

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 20, 2021

**UNITED COMMUNITY BANKS, INC.**

(Exact name of registrant as specified in its charter)

Georgia  
(State or other jurisdiction of  
incorporation)

No. 001-35095  
(Commission File Number)

No. 58-1807304  
(IRS Employer  
Identification No.)

125 Highway 515 East  
Blairsville, Georgia 30512  
(Address of principal executive offices)

Registrant's telephone number, including area code:  
(706) 781-2265

Not applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange on Which Registered
Common stock, par value \$1 per share	UCBI	Nasdaq Global Select Market
Depository shares, each representing 1/1,000 <sup>th</sup> interest in a share of Series I Non-Cumulative Preferred Stock	UCBIO	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition.**

On April 20, 2021, United Community Banks, Inc. (“United”) issued a press release announcing financial results for the first quarter of 2021. The press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

**Item 7.01 Regulation FD Disclosure.**

On April 21, 2021, United will hold an earnings conference call and webcast at 11:00 a.m. (Eastern Time) to discuss financial results for the first quarter of 2021. The press release referenced above in Item 2.02 contains information about how to access the conference call and webcast. A copy of the slide presentation to be used during the earnings call and webcast is furnished as Exhibit 99.2 to this Current Report on Form 8-K. The slide presentation also will be available on our website, [www.ucbi.com](http://www.ucbi.com), under the “Investor Relations – Events and Presentations” section.

**Item 9.01 Financial Statements and Exhibits.**

**(d) Exhibits** The following exhibit index lists the exhibits that are either filed or furnished with the Current Report on Form 8-K.

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## EXHIBIT INDEX

<b>Exhibit No.</b>	<b>Description</b>
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<a href="#">99.1</a>	<a href="#">United Community Banks, Inc. Press Release, dated April 20, 2021.</a>
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<a href="#">99.2</a>	<a href="#">Slide Presentation.</a>
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104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.
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**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 hereunto duly authorized.

**UNITED COMMUNITY BANKS, INC.**

By: /s/ Jefferson L. Harralson  
Jefferson L. Harralson  
Executive Vice President and  
Chief Financial Officer

Date: April 20, 2021

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***For Immediate Release***

***For more information:***

Jefferson Harralson  
Chief Financial Officer  
(864) 240-6208  
[Jefferson.Harralson@ucbi.com](mailto:Jefferson.Harralson@ucbi.com)

**United Community Banks, Inc. Reports First Quarter Results**  
***EPS of \$0.82, Return on Assets of 1.62% and Return on Common Equity of 15.4%***

GREENVILLE, SC – April 20, 2021 - United Community Banks, Inc. (NASDAQ: UCBI) (United) today announced that net income for the first quarter reached a record \$73.7 million and pre-tax, pre-provision income was \$81.6 million. The quarter benefited from an allowance release of \$12.3 million, as economic conditions and forecasts continue to improve. Diluted earnings per share of \$0.82 for the quarter represented an increase of \$0.42 or 105%, from the first quarter a year ago, and represented an increase of \$0.16 or 24% over the fourth quarter of 2020. On an operating basis, United's diluted earnings per share of \$0.83 was an increase of 102% over the year ago quarter. United's GAAP return on assets (ROA) was 1.62% and its return on common equity was 15.4% for the quarter. On an operating basis, United's ROA was 1.65% and its return on tangible common equity was 19.7%. On a pre-tax, pre-provision basis, return on assets was 1.83% for the quarter.

Chairman and CEO Lynn Harton stated, "We continue to have strong performance across our businesses and markets, driven by an improving economy, southeastern markets that are outperforming national averages, and great execution by our bankers. Loan growth, while slower than the previous two quarters, continues to be positive and deposit growth continues at a strong pace. Credit results were outstanding and we believe the record stimulus, strong liquidity levels of consumers and businesses, and pent up demand has the potential to deliver strong economic growth for several quarters."

Total loans increased by \$308 million during the quarter—impacted by a \$237 million increase in SBA Paycheck Protection Program (PPP) loans. During the quarter, United funded nearly 5,100 loans totaling \$518 million, and had \$311 million in PPP loans forgiven. Excluding the effect of PPP loans, core organic loan growth was 3% annualized. Core transaction deposits grew by \$948 million during the quarter, or 33% annualized, and United's cost of deposits decreased by 3 basis points to 0.14%. The net interest margin decreased by 33 basis points from the fourth quarter due mainly to a \$9.5 million decline in the recognition of PPP fees, as well as \$1.8 million less purchased loan accretion. Excluding these items, the net interest margin decreased by approximately 7 basis points from the fourth quarter due to a combination of factors, including lower overall market rates and increased liquidity.

Mr. Harton concluded, "We are excited about the ongoing opportunities in our markets and look forward to the rest of 2021. I also want to recognize our entire team for their performance. Earlier this quarter, Forbes recognized United on its 2021 list of the 100 Best Banks in America for the eighth consecutive year. Forbes' ranks the banks based on growth, credit quality and profitability and United was again a standout. I am incredibly proud of our employees who make this type of recognition possible through their tireless dedication to our customers, our culture and fulfilling our performance mission."

## First Quarter 2021 Financial Highlights:

- Net income of \$73.7 million and pre-tax, pre-provision income of \$81.6 million
- EPS increased by 105% compared to last year on a GAAP basis and 102% on an operating basis; compared to fourth quarter 2020, EPS increased by 24% on a GAAP basis and 22% on an operating basis
- Return on assets of 1.62%, or 1.65% on an operating basis
- Pre-tax, pre-provision return on assets of 1.80%, or 1.83% on an operating basis
- Return on common equity of 15.4%
- Return on tangible common equity of 19.7% on an operating basis
- A release of provision for credit losses of \$12.3 million, which reduced the allowance for loan losses to 1.09% (1.18%, excluding PPP loans) from 1.20% in the fourth quarter
- Loan production of \$1.5 billion, resulting in core loan growth of 3%, annualized for the quarter, excluding the impact of \$518 million in new PPP loans and \$311 million in PPP loans being forgiven
- Core transaction deposits were up \$948 million, which represents a 33% annualized growth rate for the quarter
- Net interest margin of 3.22% was down 33 basis points from the fourth quarter, mainly due to the impact of accelerated PPP fees during the fourth quarter
- Record mortgage closings of \$666 million and mortgage rate locks of \$993 million, compared to \$388 million and \$801 million, respectively, a year ago
- Noninterest income was up \$3.3 million on a linked quarter basis, primarily driven by higher mortgage loan gains and related fees
- Noninterest expenses decreased by \$11.3 million compared to the fourth quarter mostly due to funding for the United Community Bank Foundation of \$8.5 million in the fourth quarter
- Efficiency ratio of 53.6%, or 52.7% on an operating basis
- Net recoveries of \$305,000, or one basis point as a percent of average loans, down 6 basis points from the fourth quarter
- Nonperforming assets of 0.30% of total assets, down 5 basis points compared to December 31, 2020
- Total loan deferrals of \$48 million or 0.4% of the total loan portfolio compared to \$71 million or 0.6% in the fourth quarter
- Quarterly common shareholder dividend of \$0.19 per share declared during the quarter, an increase of 6% year-over-year
- Successfully completed the operational conversion of Seaside during the quarter

## Conference Call

United will hold a conference call on Wednesday, April 21, 2021, at 11 a.m. ET to discuss the contents of this press release and to share business highlights for the quarter. To access the call, dial (877) 380-5665 and use the conference number 9792368. The conference call also will be webcast and available for replay for 30 days by selecting “Events & Presentations” within the Investor Relations section of United’s website at [www.ucbi.com](http://www.ucbi.com).

