

Lakeland Financial Corporation

A Proven History of Shareholder Value Creation
And Commitment to Our Communities

4th Quarter 2024



David M. Findlay

Chairman & Chief Executive Officer

david.findlay@lakecitybank.com

(574) 267-9197

Kristin L. Pruitt

President

kristin.pruitt@lakecitybank.com

(574) 371-9220

Lisa M. O'Neill

Executive Vice President & Chief Financial Officer

lisa.oneill@lakecitybank.com

(574) 267-9125

Forward-Looking Information

This presentation contains, and future oral and written statements of the Company and its management may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts and are generally identifiable by the use of words such as “believe,” “expect,” “anticipate,” “continue,” “plan,” “intend,” “estimate,” “may,” “will,” “would,” “could,” “should,” or other similar expressions. All statements in this presentation, including forward-looking statements, speak only as of today’s date, and the Company undertakes no obligation to update any statement in light of new information or future events.

The Company’s ability to predict results or the actual effect of future plans or strategies is inherently uncertain and, accordingly, you are cautioned not to place undue reliance on any forward-looking statement. Actual results could differ materially from those addressed in the forward looking statements as a result of numerous factors, including the effects of economic, business and market conditions and changes, particularly in our Indiana market area, including prevailing interest rates and the rate of inflation; governmental monetary and fiscal policies; the risks of changes in interest rates on the levels, composition and costs of deposits, loan demand and the values and liquidity of loan collateral, securities and other interest sensitive assets and liabilities; and changes in borrowers’ credit risks and payment behaviors, as well as those identified in the company’s filings with the Securities and Exchange Commission, including the company’s Annual Report on Form 10-K and quarterly reports on Form 10-Q.

Bank Director Magazine – Top U.S. Banks

THE BEST
U.S. BANKS
2024

RANKING BANKING

BankDirector.

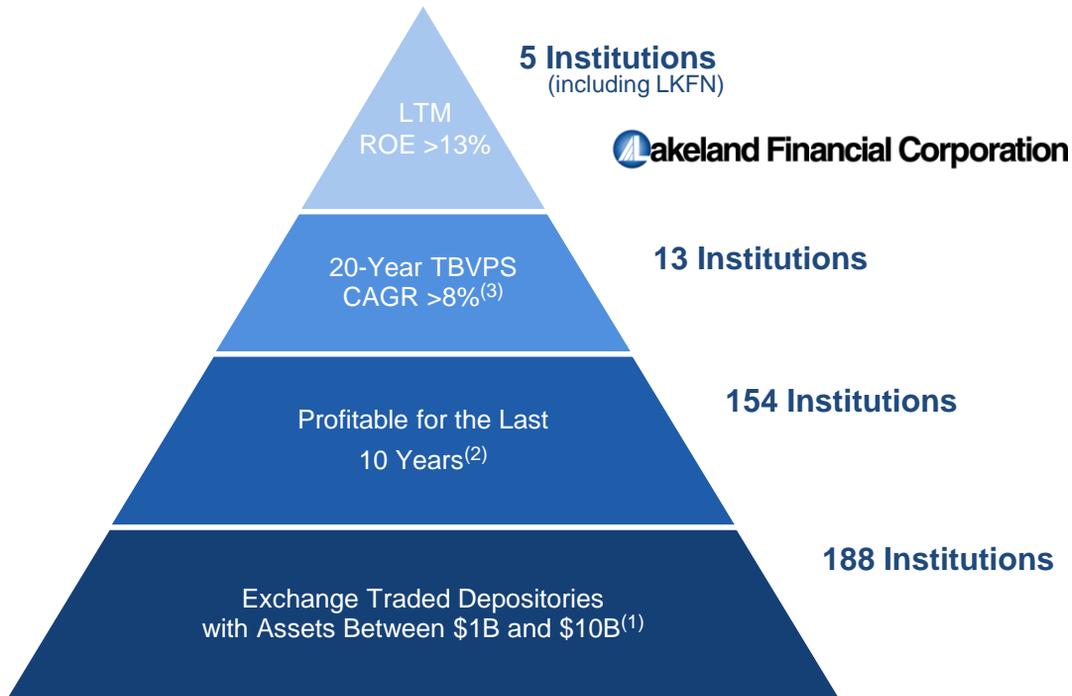


TOP 25 BANKS

Rank	Company Name	Ticker	State	Total Assets (\$MM)	Profitability				Capital Adequacy		Asset Quality		Final Score
					Core ROAA (%)	ROA Rank	Core ROAE (%)	ROE Rank	Tang Common Equity / Tang Assets (%)	TCE Rank	NPA's / Loans & OREO (%)	NPA Rank	
1	Westamerica Bancorp.	WABC	CA	6,365	2.35	4	18.09	15	10.43	38	0.05	15	72
2	Farmers & Merchants Bancorp	FMCB	CA	5,309	1.74	17	17.69	23	10.13	48	0.02	8	96
3	Macatawa Bank Corp.	MCBC	MI	2,749	1.60	28	16.42	33	10.44	36	0.00	4	101
4	Mercantile Bank Corp.	MBWM	MI	5,353	1.65	21	17.54	26	8.91	92	0.08	25	164
5	East West Bancorp	EWBC	CA	69,613	1.81	15	18.92	13	9.38	67	0.22	71	166
6	Commerce Bancshares	CBSH	MO	31,701	1.50	41	18.02	18	8.85	96	0.04	14	169
7	Cashmere Valley Bank	CSHX	WA	2,043	1.52	37	17.82	21	9.42	66	0.20	63	187
8	City Holding Co.	CHCO	WV	6,168	2.01	8	19.30	10	8.57	115	0.20	62	195
9	The Bancorp	TBBK	DE	7,706	2.61	2	25.81	1	10.46	34	0.50	180	217
10	Private Bancorp of America	PBAM	CA	2,152	2.01	9	23.88	3	8.53	118	0.27	97	227
11	ACNB Corp.	ACNB	PA	2,419	1.54	35	14.20	58	9.48	65	0.21	70	228
11	Lakeland Financial Corp.	LKFN	IN	6,524	1.59	30	17.49	27	9.89	54	0.33	117	228



Long Term Success for Shareholders



Source: S&P Capital IQ Pro. Financial data is as of September 30, 2024.

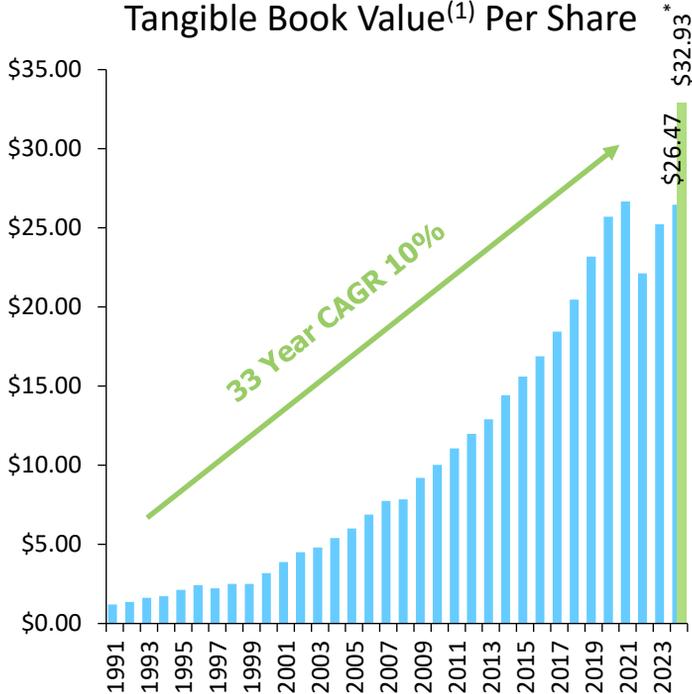
(1) Includes banks and thrifts traded on the NYSE, NYSEAM or NASDAQ as of 12/20/24; excludes merger targets.

(2) Defined as having positive net income before extraordinary items and preferred dividends for each of the last 10 years (calendar years ended December 31, 2014 through December 31, 2023). Net income before extraordinary items is defined by S&P Capital IQ Pro as GAAP net income, after taxes, minority interest, and other after tax items, but before any extraordinary items. Excludes any revaluation of net deferred tax assets due to tax reform per S&P Capital IQ Pro.

(3) Defined as having compounded annual growth in tangible book value per share from 9/30/04 through 9/30/24 greater than 8%.

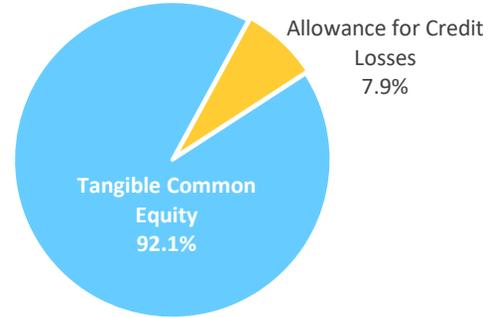
Strong Capital Structure

Tangible Book Value⁽¹⁾ Per Share



⁽¹⁾compounded annual growth rate computed from 1991-2024

*TBV adjusted to exclude the market value impact of AFS investment securities for TCE and Tangible Assets



Key Ratios and Per Share Data as of December 31, 2024

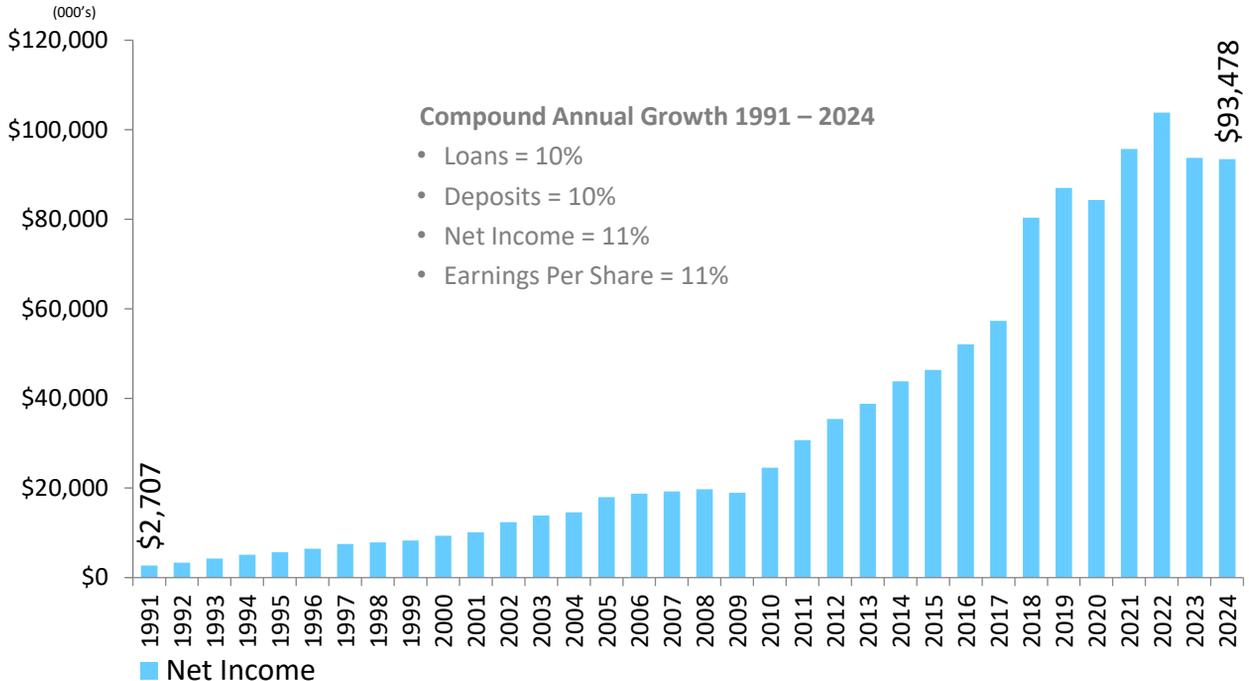
TCE/Tangible Assets	10.19%
Adj. TCE/Adj. Tangible Assets	12.37%
Total Risk-Based Leverage	15.90%
Leverage	12.15%
Book Value	\$26.62
Tangible Book Value	\$26.47
Adj. Tangible Book Value	\$32.93

Lake City Bank Today

- A long-term and consistent organic growth story
- Headquartered in Warsaw, Indiana
- 54 branch offices - \$6.7 billion banking assets - \$3.4 billion trust, retirement and investment brokerage assets
- Focused on execution – “blocking and tackling”
- Continued growth potential

34 Years of Organic Growth

Record Net Income for 30 of 34 Years



Established Market Presence

Organic Growth Potential in Mature and Expanding Markets

Lake City Bank Market Growth

Warsaw – est. 1872

Kosciusko-12
Noble-3
Whitley-1
Marshall-3
Fulton-2
Pulaski-1

Elkhart – est. 1990

Elkhart-11
LaGrange-2

South Bend – est. 1997

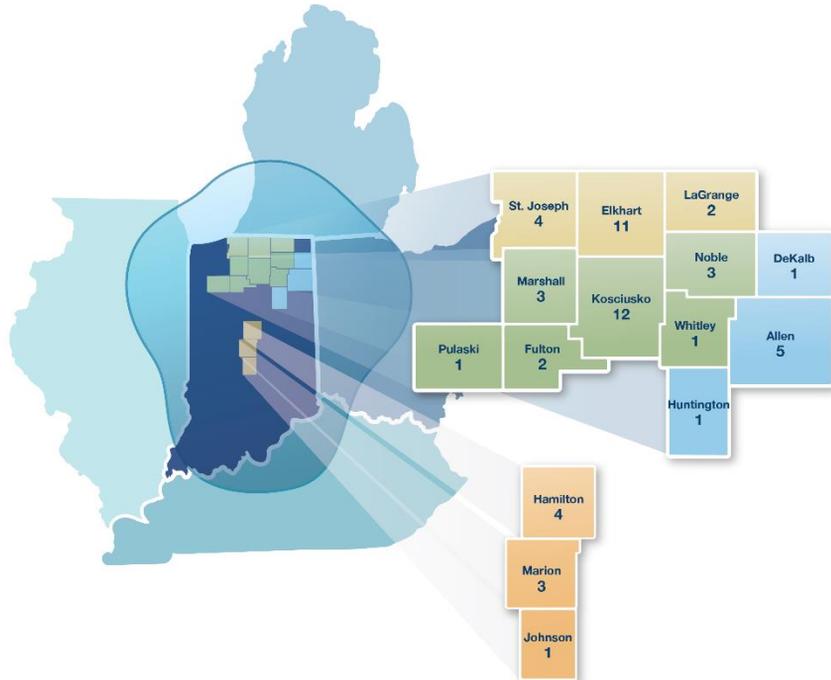
South Bend-4

Fort Wayne – est. 1999

Allen-5
DeKalb-1
Huntington-1

Indianapolis – est. 2011

Hamilton-4
Marion-3
Johnson-1

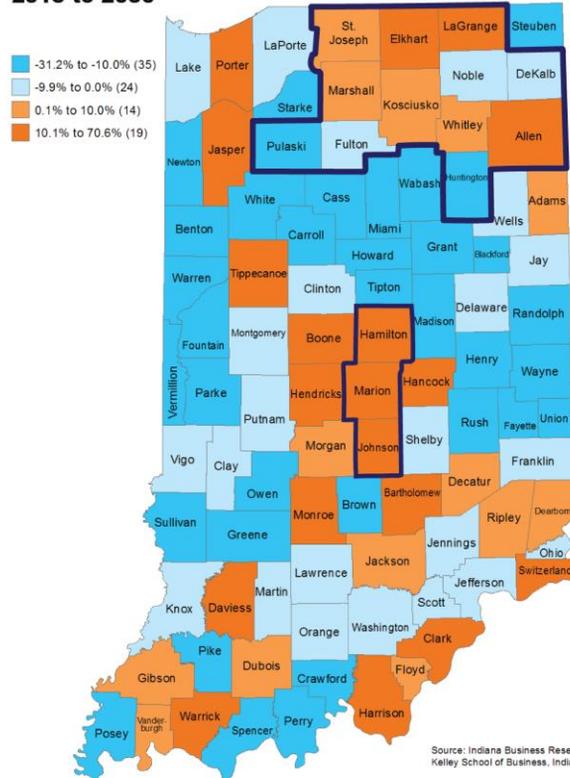


A Continued Path to Economic Growth

- 67% of Lake City Bank counties are growth and high growth counties
- 40% of Lake City Bank counties are high growth counties
- Indiana is poised to experience continued economic strength and vitality

