



# Investor Presentation

## Second Quarter 2024

*Dennis G. Shaffer - Chief Executive Officer & President*

*Richard J. Dutton - Senior Vice President, Chief Operating Officer*

**NASDAQ: CIVB**



**Forward-Looking Statements.** This presentation may contain “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements express management’s current expectations, estimates or projections of future events, results or long-term goals, and are generally identifiable by the use of words such as “believe,” “expect,” “anticipate,” “plan,” “intend,” “estimate,” “may,” “will,” “would,” “could,” “should” or other similar expressions. All statements in this material speak only as of the date they are made, and we undertake no obligation to update any statement except to the extent required by law. Forward-looking statements are not guarantees of performance and are inherently subject to known and unknown risks, uncertainties and assumptions that are difficult to predict and could cause actual results or performance to differ materially from those expressed in or implied by the forward-looking statements. Factors that could cause actual results or performance to differ from those discussed in the forward-looking statements include the risks identified from time to time in our public filings with the SEC, including those risks identified in “Item 1A. Risk Factors” of Part I of the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as supplemented by any additional risks identified in the Company’s subsequent Form 10-Qs. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements.

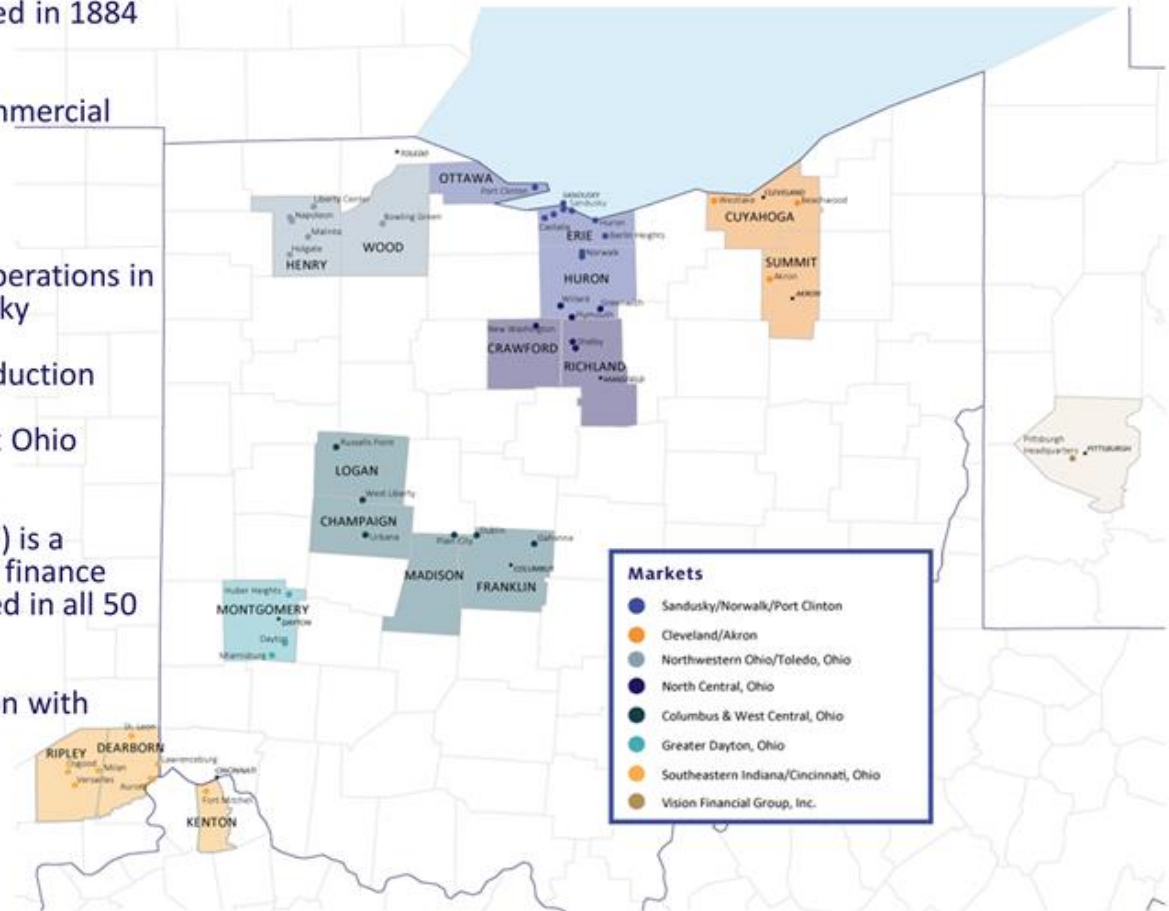
**Use of Non-GAAP Financial Measures.** This presentation contains certain financial information determined by methods other than in accordance with accounting principals generally accepted in the United States (“GAAP”). These non-GAAP financial measures include “Tangible Book Value per Share” , “Tangible Common Equity to Tangible Assets” and “Efficiency Ratio”. The Company believes that these non-GAAP financial measures provide both management and investors a more complete understanding of the Company’s profitability. These non-GAAP financial measures are supplemental and are not a substitute for any analysis based on GAAP Measures. Not all companies use the same calculation of these measures; therefore this presentation may not be comparable to other similarly titled measures as presented by other companies. Reconciliations of these non-GAAP measures are provided in the Appendix section of this presentation.

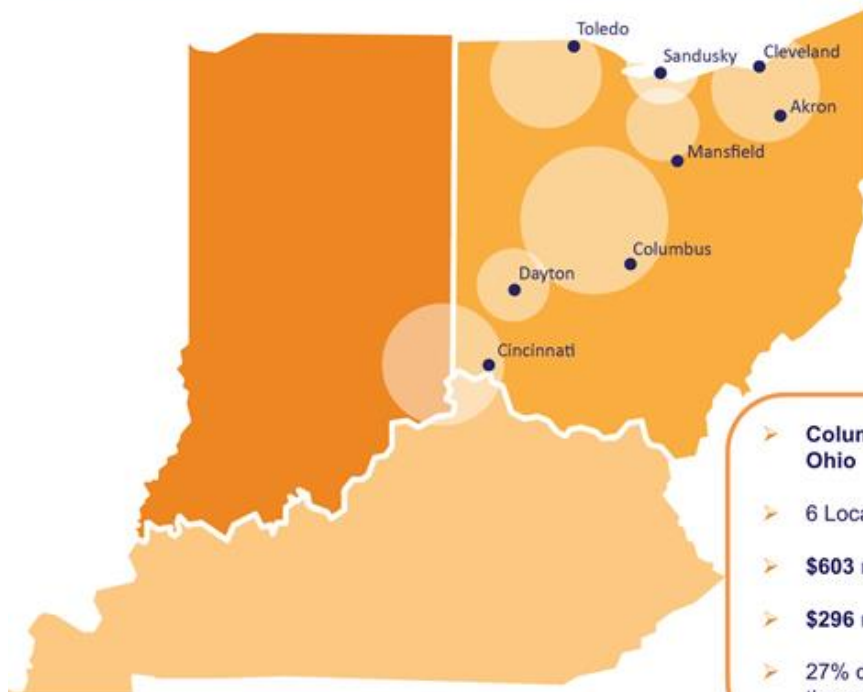
**Sources of Information:** Company Management and S&P Global Market Intelligence

- **Civista Bancshares, Inc.’s common shares are traded on the NASDAQ Capital Market under the symbol “CIVB.”**
  
- Additional information can be found at:
  - **[www.civb.com](http://www.civb.com)**
  
