



**MidWestOne**<sup>™</sup>  
FINANCIAL GROUP, INC.

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**Second Quarter 2024**  
Earnings Conference Call  
July 26, 2024

# Forward Looking Statements & Non-GAAP Measures

*This presentation contains certain “forward-looking statements” within the meaning of such term in the Private Securities Litigation Reform Act of 1995. We and our representatives may, from time to time, make written or oral statements that are “forward-looking” and provide information other than historical information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any results, levels of activity, performance or achievements expressed or implied by any forward-looking statement. These factors include, among other things, the factors listed below. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of our management and on information currently available to management, are generally identifiable by the use of words such as “believe,” “expect,” “anticipate,” “should,” “could,” “would,” “plans,” “goals,” “intend,” “project,” “estimate,” “forecast,” “may” or similar expressions. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed in, or implied by, these statements. Readers are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Additionally, we undertake no obligation to update any statement in light of new information or future events, except as required under federal securities law.*

*Our ability to predict results or the actual effect of future plans or strategies is inherently uncertain. Factors that could have an impact on our ability to achieve operating results, growth plan goals and future prospects include, but are not limited to, the following: (1) the risks of mergers or branch sales (including the recent sale of our Florida banking operations and the acquisition of Denver Bankshares, Inc.), including, without limitation, the related time and costs of implementing such transactions, integrating operations as part of these transactions and possible failures to achieve expected gains, revenue growth and/or expense savings from such transactions; (2) credit quality deterioration, pronounced and sustained reduction in real estate market values, or other uncertainties, including the impact of inflationary pressures on economic conditions and our business, resulting in an increase in the allowance for credit losses, an increase in the credit loss expense, and a reduction in net earnings; (3) the effects of sustained high interest rates, including on our net income and the value of our securities portfolio; (4) changes in the economic environment, competition, or other factors that may affect our ability to acquire loans or influence the anticipated growth rate of loans and deposits and the quality of the loan portfolio and loan and deposit pricing; (5) fluctuations in the value of our investment securities; (6) governmental monetary and fiscal policies; (7) changes in and uncertainty related to benchmark interest rates used to price loans and deposits; (8) legislative and regulatory changes, including changes in banking, securities, trade, and tax laws and regulations and their application by our regulators, and any changes in response to the recent failures of other banks; (9) the ability to attract and retain key executives and employees experienced in banking and financial services; (10) the sufficiency of the allowance for credit losses to absorb the amount of actual losses inherent in our existing loan portfolio; (11) our ability to adapt successfully to technological changes to compete effectively in the marketplace; (12) credit risks and risks from concentrations (by geographic area and by industry) within our loan portfolio; (13) the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds, financial technology companies, and other financial institutions operating in our markets or elsewhere or providing similar services; (14) the failure of assumptions underlying the establishment of allowances for credit losses and estimation of values of collateral and various financial assets and liabilities; (15) volatility of rate-sensitive deposits; (16) operational risks, including data processing system failures or fraud; (17) asset/liability matching risks and liquidity risks; (18) the costs, effects and outcomes of existing or future litigation; (19) changes in general economic, political, or industry conditions, nationally, internationally or in the communities in which we conduct business, including the risk of a recession; (20) changes in accounting policies and practices, as may be adopted by state and federal regulatory agencies and the Financial Accounting Standards Board; (21) war or terrorist activities, including the ongoing Israeli-Palestinian conflict and the Russian invasion of Ukraine, widespread disease or pandemic, or other adverse external events, which may cause deterioration in the economy or cause instability in credit markets; (22) the occurrence of fraudulent activity, breaches, or failures of our or our third-party vendors' information security controls or cyber-security related incidents, including as a result of sophisticated attacks using artificial intelligence and similar tools; (23) the imposition of tariffs or other domestic or international governmental policies impacting the value of the agricultural or other products of our borrowers; (24) potential changes in federal policy and at regulatory agencies as a result of the upcoming 2024 presidential election; (25) the concentration of large deposits from certain clients who have balances above current FDIC insurance limits; (26) the effects of recent developments and events in the financial services industry, including the large-scale deposit withdrawals over a short period of time that resulted in recent bank failures; and (27) other risk factors detailed from time to time in Securities and Exchange Commission filings made by the Company.*

## **Non-GAAP Measures**

*This presentation contains non-GAAP measures for tangible common equity, tangible book value per share, tangible common equity ratio, loan yield, tax equivalent, efficiency ratio, pre-tax, pre-provision earnings, return on average tangible equity, and net interest margin, tax equivalent. Management believes these measures provide investors with useful information regarding the Company's profitability, financial condition and capital adequacy, consistent with how management evaluates the Company's financial performance. A reconciliation of each non-GAAP measure to the most comparable GAAP measure is included, as necessary, in the Non-GAAP Financial Measures section.*

