



First Quarter 2022 Investor Presentation



Alpine Bank

INDEPENDENCE · COMMUNITIES · COMPASSION · INTEGRITY · LOYALTY

Member FDIC



Forward Looking Statements

- This presentation contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects” and similar references to future periods. Examples of forward-looking statements include, but are not limited to, statements we make regarding our evaluation of macro-environment risks, Federal Reserve rate management, and trends reflecting things such as regulatory capital standards and adequacy. Forward-looking statements are based on our current expectations and assumptions regarding our business, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by the forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact or guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statement include:
 - the ability to attract new deposits and loans;
 - demand for financial services in our market areas;
 - competitive market-pricing factors;
 - the adverse effects of public health events, such as the current COVID-19 pandemic, including governmental and societal responses;
 - deterioration in economic conditions that could result in increased loan losses;
 - actions by competitors and other market participants that could have an adverse impact on our expected performance;
 - risks associated with concentrations in real estate-related loans;
 - market interest rate volatility;
 - stability of funding sources and continued availability of borrowings;
 - risk associated with potential cyber threats;
 - changes in legal or regulatory requirements or the results of regulatory examinations that could restrict growth;
 - the ability to recruit and retain key management and staff;
 - the ability to raise capital or incur debt on reasonable terms; and
 - effectiveness of legislation and regulatory efforts to help the U.S. and global financial markets.
- There are many factors that could cause actual results to differ materially from those contemplated by forward-looking statements. Any forward-looking statement made by us in this presentation speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.





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Alpine Banks of Colorado



**Alpine Banks of Colorado Headquarters
Glenwood Springs, Colorado**





Alpine Banks of Colorado

Summary Information

(unaudited)

Founded	1973
Ticker	ALPIB
Total Assets	\$6.18 Billion
Total Deposits	\$5.60 Billion
Gross Loans	\$3.42 Billion
Employees	804
Locations	38
ROA	0.82%
ROE	12.23%





Financial Ratios for the Quarter ended 3/31/22

(unaudited)

Net Income Growth	-9.62%
Annualized Deposit Growth	-0.66%
Annualized Loan Growth	1.31%
Efficiency Ratio	66.09%
Net Interest Margin (TE)	2.97%
NPA's to Total Assets	0.11%
Total Risk Based Capital	14.40%





Alpine Banks of Colorado

Stock Information as of 3/31/22

- Class B Non-Voting Common Stock
 - Traded on OTCQX® Best Market
 - Ticker: ALPIB
 - 7,529,502 shares outstanding
 - 150 for 1 stock split occurred 12/1/20
 - Dividends set at 1/150th of dividends on Class A Voting Common Stock
 - All transactions are existing outstanding shares. No new shares are being issued.
- Class A Voting Common Stock
 - 52,414 shares outstanding
 - Subject to Shareholders Agreement

Employee Ownership

- Employee Stock Ownership Plan (ESOP) formed in 1983
- ESOP owns 22.8% of outstanding Class A Voting Common Stock as of 3/31/22
- Employees, Directors and their families own another 59% of voting shares through individual ownership as of 3/31/22

Source: Internal company reports as of 3/31/22





Vision, Mission and Values

Vision

“Alpine Bank will be the preferred financial services provider for individuals and businesses in the communities we serve in Colorado.”

Mission

“To help our customers, employees, shareholders and community members achieve their dreams.”

Values

Independence

Integrity

Community

Loyalty

Compassion





Executive Leadership

<u>Name</u>	<u>Title</u>	<u>Tenure at Alpine</u>
J. Robert Young	Founder and Chairman	49 Years
Glen Jammaron	President and Vice Chairman	37 Years
Glenn Davis	Chief Development Officer	33 Years
Eric A. Gardey	Chief Financial Officer	32 Years
Jay Rickstrew	Chief Retail Officer	27 Years
Tom Kenning	Chief Administration Officer	26 Years
Andrew Karow	Chief Operations Officer	25 Years
Rachel Gerlach	Chief Credit Officer	24 Years