  - Dennis G Shaffer
  - *Chief Executive Officer & President*
    - [dgshaffer@civista.bank](mailto:dgshaffer@civista.bank)
    - Telephone: 888.645.4121

# Who We Are

- Bank founded and headquartered in 1884 in Sandusky, Ohio
- 10<sup>th</sup> Largest Publicly Traded Commercial Bank Headquartered in Ohio
- 548 Employees
- Community Banking Focused Operations in 14 Ohio, 2 Indiana and 1 Kentucky Counties
  - 41 Branches & 2 Loan Production Offices
  - Operations in the 5 largest Ohio MSAs
- Civista Leasing and Finance (CLF) is a national equipment leasing and finance operation with equipment leased in all 50 states
- Full-Service Banking Organization with Diversified Revenue Streams
  - Commercial Banking
  - Retail Banking
  - Wealth Management
  - Private Banking
  - Mortgage Banking
  - Equipment Leasing





**Northwest Ohio**

- 7 Locations
- **\$196 million** in loans
- **\$192 million** in deposits
- 17% deposit market share

**Sandusky/Norwalk/Port Clinton, Ohio**

- 9 Locations
- **\$582 million** in loans
- **\$1,385 million** in deposits
- #1 deposit market share in Sandusky, Ohio with ~53%

**Columbus & West Central, Ohio**

- 6 Locations
- **\$603 million** in loans
- **\$296 million** in deposits
- 27% deposit market share in the rural markets

**Cleveland/Akron, Ohio**

- 3 Locations
- **\$921 million** in loans
- **\$151 million** in deposits

**Civista Leasing & Finance**

- **\$54 million** in financing leases
- **\$57 million** in commercial loans
- **\$23 million** in operating leases

**Southeastern Indiana/Cincinnati, Ohio**

- 9 Locations
- **\$541 million** in loans
- **\$593 million** in deposits
- ~44% deposit market share

**Greater Dayton, Ohio**

- 3 Locations
- **\$129 million** in loans
- **\$143 million** in deposits

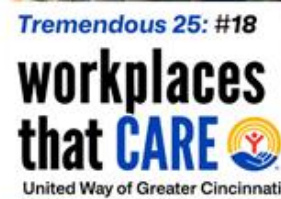
**North Central, Ohio**

- 6 Locations
- **\$42 million** in loans
- **\$218 million** in deposits
- ~39% deposit market share

- **Community bank franchise in growth markets with an established operating model**
  - Gather attractive low-cost deposits (125 bps total cost of deposits (excluding brokered))
  - Generate loans organically in select growing markets (operations in the 5 largest MSAs in Ohio)
- **Strong capital position**
- **Disciplined underwriting verified with strong credit quality metrics**
  - Nonaccrual and 90 days Past Due to Gross Loans of 0.57% as of 6/30/2024
- **Experienced management team with a deep bench**
  - Average banking experience of 31 years
- **Noninterest income enhanced by multiple revenue streams**
- **Use of LPOs to extend our reach (Westlake, OH and Fort Mitchell, KY)**
- **Member Russell 2000 index**







# Current Events

- 11.8%\* or \$352.0 million of deposits uninsured at June 30, 2024
- Cash and unpledged securities of \$456.8 million at June 30, 2024
- Excluding \$404.6 million of public deposits, Civista had no deposit concentrations at June 30, 2024
  
- “Civista’s deposit franchise is one of our most valuable characteristics and contributes significantly to our peer leading net interest margin and profitability”

- Strong on-balance sheet liquidity
  - \$456.8 million of cash and unpledged securities at June 30, 2024
  
- Ready access to off-balance sheet funding
  - Immediate access to \$1.1 billion in funding from FHLB, Federal Reserve and CDARS/IntraFi
  
- Civista has not and does not anticipate using the Federal Reserve's Bank Term Funding program

- **Adopted CECL January 1, 2023**
  - \$4.3 million increase in Allowance for Credit Losses
  - \$3.4 million increase in Reserve for Unfunded Commitments
  
- **Credit metrics remain stable and strong**
  - ACL to nonperforming loans was 233.47% at June 30, 2024
  - ACL to loans was 1.32% at June 30, 2024

- Civista continues to create capital through earnings
- “Well Capitalized” by regulatory standards
- Tangible Common Equity ratio was 6.18% at June 30, 2024

## ➤ Low/Lower Cost Funding

- Ohio Homebuyer Plus Program
  - Launched May 6, 2024
  - Potential for up to \$100 million in deposits
  - 411 Accounts opened; \$41.1 million in deposits @ 86 bp's
- Wealth Management Cash Balances
  - Adding ~ \$75 million in deposits to balance sheet from our wealth management clients' cash balances
- Other – Focused Marketing to:
  - Public Fund Operating Accounts
  - Loan Customers with low/no deposit balances

## ➤ Revenue Improvement

- Identified opportunities for increased service charges
  - Treasury Management Fees
  - Retail
- Leasing Syndication Desk

## ➤ Expense Reduction

- Routing overflow calls to our retail staff reducing calls to 3<sup>rd</sup> party call center
- Analyze branch network
- Manage/reduce overtime and staffing

