

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 12, 2023

FIRST WESTERN FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

Colorado (State or other jurisdiction of incorporation or organization)	001-38595 (Commission File Number)	37-1442266 (I.R.S. Employer Identification No.)
1900 16th Street, Suite 1200 Denver, Colorado (Address of principal executive offices)		80202 (Zip Code)

Registrant's telephone number, including area code: **303.531.8100**

Former name or former address, if changed since last report: **Not Applicable**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- ☒ Emerging growth company
- ☒ If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Title of each class	Securities registered pursuant to Section 12(b) of the Act:	Name of each exchange on which registered
Common Stock, no par value	Trading Symbol MYFW	NASDAQ Stock Market LLC

Item 7.01 Regulation FD Disclosure.

First Western Financial, Inc. (the “Company”) is furnishing investor presentation materials as Exhibit 99.1 to this Form 8-K, which may be presented at meetings with investors, analysts, and others, in whole or in part and possibly with modifications, during the fiscal year ending December 31, 2023.

As provided in General Instruction B.2 to Form 8-K, the information furnished in Exhibit 99.1 of this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit Number	Description
99.1	First Western Financial, Inc. Investor Presentation
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FIRST WESTERN FINANCIAL, INC.

Date: May 12, 2023

By: /s/ Scott C. Wylie

Scott C. Wylie

Chairman, Chief Executive Officer and President



FIRSTwestern

INVESTOR PRESENTATION
May 2023

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," "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. Those 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: the COVID-19 pandemic and its effects; integration risks in connection with acquisitions; the risk of geographic concentration in Colorado, Arizona, Wyoming, Montana, and California; 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.

An Emerging High Performing Institution

Overview

- Niche-focused regional wealth manager built on a private trust bank platform
- Headquartered in Denver, Colorado and positioned in desirable, affluent and high growth markets

Target Market

- Households of \$1+ million liquid net worth
- High net worth and high growth markets
- Colorado, Arizona, Wyoming, California and Montana

Competitive Advantage

- Operates as one integrated firm, not silos
- Team approach benefits both clients and First Western
- Local boutique private trust bank offices with central product experts

Company Highlights

(as of 3/31/23)

- Assets: \$2.97 billion
- Total Loans: \$2.47 billion
- Total Deposits: \$2.39 billion
- AUM: \$6.38 billion

(for the year ending 12/31/22)

- Loan Growth: 26.7%
- Deposit Growth: 9.0%
- Asset Growth: 13.4%
- TBV/Share⁽¹⁾ Growth: 10.7%

(1) See Non-GAAP reconciliation

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Office Locations

**HOVDE'S HIGH PERFORMERS
CLASS OF 2022**

**HOVDE'S HIGH PERFORMERS
CLASS OF 2021**

PIPER | SANDLER

2021 Bank & Thrift Sm-All Stars

W FIRSTwestern

Investment Highlights

Attractive Markets and Business Model

- Rapidly growing institution operating in high growth markets
- Attractive, stable deposit base with noninterest-bearing and money market accounts comprising 76% of total deposits
- Conservative underwriting and affluent client base results in exceptional asset quality with minimal credit losses

Strong Earnings Momentum

- Significant revenue growth driving improved operating leverage and higher profitability
- TBV/share⁽¹⁾ increased 25% in 2020, 21% in 2021, and 11% in 2022
- Continued scale expected to drive further leverage and generate returns consistent with a high performing institution over long term

Proven Execution on Growth Strategies

- Track record of combining organic growth and market expansion with accretive acquisitions to enhance franchise value
- Total assets up 58% in 2020, 28% in 2021, and 13% in 2022 with substantial increases in revenue and EPS
- Strengthening commercial banking platform creating more diverse loan portfolio and lower-cost deposit base

High Insider Ownership and Discounted Valuation

- Highly aligned with shareholder interests as insiders own ~18% of total shares outstanding⁽²⁾
- Discounted valuation trading at just 0.7x TBV/share⁽³⁾

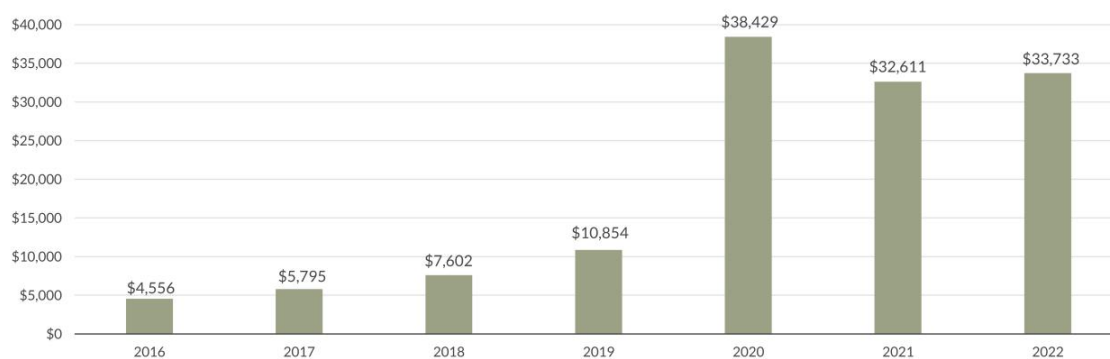
(1) See Non-GAAP reconciliation
(2) Represents beneficial ownership as defined by the Proxy Statement
(3) As of May 11, 2023

Strong Operational and Financial Momentum

Drivers of Improved Performance

- Robust organic balance sheet growth
- Accretive acquisitions
- Market expansion
- Highly leverageable operating platform driving improved efficiencies
- Outstanding asset quality and low credit costs

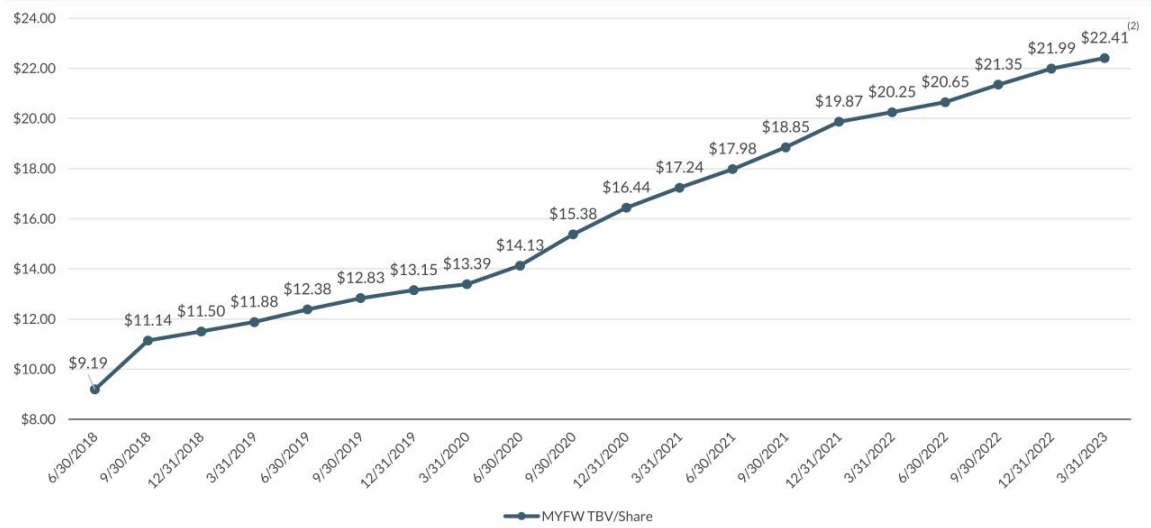
Adjusted Pre-Tax, Pre-Provision Income⁽¹⁾ (\$000s)



(1) See Non-GAAP reconciliation

Consistent Value Creation

TBV/Share⁽¹⁾ Up 144% Since July 2018 IPO



(1) See Non-GAAP reconciliation

(2) Excludes a \$0.56 decrease as a result of the adoption of CECL on January 1, 2023



