

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported) January 28, 2021

SEACOAST BANKING CORPORATION OF FLORIDA
(Exact Name of Registrant as Specified in Charter)

Florida
(State or Other Jurisdiction
of Incorporation)

000-13660
(Commission
File Number)

59-2260678
(IRS Employer
Identification No.)

815 COLORADO AVENUE, STUART FL
(Address of Principal Executive Offices)

34994
(Zip Code)

Registrant's telephone number, including area code **(772) 287-4000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2.)

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class
Common Stock, \$0.10 par value

Trading Symbol(s)
SBCF

Name of each exchange on which registered
Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

SEACOAST BANKING CORPORATION OF FLORIDA

Item 2.02 Results of Operations and Financial Condition

On January 28, 2021, Seacoast Banking Corporation of Florida (“Seacoast” or the “Company”) announced its financial results for the quarter and year ended December 31, 2020. A copy of the press release announcing Seacoast’s results for the quarter and year ended December 31, 2020 is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 7.01 Regulation FD Disclosure

On January 29, 2021, Seacoast will hold an investor conference call to discuss its financial results for the quarter and year ended December 31, 2020. Attached as Exhibit 99.2 are charts (available on the Company’s website at www.seacoastbanking.com) containing information used in the conference call and incorporated herein by reference. All information included in the charts is presented as of December 31, 2020, and the Company does not assume any obligation to correct or update said information in the future.

The information in Items 2.02 and 7.01, as well as Exhibits 99.1 and 99.2 is being furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

| <u>Exhibit No.</u> | <u>Description</u> |
|--------------------|---|
| 99.1 | Press Release dated January 28, 2021, with respect to Seacoast's financial results for the quarter and year ended December 31, 2020 |
| 99.2 | Data on website containing information used in the conference call to be held on January 29, 2021 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

Exhibits 99.1 and 99.2 referenced herein, contain “forward-looking statements” within the meaning of Section 28A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements about future financial and operating results, cost savings, enhanced revenues, economic and seasonal conditions in our markets, and improvements to reported earnings that may be realized from cost controls, tax law changes, new initiatives and for integration of banks that we have acquired including FBPB and Fourth Street, as well as statements with respect to Seacoast’s objectives, strategic plans, including Vision 2020, expectations and intentions and other statements that are not historical facts, any of which may be impacted by the COVID-19 pandemic and related effects on the U.S.economy. Actual results may differ from those set forth in the forward-looking statements.

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates and intentions about future performance and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements.

All statements other than statements of historical fact could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may", "will", "anticipate", "assume", "should", "support", "indicate", "would", "believe", "contemplate", "expect", "estimate", "continue", "further", "plan", "point to", "project", "could", "intend", "target" or other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation: the effects of future economic and market conditions, including seasonality and the adverse impact of COVID-19 (economic and otherwise); governmental monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve, as well as legislative, tax and regulatory changes; changes in accounting policies, rules and practices, including the impact of the adoption of CECL; our participation in the Paycheck Protection Program ("PPP"); the risks of changes in interest rates on the level and composition of deposits, loan demand, liquidity and the values of loan collateral, securities, and interest sensitive assets and liabilities; interest rate risks, sensitivities and the shape of the yield curve; uncertainty related to the impact of LIBOR calculations on securities and loans; changes in borrower credit risks and payment behaviors; changing retail distribution strategies, customer preferences and behavior; changes in the availability and cost of credit and capital in the financial markets; changes in the prices, values and sales volumes of residential and commercial real estate; our ability to comply with any regulatory requirements; the effects of problems encountered by other financial institutions that adversely affect us or the banking industry; our concentration in commercial real estate loans; inaccuracies or other failures from the use of models, including the failure of assumptions and estimates, as well as differences in, and changes to, economic, market and credit conditions; the impact on the valuation of our investments due to market volatility or counterparty payment risk; statutory and regulatory dividend restrictions; increases in regulatory capital requirements for banking organizations generally; the risks of mergers, acquisitions and divestitures, including our ability to continue to identify acquisition targets and successfully acquire desirable financial institutions; changes in technology or products that may be more difficult, costly, or less effective than anticipated; our ability to identify and address increased cybersecurity risks; inability of our risk management framework to manage risks associated with our business; dependence on key suppliers or vendors to obtain equipment or services for our business on acceptable terms; reduction in or the termination of our ability to use the mobile-based platform that is critical to our business growth strategy; the effects of war or other conflicts, acts of terrorism, natural disasters, health emergencies, epidemics or pandemics, or other catastrophic events that may affect general economic conditions; unexpected outcomes of and the costs associated with, existing or new litigation involving us; our ability to maintain adequate internal controls over financial reporting; potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions; the risks that our deferred tax assets could be reduced if estimates of future taxable income from our operations and tax planning strategies are less than currently estimated and sales of our capital stock could trigger a reduction in the amount of net operating loss carryforwards that we may be able to utilize for income tax purposes; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market areas and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the Internet; and the failure of assumptions underlying the establishment of reserves for possible loan losses.

Given the many unknowns and risks being heavily weighted to the downside, our forward-looking statements are subject to the risk that conditions will be substantially different than we are currently expecting. If efforts to contain COVID-19 are unsuccessful and restrictions on movement last into 2021 and beyond, the recession would be much longer and much more severe. Ineffective fiscal stimulus, or an extended delay in implementing it, are also major downside risks. The deeper the recession is, and the longer it lasts, the more it will damage consumer fundamentals and sentiment. This could both prolong the recession, and/or make any recovery weaker. Similarly, the recession could damage business fundamentals. And an extended global recession due to COVID-19 would weaken the U.S. recovery. As a result, the outbreak and its consequences, including responsive measures to manage it, have had and are likely to continue to have an adverse effect, possibly materially, on our business and financial performance by adversely affecting, possibly materially, the demand and profitability of our products and services, the valuation of assets and our ability to meet the needs of our customers.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2019, and our quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020 under "Special Cautionary Notice Regarding Forward-looking Statements" and "Risk Factors", and otherwise in our SEC reports and filings. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC's Internet website at www.sec.gov.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SEACOAST BANKING CORPORATION OF FLORIDA

(Registrant)

Dated: January 28, 2021

/s/ Tracey L. Dexter
TRACEY L. DEXTER
Chief Financial Officer



SEACOAST REPORTS FOURTH QUARTER AND FULL YEAR 2020 RESULTS

Record Net Income of \$29.3 million Increasing 30% Quarter-over-Quarter

STUART, Fla., January 28, 2021 /GLOBE NEWSWIRE/ -- Seacoast Banking Corporation of Florida ("Seacoast" or the "Company") (NASDAQ: SBCF) today reported net income in the fourth quarter of 2020 of \$29.3 million, or \$0.53 per diluted share, an increase of 30% compared to the third quarter of 2020. Adjusted net income¹ for the fourth quarter of 2020 was \$30.7 million, or \$0.55 per diluted share, an increase of 12% compared to the third quarter of 2020. The ratio of tangible common equity to tangible assets was 11.01%, tangible book value per share increased to \$16.16 and Tier 1 capital increased to 17.4%. For the full year 2020, net income was \$77.8 million, or \$1.44 per diluted share, compared to \$98.7 million, or \$1.90 per diluted share, in 2019. For the full year 2020, adjusted net income¹ was \$89.0 million, or \$1.65 per diluted share, compared to \$104.6 million, or \$2.01 per diluted share, in 2019.

For the fourth quarter of 2020, return on average tangible assets was 1.49%, return on average tangible shareholders' equity was 13.87%, and the efficiency ratio was 48.23%, compared to 1.20%, 11.35%, and 61.65%, respectively, in the prior quarter. For the year ended December 31, 2020, return on average tangible assets was 1.08%, return on average tangible shareholder's equity was 10.10% and the efficiency ratio was 54.84% compared to 1.56%, 14.72% and 51.71%, respectively, for the year ended December 31, 2019.

Adjusted return on average tangible assets¹ in the fourth quarter of 2020 was 1.50%, adjusted return on average tangible shareholders' equity¹ was 14.00%, and the adjusted efficiency ratio¹ was 48.75%, compared to 1.38%, 13.06%, and 54.82%, respectively, in the prior quarter. For the year ended December 31, 2020, adjusted return on average tangible assets¹ was 1.17%, adjusted return on average tangible shareholder's equity¹ was 10.93% and the adjusted efficiency ratio¹ was 51.63% compared to 1.58%, 14.93% and 50.90%, respectively, for the year ended December 31, 2019.

Dennis S. Hudson, Seacoast's Executive Chairman, said, "We wrapped up an unprecedented year with strong performance in the fourth quarter. We continued to generate disciplined growth and delivered continued improvements in operating leverage. I am extremely proud of our team's performance this year as they successfully navigated the effects of the pandemic and continued to produce excellent results, ending 2020 with fourth quarter earnings exceeding the same quarter in the prior year, including achieving an efficiency ratio below 50%. Looking back over my time as CEO here at Seacoast, I am reminded of the many occasions our team has risen to the challenges of the day, which helped create an organization and culture that continues to grow stronger and more resilient. This team and our fortress balance sheet will continue to support the successful execution of our strategic priorities in 2021 and beyond under Chuck's capable leadership."

Charles M. Shaffer, Seacoast's President and CEO, said, "We continue to steadily build shareholder value through consistent growth in our tangible book value per share, which ended the period at \$16.16, an increase of 15% during the quarter on an annualized basis. The tangible common equity ratio of 11% supports our ability to deploy capital for organic growth and opportunistic acquisitions. Seacoast is committed to maintaining its fortress balance sheet, built around strong capital and strict credit underwriting. Our goal remains to continue increasing market share in a disciplined manner by cultivating value-creating relationships, improving digital customer experiences, and driving greater productivity across the franchise by delivering products and services to our markets more efficiently than our competitors."

