



Fourth Quarter and Full Year 2020 Earnings Presentation

January 28, 2021



FORWARD LOOKING STATEMENTS

This presentation and statements by the Company's management contains "forward-looking statements" as that phrase is defined in the Private Securities Litigation Reform Act of 1995. Forward looking statements can be identified by words such as "anticipated," "expects," "intends," "believes," "may," "likely," "will" or other statements that indicate future periods. Such statements include, without limitation, statements regarding management's predictions or expectations about future economic conditions, statements about the Company's business or financial performance, as well as management's outlook or expectations for earnings, revenues, expenses, capital levels, liquidity levels, asset quality or other future financial or business performance, strategies or expectations. Such forward-looking statements are based on various assumptions (some of which may be beyond the Company's control) and are subject to risks and uncertainties which change over time and other factors which could cause actual results to differ materially from those currently anticipated. These risks and uncertainties include, but are not limited to: the impact of the global COVID-19 pandemic on our business, including the impact of the actions taken by governmental authorities to try and contain the virus or address the impact of the virus on the United States economy (including, without limitation, the CARES Act and the Consolidated Appropriations Act, 2021), and the resulting effect of these items on our operations, liquidity and capital position, and on the financial condition of the Company's borrowers and other customers; conditions in the financial markets and economic conditions generally and in the bank and non-bank financial services industries, nationally and within our local market areas, including the effects of declines in housing markets, an increase in unemployment levels and slowdowns in economic growth; the Company's level of nonperforming assets and the costs associated with resolving problem loans including litigation and other costs; the potential inability to replace income lost from exiting our mortgage banking activities with new revenues; the impact of changes in interest rates; credit quality and strength of underlying collateral; the credit risk associated with the substantial amount of commercial real estate, construction and land development, and commercial and industrial loans in the Company's loan portfolio; the extensive federal and state regulation, supervision and examination governing almost every aspect of the Company's operations and potential expenses associated with complying with such regulations; possible additional loan losses and impairment of the collectability of loans; the Company's ability to comply with applicable capital and liquidity requirements; any further impairment of the Company's goodwill or other intangible assets; losses resulting from pending or potential litigation claims may exceed amounts accrued with respect to such matters; system failure or cybersecurity breaches of the Company's network security; the Company's ability to recruit and retain key employees; the effects of weather and natural disasters such as floods, droughts, wind, tornadoes and hurricanes as well as effects from geopolitical instability and man-made disasters including terrorist attacks; the effects of any reputation, credit, interest rate, market, operational, legal, liquidity, regulatory and compliance risk resulting from developments related to any of the risks discussed above; and other risks and uncertainties. Additional risks and uncertainties are contained in the "Risk Factors" and forward-looking statements disclosure in the Company's most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. The inclusion of this forward-looking information should not be construed as a representation by us or any person that future events, plans, or expectations contemplated by us will be achieved. Forward-looking statements are as of the date they are made, and the Company does not undertake to update any forward-looking statement, whether written or oral, whether as a result of new information, future events, or otherwise, except as required by law.



NON-GAAP INFORMATION

This presentation contains references to financial measures that are not defined in generally accepted accounting principles (“GAAP”). Such non-GAAP financial measures should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which we calculate the non-GAAP financial measures that we discuss in this press release may differ from that of other companies reporting measures with similar names. You should understand how such other banking organizations calculate their financial measures with names similar to the non-GAAP financial measures we have discussed in this presentation when comparing such non-GAAP financial measures.

The Company considers the use of select non-GAAP financial measures and ratios to be useful for financial and operational decision making and useful in evaluating period-to-period comparisons. The Company believe that these non-GAAP financial measures provide meaningful supplemental information regarding our performance by excluding certain expenditures or assets that we believe are not indicative of our primary business operating results. We believe these measures provide investors with information regarding balance sheet profitability, and we believe that management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting, analyzing and comparing past, present and future periods.

A reconciliation of each non-GAAP financial measure to the most comparable GAAP equivalent is included in the Appendix of this presentation.



INVESTMENT VALUE THESIS

- Unique positioning in the Greater Baltimore market as largest locally-owned bank headquartered in Baltimore and 3rd largest state-headquartered bank and is continuing to attract talent and the portfolios that come with talent
- Commercial focus differentiates and is also attracting talent as we enter the greater Washington, D.C. market
- TBV growth driven by core PPNR; combined with additions to ALLL, and strong asset quality trends expected to protect company from economic uncertainty
- Continued significant participation in each PPP round enhances EPS and furthers opportunities to take loan and deposit share
- Ability to stabilize net interest margin despite loan yield compression, through fixed rate loan portfolio and decreasing funding costs
- Asset quality strong with loan deferrals down to 2.2% of loans (2.4% of portfolio loans) at January 22, 2021 and no significant concentrations in individual customer exposures and/or highly impacted industries
- Capital management:
 - Above well capitalized at 11.83% CET1
 - Strong capital levels provide numerous opportunities
- Historically strong liquidity position, both on-balance sheet and off-balance sheet through contingent funding availability

QUARTERLY HIGHLIGHTS

(\$ in thousands, except per share data)	Q4 '20	Q3 '20	Q4 '19	Vs Q3 '20	Vs Q4 '19	2020	2019	Yr Over Yr
REPORTED EARNINGS (LOSS)								
Pre-provision net revenue (PPNR) (Non-GAAP)	\$ 7,264	\$ 7,652	\$ 8,530	\$ (388)	\$ (1,266)	\$ (3,503)	\$ 26,266	\$ (29,769)
Net income (loss) (GAAP)	4,471	4,604	5,900	(133)	(1,429)	(16,991)	16,881	(33,872)
Diluted EPS (GAAP)	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (0.91)	\$ 0.89	\$ (1.80)
CORE EARNINGS								
Pre-provision net revenue (PPNR) (Non-GAAP)	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 31,369	\$ 27,197	\$ 4,172
Net income (Non-GAAP)	5,497	4,604	4,517	893	980	16,472	17,561	(1,089)
Diluted EPS (Non-GAAP)	\$ 0.29	\$ 0.25	\$ 0.24	\$ 0.05	\$ 0.06	\$ 0.88	\$ 0.92	\$ (0.04)
BOOK VALUES PER SHARE								
Book Value per Share (GAAP)	\$ 15.72	\$ 15.45	\$ 16.48	\$ 0.27	\$ (0.76)	\$ 15.72	\$ 16.48	\$ (0.76)
Tangible Book Value per Share (Non-GAAP)	13.81	13.51	12.68	0.30	1.12	13.81	12.68	1.12

"Pre-provision net revenue (PPNR)", "Tangible book value", and "Core Earnings" metrics are non-GAAP financial measures. See the GAAP to non-GAAP Reconciliation at the end of this presentation for more details.

EARNINGS SNAPSHOT

Reported Net Income (Loss) & EPS

(\$ in thousands except per share data)	Q4 '20	Q3 '20	Q4 '19	Vs Q3 '20	Vs Q4 '19	2020	2019	Yr Over Yr
Net interest income	\$ 19,685	\$ 18,272	\$ 17,267	\$ 1,413	\$ 2,418	\$ 73,602	\$ 69,310	\$ 4,292
Noninterest income	2,145	2,089	5,625	56	(3,480)	12,359	21,034	(8,675)
Total revenue	21,830	20,361	22,892	1,469	(1,062)	85,961	90,344	(4,383)
Noninterest expense	14,567	12,709	14,362	1,858	205	89,463	64,078	25,385
Pre-provision net revenue ⁽¹⁾	7,264	7,652	8,530	(388)	(1,266)	(3,502)	26,266	(29,768)
Provision for credit losses	1,700	1,700	750	-	950	9,845	4,193	5,652
Income (loss) before income taxes	5,564	5,952	7,780	(388)	(2,216)	(13,347)	22,073	(35,420)
Income tax expense (benefit)	1,093	1,348	1,880	(255)	(787)	3,645	5,192	(1,547)
Net income (loss)	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (16,991)	\$ 16,881	\$ (33,872)
Net income (loss) per share - diluted	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (0.91)	\$ 0.89	\$ (1.80)

Core⁽¹⁾ Net Income and EPS

(\$ in thousands except per share data)	Q4 '20	Q3 '20	Q4 '19	Vs Q3 '20	Vs Q4 '19	2020	2019	Yr Over Yr
Core Net income	\$ 5,497	\$ 4,604	\$ 4,517	\$ 893	\$ 980	\$ 16,472	\$ 17,561	\$ (1,089)
Core Diluted EPS	\$ 0.29	\$ 0.25	\$ 0.24	\$ 0.05	\$ 0.06	\$ 0.88	\$ 0.92	\$ (0.04)

(1) "(PPNR)" and "Core Net Income and EPS" metrics are non-GAAP financial measures. See the GAAP to non-GAAP Reconciliation at the end of this presentation for more details.



NONINTEREST EXPENSE

- Q4 2020 included two “non-Core” items:
 - \$1.0 million increase to a litigation accrual, initially recorded in the second quarter of 2020, for potential litigation claims stemming from certain mortgages originated by First Mariner Bank.
 - For the year 2020, total accruals were \$2.0M
 - The increase in the accrual was the result of a settlement of this potential litigation in January 2021
 - Branch optimization net charge of \$554 thousand, consisting of the following:
 - \$1.1 million of costs associated with the announcement, during the fourth quarter of 2020, of our intent to close an additional two branches in early 2021.
 - Both of the branches to be permanently closed have been temporarily closed since March 2020 due to the pandemic.
 - Partially offset by the \$538 thousand partial reversal of a branch closing liability, initially recorded in the second quarter of 2019; the partial reversal was a result of securing a sublease on the former branch location.
- In addition, Q4 2020 was “noisy” as we implemented an enhanced accrual methodology for data processing and professional fees; impact of this change was \$618 thousand; this will not reoccur in future periods
 - Core expenses for Q4 of \$13.2 million; after excluding the enhanced accrual impact, were \$12.4M
 - Core expenses for the year 2020 of \$50.0 million; after excluding the accrual impact, were \$49.4M
- As we look to 2021, before considering the incremental expenses associated with our Greater Washington initiative, we expect a quarterly expense run rate in the \$12.25M to \$12.75M range

PROFITABILITY MEASURES

Reported (\$ in thousands except per share data)	Q4 '20	Q3 '20	Q4 '19	Vs Q3 '20	Vs Q4 '19	2020	2019	Yr Over Yr
Pre-provision net revenue (Non-GAAP) ⁽¹⁾	\$ 7,264	\$ 7,652	\$ 8,530	\$ (388)	\$ (1,266)	\$ (3,503)	\$ 26,266	\$ (29,769)
Net income (loss) (GAAP)	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (16,991)	\$ 16,881	\$ (33,872)
Diluted EPS (GAAP)	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (0.91)	\$ 0.89	\$ (1.80)
Efficiency ratio (GAAP)	66.73%	62.42%	62.74%	4.31%	3.99%	104.07%	70.93%	33.15%
Return on average(avg) common equity (CE) (GAAP)	6.04%	6.34%	7.51%	-0.30%	-1.46%	-5.59%	5.54%	-11.12%
Tangible return on avg tangible CE (Non-GAAP)	7.61%	8.02%	10.66%	-0.41%	-3.05%	7.78%	8.29%	-0.51%
Return on avg assets (GAAP)	0.70%	0.73%	1.02%	-0.02%	-0.32%	-0.68%	0.75%	-1.43%
Tangible return on avg tangible assets (Non-GAAP)	0.79%	0.81%	1.15%	-0.03%	-0.36%	0.80%	0.88%	-0.08%
Core (\$ in thousands except per share data)	Q4 '20	Q3 '20	Q4 '19	Vs Q3 '20	Vs Q4 '19	2020	2019	Yr Over Yr
Pre-provision net revenue (PPNR) (Non-GAAP) ⁽¹⁾	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 31,369	\$ 27,197	\$ 4,172
Net income (Non-GAAP)	\$ 5,497	\$ 4,604	\$ 4,517	\$ 893	\$ 980	\$ 16,472	\$ 17,561	\$ (1,089)
Diluted EPS (Non-GAAP)	\$ 0.29	\$ 0.25	\$ 0.24	\$ 0.05	\$ 0.06	\$ 0.88	\$ 0.92	\$ (0.04)
Efficiency ratio (Non-GAAP)	59.70%	62.42%	65.58%	-2.72%	-5.88%	61.44%	64.96%	-3.53%
Return on average(avg) common equity (CE) (GAAP)	7.43%	6.34%	5.75%	1.09%	1.68%	5.42%	5.76%	-0.34%
Tangible return on avg tangible CE (Non-GAAP)	9.19%	8.02%	8.36%	1.17%	0.83%	7.36%	8.58%	-1.22%
Return on avg assets (GAAP)	0.87%	0.73%	0.78%	0.14%	0.08%	0.66%	0.78%	-0.12%
Tangible return on average tangible assets (Non-GAAP)	0.95%	0.81%	0.90%	0.14%	0.05%	0.76%	0.91%	-0.15%

(1) "PPNR", "Tangible return on average tangible common equity", "Tangible return on average tangible assets", and all "Core" metrics are non-GAAP financial measures. See the GAAP to non-GAAP Reconciliation at the end of this presentation for more details.

SBA PAYCHECK PROTECTION PROGRAM

PPP Loans as of January 22, 2021

(\$ in millions)

Loan Size	# of Loans Funded	% of Total	Amount Funded	% of Total	# of Loans Forgiven or Repaid	Amount Forgiven or Repaid	Current Principal Balance
Up to \$150,000	777	73.2%	\$ 32.9	16.4%	136	\$ 6.9	\$ 26.0
\$150,001 - \$1,999,999	276	26.0%	136.8	68.1%	96	48.1	88.7
\$2,000,000 and above	9	0.8%	31.3	15.5%	-	0.1	31.2
Total	1,062	100.0%	\$ 201.0	100.0%	232	\$ 55.1	\$ 145.9
As a % of # of loans funded and amount funded					21.8%	27.4%	

PPP Round 3...

