

# Home Bancorp, Inc. Q3 2022 Investor Presentation

Home  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) the COVID-19 pandemic; (9) cyber incidents or other failures, disruptions or security breaches; or (10) 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, 2021. 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

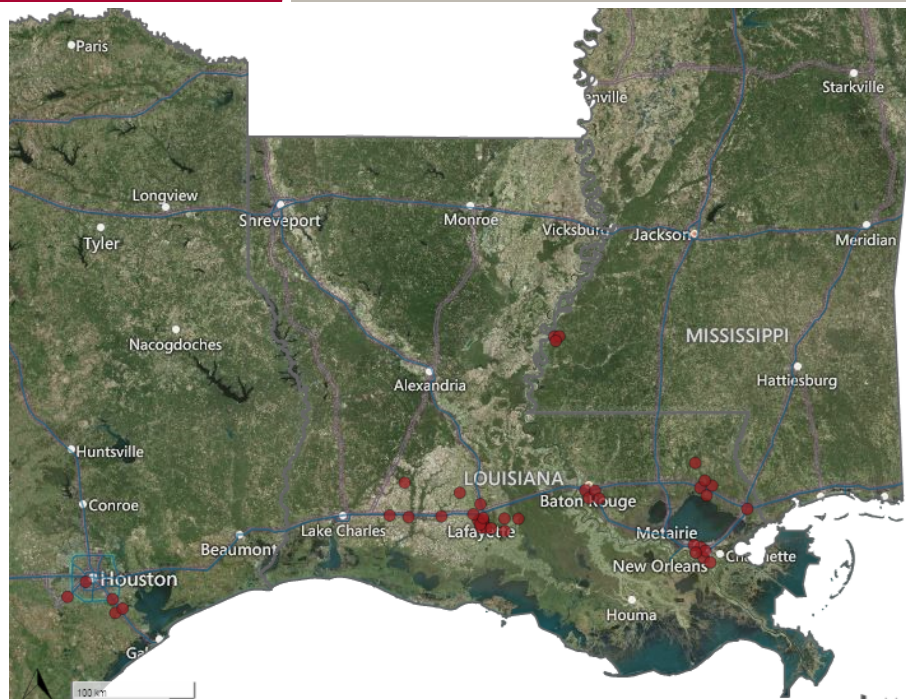
**Ticker:** HBCP (NASDAQ Global)

## History:

- Founded in 1908
- IPO completed October 2008
- Six acquisitions completed since 2010
- 43 locations across south LA, western MS and Houston

## Highlights:

- Total Assets: \$3.2 billion at September 30, 2022
- Market Cap: \$353 million at October 28, 2022
- Ownership (S&P Global as of October 28, 2022)
  - Institutional: 40%
  - Insider/ESOP: 14%
- Completed the acquisition of Friendswood Capital Corporation, the former holding company of Texan Bank, N.A. on March 26, 2022



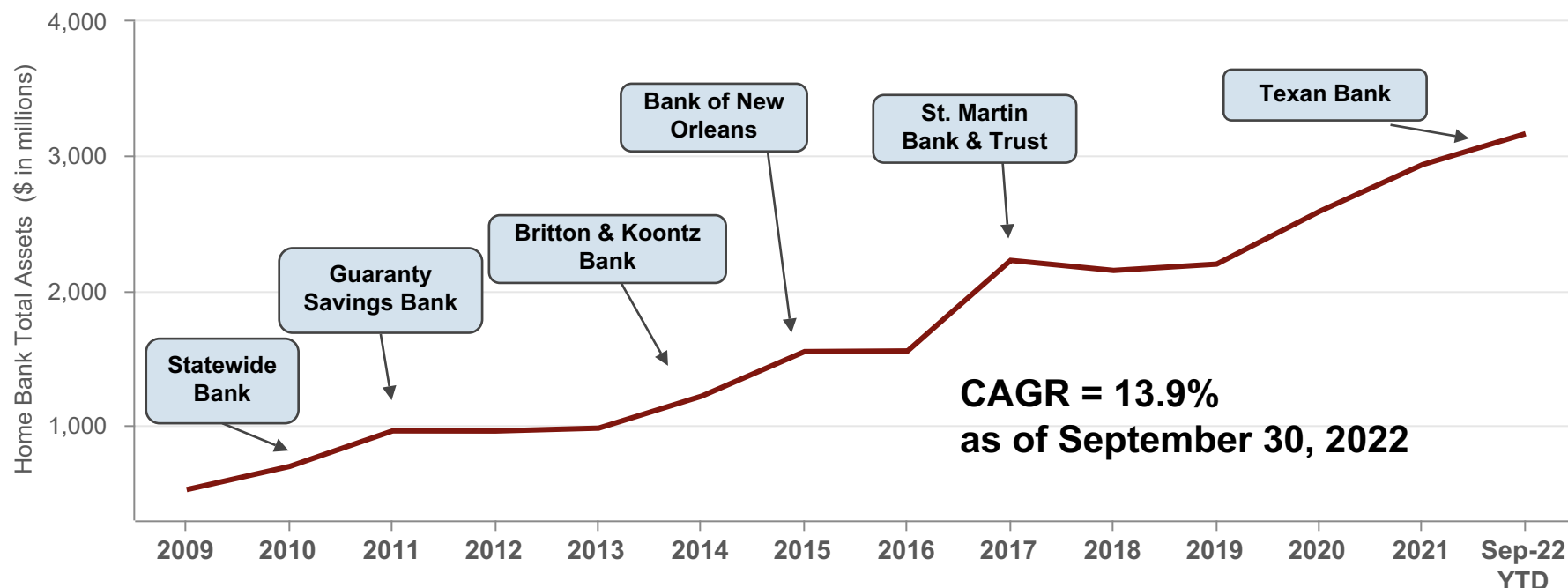
- Total Assets of \$414.4 million
- Total Loans of \$318.9 million
- Total Deposits of \$368.0 million

# Quarterly Financial Highlights

<i>(dollars in thousands, except per share data)</i>	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
<b>Profitability</b>						
Net income	\$ 11,396	\$ 15,059	\$ 10,238	\$ 4,401	\$ 8,461	\$ 10,434
Diluted EPS	1.34	1.79	1.23	0.53	1.03	1.28
ROA	1.67 %	2.17 %	1.38 %	0.60 %	1.03 %	1.27 %
ROE	13.7	17.5	11.7	5.1	10.2	12.4
ROATCE <sup>(1)</sup>	17.2	21.7	14.5	6.5	14.4	17.3
Efficiency ratio	60.5	50.5	63.9	67.8	66.1	58.5
Provision (reversal) for loan losses	(3,425)	(2,385)	(2,648)	3,215	591	1,696
Adjusted pre-tax income <sup>(1)</sup>	9,033	9,336	8,119	8,278	11,924	14,390
<b>Balance Sheet</b>						
Assets	\$ 2,764,756	\$ 2,763,466	\$ 2,938,244	\$ 3,332,228	\$ 3,362,216	\$ 3,167,666
Loans	1,918,488	1,875,176	1,840,093	2,157,969	2,224,655	2,303,279
PPP loans	197,614	95,560	43,637	22,759	12,083	7,094
Loans excluding PPP loans	1,720,874	1,779,616	1,796,456	2,135,210	2,212,572	2,296,185
Cash and cash equivalents	393,203	413,694	601,443	548,019	444,151	150,556
Allowance for loan losses	(26,687)	(24,149)	(21,089)	(26,731)	(26,020)	(27,351)
Total deposits	2,370,764	2,365,717	2,535,849	2,941,179	2,920,376	2,738,424
<b>Per Share Data</b>						
Share price	\$ 38.11	\$ 38.68	\$ 41.51	\$ 40.79	\$ 34.13	\$ 38.99
Book value	38.92	40.38	41.27	39.93	39.44	38.27
Tangible book value <sup>(1)</sup>	31.72	33.08	34.00	29.57	28.86	27.66
Price / tangible book value per share	120 %	117 %	122 %	138 %	118 %	141 %
Dividend paid	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23	\$ 0.23

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

# Asset Growth



Acquired Bank	Date	Assets (\$ in MM) (at completion)	% of TBV (at announcement)	# of Branches	Consideration
Statewide Bank	March 2010	\$199	FDIC-assisted	6	All Cash
Guaranty Savings Bank	July 2011	\$257	95%	5	All Cash
Britton & Koontz Bank	February 2014	\$301	90%	8	All Cash
Bank of New Orleans	September 2015	\$346	126%	4	All Cash
St. Martin Bank & Trust	December 2017	\$597	183%	12	~80% Stock, 20% Cash <sup>(1)</sup>
Texan Bank	March 2022	\$416	144%	5	All Cash

(1) Cash was comprised of an aggregate \$19.5 million special cash distribution paid by St. Martin Bancshares to its shareholders.

