FIRSTWESTERN

Third Quarter 2023
Conference Call

Safe Harbor

This presentation contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect the current views of First Western Financial, Inc.'s ("First Western") management with respect to, among other things, future events and First Western's financial performance. These statements are often, but not always, made through the use of words or phrases such as "may," "should," "could," "predict," "potential," "believe," "will likely result," "expect," "continue," "will," "anticipate," "seek," "estimate," "intend," "plan," "position," "project," "future" "forecast," "goal," "target," "would" and "outlook," or the negative variations of those words or other comparable words of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about First Western's industry, management's beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond First Western's control. Accordingly, First Western cautions you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although First Western believes that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. The following risks and uncertainties, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: integration risks in connection with acquisitions; the risk of geographic concentration in Colorado, Arizona, Wyoming, California, and Montana; the risk of changes in the economy affecting real estate values and liquidity; the risk in our ability to continue to originate residential real estate loans and sell such loans; risks specific to commercial loans and borrowers; the risk of claims and litigation pertaining to our fiduciary responsibilities; the risk of competition for investment managers and professionals; the risk of fluctuation in the value of our investment securities; the risk of changes in interest rates; and the risk of the adequacy of our allowance for credit losses and the risk in our ability to maintain a strong core deposit base or other low-cost funding sources. Additional information regarding these and other risks and uncertainties to which our business and future financial performance are subject is contained in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on March 15, 2023 and other documents we file with the SEC from time to time. All subsequent written and oral forward-looking statements attributable to First Western or persons acting on First Western's behalf are expressly qualified in their entirety by this paragraph. Forward-looking statements speak only as of the date of this presentation. First Western undertakes no obligation to publicly update or otherwise revise any forward-looking statements, whether as a result of new information, future events or otherwise (except as required by law).

Certain of the information contained herein may be derived from information provided by industry sources. The Company believes that such information is accurate and the sources from which it has been obtained are reliable; however, the Company cannot guaranty the accuracy of such information and has not independently verified such information.

This presentation contains certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures are provided at the end of this presentation. Numbers in the presentation may not sum due to rounding.

Our common stock is not a deposit or savings account. Our common stock is not insured by the Federal Deposit Insurance Corporation or any governmental agency or instrumentality.

This presentation is not an offer to sell any securities and it is not soliciting an offer to buy any securities in any state or jurisdiction where the offer or sale is not permitted. Neither the SEC nor any state securities commission has approved or disapproved of the securities of the Company or passed upon the accuracy or adequacy of this presentation. Any representation to the contrary is a criminal offense. Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof.

Overview of 3Q23

3Q23 Earnings

- Net revenue increased $2.0 million, or 9.6%, to $22.5 million in Q3 2023, compared to $20.6 million in Q2 2023
- Net income available to common shareholders of $3.1 million, or $0.32 per diluted share
- Pre-tax, pre-provision net income of $4.6 million(1), an increase of 17% from $3.9 million(1) in the prior quarter
- Strong earnings and disciplined balance sheet management resulted in further increase in tangible book value per share and increase in all capital ratios

Prudent Balance Sheet Growth

- Deposit growth exceeded loan growth in the third quarter
- 7.5% annualized deposit growth
- 5.6% annualized loan growth while maintaining conservative underwriting criteria and disciplined pricing

Strong Execution on Key Priorities

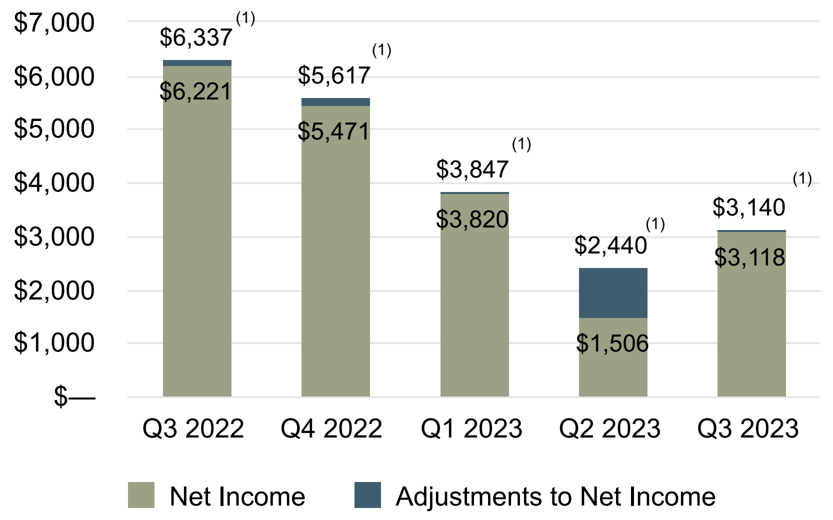
- Disciplined expense control resulted in operating expenses coming in at low end of targeted range
- Increased focus on deposit gathering reduced loan-to-deposit ratio
- Conservative underwriting and proactive portfolio management continues to result in immaterial credit losses
- Increase in NPAs driven by one relationship consisting of $42 million in loans that are collateralized with minimal loss exposure

(1) See Non-GAAP reconciliation

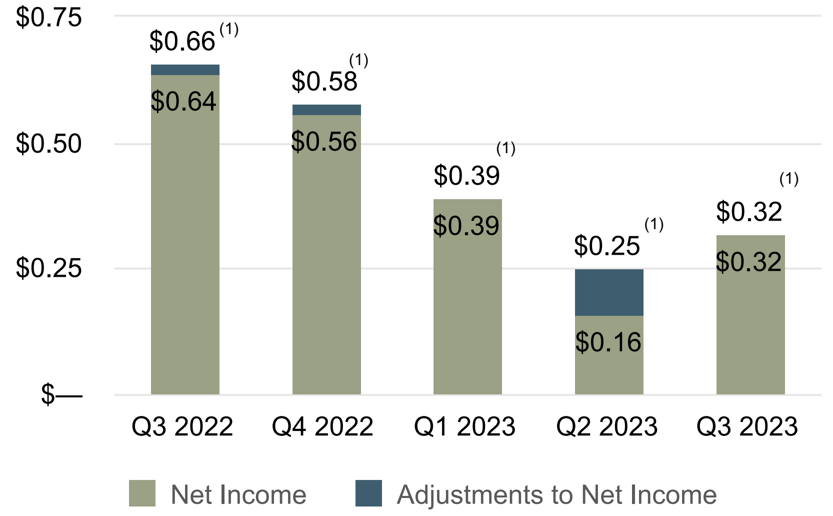
Net Income Available to Common Shareholders and Earnings per Share

