

Investor Presentation

Fourth Quarter and Year End 2023



FIVE STAR BANCORP

Safe Harbor Statement and Disclaimer

Forward-Looking Statements

In this presentation, “we,” “our,” “us,” “Five Star,” or “the Company” refers to Five Star Bancorp, a California corporation, and our consolidated subsidiaries, including Five Star Bank, a California state-chartered bank, unless the context indicates that we refer only to the parent company, Five Star Bancorp. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections and statements of the Company’s beliefs concerning future events, business plans, objectives, expected operating results, and the assumptions upon which those statements are based. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate or imply future results, performance, or achievements, and are typically identified with words such as “may,” “could,” “should,” “will,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “aim,” “intend,” “plan,” or words or phrases of similar meaning. The Company cautions that the forward-looking statements are based largely on the Company’s expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond the Company’s control. Such forward-looking statements are based on various assumptions (some of which may be beyond the Company’s control) and are subject to risks and uncertainties, which change over time, and other factors which could cause actual results to differ materially from those currently anticipated. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. If one or more of the factors affecting the Company’s forward-looking information and statements proves incorrect, then the Company’s actual results, performance, or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this press release. Therefore, the Company cautions you not to place undue reliance on the Company’s forward-looking information and statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 and Form 10-Q for the quarter ended September 30, 2023, in each case under the section entitled “Risk Factors,” and other documents filed by the Company with the Securities and Exchange Commission from time to time.

The Company disclaims any duty to revise or update the forward-looking statements, whether written or oral, to reflect actual results or changes in the factors affecting the forward-looking statements, except as specifically required by law.

Industry Information

This presentation includes statistical and other industry and market data that we obtained from government reports and other third-party sources. Our internal data, estimates, and forecasts are based on information obtained from government reports, trade, and business organizations and other contacts in the markets in which we operate and our management’s understanding of industry conditions. Although we believe that this information (including the industry publications and third-party research, surveys, and studies) is accurate and reliable, we have not independently verified such information. In addition, estimates, forecasts, and assumptions are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Finally, forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this presentation.

Unaudited Financial Data

Numbers contained in this presentation for the quarter ended December 31, 2023 and for other quarterly periods are unaudited. Additionally, numbers contained in this presentation for the full fiscal year ended December 31, 2023 are unaudited. As a result, subsequent information may cause a change in certain accounting estimates and other financial information, including the Company’s allowance for credit losses, fair values, and income taxes.

Non-GAAP Financial Measures

The Company uses financial information in its analysis of the Company’s performance that is not in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company’s financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. See the appendix to this presentation for a reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures.

Agenda

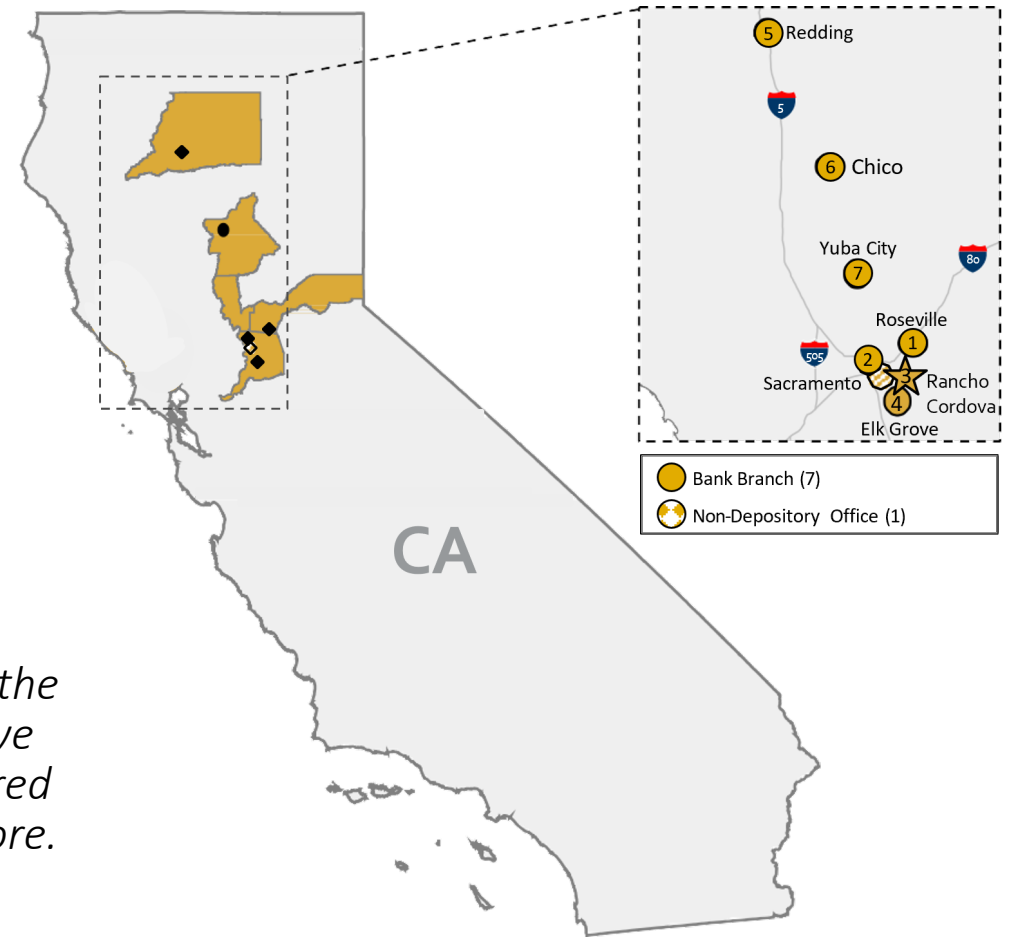
- Company Overview
- Financial Highlights
- Loans and Credit Quality
- Deposit and Capital Overview
- Financial Results

Company Overview

Company Overview

| | |
|----------------------------|----------------------------|
| Nasdaq: | FSBC |
| Headquarters: | Rancho Cordova, California |
| Asset Size: | \$3.6 billion |
| Loans Held for Investment: | \$3.1 billion |
| Deposits: | \$3.0 billion |
| Bank Branches: | 7 |

Five Star is a community business bank that was founded to serve the commercial real estate industry. Today, the markets we serve have expanded to meet customer demand and now include manufactured housing and storage, faith-based, government, nonprofits, and more.



Executive Team



James Beckwith
President and
Chief Executive Officer
Five Star since 2003



John Dalton
Senior Vice President and
Chief Credit Officer
Five Star since 2011



Mike Lee
Senior Vice President and
Chief Regulatory Officer
Five Star since 2005



Heather Luck
Senior Vice President and
Chief Financial Officer
Five Star since 2018



Lydia Ramirez
Senior Vice President and
Chief Operations and Chief DE&I Officer
Five Star since 2017



Michael Rizzo
Senior Vice President and
Chief Banking Officer
Five Star since 2005



Brett Wait
Senior Vice President and
Chief Information Officer
Five Star since 2011

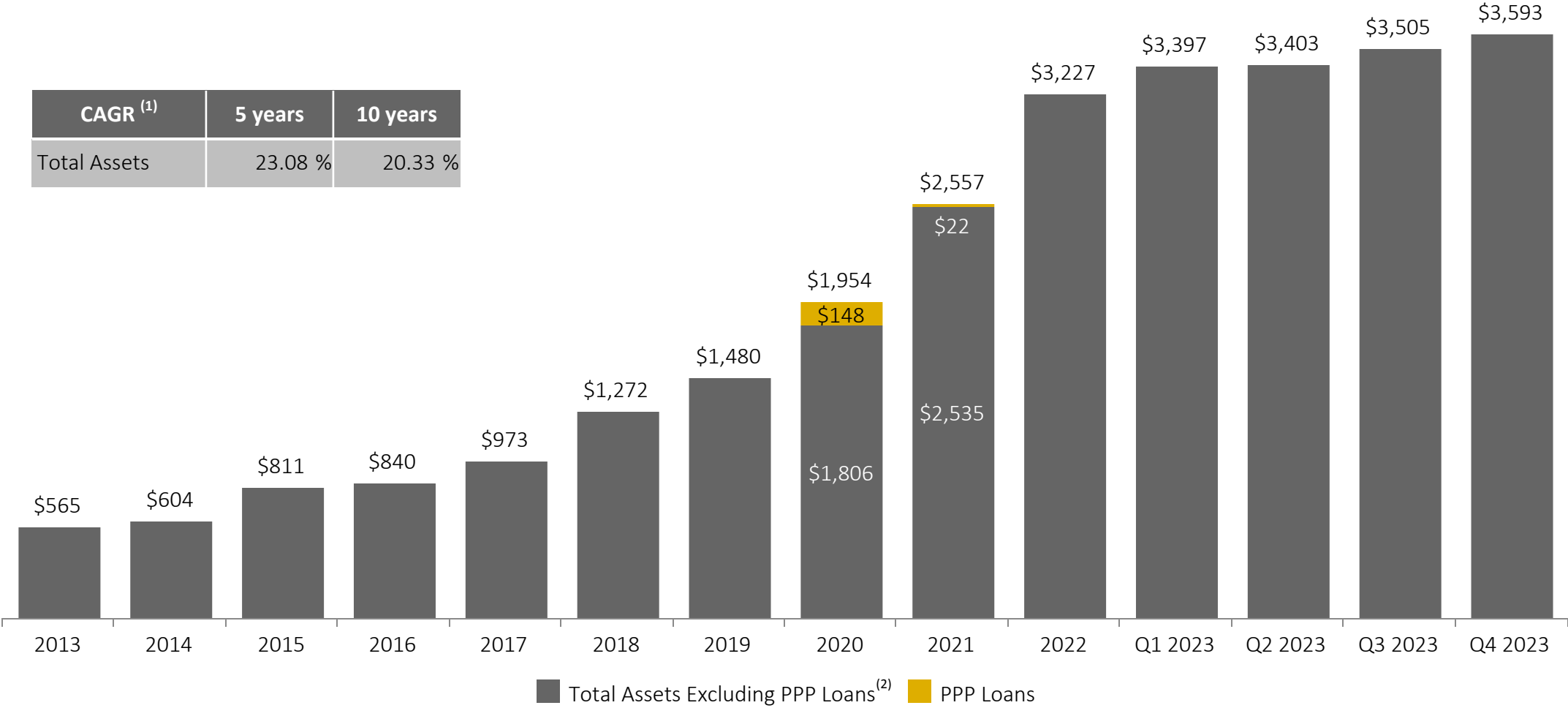


Shelley Wetton
Senior Vice President and
Chief Marketing Officer
Five Star since 2015

Financial Highlights

Consistent and Organic Asset Growth

| CAGR ⁽¹⁾ | 5 years | 10 years |
|---------------------|---------|----------|
| Total Assets | 23.08 % | 20.33 % |



Note: Dollars are in millions. Balances are end of period. References to PPP are the Paycheck Protection Program.

- 1. CAGR is based upon balances as of December 31, 2023.
- 2. A reconciliation of this non-GAAP measure is set forth in the appendix.

