



FIRSTwestern

Second Quarter 2025
Conference Call

Safe Harbor

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect the current views of First Western Financial, Inc.’s (“First Western”) management with respect to, among other things, future events and First Western’s financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “position,” “project,” “future” “forecast,” “goal,” “target,” “would” and “outlook,” or the negative variations of those words or other comparable words of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about First Western’s industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond First Western’s control. Accordingly, First Western cautions you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although First Western believes that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. The following risks and uncertainties, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: the risk of geographic concentration in Colorado, Arizona, Wyoming, California, and Montana; the risk of changes in the economy affecting real estate values and liquidity; the risk in our ability to continue to originate residential real estate loans and sell such loans; risks specific to commercial loans and borrowers; the risk of claims and litigation pertaining to our fiduciary responsibilities; the risk of changes in interest rates could reduce our net interest margins and net interest income; increased credit risk, including as a result of deterioration in economic conditions, could require us to increase our allowance for credit losses and could have a material adverse effect on our results of operations and financial condition; the risk in our ability to maintain a strong core deposit base or other low-cost funding sources. Additional information regarding these and other risks and uncertainties to which our business and future financial performance are subject is contained in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (“SEC”) on March 7, 2025 and other documents we file with the SEC from time to time. All subsequent written and oral forward-looking statements attributable to First Western or persons acting on First Western’s behalf are expressly qualified in their entirety by this paragraph. Forward-looking statements speak only as of the date of this presentation. First Western undertakes no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise (except as required by law).

This presentation contains certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided at the end of this presentation. Numbers in the presentation may not sum due to rounding.

Our common stock is not a deposit or savings account. Our common stock is not insured by the Federal Deposit Insurance Corporation or any governmental agency or instrumentality.

Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof.

Overview of 2Q25

2Q25 Earnings

- Net income available to common shareholders of \$2.5 million or \$0.26 per diluted share
- Net interest income increased \$0.4 million from \$17.5 million in the prior quarter to \$17.9 million
- Positive trends in a number of key areas

Continued Execution on Strategic Priorities

- Continued priority on prudent risk management and conservative approach to new loan production with the contribution of new banking talent helping to drive solid loan production
- Continued disciplined expense management
- Generally stable asset quality

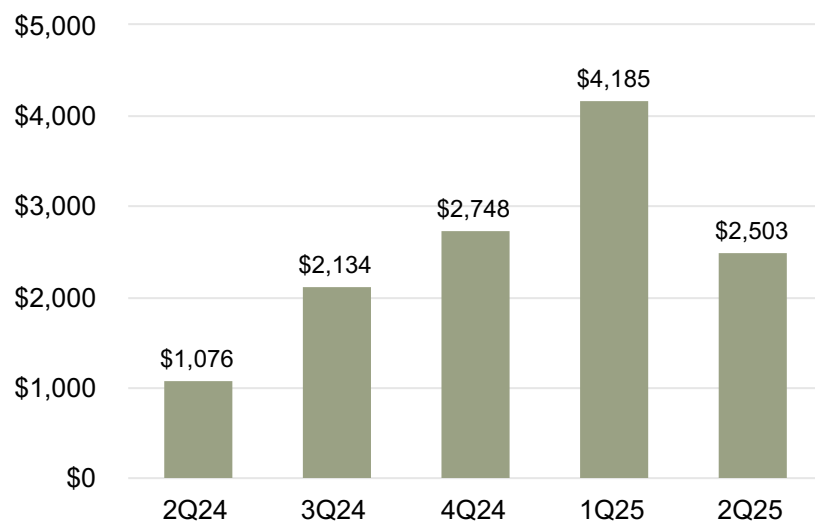
Positive Trends in Key Metrics

- Further increase in tangible book value per share
- Improvement in net interest margin from prior quarter due to redeployment of cash generated from sale of OREO properties into new loan production and security purchases
- Growth in mortgage banking revenue resulting from higher volumes due to contribution of new MLOs

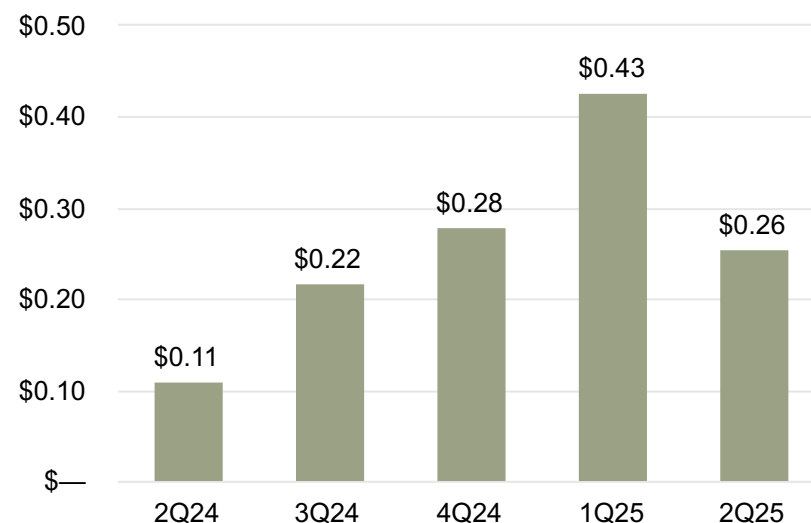
Net Income Available to Common Shareholders and Earnings per Share