- Net income of $3.1 million, or $0.32 diluted earnings per share, in 3Q23
- Profitability and prudent balance sheet management resulted in book value and tangible book value per share[(1)] increasing by 4.1% and 5.0%, respectively, from 3Q22

Net Income Available to Common Shareholders



Diluted Earnings per Share



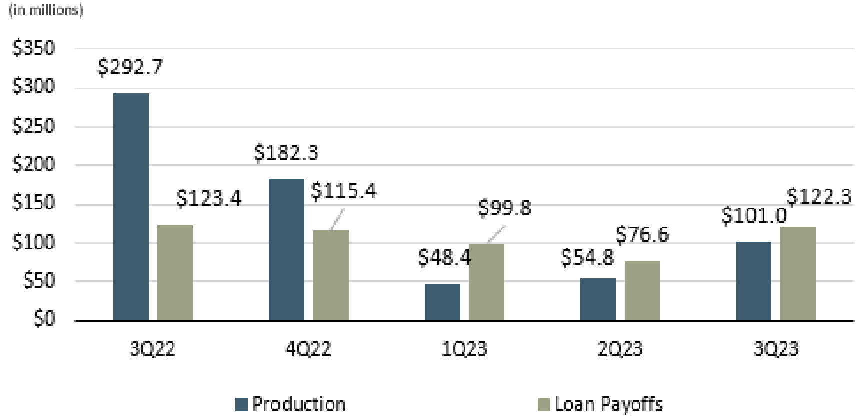
(1) See Non-GAAP reconciliation

Loan Portfolio

Loan Portfolio Details

- Total loans held for investment increased $34.6 million from prior quarter
- Growth driven by commercial and industrial loans, residential mortgage loans, and draws on existing construction lines, partially offset by a decrease in CRE loans due to an increase in payoffs
- New loan production of more than $100 million represents largest quarter of new loan production of the year
- Average rate on new loan production increased 51 bps to 7.92% compared to prior quarter

Loan Production & Loan Payoffs

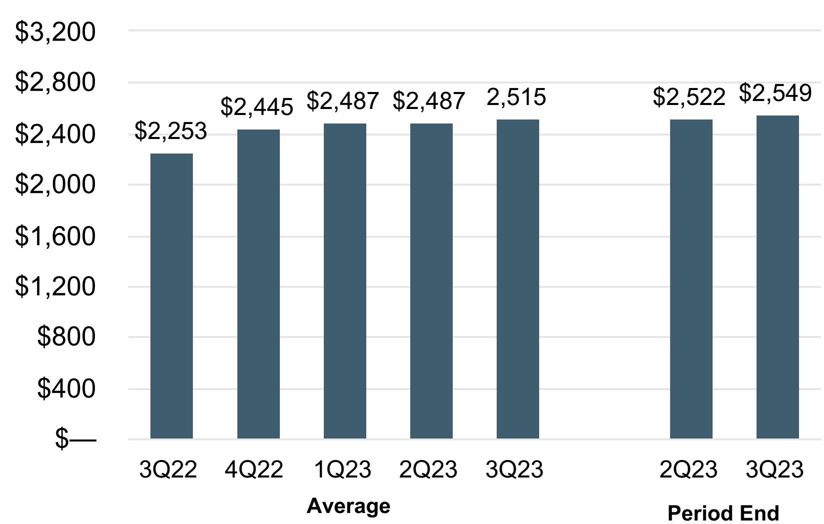


Loan Portfolio Composition[1]

($ in thousands, as of quarter end)	3Q 2022	2Q 2023	3Q 2023
Cash, Securities and Other	$ 154,748	$ 150,679	$ 148,669
Consumer and Other	27,781	21,866	23,975
Construction and Development	228,060	313,227	349,436
1-4 Family Residential	822,796	878,670	913,085
Non-Owner Occupied CRE	527,836	561,880	527,377
Owner Occupied CRE	220,075	218,651	208,341
Commercial and Industrial	350,954	338,679	349,515
Total	$ 2,332,250	$ 2,483,652	$ 2,520,398
Loans accounted for at fair value[2]	22,648	18,274	16,105
Total Loans HFI	$ 2,354,898	$ 2,501,926	$ 2,536,503
Loans held-for-sale (HFS)	12,743	19,746	12,105
Total Loans	$ 2,367,641	$ 2,521,672	$ 2,548,608

(1) Represents unpaid principal balance. Excludes deferred (fees) costs, and amortized premium/ (unaccreted discount).
(2) Excludes fair value adjustments on loans accounted for under the fair value option.

Total Loans[1]



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Total Deposits

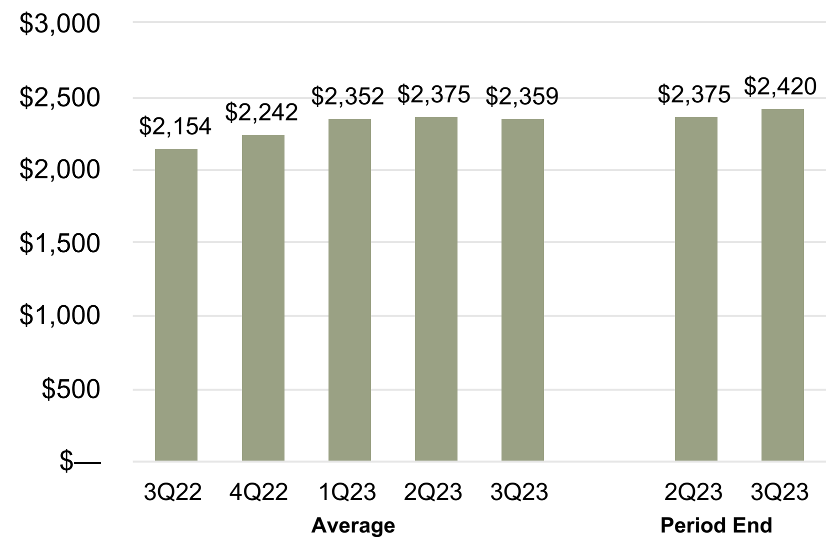
- Total deposits increased by $44.6 million in 3Q23
- Success in new business development, with $26 million in new deposit relationships added in 3Q23
- Continued migration of noninterest-bearing deposits into interest-bearing categories as clients seek higher rates for their excess liquidity

