



Heritage
Financial
CORPORATION

INVESTOR PRESENTATION
Q4 2025





FORWARD LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements often include words such as “believes,” “expects,” “anticipates,” “estimates,” “forecasts,” “intends,” “plans,” “targets,” “potentially,” “probably,” “projects,” “outlook” or similar expressions or future or conditional verbs such as “may,” “will,” “should,” “would,” and “could,” as well as the negative of such words. Forward-looking statements are not historical facts but instead represent management’s current expectations and forecasts regarding future events, many of which are inherently uncertain and outside of our control. Actual results may differ, possibly materially, from those currently expected or projected in these forward-looking statements. Factors that could cause our actual results to differ materially from those described in the forward-looking statements include, but are not limited to, the following:

- potential adverse impacts to economic conditions nationally or in our local market areas, other markets where Heritage Financial Corporation (the “Company”) and its subsidiaries have lending relationships, or other aspects of the Company’s business operations or financial markets, including, without limitation, as a result of credit quality deterioration, pronounced and sustained reductions in real estate market values, employment levels, labor shortages and a potential recession or slowed economic growth;
- changes in the interest rate environment, which could adversely affect our revenues and expenses, the value of assets and obligations, and the availability and cost of capital and liquidity;
- the level and impact of inflation and the current and future monetary policies of the Board of Governors of the Federal Reserve System in response thereto;
- legislative or regulatory changes that adversely affect our business, including changes in banking, securities, and tax law, in regulatory policies and principles, or the interpretation and prioritization of such rules and regulations;
- effects on the U.S. economy resulting from the threat or implementation of, or changes to existing, policies and executive orders, including tariffs, immigration policy, regulatory and other governmental agencies, DEI and ESG initiatives, consumer protection, foreign policy, and tax regulations;
- credit and interest rate risks associated with the Company’s businesses, customers, borrowings, repayment, investment, and deposit practices;
- fluctuations in deposits and deposit concentrations;
- liquidity issues, including our ability to borrow funds or raise additional capital, if necessary;
- fluctuations in the value of our investment securities;
- credit risks and risks from concentrations (including by type of geographic area, collateral and industry) within our loan portfolio;
- disruptions, security breaches, insider fraud, cybersecurity incidents or other adverse events, failures or interruptions in, or attacks on, our information technology systems or on the third-party vendors who perform critical processing functions for our business, including sophisticated attacks using artificial intelligence and similar tools;
- technological changes implemented by us and other parties, including third-party vendors, which may be more difficult to implement or more expensive than anticipated or which may have unforeseen consequences to us and our customers, including the development and implementation of tools incorporating artificial intelligence;
- increased competition in the financial services industry from non-banks such as credit unions and financial technology companies, including digital asset service providers;
- our ability to adapt successfully to technological changes to compete effectively in the marketplace, including as a result of competition from other commercial banks, mortgage banking firms, credit unions, securities brokerage firms, insurance companies, and financial technology companies;
- our ability to implement our organic and acquisition growth strategies, including the pending acquisition of Olympic Bancorp, Inc. (“Olympic”), and our ability to successfully integrate Olympic’s customers and operations following the acquisition;
- effects of critical accounting policies and judgments, including the use of estimates in determining fair value of certain of our assets, which estimates may prove to be incorrect and result in significant declines in valuation;
- the commencement, costs, effects and outcome of litigation and other legal proceedings and regulatory actions against us or to which the Company may become subject;
- potential impairment to the goodwill the Company recorded in connection with our past acquisitions, including the pending acquisition of Olympic;
- loss of, or inability to attract, key personnel;
- our ability to successfully integrate any assets, liabilities, customers, systems, and management personnel we may acquire, including as a result of the acquisition of Olympic, into our operations and our ability to realize related revenue synergies and cost savings within expected time frames or at all, and any goodwill charges related thereto and costs or difficulties relating to integration matters, including but not limited to customer and employee retention, which might be greater than expected;
- the effects of climate change, severe weather events, natural disasters, pandemics, epidemics and other public health crises, acts of war or terrorism, foreign relations, and other external events on our business and the businesses of our clients;
- the impact of bank failures or adverse developments at other banks and related negative publicity about the banking industry in general on investor and depositor sentiment regarding the stability and liquidity of banks; and
- our success at managing and responding to the risks involved in the foregoing items.

You should also consider the risks, assumptions and uncertainties set forth in the “Risk Factors” section in our Annual Report on Form 10-K for the year ended December 31, 2024, as well as those set forth in other reports we file with or furnish to the Securities and Exchange Commission (the “SEC”) which are available on our website at www.hf-wa.com and on the SEC’s website at www.sec.gov. These risks, assumptions and uncertainties should be considered in evaluating any forward-looking statements, and undue reliance should not be placed on such statements. Any forward-looking statement speaks only as of the date on which it is made, and the Company undertakes no obligation to update any forward-looking statement, whether to reflect events or circumstances after the date on which the statement is made, to reflect new information or the occurrence of unanticipated events, or otherwise.

Except as otherwise indicated, this presentation speaks as of December 31, 2025. 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 such date. Certain of the information contained herein may be derived from information provided by industry sources. We believe that such information is accurate and that the sources from which it has been obtained are reliable. We cannot guarantee the accuracy of such information, however, and we have not independently verified such information.

Non-GAAP Financial Information

The Company reports its results in accordance with United States generally accepted accounting principles (“GAAP”). However, management believes that certain non-GAAP performance measures used in managing the business may provide meaningful information about underlying trends in its business. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company’s reported results prepared in accordance with GAAP. Slides containing a discussion and reconciliation of non-GAAP financial measures are contained in the Appendix - Reconciliation of Non-GAAP Financial Measures and Quarterly Financial Statistics hereto.

HERITAGE FINANCIAL CORPORATION OVERVIEW





Metropolitan Statistical Areas

	Seattle-Tacoma-Bellevue, WA		Eugene-Springfield, OR
	Portland-Vancouver-Hillsboro, OR-WA		Boise-Nampa, ID

Map obtained from S&P Global Market Intelligence; certain locations of branches overlap on the map.

(1) Represents a non-GAAP financial measure

(2) Market information as of January 20, 2026.

(3) Return on average equity

(4) Return on average tangible common equity

General Overview

Nasdaq symbol	HFWA
Stock price ⁽²⁾	\$24.85
Market capitalization ⁽²⁾	\$844 million
Institutional ownership ⁽²⁾	86.0%
Headquarters	Olympia, WA
# of branches	50
Year established	1927

Q4 2025 Financial Highlights

Assets	\$7.0 billion
Deposits	\$5.9 billion
Loans receivable	\$4.8 billion
Net income	\$22.2 million
Net interest margin	3.72%
ROAE ⁽³⁾	9.68%
ROATCE ⁽¹⁾⁽⁴⁾	13.33%
Adjusted ROATCE ⁽¹⁾⁽⁴⁾	13.51%
Efficiency ratio	62.5%
Adjusted efficiency ratio ⁽¹⁾	61.9%
Leverage ratio	10.8%
Total capital ratio	14.1%



Allocate capital to organically grow our core banking business

- Successful hiring of individuals and teams of bankers in high-growth and dynamic Seattle and Portland markets as well as other key markets including branch openings in Eugene, Oregon and Boise, Idaho and loan production office in Spokane, Washington
- Disciplined approach to concentration risk and active portfolio management

Improve operational efficiencies and rationalize branch network

- Focused on achieving increased efficiencies with operational scale, internal focus on improving processes and technology solutions
- Closed/Consolidated 36 branches since the beginning of 2010, including 12 branches in 2021 and one branch in 2023
- Full-time equivalent employee decreased to 742 at December 31, 2025 compared to 803 at December 31, 2023

Generate stable profitability and risk adjusted returns

- Adjusted return on average tangible common equity⁽¹⁾ ("ROATCE") averaged 11.8% from 2023 to 2025.
- Five-year growth in tangible book value⁽¹⁾ of \$4.21, or 26.7%, to \$19.98 at December 31, 2025 from \$15.77 at December 31, 2020

Remain active and disciplined in M&A

- On September 25, 2025, entered into a definitive agreement with Olympic Bancorp, Inc. - \$1.7B in assets. Transaction expected to close on or about January 31, 2026.
- Five completed acquisitions in Washington and Oregon since 2013
- Target metrics = IRR of >15% with earnbacks < 3 years

Maintain conservative underwriting standards and actively manage the loan portfolio

- Long track record of strong underwriting with conservative risk profile
- Disciplined approach to concentration risk
- Net charge-offs on loans to average loans remains low at 0.03% for the year ended December 31, 2025

Focus on core deposits to increase franchise value over the long term

- 27.0% noninterest demand deposits to total deposits at December 31, 2025
- 1.32% cost of total deposits; top 11% performance among US publicly traded banks in Q3 2025

Engage in proactive capital management

- History of increasing regular dividends and utilizing special dividends to manage capital
- Strong capital ratios: leverage ratio⁽³⁾ = 10.8%; total capital ratio⁽³⁾ = 14.1%

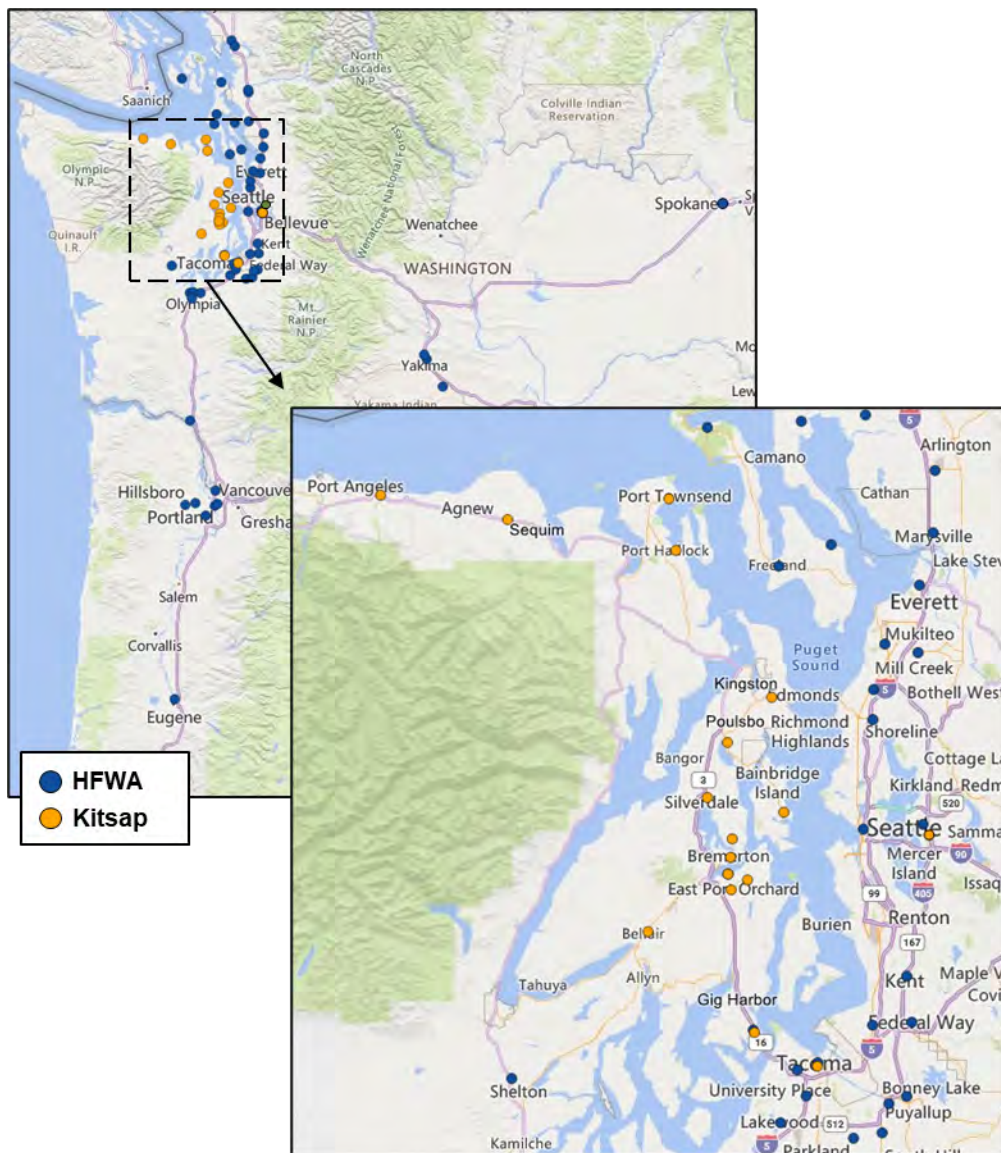
(1) Represents a non-GAAP financial measure

(2) Comparable cost of total deposits provided by S&P Global Market Intelligence for the third quarter of 2025 and includes banks nationwide with shares on Nasdaq or NYSE with total assets less than \$100 billion excluding pending merger targets

(3) Current quarter capital ratios are estimates pending completion and filing of the Company's regulatory reports



MERGER WITH OLYMPIC BANCORP

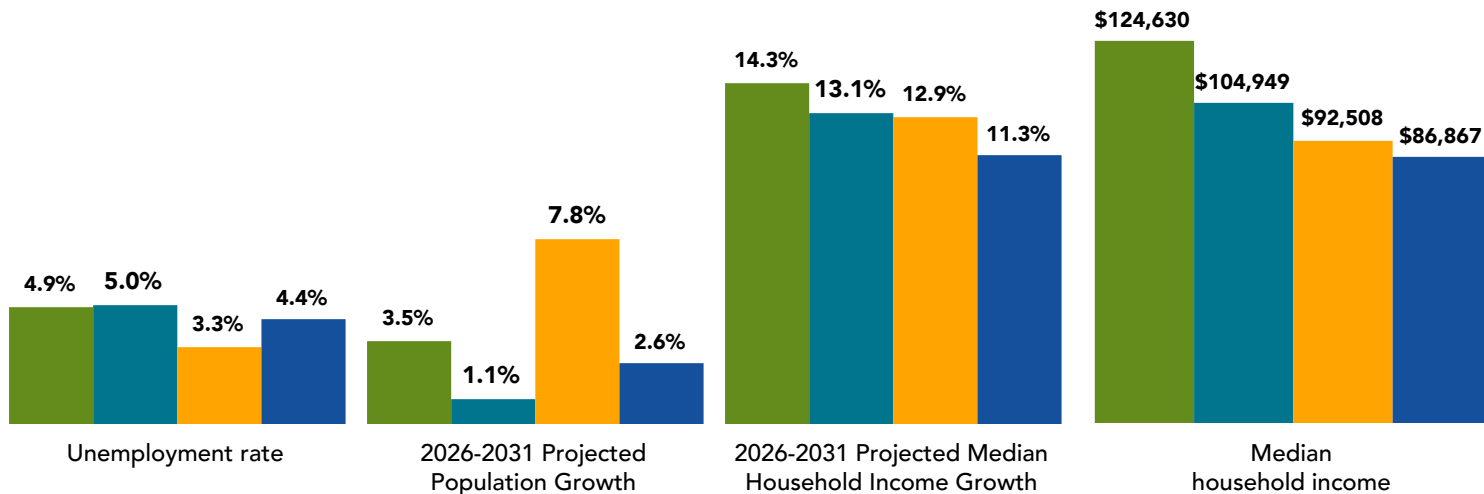


- Positions HFWA as the leading community bank in the Puget Sound region
- Estimated pro forma assets of \$8.6 billion at HFWA – would rank as 5th largest bank headquartered in Washington
- Entering new markets with strong position – Pro forma rank as #1 market share for a community bank in Kitsap County (Bremerton-Silverdale-Port Orchard MSA) which is a \$4.3 billion deposit market
- Clean credit portfolio with NPAs / Assets of 0.0% and long track record as conservative underwriter
- Low cost, core deposit franchise with 1.02% cost of total deposits and 82% of deposits are non-CDs
- Liquid balance sheet will provide HFWA with optionality, post-closing
- Compatible and complementary to HFWA – similar banking culture with focus on credit quality, core deposit funding and conservative risk management
- Received all regulatory and shareholder approvals
- Target close date of January 31, 2026



