

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of report (Date of earliest event reported): October 25, 2024

LAKELAND FINANCIAL CORPORATION
(Exact name of Registrant as specified in its charter)

Indiana
(State or other jurisdiction
of incorporation)

0-11487
(Commission
File Number)

35-1559596
(IRS Employer
Identification No.)

**202 East Center Street,
Warsaw , Indiana**
(Address of principal executive offices)

46580
(Zip Code)

Registrant's telephone number, including area code: (574) 267-6144

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	LKFN	NASDAQ

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (s230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (s240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

The executive officers of Lakeland Financial Corporation intend to use the material filed herewith, in whole or in part, in one or more meetings with investors and analysts. A copy of the investor presentation is attached hereto as Exhibit 99.1.

Lakeland Financial Corporation does not intend for this Item 7.01 or Exhibit 99.1 to be treated as "filed" for purposes of the Securities Exchange Act of 1934, as amended, or incorporated into its filings under the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits

The following exhibit shall not be deemed as "filed" for purposes of the Securities Exchange Act of 1934, as amended.

(d) Exhibits

[99.1 2024 3Q Investor Presentation](#)

104 Cover Page Interactive Data File (embedded with the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

LAKELAND FINANCIAL CORPORATION

Dated: October 25, 2024

By: /s/ Lisa M. O'Neill
Lisa M. O'Neill
Executive Vice President
and Chief Financial Officer



Lakeland Financial Corporation

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

3rd Quarter 2024





David M. Findlay

Chairman & Chief Executive Officer

david.findlay@lakecitybank.com

(574) 267-9197

Kristin L. Pruitt

President

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(574) 371-9220

Lisa M. O'Neill

Executive Vice President & Chief Financial Officer

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(574) 267-9125



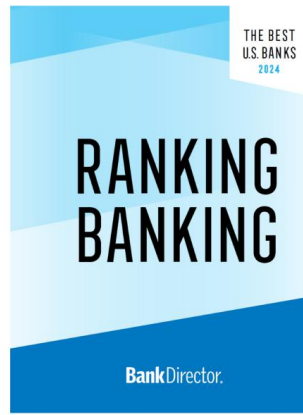
Forward-Looking Information

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

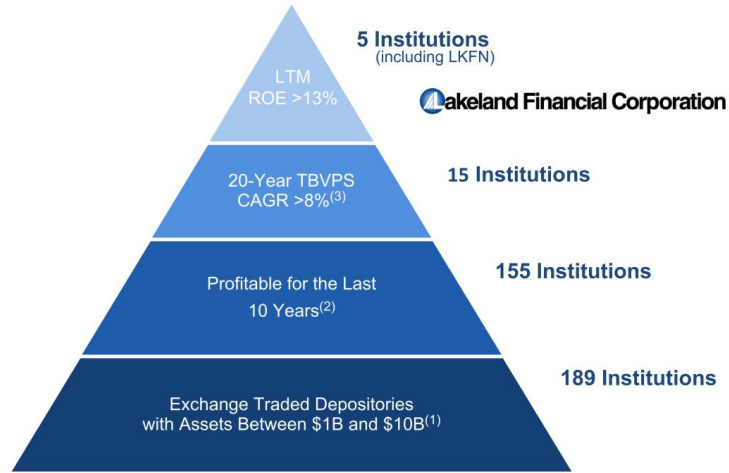


Bank Director
RANKING BANKING
TOP 25 U.S. BANKS

Rank	Company Name	Ticker	State	Total Assets (\$MM)	Profitability				Capital Adequacy			Asset Quality		Final Score
					Core ROA (%)	ROA Rank	Core ROE (%)	ROE Rank	Total Common Equity (Tier 1) Assets (%)	TCE Rank	NPL/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	144	
5	East West Bancorp	EWBC	CA	6,613	1.81	15	18.92	13	9.38	67	0.22	71	166	
6	Commerce Bancshares	CBSH	MO	11,701	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	6,148	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	38	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 June 30, 2024.

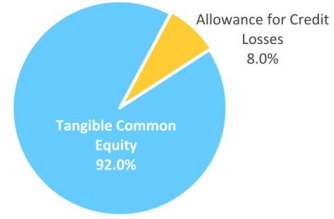
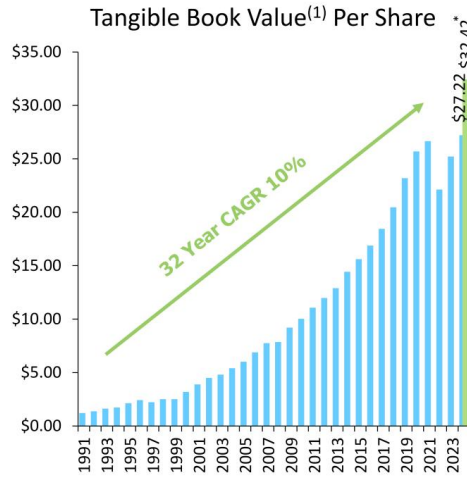
(1) Includes banks and thrifts traded on the NYSE, NYSEAM or NASDAQ as of 10/11/24; excludes merger targets.

(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 6/30/04 through 6/30/24 greater than 8%.



Strong Capital Structure



Key Ratios and Per Share Data as of September 30, 2024

TCE/Tangible Assets	10.47%
Adj. TCE/Adj. Tangible Assets	12.29%
Total Risk-Based Leverage	15.75%
Book Value	12.18%
Tangible Book Value	\$27.07
Adj. Tangible Book Value	\$32.42

⁽¹⁾ compounded annual growth rate computed from 1991-2023
 *TBV adjusted to exclude the market value impact of AFS investment securities for TCE and Tangible Assets



Note: Tangible Common Equity to Tangible Assets and Tangible Book Value per Common Share are Non-GAAP financial measures. See "Reconciliation of Non-GAAP Financial Measures" in the Third Quarter 2024 Earnings Press Release and Form 8-K.

Lake City Bank Today

- A long-term and consistent organic growth story
- Headquartered in Warsaw, Indiana
- 54 branch offices - \$6.6 billion banking assets - \$3.5 billion trust, retirement and investment brokerage assets
- Focused on execution – “blocking and tackling”
- Continued growth potential

32 Years of Organic Growth

Record Net Income for 32 of 35 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

