

**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): January 28, 2022

**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:

<b>Title of each class</b>	<b>Trading Symbol(s)</b>	<b>Name of each exchange on which registered</b>
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 2021 4Q Investor Presentation](#)

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

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**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: January 28, 2022

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

4<sup>th</sup> Quarter 2021





## David M. Findlay

President & Chief Executive Officer

david.findlay@lakecitybank.com

(574) 267-9197

## 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”, “estimate”, “could”, and 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, without limitation: (i) the effects of future economic, business and market conditions and changes, including in connection with the COVID-19 pandemic, (ii) 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, (iii) changes in borrowers’ credit risks and payment behaviors, (iv) the timing and scope of any legislative and regulatory changes, including changes in tax and banking laws and regulations and their application by the Company’s regulators, (v) the failure of assumptions and estimates used in the Company’s reviews of its loan portfolio, underlying the establishment of reserves for possible credit losses, the Company’s analysis of its capital position and other estimates; and (vi) the risks noted in the Company’s Annual Report on Form 10-K for the year ended December 31, 2020, as well as other risks and uncertainties set forth from time to time in the Company’s other filings with the Securities and Exchange Commission.



## Bank Director's 2021 Scorecard

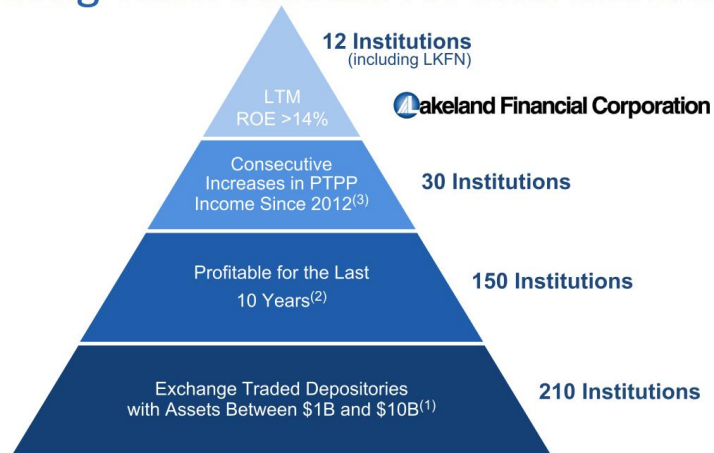


\$5 BILLION UP TO \$50 BILLION

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 ex TDs/Loans & OREO (%)	NPA Rank		NCOs/Avg Loans (%)	NCOs Rank
1	Lakeland Financial Corp.*	LKFN	IN	5,830	1.54	10	13.39	11	11.19	16	0.26	26	0.09	62	81.0
2	First Financial Bankshares	FFIN	TX	10,905	2.01	4	13.10	13	12.85	7	0.81	107	0.06	45	100.0
3	Great Southern Bancorp*	GSBC	MO	5,526	1.17	38	10.00	36	11.28	15	0.09	4	0.01	20	101.0
4	Glacier Bancorp	GBCI	MT	18,504	1.69	6	12.68	17	9.69	39	0.30	31	0.07	52	103.5
5	National Bank Holdings Corp.	NBHC	CO	6,660	1.44	13	11.59	19	10.68	24	0.55	74	0.06	43	114.5



# Long Term Success for Shareholders



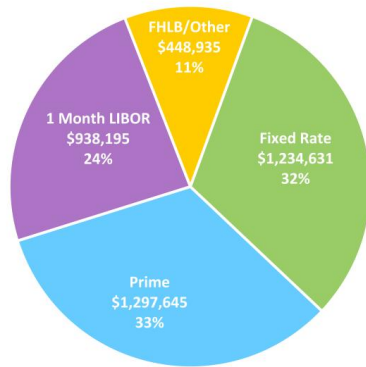
Source: S&P Global Market Intelligence. Financial data is as of September 30, 2021.  
(1) Includes banks and thrifts traded on the NYSE, NYSEAM or NASDAQ as of 1/5/22, excludes merger targets.  
(2) Defined as having positive net income before extraordinary items and preferred dividends for each of the last 10 years (calendar years ended December 31, 2011 through December 31, 2020). Net income before extraordinary items is defined by S&P Global Market Intelligence 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 Global Market Intelligence.  
(3) Defined as consecutive increases in pre-tax, pre-provision earnings (excludes nonrecurring revenues and expenses, one-time goodwill impairment charges) for each of the years ending December 31, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020.





# Interest Rate Sensitivity

## Highly Asset Sensitive Balance Sheet

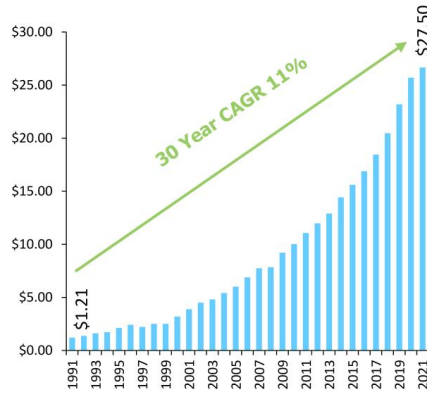


Commercial Loans  
\$3.9 billion as of December 31, 2021  
(000's)

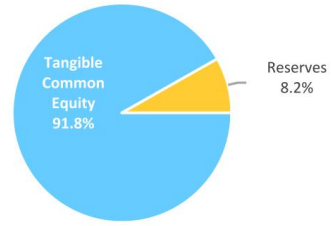
- Every 25 basis point move up in the federal funds rate is expected to improve margin by 3-5 basis points
- Cost of funds at historic lows
- Excess liquidity will likely contribute to nominal increases in cost of funds
- 90% of loan portfolio consists of commercial loans
- 68% of loans tied to variable rates
- Fixed rate commercial loans have shorter, average term of 5 years

# Strong Capital Structure

Tangible Book Value<sup>(1)</sup> Per Share



<sup>(1)</sup>compounded annual growth rate computed from 1991-2021



Key Ratios and Per Share Data as of December 31, 2021

TCE/Tangible Assets	10.70%
Total Risk-Based	15.34%
Leverage	10.72%
Book Value	\$27.65
Tangible Book Value	\$27.50



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 Fourth Quarter 2021 Earnings Press Release and Form 8-K.

