

BSVN

Q2 2023
Earnings Release

July 20, 2023





Consistently ranked by S & P Global Market Intelligence as one of the Top Performing Community Banks in the United States

	Q2 2023		Q2 2022	% Change	Q1 2023	% Change		
Total assets	\$	1,681,305	\$	1,487,474	13.0%	\$	1,660,539	1.3%
Total loans		1,276,283		1,152,316	10.8%		1,279,363	-0.2%
Total deposits		1,508,225		1,346,291	12.0%		1,491,559	1.1%
Net income		9,746		7,024	38.8%		9,607	1.4%
Pre-provision pre-tax earnings		13,922		9,513	46.3%		13,030	6.8%
Earnings per share		1.05		0.76	38.7%		1.04	1.6%
Net interest margin, ex. loan fees		4.71%		4.04%	16.5%		4.72%	-0.3%
ROATCE		26.7%		23.5%	13.3%		28.0%	-4.8%
Adjusted ROATCE ⁽¹⁾		25.1%		26.3%	-4.6%		26.3%	-4.6%
Allowance for credit losses / total loans ⁽²⁾		1.28%		0.94%	36.7%		1.21%	6.2%

- Stable deposits and a strong cash position, and less dependent on uninsured deposits when compared to the industry average⁽³⁾
- Disciplined credit culture that adheres to a robust risk management framework resulting in excellent credit quality and a history of low loan losses
- Experienced and talented bankers focused on high-touch personalized service, targeting entrepreneurs and their commercial banking needs
- Positioned in dynamic markets, with a commercial banking emphasis delivering services via a branch-lite model
- Shareholder alignment due to 58% insider ownership

Dollars in thousands, all data as of June 30, 2023, unless indicated otherwise

(1) Adjusted equity within calculation to back-out the impact of the tax effected unrealized loss included in AOCI. See slide 21 for the indicated amounts.

(2) BSVN adopted the CECL model (ASC326) on 1/1/2023 using the modified retrospective method. The presented allowance for periods prior to 1/1/2023 is under the incurred loss model (pre-ASC326).

(3) See slide 4 for uninsured deposit comparison to industry average

Record PPE, Net Income, and EPS

- Disciplined loan pricing combined with our consistent net interest margin and low efficiency ratio drove record PPE and EPS
- Record EPS results were achieved through core earnings with no share repurchases

Stable Quality Deposits & Liquidity

- Total deposits increased \$16.67 million or 1.12% as compared to Q1 2023.
- Uninsured deposits represent 22.17% of total deposits, as compared to the industry average of 34.00%⁽¹⁾
- The sum of cash plus unpledged securities, and our undrawn lines-of-credit equals \$506.69 million, which exceeds our adjusted uninsured deposits of \$247.93 million⁽²⁾, providing a 2.04X coverage

Proven & Consistent Balance Sheet Management

- \$914.36 million or 77.05% of loans reprice in 1 year or less, with \$879.97 million or 68.78% repricing daily
- Cash to total assets was 11.68% at quarter end, as compared to the industry average of 5.78%⁽³⁾; however, the sum of our cash plus unpledged securities to total assets was 20.68% at quarter end; securities are available for immediate liquidation if necessary
- Minimal AOCI impact; the average duration of our investment portfolio is ~2.4 years, with \$100.00 million of U.S. Treasuries or 55.27% maturing in February of 2024

Prudent Capital Management

- Our strong earnings and low dividend payout ratio builds capital rapidly
- Capital ratios remain robust and exceed the “well capitalized” guidelines
- CET 1 Capital: 11.88% an increase of 54 bps
- Tier 1 Leverage: 9.71% an increase of 23 bps
- Debt free Balance Sheet
- No HTM securities

Dollars in thousands, all data as of June 30, 2023, unless indicated otherwise

(1) Based on Call Report data; Source: S&P Global; See slide 4

(2) See slide 4 for adjusted uninsured deposit calculation

(3) All U.S. Banks/Thriffs; Must be traded on a major exchange; As of Q1 2023; Source: S&P Global; See slide 3

Comparative Banking Industry Data

Metrics / Ratios ⁽¹⁾	Q2 2023	Q1 2023	Industry Average ⁽¹⁾
	BSVN	BSVN	
Cash / Total Assets	11.68%	10.68%	5.78%
Cash + Unpledged Securities / Total Assets	20.68%	16.62%	N/A
HTM Securities / Total Assets	0.00%	0.00%	4.50%
Uninsured Deposits / Total Deposits	22.17%	28.29%	34.00%
Adjusted Uninsured Deposits / Total Deposits ⁽²⁾	16.44%	19.40%	N/A

Asset Sensitivity

	< 1 year		1 to 2 years		2 to 3 years		> 3 years		Total
Earnings Assets:									
Cash and cash equivalents	\$	196,456	\$	-	\$	-	\$	-	\$ 196,456
Gross Loans		985,752 ⁽³⁾		91,721		104,899		97,037	1,279,409
Securities		100,203		6,927		3,749		59,044	169,923
Total	\$	1,282,411	\$	98,648	\$	108,648	\$	156,081	\$ 1,645,788
% of Total		77.92%		5.99%		6.60%		9.48%	100.00%

Dollars in thousands, all data as of June 30, 2023, unless indicated otherwise

(1) Based on Call Report data for public banks; Source: S&P Global.

(2) See slide 4 for adjusted uninsured deposit reconciliation

(3) Includes \$879.97 million of loans that reprice daily, with \$78.28 million of those loans being at their ceiling

Uninsured Deposits

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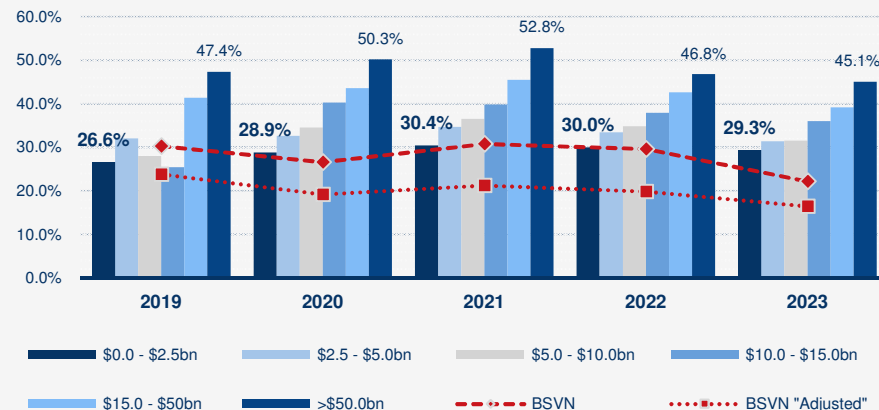
Uninsured Deposits | Cash/Liquidity

		Q2 2023
Uninsured Deposits	\$	334,308
Less: Insider Deposits > \$1 Million		(67,654)
Less: Collateralized Deposits		(18,720)
Adjusted Uninsured Deposits	\$	247,934

		Q2 2023
Cash and cash equivalents	\$	196,456
Undrawn Lines-of-Credit		159,027
Unpledged Securities		151,203
Cash/Liquidity	\$	506,686

- Uninsured deposits total \$334.31 million or 22.17% of total deposits; however, after deductions for insider owned, and also collateralized deposits, our adjusted uninsured deposits are \$247.93 million, which is only 16.44% of total deposits
- Cash, securities, and our undrawn lines of credit totaled \$506.69 million, an increase of \$86.80 million or 20.67% as compared to Q1 2023, providing a 2.04X coverage of our adjusted uninsured deposits

Uninsured Deposits / Total Deposits All Banks ⁽¹⁾⁽²⁾



Dollars are in thousands

(1) Based on Call Report data for public banks; Source: S&P Global.

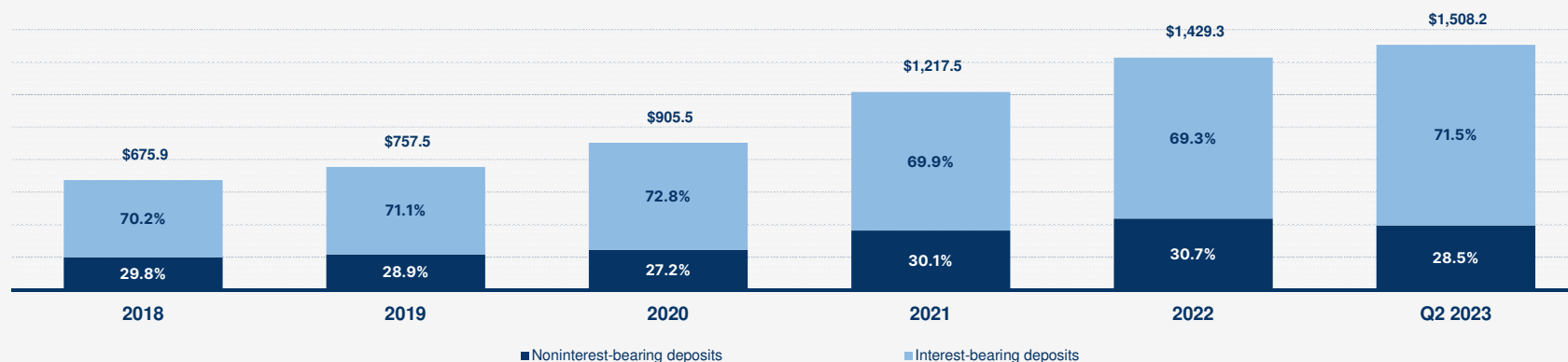
(2) The 2023 data presented is as of Q1 2023 for public banks(the latest data available) and Q2 2023 for BSVN data.

