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

FORM 8-K

CURRENT REPORT

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

Date of report (Date of earliest event reported): November 1, 2022

Investar Holding Corporation

(Exact name of registrant as specified in its charter)

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

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.

Item 7.01 Regulation FD Disclosure

Representatives of Investar Holding Corporation (the “Company”), the holding company for Investar Bank, National Association (the “Bank”), will be making presentations to investors during the fourth quarter of 2022. 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 in the United States caused by the ongoing COVID-19 pandemic and war in Ukraine, including but not limited to potential continued higher inflation and supply and labor constraints, which will depend on several factors, including the scope and duration of the pandemic and the war, their continued influence on the economy and financial markets, the impact on market participants on which we rely, and actions taken by governmental authorities and other third parties in response;
- 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 evolving risks to economic activity and our customers posed by the COVID-19 pandemic and the war in Ukraine and government actions taken to address their impact, the potential impact of the termination of various pandemic-related government support programs, and the potential impact of legislation under consideration in Congress, which could increase government programs, spending and taxes;
- 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 2022;
- 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;
- cessation of the one-week and two-month U.S. dollar settings of LIBOR as of December 31, 2021 and announced cessation of the remaining U.S. dollar LIBOR settings after June 30, 2023, and the related effect on our LIBOR-based financial products and contracts, including, but not limited to, hedging products, debt obligations, investments and loans;
- 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;
- 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;
- inaccuracy of the assumptions and estimates we make in establishing reserves for probable loan losses and other estimates;
- 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;
- a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity;
- ongoing disruptions in the oil and gas industry due to the significant 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, 2021, filed with the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit Number	Description of Exhibit
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99.1 [Investor presentation](#)

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: November 1, 2022

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



INVESTAR[®]

NASDAQ: ISTR

Financial Information:
3rd Quarter 2022

INVESTAR[®]
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:

- 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 in the United States caused by the ongoing COVID-19 pandemic and war in Ukraine, including but not limited to potential continued higher inflation and supply and labor constraints, which will depend on several factors, including the scope and duration of the pandemic and the war, their continued influence on the economy and financial markets, the impact on market participants on which we rely, and actions taken by governmental authorities and other third parties in response;
- 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 evolving risks to economic activity and our customers posed by the COVID-19 pandemic and the war in Ukraine and government actions taken to address their impact, the potential impact of the termination of various pandemic-related government support programs, and the potential impact of legislation under consideration in Congress, which could increase government programs, spending and taxes;
- 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 in the United States caused by the ongoing COVID-19 pandemic, including but not limited to potential continued higher inflation and supply and labor constraints, which will depend on several factors, including the scope and duration of the pandemic, its continued influence on the economy and financial markets, the impact on market participants on which we rely, and actions taken by governmental authorities and other third parties in response to the pandemic;
- 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 evolving risks to economic activity and our customers posed by the COVID-19 pandemic and government actions taken to address the impact of COVID-19 or contain it, the potential impact of the termination of various pandemic-related government support programs, and the potential impact of legislation under consideration in Congress, which could increase government programs, spending and taxes;
- 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 2022;
- 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;
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Disclosures and Disclaimers (continued)

- 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;
- 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;
- inaccuracy of the assumptions and estimates we make in establishing reserves for probable loan losses and other estimates;
- 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;
- a reduction in liquidity, including as a result of a reduction in the amount of deposits we hold or other sources of liquidity;
- ongoing disruptions in the oil and gas industry due to the significant 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 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, 2021 filed with the Securities and Exchange Commission (the "SEC").



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
- 31 branches and 1 loan production office across Alabama, Louisiana and Texas
- Initial public offering and Nasdaq listing in 2014
- Completed 7 whole bank acquisitions and 1 branch transaction
- 36 consecutive quarters of dividends paid; 7 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



Note: in July 2022, Investar entered into an agreement to sell the Alice and Victoria branches, which is expected to close in the 1st quarter of 2023



Financial Overview – 3rd Quarter 2022

Highlights

- Recorded quarterly net income of \$7.3 million in the 3rd quarter
- Repurchased 126,861 shares in the 3rd quarter at an average price of \$21.48; 396,912 shares remain authorized under the current stock repurchase plan at September 30, 2022
- Tangible book value¹ decreased by \$1.14 during the 3rd quarter to \$16.40 per share compared to the 2nd quarter, primarily due to the effect of rising rates on the bond portfolio

Profitability

- Diluted earnings per share of \$0.73 for the 3rd quarter of 2022 compared to \$0.92 in the 2nd quarter of 2022 and \$0.97 in the 1st quarter of 2022
- Recorded quarterly core net income¹ of \$7.1 million in the 3rd quarter of 2022 compared to \$6.3 million in the 2nd quarter of 2022 and \$7.1 million in the 1st quarter of 2022
- Pre-tax, pre-provision net income¹ of \$10.2 million in the 3rd quarter of 2022 compared to \$12.8 million in the 2nd quarter of 2022 and \$12.3 million in the 1st quarter of 2022
- Core return on average assets¹ of 1.08% for the 3rd quarter of 2022 compared to 0.99% for the 2nd quarter of 2022 and 1.13% for the 1st quarter of 2022

