

HBT Financial, Inc.

May 2020

Investor Presentation



Forward-Looking Statements

Certain statements contained in this presentation are forward-looking statements. Forward-looking statements may include statements relating to our future plans, strategies and expectations, as well as the economic impact of COVID-19 and the related impacts on our future financial results, near-term loan growth, net interest margin, mortgage banking profits, wealth management fees, expenses, asset quality, capital levels and continued earnings. Forward looking statements are generally identifiable by use of the words “believe,” “may,” “will,” “should,” “could,” “expect,” “estimate,” “intend,” “anticipate,” “project,” “plan” or similar expressions. Forward looking statements are frequently based on assumptions that may or may not materialize and are subject to numerous uncertainties that could cause actual results to differ materially from those anticipated in the forward-looking statements. Factors that could cause actual results to differ materially from the results anticipated or projected and which could materially and adversely affect our operating results, financial condition or prospects include, but are not limited to: the severity, magnitude and duration of the COVID-19 pandemic; the direct and indirect impacts of the COVID-19 pandemic and governmental responses to the pandemic on our operations and our customers' businesses; the disruption of global, national, state and local economies associated with the COVID-19 pandemic, which could affect our capital levels and earnings, impair the ability of our borrowers to repay outstanding loans, impair collateral values and further increase our allowance for credit losses; our asset quality and any loan charge-offs; the composition of our loan portfolio; time and effort necessary to resolve nonperforming assets; environmental liability associated with our lending activities; the effects of the current low interest rate environment or changes in interest rates on our net interest income, net interest margin, our investments, and our loan originations, and our modelling estimates relating to interest rate changes; our access to sources of liquidity and capital to address our liquidity needs; our inability to receive dividends from the chartered banks we own (the “Banks”), pay dividends to our common stockholders or satisfy obligations as they become due; the effects of problems encountered by other financial institutions; our ability to achieve organic loan and deposit growth and the composition of such growth; our ability to attract and retain skilled employees or changes in our management personnel; any failure or interruption of our information and communications systems; our ability to identify and address cybersecurity risks; the effects of the failure of any component of our business infrastructure provided by a third party; our ability to keep pace with technological changes; our ability to successfully develop and commercialize new or enhanced products and services; current and future business, economic and market conditions in the United States generally or in Illinois in particular; the geographic concentration of our operations in the State of Illinois; our ability to effectively compete with other financial services companies and the effects of competition in the financial services industry on our business; our ability to attract and retain customer deposits; our ability to maintain our Banks' reputations; possible impairment of our goodwill and other intangible assets; the impact of, and changes in applicable laws, regulations and accounting standards and policies; our prior status as an “S Corporation” under the applicable provisions of the Internal Revenue Code of 1986, as amended; possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations; the effectiveness of our risk management and internal disclosure controls and procedures; market perceptions associated with certain aspects of our business; the one-time and incremental costs of operating as a standalone public company; our ability to meet our obligations as a public company, including our obligations under Section 404 of Sarbanes-Oxley; and damage to our reputation from any of the factors described above or elsewhere in this presentation. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Forward-looking statements speak only as of the date they are made. We do not undertake any obligation to update any forward-looking statement in the future, or to reflect circumstances and events that occur after the date on which the forward-looking statement was made.

Non-GAAP Financial Measures

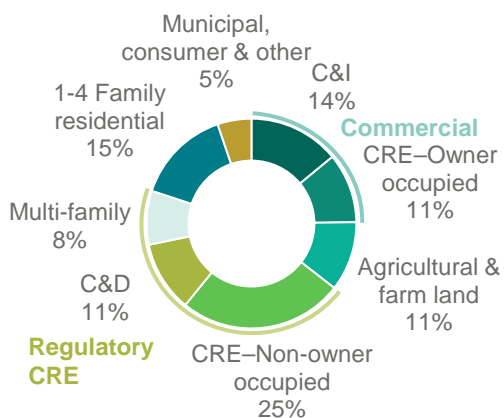
This presentation includes certain non-GAAP financial measures. While HBT Financial, Inc. (“HBT” or the “Company”) believes these are useful measures for investors, they are not presented in accordance with GAAP. You should not consider non-GAAP measures in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Because not all companies use identical calculations, the presentation herein of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. Tax equivalent adjustments assume a federal tax rate of 21% and state income tax rate of 9.50% during the three months ended March 31, 2020 and years ended December 31, 2019 and 2018, a federal tax rate of 35% and state income tax rate of 8.63% for the year ended December 31, 2017, and a federal tax rate of 35% and state income tax rate of 7.75% for the year ended December 31, 2016. For a reconciliation of the non-GAAP measures we use to the most comparable GAAP measures, see the Appendix to this presentation.

Company snapshot

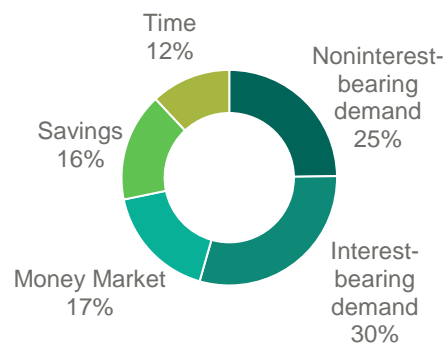
Overview

- ✓ Company incorporated in 1982 from base of family-owned banks and completed its IPO in October 2019
- ✓ Headquartered in Bloomington, IL, with operations in Central Illinois and the Chicago MSA
- ✓ Leading market position in majority of core mid-sized markets in Central Illinois
- ✓ Strong deposit franchise with 23bps cost of deposits, 99% core deposits²
- ✓ Conservative credit culture, with 4bps NCOs on originated loans in 2019³
- ✓ High profitability sustained through cycles

Loan composition



Deposit composition



Financial highlights

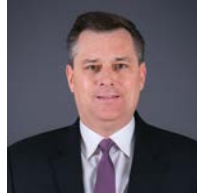
	\$mm	2017	2018	2019	1Q20
Balance sheet	Total assets	\$3,313	\$3,250	\$3,245	\$3,213
	Total gross loans, HFI ¹	2,116	2,144	2,164	2,133
	Total deposits	2,856	2,796	2,777	2,730
	% Core deposits ²	98.5%	98.7%	98.4%	99.0%
	Loans-to-deposits	74.1%	76.7%	77.9%	78.1%
Key performance indicators	Adjusted ROAA ⁴	1.20%	1.55%	1.78%	1.05%
	Adjusted ROATCE ⁴	13.0%	16.7%	18.3%	10.7%
	Cost of deposits	0.17%	0.21%	0.29%	0.23%
	NIM ⁵	4.01%	4.25%	4.38%	4.06%
	Yield on loans	5.09%	5.35%	5.51%	5.16%
	Efficiency ratio ⁵	57.7%	54.3%	53.1%	63.2%
Credit & capital	NCOs / loans	0.15%	0.23%	0.07%	0.11%
	Originated NCOs / loans ³	0.14%	0.17%	0.04%	0.03%
	NPLs / gross loans	1.04%	0.74%	0.88%	0.72%
	Originated NPLs / loans ³	0.85%	0.54%	0.54%	0.51%
	NPAs / Loans + OREO	1.81%	1.18%	1.11%	0.93%
	Originated NPAs / Loans + OREO	1.17%	0.61%	0.59%	0.56%
	CET1 (%)	12.1%	12.7%	12.2%	12.4%

Note: Financial data as of and for the three months ended March 31, 2020 unless otherwise indicated; ¹ Gross loans includes loans before allowance for loan losses; excludes loans held for sale; ² Core deposits defined as all deposits excluding time deposits of \$250,000 or more and brokered deposits; for reconciliation with GAAP metric, see "Non-GAAP reconciliations"; ³ Originated loans represent loans initially originated by the Company and acquired loans that were refinanced using the Company's underwriting criteria; metrics derived from originated loan data are non-GAAP metrics; for a reconciliation with GAAP metrics, see "Non-GAAP reconciliations"; ⁴ Metric based on adjusted net income, which is a non-GAAP metric; for reconciliation with GAAP metric, see "Non-GAAP reconciliations"; net income presented on C-Corporation equivalent basis; ⁵ Tax-equivalent basis metric; for reconciliation with GAAP metric, see "Non-GAAP reconciliations"

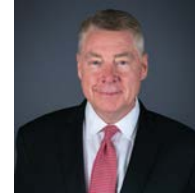
Experienced executive management team with deep community ties



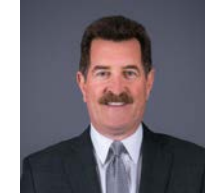
Fred L. Drake
Chairman and CEO
37 years with Company
40 years in industry



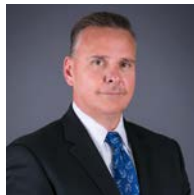
J. Lance Carter
**President and
Chief Operating Officer**
18 years with Company
26 years in industry



Matthew J. Doherty
Chief Financial Officer
10 years with Company
28 years in industry



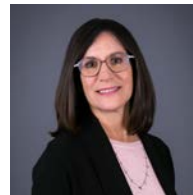
Patrick F. Busch
**Chief Lending Officer,
President of Heartland Bank**
24 years with Company
41 years in industry



Lawrence J. Horvath
**Senior Regional Lender,
Heartland Bank**
10 years with Company
34 years in industry



Larry J. Kallembach
Chief Information Officer
3 years with Company
41 years in industry