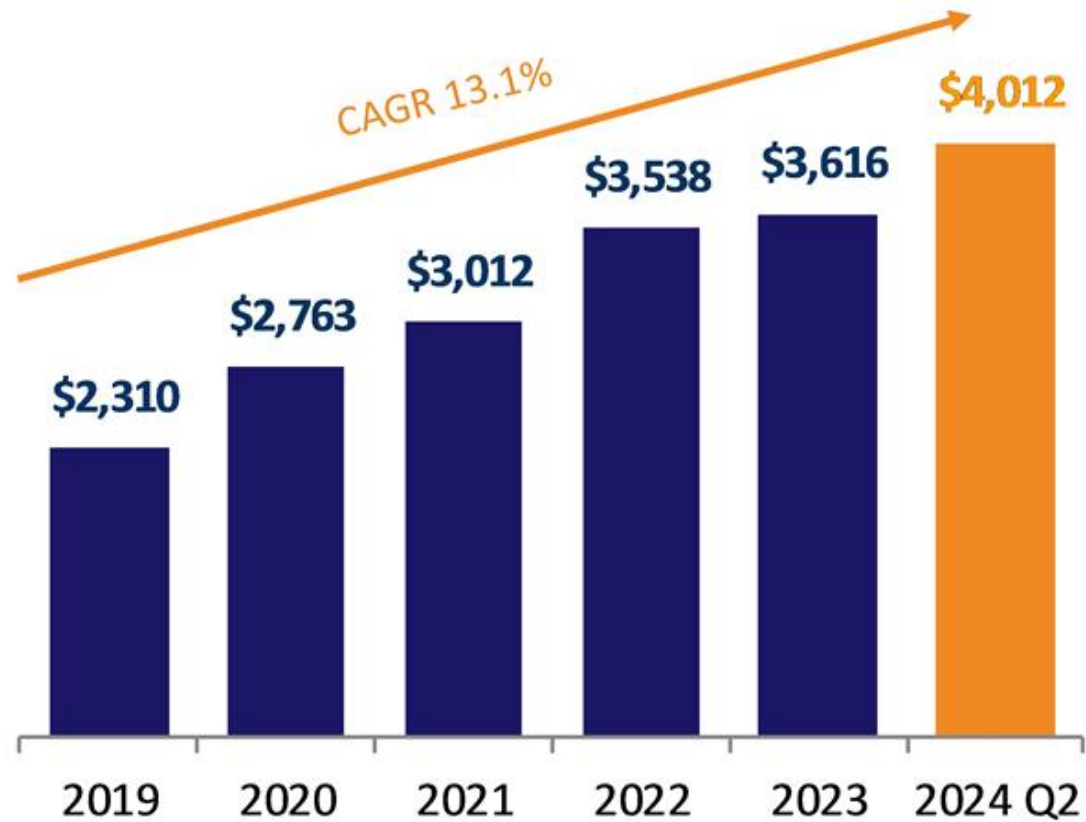
# Financial Trends



<b>Financial Highlights</b> <i>(\$s in thousands, except per share data)</i>			
	<i>June 30, 2024</i>	<i>June 30, 2023</i>	<i>% Change</i>
<b>Balance Sheet</b>			
Assets	\$4,011,914	\$3,615,980	10.95%
Gross Loans (excluding HFS) <sup>1</sup>	3,014,996	2,728,390	10.50%
Deposits	2,977,616	2,942,774	1.18%
	<i>June 30, 2024</i>	<i>June 30, 2023</i>	<i>% Change</i>
<b>Performance Analysis</b>			
Net Income Available to Common	\$13,424	\$22,922	(41.44%)
ROAA <sup>2</sup>	0.69%	1.29%	(46.96%)
ROAE <sup>2</sup>	7.40%	13.42%	(44.86%)
<b>Market Data</b>			
Market Capitalization (\$mm)	\$243,770	\$274,576	
Price / Tangible Book Value <sup>3</sup>	101.7%	128.0%	
Price/LTM diluted EPS	7.2x	5.9x	

1. June 30, 2024 includes \$251 thousand of PPP loans; June 30, 2023 includes \$403 thousand of PPP loans  
 2. Presented on an annualized basis 3. Non-GAAP reconciliation on page 39

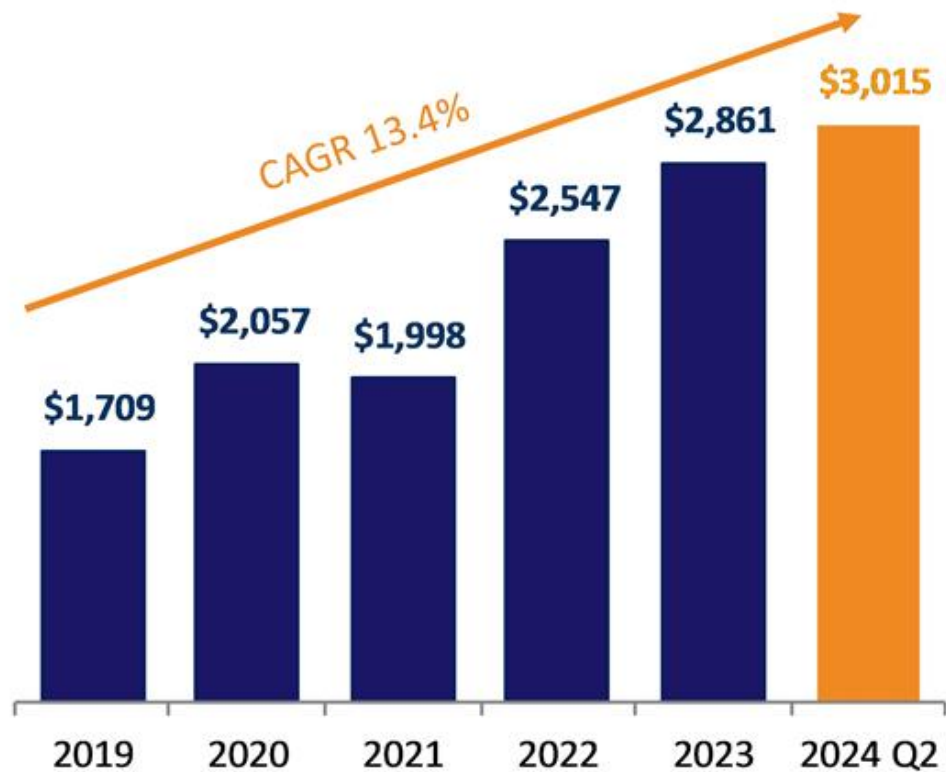
## Total Assets<sup>1</sup> (\$ in millions)



1. 2022 includes the addition of \$316 million in assets due to Comunibanc Corp acquisition.

## Total Gross Loans and Leases<sup>1</sup>

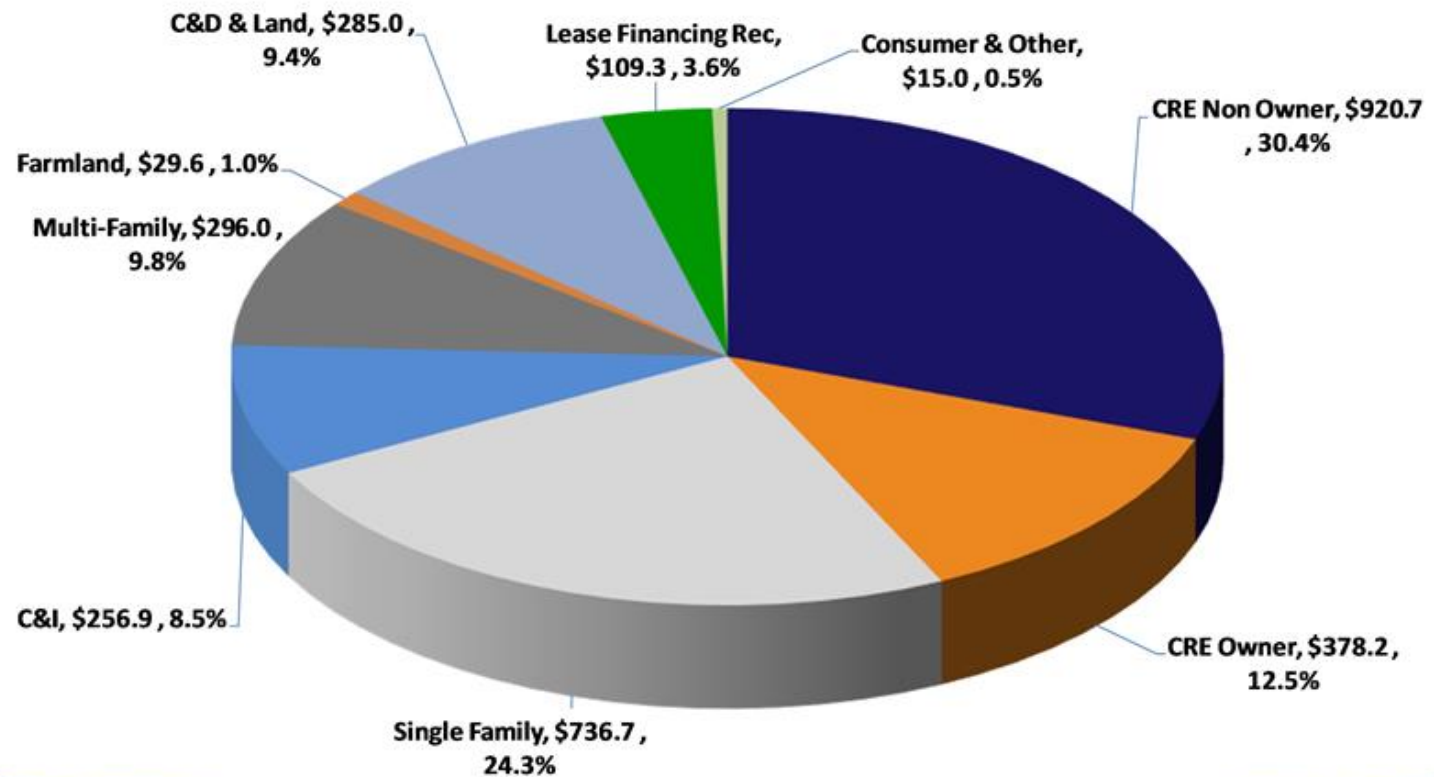
(\$ in millions)