# Texan Bank Acquisition Update



## Timeline

- Announced – 12/15/2021 } 101 days
- Legal – 3/26/2022 }
- Conversion – 6/25/2022 } 91 days

## Consideration & Forecast Metrics

- 100% cash - \$67MM deal value
- 3.5 year TBV payback
- 14% accretive to EPS in year 1
  - > 20% thereafter
- Projected 10% loan growth

## Acquired Assets

- \$319MM of Loans
- \$368MM of Deposits
  - DDA = \$98MM
  - CDs = \$121MM
  - Other interest bearing NMD's = \$150MM
- \$10.2MM of Non-accruing loans (3.2% of loans)
  - Recorded as PCD loans with \$2.3 reserve

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

## Exceeding expectations through 9/30/2022

- HBCP Adjusted Pre-tax earnings growth <sup>(1)</sup>
  - Q2 2022 YOY % change = **32%**
  - Q3 2022 YOY % change = **54%**
- **25% annualized loan growth**
  - \$40MM increase
- **Successfully retained talented employees**
  - CEO (Houston Market President)
  - President
  - All commercial bankers
- **Improving credit quality**
  - \$8.0MM non-accruing loans (2.2% of loans)
- **Restructure funding base:**
  - \$301MM as of Q3 2022 (\$68MM decline)
  - Maintaining DDA relationships
  - CDs down \$37MM
  - MMDA down \$27MM

## Continued Focus

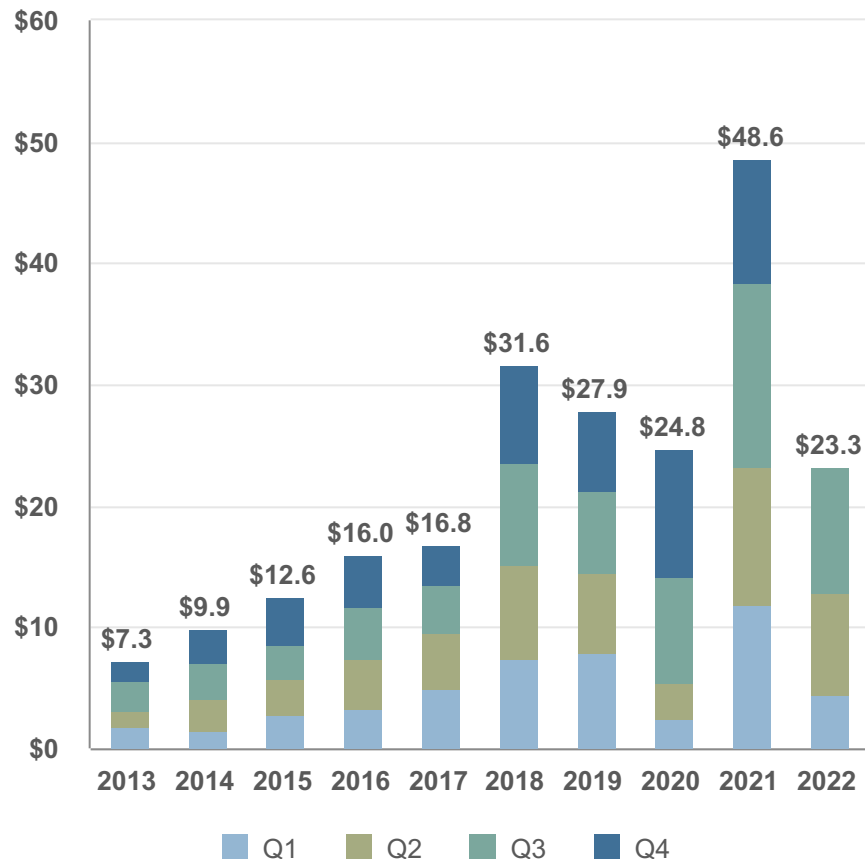
- Employee Recruitment
- Continued market expansion
- Branch network evaluation
- Expand treasury management services



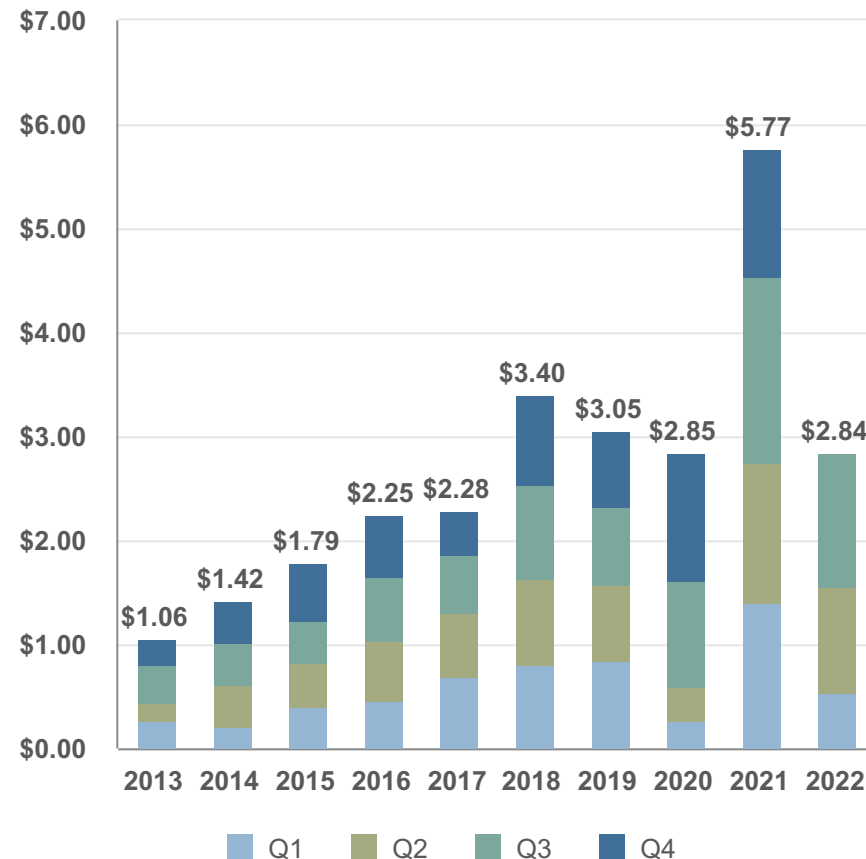
# Earnings

## Net Income

(\$ in millions)