Franchise Overview

Great Markets, Scarce Investment Opportunity

Characteristics of First Western Markets

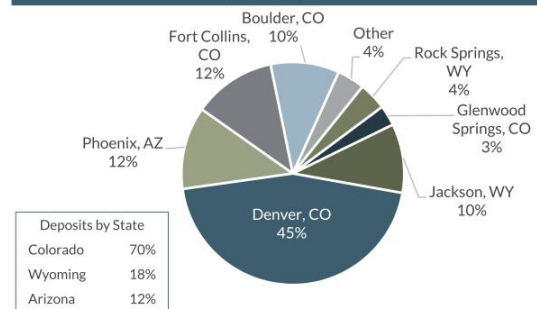
- Ranked among states with highest GDP growth
- Strong job and population growth
- Experiencing significant in-migration
- Attractive demographics with large amount of high net worth individuals that utilize private banking and investment management services
- Favorable tax laws for trusts and estates that attract wealthy individuals

MYFW is 2nd Largest Publicly Held CO Chartered Bank

As of March 31, 2023	Current Ownership	Total Assets (\$bn)
FirstBank	Private	28.8
NBH Bank	Public (NYSE: NBHC)	9.9
Sunflower Bank	Private	7.6
Bank of Colorado	Private (Sub. Of Pinnacle Bancorp-NE)	6.7
Alpine Bank	Private	6.6
ANB Bank	Private	3.1
First Western Trust Bank	Public (Nasdaq: MYFW)	3.0

(1) Source: S&P Capital IQ as of 06/30/2022
 (2) Percentage growth in household income (HHI).

Deposits by MSA ⁽¹⁾



Small Market Share Provides Large Growth Opportunity

MSA	State	Market Share	Projected % Change in HHI (2021-2026) ⁽²⁾
Denver-Aurora-Lakewood	CO	0.77	11.00
Fort Collins	CO	2.20	13.45
Phoenix-Mesa-Scottsdale	AZ	0.15	13.18
Boulder	CO	1.45	11.41
Jackson	WY/ID	4.80	8.50
Glenwood Springs	CO	1.66	8.82
National Average			9.01

MYFW: Our Five Core Strengths

Differentiated, Proven in the Marketplace

- **Niche-focused** franchise headquartered in Denver, Colorado
- Well-positioned in many **attractive markets** in Arizona, California, Colorado, Montana, and Wyoming
- **Specialized central expertise** to compete with siloed national, regional firms
- Delivered through **local, boutique trust banking teams** so clients “owned” by MYFW, not associates

Built-in Operating Leverage

- **Strong profit center margins at maturity**, growth opportunities in current and new markets
- **Revenue growth** over long-term in both fee income and net interest income, with neutral balance sheet
- Scalable, **leverageable high fixed cost, low variable cost Product and Support Centers**
- Operating expense investment already in place for growth and expansion

Highly Desirable Recurring Fee Income

- Primarily **recurring** trust and investment management (“TIM”) fees
- **Low risk**, “sticky” wealth/trust business with comprehensive product offering
- **Multiple entry points with ConnectView®** – proprietary review process to service, **cross-sell**

Experienced, Tested Team

- Executives are **major bank/professional firm trained**, with deep relationships in communities
- Achieved **growth through** business and economic **cycles**, capital constraints
- Healthy relationship with all regulators with **strong risk management** culture
- CEO with **proven track record** for creating value in previous bank ownership

Unique Opportunity for Investors

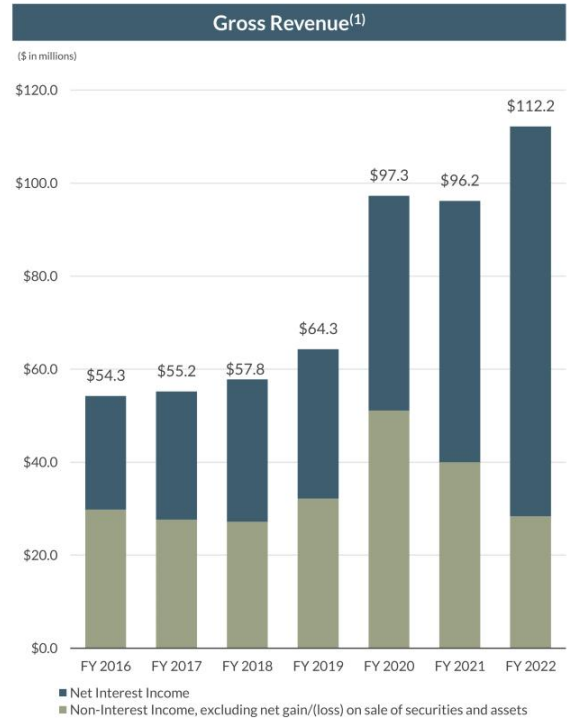
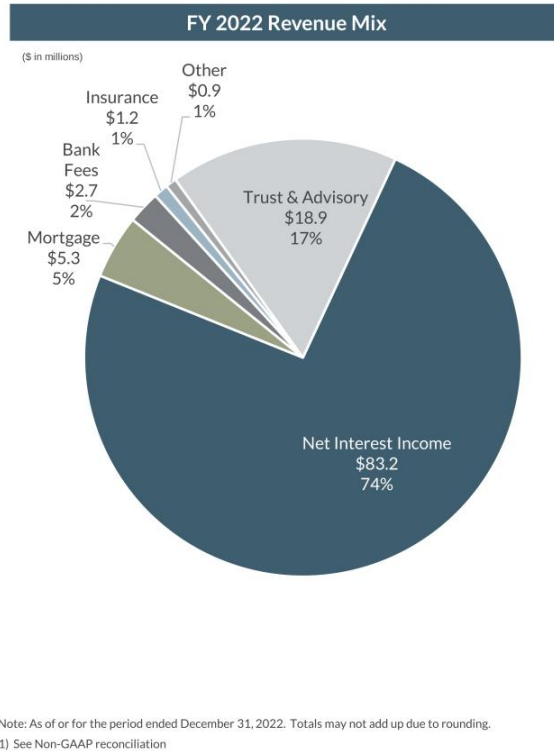
- At critical mass but small market share, **many current and new market opportunities**
- **Proven ability to expand: (1) Organically, (2) By expansion and (3) By acquisition**
- Few large Colorado bank alternatives for investors and clients, creating **lift-out opportunities**
- Attractive revenue and earnings growth story **trading at discounted valuation**

Cross-Selling a Diverse Set of Products and Services

Our local profit centers team with specialized product experts through ConnectView®, with many points of entry

