Enterprise Financial Services Corp

Second Quarter 2022 Investor Presentation

ENTERPRISE
Financial Services Corp

Forward-Looking Statements

Some of the information in this report may contain “forward-looking statements” within the meaning of and intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include projections based on management’s current expectations and beliefs concerning future developments and their potential effects on the Company including, without limitation, plans, strategies and goals, and statements about the Company’s expectations regarding revenue and asset growth, financial performance and profitability, loan and deposit growth, yields and returns, loan diversification and credit management, shareholder value creation and the impact of the Company's integration of First Choice Bancorp ("First Choice") and other acquisitions.

Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “pro forma” and other similar words and expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made. Because forward-looking statements are subject to assumptions and uncertainties, actual results or future events could differ, possibly materially, from those anticipated in the forward-looking statements and future results could differ materially from historical performance. They are neither statements of historical fact nor guarantees or assurances of future performance. While there is no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those in the forward-looking statements include the following, without limitation: the Company’s ability to efficiently integrate acquisitions, including the First Choice acquisition, into its operations, retain the customers of these businesses and grow the acquired operations, as well as credit risk, changes in the appraised valuation of real estate securing impaired loans, outcomes of litigation and other contingencies, exposure to general and local economic and market conditions, high unemployment rates, higher inflation and its impacts, U.S. fiscal debt, budget and tax matters, and any slowdown in global economic growth, risks associated with rapid increases or decreases in prevailing interest rates, consolidation in the banking industry, competition from banks and other financial institutions, the Company’s ability to attract and retain relationship officers and other key personnel, burdens imposed by federal and state regulation, changes in legislative or regulatory requirements, as well as current, pending or future legislation or regulation that could have a negative effect on our revenue and businesses, including rules and regulations relating to bank products and financial services, changes in accounting policies and practices or accounting standards, changes in the method of determining LIBOR and the phase out of LIBOR, natural disasters, terrorist activities, war and geopolitical matters (including the war in Ukraine and the imposition of additional sanctions and export controls in connection therewith), or pandemics, including the COVID-19 pandemic, and their effects on economic and business environments in which we operate, including the ongoing disruption to the financial market and other economic activity caused by the continuing COVID-19 pandemic, and those factors and risks referenced from time to time in the Company’s filings with the Securities and Exchange Commission (the “SEC”), including in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2021, and the Company’s other filings with the SEC. The Company cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Company’s results.

For any forward-looking statements made in this press release or in any documents, EFSC claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Annualized, pro forma, projected and estimated numbers in this document are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Readers are cautioned not to place undue reliance on any forward-looking statements. Except to the extent required by applicable law or regulation, EFSC disclaims any obligation to revise or publicly release any revision or update to any of the forward-looking statements included herein to reflect events or circumstances that occur after the date on which such statements were made.

Enterprise Financial Services Corp

Guiding People to a Lifetime of Financial Success

Vision

To be a company where our associates are proud to work, that delivers ease of navigation to our customers and value to our investors, while helping our communities flourish.

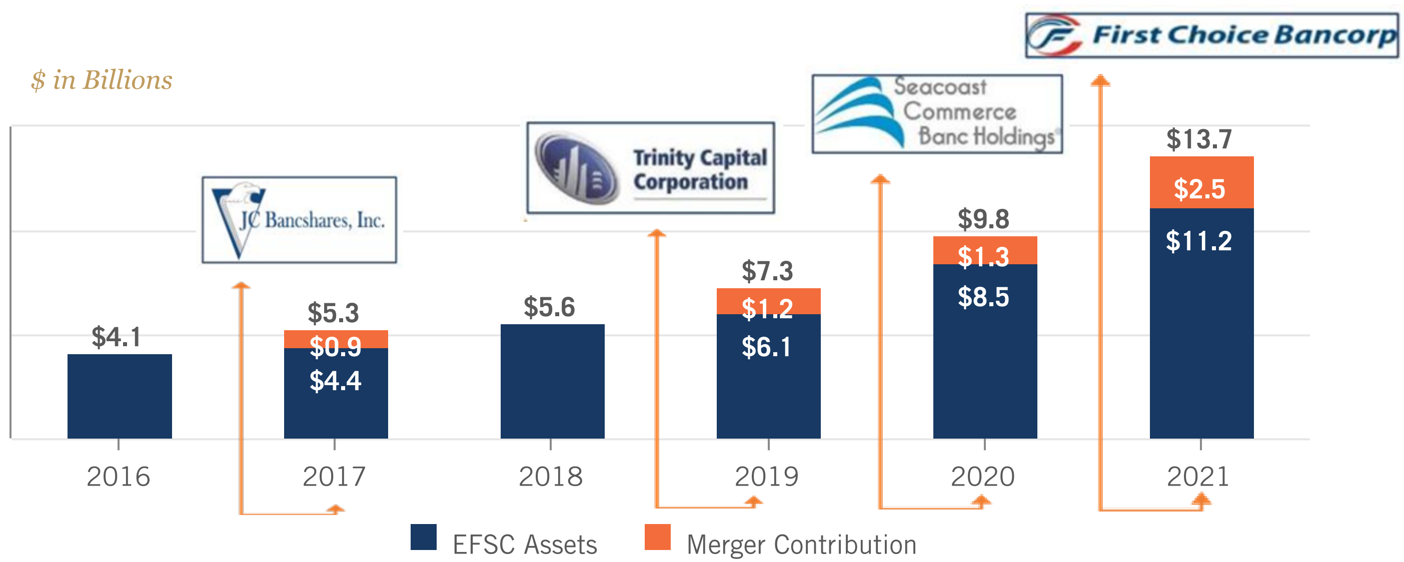
Target Market

Privately held businesses, business owners and professionals in vibrant and high growth markets of Arizona, California, Kansas, Missouri, Nevada and New Mexico.

Company Highlights

- EFSC incorporated in 1996
- Enterprise Bank & Trust chartered as a Missouri trust company
- 1,000+ associates
- Nasdaq listed:
  - Common stock trading symbol EFSC
  - Depositary shares trading symbol EFSCP

Growth History



Key Metrics

		Enterprise Financial Services Corp		Peer Banks $10-50B	
				Median	Top Quartile
		2Q22 YTD	FY2021		
Profitability	Return on average tangible common equity[1]	17.46 %	18.29 %	15.48 %	16.96 %
	Net interest margin	3.41 %	3.41 %	2.98 %	3.18 %
	Efficiency ratio[1]	52.62 %	51.61 %	56.30 %	49.52 %
Balance Sheet	Tangible common equity/tangible assets[1]	7.83 %	8.31 %	8.64 %	9.64 %
	Loan/deposit ratio	83.56 %	79.49 %	70.79 %	80.93 %
Credit	Nonperforming assets/assets	0.16 %	0.23 %	0.30 %	0.18 %
	Allowance for credit losses/loans*	1.69 %	1.84 %	1.17 %	1.36 %
			FY2020		
Profitability	Return on average tangible common equity[1]		12.74 %	11.57 %	13.44 %
	Net interest margin		3.56 %	3.27 %	3.54 %
	Efficiency ratio[1]		50.96 %	55.70 %	49.61 %
Balance Sheet	Tangible common equity/tangible assets[1]		9.07 %	8.84 %	9.57 %
	Loan/deposit ratio		90.48 %	80.64 %	87.31 %
Credit	Nonperforming assets/assets		0.45 %	0.47 %	0.29 %
	Allowance for credit losses/loans*		2.31 %	1.42 %	1.58 %
			FY2019		
Profitability	Return on average tangible common equity[1]		18.51 %	14.64 %	15.81 %
	Net interest margin		3.80 %	3.69 %	4.04 %
	Efficiency ratio[1]		52.36 %	55.34 %	50.72 %
Balance Sheet	Tangible common equity/tangible assets[1]		8.89 %	9.30 %	10.25 %
	Loan/deposit ratio		92.09 %	91.66 %	95.92 %
Credit	Nonperforming assets/assets		0.45 %	0.46 %	0.33 %
	Allowance for credit losses/loans		0.81 %	0.76 %	0.91 %

[1] *Non-GAAP Measure, Refer to Appendix for Reconciliation.*

**Excludes guaranteed loans.*

Executive Leadership Team

JAMES B. LALLY
54, President & Chief Executive Officer, EFSC
Enterprise Tenure – 18 years

KEENE S. TURNER
42, EVP, Chief Financial Officer, EFSC
Enterprise Tenure – 8 years

SCOTT R. GOODMAN
58, President, Enterprise Bank & Trust
Enterprise Tenure – 19 years

DOUGLAS N. BAUCHE
52, EVP, Chief Credit Officer, Enterprise Bank & Trust
Enterprise Tenure – 22 years

MARK G. PONDER
52, EVP, Chief Administrative Officer, Enterprise Bank & Trust
Enterprise Tenure – 10 years

NICOLE M. IANNACONE
42, EVP, Chief Risk Officer & General Counsel, Enterprise Bank & Trust
Enterprise Tenure – 8 years

Company Snapshot - EFSC

Total Assets
$13.1 Billion

Market Cap
$1.5 Billion

Operates in

The Company has SBA loan and deposit production offices across the country.

Talent

Strength

Passion

- Proven Ability to Grow Commercial & Industrial "C&I" Loans
- Product Breadth
  - Commercial and Specialty Lending
  - SBA
  - Specialty Deposits
  - Card Services
  - Treasury Management
- Relationship Sales Model Focused on Privately-Owned Businesses
- Diversified Deposit Base
- Strong Balance Sheet with Attractive Risk Profile

Differentiated Business Model: Provides Multiple Channels to Drive Growth and Earnings

Community Banking

- Business banking model
- C&I focus
- Treasury management services
- CRE lending
- Consumer loans/ deposits offerings
- 41 branch locations
- 55 ATMs and ITMs

Lending Specialties

- National SBA lending
- Sponsor Finance
- Tax credit
- Life insurance premium finance

Deposit Specialties

- Community associations
- Property management
- Third party escrow
- Trust services
- Relationships from lending specialties

Geographic Footprint

- St. Louis
- California
  - Los Angeles
  - San Diego
- New Mexico
  - Los Alamos
  - Santa Fe
  - Albuquerque
- Kansas City
- Southwest
  - Phoenix, AZ
  - Las Vegas, NV

Fee Income Sources

- Deposit service charges
- Wealth management
- Card services
- Tax credit

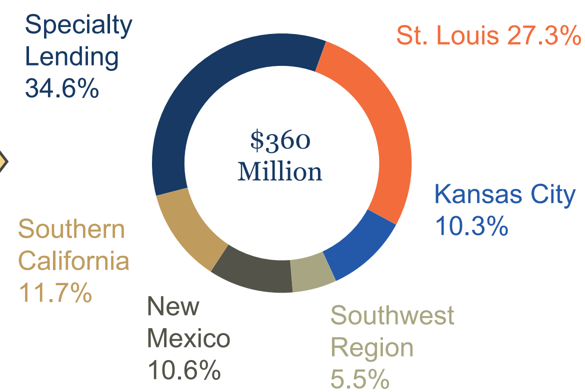
Diversified Revenue

(2021 financial data)

