



BSVN

2020

EARNINGS RELEASE

January 29, 2021



BSVN – A Strong Value Proposition



Company Highlights

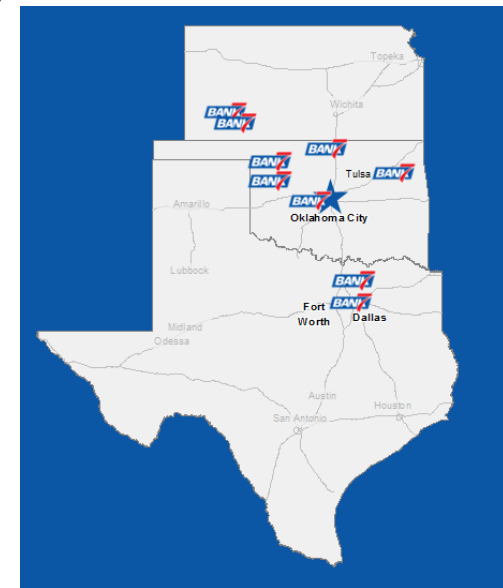
- Positioned in a dynamic market, with a commercial banking emphasis that delivers services via a branch-lite model.
- Experienced and talented bankers focused on high-touch personalized service.
- Strong credit culture that adheres to a robust risk management framework resulting in excellent credit quality, and a history of low loan losses.
- Higher-than-peer capital levels.⁽³⁾
- Shareholder alignment due to 70% insider ownership, with zero insider sales.
- Disciplined stock repurchase strategy.

Healthy Capital and Strong Book Value Compounder

- CET1 of 13.50% and total RBC of 14.73%.
- Cash dividends of \$9.8 million and stock buybacks of \$9.0 million over the last six quarters.
- Since YE 2018, our tangible book value per share has increased 38%, and when paid cash dividends are considered, the total absolute return to shareholders exceeds 49%.⁽¹⁾
- Disciplined buyback strategy: 1,032,178 shares were repurchased during the year at an average price of \$8.73, which was immediately accretive to TBV and averaged approximately 82% of tangible book value at time of purchase.

Superior Core Earnings

- Despite struggling industry margins, we have consistently produced exceptional PPE.⁽²⁾
- PPE strength far greater than peers: 3.25% PPE to average assets vs. peer average of 1.48%.⁽³⁾



All data as of December 31, 2020, unless indicated otherwise.

(1) See full calculation on slide 3.

(2) Pre-tax pre-provision earnings (PPE) is a non-GAAP financial measure. See Appendix for reconciliation to its most comparable GAAP measure.

(3) As of 3Q 2020, the latest figures available. Peer group is defined as 184 exchange-traded banks nationwide with assets between \$500 million and \$5 billion. Source: S&P Global Market Intelligence.



Continued Strong Performance

- Strength of our PPE was evident in 2020, as it allowed us to increase our cash dividend, repurchase a significant amount of stock at a deep discount to TBVPS, substantially increase our ALLL reserve, and grow our balance sheet while still ending the year with total RBC of 14.73%.
- Excellent PPE of \$31.2 million, compared to \$26.8 million⁽¹⁾ for YTD 2019, an increase of 16.3%.
- Net income was \$19.3 million for the year, after provision expense of \$5.4 million, compared to pro forma 2019 net income of \$20.0⁽¹⁾, which had no provision expense.
- TBV increase of \$1.91 per share, a 19.6% increase. EPS was \$2.05, a 5% increase from the prior year⁽¹⁾.

Strong Asset Quality

- Continued strong focus on credit discipline while increasing our ALLL reserve by 23% YOY.
- Energy loans in the moderate risk and elevated risk categories have significantly improved from 2Q.
- Only a few hospitality loans remain on payment deferral.

	Energy Exposure		
	4Q 20	Δ	2Q 20
Moderate Risk	\$24.68	-\$22.33	\$47.01
Elevated Risk	\$13.61	-\$18.18	\$31.79

Dollars are in millions.

DFAST Reinforces Strength / Current Assessment Provides Added Confidence

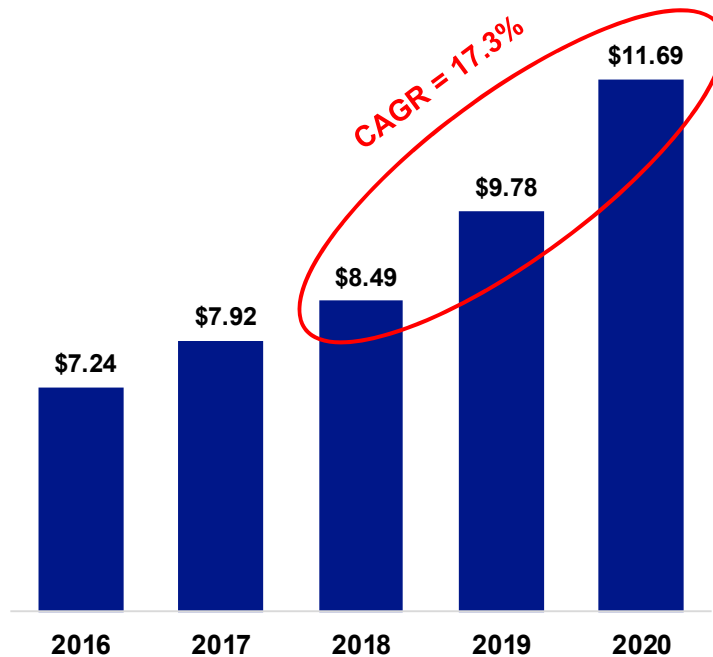
- The original 2Q/3Q 2020 DFAST reflected hypothetical loan losses totaling \$27.5 million; nonetheless, over the same period it reflected our ability to continue our regular dividend. Remarkably, CET1 increases to 16.40%, and total RBC increases to 17.65%. These hypothetical results further illustrate the advantage of our superior PPE levels.
- Our current loan reviews continue to indicate that we have sufficient reserves and do not expect to experience losses anywhere near the magnitude illustrated by the DFAST parameters.

(1) Pro Forma 2019 net income is a non-GAAP financial measure which adds back the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period. See Pro Forma Net Income reconciliation table for detailed calculation of this measure.

Outstanding Book Value Appreciation



Tangible Book Value Per Share



- Tangible book value per share CAGR of 17.3% over the past three years.
- We have increased tangible book value per share by 37.73% over the past two years.
- When including the cash dividends, BSVN has produced a 49.63% overall return over the same period.

	YE 2018	YE 2020	% Change	\$ Change
Total tangible shareholders' equity	\$86,471	\$105,738	22.28%	\$19,267
Shares outstanding	10,187.5	9,044.8	-11.22%	(1,142.7)
Tangible book value per share	\$8.49	\$11.69	37.73%	\$3.20
Add: cash dividends per share			11.90%	\$1.01
			OVERALL RETURN:	
			49.63%	\$4.21



2020 BSVN Share Repurchase Recap

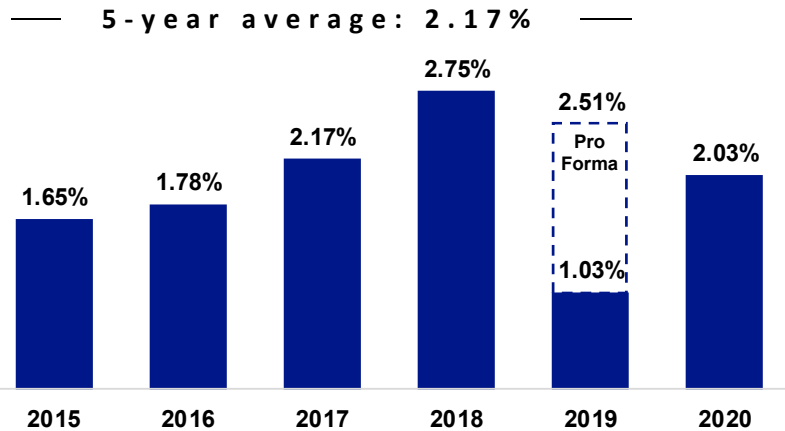
	Number of Shares Purchased	Average Purchase Price Per Share	Book Value Per Share	Discount to Book Value \$	Discount to Book Value %
Q1	793,094	\$ 8.59	\$ 10.54	\$ 1.95	18%
Q2	38,160	7.90	11.01	3.11	28%
Q3	4,000	8.96	11.39	2.43	21%
Q4	196,924	9.43	11.87	2.44	21%
Total	1,032,178	\$ 8.73			

- During 2020, BSVN management relied upon patience and discipline to execute our repurchase strategy to capitalize on market irrationality, resulting in immediately accretive share repurchases.
- BSVN share price as of 1/13/21 was \$16.27, which represents accretive benefits of \$7.54 per share (86.4%) on repurchased shares.

