



**Q1 2024  
Investor Presentation**

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 March 31, 2024
- Market Cap: \$281 million at April 15, 2024
- Ownership (S&P Global as of April 15, 2024)
  - Institutional: 43%
  - Insider/ESOP: 14%



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

**Total Loans**  
**\$2.6B**

**Total Deposits**  
**\$2.7B**

# Our Markets



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

**BATON ROUGE**  
TOTAL BRANCHES: 4

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

**MISSISSIPPI**  
TOTAL BRANCHES: 3

**NEW ORLEANS**  
TOTAL BRANCHES: 6

**NORTHSHORE**  
TOTAL BRANCHES: 6

**SOUTHWEST ACADIANA**  
TOTAL BRANCHES: 5

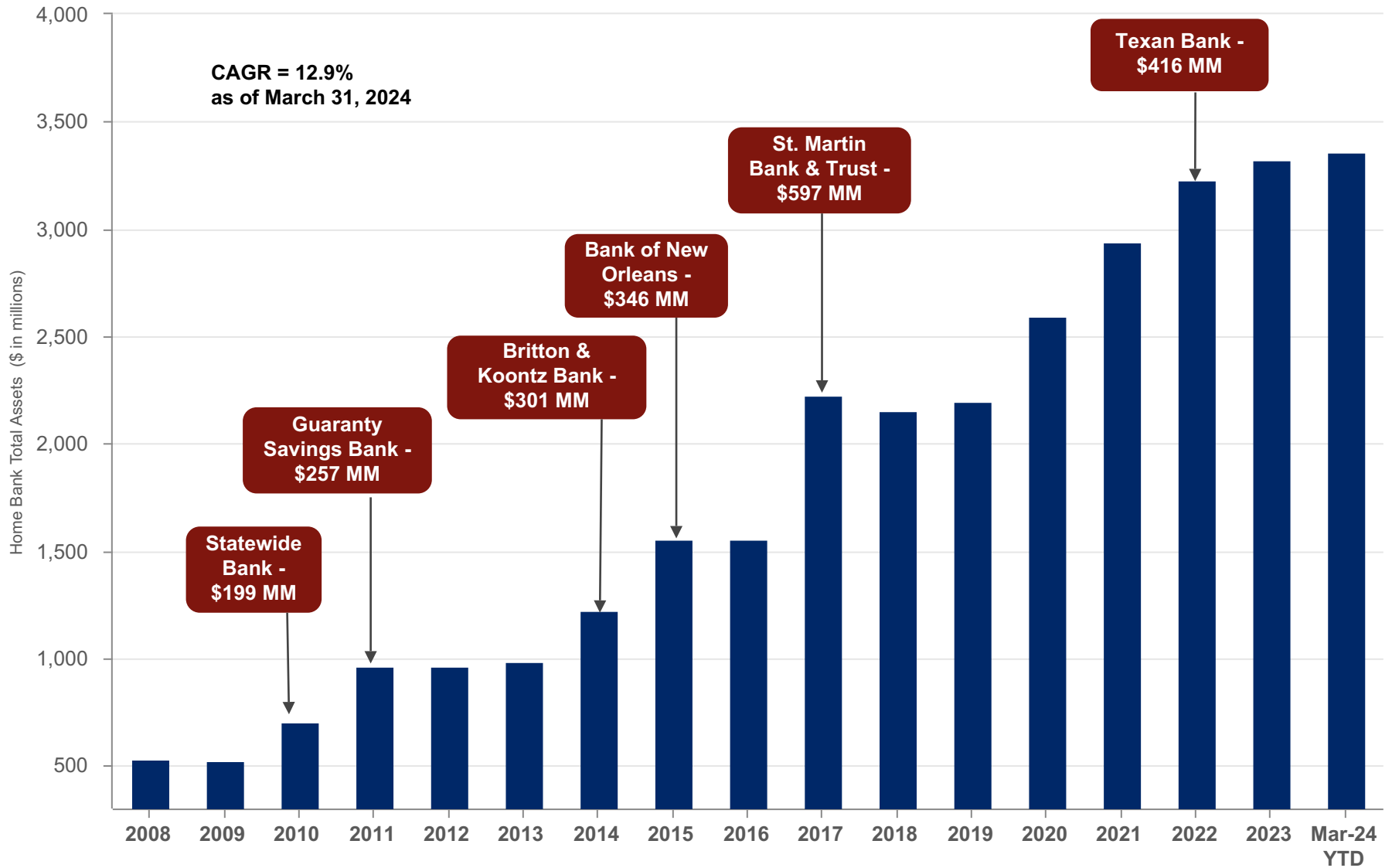
# Quarterly Financial Highlights

(dollars in thousands, except per share data)

	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
<b>Profitability</b>						
Net income	\$ 10,776	\$ 11,320	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199
Diluted EPS	1.32	1.39	1.21	1.22	1.17	1.14
ROA	1.35 %	1.43 %	1.21 %	1.18 %	1.13 %	1.11 %
ROE	13.2	13.5	11.3	11.0	10.6	10.0
ROATCE <sup>(1)</sup>	18.8	18.8	15.5	15.2	14.5	13.4
Efficiency ratio	57.8	57.1	62.1	62.9	62.9	64.3
Provision for loan losses	1,987	814	511	351	665	141
Core pre-provision net income <sup>(1)</sup>	11,941	11,559	10,084	9,820	9,846	9,152
<b>Balance Sheet</b>						
Assets	\$ 3,228,280	\$ 3,266,970	\$ 3,290,153	\$ 3,317,729	\$ 3,320,122	\$ 3,357,604
Loans	2,430,750	2,466,392	2,510,759	2,569,094	2,581,638	2,621,690
Cash and cash equivalents	87,401	107,171	96,873	84,520	75,831	90,475
Allowance for loan losses	(29,299)	(30,118)	(30,639)	(31,123)	(31,537)	(31,461)
Total deposits	2,633,181	2,557,744	2,551,718	2,597,484	2,670,624	2,722,578
TCE Ratio	7.7 %	8.1 %	8.1 %	8.0 %	8.7 %	8.8 %
Loan/Deposit	92.3 %	96.4 %	98.4 %	98.9 %	96.7 %	96.3 %
<b>Per Share Data</b>						
Share price	\$ 40.03	\$ 33.03	\$ 33.21	\$ 31.87	\$ 42.01	\$ 38.31
Book value	39.82	41.66	42.22	42.30	45.04	45.73
Tangible book value <sup>(1)</sup>	29.20	31.09	31.59	31.67	34.45	35.17
Price / tangible book value per share	137 %	106 %	105 %	101 %	122 %	109 %
Dividend paid	\$ 0.24	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25

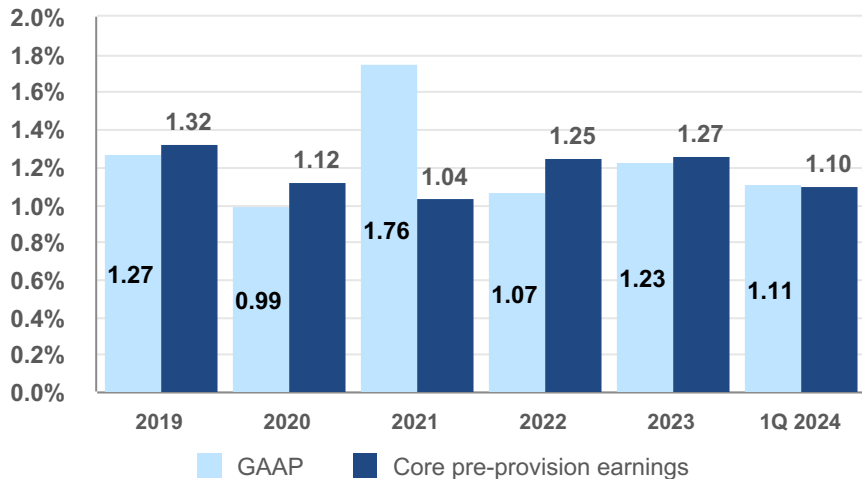
(1) See appendix for reconciliation of Non-GAAP items.