Financial Highlights

| (dollars in thousands except per share data) | | For the three months ended | | | For the year ended | |
|--|--|----------------------------|-------------------|------------|--------------------|------------|
| | | 12/31/2023 | 9/30/2023 | 12/31/2022 | 12/31/2023 | 12/31/2022 |
| Profitability | Net income | \$ 10,799 | \$ 11,045 | \$ 13,282 | \$ 47,734 | \$ 44,801 |
| | Return on average assets ("ROAA") | 1.26 % | 1.30 % | 1.70 % | 1.44 % | 1.57 % |
| | Return on average equity ("ROAE") | 15.45 % | 16.09 % | 21.50 % | 17.85 % | 18.80 % |
| | Earnings per share (basic and diluted) | \$ 0.63 | \$ 0.64 | \$ 0.77 | \$ 2.78 | \$ 2.61 |
| Net Interest Margin | Net interest margin | 3.19 % | 3.31 % | 3.83 % | 3.42 % | 3.75 % |
| | Average loan yield | 5.64 % | 5.57 % | 5.12 % | 5.52 % | 4.75 % |
| | Average cost of interest-bearing deposits | 3.29 % | 3.01 % | 1.51 % | 2.77 % | 0.71 % |
| | Average cost of total deposits | 2.39 % | 2.18 % | 0.95 % | 1.97 % | 0.43 % |
| | Total cost of funds | 2.50 % | 2.28 % | 1.16 % | 2.10 % | 0.57 % |
| Deposits and Securities | | 12/31/2023 | 12/31/2022 | | | |
| | Non-interest-bearing deposits | \$ 831,101 | \$ 971,246 | | | |
| | Interest-bearing deposits | 2,195,795 | 1,810,758 | | | |
| | Total deposits | 3,026,896 | 2,782,004 | | | |
| | Total securities | 111,160 | 119,744 | | | |
| | Total securities to interest-earning assets | 3.17 % | 3.79 % | | | |
| Asset Quality | Nonperforming loans to loans held for investment | 0.06 % | 0.01 % | | | |
| | Allowance for credit losses to loans held for investment | 1.12 % | 1.02 % | | | |



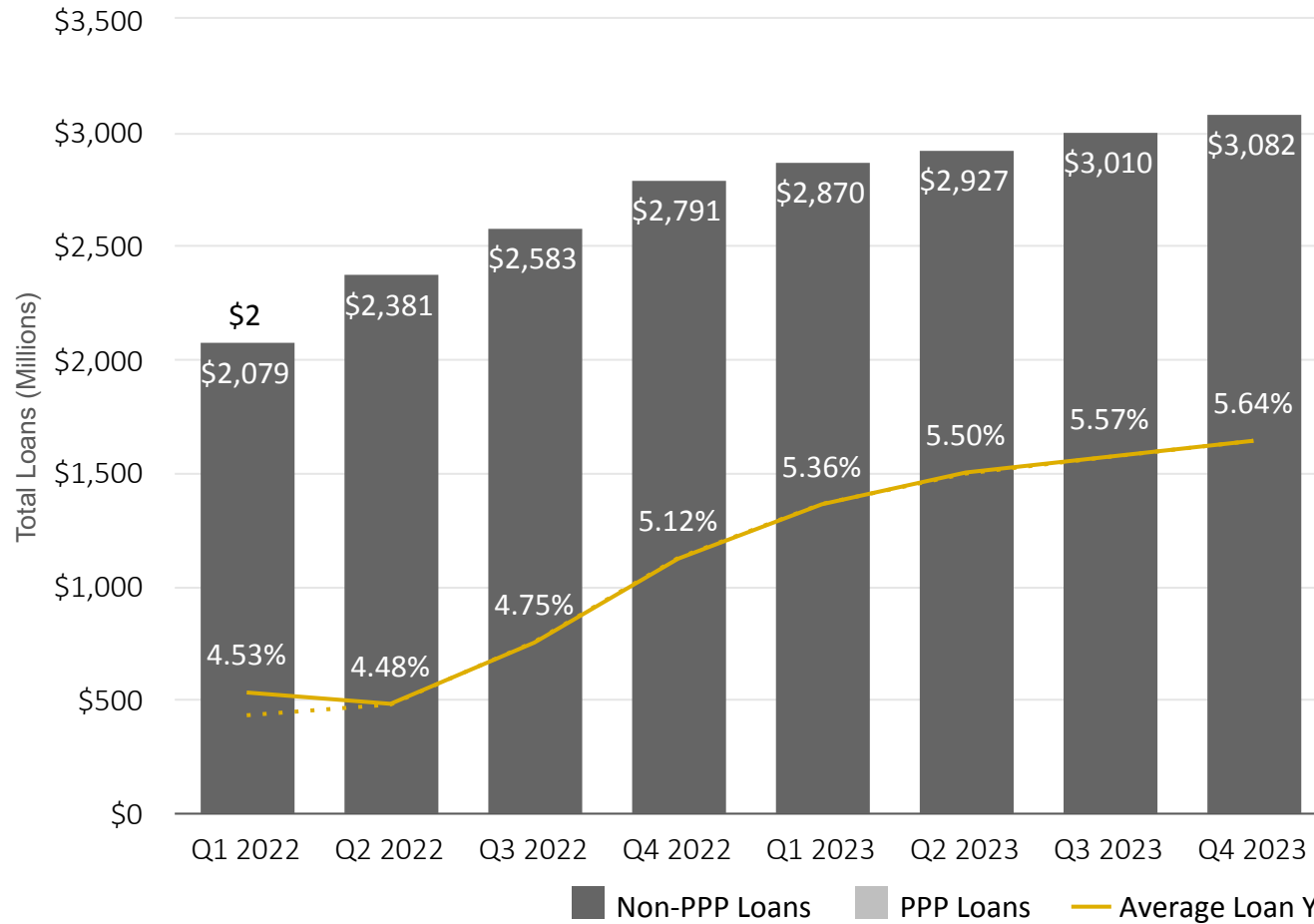
Financial Highlights - December 31, 2023

| | |
|------------------|--|
| <p>Growth</p> | <ul style="list-style-type: none"> Continued balance sheet growth with increases in loans held for investment of \$290.4 million and increases in deposits of \$244.9 million since December 31, 2022. |
| <p>Funding</p> | <ul style="list-style-type: none"> Non-interest-bearing deposits comprised 27.46% of total deposits, compared to 27.49% as of September 30, 2023 and 34.91% as of December 31, 2022. Deposits comprised 91.52% of total liabilities, as compared to 93.85% of total liabilities as of September 30, 2023 and 93.53% of total liabilities as of December 31, 2022. |
| <p>Liquidity</p> | <ul style="list-style-type: none"> Insured and collateralized deposits were approximately \$2.0 billion, representing 66.79% of total deposits, compared to 66.33% as of September 30, 2023. Cash and cash equivalents were \$321.6 million, representing 10.62% of total deposits, compared to 10.67% as of September 30, 2023 and 9.35% as of December 31, 2022. |
| <p>Capital</p> | <ul style="list-style-type: none"> All capital ratios were above well-capitalized regulatory thresholds. On October 20, 2023 and January 19, 2024, the Company announced cash dividends of \$0.20 per share for the three months ended September 30, 2023 and December 31, 2023, respectively. |

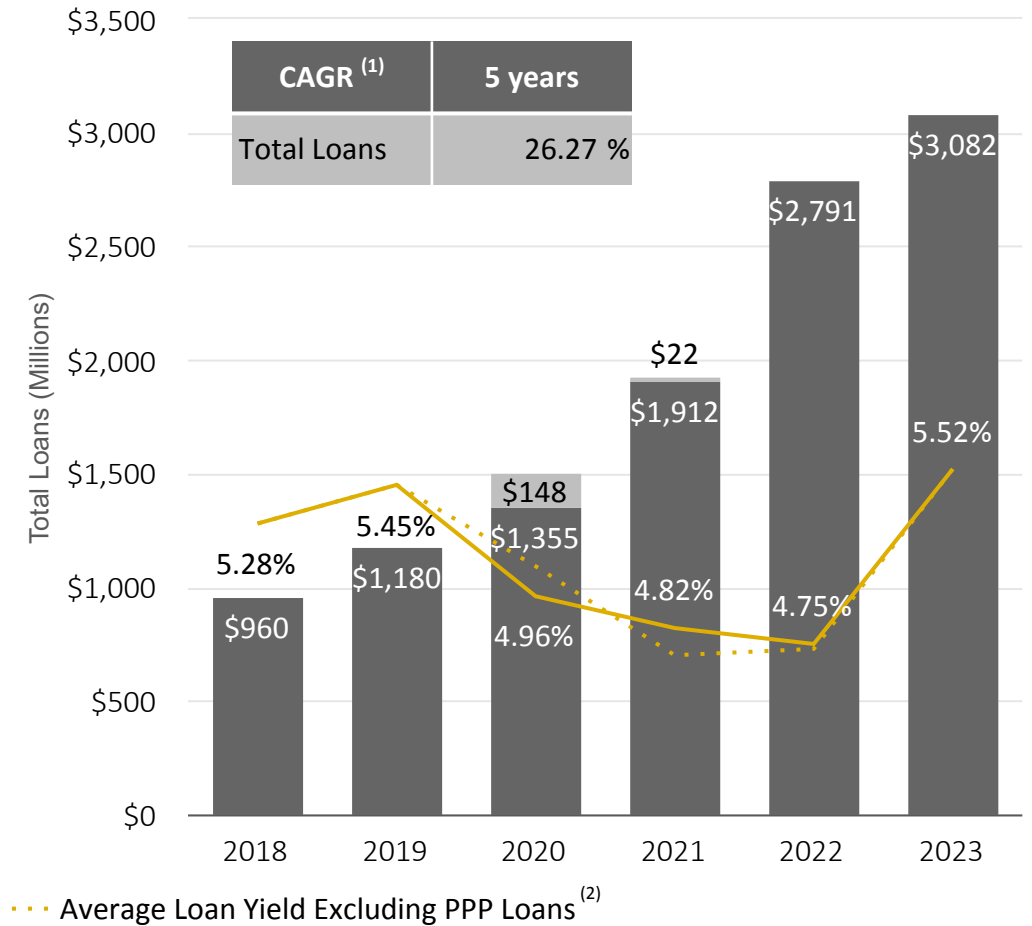
Loans and Credit Quality

Consistent Loan Growth

Quarterly Trend



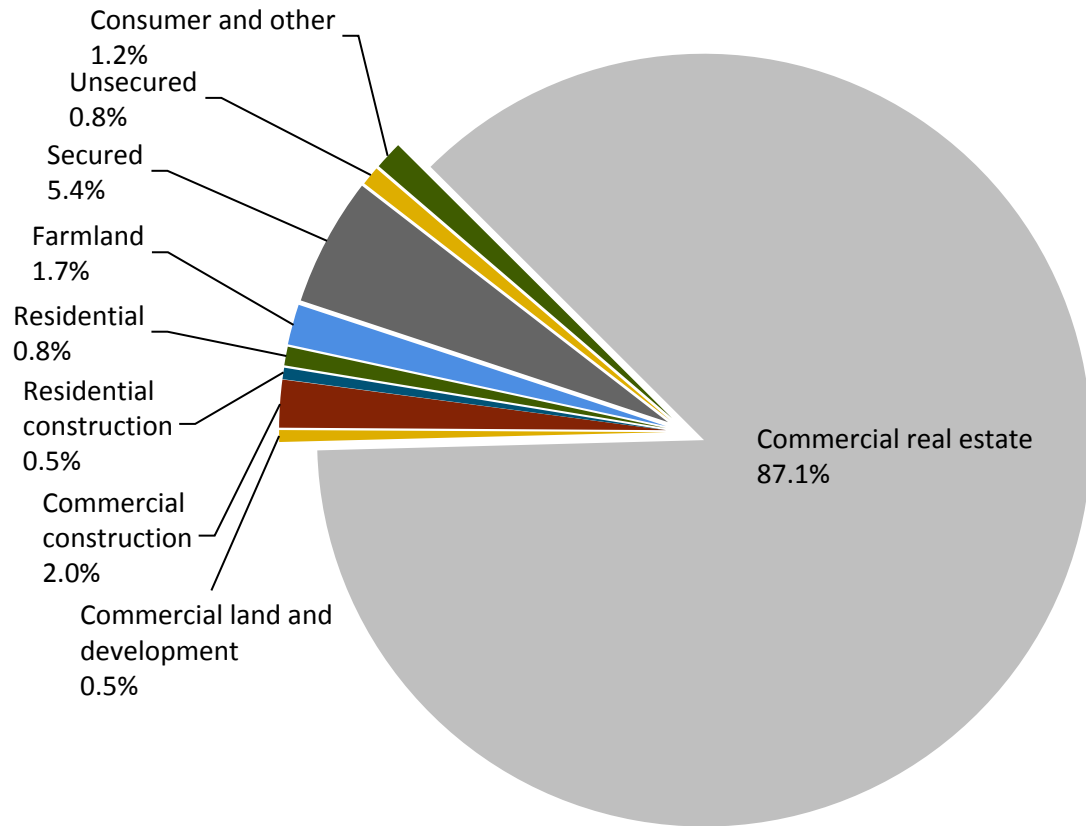
Annual Trend



Note: Loan balances are end of period loans held for investment. Yields are based on average balance and annualized quarterly interest income.

