## FARMERS & MERCHANTS BANCORP

# Farmers & Merchants Bancorp (FMCB) Reports Record Fourth Quarter and Full Year 2024 Financial Results

### Full Year 2024 Highlights

- Record full year net income of \$88.5 million, or \$121.02 per share, up from \$116.61 per share from the prior year; resulting in an increase of 3.78%;
- Record fourth quarter net income of \$21.8 million, or \$31.11 per share; up from \$21.4 million, or \$28.55 per share in the fourth quarter 2023;
- Net interest margin of 4.05%; loan yield of 6.08% and cost of average total deposits of 1.35%;
- Effective management of operating expenses with an efficiency ratio of 46.24%;
- Achieved return on average assets of 1.64% and return on average equity of 15.49%;
- Total assets at year-end grew slightly to \$5.37 billion from \$5.31 billion;
- Loans and leases held for investment and total deposits both grew modestly during 2024;
   year-end balances were \$3.69 billion and \$4.70 billion, respectively;
- Strong liquidity position with \$212.6 million in cash, \$1.2 billion in investment securities of which \$464.4 million are available-for-sale and a borrowing capacity of \$2.1 billion with no outstanding borrowings as of December 31, 2024;
- Strong capital position with a total risk-based capital ratio of 14.51%, common equity tier 1 ratio of 13.02%, tier 1 leverage ratio of 10.95% and a tangible common equity ratio of 10.46%; all increases from the prior year-end;
- Credit quality remains strong with net charge-offs for the year of \$0.7 million; \$0.9 million of non-performing loans or leases at year-end; and a total allowance for credit losses of 2.11%.

LODI, CALIFORNIA, January 22, 2025 – Farmers & Merchants Bancorp (OTCQX: FMCB) (the "Company" or "FMCB"), the parent company of Farmers & Merchants Bank of Central California (the "Bank" or "F&M Bank"), reported full-year 2024 net income of \$88.5 million, or \$121.02 per diluted common share, compared to full-year 2023 net income of \$88.3 million, or \$116.61 per diluted common share. For the year ended December 31, 2024, return on average assets was 1.64% and return on average equity was 15.49%.

#### **CEO Commentary**

Kent Steinwert, Farmers & Merchants Bancorp's Chairman, President, and Chief Executive Officer, stated, "After being named the #1 performing bank in 2022 and #2 performing bank in 2023 by Bank Director Magazine, we are pleased to announce another record setting year with record net income of \$88.5 million and earnings per diluted share of \$121.02, up 3.78% from 2023. We are proud of our ability to grow deposits year-over-year, without the use of brokered deposits, despite a decrease in interest rates beginning in September and continued competition in attracting deposits. We generated modest loan growth over the past year as we continued to serve the needs of our customers while maintaining a disciplined credit culture. Our modest growth in loans was part of our strategy during 2024 as we managed our duration risk given the inverted yield curve throughout most of the year. As a result, we focused our loan growth on variable rate loans and fixed rate loans under five years as rates on the longer end of the yield curve did not offer attractive loan pricing. The Company's strong client base and deposit franchise allowed us to reduce our cost of total average deposits in the second half of the year, resulting in a cost of average total deposits for the year of 1.35%. This combined with an increase in our average loan yield from 5.84% to 6.08% enabled us to achieve a net interest margin of 4.05% for the year-ended December 31, 2024."

Mr. Steinwert continued, "Our strategy of focusing on our client relationships, steady disciplined growth, together with an emphasis on efficiency and profitability continues to drive our performance. Our net income and earnings per share have increased in each of the last seven years and in the last five years earnings per share have grown from \$74.03 in 2020 to \$121.02 in 2024, an increase of 63.5%. Our Company remains in excellent financial condition and is well positioned to meet any challenges ahead as we have for the past 108 years."

#### **Earnings**

Net interest income for the year ended December 31, 2024 was \$206.7 million, a decrease of \$8.7 million, or 4.04%, when compared with \$215.4 million for the year ended December 31, 2023 as the increase in interest expense outpaced the increase in interest income given the interest rate environment.

