



# BSVN

**Q4 and Year End 2022**

**EARNINGS RELEASE**

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January 26, 2023

# BSVN – Corporate Overview



- Consistently ranked by S & P Global Market Intelligence as one of the Top Performing Community Banks in the United States

	2022	2021	% Change	Q4 2022	Q3 2022	% Change
Total assets	\$1,584,169	\$ 1,350,549	17.3%	\$1,584,169	\$1,580,952	0.2%
Total core loans <sup>(1)</sup>	1,267,821	1,009,665	25.6%	1,267,821	1,230,514	3.0%
Total deposits	1,429,300	1,217,471	17.4%	1,429,300	1,437,336	-0.6%
Net income	29,638	23,159	28.0%	8,386	8,041	4.3%
Earnings per share	\$ 3.22	\$ 2.55	26.3%	\$ 0.91	\$ 0.87	4.4%
ROATCE	23.9%	20.1%	18.8%	25.8%	25.5%	1.1%

- Disciplined credit culture that adheres to a robust risk management framework resulting in excellent credit quality and a history of low loan losses
- Experienced and talented bankers focused on high-touch personalized service, targeting entrepreneurs and their commercial banking needs
- Positioned in dynamic markets, with a commercial banking emphasis delivering services via a branch-lite model
- Continued focus on organic growth in our geographic footprint, while pursuing strategic acquisitions
- Shareholder alignment due to 58% insider ownership

Dollars in thousands, all data as of December 31, 2022, unless indicated otherwise

(1) Core loans is a non-GAAP financial measure and is defined as total loans less PPP loans of \$2.6, \$2.6, and \$18.7 million for December 31, 2022, September 30, 2022, and December 30, 2021, respectively

# BSVN – Record Year



Achieved new records in PPE, net income and EPS

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	2022	2021	YoY % Change
Total core loans <sup>(1)</sup>	\$ 1,047,617	\$ 1,142,401	\$ 1,230,514	\$ 1,267,821	\$ 1,267,821	\$ 1,009,665	25.6%
Total deposits	1,283,279	1,346,291	1,437,336	1,429,300	1,429,300	1,217,471	17.4%
Pre-provision pre-tax earnings <sup>(2)</sup>	8,590	9,513	12,762	12,984	43,852	35,089	25.0%
Net income	6,184	7,024	8,041	8,386	29,638	23,159	28.0%
Earnings per share	\$ 0.67	\$ 0.76	\$ 0.87	\$ 0.91	\$ 3.22	\$ 2.55	26.3%

## How this was accomplished:

- Record earnings, while also increasing ALLL
- No share repurchases – EPS growth a function of strong earnings
- Record organic loan growth
- Disciplined loan and deposit pricing
- Virtually no NCOs
- Seamless integration of Watonga Bancshares and retention of core deposits

Dollars in thousands, all data as of December 31, 2022, unless indicated otherwise

(1) Core loans is a non-GAAP financial measure and is defined as total loans less PPP loans of \$14.2, \$9.9, \$2.6, \$2.6, and \$18.7 million for March 31, 2022, June 30, 2022, September 30, 2022, December 31, 2022, and December 30, 2021, respectively

(2) Represents a non-GAAP financial measure, see non-GAAP reconciliations table for reconciliation to the most comparable GAAP measure for this metric

# Q4 Overview



	Q4 2022	Q4 2021	% Change	Q3 2022	% Change
Pre-provision pre-tax earnings	\$ 12,984	\$ 8,538	52.1%	\$ 12,762	1.7%
Net income	8,386	5,686	47.5%	8,041	4.3%
Earnings per share	\$ 0.91	\$ 0.63	44.2%	\$ 0.87	4.4%
Net interest margin, ex. loan fees	4.87%	4.40%	10.68%	4.60%	5.87%

## Record PPE, Net Income, and EPS

- Driven by continued strong organic loan growth and disciplined loan pricing
- EPS results were achieved through core earnings with no share repurchases

## Sound Capital Management

- Capital ratios remain strong in spite of our all-cash acquisition in 2021, the increase to our cash dividend, and strong organic balance sheet growth
- 33% increase in our dividend, the 3<sup>rd</sup> consecutive yearly increase
- Tier 1 Leverage: 9.19%
- Risk Based Capital: 12.41%

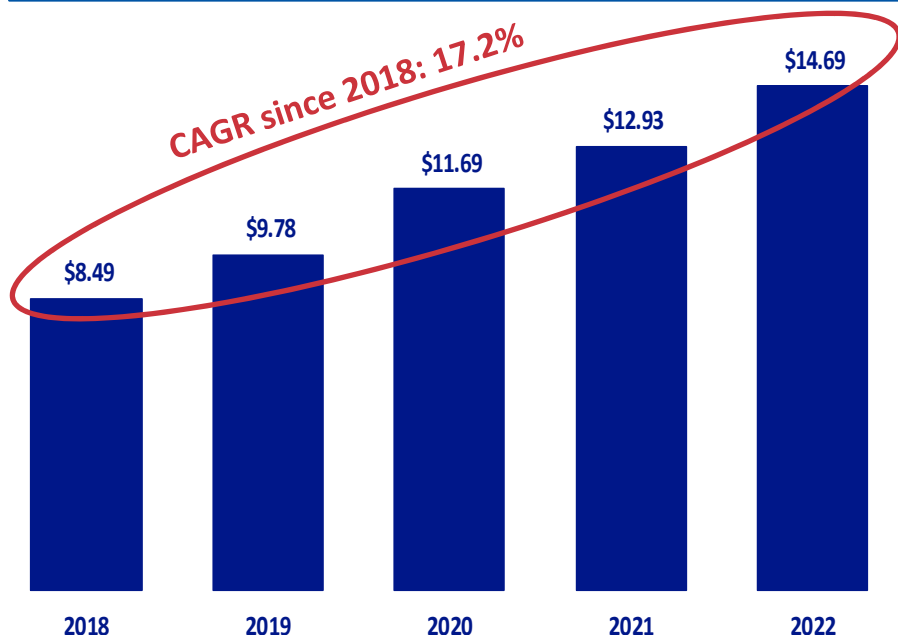
## Net Interest Margin Consistency

- Net interest margin, excluding loan fee income, increased 27 bps or 5.87% in Q4 – attributable to strong loan growth, disciplined loan pricing, and our asset sensitive balance sheet
- Continued success in capturing non-interest bearing relationship deposits, further enhancing our strong balance sheet liquidity

# Exceptional Capital & EPS Growth

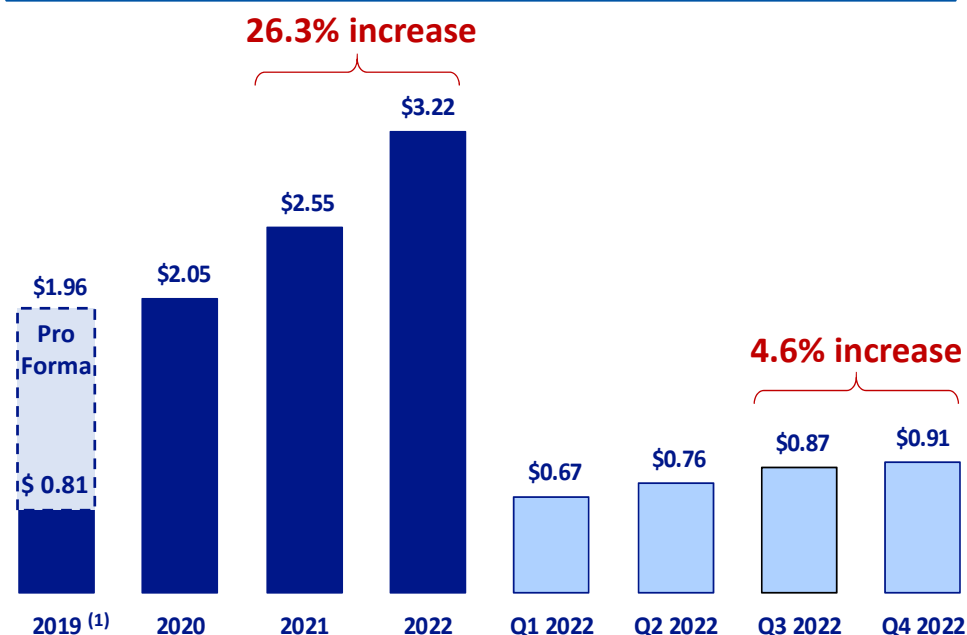


## Tangible Book Value Per Share



- Consistently strong earnings increased TBV despite three factors:
  - \$0.85 per share paid for an all-cash acquisition in Q4 2021
  - \$0.99 per share AOCI unrealized loss from investments
  - \$1.98 per share paid in cash dividends

