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**FEDERAL DEPOSIT INSURANCE CORPORATION  
WASHINGTON, DC 20429**

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**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 25, 2022**

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**CADENCE BANK**

(Exact Name of Registrant as Specified in Charter)

<u>Mississippi</u> (State or Other Jurisdiction of Incorporation)	<u>11813</u> (FDIC Certificate No.)	<u>64-0117230</u> (IRS Employer Identification No.)
<u>One Mississippi Plaza 201 South Spring Street Tupelo, Mississippi</u> (Address of Principal Executive Offices)		<u>38804</u> (Zip Code)

Registrant's telephone number, including a rea code (662) 680-2000

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 (*see* General Instruction A.2. below):

- 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))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$2.50 par value per share	CADE	New York Stock Exchange
Series A Preferred Stock, \$0.01 par value per share	CADE-PrA	New York Stock Exchange

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.

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

On January 25, 2022, Cadence Bank (the “Bank”) issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2021 (the “Earnings Release”). In addition, the Bank will conduct a conference call and webcast at 10:00 a.m. (Central Time) on January 26, 2022 to discuss its financial results for the fourth quarter and year end December 31, 2021. The Bank prepared a presentation to be used in connection with this conference call and webcast (the “Presentation”). The Earnings Release and Presentation contain forward-looking statements regarding the Bank and include cautionary language identifying important factors that could cause actual results to differ materially from those anticipated. Copies of the Earnings Release and the Presentation are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K (this “Report”) and are incorporated herein by reference in the entirety.

The information furnished pursuant to this Item 2.02, including Exhibits 99.1 and 99.2, shall not be deemed to be “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, and shall not be deemed to be incorporated by reference into any filing of the Bank under the Securities Act of 1933, as amended, or the Exchange Act except as expressly set forth by specific reference in such filing. All information in the Earnings Release and Presentation speaks as of the date thereof, and the Bank does not assume any obligation to update such information in the future.

**Item 7.01. Regulation FD Disclosure.**

The disclosure contained in Item 2.02 of this Report is incorporated herein by reference.

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

Exhibit Number	Description
99.1	Earnings Release dated January 25, 2022
99.2	Presentation dated January 26, 2022

**SIGNATURES**

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.

**CADENCE BANK**  
(Registrant)

By: /s/ Cathy S. Freeman  
Cathy S. Freeman  
Senior Executive Vice President and  
Chief Administrative Officer

Date: January 25, 2022

## News Release

**Contact:**

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Chief Financial Officer  
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Will Fisackerly  
Executive Vice President and  
Director of Corporate Finance  
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### **Cadence Bank Announces Fourth Quarter 2021 and Annual Financial Results; Announces Increase in Quarterly Common Dividend**

TUPELO, Miss. and HOUSTON -- January 25, 2022/PRNewswire – Cadence Bank (NYSE: CADE) (the Company), formerly known as BancorpSouth Bank, today announced financial results for the quarter and year ended December 31, 2021.

**Annual highlights for 2021 included:**

- Achieved net income available to common shareholders of \$185.7 million, or \$1.54 per diluted common share, and adjusted net income available to common shareholders – excluding mortgage servicing rights (“MSR”) – of \$340.9 million, or \$2.83 per diluted common share.
- Completed merger with legacy Cadence Bancorporation, the parent company of Cadence Bank N.A., which closed effective October 29, 2021, and created an approximately \$48 billion institution that is the 6<sup>th</sup> largest bank headquartered in the Company’s nine-state footprint.
- Changed name from “BancorpSouth Bank” to “Cadence Bank” and changed stock ticker symbol from “BXS” to “CADE” effective October 29, 2021, in conjunction with the Cadence merger.
- Completed two mergers with National United Bancshares, Inc., the parent company of National United, and FNS Bancshares, Inc., the parent company of FNB Bank, each effective May 1, 2021, which added approximately \$1.6 billion in total assets to the Company.
- Continued strong credit quality metrics; reported net recoveries for the year of \$5.3 million, or 0.03 percent of average loans and leases, while total non-performing loan and leases declined to 0.57 percent of net loans and leases.

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January 25, 2022

- Reported record annual adjusted pre-tax pre-provision net revenue (“PPNR”) of \$442.8 million, or 1.48 percent of average assets; represents an increase of 10.6 percent from \$400.5 million, or 1.76 percent of average assets, for 2020.
- Repurchased 6,000,000 shares of outstanding common stock at a weighted average price of \$30.09 per share.

**Highlights for the fourth quarter of 2021 included:**

- Reported quarterly net loss available to common shareholders of \$37.0 million, or \$0.22 per diluted common share, and adjusted net income available to common shareholders – excluding MSR – of \$102.1 million, or \$0.62 per diluted common share.
- Generated \$133.8 million in adjusted PPNR, or 1.29 percent of average assets on an annualized basis.
- Combined company generated net organic loan growth of approximately \$400 million for the quarter, or 6 percent on an annualized basis.
- Recorded initial provisional purchase accounting adjustments related to the legacy Cadence merger including goodwill of \$451.7 million and day one provision for credit losses of \$132.1 million; reported merger and incremental merger-related expenses of approximately \$49.5 million for the fourth quarter.
- Repurchased 4,257,526 shares of outstanding common stock at a weighted average price of \$30.66 per share.

“The closing of our merger with legacy Cadence Bancorporation certainly highlights the completion of another successful year for our Company,” remarked Dan Rollins, Chairman and Chief Executive Officer of the Company. “We are very pleased to have been able to complete this transaction prior to the end of the year, particularly in light of the current regulatory environment. Our operational integration teams are working diligently toward our core system conversion later in 2022. While elevated merger expenses and other purchase accounting related items negatively impacted our earnings, we continue to be pleased with our core operating performance. Credit quality is certainly a positive story. We reported a meaningful decline in our non performing asset levels relative to the size of the balance sheet and also had net recoveries of \$5.3 million for the year.”

Rollins continued, “From a capital management perspective, we completed the repurchase of the full 6 million shares authorized under the 2021 share repurchase program and our board recently approved an additional 10 million common stock share repurchase authorization for 2022. We also completed our provisional purchase accounting marks during the fourth quarter of 2021. The improvement in the loan mark relative to our initial estimate at announcement further validates the

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economic stability as well as the legacy Cadence team's efforts in working through any potential problem credits."

Paul Murphy, Executive Vice Chairman, added "As we look specifically at our fourth quarter performance, the ability of our relationship managers to produce approximately \$400 million in net organic loan growth in the same quarter as the merger closing is a noteworthy accomplishment. This success is a testament to the efforts of both our front-line teammates as well as our credit administration and other support functions, and is also reflective of the positive economic momentum across our footprint."

At its regular quarterly meeting today, the Board of Directors of the Company declared quarterly cash dividends of \$0.22 per common share of stock and \$0.34375 per share of Series A Preferred Stock. The common stock dividend represents an increase of \$0.02, or 10.0 percent, per share compared to the previous quarterly dividend of \$0.20 per common share and is payable on April 1, 2022 to shareholders of record at the close of business on March 15, 2022. The preferred stock dividend is payable on February 22, 2022 to shareholders of record at the close of business on February 4, 2022.

### **Earnings Summary**

The Company reported net income available to common shareholders of \$185.7 million, or \$1.54 per diluted common share, for the year ended December 31, 2021 compared with \$218.6 million, or \$2.12 per diluted common share, for the year ended December 31, 2020. The Company reported adjusted net income available to common shareholders – excluding MSR – of \$340.9 million, or \$2.83 per diluted common share, for the year ended December 31, 2021 compared with \$237.3 million, or \$2.30 per diluted common share, for the year ended December 31, 2020. Given the merger date of October 29, 2021, the fourth quarter results do not represent a full quarter of comparable combined earnings. Additionally, the increases in the balance sheet and income statement during the quarter are largely attributable to the merger.

Additionally, due to the acquired portfolio day one loan provision of \$132.1 million upon merger, the Company reported a net loss available to common shareholders of \$37.0 million, or \$0.22 per diluted common share, for the fourth quarter of 2021, compared with net income available to common shareholders of \$66.4 million, or \$0.65 per diluted common share, for the fourth quarter of 2020 and net income available to common shareholders of \$70.4 million, or \$0.65 per diluted common share, for the third quarter of 2021. The Company reported adjusted net income available to common shareholders – excluding MSR – of \$102.1 million, or \$0.62 per diluted common share, for the fourth quarter of 2021, compared with \$70.8 million, or \$0.69 per diluted common share, for the fourth quarter of 2020 and \$73.3 million, or \$0.68 per diluted common share, for the third quarter of 2021.

The Company reported adjusted PPNR of \$442.8 million, or 1.48 percent of average assets, for the year ended December 31, 2021 compared with \$400.5 million, or 1.76 percent of average assets, for the year ended December 31, 2020. Additionally, the Company reported adjusted PPNR of \$133.8 million, or 1.29 percent of average assets on an annualized basis, for the fourth quarter

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of 2021 compared to \$94.4 million, or 1.59 percent of average assets on an annualized basis, for the fourth quarter of 2020 and \$90.1 million, or 1.29 percent of average assets on an annualized basis, for the third quarter of 2021.

### **Net Interest Revenue**

Net interest revenue was \$271.2 million for the fourth quarter of 2021, compared to \$176.9 million for the fourth quarter of 2020 and \$181.5 million for the third quarter of 2021. The fully taxable equivalent net interest margin was 2.90 percent for the fourth quarter of 2021, compared with 3.29 percent for the fourth quarter of 2020 and 2.86 percent for the third quarter of 2021. Yields on net loans, loans held for sale, and leases were 4.34 percent for the fourth quarter of 2021, compared with 4.55 percent for the fourth quarter of 2020 and 4.46 percent for the third quarter of 2021, while yields on total interest earning assets were 3.11 percent for the fourth quarter of 2021, compared with 3.70 percent for the fourth quarter of 2020 and 3.15 percent for the third quarter of 2021. The average cost of deposits was 0.17 percent for the fourth quarter of 2021, compared with 0.38 percent for the fourth quarter of 2020 and 0.24 percent for the third quarter of 2021.

Net interest income for the fourth quarter of 2021 included \$16.4 million in accretion income related to acquired loans and leases. This accretion income added approximately 19 basis points to the net interest margin and 28 basis points to the yield on loans and leases for the fourth quarter of 2021. This compares to net accretion income of \$2.3 million for the fourth quarter of 2020 and net accretion income of \$3.2 million for the third quarter of 2021.

### **Balance Sheet Activity**

Loans and leases, net of unearned income, increased \$11.9 billion to \$26.9 billion during the fourth quarter of 2021 while deposits and customer repos increased \$16.3 billion to \$40.5 billion. Legacy Cadence loans and leases, net of unearned income, totaled \$11.5 billion at October 29, 2021 while deposits and customer repos totaled \$16.4 billion. On December 3, 2021, the company completed the previously announced divestiture of seven bank branches with approximately \$40 million in loans and approximately \$417 million in deposits. Excluding the impact of acquired and divested balances, net organic loan growth for the combined company for the fourth quarter totaled approximately \$400 million, or 6 percent annualized, while deposit and customer repo balances declined approximately \$470 million on an organic basis. The decline in deposit account balances in the fourth quarter was driven primarily by routine volatility in large municipal deposit accounts.

### **Provision for Credit Losses and Allowance for Credit Losses**

Earnings for the fourth quarter of 2021 reflected a provision for credit losses of \$133.6 million, compared with \$5.8 million for the fourth quarter of 2020 and a negative provision for credit losses of \$7.0 million for the third quarter of 2021. The provision for the fourth quarter of 2021 includes \$132.1 million associated with day one accounting provision required for loans and unfunded commitments acquired during the quarter from the Cadence merger. Net recoveries for the fourth quarter of 2021 were \$4.8 million, or 0.08 percent of net loans and leases on an annualized basis, compared with net charge-offs of \$11.2 million for the fourth quarter of 2020 and net recoveries

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of \$2.1 million for the third quarter of 2021. The allowance for credit losses was \$446.4 million, or 1.66 percent of net loans and leases, at December 31, 2021, compared with \$244.4 million, or 1.63 percent of net loans and leases, at December 31, 2020, and \$260.3 million, or 1.74 percent of net loans and leases, at September 30, 2021.

Total non-performing assets were \$186.8 million, or 0.39 percent of total assets, at December 31, 2021, compared with \$132.6 million, or 0.55 percent of total assets, at December 31, 2020, and \$100.3 million, or 0.36 percent of total assets, at September 30, 2021. Other real estate owned and other repossessed assets was \$33.0 million at December 31, 2021, compared with \$11.4 million at December 31, 2020 and \$16.5 million at September 30, 2021.

### **Noninterest Revenue**

Noninterest revenue was \$103.9 million for the fourth quarter of 2021, compared with \$78.8 million for the fourth quarter of 2020 and \$84.4 million for the third quarter of 2021. These results include a positive mortgage servicing rights (MSR) valuation adjustment of \$2.6 million for the fourth quarter of 2021, compared with a positive MSR valuation adjustment of \$0.2 million for the fourth quarter of 2020 and a positive MSR valuation adjustment of \$2.0 million for the third quarter of 2021. Valuation adjustments in the MSR asset are driven primarily by fluctuations in interest rates period over period.

Insurance commission revenue was \$32.6 million for the fourth quarter of 2021, compared with \$29.8 million for the fourth quarter of 2020 and \$35.8 million for the third quarter of 2021. While fourth quarter commission revenue is adversely impacted by policy renewal seasonality, commission revenue continues to benefit from a firm premium rate market. Mortgage production and servicing revenue was \$8.0 million for the fourth quarter of 2021, compared with \$19.9 million for the fourth quarter of 2020 and \$11.0 million for the third quarter of 2021. Mortgage origination volume for the fourth quarter of 2021 was \$817.7 million, compared with \$845.9 million for the fourth quarter of 2020 and \$788.9 million for the third quarter of 2021. Mortgage revenue for the fourth quarter of 2021 was adversely impacted by seasonality in the mortgage pipeline as well as declines in refinance activity associated with rising interest rates. Wealth management revenue was \$16.4 million for the fourth quarter of 2021, compared with \$6.8 million for the fourth quarter of 2020 and \$7.1 million for the third quarter of 2021. Wealth management revenue for the fourth quarter of 2021 includes additional revenue associated with legacy Cadence trust services and Linscomb & Williams.

Credit card, debit card and merchant fee revenue was \$12.8 million for the fourth quarter of 2021, compared with \$10.1 million for the fourth quarter of 2020 and \$11.4 million for the third quarter of 2021. Deposit service charge revenue was \$16.3 million for the fourth quarter of 2021, compared with \$9.7 million for the fourth quarter of 2020 and \$10.3 million for the third quarter of 2021. Other noninterest revenue was \$15.5 million for the fourth quarter of 2021, compared with \$2.3 million for the fourth quarter of 2020 and \$6.9 million for the third quarter of 2021.

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## **Noninterest Expense**

Noninterest expense for the fourth quarter of 2021 was \$289.2 million, compared with \$167.1 million for the fourth quarter of 2020 and \$179.9 million for the third quarter of 2021. Salaries and employee benefits expense was \$149.6 million for the fourth quarter of 2021, compared with \$97.2 million for the fourth quarter of 2020 and \$113.0 million for the third quarter of 2021. Occupancy and equipment expense was \$26.9 million for the fourth quarter of 2021, compared with \$17.8 million for the fourth quarter of 2020 and \$19.0 million for the third quarter of 2021. Data processing and software expense was \$24.8 million for the fourth quarter of 2021, compared with \$15.3 million for the fourth quarter of 2020 and \$16.8 million for the third quarter of 2021. Other noninterest expense was \$39.1 million for the fourth quarter of 2021, compared with \$29.1 million for the fourth quarter of 2020 and \$23.0 million for the third quarter of 2021.

Adjusted noninterest expense for the fourth quarter of 2021 was \$239.1 million, compared with \$161.1 million for the fourth quarter of 2020 and \$174.0 million for the third quarter of 2021. Adjusted noninterest expense excludes merger expense included as a separate line item on the income statement as well as incremental merger related expenses that are included in the respective expense categories. Merger expenses represent costs to complete the merger with no future benefit, while incremental merger related expenses represent costs to complete the merger for which the entity receives a future benefit. Merger expense was \$44.8 million for the fourth quarter of 2021, compared with \$0.2 million for the fourth quarter of 2020 and \$3.4 million for the third quarter of 2021. Merger expense for the fourth quarter of 2021 was comprised primarily of advisor fees, legal fees, and compensation related items. Incremental merger related expenses for the fourth quarter of 2021 totaled \$4.6 million that included primarily employee retention expense. Adjusted noninterest expense for the fourth quarter of 2021 also excluded a charge of \$0.7 million in accordance with ASC 715 “Compensation – Retirement Benefits” to reflect the settlement accounting impact of elevated lump sum retirement pension payouts in 2021. Similar charges were recorded for the fourth quarter of 2020 and third quarter of 2021 of \$5.8 million and \$2.4 million, respectively.

## **Capital Management**

The Company’s ratio of shareholders’ equity to assets was 11.01 percent at December 31, 2021, compared with 11.72 percent at December 31, 2020 and 10.77 percent at September 30, 2021. The ratio of tangible common shareholders’ equity to tangible assets was 7.54 percent at December 31, 2021, compared with 7.54 percent at December 31, 2020 and 6.82 percent at September 30, 2021.

During the fourth quarter of 2021, the Company repurchased 4,257,526 shares of its common stock at a weighted average price of \$30.66 pursuant to its share repurchase program, which completed the repurchase of the full 6 million shares authorized under the program for 2021. On December 8, 2021, the Company announced a new share repurchase program, pursuant to which the Board of Directors has authorized the repurchase of up to an aggregate of 10 million shares of Company common stock, which commenced January 3, 2022 and will expire December 30, 2022.

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Estimated regulatory capital ratios at December 31, 2021 included Common Equity Tier 1 capital of 10.81 percent, Tier 1 capital of 11.29 percent, Total risk-based capital of 13.44 percent, and Tier 1 leverage capital of 9.90 percent.

