



Enterprise Financial Services Corp

2024 Fourth Quarter Earnings Webcast

Forward-Looking Statements



Some of the information in this report may contain “forward-looking statements” within the meaning of and intended to be covered by the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include projections based on management’s current expectations and beliefs concerning future developments and their potential effects on the Company including, without limitation, plans, strategies and goals, and statements about the Company’s expectations regarding revenue and asset growth, financial performance and profitability, loan and deposit growth, liquidity, yields and returns, loan diversification and credit management, shareholder value creation and the impact of acquisitions.

Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “pro forma,” “pipeline” and other similar words and expressions. Forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made. Because forward-looking statements are subject to assumptions and uncertainties, actual results or future events could differ, possibly materially, from those anticipated in the forward-looking statements and future results could differ materially from historical performance. They are neither statements of historical fact nor guarantees or assurances of future performance. While there is no assurance that any list of risks and uncertainties or risk factors is complete, important factors that could cause actual results to differ materially from those in the forward-looking statements include the following, without limitation: our ability to efficiently integrate acquisitions into our operations, retain the customers of these businesses and grow the acquired operations; credit risk; changes in the appraised valuation of real estate securing impaired loans; outcomes of litigation and other contingencies; exposure to general and local economic and market conditions, high unemployment rates, higher inflation and its impacts (including U.S. federal government measures to address higher inflation), U.S. fiscal debt, budget and tax matters, and any slowdown in global economic growth; risks associated with rapid increases or decreases in prevailing interest rates; changes in business prospects that could impact goodwill estimates and assumptions; consolidation within the banking industry; competition from banks and other financial institutions; the ability to attract and retain relationship officers and other key personnel; burdens imposed by federal and state regulation; changes in legislative or regulatory requirements, as well as current, pending or future legislation or regulation that could have a negative effect on our revenue and business, including rules and regulations relating to bank products and financial services; changes in accounting policies and practices or accounting standards; natural disasters (including wildfires and earthquakes); terrorist activities, war and geopolitical matters (including the war in Israel and potential for a broader regional conflict and the war in Ukraine and the imposition of additional sanctions and export controls in connection therewith), or pandemics, or other health emergencies and their effects on economic and business environments in which we operate, including the related disruption to the financial market and other economic activity; and other risks referenced from time to time in the Company’s filings with the Securities and Exchange Commission (the “SEC”), including in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023, and the Company’s other filings with the SEC. The Company cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Company’s results.

For any forward-looking statements made in this press release or in any documents, EFSC claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

Annualized, pro forma, projected and estimated numbers in this document are used for illustrative purposes only, are not forecasts and may not reflect actual results.

Readers are cautioned not to place undue reliance on any forward-looking statements. Except to the extent required by applicable law or regulation, EFSC disclaims any obligation to revise or publicly release any revision or update to any of the forward-looking statements included herein to reflect events or circumstances that occur after the date on which such statements were made.

Earnings



- Net Income \$48.8 million, down \$1.8 million; EPS \$1.28
- Net Interest Income \$146.4 million, up \$2.9 million; NIM 4.13%
- PPNR** \$69.4 million, up \$4.3 million
- Adjusted ROAA** 1.31%, compared to 1.32%; PPNR ROAA** 1.80%, compared to 1.74%
- Adjusted ROATCE** 14.05%, compared to 14.16%

Capital



- Tangible Common Equity/Tangible Assets** 9.05%, compared to 9.50%
- Tangible Book Value Per Common Share** \$37.27, compared to \$37.26
- CET1 Ratio 11.8%, compared to 11.9%
- Repurchased 206,529 shares at an average price of \$54.01
- Quarterly common stock dividend of \$0.28 per share in fourth quarter 2024 (\$0.01 increase)
- Quarterly preferred stock dividend of \$12.50 per share (\$0.3125 per depository share)

*Comparisons noted below are to the linked quarter unless otherwise noted.

**A Non-GAAP Measure, Refer to Appendix for Reconciliation.

Loans & Deposits



- Loans \$11.2 billion, up \$140.5 million
- Loan/Deposit Ratio 85.3%
- Deposits \$13.1 billion, up \$681.2 million or \$677.5 million excluding brokered CDs
- Noninterest-bearing Deposits/Total Deposits 34%

Asset Quality



- Nonperforming Loans/Loans 0.38%
- Nonperforming Assets/Assets 0.30%
- Allowance Coverage Ratio 1.23%; 1.34% adjusted for guaranteed loans
- Net Charge-offs \$7.1 million

*Comparisons noted below are to the linked quarter unless otherwise noted.

Earnings



- Net Income \$185.3 million, down \$8.8 million; EPS \$4.83
- Net Interest Income \$568.1 million, up \$5.5 million; NIM 4.16%
- PPNR** \$255.2 million, down \$29.6 million
- Adjusted ROAA** 1.26%, compared to 1.41%; PPNR ROAA**1.72%, compared to 2.06%
- Adjusted ROATCE** 13.71%, compared to 16.35%

Capital



- Tangible Common Equity/Tangible Assets** 9.05%, compared to 8.96%
- Tangible Book Value Per Share** \$37.27, compared to \$33.85, increase of 10%
- Common stock dividend increased to \$1.06 per share, compared to \$1.00 per share
- Repurchased 626,778 shares at an average price of \$46.95

Loans, Deposits, & Asset Quality



- Loans \$11.2 billion, up \$336.2 million, or 3%
- Deposits \$13.1 billion, up \$970.1 million, or 8%
- Net Charge-offs \$17.5 million, or 0.16% of average loans, compared to 0.37%

*Comparisons noted below are to the prior year.

**A Non-GAAP Measure, Refer to Appendix for Reconciliation.



Organic Loan and Deposit Growth

- **Continue Funding Loan Growth with Customer Deposits**
- **Build Franchise Value by Expanding Existing and Acquiring New Relationships**