Population Projections

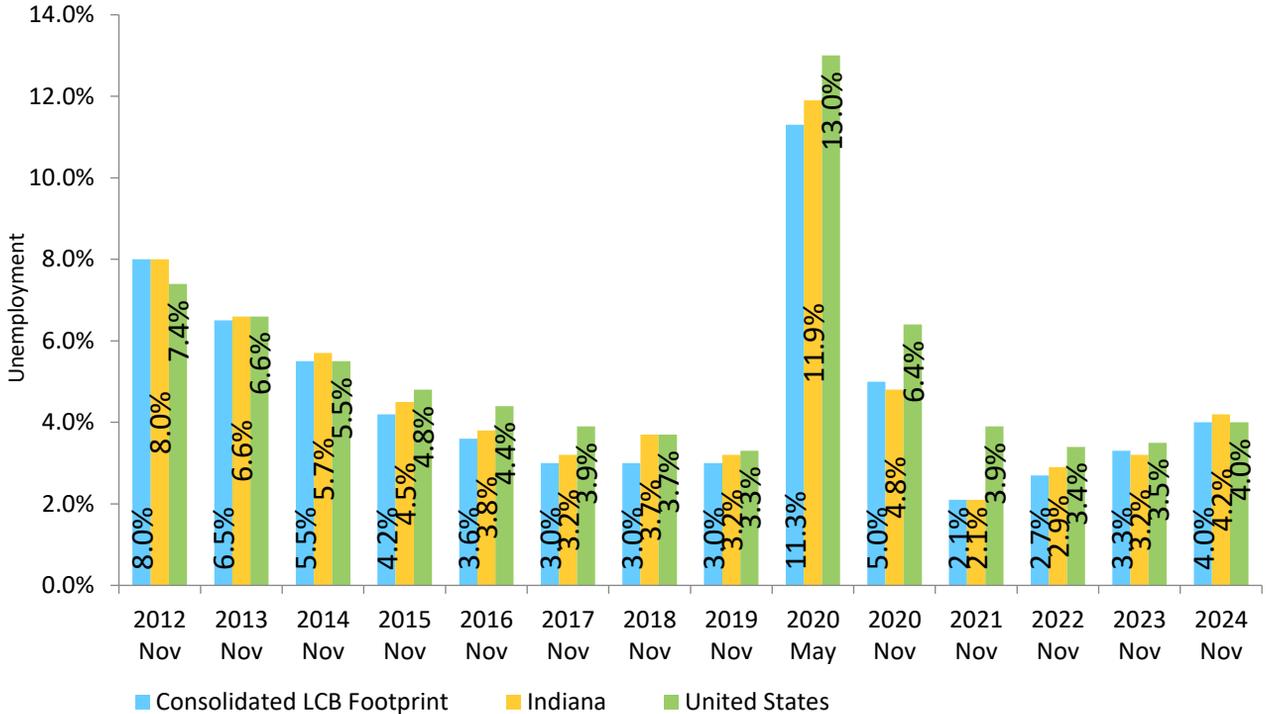
**Percent Change in Total Population,
2015 to 2050**



Source: Indiana Business Research Center,
Kelley School of Business, Indiana University.

Strong Regional and Statewide Economy

Unemployment Rate In The Lake City Bank Footprint Is Consistent With The National Average



Source: United States Bureau of Labor Statistics. Lake City Bank footprint is defined as Kosciusko, Marshall, Fulton, Pulaski, Noble, Whitley, St. Joseph, Elkhart, LaGrange, Allen, DeKalb, Huntington, Marion, Hamilton and Johnson Counties in Indiana

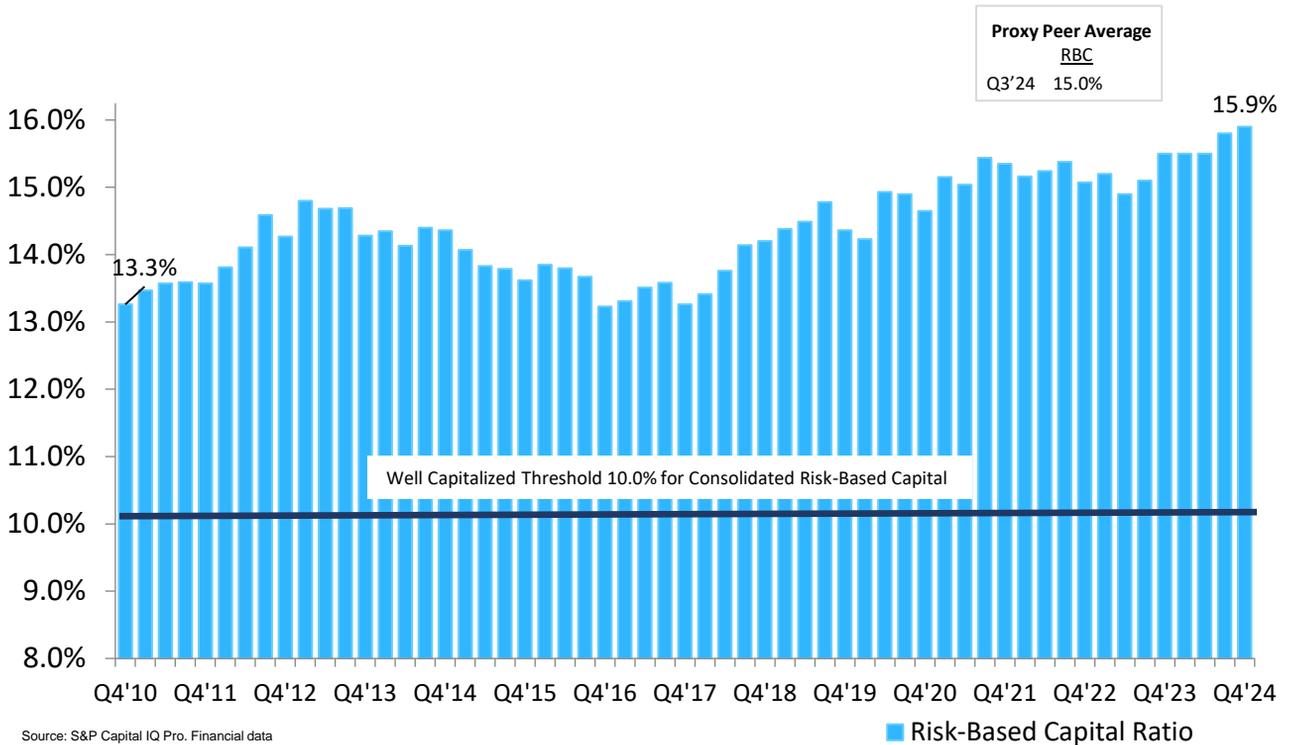
Lake City Bank

Balance Sheet Dynamics

1. Capital Strength
2. Diversified Deposit Composition
3. Liquidity Availability
4. Investment Securities Portfolio
5. Asset Liability Management

Fortress Balance Sheet And Capital In Excess of Requirements

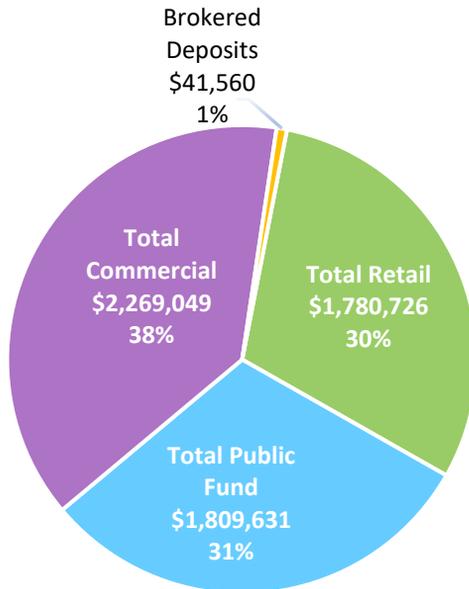
LKFN Above Peer Long-Term Profitability has Contributed to a Strong Capital Foundation



Source: S&P Capital IQ Pro. Financial data

Deposit Composition Provides Diversification

Strong Commercial Deposit Growth



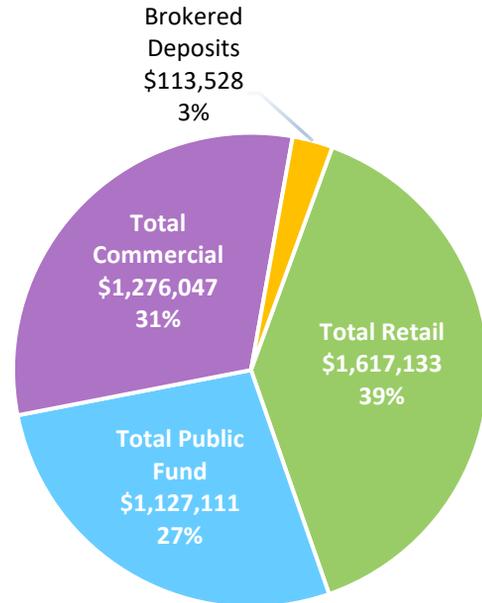
December 31, 2024

Total Deposits - \$5.9 billion

DDA \$1,297,456

DDA % of Total Deposits – 22%

(000's)



December 31, 2019

Total Deposits - \$4.1 billion

DDA- \$983,307

DDA % of Total Deposits – 24%

(000's)

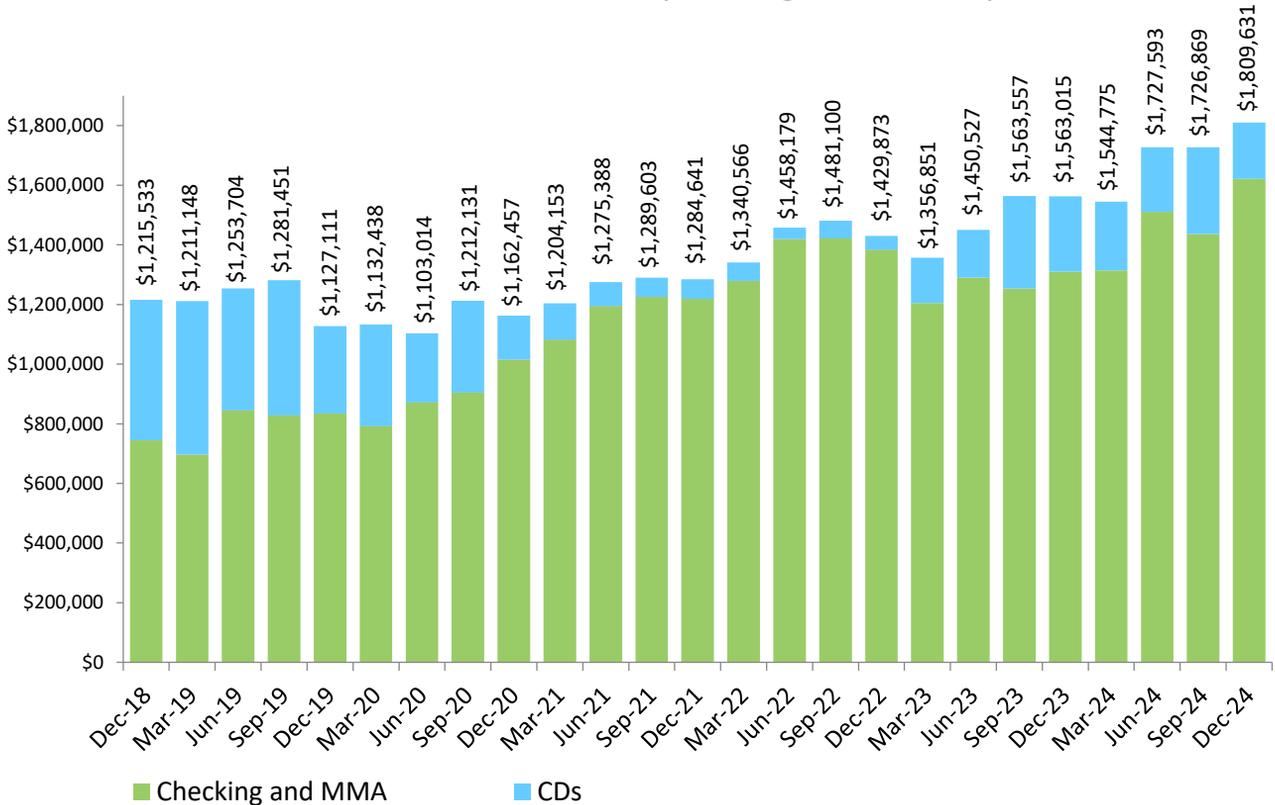
Diversified Deposit Base

Deposit Franchise Consists of Broad-based and Deep Relationships

- Deposit composition has remained stable with commercial deposits increasing as a percent of total deposits
- Lake City Bank had 119,934 deposit accounts at December 31, 2024. 117,490, or 98%, of those accounts are less than \$250,000
- Public Funds in Indiana are covered by the Public Deposit Insurance Fund (PDIF). Collateral is not pledged to public funds.

