

Home Bancorp, Inc. Q1 2023 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, 2022. 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.

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

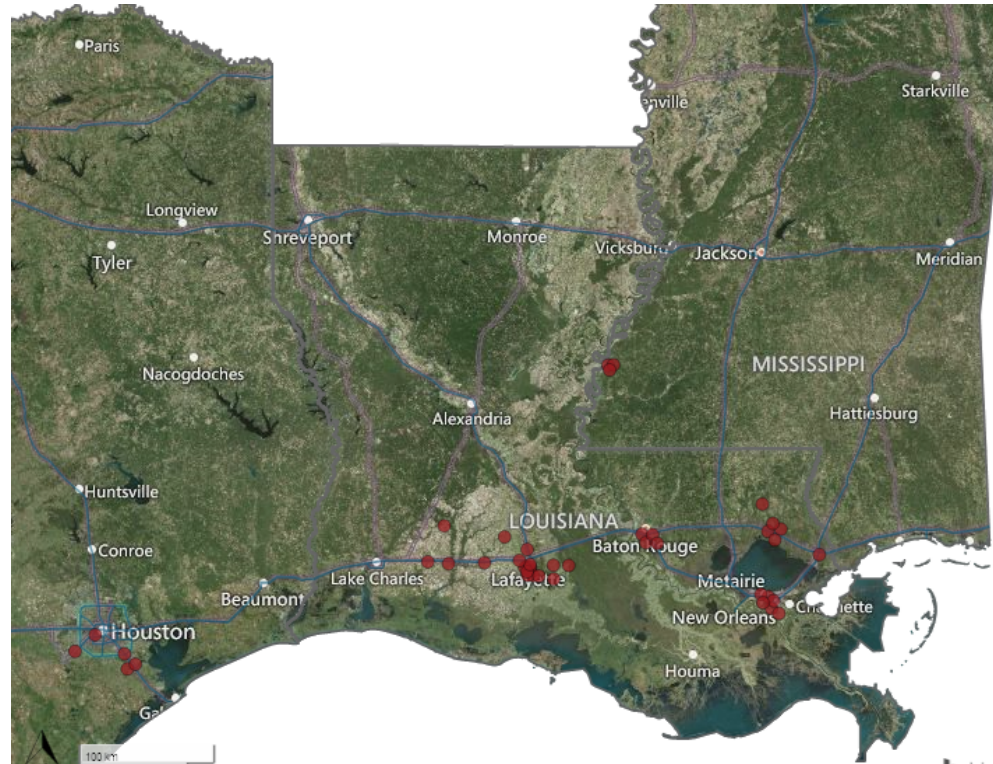
Ticker: HBCP (NASDAQ Global)

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: \$3.3 billion at March 31, 2023
- Market Cap: \$254 million at May 1, 2023
- Ownership (S&P Global as of May 1, 2023)
 - Institutional: 40%
 - Insider/ESOP: 14%

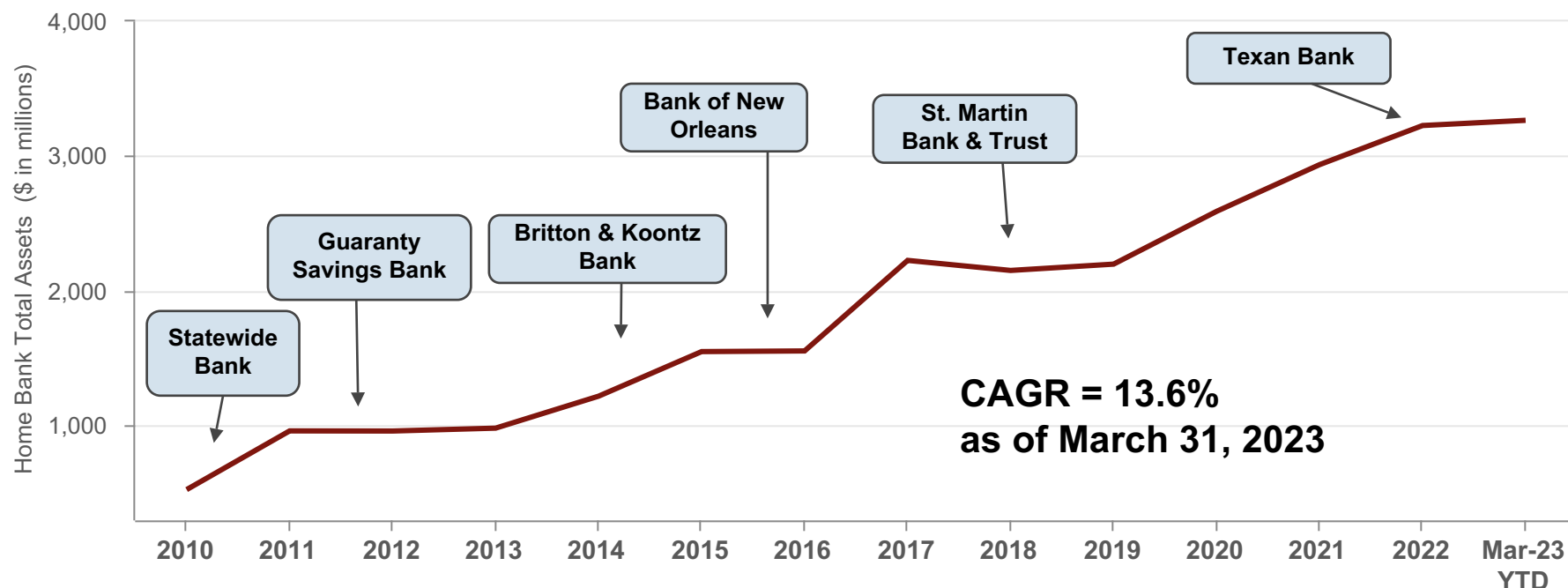


Quarterly Financial Highlights

<i>(dollars in thousands, except per share data)</i>	4Q 2021		1Q 2022		2Q 2022		3Q 2022		4Q 2022		1Q 2023	
Profitability												
Net income	\$	10,238	\$	4,401	\$	8,461	\$	10,434	\$	10,776	\$	11,320
Diluted EPS		1.23		0.53		1.03		1.28		1.32		1.39
ROA		1.38 %		0.60 %		1.03 %		1.27 %		1.35 %		1.43 %
ROE		11.7		5.1		10.2		12.4		13.2		13.5
ROATCE ⁽¹⁾		14.5		6.5		14.4		17.3		18.8		18.8
Efficiency ratio		63.9		67.8		66.1		58.5		57.8		57.1
Provision (reversal) for loan losses		(2,648)		3,215		591		1,696		1,987		814
Core pre-provision net income ⁽¹⁾		6,528		6,641		9,530		11,507		11,941		11,559
Balance Sheet												
Assets	\$	2,938,244	\$	3,332,228	\$	3,362,216	\$	3,167,666	\$	3,228,280	\$	3,266,970
Loans		1,840,093		2,157,969		2,224,655		2,303,279		2,430,750		2,466,392
PPP loans		43,637		22,759		12,083		7,094		6,692		6,226
Loans excluding PPP loans		1,796,456		2,135,210		2,212,572		2,296,185		2,424,058		2,460,166
Cash and cash equivalents		601,443		548,019		444,151		150,556		87,401		107,171
Allowance for loan losses		(21,089)		(26,731)		(26,020)		(27,351)		(29,299)		(30,118)
Total deposits		2,535,849		2,941,179		2,920,376		2,738,424		2,633,181		2,557,744
Per Share Data												
Share price	\$	41.51	\$	40.79	\$	34.13	\$	38.99	\$	40.03	\$	33.03
Book value		41.27		39.93		39.44		38.27		39.82		41.66
Tangible book value ⁽¹⁾		34.00		29.57		28.86		27.66		29.20		31.09
Price / tangible book value per share		122 %		138 %		118 %		141 %		137 %		106 %
Dividend paid	\$	0.23	\$	0.23	\$	0.23	\$	0.23	\$	0.24	\$	0.25

