubled debt restructured loans - accruing	1,058	1,072	1,005
Total troubled debt restructured loans	<u>\$ 1,962</u>	<u>\$ 2,012</u>	<u>\$ 1,736</u>
Allowance for loan losses	\$ 15,492	\$ 14,844	\$ 12,605
Gross loans outstanding at the end of period	\$ 1,314,066	\$ 1,254,117	\$ 1,087,461
Allowance for loan losses to gross loans	1.18 %	1.18 %	1.16 %
Allowance for loan losses to nonperforming loans	477.26 %	752.74 %	326.81 %
Nonperforming loans to gross loans	0.25 %	0.16 %	0.35 %
Nonperforming assets to gross loans and OREO	0.47 %	0.39 %	1.28 %
Nonaccrual loans by category:			
Real Estate:			
Construction & Development	\$ 76	\$ 346	\$ 1,062
Residential Mortgages	510	167	825
Commercial Real Estate Mortgages	2,388	674	1,572
Commercial & Industrial	269	285	383
Consumer and other	3	6	15
	<u>\$ 3,246</u>	<u>\$ 1,478</u>	<u>\$ 3,857</u>

(1) Troubled debt restructured loans are excluded from nonperforming loans unless they otherwise meet the definition of nonaccrual loans or are more than 90 days past due.

The following tables show the average outstanding balance of each principal category of our assets, liabilities and stockholders' equity, together with the average yields on our assets and average costs of our liabilities for the periods indicated. Yields and costs are calculated by dividing the annualized income or expense by the average daily balances of the corresponding assets or liabilities for the same period.

	Three Months Ended								
	March 31, 2022			December 31, 2021			March 31, 2021		
	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
	(Dollars in thousands)								
<b>Assets:</b>									
Interest-earning assets:									
Gross loans, net of unearned income(1)	\$ 1,278,413	\$ 14,766	4.68 %	\$ 1,191,688	\$ 14,280	4.75 %	\$ 1,066,556	\$ 13,021	4.95 %
Taxable securities	106,820	619	2.35 %	86,292	459	2.11 %	78,354	401	2.08 %
Nontaxable securities	54,863	299	2.21 %	53,909	294	2.16 %	33,255	207	2.52 %
Other interest-earnings assets	244,202	188	0.31 %	187,601	138	0.29 %	78,154	48	0.25 %
Total interest-earning assets	\$ 1,684,298	\$ 15,872	3.82 %	\$ 1,519,490	\$ 15,171	3.96 %	\$ 1,256,319	\$ 13,677	4.42 %
Allowance for loan losses	(15,041)			(14,421)			(12,138)		
Noninterest-earning assets	117,758			123,735			123,941		
Total Assets	\$ 1,787,015			\$ 1,628,804			\$ 1,368,122		
<b>Liabilities and Stockholders' Equity:</b>									
Interest-bearing liabilities:									
Interest-bearing transaction accounts	110,983	26	0.09 %	101,863	25	0.10 %	88,578	18	0.08 %
Savings and money market accounts	675,504	591	0.36 %	599,948	625	0.41 %	440,803	677	0.62 %
Time deposits	237,411	256	0.44 %	263,646	305	0.46 %	324,668	495	0.62 %
FHLB advances	25,950	22	0.34 %	25,950	22	0.34 %	33,244	51	0.62 %
Other borrowings	32,924	323	3.98 %	12,498	98	3.11 %	12,755	152	4.82 %
Total interest-bearing liabilities	\$ 1,082,772	\$ 1,218	0.46 %	\$ 1,003,905	\$ 1,075	0.42 %	\$ 900,048	\$ 1,393	0.63 %
Noninterest-bearing liabilities:									
Noninterest-bearing deposits	\$ 514,456			\$ 439,142			\$ 316,553		
Other liabilities	12,543			9,844			8,532		
Total noninterest-bearing liabilities	\$ 526,999			\$ 448,986			\$ 325,085		
Stockholders' Equity	177,244			175,913			142,989		
Total Liabilities and Stockholders' Equity	\$ 1,787,015			\$ 1,628,804			\$ 1,368,122		
Net interest income		\$ 14,654			\$ 14,096			\$ 12,284	
Net interest spread(2)			3.36 %			3.54 %			3.79 %
Net interest margin(3)			3.53 %			3.68 %			3.97 %

(1) Includes nonaccrual loans.