STRONG AND DIVERSE ECONOMIC LANDSCAPE

■ Seattle MSA
■ Portland MSA
■ Boise MSA
■ USA

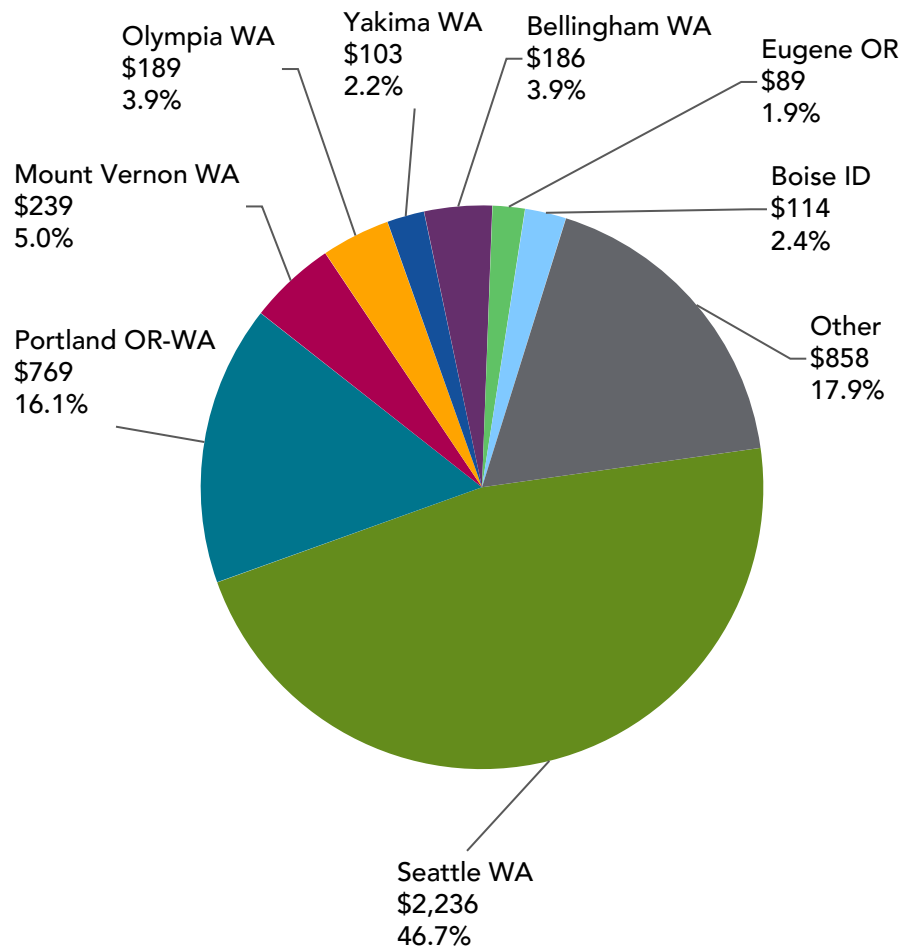


Major Employers in the Pacific Northwest

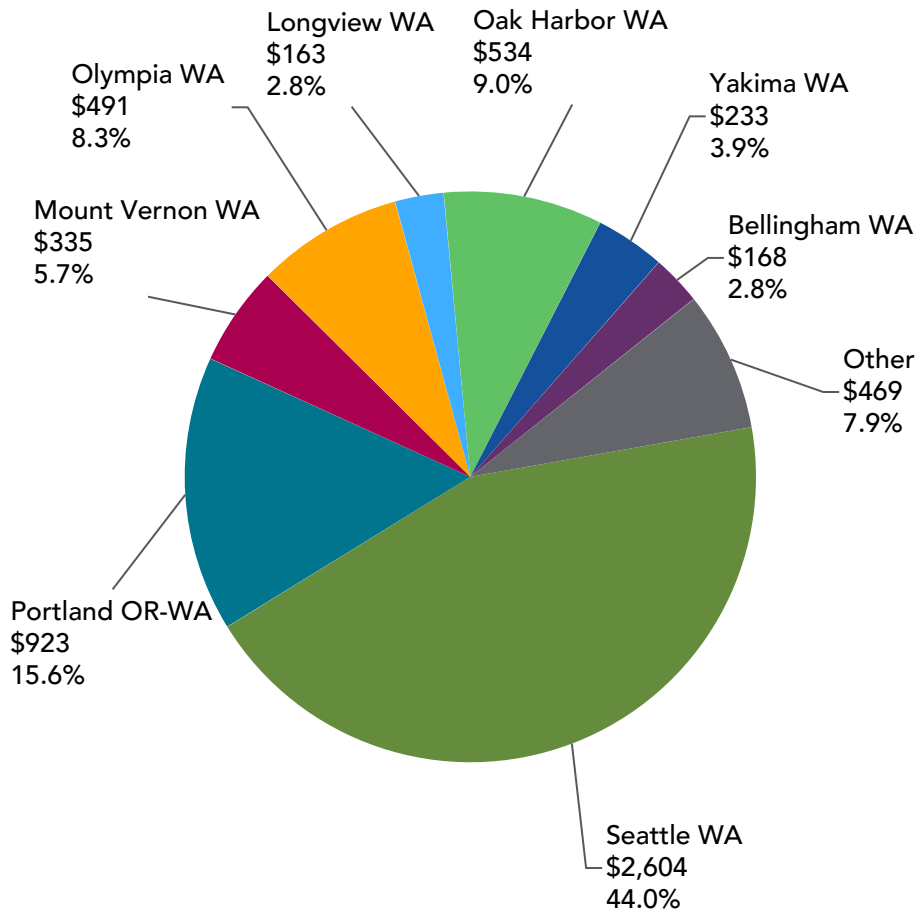




Loans by MSA

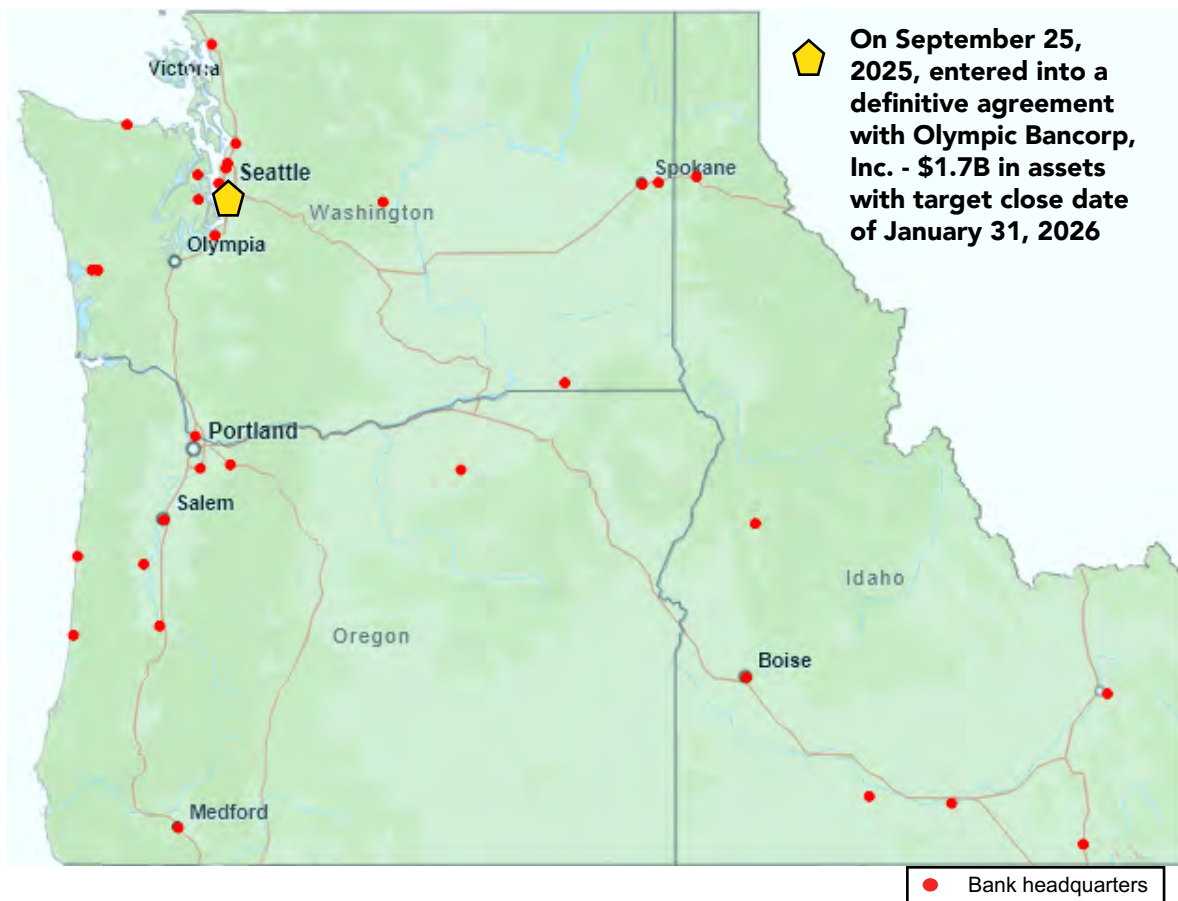


Deposits by MSA





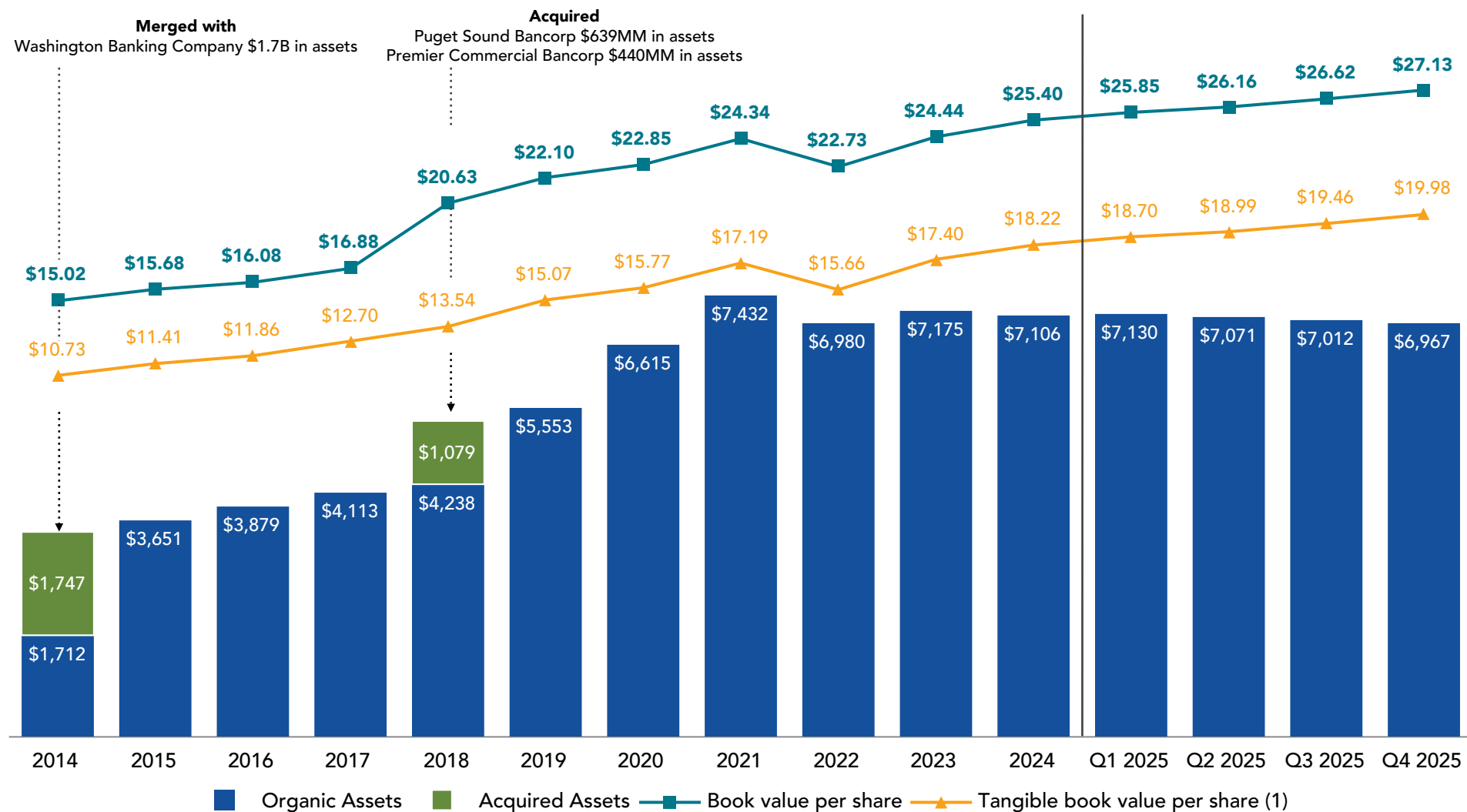
POTENTIAL GROWTH OPPORTUNITIES



- Long-term goal to build a Pacific Northwest ("PNW") regional commercial community bank; potential opportunities for M&A and production team lift-outs in WA, OR and ID.
- Significant number of banks remaining in HFWA footprint; further consolidation is expected.
 - 11 banks between \$200 million and \$500 million in assets
 - 9 banks between \$500 million and \$1.0 billion in assets
 - 14 banks between \$1.0 billion and \$3.5 billion in assets
- Target metrics include 15% IRR and earnback of < 3 years.



HISTORICAL GROWTH ORGANIC AND ACQUISITIVE





Bank Acquisitions and Team Additions

YEAR	ACTIVITY
2013	<ul style="list-style-type: none">Acquired Valley Community Bancshares - \$254MM in assetsAcquired Northwest Commercial Bank - \$65MM in assets
2014	<ul style="list-style-type: none">Merged with Washington Banking Company - \$1.7B in assets
2015	<ul style="list-style-type: none">Added a commercial banking team in Seattle, WashingtonFormed Capital Markets Group as result of the added expertise
2017	<ul style="list-style-type: none">Added commercial banking team in the greater Portland, Oregon areaExpanded expertise in non-profit lending and added a commercial position focused on deposit production
2018	<ul style="list-style-type: none">Acquired Puget Sound Bancorp - \$639MM in assetsAcquired Premier Commercial Bancorp - \$440MM in assets
2019	<ul style="list-style-type: none">Added commercial banking team in the greater Portland, Oregon areaExpanded expertise in the dental and healthcare fields
2022	<ul style="list-style-type: none">Added new commercial banking team in Vancouver, WashingtonAdded new commercial banking team in Portland, OregonExpanded into a new market with addition of commercial banking team and full service branch in Eugene, Oregon (branch opened August 2022)
2023	<ul style="list-style-type: none">Expanded into a new market with addition of commercial banking team and full service branch in Boise, Idaho (branch opened January 2023)
2024	<ul style="list-style-type: none">Expanded Builder Banking team with hiring of new SVP, Director of Builder Banking and sales position in greater Seattle, Washington area.
2025	<ul style="list-style-type: none">Expanded into a new market with addition of commercial banking team and loan production office in Spokane, Washington in January 2025
2025	<ul style="list-style-type: none">Entered into a definitive agreement with Olympic Bancorp, Inc. - \$1.7B in assets



