

Item 2.01. Completion of Acquisition or Disposition of Assets.

On November 30, 2023, Cadence Bank (the “Company”) completed its previously announced sale of all of the issued and outstanding shares of capital stock of Cadence Insurance, Inc., a former wholly owned subsidiary of the Company that conducted the Company’s insurance agency business (“Cadence Insurance”), to Arthur J. Gallagher Risk Management Services, LLC (“Gallagher”) (the “Sale Transaction”), pursuant to that certain stock purchase agreement, dated as of October 24, 2023, by and among the Company, Cadence Insurance, Gallagher and Arthur J. Gallagher & Co. (solely for purposes of Section 12.16 thereof) (the “Stock Purchase Agreement”). Under the terms of the Stock Purchase Agreement, the purchase price payable to the Company in the Sale Transaction was \$904.0 million, subject to customary purchase price adjustments. This purchase price is subject to further adjustment based upon a final closing statement for the Sale Transaction.

The foregoing description of the Sale Transaction and the Stock Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Stock Purchase Agreement, which is attached as Exhibit 2.1 hereto and incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On November 30, 2023, the Company issued a press release announcing the closing of the Sale Transaction. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K (the “Report”) and is incorporated herein by reference.

The information in Item 7.01 of the Report, including Exhibit 99.1, is being furnished pursuant to Item 7.01 Regulation FD Disclosure. In accordance with General Instruction B.2 of Form 8-K, the information in Item 7.01 of the Report, including Exhibit 99.1, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly stated by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(b) Pro Forma Financial Information.

Unaudited pro forma condensed consolidated financial information of the Company being presented to give effect to the Sale Transaction is attached as Exhibit 99.2 hereto and incorporated by reference herein.

(d) Exhibits

Exhibit Number	Description of Exhibit
2.1*	Stock Purchase Agreement, dated as October 24, 2023, by and among Cadence Bank, Cadence Insurance, Inc., Arthur J. Gallagher Risk Management Services, LLC and Arthur J. Gallagher & Co. (solely for purposes of Section 12.16 thereof) (incorporated by reference to Exhibit 2.1 to the Company’s Current Report on Form 8-K, filed with the FDIC on October 26, 2023).*
99.1	Press Release, dated November 30, 2023.
99.2	Cadence Bank Unaudited Pro Forma Condensed Consolidated Financial Information.

* Certain schedules and similar attachments have been omitted in accordance with Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish supplemental copies of any omitted schedules or similar attachments upon request by the FDIC; provided, however, that the Company may request confidential treatment for any schedules or similar attachments so furnished.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: December 6, 2023

CADENCE BANK

By: /s/ Cathy S. Freeman

Name: Cathy S. Freeman

Title: Senior Executive Vice President
and Chief Administrative
Officer



News Release

For Immediate Release

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**Cadence Bank Completes the Sale of Cadence Insurance, Inc.
to Arthur J. Gallagher & Co.**

The \$904 million cash sale supports Cadence Bank's focus on building its core banking business and continuing its long-term strategic initiatives.

HOUSTON and TUPELO, Miss., November 30, 2023 – Cadence Bank ("Cadence" or the "Company") (NYSE: CADE) announced it has closed the previously disclosed sale of its insurance operations, Cadence Insurance, Inc. ("Cadence Insurance"), to Arthur J. Gallagher & Co. ("Gallagher") (NYSE: AJG) for \$904 million in cash, subject to customary purchase price adjustments. The transaction will be effective at 11:59 p.m. CT today.

The transaction strategically positions Cadence for long-term growth and success, allowing it to reinvest the capital from the sale into growing its core banking business and fulfilling its short- and long-term strategic initiatives.

"The completion of this transaction is a testament to the significant value of the insurance business," said Dan Rollins, chairman & CEO of Cadence Bank. "Over the past 24 years, we have enjoyed a strong partnership with Cadence Insurance, and we applaud their leadership and the entire team for their many contributions and commitment to serving their clients and communities."

Cadence Insurance is an insurance brokerage business that specializes in commercial and personal property & casualty, employee benefits, business solutions, and risk management services. Cadence Insurance manages 30 offices in eight states across the Southeast and has consistently been recognized as a Best Places to Work by *Business Insurance*, *Baton Rouge Business Report* and *Mississippi Business Journal*. Its executive leadership, management and employees joined Gallagher in connection with the sale.