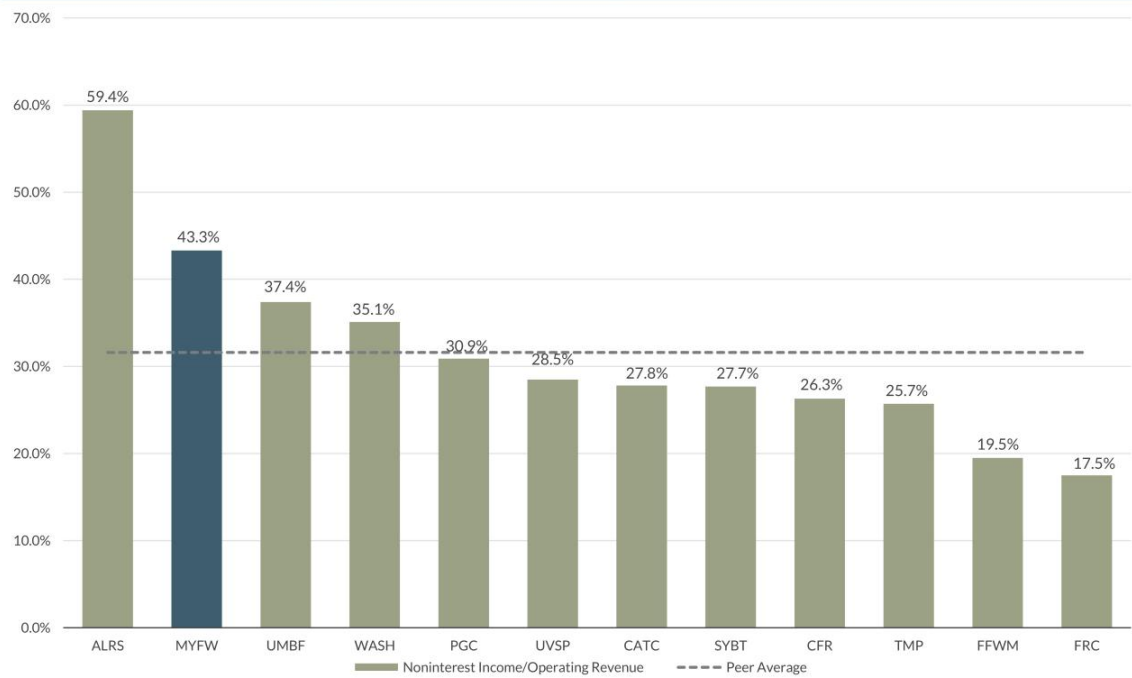
Commercial Banking	<ul style="list-style-type: none"> Corporate loans to match specific needs Well-versed in working with complex cash flows and business models Customized treasury management products and services
Retirement / 401(k) Plan Consulting	<ul style="list-style-type: none"> Retirement plan consultants partnering with businesses to sponsor retirement plans Creative corporate retirement plan design, analysis solutions, fiduciary liability management ERISA compliance and education
Residential Mortgage Lending	<ul style="list-style-type: none"> Mortgage banking specializing in purchase money, high net worth lending Underwritten to Fannie Mae and Freddie Mac guidelines Targeted portfolio lending and secondary sales
Wealth Planning	<ul style="list-style-type: none"> Wealth planning with specialized services (e.g. philanthropic) Proprietary ConnectView® approach, with access to CFPs, CPAs and estate planning attorneys Charitable giving tax strategies, deferred-compensation plans, life insurance, key person insurance
Investment Management	<ul style="list-style-type: none"> Provide a broad range of asset and sub asset classes, with automated tax and basis management Create unique solutions through internal research, proprietary and third-party investment options Central team creates the platform for Portfolio Managers to service clients, manage accounts
Trust	<ul style="list-style-type: none"> Fiduciary wealth management with expert review of client objectives, creating solutions Irrevocable life insurance trust, conservatorship, successor trustee, directed custodial trusteeship WY tax-exempt asset protection, special needs trusts, escrow services, family office services

High Quality Revenues with Predictable Sources of Recurring Income



Private Bank Model Generates Strong Fee Income

5-Year Average: More than 40% of Operating Revenue Generated by Fee Income



Source: S&P Capital IQ (2018-2022)

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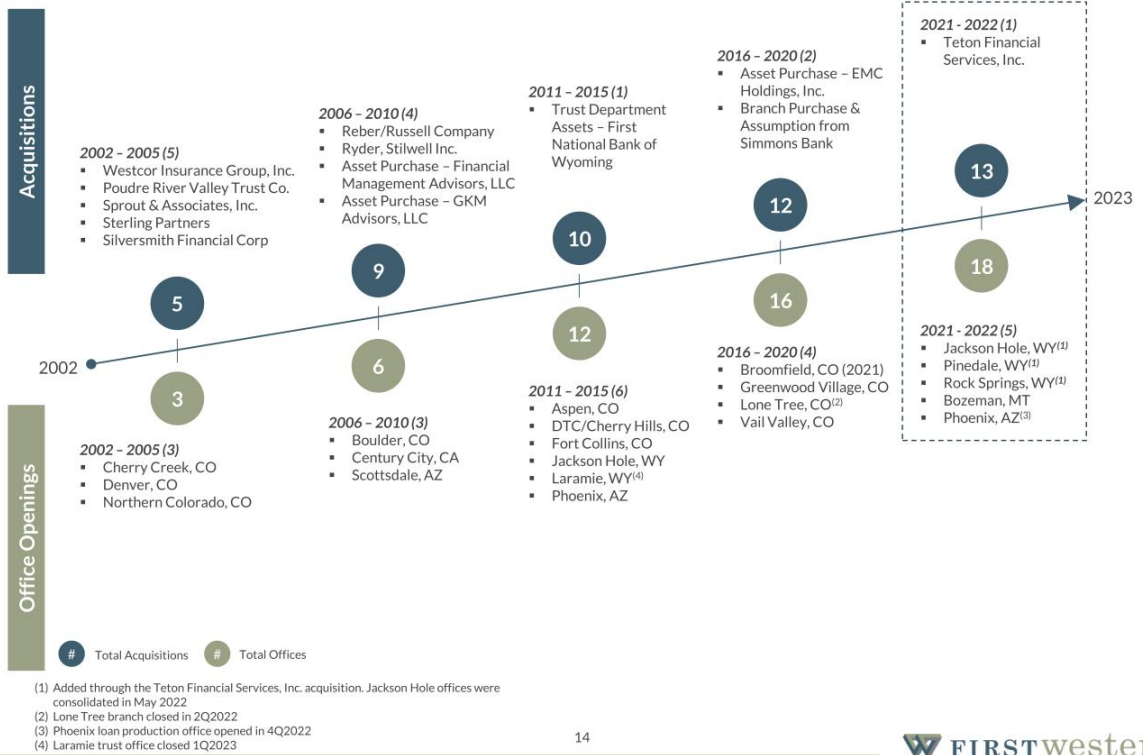


Driving Profitable Growth

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Success in Expansion and Acquisition Growth



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
- Added teams to expand presence in Arizona in 2022

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

Recent M&A Transactions

Branch Purchase and Assumption



Simmons Bank

Transaction Overview

- Closed on May 18, 2020
- Acquisition of all of the Denver locations of Simmons Bank (three branches and one loan production office)
- Assumed \$63 million in deposits and \$120 million in loans related to the acquired locations
- Added scale, an attractive client base, and commercial banking talent

Financial Impact

- Mid-teens earnings accretion in 2021

Whole Bank Acquisition



ROCKY MOUNTAIN BANK

Transaction Overview

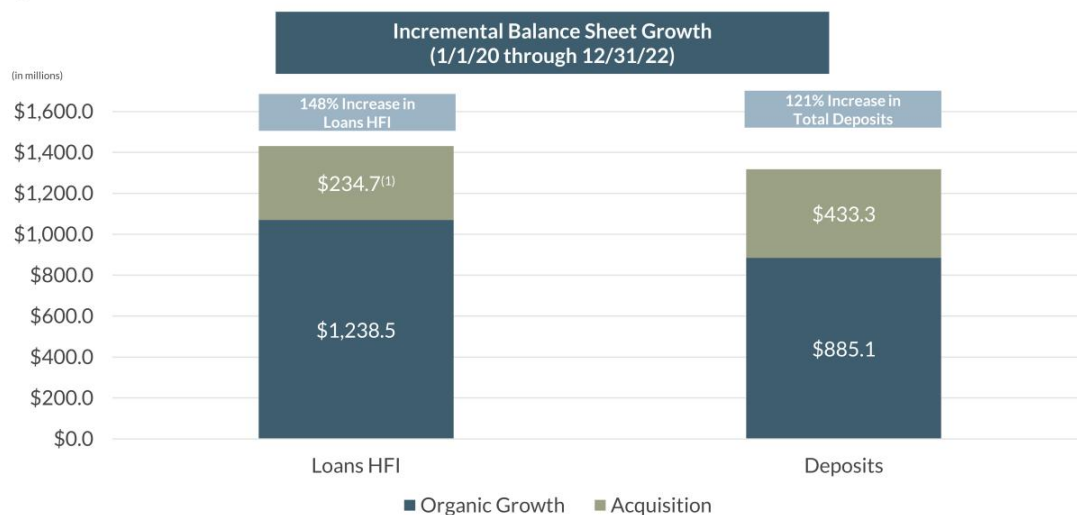
- Closed on December 31, 2021
- Acquisition of Teton Financial Services Inc., the holding company for Rocky Mountain Bank
- Expanded First Western's footprint and market share in Wyoming where favorable trust, estate and tax laws align well with private banking and investment management business model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