## Diluted Earnings Per Share



- Record EPS:
  - \$0.91 for Q4, a 4.60% increase from Q3
  - \$3.22 for 2022, a 26.27% increase from 2021
  - No share repurchases in 2022

	YE 2018	YE 2022	% Change	\$ Change
Total tangible shareholders' equity	\$ 86,471	\$ 134,161	55.2%	\$ 47,690
Shares outstanding	10,187.5	9,132.0	-10.4%	(1,055.5)
Tangible book value per share	\$ 8.49	\$ 14.69	73.0%	\$ 6.20
Add: cash dividends per share			23.3%	\$ 1.98
<b>OVERALL INCREASE:</b>			<b>96.4%</b>	<b>\$ 8.18</b>

Dollars are in thousands, except for per share data

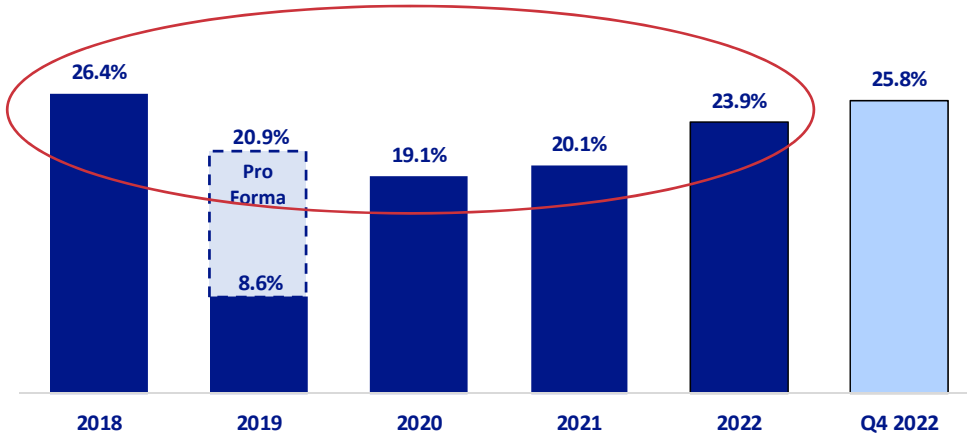
(1) Pro Forma 2019 is a non-GAAP financial measure which adds back the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period. See 2019 Pro Forma Net Income reconciliation table for detailed calculation of this measure.

# Reliable Top Performer



## Return on Average Tangible Common Equity <sup>(1)</sup> <sup>(2)</sup>

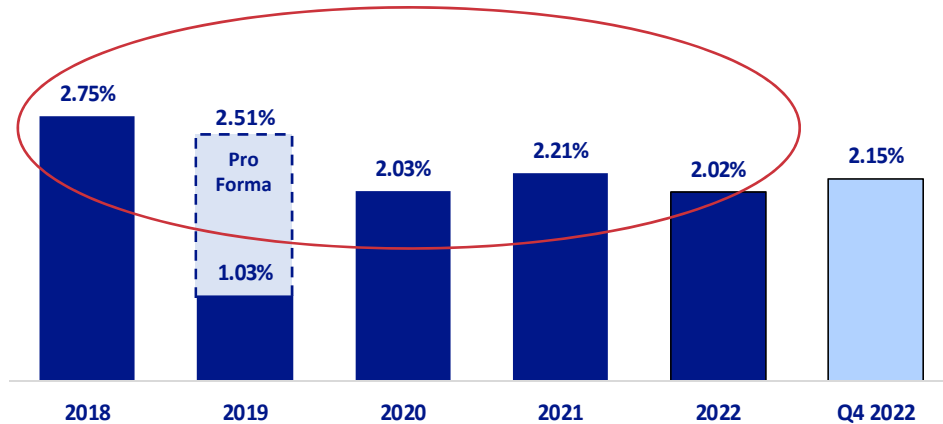
5 year average: 22.1%



- ROATCE of 23.93% for 2022, an 18.83% increase compared to 2021
- As expected, the Q4 2021 acquisition of Watonga Bancshares caused a temporary decline in ROAA and a slight increase in our efficiency ratio; however, by year-end both metrics had returned to historical ranges

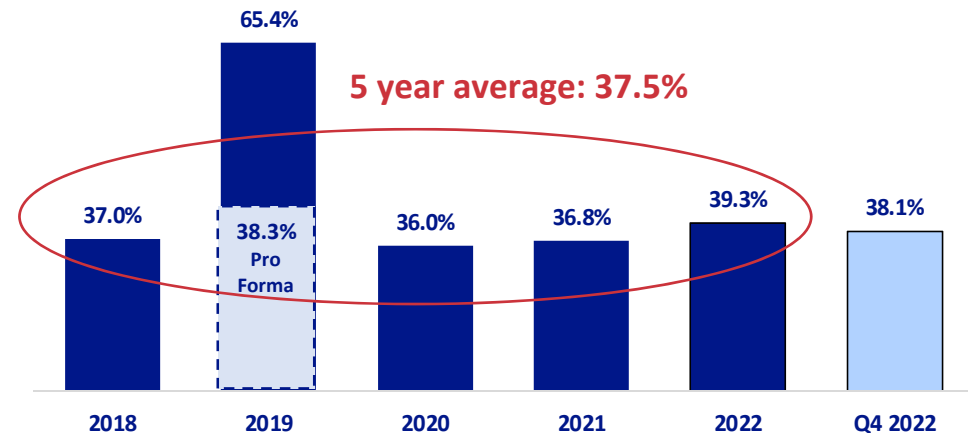
## Return on Average Assets <sup>(1)</sup><sup>(2)</sup>

5 year average: 2.3%



## Efficiency Ratio <sup>(2)</sup>

5 year average: 37.5%



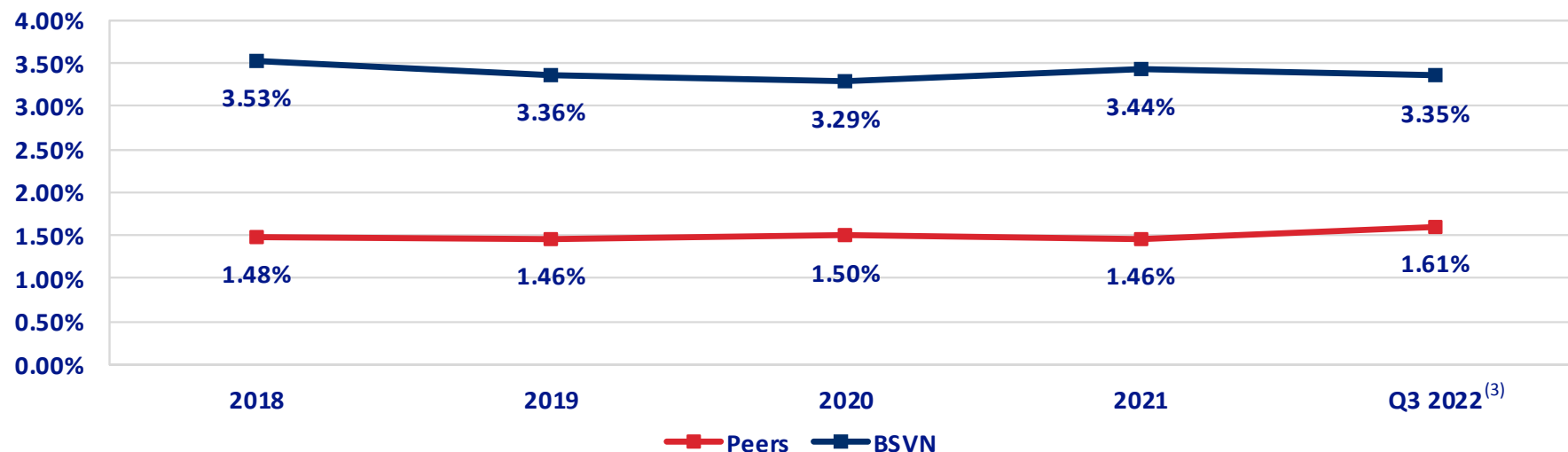
Dollars are in millions

Financial data is as of or for the twelve months ended December 31 of each respective year and December 31, 2022