Board of Directors

Raymond T. Baker

Owner, Real Estate Management Firm

Stephen Briggs

Former Banking Executive

Linda Childears

Retired President & CEO – Daniels Fund

John W. Cooper

Marketing and Leadership Consultant

Wally Dallenbach

Professional Motor Racing Executive

Glenn Davis

Chief Retail Officer

Terry Farina

Attorney at Law

Norm Franke

President, Front Range Region

L. Kristine Gardner

Former Banking Executive

Peter N. Guy

Investments

Glen Jammaron

Vice Chairman and President

Thomas H. Kenning

Chief Administration Officer

Stan Kornasiewicz

Investment Consultant

Steve Parker

Colorado Banking Leader

R. Bruce Robinson

Former Banking Executive

H. David Scruby

Former Banking Executive

Rodney E. Slifer

Vail Realtor

J. Robert Young

Founder and Chairman

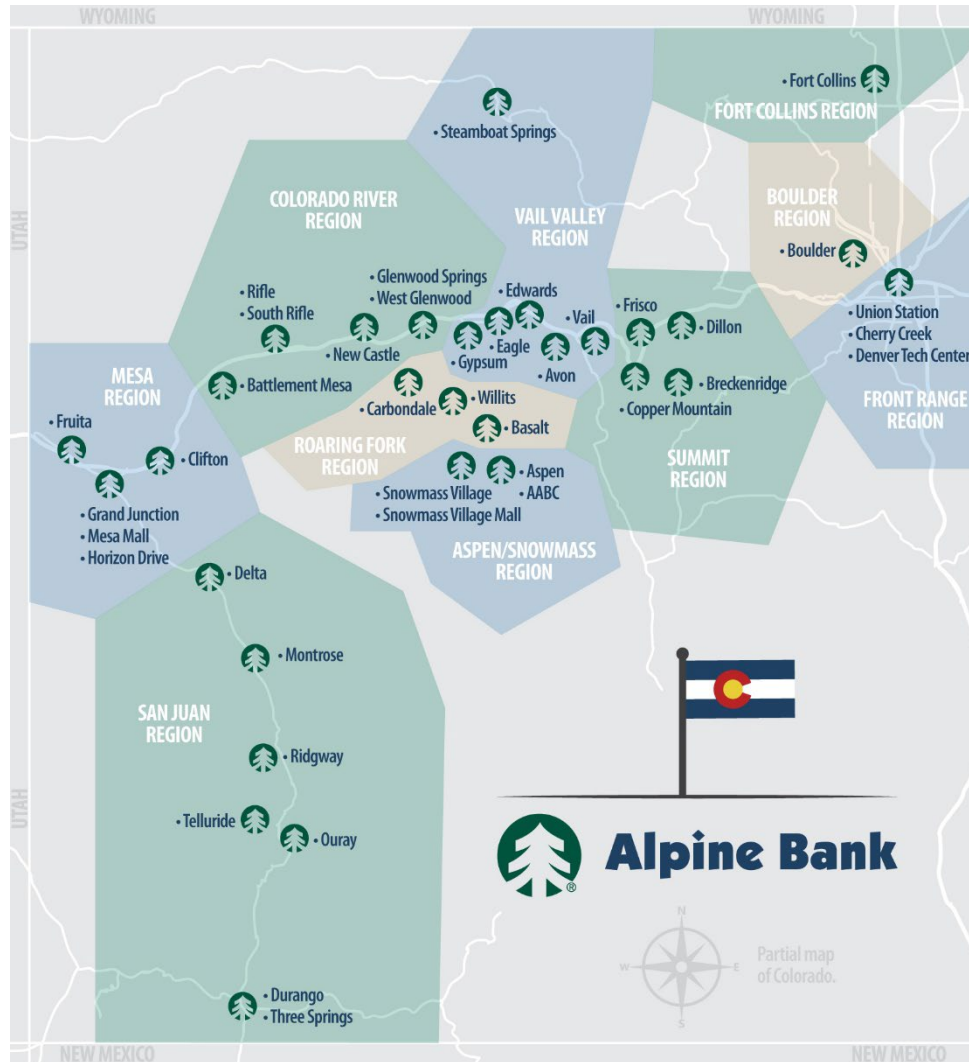
Margo Young-Gardey

Former Banking Executive





Branch Network





Community Involvement

- **Loyalty Debit Card Program**
 - Debit card program benefits local organizations supporting the community
 - Ten cents per transaction donated to the program
 - Nearly \$1.9 million donated to the program in 2021
 - \$495,000 donated YTD in 2022
- **Other Donations**
 - \$2.6 million donated in 2021 above and beyond the Loyalty Debit Card program
 - \$693,000 in other donations YTD in 2022
- **Federal Employee Loans**
 - Interest-free loans made to federal employees impacted by the 2019 government shutdown
 - Third time in history we have run this program
- **Volunteer Time**
 - All employees receive three paid days off annually for volunteer efforts
 - Over 8,000 hours of volunteer time reported in 2021 and over 5,000 hours in 2020

Source: Internal company reports as of 3/31/22





Environmental Initiatives

- **ISO Certification**
 - International Organization for Standardization (ISO) 14001 certification for environmental management since 2006
- **Green Team**
 - Grassroots employee-driven initiative started in 2005 to improve environmental practices
- **Renewable Energy**
 - All electricity generated from renewable sources or offset by Renewable Energy Credits
- **Environment Loyalty Debit Card**
 - Ten cents per transaction donated to local environmentally-focused organizations





Focus on Customer Service

- CARE
 - Connect, Ask Questions, Recommend, Exceed
 - Our commitment to deliver exceptional service and solutions that enhance our customers' experience
- Net Promoter Score
 - Net Promoter Score measures percentage of customers that would recommend a brand
 - Alpine Bank's Net Promoter Score was 75 in 2021, compared to an average Net Promoter Score of 34 for the banking industry in 2021





Employee Volunteers in Action





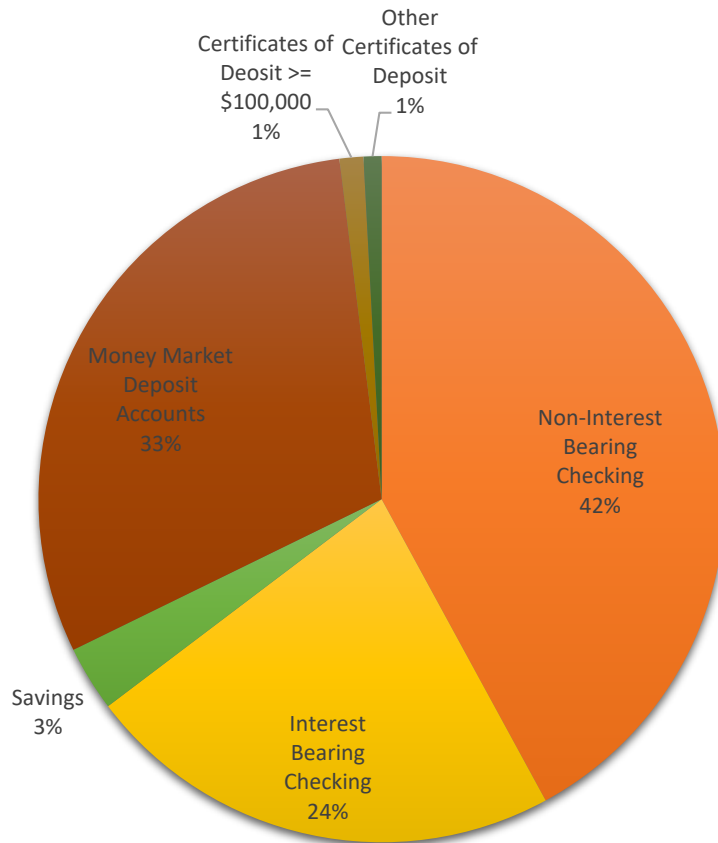
Key Differentiators

- Core Deposit Base
- Diversified Loan Portfolio
- De Novo Market Expansion
- Talent Development
- Operational Efficiency
- Noninterest Income

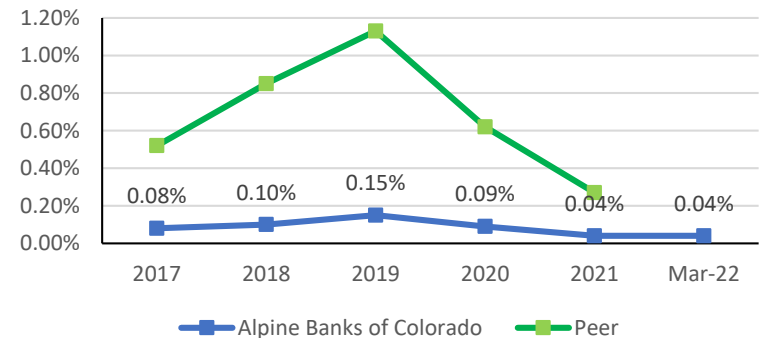




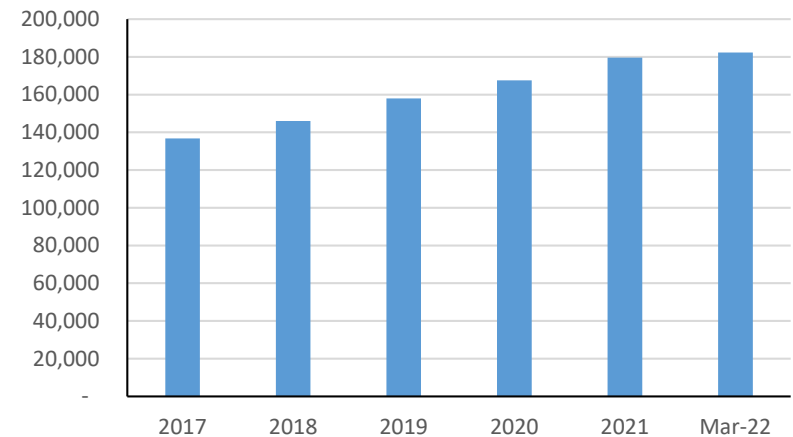
Core Deposit Base



Cost of Interest-Bearing Deposits



Total # of Deposit Accounts



Information as of December 31 for the year indicated, except 3/31/22

Peer group for all data in this presentation consists of bank holding companies with consolidated assets between \$3 billion and \$10 billion per the Federal Reserve's Bank Holding Company Performance Report





