



**Simmons First
National Corporation** | NASDAQ: SFNC

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1st Quarter 2021 Investor Presentation

Forward-Looking Statements and Non-GAAP Financial Measures

Forward-Looking Statements. Certain statements by Simmons First National Corporation (the “Company”, which where appropriate includes the Company’s wholly-owned banking subsidiary, Simmons Bank) contained in this presentation may not be based on historical facts and should be considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements may be identified by reference to a future period(s) or by the use of forward-looking terminology, such as “anticipate,” “estimate,” “expect,” “foresee,” “project,” “may,” “might,” “will,” “would,” “could,” “likely” or “intend,” future or conditional verb tenses, and variations or negatives of such terms. These forward-looking statements include, without limitation, those relating to the Company’s future growth; revenue; expenses (including interest expense and non-interest expenses); assets; asset quality; profitability; earnings; critical accounting policies; accretion; net interest margin; non-interest revenue; market conditions related to and impact of the Company’s common stock repurchase program; adequacy of the allowance for loan losses; income tax deductions; credit quality; level of credit losses from lending commitments; net interest revenue; interest rate sensitivity; loan loss experience; liquidity; capital resources; market risk; the expected benefits, milestones, or costs associated with the Company’s acquisition strategy; the Company’s ability to recruit and retain key employees; the ability of the Company to manage the impact of the COVID-19 pandemic; the impacts of the Company’s and its customers participation in the Paycheck Protection Program (“PPP”); increases in the Company’s security portfolio; legal and regulatory limitations and compliance and competition; anticipated loan principal reductions; fees associated with the PPP; plans for investments in securities; statements under the caption “Management’s Outlook” on slides 25 and 26; the charges, gains, and savings associated with completed and future branch closures and branch sales; expectations and projections regarding the Company’s COVID-19 loan modification program; and projected dividends.

Readers are cautioned not to place undue reliance on the forward-looking statements contained in this presentation in that actual results could differ materially from those indicated in or implied by such forward-looking statements, due to a variety of factors. These factors include, but are not limited to, changes in the Company’s operating or expansion strategy; the availability of and costs associated with obtaining adequate and timely sources of liquidity; the ability to maintain credit quality; the effect of steps the Company takes in response to the COVID-19 pandemic; the severity and duration of the pandemic, including the effectiveness of vaccination efforts; the pace of recovery when the pandemic subsides and the heightened impact it has on many of the risks described herein; the effects of the pandemic on, among other things, the Company’s operations, liquidity, and credit quality; general market and economic conditions; unemployment; possible adverse rulings, judgments, settlements and other outcomes of pending or future litigation (including litigation arising from the Company’s participation in and administration of programs related to the COVID-19 pandemic (including the PPP)); the ability of the Company to collect amounts due under loan agreements; changes in consumer preferences and loan demand; effectiveness of the Company’s interest rate risk management strategies; laws and regulations affecting financial institutions in general or relating to taxes; the effect of pending or future legislation; the ability of the Company to repurchase its common stock on favorable terms; the ability of the Company to successfully implement its acquisition and branch strategy; changes in interest rates, deposit flows, real estate values, and capital markets; inflation; customer acceptance of the Company’s products and services; changes or disruptions in technology and IT systems (including cyber threats, attacks and events); changes in accounting principles relating to loan loss recognition (current expected credit losses, or CECL); the benefits associated with the Company’s early retirement program and completed and future branch closures and sales; and other risk factors. Other relevant risk factors may be detailed from time to time in the Company’s press releases and filings with the U.S. Securities and Exchange Commission, including, without limitation, the Company’s Form 10-K for the year ended December 31, 2020. Any forward-looking statement speaks only as of the date of this Report, and the Company undertakes no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of this Report. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

Non-GAAP Financial Measures. This document contains financial information determined by methods other than in accordance with U.S. generally accepted accounting principles (GAAP). The Company’s management uses these non-GAAP financial measures in their analysis of the company’s performance. These measures adjust GAAP performance measures to, among other things, include the tax benefit associated with revenue items that are tax-exempt, as well as exclude from income available to common shareholders, non-interest income, and non-interest expense certain expenses related to significant non-core activities, such as merger-related expenses, expenses related to the Company’s early retirement program, gain on sale of branches, and net branch right-sizing expenses. In addition, the Company also presents certain figures based on tangible common stockholders’ equity, tangible assets, and tangible book value, which exclude goodwill and other intangible assets. The Company further presents certain figures that are exclusive of the impact of PPP loans. The Company’s management believes that these non-GAAP financial measure are useful to investors because they, among other things, present the results of the Company’s ongoing operations without the effect of mergers or other items not central to the Company’s ongoing business, as well as normalize for tax effects. Management, therefore, believes presentations of these non-GAAP financial measures provide useful supplemental information that is essential to a proper understanding of the operating results of the Company’s core businesses. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in the appendix to this presentation.





Darren Rovell
@darrenrovell

Arkansas based bank who sponsored @WillZalatoris got \$2.5 million in equivalent ad time from their patch on the golfer's shirt in the fourth round alone today, per @ApexMarketing actionnetwork.com/golf/2021-mast...



Simmons Bank @simmons_bank · 12h

To say we are proud would be an understatement. @WillZalatoris played some incredible golf during his debut at @TheMasters, and his passion for the game was evident. We're thankful he's part of #TeamSimmonsBank and we know the best is yet to come for him! Congrats, Will!



Will Zalatoris

2021 Masters

2nd Place, nine under par



LOAN PORTFOLIO AND ASSET QUALITY



Loans – Including PPP Loans

	as of December 31, 2020		as of March 31, 2021						
\$ in millions	Balance \$	% of Total Loans	Balance \$	% of Total Loans	Classified \$	Non- performing \$	ACL %	Unfunded Commitment \$	Unfunded Commitment Reserve
Total Loan Portfolio									
Consumer - Credit Card	189	1%	175	2%	1	1	1.2%	-	
Consumer - Other	202	2%	173	1%	1	1	0.7%	19	
Real Estate - Construction	1,596	12%	1,452	12%	15	2	1.5%	573	
Real Estate - Commercial	5,747	45%	5,638	46%	214	42	2.8%	176	
Real Estate - Single-family	1,881	15%	1,730	14%	33	27	0.9%	217	
Commercial	2,574	20%	2,444	20%	99	45	1.4%	929	
Agriculture	176	1%	156	1%	1	1	0.3%	124	
Other	536	4%	427	4%	-	-	0.3%	1	
Total Loan Portfolio	12,901	100%	12,195	100%	364	119	1.93%	2,039	1.1%
Loan Concentration:									
C&D	68%		60%						
CRE	241%		227%						
Select Loan Categories									
Retail	1,243	10%	1,156	9%	24	3	4.7%	85	
Nursing / Extended Care	445	3%	452	4%	3	-	1.2%	44	
Healthcare	588	5%	546	4%	11	2	0.7%	72	
Multifamily	764	6%	735	6%	21	1	0.9%	59	
Hotel	969	8%	959	8%	117	17	6.6%	22	
Restaurant	496	4%	515	4%	3	1	3.5%	14	
Energy Loans									
Upstream	198	2%	173	2%	53	30	10.8%	42	
Midstream	35	0%	34	0%	16	-	15.8%	7	
Services	14	0%	10	0%	1	-	0.8%	1	
Total Energy	247	2%	217	2%	70	30	11.1%	50	



Loans – Excluding PPP Loans

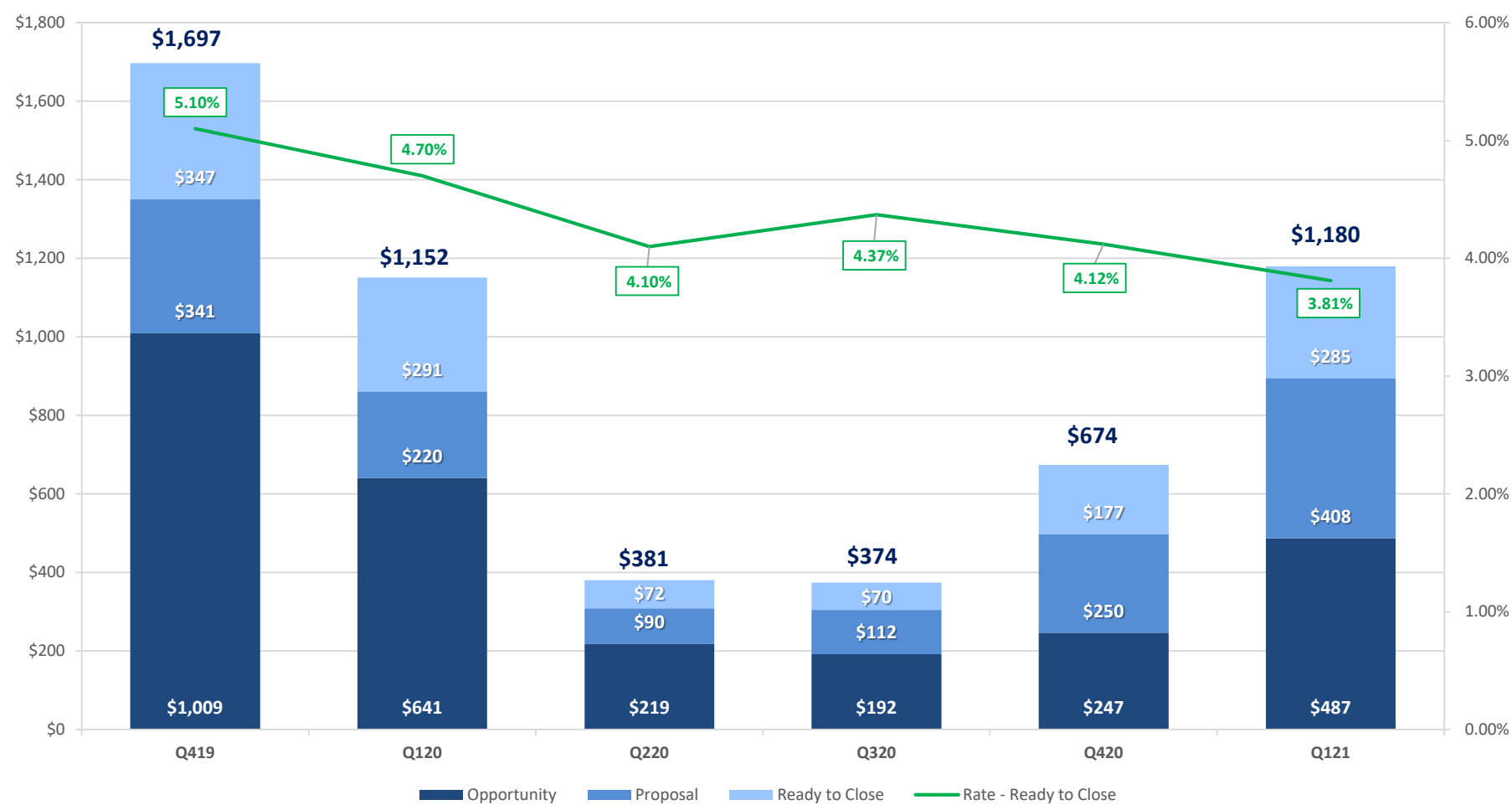
	as of December 31, 2020		as of March 31, 2021						
\$ in millions	Balance \$	% of Total Loans	Balance \$	% of Total Loans	Classified \$	Non- performing \$	ACL %	Unfunded Commitment \$	Unfunded Commitment Reserve
Total Loan Portfolio (1)									
Consumer - Credit Card	189	2%	175	2%	1	1	1.2%	-	
Consumer - Other	202	2%	173	2%	1	1	0.7%	19	
Real Estate - Construction	1,596	13%	1,452	13%	15	2	1.5%	573	
Real Estate - Commercial	5,747	48%	5,638	49%	214	42	2.8%	176	
Real Estate - Single-family	1,881	16%	1,730	15%	33	27	0.9%	217	
Commercial	1,669	14%	1,647	14%	99	45	2.1%	929	
Agriculture	176	1%	156	1%	1	1	0.3%	124	
Other	536	4%	427	4%	-	-	0.3%	1	
Total Loan Portfolio	11,996	100%	11,398	100%	364	119	2.06%	2,039	1.1%
<u>Loan Concentration:</u>									
C&D	68%		60%						
CRE	241%		227%						
Select Loan Categories									
Retail	1,211	10%	1,133	10%	24	3	4.7%	85	
Nursing / Extended Care	427	4%	436	4%	3	-	1.2%	44	
Healthcare	470	4%	443	4%	11	2	0.8%	72	
Multifamily	762	6%	733	6%	21	1	0.9%	59	
Hotel	948	8%	933	8%	117	17	6.6%	22	
Restaurant	385	3%	388	3%	3	1	3.7%	14	
<u>Energy Loans</u>									
Upstream	184	2%	161	2%	53	30	11.6%	42	
Midstream	35	0%	33	0%	16	-	16.3%	7	
Services	11	0%	8	0%	1	-	0.9%	1	
Total Energy	230	2%	202	2%	70	30	11.9%	50	

(1) All PPP loans were categorized as commercial



Loan Pipeline Trend by Category⁽¹⁾

\$ in millions

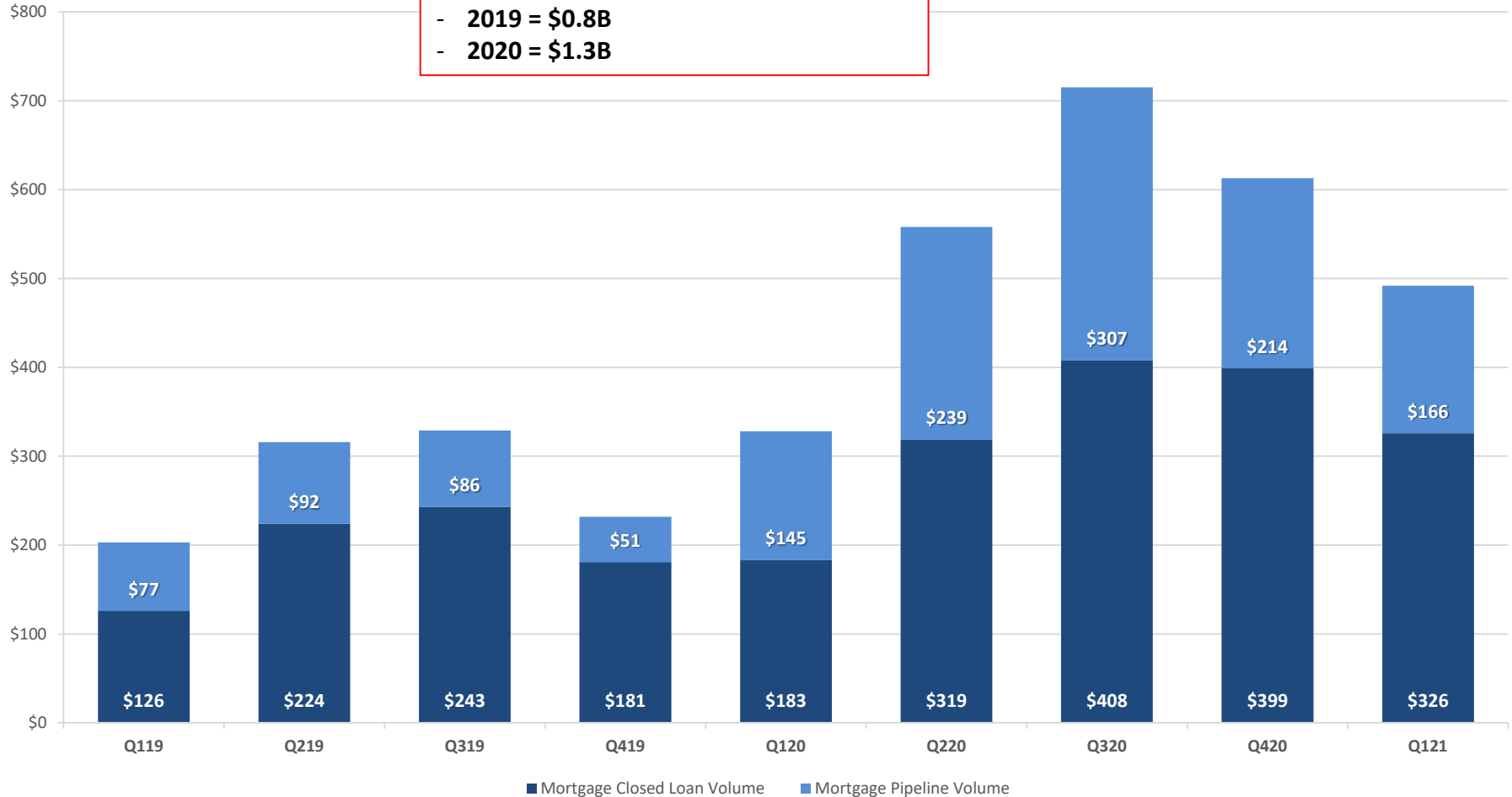


Mortgage Loan Volume – Closed and Pipeline

\$ in millions

Mortgage Loan Volume – Closed by year:

- 2019 = \$0.8B
- 2020 = \$1.3B



Credit Quality Focus

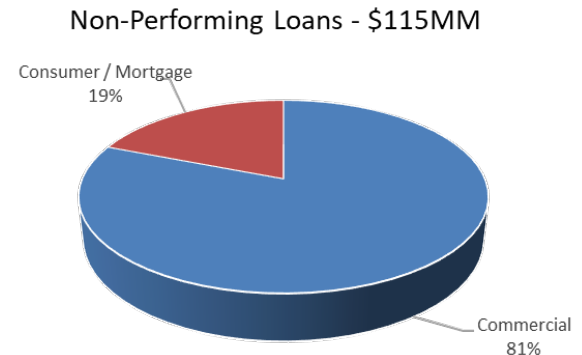
as of March 31, 2021

COVID-19 Loan Modification Update

- COVID-19 Modification requests have slowed significantly.
- Remaining loans under COVID-19 modifications total \$153,000,000 and consist of 86 loans.
 - Primarily centered in:
 - Consumer / Mortgage – 49 loans totaling \$4,000,000
 - Hotel / Hospitality – 15 loans totaling \$112,000,000
- Targeted efforts in Q1 2021 to ensure clients were aware opportunities to obtain COVID-19 related Government assistance.
- All risk ratings reviewed and adjusted as needed on all COVID-19 modified loans, and any impact is reflected within the Asset Quality Ratios and related Allowance.

Non-Performing Loan Update

- Non-performing loans total \$115,000,000.
- Balance has reduced by \$41,500,000 since Q1 2020.
- 42% of current Non-Performing Loans are comprised of 5 loans:
 - 3 Energy, 2 Hospitality
 - \$48,110,000 balance with related reserves of \$9,300,000
- Non-Performing Loans in excess of \$100,000 are reviewed with Credit Officers and Special Asset oversight at least quarterly.



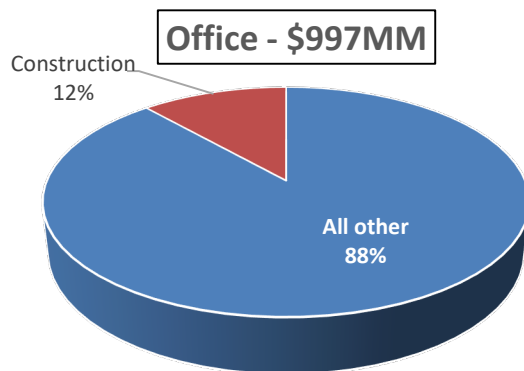
Commercial Real Estate

as of March 31, 2021

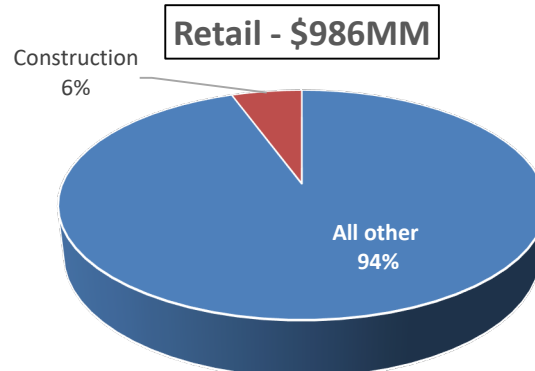
Commercial Real Estate Concentrations

- Construction and Land Loans as Percent of Capital – 60% (reduced from high of 108%).
- Total Commercial Real Estate as Percent of Capital – 227% (reduced from high of 335%).
- Strategic portfolio management plans in place to ensure diversification geographically and within property types.
- Positioned to grow post-pandemic with continued focus on clients and new client development within existing footprint.
- Strategic CRE lending hires added in growth markets, in addition to specialized CRE Credit Officers to facilitate approvals while maintaining high credit standards.

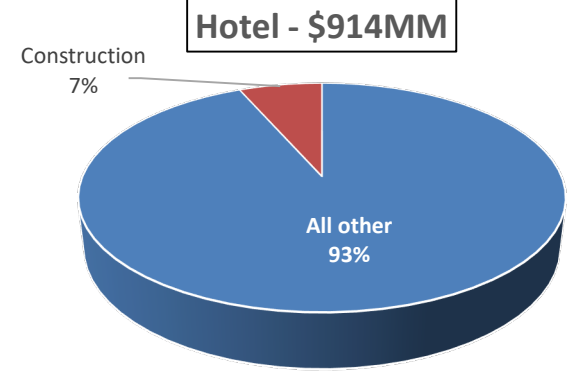
Top 3 Commercial Real Estate Exposures



% Classified – 0.50%
% Non-accrual – 0.10%



% Classified – 2.30%
% Non-accrual – 0.20%



% Classified – 12.80%
% Non-accrual – 1.80%



PPP Loans

PPP Summary

- PPP Loans are assigned a risk weighting of zero percent.
- Average loan amount \$110,000.
- Smallest loan amount \$140.
- Loan yield 5.26% for first quarter 2021 (includes amortization of SBA fee income net of expenses).
- Forgiveness process in place.

PPP Round 2

- System and process in place for Round 2 of PPP.
- Funding started in January 2021.

Loan Balance <i>\$ in millions</i>	Original Balance	3/31/21 Balance	# of Loans Originated	Net Fees Remaining
PPP Phase I	\$ 976	\$ 570	8,208	\$ 7.9
PPP Phase II	240	228	2,855	11.0
Total	\$ 1,216	\$ 798	11,063	\$ 18.9

- **PPP II is running about 25% of PPP I**
- **Net fees as % of original balance:**
 - ❖ **PPP I = 2.9%**
 - ❖ **PPP II = 4.7%**



Paycheck Protection Program

An SBA loan that helps businesses keep their workforce employed during the Coronavirus (COVID-19) crisis.

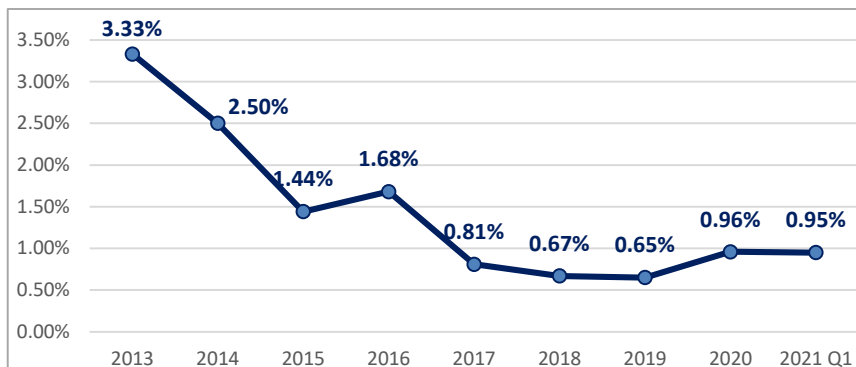


Credit Quality

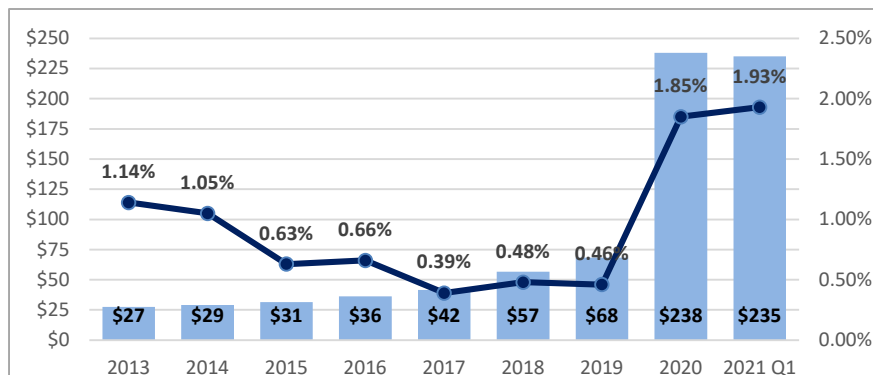
\$ in millions

ASSET QUALITY TRENDS

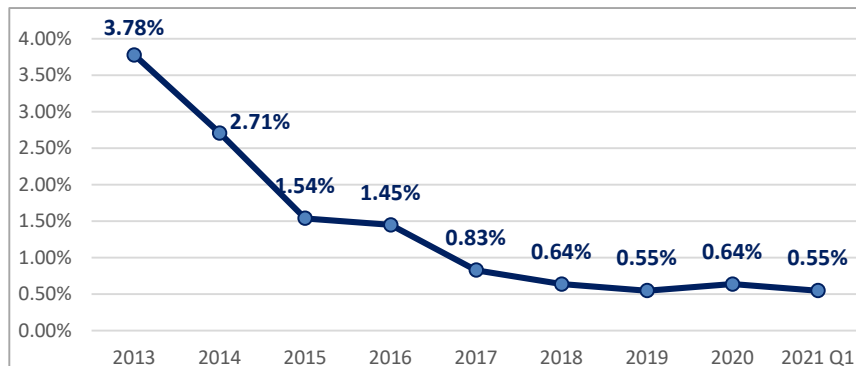
Non-performing Loans / Loans



ACL/ALLL ⁽¹⁾ / Loans (%) and ACL/ALLL (\$)



Non-performing Assets / Assets



Quarterly Trend	12/31/20	03/31/21	Change
NPL / Loans	0.96%	0.95%	(0.01%)
Non-performing Loans	\$123.5	\$115.5	(\$8.0)
NPA / Assets	0.64%	0.55%	(9.0%)
Non-performing Assets	\$143.9	\$127.9	(\$16.0)
Past Due 30+ Days / Loans	0.21%	0.19%	(0.03%)
Net Charge-offs ⁽²⁾ / Loans (YTD)	0.45%	0.10%	(0.35%)
Credit Card Portfolio Net Charge-off Ratio (QTD)	1.15%	1.39%	0.24%
ACL / Loans	1.85%	1.93%	0.08%



Source: S&P Global Market Intelligence 2013-2020 (which metrics are as of December 31 of the relevant year)

(1) ALLL for 2013 – 2019 and ACL 2020 – 2021 Q1.

(2) YTD annualized net charge-offs.

Allowance for Credit Losses (ACL)

\$ in millions

Allowance for Loan Losses and Loan Coverage					
	ALLL or ACL	Loan Discount	Total Loan Coverage	ACL (ALLL)/ Loans	ACL (ALLL)/ Loans excluding PPP ⁽¹⁾
ALLL as of 12/31/19	\$ 68.2	\$ 87.3	\$ 155.5	0.47%	0.47%
CECL Day 1 Adoption Impact	151.4	(87.3)	64.1		
2020 Provision Expense	82.5		82.5		
2020 Net charge-offs	(64.1)		(64.1)		
ACL as of 12/31/20	\$ 238.0	\$ 0	\$ 238.0	1.85%	1.98%
Q1-21 Provision	0.0		0.0		
Q1-21 Net charge-offs	(2.9)		(2.9)		
ACL as of 03/31/21	\$ 235.1	\$ 0	\$ 235.1	1.93%	2.06%

Reserve for Unfunded Commitments					
	as of 03/31/20	as of 06/30/20	as of 09/30/20	as of 12/31/20	As of 03/31/21
Unfunded Commitments	\$2,765	\$2,616	\$2,344	\$2,051	\$2,039
Reserve	\$29.4	\$24.4	\$24.4	\$22.4	\$22.4
Reserve / Unfunded Balance	1.1%	0.9%	1.0%	1.1%	1.1%

ACL Methodology as of 3/31/21:

- Quantitative allocation: **0.90%**
Moody's March 2021 scenarios with management's weighting: *S1 (20%) / Baseline (70%) / S2 (10%)*
- Qualitative allocation: **1.03%**
- \$136MM in individually assessed loans with related reserves of \$15MM
- Total ACL / Loans: **1.93%**



CECL = Current Expected Credit Losses methodology for estimating ACL

ACL = Allowance for Credit Losses on Loans

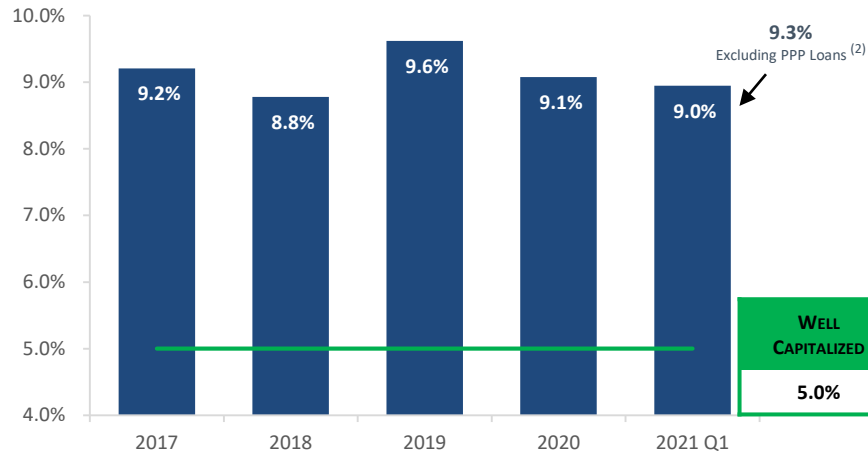
(1) Figures excluding PPP loans are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