(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 and efficiency ratio are non-GAAP financial measures, see Appendix for reconciliation to the most comparable GAAP measures for these metrics

# PPE to Average Assets vs Peers



# Income Statement as a Percentage of Average Assets

	2018		2019		2020		2021		Q3 2022 <sup>(3)</sup>	
	Peer Group Median <sup>(1)</sup>	BSVN	Peer Group Median <sup>(1)</sup>	BSVN <sup>(2)</sup>	Peer Group Median <sup>(1)</sup>	BSVN	Peer Group Median <sup>(1)</sup>	BSVN	Peer Group Median <sup>(1)</sup>	BSVN
Net Interest Income	3.46%	5.38%	3.39%	5.28%	3.18%	4.97%	3.09%	5.09%	3.38%	5.00%
Pre-provision pre-tax earnings	1.48%	3.53%	1.46%	3.36%	1.50%	3.29%	1.46%	3.44%	1.61%	3.35%
Provision Expense	0.11%	0.03%	0.09%	0.00%	0.30%	0.56%	0.02%	0.40%	0.09%	0.62%
Net Income	1.08%	2.75%	1.09%	2.51%	0.98%	2.03%	1.14%	2.21%	1.15%	2.12%
ROATCE	11.40%	26.40%	10.79%	20.92%	10.47%	19.14%	13.46%	20.13%	15.35%	25.50%
Net Interest Margin	3.72%	5.49%	3.66%	5.35%	3.39%	5.01%	3.31%	5.12%	3.61%	5.04%
Efficiency Ratio	64.08%	37.04%	63.91%	38.26%	62.26%	36.03%	62.02%	36.76%	58.64%	35.47%

Dollars are in thousands

(1) Peer group is defined as exchange-traded banks nationwide with assets between \$500mm-\$5bn (151 banks); Source: S&P Global Market Intelligence.

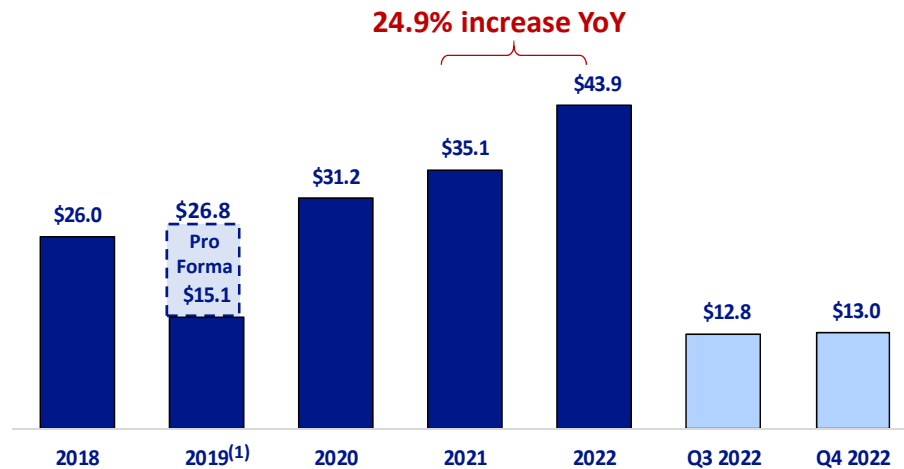
(2) Excludes one-time, non-cash executive stock transfer compensation expense of \$11.8 million.

(3) As of Q3 2022, the latest data available.

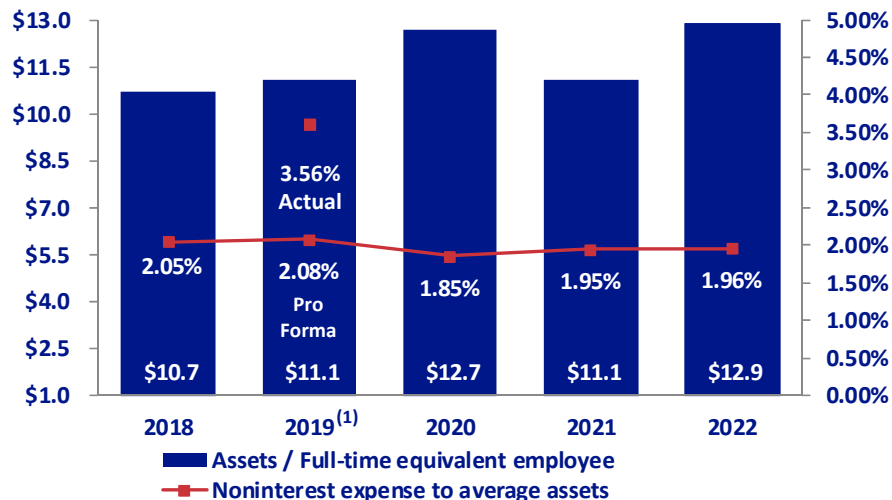
# Strength in Core Earnings



## PPE



## Maximizing Our Employee Base<sup>(2)</sup>



- Record PPE of \$43.85 million, an increase of \$8.76 million or 24.97% compared to 2021
- Strong PPE growth was driven by:
  - Loan growth (Q1-Q4)
  - Disciplined pricing (Q1-Q4)
  - Rising rates and an asset sensitive balance sheet (Q3-Q4)
- We scale and achieve maximum productivity by:
  - Utilizing a branch-lite model
  - Hiring fewer but better FTEs
  - Operating an efficient delivery system and a strict adherence to process

Dollars are in millions

Financial data is as of or for the twelve months ended December 31 of each respective year and as of or for the three months ended September 30, and December 31, 2022

(1) Pro Forma 2019 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 2019 Pro Forma Net Income reconciliation table for detailed calculation of this measure

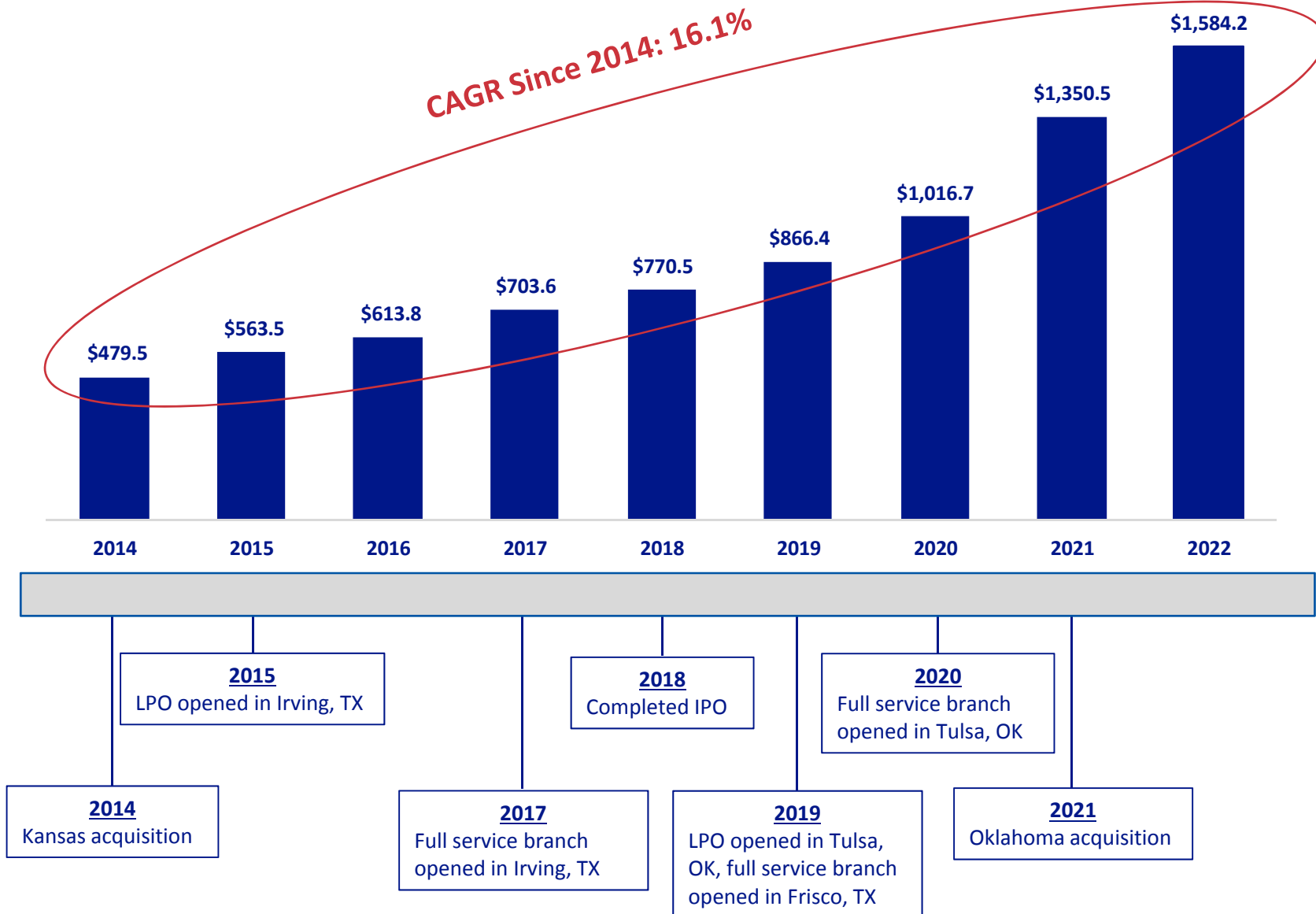
(2) Pro Forma noninterest expense to average assets in a non-GAAP financial measure. See appendix for reconciliation to their most comparable GAAP measure