## Summary

Rollins added, “As we move into the New Year, excitement and optimism among our teammates is at an all-time high. Today’s public unveiling of our new logo is a significant milestone on our journey of creating the new Cadence Bank. Our new visual identity mirrors the strategic union of our companies and reflects how we are working together to best serve our customers and communities, delivering a comprehensive and balanced set of financial solutions. This new logo is the first component of our new brand, and we’ll be unveiling other parts of our entire brand identity in the coming months. For now, we can look to this new logo as another way for us to unite together in our shared commitment to the new Cadence Bank.”

Rollins concluded, “Our bankers are calling on customers and winning new business, which is clearly reflected in our fourth quarter organic growth totals. Our insurance team had a record year in 2021 as they continue to capitalize on a firm insurance premium market. Other teams, including mortgage, wealth management, and treasury management, are working diligently to grow revenue and take advantage of cross selling opportunities created by a much larger combined customer base. Our back office and operational support teams continue to focus on the integration process as well as helping identify and realize the cost savings associated with the transaction. Our board and management team are excited about the future of the new Cadence Bank and committed to continuing to drive improved operating performance and shareholder value.”

## MERGER TRANSACTIONS

### Cadence Bancorporation (NYSE: CADE)

On October 29, 2021, the Company completed the merger with Cadence Bancorporation, the parent company of Cadence Bank N.A., (collectively referred to as legacy Cadence), pursuant to which legacy Cadence was merged with and into the Company (the Cadence Merger). Legacy Cadence operated 99 full-service banking offices in the southeast. As of October 29, 2021, legacy Cadence reported total assets of \$18.8 billion, total loans of \$11.6 billion and total deposits of \$16.3 billion. Under the terms of the definitive merger agreement, each legacy Cadence shareholder received 0.70 shares of the Company’s common stock in exchange for each share of Cadence common stock they held. In addition, legacy Cadence paid a one-time special dividend of \$1.25 per share on October 28, 2021. In connection with the closing, the Company changed its name from “BancorpSouth Bank” to “Cadence Bank” and also changed its NYSE ticker symbol from “BXS” to “CADE”. For more information regarding the Cadence Merger, see our Current Report on Form 8-K that was filed with the Federal Deposit Insurance Corporation (FDIC) on October 29, 2021. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

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### **FNS Bancshares, Inc.**

On May 1, 2021, the Company completed the merger with FNS Bancshares, Inc., the parent company of FNB Bank, (collectively referred to as FNS), pursuant to which FNS was merged with and into the Company. FNS operated 17 full-service banking offices in Alabama, Georgia and Tennessee. The merger expanded the Company's presence in Jackson, DeKalb and Marshall counties in Alabama and the Chattanooga, Tennessee-Georgia and Nashville-Davidson-Murfreesboro-Franklin, Tennessee metropolitan statistical areas. As of May 1, 2021, FNS reported total assets of \$826.6 million, total loans of \$464.7 million and total deposits of \$720.7 million. Under the terms of the definitive merger agreement, the Company issued approximately 2,975,000 shares of the Company's common stock plus \$18.0 million in cash for all outstanding shares of FNS. For more information regarding this transaction, see our Current Report on Form 8-K that was filed with the FDIC on May 3, 2021. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

### **National United Bancshares, Inc.**

On May 1, 2021, the Company completed the merger with National United Bancshares, Inc., the parent company of National United, (collectively referred to as National United), pursuant to which National United was merged with and into the Company. National United operated 6 full-service banking offices in the Killeen-Temple, Texas; Waco, Texas; and Austin-Round Rock-Georgetown, Texas metropolitan statistical areas. As of May 1, 2021, National United reported total assets of \$817.3 million, total loans of \$434.6 million and total deposits of \$742.9 million. Under the terms of the definitive merger agreement, the Company issued approximately 3,110,000 shares of the Company's common stock plus \$33.25 million in cash for all outstanding shares of National United. For more information regarding this transaction, see our Current Report on Form 8-K that was filed with the FDIC on May 3, 2021. The purchase accounting for this transaction is considered provisional as management continues to identify and assess information regarding the nature of the acquired assets and liabilities and reviews the associated valuation assumptions and methodologies.

### **Non-GAAP Measures and Ratios**

This news release presents certain financial measures and ratios that are not calculated in accordance with U.S. generally accepted accounting principles (GAAP). A discussion regarding these non-GAAP measures and ratios, including reconciliations of non-GAAP measures to the most directly comparable GAAP measures and definitions for non-GAAP ratios, appears under the caption "Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions" beginning on page 25 of this news release.

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## Conference Call and Webcast

The Company will conduct a conference call to discuss its fourth quarter 2021 financial results on January 26, 2022, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. Interested parties may listen to this live conference call via Internet webcast by accessing <http://ir.cadencebank.com/events>. The webcast will also be available in archived format at the same address.

## About Cadence Bank

Cadence Bank (NYSE: CADE) is a leading regional banking franchise with approximately \$48 billion in assets and more than 400 branch locations across the South, Midwest and Texas. Cadence provides consumers, businesses and corporations with a full range of innovative banking and financial solutions. Services and products include consumer banking, consumer loans, mortgages, home equity lines and loans, credit cards, commercial and business banking, treasury management, specialized lending, asset-based lending, commercial real estate, equipment financing, correspondent banking, SBA lending, foreign exchange, wealth management, investment and trust services, financial planning, retirement plan management, and personal and business insurance. Cadence is committed to a culture of respect, diversity and inclusion in both its workplace and communities. Cadence Bank, Member FDIC. Equal Housing Lender.

### Forward-Looking Statements

Certain statements made in this news release are not statements of historical fact and constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “aspire,” “assume,” “believe,” “budget,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “foresee,” “goal,” “hope,” “indicate,” “intend,” “may,” “might,” “outlook,” “plan,” “project,” “projection,” “predict,” “prospect,” “potential,” “roadmap,” “seek,” “should,” “target,” “will,” and “would,” or the negative versions of those words or other comparable words of a future or forward-looking nature. These forward-looking statements may include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, including the economic impact of the COVID-19 pandemic (including any variant of the COVID-19 virus) on the Company’s business; the Company’s assets; business; cash flows; financial condition; liquidity; prospects; results of operations; deposit and customer repo growth; interest and fee-based revenue; capital resources; capital metrics; efficiency ratio; valuation of mortgage servicing rights; net income; net interest revenue; non-interest revenue; net interest margin; interest expense; non-interest expense; earnings per share; interest rate sensitivity; interest rate risk; balance sheet and liquidity management; off-balance sheet arrangements; fair value determinations; asset quality; credit quality; credit losses; provision and allowance for credit losses, impairments, charge-offs, recoveries and changes in loan volumes; investment securities portfolio yields and values; ability to manage the impact of pandemics, natural disasters and other force majeure events; adoption and use of critical accounting policies; adoption and implementation of new accounting standards and their effect on the Company’s financial results and the Company’s financial reporting; utilization of non-GAAP financial metrics; declaration and payment of dividends; ability to pay dividends or coupons on the Company’s 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029; mortgage origination volume; mortgage servicing and production revenue; insurance commission revenue; implementation and execution of cost savings initiatives; ability to successfully litigate, resolve or otherwise dispense with threatened, pending, ongoing and future litigation and governmental, administrative and investigatory matters; ability to successfully complete pending or future acquisitions, dispositions and other strategic growth opportunities and initiatives; ability to successfully obtain regulatory approval for acquisitions and other growth initiatives; ability to successfully integrate and manage acquisitions; opportunities and efforts to grow market share; reputation; ability to compete with other financial institutions; ability to recruit and retain key employees and personnel; access to capital markets; availability of capital; investments in the securities of other financial institutions; and ability to operate the Company’s regulatory compliance programs in accordance with applicable law.

Forward-looking statements are based upon management’s expectations as well as certain assumptions and estimates made by, and information available to, the Company’s management at the time such statements were made. Forward-looking statements are not historical facts, are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that are beyond the Company’s control and that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, without limitation, potential delays or other problems in implementing and executing the Company’s growth, expansion and acquisition strategies, including delays in obtaining regulatory or other necessary approvals or the failure to realize any anticipated benefits or synergies from any acquisitions or growth strategies; the risks of changes in interest rates and their effects on the level and composition of deposits, loan demand and the values of loan collateral, securities and interest sensitive assets and liabilities; the impact of inflation on consumers; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; the availability of and access to capital; possible downgrades in the Company’s credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans; the ability to grow additional interest and fee income or to control noninterest expense; the potential impact of the proposed phase-out of the London Interbank Offered Rate (“LIBOR”) or other changes involving LIBOR; competitive factors and pricing pressures, including their effect on the Company’s net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses

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# CADE Announces Fourth Quarter and Annual 2021 Financial Results

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to comply with new and/or existing legislation and regulatory actions, including those actions in response to the COVID-19 pandemic such as the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the "Economic Aid Act") and any related rules and regulations; changes in U.S. Government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the enforcement efforts of federal and state bank regulators; possible adverse rulings, judgments, settlements and other outcomes of pending, ongoing and future litigation and governmental, administrative and investigatory matters (including litigation or actions arising from the Company's participation in and administration of programs related to the COVID-19 pandemic (including, among other things, the PPP loan programs authorized by the CARES Act and the Economic Aid Act); the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, the Company's operational or security systems or infrastructure, or those of third parties with whom the Company does business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Company or the Company's customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global COVID-19 pandemic, including the magnitude and duration of the pandemic, and the effect of actions taken to mitigate the impact of the COVID-19 pandemic on the Company, the Company's employees, the Company's customers, the global economy and the financial markets; international or political instability; impairment of the Company's goodwill or other intangible assets; losses of key employees and personnel; adoption of new accounting standards, or changes in existing standards; the outcome of any legal proceedings that may be instituted against the Company or Cadence in respect of the Cadence Merger; the ability of the Company and Cadence to meet expectations regarding the timing, completion and accounting and tax treatments of the Cadence Merger; the risk that any announcements relating to the Cadence Merger could have adverse effects on the market price of the capital stock of the combined company; the possibility that the anticipated benefits of the Cadence Merger will not be realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where the combined company does business; the possibility that the Cadence Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management's attention from ongoing business operations and opportunities; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the Cadence Merger within the expected timeframes or at all and to successfully integrate Cadence's operations and those of the Company; such integration may be more difficult, time consuming or costly than expected; revenues following the Cadence Merger may be lower than expected; potential adverse reactions or changes to business or employee relationships, including those resulting from the completion of the Cadence Merger; the combined company's success in executing its business plans and strategies and managing the risks involved in the foregoing; the dilution caused by the Company's issuance of additional shares of its capital stock in connection with the Cadence Merger and other factors as detailed from time to time in the Company's press and news releases, periodic and current reports and other filings the Company files with the FDIC.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth from time to time in the Company's periodic and current reports filed with the FDIC, including those factors included in the Company's Annual Report on Form 10-K for the year ended December 31, 2020 under the heading "Item 1A. Risk Factors," in the Company's Quarterly Reports on Form 10-Q under the heading "Part II-Item 1A. Risk Factors" and in the Company's Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, if one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. All written or oral forward-looking statements attributable to the Company are expressly qualified in their entirety by this section.

- MORE -

**Cadence Bank**

201 South Spring Street • Tupelo, MS 38804 • (662) 680-2000

**Cadence Bank**  
**Selected Financial Information**  
(Dollars in thousands, except per share data)  
(Unaudited)

	Quarter Ended					Year Ended	
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
<b>Earnings Summary:</b>							
Interest revenue	\$ 290,626	\$ 199,511	\$ 199,129	\$ 192,783	\$ 199,287	\$ 882,049	\$ 799,493
Interest expense	19,414	17,967	18,947	19,994	22,351	76,322	108,526
Net interest revenue	271,212	181,544	180,182	172,789	176,936	805,727	690,967
Provision (release) for credit losses	133,562	(7,000)	11,500	-	5,794	138,062	89,044
Net interest revenue, after provision for credit losses	137,650	188,544	168,682	172,789	171,142	667,665	601,923
Noninterest revenue	103,854	84,420	101,943	87,936	78,826	378,153	336,504
Noninterest expense	289,194	179,889	173,984	155,823	167,117	798,890	650,882
(Loss) Income before income taxes	(47,690)	93,075	96,641	104,902	82,851	246,928	287,545
Income tax expense (benefit)	(13,033)	20,350	21,102	23,347	14,046	51,766	59,494
Net (loss) income	\$ (34,657)	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 195,162	\$ 228,051
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488	9,488
Net (loss) income available to common shareholders	\$ (37,029)	\$ 70,353	\$ 73,167	\$ 79,183	\$ 66,433	\$ 185,674	\$ 218,563
<b>Balance Sheet - Period End Balances</b>							
Total assets	\$ 47,684,751	\$ 28,060,496	\$ 27,612,365	\$ 25,802,497	\$ 24,081,194	\$ 47,684,751	\$ 24,081,194
Total earning assets	43,503,089	25,572,354	25,129,873	23,542,657	21,792,725	43,503,089	21,792,725
Total securities	15,606,470	10,053,372	9,084,111	7,640,268	6,231,006	15,606,470	6,231,006
Loans and leases, net of unearned income	26,882,988	14,991,245	15,004,039	15,038,808	15,022,479	26,882,988	15,022,479
Allowance for credit losses	446,415	260,276	265,720	241,117	244,422	446,415	244,422
Net book value of acquired loans (included in loans and leases above)	11,968,278	1,426,266	1,646,031	1,023,252	1,160,267	11,968,278	1,160,267
Paycheck protection program (PPP) loans (included in loans and leases above)	50,008	32,771	167,144	1,146,000	975,421	50,008	975,421
Remaining loan mark on acquired loans	77,711	9,863	13,037	10,069	13,886	77,711	13,886
Total deposits	39,817,673	23,538,711	22,838,486	21,173,186	19,846,441	39,817,673	19,846,441
Total deposits and securities sold under agreement to repurchase	40,504,861	24,243,834	23,521,621	21,833,671	20,484,156	40,504,861	20,484,156
Long-term debt	3,742	4,082	4,189	4,295	4,402	3,742	4,402
Subordinated debt securities	493,669	307,776	307,601	297,425	297,250	493,669	297,250
Total shareholders' equity	5,247,987	3,023,257	3,069,574	2,825,198	2,822,477	5,247,987	2,822,477
Common shareholders' equity	5,080,994	2,856,264	2,902,581	2,658,205	2,655,484	5,080,994	2,655,484
<b>Balance Sheet - Average Balances</b>							
Total assets	\$ 40,995,513	\$ 27,616,585	\$ 26,666,296	\$ 24,545,560	\$ 23,660,503	\$ 29,994,648	\$ 22,723,386
Total earning assets	37,210,403	25,220,602	24,211,759	22,346,075	21,497,938	27,282,382	20,616,184
Total securities	12,954,547	9,539,814	8,067,109	6,606,027	5,820,425	9,309,947	5,010,378
Loans and leases, net of unearned income	22,745,093	14,915,728	15,470,539	15,029,076	15,219,402	17,055,429	14,984,356
PPP loans (included in loans and leases above)	48,206	73,783	973,036	1,062,423	1,139,959	535,308	830,467
Total deposits	34,759,687	23,162,450	22,385,883	20,472,080	19,600,863	25,228,601	18,559,655
Total deposits and securities sold under agreement to repurchase	35,479,807	23,914,986	23,092,969	21,123,774	20,272,881	25,936,769	19,194,697
Long-term debt	3,844	4,168	4,714	4,378	4,488	4,274	4,644
Subordinated debt securities	437,321	307,671	304,056	297,318	297,145	336,896	296,882
Total shareholders' equity	4,508,594	3,058,307	2,954,834	2,813,001	2,774,589	3,337,575	2,725,545
Common shareholders' equity	4,341,601	2,891,314	2,787,841	2,646,008	2,607,596	3,170,582	2,558,545
<b>Nonperforming Assets:</b>							
Non-accrual loans and leases	\$ 122,104	\$ 59,622	\$ 61,664	\$ 73,142	\$ 96,378	\$ 122,104	\$ 96,378
Loans and leases 90+ days past due, still accruing	24,784	17,012	15,386	21,208	14,320	24,784	14,320
Restructured loans and leases, still accruing	6,903	7,165	7,368	6,971	10,475	6,903	10,475
Non-performing loans (NPLs)	153,791	83,799	84,418	101,321	121,173	153,791	121,173
Other real estate owned and other repossessed assets	33,021	16,515	17,333	9,351	11,395	33,021	11,395
Non-performing assets (NPAs)	\$ 186,812	\$ 100,314	\$ 101,751	\$ 110,672	\$ 132,568	\$ 186,812	\$ 132,568

**Cadence Bank**  
**Selected Financial Information**  
(Dollars in thousands, except per share data)  
(Unaudited)

	Quarter Ended					Year Ended	
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
<b>Financial Ratios and Other Data:</b>							
Return on average assets	(0.34%)	1.04%	1.14%	1.35%	1.16%	0.65%	1.00%
Adjusted return on average assets-excluding MSR*	1.01	1.09	1.40	1.28	1.23	1.17	1.09
Return on average common shareholders' equity	(3.38)	9.65	10.53	12.14	10.14	5.86	8.54
Adjusted return on average common shareholders' equity-excluding MSR*	9.33	10.06	13.04	11.47	10.80	10.75	9.27
Return on average tangible common equity*	(4.71)	14.85	16.08	18.46	15.54	8.66	13.22
Adjusted return on average tangible common equity-excluding MSR*	12.99	15.48	19.92	17.44	16.56	15.90	14.35
Pre-tax pre-provision net revenue to total average assets*	0.83	1.24	1.63	1.73	1.49	1.28	1.66
Adjusted pre-tax pre-provision net revenue to total average assets*	1.29	1.29	1.80	1.64	1.59	1.48	1.76
Net interest margin-fully taxable equivalent	2.90	2.86	2.99	3.15	3.29	2.96	3.36
Net interest rate spread	2.78	2.72	2.83	2.97	3.07	2.82	3.11
Efficiency ratio (tax equivalent)*	76.94	67.52	61.55	59.64	65.16	67.34	63.18
Adjusted efficiency ratio-excluding MSR (tax equivalent)*	63.98	65.79	57.66	60.74	62.87	62.16	61.33
Loan/deposit ratio	67.52%	63.69%	65.70%	71.03%	75.69%	67.52%	75.69%
Employee FTE	6,595	4,770	4,835	4,546	4,596	6,595	4,596
<b>Credit Quality Ratios:</b>							
Net (recoveries) charge-offs to average loans and leases <sup>(1)</sup>	(0.08%)	(0.05%)	(0.05%)	0.09%	0.29%	(0.03%)	0.18%
Provision for credit losses to average loans and leases <sup>(1)</sup>	2.33	(0.19)	0.30	0.00	0.15	0.81	0.59
ACL to net loans and leases	1.66	1.74	1.77	1.60	1.63	1.66	1.63
ACL to non-performing loans and leases	290.27	310.60	314.77	237.97	201.71	290.27	201.71
ACL to non-performing assets	238.96	259.46	261.15	217.87	184.37	238.96	184.37
Non-performing loans and leases to net loans and leases	0.57	0.56	0.56	0.67	0.81	0.57	0.81
Non-performing assets to total assets	0.39	0.36	0.37	0.43	0.55	0.39	0.55
<b>Equity Ratios:</b>							
Total shareholders' equity to total assets	11.01%	10.77%	11.12%	10.95%	11.72%	11.01%	11.72%
Total common shareholders' equity to total assets	10.66	10.18	10.51	10.30	11.03	10.66	11.03
Tangible common shareholders' equity to tangible assets*	7.54	6.82	7.11	7.04	7.54	7.54	7.54
<b>Capital Adequacy:</b>							
Common Equity Tier 1 capital <sup>(2)</sup>	10.81%	10.73%	10.89%	10.97%	10.74%	10.81%	10.74%
Tier 1 capital <sup>(2)</sup>	11.29	11.63	11.80	11.95	11.74	11.29	11.74
Total capital <sup>(2)</sup>	13.44	14.27	14.50	14.65	14.48	13.44	14.48
Tier 1 leverage capital <sup>(2)</sup>	9.90	8.13	8.25	8.59	8.67	9.90	8.67

\*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 25, 26, and 27.