CAPITAL, DEPOSITS, LIQUIDITY AND INVESTMENTS

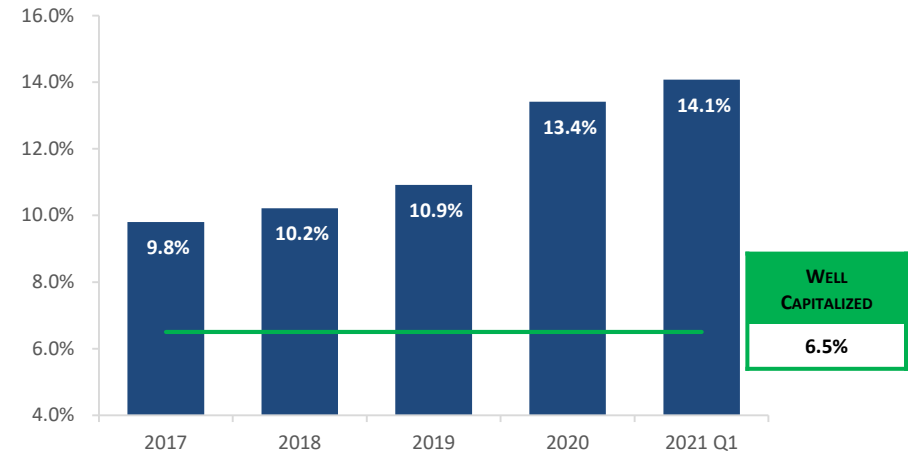


Regulatory Capital Ratios

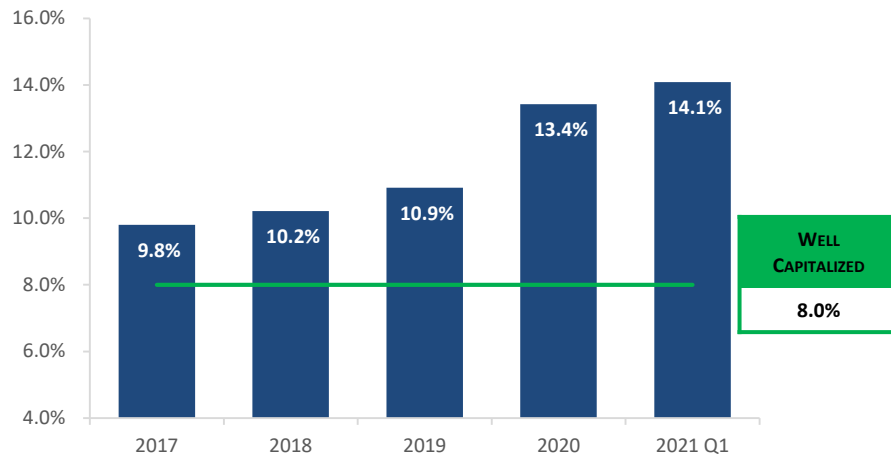
TIER 1 LEVERAGE RATIO⁽¹⁾



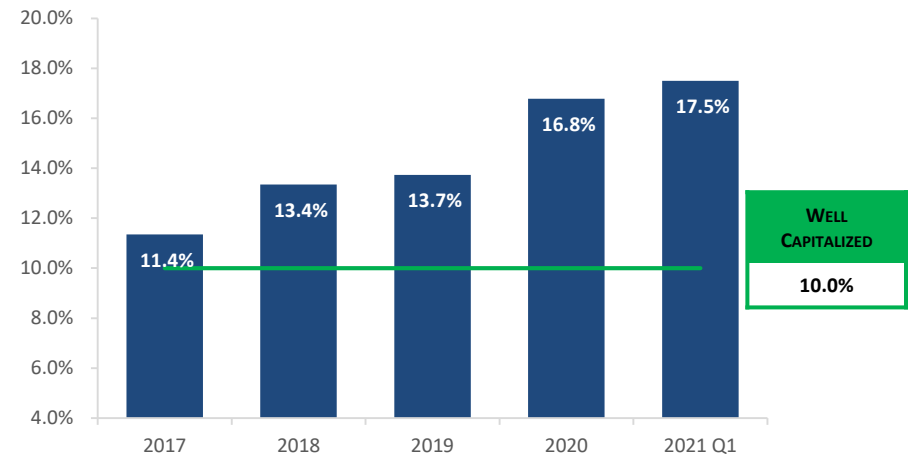
CET1 CAPITAL RATIO⁽¹⁾



TIER 1 RISK-BASED CAPITAL RATIO⁽¹⁾



TOTAL RISK-BASED CAPITAL RATIO⁽¹⁾



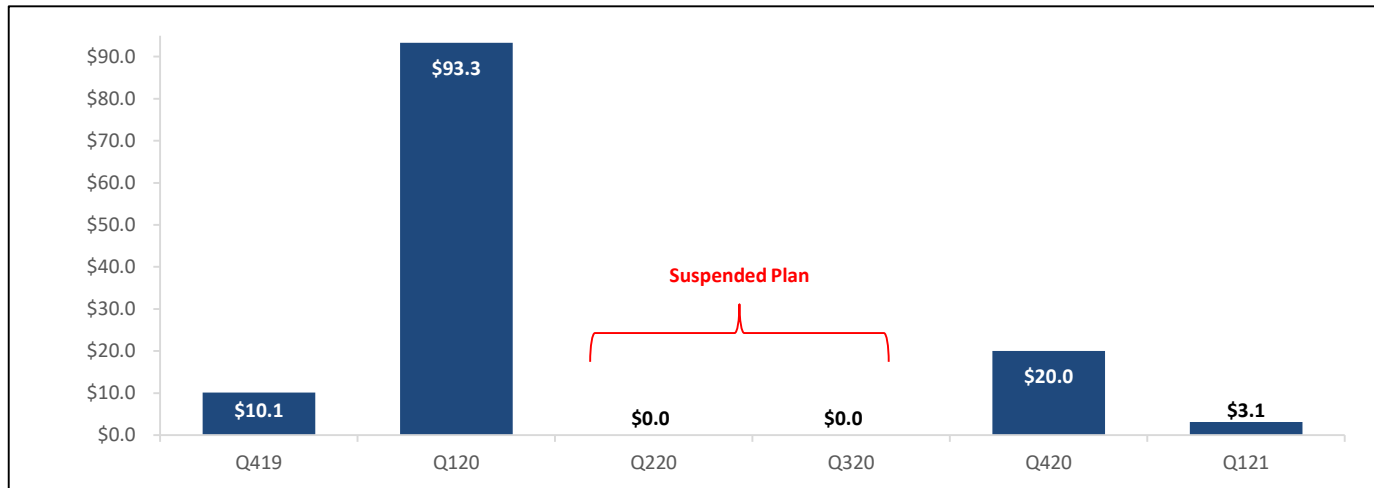
(1) As of December 31, except where otherwise stated.

(2) Figures excluding PPP loans are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Stock Repurchase Program

- Summary of stock repurchases since reinitiating program in Q4 2019:
 - \$127 million
 - 6.5 million shares or about 5.7% of outstanding
 - Average price \$19.53
- \$53.5 million remaining under current plan.

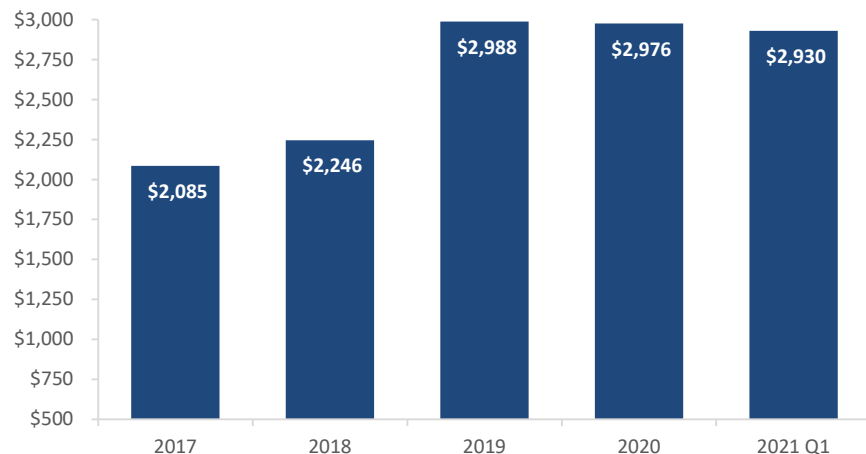
REPURCHASE BY QUARTER ⁽¹⁾



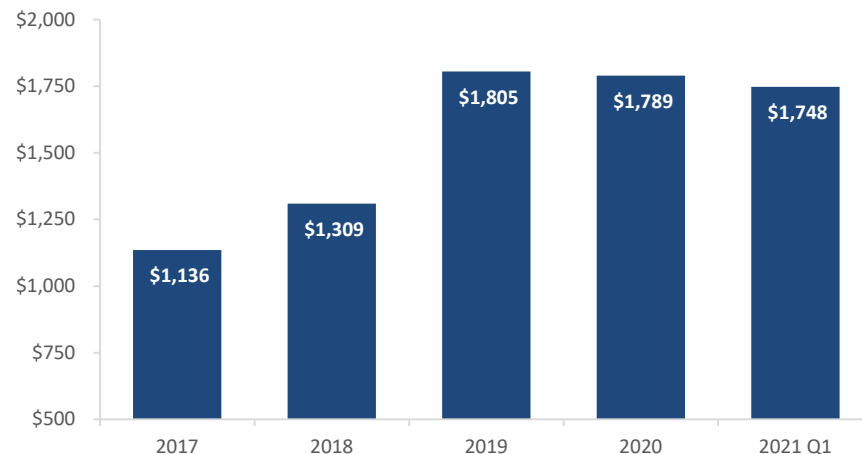
1) \$ in millions

Book Value & Tangible Book Value

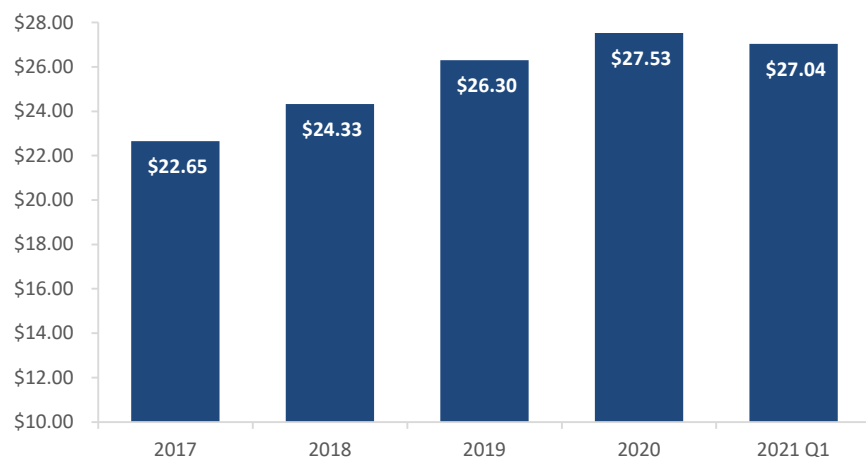
BOOK VALUE (\$ IN MILLIONS)⁽¹⁾



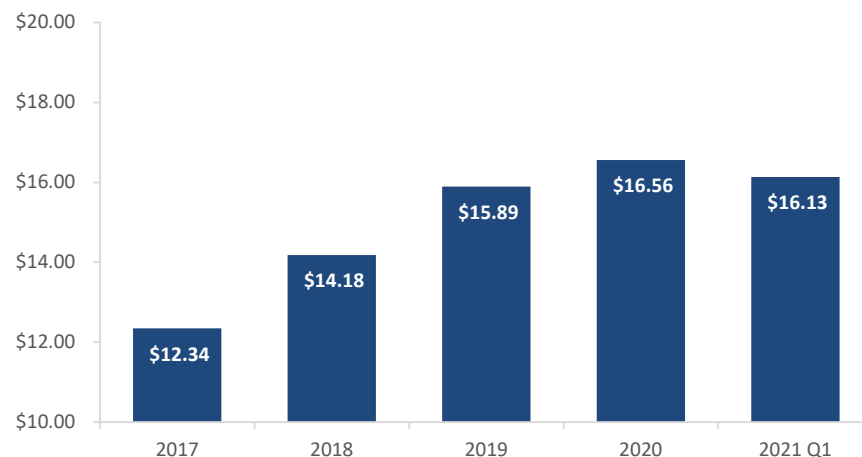
TANGIBLE BOOK VALUE (\$ IN MILLIONS)⁽¹⁾⁽²⁾



BOOK VALUE PER SHARE⁽¹⁾



TANGIBLE BOOK VALUE PER SHARE⁽¹⁾⁽²⁾



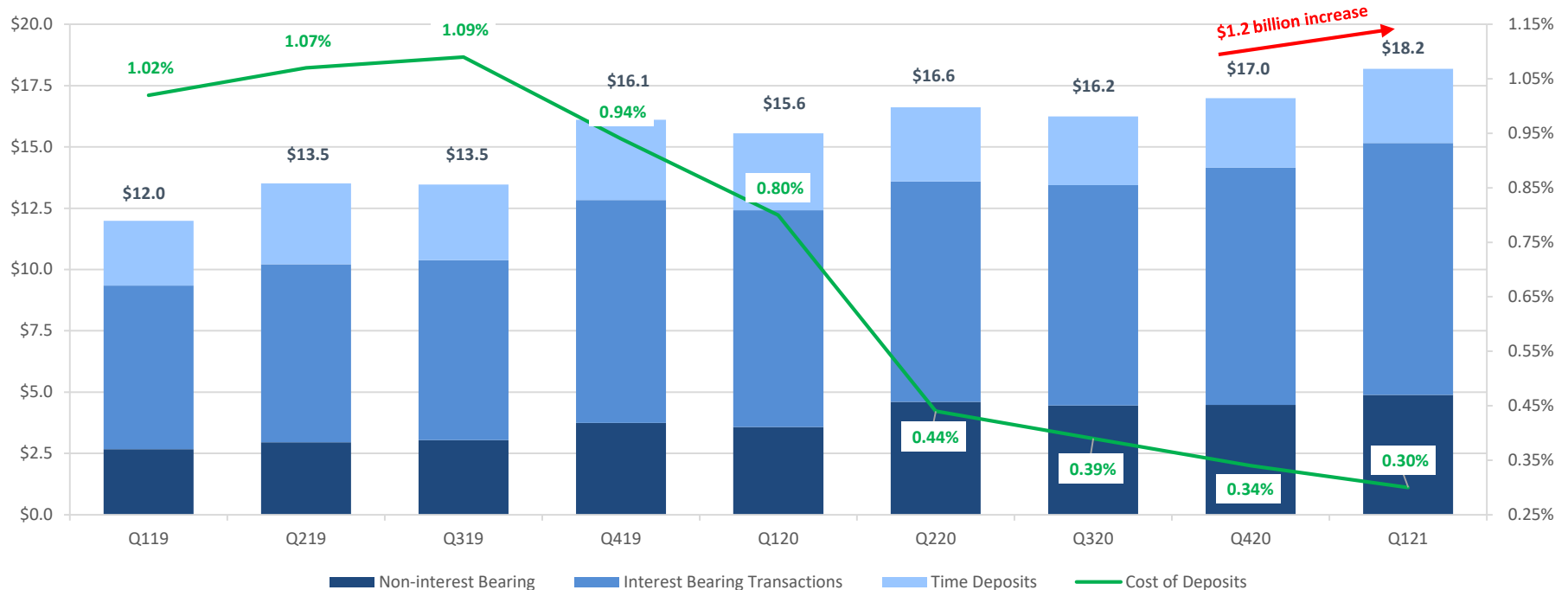
(1) As of December 31, except where otherwise stated.

(2) Figures based on tangible book value (which excludes goodwill and other intangible assets) are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Deposits

\$ in billions

Deposit Composition



Interest Bearing Deposit Repricing

- **Interest Rates** – In March 2020, the Fed reduced the Fed Funds target rate by 150 basis points.
- **Interest Bearing Transaction Deposits** – Rates were lowered during the latter part of the first quarter of 2020.
- **Time Deposits** – Rates were lowered during the latter part of the first quarter of 2020. Based on maturities, we expect there will be a continued lag in the impact to interest expense.