Loans and Credit Quality

- Total loans increased \$89.3 million, or 4.7% (18.8% annualized), during the 3rd quarter of 2022 to \$2.00 billion compared to \$1.91 billion for the 2nd quarter of 2022
- Nonaccrual Loans have declined by \$19.8M since the 3rd quarter of 2021; incremental resolution to the credit incident in the 3rd quarter of 2021 is expected to continue through 2023

3rd Quarter Results

Balance Sheet (in millions)

Assets	\$2,662
Net Loans	\$1,983
Deposits	\$2,053
Equity	\$206

Holding Company Capital

TCE / TA ¹	6.20%
Leverage Ratio	8.48%
Common Equity Tier 1 Ratio	9.65%
Tier 1 Ratio	10.08%
Total Risk Weighted Ratio	13.15%

Profitability (3rd quarter)

Net Interest Margin	3.77%
ROAA	1.11%
ROAE	12.79%
Net Income	\$7,304
Pre-Tax, Pre-Provision Income ¹	\$10,165

Per Share Information

Tangible Book Value ¹	\$16.40
Earnings (Diluted)	\$0.73
Dividends	\$0.095



¹ Non-GAAP financial measure; please see appendix for additional details



Leadership Team



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

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.



Christopher L. Hufft, Executive VP and Chief Financial Officer

Mr. Hufft joined the Bank in February 2014 as its Chief Accounting Officer. In October 2015, he assumed the role of Chief Financial Officer of the Company and the Bank. Prior to joining the Bank, Mr. Hufft served as the Vice President of Accounting at Amedisys, Inc., a publicly-traded home health and hospice company, from 2005 to February 2014. Mr. Hufft, a licensed certified public accountant, also spent seven years in public accounting, serving both public and privately-held clients in the banking, healthcare and manufacturing sectors.



Jeffrey W. Martin, Executive VP and Chief Credit Officer

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 28 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

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
Neighborly
Visionary
Empowerment
Star Service
Team Focused
Accountable
Responsive

