



# Annual Meeting Presentation 2022

Friday, May 20, 2022



# Finward Bancorp



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A NASDAQ Traded Company – Symbol FNWD



# Forward-Looking Statements

## Forward-Looking Statements

This presentation may contain forward-looking statements regarding the financial performance, business prospects, growth and operating strategies of Finward Bancorp ("FNWD"). For these statements, FNWD claims the protections of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Statements in this communication should be considered in conjunction with the other information available about FNWD, including the information in the filings FNWD makes with the Securities and Exchange Commission ("SEC"). Forward-looking statements provide current expectations or forecasts of future events and are not guarantees of future performance. The forward-looking statements are based on management's expectations and are subject to a number of risks and uncertainties. Forward-looking statements are typically identified by using words such as "anticipate," "estimate," "project," "intend," "plan," "believe," "will" and similar expressions in connection with any discussion of future operating or financial performance.

Although management believes that the expectations reflected in such forward-looking statements are reasonable, actual results may differ materially from those expressed or implied in such statements. Risks and uncertainties that could cause actual results to differ materially include: any continuing risks and uncertainties for our business, results of operations, and financial condition relating to the COVID-19 pandemic; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates, market liquidity, and capital markets, as well as the magnitude of such changes, which may reduce net interest margins; inflation; customer acceptance of FNWD's products and services; customer borrowing, repayment, investment, and deposit practices; customer disintermediation; the introduction, withdrawal, success, and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions, and divestitures; economic conditions; and the impact, extent, and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms.

In addition to the above factors, we also caution that the actual amounts and timing of any future common stock dividends or share repurchases will be subject to various factors, including our capital position, financial performance, capital impacts of strategic initiatives, market conditions, and regulatory and accounting considerations, as well as any other factors that our Board of Directors deems relevant in making such a determination. Therefore, there can be no assurance that we will repurchase shares or pay any dividends to holders of our common stock, or as to the amount of any such repurchases or dividends.

## Disclosures Regarding Non-GAAP Measures

This presentation refers to certain financial measures that are identified as non-GAAP. FNWD believes that these non-GAAP measures are helpful to investors to better understand FNWD's assets, earnings, and shareholders' equity at the date of this presentation. This supplemental information should not be considered in isolation or as a substitute for the related GAAP measures. See the attached table at the end of this presentation for a reconciliation of the non-GAAP measures identified herein and their most comparable GAAP measures.

# Overview of Finward Bancorp

## Company Overview

- 112-year old bank headquartered in Munster, Indiana
- Community bank with core competency in commercial lending, funded by a formidable, low-cost core deposit franchise
- Named a Best Bank to Work for in America for 2015-2020 as well as a Top 200 Community Bank for 15 consecutive years by American Banker magazine
- Committed to our core values of **Stability, Integrity, Community and Excellence**
- Expanded into Illinois via three successfully integrated acquisitions
- Growing a full-service wealth management business

## Primary Business Segments

### Community Banking

- Indiana state-chartered commercial bank organized in 1910
- 30 full-service retail locations across Indiana and Illinois
- 17 person business banking team
- Full service mortgage banking capabilities

### Wealth Management

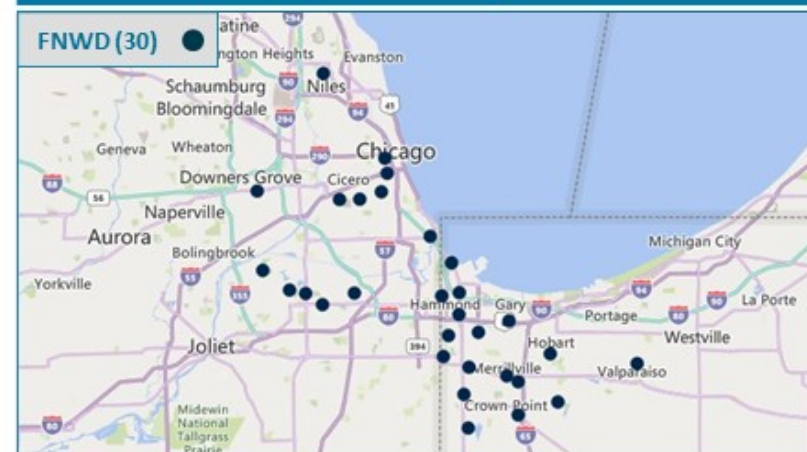
- Estate & retirement planning
- Corporate fiduciary business
- Advisory & brokerage
- IRA & Keogh accounts
- \$375M of assets under care
- 11% YOY growth in revenues from 2020 to 2021

(1) NPAs / Assets excludes restructured loans from nonperforming assets.

(2) Non-GAAP calculation, see Pages 20, 21, 22, & 23.

(3) Core net income, adjusted for realized gain on sale of securities, amortization of intangibles and nonrecurring items.

## Branch Map



## Financial Highlights

\$ in Millions	2020	2021	2022 YTD
Total Assets	\$1,496	\$1,621	\$2,098
Total Gross Loans	965	967	1,440
Total Deposits	1,302	1,434	1,895
Total Equity	152	157	158
NPAs / Assets <sup>(1)(2)</sup>	1.11%	0.52%	0.47%
NIM (FTE)	3.64%	3.51%	3.63%
Core ROAA <sup>(2)(3)</sup>	0.94%	0.85%	0.83%
Core ROATCE <sup>(2)(3)</sup>	10.4%	9.5%	11.3%
Full-Time Employees	264	263	323

# Investment Rationale

## Robust & Disciplined Growth Supporting Strong Profitability

- 6.5% TBV + Dividend CAGR since year-end 2013
- Emphasis on expanding both **wealth management and business banking**
- **Organic growth enhanced by strategic acquisitions** expanding reach into markets that are very similar to the legacy footprint
- Core ROAA of 0.83%<sup>(1)</sup> and core ROATCE of 11.3%<sup>(1)</sup> for the year-to-date period ended 3/31/2022