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

Asset Growth



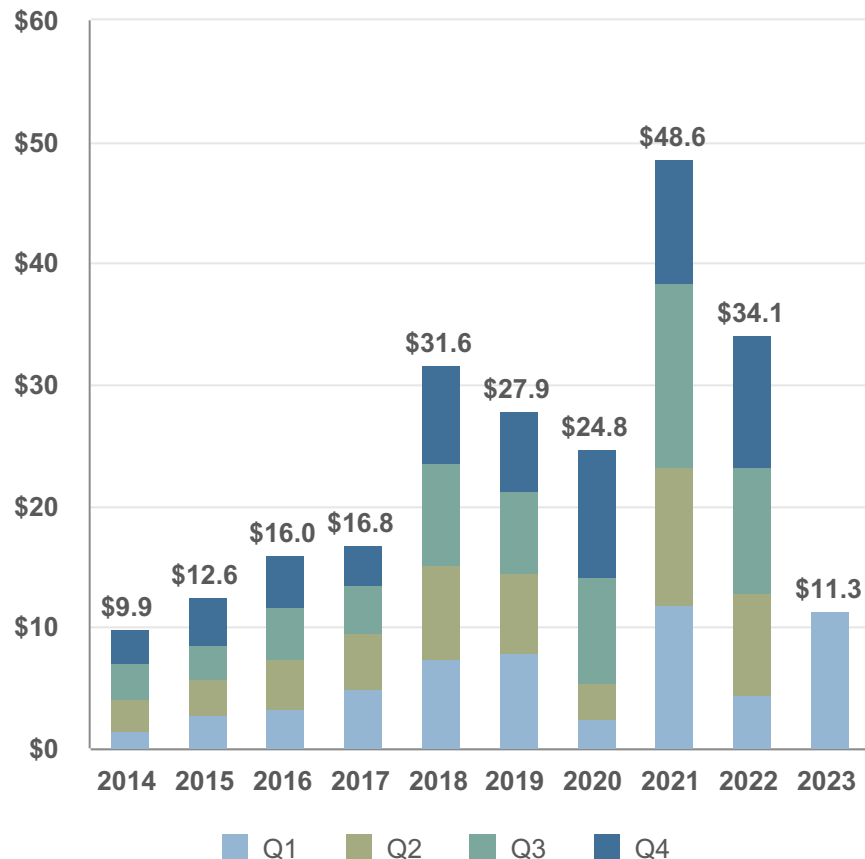
Acquired Bank	Date	Assets (\$ in MM) (at completion)	% of TBV (at announcement)	# of Branches	Consideration
Statewide Bank	March 2010	\$199	FDIC-assisted	6	All Cash
Guaranty Savings Bank	July 2011	\$257	95%	5	All Cash
Britton & Koontz Bank	February 2014	\$301	90%	8	All Cash
Bank of New Orleans	September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

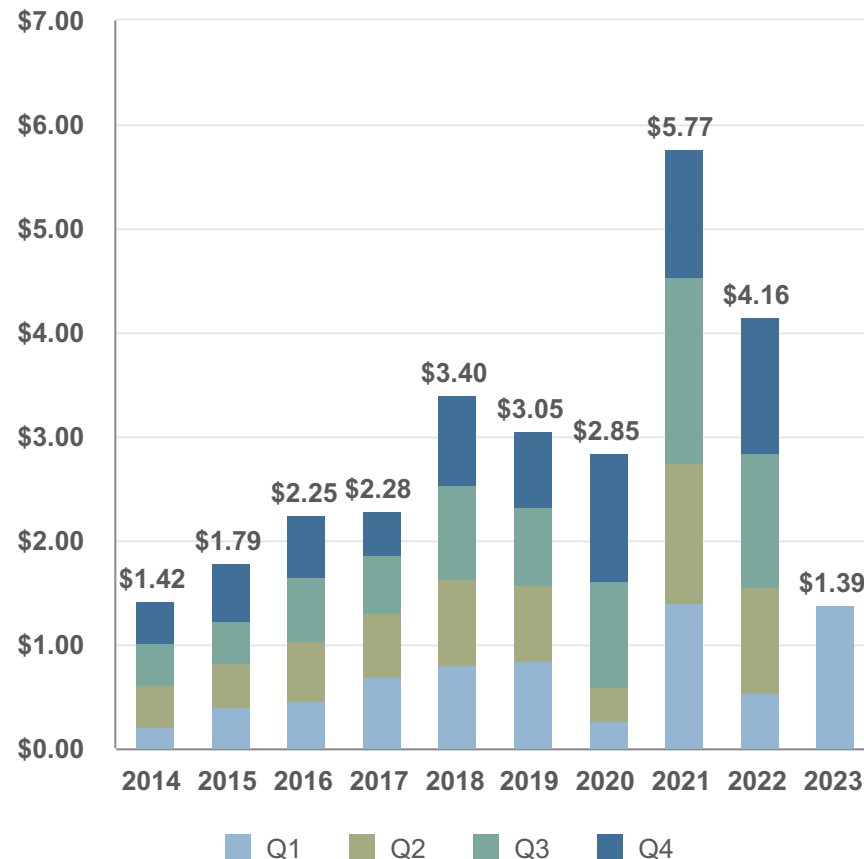
Earnings

Net Income

(\$ in millions)