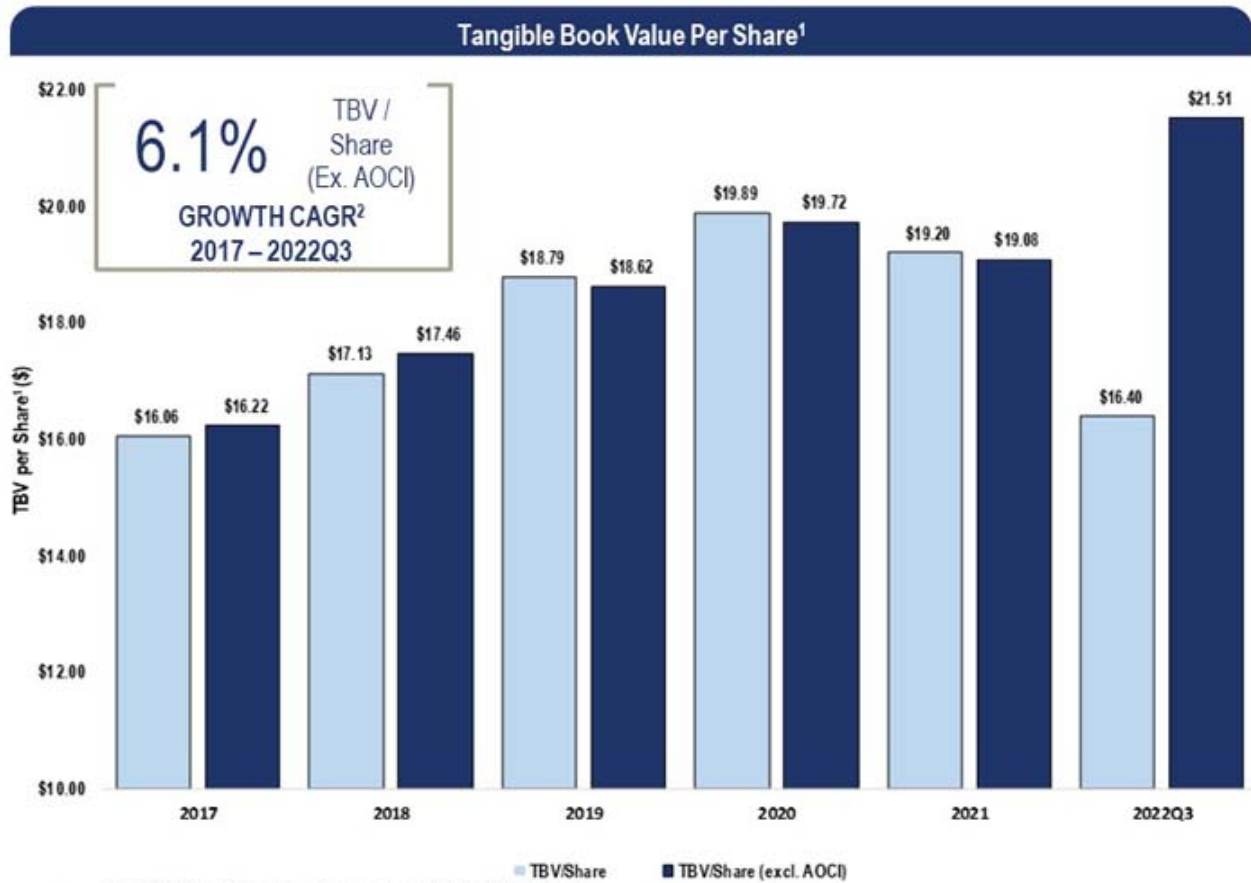


MISSION

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



¹ Non-GAAP financial measure; please see appendix for additional details

² Abbreviation for Compound Annual Growth Rate – for the period beginning December 31, 2017 and ending September 30, 2022

Source: S&P Capital IQ Pro



Recent Earnings Performance

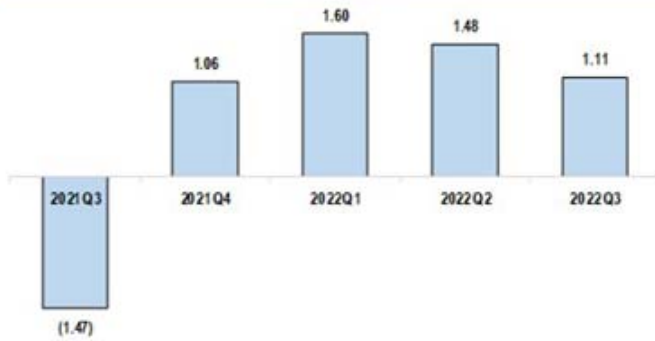
Net Income (\$000)



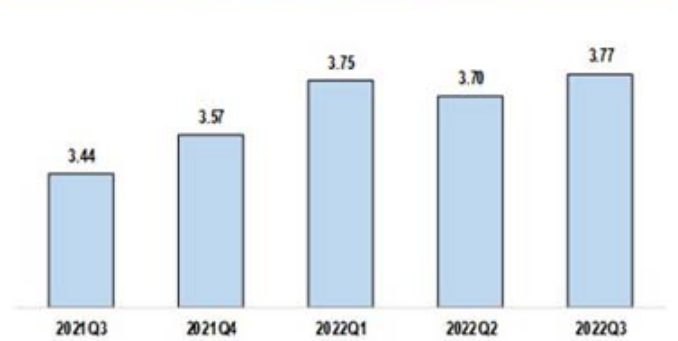
Earnings Per Share (Diluted)



ROAA (%)



Net Interest Margin (%)



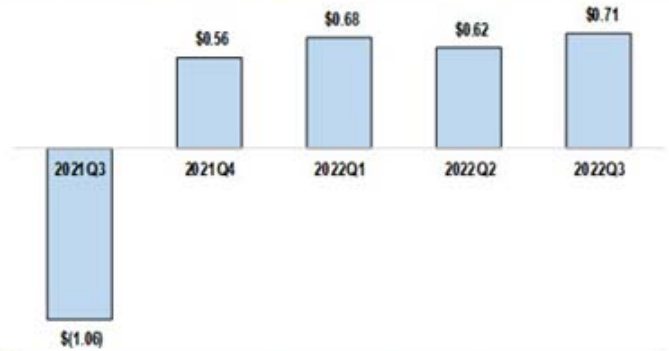


Recent Core Earnings Performance

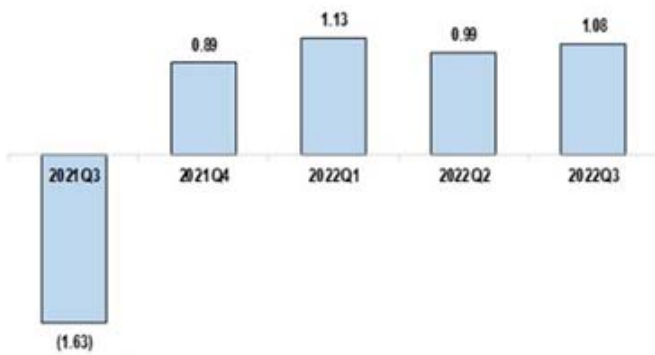
Core Net Income¹ (\$'000)