Disciplined Loan and Deposit Pricing



Focused Credit Underwriting and Monitoring



Focus on Long-term Earnings Trajectory



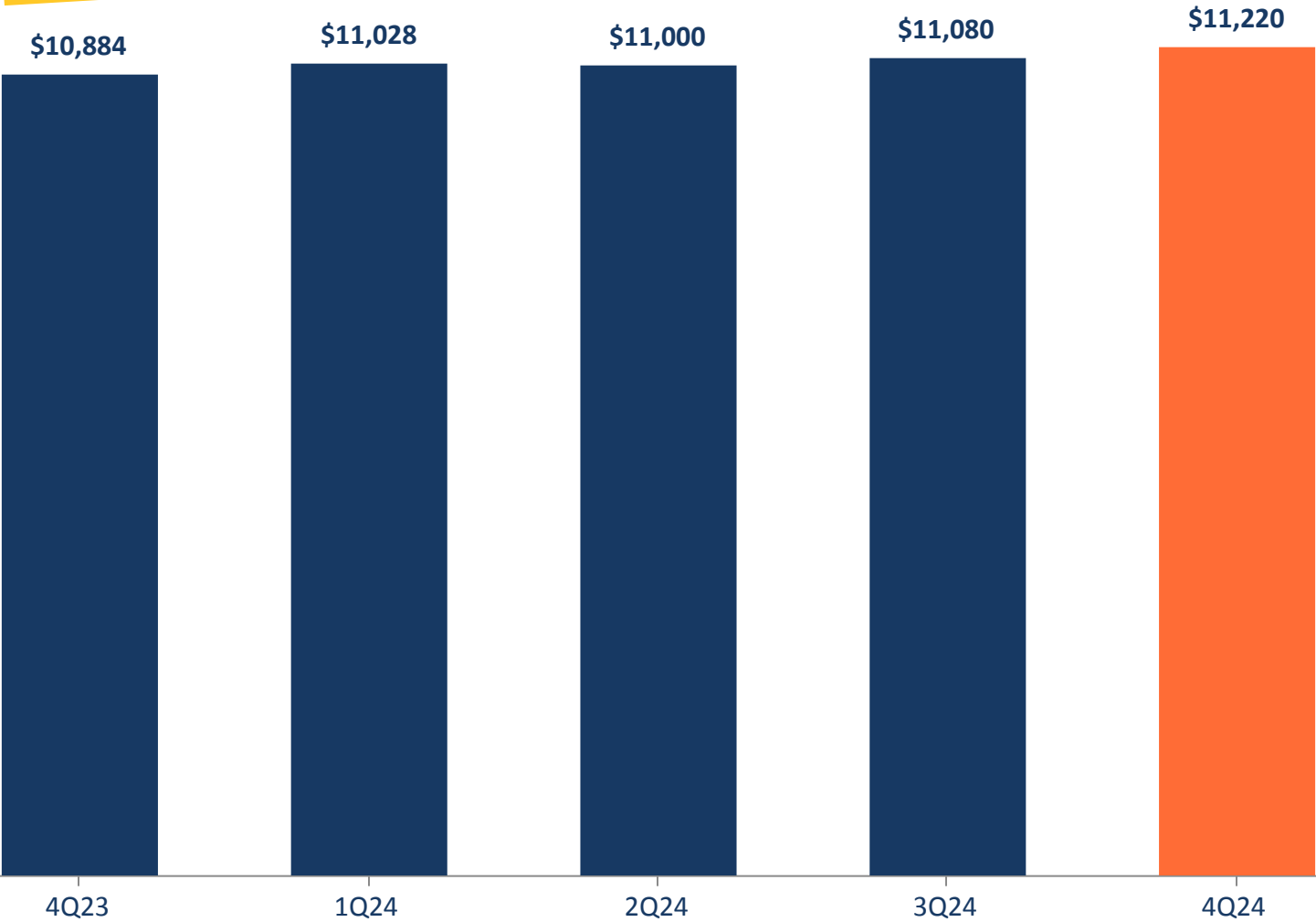
Core System Conversion

- **Completed on October 11, 2024**

Loan Trends

\$ In Millions

3% Total Loan Growth



Loan Details

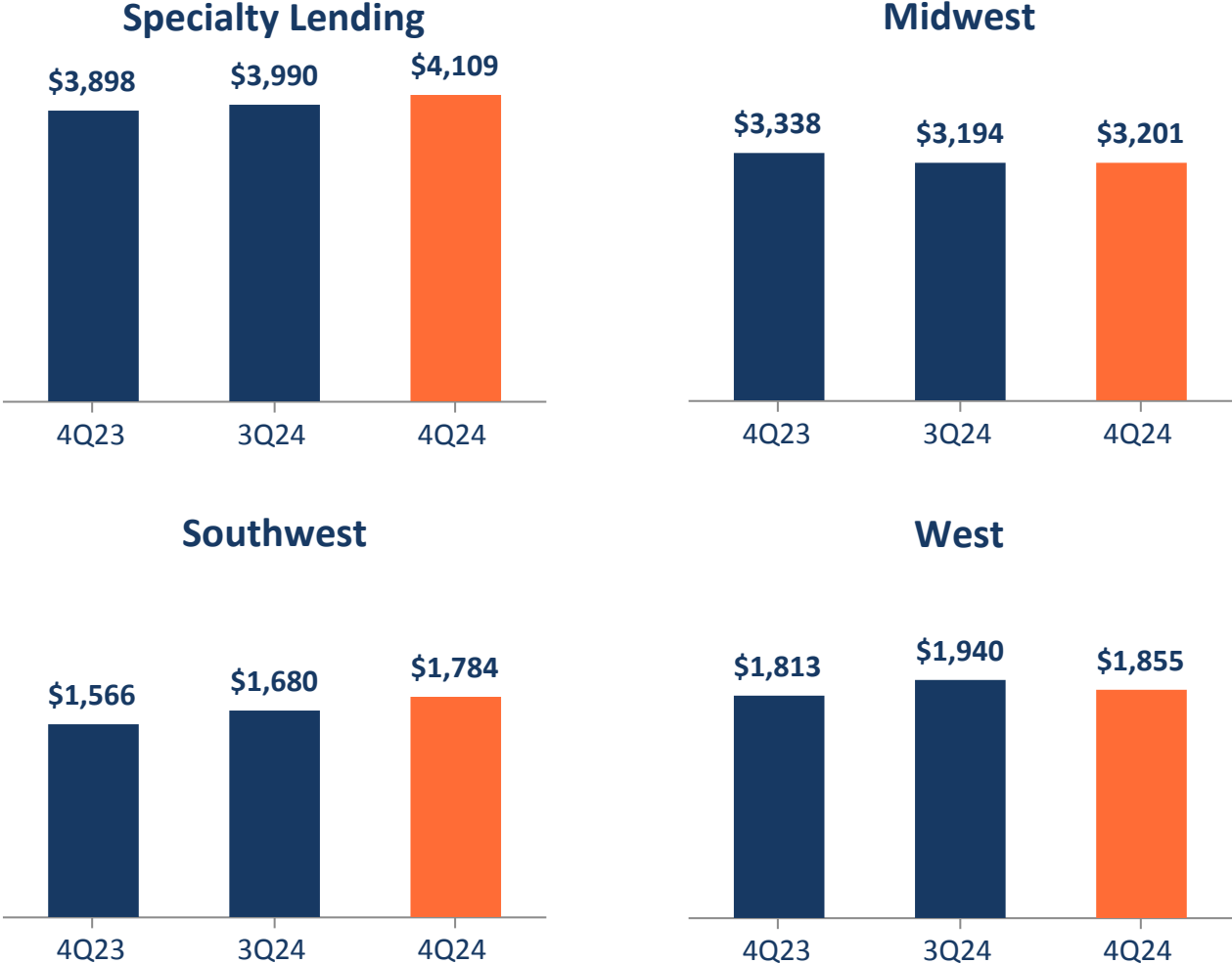
<i>\$ In Millions</i>	4Q24	3Q24	4Q23	Qtr Change	LTM Change
C&I	\$ 2,139	\$ 2,145	\$ 2,186	\$ (6)	\$ (47)
CRE Investor Owned	2,405	2,347	2,292	58	113
CRE Owner Occupied	1,305	1,323	1,262	(18)	43
SBA loans*	1,298	1,273	1,282	25	16
Sponsor Finance*	783	819	872	(36)	(89)
Life Insurance Premium Financing*	1,114	1,030	956	84	158
Tax Credits*	760	724	735	36	25
Residential Real Estate	351	346	360	5	(9)
Construction and Land Development	794	797	670	(3)	124
Other	271	276	269	(5)	2
Total Loans	\$ 11,220	\$ 11,080	\$ 10,884	\$ 140	\$ 336

*Specialty loan category.

Loan By Region



\$ In Millions



Note: Excludes "Other" loans;
Region Components: Midwest (St. Louis & Kansas City), Southwest (AZ, NM, Las Vegas, TX), West (Southern California)

Deposit Details



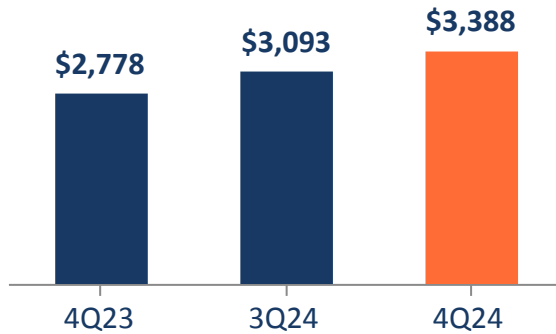
<i>\$ In Millions</i>	4Q24	3Q24	4Q23	Qtr Change	LTM Change
Noninterest-bearing demand accounts	\$ 4,484	\$ 3,934	\$ 3,959	\$ 550	\$ 525
Interest-bearing demand accounts	3,175	3,049	2,950	126	225
Money market accounts	3,564	3,568	3,399	(4)	165
Savings accounts	553	553	595	—	(42)
Certificates of deposit:					
Brokered	485	481	483	4	2
Customer	885	880	790	5	95
Total Deposits	\$ 13,146	\$ 12,465	\$ 12,176	\$ 681*	\$ 970*
Deposit Verticals (included in total deposits)	\$ 3,388	\$ 3,093	\$ 2,778	\$ 295	\$ 610

* Total deposits excluding Deposit Verticals and brokered CDs increased \$382 million from 3Q24 and increased \$358 million from 4Q23.

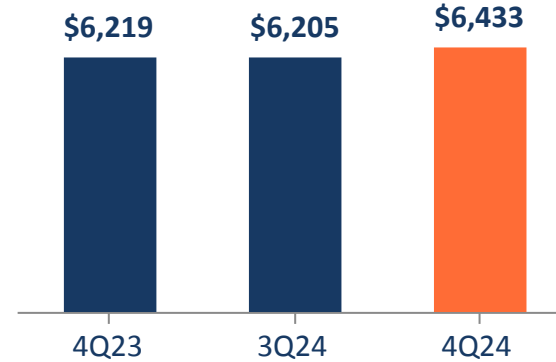
Deposit By Region

\$ In Millions

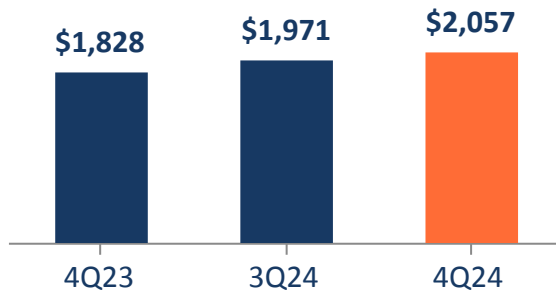
Deposit Verticals



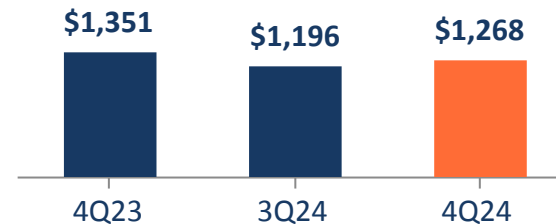
Midwest*



Southwest

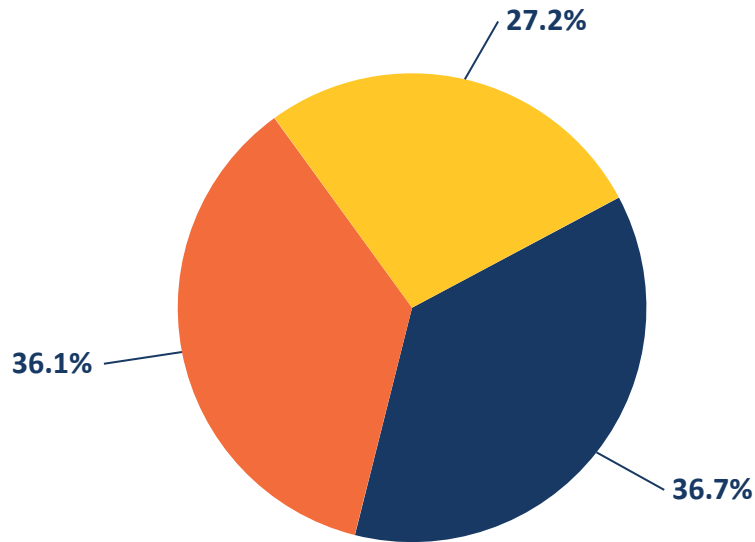


West*



Note: Region Components: Midwest (St. Louis & Kansas City), Southwest (AZ, NM, Las Vegas, TX), West (Southern California)
*Includes brokered balances

Differentiated Deposit Verticals



- \$3.39 billion - 26% of total deposits
- \$3.35 billion - Average deposits for 4Q24
- \$22.9 million - Related deposit costs in noninterest expense, resulting in an average deposit vertical cost of 2.72% in 4Q24
- \$144.3 million - Average Deposits per Branch for FDIC Insured Banks with a deposit portfolio between \$5-20B*
 - 23 - Number of traditional branches that would support the EFSC deposit vertical portfolio

*Data Source: Deposit data as of June 30th, 2024, per the FDIC Summary of Deposits.