A Continuation of BSVN Exceptional Performance

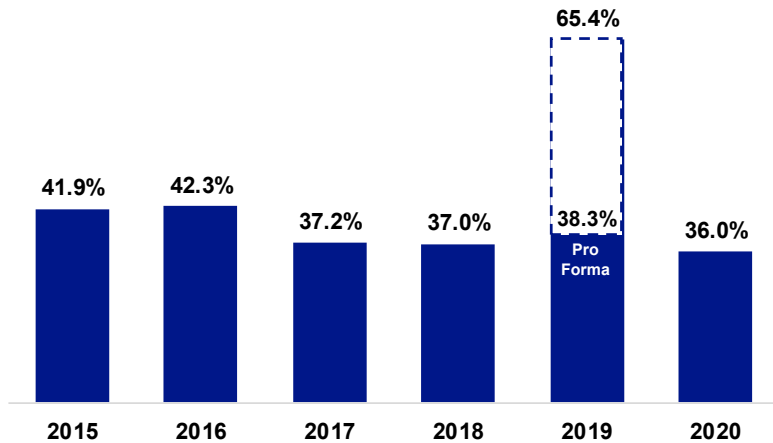


Return on Average Assets ⁽¹⁾⁽²⁾

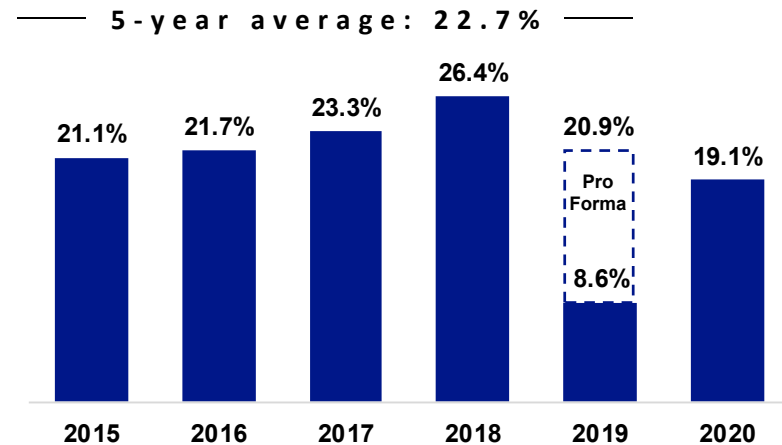


- Even with the significant increase to our ALLL reserve and a challenging rate environment, we continue to produce strong ROAA and ROATCE: 2.03% and 19.14% for 2020, respectively.
- Improved upon our excellent efficiency ratio, dropping it from 38.3% in 2019⁽³⁾ to 36.0% in 2020.

Efficiency Ratio ⁽²⁾



Return on Average Tangible Common Equity ^{(1) (2)}



Dollars are in millions

Financial data is as of or for the twelve months ended December 31 of each respective year.

(1) Profitability metrics are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods.

(2) Pro Forma YTD ROAA, ROATCE, efficiency ratio, and noninterest expense to average assets ratio are non-GAAP financial measures. See non-GAAP reconciliation table for reconciliation to their most comparable GAAP measures.

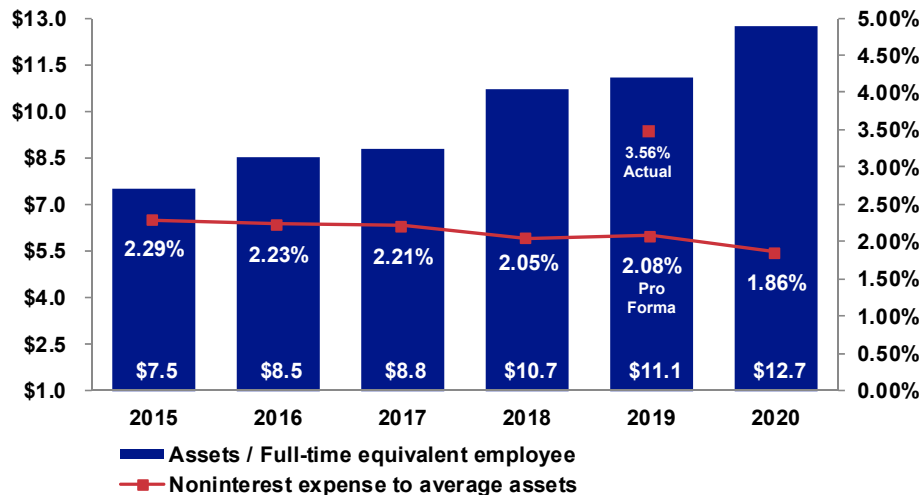
(3) Excludes the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period. See Pro Forma Net Income reconciliation table for detailed calculation of this measure

Strong PPE and Organic Growth



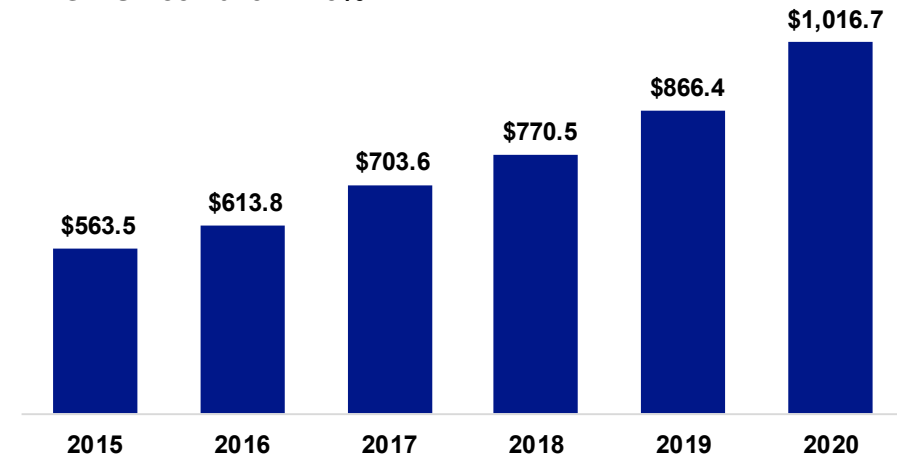
- A history of strong organic growth.
- Consistently strong PPE.
- High PPE is achieved in part because of our strategy of having fewer, but better FTE's, who excel at providing services and solutions utilizing our enhanced technology and processes, delivered through our branch-lite model.

