



EARNINGS PRESENTATION

SECOND QUARTER 2021

NASDAQ:PFHD

FORWARD LOOKING STATEMENTS



This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements contained in this presentation that are not statements of historical fact may be deemed to be forward-looking statements, including, without limitation, statements preceded by, followed by or including words such as “anticipate,” “intend,” “believe,” “estimate,” “plan,” “seek,” “project” or “expect,” “may,” “will,” “would,” “could” or “should” and similar expressions. Forward-looking statements represent the Company’s current expectations, plans or forecasts and involve significant risks and uncertainties. Several important factors could cause actual results to differ materially from those in the forward-looking statements. Those factors include, without limitation, current and future economic and market conditions, including those that could impact credit quality and the ability to generate loans and gather deposits; the duration, extent and impact of the COVID-19 pandemic, including the governments’ responses to the pandemic and the potential worsening of the pandemic resulting from variants of COVID-19, on our and our customers’ operations, personnel, and business activity (including developments and volatility), as well as COVID-19’s impact on the credit quality of our loan portfolio and financial markets and general economic conditions; the effects of our lack of a diversified loan portfolio and concentration in the South Florida market; the impact of current and future interest rates and expectations concerning the actual timing and amount of interest rate movements; competition; our ability to execute business plans; geopolitical developments; legislative and regulatory developments; inflation or deflation; market fluctuations; natural disasters (including pandemics such as COVID-19); critical accounting estimates; and other factors described in our Form 10-K for the year ended December 31, 2020, Form 10-Q for the quarter ended March 31, 2021, and other filings with the Securities and Exchange Commission. The Company disclaims any obligation to update any of the forward-looking statements included herein to reflect future events or developments or changes in expectations, except as may be required by law.

A GROWING FRANCHISE IN SOUTH FLORIDA

- ✓ Professional Bank founded in **2008** in Coral Gables, FL
- ✓ Expanded from one location in South Miami to **eleven locations** throughout South Florida, one in New England and one in Cleveland
- ✓ **11th largest** independent community bank in Florida*
- ✓ Successfully **recruited** seasoned bankers and banking teams from local, regional and national financial institutions
- ✓ Senior management has significant and long term expertise in the **Florida real estate market**
- ✓ Lending and credit **philosophy** centers on maintaining a low basis in collateral and avoiding concentrations
- ✓ **Technology** team of experienced leaders supporting the bank's investment in infrastructure, enhancing service offerings, and improving operational efficiency

* Does not include Investment Banks, Savings and Loan Associations or non-US parent banks

growth
We've added two new Loan Production Offices across the state of Florida

5th
largest bank headquartered in South Florida

NEW JACKSONVILLE LPO

NEW TAMPA LPO

PALM BEACH GARDENS

WELLINGTON

BOCA RATON

FORT LAUDERDALE

AVENTURA

CORAL GABLES (HEADQUARTERS)

DORAL

DADELAND

SOUTH MIAMI



SECOND QUARTER 2021 HIGHLIGHTS

Q2 Net Income
\$6.3 million

YTD Net Income
\$11.1 million

Tangible Book Value per Share
\$14.63

Earnings per Share
\$0.47

* Based on Q2 annualized figures

Return on Average Assets*
0.99%

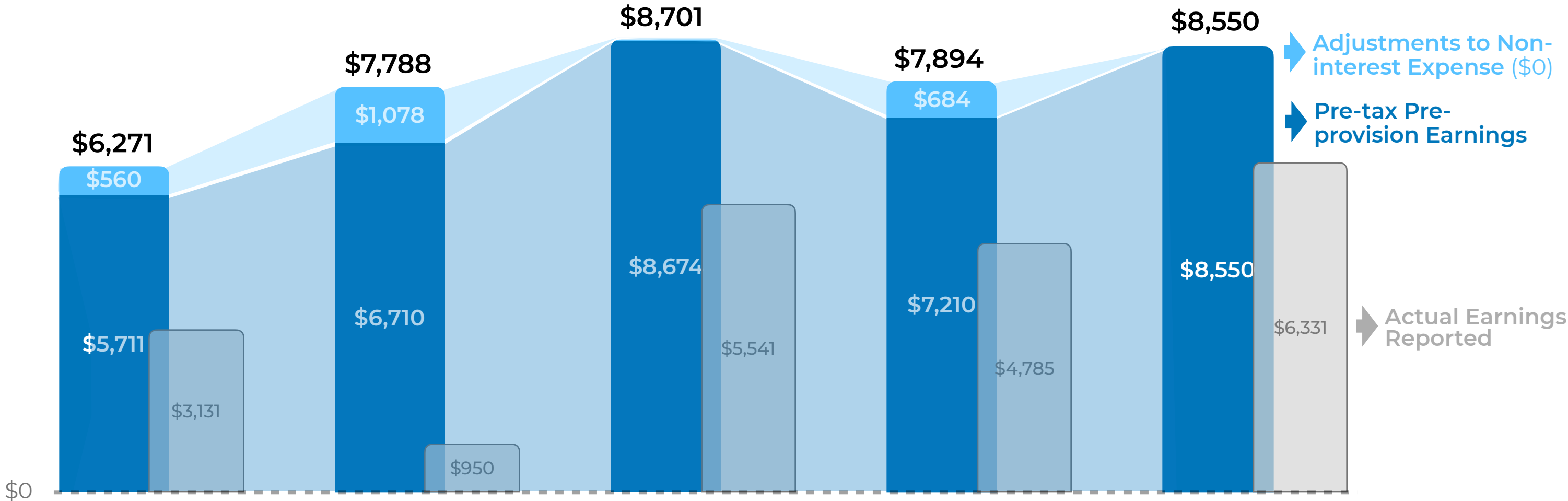
Return on Average Equity*
11.3%

Efficiency Ratio
56.2%

Total Risk-Based Capital Ratio
14.1%

EARNINGS AND ADJUSTED EARNINGS

(\$ in thousands)



Earnings per share increased **\$0.11**, or **30.6%** quarter-over-quarter and increased **\$0.24**, or **104.3%** year-over-year.



Tangible book value per share for the second quarter of 2021 is **\$14.63**.

2Q 2020 3Q 2020 4Q 2020 1Q 2021 2Q 2021

\$0.23	\$0.07	\$0.41	\$0.36	\$0.47
0.65%	0.18%	1.08%	0.90%	0.99%
1.19%	1.30%	1.69%	1.36%	1.33%
1.30%	1.51%	1.69%	1.49%	1.33%

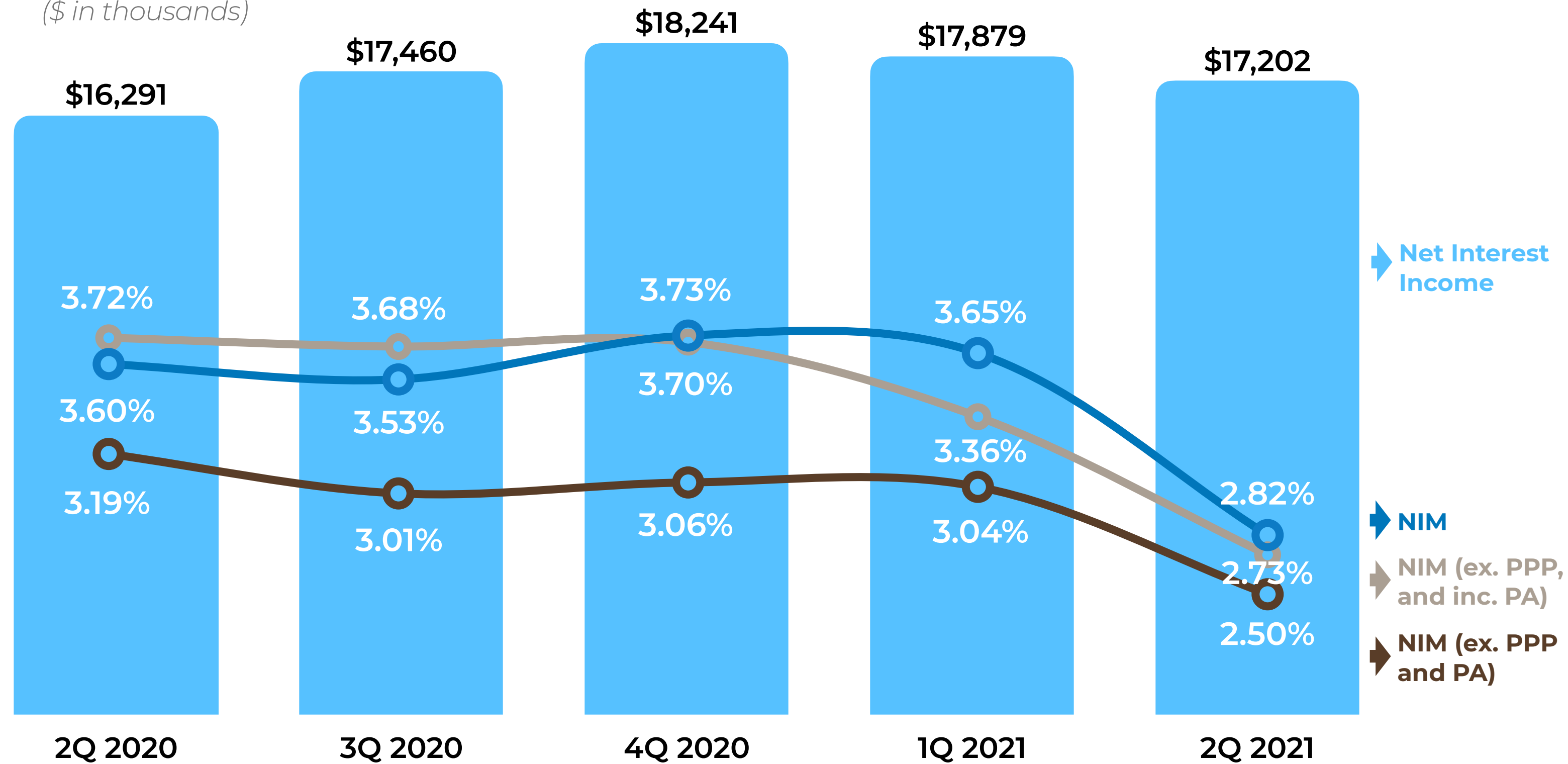
- Earnings per share (GAAP)
- Return on average annualized assets (GAAP)
- Annualized pre-tax pre-provision ROAA (non-GAAP)
- Adjusted annualized pre-tax pre-provision ROAA (non-GAAP)

Please refer to the non-GAAP Reconciliation Table on page 17

NET INTEREST INCOME AND MARGIN

Net Interest Income

(\$ in thousands)



NIM = Net Interest Margin
PPP = Paycheck Protection Program
PA = Purchase Accounting



Net interest income totaled **\$17.2 million** for the second quarter of 2021, down **\$0.7 million**, or **3.8%** from the prior quarter primarily due to higher yielding loan payoffs and a decrease in loan fees associated with PPP loan forgiveness.