# Asset Growth

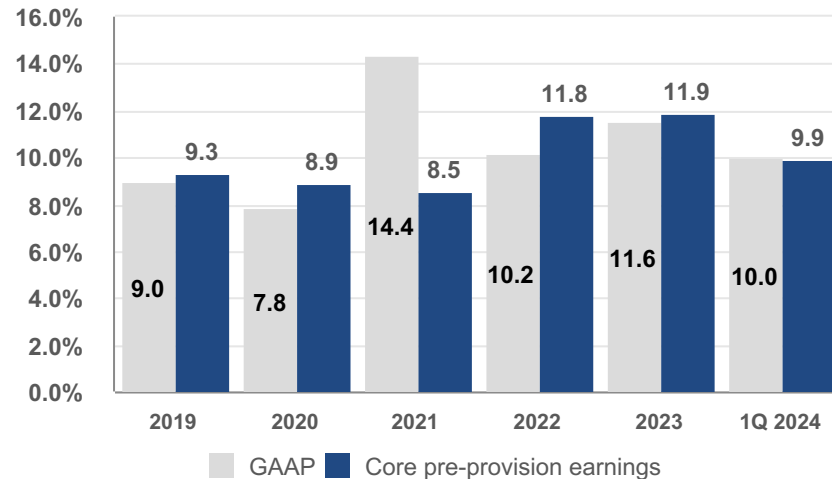


# Profitability<sup>(1)</sup>

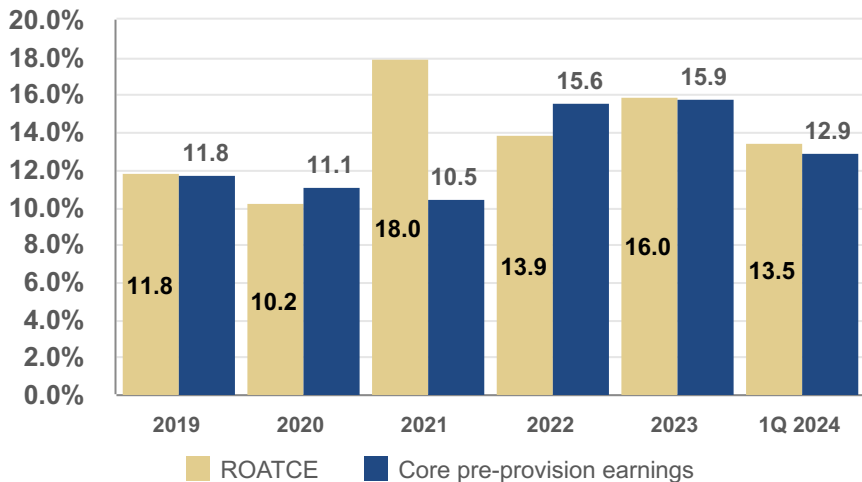
## Return on Average Assets



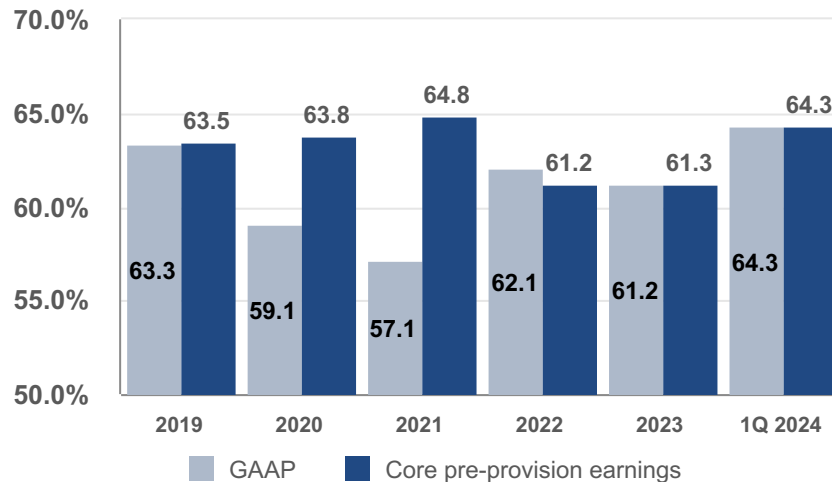
## Return on Average Equity



## Return on Tangible Common Equity



## Efficiency Ratio

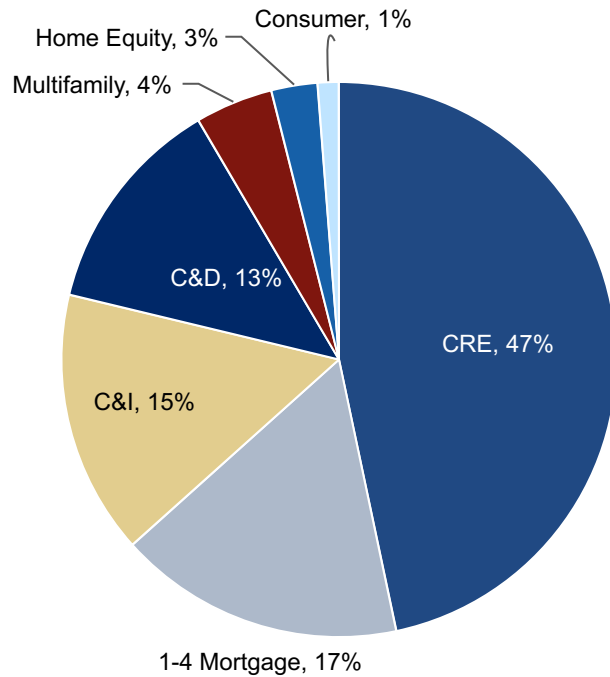


(1) See appendix for reconciliation of Non-GAAP items.

# Loan Portfolio

(as of March 31, 2024)

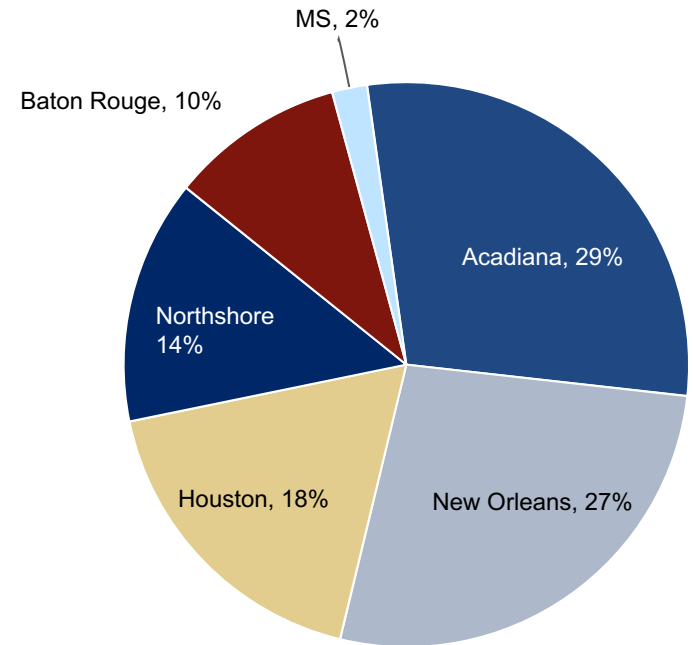
## Composition



### CRE Loan Portfolio

- Owner Occupied - 53%
- Non-owner Occupied - 47%

## Market Diversification



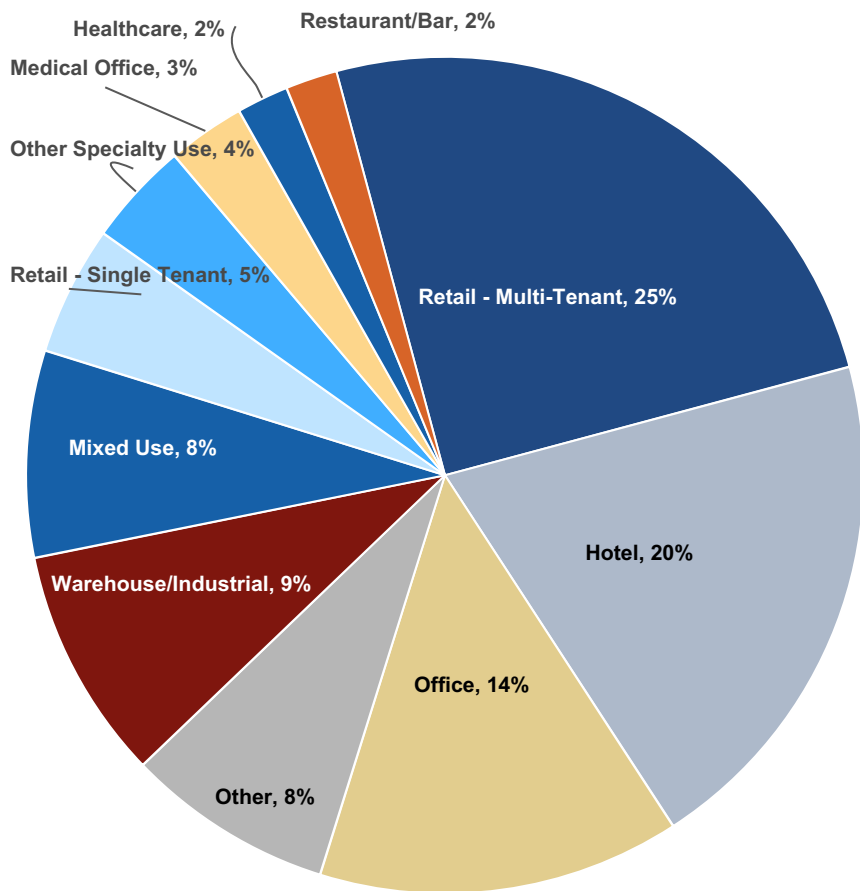
### 1Q 2024 annualized growth rate - 6%

- Total loans - \$2.6 billion
- Houston market - 29% annualized growth rate



# Non-Owner Occupied CRE

(as of March 31, 2024)