# Financial Highlights

2Q24 Financial Highlights				
<i>Dollars in millions</i>		2Q24	1Q24	Change vs. 2Q23
<b>Balance Sheet</b>	Total assets	\$ 6,581.7	(2.47) %	0.92 %
	Total loans held for investment, net	4,287.2	(2.89)	6.68
	Total deposits	5,412.4	(3.09)	(0.61)
<b>Capital and Liquidity</b>	Equity to assets ratio	8.25 %	42 bps	56 bps
	Tangible common equity ratio (non-GAAP)	6.88	45	48
	CET1 risk-based capital ratio	9.56	58	20
	Total risk-based capital ratio	12.62	65	36
	Loans to deposits ratio	79.21 %	17	541
<b>Profitability</b>	Net interest margin, tax equivalent (non-GAAP)	2.41 %	8 bps	(11) bps
	Cost of total deposits	2.11	8	63
	Return on average assets	0.95	75	48
	Return on average tangible equity (non-GAAP)	15.74	1,156	724
	Efficiency ratio (non-GAAP)	56.29	(1,499)	(1,484)
<b>Credit Risk Profile</b>	Nonperforming loans ratio	0.59 %	(7) bps	23 bps
	Nonperforming assets ratio	0.47	(2)	25
	Net charge-off ratio	0.05	3	(4)
	Allowance for credit losses ratio	1.26	(1)	1

# Denver Bankshares, Inc. Acquisition and Florida Banking Operations Divestiture

## Merger and Divestiture Update

- On January 31, 2024, MOFG acquired Denver Bankshares, Inc., a bank holding company for the Bank of Denver. As consideration for the merger, we paid cash in the amount of \$32.6 million.
- During the first quarter of 2024, the core banking system conversion was completed and we consolidated the operations of a MidWestOne banking office into the former Bank of Denver banking office.
- On June 7, 2024, MidWestOne Bank, a wholly-owned subsidiary of MOFG, completed the sale of its Florida banking operations for a 7.5% deposit premium.

## MOFG Core Markets\*\*

State	Banking Offices	Total Gross Loans in Market	Total Deposits in Market
Iowa Community	22	\$ 868.0	\$ 1,759.0
Iowa Metro	17	1,474.2	1,863.8
Twin Cities	15	1,279.5	1,205.9
Denver	2	683.0	387.6

## Acquisitions and Divestitures\*

State	Banking Offices	Loans	Deposits
Denver	2	\$ 207.1	\$ 224.2
Florida	2	\$ 163.6	\$ 133.3



\*The Denver banking offices, loans and deposits were as of the acquisition date 1/31/24 and the Florida banking offices, loans and deposits were as of the sale date 6/7/24. Dollars are reported in millions.

\*\*Banking office information is as of 6/30/24. Dollars are reported in millions. Note: Core market information excludes brokered time deposits of \$196.0 million.

# MOFG's Five Strategic Pillars to Deliver Improved Results



- 1 Enhance MOFG's award winning culture with a continued focus on performance and financial results
- 2 Protect and enhance MOFG's dominant community bank franchise through product expansion
- 3 Continue to hire exceptional relationship bankers and wealth management professionals
- 4 Develop specialty commercial banking verticals by continuing to attract experienced professionals
- 5 Continue to identify and execute on opportunities for efficiency gains and cost reduction

# Strategic Plan Updates



Completed the sale of our Florida banking operations on June 7, 2024 for a 7.5% deposit premium.



Completed the acquisition of DNVB on January 31, 2024, the conversion of core banking system, and the consolidation of the legacy MidWestOne Denver banking office into a former Bank of Denver banking office.



Recruited a new EVP, Head of Wealth Management, a new EVP, Chief Information Officer, a new SVP, Chief Marketing Officer, and a new Cedar Rapids Commercial Banking leader in the first and second quarters of 2024.



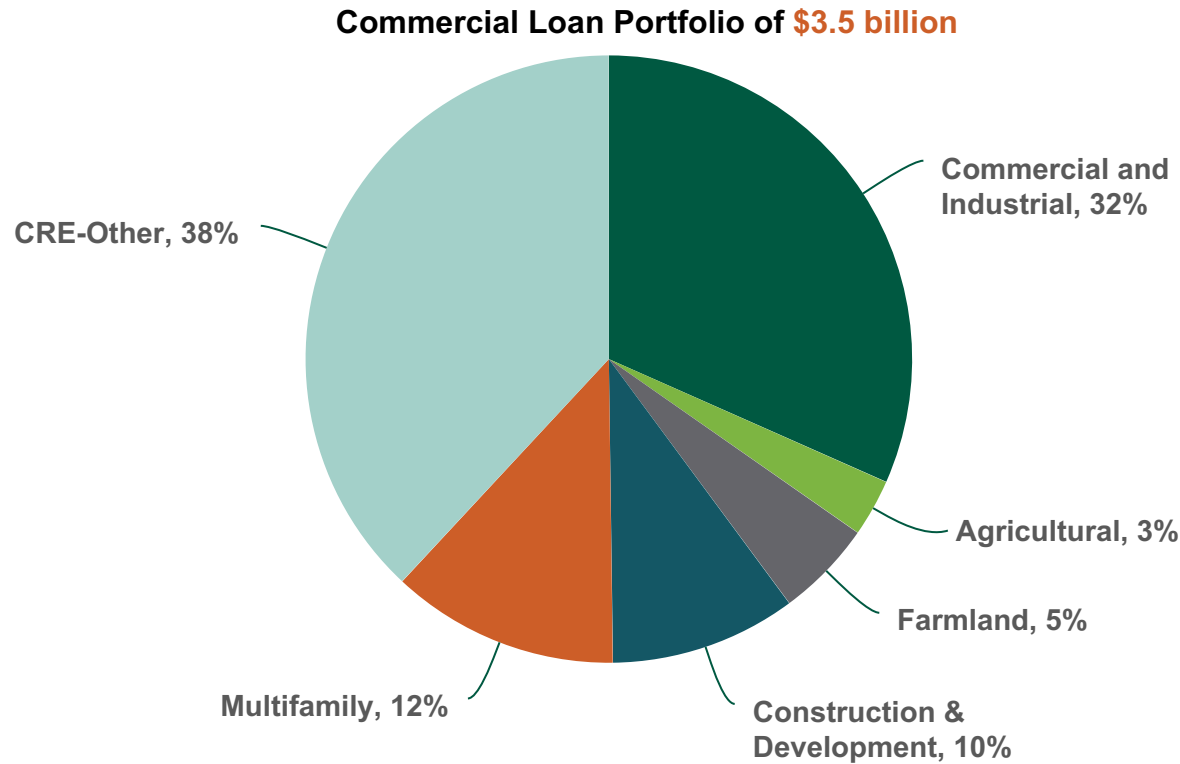
Annualized C&I and CRE loan growth was 7% and 3%, respectively, for the second quarter of 2024 (excluding the loans sold in the Florida divestiture).