Diane H. Lanier
Chief Retail Officer
23 years with Company
35 years in industry

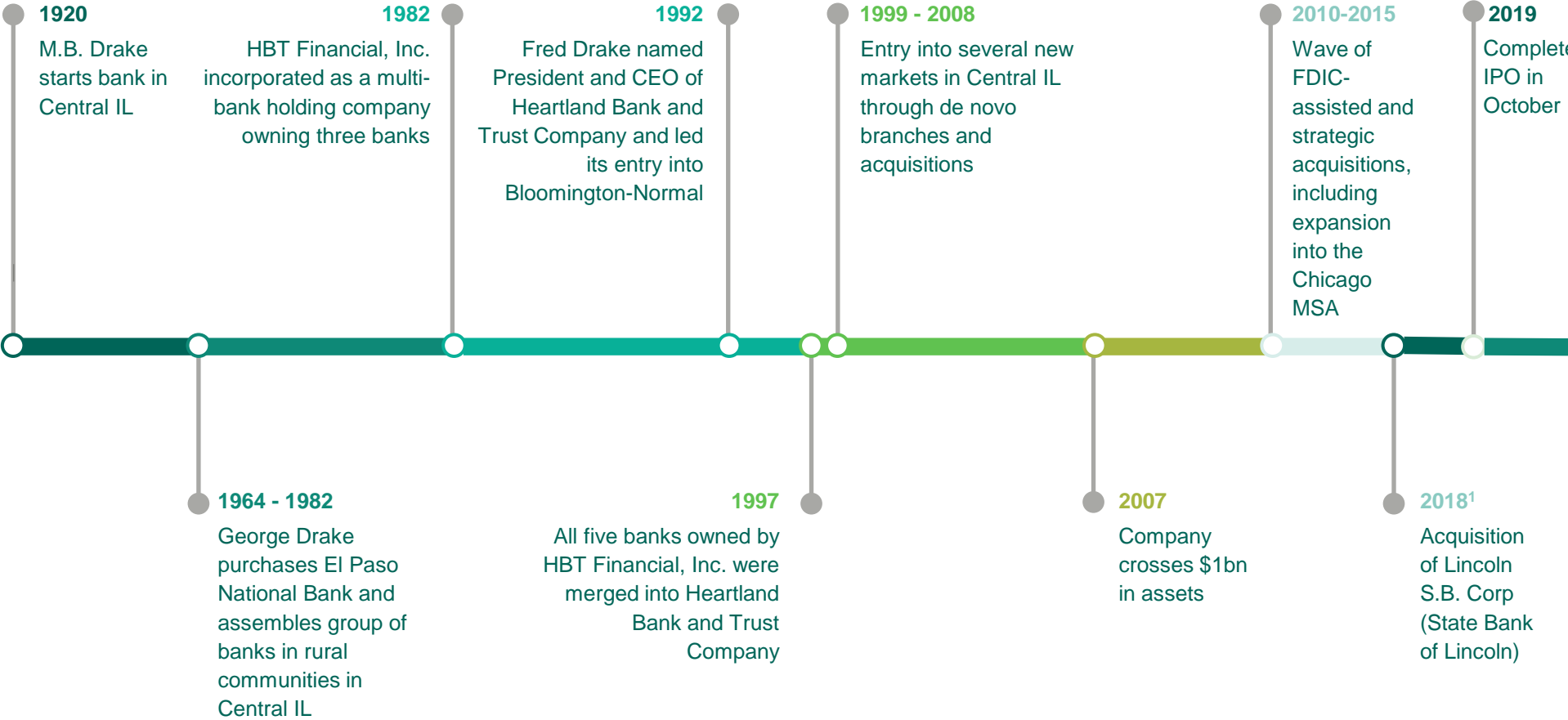


Mark W. Scheirer
Chief Credit Officer
9 years with Company
27 years in industry



Andrea E. Zurkamer
Chief Risk Officer
6 years with Company
19 years in industry

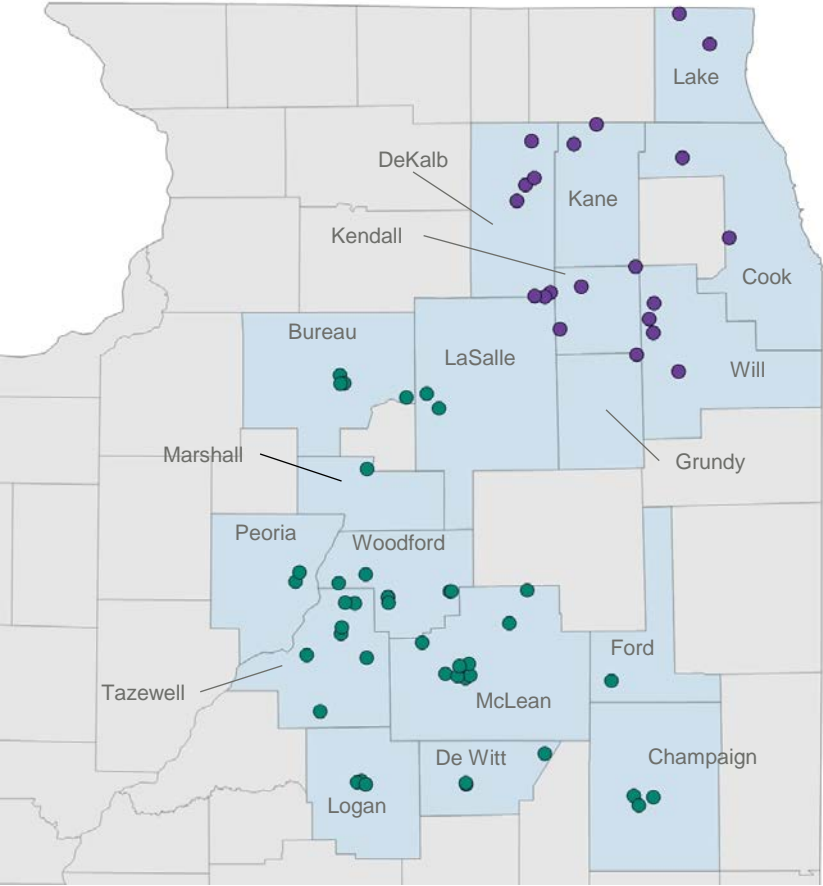
Our history



¹ Although the Lincoln Acquisition is identified as an acquisition above, the transaction was accounted for as a change of reporting entity due to its common control with the Company

Our markets

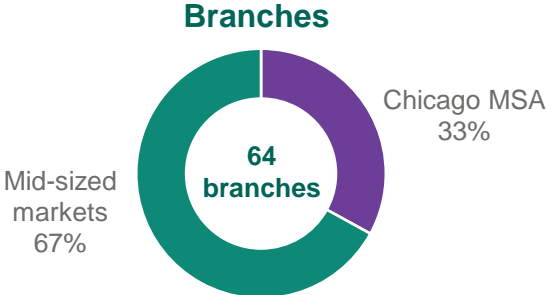
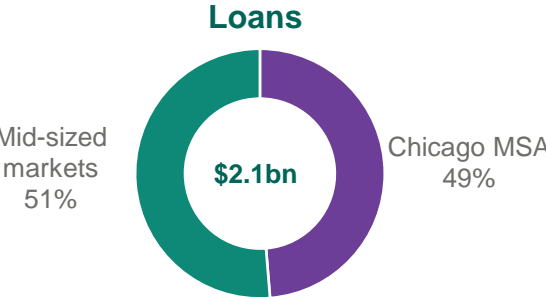
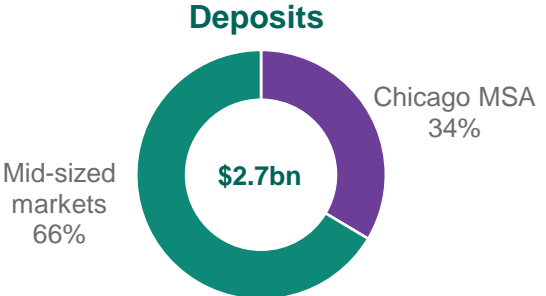
Branch locations



● Company branches outside of Chicago MSA
 ● Company branches in Chicago MSA

Note: Financial data as of March 31, 2020

Exposure to mid-sized and metropolitan markets



Our core operating principles

Prioritize safety and soundness

- Preserve asset quality through prudent underwriting standards
- Robust compliance management framework emphasizing sound governance practices
- Protect stable core deposit base through excellent customer service

Maintain strong profitability

- Consistently generate strong earnings throughout various economic cycles, supported by:
 - Leading deposit share in our core markets
 - Underwriting attractively priced loans
 - Robust credit risk management framework
 - Diversified sources of fee income

Continue disciplined growth

- Grow conservatively in our core mid-sized markets and in the Chicago MSA via organic channels and through M&A
- Pursue strategically compelling and financially attractive growth opportunities that are consistent with our culture

Uphold our Midwestern values

- Long-time family-owned bank that demonstrates our values through hard work, perseverance, and doing the right thing
- Committed to all stakeholders, including our customers, employees, communities, and shareholders

Business strategy

Small enough to know you, big enough to serve you

Preserve strong ties to our communities

- Drake family involved in Central IL banking since 1920
- Management lives and works in our communities
- Community banking and relationship-based approach stems from adherence to our Midwestern values
- Committed to providing products and services to support the unique needs of our customer base
- Nearly all loans originated to borrowers domiciled within 60 miles of a branch

Deploy excess deposit funding into loan growth opportunities

- Highly defensible market position (Top 3 deposit market share rank in 6 of 7 largest core mid-sized markets in Central Illinois) that contributes to our strong core deposit base and funding advantage
- Continue to deploy our excess deposit funding (78% loan-to-deposit ratio) into attractive loan opportunities in larger, more diversified markets
- Efficient decision-making process provides a competitive advantage over the larger and more bureaucratic money center and super regional financial institutions that compete in our markets

Maintain a prudent approach to credit underwriting

- Robust underwriting standards will continue to be a hallmark of the Company
- Maintained sound credit quality and minimal originated problem asset levels during the Great Recession
- Diversified loan portfolio primarily within footprint
- Underwriting continues to be a strength as evidenced by only 4bps NCOs on loans originated by the Company in 2019¹

Pursue strategic acquisitions and sustain strong profitability

- Positioned to be the acquirer of choice for many potential partners in and adjacent to our existing markets
- Successful integration of 8 community bank acquisitions in the last 13 years
- Chicago MSA, in particular, has ~100 banking institutions with less than \$1bn in assets
- 1.78 ROAA%² and 4.38% NIM³ in 2019, well above peer medians
- Highly profitability through the Great Recession

¹ Originated loans represent loans initially originated by the Company and acquired loans that were refinanced using the Company's underwriting criteria; metrics derived from originated loan data are non-GAAP metrics; for a reconciliation with GAAP metrics, see "Non-GAAP reconciliations"; ² Metrics based on adjusted net income, which is a non-GAAP metric; for reconciliation with GAAP metrics, see "Non-GAAP reconciliations"; net income presented on C-Corporation equivalent basis; ³ Metrics presented on tax equivalent basis; peer metrics shown FTE where available; for reconciliation with GAAP metric, see "Non-GAAP reconciliations"

Investment highlights



1



Consistent performance through cycles

2



Leading market position in core mid-sized markets, with growth opportunity in the Chicago MSA

3



Stable, low-cost deposit base

4



Track record of successfully integrating acquisitions

5



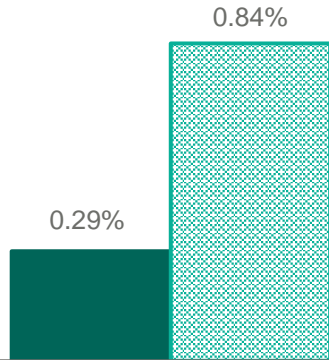
Prudent risk management

1 Company's performance compares favorably to peers . . .

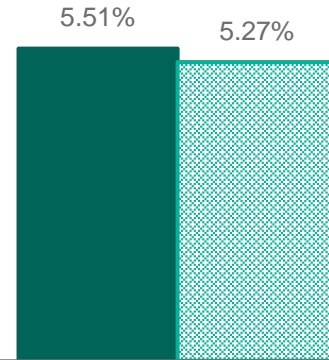
■ Company ■ High-performing peers¹

2019 Performance

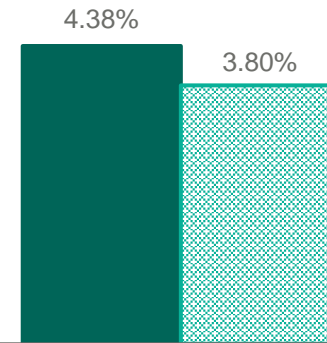
Cost of deposits



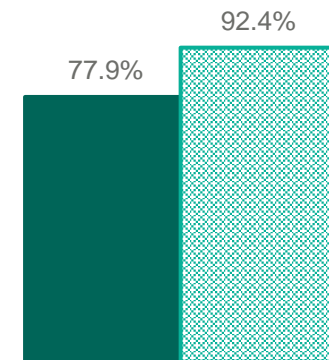
Yield on loans



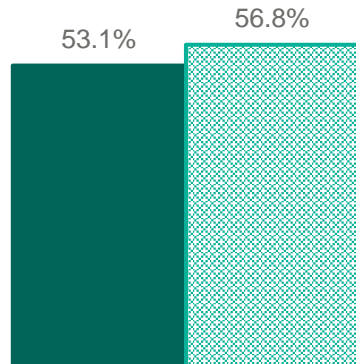
Net interest margin (tax equivalent basis)²



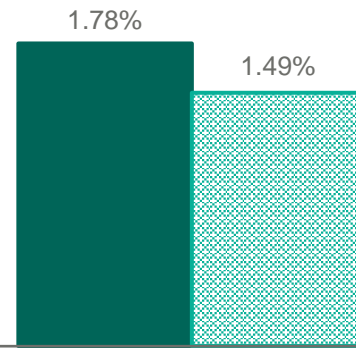
Loans-to-deposits



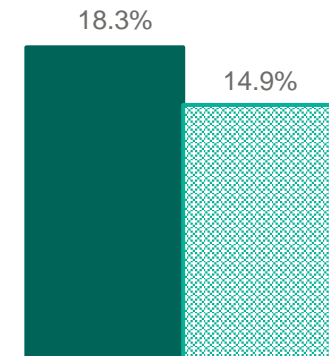
Efficiency ratio (tax equivalent basis)²



Adjusted ROAA³



Adjusted ROATCE³



Source: S&P Global Market Intelligence

Note: Financial data as of and for the twelve months ended December 31, 2019; Peer data as of and for the twelve months ended December 31, 2019 (as available as of May 15, 2020)

