



**Q3 2024  
Earnings Conference  
Call**

Home **HB** Bancorp, Inc.

# Forward-Looking Statements

Certain comments in this presentation contain certain forward looking statements (as defined in the Securities Exchange Act of 1934 and the regulations thereunder). Forward looking statements are not historical facts but instead represent only the beliefs, expectations or opinions of Home Bancorp, Inc. and its management regarding future events, many of which, by their nature, are inherently uncertain. Forward looking statements may be identified by the use of such words as: “believe”, “expect”, “anticipate”, “intend”, “plan”, “estimate”, or words of similar meaning, or future or conditional terms such as “will”, “would”, “should”, “could”, “may”, “likely”, “probably”, or “possibly.” Forward looking statements include, but are not limited to, financial projections and estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to future operations, products and services; and statements regarding future performance. Such statements are subject to certain risks, uncertainties and assumption, many of which are difficult to predict and generally are beyond the control of Home Bancorp, Inc. and its management, that could cause actual results to differ materially from those expressed in, or implied or projected by, forward looking statements. The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward looking statements: (1) economic and competitive conditions which could affect the volume of loan originations, deposit flows and real estate values; (2) the levels of noninterest income and expense and the amount of loan losses; (3) competitive pressure among depository institutions increasing significantly; (4) changes in the interest rate environment causing reduced interest margins; (5) general economic conditions, either nationally or in the markets in which Home Bancorp, Inc. is or will be doing business, being less favorable than expected; (6) political and social unrest, including acts of war or terrorism; (7) we may not fully realize all the benefits we anticipated in connection with our acquisitions of other institutions or our assumptions made in connection therewith may prove to be inaccurate; (8) cyber incidents or other failures, disruptions or security breaches; or (9) legislation or changes in regulatory requirements adversely affecting the business of Home Bancorp, Inc. Home Bancorp, Inc. undertakes no obligation to update these forward looking statements to reflect events or circumstances that occur after the date on which such statements were made.

As used in this report, unless the context otherwise requires, the terms “we,” “our,” “us,” or the “Company” refer to Home Bancorp, Inc. and the term the “Bank” refers to Home Bank, N.A., a national bank and wholly owned subsidiary of the Company. In addition, unless the context otherwise requires, references to the operations of the Company include the operations of the Bank.

For a more detailed description of the factors that may affect Home Bancorp’s operating results or the outcomes described in these forward-looking statements, we refer you to our filings with the Securities and Exchange Commission, including our annual report on Form 10-K for the year ended December 31, 2023. Home Bancorp assumes no obligation to update the forward-looking statements made during this presentation. For more information, please visit our website [www.home24bank.com](http://www.home24bank.com).

## Non-GAAP Information

This presentation contains financial information determined by methods other than in accordance with generally accepted accounting principles (“GAAP”). The Company’s management uses this non-GAAP financial information in its analysis of the Company’s performance. In this presentation, information is included which excludes acquired loans, intangible assets, impact of the gain (loss) on the sale of a banking center, the impact of merger-related expenses and one-time tax effects. Management believes the presentation of this non-GAAP financial information provides useful information that is helpful to a full understanding of the Company’s financial position and core operating results. This non-GAAP financial information should not be viewed as a substitute for financial information determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP financial information presented by other companies.



# Our Company

**Headquarters:** Lafayette, LA

**Ticker:** HBCP (NASDAQ)

## History:

- Founded in 1908
- IPO completed October 2008
- Six acquisitions completed since 2010
- 42 locations across Southern Louisiana, Western Mississippi and Houston

## Highlights:

- Total Assets: \$3.4 billion at September 30, 2024
- Market Cap: \$355 million at October 15, 2024
- Ownership (S&P Global as of October 15, 2024)
  - Institutional: 44%
  - Insider/ESOP: 14%



**Total Assets**  
**\$3.4B**

**Total Loans**  
**\$2.7B**

**Total Deposits**  
**\$2.8B**

# Our Markets



**LAFAYETTE**  
*Greater Acadiana Region*  
**TOTAL BRANCHES: 13**

**BATON ROUGE**  
**TOTAL BRANCHES: 4**

**HOUSTON**  
**TOTAL BRANCHES: 5**  
**COMMERCIAL BANKING OFFICE: 1**

**NATCHEZ**  
**TOTAL BRANCHES: 3**

**NEW ORLEANS**  
**TOTAL BRANCHES: 6**

**NORTHSHORE**  
**TOTAL BRANCHES: 6**

**SOUTHWEST ACADIANA**  
**TOTAL BRANCHES: 5**



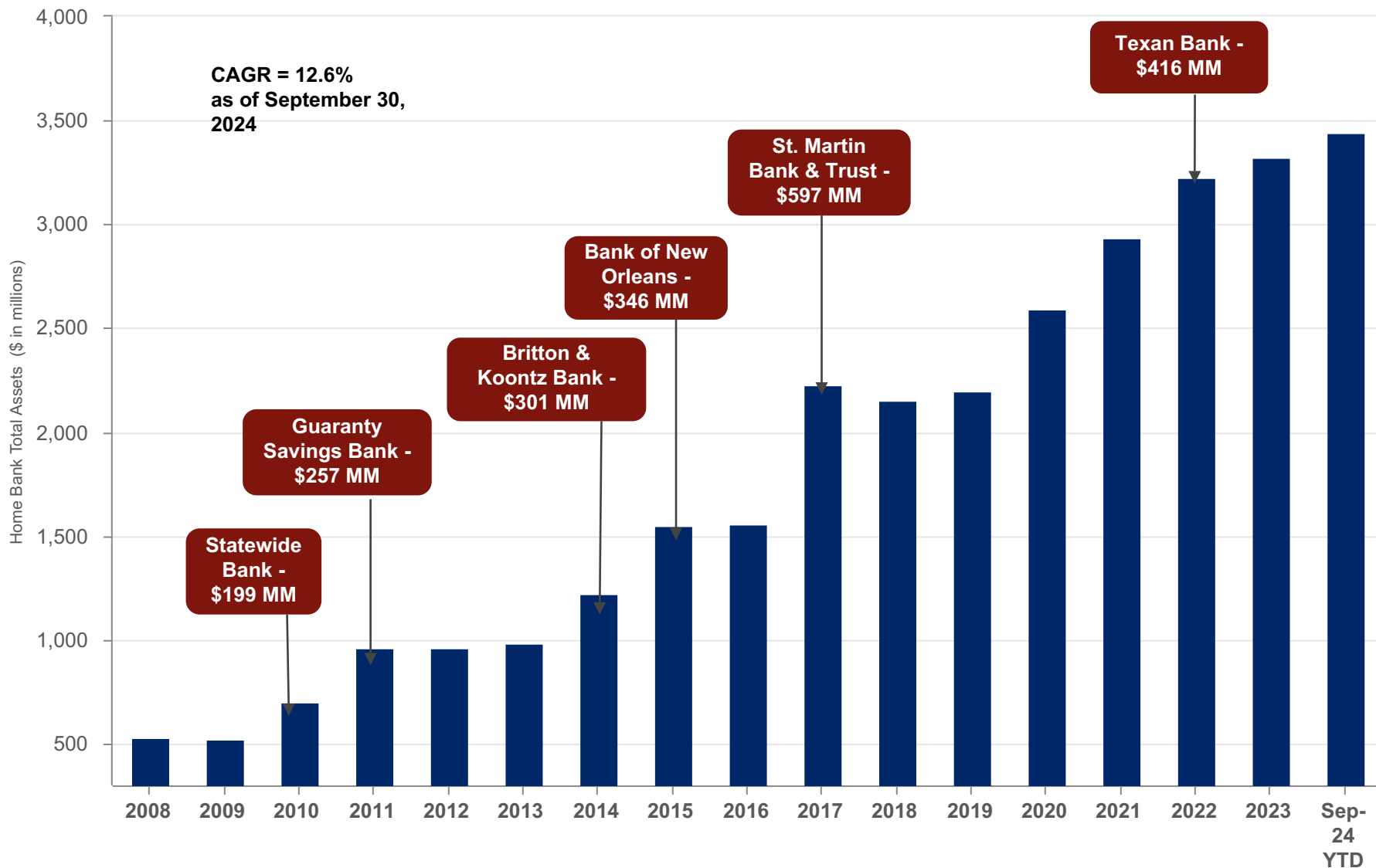
# Quarterly Financial Highlights

(dollars in thousands, except per share data)

	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
<b>Profitability</b>						
Net income	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199	\$ 8,118	\$ 9,437
Diluted EPS	1.21	1.22	1.17	1.14	1.02	1.18
ROA	1.21 %	1.18 %	1.13 %	1.11 %	0.97 %	1.10 %
ROE	11.3	11.0	10.6	10.0	8.8	9.8
ROATCE <sup>(1)</sup>	15.5	15.2	14.5	13.4	11.7	12.9
Efficiency ratio	62.1	62.9	62.9	64.3	65.8	65.3
Provision for loan losses	511	351	665	141	1,261	140
Core pre-provision net income <sup>(1)</sup>	10,084	9,820	9,846	9,152	8,867	9,430
<b>Balance Sheet</b>						
Assets	\$ 3,290,153	\$ 3,317,729	\$ 3,320,122	\$ 3,357,604	\$ 3,410,881	\$ 3,441,990
Loans	2,510,759	2,569,094	2,581,638	2,621,690	2,661,346	2,668,286
Cash and cash equivalents	96,873	84,520	75,831	90,475	113,462	135,877
Allowance for loan losses	(30,639)	(31,123)	(31,537)	(31,461)	(32,212)	(32,278)
Total deposits	2,551,718	2,597,484	2,670,624	2,722,578	2,722,915	2,777,487
TCE Ratio	8.1 %	8.0 %	8.7 %	8.8 %	8.7 %	9.2 %
Loan/Deposit	98.4 %	98.9 %	96.7 %	96.3 %	97.7 %	96.1 %
<b>Per Share Data</b>						
Share price	\$ 33.21	\$ 31.87	\$ 42.01	\$ 38.31	\$ 40.01	\$ 44.58
Book value	42.22	42.30	45.04	45.73	46.51	48.75
Tangible book value <sup>(1)</sup>	31.59	31.67	34.45	35.17	35.90	38.17
Price / tangible book value per share	105 %	101 %	122 %	109 %	111 %	117 %
Dividend paid	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25

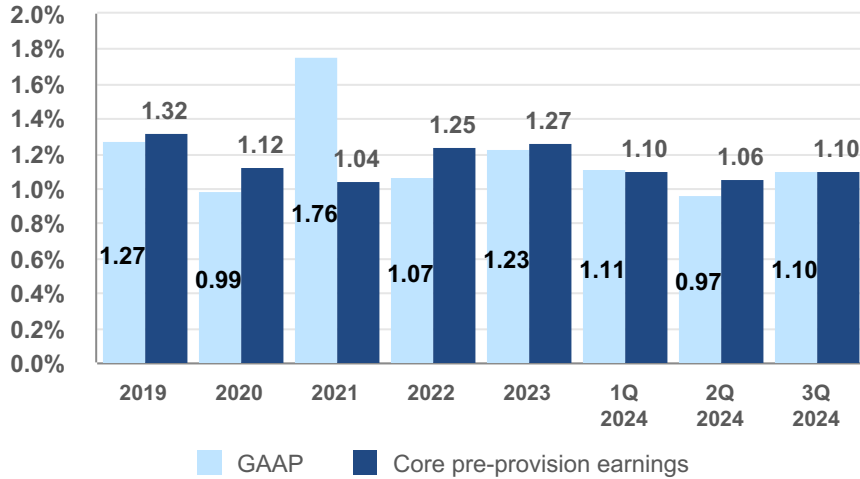
(1) See appendix for reconciliation of Non-GAAP items.