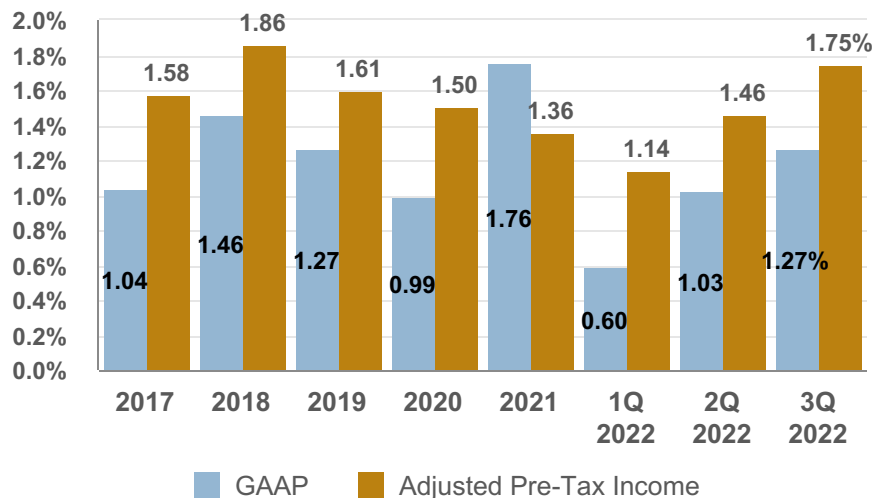


## Diluted EPS

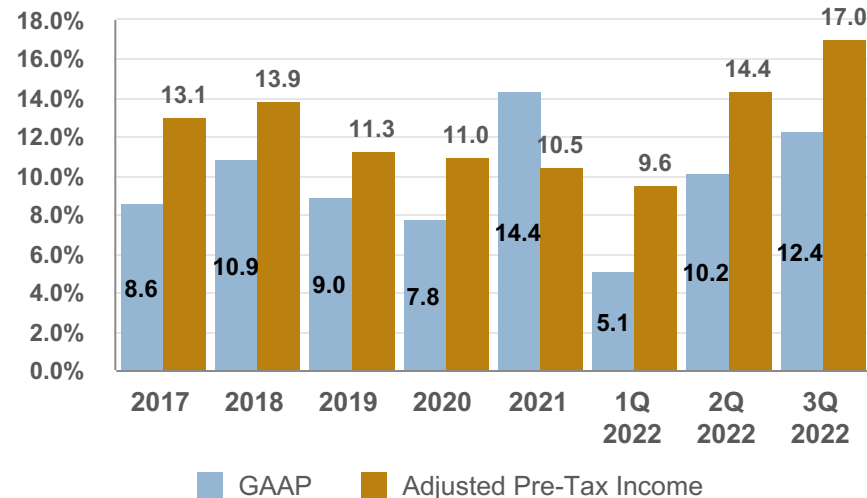


# Profitability <sup>(1)</sup>

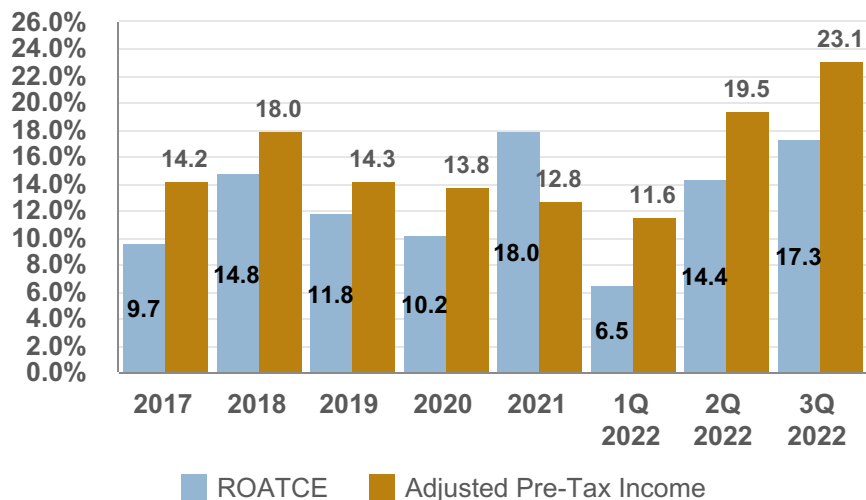
## Return on Average Assets



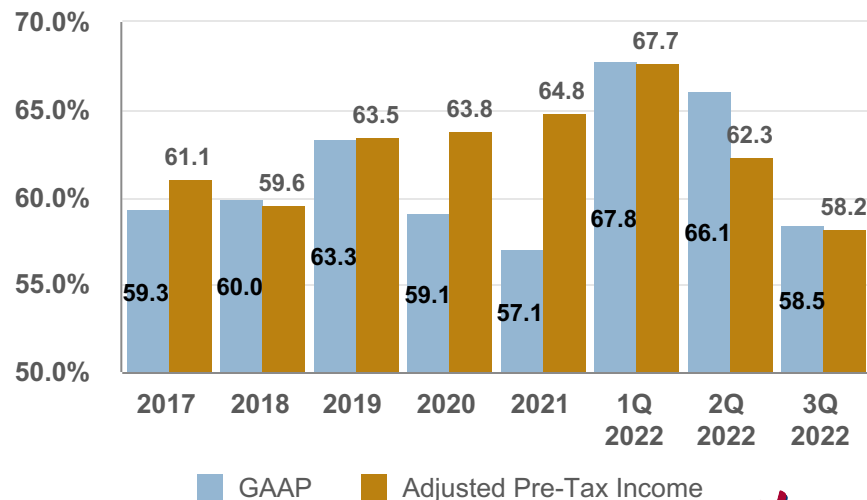
## Return on Average Equity



## Return on Tangible Common Equity



## Efficiency Ratio

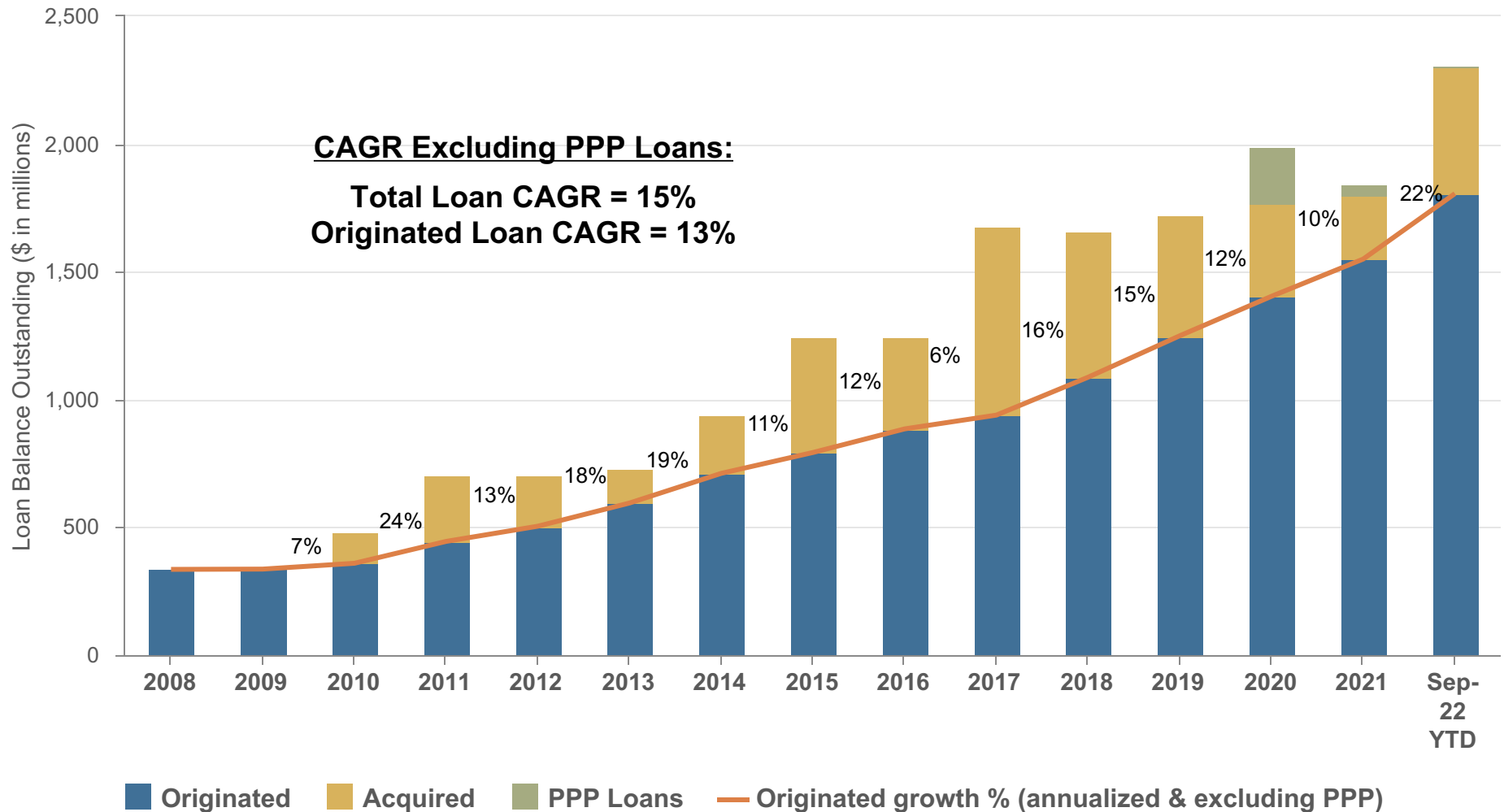


(1) See appendix for reconciliation of Non-GAAP items.



# Organic Loan Growth

(excludes acquisition accounting & unearned income)



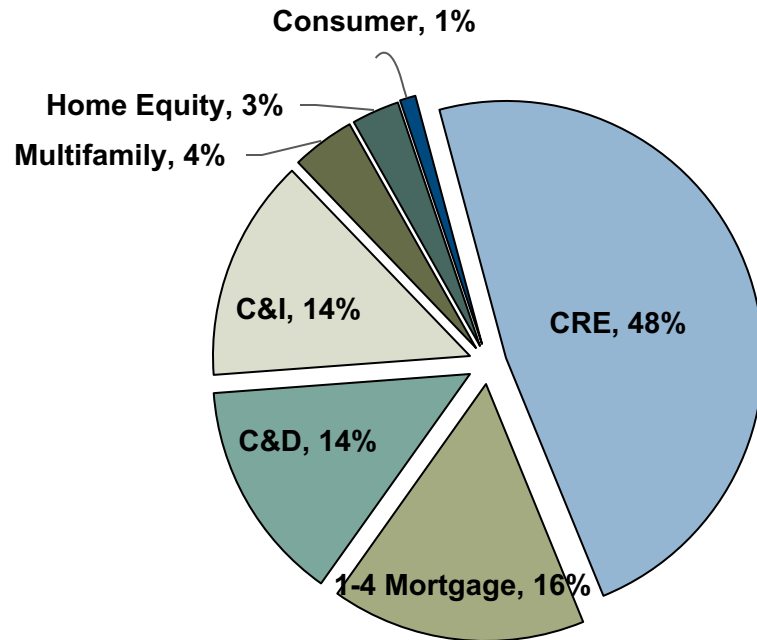
Net PPP loans at September 30, 2022 = \$7 million with \$103,000 in remaining deferred lender fees

# Loan Portfolio Excluding PPP Loans

(as of September 30, 2022)

Home **HB** Bancorp, Inc.