Financial Results

Income Statement

- **Net income** was \$29.3 million, or \$0.53 per diluted share for the fourth quarter of 2020, compared to \$22.6 million, or \$0.42, for the prior quarter. For the year ended December 31, 2020, net income was \$77.8 million, or \$1.44 per diluted share, compared to \$98.7 million, or \$1.90, for the year ended December 31, 2019. Adjusted net income¹ was \$30.7 million, or \$0.55 per diluted share for the fourth quarter of 2020, compared to \$27.3

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

- million, or \$0.50, for the prior quarter. For the year ended December 31, 2020, adjusted net income¹ was \$89.0 million, or \$1.65 per diluted share, compared to \$104.6 million, or \$2.01, for the year ended December 31, 2019.
- **Net revenues** were \$83.7 million in the fourth quarter of 2020, an increase of \$3.3 million, or 4%, compared to the prior quarter. For the year ended December 31, 2020, net revenues were \$324.3 million, an increase of \$24.0 million, or 8%, compared to the year ended December 31, 2019. Adjusted revenues¹ were \$83.7 million in the fourth quarter of 2020, an increase of \$3.3 million, or 4%, from the prior quarter. For the year ended December 31, 2020, adjusted revenues¹ were \$323.1 million, an increase of \$24.9 million, or 8%, compared to the year ended December 31, 2019.
 - **Net interest income** totaled \$68.8 million in the fourth quarter of 2020, an increase of \$5.3 million, or 8%, from the prior quarter. For the year ended December 31, 2020, net interest income was \$262.7 million, an increase of \$19.1 million, or 8%, compared to the year ended December 31, 2019. During the fourth quarter of 2020, net interest income included \$5.2 million in interest and fees earned on Paycheck Protection Program ("PPP") loans compared to \$1.7 million in the third quarter of 2020. Lower PPP loan fees in the third quarter resulted from a calculation change to align fee recognition with the contractual maturity of the loans. Loan forgiveness began in the fourth quarter of 2020, resulting in accelerated recognition of \$1.5 million in PPP loan fees. The remaining \$9.5 million in deferred PPP loan fees will be recognized over the loans' remaining contractual maturity or, if sooner, as loans are forgiven.
 - **Net interest margin** was 3.59% in the fourth quarter of 2020, compared to 3.40% in the third quarter of 2020. PPP loans negatively affected the net interest margin by one basis point in the fourth quarter of 2020. In the third quarter of 2020, which was impacted by a change in the fee recognition schedule, PPP loans negatively affected net interest margin by 19 basis points. Accretion of purchase discounts on acquired loans increased net interest margin by 23 basis points in the fourth quarter of 2020, compared to 17 basis points in the third quarter. Excluding these items, net interest margin declined five basis points to 3.37%. The yield on loans, excluding PPP and accretion of purchase discount, increased one basis point. The yield on securities declined 39 basis points, reflecting continued interest rate resets, elevated prepayments and additional deployment of excess liquidity into securities in the fourth quarter. The cost of deposits decreased five basis points, from 24 basis points in the third quarter to 19 basis points in the fourth quarter, reflecting our continued repricing down of interest-bearing deposits and time deposits.
 - **Noninterest income** totaled \$14.9 million in the fourth quarter of 2020, a decrease of \$2.0 million, or 12%, compared to the prior quarter. For the year ended December 31, 2020, noninterest income was \$61.6 million, an increase of \$4.8 million, or 9%, compared to the year ended December 31, 2019. Results for the fourth quarter of 2020 included the following:
 - Mortgage banking fees were \$3.6 million, compared to a record \$5.3 million in the prior quarter. Low interest rates continued to fuel refinance demand in the fourth quarter, though at lower levels than in the prior quarter, while the Florida housing market remains strong and continues to benefit from the inflow of new residents and businesses.
 - Interchange revenue was \$3.6 million, compared to a record \$3.7 million in the third quarter of 2020. In 2020, Seacoast customers used their debit cards at an accelerated pace, driving record interchange results for the year that exceeded pre-pandemic levels.
 - Service charges on deposits increased \$0.2 million compared to the third quarter of 2020. Service charges remain lower than pre-pandemic levels, the result of higher average deposit balances for both business and consumer customers.
 - Wealth management income was \$1.9 million compared to a record \$2.0 million in the third quarter of 2020. A determined and consistent focus on building new relationships and providing exceptional service continues to generate growth in assets under management, with a 33% increase from prior year to \$870 million at December 31, 2020. Most of the fourth quarter new production came late in the quarter, so the benefit will be reflected fully in our 2021 financial results.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

- Seacoast recorded a **provision for credit losses** of \$1.9 million in the fourth quarter of 2020, compared to a \$0.8 million reversal in the prior quarter. The ratio of allowance for credit losses to total loans was 1.62% at December 31, 2020, compared to 1.60% at September 30, 2020. Excluding PPP loans, the ratio was 1.79% at December 31, 2020, compared to 1.80% at September 30, 2020.
- **Noninterest expense** was \$43.7 million in the fourth quarter of 2020, a decrease of \$8.0 million, or 15%, compared to the prior quarter. For the year ended December 31, 2020, noninterest expense was \$185.6 million, an increase of \$24.8 million, or 15%, compared to the year ended December 31, 2019. Changes from the third quarter of 2020 consisted of the following:
 - Salaries and wages decreased by \$1.6 million, or 7%. In the fourth quarter, accelerated commercial loan production resulted in higher deferrals of related salary costs, in accordance with ASC 310-20. This was partially offset by \$0.3 million in severance related to a targeted staff reduction. The third quarter included \$0.6 million in expenses associated with the acquisition of Freedom Bank.
 - Data processing costs decreased by \$1.9 million, or 31%, the result of Freedom Bank merger-related costs incurred in the third quarter.
 - Lower occupancy expenses reflect charges in the third quarter of 2020 associated with the consolidation of one branch location. Three additional branch consolidations are expected in the first quarter of 2021.
 - Furniture and equipment decreased by \$0.3 million, or 16%, reflecting the impact of equipment disposals associated with the Freedom Bank acquisition completed during the third quarter.
 - Marketing expense decreased by \$0.5 million, or 31%, the result of higher expenses in the third quarter associated with a marketing campaign.
 - Legal and professional fees decreased by \$2.5 million, or 83% from the third quarter. Third quarter 2020 results include \$1.3 million in merger-related costs. The remainder of the decrease in the fourth quarter relates to the one-time recovery of certain legal expenses incurred during 2020.
 - Foreclosed property expense increased in the fourth quarter of 2020 by \$1.3 million, largely the result of write-downs on two properties upon receipt of updated valuations.
 - A release of reserves for unfunded commitments resulted in a benefit of \$0.8 million in the fourth quarter and reflects the impact of an improved economic outlook in specific loan segments associated with the reserve. Since the outbreak of COVID-19, the Company has not experienced any material increases in line utilization by its customers.
 - Other expenses decreased by \$0.6 million, or 14%, with comparably higher mortgage loan production-related expenses and higher executive recruiting fees in the third quarter.
- Seacoast recorded \$8.8 million of **income tax expense** in the fourth quarter of 2020, compared to \$7.0 million in the prior quarter. Tax impacts related to stock-based compensation were nominal each period.
- **Adjusted revenues**¹ in the fourth quarter of 2020 increased 4% compared to the prior quarter while **adjusted noninterest expense**¹ decreased 8%, generating 12% operating leverage.
- The ratio of **net adjusted noninterest expense**¹ to average tangible assets was 2.00% in the fourth quarter of 2020, compared to 2.24% in the prior quarter. Net adjusted noninterest expense¹ in the fourth quarter of 2020 reflects the impact of increased commercial loan production, resulting in higher deferrals of related origination expenses.
- The **efficiency ratio** was 48.2% compared to 61.6% in the prior quarter. The **adjusted efficiency ratio**¹ was 48.8% compared to 54.8% in the prior quarter, reflecting the benefit of higher PPP fee accretion, a continued focus on disciplined expense control, and strong commercial loan production, resulting in higher deferrals of loan production related salary expenses.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

Balance Sheet

- At December 31, 2020, the Company had **total assets** of \$8.3 billion and **total shareholders' equity** of \$1.1 billion. **Book value per share** was \$20.46, and **tangible book value per share** was \$16.16, compared to \$19.91 and \$15.57, respectively, on September 30, 2020. This reflects annualized growth in tangible book value per share of 15%.
- **Debt securities** totaled \$1.6 billion on December 31, 2020, an increase of \$88.4 million compared to September 30, 2020. Purchases during the quarter were primarily in government-sponsored mortgage-backed securities with an average yield of 1.43%.
- **Loans** totaled \$5.7 billion on December 31, 2020, a decrease of \$122.7 million, or 2%, compared to September 30, 2020. The decrease includes \$71.8 million in PPP loan forgiveness in the fourth quarter of 2020. Seacoast continues to maintain strict underwriting and an overall conservative credit posture.
- Loan originations were \$541.0 million in the fourth quarter of 2020, compared to \$346.7 million in the third quarter of 2020, an increase of 56%.
 - Commercial originations during the fourth quarter of 2020 were \$277.4 million, compared to \$88.2 million in the third quarter of 2020. Seacoast continues to maintain conservative underwriting guidelines in the current economic environment, while extending credit to well-qualified customers.
 - Residential loans originated for sale in the secondary market were \$161.6 million in the fourth quarter of 2020, compared to \$162.5 million in the third quarter of 2020. The residential lending team's continued focus on high-quality service levels to homebuyers, refinance customers, and local real estate professionals has allowed them to capitalize on a strong Florida housing market throughout the year.
 - Closed residential loans retained in the portfolio totaled \$54.5 million in the fourth quarter of 2020, compared to \$25.4 million in the third quarter of 2020.
 - Consumer originations in the fourth quarter of 2020 were \$47.5 million, compared to \$62.3 million in the third quarter of 2020.
- Since the beginning of the pandemic, Seacoast has supported financially impacted borrowers by providing loan accommodations including the ability to defer payments. As of December 31, 2020, loans with payment accommodations totaled \$74.1 million, or 1% of total loans excluding PPP, compared to \$702.7 million, or 13%, at September 30, 2020.
- **Pipelines** (loans in underwriting and approval or approved and not yet closed) totaled \$302.0 million on December 31, 2020, a decrease of 34% from the third quarter of 2020.
 - Commercial pipelines were \$166.7 million as of December 31, 2020, compared to \$256.2 million as of the prior quarter end, in line with a seasonal trend of slower volumes in the first quarter.
 - Residential saleable pipelines were \$92.0 million as of December 31, 2020, compared to \$149.9 million as of the prior quarter end. Retained residential pipelines were \$25.1 million as of December 31, 2020, compared to \$33.4 million as of the prior quarter end. The declines quarter-over-quarter reflect a slowing refinance market.
 - Consumer pipelines were \$18.2 million as of December 31, 2020, compared to \$17.1 million as of the prior quarter-end.
- **Total deposits** were \$6.9 billion as of December 31, 2020, an increase of \$17.7 million, compared to September 30, 2020.
 - The overall cost of deposits declined to 19 basis points in the fourth quarter of 2020 from 24 basis points in the prior quarter.
 - Total transaction account balances increased 39% year-over-year and, as a percentage of overall deposit funding, remained at 56%.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

- Interest-bearing deposits (interest-bearing demand, savings, and money market deposits) increased \$314.0 million, or 9%, quarter-over-quarter to \$3.8 billion, noninterest-bearing demand deposits decreased \$111.0 million, or 5%, to \$2.3 billion, and CDs (excluding brokered) decreased \$38.1 million, or 6%, to \$597.3 million.
- As of December 31, 2020, deposits per banking center were \$136 million, compared to \$116 million on December 31, 2019.