¹ Represents approximately 30 high performing major exchange-traded banks headquartered in the Midwest with \$1.5-10bn in assets, core return on average assets greater than 1.10% and non-performing assets-to-assets less than 2.00%; ² Metrics presented on tax equivalent basis; peer metrics shown FTE where available; for reconciliation with GAAP metric, see "Non-GAAP reconciliations";

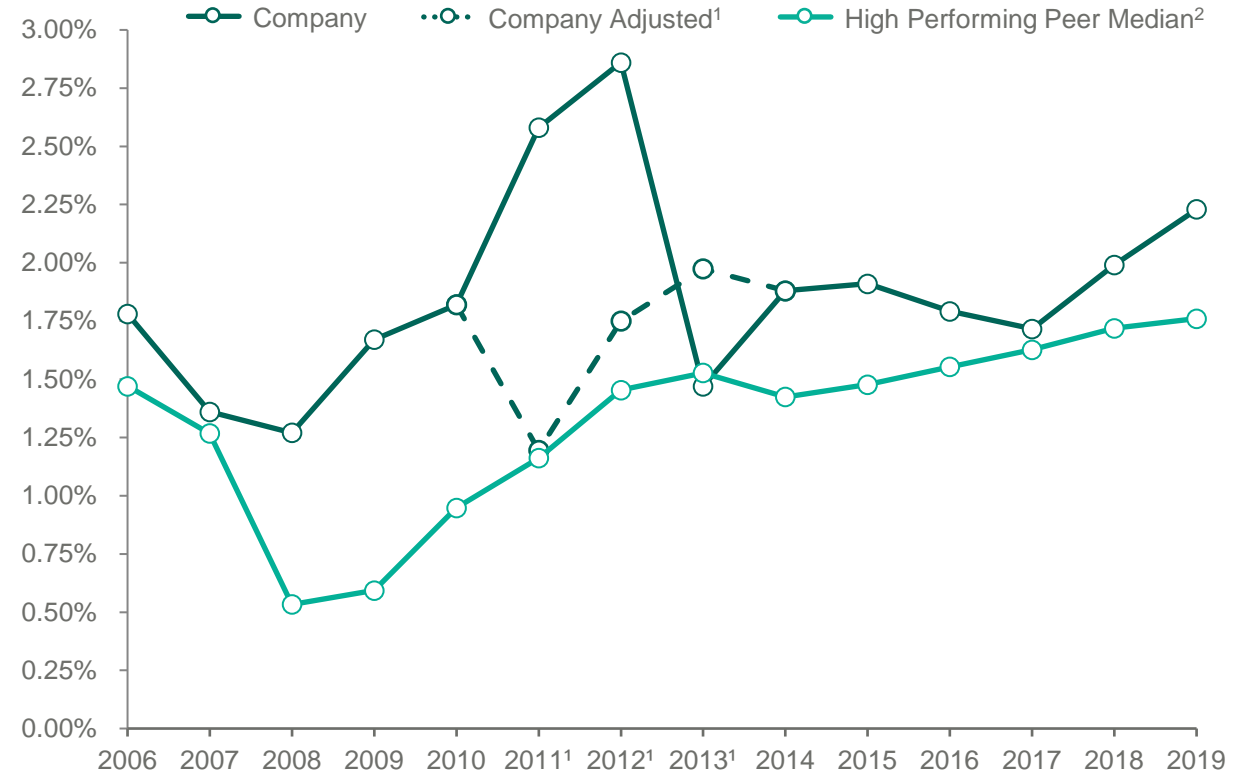
³ Metrics based on adjusted net income, which is a non-GAAP metric; for reconciliation with GAAP metric, see "Non-GAAP reconciliations"; net income presented on C-Corporation equivalent basis

1 . . . and has been sustained through cycles . . .

Drivers of profitability

- 1 Strong, low-cost deposits supported by our leading market share in core mid-sized markets
- 2 Relationship-based business model that has allowed us to cultivate and underwrite attractively priced loans
- 3 A robust credit risk management framework to prudently manage credit quality
- 4 Diversified sources of fee income, including in wealth management

Pre-tax return on average assets (%)

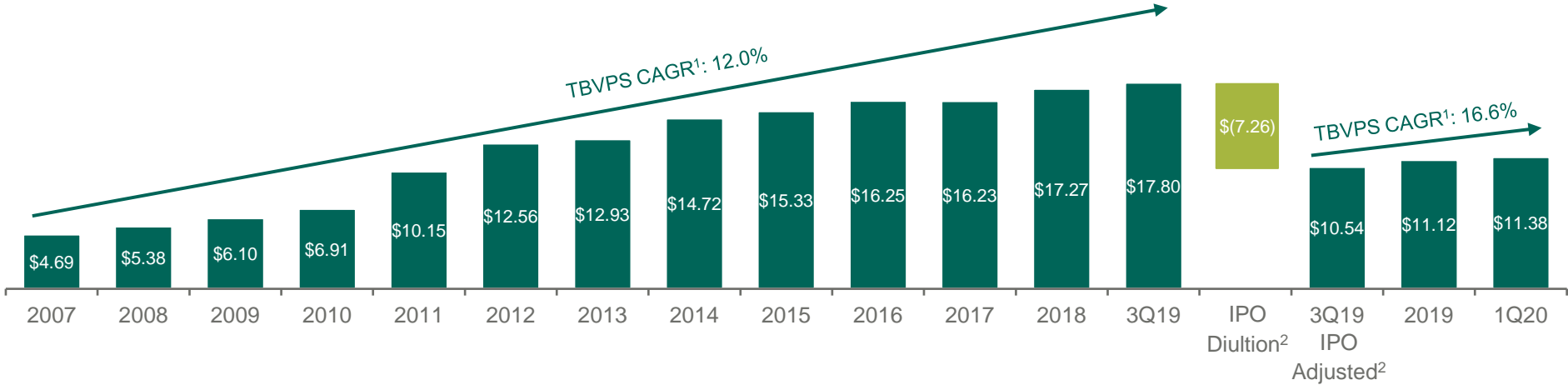


Consistent outperformance, even during periods of broad economic stress

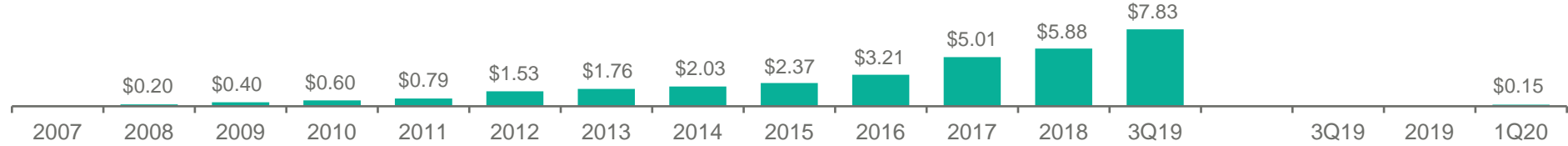
Source: S&P Global Market Intelligence; For 2006 through June 30, 2012, the Company's pre-tax ROAA does not include Lincoln S.B. Corp. and its subsidiaries; ¹ HBT pre-tax ROAA adjusted to exclude the following significant non-recurring items in the following years: 2011: \$25.4 million bargain purchase gains; 2012: \$11.4 million bargain purchase gains, \$9.7 million net realized gain on securities, and \$6.7 million net positive adjustments on FDIC indemnification asset and true-up liability; 2013: \$9.1 million net realized loss on securities and \$6.9 million net loss related to the sale of branches; ² Represents approximately 30 high performing major exchange-traded banks headquartered in the Midwest with \$1.5-10bn in assets, core return on average assets greater than 1.10% and non-performing assets-to-assets less than 2.00%

1 . . . driving compelling tangible book value growth

Tangible book value per share over time (\$ per share)¹



Cumulative effect of dividends paid (\$ per share)³












¹ For reconciliation with GAAP metric, see “Non-GAAP reconciliations”; ² In 2019, HBT Financial issued and sold 9,429,794 shares of common stock at a price of \$16 per share. Total proceeds received by the Company, net of offering costs, were \$138.5 million and were used to fund a \$170 million special dividend to stockholders of record prior to the initial public offering. Amount reflects dilution per share attributable to newly issued shares in initial public offering (IPO) and special dividend payment. For reconciliation with GAAP metric, see “Non-GAAP reconciliations” ³ Excludes dividends paid to S Corp shareholders for estimated tax liability prior to conversion to C Corp status on October 11, 2019. Excludes \$170 million special dividend funded primarily from IPO proceeds. For reconciliation with GAAP metric, see “Non-GAAP reconciliations”

2 Leading market position in core mid-sized markets . . .

Top 3 deposit share rank in 6 of 7 largest core mid-sized markets in Central Illinois

Company market share by county

Shaded counties denote Company's top mid-sized markets by deposit share

County	Company				Market		
	% of Company deposits	Deposits (\$mm)	Branches	Market share	Rank	Population (000)	Money Center share ¹
McLean	 18%	\$508	9	16.6%	2	172	13.0%
DeKalb	 12%	334	7	14.2%	4	105	—
Tazewell	 8%	228	7	8.2%	2	133	—
Logan	 8%	226	4	38.6%	1	29	—
Woodford	 8%	209	7	28.5%	2	39	—
Cook	 7%	198	2	0.1%	57	5,197	38.5%
Bureau	 7%	192	4	20.7%	1	33	—
De Witt	 6%	157	3	37.9%	2	16	—
Other Counties	 26%	721	21				

Note: Data as of June 30, 2019

Source: S&P Global Market Intelligence; Note: Analysis excludes deposits from non-retail branches; McLean County excludes State Farm Bank given its lack of retail banking locations

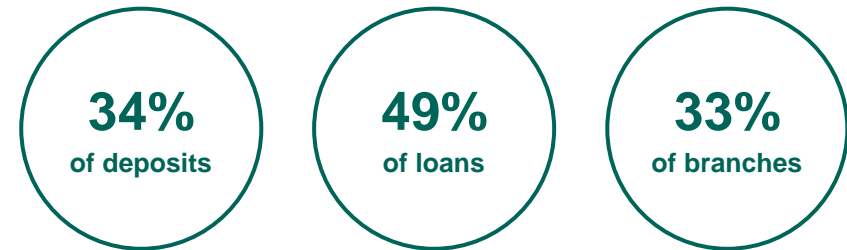
¹ Money Center banks include Chase, Bank of America, Wells Fargo, and Citibank

2 . . . with growth opportunity in the Chicago MSA

Overview

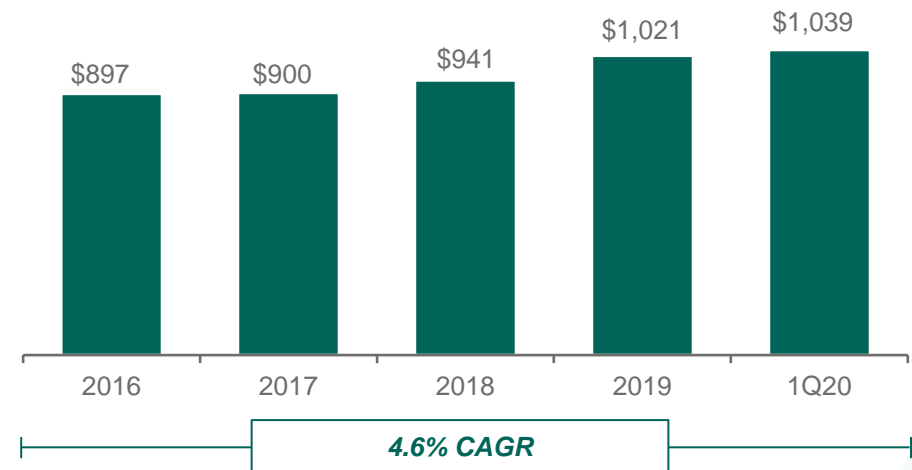
- Entered market in 2011 with acquisition of Western Springs National Bank
- Chicago MSA is home to >9.5mm residents, with an annual GDP >\$675bn
- Second largest MSA in the country for middle market businesses¹
- In-market disruption from recent bank M&A in Chicago MSA has provided attractive source of local talent
- Scale and diversity of Chicago MSA provides continued growth opportunities, both in lending and deposits
- Match-funded loan growth as evidenced by 113% loan-to-deposit ratio within the Chicago MSA
- Loan growth in Chicago MSA spread across a variety of commercial asset classes, including multifamily, mixed use, industrial, retail, and office

Chicago MSA comprises a major component of our business . . .