Leveraging Our Employee Base⁽²⁾



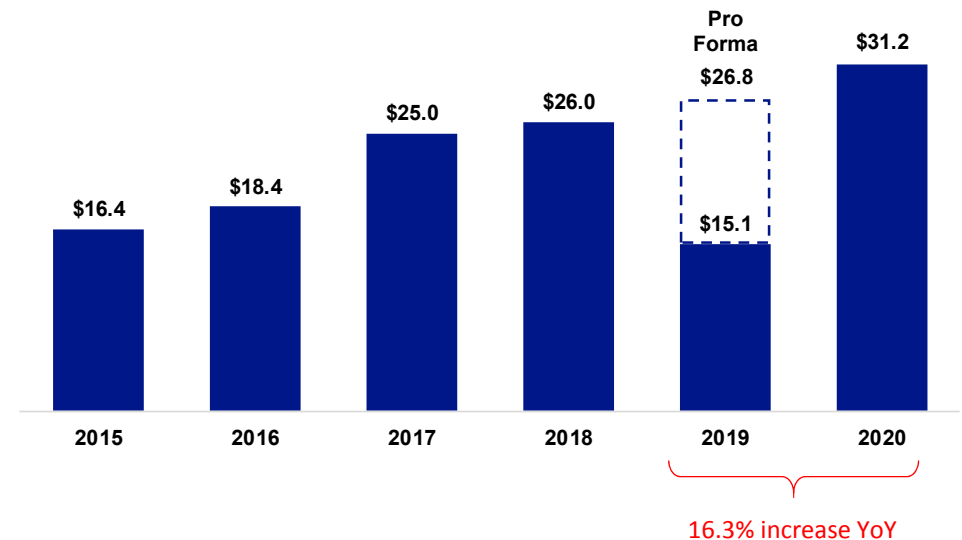
Total Assets

CAGR Since 2015: 12.5%



PPE⁽¹⁾⁽²⁾

CAGR Since 2015: 13.7%



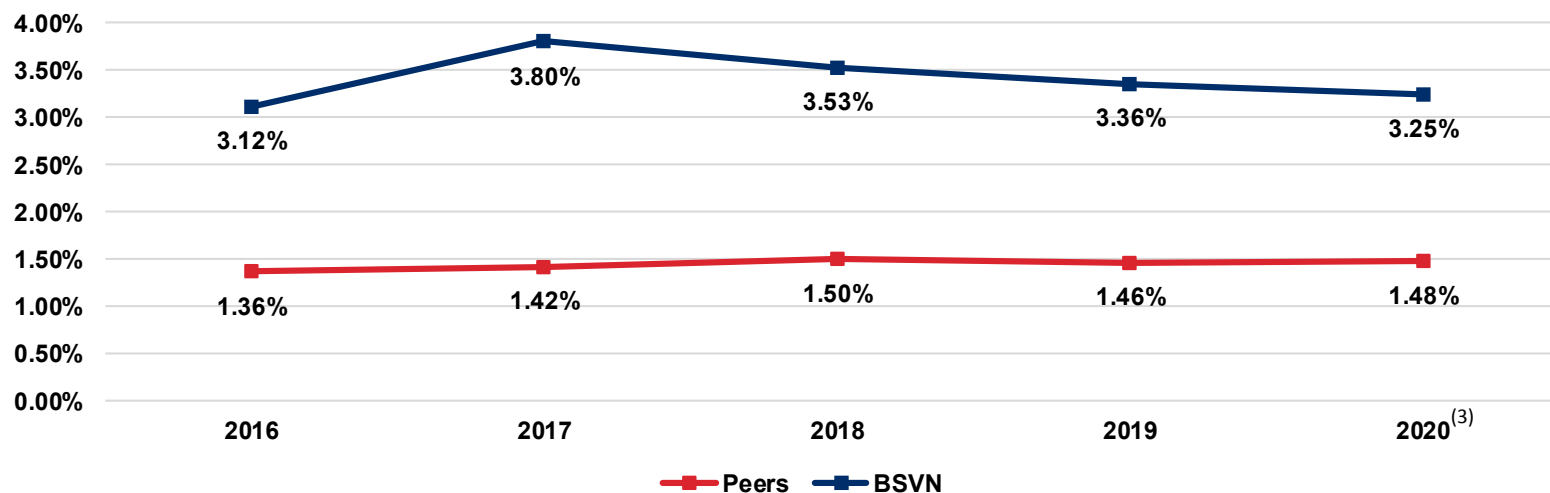
Dollars are in millions.

Financial data is as of or for the twelve months ended December 31 of each respective year.

(1) Profitability metrics are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods. Combined federal and state effective tax rates for the year ended December 31, 2019 and 2020 were 25.5% (pro forma) and 25.6% respectively.

(2) Pro Forma 2019 net income is a non-GAAP financial measure which adds back the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period. See Pro Forma Net Income reconciliation table for detailed calculation of this measure.

PPE to Average Assets – Much stronger than peers



Income Statement as a Percentage of Average Assets

	2016		2017		2018		2019		2020 ⁽³⁾	
	Peer Group Median ⁽¹⁾	BSVN	Peer Group Median ⁽¹⁾	BSVN	Peer Group Median ⁽¹⁾	BSVN	Peer Group Median ⁽¹⁾	BSVN ⁽²⁾	Peer Group Median ⁽¹⁾	BSVN
Net Interest Income	3.29%	5.07%	3.30%	5.79%	3.42%	5.38%	3.37%	5.28%	3.11%	4.97%
Non-Interest Income	0.75%	0.28%	0.72%	0.22%	0.66%	0.18%	0.69%	0.16%	0.68%	0.14%
Non-Interest Expense	2.75%	2.23%	2.70%	2.21%	2.72%	2.03%	2.64%	2.08%	2.52%	1.86%
PPE	1.36%	3.12%	1.42%	3.80%	1.50%	3.53%	1.46%	3.36%	1.48%	3.25%
Provision Expense	0.11%	0.26%	0.11%	0.19%	0.10%	0.03%	0.08%	0.00%	0.37%	0.47%
Net Income	0.90%	1.77%	0.76%	2.17%	1.11%	2.72%	1.10%	2.51%	0.86%	2.07%
ROATCE	9.86%	22.01%	8.37%	23.58%	11.55%	26.61%	11.16%	19.85%	9.44%	19.60%
Net Interest Margin	3.60%	5.16%	3.67%	5.87%	3.73%	5.49%	3.65%	5.35%	3.38%	5.02%
Efficiency Ratio	65.13%	41.48%	63.16%	35.98%	61.84%	36.02%	62.63%	38.53%	61.53%	35.92%

Dollars are in thousands

(1) Peer group is defined as exchange-traded banks nationwide with assets between \$500mm-\$5bn (184 banks); Source: S&P Global Market Intelligence.

(2) Excludes one-time, non-cash executive stock transfer compensation expense of \$11.8 million.

(3) As of Q3 2020, the latest data available.

Strong PPE Provides Excellent Shock-Absorption



Earnings-driven cushion far exceeds regulatory capital minimums as illustrated over a two-year period, consistent with DFAST parameters.

	Regulatory Minimum Target Ratios	Q4 2020 Capital Ratios	Excess Capital to Target Ratio Expressed in % ⁽¹⁾	Excess Capital to Target Ratio Expressed in \$ ⁽²⁾		Add: PPE Cushion ⁽³⁾		Total Shock Absorption Ability Prior to Hitting Reg Minimums
Tier 1 Leverage	5%	10.77%	115.40%	\$55.8	+	\$62.5	=	\$118.3
CET1	7%	13.50%	92.86%	\$52.4	+	\$62.5	=	\$114.9
Tier 1 Risk Based Capital	8.5%	13.50%	58.82%	\$40.3	+	\$62.5	=	\$102.8
Total Risk Based Capital	10.5%	14.73%	40.29%	\$34.1	+	\$62.5	=	\$96.6

Dollars are in millions

The above assumes no cash dividends and is simply an illustration and should not be considered a projection or forward-looking guidance of any kind.

