

FIRST BANCSHARES, INC. ANNOUNCES SECOND QUARTER 2022 RESULTS

Mountain Grove, Missouri (July 15, 2022) – First Bancshares, Inc. (OTCQX: FBSI) (“Company”), the holding company for Stockmens Bank (“Bank”), today announced its financial results for the quarter ended June 30, 2022.

For the quarter ended June 30, 2022, the Company reported net income, of \$1,401,000 or \$0.57 per share-diluted, compared to \$1,147,000, or \$0.44 per share-diluted for the comparable period in 2021. Year to date the Company reported net income of \$2,421,000 or \$0.99 per share compared to \$2,381,000 or \$0.91 per share the same period 2021. Year to date changes from the six months ended June 30, 2021 include a \$617,000 increase in net interest income after provisions for loan losses, along with a \$52,000 increase in non-interest income, offset by a \$372,000 increase in non-interest expense, a \$125,000 increase in income tax expense and a modest \$4,000 loss on investments in 2022 compared to an \$128,000 gain during the same period in 2021. This resulted in a \$40,000 increase in net income for the year ended June 30, 2022, compared to the year ended June 30, 2021. The increase in non-interest expenses is due to increased personnel and fixed asset expenses due to the addition of new branches in Hartville, MO and Akron, CO, as well as standard increases to compete with employee demand in the marketplace.

Consolidated total assets on June 30, 2022 were \$460.28 million, compared to \$445.10 million at December 31, 2021. Since year end 2021, Net loans increased 11.21% to \$378.97 million, total deposits increased 3.42% to \$410.08 million, and total capital rested at \$45.09 million, or 9.80% of total assets compared to \$44.16 million, or 9.92% of total assets, on December 31, 2021. The capital changes are primarily driven by the Company’s payment of a cash dividend to shareholders and unrealized losses in the securities portfolio which increased from \$283,000 on December 31, 2021 to \$1,292,000 on June 30, 2022 as market volatility has been at an all-time high following record inflation and foreign unrest.

The Bank meets all regulatory requirements for “well-capitalized” status.

About the Company

First Bancshares, Inc. is the holding company for Stockmens Bank, a FDIC-insured commercial bank chartered by the State of Colorado that conducts business from its home office in Colorado Springs, Colorado, and eight full-service Missouri offices in Mountain Grove, Marshfield, Ava, Kisse Mills, Gainesville, Crane, Hartville and Springfield, and full-service offices in Bartley, Nebraska and Akron, Colorado.

Cautionary Note Regarding Forward-Looking Statements

The Company and its wholly owned subsidiary, Stockmens Bank, may from time to time make written or oral “forward-looking statements” in its reports to shareholders, and in other communications by the Company, which are made in good faith by the Company pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995.

These forward-looking statements include statements with respect to the Company’s beliefs, expectations, estimates and intentions that are subject to significant risks and uncertainties, and are subject to change based on various factors, some of which are beyond the Company’s control. Such statements address the following subjects: future operating results; customer growth and retention; loan and other product demand; earnings growth and expectations; new products and services; credit quality and adequacy of

reserves; results of examinations by our bank regulators, technology, and our employees. The following factors, among others, could cause the Company's financial performance to differ materially from the expectations, estimates and intentions expressed in such forward-looking statements: the strength of the United States economy in general and the strength of the local economies in which the Company conducts operations; the effects of, and changes in, trade, monetary, and fiscal policies and laws, including interest rate policies of the Federal Reserve Board; inflation, interest rate, market, and monetary fluctuations; the timely development and acceptance of new products and services of the Company and the perceived overall value of these products and services by users; the impact of changes in financial services' laws and regulations; technological changes; acquisitions; changes in consumer spending and savings habits; and the success of the Company at managing and collecting assets of borrowers in default and managing the risks of the foregoing.

The foregoing list of factors is not exclusive. The Company does not undertake, and expressly disclaims any intent or obligation, to update any forward-looking statement, whether written or oral, that may be made from time to time by or on behalf of the Company.

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First Bancshares, Inc. and Subsidiaries

Financial Highlights

(In thousands, except per share amounts)

	Quarter Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Operating Data:				
Total interest income	\$ 4,613	\$ 4,326	\$ 8,705	\$ 8,320
Total interest expense	260	290	514	614
Net interest income	4,353	4,036	8,191	7,706
Provision for loan losses	225	357	450	582
Net interest income after provision for loan losses	4,128	3,679	7,741	7,124
Gain (loss) on sale of investments	(4)	8	(4)	128
Non-interest income	420	373	763	711
Non-interest expense	2,645	2,545	5,237	4,865
Income before taxes	1,899	1,515	3,263	3,098
Income tax expense	498	368	842	717
Net income	<u>\$ 1,401</u>	<u>\$ 1,147</u>	<u>\$ 2,421</u>	<u>\$ 2,381</u>
Earnings per share	<u>\$ 0.57</u>	<u>\$ 0.44</u>	<u>\$ 0.99</u>	<u>\$ 0.91</u>
Financial Condition Data:				
	At June 30, 2022	At December 31, 2021		
Cash and cash equivalents (excludes CDs)	\$ 37,337	\$ 60,604		
Investment securities (includes CDs)	14,624	15,729		
Loans receivable, net	378,973	340,767		
Goodwill and intangibles	1,872	1,943		
Total assets	460,283	445,095		
Deposits	410,084	396,527		
Repurchase agreements	798	490		
Borrowings	1,500	1,500		
Stockholders' equity	45,092	44,161		
Book value per share	\$ 18.46	\$ 18.08		