- 351 applications taken totaling \$72.8 million ("M") through 1/22/2021

Forgiveness...

- Except for EIDL advances, only one loan processed for forgiveness not fully forgiven
- As of 1/22/2021, 20 additional forgiveness applications in process of payment and 40 applications pending validation by the SBA
- As of 1/22/2021, 641 of remaining loans were eligible for the SBA simplified forgiveness application

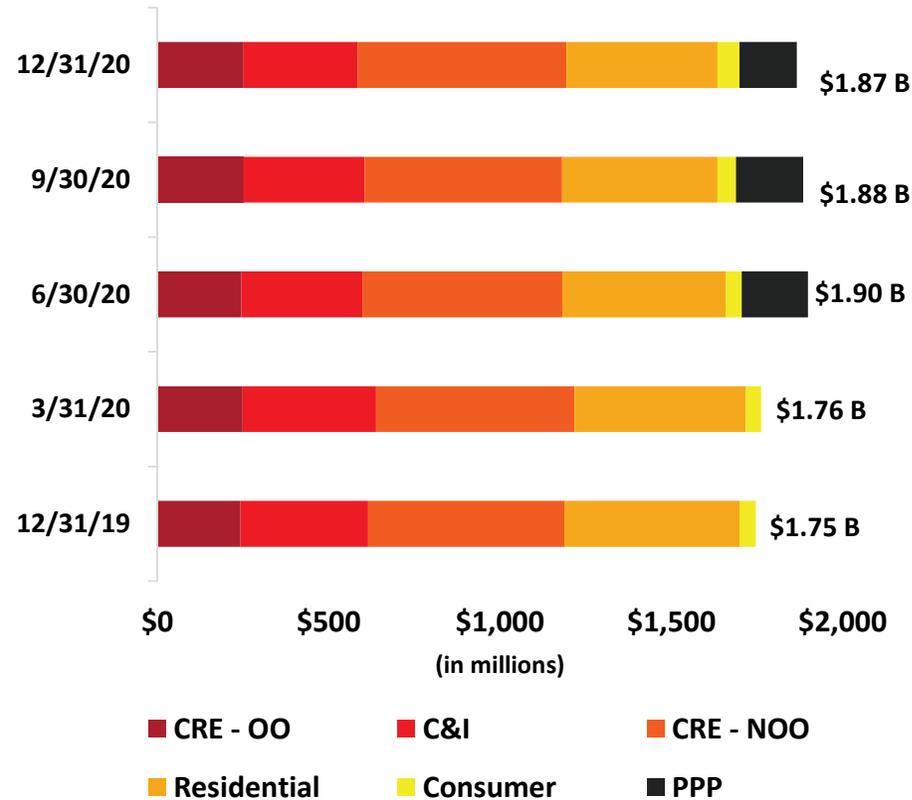
Financial highlights...

- Pretax income of \$1.7M in Q4 '20 / \$1.1M in Q3 '20 / Q2 '20 1.0M /\$3.8M for the year
- Net processing fees are being deferred and amortized over the contractual term
- Accelerated net fees (due to forgiveness) of \$705 thousand recognized in Q4 '20
- Unaccreted net deferred fees of \$3.2M at 12/31/2020

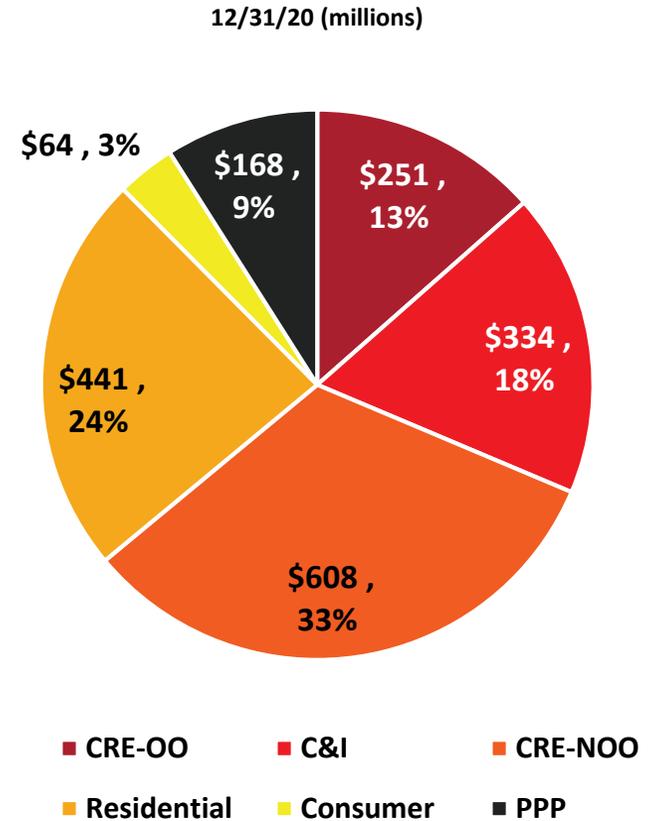
LOAN PORTFOLIO COMPOSITION

- 70% of total portfolio loans (excluding PPP loans) are commercial which is consistent with successful differentiated market positioning
- Commercial loan volumes down slightly due to pandemic, new loan acquisition still occurring with strong clients
- Residential loan balances reduced due to sale of mortgage division and current refinance boom due to historically low rates

Loan Mix Trend



Loans by Customer Segment



LOAN PORTFOLIO BALANCE TRENDS

The following table presents a summary of loan portfolio activity (ex. PPP), by quarter, in 2020; \$ in millions:

Balances:	Balance 12/31/19	New Loans	Other, Net	Balance 3/31/20	New Loans	Other, Net	Balance 6/30/20	New Loans	Other, Net	Balance 9/30/20	New Loans	Other, Net	Balance 12/31/20
CRE / construction	\$ 814	\$ 33	\$ (20)	\$ 828	\$ 20	\$ (19)	\$ 829	\$ 15	\$ (16)	\$ 827	\$ 64	\$ (31)	\$ 859
C&I	373	33	(16)	389	11	(47)	353	10	(9)	354	23	(43)	334
Total commercial	1,187	66	(36)	1,217	30	(66)	1,182	24	(25)	1,181	87	(74)	1,194
Residential mortgage	512	12	(23)	500	3	(26)	477	13	(36)	454	20	(33)	441
Consumer	47	2	(4)	45	5	(3)	47	9	(2)	54	14	(3)	64
Total loans	\$1,746	\$ 80	\$ (64)	\$1,761	\$ 38	\$ (94)	\$1,705	\$ 46	\$ (63)	\$1,688	\$ 121	\$ (110)	\$1,698
Quarterly % Change:		New Loan %	Other, Net %	Q1 % Change	New Loan %	Other, Net %	Q2 % Change	New Loan %	Other, Net %	Q3 % Change	New Loan %	Other, Net %	Q4 % Change
CRE / construction		4.1%	-2.4%	1.7%	2.4%	-2.3%	0.1%	1.8%	-2.0%	-0.2%	7.7%	-3.8%	4.0%
C&I		8.7%	-4.4%	4.3%	2.7%	-12.0%	-9.3%	2.7%	-2.5%	0.2%	6.5%	-12.1%	-5.6%
Total commercial		5.6%	-3.0%	2.5%	2.5%	-5.4%	-2.9%	2.0%	-2.1%	-0.1%	7.4%	-6.3%	1.1%
Residential mortgage		2.3%	-4.6%	-2.3%	0.6%	-5.2%	-4.6%	2.7%	-7.6%	-4.8%	4.4%	-7.3%	-2.9%
Consumer		3.9%	-8.6%	-4.7%	10.8%	-6.5%	4.3%	18.7%	-3.5%	15.2%	25.3%	-6.1%	19.2%
Total loans		4.6%	-3.6%	0.9%	2.2%	-5.4%	-3.2%	2.7%	-3.7%	-1.0%	7.1%	-6.5%	0.6%

- Strong Q1 commercial originations led to 2.5% net Q1 growth
- Q2 & Q3 reflect drop in demand / lower C&I line utilization
- Strong Q4 commercial originations partially offset by high level of payoffs / lower line utilization

- Residential mortgage decline driven by higher prepayments throughout 2020; despite purchase production in Q3 and Q4, balances still dropped \$36M
- Consumer growth in Q2, Q3, and Q4 driven by strong marine lending activity

LOAN PORTFOLIO BALANCE TRENDS

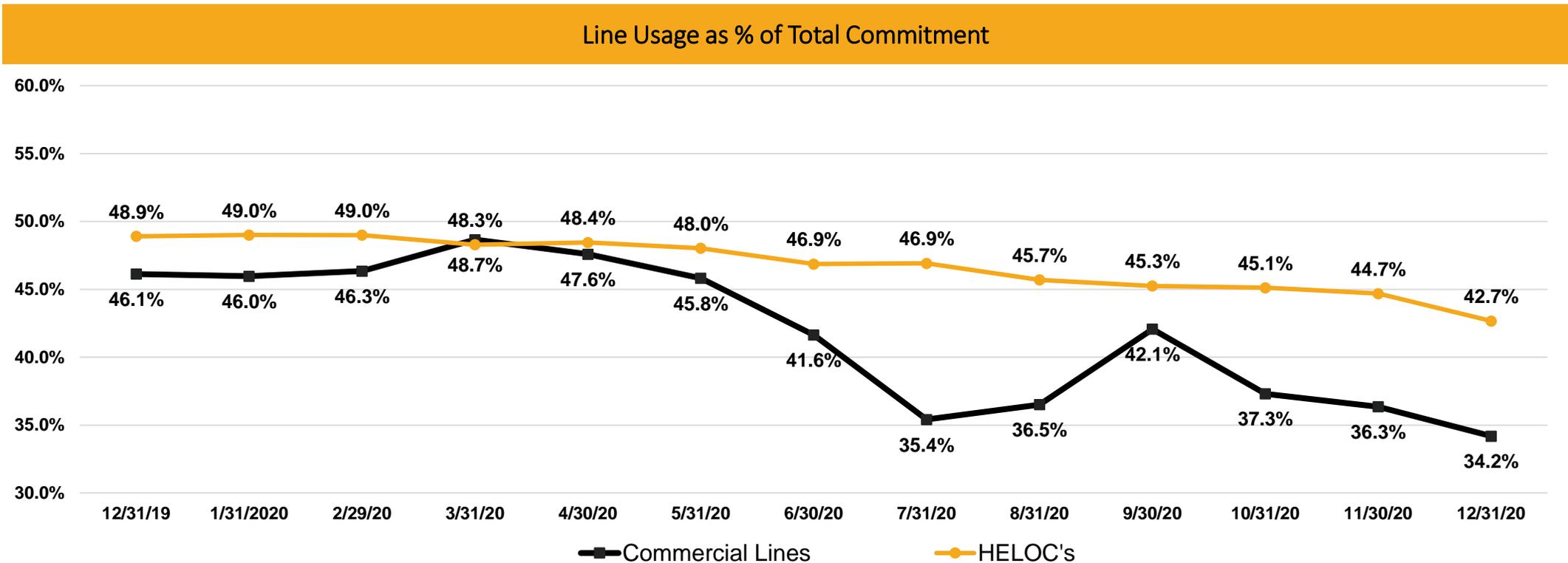
The following table presents a summary of loan portfolio activity (ex. PPP) for the year 2020; \$ in millions:

	Balance 12/31/19	New Loans	Other, Net	Balance 12/31/20	\$ Change	% Change	New Loan %	Other, Net %
CRE / construction	814	131	(86)	859	45	6%	16%	-11%
C&I	373	76	(115)	334	(39)	-10%	20%	-31%
Total commercial	1,187	207	(201)	1,194	7	1%	17%	-17%
Residential mortgage	512	48	(119)	441	(71)	-14%	9%	-23%
Consumer	47	29	(12)	64	17	36%	62%	-25%
Total loans	\$1,746	\$ 284	\$ (331)	\$1,698	\$ (47)	-3%	16%	-19%

- CRE / construction growth of 6%
- C&I, despite new loan originations at 20% of 12/31/19 balance, were down 10% for the year, driven by lower line utilization and unexpected Q4 payoffs
- Total commercial portfolios were up net 1% for the year, despite new loan originations at 17% of 12/31/19 balance
- Residential mortgage 14% decline driven by:
 - Higher prepayments throughout 2020; Q4 prepayment rate of 35% (annualized)
 - With exit of mortgage banking activities, a slow start in generating purchase production, new loan originations in 2020 we only 40% of runoff
- Strong consumer growth in 2020 driven by strong marine lending activity

CREDIT LINE UTILIZATION

- Commercial line outstandings decreased by \$15.3M in Q4 '20
 - Line utilization down ~12% compared to December 31, 2019
 - Line utilization remains down due to higher liquidity levels for our borrowers



POTENTIALLY HIGHLY IMPACTED LOAN SECTORS

The following table presents the industry segments within our loan portfolio that may be most highly impacted by COVID-19. Loan balances are at December 31, 2020; loan deferral balances are as of January 22, 2021; PPP balances are 2020 originations:

(\$ in millions)	Loan Balance	As % of Total Loans	Total Exposure	As % of Total Exposure	Balance with Deferrals	As % of Loan Category	Initial SBA PPP Loan Relief	As % of Loan Category	% of Loan Balance Criticized	% of Loan Balance NPL (1)
CRE - retail	\$ 103.7	6.1%	\$ 103.7	4.8%	\$ -	0.0%	\$ -	0.0%	0.0%	0.0%
Hotels	60.6	3.6%	65.6	3.0%	11.1	18.4%	1.5	2.5%	9.3%	0.0%
CRE - residential rental	45.5	2.7%	45.5	2.1%	-	0.0%	-	0.0%	0.0%	0.0%
Nursing and residential care	40.1	2.4%	44.9	2.1%	-	0.0%	2.6	6.5%	0.0%	0.0%
Retail trade	31.4	1.9%	50.0	2.3%	-	0.0%	13.2	42.0%	1.2%	0.7%
Restaurants and caterers	28.0	1.7%	31.4	1.5%	5.7	20.3%	14.9	53.1%	63.1%	4.6%
Religious and similar organizations	27.8	1.6%	29.3	1.4%	-	0.0%	6.3	22.6%	0.0%	0.0%
Arts, entertainment, and recreation	14.9	0.9%	15.7	0.7%	2.3	15.6%	3.3	22.2%	0.0%	0.0%
Total - selected categories	<u>\$ 352.0</u>	20.7%	<u>\$ 385.9</u>	17.9%	<u>\$ 19.2</u>	5.4%	<u>\$ 41.8</u>	11.9%	6.7%	0.4%
Total - Q3 Presentation	<u>\$ 348.4</u>	20.6%	<u>\$ 382.0</u>	18.6%	<u>\$ 44.3</u>	12.7%	<u>\$ 41.8</u>	12.0%		
Total - Q2 Presentation	<u>\$ 353.6</u>	20.7%	<u>\$ 383.5</u>	18.6%	<u>\$ 123.6</u>	35.0%	<u>\$ 40.5</u>	11.5%		
Total - Q1 Presentation	<u>\$ 357.6</u>	20.3%	<u>\$ 390.1</u>	18.6%	<u>\$ 123.9</u>	34.6%	<u>\$ 21.9</u>	6.1%		

- Potential highly impacted loan sectors are unchanged since they were initially identified at March 31, 2020
- Deferrals as of January 22, 2021 represent 47% of total commercial / CRE loan deferrals
- Initial SBA PPP relief represented 21% of total PPP loans originated
- De minimis exposure to Energy, Travel, Transportation & Aerospace, Trucking

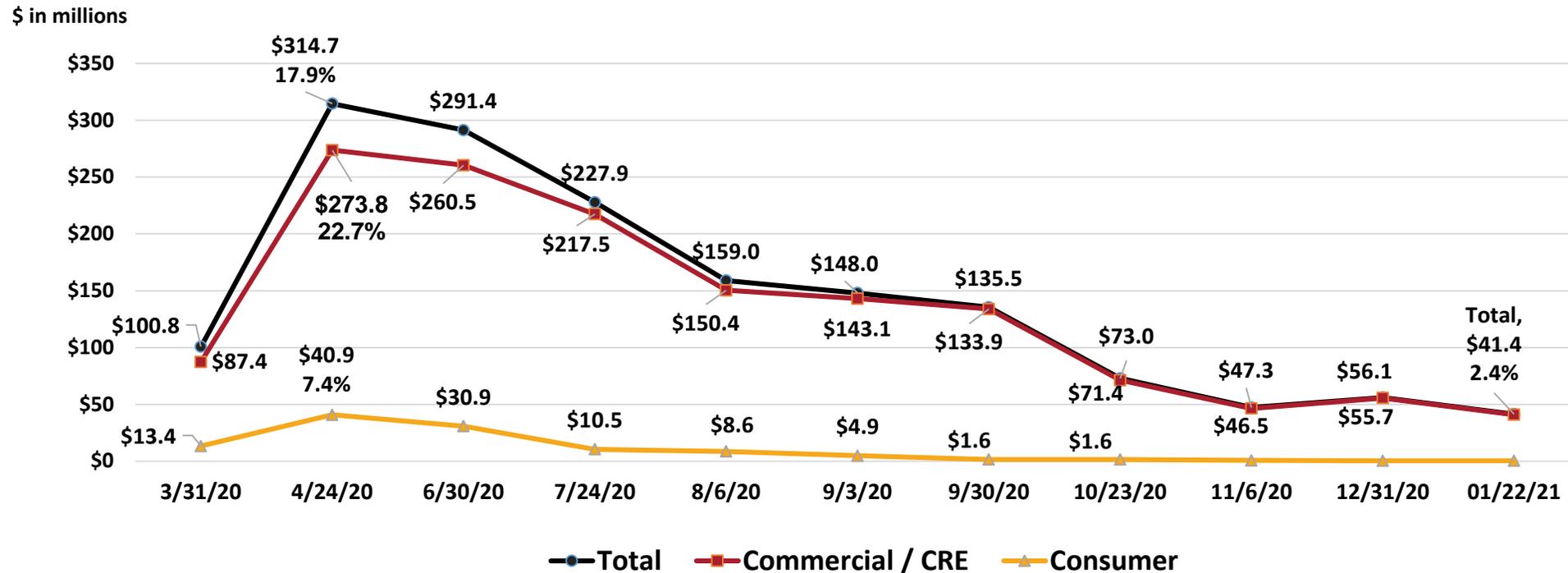
(1) "NPL" denotes nonperforming loans

POTENTIALLY HIGHLY IMPACTED LOAN SECTORS

Hotels	Restaurants & Caterers	Nursing and Residential Care	CRE Retail
<ul style="list-style-type: none"> • Seasoned operators • No conference reliance • No dependence on air or business travel • Limited restaurants • No destination properties • Primarily drive-up hotels • All are reopened • 14 loans / 10 properties • Total loan balance - \$60.6M • Average loan size - \$4.3M 	<ul style="list-style-type: none"> • 66 loans • Total loan balance - \$28.0M • Average loan size - \$0.4M 	<ul style="list-style-type: none"> • Balance distribution: <ul style="list-style-type: none"> ○ Assisted living - 84% ○ Disability, Mental Health, and Substance Abuse - 16% • 16 loans • Total loan balance - \$40.1M • Average loan size - \$2.5M 	<ul style="list-style-type: none"> • Generally grocery store anchored or service-driven non-grocery store anchored • No malls or big box stores • 64 loans • Total loan balance - \$103.7M • Average loan size - \$1.6M

LOAN DEFERRALS

Deferral Trend



Deferrals are expressed as a % of respective quarter-end "Portfolio loans," which exclude PPP loans, and is a non-GAAP measure. See the reconciliation of GAAP to non-GAAP in the Appendix.

LOAN DEFERRALS *(continued)*

<i>(\$ in millions)</i>	10/23/20	11/6/20	12/31/20	1/22/21
Total deferrals	<u>\$ 73.0</u>	<u>\$ 47.3</u>	<u>\$ 56.1</u>	<u>\$ 41.4</u>
• As a % of:				
• Total loans	3.9%	2.5%	3.0%	2.2%
• Portfolio loans	4.3%	2.8%	3.3%	2.4%
Total deferrals consist of:				
• Full payment deferrals	\$ 36.2	\$ 23.7	\$ 25.2	\$ 23.3
• As a % of total deferrals	49.6%	50.1%	44.9%	56.3%
• Principal only deferrals	\$ 36.8	\$ 23.6	\$ 30.9	\$ 18.1
• As a % of total deferrals	50.4%	49.9%	55.1%	43.7%
Included in total deferrals are:				
• Second deferrals (1)	\$ 10.0	\$ 10.0	\$ 16.7	\$ 20.3
• As a % of total deferrals	13.7%	21.1%	29.8%	49.0%
• Second deferrals consist of:				
• Full payment deferrals	\$ 7.7	\$ 7.7	\$ 14.0	\$ 17.6
• Principal only deferrals	2.3	2.3	2.7	2.7

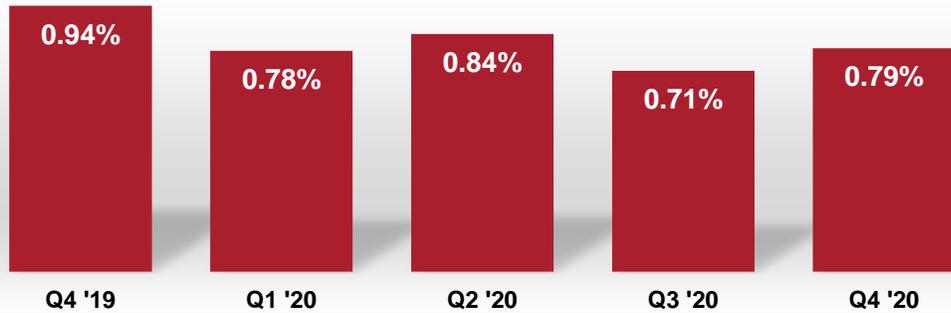
(1) includes deferrals where the cumulative inception to date deferral is greater than six months but less than a year

- This table provides additional detail on the composition of total loan deferrals from October 23, 2020 (disclosure in Q3 investor presentation) to January 22, 2021.
- 1/22/21 deferrals are down from 11/6/20 level (10-Q disclosure) after a slight increase at 12/31/20
- Consumer deferrals are insignificant, dropping from \$1.6M at 10/23/20 to \$0.4M at 12/31/20 and 1/22/21
- Second deferrals (as defined in note (1) in the table) have increased since both 10/23 and 11/6 and represent 49% of total 1/22/21 deferrals / 1.2% of total portfolio loans
- Note also that \$17.6M (87%) of second deferrals are in the form of full payment deferrals
- Second deferrals for loans included in our “potentially highly impacted loan sectors” (“PHI”) were \$19.2M at 1/22/21 (total deferrals in PHI were \$123.6M in Q2 and \$44.3M in Q3)
- Overall, full payment deferrals represent 56% of total deferrals at 1/22/21

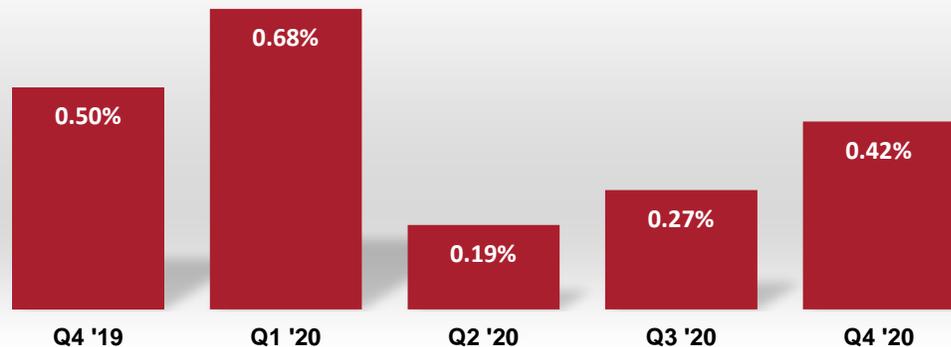
Deferrals are expressed as a % of respective qtr-end “Portfolio loans,” which exclude PPP loans, and is a non-GAAP measure. See the reconciliation of GAAP to non-GAAP in the Appendix.

ASSET QUALITY TRENDS

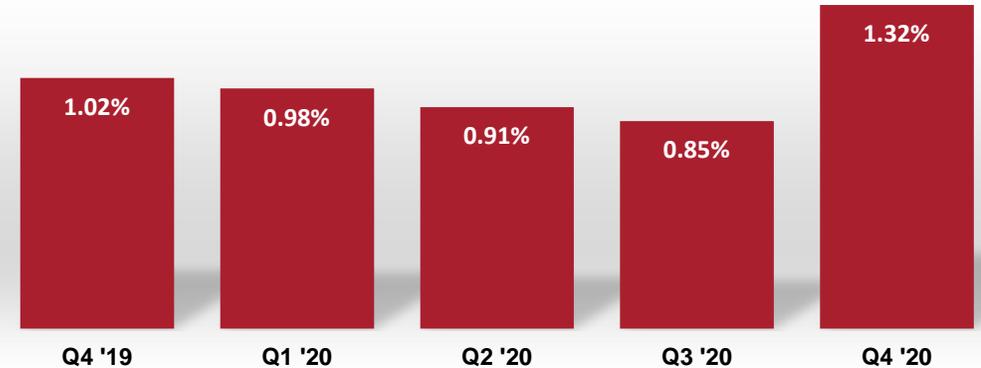
Nonperforming Assets as % Total Assets



Accruing 30+ Days Past Due as % Total Loans



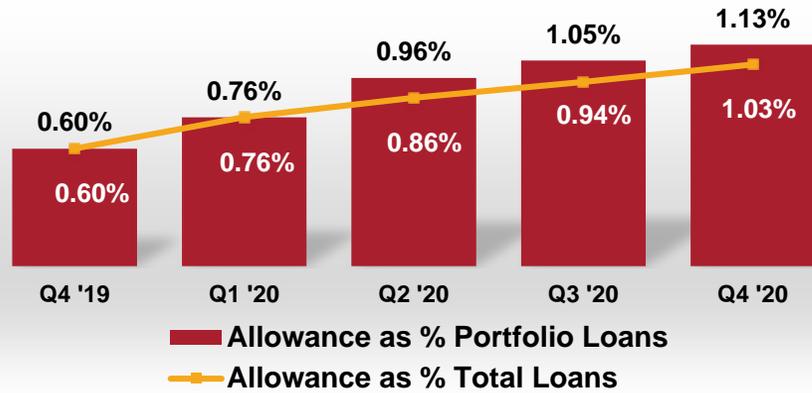
Classified Loans as % Total Loans



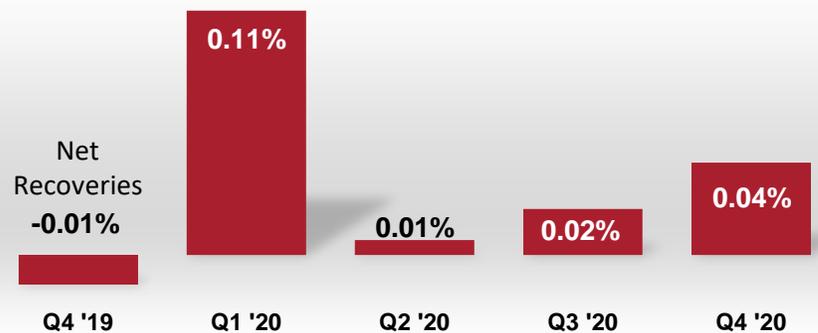
- “Classified loans” are the total of substandard, doubtful and loss rated loans.
- Loans rated as special mention totaled \$22.2M (1.19% of total loans), \$29.8M (1.58% of total loans) and \$14.0M (0.74% of total loans) as of 12/31/20, 9/30/20 and 6/30/20, respectively.
- There were no loans rated as special mention in Q4 '19 or Q1 '20.