Deposit Growth & Composition

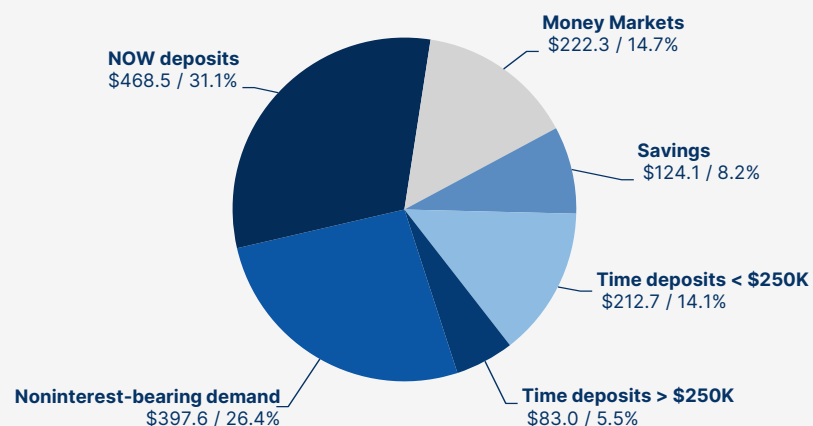
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CAGR since 2018: 19.5%



Deposit Composition



- Year-to-date deposits increased \$78.90 million or 5.52%
- Historically we have shown steady growth in our core and non-interest bearing accounts⁽¹⁾

Dollars in millions

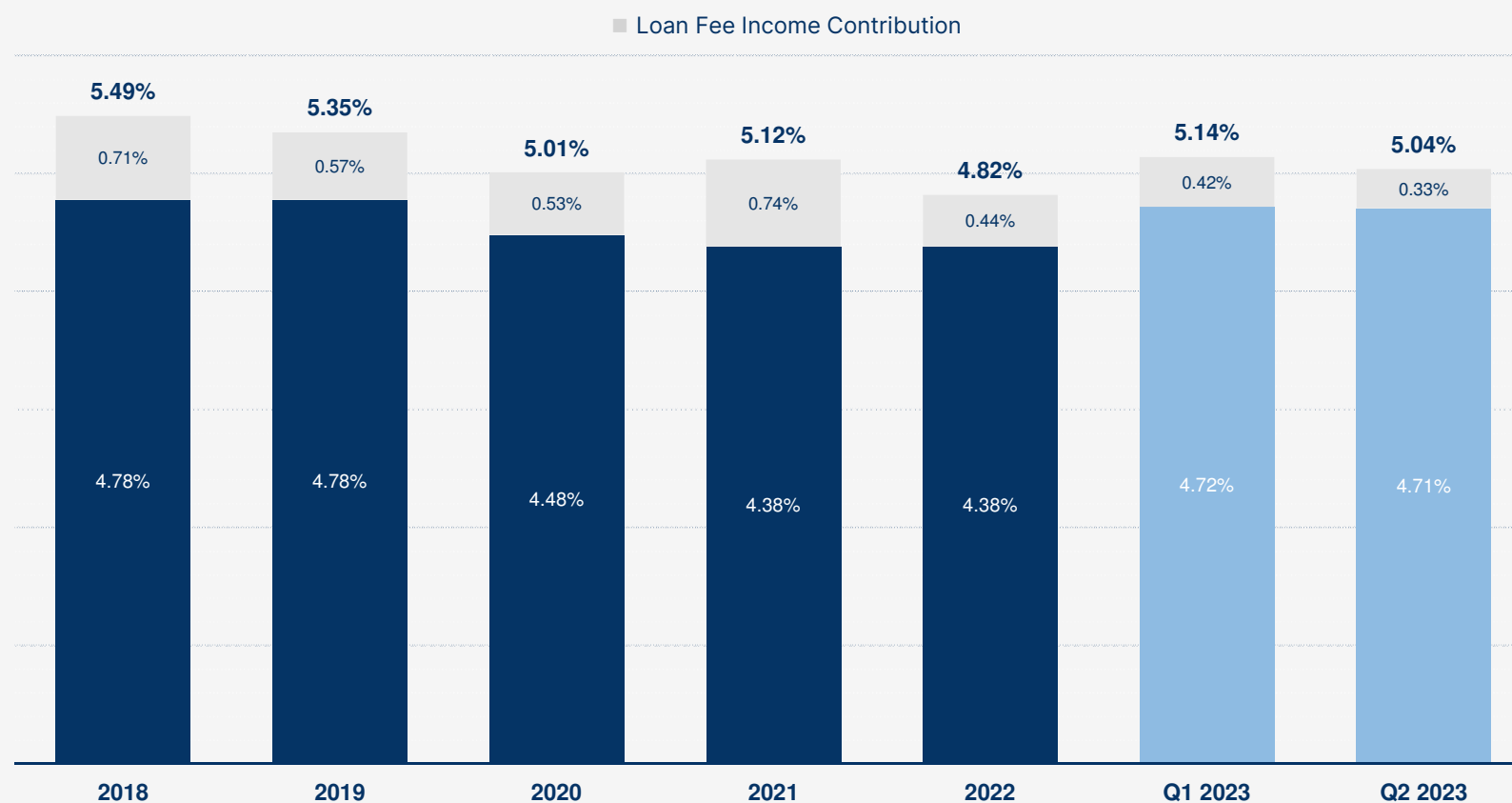
(1) Includes interest bearing and non-interest bearing demand deposit, money market, and savings accounts

Consistent Net Interest Margin

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- Our net interest margin continued to show strength due to disciplined loan pricing, a healthy amount of non-interest bearing deposits, and our asset sensitive balance sheet
- During the quarter we benefited 5 bps by a purchase accounting adjustment. Real-time core NIM is approximately 4.55%.

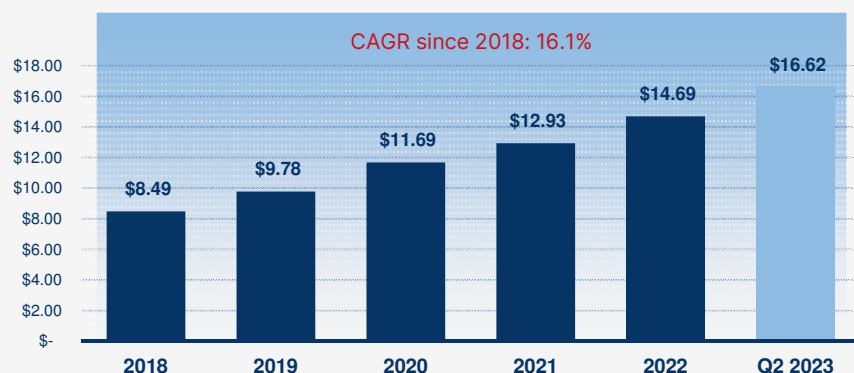


Consistent Capital & EPS Growth

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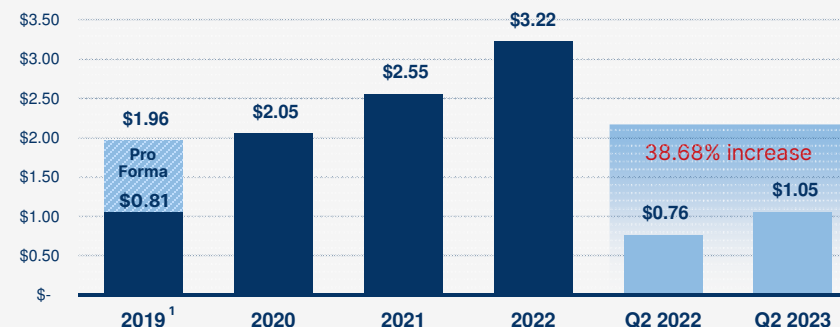
Tangible Book Value Per Share



Consistently strong earnings increased TBV despite three factors:

- \$0.85 per share paid for an all-cash acquisition in Q4 2021
- \$0.89 per share AOCI unrealized loss from investments
- \$2.30 per share paid in cash dividends

Diluted Earnings Per Share



Record EPS:

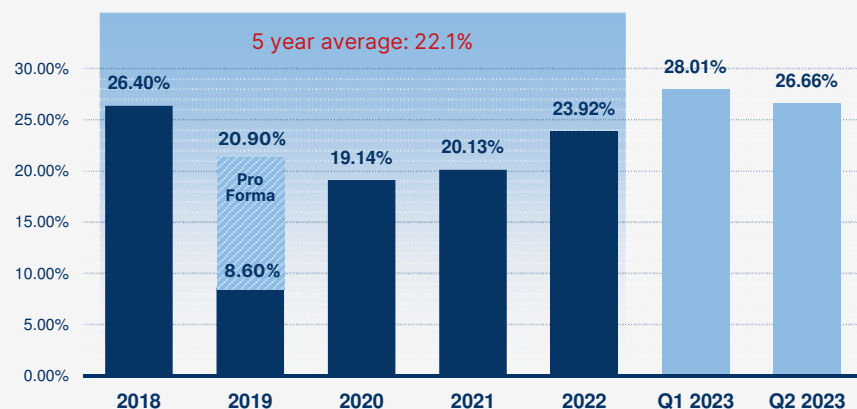
- \$1.05 for Q2, a 38.68% increase from Q2 2022
- No share repurchases during the year