. . . and continues to grow

Loans within the Chicago MSA (\$ mm)

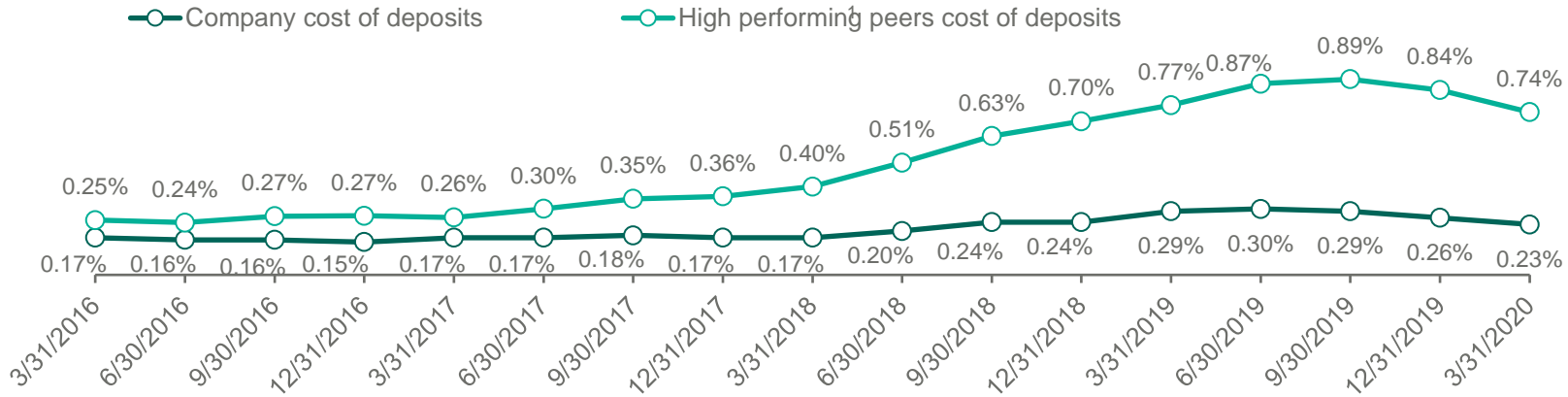


Note: Financial data as of March 31, 2020 unless otherwise indicated

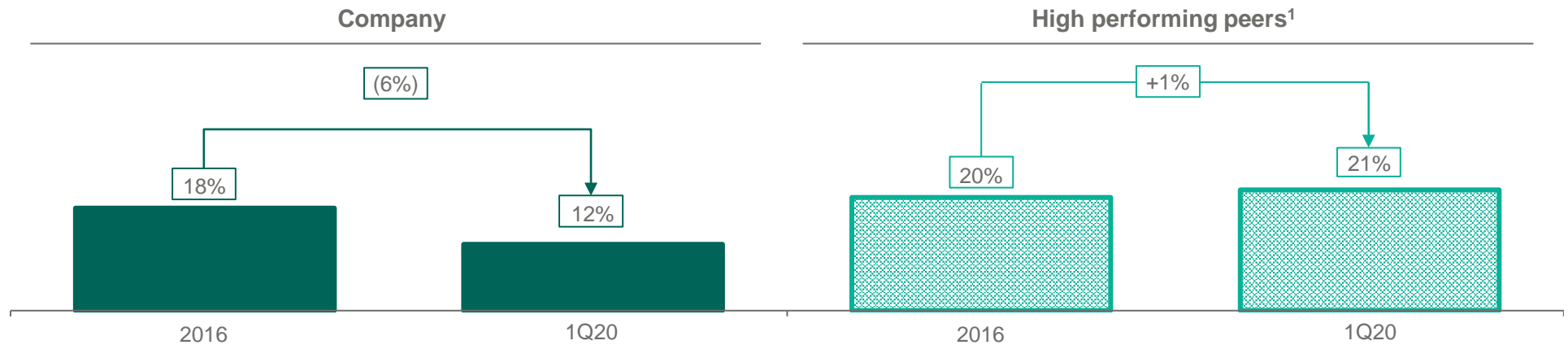
¹ Middle market firms are defined as businesses with revenues between \$10mm and \$1bn

3 Stable, low-cost deposit base . . .

Cost of deposits remains considerably below peers



Historical time deposit composition (%)



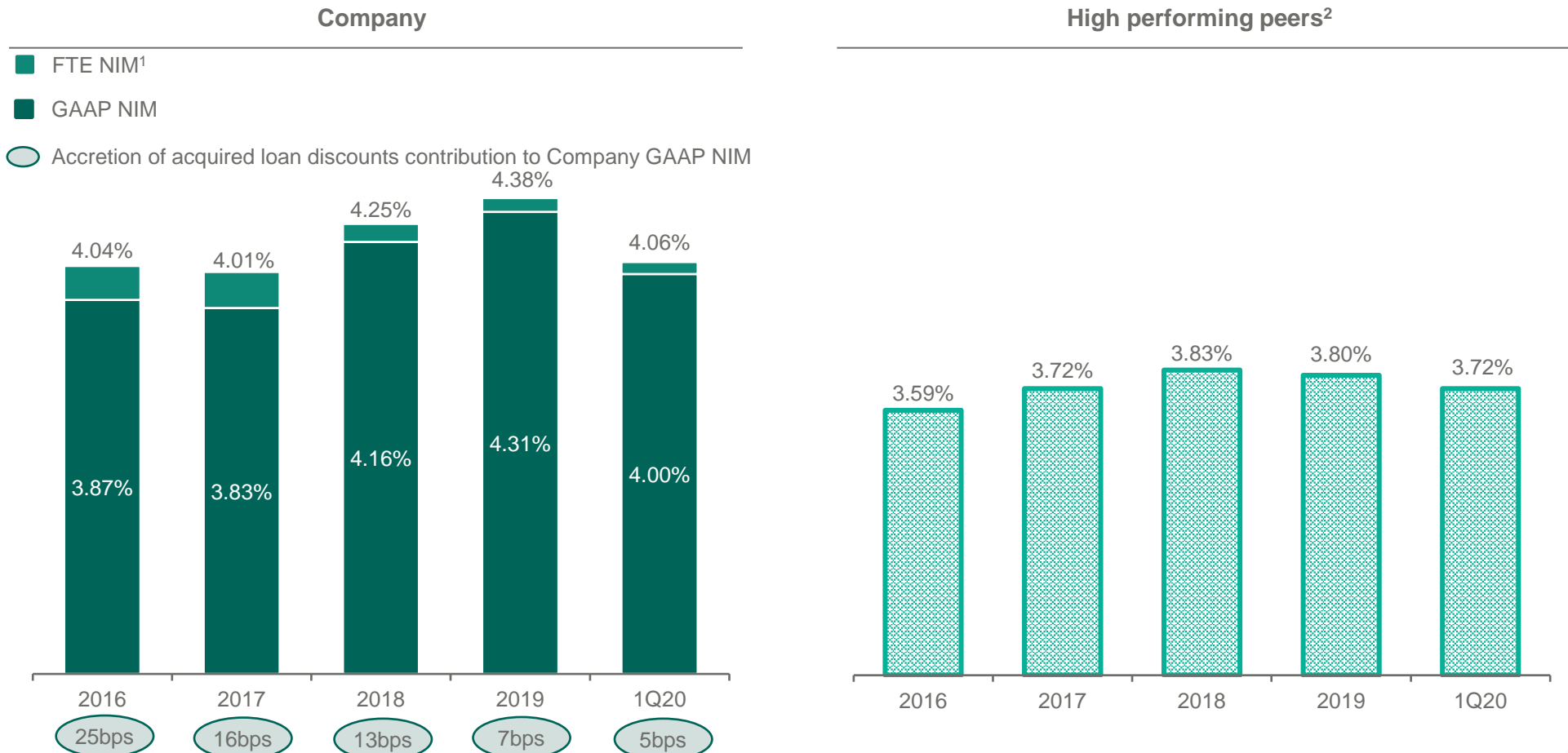
Source: S&P Global Market Intelligence

Note: Financial data as of and for the three months ended March 31, 2020 unless otherwise indicated; Peer data as of and for the three months ended March 31, 2020 (as available as of May 15, 2020);

¹ Represents approximately 30 high performing major exchange-traded banks headquartered in the Midwest with \$1.5-10bn in assets, core return on average assets greater than 1.10% and non-performing assets-to-assets less than 2.00%

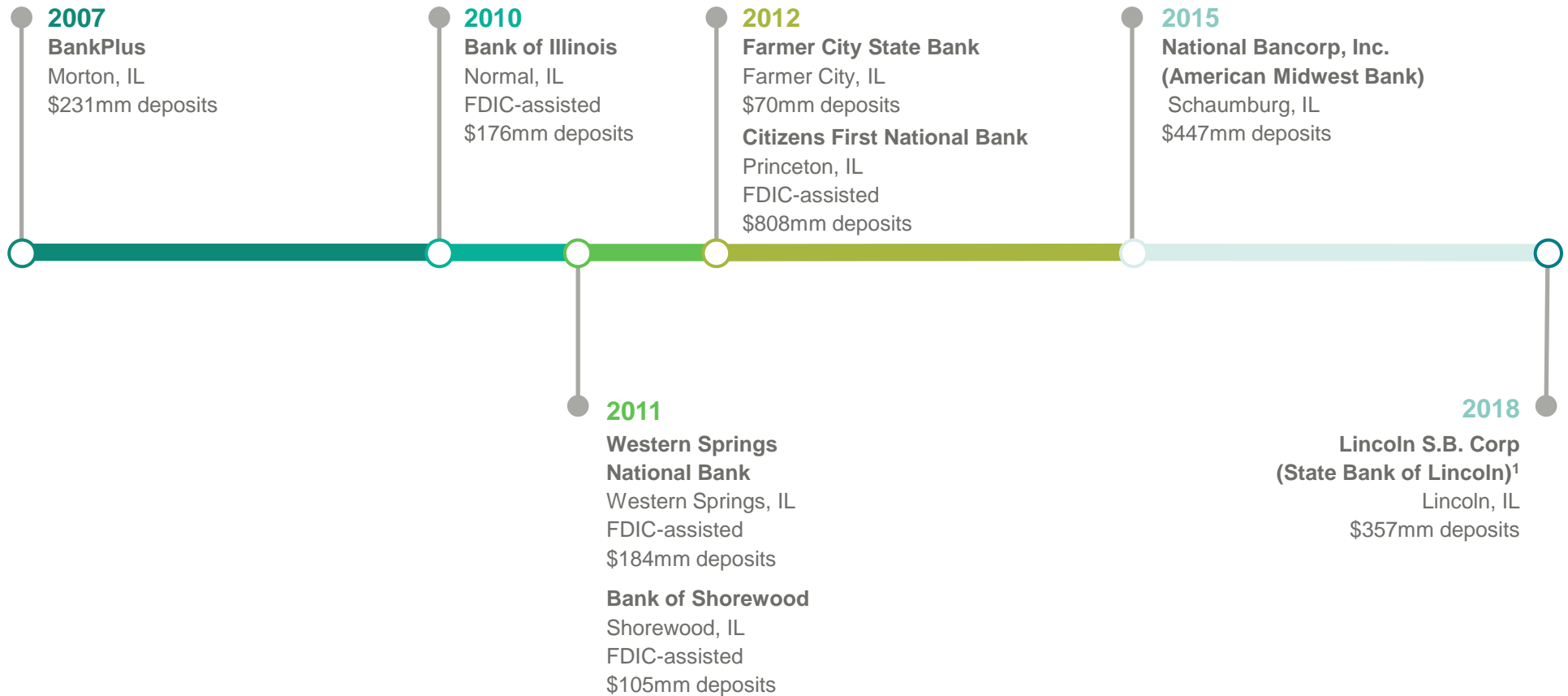
3 . . . has supported NIM trends

- The 150-basis point reduction in the target federal funds rate in March 2020 is expected to continue placing downward pressure on the net interest margin in 2020
- 50% of the loan portfolio matures or reprices within the next 12 months
- Loan mix is 57% fixed rate and 43% variable rate; 41% of variable rate loans have floors and 70% of those loans have hit their floors