Deposit Portfolio Composition

	3Q 2022	2Q 2023	3Q 2023
Money market deposit accounts	$ 1,010,846	$ 1,297,732	$ 1,388,726
Time deposits	186,680	376,147	373,459
NOW	277,225	168,537	164,000
Savings accounts	30,641	18,737	17,503
Noninterest-bearing accounts	662,055	514,241	476,308
Total Deposits	**$ 2,167,447**	**$ 2,375,394**	**$ 2,419,996**

Total Deposits

($ in millions)



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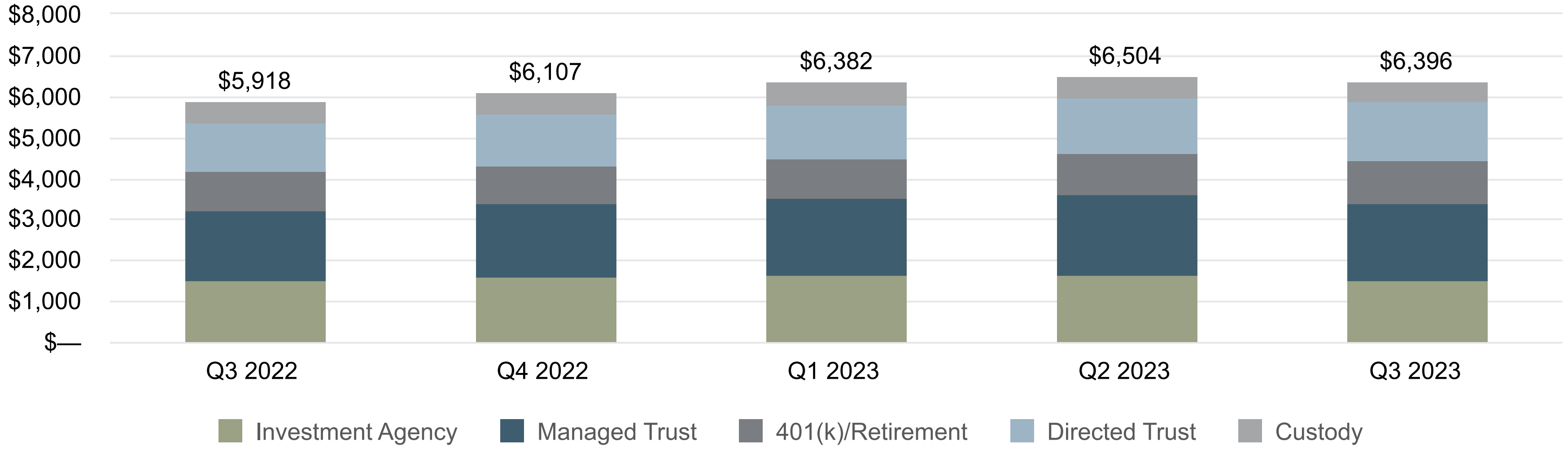
Trust and Investment Management

- Total assets under management decreased $108.2 million from June 30, 2023 to $6.40 billion as of September 30, 2023
- Primarily attributable to a decrease in market values throughout the quarter resulting in a decrease in the value of assets under management balances

Total Assets Under Management

(in millions, as of quarter end)



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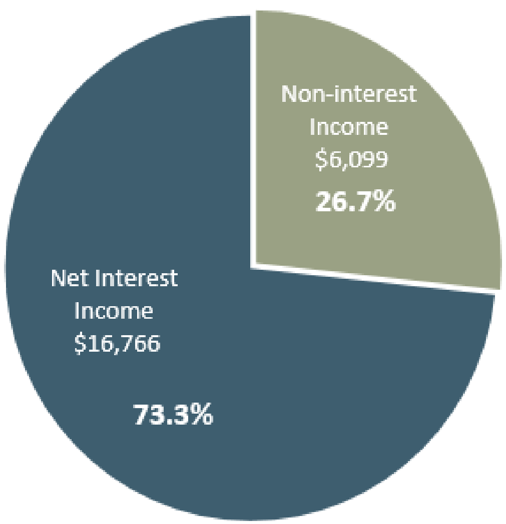
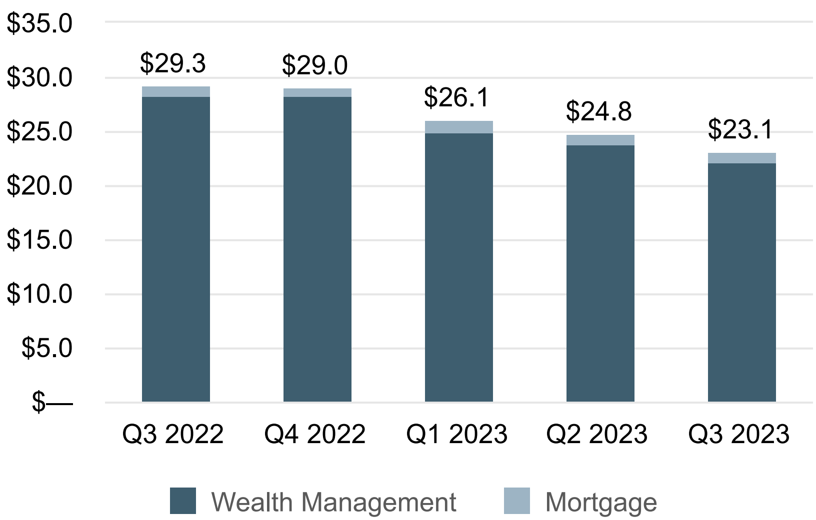
Gross Revenue

- Gross revenue(1) declined 6.6% from prior quarter
- Decline in net interest income, partially offset by an increase in noninterest income
- Non-interest income mix increased to 26.7% from 17.7% in prior quarter

3Q23 Gross Revenue(1)



Gross Revenue(1)

