



Fourth 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	\$6.32 Billion
Total Deposits	\$5.52 Billion
Gross Loans	\$3.91 Billion
Employees	827
Locations	39
ROA	1.16%
ROE	17.78%





Financial Ratios

for the Quarter ended 12/31/22

(unaudited)

Net Income Growth	22.98%
Annualized Deposit Growth	-1.59%
Annualized Loan Growth	14.67%
Efficiency Ratio	61.00%
Net Interest Margin (TE)	3.46%
NPA's to Total Assets	0.06%
Total Risk Based Capital	14.57%





Alpine Banks of Colorado

Stock Information as of 12/31/22

- Class B Non-Voting Common Stock
 - Traded on OTCQX® Best Market
 - Ticker: ALPIB
 - 8,509,432 shares outstanding
 - 150 for 1 stock split occurred 12/1/20
 - Dividends set at 1/150th of dividends on Class A Voting Common Stock
 - 1,192,983 shares issued at \$28.50 per share on July 18, 2022 to certain qualified institutional and accredited investors.
- Class A Voting Common Stock
 - 52,393 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 12/31/22
- Employees, Directors and their families own another 59% of voting shares through individual ownership as of 12/31/22

Source: Internal company reports as of 12/31/22





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

Community

Compassion

Integrity

Loyalty





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	34 Years
Eric A. Gardey	Chief Financial Officer	33 Years
Jay Rickstrew	Chief Retail Officer	28 Years
Andrew Karow	Chief Operations Officer	26 Years
Rachel Gerlach	Chief Credit Officer	25 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

Alison Vollbracht Winfield
Educational Executive





Community Involvement

- **Loyalty Debit Card Program**
 - Debit card program benefits local organizations supporting the community
 - Ten cents per transaction donated to the program
 - Nearly \$2.1 million donated to the program in 2022
- **Other Donations**
 - \$3.3 million donated in 2022 above and beyond the Loyalty Debit Card program
- **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 9,000 hours of volunteer time reported in 2022 and over 8,000 hours in 2021

Source: Internal company reports as of 12/31/22





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 74 in 2022, compared to an average Net Promoter Score of 34 for the banking industry in 2022

Source: Net Promoter Score data from
internal company resources and Satmetrix





Employee Volunteers in Action





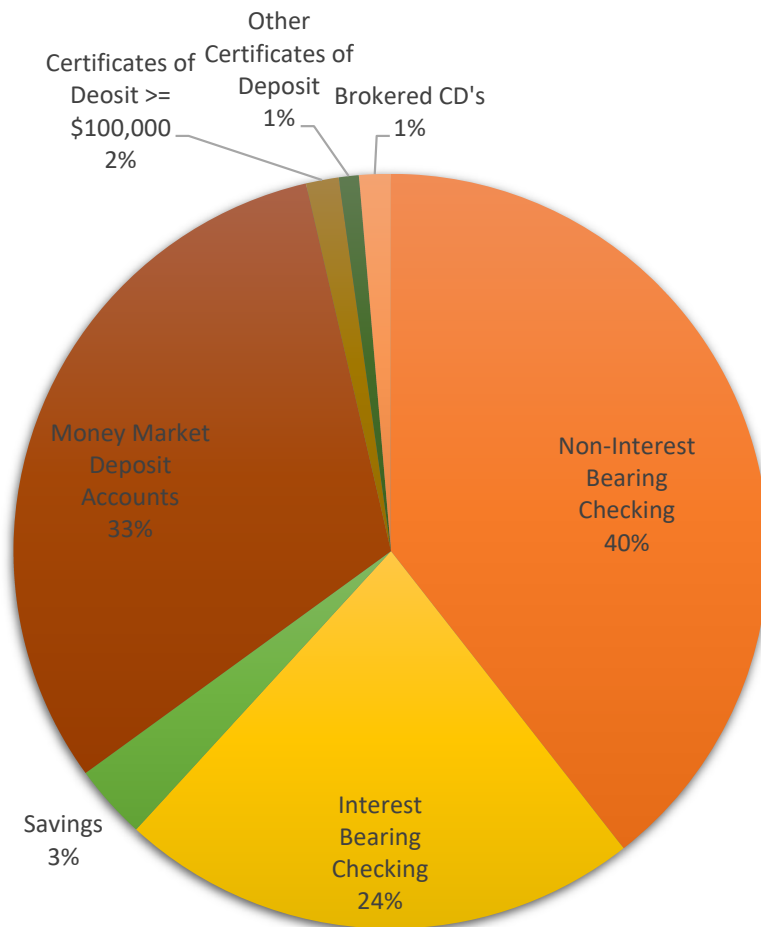
Key Differentiators

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

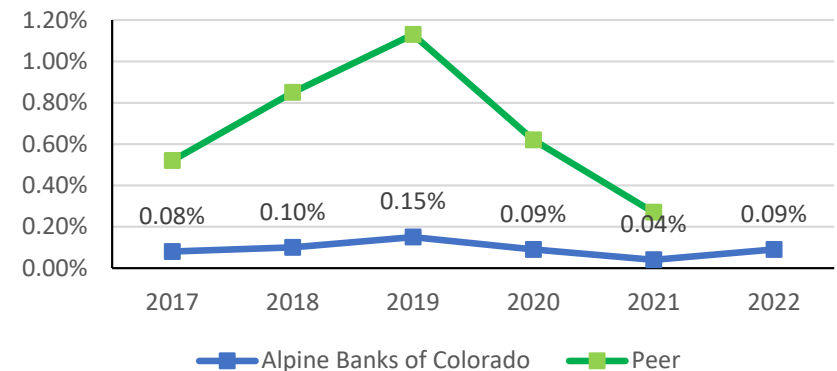




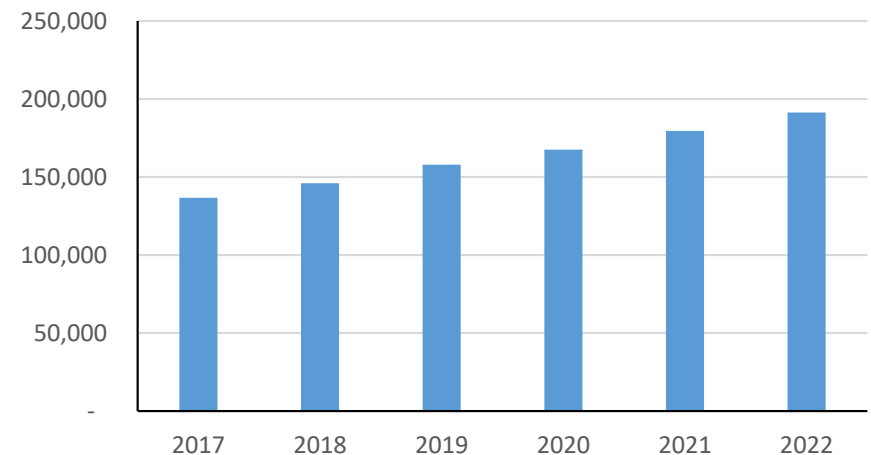
Core Deposit Base



Cost of Interest-Bearing Deposits



Total # of Deposit Accounts



Information as of December 31 for the year indicated

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

Source: Bank holding company regulatory report for the quarter ended 12/31/22 and internal company reports





