# Investor Call <br> FOURTH QUARTER 2023 

January 17, 2024<br>Time: 8:30 AM CT<br>Webcast: www.pnfp.com (investor relations)



## Safe Harbor Statements

Forward Looking Statements





























 of new information, future events or otherwise.

## Safe Harbor Statements

## Non-GAAP Financial Matters

This presentation contains certain non-GAAP financial measures, including, without limitation, total revenues, net income to common shareholders, earnings per diluted common share, revenue per diluted common share, PPNR, efficiency ratio, noninterest expense, noninterest income and the ratio of noninterest expense to average assets, excluding in certain instances the impact of expenses related to other real estate owned, gains or losses on sale of investment securities, gains associated with the sale-leaseback transaction completed in the second quarter of 2023, losses on the restructuring of certain BOLI contracts, a charge related to the FDIC special assessment and other matters for the accounting periods presented. This presentation may also contain certain other nonGAAP capital ratios and performance measures that exclude the impact of goodwill and core deposit intangibles associated with Pinnacle Financial's acquisitions of BNC, Avenue Bank, Magna Bank, CapitalMark Bank \& Trust, Mid-America Bancshares, Inc., Cavalry Bancorp, Inc. and other acquisitions which collectively are less material to the non-GAAP measure as well as the impact of Pinnacle Financial's Series B Preferred Stock. The presentation of the non-GAAP financial information is not intended to be considered in isolation or as a substitute for any measure prepared in accordance with GAAP. Because non-GAAP financial measures presented in this presentation are not measurements determined in accordance with GAAP and are susceptible to varying calculations, these non-GAAP financial measures, as presented, may not be comparable to other similarly titled measures presented by other companies.

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## Shareholder Value Dashboard

4Q23 Summary Results of Key GAAP Measures


Net Income Available to Common Shareholders


## Shareholder Value Dashboard

4Q23 Summary Results of Key Non-GAAP Measures




## Adjusted Pre-Tax Pre-Provision

 Net Income*



[^0] branch rationalization charges, FHLB restructuring charges and hedge termination charges. PPNR represents pre-tax, pre-provision net revenues.

## 4Q23 Financial Information

Our advantaged markets, vulnerable competitors and relentless focus on true relationship banking lead to extraordinary resilience even in challenging periods like 2023.

## 2023 Revealed PNFP's Ability to Attract and Retain Deposits

Average deposit growth was 4.6\% linked-quarter annualized in Q4


|  | Dec. 31, 2022 <br> EOP Rates | Sep. 30, 2023 <br> EOP Rates | Dec. 31, 2023 <br> EOP Rates | Dec. 31, 2023 <br> \% of Totals |
| :--- | :---: | :---: | :---: | :---: |
| Noninterest bearing | --- | --- |  | $20.5 \%$ |
| Interest-bearing: |  |  |  |  |
| Rate sheet | $1.43 \%$ | $1.92 \%$ | $1.82 \%$ | $17.6 \%$ |
| Negotiated | $2.55 \%$ | $3.79 \%$ | $3.89 \%$ | $21.9 \%$ |
| Indexed | $4.09 \%$ | $4.83 \%$ | $4.74 \%$ | $27.4 \%$ |
| CDs | $2.47 \%$ | $4.26 \%$ | $4.37 \%$ | $12.6 \%$ |
| Total IBD | $2.49 \%$ | $3.80 \%$ | $3.82 \%$ | $79.5 \%$ |
| Total Deposits | $1.79 \%$ | $2.97 \%$ | $3.04 \%$ | $100.0 \%$ |



## Highlights

- Several deposit growth initiatives in play for 2024
- Interest rate competition from regional banks consistent with 3 Q23 and below 1H23 levels
- Decision to increase rates early in cycle has resulted in aboveaverage beta compared to peers, consistent volume growth and, we believe, a defensible competitive position
- Preparing relationship managers for eventual rate down economy and impact on depositors -> 27\% of deposits indexed to Fed funds


##  <br> Linked-quarter annualized growth in average loans was $10.7 \%$ in Q4




| Rate Index | Portfolio Snapshot: End-of-Period Weighted Average Coupon |  |  |  |  | Loan Originations: Quarterly Average Rate |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { At Dec. 31, } \\ & 2022 \end{aligned}$ | At Sep. 30, 2023 | $\begin{aligned} & \text { At Dec. 31, } \\ & 2023 \end{aligned}$ | YoY Change | As a \% of Total Portfolio | 4Q22 | 3Q23 | 4Q23 | Origination Mix 4Q23 |
| SOFR | 6.40\% | 7.51\% | 7.55\% | 1.15\% | 43.0\% | 6.43\% | 7.65\% | 7.88\% | 52.2\% |
| 1M SOFR | 4.39\% | 5.32\% | 5.35\% | 0.96\% |  | 3.90\% | 5.30\% | 5.34\% |  |
| Prime | 7.58\% | 8.60\% | 8.56\% | 0.98\% | 14.7\% | 7.42\% | 8.44\% | 8.37\% | 26.5\% |
| FF Target | 4.50\% | 5.50\% | 5.50\% | 1.00\% |  | 3.85\% | 5.43\% | 5.50\% |  |
| T-Bill | 4.31\% | 4.71\% | 4.88\% | 0.57\% | 4.3\% | 6.13\% | 7.65\% | 8.08\% | 2.1\% |
| SY UST | 4.00\% | 4.61\% | 3.85\% | (0.15\%) |  | 3.99\% | 4.31\% | 4.42\% |  |
| Fixed Rate | 4.05\% | 4.34\% | 4.45\% | 0.40\% | 38.0\% | 5.56\% | 7.17\% | 7.33\% | 19.2\% |
| Total Loans* | 5.51\% | 6.32\% | 6.41\% | 0.90\% | 100.0\% | 6.39\% | 7.81\% | 7.91\% | 100.0\% |

## Highlights

- Spreads on new variable rate loans have been consistent since rates began to increase in early 2022
- Spreads on new fixed rate loans improved again in 4Q and significantly improved over the course of the year as firm continues to emphasize target pricing on new fixed rate loans
- Through year end 2023, loan pricing beta approximates 55\% since 1Q22

Talent Attraction in New and Existing Markets is a Key Driver of Loan Growth Hires in new and existing markets accounted for more than 75\% of loan growth in 2023

```
Net Loan Growth - 2023 - Strategic Decisions:
    Asset Generators - No growth; reduction of $60 million
        BHG, JBB and Advocate Capital
    trategic Expansion - $2.1 billion
        Atlanta, DC, Alabama, Kentucky, Franchise Finance, Equipment Finance
    Recruiting Impact - $638 million
        - New RMs hired in past }3.0\mathrm{ years other than in our strategic market
        expansions
    egacy market - $942 million
    . Nashville, Charlotte, Raleigh, Charleston, Memphis, Chattanooga, etc.
```



## Operating Environment Continues to Impact Firm Liquidity

Net interest margin flattish between Q3 and Q4




## Highlights

- Modest growth in earning asset volume and a stable NIM resulted in a slight linked-quarter increase in net interest income
- Increase in securities primarily the result of \$301 million increase in FV of securities during the quarter
- Rate forecast contemplates 25bp Fed funds rate decrease in late 2Q24 followed by three similar decreases before y/e 2024 - yield curve flattens somewhat but remains inverted throughout 2024
- Expect relationship managers to proactively manage client base as Fed initiates reduced rates


## PNFP's Asset Quality Has Continued to Perform Well

Problem loan metrics such as NPAs and classified assets remain near historically low levels


Highlights

- Credit metrics continue to move towards normalization in 4Q23 but still reflect a highperforming loan portfolio
- PNFP hiring model aimed at experienced bankers moving seasoned relationships to PNFP is at the core of our strategy
- ACL remained at 1.08\%


## PNFP's CRE Portfolio Continues to Perform Well

PNFP's granular CRE portfolio is concentrated in high-growth Southeastern markets



Office CRE Property Locations


93\% of Office CRE properties located in PNFP markets

- Nashville, Raleigh, Charleston and Charlotte (60\% of \$1.12Bn)
- No Office CRE properties in $A Z, C A, I L, M A, M N, N Y$

Office CRE - $\$ 1.12$ billion in outstandings at EOP 4Q23:

- Very granular portfolio
- Only 3.3\% of total loans
- Only 12 loans > $\$ 20 \mathrm{~mm}$ commitments
- Avg Commitment of $\$ 31.8 \mathrm{~mm}$
- Avg. O/S balance of $\$ 26.0 \mathrm{~mm}$
- No Spec construction, total balance of top 12 is approx. $\$ 313 \mathrm{~mm}$
- Remaining 546 loans - Avg. outstanding balance of $\$ 1.41$ million
- LTV of $\sim 56 \%$, LTC of ~65\%, Stabilized Occupancy of $\sim 87 \%$
- \$153,000 past due at EOP 4Q23


## 4Q23 Adjusted Fee Income was up 4.8\% Year-Over-Year

PNFP continues emphasis on gathering more share of wallet from client base BHG) approximates $\$ 14.4$ million, down from $\$ 25.0$ million last quarter, largely due to a decrease in volumes quarter-over-quarter.

- Bank-owned life insurance decreased $3 Q 23$ to $4 Q 23$ due to the restructuring of $\$ 740.0$ million in BOLI contracts which resulted in a $\$ 7.2$ million loss during 4Q23.
- Included in other noninterest income in 4Q23 are approximately $\$ 2.8$ million in gains on life insurance claims during the quarter.
- Income from equity investments in 3Q23 included a $\$ 5.9$ fair value adjustment for a solar related investment


## YTD 2023 to 2022

Wealth management revenues increased \$10.6 million due to increase in the number of assets being managed year-over-year.

- Gain on sale from fixed assets for 2023 includes $\$ 85.7$ million from sale leaseback transaction recognized in 2Q23.

| (dollars in thousands) | 4Q23 | 3Q23 | 4Q22 | LinkedQuarter Annualized Growth \% | Year-overYear Growth \% | 2023 | 2022 | Year-overYear Growth \% |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Service charges | \$12,660 | \$12,665 | \$11,123 | (0.2\%) | 13.8\% | \$49,223 | \$44,675 | 10.2\% |
| Investment services | 13,410 | 13,253 | 11,765 | 4.7\% | 14.0\% | 52,432 | 46,441 | 12.9\% |
| Insurance commissions | 3,072 | 2,882 | 2,668 | 26.2\% | 15.1\% | 13,670 | 12,186 | 12.2\% |
| Gain (loss) on mortgage loans sold, net | 879 | 2,012 | (65) | (>100\%) | >100\% | 6,511 | 7,268 | (10.4\%) |
| Gains (losses) on sales of investment securities, net | 14 | $(9,727)$ | - | >100\% | NM | $(19,674)$ | 156 | (>100\%) |
| Trust fees | 6,987 | 6,640 | 5,767 | 20.7\% | 21.2\% | 26,683 | 23,511 | 13.5\% |
| Income from equity method investment (BHG) | 14,432 | 24,967 | 21,005 | (>100\%) | (31.3\%) | 85,402 | 145,466 | (41.3\%) |
| Gain on sale of fixed assets | 102 | 87 | 32 | 68.4\% | >100\% | 86,048 | 457 | >100\% |
| Other: |  |  |  |  |  |  |  |  |
| Interchange and other consumer fees | 17,487 | 18,156 | 16,536 | (14.6\%) | 5.8\% | 69,709 | 68,022 | 2.5\% |
| Bank-owned life insurance | $(1,335)$ | 5,822 | 5,615 | (>100\%) | (>100\%) | 15,797 | 21,033 | (24.9\%) |
| Loan swap fees | 2,408 | 1,461 | 1,183 | >100\% | >100\% | 7,851 | 5,812 | 35.1\% |
| SBA loans sales | 1,086 | 725 | 801 | >100\% | 35.6\% | 3,983 | 7,036 | (43.4\%) |
| Income from other equity investments | (781) | 5,837 | 1,501 | (>100\%) | (>100\%) | 8,732 | 10,605 | (17.7\%) |
| Other | 8,667 | 6,017 | 4,390 | >100\% | 97.4\% | 26,886 | 23,456 | 14.6\% |
| Total noninterest income | \$79,088 | \$90,797 | \$82,321 | (51.2\%) | (3.9\%) | \$433,253 | \$416,124 | 4.1\% |
| Noninterest income/Average Assets | 0.66\% | 0.76\% | 0.79\% | (52.2\%) | (16.5\%) | 0.94\% | 1.05\% | (10.5\%) |
| Adjusted noninterest income* | \$86,240 | \$100,524 | \$82,321 | (56.4\%) | 4.8\% | \$374,401 | \$415,968 | (10.0\%) |
| Adjusted noninterest Income*/Total Avg. Assets | 0.72\% | 0.84\% | 0.79\% | (56.7\%) | (8.9\%) | 0.82\% | 1.04\% | (21.2\%) |

[^1] comparable GAAP measures, see slides 50-51.