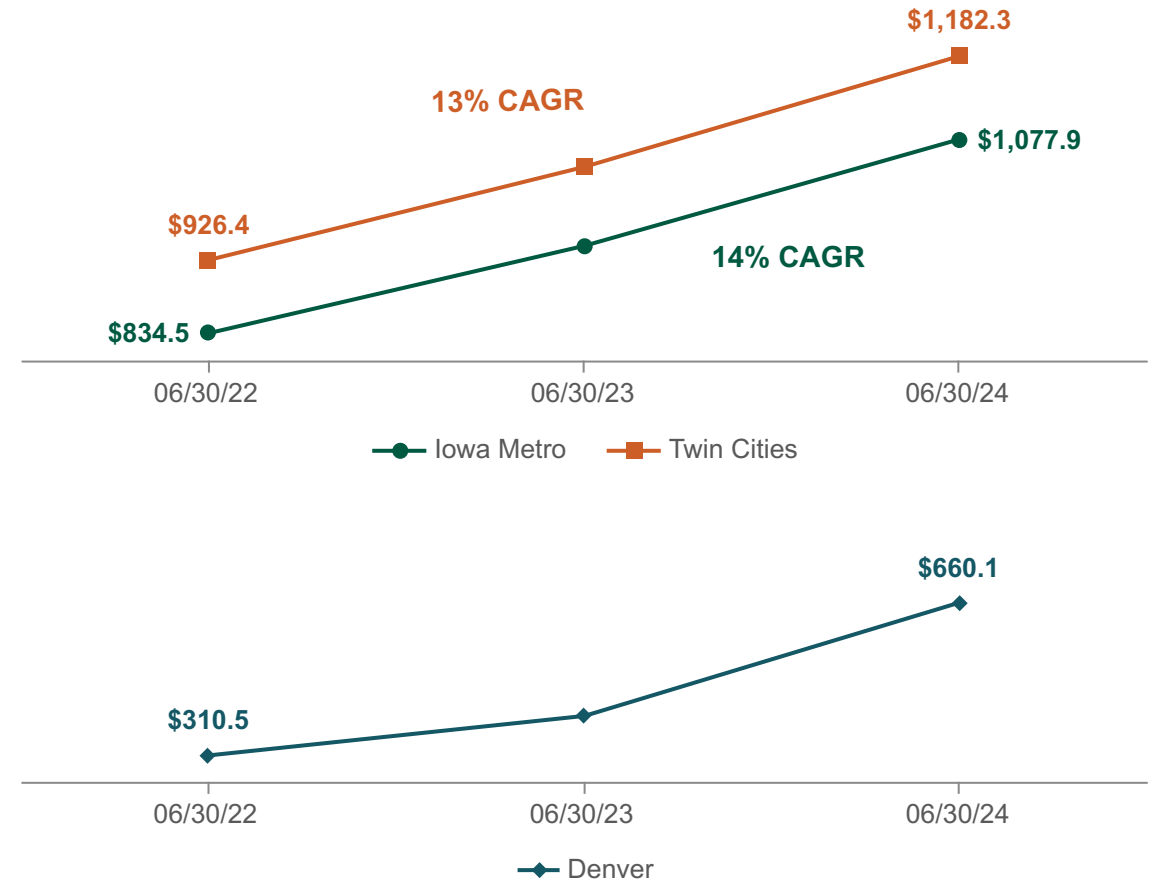
Continued momentum in Wealth Management, with year-to-date revenue growth of 16% compared to the prior year period.