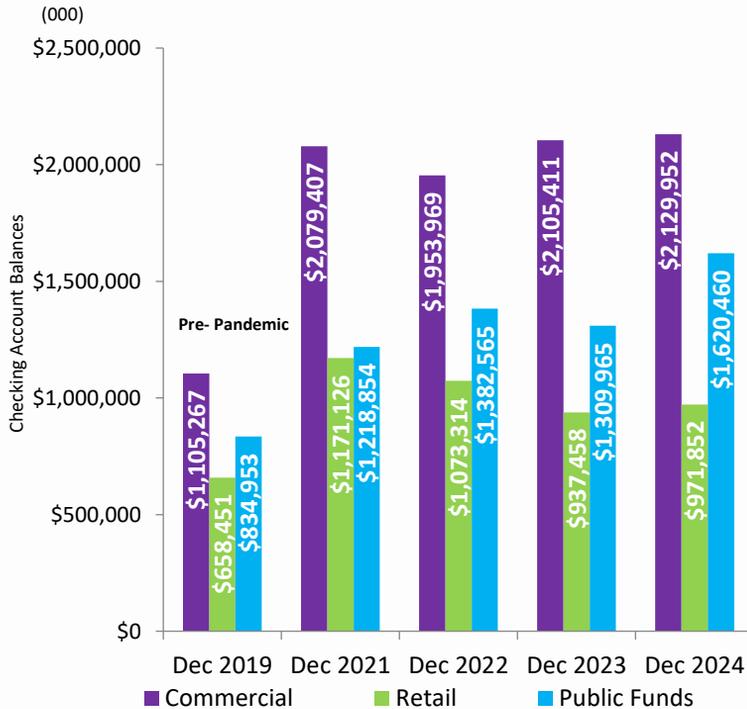
Public Fund Deposit Trends

85% of Public Funds are Operating Relationships



Checking Accounting Trends by Deposit Sector

Commercial Accounts Grow by 21% since December 2019



Note: Checking account balances include demand deposits and interest-bearing checking products and exclude goal accounts

(000)	Commercial	Retail	Public Funds
12/31/24	\$136	\$16	\$6,209
12/31/23	\$137	\$15	\$5,369
12/31/22	\$132	\$18	\$6,615
12/31/21	\$144	\$20	\$6,004
12/31/19	\$86	\$12	\$4,073

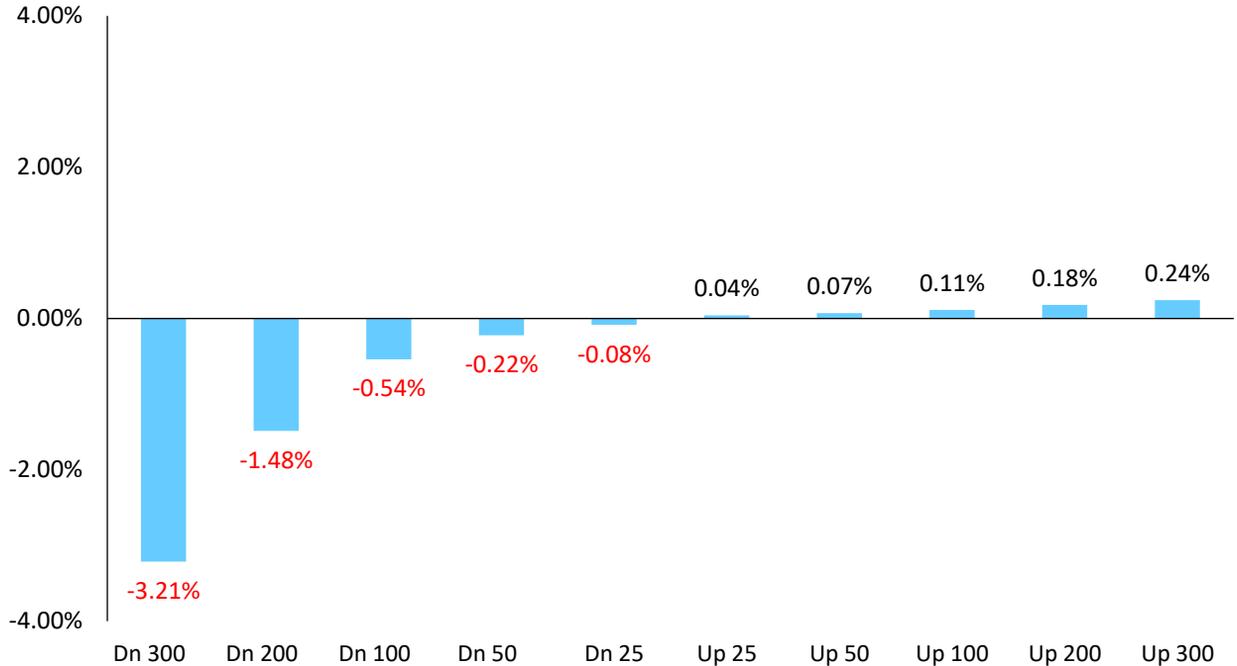
	Commercial	Retail	Public Funds
12/31/24	15,663	62,626	261
12/31/23	15,402	61,725	244
12/31/22	14,824	60,528	209
12/31/21	14,414	59,492	203
12/31/19	12,921	56,177	205

Robust Liquidity Sources

- Available liquidity is stable at \$3.7 billion, up from \$3.4 billion at December 31, 2023
- Sources of liquidity are varied and represent wholesale funding and brokered deposits
- Brokered deposits represent 1% of total deposits
- Noncore funding represented 1% of total deposits and purchased funds as of December 31, 2024 vs. 3% as of December 31, 2023

Projected Impact of Rising/Falling Rates

Asset Sensitive Balance Sheet Maintains Neutral Shift



Graph presents 12 month projected net interest income simulation results as of December 31, 2024, using parallel shocks

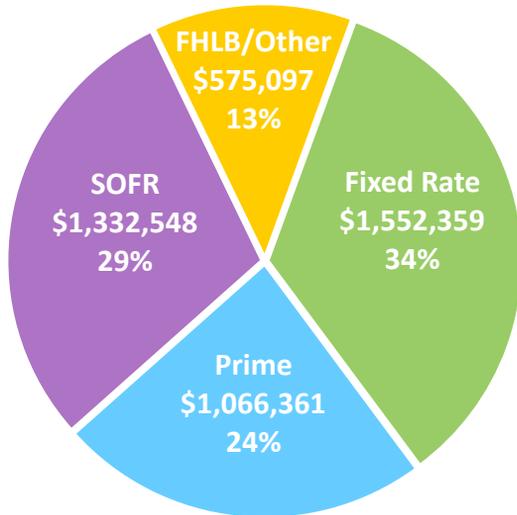
Net Interest Margin

Deposit Costs Coming Down Rapidly

- Noninterest bearing deposits to total deposits was 22% unchanged from the third quarter 2024
- Linked quarter net interest margin expanded by 9 basis points in 4Q24 compared to 3Q24
- Cumulative Loan Beta 25% for recent easing cycle
- Cumulative Deposit Beta 31% for easing cycle
- Deposit repricing in current easing cycle is a heightened focus

Interest Rate Sensitivity

Deposits Have Repriced Quicker than Loans During Current Easing Cycle



Commercial Loans
\$4.5 billion as of December 31, 2024
(000's)

- 88% of loan portfolio consists of commercial loans and 66% of commercial loans are tied to variable interest rates
- Approximately \$718.5 million of fixed rate commercial loans are estimated to reprice in the next twelve months
 - Fixed rate loans have shorter, average original terms of approximately 5 years
- Public Funds contribute to deposit repricing, \$1.5 billion are tied to the effective Federal Funds Rates
- Cost of Funds peaked in 2Q24 at 2.90% compared to 2.56% in 4Q24

Shareholder Value Strategy

1. Commercial Banking Focus
2. High Quality Team Members
3. Proven Organic Growth Experience
4. Focus on Core Deposit Funding
5. Commitment to Technology

Commercial Banking Focus

Experienced Relationship Driven Team

- 42 credit “smart” commercial bankers
- Average 25 years in banking & 14 years at Lake City Bank
- We live where we lend
- Face to face calling matters and is a team effort
- We understand our clients’ needs
- Deep organizational structure provides credit and administrative support
- We cross sell aggressively by leveraging technology
- Capital capacity supports organic loan growth

Credit Process

Commercial Banking Focus

- Our credit discipline has never changed
- We have a centralized committee structure
- We are in-market lender to in-market clients
- Character matters – we lend to people first
- We focus on management/cash flow
- Structure is important and is disciplined
- CRE portfolio has nominal office exposure (2% of total) with focus on owner occupied, in-market multifamily, and strong credit tenant transact projects

Corporate Social Responsibility

Over 150 Years of Focusing on Our Customers, Employees
and Our Communities

- Supporting our communities since 1872
- Caring for and building a diverse and inclusive team
- Delivering customer-focused loan and deposit products to our communities
- Developing strong cybersecurity controls to protect our customers' data
- Supporting financial literacy in our footprint
- Caring for the environment
- Focusing on continued, positive corporate stewardship

Lake City Bank Culture

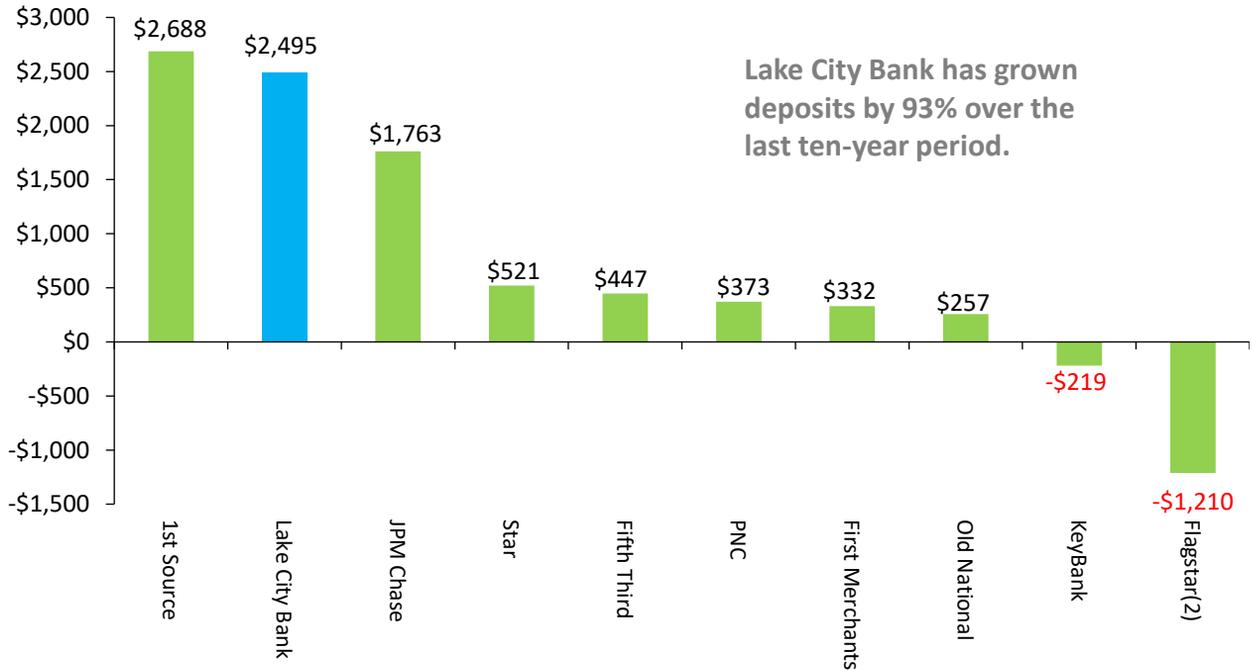
High Quality Team Members

- Our culture is our greatest asset and we will preserve it
- Lake City University drives our culture
- Diversity, Equity and Inclusion are ongoing initiatives that create a culture of belonging
- Our community involvement is real and critical to our strategy
- Our culture has not been diluted by acquisition



Mature¹ Market Deposit Performance

Organic Growth 2014 – 2024



¹Mature Markets include 12 Northern Indiana counties and exclude 3 Central Indiana counties

²Flagstar acquired Wells Fargo branches in 2018

Totals adjusted to include branches subsequently acquired by surviving banks.