Colorado Deposit Market Share

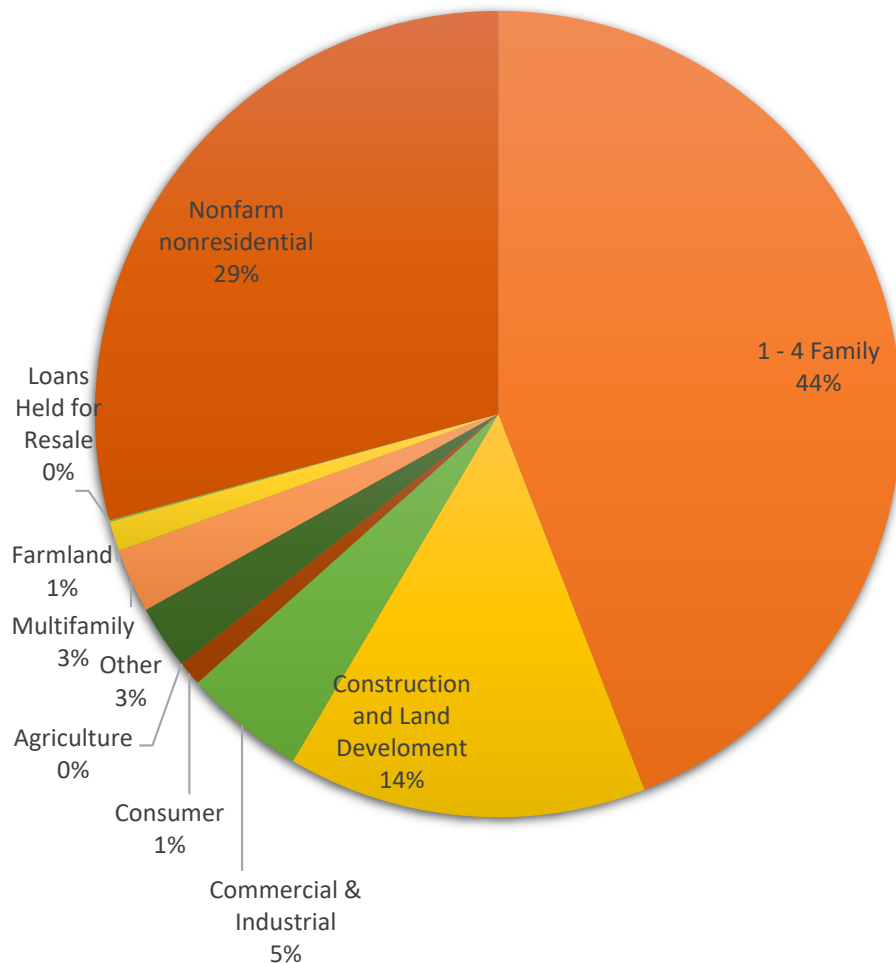
Statewide
(as of June 30, 2022)

	Name	State (Headquarters)	Colorado Offices	Deposits (\$000)	Market Share
1	Wells Fargo Bank, N.A.	SD	131	41,808,963	20.37%
2	JPMorgan Chase Bank, N.A.	OH	116	26,142,890	12.74%
3	Firstbank	CO	85	24,890,395	12.12%
4	U.S. Bank N.A.	OH	108	22,137,260	10.78%
5	Bank of the West	CA	69	6,204,061	3.02%
6	Keybank, N.A.	OH	57	5,941,662	2.89%
7	Alpine Bank	CO	38	5,537,026	2.70%
8	Bank of Colorado	CO	47	5,493,092	2.68%
9	BOK, N.A.	OK	14	5,304,572	2.58%
10	Bank of America, N.A.	NC	22	4,589,006	2.37%

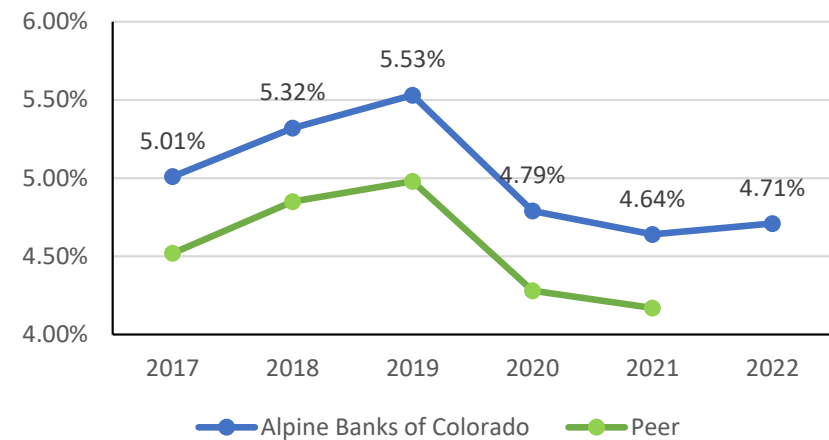




Diversified Loan Portfolio



Yield on Loans and Leases (TE)



- 44% of loans are 1 to 4 Family
- 29% Commercial Real Estate (CRE) loans
- CRE concentrations are below regulatory guidance

Source: Bank holding company regulatory report for the quarter ended 12/31/22

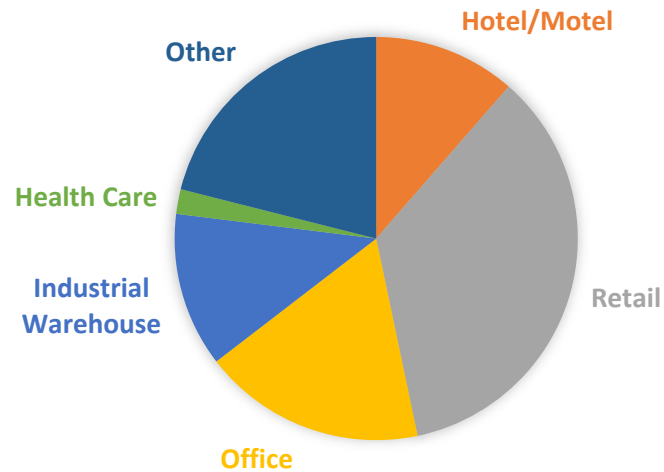
Information as of December 31 for the year indicated



