COMMUNITY

4th Quarter 2023

FIRST FINANCIAL BANKSHARES, INC.™

Forward Looking Statement

The numbers, as of and for the year ended December 31, 2023, contained within this presentation are unaudited. Certain statements contained herein may be considered "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. These statements are based upon the belief of the Company's management, as well as assumptions made beyond information currently available to the Company's management and, may be, but not necessarily are identified by such words as "believes", "expect", "plan", "anticipate", "target", "forecast" and "goal". Because such "forward-looking statements" are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results to differ materially from the Company's expectations include competition from other financial institutions and financial holding companies; the effects of and changes in trade, monetary and fiscal policies and laws, including interest rate policies of the Federal Reserve Board; changes in the demand for loans; fluctuations in value of collateral and loan reserves; inflation, interest rate, market and monetary fluctuations; changes in consumer spending, borrowing and savings habits; and acquisitions and integration of acquired businesses, and similar variables. Other key risks are described in the Company's reports filed with the Securities and Exchange Commission, which may be obtained under "Investor Relations-Documents/Filings" on the Company's web site or by writing or calling the Company at 325.627.7155. The Company does not undertake any obligation to update publicly or revise any forward-looking statements herein because of new information, future events or otherwise.

Who We Are

- $13.1 billion financial holding company headquartered in Abilene, Texas
- Group of 12 separate bank regions
- Trust and Asset Management Company with 9 locations and manages approximately $9.78 billion in assets
- 134 year history

Forbes – Number 2 Bank in the Nation

February 2023

NUMBER 2 IN THE NATION



#7 Bank in the Nation

FIRST FINANCIAL BANK

MEMBER FDIC

S&P Global

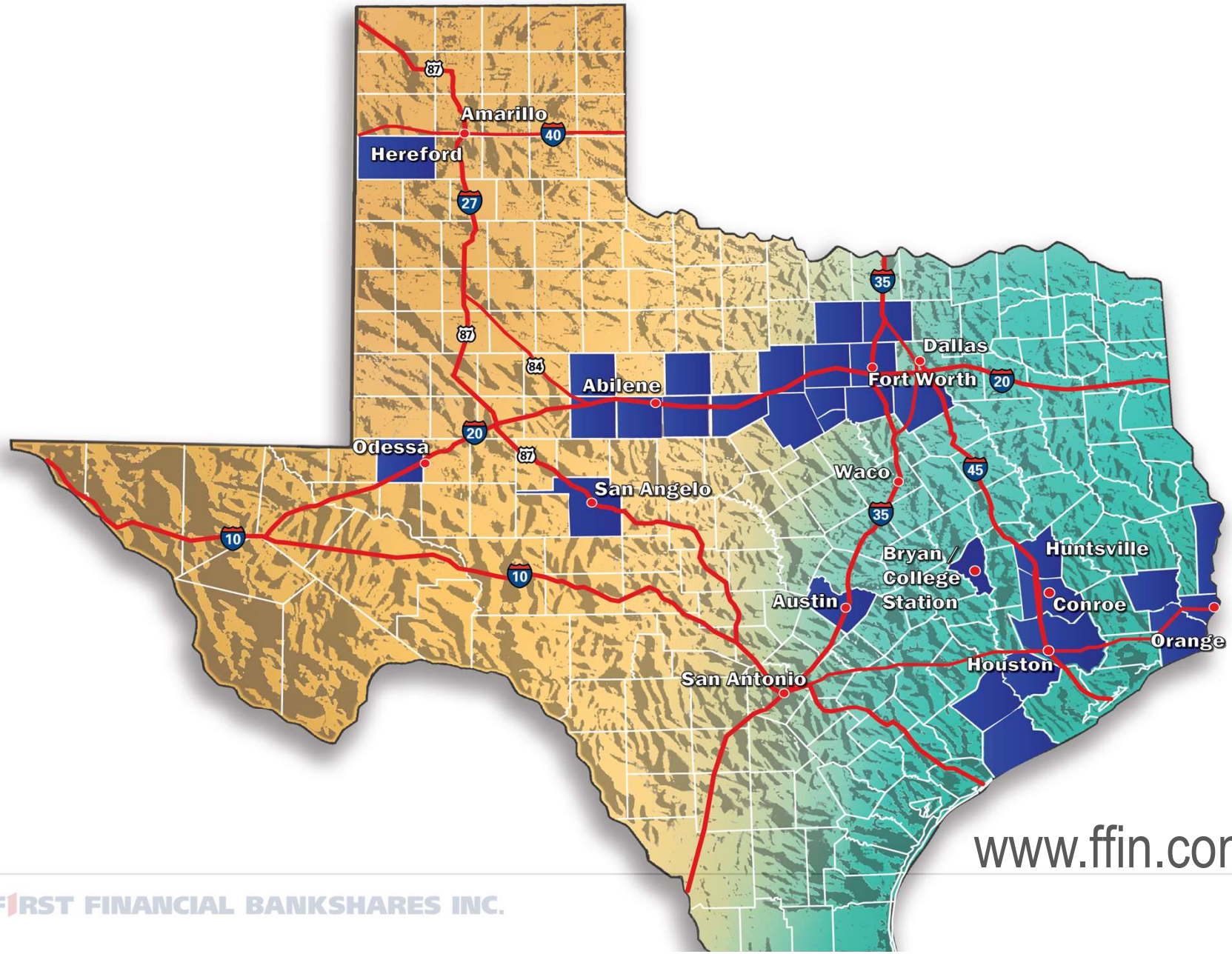
What Makes Us Different

One Bank, Twelve Regions Concept

- **One Bank**
  - Consolidation of credit, call center, accounting, technology, human resources, risk management, training, and compliance (drives lower efficiency ratio)

- **Twelve Regions**
  - Regional Presidents run their regions
  - Local Boards – Movers and shakers of the Community
    - Keep our regions locally focused
    - Make sure we meet the needs of the community
    - Help us make better loan decisions
    - Help us market the region

Diverse Footprint Across Texas



www.ffin.com/locations

Texas: Large and Growing

Five most populous states:*		Growth (2012 – 2022)
California	39.0 million	2.7%
Texas	30.5 million	16.9%
Florida	22.6 million	17.2%
New York	19.6 million	-.01%
Illinois	12.6 million	-2.6%

** U.S. Census Bureau*

Target Markets – Population Growth

Population growth (2012-2022) in FFIN expansion markets:*	
Texas	16.9%
Bridgeport & Wise County	24.0%
Fort Worth & Tarrant County	14.5%
Cleburne & Johnson County	27.5%
Weatherford, Willow Park, Aledo & Parker County	38.9%
Granbury & Hood County	27.3%
Stephenville & Erath County	11.4%
Conroe & Montgomery County	40.1%
Bryan / College Station & Brazos County	20.8%

** U.S. Census Bureau*

Core Markets: West Central Texas

- **Markets served benefiting from well-established, long- time customers**

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank *(Abilene, Clyde, Moran, Albany, Odessa, Eastland, Ranger, Rising Star, Cisco, Sweetwater, Roby, Trent, Merkel)*	$4,227M	22	59%	1
First Financial Bank *(Hereford)*	$185M	1	28%	1
First Financial Bank *(San Angelo)*	$1,147M	2	33%	1
TOTALS	$5,559M	25		

* Data as of 12-31-23

** Data as of 06-30-23

Expansion Markets – Dallas / Fort Worth Area

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank	$913M	4	16%	3
(Cleburne, Burleson, Alvarado)		2	9%	4
(Midlothian, Waxahachie)				
First Financial Bank	$951M	4	6%	5
(Southlake, Trophy Club, Keller, Grapevine)		3	25%	1
(Bridgeport, Decatur, Boyd)				
First Financial Bank	$985M	6	28%	1
(Stephenville, Granbury, Glen Rose, Acton)				
First Financial Bank	$1,310M	7	23%	1
(Weatherford, Aledo, Willow Park, Brock, Mineral Wells)				
First Financial Bank	$501M	1	0.49%	26
(Fort Worth)				
TOTALS	$4,660M	27		

* Data as of 12-31-23

** Data as of 06-30-23

Expansion Markets – Houston Area

REGION	ASSET SIZE*	LOCATIONS	DEPOSIT MARKET SHARE**	MARKET SHARE RANK**
First Financial Bank	$1,013M	3	46%	1
(Orange, Mauriceville, Vidor)		4	5%	8
(Newton, Port Arthur, Beaumont, Lumberton)				
First Financial Bank	$1,031M	10	11%	4
(Conroe, Magnolia, Cut and Shoot, Montgomery, Huntsville, Willis, Tomball, New Waverly, Spring)				
(Market Share for Huntsville, Conroe, Magnolia, Cut and Shoot, Montgomery and Willis Only)				
First Financial Bank	$604M	4		
Kingwood – Montgomery County			5%	6
El Campo – Wharton County			9%	4
Fulshear – Fort Bend County			0.16%	32
Palacios – Matagorda County			12%	2
First Financial Bank	$1,015M	6	10%	4
(Bryan / College Station, Franklin)				
TOTALS	**$3,663M**	**27**		

* Data as of 12-31-23
** Data as of 06-30-23

Recent De Novo Growth

- Franklin: Branch of Bryan / College Station – August 2023
- Lumberton: Branch of Orange – December 2022
- Bryan / College Station: Office of Trust Company – September 2020
- Austin: Office of the Mortgage Company – January 2020
- San Antonio: Office of the Trust Company – December 2019
- Grand Parkway (Spring): Branch of Conroe – Opened January 2019
- Houston: Office of Trust Company – December 2018
- New Waverly: Branch of Huntsville – August 2014 (New Building – Opened December 2018)
- Beaumont: Branch of Orange – August 2014
- Weatherford: I-20 Branch – June 2013
- Waxahachie: Branch of Cleburne – December 2012
- Abilene: Antilley Road Branch – September 2012
- Grapevine: Branch of Southlake – March 2012
- Cisco: Branch of Eastland – September 2011 (New Building – Opened August 2016)
- Lamesa: Office of Trust Company – April 2011
- Odessa: Branch of Abilene – February 2010 (New Building – Opened September 2016)

FFIN's Unique Positioning in Texas

Bank	Key Markets
Stellar	Houston, Beaumont, Dallas
Comerica	DFW, Austin, Houston, California, Michigan, Florida, Mexico
Frost	San Antonio, Austin, Corpus Christi, DFW, Rio Grande, West Texas
Guaranty	Dallas, East Texas, Bryan
Independent	Dallas, Houston, Austin, Colorado
International Bancshares	Rio Grande, Houston, San Antonio, Oklahoma
Origin Bancorp	Dallas, Louisiana
Prosperity	Houston, DFW, Austin, West Texas, South Central Texas, Oklahoma
Southside	East Texas, Fort Worth
Texas Capital	DFW, Austin, San Antonio, Houston
Triumph	Dallas
Veritex	Dallas, Houston, Austin

Customer Service First (CS1st)

- Began CS1st initiative in 2005 with Dennis Snow (former Disney executive charged with Disney's customer experience).

- Implemented the Service Improvement Team with ten distinct teams with various strategic objectives.