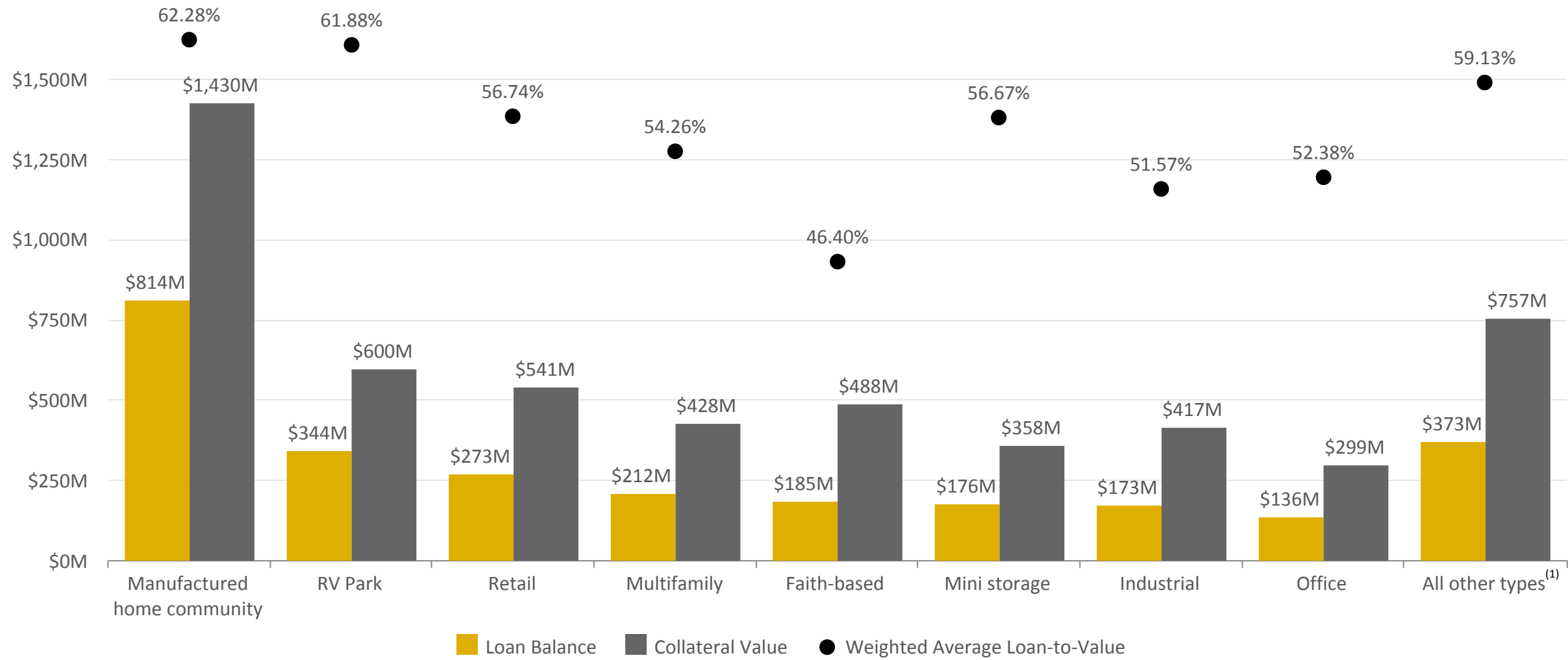
1. CAGR is based upon balances as of December 31, 2023.
2. A reconciliation of this non-GAAP measure is set forth in the appendix.

Loan Portfolio Composition



| Types of collateral securing commercial real estate ("CRE") loans | Loan Balance (\$000s) | # of Loans | % of CRE |
|---|-----------------------|--------------|-----------------|
| Manufactured home community | \$ 813,687 | 380 | 30.30 % |
| RV Park | 343,817 | 114 | 12.80 % |
| Retail | 273,100 | 91 | 10.17 % |
| Multifamily | 211,598 | 95 | 7.88 % |
| Faith-based | 184,799 | 99 | 6.88 % |
| Mini storage | 176,380 | 46 | 6.57 % |
| Industrial | 173,192 | 128 | 6.45 % |
| Office | 135,928 | 89 | 5.06 % |
| All other types ⁽¹⁾ | 372,918 | 164 | 13.89 % |
| Total | \$ 2,685,419 | 1,206 | 100.00 % |

CRE Collateral Values



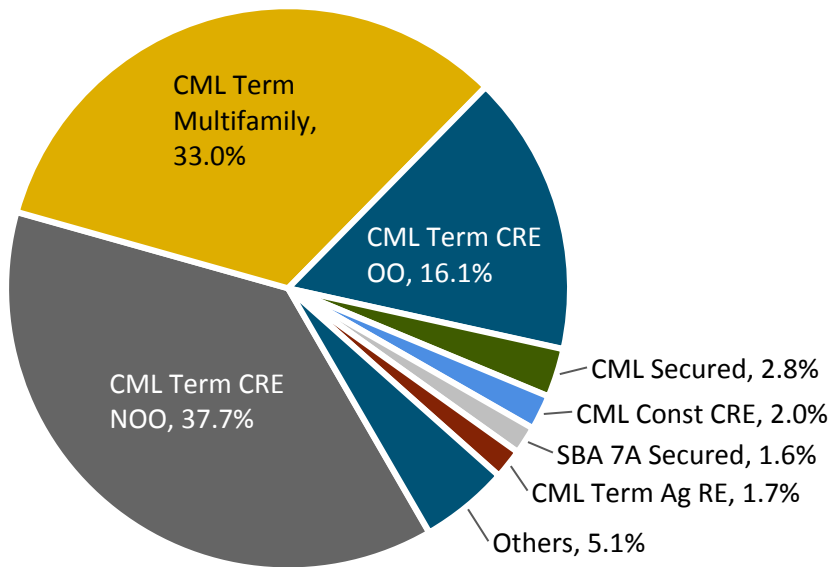
Note: Balances are net book value as of December 31, 2023, before allowance for credit losses, before deferred loan fees, and exclude loans held for sale.

1. Types of collateral in "all other types" are those that individually make up less than 5% CRE concentration.

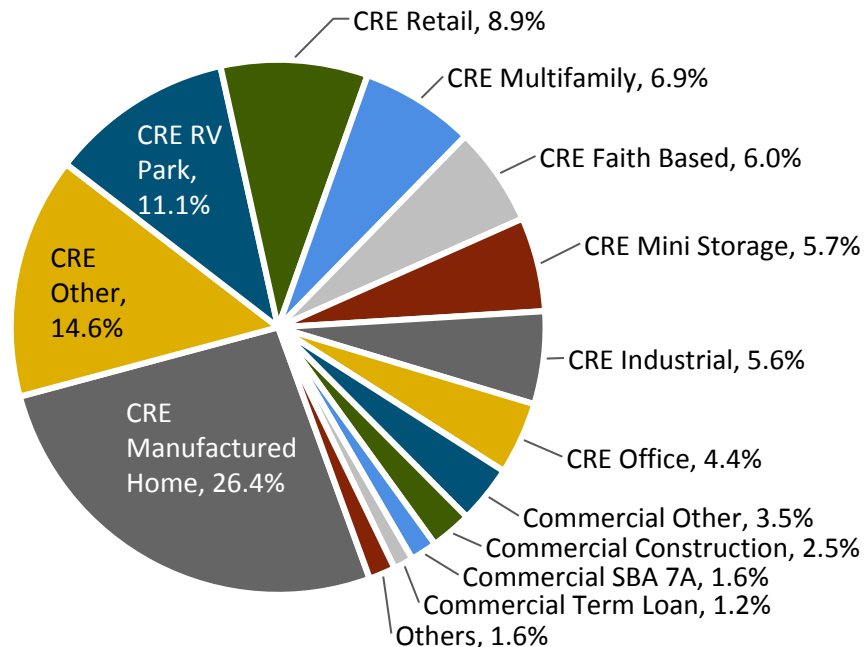
Loan Portfolio Diversification

We focus primarily on commercial lending, with an emphasis on commercial real estate. We offer a variety of loans to small and medium-sized businesses, professionals, and individuals, including commercial real estate, commercial land and construction, and farmland loans. To a lesser extent, we also offer residential real estate, construction real estate, and consumer loans.

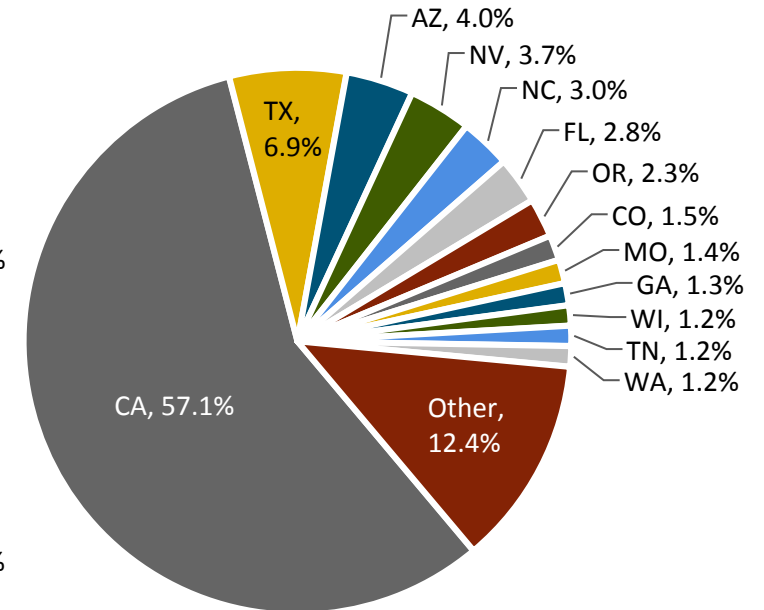
Loans by Type



Loans by Purpose



Real Estate Loans by Geography



Loan Rollforward

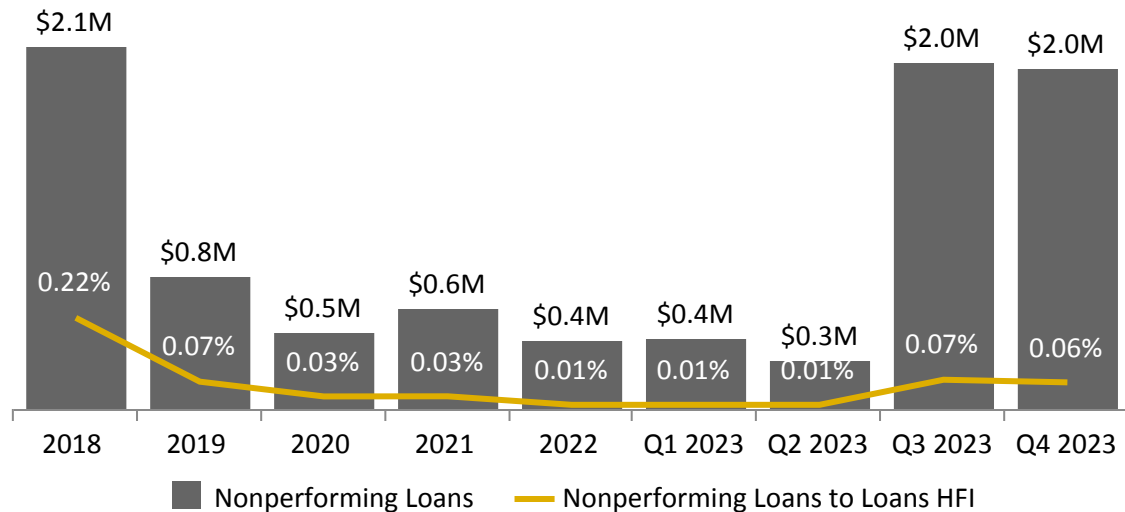
| | Q4 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
|----------------------|----------|----------|----------|----------|----------|
| Beginning Balance | \$ 2,583 | \$ 2,791 | \$ 2,870 | \$ 2,927 | \$ 3,010 |
| Originations | 295 | 135 | 254 | 135 | 144 |
| Payoffs and Paydowns | (87) | (56) | (197) | (52) | (72) |
| Ending Balance | \$ 2,791 | \$ 2,870 | \$ 2,927 | \$ 3,010 | \$ 3,082 |