ASSET QUALITY TRENDS *(continued)*

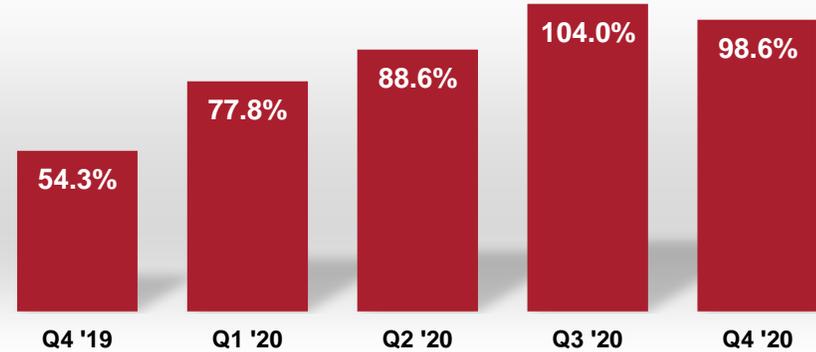
Allowance as % of Loans



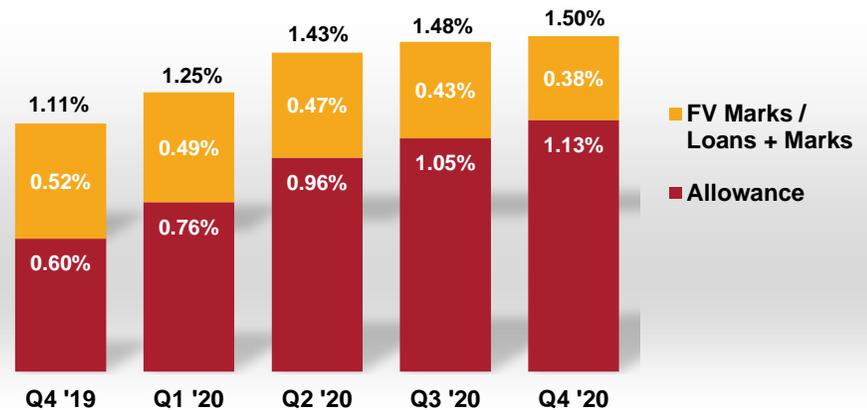
Net Charge-Offs (annualized) as % Average Loans



Allowance as % of Nonperforming Loans (%)

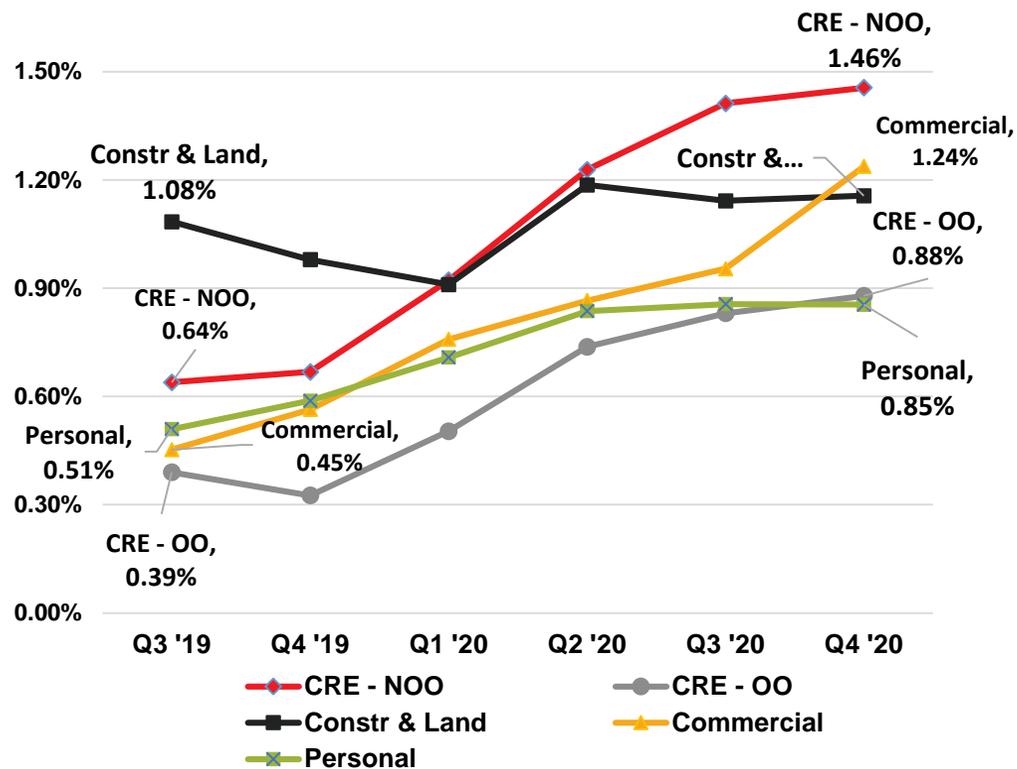


Allowance + FV Marks as % of Portfolio Loans



INCREASED ALLOWANCE FOR LOAN LOSSES

Allowance by Loan Type as % of Portfolio Loan Type



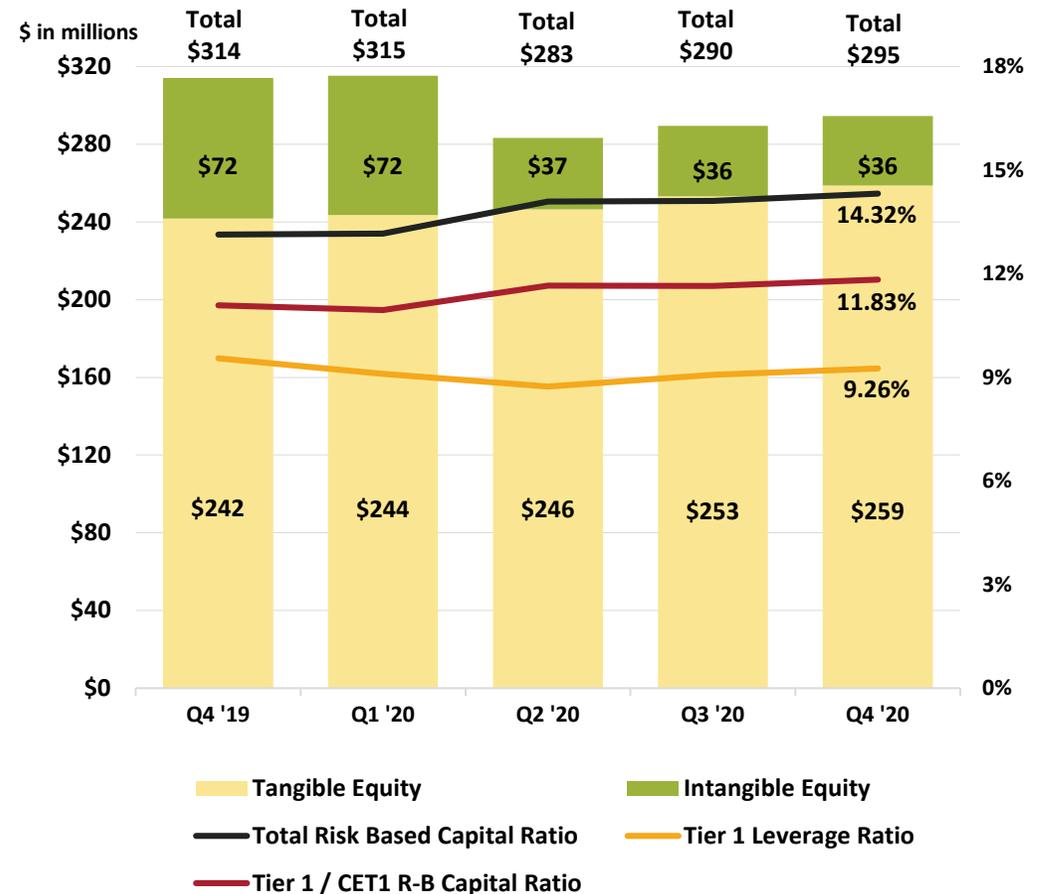
Personal loans consist of residential mortgages, home equity and consumer loans.

- 12/31/20 allowance (“ALLL”) of \$19.2M is up \$8.8M since 12/31/19
 - Net charge-offs of \$764 thousand for year 2020
 - YTD provisions attributable to loan and lease losses of \$9.5M
- Rolling average historical loss rates have declined during the year:
 - 4Q19: 0.29% | 1Q20: 0.25% | 2Q20: 0.20% | 3Q20: 0.19% | 4Q20: 0.19%
- A specific allocation of \$894 thousand included in the 12/31/20 ALLL
- Other than specific allocations at both 12/31/20 and 2019, ALLL increased in Q4 and year 2020 solely through qualitative factors:
 - Q4 2020 +3 BP to 1.08%
 - Year 2020 +51 BP from 0.57% to 1.08%
- While loan deferrals and PPP loans reduce short-term risks in the portfolio, we anticipate future:
 - Additional risk rating downgrades
 - Potential increases in charge-offs

CAPITAL POSITION

- Regulatory capital ratios exceeded all well-capitalized standards:
 - Tier 1 leverage ratio of 9.26% (up from 9.07% prior quarter)
 - CET1 and Tier 1 capital ratios of 11.83% (up from 11.65% prior quarter)
 - Total capital ratio of 14.32% (up from 14.11% prior quarter)
- Recorded goodwill impairment charge of \$34.5M in Q2 '20

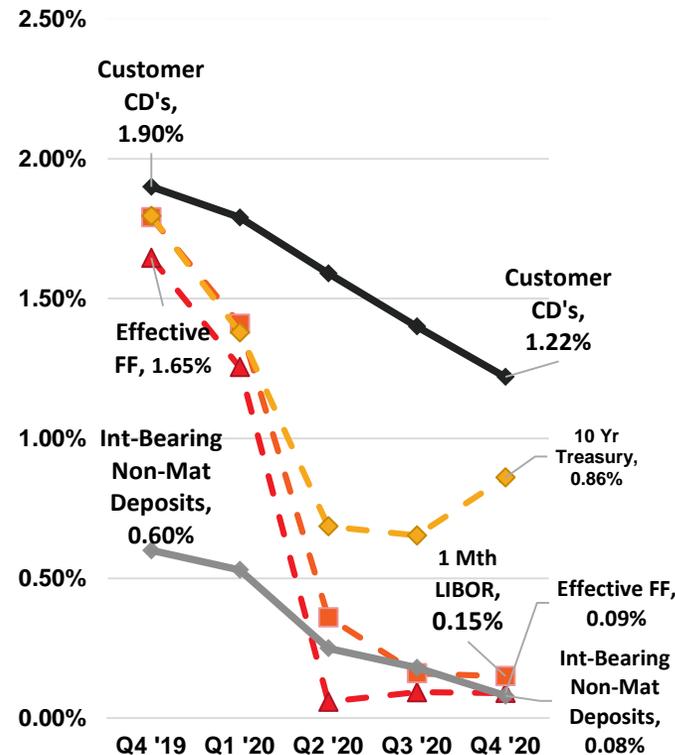
Book Value (BV) & Tangible Book Value (TBV) per Share



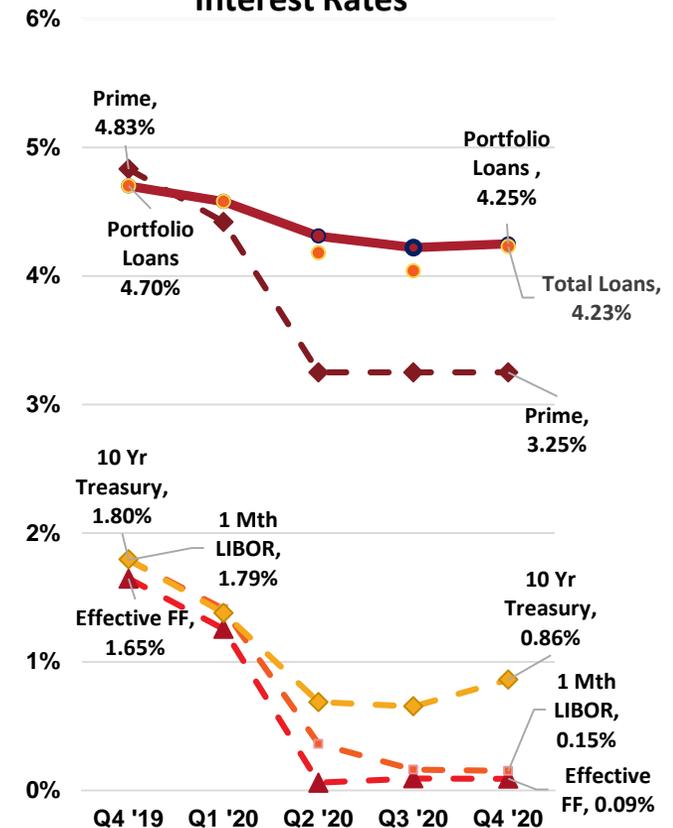
LOAN YIELDS & DEPOSIT RATE TRENDS

- Loan yield down 45 bps from Q4 '19 (ex. PPP loans)
- Good mix of fixed rate loans partially mitigates the rate of decline in yield
- Dramatic drop in quarterly average market rates during last five quarters
- Average rate on customer CDs down 68 bps from Q4 '19 and down 18 bps from Q3 '20
 - Average rate should continue a downward trend in 2021 as maturing higher rate CDs are repriced at lower market rates
- Average rate on interest-bearing non-maturity deposits down 52 bps from Q4 '19 and down 10 bps from Q3 '20
- Some significant maturing customer CDs in Q1 and Q2 '21 will drive the average rate down to approx. 0.55% in Q2 '21
- We expect our cost of funds (inc. DDA) dropping to approx. 0.25% in Q2 / Q3 '21