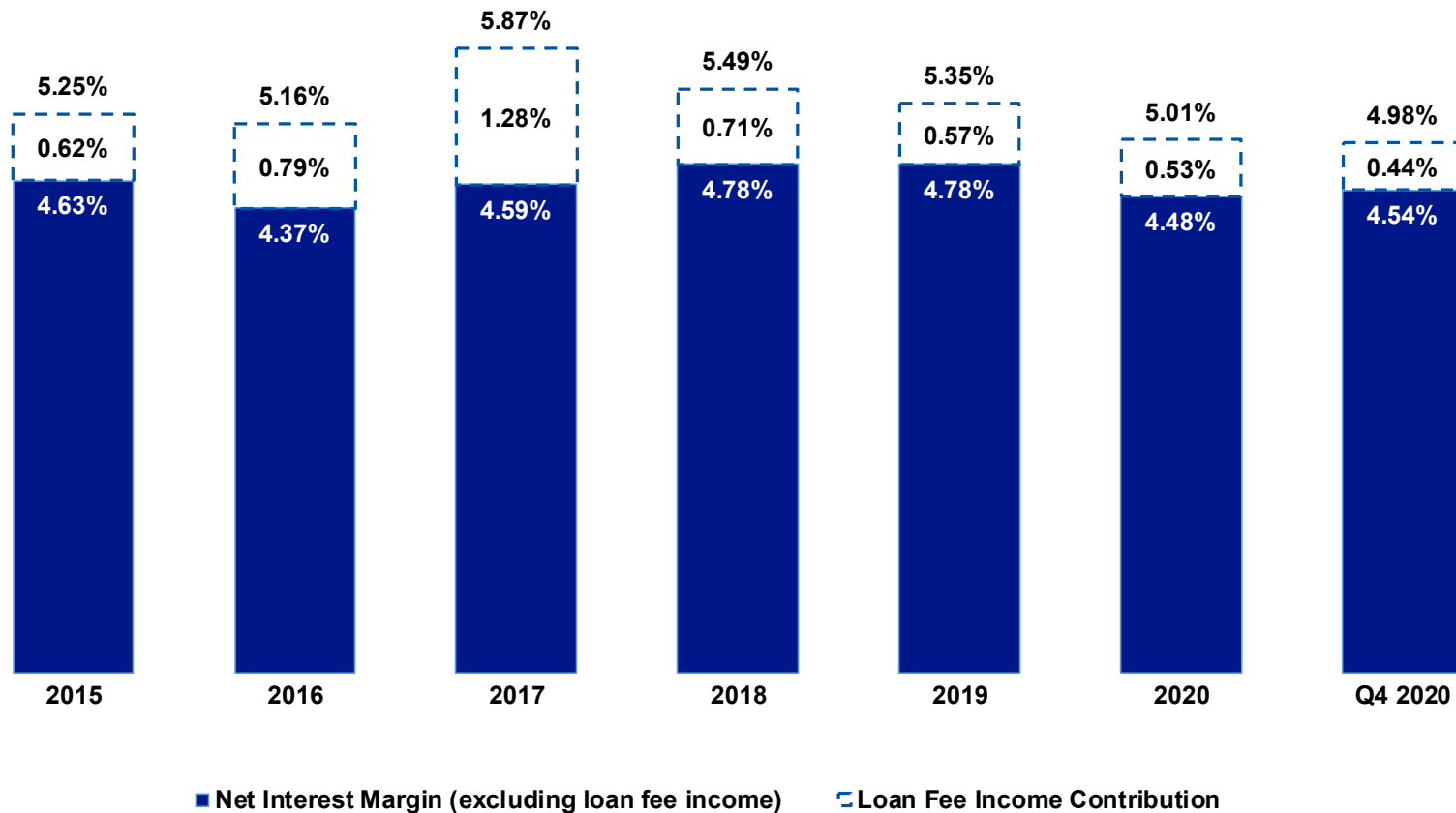
- (1) Excess capital to target ratio expressed in % is the difference between the actual ratio and regulatory minimum divided by the regulatory minimum.
- (2) Excess capital to target ratio expressed in \$ is the excess capital % multiplied by either average assets or risk-weighted assets, assuming a static balance sheet over the next 24 months.
- (3) Trailing twelve months PPE of \$31.23 million extrapolated over two years.

Net Interest Margin Strength



- Despite pandemic-induced stress which has temporarily reduced new loan opportunities, our net interest margin continues to show strength.

Net Interest Margin

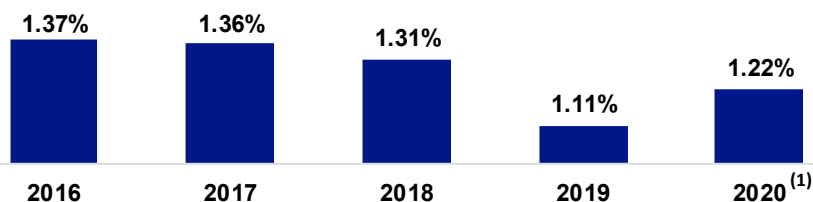


Financial data is as of or for the twelve months ended December 31 of each respective year.
 Net interest margin (excluding loan fee income) is a non-GAAP financial measure. See Appendix for reconciliation to their most comparable GAAP measures.

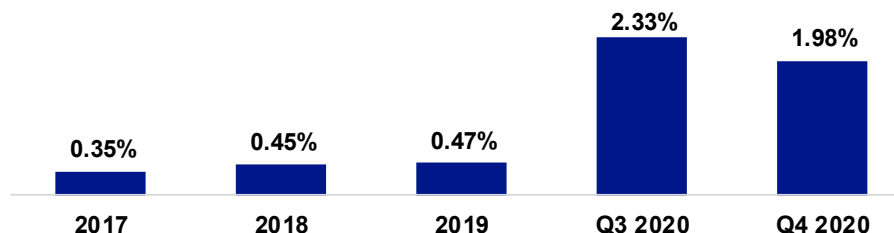
Asset Quality



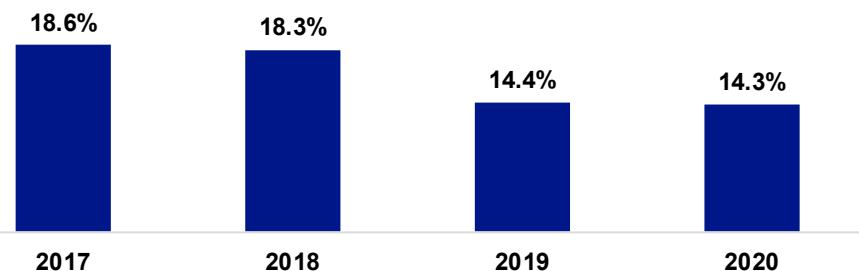
Allowance for Loan Losses to Total Loans



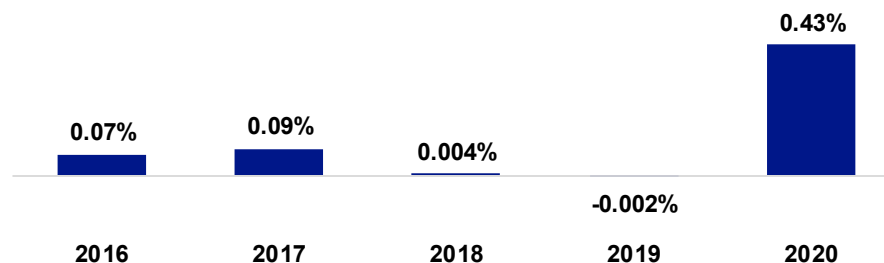
Nonperforming Assets to Loans and OREO



Energy Portfolio as a % of Total Loans



Net Charge-Offs to Average Loans



- ALLL increased by \$1.79 million, or 22.9%, during 2020 and finished the year at 1.22% of total loans, up from 1.11% in 2019.⁽¹⁾
- The impact of pandemic-induced stress on nonperforming assets and loan grades peaked in late 2Q and early 3Q. Though NPA's declined in Q4, they remain elevated due to the economic impacts of the pandemic and are driven by one large non-accrual credit that represents 65.8% of the NPA total.
- Reduction of energy loan portfolio; down from 18.6% of total loans at YE 2017 to 14.3% of total loans at YE 2020.
- Covid related loan deferrals have declined significantly from the Q2 20 peak with only nine loans representing \$33.22 million of total balances on some type of loan deferral at year end.

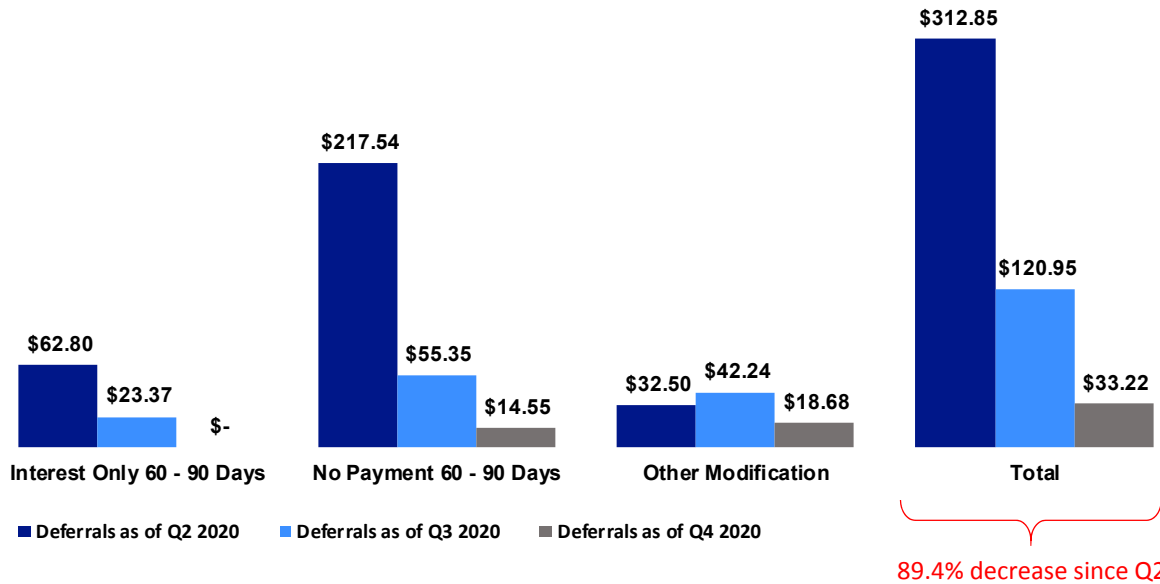
Financial data is as of or for the twelve months ended December 31 of each respective year.

