

CROSSFIRST BANKSHARES, INC.
NASDAQ: CFB

Third Quarter 2023 Earnings Presentation
October 16, 2023



The financial results in this presentation reflect preliminary, unaudited results, which are not final until the Company's Quarterly Report on Form 10-Q is filed. This presentation and oral statements made relating to this presentation contain forward-looking statements regarding, among other things, our business plans; expansion targets and opportunities; post-closing plans, objectives, expectations and intentions with respect to the Tucson acquisition; expense management initiatives and the results expected to be realized from those initiatives; anticipated expenses, cash requirements and sources of liquidity; capital allocation strategies and plans; and future financial performance. These statements are often, but not always, made through the use of words or phrases such as "positioned," "growth," "estimate," "believe," "plan," "future," "opportunity," "optimistic," "anticipate," "target," "expectations," "expect," "will," "strategy," "goal," "focused," "guidance," "foresee" and similar words or phrases of a future or forward-looking nature. The inclusion of forward-looking information herein should not be regarded as a representation by us or any other person that the future plans, estimates or expectations contemplated by us will be achieved. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management's beliefs, certain assumptions made by management, and financial trends that may affect our financial condition, results of operations, business strategy or financial needs, many of which, by their nature, are inherently uncertain and beyond our control. Our actual results could differ materially from those anticipated in such forward-looking statements. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions, estimates and uncertainties that are difficult to predict. Although we believe 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 due to a number of factors, including without limitation, the following: impact on us and our clients of a decline in general business and economic conditions and any regulatory responses thereto, including uncertainty and volatility in the financial markets; interest rate fluctuations; our ability to effectively execute our growth strategy and manage our growth, including identifying and consummating suitable mergers and acquisitions, entering new lines of business or offering new or enhanced services or products; fluctuations in fair value of our investments due to factors outside of our control; our ability to successfully manage credit risk and the sufficiency of our allowance; geographic concentration of our markets; economic impact on our commercial real estate and commercial-based loan portfolios, including declines in commercial and residential real estate values; an increase in non-performing assets; our ability to attract, hire and retain key personnel; maintaining and increasing customer deposits, funding availability, liquidity and our ability to raise and maintain sufficient capital; competition from banks, credit unions and other financial services providers; the effectiveness of our risk management framework; accounting estimates; our ability to maintain effective internal control over financial reporting; our ability to keep pace with technological changes; cyber incidents or other failures, disruptions or security breaches; employee error, fraud committed against the Company or our clients, or incomplete or inaccurate information about clients and counterparties; mortgage markets; our ability to maintain our reputation; costs and effects of litigation; environmental liability; risk exposure from transactions with financial counterparties; severe weather, natural disasters, pandemics, acts of war or terrorism or other external events; and changes in laws, rules, regulations, interpretations or policies relating to financial institutions, including stringent capital requirements, higher FDIC insurance premiums and assessments, consumer protection laws and privacy laws. These and other factors that could cause results to differ materially from those described in the forward-looking statements, as well as a discussion of the risks and uncertainties that may affect our business, can be found in our Annual Report on Form 10-K, our Quarterly Reports on Form 10-Q and in other filings we make with the Securities and Exchange Commission. These forward-looking statements are made as of the date hereof, and we disclaim any obligation to update any forward-looking statement or to publicly announce the results of any revisions to any of the forward-looking statements included herein, except as required by law.

MARKET AND INDUSTRY DATA. This presentation references certain market, industry and demographic data, forecasts and other statistical information. We have obtained this data, forecasts and information from various independent, third party industry sources and publications. Nothing in the data, forecasts or information used or derived from third party sources should be construed as advice. Some data and other information are also based on our good faith estimates, which are derived from our review of industry publications and surveys and independent sources. We believe that these sources and estimates are reliable but have not independently verified them. Statements as to our market position are based on market data currently available to us. Although we are not aware of any misstatements regarding the economic, employment, industry and other market data presented herein, these estimates involve inherent risks and uncertainties and are based on assumptions that are subject to change.

ABOUT NON-GAAP FINANCIAL MEASURES



In addition to disclosing financial measures determined in accordance with U.S. generally accepted accounting principles (GAAP), we disclose non-GAAP financial measures, including “adjusted net income”, “adjusted diluted earnings per common share”, “tangible common stockholders’ equity”, “tangible book value per common share”, “adjusted return on average assets (ROAA)”, “adjusted return on average common equity (ROCE)”, “adjusted efficiency ratio – fully tax equivalent (FTE)” and “adjusted non-interest expense.”

We consider the use of select non-GAAP financial measures and ratios to be useful for financial and operational decision making and useful in evaluating period-to-period comparisons. We believe that these non-GAAP financial measures provide meaningful supplemental information regarding our performance by excluding certain expenditures or gains that we believe are not indicative of our primary business operating results. We believe that management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when planning, forecasting, analyzing and comparing past, present and future periods.

These non-GAAP financial measures should not be considered a substitute for financial information presented in accordance with GAAP and should not be relied on alone as measures of our performance. The non-GAAP financial measures we present may differ from non-GAAP financial measures used by our peers or other companies. We compensate for these limitations by providing the equivalent GAAP measures whenever we present the non-GAAP financial measures and by including a reconciliation of the impact of the components adjusted for in the non-GAAP financial measure so that both measures and the individual components may be considered when analyzing our performance. A reconciliation of non-GAAP financial measures to the comparable GAAP financial measures is provided at the end of this presentation.

