

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): January 21, 2025



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 January 21, 2025, Southern States Bancshares, Inc. (the "Company") issued a press release announcing its financial results for the fourth quarter ended December 31, 2024 (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 fourth quarter ended December 31, 2024 (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 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	Earnings Release issued January 21, 2025 for the Fourth Quarter Ended December 31, 2024.
99.2	Southern States Bancshares, Inc. Presentation of Results for the Fourth Quarter Ended December 31, 2024.
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: January 22, 2025

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 Fourth Quarter 2024 Financial Results

Fourth Quarter 2024 Performance and Operational Highlights

- **Net income of \$11.2 million, or \$1.11 per diluted share**
- **Core net income⁽¹⁾ of \$10.5 million, or \$1.04 per diluted share⁽¹⁾**
- **Pretax pre-provision core net income⁽¹⁾ of \$14.0 million**
- **Net interest income of \$25.1 million, an increase of \$804,000 from the prior quarter**
- **Net interest margin ("NIM") of 3.66%, up 1 basis point from the prior quarter**
- **Return on average assets ("ROAA") of 1.55%; return on average stockholders' equity ("ROAE") of 16.13%; and return on average tangible common equity ("ROATCE")⁽¹⁾ of 18.87%**
- **Core ROAA⁽¹⁾ of 1.45%; and core ROATCE⁽¹⁾ of 17.67%**
- **Efficiency ratio of 46.67%; and core efficiency ratio of 47.78%**
- **Linked-quarter loans grew 4.9% annualized**
- **Linked-quarter total deposits, excluding brokered deposits, grew 6.2% annualized**
- **Linked-quarter brokered deposits declined (22.7)%**

(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., January 21, 2025 – 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 \$11.2 million, or \$1.11 diluted earnings per share, for the fourth quarter of 2024. This compares to net income of \$7.4 million, or \$0.76 diluted earnings per share, for the third quarter of 2024, and net income of \$8.9 million, or \$0.99 diluted earnings per share, for the fourth quarter of 2023. The Company reported core net income of \$10.5 million, or \$1.04 diluted core earnings per share, for the fourth quarter of 2024. This compares to core net income of \$8.7 million, or \$0.89 diluted core earnings per share, for the third quarter of 2024, and core net income of \$7.3 million, or \$0.81 diluted core earnings per share, for the fourth quarter of 2023 (see "Reconciliation of Non-GAAP Financial Measures").

CEO Commentary

Mark Chambers, Chief Executive Officer and President of Southern States Bancshares, Inc., said "We are proud to report record net income of \$11.2 million for the fourth quarter and \$34.9 million for the full year, a testament to our team's diligent execution and superior customer service. Our strong operating results reflect our continued consistent growth supported by a healthy net interest margin of 3.66% for the fourth quarter, coupled with an efficiency ratio of 46.67%."

"We remain firmly committed to prudently managing our franchise for sustainable growth across our dynamic footprint. That starts with maintaining excellent credit quality and strong capital levels. Disciplined underwriting is critical to our success, and at year end, nonperforming loans accounted for just 0.29% of total loans."

"In August 2024, we completed the acquisition of Century Bank and have now seamlessly integrated its customers and team members into our organization. It enhances our presence in Georgia, especially in the high-growth Atlanta metro market, and elevates our position as a premier Southeastern community bank. With 15 full-service branches and two loan production offices across the vibrant economies in Alabama and Georgia, we have substantially expanded and strengthened Southern States Bank's community banking platform, which we believe sets us up to deliver resilient growth and shareholder returns in 2025."

Net Interest Income and Net Interest Margin



	Three Months Ended			% Change December 31, 2024 vs.	
	December 31, 2024	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(Dollars in thousands)				
Average interest-earning assets	\$ 2,722,907	\$ 2,645,388	\$ 2,195,381	2.9 %	24.0 %
Net interest income	\$ 25,050	\$ 24,246	\$ 20,404	3.3 %	22.8 %
Net interest margin	3.66 %	3.65 %	3.69 %	1 bps	(3) bps

Net interest income for the fourth quarter of 2024 was \$25.1 million, an increase of 3.3% from \$24.2 million for the third quarter of 2024. The increase was substantially due to a decrease in higher-cost brokered deposits as a result of calls and repayments at maturity and replaced with less expensive core deposits.

Relative to the fourth quarter of 2023, net interest income increased \$4.6 million, or 22.8%. The increase was mainly driven by significant organic growth, coupled with the acquisition of Century Bank on July 31, 2024.

Net interest margin for the fourth quarter of 2024 was 3.66%, compared to 3.65% for the third quarter of 2024. The slight increase was primarily due to cost savings attributed to calls and repayments at maturity on higher-cost brokered deposits.

Relative to the fourth quarter of 2023, net interest margin decreased slightly from 3.69%. The decrease was primarily the result of the decrease in interest rates. The acquisition of Century Bank resulted in a positive impact to the net interest margin, effectively helping to reduce the cost of interest-bearing liabilities.

Noninterest Income



	Three Months Ended			% Change December 31, 2024 vs.	
	December 31, 2024	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(Dollars in thousands)				
Service charges on deposit accounts	\$ 565	\$ 532	\$ 441	6.2 %	28.1 %
Swap fees (expense)	17	(9)	70	288.9 %	(75.7)%
SBA/USDA fees	89	179	70	(50.3)%	27.1 %
Mortgage origination fees	55	112	87	(50.9)%	(36.8)%
Net gain on securities	25	75	98	(66.7)%	(74.5)%
Employee retention credit ("ERC")	1,154	—	—	N/A	N/A
Other operating income	1,085	868	2,352	25.0 %	(53.9)%
Total noninterest income	\$ 2,990	\$ 1,757	\$ 3,118	70.2 %	(4.1)%

Noninterest income for the fourth quarter of 2024 was \$3.0 million, an increase of 70.2% from \$1.8 million for the third quarter of 2024. The Company applied for the Voluntary Disclosure Program ("VDP") associated with the ERC program during the third quarter of 2023 and received approval during the fourth quarter of 2024. The fourth quarter of 2024 included \$1.2 million in ERC as a participant in the program.

Relative to the fourth quarter of 2023, noninterest income decreased 4.1% from \$3.1 million. The fourth quarter of 2023 included a \$1.9 million fee related to the early payoff of a \$12.0 million purchased loan. As this was unusually large and atypical for the Bank, it was recorded as noninterest income instead of interest income, which would have impacted the net interest margin. The fourth quarter of 2024 included the \$1.2 million in ERC discussed earlier. The acquisition of Century Bank on July 31, 2024 resulted in additional noninterest income during the fourth quarter of 2024.

Noninterest Expense



	Three Months Ended			% Change December 31, 2024 vs.	
	December 31, 2024	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(Dollars in thousands)				
Salaries and employee benefits	\$ 7,002	\$ 6,876	\$ 5,739	1.8 %	22.0 %
Equipment and occupancy expenses	851	814	681	4.5 %	25.0 %
Data processing fees	960	781	639	22.9 %	50.2 %
Regulatory assessments	441	414	355	6.5 %	24.2 %
Professional fees related to ERC	236	—	—	N/A	N/A
Merger-related expenses	—	1,511	—	N/A	N/A
Other operating expenses	3,584	3,291	2,303	8.9 %	55.6 %
Total noninterest expenses	\$ 13,074	\$ 13,687	\$ 9,717	(4.5)%	34.5 %

Noninterest expense for the fourth quarter of 2024 was \$13.1 million, a decrease of 4.5% from \$13.7 million for the third quarter of 2024. The third quarter of 2024 included merger-related expenses of \$1.5 million, of which \$961,000 was not deductible for taxes, as a result of the acquisition of Century Bank. The fourth quarter of 2024 included professional fees paid to a third party related to ERC, along with an overall increase in noninterest expense as a result of the full-quarter recognition of the acquisition of Century Bank.

Relative to the fourth quarter of 2023, noninterest expense increased 34.5% from \$9.7 million. The acquisition of Century Bank on July 31, 2024 resulted in additional noninterest expense during the fourth quarter of 2024.