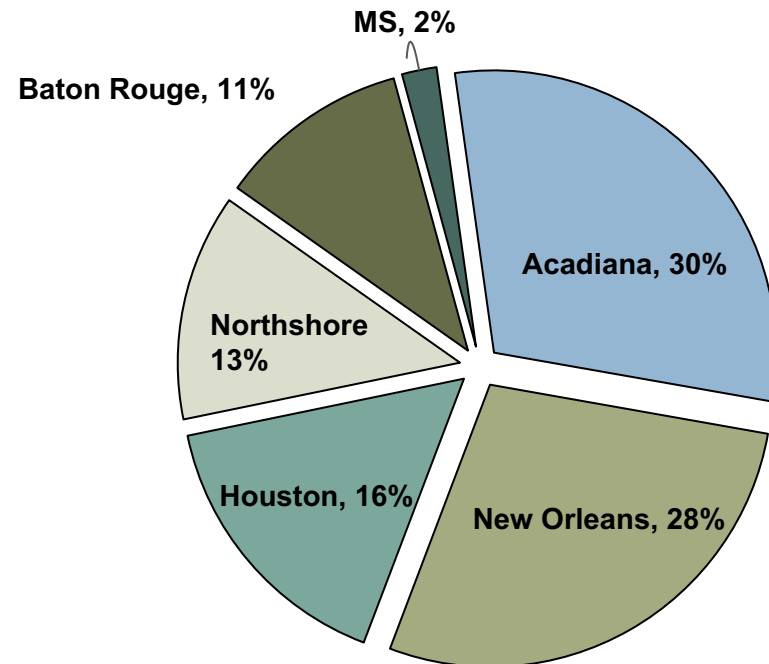
## Composition



### CRE Loan Portfolio

- Owner Occupied - 56%
- Non-owner Occupied - 44%

## Market Diversification



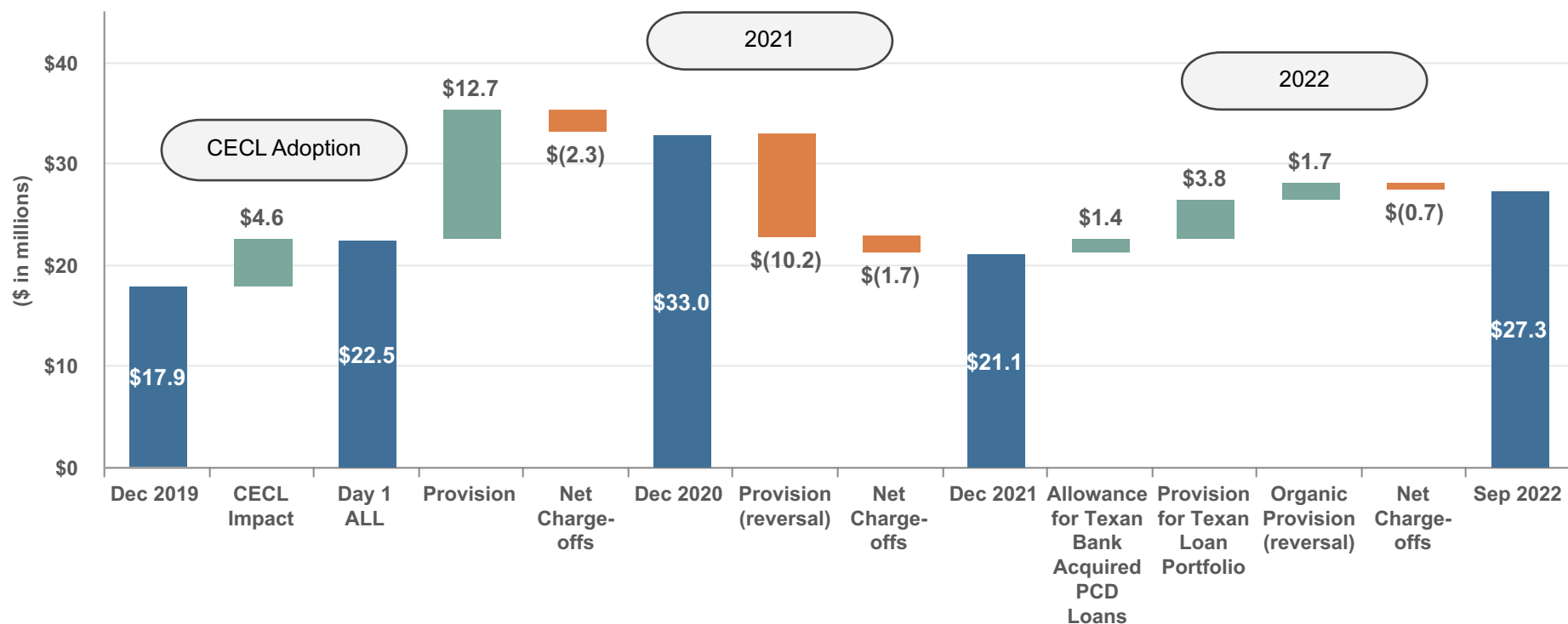
Texan Bank acquired \$318.9 million loans

- 76% - CRE loans
- 10% - C&I loans

3Q 2022 annualized growth rate

- Houston market - 25%
- Other markets - 13%

# Changes in ALL

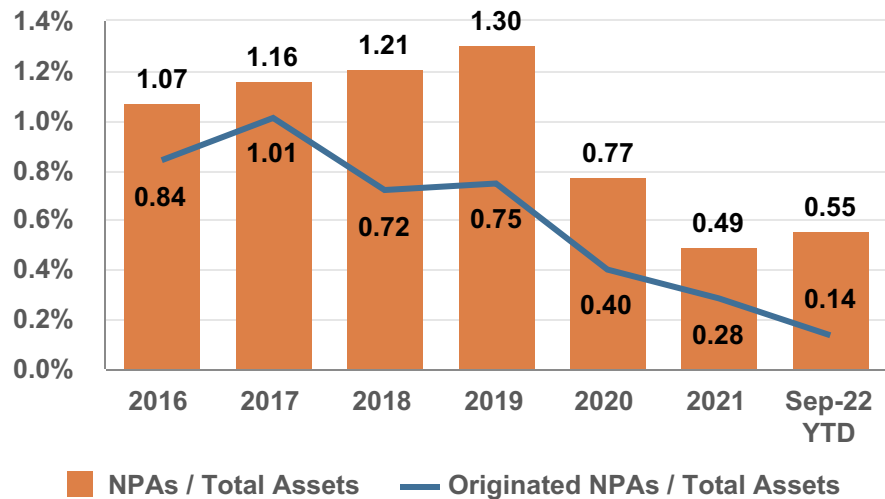


(dollars in thousands)	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Total Loans	\$ 1,875,176	\$ 1,840,093	\$ 2,157,969	\$ 2,224,655	\$ 2,303,279
Less: PPP Loans	95,560	43,637	22,759	12,083	7,094
<b>Loans Excluding PPP Loans</b>	<b>\$ 1,779,616</b>	<b>\$ 1,796,456</b>	<b>\$ 2,135,210</b>	<b>\$ 2,212,572</b>	<b>\$ 2,296,185</b>
Nonperforming Loans	\$ 14,501	\$ 13,275	\$ 21,113	\$ 18,505	\$ 17,083
ALL / Total Loans	1.29 %	1.15 %	1.24 %	1.17 %	1.19 %
<b>ALL / Loans Excluding PPP</b>	<b>1.36 %</b>	<b>1.17 %</b>	<b>1.25 %</b>	<b>1.18 %</b>	<b>1.19 %</b>
ALL / NPL's	167 %	159 %	127 %	141 %	160 %
ALL / Assets	0.87 %	0.72 %	0.80 %	0.77 %	0.86 %

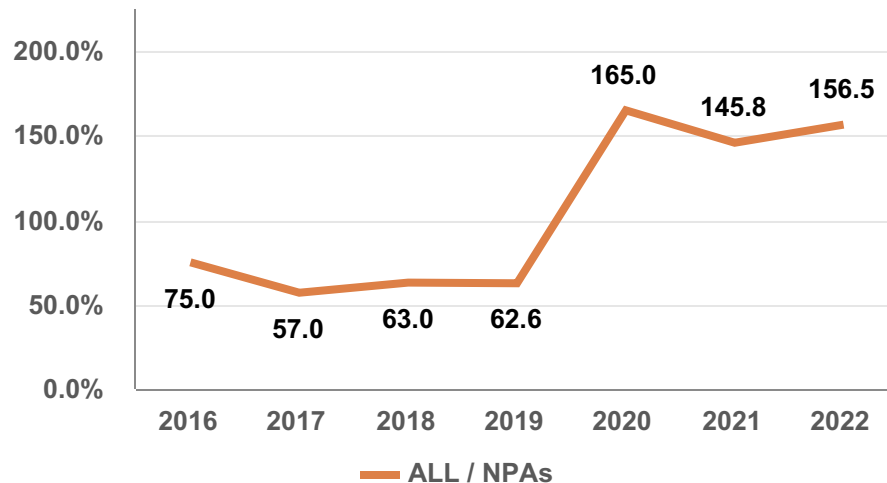
- Day 1 ALL / total loans = 1.31%
- Acquired \$10.2 million of Texan Bank nonperforming loans
- ALL / total loans on Texan non-PCD loans = 1.23%