Net interest margin decreased **83 basis points** quarter-over-quarter to **2.82%** for the second quarter of 2021 due to an increase in low yielding cash assets and loan payoffs on higher yielding assets.

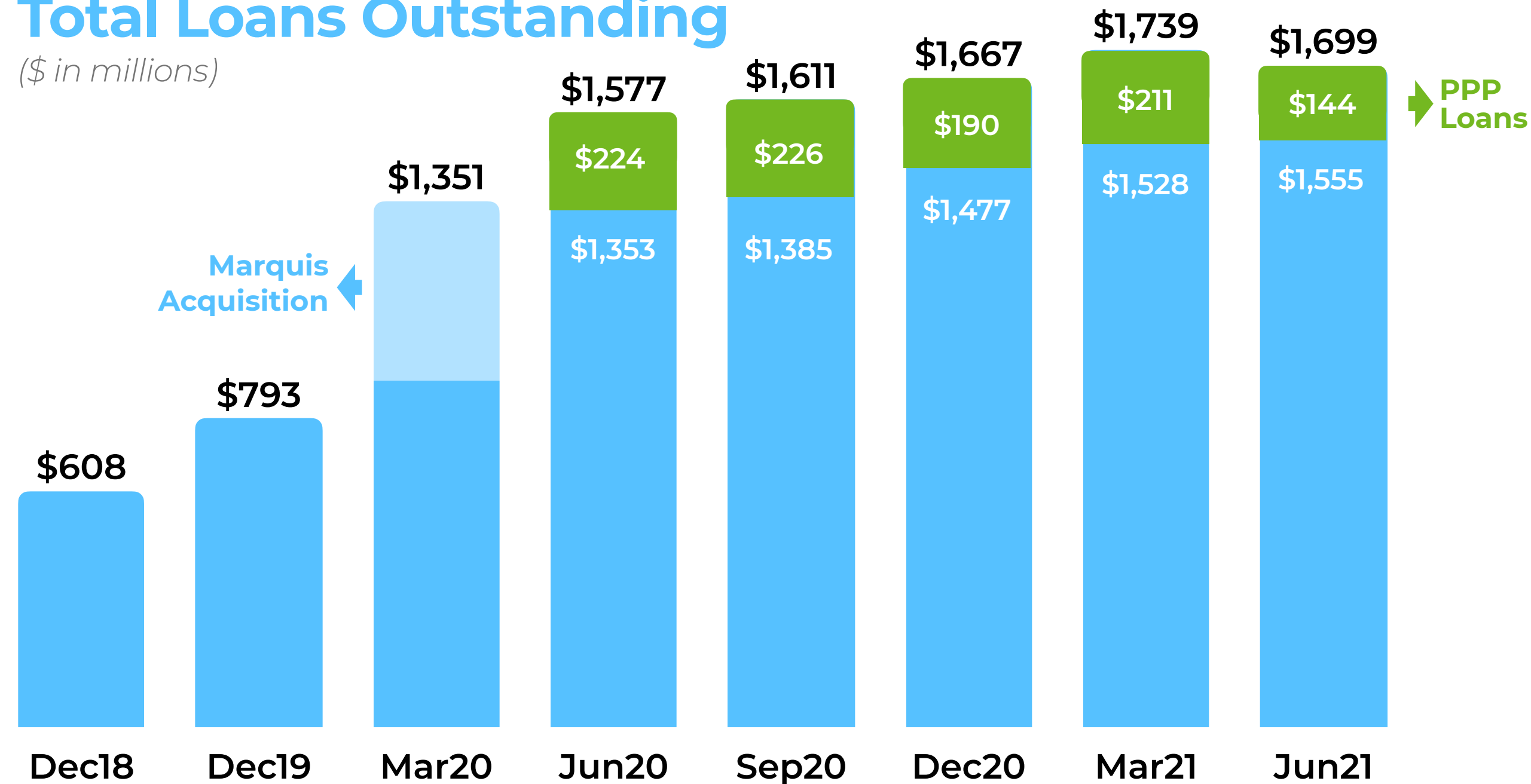


Weighted average **roll-off** rate (loans paid off) was 4.72% and the weighted average **roll-on** rate (loans originated) was 3.85%.

CONSISTENT LOAN GROWTH

Total Loans Outstanding

(\$ in millions)



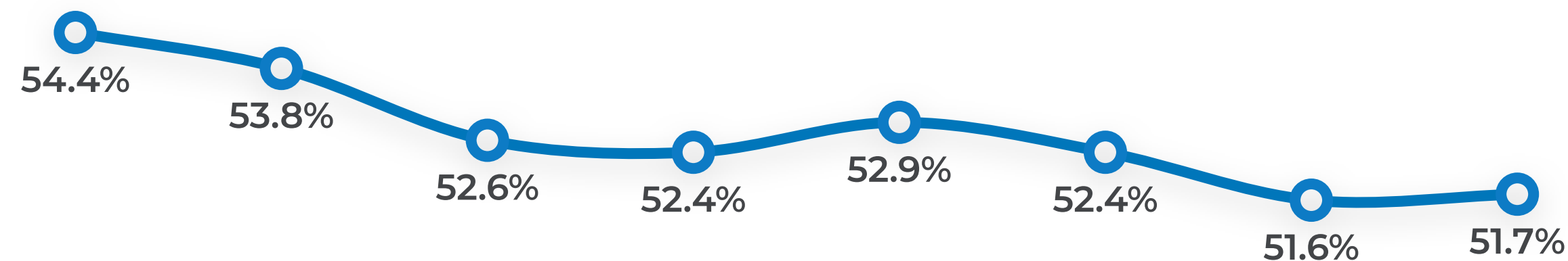
PPP Loans



Second quarter loans totaled **\$1.7 billion**, a decrease of **\$39.1 million**, or **2.2%** from the prior quarter due to a reduction in PPP loans. Loan growth, net of PPP loans, was up **\$27.6 million**, or **1.8%** quarter-over-quarter.



We experienced strong originations across all loan types due to new loan originations of **\$186.8 million** (**\$169.2 million** of conventional loans, of which **\$118.0 million** funded, coupled with **\$17.6 million** of PPP loans) partially offset by payoffs of **\$162.2 million** (**\$77.9 million** of conventional loans and **\$84.3 million** of PPP loans forgiven).



Weighted Average LTV

Does not include PPP loans

STRONG DEPOSIT FRANCHISE



Total deposits were **\$2.28 billion**, an increase of **\$371.5 million**, or **19.5%**, compared to Q1 2021 and an increase of **\$760.7 million**, or **50.2%**, compared to Q2 2020.



Core deposits represent **92.3%** of total deposits.

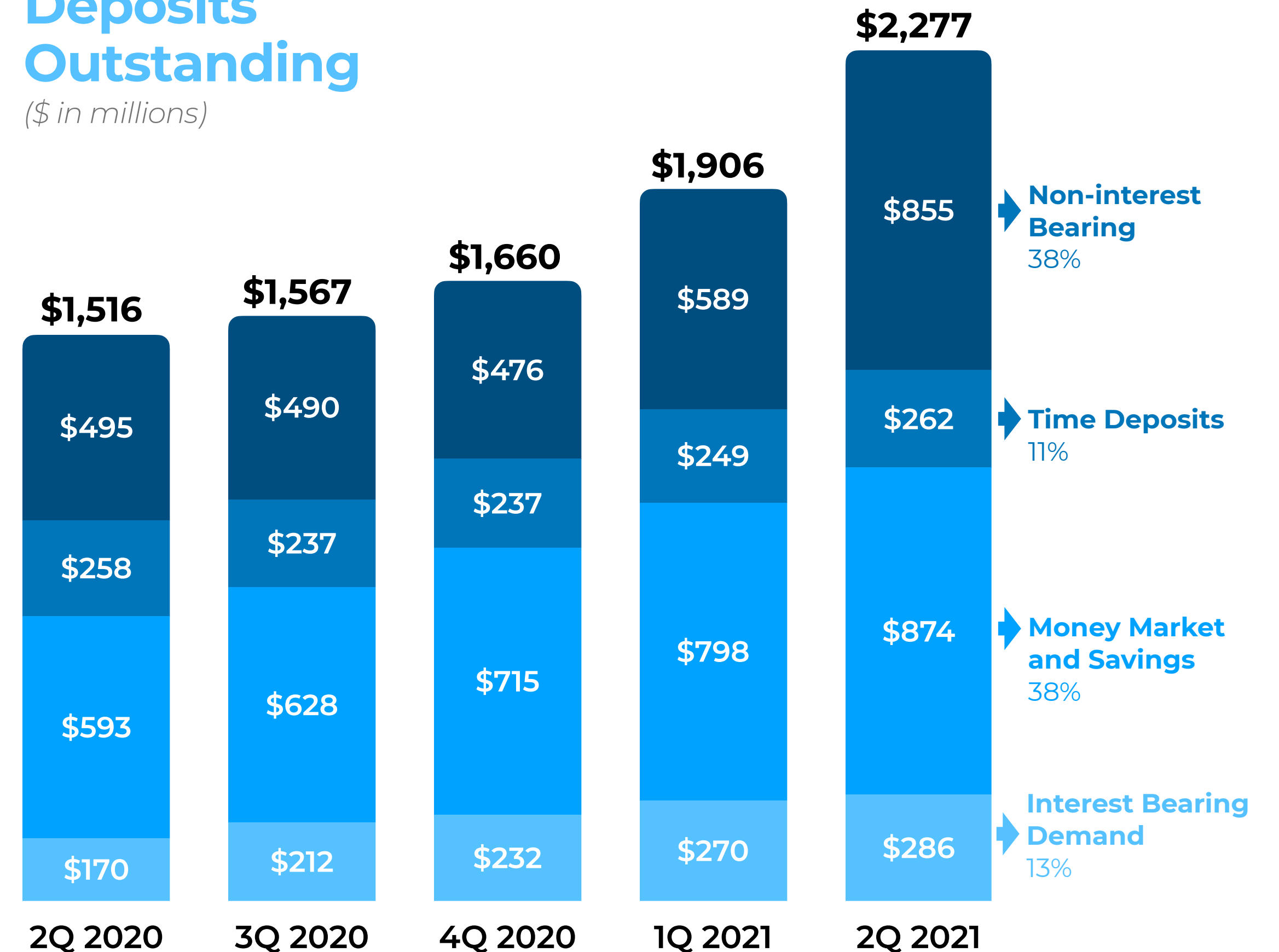


Overall cost for deposits decreased **6 basis points** from **0.31%** in the prior quarter to **0.25%** in the second quarter of 2021.



