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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
WASHINGTON, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): September 15, 2023

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**Investar Holding Corporation**

(Exact name of registrant as specified in its charter)

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**Louisiana**  
(State or other jurisdiction  
of incorporation)

**001-36522**  
(Commission  
File Number)

**27-1560715**  
(I.R.S. Employer  
Identification No.)

**10500 Coursey Blvd.**  
**Baton Rouge, Louisiana 70816**  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (225) 227-2222

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$1.00 par value per share	ISTR	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 7.01 Regulation FD Disclosure

Representatives of Investar Holding Corporation (the “Company”), the holding company for Investar Bank, National Association (the “Bank”), intend to participate in the 2023 Janney Community Bank Forum, which is being held on September 18-19, 2023. A copy of the presentation materials is furnished as Exhibit 99.1 to this Form 8-K and is incorporated herein solely for purposes of this Item 7.01.

In accordance with General Instruction B.2 of Form 8-K, the information in this Item 7.01, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing.

The exhibit to this report may include certain statements concerning expectations for the future that are forward-looking statements as defined by federal securities law. Any forward-looking statements are based on the historical performance of the Company and its subsidiaries or on the Company’s current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by the Company that the future plans, estimates or expectations by the Company will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to the Company’s operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if the Company’s underlying assumptions prove to be incorrect, the Company’s actual results may vary materially from those indicated in these statements. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include, but are not limited to, the following, any one or more of which could materially affect the outcome of future events:

- the significant risks and uncertainties for our business, results of operations and financial condition, as well as our regulatory capital and liquidity ratios and other regulatory requirements caused by business and economic conditions generally and in the financial services industry in particular, whether nationally, regionally or in the markets in which we operate, including risks and uncertainties caused by disruptions in the banking industry earlier this year, potential continued higher inflation and interest rates, supply and labor constraints, the war in Ukraine and the ongoing COVID-19 pandemic;
- our ability to achieve organic loan and deposit growth, and the composition of that growth;
- changes (or the lack of changes) in interest rates, yield curves and interest rate spread relationships that affect our loan and deposit pricing, including potential continued increases in interest rates in 2023;
- our ability to identify and enter into agreements to combine with attractive acquisition candidates, finance acquisitions, complete acquisitions after definitive agreements are entered into, and successfully integrate and grow acquired operations;
- our adoption on January 1, 2023 of ASU 2016-13, and inaccuracy of the assumptions and estimates we make in establishing reserves for credit losses and other estimates;
- changes in the quality or composition of our loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers;
- a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity, which may continue to be adversely impacted by the disruptions in the banking industry earlier this year causing bank depositors to move uninsured deposits to other banks or alternative investments outside the banking industry;
- changes in the quality and composition of, and changes in unrealized losses in, our investment portfolio, including whether we may have to sell securities before their recovery of amortized cost basis and realize losses;
- the extent of continuing client demand for the high level of personalized service that is a key element of our banking approach as well as our ability to execute our strategy generally;
- our dependence on our management team, and our ability to attract and retain qualified personnel;
- the concentration of our business within our geographic areas of operation in Louisiana, Texas and Alabama;
- concentration of credit exposure;
- any deterioration in asset quality and higher loan charge-offs, and the time and effort necessary to resolve problem assets;
- fluctuations in the price of oil and natural gas;
- data processing system failures and errors;
- cyberattacks and other security breaches; and
- hurricanes, tropical storms, tropical depressions, floods, winter storms, and other adverse weather events, all of which have affected the Company's market areas from time to time; other natural disasters; oil spills and other man-made disasters; acts of terrorism, an outbreak or intensifying of hostilities including the war in Ukraine or other international or domestic calamities, acts of God and other matters beyond our control.

These factors should not be construed as exhaustive. Additional information on these and other risk factors can be found in Item 1A. “Risk Factors” and Item 7. “Special Note Regarding Forward-Looking Statements” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, filed with the Securities and Exchange Commission.

## Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description of Exhibit
99.1	<a href="#">Investor Presentation</a>
104	The cover page of Investar Holding Corporation’s Form 8-K is formatted in Inline XBRL



**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**INVESTAR HOLDING CORPORATION**

Date: September 15, 2023

By: /s/ John J. D'Angelo  
John J. D'Angelo  
President and Chief Executive Officer



# INVESTAR<sup>®</sup>

NASDAQ: ISTR

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Janney Community Bank Forum  
September 18 – 19, 2023

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As of June 30, 2023

INVESTAR<sup>®</sup>  
HOLDING CORPORATION





# Disclosures and Disclaimers

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect Investar's current views with respect to, among other things, future events and financial performance. Investar generally identifies forward-looking statements by terminology such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "could," "should," "seeks," "approximately," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable words.

Any forward-looking statements contained in this presentation are based on the historical performance of Investar and its subsidiaries or on Investar's current plans, estimates and expectations. The inclusion of this forward-looking information should not be regarded as a representation by Investar that the future plans, estimates or expectations by Investar will be achieved. Such forward-looking statements are subject to various risks and uncertainties and assumptions relating to Investar's operations, financial results, financial condition, business prospects, growth strategy and liquidity. If one or more of these or other risks or uncertainties materialize, or if Investar's underlying assumptions prove to be incorrect, Investar's actual results may vary materially from those indicated in these statements. Investar does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

A number of important factors could cause actual results to differ materially from those indicated by the forward-looking statements. These factors include, but are not limited to, the following, any one or more of which could materially affect the outcome of future events: (1) the significant risks and uncertainties for our business, results of operations and financial condition, as well as our regulatory capital and liquidity ratios and other regulatory requirements caused by business and economic conditions generally and in the financial services industry in particular, whether nationally, regionally or in the markets in which we operate, including risks and uncertainties caused by disruptions in the banking industry earlier this year, potential continued higher inflation and interest rates, supply and labor constraints, the war in Ukraine and the ongoing COVID-19 pandemic; (2) our ability to achieve organic loan and deposit growth, and the composition of that growth; (3) changes (or the lack of changes) in interest rates, yield curves and interest rate spread relationships that affect our loan and deposit pricing, including potential continued increases in interest rates in 2023; (4) our ability to identify and enter into agreements to combine with attractive acquisition candidates, finance acquisitions, complete acquisitions after definitive agreements are entered into, and successfully integrate and grow acquired operations; (5) our adoption on January 1, 2023 of ASU 2016-13, and inaccuracy of the assumptions and estimates we make in establishing reserves for credit losses and other estimates; (6) changes in the quality or composition of our loan or investment portfolios, including adverse developments in borrower industries or in the repayment ability of individual borrowers; (7) a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity, which may continue to be adversely impacted by the disruptions in the banking industry earlier this year causing bank depositors to move uninsured deposits to other banks or alternative investments outside the banking industry; (8) changes in the quality and composition of, and changes in unrealized losses in, our investment portfolio, including whether we may have to sell securities before their recovery of amortized cost basis and realize losses; (9) the extent of continuing client demand for the high level of personalized service that is a key element of our banking approach as well as our ability to execute our strategy generally; (10) our dependence on our management team, and our ability to attract and retain qualified personnel; (11) the concentration of our business within our geographic areas of operation in Louisiana, Texas and Alabama; (12) concentration of credit exposure; (13) any deterioration in asset quality and higher loan charge-offs, and the time and effort necessary to resolve problem assets; (14) fluctuations in the price of oil and natural gas; (15) data processing system failures and errors; (16) cyberattacks and other security breaches; and (17) hurricanes, tropical storms, tropical depressions, floods, winter storms, and other adverse weather events, all of which have affected Investar's market areas from time to time; other natural disasters; oil spills and other man-made disasters; acts of terrorism, an outbreak or intensifying of hostilities including the war in Ukraine or other international or domestic calamities, acts of God and other matters beyond our control.