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About Cadence Bank

Cadence Bank (NYSE: CADE) is a leading regional banking franchise with approximately \$50 billion in assets and over 350 branch locations across the South and Texas. Cadence provides consumers, businesses and corporations with a full range of innovative banking and financial solutions. Services and products include consumer banking, consumer loans, mortgages, home equity lines and loans, credit cards, commercial and business banking, treasury management, specialized lending, asset-based lending, commercial real estate, equipment financing, correspondent banking, SBA lending, foreign exchange, wealth management, investment and trust services, financial planning, and retirement plan management. Cadence is committed to a culture of respect, diversity, inclusion and belonging in both its workplace and communities. Cadence Bank, Member FDIC. Equal Housing Lender.

About Arthur J. Gallagher & Co.

Arthur J. Gallagher & Co. (NYSE:AJG), a global insurance brokerage, risk management and consulting services firm, is headquartered in Rolling Meadows, Illinois. Gallagher provides these services in approximately 130 countries around the world through its owned operations and a network of correspondent brokers and consultants.

Forward-Looking Statements

Certain statements made in this news release 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 under the Private Securities Litigation Reform Act of 1995 as well as the "bespeaks caution" doctrine. These statements are often, but not exclusively, made through the use of words or phrases like "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," "would," the negative versions of such words, or comparable words of a future or forward-looking nature. These forward-looking statements may include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions; our assets; cash flows; financial condition; liquidity; prospects; results of operations, as well as the impact of the sale of Cadence Insurance (the "Transaction") on the Company's financial condition and future net income and earnings per share, the amount of net after-tax proceeds expected to be received by the Company from the Transaction, the Company's ability to deploy capital into strategic and growth initiatives, or any of the Company's comments related to topics in its risk disclosures or results of operations.

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: general economic, unemployment, credit market and real estate market conditions, including inflation, and the effect of such conditions on customers, potential customers, assets, investments and liquidity; collateral values, the value of investment securities and asset recovery values; the risks of changes in interest rates and their effects on the level and composition of deposits, loan

demand, loan repayment velocity, and the values of loan collateral, securities and interest sensitive assets and liabilities; risks arising from market reactions to the banking environment in general, or to conditions or situations at specific banks; risks arising from perceived instability in the banking sector; the impact of inflation, the failure of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in the prices, values and sales volumes of residential and commercial real estate, especially as they relate to the value of collateral supporting the Company's loans; a deterioration of the credit rating for U.S. long-term sovereign debt, actions that the U.S. government may take to avoid exceeding the debt ceiling, or uncertainties surrounding the debt ceiling and the federal budget; the availability of and access to capital; possible downgrades in our 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; potential delays or other problems in implementing and executing our growth, expansion and acquisition or divestment strategies (including the sale of Cadence Insurance), 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; significant turbulence or a disruption in the capital or financial markets; the effect of a fall in stock market prices on our investment banking business and our fee income from our brokerage and wealth management businesses; the ability to grow additional interest and fee income or to control noninterest expense; the potential impact of the phase-out of the LIBOR or other changes involving LIBOR; utilization of non-GAAP financial metrics; declaration and payment of dividends; ability to pay dividends or coupons on our 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or our subordinated notes; competitive factors and pricing pressures, including their effect on our net interest margin; 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, and any related rules and regulations; changes in U.S. Government monetary and fiscal policy, including any changes that may result from U.S. elections; FDIC special assessments or changes to regular assessments; possible adverse rulings, judgments, settlements and other outcomes of pending or future litigation or government actions; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity; increased competition in the financial services industry, particularly from regional and national institutions, as well as from fintech companies, risks related to our reliance on third parties to provide key components of our business infrastructure, including the risks related to disruptions in services provided by disputes with, or financial difficulties of a third-party vendor, the impact of failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do 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 us or our customers; natural disasters or acts of war or terrorism; international or political instability (including the impacts related to or resulting from Russia's military action in Ukraine, or the Israel-Hamas war, including the imposition of additional sanctions and export controls, as well as the broader impacts to financial markets and the global macroeconomic and geopolitical environments); impairment of our goodwill or other intangible assets; adoption of new accounting standards or changes in existing standards; and other factors described in "Part I, Item 1A. Risk Factors" in this Report or as detailed from time to time in the Company's press and news releases, reports and other filings we file with the FDIC.

In addition, the Company faces risks related to diversion of management's attention from ongoing business operations due to the Transaction; related to the failure to achieve the expected impact on the Company's financial condition; and associated with unexpected costs or liabilities relating to the Transaction.

The Company also faces risks from: possible adverse rulings, judgments, settlements or other outcomes of pending, ongoing, and future litigation, as well as governmental, administrative and investigatory matters; the impairment of the Company's goodwill or other intangible assets; losses of key employees and personnel; the diversion of management's attention from ongoing business operations and opportunities; and the company's success in executing its business plans and strategies, and managing the risks involved in all of the foregoing.