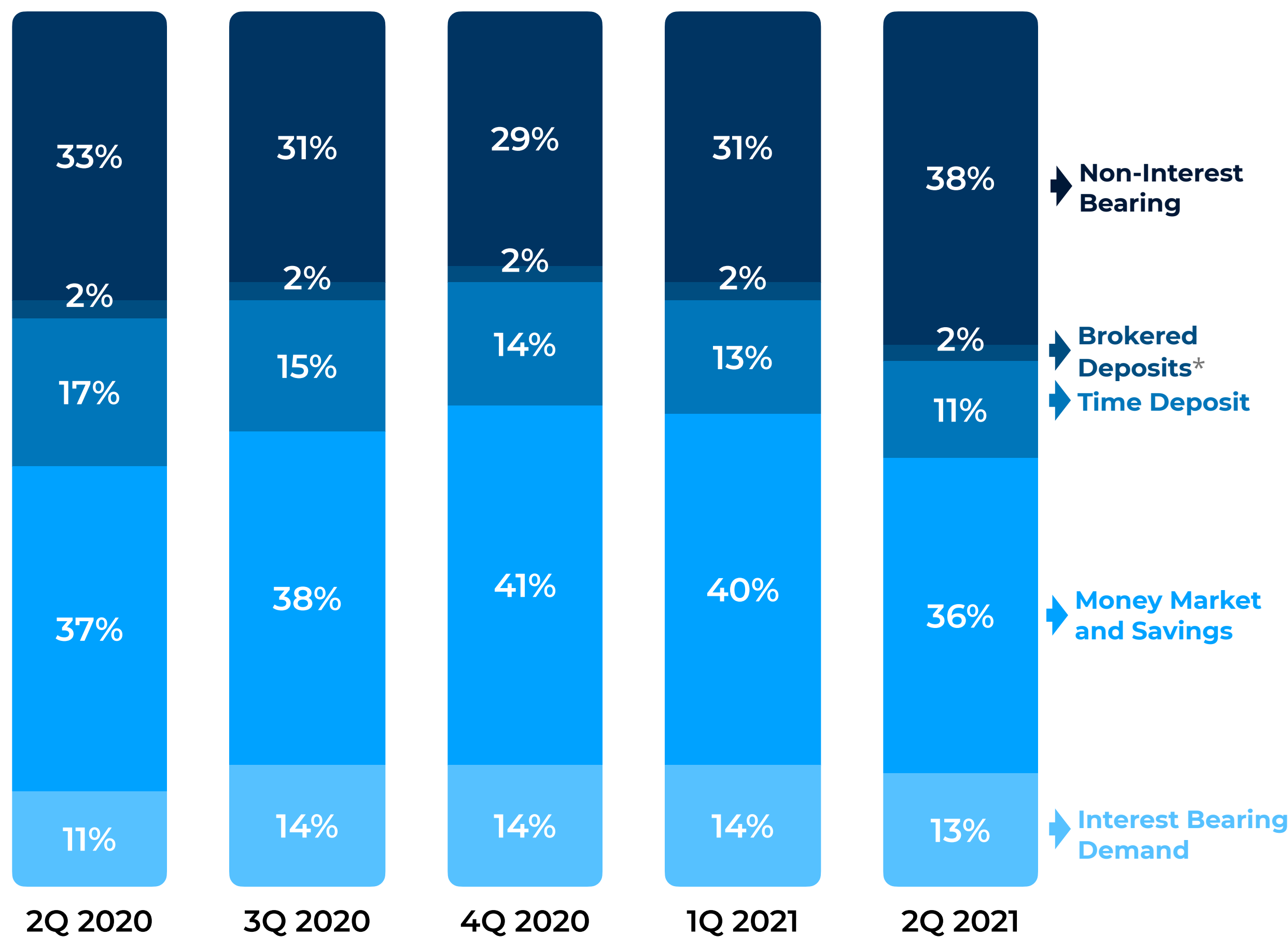
Transaction accounts increased **75.4%** from Q2 2020 to Q2 2021, reflecting continued growth in core customer balances, and represents **52%** of overall deposit funding.

Deposits Outstanding (\$ in millions)



DEPOSIT BALANCES AND COST

Deposit Composition Over Time



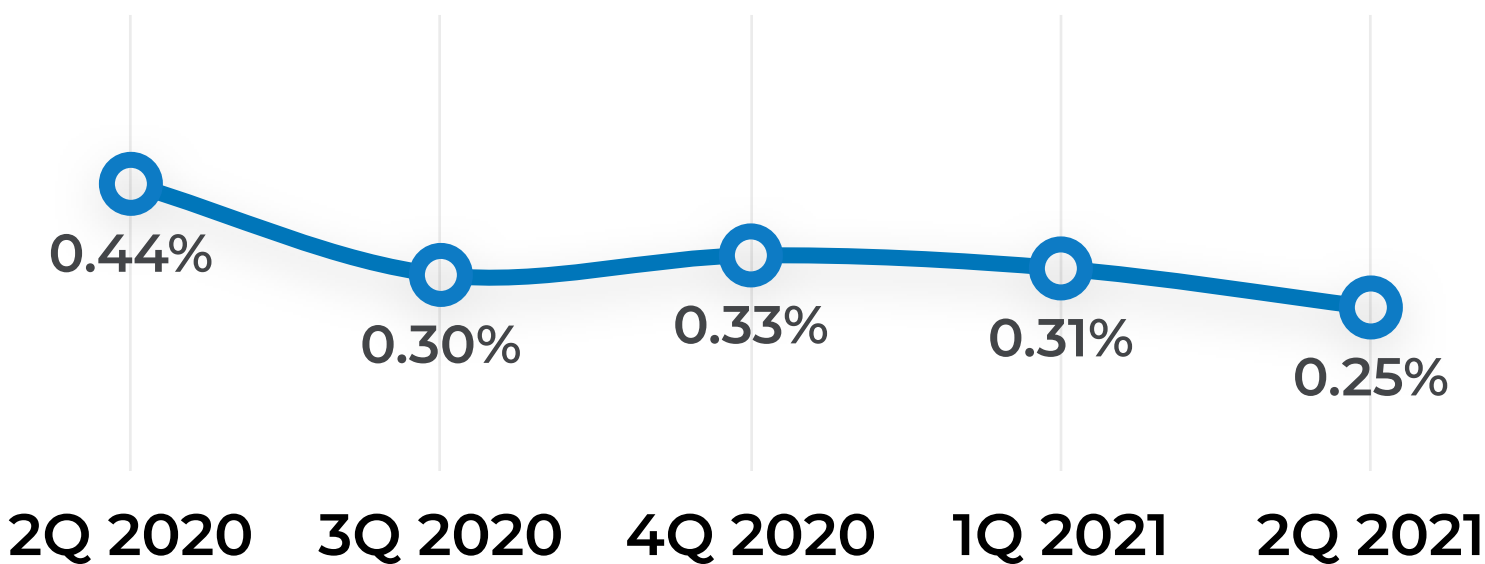
As of the period end date for each quarter indicated

* Brokered deposits include both time and money market accounts.



Our bank's funding strategy focuses on building **strong core relationships** with our clients and providing them with a robust technological platform to support a well-diversified deposit portfolio.