## 4Q23 Expense Results Consistent with Prior Quarter Outlook

```
4Q23 to 3Q23
4Q23 to 3Q23 \(\quad\) Personnel cost reflect the impact of increased headcount and increased
``` incentive costs in 4Q23 over 3Q23.
- Deposit related expense increased due to FDIC special assessment of \$29.0 million recorded in 4Q23.
- Other noninterest expense decreased in 4Q23 from 3Q23 primarily due to increases in franchise tax.

\section*{YTD 2023 to 2022}

Personnel cost reflect the impact of increased headcount offset by decreased incentive costs in 2023 over 2022 due to below target performance.
- Increases in equipment and occupancy costs a result of the sale-leaseback transaction consummated in 2Q23 with increased lease costs offset in part by reduced depreciation.
\begin{tabular}{|c|c|c|c|c|c|c|c|c|}
\hline (dollars in thousands) & 4Q23 & 3Q23 & 4Q22 & Linked-Quarter Annualized Growth \% & \begin{tabular}{l}
Yr-over-Yr \\
Growth \%
\end{tabular} & 2023 & 2022 & Yr-over-Yr Growth \% \\
\hline Salaries and commissions & \$92,107 & \$91,421 & \$84,920 & 3.0\% & 8.5\% & \$361,251 & \$318,007 & 13.6\% \\
\hline Cash and equity incentives & 21,913 & 18,520 & 28,536 & 72.7\% & (23.2\%) & 86,858 & 116,984 & (25.8\%) \\
\hline Employee benefits and other & 19,313 & 20,403 & 18,346 & (21.2\%) & 5.3\% & 83,719 & 75,184 & 11.4\% \\
\hline Total personnel costs & \$133,333 & \$130,344 & \$131,802 & 9.1\% & 1.2\% & \$531,828 & \$510,175 & 4.2\% \\
\hline Equipment and occupancy & 38,021 & 36,900 & 29,329 & 12.1\% & 29.6\% & 138,980 & 109,672 & 26.7\% \\
\hline Other real estate, net & 125 & 33 & 179 & >100\% & (30.2\%) & 315 & 280 & 12.5\% \\
\hline Marketing and other business development & 6,829 & 5,479 & 7,579 & 97.8\% & (9.9\%) & 23,914 & 21,073 & 13.5\% \\
\hline Postage and supplies & 2,840 & 2,621 & 2,682 & 33.1\% & 5.9\% & 11,143 & 10,168 & 9.6\% \\
\hline Amortization of intangibles & 1,751 & 1,765 & 1,937 & (3.1\%) & (9.6\%) & 7,090 & 7,810 & (9.2\%) \\
\hline \multicolumn{9}{|l|}{Other noninterest expense:} \\
\hline Deposit related expense & 42,600 & 14,138 & 7,910 & >100\% & >100\% & 78,757 & 28,972 & >100\% \\
\hline Lending related expense & 12,945 & 12,508 & 13,637 & 13.9\% & (5.1\%) & 50,109 & 52,700 & (4.9\%) \\
\hline Wealth management expense & 695 & 734 & 722 & (21.1\%) & (3.7\%) & 2,934 & 2,565 & 14.4\% \\
\hline Other noninterest expense & 12,029 & 8,711 & 6,270 & >100\% & 91.9\% & 42,699 & 36,584 & 16.7\% \\
\hline Total other noninterest expense & \$68,269 & \$36,091 & \$28,539 & >100\% & >100\% & \$174,499 & \$120,821 & 44.4\% \\
\hline Total noninterest expense & \$251,168 & \$213,233 & \$202,047 & 70.6\% & 24.3\% & \$887,769 & \$779,999 & 13.8\% \\
\hline Efficiency ratio Expense/Total Average Assets & \[
\begin{aligned}
& \text { 63.4\% } \\
& \text { 2.09\% }
\end{aligned}
\] & \[
\begin{aligned}
& 52.3 \% \\
& \text { 1.79\% }
\end{aligned}
\] & \[
\begin{aligned}
& 50.3 \% \\
& 1.94 \%
\end{aligned}
\] & \[
\begin{aligned}
& 84.2 \% \\
& 66.5 \%
\end{aligned}
\] & \[
\begin{gathered}
26.0 \% \\
7.7 \%
\end{gathered}
\] & \[
\begin{aligned}
& 52.4 \% \\
& 1.94 \%
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\] & \[
\begin{aligned}
& 50.5 \% \\
& 1.96 \%
\end{aligned}
\] & \[
\begin{aligned}
& \text { 3.8\% } \\
& \text { (1.0\%) }
\end{aligned}
\] \\
\hline Adjusted noninterest expense * & \$222,043 & \$213,200 & \$201,868 & 16.5\% & 10.0\% & \$858,454 & \$779,719 & 10.1\% \\
\hline Efficiency ratio ** & 55.0\% & 51.0\% & 50.2\% & 31.1\% & 9.6\% & 52.5\% & 50.5\% & 4.0\% \\
\hline Adjusted noninterest expense*/Total avg. assets & 1.85\% & 1.79\% & 1.94\% & 13.3\% & (4.6\%) & 1.87\% & 1.96\% & (4.6\%) \\
\hline Headcount (FTE) & 3,357.0 & 3,329.5 & 3,241.5 & 3.3\% & 3.6\% & 3,357.0 & 3,241.5 & 3.6\% \\
\hline
\end{tabular}

\section*{Preservation and Growth in Tangible Book Value Remains a Critical Focus}

4Q23 tangible book value per share was up 14.8\% year-over-year


\begin{tabular}{|l|c|c|}
\hline & \multicolumn{2}{c|}{\(\begin{array}{c}\text { As of } \\
\text { Dec. 31, 2023 }\end{array}\)} \\
\hline
\end{tabular} \(\left.\begin{array}{c}\text { Peer Ranking as } \\
\text { of Sept. 30, 2023 } \\
\text { (*) }\end{array}\right]\)
(*) AOCl \(^{(s)}\) not considered in Tangible capital ratio calculation. HTM is computed as the difference between the FV of HTM securities and the carrying value of the portfolio less \(\mathbf{2 5 \%}\) tax effect.

\section*{Highlights \\ - Dividends -}
- Dividends per common share of \(\mathbf{\$ 0 . 2 2}\) in 4Q23.
- Tangible Book Value per Common Share Growth -
- Tangible book value per common share at Dec. 31, 2023 was \(\$ 51.38\) up 14.8\% from Dec. 31, 2022.
- Includes impact of \(\$ 35\) million charge from PNFP portion of BHG adopting CECL on October 1, 2023
- Capital Ratios remains strong with top quartile Tangible Common Equity/Tangible Assets ratios heading into 2024

\section*{Bankers Healthcare Group}

BHG's differentiated model has proven very resilient with continued high-quality originations, loan sales and yield/spread premium. The gain on sale model continues to provide meaningful earnings to BHG and to Pinnacle even as BHG has increased the mix toward balance sheet spread income via securitizations. Capital and reserve levels elevated to support a sound balance sheet.

\section*{BHG Continues to Leverage \& Grow its Bank Network}

BHG loans remained in high demand throughout 2023

\section*{4Q 2023 Highlights}
- BHG successfully closed its second ABS transaction of 2023 in November.
- BHG continued to build on its institutional investor relationships, closing an additional whole loan sale agreement in December
- BHG added new banks to its auction platform, with 714 unique bank buyers in 2023.
- The company implemented CECL on October 1, 2023 transitioning to a \(9.4 \%\) lifetime loss allowance on the on-balance sheet portfolio. The CECL implementation resulted in a \(\$ 95.2\) million charge to equity on their balance sheet.

\section*{2024 Outlook}
- Anticipate originations to be lower in 2024 as the company continues to focus on credit quality over volume.
- Forecasted shift in Federal Reserve monetary policy could positively impact borrowing costs and spreads.
- Expense savings measures implemented in Q4 should result in reduced operating expenses in 2024.

Quarterly Origination \& Placements (\$mm) \({ }^{1}\)


Banks Buyers in Funding Network


\section*{BHG Has Diverse, Growing Funding Channels}

Proactive management of placement channels provides flexibility to BHG's platform


Over 1,600 Banks in Network. 714 unique banks have acquired BHG loans in 2023, approximating \$1.9bn in loan volume.
\$1bn in loan volume in 2023 sold to multiple institutional investors.

Over \(\mathbf{\$ 2}\).2bn in cumulative secured borrowing placements to date. BHG and investor share in credit losses.
\$2.6bn+ in notes issued through 8 transactions.

3 Warehouse facilities with large banks, providing up to \(\$ 850 \mathrm{~mm}\) in funding capacity, with \$0 utilization at Dec 31, 2023.
\(\$ 675 \mathrm{~mm}\) recently renewed revolving line of credit to fund near-term cash needs for new loans - 8 banks in facility ( \(\$ 315 \mathrm{~mm}\) utilized at Dec 31, 2023).

\section*{BHG Spreads are Consistent with Pre-COVID Results}

Spreads prove resilient despite elevated benchmark rates

\section*{Bank Auction Platform Rates}
- Bank buy rates have increased since the Fed began increasing rates in 1Q22.
- Auction platform spreads decreased to \(7.6 \%\) in 4Q23 consistent with pre-COVID results.
- BHG continues to work with bank partners to optimize risk/return dynamics and facilitate attractive loan economics.

\section*{On-Balance Sheet Rates}
- Chart details blended rates for the entire on-balance sheet portfolio at quarter end.
- On balance sheet spreads increased by 50bps in 4Q23.
- Approximately \(90 \%\) of balance sheet loans are fixed rates collateralized via an SPV with locked in spreads approximating 9.3\%

\section*{Borrower Coupon and Bank Buy Rates}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 18.0\% & & & & & & & 15.5\% & 15.8\% & 17.0\% & 16.7\% & 16.7\% & 16.4\% \\
\hline 15.0\% & 13.6\% & 13.4\% & 13.9\% & 13.9\% & 14.0\% & 14.2\% & & & & & & \\
\hline \multicolumn{13}{|l|}{12.0\%} \\
\hline 9.0\% & & & & & & & & 69\% & 7.6\% & 8.0\% & 8.6\% & 8.8\% \\
\hline & 40\% & & & & & 4.4\% & 5.8\% & & & & & \\
\hline 6.0\% & 4.0\% & 3.7\% & 3.4\% & 3.2\% & 3.1\% & & & & & & & \\
\hline \multicolumn{13}{|l|}{3.0\%} \\
\hline \multicolumn{13}{|l|}{0.0\%} \\
\hline & 1Q21 & 2 Q 21 & 3Q21 & 4Q21 & 1Q22 & 2Q22 & 3Q22 & 4Q22 & 1Q23 & 2Q23 & 3Q23 & 4Q23 \\
\hline
\end{tabular}