UNITED COMMUNITY BANKS, INC.  
Selected Financial Information

	2021		2020			First Quarter 2021 - 2020 Change
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	
<i>(in thousands, except per share data)</i>						
<b>INCOME SUMMARY</b>						
Interest revenue	\$ 141,542	\$ 156,071	\$ 141,773	\$ 123,605	\$ 136,547	
Interest expense	9,478	10,676	13,319	14,301	17,941	
Net interest revenue	132,064	145,395	128,454	109,304	118,606	11%
(Release of) provision for credit losses	(12,281)	2,907	21,793	33,543	22,191	
Noninterest income	44,705	41,375	48,682	40,238	25,814	73
<b>Total revenue</b>	<b>189,050</b>	<b>183,863</b>	<b>155,343</b>	<b>115,999</b>	<b>122,229</b>	<b>55</b>
Expenses	95,194	106,490	95,981	83,980	81,538	17
Income before income tax expense	93,856	77,373	59,362	32,019	40,691	131
Income tax expense	20,150	17,871	11,755	6,923	8,807	129
<b>Net income</b>	<b>73,706</b>	<b>59,502</b>	<b>47,607</b>	<b>25,096</b>	<b>31,884</b>	<b>131</b>
Merger-related and other charges	1,543	2,452	3,361	397	808	
Income tax benefit of merger-related and other charges	(335)	(552)	(519)	(87)	(182)	
<b>Net income - operating <sup>(1)</sup></b>	<b>\$ 74,914</b>	<b>\$ 61,402</b>	<b>\$ 50,449</b>	<b>\$ 25,406</b>	<b>\$ 32,510</b>	<b>130</b>
<b>Pre-tax pre-provision income <sup>(5)</sup></b>	<b>\$ 81,575</b>	<b>\$ 80,280</b>	<b>\$ 81,155</b>	<b>\$ 65,562</b>	<b>\$ 62,882</b>	<b>30</b>
<b>PERFORMANCE MEASURES</b>						
Per common share:						
Diluted net income - GAAP	\$ 0.82	\$ 0.66	\$ 0.52	\$ 0.32	\$ 0.40	105
Diluted net income - operating <sup>(1)</sup>	0.83	0.68	0.55	0.32	0.41	102
Cash dividends declared	0.19	0.18	0.18	0.18	0.18	6
Book value	22.15	21.90	21.45	21.22	20.80	6
Tangible book value <sup>(3)</sup>	17.83	17.56	17.09	16.95	16.52	8
Key performance ratios:						
Return on common equity - GAAP <sup>(2)(4)</sup>	15.37%	12.36%	10.06%	6.17%	7.85%	
Return on common equity - operating <sup>(1)(2)(4)</sup>	15.63	12.77	10.69	6.25	8.01	
Return on tangible common equity - operating <sup>(1)(2)(3)(4)</sup>	19.68	16.23	13.52	8.09	10.57	
Return on assets - GAAP <sup>(4)</sup>	1.62	1.30	1.07	0.71	0.99	
Return on assets - operating <sup>(1)(4)</sup>	1.65	1.34	1.14	0.72	1.01	
Return on assets - pre-tax pre-provision <sup>(4)(5)</sup>	1.80	1.77	1.86	1.86	1.95	
Return on assets - pre-tax pre-provision, excluding merger-related and other charges <sup>(1)(4)(5)</sup>	1.83	1.82	1.93	1.87	1.98	
Net interest margin (fully taxable equivalent) <sup>(4)</sup>	3.22	3.55	3.27	3.42	4.07	
Efficiency ratio - GAAP	53.55	56.73	54.14	55.86	56.15	
Efficiency ratio - operating <sup>(1)</sup>	52.68	55.42	52.24	55.59	55.59	
Equity to total assets	10.95	11.29	11.47	11.81	12.54	
Tangible common equity to tangible assets <sup>(3)</sup>	8.57	8.81	8.89	9.12	10.22	
<b>ASSET QUALITY</b>						
Nonperforming loans	\$ 55,900	\$ 61,599	\$ 49,084	\$ 48,021	\$ 36,208	54
Foreclosed properties	596	647	953	477	475	
Total nonperforming assets ("NPAs")	56,496	62,246	50,037	48,498	36,683	54
Allowance for credit losses - loans	126,866	137,010	134,256	103,669	81,905	55
Net charge-offs	(305)	1,515	2,538	6,149	8,114	
Allowance for credit losses - loans to loans	1.09%	1.20%	1.14%	1.02%	0.92%	
Net charge-offs to average loans <sup>(4)</sup>	(0.01)	0.05	0.09	0.25	0.37	
NPAs to loans and foreclosed properties	0.48	0.55	0.42	0.48	0.41	
NPAs to total assets	0.30	0.35	0.29	0.32	0.28	
<b>AVERAGE BALANCES (\$ in millions)</b>						
Loans	\$ 11,433	\$ 11,595	\$ 11,644	\$ 9,773	\$ 8,829	29
Investment securities	3,991	3,326	2,750	2,408	2,520	58
Earning assets	16,782	16,394	15,715	12,958	11,798	42
Total assets	18,023	17,698	17,013	14,173	12,944	39
Deposits	15,366	15,057	14,460	12,071	10,915	41
Shareholders' equity	2,025	1,994	1,948	1,686	1,653	23
Common shares - basic (thousands)	87,322	87,258	87,129	78,920	79,340	10
Common shares - diluted (thousands)	87,466	87,333	87,205	78,924	79,446	10
<b>AT PERIOD END (\$ in millions)</b>						
Loans	\$ 11,679	\$ 11,371	\$ 11,799	\$ 10,133	\$ 8,935	31
Investment securities	4,332	3,645	3,089	2,432	2,540	71
Total assets	18,557	17,794	17,153	15,005	13,086	42

Deposits	15,993	15,232	14,603	12,702	11,035	45
Shareholders' equity	2,031	2,008	1,967	1,772	1,641	24
Common shares outstanding (thousands)	86,777	86,675	86,611	78,335	78,284	11

(1) Excludes merger-related and other charges. (2) Net income less preferred stock dividends, divided by average realized common equity, which excludes accumulated other comprehensive income (loss). (3) Excludes effect of acquisition related intangibles and associated amortization. (4) Annualized. (5) Excludes income tax expense and provision for credit losses.

UNITED COMMUNITY BANKS, INC.  
**Non-GAAP Performance Measures Reconciliation**  
**Selected Financial Information**

<i>(in thousands, except per share data)</i>	2021	2020			
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
<b>Expense reconciliation</b>					
Expenses (GAAP)	\$ 95,194	\$ 106,490	\$ 95,981	\$ 83,980	\$ 81,538
Merger-related and other charges	(1,543)	(2,452)	(3,361)	(397)	(808)
Expenses - operating	<u>\$ 93,651</u>	<u>\$ 104,038</u>	<u>\$ 92,620</u>	<u>\$ 83,583</u>	<u>\$ 80,730</u>
<b>Net income reconciliation</b>					
Net income (GAAP)	\$ 73,706	\$ 59,502	\$ 47,607	\$ 25,096	\$ 31,884
Merger-related and other charges	1,543	2,452	3,361	397	808
Income tax benefit of merger-related and other charges	(335)	(552)	(519)	(87)	(182)
Net income - operating	<u>\$ 74,914</u>	<u>\$ 61,402</u>	<u>\$ 50,449</u>	<u>\$ 25,406</u>	<u>\$ 32,510</u>
<b>Net income to pre-tax pre-provision income reconciliation</b>					
Net income (GAAP)	\$ 73,706	\$ 59,502	\$ 47,607	\$ 25,096	\$ 31,884
Income tax expense	20,150	17,871	11,755	6,923	8,807
(Release of) provision for credit losses	(12,281)	2,907	21,793	33,543	22,191
Pre-tax pre-provision income	<u>\$ 81,575</u>	<u>\$ 80,280</u>	<u>\$ 81,155</u>	<u>\$ 65,562</u>	<u>\$ 62,882</u>
<b>Diluted income per common share reconciliation</b>					
Diluted income per common share (GAAP)	\$ 0.82	\$ 0.66	\$ 0.52	\$ 0.32	\$ 0.40
Merger-related and other charges, net of tax	0.01	0.02	0.03	—	0.01
Diluted income per common share - operating	<u>\$ 0.83</u>	<u>\$ 0.68</u>	<u>\$ 0.55</u>	<u>\$ 0.32</u>	<u>\$ 0.41</u>
<b>Book value per common share reconciliation</b>					
Book value per common share (GAAP)	\$ 22.15	\$ 21.90	\$ 21.45	\$ 21.22	\$ 20.80
Effect of goodwill and other intangibles	(4.32)	(4.34)	(4.36)	(4.27)	(4.28)
Tangible book value per common share	<u>\$ 17.83</u>	<u>\$ 17.56</u>	<u>\$ 17.09</u>	<u>\$ 16.95</u>	<u>\$ 16.52</u>
<b>Return on tangible common equity reconciliation</b>					
Return on common equity (GAAP)	15.37%	12.36%	10.06%	6.17%	7.85%
Merger-related and other charges, net of tax	0.26	0.41	0.63	0.08	0.16
Return on common equity - operating	15.63	12.77	10.69	6.25	8.01
Effect of goodwill and other intangibles	4.05	3.46	2.83	1.84	2.56
Return on tangible common equity - operating	<u>19.68%</u>	<u>16.23%</u>	<u>13.52%</u>	<u>8.09%</u>	<u>10.57%</u>
<b>Return on assets reconciliation</b>					
Return on assets (GAAP)	1.62%	1.30%	1.07%	0.71%	0.99%
Merger-related and other charges, net of tax	0.03	0.04	0.07	0.01	0.02
Return on assets - operating	<u>1.65%</u>	<u>1.34%</u>	<u>1.14%</u>	<u>0.72%</u>	<u>1.01%</u>
<b>Return on assets to return on assets- pre-tax pre-provision reconciliation</b>					
Return on assets (GAAP)	1.62%	1.30%	1.07%	0.71%	0.99%
Income tax expense	0.46	0.40	0.28	0.20	0.27
(Release of) provision for credit losses	(0.28)	0.07	0.51	0.95	0.69
Return on assets - pre-tax, pre-provision	1.80	1.77	1.86	1.86	1.95
Merger-related and other charges	0.03	0.05	0.07	0.01	0.03
Return on assets - pre-tax pre-provision, excluding merger-related and other charges	<u>1.83%</u>	<u>1.82%</u>	<u>1.93%</u>	<u>1.87%</u>	<u>1.98%</u>
<b>Efficiency ratio reconciliation</b>					
Efficiency ratio (GAAP)	53.55%	56.73%	54.14%	55.86%	56.15%
Merger-related and other charges	(0.87)	(1.31)	(1.90)	(0.27)	(0.56)
Efficiency ratio - operating	<u>52.68%</u>	<u>55.42%</u>	<u>52.24%</u>	<u>55.59%</u>	<u>55.59%</u>
<b>Tangible common equity to tangible assets reconciliation</b>					
Equity to total assets (GAAP)	10.95%	11.29%	11.47%	11.81%	12.54%
Effect of goodwill and other intangibles	(1.86)	(1.94)	(2.02)	(2.05)	(2.32)
Effect of preferred equity	(0.52)	(0.54)	(0.56)	(0.64)	—
Tangible common equity to tangible assets	<u>8.57%</u>	<u>8.81%</u>	<u>8.89%</u>	<u>9.12%</u>	<u>10.22%</u>