(2) Net interest spread is the difference between interest rates earned on interest earning assets and interest rates paid on interest-bearing liabilities.

(3) Net interest margin is a ratio of net interest income to average interest earning assets for the same period.

**Per Share Information**

	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
	<i>(Dollars in thousands, except share and per share amounts)</i>		
Net income	\$ 4,557	\$ 4,058	\$ 5,681
Earnings per share - basic	\$ 0.51	\$ 0.45	\$ 0.74
Earnings per share - diluted	\$ 0.50	\$ 0.44	\$ 0.73
Weighted average shares outstanding	8,935,384	9,012,857	7,681,578
Diluted weighted average shares outstanding	9,065,364	9,125,872	7,794,859
Shares issued and outstanding	8,749,878	9,012,857	7,716,428
Total stockholders' equity	\$ 169,189	\$ 177,198	\$ 144,600
Book value per share	\$ 19.34	\$ 19.66	\$ 18.74

**Performance Ratios**

	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
Net interest margin	3.53 %	3.68 %	3.97 %
Net interest spread	3.36 %	3.54 %	3.79 %
Efficiency ratio	56.83 %	60.50 %	50.15 %
Return on average assets	1.03 %	0.99 %	1.68 %
Return on average stockholders' equity	10.43 %	9.15 %	16.11 %

**Core and PPP Loans**

	March 31, 2022	December 31, 2021	March 31, 2021
		<i>(Dollars in thousands)</i>	
Core loans	\$ 1,313,173	\$ 1,244,914	\$ 1,026,615
PPP loans	893	9,203	60,846
Unearned income	(3,996)	(3,817)	(4,187)
Loans, net of unearned income	1,310,070	1,250,300	1,083,274
Allowance for loan losses	(15,492)	(14,844)	(12,605)
Loans, net	\$ 1,294,578	\$ 1,235,456	\$ 1,070,669

#### Reconciliation of Non-GAAP Financial Measures

In addition to reporting GAAP results, the Company reports non-GAAP financial measures in this earnings release 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.

The following table provides a reconciliation of the non-GAAP financial measures to their most directly comparable financial measure presented in accordance with GAAP.

Reconciliation of Non-GAAP Financial Measures

	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
	<i>(Dollars in thousands, except share and per share amounts)</i>		
Net income	\$ 4,557	\$ 4,058	\$ 5,681
Add: Merger expenses	—	—	—
Add: Net OREO write-downs	—	227	—
Less: Gain on sale of USDA loan	—	—	2,800
Less: Loss on securities	(361)	(40)	(232)
Less: Tax effect	94	69	(668)
<b>Core net income</b>	<b>\$ 4,824</b>	<b>\$ 4,256</b>	<b>\$ 3,781</b>
Average assets	\$ 1,787,015	\$ 1,628,804	\$ 1,368,122
<b>Core return on average assets</b>	<b>1.09 %</b>	<b>1.04 %</b>	<b>1.12 %</b>
Net income	\$ 4,557	\$ 4,058	\$ 5,681
Add: Merger expenses	—	—	—
Add: Net OREO write-downs	—	227	—
Add: Provision	700	732	750
Less: Gain on sale of USDA loan	—	—	2,800
Less: Loss on securities	(361)	(40)	(232)
Add: Income taxes	1,440	1,445	1,817
<b>Pretax pre-provision core net income</b>	<b>\$ 7,058</b>	<b>\$ 6,502</b>	<b>\$ 5,680</b>
Average assets	\$ 1,787,015	\$ 1,628,804	\$ 1,368,122
<b>Pretax pre-provision core return on average assets</b>	<b>1.60 %</b>	<b>1.58 %</b>	<b>1.68 %</b>
Total stockholders' equity	\$ 169,189	\$ 177,198	\$ 144,600
Less: Intangible assets	18,296	18,362	18,560
Less: Monetary interest not included in tangible assets	—	—	—
Tangible common equity	\$ 150,893	\$ 158,836	\$ 126,040
Core net income	\$ 4,824	\$ 4,256	\$ 3,781
Diluted weighted average shares outstanding	9,065,364	9,125,872	7,794,859
<b>Diluted core earnings per share</b>	<b>\$ 0.53</b>	<b>\$ 0.47</b>	<b>\$ 0.49</b>
Common shares outstanding at year or period end	8,749,878	9,012,857	7,716,428
Tangible book value per share	\$ 17.25	\$ 17.62	\$ 16.33