Source: FDIC 6/30/24 Statistics

Expansion and Innovation Occurring Throughout Indiana

- Indiana #1 manufacturing state in the country⁽¹⁾
- Indiana received tech hub designations from the federal government in microelectronics, hydrogen energy and biotechnology.⁽²⁾
- Indiana to host semiconductor event in 2025. The state has attracted seven new semiconductor companies, secured a federal tech hub designation for microelectronics and broken ground on a new, 10-acre public-private microelectronics hub⁽³⁾
- In 2024, the Indiana Economic Development Corporation secured more than \$39.2 billion of committed capital investment, helped launch 482 new small businesses and awarded another \$500 million in quality of place funding to communities across the state through READI 2.0⁽⁴⁾
- Eli Lilly announces \$13 billion investment in Indiana's LEAP Research and Innovation District in Lebanon, Indiana to establish the Lilly Medicine Foundry, a new center for drug development and advanced manufacturing⁽⁵⁾

(1) https://www.statsamerica.org/sip/rank_list.aspx?rank_label=gsp2_b&item_in=12&ct=S18

(2) <https://www.iedc.in.gov/events/news/details/2023/11/28/indiana-tech-hub-wins-will-surge-state-s-economy>

(3) <https://www.iedc.in.gov/events/news/details/2024/07/09/gov-holcomb-announces-indiana-to-host-global-semiconductor-event-in-2025>

(4) <https://www.iedc.in.gov/events/news/details/2025/01/10/iedc-closes-holcomb-term-with-eighth-consecutive-record-breaking-year-for-economic-development>

(5) <https://investor.lilly.com/news-releases/news-release-details/lilly-announces-new-45-billion-site-lilly-medicine-foundry-drive>

Commitment to Technology

Innovation and Competitive Technology is a Focus

- Fintech partnerships play a significant role in our technology stack and enable delivery of innovative solutions to our customers
- Investments in Lake City Bank Digital, a Q2 product implemented in 2021 with ongoing functionality added since initial adoption
- Technology partnership with FIS is strong – User Planning Council and Strategic Planning Advisory Council
- Retail and Commercial platforms ensure competitive positioning
- AI and data gathering and analysis is playing an increasingly important role
- Branch design and functionality is ever evolving based on client transaction and relationship activity

Channel Utilization Today versus Pre-Pandemic

Mobile Adoption Outpacing All Other Delivery Channels

Channel Type	Total Transactions 2019 ⁽¹⁾	% of Total	Total Transactions 2024 ⁽¹⁾	% of Total	Period Change
Branch Transactions	2,279,975	18%	2,054,332	14%	(10)%
ATM/ITM	944,785	7%	763,128	5%	(19)%
Online Logins	5,058,317	40%	3,644,960	25%	(28)%
Mobile Logins ⁽²⁾	4,199,910	33%	8,178,396	55%	95%
Telephone Banking	265,475	2%	187,177	1%	(29)%
Total	12,748,462	100%	14,827,993	100%	16%

⁽¹⁾ Measurement period includes twelve months of data ending December 31, 2019 and December 31, 2024

⁽²⁾ Includes mobile phone, Apple watch and iPad app use

Customer Composition and Digital Adoption

Digital Platform Upgrade with Fintech Partner in 2021 Positively Impacting Digital Adoption Across All Generations

Customer Composition and Digital Adoption Over Three Years

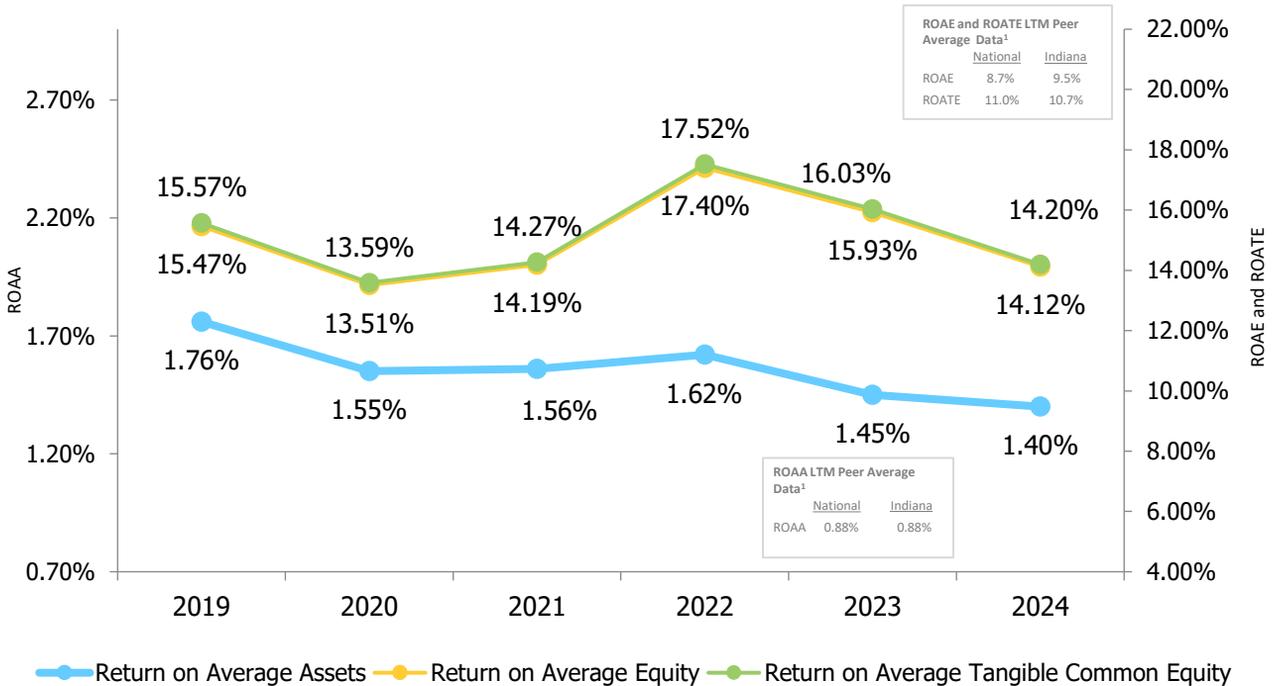
Generation ⁽¹⁾	Customer Breakdown	12/31/24	12/31/23	12/31/22
Gen Alpha (2010 - Current)	4%	2%	1%	n/a
Gen Z (1996 - 2009)	15%	70%	66%	48%
Millennial (1977 - 1995)	26%	59%	59%	56%
Gen X (1965 - 1976)	19%	51%	51%	47%
Baby Boomer (1946 - 1964)	29%	45%	44%	42%
Mature (1945 or before)	7%	31%	30%	27%
Digital Adoption		51%	50%	46%

⁽¹⁾ Gen Alpha was added in January 2024

Financial Performance

Income Performance Metrics

LKFN Performance Exceeds National Peers and Contributes to Strong Capital Levels

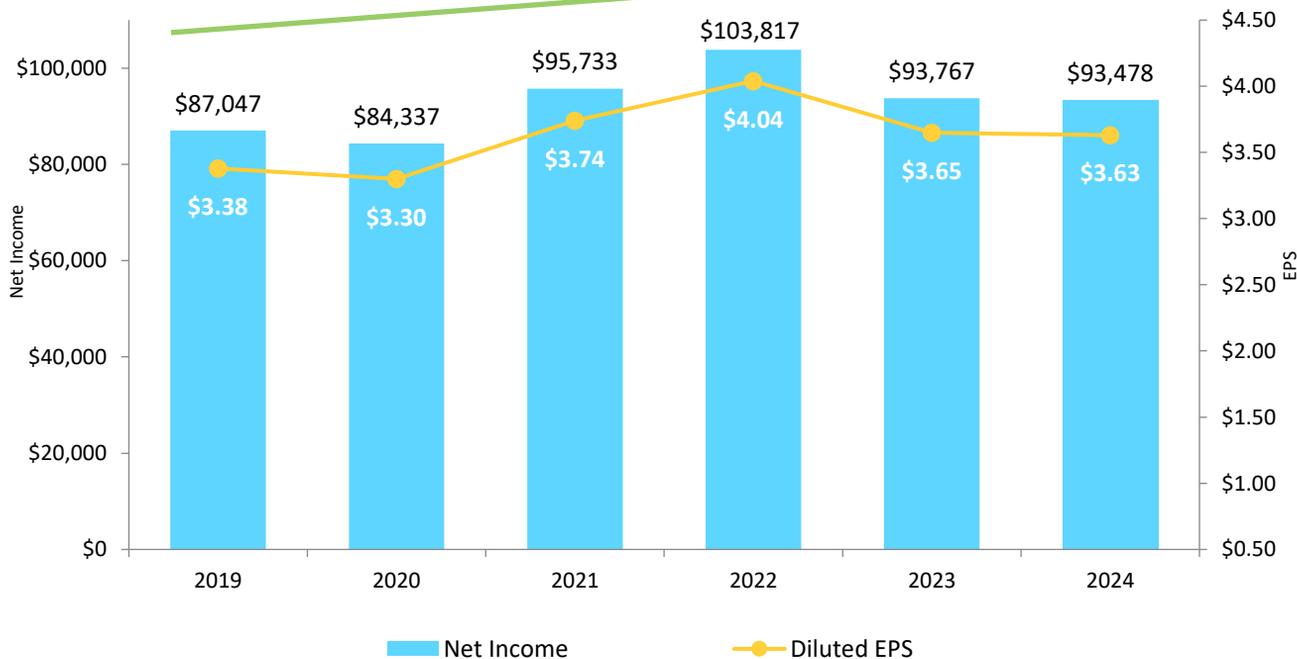


¹Source KBW Price Performance Review September 30, 2024

Net Income and EPS

Loan Growth and FOMC Easing Cycle Benefit Net Income in 2024

1% CAGR



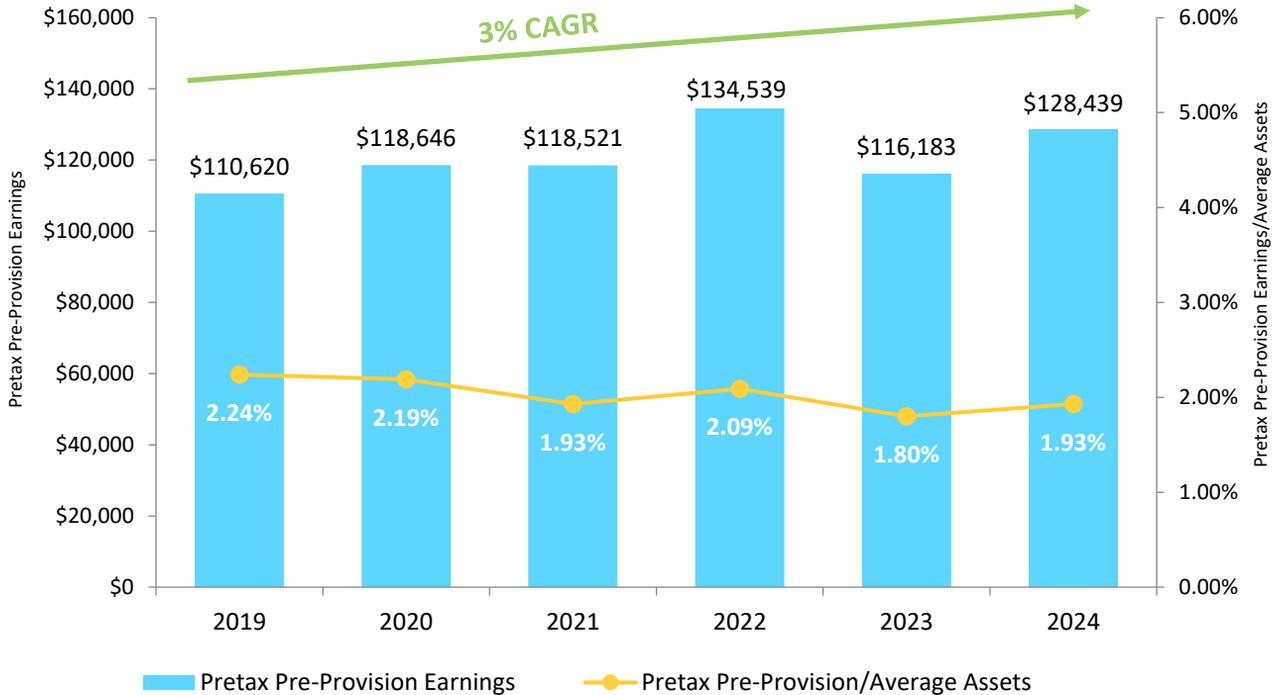
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 Net Income YOY flat 0%
2024 Diluted EPS YOY decrease (1)%



Pretax Pre-Provision Earnings

Pretax Pre-Provision Earnings Improves by 11% in 2024



Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

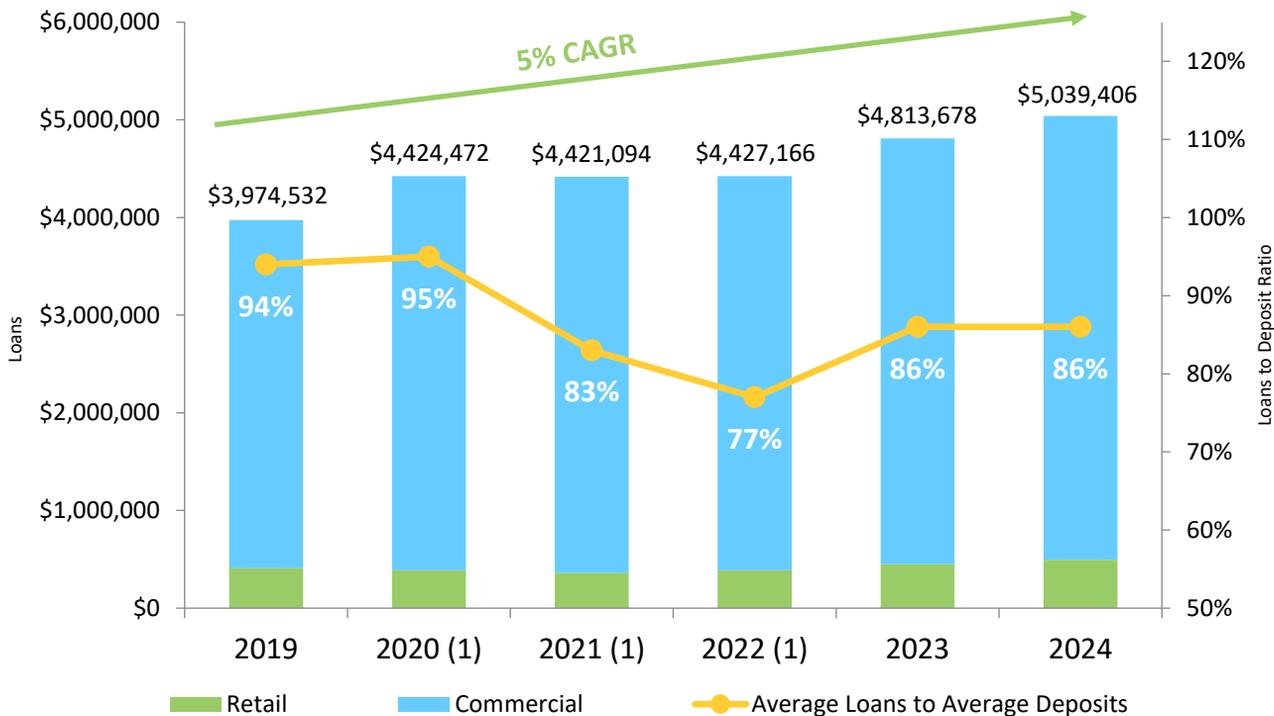
2024 Pretax Pre-Provision Earnings YOY Increase 11%



Note: Pretax Pre-Provision Earnings is a Non-GAAP financial measure. See "Reconciliation of Non-GAAP Financial Measures" in the Fourth Quarter 2024 Earnings Press Release and Form 8-K.