# Strategic Growth in Dynamic Markets



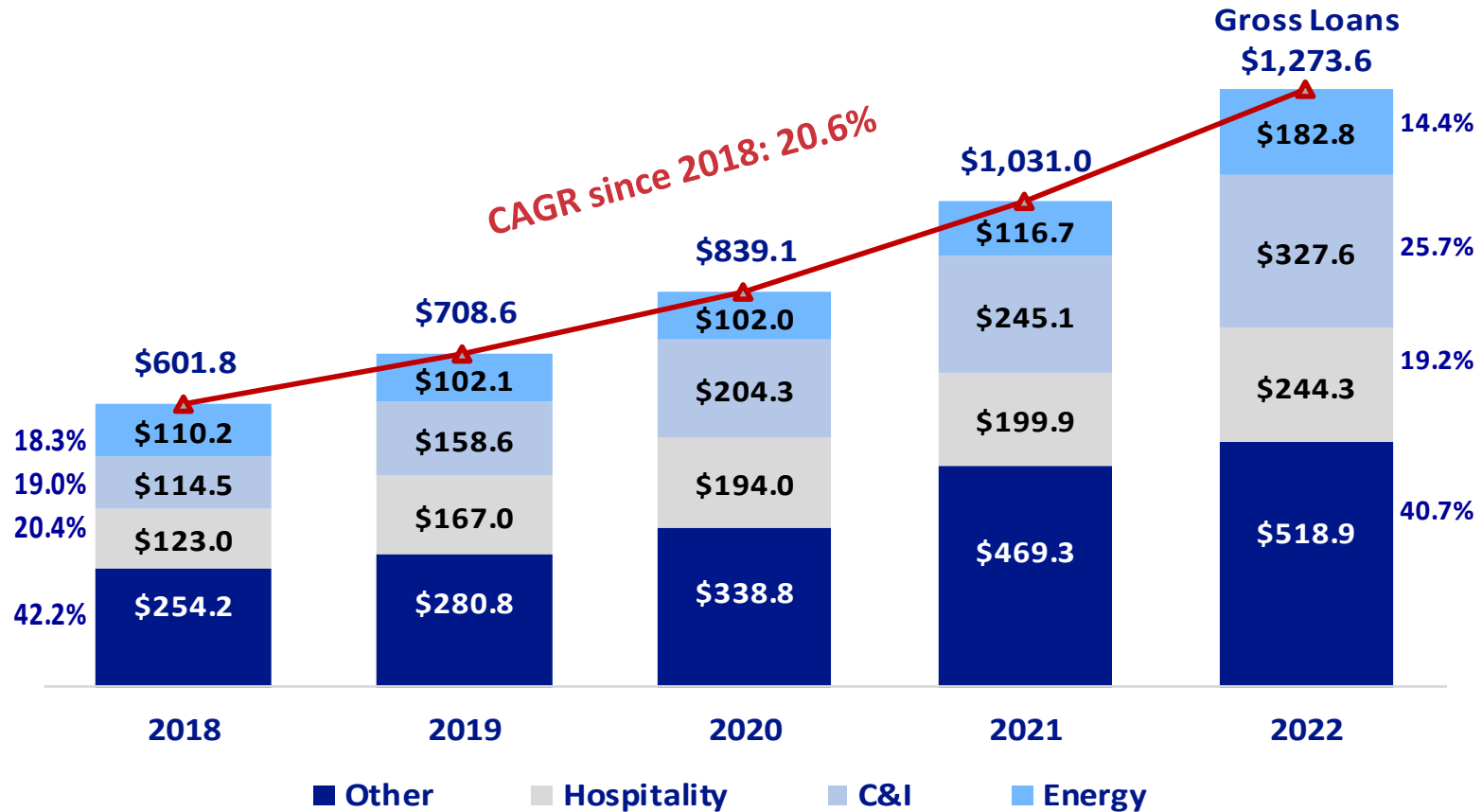
## Total Assets



# Broad & Deep Loan Growth



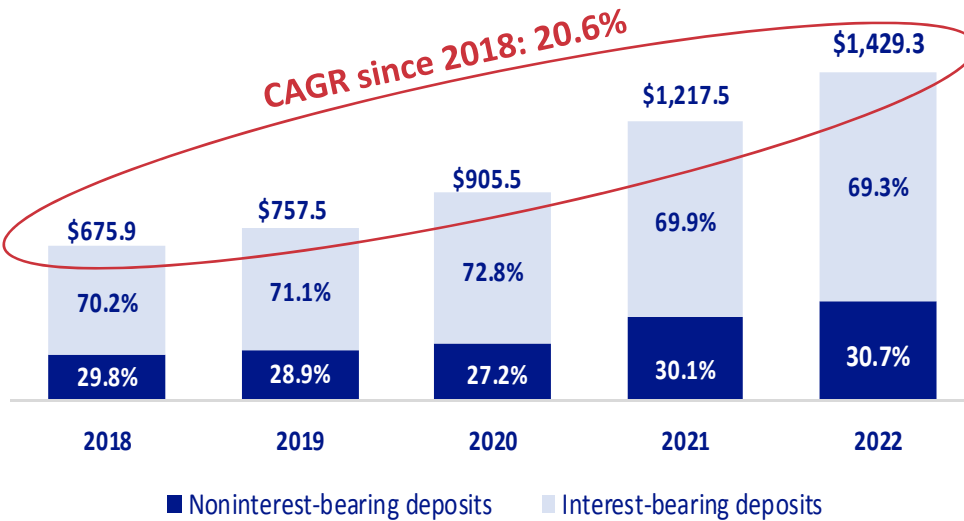
## Loan Portfolio Trends – Selected Categories



# Deposit Growth & Composition



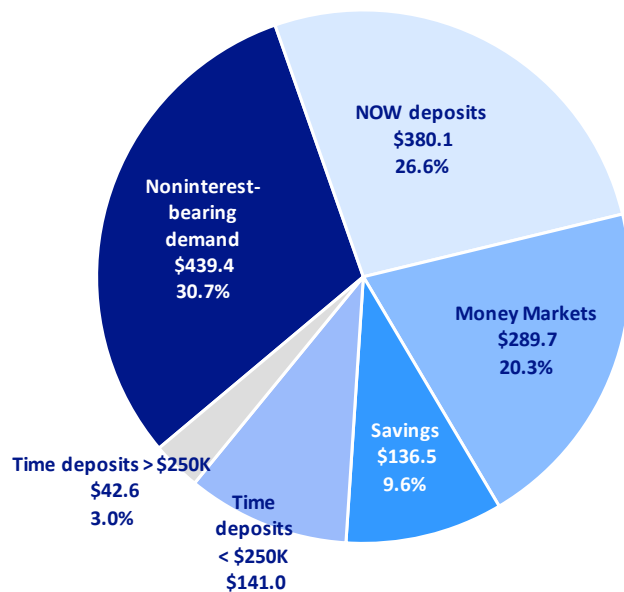
## Historical Deposit Growth



- YoY total deposits increased \$211.8 million or 17.40%

- Proven ability to grow demand deposits the right way, in core and non-interest bearing accounts