- Net income of \$2.5 million, or \$0.26 diluted earnings per share, in 2Q25
- Tangible book value per share⁽¹⁾ increased 0.9% to \$23.39
- Quarter-over-quarter earnings were impacted by a \$1.7 million pre-tax increase in provision and a one-time \$0.5 million pre-tax gain on OREO in 1Q25

Net Income Available to Common Shareholders



Diluted Earnings per Share



(1) See Non-GAAP reconciliation within the appendix

Loan Portfolio

Loan Portfolio Details

- Total loans held for investment increased \$114.4 million from prior quarter due to strong loan production
- New loan production well diversified across markets and loan types
- New loan production in 2Q25 of \$166.9 million with a focus on relationship-based lending
- Average rate on new loan production was 6.35%. Excluding \$52 million of production secured by trust and investment management assets, new production yield was 6.67%, which was higher than average rate of loans paying off

Loan Portfolio Composition⁽¹⁾

(\$ in thousands, as of quarter end)

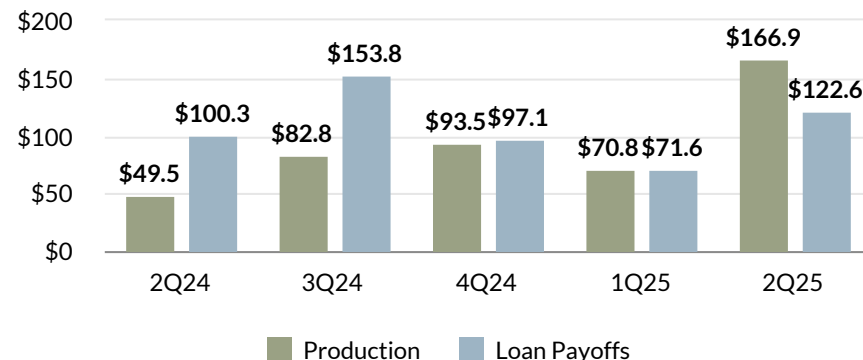
	2Q24	1Q25	2Q25
Cash, Securities and Other	\$ 143,720	\$ 101,078	\$ 161,725
Consumer and Other	15,645	16,688	15,778
Construction and Development	309,146	291,133	255,870
1-4 Family Residential	904,569	971,179	1,012,662
Non-Owner Occupied CRE	609,790	636,820	655,954
Owner Occupied CRE	189,353	182,417	196,692
Commercial and Industrial	277,973	223,197	239,278
Total	\$ 2,450,196	\$ 2,422,512	\$ 2,537,959
Loans accounted for at fair value ⁽²⁾	10,494	6,280	5,235
Total Loans HFI	\$ 2,460,690	\$ 2,428,792	\$ 2,543,194
Mortgage loans held for sale	26,856	10,557	24,151
Total Loans	\$ 2,487,546	\$ 2,439,349	\$ 2,567,345

(1) Represents unpaid principal balance. Excludes deferred (fees) costs and unamortized premium/(unaccreted discount).

(2) Excludes fair value adjustments on loans accounted for under the fair value option.

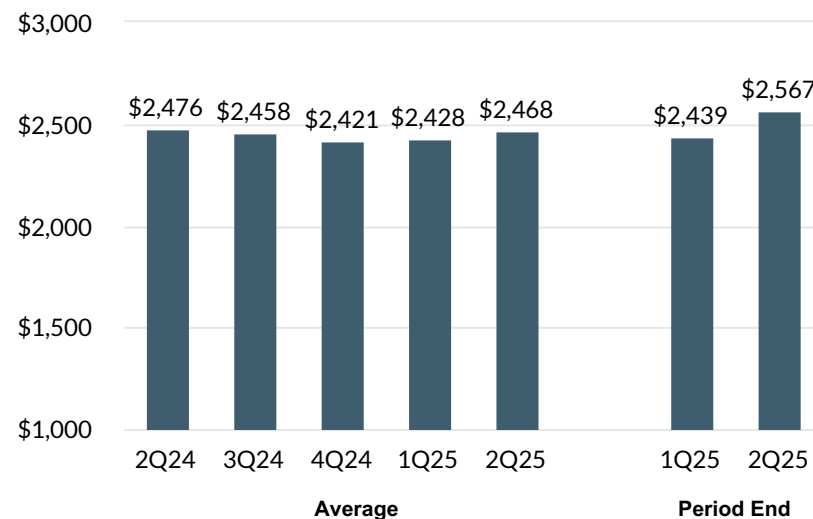
Loan Production & Loan Payoffs

(\$ in millions)



Total Loans⁽¹⁾

(\$ in millions, as of quarter end)



Total Deposits

- Total deposits increased 0.4% from \$2.52 billion in 1Q25 to \$2.53 billion in 2Q25
- Noninterest-bearing deposits decreased 11.7% from \$410 million in 1Q25 to \$362 million in 2Q25 primarily due to seasonal outflow for tax payments and operating account fluctuations
- Interest-bearing deposits increased 2.8% from \$2.11 billion in 1Q25 to \$2.17 billion in 2Q25 primarily driven by growth in money market and time deposit accounts