- Key Successes
  - Established a robust employee recognition program
  - Developed a centralized team to address system and process obstacles
  - Designed and implemented a nationally recognized Financial Exploitation program
  - Day of Service (Completed 8th Annual on October 9, 2023)
  - Have transitioned what began as a service initiative into a culture of service excellence

- Since 2019, the Company has partnered with Horst Schulze (co-founder and former COO of the Ritz-Carlton Hotel Company) to further enhance the Company's culture by developing:
  - Defined Clear Vision and Mission Statements
  - 21 Service Non-negotiables
  - Daily Line-Ups
  - Train-the-trainer sessions for all branch managers (over 300 employees spent 2 days in training)
  - Incorporated into new employee orientation

Recognitions – Financial Exploitation Prevention Program

- Stopped fraud and saved customers from monetary losses totaling more than $25 million since 2015
- Philadelphia Federal Reserve Presentation – December 2017
- Texas Bankers Association Cornerstone Award for Day of Service – May 2017
- Texas Bankers Association 2016 Leaders in Financial Education Award – May 2016
- House Investments and Financial Services Committee – March 2016
- Texas Senate Committee on Business and Commerce – January 2016
- AARP Roundtable Discussion – November 2015
- ABA Foundation Community Commitment Award – November 2015
- White House Conference on Aging – July 2015

Executive Management Team at First Financial

	Years with Company	Years in Industry
Scott Dueser *Chairman of the Board, President & Chief Executive Officer*	46	52
Ron Butler *Executive Vice President Chief Administrative Officer*	31	42
Michelle Hickox *Executive Vice President Chief Financial Officer*	1	34
Kirk Thaxton, CTFA *Chairman of the Board, President & Chief Executive Officer* *First Financial Trust & Asset Management*	37	40
Luke Longhofer *Executive Vice President Chief Lending Officer*	13	21
John Ruzicka *Executive Vice President Chief Information Officer*	5	44

Executive Management Team at First Financial

	Years with Company	Years in Industry
David Bailey *Executive Vice President* *Commercial Banking*	20	20
Randy Roewe *Executive Vice President* *Chief Risk Officer*	8	33
Kyle McVey, CPA *Executive Vice President* *Chief Accounting Officer &* *Investor Relations Director*	13	15
Stephen Lee *Southeast Texas Banking Executive*	11	35

Senior Management and Line of Businesses Executives

	Years with Company	Years in Industry
Keith Morton *Executive Vice President* *Lending*	-	20
Michael Wolverton *Executive Vice President* *Consumer Lending*	12	38
Troy Fore *President* *First Financial Mortgage*	8	38
Frank Gioia *Senior Vice President* *Customer Care Center*	8	36
Andrea Smiddy-Schlagel *Executive Vice President* *Treasury Management*	5	35
Javier Jurado *Executive Vice President* *Chief Audit Executive*	-	19

Senior Management and Line of Businesses Executives

	Years with Company	Years in Industry
Megan Dobbs *Executive Vice President* *Marketing*	-	10
Monica Houston *Executive Vice President* *Training*	29	29
Maggie Tuschinski *Executive Vice President* *Chief Digital Officer*	2	21
Rett Everett *Executive Vice President* *Lending*	2	21
Lori Hill *Executive Vice President* *Retail Banking*	26	33
Michael Parker *Executive Vice President* *Chief Compliance Officer*	1	16
Brandon Harris *Senior Vice President* *Appraisal Services*	8	21

Experienced Regional CEOs & Presidents

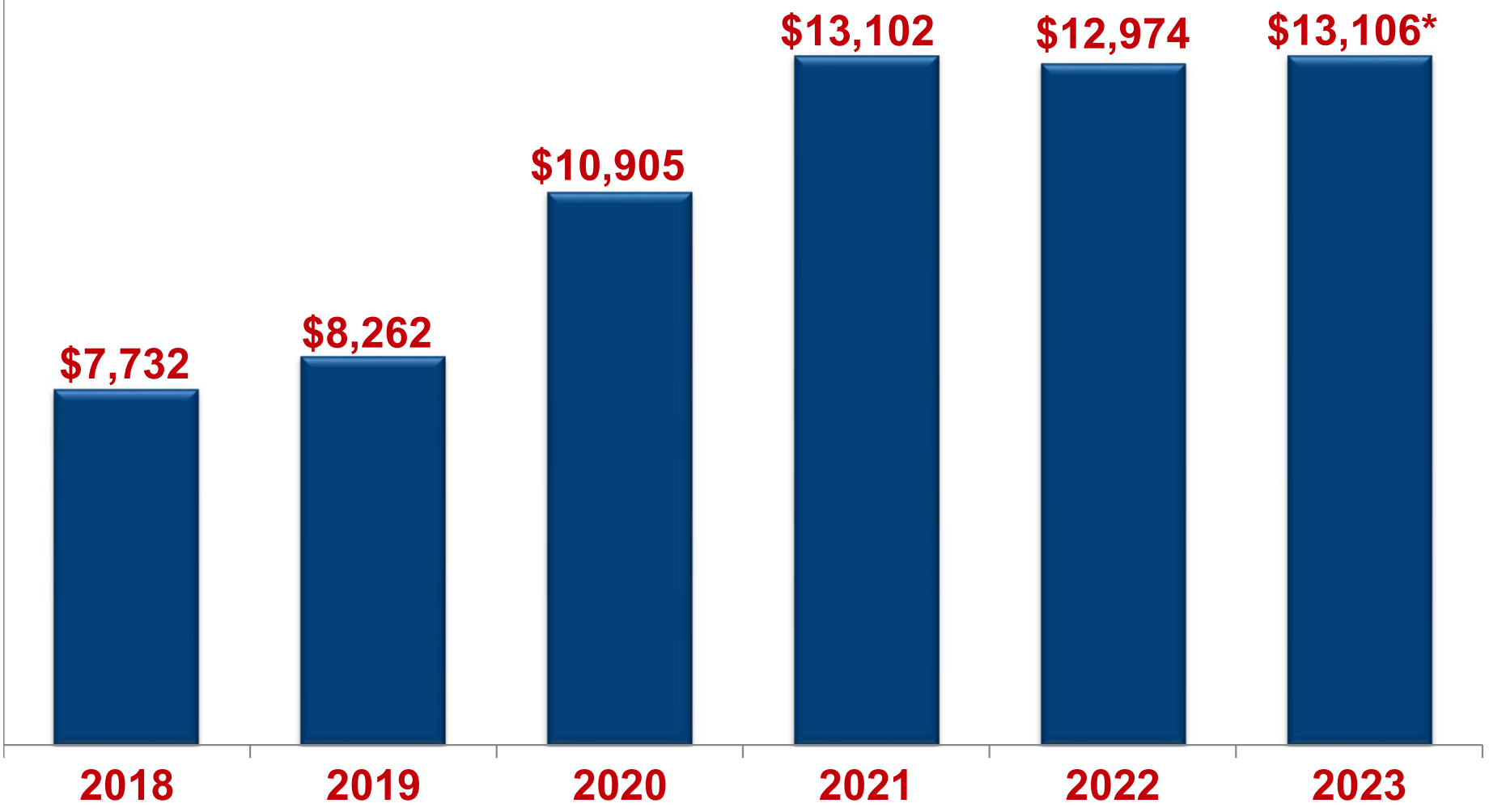
	Years with Company	Years in Industry
Marelyn Shedd, *Abilene*	33	40
Candice Kanady, *Eastland*	22	22
Joseph Crouch, *Sweetwater*	5	27
Chris Evatt, *San Angelo*	23	23
Austin Elsner, *Cleburne*	6	23
Trent Swearengin, Stephenville	24	26
Justin Hooper, *Weatherford*	19	30
Shelby Bruhn, *Southlake*	2	23
Blain Caillier, *Southeast Texas*	13	13
Chris Baughman, *Conroe*	8	41
Marcus Morris, *Fort Worth*	13	15
Shelley Dacus, *Kingwood*	5	19
Nora Thompson, *Bryan/College Station*	4	32

Asset Performance

Total Asset Growth

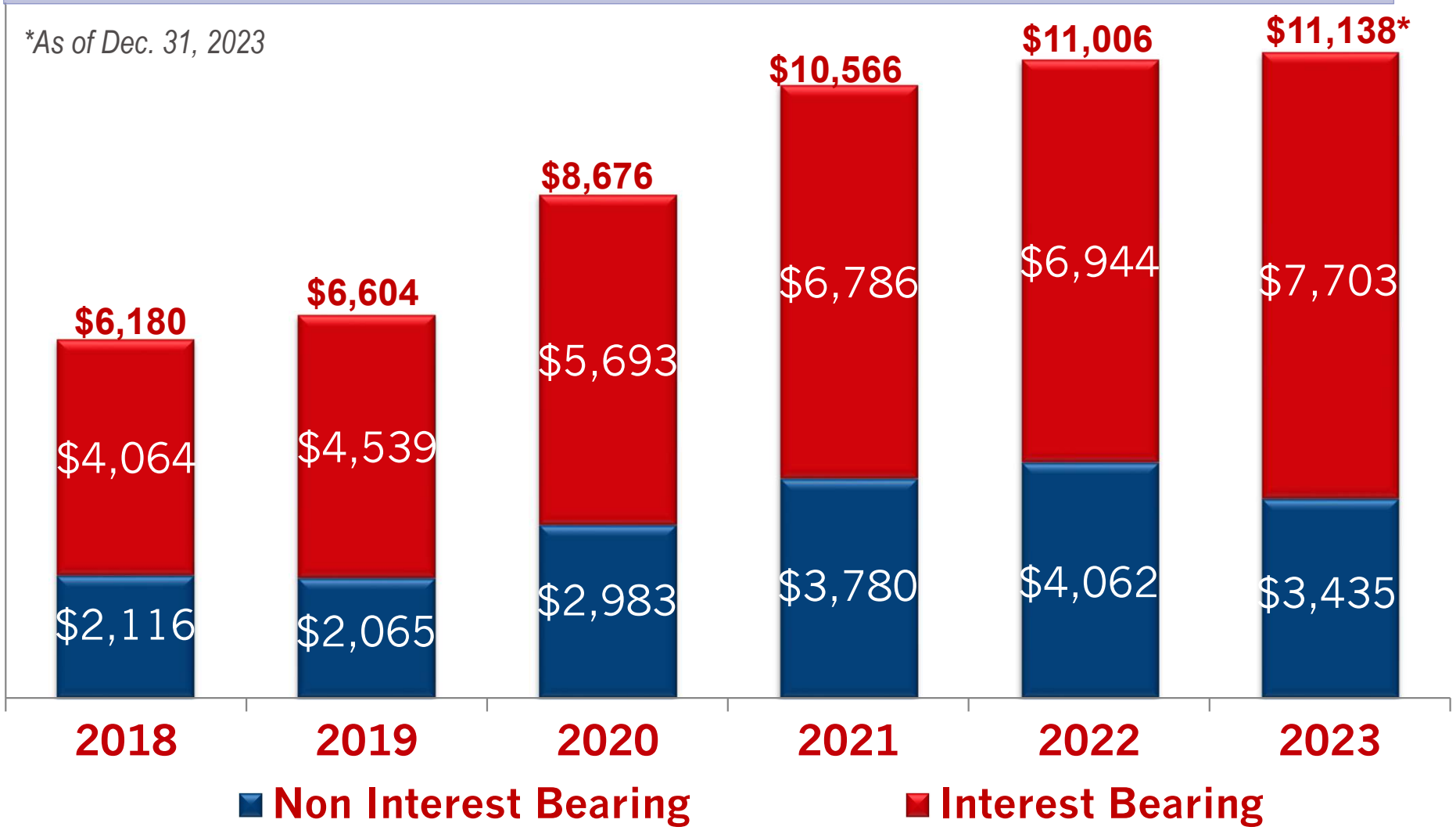
(in millions)