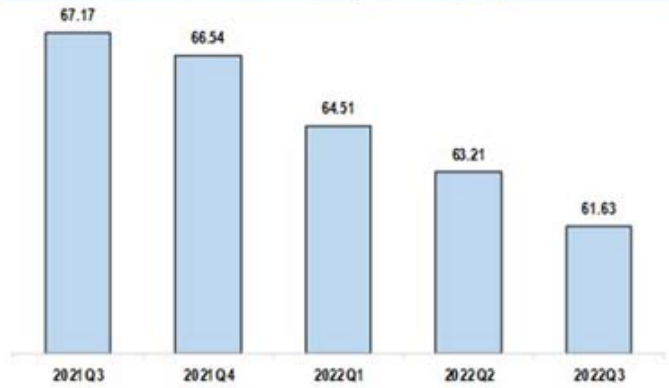
Core Earnings Per Share (Diluted)¹



Core ROAA (%)¹



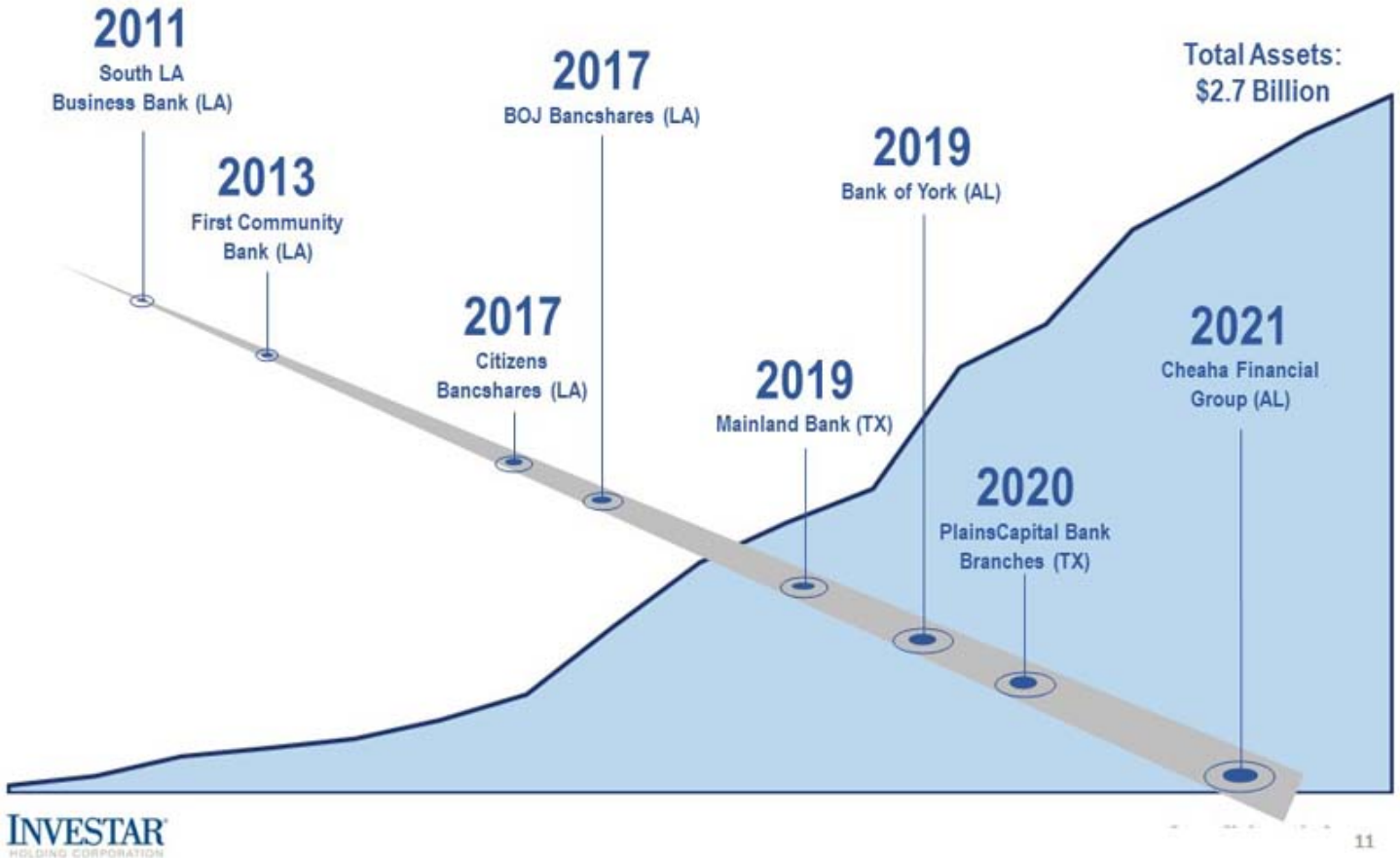
Core Efficiency Ratio (%)¹





Continued Execution of Acquisition Strategy

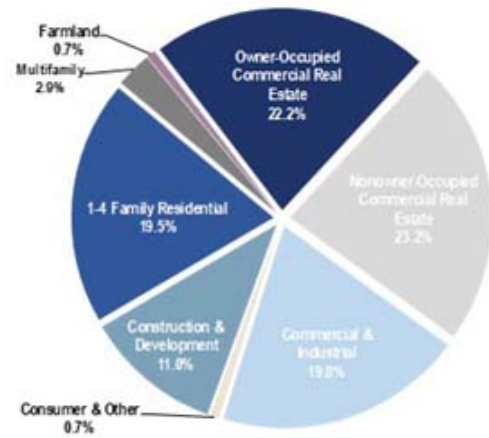
Investar Has Completed 7 Whole Bank Acquisitions and 1 Branch Transaction





