



BancorpSouth Bank

Financial Information

As of and for the Three Months Ended
June 30, 2021

Presented July 22, 2021



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 include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, including the impact of the COVID-19 pandemic 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 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, including the effects from the adoption of the current expected credit loss methodology on January 1, 2020, or changes in existing standards; the occurrence of any event, change or other circumstances that could give rise to the right of one or both of the parties to terminate the Cadence Merger Agreement; the outcome of any legal proceedings that have been or may be instituted against the Company or Cadence in respect of the Cadence Merger; the possibility that the Cadence Merger will not close when expected or at all because required regulatory, shareholder or other approvals are not received or other conditions to the closing are not satisfied on a timely basis or at all, or are obtained subject to conditions that are not anticipated; 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 common stock of either or both parties to the Cadence Merger; 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 Company and Cadence do business; certain restrictions during the pendency of the Cadence Merger that may impact the parties' ability to pursue certain business opportunities or strategic transactions; 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 announcement or completion of the Cadence Merger; the Company and Cadence's success in executing their respective 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.

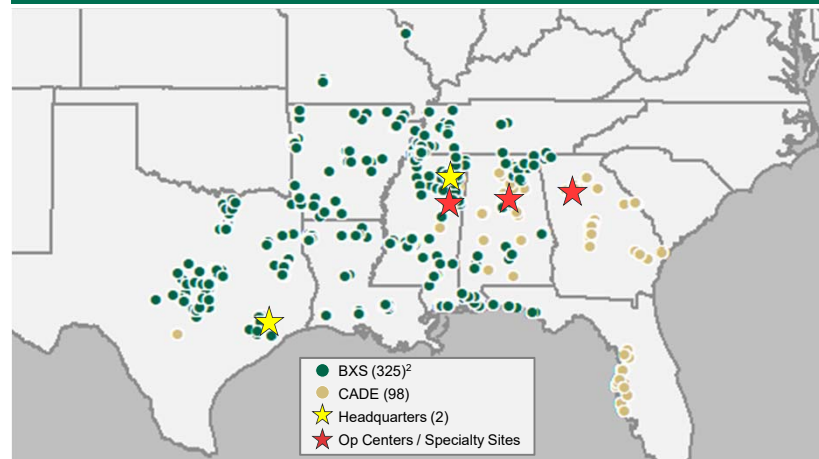
Pending Merger with Cadence Bancorporation



Creating a Premier Regional Banking Franchise

- Builds immediate scale in highly attractive markets throughout Texas and the Southeast
- Combines BancorpSouth's community banking focus with Cadence's commercial banking expertise – enhances relationship banking strategy
- Merges two historic institutions – BancorpSouth (145 years experience) and Cadence (134 years)
- Strong balance sheet, capital and reserve levels enabling continued growth trajectory
- Low-risk combination between companies with significant M&A integration expertise
- Better opportunities for employees, customers, communities and shareholders

Pro Forma: 5th Largest Bank HQ in Footprint¹



Financial Benefits / Shareholder Value Creation

\$46B
Assets²

14.8%
ROATCE³

+17%
EPS Accretion³

+0.7%
Accretive to
TBVPS

(1) Includes depository institutions headquartered in AL, AR, FL, GA, LA, MO, MS, TN and TX; excludes merger targets.

(2) Financial data as of 6/30/2021 and excludes purchase accounting.

(3) Based on consensus estimates for both companies. Assumes fully realized cost savings during 2022 for illustrative purposes.

Q2 Financial Highlights



Earnings Highlights	<ul style="list-style-type: none"> • Pre-tax pre-provision net revenue of \$119.9 million – 1.80% of average assets annualized • Net income available to common shareholders of \$73.2 million, or \$0.69 per diluted common share • Net operating income available to common shareholders – excluding MSR – of \$90.6 million, or \$0.86 per diluted common share
Credit	<ul style="list-style-type: none"> • Provision for credit losses of \$11.5 million driven primarily by day one provision requirements associated with loans acquired during the quarter • Credit quality metrics improved; total non-performing assets declined \$8.9 million, or 8.1%, compared to March 31, 2021
Mortgage	<ul style="list-style-type: none"> • Production volume of \$906.4 million, 68% of which represented purchase money production • Production and servicing revenue of \$11.0 million • Negative MSR valuation adjustment of \$1.9 million
Other Highlights	<ul style="list-style-type: none"> • Generated \$224.4 million, or 4.1% annualized, in organic total deposit and customer repo growth, and total organic net loan growth of approximately \$65.0 million • Sold 12,289 Paycheck Protection Program (PPP) loans totaling \$725.4 million, which generated a gain on sale of \$21.6 million; received PPP forgiveness payments totaling \$347.1 million
Capital	<ul style="list-style-type: none"> • No share repurchases during the quarter • Maintained strong regulatory capital metrics; total risk-based capital of 14.57 percent
M&A Update	<ul style="list-style-type: none"> • Completed transactions with National United Bancshares, Inc., and FNS Bancshares, Inc., effective May 1, 2021 which add approximately \$1.6 billion in total assets to the Company • Announced the signing of a merger agreement with Cadence Bancorporation, the parent company of Cadence Bank N.A., which creates a \$46 billion institution on a pro forma basis that will be the 5th largest bank headquartered in the Company's nine-state footprint