Source: S&P Global Market Intelligence; Note: Peer group NIMs shown on FTE basis when available; (data for peers as available through May 15, 2020); ¹ Tax-equivalent basis metric; for reconciliation with GAAP metric, see “Non-GAAP reconciliations”; ² Represents approximately 30 high performing major exchange-traded banks headquartered in the Midwest with \$1.5-10bn in assets, core return on average assets greater than 1.10% and non-performing assets-to-assets less than 2.00%

4 Track record of successfully integrating acquisitions



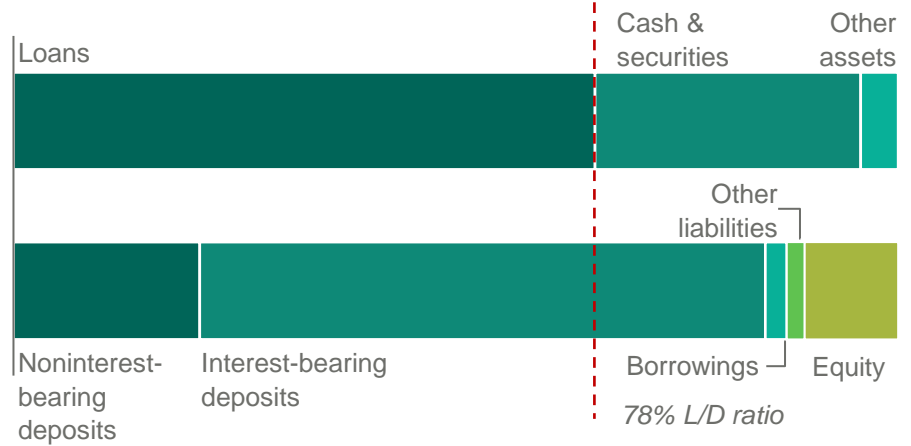
¹ Although the Lincoln Acquisition is identified as an acquisition in the above table, the transaction was accounted for as a change of reporting entity due to its common control with Company

5 Prudent risk management

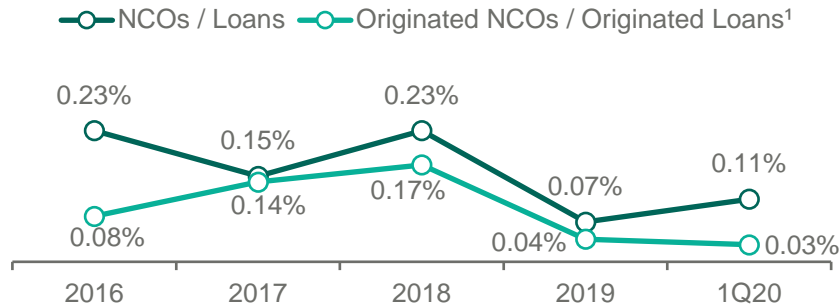
Framework and key policies

- Risk management culture instilled by management
- Well-diversified loan portfolio across commercial, regulatory CRE, and residential
- Primarily originated across in-footprint borrowers with 93% of portfolio originated by HBT team (vs. acquired)
- Centralized credit underwriting group that evaluates all exposures over \$500,000 to ensure uniform application of policies and procedures
- Conservative credit culture, strong underwriting criteria, and regular loan portfolio monitoring

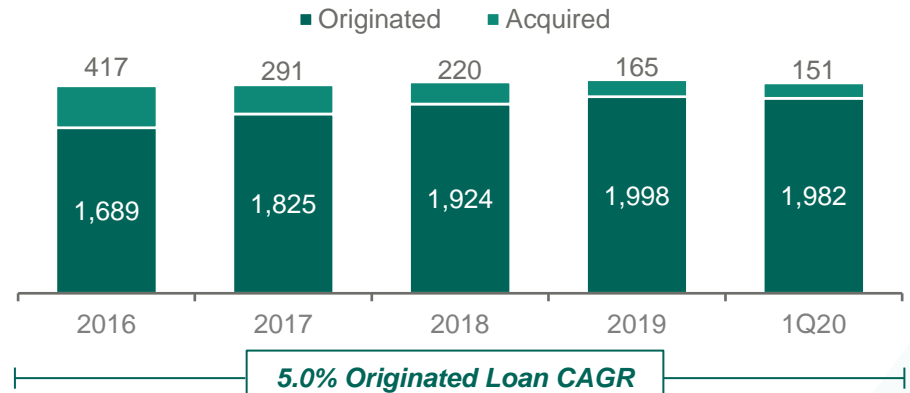
Balance sheet composition as of March 31, 2020



Historical net charge-offs (%)



Originated and acquired loans¹ (\$mm)

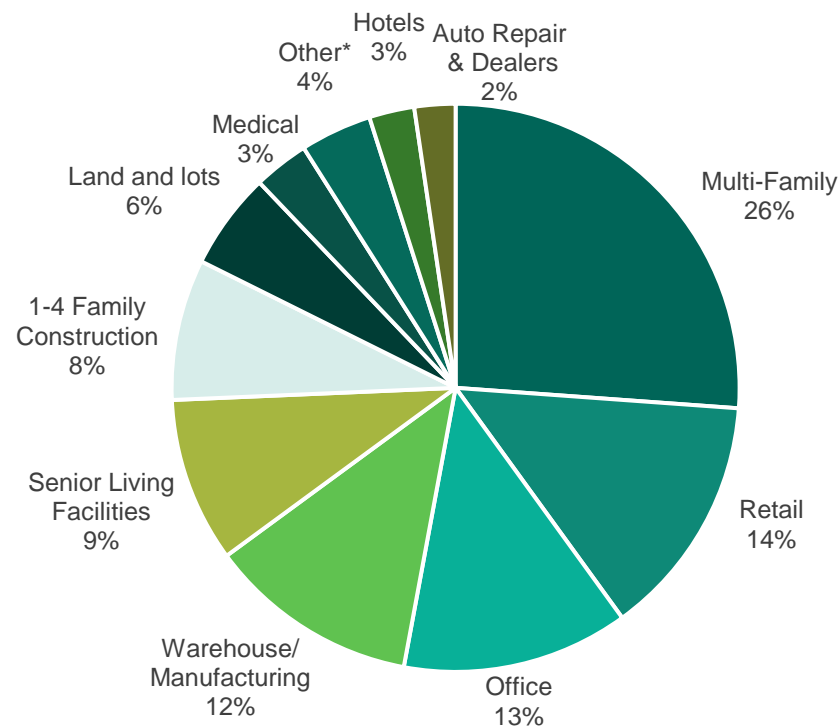


¹ Originated loans represent loans initially originated by the Company and acquired loans that were refinanced using the Company's underwriting criteria; Acquired loans represent loans originated under the underwriting criteria used by a bank that was acquired by Heartland Bank or Lincoln Bank

Loan Portfolio Overview: Commercial Real Estate

- \$950 million portfolio as of March 31, 2020
 - \$541 million in non-owner occupied CRE primarily supported by rental cash flow of the underlying properties
 - \$232 million in construction and land development loans primarily to developers to sell upon completion or for long-term investment
 - \$177 million in multi-family loans secured by 5+ unit apartment buildings
- Vast majority of loans originated to experienced real estate developers within our markets
- Guarantees required on majority of originated loans
- Loan modifications related to COVID-19 offered in the form of 3 months interest only payments or one month payment deferrals
 - As of May 15, 2020, made 146 loan modifications for \$169 million which represents 18% of the March 31, 2020 CRE portfolio

Commercial Real Estate Loan Mix

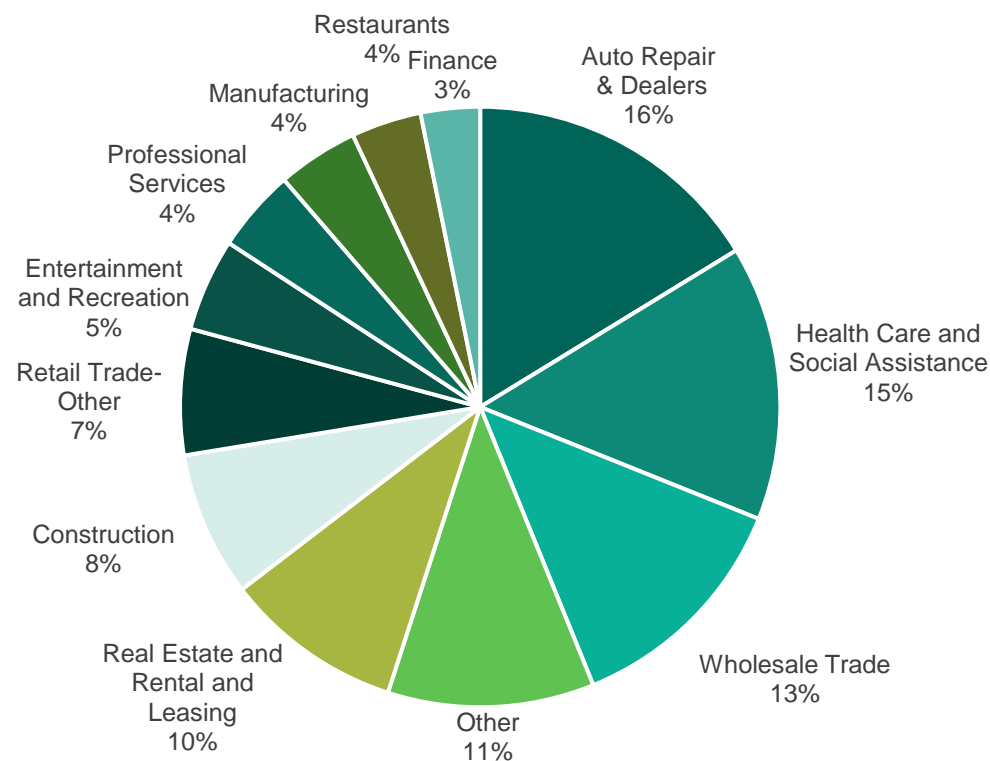


* Includes restaurant/bar exposure of \$10.8 million or 1.1% of CRE loans

Loan Portfolio Overview: Commercial

- \$299 million C&I loans outstanding as of March 31, 2020
 - For working capital, asset acquisition, and other business purposes
 - Underwritten primarily based on borrower’s cash flow and majority further supported by collateral and personal guarantees; loans based primarily in-market
- \$230 million owner-occupied CRE outstanding as of March 31, 2020
 - Primarily underwritten based on cash flow of business occupying properties and supported by personal guarantees; loans based primarily in-market
- No material change in draws on lines of credit following the classification of COVID-19 as a pandemic
- Loan modifications related to COVID-19 offered in the form of 3 months interest only payments or one month payment deferrals
 - As of May 15, 2020, made 168 loan modifications for \$79 million which represents 15% of the March 31, 2020 Commercial portfolio