Asset Quality

- **Nonperforming loans decreased** by \$0.8 million to \$36.1 million at December 31, 2020. Nonperforming loans to total loans outstanding were 0.63% at December 31, 2020, 0.63% at September 30, 2020, and 0.52% at December 31, 2019.
- **Nonperforming assets to total assets decreased** by five basis points to 0.59% at December 31, 2020, compared to 0.64% at September 30, 2020 and 0.55% at December 31, 2019.
- **The ratio of allowance for credit losses to total loans** was 1.62% at December 31, 2020, 1.60% at September 30, 2020, and 0.68% at December 31, 2019. The Company has assigned no allowance for credit losses to PPP loans, as the United States government contractually guarantees repayment for such loans. Excluding PPP loans, the ratio of allowance for credit losses to total loans at December 31, 2020, was 1.79%, compared to 1.80% at September 30, 2020.
- **Net charge-offs** were \$3.1 million, or 0.21% of average loans for the fourth quarter of 2020 compared to \$1.7 million, or 0.12% of average loans in the third quarter of 2020 and \$3.2 million, or 0.25% of average loans in the fourth quarter of 2019. Charge-offs in the fourth quarter of 2020 were primarily from a small number of commercial loans, none of which individually exceeded \$0.6 million. Net charge-offs for the four most recent quarters averaged 0.13%.
- **Portfolio diversification**, in terms of asset mix, industry, and loan type, has been a critical element of the Company's lending strategy. Exposure across industries and collateral types is broadly distributed. Excluding PPP loans, Seacoast's average commercial loan size is \$399,000, reflecting an ability to maintain granularity within the overall loan portfolio.
- The Company does not have any **purchased loan syndications, shared national credits, or mezzanine finance**.
- Since the outbreak of COVID-19, the Company has not experienced any material increase in **consumer or commercial line utilization**.
- **Construction and land development and commercial real estate loans** remain well below regulatory guidance at 26% and 169% of total bank-level risk based capital, respectively, compared to 30% and 176% respectively, in the third quarter of 2020. On a consolidated basis, construction and land development and commercial real estate loans represent 24% and 157%, respectively, of total consolidated risk-based capital.
- As the trajectory of the economic recovery remains unclear as the negative impact of COVID-19 continues and further fiscal stimulus is uncertain, Seacoast will remain vigilant in maintaining its conservative credit posture in 2021.

Capital and Liquidity

- The **tier 1 capital ratio** increased to 17.4% from 16.8% at September 30, 2020, and 15.0% December 31, 2019. The **total capital ratio** was 18.5% and the **tier 1 leverage ratio** was 11.9% at December 31, 2020.
- **Tangible common equity to tangible assets** was 11.01% at December 31, 2020, compared to 10.67% at September 30, 2020 and 11.05% at December 31, 2019.
- **Cash and cash equivalents** at December 31, 2020 totaled \$404.1 million, an increase of \$279.6 million from December 31, 2019, as Seacoast maintained a prudent liquidity position.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.



- At December 31, 2020, the Company had available unsecured lines of credit of \$135.0 million and lines of credit under lendable collateral value of \$1.8 billion. \$1.2 billion of debt securities and \$733.3 million in residential and commercial real estate loans are available as collateral for potential borrowings.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

FINANCIAL HIGHLIGHTS

(Amounts in thousands except per share data)

(Unaudited)

| | Quarterly Trends | | | | |
|---|------------------|--------------|--------------|--------------|--------------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 |
| Selected Balance Sheet Data: | | | | | |
| Total Assets | \$ 8,342,392 | \$ 8,287,840 | \$ 8,084,013 | \$ 7,352,894 | \$ 7,108,511 |
| Gross Loans | 5,735,349 | 5,858,029 | 5,772,052 | 5,317,208 | 5,198,404 |
| Total Deposits | 6,932,561 | 6,914,843 | 6,666,783 | 5,887,499 | 5,584,753 |
| Performance Measures: | | | | | |
| Net Income | \$ 29,347 | \$ 22,628 | \$ 25,080 | \$ 709 | \$ 27,176 |
| Net Interest Margin | 3.59 % | 3.40 % | 3.70 % | 3.93 % | 3.84 % |
| Average Diluted Shares Outstanding | 55,739 | 54,301 | 53,308 | 52,284 | 52,081 |
| Diluted Earnings Per Share (EPS) | \$ 0.53 | \$ 0.42 | \$ 0.47 | \$ 0.01 | \$ 0.52 |
| Return on (annualized): | | | | | |
| Average Assets (ROA) | 1.39 % | 1.11 % | 1.27 % | 0.04 % | 1.54 % |
| Average Tangible Assets (ROTA) ² | 1.49 | 1.20 | 1.37 | 0.11 | 1.66 |
| Average Tangible Common Equity (ROTCE) ² | 13.87 | 11.35 | 13.47 | 0.95 | 14.95 |
| Tangible Common Equity to Tangible Assets ² | 11.01 | 10.67 | 10.19 | 10.68 | 11.05 |
| Tangible Book Value Per Share ² | \$ 16.16 | \$ 15.57 | \$ 15.11 | \$ 14.42 | \$ 14.76 |
| Efficiency Ratio | 48.23 % | 61.65 % | 50.11 % | 59.85 % | 48.36 % |
| Adjusted Operating Measures¹: | | | | | |
| Adjusted Net Income | \$ 30,700 | \$ 27,336 | \$ 25,452 | \$ 5,462 | \$ 26,837 |
| Adjusted Diluted EPS | 0.55 | 0.50 | 0.48 | 0.10 | 0.52 |
| Adjusted ROTA ² | 1.50 % | 1.38 % | 1.33 % | 0.32 % | 1.57 % |
| Adjusted ROTCE ² | 14.00 | 13.06 | 13.09 | 2.86 | 14.19 |
| Adjusted Efficiency Ratio | 48.75 | 54.82 | 49.60 | 53.55 | 47.52 |
| Net Adjusted Noninterest Expense as a Percent of Average Tangible Assets ² | 2.00 | 2.24 | 2.11 | 2.46 | 2.11 |
| Other Data: | | | | | |
| Market capitalization ³ | \$ 1,626,913 | \$ 994,690 | \$ 1,081,009 | \$ 965,097 | \$ 1,574,775 |
| Full-time equivalent employees | 965 | 968 | 924 | 919 | 867 |
| Number of ATMs | 77 | 77 | 76 | 76 | 78 |
| Full-service banking offices | 51 | 51 | 50 | 50 | 48 |
| Registered online users | 123,615 | 121,620 | 117,273 | 113,598 | 109,684 |
| Registered mobile devices | 115,129 | 110,241 | 108,062 | 104,108 | 99,361 |

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.

²The Company defines tangible assets as total assets less intangible assets, and tangible common equity as total shareholders' equity less intangible assets.

³Common shares outstanding multiplied by closing bid price on last day of each period.



Fourth Quarter Strategic Highlights

- For the third consecutive year, Seacoast has been recognized as one of **Fortune Magazine's 100 Fastest-Growing Companies**. As the only financial institution headquartered in Florida to earn a spot on the prestigious list, this distinction is a direct reflection of the remarkable job the Seacoast team has done serving customers, implementing technological improvements, and executing our balanced growth strategy.
- Seacoast's successful combination of organic growth with value-creating acquisitions continued to benefit shareholders and associates in 2020 with the acquisitions of First Bank of Palm Beaches and Freedom Bank. Both acquisitions added experienced bankers while expanding our presence in attractive growth markets, further supporting sustainable, profitable growth.

Capitalizing on Seacoast's Early Commitment to Digital Transformation

- Digital adoption and usage remain strong. Registered mobile devices have increased 16% in 2020, and online users have increased 13%. Growth is coming from both consumer and business customers utilizing the convenience of mobile and online channels.
- Approximately 51% of all deposit transactions were completed outside of the branch network during 2020, an increase of 11% compared to 2019. Routine transactions continue to migrate from the branch network to lower cost channels.
- Seacoast and its customers are benefiting from our automated PPP forgiveness solution that streamlines the process for clients while integrating with Seacoast's existing technology infrastructure. In the fourth quarter of 2020, \$71.8 million in loan forgiveness was processed. In January 2021, the Company began accepting applications for the re-opening of the PPP lending program on our fully digital origination platform. As of January 27, the Company had received approximately 1,500 applications for \$170 million under the latest round of PPP.
- As customer preferences change, Seacoast continues to evolve its branch footprint by redirecting capacity into attractive growth markets. In alignment with this strategy, we expect to consolidate three additional branch locations in the first quarter of 2021.

Scaling and Evolving Our Culture

- Seacoast's "Manager Excellence" training program was recently recognized by American Banker, which named Seacoast one of **2020's Best Banks to Work For**. Providing first-time managers and emerging leaders with skill development and ongoing support creates an environment for our associates to recognize and pursue rewarding career opportunities.
- The Company continues to recruit and acquire strong commercial banking talent. During the fourth quarter of 2020, Seacoast welcomed a team of commercial bankers and credit talent from Wells Fargo in Central Florida. Additionally, in early January 2021, the Company hired Ron York as Treasury Management Executive, formerly with First Horizon Bank.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.