Asset Quality

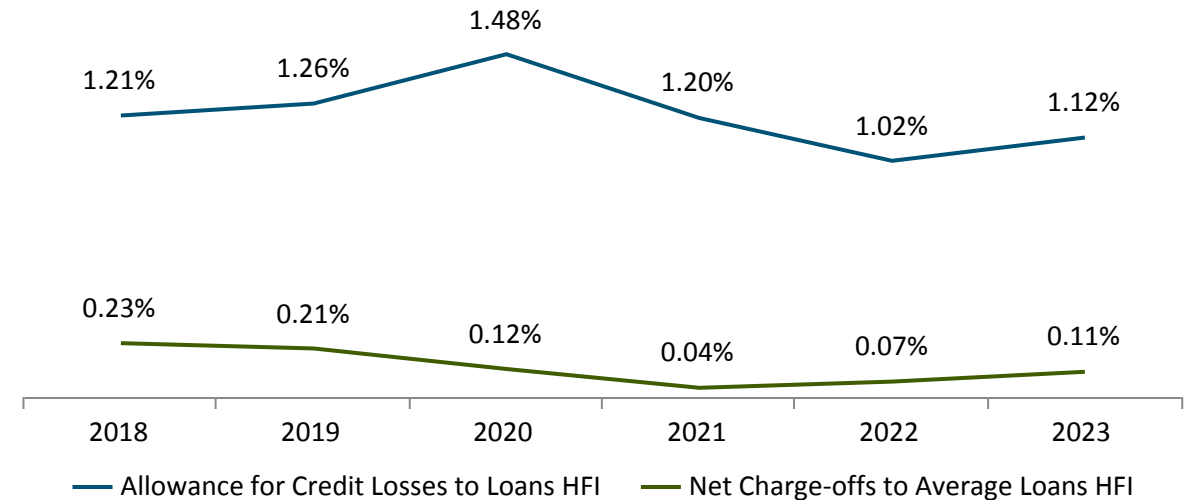
Our primary objective is to maintain a high level of asset quality in our loan portfolio. In order to maintain our strong asset quality, we:

- Place emphasis on our commercial portfolio, where we reevaluate risk assessments as a result of reviewing commercial property operating statements and borrower financials
- Monitor payment performance, delinquencies, and tax and property insurance compliance
- Design our practices to facilitate the early detection and remediation of problems within our loan portfolio
- Employ the use of an outside, independent consulting firm to evaluate our underwriting and risk assessment process

Nonperforming Loan Trend



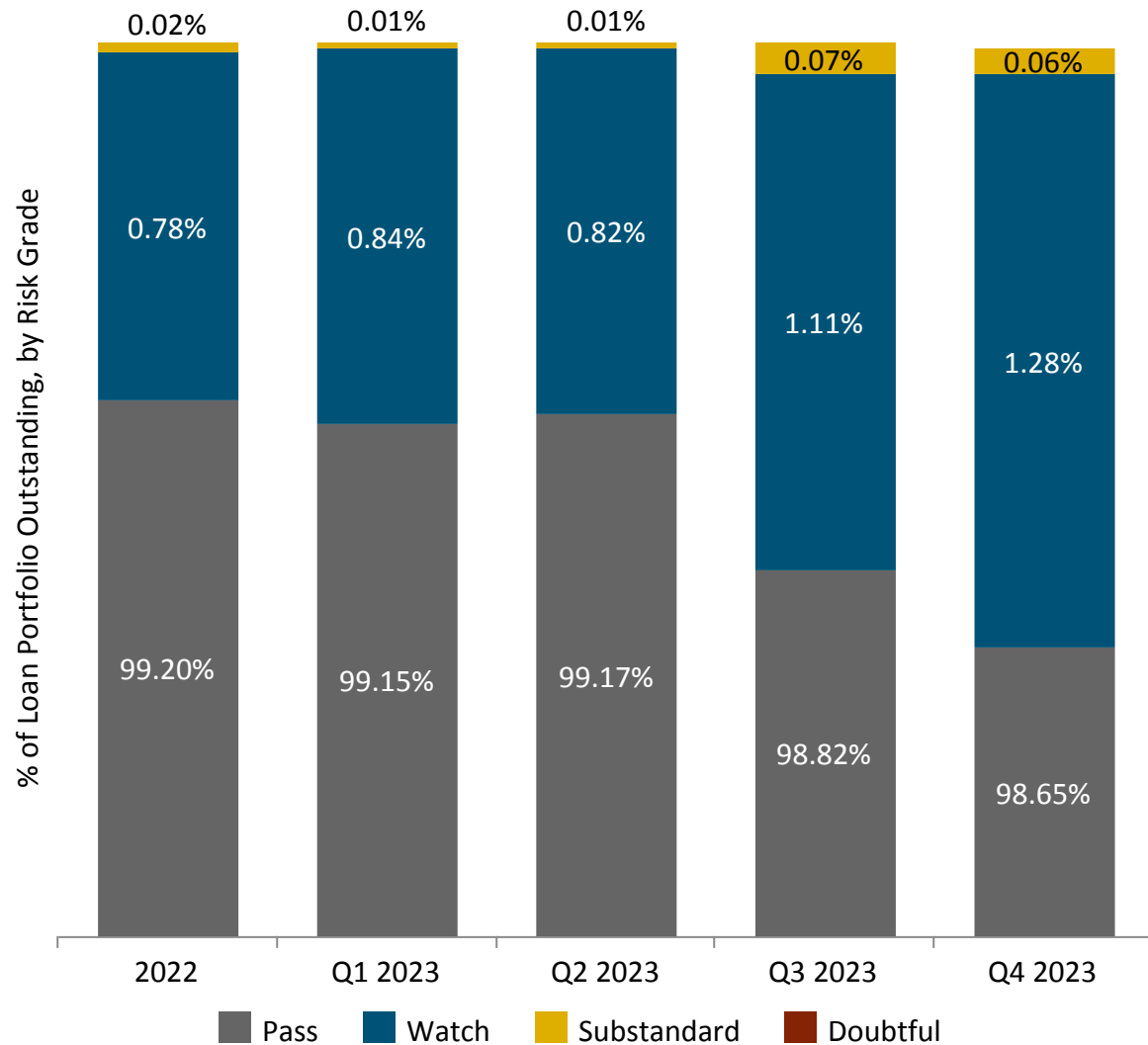
Allowance for Credit Losses and Net Charge-off Trend



Allocation of Allowance for Credit Losses

| (dollars in thousands) | December 31, 2022 | | March 31, 2023 | | June 30, 2023 | | September 30, 2023 | | December 31, 2023 | |
|--|-------------------|-----------------|------------------|-----------------|------------------|-----------------|--------------------|-----------------|-------------------|-----------------|
| Allowance for Credit Losses | Amount | % of Total | Amount | % of Total | Amount | % of Total | Amount | % of Total | Amount | % of Total |
| Real estate: | | | | | | | | | | |
| Commercial | \$ 19,216 | 67.69 % | \$ 27,119 | 79.37 % | \$ 27,553 | 81.08 % | \$ 27,901 | 82.00 % | \$ 29,015 | 84.27 % |
| Commercial land & development | 54 | 0.19 % | 226 | 0.66 % | 184 | 0.54 % | 198 | 0.58 % | 178 | 0.52 % |
| Commercial construction | 645 | 2.27 % | 1,438 | 4.21 % | 1,212 | 3.57 % | 1,220 | 3.59 % | 718 | 2.08 % |
| Residential construction | 49 | 0.17 % | 175 | 0.51 % | 217 | 0.64 % | 115 | 0.34 % | 89 | 0.26 % |
| Residential | 175 | 0.62 % | 181 | 0.53 % | 152 | 0.45 % | 151 | 0.44 % | 151 | 0.44 % |
| Farmland | 644 | 2.27 % | 219 | 0.64 % | 236 | 0.69 % | 393 | 1.15 % | 399 | 1.16 % |
| Total real estate loans | 20,783 | 73.21 % | 29,358 | 85.92 % | 29,554 | 86.97 % | 29,978 | 88.10 % | 30,550 | 88.73 % |
| Commercial: | | | | | | | | | | |
| Secured | 7,098 | 25.00 % | 4,258 | 12.46 % | 3,751 | 11.04 % | 3,461 | 10.17 % | 3,314 | 9.62 % |
| Unsecured | 116 | 0.41 % | 152 | 0.44 % | 209 | 0.61 % | 213 | 0.63 % | 189 | 0.55 % |
| Total commercial loans | 7,214 | 25.41 % | 4,410 | 12.90 % | 3,960 | 11.65 % | 3,674 | 10.80 % | 3,503 | 10.17 % |
| Consumer and other | 347 | 1.22 % | 404 | 1.18 % | 470 | 1.38 % | 376 | 1.10 % | 378 | 1.10 % |
| Unallocated | 45 | 0.16 % | — | — % | — | — % | — | — % | — | — % |
| Total allowance for credit losses | \$ 28,389 | 100.00 % | \$ 34,172 | 100.00 % | \$ 33,984 | 100.00 % | \$ 34,028 | 100.00 % | \$ 34,431 | 100.00 % |

Risk Grade Migration

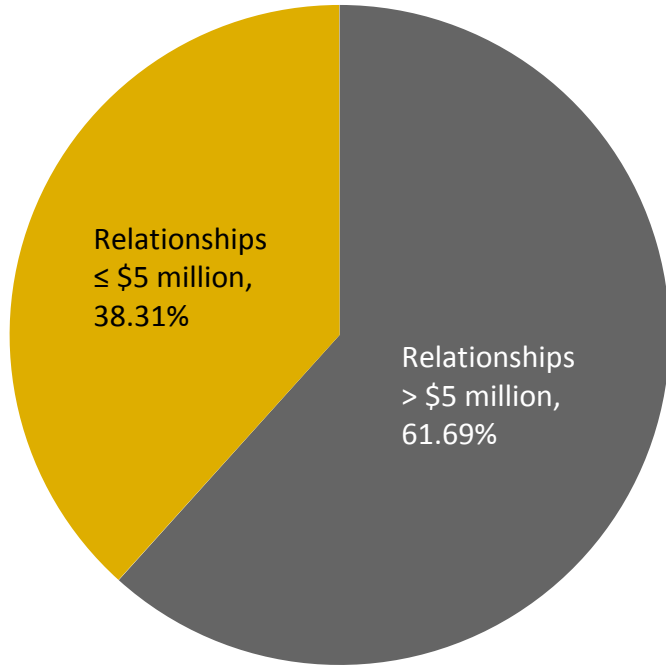


| Classified Loans (Loans Rated Substandard or Doubtful) | | | | | |
|---|---------------|---------------|---------------|-----------------|-----------------|
| (dollars in thousands) | 2022 | Q1 2023 | Q2 2023 | Q3 2023 | Q4 2023 |
| Real estate: | | | | | |
| Commercial | \$ 106 | \$ 102 | \$ — | \$ 1,923 | \$ 1,892 |
| Commercial land & development | — | — | — | — | — |
| Commercial construction | — | — | — | — | — |
| Residential construction | — | — | — | — | — |
| Residential | 175 | 175 | 175 | — | — |
| Farmland | — | — | — | — | — |
| Commercial: | | | | | |
| Secured | 123 | 118 | 112 | 79 | 72 |
| Unsecured | — | — | — | — | — |
| Consumer and other | | | | | |
| | 26 | 23 | 22 | 21 | 12 |
| Total | \$ 430 | \$ 418 | \$ 309 | \$ 2,023 | \$ 1,976 |