Well Diversified Revenue Streams

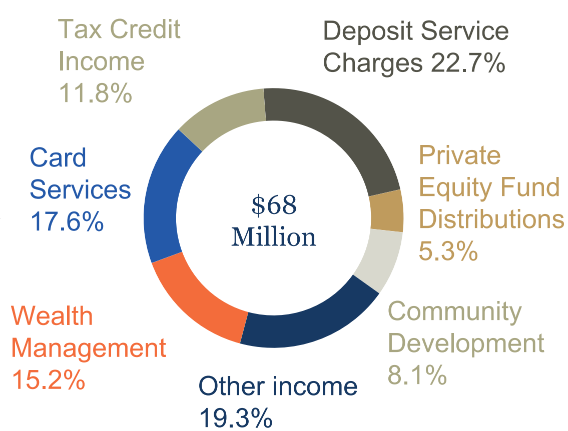
St. Louis
Kansas City
Southwest Region
New Mexico
Southern California
Specialty Lending

Net Interest Income



Treasury Management
$1.9B in Assets Under Management
Tax Credit Services
Mortgage Banking
Community Development
Other Services

Noninterest Income



Operating Revenue

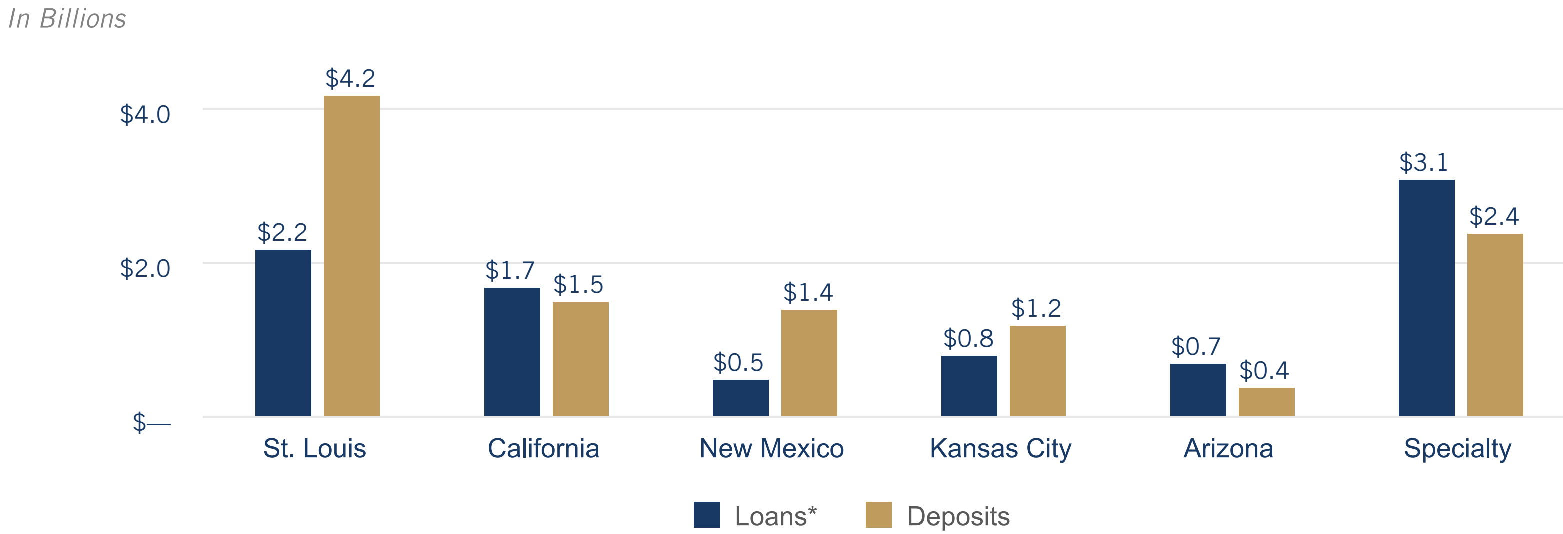
$428 Million

3.41% NIM
51.6% Core Efficiency Ratio[1]
1.8% PPNR ROAA[1]
18.3% ROATCE[1]

[1] A Non-GAAP Measure, Refer to Appendix for Reconciliation.

Regional and National Markets

2Q22

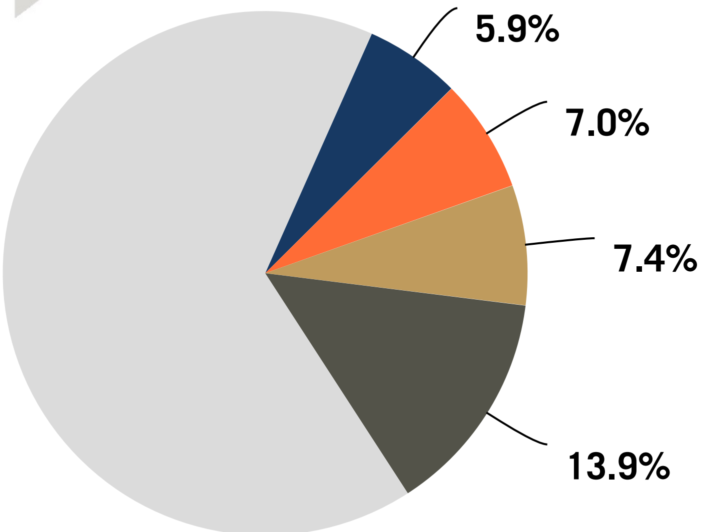


Excludes $49MM of PPP, net of deferred fees and $233MM of Other loans.

MSA	Branches	Deposit Market Rank[1]	Deposit Market Share[1]
St. Louis, MO-IL	19	5	4.3%
San Diego-Chula Vista-Carlsbad, CA	4	11	1.2%
Los Angeles-Long Beach-Anaheim, CA	7	32	0.2%
Las Vegas-Henderson-Paradise, NV	1	28	0.1%
Los Alamos, NM	2	1	77.3%
Santa Fe, NM	3	5	13.1%
Albuquerque, NM	1	16	0.3%
Kansas City, MO-KS	7	14	1.4%
Phoenix-Mesa-Chandler, AZ	2	28	0.2%

[1] *Source: 6/30/21 data for market rank and market share; S&P Global Market Intelligence.*

Focused Loan Growth Strategies



Total Loans

Specialty market segments represent 34% of total loans, offering competitive advantages, risk adjusted pricing and fee income opportunities.

Expectations for future growth includes continued focus in these specialized market segments.

Tax Credit Programs

$551 million in loans outstanding related to Federal, Historic, and Missouri Affordable Housing tax credits. $243 million in Federal & State New Market tax credits awarded to date.

Sponsor Finance

$647 million in M&A related loans outstanding, partnering with PE firms.

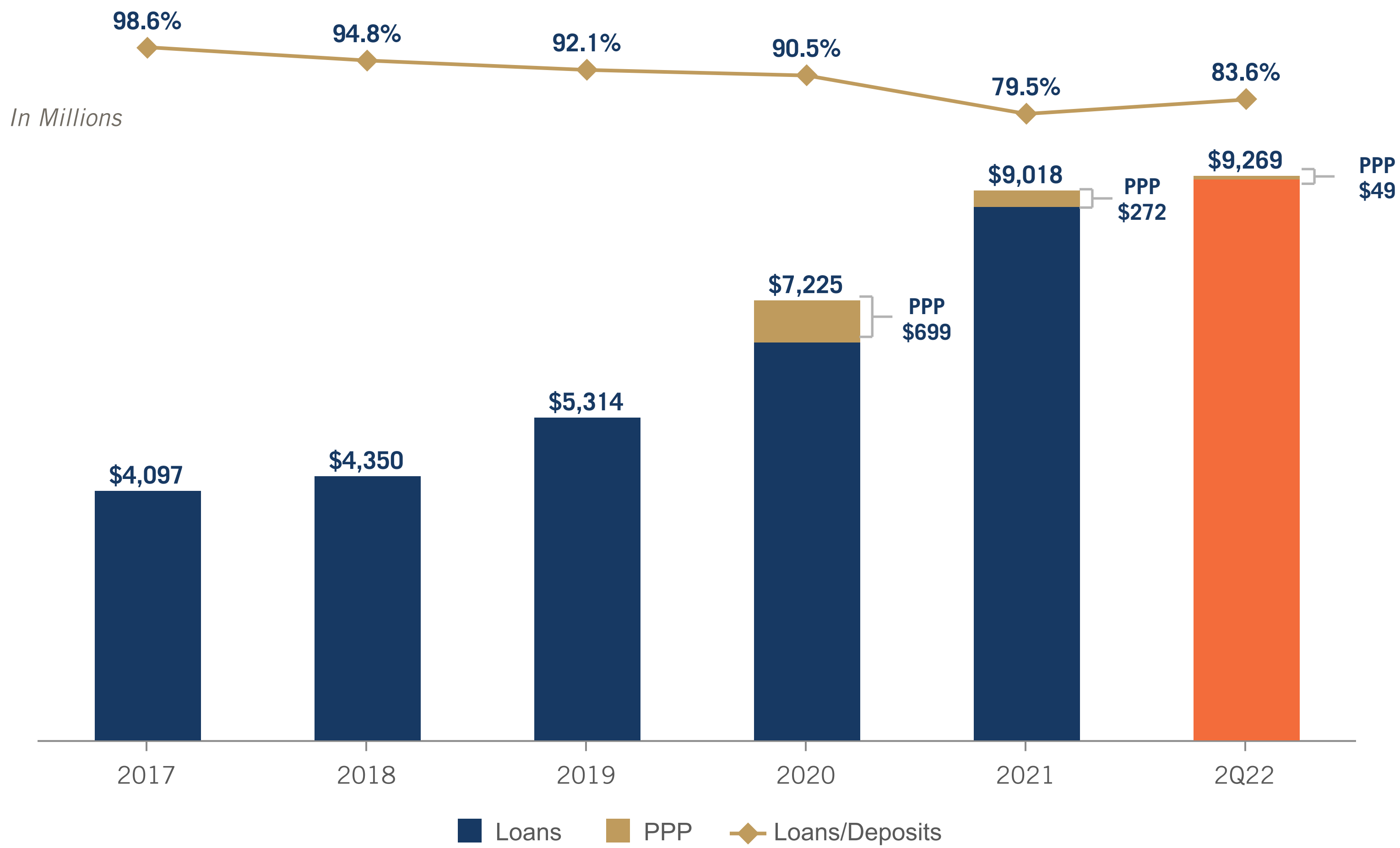
Life Insurance Premium Financing

$688 million in loans outstanding related to high net worth estate planning.