OTHER INFORMATION

Conference Call Information

Seacoast will host a conference call on January 29, 2021 at 10:00 a.m. (Eastern Time) to discuss the fourth quarter and year end 2020 earnings results and business trends. Investors may call in (toll-free) by dialing (800) 774-6070 (passcode 5585 590#; host Chuck Shaffer). Charts will be used during the conference call and may be accessed at Seacoast's website at www.SeacoastBanking.com by selecting "Presentations" under the heading "News/Events." A replay of the call will be available for one month, beginning late afternoon of January 29, 2021, by clicking here and using passcode 50062311.

Alternatively, individuals may listen to the live webcast of the presentation by visiting Seacoast's website at www.SeacoastBanking.com. The link is located in the subsection "Presentations" under the heading "Corporate Information." Beginning the afternoon of January 29, 2021, an archived version of the webcast can be accessed from this same subsection of the website. The archived webcast will be available for one year.

About Seacoast Banking Corporation of Florida (NASDAQ: SBCF)

Seacoast Banking Corporation of Florida is one of the largest community banks headquartered in Florida with approximately \$8.3 billion in assets and \$6.9 billion in deposits as of December 31, 2020. The Company provides integrated financial services including commercial and retail banking, wealth management, and mortgage services to customers through advanced banking solutions, and 51 traditional branches of its locally-branded, wholly-owned subsidiary bank, Seacoast Bank. Offices stretch from Fort Lauderdale, Boca Raton and West Palm Beach north through the Daytona Beach area, into Orlando and Central Florida and the adjacent Tampa market, and west to Okeechobee and surrounding counties. More information about the Company is available at www.SeacoastBanking.com.

Cautionary Notice Regarding Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning, and protections, of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements about future financial and operating results, cost savings, enhanced revenues, economic and seasonal conditions in our markets, and improvements to reported earnings that may be realized from cost controls, tax law changes, new initiatives and for integration of banks that we have acquired, as well as statements with respect to Seacoast's objectives, strategic plans, expectations and intentions and other statements that are not historical facts, any of which may be impacted by the COVID-19 pandemic and related effects on the U.S. economy. Actual results may differ from those set forth in the forward-looking statements.

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates and intentions about future performance and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements.

All statements other than statements of historical fact could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may", "will", "anticipate", "assume", "should", "support", "indicate", "would", "believe", "contemplate", "expect", "estimate", "continue", "further", "plan", "point to", "project", "could", "intend", "target" or other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation: the effects of future economic and market conditions, including seasonality and the adverse impact of COVID-19 (economic and otherwise); governmental monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve, as well as legislative, tax and regulatory changes; changes in accounting policies, rules and practices, including the impact of the adoption of CECL; our participation in the Paycheck Protection Program ("PPP"); the risks of changes in interest rates on the level and composition of deposits, loan demand, liquidity and the values of loan collateral, securities, and interest sensitive assets and liabilities; interest rate risks, sensitivities

and the shape of the yield curve; uncertainty related to the impact of LIBOR calculations on securities and loans; changes in borrower credit risks and payment behaviors; changing retail distribution strategies, customer preferences and behavior; changes in the availability and cost of credit and capital in the financial markets; changes in the prices, values and sales volumes of residential and commercial real estate; our ability to comply with any regulatory requirements; the effects of problems encountered by other financial institutions that adversely affect us or the banking industry; our concentration in commercial real estate loans; inaccuracies or other failures from the use of models, including the failure of assumptions and estimates, as well as differences in, and changes to, economic, market and credit conditions; the impact on the valuation of our investments due to market volatility or counterparty payment risk; statutory and regulatory dividend restrictions; increases in regulatory capital requirements for banking organizations generally; the risks of mergers, acquisitions and divestitures, including our ability to continue to identify acquisition targets and successfully acquire desirable financial institutions; changes in technology or products that may be more difficult, costly, or less effective than anticipated; our ability to identify and address increased cybersecurity risks; inability of our risk management framework to manage risks associated with our business; dependence on key suppliers or vendors to obtain equipment or services for our business on acceptable terms; reduction in or the termination of our ability to use the mobile-based platform that is critical to our business growth strategy; the effects of war or other conflicts, acts of terrorism, natural disasters, health emergencies, epidemics or pandemics, or other catastrophic events that may affect general economic conditions; unexpected outcomes of and the costs associated with, existing or new litigation involving us; our ability to maintain adequate internal controls over financial reporting; potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions; the risks that our deferred tax assets could be reduced if estimates of future taxable income from our operations and tax planning strategies are less than currently estimated and sales of our capital stock could trigger a reduction in the amount of net operating loss carryforwards that we may be able to utilize for income tax purposes; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market areas and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the Internet; and the failure of assumptions underlying the establishment of reserves for possible loan losses.

Given the many unknowns and risks being heavily weighted to the downside, our forward-looking statements are subject to the risk that conditions will be substantially different than we are currently expecting. If efforts to contain COVID-19 are unsuccessful and restrictions on movement last into 2021 and beyond, the recession would be much longer and much more severe. Ineffective fiscal stimulus, or an extended delay in implementing it, are also major downside risks. The deeper the recession is, and the longer it lasts, the more it will damage consumer fundamentals and sentiment. This could both prolong the recession, and/or make any recovery weaker. Similarly, the recession could damage business fundamentals. And an extended global recession due to COVID-19 would weaken the U.S. recovery. As a result, the outbreak and its consequences, including responsive measures to manage it, have had and are likely to continue to have an adverse effect, possibly materially, on our business and financial performance by adversely affecting, possibly materially, the demand and profitability of our products and services, the valuation of assets and our ability to meet the needs of our customers.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2019, and our quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020 under "Special Cautionary Notice Regarding Forward-looking Statements" and "Risk Factors", and otherwise in our SEC reports and filings. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC's Internet website at www.sec.gov.

FINANCIAL HIGHLIGHTS

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

| (Amounts in thousands, except ratios and per share data) | Quarterly Trends | | | | | Twelve Months Ended | |
|--|------------------|-----------|-----------|---------|-----------|---------------------|-----------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 |
| Summary of Earnings | | | | | | | |
| Net income | \$ 29,347 | \$ 22,628 | \$ 25,080 | \$ 709 | \$ 27,176 | \$ 77,764 | \$ 98,739 |
| Adjusted net income ¹ | 30,700 | 27,336 | 25,452 | 5,462 | 26,837 | 88,950 | 104,591 |
| Net interest income ² | 68,903 | 63,621 | 67,388 | 63,291 | 61,846 | 263,203 | 243,953 |
| Net interest margin ³ | 3.59 % | 3.40 % | 3.70 % | 3.93 % | 3.84 % | 3.65 % | 3.92 % |
| Performance Ratios | | | | | | | |
| Return on average assets-GAAP basis ³ | 1.39 % | 1.11 % | 1.27 % | 0.04 % | 1.54 % | 0.99 % | 1.45 % |
| Return on average tangible assets-GAAP basis ^{3,4} | 1.49 | 1.20 | 1.37 | 0.11 | 1.66 | 1.08 | 1.56 |
| Adjusted return on average tangible assets ^{1,3,4} | 1.50 | 1.38 | 1.33 | 0.32 | 1.57 | 1.17 | 1.58 |
| Net adjusted noninterest expense to average tangible assets ^{1,3,4} | 2.00 | 2.24 | 2.11 | 2.46 | 2.11 | 2.19 | 2.30 |
| Return on average shareholders' equity-GAAP basis ³ | 10.51 | 8.48 | 9.96 | 0.29 | 11.04 | 7.44 | 10.63 |
| Return on average tangible common equity-GAAP basis ^{3,4} | 13.87 | 11.35 | 13.47 | 0.95 | 14.95 | 10.10 | 14.72 |
| Adjusted return on average tangible common equity ^{1,3,4} | 14.00 | 13.06 | 13.09 | 2.86 | 14.19 | 10.93 | 14.93 |
| Efficiency ratio ⁵ | 48.23 | 61.65 | 50.11 | 59.85 | 48.36 | 54.84 | 51.71 |
| Adjusted efficiency ratio ¹ | 48.75 | 54.82 | 49.60 | 53.55 | 47.52 | 51.63 | 50.90 |
| Noninterest income to total revenue (excluding securities gains/losses) | 17.85 | 21.06 | 17.00 | 18.84 | 18.30 | 18.68 | 18.56 |
| Tangible common equity to tangible assets ⁴ | 11.01 | 10.67 | 10.19 | 10.68 | 11.05 | 11.01 | 11.05 |
| Average loan-to-deposit ratio | 84.48 | 87.83 | 88.48 | 93.02 | 90.71 | 88.20 | 89.21 |
| End of period loan-to-deposit ratio | 83.72 | 85.77 | 87.40 | 90.81 | 93.44 | 83.72 | 93.44 |
| Per Share Data | | | | | | | |
| Net income diluted-GAAP basis | \$ 0.53 | \$ 0.42 | \$ 0.47 | \$ 0.01 | \$ 0.52 | \$ 1.44 | \$ 1.90 |
| Net income basic-GAAP basis | 0.53 | 0.42 | 0.47 | 0.01 | 0.53 | 1.45 | 1.92 |
| Adjusted earnings ¹ | 0.55 | 0.50 | 0.48 | 0.10 | 0.52 | 1.65 | 2.01 |
| Book value per share common | 20.46 | 19.91 | 19.45 | 18.82 | 19.13 | 20.46 | 19.13 |
| Tangible book value per share | 16.16 | 15.57 | 15.11 | 14.42 | 14.76 | 16.16 | 14.76 |
| Cash dividends declared | — | — | — | — | — | — | — |

¹Non-GAAP measure - see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.²Calculated on a fully taxable equivalent basis using amortized cost.³These ratios are stated on an annualized basis and are not necessarily indicative of future periods.⁴The Company defines tangible assets as total assets less intangible assets, and tangible common equity as total shareholders' equity less intangible assets.⁵Defined as noninterest expense less amortization of intangibles and gains, losses, and expenses on foreclosed properties divided by net operating revenue (net interest income on a fully taxable equivalent basis plus noninterest income excluding securities gains and losses).

