



FIRSTwestern

2022 Annual Meeting of Shareholders
June 8, 2022

Safe Harbor

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2021 Review and Highlights

- Strong execution on growth strategies resulted in a superior level of financial performance
 - Member of “Hovde’s High Performers Class of 2022”
 - Named Bank & Thrift Sm-All Star by Piper Sandler
- Combination of organic growth and acquisitions continues to improve operating leverage and profitability
- Growth in commercial/private banking and investment management businesses providing more sustainable source of improved profitability, while mortgage business returns to its intended role as a complementary source of fee income
- Asset quality remains exceptional despite ongoing impact of pandemic, supply chain disruptions, and labor shortages
- Teton Financial Services acquisition provides increased presence in attractive Wyoming markets and additional catalyst for earnings growth in 2022
- Strong financial performance creating significant increase in shareholder value
 - Tangible book value per share increased more than 20% in 2021⁽¹⁾
 - \$130 million increase in market capitalization in 2021

(1) See Non-GAAP reconciliation

Teton Financial Services Acquisition

Transaction Overview

- Closed on December 31, 2021
- Acquisition of Teton Financial Services Inc., the holding company for Rocky Mountain Bank
- Expands First Western's footprint and market share in Wyoming where favorable trust, estate and tax laws align well with private banking and investment management business model
- Added \$379 million in deposits and \$252 million in loans
- Adds scale and improves operating efficiencies
- Systems integration completed in mid-May 2022

Financial Impact

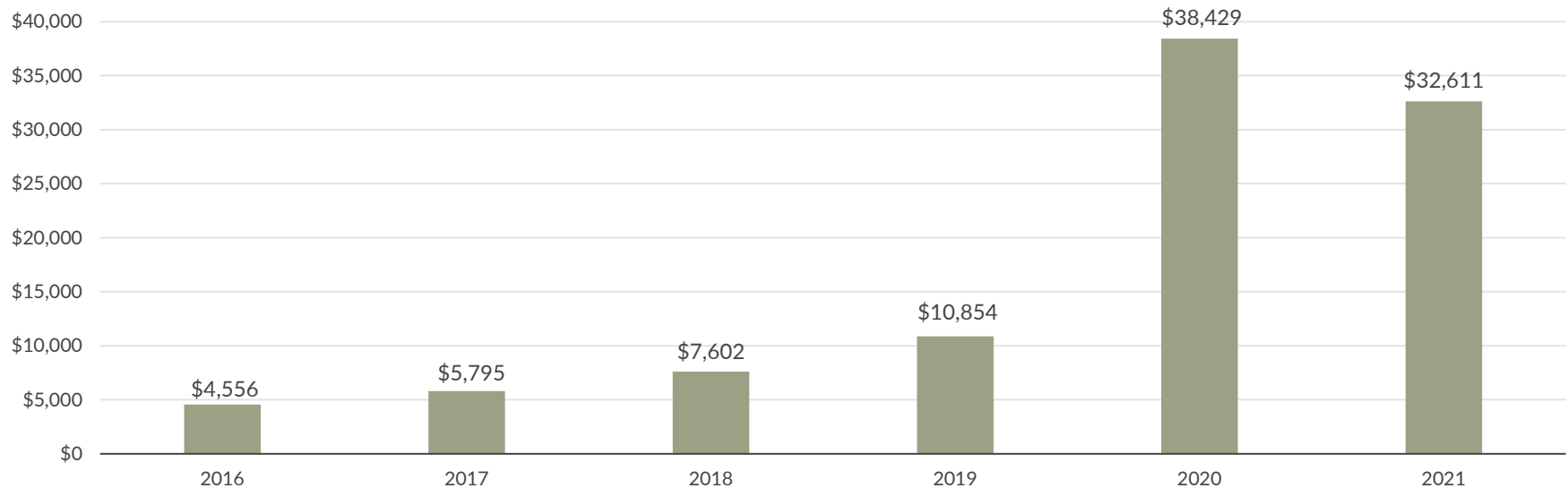
- 7.4% accretive to 2022 EPS (assuming fully phased-in cost savings)
- Immediately accretive to TBV/share upon closing
- Added low-cost deposits and higher-yielding loans that are positively impacting net interest margin

Strong Operational and Financial Momentum

Drivers of Improved Performance

- Robust balance sheet growth
- Strong contributions from multiple fee income areas
- Consistent new client acquisition activity driving growth in assets under management
- Highly leverageable operating platform driving improved efficiencies
- Outstanding asset quality and low credit costs