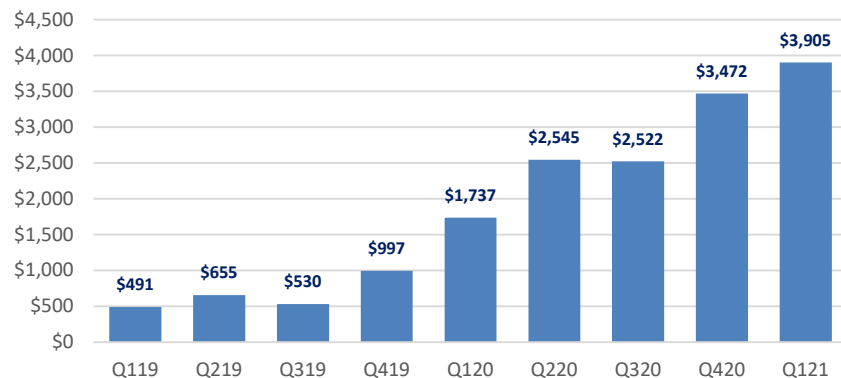


Liquidity

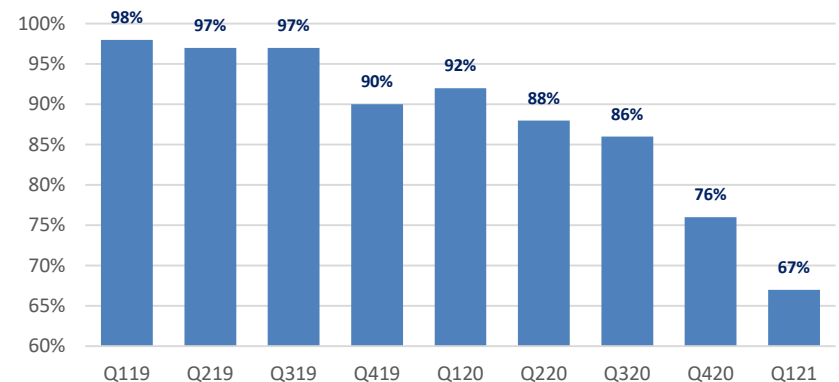
- Approximately \$3.9 billion in Cash and Cash Equivalents as of 3/31/21.
- Over \$5 billion of liquidity available in secondary borrowing sources as of quarter end.
- Substantial access to brokered deposits.
- Loan/Deposit Ratio of 67% as of 3/31/21 (63% excluding PPP loans⁽¹⁾).

Cash and Cash Equivalents

(In millions)



Loans / Deposits



(1) Figures excluding PPP loans are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Investment Security Portfolio

\$ in millions

2020 – 2021 Security Sales

- In Q1 2020, sold ~\$1 billion of investment securities to:
 - De-risk the balance sheet
 - Create liquidity
 - Recognize gains of over \$30 million
 - Increase capital
- In Q3 2020, sold ~\$500 million of investment securities.
 - Projected calls for the next 12-18 months and realized gains
 - Recognized gains of over \$22 million
- In Q1 2021, sold ~\$130 million of investments:
 - Sold \$92MM , with gains of \$0.6 million [small CUSIP clean-up]
 - Sold \$38MM, with gains of \$4.8 million, or 12.6%

Purchased \$1.7 billion during Q1 2021 using a “Barbell Strategy”

	Book Value	Yield	Duration in Years
Treasury/Agency	\$ 117	1.82%	7.3
MBS	1,007	1.22%	4.7
Municipal	380	2.55%	16.3
Corporate	204	2.15%	8.3
Other	20	1.13%	7.8
Total	\$1,728	1.66%	7.9

Investment Portfolio Summary as of March 31, 2021

	Par Value	Projected Yield	Duration in Years	AFS	HTM
Treasury/Agency	\$ 504	1.70%	9.1	85%	15%
MBS	1,924	1.40%	4.3	98%	2%
Municipal	2,026	3.00%	8.7	76%	24%
Corporate	325	3.11%	6.1	100%	0%
Other	281	0.96%	2.0	100%	0%
Total	\$5,061	2.15%	6.5	88%	12%



1st Quarter 2021 Earnings Highlights



Financial Highlights

QUARTERLY RESULTS \$ IN MILLIONS, EXCEPT PER SHARE DATA	Q4 2020 EARNINGS	Q1 2021 EARNINGS	CHANGE		Q4 2020 DILUTED EPS	Q1 2021 DILUTED EPS	CHANGE	
			\$	%			\$	%
GAAP Results	\$ 52.96	\$ 67.41	\$ 14.45	27.3%	\$ 0.49	\$ 0.62	\$ 0.13	26.5%
Non-Core Items	9.02	(3.41)	(12.43)	(137.8%)	0.08	(0.03)	(0.11)	(137.5%)
Non-GAAP Core Results	\$ 61.98	\$ 64.00	\$ 2.02	3.3%	\$ 0.57	\$ 0.59	\$ 0.02	3.5%
ROA	0.96%	1.20%						
Core ROA	1.13%	1.14%						
ROACE	7.13%	9.20%						
Core ROACE	8.34%	8.73%						
ROTCE	12.48%	15.85%						
Core ROTCE	14.51%	15.08%						
Efficiency Ratio ⁽¹⁾	55.27%	57.77%						
NIM	3.22%	2.99%						
Core NIM	3.04%	2.86%						

YTD RESULTS (as of December 31) \$ IN MILLIONS, EXCEPT PER SHARE DATA	2019 EARNINGS	2020 EARNINGS	CHANGE		2019 DILUTED EPS	2020 DILUTED EPS	CHANGE	
			\$	%			\$	%
GAAP Results	\$ 237.83	\$ 254.85	\$ 17.02	7.2%	\$ 2.41	\$ 2.31	\$ (0.10)	(4.1%)
Non-Core Items	31.74	9.45	(22.29)	(70.2%)	0.32	0.09	(0.23)	(71.9%)
Non-GAAP Core Results	\$ 269.57	\$ 264.30	\$ (5.27)	(2.0%)	\$ 2.73	\$ 2.40	\$ (0.33)	(12.1%)
ROA	1.33%	1.18%						
Core ROA	1.51%	1.22%						
ROACE	9.93%	8.72%						
Core ROACE	11.25%	9.05%						
ROTCE	17.99%	15.25%						
Core ROTCE	20.31%	15.79%						
Efficiency Ratio ⁽¹⁾	50.33%	54.66%						
NIM	3.85%	3.38%						
Core NIM	3.59%	3.16%						



Note: Core figures (excluding Core NIM) exclude non-core income and expense items (e.g., early retirement program costs, gain on sale of banking operations, merger related costs and branch right-sizing costs). Core NIM excludes purchase accounting interest accretion. Core figures, as well as figures based on tangible common equity (which excludes goodwill and other intangible assets), are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

(1) Efficiency ratio is core non-interest expense before foreclosed property expense and amortization of intangibles as a percent of net interest income (fully taxable equivalent) and non-interest revenues, excluding gains and losses from securities transactions and non-core items, and is a non-GAAP measurement. See Appendix for non-GAAP reconciliations.

2021 Financial Highlights

As of and for the three months ended March 31, 2021

SELECTED HIGHLIGHTS⁽¹⁾⁽²⁾

- Total Assets of \$23.3 billion, Loans were \$12.2 billion and Deposits were \$18.2 billion
 - ROAA of 1.20% and Core ROAA of 1.14%
 - Efficiency Ratio of 57.77%
 - ROACE of 9.20% and Core ROACE of 8.73%
 - ROTCE of 15.85% and Core ROTCE of 15.08%
 - NIM of 2.99% and Core NIM of 2.86%
 - Diluted EPS of \$0.62 and Core Diluted EPS of \$0.59
-
- Construction & Development concentration was 60%
 - CRE concentration was 227%, down from a high of 335% at the end of the second quarter of 2019
-
- Equity to asset ratio of 12.6% and tangible common equity to tangible asset ratio of 7.9%
 - Book value per share of \$27.04, an increase of 3.6% compared to the same date in 2020
 - Tangible book value per share of \$16.13, an increase of 6.0% compared to the same date in 2020
 - Since October 17, 2019, the Company repurchased approximately 6.5 million shares at a weighted average price of \$19.53
-

NON-CORE ITEMS

- Gain on sale of branches of \$5.5 million
- Merger-related costs of \$0.3 million
- Branch right-sizing costs of \$0.6 million
- Total non-core items: \$4.6 million pre-tax and \$3.4 million after-tax



(1) Core figures (excluding Core NIM) exclude non-core income and expense items (e.g., early retirement program costs, gain on sale of branches, merger related costs and branch right-sizing costs). Core NIM excludes purchase accounting interest accretion. Core figures, as well as figures based on tangible common equity (which excludes goodwill and other intangible assets), are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

(2) Efficiency ratio is core non-interest expense before foreclosed property expense and amortization of intangibles as a percent of net interest income (fully taxable equivalent) and non-interest revenues, excluding gains and losses from securities transactions and non-core items, and is a non-GAAP measurement. See Appendix for non-GAAP reconciliations.

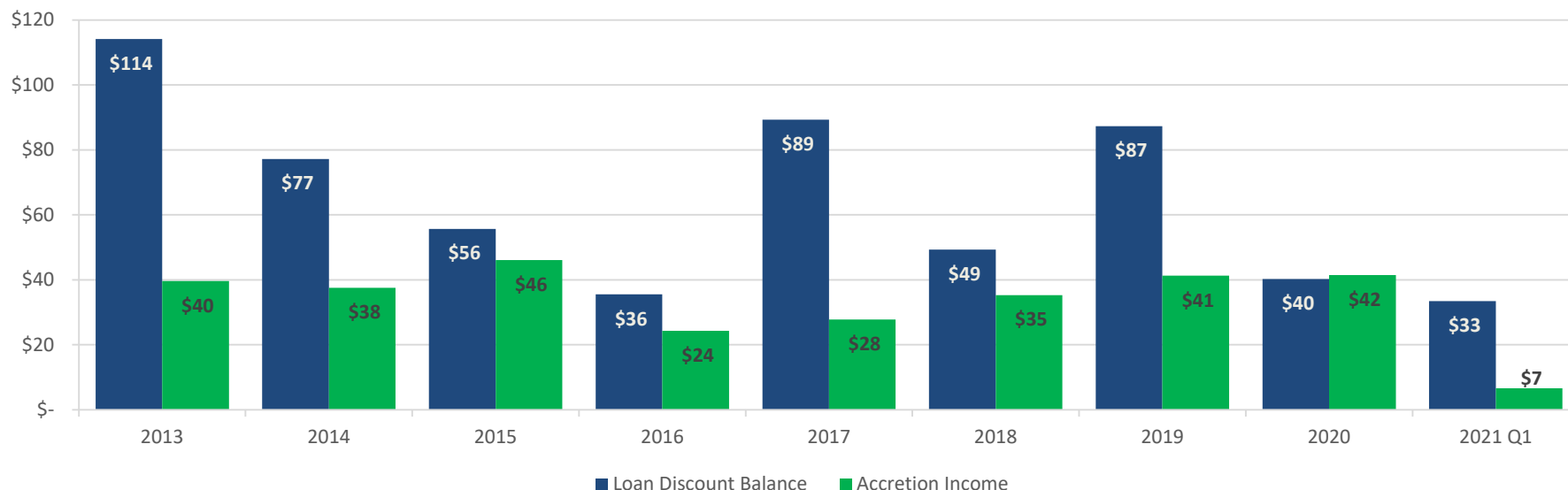
Net Interest Income

\$ in millions

	2020				2021
	Q1	Q2	Q3	Q4	Q1
Loan Yield ⁽¹⁾	5.19%	4.84%	4.54%	4.74%	4.75%
Core Loan Yield ⁽¹⁾⁽²⁾	4.86%	4.52%	4.29%	4.47%	4.53%
Security Yield ⁽¹⁾	2.63%	2.50%	2.60%	2.48%	2.36%
Cost of Interest Bearing Deposits	1.03%	0.59%	0.54%	0.47%	0.41%
Cost of Deposits	0.80%	0.44%	0.39%	0.34%	0.30%
Cost of Borrowed Funds	2.06%	1.84%	1.85%	1.88%	1.91%
Net Interest Margin ⁽¹⁾	3.68%	3.42%	3.21%	3.22%	2.99%
Core Net Interest Margin ⁽¹⁾⁽²⁾	3.42%	3.18%	3.02%	3.04%	2.86%
Fed Funds Target Rate	0.25%	0.25%	0.25%	0.25%	0.25%

2021 SCHEDULED ACCRETION	
Q1 (Actual)	\$6.6
Q2 (Estimated)	\$2.4
Q3 (Estimated)	\$2.2
Q4 (Estimated)	\$2.0
FY21 (Estimated)	\$13.2

HISTORICAL LOAN DISCOUNT BALANCE & ACCRETION INCOME



(1) Fully tax equivalent using an effective tax rate of 26.135%.

(2) Core loan yield and core net interest margin exclude accretion and are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Revenue

Category	Q1-21 Linked Quarter Change	Management's Outlook
Interest Income	Down \$9.7 million Primarily driven by lower loan volume and a \$2.4 million decrease in accretion income, which was partially offset by a \$4.4 million increase in the security portfolio.	Management anticipates the following for the balance of 2021: 1) Organic loan growth in the mid single digits for Second Half 2021 2) PPP balances to be forgiven or paid-off by year-end 2021 3) Stable loan rates 4) New security yields at lower rates
Interest Expense	Down \$1.4 million (improvement) Cost of deposits declined by 4 basis points.	Cost of deposits decreased 64 basis points from 12/31/19 to 3/31/21. Anticipate slight additional decline in Q221.
Net Interest Income	Down \$8.3 million	We expect loans rates to be stable and deposit rates to decline slightly, but NIM will be effective by PPP forgiveness and liquidity.
Trust Revenue	Up \$0.1 million	Anticipate flat Trust revenue for Q2 and Q3, until our new staff is onboard and productive.
Service Charges	Down \$1.1 million Decrease was primarily due to first quarter seasonality and the impact from the stimulus payments.	We expect the stimulus to lead to further reductions in services charges in Q2 21. We are providing relief on some overdraft fees.
Mortgage Revenue	Up \$3.5 million In Q4 20, Mortgage loan volume decline which resulted in lower revenue and a decrease in the fair value mandatory delivery adjustment.	We expect mortgage volume to decline throughout 2021. We expect home purchase volume to be steady, but refinance volume to decline.
Debit and Credit Card fees	Up \$0.3 million Credit card revenue was up slightly from Q420.	Anticipate modest increase for the balance of 2021.
Gain on Sale of Securities	Up \$5.5 million Sold securities with a gain of \$5.3 million	Management will continue to look for opportunities to maximize the value of the investment portfolio.
Other income	Down \$0.3 million Gain on sale of Illinois branches of \$5.5 million in Q1 21. Decrease from Q4 20 of approximant \$5.8 million, primarily attributable to 2020 year-end adjustments in CRA related SBIC investment funds.	Management expects other income to more closely track historical trends for the balance of 2021.



Provision and Non-interest Expense

Category	Q1-21 Linked Quarter Change	Management's Outlook
Provision Expense	<p>Down \$5.5 million Provision expense was lower in Q1 21 due to an improvement in Moody's Economic Scenario Forecast, decline in loan portfolio and a decline in non-performing loans. The \$1.4 million in provision expense is made up of the following:</p> <ol style="list-style-type: none"> 1. Provision for loan losses \$0 2. Provision for security portfolio losses \$1.4 million (CECL adjustment on bond purchases in Q1) 	<p>We expect lower provisioning in 2021, subject to the following:</p> <ol style="list-style-type: none"> 1. Loan Growth – expect mid single digit growth in the second half of 2021 2. Charge-offs – if not specifically reserved 3. Moody's Economic Scenario Forecast: <u>Management's weighting for Q1:</u> <ul style="list-style-type: none"> • Moody's S1: 20% • Moody's Baseline: 70% • Moody's S2: 10%

Salaries and Employee Benefits	<p>up \$4.6 million Primarily driven by a \$2.4 million increase in payroll tax/401k expense and a \$2.2 million increase in incentive plan accruals (Q4 20 included true-up reversals of accruals).</p>	We might see some increases throughout the year as we are hiring in lending, wealth and mortgage.
Occupancy Expense	Up \$0.1 million	Expect occupancy expense for the balance of 2021 to be flat to slightly down.
Other operating Expense	<p>Down \$17.5 million <u>Non-core</u> – down \$10.7 million related to branch rightsizing. <u>Core</u> – down \$6.7 million, primarily due to the \$3 million special contribution to the Simmons First Foundation in Q4 20.</p>	Enhanced emphasis on efficiencies throughout the Company. We will continue to invest in our digital capacity.
Non-interest Expense	<p>\$115.4 Million, down \$12.8 million <u>Non-core</u> – \$0.9 million, down \$11.6 million related to branch rightsizing and other non-core items. <u>Core</u> – \$114.5 million, down \$1.1 million.</p>	Anticipate quarterly run-rate of approximately \$112-\$115 million for the balance of 2021.