| | Quarterly Trends | | | | | Twelve Months Ended | |
|--|------------------|------------------|------------------|---------------|------------------|---------------------|------------------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 |
| <i>(Amounts in thousands, except per share data)</i> | | | | | | | |
| Interest on securities: | | | | | | | |
| Taxable | \$ 6,477 | \$ 6,972 | \$ 7,573 | \$ 8,696 | \$ 8,500 | \$ 29,718 | \$ 35,354 |
| Nontaxable | 86 | 125 | 121 | 122 | 130 | 454 | 555 |
| Fees on PPP loans | 3,603 | 161 | 4,010 | — | — | 7,774 | — |
| Interest on PPP loans | 1,585 | 1,558 | 1,058 | — | — | 4,201 | — |
| Interest and fees on loans - excluding PPP loans | 60,407 | 58,768 | 59,776 | 63,440 | 62,868 | 242,391 | 250,535 |
| Interest on federal funds sold and other investments | 523 | 556 | 684 | 734 | 788 | 2,497 | 3,379 |
| Total Interest Income | 72,681 | 68,140 | 73,222 | 72,992 | 72,286 | 287,035 | 289,823 |
| Interest on deposits | 1,228 | 1,299 | 1,203 | 3,190 | 3,589 | 6,920 | 16,621 |
| Interest on time certificates | 2,104 | 2,673 | 3,820 | 4,768 | 5,084 | 13,365 | 21,776 |
| Interest on borrowed money | 558 | 665 | 927 | 1,857 | 1,853 | 4,007 | 7,808 |
| Total Interest Expense | 3,890 | 4,637 | 5,950 | 9,815 | 10,526 | 24,292 | 46,205 |
| Net Interest Income | 68,791 | 63,503 | 67,272 | 63,177 | 61,760 | 262,743 | 243,618 |
| Provision for credit losses | 1,900 | (845) | 7,611 | 29,513 | 4,800 | 38,179 | 10,999 |
| Net Interest Income After Provision for Credit Losses | 66,891 | 64,348 | 59,661 | 33,664 | 56,960 | 224,564 | 232,619 |
| Noninterest income: | | | | | | | |
| Service charges on deposit accounts | 2,423 | 2,242 | 1,939 | 2,825 | 2,960 | 9,429 | 11,529 |
| Interchange income | 3,596 | 3,682 | 3,187 | 3,246 | 3,387 | 13,711 | 13,399 |
| Wealth management income | 1,949 | 1,972 | 1,719 | 1,867 | 1,579 | 7,507 | 6,352 |
| Mortgage banking fees | 3,646 | 5,283 | 3,559 | 2,208 | 1,514 | 14,696 | 6,490 |
| Marine finance fees | 145 | 242 | 157 | 146 | 338 | 690 | 1,053 |
| SBA gains | 113 | 252 | 181 | 139 | 576 | 685 | 2,472 |
| BOLI income | 889 | 899 | 887 | 886 | 904 | 3,561 | 3,674 |
| Other | 2,187 | 2,370 | 2,147 | 3,352 | 2,579 | 10,056 | 10,546 |
| | 14,948 | 16,942 | 13,776 | 14,669 | 13,837 | 60,335 | 55,515 |
| Securities gains (losses), net | (18) | 4 | 1,230 | 19 | 2,539 | 1,235 | 1,217 |
| Total Noninterest Income | 14,930 | 16,946 | 15,006 | 14,688 | 16,376 | 61,570 | 56,732 |
| Noninterest expenses: | | | | | | | |
| Salaries and wages | 21,490 | 23,125 | 20,226 | 23,698 | 17,263 | 88,539 | 73,829 |
| Employee benefits | 3,915 | 3,995 | 3,379 | 4,255 | 3,323 | 15,544 | 13,697 |
| Outsourced data processing costs | 4,233 | 6,128 | 4,059 | 4,633 | 3,645 | 19,053 | 15,077 |
| Telephone / data lines | 774 | 705 | 791 | 714 | 651 | 2,984 | 2,958 |
| Occupancy | 3,554 | 3,858 | 3,385 | 3,353 | 3,368 | 14,150 | 14,284 |
| Furniture and equipment | 1,317 | 1,576 | 1,358 | 1,623 | 1,416 | 5,874 | 6,245 |
| Marketing | 1,045 | 1,513 | 997 | 1,278 | 885 | 4,833 | 4,161 |
| Legal and professional fees | 509 | 3,018 | 2,277 | 3,363 | 2,025 | 9,167 | 8,553 |
| FDIC assessments | 528 | 474 | 266 | — | — | 1,268 | 881 |
| Amortization of intangibles | 1,421 | 1,497 | 1,483 | 1,456 | 1,456 | 5,857 | 5,826 |
| Foreclosed property expense and net loss/(gain) on sale | 1,821 | 512 | 245 | (315) | 3 | 2,263 | 51 |
| Provision for credit losses on unfunded commitments | (795) | 756 | 178 | 46 | — | 185 | — |
| Other | 3,869 | 4,517 | 3,755 | 3,694 | 4,022 | 15,835 | 15,177 |
| Total Noninterest Expense | 43,681 | 51,674 | 42,399 | 47,798 | 38,057 | 185,552 | 160,739 |
| Income Before Income Taxes | 38,140 | 29,620 | 32,268 | 554 | 35,279 | 100,582 | 128,612 |
| Income taxes | 8,793 | 6,992 | 7,188 | (155) | 8,103 | 22,818 | 29,873 |
| Net Income | \$ 29,347 | \$ 22,628 | \$ 25,080 | \$ 709 | \$ 27,176 | \$ 77,764 | \$ 98,739 |
| Per share of common stock: | | | | | | | |
| Net income diluted | \$ 0.53 | \$ 0.42 | \$ 0.47 | \$ 0.01 | \$ 0.52 | \$ 1.44 | \$ 1.90 |
| Net income basic | 0.53 | 0.42 | 0.47 | 0.01 | 0.53 | 1.45 | 1.92 |
| Cash dividends declared | — | — | — | — | — | — | — |
| Average diluted shares outstanding | 55,739 | 54,301 | 53,308 | 52,284 | 52,081 | 53,930 | 52,029 |
| Average basic shares outstanding | 55,219 | 53,978 | 52,985 | 51,803 | 51,517 | 53,502 | 51,449 |

CONDENSED CONSOLIDATED BALANCE SHEETS
SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

(Unaudited)

| <i>(Amounts in thousands)</i> | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 | December 31, 2019 |
|---|----------------------|-----------------------|---------------------|---------------------|----------------------|
| Assets | | | | | |
| Cash and due from banks | \$ 86,630 | \$ 81,692 | \$ 84,178 | \$ 82,111 | \$ 89,843 |
| Interest bearing deposits with other banks | 317,458 | 227,876 | 440,142 | 232,763 | 34,688 |
| Total Cash and Cash Equivalents | 404,088 | 309,568 | 524,320 | 314,874 | 124,531 |
| Time deposits with other banks | 750 | 2,247 | 2,496 | 3,742 | 3,742 |
| Debt Securities: | | | | | |
| Available for sale (at fair value) | 1,398,157 | 1,286,858 | 976,025 | 910,311 | 946,855 |
| Held to maturity (at amortized cost) | 184,484 | 207,376 | 227,092 | 252,373 | 261,369 |
| Total Debt Securities | 1,582,641 | 1,494,234 | 1,203,117 | 1,162,684 | 1,208,224 |
| Loans held for sale | 68,890 | 73,046 | 54,943 | 29,281 | 20,029 |
| Loans | 5,735,349 | 5,858,029 | 5,772,052 | 5,317,208 | 5,198,404 |
| Less: Allowance for credit losses | (92,733) | (94,013) | (91,250) | (85,411) | (35,154) |
| Net Loans | 5,642,616 | 5,764,016 | 5,680,802 | 5,231,797 | 5,163,250 |
| Bank premises and equipment, net | 75,117 | 76,393 | 69,041 | 71,540 | 66,615 |
| Other real estate owned | 12,750 | 15,890 | 15,847 | 14,640 | 12,390 |
| Goodwill | 221,176 | 221,176 | 212,146 | 212,085 | 205,286 |
| Other intangible assets, net | 16,745 | 18,163 | 17,950 | 19,461 | 20,066 |
| Bank owned life insurance | 131,776 | 130,887 | 127,954 | 127,067 | 126,181 |
| Net deferred tax assets | 23,629 | 25,503 | 21,404 | 19,766 | 16,457 |
| Other assets | 162,214 | 156,717 | 153,993 | 145,957 | 141,740 |
| Total Assets | \$ 8,342,392 | \$ 8,287,840 | \$ 8,084,013 | \$ 7,352,894 | \$ 7,108,511 |
| Liabilities and Shareholders' Equity | | | | | |
| Liabilities | | | | | |
| Deposits | | | | | |
| Noninterest demand | \$ 2,289,787 | \$ 2,400,744 | \$ 2,267,435 | \$ 1,703,628 | \$ 1,590,493 |
| Interest-bearing demand | 1,566,069 | 1,385,445 | 1,368,146 | 1,234,193 | 1,181,732 |
| Savings | 689,179 | 655,072 | 619,251 | 554,836 | 519,152 |
| Money market | 1,556,370 | 1,457,078 | 1,232,892 | 1,124,378 | 1,108,363 |
| Other time certificates | 425,878 | 457,964 | 445,176 | 489,669 | 504,837 |
| Brokered time certificates | 233,815 | 381,028 | 572,465 | 597,715 | 472,857 |
| Time certificates of more than \$250,000 | 171,463 | 177,512 | 161,418 | 183,080 | 207,319 |
| Total Deposits | 6,932,561 | 6,914,843 | 6,666,783 | 5,887,499 | 5,584,753 |
| Securities sold under agreements to repurchase | 119,609 | 89,508 | 92,125 | 64,723 | 86,121 |
| Federal Home Loan Bank borrowings | — | 35,000 | 135,000 | 265,000 | 315,000 |
| Subordinated debt | 71,365 | 71,295 | 71,225 | 71,155 | 71,085 |
| Other liabilities | 88,455 | 78,853 | 88,277 | 72,730 | 65,913 |
| Total Liabilities | 7,211,990 | 7,189,499 | 7,053,410 | 6,361,107 | 6,122,872 |
| Shareholders' Equity | | | | | |
| Common stock | 5,524 | 5,517 | 5,299 | 5,271 | 5,151 |
| Additional paid in capital | 856,092 | 854,188 | 811,328 | 809,533 | 786,242 |
| Retained earnings | 256,701 | 227,354 | 204,719 | 179,646 | 195,813 |
| Treasury stock | (8,285) | (7,941) | (8,037) | (7,422) | (6,032) |
| | 1,110,032 | 1,079,118 | 1,013,309 | 987,028 | 981,174 |
| Accumulated other comprehensive income, net | 20,370 | 19,223 | 17,294 | 4,759 | 4,465 |
| Total Shareholders' Equity | 1,130,402 | 1,098,341 | 1,030,603 | 991,787 | 985,639 |
| Total Liabilities & Shareholders' Equity | \$ 8,342,392 | \$ 8,287,840 | \$ 8,084,013 | \$ 7,352,894 | \$ 7,108,511 |
| Common shares outstanding | 55,243 | 55,169 | 52,991 | 52,709 | 51,514 |