Community Associations

\$1.2 billion in deposit accounts specifically designed to serve the needs of community associations.



Property Management

\$1.2 billion in deposits. Specializing in the compliance of Property Management Trust Accounts.



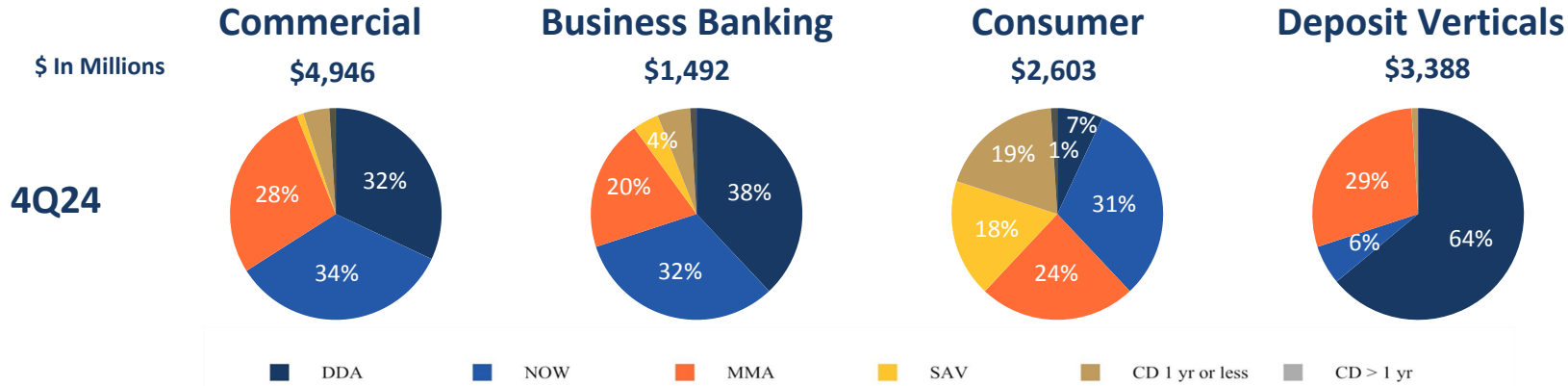
Legal Industry and Escrow Services

\$922 million in deposits. Product lines providing services to independent escrow and non-depository trust companies.

\$ In Millions



Core Funding Mix



Overview

- ~80% of commercial deposits utilize Treasury Management services
- ~90% of checking and savings accounts utilize online banking services
- ~60% of commercial deposits have a lending relationship

Total Portfolio Average Account Size & Cost of Funds

	COMMERCIAL	BUSINESS BANKING	CONSUMER	DEPOSIT VERTICALS
Average account size (\$ in thousands)				
4Q24	\$ 353	\$ 77	\$ 23	\$ 108
Cost of funds				
4Q24 ¹	2.25 %	1.31 %	1.58 %	0.94 %

¹At December 31, 2024.

Note: Brokered deposits: 4Q24 \$0.7 billion; 3.71% cost of funds

Earnings Per Share Trend - 4Q24



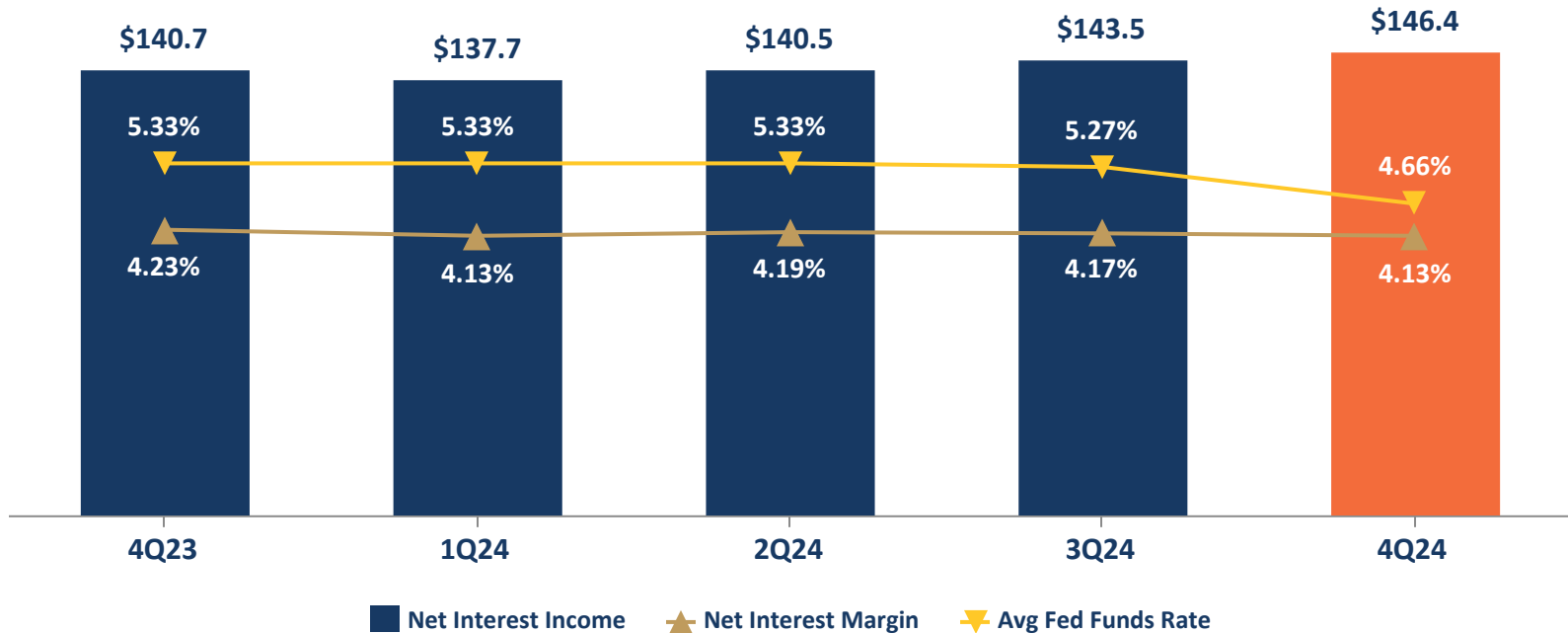
Change in Diluted EPS



Net Interest Income Trend

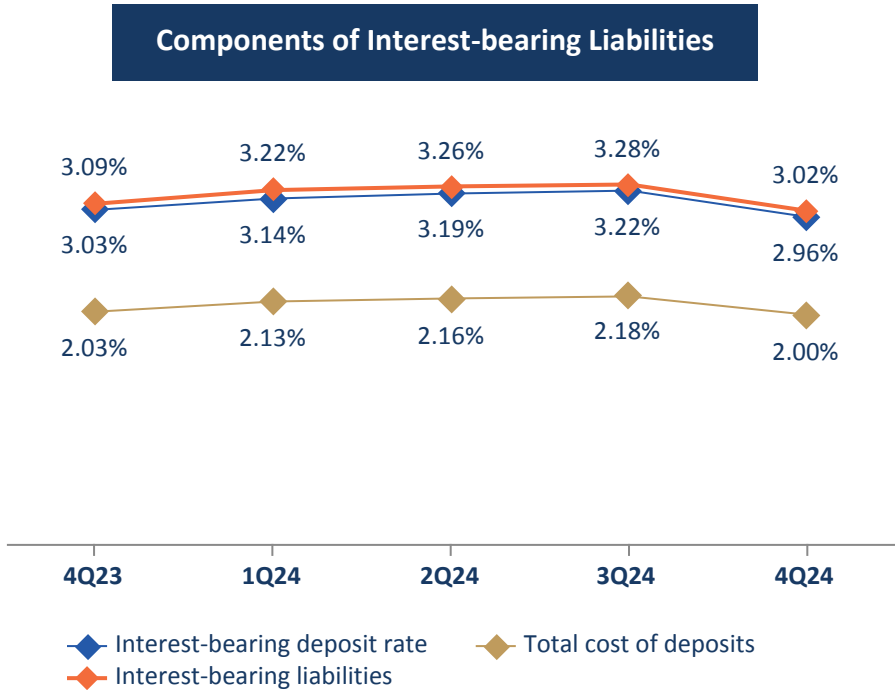
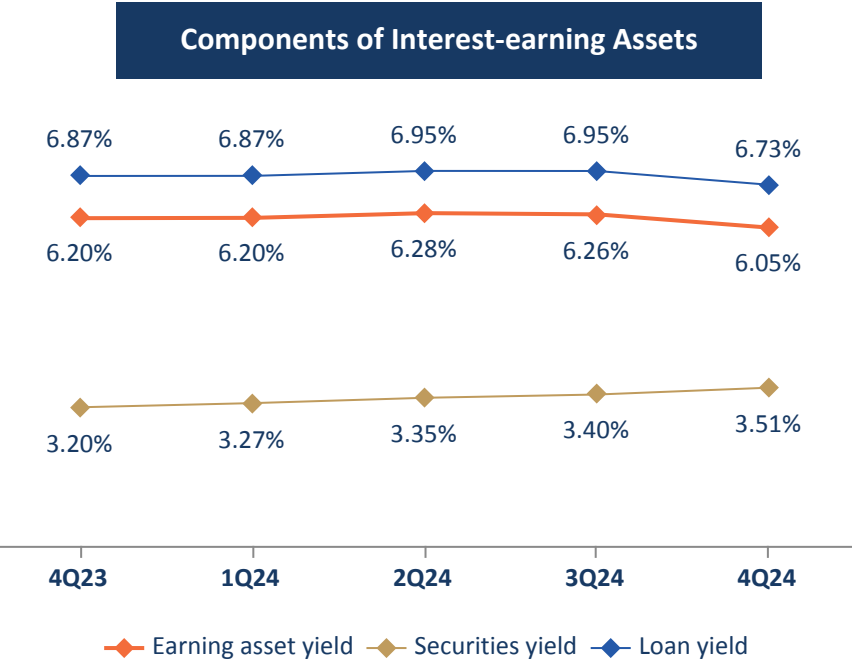
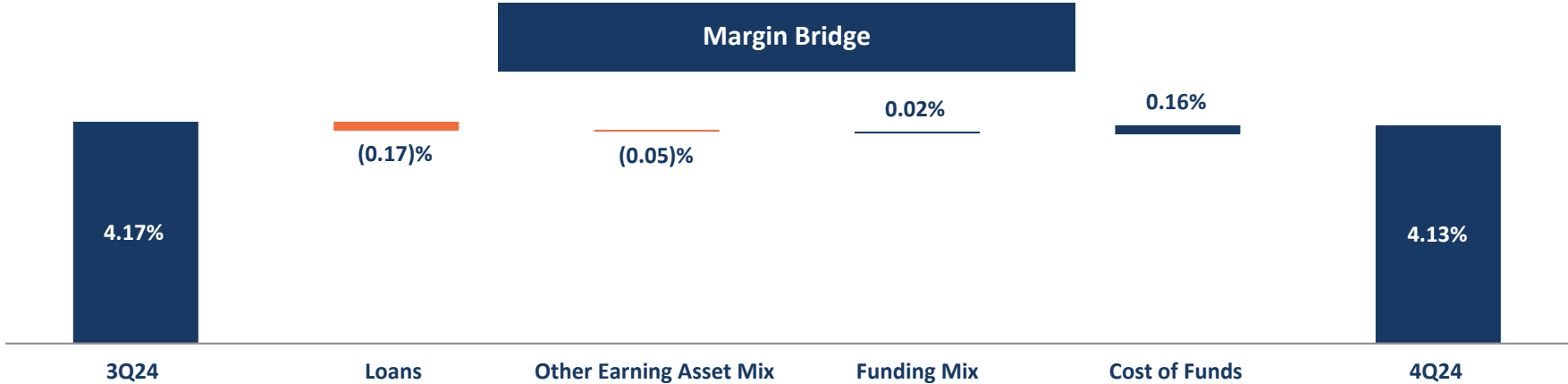
Stable Net Interest Income