# Commercial Loan Portfolio

Commercial Loan Portfolio Mix - June 30, 2024

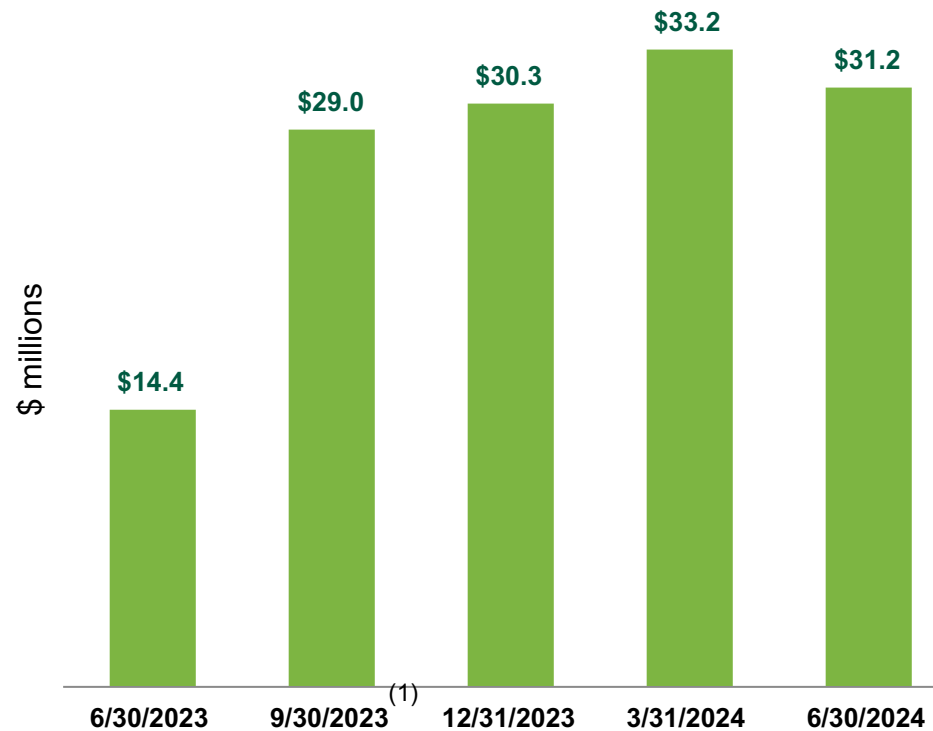


Commercial Loan Growth in Targeted Regions  
\$ in Millions



# Credit

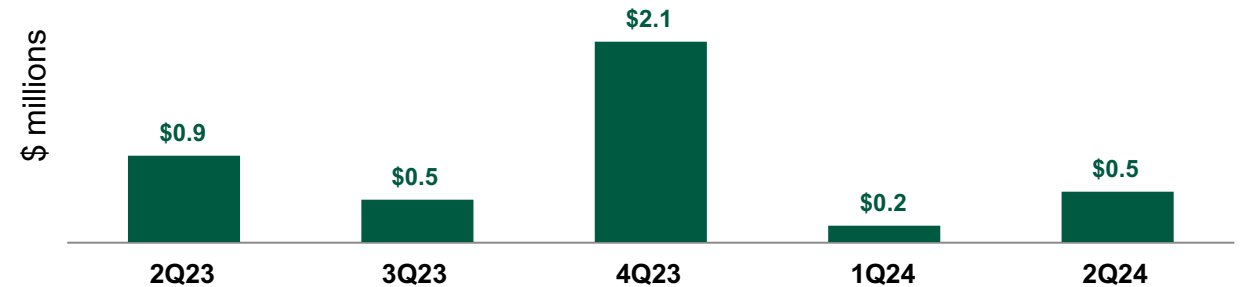
## Nonperforming Assets



## Credit Quality Measures

\$ millions	2Q23	3Q23	4Q23	1Q24	2Q24
Nonperforming assets ratio	0.22 %	0.45 %	0.47 %	0.49 %	0.47 %
Net charge-off ratio	0.09 %	0.04 %	0.20 %	0.02 %	0.05 %
Loans greater than 30 days past due and accruing	\$6.2	\$6.4	\$10.8	\$8.8	\$9.4
Allowance for credit losses ratio	1.25 %	1.27 %	1.25 %	1.27 %	1.26 %

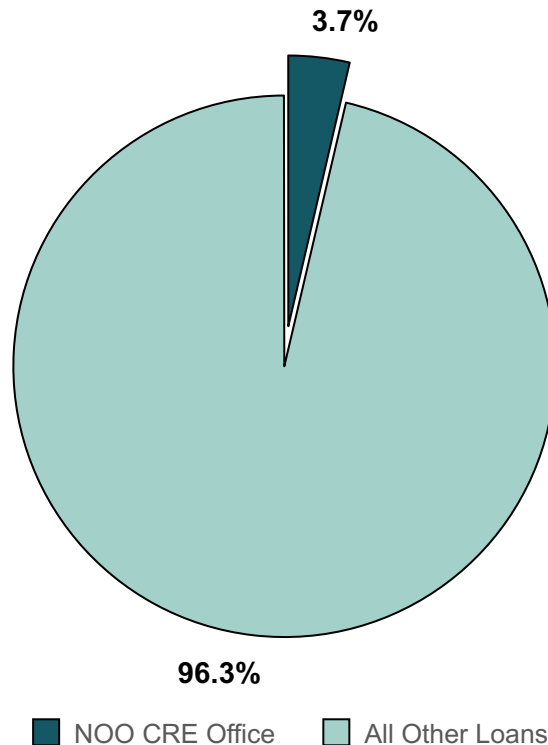
## Net Charge-Offs





# Commercial Real Estate

## Non-Owner Occupied CRE Office June 30, 2024



## Portfolio Highlights June 30, 2024

\$ millions

Average NOO CRE Office outstanding principal \$ 1.4

Commercial Real Estate Concentration:	% of Total Capital		Regulatory Threshold
	2Q24	1Q24	
Construction, land development and other land	52%	60%	100%
Total CRE loans <sup>(1)</sup>	237%	251%	300%

## Commercial Real Estate Portfolio<sup>(2)</sup> June 30, 2024

\$ millions

	2Q24	1Q24
Construction & Development	\$ 351.6	\$ 403.6
Farmland	183.6	184.1
Multifamily	430.1	409.5
CRE Other:		
NOO CRE Office	157.1	166.1
OO CRE Office	84.6	91.3
Industrial and Warehouse	407.3	429.1
Retail	262.0	285.0
Hotel	112.8	126.2
Other	324.7	342.9
<b>Total Commercial Real Estate</b>	<b>\$ 2,313.8</b>	<b>\$ 2,437.8</b>

<sup>(1)</sup>Total CRE loans includes construction, land development and other land, in addition to multifamily and NOO CRE.