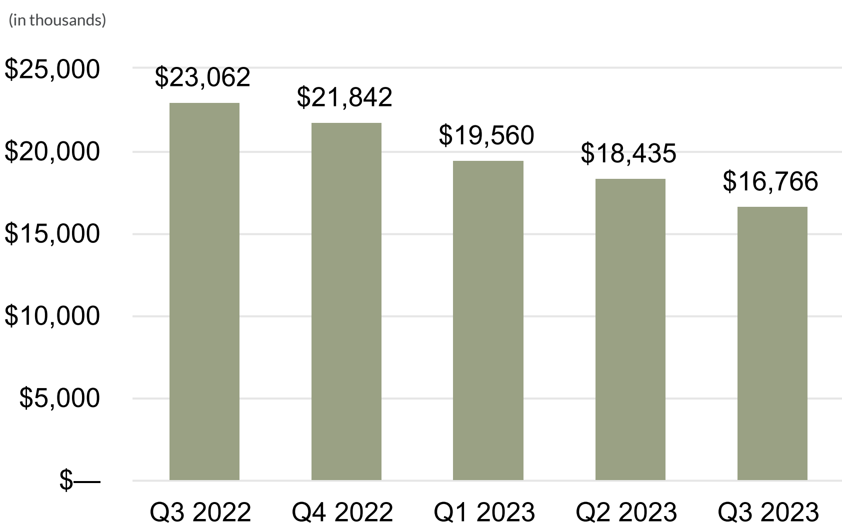


(1) See Non-GAAP reconciliation

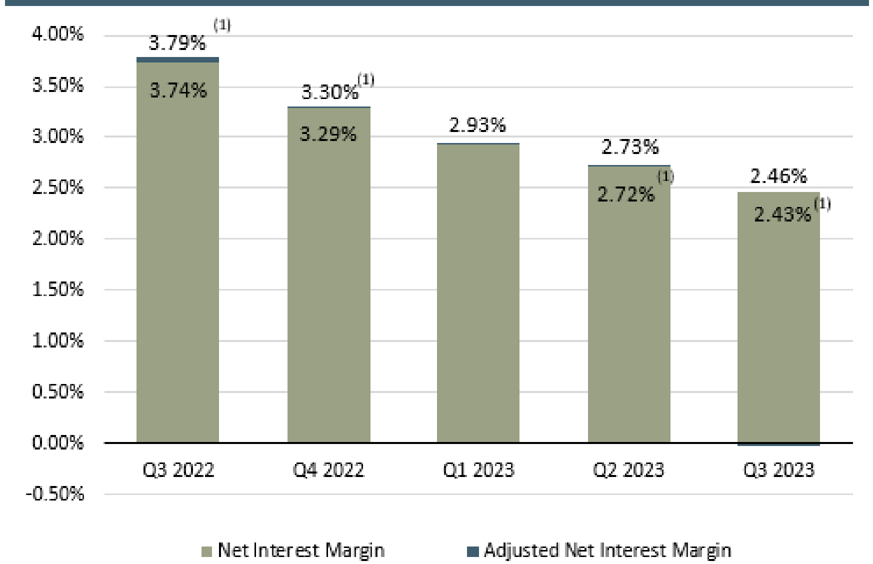
Net Interest Income and Net Interest Margin

- Net interest income decreased to $16.8 million, or 9.1%, from $18.4 million in 2Q23
- Net interest income decreased from 2Q23 due to an increase in average cost of deposits
- Net interest margin decreased 27 bps to 2.46%, driven by the increase in interest bearing deposit costs
  - 20 bps of the 27 bps quarterly change directly impacted by the addition of $45.9 million of non-performing assets
- Pressure on net interest margin expected to moderate in 4Q23

Net Interest Income



Net Interest Margin



(1) See Non-GAAP reconciliation

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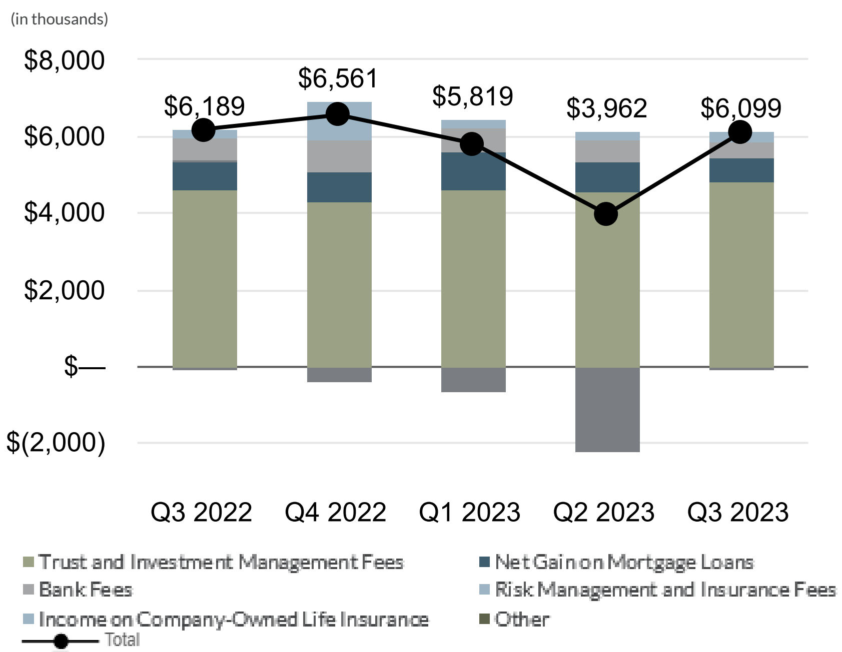
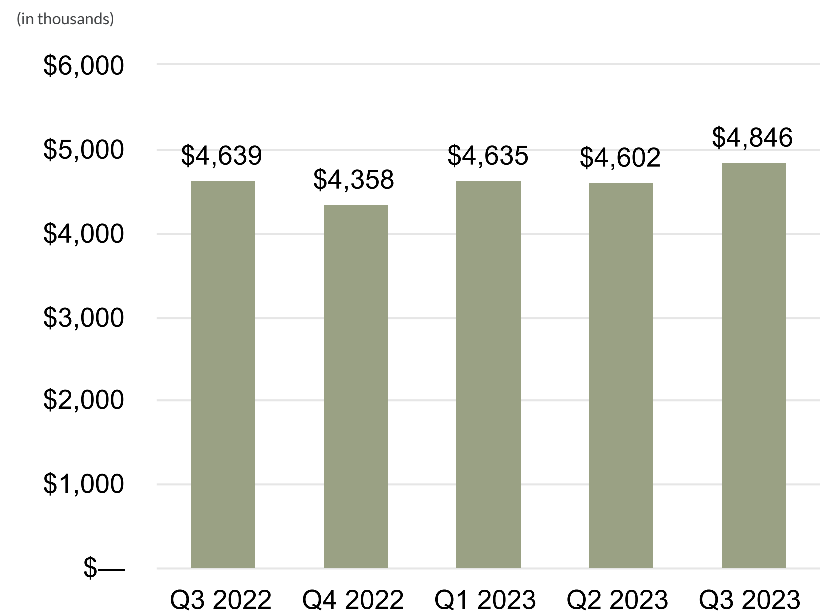
Non-Interest Income