Deposit Rates & Quarterly Avg Interest Rates

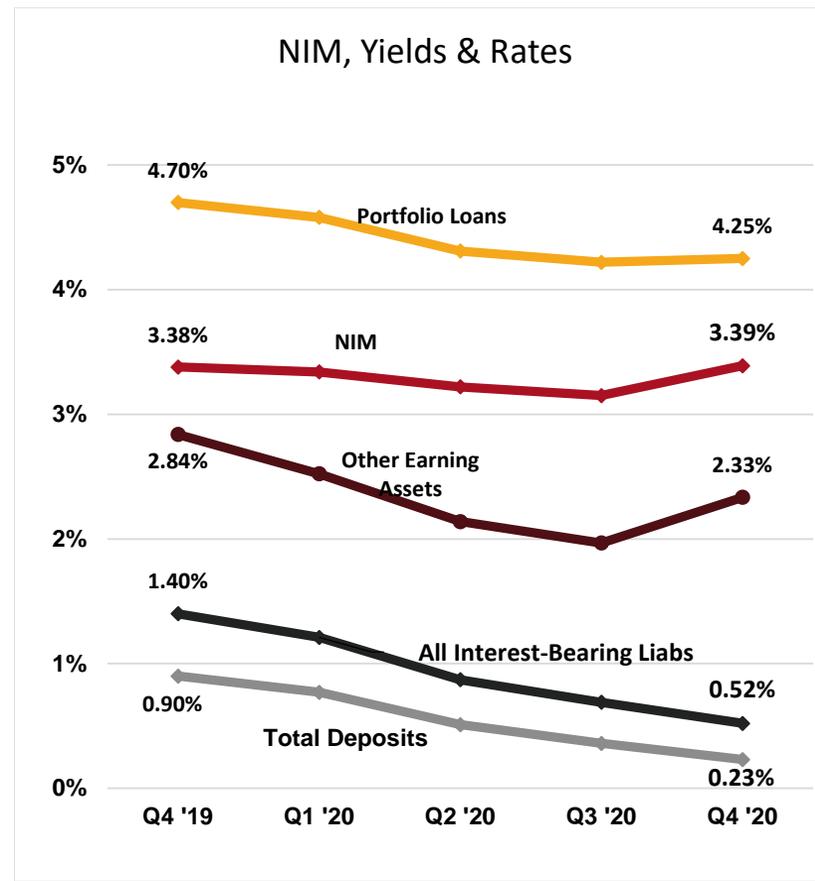
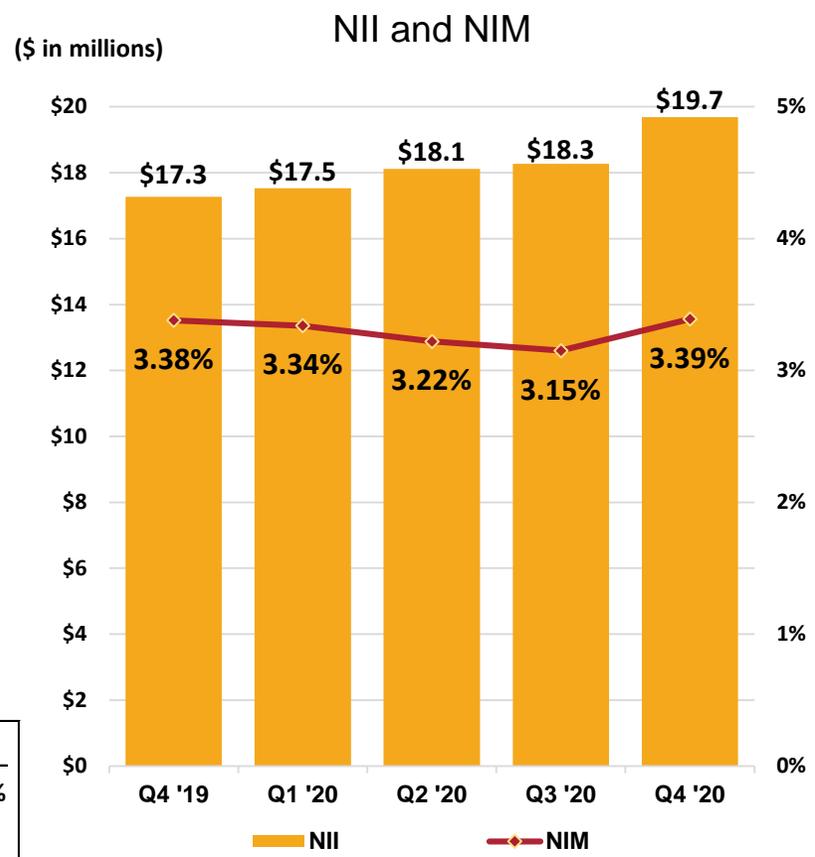


Loan Yields & Quarterly Avg Interest Rates



NET INTEREST INCOME (NII) & NET INTEREST MARGIN (NIM)

- Lower rates led to a decrease in interest expense which more than offset the reduction in interest income from Q3 '20 to Q4 '20
- Mix of fixed rate loan assets and high percentage of low cost transaction deposits provides protection against declining rates
- Q4 '20 NIM increased 24 bps vs. Q3 '20
 - +17 bps due to decrease in cost of interest-bearing liabilities
 - +12 bps due to increase in earning asset yields
 - -5 bps effect of non-interest-bearing deposits
- The following table presents the impact of PPP and fair value accretion ("FV") on our NIM:

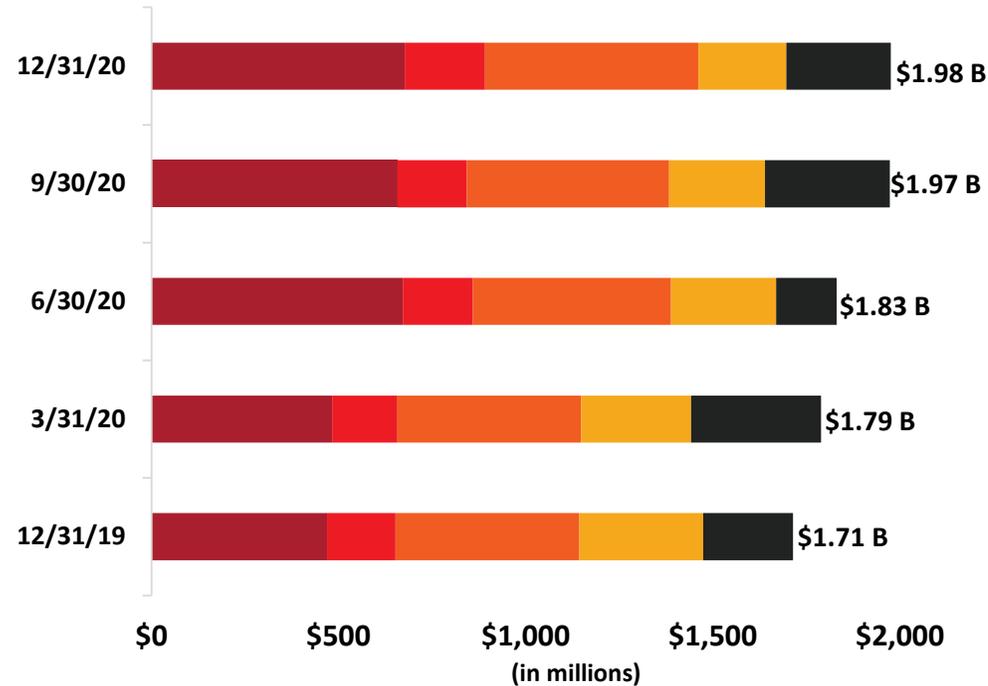


	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20
NIM as reported	3.38 %	3.34 %	3.22 %	3.15 %	3.39 %
PPP	0.00	0.00	0.07	0.09	(0.02)
FV	(0.08)	(0.05)	(0.09)	(0.10)	(0.16)
NIM ex PPP & FV	3.30 %	3.29 %	3.20 %	3.14 %	3.21 %

DEPOSIT COMPOSITION & TRENDS

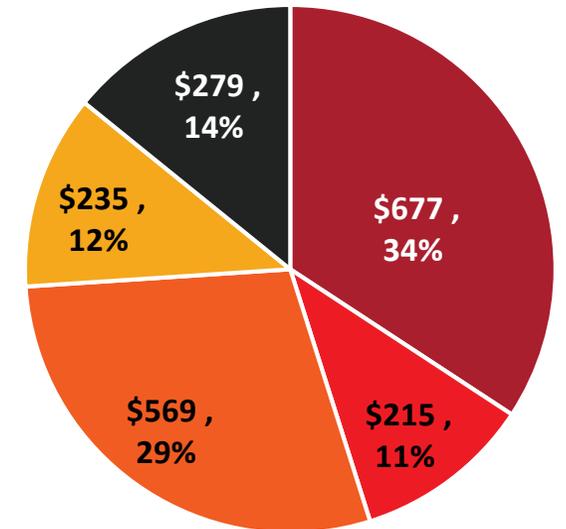
- Transaction deposits now 45% of total deposits
- Q4 '20 cost of deposits 23 bps vs. 36bps in Q3 '20
- Demand deposits increased by \$20M from September 2020 to December 2020
- Savings up by \$29M and customer CD's down by \$21M from September 2020 to December 2020
- The increases in customer deposits allowed us to decrease institutional deposits and short-term borrowings

Deposit Mix Trend



Deposits by Customer Segment

12/31/20 (\$ millions)





PATH TO ENHANCING SHAREHOLDER VALUE

Continue to leverage locally unique brand position in a down cycle

- Leverage heightened brand awareness as THE local option in an environment of industry disruption, industry consolidation and industry distraction
- Attract and retain top lending talent to provide best in class products and services to serve the needs of small to middle market companies and professionals who operate and live in our footprint
- Leverage Baltimore and capitalize on DC team building opportunities; seeing opportunities in each commercial area – Branch based small business, Business banking, Middle market, CRE
- 20+ % increase in Business Development staff in the last 90 days; includes 4 team members in DC; team leader with over 25 years of experience in the DC market; will drive additional market share gains
- Renew emphasis on small business and business banking to enhance granularity to loan and deposit portfolios

Continue to mitigate headwinds of excess macro-economic liquidity and compressing loan yields

- Continue successful focus on lowering funding costs through valuing and seeking transaction accounts in a market where they are being taken for granted
- Leverage transaction account strengths with treasury management fees, Strategy Corps partnership, recovering interchange fees

(continued)

PATH TO ENHANCING SHAREHOLDER VALUE *(continued)*

Mitigate headwinds...*(continued)*

- Continue to mitigate headwinds through selectively grown, efficiently sourced higher yielding niche portfolio loans - marine lending and home improvement - through partnerships rather than direct sales staff
- Offset residential mortgage run off with additional investor /correspondent banking partnerships

Continue to manage costs by keeping non-DC market expenses flat through resource re-allocation (branch optimization, digital investments in information systems and decision tools)

- Continue to explore Fintech relationships to enhance revenue streams, information systems and decision tools and improve internal processes – including AI and RPA implementations

PATH TO ENHANCING SHAREHOLDER VALUE

- Seize opportunity to acquire top talent 
- Grow loan portfolio 
- Continue to stabilize margin 
- Revenue growth 
- Well controlled non interest expenses 
- Strong capital position provides multiple opportunities

APPENDIX

QUARTERLY & FULL YEAR FINANCIAL PERFORMANCE

Selected Unaudited Financial Data (in thousands except per share data)	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Vs Q3 2020	Vs Q4 2019	2020 Vs 2019
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Income Statement Data:								
Interest income	\$ 86,363	\$ 91,434	\$ 21,713	\$ 20,951	\$ 22,550	\$ 762	\$ (837)	\$ (5,071)
Interest expense	12,761	22,124	2,028	2,679	5,283	(651)	(3,255)	(9,363)
Net interest income	73,602	69,310	19,685	18,272	17,267	1,413	2,418	4,292
Provision for credit losses	9,845	4,193	1,700	1,700	750	-	950	5,652
Net interest income after provision for credit losses	63,757	65,117	17,985	16,572	16,517	1,413	1,468	(1,360)
Noninterest income	12,359	21,034	2,145	2,089	5,625	56	(3,480)	(8,675)
Noninterest expense	89,463	64,078	14,567	12,709	14,362	1,858	205	25,385
(Loss) income before income taxes	(13,347)	22,073	5,564	5,952	7,780	(388)	(2,216)	(35,420)
Income tax expense (benefit)	3,645	5,192	1,093	1,348	1,880	(255)	(787)	(1,547)
Net (loss) income	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Per Share Data and Shares Outstanding:								
Net (loss) income per common share - basic	\$ (0.91)	\$ 0.89	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (1.80)
Net (loss) income per common share - diluted	\$ (0.91)	\$ 0.89	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (1.80)
Book value per common share, at period end	\$ 15.72	\$ 16.48	\$ 15.72	\$ 15.45	\$ 16.48	\$ 0.27	\$ (0.76)	\$ (0.76)
Tangible book value per common share, at period end (1)	\$ 13.81	\$ 12.68	\$ 13.81	\$ 13.51	\$ 12.68	\$ 0.30	\$ 1.12	\$ 1.12
Average common shares outstanding	18,766	19,068	18,743	18,737	19,080	6	(337)	(303)
Diluted average common shares outstanding	18,766	19,071	18,748	18,737	19,083	11	(335)	(305)
Shares outstanding, at period end	18,745	19,067	18,745	18,742	19,067	2	(322)	(322)
Balance Sheet Data:								
Total assets	\$ 2,537,991	\$ 2,374,619	\$ 2,537,991	\$ 2,559,184	\$ 2,374,619	\$ (21,193)	\$ 163,372	\$ 163,372
Portfolio loans, net of unearned income (1)	1,698,322	1,745,513	1,698,322	1,688,030	1,745,513	10,292	(47,191)	(47,191)
Paycheck Protection Program loans, net of unearned inc.	167,639	-	167,639	196,375	-	(28,736)	167,639	167,639
Total loans and leases, net of unearned income	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
Allowance for loan losses	19,162	10,401	19,162	17,657	10,401	1,505	8,761	8,761
Other interest-earning assets	458,488	343,149	458,488	454,897	343,149	3,591	115,339	115,339
Total deposits	1,975,414	1,714,365	1,975,414	1,972,738	1,714,365	2,676	261,049	261,049
Total borrowings	242,071	319,368	242,071	269,861	319,368	(27,790)	(77,297)	(77,297)
Common and total stockholders' equity	294,632	314,148	294,632	289,500	314,148	5,132	(19,516)	(19,516)
Average total assets	2,488,280	2,250,334	2,527,869	2,524,773	2,292,369	3,097	235,500	237,946
Average common and total stockholders' equity	304,173	304,925	294,285	288,727	311,777	5,558	(17,492)	(752)

(1) This is a non-GAAP measure. See the GAAP to Non-GAAP Reconciliation at the end of the financial statements.