Deposit and Capital Overview

Deposit Composition

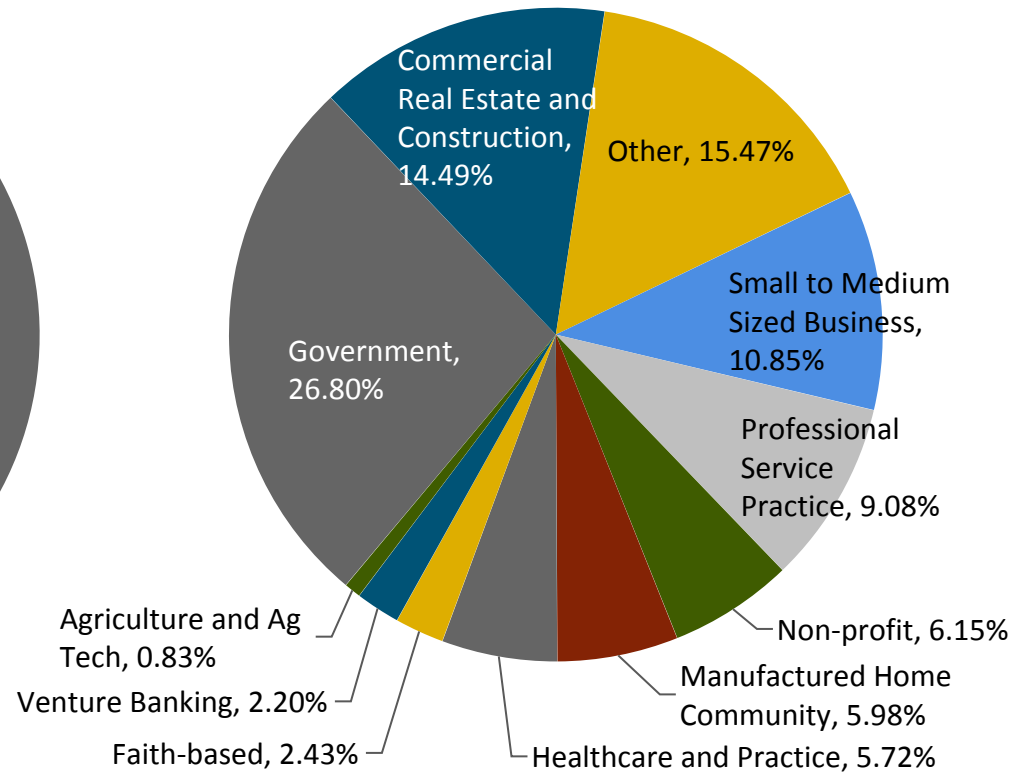
Total Deposits by Relationship Size



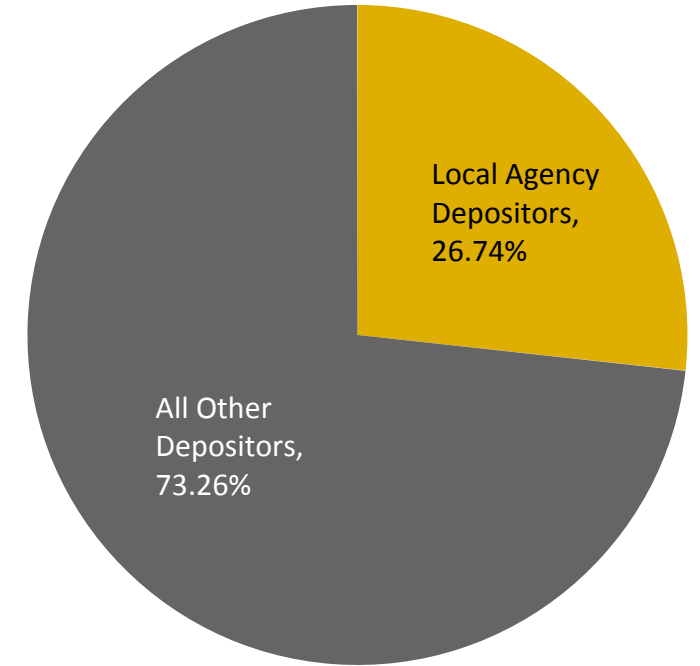
8.78 Years

Average Age of Relationships > \$5 million

Total Deposits by Market Vertical



Local Agency Breakout



\$256,000

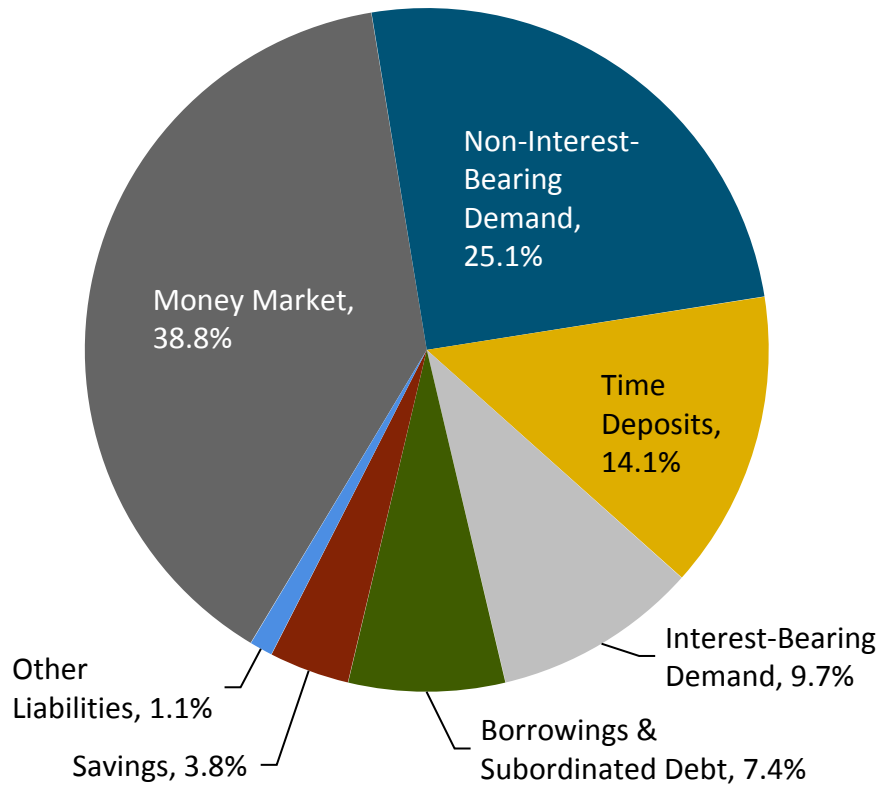
Average Deposit Account Balance

Note: Balances are as of December 31, 2023 and include time and wholesale deposits.

- Types of accounts in "Other" are individuals, trusts, estates, and market verticals that individually make up less than 0.4% of all deposits.
- Local Agency Depositors includes State of California.