		YE 2018	Q2 2023	% Change	\$ Change
Total tangible shareholders' equity	\$	86,471	\$ 152,138	75.9%	\$ 65,667
Shares outstanding		10,187.5	9,154.9	-10.1%	(1,032.6)
Tangible book value per share	\$	8.49	\$ 16.62	95.8%	\$ 8.13
Add: cash dividends per share				27.1%	\$ 2.30
Overall Increase:				122.9%	\$ 10.43

Dollars are in thousands, except for per share data

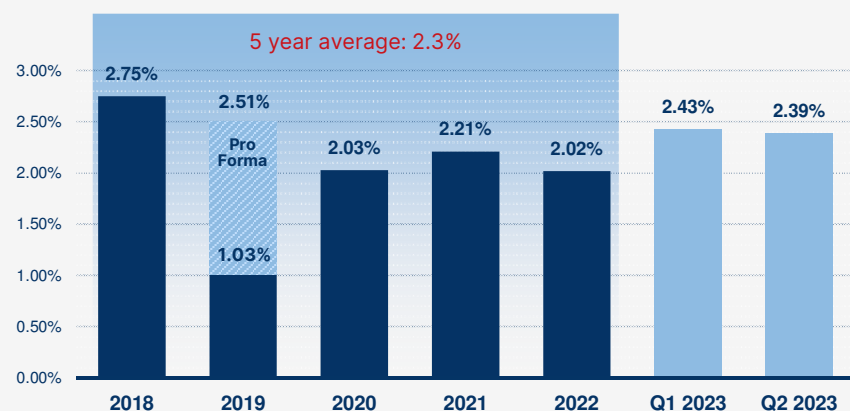
(1) Pro Forma 2019 is a non-GAAP financial measure which adds back the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period. See 2019 Pro Forma Net Income reconciliation table for detailed calculation of this measure

Return on Average Tangible Common Equity ⁽¹⁾⁽²⁾

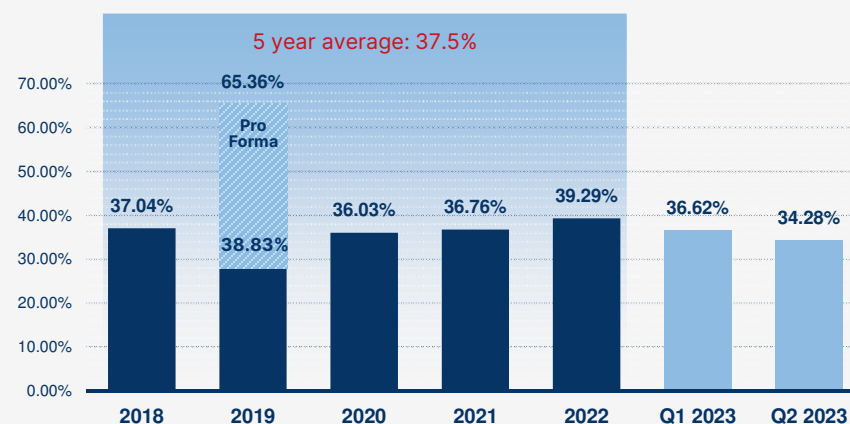


- As expected, the Q4 2021 acquisition of Watonga Bancshares caused a temporary decline in ROAA and a slight increase in our efficiency ratio; however, both metrics have returned to historical ranges

Return on Average Assets ⁽¹⁾⁽²⁾



Efficiency Ratio ⁽²⁾



Dollars are in millions

Financial data is as of or for the twelve months ended December 31 of each respective year and for the three months ended March 31, 2023 and June 30, 2023

(1) Profitability metrics are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods

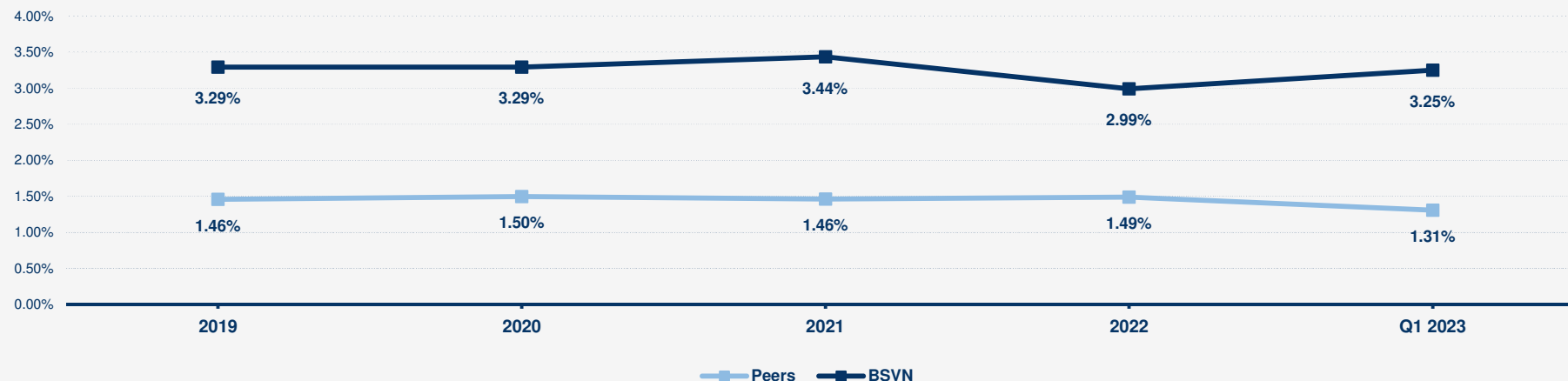
(2) Pro Forma YTD ROAA, ROATCE and efficiency ratio are non-GAAP financial measures, see Appendix for reconciliation to the most comparable GAAP measures for these metrics

Consistently Outperforming Peers

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PPE to Average Assets vs Peers



Income Statement as a Percentage of Average Assets

	2019		2020		2021		2022		Q1 2023(3)	
	Peer Group Median(1)	BSVN(2)	Peer Group Median(1)	BSVN	Peer Group Median(1)	BSVN	Peer Group Median(1)	BSVN	Peer Group Median(1)	BSVN
Net Interest Income	3.39%	5.28%	3.18%	4.97%	3.09%	5.09%	3.24%	4.74%	3.19%	4.99%
Pre-provision pre-tax earnings	1.46%	3.36%	1.50%	3.29%	1.46%	3.44%	1.49%	2.99%	1.31%	3.25%
Provision Expense	0.09%	0.00%	0.30%	0.56%	0.02%	0.40%	0.08%	0.31%	0.07%	0.12%
Net Income	1.08%	2.51%	0.98%	2.03%	1.14%	2.21%	1.11%	2.02%	0.95%	2.43%
ROATCE	10.79%	20.92%	10.47%	19.14%	13.46%	20.13%	14.19%	23.92%	12.14%	28.01%
Net Interest Margin	3.66%	5.35%	3.39%	5.01%	3.31%	5.12%	3.45%	4.82%	3.46%	5.14%
Efficiency Ratio	63.91%	38.26%	62.26%	36.03%	62.02%	36.76%	60.49%	39.30%	63.47%	36.62%

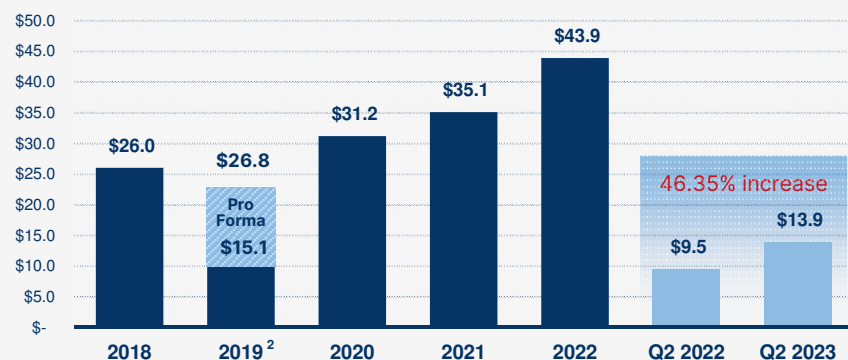
Dollars are in thousands

(1) Peer group is defined as exchange-traded banks nationwide with assets between \$500mm-\$5bn (149 banks); Source: S&P Global Market Intelligence.

(2) Excludes one-time, non-cash executive stock transfer compensation expense of \$11.8 million.

(3) As of Q1 2023, the latest data available.