QUARTERLY & FULL YEAR FINANCIAL PERFORMANCE *(continued)*

Selected Unaudited Financial Data
(in thousands except per share data)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Vs Q3 2020	Vs Q4 2019	2020 Vs 2019
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Selected Performance Metrics:								
Return on average assets (2)	(0.68) %	0.75 %	0.70 %	0.73 %	1.02 %	(0.02) %	(0.32) %	(1.43) %
Return on average common equity (2)	(5.59) %	5.54 %	6.04 %	6.34 %	7.51 %	(0.30) %	(1.46) %	(11.12) %
Pre-provision net revenue ("PPNR") (1)	\$ 31,369	\$ 27,197	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 4,172
PPNR to average assets (1)	1.26 %	1.21 %	1.38 %	1.21 %	1.15 %	0.18 %	0.24 %	0.05 %
Net interest margin (2),(3)	3.27 %	3.50 %	3.39 %	3.15 %	3.38 %	0.24 %	0.01 %	(0.23) %
Efficiency ratio (4)	104.07 %	70.93 %	66.73 %	62.42 %	62.74 %	4.31 %	3.99 %	33.15 %
Core efficiency ratio (1)	61.44 %	64.96 %	59.70 %	62.42 %	65.58 %	(2.72) %	(5.88) %	(3.53) %
Asset Quality Ratios:								
Nonperforming loans to portfolio loans (1)	1.14 %	1.10 %	1.14 %	1.01 %	1.10 %	0.14 %	0.05 %	0.05 %
Nonperforming assets to portfolio loans and OREO (1)	1.19 %	1.27 %	1.19 %	1.07 %	1.27 %	0.11 %	(0.08) %	(0.08) %
Nonperforming assets to total assets	0.79 %	0.94 %	0.79 %	0.71 %	0.94 %	0.09 %	(0.14) %	(0.14) %
Allowance for loan losses to total loans	1.03 %	0.60 %	1.03 %	0.94 %	0.60 %	0.09 %	0.43 %	0.43 %
Allowance for loan losses to portfolio loans (1)	1.13 %	0.60 %	1.13 %	1.05 %	0.60 %	0.08 %	0.53 %	0.53 %
Allowance for loan losses to nonperforming loans	98.62 %	54.33 %	98.62 %	103.96 %	54.33 %	(5.34) %	44.29 %	44.29 %
Net chargeoffs to average total loans and leases (2)	0.04 %	0.22 %	0.04 %	0.02 %	(0.01) %	0.02 %	0.05 %	(0.18) %
Capital Ratios (Bancorp):								
Tier 1 capital to average assets (leverage ratio)	9.26 %	9.55 %	9.26 %	9.07 %	9.55 %	0.19 %	(0.29) %	(0.29) %
Common equity tier 1 capital to risk-weighted assets	11.83 %	11.09 %	11.83 %	11.65 %	11.09 %	0.18 %	0.74 %	0.74 %
Tier 1 capital to risk-weighted assets	11.83 %	11.09 %	11.83 %	11.65 %	11.09 %	0.18 %	0.74 %	0.74 %
Total capital to risk-weighted assets	14.32 %	13.14 %	14.32 %	14.11 %	13.14 %	0.21 %	1.18 %	1.18 %
Average equity to average assets	12.22 %	13.55 %	11.64 %	11.44 %	13.60 %	0.21 %	(1.96) %	(1.33) %

(1) This is a non-GAAP measure. See the GAAP to Non-GAAP Reconciliation at the end of the financial statements.

(2) Annualized

(3) Net interest income divided by average earning assets

(4) Noninterest expense divided by the sum of net interest income and noninterest income

QUARTERLY EARNING ASSET YIELDS

Average Balances, Yields, and Rates (\$ in thousands)	Three Months Ended December 31, 2020			Three Months Ended September 30, 2020			Three Months Ended December 31, 2019			Change Prior Qtr	Change Prior Yr
	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate		
Earning assets											
Loans and leases:											
Commercial loans and leases	\$ 353,596	\$ 3,159	3.55 %	\$ 343,991	\$ 3,981	4.60 %	\$ 381,463	\$ 4,529	4.71 %	(1.05) %	(1.16) %
Commercial real estate	733,116	8,763	4.76	702,633	7,768	4.40	679,767	8,426	4.92	0.36	(0.16)
Construction and land	108,020	1,054	3.88	125,059	1,188	3.78	120,617	1,574	5.18	0.10	(1.30)
Residential real estate	443,753	4,508	4.04	463,874	4,382	3.76	488,505	5,228	4.25	0.28	(0.20)
Consumer	58,548	632	4.29	49,722	565	4.52	46,232	578	4.96	(0.23)	(0.67)
Total portfolio loans	1,697,033	18,116	4.25	1,685,279	17,884	4.22	1,716,584	20,335	4.70	0.03	(0.45)
Paycheck Protection Program loans	186,267	1,886	4.03	195,588	1,240	2.52	-	-	-	1.51	4.03
Total loans and leases	1,883,300	20,002	4.23	1,880,867	19,124	4.04	1,716,584	20,335	4.70	0.18	(0.47)
Securities available for sale:											
U.S Gov agencies	58,424	365	2.49	79,391	531	2.66	71,675	495	2.74	(0.18)	(0.25)
Mortgage-backed	308,737	963	1.24	272,495	942	1.38	110,039	797	2.87	(0.13)	(1.63)
Corporate debentures	8,910	137	6.12	5,932	100	6.71	9,728	148	6.04	(0.59)	0.08
Total available for sale securities	376,071	1,465	1.55	357,818	1,573	1.75	191,442	1,440	2.98	(0.20)	(1.43)
Securities held to maturity	7,250	107	5.87	7,250	106	5.83	9,750	149	6.06	0.04	(0.19)
FHLB Atlanta stock, at cost	10,951	132	4.80	13,221	140	4.21	6,554	102	6.17	0.58	(1.38)
Interest bearing deposits in banks	32,356	6	0.07	46,049	8	0.07	66,070	186	1.12	0.00	(1.04)
Loans held for sale	-	-	-	-	-	-	37,500	339	3.59	-	(3.59)
Total earning assets	2,309,928	21,712	3.74 %	2,305,205	20,951	3.62 %	2,027,900	22,551	4.41 %	0.12 %	(0.67) %
Cash and due from banks	11,534			11,772			13,350				
Bank premises and equipment, net	41,979			42,376			42,813				
Goodwill and other intangible assets	37,644			38,290			74,619				
Other assets	144,336			143,565			143,418				
Less: allowance for loan losses	(17,552)			(16,435)			(9,731)				
Total assets	<u>\$ 2,527,869</u>			<u>\$ 2,524,773</u>			<u>\$ 2,292,369</u>				

QUARTERLY FUNDING RATES & NIM

Average Balances, Yields, and Rates (\$ in thousands)	Three Months Ended December 31, 2020			Three Months Ended September 30, 2020			Three Months Ended December 31, 2019			Change Prior Qtr	Change Prior Yr
	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate		
Interest-bearing liabilities											
Deposits:											
Interest-bearing demand accounts	\$ 200,144	\$ 27	0.05 %	\$ 190,272	\$ 36	0.08 %	\$ 185,278	\$ 190	0.41 %	(0.02) %	(0.35) %
Money market	431,769	107	0.10	386,189	261	0.27	357,617	771	0.86	(0.17)	(0.76)
Savings	154,953	20	0.05	149,973	27	0.07	131,847	62	0.19	(0.02)	(0.14)
Time deposits	505,462	971	0.76	493,827	1,390	1.12	565,213	2,810	1.97	(0.36)	(1.21)
Total interest-bearing deposits	1,292,328	1,125	0.35	1,220,261	1,714	0.56	1,239,955	3,833	1.23	(0.21)	(0.88)
Borrowings:											
FHLB advances	207,335	450	0.86	260,807	483	0.74	228,862	976	1.69	0.13	(0.83)
Fed funds and repos	18,706	5	0.11	40,492	35	0.34	-	-	-	(0.23)	0.11
Subordinated debt	28,405	447	6.26	28,356	447	6.27	28,161	474	6.68	(0.01)	(0.42)
Total borrowings	254,446	902	1.41	329,655	965	1.17	257,023	1,450	2.24	0.25	(0.83)
Total interest-bearing funds	1,546,774	2,027	0.52 %	1,549,916	2,679	0.69 %	1,496,978	5,283	1.40 %	(0.17) %	(0.88) %
Noninterest-bearing deposits	660,549			649,525			457,748				
Other liabilities	26,261			36,605			25,866				
Total liabilities	2,233,584			2,236,046			1,980,592				
Stockholders' equity	294,285			288,727			311,777				
Total liabilities & equity	\$ 2,527,869			\$ 2,524,773			\$ 2,292,369				
Net interest rate spread (1)		\$ 19,685	3.22 %		\$ 18,272	2.93 %		\$ 17,268	3.01 %	0.29 %	0.21 %
Effect of noninterest-bearing funds			0.17			0.22			0.37	(0.05)	(0.20)
Net interest margin on earning assets (2)			3.39 %			3.15 %			3.38 %	0.24 %	0.01 %

(1) The difference between the annualized yield on average total earning assets and the annualized cost of average total interest-bearing liabilities

(2) Annualized net interest income divided by average total earning assets

ANNUAL EARNING ASSET YIELDS

Average Balances, Yields, and Rates (\$ in thousands)	Year Ended December 31, 2020			Year Ended December 31, 2019			Change Prior
	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate	
Earning assets							
Loans and leases:							
Commercial loans and leases	\$ 362,579	\$ 14,440	3.98 %	\$ 357,129	\$ 17,880	5.01 %	(1.02) %
Commercial real estate	705,392	33,855	4.80	667,557	33,424	5.01	(0.21)
Construction and land	124,324	4,992	4.02	121,156	6,782	5.60	(1.58)
Residential real estate	476,568	19,083	4.00	487,586	21,803	4.47	(0.47)
Consumer	49,911	2,252	4.51	50,017	2,471	4.94	(0.43)
Total portfolio loans	1,718,774	74,622	4.34	1,683,445	82,360	4.89	(0.55)
Paycheck Protection Program loans	131,469	4,022	3.06	-	-	-	3.06
Total loans and leases	1,850,243	78,644	4.25	1,683,445	82,360	4.89	(0.64)
Securities available for sale:							
U.S Gov agencies	72,197	1,920	2.66	85,421	2,376	2.78	(0.12)
Mortgage-backed	230,841	3,828	1.66	93,566	2,889	3.09	(1.43)
Corporate debentures	6,473	421	6.50	3,433	269	7.84	(1.34)
Total available for sale securities	309,511	6,169	1.99	182,420	5,534	3.03	(1.04)
Securities held to maturity	7,497	438	5.84	9,503	583	6.13	(0.30)
FHLB Atlanta stock, at cost	13,218	665	5.03	10,825	668	6.17	(1.14)
Interest bearing deposits in banks	62,235	268	0.43	63,806	1,094	1.71	(1.28)
Loans held for sale	4,920	179	3.64	30,276	1,195	3.95	(0.31)
Total earning assets	2,247,624	86,363	3.84 %	1,980,275	91,434	4.62 %	(0.77) %
Cash and due from banks	13,234			13,970			
Bank premises and equipment, net	42,368			43,823			
Goodwill and other intangible assets	55,701			77,139			
Other assets	143,897			144,625			
Less: allowance for loan losses	(14,544)			(9,498)			
Total assets	\$ 2,488,280			\$ 2,250,334			

ANNUAL FUNDING RATES & NIM

Average Balances, Yields, and Rates (\$ in thousands)	Year Ended December 31, 2020			Year Ended December 31, 2019			Change Prior
	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate	
Interest-bearing liabilities							
Deposits:							
Interest-bearing demand accounts	\$ 190,153	\$ 277	0.15 %	\$ 199,091	\$ 912	0.46 %	(0.31) %
Money market	388,213	1,415	0.36	356,955	2,814	0.79	(0.42)
Savings	144,894	117	0.08	135,868	249	0.18	(0.10)
Time deposits	520,055	6,623	1.27	556,398	11,487	2.06	(0.79)
Total interest-bearing deposits	1,243,315	8,432	0.68	1,248,312	15,462	1.24	(0.56)
Borrowings:							
FHLB advances	261,090	2,465	0.94	206,687	4,728	2.29	(1.34)
Fed funds and other borrowings	20,702	57	0.28	7,748	31	0.40	(0.12)
Subordinated debt	28,332	1,807	6.38	28,140	1,903	6.76	(0.38)
Total borrowings	310,124	4,329	1.40	242,575	6,662	2.75	(1.35)
Total interest-bearing funds	1,553,439	12,761	0.82 %	1,490,887	22,124	1.48 %	(0.66) %
Noninterest-bearing deposits	602,005			431,557			
Other liabilities	28,663			22,965			
Total liabilities	2,184,107			1,945,409			
Stockholders' equity	304,173			304,925			
Total liabilities & equity	\$ 2,488,280			\$ 2,250,334			
Net interest rate spread (1)		\$ 73,602	3.02 %	\$ 69,310		3.13 %	(0.11) %
Effect of noninterest-bearing funds			0.25			0.37	(0.12)
Net interest margin on earning assets (2)			3.27 %			3.50 %	(0.23) %