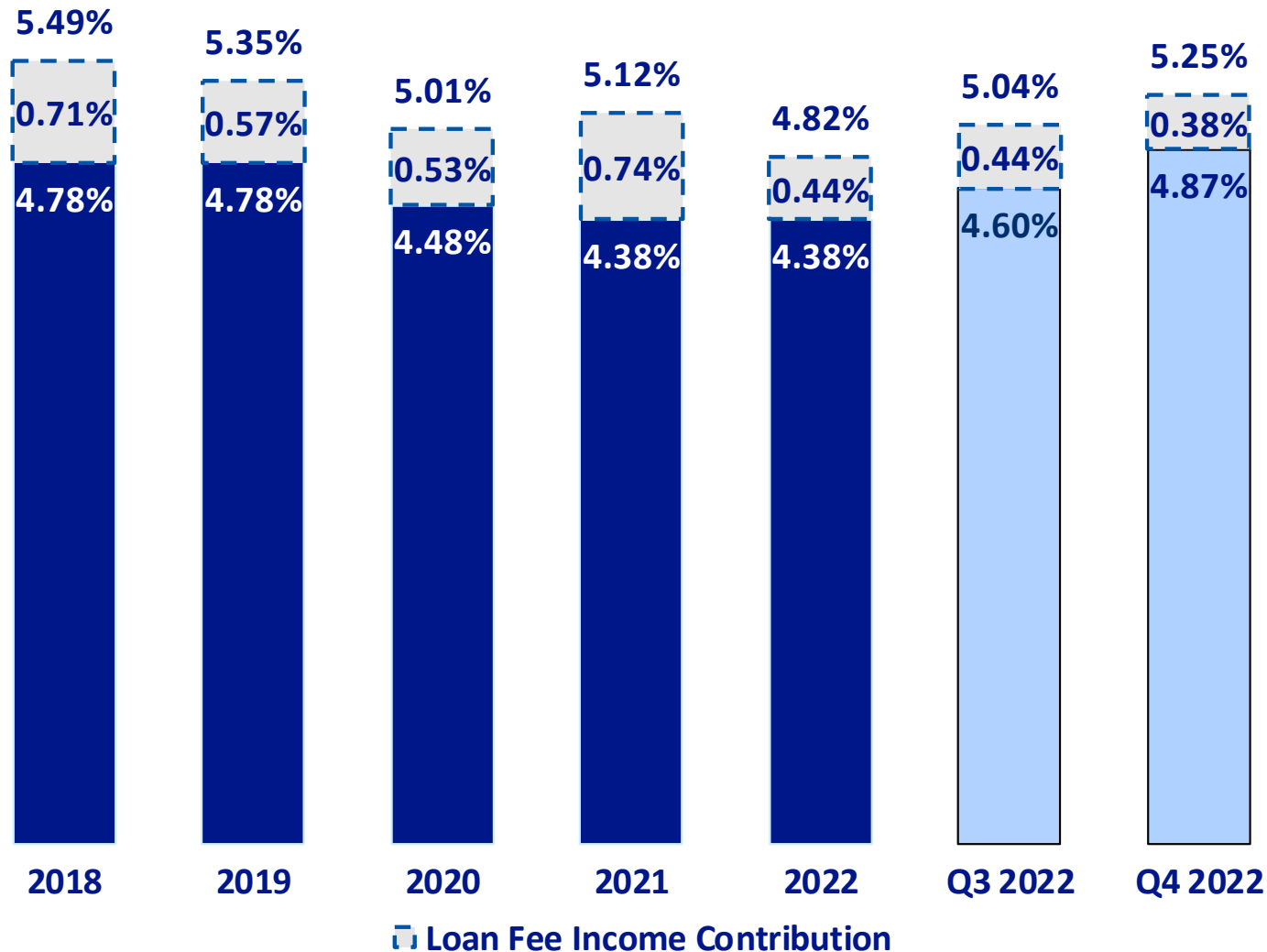
## Deposit Composition



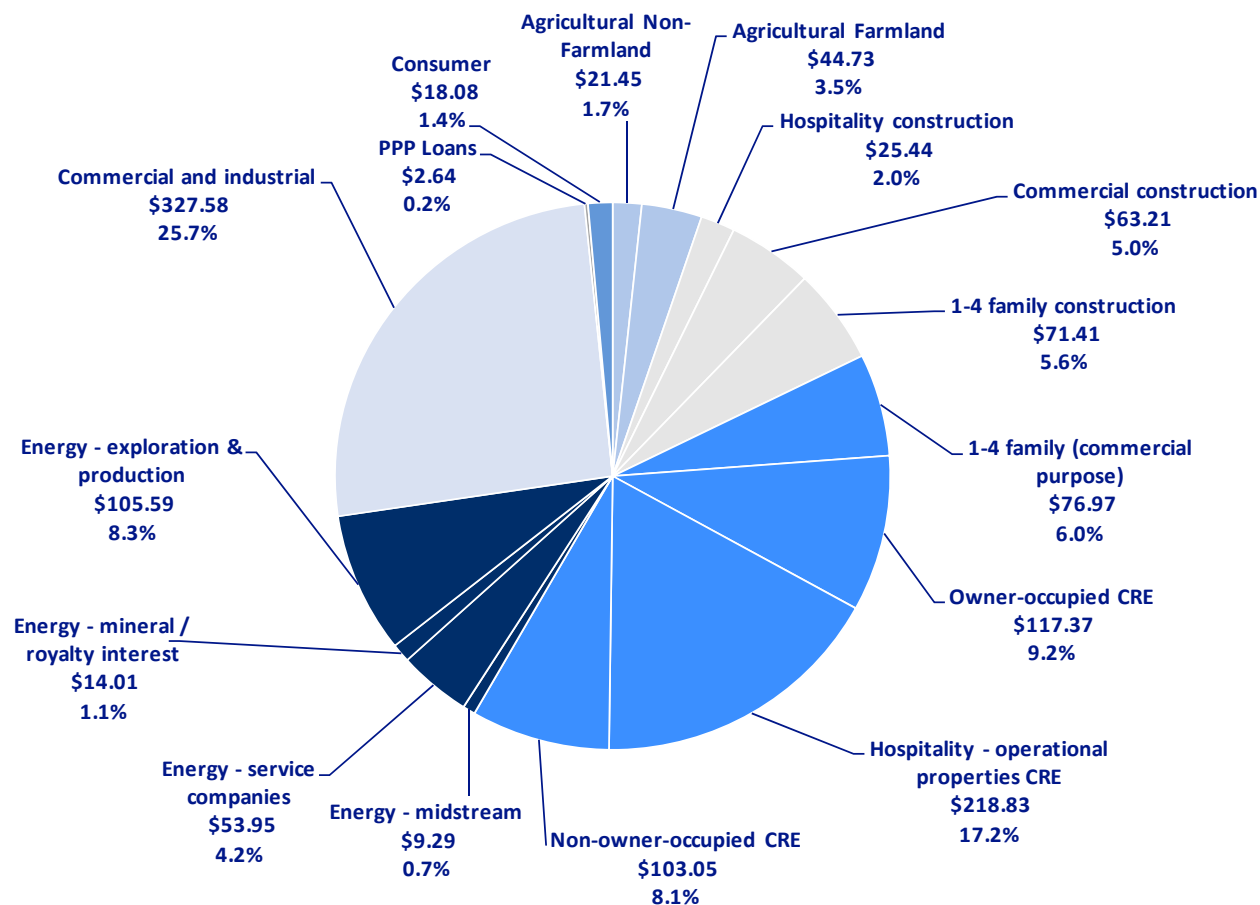
# Consistent Net Interest Margin



- Net interest margin continued to show strength due to strong loan growth, disciplined commercial bankers, and to a lesser extent, our asset sensitive balance sheet