\$ In Millions



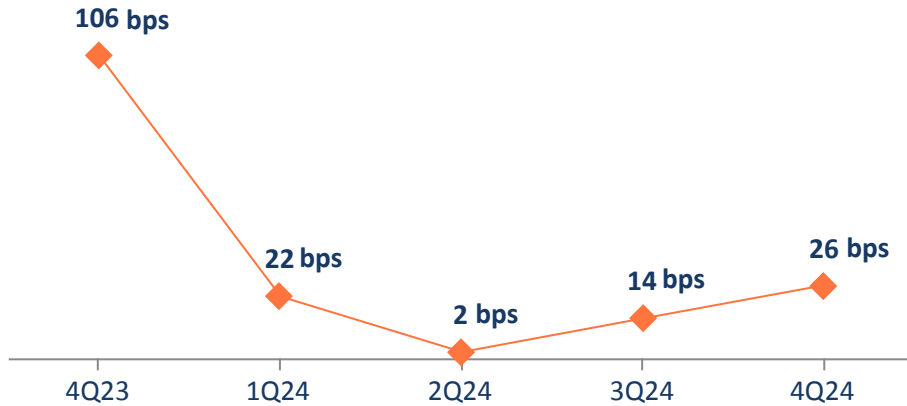
	4Q23	1Q24	2Q24	3Q24	4Q24
Net Interest Income - FTE	\$ 142.6	\$ 139.8	\$ 142.6	\$ 145.6	\$ 148.6
Purchase Accounting Amortization/(Accretion)	(0.5)	0.5	(0.2)	0.5	0.8
Adjusted Net Interest Income - FTE (Excluding Purchase Accounting)	\$ 142.1	\$ 140.3	\$ 142.4	\$ 146.1	\$ 149.4
Net Interest Margin	4.23 %	4.13 %	4.19 %	4.17 %	4.13 %
Purchase Accounting Amortization/(Accretion)	(0.02)%	0.02 %	— %	0.01 %	0.02 %
Adjusted Net Interest Margin (Excluding Purchase Accounting)	4.21 %	4.15 %	4.19 %	4.18 %	4.15 %

Net Interest Margin

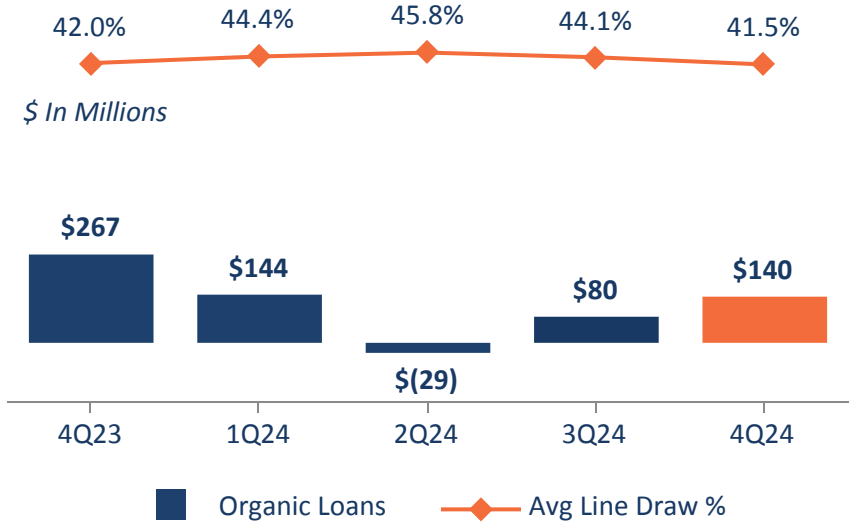


Credit Trends

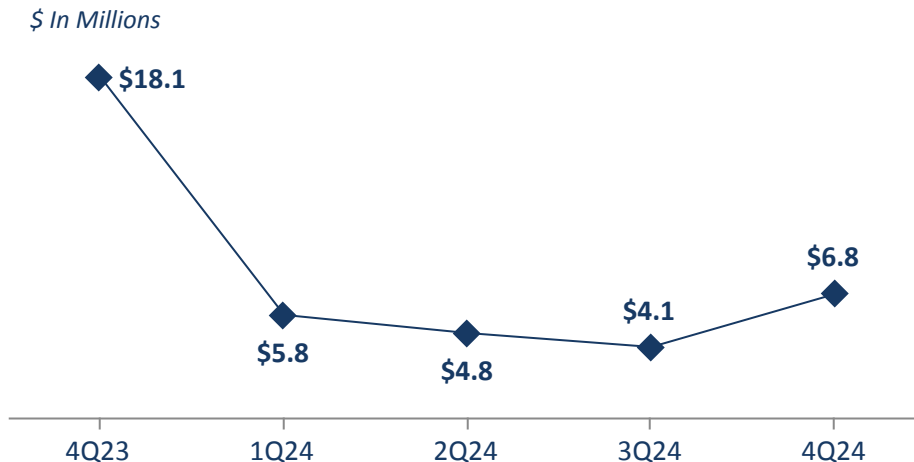
Annualized Net Charge-offs to Average Loans



Loan Growth and Average Line of Credit Utilization



Provision for Credit Losses*



	4Q24	3Q24	4Q23
NPLs/Loans	0.38 %	0.26 %	0.40 %
NPAs/Assets	0.30 %	0.22 %	0.34 %
ACL/NPLs	323.2 %	492.6 %	308.2 %
ACL/Loans**	1.34 %	1.38 %	1.35 %

*Includes credit loss expense on loans, investments and unfunded commitments.

**Excludes guaranteed loans. A Non-GAAP Measure, Refer to Appendix for Reconciliation.

Allowance for Credit Losses for Loans

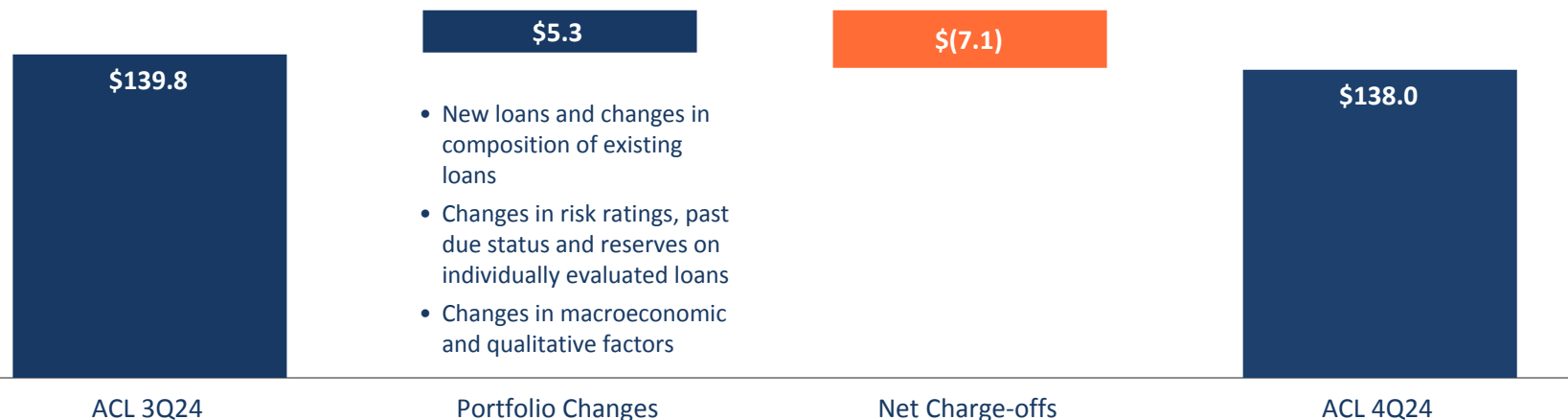
Key Assumptions:

- Reasonable and supportable forecast period is one year with a one year reversion period.
- Forecast considers a weighted average of baseline, upside and downside scenarios.
- Primary macroeconomic factors:
 - Percentage change in GDP
 - Unemployment
 - Percentage change in Retail Sales
 - Percentage change in CRE Index

<i>\$ In Millions</i>	4Q24		
	Loans	ACL	ACL as a % of Loans
Commercial and industrial	\$ 4,717	\$ 63	1.34 %
Commercial real estate	4,975	55	1.11 %
Construction real estate	891	10	1.12 %
Residential real estate	359	6	1.67 %
Other	278	4	1.44 %
Total	\$ 11,220	\$ 138	1.23 %

Reserves on sponsor finance, agricultural, and investor office CRE loans, which are included in the categories above, represented \$20.9 million, \$3.9 million, and \$12.1 million, respectively. Total ACL percentage of loans excluding government guaranteed loans was 1.34%*.