*As of Dec. 31, 2023



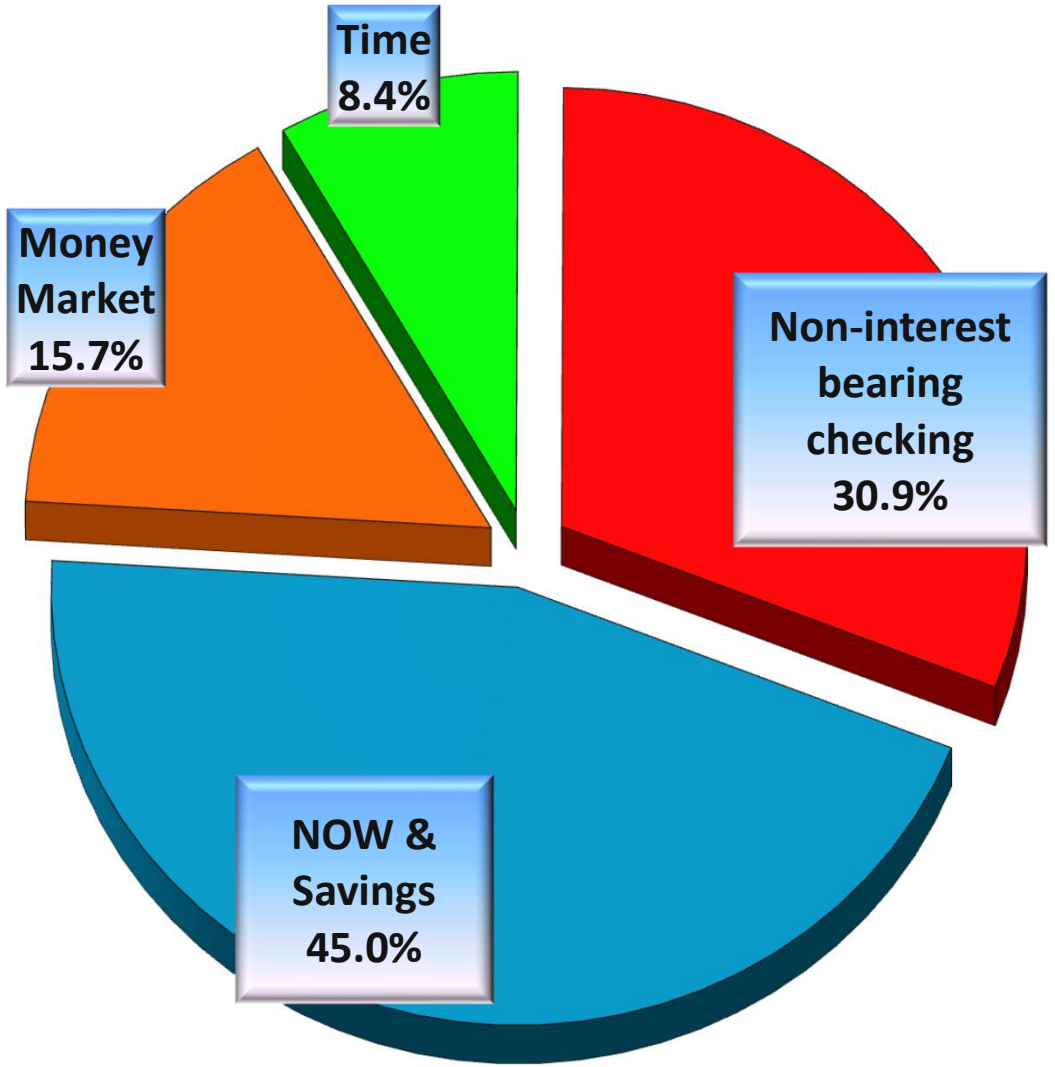
Total Deposit Growth

Growth in FFIN Total Deposits *(in millions)*



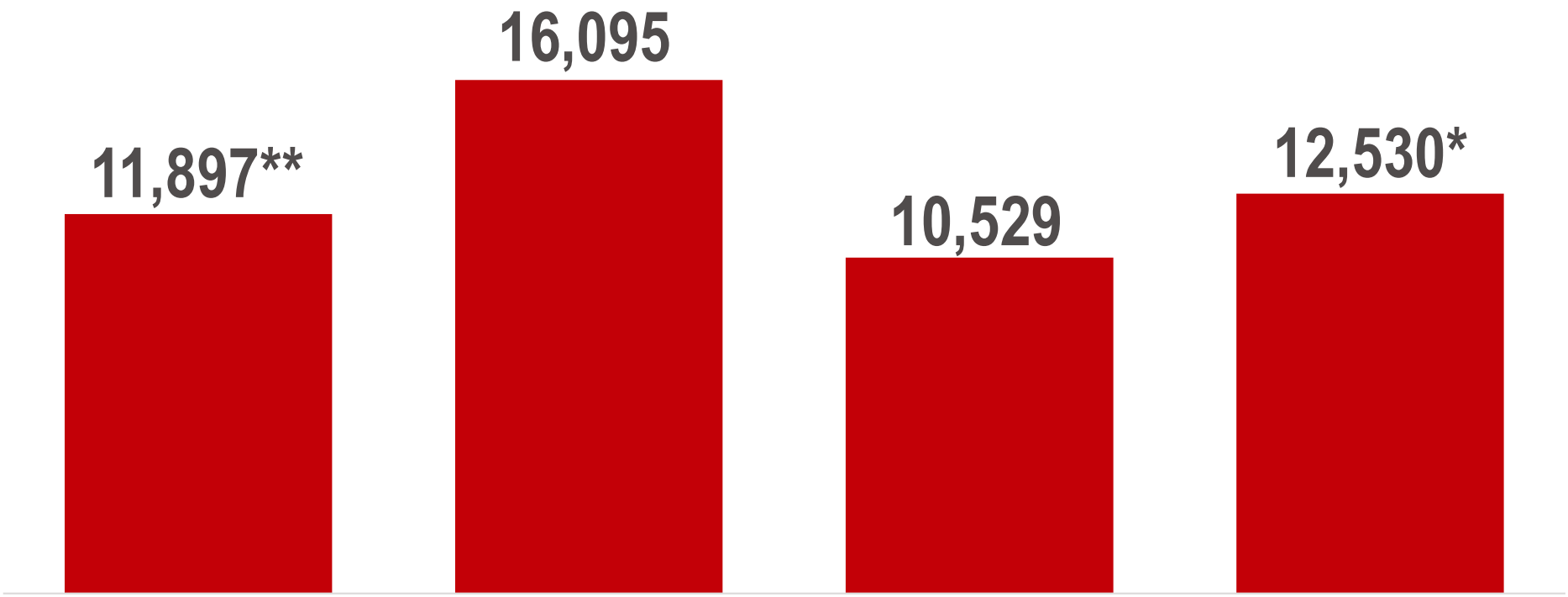
Deposit Products - $11.1 Billion*

*As of Dec. 31, 2023



Deposit Account Growth

*As of Dec. 31, 2023

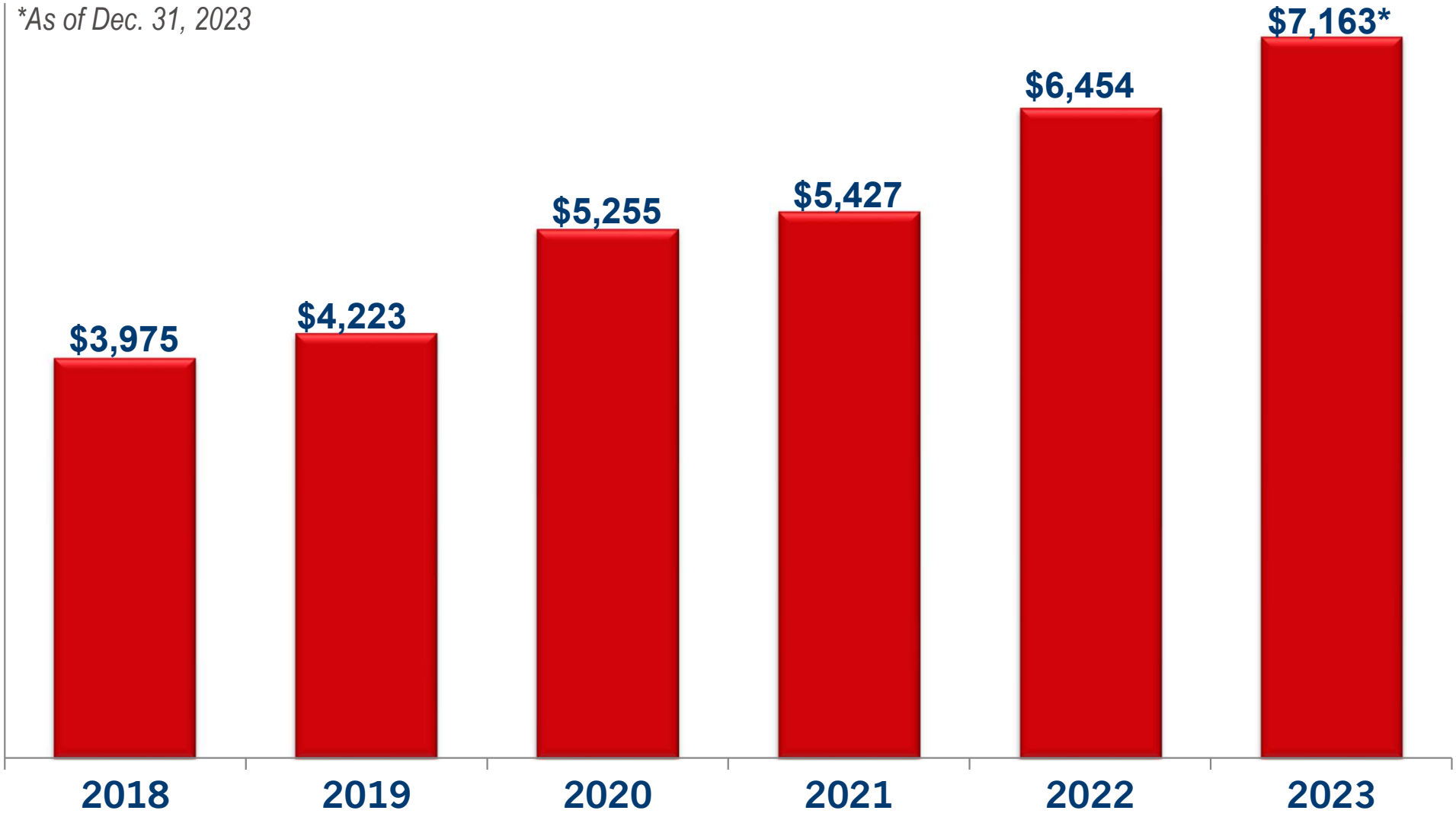


	2020		2021		2022		2023
Total Number of Accounts	303,169		319,264		329,793		342,323

**(Excluding Bryan/College Station Acquisition)

Loan Performance

Growth in FFIN Total Loans *(in millions)*

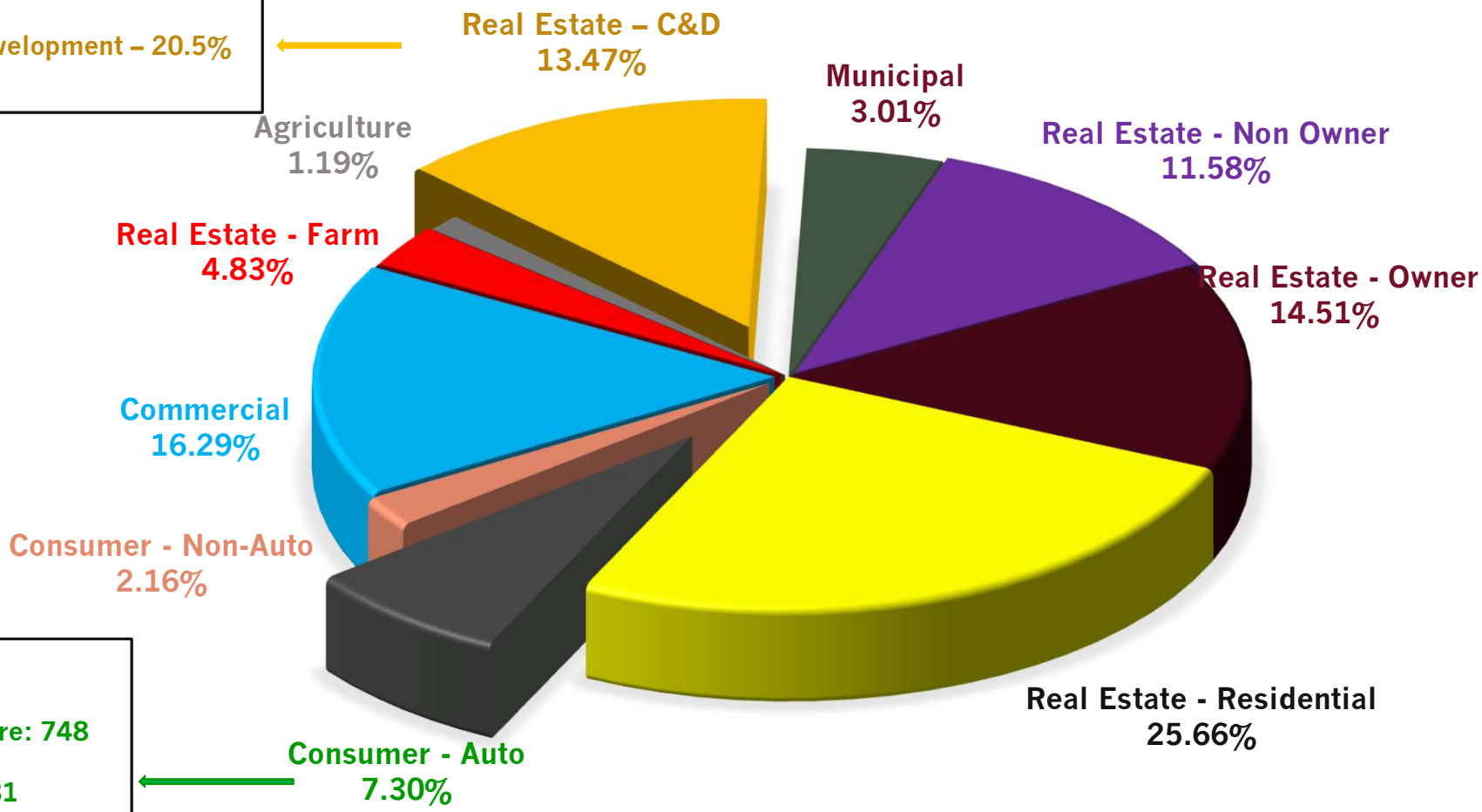


Overview of Loan Portfolio – $7.2 Billion*

*As of Dec. 31, 2023

Real Estate – C&D:

- Residential Development – 79.5%
- Commercial Development – 20.5%



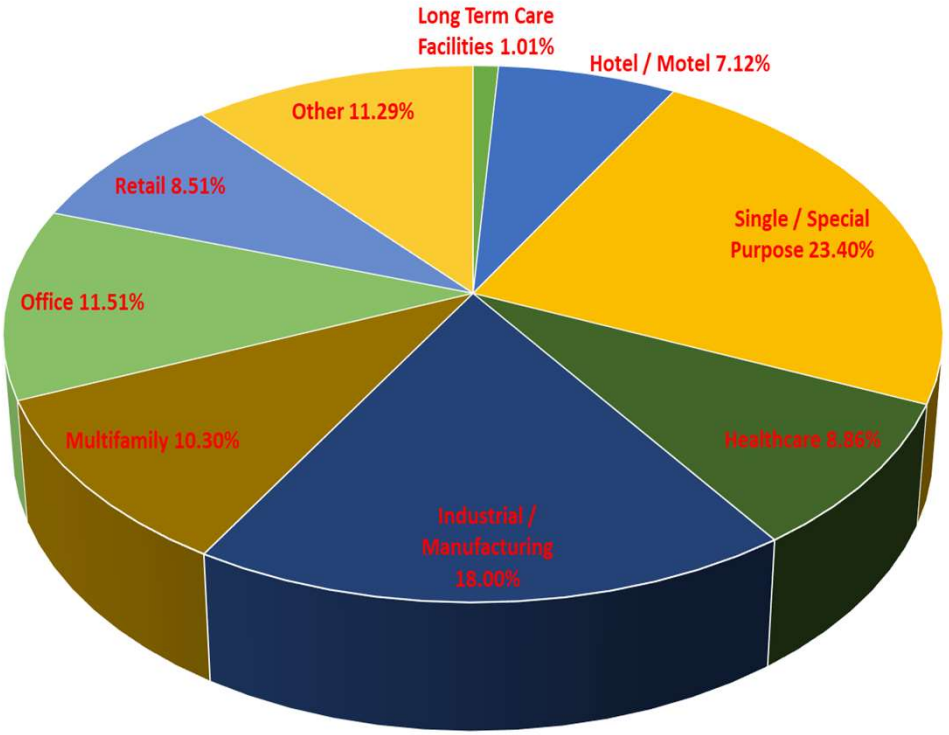
Consumer– Auto:

- Average FICO Score: 748
- Average DTI: 28.81
- Average LTV: 81.87

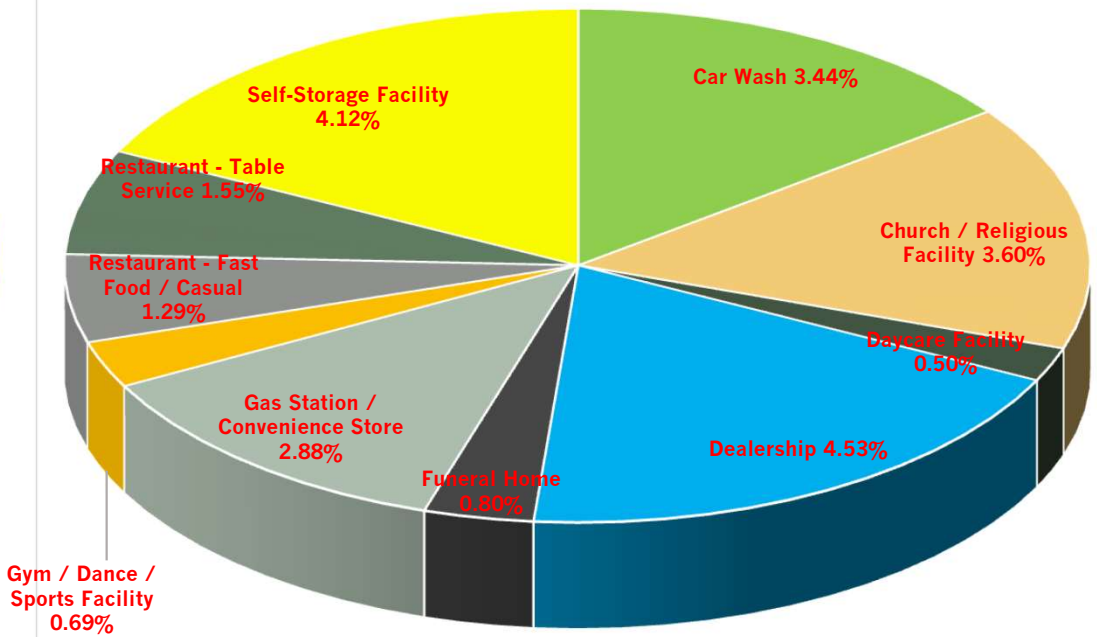
*Includes $109M in PPP loans

Commercial R/E Overview

- Diversified mix of CRE by Property type
- Balanced portfolio across all of Texas, less than 2% of loans are located outside of the State
- Excellent credit quality, 2.2% of CRE loans are classified and less than 0.4% are non-performing (as a percentage of total CRE loans)



Breakdown of Single/Special Purpose R/E



*As of Dec. 31, 2023

Loan to Deposit Ratio

*As of Dec. 31, 2023

	2018	2019	2020	2021	2022	2023*
End of Period	64.3	64.0	60.6	51.4	58.6	64.3
Average Balances	62.0	64.2	64.6	55.2	53.8	62.7

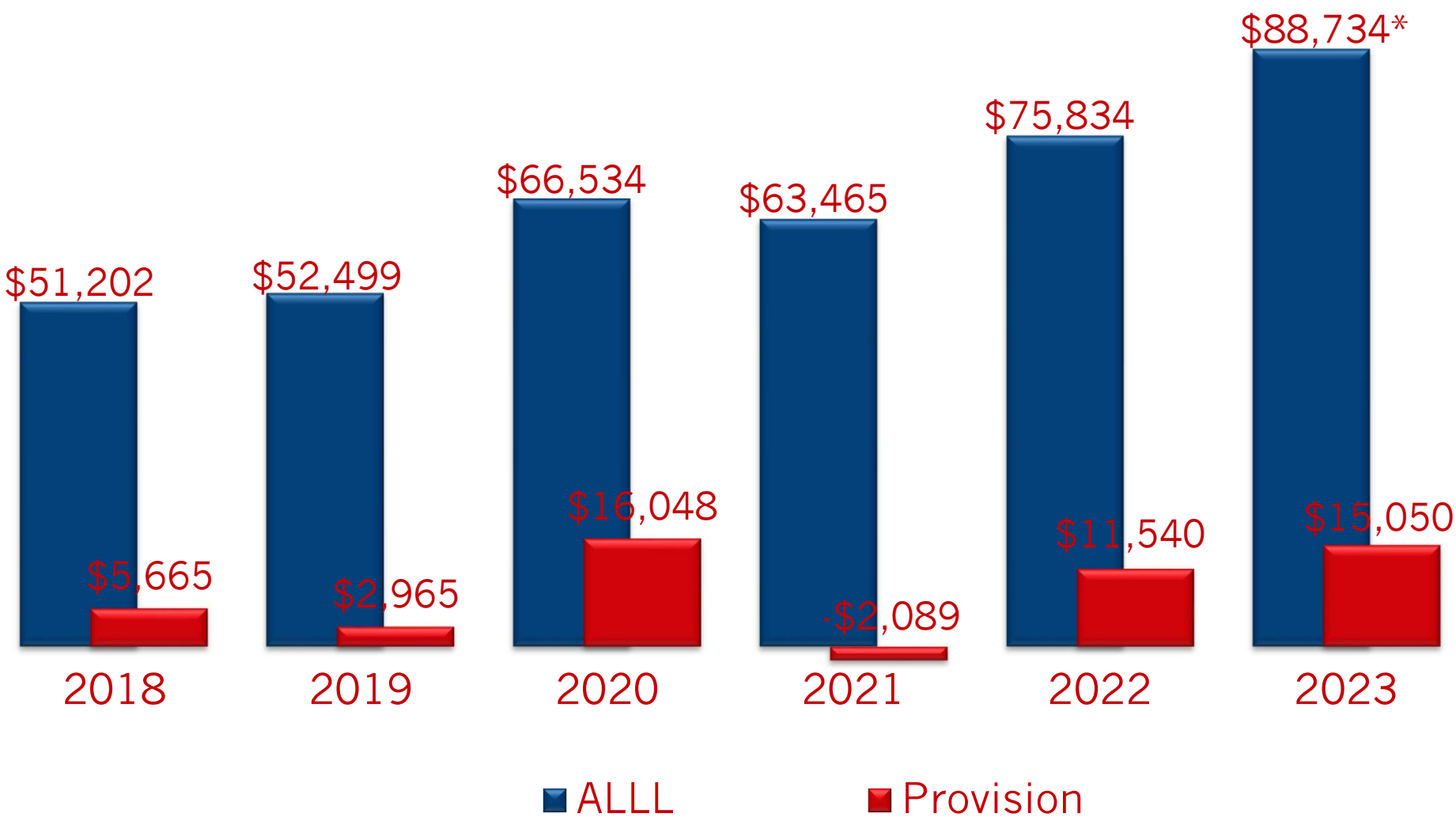
Sound Lending Practices

*As of Dec. 31, 2023
**As of Sept. 30, 2023

Nonperforming assets as a percentage of loans + foreclosed assets						*(FFIN vs. Peers)*
	2018	2019	2020	2021	2022	2023
First Financial	0.75%	0.61%	0.83%	0.63%	0.38%	0.49%*
Peer Group	0.82%	0.78%	0.97%	0.71%	0.59%	0.66%**