<sup>(2)</sup>Represents the amortized cost of the CRE portfolio.

# Focusing on Growth in Wealth Management

## Private Banking

- Right size book of business with consistent eligibility
- Launched new concierge support
- Building out product set
- Added a new Senior Private Banker in Des Moines during 2024

## Private Wealth

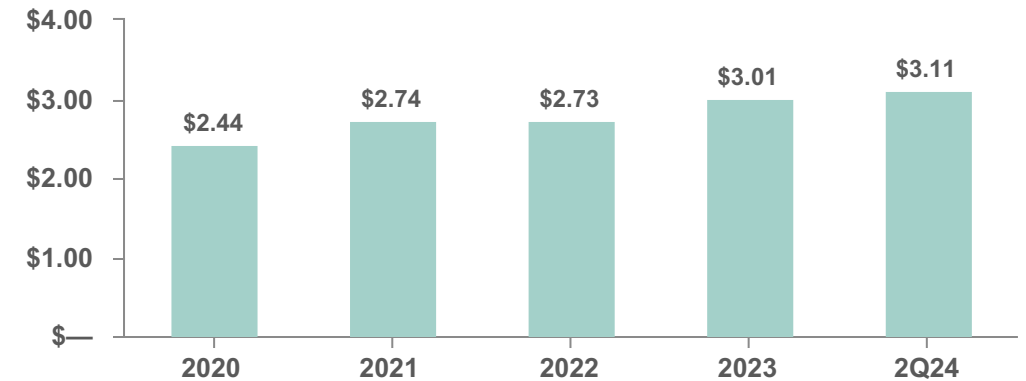
- Enhance planning with a single platform across Private Wealth and Investment Services
- New investment solutions and two new equity managers expected by Fall of 2024
- Increase focus on thought leadership
- Enhance fee opportunities with fiduciary services and proprietary investments

## Investment Services

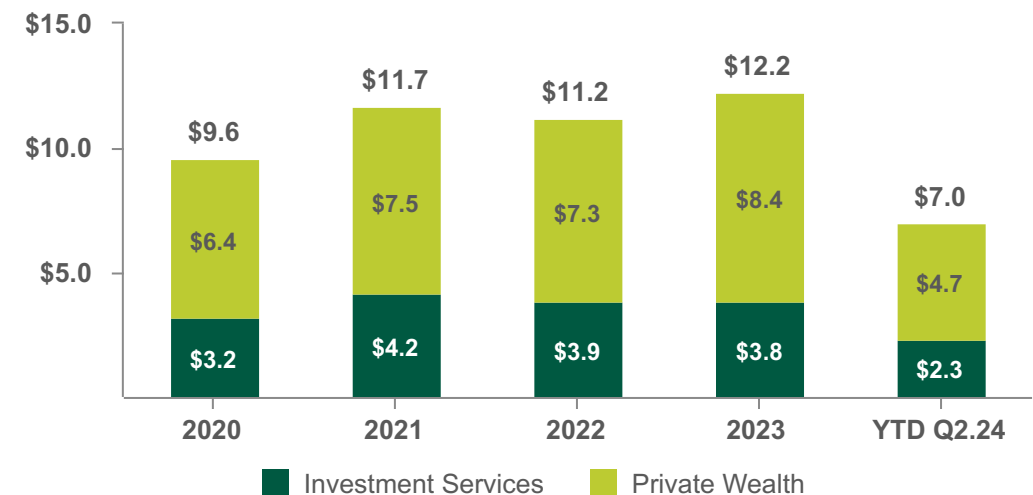
- Adding advisors in Twin Cities & Denver
- Focus on building recurring revenue through fee-based business



### Wealth Management Assets Under Administration



### Investment Services and Private Wealth Revenue



- Asset amounts presented are in billions of dollars
- Revenue amounts presented are in millions of dollars