## Experienced Management Team

- **Dynamic, enthusiastic management team** with significant experience in Chicago area markets led by a highly accomplished Board of Directors
- **Executive management team well positioned** to take the Company through the next phase of the strategic plan
- **15%<sup>(2)</sup> insider ownership** aligns management's interests with shareholders

## Dynamic Operating Markets

- **Operating in the "shadow" of Chicago**; enjoying the positives of Chicago's diverse economy with the benefit of being headquartered in Indiana
- **Well positioned to grow through ample acquisition opportunities** in our operating markets
- Vibrant, highly educated workforce

## Attractive & Growing Core Deposit Franchise

- Formidable and well established **core deposit base of 85%<sup>(3)</sup> of total deposits** growing in excess of 15.1% per year (2013-current)
- Dedicated to **banking our clients' entire relationship** through whichever of our channels meets their needs

## Strategic Investments in Infrastructure & Technology

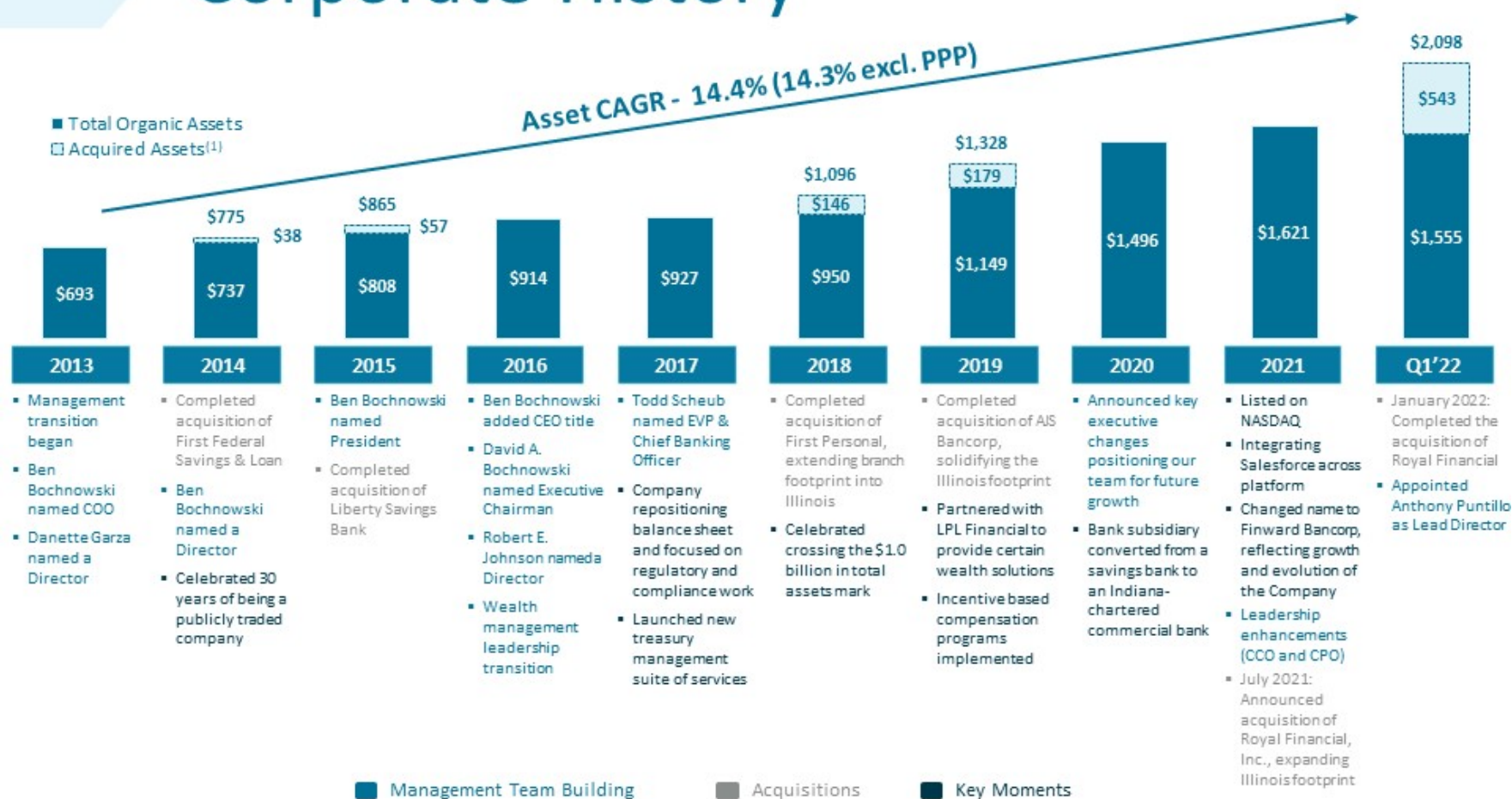
- Focused on **establishing scalable platforms** for all business lines to support continued growth
- **Re-engineering branch and digital banking channels** while bolstering data analytics to better address client needs
- **Leveraging technology** to enhance operations, creating highly scalable processes

(1) Non-GAAP calculation, see Pages 20 & 21.

(2) Per March 2022 proxy statement. Beneficial ownership includes shares of restricted stock.

(3) Core deposits defined as total deposits less time deposits greater than \$100K.

# Corporate History



Note: Total assets as of December 31 for each period and March 31 for Q1'22.  
 (1) Based on reported acquired assets per Company's Audits and 10-K filings.