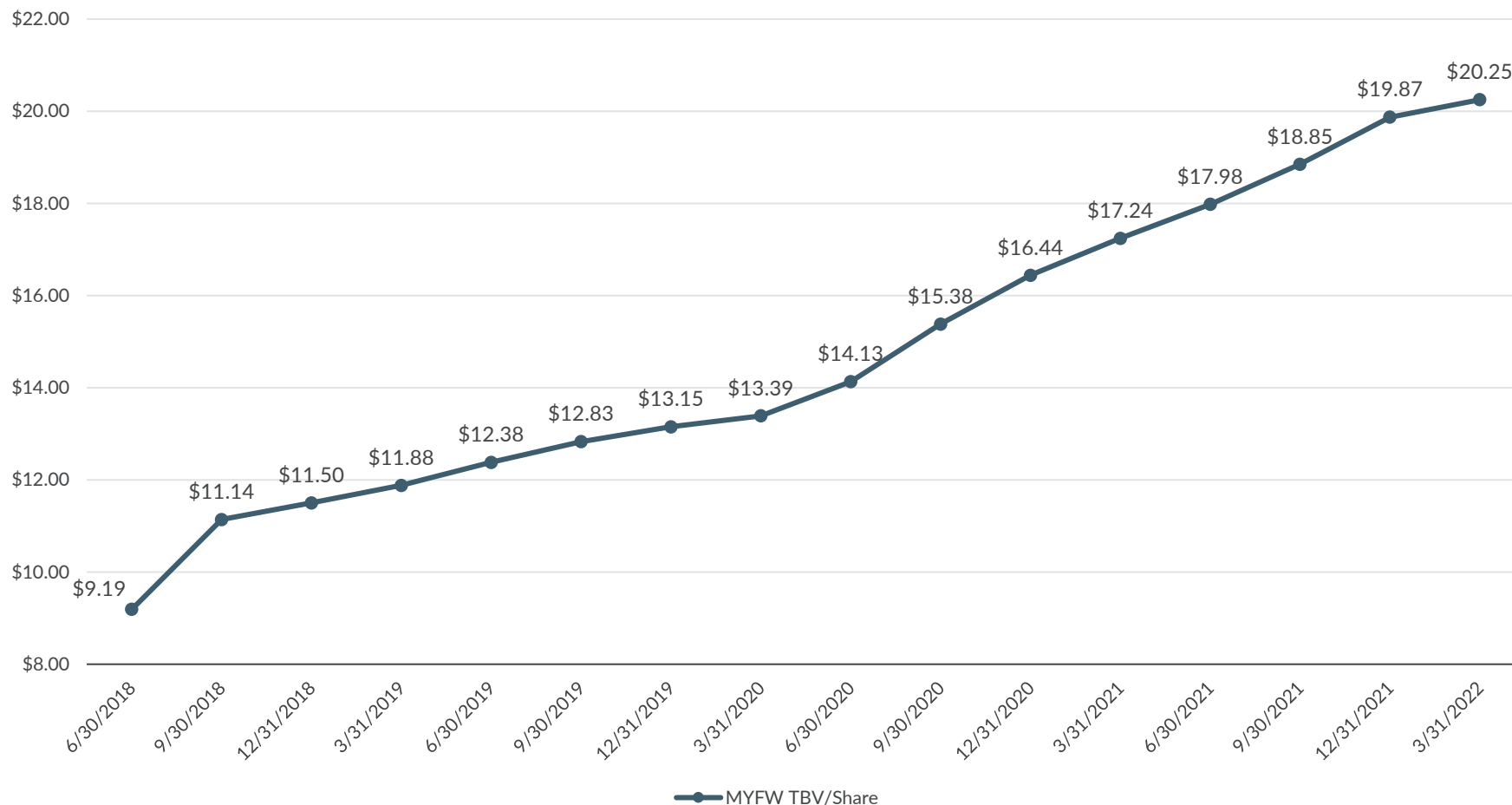
Adjusted Pre-Tax, Pre-Provision Income⁽¹⁾ (\$000s)



(1) See Non-GAAP reconciliation

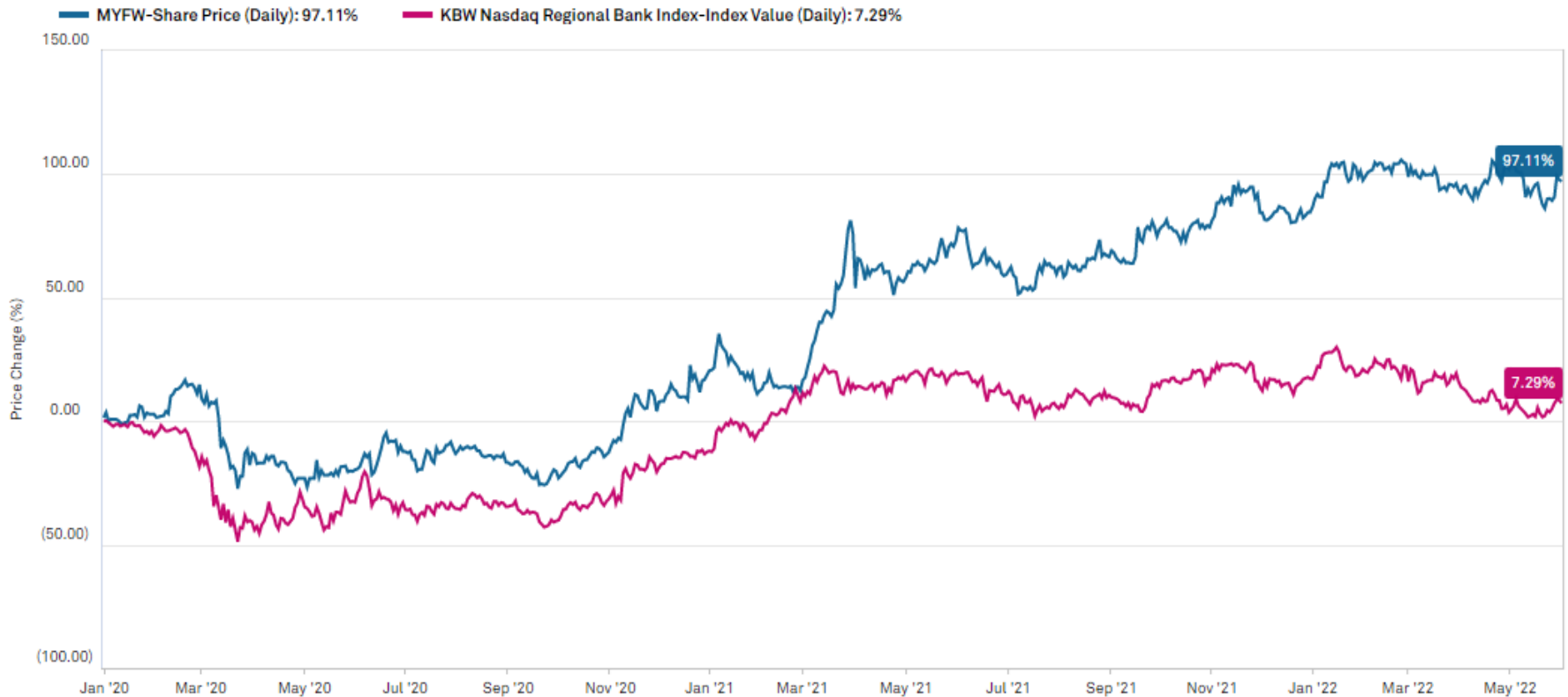
Consistent Increase in Shareholder Value