\$ In Millions

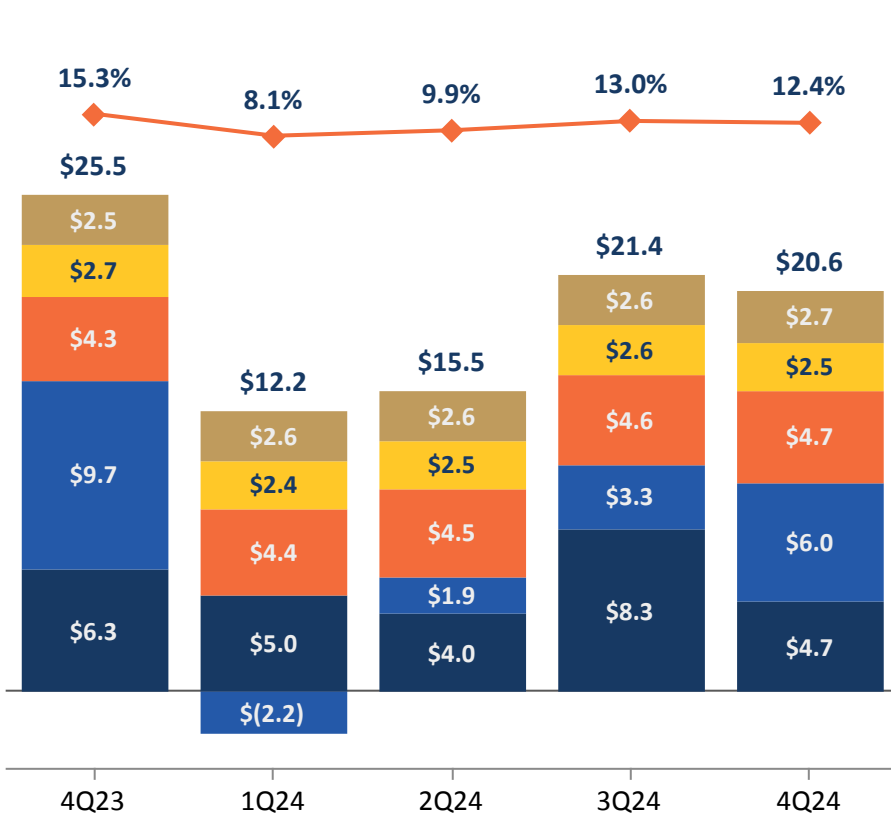


*A Non-GAAP Measure, Refer to Appendix for Reconciliation.

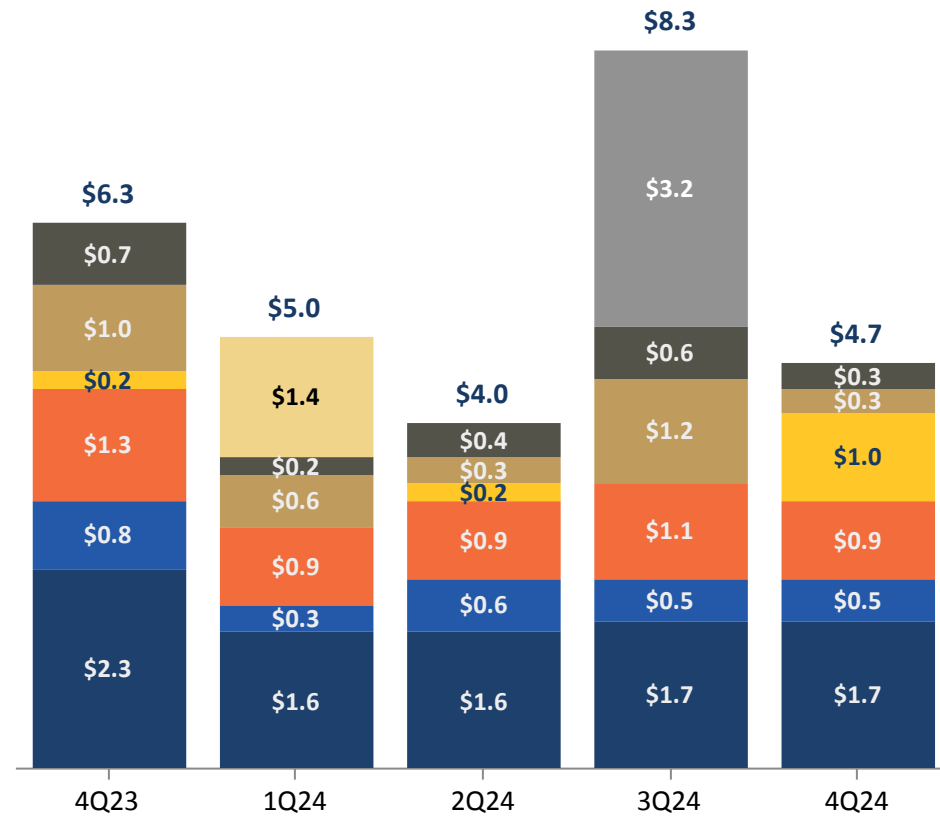
Noninterest Income Trend

\$ In Millions

Noninterest Income



Other Noninterest Income Detail



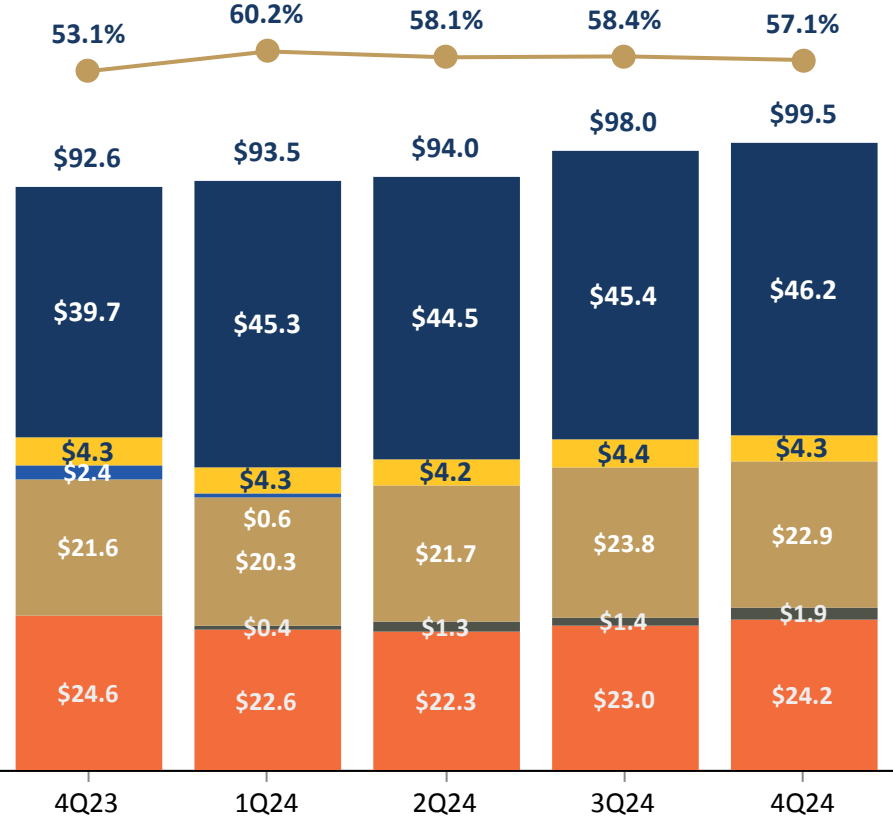
- Other
- Deposit Service Charges
- Wealth Management
- Tax Credit Income (Loss)
- Card Services
- ◆ Noninterest income/Total income

- Miscellaneous
- BOLI
- CDE
- Gain on SBA loan sales
- Private Equity Fund Distribution
- Gain on sale of OREO
- Servicing Fees
- Swap Fees