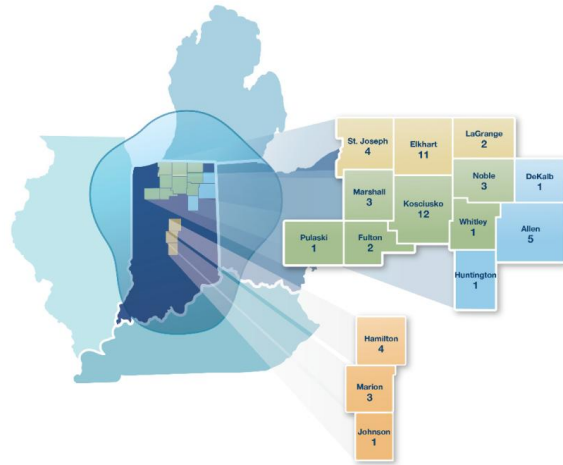
South Bend-4

Fort Wayne – est. 1999

Allen-5
DeKalb-1
Huntington-1

Indianapolis – est. 2011

Hamilton-4
Marion-3
Johnson-1

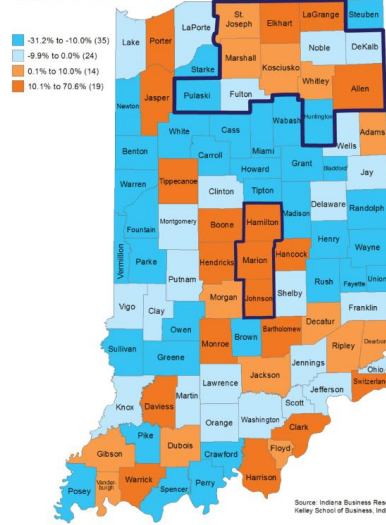


A Continued Path to Economic Growth

- 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

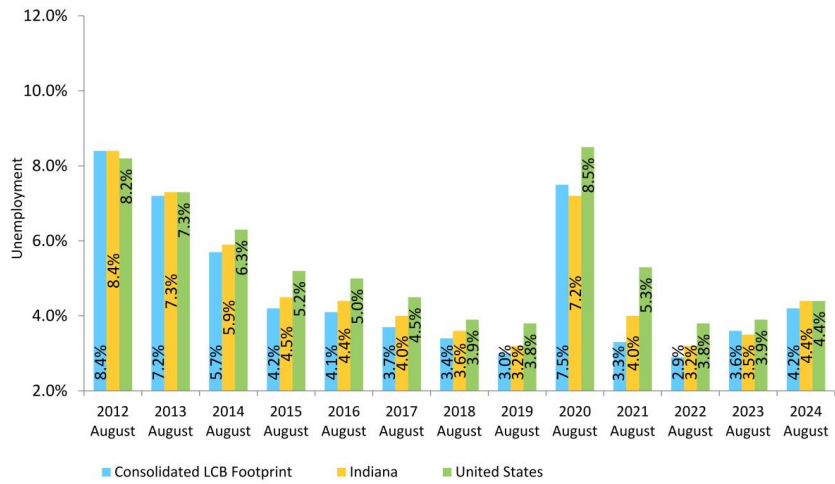
Population Projections

Percent Change in Total Population, 2015 to 2050



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



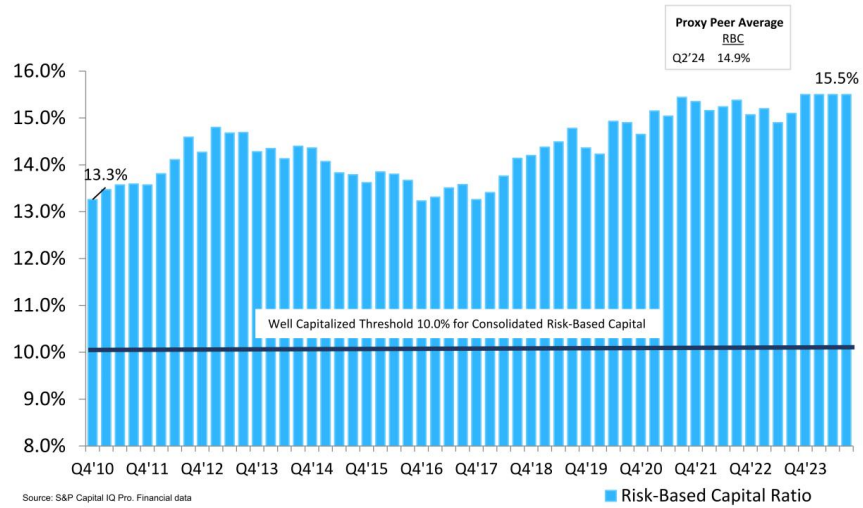
Lake City Bank

Balance Sheet Dynamics

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

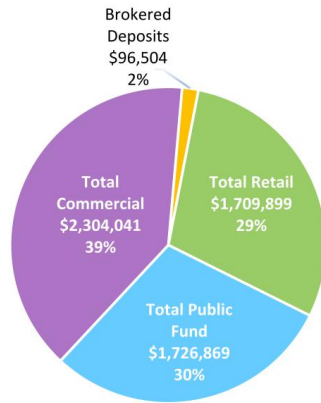
Fortress Balance Sheet And Capital In Excess of Requirements

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

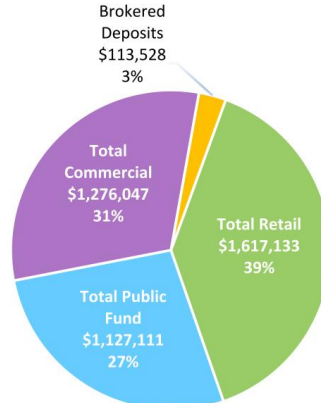


Deposit Composition Provides Diversification

Commercial Deposits Increase Share of Total Deposits



September 30, 2024
 Total Deposits - \$5.8 billion
 DDA \$1,284,527
 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)



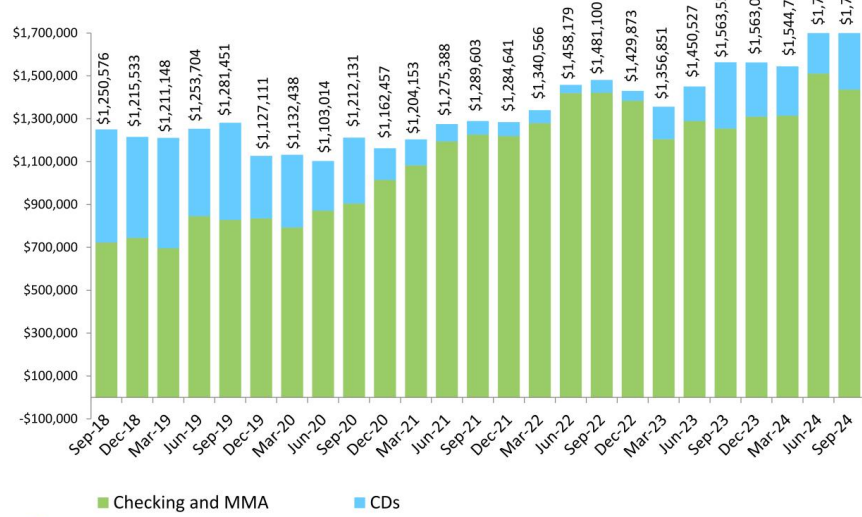
Diversified Deposit Base

Deposits Are Not Concentrated to Any Industry or Client

- Deposit composition has remained stable with commercial deposits increasing as a percent of total deposits
- Lake City Bank had 119,844 deposit accounts at September 30, 2024. 117,365, 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.