### Reconciliation of Non-GAAP Financial Measures

	Three Months Ended		
	March 31, 2022	December 31, 2021	March 31, 2021
	<i>(Dollars in thousands, except share and per share amounts)</i>		
Total assets at end of period	\$ 1,798,834	\$ 1,782,592	\$ 1,459,236
Less: Intangible assets	18,296	18,362	18,560
Adjusted assets at end of period	\$ 1,780,538	\$ 1,764,230	\$ 1,440,676
<b>Tangible common equity to tangible assets</b>	<b>8.47 %</b>	<b>9.00 %</b>	<b>8.75 %</b>
Total average shareholders equity	\$ 177,244	175,913	\$ 142,989
Less: Average intangible assets	18,337	18,402	18,601
Less: Average monetary interest not included in tangible assets	—	—	—
Average tangible common equity	\$ 158,907	\$ 157,511	\$ 124,388
Net income to common shareholders	\$ 4,557	4,058	\$ 5,681
<b>Return on average tangible common equity</b>	<b>11.63 %</b>	<b>10.22 %</b>	<b>18.52 %</b>
Average tangible common equity	\$ 158,907	\$ 157,511	\$ 124,388
Core net income	\$ 4,824	4,256	\$ 3,781
<b>Core return on average tangible common equity</b>	<b>12.31 %</b>	<b>10.72 %</b>	<b>12.33 %</b>
Net interest income	\$ 14,654	14,096	12,284
Add: Noninterest income	1,333	1,751	4,496
Less: Gain on sale of USDA loan	—	—	2,800
Less: Loss on securities	(361)	(40)	(232)
Operating revenue	\$ 16,348	\$ 15,887	\$ 14,212
Expenses:			
Total noninterest expense	\$ 9,290	\$ 9,612	\$ 8,532
Less: Merger expenses	—	—	—
Less: Net OREO write-down (gains)	—	227	—
Adjusted noninterest expenses	\$ 9,290	\$ 9,385	\$ 8,532
<b>Core efficiency ratio</b>	<b>56.83 %</b>	<b>59.07 %</b>	<b>60.03 %</b>



SOUTHERN STATES  
BANCSHARES, INC.

**Q1 2022**

**Investor Presentation**

April 25, 2022

## 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 the current COVID-19 pandemic and uncertainty about its continuation. 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 from those in the forward-looking statements are set forth in the Company's Annual Report Form 10K for the year ended December 31, 2021 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.