Loans and Credit Quality



	Three Months Ended			% Change December 31, 2024 vs.	
	December 31, 2024	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	(Dollars in thousands)				
Gross loans	\$ 2,233,244	\$ 2,205,747	\$ 1,890,677	1.2 %	18.1 %
Unearned income	(6,675)	(6,536)	(6,169)	2.1 %	8.2 %
Loans, net of unearned income ("Loans")	<u>2,226,569</u>	<u>2,199,211</u>	<u>1,884,508</u>	<u>1.2 %</u>	<u>18.2 %</u>
Average loans, net of unearned ("Average loans")	\$ 2,205,892	\$ 2,134,318	\$ 1,814,484	3.4 %	21.6 %
Nonperforming loans ("NPL")	\$ 6,533	\$ 7,868	\$ 1,177	(17.0)%	455.1 %
Provision for credit losses	\$ 72	\$ 2,583	\$ 2,579	(97.2)%	(97.2)%
Allowance for credit losses ("ACL")	\$ 28,338	\$ 28,061	\$ 24,378	1.0 %	16.2 %
Net (recoveries) charge-offs	\$ (205)	\$ 350	\$ 382	158.6 %	153.7 %
NPL to gross loans	0.29 %	0.36 %	0.06 %		
Net (recoveries) charge-offs to average loans ⁽¹⁾	(0.04)%	0.07 %	0.08 %		
ACL to loans	1.27 %	1.28 %	1.29 %		

(1) Ratio is annualized.

Loans, net of unearned income, were \$2.2 billion at December 31, 2024, up \$27.4 million from September 30, 2024 and up \$342.1 million from December 31, 2023. The linked-quarter increase in loans was primarily attributable to new business growth across our footprint. The year-over-year increase in loans was primarily attributable the new business growth across our footprint, coupled with the acquisition of Century Bank, which resulted in additional loans of \$131.7 million at December 31, 2024.

Nonperforming loans totaled \$6.5 million, or 0.29% of gross loans, at December 31, 2024, compared with \$7.9 million, or 0.36% of gross loans, at September 30, 2024, and \$1.2 million, or 0.06% of gross loans, at December 31, 2023. The \$1.3 million net decrease in nonperforming loans from September 30, 2024 was primarily attributable to a significant commercial and industrial loan being paid down. The \$5.4 million net increase in nonperforming loans from December 31, 2023, was primarily attributable to a significant commercial and industrial loan, which has since been paid down, and a commercial real estate loan being placed on nonaccrual status.

The Company recorded a provision for credit losses of \$72,000 for the fourth quarter of 2024, compared to \$2.6 million for the third quarter of 2024. Provision in the third quarter of 2024 included a \$1.7 million provision as a result of the acquisition of Century Bank as well as additional provisions based on growth.

Net recoveries for the fourth quarter of 2024 were \$205,000, or (0.04)% of average loans on an annualized basis, compared to net charge-offs of \$350,000, or 0.07% of average loans on an annualized basis, for the third quarter of 2024, and net charge-offs of \$382,000, or 0.08% of average loans on an annualized basis, for the fourth quarter of 2023. The net recoveries received in the fourth quarter of 2024 were primarily related to a pool of consumer loans charged-off in the third quarter. The charge-offs recorded during the third quarter of 2024 were substantially related to a purchased pool of consumer loans for which the borrower filed for bankruptcy. The loan was fully charged-off as of September 30, 2024.

The Company's allowance for credit losses was 1.27% of total loans and 433.77% of nonperforming loans at December 31, 2024, compared with 1.28% of total loans and 356.65% of nonperforming loans at September 30, 2024. Allowance for credit losses on unfunded commitments was \$1.4 million at December 31, 2024.

Deposits



	Three Months Ended			% Change December 31, 2024 vs.	
	December 31, 2024	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
	<i>(Dollars in thousands)</i>				
Noninterest-bearing deposits	\$ 575,357	\$ 546,282	\$ 437,959	5.3 %	31.4 %
Interest-bearing deposits	1,835,940	1,874,264	1,580,230	(2.0)%	16.2 %
Total deposits	\$ 2,411,297	\$ 2,420,546	\$ 2,018,189	(0.4)%	19.5 %
Uninsured deposits	\$ 760,141	\$ 735,676	\$ 615,651	3.3 %	23.5 %
Uninsured deposits to total deposits and accrued interest on deposits	31.50 %	30.37 %	30.51 %		
Noninterest deposits to total deposits	23.86 %	22.57 %	21.70 %		

Total deposits were \$2.4 billion at December 31, 2024, down slightly from \$2.4 billion at September 30, 2024 and up from \$2.0 billion at December 31, 2023. The \$9.2 million decrease in total deposits in the fourth quarter from the previous quarter was primarily due to a \$44.1 million decrease in brokered deposits due to calls and maturation, partially offset by an increase of \$29.1 million in noninterest-bearing deposits. Total brokered deposits were \$150.0 million at December 31, 2024, compared to \$194.2 million at September 30, 2024. Excluding brokered deposits, total deposits increased \$34.9 million in the fourth quarter of 2024.

Capital



	December 31, 2024		September 30, 2024		December 31, 2023	
	Company	Bank	Company	Bank	Company	Bank
Tier 1 capital ratio to average assets	8.67 %	11.45 %	8.64 %	11.48 %	8.99 %	12.01 %
Risk-based capital ratios:						
Common equity tier 1 ("CET1") capital ratio	9.84 %	12.99 %	9.36 %	12.43 %	9.20 %	12.30 %
Tier 1 capital ratio	9.84 %	12.99 %	9.36 %	12.43 %	9.20 %	12.30 %
Total capital ratio	14.73 %	14.18 %	14.18 %	13.59 %	14.29 %	13.45 %

As of December 31, 2024, total stockholders' equity was \$279.9 million, up from \$271.4 million at September 30, 2024. The increase of \$8.5 million was substantially due to strong earnings growth, partially offset by an increase in accumulated other comprehensive losses resulting from changes in the value of available for sale securities.

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 two loan production offices 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 recent events and trends in the banking industry. 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 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 press release and may include statements about our acquisition of Century Bank of Georgia, business strategy and prospects for growth, operations, ability to pay dividends, competition, regulation and general economic conditions.

Contact Information

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SELECT FINANCIAL DATA

(Dollars in thousands, except share and per share amounts)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Results of Operations					
Interest income	\$ 44,977	\$ 45,068	\$ 36,172	\$ 169,781	\$ 132,260
Interest expense	19,927	20,822	15,768	78,074	52,148
Net interest income	25,050	24,246	20,404	91,707	80,112
Provision for credit losses	72	2,583	2,579	4,957	6,090
Net interest income after provision	24,978	21,663	17,825	86,750	74,022
Noninterest income	2,990	1,757	3,118	7,390	8,874
Noninterest expense	13,074	13,687	9,717	48,548	41,876
Income tax expense	3,696	2,380	2,330	10,724	9,068
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Core net income ⁽¹⁾	\$ 10,484	\$ 8,675	\$ 7,289	\$ 36,339	\$ 31,190
Share and Per Share Data					
Shares issued and outstanding	9,889,260	9,882,350	8,841,349	9,889,260	8,841,349
Weighted average shares outstanding:					
Basic	9,940,221	9,608,868	8,864,734	9,357,336	8,809,590
Diluted	10,061,735	9,725,884	9,021,358	9,503,994	9,038,004
Earnings per share:					
Basic	\$ 1.13	\$ 0.76	\$ 1.00	\$ 3.72	\$ 3.63
Diluted	1.11	0.76	0.99	3.67	3.53
Core - diluted ⁽¹⁾	1.04	0.89	0.81	3.82	3.45
Book value per share	28.30	27.46	24.31	28.30	24.31
Tangible book value per share ⁽¹⁾	24.04	23.38	22.30	24.04	22.30
Cash dividends per common share	0.09	0.09	0.09	0.36	0.36
Performance and Financial Ratios					
ROAA	1.55 %	1.05 %	1.53 %	1.31 %	1.44 %
ROAE	16.13 %	11.89 %	17.02 %	14.39 %	16.16 %
Core ROAA ⁽¹⁾	1.45 %	1.24 %	1.26 %	1.36 %	1.41 %
ROATCE ⁽¹⁾	18.87 %	13.35 %	18.62 %	16.10 %	17.78 %
Core ROATCE ⁽¹⁾	17.67 %	15.74 %	15.26 %	16.78 %	17.35 %
NIM	3.66 %	3.65 %	3.69 %	3.61 %	3.81 %
NIM - FTE ⁽¹⁾	3.67 %	3.66 %	3.71 %	3.63 %	3.82 %
Net interest spread	2.64 %	2.66 %	2.73 %	2.62 %	2.92 %
Yield on loans	7.03 %	7.21 %	6.91 %	7.12 %	6.70 %
Yield on interest-earning assets	6.57 %	6.78 %	6.54 %	6.69 %	6.29 %
Cost of interest-bearing liabilities	3.93 %	4.12 %	3.81 %	4.07 %	3.37 %
Cost of funds ⁽²⁾	3.09 %	3.31 %	3.03 %	3.27 %	2.63 %
Cost of interest-bearing deposits	3.83 %	4.03 %	3.66 %	3.96 %	3.19 %
Cost of total deposits	2.96 %	3.19 %	2.86 %	3.13 %	2.44 %
Noninterest deposits to total deposits	23.86 %	22.57 %	21.70 %	23.86 %	21.70 %
Core deposits to total deposits	87.90 %	86.30 %	83.70 %	87.90 %	83.70 %
Uninsured deposits to total deposits and accrued interest on deposits	31.50 %	30.37 %	30.51 %	31.50 %	30.51 %
Total loans to total deposits	92.34 %	90.86 %	93.38 %	92.34 %	93.38 %
Efficiency ratio	46.67 %	52.79 %	41.48 %	49.04 %	47.35 %
Core efficiency ratio ⁽¹⁾	47.78 %	46.96 %	45.78 %	46.66 %	46.74 %

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

(2) Includes total interest-bearing liabilities and noninterest deposits.