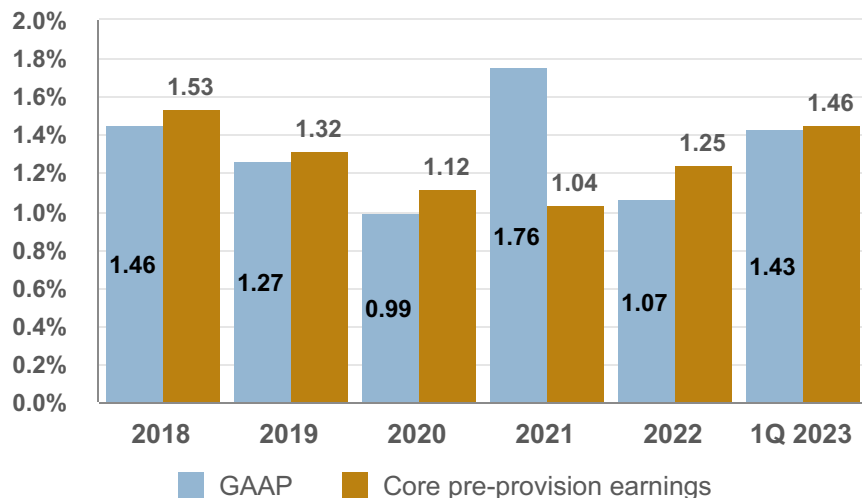


Diluted EPS

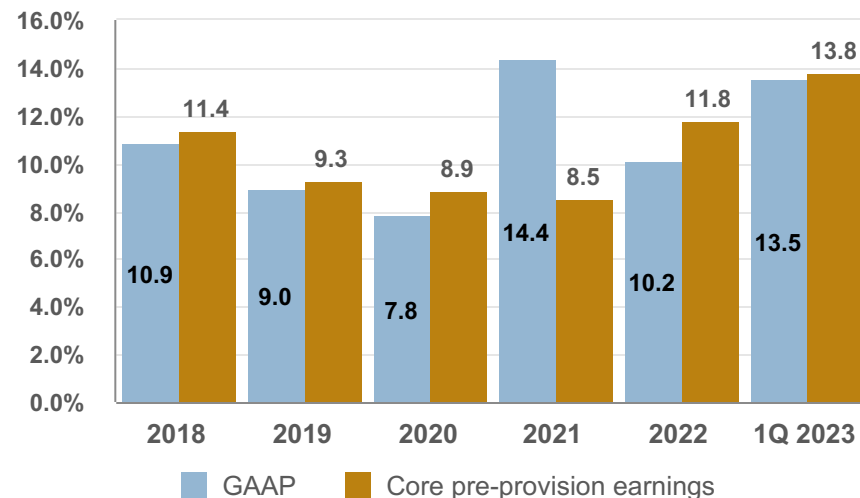


Profitability ⁽¹⁾

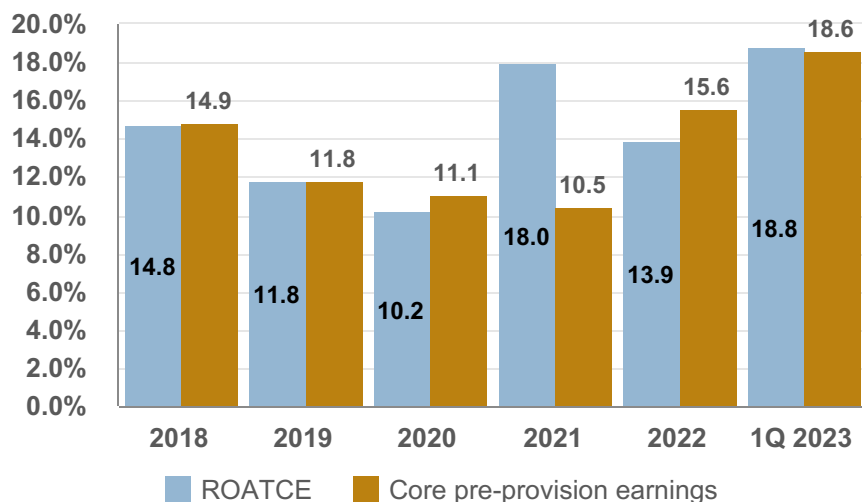
Return on Average Assets



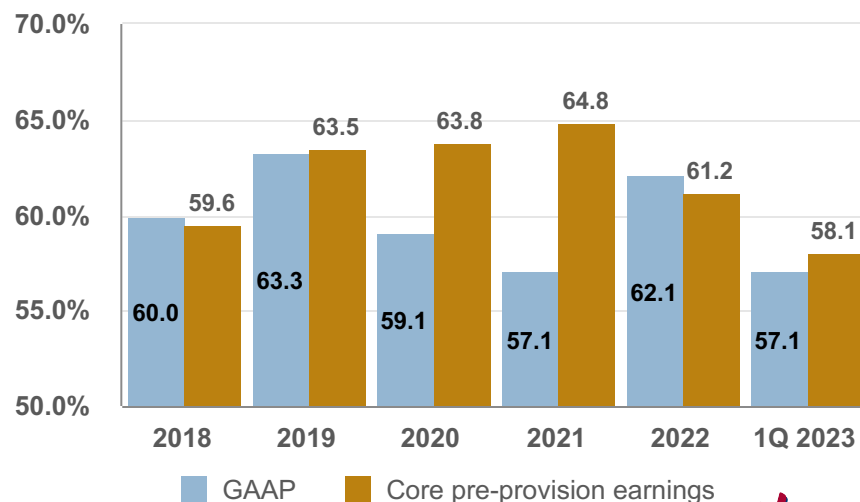
Return on Average Equity



Return on Tangible Common Equity



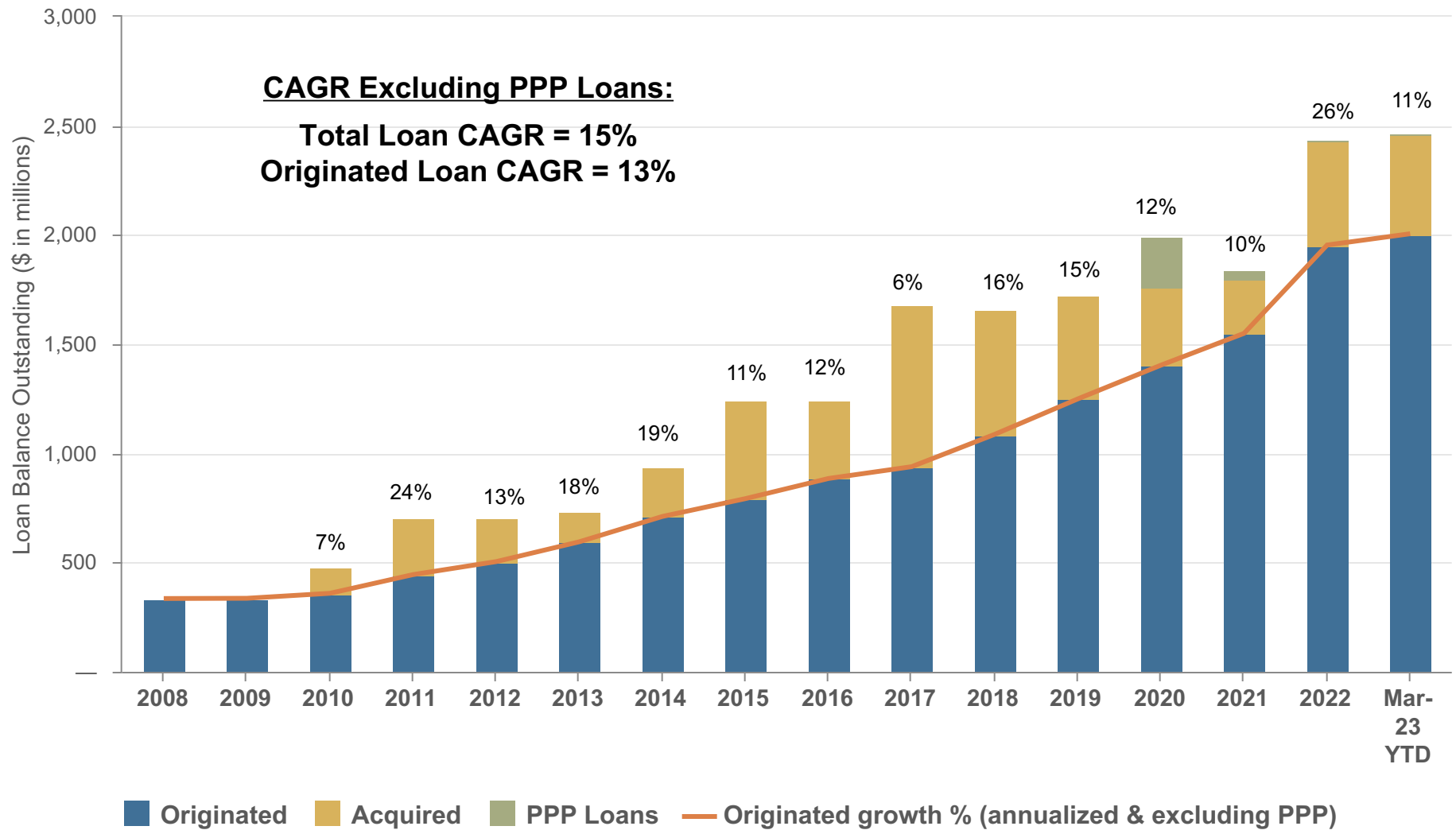
Efficiency Ratio



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

Organic Loan Growth

(excludes acquisition accounting & unearned income)

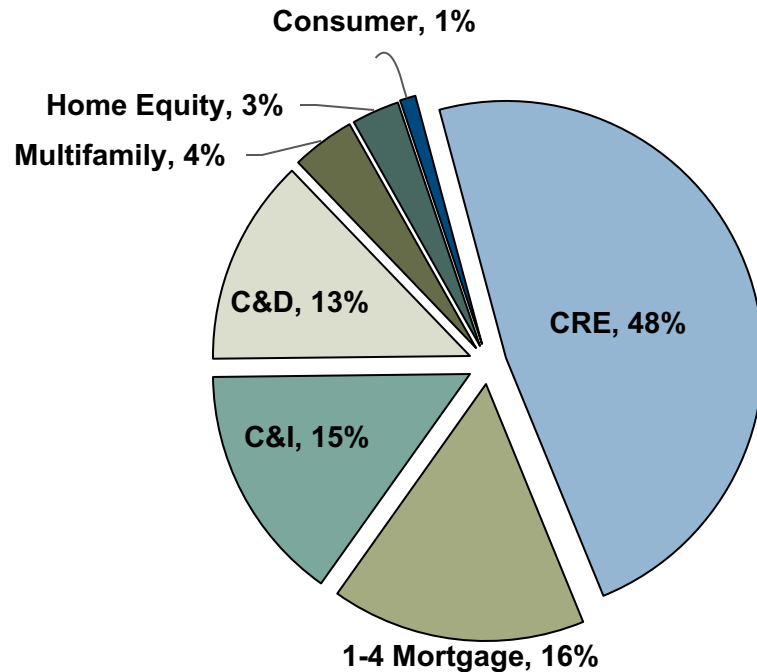


Loan Portfolio Excluding PPP Loans

(as of March 31, 2023)

Home **HB** Bancorp, Inc.