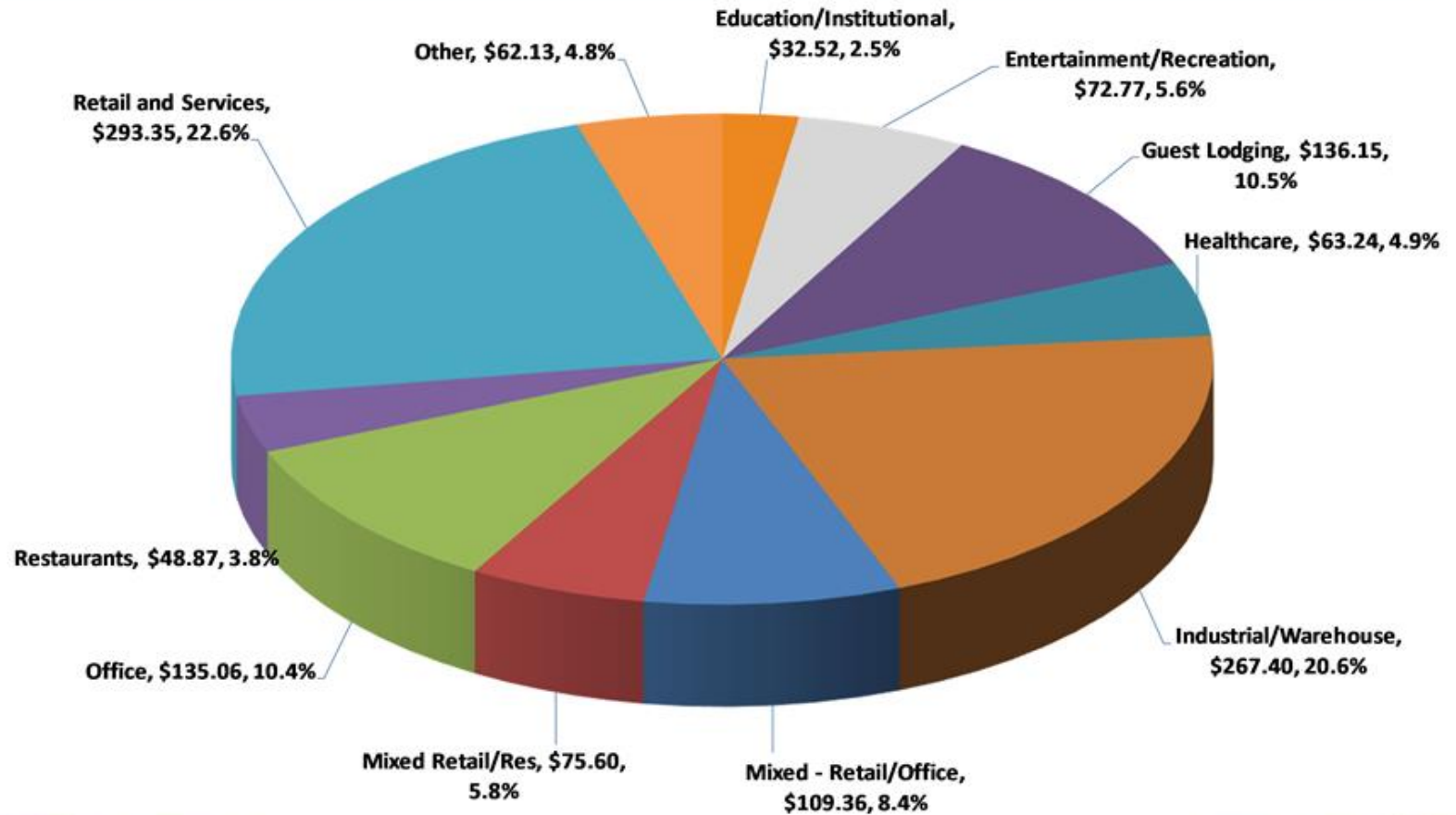
1. 2020 includes \$217.3 million of PPP loans. 2021 includes \$43.2 million of PPP loans. 2022 includes \$819 thousand of PPP loans as well as \$169 million due to the Comunibanc Corp acquisition.

## Loan Mix (\$ in millions)

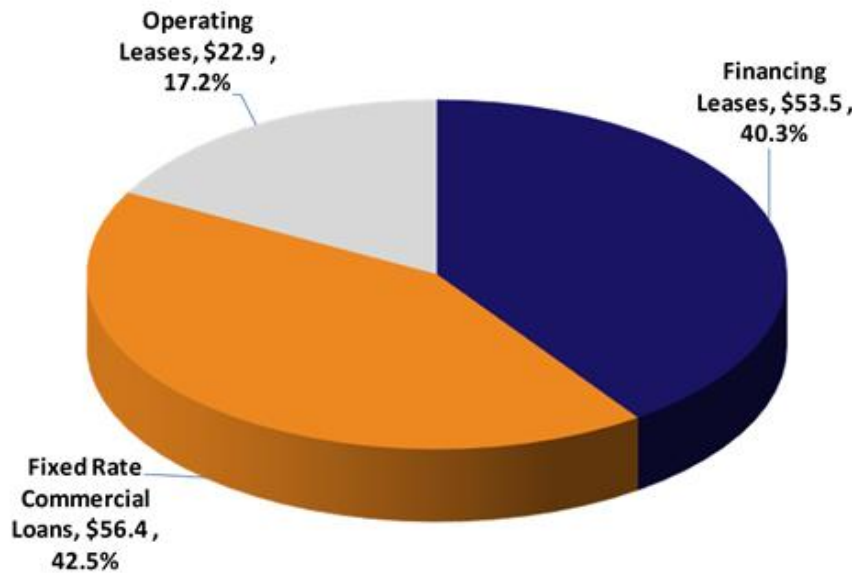
➤ Total Gross Loans: \$3.0 billion



## CRE Non-Owner Concentrations (\$ in millions)



## Civista Leasing and Equipment Financing (\$ in millions)

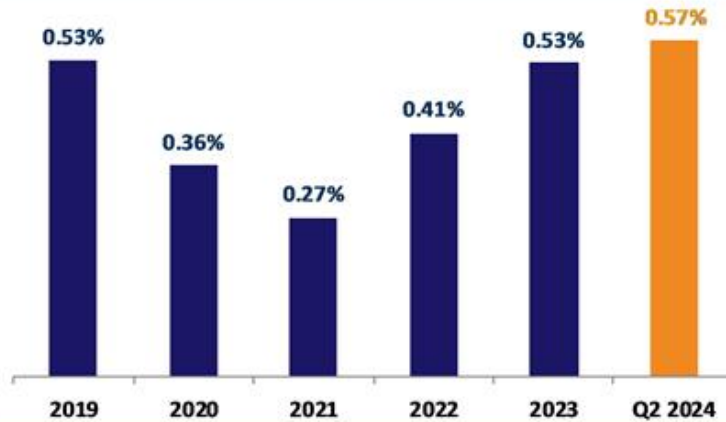


- 2024 YTD Production
  - YTD Funded: \$50.4 million
  - Sold: \$25.8 million
  - Net Production: \$24.6 million
- Average Yield on Total Portfolio: 9.27%
- Average Yield on Q2 Originations: 9.75%