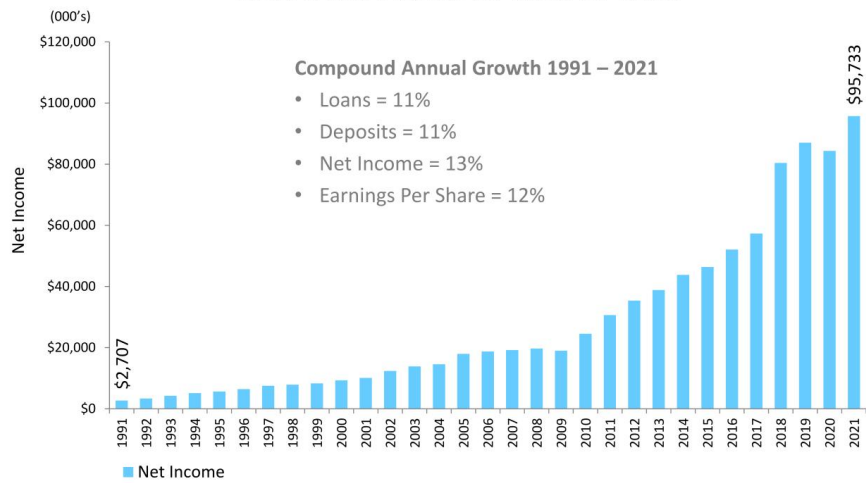
## Lake City Bank Today

- A long-term and consistent organic growth story
- Headquartered in Warsaw, Indiana
- 51 branch offices - \$6.6 billion banking assets - \$3.0 billion trust, retirement and investment brokerage assets
- Focused on execution – “blocking and tackling”
- Continued growth potential



# A Quarter Century of Organic Growth

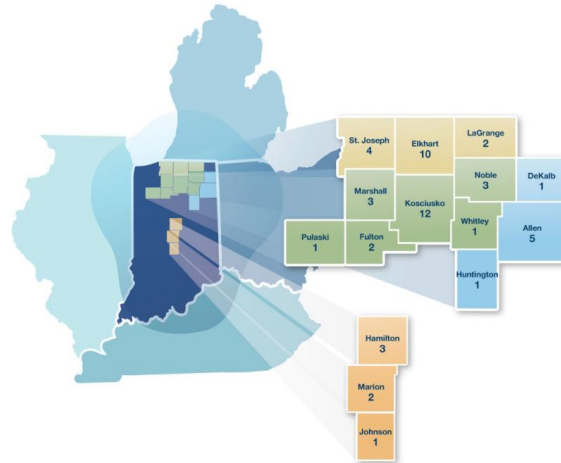
Record Net Income for 31 of 33 Years



# Established Market Presence

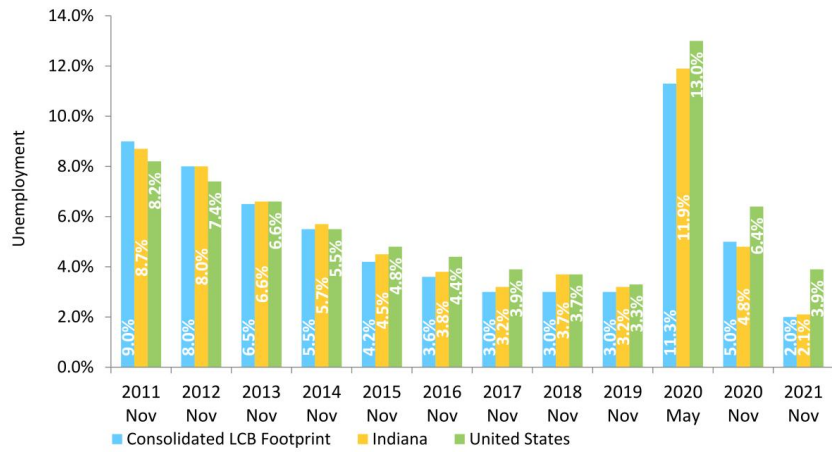
Organic Growth Potential in Mature and Expanding Markets

Lake City Bank Market Growth	
<b>Warsaw – est. 1872</b>	Kosciusko-12 Noble-3 Whitley-1 Marshall-3 Fulton-2 Pulaski-1
<b>Elkhart – est. 1990</b>	Elkhart-10 LaGrange-2
<b>South Bend – est. 1997</b>	South Bend-4
<b>Fort Wayne – est. 1999</b>	Allen-5 DeKalb-1 Huntington-1
<b>Indianapolis – est. 2011</b>	Hamilton-3 Marion-2 Johnson-1



# Strong Regional and Statewide Economy

Indiana Unemployment Rate is Lower Than 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





## 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

- 39 credit “smart” commercial bankers
- Average 23 years in banking & 12 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





# Credit Process

## Commercial Banking Focus

- We are in-market lender to in-market clients
- Character matters – we lend to people first
- Our credit discipline has never changed
- We focus on management/cash flow
- We have a centralized committee structure
- Structure is important
- Orientation towards owner occupied and well structured nonowner occupied real estate
- Credit risk management practices have evolved to address growth in portfolio

# Corporate Social Responsibility

150 Year History of Focusing on Our Customers, Employees and  
Our Communities

- Supporting our communities since 1872
- Building and caring for our team
- Delivering loan products to our communities
- Supporting financial literacy
- Protecting our customers and their data
- Caring for the environment



# Lake City Bank Culture

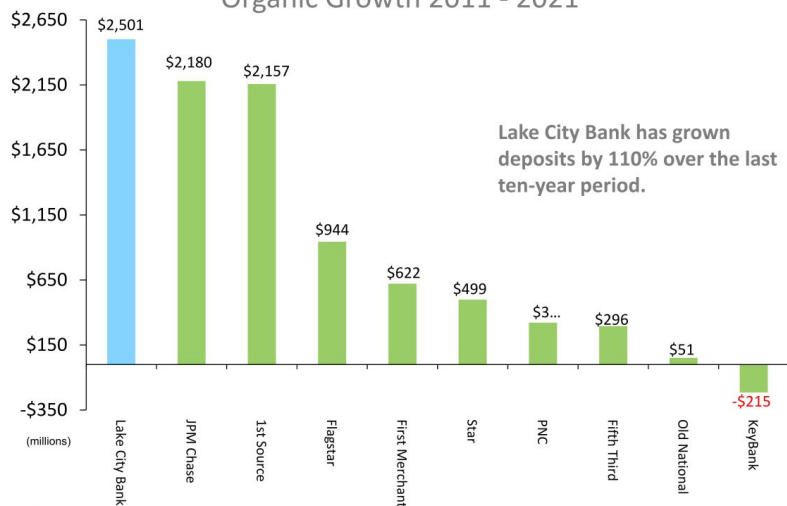
## High Quality Team Members

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



# Mature<sup>1</sup> Market Deposit Performance

Organic Growth 2011 - 2021



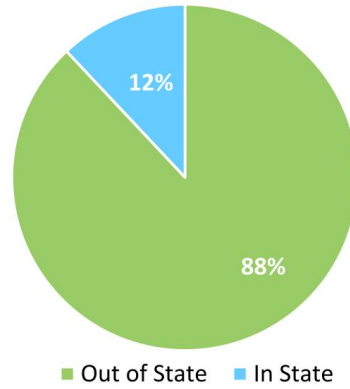
<sup>1</sup>Mature Markets include 12 Northern Indiana counties and exclude 3 Central Indiana counties  
 Totals adjusted to include branches subsequently acquired by surviving banks.  
 Source: FDIC 6/30/21 Statistics