# Asset Growth

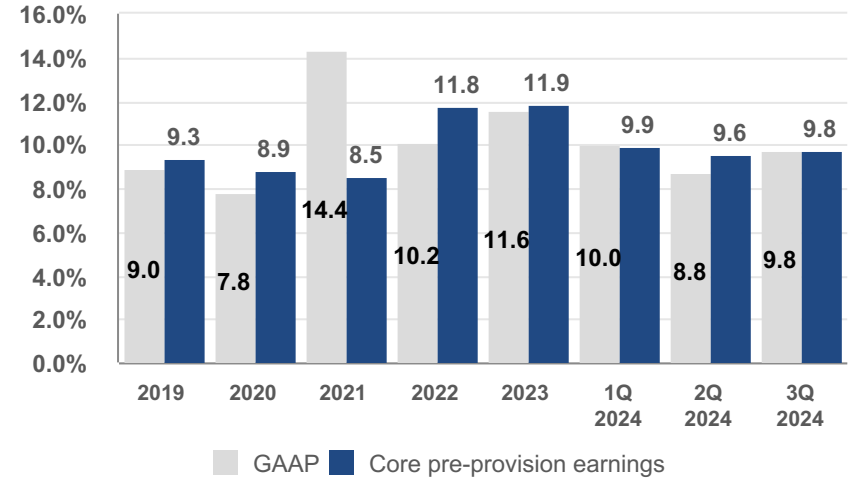


# Profitability<sup>(1)</sup>

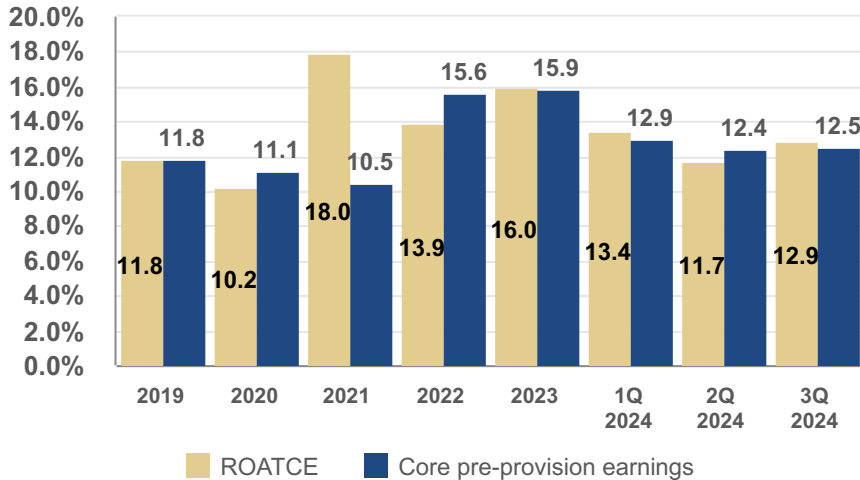
## Return on Average Assets



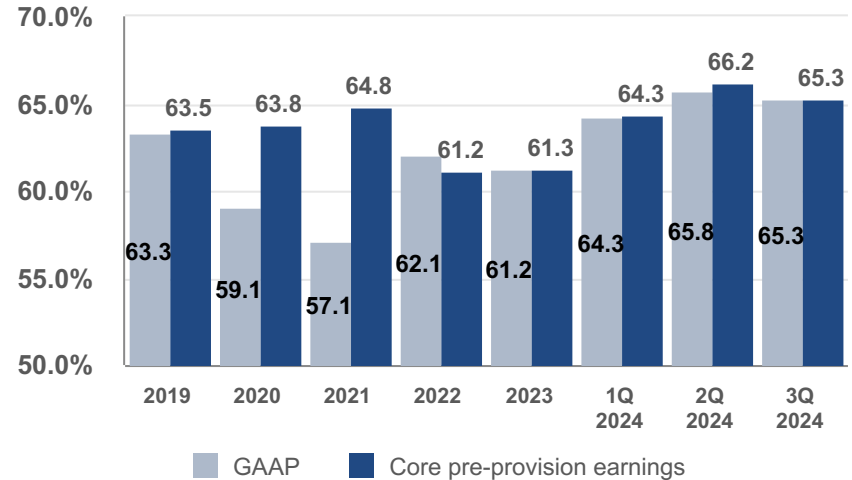
## Return on Average Equity



## Return on Tangible Common Equity



## Efficiency Ratio



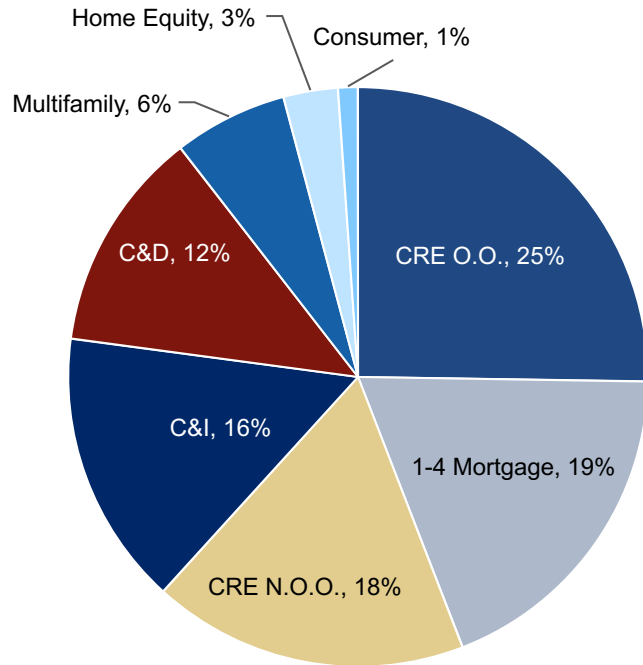
(1) See appendix for reconciliation of Non-GAAP items.



# Loan Portfolio

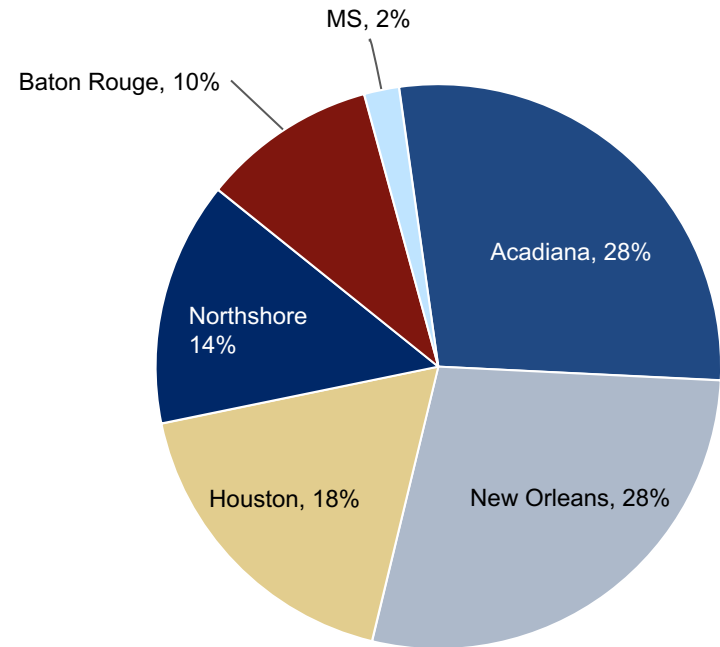
(as of September 30, 2024)

## Composition



- Total loans - \$2.7 billion
- 3Q 2024 WAR - 6.43%

## Market Diversification



- YTD 2024 annualized growth rate - 4%
- Houston market - 16% annualized growth rate YTD

# OO CRE Portfolio

(as of September 30, 2024)

<i>dollars in thousands</i>	Balances	% of Total Loans	% of OO CRE	Avg Loan Size	Criticized Balances
Convenience Store	\$ 128,252	5 %	19 %	\$ 1,018	\$ —
Warehouse Or Industrial	95,548	4	14	540	4,082
Office	91,329	3	14	421	—
Office Medical	81,636	3	12	833	—
Retail Single Tenant	54,687	2	8	570	—
Other Specialty Use	48,108	2	7	633	3,989
Restaurant/Bar	46,335	2	7	692	547
Hospital Or Surgical Center	45,432	2	7	4,130	—
Church/School Mtg	44,768	2	7	878	60
Other	37,197	1	5	448	—
<b>Total</b>	<b>\$ 673,292</b>	<b>25 %</b>	<b>100 %</b>	<b>\$ 708</b>	<b>\$ 8,678</b>

<i>dollars in thousands</i>	Repricing or Maturing Term				
	3 mths or less	4 - 12 mths	1 - 3 Years	3 - 5 Years	5+ Years
Balances	\$ 61,125	\$ 54,812	\$ 183,572	\$ 167,752	\$ 206,031
WAR	8.0 %	4.7 %	4.8 %	6.2 %	4.4 %