(1) Annualized

(2) Estimated for current quarter

**Cadence Bank**  
**Selected Financial Information**  
(Dollars in thousands, except per share data)  
(Unaudited)

	Quarter Ended					Year Ended	
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
<b>Common Share Data:</b>							
Diluted (loss) earnings per share	\$ (0.22)	\$ 0.65	\$ 0.69	\$ 0.77	\$ 0.65	\$ 1.54	\$ 2.12
Adjusted earnings per share*	0.63	0.69	0.84	0.78	0.69	2.89	2.20
Adjusted earnings per share- excluding MSR*	0.62	0.68	0.86	0.73	0.69	2.83	2.30
Cash dividends per share	0.200	0.200	0.190	0.190	0.190	0.780	0.745
Book value per share	26.98	26.73	26.72	25.90	25.89	26.98	25.89
Tangible book value per share*	18.45	17.27	17.41	17.08	17.04	18.45	17.04
Market value per share (last)	29.79	29.78	28.33	32.48	27.44	29.79	27.44
Market value per share (high)	32.12	30.55	33.18	35.59	28.54	35.59	31.61
Market value per share (low)	27.25	24.87	27.59	26.95	18.77	24.87	17.21
Market value per share (avg)	30.20	27.89	30.33	30.85	25.26	29.80	23.55
Dividend payout ratio	NM	30.71%	27.43%	24.62%	29.34%	50.65%	35.12%
Adjusted dividend payout ratio - excluding MSR*	32.26%	29.41%	22.09%	26.03%	27.54%	27.56%	32.39%
Total shares outstanding	188,337,658	106,853,316	108,614,595	102,624,818	102,561,480	188,337,658	102,561,480
Average shares outstanding - diluted	164,720,656	108,250,102	105,838,056	102,711,584	102,817,409	120,668,695	103,304,570
<b>Yield/Rate:</b>							
<i>(Taxable equivalent basis)</i>							
Loans, loans held for sale, and leases	4.34%	4.46%	4.43%	4.53%	4.55%	4.43%	4.66%
Loans, loans held for sale, and leases excluding net accretion on acquired loans and leases	4.06	4.38	4.35	4.43	4.49	4.28	4.59
Available-for-sale securities:							
Taxable	1.17	1.20	1.21	1.32	1.53	1.21	1.75
Tax-exempt	2.54	2.88	2.77	3.52	3.40	2.78	3.85
Short-term, FHLB and other equity investments	0.25	0.20	0.16	0.11	0.13	0.21	0.43
Total interest earning assets and revenue	3.11	3.15	3.31	3.51	3.70	3.24	3.89
Deposits	0.17	0.24	0.27	0.33	0.38	0.24	0.49
Demand - interest bearing	0.21	0.31	0.34	0.40	0.47	0.30	0.61
Savings	0.14	0.09	0.09	0.11	0.15	0.11	0.19
Other time	0.58	0.91	1.00	1.14	1.28	0.88	1.47
Total interest bearing deposits	0.26	0.36	0.41	0.48	0.57	0.36	0.71
Short-term borrowings	0.11	0.10	0.12	0.13	0.16	0.12	0.54
Total interest bearing deposits and short-term borrowings	0.25	0.35	0.40	0.46	0.55	0.35	0.70
Subordinated debt securities	3.95	4.47	4.47	4.46	4.05	4.29	4.40
Long-term debt	3.79	4.81	4.46	4.88	4.84	3.93	4.87
Total interest bearing liabilities and expense	0.32	0.43	0.47	0.54	0.63	0.43	0.78
Interest bearing liabilities to interest earning assets	64.18%	66.04%	66.24%	66.87%	65.99%	65.61%	67.17%
Net interest income tax equivalent adjustment	\$ 824	\$ 446	\$ 550	\$ 569	\$ 709	\$ 2,388	\$ 2,766

\*Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 25, 26, and 27.

NM = Not meaningful

**Cadence Bank**  
**Consolidated Balance Sheets**  
**(Unaudited)**

	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 656,132	\$ 301,246	\$ 331,873	\$ 263,289	\$ 284,095
Interest bearing deposits with other banks and Federal funds sold	638,547	150,778	629,390	336,253	133,273
Available-for-sale securities, at fair value	15,606,470	10,053,372	9,084,111	7,640,268	6,231,006
Loans and leases, net of unearned income	26,882,988	14,991,245	15,004,039	15,038,808	15,022,479
Allowance for credit losses	446,415	260,276	265,720	241,117	244,422
Net loans and leases	26,436,573	14,730,969	14,738,319	14,797,691	14,778,057
Loans held for sale	340,175	342,871	403,046	518,352	397,076
Premises and equipment, net	786,426	533,999	533,276	508,508	508,147
Goodwill	1,407,948	958,304	957,474	851,612	851,612
Other identifiable intangibles	198,271	52,235	54,659	53,581	55,899
Bank owned life insurance	597,953	359,740	355,660	335,707	333,264
Other assets	1,016,256	576,982	524,557	497,236	508,765
<b>Total Assets</b>	<b>\$ 47,684,751</b>	<b>\$ 28,060,496</b>	<b>\$ 27,612,365</b>	<b>\$ 25,802,497</b>	<b>\$ 24,081,194</b>
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 13,634,505	\$ 7,700,216	\$ 7,619,308	\$ 6,990,880	\$ 6,341,457
Interest bearing	18,727,588	10,285,371	9,671,662	9,067,373	8,524,010
Savings	3,556,079	3,054,756	2,939,958	2,678,276	2,452,059
Time deposits	3,899,501	2,498,368	2,607,558	2,436,657	2,528,915
<b>Total deposits</b>	<b>39,817,673</b>	<b>23,538,711</b>	<b>22,838,486</b>	<b>21,173,186</b>	<b>19,846,441</b>
Securities sold under agreement to repurchase	687,188	705,123	683,135	660,485	637,715
Federal funds purchased and other short-term borrowings	595,000	-	-	-	-
Subordinated debt securities	493,669	307,776	307,601	297,425	297,250
Long-term debt	3,742	4,082	4,189	4,295	4,402
Other liabilities	839,492	481,547	709,380	841,908	472,909
<b>Total Liabilities</b>	<b>42,436,764</b>	<b>25,037,239</b>	<b>24,542,791</b>	<b>22,977,299</b>	<b>21,258,717</b>
<u>Shareholders' Equity</u>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	470,844	267,133	271,536	256,562	256,404
Capital surplus	2,841,998	688,637	730,294	563,481	565,187
Accumulated other comprehensive (loss) income	(139,369)	(82,627)	(34,575)	(43,459)	11,923
Retained earnings	1,907,521	1,983,121	1,935,326	1,881,621	1,821,970
<b>Total Shareholders' Equity</b>	<b>5,247,987</b>	<b>3,023,257</b>	<b>3,069,574</b>	<b>2,825,198</b>	<b>2,822,477</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 47,684,751</b>	<b>\$ 28,060,496</b>	<b>\$ 27,612,365</b>	<b>\$ 25,802,497</b>	<b>\$ 24,081,194</b>

**Cadence Bank**  
**Consolidated Average Balance Sheets**  
**(Unaudited)**

	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
	(Dollars in thousands)				
<u>Assets</u>					
Cash and due from banks	\$ 792,315	\$ 288,199	\$ 365,647	\$ 261,519	\$ 247,799
Interest bearing deposits with other banks and Federal funds sold	1,253,722	495,982	302,845	412,313	171,650
Available-for-sale securities, at fair value	12,954,547	9,539,814	8,067,109	6,606,027	5,820,425
Loans and leases, net of unearned income	22,745,093	14,915,728	15,470,539	15,029,076	15,219,402
Allowance for credit losses	404,578	264,067	245,095	242,935	247,049
Net loans and leases	22,340,515	14,651,661	15,225,444	14,786,141	14,972,353
Loans held for sale	220,766	242,422	361,999	289,755	277,600
Premises and equipment, net	690,031	534,071	526,960	508,551	508,053
Goodwill	1,115,502	957,899	910,448	851,612	852,472
Other identifiable intangibles	106,559	53,567	52,564	54,876	54,858
Bank owned life insurance	517,511	357,429	348,378	333,837	332,543
Other assets	1,004,045	495,541	504,902	440,929	422,750
<b>Total Assets</b>	<b>\$ 40,995,513</b>	<b>\$ 27,616,585</b>	<b>\$ 26,666,296</b>	<b>\$ 24,545,560</b>	<b>\$ 23,660,503</b>
<u>Liabilities</u>					
Deposits:					
Demand: Noninterest bearing	\$ 12,047,637	\$ 7,579,513	\$ 7,367,832	\$ 6,484,703	\$ 6,391,006
Interest bearing	15,811,268	10,027,346	9,598,550	8,956,420	8,268,528
Savings	3,374,243	3,001,406	2,851,113	2,550,095	2,386,034
Time deposits	3,526,539	2,554,185	2,568,388	2,480,862	2,555,295
Total deposits	34,759,687	23,162,450	22,385,883	20,472,080	19,600,863
Securities sold under agreement to repurchase	720,120	752,536	707,086	651,694	672,018
Federal funds purchased and other short-term borrowings	7,554	8,706	3,901	1,500	3,893
Subordinated debt securities	437,321	307,671	304,056	297,318	297,145
Long-term debt	3,844	4,168	4,714	4,378	4,488
Other liabilities	558,393	322,747	305,822	305,589	307,507
<b>Total Liabilities</b>	<b>36,486,919</b>	<b>24,558,278</b>	<b>23,711,462</b>	<b>21,732,559</b>	<b>20,885,914</b>
<u>Shareholders' Equity</u>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	404,522	270,098	266,676	256,536	256,422
Capital surplus	2,139,357	717,022	674,949	563,529	568,343
Accumulated other comprehensive (loss) income	(103,554)	(35,408)	(30,614)	(5,090)	12,432
Retained earnings	1,901,276	1,939,602	1,876,830	1,831,033	1,770,399
<b>Total Shareholders' Equity</b>	<b>4,508,594</b>	<b>3,058,307</b>	<b>2,954,834</b>	<b>2,813,001</b>	<b>2,774,589</b>
<b>Total Liabilities &amp; Shareholders' Equity</b>	<b>\$ 40,995,513</b>	<b>\$ 27,616,585</b>	<b>\$ 26,666,296</b>	<b>\$ 24,545,560</b>	<b>\$ 23,660,503</b>

CADE Announces Fourth Quarter and Annual 2021 Financial Results

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January 25, 2022

**Cadence Bank**  
**Consolidated Condensed Statements of Income (Loss)**  
(Dollars in thousands, except per share data)  
(Unaudited)

	Quarter Ended					Year to Date	
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
<b>INTEREST REVENUE:</b>							
Loans and leases	\$ 249,614	\$ 168,066	\$ 171,305	\$ 169,195	\$ 174,072	\$ 758,180	\$ 700,065
Available-for-sale securities:							
Taxable	37,258	28,617	23,983	21,192	21,895	111,050	85,466
Tax-exempt	1,608	490	676	687	760	3,461	3,984
Loans held for sale	1,324	2,076	3,040	1,595	2,504	8,035	8,357
Other	822	262	125	114	56	1,323	1,621
Total interest revenue	<u>290,626</u>	<u>199,511</u>	<u>199,129</u>	<u>192,783</u>	<u>199,287</u>	<u>882,049</u>	<u>799,493</u>
<b>INTEREST EXPENSE:</b>							
Interest bearing demand	8,485	7,723	8,247	8,796	9,766	33,251	47,692
Savings	1,203	672	626	700	872	3,201	4,117
Other time	5,139	5,861	6,428	6,966	8,189	24,394	38,940
Federal funds purchased and securities sold under agreement to repurchase	200	204	206	203	276	813	2,282
Short-term and long-term debt	37	42	44	45	47	168	2,430
Subordinated debt	4,351	3,463	3,387	3,269	3,201	14,470	13,063
Other	(1)	2	9	15	-	25	2
Total interest expense	<u>19,414</u>	<u>17,967</u>	<u>18,947</u>	<u>19,994</u>	<u>22,351</u>	<u>76,322</u>	<u>108,526</u>
Net interest revenue	271,212	181,544	180,182	172,789	176,936	805,727	690,967
Provision (release) for credit losses	133,562	(7,000)	11,500	-	5,794	138,062	89,044
Net interest revenue, after provision for credit losses	<u>137,650</u>	<u>188,544</u>	<u>168,682</u>	<u>172,789</u>	<u>171,142</u>	<u>667,665</u>	<u>601,923</u>
<b>NONINTEREST REVENUE:</b>							
Mortgage banking	10,580	13,058	9,105	25,310	20,129	58,053	86,253
Credit card, debit card and merchant fees	12,843	11,428	11,589	9,659	10,053	45,519	38,247
Deposit service charges	16,336	10,324	8,849	8,477	9,708	43,986	37,929
Security (losses) gains, net	(378)	(195)	96	82	63	(395)	58
Insurance commissions	32,637	35,773	36,106	30,667	29,815	135,183	125,286
Wealth management	16,352	7,147	7,543	8,465	6,751	39,507	26,213
Gain on sale of PPP loans	-	-	21,572	-	-	21,572	-
Other	15,484	6,885	7,083	5,276	2,307	34,728	22,518
Total noninterest revenue	<u>103,854</u>	<u>84,420</u>	<u>101,943</u>	<u>87,936</u>	<u>78,826</u>	<u>378,153</u>	<u>336,504</u>
<b>NONINTEREST EXPENSE:</b>							
Salaries and employee benefits	149,599	112,968	108,188	101,060	97,215	471,815	417,809
Occupancy and equipment	26,885	18,977	18,154	17,378	17,760	81,394	70,341
Data processing and software	24,838	16,799	15,911	15,537	15,281	73,085	58,170
Merger expense	44,843	3,442	9,962	1,649	212	59,896	5,345
Deposit insurance assessments	3,278	2,330	1,638	1,455	1,696	8,701	6,726
Pension settlement expense	651	2,400	-	-	5,846	3,051	5,846
Other	39,100	22,973	20,131	18,744	29,107	100,948	86,645
Total noninterest expense	<u>289,194</u>	<u>179,889</u>	<u>173,984</u>	<u>155,823</u>	<u>167,117</u>	<u>798,890</u>	<u>650,882</u>
(Loss) Income before income taxes	(47,690)	93,075	96,641	104,902	82,851	246,928	287,545
Income tax (benefit) expense	(13,033)	20,350	21,102	23,347	14,046	51,766	59,494
Net (loss) income	<u>\$ (34,657)</u>	<u>\$ 72,725</u>	<u>\$ 75,539</u>	<u>\$ 81,555</u>	<u>\$ 68,805</u>	<u>\$ 195,162</u>	<u>\$ 228,051</u>
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488	9,488
Net (loss) income available to common shareholders	<u>\$ (37,029)</u>	<u>\$ 70,353</u>	<u>\$ 73,167</u>	<u>\$ 79,183</u>	<u>\$ 66,433</u>	<u>\$ 185,674</u>	<u>\$ 218,563</u>
Net (loss) income per common share: Diluted	<u>\$ (0.22)</u>	<u>\$ 0.65</u>	<u>\$ 0.69</u>	<u>\$ 0.77</u>	<u>\$ 0.65</u>	<u>\$ 1.54</u>	<u>\$ 2.12</u>