The Company's net interest margin decreased to 4.05% in 2024, but remains one of the strongest in the industry. The decrease was primarily due to an increase in interest expense from \$37.5 million to \$63.4 million in 2024 as the average cost of total deposits increased from 0.80% in 2023 to 1.35% in 2024 and average total deposits increased from \$4.66 billion for 2023 to \$4.70 billion in 2024. The increase in interest expense was partially offset by an increase in loan and lease

interest and fee income from \$204.5 million in 2023 to \$223.3 million in 2024 as the average loan yield increased from 5.84% in 2023 to 6.08% in 2024 and average loan and lease balances increased from \$3.50 billion in 2023 to \$3.67 billion in 2024.

Non-interest income increased \$5.8 million from \$14.9 million in 2023 to \$20.7 million in 2024 as a result of the Company recording a reduction of \$8.9 million in net losses on the sale of investment securities as the net loss on the sale of securities in 2023 was \$8.2 million compared to a \$0.7 million net gain in 2024, offset by a reduction of a \$4.3 million non-taxable death benefit gain on bank-owned life insurance during 2023 which was zero in 2024.

Non-interest expense increased \$0.8 million from \$104.3 million in 2023 to \$105.1 million in 2024 primarily from an increase in total employee compensation and benefits of \$1.9 million, an increase in professional services of \$1.3 million, an increase in data processing of \$0.8 million and an increase in occupancy of \$0.3 million, all of which was partially offset by a decrease in other non-interest expense of \$3.5 million. The Company's expense efficiency ratio increased to 46.24% from 45.31% in 2023 as the reduction in revenue outpaced the slight increase in operating expenses.

#### **Balance Sheet**

Total assets grew to \$5.37 billion as of December 31, 2024 compared to \$5.31 billion as of December 31, 2023. Total cash and cash equivalents decreased \$198.1 million from \$410.6 million as of December 31, 2023 to \$212.6 million as of December 31, 2024 as the Company used the cash balances to fund loan and lease growth and purchase available-for-sale securities. Total loans and leases increased \$23.7 million from \$3.65 billion as of December 31, 2023 to \$3.68 billion as of December 31, 2024. Total investments increased \$233.7 million from \$1.0 billion as of December 31, 2023 to \$1.2 billion as of December 31, 2024. Total deposits at December 31, 2024 were \$4.70 billion, an increase of \$31.0 million or 0.67%, compared with \$4.67 billion at December 31, 2023. Total demand deposits were \$2.40 billion at December 31, 2024, compared with \$2.42 billion for the same period a year earlier. At December 31, 2024, total demand deposits comprised 51.08% of total deposits. The Company continues to operate with no brokered deposits due to a concerted focus on growing and fostering new customer deposit relationships.

#### **Credit Quality**

Loans and leases held for investment grew \$23.7 million, or 0.65% to \$3.68 billion at December 31, 2024, compared with \$3.65 billion at December 31, 2023.

Non-performing loans or leases were \$0.9 million at December 31, 2024 compared to zero at December 31, 2023. Non-performing loans and leases to total loans and leases were 0.03% at December 31, 2024 compared to zero as of December 31, 2023. Other real estate owned assets totaled \$0.8 million at December 31, 2024 and were unchanged from the prior year. Non-performing assets to total assets were 0.03% at December 31, 2024, compared with 0.02% at December 31, 2023.

The Company recorded net charge-offs of \$0.7 million in 2024 compared to net recoveries of \$0.3 million in 2023. No provision for credit losses was recorded in 2024, compared to a total provision of \$9.4 million in 2023, comprised of \$7.8 million for the provision for credit losses on loans and leases and \$1.6 million for the provision for credit losses on unfunded commitments. The allowance for credit losses on loans and leases increased by \$0.3 million to \$75.3 million, or 2.04% of total loans and leases at December 31, 2024 compared with \$75.0 million or 2.05% as of December 31, 2023. The allowance for credit losses on loans and leases and unfunded commitments totaled \$78.0 million or 2.11% as of December 31, 2024 compared to \$78.7 million or 2.15% as of December 31, 2023.

#### Capital

The Company's and Bank's regulatory capital ratios remain strong and meet the highest possible regulatory classification of "well-capitalized". At December 31, 2024, the Company's preliminary total risk-based capital ratio was 14.51%, the common equity tier 1 capital ratio was 13.02% and the tier 1 leverage capital ratio was 10.95% an increase from 13.78%, 12.30% and 10.38% as of December 31, 2023, respectively. At December 31, 2024, the tangible common equity ratio was 10.46% an increase of 33 basis points from 10.13% at December 31, 2023. Tangible book value per share increased to \$800.52 per share at December 31, 2024, up 11.64% compared with \$717.05 at December 31, 2023.