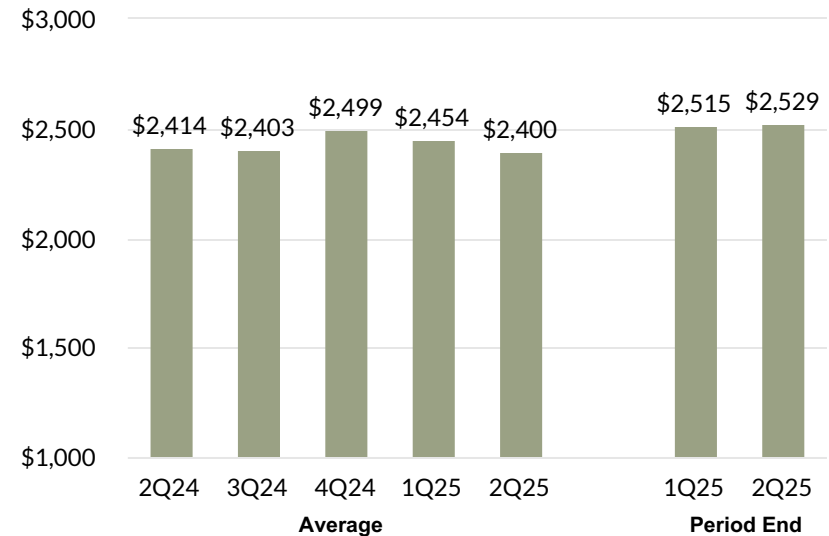
Deposit Portfolio Composition

(\$ in thousands, as of quarter end)

	2Q24	1Q25	2Q25
Money market deposit accounts	\$ 1,342,753	\$ 1,566,737	\$ 1,632,997
Time deposits	519,597	379,533	397,006
Interest checking accounts	135,759	144,980	123,967
Savings accounts	16,081	14,451	13,503
Noninterest-bearing accounts	396,702	409,696	361,656
Total Deposits	\$ 2,410,892	\$ 2,515,397	\$ 2,529,129

Total Deposits

(\$ in millions, as of quarter end)

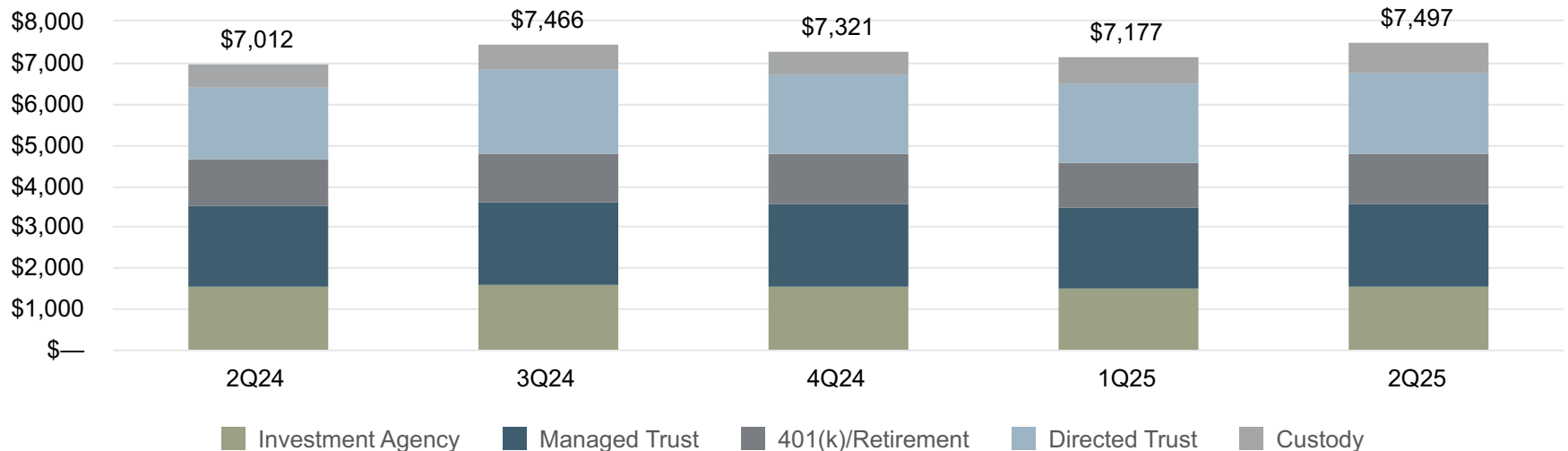


Trust and Investment Management

- Total assets under management increased \$320 million, or 4.5%, during the quarter to \$7.50 billion
- The increase in AUM from 1Q25 was primarily driven by improving market conditions
- Compared to 2Q24, total AUM increased 6.9% from \$7.01 billion

Total Assets Under Management

(\$ in millions, as of quarter end)