These factors should not be construed as exhaustive. Additional information on these and other risk factors can be found in Item 1A. "Risk Factors" and in the "Special Note Regarding Forward-Looking Statements" in Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Investar's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission (the "SEC").

## Non-GAAP Financial Measures

This presentation contains financial information determined by methods other than in accordance with generally accepted accounting principles in the United States of America, or GAAP. These measures and ratios include "tangible common equity," "tangible assets," "tangible equity to tangible assets," "tangible book value per common share," "core noninterest income," "core earnings before noninterest expense," "core noninterest expense," "core earnings before income tax expense," "core income tax expense," "core earnings," "core efficiency ratio," "core return on average assets," "core basic earnings per share," and "core diluted earnings per share." Management believes these non-GAAP financial measures provide information useful to investors in understanding Investar's financial results, and Investar believes that its presentation, together with the accompanying reconciliations, provide a more complete understanding of factors and trends affecting Investar's business and allow investors to view performance in a manner similar to management, the entire financial services sector, bank stock analysts and bank regulators. These non-GAAP measures should not be considered a substitute for GAAP basis measures and results, and Investar strongly encourages investors to review its consolidated financial statements in their entirety and not to rely on any single financial measure. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. Reconciliation of the non-GAAP financial measures disclosed in this presentation to the comparable GAAP financial measures are included in the appendix.



# Our Company

*Investar Holding Corp. is the Bank Holding Company for Investar Bank*

- Headquartered in Baton Rouge, LA
- Founded in 2006
- Full service, commercially-oriented community bank
- 29 branches across Alabama, Louisiana and Texas
- Initial public offering and Nasdaq listing in 2014
- Completed 7 whole bank acquisitions and 1 branch transaction
- 39 consecutive quarters of dividends paid; 8 consecutive years of dividend growth

## Mission

Investar is a dynamic full service community bank focused on relationships that create value and opportunities for our customers, employees, shareholders and the community served







# Financial Overview – 2<sup>nd</sup> Quarter 2023

## Highlights

- Recorded quarterly net income of \$6.5 million in the 2<sup>nd</sup> quarter.
- Core return on average assets<sup>1</sup> improved to 0.97% for the 2<sup>nd</sup> quarter compared to 0.76% for the 1<sup>st</sup> quarter.
- Core noninterest expense<sup>1</sup> decreased \$0.3 million to \$15.2 million during the 2<sup>nd</sup> quarter compared to \$15.5 million for the 1<sup>st</sup> quarter.
- Repurchased 92,300 shares during the 2<sup>nd</sup> quarter. In July, the Board of Directors authorized an additional 350,000 shares for repurchase under our stock repurchase program.
- Tangible book value<sup>1</sup> increased 0.7% (2.8% annualized) during the 2<sup>nd</sup> quarter to \$17.87 per share compared to \$17.74 for the 1<sup>st</sup> quarter.

## Liquidity

- Total deposits increased \$35.2 million, or 1.6%, at June 30, 2023 to \$2.18 billion compared to \$2.15 billion at March 31, 2023.
- Uninsured deposits were 34% of total deposits at June 30, 2023.
- Utilized the Federal Reserve's Bank Term Funding Program to secure fixed rate funding for a one-year term and reduced short-term Federal Home Loan Bank advances, which are priced daily. The Bank utilized this source of funding due to its lower rate, the ability to prepay the obligations without penalty, and as a means to lock in funding.

## Loans and Credit Quality

- Total loans decreased \$24.2 million, or 1.1%, to \$2.08 billion at June 30, 2023 compared to \$2.11 billion at March 31, 2023.
- Nonperforming loans were 0.34% of total loans at June 30, 2023 compared to 0.27% of total loans at March 31, 2023.

## 2nd Quarter Results

<b>Balance Sheet (in millions)</b>	
Assets	\$ 2,754
Net Loans	\$ 2,055
Deposits	\$ 2,181
Equity	\$ 218
<b>Holding Company Capital</b>	
TCE/TA <sup>1</sup>	6.48%
Tier 1 Leverage Capital	8.45%
Common Equity Tier 1 Capital	9.86%
Tier 1 Capital	10.28%
Total Capital	13.49%
<b>Profitability (2nd quarter)</b>	
Net Interest Margin	2.82%
ROAA	0.96%
ROAE	11.85%
Net Income	\$ 6,547
Pre-Tax, Pre-Provision Income <sup>1</sup>	\$ 5,216
<b>Per Share Information</b>	
Tangible Book Value <sup>1</sup>	\$ 17.87
Earnings (Diluted)	\$ 0.67
Dividends	\$ 0.10



<sup>1</sup> Non-GAAP financial measure; please see appendix for additional details





# Leadership Team



***John J. D'Angelo, President and Chief Executive Officer***

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Mr. D'Angelo has been the President and Chief Executive Officer of the Company since the Share Exchange. He has also served as the Bank's President and Chief Executive Officer since its organization in 2006. Prior to Investar Bank's organization, Mr. D'Angelo was manager of the private banking, small business banking, construction lending, brokerage and trust areas of Hibernia National Bank (the predecessor to Capital One Bank, N.A.) for more than six years in the East Baton Rouge Parish, Louisiana, market. From 1996 to 2005, Mr. D'Angelo was president and director of Aegis Lending Corporation, a company with lending operations in 46 states and the District of Columbia.



***John R. Campbell, Executive VP and Chief Financial Officer***

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Mr. Campbell joined the Bank in January 2023 as the Chief Financial Officer. Prior to joining the Bank, he served as the Director of Accounting and Corporate Controller for Laitram LLC, a global manufacturing company. Prior to joining Laitram LLC in 2005, Mr. Campbell served in corporate treasury, accounting and financial reporting, portfolio management, and lending roles for Hibernia National Bank for over ten years. Mr. Campbell also spent four years as an auditor with Ernst & Young LLP serving both public and privately-held clients in a variety of industries, including financial services. He has a Bachelor of Science in Finance from Louisiana State University and is a licensed Certified Public Accountant.



***Jeffrey W. Martin, Executive VP and Chief Credit Officer***

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Mr. Martin joined the Bank in April 2020 as the Business Banking Director. In October 2021, he assumed the role of Chief Credit Officer. Prior to joining the Bank, he served as a Commercial Banking Executive for Regions Bank. He has over 30 years of banking experience, including senior roles in credit risk management, special assets, business development strategy and commercial banking.



***Linda M. Crochet, Executive VP and Chief Operating Officer***

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Ms. Crochet joined the Bank in January 2019 as the Greater Baton Rouge Loan Portfolio President. In October 2021, she assumed the role of Chief Operations Officer of the Company and the Bank. Prior to joining the Bank, Ms. Crochet served as Senior Director of Credit Process and Technology within the Credit Risk Management department of Capital One Bank from 2005 to 2018. Ms. Crochet also spent 21 years at Hibernia National Bank, which was acquired by Capital One Bank in 2005, in various roles that include credit underwriting, credit policy, lending, and investor relations.