Bank Acquisition



Pending Bank Acquisition



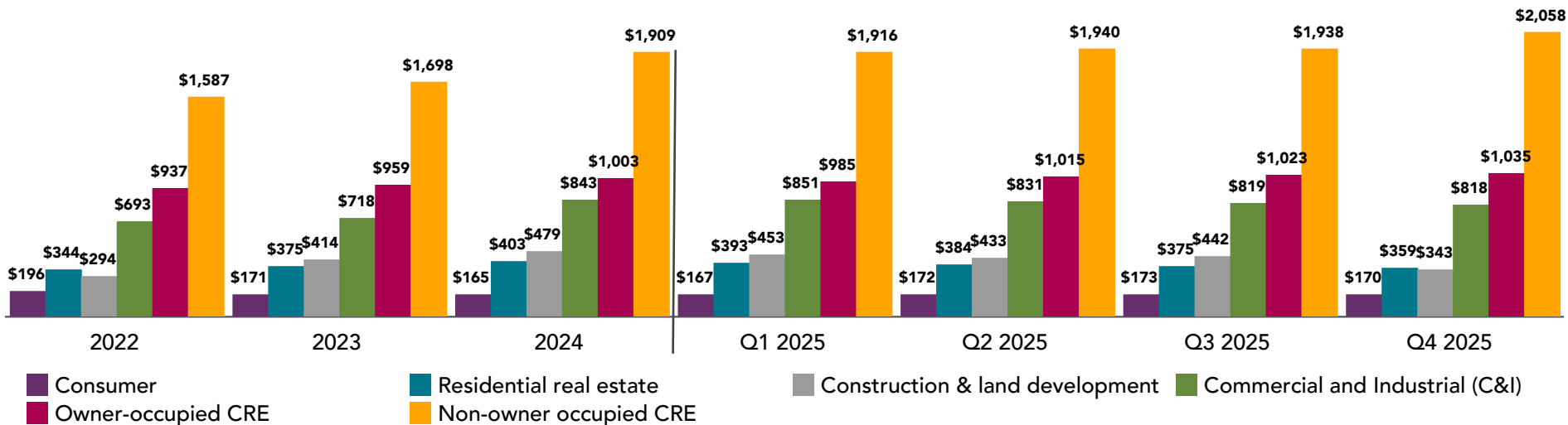
Team Addition

FINANCIAL UPDATE

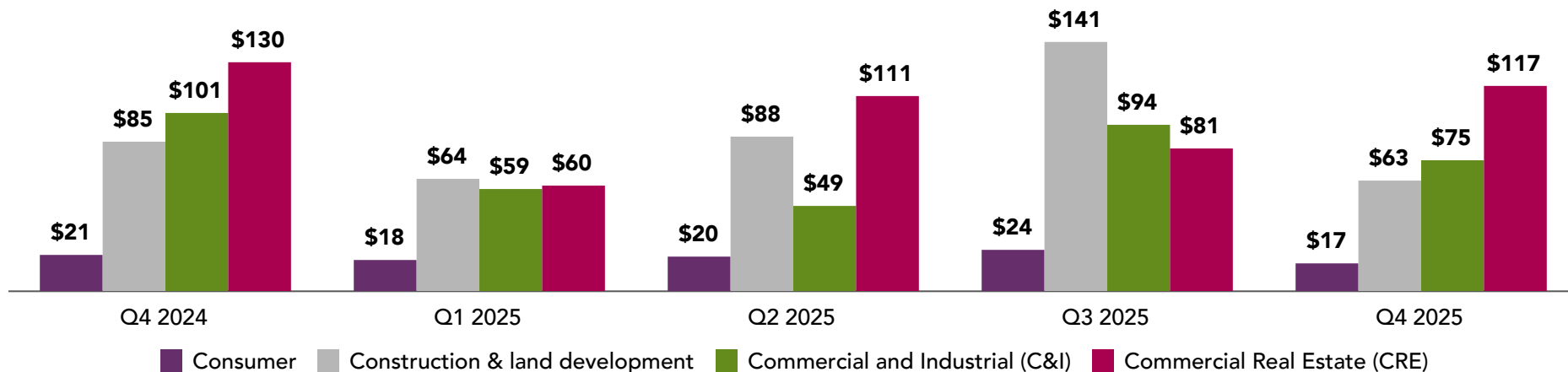




Loan Portfolio Composition



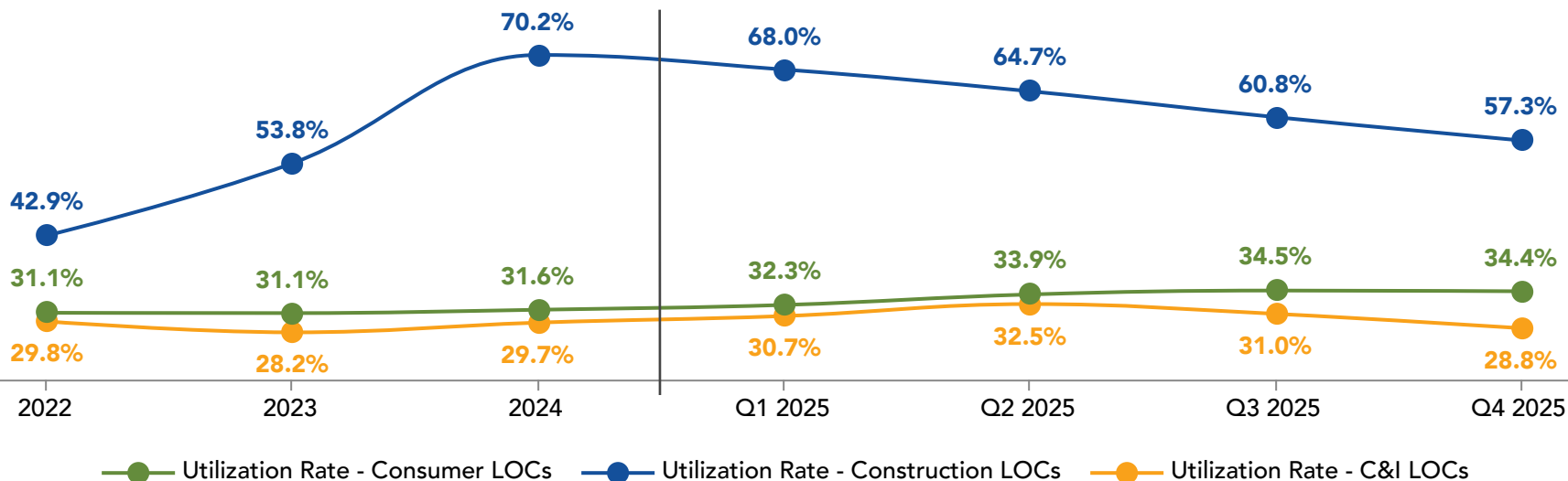
New Loan Commitments



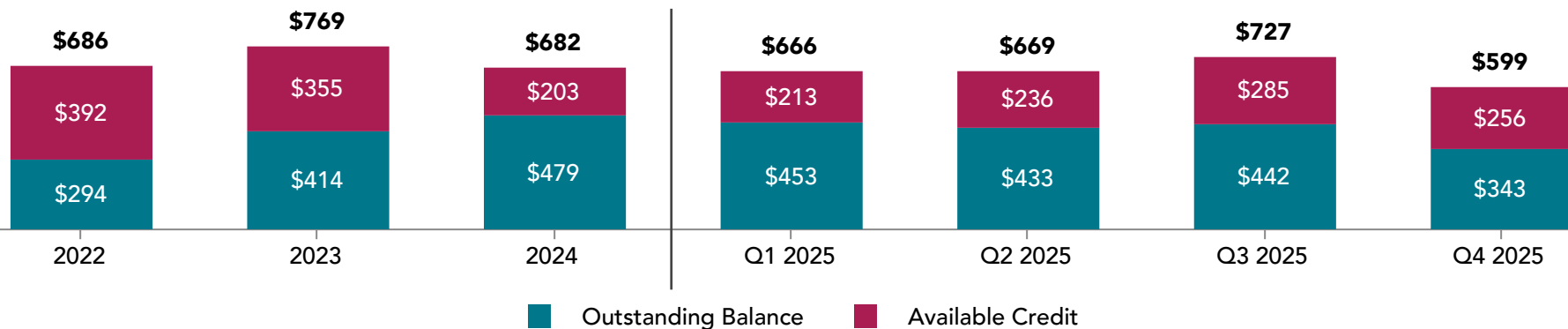


LINE OF CREDIT ("LOC") UTILIZATION

LOC Utilization Rates



Construction Commitments

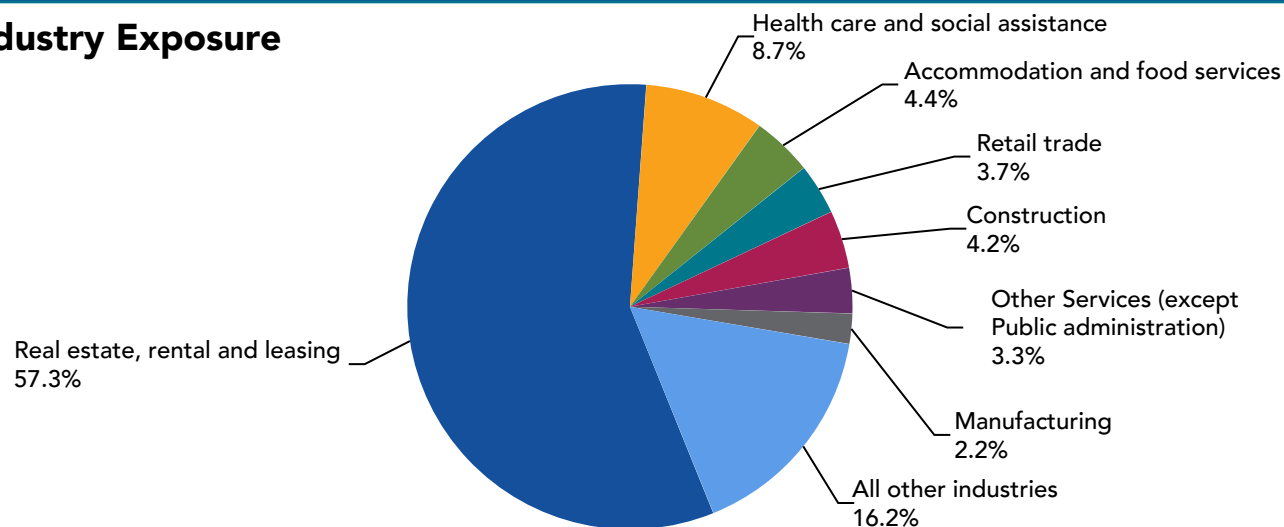




COMMERCIAL LOAN EXPOSURE

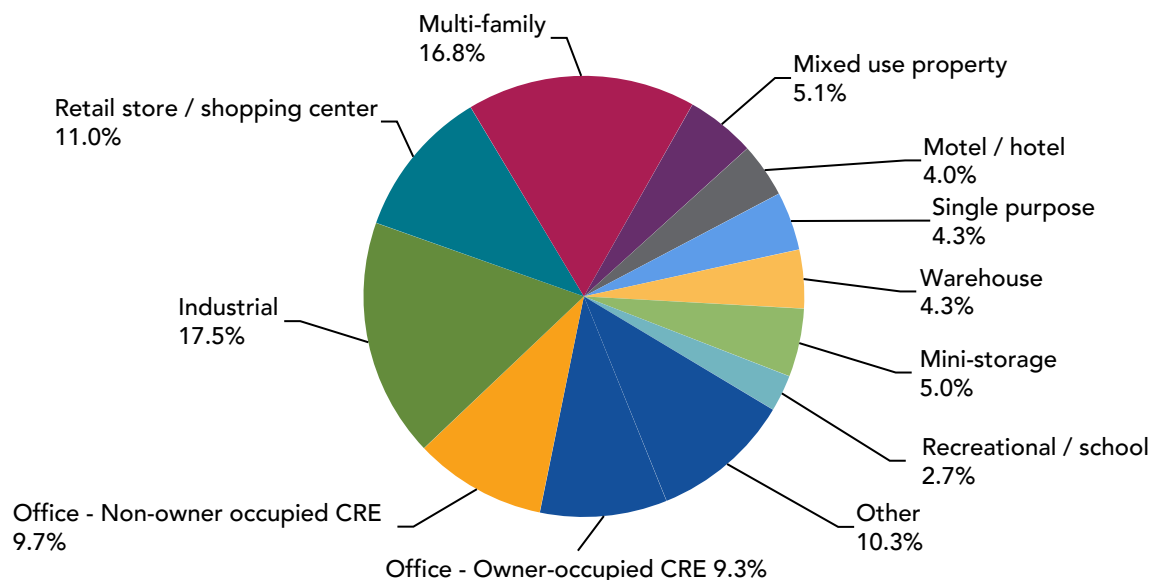
Commercial Business Loans by Industry Exposure

Industry	Amount	WARR at 12/31/25
Real estate, rental and leasing	\$2,240	4.5
Health care and social assistance	341	4.2
Accommodation and food services	173	5.2
Retail trade	143	4.7
Construction	163	5.0
Other services (except Public administration)	131	4.6
Manufacturing	85	5.1
All other industries	635	4.4
Total	\$3,911	4.6



CRE Loans only by Collateral Type

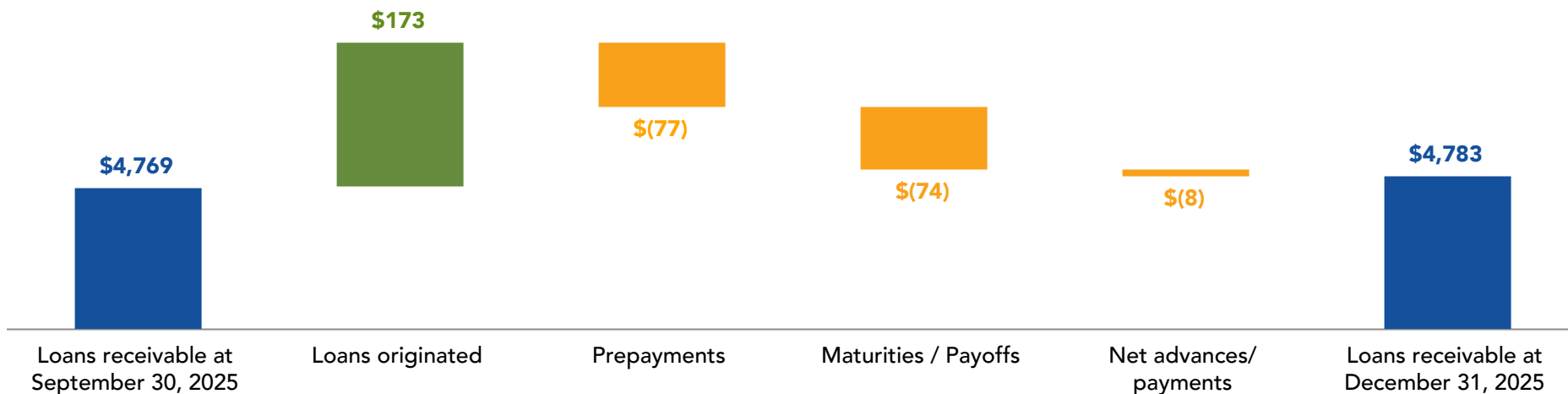
Collateral Type	Amount	WARR at 12/31/25
Office	\$589	4.3
Industrial	542	4.6
Retail store / shopping center	339	4.7
Multi-family	521	4.7
Mixed use property	157	4.6
Motel / hotel	125	5.1
Single purpose	134	4.7
Warehouse	134	4.6
Mini-storage	155	4.2
Recreational / school	83	4.9
Other	314	4.5
Total	\$3,093	4.6



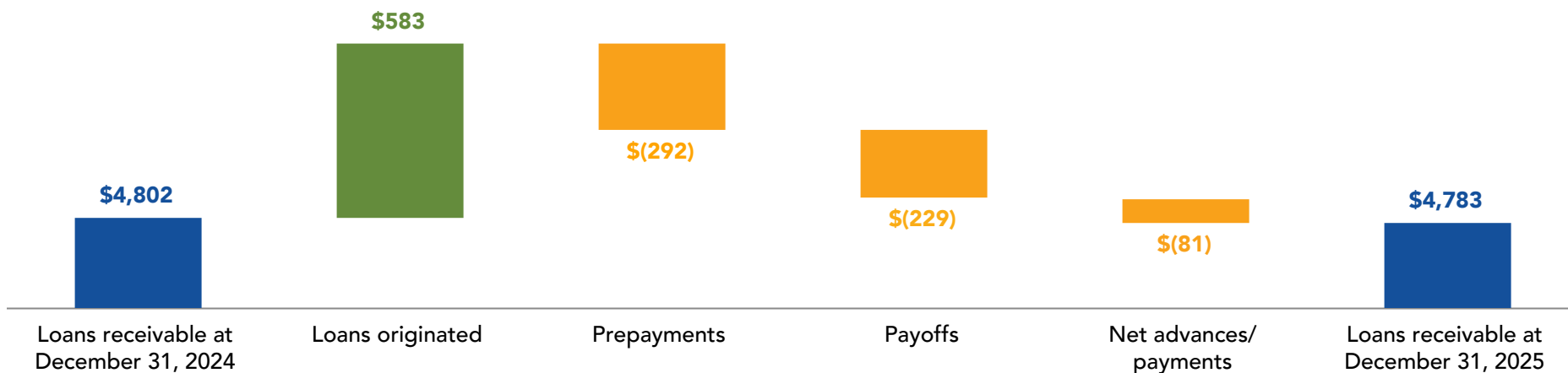


CHANGES IN LOANS RECEIVABLE

Change in loans - Q4 2025



Change in loans - 2025





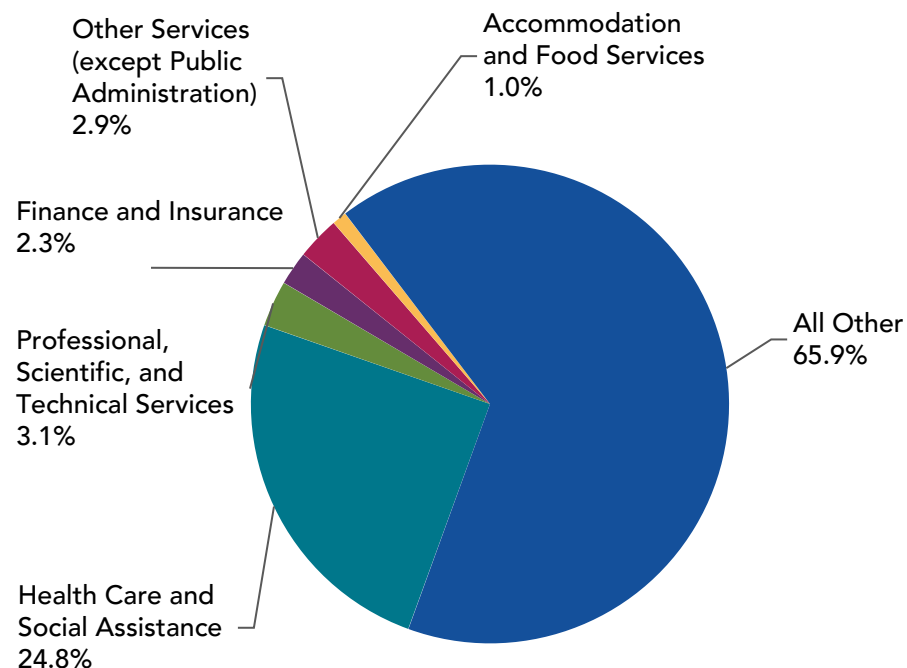
Quality of CRE Office Portfolio:

- 82.0% of loans have recourse to owner
- 49.1% of loans are owner occupied which are considered to have a lower risk profile
- 24.8% of loans are borrowers in the health care and social assistance sectors, who are less likely to reduce office space

CRE Office Loans by Size

Size	WARR ⁽²⁾	# of Loans	Total Balance ⁽¹⁾	Average Balance Per Loan ⁽¹⁾
>\$10 Million	3.4	6	\$ 84,667	\$ 14,111
\$5-\$10 Million	4.0	12	76,710	6,393
\$2-\$5 Million	4.5	52	162,756	3,130
<\$2 Million	4.6	439	264,639	603
TOTAL	4.3	509	\$ 588,772	\$ 1,157

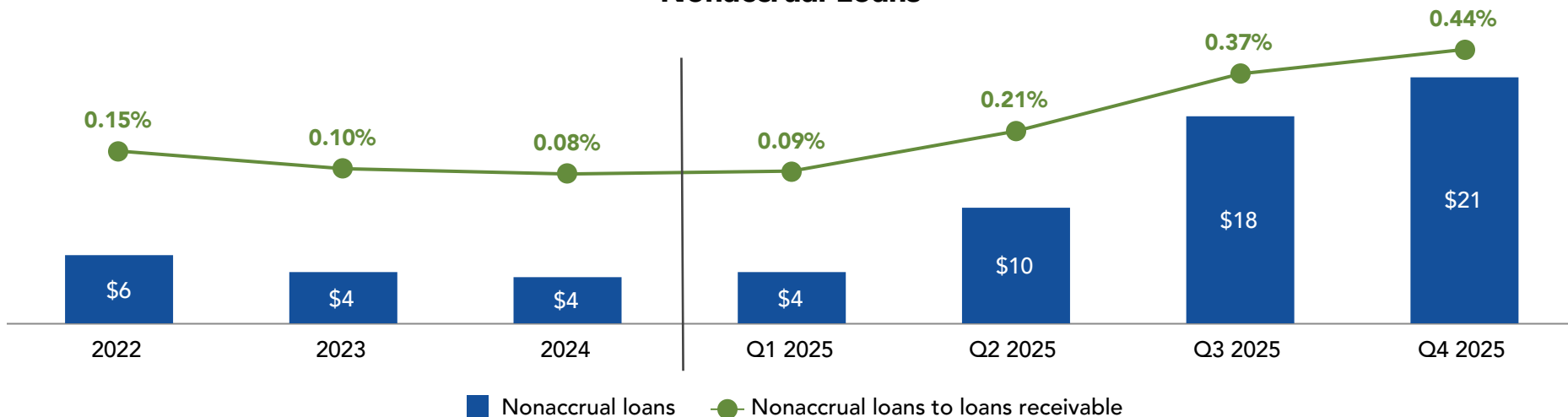
CRE Office Loans by Industry Type



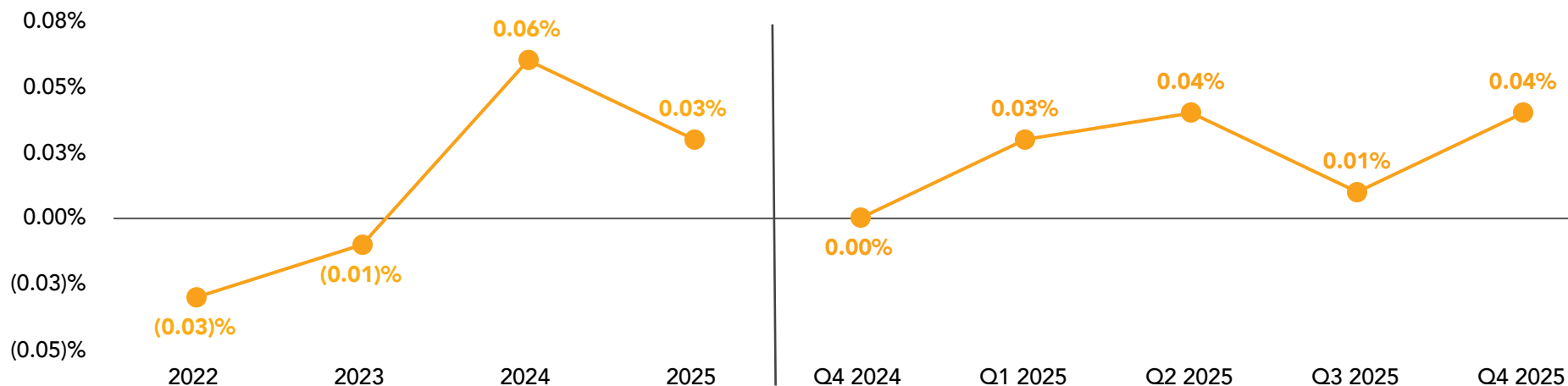


NONACCRUAL LOANS AND NET CHARGE-OFFS

Nonaccrual Loans

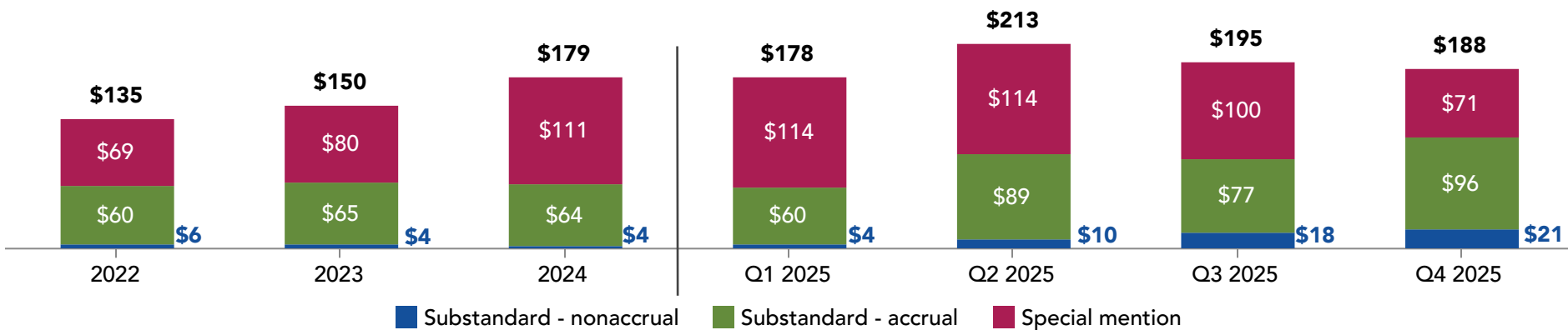


Net charge-offs (recoveries) on loans to average loans, annualized

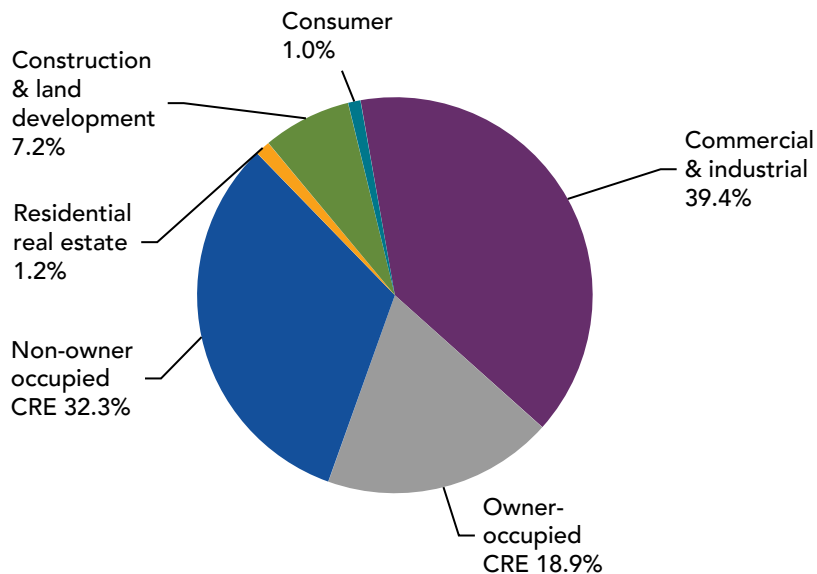




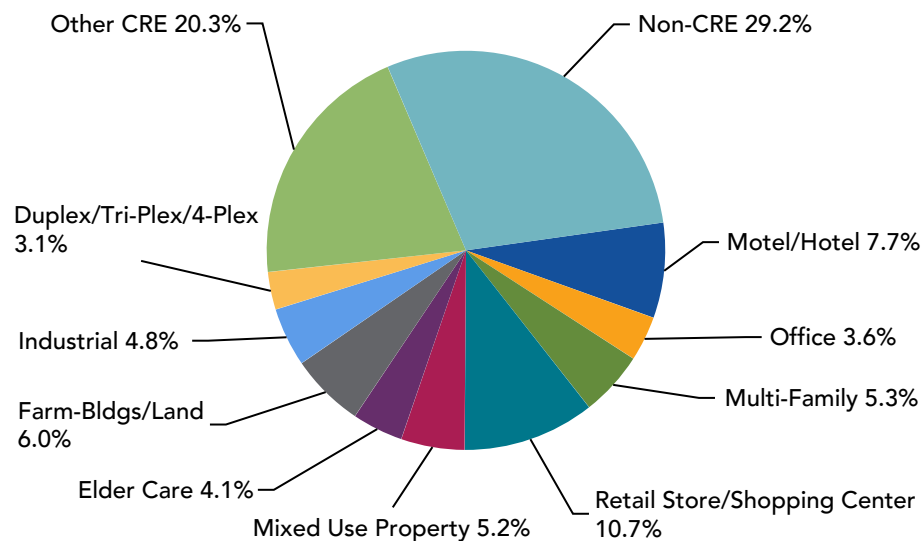
CRITICIZED LOANS



Criticized Loans by Loan Segment



Criticized Loans by Collateral Type

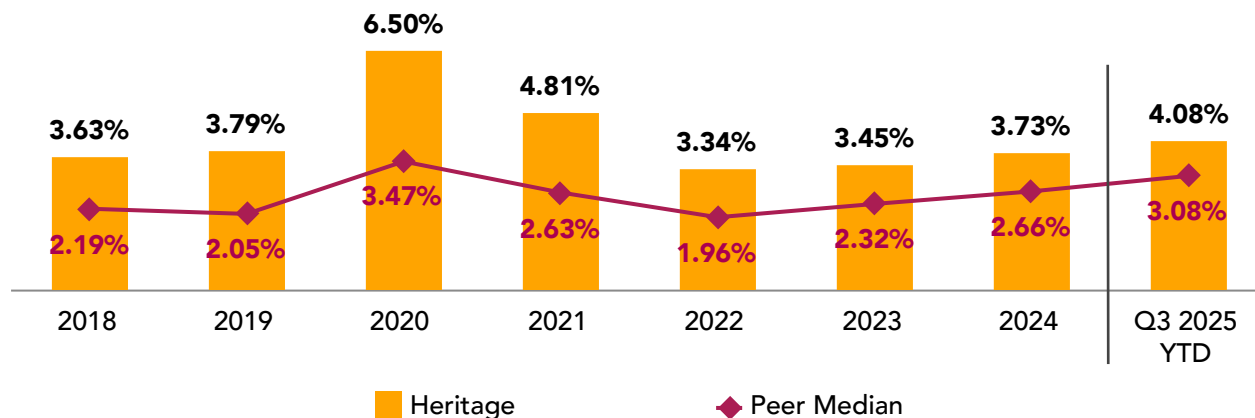




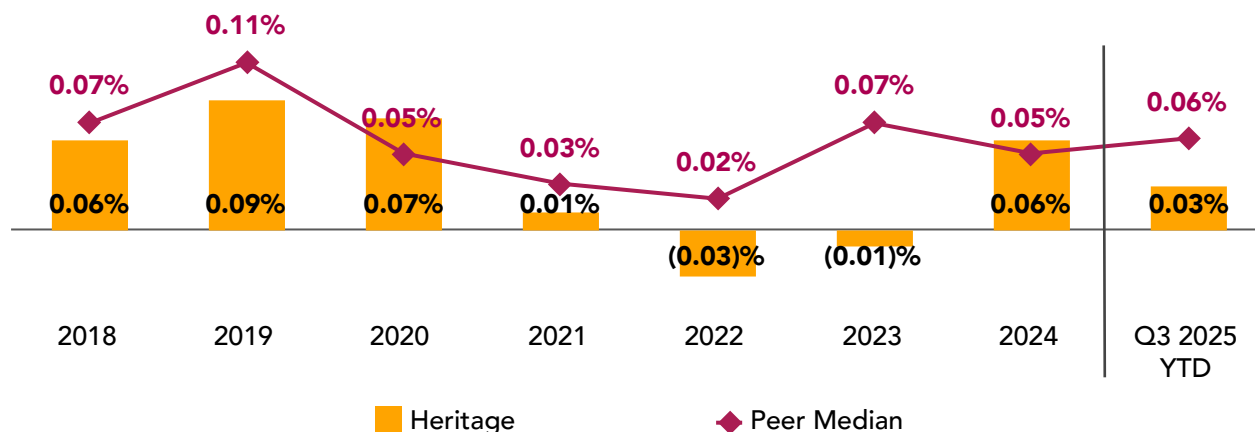
Proactive Credit Management

- Heritage proactively downgrades loans that are experiencing financial difficulty.
- Criticized loans⁽¹⁾ to total loans higher than peer median⁽²⁾ since 2018
- NCOs recognized during the same period were generally lower than peer median.