# Financial Performance

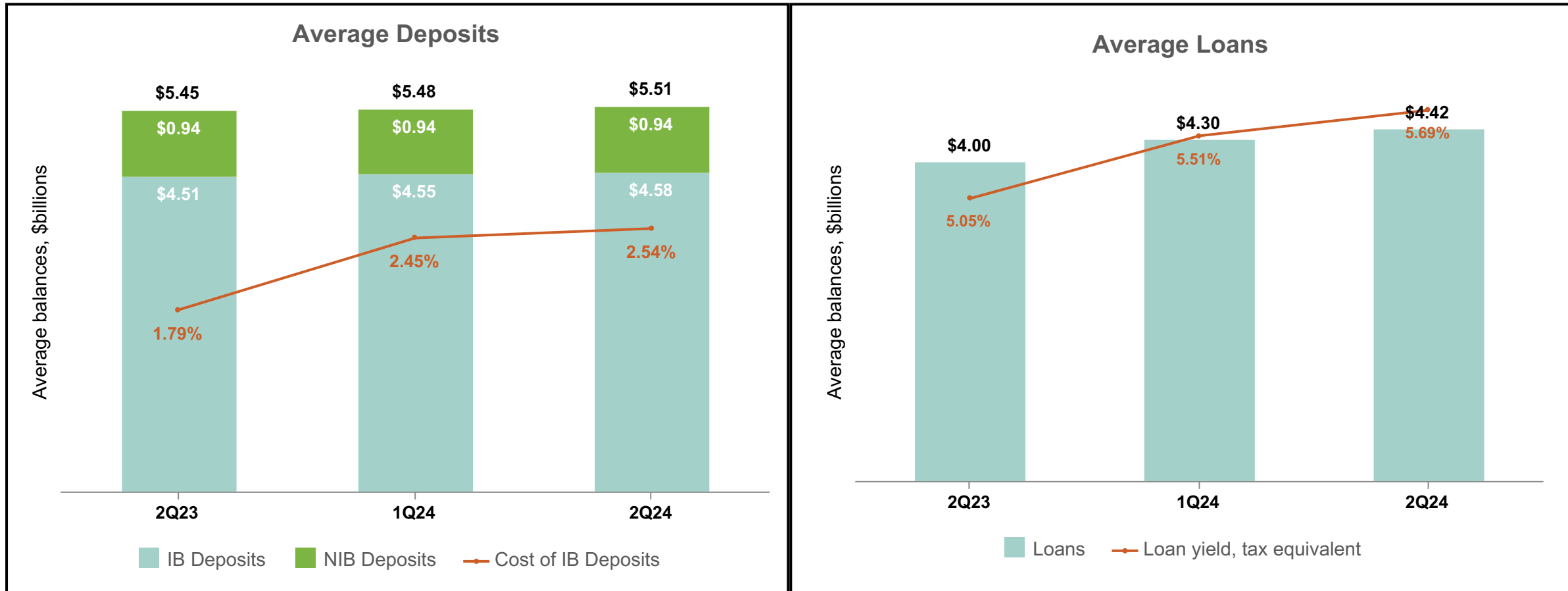


# Balance Sheet

Period end balances, \$ millions	2Q24 vs. 1Q24			2Q24 vs. 2Q23	
	2Q24	\$ Change	% Change	\$ Change	% Change
<b>Loans</b>	<b>\$4,287.2</b>	<b>\$(127.4)</b>	<b>(3)%</b>	<b>\$268.6</b>	<b>7 %</b>
<b>Investment securities</b>	<b>\$1,824.1</b>	<b>\$(38.1)</b>	<b>(2)%</b>	<b>\$(179.0)</b>	<b>(9)%</b>
<b>Interest earning deposits in banks</b>	<b>\$35.3</b>	<b>\$6.0</b>	<b>20 %</b>	<b>\$(33.3)</b>	<b>(49)%</b>
<b>Deposits</b>	<b>\$5,412.4</b>	<b>\$(172.8)</b>	<b>(3)%</b>	<b>\$(33.0)</b>	<b>(1)%</b>
<b>Borrowed funds</b>	<b>\$529.5</b>	<b>\$(15.6)</b>	<b>(3)%</b>	<b>\$41.7</b>	<b>9 %</b>
<b>Shareholders' equity</b>	<b>\$543.3</b>	<b>\$15.3</b>	<b>3 %</b>	<b>\$42.0</b>	<b>8 %</b>

Period end	2Q24			2Q24	
	2Q24	1Q24	vs. 1Q24	2Q23	vs. 2Q23
<b>Tangible book value per share (non-GAAP)</b>	<b>\$28.27</b>	<b>\$27.14</b>	<b>4 %</b>	<b>\$26.26</b>	<b>8 %</b>
<b>Common equity Tier 1 capital ratio</b>	<b>9.6 %</b>	<b>9.0 %</b>	<b>60 bps</b>	<b>9.4 %</b>	<b>20 bps</b>
<b>AOCI</b>	<b>\$(58.1)</b>	<b>\$(60.8)</b>	<b>4 %</b>	<b>\$(82.7)</b>	<b>30 %</b>
<b>Return on average tangible equity (non-GAAP)</b>	<b>15.74 %</b>	<b>4.18 %</b>	<b>1,156 bps</b>	<b>8.50 %</b>	<b>724 bps</b>

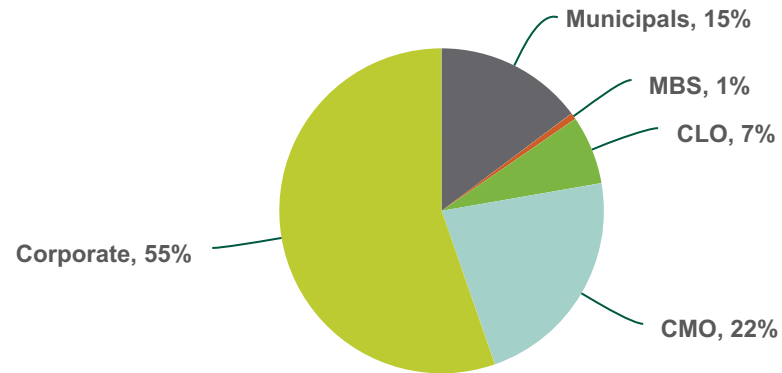
# Balance Sheet- Average Loans and Deposits



- IB Deposits represent interest bearing deposits and NIB Deposits represent noninterest bearing deposits. The disaggregation of the average deposits may not foot due to rounding.
- Loan yield, tax equivalent is a non-GAAP measure. See the Section "Non-GAAP Financial Measures."