Loan Portfolio – 3rd Quarter Update

- Loan yield of 4.86%
- Total loans increased \$89.3 million, or 4.7% (18.8% annualized), compared to the second quarter of 2022
- The total business lending portfolio, which consists of loans secured by owner-occupied commercial real estate properties and commercial and industrial loans, increased \$59.4 million, or 7.6% (30.4% annualized), compared to the second quarter of 2022
- Total Paycheck Protection Program (PPP) loans of \$1.9 million



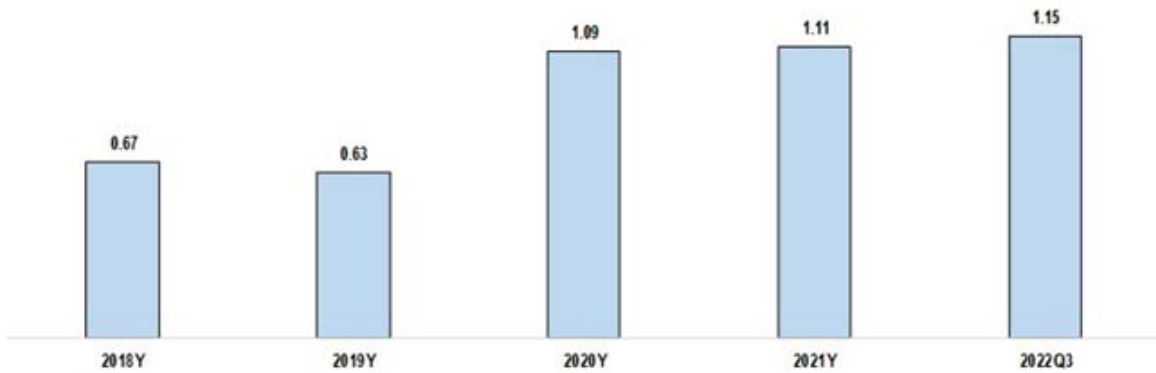
As of September 30, 2022

(Dollars in Thousands)	Loan Portfolio Detail - Quarterly Lookback							
	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Construction & Development	\$206,011	\$190,816	\$213,070	\$215,247	\$203,204	\$201,221	\$214,543	\$220,609
1-4 Family Residential	339,525	341,266	375,690	362,249	364,307	367,520	380,028	391,857
Multifamily	60,724	60,844	60,309	58,972	59,570	52,500	56,491	57,306
Farmland	26,547	24,145	22,263	21,376	20,128	18,296	15,676	14,202
Owner-Occupied Commercial Real Estate	375,421	399,393	438,590	432,898	460,205	436,763	440,714	445,671
Nonowner-Occupied Commercial Real Estate	436,974	430,487	445,125	435,575	436,172	471,447	451,108	464,520
Commercial & Industrial	394,497	380,534	370,203	335,008	310,831	314,093	343,355	397,759
Consumer & Other	20,619	18,485	22,570	19,333	17,595	15,603	14,480	13,753
Total Loans	\$1,860,318	\$1,845,970	\$1,947,820	\$1,880,658	\$1,872,012	\$1,877,444	\$1,916,395	\$2,005,677



Loan Loss Reserves / Total Loans

Loan Loss Reserves / Total Loans (%)



(Dollars in Thousands)	For the Year Ended				For the Three Months Ended
	12/31/2018	12/31/2019	12/31/2020	12/31/2021	9/30/2022
Loan Loss Reserve					
Loan Loss Reserve - Beginning	\$7,891	\$9,454	\$10,700	\$20,363	\$21,954
Charge-offs & Adj.	(1,185)	(800)	(1,754)	(22,636)	1,162
Recoveries	178	138	257	247	(51)
Provision	2,570	1,908	11,160	22,885	99
Loan Loss Reserve - Ending	\$9,454	\$10,700	\$20,363	\$20,859	\$23,164

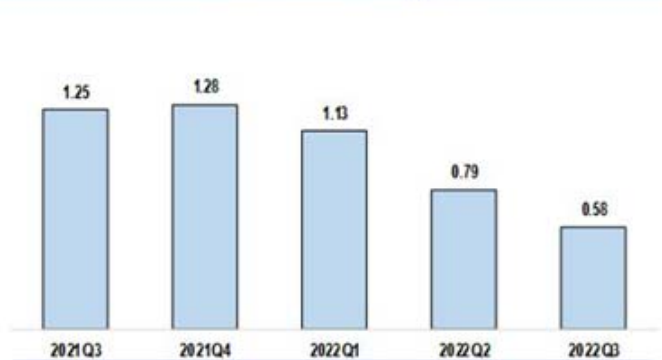


Asset Quality Trends

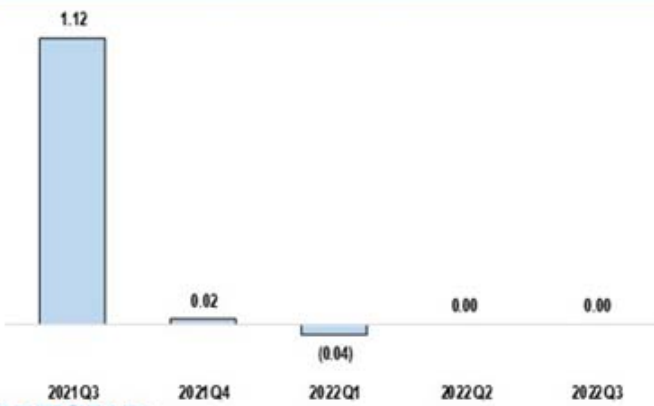
Nonperforming Assets (\$000s)