\section*{Blended Portfolio Yield On Balance Sheet \& Related on Balance Sheet Funding Costs}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{\[
\begin{aligned}
& \text { 18.0\% } \\
& \text { 15.0\% }
\end{aligned}
\]} & \multicolumn{2}{|l|}{\multirow[b]{2}{*}{12.0\% 12.5\%}} & \multirow[b]{2}{*}{13.4\%} & \multirow[b]{2}{*}{14.2\%} & \multirow[b]{2}{*}{14.1\%} & \multirow[b]{2}{*}{14.6\%} & \multirow[t]{2}{*}{15.1\%} & \multirow[t]{2}{*}{15.5\%} & \multirow[t]{2}{*}{15.4\%} & \multirow[t]{2}{*}{15.3\%} & \multirow[t]{2}{*}{15.5\%} & \multirow[t]{2}{*}{16.3\%} \\
\hline & & & & & & & & & & & & \\
\hline \multicolumn{13}{|l|}{12.0\%} \\
\hline 9.0\% & & & & & & & & & 5.6\% & 5.9\% & 6.3\% & 6.6\% \\
\hline 6.0\% & 3.8\% & 3.2\% & 2.7\% & 2.9\% & 3.0\% & 3.5\% & 3.6\% & 4.6\% & & & & \\
\hline \multicolumn{13}{|l|}{3.0\%} \\
\hline \multicolumn{13}{|l|}{0.0\%} \\
\hline & 1Q21 & 2 Q 21 & 3 Q 21 & 4Q21 & 1Q22 & 2 Q 22 & 3Q22 & 4Q22 & 1Q23 & 2Q23 & 3 Q 23 & 4Q23 \\
\hline & & & & -Loan & erest In & me Yield & - & rowing & & & & \\
\hline
\end{tabular}
\begin{tabular}{|l|c|c|c|c|c|c|c|c|c|c|}
\hline \begin{tabular}{l} 
On Balance \\
Sheet Size(\$B)
\end{tabular} & \(\$ 1.3\) & \(\$ 1.6\) & \(\$ 1.9\) & \(\$ 2.2\) & \(\$ 2.5\) & \(\$ 2.9\) & \(\$ 3.3\) & \(\$ 3.6\) & \(\$ 3.8\) & \(\$ 3.8\) \\
\hline
\end{tabular}

\section*{Increased Focus on Higher FICO Originations}
- BHG continues to refine and tighten its credit underwriting:
- Losses in certain risk classes, particularly the lower credit tranches of loans made postCOVID (2021 and 1H22), exceeded acceptable internal tolerances prompting more conservative underwriting standards by BHG beginning in 2 H 22 .
- Loss reserves strengthened while adding resources in collections in an effort to minimize future losses.
- Historical credit analysis indicates that approximately \(70 \%\) of losses occur within the first 36 months of origination.


Cumulative Net Loss Curves (24 months)
Chargeoff Ratio by Vintages


\section*{BHG Reserves Have Adequate Cushion Relative to Actual Losses}

Reserves strengthened in the quarter as BHG implemented CECL for on balance sheet allowance

\section*{Reserves vs. Actual Losses for Off B/S Loans (TTM)}
- Reserves for off-balance sheet exposure created to support loans sold to bank network partners. BHG's reserve declined from \(5.5 \%\) to \(5.4 \%\) quarter over quarter but continues to be comfortably above trailing loss expense.
- Historically, reserves to support losses from loans held on the balance sheet have been established pursuant to the inherent loss model (pre-CECL).
- On October 1, 2023, BHG adopted the expected loss model pursuant to CECL for on-balance sheet loans. As a result, the allowance for lifetime credit losses associated with CECL implementation increased to \(9.4 \%\) of on balance sheet loans.


Reserves vs. Actual Losses of On B/S Loans (TTM)


\section*{BHG Financial Overview}

BHG generated positive 2023 earnings against a challenging environment
- BHG provides loans in as little as 3 days from application to funding.
- A truly diversified funding strategy creates ample liquidity to fund loan originations, through:
- BHG's proprietary online auction platform encompassing over 1,600 financial institutions historically.
- Programmatic sponsorship in the ABS market and institutional whole loan sale relationships.
- BHG distinguishes itself by:
- Targeting professionals through direct mail and other sophisticated marketing techniques using a wide range of proprietary marketing tools.
- Underwriting applications through proprietary risk models, combining both credit \& behavioral data points.
- Net revenue generation through net interest income, origination fees, servicing fees and gain on sale income with a compound annual growth rate of \(27 \%\) over the last 5 years.


\section*{Earnings Before Taxes (\$mm)}


\section*{PNFP Enhances Its Already Attractive Southeastern Franchise}
- Credit
- Hiring model promotes the building of a high-quality commercial loan portfolio
- 10 years experience in market is intended to result in strong client selection
- Loan growth managed to levels with capital and client deposit levels in mind
- Liquidity
- Investment portfolio typically < \(16 \%\) of assets, as management of AOCI critical to TBV accretion
- Track record of building liquidity in uncertain times (COVID and post-SIVB)
- Mid 80\%'s loan to deposit ratio seems right for us - deposits trump loans
- Interest rates
- Target near neutrality in up and down 100 bps scenarios.
- Rate ramps and shocks compare favorably to our peers
- Capital
- Impressive tangible book value growth over last 5 years - an important metric to management
- Top quartile Tangible Equity Ratios over time
- New associates
- Substantial investment in risk management areas consistent with growth and sophistication of firm - Multiple former regulators now with PNFP
- Incentives
- All performance-based incentive plans require soundness thresholds; credit metrics and TBV accretion are key components

\section*{PNFP Enhances Its Already Attractive Southeastern Markets}

Florida's urban markets have been targeted for quite some time

\section*{Finnacte}
U.S. Net Domestic Migration April 1, 2020 to July 1, 2022

Pinnacle's Footprint (Including Jacksonville, FL)


\section*{PNFP Enhances Its Already Attractive Southeastern Franchise} Recent de novo starts outpace PNFP's start up in Nashville, where it now dominates

Jacksonville offers a similar opportunity to our other de novo starts


\section*{PNFP Enhances Its Already Attractive Southeastern Franchise} Jacksonville is one of the Southeast's most attractive markets
\begin{tabular}{|l|c|c|c|c|c|}
\hline & Nashville, TN & Charlotte, NC & Atlanta, GA & Washington, D.C. & Jacksonville, FL \\
\hline GDP 10-year growth rate & \(88.4 \%\) & \(72.6 \%\) & \(72.3 \%\) & \(44.9 \%\) & \(83.6 \%\) \\
\hline Population 10-year growth rate & \(17.9 \%\) & \(16.8 \%\) & \(12.9 \%\) & \(6.8 \%\) & \(20.2 \%\) \\
\hline Unemployment rate - & & & & & \\
\hline Jan. 2020 & \(3.0 \%\) & \(3.4 \%\) & \(3.4 \%\) & \(3.0 \%\) & \(3.2 \%\) \\
\hline May 2020 & \(16.0 \%\) & \(13.0 \%\) & \(12.6 \%\) & \(9.4 \%\) & \(10.8 \%\) \\
\hline Oct. 2023 & \(2.9 \%\) & \(3.2 \%\) & \(3.4 \%\) & \(2.7 \%\) & \(3.1 \%\) \\
\hline
\end{tabular}

\section*{PNFP Enhances Its Already Attractive Southeastern Franchise} Jacksonville's competitive landscape is ideal for PNFP
\begin{tabular}{|c|c|c|c|c|c|}
\hline \begin{tabular}{c} 
FDIC Market Share \\
Rank
\end{tabular} & Nashville, TN & Charlotte, NC & Atlanta, GA & Washington, D.C. & Jacksonville, FL \\
\hline 1 & PNFP & BAC & TFC & COF & \\
\hline 2 & BAC & TFC & BAC & BAC \\
\hline 3 & RF & WFC & WFC & BAC & Everbank \\
\hline 4 & TFC & FTB & SFC & WFC \\
\hline
\end{tabular}

\section*{PNFP Enhances Its Already Attractive Southeastern Franchise}


\section*{Scott Keith, Regional President}
- 34 years of local experience
- Former regional president for North Florida at Truist
- Built the North Florida leadership team following BB\&T-SunTrust merger
- Led 1,100 employees serving 100,000 clients


\section*{Bryan Taylor, Area Manager}
- Co-leads middle market and commercial banking
- 21 years of experience at BB\&T/Truist
- Led North Florida teams for middle market, government and not-for-profit, commercial real estate


\section*{Debbie Buckland, Area Manager}
- Co-leads middle market and commercial banking
- 27 years of local experience
- Former market president for Jacksonville at Truist
- Market president at SunTrust prior to that

\section*{PNFP is Optimistic about Financial Outlook for 2024}

Focus remains to increase market share via a robust hiring model
\begin{tabular}{|c|c|c|}
\hline & 2024 Outlook - as of January 17, 2024 (Note) & 2023 Actual Results \\
\hline Y/Y EOP Loan Growth & - We estimate low double-digit percentage EOP loan growth for 2024 over 2023 year-end balances. & Y/Y growth of 12.5\% \\
\hline \[
\begin{gathered}
\text { Y/Y EOP } \\
\text { Deposit Growth }
\end{gathered}
\] & - We estimate high-single to low double-digit percentage growth for 2024 over 2023 year-end balances. & Y/Y growth of 10.2\% \\
\hline Net interest income & - Net interest income growth for 2024 is estimated to be high-single to low-double digit percentage growth. Anticipate our NIM for 1Q24 to be flattish with 4Q23 levels. & Y/Y growth of 11.8\% \\
\hline Fee income & - We estimate that "core" fee growth for 2024 over 2023 should approximate mid to high-single digit percentage growth for non-interest income excluding income from BHG, and, in the case of 2023, the \(\$ 85.7\) million gain on the sale of fixed assets as a result of the sale-leaseback transaction, \(\$ 19.7\) million in losses on sale of investments securities and \(\$ 7.2\) million in BOLI restructuring charges. We estimate that BHG fee income should approximate mid-single digit percentage increase in 2024 over the \(\$ 85.4\) million in 2023. & \begin{tabular}{l}
\(\mathrm{Y} / \mathrm{Y}\) growth of \(6.9 \%^{(\#)}\) \\
BHG earnings decreased Y/Y by 41\%
\end{tabular} \\
\hline Expenses & - We estimate total expenses in 2024 to approximate mid to high-teens percentage increases in 2024 over 2023. Excluding estimated cash and equity incentive costs planned for 2024 and the actual cash and equity incentives expensed in 2023, we estimate total expenses in 2024 to approximate low double-digit percentage increases in 2024 over 2023. & Y/Y growth of 13.8\% \\
\hline Asset quality & - Our asset quality measurements remain strong. We currently anticipate our net charge-off experience in 2024 will be consistent with 2023. We believe that ACL as a percentage of total loans will be flat to up slightly, but this could change should macro factors warrant. & Net loan charge-offs of 0.16\% \\
\hline
\end{tabular}

\footnotetext{

 are modeling. See slide 2 of these materials for more information.
(\#) Excludes impact of revenues (losses) from BHG, gain from sale leaseback transactions, investment securities net losses and losses from BOLI restructuring
}

\section*{Q\&A}

FOURTH QUARTER 2023

\section*{Finnacte}


\section*{Supplemental Information}

Slide \#
- Balance Sheet 32
- Income Statement 47
- Peer Group 52

\section*{Balance Sheet - Loan Portfolio Segments}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|}
\hline (\$ in millions) & \[
\begin{aligned}
& \text { Amts. } \\
& \text { 4Q23 }
\end{aligned}
\] & \[
\begin{gathered}
\% \\
4 \mathrm{Q} 23
\end{gathered}
\] & \begin{tabular}{l}
Amts. \\
3Q23
\end{tabular} & \[
\begin{gathered}
\% \\
3 \text { Q23 }
\end{gathered}
\] & \begin{tabular}{l}
Amts. \\
4Q22
\end{tabular} & \[
\begin{gathered}
\% \\
4 Q_{22}
\end{gathered}
\] & \begin{tabular}{l}
Amts. \\
4Q21
\end{tabular} & \[
\begin{gathered}
\% \\
\text { 4Q21 }
\end{gathered}
\] \\
\hline C\&1 & \$11,663.1 & 35.7\% & \$11,303.6 & 35.4\% & \$10,233.3 & 35.2\% & \$7,703.5 & 32.9\% \\
\hline C\&I - Paycheck Protection Program & 3.6 & 0.0\% & 4.0 & 0.0\% & 8.0 & 0.0\% & 371.1 & 1.6\% \\
\hline CRE - Owner Occ. & 4,044.9 & 12.4\% & 3,944.6 & 12.3\% & 3,587.3 & 12.4\% & 3,048.8 & 13.0\% \\
\hline Total C\& \& O/O CRE & \$15,711.6 & 48.1\% \(12.1{ }^{10}\) & \$15,252.2 & 47.7\% & \$13,828.6 & 47.6\% & \$11,123.4 & 47.5\% \\
\hline CRE - Investment & 5,929.6 & 18.1\% & 5,957.5 & 18.7\% & 5,277.5 & 18.2\% & 4,607.0 & 19.7\% \\
\hline CRE - Multifamily and other & 1,605.9 & 4.9\% & 1,490.2 & 4.7\% & 1,265.2 & 4.3\% & 614.7 & 2.6\% \\
\hline C\&D and Land & 4,041.1 & 12.4\% & 3,942.1 & 12.3\% & 3,679.5 & 12.7\% & 2,903.0 & 12.4\% \\
\hline Total CRE \& Construction & \$11,576.6 & 35.4\% \(6.6^{6 \%}\) & \$11,389.8 & 35.7\% & \$10,222.2 & 35.2\% & \$8,124.7 & 34.7\% \\
\hline Consumer RE & 4,851.5 & 14.9\% & 4,768.8 & 14.9\% & 4,435.0 & 15.3\% & 3,680.7 & 15.7\% \\
\hline Consumer and other & 536.4 & 1.6\% & 532.5 & 1.7\% & 555.8 & 1.9\% & 485.5 & 2.1\% \\
\hline Total Other & \$5,387.9 & 16.5\% \(6.9{ }^{\text {\% }}\) \% & \$5,301.3 & 16.6\% & \$4,990.8 & 17.2\% & \$4,166.2 & 17.8\% \\
\hline Total Loans & \$32,676.1 & 100.0\% 9.20 \({ }^{\text {\% }}\) & \$31,943.3 & 100.0\% & \$29,041.6 & 100.0\% & \$23,414.3 & 100.0\% \\
\hline
\end{tabular}