TBV/Share⁽¹⁾ Up 120% Since July 2018 IPO



(1) See Non-GAAP reconciliation

Strong Execution on Growth Strategies Driving Significant Outperformance



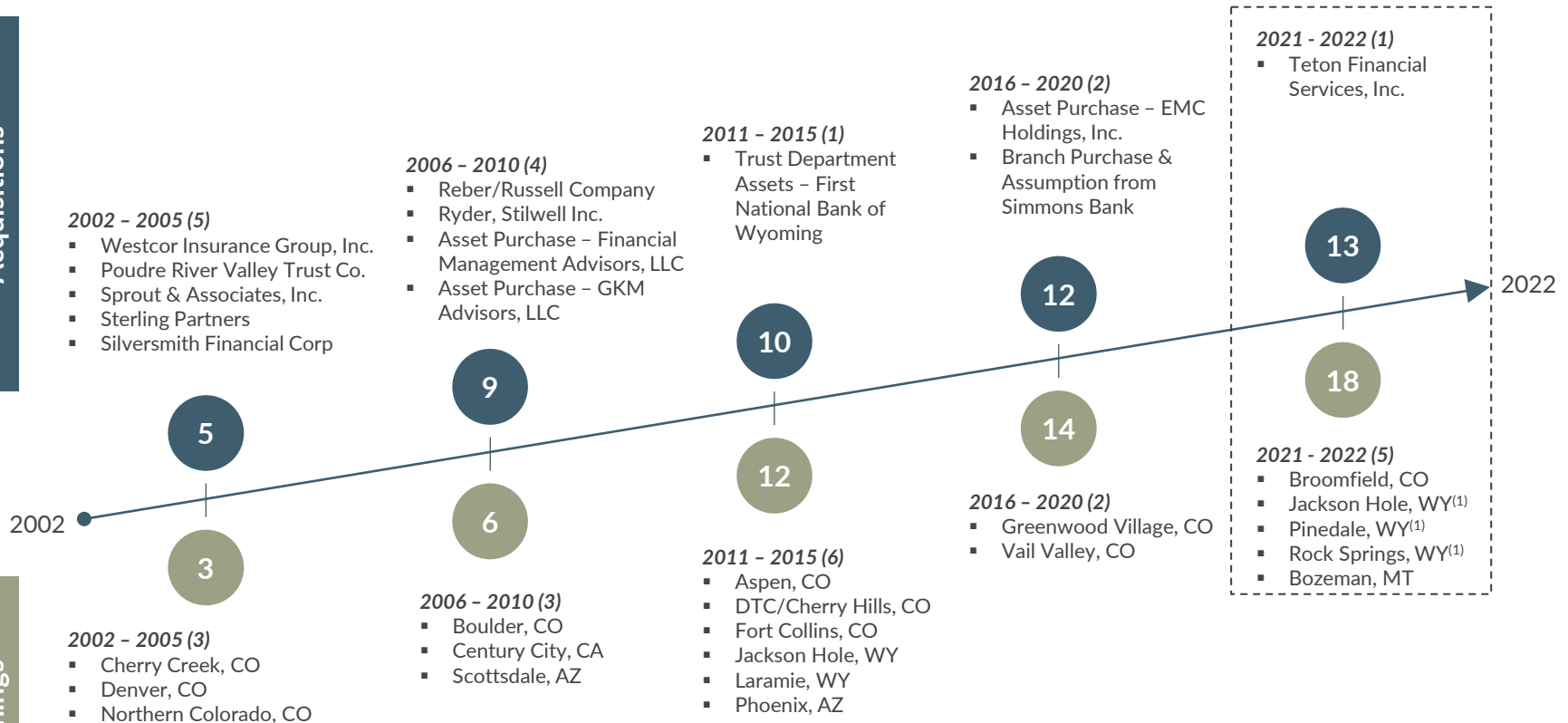
(1) Source: S&P Capital IQ (January 1, 2020 through June 1, 2022)