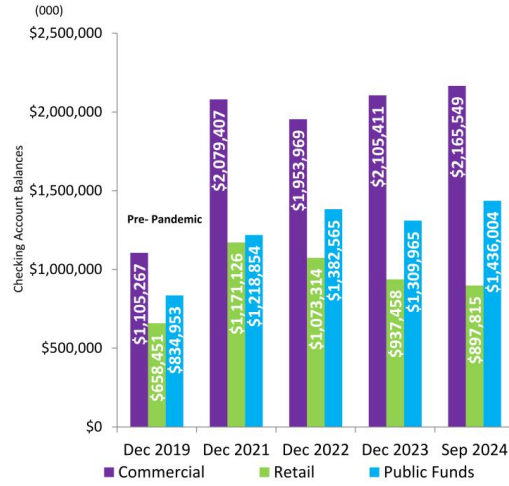
Public Fund Deposit Trends

Majority of Public Funds are Core Checking Account Deposits



Checking Accounting Trends by Deposit Sector

Commercial Accounts Grow by 21% since December 2019



(000)	Commercial	Retail	Public Funds
09/30/24	\$138	\$14	\$5,934
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
09/30/24	15,655	62,515	242
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

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

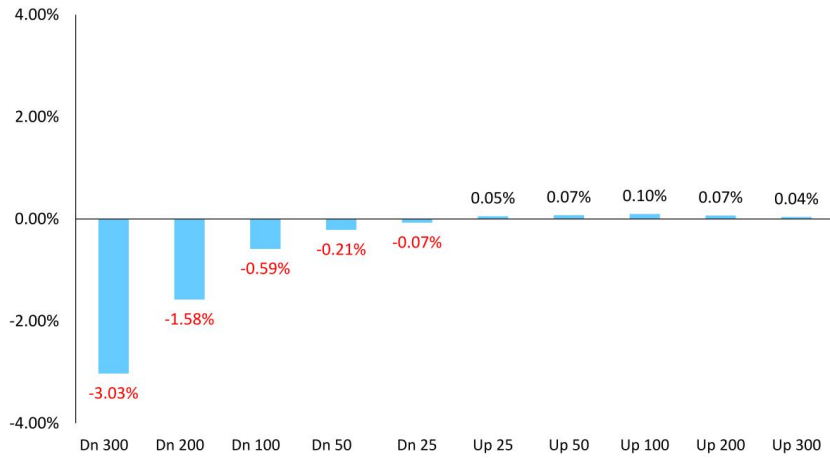


Liquidity Overview

- Available liquidity is stable at \$3.7 billion, up from \$3.3 billion at September 30, 2023
- Sources of liquidity are varied and represent wholesale funding and brokered deposits
- Brokered deposits represent 2% of total deposits
- Noncore funding represented 2% of total deposits and purchased funds as of September 30, 2024 vs. 5% as of September 30, 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 September 30, 2024 using parallel shocks

Net Interest Margin

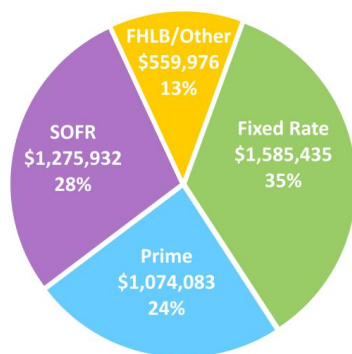
Deposit Mix has Stabilized

- Noninterest bearing deposits to total deposits improved to 22% at September 30, 2024 compared to 21% at June 30, 2024
- Net interest margin expanded by 4 basis points in 3Q24 compared to 2Q24, excluding the impact of increased nonaccrual loans
- Cumulative Loan Beta 56% for recent rising cycle and was lower than past cycles
- Cumulative Deposit Beta 54% for rising cycle and was higher than past cycles
- Deposit repricing in current easing cycle is a heightened focus



Interest Rate Sensitivity

Continued Neutral Balance Sheet Sensitivity



Commercial Loans
\$4.5 billion as of September 30, 2024
(000's)

- Asset sensitivity impacted by shift to interest-bearing transaction and short-term time deposit accounts
- Approximately \$660.8 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
- 88% of loan portfolio consists of commercial loans and 65% of commercial loans are tied to variable interest rates



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 24 years in banking & 13 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

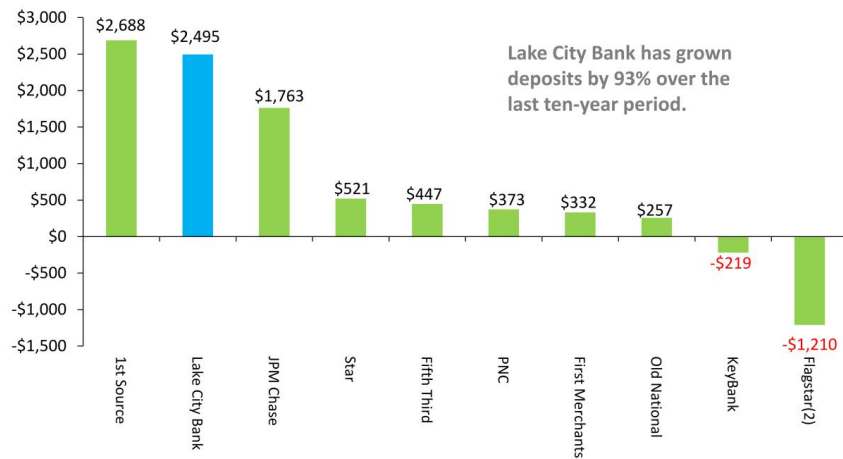
High Quality Team Members

- 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⁾
- Indiana Economic Development Corporation continues record-breaking economic momentum with \$38.3 billion committed for capital investment in the state⁽⁴⁾
- Eli Lilly announces \$13 billion investment in Indiana's LEAP Research and Innovation District in Lebanon, Indiana to create a center for advanced manufacturing and drug development.⁽⁵⁾

(1) https://www.statsamerica.org/sjp/rank_list.aspx?rank_label=isp2_b&item_in=12&ct=518

(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/2024/09/19/gov-holcomb-iedc-continue-record-breaking-economic-momentum-secure-largest-annual-committed-capital-investment-in-indiana-s-history>

(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%	2,051,456	14%	(10)%
ATM/ITM	944,785	7%	775,243	5%	(18)%
Online Logins	5,058,317	40%	3,547,435	24%	(30)%
Mobile Logins ⁽²⁾	4,199,910	33%	8,074,951	55%	92%
Telephone Banking	265,475	2%	188,302	2%	(29)%
Total	12,748,462	100%	14,637,387	100%	15%

⁽¹⁾ Measurement period includes twelve months of data ending December 31, 2019 and September 30, 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	9/30/24	9/30/23	9/30/22
Gen Alpha (2010 - Current)	4%	2%	n/a	n/a
Gen Z (1996 - 2009)	15%	70%	53%	49%
Millennial (1977 - 1995)	26%	60%	59%	57%
Gen X (1965 - 1976)	19%	51%	50%	48%
Baby Boomer (1946 - 1964)	29%	45%	44%	42%
Mature (1945 or before)	7%	31%	30%	28%
Digital Adoption		51%	50%	47%