Financial Impact

- High single-digit earnings accretion in 2022
- Immediately accretive to TBV/share upon closing
- Added low-cost deposits and higher-yielding loans that will positively impact net interest margin

Strong Execution on Revenue Growth Strategies

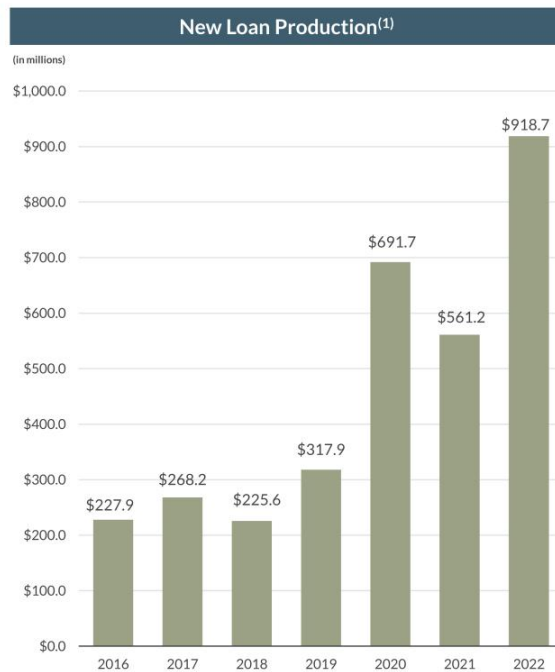
- Accelerating business development, office expansion and accretive acquisitions all contributing to the balance sheet growth driving improved operating leverage and higher profitability
- M&A strategy continued with acquisition of Teton Financial Services
- Office expansion continued with hiring of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



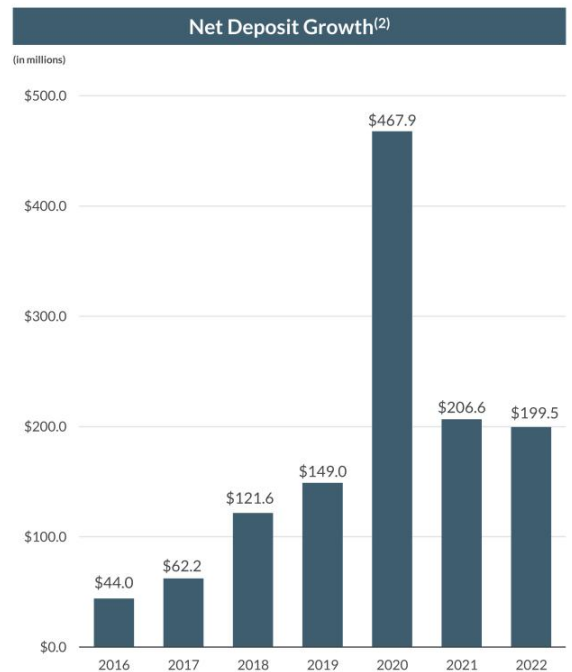
(1) Acquired growth represents remaining balances as of December 31, 2022 following payoffs/paydowns since the loans were acquired.

Accelerating Business Development Trends

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



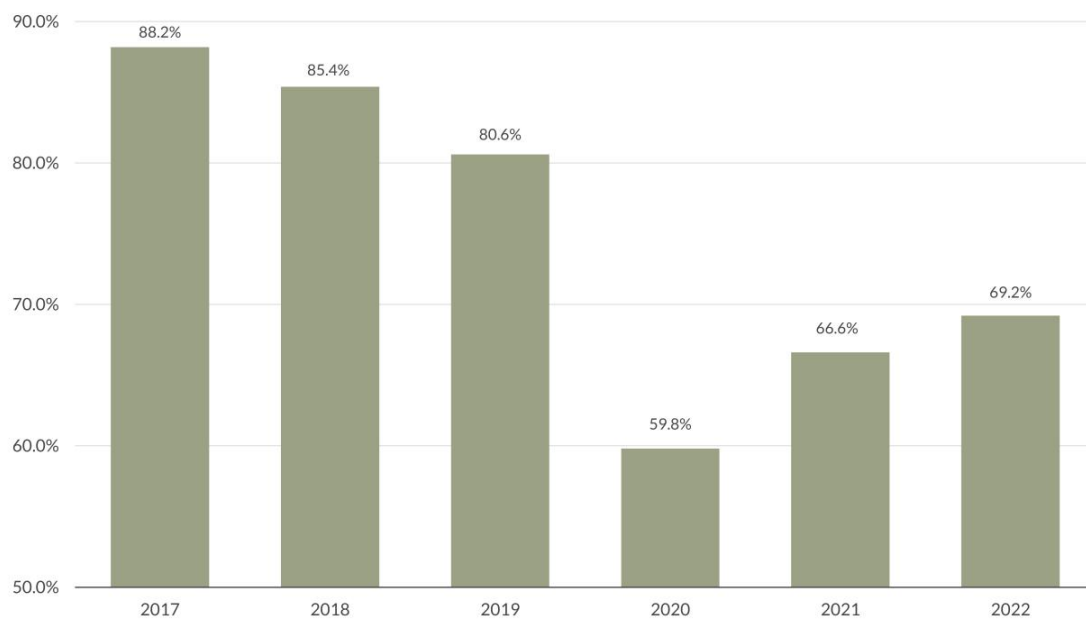
(1) Excluding PPP loans
(2) Excluding acquired deposits



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Increased Scale and Back-Office Streamlining Driving Improved Efficiencies

Efficiency Ratio⁽¹⁾



(1) See Non-GAAP reconciliation

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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



(1) See Non-GAAP reconciliation



Recent Financial Trends

Overview of 1Q23

1Q23 Earnings

- Net income available to common shareholders of \$3.8 million, or \$0.39 per diluted share
- Pre-tax, pre-provision net income of \$4.9 million⁽¹⁾

Stable Balance Sheet

- Higher level of cash being held to temporarily increase balance sheet liquidity and flexibility
- Total deposits increased during the months of February and March
- Average Interest-bearing deposits up 14% from 4Q22 and average total deposit balances up 5% in 1Q23
- Disposition of non-relationship loans impacted loan growth in 1Q23, but improved risk profile of loan portfolio and positively impacted capital and liquidity

Strong Fundamentals

- Strong relationship deposits with below peer level of uninsured deposits \$891.5 million⁽²⁾ or 37.3% in 1Q23
- \$1.5 billion of readily available liquidity funding sources as of 1Q23
- Low amount of held-to-maturity securities at 2.7% of total assets, unrecognized losses of less than 3% of total Shareholders' Equity
- Continued strong credit quality with immaterial losses
- Minimal CRE exposure to non-owner occupied office space
- Diverse client base with no single industry concentration

1. See Non-GAAP Reconciliation

2. Calculated based off of uninsured deposits divided by total deposits.

Net Income Available to Common Shareholders and Earnings per Share

- Net income of \$3.8 million, or \$0.39 diluted earnings per share, in 1Q23
- Continued profitability and prudent balance sheet management resulted in book value and tangible book value per share⁽¹⁾ increasing by 6.5% and 7.9%, respectively, from 1Q22, including a \$0.56 per share reduction in equity as a result of the adoption of CECL in the first quarter



1. See Non-GAAP reconciliation



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Loan Portfolio

Loan Portfolio Details

- Total loans held for investment decreased \$1.1 million from prior quarter
- Total loans impacted by disposition of \$40.9 million of non-relationship loans
- Average rate on new loan production increased by 125 bps from prior quarter

Loan Portfolio Composition⁽¹⁾

(\$ in thousands, as of quarter end)

	1Q 2022	4Q 2022	1Q 2023
Cash, Securities and Other	\$ 235,221	\$ 165,670	\$ 157,308
Consumer and Other ⁽²⁾	36,590	49,954	43,235
Construction and Development	151,651	288,497	283,999
1-4 Family Residential	602,412	898,154	889,782
Non-Owner Occupied CRE	455,715	496,776	536,679
Owner Occupied CRE	212,401	216,056	223,449
Commercial and Industrial	237,144	361,028	340,632
Total Loans HFI	\$ 1,931,134	\$ 2,476,135	\$ 2,475,084
Loans held-for-sale (HFS)	\$ 33,663	10,804 ⁽³⁾	\$ 9,873