Criticized Loans to Total Loans



Net Charge-offs to Average Loans



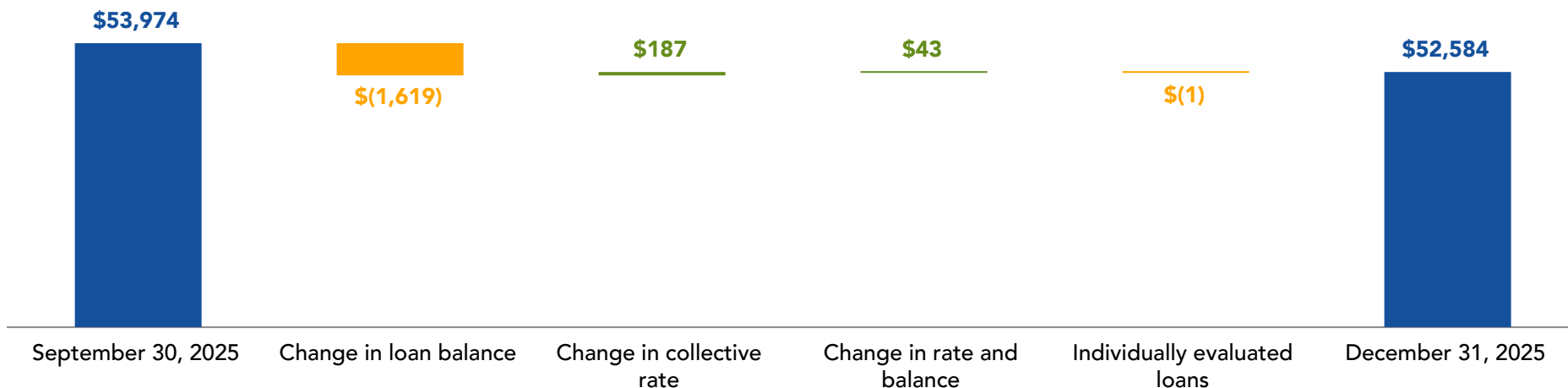
(1) Criticized loans includes loans graded special mention or worse

(2) Peer Median is the median of 16 identified peer banks and is as of September 30, 2025

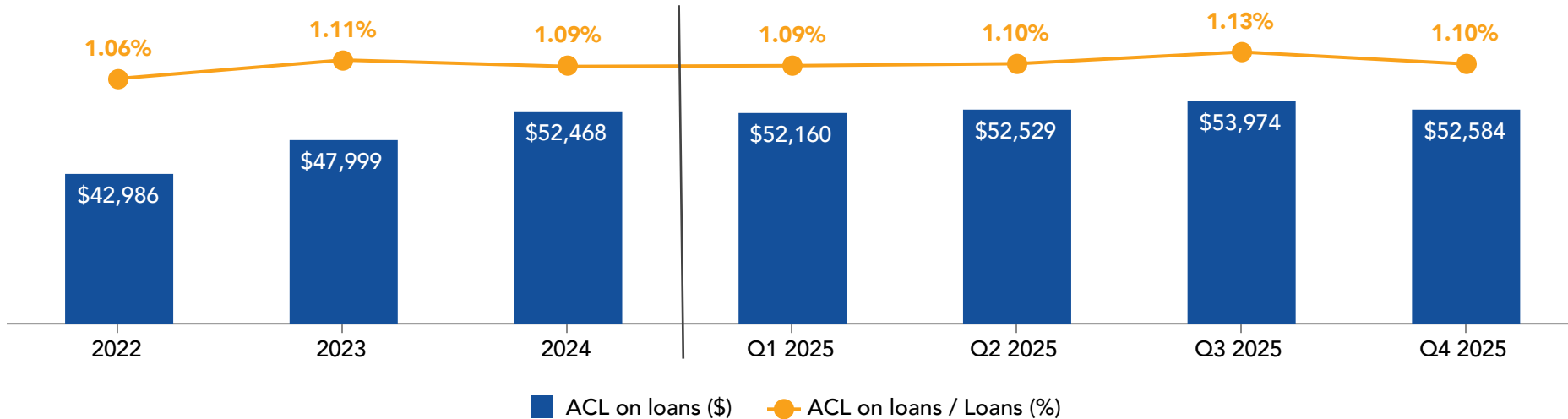


ALLOWANCE FOR CREDIT LOSSES ("ACL") ON LOANS

Change in ACL on Loans - Q4 2025

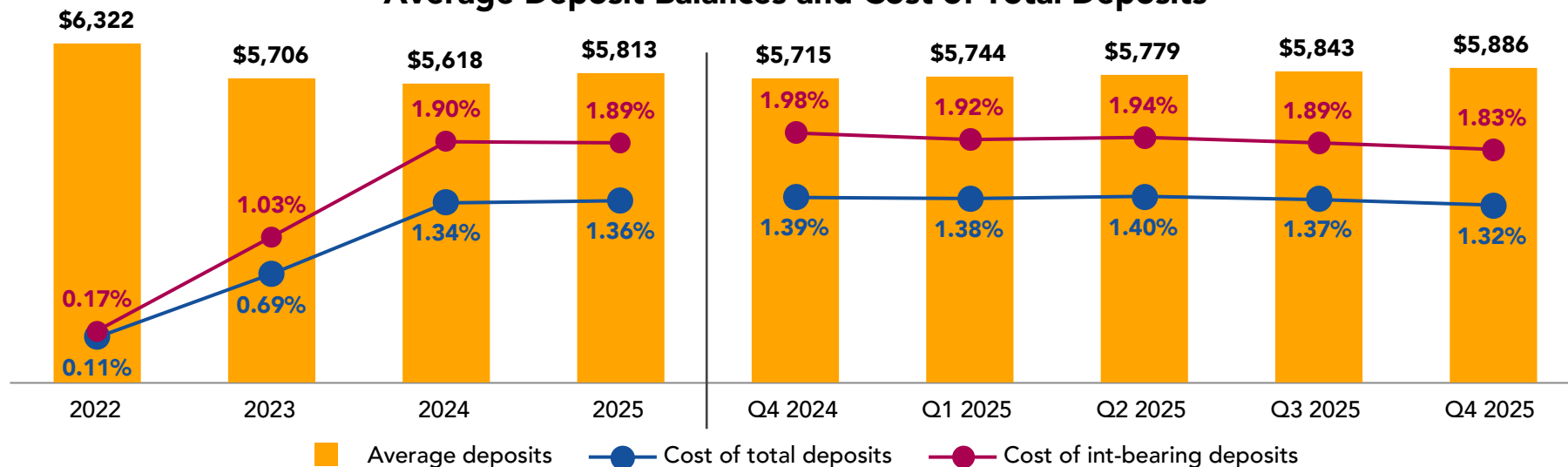


ACL on Loans

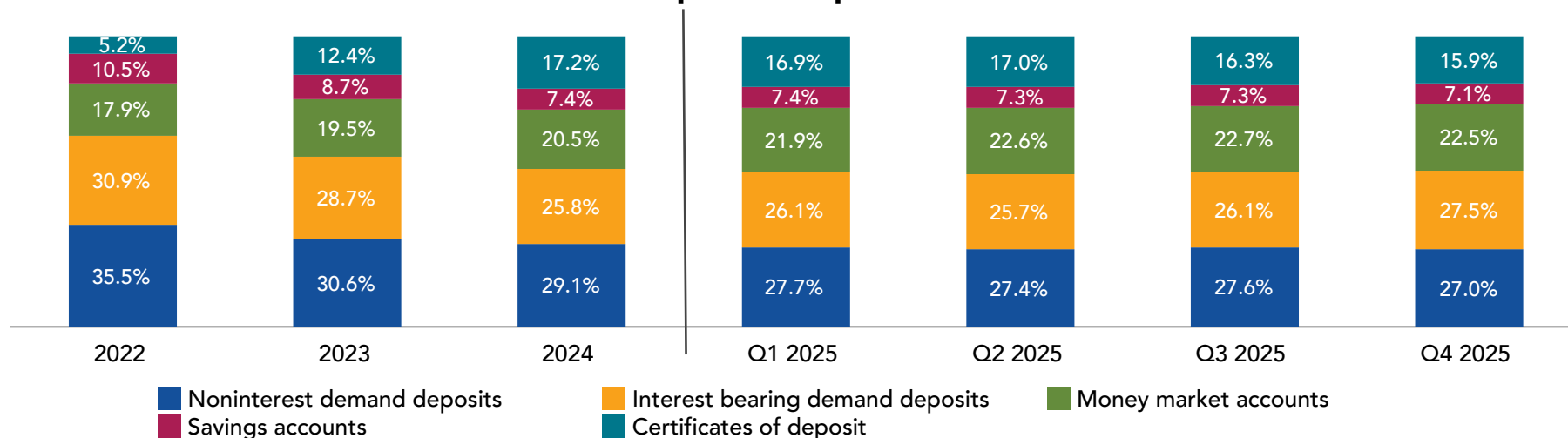




Average Deposit Balances and Cost of Total Deposits



Deposit Composition



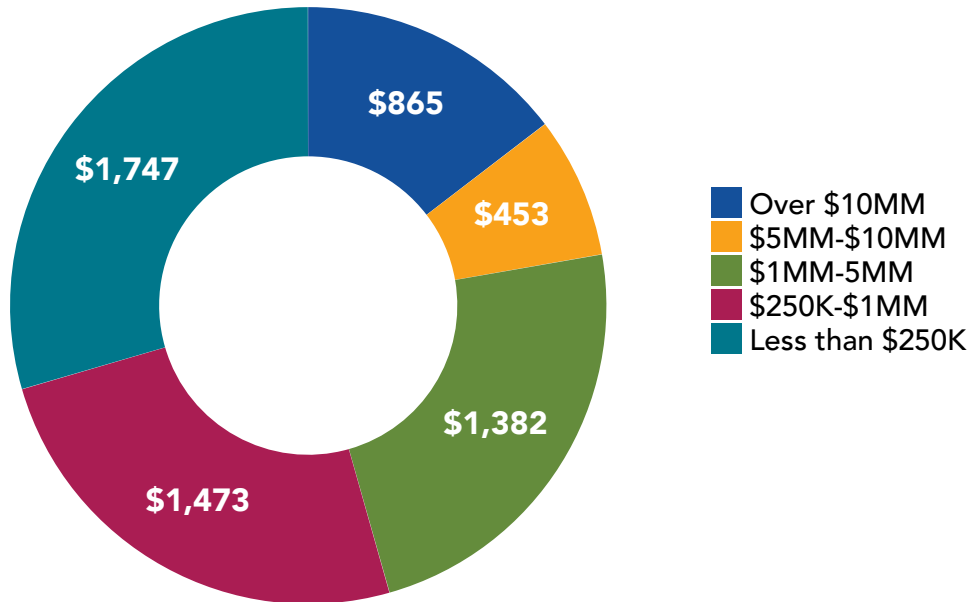


DEPOSIT COMPOSITION

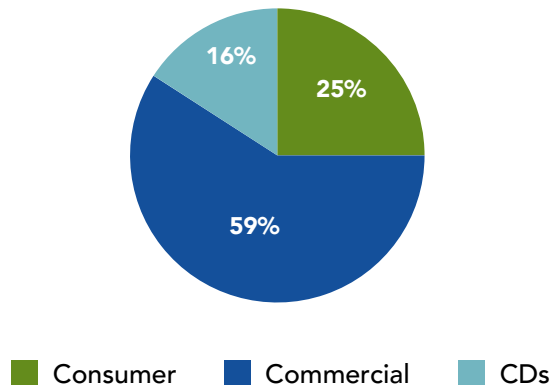
Deposit portfolio as of December 31, 2025:

- Majority of deposits are to customers with relationships of \$1 million or less.
- Uninsured deposits at 41% of total deposits. 12% of uninsured deposits are public deposits that are 100% pledged.
- Mix of commercial and consumer accounts.

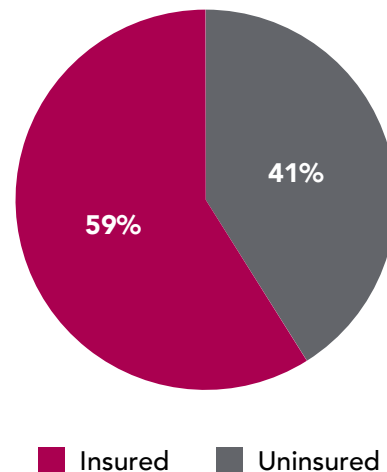
Customer Deposits by Relationship Size



Consumer Accounts vs. Business Accounts

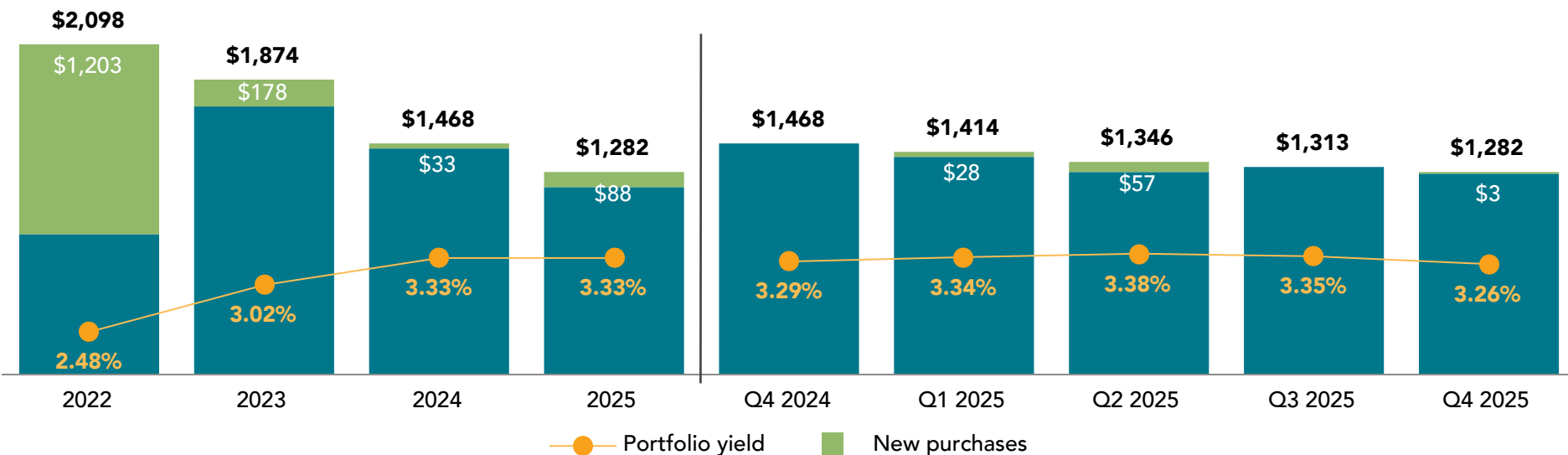


Insured vs. Uninsured

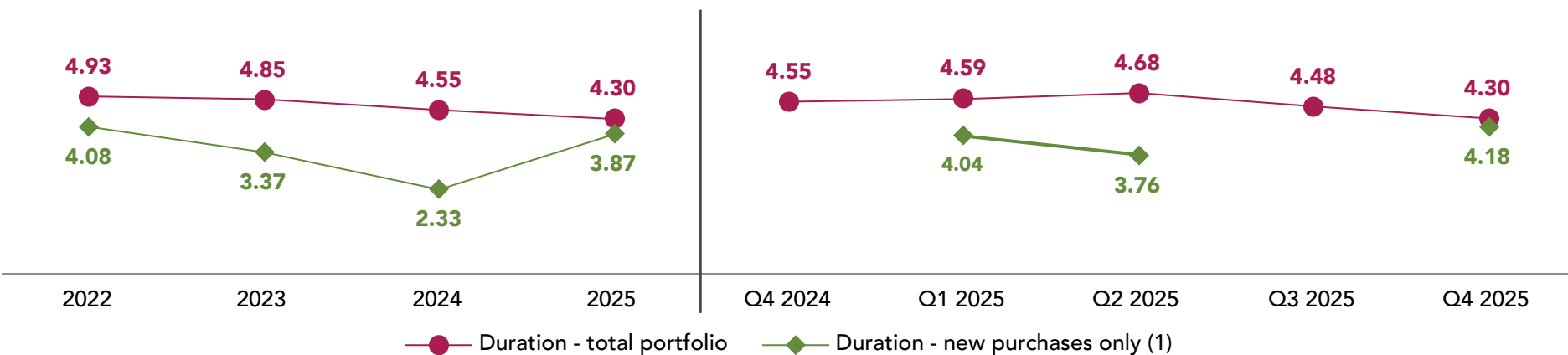




Investment Balances and Investment Yield



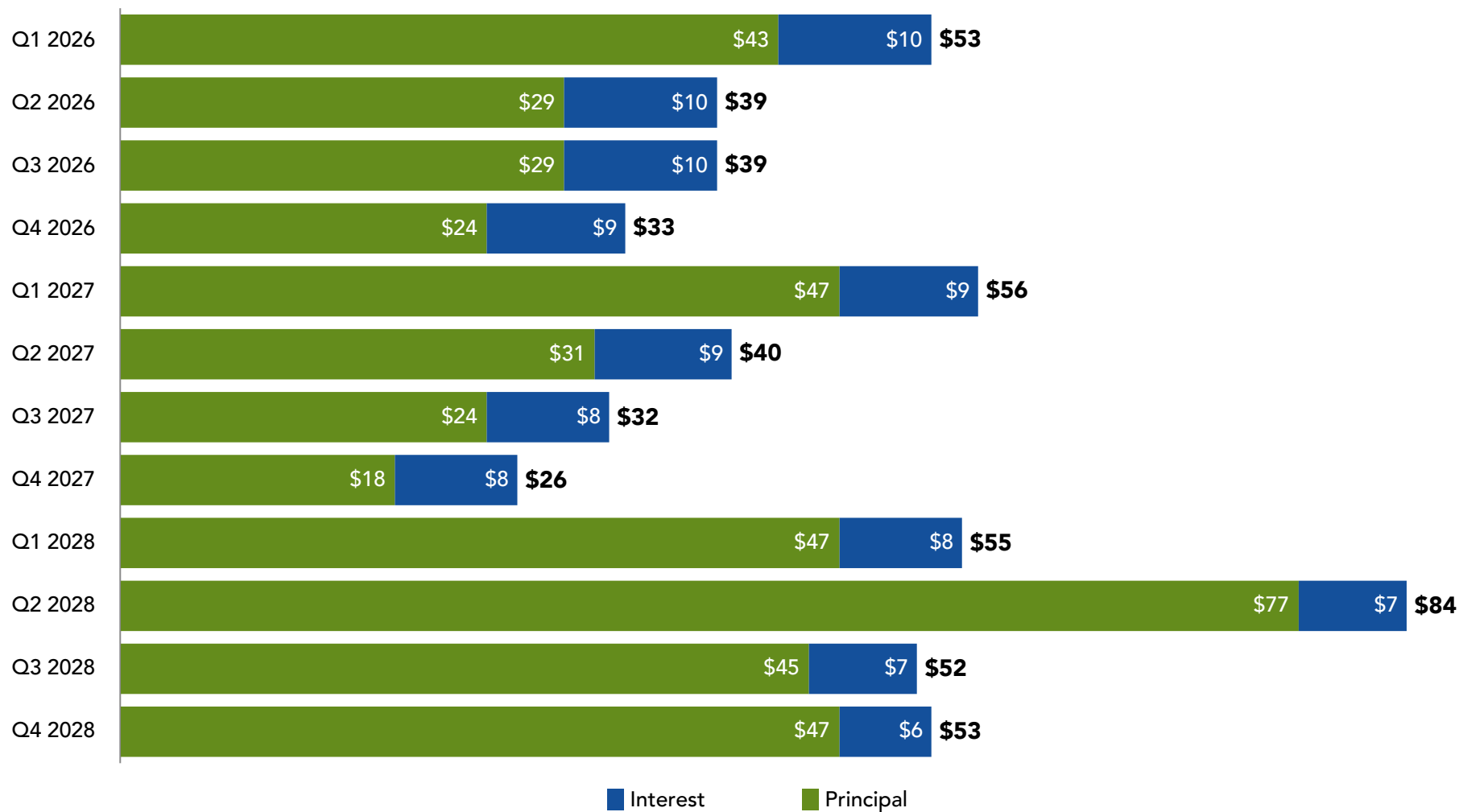
Portfolio Duration



(1) No investments were purchased during Q4 2024 or Q3 2025



Investment cashflows⁽¹⁾ are estimated to be \$562 million through Q4 of 2028.