**Average Rate**

5.3%

**Fixed Rate %**

75%

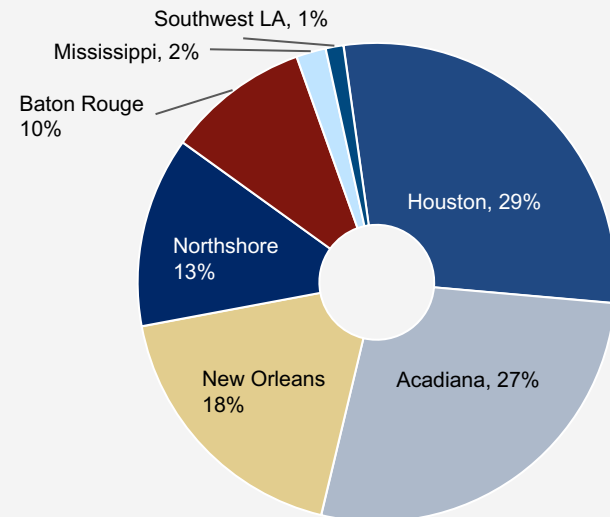
**Nonaccrual Balance**

\$4.7 million

**Convenience Store Balances**

85% in Houston

## Geographic Exposure



# NOO CRE Portfolio, including Multifamily

(as of September 30, 2024)

<i>dollars in thousands</i>	Balances	% of Total Loans	% of NOO CRE	Avg Loan Size	Criticized Balances
Multifamily	\$ 169,443	6 %	27 %	\$ 1,210	\$ 930
Retail Multi-tenant	133,217	5	21	1,514	454
Multi Use Facility	76,397	3	12	1,273	—
Office	73,605	3	11	981	2,139
Hotel/Motel	55,822	2	9	765	6,636
Warehouse or Industrial	52,268	2	8	645	—
Other	34,651	1	5	488	—
Other Specialty Use	18,150	1	3	648	—
Retail Single Tenant	12,901	1	2	430	—
Hospital or Surgical Center	12,848	1	2	1,428	—
<b>Total</b>	<b>\$ 639,302</b>	<b>24 %</b>	<b>100 %</b>	<b>\$ 1,246</b>	<b>\$ 10,159</b>

<i>Repricing or Maturing Term</i>					
<i>dollars in thousands</i>	<i>3 mths or less</i>	<i>4 - 12 mths</i>	<i>1-3 years</i>	<i>3-5 Years</i>	<i>5+ Years</i>
Balances	\$ 117,798	\$ 45,345	\$ 231,050	\$ 148,004	\$ 97,105
WAR	7.1 %	5.4 %	4.8 %	6.6 %	4.6 %

**Average Rate**

5.6%

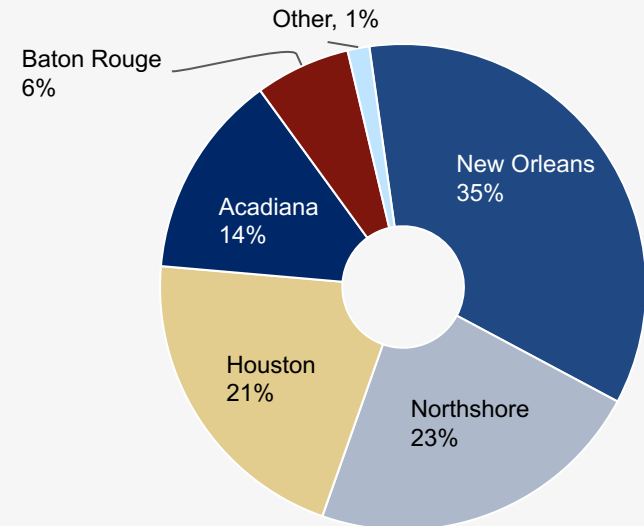
**Fixed Rate %**

76%

**Nonaccrual Balance**

\$2.4 million

**Geographic Exposure**





# CRE Non-Medical Office Exposure

(as of September 30, 2024)

## NOO Office Exposure

<i>dollars in thousands</i>	<i>Balances</i>	<i>% of Total Loans</i>	<i>Avg Loan Size</i>	<i>Criticized</i>
Baton Rouge	\$ 27,188	1.0 %	\$ 1,295	\$ —
Houston	22,462	0.9	2,042	—
Northshore	9,385	0.4	1,043	—
Acadiana	7,781	0.3	371	—
New Orleans	6,579	0.2	658	2,139
Mississippi	209	—	209	—
<b>Total NOO Office</b>	<b>\$ 73,604</b>	<b>2.8 %</b>	<b>\$ 1,008</b>	<b>\$ 2,139</b>

## OO Office Exposure

<i>dollars in thousands</i>	<i>Balances</i>	<i>% of Total Loans</i>	<i>Avg Loan Size</i>	<i>Criticized</i>
Acadiana	\$ 30,421	1.1 %	\$ 461	\$ —
Northshore	21,562	0.8	539	—
Houston	12,720	0.5	509	—
New Orleans	12,175	0.5	358	—
Southwest LA	11,251	0.4	536	—
Mississippi	2,144	0.1	143	—
Baton Rouge	1,057	—	176	—
<b>Total OO Office</b>	<b>\$ 91,329</b>	<b>3.4 %</b>	<b>\$ 441</b>	<b>\$ —</b>

### Average Rate

NOO 5.2%

OO 5.3%

### Average Remaining Maturity

NOO 5.9 yrs

OO 7.6 yrs

### Nonaccrual Balance

One NOO loan - \$639,000

### Total Non-Medical Office Loans

\$164.9 million or 6.2% of total loans

# Commercial & Industrial

(as of September 30, 2024)

<i>dollars in thousands</i>	<i>Balances</i>	<i>% of C&amp;I</i>	<i>% of Loans</i>	<i>Criticized Balances</i>
Professional Services	\$ 51,924	13 %	1.9 %	\$ 45
Finance and Insurance	51,559	12	1.9	1,344
Retail	37,923	9	1.4	432
Manufacturing	36,935	9	1.4	78
Healthcare	35,491	9	1.3	142
Real Estate Leasing	34,225	8	1.3	—
Construction	33,780	8	1.3	20
Transportation	30,114	7	1.1	41
Oil & Gas Extraction	27,853	7	1.0	—
Agriculture	20,938	5	0.8	—
Other	52,011	13	1.9	19
<b>Totals</b>	<b>\$ 412,753</b>	<b>100 %</b>	<b>15.5 %</b>	<b>\$ 2,121</b>

<i>dollars in thousands</i>	<i>Repricing or Maturing Term</i>				
	<i>3 mths or less</i>	<i>4 -12 Mths</i>	<i>1 - 3 Years</i>	<i>3 - 5 Years</i>	<i>5+ Years</i>
Balances	\$ 219,650	\$ 20,288	\$ 37,391	\$ 70,035	\$ 65,389
WAR	8.6 %	7.4 %	6.4 %	6.7 %	5.7 %

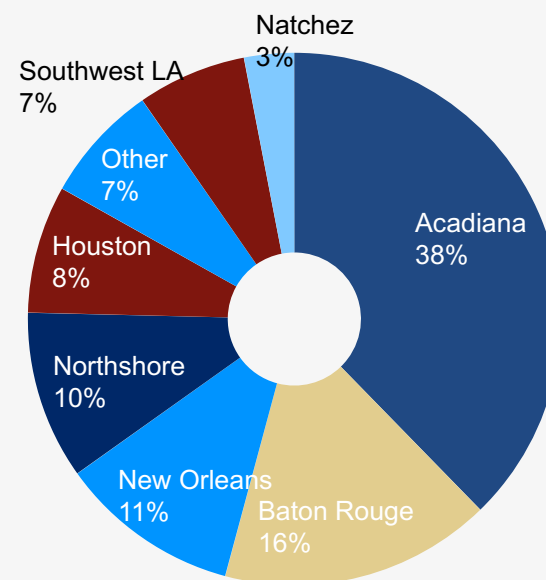
**LOC Utilization Rate**  
50%

**Nonaccrual Balance**  
\$777,000

**Average Rate**  
7.6%

**Fixed Rate %**  
44%

## Geographic Exposure

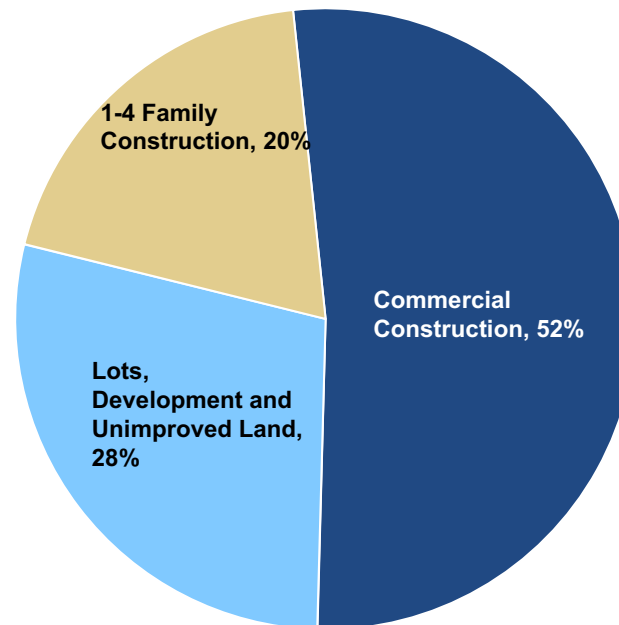


# C&D Portfolio

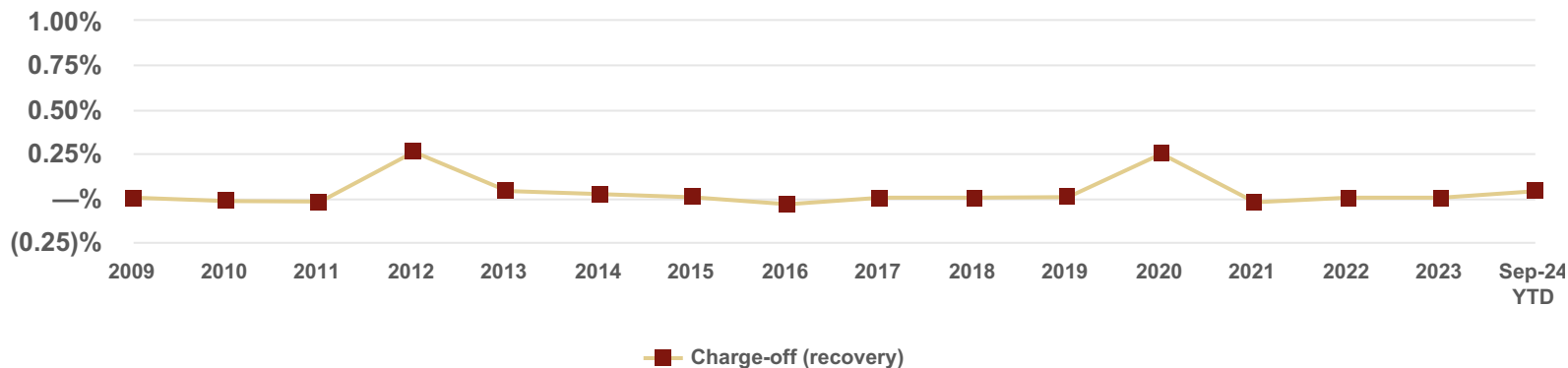
(as of September 30, 2024)