# Corporate Culture

## VALUES

Integrity  
Neighborhoodly  
Visionary  
Empowerment  
Star Service  
Team Focused  
Accountable  
Responsive



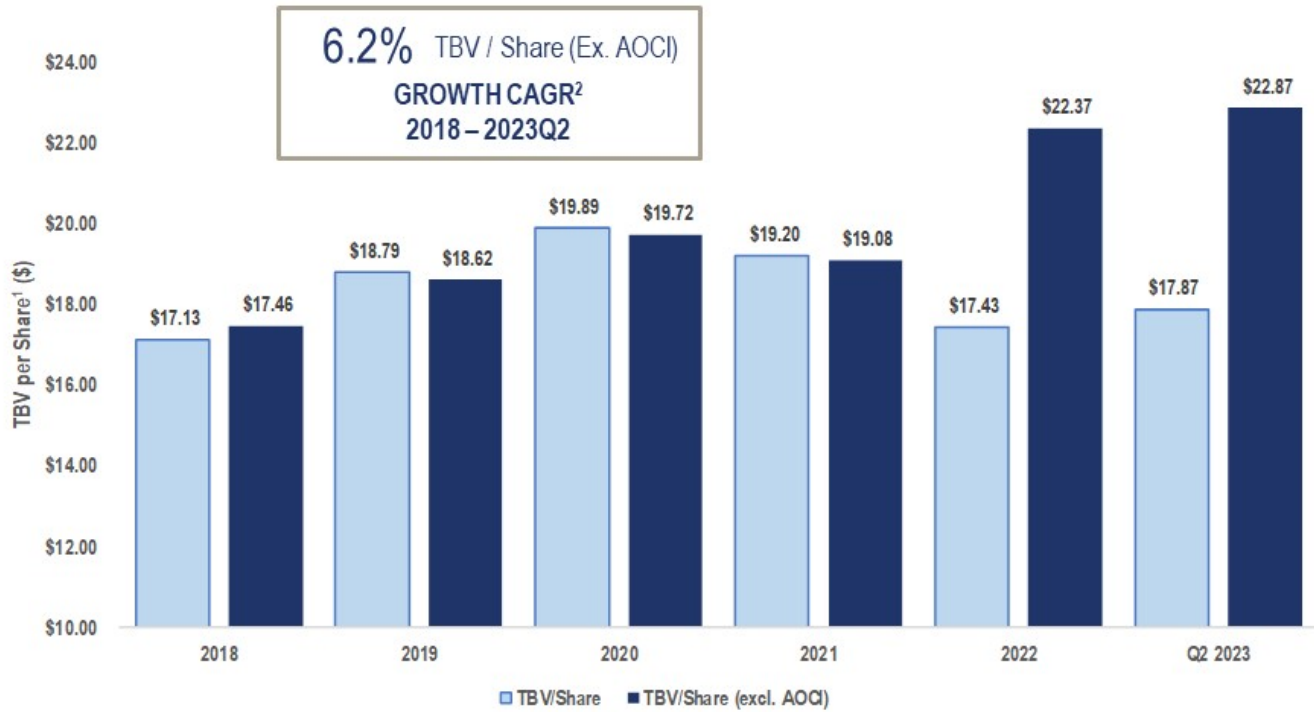
## MISSION

**INVESTAR IS**  
a dynamic full service  
community bank focused  
on relationships that create  
value and opportunities for  
our customers, employees,  
shareholders and the  
community served



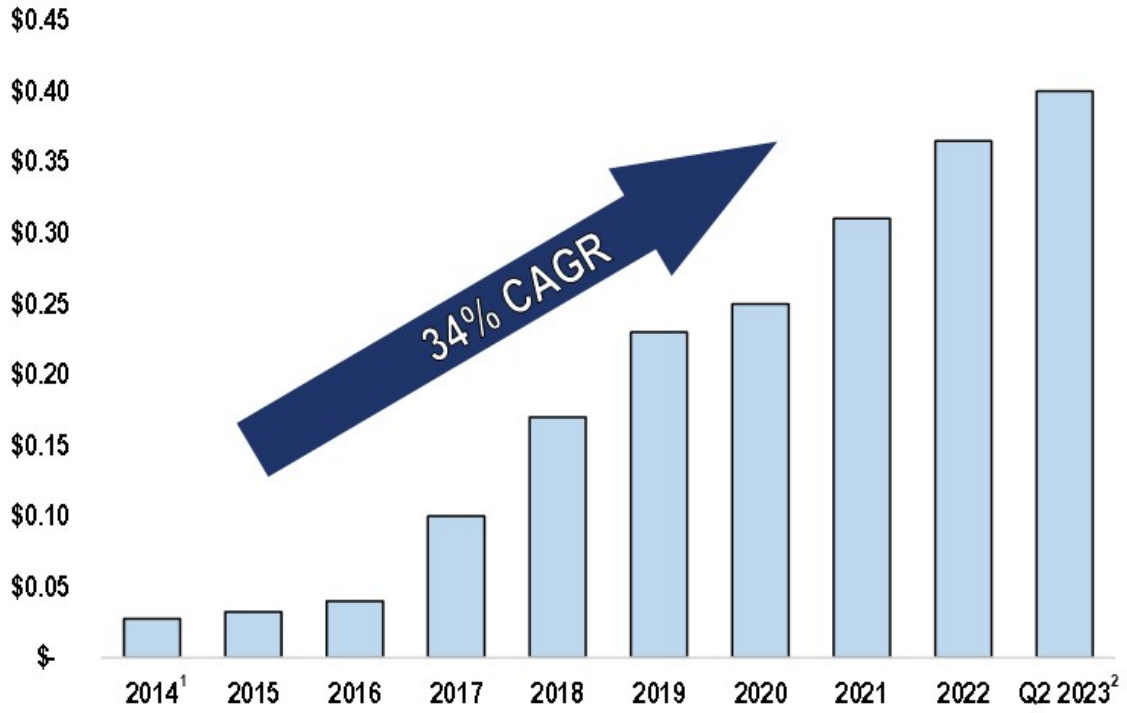
# Creating Shareholder Value

## Tangible Book Value Per Share<sup>1</sup>





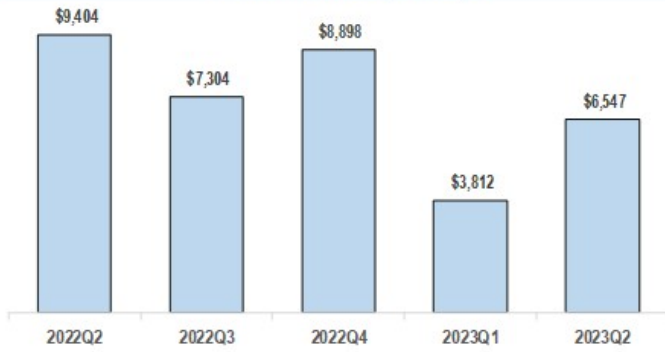
# Dividend History





# Recent GAAP Earnings Performance

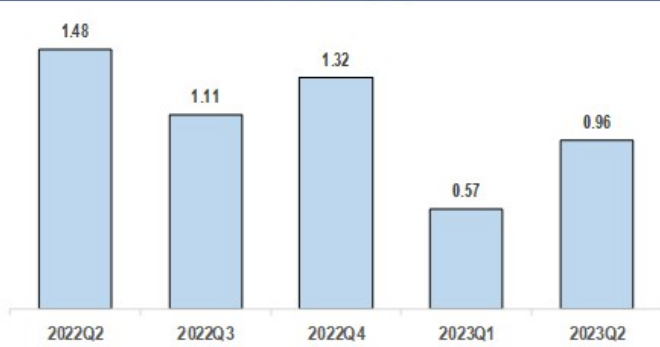
## Net Income (\$000)



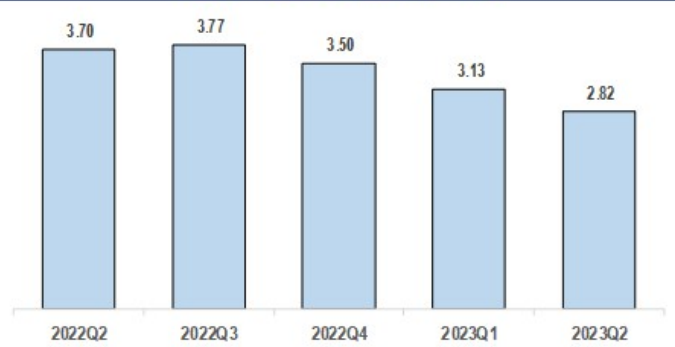
## Earnings Per Share (Diluted)