During 2024, the Company repurchased a total of 48,173 shares or approximately 6.44% of the total shares outstanding as of December 31, 2023. The Company repurchased a total of 9,936 shares or \$10.1 million under the \$25.0 million share repurchase program authorized in November 2023 which was cancelled on September 10, 2024. On September 10, 2024, the Company authorized a new share repurchase program for \$55.0 million and has purchased 38,237 shares or \$35.1 million as of December 31, 2024, leaving approximately \$19.9 million remaining under the current share repurchase program which expires on December 31, 2026.

#### **About Farmers & Merchants Bancorp**

Farmers & Merchants Bancorp, trades on the OTCQX under the symbol FMCB, is the parent company of Farmers & Merchants Bank of Central California, also known as F&M Bank. Founded in 1916, F&M Bank is a locally owned and operated community bank, which proudly serves California through 33 convenient locations. F&M Bank is financially strong, with \$5.4 billion in assets, and is consistently recognized as one of the nation's safest banks by national bank rating firms. The Bank has maintained a 5-Star rating from BauerFinancial for 34 consecutive years, longer than any other commercial bank in the State of California.

Farmers & Merchants Bancorp has paid dividends for 89 consecutive years and has increased dividends for 59 consecutive years. As a result, Farmers & Merchants Bancorp is a member of a select group of only 56 publicly traded companies referred to as "Dividend Kings," and is ranked 17<sup>th</sup> in that group based on consecutive years of dividend increases. A "Dividend King" is a stock with 50 or more consecutive years of dividend increase.

In August 2024, Farmers & Merchants Bancorp was named by Bank Director's Magazine as the #2 best performing bank in the nation across all asset categories in their annual "Ranking Banking" study of the top performing banks for 2023. In August 2023, the Bank was named by Bank Director's Magazine as the #1 best performing bank in the nation across all asset categories in their annual "Ranking Banking" study of the top performing banks for 2022.

In April 2024, F&M Bank was ranked 6<sup>th</sup> on Forbes Magazine's list of "America's Best Banks" in 2023. Forbes' annual "America's Best Banks" list looks at ten metrics measuring growth, credit quality, profitability, and capital for the 2023 calendar year, as well as stock performance in the 12 months through March 18, 2024.

In December 2023, F&M Bank was ranked 4<sup>th</sup> on S&P Global Market Intelligence's "Top 50 List of Best-Performing Community Banks" in the US with assets between \$3.0 billion and \$10.0 billion for 2023. S&P Global Market Intelligence ranks financial institutions based on several key factors including financial returns, growth, and balance sheet risk profile.

In October, 2021, F&M Bank was named the "Best Community Bank in California" by Newsweek magazine. Newsweek's ranking recognizes those financial institutions that best serve their customers' needs in each state. This recognition speaks to the superior customer service the F&M Bank team members provide to its clients.

F&M Bank is the 15<sup>th</sup> largest bank lender to agriculture in the United States. F&M Bank operates in the mid-Central Valley of California including, Sacramento, San Joaquin, Solano, Stanislaus,

and Merced counties and the east region of the San Francisco Bay Area, including Napa, Alameda and Contra Costa counties.

F&M Bank was inducted into the National Agriculture Science Center's "Ag Hall of Fame" at the end of 2021 for providing resources, financial advice, guidance, and support to the agribusiness communities as well as to students in the next generation of agribusiness workforce. F&M Bank is dedicated to helping California remain the premier agricultural region in the world and will continue to work with the next generation of farmers, ranchers, and processors. F&M Bank remains committed to servicing the needs of agribusiness in California as has been the case since its founding over 108 years ago.

F&M Bank offers a full complement of loan, deposit, equipment leasing and treasury management products to businesses, as well as a full suite of consumer banking products. The FDIC awarded F&M Bank the highest possible rating of "Outstanding" in their last Community Reinvestment Act ("CRA") evaluation.