⁽¹⁾ Gen Alpha was added in January 2024

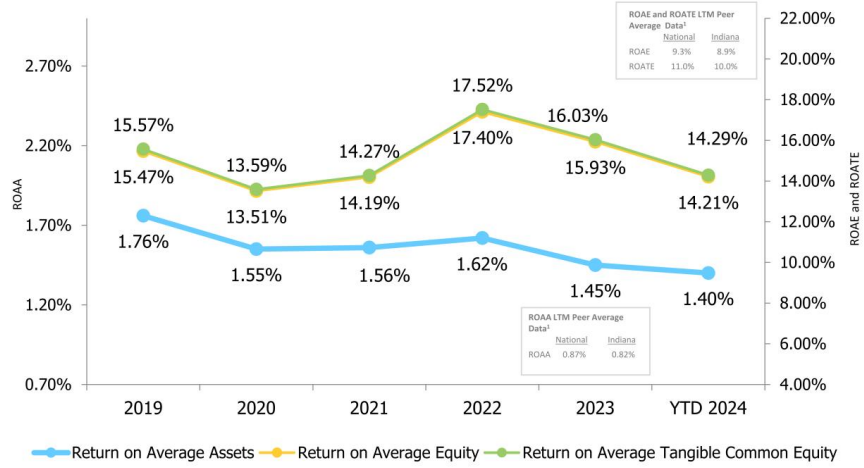


Financial Performance



Income Performance Metrics

LKFN Performance Exceeds National Peers and Contributes to Strong Capital Levels

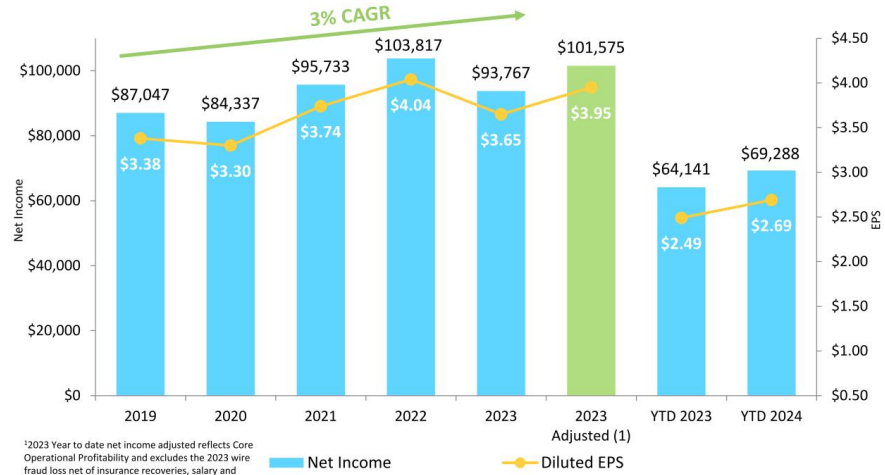


¹Source KBW Price Performance Review June 30, 2024



Net Income and EPS

Net Income Improves in 2024



¹2023 Year to date net income adjusted reflects Core Operational Profitability and excludes the 2023 wire fraud loss net of insurance recoveries, salary and benefits adjustment and taxes for a total net of tax impact of \$7.8 million or \$0.30 per diluted share

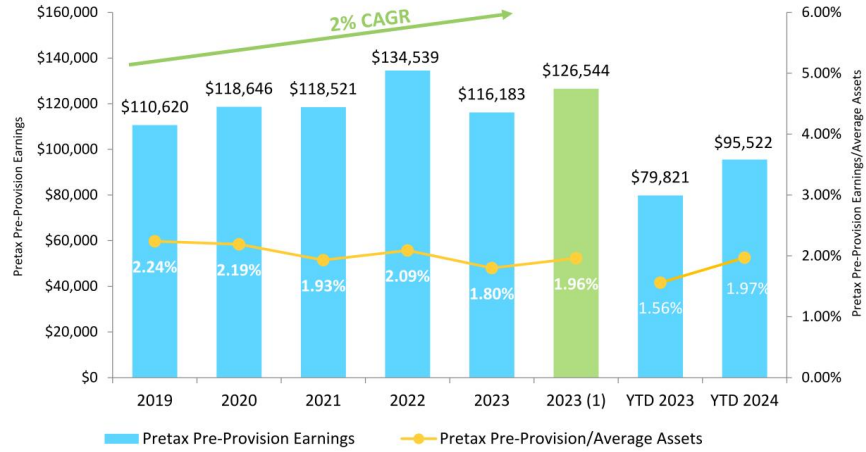
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 Net Income YOY increase 8%
2024 Diluted EPS YOY increase 8%



Pretax Pre-Provision Earnings

Pretax Pre-Provision Earnings Improves in 2024



¹2023 Year-to-date Adjusted Earnings Before Income Taxes excludes the wire fraud loss net of recoveries and salary and benefits adjustments totaling \$10.4 million
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

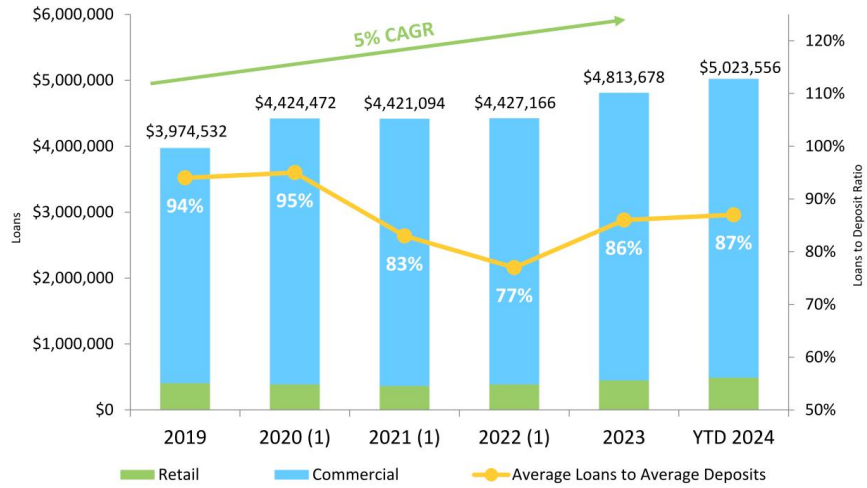
2024 Pretax Pre-Provision Earnings YOY Increase 20%



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

Average Loans

Average YTD Loan Growth of \$232 million or 5% Compared to Prior Year



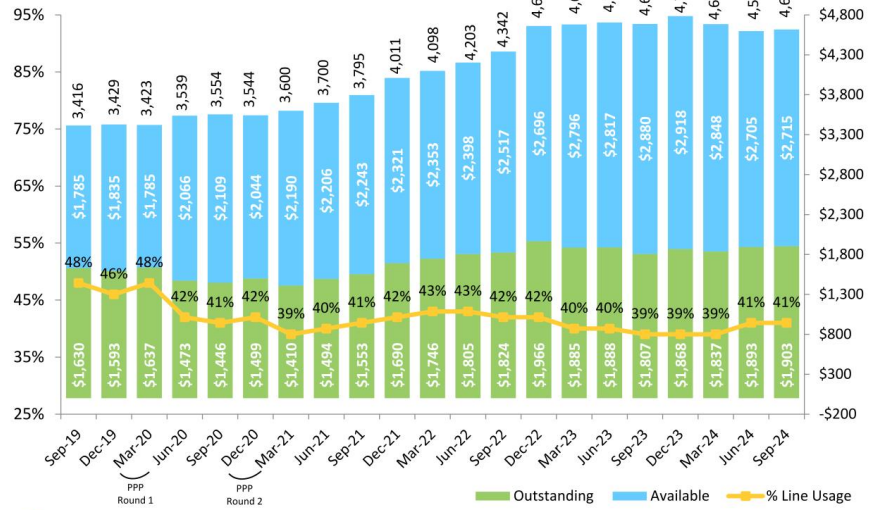
(1) Includes \$377 million in Average PPP loans in 2020, \$238 million in 2021, and \$8 million in 2022
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 5%