## ROAA (%)



## Net Interest Margin (%)





# Recent Core Earnings Performance

### Core Earnings (\$000)<sup>1</sup>



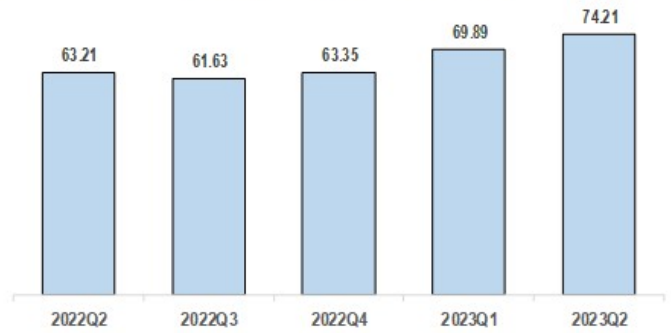
### Core Earnings Per Share (Diluted)<sup>1</sup>



### Core ROAA (%)<sup>1</sup>



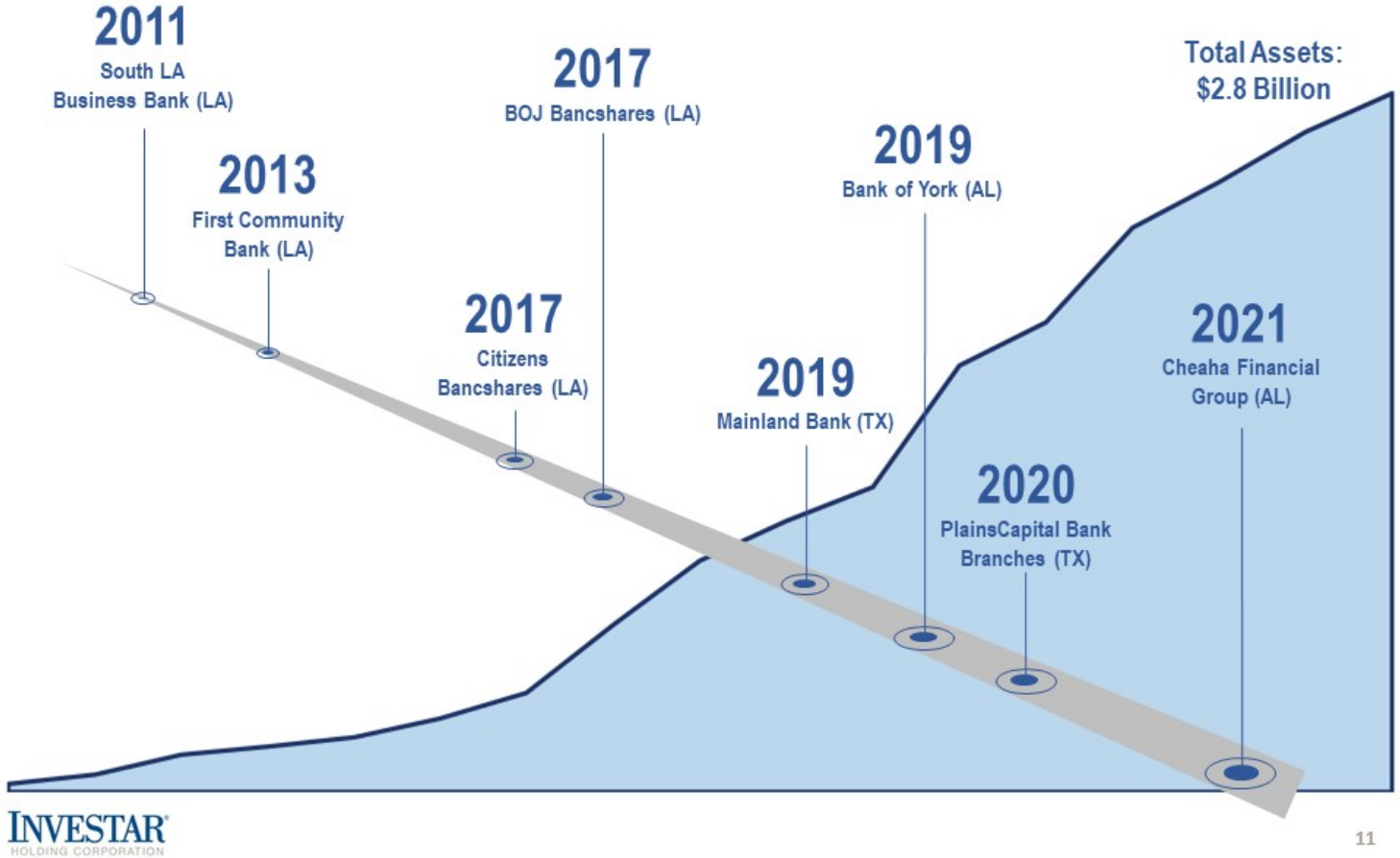
### Core Efficiency Ratio (%)<sup>1</sup>





# Continued Execution of Acquisition Strategy

Investar Has Completed 7 Whole Bank Acquisitions and 1 Branch Transaction







# Investment Portfolio – 2<sup>nd</sup> Quarter Update

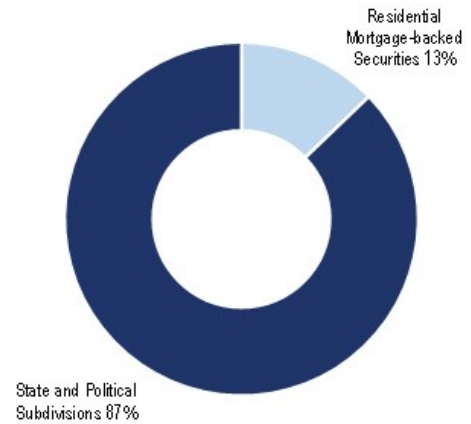
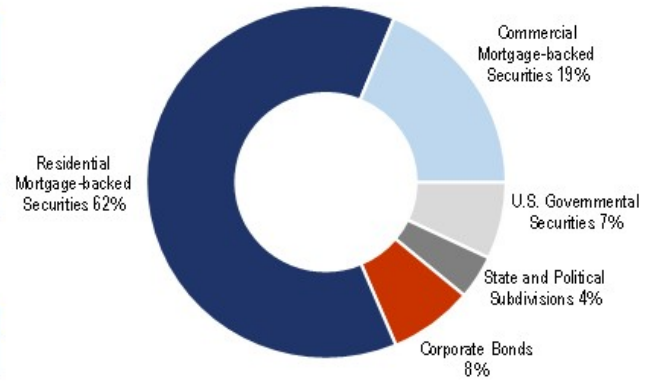
Available-for-Sale			
<i>(Dollars in thousands)</i>	Book Value	Gain (Loss)	Fair Value
U.S. Governmental Securities	\$ 27,889	\$ (594)	\$ 27,295
State and Political Subdivisions	19,949	(2,314)	17,635
Corporate Bonds	33,740	(4,304)	29,436
Residential Mortgage-backed Securities	288,658	(46,389)	242,269
Commercial Mortgage-backed Securities	81,817	(8,869)	72,948
<b>Total</b>	<b>\$ 452,053</b>	<b>\$ (62,470)</b>	<b>\$ 389,583</b>

Available-for-Sale Portfolio Characteristics	
Weighted average modified duration	5.9 years
Current tax-equivalent yield	2.87%

Held-to-Maturity			
<i>(Dollars in thousands)</i>	Book Value	Gain (Loss)	Fair Value
Residential Mortgage-backed Securities	\$ 2,530	\$ (234)	\$ 2,296
State and Political Subdivisions	15,282	335	15,617
<b>Total</b>	<b>\$ 17,812</b>	<b>\$ 101</b>	<b>\$ 17,913</b>

Held-to-Maturity Portfolio Characteristics	
Weighted average modified duration	7.9 years
Current tax-equivalent yield	4.92%