- MORE -

**Cadence Bank**  
**Selected Loan Data**  
**(Dollars in thousands)**  
**(Unaudited)**

	Quarter Ended				
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
<b>LOAN AND LEASE PORTFOLIO:</b>					
Commercial and industrial					
Non-real estate	\$ 7,847,473	\$ 2,210,287	\$ 2,271,370	\$ 3,102,082	\$ 2,918,192
Owner occupied	3,567,746	2,611,777	2,623,500	2,598,166	2,599,121
Total commercial and industrial	11,415,219	4,822,064	4,894,870	5,700,248	5,517,313
Commercial real estate					
Construction, acquisition and development	2,924,343	1,797,559	1,926,421	1,707,800	1,728,682
Income producing	4,924,369	3,443,967	3,323,883	3,127,510	3,211,434
Total commercial real estate	7,848,712	5,241,526	5,250,304	4,835,310	4,940,116
Consumer					
Residential mortgages	7,311,306	4,698,328	4,617,155	4,309,000	4,356,338
Other consumer	307,751	229,327	241,710	194,250	208,712
Total consumer	7,619,057	4,927,655	4,858,865	4,503,250	4,565,050
Total loans and leases, net of unearned	\$ 26,882,988	\$ 14,991,245	\$ 15,004,039	\$ 15,038,808	\$ 15,022,479
<b>NON-PERFORMING ASSETS</b>					
<b>NON-PERFORMING LOANS AND LEASES:</b>					
Nonaccrual Loans and Leases					
Commercial and industrial					
Non-real estate	\$ 33,690	\$ 13,170	\$ 10,941	\$ 9,724	\$ 13,071
Owner occupied	22,058	13,738	13,156	17,312	20,796
Total commercial and industrial	55,748	26,908	24,097	27,036	33,867
Commercial real estate					
Construction, acquisition and development	5,568	3,292	2,582	8,494	9,738
Income producing	16,086	8,403	13,483	12,838	16,249
Total commercial real estate	21,654	11,695	16,065	21,332	25,987
Consumer					
Residential mortgages	44,180	20,821	21,218	24,382	35,608
Other consumer	522	198	284	392	916
Total consumer	44,702	21,019	21,502	24,774	36,524
Total nonaccrual loans and leases	\$ 122,104	\$ 59,622	\$ 61,664	\$ 73,142	\$ 96,378
Loans and Leases 90+ Days Past Due, Still					
Accruing:	24,784	17,012	15,386	21,208	14,320
Restructured Loans and Leases, Still Accruing	6,903	7,165	7,368	6,971	10,475
Total non-performing loans and leases	\$ 153,791	\$ 83,799	\$ 84,418	\$ 101,321	\$ 121,173
OTHER REAL ESTATE OWNED AND					
OTHER REPOSSESSED ASSETS	33,021	16,515	17,333	9,351	11,395
Total Non-performing Assets	\$ 186,812	\$ 100,314	\$ 101,751	\$ 110,672	\$ 132,568
Additions to Nonaccrual Loans and Leases					
During the Quarter (excluding acquisitions)	\$ 22,158	\$ 19,858	\$ 16,005	\$ 10,029	\$ 11,087

January 25, 2022

**Cadence Bank**  
**Selected Loan Data**  
(Dollars in thousands)  
(Unaudited)

	Quarter Ended				
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
<b>ALLOWANCE FOR CREDIT LOSSES:</b>					
Balance, beginning of period	\$ 260,276	\$ 265,720	\$ 241,117	\$ 244,422	\$ 250,624
Loans and leases charged-off:					
Commercial and industrial	(2,712)	(1,488)	(1,882)	(3,043)	(5,666)
Commercial real estate	(586)	(131)	(623)	(1,285)	(4,907)
Consumer	(2,342)	(1,694)	(1,357)	(1,578)	(2,459)
Total loans charged-off	<u>(5,640)</u>	<u>(3,313)</u>	<u>(3,862)</u>	<u>(5,906)</u>	<u>(13,032)</u>
Recoveries:					
Commercial and industrial	7,835	3,787	3,061	1,211	842
Commercial real estate	1,047	646	1,291	109	118
Consumer	1,521	936	1,310	1,281	870
Total recoveries	<u>10,403</u>	<u>5,369</u>	<u>5,662</u>	<u>2,601</u>	<u>1,830</u>
Net recoveries (charge-offs)	4,763	2,056	1,800	(3,305)	(11,202)
Initial allowance on loans purchased with credit deterioration	62,321	-	12,803	-	-
Provision:					
Loans and leases acquired during the quarter	119,055	-	11,500	-	-
Provision (release) for credit losses related to loans and leases	-	(7,500)	(1,500)	-	5,000
Total provision for loans and leases	<u>119,055</u>	<u>(7,500)</u>	<u>10,000</u>	<u>-</u>	<u>5,000</u>
Balance, end of period	<u>\$ 446,415</u>	<u>\$ 260,276</u>	<u>\$ 265,720</u>	<u>\$ 241,117</u>	<u>\$ 244,422</u>
Average loans and leases, net of unearned, for period	<u>\$ 22,745,093</u>	<u>\$ 14,915,728</u>	<u>\$ 15,470,539</u>	<u>\$ 15,029,076</u>	<u>\$ 15,219,402</u>
Ratio: Net (recoveries) charge-offs to average loans and leases (annualized)	<u>(0.08%)</u>	<u>(0.05%)</u>	<u>(0.05%)</u>	<u>0.09%</u>	<u>0.29%</u>
<b>RESERVE FOR UNFUNDED COMMITMENTS**</b>					
Balance, beginning of period	\$ 9,044	\$ 8,544	\$ 7,044	\$ 7,044	\$ 6,250
Provision for unfunded commitments for loans acquired during the quarter	13,007	-	-	-	-
Provision for credit losses for unfunded commitments	1,500	500	1,500	-	794
Balance, end of period	<u>\$ 23,551</u>	<u>\$ 9,044</u>	<u>\$ 8,544</u>	<u>\$ 7,044</u>	<u>\$ 7,044</u>

\*\*The Reserve for Unfunded Commitments is classified in other liabilities on the balance sheet.

January 25, 2022

**Cadence Bank**  
**Selected Loan Data**  
**(Dollars in thousands)**  
**(Unaudited)**

	December 31, 2021						
	Pass	Special Mention	Substandard	Doubtful	Impaired	Purchased Credit Deteriorated	Total
						(Loss)	
<b>LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:</b>							
<b>Commercial and industrial</b>							
Non-real estate	\$ 7,655,502	\$43,009	\$ 103,134	\$ 153	\$ 5,350	\$ 40,325	\$ 7,847,473
Owner occupied	3,484,116	3,440	55,247	-	11,229	13,714	3,567,746
Total commercial and industrial	11,139,618	46,449	158,381	153	16,579	54,039	11,415,219
<b>Commercial real estate</b>							
Construction, acquisition and development	2,884,673	441	31,263	-	3,765	4,201	2,924,343
Income producing	4,686,699	28,964	174,936	-	3,810	29,960	4,924,369
Total commercial real estate	7,571,372	29,405	206,199	-	7,575	34,161	7,848,712
<b>Consumer</b>							
Residential mortgages	7,196,106	990	110,429	2,560	1,047	174	7,311,306
Other consumer	300,175	-	7,381	137	-	58	307,751
Total consumer	7,496,281	990	117,810	2,697	1,047	232	7,619,057
Total loans and leases, net of unearned	\$26,207,271	\$76,844	\$ 482,390	\$ 2,850	\$ 25,201	\$ 88,432	\$26,882,988

	September 30, 2021						
	Pass	Special Mention	Substandard	Doubtful	Impaired	Purchased Credit Deteriorated	Total
						(Loss)	
<b>LOAN PORTFOLIO BY INTERNALLY ASSIGNED GRADE:</b>							
<b>Commercial and industrial</b>							
Non-real estate	\$ 2,163,197	\$ 1,691	\$ 32,847	\$ 161	\$ 5,150	\$ 7,241	\$ 2,210,287
Owner occupied	2,541,433	-	55,874	-	9,582	4,888	2,611,777
Total commercial and industrial	4,704,630	1,691	88,721	161	14,732	12,129	4,822,064
<b>Commercial real estate</b>							
Construction, acquisition and development	1,752,717	-	36,992	-	1,209	6,641	1,797,559
Income producing	3,280,770	-	154,459	-	4,934	3,804	3,443,967
Total commercial real estate	5,033,487	-	191,451	-	6,143	10,445	5,241,526
<b>Consumer</b>							
Residential mortgages	4,627,217	-	69,113	-	1,817	181	4,698,328
Other consumer	221,621	-	7,644	-	-	62	229,327
Total consumer	4,848,838	-	76,757	-	1,817	243	4,927,655
Total loans	\$14,586,955	\$ 1,691	\$ 356,929	\$ 161	\$ 22,692	\$ 22,817	\$14,991,245

**Cadence Bank**  
**Geographical Information**  
(Dollars in thousands)  
(Unaudited)

	December 31, 2021								
	Alabama and Florida	Arkansas	Louisiana	Mississippi	Missouri	Tennessee and Georgia	Texas	Other	Total
<b>LOAN AND LEASE PORTFOLIO:</b>									
<b>Commercial and industrial</b>									
Non-real estate	\$ 750,919	\$ 155,279	\$ 294,943	\$ 505,212	\$ 69,959	\$ 724,290	\$ 3,627,559	\$1,719,312	\$ 7,847,473
Owner occupied	539,409	220,571	233,726	675,010	78,587	427,493	1,286,591	106,359	3,567,746
Total commercial and industrial	1,290,328	375,850	528,669	1,180,222	148,546	1,151,783	4,914,150	1,825,671	11,415,219
<b>Commercial real estate</b>									
Construction, acquisition and development	295,534	67,950	51,240	214,688	30,515	482,721	1,570,378	211,317	2,924,343
Income producing	719,156	289,039	218,860	670,656	209,986	984,992	1,686,124	145,556	4,924,369
Total commercial real estate	1,014,690	356,989	270,100	885,344	240,501	1,467,713	3,256,502	356,873	7,848,712
<b>Consumer</b>									
Residential mortgages	1,495,780	363,519	417,813	1,039,206	148,182	838,440	2,897,122	111,244	7,311,306
Other consumer	40,395	11,475	9,383	58,629	905	23,116	79,076	84,772	307,751
Total consumer	1,536,175	374,994	427,196	1,097,835	149,087	861,556	2,976,198	196,016	7,619,057
Total loans and leases, net of unearned	<u>\$3,841,193</u>	<u>\$1,107,833</u>	<u>\$1,225,965</u>	<u>\$3,163,401</u>	<u>\$538,134</u>	<u>\$3,481,052</u>	<u>\$11,146,850</u>	<u>\$2,378,560</u>	<u>\$26,882,988</u>
Loan growth, excluding loans acquired during the quarter (annualized)	(5.11%)	(9.13%)	(12.84%)	(1.94%)	11.12%	8.92%	18.63%	(11.22%)	5.83%

**Cadence Bank**  
**Noninterest Revenue and Expense**  
**(Dollars in thousands)**  
**(Unaudited)**

	Quarter Ended				Year Ended		
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
<b>NONINTEREST REVENUE:</b>							
Mortgage banking excl. MSR and MSR Hedge market value adjustment	\$ 7,963	\$ 11,009	\$ 11,013	\$ 17,929	\$ 19,917	\$ 47,914	\$ 99,067
MSR and MSR Hedge market value adjustment	2,617	2,049	(1,908)	7,381	212	10,139	(12,814)
Credit card, debit card and merchant fees	12,843	11,428	11,589	9,659	10,053	45,519	38,247
Deposit service charges	16,336	10,324	8,849	8,477	9,708	43,986	37,929
Securities (losses) gains, net	(378)	(195)	96	82	63	(395)	58
Insurance commissions	32,637	35,773	36,106	30,667	29,815	135,183	125,286
Trust income	7,892	4,735	4,434	5,129	4,046	22,190	16,025
Annuity fees	435	50	50	51	53	586	215
Brokerage commissions and fees	8,025	2,362	3,059	3,285	2,652	16,731	9,973
Gain on sale of PPP loans	-	-	21,572	-	-	21,572	-
Bank-owned life insurance	3,098	4,217	1,845	2,020	2,425	11,180	8,181
Other miscellaneous income	12,386	2,668	5,238	3,256	(118)	23,548	14,337
Total noninterest revenue	<u>\$ 103,854</u>	<u>\$ 84,420</u>	<u>\$ 101,943</u>	<u>\$ 87,936</u>	<u>\$ 78,826</u>	<u>\$ 378,153</u>	<u>\$ 336,504</u>
<b>NONINTEREST EXPENSE:</b>							
Salaries and employee benefits	\$ 149,599	\$ 112,968	\$ 108,188	\$ 101,060	\$ 97,215	\$ 471,815	\$ 417,809
Occupancy, net of rental income	19,477	13,443	13,187	12,814	13,004	58,921	51,655
Equipment	7,408	5,534	4,967	4,564	4,756	22,473	18,686
Deposit insurance assessments	3,278	2,330	1,638	1,455	1,696	8,701	6,726
Pension settlement expense	651	2,400	-	-	5,846	3,051	5,846
Advertising	2,721	988	783	1,004	899	5,496	3,742
Foreclosed property expense	689	2,189	649	1,021	2,122	4,548	4,074
Telecommunications	1,725	1,600	1,517	1,398	1,448	6,240	5,883
Public relations	2,365	1,166	1,012	741	897	5,284	3,166
Data processing	15,606	11,297	11,024	10,424	9,980	48,351	38,796
Computer software	9,232	5,502	4,887	5,113	5,301	24,734	19,374
Amortization of intangibles	5,473	2,424	2,401	2,318	2,499	12,616	9,605
Legal	1,282	814	774	1,166	1,474	4,036	3,431
Merger expense	44,843	3,442	9,962	1,649	212	59,896	5,345
Postage and shipping	1,772	1,414	1,317	1,547	1,418	6,050	5,256
Other miscellaneous expense	23,073	12,378	11,678	9,549	18,350	56,678	51,488
Total noninterest expense	<u>\$ 289,194</u>	<u>\$ 179,889</u>	<u>\$ 173,984</u>	<u>\$ 155,823</u>	<u>\$ 167,117</u>	<u>\$ 798,890</u>	<u>\$ 650,882</u>
<b>INSURANCE COMMISSIONS:</b>							
Property and casualty commissions	\$ 23,640	\$ 26,413	\$ 26,040	\$ 21,949	\$ 21,304	\$ 98,042	\$ 90,254
Life and health commissions	6,459	6,543	7,130	6,494	5,915	26,626	24,933
Risk management income	699	676	611	613	829	2,599	2,510
Other	1,839	2,141	2,325	1,611	1,767	7,916	7,589
Total insurance commissions	<u>\$ 32,637</u>	<u>\$ 35,773</u>	<u>\$ 36,106</u>	<u>\$ 30,667</u>	<u>\$ 29,815</u>	<u>\$ 135,183</u>	<u>\$ 125,286</u>

**Cadence Bank**  
**Average Balances and Yields**  
**(Dollars in thousands)**  
**(Unaudited)**

(Dollars in thousands)	December 31, 2021			For the Three Months Ended September 30, 2021			December 31, 2020		
	Average	Income/ Expense	Yield/ Rate	Average	Income/ Expense	Yield/ Rate	Average	Income/ Expense	Yield/ Rate
	Balance			Balance			Balance		
<b>ASSETS</b>									
<b>Interest-earning assets:</b>									
Loans and leases, excluding accretion	\$ 22,745,093	\$ 233,585	4.07%	\$ 14,915,728	\$ 165,207	4.39%	\$ 15,219,402	\$ 172,279	4.50%
Accretion income on acquired loans		16,426	0.29		3,175	0.08		2,300	0.06
Loans held for sale	220,766	1,324	2.38	242,422	2,076	3.40	277,600	2,504	3.59
Investment securities									
Taxable	12,636,302	37,258	1.17	9,454,514	28,617	1.20	5,708,017	21,895	1.53
Tax-exempt	318,245	2,035	2.54	85,300	620	2.88	112,408	961	3.40
Total investment securities	12,954,547	39,293	1.20	9,539,814	29,237	1.22	5,820,425	22,856	1.56
Other investments	1,289,997	822	0.25	522,638	262	0.20	180,511	57	0.13
Total interest-earning assets	37,210,403	291,450	3.11	25,220,603	199,957	3.15	21,497,938	199,996	3.70
Other assets	4,189,688			2,660,050			2,409,614		
Allowance for credit losses	(404,578)			(264,067)			(247,049)		
Total assets	<u>\$ 40,995,513</u>			<u>\$ 27,616,585</u>			<u>\$ 23,660,503</u>		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>									
<b>Interest-bearing liabilities:</b>									
Demand deposits	\$ 15,811,268	\$ 8,485	0.21%	\$ 10,027,346	\$ 7,723	0.31%	\$ 8,268,528	\$ 9,766	0.47%
Savings deposits	3,374,243	1,203	0.14	3,001,406	672	0.09	2,386,034	872	0.15
Time deposits	3,526,539	5,139	0.58	2,554,185	5,861	0.91	2,555,295	8,189	1.28
Total interest-bearing deposits	22,712,050	14,827	0.26	15,582,937	14,256	0.36	13,209,857	18,827	0.57
Short-term borrowings	727,674	200	0.11	761,242	196	0.10	675,911	269	0.16
Long-term borrowings	441,165	4,387	3.95	311,839	3,515	4.47	301,633	3,255	4.29
Total interest-bearing liabilities	23,880,889	19,414	0.32	16,656,018	17,967	0.43	14,187,401	22,351	0.63
<b>Noninterest-bearing liabilities:</b>									
Demand deposits	12,047,637			7,579,513			6,391,006		
Other liabilities	558,393			322,747			307,507		
Total liabilities	36,486,919			24,558,278			20,885,914		
<b>Shareholders' equity</b>	<u>4,508,594</u>			<u>3,058,307</u>			<u>2,774,589</u>		
Total liabilities and shareholders' equity	<u>\$ 40,995,513</u>			<u>\$ 27,616,585</u>			<u>\$ 23,660,503</u>		
Net interest income/net interest spread		272,036	<u>2.78%</u>		181,990	<u>2.72%</u>		177,645	<u>3.07%</u>
Net yield on earning assets/net interest margin			<u>2.90%</u>			<u>2.86%</u>			<u>3.29%</u>
<b>Taxable equivalent adjustment:</b>									
Loans and investment securities		(824)			(446)			(709)	
Net interest revenue		<u>\$ 271,212</u>			<u>\$ 181,544</u>			<u>\$ 176,936</u>	