# Balance Sheet - Debt Securities Portfolio

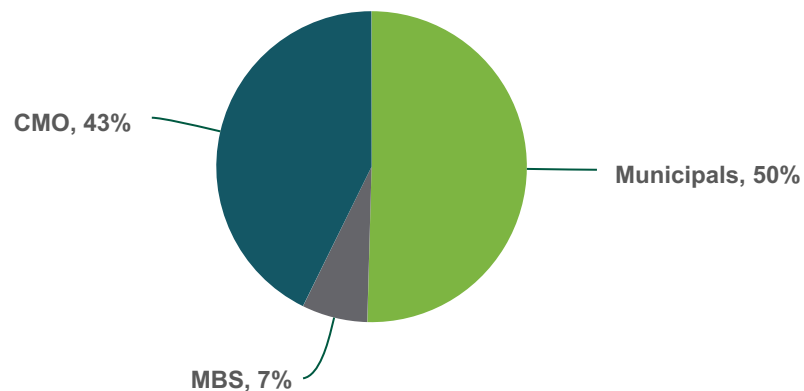
Available for Sale Debt Securities Portfolio Mix  
June 30, 2024<sup>(1)</sup>



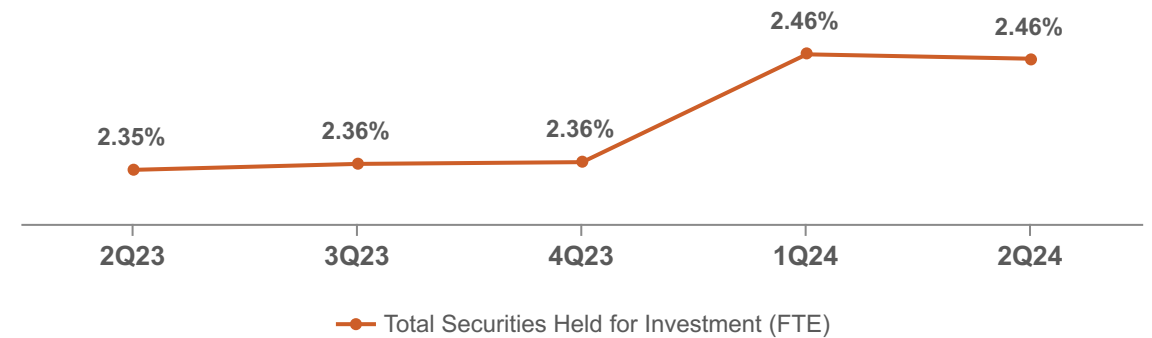
Portfolio Composition

- Investment Portfolio Mix:
  - AFS Securities - \$0.8 billion
  - HTM Securities - \$1.1 billion
- Investment Portfolio Duration:
  - AFS Securities - 2.7
  - HTM Securities - 6.0
  - Total Securities - 4.6
- Allowance for credit losses for investments is \$0

Held to Maturity Debt Securities Portfolio Mix  
June 30, 2024<sup>(1)</sup>



Investment Securities Yield



# Income Statement

\$ millions				% Change 2Q24 vs.	
	2Q24	1Q24	2Q23	1Q24	2Q23
<b>Net interest income</b>	<b>\$36.3</b>	<b>\$34.7</b>	<b>\$37.0</b>	<b>5 %</b>	<b>(2)%</b>
<b>Noninterest income</b>	<b>21.6</b>	<b>9.8</b>	<b>8.7</b>	<b>120 %</b>	<b>148 %</b>
<b>Total revenue</b>	<b>57.9</b>	<b>44.5</b>	<b>45.7</b>	<b>30 %</b>	<b>27 %</b>
<b>Noninterest expense</b>	<b>35.8</b>	<b>35.6</b>	<b>34.9</b>	<b>1 %</b>	<b>3 %</b>
<b>Pre-tax, pre-provision earnings (non-GAAP)</b>	<b>\$22.1</b>	<b>\$8.9</b>	<b>\$10.8</b>	<b>148 %</b>	<b>105 %</b>
<b>Credit loss expense</b>	<b>\$1.3</b>	<b>\$4.7</b>	<b>\$1.6</b>	<b>(72)%</b>	<b>(19)%</b>
<b>Income tax expense (benefit)</b>	<b>\$5.1</b>	<b>\$1.0</b>	<b>\$1.6</b>	<b>410 %</b>	<b>219 %</b>
<b>Net income</b>	<b>\$15.8</b>	<b>\$3.3</b>	<b>\$7.6</b>	<b>379 %</b>	<b>108 %</b>

	2Q24	1Q24	2Q23	2Q24 vs. 1Q24	2Q24 vs. 2Q23
<b>Net interest margin (non-GAAP)</b>	<b>2.41 %</b>	<b>2.33 %</b>	<b>2.52 %</b>	<b>8 bps</b>	<b>(11) bps</b>
<b>Efficiency ratio (non-GAAP)</b>	<b>56.29 %</b>	<b>71.28 %</b>	<b>71.13 %</b>	<b>1,499 bps</b>	<b>1,484 bps</b>
<b>Diluted EPS</b>	<b>\$1.00</b>	<b>\$0.21</b>	<b>\$0.48</b>	<b>376 %</b>	<b>108 %</b>