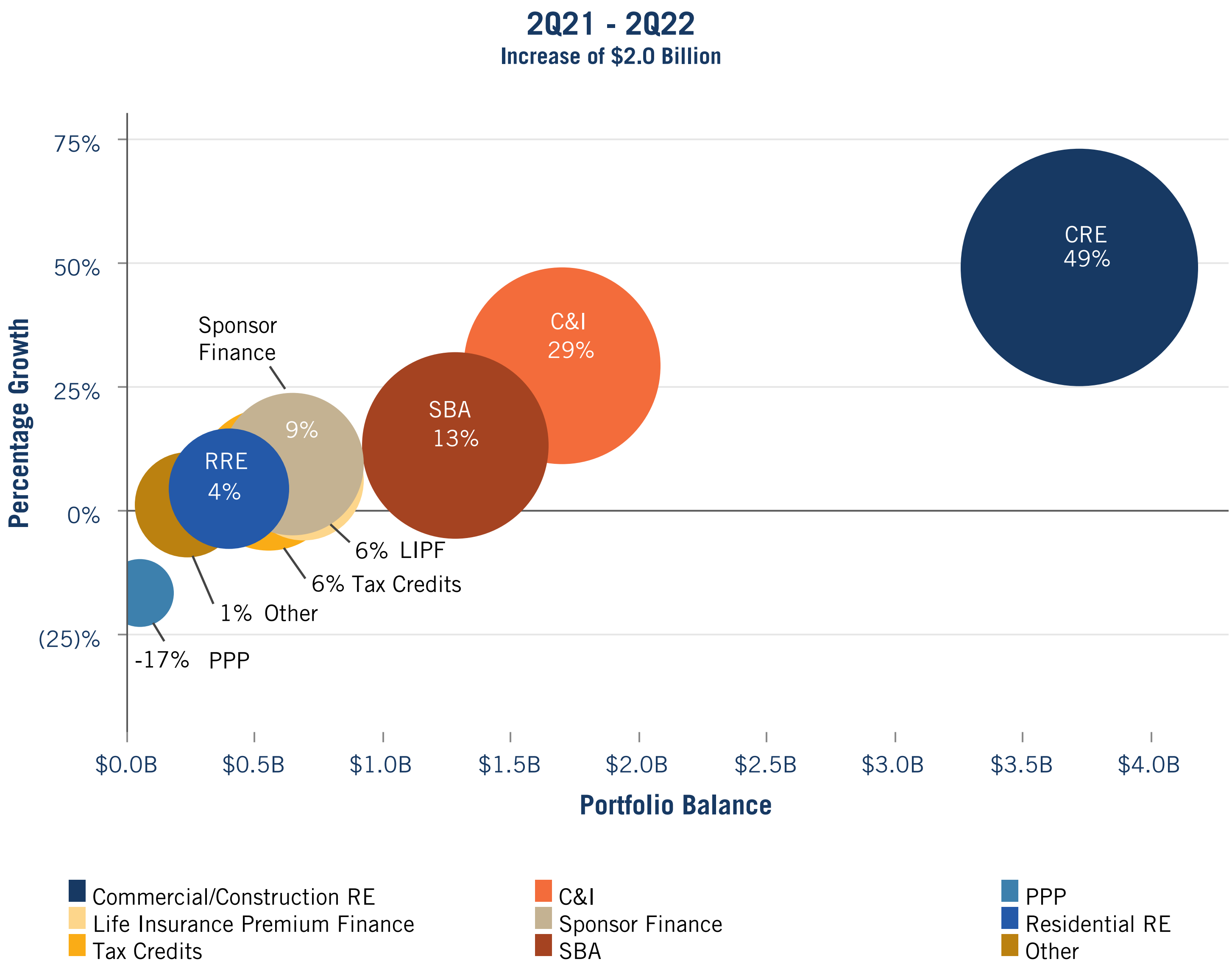
SBA Loans

$1.3 billion in loans outstanding in SBA 7(a) loans, including $898 million guaranteed.

Total Loan Trends



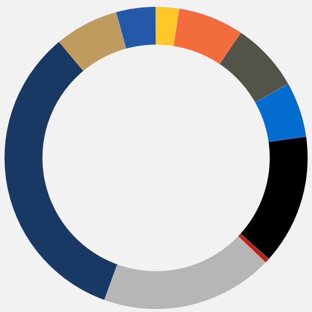
Drivers of Loan Growth - Year over Year



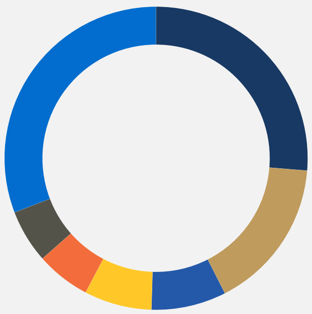
Loan Portfolio

Total $9.3 Billion

Loans by Product Type



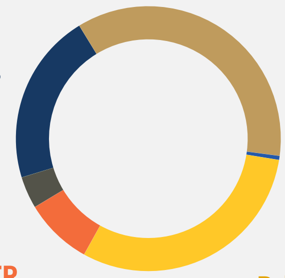
Loans by Industry Type



$ In Billions

Loan Floors by Category	Balance
Priced below floor:	
0-25bp	$0.2
25-50bp	0.2
Priced at floor	0.7
Priced above floor	2.4
Total	**$3.5**

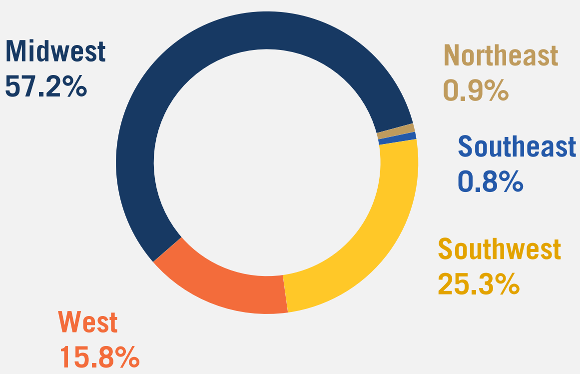
Loans by Rate Type



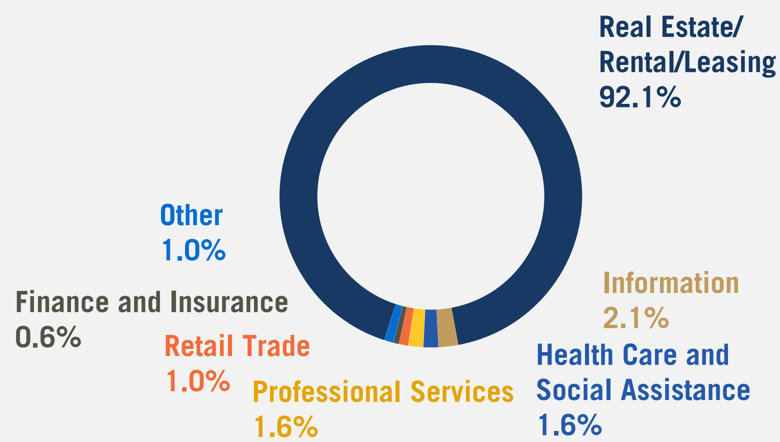
Office Commercial Real Estate

Total $443.2 Million

Office CRE Loans by Location



Office CRE Loans by Industry Type



Office CRE Loans by Size

$ In Millions

Size	Average Risk Rating	Number of Loans	Balance	Average Balance
> $10 Million	5.11	9	$ 143.4	$ 15.9
$5-10 Million	5.30	10	73.7	7.4
$2-5 Million	5.03	38	122.7	3.2
< $2 Million	5.24	189	103.4	0.5
Total	**5.20**	**246**	**$ 443.2**	**$ 1.8**

Loan Details - LTM

In Millions	2Q22	2Q21	LTM Change	First Choice	Net Organic Change
C&I	$ 1,702	$ 1,116	$ 586	$ 328	$ 258
CRE, Investor Owned	1,978	1,467	511	595	(84)
CRE, Owner Occupied	1,119	789	330	260	70
SBA loans*	1,284	1,011	273	155	118
Sponsor Finance*	647	464	183	—	183
Life Insurance Premium Financing*	688	564	124	—	124
Tax Credits*	551	423	128	—	128
Residential Real Estate	392	302	90	135	(45)
Construction and Land Development	626	468	158	154	4
Other	233	225	8	31	(23)
Subtotal	$ 9,220	$ 6,829	$ 2,391	$ 1,658	$ 733
SBA PPP loans	49	397	(348)	33	(381)
Total Loans	$ 9,269	$ 7,226	$ 2,043	$ 1,691	$ 352

*Specialty loan category.

Loan Details - QTR

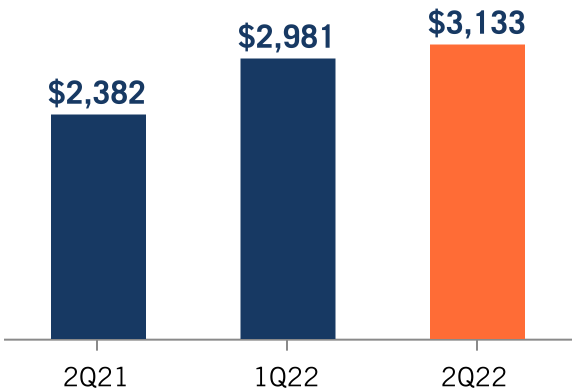
In Millions	2Q22	1Q22	QTR Change
C&I	$ 1,702	$ 1,498	$ 204
CRE, Investor Owned	1,978	1,983	(5)
CRE, Owner Occupied	1,119	1,138	(19)
SBA loans*	1,284	1,250	34
Sponsor Finance*	647	641	6
Life Insurance Premium Financing*	688	636	52
Tax Credits*	551	518	33
Residential Real Estate	392	410	(18)
Construction and Land Development	626	611	15
Other	233	237	(4)
Subtotal	$ 9,220	$ 8,922	$ 298
SBA PPP loans	49	134	(85)
Total Loans	$ 9,269	$ 9,056	$ 213

*Specialty loan category.