As of and for the three months ended June 30, 2021.

All non-GAAP measures are discussed and reconciled in the earnings news release which accompanies this presentation.

Recent Quarterly Results



	Three Months Ended			% Change	
	6/30/21	3/31/21	6/30/20	vs 3/31/21	vs 6/30/20
Net interest revenue	\$ 180.2	\$ 172.8	\$ 170.6	4.3 %	5.6 %
Provision for credit losses	11.5	0.0	20.0	NM	NM
Noninterest revenue	101.9	87.9	91.3	15.9	11.7
Noninterest expense	174.0	155.8	162.5	11.7	7.1
Income before income taxes	96.6	104.9	79.3	(7.9)	21.8
Income tax expense	21.1	23.3	18.2	(9.6)	16.2
Net income	\$ 75.5	\$ 81.6	\$ 61.2	(7.4) %	23.5 %
Less: Preferred dividends	2.4	2.4	2.4	-	-
Net income available to common shareholders	\$ 73.2	\$ 79.2	\$ 58.8	(7.6) %	24.5 %
Plus: Non-operating items, net of tax	16.0	1.2	0.3	NM	NM
Less: MSR market value adjustment, net of tax	(1.4)	5.5	(1.8)	NM	NM
Net operating income available to common shareholders - excluding MSR	\$ 90.6	\$ 74.8	\$ 60.9	21.1 %	48.8 %
Net income per common share: diluted	\$ 0.69	\$ 0.77	\$ 0.57	(10.4) %	21.1 %
Operating earnings per common share - excluding MSR	\$ 0.86	\$ 0.73	\$ 0.59	17.8 %	45.8 %
Pre-tax pre-provision net revenue	\$ 119.9	\$ 99.1	\$ 102.1	21.0 %	17.4 %
Pre-tax pre-provision net revenue to total average assets	1.80%	1.64%	1.81%	9.8 %	(0.6) %

Dollars in millions, except per share data.

All non-GAAP measures are discussed and reconciled in the earnings news release which accompanies this presentation.

NM – Not Meaningful.

Figures may not foot due to rounding.

Noninterest Revenue



	Three Months Ended			% Change	
	6/30/21	3/31/21	6/30/20	vs 3/31/21	vs 6/30/20
Mortgage production and servicing revenue	\$ 11,013	\$ 17,929	\$ 31,930	(38.6) %	(65.5) %
Credit card, debit card and merchant fees	11,589	9,659	9,080	20.0	27.6
Deposit service charges	8,849	8,477	7,647	4.4	15.7
Insurance commissions	36,106	30,667	33,118	17.7	9.0
Wealth management	7,543	8,465	6,421	(10.9)	17.5
Gain on sale of PPP loans	21,572	-	-	NM	NM
Other	7,179	5,358	5,435	34.0	32.1
Total noninterest revenue-excluding MSR	103,851	80,555	93,631	28.9 %	10.9 %
MSR valuation adjustment	(1,908)	7,381	(2,373)	NM	NM
Total noninterest revenue	\$ 101,943	\$ 87,936	\$ 91,258	15.9 %	11.7 %
% of total revenue	36.1%	33.7%	34.9%		

Dollars in thousands.
 NM – Not Meaningful.