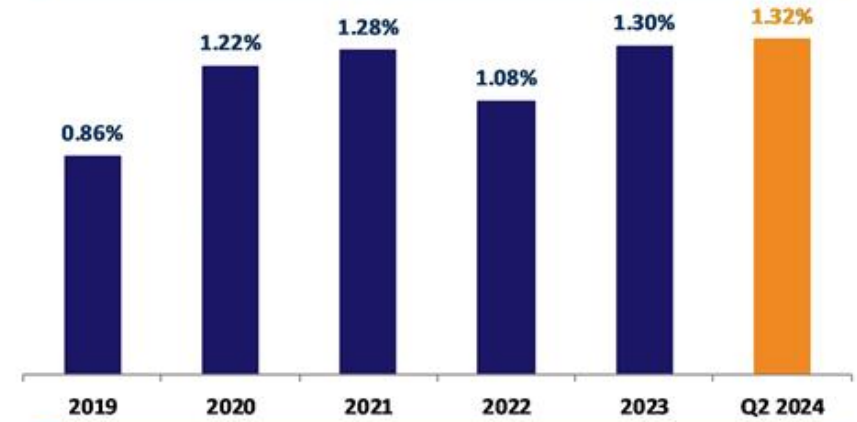
### Industry Concentrations:

- ❖ Propane, Recycling/Waste Management, Environmental, Additive Manufacturing (3-D Printing), Construction, Non-destructive testing

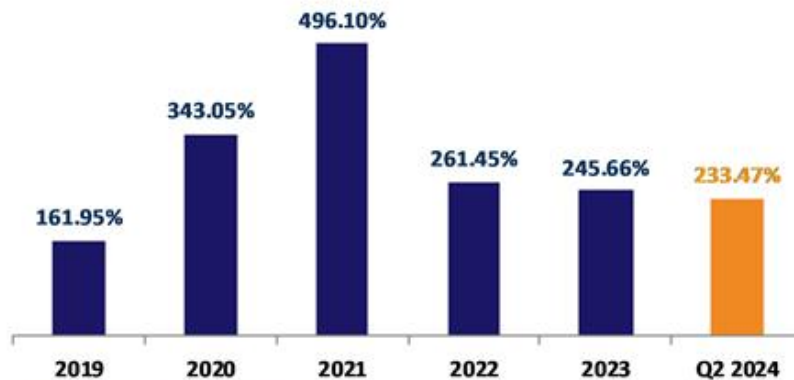
## Nonaccrual & 90 days Past Due / Gross Loans



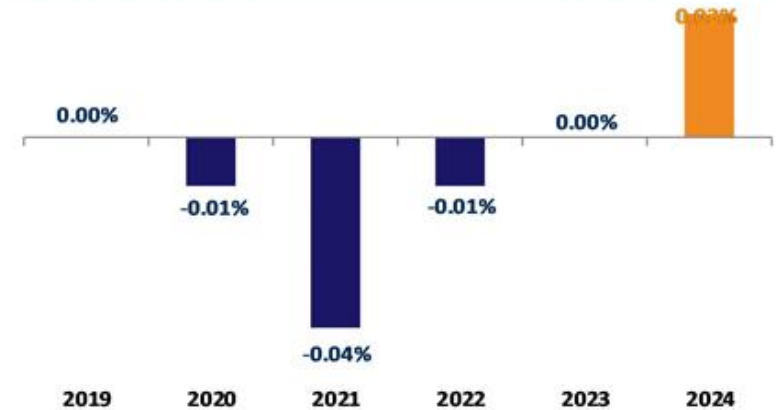
## Loan Loss Reserves / Gross Loans



## Reserves / NPLs



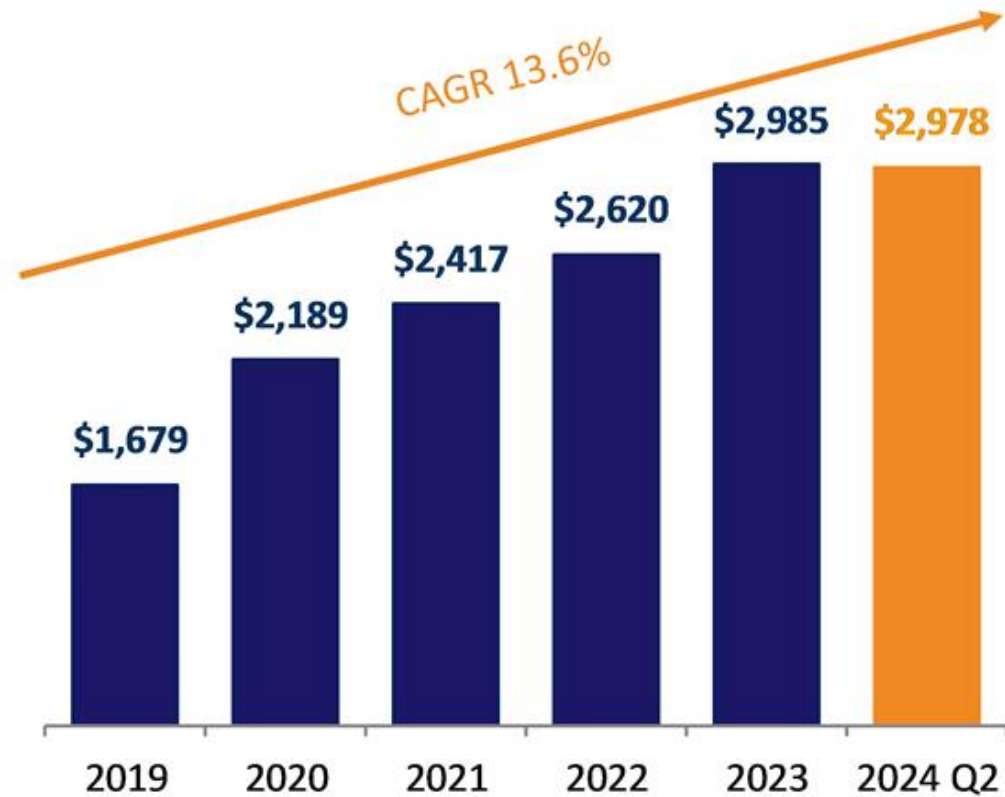
## Net Chargeoff Ratio<sup>1</sup>



1. LTM basis

## Total Deposits<sup>1</sup>

(\$ in millions)