Driving Profitable Growth

Success in Expansion and Acquisition Growth

Acquisitions

Office Openings



Total Acquisitions

Total Offices

(1) Added through the Teton Financial Services, Inc. acquisition; The two Jackson Hole offices were consolidated in May 2022

Revenue Growth Strategies

Expand commercial loan production platform

- Building expertise in specific vertical markets, e.g. medical and dental practices
- Capitalize on growing reputation to attract additional experienced commercial banking talent

Expand into new markets with attractive demographics

- Vail Valley office opened in 2019
- Built team and revenue base to open office in Broomfield, CO in 3Q21
- Added team to focus on Bozeman, MT market in 2Q21

Execute on revenue synergies from Teton acquisition

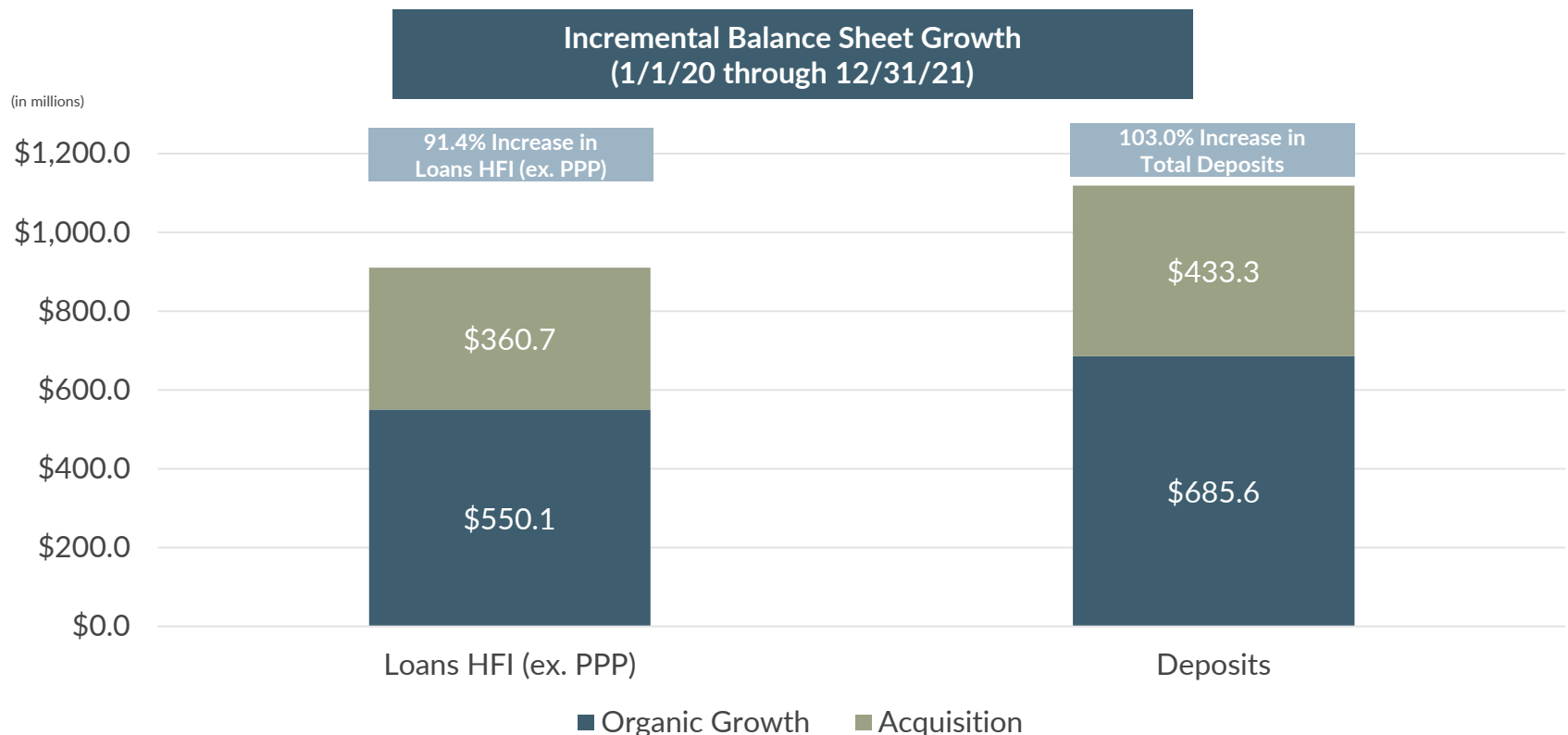
- Capitalize on higher legal lending limit to expand relationships with existing clients and pursue larger commercial clients
- Cross-sell MYFW's larger offering of trust and wealth management products to new client base
- Continue adding banking talent to further accelerate market share gains in Wyoming