(1) The difference between the annualized yield on average total earning assets and the annualized cost of average total interest-bearing liabilities

(2) Annualized net interest income divided by average total earning assets

GAAP TO NON-GAAP RECONCILIATION

GAAP TO NON-GAAP RECONCILIATION - CORE NET INCOME AND EPS

(in thousands except per share data)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$(33,872)
Adjustments:								
Mortgage banking activities:								
Net interest income	(143)	(681)	-	-	(164)	-	164	538
Noninterest income	(1,425)	(10,628)	-	-	(2,699)	-	2,699	9,203
Noninterest expenses	1,438	9,035	-	-	2,056	-	(2,056)	(7,597)
Total pretax - mortgage banking activities	(130)	(2,274)	-	-	(807)	-	807	2,144
Certain other items:								
Securities gains	(3,044)	(658)	-	-	-	-	-	(2,386)
Proceeds from agreement to exit mortgage banking activities	-	(750)	-	-	(750)	-	750	750
Prepayment penalty - FHLB advances	224	651	-	-	-	-	-	(427)
Branch optimization charge	554	3,262	554	-	(338)	554	892	(2,708)
Litigation expense	1,980	700	980	-	-	980	980	1,280
CFO departure	788	-	-	-	-	-	-	788
Goodwill impairment charge	34,500	-	-	-	-	-	-	34,500
Total pretax - certain other items	35,002	3,205	1,534	-	(1,088)	1,534	2,622	31,797
Total core pretax income adjustments	34,872	931	1,534	-	(1,895)	1,534	3,429	33,941
Income tax expense (benefit) of adjustments	138	251	414	-	(512)	414	926	(114)
Total core pretax income adjustments, net of tax	34,734	680	1,120	-	(1,383)	1,120	2,503	34,055
Less: One-time benefit of NOL carryback (CARES Act)	(1,271)	-	(94)	-	-	(94)	(94)	(1,271)
Total core adjustments to net income	33,463	680	1,026	-	(1,383)	1,026	2,409	32,784
Core net income (Non-GAAP)	\$ 16,472	\$ 17,561	\$ 5,497	\$ 4,604	\$ 4,517	\$ 893	\$ 980	\$(1,089)
Diluted average common shares	18,766	19,071	18,748	18,737	19,083	11	(335)	(305)
Diluted EPS (GAAP)	\$ (0.91)	\$ 0.89	\$ 0.24	\$ 0.25	\$ 0.31	\$ (0.01)	\$ (0.07)	\$ (1.79)
Total core adjustments to net income	1.78	0.04	0.05	-	(0.07)	0.05	0.13	1.75
Core diluted EPS (Non-GAAP)	\$ 0.88	\$ 0.92	\$ 0.29	\$ 0.25	\$ 0.24	\$ 0.05	\$ 0.06	\$ (0.04)

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - PRE-PROVISION NET REVENUE ("PPNR")

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31,	December 31,	December 31,	September 30,	December 31,			
	2020	2019	2020	2020	2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$(33,872)
Plus: provision for credit losses	9,845	4,193	1,700	1,700	750	-	950	5,652
Plus: income tax expense	3,644	5,192	1,093	1,348	1,880	(255)	(787)	(1,548)
Pre-provision net revenue (Non-GAAP)	\$ (3,503)	\$ 26,266	\$ 7,264	\$ 7,652	\$ 8,530	\$ (388)	\$ (1,266)	\$(29,769)
Adjustments to net revenue:								
Mortgage banking activities	(130)	(2,274)	-	-	(807)	-	807	2,144
Securities gains	(3,044)	(658)	-	-	-	-	-	(2,386)
Proceeds from agreement to exit mortgage banking activities	-	(750)	-	-	(750)	-	750	750
Prepayment penalty - FHLB advances	224	651	-	-	-	-	-	(427)
Branch optimization charge	554	3,262	554	-	(338)	554	892	(2,708)
Litigation accrual	1,980	700	980	-	-	980	980	1,280
CFO departure	788	-	-	-	-	-	-	788
Goodwill impairment charge	34,500	-	-	-	-	-	-	34,500
Total core pretax net revenue adjustments	34,872	931	1,534	-	(1,895)	1,534	3,429	33,941
Core pre-provision net revenue (PPNR)	\$ 31,369	\$ 27,197	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 4,172

GAAP TO NON-GAAP RECONCILIATION - PPNR / AVERAGE TANGIBLE COMMON EQUITY

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31,	December 31,	December 31,	September 30,	December 31,			
	2020	2019	2020	2020	2019			
Core PPNR (Non-GAAP)	\$ 31,369	\$ 27,197	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 4,172
Average common equity (GAAP)	\$ 304,173	\$ 304,925	\$ 294,285	\$ 288,727	\$ 311,777	5,558	(17,492)	(752)
Less average goodwill	(48,511)	(67,092)	(31,449)	(31,449)	(65,949)	(0)	34,500	18,581
Less average core deposit intangible, net	(5,408)	(7,532)	(4,716)	(5,076)	(6,702)	361	1,987	2,124
Average tangible common equity (non-GAAP)	\$ 250,254	\$ 230,301	\$ 258,120	\$ 252,202	\$ 239,125	\$ 5,918	\$ 18,995	\$ 19,953
Core PPNR / average tangible common equity (Non-GAAP)	12.53%	11.81%	13.56%	12.07%	11.01%	1.49%	2.55%	0.73%

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - PPNR / AVERAGE TOTAL ASSETS

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Core PPNR (Non-GAAP)	\$ 31,369	\$ 27,197	\$ 8,798	\$ 7,652	\$ 6,635	\$ 1,146	\$ 2,163	\$ 4,172
Average total assets (GAAP)	2,488,280	2,250,334	2,527,869	2,524,773	2,292,369	3,097	235,500	237,946
Core PPNR / average total assets (Non-GAAP)	<u>1.26%</u>	<u>1.21%</u>	<u>1.38%</u>	<u>1.21%</u>	<u>1.15%</u>	<u>0.18%</u>	<u>0.24%</u>	<u>0.05%</u>

Annualized ratio based on days in quarter divided by days in year

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - EFFICIENCY RATIO (in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net interest income (GAAP)	\$ 73,602	\$ 69,310	\$ 19,685	\$ 18,272	\$ 17,267	\$ 1,413	\$ 2,418	\$ 4,292
Adjustments:								
Mortgage banking activities	(143)	(681)	-	-	(164)	-	164	538
Total core net interest income adjustments	(143)	(681)	-	-	(164)	-	164	538
Core net interest income (Non-GAAP)	\$ 73,459	\$ 68,629	\$ 19,685	\$ 18,272	\$ 17,103	\$ 1,413	\$ 2,582	\$ 4,830
Noninterest income (GAAP)	\$ 12,359	\$ 21,034	\$ 2,145	\$ 2,089	\$ 5,625	\$ 56	\$ (3,480)	\$ (8,675)
Adjustments:								
Mortgage banking activities	(1,425)	(10,628)	-	-	(2,699)	-	2,699	9,203
Securities gains	(3,044)	(658)	-	-	-	-	-	(2,386)
Proceeds from agreement to exit mortgage banking activities	-	(750)	-	-	(750)	-	750	750
Total core noninterest income adjustments	(4,469)	(12,036)	-	-	(3,449)	-	3,449	7,567
Core noninterest income (Non-GAAP)	\$ 7,890	\$ 8,998	\$ 2,145	\$ 2,089	\$ 2,176	\$ 56	\$ (31)	\$ (1,108)
Total net interest income and noninterest income (GAAP)	\$ 85,961	\$ 90,344	\$ 21,830	\$ 20,361	\$ 22,892	\$ 1,469	\$ (1,062)	\$ (4,383)
Adjustments:								
Total core net interest income adjustments	(143)	(681)	-	-	(164)	-	164	538
Total core noninterest income adjustments	(4,469)	(12,036)	-	-	(3,449)	-	3,449	7,567
Total core net interest income and noninterest income adjustments	(4,612)	(12,717)	-	-	(3,613)	-	3,613	8,105
Core net interest income + noninterest income (Non-GAAP)	\$ 81,349	\$ 77,627	\$ 21,830	\$ 20,361	\$ 19,279	\$ 1,469	\$ 2,551	\$ 3,722
Noninterest expense (GAAP)	\$ 89,463	\$ 64,078	\$ 14,567	\$ 12,709	\$ 14,362	\$ 1,858	\$ 205	\$ 25,385
Adjustments:								
Mortgage banking activities	(1,438)	(9,035)	-	-	(2,056)	-	2,056	7,597
Prepayment penalty - FHLB advances	(224)	(651)	-	-	-	-	-	427
Branch optimization charge	(554)	(3,262)	(554)	-	338	(554)	(892)	2,708
Litigation accrual	(1,980)	(700)	(980)	-	-	(980)	(980)	(1,280)
CFO departure	(788)	-	-	-	-	-	-	(788)
Goodwill impairment charge	(34,500)	-	-	-	-	-	-	(34,500)
Total core noninterest expense adjustments	(39,484)	(13,648)	(1,534)	-	(1,718)	(1,534)	184	(25,836)
Core noninterest expense (Non-GAAP)	\$ 49,979	\$ 50,430	\$ 13,033	\$ 12,709	\$ 12,644	\$ 324	\$ 389	\$ (451)
Efficiency ratio (GAAP)	104.07%	70.93%	66.73%	62.42%	62.74%	4.31%	3.99%	33.15%
Core efficiency ratio (Non-GAAP)	61.44%	64.96%	59.70%	62.42%	65.58%	-2.72%	-5.88%	-3.53%

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - TANGIBLE BOOK VALUE PER COMMON SHARE

(in thousands except per share data)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Common and total stockholder's equity (GAAP)	\$ 294,632	\$ 314,148	\$ 294,632	\$ 289,500	\$ 314,148	\$ 5,132	\$ (19,516)	\$ (19,516)
Total shares outstanding at period end	18,745	19,067	18,745	18,742	19,067	2	(322)	(322)
Book value per common share at period end (GAAP)	\$ 15.72	\$ 16.48	\$ 15.72	\$ 15.45	\$ 16.48	\$ 0.27	\$ (0.76)	\$ (0.76)
Common and total stockholder's equity (GAAP)	\$ 294,632	\$ 314,148	\$ 294,632	\$ 289,500	\$ 314,148	\$ 5,132	\$ (19,516)	\$ (19,516)
Less goodwill	(31,449)	(65,949)	(31,449)	(31,449)	(65,949)	(0)	34,500	34,500
Less deposit intangible, net of deferred tax liability	(4,398)	(6,339)	(4,398)	(4,869)	(6,339)	472	1,941	1,941
Tangible common equity (non-GAAP)	\$ 258,785	\$ 241,860	\$ 258,785	\$ 253,182	\$ 241,860	\$ 5,603	\$ 16,925	\$ 16,925
Total shares outstanding at period end	18,745	19,067	18,745	18,742	19,067	2	(322)	(322)
Tangible book value per common share (Non GAAP)	\$ 13.81	\$ 12.68	\$ 13.81	\$ 13.51	\$ 12.68	\$ 0.30	\$ 1.12	\$ 1.12

GAAP TO NON-GAAP RECONCILIATION - TANGIBLE COMMON EQUITY / TANGIBLE ASSETS

(in thousands except per share data)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Common (and total) stockholder's equity (GAAP)	\$ 294,632	\$ 314,148	\$ 294,632	\$ 289,500	\$ 314,148	\$ 5,132	\$ (19,516)	\$ (19,516)
Less goodwill	(31,449)	(65,949)	(31,449)	(31,449)	(65,949)	(0)	34,500	34,500
Less deposit intangible, net of deferred tax liability	(4,398)	(6,339)	(4,398)	(4,869)	(6,339)	472	1,941	1,941
Tangible common equity (non-GAAP)	\$ 258,785	\$ 241,860	\$ 258,785	\$ 253,182	\$ 241,860	\$ 5,603	\$ 16,925	\$ 16,925
Total assets (GAAP)	\$ 2,559,184	\$ 2,293,475	\$ 2,537,991	\$ 2,559,184	\$ 2,374,619	\$ (21,193)	\$ 163,372	\$ 265,709
Less goodwill	(31,449)	(65,949)	(31,449)	(31,449)	(65,949)	(0)	34,500	34,500
Less deposit intangible, net of deferred tax liability	(4,398)	(6,339)	(4,398)	(4,869)	(6,339)	472	1,941	1,941
Tangible assets (non-GAAP)	\$ 2,523,337	\$ 2,221,187	\$ 2,502,144	\$ 2,522,866	\$ 2,302,331	\$ (20,722)	\$ 199,812	\$ 302,149
Tangible common equity / tangible assets (period end)	10.26%	10.89%	10.34%	10.04%	10.51%	0.31%	-0.16%	-0.63%

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - RETURN ON AVERAGE COMMON EQUITY

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Average common (and total) equity (GAAP)	304,173	304,925	294,285	288,727	311,777	5,558	(17,492)	(752)
Return on average common equity (GAAP)	-5.59%	5.54%	6.04%	6.34%	7.51%	-0.30%	-1.46%	-11.12%
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Total core adjustments to net income	33,463	680	1,026	-	(1,383)	1,026	2,409	32,784
Core net income (Non-GAAP)	\$ 16,472	\$ 17,561	\$ 5,497	\$ 4,604	\$ 4,517	\$ 893	\$ 980	\$ (1,089)
Average common equity	304,173	304,925	294,285	288,727	311,777	5,558	(17,492)	(752)
Core return on average common equity (Non-GAAP)	5.42%	5.76%	7.43%	6.34%	5.75%	1.09%	1.68%	-0.34%