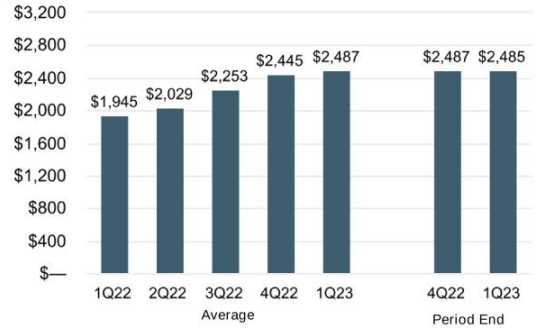
Total Loans \$ 1,964,797 \$ 2,486,939 \$ 2,484,957

1. Represents unpaid principal balance. Excludes deferred (fees) costs, and amortized premium/ (unaccreted discount) and fair value adjustments on loans accounted for under the fair value option.
2. Includes loans held for investment accounted for under fair value option of \$21.1 million, \$23.4 million, and \$6.4 million as of March 31, 2023, December 31, 2022 and March 31, 2022, respectively.
3. Includes \$2.0 million loans held for sale that are not Mortgage loans held for sale as of December 31, 2022.

Loan Production & Loan Payoffs



Total Loans⁽¹⁾



CRE Loan Portfolio Characteristics

- Conservatively underwritten, well diversified CRE loan portfolio
- Multi Family comprise the largest percentage at 16.3% of total CRE loans (\$123.7 million) and 5.0% of total loan portfolio
- Office CRE loans represent just 11.1% of total CRE loans and 3.4% of total loans
 - No exposure to major metropolitan areas including downtown Denver
 - No exposure to buildings over seven stories
 - Majority of properties are located in suburban areas with tenants in recession resistant industries like medical practices
 - Average loan size of \$2.3 million
 - No losses on office CRE loans over past 10 years
 - Minimal amount of office CRE loans maturing through the end of 2024
- Portfolio management includes review of current cash flows, vacancy rates, and rental rates, at least once per year

Total Deposits

- Average Interest-bearing deposits up 14% from 4Q22 and average total deposit balances up 5% in 1Q23
- Total deposits declined \$71 million in January primarily due to client liquidity events, followed by net deposit inflows of \$29 million in February and \$29 million in March
- Limited migration of noninterest-bearing deposits into interest-bearing categories as clients seek higher rates
- Time deposits added to lock-in fixed rate funding and help improve ability to manage funding costs going forward

Deposit Portfolio Composition			
	1Q 2022	4Q 2022	1Q 2023
Money market deposit accounts	\$ 1,108,315	\$ 1,336,092	\$ 1,277,988
Time deposits	156,678	224,090	354,545
NOW	319,678	234,778	192,011
Savings accounts	33,070	27,177	22,319
Noninterest-bearing accounts	654,401	583,092	545,064
Total Deposits	\$ 2,272,142	\$ 2,405,229	\$ 2,391,927



Trust and Investment Management

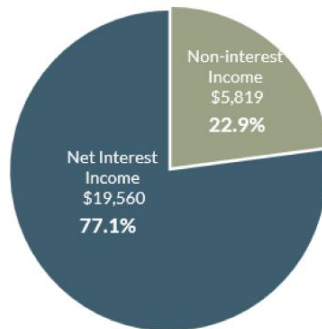
- Total assets under management increased \$275.1 million from December 31, 2022 to \$6.38 billion as of March 31, 2023
- Client accounts benefited from improved market conditions in the first quarter
- All five product categories increased quarter-over-quarter



Gross Revenue

- Gross revenue⁽¹⁾ declined 10.1% from prior quarter, primarily driven by an increase in the cost of interest-bearing liabilities, partially offset by growth in interest-earning assets
- Net interest income up \$1.1 million or 5.8% from 1Q22
- Non-interest income down \$2.6 million or 30.6% from 1Q22

1Q23 Gross Revenue⁽¹⁾



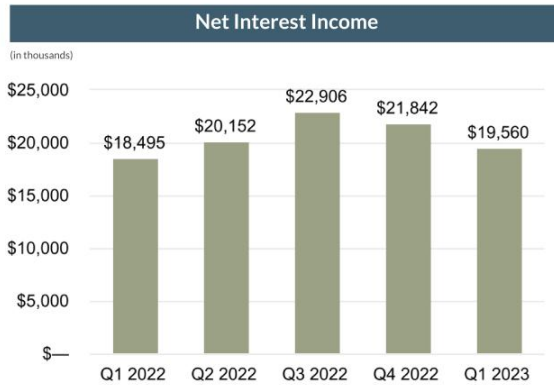
1. See Non-GAAP reconciliation

Gross Revenue⁽¹⁾



Net Interest Income and Net Interest Margin

- Net interest income decreased to \$19.6 million, or 10.4%, from \$21.8 million in 4Q22, but increased 5.8% from \$18.5 million in 1Q22
- Interest income up \$14.8 million or 74.6% compared to 1Q22. Interest expense increased \$13.8 million or 997%
- Net interest income decreased from 4Q22 due to higher interest expense driven primarily by higher deposit costs, offset partially by higher interest income
- Net interest margin decreased 37 bps to 2.93%, primarily due to an 80 basis point increase in average cost of deposits, driven by a rising rate environment and a highly competitive deposit market



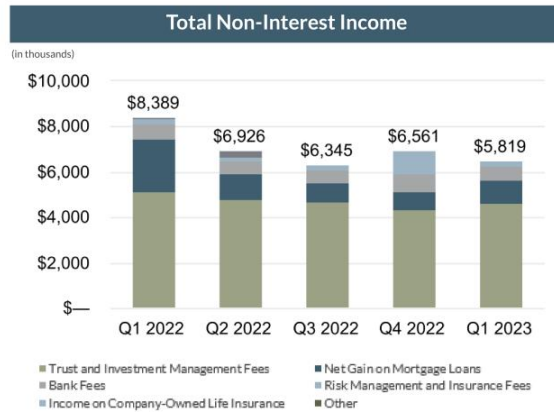
1. See Non-GAAP reconciliation



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Non-Interest Income

- Non-interest income decreased 11.3% from 4Q22, primarily due to seasonally lower risk management and insurance fees
- Trust and Investment Management fees increased 6.4% from 4Q22
- Net gain on mortgage loans decreased from 1Q22 but increased from 4Q22 as the impact of loan production from expanded Arizona team more than offset seasonally slower production in Colorado
- Volume of locks on mortgage loans originated for sale increased 41% from the prior quarter, with 96% of the originations being purchase loans

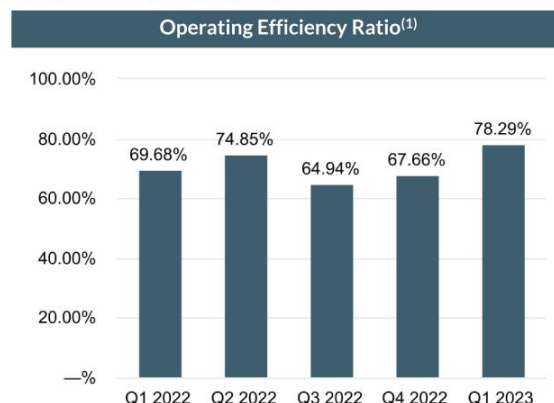


Non-Interest Expense and Efficiency Ratio

- Non-interest expense increased 3.1% from 4Q22
- Increase primarily due to an increase in Salary and employee benefits, driven by the seasonality of payroll taxes in addition to lower deferred compensation due to fewer loan originations, partially offset by a decrease in technology and marketing expense
- Headcount reduced by 22 FTE from 4Q22 to 1Q23
- Increase in FDIC insurance due to the FDIC's two basis point uniform increase in assessment rates and the Company's increase in total assets
- Organizational-wide review of expense levels resulted in additional cost savings that are expected to keep non-interest expenses in the range of \$19 million to \$20 million for the remainder of 2023