| (Amounts in thousands) | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 |
|---|----------------------|-----------------------|------------------|-------------------|----------------------|
| Credit Analysis | | | | | |
| Net charge-offs - non-acquired loans | \$ 3,028 | \$ 1,112 | \$ 1,714 | \$ 1,316 | \$ 2,930 |
| Net charge-offs (recoveries) - acquired loans | 99 | 624 | 37 | (343) | 295 |
| Total Net Charge-offs | 3,127 | 1,736 | 1,751 | 973 | 3,225 |
| Net charge-offs to average loans - non-acquired loans | 0.20 % | 0.08 % | 0.12 % | 0.10 % | 0.23 % |
| Net charge-offs (recoveries) to average loans - acquired loans | 0.01 | 0.04 | — | (0.03) | 0.02 |
| Total Net Charge-offs to Average Loans | 0.21 | 0.12 | 0.12 | 0.07 | 0.25 |
| Allowance for credit losses - non-acquired loans | \$ 69,786 | \$ 70,388 | \$ 73,587 | \$ 69,498 | \$ 34,573 |
| Allowance for credit losses - acquired loans | 22,947 | 23,625 | 17,663 | 15,913 | 581 |
| Total Allowance for Credit Losses | 92,733 | 94,013 | 91,250 | 85,411 | 35,154 |
| Non-acquired loans at end of period | \$ 4,196,205 | \$ 4,157,376 | \$ 4,315,892 | \$ 4,373,378 | \$ 4,317,919 |
| Acquired loans at end of period | 972,183 | 1,061,853 | 879,710 | 943,830 | 880,485 |
| Paycheck Protection Program loans at end of period ¹ | 566,961 | 638,800 | 576,450 | — | — |
| Total Loans | 5,735,349 | 5,858,029 | 5,772,052 | 5,317,208 | 5,198,404 |
| Non-acquired loans allowance for credit losses to non-acquired loans at end of period | 1.66 % | 1.69 % | 1.71 % | 1.59 % | 0.80 % |
| Total allowance for credit losses to total loans at end of period | 1.62 | 1.60 | 1.58 | 1.61 | 0.68 |
| Total allowance for credit losses to total loans, excluding PPP loans | 1.79 | 1.80 | 1.76 | 1.61 | 0.68 |
| Purchase discount on acquired loans at end of period | 2.86 | 3.01 | 3.29 | 3.36 | 3.83 |
| End of Period | | | | | |
| Nonperforming loans | \$ 36,110 | \$ 36,897 | \$ 30,051 | \$ 25,582 | \$ 26,955 |
| Other real estate owned | 10,182 | 12,299 | 10,967 | 11,048 | 5,549 |
| Properties previously used in bank operations included in other real estate owned | 2,569 | 3,592 | 4,880 | 3,592 | 6,842 |
| Total Nonperforming Assets | 48,861 | 52,788 | 45,898 | 40,222 | 39,346 |
| Accruing troubled debt restructures (TDRs) | \$ 4,182 | \$ 10,190 | \$ 10,338 | \$ 10,833 | \$ 11,100 |
| Nonperforming Loans to Loans at End of Period | 0.63 % | 0.63 % | 0.52 % | 0.48 % | 0.52 % |
| Nonperforming Assets to Total Assets at End of Period | 0.59 | 0.64 | 0.57 | 0.55 | 0.55 |
| Loans | | | | | |
| | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 | December 31, 2019 |
| Construction and land development | \$ 245,108 | \$ 280,610 | \$ 298,835 | \$ 295,405 | \$ 325,113 |
| Commercial real estate - owner occupied | 1,141,310 | 1,125,460 | 1,076,650 | 1,082,893 | 1,034,963 |
| Commercial real estate - non-owner occupied | 1,395,854 | 1,394,464 | 1,392,787 | 1,381,096 | 1,344,008 |
| Residential real estate | 1,342,628 | 1,393,396 | 1,468,171 | 1,559,754 | 1,507,863 |
| Commercial and financial | 854,753 | 833,083 | 757,232 | 796,038 | 778,252 |
| Consumer | 188,735 | 192,216 | 201,927 | 202,022 | 208,205 |
| Paycheck Protection Program | 566,961 | 638,800 | 576,450 | — | — |
| Total Loans | 5,735,349 | 5,858,029 | 5,772,052 | 5,317,208 | 5,198,404 |

¹3Q'20 includes \$54 million in Paycheck Protection Program loans acquired from Freedom Bank

| (Amounts in thousands) | 4Q'20 | | | 3Q'20 | | | 4Q'19 | | |
|--|---------------------|---------------|-------------|---------------------|---------------|-------------|---------------------|---------------|-------------|
| | Average Balance | Interest | Yield/Rate | Average Balance | Interest | Yield/Rate | Average Balance | Interest | Yield/Rate |
| Assets | | | | | | | | | |
| Earning assets: | | | | | | | | | |
| Securities: | | | | | | | | | |
| Taxable | \$ 1,496,536 | \$ 6,477 | 1.73 % | \$ 1,322,160 | \$ 6,972 | 2.11 % | \$ 1,179,843 | \$ 8,500 | 2.88 % |
| Nontaxable | 25,943 | 109 | 1.68 | 23,570 | 157 | 2.67 | 20,709 | 162 | 3.13 |
| Total Securities | 1,522,479 | 6,586 | 1.73 | 1,345,730 | 7,129 | 2.12 | 1,200,552 | 8,662 | 2.89 |
| Federal funds sold and other investments | 197,379 | 523 | 1.05 | 239,511 | 556 | 0.92 | 84,961 | 788 | 3.68 |
| Loans excluding PPP loans | 5,276,224 | 60,497 | 4.56 | 5,242,776 | 58,854 | 4.47 | 5,104,272 | 62,922 | 4.89 |
| PPP loans | 629,855 | 5,187 | 3.28 | 618,088 | 1,719 | 1.11 | — | — | — |
| Total Loans | 5,906,079 | 65,684 | 4.42 | 5,860,864 | 60,573 | 4.11 | 5,104,272 | 62,922 | 4.89 |
| Total Earning Assets | 7,625,937 | 72,793 | 3.80 | 7,446,105 | 68,258 | 3.65 | 6,389,785 | 72,372 | 4.49 |
| Allowance for credit losses | (93,148) | | | (92,151) | | | (34,072) | | |
| Cash and due from banks | 235,519 | | | 138,749 | | | 99,008 | | |
| Premises and equipment | 76,001 | | | 72,572 | | | 67,485 | | |
| Intangible assets | 238,631 | | | 228,801 | | | 226,060 | | |
| Bank owned life insurance | 131,208 | | | 129,156 | | | 125,597 | | |
| Other assets | 162,248 | | | 163,658 | | | 122,351 | | |
| Total Assets | \$ 8,376,396 | | | \$ 8,086,890 | | | \$ 6,996,214 | | |
| Liabilities and Shareholders' Equity | | | | | | | | | |
| Interest-bearing liabilities: | | | | | | | | | |
| Interest-bearing demand | \$ 1,458,299 | \$ 249 | 0.07 % | \$ 1,364,947 | \$ 330 | 0.10 % | \$ 1,190,681 | \$ 983 | 0.33 % |
| Savings | 672,864 | 166 | 0.10 | 648,319 | 170 | 0.10 | 528,771 | 422 | 0.32 |
| Money market | 1,523,960 | 813 | 0.21 | 1,328,931 | 799 | 0.24 | 1,148,453 | 2,184 | 0.75 |
| Time deposits | 911,091 | 2,104 | 0.92 | 1,051,316 | 2,673 | 1.01 | 1,078,297 | 5,084 | 1.87 |
| Securities sold under agreements to repurchase | 101,665 | 42 | 0.16 | 90,357 | 40 | 0.18 | 73,693 | 226 | 1.22 |
| Federal funds purchased and Federal Home Loan Bank borrowings | 15,978 | 80 | 1.99 | 93,913 | 181 | 0.77 | 181,134 | 845 | 1.85 |
| Other borrowings | 71,321 | 436 | 2.43 | 71,258 | 444 | 2.48 | 71,045 | 782 | 4.37 |
| Total Interest-Bearing Liabilities | 4,755,178 | 3,890 | 0.33 | 4,649,041 | 4,637 | 0.40 | 4,272,074 | 10,526 | 0.98 |
| Noninterest demand | 2,424,523 | | | 2,279,584 | | | 1,680,734 | | |
| Other liabilities | 85,622 | | | 96,458 | | | 67,206 | | |
| Total Liabilities | 7,265,323 | | | 7,025,083 | | | 6,020,014 | | |
| Shareholders' equity | 1,111,073 | | | 1,061,807 | | | 976,200 | | |
| Total Liabilities & Equity | \$ 8,376,396 | | | \$ 8,086,890 | | | \$ 6,996,214 | | |
| Cost of deposits | | | 0.19 % | | | 0.24 % | | | 0.61 % |
| Interest expense as a % of earning assets | | | 0.20 % | | | 0.25 % | | | 0.65 % |
| Net interest income as a % of earning assets | | \$ 68,903 | 3.59 % | | \$ 63,621 | 3.40 % | | \$ 61,846 | 3.84 % |