# Executive Management Team

- **Multi-generational leadership team with decades of combined experience working together**

- **Significant insider ownership of 15%<sup>(1)</sup> aligning interests with shareholders**

- **Seasoned banking team with deep ties to core operating markets**

- **Risk-aligned corporate culture, promoting responsibility and accountability**

Officer		Years of Banking Experience	Year Started at Finward Bancorp	Position with Company
	Benjamin J. Bochnowski	11	2010	President & Chief Executive Officer
	Robert T. Lowry	36	1985	Executive VP & Chief Operating Officer
	Todd M. Scheub	26	1996	Executive VP, Chief Revenue Officer & Peoples Bank President
	Peymon S. Torabi	18	2003	Executive VP & Chief Financial Officer
	Leane E. Cerven	27	2010	Executive VP & Chief Risk Officer
	Tanya A. Leetz	27	1994	Executive VP & Chief Technology Officer
	Jill Washington	15	2021	Senior VP & Chief People Officer

(1) Per March 2022 proxy statement. Beneficial ownership includes shares of restricted stock.

# Diverse Board of Directors

Board Member	Age	Year Joined Board
 David A. Bochnowski <i>Executive Chairman</i>	76	1977

Board Member	Age	Year Joined Board
 Benjamin J. Bochnowski <i>President &amp; CEO</i>	41	2014
 Donald P. Fesko	49	2005
 Robert W. Youman	59	2022
 Danette Garza	67	2013
 Joel Gorelick	74	2000

Board Member	Age	Year Joined Board
 Amy W. Han	58	2008
 Robert E. Johnson III	52	2016
 Kenneth V. Krupinski	74	2003
 Anthony M. Puntillo	55	2004
 James L. Wieser	74	1999

# Disciplined and Experienced Acquiror

	First Federal Savings & Loan Association of Hammond	Liberty Savings Bank, FSB	First Personal Bank	AJS BANCORP, INC.	Royal Financial, Inc.
Transaction Date	Closed April 2014	Closed July 2015	Closed July 2018	Closed January 2019	Closed January 2022
Transaction Value	(1)	(1)	\$16M	\$34M	\$57M
Assets (\$M) <sup>(2)</sup> As a % of FNWD Assets	\$38M 5%	\$57M 7%	\$146M 15%	\$179M 16%	\$543M 35%
Loans (\$M) <sup>(2)</sup>	\$29M	\$28M	\$95M	\$88M	\$451M
Deposits (\$M) <sup>(2)</sup>	\$37M	\$56M	\$125M	\$144M	\$475M
# of Branches	2	3	3	3	9

Source: S&P Global Market Intelligence.

(1) First Federal Savings & Loan Association of Hammond and Liberty Savings Bank, FSB transactions were voluntary supervisory conversions; FNWD did not pay any consideration as part of the transactions.

(2) Based on reported acquired amounts per Company's Audits and 10-K filings.

# Driving Service Excellence

## Deepen Relationships

- Transitioning from customers and features to relationships and solutions
- Focus on what clients need to thrive
- Broaden product/service offerings

## Drive Efficiency

- Reduce complexity
- Reduce cycle time
- Improve sales growth

## Expand Markets

- Grow into new markets organically
- Expand product offerings
- Build scale through whole bank & team acquisitions

## Superior customer service supported by best in class technology

### Technology Partners

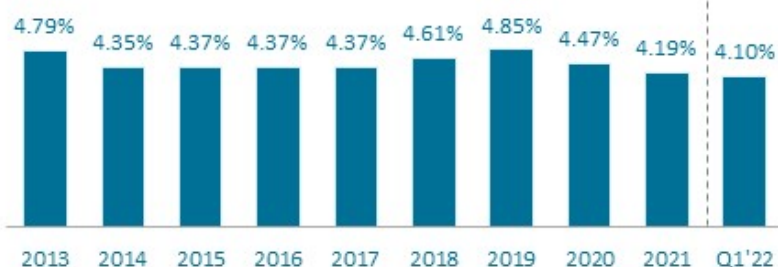


# Well-Balanced, Growing Loan Portfolio

## Historical Gross Loans (\$ Millions)



## Yield on Loans (%)<sup>(2)</sup>



Source: S&P Global Market Intelligence & Company Documents.

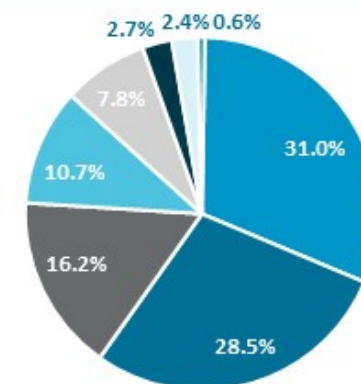
Note: Total loans as of December 31 for each period and March 31 for Q1'22.

(1) Based on reported acquired loans per Company's Audits and 10-K filings.

(2) Non-GAAP calculation, see Page 22.

## Q1'22 Loan Portfolio by Collateral Type

- Residential Real Estate
- Commercial Real Estate
- Multifamily
- Construction & Land Development
- Commercial Business
- Manufactured Homes
- Home Equity
- Other



## Lending Strategy

- Core competency in commercial lending (36% combined total of CRE and C&I)
- Growing C&I portfolio of \$112.4 million (\$102.4 million excl. PPP) as of 3/31/2022
- Named 2019 Lender of the Year by the Regional Development Company for commercial lending efforts
- Continuously making upgrades to residential mortgage platform with \$225 million of originations in 2020 and \$153 million for the year-ended 12/31/2021
- Portfolio mortgages mainly jumbo loans, high quality loans with 10-15 year terms, and acquired loans

# Conservative Approach to Credit

## Credit Philosophy

- Experienced banking team with deep knowledge of the Chicago area market empowered to be relationship bankers (not just lenders)
- Prudent risk identification and mitigation processes in place to proactively address risks in the loan portfolio
- Compete aggressively for new lending opportunities, but will always appropriately structure credits to minimize risk
- Loan portfolio is well diversified to reduce concentration risks

## Credit Underwriting and Administration

- Credit approval process is layered through Chief Business Banking Officer and loan committees (OLC, SOLC and Board EC)
- Additional personnel to be hired in near future
- 60% of the portfolio was reviewed by an internal team or third party in 2020
- Stress test was conducted by an outside third party in 2020 and will be tested quarterly this year
- Commercial portfolio workout manager actively monitors and works with borrowers for problem credits