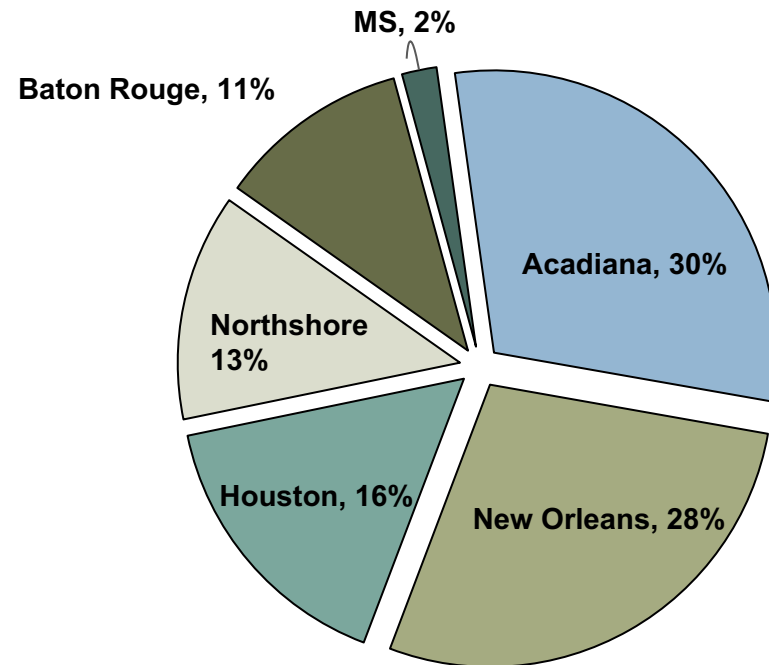
Composition



CRE Loan Portfolio

- Owner Occupied - 58%
- Non-owner Occupied - 42%

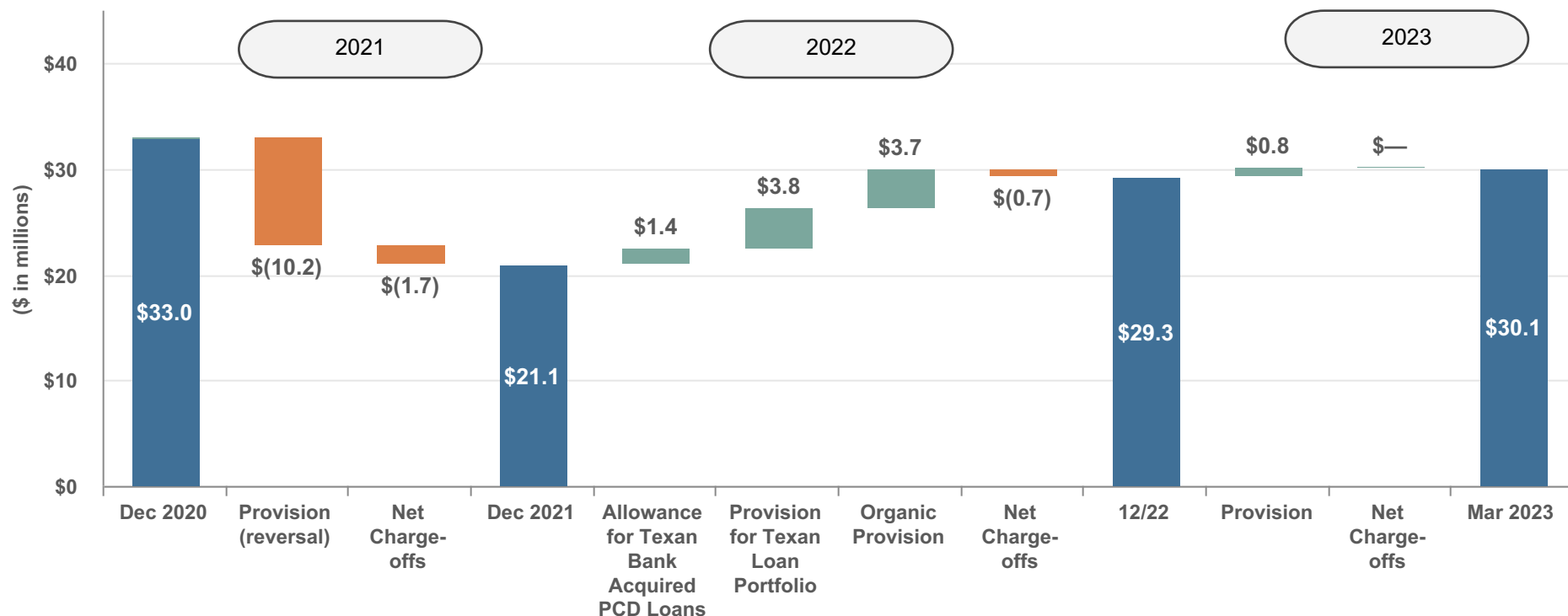
Market Diversification



1Q 2023 annualized growth rate - 6%

- Total loans - \$2.5 billion
- Houston market - 30% 1Q 2023 growth rate

Changes in ALL

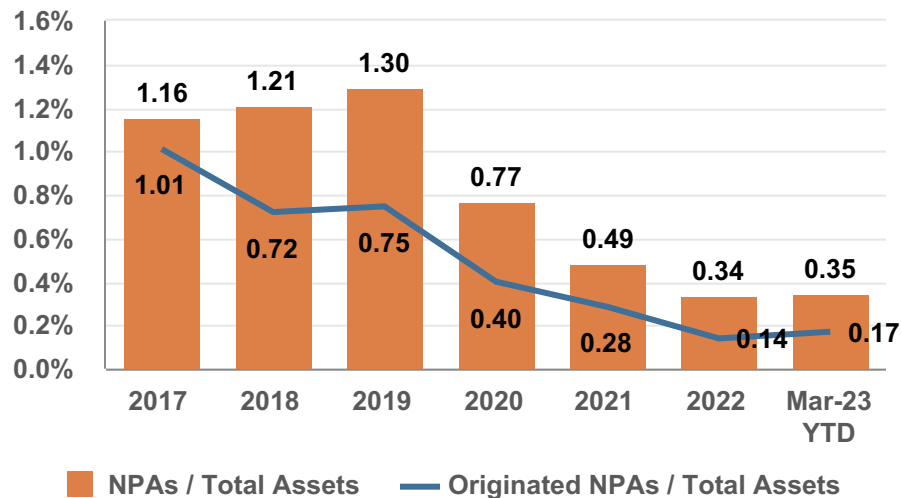


(dollars in thousands)	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023
Total Loans	\$ 2,157,969	\$ 2,224,655	\$ 2,303,279	\$ 2,430,750	\$ 2,466,392
Less: PPP Loans	22,759	12,083	7,094	6,692	6,226
Loans Excluding PPP Loans	\$ 2,135,210	\$ 2,212,572	\$ 2,296,185	\$ 2,424,058	\$ 2,460,166
Nonperforming Loans	\$ 21,113	\$ 18,505	\$ 17,083	\$ 10,515	\$ 11,232
ALL / Total Loans	1.24 %	1.17 %	1.19 %	1.21 %	1.22 %
ALL / Loans Excluding PPP	1.25 %	1.18 %	1.19 %	1.21 %	1.22 %
ALL / NPL's	127 %	141 %	160 %	279 %	268 %
ALL / Assets	0.80 %	0.77 %	0.86 %	0.91 %	0.92 %

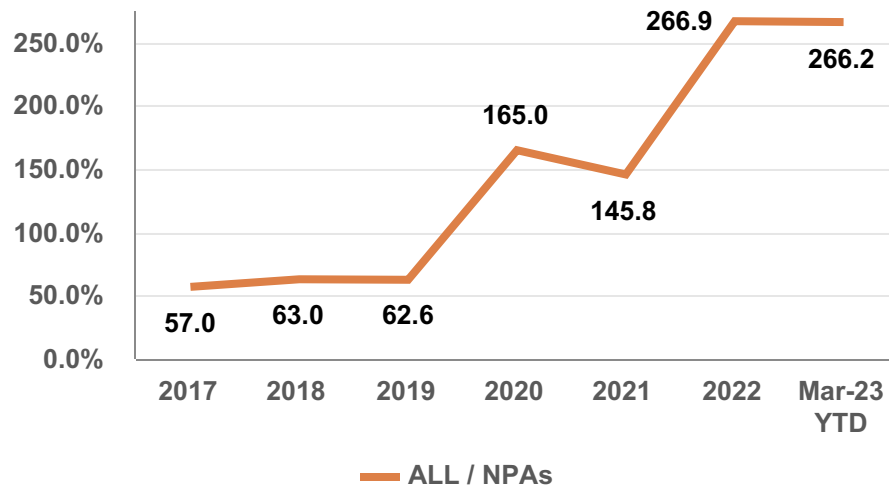
- \$10.2 million nonperforming Texan Bank loans in March 2022 compared to \$2.3 million in March 2023.
- \$465,000 Texan Bank nonperforming loans charged off.