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Loan Portfolio Composition at Period-End

<i>(in millions)</i>	2021	2020				Linked Quarter Change	Year over Year Change
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter		
<b>LOANS BY CATEGORY</b>							
Owner occupied commercial RE	\$ 2,107	\$ 2,090	\$ 2,009	\$ 1,759	\$ 1,703	\$ 17	\$ 404
Income producing commercial RE	2,599	2,541	2,493	2,178	2,065	58	534
Commercial & industrial	1,760	1,853	1,788	1,219	1,310	(93)	450
Paycheck protection program	883	646	1,317	1,095	—	237	883
Commercial construction	960	967	987	946	959	(7)	1
Equipment financing	913	864	823	779	761	49	152
Total commercial	9,222	8,961	9,417	7,976	6,798	261	2,424
Residential mortgage	1,362	1,285	1,270	1,152	1,128	77	234
Home equity lines of credit	679	697	707	654	668	(18)	11
Residential construction	272	281	257	230	216	(9)	56
Consumer	144	147	148	121	125	(3)	19
<b>Total loans</b>	<b>\$ 11,679</b>	<b>\$ 11,371</b>	<b>\$ 11,799</b>	<b>\$ 10,133</b>	<b>\$ 8,935</b>	<b>\$ 308</b>	<b>\$ 2,744</b>

**LOANS BY MARKET <sup>(1)</sup>**

North Georgia	\$ 982	\$ 955	\$ 945	\$ 951	\$ 958	\$ 27	\$ 24
Atlanta	1,953	1,889	1,853	1,852	1,820	64	133
North Carolina	1,326	1,281	1,246	1,171	1,124	45	202
Coastal Georgia	597	617	614	618	604	(20)	(7)
Gainesville	222	224	229	233	235	(2)	(13)
East Tennessee	398	415	420	433	425	(17)	(27)
South Carolina	1,997	1,947	1,870	1,778	1,774	50	223
Florida	1,160	1,435	1,453	—	—	(275)	1,160
Commercial Banking Solutions	3,044	2,608	3,169	3,097	1,995	436	1,049
<b>Total loans</b>	<b>\$ 11,679</b>	<b>\$ 11,371</b>	<b>\$ 11,799</b>	<b>\$ 10,133</b>	<b>\$ 8,935</b>	<b>\$ 308</b>	<b>\$ 2,744</b>

<sup>(1)</sup> Certain loans previously included in the Florida geographic market have been reclassified to Commercial Banking Solutions following Seaside's core systems conversion in the first quarter of 2021.

UNITED COMMUNITY BANKS, INC.

Financial Highlights

Credit Quality

	2021		2020			
	First Quarter		Fourth Quarter	Third Quarter		
<i>(in thousands)</i>						
<b>NONACCRUAL LOANS</b>						
Owner occupied RE	\$	7,908	\$	8,582	\$	11,075
Income producing RE		13,740		15,149		12,230
Commercial & industrial		13,864		16,634		3,534
Commercial construction		1,984		1,745		1,863
Equipment financing		2,171		3,405		3,137
Total commercial		39,667		45,515		31,839
Residential mortgage		14,050		12,858		13,864
Home equity lines of credit		1,707		2,487		2,642
Residential construction		322		514		479
Consumer		154		225		260
<b>Total</b>	\$	55,900	\$	61,599	\$	49,084

	2021		2020						
	First Quarter		Fourth Quarter		Third Quarter				
	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>	Net Charge-Offs	Net Charge-Offs to Average Loans <sup>(1)</sup>			
<i>(in thousands)</i>									
<b>NET CHARGE-OFFS BY CATEGORY</b>									
Owner occupied RE	\$	(240)	(0.05)%	\$	(277)	(0.05)%	\$	(725)	(0.14)%
Income producing RE		991	0.16		(1,718)	(0.27)		1,785	0.29
Commercial & industrial		(2,753)	(0.44)		2,294	0.33		(105)	(0.01)
Commercial construction		22	0.01		(129)	(0.05)		(171)	(0.07)
Equipment financing		1,511	0.70		1,595	0.75		1,993	0.93
Total commercial		(469)	(0.02)		1,765	0.08		2,777	0.12
Residential mortgage		92	0.03		(25)	(0.01)		(35)	(0.01)
Home equity lines of credit		(73)	(0.04)		(151)	(0.09)		(125)	(0.07)
Residential construction		(60)	(0.09)		(47)	(0.07)		—	—
Consumer		205	0.58		(27)	(0.07)		(79)	(0.22)
<b>Total</b>	\$	(305)	(0.01)	\$	1,515	0.05	\$	2,538	0.09

(1) Annualized.

**UNITED COMMUNITY BANKS, INC.**  
**Consolidated Balance Sheets (Unaudited)**

<i>(in thousands, except share and per share data)</i>	<b>March 31, 2021</b>	<b>December 31, 2020</b>
<b>ASSETS</b>		
Cash and due from banks	\$ 126,164	\$ 148,896
Interest-bearing deposits in banks	1,207,949	1,459,723
Cash and cash equivalents	1,334,113	1,608,619
Debt securities available-for-sale	3,744,280	3,224,721
Debt securities held-to-maturity (fair value \$586,828 and \$437,193)	587,696	420,361
Loans held for sale at fair value	164,979	105,433
Loans and leases held for investment	11,678,544	11,370,815
Less allowance for credit losses - loans and leases	(126,866)	(137,010)
Loans and leases, net	11,551,678	11,233,805
Premises and equipment, net	216,752	218,489
Bank owned life insurance	202,817	201,969
Accrued interest receivable	46,278	47,672
Net deferred tax asset	39,338	38,411
Derivative financial instruments	63,897	86,666
Goodwill and other intangible assets, net	380,838	381,823
Other assets	224,242	226,405
<b>Total assets</b>	<b>\$ 18,556,908</b>	<b>\$ 17,794,374</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
Liabilities:		
Deposits:		
Noninterest-bearing demand	\$ 6,058,439	\$ 5,390,291
NOW and interest-bearing demand	3,417,915	3,346,490
Money market	3,677,630	3,550,335
Savings	1,051,381	950,854
Time	1,587,653	1,704,290
Brokered	200,202	290,098
Total deposits	15,993,220	15,232,358
Long-term debt	311,591	326,956
Derivative financial instruments	33,455	29,003
Accrued expenses and other liabilities	187,558	198,527
<b>Total liabilities</b>	<b>16,525,824</b>	<b>15,786,844</b>
Shareholders' equity:		
Preferred stock; \$1 par value; 10,000,000 shares authorized; Series I, \$25,000 per share liquidation preference; 4,000 shares issued and outstanding	96,422	96,422
Common stock, \$1 par value; 150,000,000 shares authorized; 86,776,508 and 86,675,279 shares issued and outstanding	86,777	86,675
Common stock issuable; 565,904 and 600,834 shares	10,485	10,855
Capital surplus	1,640,583	1,638,999
Retained earnings	192,185	136,869
Accumulated other comprehensive income	4,632	37,710
<b>Total shareholders' equity</b>	<b>2,031,084</b>	<b>2,007,530</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 18,556,908</b>	<b>\$ 17,794,374</b>

**UNITED COMMUNITY BANKS, INC.**  
**Consolidated Statements of Income (Unaudited)**

<i>(in thousands, except per share data)</i>	<b>Three Months Ended</b>	
	<b>March 31,</b>	
	<b>2021</b>	<b>2020</b>
<b>Interest revenue:</b>		
Loans, including fees	\$ 125,726	\$ 118,063
Investment securities, including tax exempt of \$2,150 and \$1,523, respectively	15,448	17,394
Deposits in banks and short-term investments	368	1,090
Total interest revenue	141,542	136,547
<b>Interest expense:</b>		
Deposits:		
NOW and interest-bearing demand	1,486	2,978
Money market	1,804	4,531
Savings	49	35
Time	1,880	7,531
Deposits	5,219	15,075
Short-term borrowings	—	1
Federal Home Loan Bank advances	2	1
Long-term debt	4,257	2,864
Total interest expense	9,478	17,941
Net interest revenue	132,064	118,606
(Release of) provision for credit losses	(12,281)	22,191
Net interest revenue after provision for credit losses	144,345	96,415
<b>Noninterest income:</b>		
Service charges and fees	7,570	8,638
Mortgage loan gains and other related fees	22,572	8,310
Wealth management fees	3,505	1,640
Gains from sales of other loans, net	1,030	1,674
Other	10,028	5,552
Total noninterest income	44,705	25,814
<b>Total revenue</b>	189,050	122,229
<b>Noninterest expenses:</b>		
Salaries and employee benefits	60,585	51,358
Communications and equipment	7,203	5,946
Occupancy	6,956	5,714
Advertising and public relations	1,199	1,274
Postage, printing and supplies	1,822	1,670
Professional fees	4,234	4,097
Lending and loan servicing expense	2,877	2,293
Outside services - electronic banking	2,218	1,832
FDIC assessments and other regulatory charges	1,896	1,484
Amortization of intangibles	985	1,040
Merger-related and other charges	1,543	808
Other	3,676	4,022
Total noninterest expenses	95,194	81,538
Net income before income taxes	93,856	40,691
Income tax expense	20,150	8,807
<b>Net income</b>	73,706	31,884
Preferred stock dividends	1,719	—
Undistributed earnings allocated to participating securities	462	243
<b>Net income available to common shareholders</b>	\$ 71,525	\$ 31,641
Net income per common share:		
Basic	\$ 0.82	\$ 0.40
Diluted	0.82	0.40
Weighted average common shares outstanding:		
Basic	87,322	79,340
Diluted	87,466	79,446