# Credit Quality Trends

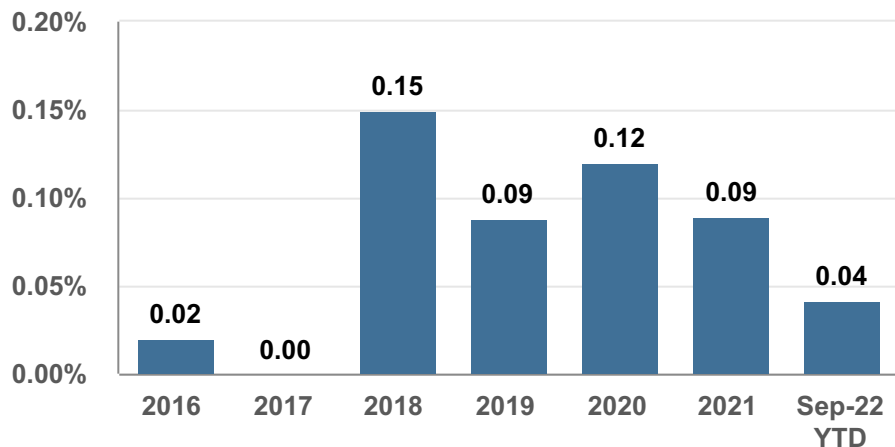
## NPAs / Assets



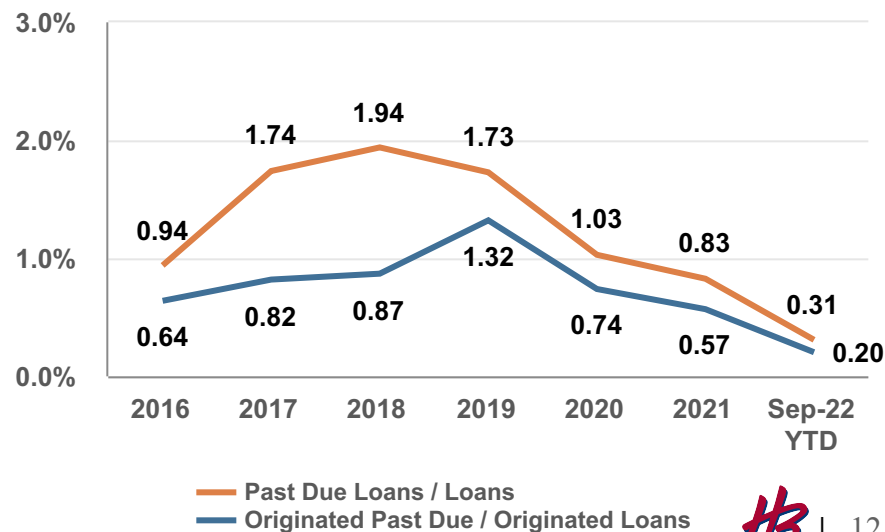
## ALL / NPAs



## Net Charge-offs / YTD Average Loans

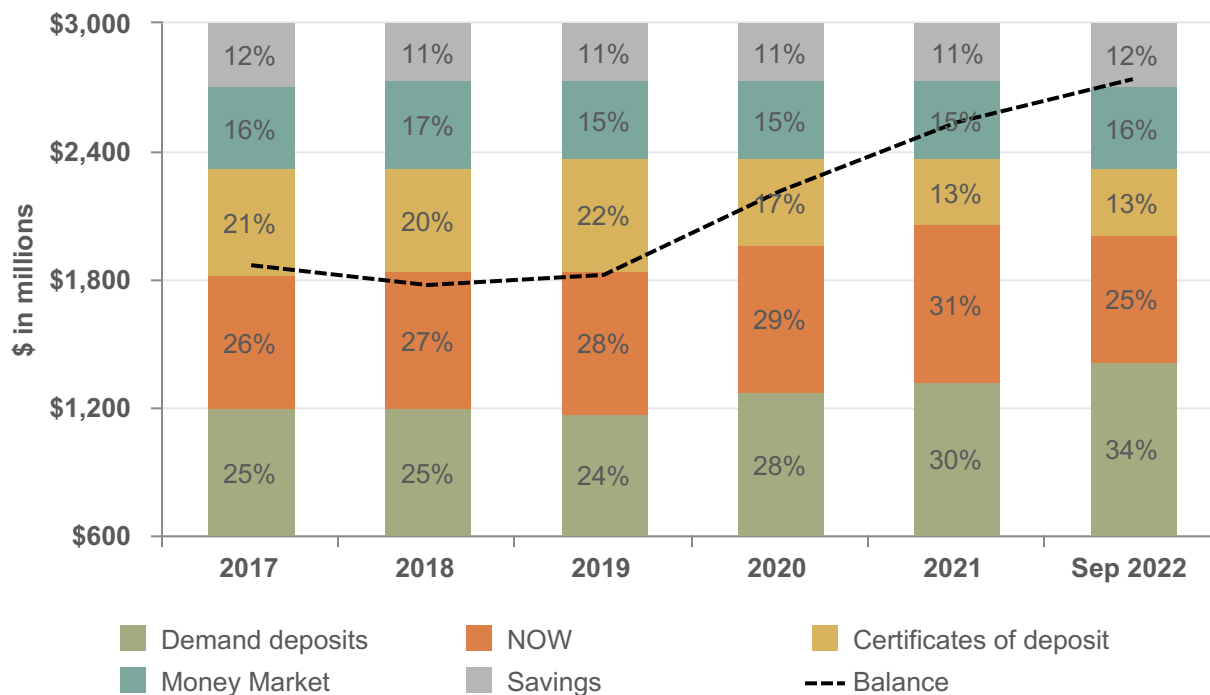


## Loans Past Due

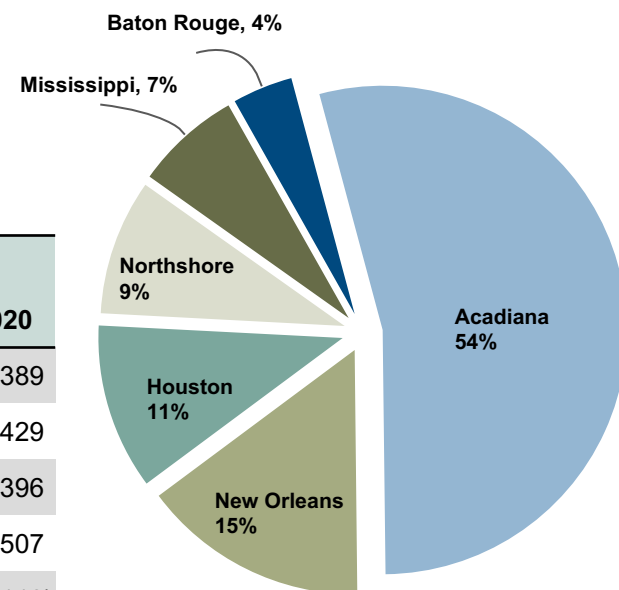




# Deposits



- \$368.0 million deposits acquired from Texan Bank.
- \$119.6 million, or 38% of the deposits acquired were in CD's.
- At September 30, 2022, \$274.7 million in CDs mature within 12 months.



(dollars in thousands)	Change					
	12/31/2020	12/31/2021	9/30/2022	2022 vs 2021	2022 vs 2020	
Demand Deposits	\$ 615,700	\$ 766,385	\$ 921,089	\$ 154,704	\$ 305,389	
Savings	250,165	285,728	325,594	39,866	75,429	
Money Market	333,078	371,478	452,474	80,996	119,396	
NOW	646,085	792,919	686,592	(106,327)	40,507	
CDs	368,793	319,339	352,675	33,336	(16,118)	
<b>Total Deposits</b>	<b>\$ 2,213,821</b>	<b>\$ 2,535,849</b>	<b>\$ 2,738,424</b>	<b>\$ 202,575</b>	<b>\$ 524,603</b>	