# Q1 2022 Results Highlights

## Operating Results



- **Net income** of \$4.6 million, or \$0.50 per diluted share and **core net income** of \$4.8 million <sup>(1)</sup>, or \$0.53 per diluted share <sup>(1)</sup>
- **ROAA** of 1.03% and **ROATCE** of 11.63%; **Core ROAA** of 1.09% <sup>(1)</sup> and **Core ROATCE** of 12.31% <sup>(1)</sup>
- **Net interest margin** of 3.53%
- **Core efficiency ratio** of 56.83% <sup>(1)</sup>

## Loans



- **Annualized Loan growth** of 22.2%, excluding Paycheck Protection Program (PPP) loans, from Q4 2021
- **Loan portfolio** of \$1.3 billion increased 4.8% from Q4 2021
- **Average yield on loans** of 4.68% declined from 4.75% for Q4 2021
- **Loans (excluding PPP loans) / deposits ratio** of 84.9% compared to 79.7% for Q4 2021

## Deposits



- **Deposits** of \$1.5 billion decreased \$14.6 million, or 0.9%, from Q4 2021
- **Average cost of total deposits** decreased to 0.23% from 0.28% for Q4 2021
- **Noninterest-bearing deposits** comprised 33.4% of total deposits compared to 34.8% at Q4 2021

## Asset Quality



- **Nonperforming loans to gross loans** of 0.25% at Q1 2022
- **Net charge-offs remain negligible** at \$52,000
- **Allowance for loan losses to gross loans** of 1.18%
- **OREO balance** remained at \$2.9 million from Q4 2021

## Capital



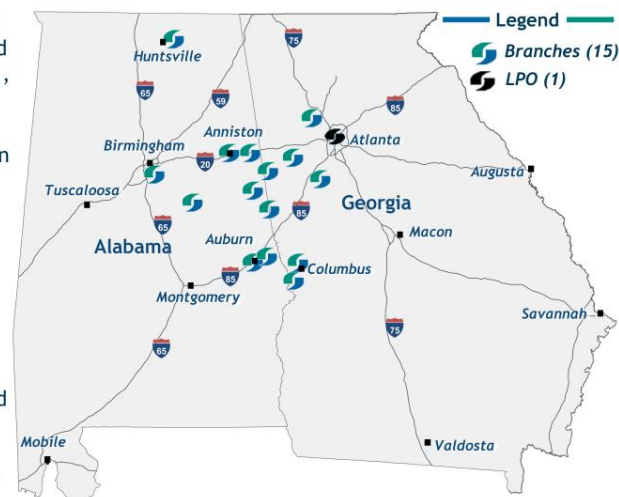
- **Announced and paid quarterly dividend** of \$0.09 per share
- **Tangible common equity to tangible assets** of 8.47% <sup>(1)</sup>
- **Tangible book value per share** of \$17.25 <sup>(1)</sup>
- **Completed \$48.0 million 10-year subordinated debt offering** at a fixed rate of 3.5% for 5 years
- **Implemented a \$10.0 million stock repurchase program** and bought approximately 287,000 shares at a weighted average price \$21.35

3

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

# Overview of Southern States Bancshares, Inc.

- **Southern States Bancshares (Nasdaq: SSBK)** was founded in August 2007 by current CEO and Chairman, Steve Whatley, and a group of organizing directors 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 growth 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 **low-cost, core funding base**



## Q1 '22 Financial Highlights

Assets (\$B):	\$1.8	YoY Asset Growth:	23.3%	NPLs / Loans:	0.25%	Core Net Income <sup>(1)</sup> (\$M):	\$4.8
Gross Loans (\$B):	\$1.3	YoY Loan Growth:	20.9%	LLR / Loans:	1.18%	Core ROAA <sup>(1)</sup> :	1.09%
Deposits (\$B):	\$1.5	YoY Deposit Growth:	22.4%	YTD NCOs / Avg. Loans:	0.02%	NIM:	3.53%
Loans / Deposits <sup>(2)</sup> :	84.9%	YoY Core Deposit Growth:	23.5%	TCE / TA <sup>(1)</sup> :	8.47%	Core Efficiency Ratio <sup>(1)</sup> :	56.83%

Source: S&P Global Market Intelligence; Company Documents

Financial data as of the three months ended 3/31/22 unless otherwise noted

Note: Core Deposits defined as total deposits less jumbo time deposits; jumbo time deposits classified as deposits larger than \$250,000

4

- (1) Please refer to non-U.S. GAAP reconciliation in the appendix  
 (2) Excludes PPP loans



SOUTHERN STATES  
BANCSHARES, INC.