Noninterest Expense



	Three Months Ended			% Change	
	6/30/21	3/31/21	6/30/20	vs 3/31/21	vs 6/30/20
Salaries and employee benefits ⁽¹⁾	\$ 108,188	\$ 101,060	\$ 108,103	7.1 %	0.1 %
Occupancy, net of rental income	13,187	12,814	12,890	2.9	2.3
Equipment	4,967	4,564	4,762	8.8	4.3
Deposit insurance assessments	1,638	1,455	1,962	12.6	(16.5)
Advertising and public relations	1,795	1,745	1,377	2.9	30.4
Foreclosed property expense	649	1,021	1,306	(36.4)	(50.3)
Data processing, telecom and computer software	17,428	16,935	16,184	2.9	7.7
Amortization of intangibles	2,401	2,318	2,355	3.6	2.0
Legal	774	1,166	1,375	(33.6)	(43.7)
Merger expense	9,962	1,649	510	NM	NM
Postage and shipping	1,317	1,547	1,198	(14.9)	9.9
Other miscellaneous expense	11,678	9,549	10,482	22.3	11.4
Total noninterest expense	173,984	155,823	162,504	11.7 %	7.1 %
Non-operating items:					
Merger expense	9,962	1,649	510	NM	NM
Total noninterest expense - operating	\$ 164,022	\$ 154,174	\$ 161,994	6.4 %	1.3 %

Dollars in thousands.

NM – Not Meaningful.

(1) Salaries and employee benefits for the first quarter of 2021 was positively impacted by accrual true-ups totaling approximately \$3.0 million relating to incentive compensation and other employee benefits.

Deposits and Customer Repos



- Total deposits and customer repos increased \$1.7 billion compared to March 31, 2021. Acquired deposits and customer repos totaled approximately \$1.5 billion during the quarter, while deposits and customer repos increased approximately \$225.0 million on an organic basis.
- Total deposits and customer repos have increased \$3.7 billion since June 30, 2020. Of this increase approximately \$1.5 billion represent acquired balances while organic funding growth, which includes additional liquidity generated from the PPP and other stimulus programs totaled approximately \$2.2 billion, or 11.1 percent.

	As of 6/30/21		As of 3/31/21		As of 6/30/20	
	Balance	% of Total	Balance	% of Total	Balance	% of Total
Noninterest bearing demand	\$ 7,619	32.4%	\$ 6,991	32.0%	\$ 6,385	32.2%
Interest bearing demand	9,672	41.1%	9,067	41.5%	7,908	39.8%
Savings	2,940	12.5%	2,678	12.3%	2,235	11.2%
Other time	2,608	11.1%	2,437	11.2%	2,652	13.4%
Customer Repos	683	2.9%	661	3.0%	670	3.4%
Total Deposits and Customer Repos	\$23,522	100.0%	\$21,834	100.0%	\$19,850	100.0%
Total Cost of Deposits		0.27%		0.33%		0.50%

Loan Portfolio



- Total loans decreased \$34.8 million, compared to March 31, 2021. Acquired loans totaled approximately \$877.9 million during the quarter. PPP loans totaling \$725.4 million were sold during the quarter and forgiveness payments were received totaling \$347.1 million. Excluding the impact of acquired balances and PPP, organic loan growth totaled approximately \$65.0 million for the second quarter.
- Total loans have decreased \$423.4 million since June 30, 2020. Acquired loans totaled approximately \$877.9 million and PPP loans have declined approximately \$1.0 billion due primarily to forgiveness payments and the sale of PPP loans totaling \$725.4 million since June 30, 2020.

	<u>As of 6/30/21</u>		<u>As of 3/31/21</u>		<u>As of 6/30/20</u>	
	<u>Balance</u>	<u>% of Total</u>	<u>Balance</u>	<u>% of Total</u>	<u>Balance</u>	<u>% of Total</u>
Commercial and industrial						
Commercial and industrial-non real estate	\$ 2,056	13.7%	\$ 2,866	19.1%	\$ 3,039	19.7%
Commercial and industrial-owner occupied	2,273	15.2%	2,260	15.0%	2,296	14.9%
Total commercial and industrial	4,329	28.9%	5,126	34.1%	5,335	34.6%
Commercial real estate						
Agricultural	350	2.3%	338	2.2%	334	2.2%
Construction, acquisition and development	1,926	12.8%	1,708	11.4%	1,659	10.8%
Commercial real estate	3,324	22.2%	3,128	20.8%	3,324	21.5%
Total commercial real estate	5,600	37.3%	5,173	34.4%	5,316	34.5%
Consumer						
Consumer mortgages	3,992	26.5%	3,700	24.6%	3,646	23.6%
Home equity	625	4.2%	609	4.0%	656	4.2%
Credit cards	85	0.6%	81	0.5%	87	0.6%
Total consumer	4,702	31.3%	4,390	29.2%	4,388	28.4%
All other	372	2.5%	349	2.3%	388	2.5%
Total	\$15,004	100.0%	\$15,039	100.0%	\$15,427	100.0%
PPP Loans	\$ 167	1.1%	\$ 1,146	7.6%	\$ 1,193	7.7%