<b>Total Balance</b>	<b>Average Balance</b>
\$329.8 million	\$478.1K
<b>0.6% on Nonaccrual</b>	<b>\$782K</b>
or \$2.1 million	net charge-offs since 2009

## Composition

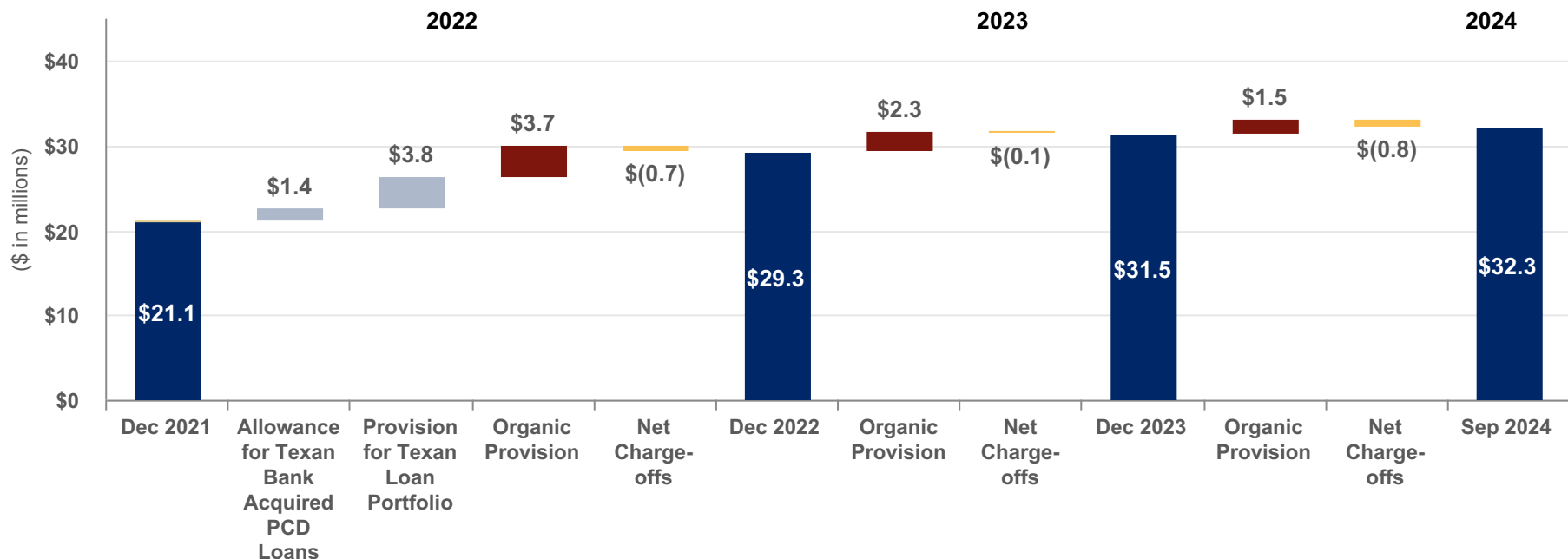


## Historic Charge-off (Recovery Rate)





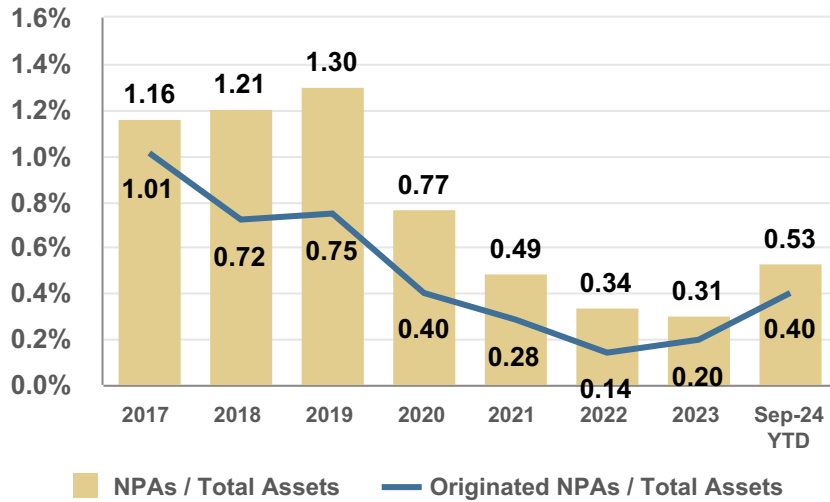
# Changes in ALL



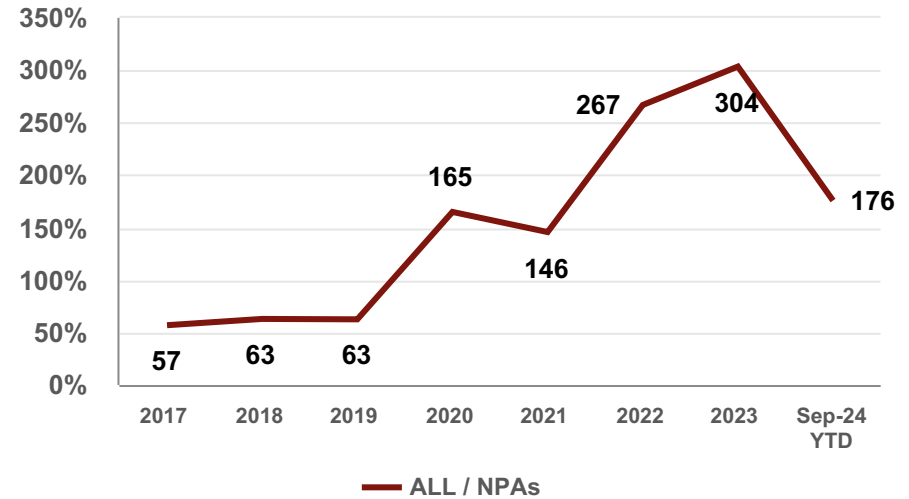
(dollars in thousands)	9/30/2023	12/31/2023	3/31/2024	6/30/2024	9/30/2024
Total Loans	\$ 2,569,094	\$ 2,581,638	\$ 2,621,690	\$ 2,661,346	\$ 2,668,286
Total nonperforming loans	11,949	8,814	20,349	16,818	18,089
Total special mention loans	9,046	7,928	8,578	6,754	2,415
Total substandard loans	31,046	28,168	35,128	32,660	34,677
Total criticized loans	\$ 40,092	\$ 36,096	\$ 43,706	\$ 39,414	\$ 37,092
Nonperforming loans / Total loans	0.47 %	0.34 %	0.78 %	0.63 %	0.68 %
Criticized loans / Total loans	1.56 %	1.40 %	1.67 %	1.48 %	1.39 %
ALL / Total Loans	1.21 %	1.22 %	1.20 %	1.21 %	1.21 %