COMPANY OVERVIEW

The CrossFirst Story

- Began de novo operations in 2007, completed IPO in 2019
- CrossFirst has grown primarily organically, as well as through four strategic acquisitions
- Maintains a branch-light business model with strategically placed locations across Kansas, Missouri, Oklahoma, Texas, Arizona, Colorado and New Mexico
- Specialty industry verticals include family office, financial institutions, restaurant finance, energy, mortgage, and small business (SBA)

Strategic Approach

- Realize enhanced profitability growth by gaining scale
- Operate in high-growth, dynamic markets and verticals
- Optimize our expense base to improve operating efficiency
- Attract, retain and develop talent to drive a highly-engaged workforce
- Leverage technology to elevate the client experience
- Employ effective enterprise risk management

3Q23 Company Highlights

Full-service Branches	15
Listing	Nasdaq: CFB
Balance Sheet	
Total Assets	\$7.2 billion
Total Loans	\$5.9 billion
Total Deposits	\$6.3 billion
ACL + RUC / Loans	1.31%
Key Ratios	
3Q23 ROAA / Adjusted ROAA ⁽¹⁾	0.94% / 1.04%
3Q23 ROCE/ Adjusted ROCE ⁽¹⁾	10.19% / 11.26%
3Q23 Net Interest Margin – FTE ⁽²⁾	3.19%
3Q23 Efficiency Ratio/ Adjusted Efficiency Ratio-FTE ⁽¹⁾⁽²⁾	59.5% / 55.2%
Common Equity Tier 1	9.7%
Tier 1 Leverage	9.9%

(1) Represents a non-GAAP financial measure, see non-GAAP reconciliation slides at the end of this presentation for more details. Ratios are annualized.

(2) The incremental federal income tax rate used in calculating tax-exempt income on a tax-equivalent basis is 21.0%