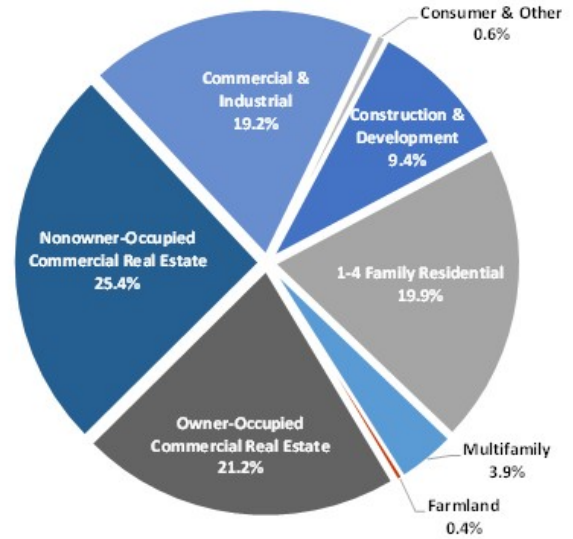
Total Effective Duration:	6.0 years
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# Loan Portfolio – 2<sup>nd</sup> Quarter Update

- Loan yield improved to 5.44% for the 2<sup>nd</sup> quarter compared to 5.27% for the 1<sup>st</sup> quarter.
- Total loans decreased \$24.2 million, or 1.1%, to \$2.08 billion at June 30, 2023, compared to \$2.11 billion at March 31, 2023.
- Net recoveries of \$2.4 million in the loan portfolio primarily attributable to recoveries on one loan relationship that became impaired in the third quarter of 2021 as a result of Hurricane Ida.
- Decrease in the business lending portfolio compared to March 31, 2023 is primarily driven by lower demand due to higher rates.

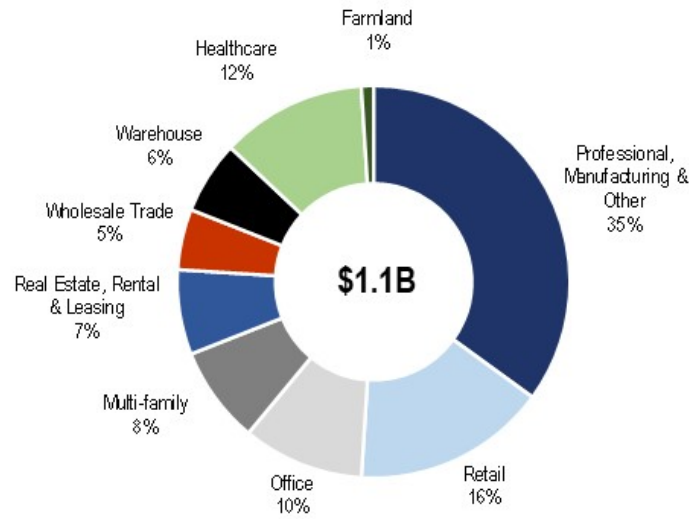


As of June 30, 2023

(Dollars in thousands)	Loan Portfolio Detail - Quarterly Lookback							
	9/30/2021	12/30/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Construction & Development	\$ 215,247	\$ 203,204	\$ 201,221	\$ 214,543	\$ 220,609	\$ 201,633	\$ 210,274	\$ 197,850
1-4 Family Residential	362,249	364,307	367,520	380,028	391,857	401,377	401,329	414,380
Multifamily	58,972	59,570	52,500	56,491	57,306	81,812	80,980	80,424
Farmland	21,376	20,128	18,296	15,676	14,202	12,877	10,731	8,434
Owner-Occupied Commercial Real Estate	432,898	460,205	436,763	440,714	445,671	445,148	433,585	441,393
Nonowner-Occupied Commercial Real Estate	435,575	436,172	471,447	451,108	464,520	513,095	533,572	530,820
Commercial & Industrial	335,008	310,831	314,093	343,355	397,759	435,093	425,093	399,488
Consumer & Other	19,333	17,595	15,603	14,480	13,753	13,732	13,480	12,074
<b>Total Loans</b>	<b>\$ 1,880,658</b>	<b>\$ 1,872,012</b>	<b>\$ 1,877,444</b>	<b>\$ 1,916,395</b>	<b>\$ 2,005,677</b>	<b>\$ 2,104,767</b>	<b>\$ 2,109,044</b>	<b>\$ 2,084,863</b>



# CRE Portfolio Overview



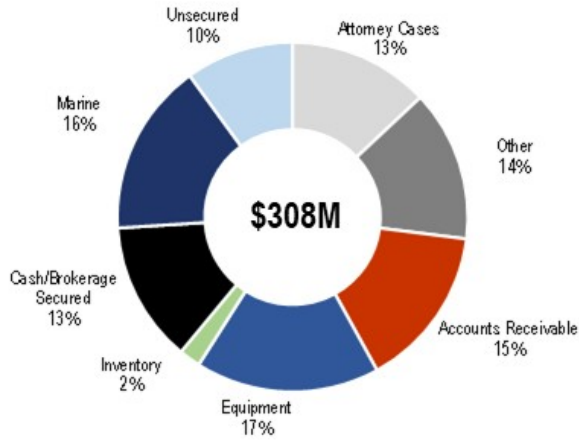
### Portfolio Characteristics June 30, 2023

% of Total Portfolio	50.9%
Owner-Occupied as % of CRE Portfolio	41.6%
Nonowner-Occupied Office as a % of Total Portfolio	5.2%
Average Loan Size	\$902K

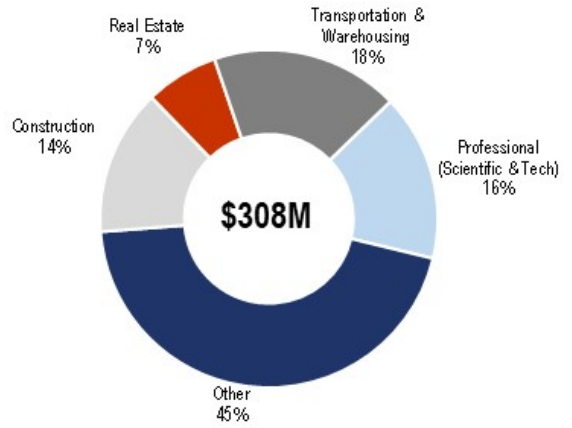


# C&I Portfolio Overview

## By Collateral Type



## By Industry



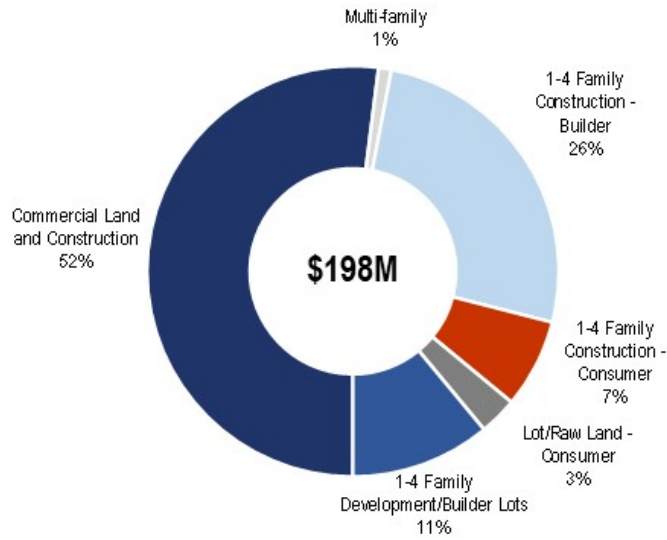
## Portfolio Characteristics

June 30, 2023

% of Total Portfolio	14.8%
Average Loan Size	\$63K



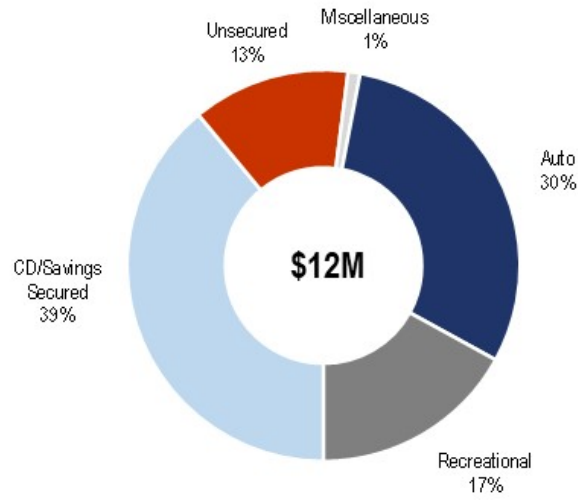
# Construction & Development Portfolio Overview