# Yields

## NIM (TE)(1)

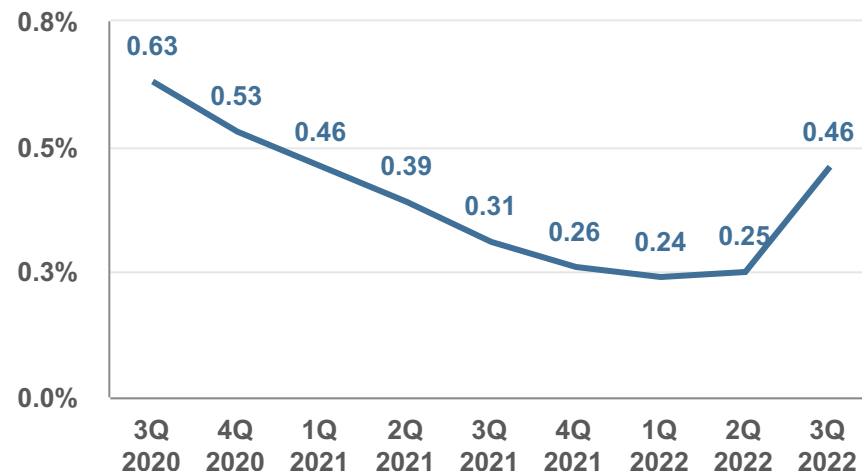


- NIM increased 38 bps (excluding PPP) for the quarter ended September 2022.
- PPP loans as of September 2022:
  - Average YTD loans: \$18.7 million
  - YTD lender fee income: \$1.2 million
- Subordinated debt issued in aggregate totaling \$55 million at 5.75% on June 30, 2022. Debt was recorded net of issuance costs of \$1.1 million

## Yield on Loans<sup>(1)</sup>



## Cost of Interest-Bearing Liabilities



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

# Interest Rate Risk

## Forecasted change in NII

Rate Shock	1 Year % Change in NII
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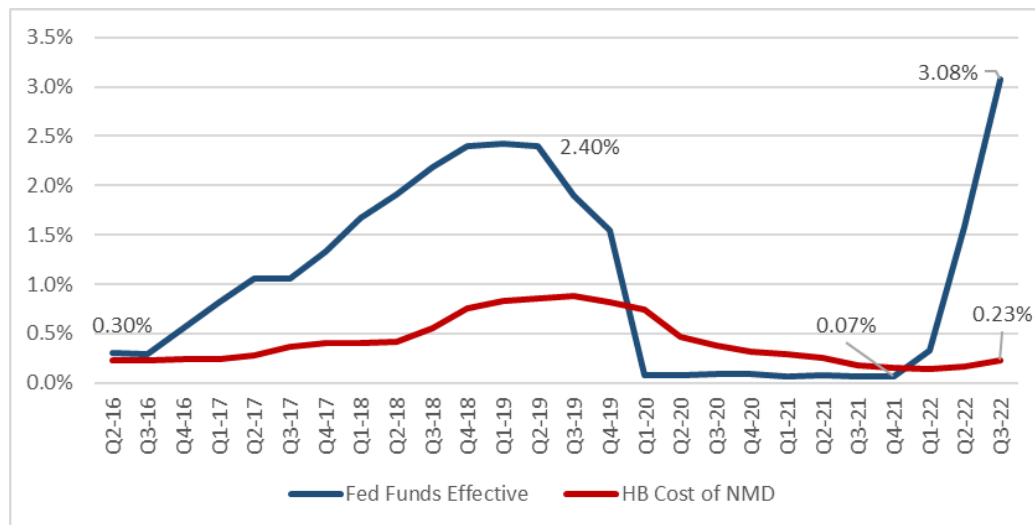
-100	(3.3)%
+100	0.9%
+200	1.8%
+300	2.5%

## Balance Sheet Composition

% of assets	2019	2022Q3
-------------	------	--------

Cash	2%	5%
Investments	12%	16%
Loans, excluding PPP	78%	72%
Other Assets	8%	8%
NMD - noninterest-bearing	20%	29%
NMD - interest-bearing	45%	46%
CDs	18%	11%
<b>Total Deposits</b>	<b>83%</b>	<b>86%</b>
Advances	2%	1%
Subordinated Debt	—%	2%
Other	1%	1%
Equity	14%	10%

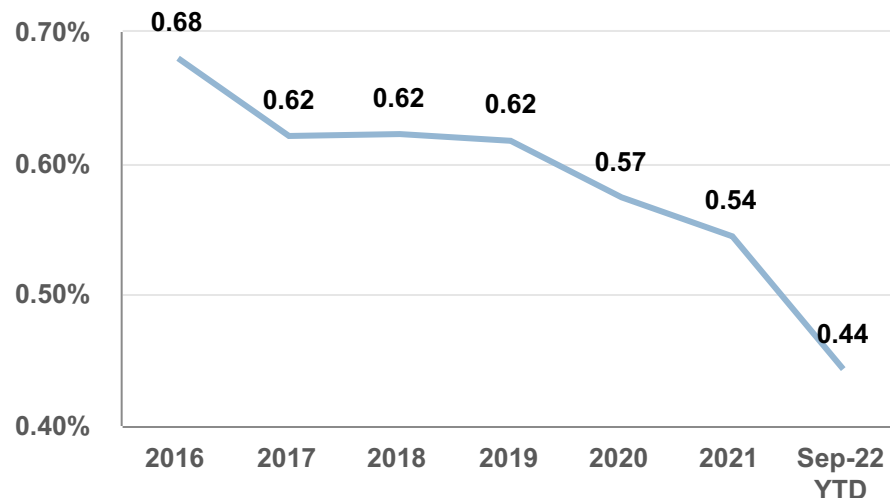
## Interest Bearing NMD Beta



- Significant increase in Cash allocation
- Investment Portfolio effective duration = 4.6
- 30% of loan portfolio is variable
- Loan portfolio effective duration ~ 2.4 (based on management estimates)
- Consistent NMD deposit beta during previous Fed Funds rate cycles
  - 31% during previous full Fed Funds hike
  - 31% during previous full Fed Funds decline
  - 3% in Current 2022 Fed Fund cycle
- Strong Growth in noninterest-bearing deposits

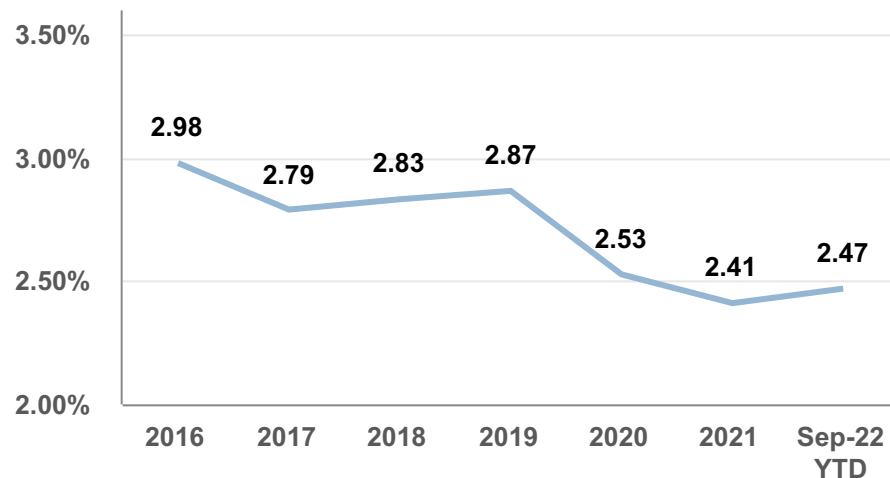
# Noninterest Income & Expense

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



<i>(dollars in thousands)</i>	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
Service fees and charges	\$ 1,260	\$ 1,224	\$ 1,165	\$ 1,257	\$ 1,300
Bank card fees	1,519	1,519	1,454	1,636	1,623
Gain on sale of loans	415	376	299	264	78
Loss on sale of assets, net	(3)	(44)	5	(6)	18
Other	2,192	459	463	535	455
<b>Total noninterest income</b>	<b>\$ 5,383</b>	<b>\$ 3,534</b>	<b>\$ 3,386</b>	<b>\$ 3,686</b>	<b>\$ 3,474</b>

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



<i>(dollars in thousands)</i>	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
Compensation	\$ 9,809	\$ 9,991	\$10,159	\$12,583	\$12,128
Data processing	2,118	2,237	2,195	2,533	2,284
Occupancy	1,717	1,824	1,803	2,354	2,297
Provision for unfunded	—	15	302	—	146
Other	2,787	3,950	3,781	4,295	3,868
<b>Total noninterest expense</b>	<b>\$16,431</b>	<b>\$18,017</b>	<b>\$18,240</b>	<b>\$21,765</b>	<b>\$20,723</b>

Merger expenses	—	299	328	1,583	60
<b>Noninterest expense excl. provision for unfunded and merger expenses</b>	<b>\$16,431</b>	<b>\$17,703</b>	<b>\$17,610</b>	<b>\$20,182</b>	<b>\$20,517</b>