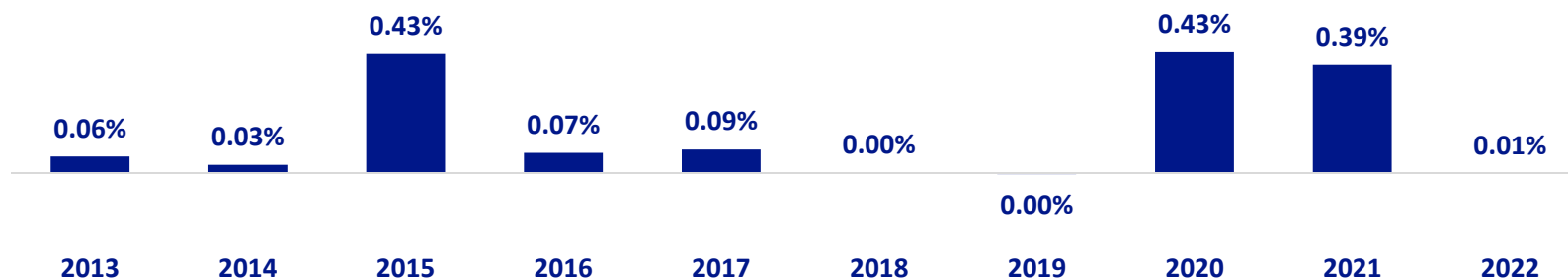
# Loan Portfolio Distribution



## Loan Portfolio - Selected Categories

Industry	YE 2022	% of Total Loans	YE 2021	% of Total Loans
Commercial & Industrial	\$327.58	25.72%	\$245.12	23.77%
Hospitality	244.27	19.18%	198.43	19.25%
Energy	182.83	14.36%	98.51	9.55%
Agricultural	66.18	5.20%	73.11	7.09%

# Net Charge-Offs to Average Loans



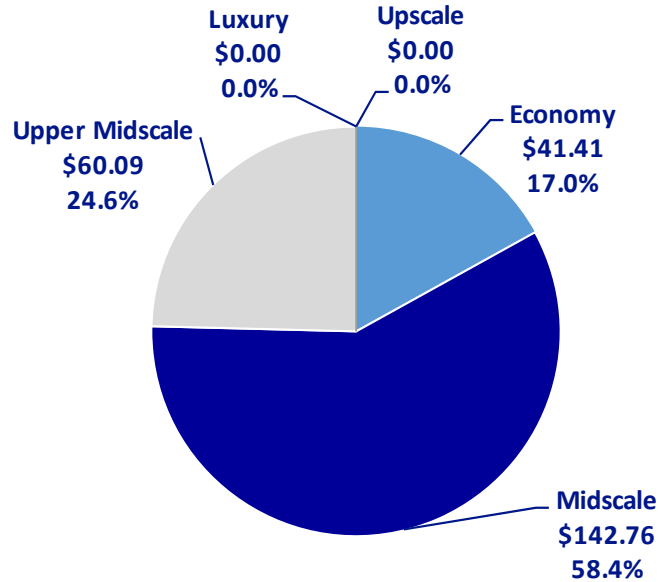
Low historical charge-offs due to:

- Disciplined approach to lending
- Geographic footprint in high growth metros with thriving economies (OK and TX)
- Management team with long history of making loans with low historical loss levels
- Tenured lending staff with over 90% of loan balances generated by lending professionals that have worked with the executive team for > 5 years and 64% of balances from team members with > 10 years common experience

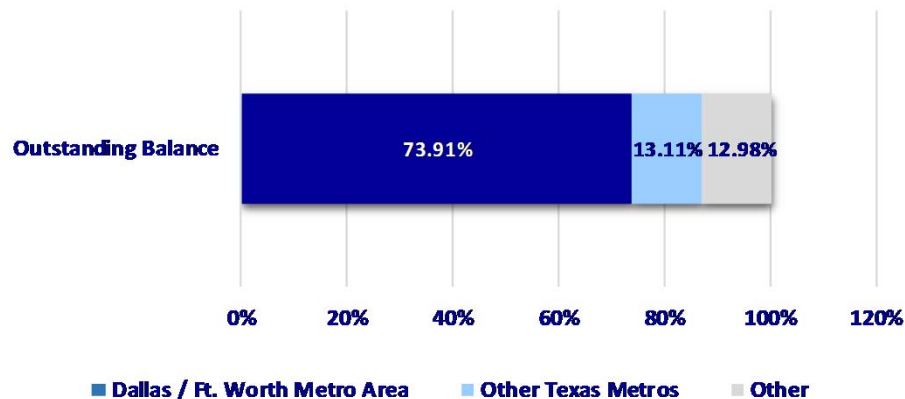
# Hospitality Loan Portfolio Detail



## Hotel Portfolio by Class



## Hotel Portfolio by Location



- No historical NCOs in the hospitality segment
- Blue collar portfolio that is well-protected by the “cycle-down” effect of a recession
- Geographically concentrated in TX (87%) and other markets with favorable economic conditions
- Loans personally guaranteed by experienced owner/operators with operating history spanning decades of economic cycles
- Diversified lending to many reputable brands
- Consistent underwriting fundamentals with disciplined equity requirements, debt coverage ratio requirements, personal recourse, and rapid amortization

# Earnings-driven Capital Shock-absorption

Earnings-driven cushion far exceeds regulatory capital minimums as illustrated over a two-year period, consistent with DFAST parameters<sup>(1)</sup>

	Regulatory Minimum Target Ratios	YE 2022 Capital Ratios	Excess Capital to Target Ratio Expressed in % <sup>(2)</sup>	Excess Capital to Target Ratio Expressed in \$ <sup>(3)</sup>	Add: PPE Cushion <sup>(4)</sup>	Total Shock Absorption Ability Prior to Hitting Reg Minimums
<b>Tier 1 Leverage</b>	5%	9.19%	83.70%	\$65,411	+ \$61,730	\$127,141
<b>CET1</b>	7%	11.25%	60.71%	\$54,165	+ \$61,730	\$115,895
<b>Tier 1 Risk Based Capital</b>	8.5%	11.25%	32.35%	\$35,048	+ \$61,730	\$96,778
<b>Total Risk Based Capital</b>	10.5%	12.41%	18.15%	\$24,288	+ \$61,730	\$86,018

Dollars are in thousands

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) DFAST = Dodd-Frank Act Stress Test

(2) Excess capital to target ratio expressed in % is the difference between the actual ratio and regulatory minimum divided by the regulatory minimum