THIRD QUARTER 2023 HIGHLIGHTS

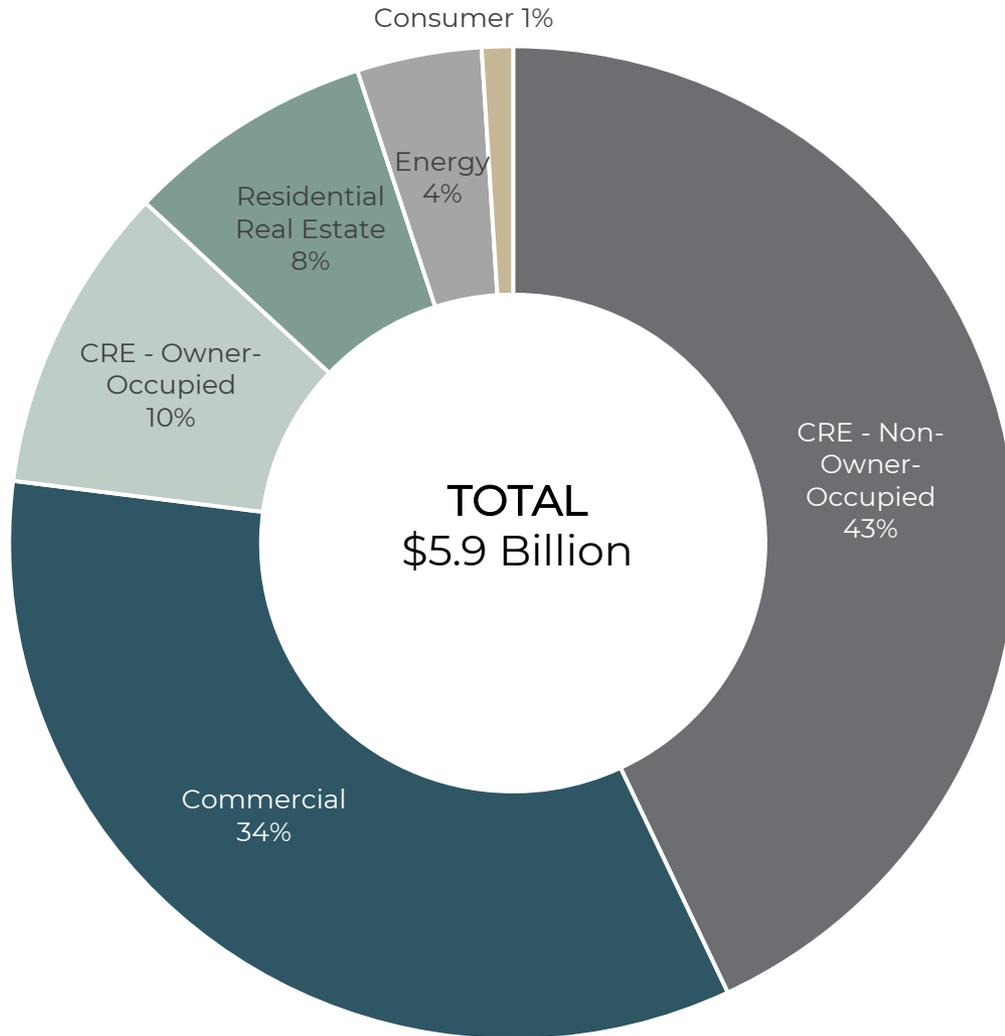


FINANCIAL PERFORMANCE	NET INCOME \$16.9 Million	DILUTED EPS \$0.34	ROCE⁽¹⁾ 10.19%	ROAA⁽¹⁾ 0.94%
	ADJUSTED⁽²⁾ NET INCOME \$18.6 Million	ADJUSTED⁽²⁾ DILUTED EPS \$0.37	ADJUSTED⁽¹⁾⁽²⁾ ROCE 11.26%	ADJUSTED⁽¹⁾⁽²⁾ ROAA 1.04%
PROFITABILITY	<ul style="list-style-type: none">✓ Improving profitability as operating revenue, adjusted diluted EPS and adjusted ROCE increased compared to the prior quarter and the prior year third quarter✓ YTD 2023 operating revenue grew 21% compared to the prior year✓ Completed the previously-announced acquisition of Canyon Bancorporation, Inc. and its wholly owned subsidiary, Canyon Community Bank, N.A. (“Tucson Acquisition”)			
BALANCE SHEET	<ul style="list-style-type: none">✓ Loans grew \$149 million, or 2.6% for the quarter and 10.7% year-to-date; excluding the Tucson acquisition, grew 0.8% for the quarter and 8.7% year-to-date✓ Deposits grew \$232 million, or 3.8% for the quarter and 12.0% year-to-date; excluding the Tucson acquisition, grew 1.1% for the quarter and 9.1% year-to-date			
CREDIT QUALITY	<ul style="list-style-type: none">✓ Nonperforming assets increased to 0.50% of total assets, but were contained within a few relationships of manageable size✓ Net charge-offs of \$1.3 million were previously reserved and represented an annualized rate of 0.09% of average loans			
CAPITAL	<ul style="list-style-type: none">✓ Book value per common share was \$13.04 and tangible book value per common share was \$12.23 at September 30, 2023✓ CET1 capital ratio was 9.7% and total risk-based capital ratio was 10.9%, both increasing from June 30, 2023 levels			

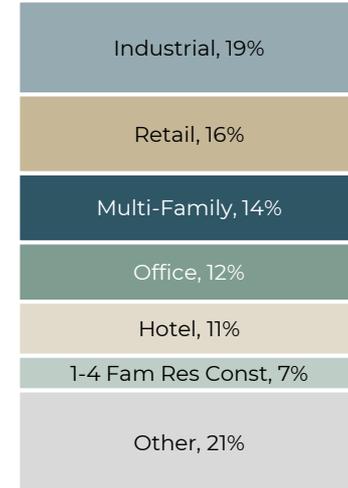
(1) Ratios are annualized

(2) Represents a non-GAAP financial measure, see non-GAAP reconciliation slides at the end of this presentation for more details

