

Second Quarter Review

2022



Parkside Financial

BANK & TRUST



PARKSIDE FINANCIAL, INC.

2ND QUARTER FINANCIAL HIGHLIGHTS

TOTAL COMPANY ASSETS	\$795 Million	\$52 million increase (+7%) from June 2021
TOTAL WEALTH MANAGEMENT ASSETS	\$1.6 Billion	\$74 million decrease (-4%) from June 2021
2022 COMPANY REVENUE	\$16.2 Million	\$2.2 million increase (+16%) from June 2021
2022 COMPANY NET INCOME	\$3.7 Million	\$235 thousand increase (+7%) from June 2021
2022 BANKING DIVISION REVENUE	\$12.9 Million	\$2.2 million increase (+21%) from June 2021
2022 BANKING DIVISION NET INCOME	\$4.1 Million	\$773 thousand increase (+23%) from June 2021
TOTAL OUTSTANDING LOANS	\$563 Million	\$42 million increase (+8%) from June 2021
TOTAL OUTSTANDING LOANS (NON PPP)	\$555 Million	\$79 million increase (+17%) from June 2021
2022 TFO DIVISION REVENUE	\$3.8 Million	\$277 thousand increase (+8%) from June 2021
2022 TFO DIVISION NET INCOME (LOSS)	(-\$115) Thousand	\$358 thousand decrease (-147%) from June 2021
TTM BASIC EARNINGS PER SHARE	\$2.43	\$0.39 increase (+19%) from June 2021

2nd Quarter Performance

Parkside experienced an excellent first half of 2022. Loan growth, interest rate increases, and strong asset quality have improved performance compared to our budget. We are experiencing some headwinds in the TFO division due to the market declines.

Banking Update:

Total assets of \$795 million represents a \$52 million increase from June 30th last year. More impressive, total commercial loans (non-PPP loans) of \$555 million represents a 79 million, or 17%, increase from June last year. The Denver loan production office is having a material impact on 2022 loan growth with \$65 million of the year-over-year loan growth coming from that office. Loan growth, combined with 2022 interest rate increases, resulted in a 19% increase in year-to-date net interest income to \$11.3 million in 2022 compared to the first six months of 2021.

There continues to be significant excess liquidity at Parkside and in the entire banking system. Total client deposits remain near all-time highs of \$651 million, an \$86 million increase from June last year. The June 30, 2022, non-interest bearing deposits to total deposits ratio of 46% is exceptional by any measure. We expect that ratio to drop over the next year as clients move some of their funds into money market accounts now that interest rates are more attractive.

Trust & Family Office Update:

TFO revenue continues to increase despite significant declines in both the stock and bond markets this year. I am very pleased with year-to-date TFO revenue of \$3.8 million which represents a \$277 thousand, or 8%, increase over year-to-date TFO revenue in June last year. Significant new client additions in early 2022 helped offset the impact of both the significant market declines and client departures.

Parkside Update:

Our plans to materially add to our personnel are being realized as anticipated. This year alone, we've grown our employee base by 18 new employees with 9 more openings still to fill. We are adding staff in all support areas while also adding new relationship managers in both divisions. Our goal – to be fully staffed for year end 2023 by year end 2022 – should be achievable if we continue on the same pace of new hires.

As we continue to navigate the evolving economic environment, our balance sheet has never been stronger. We fully recovered a previously charged-off loan in early 2022, helping to build our allowance for loan losses to a robust \$11.3 million, or 2% of commercial loans. We will take advantage of that strength and continue growing our client base and revenue stream, building long-term value for our shareholders.

Dividend & Offer to Purchase Update

As announced at our 2022 Shareholder Meeting, a dividend of \$1.05 per share of Parkside Financial, Inc. stock was paid on June 15th. This is Parkside's ninth dividend payment and a \$0.10 increase from our 2021 dividend. Checks were mailed directly to the address of record or to the custodian of record. If you have not received your check, please contact investorrelations@pfbt.com.

We continued our share repurchase program in 2022. This program helps improve liquidity for our shareholders, as we stated we would do when we formed Parkside. This year we offered to repurchase up to 20,000 shares of our stock at \$37.00 per share. A total of 13,886 shares were tendered and repurchased this year, bringing the total shares repurchased since the start of this program to 137 thousand shares.

Transactions for Parkside Financial, Inc. shares are negotiated throughout the year on BancList.com. Should you have any questions regarding BancList, please contact investorrelations@pfbt.com.

Our Growing Team

The Parkside team continues to grow, adding seven new employees in Q2 2022. We are excited to meet the growing needs of our clients and internal teams with the addition of these outstanding team members:

Aaron Tabb

Bank Operations Specialist

Aaron brings over 20 years of banking experience to our growing Bank Operations Team. His background and diversified skill set ranges from banking operations and accounting to systems analysis and project management. Aaron's most recent position was with Commerce Bank as a Business Analyst, where he managed systems integrations and acted as a subject matter expert for all retail products.