# Organic Growth

## Indianapolis Market Opportunity

Indianapolis Market Banks	Share of Market
1. JPM Chase	23%
2. PNC	14%
3. Merchants Bank	11%
4. Fifth Third	10%
5. Huntington National	7%
6. BMO Harris	5%
7. Bank of America	5%
8. First Internet Bank	5%
9. National Bank of Indy	4%
10. KeyBank	4%
16. Lake City Bank	1%

Deposit Market Share



- Marion, Hamilton and Johnson Counties as of 6/30/21;  
- Source: FDIC 6/30/21 Statistics



## A Strong Environment for Growth and Expansion

Indiana Economy has Largely Rebounded from Pandemic Despite Supply Chain and Labor Availability Challenges

- Indiana #1 manufacturing state in the country<sup>(1)</sup>
- Manufacturing jobs increased 1.54% from December 2019 to December 2021<sup>(2)</sup>
- U.S. Census Bureau announced Indiana's population grew by 4.7% between 2010 and 2020
- Indiana unemployment at 2.7% as of December 2021<sup>(3)</sup>
- Forecast of real GDP growth of 5.7% for 2021<sup>(4)</sup>

(1) [https://www.statsamerica.org/sip/rank\\_list.aspx?rank\\_label=gsp2\\_b&item\\_in=12&ct=S18](https://www.statsamerica.org/sip/rank_list.aspx?rank_label=gsp2_b&item_in=12&ct=S18)

(2) Hoosiers By The Numbers- Indiana Department of Workforce Development

(3) IN.gov- Indiana employment report

(4) Indiana Economic Forecast Update December 2021, ISH Markit



# Core Deposit Funding

Core Deposit Growth Adds Liquidity to Balance Sheet

- Deposit surge from PPP funding and stimulus
- DDA growth over two years, equal to 93%
- Focus on core deposit growth in retail, commercial, and public funds
- Capitalize on market disruption in our footprint to grow deposits
- Emphasize checking account relationship products and flexible solutions including Lake City Bank Digital Platform
- Leverage demographic and lifestyle data
- Omni channel media campaign is utilized



## Commitment to Technology and Cyber Risk Management

Innovation and Competitive Technology is a Focus

- Fintech partnerships play a growing role in our technology
- Investments in Lake City Bank Digital, our focus on a solution that is experiencing increased demand
- Technology partnership with FIS is strong – User Planning Council and Strategic Planning Advisory Council
- Retail and Commercial platforms ensure competitive positioning
- Cybersecurity protection expands
- AI and data gathering and analysis is playing an increasingly important role
- Branch of the future proof of concept implemented in 2021



## Channel Utilization Over Three Year Horizon

Mobile Adoption is Growing Rapidly

Channel Type	Total Transactions 2018 <sup>(1)</sup>	% of Total	Total Transactions 2021 <sup>(1)</sup>	% of Total	Three Year Change
Branch Transactions	2,339,018	19%	2,040,905	15%	(13)%
ATM/ITM	938,674	8%	902,387	6%	(4)%
Online Logins	5,056,323	41%	4,795,959	34%	(5)%
Mobile Logins <sup>(2)</sup>	3,625,925	30%	6,081,688	43%	68%
Telephone Banking	201,412	2%	241,110	2%	20%
<b>Total</b>	<b>12,161,352</b>	<b>100%</b>	<b>14,062,049</b>	<b>100%</b>	<b>16%</b>



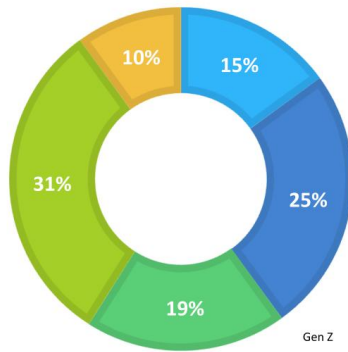
<sup>(1)</sup> Measurement period includes twelve months of data ending December 31, 2018 and December 31, 2021

<sup>(2)</sup> Includes mobile phone, Apple watch & iPad app use

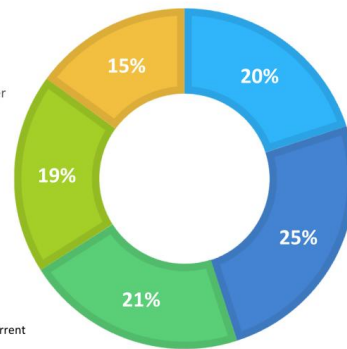
# Customer Composition and Digital Adoption

December 2021

### CUSTOMER BREAKDOWN



### DIGITAL ADOPTION



- Gen Z
- Millennial
- Gen X
- Baby Boomer
- Mature

Gen Z	1996 – Current
Millennial	1977 – 1995
Gen X	1965 – 1976
Baby Boomer	1946 – 1964
Mature	1945 or before