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, 2022, particularly those under the heading "Item 1A. Risk Factors," in the Company's Quarterly Reports on Form 10-Q under the heading "Part II-Item 1A. Risk Factors," and in the Company's Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, if one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, 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.

CADENCE BANK
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On November 30, 2023, Cadence Bank, a Mississippi corporation, (the “Company” or “Cadence Bank”) completed (such event being the “Closing”) the previously announced sale of Cadence Insurance, Inc., a wholly owned subsidiary of the Company that conducts the Company’s insurance agency business (“Cadence Insurance”) via a stock purchase with Arthur J. Gallagher Risk Management Services, LLC (“Gallagher”) and Arthur J. Gallagher & Co. Beginning in the fourth quarter of 2023, Cadence Insurance’s historical financial results for periods prior to the Closing will be reflected in Cadence Bank’s consolidated financial statements as discontinued operations.

The following unaudited pro forma condensed consolidated financial information has been prepared in accordance with Article 11 of Regulation S-X. The following unaudited pro forma condensed consolidated statements of income and unaudited pro forma condensed consolidated statements of comprehensive income (loss) of Cadence Bank for the nine months ended September 30, 2023 and for the years ended December 31, 2022, 2021 and 2020 have been prepared as if the Closing had occurred as of January 1, 2020 and gives effect to the elimination of the historical Cadence Insurance results, as well as other pro forma adjustments due to the Closing. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2023 has been prepared as if the Closing had occurred as of September 30, 2023.

The unaudited pro forma financial information is based on information currently available, including certain assumptions and estimates. This unaudited pro forma financial information is intended for informational purposes only, and does not purport to represent what Cadence Bank’s financial position and results of operations would have been had the Closing occurred on the dates indicated, or to project Cadence Bank’s financial position or results of operations as of any future date or for any future period. Cadence Bank’s actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

The information in the “Cadence Bank Historical” column in the unaudited pro forma condensed consolidated statements of income, unaudited pro forma condensed consolidated statements of comprehensive income (loss) and the unaudited pro forma condensed consolidated balance sheet were derived from Cadence Bank’s historical consolidated financial statements for the periods and as of the date presented and does not reflect any adjustments related to the Closing and related events. The unaudited pro forma condensed consolidated financial information and the accompanying note should be read in conjunction with the audited consolidated financial statements and the accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in Cadence Bank’s Annual Report on Form 10-K for the year ended December 31, 2022 and Cadence Bank’s Quarterly Report on Form 10-Q for the nine months ended September 30, 2023.

The information in the “Pro Forma Adjustments” column in the unaudited pro forma condensed consolidated statements of income, unaudited pro forma condensed consolidated statements of comprehensive income (loss) and the unaudited pro forma condensed consolidated balance sheet have been prepared in accordance with the discontinued operations guidance in the Accounting Standards Codification 205 “Financial Statement Presentation” and therefore does not reflect what Cadence Insurance’s results of operations would have been on a stand-alone basis and are not necessarily indicative of Cadence Insurance’s future results of operations. Also included in the “Pro Forma Adjustments” column are additional pro forma adjustments that are further described in Note 1 - Pro Forma Adjustments to Unaudited Pro Forma Condensed Consolidated Financial Information.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

As of September 30, 2023

	<u>Cadence Bank Historical</u>	<u>Pro Forma Adjustments</u>	<u>Reference</u>	<u>Pro Forma Cadence Bank</u>
(In thousands)				
<i>Assets</i>				
Cash and cash equivalents	\$ 1,997,807	\$ 862,796	A	\$ 2,860,603
Securities available-for-sale	9,643,231			9,643,231
Loans held for sale	162,376			162,376
Loans	32,520,593			32,520,593
Less: allowance for credit losses	(446,859)			(446,859)
Net loans	32,073,734			32,073,734
Premises and equipment, net	818,006	(28,727)	B	789,279
Goodwill	1,459,302	(91,517)	B	1,367,785
Other intangible assets, net	114,127	(9,531)	B	104,596
Other assets	2,254,427	(34,854)	B	2,219,573
Total Assets	<u>\$ 48,523,010</u>			<u>\$ 49,221,177</u>
<i>Liabilities and Shareholder's Equity</i>				
Liabilities:				
Noninterest-bearing deposits	\$ 9,657,198	\$ 75,098	B	\$ 9,732,296
Interest-bearing deposits	28,687,687			28,687,687
Total deposits	38,344,885			38,419,983
Borrowings	4,812,135			4,812,135
Other liabilities	970,733	99,881	B, C	1,070,614
Total liabilities	44,127,753			44,302,732
Shareholders' equity	4,395,257	523,188	D	4,918,445
Total Liabilities and Shareholders' Equity	<u>\$ 48,523,010</u>			<u>\$ 49,221,177</u>
Total shares of Preferred stock outstanding	<u>6,900</u>			<u>6,900</u>
Total shares of Class A common stock outstanding	<u>182,611</u>			<u>182,611</u>