#### **Forward-Looking Statements**

This press release may contain certain forward-looking statements that are based on management's current expectations regarding the Company's financial performance. Forwardlooking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include the words "believe," "expect," "intend," "estimate" or words of similar meaning, or future or conditional verbs such as "will," "would," "should," "could" or "may," Forward-looking statements in this press release include, without limitation, statements regarding loan and deposit production (including any growth representations), balance sheet management, levels of net interest margin, the ability to control costs and expenses, the competitive environment, financial and regulatory policies of the United States government, water management issues in California and general economic conditions, inflation, recessions, natural disasters, pandemics, geopolitical risks, economic uncertainty in the United States, changes in interest rates, deposit flows, real estate values, costs or effects of acquisitions, competition, changes in accounting principles, policies or guidelines, legislation or regulation, and other economic, competitive, governmental, regulatory and technological factors (including external fraud and cybersecurity threats) affecting the Company's operations, pricing, products and services. These and other important factors are detailed in the Company's Form 10-K, Form 10-Qs, and various other securities law filings made periodically by the Company, copies of which are available from the Company's website. The Company undertakes no obligation to release publicly the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as required by law.

For more information about Farmers & Merchants Bancorp and F&M Bank, visit fmbonline.com.

#### **Investor Relations Contact**

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#### FINANCIAL HIGHLIGHTS

Path	FINANCIAL HIGHLIGHTS	For the Veer Forded			
Seamings and Profitability:					
Earnings and Profitability: Interest income	(dollars in thousands, except per share amounts)		•		-
Interest Income   \$771,977   \$253,754   Interest Income   \$66,301   \$33,359   Net Interest Income   \$206,676   \$215,355   Provision for credit losses   \$20,700   14,914   Noninterest Income   \$20,700   14,914   Noninterest Expense   \$100,132   104,333   Income before taxes   \$122,244   \$116,553   Income before taxes   \$122,244   \$116,553   Income tax expense   \$33,767   \$28,239   Net Interest expense   \$33,767   \$28,239   Note Income before taxes   \$121,02   \$116,61   \$100,102   \$116,61   \$100,102   \$116,61   \$100,102					
Net interest income         206,876         215,385           Provision for credit losses         9,407           Noninterest income         20,700         14,914           Noninterest income         100,132         104,333           Income before taxes         122,244         116,553           Income before taxes         33,787         28,233           Net income         \$88,457         \$8,331,41           Diluted earnings per share         \$121,02         \$116,681           Return on average assets         1,649         1,689           Return on average equity         6,689         5,844           Cost of average total deposits - core deposits         3,359         0,899           Net interest margin - tax equivalent         4,059         4,039           Heffective tax rate         27,644         24,223           Effective tax rate         27,53         40,622           Effective tax rate         27,549         5,308,922           Cash and cash		\$	271,977	\$	253,754
Provision for credit losses         2, 407         4, 407         Automitatives to expense         105,132         10,433         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,5132         10,433         10,533         10,533         10,533         20,233         10,533         20,233         13,514         20,233         13,514         10,533         13,514         11,681         8,83,437         11,681         8,83,437         11,681         8,83,437         11,688         8,84,47         11,688         8,84,47         11,688         8,84,47         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         11,688         8,84         12,84         4,88         4,88         13,88         12,82         12,83			65,301		•
Noninterest income         20,700         14,944           Noninterest expense         105,132         10,435           Income before taxes         122,244         116,555           Income tax expense         33,787         28,238           Note tincome         \$88,437         38,3145           Return on average assets         16,464         1,68%           Return on average equity         15,49%         17,05%           Loan yield         6,08%         5,38%         6,08%         1,68%           Neturn on average quity         6,08%         1,54%         1,00%<	Net interest income		206,676		215,385
Nominerest expense         105,132         104,338           Income before taxes         122,244         116,553         28,239           Net income         3,8767         28,239           Net income         3,8767         28,239           Net income         \$8,8457         \$8,314           Diluted earnings per share         \$12,02         \$11,648           Return on average assets         1,648         \$1,648           Return on average assets         1,648         \$1,755%           Loan yield         6,08%         5,84%           Cost of average total deposits - core deposits         1,358         0,80%           Effective tax rate         27,64%         24,23%           Efficiency ratio         40,54         43,53%           Box value per share         \$13,97         5,570,196         \$5,300,828           Efficiency ratio         \$1,90         \$2,50         \$2,500,828           Efficiency ratio         \$1,20         \$1,50         \$3,30         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00         \$3,00	Provision for credit losses		-		9,407