Total Loans By Business Unit

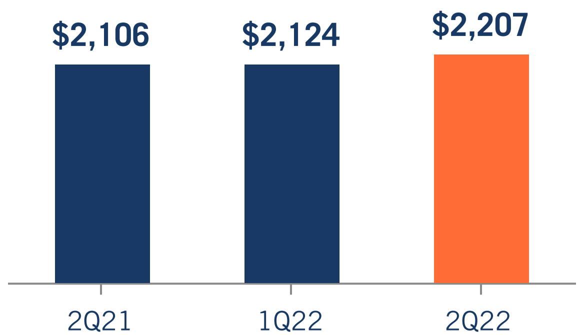
In Millions

Specialty Lending*

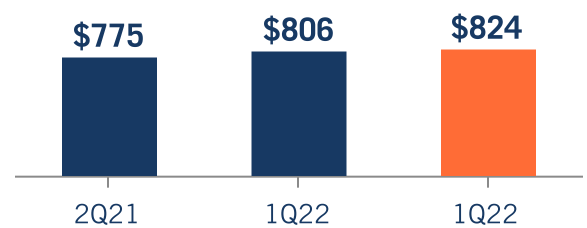


*1Q22 and 2Q22 include acquired First Choice SBA loans

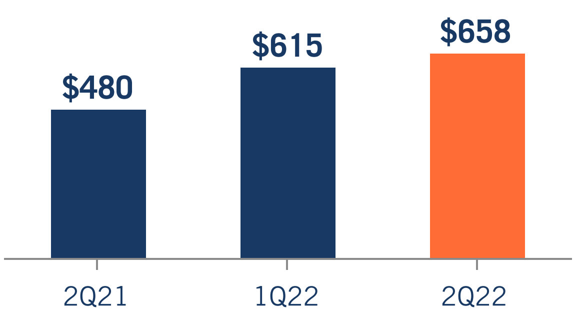
St. Louis



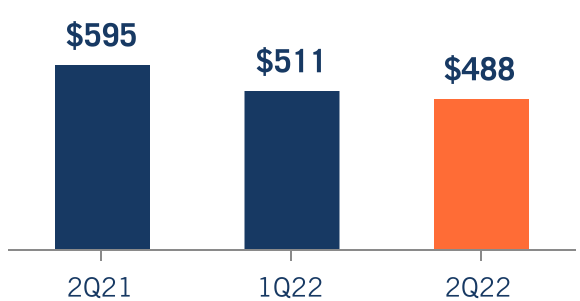
Kansas City



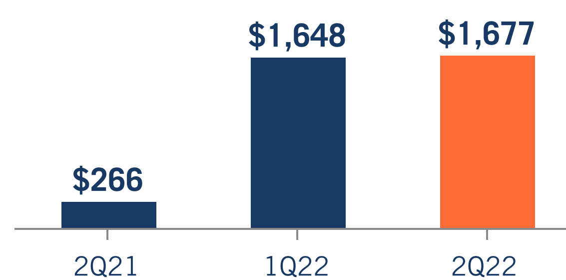
Southwest Region



New Mexico



Southern California**

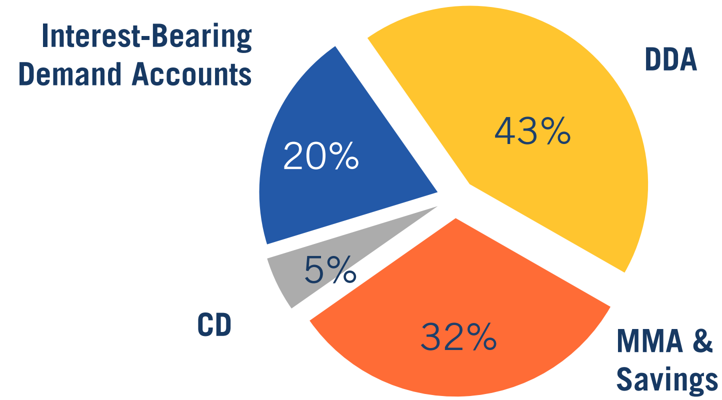


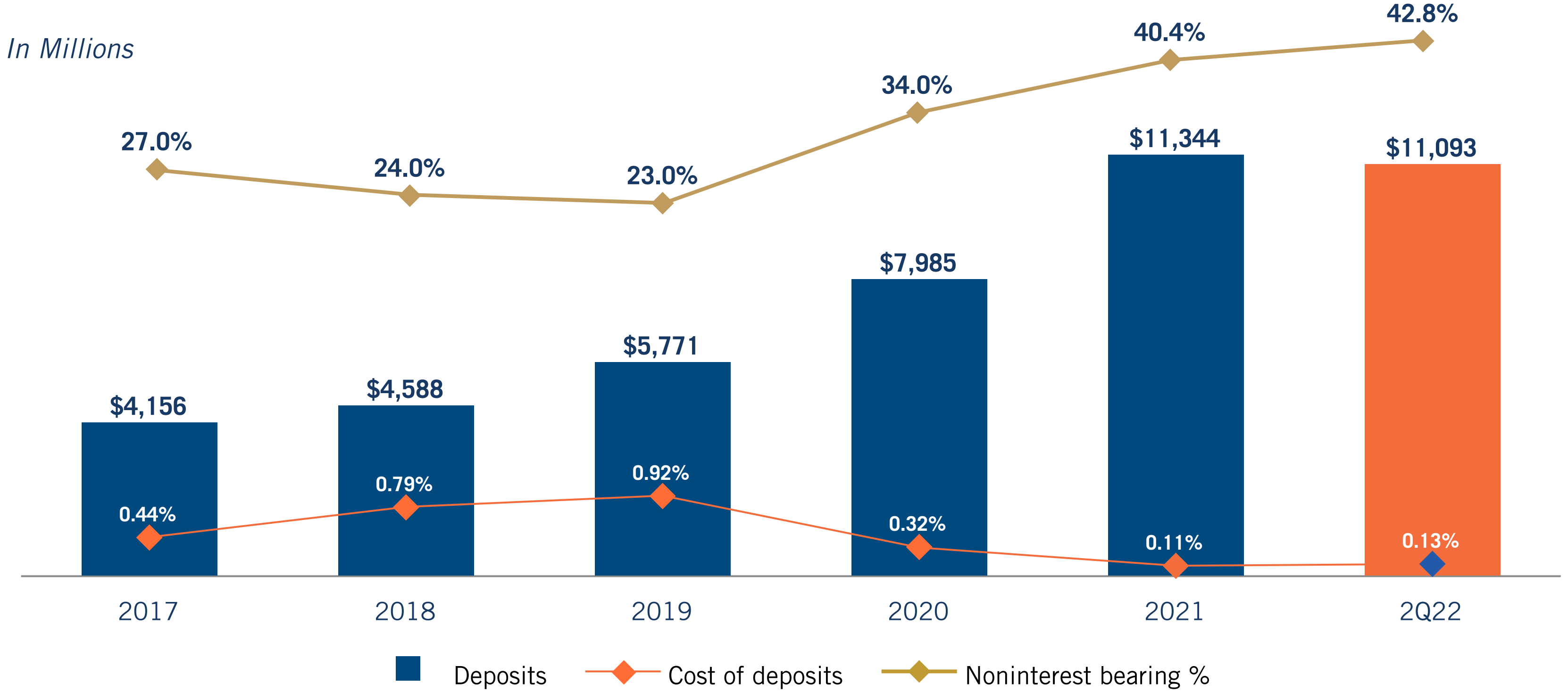
**1Q22 and 2Q22 include First Choice acquisition

Note: Excludes PPP and Other loans

Deposit Mix

Total Deposits
$11.1 Billion

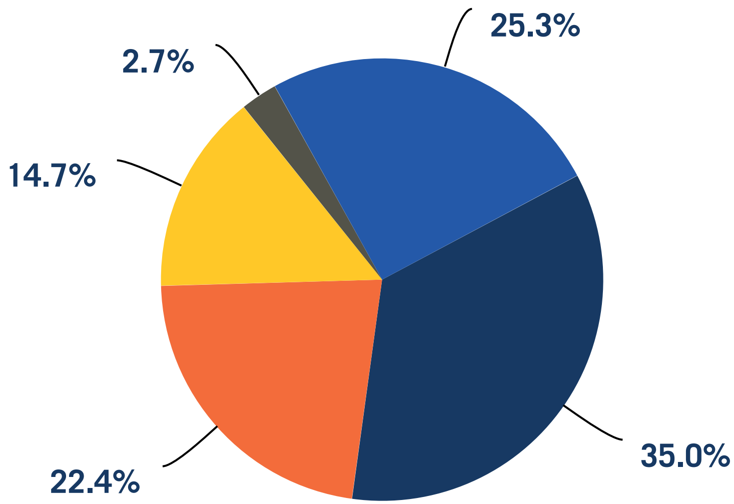


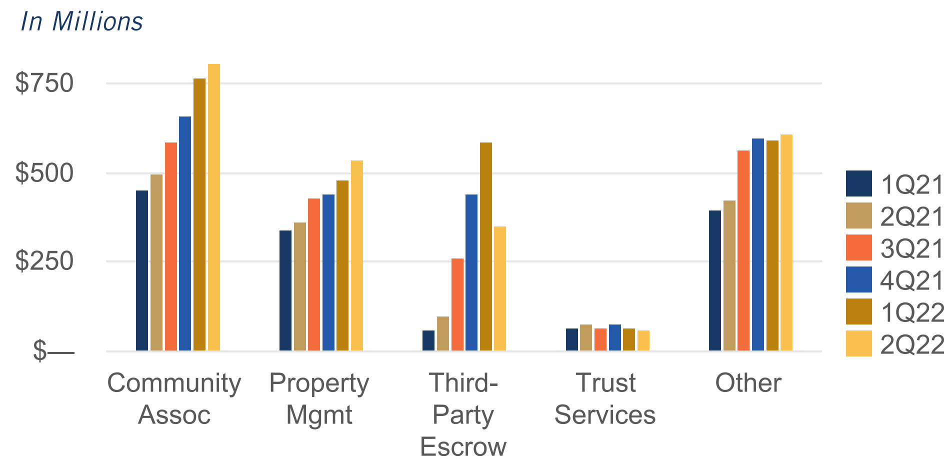


Specialty Deposits

Specialty deposits of $2.4 billion represent 22% of total deposits.

Includes high composition of noninterest-bearing deposits with a low cost of funds.





Community Associations

$840 million in deposit accounts specifically designed to serve the needs of community associations.

Property Management

$539 million in deposits. Specializing in the compliance of Property Management Trust Accounts.

Third-Party Escrow

$353 million in deposits. Growing product line providing independent escrow services.

Trust Services

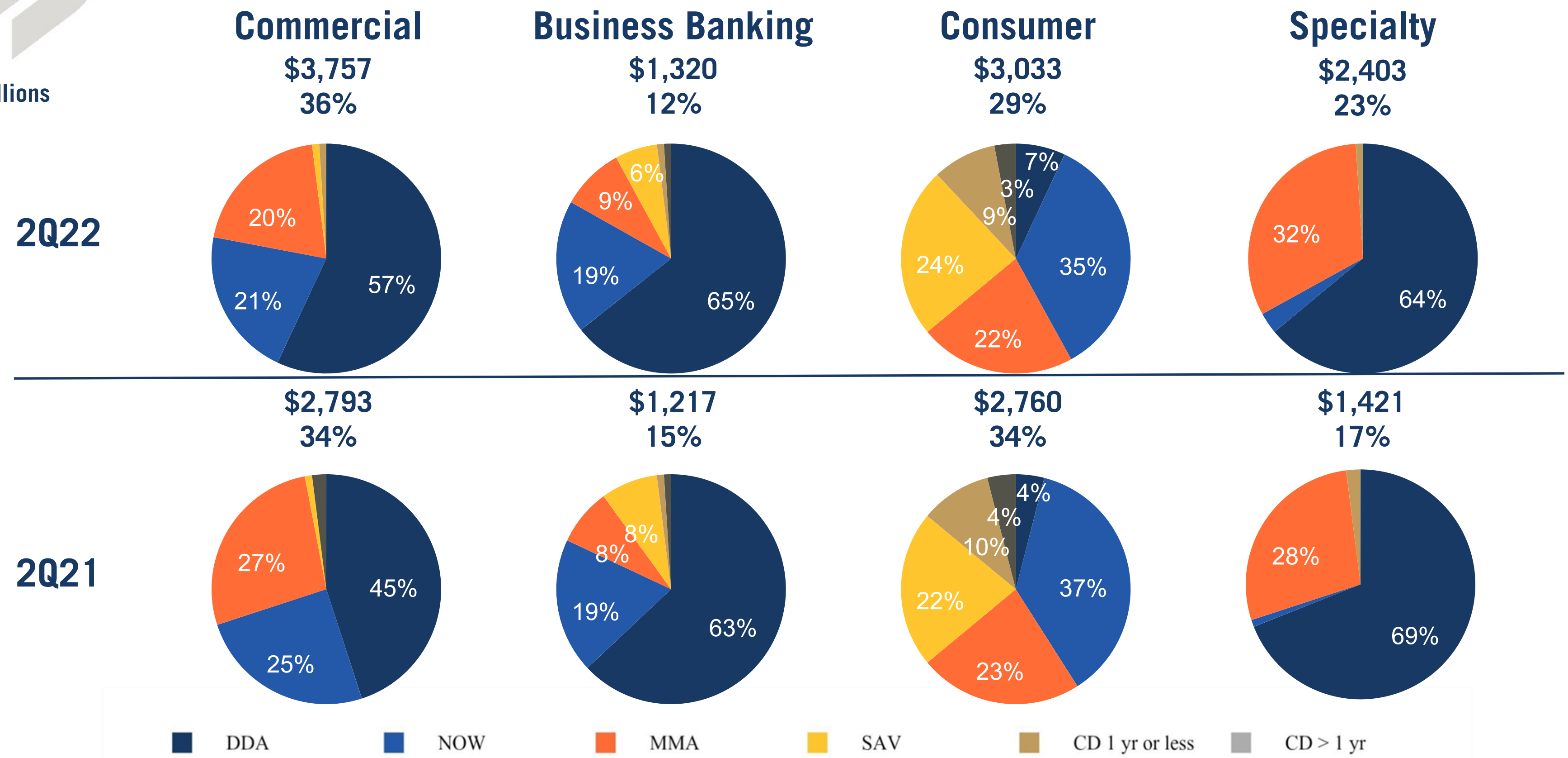
$64 million in deposit accounts. Providing services to nondepository trust companies.