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the Nine-Months Ended September 30, 2023

(In thousands, except per share data)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
<i>Interest Income</i>				
Interest and fees on loans	\$ 1,476,505			\$ 1,476,505
Interest on securities	218,564			218,564
Total interest income	1,695,069			1,695,069
<i>Interest Expense</i>				
Interest on deposits	510,948			510,948
Interest on borrowed funds	167,281			167,281
Total interest expense	678,229			678,229
Net interest income	1,016,840			1,016,840
Provision for credit losses	42,000			42,000
Net interest income after provision for credit losses	974,840			974,840
<i>Noninterest Income</i>	325,358	(130,944)	E	194,414
<i>Noninterest Expense</i>	935,424	(109,170)	F	826,254
Income before income taxes	364,774			343,000
Income tax expense	81,534	(5,786)	G	75,748
Net income	283,240			267,252
Preferred stock dividends	7,116			7,116
Income available to common shareholders	\$ 276,124			\$ 260,136
Weighted average common shares outstanding (Basic)	182,582			182,582
Weighted average common shares outstanding (Diluted)	184,062			184,062
Earnings per common share (Basic)	\$ 1.51			\$ 1.42
Earnings per common share (Diluted)	\$ 1.50			\$ 1.41

UNAUDITED PROFORMA CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the Nine-Months Ended September 30, 2023

(In thousands)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
Net Income	\$ 283,240	\$ (15,988)	E,F,G	\$ 267,252
Other comprehensive loss, net of tax:				
Unrealized losses on Available for Sale (AFS) securities:				
Net unrealized losses, net of income taxes of \$15,724	(50,847)			(50,847)
Reclassification adjustment for net losses realized in net income, net of income taxes of \$12,076	(39,051)			(39,051)
Net change in unrealized losses on AFS securities, net of tax	(89,898)			(89,898)
Recognized employee benefit plan net periodic benefit cost, net of income taxes of \$(779)	2,515			2,515
Other comprehensive loss, net of tax:	(87,383)			(87,383)
Comprehensive income	\$ 195,857			\$ 179,869

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the Year Ended December 31, 2022

(In thousands, except per share data)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
<i>Interest Income</i>				
Interest and fees on loans	\$ 1,342,662			\$ 1,342,662
Interest on securities	217,931			217,931
Total interest income	1,560,593			1,560,593
<i>Interest Expense</i>				
Interest on deposits	139,665			139,665
Interest on borrowed funds	69,625			69,625
Total interest expense	209,290			209,290
Net interest income	1,351,303			1,351,303
Provision for credit losses	7,000			7,000
Net interest income after provision for credit losses	1,344,303			1,344,303
<i>Noninterest Income</i>	493,032	(150,260)	E	342,772
<i>Noninterest Expense</i>	1,237,960	(126,585)	F	1,111,375
Income before income taxes	599,375			575,700
Income tax expense	136,138	(5,559)	G	130,579
Net income	463,237			445,121
Preferred stock dividends	9,488			9,488
Income available to common shareholders	\$ 453,749			\$ 435,633
Weighted average common shares outstanding (Basic)	183,510			183,510
Weighted average common shares outstanding (Diluted)	184,498			184,498
Earnings per common share (Basic)	\$ 2.47			\$ 2.37
Earnings per common share (Diluted)	\$ 2.46			\$ 2.36

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the Year Ended December 31, 2022

(In thousands)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
Net Income	\$ 463,237	\$ (18,116)	E,F,G	\$ 445,121
Other comprehensive loss, net of tax:				
Unrealized losses on AFS securities:				
Net unrealized losses, net of income taxes of \$339,070	(1,096,453)			(1,096,453)
Reclassification adjustment for net losses realized in net income, net of income taxes of \$141	(454)			(454)
Net change in unrealized losses on AFS securities, net of tax	(1,096,907)			(1,096,907)
Recognized employee benefit plan net periodic benefit cost, net of income taxes of \$(4,248)	13,738			13,738
Other comprehensive loss, net of tax:	(1,083,169)			(1,083,169)
Comprehensive loss	\$ (619,932)			\$ (638,048)

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the Year Ended December 31, 2021