Diversified Funding

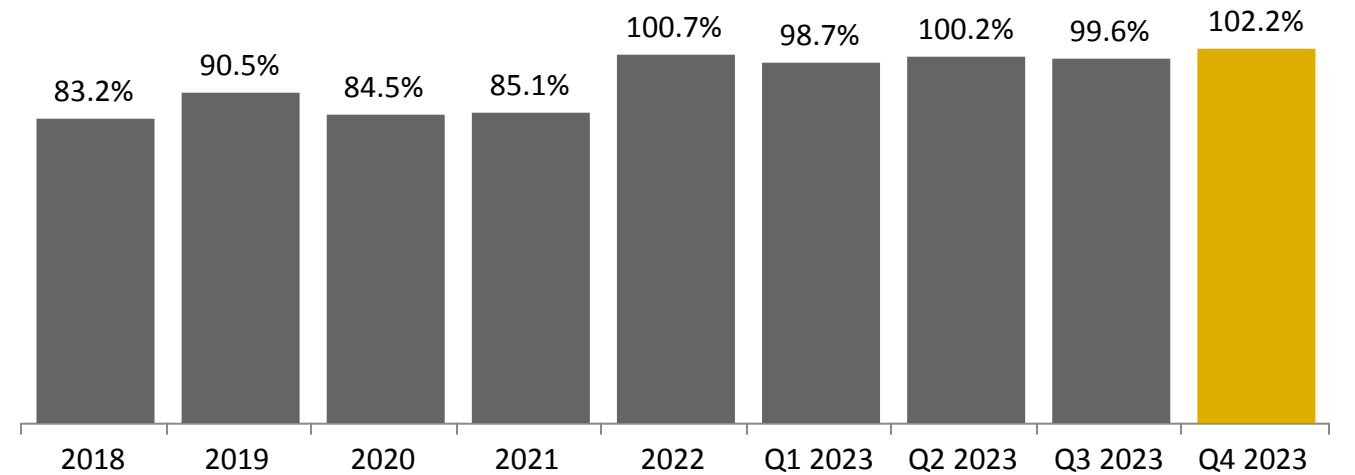
Liability Mix



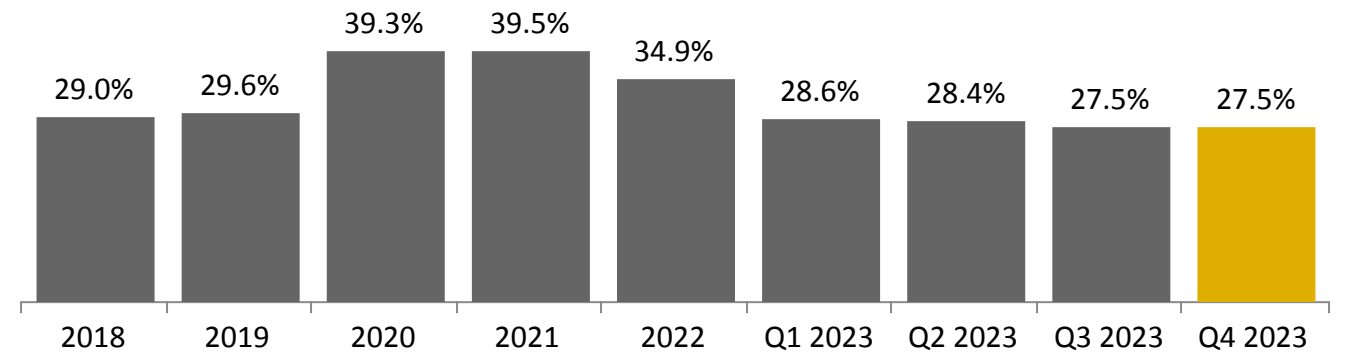
Total Deposits⁽¹⁾ = \$3.0 billion

91.5% of Total Liabilities

Loan⁽²⁾ to Deposit Ratio



Non-Interest-Bearing Deposits to Total Deposits



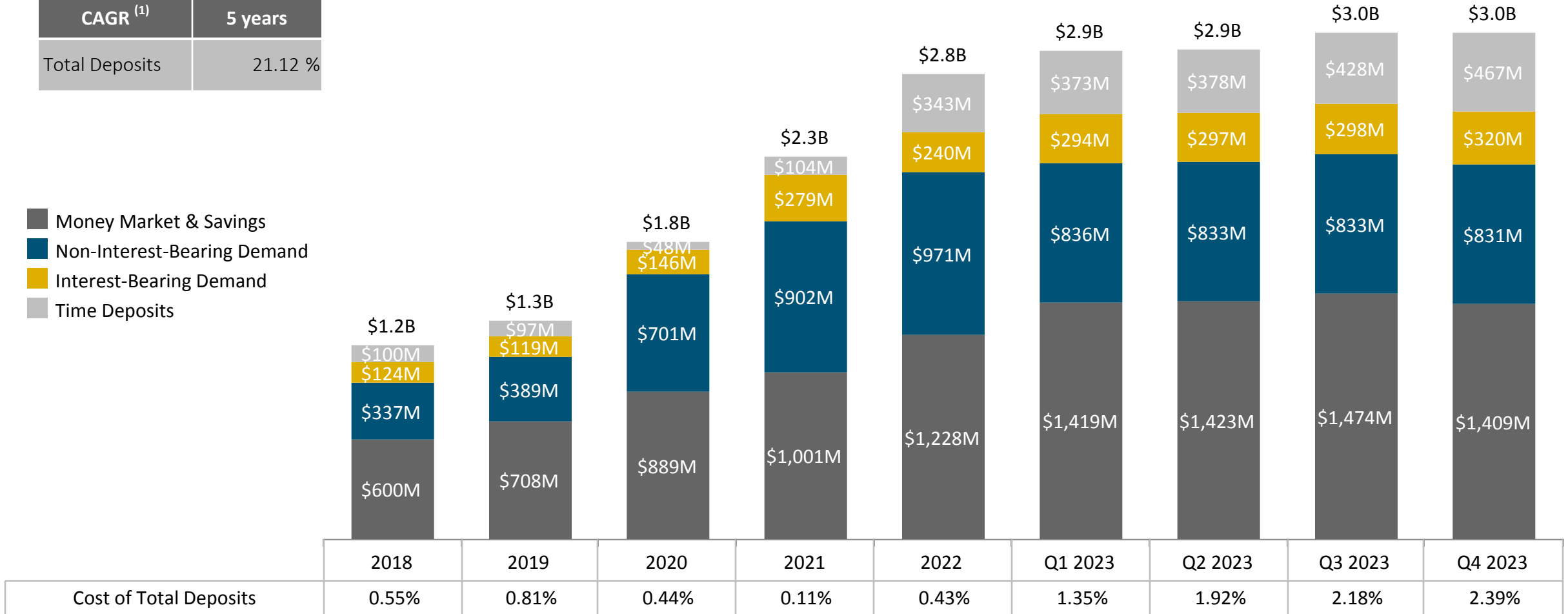
1. Balance as of December 31, 2023.

2. Loan balance in loan to deposit ratio is total loans held for investment and sale at period end.

Strong Deposit Growth

| CAGR ⁽¹⁾ | 5 years |
|---------------------|---------|
| Total Deposits | 21.12 % |

- Money Market & Savings
- Non-Interest-Bearing Demand
- Interest-Bearing Demand
- Time Deposits

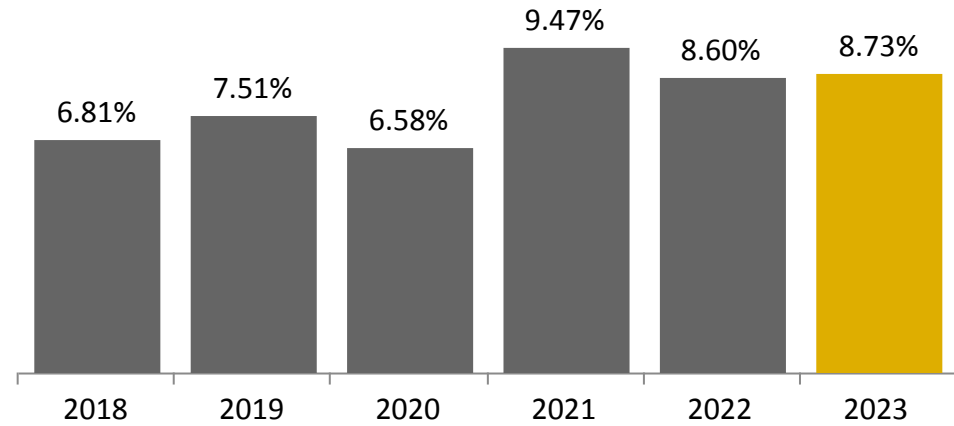


Note: Balances are end of period. Cost of total deposits is based on total average balance of interest-bearing and non-interest-bearing deposits and annualized quarterly deposit interest expense.

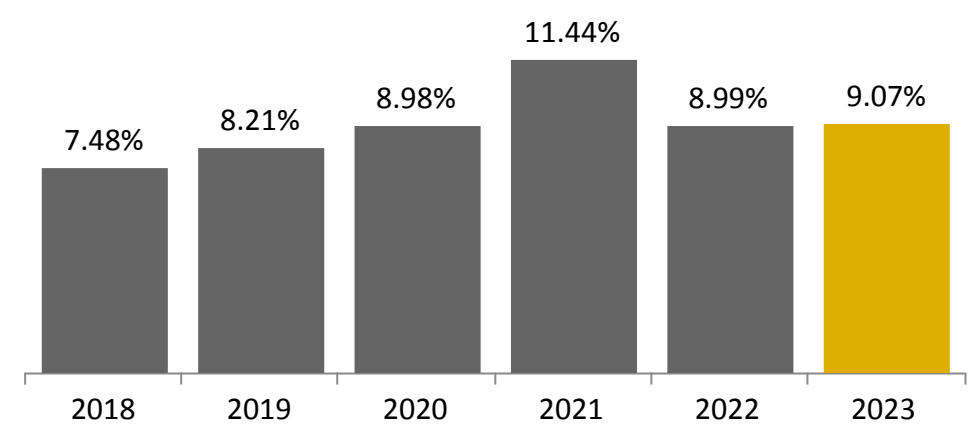
1. CAGR is based upon balances as of December 31, 2023.