(1) "Total Loans" excludes \$44.9 in PPP loans. With PPP loans included, ratio is 1.15%.

COVID-19 Loan Deferrals

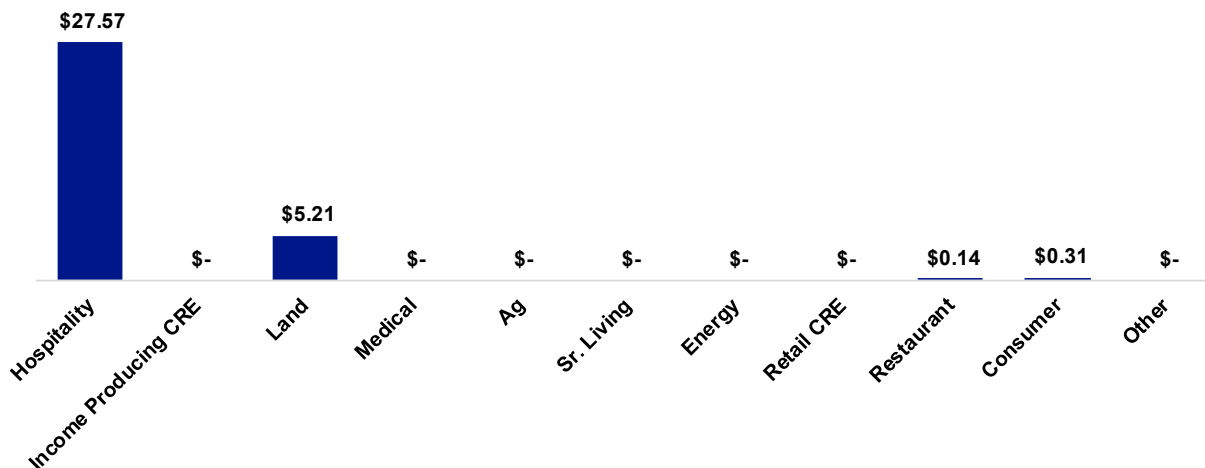


COVID-19 Loan Deferrals – 2Q vs. 4Q



- Nine loans with outstanding balances of \$33 million were on active payment deferrals as of YE – a decrease of 89.4% or \$280 million from 2Q.
- 98.7% of the deferred loans are on continued deferment or modification, with 1.3% on a first deferral.

Deferrals by Loan Category



- Hospitality loans represent 83% of the loans on active payment deferral, with one land loan representing 15.7% of the remaining deferred loan balances.
- There are no retail, ag, energy, or income producing property loans on deferral. Consumer and restaurant loans on deferral total \$450,000 combined, representing 1.3% of loan balances on deferral.

Hospitality Loan Portfolio Detail as of 4Q 20



Hotel Portfolio Exposure by Class

Flag Type	Number of Hotels	Balance as of Q4 2020
Economy	15	\$32.45
Midscale	23	101.04
Upper Midscale	8	60.48
Upscale	0	-
Luxury	0	-
Grand Total	46	\$193.97

Hotel Portfolio Exposure by Flag

Hotel Flag	# of hotels	Balance as of Q4 2020
Springhill Suites by Marriott	3	\$35.58
Other Brands	14	\$30.70
Aloft Hotels	2	\$22.12
Quality Inn & Suites	4	\$18.34
Holiday Inn Express & Suites	4	\$21.56
Best Western	2	\$5.17
La Quinta Inn & Suites	4	\$15.96
Red Roof Inn	3	\$9.30
Wingate by Wyndham Hotel	2	\$14.19
Home2Suites by Hilton	3	\$14.83
Independent	5	6.22
Grand Total	46	\$193.97

- Blue collar portfolio that is well-protected by the “cycle-down” effect of a recession. 32 out of 35 operating properties had returned to amortizing payments as of 12/31/20.
- Experienced owner/operators with decades of history that spans multiple recessions.
- Our operators only need 45-55% occupancy to amortize debt. Average occupancy for the 32 amortizing properties was 52% for 4Q.
- Diversified exposure to many reputable brands.
- Concentrated in “Drive-To” markets with no exposure to “Gateway” cities.
- No exposure to towns or cities that are heavily dependent on the energy space.

Metro	#	Outstanding Balance		Commitment	
Dallas / Ft. Worth Metro Area	26	\$117.84	60.75%	\$174.88	67.53%
Other Texas Metros	10	\$32.94	16.98%	\$32.94	12.72%
Other	10	\$43.19	22.27%	\$51.13	19.75%
	46	\$193.97	100.00%	\$258.95	100.00%

Hospitality Loan Portfolio Detail at Year-End



Loan Type	Hotels	Outstanding Balance
Operating	35	\$165.59
Construction	11	\$28.38

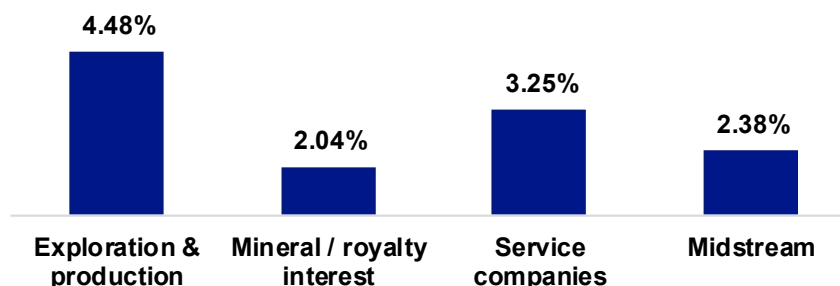
Portfolio Metrics – 35 Operating Properties⁽¹⁾

Average Loan Size	\$4.73
Average Loan to Value	63%
Average DCR	1.49
Average Remaining Amortization	15.4 Years

	Hotels	Outstanding Balance	4Q Avg Occ	4Q Avg ADR
Amortizing Properties	32	\$146.91	52%	\$60
Covid Payment Deferral Properties	3	\$18.67	18%	\$43

- Equity advantage – average loan per room is \$45,100 vs. estimated replacement cost of \$115,000 per room.
- Consistent underwriting fundamentals with disciplined equity requirements, minimum DCR hurdles, personal recourse, and rapid amortization.

Energy Portfolio as a % of Total Loans



Purpose Code Desc	Total Number of Notes	COVID Modified # of Notes	% of Notes Modified	Total Loan Balances	Modified Balances	COVID % of Balances
Exploration & Production	8	0	0%	\$37.54	\$0	0%
Midstream	5	0	0%	\$19.96	\$0	0%
Mineral/Royalty	13	0	0%	\$17.13	\$0	0%
Service Companies	18	0	0%	\$27.27	\$0	0%
Total Energy Loans	44	0	0%	\$101.91	\$0.00	0.0%

- Approximately 17% of outstanding energy loan balances received temporary payment relief during 2Q, but that number was down to zero at YE 20. The improvement was partially driven by continued downsizing within our service company portfolio. As a result of the right-sizing efforts and improved activity levels, all loans were on normal payments.
- E&P borrowers were initially impacted by lower prices; however, the few we have continue to perform at a high level, primarily due to the borrowers operating with minimal leverage, disciplined hedging strategies, and a natural gas heavy production mix.
- Our midstream borrowers continue to be heavily impacted by reduced oilfield activity and COVID-related shutdowns, both of which have reduced or delayed revenue opportunities.
- Mineral/Royalty borrowers have experienced lower monthly revenues but they are operating with less leverage, therefore they were able to withstand temporary price declines with no payment modifications needed through YE 20. The overall outstanding balance in this segment is expected to continue to contract.
- We are well into the energy downturn and we remain comfortable with our ALLL reserve levels.