(3) 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

(4) Trailing twelve months PPE of \$43.8 million extrapolated over two years



# Appendix

# Bank7 Corp. Financials



	For the Three Months Ended				For the Year Ended December 31,					
	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	2022	2021	2020	2019	2019	2018
										Pro Forma <sup>(3)</sup>
<i>(Dollars in thousands, except per share data)</i>										
<b>Income Statement Data:</b>										
Total interest income	\$ 25,462	\$ 21,691	\$ 16,672	\$ 14,925	\$ 78,749	\$ 56,289	\$ 53,314	\$ 51,709		\$ 46,800
Total interest expense	5,081	2,646	878	717	9,322	3,053	6,153	9,516		7,169
Provision for loan losses	1,625	2,348	219	276	4,468	4,175	5,350	-		200
Total noninterest income	732	840	692	675	2,939	2,250	1,665	1,308		1,331
Total noninterest expense	8,129	7,133	6,963	6,420	28,641	20,397	17,592	28,432	\$ 16,636	14,965
Provision for income taxes	2,973	2,363	2,280	2,003	9,619	7,755	6,618	6,844	6,836	797
Pre-tax net income	11,359	10,404	9,304	8,187	39,257	30,914	25,884	15,069	26,866	25,797
Net income – C Corp	8,386	8,041	7,024	6,184	29,638	23,159	19,266	8,225	20,030	20,077
<b>Balance Sheet Data:</b>										
Cash and cash equivalents	\$ 114,589	\$ 148,735	\$ 125,429	\$ 136,604	\$ 114,589	\$ 204,852	\$ 153,901	\$ 147,275		\$ 159,849
Securities available for sale, at fair value	173,165	174,534	185,048	198,356	173,165	84,808	-	-		-
Total loans	1,270,457	1,233,150	1,152,317	1,061,821	1,270,457	1,028,401	836,613	707,304		599,910
Allowance for loan losses	14,734	13,153	10,819	10,599	14,734	10,316	9,639	7,846		7,832
Total assets	1,584,169	1,580,952	1,487,474	1,421,232	1,584,169	1,350,549	1,016,669	866,392		770,511
Interest-bearing deposits	989,891	939,568	899,214	862,307	989,891	850,766	658,945	538,262		474,744
Noninterest-bearing deposits	439,409	497,768	447,077	420,972	439,409	366,705	246,569	219,221		201,159
Total deposits	1,429,300	1,437,336	1,346,291	1,283,279	1,429,300	1,217,471	905,514	757,483		675,903
Total shareholders' equity	144,100	135,819	131,498	128,648	144,100	127,408	107,319	100,126		88,466
<b>Share and Per Share Data:</b>										
Earnings per share (basic) <sup>(1)</sup>	\$ 0.92	\$ 0.88	\$ 0.77	\$ 0.68	\$ 3.26	\$ 2.56	\$ 2.05	\$ 0.81	\$ 1.96	\$ 2.48
Earnings per share (diluted) <sup>(1)</sup>	0.91	0.87	0.76	0.67	3.22	2.55	2.05	0.81	1.96	2.44
Dividends per share	0.16	0.12	0.12	0.12	0.52	0.45	0.41	0.60		0.84
Book value per share	15.78	14.90	14.45	14.15	15.78	14.04	11.87	9.96		8.68
Tangible book value per share <sup>(2)</sup>	14.69	13.86	13.33	13.01	14.69	12.93	11.69	9.78		8.49
Weighted average common shares outstanding–basic	9,118,728	9,100,789	9,097,280	9,088,975	9,118,728	9,056,117	9,378,769	10,145,032	10,192,930	8,105,856
Weighted average common shares outstanding–diluted	9,232,333	9,209,754	9,194,923	9,182,055	9,232,333	9,091,536	9,379,154	10,147,311	10,195,209	8,238,753
Shares outstanding at end of period	9,131,973	9,115,739	9,098,655	9,094,468	9,131,973	9,071,417	9,044,765	10,057,506	10,206,931	10,187,500

- (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 tax periods; EPS calculation is based on diluted shares and combined federal and state effective tax rate for the three months ended December 31, September 30, June 30, and March 31, 2022 of 26.2, 22.7%, 24.5%, and 24.5%, respectively
- (2) Represents a non-GAAP financial measure. See non-GAAP reconciliations table for reconciliation to most comparable GAAP measure for this metric
- (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 and related tax impact from net income. See detail and reconciliation on slide 21 of this presentation

# Bank7 Corp. Performance Ratios



Performance Ratios:	For the Three Months Ended				For the Year Ended December 31,					
	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	2022	2021	2020	2019	2019	2018
									Pro Forma <sup>(5)</sup>	
<b>Return on average:</b>										
Assets <sup>(1)</sup>	2.15%	2.12%	1.95%	1.89%	2.02%	2.21%	2.03%	1.03%	2.51%	2.75%
Tangible common equity <sup>(1)</sup>	25.78	25.50	23.54	20.87	23.92	20.13	19.14	8.61	20.92	26.40
Shareholders' equity <sup>(1)</sup>	24.04	23.72	21.67	19.26	22.13	26.41	18.82	8.44	20.53	25.69
Yield on earnings assets	6.56	5.74	4.72	4.64	5.46	5.42	5.67	6.55		6.48
Yield on loans	7.48	6.69	5.80	5.81	6.51	6.16	6.37	7.58		7.58
Yield on loans excluding fees	7.02	6.15	5.25	5.15	5.96	5.30	5.76	6.88		6.71
Cost of funds	1.43	0.76	0.27	0.24	0.70	0.33	0.73	1.37		1.11
Cost of int bearing deposits	2.11	1.15	0.40	0.36	1.05	0.48	1.05	1.89		1.52
Cost of total deposits	1.43	0.76	0.27	0.24	0.70	0.33	0.73	1.37		1.08
Net interest margin	5.25	5.04	4.47	4.42	4.82	5.12	5.01	5.35		5.49
Net interest margin excluding loan fees	4.87	4.60	4.04	3.91	4.38	4.38	4.48	4.78		4.78
Noninterest expense to average assets	2.08	1.87	1.93	1.96	1.96	1.95	1.85	3.56	2.08	2.05
Efficiency ratio <sup>(2)</sup>	38.14	35.47	41.80	42.25	39.30	36.76	36.03	65.36	38.26	37.04
Loan to deposit ratio	88.89	85.79	85.59	82.74	88.89	84.47	92.39	93.38		88.76
Liquidity ratio	16.17	21.13	25.98	29.22	16.17	28.42	25.48	19.22		23.44
<b>Credit Quality Ratios:</b>										
Nonperforming assets to total assets	1.13%	1.15%	0.64%	0.68%	1.13%	0.77%	1.63%	0.38%		0.35%
Nonperforming assets to total loans and OREO	1.42	1.47	0.83	0.91	1.42	1.01	1.98	0.47		0.45
Nonperforming loans to total loans	1.42	1.47	0.83	0.91	1.42	1.01	1.98	0.47		0.43
Allowance for loan losses to nonperforming loans	81.95	72.41	113.38	110.07	81.95	99.37	58.29	235.47		299.50
Allowance for loan losses to total loans	1.16	1.07	0.94	1.00	1.16	1.00	1.15	1.11		1.31
Net charge-offs to average loans	0.007	(0.000)	(0.000)	(0.000)	0.007	0.387	0.432	(0.002)		0.004
<b>Capital Ratios:</b>										
Total shareholders' equity to total assets	9.10%	8.59%	8.84%	9.05%	9.10%	9.43%	10.56%	11.56%		11.48%
Tangible equity to tangible assets <sup>(3)</sup>	8.52	8.04	8.18	8.38	8.52	8.75	10.42	11.37		11.25
Tier 1 leverage ratio <sup>(4)</sup>	9.18	9.01	8.97	9.28	9.18	10.55	10.78	11.65		11.26
Tier 1 risk-based capital ratio <sup>(4)</sup>	11.26	11.04	11.21	11.56	11.26	11.53	13.51	14.28		14.78
Total risk-based capital ratio <sup>(4)</sup>	12.42	12.10	12.15	12.56	12.42	12.54	14.75	15.42		16.03

(1) Return on average assets and shareholder's 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 the most comparable GAAP measure for this metric

(4) Ratios are based on Bank level financial information rather than consolidated information. At December 31, 2022, Tier 1 leverage ratio, Tier 1 risk based capital ratio, and total risk-based capital ratios were 9.19%, 11.25%, and 12.41% respectively for the Company

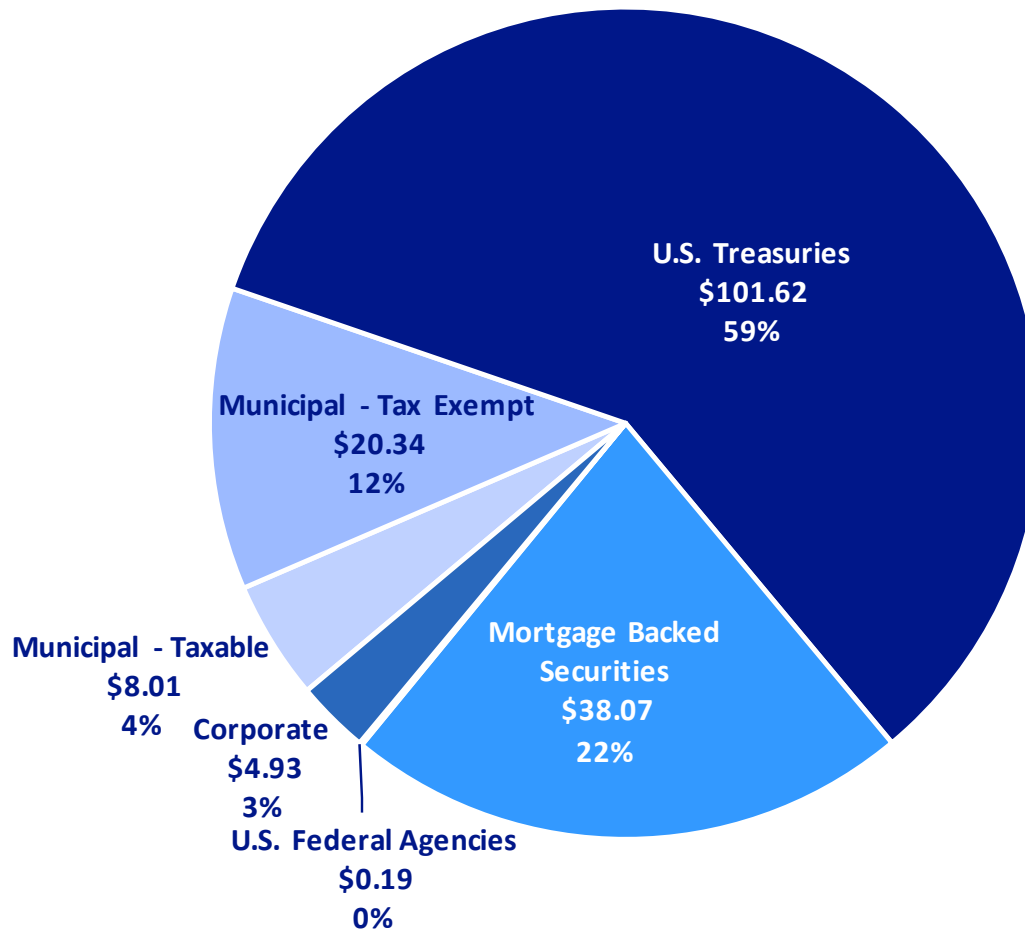
(5) All pro forma amounts relate to the one-time, non-cash executive stock transfer which occurred in September 2019. These amounts remove the compensation expense and related tax impact from net income. See detail and reconciliation on slide 21 of this presentation