\section*{Balance Sheet - Loan Portfolio - Market Segmentation}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{2}{*}{(\$ in millions)} & \multicolumn{2}{|l|}{TOTAL PINNACLE} & \multicolumn{2}{|l|}{C\& \& O/O CRE} & \multicolumn{2}{|l|}{CRE \& CONSTRUCTION} & \multicolumn{3}{|l|}{OTHER LOANS*} \\
\hline & \begin{tabular}{l}
Amts. \\
4Q23
\end{tabular} & \begin{tabular}{l}
Amts. \\
4Q22
\end{tabular} & Amts. 4Q23 & \begin{tabular}{l}
Amts. \\
4Q22
\end{tabular} & \begin{tabular}{l}
Amts. \\
4Q23
\end{tabular} & \begin{tabular}{l}
Amts. \\
4Q22
\end{tabular} & \begin{tabular}{l}
Amts. \\
4Q23
\end{tabular} & & \[
\begin{aligned}
& \text { Amts. } \\
& 4 \mathrm{Q} 22
\end{aligned}
\] \\
\hline Nashville & \$8,526.3 & \$8,154.6 & \$3,684.5 & \$3,562.2 & \$2,992.1 & \$2,918.2 & \$1,849.7 & & \$1,674.2 \\
\hline Knoxville & 2,144.8 & 2,045.7 & 1,183.4 & 1,178.0 & 523.8 & 457.9 & 437.6 & & 409.8 \\
\hline Chattanooga & 2,132.7 & 1,850.4 & 1,261.0 & 1,119.6 & 435.6 & 342.7 & 436.1 & & 388.1 \\
\hline Memphis & 2,263.9 & 2,054.3 & 1,096.1 & 1,072.6 & 772.7 & 614.0 & 395.1 & & 367.7 \\
\hline Huntsville & 69.5 & 45.2 & 32.4 & 27.1 & 16.8 & (0.3) & 20.3 & & 18.4 \\
\hline Birmingham & 628.2 & 393.5 & 564.0 & 357.2 & 47.4 & 27.2 & 16.8 & & 9.1 \\
\hline Bowling Green & 192.4 & 102.2 & 151.8 & 64.5 & 38.5 & 36.1 & 2.1 & & 1.6 \\
\hline Louisville & 133.1 & & 131.1 & - & 2.0 & & & & \\
\hline Total Tennessee /AL /KY & \$16,090.9 & 9.9\% \({ }^{\text {\% }}\) \$14,645.9 & \$8,104.3 & 9.8\% \({ }^{\text {\% }}\) ( \(7,381.2\) & \$4,828.9 & 9.9\% \({ }^{9 \%}\) & \$3,157.7 & \(10^{1.10}\) & \$2,868.9 \\
\hline Greensboro/High Point & \$2,277.8 & \$2,189.5 & \$715.4 & \$747.6 & \$1,221.3 & \$1,131.8 & \$341.1 & & \$310.1 \\
\hline Charlotte & 3,366.8 & 3,172.9 & 799.2 & 818.3 & 1,969.1 & 1,789.1 & 598.5 & & 565.5 \\
\hline Raleigh & 1,688.9 & 1,640.7 & 332.1 & 306.6 & 1,204.8 & 1,193.7 & 152.0 & & 140.4 \\
\hline Charleston & 1,094.7 & 1,011.6 & 199.3 & 221.1 & 634.4 & 540.3 & 261.0 & & 250.2 \\
\hline Greenville & 572.4 & 556.5 & 192.3 & 187.7 & 305.4 & 292.1 & 74.7 & & 76.7 \\
\hline Roanoke & 746.6 & 744.9 & 331.0 & 329.7 & 299.2 & 297.5 & 116.4 & & 117.7 \\
\hline Washington, D.C. & 388.4 & 137.7 & 228.0 & 74.1 & 152.9 & 60.5 & 7.5 & & 3.1 \\
\hline SBA Lending Team & 214.9 & 183.7 & 204.2 & 169.3 & 8.8 & 12.4 & 1.9 & & 2.0 \\
\hline Total Carolina/VA & \$10,350.5 & 1. \(\mathrm{D}^{010} \quad \$ 9,637.5\) & \$3,001.5 & 5. \(2 \% \quad \$ 2,854.4\) & \$5,795.9 & 9.0\% \(\$ 5,317.4\) & \$1,553.1 & 6.0\% & \$1,465.7 \\
\hline Atlanta & \$1,384.3 & \$870.9 & \$557.8 & \$438.2 & \$721.4 & \$350.3 & \$105.1 & & \$82.4 \\
\hline Specialty Lending* & 2,531.8 & 1,675.7 & 2,194.7 & 1,366.5 & 102.8 & 112.2 & 234.3 & & 197.0 \\
\hline Other & 2,318.6 & 5\% 2,211.6 & 1,853.3 & 6\% 1,788.3 & 127.6 & 2\% 46.5 & 337.7 & & 376.8 \\
\hline Total & \$32,676.1 & 2. \(\mathbf{\$ 2 9 , 0 4 1 . 6 ~}\) & \$15,711.6 & 13.0 & \$11,576.6 & 13. \(\$ 10,222.2\) & \$5,387.9 & 8.0 & \$4,990.8 \\
\hline
\end{tabular}

\section*{Balance Sheet - Loan Portfolio - CRE Segmentation}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|}
\hline (s in millions) & Total NO & and Mu & family & Tot & Construct & & Total NO & 0 and Const & truction \\
\hline & Amts.
\[
4 \mathrm{Q} 23
\] & \begin{tabular}{l}
Amts. \\
3Q23
\end{tabular} & Amts. 4Q22 & Amts. 4Q23 & Amts. 3Q23 & Amts. 4Q22 & Amts. 4Q23 & \begin{tabular}{l}
Amts. \\
3Q23
\end{tabular} & \[
\begin{aligned}
& \text { Amts. } \\
& \text { 4Q22 }
\end{aligned}
\] \\
\hline Multifamily & \$1,607.9 & \$1,490.6 & \$1,291.8 & \$1,546.0 & \$1,319.5 & \$910.9 & \$3,153.9 & \$2,810.1 & \$2,202.7 \\
\hline Hospitality & 656.2 & 742.0 & 787.2 & 26.6 & 18.6 & 10.6 & 682.8 & 760.6 & 797.8 \\
\hline Retail & 1,551.0 & 1,548.5 & 1,526.4 & 208.7 & 189.2 & 276.7 & 1,759.7 & 1,737.7 & 1,803.1 \\
\hline Office & 908.6 & 948.3 & 921.7 & 207.6 & 231.1 & 218.0 & 1,116.2 & 1,179.4 & 1,139.7 \\
\hline Warehouse & 1,552.4 & 1,508.7 & 919.8 & 716.5 & 791.3 & 736.0 & 2,268.9 & 2,300.0 & 1,655.8 \\
\hline Medical & 912.1 & 859.5 & 761.0 & 59.7 & 120.4 & 171.9 & 971.8 & 979.9 & 932.9 \\
\hline Other & 347.3 & 350.1 & 334.8 & 1,276.0 & 1,272.0 & 1,355.4 & 1,623.3 & 1,622.1 & 1,690.2 \\
\hline Total & \$7,535.5 & \$7,447.7 & \$6,542.7 & \$4,041.1 & \$3,942.1 & \$3,679.5 & \$11,576.6 & \$11,389.8 & \$10,222.2 \\
\hline \multicolumn{10}{|l|}{Average Ticket Size (in \({ }^{\text {(000s) }}\)} \\
\hline & \$2,705.7 & \$2,655.0 & \$2,373.1 & \$1,123.5 & \$1,074.6 & \$866.2 & \$1,813.9 & \$1,759.9 & \$1,459.3 \\
\hline
\end{tabular}

\section*{Balance Sheet - Loan Portfolio Lines of Credit}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|}
\hline (s's in millions) & 6/30/2022 & 9/30/2022 & 12/31/2022 & 3/31/2023 & 6/30/2023 & 9/30/2023 & 12/31/2023 & Linked Qtr. Change \\
\hline \multicolumn{9}{|l|}{CRE - Investment \& Construction} \\
\hline Net Active Balance & \$4,389.62 & \$4,743.41 & \$5,225.32 & \$5,726.97 & \$6,060.77 & \$6,294.22 & \$6,517.57 & \$223.35 \\
\hline Net Available Credit & 6,145.46 & 6,556.19 & 6,440.49 & 6,081.81 & 5,584.45 & 4,969.23 & 4,274.53 & (694.70) \\
\hline Total Exposure & 10,535.08 & 11,299.60 & 11,665.81 & 11,808.78 & 11,645.22 & 11,263.44 & 10,792.09 & (471.35) \\
\hline \% Funded & 41.7\% & 42.0\% & 44.8\% & 48.5\% & 52.0\% & 55.9\% & 60.4\% & 4.5\% \\
\hline \multicolumn{9}{|l|}{C\&I and O/O CRE} \\
\hline Net Active Balance & \$4,973.23 & \$5,378.49 & \$5,650.22 & \$5,720.51 & \$5,841.30 & \$5,943.93 & \$6,110.25 & \$166.32 \\
\hline Net Available Credit & 6,147.20 & 6,576.16 & 7,036.07 & 7,424.74 & 7,318.09 & 7,334.89 & 7,323.25 & (11.64) \\
\hline Total Exposure & 11,120.43 & 11,954.65 & 12,686.29 & 13,145.24 & 13,159.39 & 13,278.82 & 13,433.50 & 154.68 \\
\hline \% Funded & 44.7\% & 45.0\% & 44.5\% & 43.5\% & 44.4\% & 44.8\% & 45.5\% & 0.7\% \\
\hline \multicolumn{9}{|l|}{Consumer} \\
\hline Net Active Balance & \$1,850.23 & \$1,837.93 & \$1,964.04 & \$1,954.93 & \$2,121.75 & \$2,296.59 & \$2,369.28 & \$72.69 \\
\hline Net Available Credit & 2,477.99 & 2,707.66 & 2,747.03 & 3,035.74 & 3,456.94 & 3,600.64 & 3,741.64 & 141.00 \\
\hline Total Exposure & 4,328.22 & 4,545.59 & 4,711.07 & 4,990.67 & 5,578.69 & 5,897.22 & 6,110.92 & 213.70 \\
\hline \% Funded & 42.7\% & 40.4\% & 41.7\% & 39.2\% & 38.0\% & 38.9\% & 38.8\% & (0.1\%) \\
\hline \multicolumn{9}{|l|}{Totals} \\
\hline Net Active Balance & \$11,213.08 & \$11,959.83 & \$12,839.58 & \$13,402.41 & \$14,023.82 & \$14,534.74 & \$14,997.10 & \$462.36 \\
\hline Net Available Credit & 14,770.64 & 15,840.02 & 16,223.59 & 16,542.29 & 16,359.48 & 15,904.75 & 15,339.42 & (565.33) \\
\hline Total Exposure & 25,983.72 & 27,799.85 & 29,063.17 & 29,944.69 & 30,383.30 & 30,439.48 & 30,336.52 & (102.97) \\
\hline \% Funded & 43.2\% & 43.0\% & 44.2\% & 44.8\% & 46.2\% & 47.7\% & 49.4\% & 1.7\% \\
\hline
\end{tabular}