Credit Quality Trends

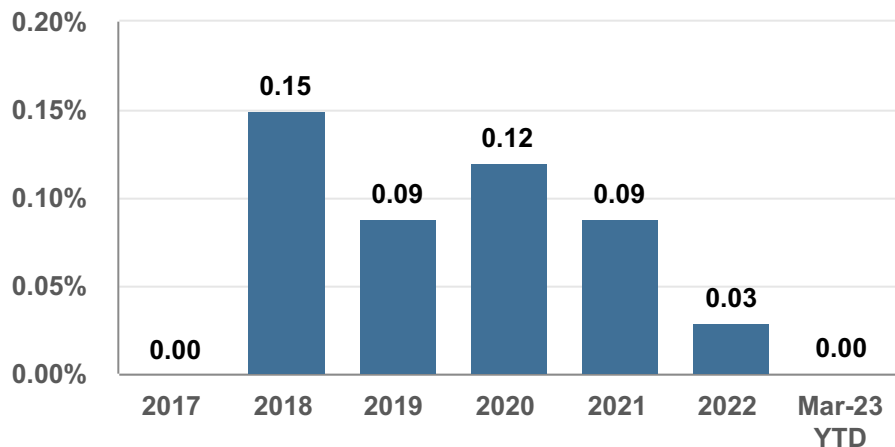
NPAs / Assets



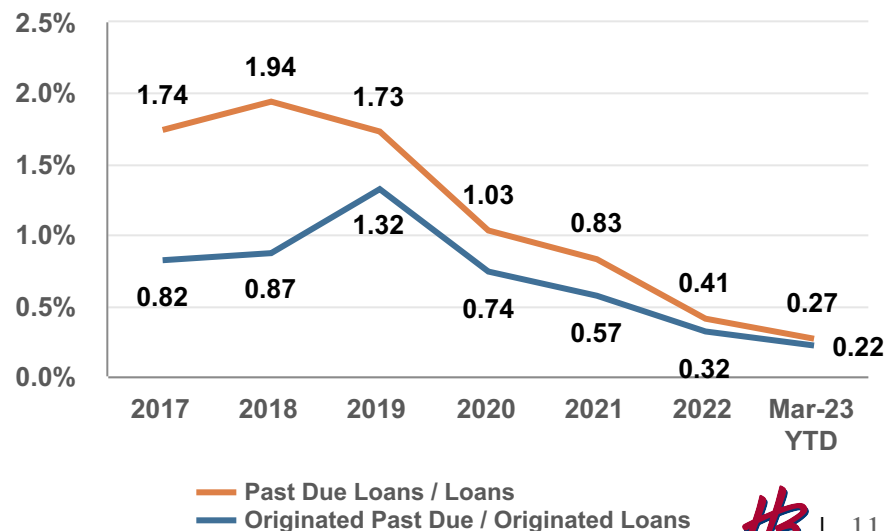
ALL / NPAs



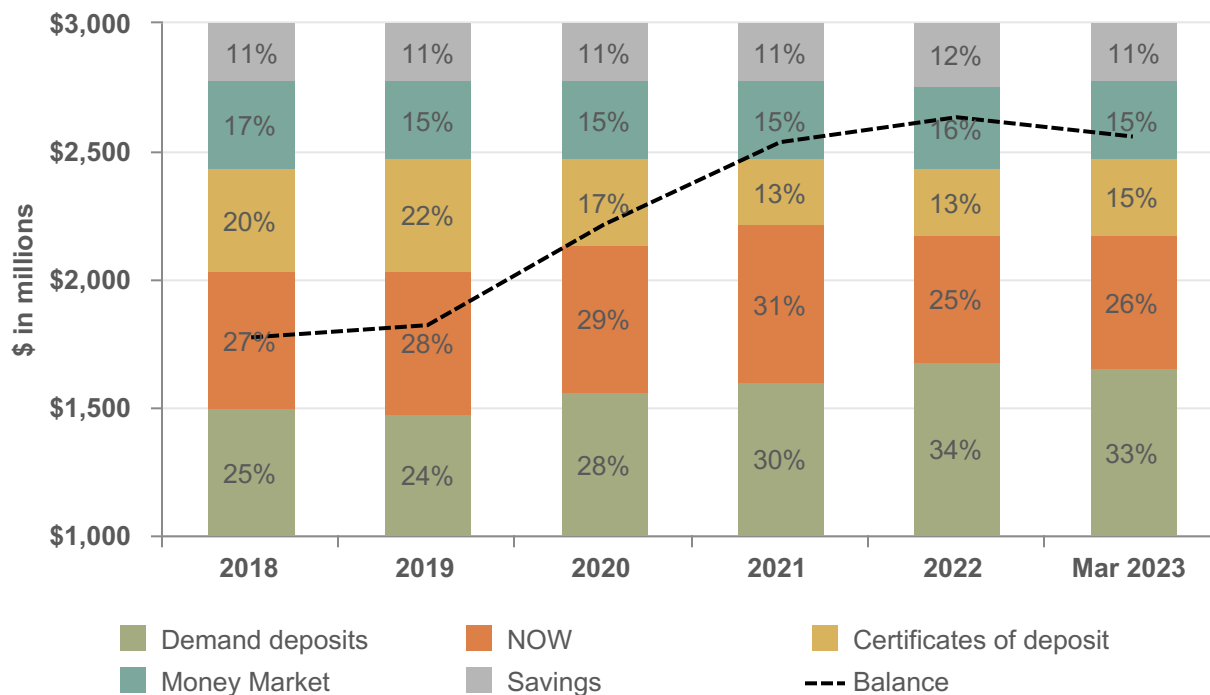
Net Charge-offs / YTD Average Loans



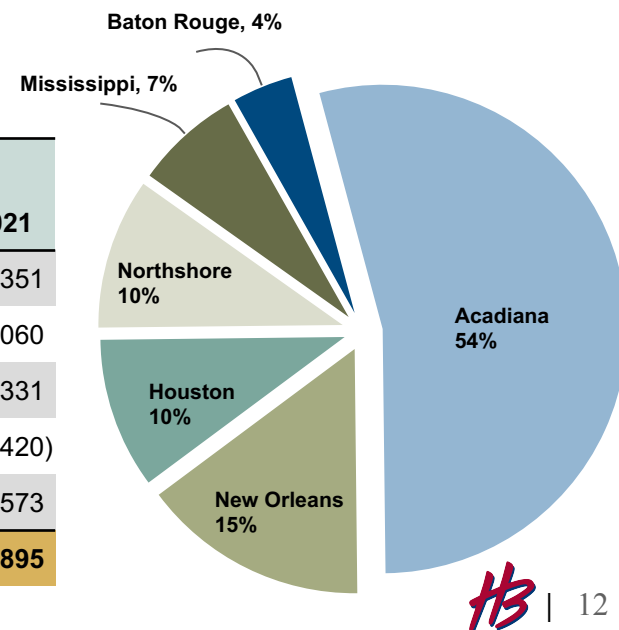
Loans Past Due



Deposits



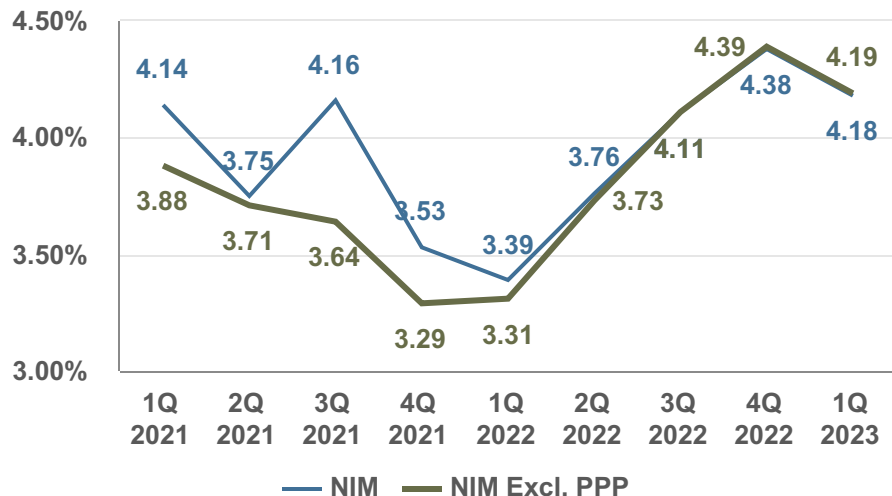
- Uninsured deposits at March 31, 2023 totaled \$778.0 million, or 30% of total deposits.
- Uninsured deposits, excluding public funds fully collateralized in excess of FDIC insurance, is approximately 22% of total deposits.
- At March 31, 2023, the average deposit balance is \$32,198.



(dollars in thousands)				Change	
	12/31/2021	12/31/2022	3/31/2023	2023 vs 2022	2023 vs 2021
Demand Deposits	\$ 766,385	\$ 904,301	\$ 854,736	\$ (49,565)	\$ 88,351
Savings	285,728	305,871	288,788	(17,083)	3,060
Money Market	371,478	423,990	384,809	(39,181)	13,331
NOW	792,919	663,574	657,499	(6,075)	(135,420)
CDs	319,339	335,445	371,912	36,467	52,573
Total Deposits	\$ 2,535,849	\$ 2,633,181	\$ 2,557,744	\$ (75,437)	\$ 21,895

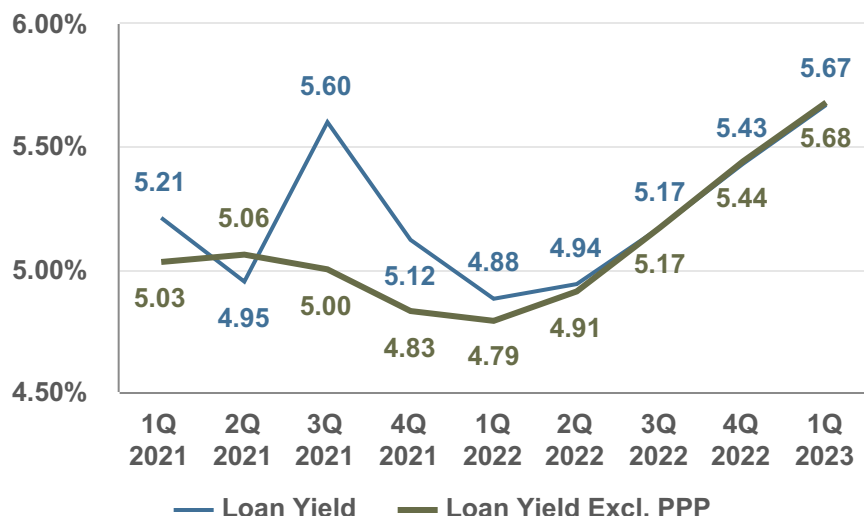
Yields

NIM (TE)(1)