# Non-GAAP Reconciliations



	For the Three Months Ended				For the Year Ended December 31,				
	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Mar 31, 2022	2022	2021	2020	2019	2018
<i>(Dollars in thousands, except per share data)</i>									
<b>Tangible shareholders' equity</b>									
Total shareholders equity	\$ 144,100	\$ 135,819	\$ 131,498	\$ 118,276	\$ 144,100	\$ 127,408	\$ 107,319	\$ 100,126	\$ 88,466
Goodwill and other intangibles	(9,939)	(9,480)	(10,206)	(10,372)	(9,939)	(10,122)	(1,583)	(1,789)	(1,995)
Tangible shareholders' equity	134,161	126,339	121,292	107,904	134,161	117,286	105,736	98,337	86,471
<b>Tangible assets</b>									
Total assets	\$ 1,584,169	\$ 1,580,952	\$ 1,487,474	\$ 1,421,232	\$ 1,584,169	\$ 1,350,549	\$ 1,016,669	\$ 866,392	\$ 770,511
Less: goodwill and other Intangibles	(9,939)	(9,480)	(10,206)	(10,372)	(9,939)	(10,122)	(1,583)	(1,789)	(1,995)
Tangible assets	1,574,230	1,571,472	1,477,268	1,410,860	1,574,230	1,340,427	1,015,086	864,603	768,516
<b>Average tangible common equity</b>									
Average shareholders equity	\$ 139,915	\$ 135,968	\$ 130,035	\$ 130,233	\$ 133,899	\$ 117,053	\$ 102,359	\$ 97,431	\$ 78,148
Less: average goodwill and other Intangibles	(9,441)	(10,172)	(10,340)	(10,034)	(9,995)	(2,030)	(1,684)	(1,893)	(2,087)
Average tangible common equity	130,474	125,796	119,695	120,199	123,904	115,023	100,675	95,538	76,061
End of period common shares outstanding	9,131,973	9,115,739	9,098,655	9,094,468	9,131,973	9,071,417	9,044,765	10,057,506	10,187,500
Book value per share	15.78	14.90	14.45	14.15	15.78	14.04	11.87	9.96	8.68
Tangible book value per share	14.69	13.86	13.33	13.01	14.69	12.93	11.69	9.78	8.49
Total shareholders' equity to total assets	9.10%	8.59%	8.84%	9.05%	9.10%	9.43%	10.56%	11.56%	11.48%
Tangible shareholders' equity to tangible assets	8.52%	8.04%	8.21%	8.38%	8.52%	8.75%	10.42%	11.37%	11.25%
<b>Loan interest income (excluding loan fees):</b>									
Total loan interest income, including fees	\$ 23,806	\$ 20,466	\$ 15,754	\$ 14,377	\$ 74,403	\$ 55,768	\$ 52,450	\$ 48,200	\$ 44,279
Loan fee income	(1,471)	(1,676)	(1,496)	(1,635)	(6,278)	(7,787)	(5,035)	(4,443)	(5,121)
Loan interest income excluding loan fees	22,335	18,790	14,258	12,742	68,125	47,981	47,415	43,757	39,158
Average total loans	\$ 1,262,864	\$ 1,213,080	\$ 1,090,053	\$ 1,003,890	\$ 1,143,380	\$ 905,804	\$ 823,228	\$ 636,274	\$ 583,821
Yield on loans	7.48%	6.69%	5.80%	5.81%	6.51%	6.16%	6.37%	7.58%	7.58%
Yield on loans (excluding loan fee income)	7.02%	6.15%	5.25%	5.15%	5.96%	5.30%	5.76%	6.88%	6.71%
<b>Net interest margin (excluding loan fees):</b>									
Net interest income	\$ 20,381	\$ 19,045	\$ 15,794	\$ 14,208	\$ 69,427	\$ 53,236	\$ 47,161	\$ 42,193	\$ 39,631
Loan fee income	(1,471)	(1,676)	(1,496)	(1,635)	(6,278)	(7,787)	(5,035)	(4,443)	(5,121)
Net interest income excluding loan fees	18,910	17,369	14,298	12,573	63,149	45,449	42,126	37,750	34,510
Average earning assets	\$ 1,539,698	\$ 1,499,622	\$ 1,418,120	\$ 1,303,904	\$ 1,441,140	\$ 1,038,773	\$ 940,890	\$ 789,009	\$ 721,935
Net interest margin	5.25%	5.04%	4.47%	4.42%	4.82%	5.12%	5.01%	5.35%	5.49%
Net interest margin (excluding loan fee income)	4.87%	4.60%	4.04%	3.91%	4.38%	4.38%	4.48%	4.78%	4.78%
<b>Core Loans:</b>									
Total Loans	\$ 1,270,457	\$ 1,233,150	\$ 1,152,316	\$ 1,061,821	\$ 1,270,457	\$ 1,028,401	\$ 836,613	\$ 707,304	\$ 599,910
PPP Loans	(2,636)	(2,636)	(9,917)	(14,204)	(2,636)	(18,736)	(44,939)	-	-
Core Loans	1,267,821	1,230,514	1,142,399	1,047,617	1,267,821	1,009,665	791,674	707,304	599,910
<b>Pre-provision Pre-tax Earnings:</b>									
Pre-tax net income	11,359	10,404	9,304	8,187	39,257	30,914	25,884	15,069	26,866
Add back: Provision for loan losses	1,625	2,348	219	276	4,468	4,175	5,350	-	-
Add back: (Gain)Loss on sales/calls of AFS debt securities	-	10	(10)	127	127	-	-	-	-
Pre-provision pre-tax earnings	12,984	12,762	9,513	8,590	43,852	35,089	31,234	15,069	26,866

## Available-for-Sale Securities Portfolio



- **Weighted Average Duration : 2.9 Years**
- **Book Yield: 1.69%**

Dollars are in millions.

- (1) All of our mortgage-backed securities and collateralized mortgage obligations are issued and/or guaranteed by U.S. government agencies or U.S. government-sponsored entities.  
(2) Total investment securities of \$173 million as of December 31, 2022

# 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.

	<b>For the Year Ended December 31, 2019</b>	
<i>(Dollars in thousands)</i>		
<b>Pro Forma Net Income</b>		
Total Interest Income	\$	51,709
Total Interest Expense		9,516
Net Interest Margin		42,193
Provision for Loan Losses	\$	-
Noninterest Income	\$	1,308
Noninterest Expense	\$	28,432
Less: Stock Transfer Comp. Expense		(11,796)
Pro Forma Noninterest Expense		16,636
Pro Forma Pre-Tax Income	\$	26,865
Pro Forma Income Tax Expense	\$	6,836
Pro Forma Net After-Tax Income	\$	20,029

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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 in the appendix 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.