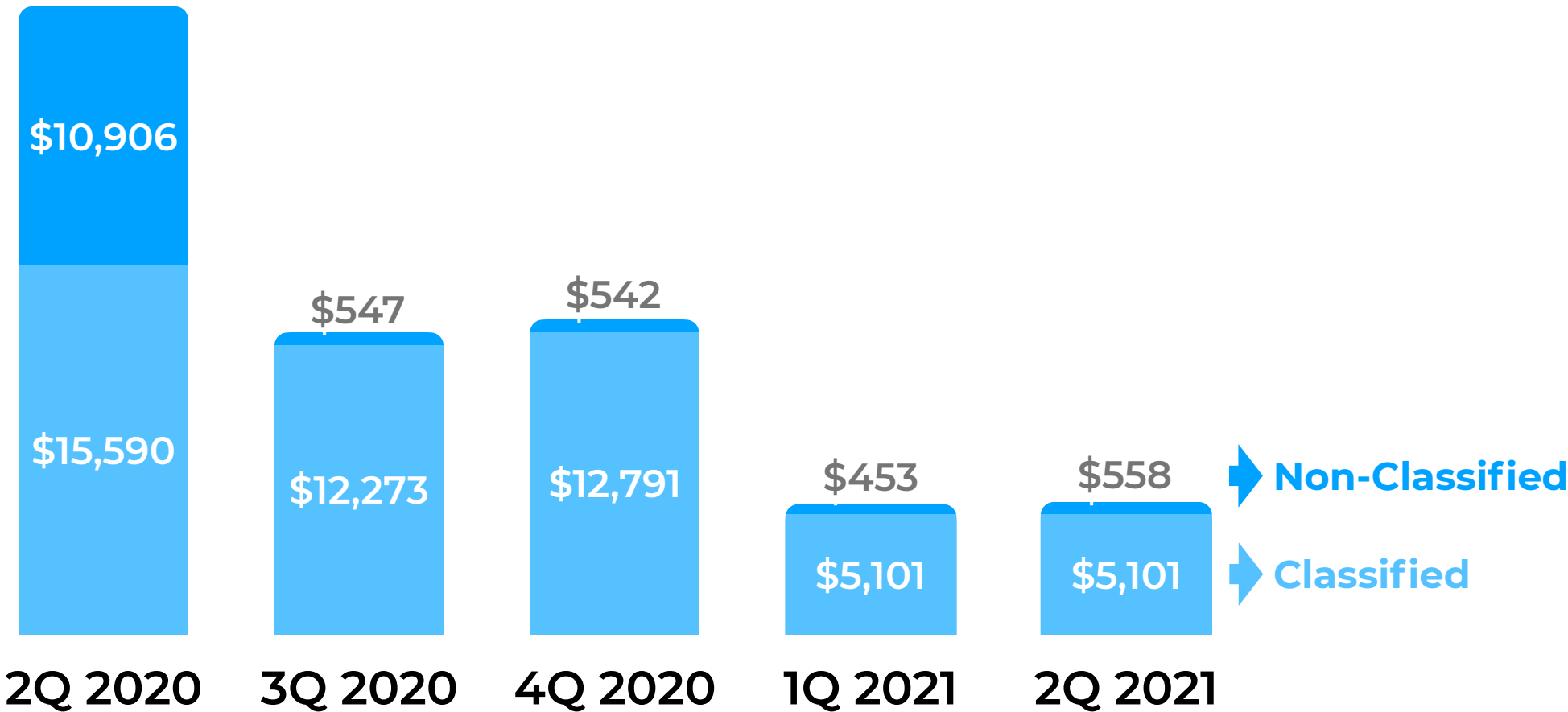
Cost of Deposits



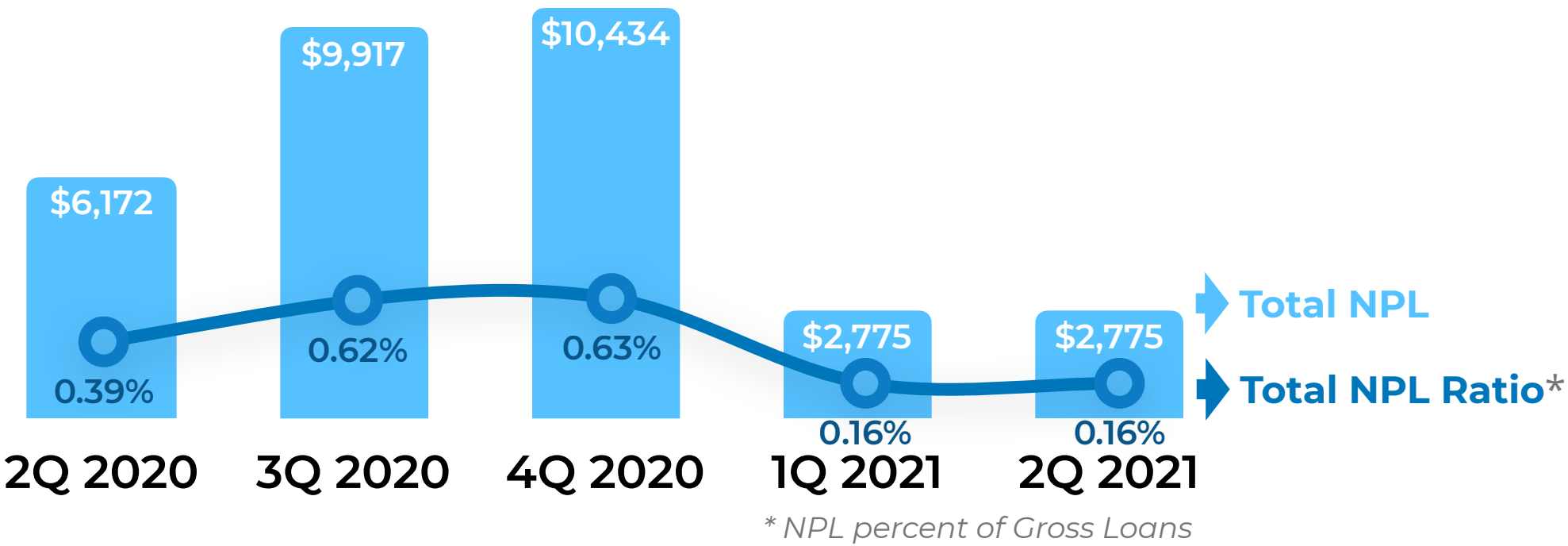
ROBUST ASSET QUALITY

(\$ in thousands)

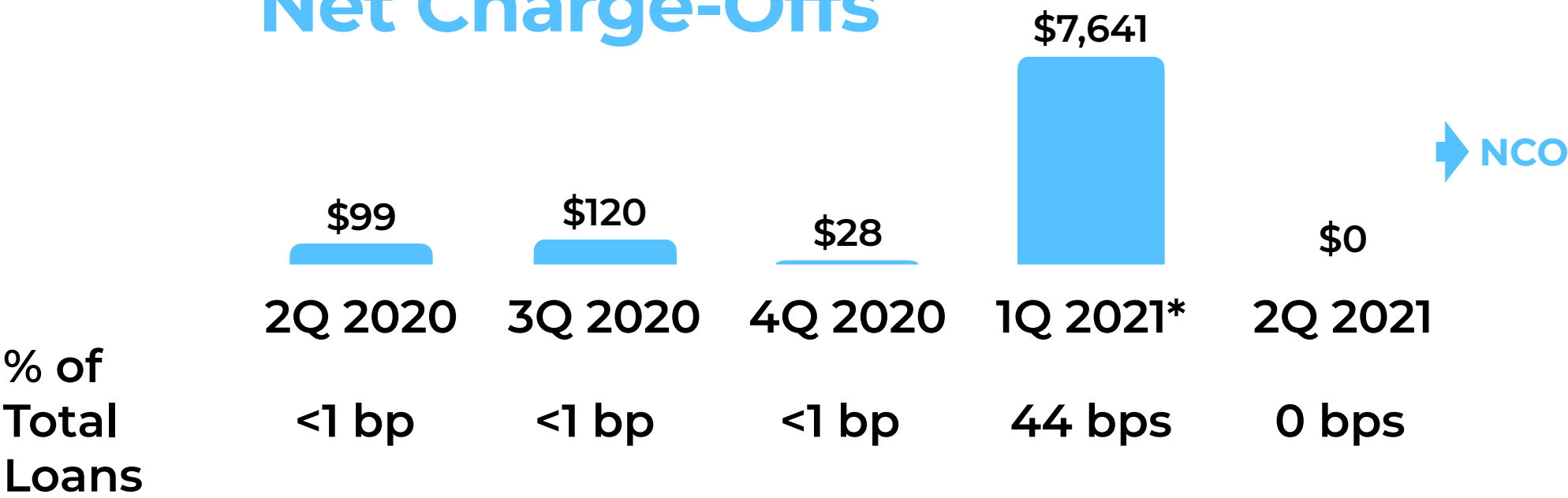
Criticized Assets



Nonperforming Loans



Net Charge-Offs

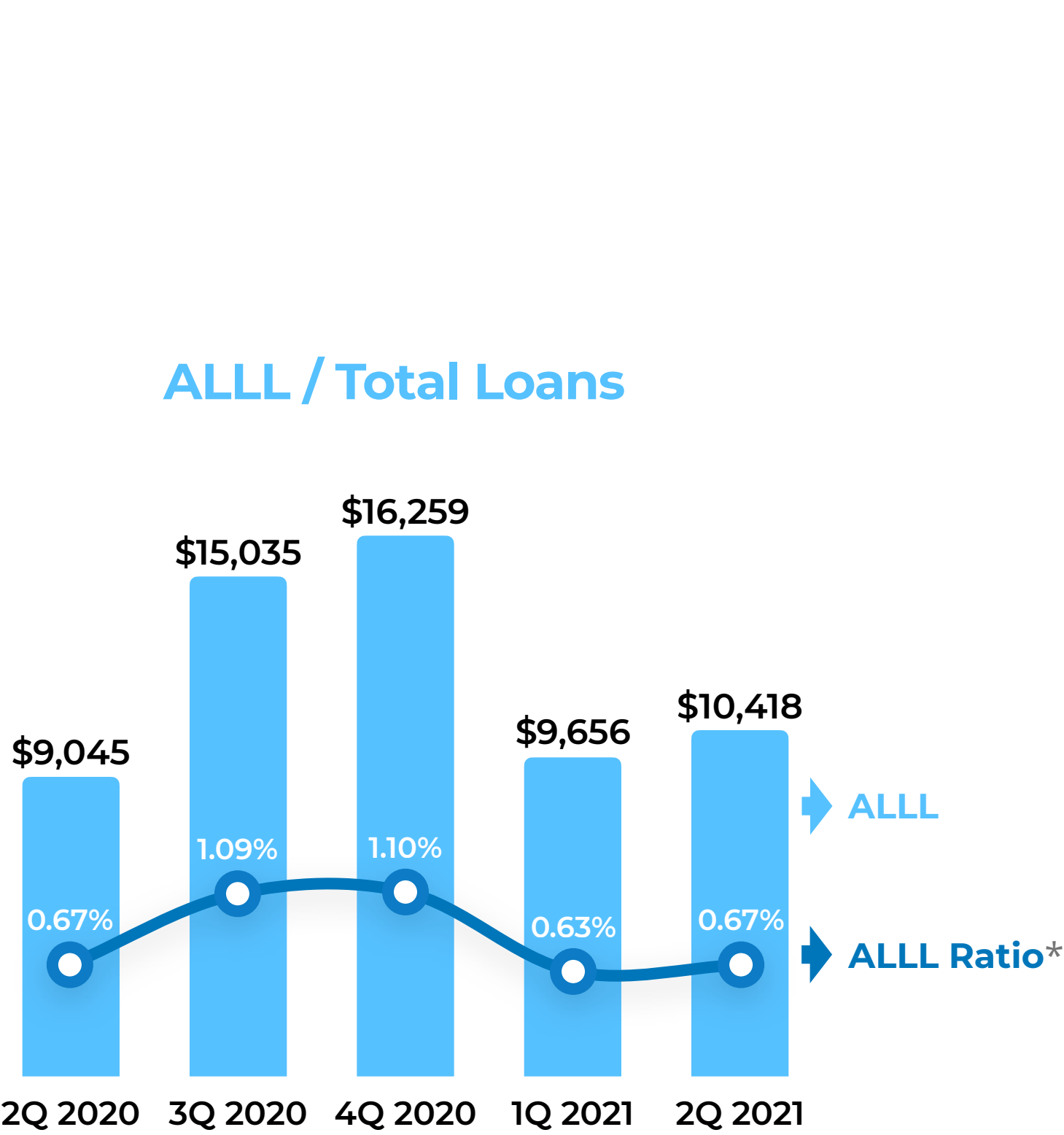


* The charge off of \$7.6 million in 1Q 2021 is related to the Coex Coffee loan and is the amount previously impaired and specifically reserved in the third quarter of 2020.