Branch Rightsizing Initiative

Branch Closings

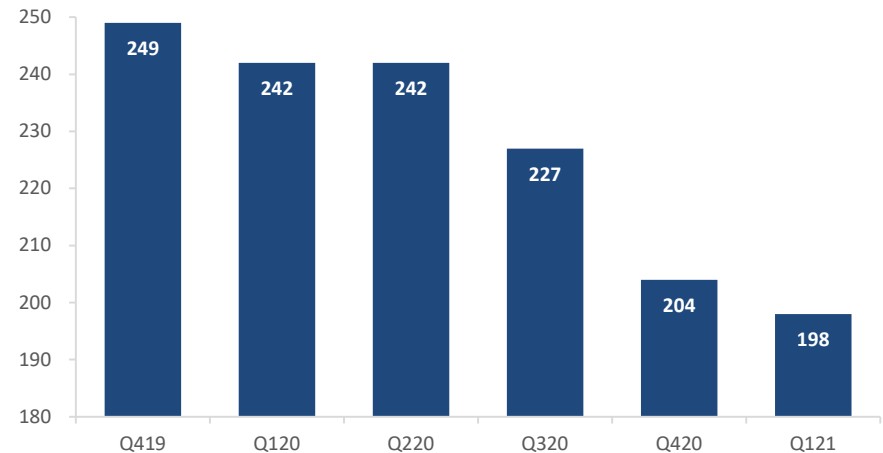
Location	Date Closed	Number of Branches	One-time Charge in millions	Expected Annual Savings in millions	Expected Earn Back
Landrum Branches	Feb. 2020	6	\$0.4	\$0.6	< 1YR
Various	June 2020	11	\$1.9	\$2.4	< 1YR
Various	Oct. 2020	23	\$9.6	\$6.7	< 1.4YR

Branch Sales

Location	Date Sold	Number of Branches	Deposits in millions	Loans in millions	Gain on Sale in millions
South TX	Feb. 2020	5	\$140	\$261	\$5.9
Colorado	May 2020	4	\$63	\$121	\$2.2
Illinois	Mar. 2021	4	\$138	\$0.4	\$5.3

Announced the closing or sale of 49 branches (20%) since 12/31/19

NUMBER OF ACTIVE BRANCHES



Will continue to review other branch rightsizing opportunities



Key Ratios Adjusted for PPP Loans

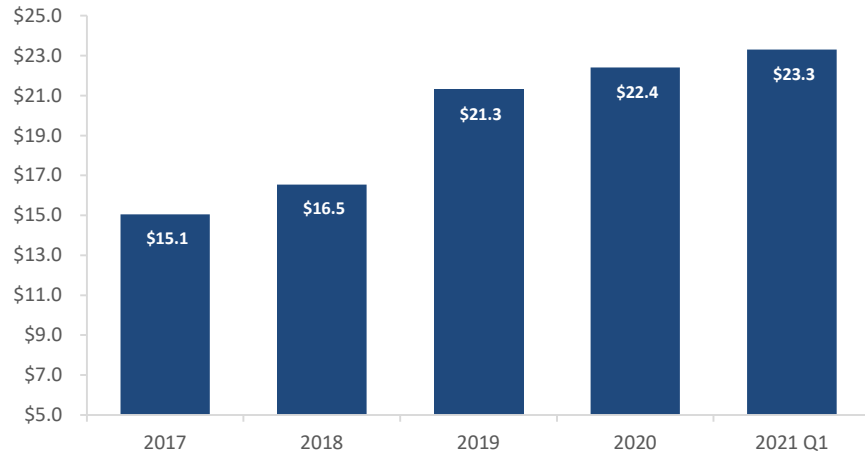
As of and for the quarter ended March 31, 2021	Including PPP Loans	Excluding PPP Loans ⁽¹⁾
Loan yield	4.75%	4.71%
Core Loan Yield ⁽¹⁾	4.53%	4.48%
Allowance for Credit Losses to Total Loans	1.93%	2.06%
Stockholders' Equity to Total Assets	12.55%	13.00%
Tangible Common Equity to Tangible Assets ⁽¹⁾	7.88%	8.18%
Regulatory Tier 1 Leverage Ratio	8.95%	9.34%
Loans / Deposits	67%	63%



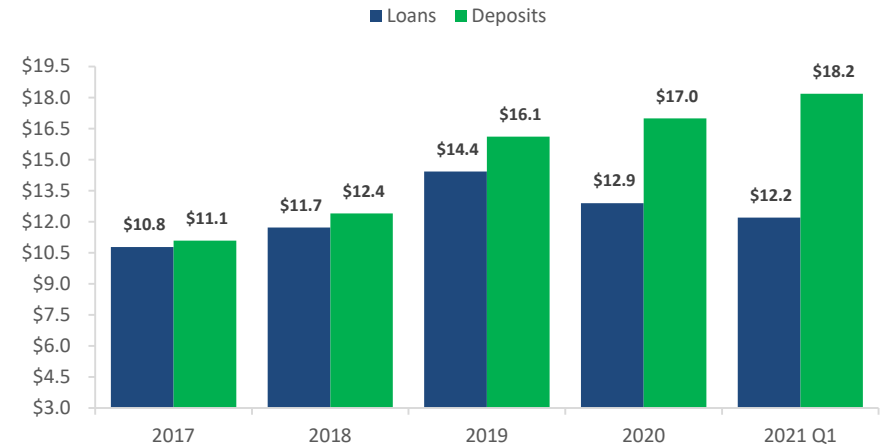
(1) Core figures, figures based on tangible common equity and tangible assets, and figures excluding PPP loans are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Performance Trends

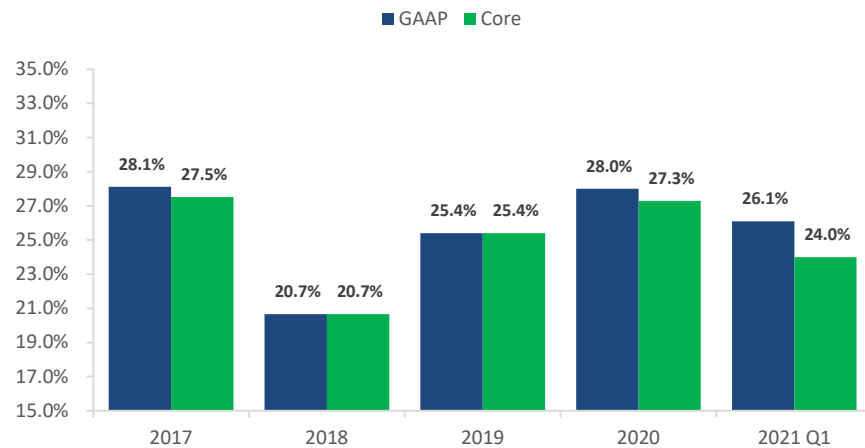
TOTAL ASSETS⁽¹⁾ (\$ IN BILLIONS)



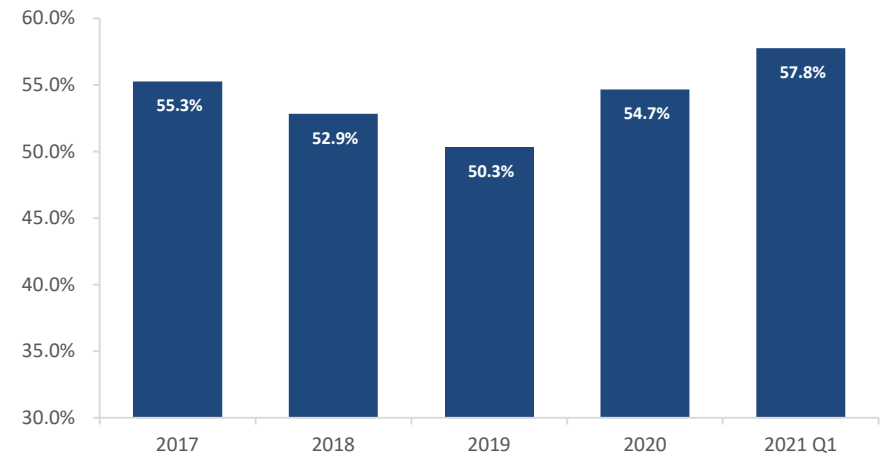
TOTAL LOANS & DEPOSITS⁽¹⁾ (\$ IN BILLIONS)



NON-INTEREST INCOME / REVENUE



EFFICIENCY RATIO⁽²⁾



(1) As of December 31, except where otherwise noted.

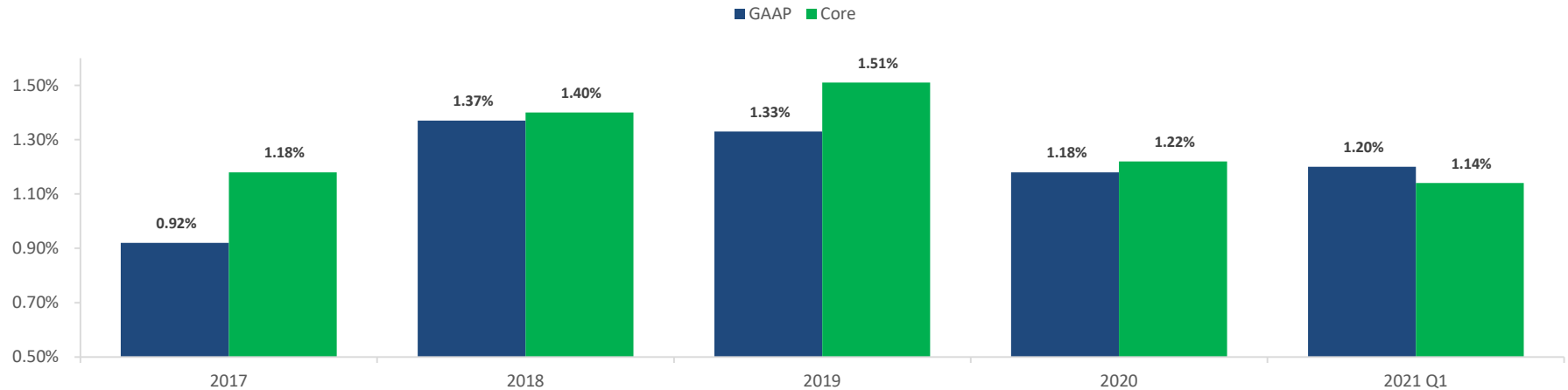
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Note: Core figures exclude non-core income and expense items (e.g., early retirement program costs, gain on early retirement of trust preferred securities, gain on sale of branches, gain on sale of insurance lines of business, donation to the Simmons Foundation, one-time tax adjustment, merger related costs and branch right-sizing costs). Core figures are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