Income before taxes   122,244   116,553   Income tax expense   33,787   28,238   Net income   \$ 33,787   \$ 88,347   \$ 88,348   \$ 88,3457   \$ 88,346   \$ 88,3467   \$ 88,346   \$	Noninterest income		20,700		14,914
Income         3 3,767         28,239           Net income         3 38,457         3 88,317           Net income         3 88,457         3 88,314           Dilluted earnings per share         \$ 121,02         \$ 116,684           Return on average assets         1,644         1,68%           Return on average equity         5,04%         5,04%           Coary speed         6,08%         5,84%           Cost of average total deposits - core deposits         1,35%         0,00%           Effective tax rate         27,64%         24,23%           Efficiency ratio         46,24%         45,33%           Book value per share         \$ 18,93         735,00           Efficiency ratio         46,24%         45,33%           Book value per share         \$ 1,00         46,24%         45,33%           Bolance Sheet         \$ 1,00         46,24%         45,33%           Bota section         \$ 1,00         42,24         44,44         46,24	Noninterest expense		105,132		104,339
Net income         \$ 88,457         \$ 88,314           Diluted earnings per share         \$ 121,02         \$ 116,61           Return on average assets         1,64%         1,68%           Return on average equity         15,49%         17,05%           Loan yield         6,08%         5,84%           Cost of average total deposits - core deposits         1,35%         0,00%           Not interest margin - tax equivalent         4,05%         4,30%           Effective tax rate         27,64%         24,23%           Effective tax rate         27,564%         24,23%           Effective tax rate         3,500         46,24%         45,31%           Book value per share         \$ 5,370,196         \$ 5,308,928           Effective tax rate         212,253         410,642         45,31%           Book value per share         \$ 5,370,196         \$ 5,308,928         22           Cash and cash equivalents         212,253         410,642         341,565         338,375         701al sacurities         1,233,857         1,000,200         of which held-do-maturity         75,943         317,685         75,283         74,965         75,283         74,965         75,283         74,965         75,283         74,965         75,283         7	Income before taxes		122,244		116,553
Diluted earnings per share   \$ 121.02   \$ 116.61   Return on average assets   1.64%   1.68%   Return on average assets   1.64%   1.68%   Return on average equity   15.49%   17.05%   Loan yield   6.08%   5.84%   Cost of average total deposits - core deposits   1.35%   0.60%   Loan yield   4.06%   4.05%   4.05%   We thinterest margin - tax equivalent   4.06%   4.03%   Efficiency ratio   4.62%   4.53%   Book value per share   818.91   7.53%   Book value per share   818.91   7.53%   Balance Sheet:   7.014   8.08%   Total assets   \$ 5.370,196   \$ 5.308,928   Scash and cash equivalents   212,553   410,642   of which held at Fed   141,505   338,375   Total securities   1,233,857   1,000,200   of which available-for-sale   484,414   182,512   of which held-to-maturity   769,443   817,688   Gross Ioans and leases   3,680,221   3,665,397   Allowance for credit losses - loans and leases   75,283   74,965   Total deposits   4,699,139   4,668,098   Borrowings   9, 10,310   Total shareholders' equity   \$ 573,072   \$ 549,755   Loan-to-deposit ratio   78,55%   78,52%   Capital ratios (Bancorp) (1) Common equity tier 1 capital to risk-weighted assets   13,02%   12,30%   Tier 1 capital to risk-weighted assets   13,02%   12,30%   Tier 1 leverage capital ratio   10,95%   10,33%   Tier 1 leverage capital ratio   10,95%   10,33%   Tier 1 leverage capital ratio   10,95%   10,33%   Tier 1 leverage capital rotisk-weighted assets   13,02%   12,30%   Tier 1 leverage capital rotisk-weighted assets   13,02%   13	•				
Return on average assets         1.64%         1.68%           Return on average equity         15.49%         17.05%           Loan yield         6.08%         5.84%           Cost of average total deposits - core deposits         1.35%         0.80%           Net interest margin - tax equivalent         4.05%         4.30%           Effective tax rate         27.64%         24.23%           Efficiency ratio         48.24%         45.31%           Book value per share         \$ 818.91         \$ 735.00           Balance Sheet:           Total assets           Cash and cash equivalents         212.563         410.642           of which held at Fed         141.505         338.375         1.000.200           of which available-for-sale         464.11         182.512         317.688           of which available-for-sale         464.414         182.512         317.688         317.688           Total deposits and leases         75.283         74.965         31.38.75         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686         317.686	Net income		88,457		88,314