- Non-interest income increased 54% from prior quarter, primarily due to impacts in 2Q23:
  - $1.2 million impairment to carrying value of contingent consideration assets in 2Q23
  - $1.1 million of losses on loans accounted for under fair value option in 2Q23 vs. $0.3 million of losses in 3Q23
- Trust and investment management fees increased 5.3% from prior quarter due to an increase in fee structure implemented during 3Q23
- Net gain on mortgage loans decreased slightly to $0.7 million as higher rates continue to impact loan demand

Total Non-Interest Income



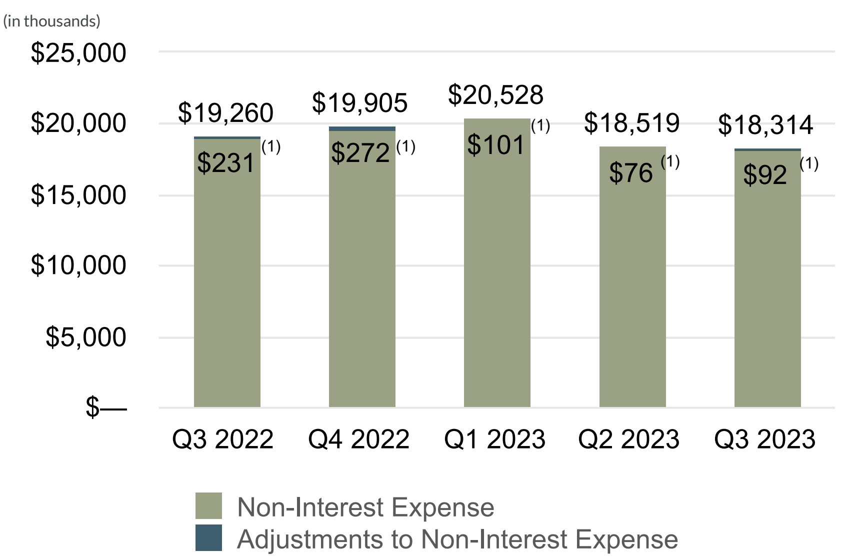
Trust and Investment Management Fees



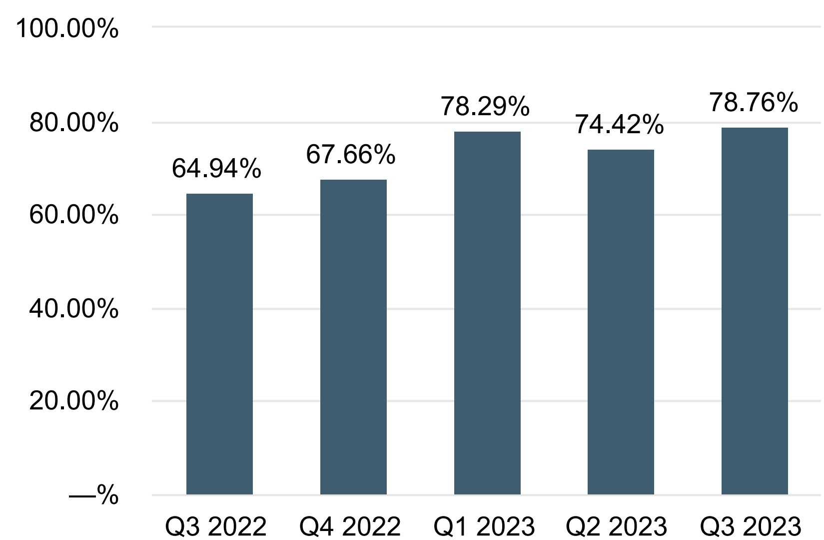
Non-Interest Expense and Efficiency Ratio

- Non-interest expense decreased 1.1% from 2Q23
- Disciplined expense management resulted in non-interest expense coming in at low end of targeted range
- Non-interest expense expected within the range of $18.5 million to $19.0 million for the remainder of 2023

Total Non-Interest Expense



Operating Efficiency Ratio[1]