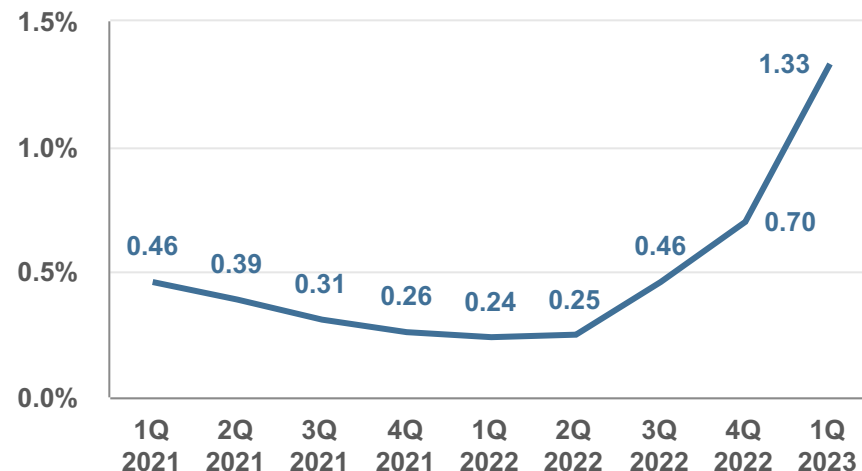


- NIM decreased 20 bps (excluding PPP) for the quarter ended March 2023.
- Cost of interest-bearing deposits for the quarter ended March 2023 was 0.77%.
- Short-term FHLB advances at March 2023 was \$234 million with a cost of 4.71%

Yield on Loans⁽¹⁾



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	(1.9)%
+100	1.2%
+200	2.3%
+300	3.3%

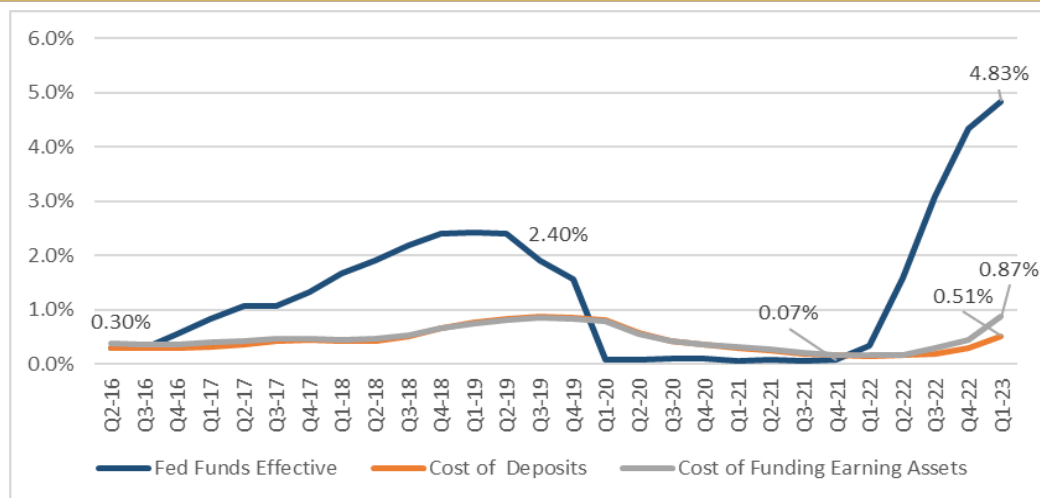
Balance Sheet Composition

% of assets	2019	2023Q1
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Cash	2%	3%
Investments	12%	14%
Loans, excluding PPP	78%	75%
Other Assets	8%	8%

NMD - noninterest-bearing	20%	26%
NMD - interest-bearing	45%	41%
CDs	18%	11%
Total Deposits	83%	78%
Advances	2%	8%
Subordinated Debt	—%	2%
Other	1%	1%
Equity	14%	11%

Interest Bearing NMD Beta



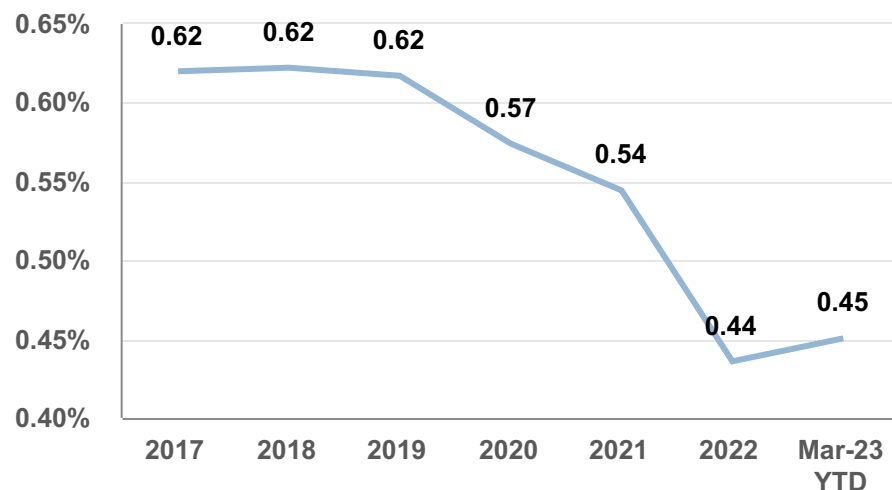
- Investment Portfolio effective duration = 4.5
- 31% of loan portfolio is variable
- Loan portfolio effective duration ~ 2.6 (based on management estimates)

Historical Funding Betas

Cost of	2Q2016 - 3Q2019	3Q2019 - 1Q2022	1Q2022 - 1Q2023
Interest-bearing deposits	36%	40%	12%
Total deposits	27%	31%	8%
Interest-bearing liabilities	33%	40%	23%
Funding earning assets	23%	29%	15%

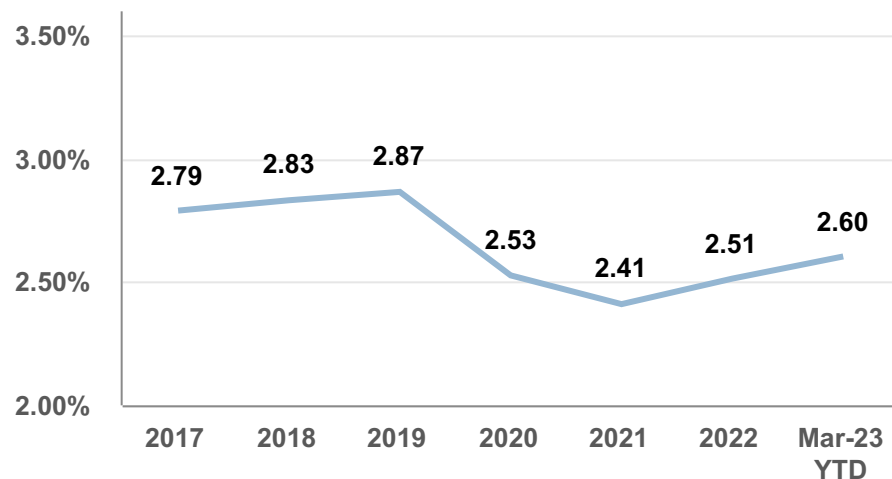
Noninterest Income & Expense

Noninterest Income⁽¹⁾ / Assets



(dollars in thousands)	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Service fees and charges	\$ 1,165	\$ 1,257	\$ 1,300	\$ 1,198	\$ 1,250
Bank card fees	1,454	1,636	1,623	1,566	1,787
Gain on sale of loans	299	264	78	22	57
Loss on sale of securities, net	—	—	—	—	(249)
Loss on sale of assets, net	5	(6)	18	9	(17)
Other	463	535	455	544	483
Total noninterest income	\$ 3,386	\$ 3,686	\$ 3,474	\$ 3,339	\$ 3,311
Noninterest income less loss on sale of securities and assets	\$ 3,381	\$ 3,692	\$ 3,456	\$ 3,330	\$ 3,577

Noninterest Expense⁽¹⁾ / Assets



(dollars in thousands)	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Compensation	\$10,159	\$12,583	\$12,128	\$12,880	\$12,439
Data processing	2,195	2,533	2,284	2,295	2,321
Occupancy	1,803	2,354	2,297	2,261	2,350
Provision for unfunded	302	—	146	(170)	210
Other	3,781	4,295	3,868	3,915	2,620
Total noninterest expense	\$18,240	\$21,765	\$20,723	\$21,181	\$19,940
Merger expenses	328	1,583	60	—	—
Foreclosed asset recovery	—	—	—	—	(739)
Noninterest expense excl. provision for unfunded and merger expenses	\$17,610	\$20,182	\$20,517	\$21,351	\$20,469