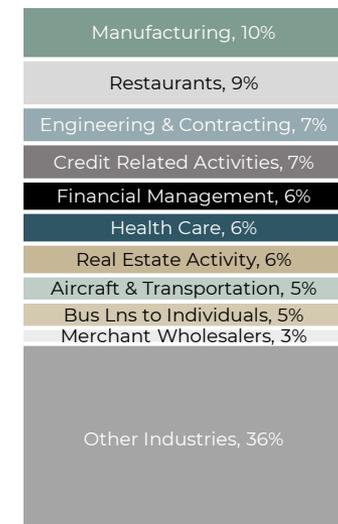
DIVERSE LOAN PORTFOLIO



CRE – Non-Owner-Occupied by Segment



Commercial by Loan Type

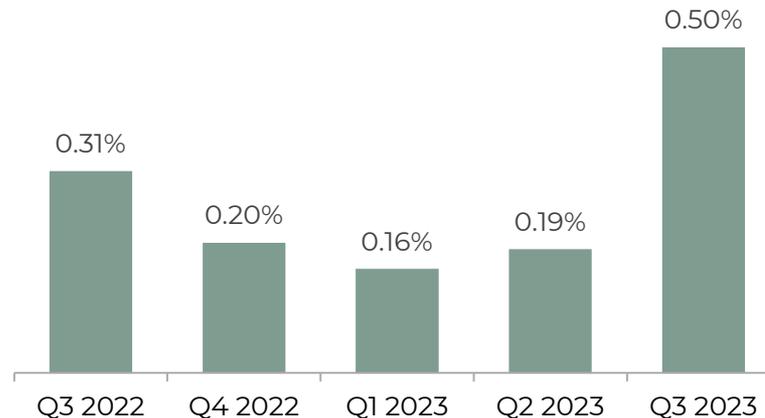


ASSET QUALITY PERFORMANCE

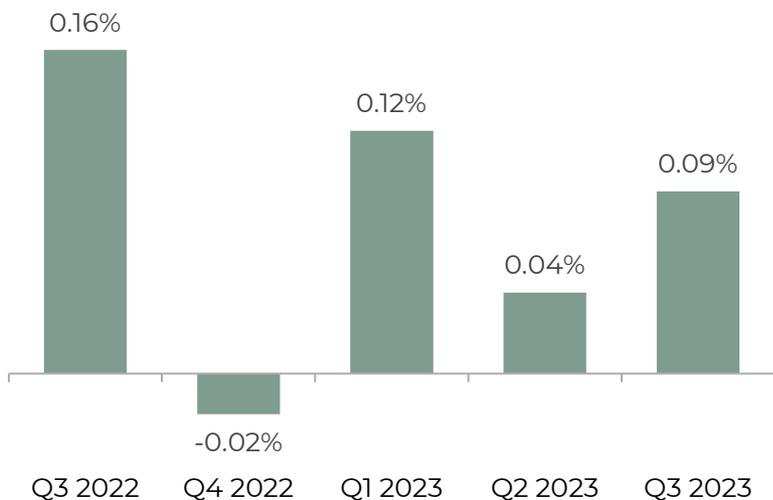
Classified Loans



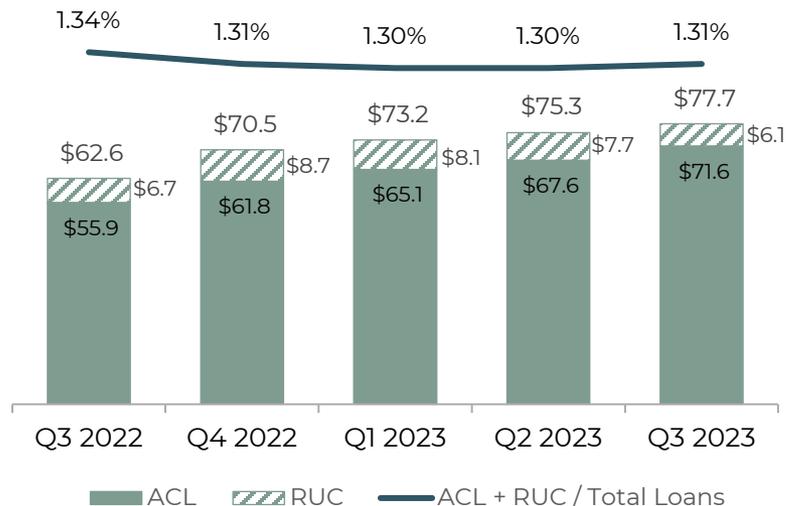
Non-performing Assets / Total Assets



Net Charge-offs (Recoveries) / Average Loans⁽¹⁾



Allowance for Credit Losses + RUC⁽²⁾

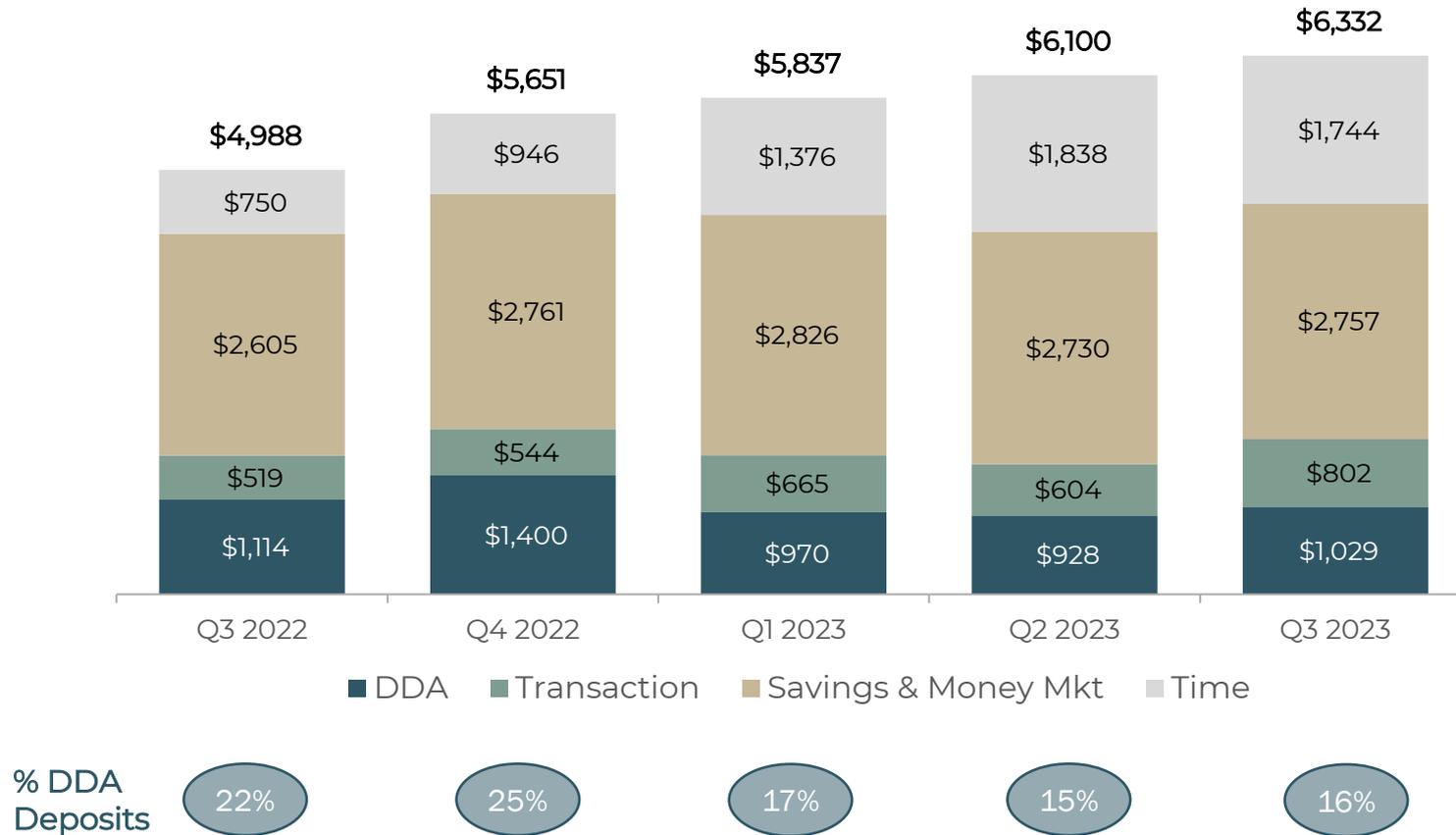


Note: Dollars are in millions and amounts shown are as of the end of the period.