SELECT FINANCIAL DATA
(Dollars in thousands)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Financial Condition (ending)					
Total loans	\$ 2,226,569	\$ 2,199,211	\$ 1,884,508	\$ 2,226,569	\$ 1,884,508
Total securities	216,481	217,692	198,632	216,481	198,632
Total assets	2,849,264	2,841,440	2,446,663	2,849,264	2,446,663
Total noninterest bearing deposits	575,357	546,282	437,959	575,357	437,959
Total core deposits ⁽¹⁾	2,119,491	2,088,993	1,689,266	2,119,491	1,689,266
Total deposits	2,411,297	2,420,546	2,018,189	2,411,297	2,018,189
Total borrowings	131,224	121,083	183,673	131,224	183,673
Total liabilities	2,569,375	2,570,070	2,231,699	2,569,375	2,231,699
Total shareholders' equity	279,889	271,370	214,964	279,889	214,964
Financial Condition (average)					
Total loans	\$ 2,205,892	\$ 2,134,318	\$ 1,814,484	\$ 2,061,604	\$ 1,711,006
Total securities	228,213	223,750	209,074	217,943	200,047
Total other interest-earning assets	288,802	287,320	171,823	257,533	192,433
Total interest-bearing assets	2,722,907	2,645,388	2,195,381	2,537,080	2,103,486
Total assets	2,875,981	2,777,215	2,303,398	2,664,353	2,211,742
Total noninterest-bearing deposits	552,898	490,450	420,019	470,376	436,571
Total interest-bearing deposits	1,893,906	1,874,861	1,502,348	1,783,493	1,422,453
Total deposits	2,446,804	2,365,311	1,922,367	2,253,869	1,859,024
Total borrowings	121,356	134,035	140,790	136,788	126,853
Total interest-bearing liabilities	2,015,262	2,008,896	1,643,138	1,920,281	1,549,306
Total shareholders' equity	276,250	246,081	207,324	242,224	197,680
Asset Quality					
Nonperforming loans	\$ 6,533	\$ 7,868	\$ 1,177	\$ 6,533	\$ 1,177
Other real estate owned ("OREO")	\$ —	\$ 33	\$ 33	\$ —	\$ 33
Nonperforming assets ("NPA")	\$ 6,533	\$ 7,901	\$ 1,210	\$ 6,533	\$ 1,210
Net (recovery) charge-offs to average loans ⁽²⁾	(0.04)%	0.07 %	0.08 %	0.05 %	0.03 %
Provision for credit losses to average loans ⁽²⁾	0.01 %	0.48 %	0.56 %	0.24 %	0.36 %
ACL to loans	1.27 %	1.28 %	1.29 %	1.27 %	1.29 %
ACL to gross loans	1.27 %	1.27 %	1.29 %	1.27 %	1.29 %
ACL to NPL	433.77 %	356.65 %	2071.20 %	433.77 %	2071.20 %
NPL to loans	0.29 %	0.36 %	0.06 %	0.29 %	0.06 %
NPL to gross loans	0.29 %	0.36 %	0.06 %	0.29 %	0.06 %
NPA to gross loans and OREO	0.29 %	0.36 %	0.06 %	0.29 %	0.06 %
NPA to total assets	0.23 %	0.28 %	0.05 %	0.23 %	0.05 %
Regulatory and Other Capital Ratios					
Total shareholders' equity to total assets	9.82 %	9.55 %	8.79 %	9.82 %	8.79 %
Tangible common equity to tangible assets ⁽³⁾	8.47 %	8.25 %	8.12 %	8.47 %	8.12 %
Tier 1 capital ratio to average assets	8.67 %	8.64 %	8.99 %	8.67 %	8.99 %
Risk-based capital ratios:					
CET1 capital ratio	9.84 %	9.36 %	9.20 %	9.84 %	9.20 %
Tier 1 capital ratio	9.84 %	9.36 %	9.20 %	9.84 %	9.20 %
Total capital ratio	14.73 %	14.18 %	14.29 %	14.73 %	14.29 %

(1) We define core deposits as total deposits excluding brokered deposits and time deposits greater than \$250,000.

(2) Ratio is annualized.

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

CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(Dollars in thousands)



	December 31, 2024	September 30, 2024	December 31, 2023
	<i>(Unaudited)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
Assets			
Cash and due from banks	\$ 27,321	\$ 24,225	\$ 19,710
Interest-bearing deposits in banks	153,833	182,559	134,846
Federal funds sold	79,080	71,072	96,095
Total cash and cash equivalents	260,234	277,856	250,651
Securities available for sale, at fair value	196,870	198,076	179,000
Securities held to maturity, at amortized cost	19,611	19,616	19,632
Other equity securities, at fair value	3,697	3,733	3,649
Restricted equity securities, at cost	4,441	4,418	5,684
Loans held for sale	404	415	450
Loans, net of unearned income	2,226,569	2,199,211	1,884,508
Less allowance for credit losses	28,338	28,061	24,378
Loans, net	2,198,231	2,171,150	1,860,130
Premises and equipment, net	32,048	32,319	26,426
Accrued interest receivable	10,111	10,114	8,711
Bank owned life insurance	39,431	39,159	29,884
Annuities	16,772	16,843	15,036
Foreclosed assets	—	33	33
Goodwill	33,176	30,980	16,862
Core deposit intangible	8,939	9,338	899
Other assets	25,299	27,390	29,616
Total assets	\$ 2,849,264	\$ 2,841,440	\$ 2,446,663
Liabilities and Stockholders' Equity			
Liabilities:			
Deposits:			
Noninterest-bearing	\$ 575,357	\$ 546,282	\$ 437,959
Interest-bearing	1,835,940	1,874,264	1,580,230
Total deposits	2,411,297	2,420,546	2,018,189
Other borrowings	17,979	7,976	26,994
FHLB advances	22,000	22,000	70,000
Subordinated notes	91,245	91,107	86,679
Accrued interest payable	2,172	2,214	1,519
Other liabilities	24,682	26,227	28,318
Total liabilities	2,569,375	2,570,070	2,231,699
Stockholders' equity:			
Common stock	49,821	49,684	44,479
Capital surplus	106,637	106,046	78,361
Retained earnings	134,075	123,783	102,523
Accumulated other comprehensive loss	(7,936)	(5,866)	(8,379)
Unvested restricted stock	(567)	(723)	(466)
Vested restricted stock units	(2,141)	(1,554)	(1,554)
Total stockholders' equity	279,889	271,370	214,964
Total liabilities and stockholders' equity	\$ 2,849,264	\$ 2,841,440	\$ 2,446,663