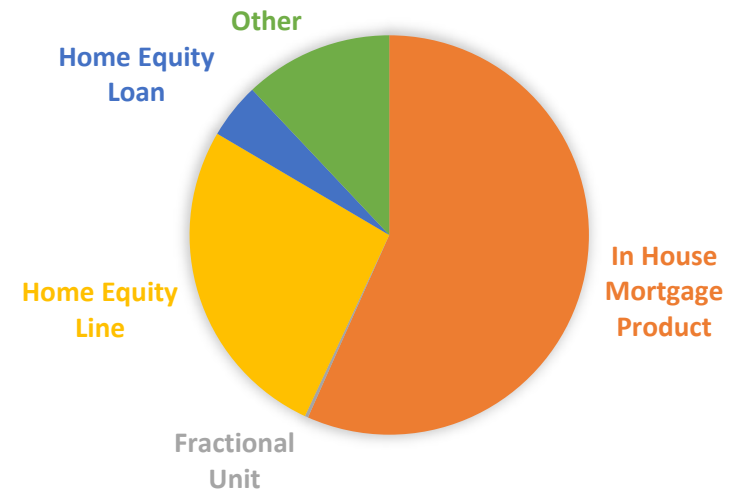


Loan Portfolio Segmentation

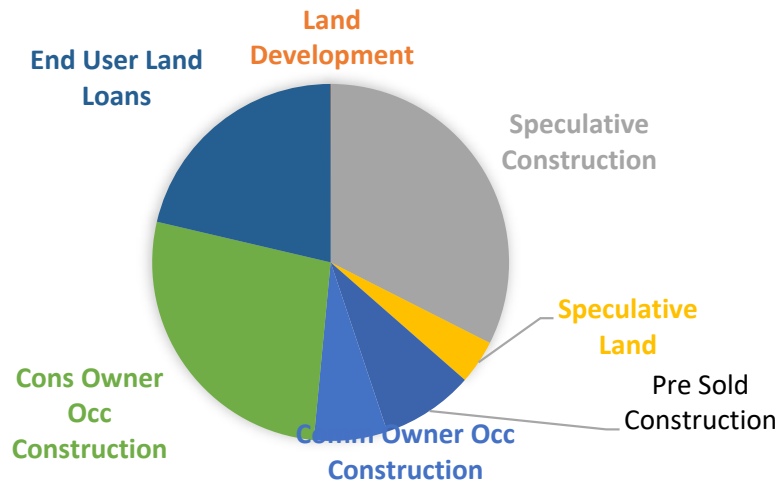
COMMERCIAL REAL ESTATE



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 6 locations in Front Range of Colorado
- Colorado Springs and Fort Collins branches have opened in the 4th Quarter 2022
- Proactively adding to the lending staff within our current footprint
- Constantly exploring new locations within Denver and along the Front Range

Alpine Bank on the Front Range

- Union Station, Cherry Creek, and DTC branches have grown since opening:
 - Combined loans over \$680 million at 12/31/22
 - Combined deposits over \$398 million at 12/31/22
- Boulder branch opened in February 2019 :
 - Loans nearing \$192 million at 12/31/22
 - Deposits nearing \$69 million at 12/31/22
- Fort Collins branch opened in December 2022:
 - Operated for two years as an LPO
 - Loans nearing \$69 million at 12/31/22
 - Deposits nearing \$9 million at 12/31/22
- Colorado Springs branch opened in December 2022

Source: Internal company reports as of 12/31/22





Talent Development

- Officer Trainees

- 50-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 13 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

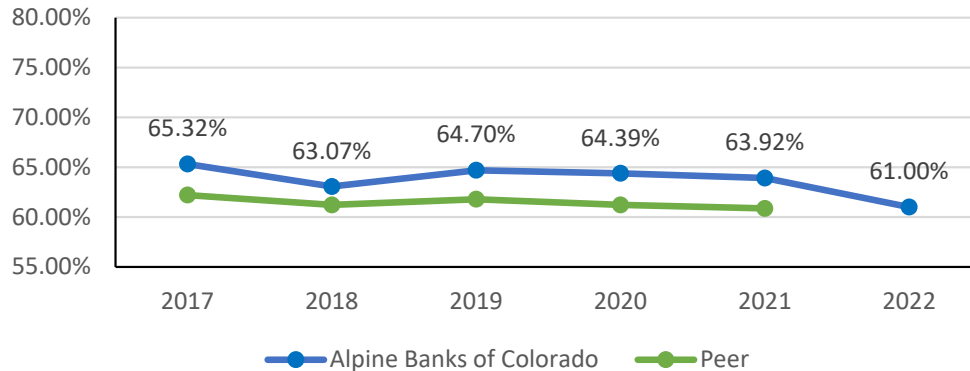
- Full-service internal training department
- Officers and employees are encouraged to engage in outside training related to their job functions
- Majority of officers attend the Graduate School of Banking at Colorado



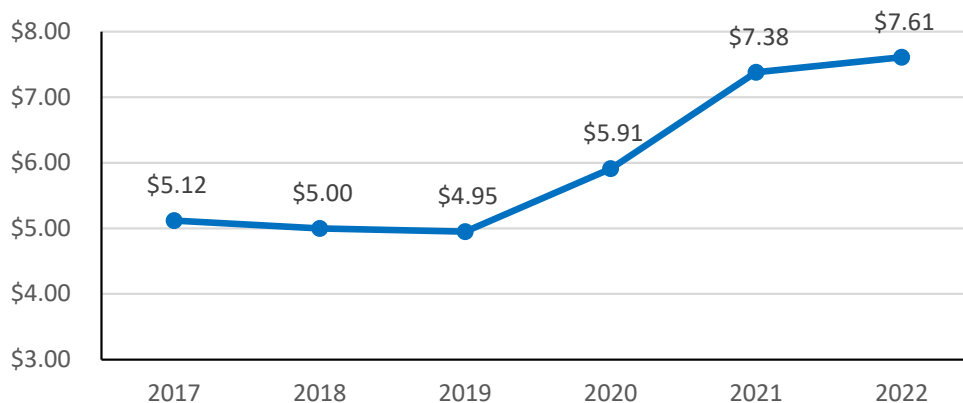


Operational Efficiency

Efficiency Ratio



Average Assets Per Employee
(in Millions)



Information as of December 31 for the year indicated

- Efficiency Ratio has improved during the rising 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 12/31/22
- Added two relationship managers and a fully staffed office in Denver in August 2019
- Assets under management of \$1.101 billion as of 12/31/22, down from \$1.153 billion as of 12/31/21
- Revenue for the year ended 12/31/21 was \$4,848,000
- Revenue for the year ended 12/31/22 was \$4,584,000

- **Mortgage**

- Origination of conforming and jumbo mortgages for sale on the secondary market
- Sold with servicing released
- Revenue for the year ended 12/31/21 was \$11,057,000
- Revenue for the year ended 12/31/22 was \$2,906,000

- **Interchange**

- Interchange income increased 15.1% annually from 2018 through 2022
- Revenue for the year ended 12/31/21 was \$15,392,000
- Revenue for the year ended 12/31/22 was \$17,143,000