\section*{Current Expected Credit Losses}

Total Allowance for Credit Losses for loans = \$353.1 or 1.08\% of loans at December 31, 2023
\begin{tabular}{|c|c|c|c|c|}
\hline & Allowance for Credit Losses & \% of Loans & Off-Balance Sheet & Total \\
\hline At December 31, 2022 & \$300,665 & 1.04\% \({ }^{(1)}\) & \$24,969 & \$325,634 \\
\hline Net Charge Offs & \((\$ 7,291)\) & 0.10\% \({ }^{(2)}\) & & \((\$ 7,291)\) \\
\hline 1Q Provision & \$20,467 & & (\$2,000) & \$18,467 \\
\hline At March 31, 2023 & \$313,841 & 1.04\% \({ }^{(1)}\) & \$22,969 & \$336,810 \\
\hline Net Charge Offs & \((\$ 9,771)\) & 0.13\% \({ }^{(2)}\) & & (\$9,771) \\
\hline 2Q Provision & \$33,389 & & (\$1,500) & \$31,889 \\
\hline At June 30, 2023 & \$337,459 & 1.08\% \({ }^{(1)}\) & \$21,469 & \$358,928 \\
\hline Net Charge Offs & \((\$ 18,093)\) & 0.23\% \({ }^{(2)}\) & & \((\$ 18,093)\) \\
\hline 3Q Provision & \$26,826 & & \$ - & \$26,826 \\
\hline At September 30, 2023 & \$346,192 & 1.08\% \({ }^{(1)}\) & \$21,469 & \$367,661 \\
\hline Net Charge Offs & \((\$ 13,451)\) & 0.17\% \({ }^{(2)}\) & & \((\$ 13,451)\) \\
\hline 4Q Provision & \$20,314 & & (\$4,000) & \$16,314 \\
\hline At December 31, 2023 & \$353,055 & 1.08\% \({ }^{(1)}\) & \$17,469 & \$370,524 \\
\hline
\end{tabular}
(1) Calculation based on end of period loan balance
(2) Net charge-off percentage calculation is annualized and in relation to avg. quarterly loan balances

\section*{Current Expected Credit Losses}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|}
\hline \multirow[b]{2}{*}{Allowance for Credit Losses} & \multicolumn{2}{|l|}{\[
\begin{gathered}
\text { December 31, } \\
2022
\end{gathered}
\]} & \multicolumn{2}{|l|}{\[
\begin{gathered}
\text { March 31, } \\
2023
\end{gathered}
\]} & \multicolumn{2}{|r|}{\[
\begin{gathered}
\text { June 30, } \\
2023
\end{gathered}
\]} & \multicolumn{2}{|l|}{\[
\begin{gathered}
\text { September 30, } \\
2023
\end{gathered}
\]} & \multicolumn{2}{|l|}{\[
\begin{gathered}
\text { December 31, } \\
2023
\end{gathered}
\]} \\
\hline & Amount & \begin{tabular}{l}
\% of \\
Loans
\end{tabular} & Amount & \% of Loans & Amount & \% of Loans & Amount & \% of Loans & Amount & \% of Loans \\
\hline Commercial and Industrial & \$144,353 & 1.41\% & \$153,629 & 1.43\% & \$148,418 & 1.35\% & \$144,302 & 1.28\% & \$148,212 & 1.27\% \\
\hline Commercial Real Estate & 67,096 & 0.66\% & 65,512 & 0.62\% & 81,605 & 0.74\% & 85,127 & 0.75\% & 86,377 & 0.75\% \\
\hline Construction and Land Development & 36,114 & 0.98\% & 37,599 & 0.96\% & 38,855 & 1.00\% & 37,030 & 0.94\% & 39,142 & 0.97\% \\
\hline Consumer Real Estate & 36,536 & 0.82\% & 39,160 & 0.86\% & 59,374 & 1.27\% & 70,497 & 1.48\% & 71,354 & 1.47\% \\
\hline Consumer and Other & 16,566 & 2.98\% & 17,941 & 3.21\% & 9,207 & 1.66\% & 9,236 & 1.73\% & 7,970 & 1.49\% \\
\hline Allowance for Credit Losses - Loans & \$300,665 & 1.04\% & \$313,841 & 1.04\% & \$337,459 & 1.08\% & \$346,192 & 1.08\% & \$353,055 & 1.08\% \\
\hline Reserve for unfunded commitments & 24,969 & & 22,969 & & 21,469 & & 21,469 & & 17,469 & \\
\hline Allowance for Credit Losses - Total & \$325,634 & & \$336,810 & & \$358,928 & & \$367,661 & & \$370,524 & \\
\hline
\end{tabular}

\section*{Asset Quality}

Finnacte
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline (\$ in thousands) & December 31, 2023 & AS A \% OF TOTAL LOANS & September 30, 2023 & AS A \% OF TOTAL LOANS & December 31, 2022 & AS A \% OF TOTAL LOANS \\
\hline \multicolumn{7}{|l|}{NPLs and > 90 days} \\
\hline Const. and land development & \$607 & 0.00\% & - & 0.00\% & \$232 & 0.00\% \\
\hline Consumer RE & 18,660 & 0.06\% & 19,655 & 0.06\% & 17,329 & 0.06\% \\
\hline CRE - Owner Occupied & 3,452 & 0.01\% & 5,090 & 0.02\% & 1,882 & 0.01\% \\
\hline CRE - Non-Owner Occupied & 41,343 & 0.13\% & 1,795 & 0.01\% & 2,244 & 0.01\% \\
\hline Total real estate & \$64,062 & 0.20\% & \$26,540 & 0.09\% & \$21,687 & 0.08\% \\
\hline C\&I & 22,734 & 0.07\% & 19,936 & 0.06\% & 20,007 & 0.07\% \\
\hline Other & 1,496 & 0.00\% & 1,443 & 0.00\% & 828 & 0.00\% \\
\hline Total loans & \$88,292 & 0.27\% & \$47,919 & 0.15\% & \$42,522 & 0.15\% \\
\hline \multicolumn{7}{|l|}{Classified loans and ORE} \\
\hline Classified commercial loans & \$218,917 & 0.67\% & \$190,271 & 0.60\% & \$73,442 & 0.25\% \\
\hline Doubtful commercial loans & - & 0.00\% & - & 0.00\% & - & 0.00\% \\
\hline Other impaired loans & 22,078 & 0.07\% & 20,595 & 0.06\% & 18,511 & 0.06\% \\
\hline 90 days past due and accruing (*) & 6,004 & 0.02\% & 4,969 & 0.02\% & 4,283 & 0.02\% \\
\hline Other real estate & 3,937 & 0.01\% & 2,555 & 0.01\% & 7,952 & 0.03\% \\
\hline Other repossessed assets & 410 & 0.00\% & 464 & 0.00\% & - & 0.00\% \\
\hline Total & \$251,346 & 0.77\% & \$218,854 & 0.69\% & \$104,188 & 0.36\% \\
\hline Pinnacle Bank classified asset ratio & 5.2\% & & 4.6\% & & 2.4\% & \\
\hline \({ }^{\text {(*) Excludes past due loans rated substandard }}\) & & & & & & 38 \\
\hline
\end{tabular}

\section*{Balance Sheet - Loan Portfolio}


\section*{Balance Sheet - Loan Portfolio - 100/300 Test rimaade}
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline & \multicolumn{6}{|c|}{(\$ in thousands)} \\
\hline Description & 4Q23 & 3Q23 & 2Q23 & 1Q23 & 4Q22 & 3Q22 \\
\hline Loans secured by real estate: & & & & & & \\
\hline Construction, land development, and other loans: & & & & & & \\
\hline 1-4 family residential construction loans & \$693,128 & \$684,366 & \$676,742 & \$737,692 & \$772,653 & \$792,046 \\
\hline Other construction loans and all land development and other land loans & 3,347,953 & 3,257,777 & 3,228,032 & 3,171,332 & 2,906,845 & 2,756,925 \\
\hline Loans included in the 100\% test & \$4,041,081 & \$3,942,143 & \$3,904,774 & \$3,909,024 & \$3,679,498 & \$3,548,971 \\
\hline & & & & & & \\
\hline Secured by multifamily (5 or more) residential properties & \$1,605,899 & \$1,494,383 & \$1,493,237 & \$1,331,249 & \$1,265,165 & \$1,046,914 \\
\hline Loans secured by other nonfarm nonresidential properties & 5,929,595 & 5,957,426 & 5,682,652 & 5,556,484 & 5,277,454 & 5,122,127 \\
\hline Financed real estate not secured by real estate & 476,929 & 421,282 & 426,348 & 398,383 & 469,072 & 421,389 \\
\hline Unsecured REITs & 373,222 & 356,203 & 353,232 & 337,055 & - & \\
\hline Loans included in the 300\% test & \$12,426,726 & \$12,171,437 & \$11,860,243 & \$11,532,195 & \$10,691,189 & \$10,139,400 \\
\hline Total Risk-Based Capital & \$4,797,278 & \$4,746,496 & \$4,620,531 & \$4,417,066 & \$4,282,742 & \$4,155,586 \\
\hline \% of Total Risk-Based Capital & & & & & & \\
\hline 100\% Test - Construction and Land Development & 84\% & 83\% & 85\% & 89\% & 86\% & 85\% \\
\hline 300\% Test - Construction and Land Development + NOOCRE + Multifamily & 259\% & 256\% & 257\% & 261\% & 250\% & 244\% \\
\hline
\end{tabular}