(1) Cashflow estimates based on third-party bond accounting service



Strong Credit Quality of Portfolio:

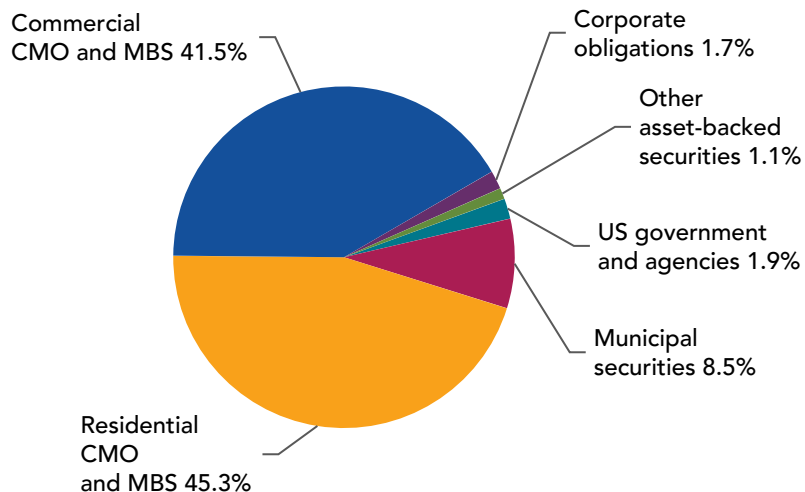
AFS Securities

- 88.9% of AFS in U.S. government and agency securities
- Only 1.7% of AFS are rated less than AA
- 99.9% of AFS portfolio are unpledged

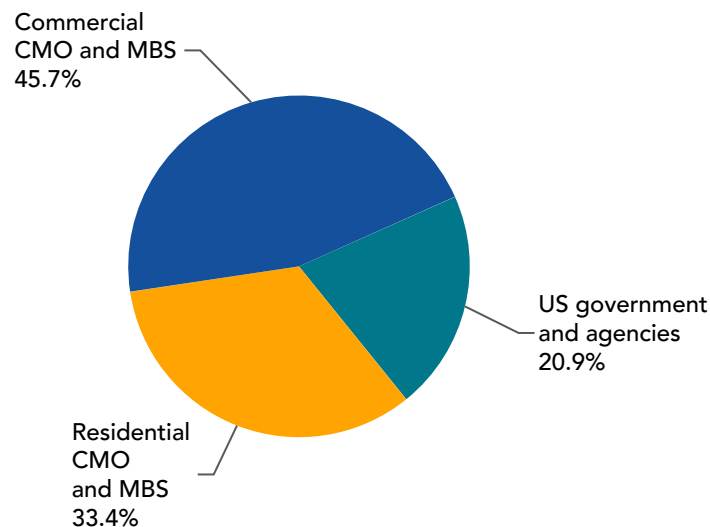
HTM Securities

- All HTM investments are U.S. government and agency securities
- 100% HTM portfolio pledged for public deposits and Federal Reserve Bank borrowings

AFS Investment by Type

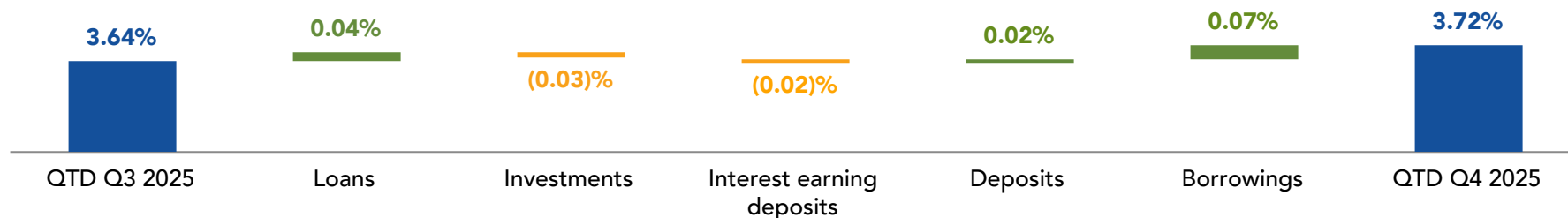


HTM Investment by Type

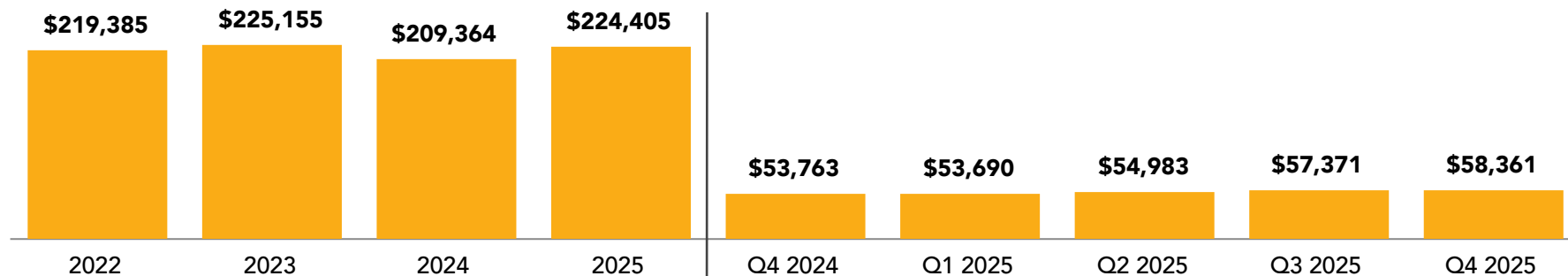




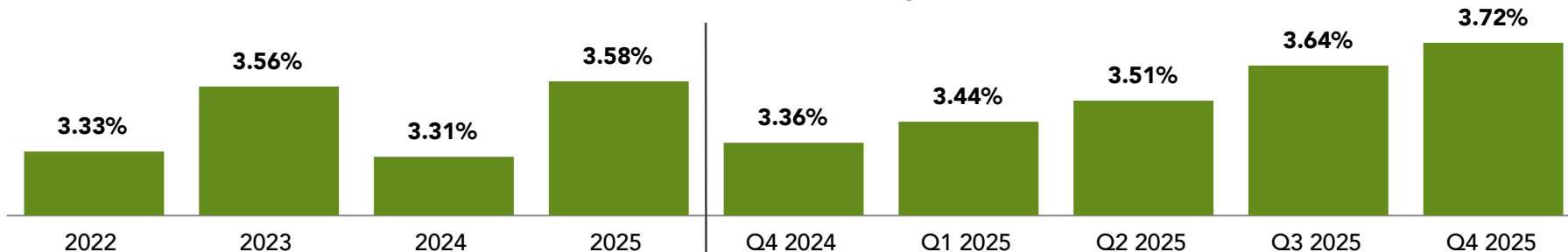
Quarterly Change in Net Interest Margin



Net Interest Income



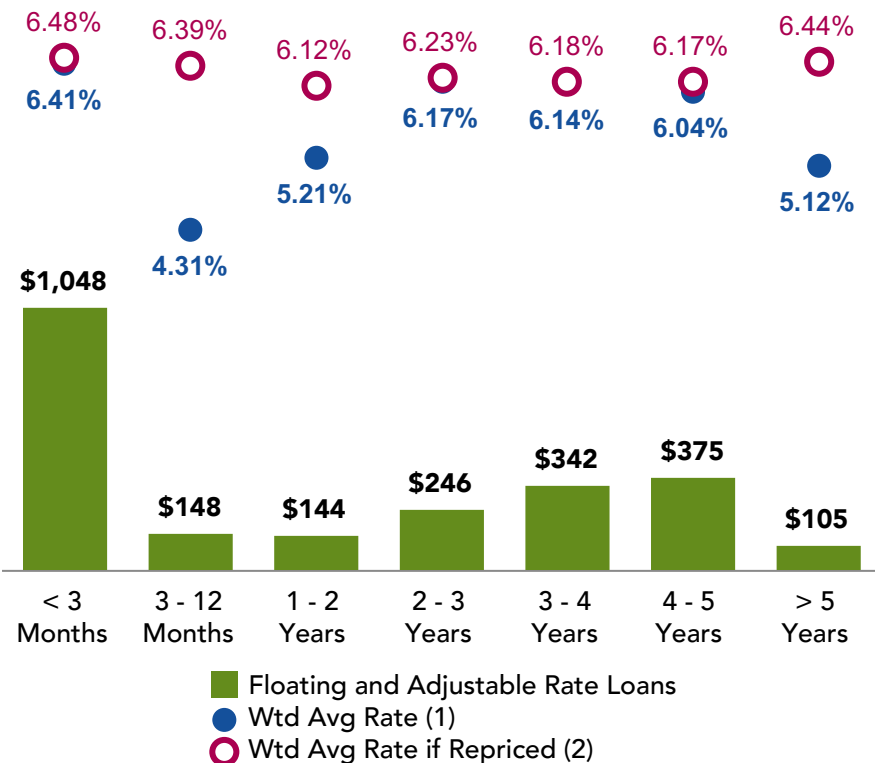
Net Interest Margin



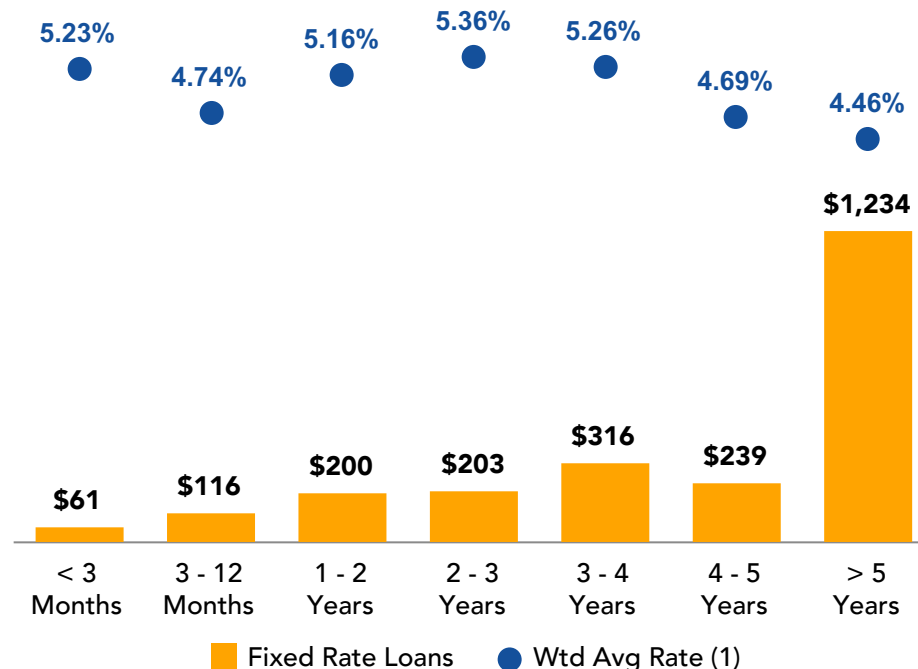


LOAN MATURITY AND REPRICING

Adjustable Rate Loans - Repricing Schedule



Fixed Rate Loans - Maturity Schedule



Adjustable Rate Loans

- \$2.4 billion in total
- 56% tied to FHLB index, 19% tied to Prime, 24% tied to SOFR

Fixed Rate Loans

- \$2.4 billion in total

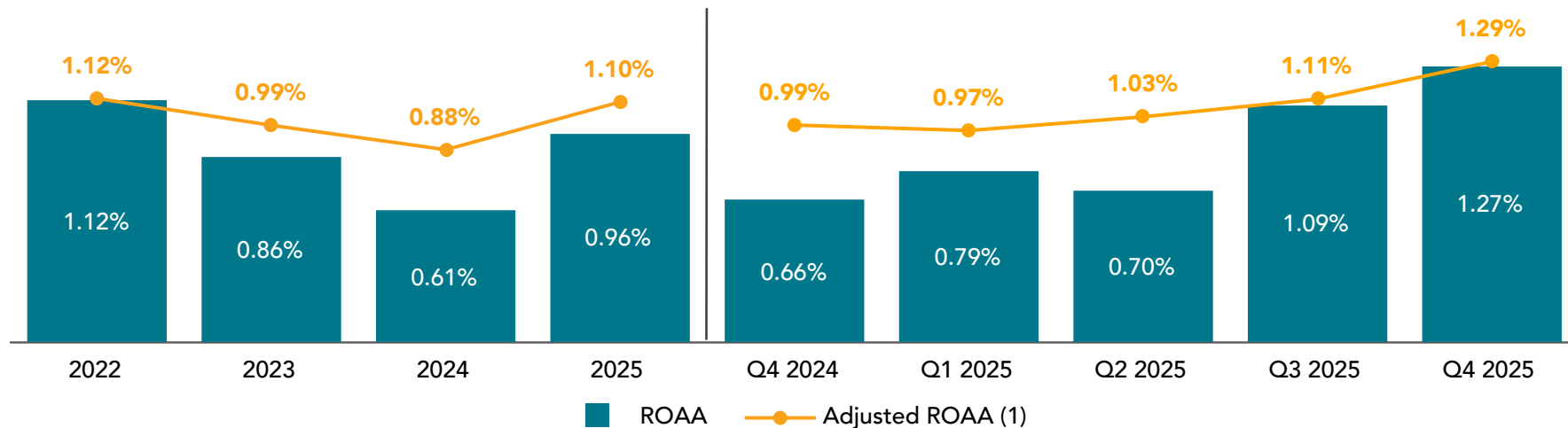
(1) Weighted Average Rate as of December 31, 2025 and repricing period signifies the sooner of the next scheduled reprice date or maturity

(2) Weighted Average Rate if Repriced as of December 31, 2025 and assumes same index and margin