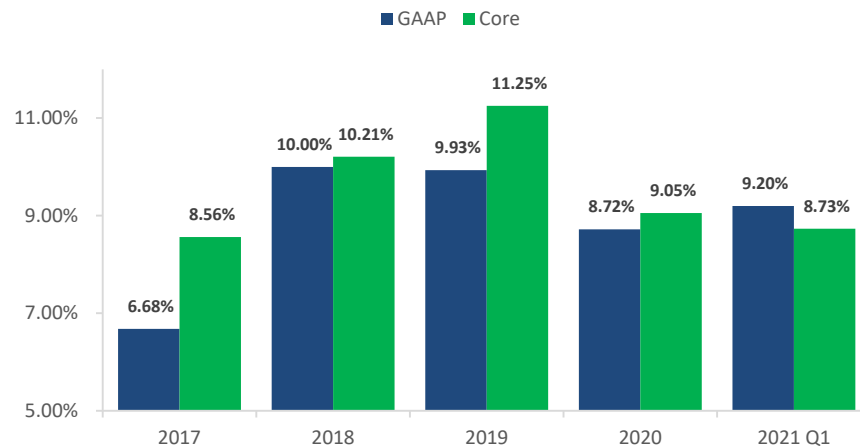


Performance Trends

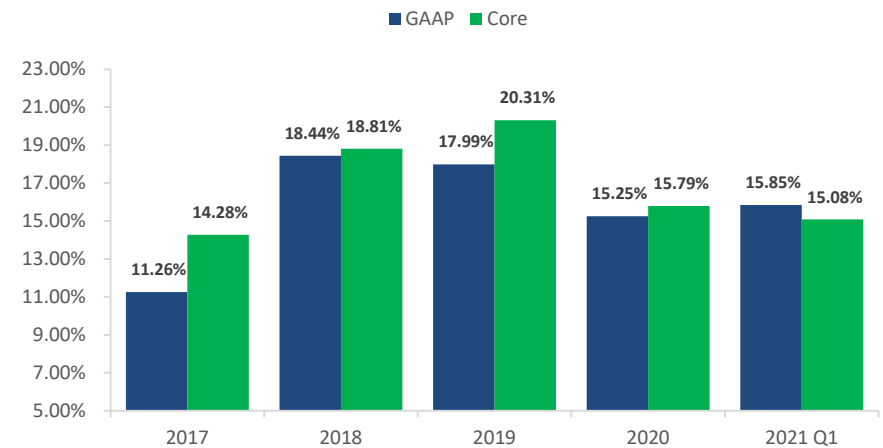
ROA



ROACE



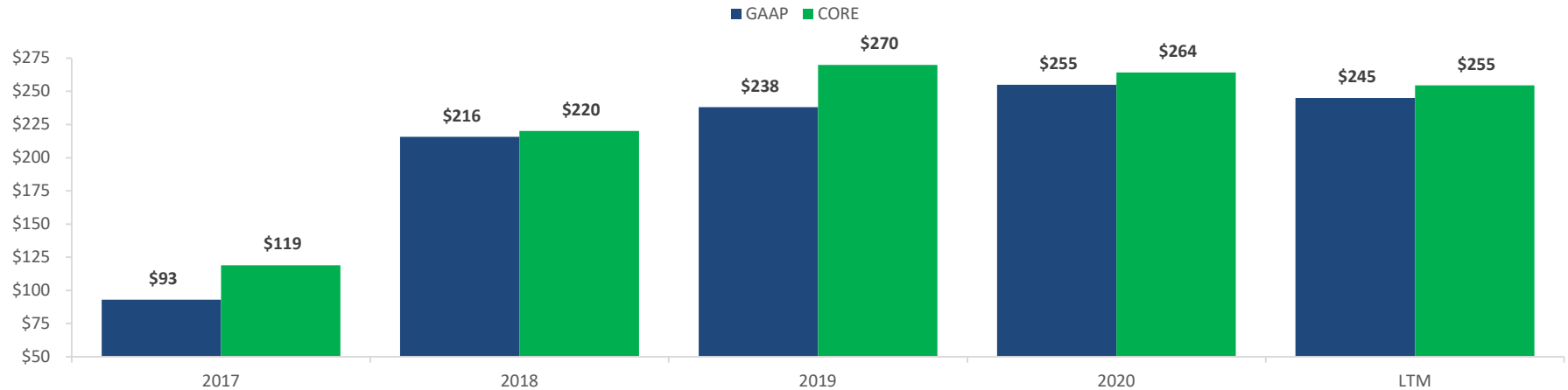
ROTCE



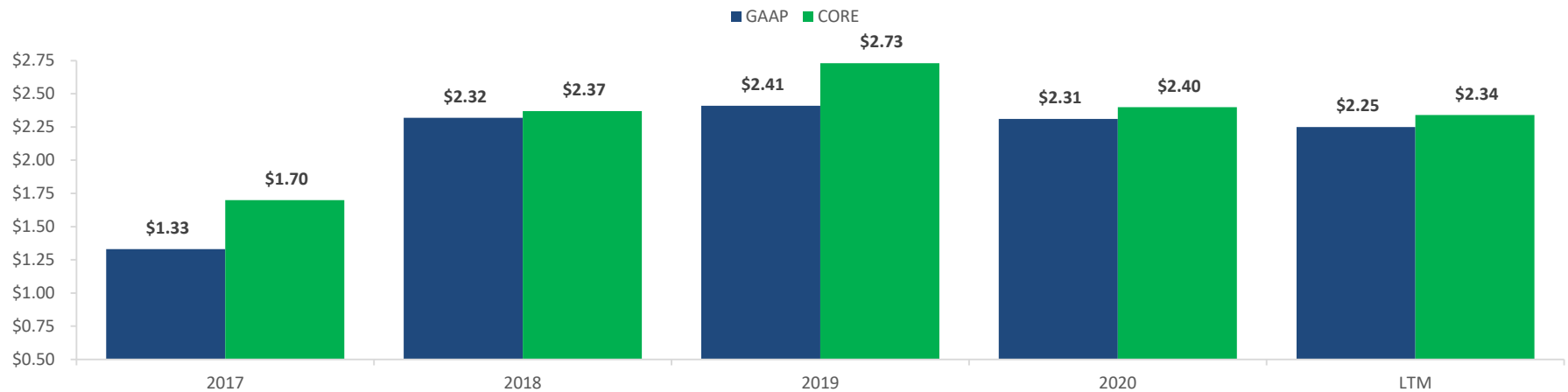
Note: Core figures exclude non-core income and expense items (e.g., early retirement program costs, gain on early retirement of trust preferred securities, gain on sale of branches, gain on sale of insurance lines of business, donation to the Simmons Foundation, one-time tax adjustment, merger related costs and branch right-sizing costs). Core figures, as well as figures based on tangible common equity (which excludes goodwill and other intangible assets), are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

Performance Trends

NET INCOME (\$ IN MILLIONS)



DILUTED EPS ⁽¹⁾



(1) Per share information has been adjusted to reflect the effects of the Company's two-for-one stock split, which occurred on February 8, 2018.

Note: Core figures exclude non-core income and expense items (e.g., early retirement program costs, gain on early retirement of trust preferred securities, gain on sale of branches, gain on sale of insurance lines of business, donation to the Simmons Foundation, one-time tax adjustment, merger related costs and branch right-sizing costs). Core figures, as well as figures based on tangible common equity (which excludes goodwill and other intangible assets), are non-GAAP measurements. See Appendix for non-GAAP reconciliations.

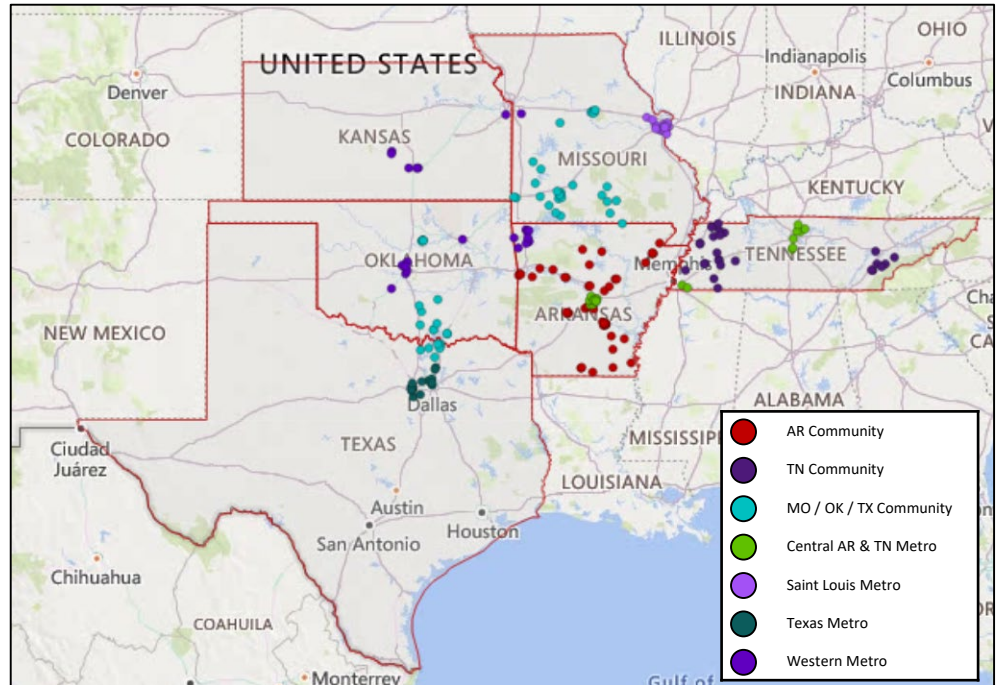


CORPORATE PROFILE AND COMPANY HIGHLIGHTS



Company Profile ⁽¹⁾

1903 Simmons Bank Founded in Pine Bluff, Arkansas	14.08% CET1 Ratio
SFNC Ticker Symbol	17.50% Total Risk-based Capital Ratio
\$3.1 Billion Market Cap ⁽²⁾	1.93% ACL / Loans
\$23 Billion Total Assets	2.99% Net Interest Margin
198 Locations 6 States	2.4% Dividend Yield



FINANCIAL HIGHLIGHTS BY DIVISION⁽³⁾

Division	Geographic Footprint	Branches	Loans	Deposits
Arkansas Community	Smaller Arkansas markets	45	\$1.3	\$3.5
Tennessee Community	Smaller Tennessee markets	24	\$0.7	\$2.0
MO / OK / TX Community	Smaller Missouri / Oklahoma / North Texas markets	48	\$1.8	\$4.7
Central AR & TN Metro	Central Arkansas / Nashville / Memphis	22	\$1.4	\$2.2
Saint Louis Metro	Saint Louis	19	\$1.1	\$1.6
Texas Metro	Dallas / Fort Worth	16	\$3.0	\$1.6
Western Metro	Northwest Arkansas / Kansas / Oklahoma	24	\$1.4	\$1.7



(1) As of March 31, 2021, unless otherwise noted.

(2) Based on April 13, 2021 closing stock price of \$28.95 and number of shares outstanding as of that date.

(3) Loan and deposit figures in billions. The balances include only those assigned to the division (the balances do not include other business units such as credit cards, equipment finance, energy, brokered and other).

Selected Business Units

As of and for the quarter ended March 31, 2021



Simmons Credit Cards

- \$175 million nationwide credit card portfolio
- Loan yield (including fees): 13.2%
- History of excellent credit quality (1.39% YTD net charge-off ratio)



Simmons Mortgage

- Q1 2021 Mortgage Originations : \$326 million
- 34% Purchase vs. 66% Refinance
- Revenue \$15.6 million



TRUST

- Total Assets: \$5.9 billion
 - Managed Assets: \$3.7 billion
 - Non-managed / Custodial Assets: \$2.2 billion
- Revenue \$6.1 million
- Profit Margin: 29%
- Growing investment management business

ROYALTY TRUST

- Revenue: \$580 thousand
- Profit Margin : 41%

INVESTMENTS

- Retail investments services provided through networking arrangement with LPL Financial
 - LPL platform, among other things, provides customers with online self-service trade option
 - Retail Group: \$1.78 billion AUM (\$385 million in fee-based / advisory assets)
- Profit Margin 21%

INSURANCE (EMPLOYEE BENEFITS & LIFE)

- Revenue: \$1.3 million
- Profit Margin: 33%



2020 Digital Banking Accomplishments



Single Digital Platform

Consolidated three legacy platforms into a single consistent digital experience for all Simmons Bank consumer customers



Credit Cards in Digital Banking

Added credit card accounts to mobile and online banking for a single view for consumer accounts



Mobile Deposit

Developed and deployed an enhanced mobile deposit solution allowing automated enrollment, larger deposit limits



Digital Account Origination

Developing customer focused platform that originates deposit accounts in approximately five minutes with automated ID Scan



Customer Experience Center

New innovation space for testing our ideas with real users to deliver superior digital experiences for our customers














Customer Experience Center Grand Opening
December 9, 2020

**WORLD'S
BEST BANKS**

**Forbes
2021**

POWERED BY STATISTA

Acquisitions Since 2013

2013 – 2014	2015	2016	2017	2019
 Metropolitan National Bank Arkansas Total Assets \$920,000,000 November 2013	 Community First Bancshares Tennessee Total Assets \$1,915,000,000 February 2015	 Citizens National Bank Tennessee Total Assets \$585,000,000 September 2016	 Hardeman County Investments Tennessee Total Assets \$462,000,000 May 2017	 Reliance Bancshares, Inc. Missouri Total Assets \$1,534,000,000 April 2019
 Delta Trust & Banking Corp. Arkansas Total Assets \$420,000,000 August 2014	 Liberty Bancshares, Inc. Missouri Total Assets \$1,065,000,000 February 2015	National to State Charter Conversion (Fed Member Bank)	 Southwest Bancorp, Inc. Oklahoma Total Assets \$2,468,000,000 October 2017	 The Landrum Company Missouri Total Assets \$3,407,000,000 October 2019
Consolidated eight charters to one	 Trust Company of the Ozarks Missouri Assets Under Management \$1,000,000,000 October 2015		 First Texas BHC, Inc. Texas Total Assets \$2,019,000,000 October 2017	

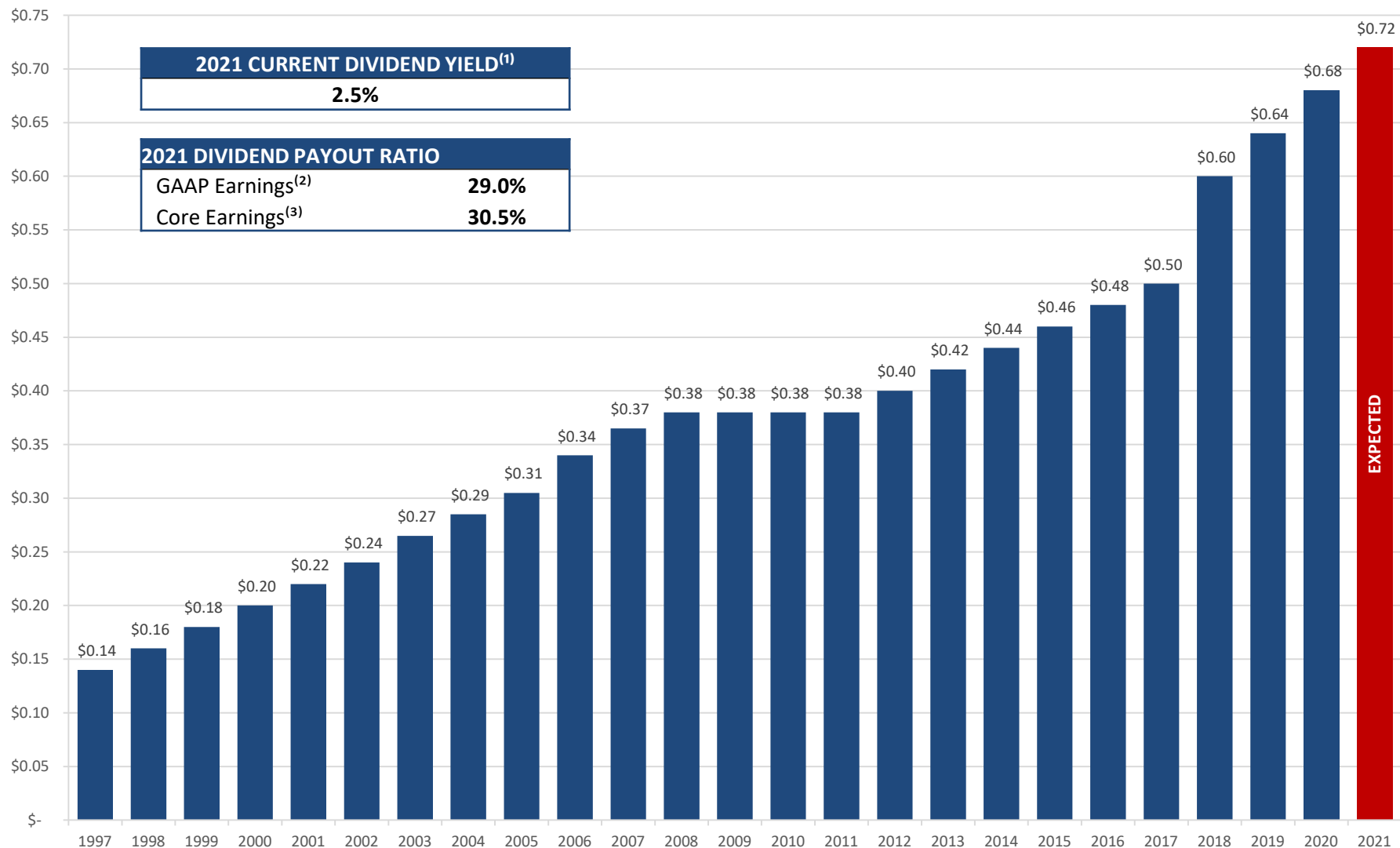
\$ IN MILLIONS						PURCHASE PURCHASE PRICE ⁽¹⁾	EARNINGS ⁽¹⁾	PRICE / BOOK VALUE ⁽¹⁾		TBV ⁽¹⁾
BANK	ANNOUNCED	CLOSED	SYSTEM CONVERSION	TOTAL ASSETS	TRUST AUM					
Metropolitan National Bank ⁽²⁾	Sep-13	Nov-13	Mar-14	\$ 920	\$ 370	\$ 54	12.5 x	88%		89%
Delta Trust & Bank	Mar-14	Aug-14	Oct-14	420	815	67	14.9 x	153%		157%
First State Bank	May-14	Feb-15	Sep-15	1,915	-	272	12.2 x	167%		170%
Liberty Bank	May-14	Feb-15	Apr-15	1,065	-	213	12.1 x	191%		198%
Trust Company of the Ozarks	Apr-15	Oct-15	Jan-16	15	1,000	24	NA	NA		NA
Citizens National Bank	May-16	Sep-16	Oct-16	585	200	82	18.0 x	130%		130%
Hardeman County Investments	Nov-16	May-17	Sep-17	462	-	71	17.4 x	138%		179%
Southwest Bancorp, Inc (OKSB)	Dec-16	Oct-17	May-18	2,468	-	532	24.7 x	180%		190%
First Texas BHC, Inc.	Jan-17	Oct-17	Feb-18	2,019	430	461	23.2 x	192%		228%
Reliance Bancshares, Inc.	Nov-18	Apr-19	Apr-19	1,534	-	166	NA	169%		169%
The Landrum Company	Jul-19	Oct-19	Feb-20	3,407	-	416	12.9 x	165%		165%

(1) Purchase price and ratios as of closed date. Source: S&P Global Market Intelligence.

(2) Metropolitan was acquired from Section 363 Bankruptcy.



112 Years of Consistent Dividend History



(1) Based on April 13, 2021 closing stock price of \$28.95.