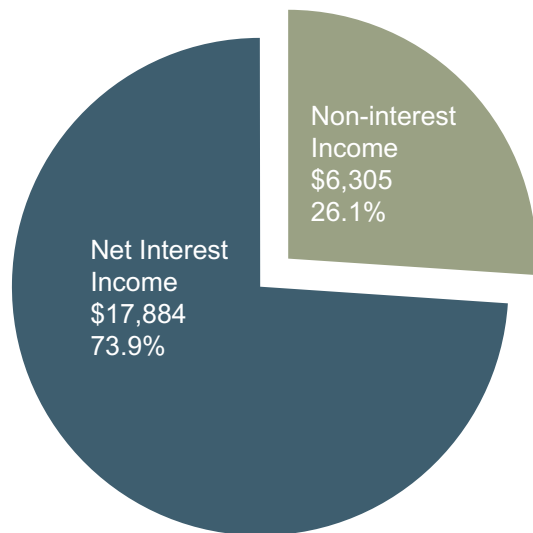


Gross Revenue

- Gross revenue⁽¹⁾ decreased 1.6% from prior quarter
- Net interest income increased 2.3% from prior quarter primarily driven by net interest margin expansion
- Non-interest income decreased \$1.0 million from prior quarter driven primarily by one-time items positively impacting prior quarter, partially offset by an increase in Net gain on mortgage loans

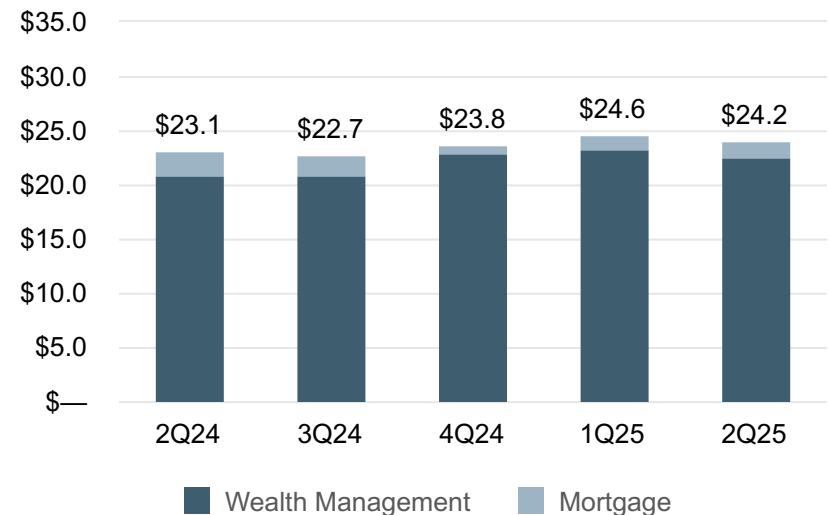
Gross Revenue⁽¹⁾

(\$ in thousands)



Gross Revenue⁽¹⁾

(\$ in millions)



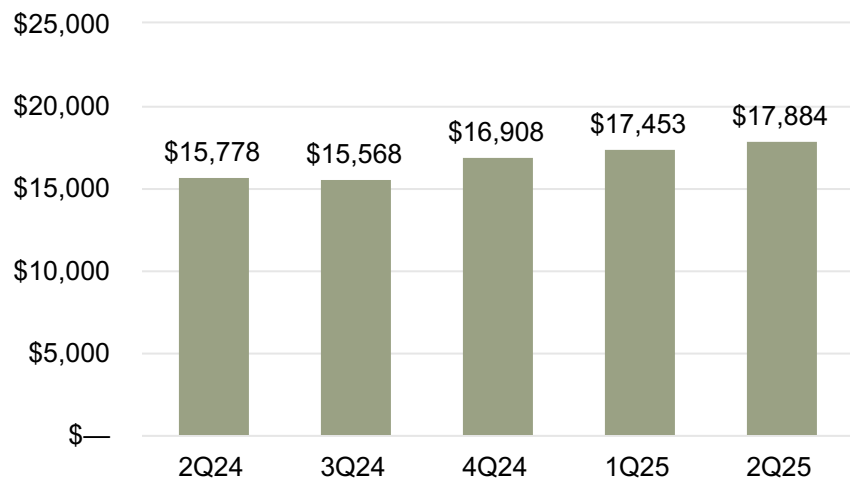
(1) See Non-GAAP reconciliation within the appendix

Net Interest Income and Net Interest Margin

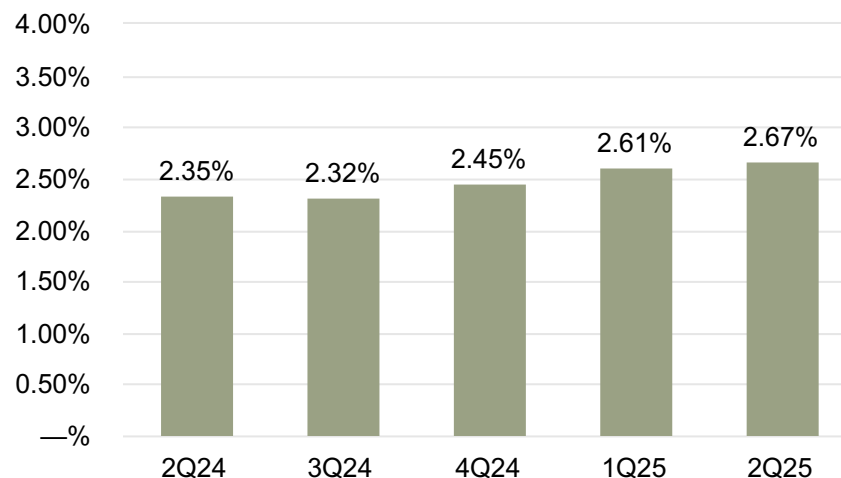
- Net interest income increased \$0.4 million, or 2.3%, from \$17.5 million in 1Q25 to \$17.9 million, primarily driven by a 6 basis point increase in net interest margin
- Net interest margin increased 6 basis points during the quarter from 2.61% in 1Q25 to 2.67% in 2Q25, primarily due to a decrease in cost of deposits and increase in interest-earning assets yield
- The decrease in cost of deposits was primarily due to lower rates on time deposits and the increase in interest-earning assets yield was primarily due to an improved mix in average interest-earning asset balances
- Both Net interest income and net interest margin increased for the third consecutive quarter