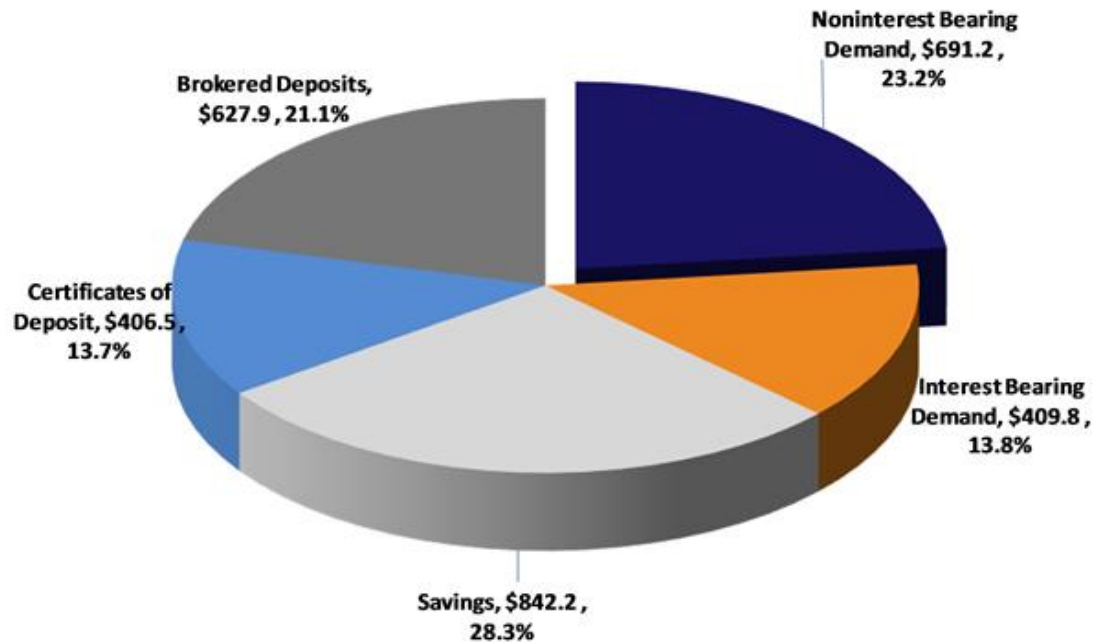


1. 2022 includes the addition of \$271 million in deposits due to the Comunibanc Corp acquisition.



## Deposit Mix

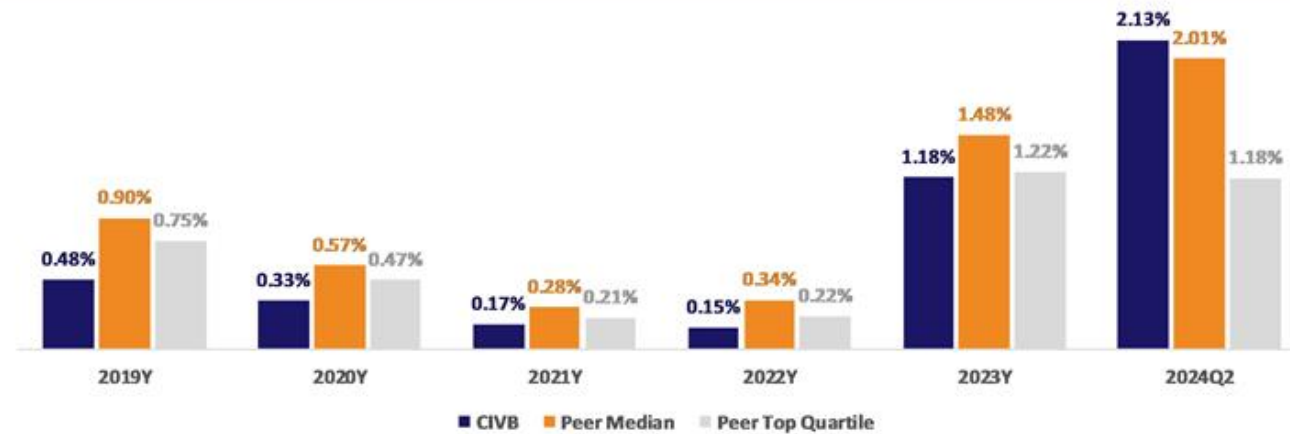
- Total Deposits: \$3.0 billion
- Loan/Deposit Ratio: 101.7%



Year	Cost of Deposits	Cost of Funding
2019	0.48%	0.68%
2020	0.33%	0.43%
2021	0.17%	0.24%
2022	0.15%	0.39%
2023	1.19%	1.72%
2024*	2.12%	2.58%

\* As of 6/30/2024 YTD

## Total Cost of Deposits (%)

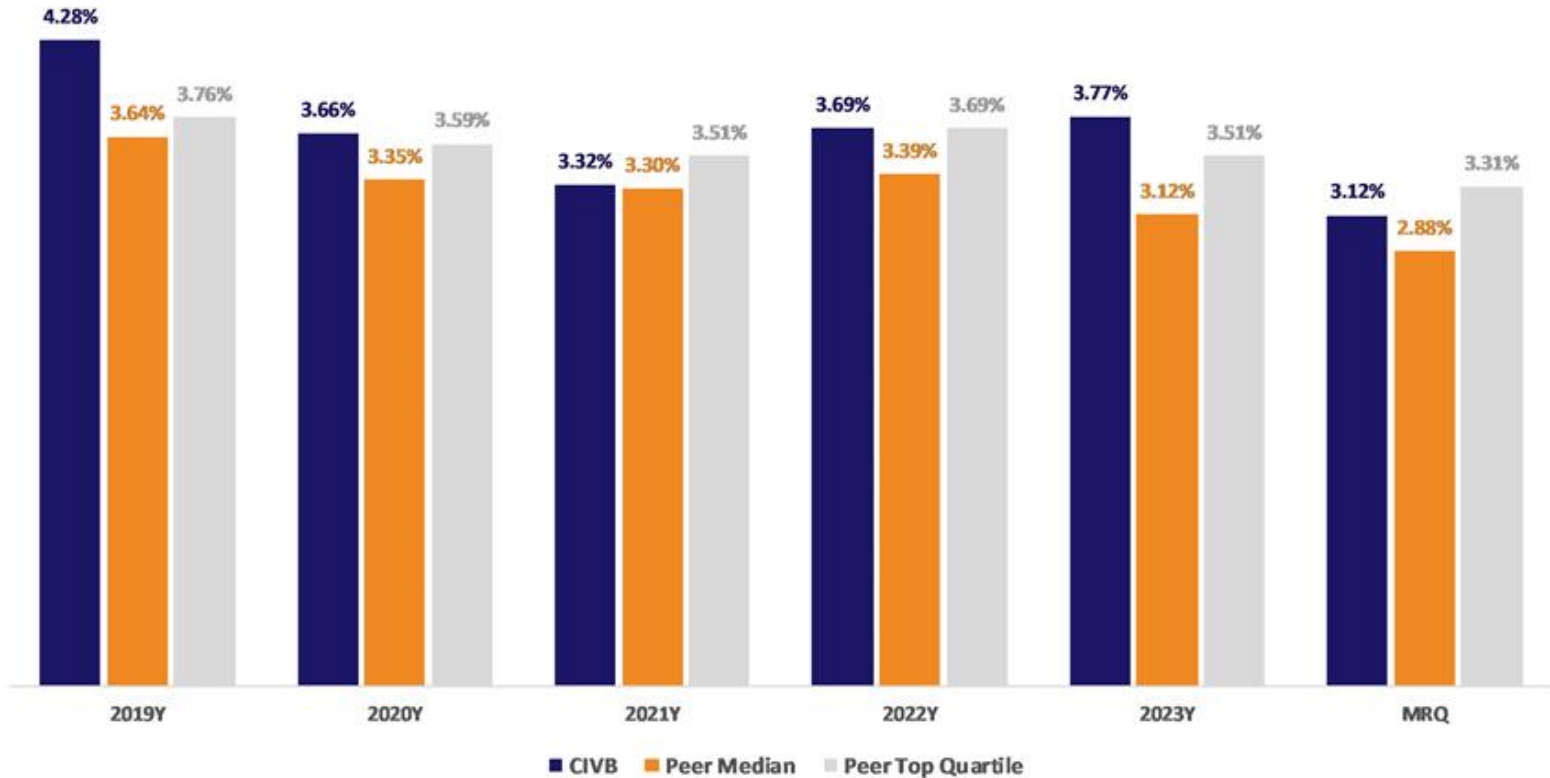


## Yield on Loans (%)



2024 Peer data as of 6/30/2024 or the latest available date.  
 Note: Comparable peers include public banks \$1-\$4B in Ohio and +/- 40% CIVB's asset size in contiguous states.