\section*{Key CRE Asset Classes}


\section*{Balance Sheet - Deposit Portfolio - Market Segmentation}
\begin{tabular}{|c|c|c|c|c|c|c|c|c|}
\hline \multirow[t]{3}{*}{(\$ in millions)} & \multicolumn{2}{|l|}{TOTAL DEPOSITS} & \multicolumn{4}{|c|}{CORE DEPOSITS} & \multicolumn{2}{|l|}{NONCORE DEPOSITS} \\
\hline & \multicolumn{2}{|l|}{TOTAL PINNACLE} & \multicolumn{2}{|l|}{TRANSACTION AND MMDA} & \multicolumn{2}{|c|}{CDs} & \multicolumn{2}{|l|}{PUBLIC FUNDS and OTHER DEPOSITS} \\
\hline & 4Q23 & 4Q22 & 4Q23 & 4Q22 & 4Q23 & 4Q22 & 4Q23 & 4Q22 \\
\hline Nashville & \$13,937.8 & 13,403.3 & 12,553.3 & 12,514.9 & 742.6 & 497.7 & 641.9 & 390.7 \\
\hline Knoxville & 2,657.3 & 2,449.2 & 2,381.4 & 2,246.0 & 202.7 & 149.5 & 73.2 & 53.7 \\
\hline Memphis & 2,296.8 & 2,092.6 & 1,864.7 & 1,779.2 & 282.9 & 176.1 & 149.2 & 137.3 \\
\hline Chattanooga & 2,474.2 & 2,045.4 & 2,170.1 & 1,849.9 & 200.0 & 107.2 & 104.1 & 88.3 \\
\hline Birmingham & 299.2 & 220.0 & 199.7 & 140.5 & 1.9 & 2.7 & 97.6 & 76.9 \\
\hline Huntsville & 319.0 & 232.3 & 290.3 & 223.4 & 5.8 & 3.0 & 22.9 & 5.9 \\
\hline Louisville & 28.4 & - & 11.7 & - & 16.7 & - & - & \\
\hline Bowling Green & 105.8 & 8\% 82.5 & 103.5 & 9\% 82.6 & 1.0 & 3 3 & 1.3 & 1.7\% \\
\hline Total TN/AL & \$22,118.5 & 1.8 \$20,525.3 & \$19,574.7 & 3. \({ }^{\text {\% }} 18,836.5\) & \$1,453.6 & 55. \({ }^{\text {¢ }}\) 936.2 & \$1,090.2 & A. \(\quad\) 752.8 \\
\hline Greensboro/High Point & 3,123.0 & 3,105.2 & 2,556.5 & 2,649.2 & 354.4 & 275.0 & 212.1 & 181.0 \\
\hline Charlotte & 2,143.7 & 2,096.7 & 1,835.9 & 1,853.5 & 196.9 & 152.6 & 110.9 & 90.6 \\
\hline Charleston & 1,765.1 & 1,475.5 & 1,501.9 & 1,286.2 & 186.1 & 139.4 & 77.1 & 49.9 \\
\hline Raleigh & 1,096.5 & 987.0 & 989.4 & 899.6 & 83.0 & 70.2 & 24.1 & 17.2 \\
\hline Roanoke & 979.5 & 975.6 & 833.3 & 851.7 & 109.1 & 93.9 & 37.1 & 30.0 \\
\hline Greenville & 490.9 & 464.8 & 372.9 & 364.3 & 75.3 & 71.0 & 42.7 & 29.5 \\
\hline Washington, D.C. & 914.5 & 0\% 198.2 & 755.7 & \% 187.6 & 137.2 & 6\%\% 9.8 & 21.6 & 1\% 0.8 \\
\hline Total Carolinas / VA & \$10,513.2 & 13.0 & \$8,845.6 & 9.3 \$8,092.1 & \$1,142.0 & 4, \$811.9 & \$525.6 & 31. \(\$ 399.0\) \\
\hline Atlanta & 642.6 & 537.4 & 611.5 & 511.9 & 11.3 & 5.7 & 19.8 & 19.8 \\
\hline Specialty Lending & 917.4 & 652.9 & 912.0 & 649.9 & 2.3 & 1.5 & 3.1 & 1.5 \\
\hline Other & 4,348.1 & \% \% 3,942.6 & 1,151.5 & \% 1,441.8 & 34.3 & \(5 \%\) & 3,162.3 & 2\% 2,487.2 \\
\hline Total & \$38,539.8 & \(10^{\text {2 }}\) \$34,961.2 & \$31,095.3 & 5.3 \$29,532.2 & \$2,643.5 & A \({ }^{\text {9 }}\) \$1,768.7 & \$4,801.0 & 31. \(\$ 3,660.3\) \\
\hline
\end{tabular}

\section*{Balance Sheet - Deposit Portfolio}

\begin{tabular}{|l|r|}
\hline \begin{tabular}{l} 
Estimated Liquidity Available for Uninsured Deposits \\
(\$'s in millions)
\end{tabular} & \begin{tabular}{c} 
Balances at \\
Dec.
\end{tabular} \\
\hline Total Deposits & \(\mathbf{\$ 3 8 , 5 4 0}\) \\
\hline Less: Insured and/or Collateralized Deposits & \(\mathbf{2 7 , 4 0 9}\) \\
\hline Total Deposits - Uninsured / Uncollateralized & \(\mathbf{\$ 1 1 , 1 3 1}\) \\
\hline Estimated Liquidity Available for Uninsured Deposits: & \\
\hline Est. Immediately Available through Cash, Fed Discount Window, BTFP program & \(\mathbf{8 , 2 6 1}\) \\
\hline Est. Other sources - FHLB, Unpledged bonds, Reciprocal deposit programs & \(\mathbf{9 , 4 5 8}\) \\
\hline Estimated Liquidity Available for Uninsured Deposits & \(\mathbf{\$ 1 7 , 7 1 9}\) \\
\hline Coverage Ratio of Uninsured and Uncollateralized Deposits & \(\mathbf{1 . 5 9 x}\) \\
\hline
\end{tabular}


\section*{Balance Sheet - Bond Portfolio}

Investment Securities Segmentation
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline Security Type & \[
\begin{gathered}
12 / 31 / 23 \\
\text { Balance }
\end{gathered}
\] & \(\%\) of Portfolio & \begin{tabular}{l}
9/30/23 \\
Balance
\end{tabular} & \(\%\) of Portfolio & \[
\begin{gathered}
12 / 31 / 22 \\
\text { Balance }
\end{gathered}
\] & \% of Portfolio \\
\hline Treasuries & 985,766 & 13.0\% & 902,335 & 12.1\% & 317,812 & 4.5\% \\
\hline Agencies & 617,736 & 8.1\% & 621,176 & 8.3\% & 815,437 & 11.6\% \\
\hline MBS & 1,742,787 & 22.9\% & 1,763,489 & 23.6\% & 1,813,736 & 25.7\% \\
\hline CMOs & 174,951 & 2.3\% & 135,405 & 1.8\% & 197,280 & 2.8\% \\
\hline Municipals & 3,522,736 & 46.4\% & 3,502,769 & 47.0\% & 3,447,174 & 48.9\% \\
\hline Asset Backed & 399,995 & 5.3\% & 376,863 & 5.1\% & 341,379 & 4.8\% \\
\hline Corporates & 154,572 & 2.0\% & 155,710 & 2.1\% & 123,274 & 1.7\% \\
\hline Portfolio Book Value & 7,598,544 & 100.0\% & 7,457,746 & 100.0\% & 7,056,093 & 100.0\% \\
\hline Unrealized G(L), gross & \((274,656)\) & (3.6\%) & \((575,470)\) & (7.7\%) & \((418,173)\) & (5.9\%) \\
\hline Portfolio Carrying Value & 7,323,887 & 96.4\% & 6,882,276 & 92.3\% & 6,637,920 & 94.1\% \\
\hline
\end{tabular}
- Notable increase in allocation to Treasuries in 2 H 23
- Effective duration (ex-hedges) decreased to \(6.2 \%\) at 12.31 vs. \(7.7 \%\) at 9.30 due to callable municipals being evaluated to call date at 12.31 vs. maturity at 9.30
- Effective duration, net of hedging activity, declined to \(2.9 \%\) at 12.31 compared to \(4.5 \%\) average over past 12 quarters

\section*{Portfolio: Dec. 31, 2023}

Total Investments Net Unrealized Gain (Loss)
\$7.3 billion (\$155.1) million
\begin{tabular}{|c|c|c|c|}
\hline Quarter & \begin{tabular}{c} 
Duration Net of \\
Hedging
\end{tabular} & Unhedged Duration & Avg. Yield - TE \\
\hline \(4 Q 23\) & \(2.9 \%\) & \(6.2 \%\) & \(4.1 \%\) \\
\hline \(3 Q 23\) & \(4.4 \%\) & \(7.7 \%\) & \(3.8 \%\) \\
\hline \(2 Q 23\) & \(4.5 \%\) & \(6.1 \%\) & \(3.7 \%\) \\
\hline \(1 Q 23\) & \(4.4 \%\) & \(5.9 \%\) & \(3.5 \%\) \\
\hline \(4 Q 22\) & \(4.4 \%\) & \(6.1 \%\) & \(3.2 \%\) \\
\hline \(3 Q 22\) & \(4.9 \%\) & \(6.7 \%\) & \(2.7 \%\) \\
\hline \(2 Q 22\) & \(4.6 \%\) & \(6.3 \%\) & \(2.3 \%\) \\
\hline \(1 Q 22\) & \(4.4 \%\) & \(5.5 \%\) & \(2.1 \%\) \\
\hline \(4 Q 21\) & \(4.1 \%\) & \(5.2 \%\) & \(2.1 \%\) \\
\hline \(3 Q 21\) & \(4.5 \%\) & \(5.7 \%\) & \(2.0 \%\) \\
\hline \(2 Q 21\) & \(4.3 \%\) & \(5.5 \%\) & \(2.3 \%\) \\
\hline \(1 Q 21\) & \(4.8 \%\) & \(5.8 \%\) & \(2.3 \%\) \\
\hline
\end{tabular}
- \(53 \%\) of effective duration has been neutralized via hedging

\section*{Balance Sheet - Bond Portfolio}



Note: See slide 52 for peer group utilized in the above analysis. Source: S\&P Global

\section*{Interest Rate Sensitivity}




 modeling scenarios. While the primary policy scenarios focus is on a twelve-month time frame, including the information above, for the earnings simulations model, longer time horizons are also modeled but are not shown herein.

\section*{Income Statement - Revenue Per Share}


\section*{Income Statement - PPNR}


\section*{BHG Financials}
\begin{tabular}{|c|c|c|c|}
\hline (\$'s in thousands) & \[
\begin{gathered}
\hline \text { At Dec 31, } \\
2023 \\
\hline
\end{gathered}
\] & \[
\begin{gathered}
\hline \text { At Sept 30, } \\
2023 \\
\hline
\end{gathered}
\] & \[
\begin{gathered}
\text { At Dec 31, } \\
2022 \\
\hline
\end{gathered}
\] \\
\hline Cash and Cash Equivalents & 602,850 & 642,519 & 683,143 \\
\hline Loans Held for Investment & 3,242,215 & 3,315,173 & 3,204,290 \\
\hline Allowance for Loan Losses & \((302,604)\) & \((213,484)\) & \((146,932)\) \\
\hline Loans Held for Sale & 429,252 & 256,492 & 400,359 \\
\hline Premises and Equipment & 74,963 & 74,674 & 91,681 \\
\hline Other Assets & 258,159 & 259,753 & 143,102 \\
\hline Total Assets & \$4,304,835 & \$4,335,128 & \$4,375,643 \\
\hline Estimated loan substitutions \& prepayments & 356,568 & 350,277 & 313,861 \\
\hline Secured Borrowings & 2,809,326 & 2,768,025 & 2,697,998 \\
\hline Notes Payable & 315,000 & 345,000 & 605,482 \\
\hline Borrower Reimbursable Fee & 162,647 & 163,306 & 143,723 \\
\hline Other Liabilities & 106,279 & 78,742 & 60,661 \\
\hline Total Liabilities & \$3,749,821 & \$3,705,350 & \$3,821,725 \\
\hline Equity & 555,014 & 629,778 & 553,918 \\
\hline Total Liabilities \& Stockholders Equity & \$4,304,835 & \$4,335,128 & \$4,375,643 \\
\hline Loan Liability at Other Banks & 6,612,727 & 6,419,084 & 5,549,214 \\
\hline \multicolumn{4}{|l|}{Soundness Statistics:} \\
\hline Cash to Assets & 14.00\% & 14.82\% & 15.61\% \\
\hline Equity to Assets & 12.89\% & 14.53\% & 12.66\% \\
\hline Est. loan subs \& prepays as \% of Loans at Other Banks & 5.39\% & 5.46\% & 5.66\% \\
\hline Allowance to Loans Held for Investment & 9.33\% & 6.44\% & 4.59\% \\
\hline Total Reserves against Total Outstanding & 6.69\% & 5.79\% & 5.26\% \\
\hline
\end{tabular}
\begin{tabular}{|c|c|c|c|c|c|c|}
\hline (\$'s in thousands) & \multicolumn{2}{|r|}{4Q 2023} & \multicolumn{2}{|r|}{3Q 2023} & \multicolumn{2}{|r|}{4Q 2022} \\
\hline Interest Income & \$ & 147,105 & \$ & 142,237 & \$ & 134,193 \\
\hline Interest Expense & & 51,106 & & 49,628 & & 36,262 \\
\hline Provision for Loan Losses & & 53,772 & & 67,712 & & 79,132 \\
\hline Net Interest Income After Provision for Loan Losses & & 42,227 & & 24,897 & & 18,799 \\
\hline Gains on Loan Sales \& Origination Fees & & 89,267 & & 147,877 & & 135,080 \\
\hline Other Income & & 18,950 & & 19,058 & & 10,688 \\
\hline Total Net Revenues & & 150,444 & & 191,832 & & 164,566 \\
\hline Gross Revenues \({ }^{1}\) & & 255,322 & & 309,173 & & 279,958 \\
\hline Salary and Benefits & & 56,920 & & 59,283 & & 60,861 \\
\hline Marketing Expenses & & 22,632 & & 28,099 & & 27,123 \\
\hline Portfolio Expenses & & 9,596 & & 11,804 & & 8,905 \\
\hline Other Expenses & & 32,133 & & 44,520 & & 29,611 \\
\hline Total Operating Expenses \({ }^{1}\) & & 121,281 & & 143,707 & & 126,501 \\
\hline Net Earnings & \$ & 29,163 & \$ & 48,125 & \$ & 38,065 \\
\hline \multicolumn{7}{|l|}{Profitability Statistics} \\
\hline Earnings to Gross Revenues & & 11.42\% & & 15.57\% & & 13.60\% \\
\hline Portfolio Mgmt Expense to Gross Revenues & & 44.84\% & & 41.77\% & & 44.40\% \\
\hline Operating Expenses to Gross Revenues & & 43.74\% & & 42.66\% & & 42.00\% \\
\hline
\end{tabular}