Annualized ratio based on days in quarter divided by days in year

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - TANGIBLE RETURN ON AVERAGE TANGIBLE COMMON EQUITY

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Goodwill impairment charge	34,500	-	-	-	-	-	-	34,500
CDI amortization	2,674	3,013	636	659	717	(23)	(81)	(339)
Income tax expense on pretax total	(722)	(814)	(172)	(178)	(194)	6	22	91
CDI amortization, net of tax	1,952	2,199	464	481	523	(17)	(59)	(247)
Total adjustments to net income	36,452	2,199	464	481	523	(17)	(59)	34,253
Tangible net income (Non-GAAP)	\$ 19,461	\$ 19,080	\$ 4,935	\$ 5,085	\$ 6,423	\$ (150)	\$ (1,488)	\$ 380
Average common equity (GAAP)	\$ 304,173	\$ 304,925	\$ 294,285	\$ 288,727	\$ 311,777	\$ 5,558	\$ (17,492)	\$ (752)
Less average goodwill	(48,511)	(67,092)	(31,449)	(31,449)	(65,949)	(0)	34,500	18,581
Less average core deposit intangible, net	(5,408)	(7,532)	(4,716)	(5,076)	(6,702)	361	1,987	2,124
Average tangible common equity (non-GAAP)	\$ 250,254	\$ 230,301	\$ 258,120	\$ 252,202	\$ 239,125	\$ 5,918	\$ 18,995	\$ 19,953
Tangible return on average tangible common equity (Non-GAAP)	7.78%	8.29%	7.61%	8.02%	10.66%	-0.41%	-3.05%	-0.51%
Tangible net income (Non-GAAP)	\$ 19,461	\$ 19,080	\$ 4,935	\$ 5,085	\$ 6,423	\$ (150)	\$ (1,488)	\$ 380
Total core adjustments to net (loss) income (ex goodwill impairment)	(1,037)	680	1,026	-	(1,383)	1,026	2,409	(1,716)
Core tangible net income (Non-GAAP)	\$ 18,424	\$ 19,760	\$ 5,961	\$ 5,085	\$ 5,040	\$ 876	\$ 921	\$ (1,336)
Average tangible common equity (non-GAAP)	\$ 250,254	\$ 230,301	\$ 258,120	\$ 252,202	\$ 239,125	\$ 5,918	\$ 18,995	\$ 19,953
Core tangible return on average tangible common equity (Non-GAAP)	7.36%	8.58%	9.19%	8.02%	8.36%	1.17%	0.83%	-1.22%

Annualized ratio based on days in quarter divided by days in year

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - RETURN ON AVERAGE ASSETS (in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Average total assets (GAAP)	2,488,280	2,250,334	2,527,869	2,524,773	2,292,369	3,097	235,500	237,946
Return on average assets (GAAP)	-0.68%	0.75%	0.70%	0.73%	1.02%	-0.02%	-0.32%	-1.43%
Net (loss) income (GAAP)	(16,991)	16,881	4,471	4,604	5,900	(133)	(1,429)	(33,872)
Total core adjustments to net (loss) income	33,463	680	1,026	-	(1,383)	1,026	2,409	32,784
Core net income (Non-GAAP)	\$ 16,472	\$ 17,561	\$ 5,497	\$ 4,604	\$ 4,517	\$ 893	\$ 980	\$ (1,089)
Average total assets (GAAP)	2,488,280	2,250,334	2,527,869	2,524,773	2,292,369	3,097	235,500	237,946
Core return on average assets (Non-GAAP)	0.66%	0.78%	0.87%	0.73%	0.78%	0.14%	0.08%	-0.12%

Annualized ratio based on days in quarter divided by days in year

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - TANGIBLE RETURN ON AVERAGE TANGIBLE ASSETS

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Net (loss) income (GAAP)	\$ (16,991)	\$ 16,881	\$ 4,471	\$ 4,604	\$ 5,900	\$ (133)	\$ (1,429)	\$ (33,872)
Goodwill impairment charge	34,500	-	-	-	-	-	-	34,500
CDI amortization	2,674	3,013	636	659	717	(23)	(81)	(339)
Income tax expense on pretax total	(722)	(814)	(172)	(178)	(194)	6	22	91
CDI amortization, net of tax	1,952	2,199	464	481	523	(17)	(59)	(247)
Total adjustments to net income	36,452	2,199	464	481	523	(17)	(59)	34,253
Tangible net income (Non-GAAP)	\$ 19,461	\$ 19,080	\$ 4,935	\$ 5,085	\$ 6,423	\$ (150)	\$ (1,488)	\$ 380
Average total assets (GAAP)	2,488,280	2,250,334	2,527,869	2,524,773	2,292,369	3,097	235,500	237,946
Less average goodwill	(48,511)	(67,092)	(31,449)	(31,449)	(65,949)	(0)	34,500	18,581
Less average core deposit intangible, net	(5,408)	(7,532)	(4,716)	(5,076)	(6,702)	361	1,987	2,124
Average tangible assets (non-GAAP)	\$ 2,434,361	\$ 2,175,710	\$ 2,491,704	\$ 2,488,247	\$ 2,219,717	\$ 3,457	\$ 271,987	\$ 258,651
Tangible return on average tangible assets (Non-GAAP)	0.80%	0.88%	0.79%	0.81%	1.15%	-0.03%	-0.36%	-0.08%
Tangible net income (Non-GAAP)	\$ 19,461	\$ 19,080	\$ 4,935	\$ 5,085	\$ 6,423	\$ (150)	\$ (1,488)	\$ 380
Total core adjustments to net (loss) income (ex goodwill impairment)	(1,037)	680	1,026	-	(1,383)	1,026	2,409	(1,716)
Core tangible net income (Non-GAAP)	\$ 18,424	\$ 19,760	\$ 5,961	\$ 5,085	\$ 5,040	\$ 876	\$ 921	\$ (1,336)
Average tangible assets (non-GAAP)	\$ 2,434,361	\$ 2,175,710	\$ 2,491,704	\$ 2,488,247	\$ 2,219,717	\$ 3,457	\$ 271,987	\$ 258,651
Core tangible return on average tangible assets (Non-GAAP)	0.76%	0.91%	0.95%	0.81%	0.90%	0.14%	0.05%	-0.15%

Annualized ratio based on days in quarter divided by days in year

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - ALLOWANCE FOR LOAN LOSSES AS A % OF PORTFOLIO LOANS (in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$/ %	Prior Yr \$/ %	Yr Over Yr \$/ %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Allowance for loan losses (GAAP)	\$ 19,162	\$ 10,401	\$ 19,162	\$ 17,657	\$ 10,401	\$ 1,505	\$ 8,761	\$ 8,761
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
Allowance as a % of total loans and leases (GAAP)	1.03%	0.60%	1.03%	0.94%	0.60%	0.09%	0.43%	0.43%
Allowance for loan losses (GAAP)	\$ 19,162	\$ 10,401	\$ 19,162	\$ 17,657	\$ 10,401	\$ 1,505	\$ 8,761	\$ 8,761
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
Less PPP loans outstanding	(167,639)	-	(167,639)	(196,375)	-	28,736	(167,639)	(167,639)
Portfolio loans (non-GAAP)	1,698,322	1,745,513	1,698,322	1,688,030	1,745,513	10,292	(47,191)	(47,191)
Allowance as a % of portfolio loans (non-GAAP)	1.13%	0.60%	1.13%	1.05%	0.60%	0.08%	0.53%	0.53%

GAAP TO NON-GAAP RECONCILIATION - NONPERFORMING LOANS AS A % OF PORTFOLIO LOANS (in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$/ %	Prior Yr \$/ %	Yr Over Yr \$/ %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Nonperforming loans	\$ 19,430	\$ 19,143	\$ 19,430	\$ 16,984	\$ 19,143	\$ 2,446	\$ 287	\$ 287
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
Nonperforming loans as a % of total loans and leases (GAAP)	1.04%	1.10%	1.04%	0.90%	1.10%	0.14%	-0.06%	-0.06%
Nonperforming loans	\$ 19,430	\$ 19,143	\$ 19,430	\$ 16,984	\$ 19,143	\$ 2,446	\$ 287	\$ 287
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
Less PPP loans outstanding	(167,639)	-	(167,639)	(196,375)	-	28,736	(167,639)	(167,639)
Portfolio loans (non-GAAP)	1,698,322	1,745,513	1,698,322	1,688,030	1,745,513	10,292	(47,191)	(47,191)
Nonperforming loans as a % of portfolio loans (non-GAAP)	1.14%	1.10%	1.14%	1.01%	1.10%	0.14%	0.05%	0.05%

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - NONPERFORMING ASSETS AS A % OF PORTFOLIO LOANS + OREO

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Nonperforming assets	\$ 20,173	\$ 22,241	\$ 20,173	\$ 18,139	\$ 22,241	\$ 2,034	\$ (2,068)	\$ (2,068)
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
OREO	743	3,098	743	1,155	3,098	(412)	(2,355)	(2,355)
Total loans and leases + OREO	1,866,704	1,748,611	1,866,704	1,885,560	1,748,611	(18,856)	118,093	118,093
Nonperforming assets as a % of total loans and leases + OREO (GAAP)	1.08%	1.27%	1.08%	0.96%	1.27%	0.12%	-0.19%	-0.19%
Nonperforming assets	\$ 20,173	\$ 22,241	\$ 20,173	\$ 18,139	\$ 22,241	\$ 2,034	\$ (2,068)	\$ (2,068)
Total loans and leases (GAAP)	1,865,961	1,745,513	1,865,961	1,884,405	1,745,513	(18,444)	120,448	120,448
OREO	743	3,098	743	1,155	3,098	(412)	(2,355)	(2,355)
Total loans and leases + OREO	1,866,704	1,748,611	1,866,704	1,885,560	1,748,611	(18,856)	118,093	118,093
Less PPP loans outstanding	(167,639)	-	(167,639)	(196,375)	-	28,736	(167,639)	(167,639)
Portfolio loans + OREO	\$ 1,699,065	\$ 1,748,611	\$ 1,699,065	\$ 1,689,185	\$ 1,748,611	\$ 9,880	\$ (49,546)	\$ (49,546)
Nonperforming assets as a % of portfolio loans + OREO (non-GAAP)	1.19%	1.27%	1.19%	1.07%	1.27%	0.11%	-0.08%	-0.08%

GAAP TO NON-GAAP RECONCILIATION *(continued)*

GAAP TO NON-GAAP RECONCILIATION - ALLOWANCE FOR LOAN LOSSES + FV MARKS AS A % OF PORTFOLIO LOANS + FV MARKS

(in thousands)

	FOR THE YEAR ENDED		FOR THE THREE MONTHS ENDED			Prior Qtr \$ / %	Prior Yr \$ / %	Yr Over Yr \$ / %
	December 31, 2020	December 31, 2019	December 31, 2020	September 30, 2020	December 31, 2019			
Allowance for loan losses (GAAP)	\$ 19,162	\$ 10,401	\$ 19,162	\$ 17,657	\$ 10,401	\$ 1,505	\$ 8,761	\$ 8,761
Add: Fair value marks	6,454	9,078	6,454	7,365	9,078	(911)	(2,624)	(2,624)
Allowance + fair value marks (non-GAAP)	\$ 25,616	\$ 19,479	\$ 25,616	\$ 25,022	\$ 19,479	\$ 594	\$ 6,137	\$ 6,137
Total loans and leases (GAAP)	\$ 1,865,961	\$ 1,745,513	\$ 1,865,961	\$ 1,884,405	\$ 1,745,513	\$ (18,444)	\$ 120,448	\$ 120,448
Add: fair value marks	6,454	9,078	6,454	7,365	9,078	(911)	(2,624)	(2,624)
Total loans and leases + fair value marks (non-GAAP)	\$ 1,872,415	\$ 1,754,591	\$ 1,872,415	\$ 1,891,770	\$ 1,754,591	\$ (19,355)	\$ 117,824	\$ 117,824
Allowance + fair value marks as a % of total loans and leases + fair value marks (non-GAAP)	1.37%	1.11%	1.37%	1.32%	1.11%	0.05%	0.26%	0.26%
Allowance for loan losses (GAAP)	\$ 19,162	\$ 10,401	\$ 19,162	\$ 17,657	\$ 10,401	\$ 1,505	\$ 8,761	\$ 8,761
Add: Fair value marks	6,454	9,078	6,454	7,365	9,078	(911)	(2,624)	(2,624)
Allowance + fair value marks (non-GAAP)	\$ 25,616	\$ 19,479	\$ 25,616	\$ 25,022	\$ 19,479	\$ 594	\$ 6,137	\$ 6,137
Total loans and leases (GAAP)	\$ 1,865,961	\$ 1,745,513	\$ 1,865,961	\$ 1,884,405	\$ 1,745,513	(18,444)	120,448	120,448
Less PPP loans outstanding	(167,639)	-	(167,639)	(196,375)	-	28,736	(167,639)	(167,639)
Portfolio loans (non-GAAP)	\$ 1,698,322	\$ 1,745,513	\$ 1,698,322	\$ 1,688,030	\$ 1,745,513	\$ 10,292	\$ (47,191)	\$ (47,191)
Add: fair value marks	6,454	9,078	6,454	7,365	9,078	(911)	(2,624)	(2,624)
Portfolio loans + fair value marks (non-GAAP)	\$ 1,704,776	\$ 1,754,591	\$ 1,704,776	\$ 1,695,395	\$ 1,754,591	\$ 9,381	\$ (49,815)	\$ (49,815)
Allowance + fair value marks as a % of total loans and leases + fair value marks (non-GAAP)	1.50%	1.11%	1.50%	1.48%	1.11%	0.03%	0.39%	0.39%