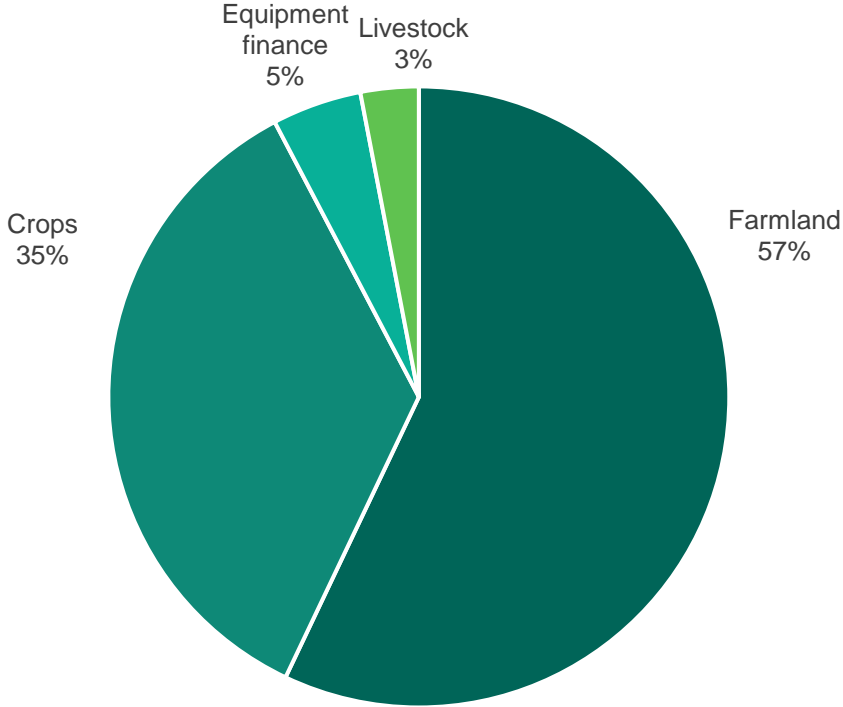
Commercial Loan Mix



Loan Portfolio Overview: Agriculture and Farmland

- \$229 million portfolio as of March 31, 2020
 - 43% production, of which most is corn and soybeans
 - 57% real estate loans secured by farmland
- Federal crop insurance programs mitigate production risks
- No customer accounts for more than 4% of ag portfolio
- Nearly 80% of agricultural borrowers have been with the Company for at least 10 years, and over half for more than 20 years
- Loan modifications related to COVID-19 offered in the form of 3 months interest only payments or one month payment deferrals
 - As of May 15, 2020, made 6 loan modifications for \$4 million which represents 2% of the March 31, 2020 Agriculture and Farmland portfolio

Agriculture and Farmland Loan Mix



Loan Portfolio Overview: 1-4 Family Residential Mortgage

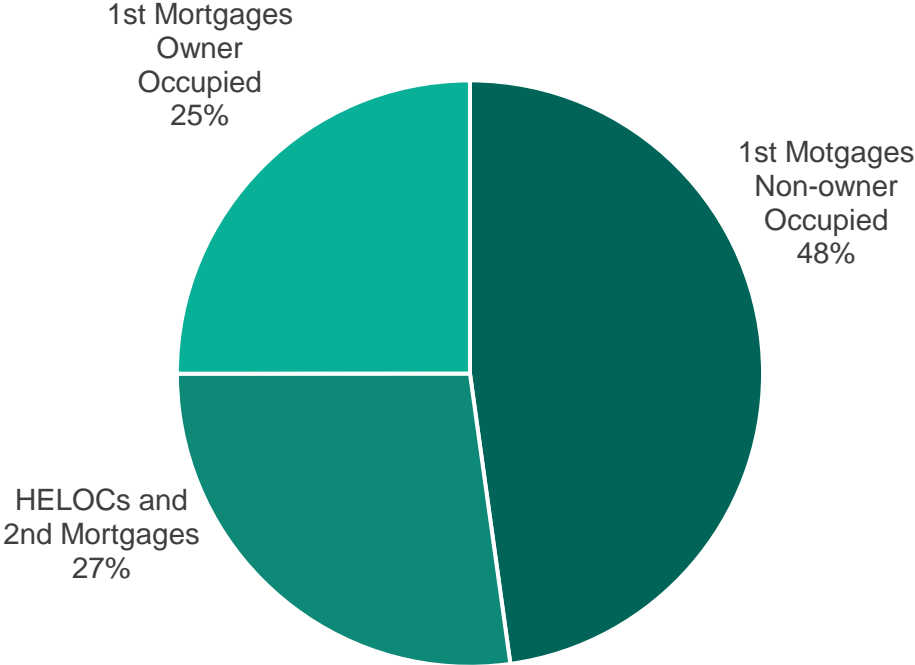
In-house 1-4 Family Residential Mortgage Portfolio

- \$314 million in-house portfolio as of March 31, 2020
- Loan modifications related to COVID-19 offered in the form of 3 months interest only payments, 2 months of payment deferrals, or short-term forbearance
 - As of May 15, 2020, made 136 loan modifications for \$16 million which represents 5% of the March 31, 2020 in-house residential portfolio

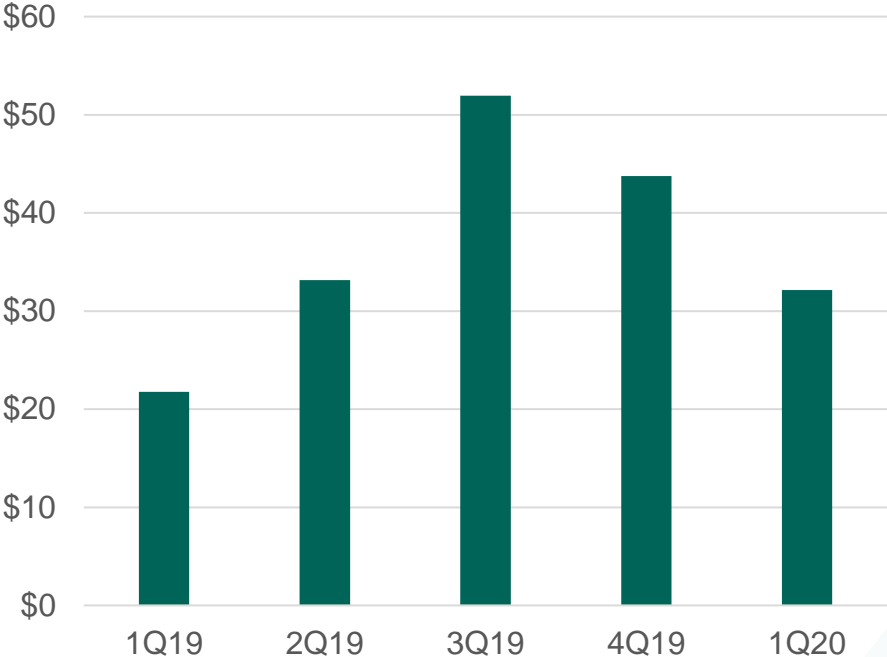
Secondary Market 1-4 Family Residential Mortgage Portfolio

- \$1.13 billion sold to the secondary market with servicing retained as of March 31, 2020
- Loan modifications related to COVID-19 offered in the form of forbearance
 - As of May 15, 2020, made 159 loan modifications for \$20 million which represents 2% of the March 31, 2020 secondary market residential portfolio
- Q2 2020 residential mortgage origination volume is expected to increase due to strong refinance activity

1-4 Family Residential Loan Mix



Residential Mortgage Loan Origination Volume (\$mm)



Loan Portfolio Overview: Asset Quality and Reserves

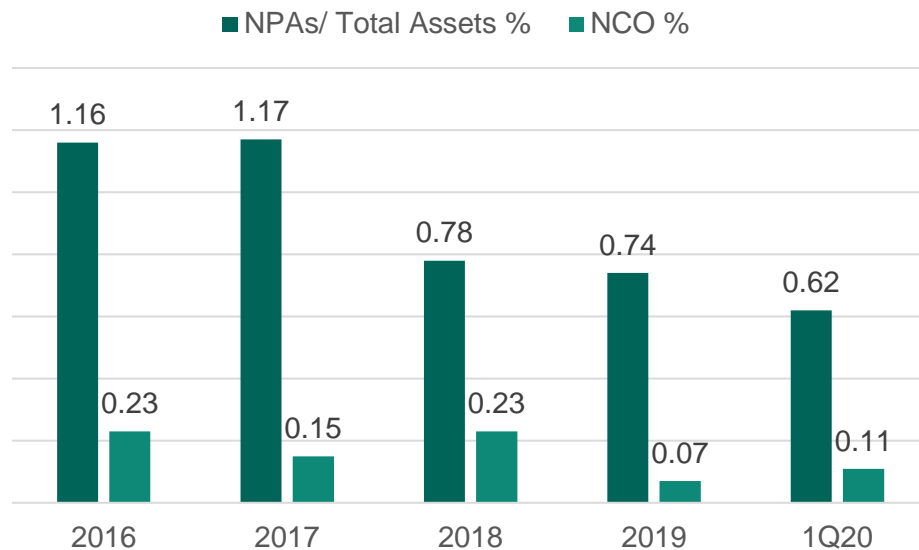
Asset quality impact from COVID-19 is modest so far

- At March 31, 2020, non-performing assets were \$19.8 million, or 0.62% of total assets compared to \$24.1 million, or 0.74% of total assets at December 31, 2019
- As of May 15, 2020, made 476 loan modifications related to COVID-19 for \$268 million which represents 13% of total loans as of March 31, 2020
- Net charge offs were \$0.6 million, or 0.11% on an annualized basis for the three months ended March 31, 2020 compared to \$0.6 million, or 0.11% on an annualized basis for the three months ended December 31, 2019

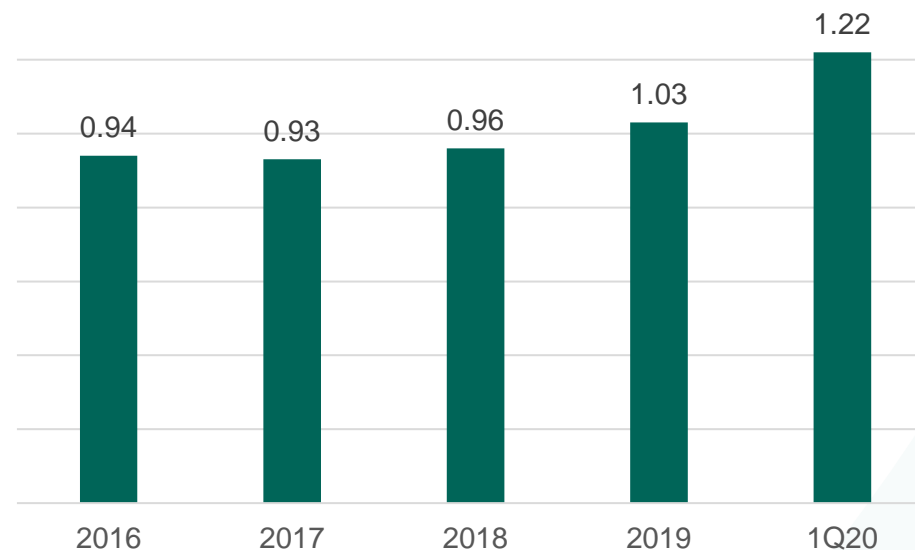
Augmenting allowance for loan losses

- Allowance for loan losses totaled \$26.1 million, or 1.22% of loans before allowance, at March 31, 2020 compared to \$22.3 million, or 1.03% at December 31, 2019
- Allocation for the quarter ended March 31, 2020 included \$3.3 million of reserve build related to changes in certain qualitative factors for loan portfolios that we believe could be impacted by COVID-19
- In addition to our allowance for loan losses, we had \$3.0 million in credit-related discounts on acquired loans at March 31, 2020 compared to \$3.2 million at December 31, 2019

Non-performing assets/ Total assets % and Net charge-off %

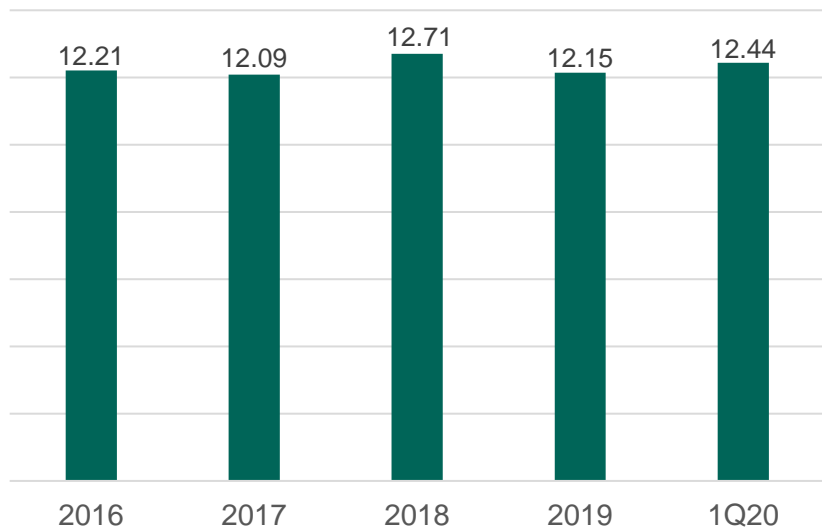


Allowance for loan losses to total loans (%)