- Average Balance \$853K
- Approximately 21.5% of total loans
- \$3.6 million or 0.6% of the N.O.O. portfolio is nonaccrual

## Office Exposure

### Office Loans Total

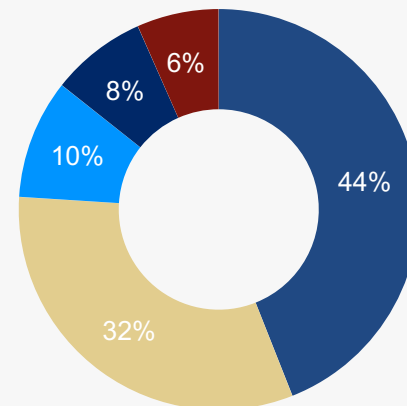
\$81.0 million or  
3.1% of total loans

### Average Office Loan Balance

\$1.2 million

**Zero** nonaccrual and criticized loans in office exposure

## Geographic Exposure



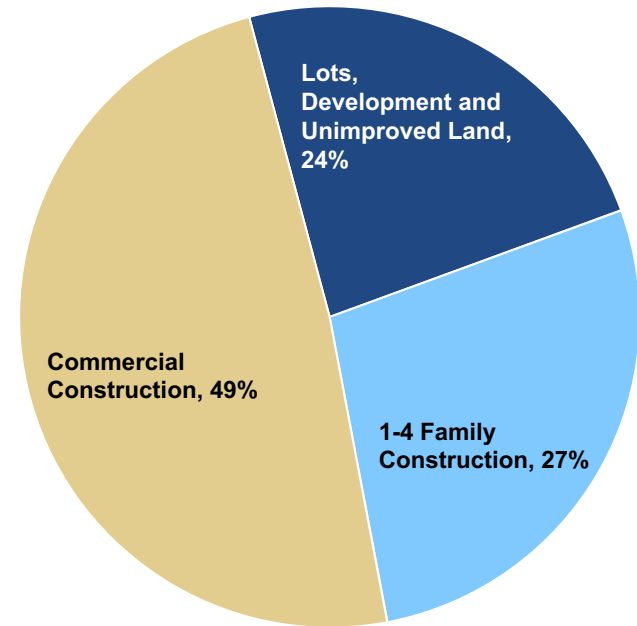
- Houston
- Northshore
- New Orleans
- Baton Rouge
- Acadiana

# C&D Portfolio

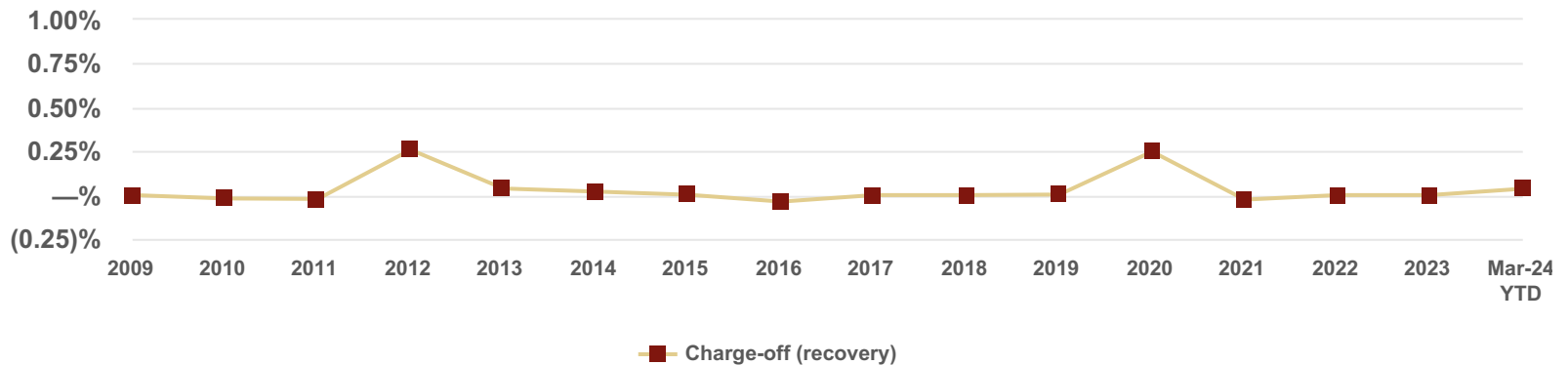
(as of March 31, 2024)

<b>Total Balance</b>	<b>Average Balance</b>
\$334.3 million	\$536.8K
<b>0.3% on Nonaccrual</b> or \$920.4K	<b>\$782K</b> net charge-offs since 2009