Financial Information



Alpine Bank, Union Station



Alpine Bank, Boulder

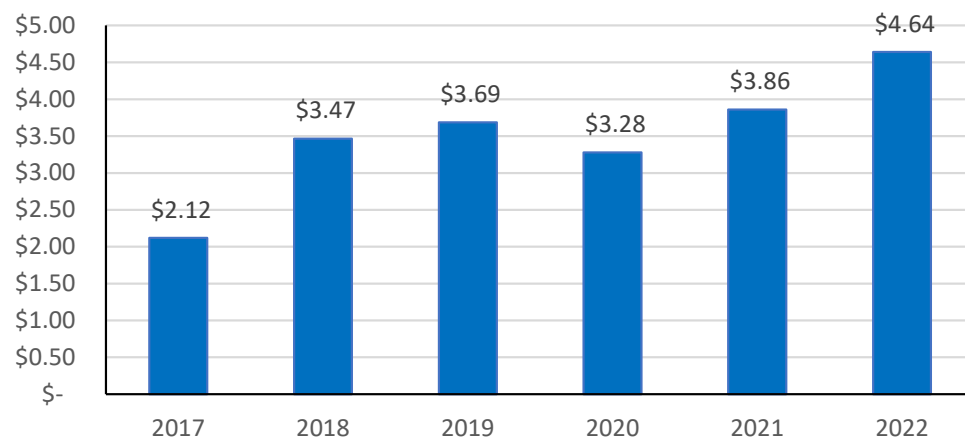




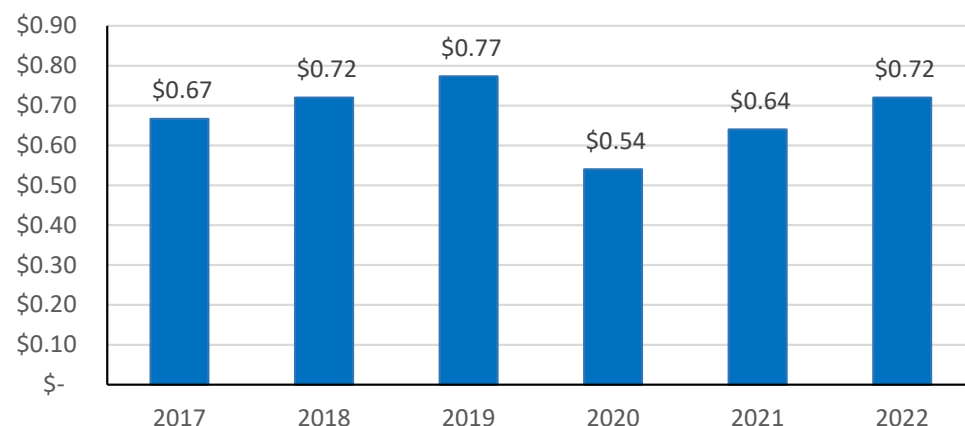
Shareholder Returns

Class B Shares

Earnings Per Share



Dividends Per Share



*Information as of December 31 for the year indicated

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

- 17.0% Cumulative Average Growth Rate (CAGR) in Earnings Per Share for the 2018 to 2022 period
- Historically increasing dividends prior to COVID
- January 2022 dividend increased to \$0.20 per share from \$0.18 per share in October 2022
- As of 12/31/2022:
 - 2.18% Dividend Yield
 - 7.1 times LTM EPS
 - 1.33 Price/Tangible Book

Source: Internal company reports as of 12/31/22 and S&P Global

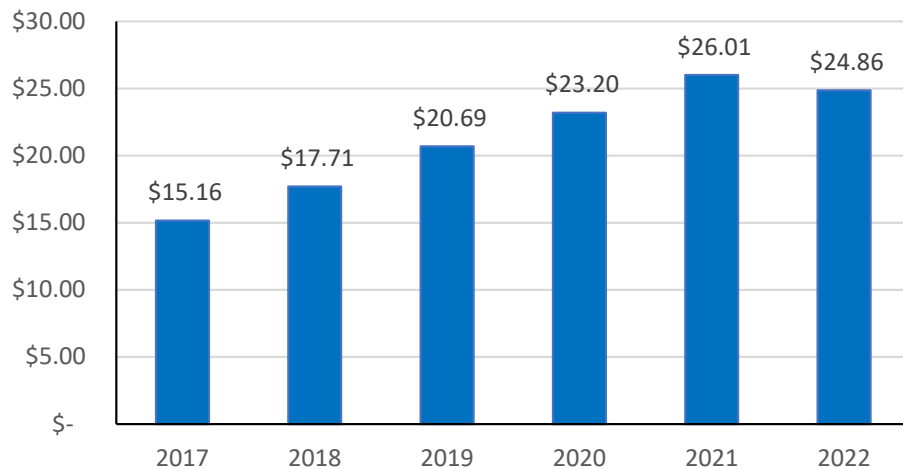




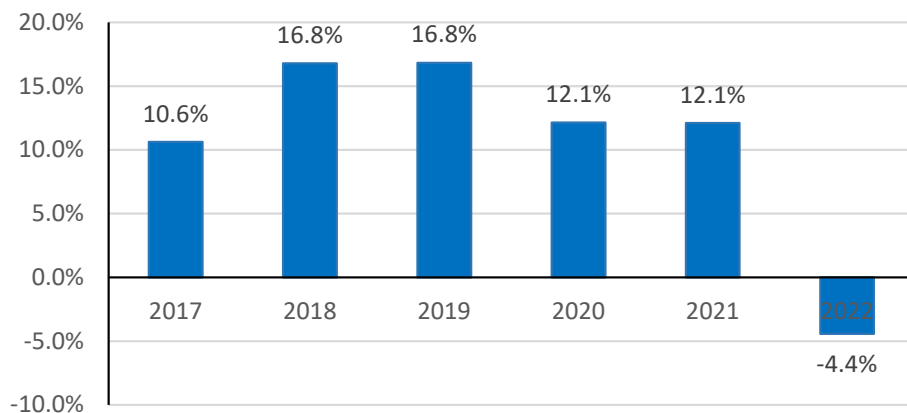
Tangible Book Value

Class B Shares

Tangible Book Value Per Share



Increase in Tangible Book Value Per Share



- 10.4% CAGR in Tangible Book Value Per Share in the period 2018 to 2022
- July capital raise was accretive to Tangible Book Value
- Tangible Book Value Per Share negatively impacted over 2022 from Accumulated Other Comprehensive Loss