# Technology Focused Solutions

Commitment to Technology and Cyber Risk Management



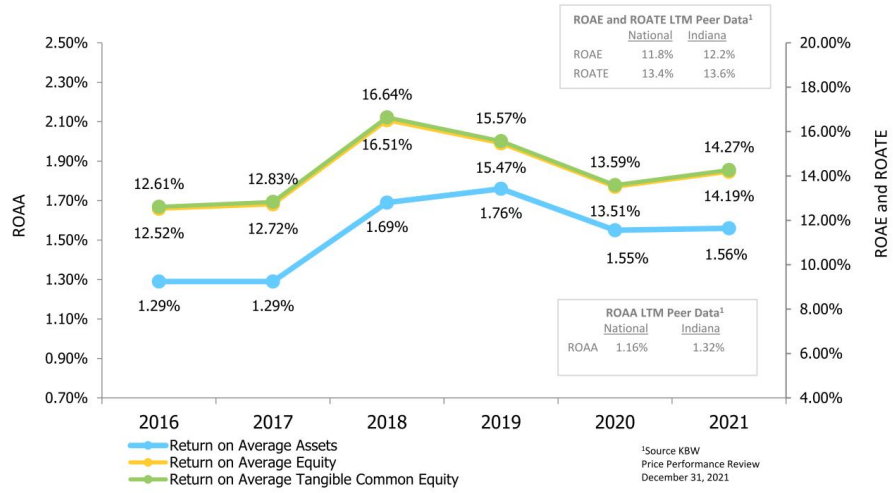


# Financial Performance



# Income Performance Metrics

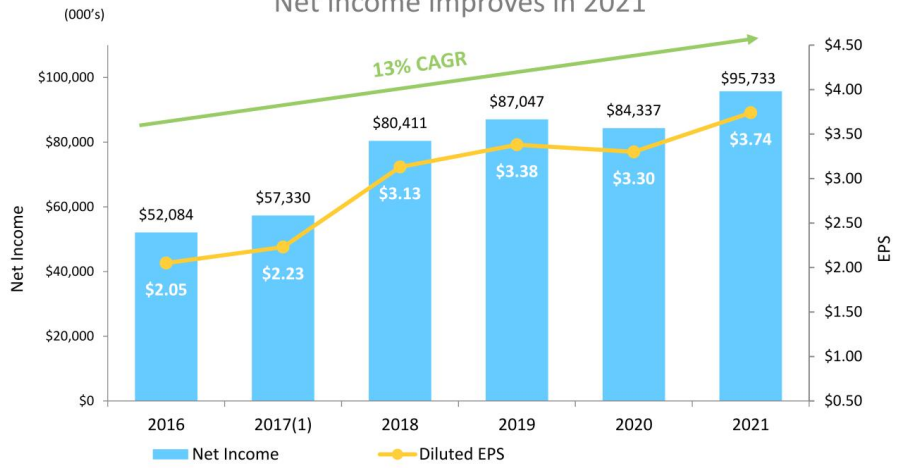
LKFN Performance Exceeds National and Indiana Peers and Maintains Strong Capital Levels



Note: Return on Average Tangible Common Equity is a Non-GAAP financial measure. See "Reconciliation of Non-GAAP Financial Measures" in the Fourth Quarter 2021 Earnings Press Release and Form 8-K.

# Net Income and EPS

Net income improves in 2021



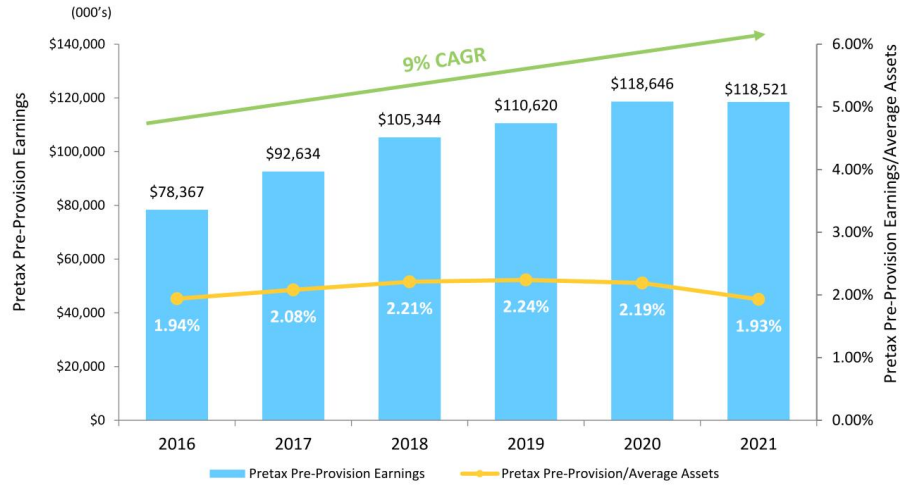
(1) Includes impact of tax reform of \$4.1 million income tax provision for 2017

2021 Net Income increase 14%  
2021 Diluted EPS increase 13%



# Pretax Pre-Provision Earnings

Margin Pressure and Lower Loan Demand Impact Net Interest Income



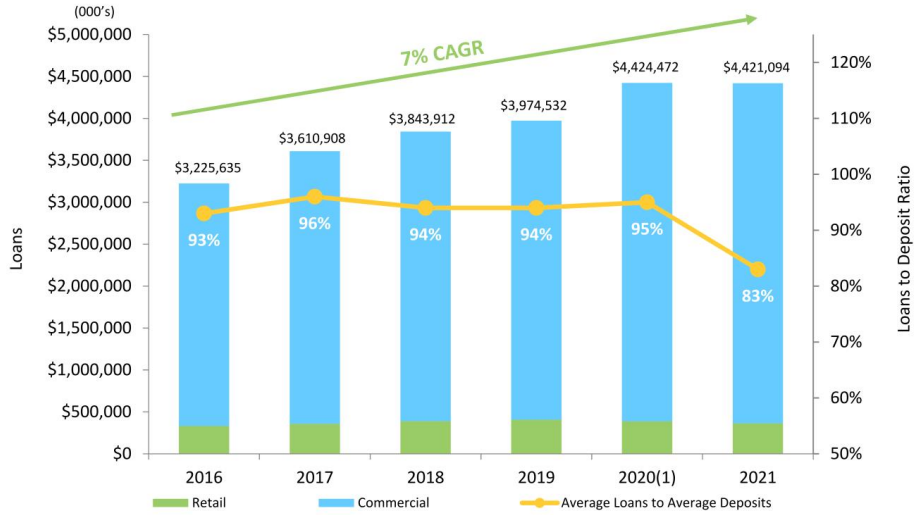
2021 Pretax Pre-Provision Earnings YOY Growth 0%



Note: Pretax Pre-Provision Earnings is a Non-GAAP financial measure. See "Reconciliation of Non-GAAP Financial Measures" in the Fourth Quarter 2021 Earnings Press Release and Form 8-K.