**Cadence Bank**  
**Average Balances and Yields**  
(Dollars in thousands)  
(Unaudited)

(Dollars in thousands)	For the Years Ended					
	December 31, 2021			December 31, 2020		
	Average Balance	Income/ Expense	Yield/ Rate	Average Balance	Income/ Expense	Yield/ Rate
<b>ASSETS</b>						
<b>Interest-earning assets:</b>						
Loans and leases, excluding accretion	\$ 17,055,429	\$ 733,448	4.30%	\$ 14,984,356	\$ 690,473	4.61%
Accretion income on acquired loans		26,200	0.15		11,299	0.08
Loans held for sale	278,447	8,035	2.89	246,007	8,357	3.40
Investment securities						
Taxable	9,152,620	111,050	1.21	4,879,279	85,466	1.75
Tax-exempt	157,327	4,381	2.78	131,099	5,043	3.85
Total investment securities	9,309,947	115,431	1.24	5,010,378	90,509	1.81
Other investments	638,559	1,323	0.21	375,443	1,621	0.43
Total interest-earning assets	27,282,382	884,437	3.24	20,616,184	802,259	3.89
Other assets	3,001,809			2,331,024		
Allowance for credit losses	(289,543)			(223,821)		
Total assets	<u>\$ 29,994,648</u>			<u>\$ 22,723,386</u>		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Interest-bearing liabilities:</b>						
Demand deposits	\$ 11,114,242	\$ 33,251	0.30%	\$ 7,859,680	\$ 47,692	0.61%
Savings deposits	2,946,629	3,201	0.11	2,199,405	4,117	0.19
Time deposits	2,784,733	24,394	0.88	2,649,809	38,940	1.47
Total interest-bearing deposits	16,845,604	60,846	0.36	12,708,894	90,749	0.71
Short-term borrowings	713,788	838	0.12	837,036	4,488	0.54
Long-term borrowings	341,170	14,638	4.29	301,526	13,289	4.41
Total interest-bearing liabilities	17,900,562	76,322	0.43	13,847,456	108,526	0.78
<b>Noninterest-bearing liabilities:</b>						
Demand deposits	8,382,997			5,850,761		
Other liabilities	373,514			299,624		
Total liabilities	26,657,073			19,997,841		
<b>Shareholders' equity</b>	<u>3,337,575</u>			<u>2,725,545</u>		
Total liabilities and shareholders' equity	<u>\$ 29,994,648</u>			<u>\$ 22,723,386</u>		
Net interest income/net interest spread		808,115	<u>2.82%</u>		693,733	<u>3.11%</u>
Net yield on earning assets/net interest margin			<u>2.96%</u>			<u>3.36%</u>
<b>Taxable equivalent adjustment:</b>						
Investment securities		(2,388)			(2,766)	
Net interest revenue		<u>\$ 805,727</u>			<u>\$ 690,967</u>	

**Cadence Bank**  
**Selected Additional Information**  
(Dollars in thousands)  
(Unaudited)

	Quarter Ended				
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20
<b>MORTGAGE SERVICING RIGHTS:</b>					
Fair value, beginning of period	\$ 64,684	\$ 60,615	\$ 60,332	\$ 47,571	\$ 44,944
Additions to mortgage servicing rights:					
Originations of servicing assets	5,709	5,798	6,833	5,588	6,608
Changes in fair value:					
Due to payoffs/paydowns	(3,823)	(3,919)	(2,946)	(3,273)	(3,898)
Due to change in valuation inputs or assumptions used in the valuation model	2,982	2,190	(3,604)	10,446	(83)
Other changes in fair value	-	-	-	-	-
Fair value, end of period	<u>\$ 69,552</u>	<u>\$ 64,684</u>	<u>\$ 60,615</u>	<u>\$ 60,332</u>	<u>\$ 47,571</u>
<b>MORTGAGE BANKING REVENUE:</b>					
Origination	\$ 5,970	\$ 9,284	\$ 8,646	\$ 15,955	\$ 18,561
Servicing	5,816	5,644	5,313	5,247	5,254
Payoffs/Paydowns	(3,823)	(3,919)	(2,946)	(3,273)	(3,898)
Total mortgage banking revenue excluding MSR	7,963	11,009	11,013	17,929	19,917
Market value adjustment on MSR	2,982	2,190	(3,604)	10,446	(83)
Market value adjustment on MSR Hedge	(365)	(141)	1,696	(3,065)	295
Total mortgage banking revenue	<u>\$ 10,580</u>	<u>\$ 13,058</u>	<u>\$ 9,105</u>	<u>\$ 25,310</u>	<u>\$ 20,129</u>
Mortgage loans serviced	\$ 7,553,917	\$ 7,455,113	\$ 7,407,690	\$ 7,259,808	\$ 7,330,293
MSR/mortgage loans serviced	0.92%	0.87%	0.82%	0.83%	0.65%
<b>AVAILABLE-FOR-SALE SECURITIES, at fair value</b>					
U.S. Treasury notes	\$ 1,496,465	\$ -	\$ -	\$ -	\$ -
U.S. Government agencies	2,536,580	2,575,564	2,758,412	2,642,646	2,871,408
U.S. Government agency issued residential mortgage-back securities	8,621,601	5,826,087	4,709,540	3,438,246	2,421,409
U.S. Government agency issued commercial mortgage-back securities	1,829,444	1,518,556	1,478,058	1,414,345	806,206
U.S. Small Business Administration loan-backed securities	195,875	-	-	-	-
Obligations of states and political subdivisions	567,570	112,152	117,248	126,589	113,953
Corporate bonds	208,159	21,013	20,853	18,442	18,030
Foreign debt securities	150,776	-	-	-	-
Total available-for-sale securities	<u>\$15,606,470</u>	<u>\$10,053,372</u>	<u>\$9,084,111</u>	<u>\$7,640,268</u>	<u>\$6,231,006</u>

**Cadence Bank**  
**Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions**  
**(Dollars in thousands, except per share amounts)**  
**(Unaudited)**

Management evaluates the Company's capital position and adjusted performance by utilizing certain financial measures not calculated in accordance with U.S. Generally Accepted Accounting Principles (GAAP), including adjusted net income, adjusted net income available to common shareholders, adjusted net income-excluding MSR, adjusted net income available to common shareholders-excluding MSR, pre-tax pre-provision net revenue, adjusted pre-tax pre-provision net revenue, total adjusted expense, tangible common shareholders' equity to tangible assets, return on average tangible common equity, adjusted return on average tangible common equity-excluding MSR, adjusted return on average assets-excluding MSR, adjusted return on average common shareholders' equity-excluding MSR, adjusted pre-tax pre-provision net revenue to total average assets, average tangible book value per common share, adjusted earnings per common share, adjusted earnings per common share-excluding MSR, efficiency ratio (tax equivalent) and adjusted efficiency ratio-excluding MSR (tax equivalent), adjusted dividend payout ratio - excluding MSR. The Company has included these non-GAAP financial measures in this news release for the applicable periods presented. Management believes that the presentation of these non-GAAP financial measures (i) provides important supplemental information that contributes to a proper understanding of the Company's capital position and adjusted performance, (ii) enables a more complete understanding of factors and trends affecting the Company's business and (iii) allows investors to evaluate the Company's performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and the Company strongly encourages investors to review the GAAP financial measures included in this news release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this news release with other companies' non-GAAP financial measures having the same or similar names.

Reconciliation of Adjusted Net Income, Adjusted Net Income Available to Common Shareholders, Adjusted Net Income-Excluding MSR, and Adjusted Net Income Available to Common Shareholders-excluding MSR to Net Income:

	Quarter Ended				Year Ended		
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
Net (loss) income	\$ (34,657)	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 195,162	\$ 228,051
Plus: Merger expense	44,843	3,442	9,962	1,649	212	59,896	5,345
Incremental merger related expense	4,633	-	-	-	-	4,633	-
Initial provision for acquired loans	132,062	-	11,500	-	-	143,562	1,000
Pension settlement expense	651	2,400	-	-	5,846	3,051	5,846
Less: Security (losses) gains	(378)	(195)	96	82	63	(395)	58
Tax adjustment	41,453	1,506	5,331	391	1,496	48,681	3,027
Adjusted net income	\$ 106,457	\$ 77,256	\$ 91,574	\$ 82,731	\$ 73,304	\$ 358,018	\$ 237,157
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488	9,488
Adjusted net income available to common shareholders	\$ 104,085	\$ 74,884	\$ 89,202	\$ 80,359	\$ 70,932	\$ 348,530	\$ 227,669
Adjusted net income	\$ 106,457	\$ 77,256	\$ 91,574	\$ 82,731	\$ 73,304	\$ 358,018	\$ 237,157
Less: MSR market value adjustment, net of tax	1,964	1,538	(1,432)	5,539	159	7,609	(9,617)
Adjusted net income-excluding MSR	\$ 104,493	\$ 75,718	\$ 93,006	\$ 77,192	\$ 73,145	\$ 350,409	\$ 246,774
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372	9,488	9,488
Adjusted net income available to common shareholders-excluding MSR	\$ 102,121	\$ 73,346	\$ 90,634	\$ 74,820	\$ 70,773	\$ 340,921	\$ 237,286

**Cadence Bank**  
**Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions**  
**(Dollars in thousands, except per share amounts)**  
**(Unaudited)**

Reconciliation of Net Income to Pre-Tax Pre-Provision Net Revenue

	Quarter Ended				Year Ended		
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
Net (loss) income	\$ (34,657)	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 195,162	\$ 228,051
Plus: Provision (release) for credit losses	133,562	(7,000)	11,500	-	5,794	138,062	89,044
Income tax (benefit) expense	(13,033)	20,350	21,102	23,347	14,046	51,766	59,494
Pre-tax pre-provision net revenue	<u>\$ 85,872</u>	<u>\$ 86,075</u>	<u>\$ 108,141</u>	<u>\$ 104,902</u>	<u>\$ 88,645</u>	<u>\$ 384,990</u>	<u>\$ 376,589</u>

Reconciliation of Net Income to Adjusted Pre-Tax Pre-Provision Net Revenue

Net (loss) income	\$ (34,657)	\$ 72,725	\$ 75,539	\$ 81,555	\$ 68,805	\$ 195,162	\$ 228,051
Plus: Provision (release) for credit losses	133,562	(7,000)	11,500	-	5,794	138,062	89,044
Merger expense	44,843	3,442	9,962	1,649	212	59,896	5,345
Incremental merger related expense	4,633	-	-	-	-	4,633	-
Pension settlement expense	651	2,400	-	-	5,846	3,051	5,846
Income tax (benefit) expense	(13,033)	20,350	21,102	23,347	14,046	51,766	59,494
Less: Security (losses) gains	(378)	(195)	96	82	63	(395)	58
MSR market value adjustment	2,617	2,049	(1,908)	7,381	212	10,139	(12,814)
Adjusted pre-tax pre-provision net revenue	<u>\$ 133,760</u>	<u>\$ 90,063</u>	<u>\$ 119,915</u>	<u>\$ 99,088</u>	<u>\$ 94,428</u>	<u>\$ 442,826</u>	<u>\$ 400,536</u>

Reconciliation of Total Adjusted Expense to Total Noninterest Expense:

Total noninterest expense	\$ 289,194	\$ 179,889	\$ 173,984	\$ 155,823	\$ 167,117	\$ 798,890	\$ 650,882
Less: Merger expense	44,843	3,442	9,962	1,649	212	59,896	5,345
Incremental merger related expense	4,633	-	-	-	-	4,633	-
Pension settlement expense	651	2,400	-	-	5,846	3,051	5,846
Total adjusted expense	<u>\$ 239,067</u>	<u>\$ 174,047</u>	<u>\$ 164,022</u>	<u>\$ 154,174</u>	<u>\$ 161,059</u>	<u>\$ 731,310</u>	<u>\$ 639,691</u>

**Cadence Bank**  
**Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions**  
(Dollars in thousands, except per share amounts)  
(Unaudited)

Reconciliation of Tangible Assets and Tangible Shareholders' Equity to Total Assets and Total Shareholders' Equity:

	Quarter Ended				Year Ended		
	Dec-21	Sep-21	Jun-21	Mar-21	Dec-20	Dec-21	Dec-20
Tangible assets							
Total assets	\$ 47,684,751	\$28,060,496	\$27,612,365	\$25,802,497	\$24,081,194	\$47,684,751	\$24,081,194
Less: Goodwill	1,407,948	958,304	957,474	851,612	851,612	1,407,948	851,612
Other identifiable intangible assets	198,271	52,235	54,659	53,581	55,899	198,271	55,899
Total tangible assets	\$ 46,078,532	\$27,049,957	\$26,600,232	\$24,897,304	\$23,173,683	\$46,078,532	\$23,173,683
PERIOD END BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 5,247,987	\$ 3,023,257	\$ 3,069,574	\$ 2,825,198	\$ 2,822,477	\$ 5,247,987	\$ 2,822,477
Less: Goodwill	1,407,948	958,304	957,474	851,612	851,612	1,407,948	851,612
Other identifiable intangible assets	198,271	52,235	54,659	53,581	55,899	198,271	55,899
Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	\$ 3,474,775	\$ 1,845,725	\$ 1,890,448	\$ 1,753,012	\$ 1,747,973	\$ 3,474,775	\$ 1,747,973
AVERAGE BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 4,508,594	\$ 3,058,307	\$ 2,954,834	\$ 2,813,001	\$ 2,774,589	\$ 3,337,575	\$ 2,725,545
Less: Goodwill	1,115,502	957,899	910,448	851,612	852,472	959,586	848,263
Other identifiable intangible assets	106,559	53,567	52,564	54,876	54,858	66,996	56,988
Preferred stock	166,993	166,993	166,993	166,993	166,993	166,993	167,000
Total tangible common shareholders' equity	\$ 3,119,540	\$ 1,879,848	\$ 1,824,829	\$ 1,739,520	\$ 1,700,266	\$ 2,144,000	\$ 1,653,294
Total average assets	\$ 40,995,513	\$27,616,585	\$26,666,296	\$24,545,560	\$23,660,503	\$29,994,648	\$22,723,386
Total shares of common stock outstanding	188,337,658	106,853,316	108,614,595	102,624,818	102,561,480	188,337,658	102,561,480
Average shares outstanding-diluted	164,720,656	108,250,102	105,838,056	102,711,584	102,817,409	120,668,695	103,304,570
Tangible common shareholders' equity to tangible assets <sup>(1)</sup>	7.54%	6.82%	7.11%	7.04%	7.54%	7.54%	7.54%
Return on average tangible common equity <sup>(2)</sup>	(4.71)	14.85	16.08	18.46	15.54	8.66	13.22
Adjusted return on average tangible common equity-excluding MSR <sup>(3)</sup>	12.99	15.48	19.92	17.44	16.56	15.90	14.35
Adjusted return on average assets-excluding MSR <sup>(4)</sup>	1.01	1.09	1.40	1.28	1.23	1.17	1.09
Adjusted return on average common shareholders' equity-excluding MSR <sup>(5)</sup>	9.33	10.06	13.04	11.47	10.80	10.75	9.27
Pre-tax pre-provision net revenue to total average assets <sup>(6)</sup>	0.83	1.24	1.63	1.73	1.49	1.28	1.66
Adjusted pre-tax pre-provision net revenue to total average assets <sup>(7)</sup>	1.29	1.29	1.80	1.64	1.59	1.48	1.76
Tangible book value per common share <sup>(8)</sup>	\$ 18.45	\$ 17.27	\$ 17.41	\$ 17.08	\$ 17.04	\$ 18.45	\$ 17.04
Adjusted earnings per common share <sup>(9)</sup>	\$ 0.63	\$ 0.69	\$ 0.84	\$ 0.78	\$ 0.69	\$ 2.89	\$ 2.20
Adjusted earnings per common share-excluding MSR <sup>(10)</sup>	\$ 0.62	\$ 0.68	\$ 0.86	\$ 0.73	\$ 0.69	\$ 2.83	\$ 2.30
Adjusted dividend payout ratio - excluding MSR <sup>(11)</sup>	32.26%	29.41%	22.09%	26.03%	27.54%	27.56%	32.39%

- (1) Tangible common shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less preferred stock, goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (2) Return on average tangible common equity is defined by the Company as annualized net income available to common shareholders divided by average tangible common shareholders' equity.
- (3) Adjusted return on average tangible common equity-excluding MSR is defined by the Company as annualized net adjusted income available to common shareholders-excluding MSR divided by average tangible common shareholders' equity.
- (4) Adjusted return on average assets-excluding MSR is defined by the Company as annualized net adjusted income-excluding MSR divided by total average assets.
- (5) Adjusted return on average common shareholders' equity-excluding MSR is defined by the Company as annualized net adjusted income available to common shareholders-excluding MSR divided by average common shareholders' equity.
- (6) Pre-tax pre-provision net revenue to total average assets is defined by the Company as annualized pre-tax pre-provision net revenue divided by total average assets.
- (7) Adjusted pre-tax pre-provision net revenue to total average assets is defined by the Company as annualized adjusted pre-tax pre-provision net revenue divided by total average assets adjusted for items included in the definition and calculation of net adjusted income-excluding MSR.
- (8) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.
- (9) Adjusted earnings per common share is defined by the Company as net adjusted income available to common shareholders divided by average common shares outstanding-diluted.
- (10) Adjusted earnings per common share-excluding MSR is defined by the Company as net adjusted income available to common shareholders-excluding MSR divided by average common shares outstanding-diluted.
- (11) Adjusted dividend payout ratio-excluding MSR is defined by the Company as common share dividends divided by net adjusted income available to common shareholders-excluding MSR.