Allowance for Credit Losses and Provision for Credit Losses

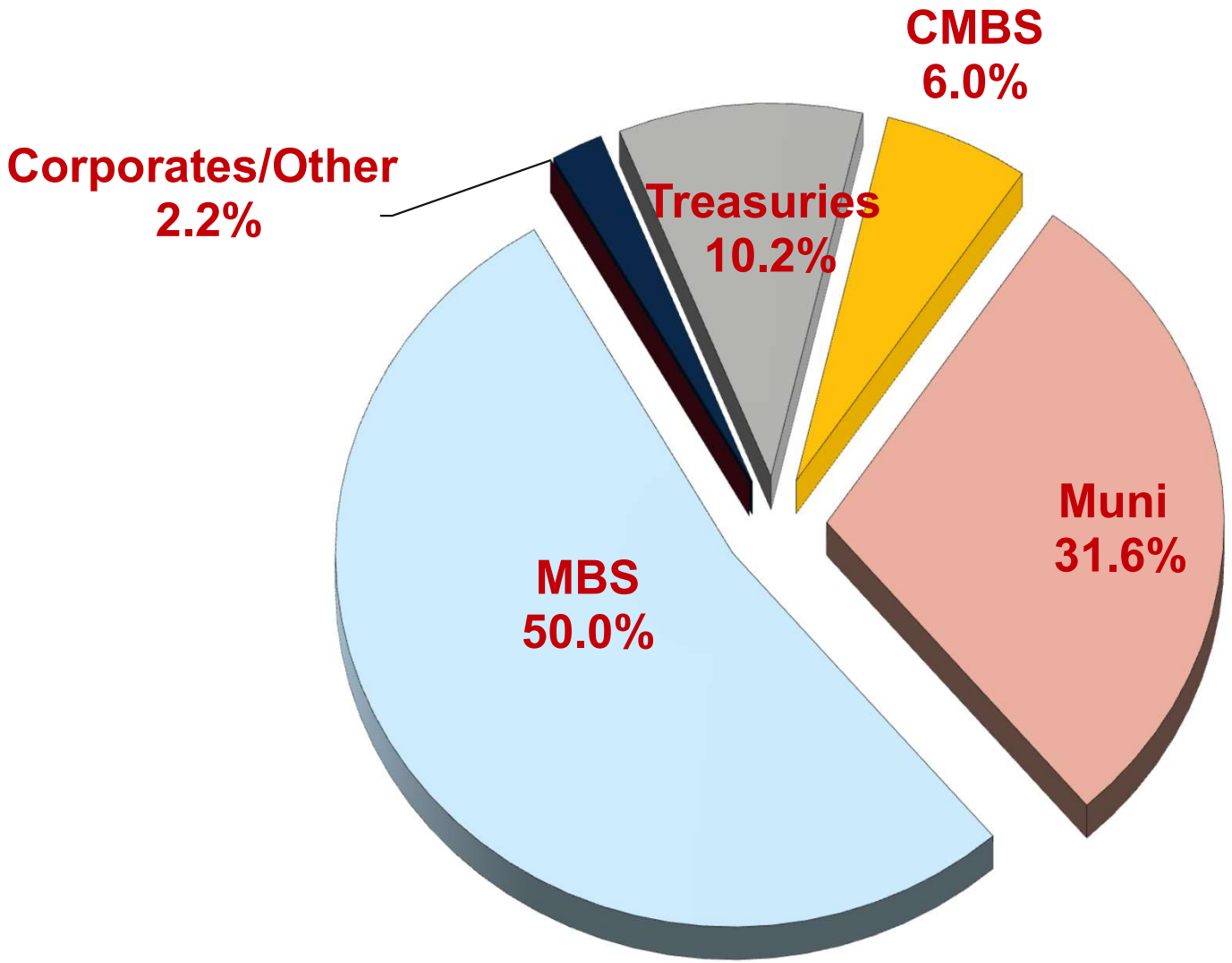
(in thousands)