¹On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost.
 Fees on loans have been included in interest on loans. Nonaccrual loans are included in loan balances.

| | Twelve Months Ended December 31, 2020 | | | Twelve Months Ended December 31, 2019 | | |
|--|---------------------------------------|----------------|-------------|---------------------------------------|----------------|-------------|
| | Average Balance | Interest | Yield/Rate | Average Balance | Interest | Yield/Rate |
| <i>(Amounts in thousands, except ratios)</i> | | | | | | |
| Assets | | | | | | |
| Earning assets: | | | | | | |
| Securities: | | | | | | |
| Taxable | \$ 1,277,441 | \$ 29,718 | 2.33 % | \$ 1,176,842 | \$ 35,354 | 3.00 % |
| Nontaxable | 22,164 | 570 | 2.57 | 23,122 | 695 | 3.01 |
| Total Securities | 1,299,605 | 30,288 | 2.33 | 1,199,964 | 36,049 | 3.00 |
| Federal funds sold and other investments | 239,494 | 2,497 | 1.04 | 88,045 | 3,379 | 3.84 |
| Loans excluding PPP loans | 5,259,653 | 242,736 | 4.62 | 4,933,518 | 250,730 | 5.08 |
| PPP loans | 419,154 | 11,974 | 2.86 | — | — | — |
| Total Loans | 5,678,807 | 254,710 | 4.49 | 4,933,518 | 250,730 | 5.08 |
| Total Earning Assets | 7,217,906 | 287,495 | 3.98 | 6,221,527 | 290,158 | 4.66 |
| Allowance for credit losses | (81,858) | | | (33,465) | | |
| Cash and due from banks | 142,314 | | | 94,643 | | |
| Premises and equipment | 71,846 | | | 69,142 | | |
| Intangible assets | 231,267 | | | 228,042 | | |
| Bank owned life insurance | 128,569 | | | 124,803 | | |
| Other assets | 149,956 | | | 126,588 | | |
| Total Assets | \$ 7,860,000 | | | \$ 6,831,280 | | |
| Liabilities and Shareholders' Equity | | | | | | |
| Interest-bearing liabilities: | | | | | | |
| Interest-bearing demand | \$ 1,324,433 | \$ 1,710 | 0.13 % | \$ 1,114,334 | \$ 4,025 | 0.36 % |
| Savings | 610,015 | 849 | 0.14 | 516,526 | 2,015 | 0.39 |
| Money market | 1,294,629 | 4,361 | 0.34 | 1,164,938 | 10,581 | 0.91 |
| Time deposits | 1,101,321 | 13,365 | 1.21 | 1,092,516 | 21,776 | 1.99 |
| Securities sold under agreements to repurchase | 84,514 | 283 | 0.33 | 106,142 | 1,431 | 1.35 |
| Federal funds purchased and | 139,439 | 1,540 | 1.10 | 131,921 | 3,010 | 2.28 |
| Federal Home Loan Bank borrowings | 71,220 | 2,184 | 3.07 | 70,939 | 3,367 | 4.75 |
| Other borrowings | — | — | — | — | — | — |
| Total Interest-Bearing Liabilities | 4,625,571 | 24,292 | 0.53 | 4,197,316 | 46,205 | 1.10 |
| Noninterest demand | 2,107,931 | | | 1,641,766 | | |
| Other liabilities | 81,279 | | | 63,405 | | |
| Total Liabilities | 6,814,781 | | | 5,902,487 | | |
| Shareholders' equity | 1,045,219 | | | 928,793 | | |
| Total Liabilities & Equity | \$ 7,860,000 | | | \$ 6,831,280 | | |
| Cost of deposits | | | 0.32 % | | | 0.69 % |
| Interest expense as a % of earning assets | | | 0.34 % | | | 0.74 % |
| Net interest income as a % of earning assets | | \$ 263,203 | 3.65 % | | \$ 243,953 | 3.92 % |

¹On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost. Fees on loans have been included in interest on loans. Nonaccrual loans are included in loan balances.

CONSOLIDATED QUARTERLY FINANCIAL DATA

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

| <i>(Amounts in thousands)</i> | December 31, 2020 | September 30, 2020 | June 30, 2020 | March 31, 2020 | December 31, 2019 |
|--------------------------------------|----------------------|-----------------------|---------------------|---------------------|----------------------|
| Customer Relationship Funding | | | | | |
| Noninterest demand | | | | | |
| Commercial | \$ 1,821,361 | \$ 1,973,494 | \$ 1,844,288 | \$ 1,336,352 | \$ 1,233,475 |
| Retail | 350,783 | 322,559 | 314,723 | 271,916 | 246,717 |
| Public funds | 90,973 | 70,371 | 74,674 | 71,029 | 85,122 |
| Other | 26,670 | 34,320 | 33,750 | 24,331 | 25,179 |
| Total Noninterest Demand | 2,289,787 | 2,400,744 | 2,267,435 | 1,703,628 | 1,590,493 |
| Interest-bearing demand | | | | | |
| Commercial | 454,909 | 413,513 | 412,846 | 349,315 | 319,993 |
| Retail | 839,958 | 777,078 | 733,772 | 671,378 | 641,762 |
| Public funds | 271,202 | 194,854 | 221,528 | 213,500 | 219,977 |
| Total Interest-Bearing Demand | 1,566,069 | 1,385,445 | 1,368,146 | 1,234,193 | 1,181,732 |
| Total transaction accounts | | | | | |
| Commercial | 2,276,270 | 2,387,007 | 2,257,134 | 1,685,667 | 1,553,468 |
| Retail | 1,190,741 | 1,099,637 | 1,048,495 | 943,294 | 888,479 |
| Public funds | 362,175 | 265,225 | 296,202 | 284,529 | 305,099 |
| Other | 26,670 | 34,320 | 33,750 | 24,331 | 25,179 |
| Total Transaction Accounts | 3,855,856 | 3,786,189 | 3,635,581 | 2,937,821 | 2,772,225 |
| Savings | 689,179 | 655,072 | 619,251 | 554,836 | 519,152 |
| Money market | | | | | |
| Commercial | 611,623 | 634,697 | 586,416 | 487,759 | 494,803 |
| Retail | 661,311 | 613,532 | 579,126 | 572,785 | 553,075 |
| Brokered | 196,616 | 141,808 | — | — | — |
| Public funds | 86,820 | 67,041 | 67,350 | 63,834 | 60,485 |
| Total Money Market | 1,556,370 | 1,457,078 | 1,232,892 | 1,124,378 | 1,108,363 |
| Brokered time certificates | 233,815 | 381,028 | 572,465 | 597,715 | 472,857 |
| Other time certificates | 597,341 | 635,476 | 606,594 | 672,749 | 712,156 |
| | 831,156 | 1,016,504 | 1,179,059 | 1,270,464 | 1,185,013 |
| Total Deposits | \$ 6,932,561 | \$ 6,914,843 | \$ 6,666,783 | \$ 5,887,499 | \$ 5,584,753 |
| Customer sweep accounts | \$ 119,609 | \$ 89,508 | \$ 92,125 | \$ 64,723 | \$ 86,121 |

Explanation of Certain Unaudited Non-GAAP Financial Measures

This presentation contains financial information determined by methods other than Generally Accepted Accounting Principles ("GAAP"). Management uses these non-GAAP financial measures in its analysis of the Company's performance and believes these presentations provide useful supplemental information, and a clearer understanding of the Company's performance. The Company believes the non-GAAP measures enhance investors' understanding of the Company's business and performance and if not provided would be requested by the investor community. These measures are also useful in understanding performance trends and facilitate comparisons with the performance of other financial institutions. The limitations associated with operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and that different companies might define or calculate these measures differently. The Company provides reconciliations between GAAP and these non-GAAP measures. These disclosures should not be considered an alternative to GAAP.