Net Interest Income

(\$ in thousands)



Net Interest Margin

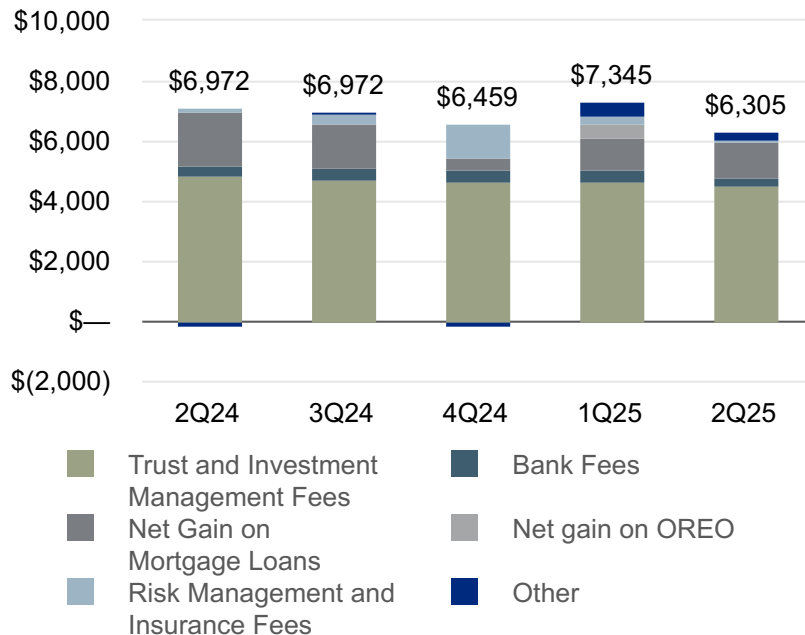


Non-Interest Income

- Non-interest income decreased \$1.0 million to \$6.3 million from prior quarter driven by one-time items that positively impacted the prior quarter, partially offset by an increase in Net gain on mortgage loans
- One-time items in 1Q25 included a gain on OREO of \$0.5 million as well as a gain on LHFS of \$0.2 million
- Addition of MLOs led to higher level of mortgage production and contributed to an increase in Net gain on mortgage loans of \$0.1 million in 2Q25
- Trust and investment management fee decline primarily driven by a mix-shift in AUM to lower fee product categories

Total Non-Interest Income

(\$ in thousands)



Trust and Investment Management Fees

(\$ in thousands)