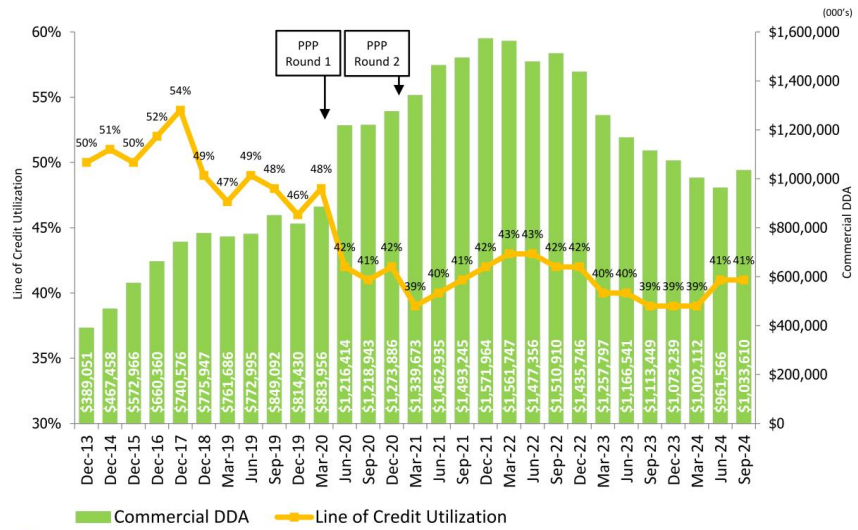
Line of Credit Utilization

Line Utilization Has Risen in 2024



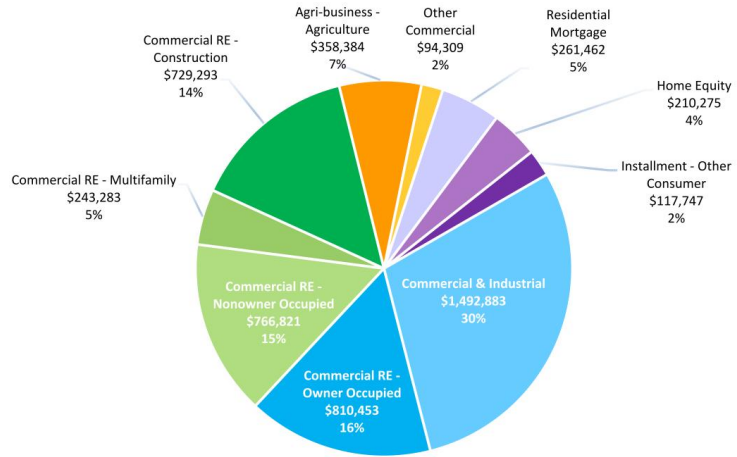
Line of Credit Utilization vs. Commercial DDA

Commercial DDA Deposit Balances Continue to Normalize



Loan Portfolio Breakdown

C&I Drives Lending Business



\$5.1 billion as of September 30, 2024

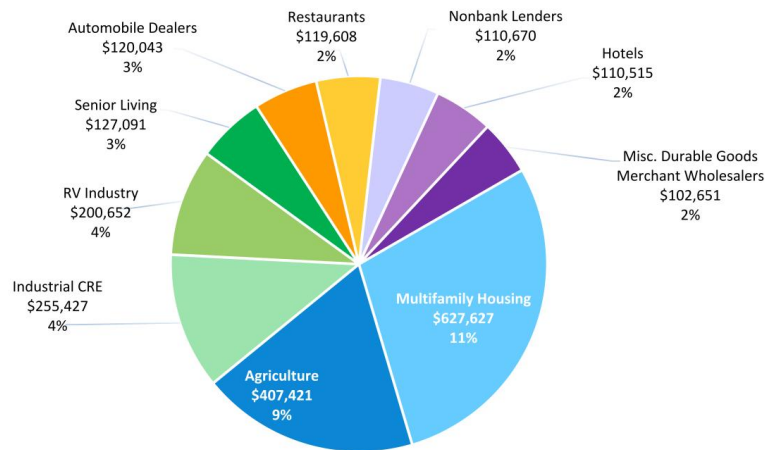
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Note: Loan breakdown is presented by Federal Reserve Bank ("FRB") Collateral Code as reported on the call report.

Top 10 Industry Concentrations

Loan Portfolio is Diversified



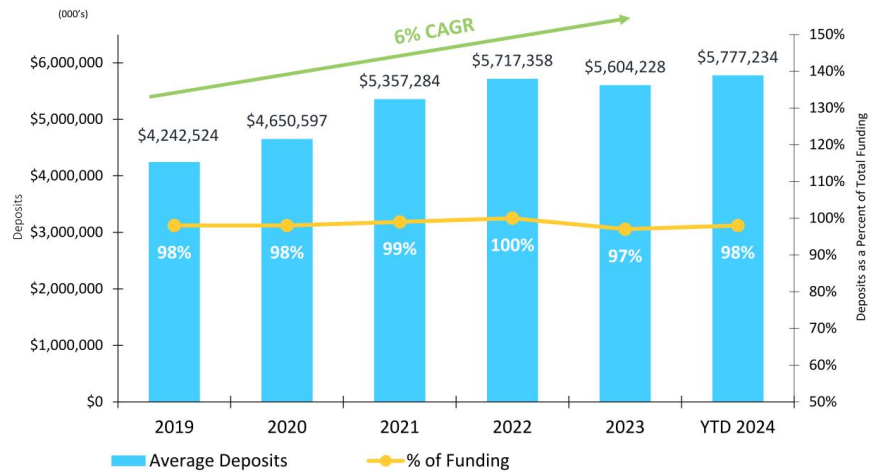
Top 10 Industries Represent 43% or \$2.2 billion of Total Loans



Note: Industry data is obtained from loan classifications pursuant to the North American Industry Classification System ("NAICS")

Average Deposits

Average YTD Deposit Growth of \$240 million or 4% Compared to Prior Year

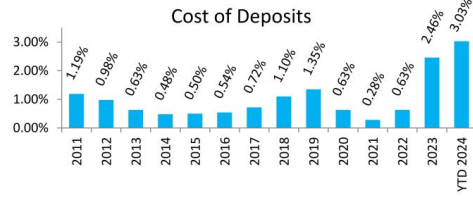
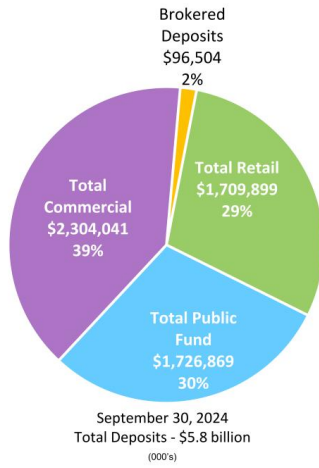


Compound annual growth rate "CAGR" is based on the most recent 5-year calculation