PPE⁽¹⁾



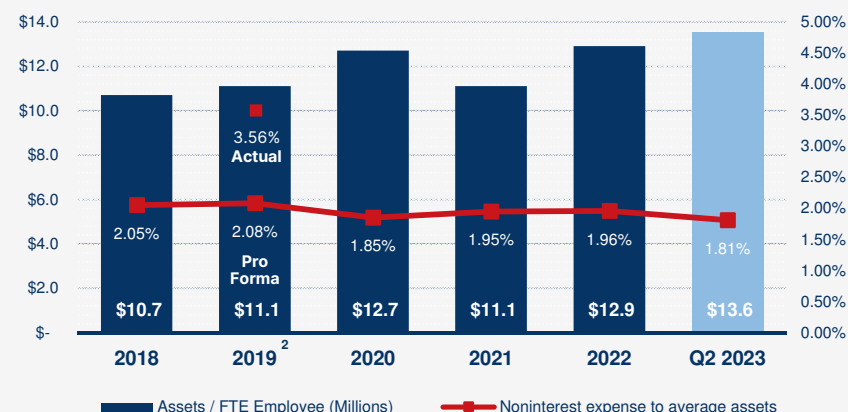
■ Record PPE of \$13.92 million:

- An increase of 46.35% as compared to Q2 2022

■ Strong PPE was driven by:

- Disciplined loan pricing
- Rising rates and an asset sensitive balance sheet

Maximizing Our Employee Base⁽³⁾



■ We scale and achieve maximum productivity by:

- Utilizing a branch-lite model
- Hiring fewer but better FTEs
- Operating an efficient delivery system with a strict adherence to our processes

Dollars are in millions

Financial data is as of or for the twelve months ended December 31 of each respective year and as of or for the three months ended March 31, 2023 and June 30, 2023

(1) Pre-provision, pre-tax earnings ("PPE") is a non-GAAP financial measure. See appendix for reconciliation to their most comparable GAAP measure

(2) Pro Forma 2019 is a non-GAAP financial measure which adds back the one-time, extraordinary compensation expense related to the non-cash executive stock transaction that took place during the period.

See 2019 Pro Forma Net Income reconciliation table for detailed calculation of this measure

(3) Pro Forma noninterest expense to average assets in a non-GAAP financial measure. See appendix for reconciliation to their most comparable GAAP measure

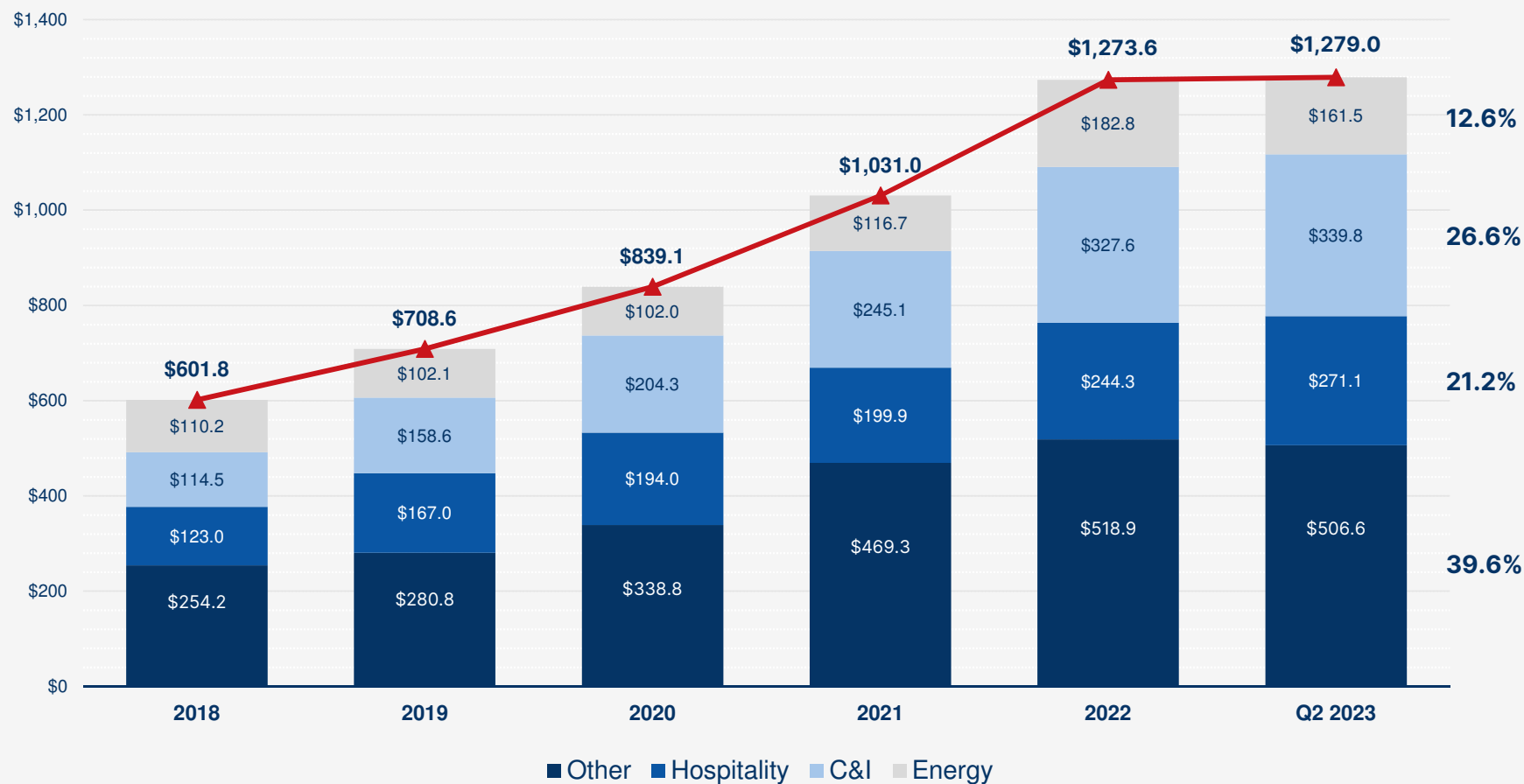
Loan Portfolio Trends – Selected Categories

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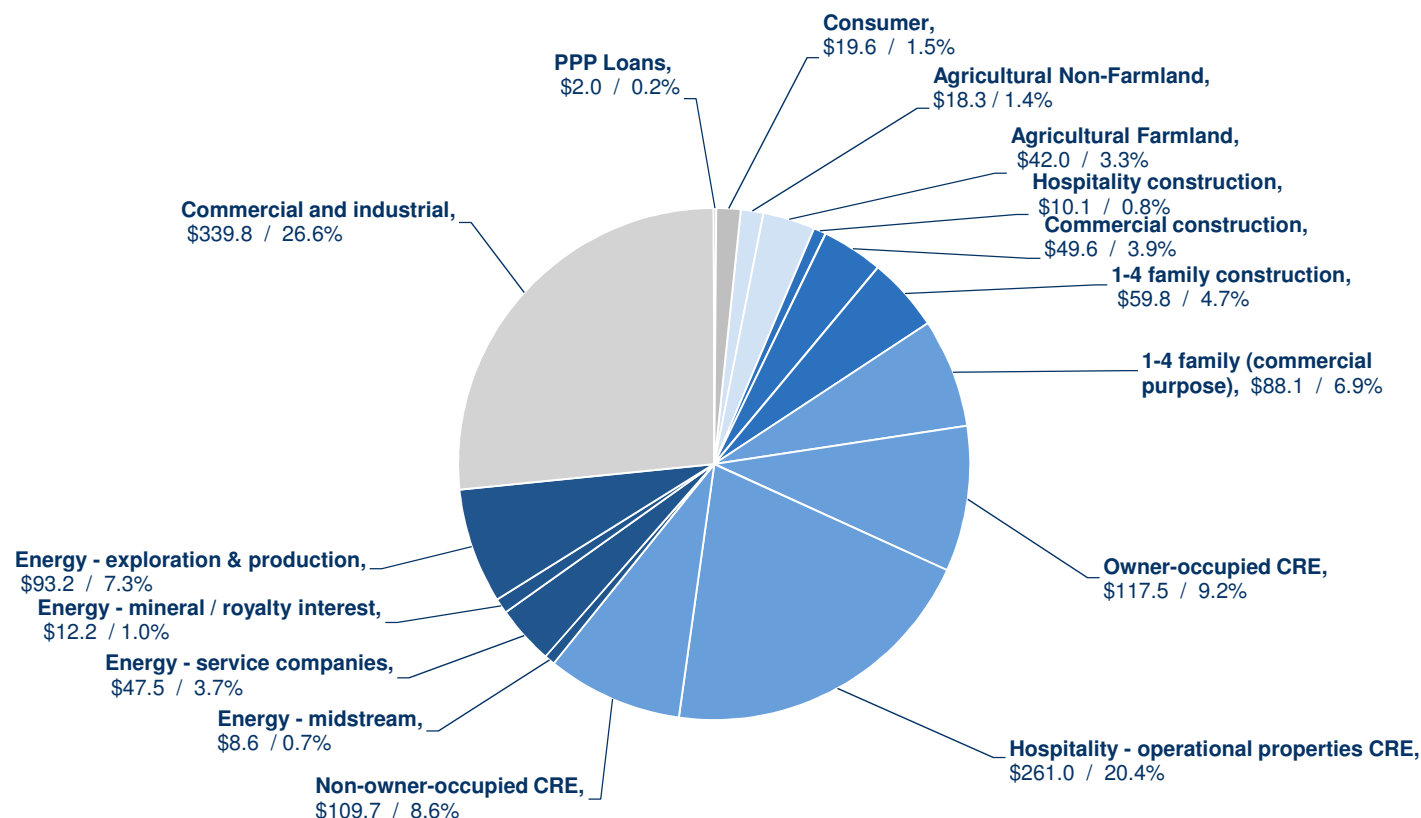
Loan Portfolio Trends