Bill Snyder

*Senior Vice President
Commercial Lender*

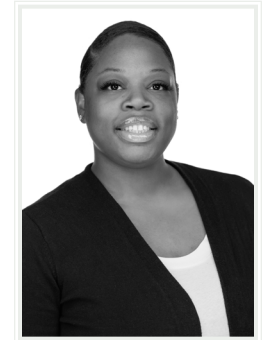
Bill brings over 25 years of experience as a commercial lender to Parkside. With approximately \$1.6 billion in commercial real estate and equipment financings completed, he has the knowledge and expertise to structure loans that meet our clients' financing objectives. Prior to joining Parkside, Bill served as Senior Vice President/COO for Virtual Realty Enterprises, a real estate operating company in St. Louis. Bill received his Bachelor of Science in Marketing from Saint Louis University. Bill is also an advisory board member for the Joshua Chamberlain Society and an active volunteer for the World Pediatric Project.



Gina Bryant

Client Services Representative

Gina joins the Parkside Customer Service Team with over 8 years of banking experience. Her most recent position was with Synchrony Financial as a Customer Service Representative, where she handled a large volume of fraud and billing disputes, processing payments, updating account information, and troubleshooting complex finance issues for customers.



Justin Meyer, Esq.

*Executive Vice President
Chief Fiduciary Officer*

Justin joins Parkside with extensive experience in corporate trustee and estate planning and administration, having served nearly 15 years with U.S. Bank Private Wealth Management. He started out in the role of Trust Officer, eventually serving as Senior Trust Managing Director, responsible for supervising trust administration for the East Region of the United States. Justin received his Master of Laws in Taxation from the University of Alabama Law School, a Juris Doctor degree from the University of Minnesota, and a Bachelor of Science from Missouri State University.



We are very excited to have Justin join our Trust & Family Office team as Chief Fiduciary Officer.

Jill Zavertrnik

Loan Operations Specialist

Jill joins Parkside with over 10 years of banking experience. She has background in Lead Teller roles, Loan Servicing, and Credit Analyst roles. Jill's most recent position was with First Mid as a Senior Loan Servicing Analyst. Her diversified background, which includes a Bachelor of Science Degree in Mechanical Engineering from the University of Missouri-Saint Louis, is a welcomed addition to our team as a Loan Operations Specialist.



Nicole Varner

Loan Coordinator

Nicole joins Parkside with over 10 years of banking experience, working in various roles. She most recently worked at Enterprise Bank & Trust as a Commercial Loan Coordinator and brings a unique skill set and knowledge to our growing team. Nicole received her Bachelor of Science in Mass Communications from Lindenwood University.



Tim Barringhaus

*Executive Vice President
Senior Credit Officer*

Before joining the team at Parkside, Tim was responsible for lending and cash management solutions as a relationship manager and Team Lead at Enterprise Bank & Trust. He has specific expertise in Correspondent Banking, working with community banks regarding M&A and capital planning and International Banking. He received his Master of Finance and Bachelor of Science in



Business Administration Degrees from Saint Louis University. Tim brings a high level of expertise, strong listening skills, and the ability to simplify complex problems to his role as Senior Credit Officer of our growing team.

Internal Moves

We have had some recent internal moves that we would like to highlight. We are very pleased to have some wonderful employees take on new challenges in the following departments:

- **Allison Green** moved from Customer Service to Bank Operations, into her new role as a Bank Operations Specialist.
- **Brandi Werner (Benton)** moved from Customer Service to Treasury Management, into her new role as a Treasury Management Specialist.
- **Kathryn Hillenburg** moved from Bank Operations to Customer Service, into her new role as a Customer Service Representative I.

2022 Top Workplace

In June, the St. Louis Post-Dispatch recognized Parkside as a “Top Workplace” for the second consecutive year (2019, 2021, 2022).

We are proud of this designation, as it is based solely on employee feedback. We continue to strive to treat each employee with the same resolute commitment to their well-being and success as we do to our shareholders and clients.



Together, we have created a culture worth celebrating.

Internship Program

Parkside had another successful summer internship program!

During their rotational program, our four interns worked with both divisions and spent time with senior members from our departments within those divisions: Commercial Banking, Trust, Family Office, and 401(k). We congratulate Deven, Libby, Rene, and Will on a job well-done and thank them for their valuable contributions.

To learn more about their experience with us this summer, check out their blog [here](#).