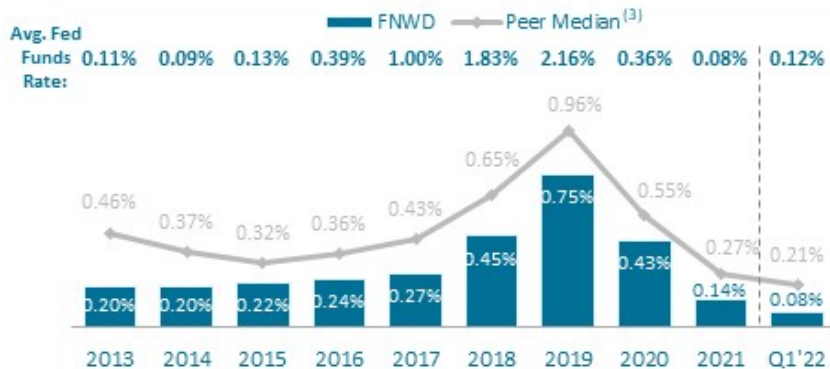


# Stable and Growing Core Deposit Franchise

## Historical Total Deposits (\$ Millions)

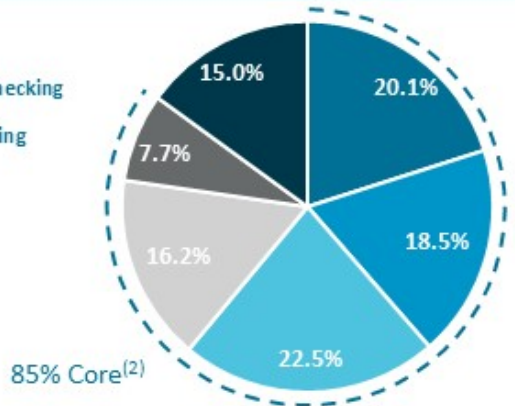


## Cost of Deposits (%)



## Q1'22 Deposit Composition

- Noninterest Bearing Checking
- Interest Bearing Checking
- Savings
- Money Market
- Retail Time <\$100K
- Jumbo Time >\$100K



## Deposit Strategy

- Formidable and well established core deposit franchise provides low-cost source of funding for loan origination
- 76% loans/deposits provides ample room for loan growth
- 77% of total deposits are non-maturity as of 3/31/2022
- Top quartile<sup>(3)</sup> cost of deposits at 8 bps for the year-ended 3/31/2022
- 73% of time deposits as of 3/31/2022 repricing over the next 12 months

Source: S&P Global Market Intelligence & Company Documents.

Note: Total deposits as of December 31 for each period and March 31 for Q1'22.

(1) Based on reported acquired deposits per Company's Audits and 10-K filings.

(2) Core deposits defined as total deposits less time deposits greater than \$100K.

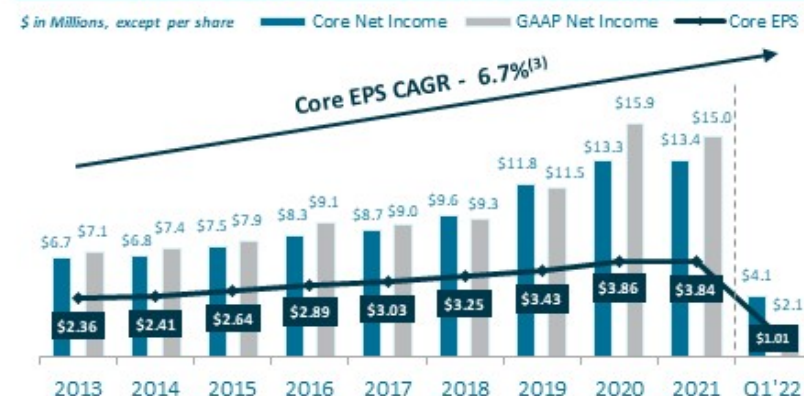
(3) Peer group consists of Midwest major exchange-traded banks with total assets between \$1.0 billion and \$3.0 billion as of 3/31/2022.

# Core Earnings Power

## Profitability

- Strong earnings continue to accrete to and build capital
- Low cost funding allows for utilizing the balance sheet efficiently
- Successful execution of M&A strategy resulting in realized synergies more than accounting for one-time deal-related costs
- Future profitability to be driven by a combination of organic growth, streamlining of internal operations, and accretive M&A

## Core Net Income<sup>(1)(2)</sup> & Earnings Per Share<sup>(1)(2)</sup>



## Core ROAA<sup>(1)(2)</sup> & Core ROATCE<sup>(1)(2)</sup>



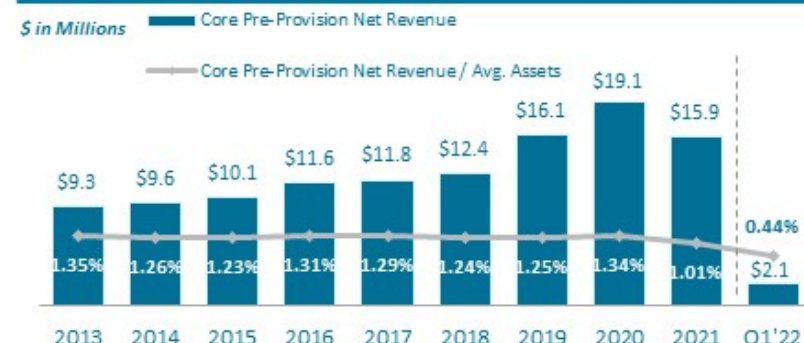
Source: S&P Global Market Intelligence & Company Documents.

(1) Core net income, adjusted for realized gain on sale of securities, amortization of intangibles and nonrecurring items.

(2) Non-GAAP calculation, see Pages 20 & 21.

(3) For comparison purposes, CAGR calculated using Q1'22 YTD annualized Core EPS.