Colorado Deposit Market Share

Statewide

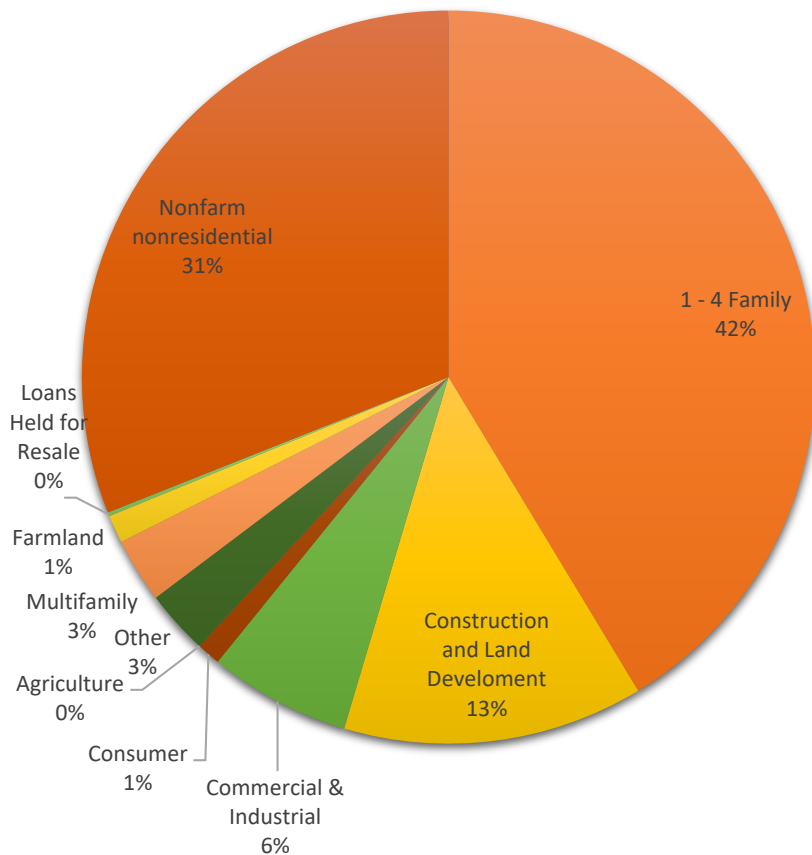
(as of June 30, 2021)

	Name	State (Headquarters)	Colorado Offices	Deposits (\$000)	Market Share
1	Wells Fargo Bank, N.A.	SD	135	40,877,203	20.73%
2	U.S. Bank N.A.	OH	110	24,228,295	12.29%
3	JPMorgan Chase Bank, N.A.	OH	118	23,902,153	12.12%
4	Firstbank	CO	91	22,860,335	11.60%
5	Bank of the West	CA	71	6,255,120	3.17%
6	Keybank, N.A.	OH	57	5,878,713	2.98%
7	Alpine Bank	CO	39	5,213,213	2.64%
8	Bank of Colorado	CO	48	5,071,141	2.57%
9	BOK, N.A.	OK	14	4,405,629	2.23%
10	Zions Bancorporation, N.A.	UT	33	4,398,585	2.23%

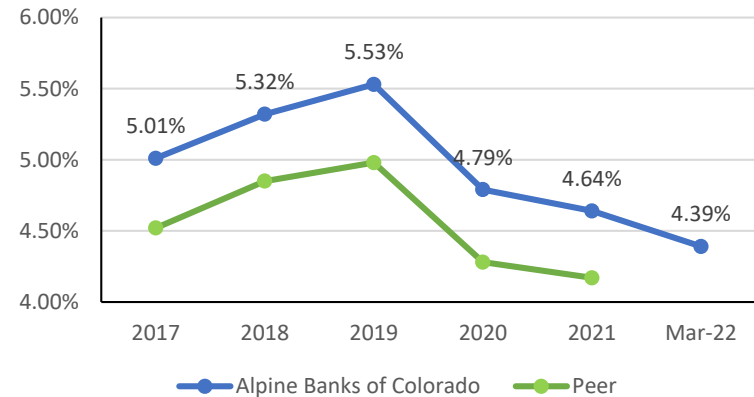




Diversified Loan Portfolio



Yield on Loans and Leases (TE)



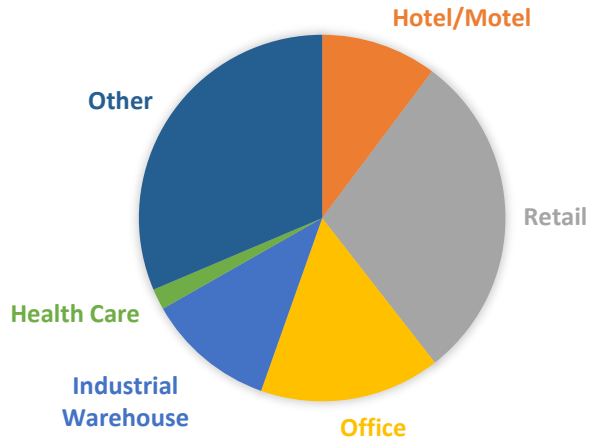
- 42% of loans are 1 to 4 Family
- 31% Commercial Real Estate (CRE) loans
- CRE concentrations are below regulatory guidance



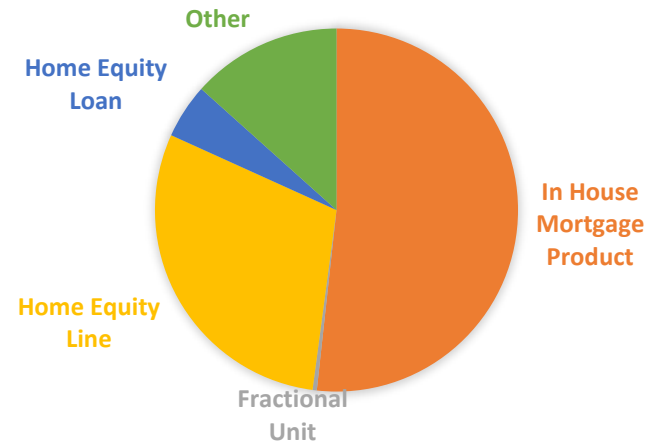


Loan Portfolio Segmentation

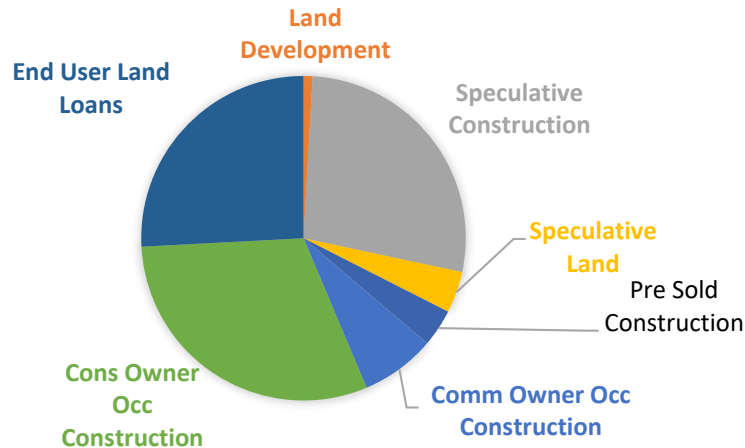
COMMERCIAL REAL ESTATE



1 - 4 FAMILY REAL ESTATE



CONSTRUCTION AND LAND DEVELOPMENT





Commercial and Industrial (C & I) Lending Expansion

- We have been building out a C & I Lending Department
- We believe there are strong opportunities in the Front Range market for C&I lending
- C&I lending employees come from a combination of outside hires and our existing lenders
- We have been building our C&I lending infrastructure since December 2017
- We are currently looking to grow our book of C&I lending business





De Novo Market Expansion

- Entered the Front Range market in 2014 with our Union Station Branch
- We now have 5 locations in Denver/Boulder/Fort Collins area
- Proactively adding to the lending staff within our current footprint
- Constantly exploring new locations within Denver and along the Front Range
- Operating an LPO in in Fort Collins. The permanent branch is under construction and should be available Q4 2022
- Space has been leased in Colorado Springs for a branch opening in Q4 2022