Average Loans

Average YTD Loan Growth of \$226 million or 5% Compared to Prior Year



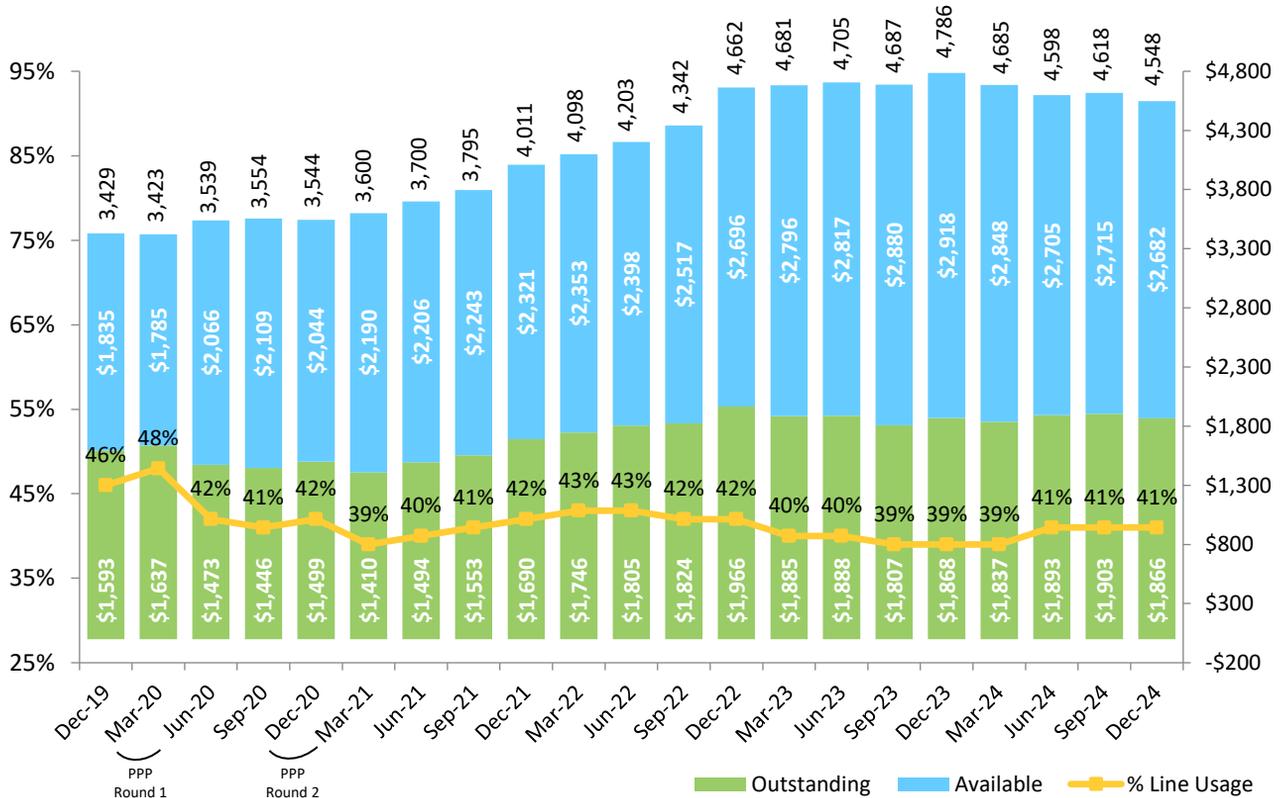
(1) Includes \$377 million in Average PPP loans in 2020, \$238 million in 2021, and \$8 million in 2022

Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 5%

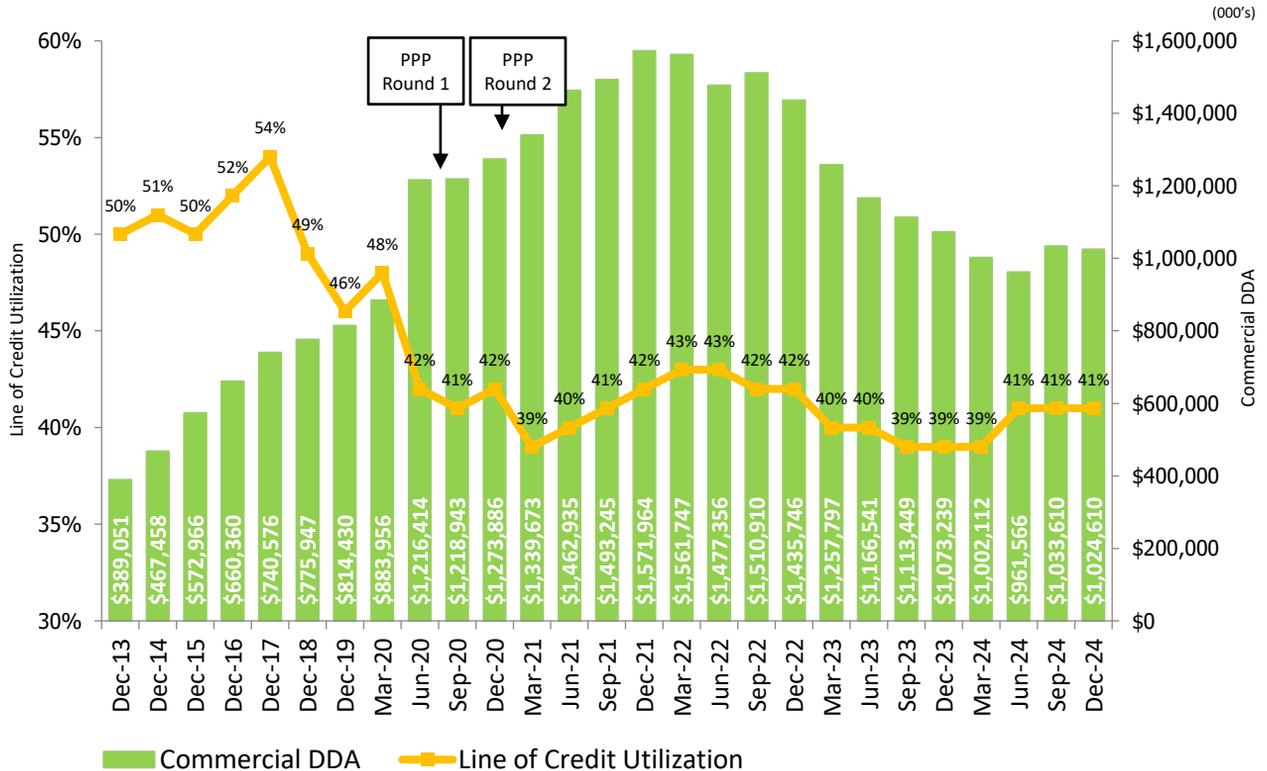
Line of Credit Utilization

Line Utilization Remains Muted



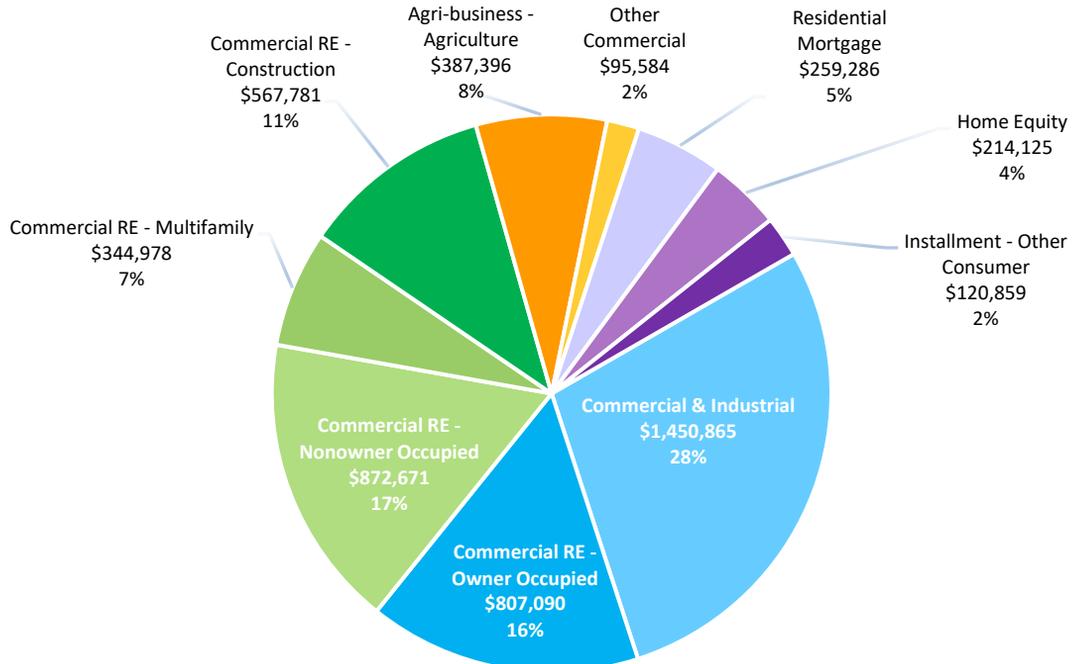
Line of Credit Utilization vs. Commercial DDA

Commercial DDA Deposit Balances Resume Growth in 2024



Loan Portfolio Breakdown

C&I Drives Lending Business

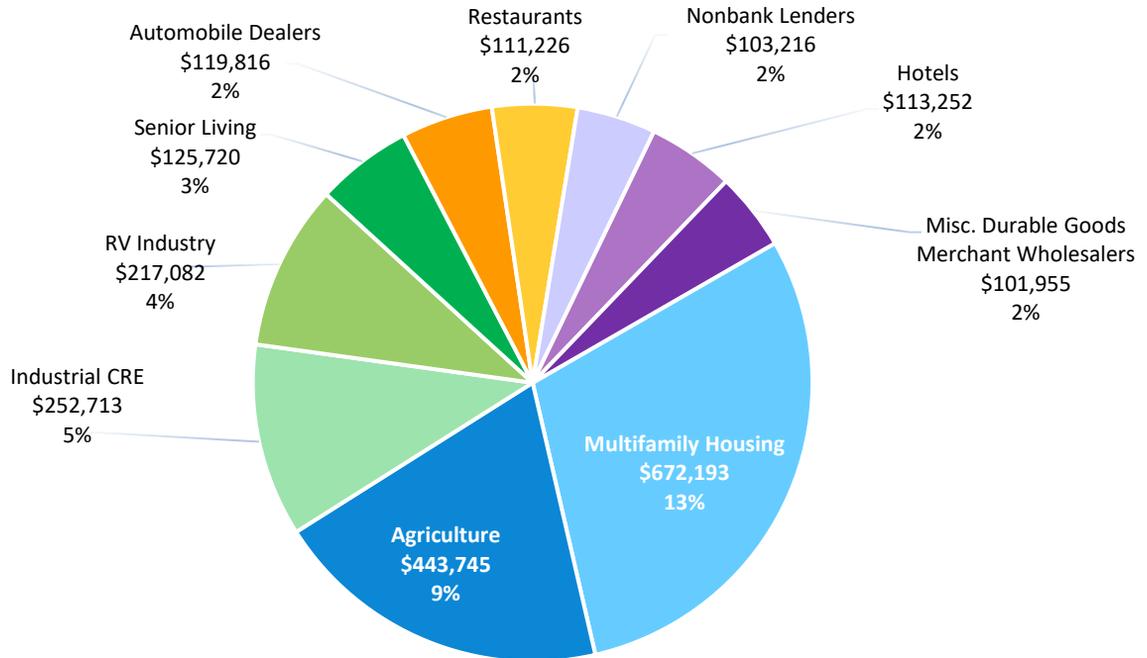


\$5.1 billion as of December 31, 2024

(000's)