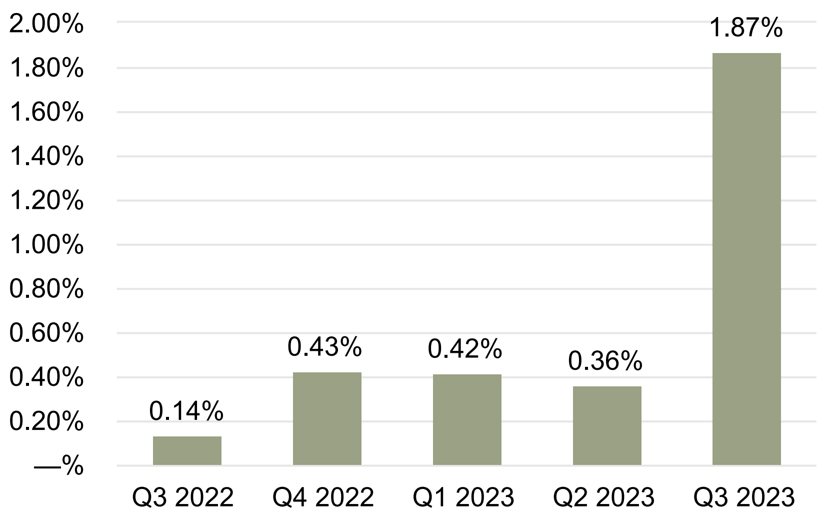


(1) See Non-GAAP reconciliation

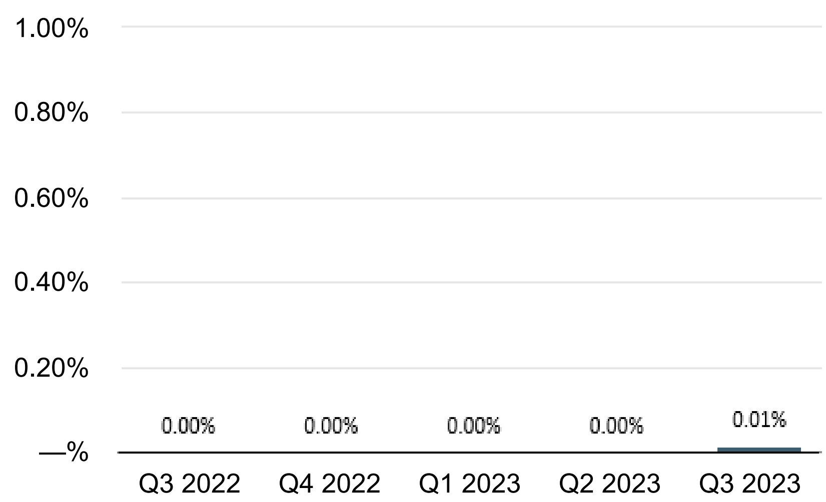
Asset Quality

- NPAs increased $45.9 million primarily due to four additional loans, under one relationship, moving to non-accrual during 3Q23
- New additions to NPAs are primarily collateralized with real estate assets in attractive markets and did not require an allowance on individually analyzed loans
- $0.3 million provision for credit losses
- ACL/Adjusted Total Loans(1) increased to 0.92% in 3Q23 from 0.89% in 2Q23
- Continue to experience immaterial amount of credit losses

Non-Performing Assets/Total Assets



Net Charge-Offs/Average Loans



(1) Adjusted Total Loans – Total Loans minus PPP loans and loans accounted for under fair value option; see non-GAAP reconciliation

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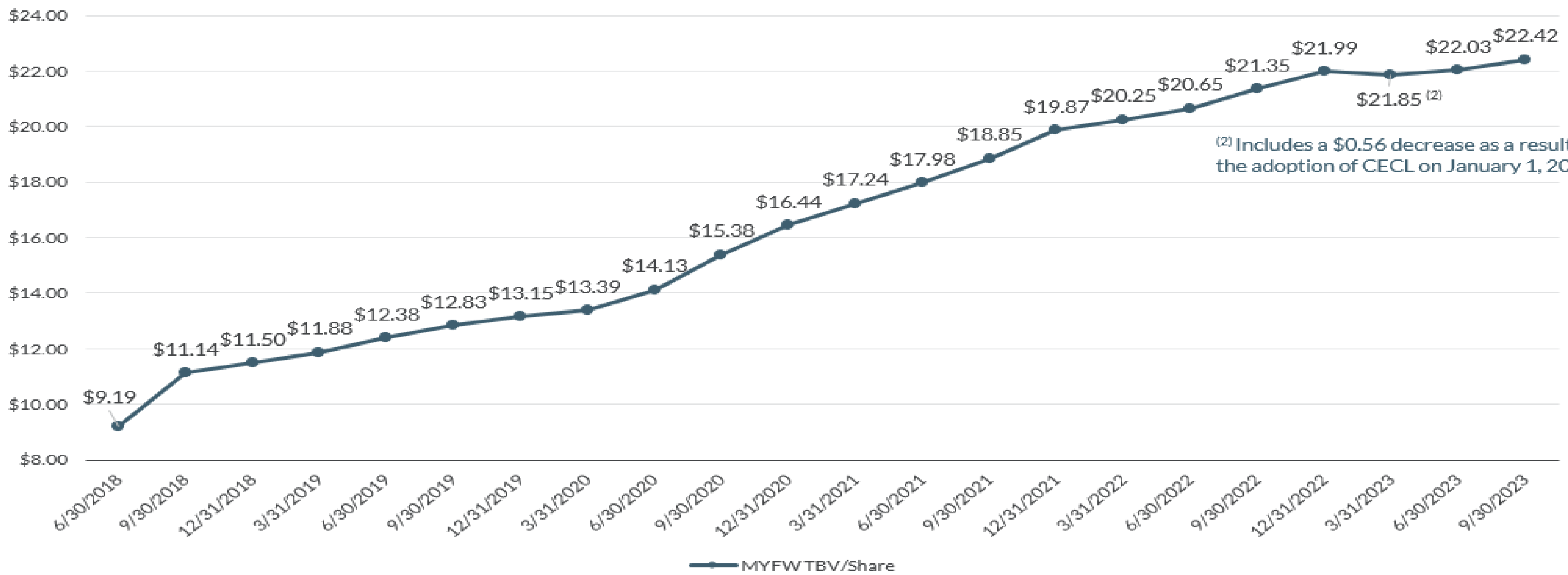
Consistent Value Creation

TBV/Share[1] Up 144% Since July 2018 IPO



Consistent increases in tangible book value per share driven by:

- Organic growth that has increased operating leverage
- Accretive acquisitions that have been well priced and smoothly integrated to realize all projected cost savings
- Conservative underwriting criteria that has resulted in extremely low level of losses in the portfolio throughout the history of the company
- Prudent asset/liability management including not investing excess liquidity accumulated during the pandemic in low-yielding bonds

(1) See Non-GAAP reconciliation
(2) Includes a $0.56 decrease as a result of the adoption of CECL on January 1, 2023