Alpine Bank on the Front Range

- Union Station, Cherry Creek, and DTC branches have grown since opening:
 - Combined loans over \$612 million at 3/31/22
 - Combined deposits over \$404 million at 3/31/22
- Boulder branch opened in February 2019 :
 - Loans nearing \$162 million at 3/31/22
 - Deposits nearing \$69 million at 3/31/22
- Fort Collins LPO opened in July 2020:
 - Loans nearing \$60 million at 3/31/22





Talent Development

- Officer Trainees

- 48-year history of hiring and training our own officer staff
- One-year training program for recent college graduates
- 8 Officer Trainees hired in 2020, 8 hired in 2021 and 12 in 2022

- Leadership Development

- In-house, comprehensive Leadership Training Program
- Created and led by Starquest Group, industry experts in leadership and sales development

- Commitment to Training

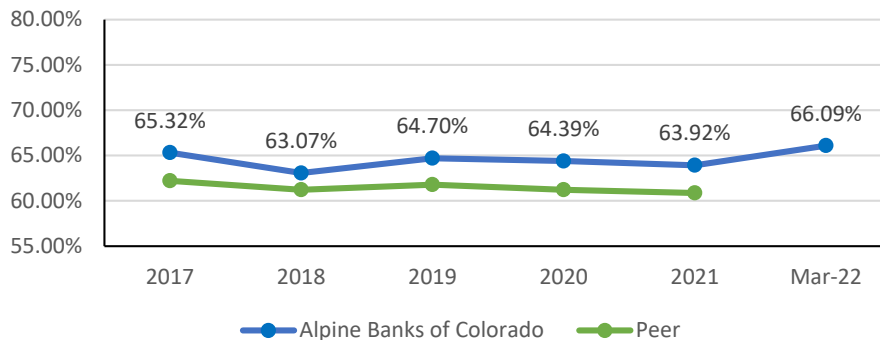
- Full-service internal training department
- Officers and employees are encouraged to engage in outside training related to their job functions
- Majority of officers attend the Graduate School of Banking at Colorado



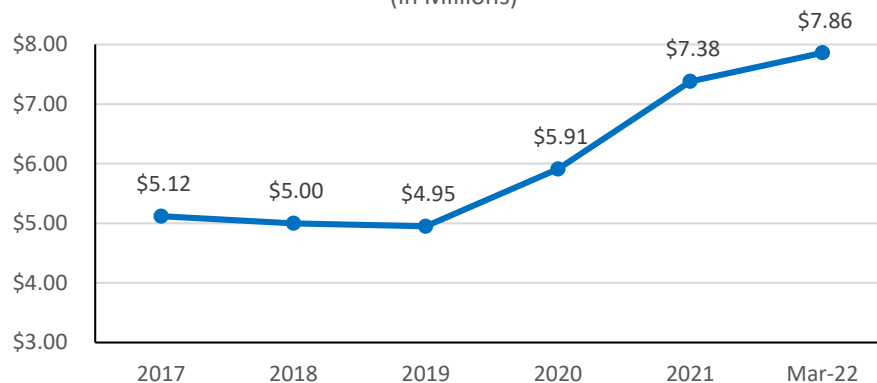


Operational Efficiency

Efficiency Ratio



Average Assets Per Employee
(in Millions)



Information as of December 31 for the year indicated, except 3/31/22

- Efficiency Ratio has risen during the recent low interest rate environment
- Assets per Employee generally improving over time
- In-house expertise in process improvement





Noninterest Income

- **Wealth Management**

- 27.5 employees working in Wealth Management as of 3/31/22
- Added two relationship managers and a fully staffed office in Denver in August 2019
- Assets under management of \$1.140 billion as of 3/31/22, up from \$1.090 billion as of 3/31/21
- Revenue for the year ended 12/31/20 was \$4,114,000
- Revenue for the year ended 12/31/21 was \$4,848,000
- Revenue for first quarter 2022 of \$1.2 million

- **Mortgage**

- Origination of conforming and jumbo mortgages for sale on the secondary market
- Sold with servicing released
- Revenue for the year ended 12/31/20 was \$14,986,000
- Revenue for the year ended 12/31/21 was \$11,057,000
- Revenue for first quarter 2022 of \$912,000

- **Interchange**

- Interchange income increased 15.8% annually from 2016 through 2021
- Revenue for the year ended 12/31/20 was \$11,954,000
- Revenue for the year ended 12/31/21 was \$15,392,000
- Revenue for first quarter 2022 of \$3.9 million





Financial Information



Alpine Bank, Union Station



Alpine Bank, Boulder

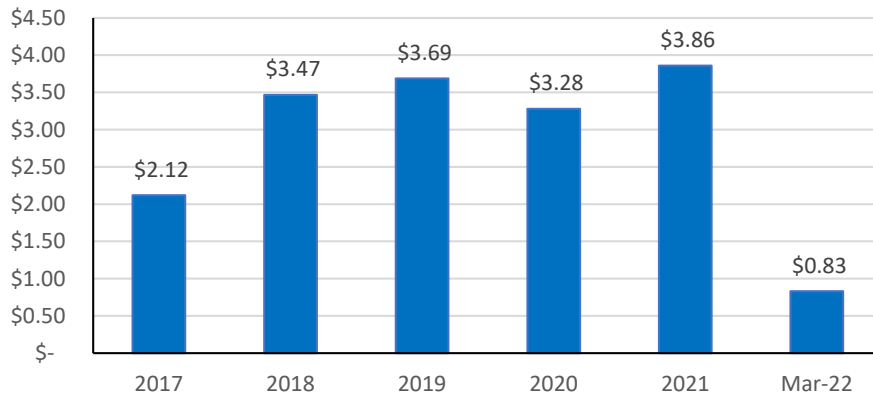




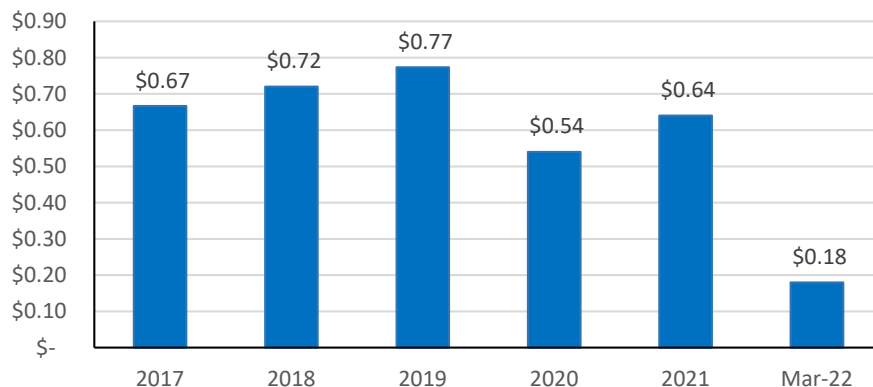
Shareholder Returns

Class B Shares

Earnings Per Share



Dividends Per Share



- 12.9% Cumulative Average Growth Rate (CAGR) in Earnings Per Share for the 2016 to 2021 period
- Historically increasing dividends prior to COVID
- January 2022 dividend increased to \$0.18 per share from \$0.16 per share in October 2021
- As of 3/31/2022:
 - 2.25% Dividend Yield
 - 8.5 times LTM EPS
 - 1.30 Price/Tangible Book

*Information as of December 31 for the year indicated, except 3/31/22

*All share and per share amounts reflect the Company's 150-for-1 Class B stock split on December 1, 2020