1. See Non-GAAP reconciliation



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Asset Quality

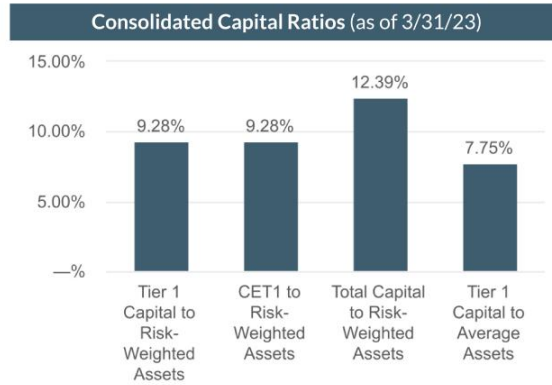
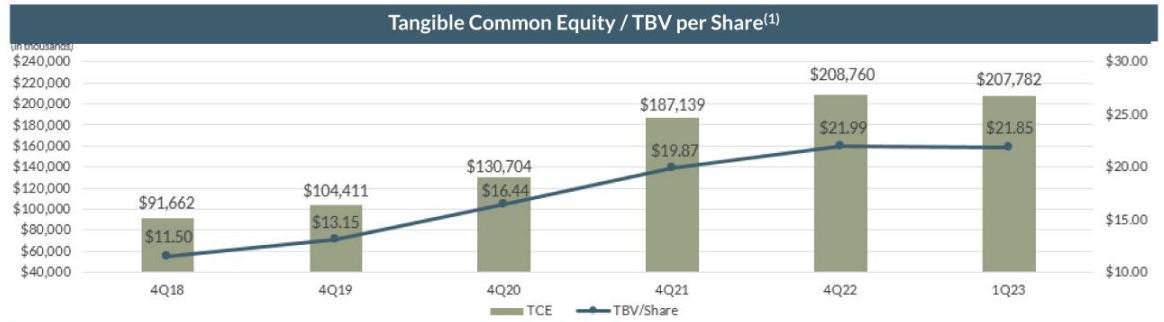
- CECL accounting standard adopted on January 1, 2023 with ACL/Total Loans of 84 bps and 47 bps coverage on off-balance sheet commitments. Total decrease to retained earnings of \$5.3 million, net of tax impact
 - Provision related to purchased loans upon adoption totaled \$2.5 million
- ACL/ Total Adjusted Loans⁽¹⁾ is 0.81% as of 1Q23
- \$0.3 million release to provision for credit losses related to changes in volume and composition of loan portfolio, partially offset by increased provision on off-balance sheet commitments due to increased unfunded balances
- Continue to experience immaterial amounts of credit losses



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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Capital and Liquidity Overview



Liquidity Funding Sources (as of 3/31/23)

(in thousands)

Liquidity Reserves:	
Total Available Cash	\$293,570
Unpledged Investment Securities	22,019
Borrowed Funds:	
Secured:	
FHLB Available	716,956
FRB Available	329
Other:	
Brokered Remaining Capacity	394,480 ⁽²⁾
Unsecured:	
Credit Lines	29,000
Total Liquidity Funding Sources	\$1,456,354
Loan to Deposit Ratio	103.2 %

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



Creating Additional Shareholder Value

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 FIRSTwestern

Near-Term Outlook

- Prudent risk management will remain top priority while economic uncertainty remains, which will impact level of profitability in short term
- We expect strength of balance sheet will enable First Western to capitalize on current turmoil in banking industry to add new clients and talent looking to move to a stronger financial institution
- Reorganization of offices will enable senior leadership to devote more time to business development
- Continued focus on disciplined expense control to realize more operating leverage
- As during the pandemic, First Western is well positioned to be a source of strength and stability, capitalize on opportunities to add new clients, and generate continued long-term profitable growth that will create value for shareholders
- Completed operating expense review in April that will reduce ongoing costs by 6.9% or \$1.4 million per quarter vs. 1Q23 expenses

Long-Term Goals to Drive Shareholder Value

Our mission is to be the BPBFWMC – 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

- Since our pre-2018 IPO status as of year end 2017, we have tripled total loans and total deposits, more than doubled TBV per share, had substantial increases in annual revenue, and demonstrated significant operating leverage. Looking forward we can drive shareholder value by:
- Continuing to execute well, creating more operating leverage to drive high performing ROAA and ROAE results
- Emphasizing our differentiation in marketplace
- Growing through \$5 billion in total assets, \$25 billion TIM assets through both organic growth and acquisitions, ideally:
 - ~50 offices – infill and adjacent
 - Maturing at \$8 million in revenue per office through growing 20%
 - 75% contribution margin per office at maturity, then growing
- Building footprint, scale and operating leverage with M&A
 - Disciplined approach to be significantly earnings accretive with minimal TBV dilution
- Enhancing wealth management platform
 - Upgrade omnichannel client experience
 - Create new digital distribution channel

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A Unique and Attractive Investment

MYFW's core strengths provide the foundation for driving shareholder value

Differentiated,
Proven in the
Marketplace

Built-in Operating
Leverage

Highly Desirable
Recurring Fee
Income

Experienced,
Tested Team

Unique
Opportunity for
Investors



Appendix



Organizational Overview

Team: Ready to Take MYFW to the Next Level

Name	Title	Joined FW	Years in Industry	Prior Experience
Scott C. Wylie	Chairman, CEO & President	2002	35	<ul style="list-style-type: none"> Chairman & CEO, Northern Trust Bank of Colorado Chairman & CEO, Trust Bank of Colorado CEO, Equitable Bancshares of Colorado and Women's Bank, Chairman, Equitable Bank Chairman, American Fundware President & CEO, Bank and Trust of Puerto Rico Associate, First Boston Corporation
Julie A. Courkamp	Chief Financial Officer and Chief Operating Officer, Director & Treasurer	2006	22	<ul style="list-style-type: none"> Assurance services with PricewaterhouseCoopers Executive roles within First Western with responsibility for Accounting & Finance, Risk, Technology, Operations and Human Resources
John E. Sawyer	Chief Investment Officer	2017	29	<ul style="list-style-type: none"> Chief Investment & Fiduciary Officer, BBVA Compass Bank President & COO, Florida-based boutique wealth management firm Executive with Credit Suisse, Morgan Keegan & Co., and First Tennessee Capital Markets
Matt Cassell	Chief Banking Officer	2020	25	<ul style="list-style-type: none"> Colorado Market President, Simmons Bank President-Colorado, Bank SNB Market President, Community Banks of Colorado
Scott J. Lawley	Chief Credit Officer	2018	35	<ul style="list-style-type: none"> Sr. Credit Officer & Segment Risk Officer, Huntington National Bank Credit advisor, chief underwriter, CRE credit officer PNC Bank, US Bank Lending positions with Fleet Bank

MYFW's Sophisticated Board of Directors

Name	Director Since	Primary Business
Scott C. Wylie	2002	<ul style="list-style-type: none"> First Western Financial, Inc.
Julie A. Caponi, CPA	2017	<ul style="list-style-type: none"> Former Finance Executive at Arconic, Inc. (fka Alcoa Inc.) Former audit partner at Deloitte Board member & Audit Committee chair for FCF (NYSE)
Julie A. Courkamp	2021	<ul style="list-style-type: none"> First Western Financial, Inc.
David R. Duncan	2011	<ul style="list-style-type: none"> Energy Winery Executive, Silver Oak Cellars Entrepreneur, board member, business leader
Thomas A. Gart	2013	<ul style="list-style-type: none"> Real Estate Developer Specialty Retail Executive Family business, PE investing across broad range of industries
Patrick H. Hamill	2004	<ul style="list-style-type: none"> Real Estate Developer Home Builder Executive Entrepreneur, business/community leader, real estate expertise
Luke A. Latimer	2015	<ul style="list-style-type: none"> Utility Maintenance Construction Executive Family business, public bank board
Scott C. Mitchell	2021	<ul style="list-style-type: none"> President, U.S. Engineering, Metalworks President of several successful manufacturing companies Six Sigma Master Black Belt
Eric D. Sipf, CPA ⁽¹⁾	2003	<ul style="list-style-type: none"> Former Healthcare Executive US Army Asset management, finance, bank board, M&A
Mark L. Smith	2002	<ul style="list-style-type: none"> Real Estate Developer Entrepreneur, community leadership, real estate expertise
Joseph C. Zimlich, CPA	2004	<ul style="list-style-type: none"> Family Office Executive Corporate leadership, board, and investment management

(1) CPA license inactive.