CAGR Since 2018: 18.3%



Loan Portfolio Distribution

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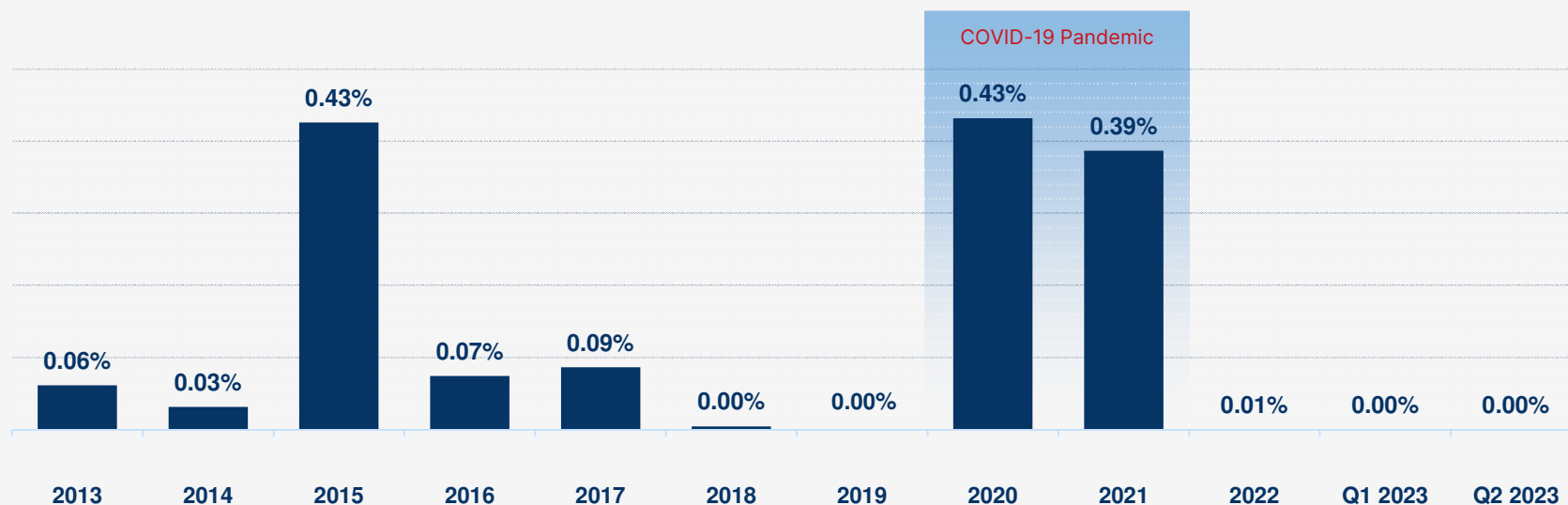


Loan Portfolio Selected Categories

Industry		Q2 2023	% of Total Loans		Q1 2023	% of Total Loans
Commercial & Industrial	\$	339.80	26.57%	\$	327.13	25.52%
Hospitality		271.10	21.20%		271.96	21.21%
Energy		161.50	12.63%		172.29	13.44%

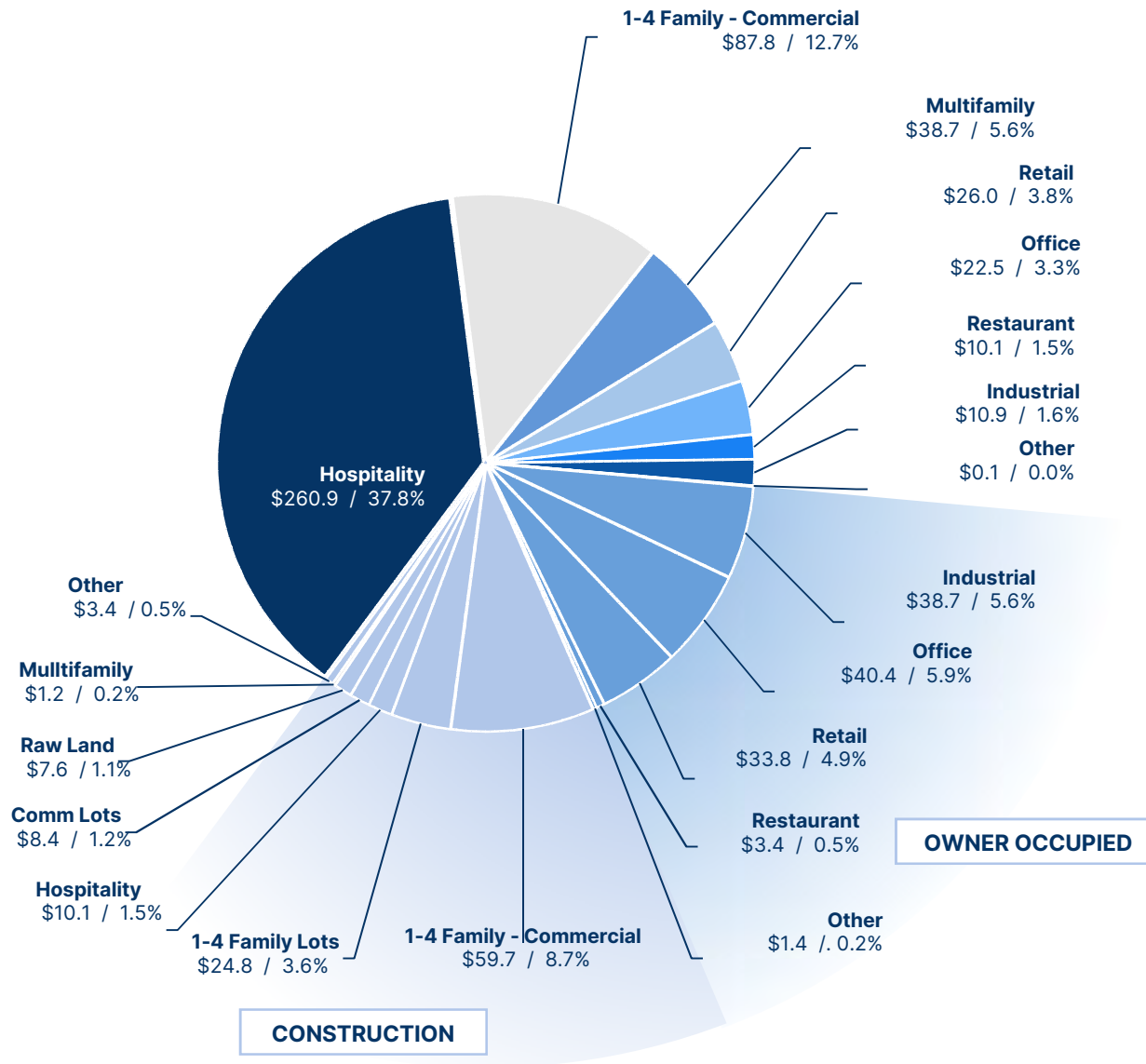
Net Charge-Offs to Average Loans

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Low historical charge-offs due to:

- Disciplined approach to lending
- Geographic footprint in high growth metros with thriving economies (OK and TX)
- Management team with long history of making loans with low historical loss levels
- Tenured lending staff with 81% of balances from team members with > 10 years of common experience



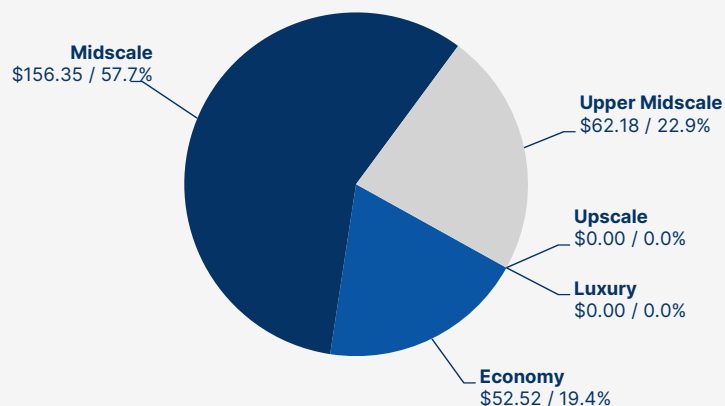
- Diverse commercial real estate lending activity in Texas and Oklahoma with an emphasis in the DFW, Oklahoma City, and Tulsa metros
- Minimal office and retail loans with over-weighting in each segment to owner-occupied properties
- No office exposure to downtown metropolitan locations
- Office Loan Average Size:
 - Owner Occupied — \$0.80 million
 - Non-Owner Occupied — \$0.99 million
- Construction lending activity primarily in Oklahoma City and the Dallas metroplex with an emphasis on entry level homes with established homebuilders
- Limited lot and development lending activity
- Hospitality niche managed by seasoned professionals with proven track record through various economic cycles

Hospitality Loan Portfolio Detail

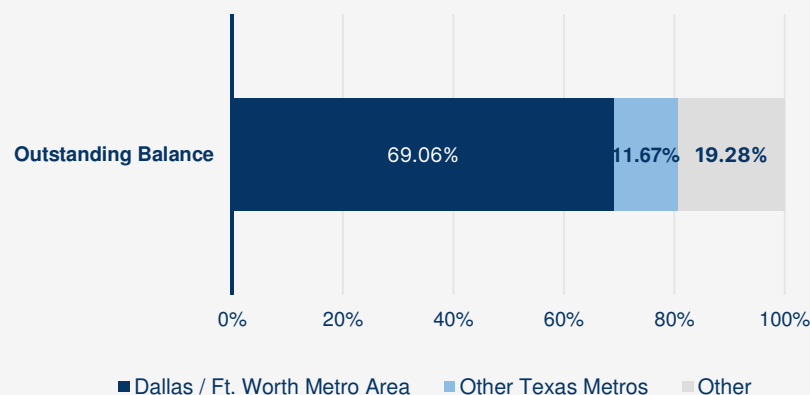
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Hotel Portfolio by Class