Other

$607 million in deposit accounts primarily related to Sponsor Finance and Life Insurance Premium Financing loans.

Core Funding Mix

In Millions



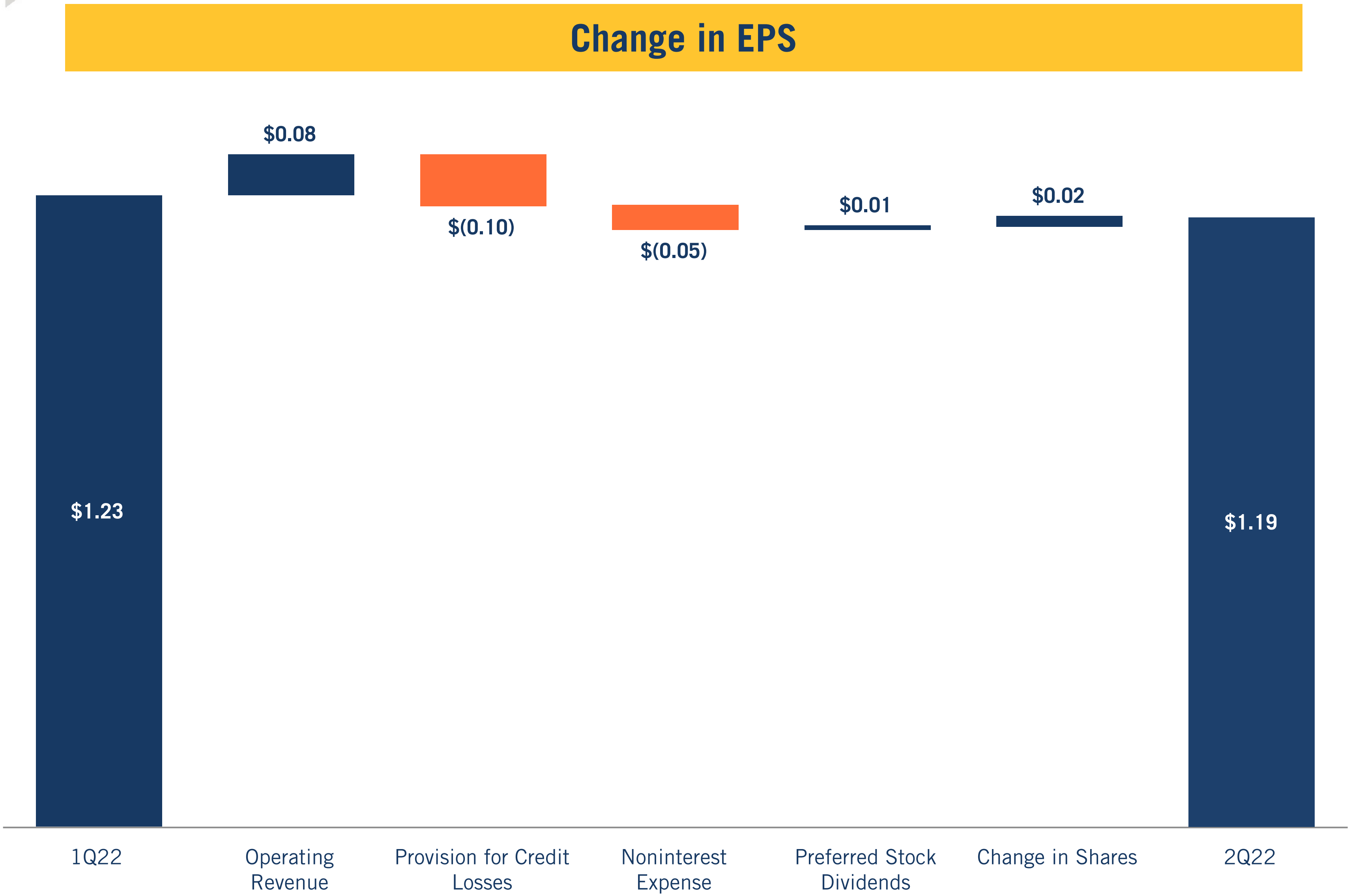
Cost of Funds[1]					
	Commercial	Business Banking	Consumer	Specialty	Brokered
Nonmaturity Deposits	0.15%	0.02%	0.06%	0.15%	0.86%
Time Deposits	0.44%	0.91%	0.45%	0.32%	0.87%
Total	0.15%	0.04%	0.11%	0.15%	0.86%

CD Maturities		
In Millions	Balance	Weighted Avg Rate
3Q22	134	0.30%
4Q22	92	0.37%
1Q23	87	0.30%
2Q23	55	0.42%
Thereafter	217	0.92%
	$ 585	0.56%

[1] *For the month ended June 30, 2022*

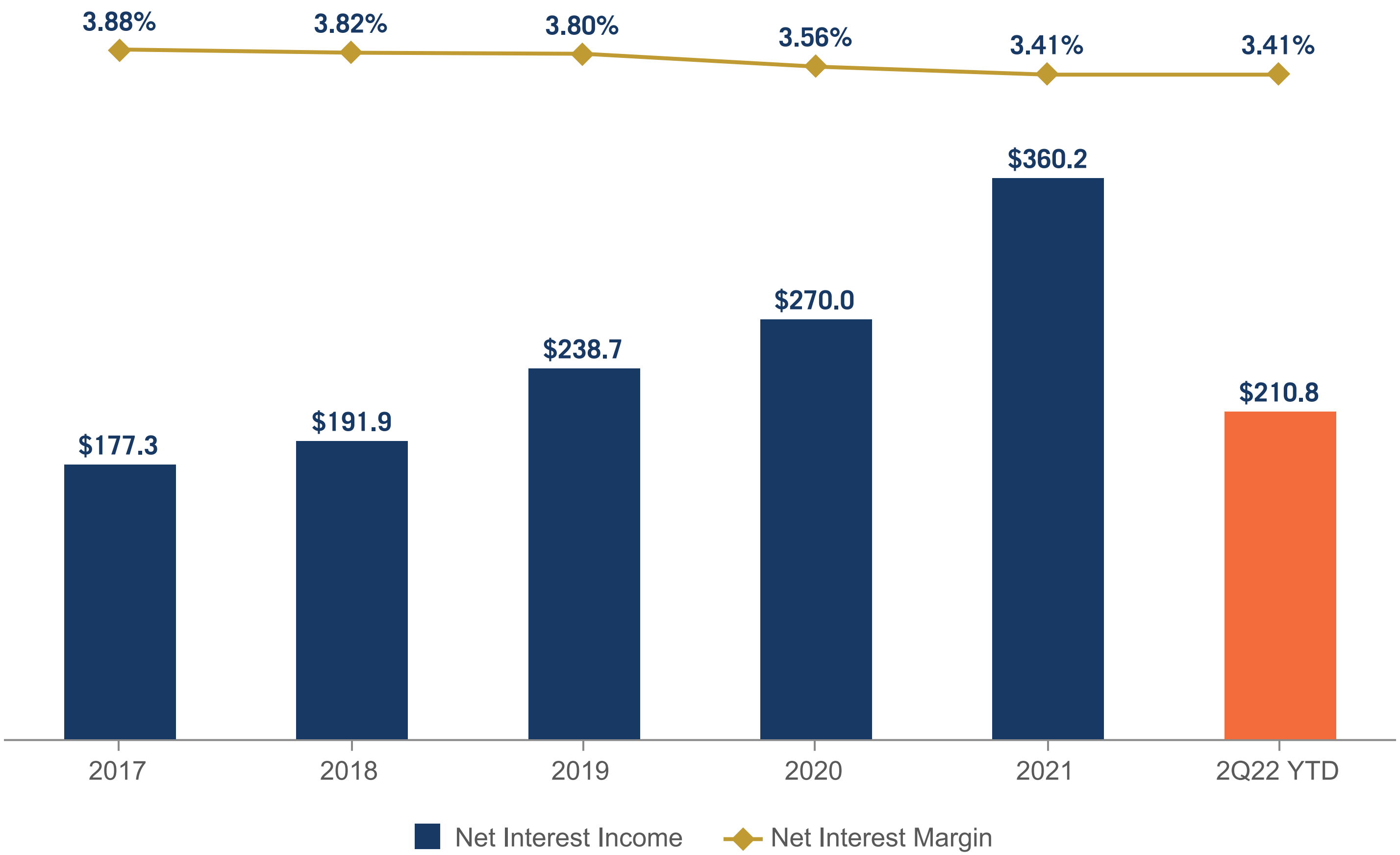
Note: Brokered deposits: 2Q22 $579 million; 2Q21 $449 million.