## Core Pre-Provision Net Revenue<sup>(1)(2)</sup> / Avg. Assets



# Capital to Support Growth

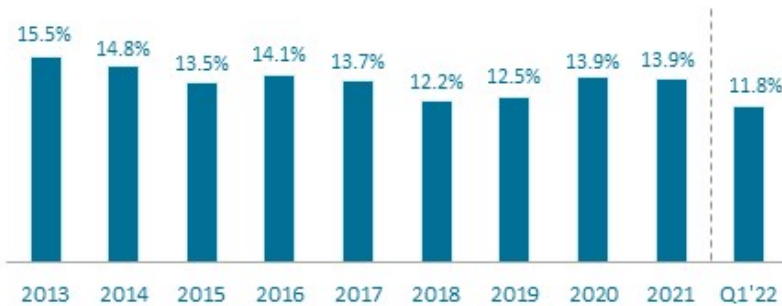
## Capital Management

- Regulatory capital levels in excess of well-capitalized requirements
- TCE and regulatory capital ratios demonstrate a consistent ability to leverage capital
- Have a capital plan in place that satisfies our internal goals

## TCE / TA & Bank Leverage Ratio (%)



## Bank Total Capital Ratio (%)



## CRE and C&D / Bank Total Risk Based Capital (%)



Source: S&P Global Market Intelligence & Company Documents.

(1) Non-GAAP calculation, see page 21.

(2) Leverage Ratio excludes PPP loan balance from average assets for leverage ratio.

(3) Commercial real estate loans divided by total risk-based capital and construction & development loans divided total risk-based capital.

# Recap of Franchise Highlights



## Experienced and Invested Leadership

- Dynamic team with significant experience in Chicago area markets
- Interests aligned with shareholders through substantial ownership



## Meaningful Presence in Diverse, Dynamic Markets

- Benefiting from Chicago's demographics and Indiana's business-friendly environment
- Well positioned to grow through acquisition opportunities in existing markets



## Attractive Core Deposit Franchise

- 85% core deposits with top quartile cost of deposits for the quarter-ended 3/31/2022 of 8bps
- Growing core deposits in excess of 15.1% per year (CAGR since 2013)



## Track Record of Exceptional Growth and Profitability

- Producing long-term earnings growth in excess of 6.7%<sup>(1)</sup> (CAGR since 2013) and TBV growth in excess of 3.0% (CAGR since 2013)
- Future profitability focused on a combination of organic growth, streamlining operations, and M&A



## Investing to Position For the Future

- Investing in all business lines with a focus on: (1) deepening relationships; (2) driving efficiency; and (3) expanding markets and product offerings
- Moving toward best in class technology stack

<sup>(1)</sup> For comparison purposes, CAGR calculated using Q1'22 YTD annualized Core EPS.

**THANK YOU**



# APPENDIX

# Historical Financial Summary

\$ in thousands, except per share data	Fiscal Year Ended December 31					Quarter Ended
	2017	2018	2019	2020	2021	March 31 2022
<b>Balance Sheet &amp; Capital</b>						
Total Assets	\$927,259	\$1,096,158	\$1,328,161	\$1,496,292	\$1,620,743	\$2,097,845
Loans, Net	612,729	756,438	897,228	952,688	953,377	1,426,341
Total Deposits	793,004	929,786	1,154,370	1,302,339	1,434,201	1,895,211
Tangible Common Equity <sup>(1)</sup>	88,844	89,872	117,319	136,461	142,380	128,788
TBV Per Share <sup>(2)</sup>	\$31.02	\$29.67	\$33.99	\$39.41	\$40.91	\$29.99
TCE / TA (%) <sup>(1)(2)</sup>	9.6 %	8.3 %	8.9 %	9.7 %	9.0 %	6.3 %
Bank Tier 1 Leverage Ratio (%) <sup>(1)(2)</sup>	9.4 %	8.4 %	8.3 %	8.7 %	8.6 %	8.2 %
Bank Total Risk-Based Capital Ratio (%)	13.7 %	12.2 %	12.5 %	13.9 %	13.9 %	11.8 %
<b>Asset Quality</b>						
Nonperforming Assets	\$9,221	\$10,593	\$9,532	\$15,832	\$8,253	\$9,880
NPA's / Assets (%) <sup>(1)(2)(3)</sup>	0.99 %	0.97 %	0.72 %	1.11 %	0.52 %	0.47 %
NPLs / Loans (%)	0.89 %	1.11 %	0.91 %	1.49 %	0.75 %	0.58 %
NCOs (Recoveries) / Average Loans (%)	0.23 %	0.12 %	0.18 %	0.03 %	0.07 %	(0.01) %
ALLL / Total Loans (%) <sup>(1)(2)(4)</sup>	1.59 %	1.64 %	1.66 %	1.84 %	1.67 %	1.55 %
<b>Income Statement</b>						
Net Interest Income	\$30,766	\$34,359	\$43,158	\$45,881	\$48,575	\$15,535
Provision for Loan Losses	1,200	1,308	2,584	3,887	1,509	-
Noninterest Income	7,752	9,099	10,670	18,148	15,947	3,114
Noninterest Expense	25,488	31,383	38,030	41,636	46,636	16,269
Income Tax Expense	2,869	1,430	1,678	2,774	1,414	275
Net Income	8,961	9,337	11,536	15,932	14,963	2,135
GAAP Earnings Per Share	\$3.13	\$3.17	\$3.37	\$4.60	\$4.30	\$0.63
<b>Profitability Ratios</b>						
Core ROAA (%) <sup>(1)</sup>	0.95 %	0.96 %	0.91 %	0.94 %	0.85 %	0.83 %
Core ROATCE (%) <sup>(1)</sup>	9.9 %	10.9 %	10.6 %	10.4 %	9.5 %	11.3 %
Net Interest Margin (FTE) (%)	3.84 %	3.81 %	3.73 %	3.64 %	3.51 %	3.63 %
Core Efficiency Ratio (%) <sup>(1)</sup>	68.7 %	70.7 %	69.7 %	69.0 %	74.5 %	72.9 %
Noninterest Income / Average Assets (%)	0.85 %	0.91 %	0.83 %	1.27 %	1.01 %	0.64 %
Core Noninterest Expense / Average Assets (%) <sup>(1)</sup>	2.8 %	3.0 %	2.9 %	3.0 %	3.0 %	2.7 %

Source: S&amp;P Global Market Intelligence &amp; Company Documents.