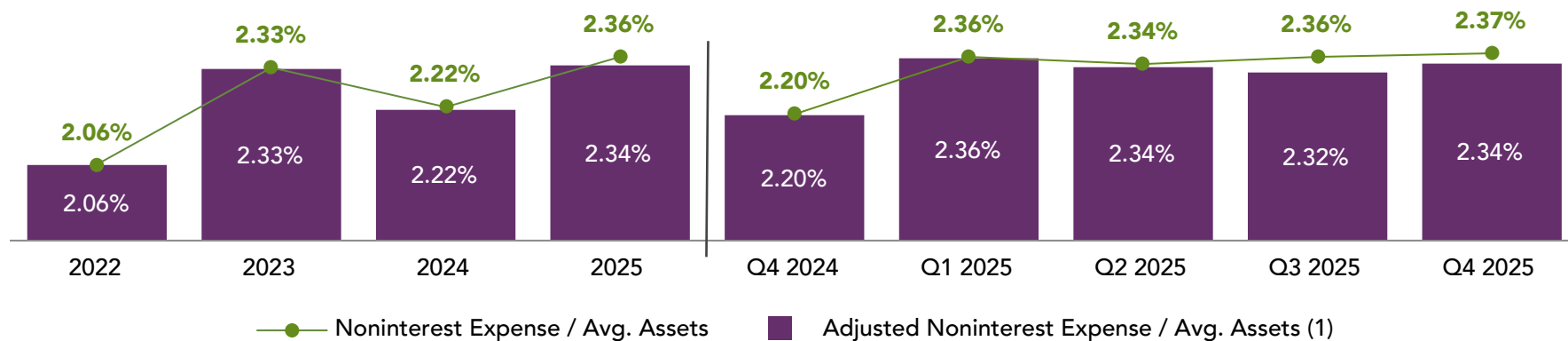


PROFITABILITY TRENDS

ROAA and Adjusted ROAA⁽¹⁾

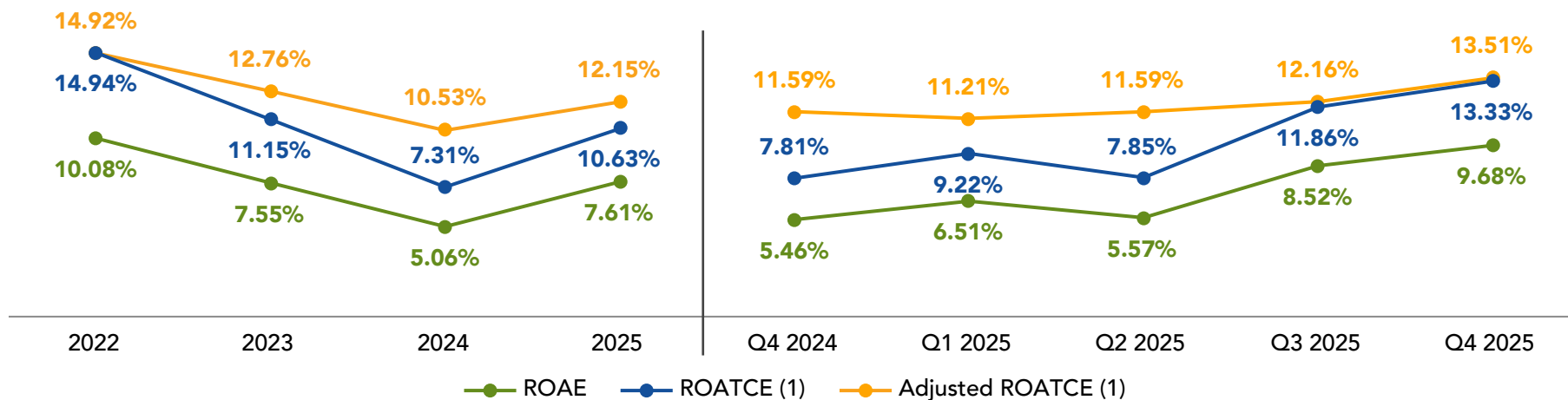


Noninterest Expense/Avg. Assets

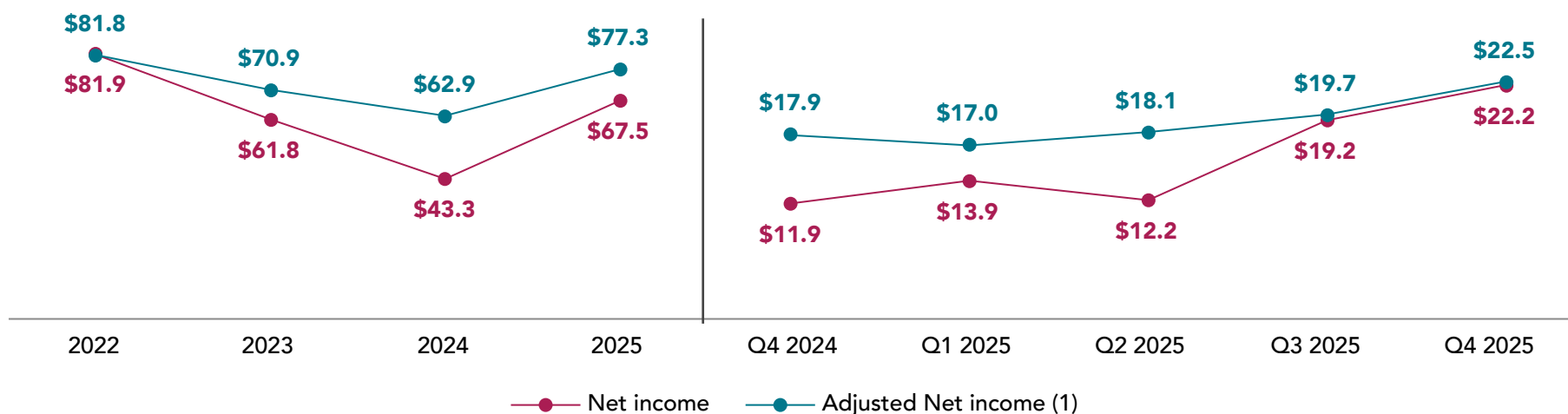




ROAE, ROATCE⁽¹⁾ and Adjusted ROATCE⁽¹⁾

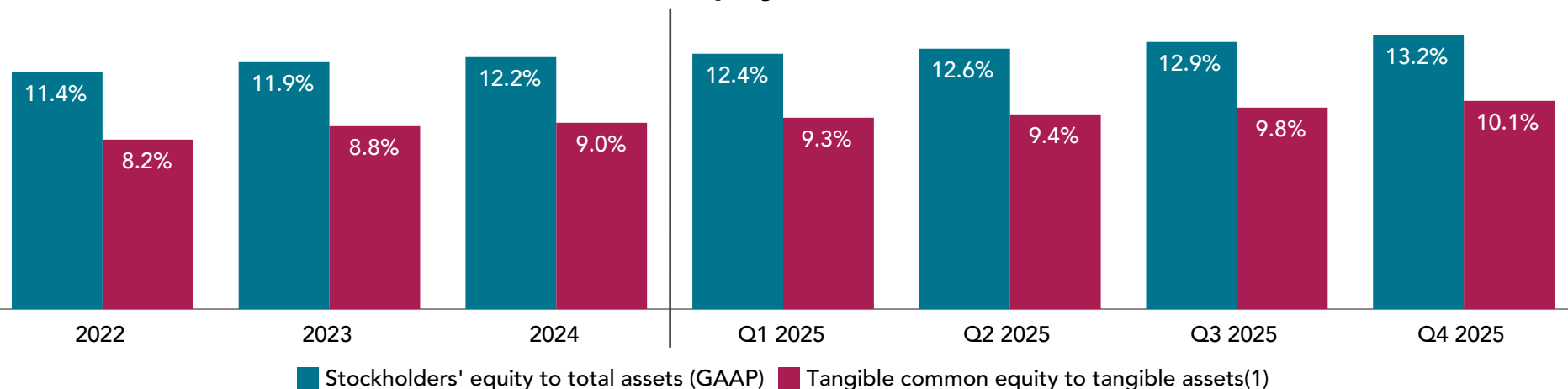


Net Income and Adjusted Net Income⁽¹⁾, in millions

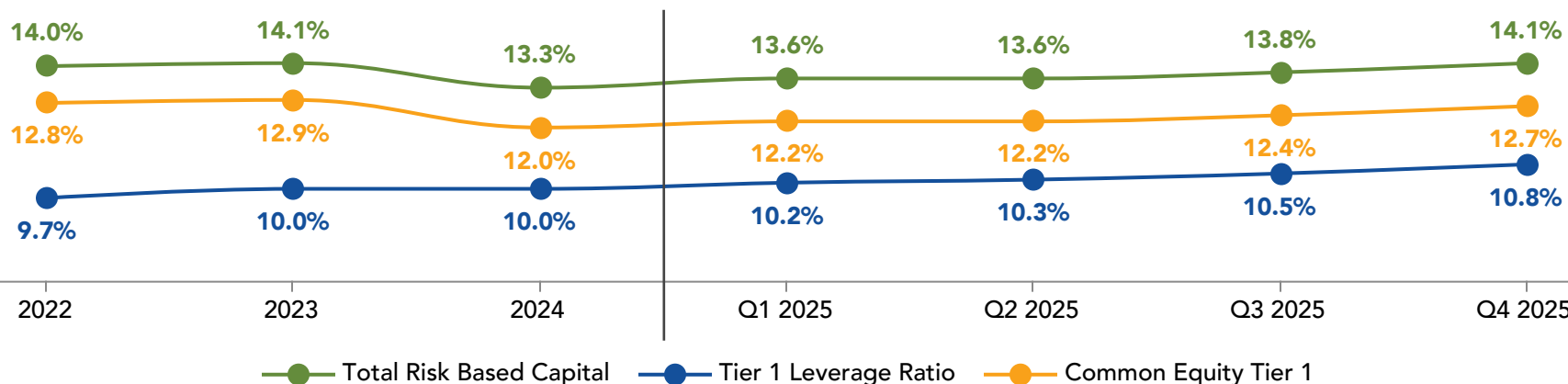




Equity Ratios



Regulatory Capital Ratios⁽²⁾



(1) Represents a non-GAAP financial measure

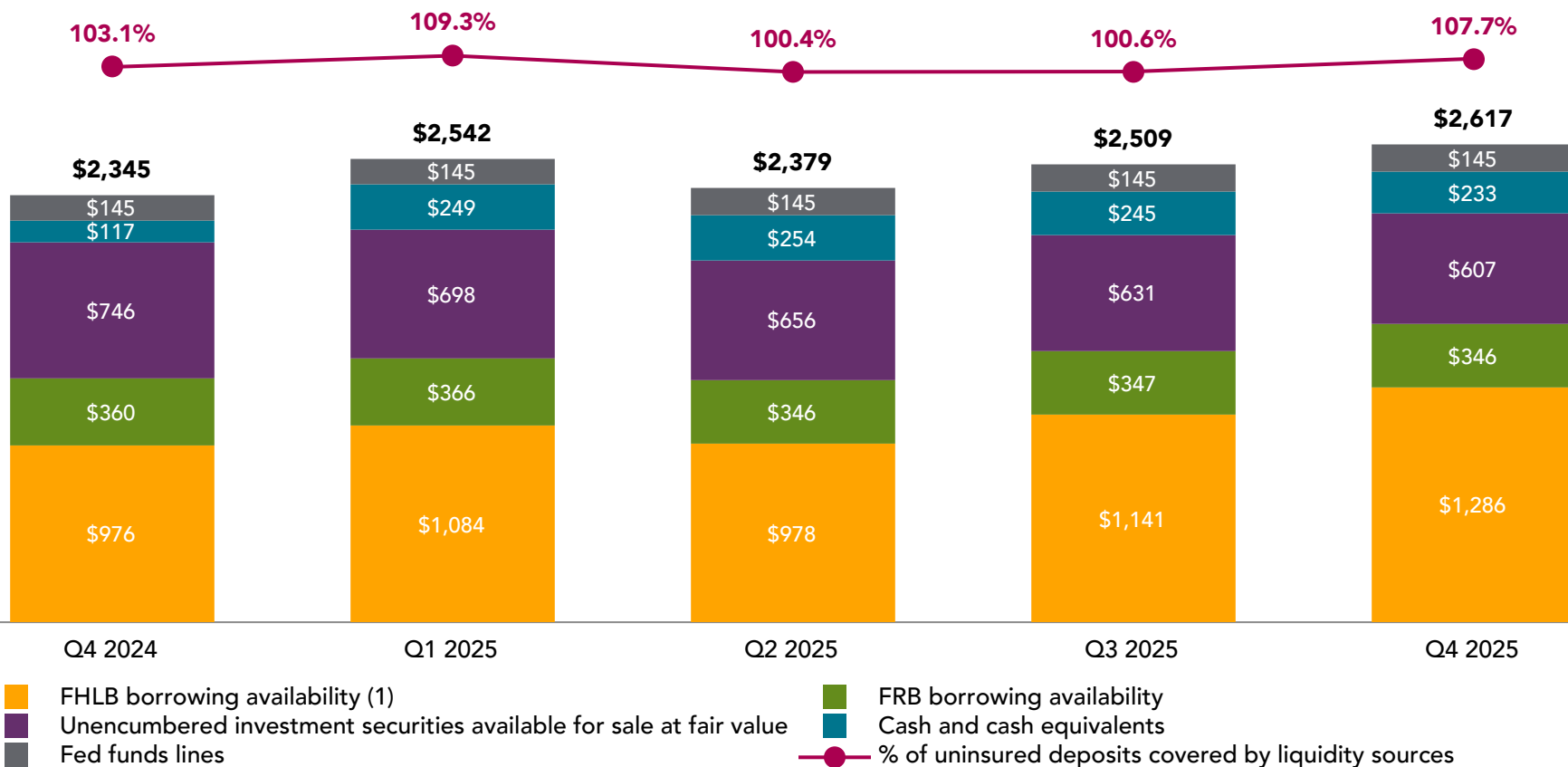
(2) Current quarter ratios are estimates pending completion and filing of the Company's regulatory reports



Liquidity position at December 31, 2025:

- Sufficient liquidity to cover estimated uninsured deposits of \$2.4 billion.
- Access to brokered deposits of \$811 million per internal company policy.

Liquidity Sources



(1) Includes FHLB borrowing availability of \$1.31 billion at December 31, 2025 based on pledged assets, however, maximum credit capacity is 45% of the Bank's total assets one quarter in arrears or \$3.15 billion

SHAREHOLDER RETURN





TOTAL SHAREHOLDER RETURN

Stock Summary⁽²⁾

Ticker	HFVA
Exchange	Nasdaq
Stock price	\$24.85
Market capitalization (in millions)	\$843.8
Dividend yield (regular dividend only)	3.86 %

Average Daily Volume (3 month)

Average daily volume (shares)	210,300
Average daily volume (\$000s)	\$5,226

52-Week High and Low Price

52-week high (December 29, 2025)	\$26.92
52-week low (April 9, 2025.)	\$19.84

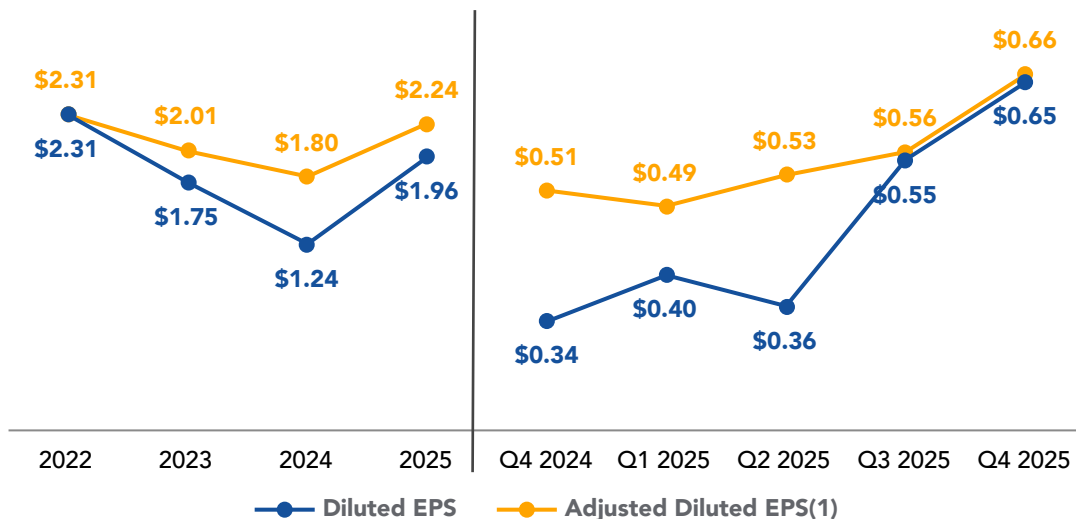
Per Share

Tangible book value per share ⁽¹⁾	\$19.98
EPS - 2026E	\$2.48
EPS - 2027E	\$2.84
Number of research analysts	6