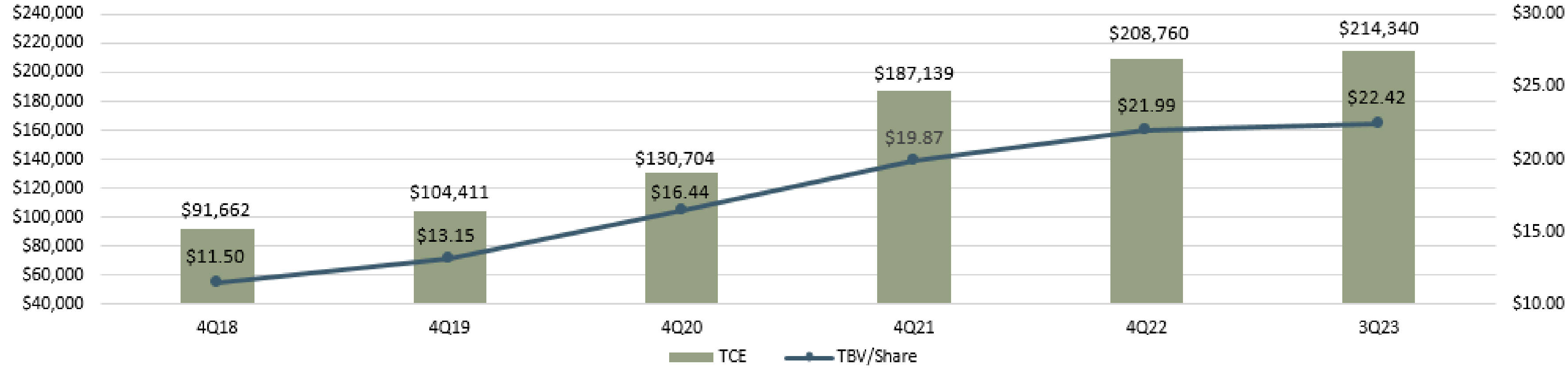
Near-Term Outlook

- Prudent risk management will remain top priority while economic uncertainty remains, which will impact level of profitability in short term
- Continued focus on executing well on the areas that we can control
  - Balance sheet management
  - Attracting new clients with particular focus on core deposit relationships and Trust and Investment Management assets
  - Providing exceptional service to existing clients
  - Tightly managing expenses
- While maintaining a conservative approach to operating in the current environment, investments continue to be made in areas that will further enhance business development capabilities including first full office in Bozeman market
- By balancing near-term conservative approach with continued long-term investments, First Western is well positioned to continue capitalizing on our attractive markets to consistently add new clients, realize more operating leverage as we increase scale, generate profitable growth, and further enhance the value of our franchise

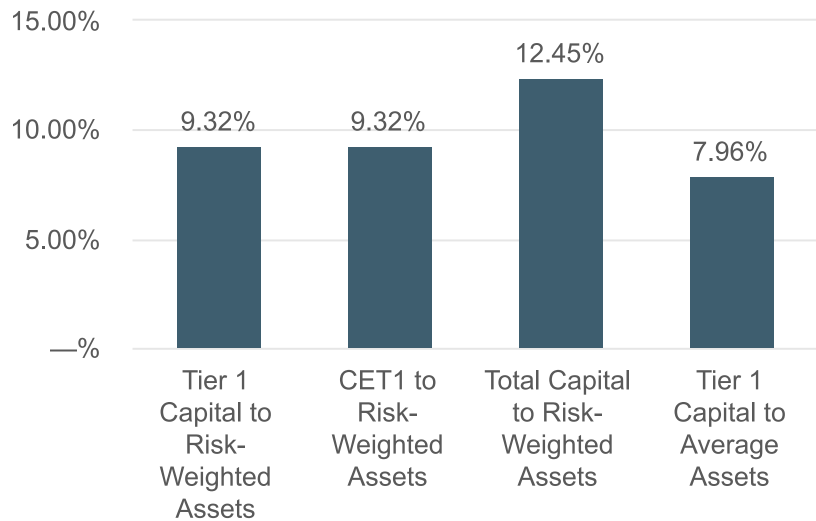
Appendix

Capital and Liquidity Overview

Tangible Common Equity / TBV per Share[1]



Consolidated Capital Ratios (as of 9/30/23)



Liquidity Funding Sources (as of 9/30/23)

(in thousands)

Liquidity Reserves:	
Total Available Cash	$269,805
Unpledged Investment Securities	21,264
Borrowed Funds:	
Secured:	
FHLB Available	624,762
FRB Available	14,873
Other:	
Brokered Remaining Capacity	152,841[2]
Unsecured:	
Credit Lines	29,000
Total Liquidity Funding Sources	**$1,112,545**
Loan to Deposit Ratio	**104.6 %**

(1) See Non-GAAP reconciliation
(2) Based on internal policy guidelines

Non-GAAP Reconciliation

Consolidated Efficiency Ratio (Dollars in thousands)	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Non-interest expense	$19,260	$19,905	$20,528	$18,519	$18,314
Less: amortization	77	77	64	62	62
Less: acquisition related expenses	154	195	37	14	30
Adjusted non-interest expense	$19,029	$19,633	$20,427	$18,443	$18,222
Net interest income	$ 23,062	$21,842	$19,560	$18,435	$16,766
Non-interest income	6,189	6,561	5,819	3,962	6,099
Less: unrealized gains/(losses) recognized on equity securities	75	-	10	(11)	(19)
Less: impairment of contingent consideration assets	-	-	-	(1,249)	-
Less: net gain/(loss) on loans accounted for under the fair value option	(134)	(602)	(543)	(1,124)	(252)
Less: net gain on equity interests	6	-	-	-	-
Less: net (loss)/gain on loans held for sale at fair value	-	(12)	(178)	-	-
Adjusted non-interest income	6,242	7,175	6,530	6,346	6,370
Total income	$29,304	$29,017	$26,090	$24,781	$23,136
Efficiency ratio	**64.94%**	**67.66%**	**78.29%**	**74.42%**	**78.76%**

Consolidated Tangible Common Book Value Per Share (Dollars in thousands)	As of, Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Sept. 30, 2022	Dec. 31, 2022	Sept. 30, 2023
Total shareholders' equity	$116,875	$127,678	$154,962	$219,041	$234,862	$240,864	$246,256
Less:							
Goodwill and other intangibles, net	25,213	19,714	24,258	31,902	32,181	32,104	31,916
Intangibles held for sale[(1)]	-	3,553	-	-	-	-	-
Tangible common equity	91,662	104,411	$130,704	187,139	202,681	208,760	214,340
Common shares outstanding, end of period	7,968,420	7,940,168	7,951,773	9,419,271	9,492,006	9,495,440	9,560,209
Tangible common book value per share	**$11.50**	**$13.15**	**$16.44**	**$19.87**	**$21.35**	**$21.99**	**$22.42**

Net income available to common shareholders	**$3,118**
Return on tangible common equity (annualized)	**5.82%**

(1) Represents the intangible portion of assets held for sale

Non-GAAP Reconciliation

Wealth Management Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Total income before non-interest expense	$26,482	$26,623	$24,543	$19,529	$21,647
Less: unrealized gains/(losses) recognized on equity securities	75	-	10	(11)	(19)
Less: impairment of contingent consideration assets	-	-	-	(1,249)	-
Less: net gain/(loss) on loans accounted for under the fair value option	(134)	(602)	(543)	(1,124)	(252)
Less: net gain on equity interests	6	-	-	-	-
Less: net (loss)/gain on loans held for sale at fair value	-	(12)	(178)	-	-
Plus: provision for credit loss	1,756	1,197	(310)	1,843	329
Gross revenue	**$28,291**	**$28,434**	**$24,944**	**$23,756**	**$22,247**