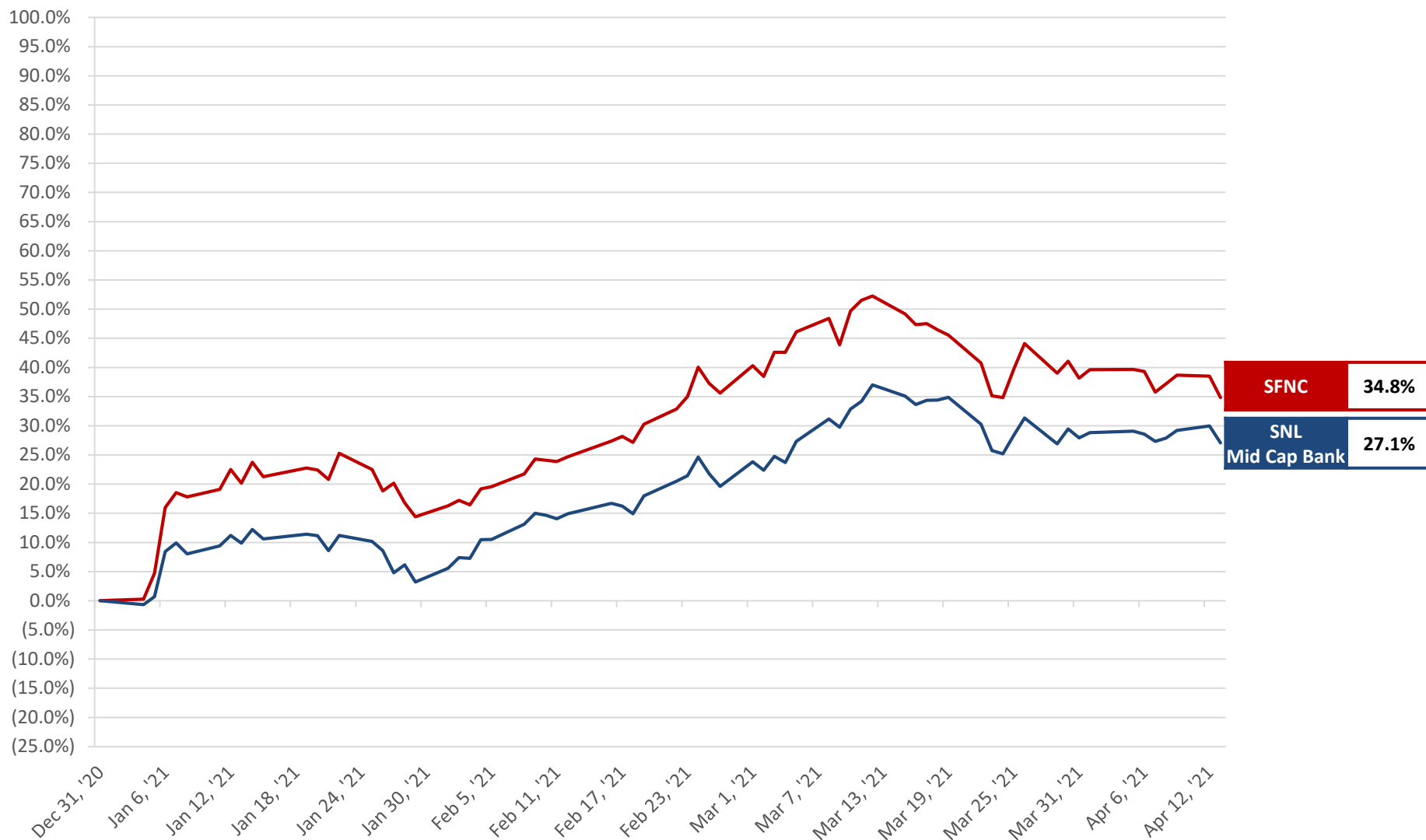
(2) Q1 2021 EPS of \$0.62.

(3) Q1 2021 Core EPS of \$0.59, excludes non-core income and expense items and is a non-GAAP measurement. See Appendix for non-GAAP reconciliations.

Note: The future payment of dividends is not guaranteed and is subject to various factors, including approval by the Company's board of directors.

YTD Total Shareholder Return

Dividend + Stock Appreciation (12/31/20 – 4/13/21)



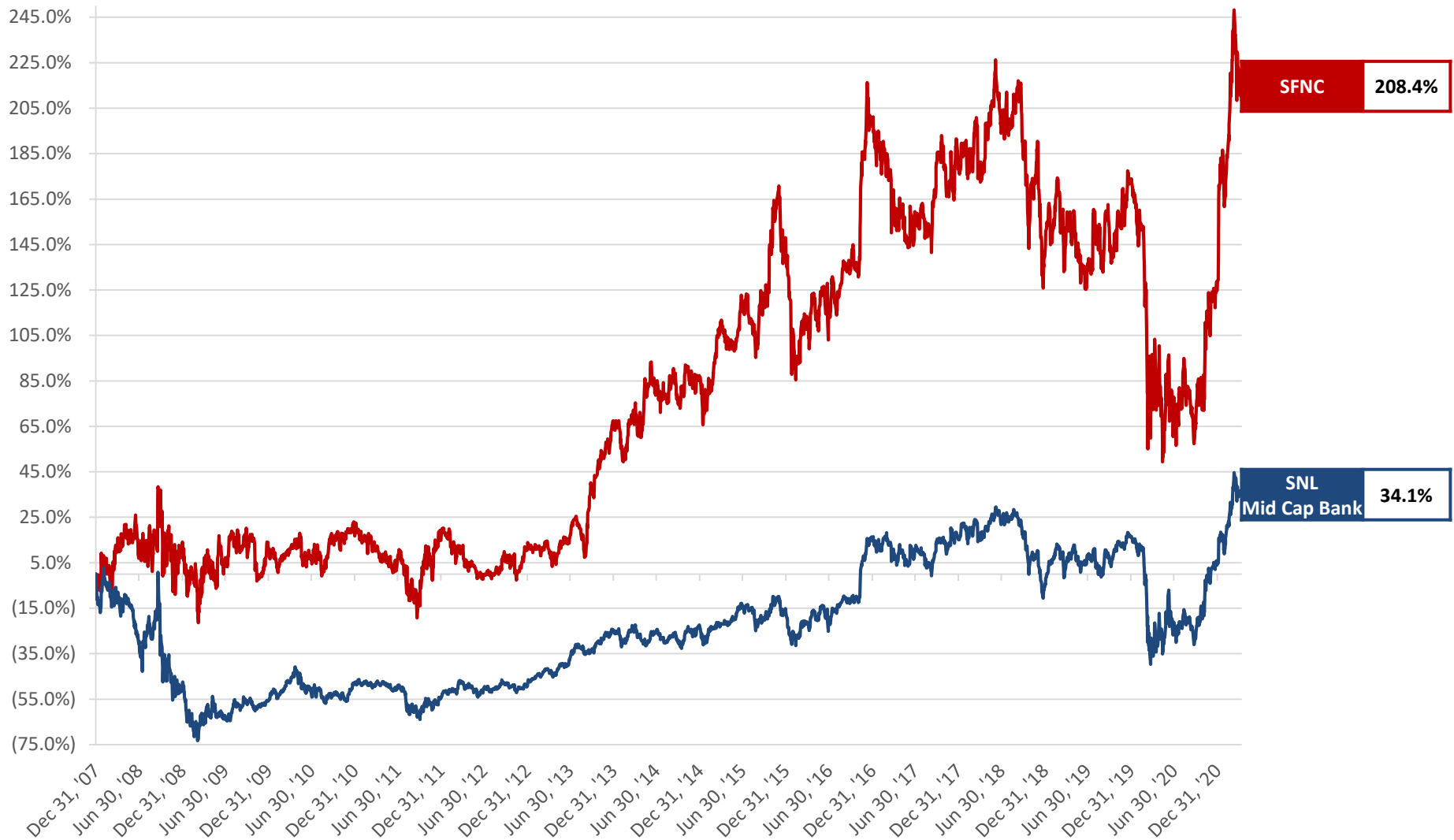
Note: Based on April 13, 2021 closing stock price of \$28.95.

Source: S&P Global Market Intelligence



Long-term Shareholder Return

Dividend + Stock Appreciation (12/31/07 – 4/13/21)



Investment Profile

SFNC MARKET DATA AS OF APRIL 13, 2021		VALUATION & PER SHARE DATA	
Stock Price	\$28.95	Price / LTM EPS	12.9 X
52-Week High	\$33.43	Price / LTM Core EPS ⁽¹⁾	12.4 X
52-Week Low	\$13.75	Price / 2021 Consensus EPS ⁽²⁾	13.6 X
Common Shares Outstanding	108.3 (in millions)	Price / 2022 Consensus EPS ⁽²⁾	13.9 X
Market Cap.	\$3.1 (in billions)	Price / Book Value	1.1 X
Institutional Ownership	71%	Price / Tangible Book Value ⁽³⁾	1.8 X

2021 -- KROLL BOND RATING AGENCY ⁽⁴⁾				
SIMMONS FIRST NATIONAL CORPORATION	SENIOR UNSECURED DEBT		SUBORDINATED DEBT	
	BBB+		BBB	
SIMMONS BANK	SHORT-TERM DEBT		K2	
	K2		K2	
SIMMONS BANK	DEPOSIT	SENIOR UNSECURED DEBT	SUBORDINATED DEBT	SHORT-TERM DEPOSIT
	A-	A-	BBB+	K2
SIMMONS BANK	SHORT-TERM DEBT		K2	
	K2		K2	

Source: S&P Global Market Intelligence

- (1) Core EPS excludes non-core income and expense items and is a non-GAAP measurement. See Appendix for non-GAAP reconciliations.
- (2) Based upon the Company's average six analyst consensus EPS of \$2.13 for 2021 and \$2.09 for 2022 (analyst's published estimates as of 4/8/21).
- (3) Tangible book value (which excludes goodwill and other intangible assets) is a non-GAAP measurement. See Appendix for non-GAAP reconciliations.
- (4) The ratings provided by KBRA are subject to revision or withdrawal by KBRA at any time and are not recommendations to buy, sell or hold these securities. Each rating should be evaluated independently of any other rating.



APPENDIX



Non-GAAP Reconciliations

<i>\$ in thousands</i>	2017	2018	2019	2020	Q4 2020	Q1 2021	LTM
Calculation of Core Earnings							
Net Income	\$ 92,940	\$ 215,713	\$ 237,828	\$ 254,852	\$ 52,955	\$ 67,407	\$ 243,036
Non-core items							
Gain on sale of banking operations	-	-	-	(8,368)	(275)	(5,477)	(7,956)
Gain on sale of P&C insurance business	(3,708)	-	-	-	-	-	-
Donation to Simmons Foundation	5,000	-	-	-	-	-	-
Merger related costs	21,923	4,777	36,379	4,531	731	233	3,696
Early Retirement Program	-	-	3,464	2,901	62	-	2,901
Branch right sizing	169	1,341	3,129	13,727	11,696	625	14,114
Tax Effect ⁽¹⁾	<u>(8,746)</u>	<u>(1,598)</u>	<u>(11,234)</u>	<u>(3,343)</u>	<u>(3,192)</u>	<u>1,207</u>	<u>(3,334)</u>
Net non-core items (before SAB 118 adjustment)	14,638	4,520	31,738	9,448	9,022	(3,412)	9,421
SAB 118 adjustment ⁽²⁾	<u>11,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Core earnings (non-GAAP)	<u>\$ 119,049</u>	<u>\$ 220,233</u>	<u>\$ 269,566</u>	<u>\$ 264,300</u>	<u>\$ 61,977</u>	<u>\$ 63,995</u>	<u>\$ 254,457</u>



(1) Effective tax rate of 26.135% for 2018 - 2021 and 39.225% for 2017, adjusted for non-deductible merger-related costs and deferred tax items on P&C insurance sale.

(2) Tax adjustment to revalue deferred tax assets and liabilities to account for the future impact of lower corporate tax.

Non-GAAP Reconciliations

\$ per Share	2017	2018	2019	2020	Q4 2020	Q1 2021	LTM
Calculation of Diluted Earnings per Share (EPS)							
Diluted earnings per share	\$ 1.33	\$ 2.32	\$ 2.41	\$ 2.31	\$ 0.49	\$ 0.62	\$ 2.25
Non-core items							
Gain on sale of banking operations	-	-	-	(0.07)	-	(0.05)	(0.07)
Gain on sale of P&C insurance business	(0.04)	-	-	-	-	-	-
Donation to Simmons Foundation	0.07	-	-	-	-	-	-
Merger related costs	0.31	0.05	0.37	0.04	-	-	0.03
Early Retirement Program	-	-	0.03	0.03	-	-	0.02
Branch right sizing	-	0.02	0.03	0.12	0.11	0.01	0.14
Tax effect ⁽¹⁾	<u>(0.13)</u>	<u>(0.02)</u>	<u>(0.11)</u>	<u>(0.03)</u>	<u>(0.03)</u>	<u>0.01</u>	<u>(0.03)</u>
Net non-core items (before SAB 118 adjustment)	0.21	0.05	0.32	0.09	0.08	(0.03)	0.09
SAB 118 adjustment ⁽²⁾	<u>0.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Diluted core earnings per share (non-GAAP)	<u>\$ 1.70</u>	<u>\$ 2.37</u>	<u>\$ 2.73</u>	<u>\$ 2.40</u>	<u>\$ 0.57</u>	<u>\$ 0.59</u>	<u>\$ 2.34</u>



(1) Effective tax rate of 26.135% for 2018 - 2021 and 39.225% for prior periods, adjusted for non-deductible merger-related costs and deferred tax items on P&C insurance sale.

(2) Tax adjustment to revalue deferred tax assets and liabilities to account for the future impact of lower corporate tax.