Top 10 Industry Concentrations

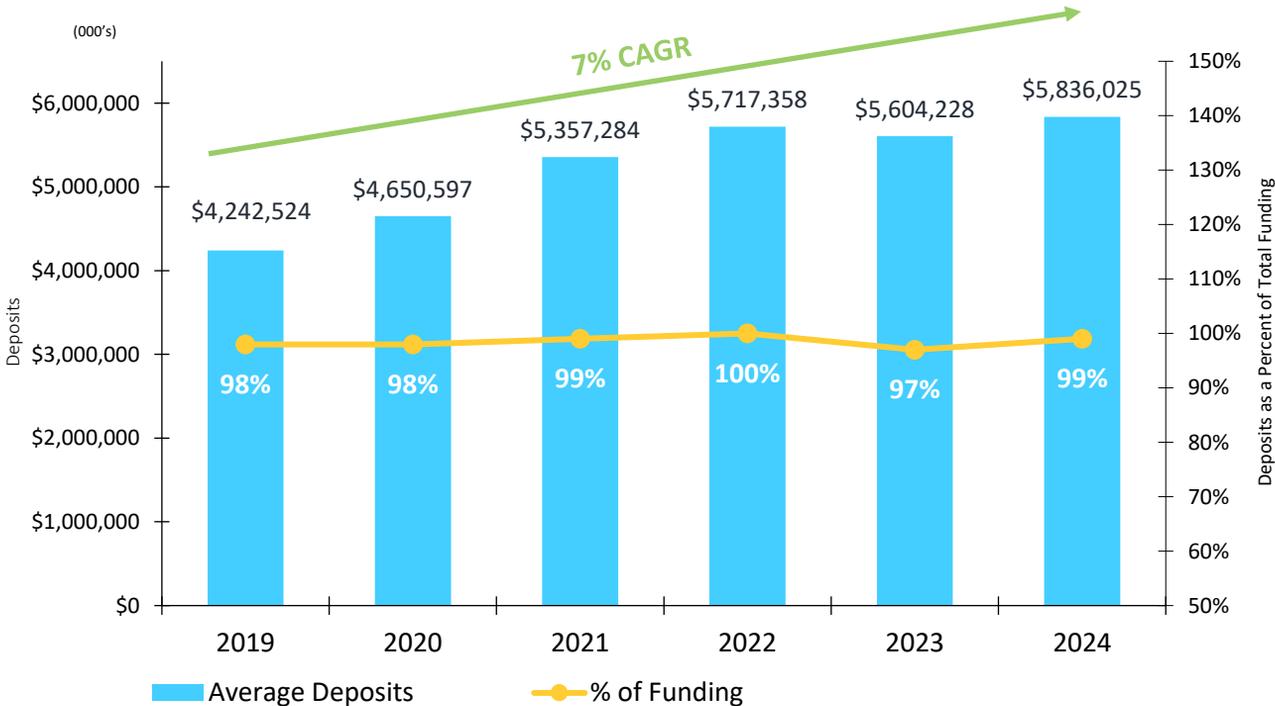
Loan Portfolio is Diversified



Top 10 Industries Represent 44% or \$2.3 billion of Total Loans

Average Deposits

Average YTD Deposit Growth of \$232 million or 4% Compared to Prior Year

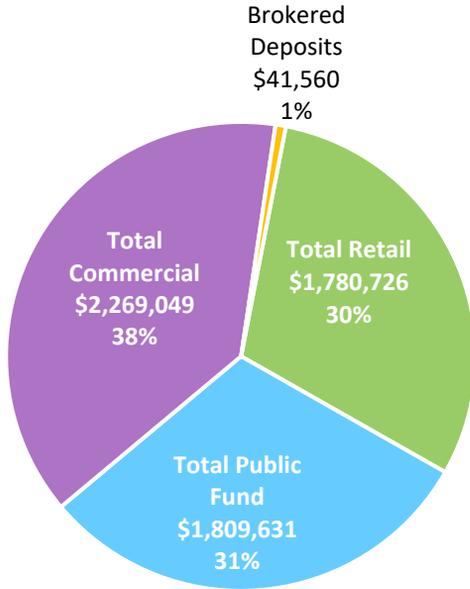


Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

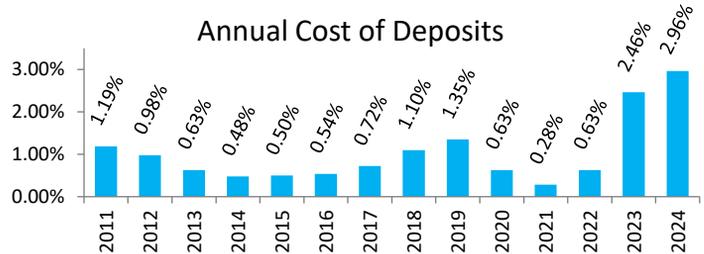
2024 YOY Increase 4%

Deposit Breakdown

Deposit Costs Are Repricing Downward with Federal Funds Rate Cuts



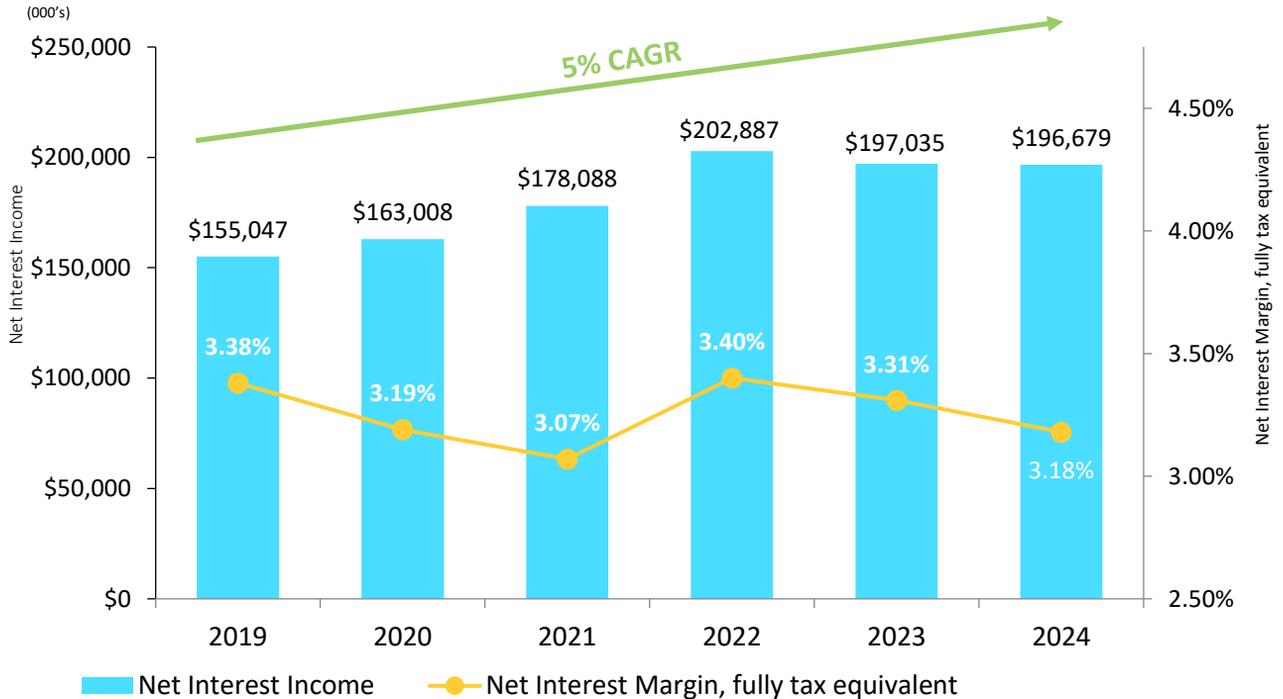
December 31, 2024
 Total Deposits - \$5.9 billion
 (000's)



Deposit Composition at end of period	2019	2024
Non-interest Bearing Demand Deposits	24%	22%
Interest Bearing Demand, Savings & MMA	47%	64%
Time Deposits > or = to \$100,000	22%	11%
Time Deposits < \$100,000	7%	3%
Total Deposits (billions)	\$4.1	\$5.9

Net Interest Income

Net Interest Margin Compression Offset by Organic Loan and Deposit Growth

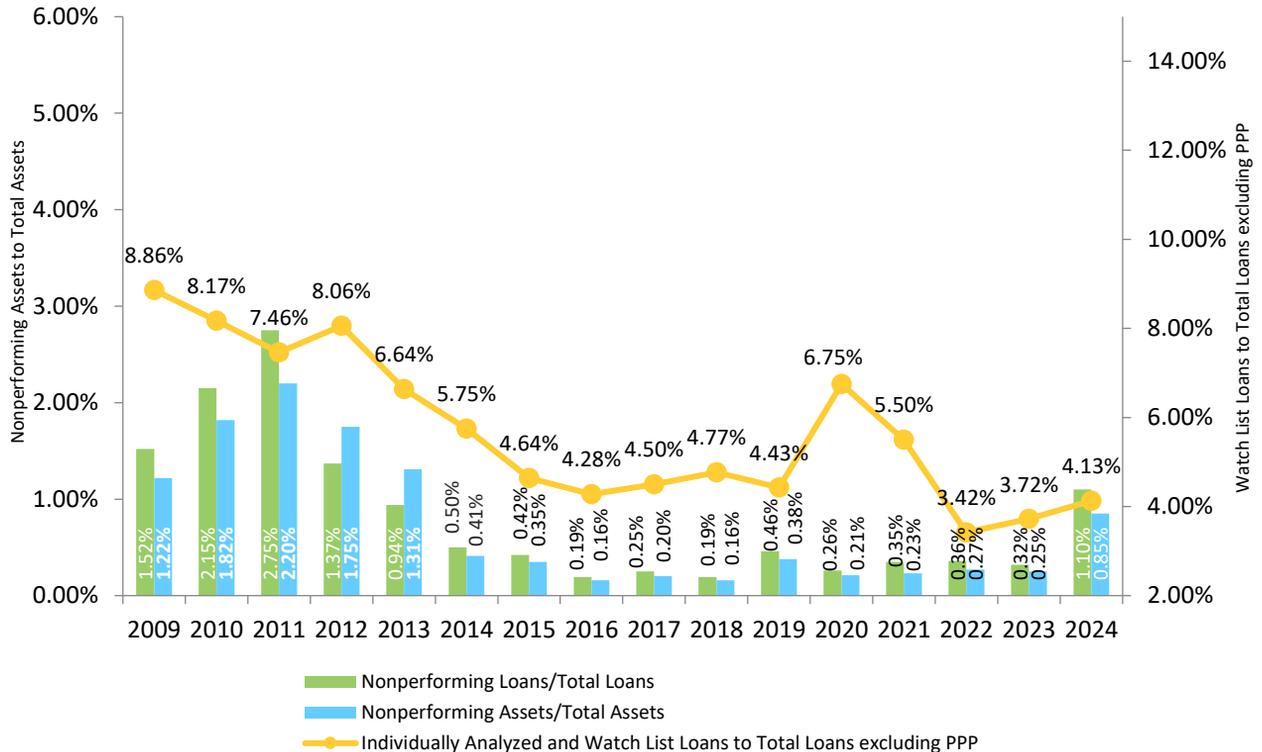


Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Flat 0%

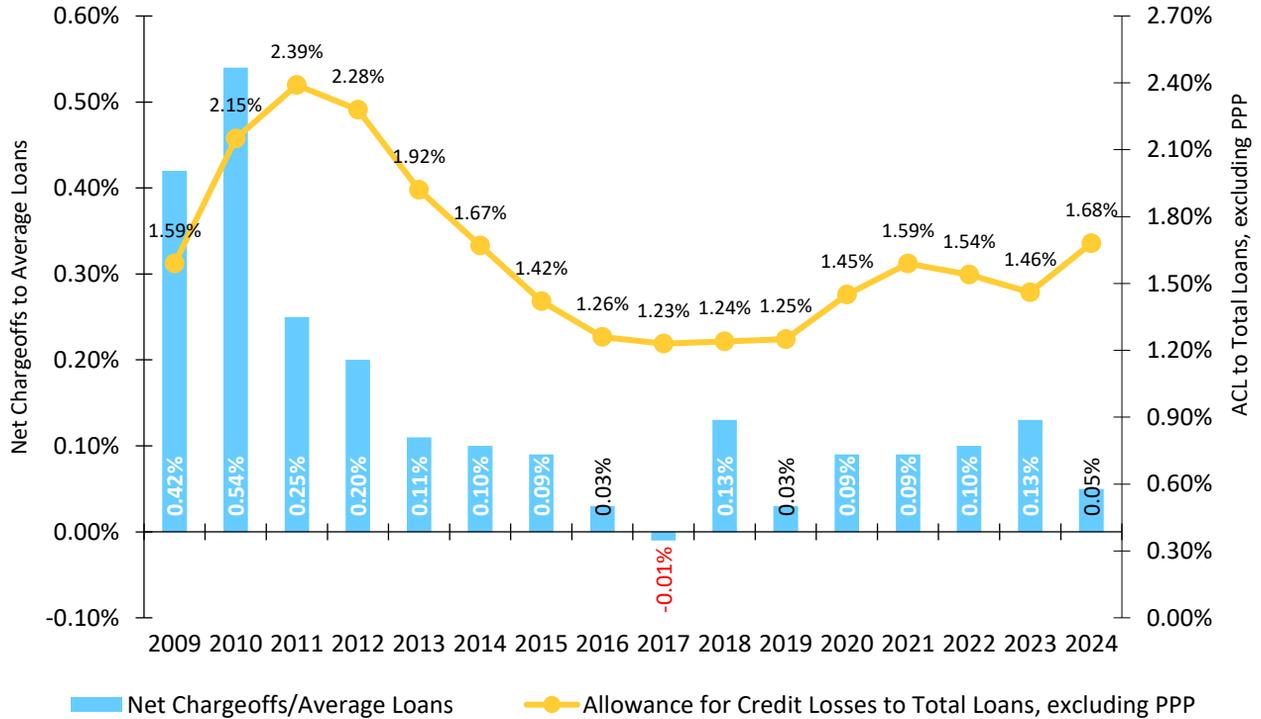
Asset Quality

Nonperforming Loans Rise Due Primarily to a Single Commercial Credit



Asset Quality

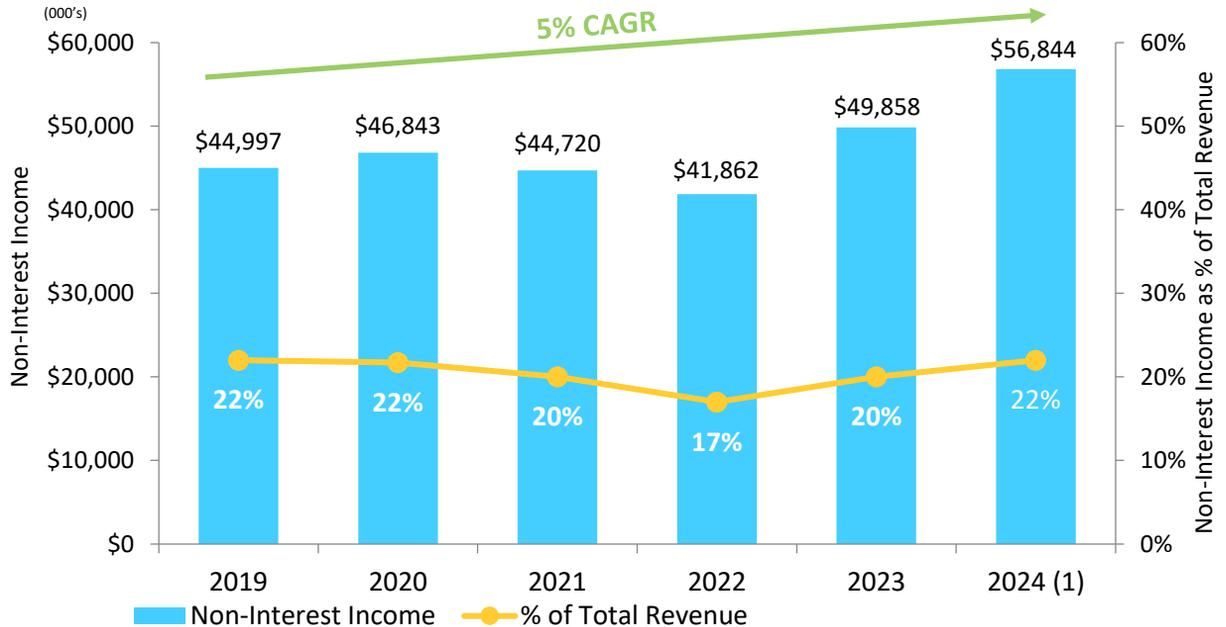
Allowance for Credit Losses Represents Strong Coverage