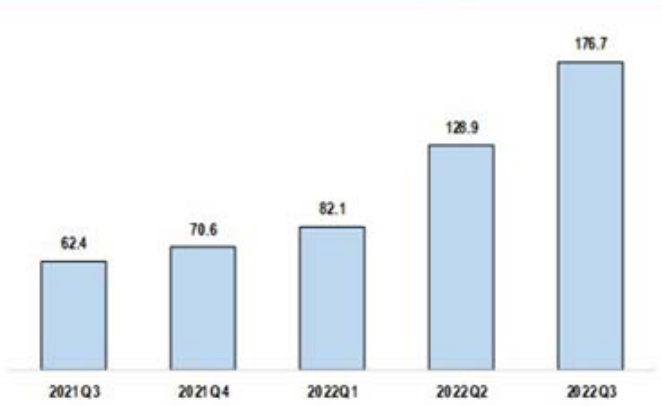
NPAs / Assets (%)



Net Charge-offs / Avg. Loans (%)



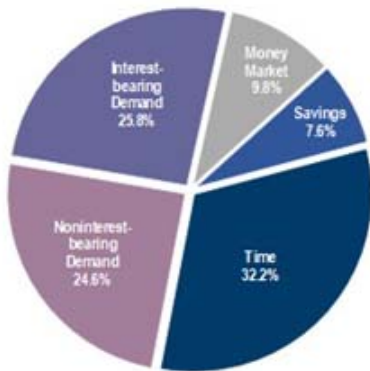
Reserves / NPLs (%)





Deposit Transformation

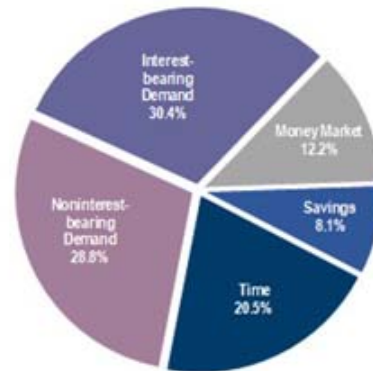
Deposit Mix at September 30, 2020



Two Year Transformation



Deposit Mix at September 30, 2022



Deposit Composition - Quarterly Lookback

(Dollars in Thousands)	2020Q3	2020Q4	2021Q1	2021Q2	2021Q3	2021Q4	2022Q1	2022Q2	2022Q3
Noninterest-bearing Demand	\$452,070	\$448,230	\$515,487	\$582,109	\$597,452	\$585,465	\$614,416	\$615,779	\$590,610
Interest-bearing Demand	473,819	496,745	564,128	630,829	658,743	650,868	710,914	647,277	624,025
Brokered Deposits	--	80,017	80,015	100,117	125,016	--	--	--	--
Money Market	179,133	186,307	200,744	243,058	264,846	255,501	276,112	243,795	251,213
Savings	139,153	141,134	154,131	174,385	174,953	180,837	182,532	176,760	167,131
Time	590,274	535,391	495,375	529,668	482,631	447,595	402,030	379,059	419,704
Total Deposits	\$1,834,449	\$1,887,824	\$2,009,880	\$2,260,166	\$2,303,641	\$2,120,266	\$2,186,004	\$2,062,670	\$2,052,683
Total Deposit Interest Rate¹	0.74%	0.58%	0.48%	0.38%	0.32%	0.22%	0.18%	0.17%	0.25%