# Credit Quality Trends

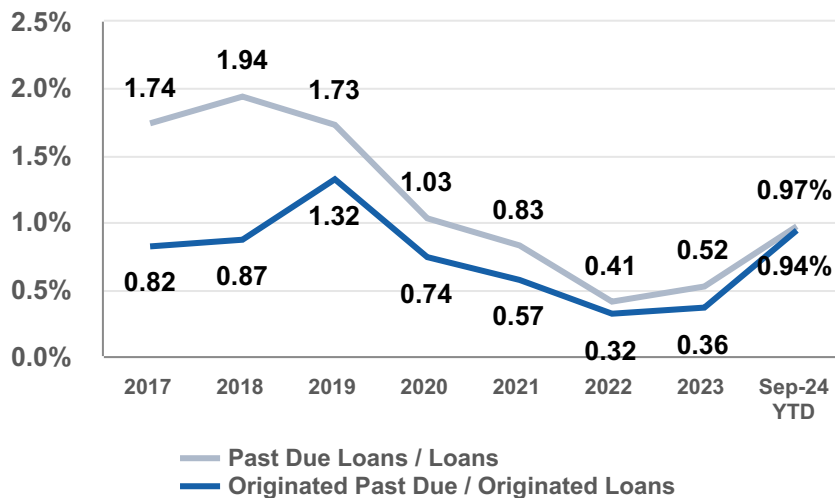
## NPAs / Assets



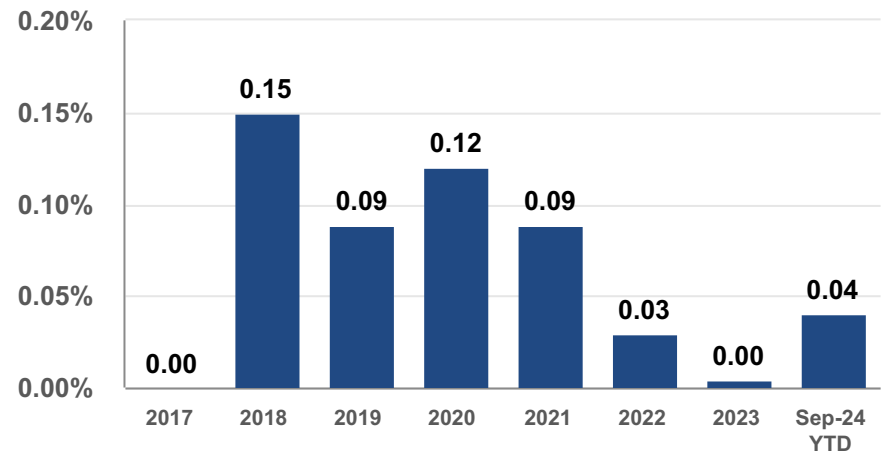
## ALL / NPAs



## Loans Past Due



## Net Charge-offs / YTD Average Loans

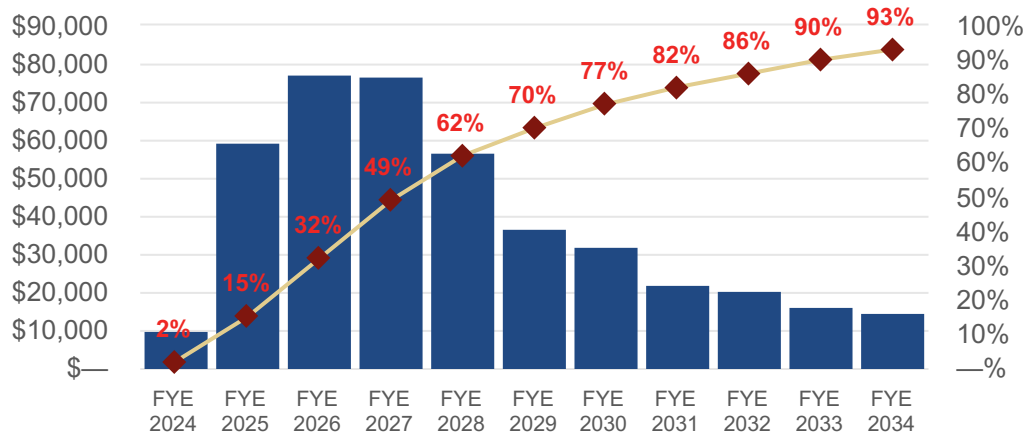


# Investment Portfolio

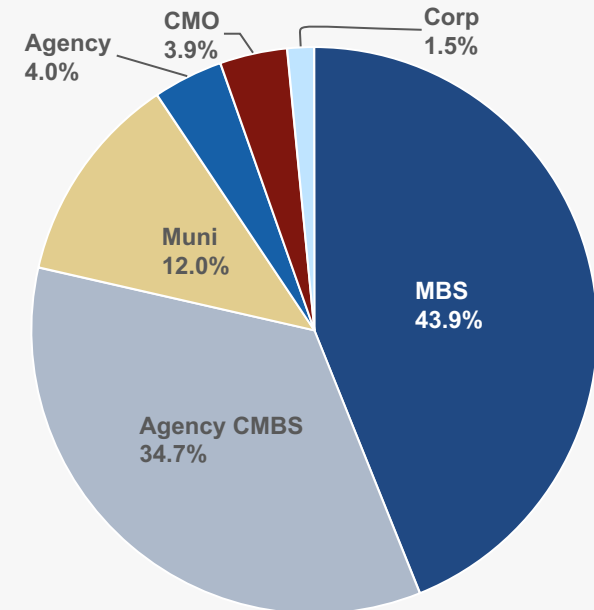
(dollars in millions)	Book Value	Gain/(loss)	Eff. Duration
MBS	\$199	\$(18)	4.3
Agency CMBS	157	(7)	2.7
Muni	55	(6)	5.9
CMO	17	(1)	3
Agency	18	(1)	3
Corp	7	(1)	1.2
<b>Total</b>	<b>\$454</b>	<b>\$(32)</b>	<b>3.8</b>

<b>12%</b> of total assets	<b>2.4%</b> Q3 yield
<b>\$32.2 million</b> unrealized loss ~ 7.1% of book value	<b>99.7%</b> AFS
<b>\$14.3 million</b> MV increase in Q3	<b>\$6.1 million</b> decline in book value QoQ

## 10 Year Investment Cash Flow

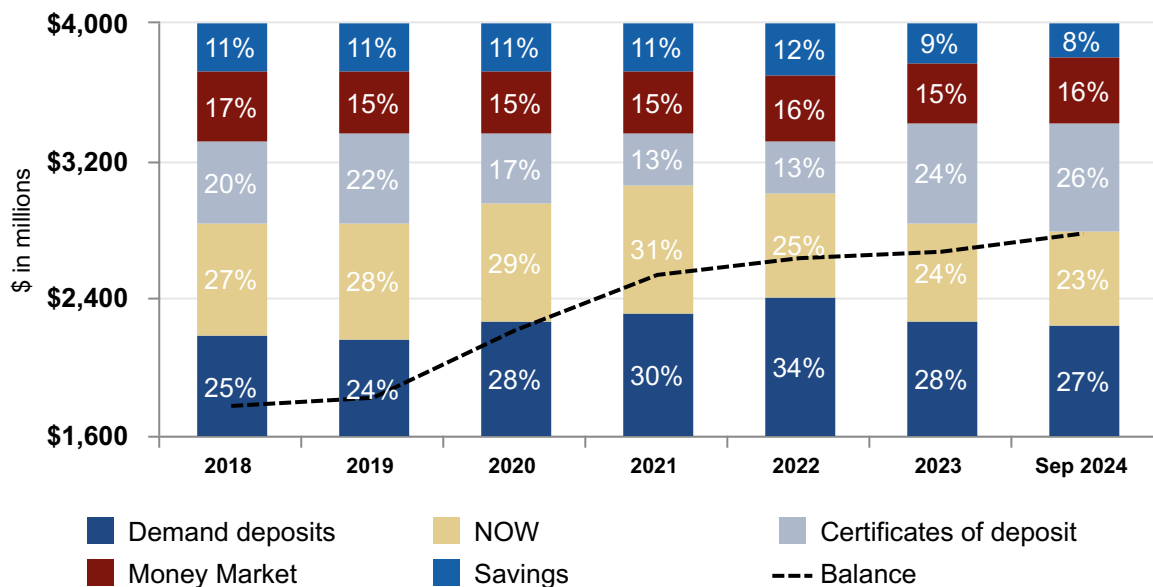


■ Expected Principal Cash Flows (dollars in thousands)  
◆ Percentage of Cash Flows - Cumulative



# Deposits

(as of September 30, 2024)



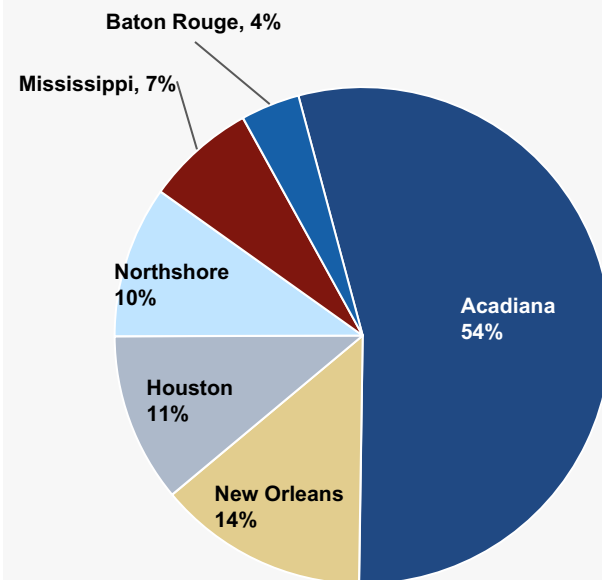
(dollars in thousands)			Change		
	9/30/2023	6/30/2024	9/30/2024	QoQ	YoY
Demand Deposits	\$ 785,448	\$ 746,504	\$ 740,854	\$ (5,650)	\$ (44,594)
Savings	246,402	218,307	215,815	(2,492)	(30,587)
Money Market	392,174	427,406	452,456	25,050	60,282
NOW	617,003	615,809	644,061	28,252	27,058
CDs	556,457	714,889	724,301	9,412	167,844
<b>Total Deposits</b>	<b>\$ 2,597,484</b>	<b>\$ 2,722,915</b>	<b>\$ 2,777,487</b>	<b>\$ 54,572</b>	<b>\$ 180,003</b>

**\$33,454**

Average deposit size

**27%**

Non-interest bearing deposit composition

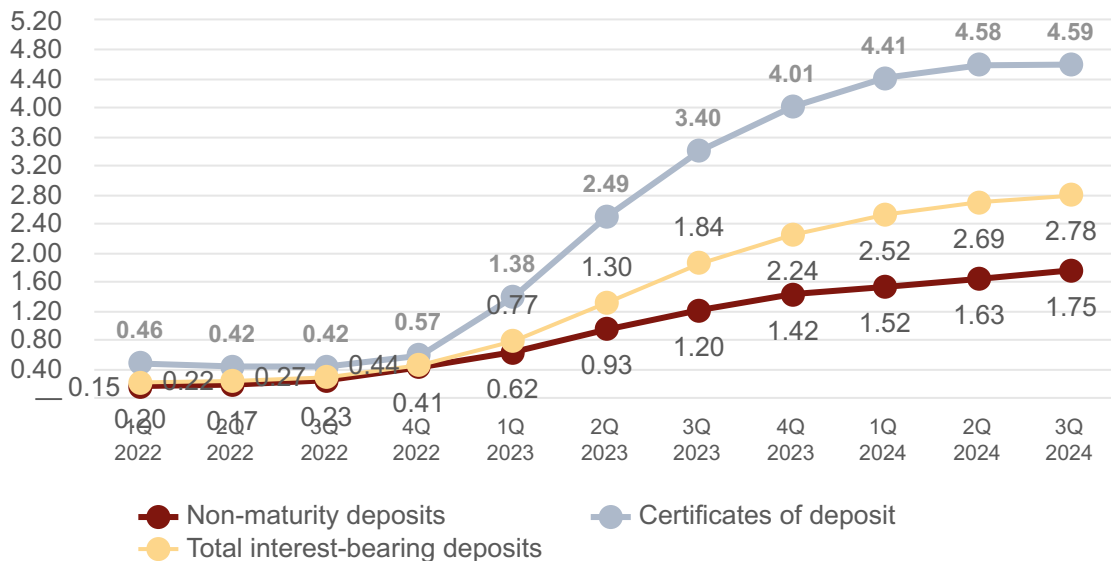


# Deposits

(as of September 30, 2024)