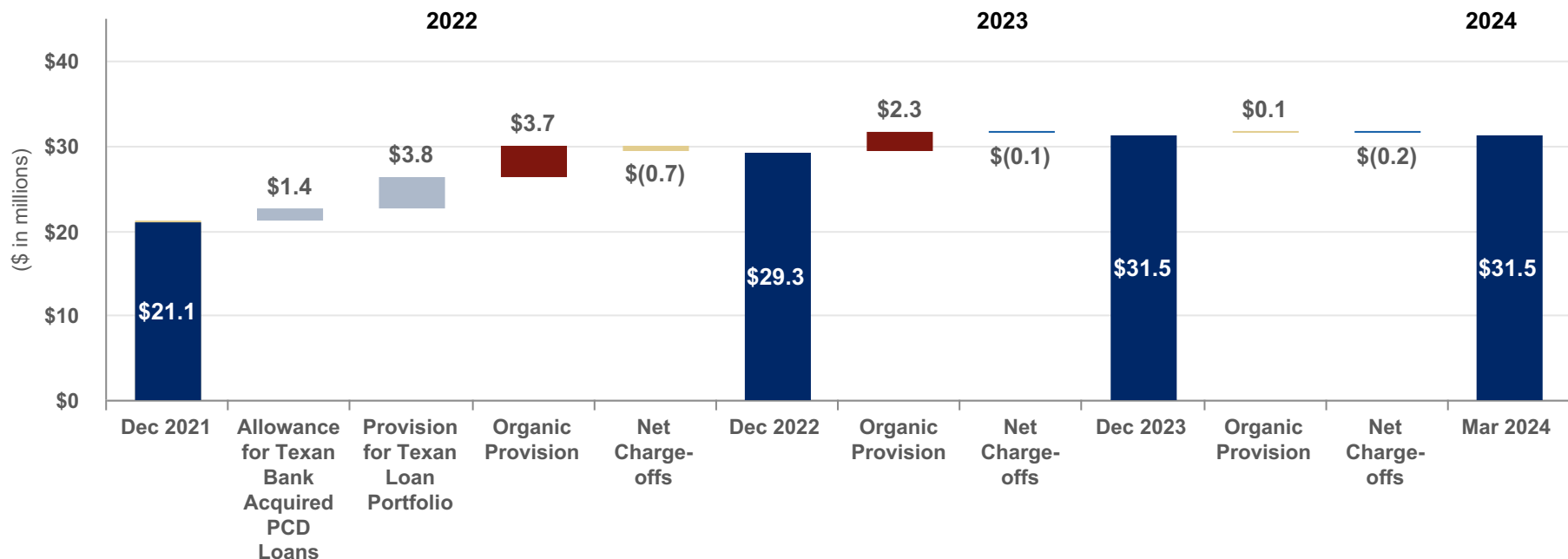
## Composition



## Historic Charge-off (Recovery Rate)



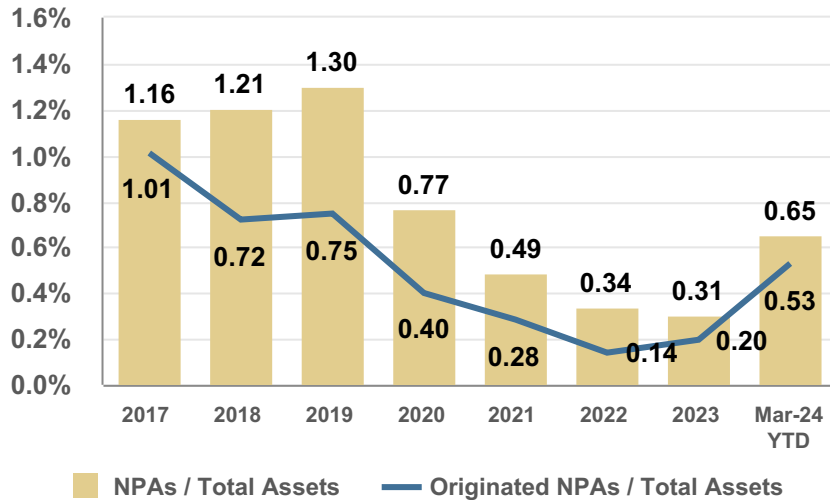
# Changes in ALL



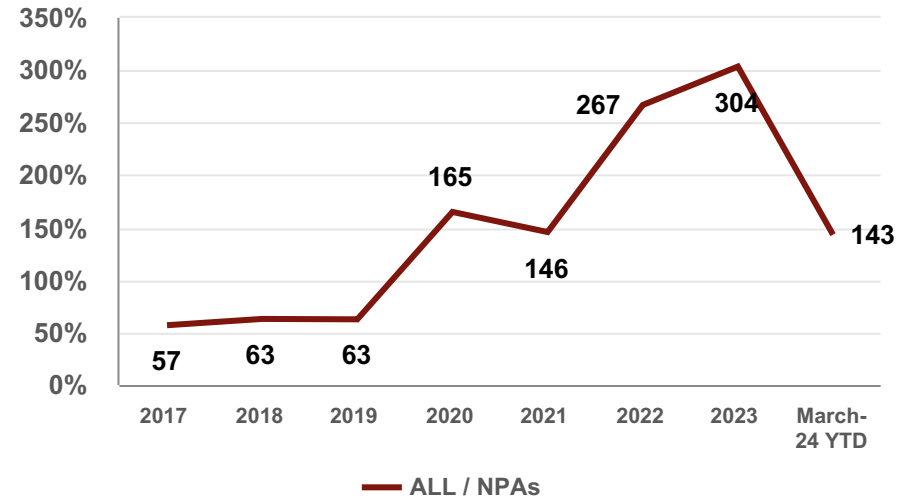
(dollars in thousands)	3/31/2023	6/30/2023	9/30/2023	12/31/2023	3/31/2024
Total Loans	\$ 2,466,392	\$ 2,510,759	\$ 2,569,094	\$ 2,581,638	\$ 2,621,690
Total nonperforming loans	11,232	12,196	11,949	8,814	20,349
Total special mention loans	9,778	9,511	9,046	7,928	8,578
Total substandard loans	23,519	27,252	31,046	28,168	35,128
Total criticized loans	\$ 33,297	\$ 36,763	\$ 40,092	\$ 36,096	\$ 43,706
Nonperforming loans / Total loans	0.46 %	0.49 %	0.47 %	0.34 %	0.78 %
Criticized loans / Total loans	1.35 %	1.46 %	1.56 %	1.40 %	1.67 %
ALL / Total Loans	1.22 %	1.22 %	1.21 %	1.22 %	1.20 %

# Credit Quality Trends

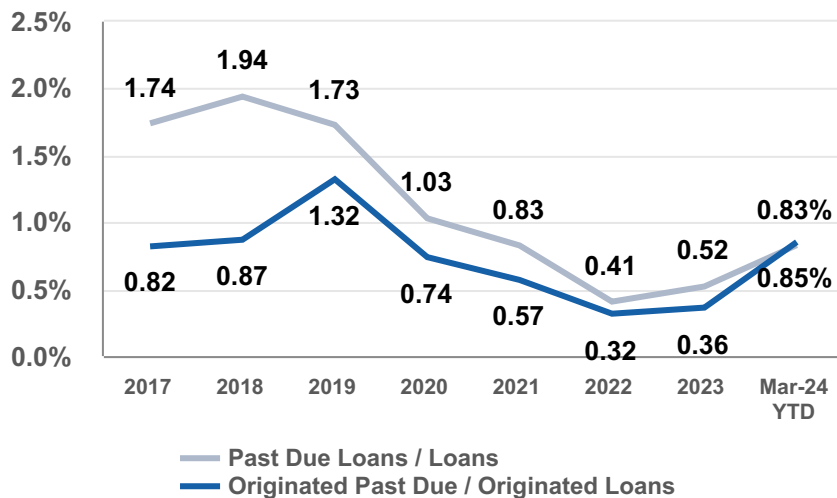
## NPAs / Assets



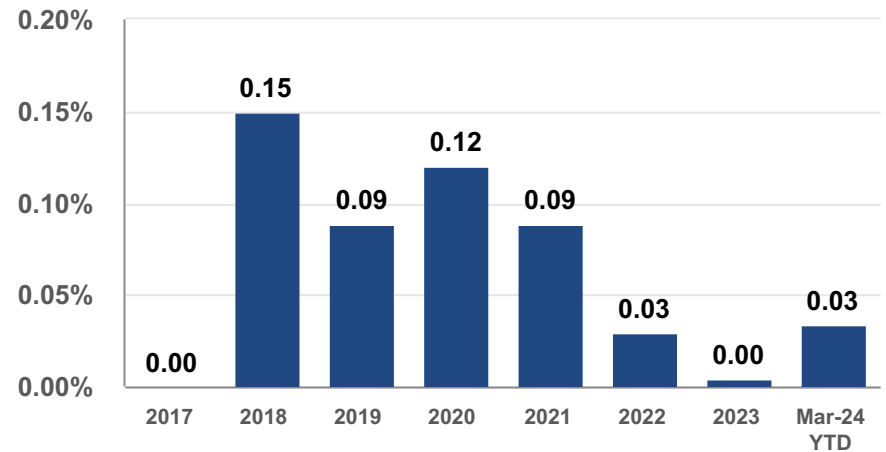
## ALL / NPAs



## Loans Past Due



## Net Charge-offs / YTD Average Loans

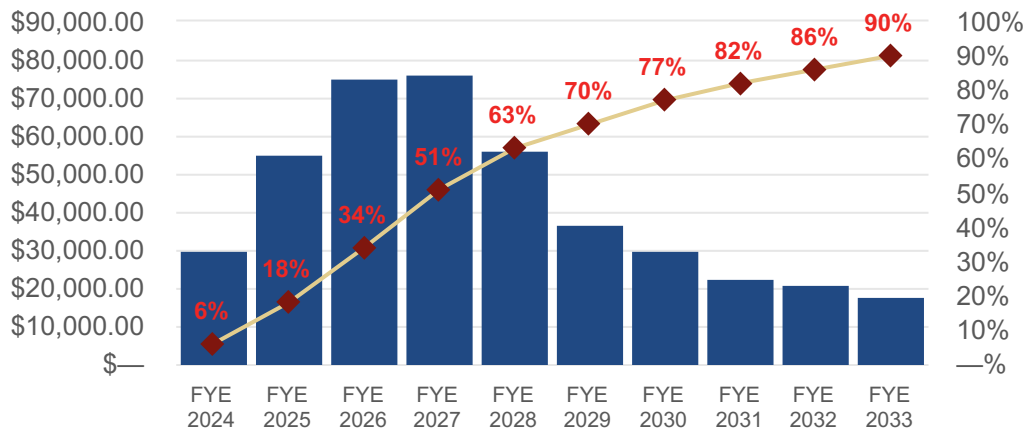


# Investment Portfolio

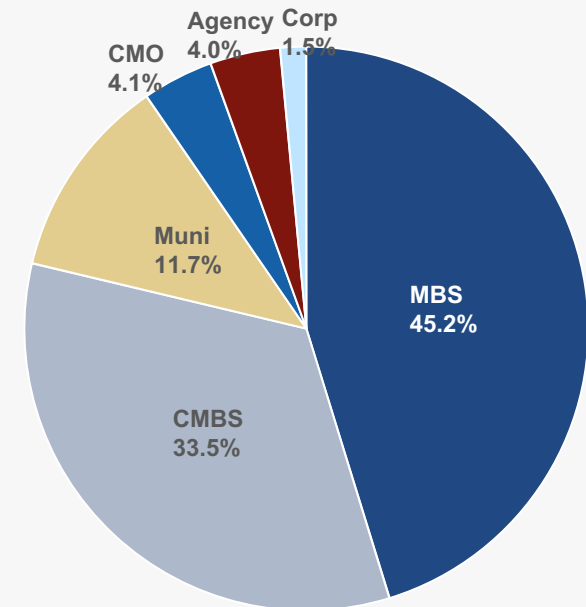
(dollars in millions)	Book Value	Gain/(loss)	Eff. Duration
MBS	\$212	\$(25)	4.7
CMBS	157	(11)	3
Muni	55	(8)	6.4
CMO	19	(1)	3.8
Agency	19	(1)	3.2
Corp	7	(1)	1.6
<b>Total</b>	<b>\$469</b>	<b>\$(47)</b>	<b>4.2</b>