Return on average equity         15.49%         17.05%           Loan yield         6.08%         5.84%           Cost of average total deposits - core deposits         1.35%         0.08%           Net interest margin - tax equivalent         4.05%         4.30%           Effective tax rate         27.64%         24.23%           Efficiency ratio         46.24%         45.31%           Book value per share         818.91         \$ 735.00           Balance Sheet:           Total assets         \$ 5,370,196         \$ 5,308,928           Cash and cash equivalents         212,563         410,642           of which half dat Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which half-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,899,139         4,668,995           Borrowings         -         -           Sobordinated dehentures         10,310         701,310           Total shareholders' equity         \$ 78,53%         78,52%           <	Diluted earnings per share	\$	121.02	\$	116.61
Loan yield	Return on average assets				
Cost of average total deposits - core deposits         1,35%         0.80%           Net interest margin - tax equivalent         4,05%         4,30%           Effective tax rate         27,64%         24,23%           Efficiency ratio         46,24%         45,31%           Book value per share         818.91         735.00           Balance Sheet:           Total assests         5,370,196         \$5,308,928           Cash and cash equivalents         212,563         410,642           of which held at Fed         141,505         338,375           Total assests         1,233,857         1,000,200           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         36,90,221         3,665,997           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,689,95           Borrowings         -         -           Total deposits ratio         78,53%         78,52%           Percentage of checking deposits to total deposits         51,08%         12,30%           Test 1 capital to risk-weighted assets         13,25% <td>Return on average equity</td> <td></td> <td>15.49%</td> <td></td> <td>17.05%</td>	Return on average equity		15.49%		17.05%
Net interest margin - tax equivalent         4.05%         4.30%           Effective tax rate         27.64%         24.23%           Efficiency ratio         46.24%         45.31%           Book value per share         \$818.91         \$735.00           Balance Sheet:           Total assets         \$5,370,196         \$5,308,228           Cash and cash equivalents         212,563         410,642           of which held at Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,665           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$73,072         \$549,755           Loan-to-deposit ratio         78,534         78,524           Percentage of checking deposits to total deposits         \$1,325%         12,30%           Tier 1 capital to risk-weighted assets         13,25%         12,378% <td>•</td> <td></td> <td></td> <td></td> <td></td>	•				
Effective tax rate         27.64%         24.23%           Efficiency ratio         46.24%         45.31%           Book value per share         \$ 818.91         \$ 735.00           Balance Sheet:           Total assets         \$ 5,370,196         \$ 5,308,928           Cash and cash equivalents         212,563         410,642           of which held 4 Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         \$ 13,02%         12.30%           Tier 1 capital to risk-weighted assets         13,25%         12.30%           Tier 1 leverage capital ratio         10.95%					
Efficiency ratio         46.24%         45.31%           Book value per share         \$ 818.91         \$ 735.00           Balance Sheet:           Total assets         \$ 5,370,196         \$ 5,308,928           Cash and cash equivalents         212,563         410,642           of which held at Fed         141,505         338,375           Total securities         1,233,657         1,000,200           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78,53%         78,52%           Percentage of checking deposits to total deposits         13,02%         12,30%           Tier 1 capital to risk-weighted assets         13,25%         12,53%           Risk-based capital rot risk-weighted assets         14,51% </td <td></td> <td></td> <td></td> <td></td> <td></td>					
Balance Sheet:         Total assets         \$ \$3,70,196         \$ \$5,300,928           Cash and cash equivalents         212,563         410,642         of which held at Fed         1415,505         338,375         Total securities         1,233,857         1,000,200         of which held-for-sale         464,414         182,512         of which held-to-maturity         769,443         817,688         817,688         3690,221         3,665,397         Allowance for credit losses - loans and leases         769,443         817,688         37,5283         74,965         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         37,975         3					
Total assets         \$ 5,370,196         \$ 5,308,928           Cash and cash equivalents of which held at Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which held at Fed         464,414         182,512           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,666,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         \$ 13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13% </td <td>•</td> <td>\$</td> <td></td> <td>\$</td> <td></td>	•	\$		\$	
Total assets         \$ 5,370,196         \$ 5,308,928           Cash and cash equivalents of which held at Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which held at Fed         464,414         182,512           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,666,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         \$ 13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13% </td <td>Palanca Shoot</td> <td></td> <td></td> <td></td> <td></td>	Palanca Shoot				