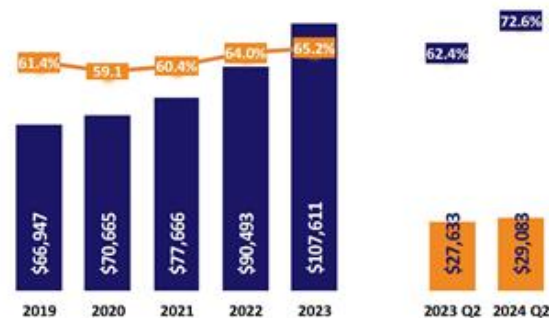
## Net Interest Margin



## Non-Interest Income and Expense

- Fee income platform
  - Service charges on deposit accounts were \$2.9 million YTD 2024 and \$3.6 million YTD 2023
- Mortgage Banking
  - Gain on sale of loans and leases, YTD 2024 and 2023 was \$1.8 million and \$1.2 million, respectively
- Wealth Management
  - \$2.6 million YTD 2024 and \$2.4 million YTD 2023
- Lease Revenue and Residual Income
  - \$5.2 million YTD 2024 and \$4.2 million YTD 2023
- Interchange Income
  - \$2.8 million YTD 2024 and \$2.8 million YTD 2023
- Disciplined approach to controlling non-interest expense
  - Routing overflow calls to our retail staff
  - Manage/reduce overtime and staffing
- Continued focus on review of branch network
- Revenue Improvement
  - Service Charges
  - Leasing Syndication Desk
    - Facilitate higher gains on sales of leases and loans
- Identified efficiencies in operations
  - Robotic Process Automation
  - Chat GPT

## Non-Interest Expense and Efficiency Ratio<sup>1</sup>



1. 2021 efficiency ratio is adjusted for nonrecurring items; 2022 efficiency ratio is adjusted for merger related expenses. Page 40 and 41 show Non-GAAP reconciliations

## Capital Management

- November 2021 issued \$75 million in 3.25% subordinated debt
- Authorized \$13.5 million stock repurchase plan in April 2024
- During 2024, no repurchases have been made
- Increased the quarterly common dividend to \$0.16 per share in the third quarter 2023

*(\$s in thousands, except per share data)*

	For the Years Ended December 31,					2024 Q2
	2019	2020	2021	2022	2023	
Total Equity	\$330,126	\$350,108	\$355,212	\$334,835	\$372,002	\$373,808
TCE / TA <sup>1</sup>	11.01%	9.88%	9.25%	5.83%	6.36%	6.18%
ROAE <sup>2</sup>	10.64%	9.57%	11.61%	12.47%	12.50%	9.39%

1. TCE Non-GAAP reconciliation on page 39

2. LTM basis

# Providing Shareholder Value

## Net Income & Earnings Per Share (Available to Common)<sup>1</sup>

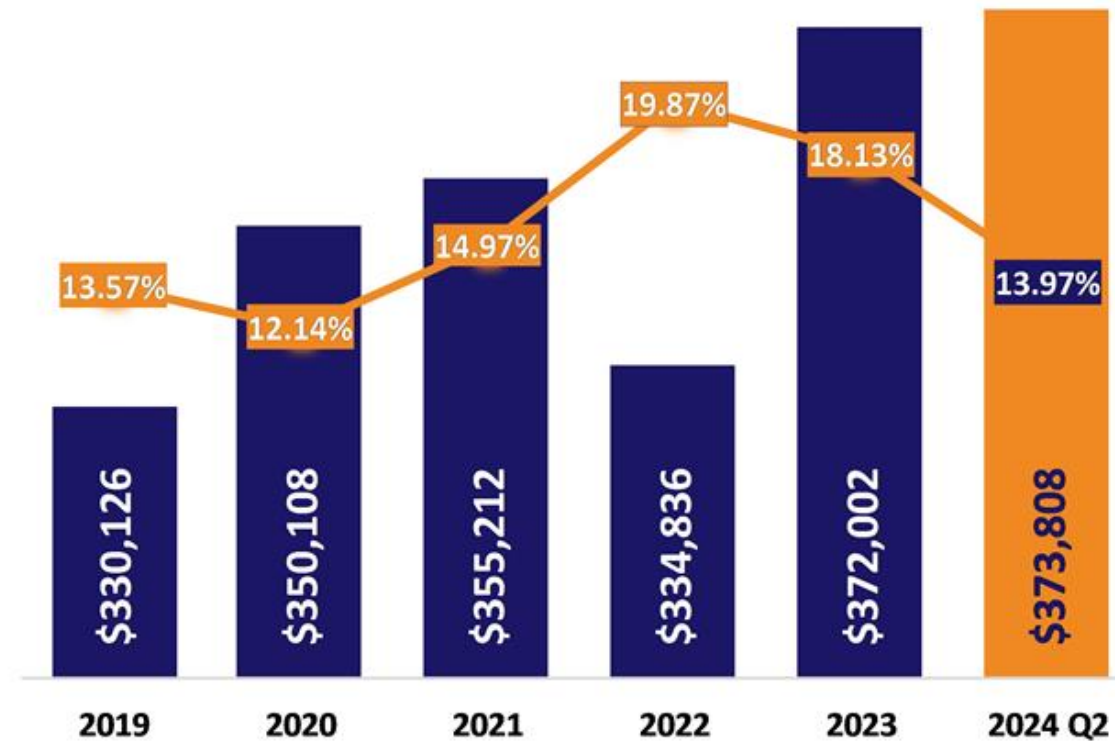
(LTM - \$ in thousands)



1. Q2 2024 presented on LTM basis

## Total Shareholders' Equity & Return on Tangible Equity<sup>1,2,3</sup>

(\$ in thousands)