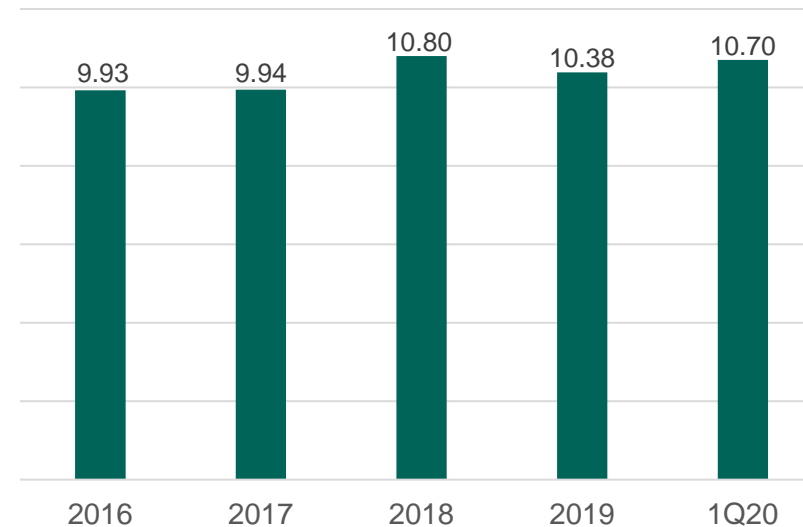


Capital and Liquidity Overview

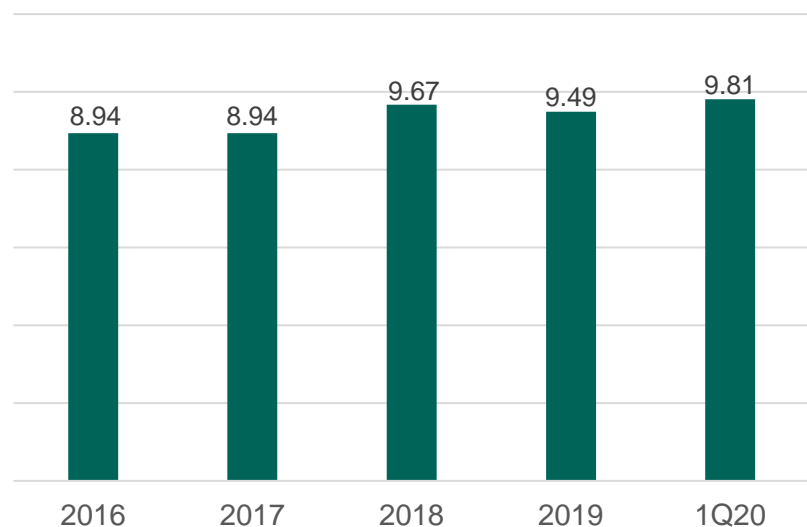
CET 1 Risk-based Capital Ratio (%)



Leverage Ratio (%)



Tangible Common Equity to Tangible Assets (%)¹



Liquidity Sources

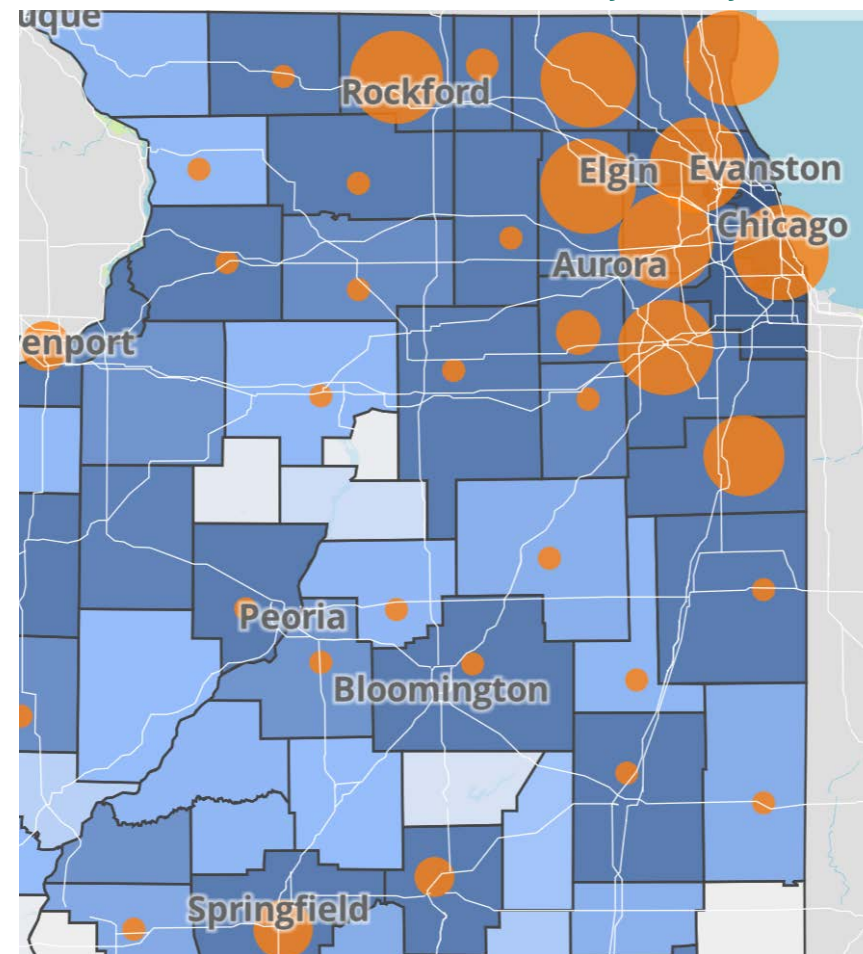
Liquidity Source	As of 3/31/20
<i>(\$ thousands)</i>	
Balance of Cash and Cash Equivalents	\$265,436
Market Value of Unpledged Securities	410,178
Available FHLB Advance Capacity	335,687
Available Fed Fund Lines of Credit	90,000
Total Estimated Liquidity	\$1,101,301

¹ For reconciliation with GAAP metric, see "Non-GAAP reconciliations"

Impact of COVID-19 in Illinois

- Illinois has the 3rd highest number of confirmed COVID-19 cases in the U.S.
- Some 66% of the state's confirmed COVID-19 cases are in Cook County
- The impact of COVID-19 is more moderate in markets outside Cook County and adjacent counties
- Stay-at-home order is set to expire on May 31st
- All four health regions (Northeast, North Central, Central and Southern) are trending in the right direction allowing the state to move closer to phase three of its reopening
- Under phase three, non-essential manufacturing, offices, retail, barbershops and salons will be able to reopen with capacity and other safety precautions and gatherings of 10 or fewer people are allowed
- Under phase four, P-12 schools, higher education, all summer programs, and child care open with IDPH approved safety guidance and gatherings of 50 people or fewer are allowed
- Under phase five, all sectors of the economy reopen with businesses, schools, and recreation resuming normal operations with new safety guidance and procedures and conventions, festivals and large events can take place

Confirmed COVID-19 Cases in Illinois by County



Source: U.S. CDC, and the Illinois Department of Public Health (IDPH); COVID-19 case data through May 19, 2020

COVID-19: Customer, Community, and Employee Support Efforts

Initial Response

- Business Continuity Plan (BCP) activated
- Executive leaders began meeting daily to discuss COVID-19 considerations
- Enhanced disinfecting and cleaning protocols implemented at all facilities

Customer and Community Initiatives

- Keeping customers updated via our COVID-19 Response web page and email communications
- Offering loan payment deferrals to customers experiencing financial hardship due to COVID-19
- Participating in the SBA's Paycheck Protection Program (PPP)
- Waiving or refunding overdraft and ATM fees, as well as time deposit early withdrawal penalties, to customers experiencing financial hardship due to COVID-19
- Maintaining regular business hours at branches and the call center to serve customers
- Limiting branch lobby service to appointment only; only four out of 64 branch locations closed temporarily
- Providing faster turnaround for increased online deposit account opening demand
- Providing access to 20+ digital courses for students in grades K-12 on critical topics including financial education, mental wellness, compassion, digital wellness, and more

Employee Programs

- Executive leaders and HR department communicating frequently with employees around COVID-19 risks, including the addition of an employee reference page on Company intranet
- Enabling work from home for many employees and adjusting branch services to ensure a safe environment
- Social distancing employees who need to report to the office, postponing nonessential travel and group training events, and mandating meetings be held by conference call
- Providing up to 120 hours emergency paid time off for employees impacted by the virus to limit financial hardships related to time off and pay
- Providing employees and their families access to a free confidential counseling service

Near-Term Outlook

- Active participant in the Paycheck Protection Program (PPP); through May 15, 2020:
 - Approved and funded \$179 million of PPP loans to 2,048 businesses representing approximately 23,000 employees
 - Average loan size of \$87,000 and median loan size of \$28,000
 - Fees of \$7.3 million expected on loans funded

- Loan pipelines are lower year-over-year and near-term loan growth (excluding the impact of PPP loans) is expected to moderate due to the economic impact of COVID-19

- NIM pressure (excluding the impact of PPP loans) is expected to persist in Q2 2020 as the full impact of the move lower in interest rates takes hold

- Economic slowdown caused by COVID-19 is expected to result in continued reserve build in the ALLL

- Service charges on deposit accounts and card income are both expected to decrease in Q2 2020 due to COVID-19

- Wealth management fees are expected to decline modestly from the equity market's recent drop

- Mortgage banking profits are expected to increase in Q2 2020 due to greater refinancing activity and higher spreads

- Noninterest expenses are expected to remain well-controlled

- Conservative underwriting philosophy helps to mitigate near-term asset quality pressure

- As an emerging growth company relying on the extended transition period for new or revised accounting standards, the Current Expected Credit Loss (CECL) standard will be effective for the company in 2023

- We believe our strong capital levels and continued earnings should allow the company to continue supporting clients and its current cash dividend

Appendix

Non-GAAP reconciliations

Adjusted net income and adjusted ROAA

(\$000)	2017	2018	2019	1Q20
Net income	\$56,103	\$63,799	\$66,865	\$6,221
C-Corp equivalent adjustment ²	(18,809)	(15,502)	(13,493)	--
C-Corp equivalent net income ²	\$37,294	\$48,297	\$53,372	\$6,221
Adjustments:				
Net earnings (losses) from closed or sold operations, including gains on sale ¹	1,712	(822)	524	--
Charges related to termination of certain employee benefit plans	--	--	(3,796)	(848)
Impairment losses related to closure of branches	(1,936)	--	--	--
Nonrecurring charge related to an employee benefits policy change	(1,336)	--	--	--
Expenses related to FDIC indemnification assets and liabilities	(999)	--	--	--
Realized gain (loss) on sales of securities	(1,275)	(2,541)	--	--
Mortgage servicing right fair value adjustment	(315)	629	(2,400)	(2,171)
Total non-core adjustments before tax effect	(4,149)	(2,734)	(5,672)	(3,019)
Tax effect of non-core adjustments	1,685	779	1,617	861
Less non-core adjustments after C-Corp equivalent tax effect	(2,464)	(1,955)	(4,055)	(2,158)
Adjusted net income	\$39,758	\$50,252	\$57,427	\$8,379
Average assets	\$3,320,239	\$3,247,598	\$3,233,386	\$3,188,743
Return on average assets	1.69%	1.96%	2.07%	0.78%*
C Corp equivalent return on average assets	1.12%	1.49%	1.65%	N/A
Adjusted return on average assets	1.20%	1.55%	1.78%	1.05%*

* Annualized measure; ¹ Closed or sold operations include HB Credit Company, HBT Insurance, and First Community Title Services, Inc.; ² Reflects adjustment to our historical net income for each period to give effect to the C Corp equivalent provision for income tax for such year. No such adjustment is necessary for periods subsequent to 2019.