Energy Portfolio Potential Exposure



Exploration & Production

37%	Liquid Guarantor [1], low decline curve type of production with amortizing ability at \$30/barrel oil	5%	\$2.02	} Minimal risk of loss
	Hedged production into 2021 or beyond; 3 yr remaining amortization or less, low loan to value	94%	35.45	
	Low decline natural gas production, more than 50% hedged	0%	0.07	
			\$37.54	

Midstream

20%	Midstream A/R	9%	\$1.71	Minimal risk of loss
	Midstream Technology with secondary support [3]	37%	7.37	Moderate risk of loss
	Midstream equipment; significant decline in business related to Covid	55%	10.89	Elevated risk of loss
			\$19.96	

Mineral/Royalty

17%	Loan to cost below 50% and/or strong secondary support	89%	\$15.25	Minimal risk of loss
	Loan to cost above 50%	11%	1.87	Elevated risk of loss
			\$17.13	

Service

27%	Liquid Guarantor [1]	73%	\$19.96	} Minimal risk of loss
	Oilfield activity minimally impacted [2]	10%	2.84	
	Heavily impacted; not oilfield specific collateral [3]	14%	3.70	} Moderate risk of loss
	Heavily impacted; oilfield specific equipment, A/R, Inventory and/or Real Estate [4]	3%	0.85	
			\$27.35	

	4Q 20	2Q 20	Δ
Energy Portfolio Total Loan Balance	\$101.98	\$90.21	\$11.77
Less: Minimal Risk of Loss due to Liquid Guarantor Support	(21.98)	(11.20)	
Less: Minimal Risk of Loss due to Hedged Production, Low LTV, and/or Long Production Life	(35.52)	(11.06)	
Less: Minimal Risk of Loss due to Environmentally Driven Midstream Activity	(1.71)	(0.99)	
Less: Minimal Risk of Loss due to Low LTV on Income Producing Mineral Rights/Royalties and/or Strong Secondary Support	(15.25)	(16.69)	
Less: Minimal Risk of Loss due to Insignificant Impact of Low Oil Prices to Date	(2.84)	(3.26)	
Sub-Total - Remaining Loans With Moderate or Elevated Risk of Loss	24.68	47.01	(22.33)
Less: Moderate Risk of Loss due to Primary Collateral Type (ex. Trucks, Cranes, Rolling Stock etc.)	(3.70)	(7.84)	
Less: Moderate Risk of Loss due to Primary Collateral Type (ex. Technology) and Secondary Support	(7.37)	(7.37)	
Sub-Total - Remaining Loans With Elevated Risk of Loss	13.61	31.79	(18.18)

[1] Liquid Guarantor: Includes any loan that is backed by a guarantor with liquidity that exceeds 50% of the outstanding balance of a secured loan.

[2] Minimally Impacted: Includes borrowers that have yet to be affected by lower prices (ex. crude oil transportation, contractors working on long-term infrastructure projects)

[3] Moderate Loss Risk: Includes borrowers that have been significantly impacted by lower prices but collateral that is useful in other industries (ex. Trucks, Cranes, Rolling Stock etc.) or collateral that is expected to maintain its value plus secondary support that is expected to reduce loss potential

[4] Includes drilling contractors, roustabout operations and various suppliers

Appendix



For the Year Ended December 31,

	2020	2019	2019	2018	2017	2016
			Pro Forma ⁽³⁾			
<i>(Dollars in thousands, except per share data)</i>						
Income Statement Data:						
Total interest income	\$ 53,314	\$ 51,709		\$ 46,800	\$ 42,870	\$ 33,153
Total interest expense	6,153	9,516		7,168	4,739	3,303
Provision for loan losses	5,350	-		200	1,246	1,554
Total noninterest income	1,665	1,308		1,331	1,435	1,643
Total noninterest expense	17,592	28,432	\$ 16,636	14,967	14,531	13,121
Provision (benefit) for income taxes	6,618	6,844	6,836	797	-	-
Pre-tax net income	25,884	15,069	26,842	25,796	23,789	16,817
Net income – C Corp	19,266	8,225	20,006	20,077	14,280	10,435
Balance Sheet Data:						
Cash and cash equivalents	\$ 170,313	\$ 147,275		\$ 159,849	\$ 130,222	\$ 103,665
Total loans	836,613	707,304		599,910	563,001	502,482
Allowance for loan losses	9,639	7,846		7,832	7,654	6,873
Total assets	1,016,669	866,392		770,511	703,594	613,771
Interest-bearing deposits	658,945	538,262		474,744	459,920	422,122
Noninterest-bearing deposits	246,569	219,221		201,159	165,911	127,434
Total deposits	905,514	757,483		675,903	625,831	549,556
Total shareholders' equity	107,319	100,126		88,466	69,176	55,136
Share and Per Share Data:						
Earnings per share (basic) ⁽¹⁾	\$ 2.05	\$ 0.81	\$ 1.96	\$ 2.48	\$ 1.96	\$ 1.43
Earnings per share (diluted) ⁽¹⁾	2.05	0.81	1.96	2.44	1.96	1.43
Dividends per share	0.41	0.60		0.84	1.34	0.96
Book value per share	11.87	9.96		8.68	9.49	7.57
Tangible book value per share ⁽²⁾	11.69	9.78		8.49	9.19	7.24
Weighted average common shares outstanding—basic	9,378,769	10,145,032	10,192,930	8,105,856	7,287,500	7,287,500
Weighted average common shares outstanding—dilute	9,379,154	10,147,311	10,195,209	8,238,753	7,287,500	7,287,500
Shares outstanding at end of period	9,044,765	10,057,506	10,206,931	10,187,500	7,287,500	7,287,500

(1) Net income and earnings per share are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods. EPS calculation is based on diluted shares. Combined federal and state effective tax rates for the year ended December 31, 2019 and 2020 were 25.5% (pro forma) and 25.6%, respectively.

(2) Represents a non-GAAP financial measure. See non-GAAP reconciliations table for reconciliation to its more comparable GAAP measure.

(3) All pro forma amounts relate to the one-time, non-cash executive stock transfer which occurred in September 2019. These amounts remove the compensation expense and related tax impact from net income. See detail and reconciliation on slide 24 of this presentation.



Performance Ratios:	For the Year Ended December 31,					
	2020	2019	2019 Pro Forma ⁽⁵⁾	2018	2017	2016
Return on average:						
Assets ⁽¹⁾	2.03%	1.03%	2.51%	2.75%	2.17%	1.78%
Tangible common equity ⁽¹⁾	19.14	8.61	20.92	26.40	23.31	21.73
Shareholders' equity ⁽¹⁾	18.82	8.42	20.53	25.69	22.47	20.65
Yield on earnings assets	5.67	6.55		6.48	6.60	5.73
Yield on loans	6.37	7.58		7.58	7.69	6.71
Yield on loans excluding fees	5.76	6.88		6.71	6.14	5.76
Cost of funds	0.73	1.37		1.11	0.80	0.62
Cost of int bearing deposits	1.05	1.89		1.52	1.35	0.75
Cost of total deposits	0.73	1.37		1.08	0.77	0.58
Net interest margin	5.01	5.35		5.49	5.87	5.16
Net interest margin excluding loan fees	4.48	4.78		4.78	4.59	4.37
Noninterest expense to average assets	1.85	3.56	2.08	2.05	2.21	2.23
Efficiency ratio ⁽²⁾	36.03	65.39	38.26	37.04	37.24	42.31
Loan to deposit ratio	92.39	93.38		88.76	89.96	91.43
Liquidity ratio	25.48	19.22		23.44	20.53	18.57
Credit Quality Ratios:						
Nonperforming assets to total assets	1.63%	0.38%		0.35%	0.28%	0.37%
Nonperforming assets to total loans and OREO	1.98	0.47		0.45	0.35	0.45
Nonperforming loans to total loans	1.98	0.47		0.43	0.34	0.43
Allowance for loan losses to nonperforming loans	58.29	235.47		299.50	404.55	319.53
Allowance for loan losses to total loans	1.15	1.11		1.31	1.36	1.37
Net charge-offs to average loans	0.432	(0.002)		0.00	0.09	0.07
Capital Ratios:						
Total shareholders' equity to total assets	10.56%	11.56%		11.48%	9.83%	8.98%
Tangible equity to tangible assets ⁽³⁾	10.42	11.37		11.25	9.55	8.62
Tier 1 leverage ratio ⁽⁴⁾	10.78	11.65		11.26	10.53	9.67
Tier 1 risk-based capital ratio ⁽⁴⁾	13.51	14.28		14.78	12.58	11.33
Total risk-based capital ratio ⁽⁴⁾	14.75	15.42		16.03	13.83	12.58

(1) Return on average assets and shareholders' equity are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods.

(2) Efficiency ratio is calculated by dividing noninterest expense by the sum of net interest income on a tax equivalent basis and noninterest income.