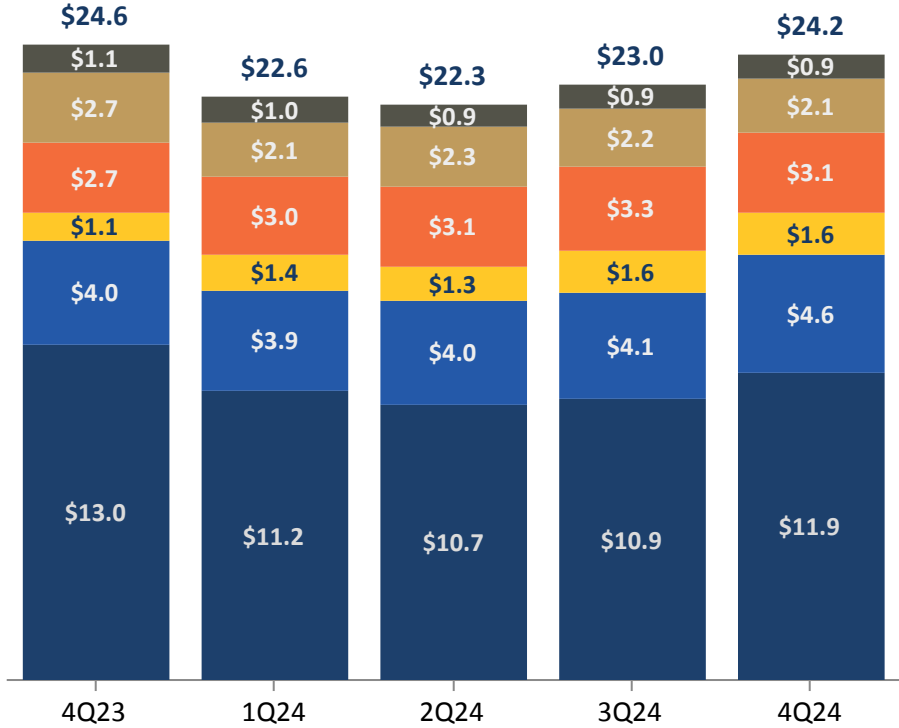
Noninterest Expense Trend

\$ In Millions

Noninterest Expense



Other Noninterest Expense Detail



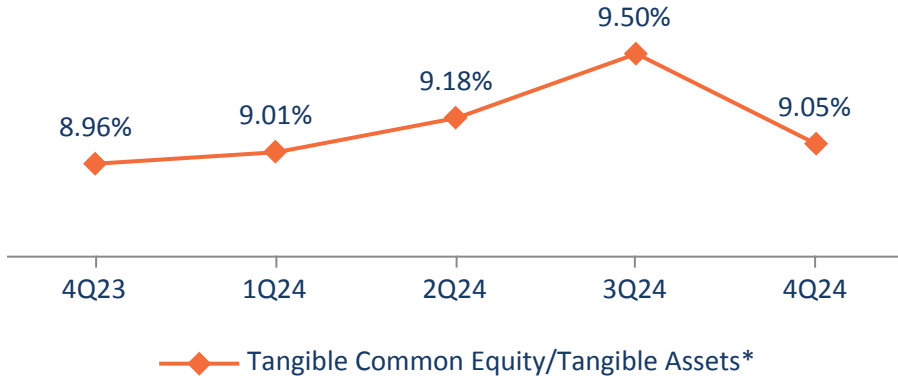
- Other
- Deposit costs
- Occupancy
- Core conversion expense
- FDIC special assessment
- Employee compensation and benefits
- Miscellaneous
- Professional fees
- FDIC and other insurance
- Loan, legal expenses
- Data processing
- Amortization expense

● Core efficiency ratio*

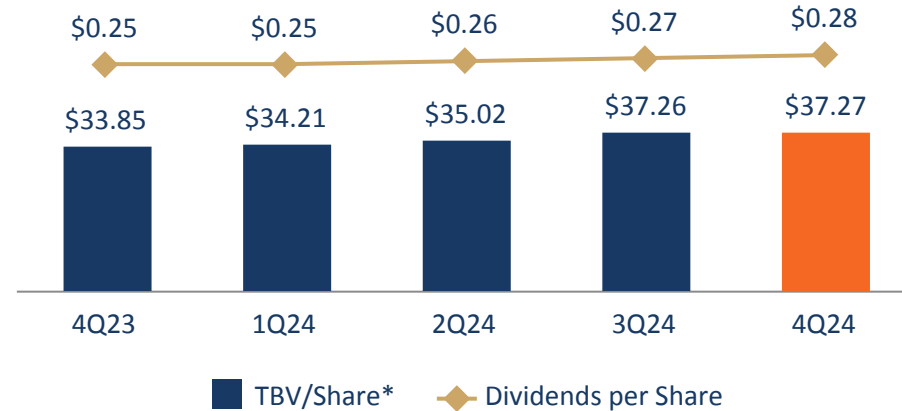
*A Non-GAAP Measure, Refer to Appendix for Reconciliation.

Capital

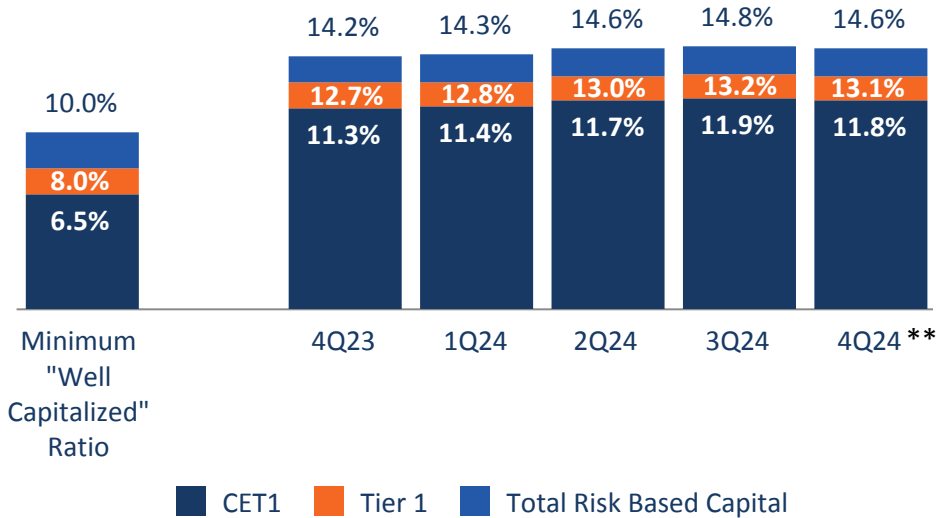
Tangible Common Equity/Tangible Assets



TBV and Dividends per Share



Regulatory Capital



EFSC Capital Strategy: Low Cost - Highly Flexible

High Capital Retention Rate

- Strong earnings profile
- Sustainable dividend profile

Supporting Robust Asset Growth

- Organic loan and deposit growth
- High quality M&A to enhance commercial franchise and geographic diversification

Maintain High Quality Capital Stack

- Minimize WACC over time (preferred, sub debt, etc.)
- Optimize capital levels CET1 ~10%, Tier 1 ~12%, and Total Capital ~14%

Maintain 8-9% TCE

- Common stock repurchases
 - 206,529 shares repurchased in 4Q24 at an average price of \$54.01
- M&A deal structures
- Drives ROATCE above peer levels

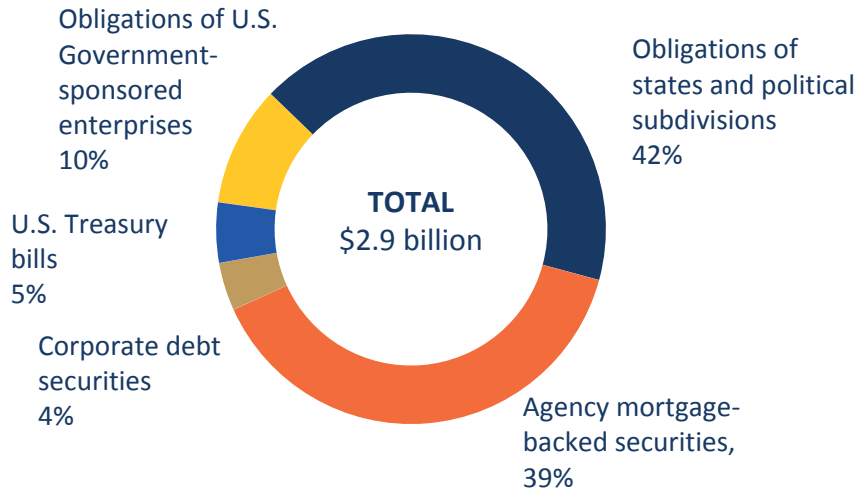
*A Non-GAAP Measure, Refer to Appendix for Reconciliation.

**Preliminary regulatory capital ratios.

Appendix

Investment Portfolio

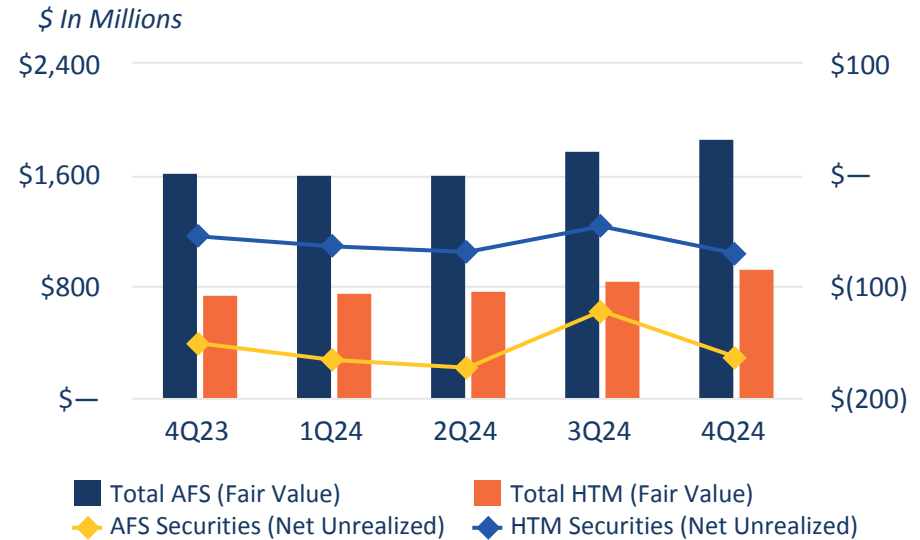
Investment Portfolio Breakout



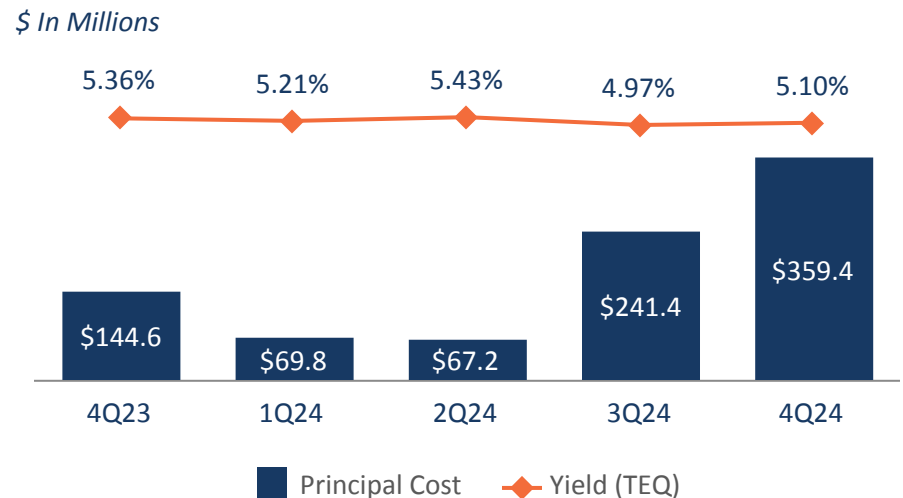
Overview

- Effective duration of 5.6 years balances the short 3-year duration of the loan portfolio
- Cash flows next 12 months of approximately \$429.5 million
- 3.51% tax-equivalent yield
- Municipal bond portfolio rated A or better
- Laddered maturity and repayment structure for consistent cash flows