*Information as of December 31 for the year indicated

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

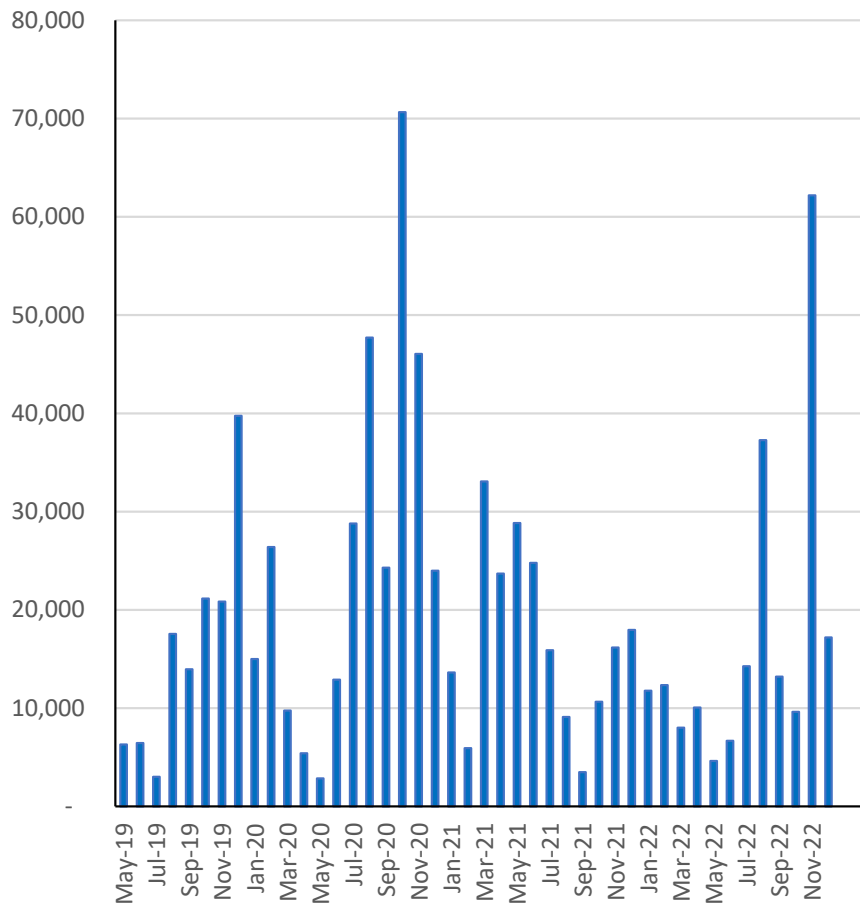
Source: S&P Global



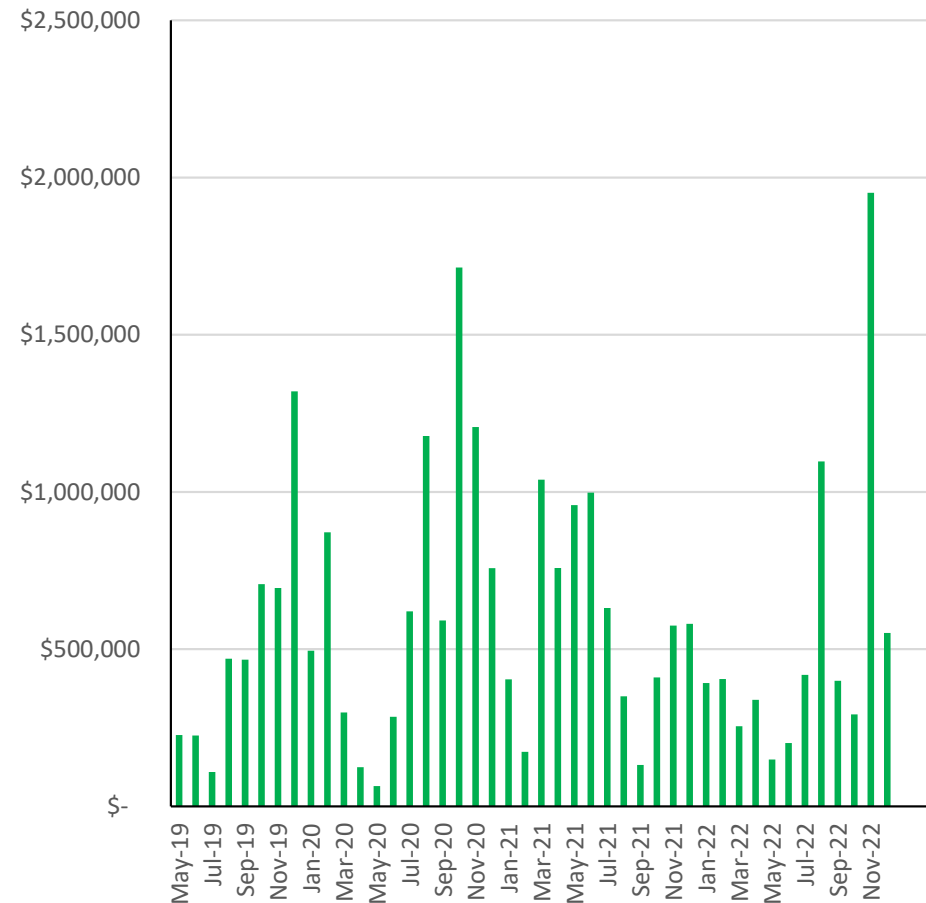


Trading Volume

Monthly Trading Volume in Shares



Monthly Trading Volume in Dollars



*Information as of month end for the month indicated

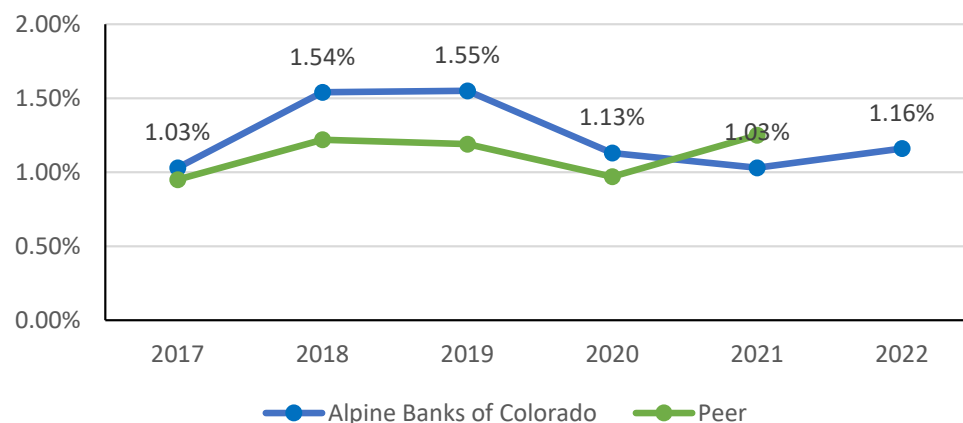
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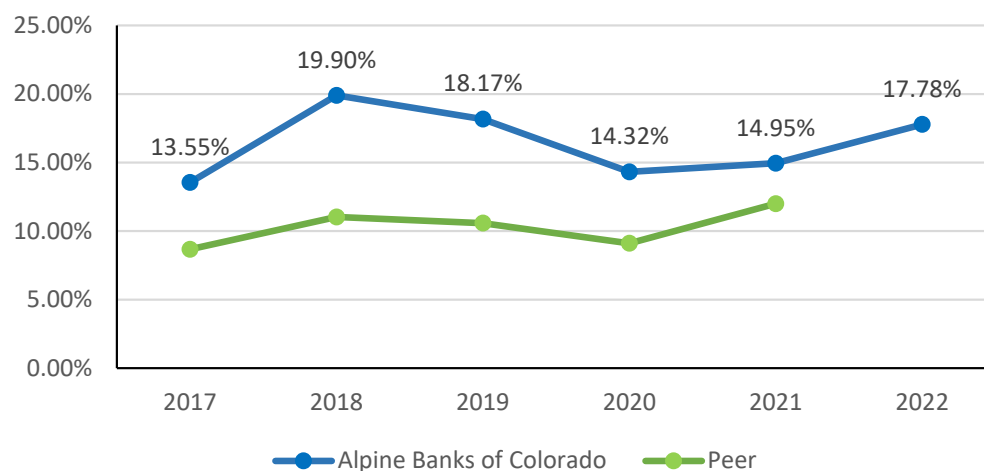


Earnings Growth History

Return on Assets (ROA)



Return on Equity (ROE)