(1) Non GAAP calculation, see following pages.

(2) Excludes PPP Loans.

(3) NPA's/Assets excludes restructured loans from nonperforming assets.

(4) ALLL includes M&amp;A discounts.

# Non-GAAP Reconciliation

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
Net income	\$ 7,118	\$ 7,394	\$ 7,852	\$ 9,142	\$ 8,961	\$ 9,337	\$ 11,536	\$ 15,932	\$ 14,963	\$ 2,135
Non-recurring expenses										
Acquisition related costs	—	—	452	—	—	2,076	2,113	—	—	2,852
Non-recurring income										
BOL death benefit	—	—	—	—	—	—	(205)	—	—	—
Realized loss/(gain) on securities	(630)	(541)	(606)	(826)	(860)	(1,200)	(621)	(2,348)	(1,987)	(361)
Amortization of intangibles	—	9	41	70	70	268	956	994	994	218
Loan accretion income	—	(318)	(399)	(606)	(456)	(628)	(1,971)	(1,919)	(1,041)	(234)
Related tax benefit / (cost)	221	298	179	477	438	(66)	(57)	687	427	(516)
DTA revaluation	—	—	—	—	517	—	—	—	—	—
Core net income	\$ 6,709	\$ 6,842	\$ 7,519	\$ 8,257	\$ 8,668	\$ 9,587	\$ 11,751	\$ 13,348	\$ 13,356	\$ 4,074
Diluted average common shares outstanding	2,841,990	2,844,033	2,850,801	2,858,801	2,864,037	2,949,212	3,425,056	3,459,167	3,477,309	4,020,815
Reported: Diluted earnings per share	\$ 2.50	\$ 2.60	\$ 2.75	\$ 3.20	\$ 3.13	\$ 3.17	\$ 3.37	\$ 4.61	\$ 4.30	\$ 0.53
Core: Diluted earnings per share	2.36	2.41	2.64	2.89	3.03	3.25	3.43	3.86	3.84	1.01
Average total assets	\$ 691,090	\$ 761,431	\$ 817,381	\$ 888,015	\$ 911,078	\$ 1,001,908	\$ 1,285,964	\$ 1,427,176	\$ 1,573,961	\$ 1,955,347
Reported: Return on average assets	1.03%	0.97%	0.98%	1.03%	0.98%	0.93%	0.90%	1.12%	0.95%	0.44%
Core: Return on average assets	0.97%	0.90%	0.92%	0.93%	0.95%	0.96%	0.91%	0.94%	0.85%	0.83%

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
Net interest income	\$ 24,427	\$ 25,363	\$ 27,370	\$ 30,054	\$ 30,766	\$ 34,359	\$ 43,158	\$ 45,881	\$ 48,575	\$ 15,535
Non-interest income	5,359	6,074	6,850	7,613	7,752	9,099	10,670	16,148	15,947	3,144
Realized loss/(gain) on securities	(630)	(541)	(606)	(826)	(860)	(1,200)	(621)	(2,348)	(1,987)	(361)
Non-interest expense	(19,821)	(21,015)	(23,616)	(24,709)	(25,488)	(31,363)	(38,030)	(41,636)	(46,636)	(16,269)
Pre-provision net revenue	\$ 9,335	\$ 9,881	\$ 9,998	\$ 12,132	\$ 12,170	\$ 10,875	\$ 15,177	\$ 20,045	\$ 15,899	\$ 2,029
Non-recurring expenses	—	—	452	—	—	2,076	2,113	—	—	—
Non-recurring income	—	—	—	—	—	—	(205)	—	—	—
Amortization of intangibles	—	9	41	70	70	268	956	994	994	347
Loan accretion income	—	(318)	(399)	(606)	(456)	(628)	(1,971)	(1,919)	(1,041)	(234)
Core: pre-provision net revenue	\$ 9,335	\$ 9,572	\$ 10,092	\$ 11,596	\$ 11,784	\$ 12,391	\$ 16,070	\$ 19,120	\$ 15,852	\$ 2,142
Average total assets	\$ 691,090	\$ 761,431	\$ 817,381	\$ 888,015	\$ 911,078	\$ 1,001,908	\$ 1,285,964	\$ 1,427,176	\$ 1,573,961	\$ 1,955,347
Reported: Pre-provision net revenue to average assets	1.35%	1.30%	1.22%	1.37%	1.34%	1.09%	1.18%	1.40%	1.01%	0.42%
Core: Pre-provision net revenue to average assets	1.35%	1.26%	1.23%	1.31%	1.29%	1.24%	1.25%	1.34%	1.01%	0.44%