Execute on low-risk strategic transactions that add value to the MYFW franchise

- Execute on minimally dilutive acquisitions
- Leverage infrastructure through branch acquisition transactions
- Proactive expansion, acquisition team

Strong Execution on Revenue Growth Strategies

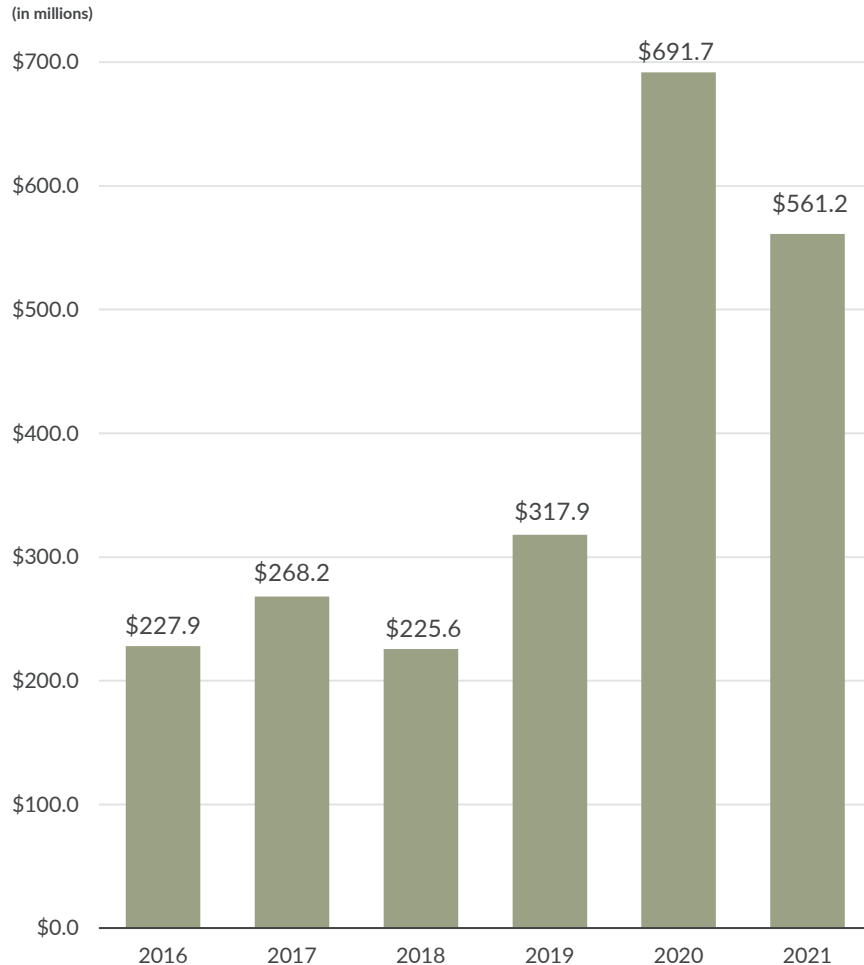
- Accelerating business development, office expansion and accretive acquisitions all contributing to the balance sheet growth driving improved operating leverage and higher profitability
- M&A strategy continuing with acquisition of Teton Financial Services
- Office expansion continuing with hiring of team to focus on Bozeman, MT market



Accelerating Business Development Trends

Capital raised in July 2018 IPO has allowed for increased business development activities