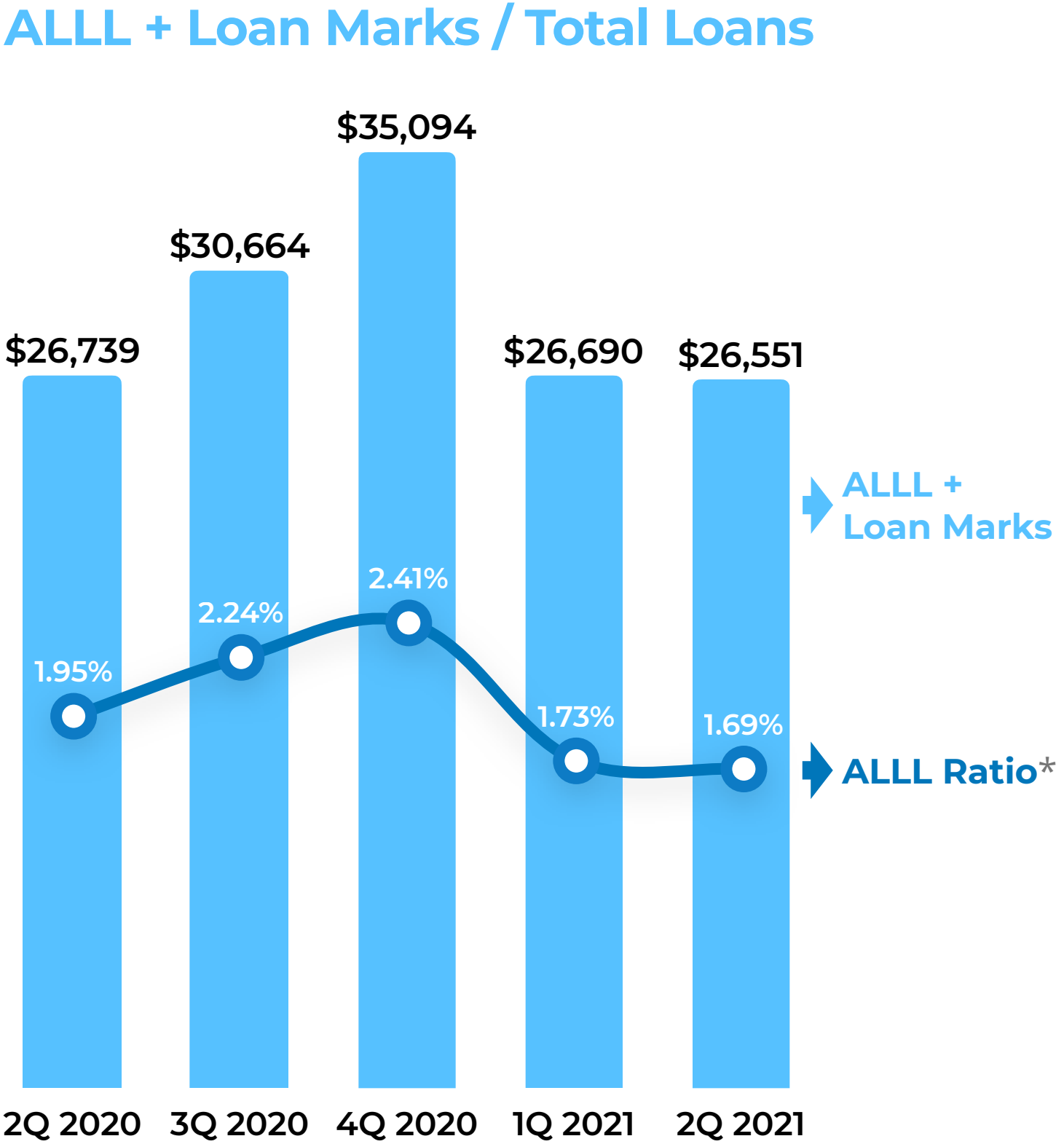
i Credit quality remains strong with minimal criticized assets and nonperforming loans, coupled with zero charge-offs for Q2 2021.

ALLOWANCE FOR LOAN AND LEASE LOSS

(\$ in thousands)