Deposit Breakdown

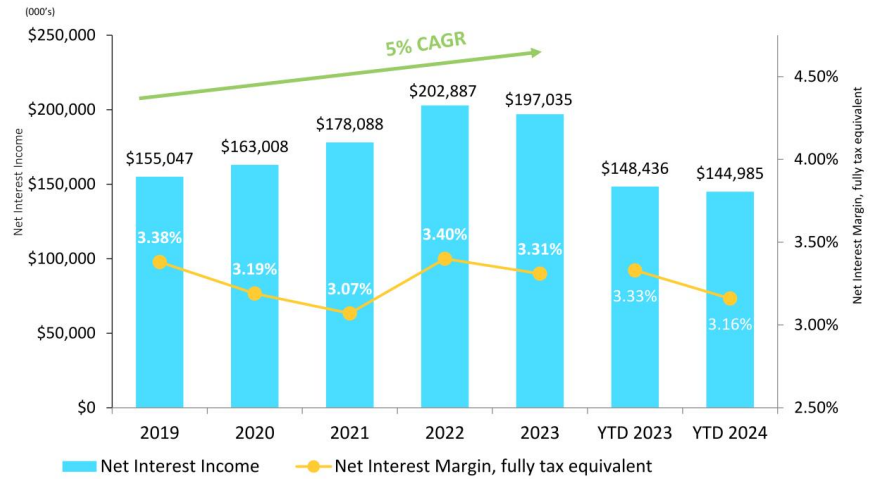
Deposit Costs Are Repricing Downward with Federal Funds Rate Cuts



Deposit Composition at end of period	2019	2024
Non-interest Bearing Demand Deposits	24%	22%
Interest Bearing Demand, Savings & MMA	47%	61%
Time Deposits > or = to \$100,000	22%	13%
Time Deposits < \$100,000	7%	4%
Total Deposits (billions)	\$4.1	\$5.8

Net Interest Income

Net Interest Margin Compression Offset by Organic Loan and Deposit Growth



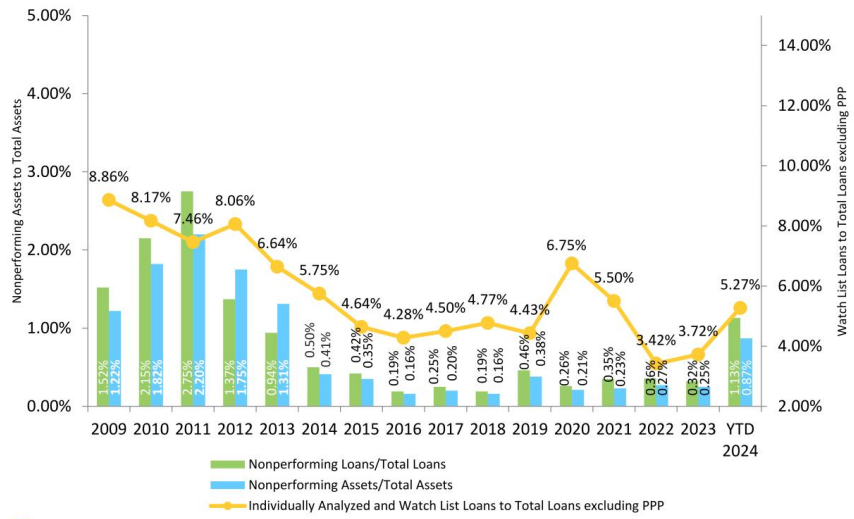
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Decrease (2)%



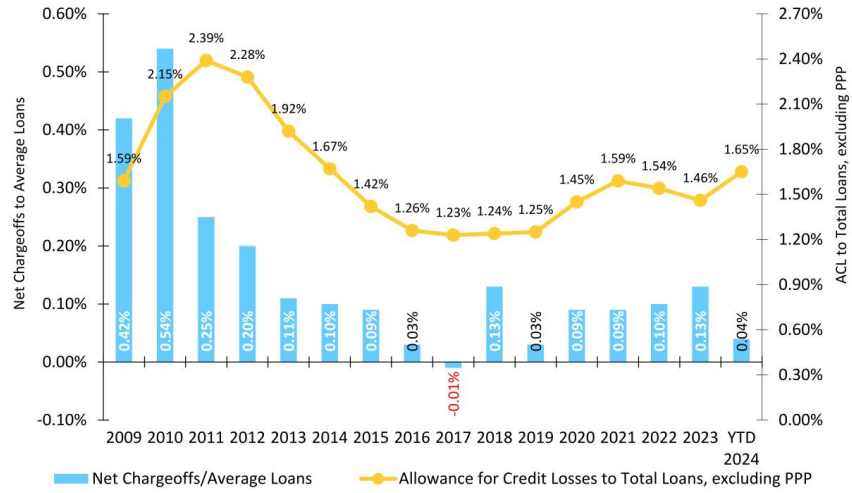
Asset Quality

Nonperforming Loans Rise Due Primarily to a Single Commercial Credit



Asset Quality

Allowance for Credit Losses Represents Strong Coverage

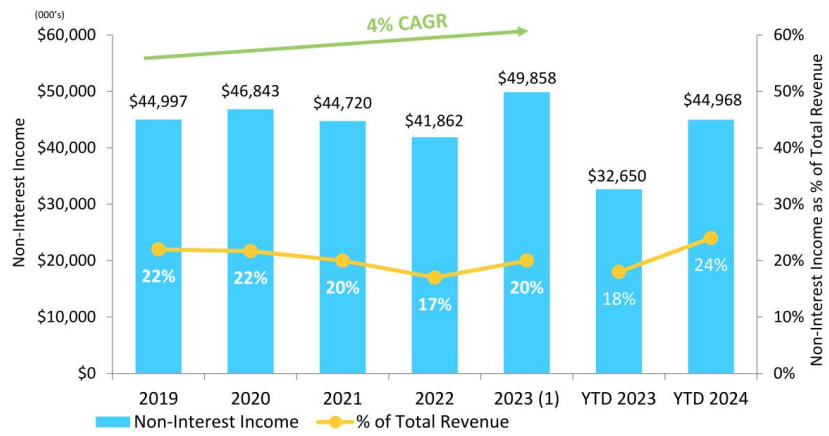


Note: Current Expected Credit Loss ("CECL") Standard adopted effective 1/1/21



Noninterest Income

Noninterest Income Includes \$9.0 million in Visa Stock Net Gain



¹2023 noninterest income adjusted reflects Core noninterest income and excludes 2023 wire fraud loss recoveries of \$6.3 million.