## Average Consolidated Balance Sheets and Net Interest Analysis

For the Three Months Ended March 31,

<i>(dollars in thousands, fully taxable equivalent (FTE))</i>	2021			2020		
	Average Balance	Average Interest	Average Rate	Average Balance	Average Interest	Average Rate
<b>Assets:</b>						
Interest-earning assets:						
Loans, net of unearned income (FTE) <sup>(1)(2)</sup>	\$ 11,432,908	\$ 125,122	4.44%	\$ 8,828,880	\$ 117,796	5.37%
Taxable securities <sup>(3)</sup>	3,686,405	13,298	1.44	2,357,635	15,871	2.69
Tax-exempt securities (FTE) <sup>(1)(3)</sup>	304,983	2,888	3.79	162,253	2,045	5.04
Federal funds sold and other interest-earning assets	1,357,890	1,222	0.36	448,775	1,632	1.46
<b>Total interest-earning assets (FTE)</b>	<u>16,782,186</u>	<u>142,530</u>	<u>3.44</u>	<u>11,797,543</u>	<u>137,344</u>	<u>4.68</u>
Noninterest-earning assets:						
Allowance for credit losses	(143,703)			(69,777)		
Cash and due from banks	140,292			128,254		
Premises and equipment	221,411			219,243		
Other assets <sup>(3)</sup>	1,023,275			868,452		
<b>Total assets</b>	<u>\$18,023,461</u>			<u>\$12,943,715</u>		
<b>Liabilities and Shareholders' Equity:</b>						
Interest-bearing liabilities:						
Interest-bearing deposits:						
NOW and interest-bearing demand	\$ 3,331,043	1,486	0.18	\$ 2,412,733	2,978	0.50
Money market	3,732,988	1,804	0.20	2,340,723	4,531	0.78
Savings	989,584	49	0.02	712,110	35	0.02
Time	1,642,423	1,588	0.39	1,841,552	7,250	1.58
Brokered time deposits	75,259	292	1.57	80,821	281	1.40
Total interest-bearing deposits	<u>9,771,297</u>	<u>5,219</u>	<u>0.22</u>	<u>7,387,939</u>	<u>15,075</u>	<u>0.82</u>
Federal funds purchased and other borrowings	12	—	—	396	1	1.02
Federal Home Loan Bank advances	3,333	2	0.24	165	1	2.44
Long-term debt	317,172	4,257	5.44	212,762	2,864	5.41
Total borrowed funds	<u>320,517</u>	<u>4,259</u>	<u>5.39</u>	<u>213,323</u>	<u>2,866</u>	<u>5.40</u>
<b>Total interest-bearing liabilities</b>	<u>10,091,814</u>	<u>9,478</u>	<u>0.38</u>	<u>7,601,262</u>	<u>17,941</u>	<u>0.95</u>
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	5,594,394			3,527,385		
Other liabilities	312,610			162,187		
Total liabilities	<u>15,998,818</u>			<u>11,290,834</u>		
Shareholders' equity	2,024,643			1,652,881		
<b>Total liabilities and shareholders' equity</b>	<u>\$18,023,461</u>			<u>\$12,943,715</u>		
<b>Net interest revenue (FTE)</b>		<u>\$ 133,052</u>			<u>\$ 119,403</u>	
Net interest-rate spread (FTE)			<u>3.06%</u>			<u>3.73%</u>
Net interest margin (FTE) <sup>(4)</sup>			<u>3.22%</u>			<u>4.07%</u>

(1) Interest revenue on tax-exempt securities and loans has been increased to reflect comparable interest on taxable securities and loans. The rate used was 26%, reflecting the statutory federal income tax rate and the federal tax adjusted state income tax rate.

(2) Included in the average balance of loans outstanding are loans on which the accrual of interest has been discontinued and loans that are held for sale.

(3) Securities available for sale are shown at amortized cost. Pretax unrealized gains of \$58.3 million and \$52.9 million in 2021 and 2020, respectively, are included in other assets for purposes of this presentation.

(4) Net interest margin is taxable equivalent net interest revenue divided by average interest-earning assets.

## About United Community Banks, Inc.

United Community Banks, Inc. (NASDAQ: UCBI) (United) provides a full range of banking, wealth management and mortgage services for relationship oriented consumers and business owners. The company, known as “The Bank That Service Built” has been recognized by JD Power, Forbes, and CSP for having outstanding customer service ratings for many years. United has \$18.6 billion in assets and 161 offices in Florida, Georgia, North Carolina, South Carolina and Tennessee along with a national SBA lending franchise and a national equipment lending subsidiary. In 2020, J.D. Power ranked United highest in customer satisfaction with retail banking in the Southeast, marking six out of the last seven years United earned the coveted award. United was also named “Best Banks to Work For” by American Banker in 2020 for the fourth year in a row based on employee satisfaction. Forbes included United in its inaugural list of the World’s Best Banks in 2019 and again in 2020. Forbes also recognized United on its 2021 list of the 100 Best Banks in America for the eighth consecutive year. United also received five Greenwich Excellence Awards in 2020 for excellence in Small Business Banking, including a national award for Overall Satisfaction. Additional information about United can be found at [www.ucbi.com](http://www.ucbi.com).

## Non-GAAP Financial Measures

This press release, including the accompanying financial statement tables, contains financial information determined by methods other than in accordance with generally accepted accounting principles, or GAAP. This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations, such as “operating net income,” “pre-tax, pre-provision income,” “operating net income per diluted common share,” “operating earnings per share,” “tangible book value per common share,” “operating return on common equity,” “operating return on tangible common equity,” “operating return on assets,” “return on assets - pre-tax, pre-provision, excluding merger-related and other charges,” “return on assets - pre-tax, pre-provision,” “operating efficiency ratio,” and “tangible common equity to tangible assets.” These non-GAAP measures are included because United believes they may provide useful supplemental information for evaluating United’s underlying performance trends. These measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable measures as reported in accordance with GAAP are included with the accompanying financial statement tables.

###



# 1Q21 Investor Presentation

April 20, 2021



# Disclosures

## CAUTIONARY STATEMENT

This Investor Presentation contains forward-looking statements about United Community Banks, Inc. ("United"), as defined in federal securities laws. Statements that are not historical or current facts, including statements about beliefs and expectations, are forward-looking statements and are based on information available to, and assumptions and estimates made by, management as of the date hereof. Because forward-looking statements involve inherent risks and uncertainties, our actual results may differ materially from those expressed or implied in any such statements. The COVID-19 pandemic is adversely impacting United, its employees, customers, vendors, counterparties, and the communities that it serves. The ultimate extent of the impact of COVID—19 on United's financial position, results of operations, liquidity, and prospects is highly uncertain. United's results could be adversely affected by, among other things, volatility in financial markets, continued deterioration of economic and business conditions, further increases in unemployment rates, deterioration in the credit quality of United's loan portfolio, deterioration in the value of United's investment securities, potential tax law changes and changes in statutes, regulations, and regulatory policies or practices. For a discussion of these and other risks that may cause such forward-looking statements to differ materially from actual results, please refer to United's filings with the Securities and Exchange Commission, including its 2020 Annual Report on Form 10-K under the sections entitled "Cautionary Note Regarding Forward-Looking Statements" and "Risk Factors." Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update or revise forward-looking statements.