* Does not include PPP Loans

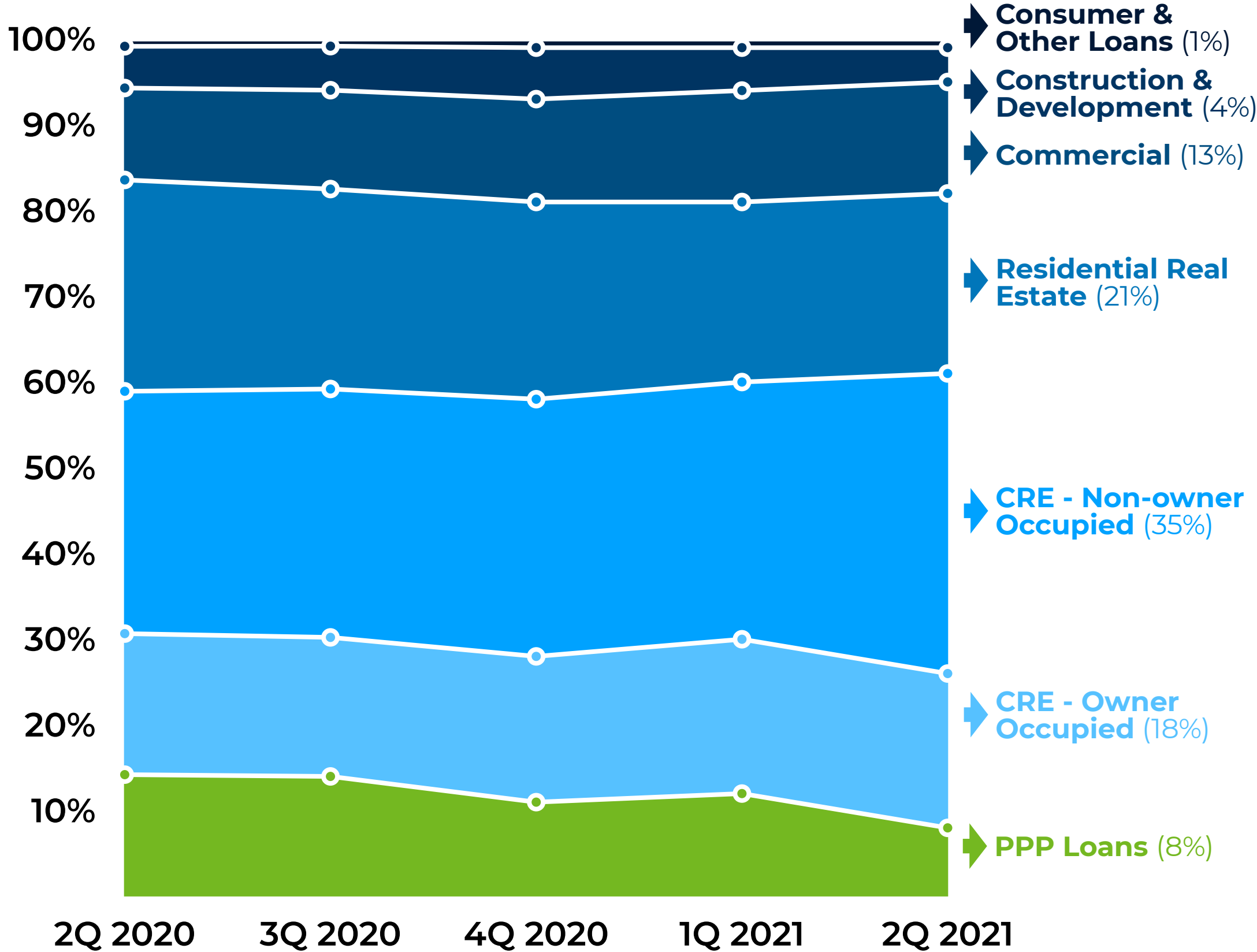


* Does not include PPP Loans

Marquis Bank Loans are included

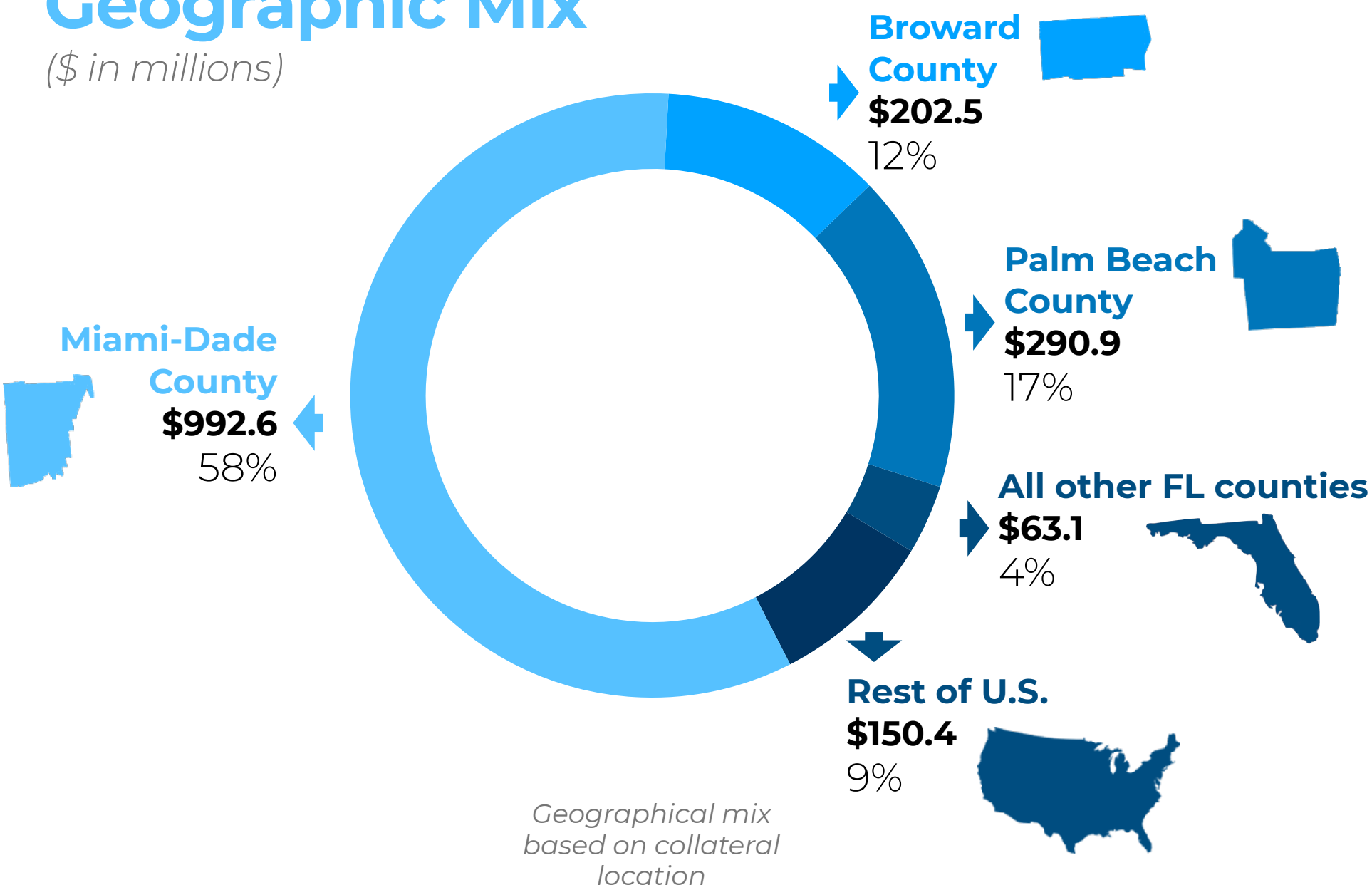
LOAN PORTFOLIO HIGHLIGHTS

Loan Composition



Geographic Mix

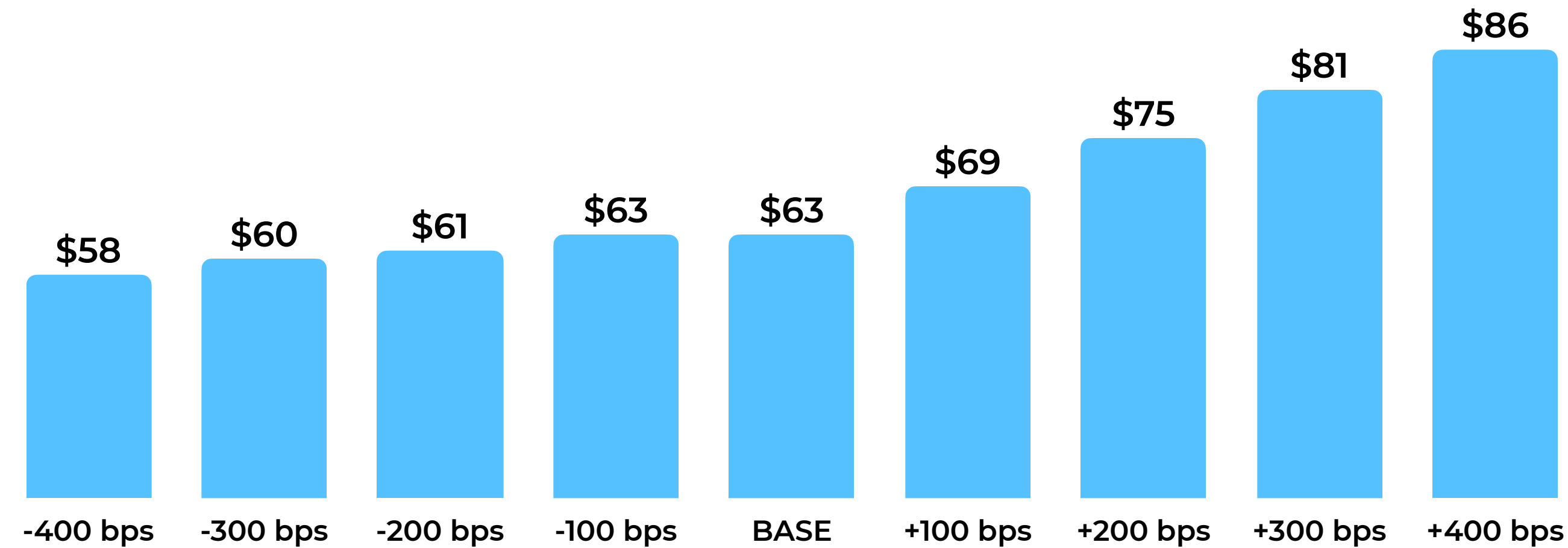
(\$ in millions)



INTEREST RATE SENSITIVITY

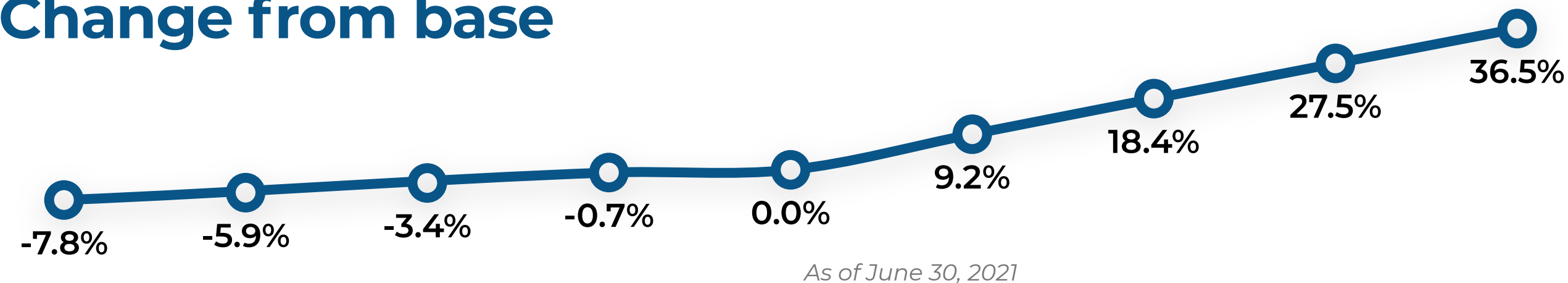
Impact on NII from Interest Rate Change

(\$ in millions)



The Company remains **asset sensitive** driven by large cash balances, floating rate loans, and loans maturing in less than a year.