	Retail	Business	Public	Broker	Total
FDIC Insured	45%	18%	—%	—%	63%
Uninsured <sup>(1)</sup>	7	16	—	—	23
Reciprocal	—	4	—	—	4
Public Funds	—	—	7	—	7
Brokered Deposits	—	—	—	3	3
<b>Total</b>	<b>52%</b>	<b>38%</b>	<b>7%</b>	<b>3%</b>	<b>100%</b>

## Cost of Deposits



## Uninsured Deposits<sup>(1)</sup>

Approximately \$642 million  
or 23% of total deposits

## Coverage of Uninsured Deposits<sup>(2)</sup>

188%

## Funding Availability

(in thousands)

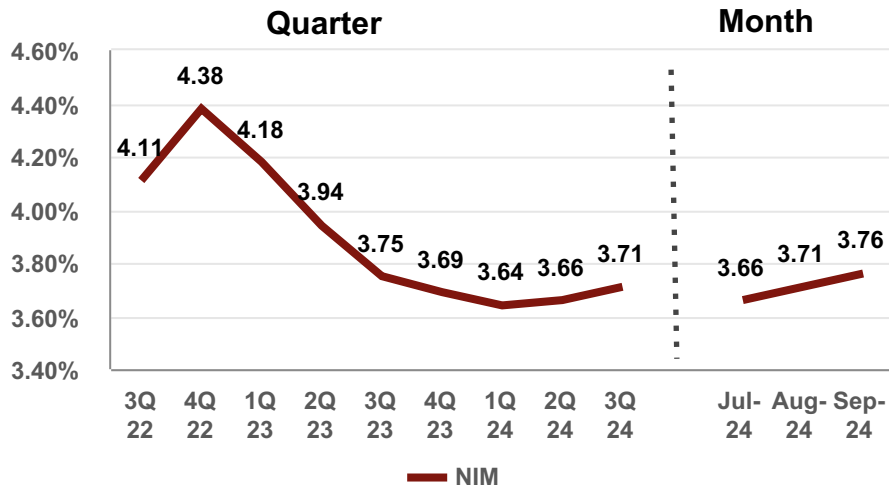
	Q3 2024
FHLB availability	\$ 1,147,306
Unencumbered investments (book)	59,838
FRB discount window	500
<b>Total primary funding sources</b>	<b>\$ 1,207,644</b>
Fed fund lines	55,000
<b>Total primary and secondary liquidity</b>	<b>\$ 1,262,644</b>

<sup>(1)</sup> Excluding internal accounts, over FDIC limit and not collateralized

<sup>(2)</sup> Total primary funding sources covering uninsured deposits.

# Yields

## NIM (TE)

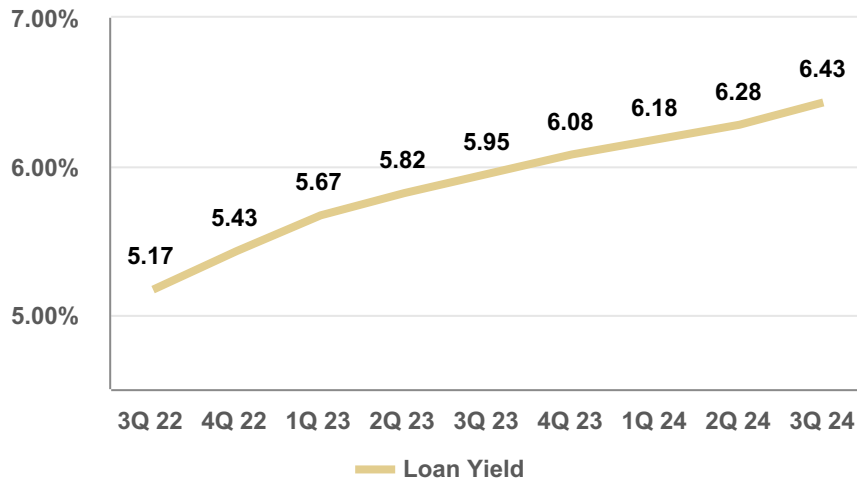


**NIM**  
**3.71%**  
 for the quarter ended  
 September 2024

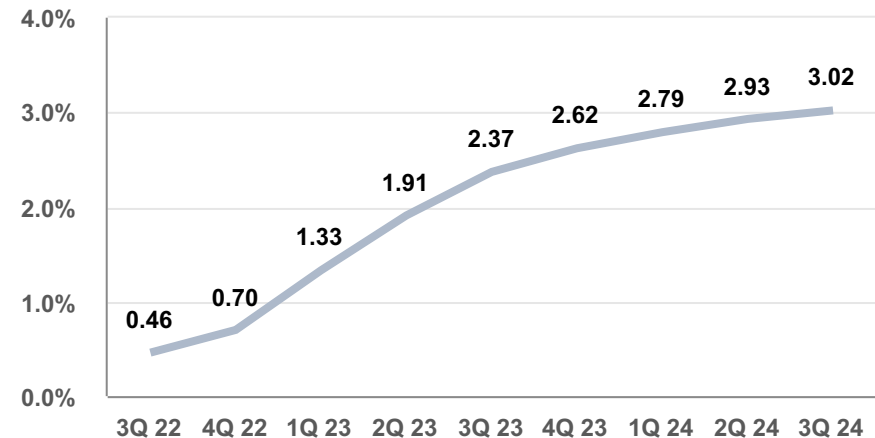
**2.03%**  
 Cost of total deposits for  
 the quarter ended  
 September 2024

\$135 million borrowing under Federal Reserve  
 BTFP at a cost of 4.76% and no Short-term  
 FHLB advances at September 30, 2024

## Yield on Loans



## Cost of Interest-Bearing Liabilities





# Interest Rate Risk

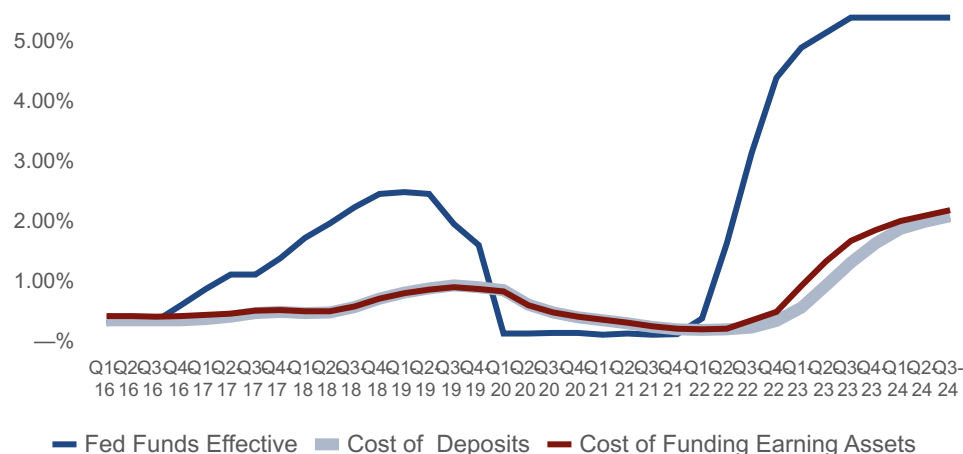
## Forecasted Change in NII

Rate Shock	1 Year % Change in NII
200	1.7%
100	1.0%
(100)	(1.5)%
(200)	(3.4)%

## Balance Sheet Composition

% of assets	2019	2023 Q3	2024 Q3
Cash	2%	3%	4%
Investments	12%	13%	12%
Loans, excluding PPP	78%	77%	77%
Other Assets	8%	7%	7%
NMD - noninterest-bearing	20%	23%	22%
NMD - interest-bearing	45%	38%	38%
CDs	18%	17%	21%
<b>Total Deposits</b>	<b>83%</b>	<b>78%</b>	<b>81%</b>
Borrowings	2%	9%	5%
Subordinated Debt	—%	2%	2%
Other	1%	1%	1%
Equity	14%	10%	11%

## Liability Betas



Investment Portfolio  
effective duration =  
**3.7**

**38%** of loan  
portfolio is  
variable

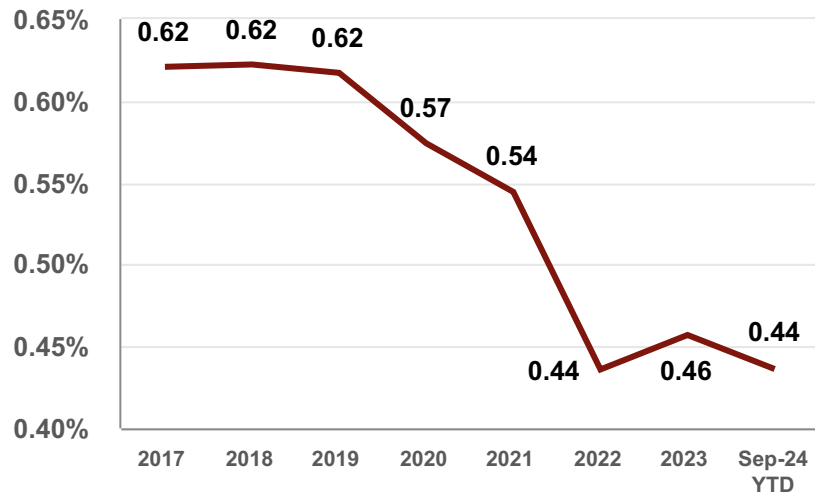
Loan portfolio effective  
duration ~ **2.2** (based  
on management  
estimates)