Capital Ratios

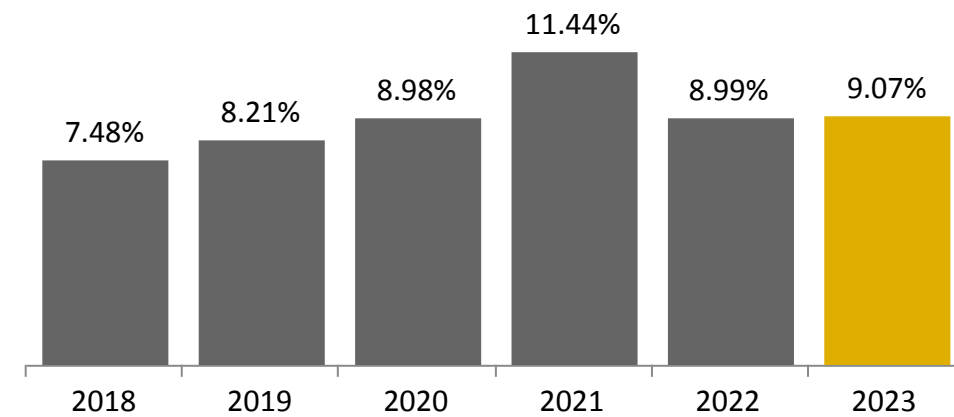
Tier 1 Leverage Ratio



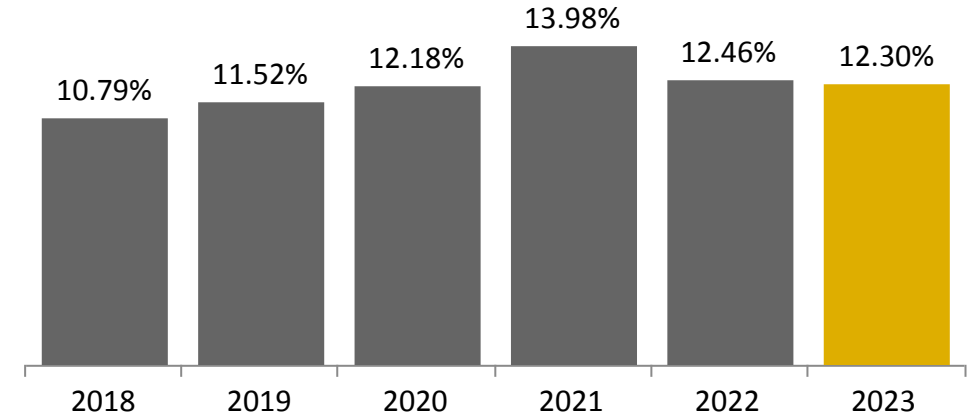
Common Equity Tier 1 to RWA



Tier 1 Capital to RWA



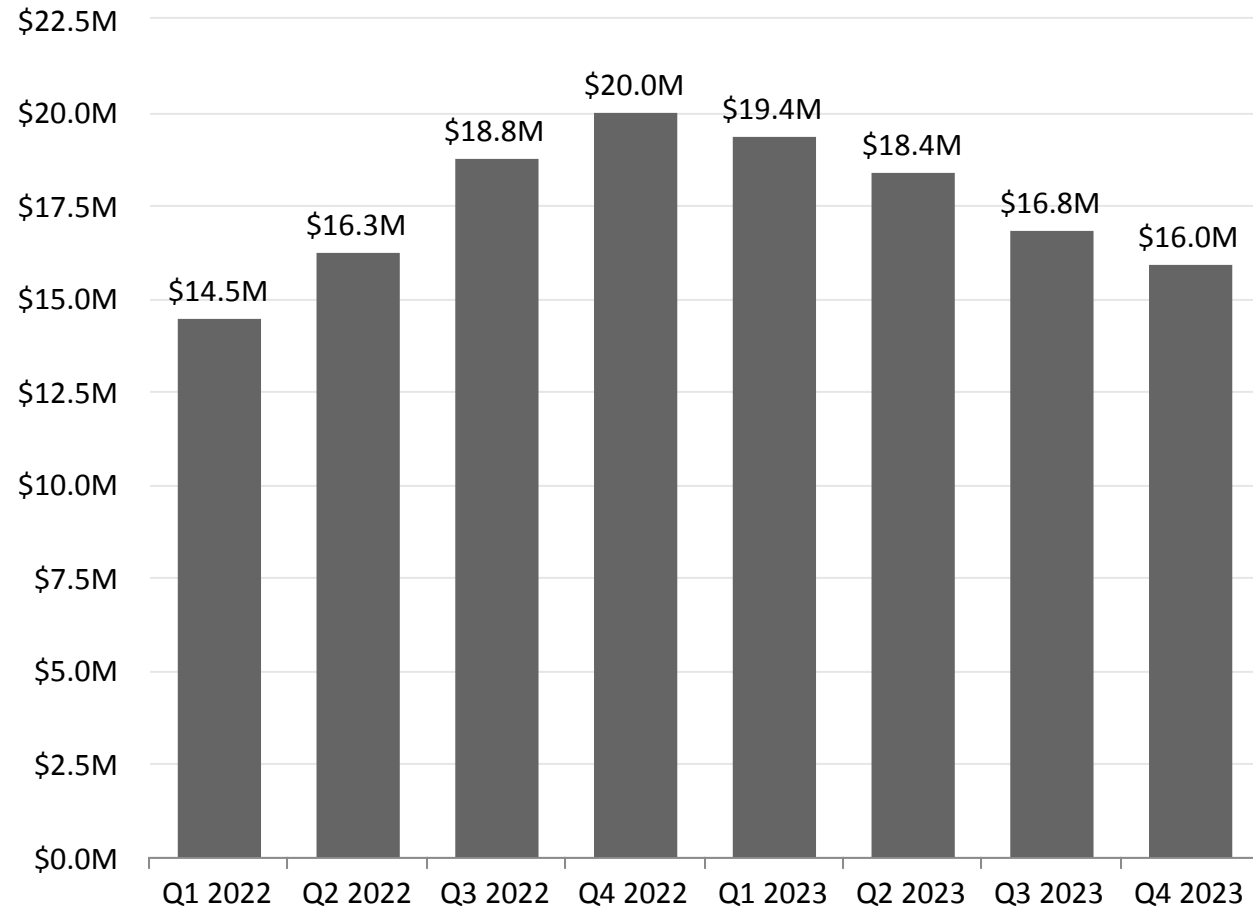
Total Capital to RWA



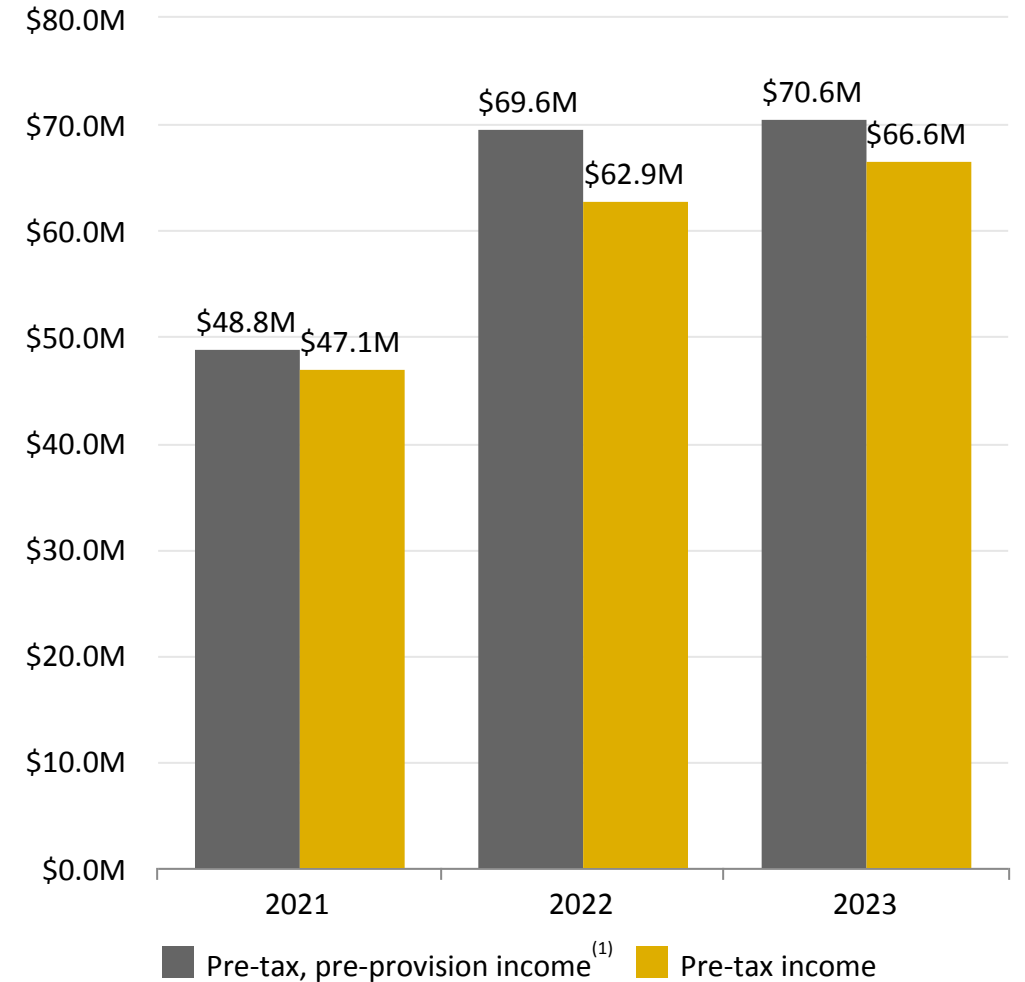
Financial Results

Earnings Track Record

Quarterly Trend of Pre-Tax, Pre-Provision Income⁽¹⁾



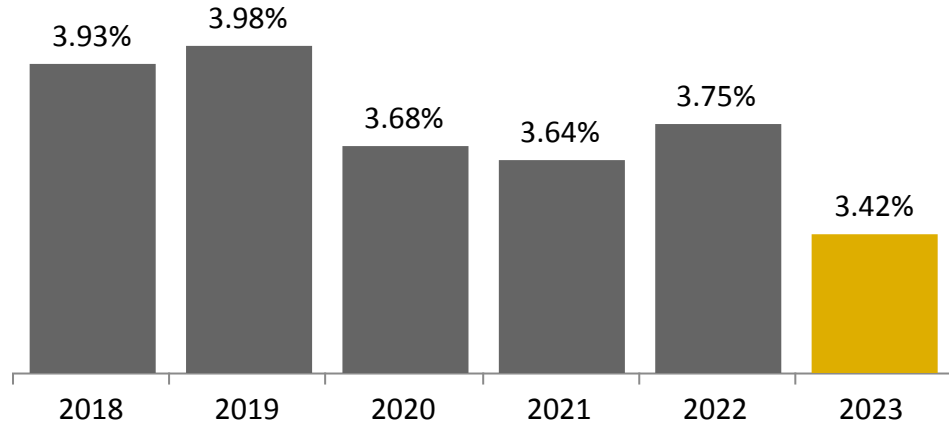
Annual Trend



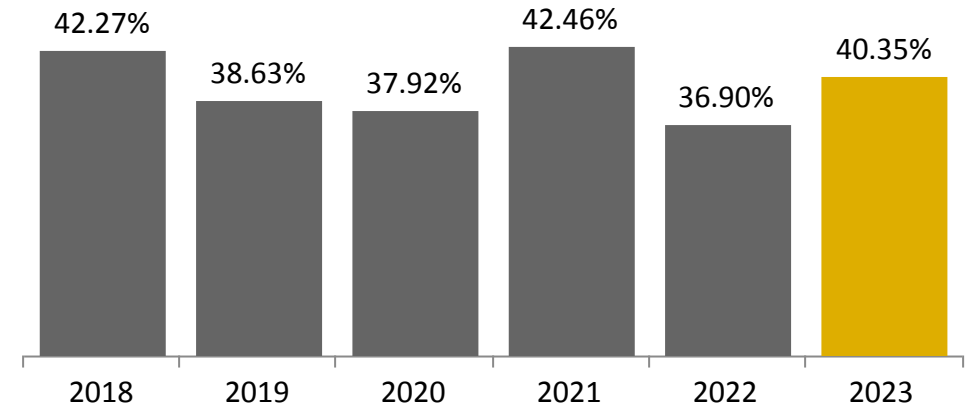
1. A reconciliation of this non-GAAP measure is set forth in the appendix.

Operating Metrics

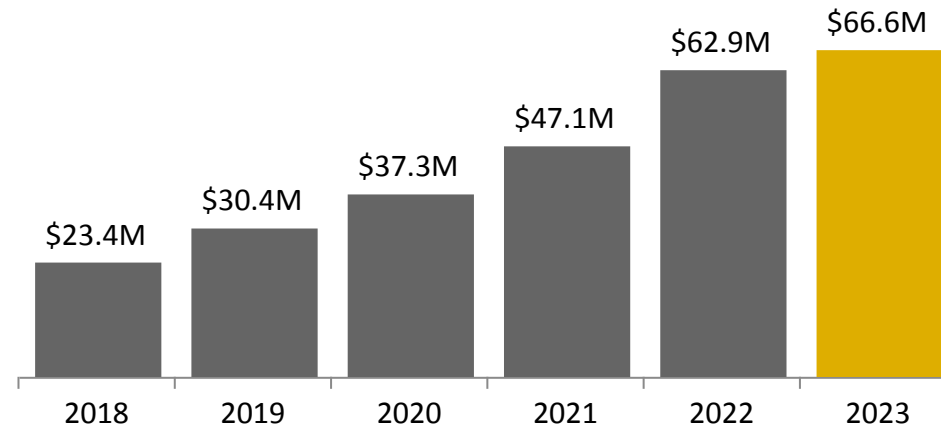
Net Interest Margin



Efficiency Ratio



Total Income Before Taxes

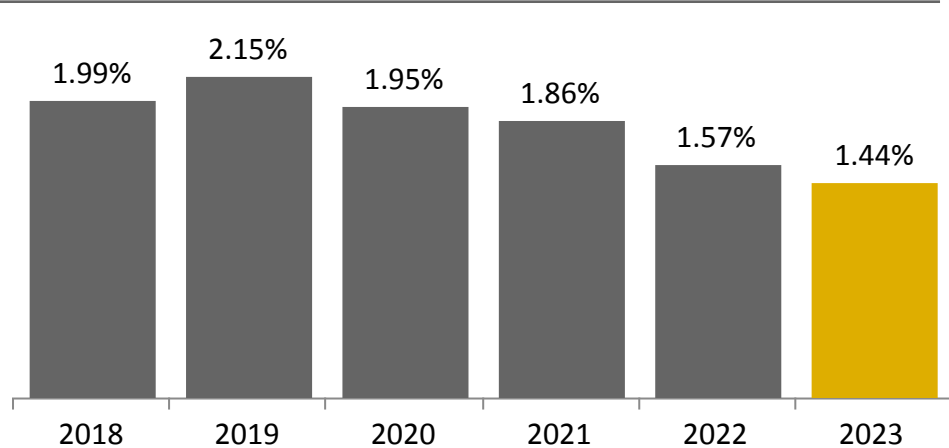


Non-interest Income and Expense Comparison

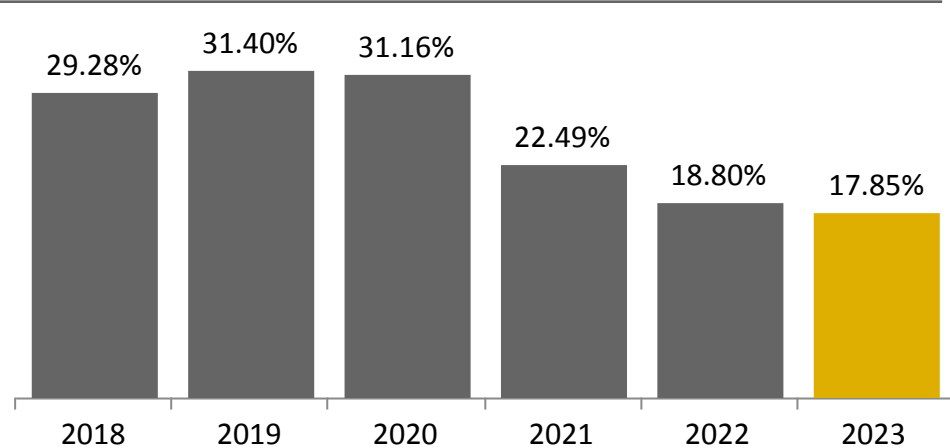
| (dollars in thousands) | | For the three months ended | | | For the year ended | |
|-----------------------------------|---|----------------------------|------------------|------------------|--------------------|-----------------|
| | | 12/31/2023 | 9/30/2023 | 12/31/2022 | 12/31/2023 | 12/31/2022 |
| Non-interest Income | Service charges on deposit accounts | \$ 165 | \$ 158 | \$ 97 | \$ 575 | \$ 467 |
| | Net gain (loss) on sale of securities | (167) | — | — | (167) | 5 |
| | Gain on sale of loans | 317 | 396 | 637 | 1,952 | 2,934 |
| | Loan-related fees | 667 | 355 | 407 | 1,719 | 2,207 |
| | FHLB stock dividends | 314 | 274 | 193 | 970 | 546 |
| | Earnings on bank-owned life insurance | 155 | 127 | 119 | 510 | 412 |
| | Other income | 485 | 74 | 148 | 1,952 | 586 |
| | Total non-interest income | \$ 1,936 | \$ 1,384 | \$ 1,601 | \$ 7,511 | \$ 7,157 |
| Non-interest Expense | Salaries and employee benefits | \$ 7,182 | \$ 6,876 | \$ 5,698 | \$ 27,097 | \$ 22,571 |
| | Occupancy and equipment | 583 | 561 | 511 | 2,218 | 2,059 |
| | Data processing and software | 1,110 | 1,020 | 839 | 4,015 | 3,091 |
| | Federal Deposit Insurance Corporation insurance | 370 | 375 | 245 | 1,557 | 850 |
| | Professional services | 658 | 700 | 553 | 2,575 | 2,467 |
| | Advertising and promotional | 717 | 535 | 568 | 2,403 | 1,908 |
| | Loan-related expenses | 268 | 345 | 358 | 1,192 | 1,287 |
| | Other operating expenses | 1,775 | 1,603 | 1,945 | 6,718 | 6,436 |
| Total non-interest expense | \$ 12,663 | \$ 12,015 | \$ 10,717 | \$ 47,775 | \$ 40,669 | |