\section*{Income Statement}

Reconciliation of Non-GAAP Financial Measures
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline & 4 Q 23 & 3023 & 2 Q 23 & 1023 & \(4 \mathrm{Q22}\) & 3022 & 2 Q 22 & 1022 & 4 Q 21 & 3 Q 21 & 2 Q 21 & 1021 & \(4 \mathrm{Q20}\) & 3020 & 2 Q 20 & 1020 & \(4 \mathrm{Q19}\) & 3 Q 19 & 2 Q 19 & 1019 \\
\hline Net income & 91,181 & \$128,805 & \$ 193,501 & 133,473 & \$134,049 & \$144.860 & \$ 141,329 & \$ 125,312 & 129,730 & 132.779 & 127,992 & 121.630 & \$ 107.078 & \$06.847 & \$ 62.444 & 28,356 & 96,079 & 10, 521 & . 100.321 & 93,960 \\
\hline Investment (gains) losses on sales of securities & (14) & 9.727 & 9,961 & & & (217) & & 61 & (393) & - & \({ }^{(366)}\) & - & & (651) & 128 & (463) & (68) & (417) & 4.466 & 1,960 \\
\hline Gain on sale of fived assets as a result of sale leaseback & - & & \((85,692)\) & - & - & & - & - & & & & & & & & & & & & \\
\hline Sale of non-prime automobile portfolio & & & & - & & & & & & & & & & & & & & & 1.536 & \\
\hline ORE expense (income) & 125 & 33 & 58 & 99 & 179 & (90) & 86 & 105 & 37 & (79) & (657) & (13) & 1.457 & 1.795 & 2.888 & 2.415 & 804 & 655 & 2.523 & (246) \\
\hline FDIC special assessment & 29,000 & & & & & & & & & & & & & & & & & & & \\
\hline Loss on Bollrestucturing & 16,252 & & - & - & - & & - & - & - & - & & - & & - & - & & - & - & & \\
\hline Branch rationalization charges & & & & & & & & & - & & & & & & & & & & 3,18 & \\
\hline FHLB restructuring charges & - & & - & - & & & & & - & & & & 10,307 & 1.991 & 2.870 & & & & & \\
\hline Hedge termination charges & & & & & & & & & & & & & 4.673 & & & & & & & \\
\hline Taxeffect on above noted adiustments & (7,278) & (2,440) & 18.918 & (25) & (47) & 80 & (22) & (43) & 93 & 21 & 267 & 3 & \((4,297)\) & (819) & (1,539) & (510) & (192) & (62) & (3,062) & (448) \\
\hline Net income excluding above noted adiustments & * 129.266 & ( 136,125 & \$ 136,746 & \$ 133,547 & - 134,181 & \$ 144,633 & + 141,393 & \$ 125,435 & \$ 129,467 & + 132,721 & \$ 127,236 & ( 121,620 & ( 119,218 & + 109,163 & 66,791 & \$ 29,798 & + 96,623 & + 110,697 & \$ 108,973 & 95.226 \\
\hline Basic eanings per common share & 1.20 & 1.69 & 2.55 & 1.76 & 1.77 & 1.91 & 1.87 & 1.66 & 1.72 & 1.76 & 1.70 & 1.61 & 1.42 & 1.42 & 0.83 & 0.37 & 1.26 & 1.45 & + 1.31 & 1.22 \\
\hline Adiustment due togains andlosses on the sale of investment securities & & 0.13 & 0.13 & & & & & & (0.01) & & & & & (0.01) & & & (0.00) & (0.01) & 0.06 & 0.03 \\
\hline Adjustment due to gain on sale of fived assets as a result of sale leaseback & - & & (1.13) & - & - & & & & & & - & - & & & - & & - & & & \\
\hline Adiustment due to sale of non-prime automobile portfolio & & & & & - & & & & - & & & - & & & & & & & 0.02 & \\
\hline Adjustment due to ORE expense (income) & & & - & - & - & & & & - & & (0.01) & & 0.02 & 0.02 & 0.04 & 0.03 & 0.01 & 0.01 & 0.04 & 0.00 \\
\hline Adiustment due to FDIC special assessment & 0.38 & - & - & - & & & & - & - & & & & & & & & & & & \\
\hline Adiustment due to EOLI restucturing & 0.21 & & & - & & & & & - & & & & & & & & & & & \\
\hline Adiustment due to branch rationalization charges & & & & - & & & & & - & & & & & & & & - & & . 04 & \\
\hline Adiustment due to FHLB restucturing charges & - & & & & & - & & & - & - & & & 0.14 & 0.03 & 0.04 & & - & & & \\
\hline Adjustment due to hedge termination charges & & & & & - & & & & - & - & & & 0.06 & & & & & & & \\
\hline Adiustment due to tax effect of above noted adiustments & (0.09) & (0.03) & 0.25 & & & & & & & & & & (0.06) & (0.01) & (0.02) & (0.01) & (0.00) & (0.00) & (0.04) & 0.011 \\
\hline Basic earnings per common share exoluding above noted adiustments & 1.70 & 1.79 & 1.80 & 1.76 & 1.77 & 1.91 & 1.87 & 1.66 & 1.71 & + 1.76 & 1.69 & 1.61 & 1.58 & 1.45 & 0.89 & 0.39 & 1.27 & 1.45 & 1.43 & 1.24 \\
\hline Diluted earnings per common share & 1.19 & 1.69 & 2.54 & 1.76 & 1.76 & 1.91 & 1.86 & 1.65 & 1.71 & + 1.75 & 1.69 & 1.61 & 1.42 & 1.42 & 0.83 & 0.37 & 1.26 & 1.44 & 1.31 & 1.22 \\
\hline Adiustment due togains andlosses on the sale of investment securities & & 0.13 & 0.13 & & & & & & (0.01) & & & & & (0.01) & & & & (0.01) & 0.06 & 0.03 \\
\hline Adjustment due to gain on sale of fived assets as a result of sale leaseback & - & & (1.13) & - & & & & & & & & & & & & & & & & \\
\hline Adustment due to sale of non-prime automobile portfolio & & & & & & & & & & & & & & & & & & & 02 & \\
\hline Adiustment due to FDIC special assessment & 0.37 & & & & & & & & & & & - & & & & & - & & & \\
\hline Adiustment due to EOLIrestucturing & 0.21 & - & & - & & - & - & & - & & & & & & & & & & & \\
\hline Adjustment due to ORE expense fincome) & & & & & & & & & - & & (0.01) & & 0.02 & 0.02 & 0.04 & 0.03 & 0.01 & 0.01 & 0.03 & 00 \\
\hline Adjustment due to branch rationalization charges & - & - & & - & & & - & & - & & & & & & & & & & 0.04 & \\
\hline Adjustment due to FHLB restucturing charges & & & - & - & & & & & - & & & & 0.14 & 0.03 & 0.04 & & - & & & \\
\hline Adiustment due to hedge termination charges & & & & - & - & & - & - & - & - & - & & 0.06 & & & & & & & \\
\hline Adiustment due to tax effect of above noted adiustments & (0.09) & (0.03) & 0.25 & - & - & - & - & - & - & - & - & - & (0.06) & (0.01) & (0.02) & (0.01) & & 0.01 & (0.04) & 0.011 \\
\hline Diluted earnings per common share exoluding above noted adiustments & 1.68 & 1.79 & 1.79 & 1.76 & 1.76 & 1.91 & 1.86 & 1.65 & 1.70 & 1.75 & 1.68 & 1.61 & 1.58 & 1.45 & 0.89 & 0.39 & 1.27 & 1.45 & 1.42 & 1.24 \\
\hline Net interest income & * 317,252 & \$ 317,242 & \$ 315,393 & + 312,231 & \$ 319,460 & \$305,784 & \$264,574 & \$239,475 & \$238,763 & \$237,543 & \$233.225 & \$222,870 & \$220,985 & \$206,594 & \$200,657 & \$ 193.552 & + 194,172 & \$ 195,806 & \$ 188,918 & 187,246 \\
\hline Total noninterest income & 79.088 & 90.797 & 173.839 & 89.529 & 82,321 & 104.805 & 125.502 & 103,496 & 100.723 & 104,095 & 98,207 & 92,709 & 83,444 & 91.065 & 72.954 & 70.377 & 59.462 & 82.619 & 70.682 & 51,063 \\
\hline Total revenues & 396,340 & 408,039 & 489,232 & 401780 & 401781 & 410,589 & 390,076 & 342,971 & 339,486 & 341,638 & 331,432 & 315,579 & 304,429 & 297,659 & 273,611 & 263,929 & 253,634 & 278,425 & 259,600 & 238,309 \\
\hline Less: Investment (gains) losses on sales of securities, net & (14) & 9.727 & 9,961 & & & (217) & & 61 & (393) & & \({ }^{\text {(366) }}\) & - & & (651) & 128 & (463) & (68) & (417) & 1,960 & 4,466 \\
\hline Gain on sale of fixed assets as a result of sale leaseback & & & \((85,692)\) & & & & - & & - & & - & - & & & - & & - & & & \\
\hline Loss on sale of non-prime automobile portfolio & & & & & & & & & & & & & & & & & & & 1.536.00 & \\
\hline Loss on BOLIrestructuring & 7,166 & & & & & & & & & & & & & & & & & & & \\
\hline Total reverues, exoluding above noted adiustments & \$403,492 & \$417,766 & \$413,507 & \$401,760 & 401,781 & \$40,372 & \$390,076 & \$343,032 & \$339,093 & \$ 341, 638 & \$331,066 & \$315.579 & \$304,429 & \$297,008 & \$273,739 & \$263,466 & \$253,566 & \$278,008 & \$265,602 & 240,269 \\
\hline Revenue per dilued common share & 5.16 & + 5.35 & + 6.43 & 5.28 & + 5.27 & 5.40 & - 5.14 & 4.52 & + 4.47 & + 4.50 & + 4.37 & + 4.17 & + 4.03 & + 3.95 & + 3.63 & 3.47 & + 3.32 & - 3.64 & + 3.39 & 3.09 \\
\hline Adiustment due to above noted adiustments & 0.09 & 0.13 & (1.00) & & & & & & (0.01) & & & & & (0.01) & & & & (0.01) & 0.08 & 0.03 \\
\hline Revenue per diluted common share exoluding above noted adiustments & 5.25 & 5.48 & 5.43 & + 5.28 & + 5.27 & + 5.40 & 5.14 & 4.52 & 4.46 & + 4.50 & 4.37 & \$ 4.17 & 4.03 & 3.94 & 3.63 & 3.47 & 3.32 & 3.63 & 3.47 & 3.12 \\
\hline Biock value per common share & 75.80 & + 73.23 & + 73.32 & + 71.24 & + 69.35 & + 67.07 & + 66.74 & 66.30 & 66.89 & + 65.36 & + 64.19 & 62.33 & 61.80 & + 60.26 & 59.05 & 57.85 & 56.89 & + 55.97 & + 54.29 & 52.63 \\
\hline Adiustment due to goodwill, core deposit and other intangible assets & (24.42) & (24.45) & (24.47) & [24.49] & (24.61) & [24.63] & [24.66] & [24.65] & [24.34) & [24.38) & [24.42] & [24.45] & [24.55] & [24.58] & [24.62] & [24.65) & [24.44) & (24.37) & [24.03] & [24.02] \\
\hline Tangible book value per common share & \$ 51.38 & + 48.78 & + 48.85 & + 46.75 & + 44.74 & + 42.44 & + 42.08 & + 41.65 & + 42.55 & + 40.98 & + 39.77 & +37.88 & + 37.25 & + 35.68 & + 34.43 & \$ 33.20 & + 32.45 & +31.60 & + 30.26 & 28.61 \\
\hline
\end{tabular}