(In thousands, except per share data)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
<i>Interest Income</i>				
Interest and fees on loans	\$ 758,180			\$ 758,180
Interest on securities	123,869			123,869
Total interest income	882,049			882,049
<i>Interest Expense</i>				
Interest on deposits	60,846			60,846
Interest on borrowed funds	15,476			15,476
Total interest expense	76,322			76,322
Net interest income	805,727			805,727
Provision for credit losses	138,062			138,062
Net interest income after provision for credit losses	667,665			667,665
<i>Noninterest Income</i>	378,153	(135,247)	E	242,906
<i>Noninterest Expense</i>	798,890	(112,077)	F	686,813
Income before income taxes	246,928			223,758
Income tax expense	51,766	(5,789)	G	45,977
Net income	195,162			177,781
Preferred stock dividends	9,488			9,488
Income available to common shareholders	\$ 185,674			\$ 168,293
Weighted average common shares outstanding (Basic)	120,250			120,250
Weighted average common shares outstanding (Diluted)	120,669			120,669
Earnings per common share (Basic)	\$ 1.54			\$ 1.40
Earnings per common share (Diluted)	\$ 1.54			\$ 1.39

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the Year Ended December 31, 2021

(In thousands)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
Net Income	\$ 195,162	\$ (17,381)	E,F,G	\$ 177,781
Other comprehensive loss, net of tax:				
Unrealized losses on AFS securities:				
Net unrealized losses, net of income taxes of \$50,362	(151,481)			(151,481)
Reclassification adjustment for net losses realized in net income, net of income taxes of \$(33)	99			99
Net change in unrealized losses on AFS securities, net of tax	(151,382)			(151,382)
Recognized employee benefit plan net periodic benefit cost, net of income taxes of \$(30)	90			90
Other comprehensive loss, net of tax:	(151,292)			(151,292)
Comprehensive income	\$ 43,870			\$ 26,489

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

For the Year Ended December 31, 2020

(In thousands, except per share data)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
<i>Interest Income</i>				
Interest and fees on loans	\$ 700,065			\$ 700,065
Interest on securities	99,428			99,428
Total interest income	799,493			799,493
<i>Interest Expense</i>				
Interest on deposits	90,749			90,749
Interest on borrowed funds	17,777			17,777
Total interest expense	108,526			108,526
Net interest income	690,967			690,967
Provision for credit losses	89,044			89,044
Net interest income after provision for credit losses	601,923			601,923
Noninterest Income	336,504	577,343	E, H	913,847
Noninterest Expense	650,882	(109,286)	F	541,596
Income before income taxes	287,545			974,174
Income tax expense	59,494	178,115	G	237,609
Net income	228,051			736,565
Preferred stock dividends	9,488			9,488
Income available to common shareholders	\$ 218,563			\$ 727,077
Weighted average common shares outstanding (Basic)	103,023			103,023
Weighted average common shares outstanding (Diluted)	103,305			103,305
Earnings per common share (Basic)	\$ 2.12			\$ 7.06
Earnings per common share (Diluted)	\$ 2.12			\$ 7.04

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS)

For the Year Ended December 31, 2020

(In thousands)	Cadence Bank Historical	Pro Forma Adjustments	Reference	Pro Forma Cadence Bank
Net Income	\$ 228,051	\$ 508,514	E,F,G,H	\$ 736,565
Other comprehensive loss, net of tax:				
Unrealized losses on AFS securities:				
Net unrealized losses, net of income taxes of \$(22,012)	66,213			66,213
Reclassification adjustment for net losses realized in net income, net of income taxes of \$22	(65)			(65)
Net change in unrealized losses on AFS securities, net of tax	66,148			66,148
Recognized employee benefit plan net periodic benefit cost, net of income taxes of \$(2,805)	8,438			8,438
Other comprehensive loss, net of tax:	74,586			74,586
Comprehensive income	\$ 302,637			\$ 811,151

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

NOTE 1 - PRO FORMA ADJUSTMENTS TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

The following notes accompany the unaudited pro forma condensed consolidated financial information:

- A Represents the receipt of net cash consideration at Closing.
- B Represents the deconsolidation of Cadence Insurance.
- C Represents the estimated transaction costs and estimated accrued income taxes associated with the Cadence Insurance divestiture.
- D Represents the gain on the sale of Cadence Insurance.
- E Represents the deconsolidation of noninterest income of Cadence Insurance.
- F Represents the deconsolidation of noninterest expense of Cadence Insurance.
- G Represents the estimated income tax effect of the pro forma adjustments. The tax effect of the pro forma adjustments was calculated using the historical statutory tax rates in effect for the periods presented.
- H Represents the estimated gain arising from the sale of Cadence Insurance, net of transaction costs.