<b>13%</b> of total assets	<b>2.4%</b> Q1 yield
<b>\$46.6 million</b> unrealized loss ~ 9.9% of book value	<b>99.7%</b> AFS
<b>\$3.2 million</b> MV decline in Q1	<b>\$9.0 million</b> decline in book value QoQ

## 10 Year Investment Cash Flow

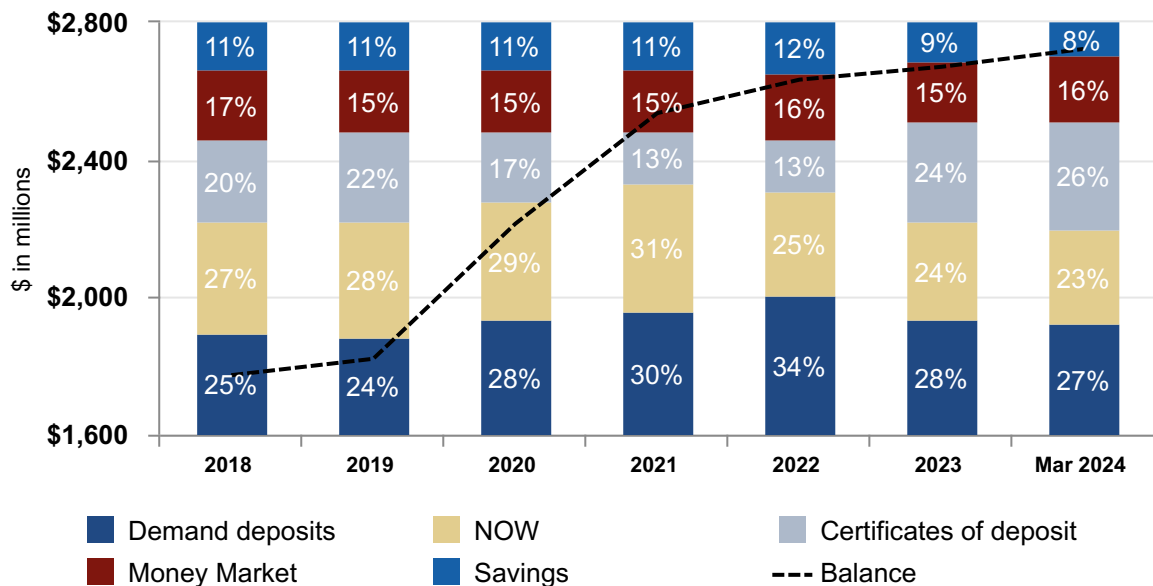


■ Expected Principal Cash Flows (dollars in thousands)  
◆ Percentage of Cash Flows - Cumulative



# Deposits

(as of March 31, 2024)



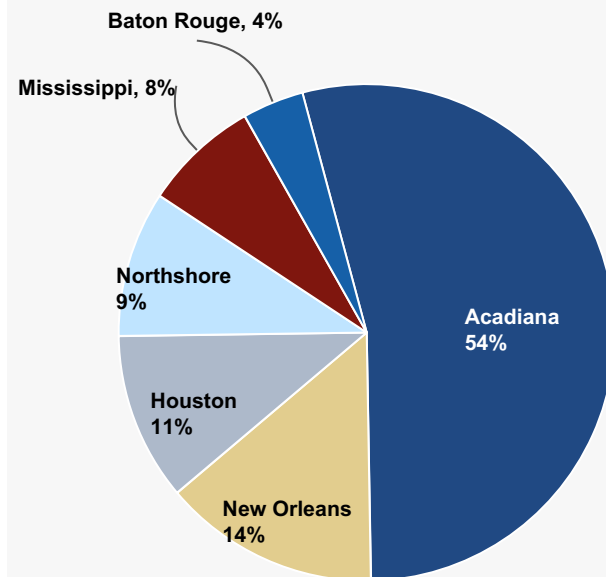
(dollars in thousands)				Change	
	3/31/2023	12/31/2023	3/31/2024	QoQ	YoY
Demand Deposits	\$ 854,736	\$ 744,424	\$ 742,177	\$ (2,247)	\$ (112,559)
Savings	288,788	231,624	228,047	(3,577)	(60,741)
Money Market	384,809	408,024	423,521	15,497	38,712
NOW	657,499	641,818	630,962	(10,856)	(26,537)
CDs	371,912	644,734	697,871	53,137	325,959
<b>Total Deposits</b>	<b>\$ 2,557,744</b>	<b>\$ 2,670,624</b>	<b>\$ 2,722,578</b>	<b>\$ 51,954</b>	<b>\$ 164,834</b>

**\$32,905**

Average deposit size

**27%**

Non-interest bearing deposit composition

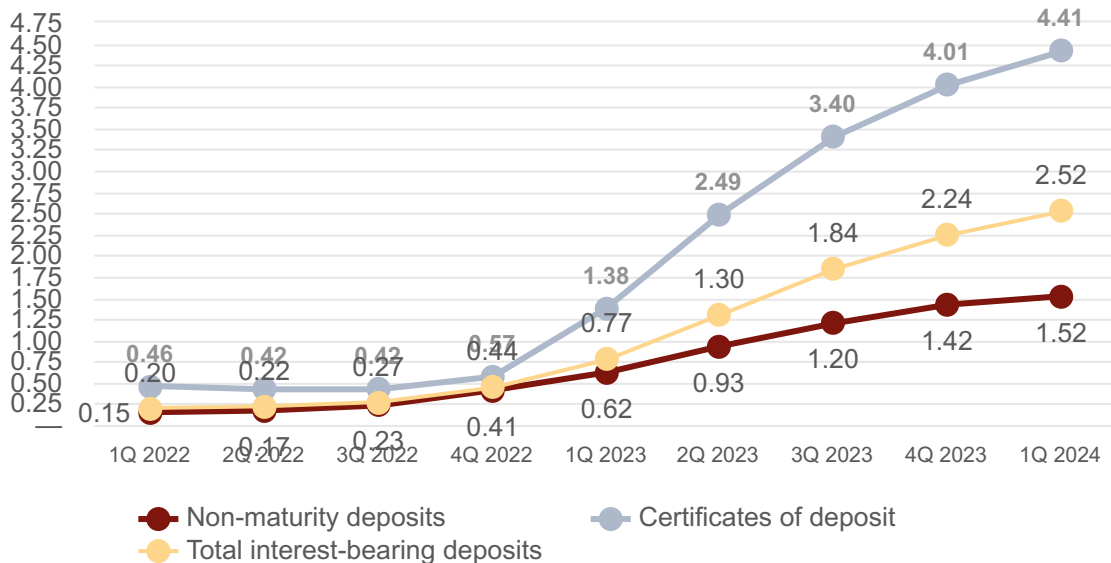


# Deposits

(as of March 31, 2024)

	Retail	Business	Public	Broker	Total
FDIC Insured	46%	18%	—%	—%	64%
Uninsured <sup>(1)</sup>	8	14	—	—	22
Reciprocal	—	4	—	—	4
Public Funds	—	—	8	—	8
Brokered Deposits	—	—	—	2	2
<b>Total</b>	<b>54%</b>	<b>36%</b>	<b>8%</b>	<b>2%</b>	<b>100%</b>

## Cost of Deposits



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

Approximately \$595 million  
or 22% of total deposits

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

201%

## Funding Availability

(in thousands)