(1) Ratio is annualized for interim periods

(2) RUC includes the accrual for off-balance sheet credit risk for unfunded commitments

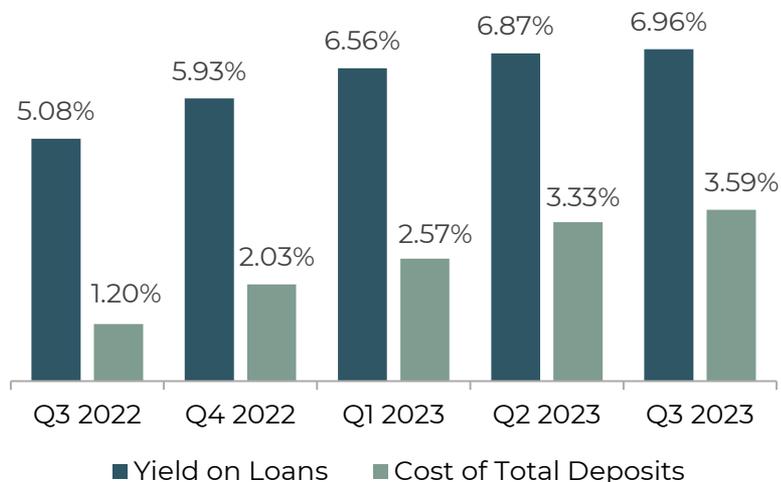
DEPOSIT TRENDS



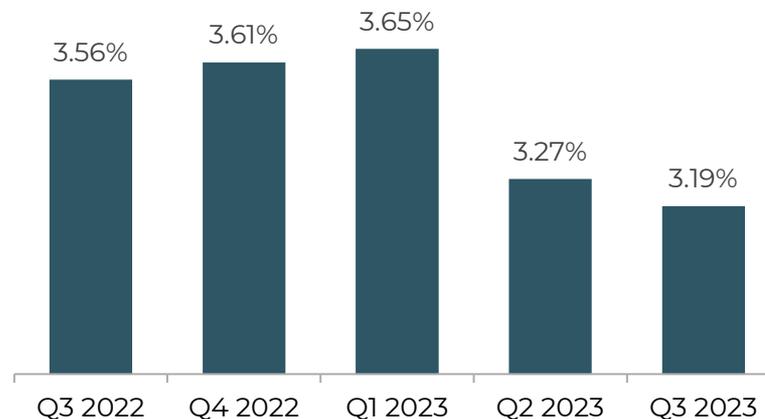
Note: Dollars are in millions and amounts shown are as of the end of the period.

NET INTEREST MARGIN

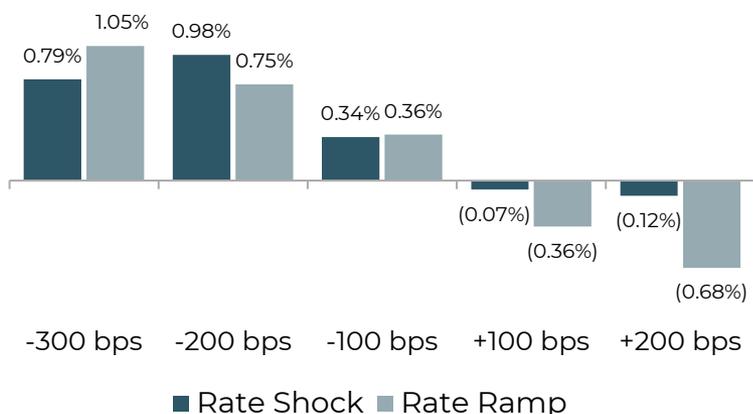
Yield on Loans & Cost of Deposits



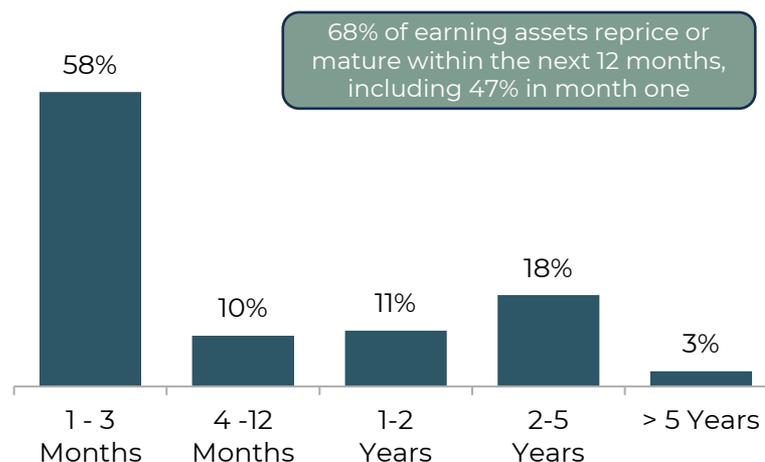
Net Interest Margin – Fully Tax Equivalent (FTE)⁽¹⁾