Earnings Per Share Trend - 2Q22



Net Interest Income Trend

In Millions



Credit Trends for Loans

$ In Millions

	2017	2018	2019	2020	2021	2Q22 YTD
NPAs/Assets	0.31%	0.30%	0.45%	0.45%	0.23%	0.16%
NPLs/Loans	0.38%	0.38%	0.50%	0.53%	0.31%	0.21%
ACL/NPLs	243.3%	259.6%	163.8%	354.9%	517.6%	718.5%
ACL/Loans*	1.04%	1.00%	0.81%	2.31%	1.84%	1.69%
Provision expense (benefit)	$ 10.1	$ 6.6	$ 6.4	$ 65.4	$ 13.4	$ (3.4)
NCO/Average loans**	0.26%	0.13%	0.13%	0.03%	0.14%	0.03%

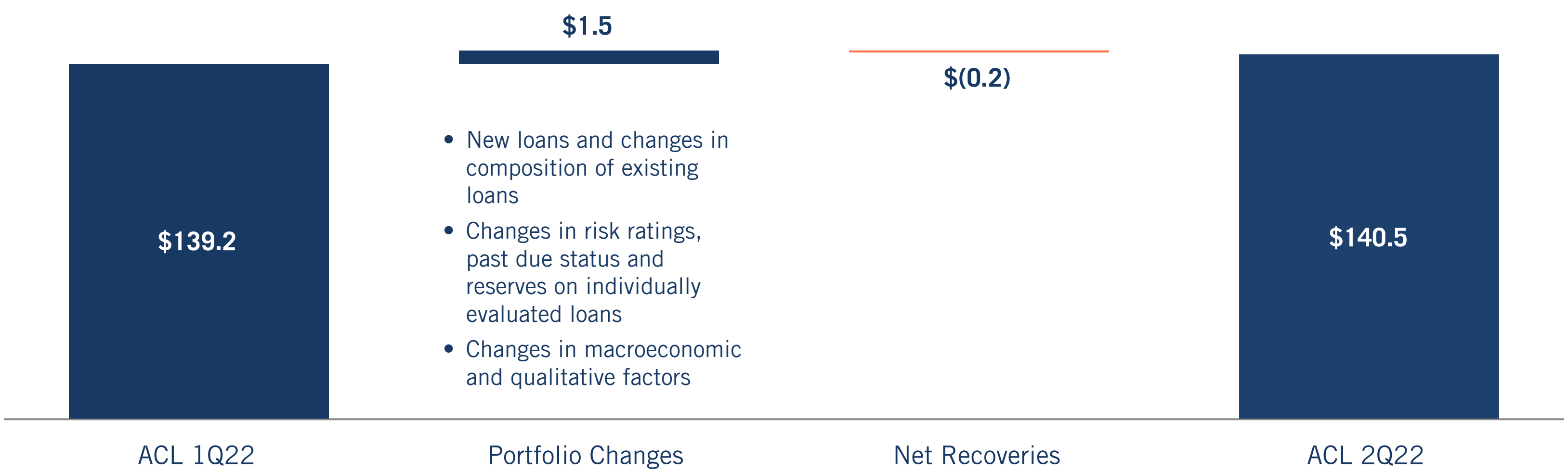
**Excludes guaranteed loans in 2020, 2021, and 2022.*
***2Q22 annualized.*

Allowance for Credit Losses for Loans

In Millions

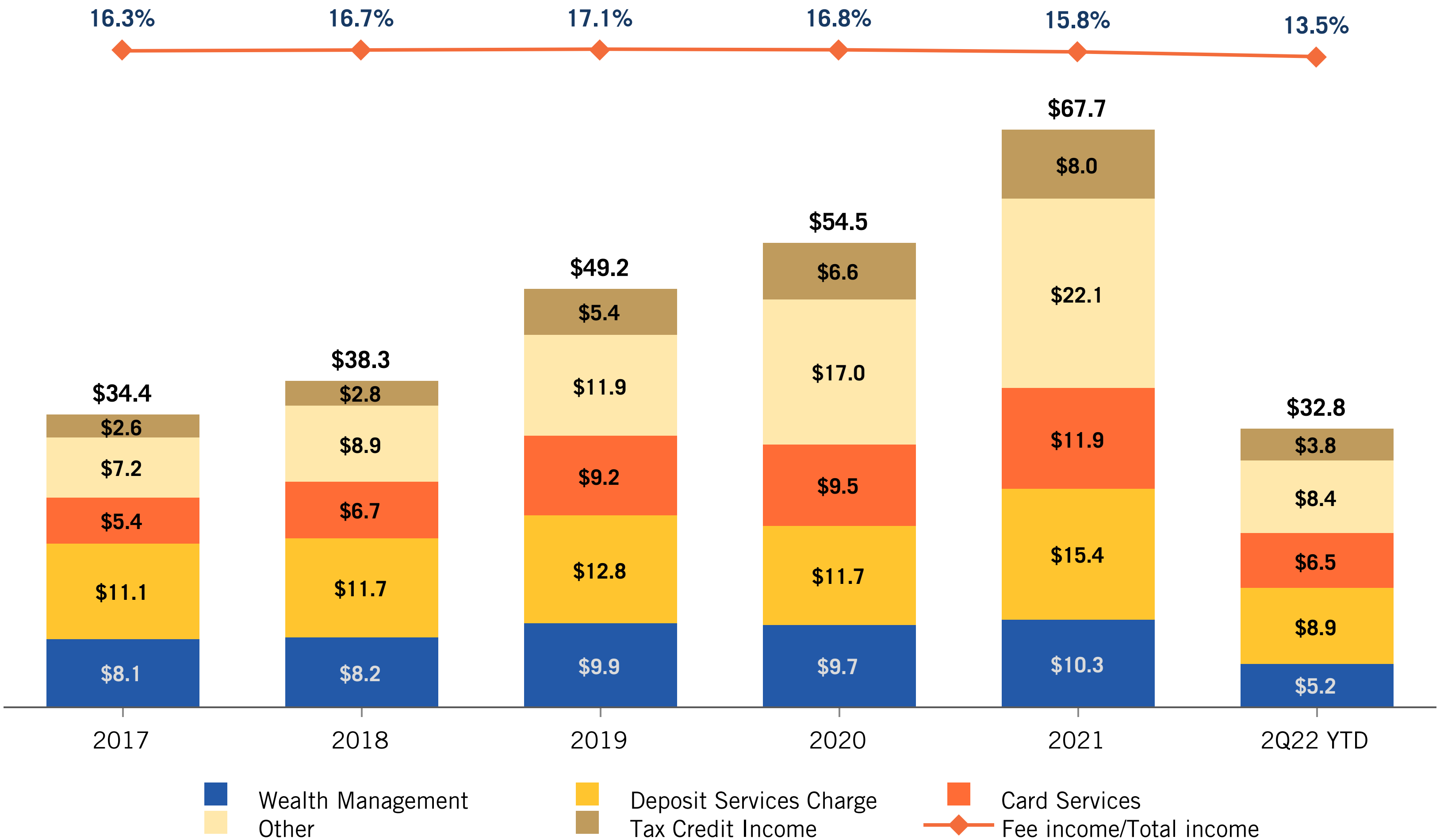
		2Q22			
		Loans		ACL	ACL as a % of Loans
Commercial and industrial	$	3,597	$	66	1.83 %
Commercial real estate		4,294		50	1.16 %
Construction real estate		724		13	1.80 %
Residential real estate		414		7	1.69 %
Other		240		5	2.08 %
Total	$	9,269	$	141	1.52 %

Reserves on sponsor finance, which is included in the categories above, represented $20.5 million. Total ACL percentage of loans excluding PPP and other government guaranteed loans was 1.69%