AFS & HTM Securities



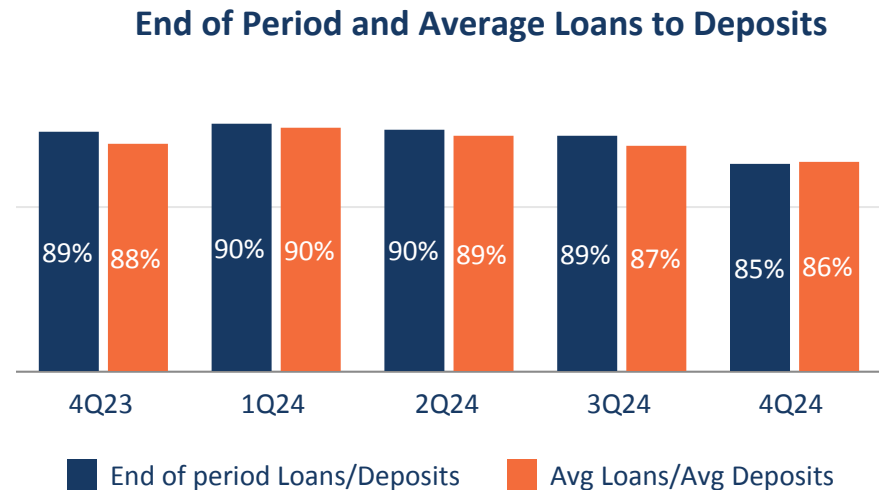
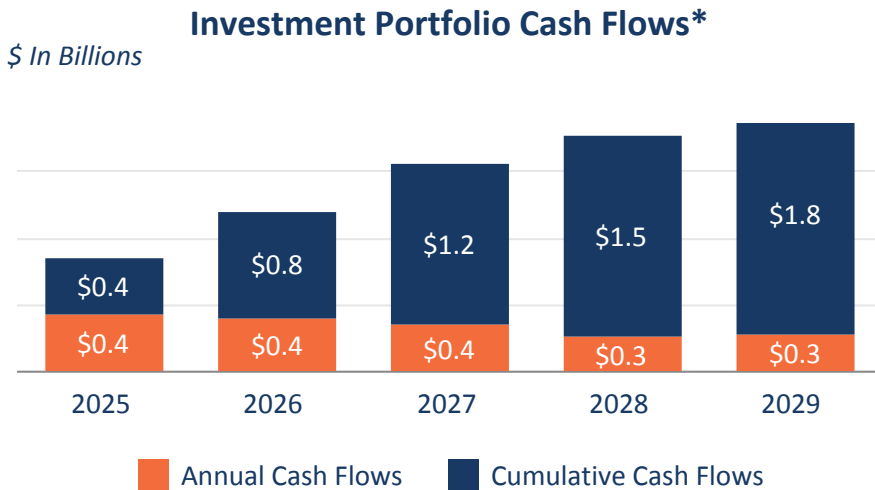
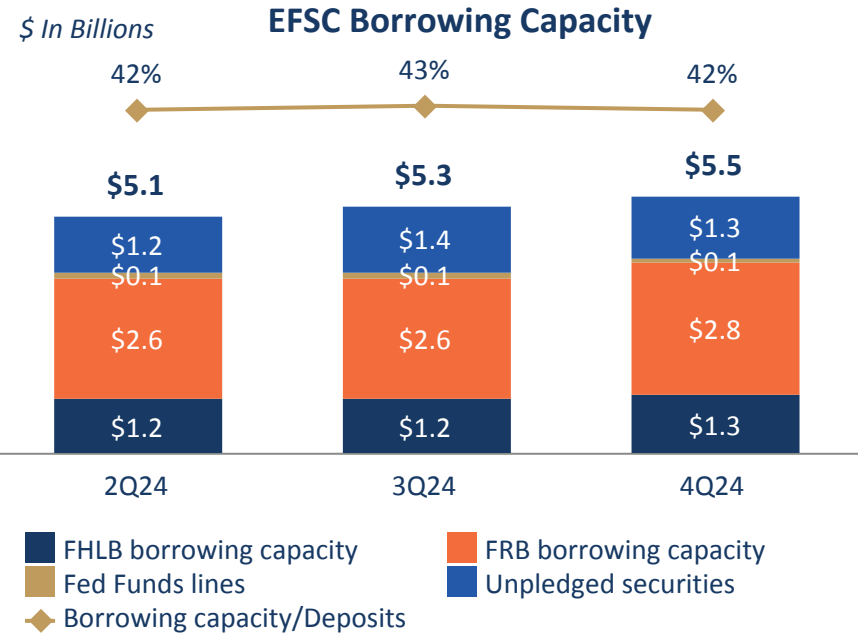
Investment Purchase Yield



Liquidity

Strong Liquidity Profile

- \$1.3 billion available FHLB capacity
- \$2.8 billion available FRB capacity
- \$140.0 million in seven federal funds lines
- \$1.3 billion in unpledged investment securities
- \$764.2 million cash
- \$25.0 million available line of credit
- Portfolio of saleable SBA loans
- Investment portfolio/total assets of 18%
- FHLB maximum credit capacity is 45% of assets

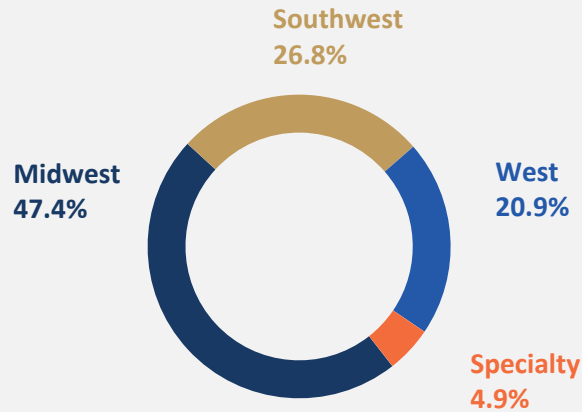


*Trailing 12 months ending December 31 of each year

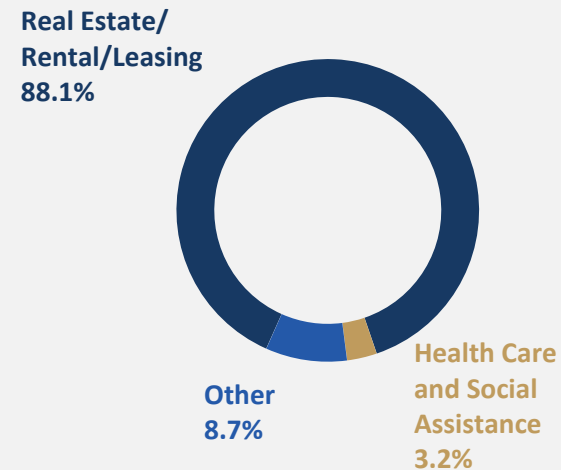
Office CRE (Non-owner Occupied)

Total \$513.7 million

Office CRE Loans by Location



Office CRE Loans by Industry Type



- Average loan-to-origination value 52%
- 71% of loans have recourse to owners
- Average debt-service coverage ratio (DSCR) of 1.52x
- Average market occupancy of 88%; average rents of \$24 psf
- 42% Class A, 54% Class B, 4% Class C
- \$11.5 million unfunded commitments
- Limited near-term maturity risk: 15% to mature in 2025, 85% maturing in 2026 and beyond

Office CRE Loans by Size

\$ In Millions

Size	Average Risk Rating	Number of Loans	Balance	Average Balance
> \$10 Million	5.58	12	\$ 184.7	\$ 15.4
\$5-10 Million	5.00	11	71.3	6.5
\$2-5 Million	5.19	43	138.7	3.2
< \$2 Million	5.28	198	119.0	0.6
Total	5.27	264	\$ 513.7	\$ 1.9

Use of Non-GAAP Financial Measures



The Company's accounting and reporting policies conform to generally accepted accounting principles in the United States ("GAAP") and the prevailing practices in the banking industry. However, the Company provides other financial measures, such as tangible common equity, PPNR, ROATCE, ROAA, PPNR return on average assets ("PPNR ROAA"), core efficiency ratio, the tangible common equity ratio, and tangible book value per common share, in this release that are considered "non-GAAP financial measures." Generally, a non-GAAP financial measure is a numerical measure of a company's financial performance, financial position, or cash flows that exclude (or include) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with GAAP.