## Non-GAAP Financial Measures





# Non-GAAP Financial Measures

Tangible Common Equity / Tangible Book Value per Share / Tangible Common Equity Ratio			
	June 30, 2023	March 31, 2024	June 30, 2024
<i>dollars in thousands</i>			
Total shareholders' equity	\$ 501,341	\$ 528,040	\$ 543,286
Intangible assets, net	(89,446)	(100,649)	(97,327)
Tangible common equity	<u>\$ 411,895</u>	<u>\$ 427,391</u>	<u>\$ 445,959</u>
Total assets	\$ 6,521,489	\$ 6,748,015	\$ 6,581,658
Intangible assets, net	(89,446)	(100,649)	(97,327)
Tangible assets	<u>\$ 6,432,043</u>	<u>\$ 6,647,366</u>	<u>\$ 6,484,331</u>
Book value per share	\$ 31.96	\$ 33.53	\$ 34.44
Tangible book value per share <sup>(1)</sup>	\$ 26.26	\$ 27.14	\$ 28.27
Shares outstanding	15,685,123	15,750,471	15,773,468
Tangible common equity ratio <sup>(2)</sup>	6.40 %	6.43 %	6.88 %
(1) Tangible common equity divided by shares outstanding.			
(2) Tangible common equity divided by tangible assets.			

Loan Yield, Tax Equivalent			
For the Three Months Ended			
	June 30, 2023	March 31, 2024	June 30, 2024
<i>dollars in thousands</i>			
Loan interest income, including fees	\$ 49,726	\$ 57,947	\$ 61,643
Tax equivalent adjustment <sup>(1)</sup>	713	920	938
Tax equivalent loan interest income	<u>\$ 50,439</u>	<u>\$ 58,867</u>	<u>\$ 62,581</u>
Yield on loans, tax equivalent <sup>(2)</sup>	5.05 %	5.51 %	5.69 %
Average Loans	\$ 4,003,717	\$ 4,298,216	\$ 4,419,697
(1) The federal statutory tax rate utilized was 21%.			
(2) Annualized tax equivalent loan interest income divided by average loans.			

# Non-GAAP Financial Measures

Efficiency Ratio			
	For the Three Months Ended		
	June 30, 2023	March 31, 2024	June 30, 2024
<i>dollars in thousands</i>			
Total noninterest expense	\$ 34,919	\$ 35,565	\$ 35,761
Amortization of intangibles	(1,594)	(1,637)	(1,593)
Merger-related expenses	—	(1,314)	(854)
Noninterest expense used for efficiency ratio	<u>\$ 33,325</u>	<u>\$ 32,614</u>	<u>\$ 33,314</u>
Net interest income, tax equivalent <sup>(1)</sup>	\$ 38,106	\$ 36,038	\$ 37,662
Noninterest income	8,746	9,750	21,554
Investment securities (losses) gains, net	(2)	36	33
Net revenues used for efficiency ratio	<u>\$ 46,854</u>	<u>\$ 45,752</u>	<u>\$ 59,183</u>
Efficiency ratio	71.13 %	71.28 %	56.29 %
(1) The federal statutory tax rate utilized was 21%.			
(2) Noninterest expense adjusted for amortization of intangibles and merger-related expenses divided by the sum of tax equivalent net interest income, noninterest income and net investment securities (losses) gains.			

Pre-tax / Pre-provision Net Revenue			
	For the Three Months Ended		
	June 30, 2023	March 31, 2024	June 30, 2024
<i>dollars in thousands</i>			
Net interest income	\$ 36,962	\$ 34,731	\$ 36,347
Noninterest income	8,746	9,750	21,554
Noninterest expense	(34,919)	(35,565)	(35,761)
Pre-tax / Pre-provision Net Revenue	<u>\$ 10,789</u>	<u>\$ 8,916</u>	<u>\$ 22,140</u>

# Non-GAAP Financial Measures

Return on Average Tangible Equity				
	For the Three Months Ended			
	June 30, 2023	March 31, 2024	June 30, 2024	
dollars in thousands				
Net income	\$ 7,594	\$ 3,269	\$ 15,819	
Intangible amortization, net of tax <sup>(1)</sup>	1,196	1,228	1,195	
Tangible net income	<u>\$ 8,790</u>	<u>\$ 4,497</u>	<u>\$ 17,014</u>	
Average shareholders' equity	\$ 504,988	\$ 527,533	\$ 533,994	
Average intangible assets, net	(90,258)	(95,296)	(99,309)	
Average tangible equity	<u>\$ 414,730</u>	<u>\$ 432,237</u>	<u>\$ 434,685</u>	
Return on average equity	6.03 %	2.49 %	11.91 %	
Return on average tangible equity <sup>(2)</sup>	8.50 %	4.18 %	15.74 %	
(1) The combined income tax rate utilized was 25%.				
(2) Annualized tangible net income divided by average tangible equity.				

Net Interest Margin, Tax Equivalent				
	For the Three Months Ended			
	June 30, 2023	March 31, 2024	June 30, 2024	
	dollars in thousands			
Net interest income	\$ 36,962	\$ 34,731	\$ 36,347	
Tax equivalent adjustments:				
Loans <sup>(1)</sup>	713	920	938	
Securities <sup>(1)</sup>	431	387	377	
Net interest income, tax equivalent	<u>\$ 38,106</u>	<u>\$ 36,038</u>	<u>\$ 37,662</u>	
Average interest earning assets	\$ 6,056,732	\$ 6,215,160	\$ 6,282,494	
Net interest margin, tax equivalent <sup>(2)</sup>	2.52 %	2.33 %	2.41 %	
(1) The federal statutory tax rate utilized was 21%.				
(2) Annualized tax equivalent net interest income divided by average interest earning assets.				