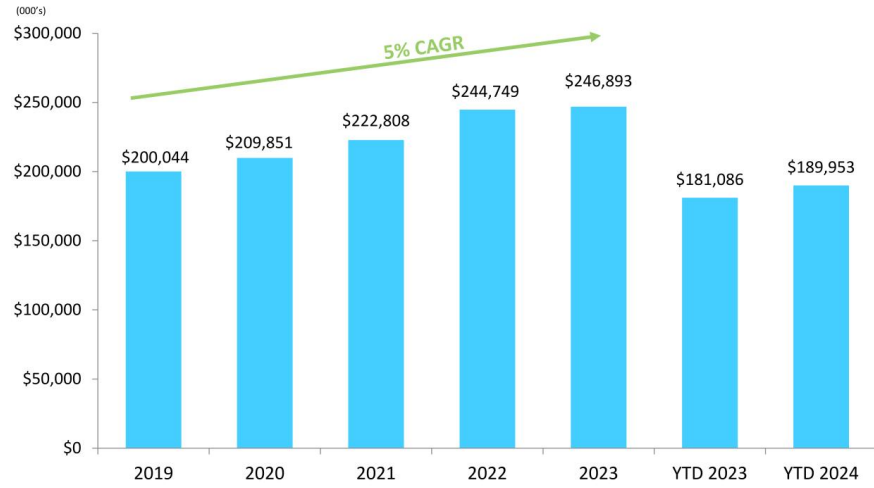
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 38%



Total Revenue

Revenue Growth Benefited by Loan Growth and Improvement in Noninterest Income



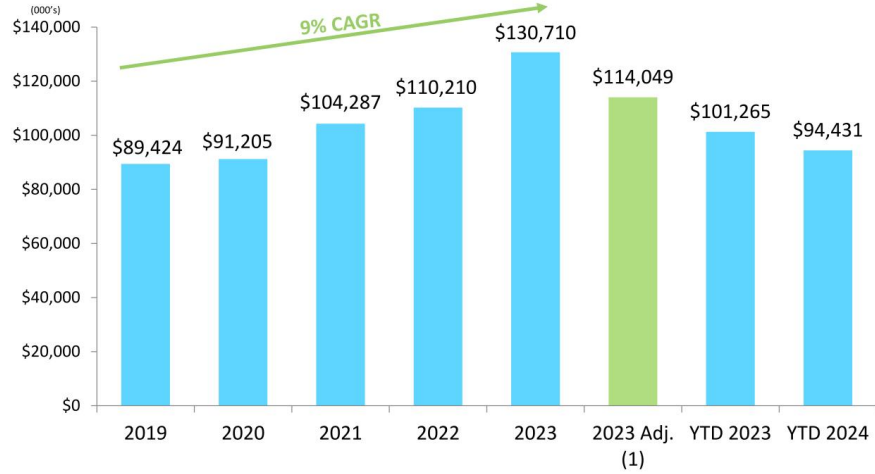
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation



2024 YOY Increase 5%

Non-Interest Expense

Disciplined Investment in People and Technology Continues



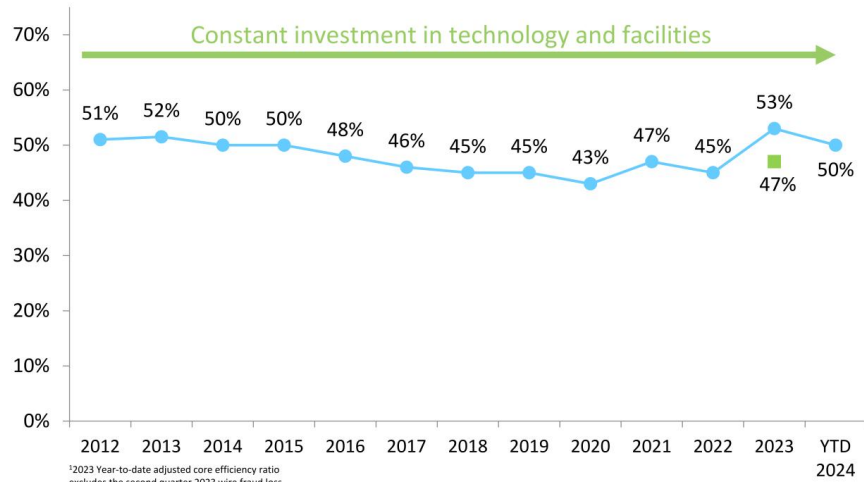
¹2023 noninterest expense adjusted reflects Core Noninterest Expense and excludes the 2023 wire fraud loss of \$18.1 million net of \$1.4 million salary and benefits adjustment, or \$16.7 million, net. Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Decrease (7)%



Efficiency Ratio

Efficiency Ratio Normalizing in 2024



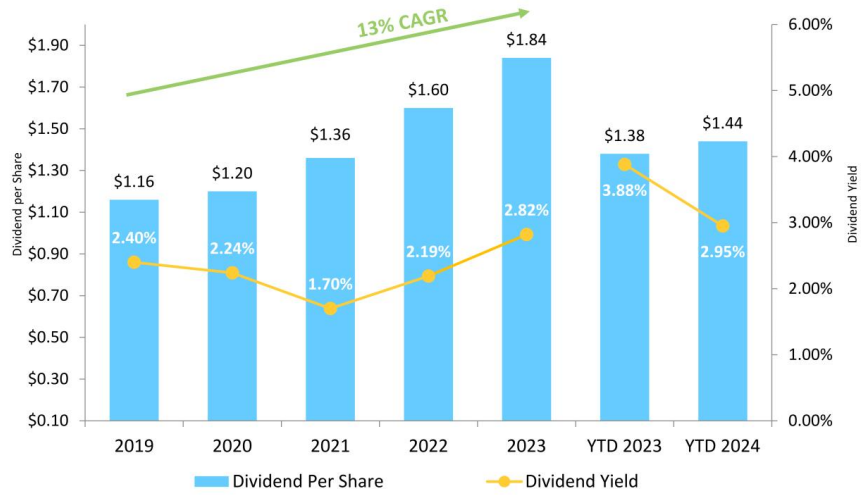
¹2023 Year-to-date adjusted core efficiency ratio excludes the second quarter 2023 wire fraud loss loss, net, of salary and benefits adjustment for a total of \$16.2 million



—●— Efficiency Ratio —■— Adjusted Core Efficiency Ratio

Stable Healthy Dividend

Growth in Dividend Reflects Strength of Capital



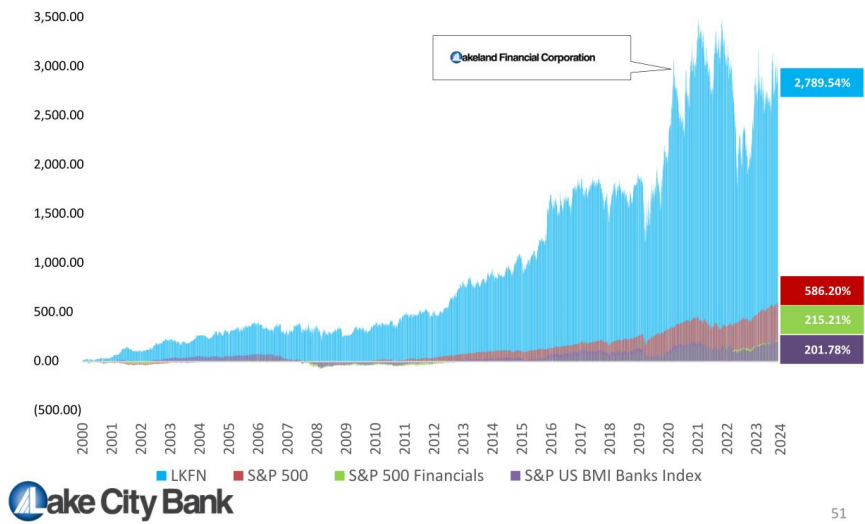
Compound annual growth rate "CAGR" is based on the most recent 5-year calculation