CONSOLIDATED STATEMENTS OF INCOME
(Dollars in thousands, except per share amounts)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024 (Unaudited)	September 30, 2024 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2024 (Unaudited)	December 31, 2023 (Audited)
Interest income:					
Loans, including fees	\$ 38,972	\$ 38,690	\$ 31,613	\$ 146,712	\$ 114,662
Taxable securities	2,237	2,205	1,986	8,462	6,806
Nontaxable securities	248	243	230	952	977
Other interest and dividends	3,520	3,930	2,343	13,655	9,815
Total interest income	44,977	45,068	36,172	169,781	132,260
Interest expense:					
Deposits	18,223	18,990	13,869	70,630	45,368
Other borrowings	1,704	1,832	1,899	7,444	6,780
Total interest expense	19,927	20,822	15,768	78,074	52,148
Net interest income	25,050	24,246	20,404	91,707	80,112
Provision for credit losses	72	2,583	2,579	4,957	6,090
Net interest income after provision for credit losses	24,978	21,663	17,825	86,750	74,022
Noninterest income:					
Service charges on deposit accounts	565	532	441	2,022	1,790
Swap fees (expense)	17	(9)	70	27	691
SBA/USDA fees	89	179	70	391	344
Mortgage origination fees	55	112	87	356	533
Net gain on securities	25	75	98	108	555
Employee retention credit	1,154	—	—	1,162	—
Other operating income	1,085	868	2,352	3,324	4,961
Total noninterest income	2,990	1,757	3,118	7,390	8,874
Noninterest expenses:					
Salaries and employee benefits	7,002	6,876	5,739	26,221	25,665
Equipment and occupancy expenses	851	814	681	3,021	2,776
Data processing fees	960	781	639	3,070	2,528
Regulatory assessments	441	414	355	1,590	1,198
Professional fees related to ERC	236	—	—	236	—
Merger-related expenses	—	1,511	—	1,511	—
Other operating expenses	3,584	3,291	2,303	12,899	9,709
Total noninterest expenses	13,074	13,687	9,717	48,548	41,876
Income before income taxes	14,894	9,733	11,226	45,592	41,020
Income tax expense	3,696	2,380	2,330	10,724	9,068
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Basic earnings per share	\$ 1.13	\$ 0.76	\$ 1.00	\$ 3.72	\$ 3.63
Diluted earnings per share	\$ 1.11	\$ 0.76	\$ 0.99	\$ 3.67	\$ 3.53

AVERAGE BALANCE SHEET AND NET INTEREST MARGIN
(Dollars in thousands)



	Three Months Ended								
	December 31, 2024			September 30, 2024			December 31, 2023		
	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
Assets:									
Interest-earning assets:									
Loans, net of unearned income ⁽¹⁾	\$ 2,205,892	\$ 38,972	7.03 %	\$ 2,134,318	\$ 38,690	7.21 %	\$ 1,814,484	\$ 31,613	6.91 %
Taxable securities	181,456	2,237	4.90 %	177,164	2,205	4.95 %	163,537	1,986	4.82 %
Non-taxable securities	46,757	248	2.11 %	46,586	243	2.08 %	45,537	230	2.00 %
Other interest-earning assets	288,802	3,520	4.85 %	287,320	3,930	5.44 %	171,823	2,343	5.41 %
Total interest-earning assets	2,722,907	44,977	6.57 %	2,645,388	45,068	6.78 %	2,195,381	36,172	6.54 %
Allowance for credit losses	(28,280)			(27,253)			(22,666)		
Noninterest-earning assets	181,354			159,080			130,683		
Total Assets	\$ 2,875,981			\$ 2,777,215			\$ 2,303,398		
Liabilities and Stockholders' Equity:									
Interest-bearing liabilities:									
Interest-bearing transaction accounts	\$ 94,039	\$ 27	0.12 %	\$ 95,040	\$ 30	0.13 %	\$ 86,163	\$ 23	0.11 %
Savings and money market accounts	1,112,679	10,279	3.68 %	1,042,661	10,264	3.92 %	885,548	8,445	3.78 %
Time deposits	687,188	7,917	4.58 %	737,160	8,696	4.69 %	530,637	5,401	4.04 %
FHLB advances	22,000	300	5.42 %	36,130	455	5.01 %	52,076	645	4.92 %
Other borrowings	99,356	1,404	5.63 %	97,905	1,377	5.59 %	88,714	1,254	5.61 %
Total interest-bearing liabilities	\$ 2,015,262	\$ 19,927	3.93 %	\$ 2,008,896	\$ 20,822	4.12 %	\$ 1,643,138	\$ 15,768	3.81 %
Noninterest-bearing liabilities:									
Noninterest-bearing deposits	\$ 552,898			\$ 490,450			\$ 420,019		
Other liabilities	31,571			31,788			32,917		
Total noninterest-bearing liabilities	584,469			522,238			452,936		
Stockholders' Equity	276,250			246,081			207,324		
Total Liabilities and Stockholders' Equity	\$ 2,875,981			\$ 2,777,215			\$ 2,303,398		
Net interest income		\$ 25,050		\$ 24,246			\$ 20,404		
Net interest spread ⁽²⁾			2.64 %			2.66 %			2.73 %
Net interest margin ⁽³⁾			3.66 %			3.65 %			3.69 %
Net interest margin - FTE ⁽⁴⁾⁽⁵⁾			3.67 %			3.66 %			3.71 %
Cost of funds ⁽⁶⁾			3.09 %			3.31 %			3.03 %
Cost of interest-bearing deposits			3.83 %			4.03 %			3.66 %
Cost of total deposits			2.96 %			3.19 %			2.86 %

(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.

(4) Net interest margin - FTE is a ratio of fully-taxable equivalent net interest income to average interest earning assets for the same period. It assumes a 24.0% tax rate.

(5) Refer to "Reconciliation of Non-GAAP Financial Measures".

(6) Includes total interest-bearing liabilities and noninterest deposits.

AVERAGE BALANCE SHEET AND NET INTEREST MARGIN
(Dollars in thousands)



	Twelve Months Ended					
	December 31, 2024			December 31, 2023		
	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
Assets:						
Interest-earning assets:						
Loans, net of unearned income ⁽¹⁾	\$ 2,061,604	\$ 146,712	7.12 %	\$ 1,711,006	\$ 114,662	6.70 %
Taxable securities	171,878	8,462	4.92 %	152,707	6,806	4.46 %
Non-taxable securities	46,065	952	2.07 %	47,340	977	2.06 %
Other interest-earning assets	257,533	13,655	5.30 %	192,433	9,815	5.10 %
Total interest-earning assets	2,537,080	169,781	6.69 %	2,103,486	132,260	6.29 %
Allowance for credit losses	(26,302)			(21,233)		
Noninterest-earning assets	153,575			129,489		
Total Assets	<u>\$ 2,664,353</u>			<u>\$ 2,211,742</u>		
Liabilities and Stockholders' Equity:						
Interest-bearing liabilities:						
Interest-bearing transaction accounts	\$ 90,252	\$ 105	0.12 %	\$ 90,231	\$ 82	0.09 %
Savings and money market accounts	997,349	38,576	3.87 %	851,351	28,124	3.30 %
Time deposits	695,892	31,949	4.59 %	480,871	17,162	3.57 %
FHLB advances	39,847	2,006	5.03 %	39,830	1,848	4.64 %
Other borrowings	96,941	5,438	5.61 %	87,023	4,932	5.67 %
Total interest-bearing liabilities	<u>\$ 1,920,281</u>	<u>\$ 78,074</u>	<u>4.07 %</u>	<u>\$ 1,549,306</u>	<u>\$ 52,148</u>	<u>3.37 %</u>
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	\$ 470,376			\$ 436,571		
Other liabilities	31,472			28,185		
Total noninterest-bearing liabilities	501,848			464,756		
Stockholders' Equity	242,224			197,680		
Total Liabilities and Stockholders' Equity	<u>\$ 2,664,353</u>			<u>\$ 2,211,742</u>		
Net interest income		\$ 91,707			\$ 80,112	
Net interest spread ⁽²⁾			2.62 %			2.92 %
Net interest margin ⁽³⁾			3.61 %			3.81 %
Net interest margin - FTE ^{(4),(5)}			3.63 %			3.82 %
Cost of funds ⁽⁶⁾			3.27 %			2.63 %
Cost of interest-bearing deposits			3.96 %			3.19 %
Cost of total deposits			3.13 %			2.44 %

(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.

(4) Net interest margin - FTE is a ratio of fully-taxable equivalent net interest income to average interest earning assets for the same period. It assumes a 24.0% tax rate.

(5) Refer to "Reconciliation of Non-GAAP Financial Measures".

(6) Includes total interest-bearing liabilities and noninterest deposits.