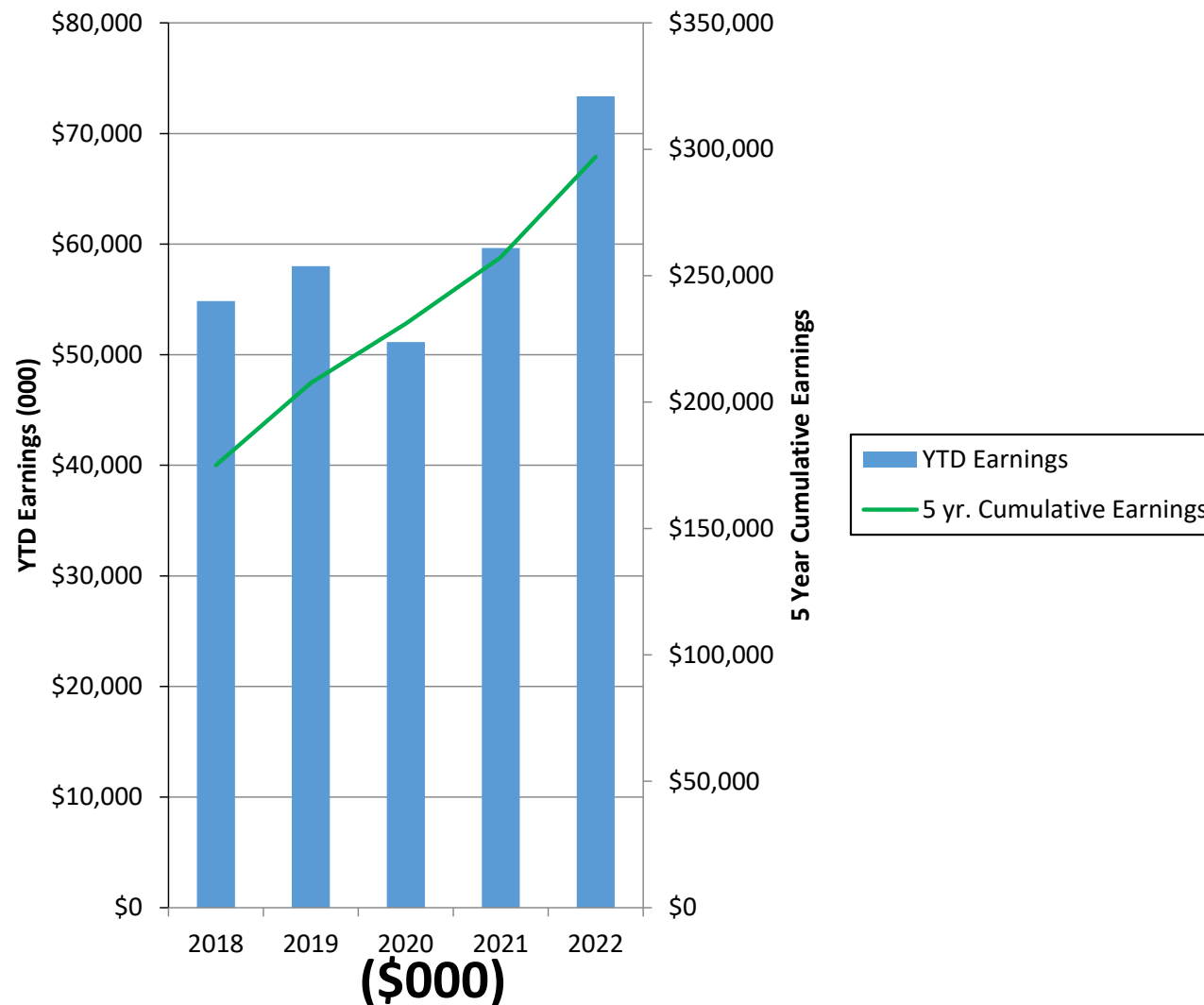
Information as of December 31 for the year indicated

- Historically outperformed peer group in both ROA and ROE
- ROA negatively impacted by \$5.6 million securities write-down in the first half of 2022
- 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

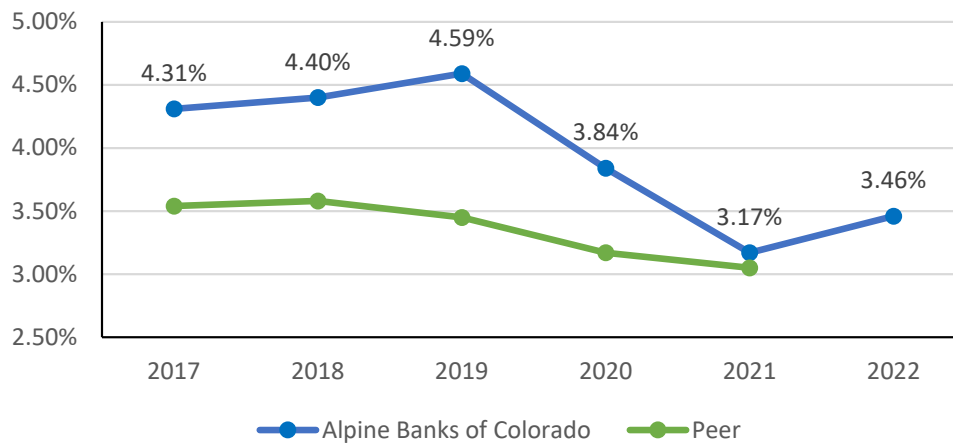
Source: Bank holding company
regulatory reports





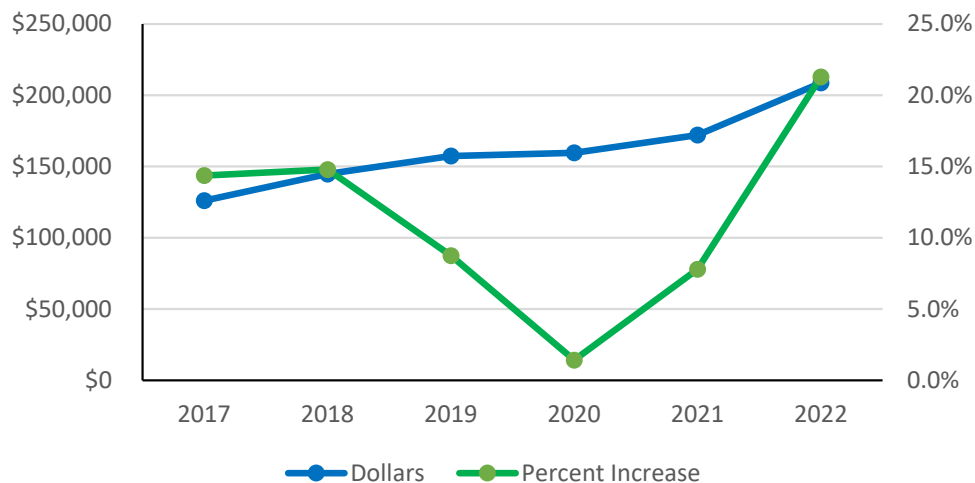
Net Interest Margin (TE)

Net Interest Margin (TE)



- Net Interest Margin (NIM) declined as general market rates fell
- NIM is responding positively to the rising rate environment