***For the period ended Dec. 31, 2023 and excludes $7.9 million in reserve for unfunded commitments**

Summary of Bond Portfolio - $4.73 Billion*

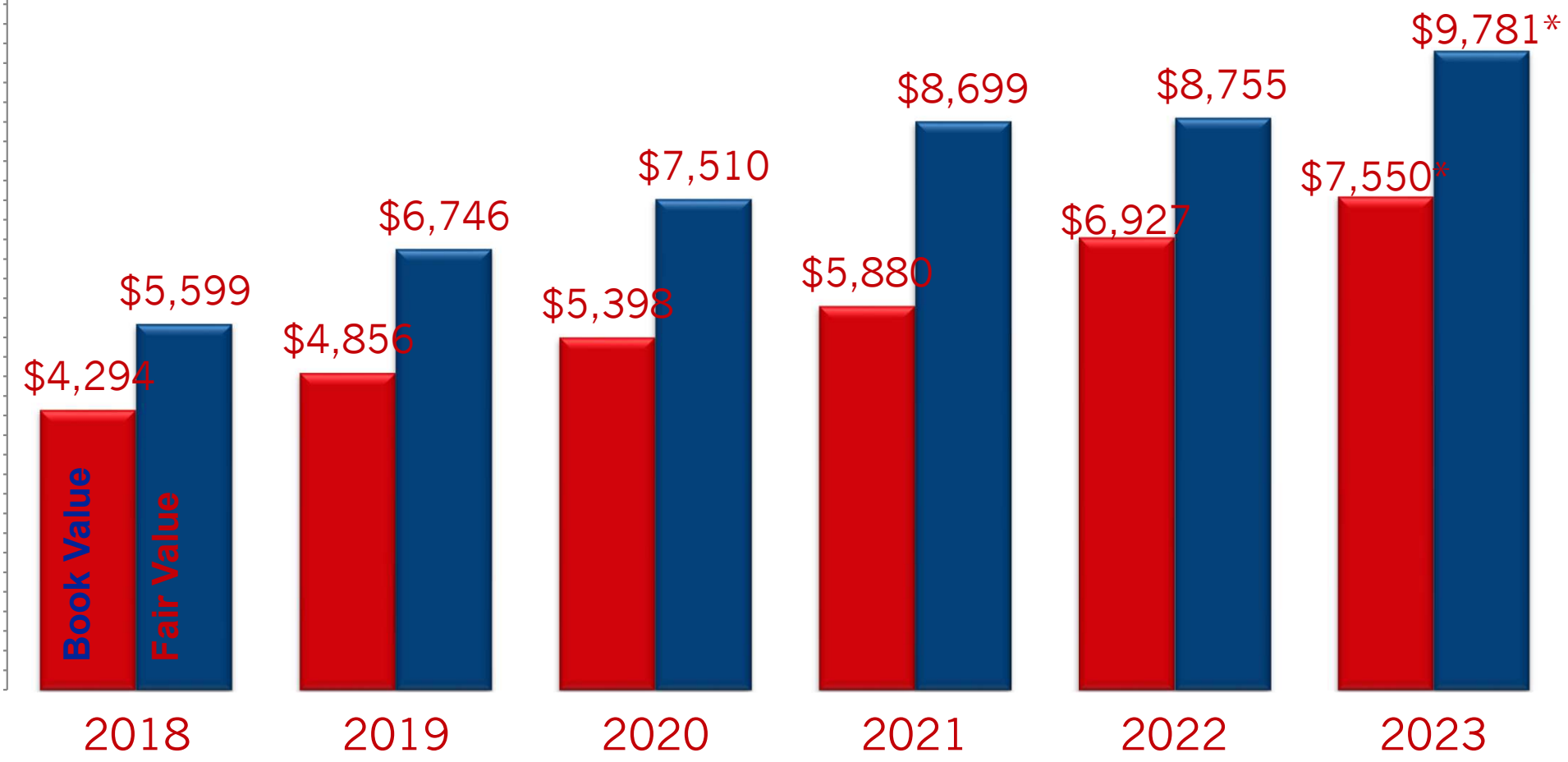
*As of Dec. 31, 2023



Growth in Trust Assets

Total Trust Assets – Book Value / Fair Value *(in millions)*

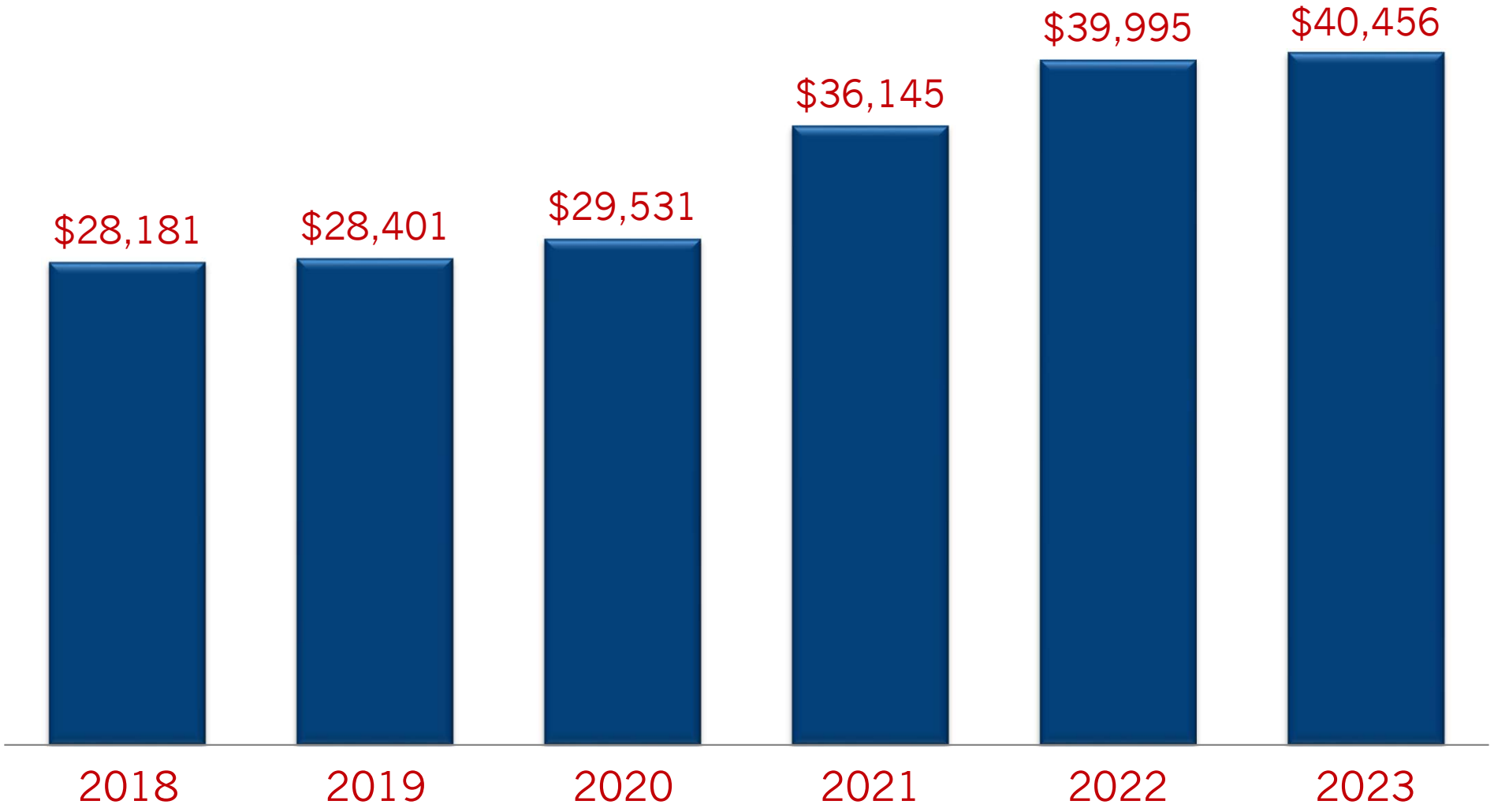
*As of Dec. 31, 2023



Total Trust Fees

Growth in FFTAM Fees

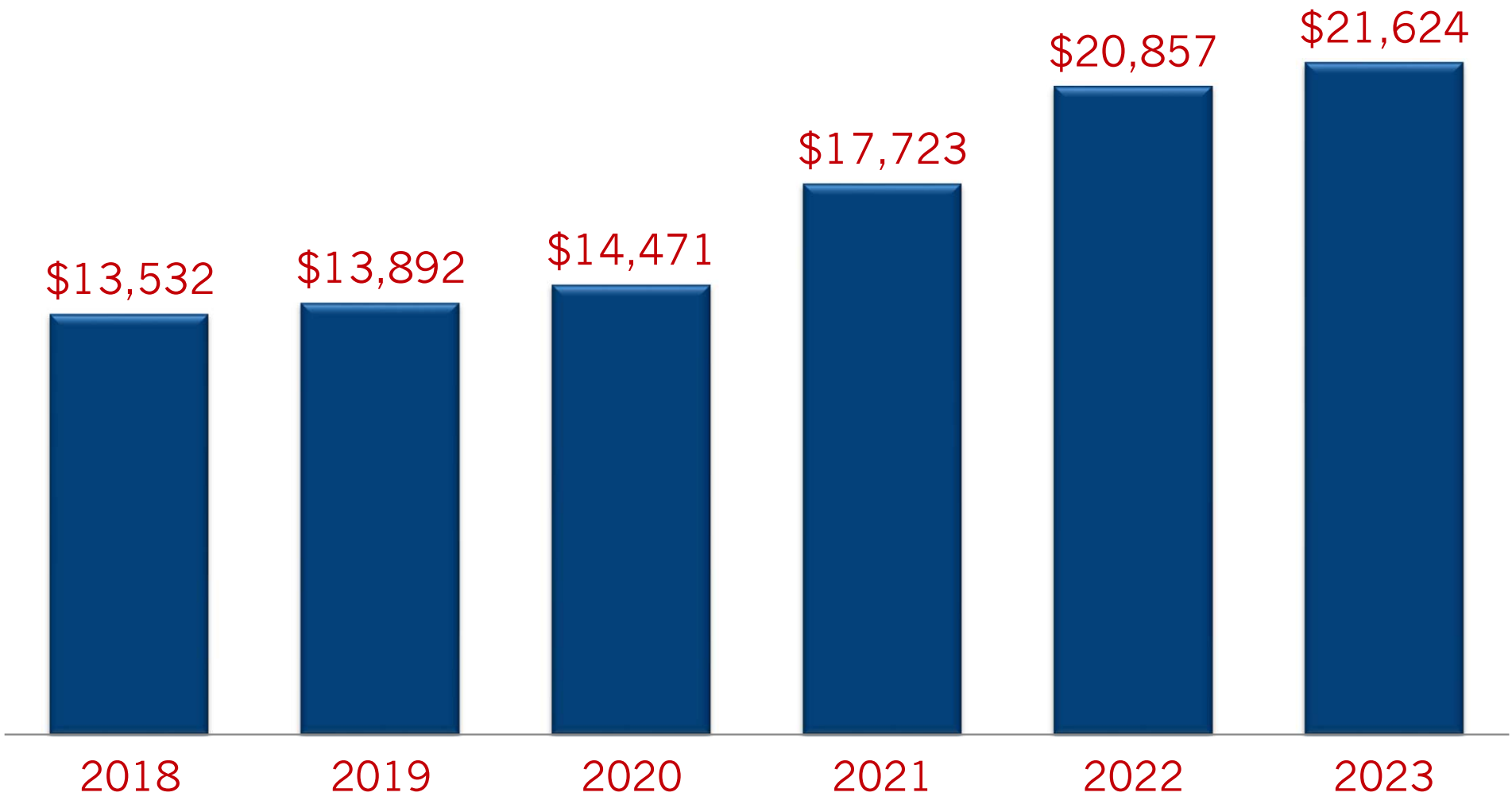
(in thousands)



Total Trust Net Income

Growth in FFTAM Net Income

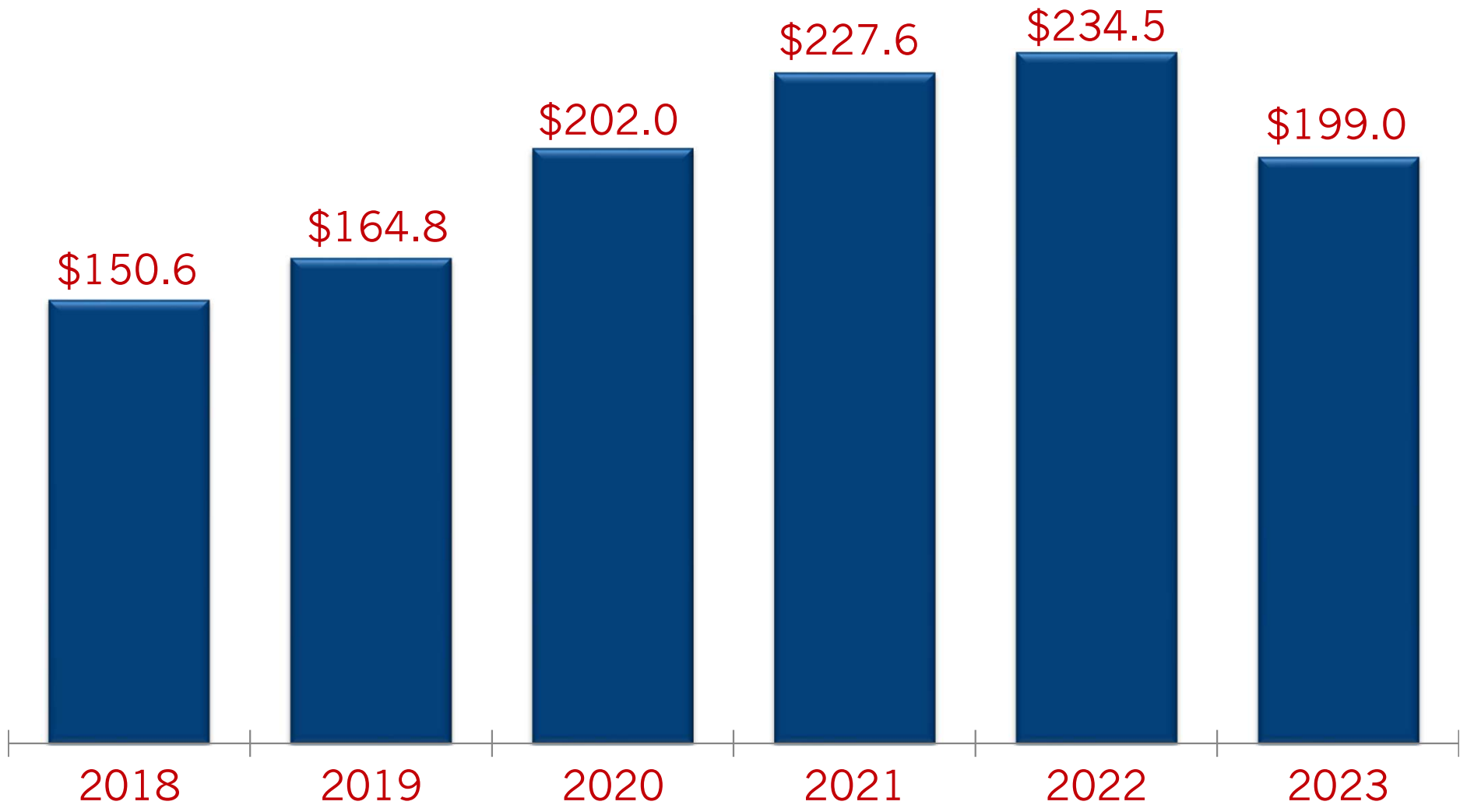
(in thousands)



Strong Historical Earnings

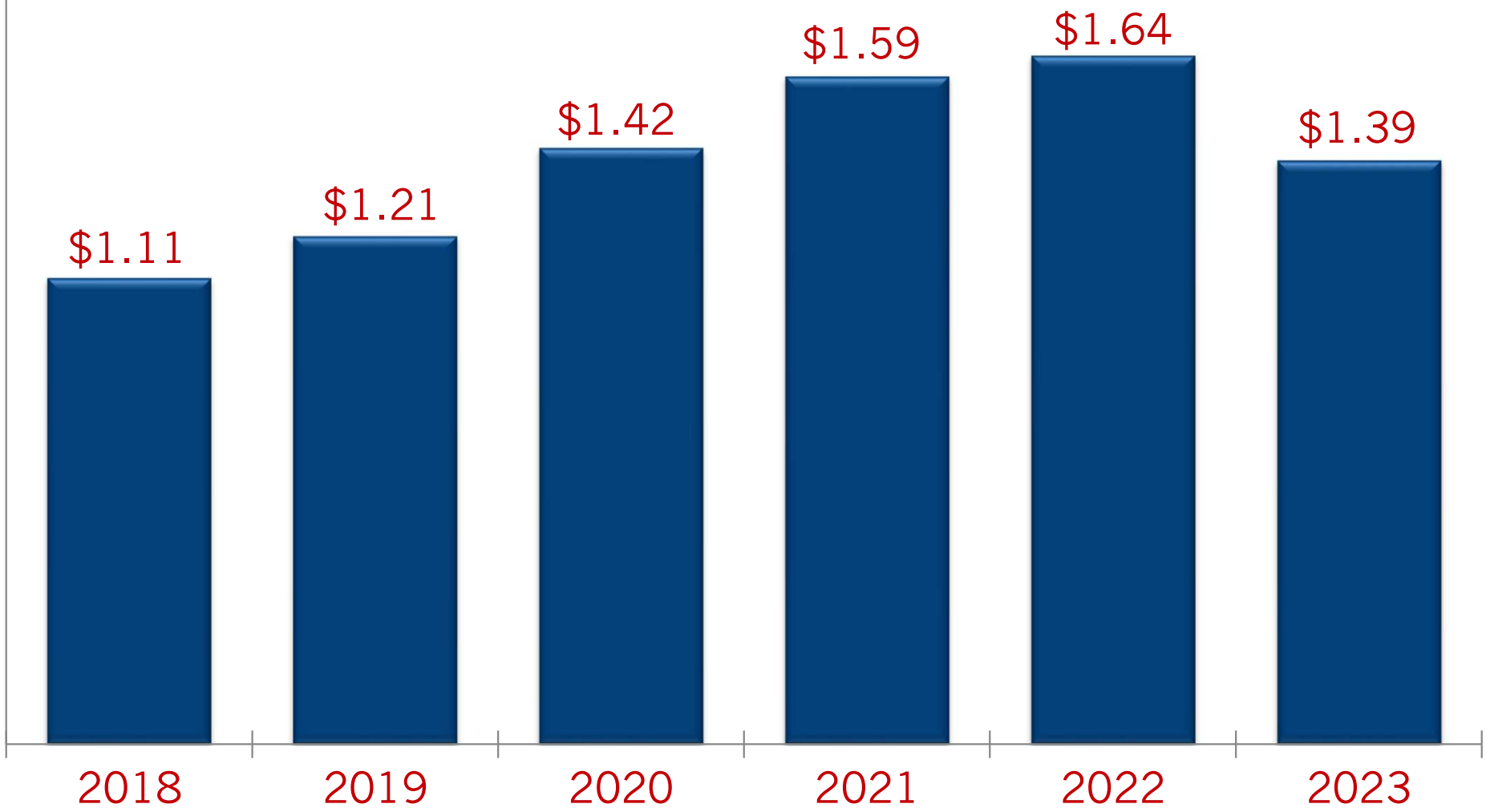
FFIN Earnings

(in millions)