Note: Current Expected Credit Loss ("CECL") Standard adopted effective 1/1/21

Noninterest Income

Core Fee-Based Revenue Growth Continues



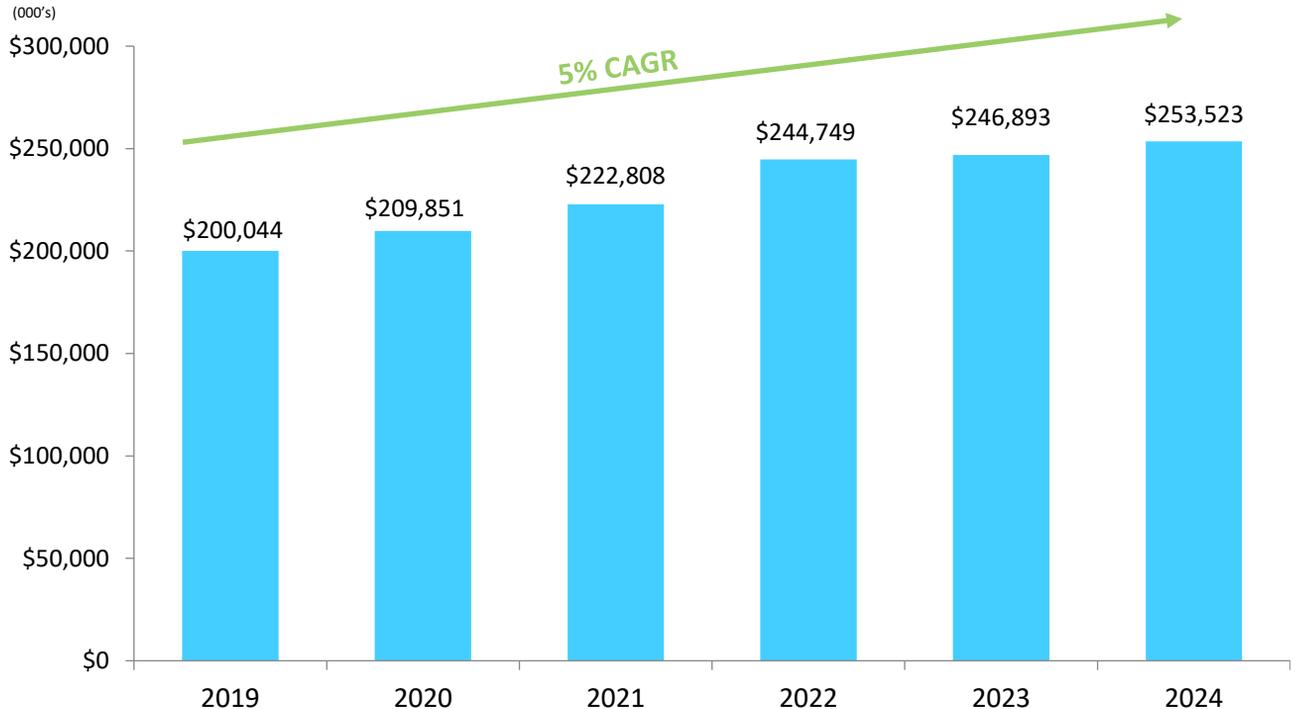
(1) Noninterest Income includes \$10.0 million of non-core income in 2024. See the "Reconciliation of Non-GAAP Financial Measures" in the fourth quarter 2024 Earnings Press Release and Form 8-K

2024 YOY Increase 14%
2024 Core Increase 8%

Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

Total Revenue

Revenue Growth Benefits from Growth in Noninterest Income

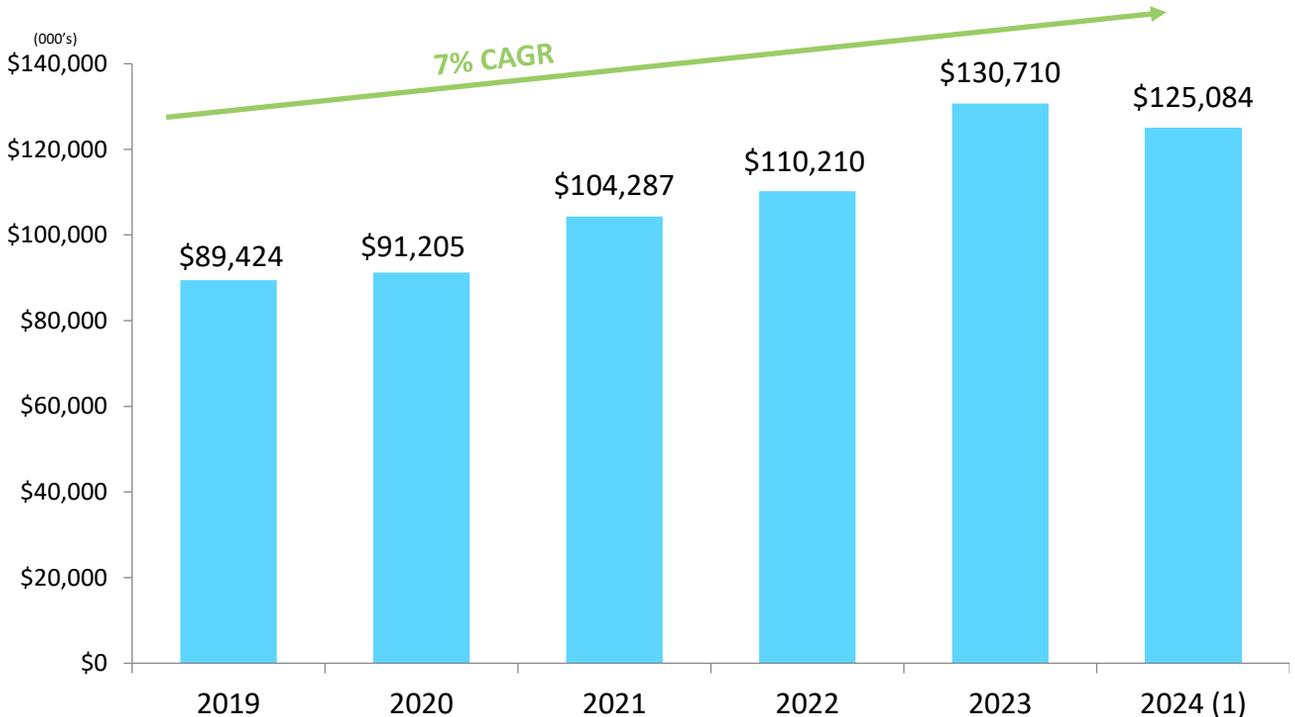


Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 3%

Noninterest Expense

Disciplined Investment in People and Technology Continues



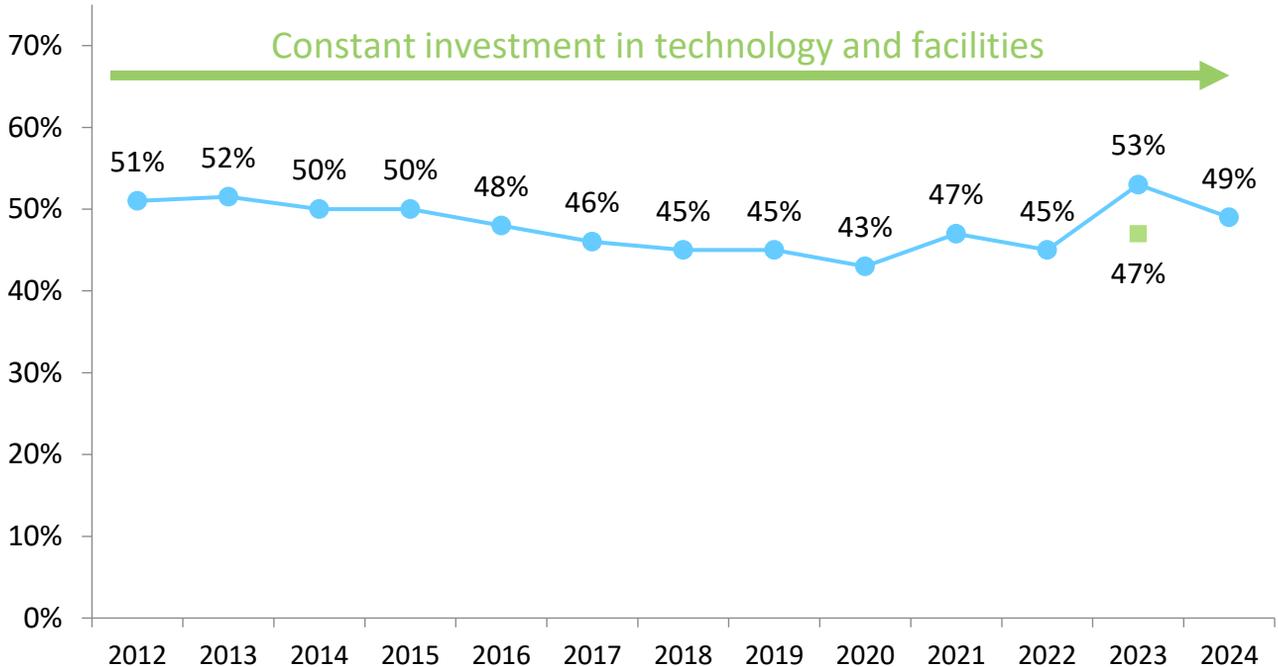
(1) Noninterest Expense includes \$4.5 million of non-core expense in 2024. See the "Reconciliation of Non-GAAP Financial Measures" in the fourth quarter 2024 Earnings Press Release and Form 8-K

Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Decrease (4)%
2024 Core Increase 6%

Efficiency Ratio

Efficiency Ratio Normalizes in 2024



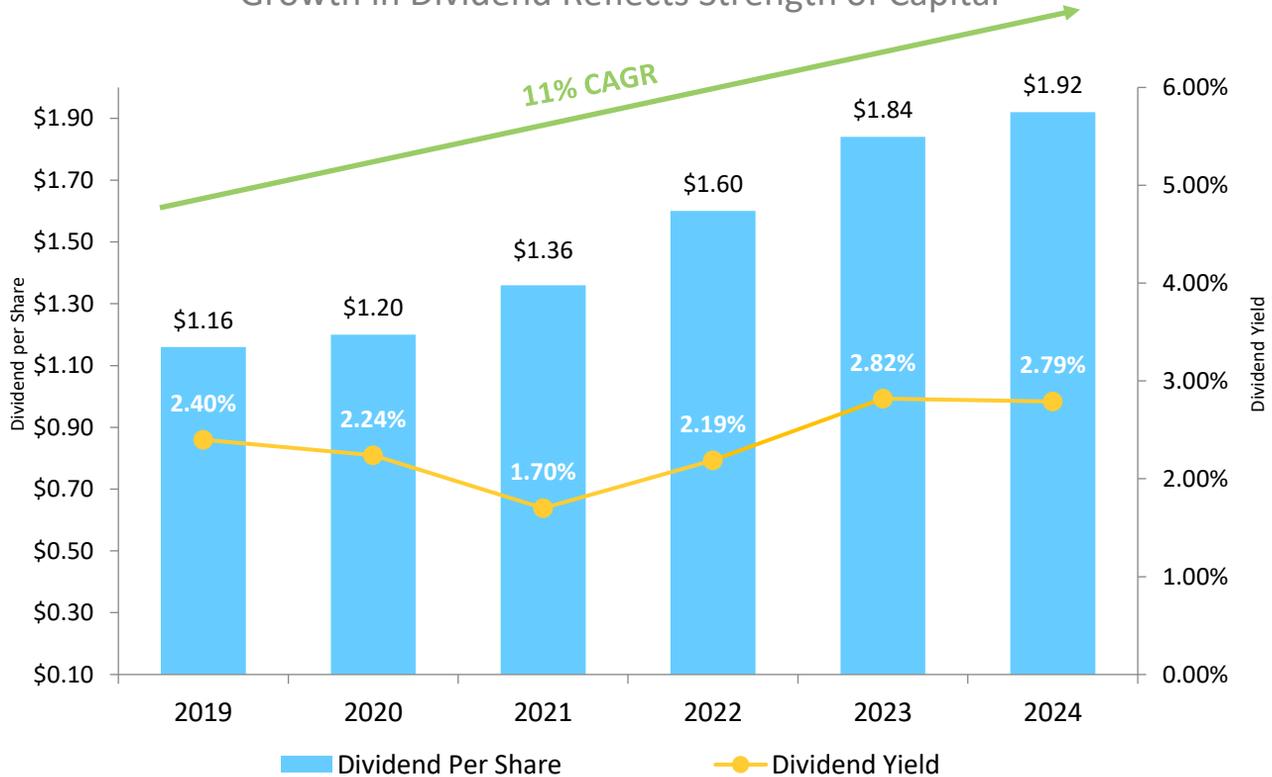
¹2023 Year-to-date adjusted core efficiency ratio excludes the second quarter 2023 wire fraud loss, net, of salary and benefits adjustment for a total of \$16.2 million

● Efficiency Ratio

■ Adjusted Core Efficiency Ratio

Stable Healthy Dividend

Growth in Dividend Reflects Strength of Capital

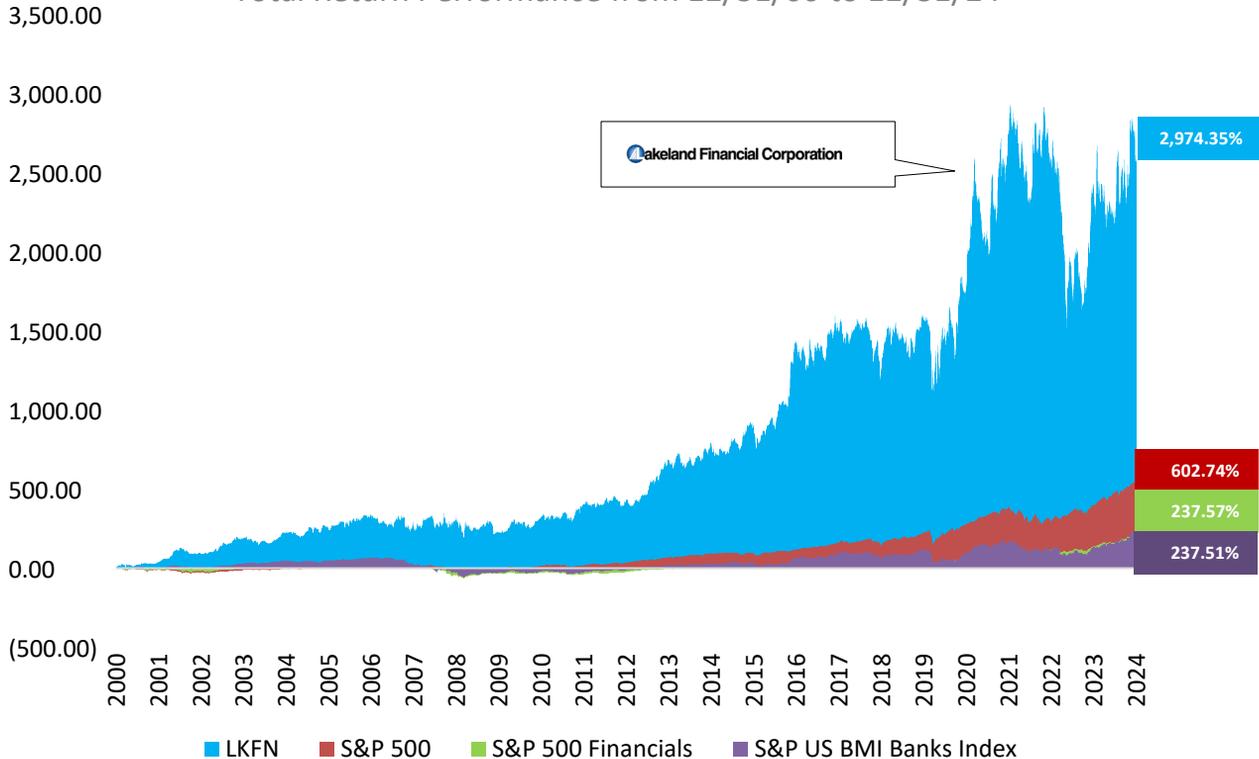


Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 4%

LKFN Shareholder Value

Total Return Performance from 12/31/00 to 12/31/24



Investment Highlights

- Proven History of Organic Growth
- Disciplined and Focused Strategy
- Strong Internal Culture
- Consistent Execution
- Service Excellence Drives Shareholder Value