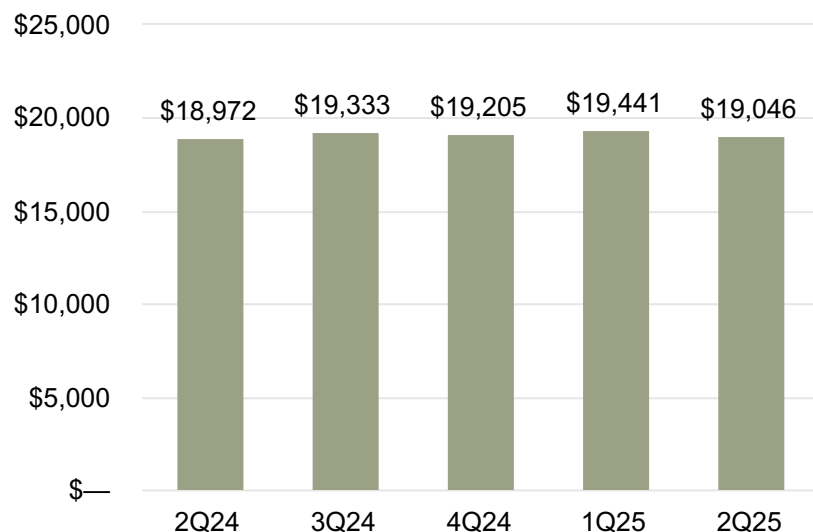


Non-Interest Expense and Efficiency Ratio

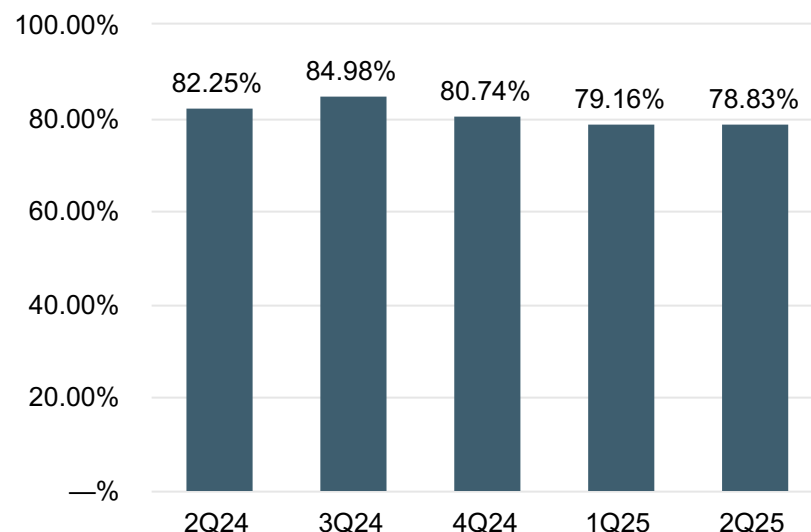
- Non-interest expense decreased to \$19.1 million from \$19.4 million in the first quarter of 2025, primarily driven by a decrease in Salaries and employee benefits expense
- Non-interest expense increased \$0.1 million, or 0.52% from \$19.0 million in the second quarter of 2024 in spite of ongoing inflationary pressures
- The efficiency ratio improved in the quarter from 79.16% as of 1Q25 to 78.83% as of 2Q25
- The efficiency ratio improved 3.42% from 82.25% as of 2Q24

Adjusted Non-Interest Expense⁽¹⁾

(\$ in thousands)



Operating Efficiency Ratio⁽¹⁾

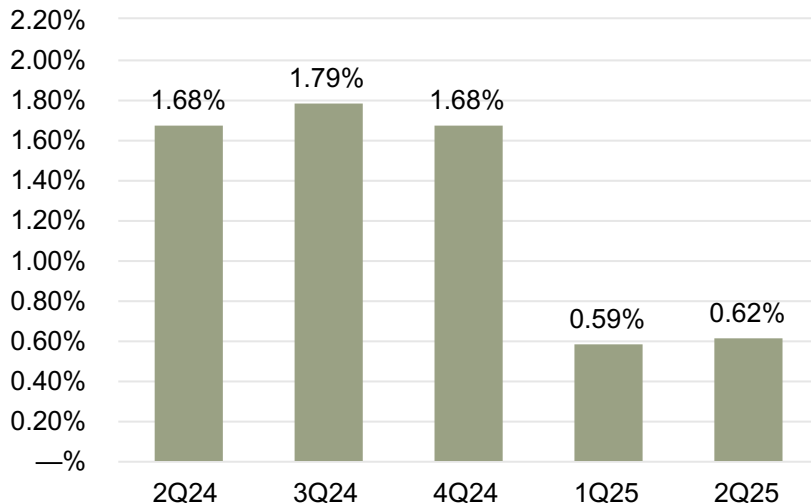


(1) See Non-GAAP reconciliation within the appendix

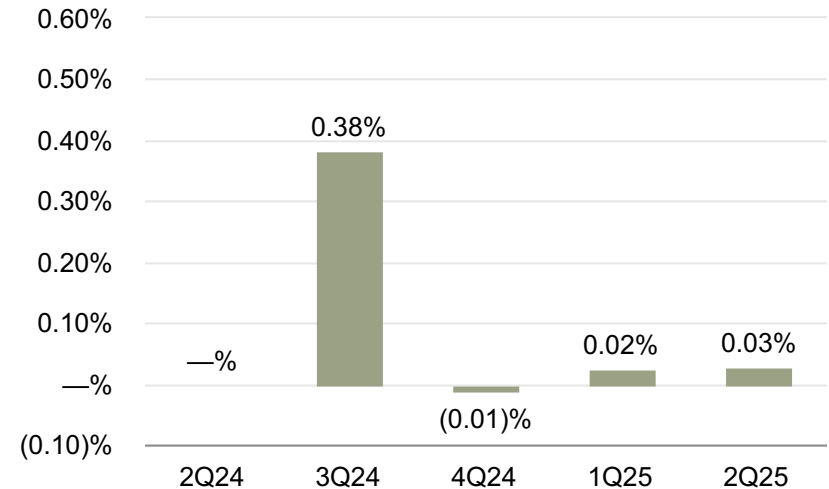
Asset Quality

- Slight increase in NPLs and NPAs due to the addition of one credit relationship that is an active workout and secured by a residential real estate asset, business assets, and a personal guarantee
- Modest amount of NCOs during the quarter
- Provision expense of \$1.8 million during 2Q25 was primarily driven by loan production and NCOs
- ACL/Total Loans increased from 0.74% in 1Q25 to 0.75% in 2Q25