LOAN COMPOSITION
(Dollars in thousands)



	December 31, 2024		September 30, 2024		December 31, 2023	
	Amount	% of gross	Amount	% of gross	Amount	% of gross
Real estate mortgages:						
Construction and development	\$ 238,634	10.7 %	\$ 245,275	11.1 %	\$ 242,960	12.9 %
Residential	315,092	14.1 %	293,150	13.3 %	224,603	11.9 %
Commercial	1,352,084	60.6 %	1,344,554	61.0 %	1,144,867	60.5 %
Commercial and industrial	315,854	14.1 %	310,540	14.1 %	269,961	14.3 %
Consumer and other	11,580	0.5 %	12,228	0.5 %	8,286	0.4 %
Gross loans	2,233,244	100.0 %	2,205,747	100.0 %	1,890,677	100.0 %
Unearned income	(6,675)		(6,536)		(6,169)	
Loans, net of unearned income	2,226,569		2,199,211		1,884,508	
Allowance for credit losses	(28,338)		(28,061)		(24,378)	
Loans, net	<u>\$ 2,198,231</u>		<u>\$ 2,171,150</u>		<u>\$ 1,860,130</u>	

DEPOSIT COMPOSITION
(Dollars in thousands)



	December 31, 2024		September 30, 2024		December 31, 2023	
	Amount	% of total	Amount	% of total	Amount	% of total
Noninterest-bearing transaction	\$ 575,357	23.8 %	\$ 546,282	22.5 %	\$ 437,959	21.7 %
Interest-bearing transaction	1,128,959	46.8 %	1,124,706	46.5 %	946,347	46.9 %
Savings	52,472	2.2 %	53,565	2.2 %	35,412	1.7 %
Time deposits, \$250,000 and under	512,717	21.3 %	558,600	23.1 %	500,406	24.8 %
Time deposits, over \$250,000	141,792	5.9 %	137,393	5.7 %	98,065	4.9 %
Total deposits	<u>\$ 2,411,297</u>	<u>100.0 %</u>	<u>\$ 2,420,546</u>	<u>100.0 %</u>	<u>\$ 2,018,189</u>	<u>100.0 %</u>

Nonperforming Assets
(Dollars in thousands)



	December 31, 2024	September 30, 2024	December 31, 2023
Nonaccrual loans	\$ 6,434	\$ 7,803	\$ 1,017
Past due loans 90 days or more and still accruing interest	99	65	160
Total nonperforming loans	<u>6,533</u>	<u>7,868</u>	<u>1,177</u>
OREO	—	33	33
Total nonperforming assets	<u>\$ 6,533</u>	<u>\$ 7,901</u>	<u>\$ 1,210</u>
Financial difficulty modification loans – nonaccrual ⁽¹⁾	600	622	907
Financial difficulty modification loans – accruing	1,055	1,071	1,095
Financial difficulty modification loans	<u>\$ 1,655</u>	<u>\$ 1,693</u>	<u>\$ 2,002</u>
Allowance for credit losses	\$ 28,338	\$ 28,061	\$ 24,378
Loans, net of unearned income at the end of the period	\$ 2,226,569	\$ 2,199,211	\$ 1,884,508
Gross loans outstanding at the end of period	\$ 2,233,244	\$ 2,205,747	\$ 1,890,677
Total assets	\$ 2,849,264	\$ 2,841,440	\$ 2,446,663
Allowance for credit losses to nonperforming loans	433.77 %	356.65 %	2071.20 %
Nonperforming loans to loans, net of unearned income	0.29 %	0.36 %	0.06 %
Nonperforming loans to gross loans	0.29 %	0.36 %	0.06 %
Nonperforming assets to gross loans and OREO	0.29 %	0.36 %	0.06 %
Nonperforming assets to total assets	0.23 %	0.28 %	0.05 %
Nonaccrual loans by category:			
Real estate mortgages:			
Construction & Development	\$ 415	\$ —	\$ —
Residential Mortgages	559	522	252
Commercial Real Estate Mortgages	2,097	2,155	765
Commercial & Industrial	3,363	5,126	—
Consumer and other	—	—	—
Total	<u>\$ 6,434</u>	<u>\$ 7,803</u>	<u>\$ 1,017</u>

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

Allowance for Credit Losses
(Dollars in thousands)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Average loans, net of unearned income	\$ 2,205,892	\$ 2,134,318	\$ 1,814,484	\$ 2,061,604	\$ 1,711,006
Loans, net of unearned income	2,226,569	2,199,211	1,884,508	2,226,569	1,884,508
Gross loans	2,233,244	2,205,747	1,890,677	2,233,244	1,890,677
Allowance for credit losses at beginning of the period	28,061	25,828	22,181	24,378	20,156
Impact of adoption of ASC 326	—	—	—	—	(1,285)
Charge-offs:					
Construction and development	—	—	—	—	3
Residential	—	—	—	11	—
Commercial	—	119	—	157	—
Commercial and industrial	—	384	424	1,210	686
Consumer and other	—	—	2	25	8
Total charge-offs	—	503	426	1,403	697
Recoveries:					
Construction and development	—	—	—	—	—
Residential	7	13	4	34	41
Commercial	—	—	—	—	—
Commercial and industrial	196	139	39	367	54
Consumer and other	2	1	1	5	19
Total recoveries	205	153	44	406	114
Net (recoveries) charge-offs	\$ (205)	\$ 350	\$ 382	\$ 997	\$ 583
Provision for credit losses	\$ 72	\$ 2,583	\$ 2,579	\$ 4,957	\$ 6,090
Balance at end of the period	\$ 28,338	\$ 28,061	\$ 24,378	\$ 28,338	\$ 24,378
Allowance for credit losses on unfunded commitments at beginning of the period	\$ 1,405	\$ 1,206	\$ 1,524	\$ 1,239	\$ —
Impact of adoption of ASC 326	—	—	—	—	1,285
Day 2 Impact from acquisition	—	199	—	199	—
Credit for credit losses on unfunded commitments	—	—	(285)	(33)	(46)
Balance at the end of the period	\$ 1,405	\$ 1,405	\$ 1,239	\$ 1,405	\$ 1,239
Allowance to loans, net of unearned income	1.27 %	1.28 %	1.29 %	1.27 %	1.29 %
Allowance to gross loans	1.27 %	1.27 %	1.29 %	1.27 %	1.29 %
Net (recoveries) charge-offs to average loans, net of unearned income ⁽¹⁾	(0.04)%	0.07 %	0.08 %	0.05 %	0.03 %
Provision for credit losses to average loans, net of unearned income ⁽¹⁾	0.01 %	0.48 %	0.56 %	0.24 %	0.36 %

(1) Ratio is annualized.

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
(Dollars in thousands, except share and per share amounts)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Add: One-time retirement related expenses	—	—	—	—	1,571
Add: Professional fees related to ERC	236	—	—	236	—
Add: Wire fraud loss	—	—	—	1,155	—
Add: Merger-related expenses	—	1,511	—	1,511	—
Add: Net OREO loss (gain)	3	—	(154)	—	(156)
Less: Employee retention credit	1,154	—	—	1,162	—
Less: Fee received on early loan payoff	—	—	1,863	—	1,863
Less: Net gain on securities	25	75	98	108	555
Less: Tax effect	(226)	114	(508)	161	(241)
Core net income	\$ 10,484	\$ 8,675	\$ 7,289	\$ 36,339	\$ 31,190
Average assets	\$ 2,875,981	\$ 2,777,215	\$ 2,303,398	\$ 2,664,353	\$ 2,211,742
Core return on average assets	1.45 %	1.24 %	1.26 %	1.36 %	1.41 %
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Add: One-time retirement related expenses	—	—	—	—	1,571
Add: Professional fees related to ERC	236	—	—	236	—
Add: Wire fraud loss	—	—	—	1,155	—
Add: Merger-related expenses	—	1,511	—	1,511	—
Add: Net OREO loss (gain)	3	—	(154)	—	(156)
Add: Provision	72	2,583	2,579	4,957	6,090
Less: Employee retention credit	1,154	—	—	1,162	—
Less: Fee received on early loan payoff	—	—	1,863	—	1,863
Less: Net gain on securities	25	75	98	108	555
Add: Income taxes	3,696	2,380	2,330	10,724	9,068
Pretax pre-provision core net income	\$ 14,026	\$ 13,752	\$ 11,690	\$ 52,181	\$ 46,107
Average assets	\$ 2,875,981	\$ 2,777,215	\$ 2,303,398	\$ 2,664,353	\$ 2,211,742
Pretax pre-provision core return on average assets	1.94 %	1.97 %	2.01 %	1.96 %	2.08 %
Net interest income	\$ 25,050	\$ 24,246	\$ 20,404	\$ 91,707	\$ 80,112
Add: Fully-taxable equivalent adjustments ⁽¹⁾	66	75	99	288	312
Net interest income - FTE	\$ 25,116	\$ 24,321	\$ 20,503	\$ 91,995	\$ 80,424
Net interest margin	3.66 %	3.65 %	3.69 %	3.61 %	3.81 %
Effect of fully-taxable equivalent adjustments ⁽¹⁾	0.01 %	0.01 %	0.02 %	0.02 %	0.01 %
Net interest margin - FTE	3.67 %	3.66 %	3.71 %	3.63 %	3.82 %
Total stockholders' equity	\$ 279,889	\$ 271,370	\$ 214,964	\$ 279,889	\$ 214,964
Less: Intangible assets	42,115	40,318	17,761	42,115	17,761
Tangible common equity	\$ 237,774	\$ 231,052	\$ 197,203	\$ 237,774	\$ 197,203

(1) Assumes a 24.0% tax rate.