# Our History and Growth

Historical Highlights

- August 2007**

Established Anniston, AL headquarters and Opelika, AL Office with \$31 million in capital at \$10.00 per share
- 2008**

Established a full-service banking office in Birmingham, AL
- May 2012**

Acquired Alabama Trust Bank in Sylacauga, AL
- 2015**

Opened offices in Huntsville, AL, Carrollton, GA, and an LPO in Atlanta, GA  
Acquired Columbus Community Bank in Columbus, GA and opened a second location in Columbus
- 2016**

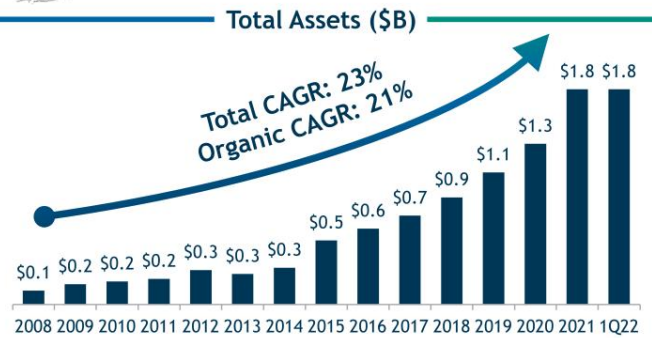
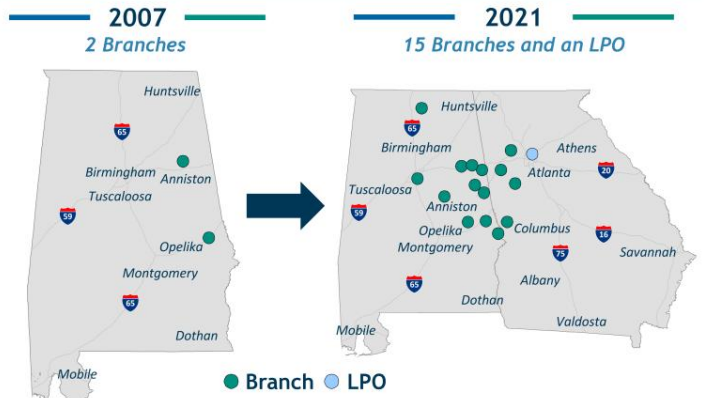
Opened Auburn, AL office  
Issued \$4.5 million of 10-year subordinated notes  
Completed \$41.2 million capital raise at \$14 per share
- February 2017**

Completed \$3.4 million local capital raise at \$14 per share
- 2018**

Established a full-service banking office in Newnan, GA
- September 2019**

Closed acquisition of Small Town Bank in Wedowee, AL
- 2020 through Q1 2022**

Hired 4 commercial bankers in Georgia franchise  
Completed \$48.0 million subordinated debt offering



5

Source: S&P Global Market Intelligence; Company Documents Dollars in billions



# Robust Market Dynamics Creates Growth Opportunities

## Market Highlights

- Atlanta, GA**
  - 9<sup>th</sup> largest Metro Area in the USA
  - Voted 3<sup>rd</sup> metro area for corporate headquarters
  - Ranked 13<sup>th</sup> Best Places for Business and Careers
  - 16 Fortune 500 companies headquartered in Atlanta
- Birmingham, AL**
  - Largest market in Alabama
  - One of the lowest costs of living in America
  - A top 10 moving destination for new college graduates
  - University of Alabama Birmingham serves as an international leader in healthcare
- Huntsville, AL**
  - Voted 3<sup>rd</sup> best place to live in the country by US News
  - Highest concentration of engineers in the US
  - A Top 10 best city for jobs in STEM
  - 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**
  - One of the fastest growing MSAs in the Southeast
  - Auburn University contributes \$5.6 billion annually and 27,000 jobs to the Alabama economy
  - A U.S. city with most job growth per USA Today
  - Ranked 4<sup>th</sup> MSA for migration growth
- 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.