Annualized Net Interest Income

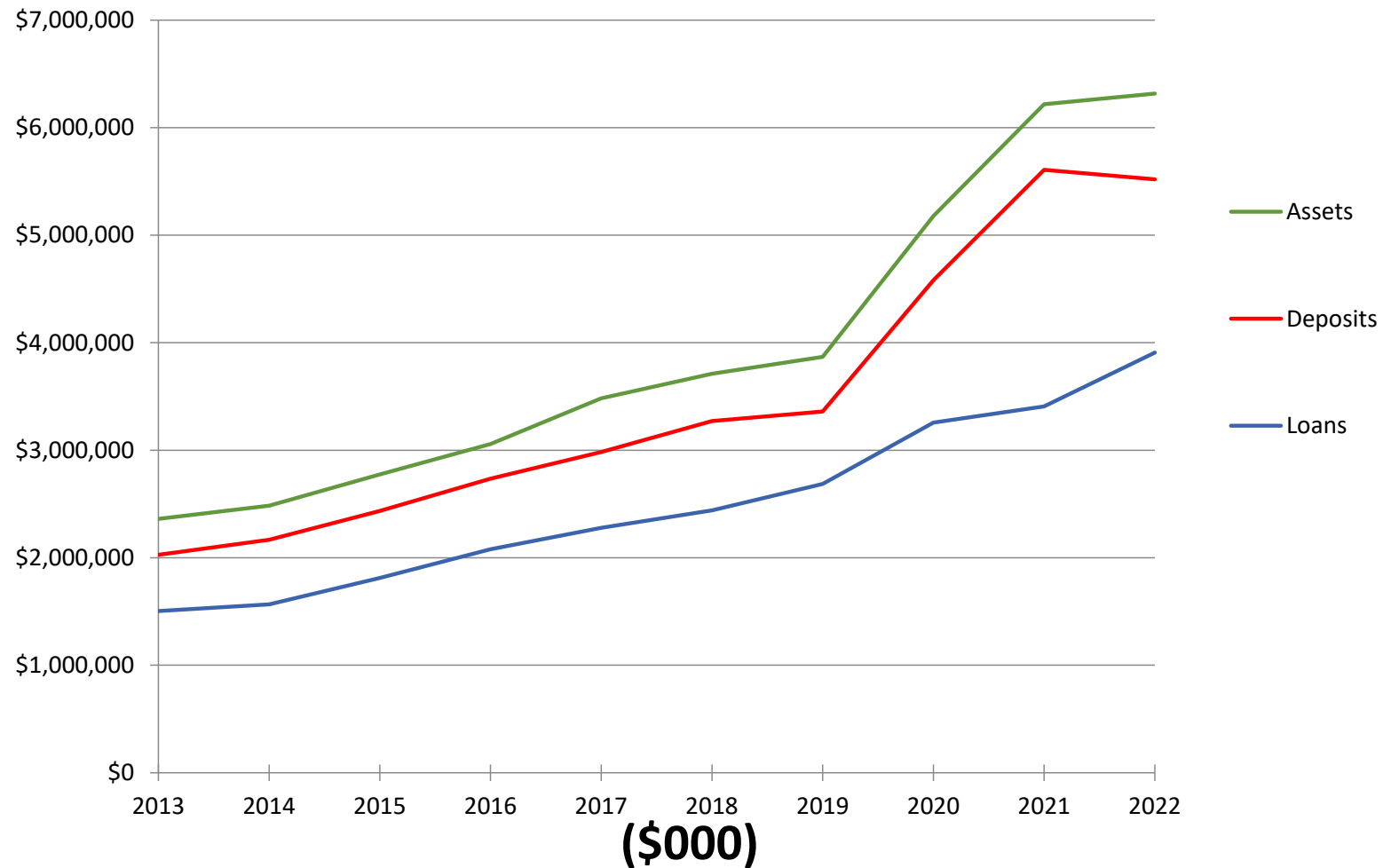


Information as of December 31 for the year indicated





10 Year Growth Trends



Information as of December 31 for the year indicated

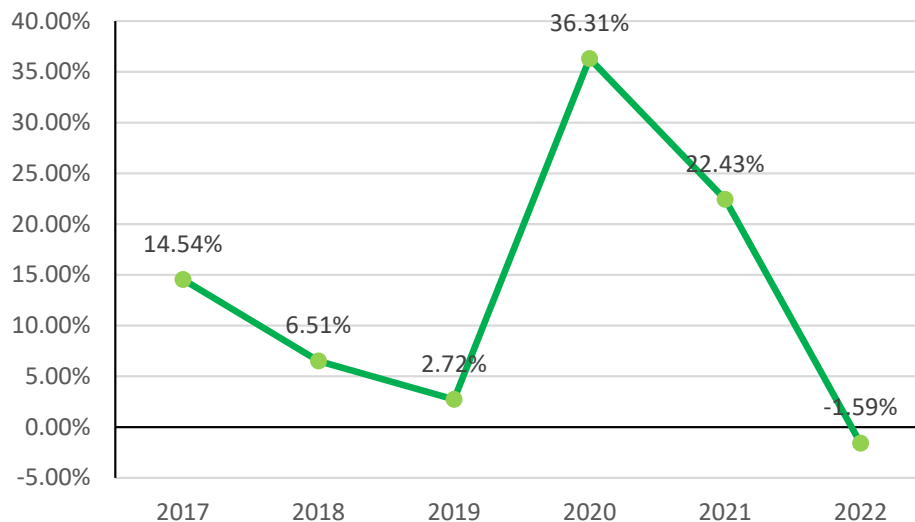
Source: Bank holding company
regulatory reports



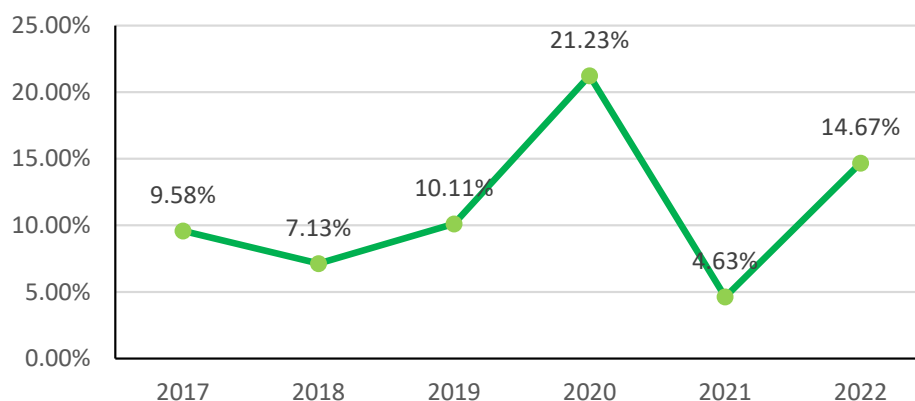


Deposit and Loan Growth History

Deposit Growth



Loan Growth



- Deposits as of 12/31/22 include \$74.6 million in brokered CD's
- Loan Growth in 2020 net of PPP loans was 13.9%
- 12.4% CAGR in Deposits and 11.4% CAGR in Loans for the period 2018 to 2022