Cash and cash equivalents of which held at Fed         141,505         333,375         1,000,200         333,375         1,000,200         333,375         1,000,200         6 which held at Fed         1,233,857         1,000,200         1,233,857         1,000,200         6 which available-for-sale         464,414         182,512         6 which held-to-maturity         769,443         817,688         817,688         65,837         78,858         75,283         74,965         76,224         76,224         76,224         76,224         76,224         76,224         76,224         76,224         76,224         76,224         76,224         76,224		\$	5 370 196	\$	5 308 928
of which held at Fed         141,505         338,375           Total securities         1,233,857         1,000,200           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,689,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Subordinated deposits ratio         78,537         \$549,755           Loan-to-deposit ratio         78,534         78,52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)           Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Risk-based capital rot risk-weighted assets         13.25%         12.53%           Risk-based capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2023		Ψ		Ψ	
Total securities         1,233,857         1,000,200           of which available-for-sale         464,414         182,512           of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,665,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         10,310         10,310           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$573,072         \$549,755           Loan-to-deposit ratio         78,53%         78,52%           Percentage of checking deposits to total deposits         51,08%         51,76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13,02%         12,39%           Tier 1 capital to risk-weighted assets         13,25%         12,53%           Risk-based capital to risk-weighted assets         13,25%         12,53%           Risk-based capital to risk-weighted assets         10,45%         10,38%           Tangible common equity ratio (2)         10,46%         10,13%           (1) Capital information is preliminary for December 31, 2024         2024         2023 </td <td>•</td> <td></td> <td>-</td> <td></td> <td>•</td>	•		-		•
of which available-for-sale of which held-to-maturity         464,414 769,443 817,688 7670,443 817,688 7670,500 317,698 769,443 817,688 769,539 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 74,965 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 78,529 763,000 31,665,397 763,000 31			-		•
of which held-to-maturity         769,443         817,688           Gross loans and leases         3,690,221         3,685,397           Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$73,072         \$549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         \$1.08%         \$1.76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         22 Non-GAAP measurement         2024         2023           Shareholders' equity         \$573,072         \$549,755         252,305           Less: Intangible assets					
Allowance for credit losses - loans and leases         75,283         74,965           Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)           Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         13.25%         10.38%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,92			-		•
Total deposits         4,699,139         4,668,095           Borrowings         -         -           Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         22         2023           Non-GAAP measurement         Non-GAAP measurement reconciliation:         December 31, 2024         (2) Non-GAAP measurement           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,370,196         \$ 5,308,928           Les	Gross loans and leases		3,690,221		3,665,397
Borrowings         -         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)           Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2024           (2) Non-GAAP measurement         December 31, 2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets	Allowance for credit losses - loans and leases		75,283		74,965
Subordinated debentures         10,310         10,310           Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.55%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2023           (2) Non-GAAP measurement         December 31, 2024         (2) Non-GAAP measurement         December 31, 2024         (2) 2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         \$ 5,375,3	Total deposits		4,699,139		4,668,095
Total shareholders' equity         \$ 573,072         \$ 549,755           Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2024           (2) Non-GAAP measurement         Non-GAAP measurement reconciliation:         December 31, 2024         2024         2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,357,326         \$ 5,295,509	Borrowings		-		-
Loan-to-deposit ratio         78.53%         78.52%           Percentage of checking deposits to total deposits         51.08%         51.76%           Capital ratios (Bancorp) (1)         Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2024           (2) Non-GAAP measurement         Non-GAAP measurement reconciliation:           (bollars in thousands)         December 31, 2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Subordinated debentures		10,310		10,310