Reconciliation of Non-GAAP Financial Measures
(Dollars in thousands, except share and per share amounts)



	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Core net income	\$ 10,484	\$ 8,675	\$ 7,289	\$ 36,339	\$ 31,190
Diluted weighted average shares outstanding	10,061,735	9,725,884	9,021,358	9,503,994	9,038,004
Diluted core earnings per share	\$ 1.04	\$ 0.89	\$ 0.81	\$ 3.82	\$ 3.45
Common shares outstanding at year or period end	9,889,260	9,882,350	8,841,349	9,889,260	8,841,349
Tangible book value per share	\$ 24.04	\$ 23.38	\$ 22.30	\$ 24.04	\$ 22.30
Total assets at end of period	\$ 2,849,264	\$ 2,841,440	\$ 2,446,663	\$ 2,849,264	\$ 2,446,663
Less: Intangible assets	42,115	40,318	17,761	42,115	17,761
Adjusted assets at end of period	\$ 2,807,149	\$ 2,801,122	\$ 2,428,902	\$ 2,807,149	\$ 2,428,902
Tangible common equity to tangible assets	8.47 %	8.25 %	8.12 %	8.47 %	8.12 %
Total average shareholders equity	\$ 276,250	\$ 246,081	\$ 207,324	\$ 242,224	\$ 197,680
Less: Average intangible assets	40,177	26,884	17,809	25,653	17,932
Average tangible common equity	\$ 236,073	\$ 219,197	\$ 189,515	\$ 216,571	\$ 179,748
Net income to common shareholders	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Return on average tangible common equity	18.87 %	13.35 %	18.62 %	16.10 %	17.78 %
Average tangible common equity	\$ 236,073	\$ 219,197	\$ 189,515	\$ 216,571	\$ 179,748
Core net income	\$ 10,484	\$ 8,675	\$ 7,289	\$ 36,339	\$ 31,190
Core return on average tangible common equity	17.67 %	15.74 %	15.26 %	16.78 %	17.35 %
Net interest income	\$ 25,050	\$ 24,246	\$ 20,404	\$ 91,707	\$ 80,112
Add: Noninterest income	2,990	1,757	3,118	7,390	8,874
Less: Employee retention credit	1,154	—	—	1,162	—
Less: Fee received on early loan payoff	—	—	1,863	—	1,863
Less: Net gain on securities	25	75	98	108	555
Operating revenue	\$ 26,861	\$ 25,928	\$ 21,561	\$ 97,827	\$ 86,568
Expenses:					
Total noninterest expense	\$ 13,074	\$ 13,687	\$ 9,717	\$ 48,548	\$ 41,876
Less: One-time retirement related expenses	—	—	—	—	1,571
Less: Professional fees related to ERC	236	—	—	236	—
Less: Wire fraud loss	—	—	—	1,155	—
Less: Merger-related expenses	—	1,511	—	1,511	—
Less: Net OREO loss (gain)	3	—	(154)	—	(156)
Less: Loss on sale of branches	—	—	—	—	—
Adjusted noninterest expenses	\$ 12,835	\$ 12,176	\$ 9,871	\$ 45,646	\$ 40,461
Core efficiency ratio	47.78 %	46.96 %	45.78 %	46.66 %	46.74 %



**Q4 2024
Investor Presentation**

January 2025



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. 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.

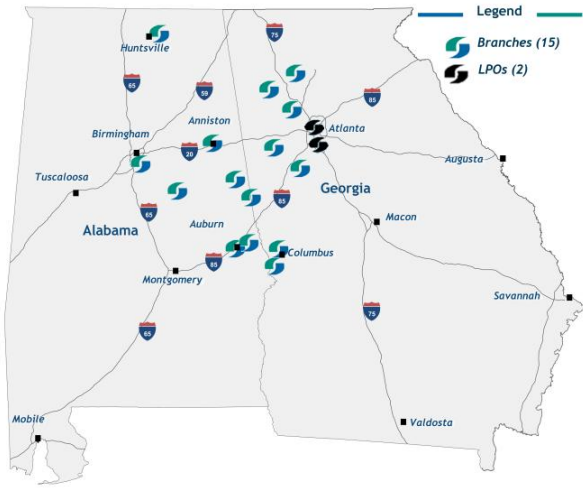
- ☛ *Southern States Bancshares (Nasdaq: SSBK)* was founded in August 2007 and priced its IPO on August 11, 2021
- ☛ History of *solid growth, top-tier profitability* and a *strong credit culture*
- ☛ *Bifurcated expansion strategy* primarily through organic growth and limited, disciplined M&A
- ☛ Focused 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*

Q4 '24 Financial Highlights

Assets (\$B):	\$2.8	Quarterly Asset Growth ² :	1.1%	NPLs / Loans:	0.29%	Core Net Income ¹ (\$M):	\$10.5
Gross Loans (\$B):	\$2.2	Quarterly Loan Growth ² :	4.9%	ACL / Loans:	1.27%	Core ROAA ¹ :	1.45%
Deposits (\$B):	\$2.4	Quarterly Brokered Deposits Declined:	22.7%	NCOs / Avg. Loans:	(0.04)%	NIM:	3.66%
Loans / Deposits:	92.34%	Quarterly Deposit Excluding Brokered Growth ² :	6.2%	TCE / TA ¹ :	8.47%	Core Efficiency Ratio ¹ :	47.78%

Source: Company Documents; financial data as of the three months ended 12/31/24 unless otherwise noted
 1. Please refer to non-U.S. GAAP reconciliation in the appendix
 2. Annualized

Dominant Bank in Small Market; Competitive Player in Large Metropolitan Areas



Robust Market Dynamics

Market Highlights

Atlanta, GA



- 8th largest Metro Area in the USA
- Ranked 10th largest economy in the country
- Ranked 13th 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 2nd 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



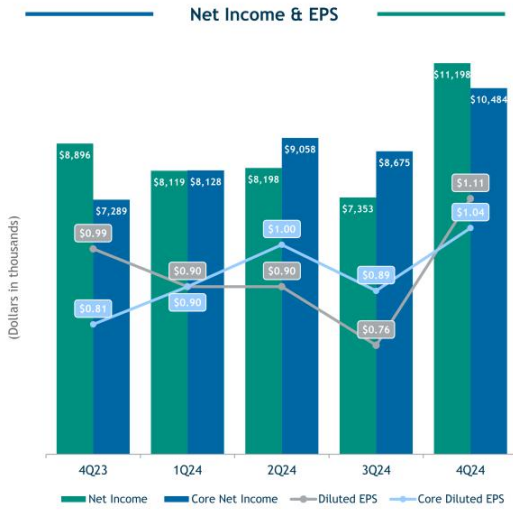
Quarterly Financial Highlights

Profitability ¹	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Balance Sheet	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Net Income	\$8,896	\$8,119	\$8,198	\$7,353	\$11,198	Total Assets	\$2,446,663	\$2,510,975	\$2,572,011	\$2,841,440	\$2,849,264
Core Net Income	\$7,289	\$8,128	\$9,058	\$8,675	\$10,484	Total Loans	\$1,884,508	\$1,965,149	\$2,015,434	\$2,199,211	\$2,226,569
ROAA	1.53%	1.33%	1.29%	1.05%	1.55%	Total Deposits	\$2,018,189	\$2,109,798	\$2,175,678	\$2,420,546	\$2,411,297
Core ROAA	1.26%	1.34%	1.43%	1.24%	1.45%	Loans / Deposits	93.38%	93.14%	92.63%	90.86%	92.34%
ROAE	17.02%	14.87%	14.55%	11.89%	16.13%	TCE / Tangible Assets	8.12%	8.23%	8.34%	8.25%	8.47%
ROATCE	18.62%	16.17%	15.79%	13.35%	18.87%	Avg. Cost of Deposits	2.86%	3.12%	3.27%	3.19%	2.96%
Core ROATCE	15.26%	16.19%	17.44%	15.74%	17.67%	Annualized Loan Growth	24.7%	17.2%	10.3%	36.3%	4.9%
Net Interest Margin	3.69%	3.59%	3.56%	3.65%	3.66%	Avg. Yield on Loans	6.91%	7.06%	7.17%	7.21%	7.03%
Net Interest Margin - FTE	3.71%	3.60%	3.57%	3.66%	3.67%	NPL / Gross Loans	0.06%	0.17%	0.19%	0.36%	0.29%
Efficiency Ratio	41.48%	46.90%	49.78%	52.79%	46.67%	NCOs / Avg. Loans	0.08%	0.10%	0.08%	0.07%	(0.04)%
Core Efficiency Ratio	45.78%	46.90%	44.75%	46.96%	47.78%	Loss Provision / Avg. Loans	0.56%	0.26%	0.22%	0.48%	0.01%