\section*{Income Statement}

Reconciliation of Non-GAAP Financial Measures

\section*{Finnacte}
\begin{tabular}{l} 
Net interest income \\
Total noninterest income \\
\hline TLise
\end{tabular}
Total revenues
Less: Investmer
Less: Investment ( gains losses on sales of securities, net
    Gain on sale of fived assets as a result of sale lea
    Loss on soclle restucturing
Total reverues, excluding above noted adiustments
Total noninterest tincome
Less: Investment (Gains)
    Less: Investment (Gainsllosses on sales of securities, net
    Gain on sale of fixed assets as a result of sale lea
Loss sn sale of non-prime automobile portfolio
Loss on Bol
Total Loninineresest income, excluding above noted adiustments
Total noninterest expense
    Less: ORE expenses lincome)
FDIC special assessment

    FHLB restucturing charges
    Hedge ternination charges
Total nonintereste expense, excluding above noted adiustments
Pre-tas income
Provision for credit losses
Pre-tax pre-provision incon
Adiusments soleted above
Adiusted pre-tax pre-provision income
Noninterest incomel Average assets
Adiustment due to above noted adiustments
Noninterest income (excluding above noted adiustments)/Average Assets
Noninterest expensel Average assels
Adiusment due to above noted adiust
Total noninterest texpense (excluding above noted adiustments) Average asse
Efficiencoy ratio
Adiustment due to above noted adiustments
Adiusted Efficieno
\begin{tabular}{|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|c|}
\hline 4Q23 & 3 Q 23 & 2 Q 23 & 1023 & 4 Q 22 & 3 Q 22 & 2 Q 22 & 1022 & 4 Q 21 & 3021 & 2 Q 21 & 1021 & \(4 \mathrm{Q20}\) & 3 Q 20 & 2 Q 20 & 1020 & 4 Q 19 & 3019 & 2019 & 1019 \\
\hline 317,252 & 317,242 & 315,393 & 312,231 & 319,460 & 305,784 & 264,574 & 239,475 & 238,763 & 237,543 & 233,225 & 222,870 & 220,985 & 206,594 & 200.657 & 193,552 & 194,772 & \({ }^{195,806}\) & 188,918 & 187,246 \\
\hline 79,088 & 90.797 & 173,839 & 89,529 & 82,321 & 104,805 & 125,502 & 103,496 & 100,723 & 104,095 & 98,207 & 92,709 & 83,444 & 91.065 & 72.954 & 70.377 & 59,462 & 82,619 & 70.682 & 51,063 \\
\hline 396,340 & 408.039 & 489,232 & 401780 & 401,781 & 410,589 & 390.076 & 342.971 & 339,486 & 341,638 & 331,432 & 315,579 & 304,429 & 297,659 & 273,611 & 263,929 & 253,634 & 278.425 & 259,600 & 238,309 \\
\hline (14) & 9,727 & 9,961 & & & (217) & & 61 & (393) & & (366) & & & (651) & 128 & (463) & (68) & (417) & 4,466 & 1.960 \\
\hline & & [85,692) & & & & & & & & & & & & & & & & & \\
\hline & & & & & & & & & & & & & & & & & & 1.536 & \\
\hline 7,166 & & & & & & & & & & & & & & & & & & & \\
\hline 403,492 & 417,766 & 413,501 & 401760 & 401781 & 410,372 & 390,076 & 343,032 & 339,093 & 341,638 & 331,066 & 315,579 & 304,429 & 297,008 & 273,739 & 263,466 & 253,566 & 278,008 & 265,602 & 240,269 \\
\hline 79,088 & 90,797 & 173.839 & + 89,529 & 82,321 & * 104,805 & 125,502 & + 103,496 & + 100,723 & 104,095 & 98.207 & 92,709 & 83,444 & 91.065 & 72,954 & 70,377 & 59,462 & 82,619 & 70,682 & 51,063 \\
\hline (14) & 9.727 & 9.961 & & & (217) & & 61 & (393) & & (366) & & & (651) & 128 & (463) & (68) & (417) & 4.466 & 1.960 \\
\hline & & (85,692) & & & & & & & & & & & & & & & & & \\
\hline & & & & & & & & & & & & & & & & & & 1.536 & \\
\hline 7,166 & & & & & & & & & & & & & & & & & & & \\
\hline 86,240 & + 100.524 & 98,108 & + 89,529 & 82,321 & + 104.588 & 125,502 & + 103,557 & 100,330 & 104,095 & 97.841 & 92.709 & 83.444 & 90.414 & 73,082 & 69.914 & 59,394 & 82,202 & \% 76.684 & 53,023 \\
\hline 251,168 & 213,233 & 211.641 & - 211.727 & 202,047 & + 199.253 & 196,038 & - 182,661 & 170.417 & 168.851 & - 166,140 & 154,696 & 161.305 & 144,277 & 131.605 & 137,349 & 132.941 & 132,942 & 127,686 & 114,051 \\
\hline 125 & 33 & 58 & 99 & 179 & (90) & 86 & 105 & 37 & (79) & (657) & (13) & 1,457 & 1.795 & 2.888 & 2.415 & 804 & 655 & 2.523 & 246 \\
\hline 29,000 & & & & & & & & & & & & & & & & & & & \\
\hline & & & & & & & & & & & & & & & & & & 3,189 & \\
\hline - & & - & & - & & - & - & - & & & & 10,307 & 1.991 & 2.870 & & & & & \\
\hline & & & & & & & & & & & & 4.673 & & & & & & & \\
\hline & & & & & & & & & & & & & & & & & & & \\
\hline 222,043 & 213,200 & 271.583 & + 211.628 & 201,868 & + 199,343 & 195,952 & 182,556 & 170,380 & 168,930 & 166,797 & 154,709 & 144.868 & 140,491 & 125,847 & 134,934 & 132,137 & 132,287 & 121,974 & 113,805 \\
\hline 128.858 & - 167.980 & + 245.902 & + 171.266 & + 174.929 & + 183.843 & + 181,131 & - 157,590 * & + 166,394 & 169.405 & - 162,458 & 153.648 & - 133,944 & + 137,049 & + 73.674 & 26.691 & 118.520 & 137,224 & 124.719 & 117.074 \\
\hline 16.314 & 26.826 & 31.689 & 18.767 & 24,805 & 27,493 & 12.907 & 2.720 & 2.675 & 3.382 & 2,834 & 7,235 & 9,180 & 16.333 & 68.332 & 99.889 & 4.644 & 8,260 & 7.195 & 7,184 \\
\hline 145,172 & 194,806 & 277.591 & 190,033 & 199,734 & 211,336 & 194,038 & 160,310 & 169,069 & 172,787 & 165,292 & 160,883 & 143,124 & 153,382 & 142,006 & 126.580 & 123,164 & 145,484 & 131.914 & 24,258 \\
\hline 36,277 & 9.760 & (75,673) & & & (307) & & 166 & (356) & & (1.023) & (13) & 16.437 & 3,135 & 5,886 & 1,952 \({ }^{\text { }}\) & \({ }^{736}{ }^{\text {. }}\) & & \(11.714^{4}\) & 2,206 \\
\hline 181,449 & + 204.566 & + 201,978 & + 190,132 & + 199,973 & + 211,029 & 194,124 & + 160,476 \$ & + 168,713 & + 172,708 & + 164,269 & 160,870 & + 159,561 & +156,57 & +147,892 & + 128,532 & +123,900 & + 145,722 & 143,628 & 126,464 \\
\hline 0.66\% & 0.76\% & 1.54\% & 0.84\% & 0.79\% & 1.03\% & 1.30\% & 1.09\% & 1.08\% & 1.15\% & 1.12\% & 1.08\% & 0.96\% & 1.07\% & 0.89\% & 1.00\% & 0.85\% & 1.21\% & 1.09\% & 0.83\% \\
\hline 0.06\% & 0.08\% & -0.67\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & -0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & -0.01\% & 0.01\% & 0.00\% & 0.00\% & -0.01\% & 0.10\% & 0.03\% \\
\hline 0.72\% & 0.84\% & 0.87\% & 0.84\% & 0.79\% & 1.03\% & 1.30\% & 1.09\% & 1.07\% & 1.15\% & 1.12\% & 1.08\% & 0.96\% & 1.06\% & 0.90\% & 1.00\% & 0.85\% & 1.20\% & 1.19\% & 0.86\% \\
\hline 2.09\% & 1.79\% & 1.87\% & 2.00\% & 1.94\% & 1.95\% & 2.03\% & 1.92\% & 1.82\% & 1.87\% & 1.90\% & 1.81\% & 1.86\% & 1.70\% & 1.61\% & 1.96\% & 1.88\% & 1.94\% & 1.98\% & 1.85\% \\
\hline -0.24\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.00\% & 0.01\% & 0.00\% & -0.19\% & -0.05\% & -0.07\% & -0.04\% & -0.02\% & -0.01\% & -0.09\% & -0.01\% \\
\hline 1.85\% & 1.79\% & 1.87\% & 2.00\% & 1.94\% & 1.95\% & 2.03\% & 1.92\% & 1.82\% & 1.87\% & 1.91\% & 1.81\% & 1.67\% & 1.65\% & 1.54\% & 1.92\% & 1.86\% & 1.93\% & 1.89\% & 1.84\% \\
\hline 63.4\% & 52.3\% & 43.3\% & 52.7\% & 50.3\% & 48.5\% & 50.3\% & 53.3\% & 50.2\% & 49.4\% & 50.\% & 49.0\% & 53.0\% & 48.5\% & 48.1\% & 52.0\% & 51.4\% & 47.8\% & 49.2\% & 47.9\% \\
\hline -8.3\% & -1.3\% & 7.9\% & 0.0\% & -0.\% & 0.1\% & -0.1\% & -0.\% & 0.1\% & 0.\% & 0.3\% & 0.0\% & -5.4\% & -1.2\% & -2.1\% & -0.8\% & -0.3\% & -0.2\% & -3.3\% & -0.5\% \\
\hline 55.0\% & 5.0\% & 51.2\% & 52.7\% & 50.2\% & 48.6\% & 50.2\% & 53.2\% & 50.3\% & 49.5\% & 50.4\% & 49.0\% & 47.6\% & 47.3\% & 46.0\% & 51.2\% & 51.\% & 47.6\% & 45.9\% & 47.4\% \\
\hline
\end{tabular}
\begin{tabular}{|c|c|c|}
\hline Institution Name & Ticker & City, State \\
\hline Pinnacle Financial Partners, Inc. & PNFP & Nashville, TN \\
\hline Associated Banc-corp & ASB & Green Bay, WI \\
\hline Bank OZK & OZK & Little Rock, AR \\
\hline Bank United Inc. & BKU & Houston, TX \\
\hline Cadence Bank & CADE & Tupelo, MS \\
\hline Comerica Inc. & CMA & Dallas, TX \\
\hline Commerce Bancshares, Inc. & CBSH & Kansas City, MO \\
\hline Cullen/Frost Bankers, Inc. & CFR & San Antonio, TX \\
\hline F.N.B. Corporation & FNB & Pittsburgh, PA \\
\hline First Horizon Corp. & FHN & Memphis, TN \\
\hline Fulton Financial Corporation & FULT & Lancaster, PA \\
\hline Hancock Whitney Corporation & HWC & Gulfport, MS \\
\hline PacWest Bancorp & PACW & Beverly Hills, CA \\
\hline Prosperity Bancshares, Inc. & PB & Houston, TX \\
\hline Simmons First National Corporation & SFNC & Pine Bluff, AR \\
\hline South State Corporation & SSB & Winter Haven, FL \\
\hline Synovus Financial Corp. & SNV & Columbus, GA \\
\hline UMB Financial Corporation & UMBF & Kansas City, MO \\
\hline United Bankshares Inc. & UBSI & Charleston, WV \\
\hline Valley National Bancorp & VLY & New York, NY \\
\hline Wintrust Financial Corporation & WTFC & Rosemont, IL \\
\hline Zions Bancorp. NA & ZION & Salt Lake City, UT \\
\hline
\end{tabular}

\section*{Investor Call FOURTH QUARTER 2023}
M. TERRY TURNER, PRESIDENT AND CEO

HAROLD R. CARPENTER, EVP AND CFO
Finnacte
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