Shareholder Returns

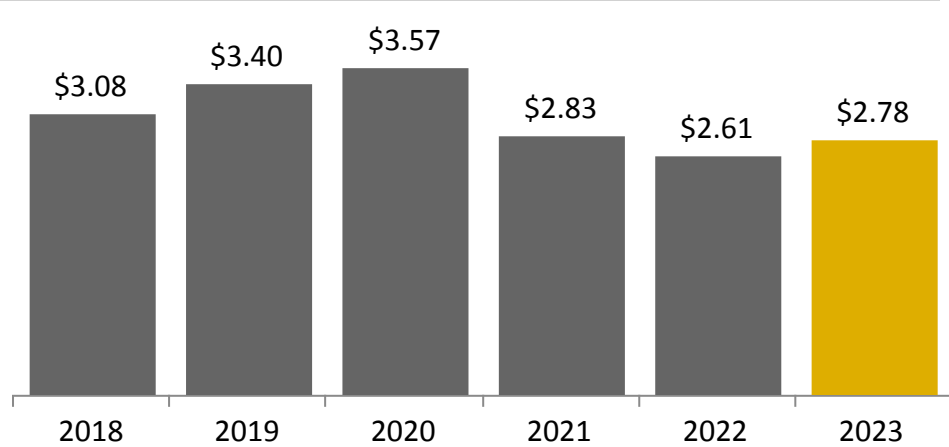
ROAA



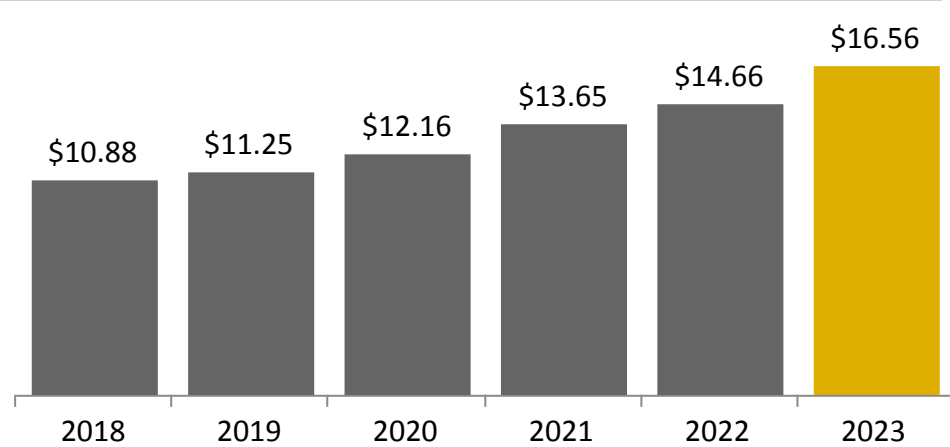
ROAE



EPS (basic and diluted)



Value per Share (book and tangible book⁽¹⁾)



Note: All 2023 figures are through December 31, 2023.
 1. See Appendix for more information on this non-GAAP measure.



Five Star Bank proudly supports women in business and those serving our region's most vulnerable. Our customers advocate for communities, drive collaboration, and foster responsive, community-based programs that promote healthy relationships while supporting survivors of sexual assault, domestic violence, and human trafficking. Our clients are change-agents who inspire, motivate, and uplift those who need us most.

Ashlie Bryant, Co-Founder and CEO, 3Strands Global Foundation
 Beth Hassett, CEO and Executive Director, WEAVE
 Staci Anderson, President and CEO, PRO Youth and Families



We strive to become the top business bank in all markets we serve through exceptional service, deep connectivity, and customer empathy. We are dedicated to serving real estate, agricultural, faith-based, and small to medium-sized enterprises. We aim to consistently deliver value that meets or exceeds the expectations of our shareholders, customers, employees, business partners, and community.



Five Star Bank customer Capital College & Career Academy ("CCCA") provides real-world learning opportunities, ensuring students graduate with the skills and certifications needed to become change-makers in their communities. Together, we can make a difference in the lives of the next generation of leaders in the Sacramento region.

Anamanu Fotofili, Student, CCCA
 Kevin Dobson, Founder and Executive Director, CCCA
 Dylan Newman, Student, CCCA



Five Star Bank supports our customer, Street Soccer USA ("SSUSA") and their mission to fight poverty and strengthen communities through soccer. SSUSA serves youth and special needs populations including families experiencing homelessness, adults recovering from addiction/substance abuse, and mental health diagnoses. SSUSA is the official partner of the Homeless World Cup and Street Child World Cup. We share their mission to fight poverty and strengthen others as they encourage positive changes in their players' lives.

Sienna Jackson, Homeless World Cup 2023 Sacramento, California – Team USA
 Lisa Wrightsman, Managing Director, SSUSA and Homeless World Cup 2010 Rio De Janeiro, Brazil – Team USA
 Angela Draws, Homeless World Cup 2014 Santiago, Chile – Team USA

Appendix: Non-GAAP Reconciliation (Unaudited)

The Company uses financial information in its analysis of the Company's performance that is not in conformity with GAAP. The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company's financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. As such, investors should not view these disclosures as a substitute for results determined in accordance with GAAP. Additionally, these non-GAAP measures are not necessarily comparable to non-GAAP financial measures that other banking companies use. Other banking companies may use names similar to those the Company uses for the non-GAAP financial measures the Company discloses, but may calculate them differently. Investors should understand how the Company and other companies each calculate their non-GAAP financial measures when making comparisons.

Average loan yield, excluding PPP loans, is defined as the daily average loan yield, excluding PPP loans, and includes both performing and nonperforming loans. The most directly comparable GAAP financial measure is average loan yield.

Total assets, excluding PPP loans, is defined as total assets less PPP loans. The most directly comparable GAAP financial measure is total assets.

Pre-tax, pre-provision income is defined as net income plus provision for income taxes and provision for loan losses. The most directly comparable GAAP financial measure is pre-tax income.

Tangible book value per share is defined as total shareholders' equity less goodwill and other intangible assets, divided by the outstanding number of common shares at the end of the period. The most directly comparable GAAP financial measure is book value per share. We had no goodwill or other intangible assets at the end of any period indicated. As a result, tangible book value per share is the same as book value per share at the end of each of the periods indicated.

| (dollars in thousands) | For the three months ended | | | | | | | | For the year ended | | | |
|---|----------------------------|-----------|-----------|------------|-----------|-----------|-----------|------------|--------------------|------------|------------|------------|
| | 3/31/2022 | 6/30/2022 | 9/30/2022 | 12/31/2022 | 3/31/2023 | 6/30/2023 | 9/30/2023 | 12/31/2023 | 12/31/2020 | 12/31/2021 | 12/31/2022 | 12/31/2023 |
| Average loan yield, excluding PPP loans | | | | | | | | | | | | |
| Interest and fee income on loans | \$ 22,112 | \$ 24,879 | \$ 29,886 | \$ 34,918 | \$ 37,494 | \$ 39,929 | \$ 41,861 | \$ 43,429 | \$ 71,405 | \$ 78,894 | \$ 111,795 | \$ 162,713 |
| Less: interest and fee income on PPP loans | 610 | 25 | — | — | — | — | — | — | 6,535 | 7,417 | 635 | — |
| Interest and fee income on loans, excluding PPP loans | 21,502 | 24,854 | 29,886 | 34,918 | 37,494 | 39,929 | 41,861 | 43,429 | 64,870 | 71,477 | 111,160 | 162,713 |
| Annualized interest and fee income on loans, excluding PPP loans (numerator) | 87,200 | 99,689 | 118,569 | 138,533 | 152,059 | 160,155 | 166,079 | 172,300 | 64,870 | 71,477 | 111,160 | 162,713 |
| Average loans held for investment and sale | 1,977,509 | 2,227,215 | 2,494,468 | 2,703,865 | 2,836,070 | 2,914,388 | 2,982,140 | 3,055,042 | 1,439,380 | 1,637,280 | 2,353,148 | 2,947,603 |
| Less: average PPP loans | 8,886 | 427 | — | — | — | — | — | — | 165,414 | 116,652 | 2,297 | — |
| Average loans held for investment and sale, excluding PPP loans (denominator) | 1,968,623 | 2,226,788 | 2,494,468 | 2,703,865 | 2,836,070 | 2,914,388 | 2,982,140 | 3,055,042 | 1,273,966 | 1,520,628 | 2,350,851 | 2,947,603 |
| Average loan yield, excluding PPP loans | 4.43 % | 4.48 % | 4.75 % | 5.12 % | 5.36 % | 5.50 % | 5.57 % | 5.64 % | 5.09 % | 4.70 % | 4.73 % | 5.52 % |

Appendix: Non-GAAP Reconciliation (Unaudited)

| (dollars in millions) | | | | | | | |
|--|-------------------|-------------------|-------------------|------------------|------------------|------------------|-------------------|
| Total assets, excluding PPP loans | 12/31/2020 | 12/31/2021 | 12/31/2022 | 3/31/2023 | 6/30/2023 | 9/30/2023 | 12/31/2023 |
| Total assets | \$ 1,954 | \$ 2,557 | \$ 3,227 | \$ 3,397 | \$ 3,403 | \$ 3,505 | \$ 3,593 |
| Less: PPP loans | 148 | 22 | — | — | — | — | — |
| Total assets, excluding PPP loans | \$ 1,806 | \$ 2,535 | \$ 3,227 | \$ 3,397 | \$ 3,403 | \$ 3,505 | \$ 3,593 |

| (dollars in thousands) | | | | | | | | |
|--------------------------------------|--------------------|------------------|------------------|-------------------|------------------|------------------|------------------|-------------------|
| | Three months ended | | | | | | | |
| Pre-tax, pre-provision income | 3/31/2022 | 6/30/2022 | 9/30/2022 | 12/31/2022 | 3/31/2023 | 6/30/2023 | 9/30/2023 | 12/31/2023 |
| Net income | \$ 9,862 | \$ 9,953 | \$ 11,704 | \$ 13,282 | \$ 13,161 | \$ 12,729 | \$ 11,045 | \$ 10,799 |
| Add: provision for income taxes | 3,660 | 4,080 | 4,830 | 5,487 | 5,340 | 4,440 | 4,750 | 4,352 |
| Add: provision for credit losses | 950 | 2,250 | 2,250 | 1,250 | 900 | 1,250 | 1,050 | 800 |
| Pre-tax, pre-provision income | \$ 14,472 | \$ 16,283 | \$ 18,784 | \$ 20,019 | \$ 19,401 | \$ 18,419 | \$ 16,845 | \$ 15,951 |

| (dollars in thousands) | | | |
|--------------------------------------|-------------------|-------------------|-------------------|
| | Year ended | | |
| Pre-tax, pre-provision income | 12/31/2021 | 12/31/2022 | 12/31/2023 |
| Net income | \$ 42,441 | \$ 44,801 | \$ 47,734 |
| Add: provision for income taxes | 4,707 | 18,057 | 18,882 |
| Add: provision for credit losses | 1,700 | 6,700 | 4,000 |
| Pre-tax, pre-provision income | \$ 48,848 | \$ 69,558 | \$ 70,616 |