**Efficiency Ratio (tax equivalent) and Adjusted Efficiency Ratio-excluding MSR (tax equivalent) Definitions**

The efficiency ratio (tax equivalent) and the adjusted efficiency ratio-excluding MSR (tax equivalent) are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio (tax equivalent) is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment. The adjusted efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as non-operating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.



# Full Year and Fourth Quarter 2021 Financial Results

*Presented January 26, 2022*

# Disclaimers

## Forward Looking Statements

Certain statements made in this presentation are not statements of historical fact and constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are subject to the safe harbor created thereby under the Private Securities Litigation Reform Act of 1995. These statements are often, but not always, made through the use of words or phrases such as “anticipate,” “aspire,” “assume,” “believe,” “budget,” “contemplate,” “continue,” “could,” “estimate,” “expect,” “forecast,” “foresee,” “goal,” “hope,” “indicate,” “intend,” “may,” “might,” “outlook,” “plan,” “project,” “projection,” “predict,” “prospect,” “potential,” “roadmap,” “seek,” “should,” “target,” “will,” and “would,” or the negative versions of those words or other comparable words of a future or forward-looking nature. These forward-looking statements may include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, including the economic impact of the COVID-19 pandemic (including any variant of the COVID-19 virus) on the Company’s business; the Company’s assets; business; cash flows; financial condition; liquidity; prospects; results of operations; deposit and customer repo growth; interest and fee-based revenue; capital resources; capital metrics; efficiency ratio; valuation of mortgage servicing rights; net income; net interest revenue; non-interest revenue; net interest margin; interest expense; non-interest expense; earnings per share; interest rate sensitivity; interest rate risk; balance sheet and liquidity management; off-balance sheet arrangements; fair value determinations; asset quality; credit quality; credit losses; provision and allowance for credit losses, impairments, charge-offs, recoveries and changes in loan volumes; investment securities portfolio yields and values; ability to manage the impact of pandemics, natural disasters and other force majeure events; adoption and use of critical accounting policies; adoption and implementation of new accounting standards and their effect on the Company’s financial results and the Company’s financial reporting; utilization of non-GAAP financial metrics; declaration and payment of dividends; ability to pay dividends or coupons on the Company’s 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029; mortgage origination volume; mortgage servicing and production revenue; insurance commission revenue; implementation and execution of cost savings initiatives; ability to successfully litigate, resolve or otherwise dispense with threatened, pending, ongoing and future litigation and governmental, administrative and investigatory matters; ability to successfully complete pending or future acquisitions, dispositions and other strategic growth opportunities and initiatives; ability to successfully obtain regulatory approval for acquisitions and other growth initiatives; ability to successfully integrate and manage acquisitions; opportunities and efforts to grow market share; reputation; ability to compete with other financial institutions; ability to recruit and retain key employees and personnel; access to capital markets; availability of capital; investments in the securities of other financial institutions; and ability to operate the Company’s regulatory compliance programs in accordance with applicable law.

Forward-looking statements are based upon management’s expectations as well as certain assumptions and estimates made by, and information available to, the Company’s management at the time such statements were made. Forward-looking statements are not historical facts, are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that are beyond the Company’s control and that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, without limitation, potential delays or other problems in implementing and executing the Company’s growth, expansion and acquisition strategies, including delays in obtaining regulatory or other necessary approvals or the failure to realize any anticipated benefits or synergies from any acquisitions or growth strategies; the risks of changes in interest rates and their effects on the level and composition of deposits, loan demand and the values of loan collateral, securities and interest sensitive assets and liabilities; the impact of inflation on consumers; the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; the availability of and access to capital; possible downgrades in the Company’s credit ratings or outlook which could increase the costs or availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans; the ability to grow additional interest and fee income or to control noninterest expense; the potential impact of the proposed phase-out of the London Interbank Offered Rate (“LIBOR”) or other changes involving LIBOR; competitive factors and pricing pressures, including their effect on the Company’s net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; changes in legal, financial and/or regulatory requirements; recently enacted and potential legislation and regulatory actions and the costs and expenses to comply with new and/or existing legislation and regulatory actions, including those actions in response to the COVID-19 pandemic such as the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (the “Economic Aid Act”) and any related rules and regulations; changes in U.S. Government monetary and fiscal policy; FDIC special assessments or changes to regular assessments; the enforcement efforts of federal and state bank regulators; possible adverse rulings, judgments, settlements and other outcomes of pending, ongoing and future litigation and governmental, administrative and investigatory matters (including litigation or actions arising from the Company’s participation in and administration of programs related to the COVID-19 pandemic (including, among other things, the PPP loan programs authorized by the CARES Act and the Economic Aid Act); the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; the impact of failure in, or breach of, the Company’s operational or security systems or infrastructure, or those of third parties with whom the Company does business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Company or the Company’s customers; natural disasters or acts of war or terrorism; the adverse effects of the ongoing global COVID-19 pandemic, including the magnitude and duration of the pandemic, and the effect of actions taken to mitigate the impact of the COVID-19 pandemic on the Company, the Company’s employees, the Company’s customers, the global economy and the financial markets; international or political instability; impairment of the Company’s goodwill or other intangible assets; losses of key employees and personnel; adoption of new accounting standards, or changes in existing standards; the outcome of any legal proceedings that may be instituted against the Company or Cadence in respect of the Cadence Merger; the ability of the Company and Cadence to meet expectations regarding the timing, completion and accounting and tax treatments of the Cadence Merger; the risk that any announcements relating to the Cadence Merger could have adverse effects on the market price of the capital stock of the combined company; the possibility that the anticipated benefits of the Cadence Merger will not be realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where the combined company does business; the possibility that the Cadence Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events; diversion of management’s attention from ongoing business operations and opportunities; the possibility that the parties may be unable to achieve expected synergies and operating efficiencies in the Cadence Merger within the expected timeframes or at all and to successfully integrate Cadence’s operations and those of the Company; such integration may be more difficult, time consuming or costly than expected; revenues following the Cadence Merger may be lower than expected; potential adverse reactions or changes to business or employee relationships, including those resulting from the completion of the Cadence Merger; the combined company’s success in executing its business plans and strategies and managing the risks involved in the foregoing; the dilution caused by the Company’s issuance of additional shares of its capital stock in connection with the Cadence Merger and other factors as detailed from time to time in the Company’s press and news releases, periodic and current reports and other filings the Company files with the FDIC.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth from time to time in the Company’s periodic and current reports filed with the FDIC, including those factors included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020 under the heading “Item 1A. Risk Factors,” in the Company’s Quarterly Reports on Form 10-Q under the heading “Part II-Item 1A. Risk Factors” and in the Company’s Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this presentation, if one or more events related to these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this presentation, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by applicable law. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. All written or oral forward-looking statements attributable to the Company are expressly qualified in their entirety by this section.

# Full Year 2021 Financial Highlights

<b>Earnings Highlights</b>	<ul style="list-style-type: none"> <li>● Net income available to common shareholders of \$185.7 million, or \$1.54 per diluted common share.</li> <li>● Adjusted pre-tax pre-provision net revenue<sup>(1)</sup> of \$442.8 million – 1.48% of average assets.</li> <li>● Adjusted net income available to common shareholders – excluding MSR<sup>(1)</sup> – of \$340.9 million, or \$2.83 per diluted common share.</li> </ul>
<b>Mergers &amp; Acquisitions</b>	<ul style="list-style-type: none"> <li>● Completed merger with legacy Cadence Bancorporation on October 29, 2021<sup>(2)</sup>, and created an approximately \$48 billion institution that is the 6th largest bank headquartered in the Company’s nine-state footprint.</li> <li>● Effective May 1, 2021, completed transactions with National United Bancshares, Inc. and FNS Bancshares, Inc., which added approximately \$1.6 billion in total assets.</li> </ul>
<b>Balance Sheet</b>	<ul style="list-style-type: none"> <li>● Total assets of \$47.7 billion, total loans and leases of \$26.9 billion, total deposits of \$39.8 billion, shareholders’ equity of \$5.2 billion and tangible common shareholders’ equity<sup>(1)</sup> of \$3.5 billion as of December 31, 2021.</li> <li>● Strong liquidity position with a loan to deposit ratio of 67.5% and securities to assets of 32.7%.</li> </ul>
<b>Credit</b>	<ul style="list-style-type: none"> <li>● Continued strong credit quality metrics; reported net recoveries for the year of \$5.3 million, or 0.03% of average loans and leases.</li> <li>● Total non-performing loan and leases were 0.57% of net loans and leases as of December 31, 2021.</li> </ul>
<b>Revenue and Expenses</b>	<ul style="list-style-type: none"> <li>● Total revenue of \$1.2 billion for the year ended 2021 with 31.9% driven by noninterest revenue.</li> <li>● Insurance commission revenue totaled \$135.2 million for the year and mortgage production and servicing revenue was \$58.1 million for 2021.</li> <li>● Adjusted noninterest expense of \$731.3 million<sup>(1)</sup> and adjusted efficiency ratio-excluding MSR<sup>(1)</sup> of 62.2%.</li> </ul>
<b>Capital</b>	<ul style="list-style-type: none"> <li>● Repurchased 6,000,000 shares of outstanding common stock at a weighted average price of \$30.09 per share.</li> <li>● Announced 10 million share repurchase authorization of common stock for the 2022 stock buyback program.</li> <li>● Maintained strong regulatory capital metrics; total risk-based capital of 13.4%.</li> </ul>

<sup>(1)</sup> Considered a non-GAAP financial measure. See “Non-GAAP Reconciliation” in the appendix.

<sup>(2)</sup> See “Preliminary Purchase Accounting Summary” and “Preliminary Loan Marks” in the appendix.

# Merger Integration

Closed 10/29/21

**BXS+CADE**  
BETTER TOGETHER.

- Successfully retained senior executive talent and clients
- Instituted integration management & governance framework
- New logo unveil and brand kickoff
- Formalized internal policies - business, credit, risk, etc.
- Completed mapping and planning for systems conversion
- Opportunity analysis and target operating model finalized
- Developed tactical technology and operations project plans
- Integrated financial reporting systems and processes

## Integration Focus

Core system conversion in late 2022

Communication, execution and delivery

Introduce and market the Cadence brand

Deepen and expand client relationships

Continue investments in digital and technology

Ongoing focus on business synergies

Balance sheet optimization

# Summary Financial Results

\$ in millions, unless otherwise indicated

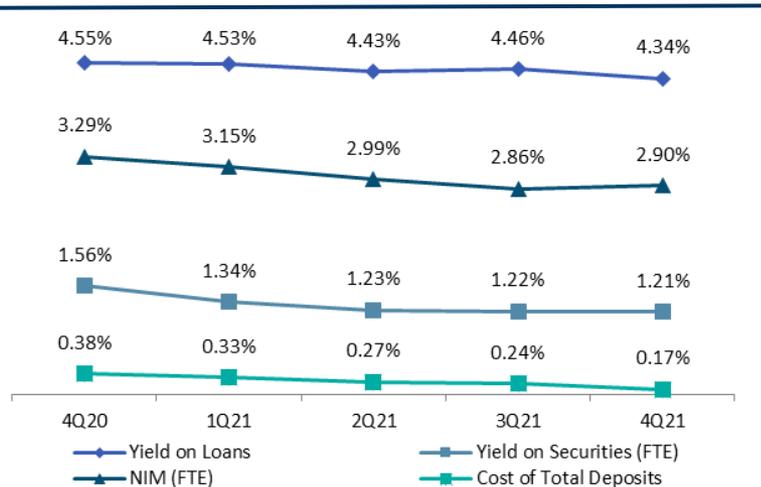
	Three Months Ended			Year Ended	
	12/31/20	9/30/21	12/31/21	12/31/20	12/31/21
Net interest revenue	\$ 176.9	\$ 181.5	\$ 271.2	\$ 691.0	\$ 805.7
Provision (release) for credit losses	5.8	(7.0)	133.6	89.0	138.1
Noninterest revenue	78.8	84.4	103.9	336.5	378.2
Noninterest expense	167.1	179.9	289.2	650.9	798.9
Income (loss) before income taxes	82.9	93.1	(47.7)	287.5	246.9
Income tax expense (benefit)	14.0	20.4	(13.0)	59.5	51.8
Net income (loss)	\$ 68.8	\$ 72.7	\$ (34.7)	\$ 228.1	\$ 195.2
Less: Preferred dividends	2.4	2.4	2.4	9.5	9.5
Net income (loss) available to common shareholders	\$ 66.4	\$ 70.4	\$ (37.0)	\$ 218.6	\$ 185.7
Plus: Non-routine items, net of tax	4.5	4.5	141.1	9.1	162.9
Less: MSR market value adjustment, net of tax	0.2	1.5	2.0	(9.6)	7.6
Adjusted net income available to common shareholders-excluding MSR <sup>(1)</sup>	\$ 70.8	\$ 73.3	\$ 102.1	\$ 237.3	\$ 340.9
Net income (loss) per common share: diluted	\$ 0.65	\$ 0.65	\$ (0.22)	\$ 2.12	\$ 1.54
Adjusted earnings per common share - excluding MSR <sup>(1)</sup>	\$ 0.69	\$ 0.68	\$ 0.62	\$ 2.30	\$ 2.83
Adjusted pre-tax pre-provision net revenue <sup>(1)</sup>	\$ 94.4	\$ 90.1	\$ 133.8	\$ 400.5	\$ 442.8
Adjusted pre-tax pre-provision net revenue to total average assets <sup>(1)</sup>	1.59%	1.29%	1.29%	1.76%	1.48%

<sup>(1)</sup> Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

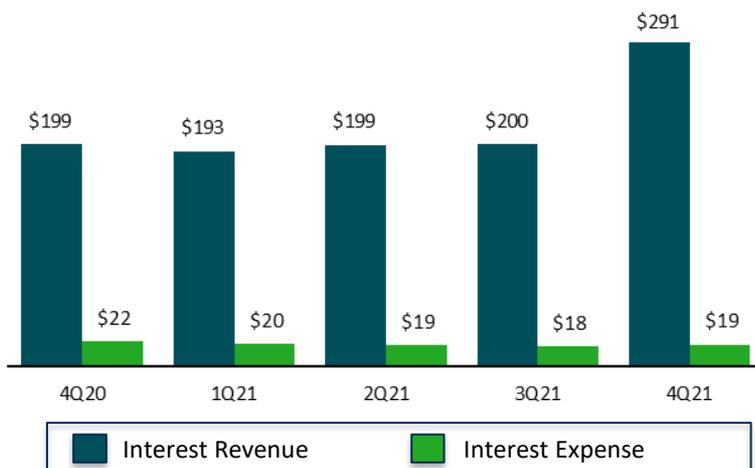
# Net Interest Revenue / Net Interest Margin

\$ in millions, unless otherwise indicated

## NIM, Yields & Costs



## Interest Revenue & Interest Expense



## HIGHLIGHTS

- Net interest revenue was \$271.2 million in 4Q21 compared to \$181.5 million for 3Q21.
- Fully taxable equivalent net interest margin was 2.90% compared with 2.86% linked quarter. As a result of the Cadence merger, NIM increased primarily due to acquired deposits with lower than historical costs, partially offset by acquired C&I loans with a lower than historical yield.
- Yields on total interest earning assets were 3.11% percent compared with 3.15% in 3Q21.
- Yields on net loans and leases, excluding accretable yield, were 4.06% for 4Q21, compared with 4.38% for 3Q21.
- The average cost of deposits was 0.17% for 4Q21 compared with 0.24% for 3Q21.
- At 12/31/21, 35% of the total loan portfolio was floating, 28% variable and 37% fixed. As a result of the Cadence merger, asset sensitivity increased as more floating rate loans were acquired. Net interest income in a +100bp rate shock scenario modeled over a 12-month period increases 2.8%; and increases 6.5% in +200bp.

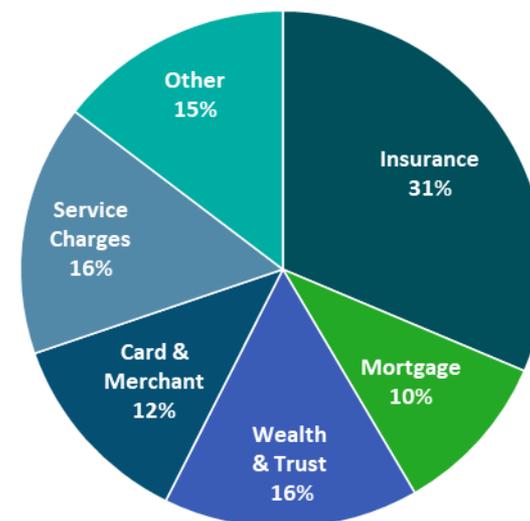
# Noninterest Revenue

\$ in millions, unless otherwise indicated

	Historical Combined <sup>(1)</sup>			Full Year	
	4Q20	3Q21	4Q21 <sup>(2)</sup>	2021	
Insurance	\$ 30.7	\$ 36.6	\$ 32.6	\$ 135.2	
Mortgage	23.2	14.5	10.6	58.1	
Wealth & Trust	18.6	20.0	16.4	39.5	
Card and Merchant	14.6	16.3	12.8	45.5	
Service Charges	23.7	26.2	16.3	44.0	
Other <sup>(2)</sup>	177.8	33.0	15.1	55.9	
<b>Total</b>	<b>\$ 288.6</b>	<b>\$ 146.5</b>	<b>\$ 103.9</b>	<b>\$ 378.2</b>	
% of Total Revenue	46.4%	31.6%	27.7%	31.9%	
<b>Non-Routine Items:</b>					
MSR market adjustment	\$ 0.2	\$ 2.0	\$ 2.6	\$ 10.1	
Gain on sale of PPP loans	-	-	-	21.6	
Security (losses) gains, net	1.7	15.7	(0.4)	(0.4)	
Other	169.2	-	-	-	
<b>Adj. Noninterest Revenue<sup>(3)</sup></b>	<b>\$ 117.4</b>	<b>\$ 128.8</b>	<b>\$ 101.6</b>	<b>\$ 346.8</b>	

\*As-reported (legacy BancorpSouth) noninterest revenue of \$84.4mm (3Q21) and \$78.8mm (4Q20)

## 4Q21 Noninterest Revenue Composition



## HIGHLIGHTS

- Noninterest revenue was \$103.9 million compared with \$84.4 million (as-reported) for the third quarter of 2021, driven by the addition of legacy Cadence fee revenue sources.
- Insurance commission revenue of \$32.6 million in 4Q21 reflected policy renewal seasonality. Mortgage revenue was \$10.6 million in 4Q21, which was impacted by seasonality in the mortgage pipeline as well as declines in refinance activity associated with rising interest rates. Wealth management revenue was \$16.4 million for the fourth quarter of 2021 includes the addition of Linscomb & Williams, which was acquired with the legacy Cadence transaction. Total assets under management was ~\$22 billion as of December 31, 2021.