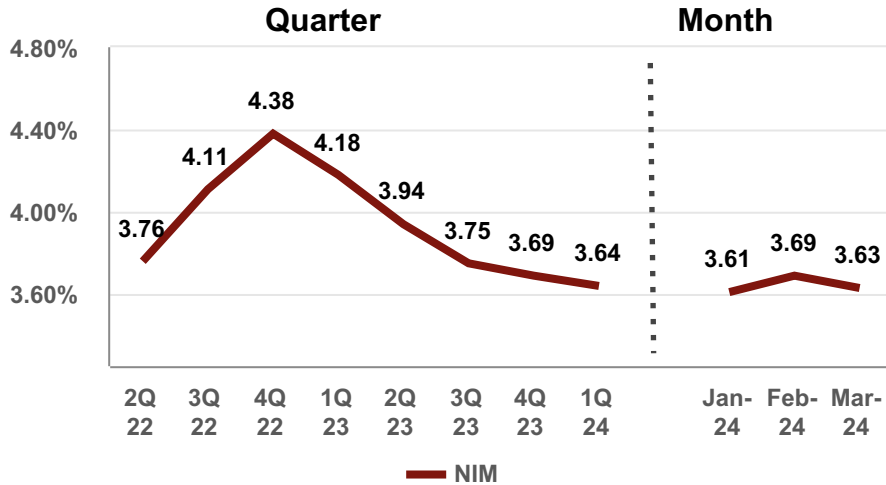
	Q1 2024
FHLB availability	\$ 1,107,888
Unencumbered investments (book)	86,091
FRB discount window	500
<b>Total primary funding sources</b>	<b>\$ 1,194,479</b>
Fed fund lines	55,000
<b>Total primary and secondary liquidity</b>	<b>\$ 1,249,479</b>

<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)

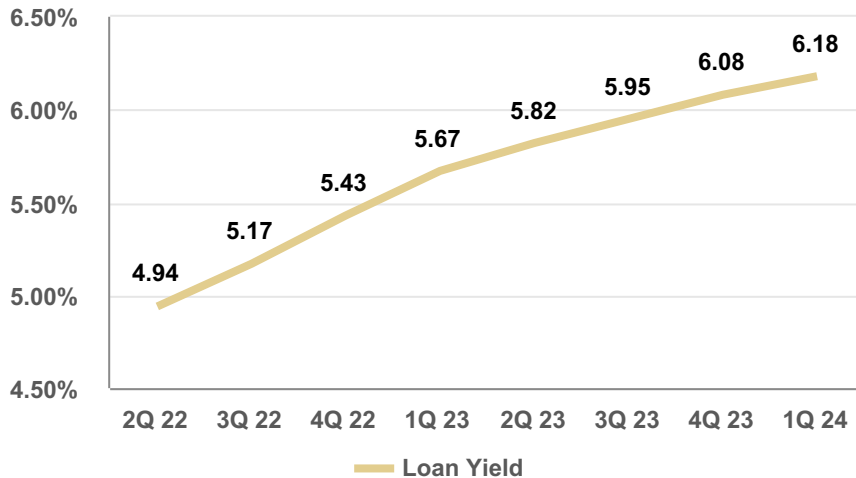


**NIM**  
**3.64%**  
for the quarter ended  
March 2024

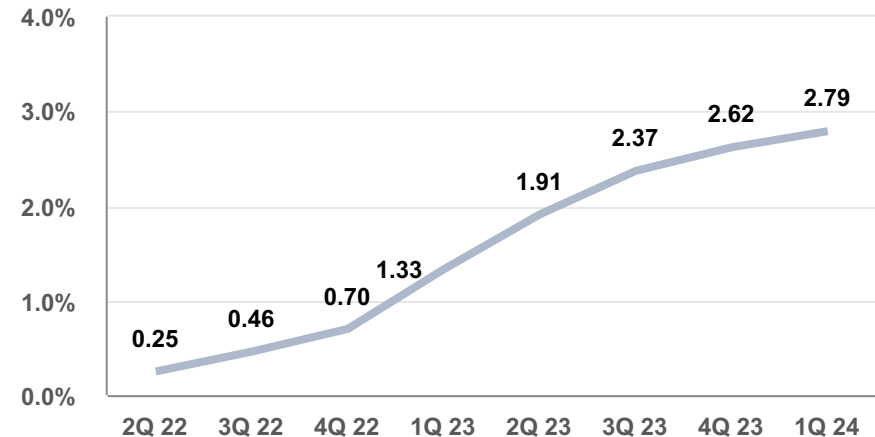
**1.82%**  
Cost of total deposits for  
the quarter ended  
March 2024

\$135 million borrowing under Federal Reserve BTFP at a cost of 4.76% and no Short-term FHLB advances at March 31, 2024

## Yield on Loans



## Cost of Interest-Bearing Liabilities





# Interest Rate Risk

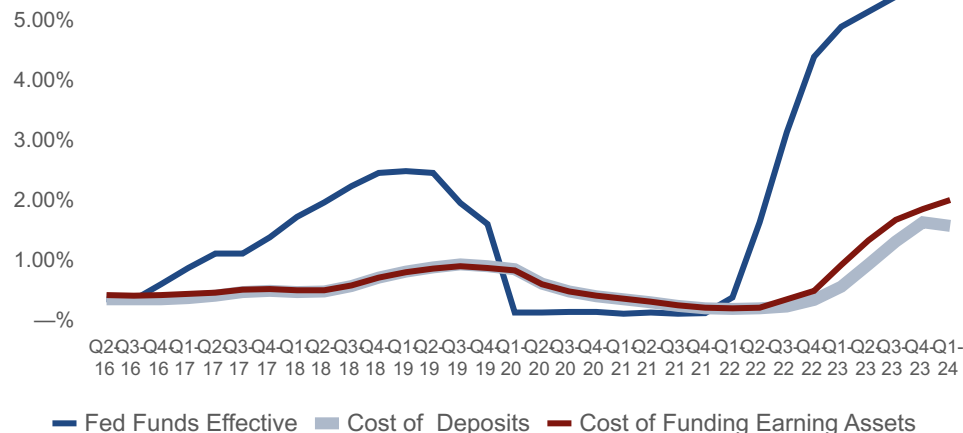
## Forecasted Change in NII

Rate Shock	1 Year % Change in NII
200	3.4%
100	1.8%
(100)	(2.8)%
(200)	(5.2)%

## Balance Sheet Composition

% of assets	2019	2023 Q1	2024 Q1
Cash	2%	3%	3%
Investments	12%	14%	13%
Loans, excluding PPP	78%	75%	80%
Other Assets	8%	8%	7%
NMD - noninterest-bearing	20%	26%	23%
NMD - interest-bearing	45%	41%	39%
CDs	18%	11%	21%
<b>Total Deposits</b>	<b>83%</b>	<b>78%</b>	<b>83%</b>
Borrowings	2%	8%	5%
Subordinated Debt	—%	2%	2%
Other	1%	1%	1%
Equity	14%	11%	11%

## Liability Betas



Investment Portfolio  
effective duration =  
**4.2**

**35%** of loan  
portfolio is  
variable

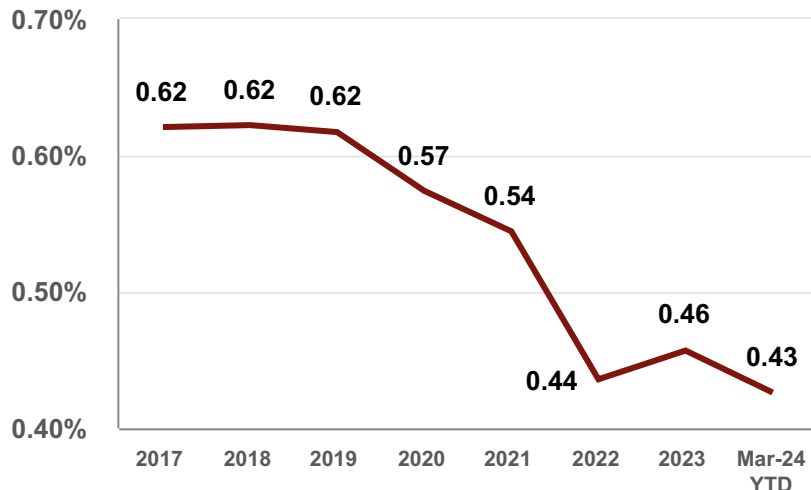
Loan portfolio effective  
duration ~ **2.3** (based  
on management  
estimates)