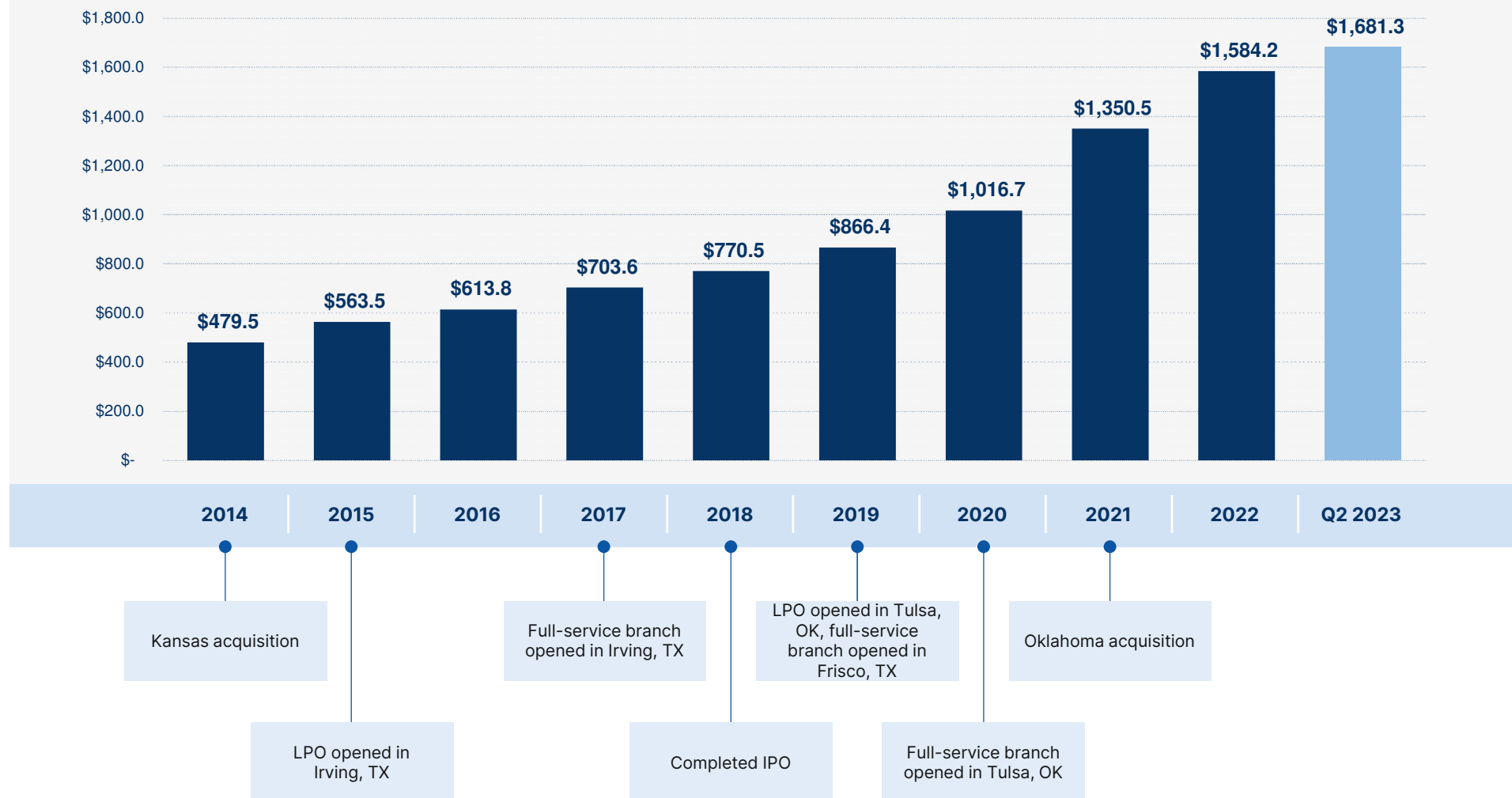
Hotel Portfolio by Location



- No historical NCOs in the hospitality segment
- Blue collar portfolio that is well-protected by the “cycle-down” effect of a recession
- Geographically concentrated in TX (81%) and other markets with favorable economic conditions
- Loans personally guaranteed by experienced owner/operators with operating history spanning decades of economic cycles
- Diversified lending to many reputable brands
- Consistent underwriting fundamentals with disciplined equity requirements, debt coverage ratio requirements, personal recourse, and rapid amortization
- Average loan size of \$4.74 million

Total Assets

CAGR Since 2014: 15.9%



Earnings-driven Capital Shock-absorption

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Earnings-driven cushion far exceeds regulatory capital minimums as illustrated over a two-year period, consistent with DFAST parameters⁽¹⁾

	Regulatory Minimum Target Ratios	Q2 2023 Capital Ratios	Excess Capital to Target Ratio Expressed in % ⁽²⁾	Excess Capital to Target Ratio Expressed in \$ ⁽³⁾	Add: PPE Cushion ⁽⁴⁾	Total Shock Absorption Ability Prior to Hitting Reg Minimums
Tier 1 Leverage	5.00%	9.71%	94.26%	\$ 78,030 + \$	105,394 =	\$ 183,424
CET1	7.00%	11.88%	69.70%	\$ 66,046 + \$	105,394 =	\$ 171,440
Tier 1 Risk Based Capital	8.50%	11.88%	39.75%	\$ 45,740 + \$	105,394 =	\$ 151,134
Total Risk Based Capital	10.50%	13.09%	24.65%	\$ 35,043 + \$	105,394 =	\$ 140,437

Dollars are in thousands

above assumes no cash dividends and is simply an illustration and should not be considered a projection or forward-looking guidance of any kind

(1) DFAST = Dodd-Frank Act Stress Test

(2) Excess capital to target ratio expressed in % is the difference between the actual ratio and regulatory minimum divided by the regulatory minimum

(3) Excess capital to target ratio expressed in \$ is the excess capital % multiplied by either average assets or risk-weighted assets, assuming a static balance sheet over the next 24 months

(4) Trailing twelve months PPE of \$52.7 million extrapolated over two years

Appendix



	For the Three Months Ended			For the Year Ended December 31					
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	2022	2021	2020	2019	2019	2018
								Pro Forma(3)	
INCOME STATEMENT DATA									
Total interest income	\$ 30,042	\$ 27,380	\$ 16,672	\$ 78,749	\$ 56,289	\$ 53,314	\$ 51,709		\$ 46,800
Total interest expense	9,544	7,374	878	9,322	3,053	6,153	9,516		7,169
Provision for credit losses (1)	1,011	475	219	4,468	4,175	5,350	-		200
Total noninterest income	794	672	692	2,939	2,250	1,665	1,308		1,331
Total noninterest expense	7,377	7,649	6,963	28,641	20,397	17,592	28,432	\$ 16,636	14,965
Provision for income taxes	3,158	2,947	2,280	9,619	7,755	6,618	6,844	6,836	797
Pre-tax net income	12,904	12,554	9,304	39,257	30,914	25,884	15,069	26,866	25,797
Net income – C Corp	9,746	9,607	7,024	29,638	23,159	19,266	8,225	20,030	20,077
BALANCE SHEET DATA									
Cash and cash equivalents	\$ 196,456	\$ 177,389	\$ 123,437	\$ 109,115	\$ 204,852	\$ 153,901	\$ 117,128		\$ 128,090
Interest-bearing time deposits in other banks	10,455	4,976	1,992	5,474	3,237	16,412	30,147		31,759
Securities available for sale, at fair value	169,923	172,969	185,048	173,165	84,808	-	-		-
Nonmarketable equity securities	1,238	1,215	1,192	1,209	1,202	1,172	1,100		1,055
Total loans	1,276,283	1,279,363	1,152,316	1,270,457	1,028,401	836,613	707,304		599,910
Allowance for credit losses (1)	16,377	15,452	10,819	14,734	10,316	9,639	7,846		7,832
Total assets	1,681,305	1,660,539	1,487,474	1,584,169	1,350,549	1,016,669	866,392		770,511
Interest-bearing deposits	1,110,637	1,067,104	899,214	989,891	850,766	658,945	538,262		474,744
Noninterest-bearing deposits	397,588	424,455	447,077	439,409	366,705	246,569	219,221		201,159
Total deposits	1,508,225	1,491,559	1,346,291	1,429,300	1,217,471	905,514	757,483		675,903
Total shareholders' equity	161,780	154,006	131,498	144,100	127,408	107,319	100,126		88,466
SHARES OUTSTANDING AT END OF PERIOD									
Earnings per share (basic)(2)	\$ 1.06	\$ 1.05	\$ 0.77	\$ 3.26	\$ 2.56	\$ 2.05	\$ 0.81	\$ 1.96	\$ 2.48
Earnings per share (diluted)(2)	1.05	1.04	0.76	3.22	2.55	2.05	0.81	1.96	2.44
Dividends per share	0.16	0.16	0.12	0.52	0.45	0.41	0.60		0.84
Book value per share	17.67	16.83	14.45	15.78	14.04	11.87	9.96		8.68
Tangible book value per share (3)	16.62	15.77	13.33	14.69	12.93	11.69	9.78		8.49
Weighted average common shares outstanding—basic	9,153,077	9,146,932	9,097,280	9,118,728	9,056,117	9,378,769	10,145,032	10,192,930	8,105,856
Weighted average common shares outstanding—diluted	9,247,101	9,264,247	9,194,923	9,232,333	9,091,536	9,379,154	10,147,311	10,195,209	8,238,753
Shares outstanding at end of period	9,154,934	9,151,977	9,098,655	9,131,973	9,071,417	9,044,765	10,057,506	10,206,931	10,187,500