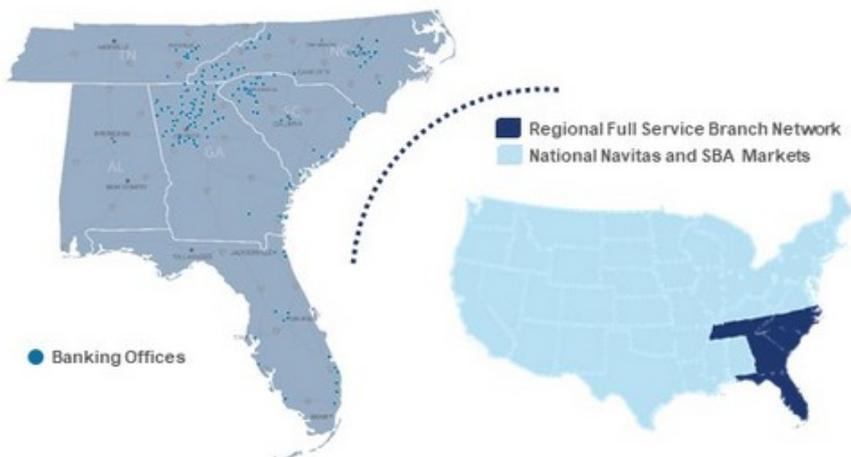
## NON-GAAP MEASURES

This Investor Presentation includes financial information determined by methods other than in accordance with generally accepted accounting principles ("GAAP"). This financial information includes certain operating performance measures, which exclude merger-related and other charges that are not considered part of recurring operations. Such measures include: "Earnings per share – operating," "Diluted earnings per share – operating," "Tangible book value per share," "Return on common equity – operating," "Return on tangible common equity – operating," "Return on assets – operating," "Return on assets – pre-tax pre-provision, excluding merger-related and other charges," "Efficiency ratio – operating," "Expenses – operating," and "Tangible common equity to tangible assets."

Management has included these non-GAAP measures because it believes these measures may provide useful supplemental information for evaluating United's underlying performance trends. Further, management uses these measures in managing and evaluating United's business and intends to refer to them in discussions about our operations and performance. Operating performance measures should be viewed in addition to, and not as an alternative to or substitute for, measures determined in accordance with GAAP, and are not necessarily comparable to non-GAAP measures that may be presented by other companies. To the extent applicable, reconciliations of these non-GAAP measures to the most directly comparable GAAP measures can be found in the 'Non-GAAP Reconciliation Tables' included in the exhibits to this Presentation.

# United Community Banks, Inc.

Committed to Service Since 1950



## Premier Southeast Regional Bank

- ✓ Metro-focused branch network with locations in the fastest growing MSAs in the Southeast
- ✓ 153 branches, 8 loan production sites, and 4 mortgage loan offices across six Southeast states
- ✓ Top 10 market share in GA and SC
- ✓ Proven ability to integrate bank transactions – 8 transactions over the past 10 years

## Extended Navitas and SBA Markets

- ✓ Offered in 48 states across the continental U.S.
- ✓ SBA business has both in-footprint and national business (4 specific verticals)
- ✓ Navitas subsidiary is a small ticket, essential use commercial equipment finance provider

\*See glossary located at the end of this presentation for reference on certain acronyms

## Company Overview

**\$18.6**  
BILLION IN  
TOTAL ASSETS

**\$2.4**  
BILLION IN AUA

**13.2%**  
TIER 1 RBC

**\$0.19**  
QUARTERLY DIVIDEND –  
UP 6% YOY

**161**  
BANKING OFFICES  
ACROSS THE  
SOUTHEAST

**#1 IN CUSTOMER  
SATISFACTION**  
in 2020 with Retail Banking  
in the Southeast – J.D.  
Power

**\$11.7**  
BILLION IN  
TOTAL LOANS

**\$16.0**  
BILLION IN  
TOTAL DEPOSITS

**100 BEST BANKS IN  
AMERICA**  
in 2021 for the eighth  
consecutive year - Forbes

**WORLD'S BEST  
BANKS**  
in 2019 & 2020 - Forbes

**2020 TOP  
WORKPLACES**  
In S.C. & Atlanta – Greenville  
Business Magazine & Atlanta  
Journal Constitution

**BEST BANKS TO  
WORK FOR**  
in 2020 for the fourth  
consecutive year –  
American Banker

# 1Q21 Highlights

**\$0.82**  
Diluted earnings per share  
– GAAP

**\$0.83**  
Diluted earnings per share  
– operating<sup>(1)</sup>

**15.4%**  
Return on common equity  
– GAAP

**19.7%**  
Return on tangible common  
equity – operating<sup>(1)</sup>

**1.62%**  
Return on average assets  
– GAAP

**3%**  
Annualized 1Q EOP core  
loan growth  
(excluding PPP loans)

**1.65%**  
Return on average assets  
– operating<sup>(1)</sup>

**33%**  
Annualized 1Q EOP core  
transaction deposit growth

**1.83%**  
PTPP return on average  
assets – operating<sup>(1)</sup>

**8%**  
Annualized 1Q operating  
expense decline  
(excluding \$8.5 mm foundation  
contribution in 4Q20)

**0.14%**  
Cost of deposits

**38%**  
DDA / Total Deposits

Other 1Q notable items:  
**\$9.8 mm** of PPP fee  
income (\$0.09 EPS)  
**\$12.3 mm** provision  
release due to improved  
economic forecast  
(\$0.11 EPS)

Diluted Earnings Per Share



Return on Average Assets



Book Value Per Share

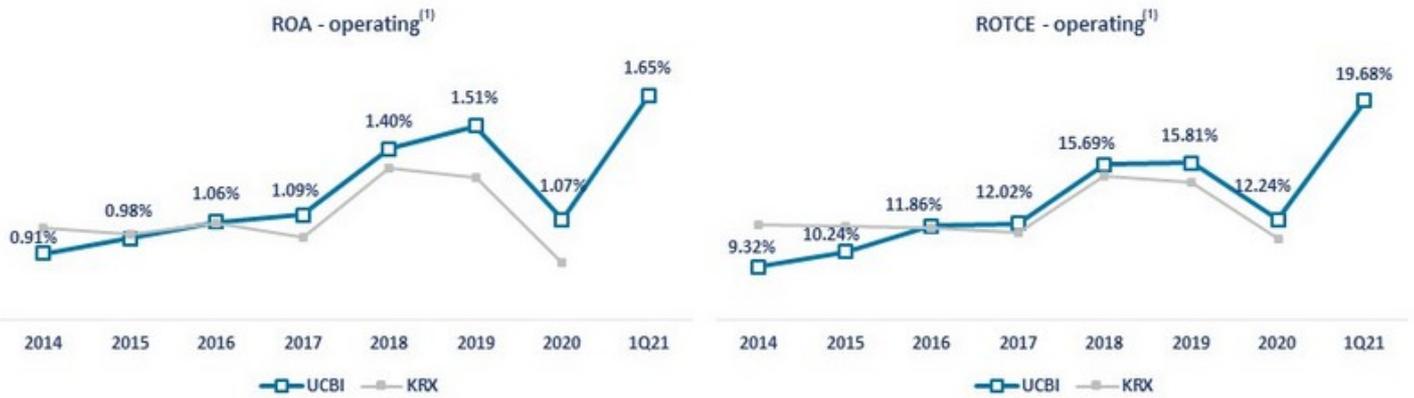


PTPP Return on Average Assets



(1) See non-GAAP reconciliation table slides in the Appendix for a reconciliation of operating performance measures to GAAP performance.

# Long-Term Financial Performance & Shareholder Return



(1) See non-GAAP reconciliation table slides in the Appendix for a reconciliation of operating performance measures to GAAP performance

# UCBI Focused on High-Growth MSAs in Southeast

## Located in Most of the Top 20 Markets in the Region

High-Growth MSAs in the Southeast

Fastest Growing Southeast MSAs <sup>(1)</sup>	'21 - '26 Proj. Pop. Growth %	'21 Population	'26 Proj. Median Household
1. Myrtle Beach, SC	8.49	518,050	\$62,042
2. Cape Coral, FL	7.42	785,277	\$68,827
3. Raleigh, NC	7.30	1,420,576	\$91,380
4. Charleston, SC	7.30	823,428	\$78,951
5. Orlando, FL	7.09	2,685,903	\$72,412
6. Lakeland, FL	6.98	738,482	\$62,730
7. Naples, FL	6.96	393,750	\$84,332
8. Spartanburg, SC	6.81	327,475	\$66,443
9. Sarasota, FL	6.79	855,242	\$73,471
10. Charlotte, NC	6.61	2,696,789	\$77,692
11. Wilmington, NC	6.57	304,661	\$60,070
12. Jacksonville, FL	6.17	1,602,120	\$73,563
13. Port St. Lucie, FL	6.10	495,076	\$68,635
14. Greenville, SC	6.08	937,813	\$68,413
15. Tampa, FL	6.06	3,257,479	\$67,300
16. Durham-Chapel Hill, NC	5.93	655,218	\$74,713
17. Nashville, TN	5.91	1,980,990	\$80,404
18. Fayetteville, AR	5.88	550,113	\$71,570
19. Daytona Beach, FL	5.81	678,826	\$65,579
20. Atlanta, GA	5.73	6,137,994	\$85,730

United / Seaside MSA Presence (Branch and or LPO)

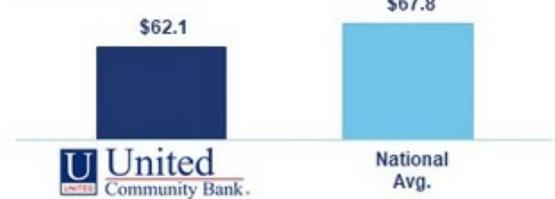
Projected Population Growth <sup>(2)</sup>  
2021 - 2026 (%)



Projected Household Income Growth <sup>(2)</sup>  
2021 - 2026 (%)



Median Household Income <sup>(2)</sup>  
(\$ in thousands)