Source: Internal company reports as of 3/31/22 and S&P Global

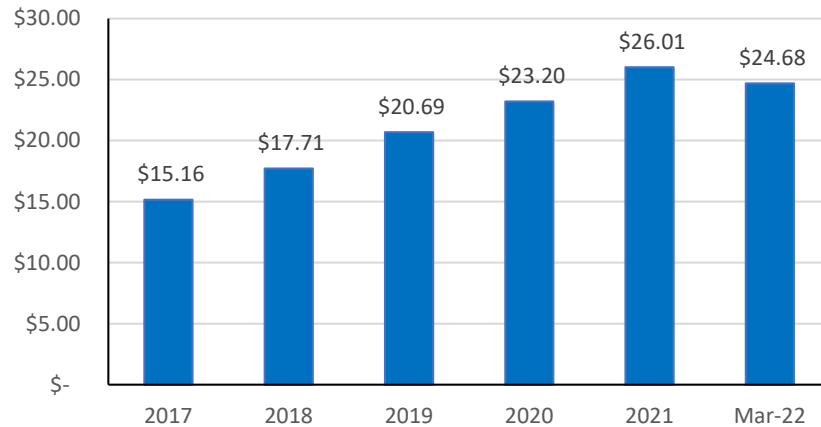




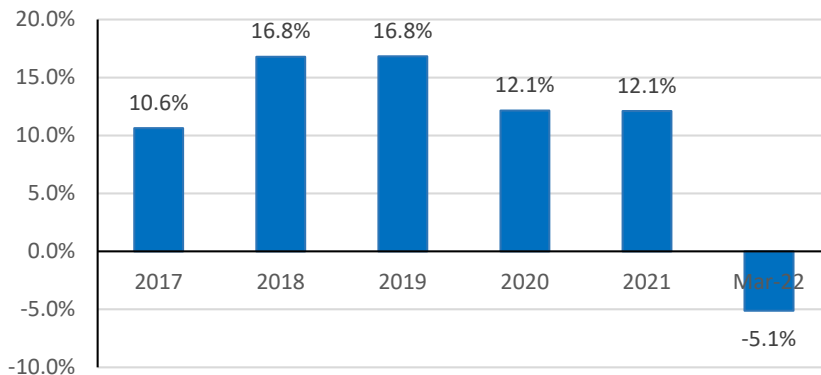
Tangible Book Value

Class B Shares

Tangible Book Value Per Share



Increase in Tangible Book Value Per Share



- 13.7% CAGR in Tangible Book Value Per Share in the period 2016 to 2021
- Tangible Book Value Per Share negatively impacted in the first quarter from Accumulated Other Comprehensive Loss

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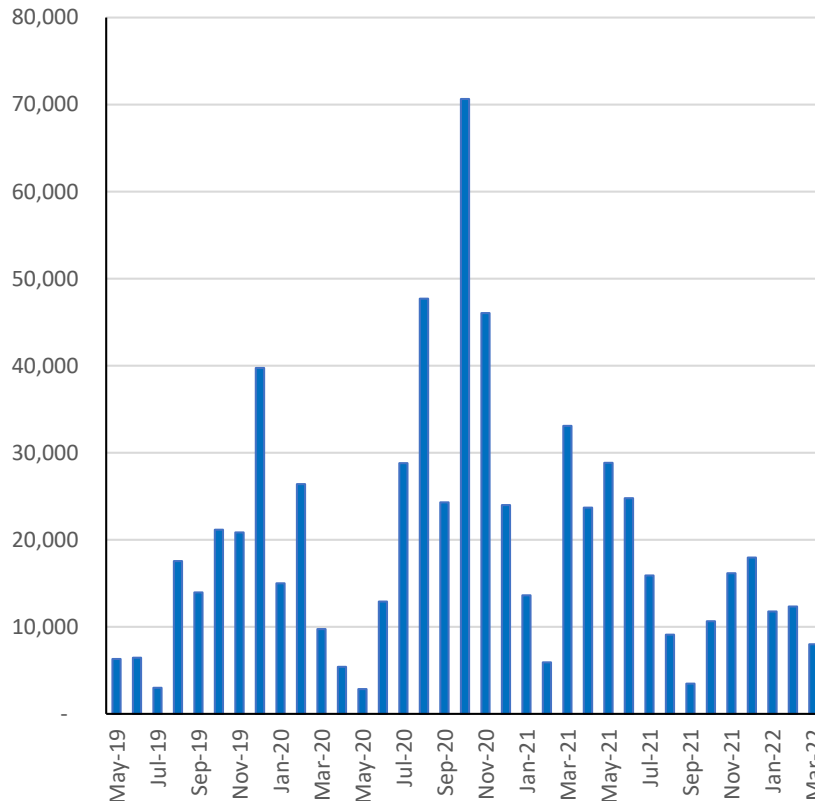
Source: S&P Global