New Loan Production⁽¹⁾



Net Deposit Growth⁽²⁾

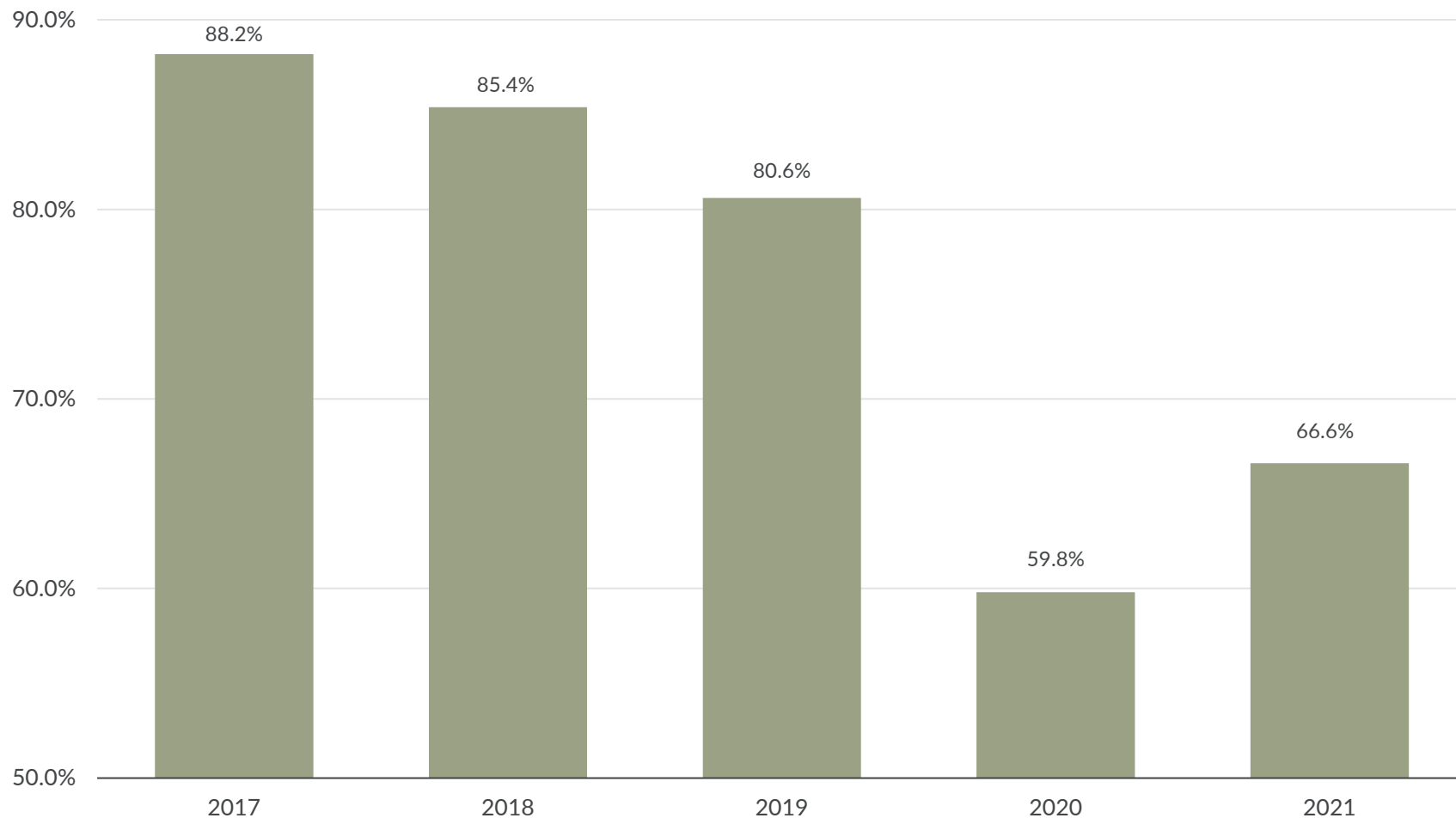


(1) Excluding PPP loans

(2) Excluding acquired deposits

Increased Scale and Back-Office Streamlining Driving Improved Efficiencies

Efficiency Ratio⁽¹⁾

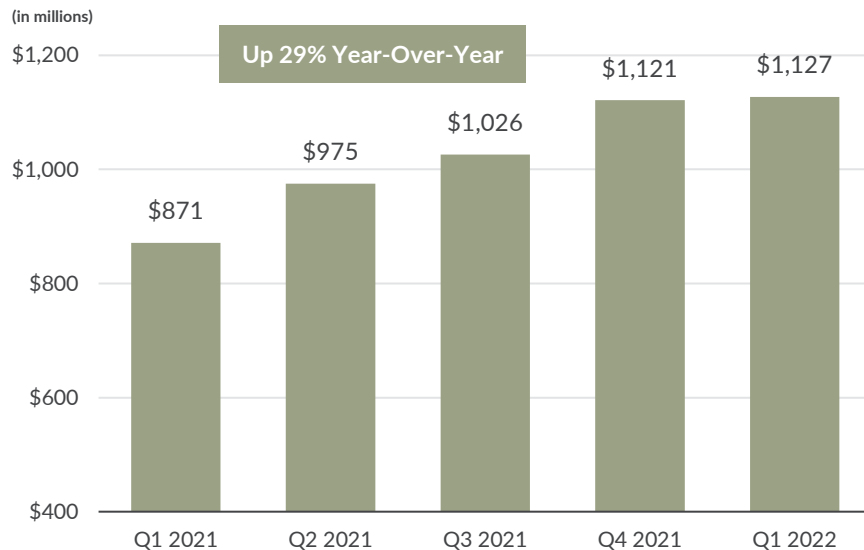


(1) See Non-GAAP reconciliation

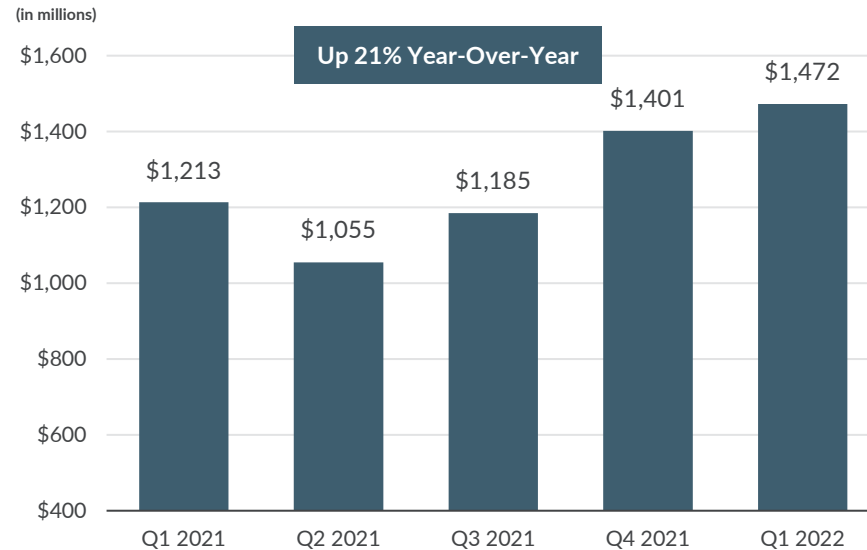
Commercial Banking Driving Growth

- During 2020, expanded commercial banking team and added construction lending expertise
- Increase in commercial banking clients contributing to growth in total loans and low-cost deposits while improving overall diversification
- Stronger commercial banking platform complements private banking and expanded mortgage capabilities to create a more valuable franchise with additional catalysts for future growth