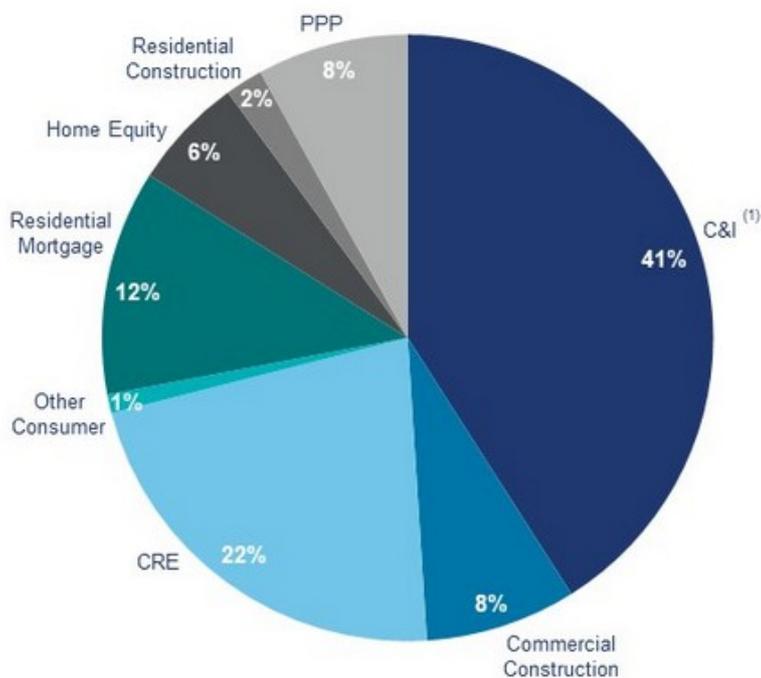


(1) Includes MSAs with a population of greater than 300,000

(2) Data by MSA shown on a weighted average basis by deposits

# Diversified Loan Portfolio

1Q21 Total Loans \$11.7 billion



## Quarter Highlights

- ✓ Loans increased \$308 million in 1Q21, primarily due to the addition of \$518 million in third round PPP loans
- ✓ 1Q21 core loan growth of \$71 million, or 3% annualized excluding PPP

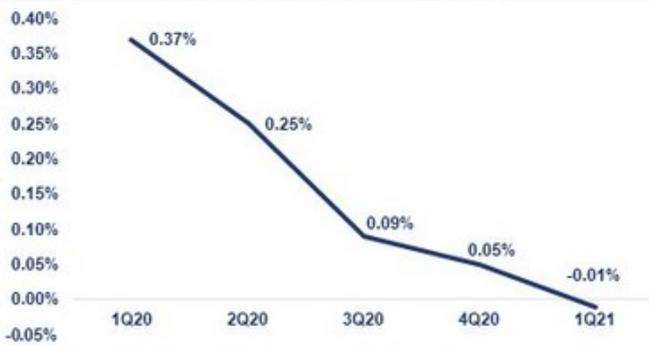
## Granular Loan Portfolio

- ✓ Construction & CRE ratio as a percentage of total RBC = 66%/200%
- ✓ Top 25 relationships total \$569 million, 5% of total loans
- ✓ SNC's outstanding of \$239 million, 2.1% of total loans
- ✓ Navitas 8% of total loans
- ✓ Project lending limit of \$20 million
- ✓ Relationship limit of \$35 million

(1) C&I includes commercial and industrial loans, owner-occupied CRE loans and Navitas (equipment finance) loans

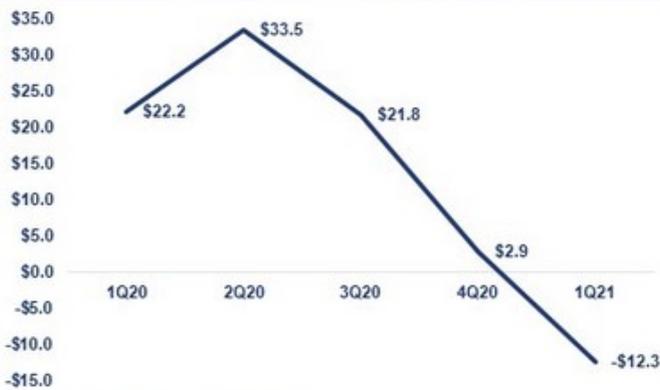
# Credit Quality

Net Charge-Offs as % of Average Loans



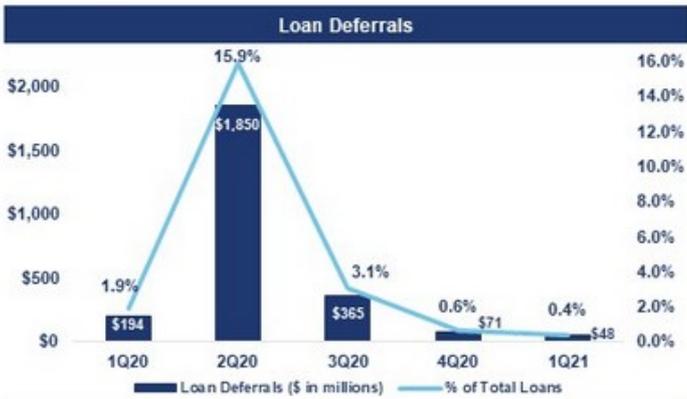
- ✓ 1Q21 net recoveries of \$305 thousand, or 0.01% of average loans, annualized
  - The quarter benefited from \$2.8 million of C&I recoveries
- ✓ 2020 NCOs of \$18.3 million, or 0.17% of average loans

Provision for Credit Losses (\$ in millions)

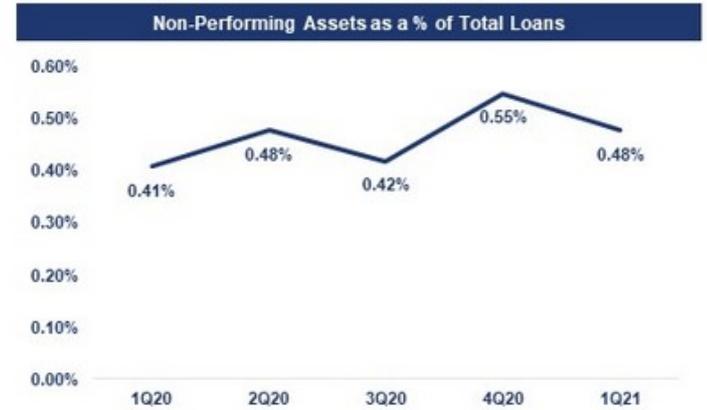
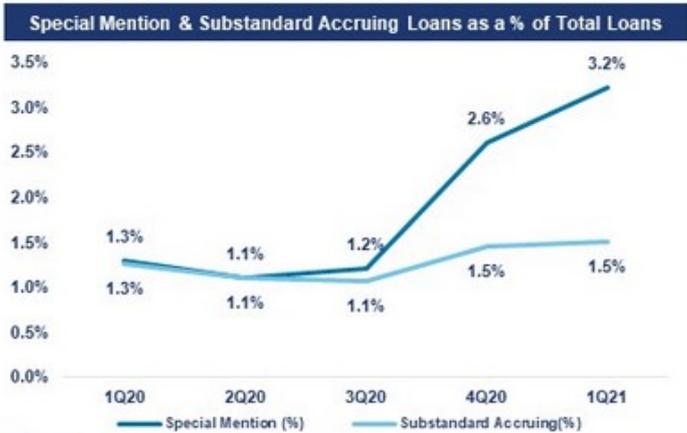


- ✓ The provision for credit losses was negative \$12.3 million, reflecting a more favorable economic forecast
- ✓ 2020 included \$80.4 million of provisioning due to economic uncertainty caused by the pandemic

# Higher-Risk Loan Trends



- ✓ Non performing assets declined by \$5.8 million during the quarter and stand at 0.48% of total loans
- ✓ Substandard, but still accruing, were flat quarter over quarter as a % of total loans
- ✓ Special mention loans increased \$79 million from 4Q20, to 3.2% of total loans
  - The primary drivers of the increase are five Senior Care properties that were downgraded in 1Q21 totaling \$65 million