## Historical Funding Betas

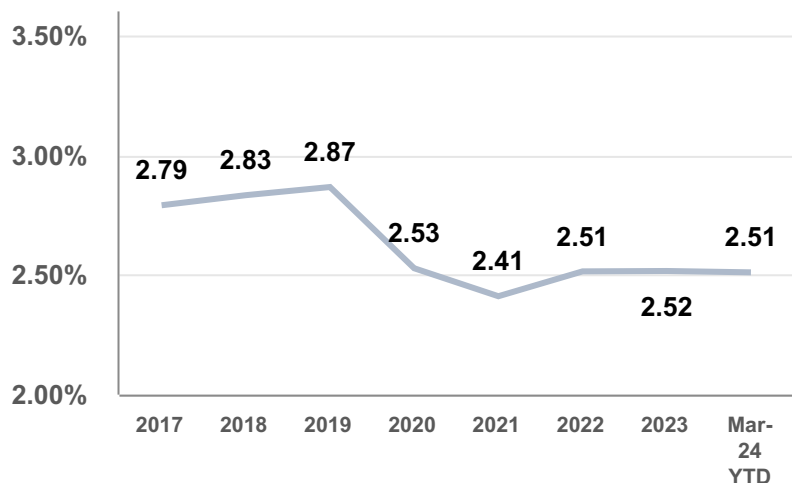
Cost of	2Q2016 - 3Q2019	3Q2019 - 1Q2022	1Q2022 - 1Q2024
Interest-bearing deposits	36%	40%	44%
Total deposits	27%	31%	32%
Interest-bearing liabilities	33%	40%	48%
Funding earning assets	23%	29%	34%

# Noninterest Income & Expense

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



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



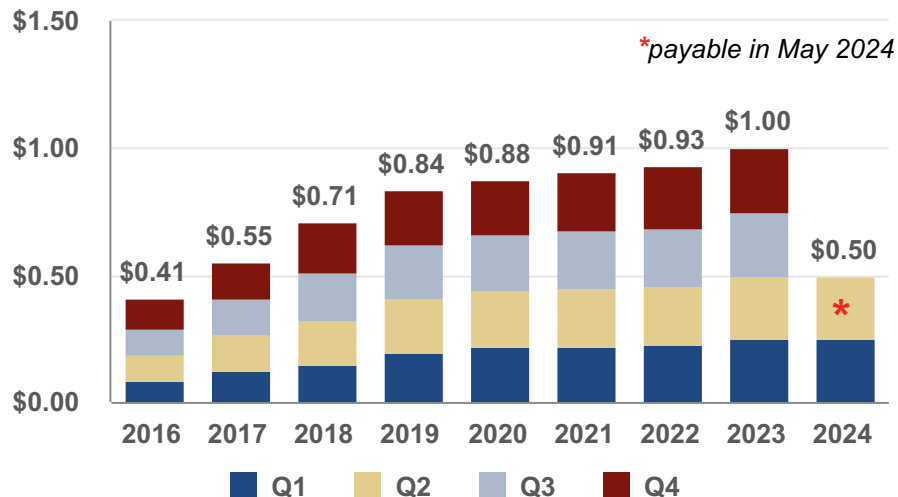
(dollars in thousands)	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Service fees and charges	\$ 1,250	\$ 1,230	\$ 1,277	\$ 1,235	\$ 1,254
Bank card fees	1,787	1,715	1,903	1,646	1,575
Gain on sale of loans	57	26	687	46	87
Loss on sale of securities, net	(249)	—	—	—	—
Loss on sale of assets, net	(17)	(3)	—	(7)	6
Other	483	480	532	558	627
<b>Total noninterest income</b>	<b>\$ 3,311</b>	<b>\$ 3,448</b>	<b>\$ 4,399</b>	<b>\$ 3,478</b>	<b>\$ 3,549</b>
Noninterest income less loss on sale of securities and assets	\$ 3,577	\$ 3,451	\$ 4,399	\$ 3,485	\$ 3,543

(dollars in thousands)	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Compensation	\$12,439	\$12,601	\$12,492	\$11,401	\$12,170
Data processing	2,321	2,132	2,496	2,423	2,514
Occupancy	2,350	2,447	2,410	2,467	2,454
Provision for unfunded	210	151	—	140	—
Other	2,620	3,628	3,940	4,173	3,730
<b>Total noninterest expense</b>	<b>\$19,940</b>	<b>\$20,959</b>	<b>\$21,338</b>	<b>\$20,604</b>	<b>\$20,868</b>
Foreclosed asset recovery	(739)	—	—	—	—
Noninterest expense excl. provision for unfunded and merger expenses	\$20,469	\$20,808	\$21,338	\$20,464	\$20,868

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

# Capital

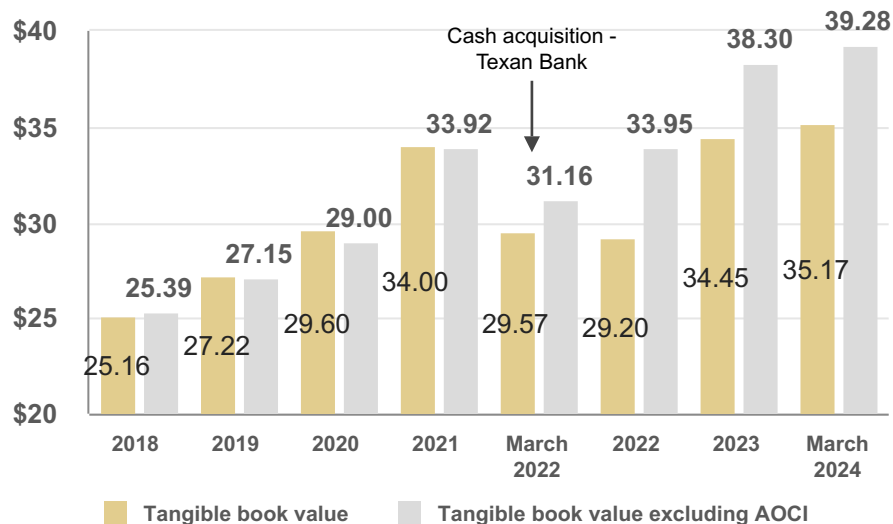
## Dividends Per Share



## Share Repurchase Activity

Year	# Shares	Average Price	Cash Utilized
2018	30,887	\$ 38.66	\$ 1,194,061
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 4/15/2024)	21,303	38.78	826,151
<b>Total</b>	<b>1,700,826</b>	<b>\$ 33.49</b>	<b>\$ 56,968,342</b>

## Tangible Book Value



**Cash dividend of \$0.25 per share**

payable on  
May 10, 2024

**~ 415,143 shares remaining**

in current plans as of  
April 15, 2024

**13%**

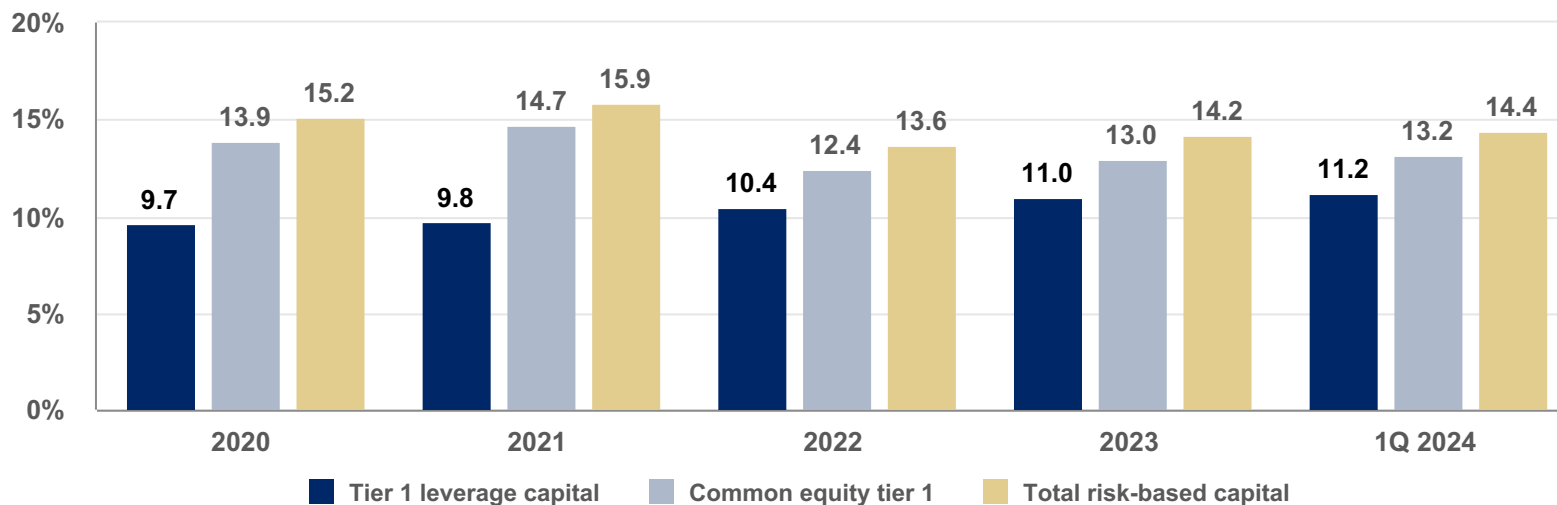
Shares repurchased since 2017

**8.7% CAGR**

TBV / share, excluding AOCI since 2018

# Capital

## Capital Ratios (Bank only)



## Regulatory Capital and Adjusted Capital as of 3/31/2024

	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	13.2%	11.9%	11.6%	10.4%
Tier 1 risk based capital	13.2%	11.9%	11.6%	10.4%
Total risk based capital	14.4%	13.2%	14.8%	13.6%
Tier 1 leverage capital	11.2%	10.2%	9.9%	8.8%