Non-GAAP Reconciliations

<i>\$ in thousands</i>	2017	2018	2019	2020	Q1 2020	Q1 2021
Calculation of Core Return on Average Assets						
Net income available to common stockholders	\$ 92,940	\$ 215,713	\$ 237,828	\$ 254,852	\$ 77,223	\$ 67,407
Net non-core items, net of taxes, adjustment (non-GAAP)	<u>26,109</u>	<u>4,520</u>	<u>31,738</u>	<u>9,448</u>	<u>(3,385)</u>	<u>(3,412)</u>
Core earnings (non-GAAP)	\$ 119,049	\$ 220,233	\$ 269,566	\$ 264,300	\$ 73,838	\$ 63,995
Average total assets	<u>\$ 10,074,951</u>	<u>\$ 15,771,362</u>	<u>\$ 17,871,748</u>	<u>\$ 21,590,745</u>	<u>\$ 20,920,223</u>	<u>\$ 22,738,821</u>
Return on average assets	0.92%	1.37%	1.33%	1.18%	1.48%	1.20%
Core return on average assets (non-GAAP)	1.18%	1.40%	1.51%	1.22%	1.42%	1.14%
Calculation of Return on Tangible Common Equity						
Net income available to common stockholders	\$ 92,940	\$ 215,713	\$ 237,828	\$ 254,852	\$ 77,223	\$ 67,407
Amortization of intangibles, net of taxes	<u>4,659</u>	<u>8,132</u>	<u>8,720</u>	<u>9,968</u>	<u>2,521</u>	<u>2,470</u>
Total income available to common stockholders (non-GAAP)	<u>\$ 97,599</u>	<u>\$ 223,845</u>	<u>\$ 246,548</u>	<u>\$ 264,820</u>	<u>\$ 79,744</u>	<u>\$ 69,877</u>
Net non-core items, net of taxes (non-GAAP)	<u>26,109</u>	<u>4,520</u>	<u>31,738</u>	<u>9,448</u>	<u>(3,385)</u>	<u>(3,412)</u>
Core earnings (non-GAAP)	119,049	220,233	269,566	264,300	73,838	63,995
Amortization of intangibles, net of taxes	<u>4,659</u>	<u>8,132</u>	<u>8,720</u>	<u>9,968</u>	<u>2,521</u>	<u>2,470</u>
Total core income available to common stockholders (non-GAAP)	<u>\$ 123,708</u>	<u>\$ 228,365</u>	<u>\$ 278,286</u>	<u>\$ 274,268</u>	<u>\$ 76,359</u>	<u>\$ 66,465</u>
Average common stockholders' equity	\$ 1,390,815	\$ 2,157,097	\$ 2,396,024	\$ 2,921,039	\$ 2,869,177	\$ 2,972,689
Average intangible assets:						
Goodwill	(455,453)	(845,308)	(921,635)	(1,065,190)	(1,055,498)	(1,075,305)
Other intangibles	<u>(68,896)</u>	<u>(97,820)</u>	<u>(104,000)</u>	<u>(118,812)</u>	<u>(125,746)</u>	<u>(109,850)</u>
Total average intangibles	<u>(524,349)</u>	<u>(943,128)</u>	<u>(1,025,635)</u>	<u>(1,184,002)</u>	<u>(1,181,244)</u>	<u>(1,185,155)</u>
Average tangible common stockholders' equity (non-GAAP)	<u>\$ 866,466</u>	<u>\$ 1,213,969</u>	<u>\$ 1,370,389</u>	<u>\$ 1,737,037</u>	<u>\$ 1,687,933</u>	<u>\$ 1,787,534</u>
Return on average common equity	6.68%	10.00%	9.93%	8.72%	10.83%	9.20%
Return on tangible common equity (non-GAAP)	11.26%	18.44%	17.99%	15.25%	19.00%	15.85%
Core return on average common equity (non-GAAP)	8.56%	10.21%	11.25%	9.05%	10.35%	8.73%
Core return on tangible common equity (non-GAAP)	14.28%	18.81%	20.31%	15.79%	18.19%	15.08%



Non-GAAP Reconciliations

<i>\$ in thousands</i>	2017	2018	2019	2020	Q1 2020	Q1 2021
Calculation of Non-interest Income to Revenue						
Net Interest Income	\$ 354,930	\$ 552,552	\$ 601,753	\$ 639,734	\$ 167,483	\$ 146,681
Non-interest income	<u>138,765</u>	<u>143,896</u>	<u>205,031</u>	<u>48,528</u>	<u>82,394</u>	<u>51,903</u>
Total Revenue (GAAP)	<u>\$ 493,695</u>	<u>\$ 696,448</u>	<u>\$ 806,784</u>	<u>\$ 888,262</u>	<u>\$ 249,877</u>	<u>\$ 198,584</u>
Non-interest Income (GAAP)	\$ 138,765	\$ 143,896	\$ 205,031	\$ 248,528	\$ 2,394	51,903
Non-core Items (non-GAAP)	<u>(3,972)</u>	<u>-</u>	<u>-</u>	<u>(8,738)</u>	<u>(5,889)</u>	<u>(5,477)</u>
Core Non-interest Income (non-GAAP)	<u>\$ 134,793</u>	<u>\$ 143,896</u>	<u>\$ 205,031</u>	<u>\$ 239,790</u>	<u>\$ 76,505</u>	<u>\$ 46,426</u>
Net Interest Income	\$ 354,930	\$ 552,552	\$ 601,753	\$ 639,734	\$ 167,483	\$ 146,681
Core Non-interest Income (non-GAAP)	<u>34,793</u>	<u>143,896</u>	<u>205,031</u>	<u>239,790</u>	<u>76,505</u>	<u>46,426</u>
Core Total Revenue (non-GAAP)	<u>\$ 489,723</u>	<u>\$ 696,448</u>	<u>\$ 806,784</u>	<u>\$ 879,524</u>	<u>\$ 243,988</u>	<u>\$ 193,107</u>
Non-interest Income / Revenue (GAAP)	28.1%	20.7%	25.4%	28.0%	33.0%	26.1%
Core Non-interest Income / Revenue (non-GAAP)	27.5%	20.7%	25.4%	27.3%	31.4%	24.0%



Non-GAAP Reconciliations

<i>\$ in thousands</i>	2017	2018	2019	2020	Q1 2020	Q1 2021
Calculation of Efficiency Ratio						
Non-interest expense	\$ 312,379	\$ 392,229	\$ 461,112	\$ 493,495	\$ 128,813	\$ 115,356
Non-core non-interest expense adjustment	(27,357)	(6,118)	(42,972)	(21,529)	(1,306)	(858)
Other real estate and foreclosure expense adjustment	(3,042)	(4,240)	(3,282)	(1,706)	(319)	(343)
Amortization of intangibles adjustment	(7,666)	(11,009)	(11,805)	(13,495)	(3,413)	(3,344)
Efficiency ratio numerator	<u>\$ 274,314</u>	<u>\$ 370,862</u>	<u>\$ 403,053</u>	<u>\$ 456,765</u>	<u>\$ 123,775</u>	<u>\$ 110,811</u>
Net-interest income	\$ 354,930	\$ 552,552	\$ 601,753	\$ 639,734	\$ 167,483	\$ 146,681
Non-interest income	138,765	143,896	205,031	248,528	82,394	51,903
Non-core non-interest income adjustment	(3,972)	-	-	(8,738)	(5,889)	(5,477)
Fully tax-equivalent adjustment ⁽¹⁾	7,723	5,297	7,322	11,001	2,305	4,163
(Gain) loss on sale of securities	(1,059)	(61)	(13,314)	(54,806)	(32,095)	(5,471)
Efficiency ratio denominator	<u>\$ 496,387</u>	<u>\$ 701,684</u>	<u>\$ 800,792</u>	<u>\$ 835,719</u>	<u>\$ 214,198</u>	<u>\$ 191,799</u>
Efficiency ratio ⁽²⁾	55.27%	52.85%	50.33%	54.66%	57.79%	57.77%



(1) Effective tax rate of 26.135%

(2) Efficiency ratio is core non-interest expense before foreclosed property expense and amortization of intangibles as a percent of net interest income (fully taxable equivalent) and noninterest revenues, excluding gains and losses from securities transactions and non-core items.

Non-GAAP Reconciliations

<i>\$ in thousands, except per share and share count</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Calculation of Core Net Interest Margin					
Net interest income	\$ 167,483	\$ 163,681	\$ 153,610	\$ 154,960	\$ 146,681
Fully tax-equivalent adjustment	<u>2,305</u>	<u>2,350</u>	<u>2,864</u>	<u>3,482</u>	<u>4,163</u>
Fully tax-equivalent net interest income	169,788	166,031	156,474	158,442	150,844
Total accretable yield	<u>(11,837)</u>	<u>(11,723)</u>	<u>(8,948)</u>	<u>(8,999)</u>	<u>(6,630)</u>
Core net interest income (non-GAAP)	<u>\$ 157,951</u>	<u>\$ 154,308</u>	<u>\$ 147,526</u>	<u>\$ 149,443</u>	<u>\$ 144,214</u>
PPP loan and excess liquidity interest income (non-GAAP)		<u>(5,623)</u>	<u>(6,131)</u>	<u>(6,983)</u>	<u>(12,257)</u>
Core net interest income adjusted for PPP loans and liquidity (non-GAAP)		<u>\$ 160,408</u>	<u>\$ 150,343</u>	<u>\$ 151,459</u>	<u>\$ 138,587</u>
Average earning assets	<u>\$ 18,581,491</u>	<u>\$ 19,517,475</u>	<u>\$ 19,415,314</u>	<u>\$ 19,573,651</u>	<u>\$ 20,484,908</u>
Average PPP loan balance and excess liquidity		<u>(2,071,411)</u>	<u>(2,359,928)</u>	<u>(2,837,125)</u>	<u>(3,617,567)</u>
Average earning assets adjusted for PPP loans and liquidity (non-GAAP)		<u>\$ 17,446,064</u>	<u>\$ 17,055,386</u>	<u>\$ 16,736,526</u>	<u>\$ 16,867,341</u>
Net interest margin	3.68%	3.42%	3.21%	3.22%	2.99%
Core net interest margin (non-GAAP)	3.42%	3.18%	3.02%	3.04%	2.86%
Core net interest margin adjusted for PPP loans and liquidity (non-GAAP)		3.70%	3.51%	3.60%	3.33%



Non-GAAP Reconciliations

<i>\$ in thousands, except per share and share count</i>	2017	2018	2019	2020	Q1 2021
Calculation of Book Value and Tangible Book Value per Share					
Total common stockholders' equity	\$ 2,084,564	\$ 2,246,434	\$ 2,988,157	\$ 2,975,889	\$ 2,930,008
Intangible assets:					
Goodwill	(842,651)	(845,687)	(1,055,520)	(1,075,305)	(1,075,305)
Other intangible assets	(106,071)	(91,334)	(127,340)	(111,110)	(107,091)
Total intangibles	(948,722)	(937,021)	(1,182,860)	(1,186,415)	(1,182,396)
Tangible common stockholders' equity (non-GAAP)	<u>\$ 1,135,842</u>	<u>\$ 1,309,413</u>	<u>\$ 1,805,297</u>	<u>\$ 1,789,474</u>	<u>\$ 1,747,612</u>
Shares of common stock outstanding	<u>92,029,118</u>	<u>92,347,643</u>	<u>113,628,601</u>	<u>108,077,662</u>	<u>108,345,732</u>
Book value per common share	\$ 22.65	\$ 24.33	\$ 26.30	\$ 27.53	\$ 27.04
Tangible book value per common share (non-GAAP)	\$ 12.34	\$ 14.18	\$ 15.89	\$ 16.56	\$ 16.13
Stock Price as of April 13, 2021					\$ 28.95
Price / Book Value per Share					1.07 x
Price / Tangible Book Value per Share (non-GAAP)					1.80 x



Non-GAAP Reconciliations

<i>\$ in thousands</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Calculation of Core Loan Yield					
Loan interest income (FTE)	\$ 187,566	\$ 177,168	\$ 163,379	\$ 160,306	\$ 146,601
Total accretable yield	<u>(11,837)</u>	<u>(11,723)</u>	<u>(8,948)</u>	<u>(8,999)</u>	<u>(6,630)</u>
Core loan interest income (non-GAAP)	<u>175,729</u>	<u>165,445</u>	<u>154,431</u>	<u>151,307</u>	<u>\$ 139,971</u>
PPP loan interest income		<u>(3,733)</u>	<u>(5,782)</u>	<u>(6,457)</u>	<u>(11,652)</u>
Core loan interest income excluding PPP loans (non-GAAP)		<u>\$ 161,712</u>	<u>\$ 148,649</u>	<u>\$ 144,850</u>	<u>\$ 128,319</u>
Average loan balance	<u>\$ 14,548,853</u>	<u>\$ 14,731,306</u>	<u>\$ 14,315,014</u>	<u>\$ 13,457,077</u>	<u>\$ 12,518,300</u>
Average PPP loan balance (non-GAAP)		<u>(645,172)</u>	<u>(967,152)</u>	<u>(937,544)</u>	<u>(891,070)</u>
Core loan interest income excluding PPP loans (non-GAAP)		<u>\$ 14,086,134</u>	<u>\$ 13,347,862</u>	<u>\$ 12,519,533</u>	<u>\$ 11,627,230</u>
Core loan yield (non-GAAP)	4.86%	4.52%	4.29%	4.47%	4.53%
Core loan yield excluding PPP loans (non-GAAP)		4.62%	4.43%	4.60%	4.48%
Calculation of Loan Yield Adjusted for PPP Loans					
Loan interest income (FTE)				\$ 160,306	\$ 146,601
PPP loan interest income				<u>(6,457)</u>	<u>(11,652)</u>
Loan interest income excluding PPP loans				<u>\$ 153,849</u>	<u>\$ 134,949</u>
Average loan balance				<u>\$ 13,457,077</u>	<u>\$ 12,518,300</u>
Average PPP loan balance				<u>(937,544)</u>	<u>(891,070)</u>
Average loan balance excluding PPP loans				<u>\$ 12,519,533</u>	<u>\$ 11,627,230</u>
Loan yield				4.74%	4.75%
Loan yield excluding PPP loans				4.89%	4.71%
Calculation of Loans to Deposits excluding PPP Loans					
Loans				\$ 12,900,897	\$ 12,195,873
PPP loans				<u>(904,673)</u>	<u>(797,629)</u>
Loans excluding PPP Loans				<u>\$ 11,996,224</u>	<u>\$ 11,398,244</u>
Deposits				<u>\$ 16,987,026</u>	<u>\$ 18,189,388</u>
Loans to deposits				75.95%	67.05%
Loans excluding PPP loans to deposits				70.62%	62.66%



Non-GAAP Reconciliations

\$ in thousands	Q1 2021
Calculation of Tangible Common Equity to Tangible Assets	
Total stockholders' equity	\$ 2,930,775
Preferred stock	<u>(767)</u>
Total common stockholders' equity	2,930,008
Intangible assets:	
Goodwill	(1,075,305)
Other intangible assets	<u>(107,091)</u>
Total intangibles	<u>(1,182,396)</u>
Tangible common stockholders' equity (non-GAAP)	\$ <u>1,747,612</u>
Total assets	\$ 23,348,117
Intangible assets:	
Goodwill	(1,075,305)
Other intangible assets	<u>(107,091)</u>
Total intangibles	<u>(1,182,396)</u>
Tangible assets (non-GAAP)	\$ <u>22,165,721</u>
PPP loans	<u>(797,629)</u>
Total assets excluding PPP loans (non-GAAP)	\$ <u>22,550,488</u>
Tangible assets excluding PPP loans (non-GAAP)	\$ <u>21,368,092</u>
Ratio of equity to assets	<u>12.55%</u>
Ratio of equity to assets excluding PPP loans (non-GAAP)	<u>13.00%</u>
Ratio of tangible common equity to tangible assets (non-GAAP)	<u>7.88%</u>
Ratio of tangible common equity to tangible assets excluding PPP loans (non-GAAP)	<u>8.18%</u>



Non-GAAP Reconciliations

<i>\$ in thousands</i>	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Calculation of ACL / Loans (exclusing PPP Loans)				
Total loans	\$ 14,606,900	\$ 14,017,442	\$ 12,900,897	\$ 12,195,873
Allowance for credit losses on loans	\$ 231,643	\$ 248,251	\$ 238,050	\$ 235,116
ACL / Loans	1.59%	1.77%	1.85%	1.93%
Total loans	\$ 14,606,900	\$ 14,017,442	\$ 12,900,897	\$ 12,195,873
PPP loans	<u>(963,712)</u>	<u>(970,488)</u>	<u>(904,673)</u>	<u>(797,629)</u>
Total loans, excluding PPP Loans (non-GAAP)	<u>\$ 13,643,188</u>	<u>\$ 13,046,954</u>	<u>\$ 11,996,224</u>	<u>\$ 11,398,244</u>
Allowance for credit losses on loans	231,643	248,251	238,050	235,116
ACL / Loans (excluding PPP loans) (non-GAAP)	1.70%	1.90%	1.98%	2.06%




Non-GAAP Reconciliations

\$ in thousands	Q1 2021
Calculation of Regulatory Tier 1 Leverage Ratio Excluding Average PPP Loans	
Total Tier 1 capital	\$ <u>1,939,868</u>
Adjusted average assets for leverage ratio	\$ 21,668,406
Average PPP loans	<u>(891,070)</u>
Adjusted average assets excluding average PPP loans (non-GAAP)	\$ <u>20,777,336</u>
Tier 1 leverage ratio	<u>8.95%</u>
Tier 1 leverage ratio excluding average PPP loans (non-GAAP)	<u>9.34%</u>





**Simmons First
National Corporation** | NASDAQ: SFNC

Simmons Bank 

Our lights are red in honor of #RedCrossMonth