2024 YOY Increase 4%



LKFN Shareholder Value

Total Return Performance from 12/31/00 to 9/30/24



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 September 2024

Regulatory Ratio Description *	September 30, 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	12.12%	5.00%	\$486,082	\$(147,149)	\$338,932	9.96%
Common Tier 1 (CET)	14.41%	6.50%	\$454,347	\$(147,149)	\$307,197	11.85%
Tier 1 Risk Based Capital	14.41%	8.00%	\$368,226	\$(147,149)	\$221,077	11.85%
Tier 2 Risk Based Capital	15.67%	10.00%	\$325,401	\$(147,149)	\$178,252	13.10%

* Regulatory Ratios are preliminary pending the finalization of regulatory filings



Liquidity Preparedness

September 30, 2024

(000)	Liquidity Availability	Used	Unused/ Available	Additional Loan Collateral Available for Pledge
Secured/Committed Borrowings:				
Federal Home Loan Bank-Indianapolis ⁽¹⁾	\$ 577,690	\$ 0	\$ 577,690	\$ --
Federal Reserve Bank Discount Window	1,383,394	--	1,383,394	99,589
Total Secured/Committed	\$ 1,961,084	\$ 0	\$ 1,961,084	\$ 99,589
Unsecured/Uncommitted Borrowings:				
Brokered Certificates of Deposit ⁽²⁾	\$ 586,731	\$ 60,000	\$ 526,731	\$ --
Brokered Money Market Deposit ⁽³⁾	199,361	26,470	172,891	--
Insured Cash Sweep-One Way Buy ⁽⁴⁾	100,000	10,034	89,966	--
Fed Fund Lines	395,000	--	395,000	--
Total Unsecured/uncommitted borrowings	\$ 1,281,092	\$ 96,504	\$ 1,184,588	\$ --
Investment Securities available for pledge:				
Agencies, MBS and CMO ⁽⁵⁾	155,756	--	155,756	--
Municipals ⁽⁶⁾	360,011	--	360,011	--
Total Investment Securities Available	515,767	--	515,767	--
Total Lake City Bank Liquidity Preparedness	\$ 3,757,943	\$ 96,504	\$ 3,661,439	\$ 99,589

(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)

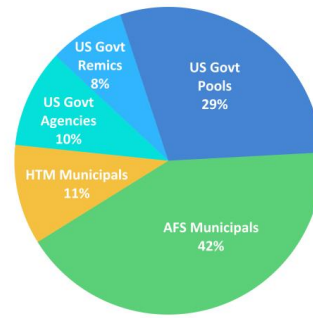
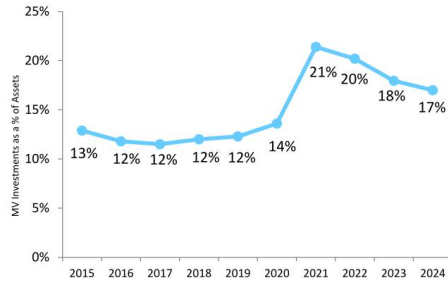
(5) Investment securities are eligible collateral at the FRB – Discount Window and FHLB

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



Investment Portfolio

Recurring Cash Flows Used to Fund Organic Loan Growth



September 30, 2024

	Weighted Maturity	Book Yield	Market Value
US Govt REMICS	5.81	2.08	91,575
US Govt Pools	7.07	1.98	331,492
US Agencies	8.84	1.55	116,668
AFS Municipals (TEY)	15.01	2.88	476,914
HTM Municipals (TEY)	16.17	2.73	118,861
Total (Tax-Equivalent Yield)	11.42	2.39%	\$1,135,510

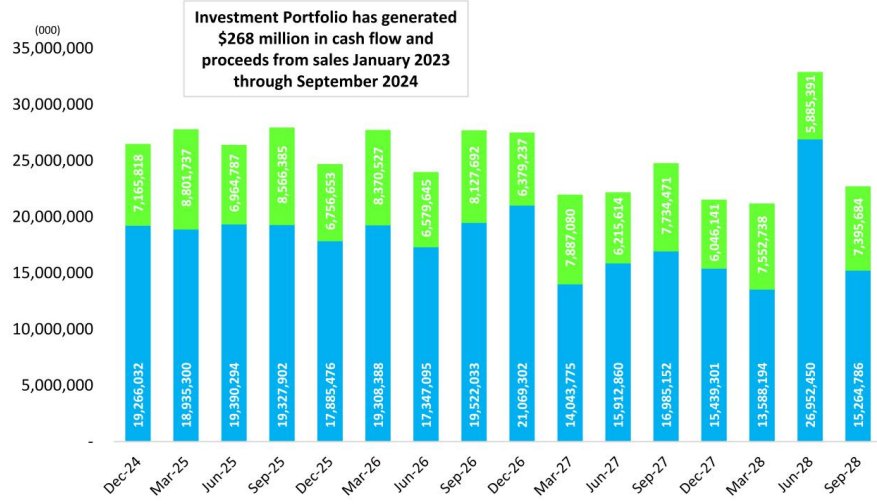
Note: Ratio of total securities to total assets excludes PPP loans of \$412 million in 2020, \$26 million in 2021 and \$2 million in 2022 from total assets

Carrying Value
 Held-to-Maturity \$ 131,157
 Available-for-Sale \$1,016,649



Investment Security Portfolio Cashflows

Cash Flows of \$407 million Expected Through September 2028



Principal

Interest

Investment Portfolio Analysis

Investment Portfolio as a Percentage of Total Assets Continues to Decline

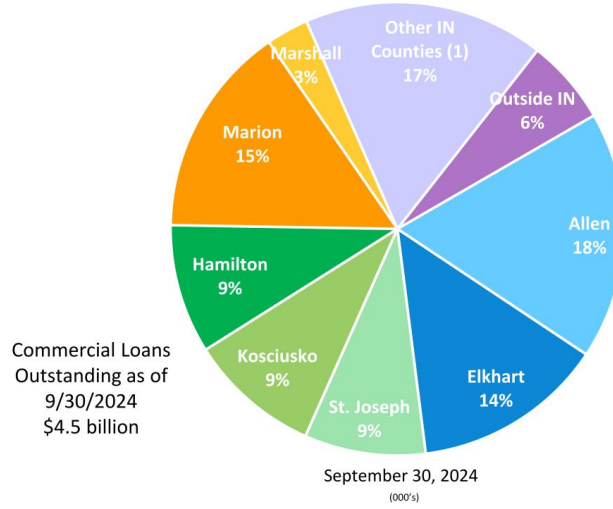
	9/30/2024			12/31/2023		
	Weighted Maturity	Market Value	% of Total	Weighted Maturity	Market Value	% of Total
US Govt REMICS	5.81	91,575	8%	6.28	98,265	8%
US Govt Pools	7.07	331,492	29%	7.44	349,577	30%
US Agencies	8.84	116,667	10%	9.68	119,479	10%
AFS Municipals (Exempt)	15.01	476,914	42%	15.67	484,407	41%
HTM Municipals	16.17	118,862	11%	16.92	119,215	10%
Total	11.42	\$1,135,510	100%	11.89	\$1,170,943	100%
Unrealized losses AFS		(\$154,514)			(\$174,591)	
Unrealized losses HTM		(\$12,296)			(\$10,703)	
Total market value losses		(\$166,810)			(\$185,294)	
Portfolio effective duration, tax equivalent⁽¹⁾		6.3			6.5	
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



(1) All other counties individually represent less than 2% of total

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		Increase	2024 # of Offices
	Deposits	Share	Deposits	Share		
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.