## Historical Funding Betas

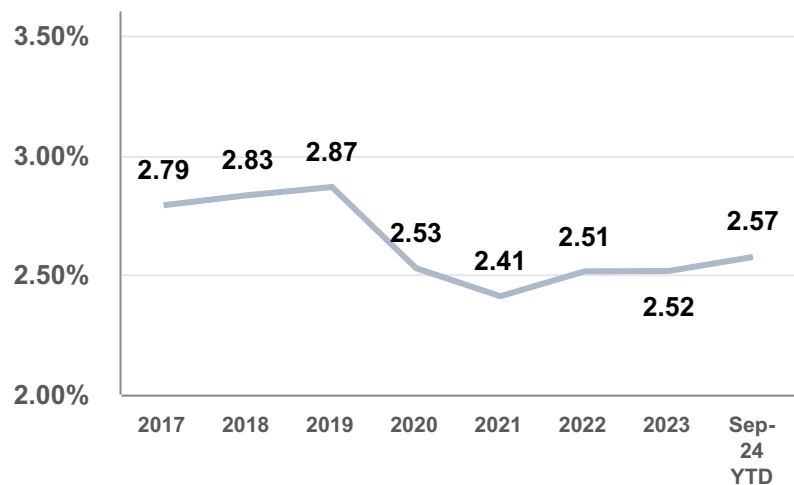
Cost of	2Q2016 - 3Q2019	3Q2019 - 1Q2022	1Q2022 - 3Q2024
Interest-bearing deposits	36%	40%	49%
Total deposits	27%	31%	36%
Interest-bearing liabilities	33%	40%	53%
Funding earning assets	23%	29%	37%

# Noninterest Income & Expense

## Noninterest Income<sup>(1)</sup> / Assets



## Noninterest Expense<sup>(1)</sup> / Assets



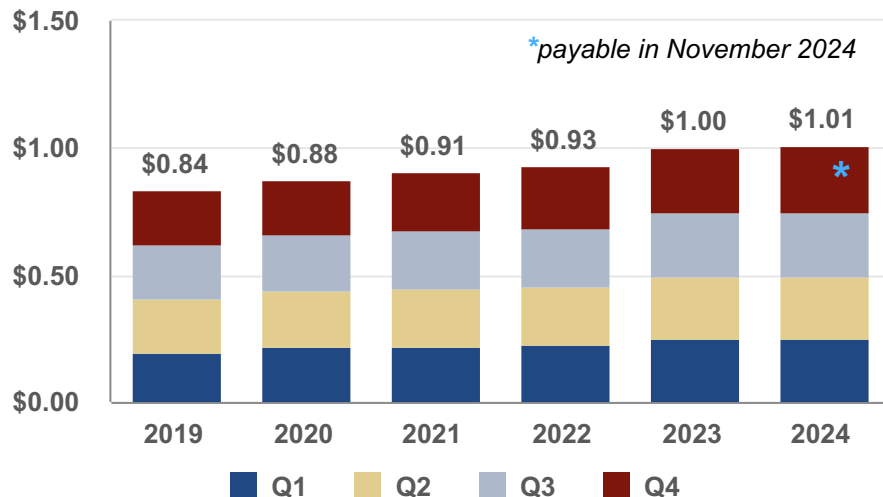
(dollars in thousands)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Service fees and charges	\$ 1,277	\$ 1,235	\$ 1,254	\$ 1,239	\$ 1,291
Bank card fees	1,903	1,646	1,575	1,751	1,613
Gain on sale of loans	687	46	87	126	195
Loss on sale of assets, net	—	(7)	6	(2)	(10)
Other	532	558	627	641	603
<b>Total noninterest income</b>	<b>\$ 4,399</b>	<b>\$ 3,478</b>	<b>\$ 3,549</b>	<b>\$ 3,755</b>	<b>\$ 3,692</b>

(dollars in thousands)	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Compensation	\$12,492	\$11,401	\$12,170	\$12,788	\$13,058
Data processing	2,496	2,423	2,514	2,555	2,646
Occupancy	2,410	2,467	2,454	2,603	2,732
Provision for unfunded	—	140	—	(134)	—
Other	3,940	4,173	3,730	3,996	3,822
<b>Total noninterest expense</b>	<b>\$21,338</b>	<b>\$20,604</b>	<b>\$20,868</b>	<b>\$21,808</b>	<b>\$22,258</b>
Noninterest expense excl. provision for unfunded	\$21,338	\$20,464	\$20,868	\$21,942	\$22,258

(1) Excludes non-core items. See appendix for reconciliation of non-GAAP items.

# Capital

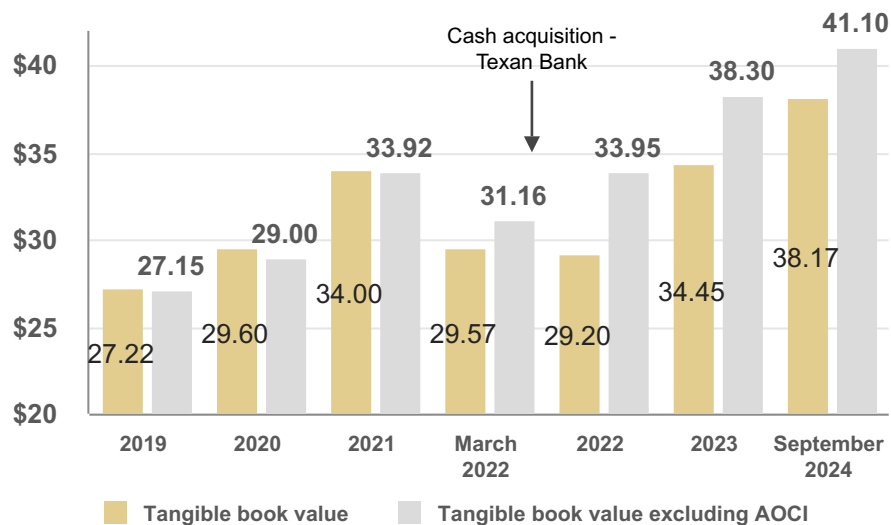
## Dividends Per Share



## Share Repurchase Activity

Year	# Shares	Average Price	Cash Utilized
2019	419,498	36.82	15,444,895
2020	530,504	26.41	14,011,605
2021	246,012	36.18	8,900,409
2022	288,350	39.30	11,333,399
2023	164,272	32.01	5,257,822
2024 (as of 10/15/2024)	122,634	37.61	4,611,992
<b>Total</b>	<b>1,771,270</b>	<b>\$ 33.63</b>	<b>\$ 59,560,122</b>

## Tangible Book Value



**Cash dividend of \$0.26 per share**

payable on November 08, 2024

**~ 313,812 shares remaining**

in current plans as of October 15, 2024

**14%**

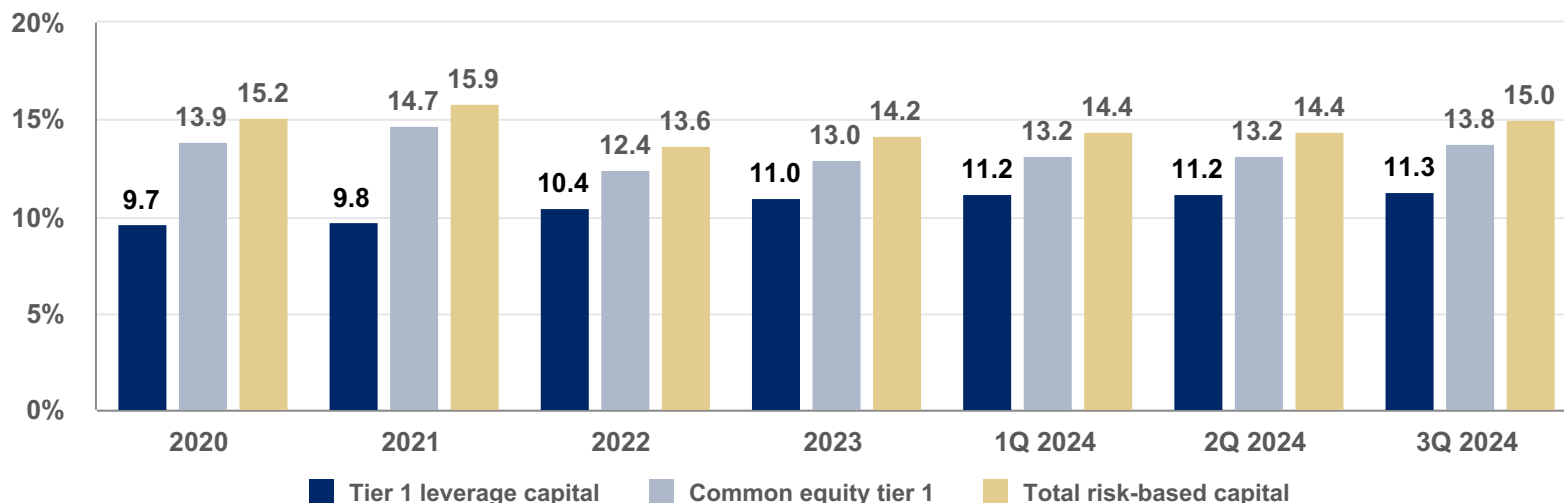
Shares repurchased since 2019

**9.1% CAGR**

TBV / share, excluding AOCI since 2019

# Capital

## Capital Ratios (Bank only)



## Regulatory Capital and Adjusted Capital as of September 30, 2024

	Home Bank, N.A.		Home Bancorp, Inc.	
	As Reported	Including AOCI Losses <sup>(1)</sup>	As Reported	Including AOCI Losses <sup>(1)</sup>
Common Equity Tier 1 capital	13.8%	12.9%	12.2%	11.3%
Tier 1 risk based capital	13.8%	12.9%	12.2%	11.3%
Total risk based capital	15.0%	14.2%	15.4%	14.5%
Tier 1 leverage capital	11.3%	10.6%	10.0%	9.3%

<sup>(1)</sup> Assumes AOCI adjustments related to market valuations on securities and interest rate derivatives are included for regulatory capital calculations.