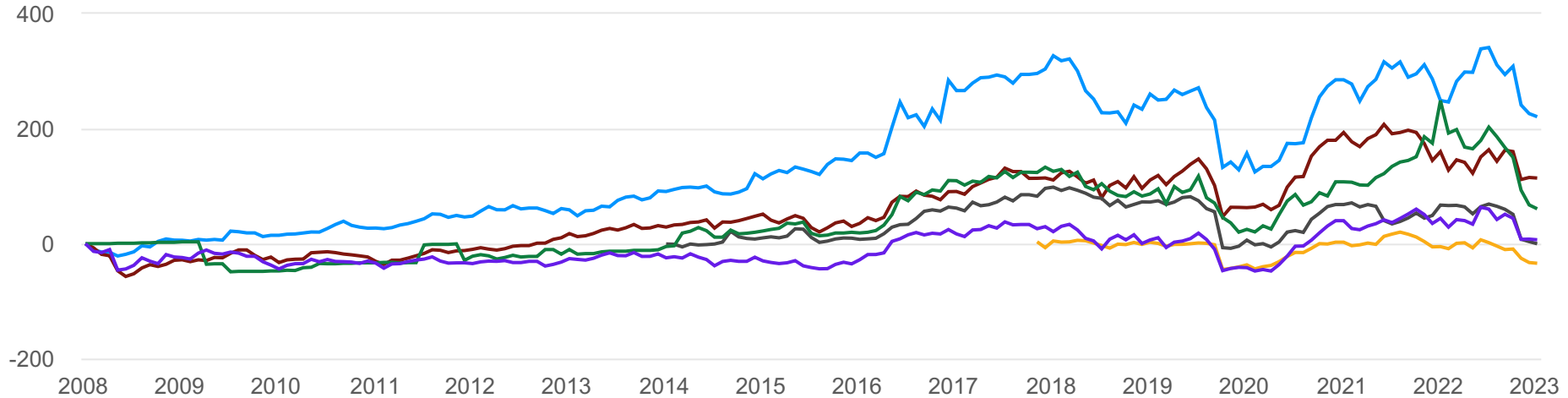
(1) Excludes non-core items. See appendix for reconciliation of non-GAAP items.

HBCP Stock Performance

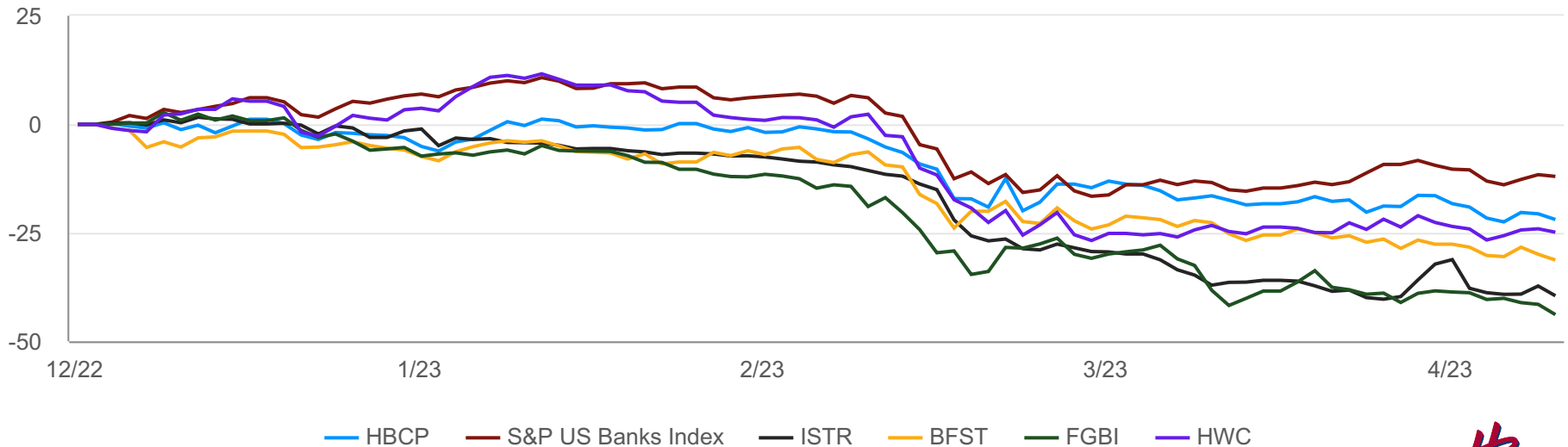
(as of May 1, 2023)

Home **HB** Bancorp, Inc.

Total Return (Monthly %) - Since 2008

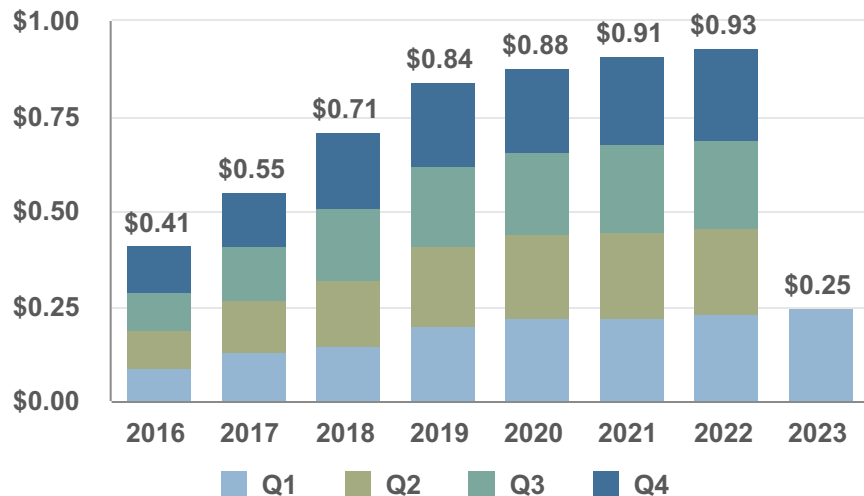


Total Return (Daily %) - YTD



Capital

Dividends Per Share



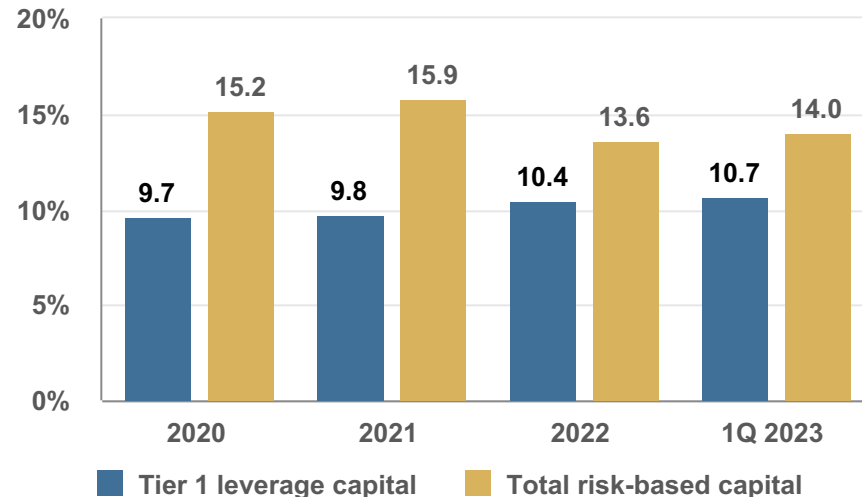
- Quarterly dividend increased to \$0.25 in Q1

Share Repurchase Activity

Year	# Shares	Average Price	Cash Utilized
2021	246,012	36.18	8,900,409
2022	288,350	39.30	11,333,399
2023 (as of 5/2/2023)	43,574	32.38	1,411,118
Share repurchase activity	577,936	\$ 37.45	\$ 21,644,926

- As of May 2, 2023 ~ 154,728 shares remaining in 2021 Repurchase Plan.