<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)

	4Q 2022	1Q 2023	2Q 2023	3Q 2023	4Q 2023	1Q 2024
Total shareholders' equity	\$ 329,954	\$ 345,100	\$ 346,117	\$ 345,332	\$ 367,444	\$ 372,285
Less: intangible assets	87,973	87,527	87,138	86,749	86,372	86,019
Non-GAAP tangible shareholders' equity	\$ 241,981	\$ 257,573	\$ 258,979	\$ 258,583	\$ 281,072	\$ 286,266
Reported net income	\$ 10,776	\$ 11,320	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199
Add: amortization CDI, net tax	350	352	307	307	298	279
Non-GAAP tangible net income	\$ 11,126	\$ 11,672	\$ 10,088	\$ 10,061	\$ 9,683	\$ 9,478
Return on average equity	13.2 %	13.5 %	11.3 %	11.0 %	10.6 %	10.0 %
Add: intangible assets	5.6	5.3	4.2	4.2	3.9	3.4
Non-GAAP return on tangible common equity	18.8 %	18.8 %	15.5 %	15.2 %	14.5 %	13.4 %
Book value per share	\$ 39.82	\$ 41.66	\$ 42.22	\$ 42.30	\$ 45.04	\$ 45.73
Less: intangible assets	10.62	10.57	10.63	10.63	10.59	10.56
Non-GAAP tangible book value per share	\$ 29.20	\$ 31.09	\$ 31.59	\$ 31.67	\$ 34.45	\$ 35.17
Reported net income	\$ 10,776	\$ 11,320	\$ 9,781	\$ 9,754	\$ 9,385	\$ 9,199
Less: PPP loan income	26	26	24	23	22	22
Less: gain (loss) on sale of assets	9	(17)	(3)	—	(7)	6
Less: gain (loss) on sale of securities	—	(249)	—	—	—	—
Less: loan discount accretion	750	668	647	634	583	525
Add: provision for loan losses	1,987	814	511	351	665	141
Add: provision (reversal) for credit losses on unfunded commitments	(170)	210	151	—	140	—
Add: CDI amortization	443	446	389	389	377	353
Add: One-time recovery of foreclosed asset	—	(739)	—	—	—	—
Total non-core items, net of taxes	1,165	239	303	66	461	(47)
Core pre-provision net income <sup>(1)</sup>	\$ 11,941	\$ 11,559	\$ 10,084	\$ 9,820	\$ 9,846	\$ 9,152

# Appendix

(non-GAAP reconciliation)

(dollars in thousands)

	2019	2020	2021	2022	2023	Mar-24 YTD
Total shareholders' equity	\$ 316,329	\$ 321,842	\$ 351,903	\$ 329,954	\$ 367,444	\$ 372,285
Less: intangible assets	64,472	63,112	61,949	87,973	86,372	86,019
Non-GAAP tangible shareholders' equity	\$ 251,857	\$ 258,730	\$ 289,954	\$ 241,981	\$ 281,072	\$ 286,266
Reported net income	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 40,240	\$ 9,199
Add: amortization CDI, net tax	1,251	1,074	919	1,266	1,264	279
Non-GAAP tangible income	\$ 29,183	\$ 25,839	\$ 49,540	\$ 35,338	\$ 41,504	\$ 9,478
Return on average equity	9.0 %	7.8 %	14.4 %	10.2 %	11.6 %	10.0 %
Add: intangible assets	2.8	2.4	3.6	3.7	4.4	3.4
Non-GAAP return on tangible common equity	11.8 %	10.2 %	18.0 %	13.9 %	16.0 %	13.4 %
Originated loans	\$ 1,251,201	\$ 1,625,139	\$ 1,593,769	\$ 1,961,425	\$ 2,169,500	\$ 2,219,485
Acquired loans	463,160	354,815	246,324	469,325	412,138	402,205
Total loans	\$ 1,714,361	\$ 1,979,954	\$ 1,840,093	\$ 2,430,750	\$ 2,581,638	\$ 2,621,690
Originated NPAs	\$ 16,421	\$ 10,353	\$ 8,348	\$ 4,489	\$ 6,518	\$ 17,749
Acquired NPAs	12,121	9,628	6,116	6,487	3,871	4,201
Total NPAs	\$ 28,542	\$ 19,981	\$ 14,464	\$ 10,976	\$ 10,389	\$ 21,950
Originated past due loans	\$ 16,541	\$ 12,070	\$ 9,071	\$ 6,215	\$ 7,864	\$ 18,923
Acquired past due loans	13,098	8,335	6,146	3,683	5,569	2,828
Total past due loans	\$ 29,639	\$ 20,405	\$ 15,217	\$ 9,898	\$ 13,433	\$ 21,751
Average assets	\$ 2,198,483	\$ 2,491,612	\$ 2,765,878	\$ 3,178,862	\$ 3,262,820	\$ 3,333,883
Less: average PPP loans	—	169,665	169,149	15,691	5,997	5,393
Average assets excluding PPP loans	\$ 2,198,483	\$ 2,321,947	\$ 2,596,729	\$ 3,163,171	\$ 3,256,823	\$ 3,328,490



# Appendix

(non-GAAP reconciliation)

(dollars in thousands)

	2019	2020	2021	2022	2023	Mar-24 YTD
Reported noninterest income	\$ 14,415	\$ 14,305	\$ 16,271	\$ 13,885	\$ 14,636	\$ 3,549
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>\$ 3,543</b>
Reported noninterest expense	\$ 63,605	\$ 62,981	\$ 66,982	\$ 81,909	\$ 82,841	\$ 20,868
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>\$ 20,868</b>
Reported net income	\$ 27,932	\$ 24,765	\$ 48,621	\$ 34,072	\$ 40,240	\$ 9,199
Less: PPP loan income	—	5,895	13,208	1,359	95	22
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	525
Add: provision (reversal) for loan losses	3,014	12,728	(10,161)	7,489	2,341	141
Add: provision for credit losses on unfunded commitments	—	—	390	278	501	—
Add: CDI amortization	1,583	1,360	1,163	1,602	1,601	353
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	(47)
<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>\$ 9,152</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	Mar-24 YTD
Total shareholders' equity	\$ 304,040	\$ 316,329	\$ 321,842	\$ 351,903	\$ 337,504	\$ 329,954	\$ 367,444	\$ 372,285
Less: intangible assets	66,055	64,472	63,112	61,949	87,569	87,973	86,372	86,019
Non-GAAP tangible shareholders' equity	\$ 237,985	\$ 251,857	\$ 258,730	\$ 289,954	\$ 249,935	\$ 241,981	\$ 281,072	\$ 286,266
Less: AOCI	(2,206)	692	5,274	744	(13,465)	(39,307)	(31,382)	(33,501)
Non-GAAP tangible shareholders' equity AOCI adjusted	\$ 240,191	\$ 251,165	\$ 253,456	\$ 289,210	\$ 263,400	\$ 281,288	\$ 312,454	\$ 319,767
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
Book value per share	\$ 32.14	\$ 34.19	\$ 36.82	\$ 41.27	\$ 39.93	\$ 39.82	\$ 45.04	\$ 45.73
Less: intangible assets	6.98	6.97	7.22	7.27	10.36	10.62	10.59	10.56
Non-GAAP tangible book value per share	\$ 25.16	\$ 27.22	\$ 29.60	\$ 34.00	\$ 29.57	\$ 29.20	\$ 34.45	\$ 35.17
Less: AOCI	(0.23)	0.07	0.60	0.08	(1.59)	(4.75)	(3.85)	(4.11)
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

# 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.