Net Interest Income Impact From Rate Changes

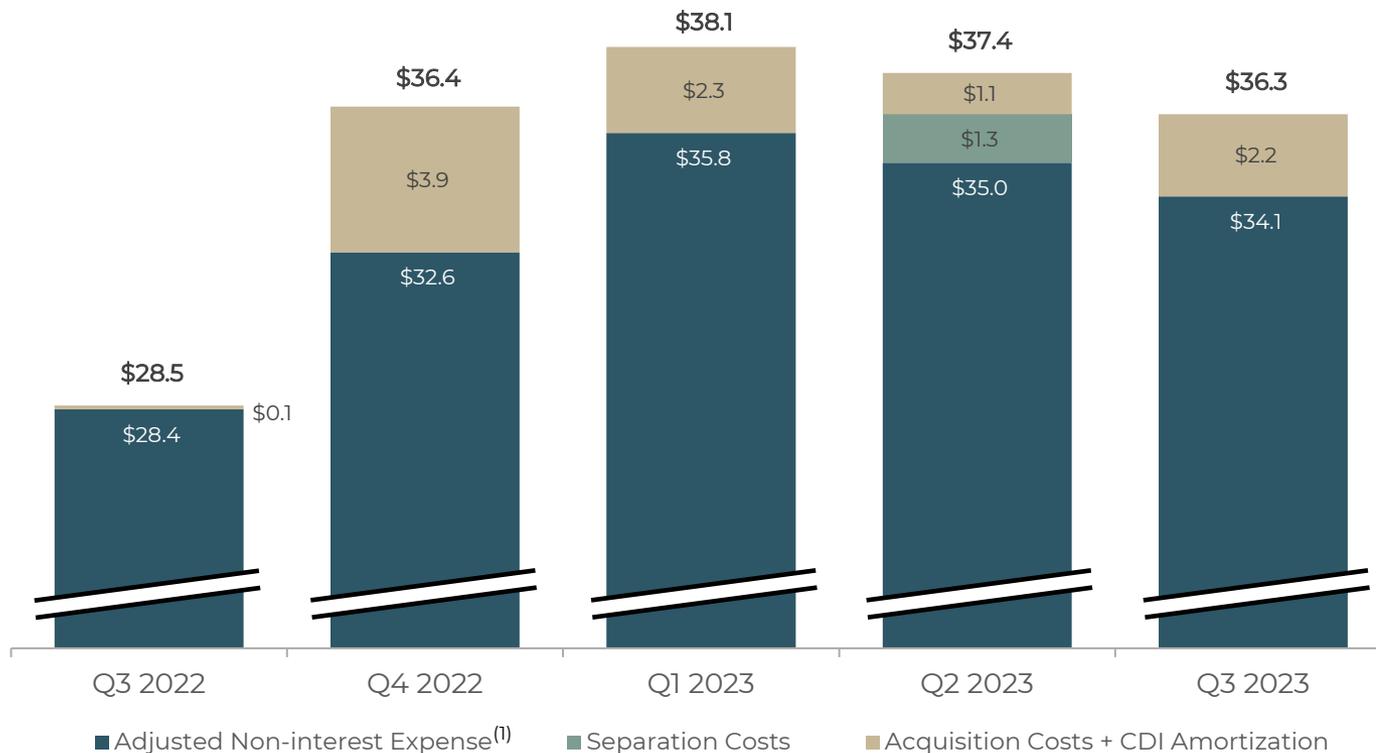


Loans: Rate Reset and Cash Flow Profile



(1) Ratio is annualized for interim periods; the incremental Federal income tax rate used in calculating tax exempt income on a tax equivalent basis is 21.0%