## '21 - '26 Projected Median HHI (\$M)



## '21 - '26 Projected Population Growth (%)



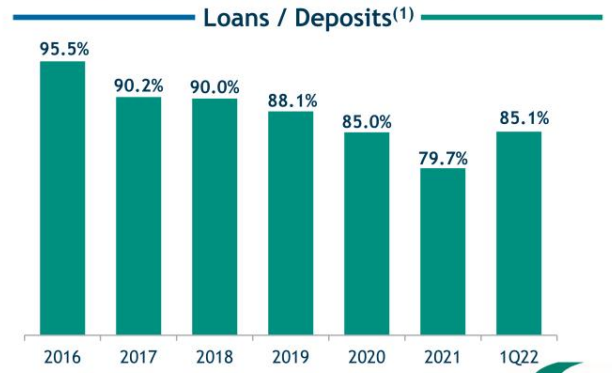
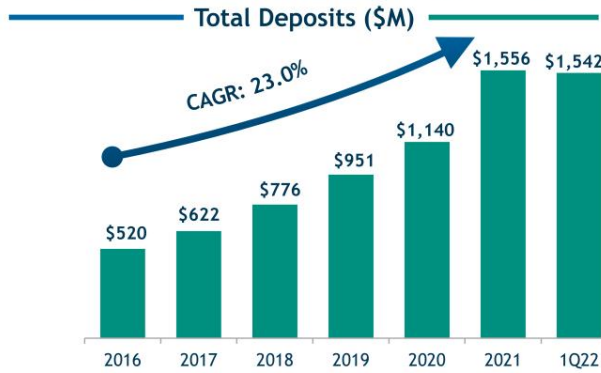
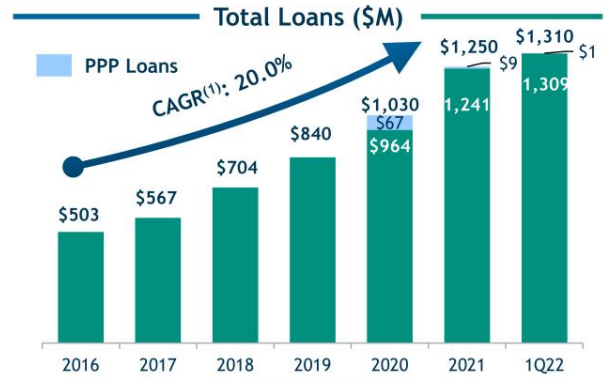
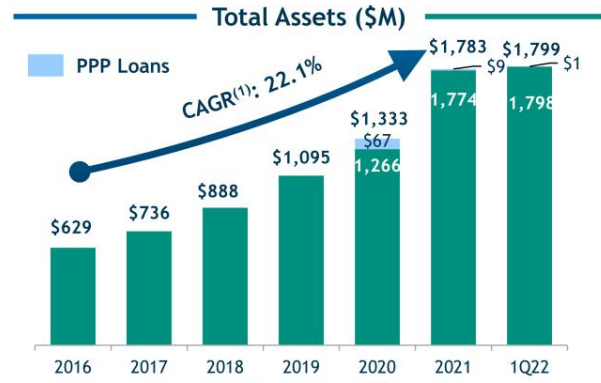
## Major Employers



<sup>6</sup> Source: U.S. Bureau of Labor Statistics; S&P Global Market Intelligence; Forbes; Money.com; Business Facilities; USA Today; Smartasset Financial Technology; US News; Auburn.edu