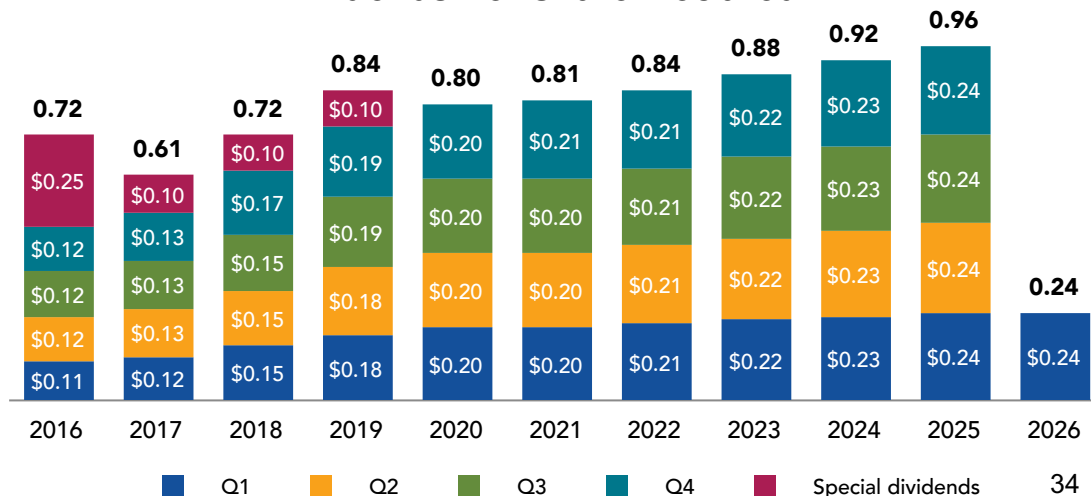
Valuation Ratios

Price / Tangible book value ⁽¹⁾	124.4 %
Price / 2025E EPS	10.0
Price / 2026E EPS	8.8

Diluted EPS and Adjusted Diluted EPS⁽¹⁾



Dividends Per Share Declared⁽³⁾



(1) Represents a non-GAAP financial measure

(2) Market information as of January 20, 2026 and earnings per share and valuation ratios are based on analysts consensus

(3) Dividend information as of January 16, 2026

APPENDIX -
RECONCILIATION
OF NON-GAAP
FINANCIAL MEASURES AND
QUARTERLY FINANCIAL
STATISTICS





NON-GAAP FINANCIAL MEASURES

	2022	2023	2024	2025	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Adjusted Net Income and Adjusted Return on Average Assets ("ROAA"):									
Net income (GAAP)	\$ 81,875	\$ 61,755	\$ 43,258	\$ 67,532	\$ 11,928	\$ 13,911	\$ 12,215	\$ 19,169	\$ 22,237
Exclude (gain) loss on sale of investment securities, net	256	12,231	22,742	10,741	3,903	3,887	6,854	—	—
Exclude gain on sale of branch including related deposits, net	—	(610)	—	—	—	—	—	—	—
Exclude merger related costs	—	—	—	1,020	—	—	—	635	385
Exclude gain on sale of premise and equipment	(403)	—	(1,552)	(8)	(23)	(3)	(5)	—	—
Exclude tax effect of adjustments	31	(2,440)	(4,450)	(2,468)	(815)	(816)	(1,438)	(133)	(81)
Exclude BOLI restructuring costs included in BOLI Income	—	—	508	—	508	—	—	—	—
Exclude tax expense related to BOLI restructuring	—	—	2,371	515	2,371	—	515	—	—
Adjusted net income (non-GAAP)	\$ 81,759	\$ 70,936	\$ 62,877	\$ 77,332	\$ 17,872	\$ 16,979	\$ 18,141	\$ 19,671	\$ 22,541
Average ("Avg") total assets	\$7,321,455	\$7,140,024	\$7,133,046	\$7,027,138	\$7,149,294	\$7,103,227	\$7,046,943	\$7,006,140	\$6,954,110
ROAA, annualized (GAAP)	1.12 %	0.86 %	0.61 %	0.96 %	0.66 %	0.79 %	0.70 %	1.09 %	1.27 %
Adjusted ROAA, annualized (non-GAAP)	1.12 %	0.99 %	0.88 %	1.10 %	0.99 %	0.97 %	1.03 %	1.11 %	1.29 %
Adjusted Noninterest Expense / Average Assets:									
Noninterest Expense (GAAP)	\$ 150,966	\$ 166,623	\$ 158,296	\$ 165,566	\$ 39,540	\$ 41,383	\$ 41,085	\$ 41,615	\$ 41,483
Exclude merger related costs	—	—	—	1,020	—	—	—	635	385
Adjusted noninterest expense (non-GAAP)	\$ 150,966	\$ 166,623	\$ 158,296	\$ 164,546	\$ 39,540	\$ 41,383	\$ 41,085	\$ 40,980	\$ 41,098
Avg. total assets	\$7,321,455	\$7,140,024	\$7,133,046	\$7,027,138	\$7,149,294	\$7,103,227	\$7,046,943	\$7,006,140	\$6,954,110
Noninterest Expense/Avg. Assets (GAAP)	2.06 %	2.33 %	2.22 %	2.36 %	2.20 %	2.36 %	2.34 %	2.36 %	2.37 %
Noninterest expense/Avg. Assets (non-GAAP)	2.06 %	2.33 %	2.22 %	2.34 %	2.20 %	2.36 %	2.34 %	2.32 %	2.34 %



NON-GAAP FINANCIAL MEASURES

	2022	2023	2024	2025	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Return on Average Tangible Common Equity ("ROATCE") and Adjusted ROATCE:									
Net income (GAAP)	\$ 81,875	\$ 61,755	\$ 43,258	\$ 67,532	\$ 11,928	\$ 13,911	\$ 12,215	\$ 19,169	\$ 22,237
Add amortization of intangible assets	2,750	2,434	1,640	1,174	399	303	302	284	285
Exclude tax effect of adjustment	(578)	(511)	(344)	(247)	(84)	(64)	(63)	(60)	(60)
Tangible net income (non-GAAP)	\$ 84,047	\$ 63,678	\$ 44,554	\$ 68,459	\$ 12,243	\$ 14,150	\$ 12,454	\$ 19,393	\$ 22,462
Tangible net income (non-GAAP)	\$ 84,047	\$ 63,678	\$ 44,554	\$ 68,459	\$ 12,243	\$ 14,150	\$ 12,454	\$ 19,393	\$ 22,462
Exclude (gain) loss on sale of investment securities, net	256	12,231	22,742	10,741	3,903	3,887	6,854	—	—
Exclude gain on sale of branch including related deposits, net	—	(610)	—	—	—	—	—	—	—
Exclude merger related costs	—	—	—	1,020	—	—	—	635	385
Exclude gain on sale of premise and equipment	(403)	—	(1,552)	(8)	(23)	(3)	(5)	—	—
Exclude tax effect of adjustments	31	(2,440)	(4,450)	(2,468)	(815)	(816)	(1,438)	(133)	(81)
Exclude BOLI restructuring costs included in BOLI Income	—	—	508	—	508	—	—	—	—
Exclude tax expense related to BOLI restructuring	—	—	2,371	515	2,371	—	515	—	—
Adjusted tangible net income (non-GAAP)	\$ 83,931	\$ 72,859	\$ 64,173	\$ 78,259	\$ 18,187	\$ 17,218	\$ 18,380	\$ 19,895	\$ 22,766
Average stockholders' equity (GAAP)	\$ 811,942	\$ 818,042	\$ 854,172	\$ 887,679	\$ 868,308	\$ 866,629	\$ 879,808	\$ 892,280	\$ 911,454
Exclude average intangible assets	(249,566)	(246,965)	(244,910)	(243,500)	(244,302)	(243,945)	(243,651)	(243,350)	(243,069)
Average tangible common stockholders' equity (non-GAAP)	\$ 562,376	\$ 571,077	\$ 609,262	\$ 644,179	\$ 624,006	\$ 622,684	\$ 636,157	\$ 648,930	\$ 668,385
ROAE, annualized (GAAP)	10.08 %	7.55 %	5.06 %	7.61 %	5.46 %	6.51 %	5.57 %	8.52 %	9.68 %
ROATCE, annualized (non-GAAP)	14.94 %	11.15 %	7.31 %	10.63 %	7.81 %	9.22 %	7.85 %	11.86 %	13.33 %
Adjusted ROATCE, annualized (non-GAAP)	14.92 %	12.76 %	10.53 %	12.15 %	11.59 %	11.21 %	11.59 %	12.16 %	13.51 %



NON-GAAP FINANCIAL MEASURES

	2022	2023	2024	2025	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Diluted Earnings per Share and Adjusted Diluted Earnings per Share:									
Net income (GAAP)	\$ 81,875	\$ 61,755	\$ 43,258	\$ 67,532	\$ 11,928	\$ 13,911	\$ 12,215	\$ 19,169	\$ 22,237
Exclude (gain) loss on sale of investment securities, net	256	12,231	22,742	10,741	3,903	3,887	6,854	—	—
Exclude gain on sale of branch including related deposits, net	—	(610)	—	—	—	—	—	—	—
Exclude merger related costs	—	—	—	1,020	—	—	—	635	385
Exclude gain on sale of premise and equipment	(403)	—	(1,552)	(8)	(23)	(3)	(5)	—	—
Exclude tax effect of adjustments	31	(2,440)	(4,450)	(2,468)	(815)	(816)	(1,438)	(133)	(81)
Exclude BOLI restructuring costs included in BOLI Income	—	—	508	—	508	—	—	—	—
Exclude tax expense related to BOLI restructuring	—	—	2,371	515	2,371	—	515	—	—
Adjusted net income (non-GAAP)	\$ 81,759	\$ 70,936	\$ 62,877	\$ 77,332	\$ 17,872	\$ 16,979	\$ 18,141	\$ 19,671	\$ 22,541
Average number of diluted shares outstanding	35,463,896	35,258,189	34,899,036	34,456,904	34,553,139	34,506,238	34,446,710	34,413,386	34,405,793
Diluted earnings per share (GAAP)	\$ 2.31	\$ 1.75	\$ 1.24	\$ 1.96	\$ 0.34	\$ 0.40	\$ 0.36	\$ 0.55	\$ 0.65
Adjusted diluted earnings per share (non-GAAP)	\$ 2.31	\$ 2.01	\$ 1.80	\$ 2.24	\$ 0.51	\$ 0.49	\$ 0.53	\$ 0.56	\$ 0.66



NON-GAAP FINANCIAL MEASURES

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tangible Book Value Per Share:									
Total stockholders' equity (GAAP)	\$ 481,763	\$ 505,305	\$ 760,723	\$ 809,311	\$ 820,439	\$ 854,432	\$ 797,893	\$ 853,261	\$ 863,527
Exclude intangible assets	(126,403)	(125,117)	(261,553)	(257,552)	(254,027)	(250,916)	(248,166)	(245,732)	(244,092)
Tangible common equity (non-GAAP)	\$ 355,360	\$ 380,188	\$ 499,170	\$ 551,759	\$ 566,412	\$ 603,516	\$ 549,727	\$ 607,529	\$ 619,435
Shares outstanding	29,954,931	29,927,746	36,874,055	36,618,729	35,912,243	35,105,779	35,106,697	34,906,233	33,990,827
Book value per share (GAAP)	\$ 16.08	\$ 16.88	\$ 20.63	\$ 22.10	\$ 22.85	\$ 24.34	\$ 22.73	\$ 24.44	\$ 25.40
Tangible book value per share (non-GAAP)	\$ 11.86	\$ 12.70	\$ 13.54	\$ 15.07	\$ 15.77	\$ 17.19	\$ 15.66	\$ 17.40	\$ 18.22

	2025 Q1	2025 Q2	2025 Q3	2025 Q4
Tangible Book Value Per Share (cont'd):				
Total stockholders' equity (GAAP)	\$ 881,515	\$ 888,212	\$ 904,064	\$ 921,504
Exclude intangible assets	(243,789)	(243,487)	(243,203)	(242,918)
Tangible common equity (non-GAAP)	\$ 637,726	\$ 644,725	\$ 660,861	\$ 678,586
Shares outstanding	34,105,516	33,953,194	33,956,738	33,963,500
Book value per share (GAAP)	\$ 25.85	\$ 26.16	\$ 26.62	\$ 27.13
Tangible book value per share (non-GAAP)	\$ 18.70	\$ 18.99	\$ 19.46	\$ 19.98



NON-GAAP FINANCIAL MEASURES

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
<u>Efficiency Ratio and Adjusted Efficiency Ratio</u>					
Total noninterest expense (GAAP)	\$ 39,540	\$ 41,383	\$ 41,085	\$ 41,615	\$ 41,483
Exclude merger related costs	\$ —	\$ —	\$ —	\$ 635	\$ 385
Adjusted noninterest expense (non-GAAP)	\$ 39,540	\$ 41,383	\$ 41,085	\$ 40,980	\$ 41,098
Net interest income (GAAP)	\$ 53,763	\$ 53,690	\$ 54,983	\$ 57,371	\$ 58,361
Total noninterest income (GAAP)	\$ 3,290	\$ 3,903	\$ 1,517	\$ 8,325	\$ 7,987
Exclude (gain) loss on sale of investment securities, net	3,903	3,887	6,854	—	—
Exclude gain on sale of premise and equipment	(23)	(3)	(5)	—	—
Exclude BOLI restructuring costs included in BOLI Income	508	—	—	—	—
Adjusted total non interest income (non-GAAP)	\$ 7,678	\$ 7,787	\$ 8,366	\$ 8,325	\$ 7,987
Efficiency ratio (GAAP)	69.3 %	71.9 %	72.7 %	63.3 %	62.5 %
Adjusted efficiency ratio (non-GAAP)	64.4 %	67.3 %	64.9 %	62.4 %	61.9 %



QUARTERLY FINANCIAL STATISTICS

	As of Period End or for the Three Months Ended				
	December 31, 2024	March 31, 2025	June 30, 2025	September 30, 2025	December 31, 2025
Profitability:					
Net income	\$ 11,928	\$ 13,911	\$ 12,215	\$ 19,169	\$ 22,237
Adjusted net income ⁽¹⁾	\$ 17,872	\$ 16,979	\$ 18,141	\$ 19,671	\$ 22,541
Diluted earnings per share	\$ 0.34	\$ 0.40	\$ 0.36	\$ 0.55	\$ 0.65
Adjusted diluted earnings per share ⁽¹⁾	\$ 0.51	\$ 0.49	\$ 0.53	\$ 0.56	\$ 0.66
Return on average assets	0.66 %	0.79 %	0.70 %	1.09 %	1.27 %
Adjusted return on average assets ⁽¹⁾	0.99 %	0.97 %	1.03 %	1.11 %	1.29 %
Return on average common equity	5.46 %	6.51 %	5.57 %	8.52 %	9.68 %
Return on average tangible common equity ⁽¹⁾	7.81 %	9.22 %	7.85 %	11.86 %	13.33 %
Adjusted return on average tangible common equity ⁽¹⁾	11.59 %	11.21 %	11.59 %	12.16 %	13.51 %
Net interest margin	3.36 %	3.44 %	3.51 %	3.64 %	3.72 %
Efficiency ratio	69.3 %	71.9 %	72.7 %	63.3 %	62.5 %
Adjusted efficiency ratio ⁽¹⁾	64.4 %	67.3 %	64.9 %	62.4 %	61.9 %
Noninterest expense to average total assets	2.20 %	2.36 %	2.34 %	2.36 %	2.37 %
Balance Sheet:					
Total assets	\$ 7,106,278	\$ 7,129,862	\$ 7,070,641	\$ 7,011,879	\$ 6,967,350
Loans receivable	\$ 4,802,123	\$ 4,764,848	\$ 4,774,855	\$ 4,769,160	\$ 4,783,266
Total deposits	\$ 5,684,613	\$ 5,845,335	\$ 5,784,413	\$ 5,857,464	\$ 5,920,199
Loan to deposit ratio	84.5 %	81.5 %	82.5 %	81.4 %	80.8 %
Capital:					
Book value per share	\$ 25.40	\$ 25.85	\$ 26.16	\$ 26.62	\$ 27.13
Tangible book value per share ⁽¹⁾	\$ 18.22	\$ 18.70	\$ 18.99	\$ 19.46	\$ 19.98
Leverage ratio	10.0 %	10.2 %	10.3 %	10.5 %	10.8 %
Total capital ratio	13.3 %	13.6 %	13.6 %	13.8 %	14.1 %
Credit Quality:					
Nonperforming assets to total assets	0.07 %	0.06 %	0.26 %	0.30 %	0.30 %
ACL on loans to loans receivable	1.09 %	1.09 %	1.10 %	1.13 %	1.10 %

Dollars in thousands

(1) Represents a non-GAAP financial measure