¹ Non-GAAP financial measure; please see appendix for additional details



Financial Profile

In \$000s except for per share data	As of December 31					For the Three Months Ended			
	2017	2018	2019	2020	2021	12/31/2021	3/31/2022	6/30/2022	09/30/22
Balance Sheet									
Total Assets	\$1,622,734	\$1,786,469	\$2,148,916	\$2,321,181	\$2,513,203	\$2,513,203	\$2,572,708	\$2,590,607	\$2,661,694
Total Loans	\$1,258,779	\$1,400,825	\$1,691,975	\$1,860,318	\$1,872,012	\$1,872,012	\$1,877,444	\$1,916,395	\$2,005,677
Total Deposits	\$1,225,237	\$1,361,731	\$1,707,706	\$1,887,824	\$2,120,266	\$2,120,266	\$2,186,004	\$2,062,670	\$2,052,683
Loans/Deposits	102.74%	102.87%	99.08%	98.54%	88.29%	88.29%	85.88%	92.91%	97.71%
Capital									
TCE / TA ¹	9.53%	9.20%	9.96%	9.22%	8.04%	8.04%	7.51%	6.90%	6.20%
TRBC Ratio	14.22%	13.46%	15.02%	14.71%	12.99%	12.99%	13.29%	13.28%	13.15%
Tier 1 Ratio	12.24%	11.59%	12.03%	11.36%	9.90%	9.90%	10.21%	10.17%	10.08%
Leverage Ratio	10.66%	9.81%	10.45%	9.49%	8.12%	8.12%	8.53%	8.57%	8.48%
Profitability Measures									
Net Interest Margin	3.39%	3.61%	3.51%	3.49%	3.53%	3.57%	3.75%	3.70%	3.77%
Non Interest Income/Average Assets	0.29%	0.26%	0.31%	0.53%	0.47%	0.26%	0.93%	1.00%	0.40%
Non Interest Expense/Average Assets	2.43%	2.48%	2.44%	2.51%	2.45%	2.13%	2.44%	2.44%	2.42%
Efficiency Ratio	69.80%	67.89%	67.81%	66.72%	65.79%	60.10%	55.74%	54.85%	61.10%
ROAA	0.62%	0.81%	0.85%	0.61%	0.31%	1.06%	1.60%	1.48%	1.11%
ROAE	5.65%	7.68%	8.21%	5.77%	3.22%	11.40%	16.64%	16.40%	12.79%
Diluted Earnings Per Share	\$0.96	\$1.39	\$1.66	\$1.27	\$0.76	\$0.67	\$0.97	\$0.92	\$0.73
Net Income	\$8,202	\$13,606	\$16,839	\$13,889	\$8,000	\$6,936	\$10,103	\$9,404	\$7,304
Asset Quality									
NPAs/Assets	0.46%	0.54%	0.30%	0.62%	1.28%	1.28%	1.13%	0.79%	0.58%
NCOs/Avg Loans	0.07%	0.08%	0.04%	0.08%	1.18%	0.02%	(0.04%)	0.00%	0.00%

APPENDIX



Non-GAAP Reconciliation

(Dollars in thousands, except per share data)	As of December 31					For the Three Months Ended			
	2017	2018	2019	2020	2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Tangible common equity:									
Total stockholders' equity	\$172,729	\$182,262	\$241,976	\$243,284	\$242,598	\$242,598	\$233,657	\$219,369	\$205,700
Adjustments:									
Goodwill	(17,086)	(17,424)	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(2,840)	(2,363)	(4,903)	(4,088)	(3,948)	(3,948)	(3,716)	(3,492)	(3,272)
Tangible common equity	\$152,803	\$162,475	\$210,941	\$211,052	\$198,562	\$198,562	\$189,853	\$175,789	\$162,340
AOCI	(1,571)	(3,076)	1,891	1,805	1,163	1,163	(15,571)	(32,774)	(50,603)
Tangible common equity excluding AOCI	\$154,374	\$165,551	\$209,050	\$209,247	\$197,399	\$197,399	\$205,424	\$208,563	\$212,943
Common shares outstanding	9,514,926	9,484,219	11,228,775	10,608,829	10,343,494	10,343,494	10,310,212	10,024,997	9,901,078
Book value per common share	\$18.15	\$19.22	\$21.55	\$22.93	\$23.45	\$23.45	\$22.66	\$21.88	\$20.78
Tangible book value per common share	\$16.06	\$17.13	\$18.79	\$19.89	\$19.20	\$19.20	\$18.41	\$17.54	\$16.40
Tangible book value per common share excluding AOCI	\$16.22	\$17.46	\$18.62	\$19.72	\$19.08	\$19.08	\$19.92	\$20.80	\$21.51
Tangible assets:									
Total assets	\$1,622,734	\$1,786,469	\$2,148,916	\$2,321,181	\$2,513,203	\$2,513,203	\$2,572,708	\$2,590,607	\$2,661,694
Adjustments:									
Goodwill	(17,086)	(17,424)	(26,132)	(28,144)	(40,088)	(40,088)	(40,088)	(40,088)	(40,088)
Other intangibles	(2,840)	(2,363)	(4,903)	(4,088)	(3,948)	(3,948)	(3,716)	(3,492)	(3,272)
Tangible assets	\$1,602,808	\$1,766,682	\$2,117,881	\$2,288,949	\$2,469,167	\$2,469,167	\$2,528,904	\$2,547,027	\$2,618,334
Total stockholders' equity to total assets ratio	10.64%	10.20%	11.26%	10.48%	9.65%	9.65%	9.08%	8.47%	7.73%
Tangible common equity to tangible assets ratio	9.53%	9.20%	9.96%	9.22%	8.04%	8.04%	7.51%	6.90%	6.20%



Non-GAAP Reconciliation

(Dollars in thousands)

	For the Three Months Ended						
	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Net Income	\$ 5,360	\$ 5,688	\$ (9,984)	\$ 6,936	\$ 10,103	\$ 9,404	\$ 7,304
Less: Provision Expense	(400)	(114)	(21,713)	(658)	449	(941)	(1,162)
Less: Tax Expense	(1,430)	(1,485)	2,648	(1,642)	(2,600)	(2,459)	(1,699)
Pre-Tax, Pre-Provision Net Income	\$ 7,190	\$ 7,287	\$ 9,081	\$ 9,236	\$ 12,254	\$ 12,804	\$ 10,165