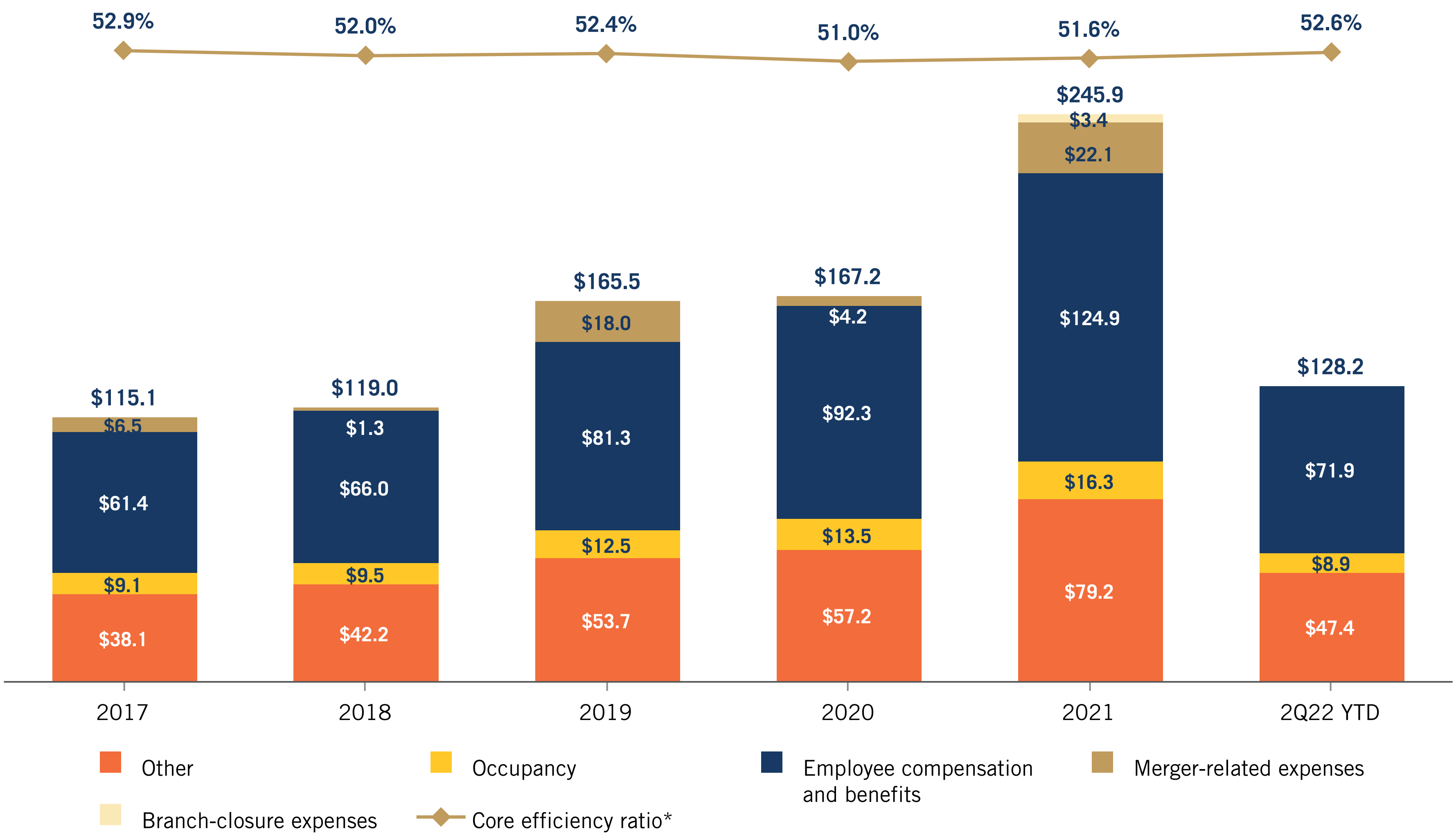
Noninterest Income Trend

In Millions



Operating Expenses Trend

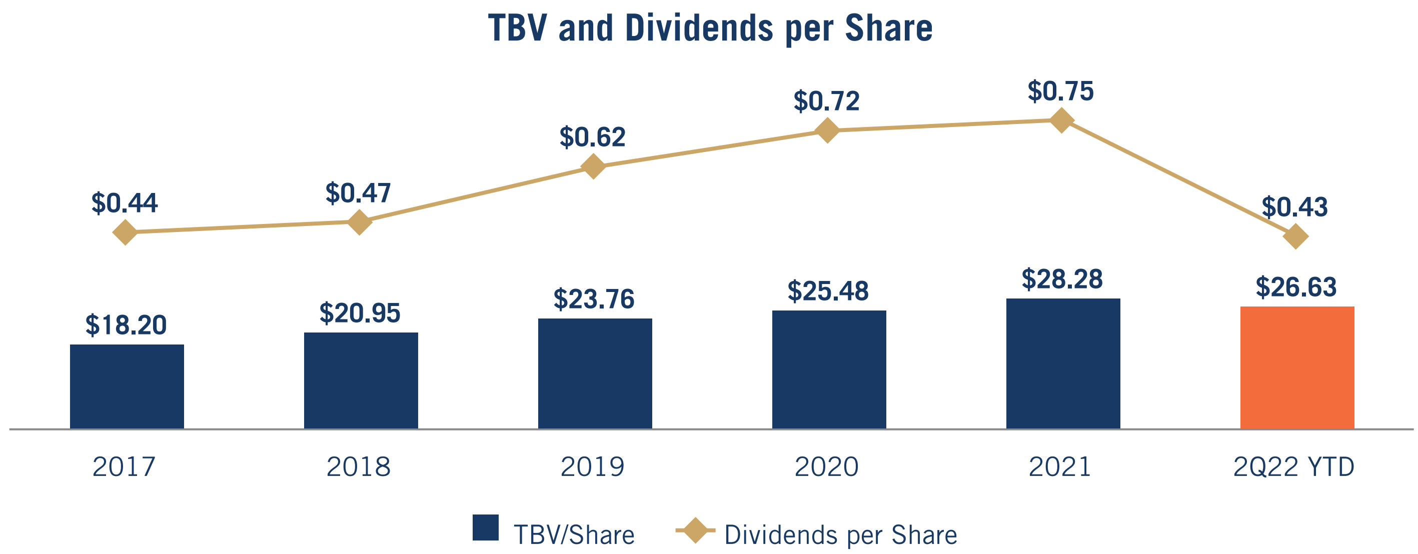
In Millions

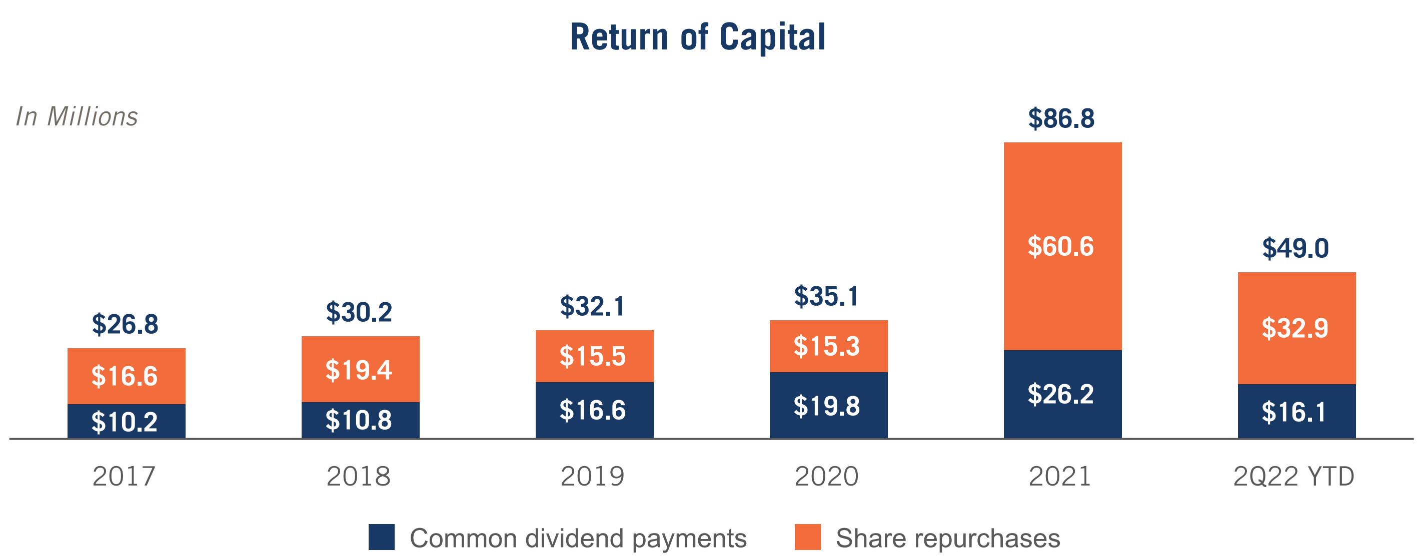


Capital Strategy

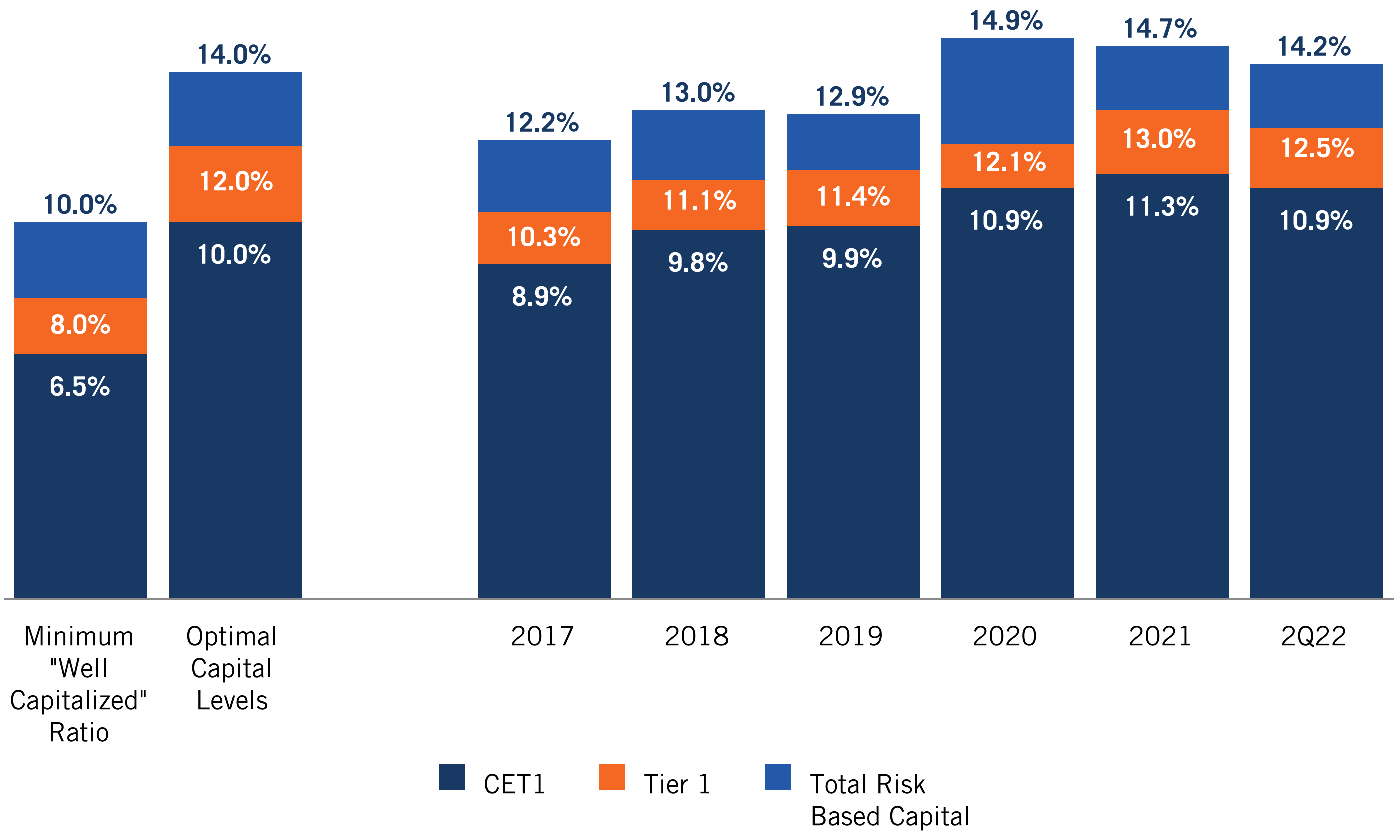
EFSC Capital Strategy: Low Cost - Highly Flexible	
High Capital Retention Rate	• Strong earnings profile • Sustainable dividend profile
Supporting Robust Asset Growth	• Organic loan and deposit growth • High quality M&A to enhance commercial franchise and geographic diversification
Maintain High Quality Capital Stack	• Minimize WACC over time (preferred, sub debt, etc.) • Optimize capital levels T1 Common ~10%, Tier 1 ~12%, and Total Capital ~14%
Maintain 8-9% TCE	• Common stock repurchases ◦ 349,383 at average price of $45.65 in 2Q22 ◦ 351,090 at average price of $48.35 in 1Q22 • M&A deal structures • Drives ROATCE above peer levels

Capital


TBV and Dividends per Share
$0.44
$0.47
$0.62
$0.72
$0.75
$0.43
$18.20
$20.95
$23.76
$25.48
$28.28
$26.63
2017
2018
2019
2020
2021
2Q22 YTD
TBV/Share
Dividends per Share


Return of Capital
In Millions
$26.8
$16.6
$10.2
$30.2
$19.4
$10.8
$32.1
$15.5
$16.6
$35.1
$15.3
$19.8
$86.8
$60.6
$26.2
$49.0
$32.9
$16.1
2017
2018
2019
2020
2021
2Q22 YTD
Common dividend payments
Share repurchases

Regulatory Capital



Balance Sheet Positioned for Growth

- Modest Asset Sensitivity (100 bp increase in interest rate increases NII 6%)
- 64% Adjustable Rate Loans
- High-quality, Cash-flowing Securities Portfolio with Six-Year Average Duration
- 42.8% Non-Interest Bearing DDA to Total Deposits
- 7.83% Tangible Common Equity/Tangible Assets*

**A Non-GAAP Measure, Refer to Appendix for Reconciliation. Excludes PPP loans.*

Second Quarter 2022
EFSC Investor Presentation

Appendix

ENTERPRISE
Financial Services Corp

Financial Highlights - 2Q22

Earnings

- Net Income $45.1 million; EPS $1.19
- PPNR* $58.4 million
- ROAA 1.34%; PPNR ROAA* 1.73%
- ROATCE* 17.44%

Loans & Deposits

- Total Loans $9.3 billion
- PPP Loans, $49.2 million, net of deferred fees
- Loan/Deposits 84%
- Total Deposits $11.1 billion
- Noninterest-bearing Deposits/Total Deposits 43%

Asset Quality

- Nonperforming Assets/Assets 0.16%
- Nonperforming Loans/Loans 0.21%
- Allowance Coverage Ratio 1.52%; 1.69% adjusted for guaranteed loans including PPP

Capital

- Tangible Common Equity/Tangible Assets* 7.80%; Adjusted for PPP* 7.83%
- Accumulated other comprehensive income declined $49.2 million primarily from a decrease in the fair value of the available-for-sale investment portfolio
- Quarterly dividend of $0.22 per common share, increased 5% to $0.23 in third quarter 2022
- Quarterly preferred stock dividend of $12.50 per share ($0.3125 per depository share)
- Repurchased 349,383 shares at an average price of $45.65 per share

**A Non-GAAP Measure, Refer to Appendix for Reconciliation.*

ESG Highlights

The 2021 Environmental, Social and Governance Report is available at https://www.enterprisebank.com/about/corporate-responsibility.