Portfolio Characteristics	
June 30, 2023	
% of Total Portfolio	9.4%
Average Loan Size	\$491K



# Consumer Portfolio Overview

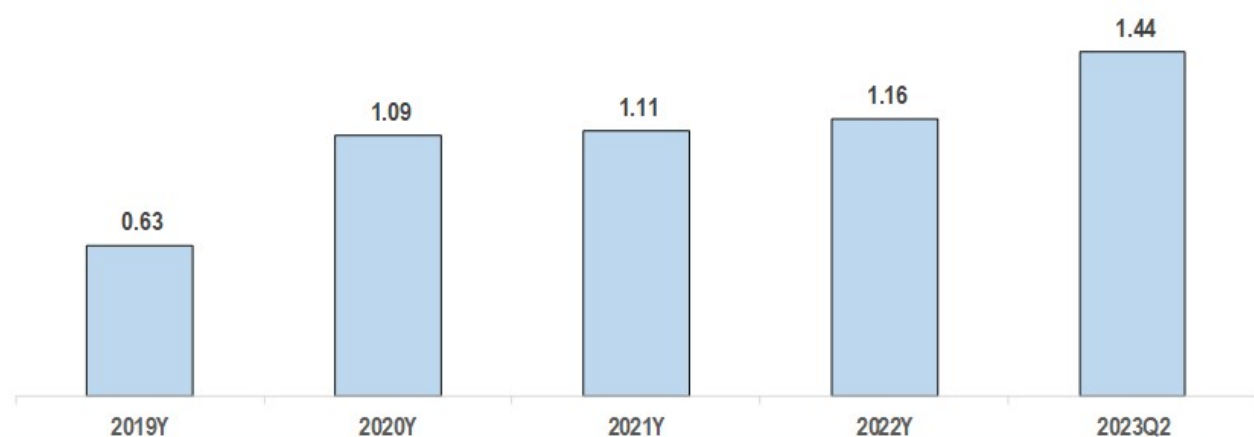


Portfolio Characteristics	
June 30, 2023	
% of Total Portfolio	0.6%
Average Loan Size	\$9K



# Allowance for Credit Losses

## Allowance for Credit Losses / Total Loans (%)



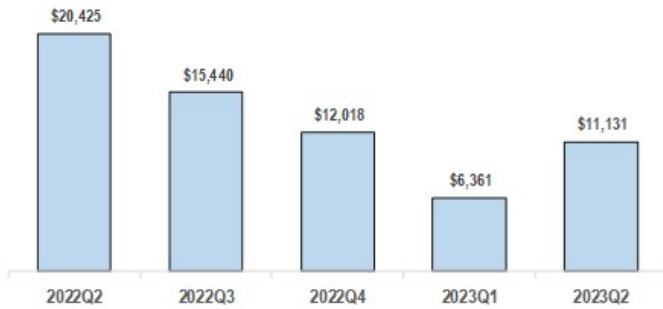
(Dollars in thousands)	For the Year Ended				For the Six Months Ended
	12/31/2019	12/31/2020	12/31/2021	12/31/2022	6/30/2023
<b>Allowance for Credit Losses</b>					
Allowance for Credit Losses - Beginning	\$ 9,454	\$ 10,700	\$ 20,363	\$ 20,859	\$ 24,364
ASC Topic 326 adoption impact <sup>1</sup>	-	-	-	-	5,865
Provision	1,908	11,160	22,885	2,922	(2,277)
Charge-offs & Adj.	(800)	(1,754)	(22,636)	(633)	(635)
Recoveries	138	257	247	1,216	2,727
<b>Allowance for Credit Losses - Ending</b>	<b>\$ 10,700</b>	<b>\$ 20,363</b>	<b>\$ 20,859</b>	<b>\$ 24,364</b>	<b>\$ 30,044</b>



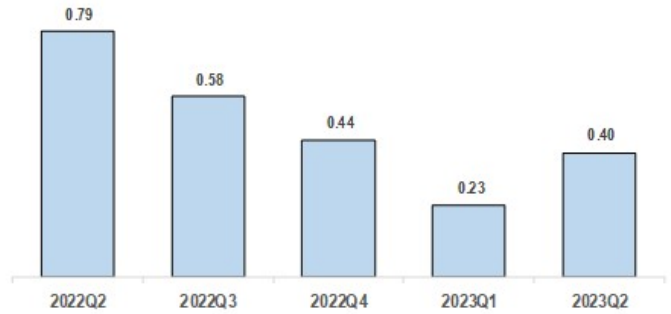


# Asset Quality Trends

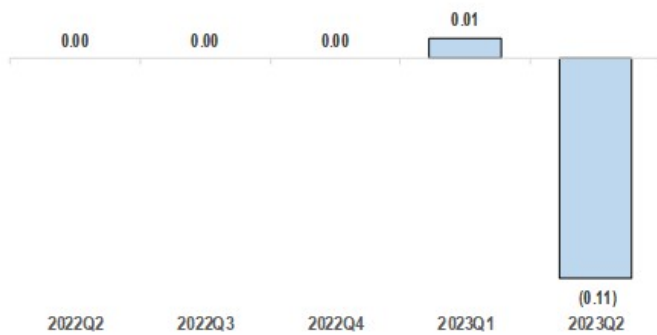
## Nonperforming Assets (\$000s)



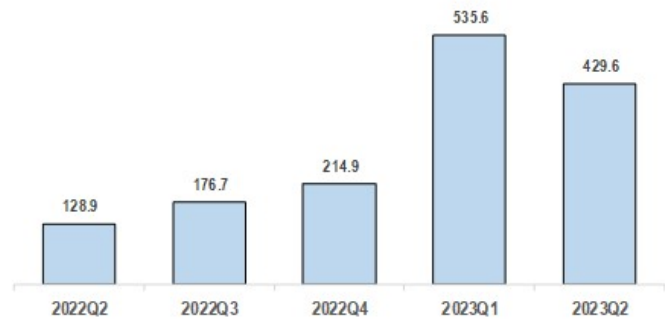
## NPAs / Assets (%)



## Net Charge-offs / Avg. Loans (%)



## Reserves / NPLs (%)

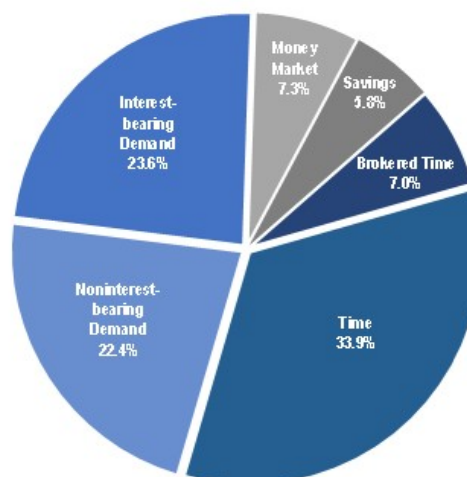




# Deposit Portfolio

## Deposit Mix at June 30, 2023

- Total deposits increased \$35.2 million, or 1.6%, to \$2.18 billion at June 30, 2023, compared to \$2.15 billion at March 31, 2023.
- Uninsured deposits were 34% of total deposits at June 30, 2023.
- Beginning in the fourth quarter of 2022, management utilized brokered time deposits, entirely in denominations of less than \$250,000, to secure fixed cost funding and reduce short-term borrowings. The remaining weighted average duration of brokered time deposits is approximately 13 months with a weighted average rate of 4.91%.