Non-GAAP Reconciliation

(Dollars in thousands)

	For the Three Months Ended								
	9/30/2020	12/31/2020	3/31/2021	6/30/2021	9/30/2021	12/31/2021	3/31/2022	6/30/2022	9/30/2022
Interest on Deposits	\$3,404	\$2,750	\$2,302	\$2,114	\$1,854	\$1,217	\$976	\$907	\$1,315
Average Interest-Bearing Deposits	\$1,390,443	\$1,442,711	\$1,484,515	\$1,677,471	\$1,691,318	\$1,597,556	\$1,576,643	\$1,498,354	\$1,456,826
Average Noninterest-Bearing Deposits	\$445,725	\$458,263	\$466,531	\$559,431	\$581,397	\$603,162	\$586,556	\$611,618	\$612,777
Average Total Deposits	\$1,836,168	\$1,900,974	\$1,951,046	\$2,236,902	\$2,272,715	\$2,200,718	\$2,163,199	\$2,109,972	\$2,069,603
Total Deposit Interest Rate	0.74%	0.58%	0.48%	0.38%	0.32%	0.22%	0.18%	0.17%	0.25%



Non-GAAP Reconciliation

(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
Net interest income	\$21,165	\$21,548	\$21,467	\$21,821	\$21,978	\$23,467
Provision for loan losses	114	21,713	658	(449)	941	1,162
Net interest income after provision	\$21,051	(\$165)	\$20,809	\$22,270	\$21,037	\$22,305
Noninterest income	4,082	3,914	1,681	5,866	6,378	2,665
Gain on call or sale of investment securities	(1,721)	-	-	(6)	-	-
Loss (gain) on sale or disposition of fixed assets	-	-	406	(373)	461	103
Loss (gain) on sale of other real estate owned, net	5	-	-	(41)	84	(50)
Swap termination fee income	-	(1,835)	-	(3,344)	(4,733)	-
Change in the fair value of equity securities	(91)	(48)	(10)	(11)	86	27
Change in the net asset value of other investments	-	-	-	-	-	(305)
Core noninterest income	\$2,275	\$2,031	\$2,077	\$2,091	\$2,276	\$2,440
Core earnings before noninterest expense	23,326	1,866	22,886	24,361	23,313	24,745
Total noninterest expense	17,960	16,381	13,912	15,433	15,552	15,967
Acquisition expense	(1,641)	(446)	-	-	-	-
Severance	-	(98)	(5)	(8)	-	-
Employee retention credit, net of consulting fees	-	-	1,759	-	-	-
Loss on early extinguishment of subordinated debt	-	-	-	-	(222)	-
Core noninterest expense	\$16,319	\$15,837	\$15,666	\$15,425	\$15,330	\$15,967
Core earnings before income tax expense	\$7,007	\$(13,971)	\$7,220	\$8,936	\$7,983	\$8,778
Core income tax expense	1,450	(2,934)	1,379	1,829	1,655	1,659
Core Net Income	\$5,557	\$(11,037)	\$5,841	\$7,107	\$6,328	\$7,119



Non-GAAP Reconciliation

(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
Core basic earnings per common share	\$0.53	\$(1.06)	\$0.56	\$0.69	\$0.62	\$0.71
Diluted earnings per common share (GAAP)	\$0.53	\$(0.95)	\$0.67	\$0.97	\$0.92	\$0.73
Gain on call or sale of investment securities	(0.12)	-	-	-	-	-
Loss (gain) on sale or disposition of fixed assets	-	-	0.03	(0.03)	0.03	0.01
Loss (gain) on sale of other real estate owned, net	-	-	-	-	0.01	-
Swap termination fee income	-	(0.14)	-	(0.26)	(0.37)	-
Change in the fair value of equity securities	(0.01)	(0.01)	-	-	0.01	-
Change in the net asset value of other investments ¹	-	-	-	-	-	(0.03)
Acquisition expense	0.13	0.03	-	-	-	-
Severance	-	0.01	-	-	-	-
Employee retention credit, net of consulting fees	-	-	(0.14)	-	-	-
Loss on early extinguishment of subordinated debt	-	-	-	-	0.02	-
Core diluted earnings per common share	\$0.53	\$(1.06)	\$0.56	\$0.68	\$0.62	\$0.71
Efficiency ratio	71.14%	64.33%	60.10%	55.74%	54.85%	61.10%
Core efficiency ratio	69.62%	67.17%	66.54%	64.51%	63.21%	61.63%
Core return on average assets	0.84%	(1.63%)	0.89%	1.13%	0.99%	1.08%
Total average assets	\$2,650,050	\$2,686,712	\$2,595,211	\$2,560,831	\$2,553,849	\$2,621,611



¹ Change in net asset value of other investments represents unrealized gains or losses on investor's investments in Small Business Investment Companies and other investment funds and is included in other operating income