Credit Quality Highlights



- Recorded a provision for credit losses of \$11.5 million driven primarily by day one provision requirements associated with loans acquired during the quarter
- Net recoveries totaled \$1.8 million for the quarter, which represents 0.05 percent of net loans and leases on an annualized basis
- Continued to actively monitor COVID-19 high risk portfolios
- Allowance for credit losses coverage of 1.79 percent of net loans and leases, excluding the impact of PPP loans
- Approximately 0.2 percent of loan portfolio (by outstanding balance) in deferral as of June 30, 2021, excluding the impact of PPP loans, and 1.1 percent temporarily converted to interest only

COVID-19 Borrower Accommodations



- Approximately 0.2 percent of loan portfolio (by outstanding balance) in deferral as of June 30, 2021*
- In addition to the deferral programs, the Company has also converted certain qualifying loans to interest only for a limited time period. As of June 30, 2021 approximately \$159.5 million have been temporarily converted to interest only

COVID-19 High Risk Portfolios

	As of 6/30/21							
	Outstanding Balance	Total Committed Balance	Average Loan Size	% of Portfolio (based on committed balance)	\$ Loans Converted to Interest Only*	% Loans Converted to Interest Only*	\$ Deferred*	% Deferred*
Hotels & Accommodation*	691,709	787,583	2,506	4.2%	108,703	15.7%	-	0.0%
Retail CRE*	1,184,619	1,296,911	894	6.8%	-	0.0%	-	0.0%
Food Services*	262,469	285,275	390	1.5%	4,004	1.5%	-	0.0%
High Risk Portfolios*	2,138,797	2,369,769			112,707	5.3%	-	0.0%
All Other Portfolios	12,865,242	16,585,212			46,769	0.4%	25,795	0.2%
Total	\$ 15,004,039	\$ 18,954,981			\$ 159,476	1.1%	\$ 25,795	0.2%

Mortgage and Insurance Revenue



Mortgage Lending Revenue

	Three Months Ended				
	6/30/21	3/31/21	12/31/20	9/30/20	6/30/20
Origination revenue	\$ 8,646	\$ 15,955	\$ 18,561	\$ 23,632	\$ 30,194
Servicing revenue	5,313	5,247	5,254	6,233	4,880
MSR payoffs/paydowns	(2,946)	(3,273)	(3,898)	(3,198)	(3,144)
Mortgage production and servicing revenue	11,013	17,929	19,917	26,667	31,930
MSR valuation adjustment	(1,908)	7,381	212	430	(2,373)
Total mortgage banking revenue	\$ 9,105	\$ 25,310	\$ 20,129	\$ 27,097	\$ 29,557
Production volume	\$ 906,386	\$ 789,791	\$ 845,937	\$ 937,656	\$ 989,023
Purchase money production	\$ 615,200	\$ 379,400	\$ 466,400	\$ 568,400	\$ 522,600
Mortgage loans sold	\$ 642,716	\$ 517,058	\$ 707,094	\$ 807,036	\$ 554,448
Margin on loans sold	1.35%	3.09%	2.62%	2.93%	5.45%
Current pipeline	\$ 534,003	\$ 618,217	\$ 558,651	\$ 629,906	\$ 691,755
Mortgage originators	165	162	160	161	158

Insurance Commission Revenue

Property and casualty commissions	\$ 26,040	\$ 21,949	\$ 21,304	\$ 24,060	\$ 23,644
Life and health commissions	7,130	6,494	5,915	6,072	6,771
Risk management income	611	613	829	609	540
Other	2,325	1,611	1,767	2,009	2,163
Total insurance commissions	\$ 36,106	\$ 30,667	\$ 29,815	\$ 32,750	\$ 33,118

Summary



Highlights

- Strong core deposit growth
- Improvement in credit quality indicators; provision for credit losses driven by day one provision requirements associated with acquired loans
- Sold \$725.4 million in PPP loans resulting in a gain of \$21.6 million
- Maintained strong regulatory capital metrics
- Completed mergers with National United and FNB Bank effective May 1, 2021; announced merger with Cadence Bank which is currently expected to close in the fourth quarter of 2021 and will increase total assets to \$46 billion on a pro forma basis

Current Focus

- Support our teammates, customers, and communities as the COVID-19 pandemic recovery continues
- Operational integration planning and execution for the upcoming Cadence merger
- Continue to challenge expenses and improve efficiency
- Enhance customer experience, including improved technology offerings