Our Framework	
Governance	Our commitment to sustainability begins with the Board of Directors of Enterprise. As the governing body responsible for our general oversight and strategic direction, the Board establishes parameters to ensure that our interactions with society and the environment are considered in connection with all business activities.
Climate	With the oversight of our Board and the Risk Committee, we are formulating processes for identifying, measuring and modeling the impact of climate-related risks and their potential significance to our ongoing business operations and long-term value.
Community Involvement	We are committed to managing our business and community relationships in ways that positively impact our associates, clients and the diverse communities where we live and work. We have a long-standing history of supporting our communities. Our Community Impact Report is available at enterprisebank.com/about/corporate-responsibility.
Human Capital	Several of our Guiding Principles focus on our associates and the communities in which they work and live. We focus on creating an open, diverse and transparent culture that celebrates teamwork and recognizes associates at all levels.
Pandemic Preparedness	Our priority throughout the COVID-19 pandemic is to protect the health and safety of associates and clients while remaining operational. We are abiding by federal, state, and local governmental guidelines as we balance public health concerns with the needs of our business. We continue to follow our Business Continuity Plan and Pandemic Plan and have been able to successfully navigate the pandemic with no significant interruptions.
Additional Policies	We have a robust set of governance policies to guide the operation of our business in a socially responsible way. We not only operate in a highly regulated environment and seek to comply with the law and regulation applicable to our business, but we also strive to operate with integrity and accountability consistent with our Guiding Principles.

Our Results

- Selected in 2021 by the Community Development Financial Institutions Fund (CDFI Fund) of the U.S. Department of the Treasury to receive a $60 million allocation of New Markets Tax Credits.
- In 2021 we invested over $1.6 billion in programs designed to promote small business and community development.
- Enterprise University, which provides training courses, has helped more than 31,000 professionals.
- The Company has been named a best bank to work for numerous times.

Use of Non-GAAP Financial Measures

The Company's accounting and reporting policies conform to generally accepted accounting principles in the United States ("GAAP") and the prevailing practices in the banking industry. However, the Company provides other financial measures, such as tangible common equity, ROATCE, PPNR, PPNR return on average assets ("PPNR ROAA"), financial metrics adjusted for PPP impact, core efficiency ratio, and the tangible common equity ratio, in this presentation that are considered "non-GAAP financial measures." Generally, a non-GAAP financial measure is a numerical measure of a company's financial performance, financial position, or cash flows that exclude (or include) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP.

The Company considers its tangible common equity, ROATCE, PPNR, PPNR ROAA, financial metrics adjusted for PPP impact, core efficiency ratio and the tangible common equity ratio, collectively "core performance measures," presented in this report and the included tables as important measures of financial performance, even though they are non-GAAP measures, as they provide supplemental information by which to evaluate the impact of certain non-comparable items, and the Company's operating performance on an ongoing basis. Core performance measures include exclude certain other income and expense items, such as merger related expenses, facilities charges, impact of non-core acquired loans which were acquired from the FDIC and previously covered by loss share agreements, and the gain or loss on sale of investment securities, the Company believes to be not indicative of or useful to measure the Company's operating performance on an ongoing basis. The attached tables contain a reconciliation of these core performance measures to the GAAP measures. The Company believes that the tangible common equity ratio provides useful information to investors about the Company's capital strength even though it is considered to be a non-GAAP financial measure and is not part of the regulatory capital requirements to which the Company is subject.

The Company believes these non-GAAP measures and ratios, when taken together with the corresponding GAAP measures and ratios, provide meaningful supplemental information regarding the Company's performance and capital strength. The Company's management uses, and believes that investors benefit from referring to, these non-GAAP measures and ratios in assessing the Company's operating results and related trends and when forecasting future periods. However, these non-GAAP measures and ratios should be considered in addition to, and not as a substitute for or preferable to, ratios prepared in accordance with GAAP. In the attached tables, the Company has provided a reconciliation of, where applicable, the most comparable GAAP financial measures and ratios to the non-GAAP financial measures and ratios, or a reconciliation of the non-GAAP calculation of the financial measures for the periods indicated.

Reconciliation of Non-GAAP Financial Measures

Average Shareholders' Equity and Average Tangible Common Equity

	Quarter ended	Year-to-date	Year ended		
(in thousands)	June 30, 2022	June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Average shareholder's equity	$ 1,474,267	$ 1,505,073	$ 1,277,153	$ 902,875	$ 795,477
Less average preferred stock	71,988	71,988	8,903	—	—
Less average goodwill	365,164	365,164	307,614	217,205	193,804
Less average intangible assets	20,175	20,854	22,460	23,551	24,957
Average tangible common equity	$ 1,016,940	$ 1,047,067	$ 938,176	$ 662,119	$ 576,716

Calculation of Adjusted ROATCE

	Quarter ended	Year-to-date	Year ended		
(in thousands)	June 30, 2022	June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019
Net income available to common shareholders - GAAP	$ 44,211	$ 90,675	$ 133,055	$ 74,384	$ 92,739
Branch-closure expenses	—	—	3,441	—	—
CECL double count	—	—	25,353	8,557	—
Merger-related expenses	—	—	22,082	4,174	17,969
Related tax effect	—	—	(12,382)	(2,734)	(3,963)
Adjusted net income - Non-GAAP	$ 44,211	$ 90,675	$ 171,549	$ 84,381	$ 106,745
Average tangible common equity	$ 1,016,940	$ 1,047,067	$ 938,176	$ 662,119	$ 576,716
Return on average tangible common equity - GAAP net income	17.44 %	17.46 %	14.18 %	11.23 %	16.08 %
Return on average tangible common equity - Adjusted net income	17.44	17.46	18.29	12.74	18.51

Reconciliation of Non-GAAP Financial Measures

Core Efficiency Ratio

(in thousands)	Quarter ended June 30, 2022	Year-to-date June 30, 2022	Year ended December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Net interest income	$ 109,613	$ 210,778	$ 360,194	$ 270,001	$ 238,717	$ 191,905	$ 177,304
Less incremental accretion income	—	—	—	4,083	4,783	3,701	7,718
Core net interest income	109,613	210,778	360,194	265,918	233,934	188,204	169,586
Noninterest income	14,194	32,835	67,743	54,503	49,176	38,347	34,394
Less other income from non-core acquired assets	—	—	—	—	1,372	1,048	—
Less gain on sale of investment securities	—	—	—	421	243	9	22
Less gain (loss) on sale of other real estate owned	(90)	(71)	884	—	—	—	(6)
Less other non-core income	—	—	—	265	266	675	—
Core noninterest income	14,284	32,906	66,859	53,817	47,295	36,615	34,378
Core revenue	$ 123,897	$ 243,684	$ 427,053	$ 319,735	$ 281,229	$ 224,819	$ 203,964
Noninterest expense	$ 65,424	$ 128,224	$ 245,919	$ 167,159	$ 165,485	$ 119,031	$ 115,051
Less other expenses (benefit) related to non-core acquired loans	—	—	—	57	257	(163)	240
Less other non-core expenses	—	—	—	—	—	682	—
Less branch-closure expenses	—	—	3,441	—	—	239	389
Less merger-related expenses	—	—	22,082	4,174	17,969	1,271	6,462
Core noninterest expense	$ 65,424	$ 128,224	$ 220,396	$ 162,928	$ 147,259	$ 117,002	$ 107,960
Core efficiency ratio	52.81 %	52.62 %	51.61 %	50.96 %	52.36 %	52.04 %	52.93 %

Reconciliation of Non-GAAP Financial Measures

Tangible Common Equity Ratio

(in thousands)	Quarter ended June 30, 2022	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2019
Shareholders' equity	$ 1,447,412	$ 1,529,116	$ 1,078,975	$ 867,185
Less preferred stock	71,988	71,988	—	—
Less goodwill	365,164	365,164	260,567	210,344
Less intangible assets	19,528	22,286	23,084	26,076
Tangible common equity	$ 990,732	$ 1,069,678	$ 795,324	$ 630,765
Total assets	$ 13,084,506	$ 13,537,358	$ 9,751,571	$ 7,333,791
Less goodwill	365,164	365,164	260,567	210,344
Less intangible assets	19,528	22,286	23,084	26,076
Tangible assets	$ 12,699,814	$ 13,149,908	$ 9,467,920	$ 7,097,371
Tangible common equity to tangible assets	7.80 %	8.13 %	8.40 %	8.89 %

Tangible Common Equity Ratio Adjusted for Impact of Paycheck Protection Program

(in thousands)	Quarter ended June 30, 2022	Year ended December 31, 2021	Year ended December 31, 2020	Year ended December 31, 2019
Tangible assets - Non-GAAP (see reconciliation above)	$ 12,699,814	$ 13,149,908	$ 9,467,920	$ 7,097,371
PPP loans outstanding, net	(49,175)	(271,958)	(698,645)	—
Adjusted tangible assets - Non-GAAP	$ 12,650,639	$ 12,877,950	$ 8,769,275	$ 7,097,371
Tangible common equity Non-GAAP (see reconciliation above)	$ 990,732	$ 1,069,678	$ 795,324	$ 630,765
Tangible common equity to tangible assets - adjusted tangible assets	7.83 %	8.31 %	9.07 %	8.89 %

Reconciliation of Non-GAAP Financial Measures

Pre-Provision Net Revenue Return on Average Assets

(in thousands)	Quarter ended June 30, 2022	Year ended December 31, 2021
Net interest income	$ 109,613	$ 360,194
Noninterest income	14,194	67,743
Noninterest expense	(65,424)	(245,919)
Branch-closure expenses	—	3,441
Merger-related expenses	—	22,082
PPNR	$ 58,383	$ 207,541
Average assets	$ 13,528,474	$ 11,467,310
PPNR ROAA	1.73 %	1.81 %

Reconciliation of Non-GAAP Financial Measures

Tangible Book Value per Share

	Quarter ended	Year ended				
(in thousands, except per share data)	June 30, 2022	December 31, 2021	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017
Shareholders' equity	$ 1,447,412	$ 1,529,116	$ 1,078,975	$ 867,185	$ 603,804	$ 548,573
Less preferred stock	71,988	71,988	—	—	—	—
Less goodwill	365,164	365,164	260,567	210,344	117,345	117,345
Less intangible assets	19,528	22,286	23,084	26,076	8,553	11,056
Tangible common equity	$ 990,732	$ 1,069,678	$ 795,324	$ 630,765	$ 477,906	$ 420,172
Period end shares outstanding	37,206	37,820	31,210	26,543	22,812	23,089
Tangible book value per share	$ 26.63	$ 28.28	$ 25.48	$ 23.76	$ 20.95	$ 18.20

Second Quarter 2022
EFSC Investor Presentation

Q&A

For more information contact Keene Turner, Executive Vice President and CFO (314) 512-7233

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