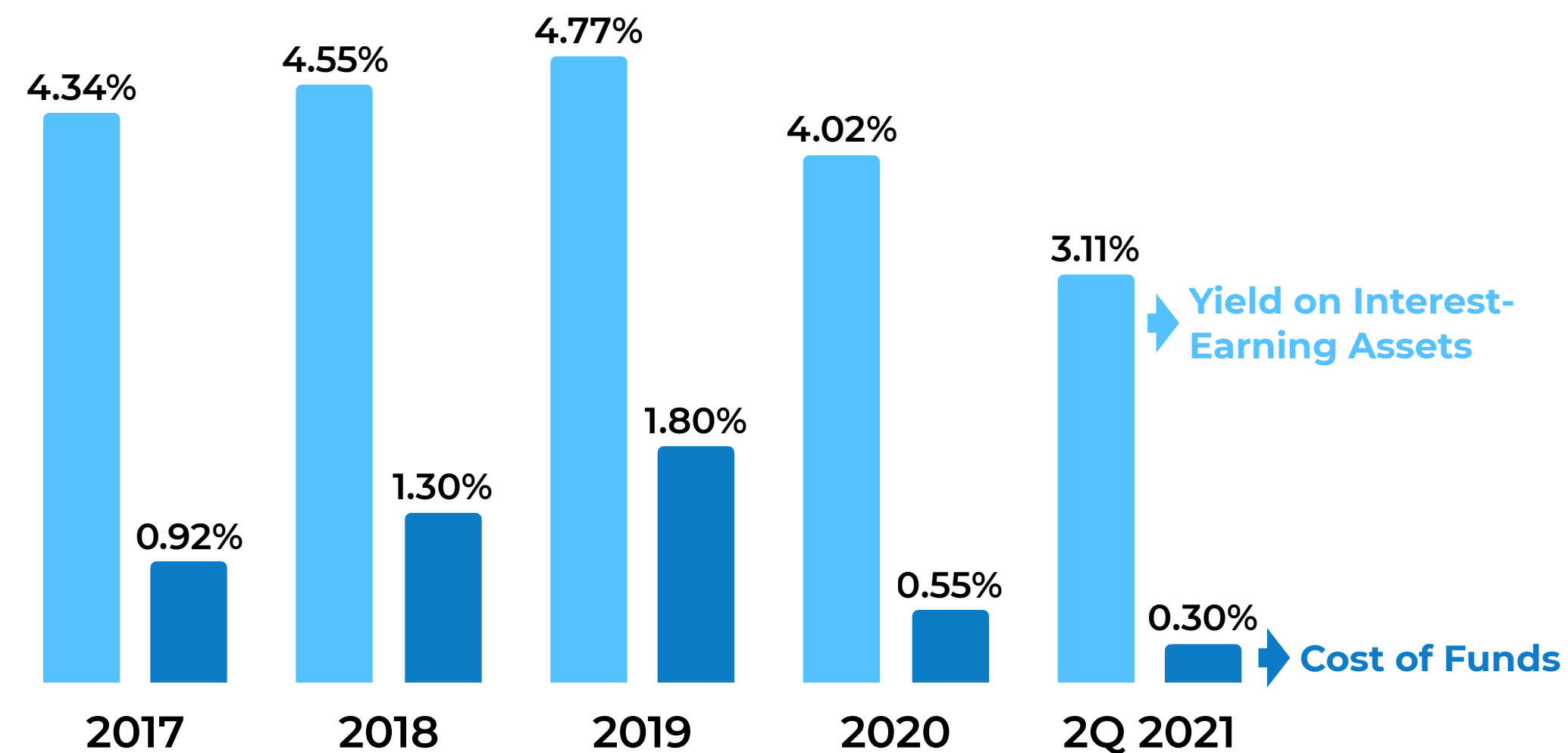
Change from base



As of June 30, 2021

ASSET LIABILITY MANAGEMENT TRENDS

Yield/Cost Analysis



Change in Interest Rates (Basis Points)	% Change in Net Interest Income (12 months)	% Change in Net Interest Income (24 months)	% Change in Economic Value of Equity
+400 bps	36.5%	44.4%	4.2%
+300 bps	27.5%	33.5%	4.0%
+200 bps	18.4%	22.4%	3.2%
+100 bps	9.2%	11.4%	1.8%
Flat	--	--	--
-100 bps	-0.7%	-5.4%	-1.6%
-200 bps	-3.4%	-9.1%	-0.3%
-300 bps	-5.9%	-12.6%	-0.4%
-400 bps	-7.8%	-15.3%	-0.4%



78% of time deposits **mature** within a year. Total time deposits are **\$261.7 million** (11% of total deposits).



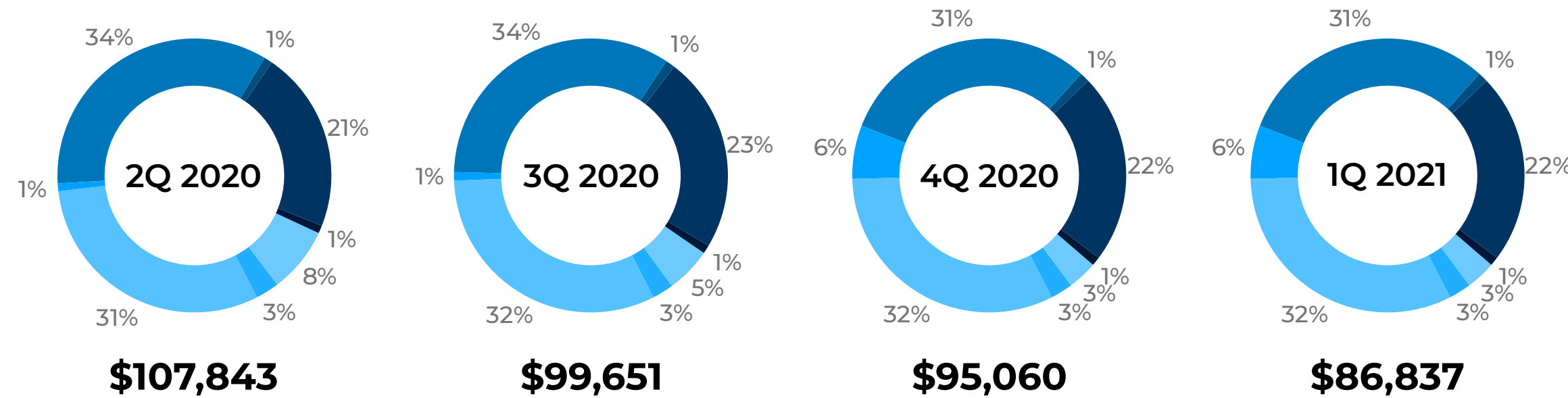
- 10.9% of loans are **floating rate** (\$186 million)
- An additional 15.3% of loans are **floating to the Bank** via interest rate SWAP (\$260 million).
- The remaining loans are currently **fixed rate** (\$1.3 billion) which in some cases adjust and reprice periodically.

INVESTMENT PORTFOLIO

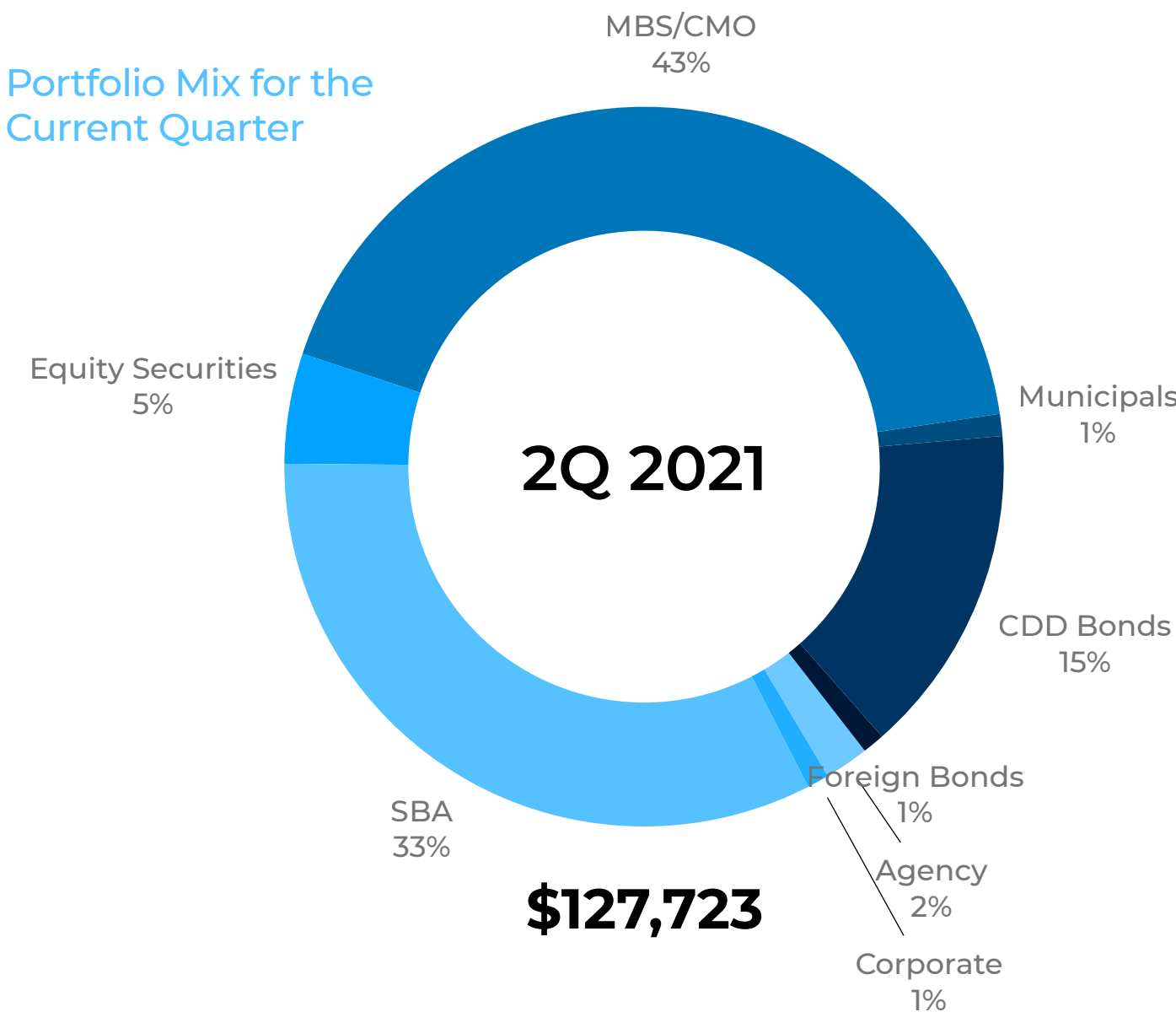
Portfolio Mix

(\$ in thousands)