Integrated Team Approach in Boutique Offices

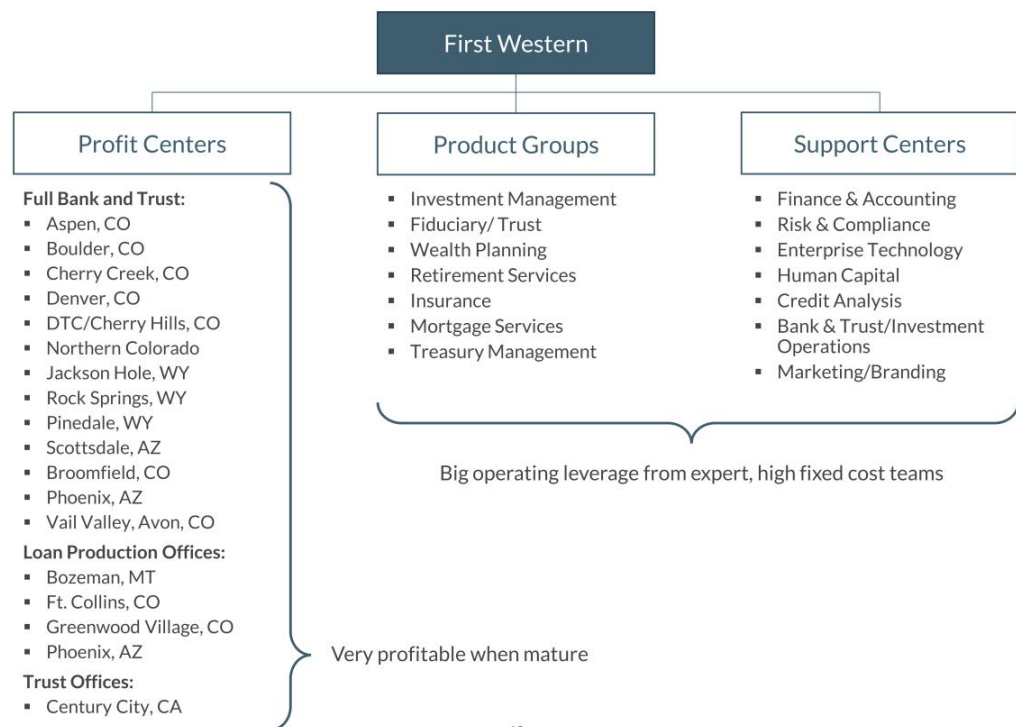
Working as a team to grow relationships



Holistic view of the client
– ConnectView®



Organizational Structure Built for Scale





Non-GAAP Reconciliations

Non-GAAP Reconciliation

Consolidated Gross Revenue		For the Years Ended,					
(Dollars in thousands)	2016	2017	2018	2019	2020	2021	2022
Total income before non-interest expense	\$53,394	\$54,501	\$57,602	\$63,997	\$92,615	\$95,408	\$107,934
Less: Unrealized gains/(losses) recognized on equity securities	-	-	(15)	21	15	(21)	342
Less: net gain/(loss) on loans accounted for under the fair value option	-	-	-	-	-	-	(891)
Less: Net gain on equity interests	114	81	-	119	-	489	7
Less: Net gain on sale of assets	-	-	-	183	-	-	-
Less: Net gain on loans held for sale	-	-	-	-	-	-	(12)
Plus: Provision for credit loss	985	788	180	662	4,682	1,230	3,682
Gross revenue	\$54,265	\$55,208	\$57,797	\$64,336	\$97,282	\$96,170	\$112,170
Consolidated Adjusted Pre-tax, Pre-provision Income		For the Twelve Months Ended December 31,					
(Dollars in thousands)	2016	2017	2018	2019	2020	2021	2022
Net Income before income tax, as reported	\$3,571	\$5,007	\$7,422	\$10,192	\$33,063	\$27,280	\$28,828
Plus: Provision for loan losses	985	788	180	662	4,682	1,230	3,682
Pre-tax, Pre-provision Income	\$4,556	\$5,795	\$7,602	\$10,854	\$37,745	\$28,510	\$32,510
Plus: Acquisition related expenses	-	-	-	-	684	4,101	1,223
Adjusted Pre-tax, Pre-provision Income	\$4,556	\$5,795	\$7,602	\$10,854	\$38,429	\$32,611	\$33,733
Diluted Pre-Tax Earnings Per Share		For the Twelve Months ended December 31,					
(Dollars in thousands)			2018	2019	2020	2021	2022
Non-Mortgage income before income tax			\$8,664	\$6,152	\$12,086	\$21,378	\$31,139
Plus: Acquisition-related expenses			-	-	684	4,101	1,223
Mortgage income before income tax			(1,242)	4,040	20,978	5,902	(2,311)
Less: Income tax expense including acquisition tax effect			1,775	2,183	8,705	7,673	7,432
Net income available to common shareholders			\$5,647	\$8,009	\$25,043	\$23,708	\$22,619
Diluted weighted average shares			5,586,620	7,914,961	7,961,904	8,235,178	9,713,623
Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share			\$1.55	\$0.78	\$1.60	\$3.09	\$3.33
Consolidated Diluted Pre-Tax Earnings Per Share			\$1.33	\$1.29	\$4.24	\$3.81	\$3.09

Non-GAAP Reconciliation

Consolidated Efficiency Ratio (Dollars in thousands)	2016	2017	For the Years Ended,		2018	2019	2020	2021	2022
Non-interest expense	\$49,823	\$49,494	\$50,182	\$53,806	\$59,552	\$68,128	\$79,106		
Less: Amortization	747	784	831	374	14	17	308		
Less: Acquisition related expenses	-	-	-	-	684	4,101	1,223		
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	\$49,351	\$51,860	\$58,187	\$64,010	\$77,575		
Net interest income	\$24,457	\$27,576	\$30,624	\$32,061	\$46,102	\$56,509	\$83,204		
Non-interest income	29,922	27,713	27,158	32,598	51,195	40,129	28,412		
Less: Unrealized gains/(losses) recognized on equity securities	-	-	(15)	21	15	(21)	342		
Less: net gain/(loss) on loans accounted for under the fair value option	-	-	-	-	-	-	(891)		
Less: Net gain on equity interests	114	81	-	119	-	489	7		
Less: Net gain on sale of assets	-	-	-	183	-	-	-		
Less: Net gain on loans held for sale	-	-	-	-	-	-	(12)		
Total income	\$54,265	\$55,208	\$57,797	\$64,336	\$97,282	\$96,170	\$112,170		
Efficiency ratio	90.4%	88.2%	85.4%	80.6%	59.8%	66.6%	69.2%		