Total Commercial Loans⁽¹⁾



Total Commercial Deposits

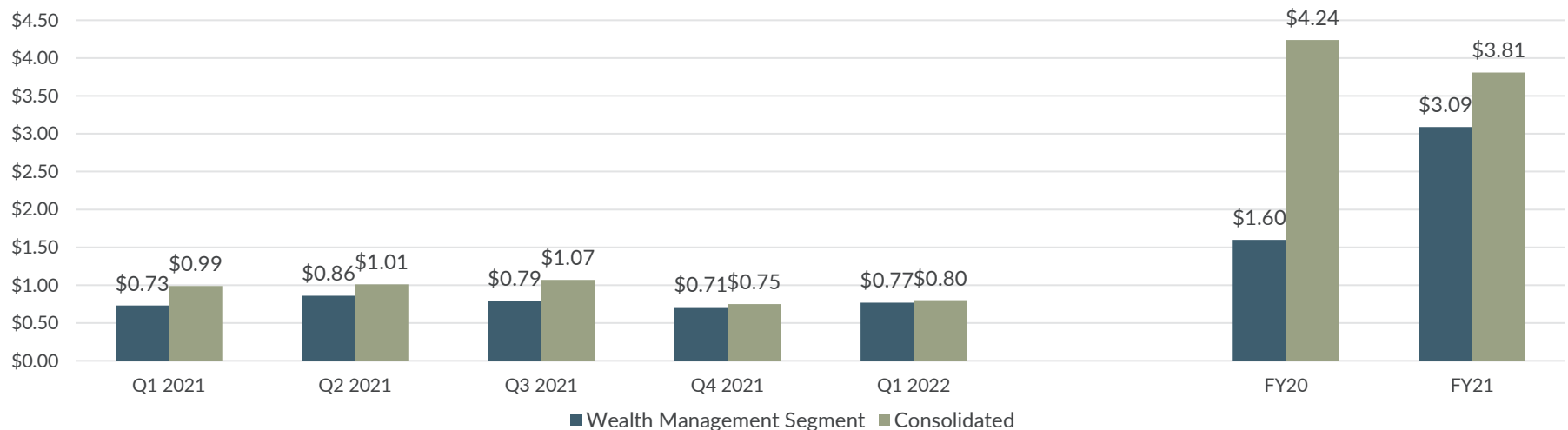


(1) Reflects loans to commercial borrowers across all loan categories excludes SBA PPP loan balances due to their short-term nature.

Wealth Management Segment Earnings

- Wealth Management segment earnings reflects contribution of private banking, commercial banking, and trust and investment management business lines
- Growth in private banking, commercial banking, and TIM businesses replacing earnings generated by mortgage segment in 2020 and creating sustainable path to higher profitability over long-term
- Wealth Management segment pre-tax EPS increased 93% in 2021

Wealth Management Segment Diluted Pre-Tax Earnings Per Share⁽¹⁾



(1) See Non-GAAP reconciliation

Creating Additional Shareholder Value

2022 Outlook and Priorities

- First Western is well positioned to deliver another strong year of organic and acquisitive growth in 2022
- Increasing production from commercial banking platform expected to result in strong organic loan growth
- Focused on fully realizing the synergies from Teton Financial Services acquisition
- Continued investment in new banking talent and market expansion should continue to create additional sources of organic growth
- Capitalize on the benefits of increased scale to continue investing in technology and talent while still realizing improved operating leverage
- Balance sheet is well positioned to benefit from rising interest rates
- Evaluate additional accretive acquisition opportunities
- Continue executing well and further enhancing the value of the First Western franchise

Long-Term Goals to Drive Shareholder Value

Our mission is to be the BPBFWWMC – Best Private Bank for the Western Wealth Management Client

We believe First Western can be a unique, niche focused regional powerhouse with high fee income and consistent strong earnings from our scalable wealth management platform

- **Drive to \$5 billion in total assets, \$25 billion TIM assets through both organic growth and acquisitions**
 - ~50 offices
 - \$7-8 million in revenue per office
 - 60% contribution margin per office
- **Build footprint, scale and operating leverage with M&A**
 - Capital and earnings accretive
- **Create, roll out virtual private bank**
 - Robo advisor tied to bank
 - “Buy up” into expert advice
- **Upgrade wealth management platform**
 - Fully integrated front end
- **Sell wholesale TIM services to other banks**