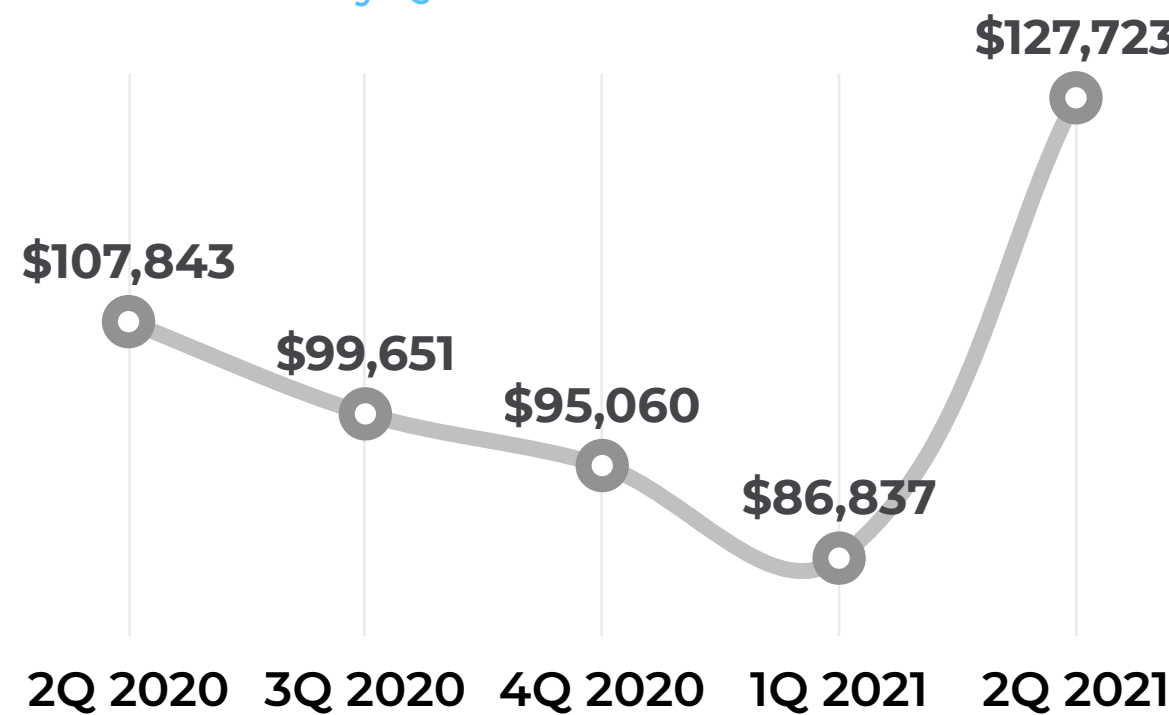
Portfolio Mix for Previous Quarters



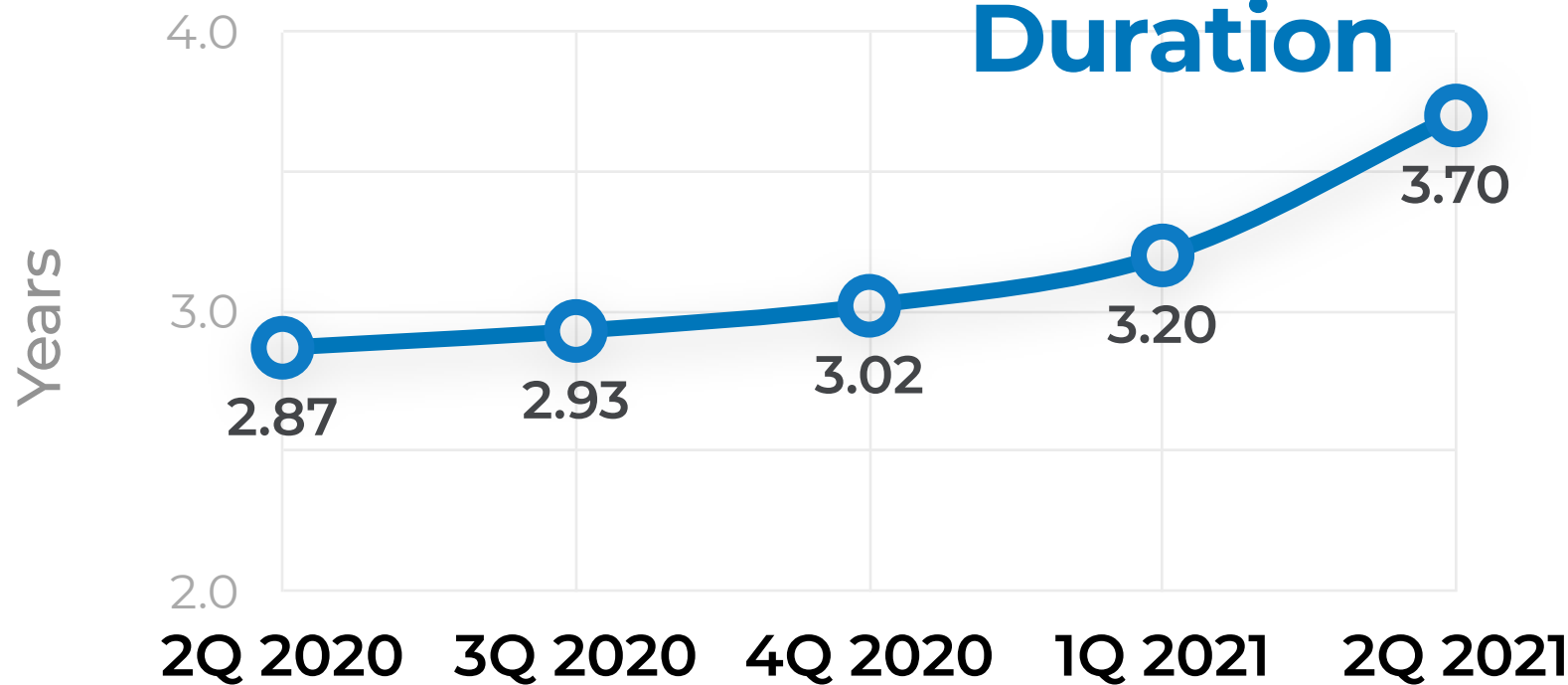
Portfolio Mix for the Current Quarter



Total Portfolio by Quarter



Duration



The increase in duration during Q2 was primarily due to the purchase of several MBS and SBA investment securities with slightly higher durations (all under 5 years).

Book Yield



PAYCHECK PROTECTION PROGRAM

AS OF JUNE 30, 2021



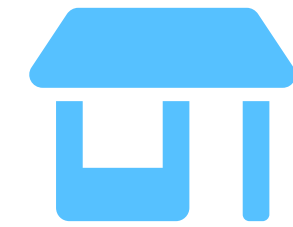
782 Loan

applications for Round 3 closed (totaling **\$114.3 million** with an average loan size of **\$146,110**) in the second quarter. **949** overall applications were submitted (totaling **\$132.6 million**) to Professional Bank for Round 3 funding.



\$340,508,987

in small business loans given through all rounds of the Paycheck Protection Program



2,287

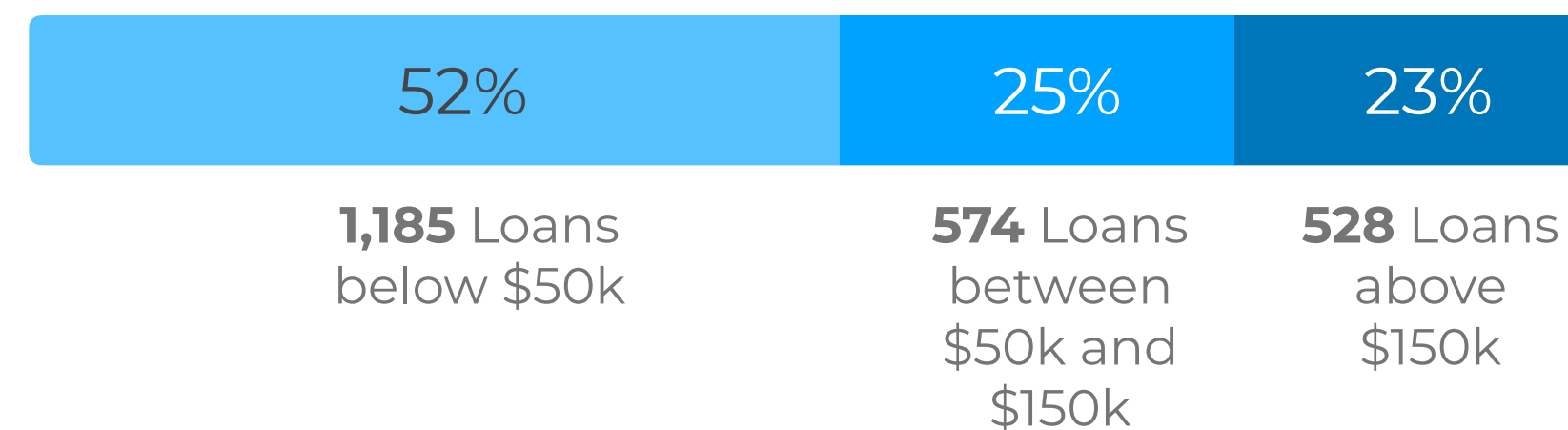
small business loans completed

90.5% of our PPP loans are under

\$350,000



Median	\$46,280	Smallest Loan	\$900
Mean (Average)	\$148,762	Largest Loan	\$10,000,000



1,362 Loans from Rounds 1, 2 & 3 **forgiven** (a total of **\$196.9 million**)

SPOTLIGHT: GROWTH LOCATIONS

Miami

MSA includes Broward and Palm Beach counties

6,166,000

Population

Largest MSA in Florida, 7th largest in the US

\$59,100

Average Household Income (City of Miami only)

20th highest in Florida

\$276,774,000,000

Total Deposits

Largest deposit base in Florida, 13th largest in the US

Tampa

MSA includes Pinellas and Hillsborough counties

3,195,000

Population

2nd largest MSA in Florida, 18th largest in the US

\$69,200

Average Household Income

10th highest in Florida

\$101,248,000,000

Total Deposits

2nd largest deposit base in Florida, 27th largest in the US

Jacksonville

MSA includes surrounding areas

1,560,000

Population

4th largest MSA in Florida, 40th largest in the US

\$74,800

Average Household Income

5th highest in Florida

\$94,188,000,000

Total Deposits

3rd largest deposit base in Florida, 31st largest in the US

Sources:

Population - [census.gov](https://www.census.gov) as of 7/2019

Avg HH Income - [ffeic.gov](https://www.ffeic.gov) as of 2020

Deposits - [fdic.gov](https://www.fdic.gov) as of 6/2020



APPENDIX: **NON-GAAP RECONCILIATION**

(\$ in thousands, except per share data)

	2Q 2020	3Q 2020	4Q 2020	1Q 2021	2Q 2021
Net interest income (GAAP)	\$16,291	\$17,460	\$18,241	\$17,879	\$17,202
Total non-interest income (GAAP)	\$968	\$963	\$1,519	\$1,119	\$2,302
Total non-interest expense (GAAP)	\$11,548	\$11,713	\$11,086	\$11,788	\$10,954
Pre-tax pre-provision earnings (non-GAAP)	\$5,711	\$6,710	\$8,674	\$7,210	\$8,550
Total adjustments to non-interest Expense	(\$560)	(\$1,078)	(\$27)	(\$684)	-
Adjusted pre-tax pre-provision earnings (non-GAAP)	\$6,271	\$7,788	\$8,701	\$7,894	\$8,550
Return on average annualized assets (GAAP)	0.65%	0.18%	1.08%	0.90%	0.99%
Adjusted return on average assets (non-GAAP)					
Annualized pre-tax pre-provision ROAA (non-GAAP)	1.19%	1.30%	1.69%	1.36%	1.33%
Adjusted annualized pre-tax pre-provision ROAA (non-GAAP)	1.30%	1.51%	1.69%	1.49%	1.33%