- (1) BSVN adopted the CECL model (ASC326) on 1/1/2023 using the modified retrospective method. The presented allowance for periods prior to 1/1/2023 is under the incurred loss model (pre-ASC326).
- (2) Net income and earnings per share are tax adjusted as if the Company were a C Corporation at the estimated tax rates for the respective tax periods; EPS calculation is based on diluted shares and combined federal and state effective tax rate for the three months ended June 30, 2023, March 31, 2023 and June 30, 2022 of 24.5%, 23.5%, and 24.5%, respectively
- (3) Represents a non-GAAP financial measure. See non-GAAP reconciliations table for reconciliation to most comparable GAAP measure for this metric
- (4) All pro forma amounts relate to the one-time, non-cash executive stock transfer which occurred in September 2019. These amounts remove the compensation and related tax impact from net income. See detail and reconciliation on slide 24 of this presentation

Bank7 Corp. Performance Ratios

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	For the Three Months Ended			For the Year Ended December 31					
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	2022	2021	2020	2019	2019	2018
(Dollars in thousands, except per share data)									
								Pro Forma(6)	
RETURN ON AVERAGE(1)									
Assets(2)	2.39%	2.43%	1.95%	2.02%	2.21%	2.03%	1.03%	2.51%	2.75%
Tangible common equity(2)	26.66	28.01	23.54	23.92	20.13	19.14	8.61	20.92	26.40
Shareholders' equity(2)	25.02	26.15	21.67	22.13	26.41	18.82	8.44	20.53	25.69
Yield on earnings assets	7.39	7.03	4.72	5.46	5.42	5.67	6.55		6.48
Yield on loans	8.40	8.09	5.80	6.51	6.16	6.37	7.58		7.58
Yield on loans excluding fees	7.98	7.57	5.25	5.96	5.30	5.76	6.88		6.71
Cost of funds	2.58	2.07	0.27	0.70	0.33	0.73	1.37		1.11
Cost of int bearing deposits	3.53	2.94	0.40	1.05	0.48	1.05	1.89		1.52
Cost of total deposits	2.58	2.07	0.27	0.70	0.33	0.73	1.37		1.08
Net interest margin	5.04	5.14	4.47	4.82	5.12	5.01	5.35		5.49
Net interest margin excluding loan fees	4.71	4.72	4.04	4.38	4.38	4.48	4.78		4.78
Noninterest expense to average assets	1.81	1.93	1.93	1.96	1.95	1.85	3.56	2.08	2.05
Efficiency ratio (3)	34.28	36.62	41.80	39.29	36.76	36.03	65.36	38.26	37.04
Loan to deposit ratio	84.62	85.77	85.59	88.89	84.47	92.39	93.38		88.76
Liquidity ratio	23.52	20.57	25.98	16.17	28.42	25.48	19.22		23.44
CREDIT QUALITY RATIOS									
Nonperforming assets to total assets	1.03%	1.10%	0.64%	1.13%	0.77%	1.63%	0.38%		0.35%
Nonperforming assets to total loans and OREO	1.35	1.43	0.83	1.42	1.01	1.98	0.47		0.45
Nonperforming loans to total loans	1.35	1.43	0.83	1.42	1.01	1.98	0.47		0.43
Allowance for credit losses to nonperforming loans	94.86	84.24	113.38	81.95	99.37	58.29	235.47		299.50
Allowance for credit losses to total loans	1.28	1.21	0.94	1.16	1.00	1.15	1.11		1.31
Net charge-offs to average loans	0.00	0.00	(0.00)	0.01	0.39	0.43	(0.00)		0.00
CAPITAL RATIOS									
Total shareholders' equity to total assets	9.62%	9.27%	8.84%	9.10%	9.43%	10.56%	11.56%		11.48%
Tangible equity to tangible assets (4)	8.53	8.74	8.18	8.52	8.75	10.42	11.37		11.25
Tier 1 leverage ratio (5)	9.71	9.48	8.97	9.18	10.55	10.78	11.65		11.26
Tier 1 risk-based capital ratio (5)	11.89	11.35	11.21	11.26	11.53	13.51	14.28		14.78
Total risk-based capital ratio (5)	13.10	12.50	12.15	12.42	12.54	14.75	15.42		16.03

(1) Annualized.

(2) Return on average assets and shareholder's equity are tax-adjusted as if the Company were a C Corporation at the estimated tax rates for the respective periods.

(3) Efficiency ratio is calculated by dividing noninterest expense by the sum of net interest income on a tax equivalent basis and noninterest income.

(4) Represents a non-GAAP financial measure, see non-GAAP reconciliations table for reconciliation to the most comparable GAAP measure for this metric.

(5) Ratios are based on Bank level financial information rather than consolidated information. At June 30, 2023, Tier 1 leverage ratio, Tier 1 risk based capital ratio, and total risk-based capital ratios were 9.47%, 11.88%, and 13.09% respectively for the Company.

(6) All pro forma amounts relate to the one-time, non-cash executive stock transfer which occurred in September 2019. These amounts remove the compensation expense and related tax impact from net income. See detail and reconciliation on slide 24 of this presentation.

Non-GAAP Reconciliations

Earnings Release: Q2 2023



	For the Three Months Ended			For the Year Ended December 31				
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	2022	2021	2020	2019	2018
<i>(Dollars in thousands, except per share data)</i>								
TANGIBLE SHAREHOLDERS' EQUITY								
Total shareholders equity	\$ 161,780	\$ 154,006	\$ 131,498	\$ 144,100	\$ 127,408	\$ 107,319	\$ 100,126	\$ 88,466
Goodwill and other intangibles	(9,642)	(9,718)	(10,206)	(9,939)	(10,122)	(1,583)	(1,789)	(1,995)
Tangible shareholders' equity	152,138	144,288	121,292	134,161	117,286	105,736	98,337	86,471
TANGIBLE ASSETS								
Total assets	\$ 1,681,305	\$ 1,660,539	\$ 1,487,474	\$ 1,584,169	\$ 1,350,549	\$ 1,016,669	\$ 866,392	\$ 770,511
Less: goodwill and other intangibles	(9,642)	(9,718)	(10,206)	(9,939)	(10,122)	(1,583)	(1,789)	(1,995)
Tangible assets	1,671,663	1,650,821	1,477,268	1,574,230	1,340,427	1,015,086	864,603	768,516
AVERAGE TANGIBLE COMMON EQUITY								
Average shareholders equity	\$ 157,945	\$ 149,018	\$ 130,035	\$ 144,097	\$ 117,053	\$ 102,359	\$ 97,431	\$ 78,148
Add back: average net unrealized loss on debt securities	8,180	8,897	4,573	10,198	-	-	-	-
Less: average goodwill and other intangibles	(8,681)	(9,911)	(9,176)	(9,939)	(2,030)	(1,684)	(1,893)	(2,087)
Average tangible common equity	157,444	148,004	125,432	144,356	115,023	100,675	95,538	76,061
End of period common shares outstanding	9,154,934	9,131,973	9,098,655	9,131,973	9,071,417	9,044,765	10,057,506	10,187,500
Book value per share	17.67	16.83	14.45	15.78	14.04	11.87	9.96	8.68
Tangible book value per share	16.62	15.77	13.33	14.69	12.93	11.69	9.78	8.49
Total shareholders' equity to total assets	9.62%	9.27%	8.84%	9.10%	9.43%	10.56%	11.56%	11.48%
Tangible shareholders' equity to tangible assets	9.10%	8.74%	8.21%	8.52%	8.75%	10.42%	11.37%	11.25%
LOAN INTEREST INCOME (Excluding loan fees):								
Total loan interest income, including fees	\$ 26,885	\$ 25,352	\$ 15,754	\$ 74,403	\$ 55,768	\$ 52,450	\$ 48,200	\$ 44,279
Loan fee income	(1,359)	(1,611)	(1,496)	(6,278)	(7,787)	(5,035)	(4,443)	(5,121)
Loan interest income excluding loan fees	25,526	23,741	14,258	68,125	47,981	47,415	43,757	39,158
Average total loans	\$ 1,283,341	\$ 1,271,081	\$ 1,090,053	\$ 1,143,380	\$ 905,804	\$ 823,228	\$ 636,274	\$ 583,821
Yield on loans	8.40%	8.09%	5.80%	6.51%	6.16%	6.37%	7.58%	7.58%
Yield on loans (excluding loan fee income)	7.98%	7.57%	5.25%	5.96%	5.30%	5.76%	6.88%	6.71%
NET INTEREST MARGIN (Excluding loan fees):								
Net interest income	\$ 20,498	\$ 20,006	\$ 15,794	\$ 69,427	\$ 53,236	\$ 47,161	\$ 42,193	\$ 39,631
Loan fee income	(1,359)	(1,611)	(1,496)	(6,278)	(7,787)	(5,035)	(4,443)	(5,121)
Net interest income excluding loan fees	19,139	18,395	14,298	63,149	45,449	42,126	37,750	34,510
Average earning assets	\$ 1,631,497	\$ 1,579,625	\$ 1,418,120	\$ 1,441,140	\$ 1,038,773	\$ 940,890	\$ 789,009	\$ 721,935
Net interest margin	5.04%	5.14%	4.47%	4.82%	5.12%	5.01%	5.35%	5.49%
Net interest margin (excluding loan fee income)	4.71%	4.72%	4.04%	4.38%	4.38%	4.48%	4.78%	4.78%