# Non-GAAP Reconciliation

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
Total assets	\$ 893,453	\$ 775,044	\$ 864,893	\$ 913,826	\$ 927,259	\$ 1,096,158	\$ 1,328,161	\$ 1,496,292	\$ 1,620,743	\$ 2,097,845
Goodwill	—	(1,611)	(2,561)	(2,792)	(2,792)	(8,170)	(11,109)	(11,109)	(11,109)	(22,851)
Other intangibles	—	(84)	(523)	(494)	(424)	(3,422)	(5,114)	(4,119)	(3,126)	(5,998)
Paycheck Protection Plan ("PPP") loans	—	—	—	—	—	—	—	(87,175)	(22,072)	(9,983)
Tangible assets (excl. PPP)	\$ 893,453	\$ 773,349	\$ 861,809	\$ 910,340	\$ 924,043	\$ 1,084,566	\$ 1,311,938	\$ 1,413,889	\$ 1,584,436	\$ 2,059,013
Total stockholders' equity	66,761	76,165	80,909	84,108	92,060	101,464	133,542	151,889	156,615	157,637
Goodwill	—	(1,611)	(2,561)	(2,792)	(2,792)	(8,170)	(11,109)	(11,109)	(11,109)	(22,851)
Other intangibles	—	(84)	(523)	(494)	(424)	(3,422)	(5,114)	(4,119)	(3,126)	(5,998)
Tangible common equity	\$ 66,761	\$ 74,470	\$ 77,825	\$ 80,822	\$ 88,844	\$ 89,872	\$ 117,319	\$ 136,661	\$ 142,380	\$ 128,786
Ending number of common shares outstanding	2,841,164	2,844,167	2,851,417	2,860,157	2,864,507	3,029,157	3,451,797	3,462,908	3,480,701	4,294,116
Tangible common equity to tangible assets (excl. PPP)	9.6%	9.6%	9.0%	8.9%	9.6%	8.3%	8.9%	9.7%	9.0%	6.3%
Tangible book value per share	\$ 23.50	\$ 26.18	\$ 27.29	\$ 28.26	\$ 31.02	\$ 29.67	\$ 33.99	\$ 39.41	\$ 40.91	\$ 29.99
Average stockholders' common equity	\$ 69,966	\$ 72,943	\$ 79,299	\$ 85,842	\$ 90,538	\$ 94,460	\$ 126,845	\$ 144,275	\$ 155,945	\$ 170,374
Average goodwill	—	(1,007)	(2,156)	(2,705)	(2,792)	(4,809)	(10,650)	(11,109)	(11,109)	(21,251)
Average other intangibles	—	(55)	(249)	(483)	(459)	(1,504)	(5,274)	(4,616)	(3,643)	(5,174)
Average tangible stockholders' common equity	\$ 69,966	\$ 71,881	\$ 76,895	\$ 82,654	\$ 87,287	\$ 88,147	\$ 110,921	\$ 128,550	\$ 141,193	\$ 143,949
Reported: Return on average tangible common equity	10.2%	10.3%	10.2%	11.1%	10.3%	10.6%	10.4%	12.4%	10.6%	5.9%
Core: Return on average tangible common equity	9.6%	9.5%	9.8%	10.0%	9.9%	10.9%	10.6%	10.4%	9.5%	11.3%

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
Bank Tier 1 Capital	\$ 68,552	\$ 71,657	\$ 76,049	\$ 81,239	\$ 86,291	\$ 89,941	\$ 108,883	\$ 123,279	\$ 133,735	\$ 156,800
Bank Average assets for leverage ratio	\$ 692,058	\$ 782,956	\$ 846,927	\$ 897,762	\$ 916,846	\$ 1,072,515	\$ 1,310,614	\$ 1,477,980	\$ 1,585,917	\$ 1,913,295
Paycheck Protection Plan ("PPP") loans	—	—	—	—	—	—	—	(87,175)	(22,072)	(9,983)
Average assets for leverage ratio (excl. PPP)	\$ 692,058	\$ 782,956	\$ 846,927	\$ 897,762	\$ 916,846	\$ 1,072,515	\$ 1,310,614	\$ 1,410,805	\$ 1,563,845	\$ 1,903,312
Bank Leverage Ratio (excl. PPP)	9.9%	9.2%	9.0%	9.0%	9.4%	8.4%	8.3%	8.7%	8.6%	8.2%

# Non-GAAP Reconciliation

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
<b>Reported:</b> Interest income on loans	\$ 20,891	\$ 21,232	\$ 23,203	\$ 26,269	\$ 26,859	\$ 32,392	\$ 44,455	\$ 44,867	\$ 41,573	\$ 13,286
Loan accretion income	—	(318)	(399)	(606)	(456)	(828)	(1,971)	(1,919)	(1,041)	(234)
<b>Core:</b> Interest income on loans	\$ 20,891	\$ 20,914	\$ 22,804	\$ 25,663	\$ 26,403	\$ 31,564	\$ 42,484	\$ 42,948	\$ 40,532	\$ 13,052
<b>Average loan balances</b>	\$ 436,429	\$ 480,404	\$ 522,278	\$ 587,119	\$ 603,913	\$ 684,159	\$ 876,611	\$ 961,167	\$ 968,185	\$ 1,274,407
<b>Reported:</b> Yield on loans	4.79%	4.42%	4.44%	4.47%	4.45%	4.73%	5.07%	4.67%	4.29%	4.17%
<b>Core:</b> Yield on loans	4.79%	4.35%	4.37%	4.37%	4.37%	4.61%	4.85%	4.47%	4.19%	4.10%

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
<b>Reported:</b> Allowance for loan losses	\$ 7,189	\$ 6,361	\$ 6,953	\$ 7,698	\$ 7,482	\$ 7,962	\$ 8,999	\$ 12,458	\$ 13,343	\$ 13,367
Additional reserves not part of ALLL	—	1,458	3,835	2,908	2,376	4,592	6,042	4,098	2,428	8,749
<b>Adjusted:</b> Allowance for loan losses	\$ 7,189	\$ 7,819	\$ 10,788	\$ 10,606	\$ 9,858	\$ 12,554	\$ 15,041	\$ 16,556	\$ 15,771	\$ 22,136
<b>Reported:</b> Loan balances	\$ 437,821	\$ 488,153	\$ 571,898	\$ 583,650	\$ 620,211	\$ 764,400	\$ 906,227	\$ 965,146	\$ 966,720	\$ 1,439,728
Paycheck Protection Plan ("PPP") loans	—	—	—	—	—	—	—	(67,175)	(22,072)	(9,983)
<b>Adjusted:</b> Loan balances	\$ 437,821	\$ 488,153	\$ 571,898	\$ 583,650	\$ 620,211	\$ 764,400	\$ 906,227	\$ 897,971	\$ 944,648	\$ 1,429,745
<b>Reported:</b> LLR / loans	1.64%	1.30%	1.22%	1.32%	1.21%	1.04%	0.99%	1.29%	1.38%	0.93%
<b>Adjusted:</b> LLR / loans	1.64%	1.60%	1.89%	1.82%	1.59%	1.64%	1.66%	1.84%	1.67%	1.55%