The Company considers its tangible common equity, PPNR, ROATCE, ROAA, PPNR ROAA, core efficiency ratio, the tangible common equity ratio, and tangible book value per common share, collectively "core performance measures," presented in this earnings release and the included tables as important measures of financial performance, even though they are non-GAAP measures, as they provide supplemental information by which to evaluate the impact of certain non-comparable items, and the Company's operating performance on an ongoing basis. Core performance measures exclude certain other income and expense items, such as the FDIC special assessment, merger-related expenses, facilities charges, and the gain or loss on sale of investment securities, that the Company believes to be not indicative of or useful to measure the Company's operating performance on an ongoing basis. The attached tables contain a reconciliation of these core performance measures to the GAAP measures. The Company believes that the tangible common equity ratio provides useful information to investors about the Company's capital strength even though it is considered to be a non-GAAP financial measure and is not part of the regulatory capital requirements to which the Company is subject.

The Company believes these non-GAAP measures and ratios, when taken together with the corresponding GAAP measures and ratios, provide meaningful supplemental information regarding the Company's performance and capital strength. The Company's management uses, and believes that investors benefit from referring to, these non-GAAP measures and ratios in assessing the Company's operating results and related trends and when forecasting future periods. However, these non-GAAP measures and ratios should be considered in addition to, and not as a substitute for or preferable to, ratios prepared in accordance with GAAP. In the attached tables, the Company has provided a reconciliation of, where applicable, the most comparable GAAP financial measures and ratios to the non-GAAP financial measures and ratios, or a reconciliation of the non-GAAP calculation of the financial measures for the periods indicated.

Reconciliation of Non-GAAP Financial Measures



(\$ in thousands)	Quarter ended				
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
SHAREHOLDERS' EQUITY TO TANGIBLE COMMON EQUITY AND TOTAL ASSETS TO TANGIBLE ASSETS					
Shareholders' equity	\$ 1,824,002	\$ 1,832,011	\$ 1,755,273	\$ 1,731,725	\$ 1,716,068
Less preferred stock	71,988	71,988	71,988	71,988	71,988
Less goodwill	365,164	365,164	365,164	365,164	365,164
Less intangible assets	8,484	9,400	10,327	11,271	12,318
Tangible common equity	\$ 1,378,366	\$ 1,385,459	\$ 1,307,794	\$ 1,283,302	\$ 1,266,598
Common shares outstanding	36,988	37,184	37,344	37,515	37,416
Tangible book value per share (non-GAAP)	\$ 37.27	\$ 37.26	\$ 35.02	\$ 34.21	\$ 33.85
Total assets	\$ 15,596,431	\$ 14,954,125	\$ 14,615,666	\$ 14,613,338	\$ 14,518,590
Less goodwill	365,164	365,164	\$ 365,164	365,164	365,164
Less intangible assets	8,484	9,400	\$ 10,327	11,271	12,318
Tangible assets (non-GAAP)	\$ 15,222,783	\$ 14,579,561	\$ 14,240,175	\$ 14,236,903	\$ 14,141,108
Tangible common equity to tangible assets (non-GAAP)	9.05 %	9.50 %	9.18 %	9.01 %	8.96 %

(\$ in thousands)	Quarter ended					Year ended	
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
CALCULATION OF PRE-PROVISION NET REVENUE							
Net interest income	\$ 146,370	\$ 143,469	\$ 140,529	\$ 137,728	\$ 140,732	\$ 568,096	\$ 562,592
Noninterest income	20,631	21,420	15,494	12,158	25,452	69,703	68,725
FDIC special assessment	—	—	—	625	2,412	625	2,412
Core conversion expense	1,893	1,375	1,250	350	—	4,868	—
Less gain on sale of investment securities	—	—	—	—	220	—	601
Less gain (loss) on sale of other real estate owned	(68)	3,159	—	(2)	—	3,089	187
Less noninterest expense	99,522	98,007	94,017	93,501	92,603	385,047	348,186
PPNR (non-GAAP)	\$ 69,440	\$ 65,098	\$ 63,256	\$ 57,362	\$ 75,773	\$ 255,156	\$ 284,755
Average assets	\$ 15,309,577	\$ 14,849,455	\$ 14,646,381	\$ 14,556,119	\$ 14,332,804	\$14,841,690	\$13,805,236
PPNR ROAA (non-GAAP)	1.80 %	1.74 %	1.74 %	1.58 %	2.10 %	1.72 %	2.06 %

Reconciliation of Non-GAAP Financial Measures



(\$ in thousands)	Quarter ended				Year ended		
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	December 31, 2023	
RETURN ON AVERAGE TANGIBLE COMMON EQUITY (ROATCE) AND RETURN ON AVERAGE ASSETS (ROAA)							
Average shareholder's equity	\$ 1,844,509	\$ 1,804,369	\$ 1,748,240	\$ 1,738,698	\$ 1,652,882	\$ 1,784,175	\$ 1,623,121
Less average preferred stock	71,988	71,988	71,988	71,988	71,988	71,988	71,988
Less average goodwill	365,164	365,164	365,164	365,164	365,164	365,164	365,164
Less average intangible assets	8,930	9,855	10,783	11,770	12,858	10,329	14,531
Average tangible common equity	<u>\$ 1,398,427</u>	<u>\$ 1,357,362</u>	<u>\$ 1,300,305</u>	<u>\$ 1,289,776</u>	<u>\$ 1,202,872</u>	<u>\$ 1,336,694</u>	<u>\$ 1,171,438</u>
Net income (GAAP)	\$ 48,834	\$ 50,585	\$ 45,446	\$ 40,401	\$ 44,529	\$ 185,266	\$ 194,059
FDIC special assessment (after tax)	—	—	—	470	1,814	470	1,814
Core conversion expense (after tax)	1,424	1,034	940	263	—	3,661	—
Less gain on sale of investment securities (after tax)	—	—	—	—	165	—	452
Less gain (loss) on sales of other real estate owned (after tax)	(51)	2,375	—	(1)	—	2,323	141
Net income adjusted (non-GAAP)	<u>\$ 50,309</u>	<u>\$ 49,244</u>	<u>\$ 46,386</u>	<u>\$ 41,135</u>	<u>\$ 46,178</u>	<u>\$ 187,074</u>	<u>\$ 195,280</u>
Less preferred stock dividends	937	938	937	938	937	3,750	3,750
Net income available to common shareholders adjusted (non-GAAP)	<u>\$ 49,372</u>	<u>\$ 48,306</u>	<u>\$ 45,449</u>	<u>\$ 40,197</u>	<u>\$ 45,241</u>	<u>\$ 183,324</u>	<u>\$ 191,530</u>
ROATCE (non-GAAP)	13.63 %	14.55 %	13.77 %	12.31 %	14.38 %	13.58 %	16.25 %
Adjusted ROATCE (non-GAAP)	14.05 %	14.16 %	14.06 %	12.53 %	14.92 %	13.71 %	16.35 %
Average assets	\$15,309,577	\$ 14,849,455	\$ 14,646,381	\$ 14,556,119	\$14,332,804	\$14,841,690	\$13,805,236
Return on average assets (GAAP)	1.27 %	1.36 %	1.25 %	1.12 %	1.23 %	1.25 %	1.41 %
Adjusted return on average assets (non-GAAP)	1.31 %	1.32 %	1.27 %	1.14 %	1.28 %	1.26 %	1.41 %

Reconciliation of Non-GAAP Financial Measures



(\$ in thousands)	Quarter ended				
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
ALLOWANCE COVERAGE RATIO ADJUSTED FOR GUARANTEED LOANS					
Loans (GAAP)	\$ 11,220,355	\$ 11,079,892	\$ 11,000,007	\$ 11,028,492	\$ 10,884,118
Less guaranteed loans	947,665	928,272	923,794	924,633	932,118
Adjusted loans (non-GAAP)	<u>\$ 10,272,690</u>	<u>\$ 10,151,620</u>	<u>\$ 10,076,213</u>	<u>\$ 10,103,859</u>	<u>\$ 9,952,000</u>
Allowance for credit losses	\$ 137,950	\$ 139,778	\$ 139,464	\$ 135,498	\$ 134,771
Allowance for credit losses/loans (GAAP)	1.23 %	1.26 %	1.27 %	1.23 %	1.24 %
Allowance for credit losses/adjusted loans (non-GAAP)	1.34 %	1.38 %	1.38 %	1.34 %	1.35 %

(\$ in thousands)	Quarter ended					Year ended	
	December 31, 2024	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
CORE EFFICIENCY RATIO							
Net interest income (GAAP)	\$ 146,370	\$ 143,469	\$ 140,529	\$ 137,728	\$ 140,732	\$ 568,096	\$ 562,592
Tax-equivalent adjustment	2,272	2,086	2,047	2,040	1,915	8,445	8,079
Noninterest income (GAAP)	20,631	21,420	15,494	12,158	25,452	69,703	68,725
Less gain on sale of investment securities	—	—	—	—	220	—	601
Less gain (loss) on sale of other real estate owned	(68)	3,159	—	(2)	—	3,089	187
Core revenue (non-GAAP)	<u>\$ 169,341</u>	<u>\$ 163,816</u>	<u>\$ 158,070</u>	<u>\$ 151,928</u>	<u>\$ 167,879</u>	<u>\$ 643,155</u>	<u>\$ 638,608</u>
Noninterest expense (GAAP)	\$ 99,522	\$ 98,007	\$ 94,017	\$ 93,501	\$ 92,603	\$ 385,047	\$ 348,186
Less FDIC special assessment	—	—	—	625	2,412	625	2,412
Less core conversion expense	1,893	1,375	1,250	350	—	4,868	—
Less amortization on intangibles	916	927	944	1,047	1,108	3,834	4,601
Core revenue (non-GAAP)	<u>\$ 96,713</u>	<u>\$ 95,705</u>	<u>\$ 91,823</u>	<u>\$ 91,479</u>	<u>\$ 89,083</u>	<u>\$ 375,720</u>	<u>\$ 341,173</u>
Core efficiency ratio (non-GAAP)	57.1 %	58.4 %	58.1 %	60.2 %	53.1 %	58.4 %	53.4 %



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