# Average Loans

Organic Loan Growth ex PPP of \$135 million or 3% for 2021



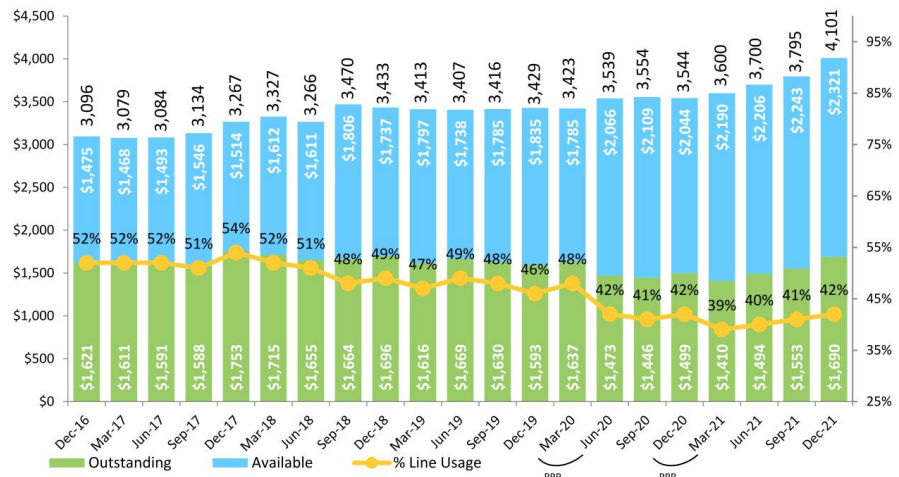
(1) Includes \$377 million in Average PPP loans in 2020 and \$238 million at December 31, 2021

2021 YOY Growth 0%



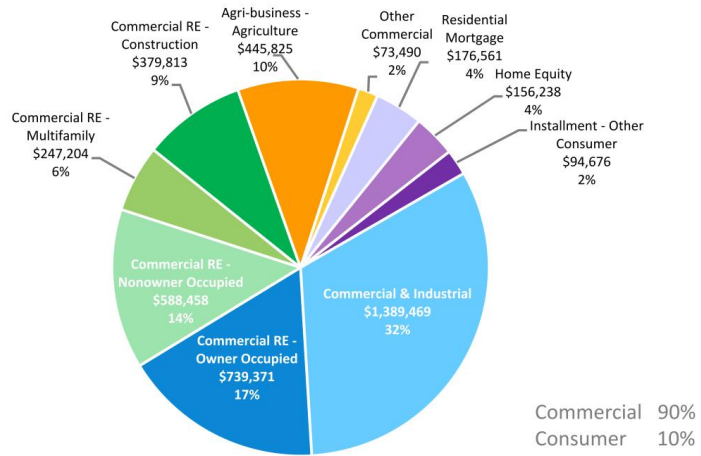
# Line of Credit Utilization

Utilization Improves During 2021



# Loan Breakdown

C&I Drives Lending Business



\$4.3 billion as of December 31, 2021

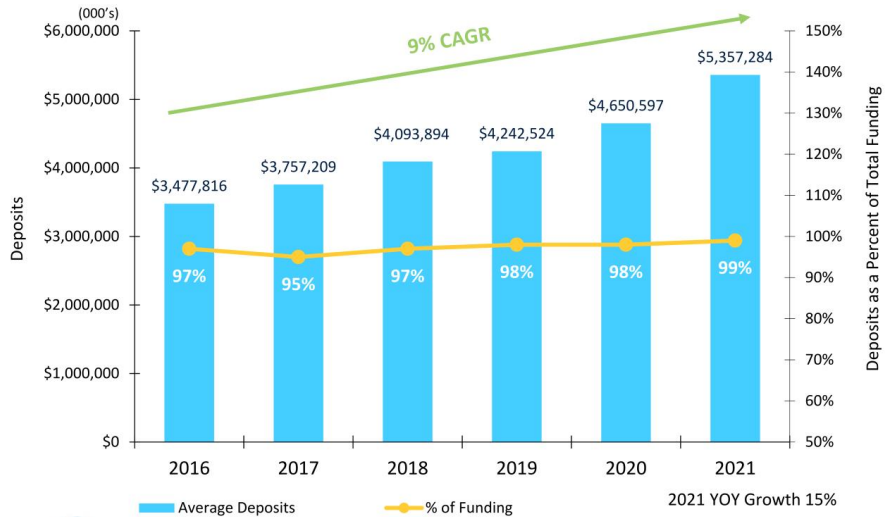
(000's)

Commercial 90%  
Consumer 10%



# Average Deposits

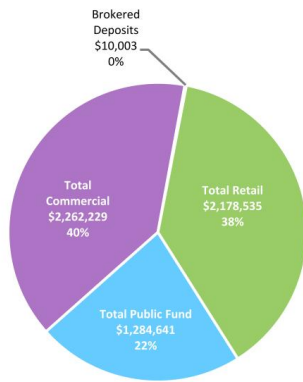
Deposit Growth Surges in 2020 and in 2021



Note: Core Deposits are defined as total deposits less brokered deposits

# Deposit Breakdown

Deposit Costs at a Historic Low

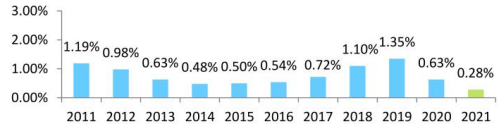


December 31, 2021  
Total Deposits - \$5.7 billion

(000's)



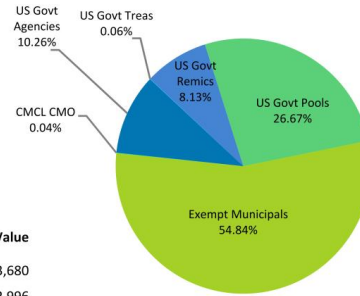
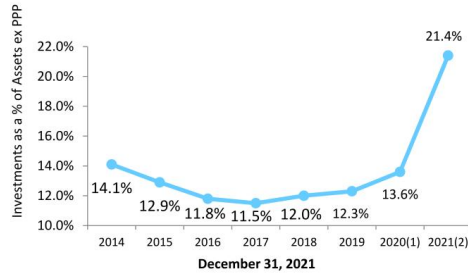
Cost of Deposits



Deposit Composition at end of period	2009	2021
Non-interest Bearing Demand Deposits	12%	33%
Interest Bearing Demand, Savings & MMA	34%	52%
Time Deposits > or = to \$100,000	35%	11%
Time Deposits < \$100,000	19%	4%
Total Deposits (billions)	\$1.9	\$5.7