This year we partnered with STL Youth Jobs, a local non-profit whose mission is to bridge the gap between our region's youth and the growing skills gap in our local workforce. They help provide opportunities to otherwise disengaged youth ages 14-24 years old. We had the privilege of welcoming Alijah Hunter from this program. Alijah was looking for an introduction into the financial services industry to explore potential career paths. She provided a lot of administrative help to many of our teams in all divisions, Trust & Family Office, Banking, and Corporate. We wish Alijah the best as she continues her education, returning to Lycoming College where she attends on a full scholarship.



We are looking for top talent!

Do you know someone who is a great match for our team?

Click [here](#) to learn more about the available positions within our Commercial Banking and Trust & Family Office teams. We encourage you to share these opportunities with your contacts.

Should you have any questions regarding these positions, please contact Meredith Osborn, Director of Human Resources, at mosborn@pfbt.com.

Annual Art Fair Party

We are excited to host another Art Fair Party following a two year hiatus due to the pandemic. We welcome your family and friends to join us on Friday, September 9th from 5:00 - 9:00 pm.

We look forward to reconnecting with friends and colleagues!

Click [here](#) to learn more about the Saint Louis Art Fair.



Paint the Date
9.9.2022

We appreciate your continued support. Should you have any questions or comments, please do not hesitate to contact us. Have a great summer.



Sincerely,

James C. Wagner
Chief Executive Officer
Parkside Financial Bank & Trust



PARKSIDE FINANCIAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)

ASSETS		June 30, 2022		June 30, 2021
CASH AND INVESTMENTS	\$	192,108,171	\$	181,134,740
LOANS		554,815,962		475,961,354
PPP LOANS		8,533,819		45,717,938
ALLOWANCE FOR LOAN LOSSES		(11,272,559)		(10,689,818)
OTHER ASSETS	\$	51,103,477	\$	51,081,255
TOTAL ASSETS		\$795,288,870		\$743,205,469

LIABILITIES AND STOCKHOLDERS' EQUITY

NON-INTEREST BEARING DEPOSITS	\$	309,125,939	\$	255,394,601
INTEREST BEARING DEPOSITS		359,316,760		376,143,402
TOTAL DEPOSITS		668,442,699		631,538,003
FHLB BORROWINGS		41,000,000		37,000,000
MORTGAGE NOTE PAYABLE		-		-
SUB DEBT NET OF UNAMORTIZED COSTS		19,328,538		6,785,857
OTHER LIABILITIES		6,917,256		7,222,914
TOTAL LIABILITIES		735,688,493		682,546,674
TOTAL STOCKHOLDERS' EQUITY		59,600,377		60,658,795
TOTAL LIABILITIES AND EQUITY	\$	795,288,870	\$	743,205,469

PARKSIDE FINANCIAL, INC.
CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)

REVENUE	YTD June 30, 2022		YTD June 30, 2021	
NET INTEREST MARGIN	\$	11,302,828	\$	9,529,482
TRUST AND FAMILY OFFICE REVENUE		3,810,236		3,546,917
BANK SERVICE CHARGES AND OTHER INCOME		1,104,195		894,508
TOTAL REVENUE	\$	16,217,259	\$	13,970,907

EXPENSES				
PROVISION FOR POSSIBLE LOAN LOSSES		-		-
NONINTEREST EXPENSES		11,536,351		9,629,378
TOTAL EXPENSES		11,536,351		9,629,378
INCOME TAXES		1,005,828		901,762
NET INCOME	\$	795,288,870	\$	743,205,469

RETURN ON AVERAGE ASSETS		0.85%		0.97%
RETURN ON AVERAGE EQUITY		11.68%		11.32%
BOOK VALUE PER SHARE	\$	19.68	\$	20.74
BASIC EARNINGS PER SHARE	\$	2.43	\$	2.04



MOST RECENT STOCK TRANSACTIONS*

7/27/2022	1,000 shares @ \$38.00
7/11/2022	1,000 shares @ \$37.50
7/8/2022	100 shares @ \$37.50
7/8/2022	100 shares @ \$37.50
7/8/2022	400 shares @ \$37.50

FIVE YEAR DIVIDEND HISTORY

2022	\$1.05 per share
2021	\$0.95 per share
2020	\$0.85 per share
2019	\$0.80 per share
2018	\$0.625 per share

**The Company is aware of the following recent transactions in the Company's stock. No assurances can be given that such information reflects all transactions in the Company's stock during the period or that such transactions accurately and completely reflect the value of the Company's stock. Such information is provided for convenience and should not be relied upon. The Company does not make a market in or otherwise trade in its stock. However, the Company can assist in the settlement of transactions in its stock between buyers and sellers who have independently negotiated the terms of their transactions.*

Investments are not insured by the FDIC or any federal government agency, provide no bank guarantee, are not a deposit and may lose value.