Non-GAAP reconciliations (cont'd)

Average tangible common equity and adjusted ROATCE

(\$000)	2017	2018	2019	1Q20
Total stockholders' equity	\$338,317	\$330,214	\$341,544	\$341,519
Less: goodwill	(23,620)	(23,620)	(23,620)	(23,620)
Less: core deposit intangible assets	(7,943)	(6,256)	(4,748)	(3,898)
Average tangible common equity	\$306,754	\$300,338	\$313,176	\$314,001
Net income	\$56,103	\$63,799	\$66,865	\$6,221
C Corp equivalent net income ¹	37,294	48,297	53,372	N/A
Adjusted net income	39,758	50,252	57,427	8,379
Return on average stockholders' equity	16.58%	19.32%	19.58%	7.29%*
C Corp equivalent return on average stockholders' equity ¹	11.02%	14.63%	15.63%	N/A
Adjusted return on average stockholders' equity	11.75%	15.22%	16.81%	9.81%*
Return on average tangible common equity	18.29%	21.24%	21.35%	7.92%*
C Corp equivalent return on average tangible common equity ¹	12.16%	16.08%	17.04%	N/A
Adjusted return on average tangible common equity	12.96%	16.73%	18.34%	10.67%*

* Annualized measure; ¹ Reflects adjustment to our historical net income for each period to give effect to the C Corp equivalent provision for income tax for such year. No such adjustment is necessary for periods subsequent to 2019.

Non-GAAP reconciliations (cont'd)

Net interest income (tax-equivalent basis)

(\$000)	2016	2017	2018	2019	1Q20
Net interest income	\$121,101	\$120,998	\$129,442	\$133,800	\$30,662
Tax equivalent adjustment	5,468	5,527	2,661	2,309	463
Net interest income (tax-equivalent basis)	\$126,569	\$126,525	\$132,103	\$136,109	\$31,125
Average interest-earnings assets	\$3,131,763	\$3,157,195	\$3,109,289	\$3,105,863	\$3,063,086

Net interest margin (tax-equivalent basis)

(%)	2016	2017	2018	2019	1Q20
Net interest margin	3.87%	3.83%	4.16%	4.31%	4.00%*
Tax equivalent adjustment	0.17%	0.18%	0.09%	0.07%	0.06%*
Net interest margin (tax-equivalent basis)	4.04%	4.01%	4.25%	4.38%	4.06%*

* Annualized measure.

Non-GAAP reconciliations (cont'd)

Efficiency ratio (tax-equivalent basis)

(\$000)	2017	2018	2019	1Q20
Total noninterest expense	\$94,057	\$90,317	\$91,026	\$23,307
Less: amortization of intangible assets	(1,916)	(1,559)	(1,423)	(317)
Adjusted noninterest expense	\$92,141	\$88,758	\$89,603	\$22,990
Net interest income	\$120,998	\$129,442	\$133,800	\$30,662
Total noninterest income	33,171	31,240	32,751	5,252
Operating revenue	154,169	160,862	166,551	35,914
Tax-equivalent adjustment	5,527	2,661	2,309	463
Operating revenue (tax-equivalent basis)	\$159,696	\$163,343	\$168,860	\$36,377
Efficiency ratio	59.77%	55.24%	53.80%	64.01%
Efficiency ratio (tax-equivalent basis)	57.70%	54.34%	53.06%	63.20%

Non-GAAP reconciliations (cont'd)

Originated and acquired NCOs / loans

(\$000)	2016	2017	2018	2019	1Q20
Net charge-offs	\$4,974	\$3,082	\$4,953	\$1,614	567
Net charge-offs (originated) ¹	1,245	2,500	3,137	732	172
Net charge-offs (acquired) ¹	3,729	582	1,816	882	395
Average loans, before allowance for loan losses	\$2,132,405	\$2,091,863	\$2,131,512	\$2,178,897	\$2,141,031
Average loans, before allowance for loan losses (originated) ¹	1,611,846	1,748,418	1,873,623	1,981,658	1,984,066
Average loans, before allowance for loan losses (acquired) ¹	520,559	343,445	257,889	197,239	156,965
Net charge-offs percentage	0.23%	0.15%	0.23%	0.07%	0.11%*
Net charge-offs percentage (originated) ¹	0.08%	0.14%	0.17%	0.04%	0.03%*
Net charge-offs percentage (acquired) ¹	0.72%	0.17%	0.70%	0.45%	1.01%*

* Annualized measure; ¹ Originated loans represent loans initially originated by the Company and acquired loans that were refinanced using the Company's underwriting criteria. Acquired loans represent loans originated under the underwriting criteria used by a bank that was acquired by Heartland Bank and Trust Company or State Bank of Lincoln.

Non-GAAP reconciliations (cont'd)

Credit quality ratios

(\$000)	2017	2018	2019	1Q20
Non-performing loans ²	\$22,102	\$15,913	\$19,049	\$15,372
Foreclosed assets	16,545	9,559	5,099	4,469
Non-performing assets ²	\$38,647	\$25,472	\$24,148	\$19,841
Loans, before allowance for loan losses	\$2,115,946	\$2,144,257	\$2,163,826	\$2,132,952
Nonperforming loans to loans, before allowance for loan losses	1.04%	0.74%	0.88%	0.72%
Nonperforming assets to loans, before allowance for loan losses and foreclosed assets	1.81%	1.18%	1.11%	0.93%

Credit quality ratios (originated) ¹

(\$000)	2017	2018	2019	1Q20
Non-performing loans	\$15,533	\$10,366	\$10,841	\$10,041
Foreclosed assets	5,950	1,395	1,022	965
Non-performing assets	\$21,483	\$11,761	\$11,863	\$11,006
Loans, before allowance for loan losses	\$1,825,129	\$1,923,859	\$1,998,496	\$1,982,067
Nonperforming loans to loans, before allowance for loan losses	0.85%	0.54%	0.54%	0.51%
Nonperforming assets to loans, before allowance for loan losses and foreclosed assets	1.17%	0.61%	0.59%	0.56%

Credit quality ratios (acquired) ¹

(\$000)	2017	2018	2019	1Q20
Non-performing loans ²	\$6,569	\$5,547	\$8,208	\$5,331
Foreclosed assets	10,595	8,164	4,077	3,504
Non-performing assets ²	\$17,164	\$13,711	\$12,285	\$8,835
Loans, before allowance for loan losses	\$290,817	\$220,398	\$165,330	\$150,885
Nonperforming loans to loans, before allowance for loan losses	2.26%	2.52%	4.96%	3.53%
Nonperforming assets to loans, before allowance for loan losses and foreclosed assets	5.69%	6.00%	7.25%	5.72%

¹ Originated loans represent loans initially originated by the Company and acquired loans that were refinanced using the Company's underwriting criteria. Acquired loans represent loans originated under the underwriting criteria used by a bank that was acquired by Heartland Bank and Trust Company or State Bank of Lincoln; ² Excludes loans acquired with deteriorated credit quality that are past due 90 or more days, still accruing totaling \$0.3 million as of December 31, 2017, \$2.7 million as of December 31, 2018, \$0.1 million as of December 31, 2019, and \$0.3 million as of March 31, 2020

Non-GAAP reconciliations (cont'd)

Tangible book value per share and cumulative effect of dividends (2007 to 3Q19)

(\$mm)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	3Q19
Tangible book value per share													
Total equity	\$109	\$120	\$130	\$143	\$197	\$262	\$257	\$287	\$311	\$326	\$324	\$340	\$349
Less goodwill	(23)	(23)	(23)	(23)	(23)	(23)	(12)	(12)	(24)	(24)	(24)	(24)	(24)
Less core deposit intangible	(9)	(9)	(7)	(7)	(7)	(15)	(11)	(9)	(11)	(9)	(7)	(5)	(4)
Tangible common equity	\$77	\$88	\$99	\$113	\$167	\$224	\$233	\$265	\$276	\$294	\$293	\$311	\$321
Shares outstanding (mm)	16.47	16.28	16.30	16.33	16.45	17.84	18.03	18.03	18.02	18.07	18.07	18.03	18.03
Book value per share	\$6.65	\$7.36	\$7.95	\$8.73	\$12.00	\$14.68	\$14.23	\$15.92	\$17.26	\$18.05	\$17.92	\$18.88	\$19.36
Tangible book value per share	\$4.69	\$5.38	\$6.10	\$6.91	\$10.15	\$12.56	\$12.93	\$14.72	\$15.33	\$16.25	\$16.23	\$17.27	\$17.80
<i>TBVPS CAGR (%)</i>													12.0%
Cumulative effect of dividends per share													
Cumulative regular dividends	\$--	\$3	\$7	\$10	\$13	\$17	\$22	\$26	\$33	\$38	\$46	\$54	\$62
Cumulative special dividends	--	--	--	--	--	10	10	10	10	20	45	52	79
Cumulative effect of dividends	\$--	\$3	\$7	\$10	\$13	\$27	\$32	\$36	\$43	\$58	\$91	\$106	\$141
Shares outstanding (mm)	16.47	16.28	16.30	16.33	16.45	17.84	18.03	18.03	18.02	18.07	18.07	18.03	18.03
Cumulative effect of dividends per share	\$--	\$0.20	\$0.40	\$0.60	\$0.79	\$1.53	\$1.77	\$2.02	\$2.36	\$3.21	\$5.01	\$5.88	\$7.83

Non-GAAP reconciliations (cont'd)

IPO adjusted tangible book value per share

(\$000)	3Q19
Tangible common equity	
Total equity	\$348,936
Less goodwill	(23,620)
Less core deposit intangible	(4,366)
Tangible common equity	320,950
Net proceeds from initial public offering	138,493
Use of proceeds from initial public offering (special dividend)	(169,999)
IPO adjusted tangible common equity	\$289,444
Shares outstanding	18,027,512
New shares issued during initial public offering	9,429,794
Shares outstanding, following the initial public offering	27,457,306
Tangible book value per share	\$17.80
Dilution per share attributable to new investors and special dividend payment	(7.26)
IPO adjusted tangible book value per share	\$10.54

Tangible book value per share (IPO adjusted 3Q19 to 1Q20)

(\$mm)	IPO Adjusted 3Q19	2019	1Q20
Tangible book value per share			
Total equity		\$333	340
Less goodwill		(24)	(24)
Less core deposit intangible		(4)	(4)
Tangible common equity		\$305	\$312
Shares outstanding (mm)		27.46	27.46
Book value per share		\$12.12	\$12.38
Tangible book value per share	\$10.54	\$11.12	\$11.38
TBVPS CAGR (%)			16.6%

Non-GAAP reconciliations (cont'd)

Tangible common equity to tangible assets

(\$000)	2016	2017	2018	2019	1Q20
Tangible common equity					
Total equity	\$326,246	\$323,916	\$340,396	\$332,918	\$339,813
Less goodwill	(23,620)	(23,620)	(23,620)	(23,620)	(23,620)
Less core deposit intangible	(8,928)	(7,012)	(5,453)	(4,030)	(3,713)
Tangible common equity	\$293,698	\$293,284	\$311,323	\$305,268	\$312,480
Tangible assets					
Total assets	\$3,317,124	\$3,312,875	\$3,249,569	\$3,245,103	\$3,213,109
Less goodwill	(23,620)	(23,620)	(23,620)	(23,620)	(23,620)
Less core deposit intangible	(8,928)	(7,012)	(5,453)	(4,030)	(3,713)
Tangible assets	\$3,284,576	\$3,282,243	\$3,220,496	\$3,217,453	\$3,185,776
Total stockholders' equity to total assets	9.84%	9.78%	10.48%	10.26%	10.58%
Tangible common equity to tangible assets	8.94%	8.94%	9.67%	9.49%	9.81%

* Annualized measure.

Non-GAAP reconciliations (cont'd)

Core deposits

(\$000)	2017	2018	2019	1Q20
Total deposits	\$2,855,685	\$2,795,970	\$2,776,855	\$2,730,303
Less time deposits of \$250,000 or more	(42,830)	(36,875)	(44,754)	(28,060)
Less brokered deposits	--	--	--	--
Core deposits	\$2,812,855	\$2,759,095	\$2,732,101	\$2,702,243
Core deposits to total deposits	98.50%	98.68%	98.39%	98.97%

* Annualized measure.

HBT Financial, Inc.