# Investment Portfolio

Excess Liquidity Temporarily Deployed to Investment Portfolio



December 31, 2021

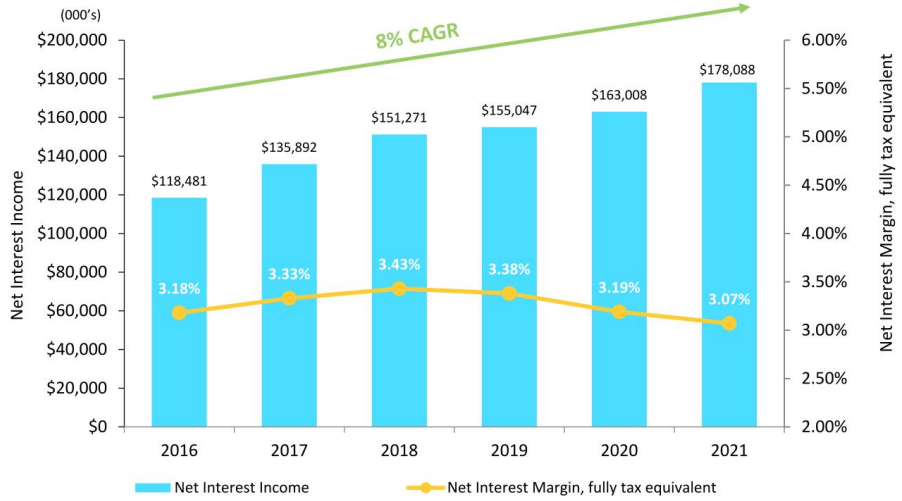
	Weighted Maturity	Book Yield	Duration	Market Value
US Govt REMICS	3.39	2.04	4.51	113,680
US Govt Pools	6.24	1.84	5.65	372,996
US Agencies	8.44	1.46	9.54	143,452
US Treasury Notes/Bills	0.33	0.07	0.33	900
Exempt Municipals (TEY)	16.84	2.99	7.71	767,007
CMCL CMO	0.25	2.31	0.19	523
<b>Total (Tax-Equivalent Yield)</b>	<b>11.84</b>	<b>2.42%</b>	<b>7.07</b>	<b>\$1,398,558</b>



(1) Ratio for 12/31/20 excludes PPP loans of \$412 million in total assets  
 (2) Ratio for 12/31/21 excludes PPP loans of \$26 million in total assets

# Net Interest Income

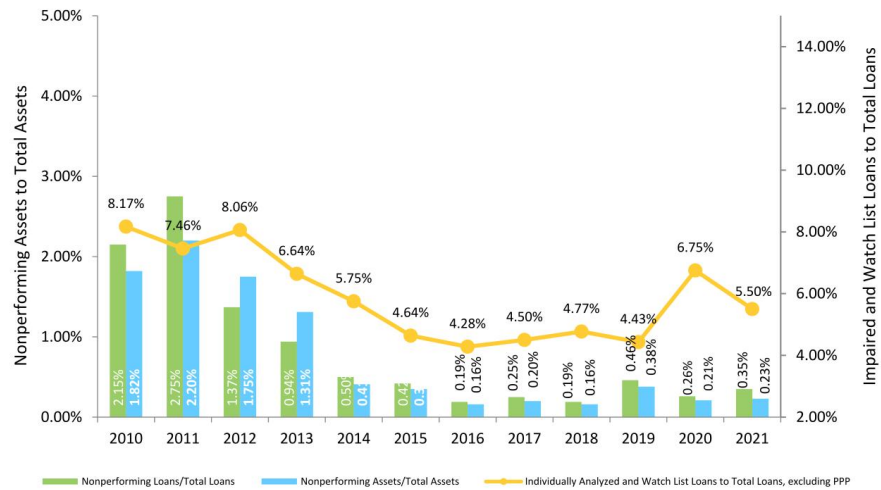
Growth in Net Interest Income Offset by Margin Compression



2021 YOY Growth 9%

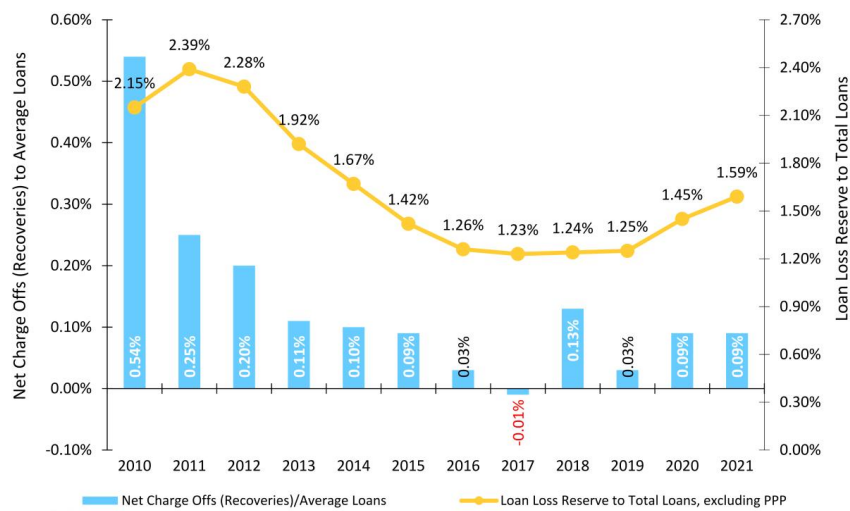
# Asset Quality

Asset Quality Trends Improve in 2021



# Asset Quality

Reserve Represents Strong Coverage with Stable Asset Quality Metrics

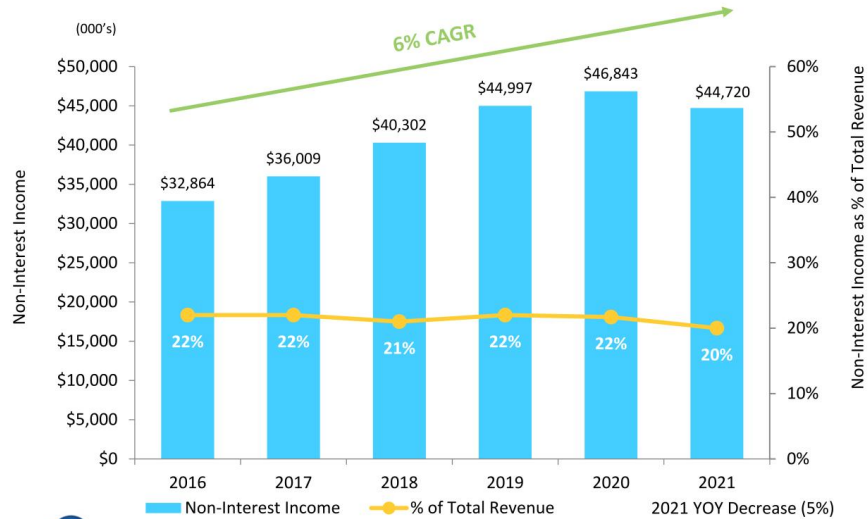


Note: Adopted Current Expected Credit Loss Standard "CECL" effective January 1, 2021