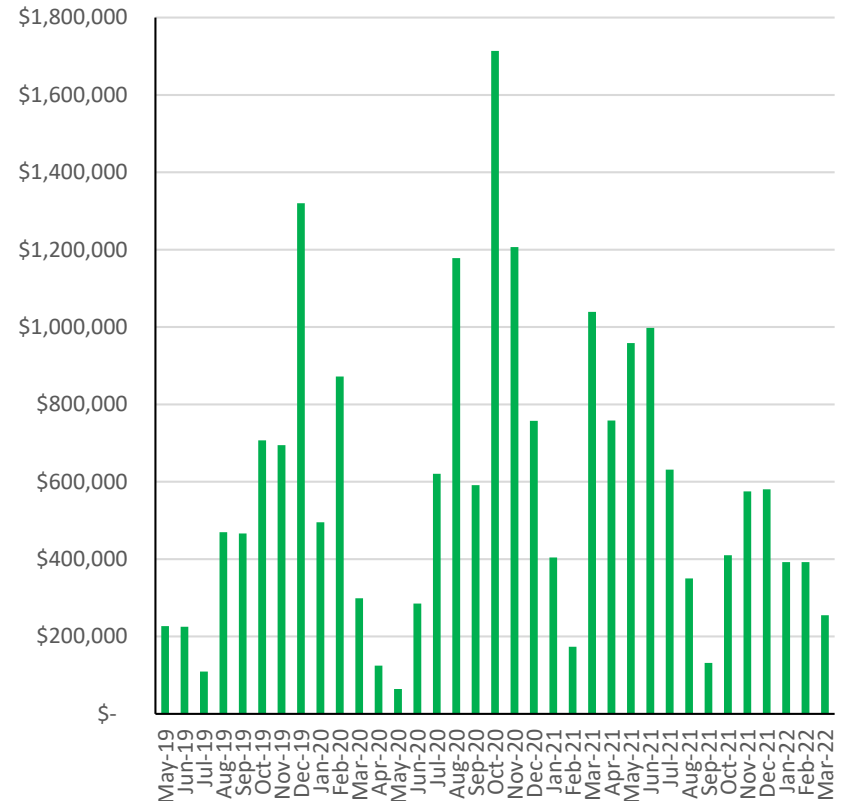


Trading Volume

Monthly Trading Volume in Shares



Monthly Trading Volume in Dollars



*Information as of month end for the month indicated

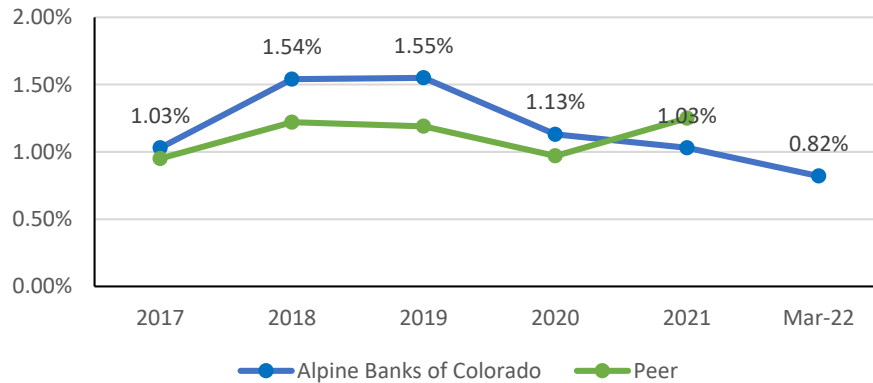
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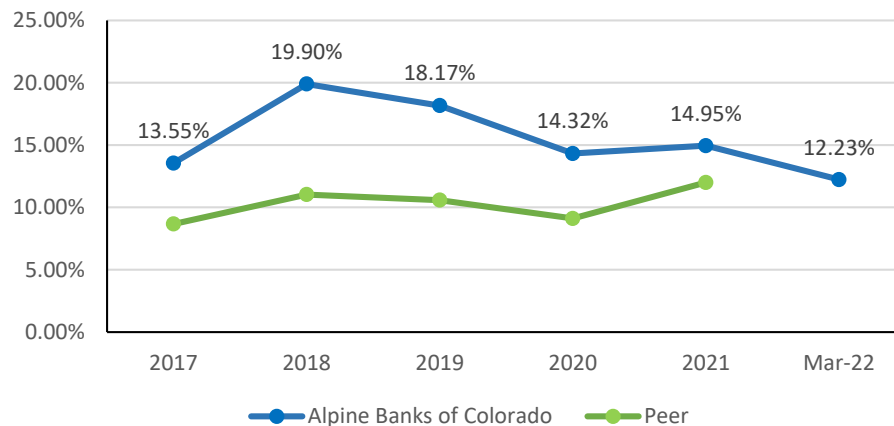


Earnings Growth History

Return on Assets (ROA)



Return on Equity (ROE)



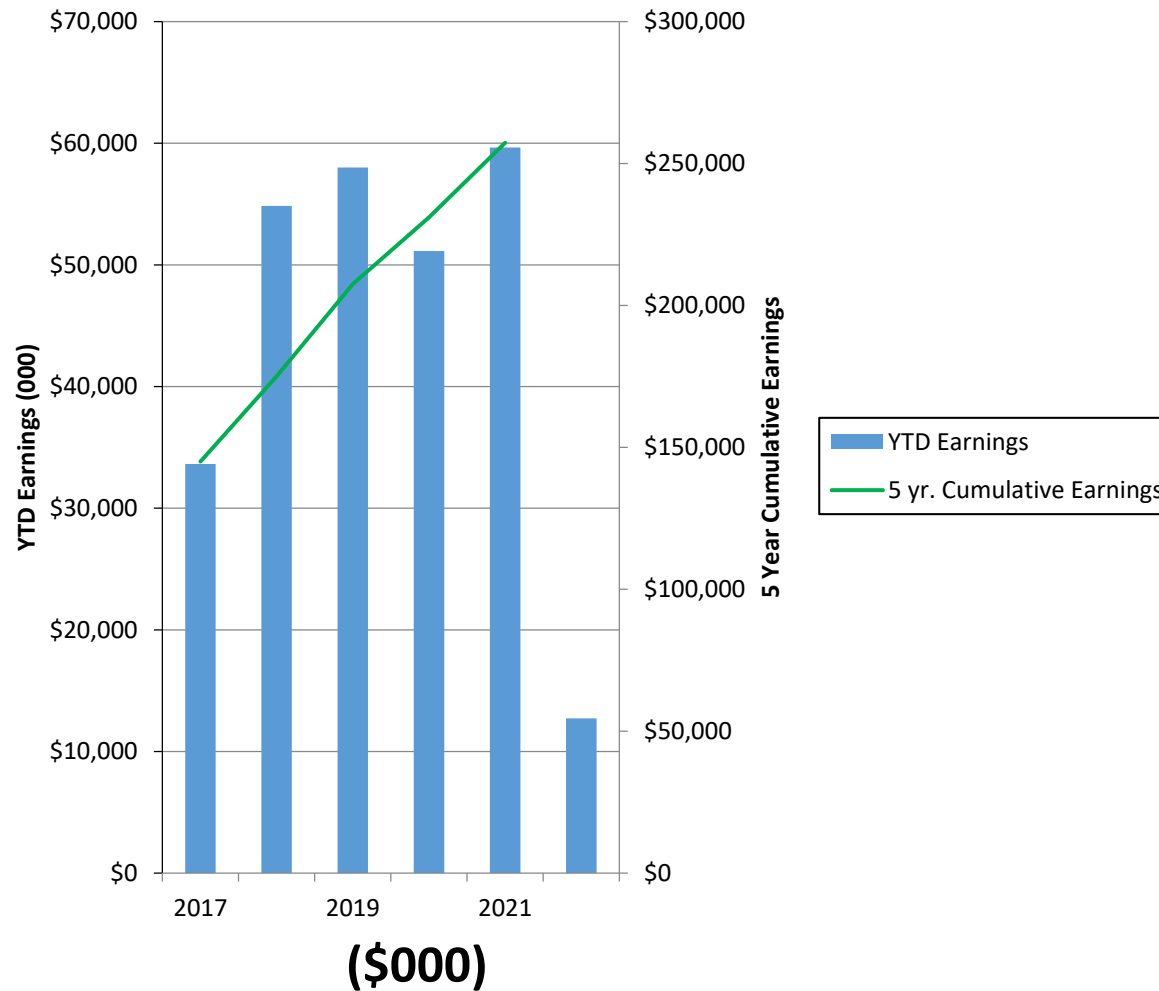
Information as of December 31 for the year indicated, except 3/31/22

- Historically outperformed peer group in both ROA and ROE
- ROA would have been 0.97% net of a \$3.2 million unrealized loss on the Bank's equity securities portfolio
- 83rd percentile to peer group in ROE as of 12/31/21





Net Income 5 Year Growth



Information as of December 31 for the year indicated, except 3/31/22

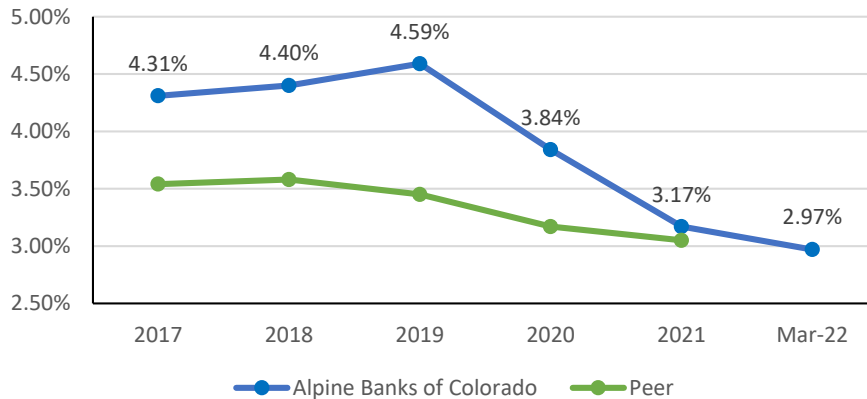
Source: Bank holding company
regulatory reports