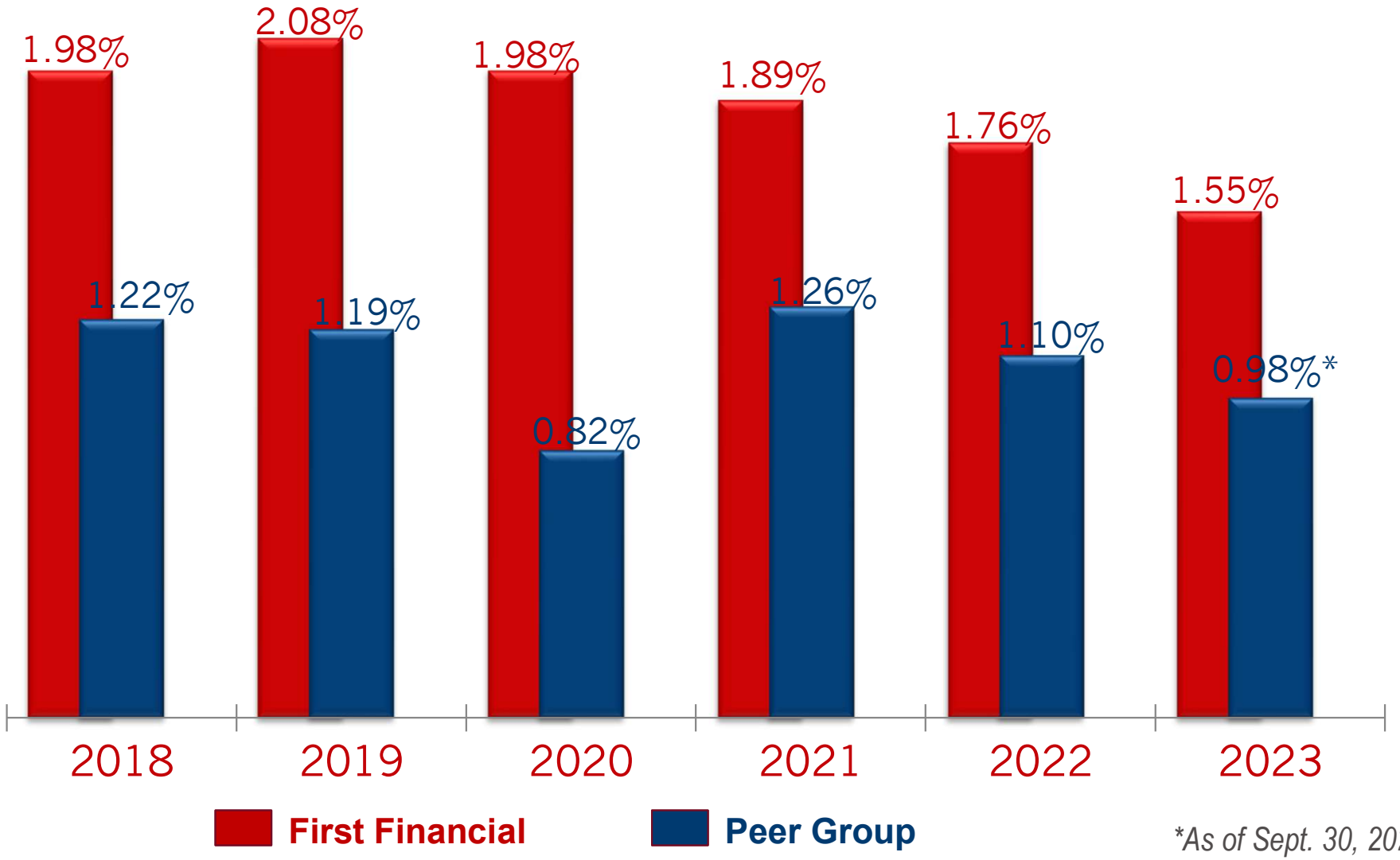
Strong Shareholder Earnings

Diluted Earnings Per Share



FFIN Outperforms Peers

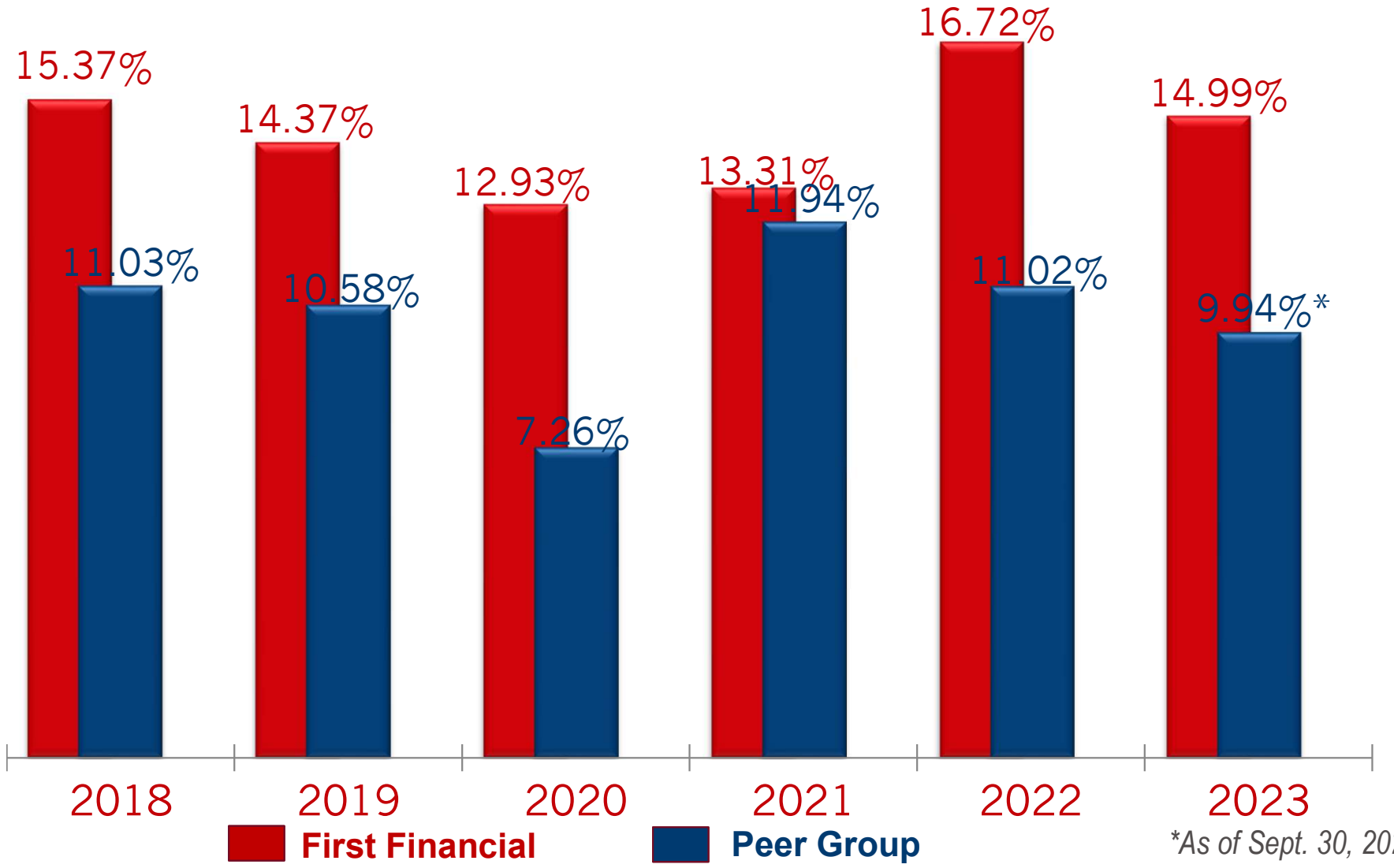
Return on Average Assets



*As of Sept. 30, 2023

Strong Return on Capital

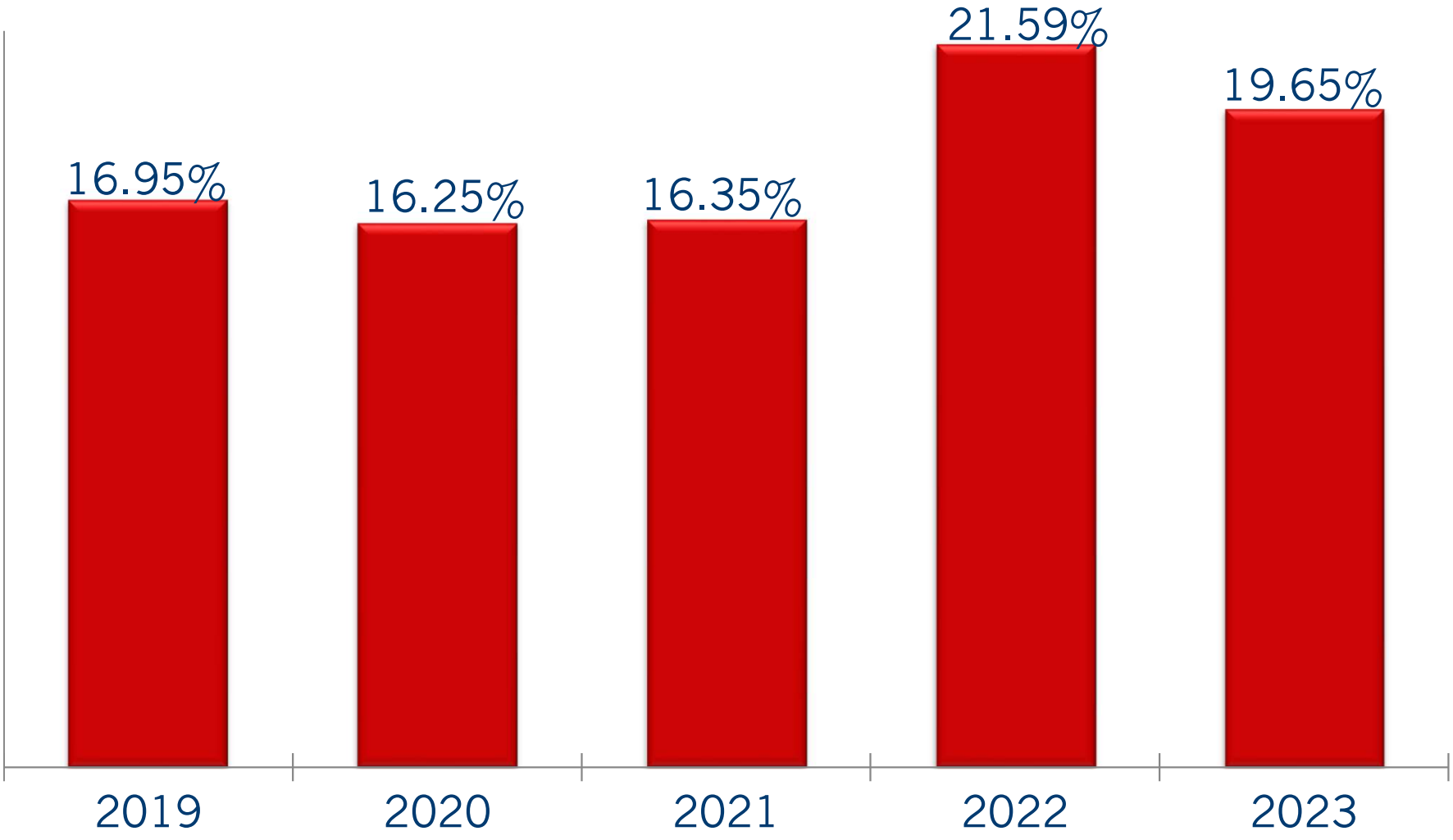
Return on Average Equity



*As of Sept. 30, 2023

Strong Return on Capital

Return on Average Tangible Equity



Capital & Capital Ratios

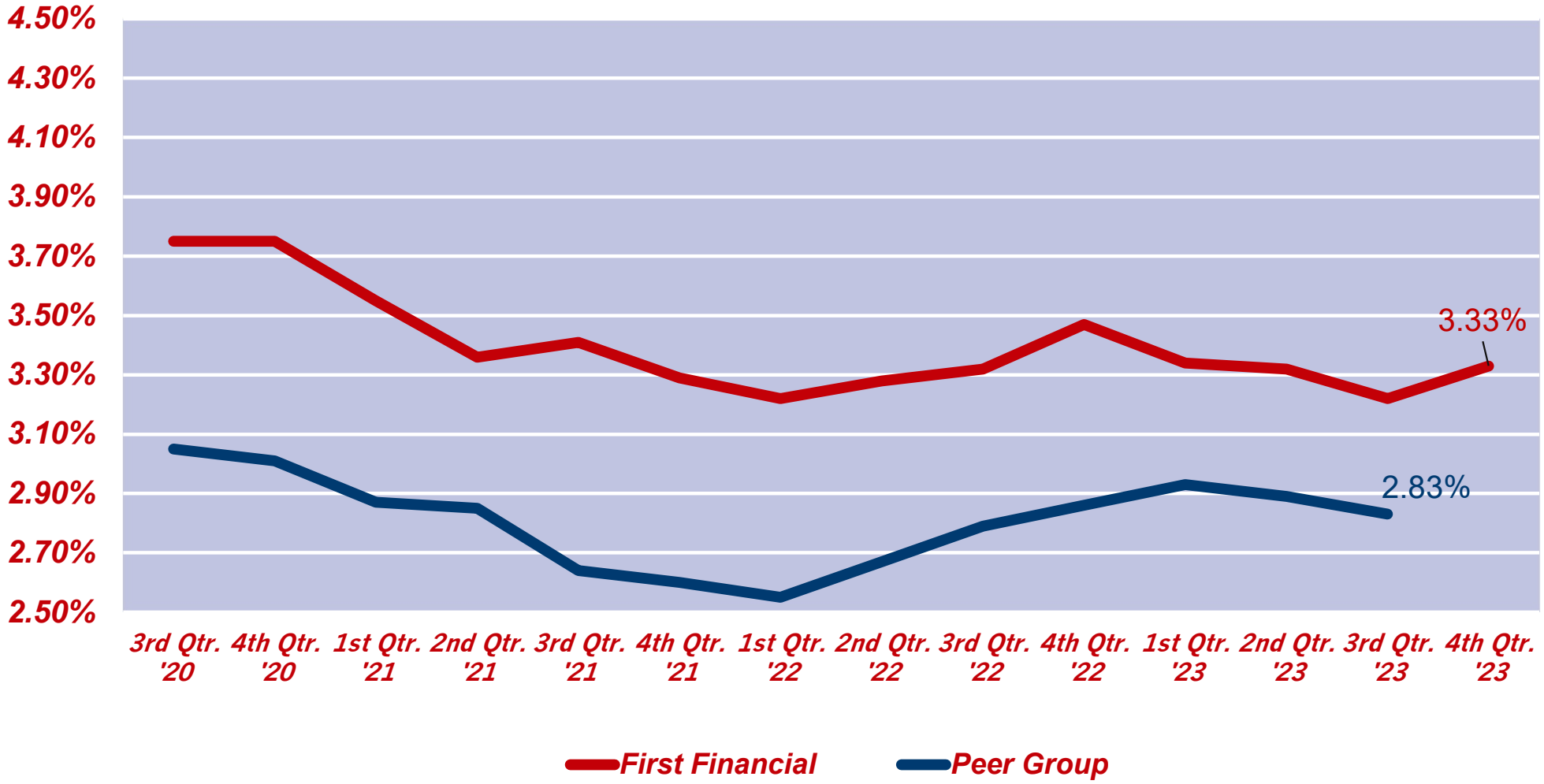
*As of Dec. 31, 2023

(dollars in thousands)

	2019	2020	2021	2022	2023*
Shareholders' Equity ($)	1,227,197	1,678,190	1,759,224	1,265,737	1,498,900
As a Percent of Total Assets (%)	14.85	15.39	13.43	9.76	11.44
Tangible Equity ($)	1,053,530	1,359,798	1,442,445	950,203	1,184,278
Tier 1 Leverage Ratio (%)	12.60	11.86	11.13	10.96	12.06
Common Equity Tier 1 Capital Ratio (%)	20.06	20.79	19.35	18.22	18.50
Tier 1 Capital Ratio (%)	20.06	20.79	19.35	18.22	18.50
Total Capital Ratio (%)	21.13	22.03	20.44	19.29	19.62

Net Interest Margin

Quarterly Interest Margin



Uninsured/Uncollateralized Deposits

Total Deposits - $11.1 Billion (down 1.21% from Dec. 2022)

Uninsured / Uncollateralized Percentage

35.85%

Deposits as of Dec. 31, 2023