<sup>(1)</sup> For illustration only. Represents historical combined balances reported by BancorpSouth Bank and Cadence Bancorporation. Does not include purchase accounting adjustments.

<sup>(2)</sup> 4Q21 financial results prior to 10/29/21 reflect Legacy BancorpSouth on a standalone basis. As a result, 4Q21 financial results are not directly comparable to prior periods.

<sup>(3)</sup> Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

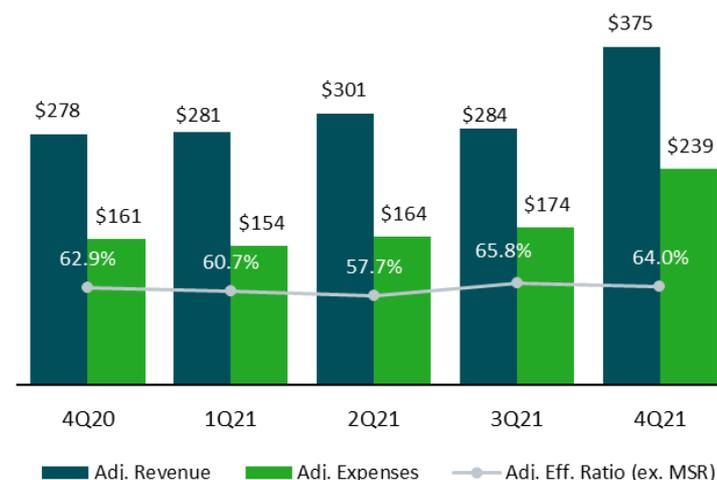
# Noninterest Expense

\$ in millions, unless otherwise indicated

	Historical Combined <sup>(1)</sup>		4Q21 <sup>(2)</sup>	Full Year 2021
	4Q20	3Q21		
Salary & Comp.	\$ 157.2	\$ 174.0	\$ 149.6	\$ 471.8
Occupancy	20.3	20.9	19.5	58.9
Equipment	7.1	7.9	7.4	22.5
Data processing	14.6	16.3	15.6	48.4
Computer Software	10.6	11.2	9.2	24.7
Amortization	7.7	7.1	5.5	12.6
Deposit Insurance	4.7	3.9	3.3	8.7
Other	50.2	55.9	79.1	151.3
<b>Total</b>	<b>\$ 272.4</b>	<b>\$ 297.1</b>	<b>\$ 289.2</b>	<b>\$ 798.9</b>
<b>Non-Routine Items:</b>				
Merger and incremental merger	\$ 0.2	\$ 5.4	\$ 49.5	\$ 64.5
Pension settlement	5.8	2.4	0.7	3.1
OCC & FHLB Settlement	-	12.1	-	-
<b>Adj. Noninterest Expense<sup>(3)</sup></b>	<b>\$ 266.4</b>	<b>\$ 277.2</b>	<b>\$ 239.1</b>	<b>\$ 731.3</b>

\*As-reported (legacy BancorpSouth) noninterest expense of \$179.9mm (3Q21) and \$167.1mm (4Q20)

## Adj. Revenue<sup>(2)</sup>, Adj. Expenses<sup>(2)</sup> & Adj. Efficiency Ratio<sup>(2)</sup>



## HIGHLIGHTS

- Noninterest expense of \$289.2 million compared with \$179.9 million (as-reported) for the third quarter of 2021.
- Merger and incremental merger expense<sup>(3)</sup> was \$49.5 million for the fourth quarter of 2021, comprised primarily of advisor fees, legal fees, and compensation related items.
- Salaries and employee benefits expense was \$149.6 million for 4Q21, compared with \$113.0 million for 3Q21.
- The adjusted efficiency ratio-excluding MSR (tax equivalent) was 64.0% for the fourth quarter of 2021.

<sup>(1)</sup> For illustration only. Represents historical combined balances reported by BancorpSouth Bank and Cadence Bancorporation. Does not include purchase accounting adjustments.

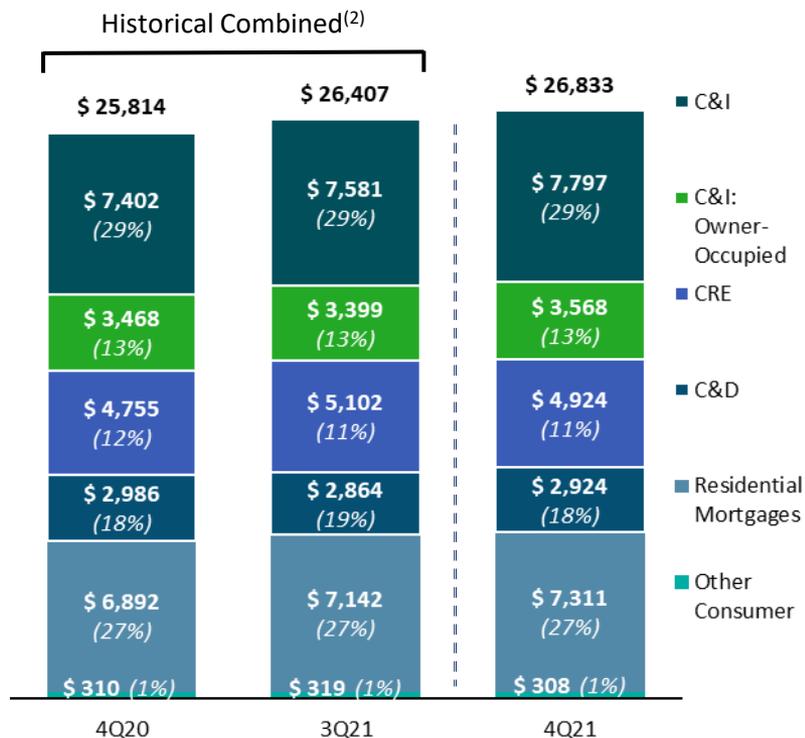
<sup>(2)</sup> 4Q21 financial results prior to 10/29/21 reflect Legacy BancorpSouth on a standalone basis. As a result, 4Q21 financial results are not directly comparable to prior periods.

<sup>(3)</sup> Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Diversified Loan Portfolio

\$ in millions, unless otherwise indicated

## Period-end Loans and Leases (Ex. PPP)<sup>(1)</sup>



## As-reported Loans (legacy BancorpSouth)

4Q20	3Q21
\$15,022	\$14,991

## HIGHLIGHTS

- Loans and leases, net of unearned income, increased \$11.9 billion during the fourth quarter of 2021 on a reported basis due to the Cadence acquisition and organic growth in the quarter.
- Excluding the impact of acquired and divested balances, net organic loan growth for the combined company for the fourth quarter of 2021 totaled approximately \$400 million, or 6% annualized.
- On December 3, 2021, the company completed the previously announced divestiture of seven bank branches with \$40 million in loans.
- Legacy Cadence acquired loans and leases, net of unearned income, were \$11.5 billion at merger date (October 29, 2021).

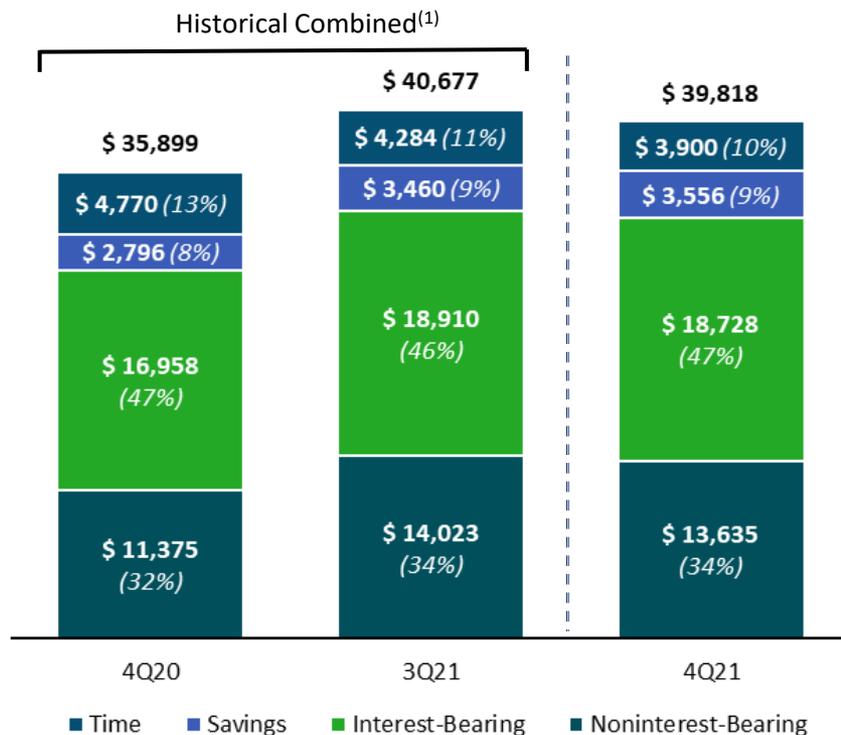
<sup>(1)</sup> Paycheck Protection Program (PPP) Loans were \$50.1 million in 4Q21. On a Historical Combined<sup>(2)</sup> basis, PPP loans were \$82.7 million in 3Q21 and \$1.9 billion in 4Q20.

<sup>(2)</sup> For illustration only. Represents historical combined balances reported by BancorpSouth Bank and Cadence Bancorporation. Does not include purchase accounting adjustments.

# Strong Deposit Base

\$ in millions, unless otherwise indicated

## Period-end Deposits



### As-reported Deposits (legacy BancorpSouth)

4Q20	3Q21
\$19,846	\$23,539

## HIGHLIGHTS

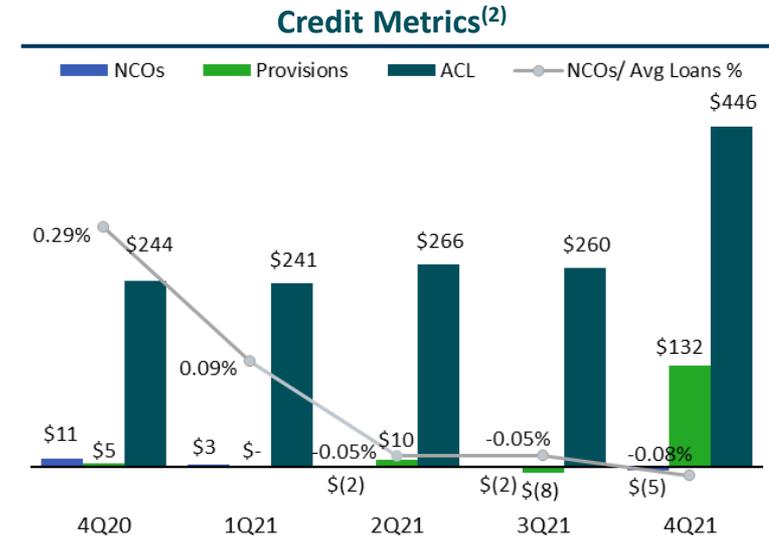
- Deposits increased \$16.3 billion during the fourth quarter of 2021 due to the Cadence acquisition and organic growth in the quarter.
- Excluding the impact of acquired and divested balances, net organic deposit balances decreased \$470 million. The decline in organic deposit account balances in the fourth quarter of 2021 was driven primarily by routine volatility in large municipal deposit accounts.
- On December 3, 2021, the company completed the previously announced divestiture of seven bank branches with \$417 million in deposits.
- Legacy Cadence acquired deposits were \$16.4 billion at merger date (October 29, 2021).
- The loan to deposit ratio was 67.52% compared to 63.69% in prior quarter, reflecting both loan growth and deposit shrinkage in the quarter.

<sup>(1)</sup> For illustration only. Represents historical combined balances reported by BancorpSouth Bank and Cadence Bancorporation. Does not include purchase accounting adjustments.

# Credit Quality

\$ in millions, unless otherwise indicated

	4Q20	1Q21	2Q21	3Q21	4Q21
Non-accrual	\$ 96.4	\$ 73.1	\$ 61.7	\$ 59.6	\$ 122.1
90+ days past due (accruing)	14.3	21.2	15.4	17.0	24.8
Restructured (accruing)	10.5	7.0	7.4	7.2	6.9
<b>Non-performing loans (NPLs)</b>	<b>\$ 121.2</b>	<b>\$ 101.3</b>	<b>\$ 84.4</b>	<b>\$ 83.8</b>	<b>\$ 153.8</b>
<b>Non-performing assets (NPAs)</b>	<b>\$ 132.6</b>	<b>\$ 110.7</b>	<b>\$ 101.8</b>	<b>\$ 100.3</b>	<b>\$ 186.8</b>
NPLs/ Net Loans and Leases	0.81%	0.67%	0.56%	0.56%	0.57%
NPAs/ Total Assets	0.55%	0.43%	0.37%	0.36%	0.39%
<b>Classified Assets</b>	<b>\$ 426.0</b>	<b>\$ 399.5</b>	<b>\$ 457.3</b>	<b>\$ 421.8</b>	<b>\$ 637.4</b>
<b>Historical Combined<sup>(1)</sup></b>					
<b>Non-performing loans</b>	<b>\$ 275.2</b>	<b>\$ 226.2</b>	<b>\$ 208.3</b>	<b>\$ 192.2</b>	<b>\$ 153.8</b>
<b>Non-performing assets</b>	<b>\$ 306.4</b>	<b>\$ 254.6</b>	<b>\$ 243.2</b>	<b>\$ 229.1</b>	<b>\$ 186.8</b>
<b>Classified assets</b>	<b>\$1,013.0</b>	<b>\$1,009.7</b>	<b>\$ 903.5</b>	<b>\$ 752.3</b>	<b>\$ 637.4</b>



## HIGHLIGHTS

- Provision for credit losses of \$133.6 million in 4Q21 includes \$132.1 million associated with day one accounting provision required for loans and \$1.5 million provision for unfunded commitments.
- The day one provision reflects the Cadence acquisition, with \$119.1 million provision for acquired loans and \$13.0 million provision for unfunded commitments.
- Net recoveries for the fourth quarter of 2021 were \$4.8 million, or 0.08% of net loans and leases on an annualized basis.
- As of 12/31/21, the allowance for credit losses was \$446.4 million or 1.66% of net loans and leases and total non-performing assets were \$186.8 million or 0.39% of total assets.

<sup>(1)</sup> For illustration only. Represents historical combined balances reported by BancorpSouth Bank and Cadence Bancorporation. Does not include purchase accounting adjustments

<sup>(2)</sup> Allowance for credit losses reflected funded loans. Provisions for loan losses do not include reserve for unfunded commitments (classified in "Other liabilities" on the balance sheet).

# Capital Strength

## Cadence Bank

	4Q20	1Q21	2Q21	3Q21	4Q21
Total Regulatory Capital (\$ million) <sup>(1)</sup>	2,431	2,488	2,660	2,659	4,668
Total Risk-Weighted Assets (\$ million) <sup>(1)</sup>	16,786	16,984	18,353	18,631	34,723
Leverage Ratio (%) <sup>(1)</sup>	8.7	8.6	8.3	8.1	9.9
Common Equity Tier 1 Capital Ratio (%) <sup>(1)</sup>	10.7	11.0	10.9	10.7	10.8
Tier 1 Ratio (%) <sup>(1)</sup>	11.7	12.0	11.8	11.6	11.3
Total Capital Ratio (%) <sup>(1)</sup>	14.5	14.7	14.5	14.3	13.4
Total shareholders' equity (\$B)	2.8	2.8	3.1	3.0	5.2
Preferred equity (\$B)	0.2	0.2	0.2	0.2	0.2
Tangible common shareholders' equity (\$B) <sup>(2)</sup>	1.7	1.8	1.9	1.8	3.5
Tangible common equity ratio (%) <sup>(2)</sup>	7.5	7.0	7.1	6.8	7.5
Total shares outstanding (millions)	102.6	102.6	108.6	106.9	188.3
Book value per share	\$25.89	\$25.90	\$26.72	\$26.73	\$26.98
Tangible book value per share <sup>(2)</sup>	\$17.04	\$17.08	\$17.41	\$17.27	\$18.45
Cash dividends per share	\$0.19	\$0.19	\$0.19	\$0.20	\$0.20

## HIGHLIGHTS

- Tangible common shareholders' equity to tangible assets was 7.54% compared with 6.82% at September 30, 2021.
- The merger with legacy Cadence during 4Q21 increased total equity by \$2.5 billion and goodwill increased \$451.7 million.
- Repurchased 4.3 million shares in 4Q21 and a total of 6.0 million in 2021. The 2022 share repurchase authorization was increased to 10 million shares.
- Quarterly cash dividend increased to \$0.22 per common share of stock, up \$0.02 or 10% per share compared to the prior period.

<sup>(1)</sup> Preliminary estimates.