EXPENSE MANAGEMENT



Non-interest
Expense as a
% of Average
Assets

1.96%

2.35%

2.30%

2.17%

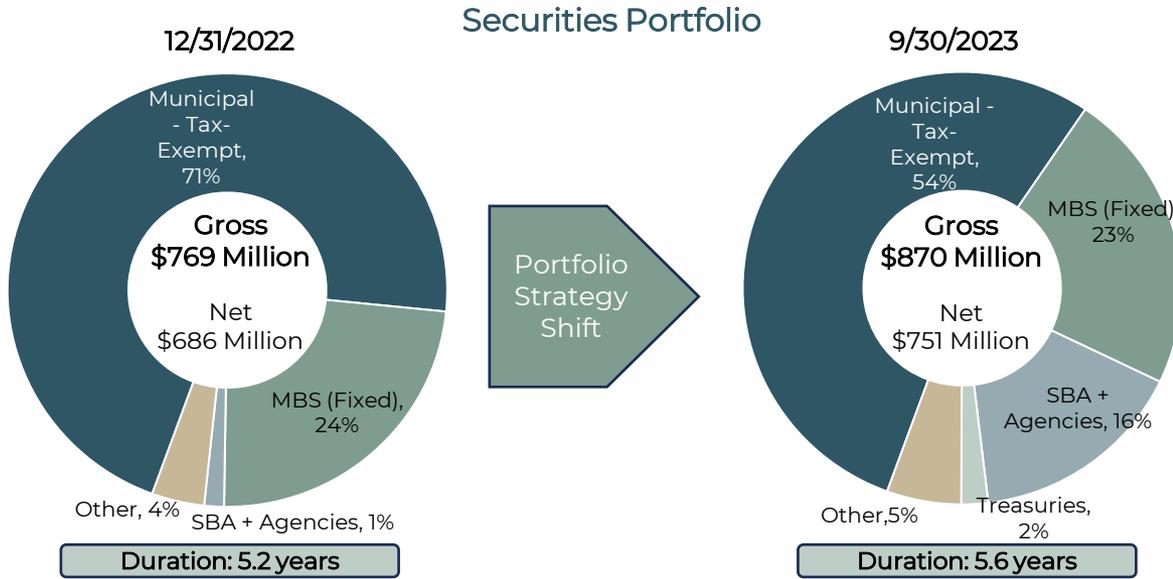
2.03%

Note: Dollars are in millions and amounts shown are as of the end of the period unless otherwise specified.

(1) Represents a non-GAAP financial measure that is calculated as the numerator of the Adjusted Efficiency Ratio – Fully Tax Equivalent; see non-GAAP reconciliation slides at the end of this presentation for more details

AMPLE LIQUIDITY AND FLEXIBILITY

Total Liquidity - \$2.42B | 34% of Total Assets



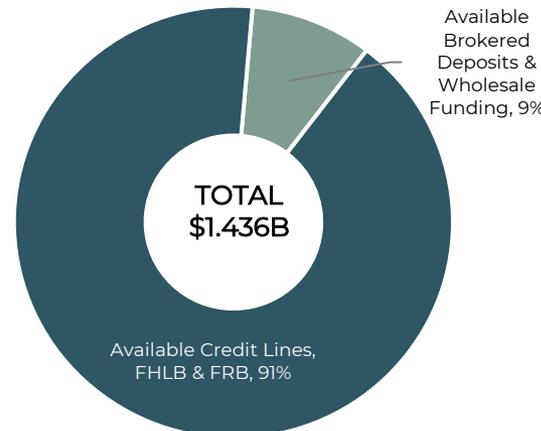
Investment Strategy 2022 and Prior

- Tax-exempt Municipal strategy focused on maximizing yield in a low-interest rate environment
- Tax-exempt securities added asset duration to offset short duration in loan portfolio
- MBS securities provided cashflow

Investment Strategy 2023 and Beyond

- Reducing Municipal concentration and focusing reinvestment in lower risk-weighted assets
- Restructuring portfolio to increase liquidity and provide more balanced cash flow
- Improved performance with ~40bps pick up in tax-equivalent yield during 2023

Off-Balance Sheet Liquidity



Total Liquidity – 9/30/2023	
On-balance Sheet Liquidity	
Securities Portfolio	\$751M
Cash & Equivalents	\$233M
	\$984M
Off-balance Sheet Liquidity	\$1.436B
Total Liquidity	\$2.420B

Business Driver	Prior	Current
Loans	8-10% core loan growth	Unchanged
Net Interest Margin (NIM)	3.20% to 3.35% (Full Year)	3.20% to 3.25% (Q4)
Non-interest Expense ⁽¹⁾	\$34-\$35 million per quarter	Unchanged
Combined ACL / Loans	1.30% to 1.45%	Unchanged
Effective Tax Rate	20-22%	Unchanged

(1) Excluding the impact of acquisition-related costs.

NON-GAAP RECONCILIATIONS



	Quarter Ended					Nine Months Ended	
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	9/30/2023	9/30/2022
	<i>(Dollars in thousands, except per share data)</i>						
Adjusted net income:							
Net income (GAAP)	\$ 16,863	\$ 16,047	\$ 16,108	\$ 11,946	\$ 17,280	\$ 49,018	\$ 49,653
Add: Acquisition costs	1,328	338	1,477	3,570	81	3,143	320
Add: Acquisition - Day 1 CECL provision	900	-	-	4,400	-	900	-
Add: Employee separation	-	1,300	-	-	-	1,300	1,063
Less: Tax effect ⁽¹⁾	(468)	(344)	(310)	(2,045)	(17)	(1,122)	(290)
Adjusted net income	\$ 18,623	\$ 17,341	\$ 17,275	\$ 17,871	\$ 17,344	\$ 53,239	\$ 50,746
Preferred stock dividends	\$ 155	\$ 103	\$ -	\$ -	\$ -	\$ 258	\$ -
Diluted weighted average common shares outstanding	49,480,107	48,943,325	49,043,621	49,165,578	49,725,207	49,184,810	50,280,593
Earnings per common share - diluted (GAAP)	\$ 0.34	\$ 0.33	\$ 0.33	\$ 0.24	\$ 0.35	\$ 0.99	\$ 0.99
Adjusted earnings per common share - diluted	\$ 0.37	\$ 0.35	\$ 0.35	\$ 0.36	\$ 0.35	\$ 1.08	\$ 1.01