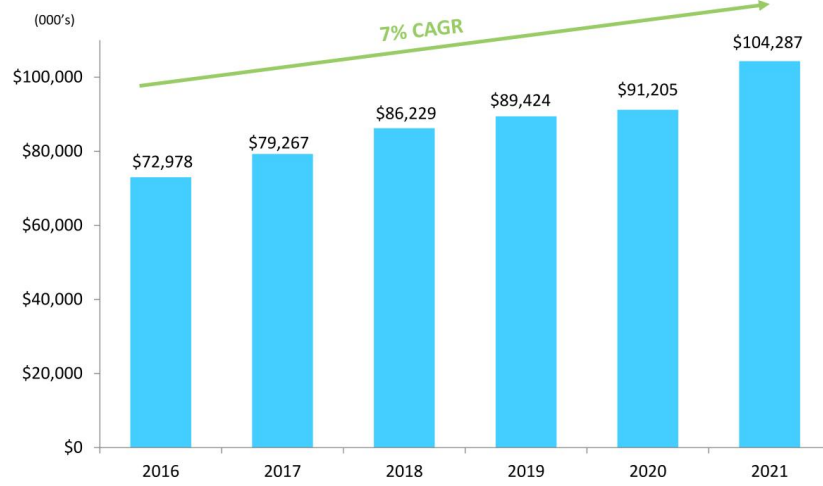
# Non-Interest Income

Double Digit Growth in Wealth Advisory, Interchange and Merchant Card Fees



# Non-Interest Expense

Payroll Costs and Professional Fees Impact 2021 Expenses

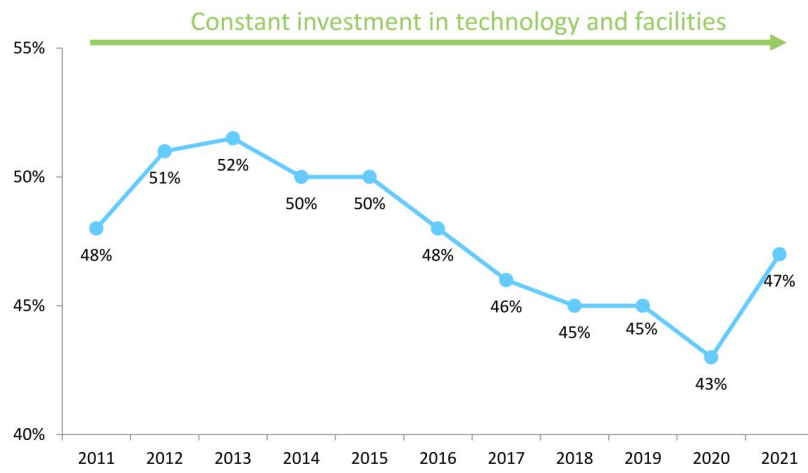


2021 YOY Increase 14%



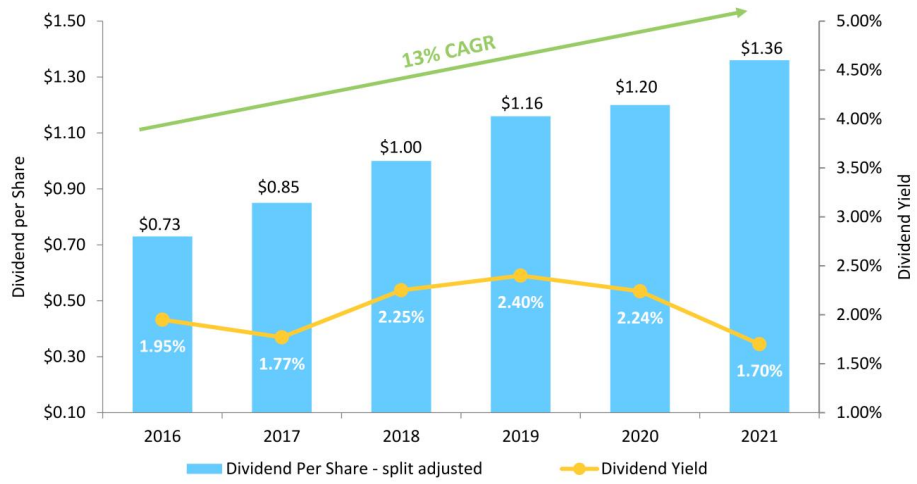
# Efficiency Ratio

Efficiency Ratio Normalizes in 2021



# Stable Healthy Dividend

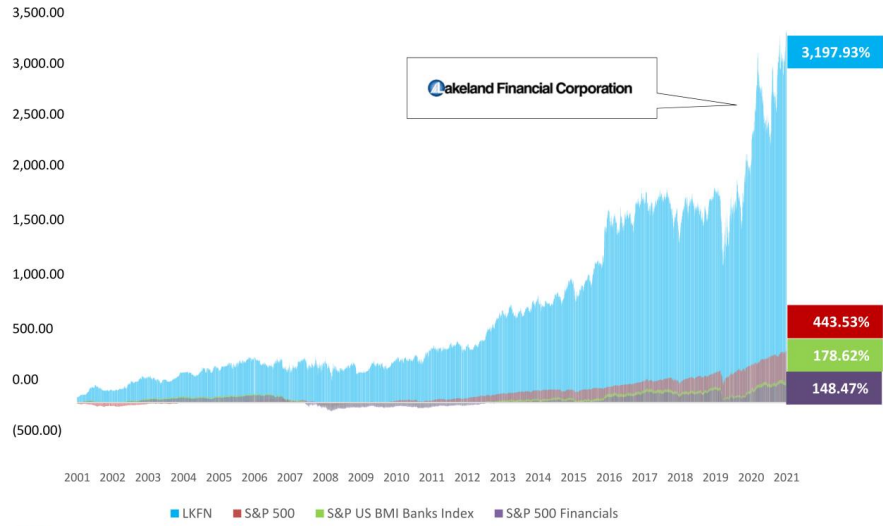
Growth in Dividend Reflects Strength of Capital