# ACL Walk-Forward



# Capital Ratios

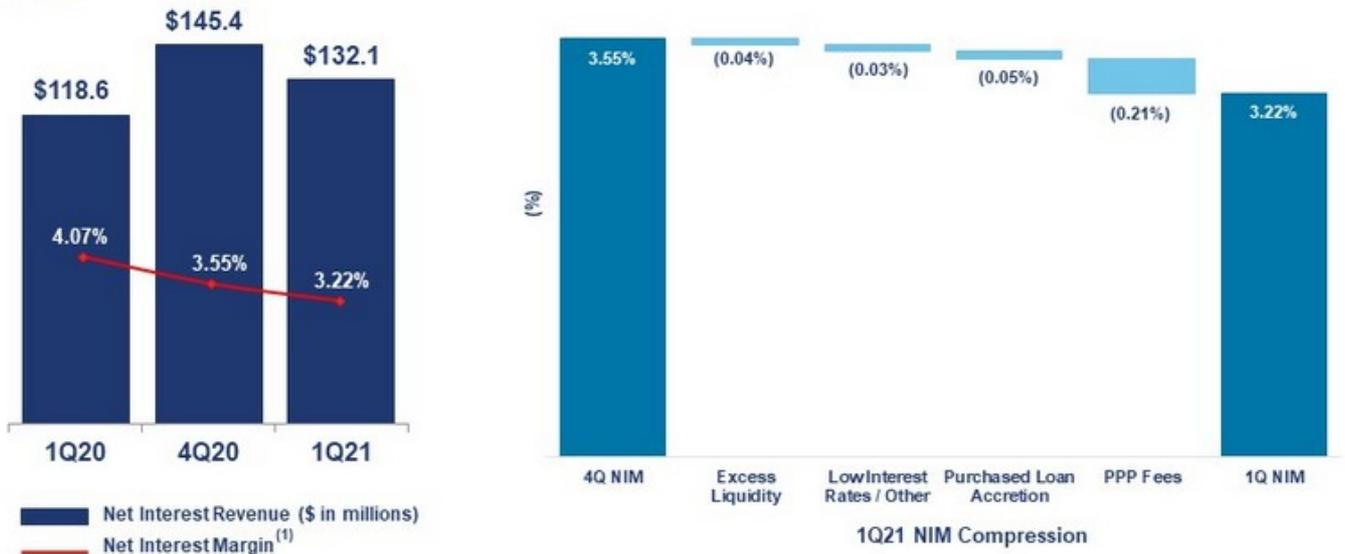
Holding Company	1Q20	3Q20	4Q20	4Q20 KRX Peer Median	UCBI vs. KRX	1Q21*
Common Equity Tier 1 Capital	12.9 %	12.3 %	12.3 %	11.8 %	+ 0.5 %	12.4 %
Tier 1 Risk-Based Capital	13.1	13.1	13.1	12.1	+ 1.0	13.2
Total Risk-Based Capital	14.9	15.3	15.2	14.3	+ 0.9	15.0
Leverage	10.4	9.4	9.3	8.9	+ 0.4	9.4
Tangible Common Equity to Tangible Assets	10.2	8.9	8.8	8.6	+ 0.2	8.6

- ✓ Quarterly dividend of \$0.19 per share
- ✓ Redeemed \$11.3 million, 6.25% subordinated debt and \$4.4 million, 4.25% TruPs in 1Q21
- ✓ If no M&A occurs, we will consider resuming share repurchases in 2021
- ✓ Capital greater than peers offers flexibility as the economy normalizes

\*1Q21 regulatory capital ratios are preliminary

# Net Interest Revenue / Margin<sup>(1)</sup>

\$ in millions



- ✓ Net interest margin decreased 33 bps from 4Q20, mainly driven by lower PPP fee accretion
- ✓ Loan accretion totaled \$5.0 million and contributed 12 bps to the margin, down 5 bps from 4Q20
- ✓ PPP fees of \$9.8 million in 1Q21 compared to \$19.4 million in 4Q20
- ✓ Of the 7 bps of core margin pressure, 4 bps resulted from excess liquidity as strong deposit growth continued to move average cash and securities balances higher
- ✓ We have \$1.15 billion of variable rate loans currently priced at their floors

(1) Net interest margin is calculated on a fully-taxable equivalent basis

# Valuable Deposit Mix

1Q21 Total Deposits \$16.0 billion



1Q21 Highlights

- ✓ Total deposits were up \$761 million, or 20% annualized from 4Q20 and up \$5.0 billion, or 45% YOY
  - Excluding Seaside, total deposits were up \$3.2 billion, or 29% YOY
- ✓ Core transaction deposits were up \$948 million, or 33% annualized from 4Q20 and up \$4.7 billion, or 61% YOY
  - Excluding Seaside, core transaction deposits were up \$3.4 billion, or 44% YOY
- ✓ Cost of deposits down 3 bps to 0.14% in 1Q21, driven by continued noninterest bearing deposit growth and deposit rate cuts

Strong Core Deposit Growth Over Time



Note: Core transaction accounts include demand deposits, interest-bearing demand, money market and savings accounts, excluding public funds deposits

# Noninterest Income

\$ in millions



## Linked Quarter

### ✓ Fees up \$3.3 million

- Mortgage fees up \$3.6 million from 4Q20 primarily due to the positive impact of rising interest rates on the MSR asset
- Rate locks were up with \$993 million in 1Q21 compared to \$792 million in 4Q20
- Record mortgage closings of \$666 million in 1Q21 versus \$609 million in 4Q20
- 1Q21 mortgage production purchase/refi mix was 42%/58%
- 1Q21 mortgage results included a \$1.3 million MSR write-up compared to a \$1.7 million write-down in 4Q20
- Gain on sale of SBA loans was \$1.0 million on \$11.3 million of SBA loan sales

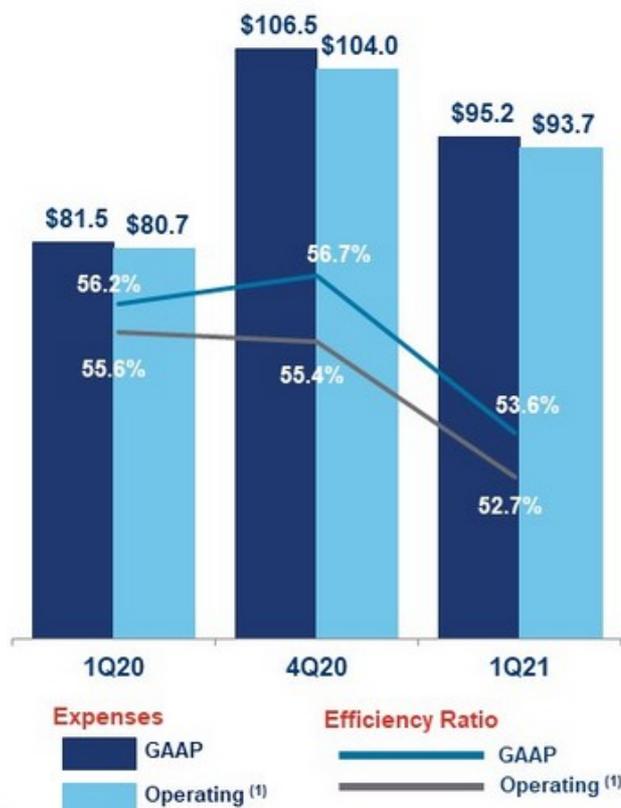
## Year-over-Year

### ✓ Fees up \$18.9 million

- Mortgage rate locks up 24% compared to last year (\$993 million in 1Q21 compared to \$801 million in 1Q20)

# Disciplined Expense Management

\$ in millions



## Linked Quarter

- ✓ GAAP and operating expenses decreased 11% and 10%, respectively
  - Salaries and benefits were down \$1.2 million mainly due to \$1.8 million of Paid Time Off hours accrued in 4Q20 as a result of COVID
  - Excluding the \$8.5 million foundation contribution in 4Q20, GAAP and operating expenses decreased 3% and 2%, respectively
  - Mortgage commissions increased \$1.0 million from 4Q20

## Year-over-Year

- ✓ GAAP and operating expenses increased 17% and 16%, respectively
  - The majority of the increase is driven by the Seaside acquisition on July 1, 2020

(1) See non-GAAP reconciliation table slides at the end of the exhibits for a reconciliation of operating performance measures to GAAP performance measures

# PPP Update



- ✓ As of March 31<sup>st</sup>, approximately 75% of our first and second round PPP loans, representing \$982 million in loans, have been forgiven by the SBA
- ✓ In 1Q21, we recognized \$9.8 million in PPP fees
- ✓ We have \$28 million of PPP fees remaining to recognize
- ✓ Average loan amount fully forgiven of \$96 thousand

# 1Q21 INVESTOR PRESENTATION

## Exhibits



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# Selected Segments – Hotels

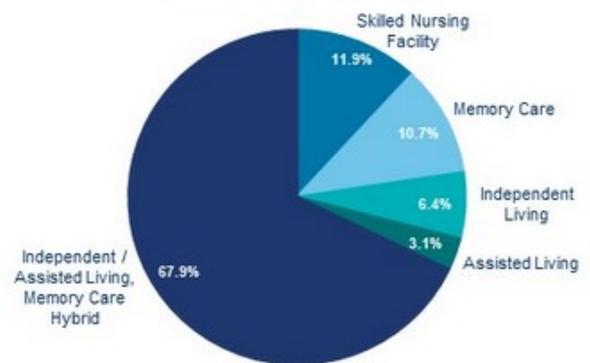


- ✓ Top 50 hotel loans outstanding totaled \$291 million as of 1Q21, or 2% of total loans
- ✓ Original loan to value low at 59% on average for UCBI portfolio
- ✓ Construction comprises 8% of top 50 hotel outstanding balances
- ✓ Weighted average occupancy increased 9% from 4Q20 to 60% in top 50 hotel portfolio
- ✓ Nonaccrual hotel loans of \$4.9 million as of 1Q21