Non-GAAP Reconciliations

Non-GAAP Reconciliation

Consolidated Adjusted Pre-tax, Pre-provision Income	For the Twelve Months Ended December 31,					
(Dollars in thousands)	2016	2017	2018	2019	2020	2021
Net Income before income tax, as reported	\$3,571	\$5,007	\$7,422	\$10,192	\$33,063	\$27,280
Plus: Provision for loan losses	985	788	180	662	4,682	1,230
Pre-tax, Pre-provision Income	\$4,556	\$5,795	\$7,602	\$10,854	\$37,745	\$28,510
Plus: Acquisition related expenses	-	-	-	-	684	4,101
Adjusted Pre-tax, Pre-provision Income	\$4,556	\$5,795	\$7,602	\$10,854	\$38,429	\$32,611

Consolidated Efficiency Ratio	For the Years Ended,					
(Dollars in thousands)	2016	2017	2018	2019	2020	2021
Non-interest expense	\$49,823	\$49,494	\$50,195	\$53,784	\$59,537	\$68,149
Less: Amortization	747	784	831	374	14	17
Less: Acquisition related expenses	-	-	-	-	684	4,101
Less: Goodwill impairment	-	-	-	1,572	-	-
Less: Provision on other real estate owned	-	-	-	-	176	-
Less: Loss on assets held for sale	-	-	-	-	553	-
Plus: Gain on sale of LA fixed income team	-	-	-	-	62	-
Adjusted non-interest expense	\$49,076	\$48,710	\$49,364	\$51,838	\$58,172	\$64,031
Net interest income	\$24,457	\$27,576	\$30,624	\$32,061	\$46,102	\$56,509
Non-interest income	29,922	27,713	27,173	32,577	51,180	40,150
Less: Net gain on securities	114	81	-	119	-	489
Less: Net gain on sale of assets	-	-	-	183	-	-
Total income	\$54,265	\$55,208	\$57,797	\$64,336	\$97,282	\$96,170
Efficiency ratio	90.4%	88.2%	85.4%	80.6%	59.8%	66.6%

Non-GAAP Reconciliation

Consolidated Tangible Common Book Value Per Share	As of the Three Months Ended,										
(Dollars in thousands)	Jun 30, 2018	Sep 30, 2018	Dec 31, 2018	Mar 31, 2019	Jun 30, 2019	Sep 30, 2019	Dec 31, 2019	Mar 31, 2020	Jun 30, 2020	Sep 30, 2020	Dec 31, 2020
Total shareholders' equity	\$104,958	\$114,164	\$116,875	\$119,668	\$122,157	\$125,732	\$127,678	\$128,703	\$139,417	\$149,576	\$154,962
Less:											
Preferred stock (liquidation preference)	24,968	-	-	-	-	-	-	-	-	-	-
Goodwill and other intangibles, net	25,584	25,376	25,213	25,040	23,327	19,722	19,714	19,712	24,267	24,263	24,258
Intangibles held for sale ⁽¹⁾	-	-	-	-	-	3,553	3,553	3,000	3,000	3,000	-
Tangible common equity	54,406	88,788	91,662	94,628	98,830	102,457	104,411	105,991	112,150	122,313	130,704
Common shares outstanding, end of period	5,917,667	7,968,420	7,968,420	7,968,420	7,983,866	7,983,284	7,940,168	7,917,489	7,939,024	7,951,749	7,951,773
Tangible common book value per share	\$9.19	\$11.14	\$11.50	\$11.88	\$12.38	\$12.83	\$13.15	\$13.39	\$14.13	\$15.38	\$16.44

Consolidated Tangible Common Book Value Per Share	As of the Three Months Ended,				
(Dollars in thousands)	Mar 31, 2021	Jun 30, 2021	Sep 30, 2021	Dec 31, 2021	Mar 31, 2022
Total shareholders' equity	\$161,439	\$167,986	\$175,129	\$219,041	\$223,266
Less:					
Goodwill and other intangibles, net	24,254	24,250	24,246	31,902	32,335
Tangible common equity	137,185	143,736	150,883	187,139	190,931
Common shares outstanding, end of period	7,957,900	7,994,832	8,002,874	9,419,271	9,430,007
Tangible common book value per share	\$17.24	\$17.98	\$18.85	\$19.87	\$20.25

Diluted Pre-Tax Earnings Per Share	For The Three Months Ended					For The Years Ended	
(Dollars in thousands)	March 31, 2021	June 30, 2021	September 30, 2021	December 31, 2021	March 31, 2022	December 31, 2020	December 31, 2021
Non-Mortgage income before income tax	\$5,917	\$6,983	\$6,199	\$2,279	\$7,011	\$12,085	\$21,378
Plus: Acquisition-related expenses	-	70	332	3,696	527	684	4,098
Mortgage income before income tax	2,122	1,205	2,267	308	305	20,978	5,902
Less: Income tax expense including acquisition tax effect	2,040	1,927	2,129	1,507	1,921	8,705	7,603
Net income available to common shareholders	\$5,999	\$6,331	\$6,669	\$4,776	\$5,922	\$25,042	\$23,775
Diluted weighted average shares	8,098,680	8,213,900	8,246,353	8,370,998	9,762,602	7,961,904	8,235,178
Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share	\$0.73	\$0.86	\$0.79	\$0.71	\$0.77	\$1.60	\$3.09
Consolidated Diluted Pre-Tax Earnings Per Share	\$0.99	\$1.01	\$1.07	\$0.75	\$0.80	\$4.24	\$3.81