Information as of December 31 for the year indicated

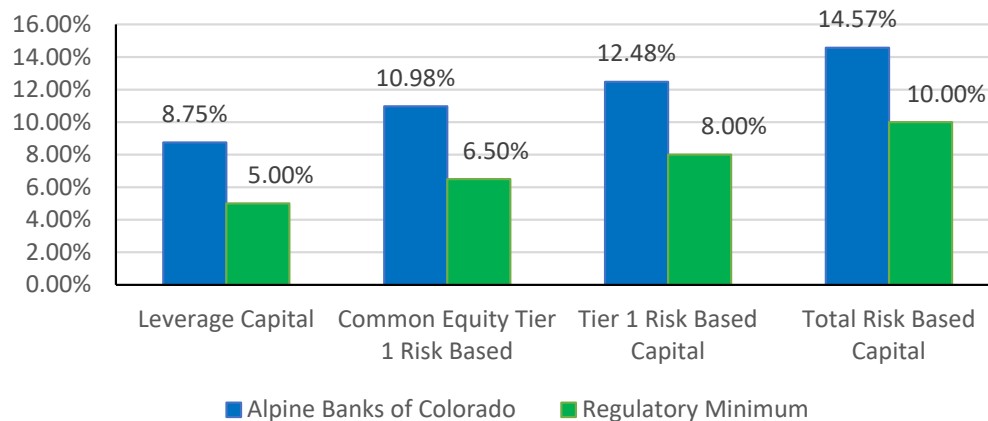
Source: Bank holding
company regulatory reports





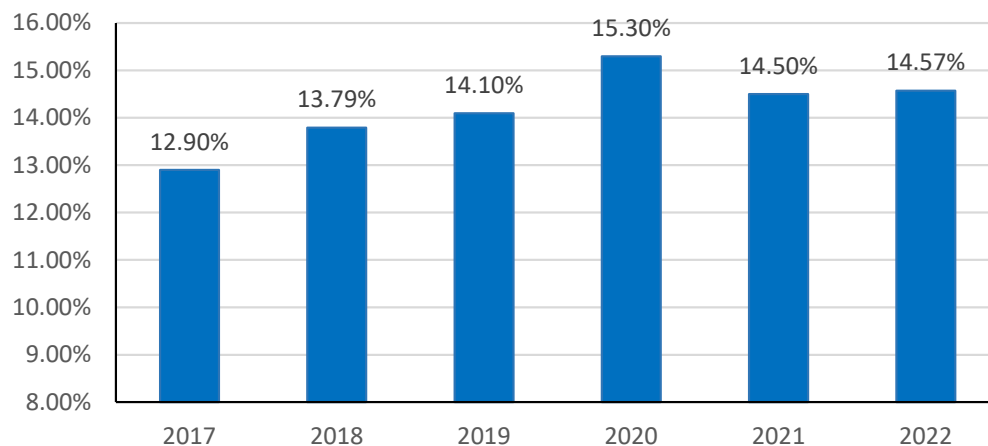
Capital Ratios

Regulatory Capital Ratios



- 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

Total Risk Based Capital



Information as of December 31 for the year indicated

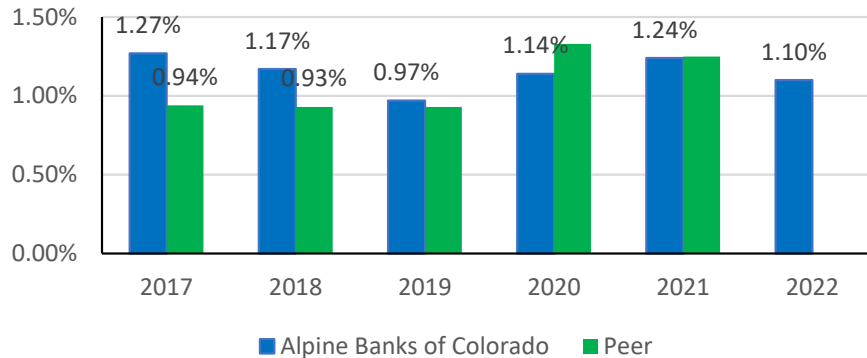
Source: Bank holding
company regulatory reports





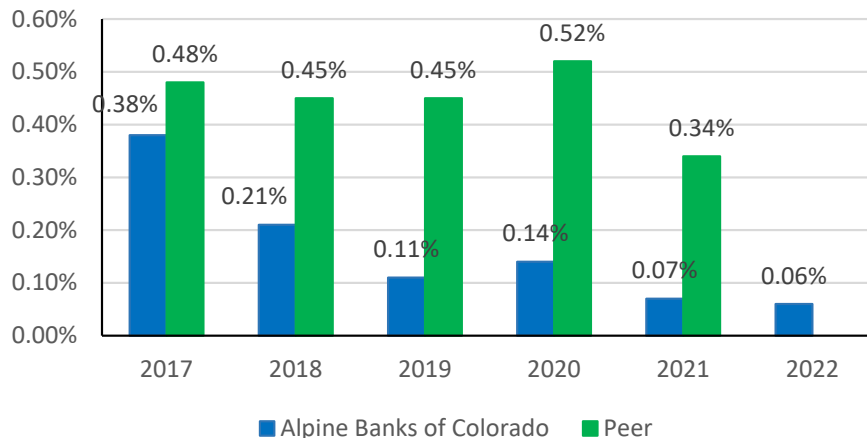
Asset Quality

Allowance for Loan and Lease Losses
(ALLL) Percentage

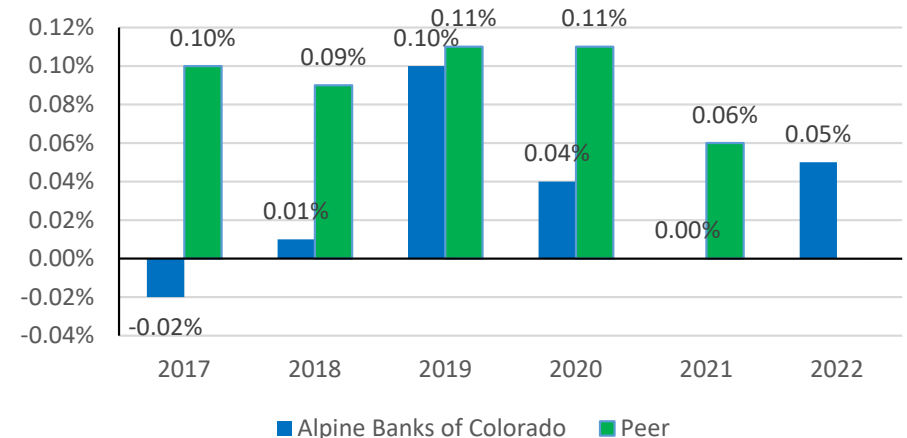


- ALLL 0.01% lower than peer group at 12/31/21
- Nonperforming assets at 0.06% as of 12/31/22 and have declined since 2017
- Net loan charge-off ratio of 0.05% for the full year of 2022

Non-performing Assets to Total Assets



Net Charge-offs to Average Loans



Information as of December 31 for the year indicated



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 0.09% for full year ended 12/31/22.
 - Exceptional customer loyalty represented by a Net Promoter Score of 74
- Led by a team of experienced bankers consistently executing our strategic plan for over 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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