Deposit Composition - Quarterly Lookback									
(Dollars in thousands)	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Noninterest-bearing Demand	\$ 582,109	\$ 597,452	\$ 585,465	\$ 614,416	\$ 615,779	\$ 590,610	\$ 580,741	\$ 508,241	\$ 488,311
Interest-bearing Demand	630,829	658,743	650,868	710,914	647,277	624,025	565,598	538,515	514,501
Brokered Demand	100,117	125,016	-	-	-	-	-	-	-
Money Market	243,058	264,846	255,501	276,112	243,795	251,213	208,596	180,402	158,984
Savings	174,385	174,953	180,837	182,532	176,760	167,131	155,176	137,336	125,442
Brokered Time	-	-	-	-	-	-	9,990	146,270	153,365
Time	529,668	482,631	447,595	402,030	379,059	419,704	562,264	634,883	740,250
<b>Total Deposits</b>	<b>\$ 2,260,166</b>	<b>\$ 2,303,641</b>	<b>\$ 2,120,266</b>	<b>\$ 2,186,004</b>	<b>\$ 2,062,670</b>	<b>\$ 2,052,683</b>	<b>\$ 2,082,365</b>	<b>\$ 2,145,647</b>	<b>\$ 2,180,853</b>
<b>Total Deposit Interest Rate<sup>1</sup></b>	<b>0.38%</b>	<b>0.32%</b>	<b>0.22%</b>	<b>0.18%</b>	<b>0.17%</b>	<b>0.25%</b>	<b>0.58%</b>	<b>1.20%</b>	<b>1.78%</b>



# Financial Profile

	As of December 31,					For the Three Months Ended			
	2018	2019	2020	2021	2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
<i>(Dollars in thousands, except per share data)</i>									
<b>Balance Sheet</b>									
Total Assets	\$ 1,786,469	\$ 2,148,916	\$ 2,321,181	\$ 2,513,203	\$ 2,753,807	\$ 2,661,694	\$ 2,753,807	\$ 2,751,669	\$ 2,753,674
Total Loans	\$ 1,400,825	\$ 1,691,975	\$ 1,860,318	\$ 1,872,012	\$ 2,104,767	\$ 2,005,677	\$ 2,104,767	\$ 2,109,044	\$ 2,084,863
Total Deposits	\$ 1,361,731	\$ 1,707,706	\$ 1,887,824	\$ 2,120,266	\$ 2,082,365	\$ 2,052,683	\$ 2,082,365	\$ 2,145,647	\$ 2,180,853
Loans/Deposits	102.87%	99.08%	98.54%	88.29%	101.08%	97.71%	101.08%	98.29%	95.60%
<b>Capital</b>									
TCA/TA <sup>1</sup>	9.20%	9.96%	9.22%	8.04%	6.37%	6.20%	6.37%	6.48%	6.48%
Total Capital	13.46%	15.02%	14.71%	12.99%	13.25%	13.15%	13.25%	13.24%	13.49%
Tier 1 Capital	11.59%	12.03%	11.36%	9.90%	10.21%	10.08%	10.21%	10.06%	10.28%
Tier 1 Leverage Capital	9.81%	10.45%	9.49%	8.12%	8.53%	8.48%	8.53%	8.30%	8.45%
<b>Profitability Measures</b>									
Net Interest Margin	3.61%	3.51%	3.49%	3.53%	3.67%	3.77%	3.50%	3.13%	2.82%
Non Interest Income / Average Assets	0.26%	0.31%	0.53%	0.47%	0.70%	0.40%	0.51%	0.16%	0.30%
Non Interest Expense / Average Assets	2.48%	2.44%	2.51%	2.45%	2.34%	2.42%	2.06%	2.40%	2.22%
Efficiency Ratio	67.89%	67.81%	66.72%	65.79%	56.29%	61.10%	53.59%	76.12%	74.50%
ROAA	0.81%	0.85%	0.61%	0.31%	1.37%	1.11%	1.32%	0.57%	0.96%
ROAE	7.68%	8.21%	5.77%	3.22%	15.63%	12.79%	16.69%	7.04%	11.85%
Diluted Earnings Per Share	\$ 1.39	\$ 1.66	\$ 1.27	\$ 0.76	\$ 3.50	\$ 0.73	\$ 0.88	\$ 0.38	\$ 0.67
Net Income	\$ 13,606	\$ 16,839	\$ 13,889	\$ 8,000	\$ 35,709	\$ 7,304	\$ 8,898	\$ 3,812	\$ 6,547
<b>Asset Quality</b>									
NPAs / Assets	0.54%	0.30%	0.62%	1.28%	0.44%	0.58%	0.44%	0.23%	0.40%
NCOs / Avg Loans	0.08%	0.04%	0.08%	1.18%	-0.03%	0.00%	0.00%	0.01%	-0.11%

APPENDIX

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# Non-GAAP Reconciliation

(Dollars in thousands, except per share data)	As of December 31					For the Three Months Ended			
	2018	2019	2020	2021	2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
<b>Tangible common equity:</b>									
Total stockholders' equity	\$ 182,262	\$ 241,976	\$ 243,284	\$ 242,598	\$ 215,782	\$ 205,700	\$ 215,782	\$ 218,458	\$ 218,357
<b>Adjustments:</b>									
Goodwill	(17,424)	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(2,363)	(4,903)	(4,088)	(3,948)	(3,059)	(3,272)	(3,059)	(2,776)	(2,589)
Tangible common equity	\$ 162,475	\$ 210,941	\$ 211,052	\$ 198,562	\$ 172,635	\$ 162,340	\$ 172,635	\$ 175,594	\$ 175,680
AOCI	(3,076)	1,891	1,805	1,163	(48,913)	(50,603)	(48,913)	(44,250)	(49,165)
Tangible common equity excluding AOCI	\$ 165,551	\$ 209,050	\$ 209,247	\$ 197,399	\$ 221,548	\$ 212,943	\$ 221,548	\$ 219,844	\$ 224,845
Common shares outstanding	9,484,219	11,228,775	10,608,829	10,343,494	9,901,847	9,901,078	9,901,847	9,900,648	9,831,145
Book value per common share	\$ 19.22	\$ 21.55	\$ 22.93	\$ 23.45	\$ 21.79	\$ 20.78	\$ 21.79	\$ 22.06	\$ 22.21
Tangible book value per common share	\$ 17.13	\$ 18.79	\$ 19.89	\$ 19.20	\$ 17.43	\$ 16.40	\$ 17.43	\$ 17.74	\$ 17.87
Tangible book value per common share excluding AOCI	\$ 17.46	\$ 18.62	\$ 19.72	\$ 19.08	\$ 22.37	\$ 21.51	\$ 22.37	\$ 22.21	\$ 22.87
<b>Tangible assets:</b>									
Total assets	\$ 1,786,469	\$ 2,148,916	\$ 2,321,181	\$ 2,513,203	\$ 2,753,807	\$ 2,661,694	\$ 2,753,807	\$ 2,751,669	\$ 2,753,674
<b>Adjustments:</b>									
Goodwill	(17,424)	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(2,363)	(4,903)	(4,088)	(3,948)	(3,059)	(3,272)	(3,059)	(2,776)	(2,589)
Tangible assets	\$ 1,766,682	\$ 2,117,881	\$ 2,288,949	\$ 2,469,167	\$ 2,710,660	\$ 2,618,334	\$ 2,710,660	\$ 2,708,805	\$ 2,710,997
Total stockholders' equity to total assets ratio	10.20%	11.26%	10.48%	9.65%	7.84%	7.73%	7.84%	7.94%	7.93%
Tangible common equity to tangible assets ratio	9.20%	9.96%	9.22%	8.04%	6.37%	6.20%	6.37%	6.48%	6.48%