Capital ratios (Bancorp) (1)         51.08%         51.76%           Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Rier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024         2023           Non-GAAP measurement           Non-GAAP measurement reconciliation:         December 31, 2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755         2           Less: Intangible assets         12,870         13,419         13,419           Total assets         \$ 5,370,196         \$ 5,308,928         2           Less: Intangible assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         \$ 12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Total shareholders' equity	\$	573,072	\$	549,755
Capital ratios (Bancorp) (1)           Common equity tier 1 capital to risk-weighted assets         13.02%         12.30%           Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024           (2) Non-GAAP measurement         2024         2023           Non-GAAP measurement reconciliation:           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Loan-to-deposit ratio		78.53%		
Common equity tier 1 capital to risk-weighted assets       13.02%       12.30%         Tier 1 capital to risk-weighted assets       13.25%       12.53%         Risk-based capital to risk-weighted assets       14.51%       13.78%         Tier 1 leverage capital ratio       10.95%       10.38%         Tangible common equity ratio (2)       10.46%       10.13%         (1) Capital information is preliminary for December 31, 2024 (2) Non-GAAP measurement         Non-GAAP measurement reconciliation:         Non-GAAP measurement reconciliation:       December 31, 2024 2023         Shareholders' equity       \$ 573,072 549,755         Less: Intangible assets       12,870 13,419         Tangible common equity       \$ 560,202 \$ 536,336         Total assets       \$ 5,370,196 \$ 5,308,928         Less: Intangible assets       12,870 13,419         Tangible assets       \$ 5,357,326 \$ 5,295,509	Percentage of checking deposits to total deposits		51.08%		51.76%
Tier 1 capital to risk-weighted assets         13.25%         12.53%           Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024           (2) Non-GAAP measurement         December 31,         December 31,           Non-GAAP measurement reconciliation:         December 31,         December 31,           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509					
Risk-based capital to risk-weighted assets         14.51%         13.78%           Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024           (2) Non-GAAP measurement         December 31, 2024           Non-GAAP measurement reconciliation:           December 31, (Dollars in thousands)         December 31, 2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Common equity tier 1 capital to risk-weighted assets		13.02%		12.30%
Tier 1 leverage capital ratio         10.95%         10.38%           Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         2024           (2) Non-GAAP measurement         December 31, 2024         December 31, 2024           (Dollars in thousands)         2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509					
Tangible common equity ratio (2)         10.46%         10.13%           (1) Capital information is preliminary for December 31, 2024         (2) Non-GAAP measurement           Non-GAAP measurement reconciliation:         December 31, 2024         December 31, 2023           (Dollars in thousands)         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509					
(1) Capital information is preliminary for December 31, 2024         (2) Non-GAAP measurement       December 31, December 31, December 31, 2024         (Dollars in thousands)       2024       2023         Shareholders' equity       \$ 573,072       \$ 549,755         Less: Intangible assets       12,870       13,419         Tangible common equity       \$ 560,202       \$ 536,336         Total assets       \$ 5,370,196       \$ 5,308,928         Less: Intangible assets       12,870       13,419         Tangible assets       \$ 5,357,326       \$ 5,295,509					
(2) Non-GAAP measurement         December 31, December 31, 2024         (Dollars in thousands)       2024       2023         Shareholders' equity       \$ 573,072       \$ 549,755         Less: Intangible assets       12,870       13,419         Tangible common equity       \$ 560,202       \$ 536,336         Total assets       \$ 5,370,196       \$ 5,308,928         Less: Intangible assets       12,870       13,419         Tangible assets       \$ 5,357,326       \$ 5,295,509	. ,		10.46 /6		10.13 /6
(Dollars in thousands)         December 31, 2024         December 31, 2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509					
(Dollars in thousands)         2024         2023           Shareholders' equity         \$ 573,072         \$ 549,755           Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Non-GAAP measurement reconciliation:				
Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	(Dollars in thousands)	•		=	
Less: Intangible assets         12,870         13,419           Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Shareholders' equity	<u> </u>	573 072	\$	549 755
Tangible common equity         \$ 560,202         \$ 536,336           Total assets         \$ 5,370,196         \$ 5,308,928           Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509		Ψ		4	-
Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	<del>-</del>	\$		\$	
Less: Intangible assets         12,870         13,419           Tangible assets         \$ 5,357,326         \$ 5,295,509	Total assets	\$	5,370.196	\$	5,308.928
Tangible assets \$ 5,357,326 \$ 5,295,509		т		•	
Tangible common equity ratio <sup>(1)</sup> 10.46% 10.13%	<del>-</del>	\$		\$	
	Tangible common equity ratio <sup>(1)</sup>		10.46%		10.13%