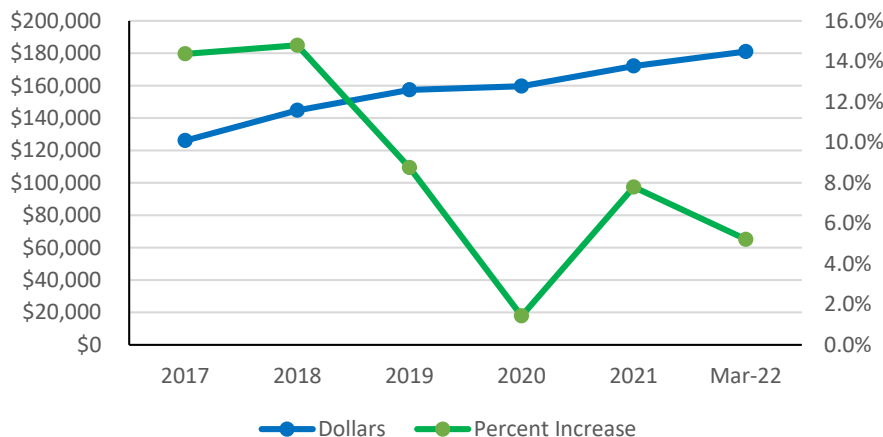
Net Interest Margin (TE)

Net Interest Margin (TE)



- Net Interest Margin (NIM) has declined as general market rates fell.
- NIM is negatively impacted by large balances held on deposit at the Federal Reserve

Annualized Net Interest Income

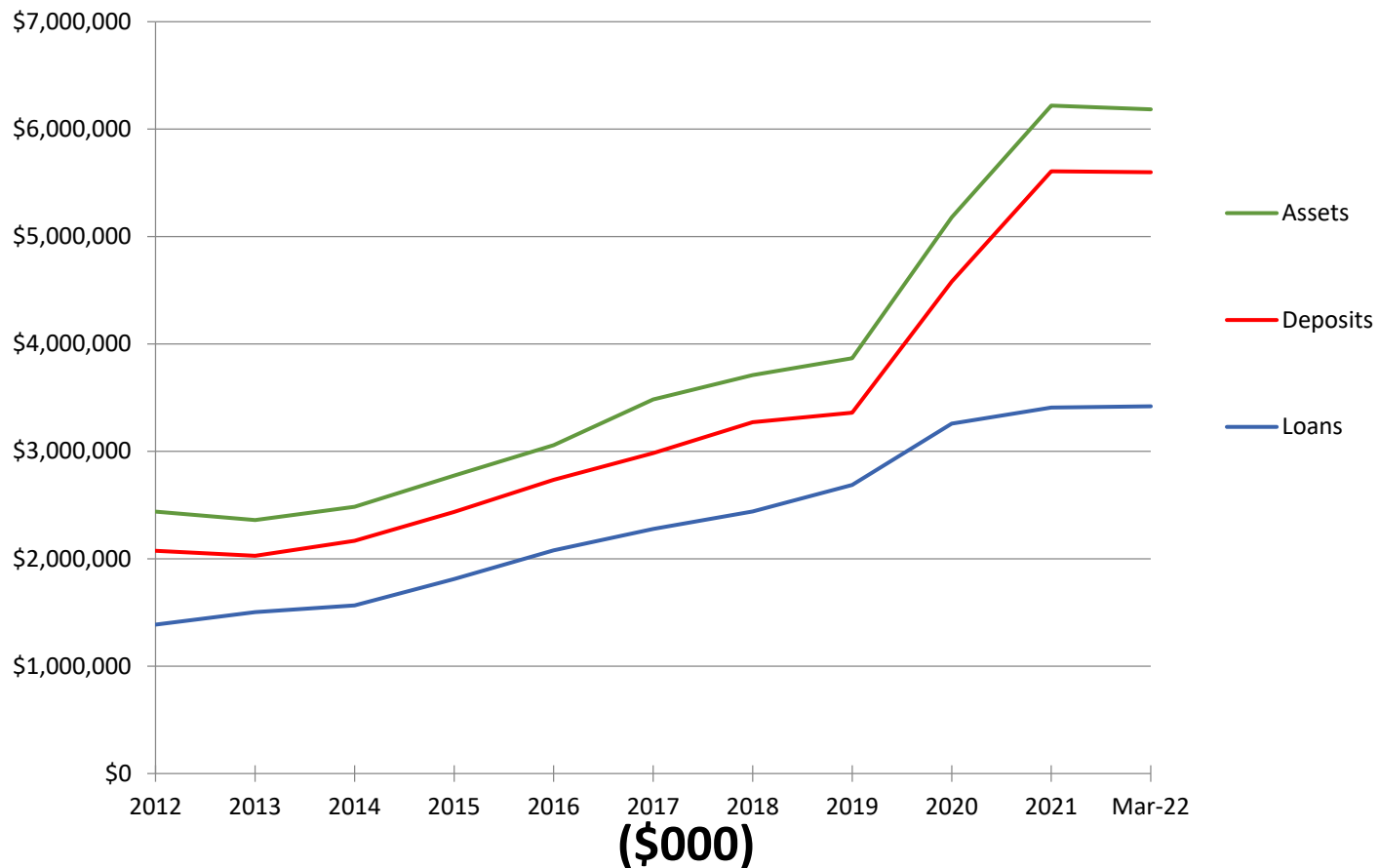


Information as of December 31 for the year indicated, except 3/31/22





10 Year Growth Trends



Information as of December 31 for the year indicated, except 3/31/22

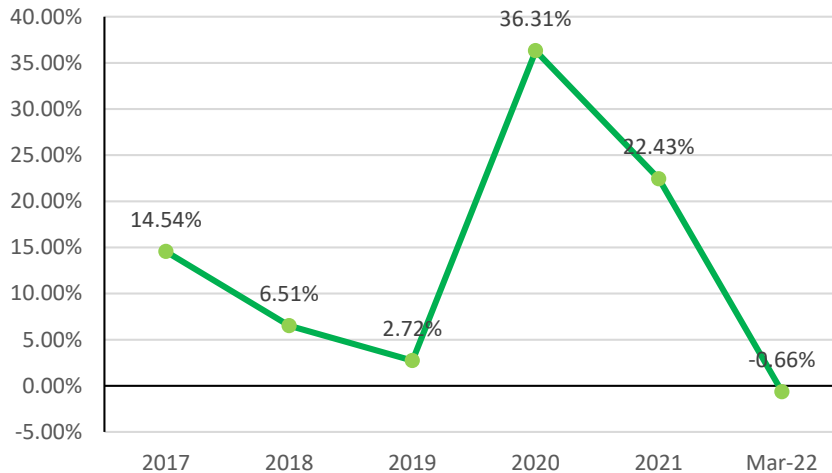
Source: Bank holding company
regulatory reports



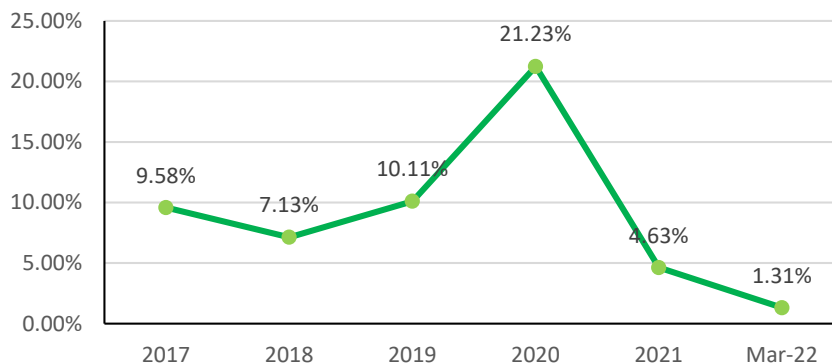


Deposit and Loan Growth History

Deposit Growth



Loan Growth



- Took advantage of IntraFi Network Deposits to move \$250 million of deposits off balance sheet on 3/30/22
- Loan Growth in 2020 net of PPP loans was 13.9%
- 15.9% CAGR in Deposits and 10.4% CAGR in Loans for the period 2016 to 2021