Supplemental Information

Lake City Bank Capital Adequacy

Capital Strength Continues in December 2024

Regulatory Ratio Description *	December 31, 2024 Actual	Well-Capitalized Threshold	Capital Cushion (in 000's)	Non-GAAP AOCI and HTM Losses-after tax	Non-GAAP Excess Capital after AOCI and HTM	Non-GAAP Adjusted Capital Ratios with AOCI and HTM Losses
Tier 1 Leverage Ratio	12.03%	5.00%	\$489,045	\$(180,517)	\$308,528	9.44%
Common Tier 1 (CET)	14.50%	6.50%	\$461,748	\$(180,517)	\$281,231	11.37%
Tier 1 Risk Based Capital	14.50%	8.00%	\$375,187	\$(180,517)	\$194,670	11.37%
Tier 2 Risk Based Capital	15.76%	10.00%	\$332,167	\$(180,517)	\$151,650	12.63%

* Regulatory Ratios are preliminary pending the finalization of regulatory filings

Liquidity Preparedness

December 31, 2024

(000)	Liquidity Availability	Used	Unused/ Available	Additional Loan Collateral Available for Pledge
Secured/Committed Borrowings:				
Federal Home Loan Bank-Indianapolis ⁽¹⁾	\$ 555,910	\$ 0	\$ 555,910	\$ --
Federal Reserve Bank Discount Window	1,364,475	--	1,364,475	72,620
Total Secured/Committed	\$ 1,920,385	\$ 0	\$ 1,920,385	\$ 72,620
Unsecured/Uncommitted Borrowings:				
Brokered Certificates of Deposit ⁽²⁾	\$ 590,097	\$ 15,000	\$ 575,097	\$ --
Brokered Money Market Deposit ⁽³⁾	200,351	26,560	173,791	--
Insured Cash Sweep-One Way Buy ⁽⁴⁾	100,000	--	100,000	--
Fed Fund Lines	395,000	--	395,000	--
Total Unsecured/uncommitted borrowings	\$ 1,285,448	\$ 41,560	\$ 1,243,888	\$ --
Investment Securities available for pledge:				
Agencies, MBS and CMO ⁽⁵⁾	170,602	--	170,602	--
Municipals ⁽⁶⁾	346,517	--	346,517	--
Total Investment Securities Available	517,119	--	517,119	--
Total Lake City Bank Liquidity Preparedness	\$ 3,722,952	\$ 41,560	\$ 3,681,392	\$ 72,620

(1) The BOD has authorized borrowing capacity up to \$800 million, and qualifying collateral is required for availability

(2) Brokered deposit capacity is equal to 10% of total deposits plus purchased funds, per LCB policy

(3) Brokered money market capacity is equal to 3% of total assets, per LCB policy

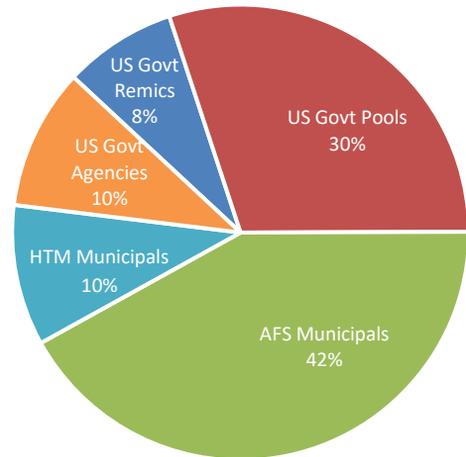
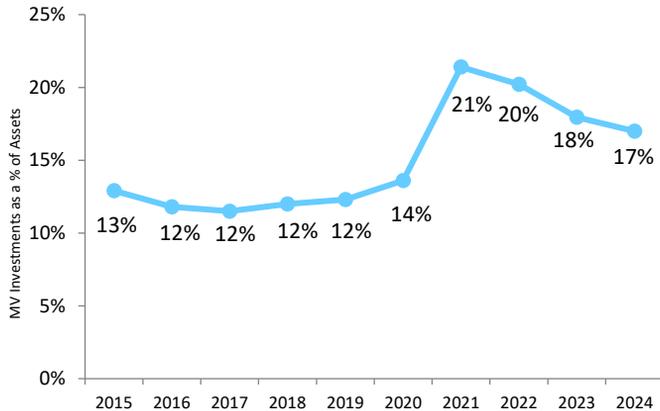
(4) Insured cash sweep OWB capacity is approved under program by IntraFi Network (formerly Promontory)

(5) Investment securities are eligible collateral at the FRB – Discount Window and FHLB

(6) Municipal securities are eligible collateral at the FRB – Discount Window

Investment Portfolio

Recurring Cash Flows Used to Fund Organic Loan Growth



December 31, 2024

	Weighted Maturity	Book Yield	Market Value
US Govt REMICS	6.05	2.08	85,794
US Govt Pools	6.83	2.26	336,615
US Agencies	8.36	1.55	109,435
AFS Municipals (TEY)	14.75	2.88	459,582
HTM Municipals (TEY)	15.92	2.73	113,107
Total (Tax-Equivalent Yield)	11.14	2.48%	\$1,104,533

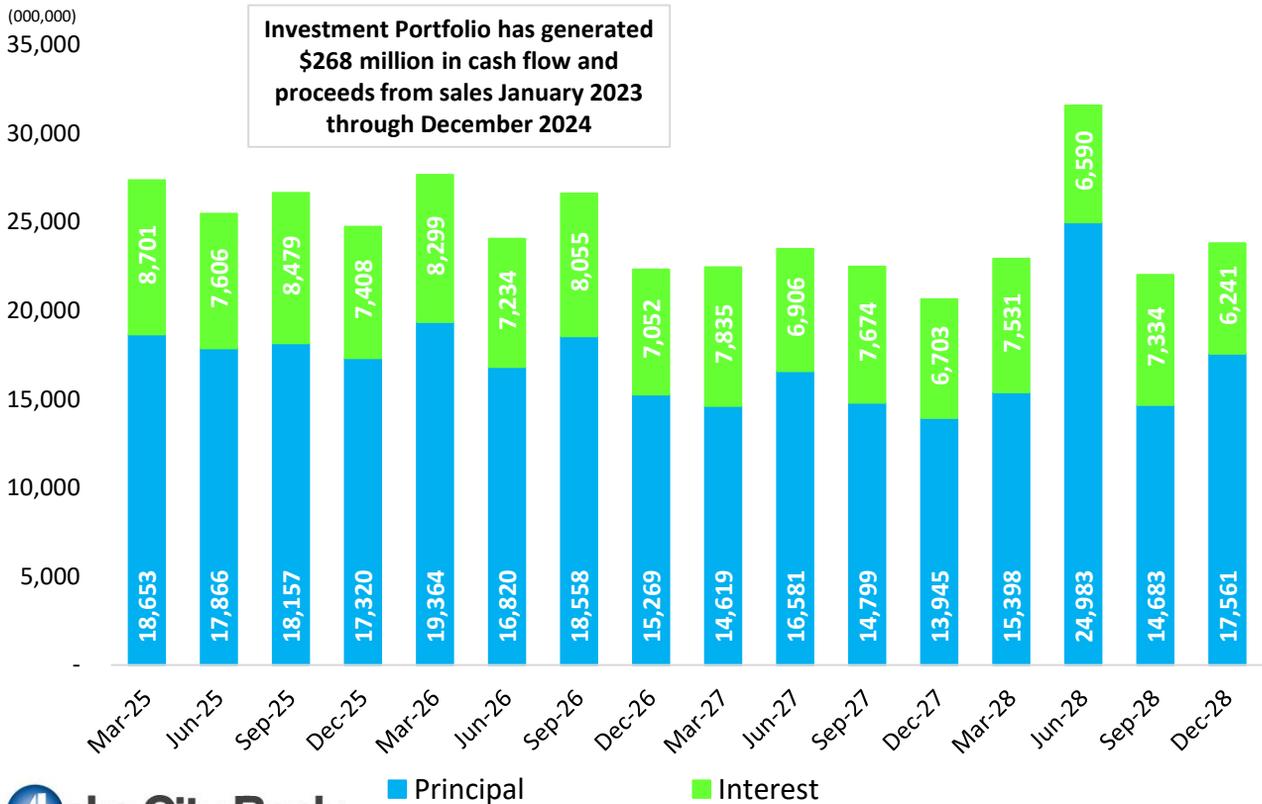
Carrying Value

Held-to-Maturity	\$ 131,568
Available-for-Sale	\$ 991,426

Note: Ratio of total securities to total assets excludes PPP loans of \$412 million in 2020, \$26 million in 2021 and \$2 million in 2022 from total assets

Investment Security Portfolio Cashflows

Cash Flows of \$394 million Expected Through December 2028



Investment Portfolio Analysis

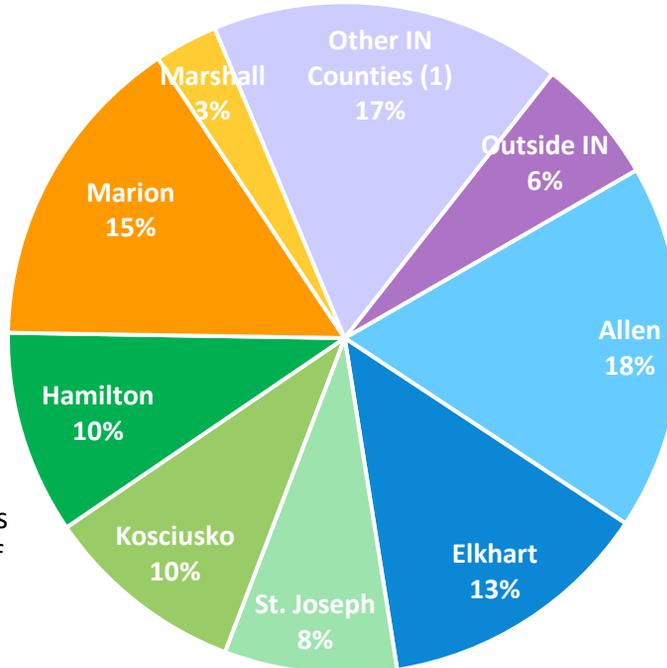
Investment Portfolio as a Percentage of Total Assets Continues to Decline

	12/31/2024			12/31/2023		
	Weighted Maturity	Market Value	% of Total	Weighted Maturity	Market Value	% of Total
US Govt REMICS	6.05	85,794	8%	6.28	98,265	8%
US Govt Pools	6.83	336,615	30%	7.44	349,577	30%
US Agencies	8.36	109,435	10%	9.68	119,479	10%
AFS Municipals (Exempt)	14.75	459,582	42%	15.67	484,407	42%
HTM Municipals	15.92	113,107	10%	16.92	119,215	10%
Total	11.14	\$1,104,533	100%	11.89	\$1,170,943	100%
Unrealized losses AFS		(\$191,075)			(\$174,591)	
Unrealized losses HTM		(\$18,462)			(\$10,703)	
Total market value losses		(\$209,537)			(\$185,294)	
Portfolio effective duration, tax equivalent⁽¹⁾		5.96			6.50	
Investment securities as a % of assets		17%			18%	

(1) Effective duration on a tax equivalent basis incorporates the historical price sensitivity relationship between tax-free and taxable securities. Tax-free securities have 2/3 of the price risk as a taxable security for a given change in taxable rates.

Commercial Loans by County

Commercial Customers in 49 Indiana Counties and 21 Other



Commercial Loans
Outstanding as of
12/31/2024
\$4.5 billion

December 31, 2024

(000's)

Larger Market Organic Expansion

Organic Growth

State Rank	County	Primary City	Population*	LCB Entry	LCB Deposit Market Share**	# of Branches
22.	Kosciusko	Warsaw	80,364	1872	67%	12
6.	Elkhart	Elkhart	206,409	1990	22%	11
5.	St. Joseph	South Bend	272,848	1997	8%	4
3.	Allen	Fort Wayne	394,545	1999	14%	5
1.	Hamilton, Johnson, Marion	Indianapolis	1,507,924	2011	1%	8

* Source: STATS Indiana

** Source: FDIC 6/30/24 Statistics



Mature Market Strength and Growth

Organic Growth

(millions)¹

	2024		2014			2024 # of Offices
	<u>Deposits</u>	<u>Share</u>	<u>Deposits</u>	<u>Share</u>	<u>Increase</u>	
1. 1 st Source	\$5,389	19.43%	\$2,701	15.68%	99.52%	52
2. Lake City Bank	\$5,182	18.68%	\$2,687	15.60%	92.85%	54
3. JPM Chase	\$3,483	12.56%	\$1,720	9.99%	102.50%	20
4. PNC	\$1,589	5.73%	\$1,216	7.06%	30.67%	16
5. Flagstar/Wells Fargo ⁽²⁾	\$1,140	4.11%	\$2,350	13.64%	(51.49)%	23
6. First Merchants	\$1,032	3.72%	\$700	4.07%	47.43%	9
7. Star	\$1,007	3.63%	\$486	2.82%	107.20%	10
8. Old National	\$864	3.12%	\$607	3.52%	42.34%	9
9. Fifth Third	\$798	2.88%	\$351	2.04%	127.35%	8
10. KeyBank	\$689	2.48%	\$908	5.27%	(24.12)%	13
Market Total	\$27,736		\$17,223		61.04%	

¹Mature Markets includes 12 Northern Indiana counties and excludes 3 Central Indiana counties

²Flagstar purchased Wells Fargo Indiana branches in 2018

Adjusted to include branches subsequently acquired by surviving banks. Data based on June 30th regulatory reporting for each year presented.



LAKECITYBANK.COM