<sup>(2)</sup> Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Summary

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- Successful closing of the Cadence Bancorporation merger and focus on the brand identity rollout over the coming months
- Enterprise-wide operational merger integration planning and execution underway
- Third consecutive quarter of net organic loan growth; robust pipelines across our expanded footprint and in key growth markets
- Meaningful contribution from fee businesses at 32% of total revenue, including the addition of Linscomb & Williams, Altera payroll processing, Foreign Exchange, Trust and other fee services from legacy Cadence
- Stable credit quality indicators and no loan provision excluding the provision related to the acquisition double count in the quarter and provision for unfunded commitments
- Repurchased approximately 4.3 million shares of common stock during the quarter and completed the total 6 million for the full year 2021; authorization in place for up to 10 million shares of common stock for 2022 buyback program
- Focus remains on elevating the customer experience through relationship banking, expanded products, services, and technology



# Appendix

# Preliminary Purchase Accounting Summary

\$ in millions, unless otherwise indicated

	Legacy Cadence	Eliminations <sup>(1)</sup>	Fair Value Adjustments	Fair Value	Other	Day 1 Balance Sheet	Note #
Cash and cash equivalents	\$ 2,341			\$ 2,341		\$ 2,341	
Securities available-for-sale	4,173		(1)	4,172		4,172	
Loans held for sale	83			83		83	
Loans	11,567	50	(83)	11,534		11,534	2
Less: allowance for credit losses	(220)	220	(65)	(65)	(119)	(184)	2,3
Net loans	11,347			11,469		11,350	
Premises and equipment, net	122		(9)	113		113	
Goodwill	43	(43)			452	452	4
Other intangible assets, net	68	(68)	152	152		152	5
Other assets	664		(4)	661		661	6
<b>Total assets</b>	<b>\$ 18,842</b>			<b>\$ 18,993</b>		<b>\$ 19,325</b>	
Noninterest-bearing deposits	\$ 5,963			\$ 5,963		5,963	
Interest-bearing deposits	10,384	0	3	10,387		10,387	7
Total deposits	16,347			16,350		16,350	
Borrowings	183	14	10	207		207	7
Other liabilities	345	(2)	66	408	13	421	8,9
<b>Total liabilities</b>	<b>\$ 16,875</b>			<b>\$ 16,966</b>		<b>\$ 16,979</b>	
<b>Net assets acquired</b>	<b>\$ 1,968</b>			<b>\$ 2,027</b>		<b>\$ 2,347</b>	
<b>Consideration paid:</b>							
Consideration for outstanding common stock				(2,465)			10
Consideration for equity awards				(14)			
<b>Total fair value of consideration paid</b>				<b>\$ (2,479)</b>			
<b>Goodwill</b>				<b>\$ 452</b>			

\*See "Notes to Preliminary Purchase Accounting" on slide 16 for a more detailed explanation of the calculations

# Notes to Preliminary Purchase Accounting

Under the acquisition method of accounting, the assets and liabilities of legacy Cadence as of the effective date of the merger, October 29, 2021, is recorded at their respective fair values and the excess of the merger consideration over the fair value of legacy Cadence's net assets will be allocated to goodwill. The allocation of the purchase price reflected in the purchase accounting summary is preliminary and all adjustments are based on current assumptions and valuations, which are subject to change.

1. Adjustment to eliminate legacy Cadence previous purchase accounting marks and intangibles.
2. Adjustment to legacy Cadence loans to reflect estimated fair value adjustments, which include lifetime credit loss expectations, current interest rates and liquidity of approximately \$83 million on the total loan portfolio for both purchased credit-deteriorated ("PCD") loans and non-PCD loans, which is net of a \$65 million increase to the allowance for credit losses for the gross-up of estimated lifetime credit losses for PCD loans.
3. Adjustments to record the allowance for credit losses for the gross-up of estimated lifetime credit losses for PCD loans of \$65 million and to a \$119 million increase to the allowance for credit losses and provision for estimated lifetime credit losses for non-PCD loans.
4. Adjustments to eliminate legacy Cadence goodwill of \$43 million at the merger date and record estimated goodwill associated with the merger of \$452 million. Goodwill is not subject to amortization.
5. Adjustments to other assets to record preliminary intangible assets of \$152 million, including \$25 million of core deposit intangible assets, which are estimated to be approximately 0.20% of total core deposits. Core deposit intangible assets are recorded separately from goodwill and are amortized using an accelerated amortization method over ten years.
6. Adjustments to record other marks to PPE and other assets to reflect the effects of the acquisition accounting adjustments.
7. Adjustments to interest-bearing deposits and borrowings to reflect the estimated fair value of acquired interest-bearing deposits and debt.
8. Adjustments to deferred taxes, accrued expenses and other liabilities to reflect the effects of the acquisition accounting adjustments and contractually obligated transactions costs.
9. Adjustment to reverse legacy Cadence reserve for unfunded commitments and record a \$13 million reserve.
10. Consideration to holders of legacy Cadence common stock, totaling 122.4 million shares, receiving 0.70 shares of legacy BancorpSouth common stock, based on the closing share price of legacy BancorpSouth common stock on the NYSE of \$28.76 on October 29, 2021.

# Preliminary Loan Marks

*\$ in millions, unless otherwise indicated*

	Total Loan Mark		Other adjustments		Fair value of loans
	\$ total (pre-tax)	% of O/S	Prior discount reversed	PCD allowance established	
PCD loans	\$ 391	\$ (83) -21.3%	\$ -	\$ 65	\$ 308
Non-PCD loans	11,158	(64) -0.6%	-	-	11,093
PPP loans	49	-	-	-	49
Other loan balances	20	-	-	-	20
Prior loan discounts	(50)	-	50	-	0
<b>Total Loans</b>	<b>\$11,567</b>	<b>\$ (147) -1.3%</b>	<b>\$ 50</b>	<b>\$ 65</b>	<b>\$ 11,469</b>

- Preliminary loan marks are adjustments made to the balance sheet at the closing of the merger with legacy Cadence.
- Accretion income related to the loan marks were recorded in the fourth quarter 2021 income statement.
- The fourth quarter 2021 income statement included the impact of the merger-related, Day one provision for credit losses of \$132.1 million.

# Mortgage and Insurance Revenue

*\$ in millions, unless otherwise indicated*

## Mortgage Lending Revenue

	Three Months Ended				
	12/31/20	3/31/21	6/30/21	9/30/21	12/31/21
Origination revenue	\$ 19	\$ 16	\$ 9	\$ 9	\$ 6
Servicing revenue	5	5	5	6	6
MSR payoffs/paydowns	(4)	(3)	(3)	(4)	(4)
Mortgage production and servicing revenue	20	18	11	11	8
MSR valuation adjustment	0	7	(2)	2	3
Total mortgage banking revenue	\$ 20	\$ 25	\$ 9	\$ 13	\$ 11
Production volume	\$ 846	\$ 790	\$ 906	\$ 789	\$ 818
Purchase money production	466	399	619	511	549
Mortgage loans sold	707	517	643	573	534
Margin on loans sold	2.62%	3.09%	1.35%	1.62%	1.12%
Current pipeline	\$ 559	\$ 618	\$ 534	\$ 467	\$ 323
Mortgage originators	160	162	165	164	201

## Insurance Commission Revenue

Property and casualty commissions	\$ 21	\$ 22	\$ 26	\$ 26	\$ 24
Life and health commissions	6	6	7	7	6
Risk management income	1	1	1	1	1
Other	2	2	2	2	2
Total insurance commissions	\$ 30	\$ 31	\$ 36	\$ 36	\$ 33

# Non-GAAP Reconciliation

*\$ in millions, unless otherwise indicated*

	Quarter Ended					Year Ended	
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Dec-20	Dec-21
Net (loss) income	\$ 69	\$ 82	\$ 76	\$ 73	\$ (35)	\$ 228	\$ 195
Plus: Merger expense <sup>(1)</sup>	0	2	10	3	45	5	60
Incremental merger related expense <sup>(1)</sup>	-	-	-	-	5	-	5
Initial provision for acquired loans	-	-	12	-	132	1	144
Pension settlement expense	6	-	-	2	1	6	3
Less: Security (losses) gains	0	0	0	(0)	(0)	0	(0)
Tax adjustment	1	0	5	2	41	3	49
Adjusted net income	\$ 73	\$ 83	\$ 92	\$ 77	\$ 106	\$ 237	\$ 358
Less: Preferred dividends	2	2	2	2	2	9	9
Adjusted net income available to common shareholders	\$ 71	\$ 80	\$ 89	\$ 75	\$ 104	\$ 228	\$ 349
Adjusted net income	\$ 73	\$ 83	\$ 92	\$ 77	\$ 106	\$ 237	\$ 358
Less: MSR market value adjustment, net of tax	0	6	(1)	2	2	(10)	8
Adjusted net income-excluding MSR	\$ 73	\$ 77	\$ 93	\$ 76	\$ 104	\$ 247	\$ 350
Less: Preferred dividends	2	2	2	2	2	9	9
Adjusted net income available to common shareholders-excluding MSR	\$ 71	\$ 75	\$ 91	\$ 73	\$ 102	\$ 237	\$ 341

<sup>(1)</sup> Merger expenses represent costs to complete the merger with no future benefit, while incremental merger related expenses represent costs to complete the merger for which the entity receives a future benefit. Merger expense of \$44.8 million for the fourth quarter of 2021 was comprised primarily of advisor fees, legal fees, and compensation related items. Incremental merger related expenses for the fourth quarter of 2021 totaled \$4.6 million that included primarily employee retention expense.

# Non-GAAP Reconciliation, continued

*\$ in millions, unless otherwise indicated*

	Quarter Ended				Year Ended		
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Dec-21	
Net (loss) income	\$ 69	\$ 82	\$ 76	\$ 73	\$ (35)	\$ 228	\$ 195
Plus: Provision (release) for credit losses	6	-	12	(7)	134	89	138
Income tax (benefit) expense	14	23	21	20	(13)	59	52
Pre-tax pre-provision net revenue	<u>\$ 89</u>	<u>\$ 105</u>	<u>\$ 108</u>	<u>\$ 86</u>	<u>\$ 86</u>	<u>\$ 377</u>	<u>\$ 385</u>
Net (loss) income	\$ 69	\$ 82	\$ 76	\$ 73	\$ (35)	\$ 228	\$ 195
Plus: Provision (release) for credit losses	6	-	12	(7)	134	89	138
Merger expense <sup>(1)</sup>	0	2	10	3	45	5	60
Incremental merger related expense <sup>(1)</sup>	-	-	-	-	5	-	5
Pension settlement expense	6	-	-	2	1	6	3
Income tax (benefit) expense	14	23	21	20	(13)	59	52
Less: Security (losses) gains	0	0	0	(0)	(0)	0	(0)
MSR market value adjustment	0	7	(2)	2	3	(13)	10
Adjusted pre-tax pre-provision net revenue	<u>\$ 94</u>	<u>\$ 99</u>	<u>\$ 120</u>	<u>\$ 90</u>	<u>\$ 134</u>	<u>\$ 401</u>	<u>\$ 443</u>
Total noninterest expense	\$ 167	\$ 156	\$ 174	\$ 180	\$ 289	\$ 651	\$ 799
Less: Merger expense <sup>(1)</sup>	0	2	10	3	45	5	60
Incremental merger related expense <sup>(1)</sup>	-	-	-	-	5	-	5
Pension settlement expense	6	-	-	2	1	6	3
Total adjusted expense	<u>\$ 161</u>	<u>\$ 154</u>	<u>\$ 164</u>	<u>\$ 174</u>	<u>\$ 239</u>	<u>\$ 640</u>	<u>\$ 731</u>

<sup>(1)</sup> Merger expenses represent costs to complete the merger with no future benefit, while incremental merger related expenses represent costs to complete the merger for which the entity receives a future benefit. Merger expense of \$44.8 million for the fourth quarter of 2021 was comprised primarily of advisor fees, legal fees, and compensation related items. Incremental merger related expenses for the fourth quarter of 2021 totaled \$4.6 million that included primarily employee retention expense.

# Non-GAAP Reconciliation, continued

*\$ in millions, unless otherwise indicated*

	Quarter Ended				Year Ended		
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Dec-20	Dec-21
Total assets	\$ 24,081	\$ 25,802	\$ 27,612	\$ 28,060	\$ 47,655	\$ 24,081	\$ 47,655
Less: Goodwill	852	852	957	958	1,408	852	1,408
Other identifiable intangible assets	56	54	55	52	198	56	198
Total tangible assets	\$ 23,174	\$ 24,897	\$ 26,600	\$ 27,050	\$ 46,049	\$ 23,174	\$ 46,049
PERIOD END BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 2,822	\$ 2,825	\$ 3,070	\$ 3,023	\$ 5,248	\$ 2,822	\$ 5,248
Less: Goodwill	852	852	957	958	1,408	852	1,408
Other identifiable intangible assets	56	54	55	52	198	56	198
Preferred stock	167	167	167	167	167	167	167
Total tangible common shareholders' equity	\$ 1,748	\$ 1,753	\$ 1,890	\$ 1,846	\$ 3,475	\$ 1,748	\$ 3,475
AVERAGE BALANCES:							
Tangible shareholders' equity							
Total shareholders' equity	\$ 2,775	\$ 2,813	\$ 2,955	\$ 3,058	\$ 4,509	\$ 2,726	\$ 3,338
Less: Goodwill	852	852	910	958	1,116	848	960
Other identifiable intangible assets	55	55	53	54	107	57	67
Preferred stock	167	167	167	167	167	167	167
Total tangible common shareholders' equity	\$ 1,700	\$ 1,740	\$ 1,825	\$ 1,880	\$ 3,120	\$ 1,653	\$ 2,144
Total average assets	\$ 23,661	\$ 24,546	\$ 26,666	\$ 27,617	\$ 40,985	\$ 22,723	\$ 29,992
Total shares of common stock outstanding	102,561,480	102,624,818	108,614,595	106,853,316	188,337,658	102,561,480	188,337,658
Average shares outstanding-diluted	102,817,409	102,711,584	105,838,056	108,250,102	164,720,656	103,304,570	120,668,695

# Non-GAAP Reconciliation, continued

	Quarter Ended				Year Ended		
	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Dec-20	Dec-21
Tangible common shareholders' equity to tangible assets (1)	7.54%	7.04%	7.11%	6.82%	7.54%	7.54%	7.54%
Return on average tangible common equity (2)	15.54	18.46	16.08	14.85	(4.71)	13.22	8.66
Adjusted return on average tangible common equity-excluding MSR (3)	16.56	17.44	19.92	15.48	12.99	14.35	15.90
Adjusted return on average assets-excluding MSR (4)	1.23	1.28	1.40	1.09	1.01	1.09	1.17
Adjusted return on average common shareholders' equity-excluding MSR (5)	10.80	11.47	13.04	10.06	9.33	9.27	10.75
Pre-tax pre-provision net revenue to total average assets (6)	1.49	1.73	1.63	1.24	0.83	1.66	1.28
Adjusted pre-tax pre-provision net revenue to total average assets (7)	1.59	1.64	1.80	1.29	1.29	1.76	1.48
Tangible book value per common share (8)	\$ 17.04	\$ 17.08	\$ 17.41	\$ 17.27	\$ 18.45	\$ 17.04	\$ 18.45
Adjusted earnings per common share (9)	\$ 0.69	\$ 0.78	\$ 0.84	\$ 0.69	\$ 0.63	\$ 2.20	\$ 2.89
Adjusted earnings per common share-excluding MSR (10)	\$ 0.69	\$ 0.73	\$ 0.86	\$ 0.68	\$ 0.62	\$ 2.30	\$ 2.83
Adjusted dividend payout ratio - excluding MSR (11)	27.54%	26.03%	22.09%	29.41%	32.26%	32.39%	27.56%

- (1) Tangible common shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less preferred stock, goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (2) Return on average tangible common equity is defined by the Company as annualized net income available to common shareholders divided by average tangible common shareholders' equity.
- (3) Adjusted return on average tangible common equity-excluding MSR is defined by the Company as annualized net adjusted income available to common shareholders-excluding MSR divided by average tangible common shareholders' equity.
- (4) Adjusted return on average assets-excluding MSR is defined by the Company as annualized net adjusted income-excluding MSR divided by total average assets.
- (5) Adjusted return on average common shareholders' equity-excluding MSR is defined by the Company as annualized net adjusted income available to common shareholders-excluding MSR divided by average common shareholders' equity.
- (6) Pre-tax pre-provision net revenue to total average assets is defined by the Company as annualized pre-tax pre-provision net revenue divided by total average assets.
- (7) Adjusted pre-tax pre-provision net revenue to total average assets is defined by the Company as annualized adjusted pre-tax pre-provision net revenue divided by total average assets adjusted for items included in the definition and calculation of net adjusted income-excluding MSR.
- (8) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.
- (9) Adjusted earnings per common share is defined by the Company as net adjusted income available to common shareholders divided by average common shares outstanding-diluted.
- (10) Adjusted earnings per common share-excluding MSR is defined by the Company as net adjusted income available to common shareholders-excluding MSR divided by average common shares outstanding-diluted.
- (11) Adjusted dividend payout ratio-excluding MSR is defined by the Company as common share dividends divided by net adjusted income available to common shareholders-excluding MSR.

#### Efficiency Ratio (tax equivalent) and Adjusted Efficiency Ratio-excluding MSR (tax equivalent) Definitions

The efficiency ratio (tax equivalent) and the adjusted efficiency ratio-excluding MSR (tax equivalent) are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio (tax equivalent) is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment. The adjusted efficiency ratio-excluding MSR (tax equivalent) excludes expense items otherwise disclosed as non-operating from total noninterest expense. In addition, the MSR valuation adjustment as well as securities gains and losses are excluded from total revenue.



Cadence Bank's common stock is listed on the New York Stock Exchange under the symbol CADE and its Series A Preferred Stock is listed under the symbol CADE-PrA. Additional information can be found at <https://ir.cadencebank.com>.\*

As a reminder, all of the Company's Securities Exchange Act filings are made with the Federal Deposit Insurance Corporation and can be found at <https://efr.fdic.gov/fcxweb/efr/index.html>.

## INVESTOR INQUIRIES:

**Will Fisackerly**

Investor Relations

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\*References to Cadence Bank's website does not constitute incorporation by reference of the information contained on the website and is not, and should not be, deemed part of this presentation.