Information as of December 31 for the year indicated, except 3/31/22

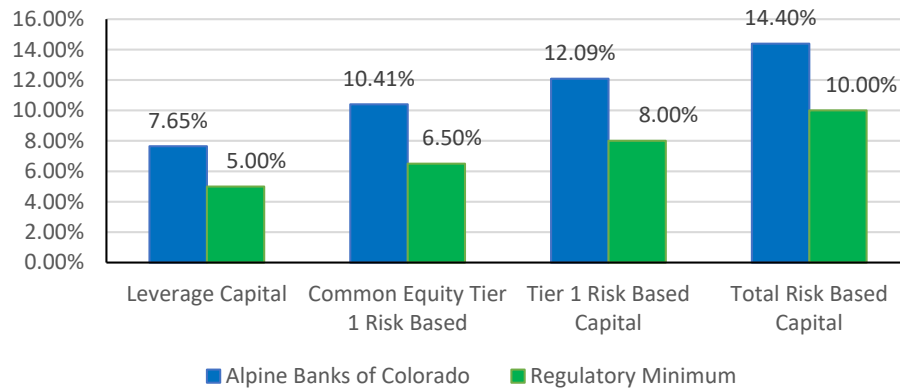
Source: Bank holding
company regulatory reports



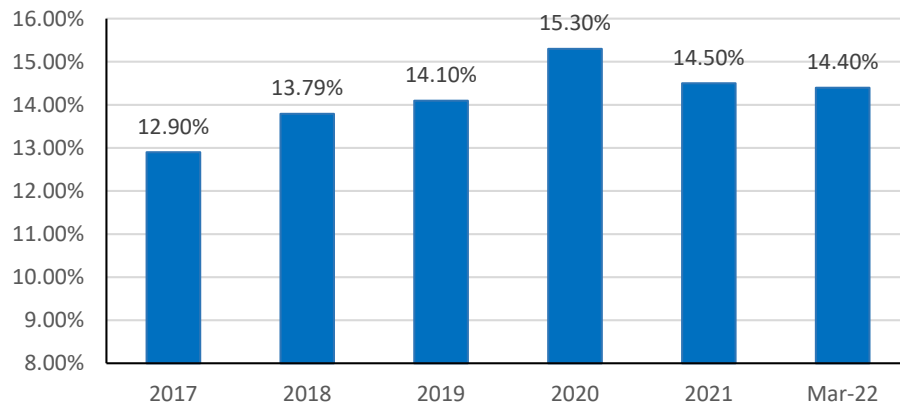


Capital Ratios

Regulatory Capital Ratios



Total Risk Based Capital



Information as of December 31 for the year indicated, except 3/31/22

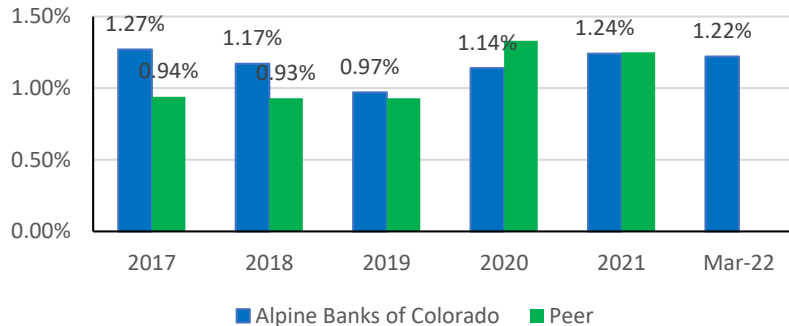
- Capital levels in excess of regulatory minimums
- Increase in capital levels with slower asset growth in 2018-2019 period
- 2020 increase in Total Risk Based Capital partially due to subordinated debt issuance





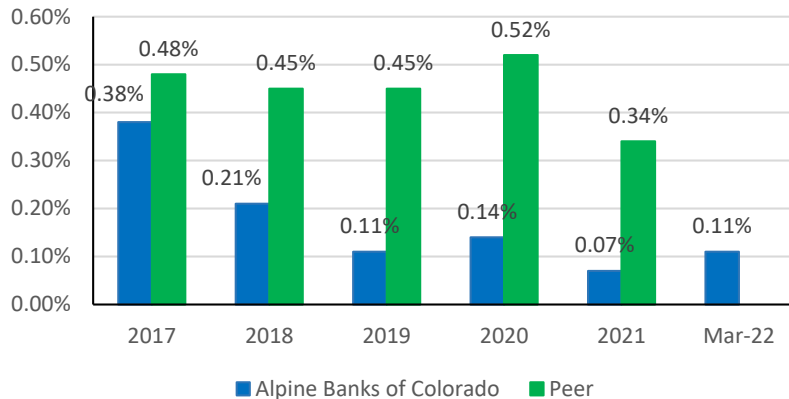
Asset Quality

Allowance for Loan and Lease Losses
(ALLL) Percentage

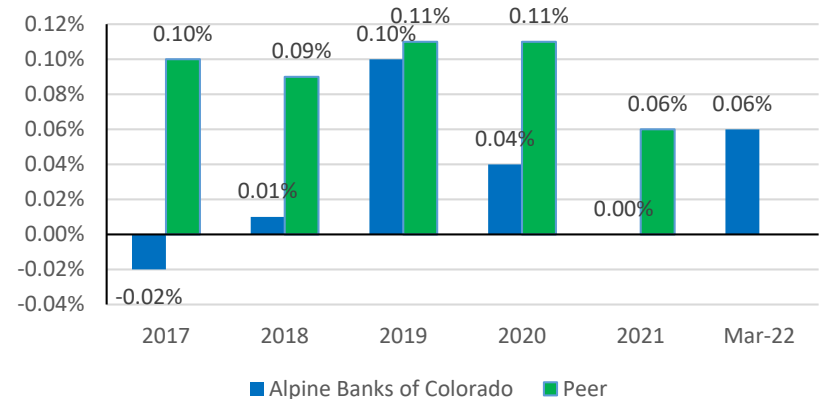


- ALLL 0.01% lower than peer group at 12/31/21
- Nonperforming assets at 0.11% as of 3/31/22 and have declined since 2017
- Net loan charge-off ratio of 0.00% for the full year of 2021

Non-performing Assets to Total Assets



Net Charge-offs to Average Loans



Information as of December 31 for the year indicated, except 3/31/22



In Summary

- A unique culture and brand identity built around community and employee involvement creates our competitive advantage and is highlighted by :
 - Cost of interest bearing deposits of 0.04% for full year ended 12/31/21
 - Exceptional customer loyalty represented by a Net Promoter Score of 75
- Led by a team of experienced bankers consistently executing our strategic plan for nearly 50 years
- Predominantly owned by insiders who believe that superior performance over the long-run is the key to remaining independent
- Leading market position and brand visibility in vibrant and growing markets
- We focus on markets, products and customers that we know and avoid concentrations of risk



Contact Information

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