2021 Growth 13%  
41

# LKFN Shareholder Value

Total Return Performance from 12/31/01 to 12/31/21



## Investment Highlights

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



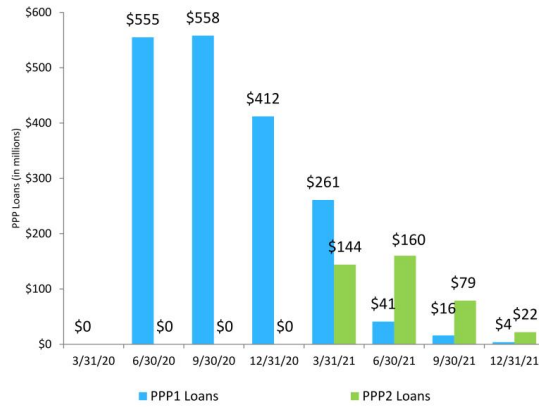
# Supplemental Information



# Paycheck Protection Program

PPP Loan Forgiveness Accelerates Unearned Fees into Net Interest Income

## PPP Round 1 and Round 2 Outstanding Balances



## PPP Round 1 Highlights

- \$571 million thru 2,409 loans
- Average loan size \$237,000
- 99% of loans, or \$567 million forgiven as of 12/31/21

## PPP Round 2 Highlights

- \$165 million thru 1,191 loans
- Average loan size \$139,000
- 94% of loans, or \$143 million forgiven as of 12/31/21
- PPP funding exhausted as of 5/4/21

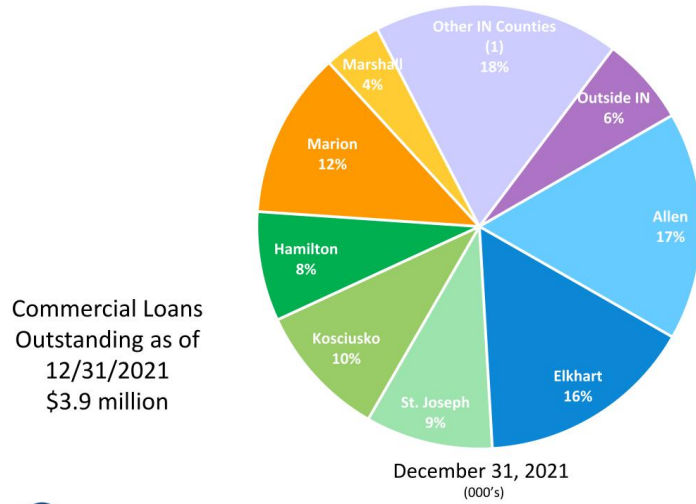


Note: Loans forgiven includes any loans repaid by borrowers during the eligible period



# Commercial Loans by County

Commercial Customers in 46 Indiana Counties and 22 Other States



(1) All other counties individually represent less than 0.5% of total

# Larger Market Organic Expansion

## Organic Growth

State Rank	County	Primary City	Population*	LCB Entry	LCB Deposit Market Share**	# of Branches
20.	Kosciusko	Warsaw	78,988	1872	58%	12
6.	Elkhart	Elkhart	206,161	1990	26%	10
5.	St. Joseph	South Bend	271,484	1997	10%	4
3.	Allen	Fort Wayne	382,187	1999	12%	5
1.	Hamilton, Johnson, Marion	Indianapolis	1,467,028	2011	1%	6

\* Source: STATS Indiana

\*\* Source: FDIC 6/30/21 Statistics



# Mature Market Strength and Growth

## Organic Growth

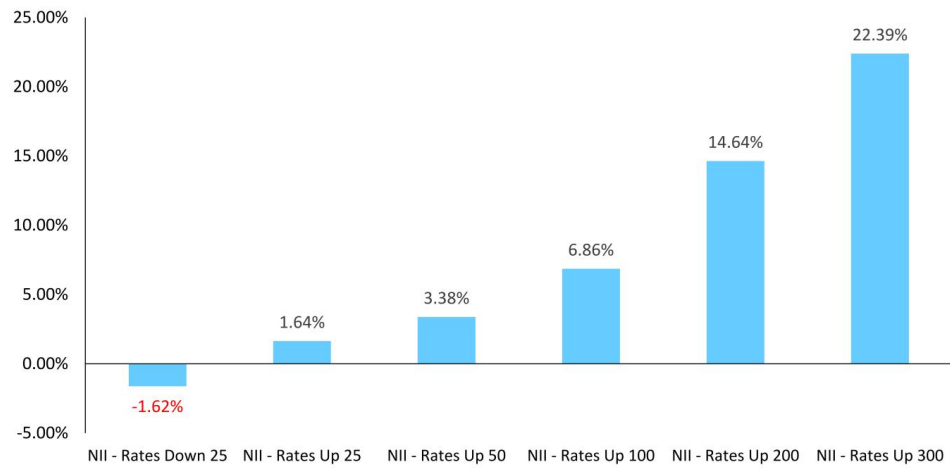
(millions) <sup>1</sup>	2021		2011		Increase	2021 # of Offices
	Deposits	Share	Deposits	Share		
<b>1. Lake City Bank</b>	<b>\$4,778</b>	<b>18.74%</b>	<b>\$2,277</b>	<b>13.37%</b>	<b>109.84%</b>	<b>51</b>
2. 1 <sup>st</sup> Source	\$4,670	18.31%	\$2,513	14.75%	85.83%	53
3. JPM Chase	\$3,601	14.12%	\$1,421	8.34%	153.41%	21
4. PNC	\$1,764	6.92%	\$1,442	9.47%	22.33%	20
5. First Merchants	\$1,265	4.96%	\$643	3.77%	96.73%	10
6. Flagstar	\$958	3.76%	\$14	0.08%	6742.86%	23
7. Star	\$954	3.74%	\$455	2.67%	109.67%	10
8. KeyBank	\$769	3.02%	\$984	5.77%	(21.85)%	14
9. Old National	\$707	2.77%	\$656	3.85%	7.77%	9
10. Fifth Third	\$612	2.40%	\$316	1.85%	96.67%	9
<b>Market Total</b>	<b>\$25,502</b>		<b>\$17,040</b>		<b>49.66%</b>	



<sup>1</sup>Mature Markets includes 12 Northern Indiana counties and excludes 3 Central Indiana counties Adjusted to include branches subsequently acquired by surviving banks. Data based on June 30<sup>th</sup> regulatory reporting for each year presented.

# Projected Impact of Rising/Falling Rates

## Asset Sensitive Balance Sheet



Graph presents 12 month projected net interest income simulation results as of December 31, 2021 using parallel shocks



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