Non-Performing Assets/Total Assets



Net Charge-Offs (Recoveries)/Average Loans



Near Term Outlook

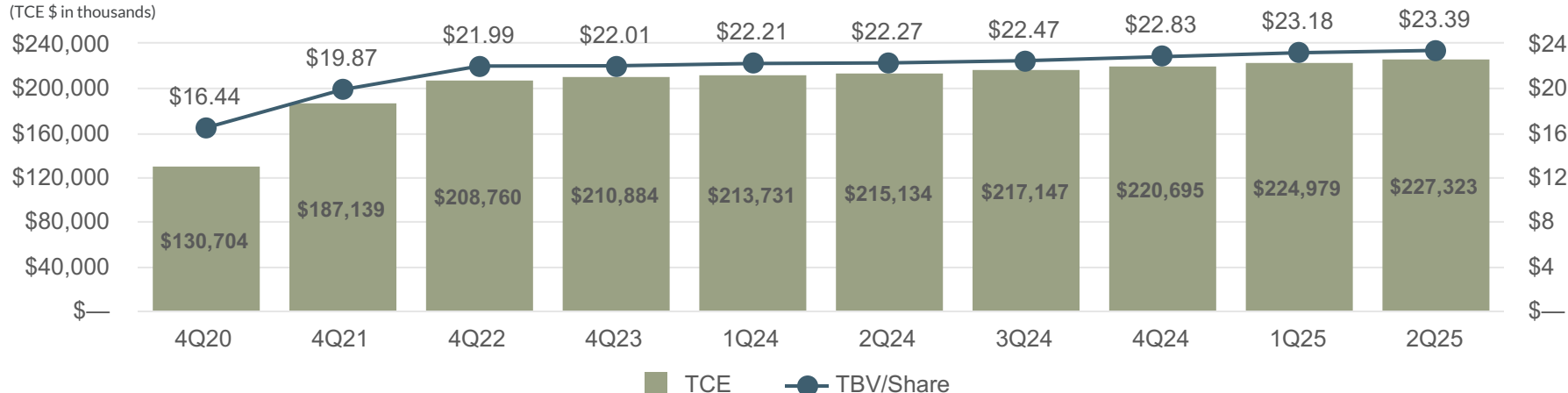
- First Western's markets continue to perform well and the strength of our balance sheet and franchise provides opportunities to capitalize on market disruption and challenges being faced by competing banks to add new clients and banking talent
- Loan and deposit pipelines remain strong and should continue to result in solid balance sheet growth in the second half of the year
- Positive trends expected to continue
 - Solid loan and deposit growth
 - Continued expansion in net interest margin
 - More robust business development activities in Wealth Management business
 - Higher level of mortgage production resulting from addition of MLOs
 - More operating leverage resulting from disciplined expense control
- Positive trends in key areas expected to continue, which should result in steady improvement in financial performance and further value being created for shareholders

Appendix

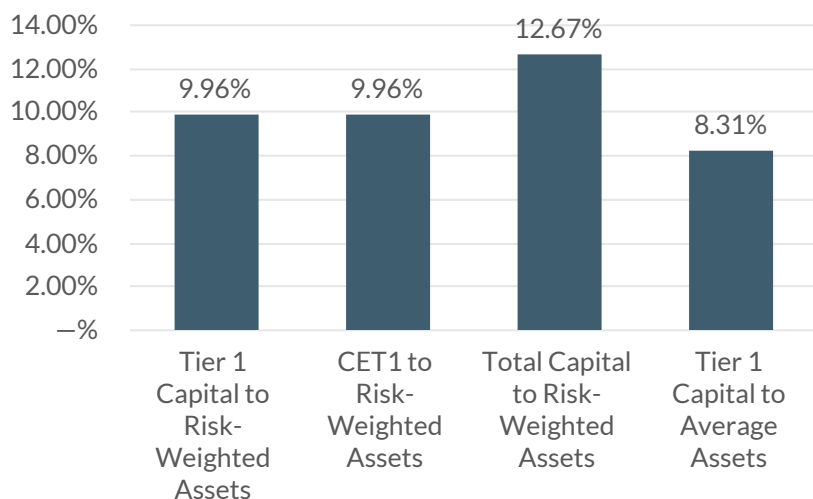
Capital and Liquidity Overview

Tangible Common Equity / TBV per Share⁽¹⁾

(TCE \$ in thousands)



Consolidated Capital Ratios (as of 06/30/25)



Liquidity Funding Sources (as of 06/30/25)

(\$ in thousands)

Liquidity Reserves:

Total Available Cash	\$	230,397
Unpledged Investment Securities		65,214

Borrowed Funds:

Secured:

FHLB Available	370,958
FRB Available	26,009

Other:

Brokered Remaining Capacity	220,708 ⁽²⁾
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Unsecured:

Credit Lines	29,000
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Total Liquidity Funding Sources \$ **942,286**