	Quarter Ended					Nine Months Ended	
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	9/30/2023	9/30/2022
	<i>(Dollars in thousands)</i>						
Adjusted return on average assets:							
Net income (GAAP)	\$ 16,863	\$ 16,047	\$ 16,108	\$ 11,946	\$ 17,280	\$ 49,018	\$ 49,653
Adjusted net income	18,623	17,341	17,275	17,871	17,344	53,239	50,746
Average assets	\$ 7,114,228	\$ 6,929,972	\$ 6,712,801	\$ 6,159,783	\$ 5,764,347	\$ 6,920,471	\$ 5,625,317
Return on average assets (GAAP)	0.94 %	0.93 %	0.97 %	0.77 %	1.19 %	0.95 %	1.18 %
Adjusted return on average assets	1.04 %	1.00 %	1.04 %	1.15 %	1.19 %	1.03 %	1.21 %

	Quarter Ended					Nine Months Ended	
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	9/30/2023	9/30/2022
	<i>(Dollars in thousands)</i>						
Adjusted return on average common equity:							
Net income (GAAP)	\$ 16,863	\$ 16,047	\$ 16,108	\$ 11,946	\$ 17,280	\$ 49,018	\$ 49,653
Preferred stock dividends	155	103	-	-	-	258	-
Net income attributable to common shareholders (GAAP)	\$ 16,708	\$ 15,944	\$ 16,108	\$ 11,946	\$ 17,280	\$ 48,760	\$ 49,653
Adjusted net income	18,623	17,341	17,275	17,871	17,344	53,239	50,746
Preferred stock dividends	155	103	-	-	-	258	-
Net income attributable to common shareholders (GAAP)	\$ 18,468	\$ 17,238	\$ 17,275	\$ 17,871	\$ 17,344	\$ 52,981	\$ 50,746
Average common equity	\$ 650,494	\$ 639,741	\$ 619,952	\$ 589,587	\$ 613,206	\$ 636,841	\$ 627,016
Return on average common equity (GAAP)	10.19 %	10.00 %	10.54 %	8.04 %	11.18 %	10.24 %	10.59 %
Adjusted return on average common equity	11.26 %	10.81 %	11.30 %	12.03 %	11.22 %	11.12 %	10.82 %

(1) Represents the tax impact of the adjustments at a tax rate of 21.0%, plus permanent tax expense associated with merger related transactions.

NON-GAAP RECONCILIATIONS



	Quarter Ended				
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022
	<i>(Dollars in thousands, except per share data)</i>				
Tangible common stockholders' equity:					
Total stockholders' equity (GAAP)	\$ 643,051	\$ 651,483	\$ 645,491	\$ 608,599	\$ 580,547
Less: goodwill and other intangible assets	32,293	27,457	28,259	29,081	71
Less: preferred stock	7,750	7,750	7,750	-	-
Tangible common stockholders' equity	\$ 603,008	\$ 616,276	\$ 609,482	\$ 579,518	\$ 580,476
Tangible book value per common share:					
Tangible common stockholders' equity	\$ 603,008	\$ 616,276	\$ 609,482	\$ 579,518	\$ 580,476
Common shares outstanding at end of period	49,295,036	48,653,487	48,600,618	48,448,215	48,787,696
Book value per common share (GAAP)	\$ 13.04	\$ 13.39	\$ 13.28	\$ 12.56	\$ 11.90
Tangible book value per common share	\$ 12.23	\$ 12.67	\$ 12.54	\$ 11.96	\$ 11.90

	Quarter Ended					Nine Months Ended	
	9/30/2023	6/30/2023	3/31/2023	12/31/2022	9/30/2022	9/30/2023	9/30/2022
	<i>(Dollars in thousands)</i>						
Adjusted Efficiency Ratio - Fully Tax Equivalent (FTE)⁽¹⁾							
Non-interest expense	\$ 36,354	\$ 37,412	\$ 38,092	\$ 36,423	\$ 28,451	\$ 111,858	\$ 85,319
Less: Acquisition costs	(1,328)	(338)	(1,477)	(3,570)	(81)	(3,143)	(320)
Less: Core deposit intangible amortization	(922)	(802)	(822)	(291)	-	(2,546)	-
Less: Employee separation	-	(1,300)	-	-	-	(1,300)	(1,063)
Adjusted Non-interest expense (numerator)	\$ 34,104	\$ 34,972	\$ 35,793	\$ 32,562	\$ 28,370	\$ 104,869	\$ 83,936
Net interest income	55,127	54,539	58,221	54,015	49,695	167,887	139,519
Tax equivalent interest income(l)	707	750	797	818	820	2,254	2,403
Non-interest income (loss)	5,981	5,779	4,421	4,359	3,780	16,181	12,922
Total tax-equivalent income (denominator)	\$ 61,815	\$ 61,068	\$ 63,439	\$ 59,192	\$ 54,295	\$ 186,322	\$ 154,844
Efficiency Ratio (GAAP)	59.49 %	62.02 %	60.81 %	62.40 %	53.20 %	60.77 %	55.97 %
Adjusted Efficiency Ratio - Fully Tax Equivalent (FTE)⁽¹⁾	55.17 %	57.27 %	56.42 %	55.01 %	52.25 %	56.28 %	54.21 %

(1) Tax exempt income (tax-free municipal securities) is calculated on a tax equivalent basis. The incremental rate used is 21.0%.