## Non-GAAP Reconciliation (continued)

<i>(Dollars in thousands)</i>	For the Three Months Ended						
	12/31/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Net Income	\$ 6,936	\$ 10,103	\$ 9,404	\$ 7,304	\$ 8,898	\$ 3,812	\$ 6,547
Plus: Provision for Credit Losses	658	(449)	941	1,162	1,268	388	(2,840)
Plus: Income Tax Expense	1,642	2,600	2,459	1,699	1,881	874	1,509
<b>Pre-Tax, Pre-Provision Net Income</b>	<b>\$ 9,236</b>	<b>\$ 12,254</b>	<b>\$ 12,804</b>	<b>\$ 10,165</b>	<b>\$ 12,047</b>	<b>\$ 5,074</b>	<b>\$ 5,216</b>



## Non-GAAP Reconciliation (continued)

Dollars in thousands	For the Three Months Ended								
	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Interest on Deposits	\$ 2,114	\$ 1,854	\$ 1,217	\$ 976	\$ 907	\$ 1,315	\$ 3,052	\$ 6,221	\$ 9,534
Average Interest-Bearing Deposits	1,677,471	1,691,318	1,597,556	1,576,643	1,498,354	1,456,826	1,482,268	1,557,665	1,655,506
Average Noninterest-Bearing Deposits	559,431	581,397	603,162	586,556	611,618	612,777	590,020	550,503	490,123
Average Total Deposits	2,236,902	2,272,715	2,200,718	2,163,199	2,109,972	2,069,603	2,072,288	2,108,168	2,145,629
Total Deposit Interest Rate	0.38%	0.32%	0.22%	0.18%	0.17%	0.25%	0.58%	1.20%	1.78%





## Non-GAAP Reconciliation (continued)

(Dollars in thousands)	For the Three Months Ended					
	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023	
Net interest income	\$ 21,978	\$ 23,467	\$ 22,519	\$ 20,173	\$ 18,387	
Provision for credit losses	941	1,162	1,268	388	(2,840)	
Net interest income after provision for credit losses	\$ 21,037	\$ 22,305	\$ 21,251	\$ 19,785	\$ 21,227	
Noninterest income	6,378	2,665	3,441	1,076	2,070	
Loss on call or sale of investment securities, net	-	-	-	1	-	
Loss on sale or disposition of fixed assets, net	461	103	67	859	58	
Loss (gain) on sale of other real estate owned, net	84	(50)	(2)	142	(5)	
Gain on sale of loans <sup>1</sup>	-	-	-	(75)	-	
Swap termination fee income	(4,733)	-	-	-	-	
Change in the fair value of equity securities	86	27	(12)	4	107	
Income from insurance proceeds <sup>2</sup>	-	-	(1,384)	-	-	
Change in the net asset value of other investments <sup>3</sup>	-	(305)	44	33	(78)	
Core noninterest income	\$ 2,276	\$ 2,440	\$ 2,154	\$ 2,040	\$ 2,152	
Core earnings before noninterest expense	23,313	24,745	23,405	21,825	23,379	
Total noninterest expense	15,552	15,967	13,913	16,175	15,241	
Severance <sup>4</sup>	-	-	(624)	-	-	
Employee retention credit, net of consulting fees <sup>5</sup>	-	-	2,342	-	-	
Divestiture expense <sup>6</sup>	-	-	-	(651)	-	
Loss on early extinguishment of subordinated debt	(222)	-	-	-	-	
Core noninterest expense	\$ 15,330	\$ 15,967	\$ 15,631	\$ 15,524	\$ 15,241	
Core earnings before income tax expense	\$ 7,983	\$ 8,778	\$ 7,774	\$ 6,301	\$ 8,138	
Core income tax expense <sup>7</sup>	1,655	1,659	1,555	1,178	1,522	
Core earnings	\$ 6,328	\$ 7,119	\$ 6,219	\$ 5,123	\$ 6,616	



## Non-GAAP Reconciliation (continued)

(Dollars in thousands, except per share data)	For the Three Months Ended				
	6/30/2022	9/30/2022	12/31/2022	3/31/2023	6/30/2023
Core basic earnings per common share	\$ 0.62	\$ 0.71	\$ 0.63	\$ 0.52	\$ 0.67
Diluted earnings per common share (GAAP)	0.92	0.73	0.88	0.38	0.67
Loss on call or sale of investment securities, net	-	-	-	-	-
Loss on sale or disposition of fixed assets, net	0.03	0.01	0.01	0.07	-
Loss (gain) on sale of other real estate owned, net	0.01	-	-	0.01	-
Gain on sale of loans <sup>1</sup>	-	-	-	(0.01)	-
Swap termination fee income	(0.37)	-	-	-	-
Change in the fair value of equity securities	0.01	-	-	-	0.01
Income from insurance proceeds <sup>2</sup>	-	-	(0.14)	-	-
Change in the net asset value of other investments <sup>3</sup>	-	(0.03)	-	-	(0.01)
Severance <sup>4</sup>	-	-	0.05	-	-
Employee retention credit, net of consulting fees <sup>5</sup>	-	-	(0.18)	-	-
Divestiture expense <sup>6</sup>	-	-	-	0.06	-
Loss on early extinguishment of subordinated debt	0.02	-	-	-	-
Core diluted earnings per common share	<b>\$ 0.62</b>	<b>\$ 0.71</b>	<b>\$ 0.62</b>	<b>\$ 0.51</b>	<b>\$ 0.67</b>
Efficiency Ratio	54.85%	61.10%	53.59%	76.12%	74.50%
Core Efficiency Ratio	63.21%	61.63%	63.35%	69.89%	74.21%
Core return on average assets <sup>8</sup>	0.99%	1.08%	0.92%	0.76%	0.97%
Total average assets	\$ 2,553,849	\$ 2,621,611	\$ 2,677,604	\$ 2,735,823	\$ 2,748,171



<sup>1</sup> Adjustment to noninterest income recorded upon completion of the sale of the Alice and Victoria branches for remaining discount on loans sold.

<sup>2</sup> Income from insurance proceeds represents nontaxable income related to an insurance policy for the former Chief Financial Officer of Investar and the Bank.

<sup>3</sup> Change in net asset value of other investments represents unrealized gains or losses on Investar's investments in Small Business Investment Companies and other investment funds and is included in other operating income in the accompanying consolidated statements of income.

<sup>4</sup> Severance in the fourth quarter of 2022 represents a comprehensive severance package for the former Chief Financial Officer of Investar and the Bank.

<sup>5</sup> ERC represents a broad based refundable payroll tax credit that incentivized businesses to retain employees on the payroll during the COVID-19 pandemic.

<sup>6</sup> Adjustments to noninterest expenses directly attributable to the sale of the Alice and Victoria, Texas branch locations, consisting of \$0.4 million of occupancy expense to terminate the remaining contractually obligated lease payments, \$0.1 million of salaries and employee benefits for severance, \$0.1 million of professional fees for legal and consulting services, and \$0.1 million of depreciation and amortization to accelerate the amortization of the remaining core deposit intangible.

<sup>7</sup> Core income tax expense is calculated using the effective tax rates of 18.7%, 18.7%, 18.9% and 20.7% for the quarters ended June 30, 2023, March 31, 2023, September 30, 2022 and June 30, 2022, respectively. Core income tax expense for the quarter ended December 31, 2022 is calculated using an effective tax rate of 20.0%, which is adjusted to account for the exclusion of the income from insurance proceeds, which is nontaxable income, from the calculation of core earnings.

<sup>8</sup> Core earnings used in calculation. No adjustments were made to average assets.