# Balance Sheet Growth



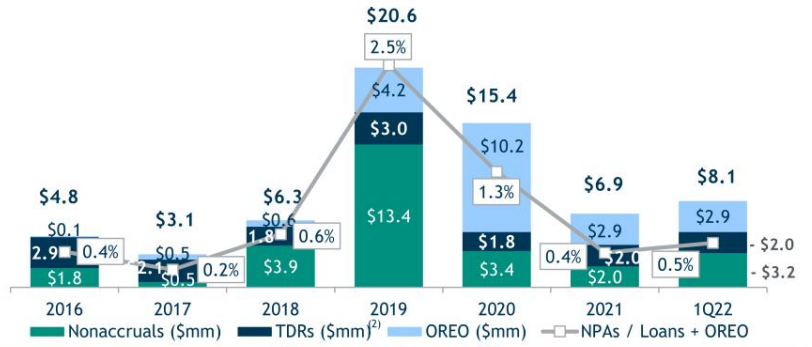
7 (1) Source: S&P Global Market Intelligence; Company Documents  
Excludes PPP loans



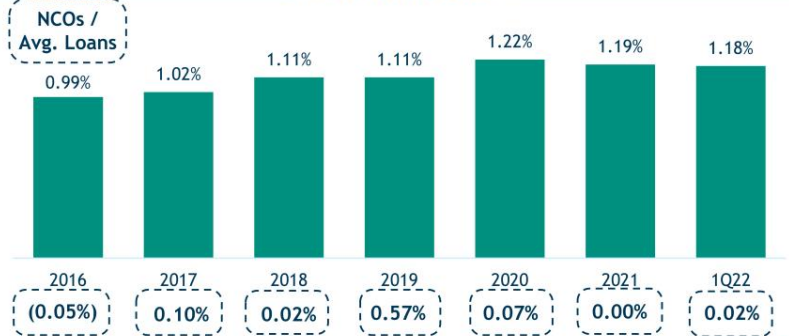
# Asset Quality

- 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
- Caps periodically utilized when needed
- Proactive approach to managing problem credits
- Legacy Credit Issues:
  - OREO: Two-story multi-use facility in Birmingham, AL on balance sheet for \$2.9 million and an appraised value of \$3.9 million

## Nonperforming Assets by Type



## Reserves / Loans<sup>(1)</sup>



Source: S&P Global Market Intelligence; Company Documents  
Dollars in millions

- 8 (1) Excludes PPP loans  
(2) TDRs reflect COVID-19 relief under the CARES Act and bank regulatory COVID-19 relief in 2020 and 2021



SOUTHERN STATES  
BANCSHARES, INC.

# Building Shareholder Value

---

## Our Strategic Focus

- ☛ Maintain focus on strong, profitable organic growth without compromising our credit quality
- ☛ Expand into new markets by hiring commercial bankers
- ☛ Focus on high growth markets and further scaling our Atlanta franchise
- ☛ Evaluate strategic acquisition opportunities
- ☛ Further grow our core deposit franchise
- ☛ 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 growing at a healthy pace supported by a robust pipeline
  - Loan growth aided by prior year opportunistic commercial banker hires driven by talent dislocation from bank consolidation in our markets
- ☛ **Deposit balances** expected to increase modestly
- ☛ **Net interest income** expected to increase incrementally from loan growth and rate increases
  - Net interest margin expected to increase modestly as rates rise
- ☛ **Core noninterest income** expected to be fairly consistent with Q1 2022 as swaps decline and mortgage income moderates
- ☛ Quarterly **adjusted noninterest expense** is expected to increase modestly from Q1 2022 based on salary increases, effective April 1, plus new compliance and support personnel additions
- ☛ Continued **strong credit metrics** are expected to allow for modest provision levels, but we are monitoring for credit issues as rates rise
- ☛ **Balanced approach to capital deployment** with flexibility to support strong organic loan growth trajectory and cash dividend
- ☛ Well-positioned to capitalize on additional **accretive acquisition opportunities**