Capital Ratios (Bank only)



(dollars in millions)	TBV	% Accretive / Dilutive
12/31/2022	\$ 242.0	
Net Income	11.3	4.7 %
Change in OCI	5.5	2.3 %
Intangibles amortization, net of taxes	0.4	0.2 %
Other	0.7	0.3 %
Dividends	-2.1	(0.9)%
Share buybacks	-0.3	(0.1)%
3/31/2023	\$ 257.6	6.4 %

Strong earnings and shareholder returns

Conservative, well-managed credit culture

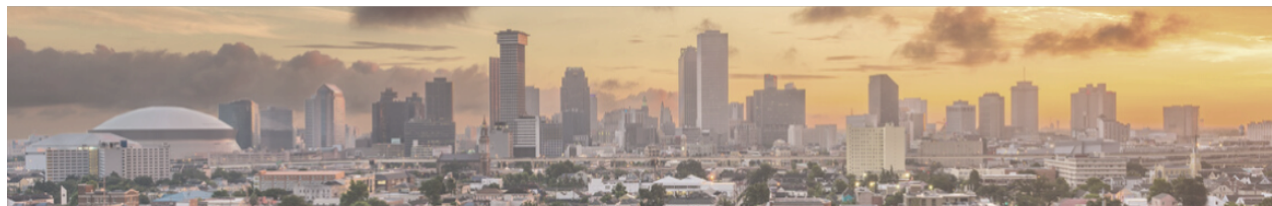
Market disruption creates new opportunities

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>	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Total shareholders' equity	\$ 351,903	\$ 337,504	\$ 329,124	\$ 316,656	\$ 329,954	\$ 345,100
Less: intangible assets	61,949	87,569	88,309	87,839	87,973	87,527
Non-GAAP tangible shareholders' equity	\$ 289,954	\$ 249,935	\$ 240,815	\$ 228,817	\$ 241,981	\$ 257,573
Reported net income	\$ 10,238	\$ 4,401	\$ 8,461	\$ 10,434	\$ 10,776	\$ 11,320
Add: amortization CDI, net tax	221	199	359	358	350	352
Non-GAAP tangible net income	\$ 10,459	\$ 4,600	\$ 8,820	\$ 10,792	\$ 11,126	\$ 11,672
Return on average equity	11.7 %	5.1 %	10.2 %	12.4 %	13.2 %	13.5 %
Add: intangible assets	2.8	1.4	4.2	4.9	5.6	5.3
Non-GAAP return on tangible common equity	14.5 %	6.5 %	14.4 %	17.3 %	18.8 %	18.8 %
Book value per share	\$ 41.27	\$ 39.93	\$ 39.44	\$ 38.27	\$ 39.82	\$ 41.66
Less: intangible assets	7.27	10.36	10.58	10.61	10.62	10.57
Non-GAAP tangible book value per share	\$ 34.00	\$ 29.57	\$ 28.86	\$ 27.66	\$ 29.20	\$ 31.09

Appendix

(non-GAAP reconciliation)

<i>(dollars in thousands)</i>	4Q 2021	1Q 2022	2Q 2022	3Q 2022	4Q 2022	1Q 2023
Reported net income	\$ 10,238	\$ 4,401	\$ 8,461	\$ 10,434	\$ 10,776	\$ 11,320
Less: PPP loan income	2,201	799	402	132	26	26
Less: BOLI benefitt	—	—	—	—	—	—
Less: gain (loss) on sale of assets	(44)	5	(6)	18	9	(17)
Less: loan discount accretion	484	457	879	847	750	668
Add: provision (reversal) for loan losses	(2,648)	3,215	591	1,696	1,987	814
Add: provision for credit losses on unfunded commitments	15	302	—	146	(170)	210
Add: CDI amortization	279	252	454	453	443	446
Add: One-time recovery of foreclosed asset	—	—	—	—	—	(739)
Add: merger-related expenses	299	328	1,583	60	—	—
Total non-core items, net of taxes	(3,710)	2,240	1,069	1,073	1,165	239
Core pre-provision net income ⁽¹⁾	\$ 6,528	\$ 6,641	\$ 9,530	\$ 11,507	\$ 11,941	\$ 11,559
Average total loans	\$1,856,814	\$1,862,616	\$2,190,721	\$2,265,846	\$2,374,065	\$2,437,770
Less: average PPP loans	67,198	31,326	15,463	9,431	6,883	6,386
Average total loans excluding PPP loans	\$1,789,616	\$1,831,290	\$2,175,258	\$2,256,415	\$2,367,182	\$2,431,384
Loan yield	5.12 %	4.88 %	4.94 %	5.17 %	5.43 %	5.67 %
Negative (positive) impact of PPP loans	(0.29)	(0.09)	(0.03)	—	0.01	0.01
Loan yield excluding PPP loans	4.83 %	4.79 %	4.91 %	5.17 %	5.44 %	5.68 %
Net interest margin	3.53 %	3.39 %	3.76 %	4.11 %	4.38 %	4.18 %
Negative (positive) impact of PPP loans	(0.24)	(0.08)	(0.03)	—	0.01	0.01
Net interest margin excluding PPP loans	3.29 %	3.31 %	3.73 %	4.11 %	4.39 %	4.19 %

⁽¹⁾ Adjusted for non-core items - one-time items, 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>	2018	2019	2020	2021	2022	Mar-23 YTD
Total shareholders' equity	\$ 304,040	\$ 316,329	\$ 321,842	\$ 351,903	\$ 329,954	\$ 345,100
Less: intangible assets	66,055	64,472	63,112	61,949	87,973	87,527
Non-GAAP tangible shareholders' equity	\$ 237,985	\$ 251,857	\$ 258,730	\$ 289,954	\$ 241,981	\$ 257,573
Reported net income	\$ 31,590	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 11,320
Add: amortization CDI, net tax	1,458	1,251	1,074	919	1,266	352
Non-GAAP tangible income	\$ 33,048	\$ 29,183	\$ 25,839	\$ 49,540	\$ 35,338	\$ 11,672
Return on average equity	10.9 %	9.0 %	7.8 %	14.4 %	10.2 %	13.5 %
Add: intangible assets	3.9	2.8	2.4	3.6	3.7	5.3
Non-GAAP return on tangible common equity	14.8 %	11.8 %	10.2 %	18.0 %	13.9 %	18.8 %
Originated loans	\$ 1,095,160	\$ 1,251,201	\$ 1,625,139	\$ 1,593,769	\$ 1,961,425	\$ 2,014,883
Acquired loans	554,594	463,160	354,815	246,324	469,325	451,509
Total loans	\$ 1,649,754	\$ 1,714,361	\$ 1,979,954	\$ 1,840,093	\$ 2,430,750	\$ 2,466,392
Originated NPAs	\$ 15,526	\$ 16,421	\$ 10,353	\$ 8,348	\$ 4,489	\$ 5,546
Acquired NPAs	10,444	12,121	9,628	6,116	6,487	5,766
Total NPAs	\$ 25,970	\$ 28,542	\$ 19,981	\$ 14,464	\$ 10,976	\$ 11,312
Originated past due loans	\$ 9,549	\$ 16,541	\$ 12,070	\$ 9,071	\$ 6,215	\$ 4,385
Acquired past due loans	22,493	13,098	8,335	6,146	3,683	2,163
Total past due loans	\$ 32,042	\$ 29,639	\$ 20,405	\$ 15,217	\$ 9,898	\$ 6,548
Average assets	\$ 2,160,942	\$ 2,198,483	\$ 2,491,612	\$ 2,765,878	\$ 3,178,862	\$ 3,219,856
Less: average PPP loans	—	—	169,665	169,149	15,691	6,386
Average assets excluding PPP loans	\$ 2,160,942	\$ 2,198,483	\$ 2,321,947	\$ 2,596,729	\$ 3,163,171	\$ 3,213,470

Appendix

(non-GAAP reconciliation)

(dollars in thousands)	2018	2019	2020	2021	2022	Mar-23 YTD
Reported noninterest income	\$ 13,447	\$ 14,415	\$ 14,305	\$ 16,271	\$ 13,885	\$ 3,311
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	(17)
Non-GAAP noninterest income	\$ 13,447	\$ 13,568	\$ 14,305	\$ 15,058	\$ 13,859	\$ 3,577
Reported noninterest expense	\$ 63,225	\$ 63,605	\$ 62,981	\$ 66,982	\$ 81,909	\$ 19,940
Less: lease termination	—	291	—	—	—	—
Less: severance pay	—	287	—	—	—	—
Less: one-time foreclosed asset recovery						(739)
Less: merger-related expenses	2,010	—	—	299	1,971	—
Non-GAAP noninterest expense	\$ 61,215	\$ 63,027	\$ 62,981	\$ 66,683	\$ 79,938	\$ 20,679
Reported net income	\$ 31,590	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 11,320
Less: PPP loan income	—	—	5,895	13,208	1,359	26
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	(17)
Less: gain (loss) on sale of securities	—	—	—	—	—	(249)
Less: loan discount accretion	5,805	3,503	4,097	2,361	2,933	668
Add: provision (reversal) for loan losses	3,943	3,014	12,728	(10,161)	7,489	814
Add: provision for credit losses on unfunded commitments	—	—	—	390	278	210
Add: CDI amortization	1,845	1,583	1,360	1,163	1,602	446
Add: lease termination	—	291	—	—	—	—
Add: severance pay	—	287	—	—	—	—
Add: one-time foreclosed asset recovery	—	—	—	—	—	(739)
Add: merger-related expenses	2,010	—	—	299	1,971	—
Non-core items, net of taxes	1,575	1,189	3,236	(19,822)	5,547	239
Core pre-provision net income ⁽¹⁾	\$ 33,165	\$ 29,121	\$ 28,001	\$ 28,799	\$ 39,619	\$ 11,559

⁽¹⁾ Core pre-provision net income - removes the impact of one time items, PPP income, provision for credit losses, loan discount accretion and CDI.  | 23