

FIRST BANCSHARES, INC. ANNOUNCES THIRD QUARTER 2022 RESULTS

Mountain Grove, Missouri (October 7, 2022) – First Bancshares, Inc. (OTCQX: FBSI) (“Company”), the holding company for Stockmens Bank (“Bank”), today announced its financial results for the quarter ended September 30, 2022.

For the quarter ended September 30, 2022, the Company reported net income, of \$1,667,000 or \$0.68 per share-diluted, compared to \$1,335,000, or \$0.52 per share-diluted for the comparable period in 2021. Year to date the Company reported net income of \$4,088,000 or \$1.67 per share compared to \$3,715,000 or \$1.43 per share the same period 2021. Year to date changes from the nine months ended September 30, 2021 include a \$1,031,000 increase in net interest income after provisions for loan losses, along with a \$135,000 increase in non-interest income, offset by a \$762,000 increase in non-interest expense, a \$118,000 decrease in income tax expense and a modest \$21,000 loss on investments in 2022 compared to an \$128,000 gain during the same period in 2021. This resulted in a \$373,000 increase in net income for the year ended September 30, 2022, compared to the year ended September 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 September 30, 2022 were \$473.75 million, compared to \$445.10 million at December 31, 2021. Since year end 2021, Net loans increased 15.49% to \$393.54 million, total deposits increased 6.08% to \$420.64 million, and total capital rested at \$46.26 million, or 9.76% 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 \$1,431,000 on September 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 September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Operating Data:				
Total interest income	\$ 5,066	\$ 4,791	\$ 13,771	\$ 13,111
Total interest expense	442	271	956	885
Net interest income	4,624	4,520	12,815	12,226
Provision for loan losses	225	535	675	1,117
Net interest income after provision for loan losses	4,399	3,985	12,140	11,109
Gain (loss) on sale of investments	(18)	-	(21)	128
Non-interest income	478	394	1,240	1,105
Non-interest expense	2,928	2,538	8,165	7,403
Income before taxes	1,931	1,841	5,194	4,939
Income tax expense	264	506	1,106	1,224
Net income	<u>\$ 1,667</u>	<u>\$ 1,335</u>	<u>\$ 4,088</u>	<u>\$ 3,715</u>
Earnings per share	<u>\$ 0.68</u>	<u>\$ 0.52</u>	<u>\$ 1.67</u>	<u>\$ 1.43</u>

	At September 30, 2022	At December 31, 2021
Financial Condition Data:		
Cash and cash equivalents (excludes CDs)	\$ 35,980	\$ 60,604
Investment securities (includes CDs)	13,753	15,729
Loans receivable, net	393,540	340,767
Goodwill and intangibles	1,836	1,943
Total assets	473,751	445,095
Deposits	420,641	396,527
Repurchase agreements	2,013	490
Borrowings	1,500	1,500
Stockholders' equity	46,258	44,161
Book value per share	\$ 18.96	\$ 18.08