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

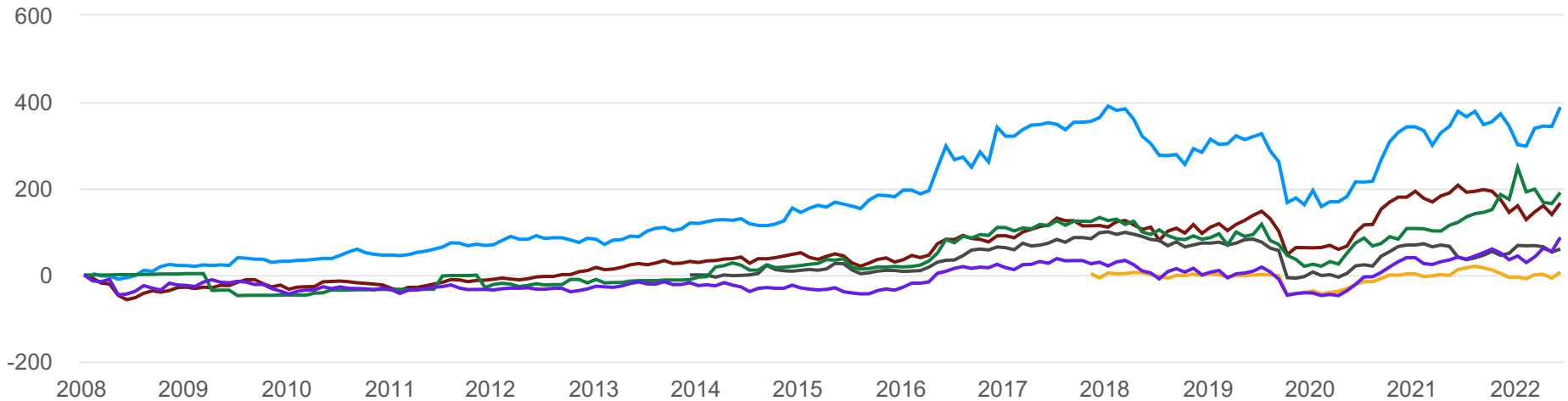


# HBCP Stock Performance

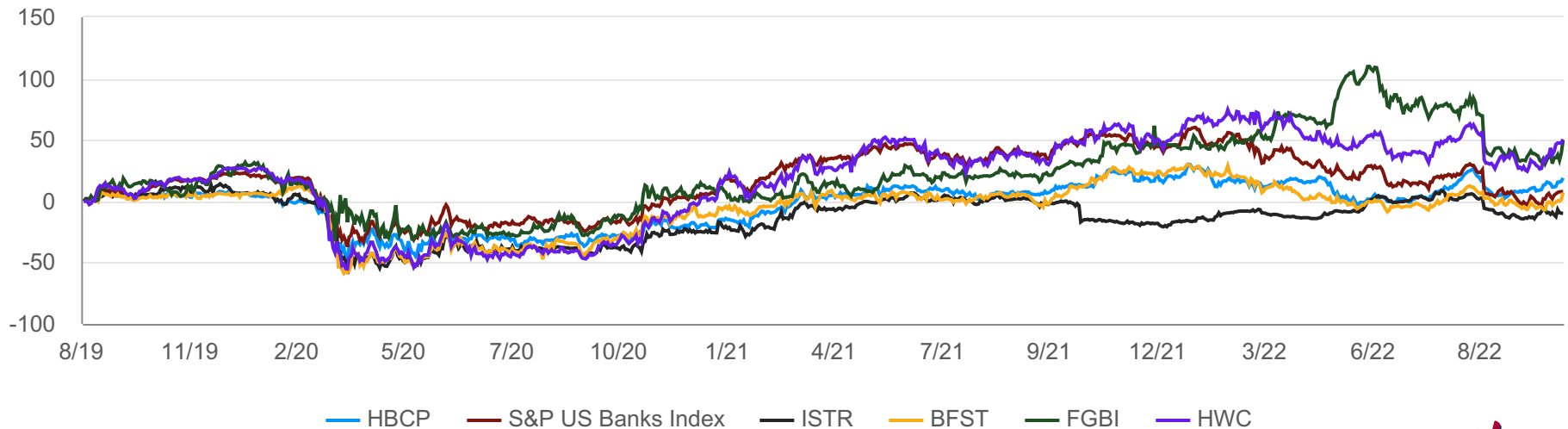
(as of October 28, 2022)

Home **HB** Bancorp, Inc.

Total Return (Monthly %) - Since 2008

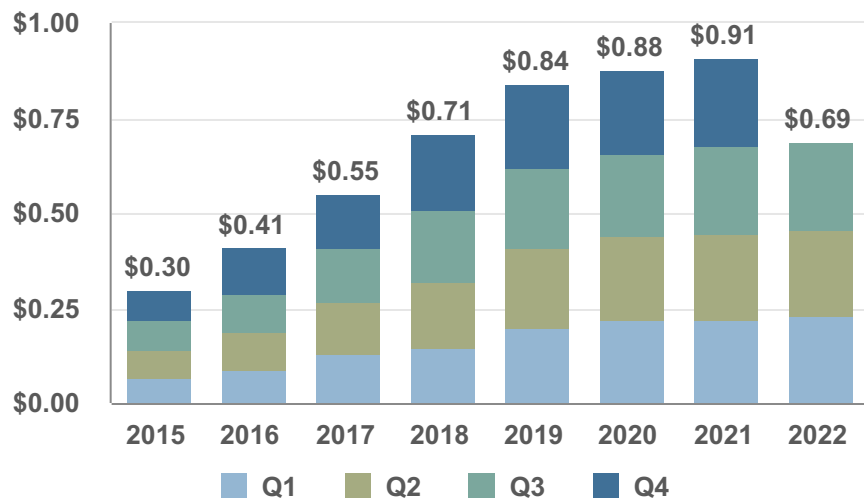


Total Return (Daily %) - 3 Years



# Capital

## Dividends Per Share



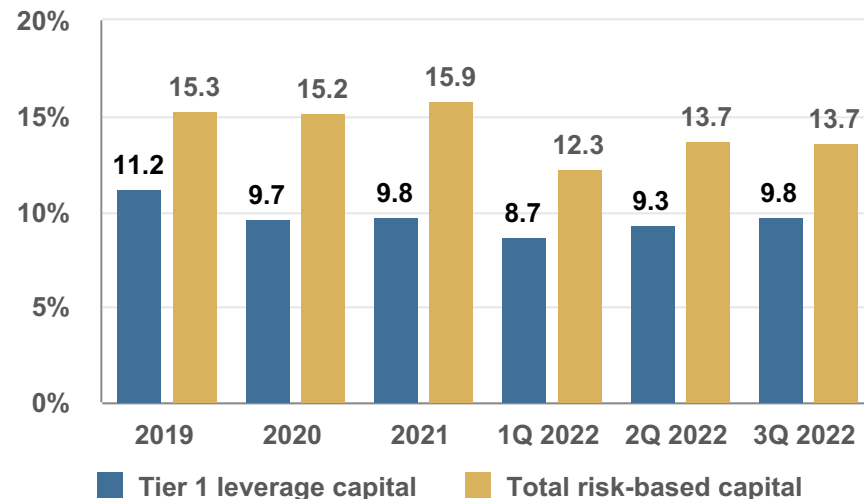
- Quarterly dividend increased to \$0.24 in Q4

## Share Repurchase Activity

Year	# Shares	Average Price	Cash Utilized
2020	530,504	\$ 26.41	\$ 14,011,605
2021	246,012	36.18	8,900,409
2022 (as of 10/28/2022)	287,035	39.29	11,277,059
<b>Share repurchase activity</b>	<b>1,063,551</b>	<b>\$ 32.15</b>	<b>\$ 34,189,073</b>

- As of October 28, 2022 ~ 197,033 shares remaining in 2021 Repurchase Plan.

## Capital Ratios (Bank only)



	TBV	% Accretive / Dilutive
<b>(dollars in millions)</b>		
12/31/2021	\$ 290.0	
Net Income	23.3	8.0 %
Change in OCI	-43.6	(15.0)%
Intangibles Acquired *	-25.9	(8.9)%
Other	2.1	0.7 %
Dividends	-5.8	(2.0)%
Share buybacks	-11.3	(3.9)%
<b>9/30/2022</b>	<b>\$ 228.8</b>	<b>(21.1)%</b>

\*Less intangible amortization, net of tax

**Strong earnings and shareholder returns**

**Conservative, well-managed credit culture**

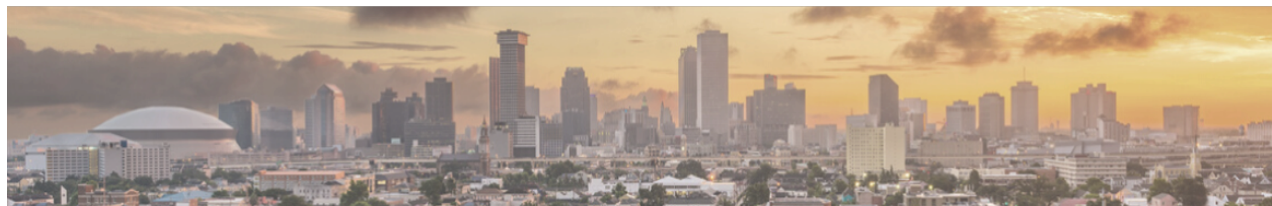
**Market disruption creates new opportunities**