(3) Represents a non-GAAP financial measure. See non-GAAP reconciliations table for reconciliation to its more comparable GAAP measure.

(4) Ratios are based on Bank level financial information rather than consolidated information. At December 31, 2020, Tier 1 leverage ratio, Tier 1 risk based capital ratio, and total risk-based capital ratios were 10.77%, 13.50%, and 14.73% respectively for the Company.

(5) All pro forma amounts relate to the one-time, non-cash executive stock transfer which occurred in September 2019. These amounts remove the compensation expense and related tax impact from net income. See detail and reconciliation on slide 24 of this presentation.

Non-GAAP Reconciliations

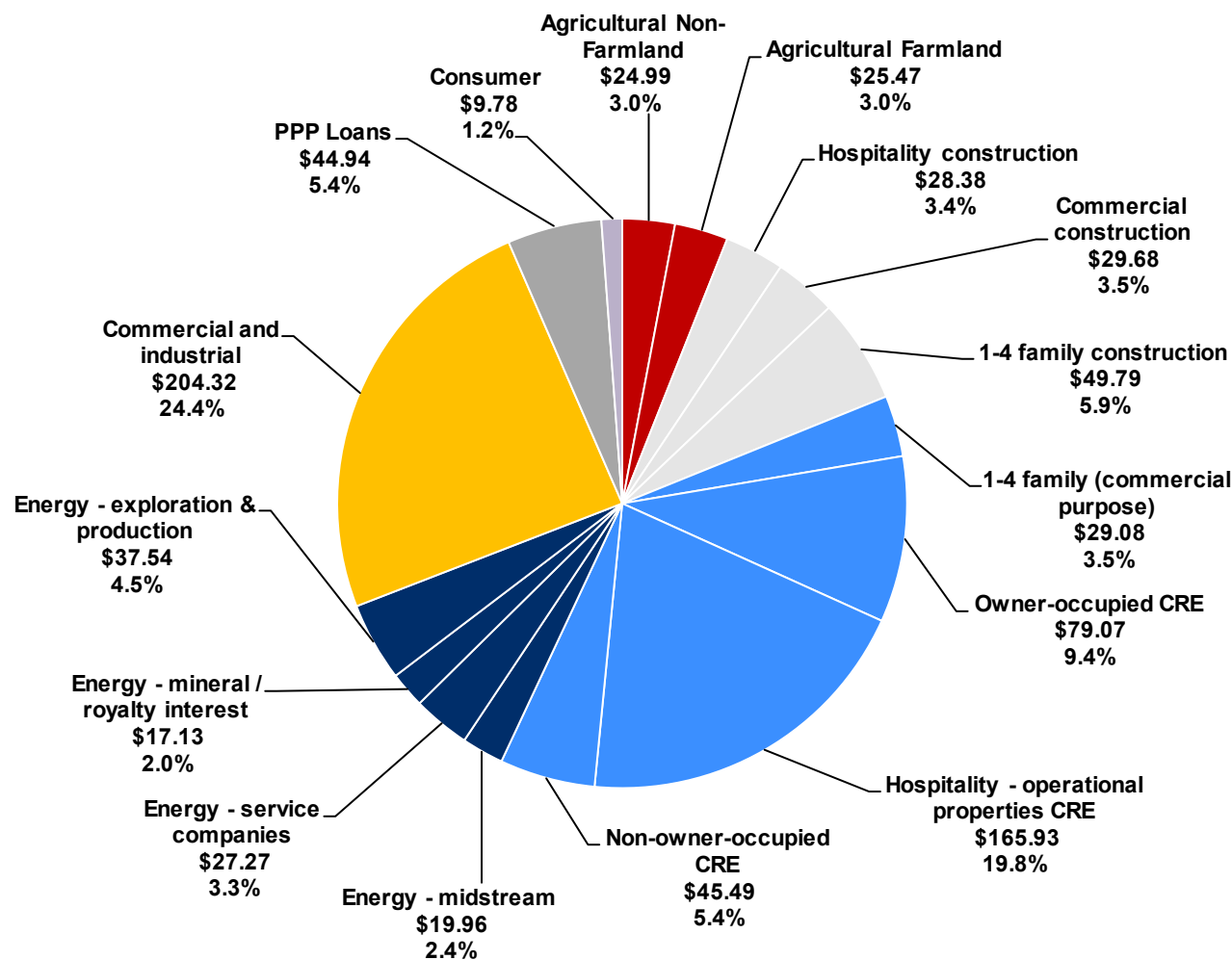


	For the Year Ended December 31,				
	2020	2019	2018	2017	2016
<i>(Dollars in thousands, except per share data)</i>					
<u>Tangible shareholders' equity</u>					
Total shareholders equity	\$ 107,319	\$ 100,126	\$ 88,466	\$ 69,176	\$ 55,136
Goodwill and other intangibles	(1,583)	(1,789)	(1,995)	(2,201)	(2,407)
Tangible shareholders' equity	<u>105,736</u>	<u>98,337</u>	<u>86,471</u>	<u>66,975</u>	<u>52,729</u>
<u>Tangible assets</u>					
Total assets	\$ 1,016,669	\$ 866,392	\$ 770,511	\$ 703,594	\$ 613,771
Less: goodwill and other Intangibles	(1,583)	(1,789)	(1,995)	(2,201)	(2,407)
Tangible assets	<u>1,015,086</u>	<u>864,603</u>	<u>768,516</u>	<u>701,393</u>	<u>611,364</u>
<u>Average tangible common equity</u>					
Average shareholders equity	\$ 102,359	\$ 97,431	\$ 78,148	\$ 63,558	\$ 50,523
Less: average goodwill and other Intangibles	(1,684)	(1,893)	(2,087)	(2,304)	(2,510)
Average tangible common equity	<u>100,675</u>	<u>95,538</u>	<u>76,061</u>	<u>61,254</u>	<u>48,013</u>
End of period common shares outstanding	9,044,765	10,057,506	10,187,500	7,287,500	7,287,500
Book value per share	11.87	9.96	8.68	9.49	7.57
Tangible book value per share	11.69	9.78	8.49	9.19	7.24
Total shareholders' equity to total assets	10.56%	11.56%	11.48%	9.83%	8.98%
Tangible shareholders' equity to tangible assets	10.42%	11.37%	11.25%	9.55%	8.62%
<u>Loan interest income (excluding loan fees):</u>					
Total loan interest income, including fees	\$ 52,450	\$ 48,200	\$ 44,279	\$ 41,450	\$ 32,254
Loan fee income	(5,035)	(4,443)	(5,121)	(8,331)	(4,539)
Loan interest income excluding loan fees	<u>47,415</u>	<u>43,757</u>	<u>39,158</u>	<u>33,119</u>	<u>27,715</u>
Average total loans	\$ 823,228	\$ 636,274	\$ 583,821	\$ 539,302	\$ 481,028
Yield on loans	6.37%	7.58%	7.58%	7.69%	6.71%
Yield on loans (excluding loan fee income)	5.76%	6.88%	6.71%	6.14%	5.76%
<u>Net interest margin (excluding loan fees):</u>					
Net interest income	\$ 47,161	\$ 42,193	\$ 39,631	\$ 38,131	\$ 29,849
Loan fee income	(5,035)	(4,443)	(5,121)	(8,331)	(4,539)
Net interest income excluding loan fees	<u>42,126</u>	<u>37,750</u>	<u>34,510</u>	<u>29,800</u>	<u>25,310</u>
Average earning assets	\$ 940,890	\$ 789,009	\$ 721,935	\$ 649,757	\$ 578,832
Net interest margin	5.01%	5.35%	5.49%	5.87%	5.16%
Net interest margin (excluding loan fee income)	4.48%	4.78%	4.78%	4.59%	4.37%

Loan Portfolio Distribution



Gross Loan Portfolio Composition by Purpose Type



Loan Portfolio Trends - Selected Categories

	2019		2020	
	Amount (\$ millions)	% of Total Loans	Amount (\$ millions)	% of Total Loans
Commercial & industrial	\$158.60	22.38%	\$204.32	24.36%
Hospitality	166.96	23.56%	194.32	23.17%
Energy	102.14	14.41%	101.91	12.15%
Agricultural	57.89	8.17%	50.46	6.02%