Mortgage Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Total income before non-interest expense	$1,013	$583	$1,146	$1,025	$889
Plus: provision for credit loss	-	-	-	-	-
Gross revenue	**$1,013**	**$583**	**$1,146**	**$1,025**	**$889**

Consolidated Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	September 30, 2022	December 31, 2022	March 30, 2023	June 30, 2023	September 30, 2023
Total income before non-interest expense	$27,495	$27,206	$25,689	$20,554	$22,536
Less: unrealized gains/(losses) recognized on equity securities	75	-	10	(11)	(19)
Less: impairment of contingent consideration assets	-	-	-	(1,249)	-
Less: net gain/(loss) on loans accounted for under the fair value option	(134)	(602)	(543)	(1,124)	(252)
Less: net gain on equity interests	6	-	-	-	-
Less: net (loss)/gain on loans held for sale at fair value	-	(12)	(178)	-	-
Plus: provision for credit loss	1,756	1,197	(310)	1,843	329
Gross revenue	**$29,304**	**$29,017**	**$26,090**	**$24,781**	**$23,136**

Gross Revenue excluding net gain on mortgage loans	For the Three Months Ended,		
(Dollars in thousands)	December 31, 2021	December 31, 2022	September 30, 2023
Gross revenue	$23,440	$29,017	$23,136
Less: net gain on mortgage loans	2,470	775	654
Gross revenue excluding net gain on mortgage loans	**$20,970**	**$28,242**	**$22,482**

Non-GAAP Reconciliation

Adjusted net income available to common shareholders (Dollars in thousands, except per share data)	For the Three Months Ended, September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Net income available to common shareholders	$6,221	$5,471	$3,820	$1,506	$3,118
Plus: impairment of contingent consideration assets including tax impact	-	-	-	924	-
Plus: acquisition related expense including tax impact	116	146	27	10	22
Adjusted net income to common shareholders	**$6,337**	**$5,617**	**$3,847**	**$2,440**	**$3,140**

Adjusted diluted earnings per share (Dollars in thousands, except per share data)	For the Three Months Ended, September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Diluted earnings per share	$0.64	$0.56	$0.39	$0.16	$0.32
Plus: impairment of contingent consideration assets including tax impact	-	-	-	0.09	-
Plus: acquisition related expenses including tax impact	0.02	0.02	-	-	-
Adjusted diluted earnings per share	**$0.66**	**$0.58**	**$0.39**	**$0.25**	**$0.32**

Pre-tax, pre-provision net income (Dollars in thousands)	For the Three Months Ended, March 31, 2023	June 30, 2023	September 30, 2023
Income before income taxes	$5,161	$2,035	$4,222
Plus: provision for credit losses	(310)	1,843	329
Pre-tax, pre-provision net income	**$4,851**	**$3,878**	**$4,551**

Allowance for credit losses to Bank originated loans excluding PPP (Dollars in thousands)	As of, September 30, 2022	December 31, 2022	March 31, 2023	June 30, 2023	September 30, 2023
Total loans held for investment	$2,354,898	$2,476,135	$2,475,084	$2,501,926	$2,536,503
Less: Acquired loans	248,573	234,717	— (2)	— (2)	— (2)
Less: PPP loans	6,905	6,378	6,100	5,558	4,876
Less: Purchased loans accounted for under fair value ("FVO")	22,648	23,415	21,052	18,274	16,105
Adjusted Loans excluding acquired, PPP and FVO	$2,076,772	$2,211,625	$2,447,932	$2,478,094	$2,515,522
Allowance for credit losses	16,081	17,183	19,843	22,044	23,175
Allowance for credit losses to adjusted loans	**0.77%**	**0.78%**	**0.81%**	**0.89%**	**0.92%**

(1) Subsequent to the adoption of CECL on January 1, 2023, acquired loans are included in the Allowance for Credit Losses and therefore are no longer excluded from the total adjusted loan calculation.

Non-GAAP Reconciliation

Adjusted net interest margin	For the Three Months Ended September 30, 2022			For the Three Months Ended December 31, 2022			For the Three Months Ended March 31, 2023			For the Three Months Ended June 30, 2023			For the Three Months Ended September 30, 2023		
(Dollars in thousands)	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate	Average Balance	Interest Earned/ Paid	Average Yield/ Rate
Interest-bearing deposits in other financial institutions	$101,824	$533		$103,190	$931		$127,608	$1,403		$135,757	$1,669		$102,510	$1,291	
PPP adjustment	2,798	16		1,736	16		1,502	17		1,376	17		1,103	15	
Investment securities	69,320	653		84,017	645		82,106	629		80,106	626		78,057	607	
Correspondent bank stock	4,924	109		11,880	237		9,592	173		8,844	145		7,162	142	
Loans	2,241,343	25,345		2,436,252	30,691		2,469,129	32,239		2,471,588	33,704		2,502,419	34,228	
Loans HFS	11,535	157		9,065	146		18,036	268		15,841	230		12,680	214	
PPP adjustment	(9,026)	(73)		(7,350)	(32)		(6,470)	(37)		(5,811)	(27)		(5,178)	(25)	
Purchase Accretion adjustment	-	114		-	(87)		-	(64)		-	(80)		-	(209)	
Adjusted total Interest-earning assets	2,422,718	26,854		2,638,790	32,547		2,701,503	34,628		2,707,701	36,284		2,698,753	36,263	
Interest-bearing deposits		2,706			8,260			13,092			15,864			17,467	
PPP adjustment		-			-			-			-			-	
Federal Home Loan Bank Topeka and Federal Reserve borrowings		666			1,916			1,374			1,361			1,447	
PPP adjustment		(3)			(6)			(5)			(4)			(4)	
Subordinated notes		362			486			674			712			801	
Adjusted total interest-bearing liabilities		3,731			10,656			15,135			17,933			19,711	
Net interest income		23,123			21,891			19,493			18,351			16,552	
Adjusted net interest margin			**3.79%**			**3.29%**			**2.93 %**			**2.72 %**			**2.43 %**