Non-GAAP Reconciliation

Consolidated Efficiency Ratio		For the Three Months Ended,				
(Dollars in thousands)	March 31, 2021	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	
Non-interest expense	\$19,358	\$20,583	\$19,260	\$19,905	\$20,528	
Less: amortization	77	77	77	77	64	
Less: acquisition related expenses	527	347	154	195	37	
Adjusted non-interest expense	\$18,754	\$20,159	\$19,029	\$19,633	\$20,427	
Net interest income	\$18,495	\$20,152	\$22,906	\$21,842	\$19,560	
Non-interest income	8,389	6,926	6,345	6,561	5,819	
Less: unrealized gains/(losses) recognized on equity securities	(32)	299	75	-	10	
Less: net gain/(loss) on loans accounted for under the fair value option	-	(155)	(134)	(602)	(543)	
Less: Net gain on equity interests	1	-	6	-	-	
Less: Net (loss)/gain on loans held for sale at fair value	-	-	-	(12)	(178)	
Adjusted non-interest income	8,420	6,782	6,398	7,175	6,530	
Total income	\$26,915	\$26,934	\$29,304	\$29,017	\$26,090	
Efficiency ratio	69.68%	74.85%	64.94%	67.66%	78.29%	
Share						
(Dollars in thousands)	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2022	March 31, 2023
Total shareholders' equity	\$116,875	\$127,678	\$154,962	\$219,041	\$240,864	\$239,822
Less:						
Goodwill and other intangibles, net	25,213	19,714	24,258	31,902	32,104	32,040
Intangibles held for sale ⁽¹⁾	-	3,553	-	-	-	-
Tangible common equity	91,662	104,411	\$130,704	187,139	208,760	207,782
Common shares outstanding, end of period	7,968,420	7,940,168	7,951,773	9,419,271	9,495,440	9,507,564
Tangible common book value per share	\$11.50	\$13.15	\$16.44	\$19.87	\$21.99	\$21.85
Net income available to common shareholders					\$3,820	
Return on tangible common equity (annualized)					7.35%	

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)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Total income before non-interest expense	\$24,156	\$25,282	\$26,555	\$26,623	\$25,092
Less: unrealized gains/(losses) recognized on equity securities	(32)	299	75	-	10
Less: net gain/(loss) on loans accounted for under the fair value option	-	(155)	(134)	(602)	(543)
Less: net gain on equity interests	1	-	6	-	-
Less: net (loss)/gain on loans held for sale at fair value	-	-	-	(12)	(178)
Plus: provision for credit losses	210	519	1,756	1,197	(310)
Gross revenue	\$24,397	\$25,657	\$28,364	\$28,434	\$25,493

Mortgage Gross Revenue	For the Three Months Ended,				
(Dollars in thousands)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Total income before non-interest expense	\$2,518	\$1,277	\$940	\$583	\$597
Plus: provision for credit losses	-	-	-	-	-
Gross revenue	\$2,518	\$1,277	\$940	\$583	\$597

Consolidated Gross Revenue		For the Three Months Ended,			
(Dollars in thousands)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Total income before non-interest expense	\$26,674	\$26,559	\$27,495	\$27,206	\$25,689
Less: unrealized gains/(losses) recognized on equity securities	(32)	299	75	-	10
Less: net gain/(loss) on loans accounted for under the fair value option	-	(155)	(134)	(602)	(543)
Less: net gain on equity interests	1	-	6	-	-
Less: net (loss)/gain on loans held for sale at fair value	-	-	-	(12)	(178)
Plus: provision for credit losses	210	519	1,756	1,197	(310)
Gross revenue	\$26,915	\$26,934	\$29,304	\$29,017	\$26,090

Gross Revenue excluding net gain on mortgage loans	For the Three Months Ended,		
(Dollars in thousands)	March 31, 2022	December 31, 2022	March 31, 2023
Gross revenue	\$26,915	\$29,017	\$26,090
Less: net gain on mortgage loans	2,303	775	1,019
Gross revenue excluding net gain on mortgage loans	\$24,612	\$28,242	\$25,071

Non-GAAP Reconciliation

Adjusted net income available to common shareholders		For the Three Months Ended,				
(Dollars in thousands, except per share data)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	
Net income available to common shareholders	\$5,524	\$4,482	\$6,221	\$5,471	\$3,820	
Plus: acquisition related expense including tax impact	398	260	116	146	27	
Adjusted net income to common shareholders	\$5,922	\$4,742	\$6,337	\$5,617	\$3,847	
Adjusted diluted earnings per share		For the Three Months Ended,				
(Dollars in thousands, except per share data)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	
Diluted earnings per share	\$0.57	\$0.46	\$0.64	\$0.56	\$0.39	
Plus: acquisition related expenses including tax impact	0.04	0.03	0.02	0.02	0.00	
Adjusted diluted earnings per share	\$0.61	\$0.49	\$0.66	\$0.58	\$0.39	
Pre-tax, pre-provision net income		For the Three Months Ended,				
(Dollars in thousands)	March 31, 2022	December 31, 2022	March 31, 2023			
Income before income taxes	\$7,316	\$7,301	\$5,161			
Plus: provision for credit losses	210	1,197	(310)			
Pre-tax, pre-provision net income	\$7,526	\$8,498	\$4,851			
Allowance for credit losses to adjusted loans		As of				
(Dollars in thousands)	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023	
Total loans held for investment	\$1,931,134	\$2,150,148	\$2,354,898	\$2,476,135	\$2,475,084	
Less: Acquired loans	323,563	287,623	248,573	234,717	- (1)	
Less: PPP loans	13,109	9,053	6,905	6,378	5,967	
Less: Purchased loans accounted for under fair value	6,368	21,149	22,648	23,415	21,052	
Loans excluding acquired and PPP	1,588,094	1,832,323	2,076,772	2,211,625	2,448,065	
Allowance for credit losses	13,885	14,357	16,081	17,183	19,843	
Allowance for credit losses to loans excluding PPP	0.87%	0.78%	0.77%	0.78%	0.81 %	

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

Diluted Pre-Tax Earnings Per Share				
(Dollars in thousands)	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Non-Mortgage income before income tax	\$6,926	\$9,034	\$8,168	\$5,971
Plus: Acquisition-related expenses	347	154	195	37
Plus: Mortgage income before income tax	(950)	(799)	(867)	(810)
Less: Income tax expense including acquisition tax effect	1,581	2,052	1,879	1,351
Net income available to common shareholders	\$4,742	\$6,337	\$5,617	\$3,847
Diluted weighted average shares	9,717,667	9,673,078	9,702,908	9,732,674
Non-Mortgage Segment Diluted Pre-Tax Earnings Per Share	\$0.75	\$0.95	\$0.86	\$0.62
Consolidated Diluted Pre-Tax Earnings Per Share	\$0.65	\$0.87	\$0.77	\$0.53

Non-GAAP Reconciliation

Adjusted net interest margin	For the Three Months Ended March 31, 2022			For the Three Months Ended June 30, 2022			For the Three Months Ended September 30, 2022			For the Three Months Ended December 31, 2022			For the Three Months Ended March 31, 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	\$475,942	\$232		\$321,673	\$549		\$101,824	\$533		\$103,190	\$931		127,608	1,403	
PPP adjustment	12,378	6		4,493	9		2,798	16		1,736	16		1,502	17	
Investment securities	55,739	337		69,320	418		87,340	653		84,017	645		82,106	629	
Correspondent bank stock	1,663	21		1,555	13		4,924	109		11,880	237		9,592	173	
Loans	1,922,770	19,096		2,010,024	20,663		2,241,343	25,345		2,436,252	30,691		2,469,129	32,239	
Loans HFS	22,699	191		19,389	229		11,531	157		9,065	146		18,020	268	
PPP adjustment	(30,481)	(491)		(13,385)	(148)		(9,026)	(73)		(7,350)	(32)		(6,470)	(37)	
Purchase Accretion adjustment	-	(328)		-	(288)		-	114		-	(87)		-	(64)	
Adjusted total interest-earning assets	\$2,460,710	\$19,064		\$2,413,069	\$21,445		\$2,443,734	\$26,854		\$2,638,790	\$32,547		\$2,701,487	\$34,628	
Interest-bearing deposits		943			1,103			2,706			8,260			13,092	
PPP adjustment		-			-			-			-			-	
Federal Home Loan Bank Topeka and Federal Reserve borrowings		39			28			666			1,916			1,386	
PPP adjustment		(16)			(8)			(3)			(6)			(5)	
Subordinated notes		400			361			362			486			674	
Adjusted total interest-bearing liabilities		1,366			1,484			3,731			10,656			15,147	
Net interest income		17,698			19,961			23,123			21,891			19,481	
Adjusted net interest margin			2.92%			3.32%			3.84%			3.29%			2.92%