Loan-to-Deposit Ratio **100.4 %**

(1) See Non-GAAP reconciliation within the appendix

(2) Based on internal policy guidelines

Non-GAAP Reconciliation

Consolidated Efficiency Ratio (Dollars in thousands)	For the Three Months Ended,				
	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025
Non-interest expense	\$ 19,001	\$ 19,368	\$ 20,427	\$ 19,361	\$ 19,099
Less: OREO expenses and write-downs	29	35	1,222	(80)	53
Adjusted non-interest expense	\$ 18,972	\$ 19,333	\$ 19,205	\$ 19,441	\$ 19,046
Net interest income	\$ 15,778	\$ 15,568	\$ 16,908	\$ 17,453	\$ 17,884
Non-interest income	6,972	6,972	6,459	7,345	6,305
Less: unrealized (loss) gain recognized on equity securities	(2)	24	(49)	11	3
Less: net (loss) gain on loans accounted for under the fair value option	(315)	(233)	(149)	6	26
Less: net (loss) gain on loans held for sale	—	—	(222)	222	—
Adjusted non-interest income	\$ 7,289	\$ 7,181	\$ 6,879	\$ 7,106	\$ 6,276
Adjusted total income	\$ 23,067	\$ 22,749	\$ 23,787	\$ 24,559	\$ 24,160
Efficiency ratio	82.25 %	84.98 %	80.74 %	79.16 %	78.83 %
Consolidated Tangible Common Book Value Per Share (Dollars in thousands)					
	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025
Total shareholders' equity	\$ 246,875	\$ 248,831	\$ 252,322	\$ 256,555	\$ 258,847
Goodwill and other intangibles, net	31,741	31,684	31,627	31,576	31,524
Tangible common equity	\$ 215,134	\$ 217,147	\$ 220,695	\$ 224,979	\$ 227,323
Common shares outstanding, end of period	9,660,549	9,664,101	9,667,142	9,704,320	9,717,922
Tangible common book value per share	\$ 22.27	\$ 22.47	\$ 22.83	\$ 23.18	\$ 23.39
Net income available to common shareholders					\$ 2,503
Return on tangible common equity (annualized)					4.40 %

Non-GAAP Reconciliation

Wealth Management Gross Revenue		For the Three Months Ended,				
(Dollars in thousands)	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	
Total income before non-interest expense	\$ 18,242	\$ 20,296	\$ 23,540	\$ 23,468	\$ 20,919	
Less: unrealized (loss) gain recognized on equity securities	(2)	24	(49)	11	3	
Less: net (loss) gain on loans accounted for under the fair value option	(315)	(233)	(149)	6	26	
Less: net (loss) gain on loans held for sale at fair value	—	—	(222)	222	—	
Plus: provision for (release of) credit losses	2,334	501	(974)	80	1,773	
Gross revenue	\$ 20,893	\$ 21,006	\$ 22,986	\$ 23,309	\$ 22,663	
Mortgage Gross Revenue		For the Three Months Ended,				
(Dollars in thousands)	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	
Total income before non-interest expense	\$ 2,174	\$ 1,743	\$ 801	\$ 1,250	\$ 1,497	
Gross revenue	\$ 2,174	\$ 1,743	\$ 801	\$ 1,250	\$ 1,497	
Consolidated Gross Revenue		For the Three Months Ended,				
(Dollars in thousands)	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025	June 30, 2025	
Total income before non-interest expense	\$ 20,416	\$ 22,039	\$ 24,341	\$ 24,718	\$ 22,416	
Less: unrealized (loss) gain recognized on equity securities	(2)	24	(49)	11	3	
Less: net (loss) gain on loans accounted for under the fair value option	(315)	(233)	(149)	6	26	
Less: net (loss) gain on loans held for sale at fair value	—	—	(222)	222	—	
Plus: provision for (release of) credit losses	2,334	501	(974)	80	1,773	
Gross revenue	\$ 23,067	\$ 22,749	\$ 23,787	\$ 24,559	\$ 24,160	

Non-GAAP Reconciliation

Pre-tax, Pre-Provision Net Income (Dollars in thousands)	For the Three Months Ended,		
	June 30, 2024	March 31, 2025	June 30, 2025
Income before income taxes	\$ 1,415	\$ 5,357	\$ 3,317
Plus: provision for credit losses	2,334	80	1,773
Pre-tax, pre-provision net income	\$ 3,749	\$ 5,437	\$ 5,090

Allocation of the Allowance for Credit Losses (ACL) (Dollars in thousands)	As of							
	June 30, 2025				December 31, 2024			
	ACL Amount	% of Loans	% of ACL	% ⁽¹⁾	ACL Amount	% of Loans	% of ACL	% ⁽¹⁾
Commercial:								
Construction and Development	\$ 3,651	1.4 %	19.2 %	10.1 %	\$ 5,184	1.7 %	28.3 %	13.0 %
Non-Owner Occupied CRE	4,323	0.7	22.7	25.8	4,340	0.7	23.7	25.3
Owner Occupied CRE	737	0.4	3.9	7.7	654	0.4	3.5	7.1
Commercial and Industrial	3,431	1.4	18.1	9.4	2,357	1.1	12.9	9.1
Total Commercial	12,142	0.9	63.9	53.0	12,535	1.0	68.4	54.5
Consumer:								
Cash, Securities and Other	1,150	0.7	6.1	6.4	410	0.3	2.2	5.0
Consumer and Other	158	1.0	0.8	0.6	185	1.1	1.0	0.7
1-4 Family Residential	5,544	0.5	29.2	40.0	5,200	0.5	28.4	39.8
Total Consumer	6,852	0.6	36.1	47.0	5,795	0.5	31.6	45.5
Total allowance for credit losses	\$ 18,994	0.7 %	100 %	100 %	\$ 18,330	0.8 %	100 %	100 %

(1) Represents the percentage of loans to total loans in the respective category