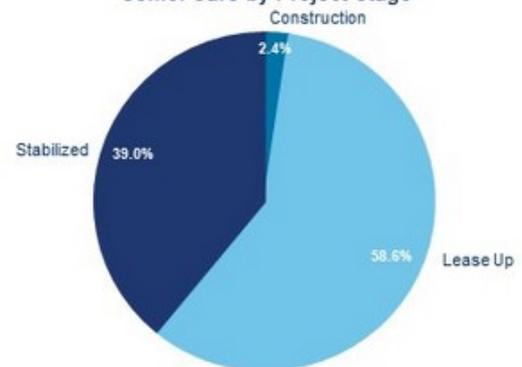
## Selected Segments – Senior Care

- ✓ Senior Care lending team are dedicated specialists with significant experience in the space
- ✓ Senior Care funded exposure for UCBI totaled \$535 million as of 1Q21, or 5% of total loans
- ✓ Senior Care borrowers provide significant equity up front with an average LTV of 57% at origination
- ✓ As of March 31<sup>st</sup>, there was one Senior Care loan for \$4.8 million in nonaccrual
- ✓ As of March 31<sup>st</sup>, \$172 million of Senior Care loans were special mention and \$43 million were substandard accruing

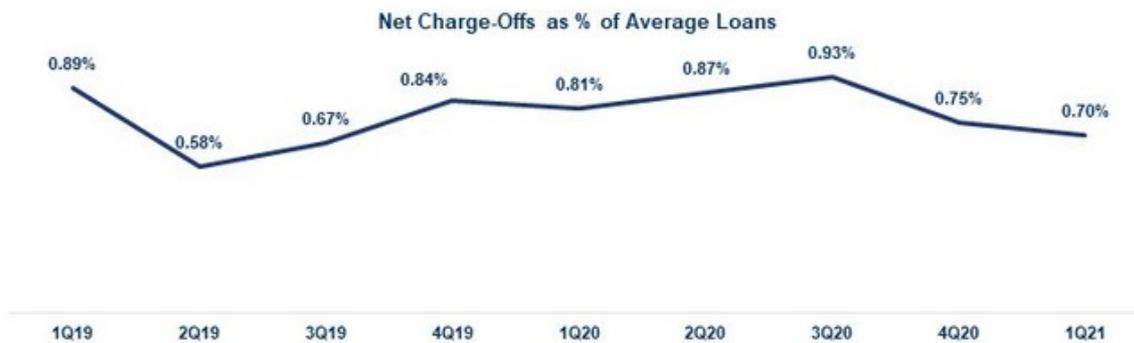
Senior Care by Project Type



Senior Care by Project Stage



## Credit Quality — Navitas



- ✓ Navitas 1Q21 NCOs = 0.70%
- ✓ Navitas' cumulative net loss rates have approximated 2% for the last 10 years
- ✓ Navitas ACL - Loans equated to 1.88% as of 1Q21
- ✓ Rating agencies have historically assigned Navitas originations with expected through-the-cycle loss rates of 3.1% to 3.8%
- ✓ Total Navitas deferrals are 1.3% of the total Navitas loan portfolio at 1Q21

# Expanding Mortgage Throughout the Footprint



	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	1Q21
Loans Sold (\$ millions)	\$111	\$153	\$220	\$226	\$259	\$397	\$402	\$409	\$337
Gain on Sale %	2.70%	3.70%	3.40%	3.70%	2.90%	4.50%	5.40%	5.10%	4.50%

- ✓ We have been consistently investing in our mortgage business
- ✓ Mortgage production per originator, per quarter increased to \$7.6 million in 1Q21, or 75% above 1Q20
- ✓ Purchase / Refi mix has shifted from 55% / 45% in 1Q20 to 42% / 58% in 1Q21
- ✓ Technology investments have also paid off as we have been able to market to our existing customers and also have enabled us to cut processing costs and process times

# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q20	2Q20	3Q20	4Q20	1Q21
<b>Expenses</b>					
Expenses - GAAP	\$ 81,538	\$ 83,980	\$ 95,981	\$ 106,490	\$ 95,194
Merger-related and other charges	(808)	(397)	(3,361)	(2,452)	(1,543)
Expenses - Operating	<u>\$ 80,730</u>	<u>\$ 83,583</u>	<u>\$ 92,620</u>	<u>\$ 104,038</u>	<u>\$ 93,651</u>
<b>Diluted Earnings per share</b>					
Diluted earnings per share - GAAP	\$ 0.40	\$ 0.32	\$ 0.52	\$ 0.66	\$ 0.82
Merger-related and other charges	0.01	-	0.03	0.02	0.01
Diluted earnings per share - Operating	<u>0.41</u>	<u>0.32</u>	<u>0.55</u>	<u>0.68</u>	<u>0.83</u>
<b>Book Value per share</b>					
Book Value per share - GAAP	\$ 20.80	\$ 21.22	\$ 21.45	\$ 21.90	\$ 22.15
Effect of goodwill and other intangibles	(4.28)	(4.27)	(4.36)	(4.34)	(4.32)
Tangible book value per share	<u>\$ 16.52</u>	<u>\$ 16.95</u>	<u>\$ 17.09</u>	<u>\$ 17.56</u>	<u>\$ 17.83</u>
<b>Return on Tangible Common Equity</b>					
Return on common equity - GAAP	7.85 %	6.17 %	10.06 %	12.36 %	15.37 %
Effect of merger-related and other charges	0.16	0.08	0.63	0.41	0.26
Return on common equity - Operating	<u>8.01</u>	<u>6.25</u>	<u>10.69</u>	<u>12.77</u>	<u>15.63</u>
Effect of goodwill and intangibles	2.56	1.84	2.83	3.46	4.05
Return on tangible common equity - Operating	<u>10.57 %</u>	<u>8.09 %</u>	<u>13.52 %</u>	<u>16.23 %</u>	<u>19.68 %</u>

# Non-GAAP Reconciliation Tables

\$ in thousands, except per share data

	1Q20	2Q20	3Q20	4Q20	1Q21
<b>Return on Assets</b>					
Return on assets - GAAP	0.99 %	0.71 %	1.07 %	1.30 %	1.62 %
Merger-related and other charges	0.02	0.01	0.07	0.04	0.03
Return on assets - Operating	<u>1.01 %</u>	<u>0.72 %</u>	<u>1.14 %</u>	<u>1.34 %</u>	<u>1.65 %</u>
<b>Return on Assets to return on assets- pre-tax pre-provision</b>					
Return on assets - GAAP	0.99 %	0.71 %	1.07 %	1.30 %	1.62 %
Income tax expense	0.27	0.20	0.28	0.40	0.46
Provision for credit losses	0.69	0.95	0.51	0.07	(0.28)
Return on assets - pre-tax, pre-provision	<u>1.95</u>	<u>1.86</u>	<u>1.86</u>	<u>1.77</u>	<u>1.80</u>
Merger-related and other charges	0.03	0.01	0.07	0.05	0.03
Return on assets - pre-tax, pre-provision, excluding merger-related and other charges	<u>1.98 %</u>	<u>1.87 %</u>	<u>1.93 %</u>	<u>1.82 %</u>	<u>1.83 %</u>
<b>Efficiency Ratio</b>					
Efficiency Ratio - GAAP	56.15 %	55.86 %	54.14 %	56.73 %	53.55 %
Merger-related and other charges	(0.56)	(0.27)	(1.90)	(1.31)	(0.87)
Efficiency Ratio - Operating	<u>55.59 %</u>	<u>55.59 %</u>	<u>52.24 %</u>	<u>55.42 %</u>	<u>52.68 %</u>
<b>Tangible common equity to tangible assets</b>					
Equity to assets ratio - GAAP	12.54 %	11.81 %	11.47 %	11.29 %	10.95 %
Effect of goodwill and other intangibles	(2.32)	(2.05)	(2.02)	(1.94)	(1.86)
Effect of preferred equity	-	(0.64)	(0.56)	(0.54)	(0.52)
Tangible common equity to tangible assets ratio	<u>10.22 %</u>	<u>9.12 %</u>	<u>8.89 %</u>	<u>8.81 %</u>	<u>8.57 %</u>

# Glossary

ACL – Allowance for Credit Losses

ALLL – Allowance for Loan Losses

AUA – Assets Under Administration

BPS – Basis Points

C&I – Commercial and Industrial

C&D – Commercial and Development

CECL – Current Expected Credit Losses

CET1 – Common Equity Tier 1 Capital

CRE – Commercial Real Estate

CSP – Customer Service Profiles

DDA – Demand Deposit Account

EOP – End of Period

GAAP – Accounting Principles Generally Accepted in the USA

KRX – KBW Nasdaq Regional Banking Index

LPO – Loan Production Office

MLO – Mortgage Loan Officer

MTM – Marked-to-market

MSA – Metropolitan Statistical Area

MSR – Mortgage Servicing Rights Asset

NCO – Net Charge-Offs

NIM – Net Interest Margin

NPA – Non-Performing Asset

NSF – Non-sufficient Funds

OO RE – Owner Occupied Commercial Real Estate

PCD – Loans Purchased with Credit Deterioration

PPP – Paycheck Protection Program

PTPP – Pre-Tax, Pre-Provision Earnings

RBC – Risk Based Capital

ROA – Return on Assets

SBA – United States Small Business Administration

TCE – Tangible Common Equity

USDA – United States Department of Agriculture

YOY – Year over Year