Per Share Data ¹	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Share Price	\$29.28	\$25.92	\$27.14	\$30.73	\$33.31
Tangible Book Value	\$22.30	\$23.07	\$23.91	\$23.38	\$24.04
Price / Tangible Book Value	1.3x	1.1x	1.1x	1.3x	1.4x
Cash Dividend per Common Share	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
Basic EPS	\$1.00	\$0.91	\$0.91	\$0.76	\$1.13
Diluted EPS	\$0.99	\$0.90	\$0.90	\$0.76	\$1.11
Core Diluted EPS	\$0.81	\$0.90	\$1.00	\$0.89	\$1.04

Source: Company Documents; data as of 12/31/24
¹. Please refer to non-U.S. GAAP reconciliation in the appendix

Net Income



Net Income & EPS

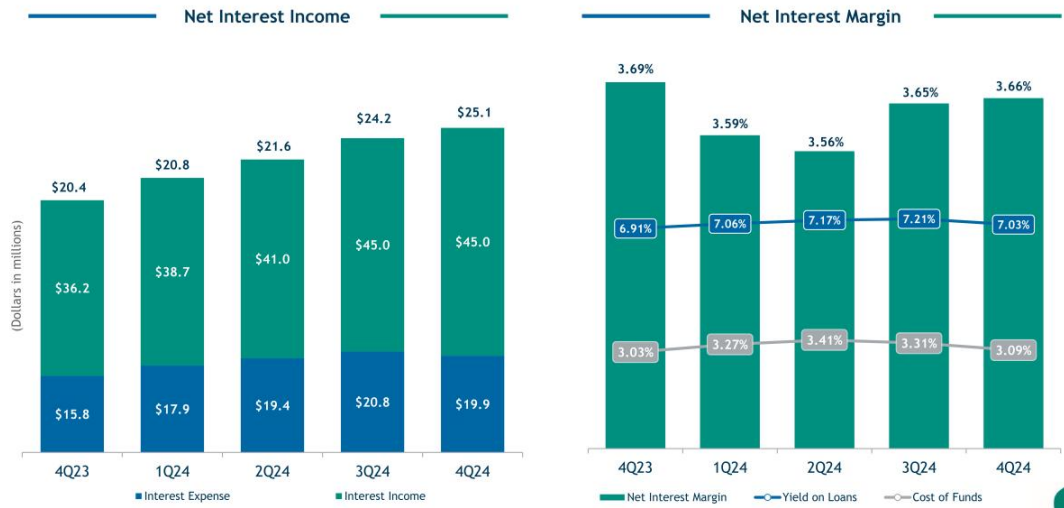
- Net income for the 4Q 2024 of \$11.2 million, or \$1.13 per share and \$1.11 per diluted share
- Core Net income for the 4Q 2024 of \$10.5 million, or \$1.04 per diluted share



7 | Source: Company Documents; data as of 12/31/24



Net Interest Income and Net Interest Margin

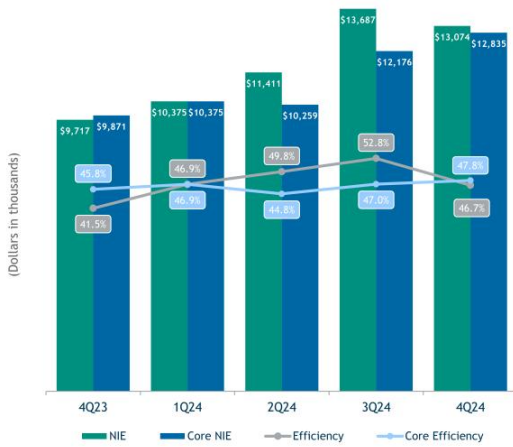


8 | Source: Company Documents; data as of 12/31/24



Noninterest Expense and Efficiency

Noninterest Expense

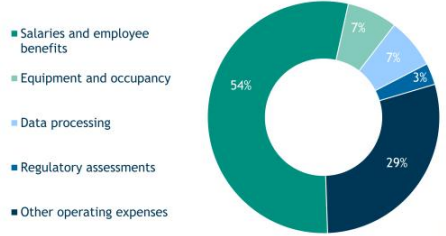


Noninterest Expense

Core noninterest expense continues to be managed prudently and controlled with discipline

Core efficiency remains low and is being driven by meaningful improvements

Noninterest Expense Composition 4Q24



Deposit Portfolio

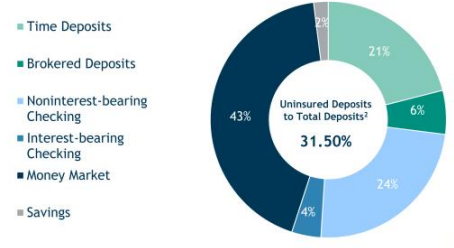
Deposits by Type - \$2.4B



Account Composition 4Q24¹

Deposit Type	Composition %	Average Balance
Commercial	55%	\$119.6
Retail	45%	\$42.1

Deposit Composition 4Q24

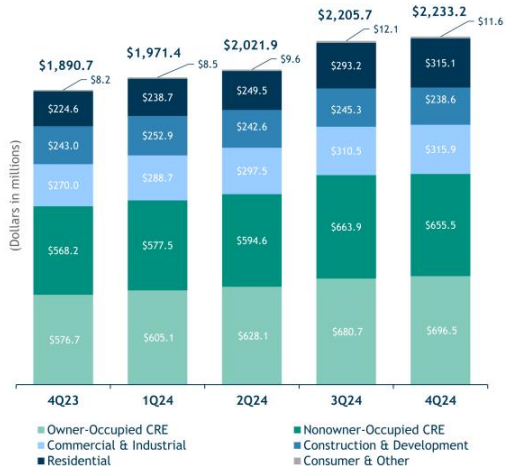


10 | Source: Company Documents; financial data as of the three months ended 12/31/24 unless otherwise noted.
 1. Excludes brokered deposits; dollars in thousands.
 2. Ratio includes accrued interest on deposits.



Loan Portfolio

Gross Loans by Type¹ - \$2.2B



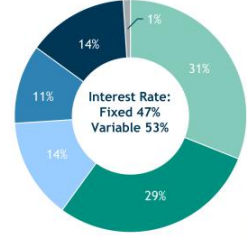
Source: Company Documents; financial data as of the three months ended 12/31/24 unless otherwise noted
 1. Excludes deferred/unearned fees

Concentration Highlights 4Q24

Loan Type	Total
Office Buildings	\$213.0
Hotels / Motels	\$212.4
Industrial Warehouse / Heavy Manufacturing	\$203.8
Convenience Stores	\$160.9
Multi-Family (5+)	\$142.7
Retail Warehouse / Light Manufacturing	\$122.0
Commercial Retail Building	\$109.1

Loan Composition 4Q24

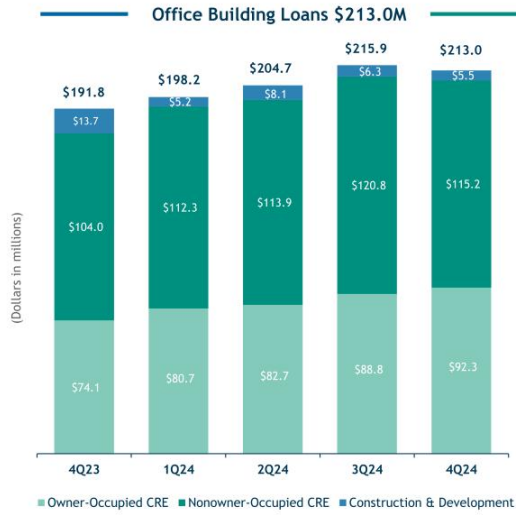
- Owner-Occupied CRE
- Nonowner-Occupied CRE
- Commercial & Industrial
- Construction & Development
- Residential
- Consumer & Other