**Well capitalized with capacity for continued growth**

**Disciplined acquirer**

**Insider owners committed to continual improvement**

WE ARE  
ONE TEAM,  
CREATING  
EXCEPTIONAL  
CUSTOMER  
EXPERIENCES





# Appendix

(non-GAAP reconciliation)

<i>(dollars in thousands, except per share data)</i>	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
Total shareholders' equity	\$ 337,812	\$ 344,149	\$ 351,903	\$ 337,504	\$ 329,124	\$ 316,656
Less: intangible assets	62,520	62,229	61,949	87,569	88,309	87,839
Non-GAAP tangible shareholders' equity	\$ 275,292	\$ 281,920	\$ 289,954	\$ 249,935	\$ 240,815	\$ 228,817
Reported net income	\$ 11,396	\$ 15,059	\$ 10,238	\$ 4,401	\$ 8,461	\$ 10,434
Add: amortization CDI, net tax	232	230	221	199	359	358
Non-GAAP tangible net income	\$ 11,628	\$ 15,289	\$ 10,459	\$ 4,600	\$ 8,820	\$ 10,792
Return on average equity	13.7 %	17.5 %	11.7 %	5.1 %	10.2 %	12.4 %
Add: intangible assets	3.5	4.2	2.8	1.4	4.2	4.9
Non-GAAP return on tangible common equity	17.2 %	21.7 %	14.5 %	6.5 %	14.4 %	17.3 %
Book value per share	\$ 38.92	\$ 40.38	\$ 41.27	\$ 39.93	\$ 39.44	\$ 38.27
Less: intangible assets	7.20	7.30	7.27	10.36	10.58	10.61
Non-GAAP tangible book value per share	\$ 31.72	\$ 33.08	\$ 34.00	\$ 29.57	\$ 28.86	\$ 27.66

# Appendix

(non-GAAP reconciliation)

(dollars in thousands)	2Q 2021	3Q 2021	4Q 2021	1Q 2022	2Q 2022	3Q 2022
Reported net income	\$ 11,396	\$ 15,059	\$ 10,238	\$ 4,401	\$ 8,461	\$ 10,434
Less: PPP loan income	2,372	4,742	2,201	799	402	132
Less: BOLI benefit	—	1,717	—	—	—	—
Less: gain (loss) on sale of assets	(457)	(3)	(44)	5	(6)	18
Less: loan discount accretion	556	585	484	457	879	847
Add: provision (reversal) for loan losses	(3,425)	(2,385)	(2,648)	3,215	591	1,696
Add: provision for credit losses on unfunded commitments	375	—	15	302	—	146
Add: CDI amortization	293	291	279	252	454	453
Add: merger-related expenses	—	—	299	328	1,583	60
Add: income tax expense	2,865	3,412	2,577	1,041	2,110	2,598
Adjusted pre-tax income <sup>(1)</sup>	\$ 9,033	\$ 9,336	\$ 8,119	\$ 8,278	\$ 11,924	\$ 14,390
Average total loans	\$1,963,935	\$1,896,808	\$1,856,814	\$1,862,616	\$2,190,721	\$2,265,846
Less: average PPP loans	228,114	144,626	67,198	31,326	15,463	9,431
Average total loans excluding PPP loans	\$1,735,821	\$1,752,182	\$1,789,616	\$1,831,290	\$2,175,258	\$2,256,415
Loan yield	4.95 %	5.60 %	5.12 %	4.88 %	4.94 %	5.17 %
Negative (positive) impact of PPP loans	0.11	(0.60)	(0.29)	(0.09)	(0.03)	—
Loan yield excluding PPP loans	5.06 %	5.00 %	4.83 %	4.79 %	4.91 %	5.17 %
Net interest margin	3.75 %	4.16 %	3.53 %	3.39 %	3.76 %	4.11 %
Negative (positive) impact of PPP loans	(0.04)	(0.52)	(0.24)	(0.08)	(0.03)	—
Net interest margin excluding PPP loans	3.71 %	3.64 %	3.29 %	3.31 %	3.73 %	4.11 %

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

# Appendix

(non-GAAP reconciliation)

<i>(dollars in thousands)</i>	2017	2018	2019	2020	2021	Sep-22 YTD
Total shareholders' equity	\$ 277,871	\$ 304,040	\$ 316,329	\$ 321,842	\$ 351,903	\$ 316,656
Less: intangible assets	68,033	66,055	64,472	63,112	61,949	87,839
Non-GAAP tangible shareholders' equity	\$ 209,838	\$ 237,985	\$ 251,857	\$ 258,730	\$ 289,954	\$ 228,817
Reported net income	\$ 16,824	\$ 31,590	\$ 27,932	\$ 24,765	\$ 48,621	\$ 23,296
Add: amortization CDI, net tax	496	1,458	1,251	1,074	919	916
Non-GAAP tangible income	\$ 17,320	\$ 33,048	\$ 29,183	\$ 25,839	\$ 49,540	\$ 24,212
Return on average equity	8.6 %	10.9 %	9.0 %	7.8 %	14.4 %	9.2 %
Add: intangible assets	1.1	3.9	2.8	2.4	3.6	3.3
Non-GAAP return on tangible common equity	9.7 %	14.8 %	11.8 %	10.2 %	18.0 %	12.5 %
Originated loans	\$ 941,922	\$ 1,095,160	\$ 1,251,201	\$ 1,625,139	\$ 1,593,769	\$ 1,814,311
Acquired loans	715,873	554,594	463,160	354,815	246,324	488,968
Total loans	\$ 1,657,795	\$ 1,649,754	\$ 1,714,361	\$ 1,979,954	\$ 1,840,093	\$ 2,303,279
Originated NPAs	\$ 22,523	\$ 15,526	\$ 16,421	\$ 10,353	\$ 8,348	\$ 4,298
Acquired NPAs	3,238	10,444	12,121	9,628	6,116	13,175
Total NPAs	\$ 25,761	\$ 25,970	\$ 28,542	\$ 19,981	\$ 14,464	\$ 17,473
Originated past due loans	\$ 7,685	\$ 9,549	\$ 16,541	\$ 12,070	\$ 9,071	\$ 3,703
Acquired past due loans	21,120	22,493	13,098	8,335	6,146	3,423
Total past due loans	\$ 28,805	\$ 32,042	\$ 29,639	\$ 20,405	\$ 15,217	\$ 7,126
Average assets	\$ 1,615,738	\$ 2,160,942	\$ 2,198,483	\$ 2,491,612	\$ 2,765,878	\$ 3,180,610
Less: average PPP loans	—	—	—	169,665	169,149	18,660
Average assets excluding PPP loans	\$ 1,615,738	\$ 2,160,942	\$ 2,198,483	\$ 2,321,947	\$ 2,596,729	\$ 3,161,950

# Appendix

(non-GAAP reconciliation)

(dollars in thousands)	2017	2018	2019	2020	2021	Sep-22 YTD
Reported noninterest income	\$ 9,962	\$ 13,447	\$ 14,415	\$ 14,305	\$ 16,271	\$ 10,546
Less: BOLI benefit	—	—	1,194	—	1,717	—
Less: gain (loss) on sale of assets	(69)	—	(347)	—	(504)	—
Non-GAAP noninterest income	\$ 10,031	\$ 13,447	\$ 13,568	\$ 14,305	\$ 15,058	\$ 10,546
Reported noninterest expense	\$ 46,177	\$ 63,225	\$ 63,605	\$ 62,981	\$ 66,982	\$ 60,728
Less: lease termination	—	—	291	—	—	—
Less: severance pay	—	—	287	—	—	—
Less: merger-related expenses	1,086	2,010	—	—	299	1,971
Non-GAAP noninterest expense	\$ 45,091	\$ 61,215	\$ 63,027	\$ 62,981	\$ 66,683	\$ 58,757
Reported net income	\$ 16,824	\$ 31,590	\$ 27,932	\$ 24,765	\$ 48,621	\$ 23,296
Less: PPP loan income	—	—	—	5,895	13,208	1,333
Less: Write of FDIC loss share receivable	—	—	(680)	—	—	—
Less: BOLI benefit	—	—	1,194	—	1,717	—
Less: gain (loss) on sale of assets	(69)	—	(347)	—	(504)	—
Less: loan discount accretion	5,342	5,805	3,503	4,097	2,361	2,183
Add: provision (reversal) for loan losses	2,317	3,943	3,014	12,728	(10,161)	5,502
Add: provision for credit losses on unfunded commitments	—	—	—	—	390	448
Add: CDI amortization	763	1,845	1,583	1,360	1,163	1,159
Add: income tax expense	9,772	6,695	5,860	6,042	11,818	5,749
Add: lease termination	—	—	291	—	—	—
Add: severance pay	—	—	287	—	—	—
Add: merger-related expenses	1,086	2,010	—	—	299	1,971
Adjusted pre-tax income <sup>(1)</sup>	\$ 25,489	\$ 40,278	\$ 35,297	\$ 34,903	\$ 35,348	\$ 34,609

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