# Investment Perspective



**Strong earnings and shareholder returns**

**Conservative, well-managed credit culture**

**Market disruption creates new opportunities**



**Well capitalized with capacity for continued growth**



**Disciplined acquirer**

**Insider owners committed to continual improvement**



# Celebrating 115 years of serving the communities that built us.

CELEBRATING  
EST. **115** 1908  
YEARS



LAFAYETTE  
(GREATER ACADIANA REGION)



BATON ROUGE



HOUSTON



NATCHEZ



NEW ORLEANS



NORTHSHORE



# Appendix

(non-GAAP reconciliation)

(dollars in thousands, except per share data)

	2Q 2023	3Q 2023	4Q 2023	1Q 2024	2Q 2024	3Q 2024
Total shareholders' equity	\$ 346,117	\$ 345,332	\$ 367,444	\$ 372,285	\$ 375,830	\$ 393,453
Less: intangible assets	87,138	86,749	86,372	86,019	85,690	85,361
Non-GAAP tangible shareholders' equity	\$ 258,979	\$ 258,583	\$ 281,072	\$ 286,266	\$ 290,140	\$ 308,092
Reported net income	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199	\$ 8,118	\$ 9,437
Add: amortization CDI, net tax	307	307	298	279	261	259
Non-GAAP tangible net income	\$ 10,088	\$ 10,061	\$ 9,683	\$ 9,478	\$ 8,379	\$ 9,696
Return on average equity	11.3 %	11.0 %	10.6 %	10.0 %	8.8 %	9.8 %
Add: intangible assets	4.2	4.2	3.9	3.4	2.9	3.1
Non-GAAP return on tangible common equity	15.5 %	15.2 %	14.5 %	13.4 %	11.7 %	12.9 %
Book value per share	\$ 42.22	\$ 42.30	\$ 45.04	\$ 45.73	\$ 46.51	\$ 48.75
Less: intangible assets	10.63	10.63	10.59	10.56	10.61	10.58
Non-GAAP tangible book value per share	\$ 31.59	\$ 31.67	\$ 34.45	\$ 35.17	\$ 35.90	\$ 38.17
Reported net income	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199	\$ 8,118	\$ 9,437
Less: PPP loan income	24	23	22	22	20	35
Less: gain (loss) on sale of assets	(3)	—	(7)	6	(2)	(10)
Less: loan discount accretion	647	634	583	525	490	452
Add: provision for loan losses	511	351	665	141	1,261	140
Add: provision (reversal) for credit losses on unfunded commitments	151	—	140	—	(134)	—
Add: CDI amortization	389	389	377	353	330	328
Total non-core items, net of taxes	303	66	461	(47)	750	(7)
Core pre-provision net income <sup>(1)</sup>	\$ 10,084	\$ 9,820	\$ 9,846	\$ 9,152	\$ 8,868	\$ 9,430

# Appendix

(non-GAAP reconciliation)

(dollars in thousands)

	2019	2020	2021	2022	2023	Sep-24 YTD
Total shareholders' equity	\$ 316,329	\$ 321,842	\$ 351,903	\$ 329,954	\$ 367,444	\$ 393,453
Less: intangible assets	64,472	63,112	61,949	87,973	86,372	85,361
Non-GAAP tangible shareholders' equity	\$ 251,857	\$ 258,730	\$ 289,954	\$ 241,981	\$ 281,072	\$ 308,092
Reported net income	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 40,240	\$ 26,754
Add: amortization CDI, net tax	1,251	1,074	919	1,266	1,264	799
Non-GAAP tangible income	\$ 29,183	\$ 25,839	\$ 49,540	\$ 35,338	\$ 41,504	\$ 27,553
Return on average equity	9.0 %	7.8 %	14.4 %	10.2 %	11.6 %	9.5 %
Add: intangible assets	2.8	2.4	3.6	3.7	4.4	3.2
Non-GAAP return on tangible common equity	11.8 %	10.2 %	18.0 %	13.9 %	16.0 %	12.7 %
Originated loans	\$ 1,251,201	\$ 1,625,139	\$ 1,593,769	\$ 1,961,425	\$ 2,169,500	\$ 2,292,864
Acquired loans	463,160	354,815	246,324	469,325	412,138	375,422
Total loans	\$ 1,714,361	\$ 1,979,954	\$ 1,840,093	\$ 2,430,750	\$ 2,581,638	\$ 2,668,286
Originated NPAs	\$ 16,421	\$ 10,353	\$ 8,348	\$ 4,489	\$ 6,518	\$ 13,775
Acquired NPAs	12,121	9,628	6,116	6,487	3,871	4,581
Total NPAs	\$ 28,542	\$ 19,981	\$ 14,464	\$ 10,976	\$ 10,389	\$ 18,356
Originated past due loans	\$ 16,541	\$ 12,070	\$ 9,071	\$ 6,215	\$ 7,864	\$ 21,552
Acquired past due loans	13,098	8,335	6,146	3,683	5,569	4,338
Total past due loans	\$ 29,639	\$ 20,405	\$ 15,217	\$ 9,898	\$ 13,433	\$ 25,890
Average assets	\$ 2,198,483	\$ 2,491,612	\$ 2,765,878	\$ 3,178,862	\$ 3,262,820	\$ 3,368,857
Less: average PPP loans	—	169,665	169,149	15,691	5,997	5,004
Average assets excluding PPP loans	\$ 2,198,483	\$ 2,321,947	\$ 2,596,729	\$ 3,163,171	\$ 3,256,823	\$ 3,363,853

# Appendix

(non-GAAP reconciliation)

(dollars in thousands)

	2019	2020	2021	2022	2023	Sep-24 YTD
Reported noninterest income	\$ 14,415	\$ 14,305	\$ 16,271	\$ 13,885	\$ 14,636	\$ 10,996
Less: BOLI benefit	1,194	—	1,717	—	—	—
Less: gain (loss) on sale of securities	—	—	—	—	(249)	—
Less: gain (loss) on sale of assets	(347)	—	(504)	26	(27)	(6)
<b>Non-GAAP noninterest income</b>	<b>\$ 13,568</b>	<b>\$ 14,305</b>	<b>\$ 15,058</b>	<b>\$ 13,859</b>	<b>\$ 14,912</b>	<b>\$ 11,002</b>
Reported noninterest expense	\$ 63,605	\$ 62,981	\$ 66,982	\$ 81,909	\$ 82,841	\$ 64,934
Less: lease termination	291	—	—	—	—	—
Less: severance pay	287	—	—	—	—	—
Less: one-time foreclosed asset recovery	—	—	—	—	739	—
Less: merger-related expenses	—	—	299	1,971	—	—
<b>Non-GAAP noninterest expense</b>	<b>\$ 63,027</b>	<b>\$ 62,981</b>	<b>\$ 66,683</b>	<b>\$ 79,938</b>	<b>\$ 82,102</b>	<b>\$ 64,934</b>
Reported net income	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 40,240	\$ 26,754
Less: PPP loan income	—	5,895	13,208	1,359	95	77
Less: Write of FDIC loss share receivable	(680)	—	—	—	—	—
Less: BOLI benefit	1,194	—	1,717	—	—	—
Less: gain (loss) on sale of assets	(347)	—	(504)	26	(27)	(6)
Less: gain (loss) on sale of securities	—	—	—	—	(249)	—
Less: loan discount accretion	3,503	4,097	2,361	2,933	2,532	1,467
Add: provision (reversal) for loan losses	3,014	12,728	(10,161)	7,489	2,341	1,542
Add: provision for credit losses on unfunded commitments	—	—	390	278	501	(134)
Add: CDI amortization	1,583	1,360	1,163	1,602	1,601	1,011
Add: lease termination	291	—	—	—	—	—
Add: severance pay	287	—	—	—	—	—
Add: one-time foreclosed asset recovery	—	—	—	—	(739)	—
Add: merger-related expenses	—	—	299	1,971	—	—
Non-core items, net of taxes	1,189	3,236	(19,822)	5,547	1,069	696
<b>Core pre-provision net income <sup>(1)</sup></b>	<b>\$ 29,121</b>	<b>\$ 28,001</b>	<b>\$ 28,799</b>	<b>\$ 39,619</b>	<b>\$ 41,309</b>	<b>\$ 27,450</b>

<sup>(1)</sup> Core pre-provision net income - removes the impact of one time items, PPP income, provision for credit losses, loan discount accretion and CDI.

# Appendix

(non-GAAP reconciliation)

(dollars in thousands except for per share data)

	2018	2019	2020	2021	1Q2022	2022	2023	1Q2024	2Q2024	Sep-24 YTD
Total shareholders' equity	\$ 304,040	\$ 316,329	\$ 321,842	\$ 351,903	\$ 337,504	\$ 329,954	\$ 367,444	\$ 372,285	\$ 375,830	\$ 393,453
Less: intangible assets	66,055	64,472	63,112	61,949	87,569	87,973	86,372	86,019	85,690	85,361
Non-GAAP tangible shareholders' equity	\$ 237,985	\$ 251,857	\$ 258,730	\$ 289,954	\$ 249,935	\$ 241,981	\$ 281,072	\$ 286,266	\$ 290,140	\$ 308,092
Less: AOCI	(2,206)	692	5,274	744	(13,465)	(39,307)	(31,382)	(33,501)	(33,697)	(23,635)
Non-GAAP tangible shareholders' equity AOCI adjusted	\$ 240,191	\$ 251,165	\$ 253,456	\$ 289,210	\$ 263,400	\$ 281,288	\$ 312,454	\$ 319,767	\$ 323,837	\$ 331,727
Shares Outstanding	9,459,050	9,252,418	8,740,104	8,526,907	8,453,014	8,286,084	8,158,281	8,140,380	8,081,344	8,070,539
Book value per share	\$ 32.14	\$ 34.19	\$ 36.82	\$ 41.27	\$ 39.93	\$ 39.82	\$ 45.04	\$ 45.73	\$ 46.51	\$ 48.75
Less: intangible assets	6.98	6.97	7.22	7.27	10.36	10.62	10.59	10.56	10.61	10.58
Non-GAAP tangible book value per share	\$ 25.16	\$ 27.22	\$ 29.60	\$ 34.00	\$ 29.57	\$ 29.20	\$ 34.45	\$ 35.17	\$ 35.90	\$ 38.17
Less: AOCI	(0.23)	0.07	0.60	0.08	(1.59)	(4.75)	(3.85)	(4.11)	(4.17)	(2.93)
Non-GAAP tangible book value per share AOCI adjusted	\$ 25.39	\$ 27.15	\$ 29.00	\$ 33.92	\$ 31.16	\$ 33.95	\$ 38.30	\$ 39.28	\$ 40.07	\$ 41.10

# IN TUNE

In 2023, we sharpened our focus on the changing rate environment and established ourselves as a preferred community bank in each market we serve. Providing exceptional service and care, we remained in tune to the needs of customers and our dedicated employees, all while celebrating a milestone 115-year anniversary.