First Financial Average Account Balance: $31 Thousand

Coverage Ratio of Uninsured and Uncollateralized Deposits

Total Deposits	10,716,523
Less: Insured and/or Collateralized Deposits	6,875,106
Total Deposits – Uninsured / Uncollateralized	3,841,417
Estimated Liquidity Available for Uninsured Deposits:	
Cash & Cash Equivalents	536,591
FHLB, Fed Discount Window, and FED BTFP Program Availability	2,282,978
Fed Funds Lines and other lines of credit	155,000
Bonds available for pledging	1,104,007
Estimated Liquidity Available for Uninsured Deposits	4,078,576
Coverage Ratio of Uninsured and Uncollateralized Deposits	1.06%

Working Smarter

Efficiency Ratio *(FFIN vs. Peers)*

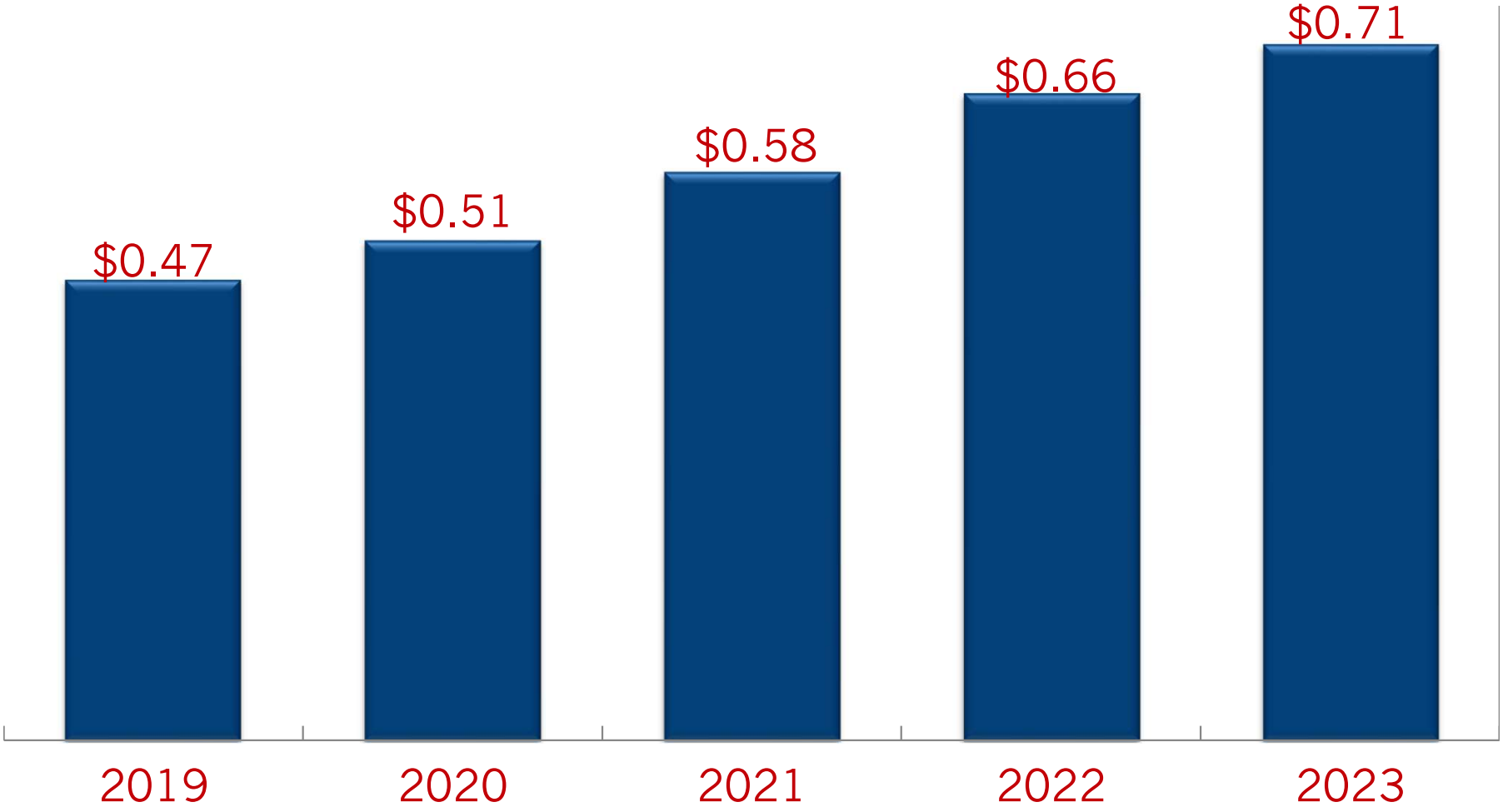
	2018	2019	2020	2021	2022	2023*
First Financial	49.72%	48.61%	45.49%	45.84%	42.77%	47.26%*
Peer Group	60.51%	59.91%	61.85%	58.80%	57.36%	60.37%**

*For the twelve-months ended Dec. 31, 2023

**For the nine-months ended Sept. 30, 2023

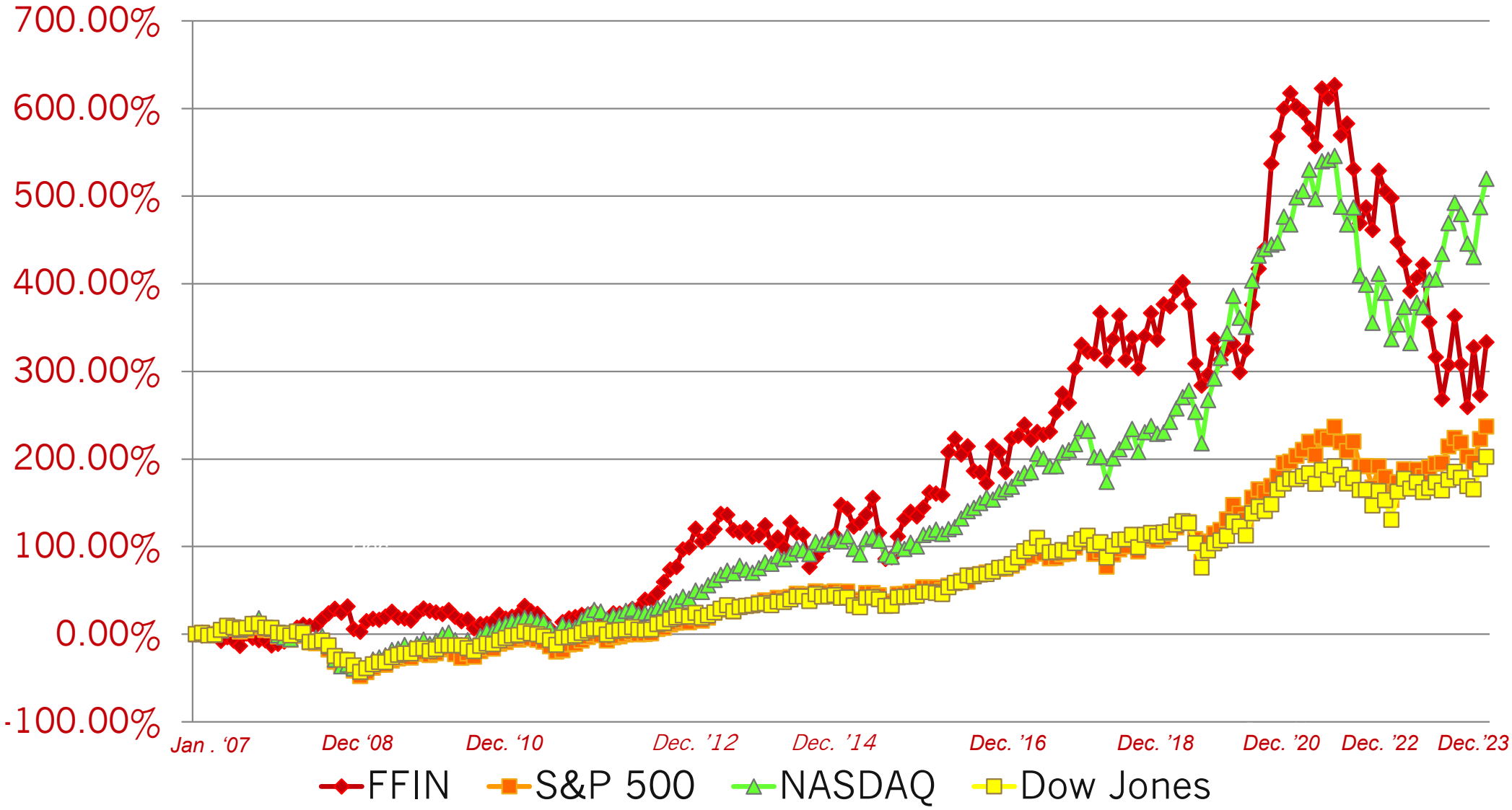
Dividends Per Share

Annual Dividends Declared Per Share



*Note: Increased quarterly dividend to $0.18 per quarter payable on July 3, 2023.

Strong Stock Performance



FIRST FINANCIAL BANKSHARES, INC.™