## Appendix



## Non-GAAP Financial Measures Reconciliations

(\$000)	March 31, 2022	December 31, 2021	March 31, 2021
Net income	\$ 4,557	\$ 4,058	\$ 5,681
Add: Merger expenses	—	—	—
Add: Net OREO write-downs	—	227	—
Less: Gain on sale of USDA loan	—	—	2,800
Less: Loss on securities	(361)	(40)	(232)
Less: Tax effect	94	69	(668)
<b>Core net income</b>	<b>\$ 4,824</b>	<b>\$ 4,256</b>	<b>\$ 3,781</b>
Average assets	\$ 1,787,015	\$ 1,628,804	\$ 1,368,122
<b>Core return on average assets</b>	<b>1.09 %</b>	<b>1.04 %</b>	<b>1.12 %</b>
Total stockholders' equity	\$ 169,189	\$ 177,198	\$ 144,600
Less: Intangible assets	18,296	18,362	18,560
Less: Monetary interest not included in tangible	—	—	—
<b>Tangible common equity</b>	<b>\$ 150,893</b>	<b>\$ 158,836</b>	<b>\$ 126,040</b>
Core net income	\$ 4,824	\$ 4,256	\$ 3,781
Diluted weighted average shares outstanding	9,065,364	9,125,872	7,794,859
<b>Diluted core earnings per share</b>	<b>\$ 0.53</b>	<b>\$ 0.47</b>	<b>\$ 0.49</b>
Common shares outstanding at year or period	8,749,878	9,012,857	7,716,428
<b>Tangible book value per share</b>	<b>\$ 17.25</b>	<b>\$ 17.62</b>	<b>\$ 16.33</b>

## Non-GAAP Financial Measures Reconciliations

(\$000)	March 31, 2022	December 31, 2021	March 31, 2021
Total assets at end of period	\$ 1,798,834	\$ 1,782,592	\$ 1,459,236
Less: Intangible assets	18,296	18,362	18,560
Adjusted assets at end of period	<u>\$ 1,780,538</u>	<u>\$ 1,764,230</u>	<u>\$ 1,440,676</u>
<b>Tangible common equity to tangible assets</b>	<b>8.47 %</b>	<b>9.00 %</b>	<b>8.75 %</b>
Total average shareholders' equity	\$ 177,244	175,913	\$ 142,989
Less: Average intangible assets	18,337	18,402	18,601
Less: Average monetary interest not included in tangible assets	\$ —	\$ —	\$ —
Average tangible common equity	<u>\$ 158,907</u>	<u>\$ 157,511</u>	<u>\$ 124,388</u>
Net income to common shareholders	\$ 4,557	\$ 4,058	\$ 5,681
<b>Return on average tangible common equity</b>	<b>11.63 %</b>	<b>10.22 %</b>	<b>18.52 %</b>
Core net income	\$ 4,824	\$ 4,256	\$ 3,781
<b>Core return on average tangible common equity</b>	<b>12.31 %</b>	<b>10.72 %</b>	<b>12.33 %</b>
Net interest income	\$ 14,654	\$ 14,096	12,284
Add: Noninterest income	1,333	1,751	4,496
Less: Gain on sale of USDA loan	—	—	2,800
Less: Loss on securities	(361)	(40)	(232)
Operating revenue	<u>\$ 16,348</u>	<u>\$ 15,887</u>	<u>\$ 14,212</u>
Expenses:			
Total noninterest expense	\$ 9,290	\$ 9,612	\$ 8,532
Less: Merger expenses	—	—	—
Less: Net OREO write-down (gains)	—	227	—
Adjusted noninterest expenses	<u>\$ 9,290</u>	<u>\$ 9,385</u>	<u>\$ 8,532</u>
<b>Core efficiency ratio</b>	<b>56.83 %</b>	<b>59.07 %</b>	<b>60.03 %</b>