Interest Rate:
 Fixed 47%
 Variable 53%

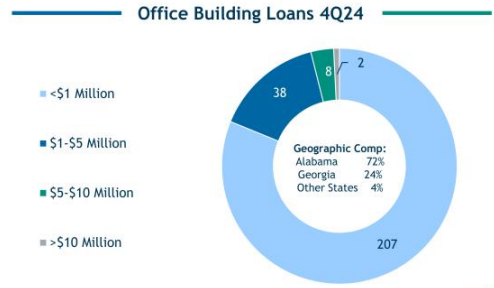


Office Building Loan Portfolio

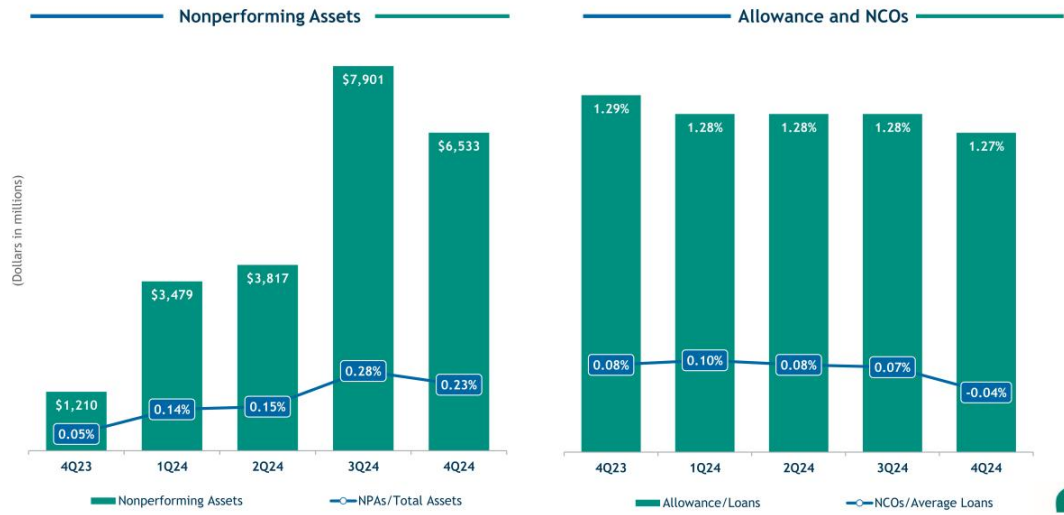


Office Building Type 4Q24

# of Stories	Total
Six Stories	2
Five stories	1
Four stories	5
Three stories	7
One & two stories	240



Asset Quality



Capital

Tangible Book Value & Stock Price

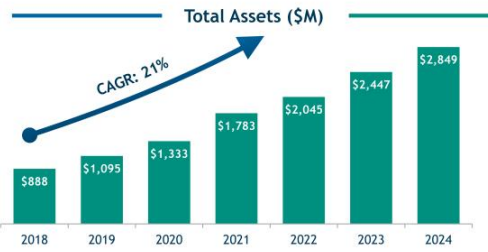
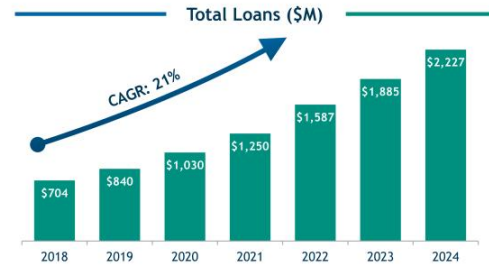
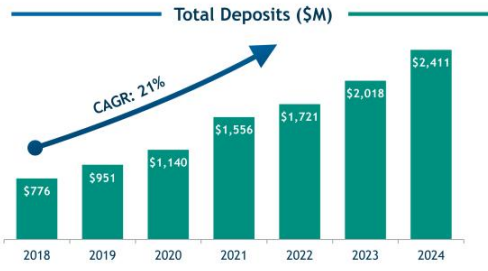


Risk-Based Capital & Leverage Ratios



Other Capital Ratios	Q423	Q124	Q224	Q324	Q424
Total Equity to Total Assets	8.79%	8.88%	8.97%	9.55%	9.82%
Tangible Common Equity to Tangible Assets	8.12%	8.23%	8.34%	8.25%	8.47%
Cash Dividend per Common Share	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09

Growth History



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
- Prudently manage capital between balance sheet growth and return to shareholders



Appendix

SOUTHERN STATES BANK

Non-GAAP Financial Measures Reconciliations

	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Add: One-time retirement related expenses	—	—	—	—	1,571
Add: Professional fees related to ERC	236	—	—	236	—
Add: Wire fraud loss	—	—	—	1,155	—
Add: Merger-related expenses	—	1,511	—	1,511	—
Add: Net OREO loss (gain)	3	—	(154)	—	(156)
Less: Employee retention credit	1,154	—	—	1,162	—
Less: Fee received on early loan payoff	—	—	1,863	—	1,863
Less: Net gain on securities	25	75	98	108	555
Less: Tax effect	(226)	114	(508)	161	(241)
Core net income	\$ 10,484	\$ 8,675	\$ 7,289	\$ 36,339	\$ 31,190
Average assets	\$ 2,875,981	\$ 2,777,215	\$ 2,303,398	\$ 2,664,353	\$ 2,211,742
Core return on average assets	1.45 %	1.24 %	1.26 %	1.36 %	1.41 %

Non-GAAP Financial Measures Reconciliations

	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net income	\$ 11,198	\$ 7,353	\$ 8,896	\$ 34,868	\$ 31,952
Add: One-time retirement related expenses	—	—	—	—	1,571
Add: Professional fees related to ERC	236	—	—	236	—
Add: Wire fraud loss	—	—	—	1,155	—
Add: Merger-related expenses	—	1,511	—	1,511	—
Add: Net OREO loss (gain)	3	—	(154)	—	(156)
Add: Provision	72	2,583	2,579	4,957	6,090
Less: Employee retention credit	1,154	—	—	1,162	—
Less: Fee received on early loan payoff	—	—	1,863	—	1,863
Less: Net gain on securities	25	75	98	108	555
Add: Income taxes	3,696	2,380	2,330	10,724	9,068
Pretax pre-provision core net income	\$ 14,026	\$ 13,752	\$ 11,690	\$ 52,181	\$ 46,107
Average assets	\$ 2,875,981	\$ 2,777,215	\$ 2,303,398	\$ 2,664,353	\$ 2,211,742
Pretax pre-provision core return on average assets	1.94 %	1.97 %	2.01 %	1.96 %	2.08 %

Non-GAAP Financial Measures Reconciliations

	Three Months Ended			Twelve Months Ended	
	December 31, 2024	September 30, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Net interest income	\$ 25,050	\$ 24,246	\$ 20,404	\$ 91,707	\$ 80,112
Add: Fully-taxable equivalent adjustments ⁽¹⁾	66	75	99	288	312
Net interest income - FTE	\$ 25,116	\$ 24,321	\$ 20,503	\$ 91,995	\$ 80,424
Net interest margin	3.66 %	3.65 %	3.69 %	3.61 %	3.81 %
Effect of fully-taxable equivalent adjustments ⁽¹⁾	0.01 %	0.01 %	0.02 %	0.02 %	0.01 %
Net interest margin - FTE	3.67 %	3.66 %	3.71 %	3.63 %	3.82 %
Total stockholders' equity	\$ 279,889	\$ 271,370	\$ 214,964	\$ 279,889	\$ 214,964
Less: Intangible assets	42,115	40,318	17,761	42,115	17,761
Tangible common equity	\$ 237,774	\$ 231,052	\$ 197,203	\$ 237,774	\$ 197,203

Non-GAAP Financial Measures Reconciliations

	Three Months Ended			Twelve Months Ended	
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Common shares outstanding at year or period end	9,889,260	9,882,350	8,841,349	9,889,260	8,841,349
Tangible book value per share	\$ 24.04	\$ 23.38	\$ 22.30	\$ 24.04	\$ 22.30
Total assets at end of period	\$ 2,849,264	\$ 2,841,440	\$ 2,446,663	\$ 2,849,264	\$ 2,446,663
Less: Intangible assets	42,115	40,318	17,761	42,115	17,761
Adjusted assets at end of period	\$ 2,807,149	\$ 2,801,122	\$ 2,428,902	\$ 2,807,149	\$ 2,428,902
Tangible common equity to tangible assets	8.47 %	8.25 %	8.12 %	8.47 %	8.12 %
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Less: Merger-related expenses	—	1,511	—	1,511	—
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Less: Loss on sale of branches	—	—	—	—	—
Adjusted noninterest expenses	\$ 12,835	\$ 12,176	\$ 9,871	\$ 45,646	\$ 40,461
Core efficiency ratio	47.78 %	46.96 %	45.78 %	46.66 %	46.74 %