Non-GAAP Reconciliations -- Continued

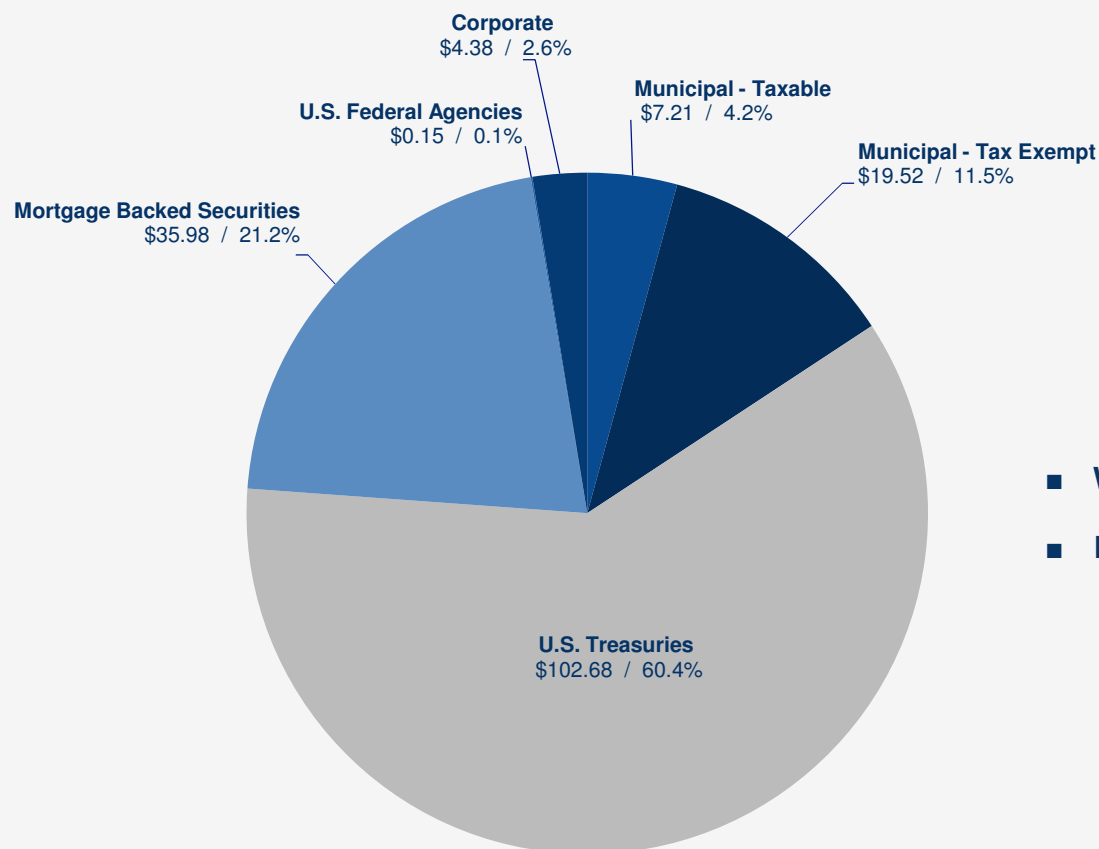
Earnings Release: Q2 2023



(Dollars in thousands, except per share data)

	For the Three Months Ended			For the Year Ended December 31				
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	2022	2021	2020	2019	2018
PRE-PROVISION PRE-TAX EARNINGS								
Pre-tax net income	\$ 12,904	\$ 12,554	\$ 9,304	\$ 39,257	\$ 30,914	\$ 25,884	\$ 15,069	\$ 26,866
Add back: Provision for credit losses	1,011	475	219	4,468	4,175	5,350	-	-
Add back: (Gain)Loss on sales/calls of AFS debt securities	7	1	(10)	127	-	-	-	-
Pre-provision pre-tax earnings	13,922	13,030	9,513	43,852	35,089	31,234	15,069	26,866

Available-for-Sale Securities Portfolio



■ **Weighted Average Duration: 2.4 Years**

■ **Book Yield: 1.78%**

Dollars are in millions.

(1) All of our mortgage-backed securities and collateralized mortgage obligations are issued and/or guaranteed by U.S. government agencies or U.S. government-sponsored entities.

(2) Total investment securities of \$169.9 million as of June 30, 2023

2019 Pro Forma Net Income Reconciliation

Earnings Release: Q2 2023



On September 5, 2019, our largest shareholders, the Haines Family Trusts, contributed approximately 6.5% of their shares (656,925 shares) to the Company. Subsequently, the Company immediately issued those shares to certain executive officers, which was charged as compensation expense of \$11.8 million, including payroll taxes, through the income statement of the Company. Additionally, at the discretion of the employees receiving shares to assist in paying tax withholdings, 149,425 shares were withheld and subsequently canceled, resulting in a charge to retained earnings of \$2.6 million.

	For the Year Ended: Dec. 31, 2019
<i>(Dollars in thousands)</i>	
PRO FORMA NET INCOME	
Total Interest Income	\$ 51,709
Total Interest Expense	9,516
Net Interest Margin	42,193
Provision for Loan Losses	\$ -
Noninterest Income	\$ 1,308.00
Noninterest Expense	\$ 28,432.00
Less: Stock Transfer Comp. Expense	(11,796)
Pro Forma Noninterest Expense	16,636
Pro Forma Pre-Tax Income	\$ 26,865.00
Pro Forma Income Tax Expense	\$ 6,836.00
Pro Forma Net After-Tax Income	\$ 20,029.00

This presentation and oral statements made regarding the subject of this presentation contain forward-looking statements. These forward-looking statements are subject to significant uncertainties because they are based upon: the amount and timing of future changes in interest rates, market behavior, and other economic conditions; future laws, regulations, and accounting principles; changes in regulatory standards and examination policies, and a variety of other matters. These other matters include, among other things, the impact of COVID-19 on the United States economy and our operations, the direct and indirect effect of economic conditions on interest rates, credit quality, loan demand, liquidity, and monetary and supervisory policies of banking regulators. These forward-looking statements reflect Bank7 Corp.'s current views with respect to, among other things, future events and Bank7 Corp.'s financial performance. Any statements about Bank7 Corp.'s expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "anticipate," "believes," "can," "could," "may," "predicts," "potential," "should," "will," "estimate," "plans," "projects," "continuing," "ongoing," "expects," "intends" and similar words or phrases. Any or all of the forward-looking statements in (or conveyed orally regarding) this presentation may turn out to be inaccurate. The inclusion of or reference to forward-looking information in this presentation should not be regarded as a representation by Bank7 Corp. or any other person that the future plans, estimates or expectations contemplated by Bank7 Corp. will be achieved. Bank7 Corp. has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that Bank7 Corp. believes may affect its financial condition, results of operations, business strategy and financial needs. Bank7 Corp.'s actual results could differ materially from those anticipated in such forward-looking statements as a result of risks, uncertainties and assumptions that are difficult to predict. If one or more events related to these or other risks or uncertainties materialize, or if Bank7 Corp.'s underlying assumptions prove to be incorrect, actual results may differ materially from what Bank7 Corp. anticipates. You are cautioned not to place undue reliance on forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made and Bank7 Corp. undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as may be required by law. All forward-looking statements herein are qualified by these cautionary statements.

Within this presentation, we reference certain market, industry and demographic data, forecasts and other statistical information. We have obtained this data, forecasts and information from various independent, third party industry sources and publications. Nothing in the data, forecasts or information used or derived from third party sources should be construed as advice. Some data and other information are also based on our good faith estimates, which are derived from our review of industry publications and surveys and independent sources. We believe that these sources and estimates are reliable, but have not independently verified them. Statements as to our market position are based on market data currently available to us. Although we are not aware of any misstatements regarding the economic, employment, industry and other market data presented herein, these estimates involve inherent risks and uncertainties and are based on assumptions that are subject to change.

This presentation includes certain non-GAAP financial measures, including pro forma net income, tax-adjusted net income, tax-adjusted earnings per share, tax-adjusted return on average assets and tax-adjusted return on average shareholders' equity. These non-GAAP financial measures and any other non-GAAP financial measures that we discuss in this presentation should not be considered in isolation, and should be considered as additions to, and not substitutes for or superior to, measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of Bank7 Corp.'s non-GAAP financial measures as tools for comparison. See the table in the appendix of this presentation for a reconciliation of the non-GAAP financial measures used in (or conveyed orally during) this presentation to their most directly comparable GAAP financial measures.