Top 20 Relationships

Industry	12/31/2018		12/31/2019		12/31/2020	
	Amount (\$ millions)	%	Amount (\$ millions)	%	Amount (\$ millions)	%
C&I	\$73.87	32%	\$60.58	21%	\$103.67	31%
Hospitality	72.16	31%	98.63	35%	127.29	37%
CRE - Owner Occupied	9.65	4%	47.96	17%	53.04	16%
Energy	64.22	28%	49.72	17%	43.10	13%
Other	12.38	5%	28.98	10%	11.42	3%
Total	\$232.28		\$285.86		\$338.52	

Deposit Composition



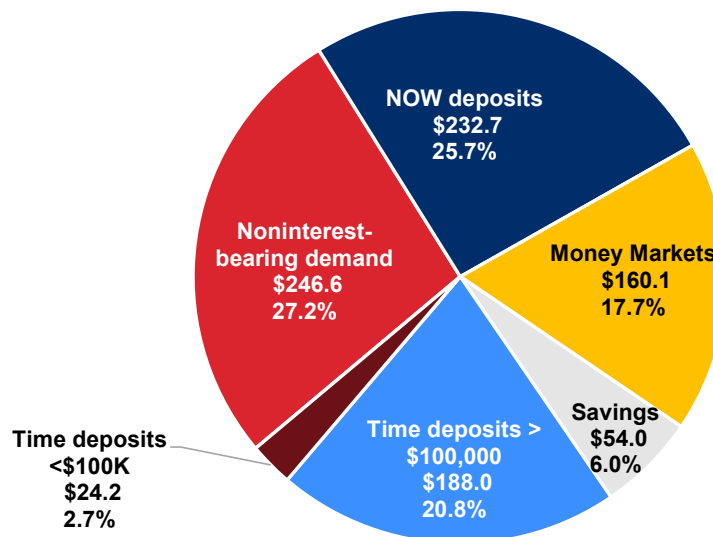
Commentary

Deposit Composition as of December 31, 2020

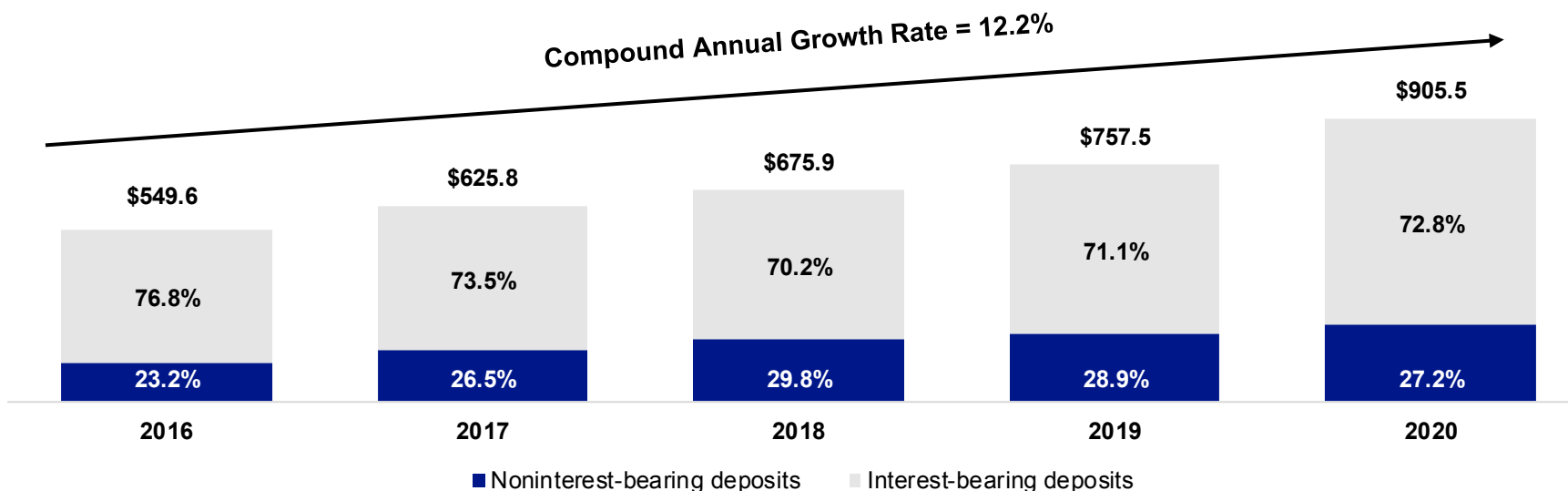
- 83.6% of our loan customers also had a deposit relationship with us as of December 31, 2020.

Core Deposits⁽¹⁾

- Total organic core deposit growth YOY was \$152.9M, or 22.6%.
- Core deposits totaled \$831.0 million as of December 31, 2020 compared to \$678.1 million as of December 31, 2019.



Historical Deposit Growth



Dollars are in millions.

Financial data is as of or for the twelve months ended December 31 of each respective year.

(1) We define core deposits as deposits obtained directly from the depositor and exclude deposits obtained from listing services and brokered deposits that are obtained through an intermediary.

2019 Pro Forma Net Income Reconciliation



- On September 5, 2019, our largest shareholders, the Haines Family Trusts, contributed approximately 6.5% of their shares (656,925 shares) to the Company. Subsequently, the Company immediately issued those shares to certain executive officers, which was charged as compensation expense of \$11.8 million, including payroll taxes, through the income statement of the Company. Additionally, at the discretion of the employees receiving shares to assist in paying tax withholdings, 149,425 shares were withheld and subsequently canceled, resulting in a charge to retained earnings of \$2.6 million.

	For the Year Ended December 31, 2019
<i>(Dollars in thousands)</i>	
<u>Pro Forma Net Income</u>	
Total Interest Income	\$ 51,709
Total Interest Expense	9,516
Net Interest Margin	<u>42,193</u>
Provision for Loan Losses	<u>\$ -</u>
Noninterest Income	<u>\$ 1,308</u>
Noninterest Expense	\$ 28,432
Less: Stock Transfer Comp. Expense	(11,796)
Pro Forma Noninterest Expense	<u>16,636</u>
Pro Forma Pre-Tax Income	<u>\$ 26,866</u>
Pro Forma Income Tax Expense ⁽¹⁾	<u>\$ 6,836</u>
Pro Forma Net After-Tax Income	<u>\$ 20,030</u>



This presentation and oral statements made regarding the subject of this presentation contain forward-looking statements. These forward-looking statements are subject to significant uncertainties because they are based upon: the amount and timing of future changes in interest rates, market behavior, and other economic conditions; future laws, regulations, and accounting principles; changes in regulatory standards and examination policies, and a variety of other matters. These other matters include, among other things, the impact of COVID-19 on the United States economy and our operations, the direct and indirect effect of economic conditions on interest rates, credit quality, loan demand, liquidity, and monetary and supervisory policies of banking regulators. These forward-looking statements reflect Bank7 Corp.'s current views with respect to, among other things, future events and Bank7 Corp.'s financial performance. Any statements about Bank7 Corp.'s expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimate," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases. Any or all of the forward-looking statements in (or conveyed orally regarding) this presentation may turn out to be inaccurate. The inclusion of or reference to forward-looking information in this presentation should not be regarded as a representation by Bank7 Corp. or any other person that the future plans, estimates or expectations contemplated by Bank7 Corp. will be achieved. Bank7 Corp. has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that Bank7 Corp. believes may affect its financial condition, results of operations, business strategy and financial needs. Bank7 Corp.'s actual results could differ materially from those anticipated in such forward-looking statements as a result of risks, uncertainties and assumptions that are difficult to predict. If one or more events related to these or other risks or uncertainties materialize, or if Bank7 Corp.'s underlying assumptions prove to be incorrect, actual results may differ materially from what Bank7 Corp. anticipates. You are cautioned not to place undue reliance on forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made and Bank7 Corp. undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as may be required by law. All forward-looking statements herein are qualified by these cautionary statements.

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This presentation includes certain non-GAAP financial measures, including pro forma net income, tax-adjusted net income, tax-adjusted earnings per share, tax-adjusted return on average assets and tax-adjusted return on average shareholders' equity. These non-GAAP financial measures and any other non-GAAP financial measures that we discuss in this presentation should not be considered in isolation, and should be considered as additions to, and not substitutes for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of Bank7 Corp.'s non-GAAP financial measures as tools for comparison. See the table on Slide 19 of this presentation for a reconciliation of the non-GAAP financial measures used in (or conveyed orally during) this presentation to their most directly comparable GAAP financial measures.