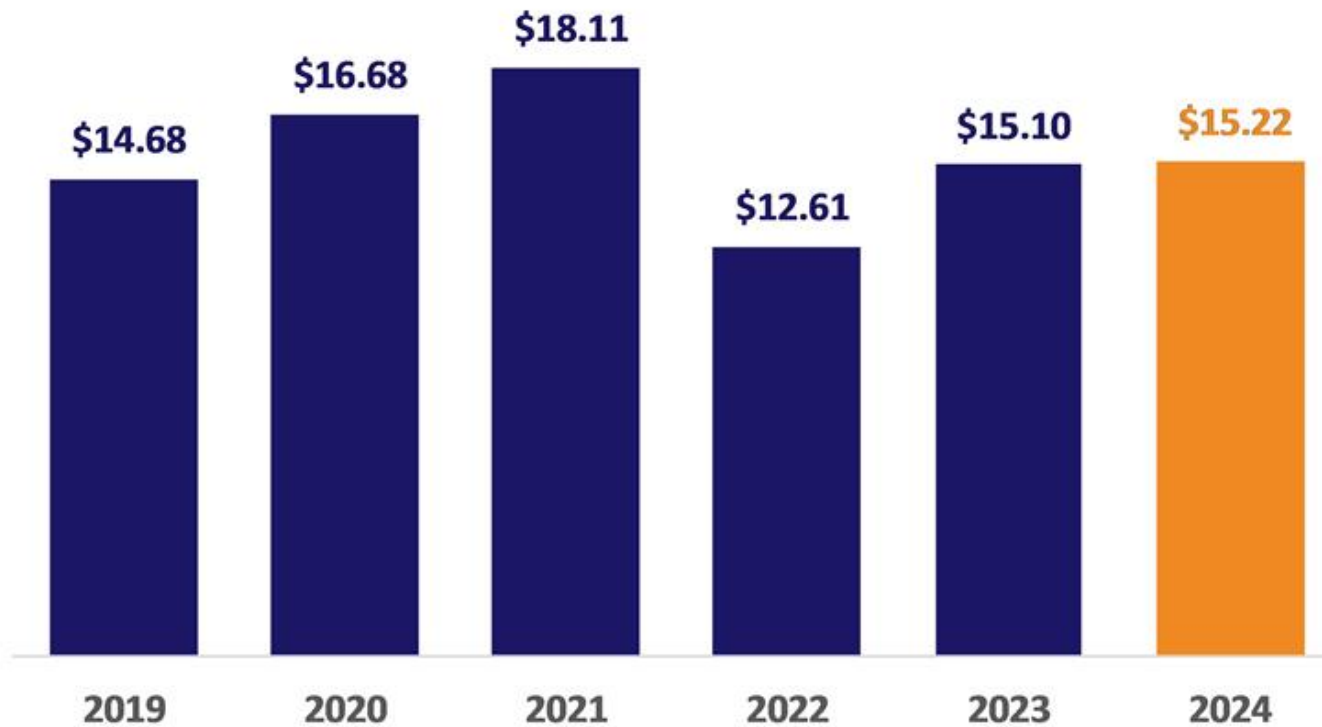
1. LTM basis

2. Non-GAAP reconciliation on page 39

3. The change in the AOCI impact of unrealized losses on the investment portfolio from 12/31/21 to 12/31/22 was \$67.4 million



## Tangible Book Value per Share<sup>1,2</sup>



1. Non-GAAP reconciliation on page 39

2. The change in the AOCI impact of unrealized losses on the investment portfolio on TBV/share from 12/31/21 to 12/31/22 was \$4.29

# Why Civista?

### Experienced Acquirer & Organic Growth Model

- Completed 6 acquisitions since 2007, including the acquisition of Comunibanc Corp, which closed July 1, 2022 and acquisition of Vision Financial Group, which closed October 3, 2022
- On June 27, 2022, opened de novo branch in Gahanna, Ohio, located in Franklin County (Columbus MSA)
- Expanded commercial loan growth in Columbus, Cleveland, Akron, Dayton, Toledo and Cincinnati markets
- Since year-end 2018, loan portfolios in these markets have increased from \$645 million to \$2.4 billion through June 30, 2024
- Low cost, locally generated deposit base



### Compelling Investment Opportunity

- Community bank franchise poised for acquisitions and strong core deposit franchise
- Strong capital position
- Strong credit culture and asset quality
- Experienced acquirer
- Continued strong NIM
- Experienced management team with an average of 31 years in banking
- Strategically positioned in attractive Ohio lending markets funded by low-cost deposits with operations in the 5 largest Ohio MSAs
- Demonstrated strong profitability from 2019 to Q2 2024
- TBV / Share CAGR from 2019 to Q2 2024 8.6%

# Additional Information

(\$s in thousands, except per share data)

						Q2 LTM
	2019	2020	2021	2022	2023	2024
Net Interest Income	\$85,100	\$89,727	\$95,425	\$110,204	\$125,496	\$117,679
Provision for Loan Losses	1,035	10,112	830	1,752	4,435	6,602
Noninterest Income	22,443	28,182	31,452	29,077	37,163	35,995
Noninterest Expense	66,947	70,665	78,484	90,493	107,611	108,309
Net Income/(Loss)	33,878	32,192	40,546	39,427	42,964	33,466
Net Income Available to Common Shareholders	\$33,231	\$32,192	\$40,546	\$39,427	\$42,964	\$33,466
Diluted Earnings/(Loss) per Common Share	\$2.01	\$2.00	\$2.63	\$2.60	\$2.73	\$2.14
Return on Average Assets (ROAA)	1.51%	1.17%	1.34%	1.22%	1.16%	0.89%
Return on Average Equity (ROAE)	10.64%	9.57%	11.61%	12.46%	12.50%	9.36%

(\$s in thousands, except per share data)

	As of and for the Years Ended December 31,					Q2
	2019	2020	2021	2022	2023	2024
<b>Tangible Common Equity</b>						
Total Shareholder's Equity - GAAP	\$ 330,126	\$ 350,108	\$ 355,212	\$ 334,835	\$ 372,002	\$ 373,808
Less: Goodwill and intangible assets	<u>85,156</u>	<u>84,926</u>	<u>84,432</u>	<u>136,454</u>	<u>135,028</u>	<u>134,227</u>
<i>Tangible common equity</i>	\$ 244,970	\$ 265,182	\$ 270,780	\$ 198,381	\$ 236,974	\$ 239,581
Total Shares Outstanding	16,687,542	15,898,032	14,954,200	15,728,234	15,695,424	15,737,222
<i>Tangible book value per share</i>	\$ 14.68	\$ 16.68	\$ 18.11	\$ 12.61	\$ 15.10	\$ 15.22
<b>Tangible Assets</b>						
Total Assets - GAAP	\$ 2,309,557	\$ 2,768,862	\$ 3,011,983	\$ 3,537,830	\$ 3,861,418	\$ 4,011,914
Less: Goodwill and intangible assets	<u>85,156</u>	<u>84,926</u>	<u>84,432</u>	<u>136,454</u>	<u>135,028</u>	<u>134,227</u>
<i>Tangible assets</i>	\$ 2,224,401	\$ 2,683,936	\$ 2,927,551	\$ 3,401,376	\$ 3,726,390	\$ 3,877,687
<i>Tangible common equity to tangible assets</i>	11.01%	9.88%	9.25%	5.83%	6.36%	6.18%
Net Income <sup>1</sup>	\$ 33,231	\$ 32,192	\$ 40,546	\$ 39,427	\$ 42,964	\$ 33,466
<i>Return on Tangible Common Equity</i> <sup>1</sup>	13.57%	12.14%	14.97%	19.87%	18.13%	13.97%

(\$s in thousands)

	YTD 2021
<b>Adjusted Efficiency ratio</b>	
Noninterest expense - GAAP	\$ 78,484
FHLB prepayment penalty	<u>(3,717)</u>
Adjusted noninterest expense	74,767
Net interest income - GAAP	95,425
Noninterest Income - GAAP	31,452
Gain on sale of Visa B shares	<u>(1,785)</u>
Adjusted Non-interest Income	29,667
Adjusted total revenue	\$ 125,092
<b>Adjusted Efficiency ratio</b>	59.8%



(\$s in thousands)

	YTD 2022
<b>Adjusted Efficiency ratio</b>	
Noninterest expense - GAAP	\$ 90,493
Acquisition and integration expense	<u>(3,757)</u>
Adjusted noninterest expense	86,736
Net interest income - GAAP	110,204
Effect of tax-exempt income	<u>2,092</u>
Adjusted net interest income	112,296
Noninterest Income - GAAP	29,076
Adjusted total revenue	\$ 141,372
<b>Adjusted Efficiency ratio</b>	<b>61.4%</b>



**Thank You**