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
<b>Non-accruing loans</b>	\$ 3,780	\$ 4,599	\$ 5,201	\$ 5,805	\$ 4,996	\$ 6,595	\$ 6,507	\$ 13,799	\$ 7,056	\$ 8,414
Accruing loans > 90 days delinquent	174	941	377	500	227	321	866	566	205	494
<b>Non-accrual TDRs</b>	1,252	1,611	1,912	1,689	2,299	2,050	1,076	929	992	972
OREO	1,084	1,745	1,590	2,665	1,699	1,627	1,083	538	0	0
<b>Total non-performing assets</b>	\$ 6,290	\$ 8,896	\$ 9,080	\$ 10,459	\$ 9,221	\$ 10,593	\$ 9,532	\$ 15,832	\$ 8,253	\$ 9,880
<b>Total assets</b>	\$ 693,453	\$ 775,044	\$ 864,893	\$ 913,626	\$ 927,259	\$ 1,096,158	\$ 1,326,161	\$ 1,496,292	\$ 1,620,743	\$ 2,097,845
Paycheck Protection Plan ("PPP") loans	—	—	—	—	—	—	—	67,175	22,072	9,983
<b>Total assets (excl. PPP)</b>	\$ 693,453	\$ 775,044	\$ 864,893	\$ 913,626	\$ 927,259	\$ 1,096,158	\$ 1,326,161	\$ 1,429,117	\$ 1,598,671	\$ 2,087,862
<b>Reported:</b> NPAs / assets (excl. TDRs)	0.91%	1.15%	1.05%	1.14%	0.99%	0.97%	0.72%	1.06%	0.51%	0.47%
<b>Adjusted:</b> NPAs / assets (excl. TDRs & PPP)	0.91%	1.15%	1.05%	1.14%	0.99%	0.97%	0.72%	1.11%	0.52%	0.47%

# Non-GAAP Reconciliation

(\$ in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	Q1'2022
Net interest income	\$ 24,427	\$ 25,363	\$ 27,370	\$ 30,054	\$ 30,766	\$ 34,359	\$ 43,158	\$ 45,881	\$ 48,575	\$ 15,535
Non-interest income	5,359	6,074	6,850	7,613	7,752	9,099	10,670	18,148	15,947	3,144
<b>Reported: Revenue</b>	<b>29,786</b>	<b>31,437</b>	<b>34,220</b>	<b>37,667</b>	<b>38,518</b>	<b>43,458</b>	<b>53,828</b>	<b>64,029</b>	<b>64,522</b>	<b>18,679</b>
Realized loss (gain) on securities	(630)	(541)	(606)	(626)	(860)	(1,200)	(621)	(2,348)	(1,987)	(361)
Non-recurring income	—	—	—	—	—	—	(205)	—	—	(363)
<b>Core: Revenue</b>	<b>\$ 29,156</b>	<b>\$ 30,896</b>	<b>\$ 33,614</b>	<b>\$ 36,841</b>	<b>\$ 37,658</b>	<b>\$ 42,258</b>	<b>\$ 53,002</b>	<b>\$ 61,681</b>	<b>\$ 62,535</b>	<b>\$ 17,935</b>
<b>Reported: Non-interest expense</b>	<b>19,821</b>	<b>21,015</b>	<b>23,616</b>	<b>24,709</b>	<b>25,488</b>	<b>31,383</b>	<b>38,030</b>	<b>41,636</b>	<b>46,636</b>	<b>16,269</b>
Amortization of intangibles	—	(9)	(41)	(70)	(70)	(268)	(956)	(994)	(994)	(347)
Loan accretion income	—	318	399	606	456	828	1,971	1,919	1,041	—
Non-recurring expenses	—	—	(452)	—	—	(2,076)	(2,113)	—	—	(2,852)
<b>Core: Non-interest expense</b>	<b>\$ 19,821</b>	<b>\$ 21,324</b>	<b>\$ 23,522</b>	<b>\$ 25,245</b>	<b>\$ 25,674</b>	<b>\$ 29,867</b>	<b>\$ 36,932</b>	<b>\$ 42,561</b>	<b>\$ 46,589</b>	<b>\$ 13,070</b>
<b>Reported: Efficiency Ratio</b>	<b>66.5%</b>	<b>66.8%</b>	<b>69.0%</b>	<b>65.6%</b>	<b>66.2%</b>	<b>72.2%</b>	<b>70.7%</b>	<b>65.0%</b>	<b>72.3%</b>	<b>87.1%</b>
<b>Core: Efficiency Ratio</b>	<b>68.0%</b>	<b>69.0%</b>	<b>70.0%</b>	<b>68.5%</b>	<b>68.7%</b>	<b>70.7%</b>	<b>69.7%</b>	<b>69.0%</b>	<b>74.5%</b>	<b>72.9%</b>
<b>Average total assets</b>	<b>\$ 691,090</b>	<b>\$ 761,431</b>	<b>\$ 817,361</b>	<b>\$ 888,015</b>	<b>\$ 911,078</b>	<b>\$ 1,001,908</b>	<b>\$ 1,285,964</b>	<b>\$ 1,427,176</b>	<b>\$ 1,573,961</b>	<b>\$ 1,955,347</b>
<b>Reported: NIE to average total assets</b>	<b>2.9%</b>	<b>2.8%</b>	<b>2.9%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>3.1%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.0%</b>	<b>3.3%</b>
<b>Core: NIE to average total assets</b>	<b>2.9%</b>	<b>2.8%</b>	<b>2.9%</b>	<b>2.8%</b>	<b>2.8%</b>	<b>3.0%</b>	<b>2.9%</b>	<b>3.0%</b>	<b>3.0%</b>	<b>2.7%</b>