GAAP TO NON-GAAP RECONCILIATION

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

| (Amounts in thousands, except per share data) | Quarterly Trends | | | | | Twelve Months Ended | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 |
| Net Income | \$ 29,347 | \$ 22,628 | \$ 25,080 | \$ 709 | \$ 27,176 | \$ 77,764 | \$ 98,739 |
| Total noninterest income | 14,930 | 16,946 | 15,006 | 14,688 | 16,376 | 61,570 | 56,732 |
| Securities (gains) losses, net | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (1,217) |
| BOLI benefits on death (included in other income) | — | — | — | — | — | — | (956) |
| Total Adjustments to Noninterest Income | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) |
| Total Adjusted Noninterest Income | 14,948 | 16,942 | 13,776 | 14,669 | 13,837 | 60,335 | 54,559 |
| Total noninterest expense | 43,681 | 51,674 | 42,399 | 47,798 | 38,057 | 185,552 | 160,739 |
| Merger related charges | — | (4,281) | (240) | (4,553) | (634) | (9,074) | (969) |
| Amortization of intangibles | (1,421) | (1,497) | (1,483) | (1,456) | (1,456) | (5,857) | (5,826) |
| Business continuity expenses | — | — | — | (307) | — | (307) | (95) |
| Branch reductions and other expense initiatives | (354) | (464) | — | — | — | (818) | (1,846) |
| Total Adjustments to Noninterest Expense | (1,775) | (6,242) | (1,723) | (6,316) | (2,090) | (16,056) | (8,736) |
| Total Adjusted Noninterest Expense | 41,906 | 45,432 | 40,676 | 41,482 | 35,967 | 169,496 | 152,003 |
| Income Taxes | 8,793 | 6,992 | 7,188 | (155) | 8,103 | 22,818 | 29,873 |
| Tax effect of adjustments | 440 | 1,530 | 121 | 1,544 | (110) | 3,635 | 1,846 |
| Effect of change in corporate tax rate on deferred tax assets | — | — | — | — | — | — | (1,135) |
| Total Adjustments to Income Taxes | 440 | 1,530 | 121 | 1,544 | (110) | 3,635 | 711 |
| Adjusted Income Taxes | 9,233 | 8,522 | 7,309 | 1,389 | 7,993 | 26,453 | 30,584 |
| Adjusted Net Income | \$ 30,700 | \$ 27,336 | \$ 25,452 | \$ 5,462 | \$ 26,837 | \$ 88,950 | \$ 104,591 |
| Earnings per diluted share, as reported | \$ 0.53 | \$ 0.42 | \$ 0.47 | \$ 0.01 | \$ 0.52 | \$ 1.44 | \$ 1.90 |
| Adjusted Earnings per Diluted Share | 0.55 | 0.50 | 0.48 | 0.10 | 0.52 | 1.65 | 2.01 |
| Average diluted shares outstanding | 55,739 | 54,301 | 53,308 | 52,284 | 52,081 | 53,930 | 52,029 |
| Adjusted Noninterest Expense | \$ 41,906 | \$ 45,432 | \$ 40,676 | \$ 41,482 | \$ 35,967 | \$ 169,496 | \$ 152,003 |
| Provision for credit losses on unfunded commitments | 795 | (756) | (178) | (46) | — | (185) | — |
| Foreclosed property expense and net (loss)/gain on sale | (1,821) | (512) | (245) | 315 | (3) | (2,263) | (51) |
| Net Adjusted Noninterest Expense | \$ 40,880 | \$ 44,164 | \$ 40,253 | \$ 41,751 | \$ 35,964 | \$ 167,048 | \$ 151,952 |
| Revenue | \$ 83,721 | \$ 80,449 | \$ 82,278 | \$ 77,865 | \$ 78,136 | \$ 324,313 | \$ 300,350 |
| Total Adjustments to Revenue | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) |
| Impact of FTE adjustment | 112 | 118 | 116 | 114 | 86 | 460 | 335 |
| Adjusted Revenue on a fully taxable equivalent basis | \$ 83,851 | \$ 80,563 | \$ 81,164 | \$ 77,960 | \$ 75,683 | \$ 323,538 | \$ 298,512 |
| Adjusted Efficiency Ratio | 48.75 % | 54.82 % | 49.60 % | 53.55 % | 47.52 % | 51.63 % | 50.90 % |
| Net Interest Income | \$ 68,791 | \$ 63,503 | \$ 67,272 | \$ 63,177 | \$ 61,760 | \$ 262,743 | \$ 243,618 |
| Impact of FTE adjustment | 112 | 118 | 116 | 114 | 86 | 460 | 335 |
| Net Interest Income including FTE adjustment | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 |
| Total noninterest income | 14,930 | 16,946 | 15,006 | 14,688 | 16,376 | 61,570 | 56,732 |
| Total noninterest expense | 43,681 | 51,674 | 42,399 | 47,798 | 38,057 | 185,552 | 160,739 |
| Pre-Tax Pre-Provision Earnings | \$ 40,152 | \$ 28,893 | \$ 39,995 | \$ 30,181 | \$ 40,165 | \$ 139,221 | \$ 139,946 |
| Total Adjustments to Noninterest Income | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) |
| Total Adjustments to Noninterest Expense | (2,801) | (7,510) | (2,146) | (6,047) | (2,093) | (18,504) | (8,787) |
| Adjusted Pre-Tax Pre-Provision Earnings | \$ 42,971 | \$ 36,399 | \$ 40,911 | \$ 36,209 | \$ 39,719 | \$ 156,490 | \$ 146,560 |
| Average Assets | \$ 8,376,396 | \$ 8,086,890 | \$ 7,913,002 | \$ 7,055,543 | \$ 6,996,214 | \$ 7,860,000 | \$ 6,831,280 |
| Less average goodwill and intangible assets | (238,631) | (228,801) | (230,871) | (226,712) | (226,060) | (231,267) | (228,042) |
| Average Tangible Assets | \$ 8,137,765 | \$ 7,858,089 | \$ 7,682,131 | \$ 6,828,831 | \$ 6,770,154 | \$ 7,628,733 | \$ 6,603,238 |
| Return on Average Assets (ROA) | 1.39 % | 1.11 % | 1.27 % | 0.04 % | 1.54 % | 0.99 % | 1.45 % |
| Impact of removing average intangible assets and related amortization | 0.10 | 0.09 | 0.10 | 0.07 | 0.12 | 0.09 | 0.11 |
| Return on Average Tangible Assets (ROTA) | 1.49 | 1.20 | 1.37 | 0.11 | 1.66 | 1.08 | 1.56 |
| Impact of other adjustments for Adjusted Net Income | 0.01 | 0.18 | (0.04) | 0.21 | (0.09) | 0.09 | 0.02 |
| Adjusted Return on Average Tangible Assets | 1.50 | 1.38 | 1.33 | 0.32 | 1.57 | 1.17 | 1.58 |

GAAP TO NON-GAAP RECONCILIATION

(Unaudited)

SEACOAST BANKING CORPORATION OF FLORIDA AND SUBSIDIARIES

| (Amounts in thousands, except per share data) | Quarterly Trends | | | | | Twelve Months Ended | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 |
| Average Shareholders' Equity | \$ 1,111,073 | \$ 1,061,807 | \$ 1,013,095 | \$ 993,993 | \$ 976,200 | \$ 1,045,219 | \$ 928,793 |
| Less average goodwill and intangible assets | (238,631) | (228,801) | (230,871) | (226,712) | (226,060) | (231,267) | (228,042) |
| Average Tangible Equity | \$ 872,442 | \$ 833,006 | \$ 782,224 | \$ 767,281 | \$ 750,140 | \$ 813,952 | \$ 700,751 |
| Return on Average Shareholders' Equity | 10.51 % | 8.48 % | 9.96 % | 0.29 % | 11.04 % | 7.44 % | 10.63 % |
| Impact of removing average intangible assets and related amortization | 3.36 | 2.87 | 3.51 | 0.66 | 3.91 | 2.66 | 4.09 |
| Return on Average Tangible Common Equity (ROTCE) | 13.87 | 11.35 | 13.47 | 0.95 | 14.95 | 10.10 | 14.72 |
| Impact of other adjustments for Adjusted Net Income | 0.13 | 1.71 | (0.38) | 1.91 | (0.76) | 0.83 | 0.21 |
| Adjusted Return on Average Tangible Common Equity | 14.00 | 13.06 | 13.09 | 2.86 | 14.19 | 10.93 | 14.93 |
| Loan interest income ¹ | \$ 65,684 | \$ 60,573 | \$ 64,929 | \$ 63,524 | \$ 62,922 | \$ 254,710 | \$ 250,730 |
| Accretion on acquired loans | (4,448) | (3,254) | (2,988) | (4,287) | (3,407) | (14,977) | (15,370) |
| Interest and fees on PPP loans | (5,187) | (1,719) | (5,068) | — | — | (11,974) | — |
| Loan interest income excluding PPP and accretion on acquired loans | \$ 56,049 | \$ 55,600 | \$ 56,873 | \$ 59,237 | \$ 59,515 | \$ 227,759 | \$ 235,360 |
| Yield on loans ¹ | 4.42 | 4.11 | 4.56 | 4.90 | 4.89 | 4.49 | 5.08 |
| Impact of accretion on acquired loans | (0.30) | (0.22) | (0.21) | (0.33) | (0.26) | (0.27) | (0.31) |
| Impact of PPP loans | 0.11 | 0.33 | (0.04) | — | — | 0.11 | — |
| Yield on loans excluding PPP and accretion on acquired loans | 4.23 % | 4.22 % | 4.31 % | 4.57 % | 4.63 % | 4.33 % | 4.77 % |
| Net Interest Income ¹ | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 |
| Accretion on acquired loans | (4,448) | (3,254) | (2,988) | (4,287) | (3,407) | (14,977) | (15,370) |
| Interest and fees on PPP loans | (5,187) | (1,719) | (5,068) | — | — | (11,974) | — |
| Net interest income excluding PPP and accretion on acquired loans | \$ 59,268 | \$ 58,648 | \$ 59,332 | \$ 59,004 | \$ 58,439 | \$ 236,252 | \$ 228,583 |
| Net Interest Margin | 3.59 | 3.40 | 3.70 | 3.93 | 3.84 | 3.65 | 3.92 |
| Impact of accretion on acquired loans | (0.23) | (0.17) | (0.16) | (0.27) | (0.21) | (0.21) | (0.25) |
| Impact of PPP loans | 0.01 | 0.19 | (0.08) | — | — | 0.03 | — |
| Net interest margin excluding PPP and accretion on acquired loans | 3.37 % | 3.42 % | 3.46 % | 3.66 % | 3.63 % | 3.47 % | 3.67 % |
| Security interest income ¹ | \$ 6,586 | \$ 7,129 | \$ 7,725 | \$ 8,848 | \$ 8,662 | \$ 30,288 | \$ 36,049 |
| Tax equivalent adjustment on securities | (23) | (32) | (31) | (30) | (32) | (116) | (140) |
| Security interest income excluding tax equivalent adjustment | \$ 6,563 | \$ 7,097 | \$ 7,694 | \$ 8,818 | \$ 8,630 | \$ 30,172 | \$ 35,909 |
| Loan interest income ¹ | \$ 65,684 | \$ 60,573 | \$ 64,929 | \$ 63,524 | \$ 62,922 | \$ 254,710 | \$ 250,730 |
| Tax equivalent adjustment on loans | (89) | (86) | (85) | (84) | (54) | (344) | (195) |
| Loan interest income excluding tax equivalent adjustment | \$ 65,595 | \$ 60,487 | \$ 64,844 | \$ 63,440 | \$ 62,868 | \$ 254,366 | \$ 250,535 |
| Net Interest Income ¹ | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 |
| Tax equivalent adjustment on securities | (23) | (32) | (31) | (30) | (32) | (116) | (140) |
| Tax equivalent adjustment on loans | (89) | (86) | (85) | (84) | (54) | (344) | (195) |
| Net interest income excluding tax equivalent adjustment | \$ 68,791 | \$ 63,503 | \$ 67,272 | \$ 63,177 | \$ 61,760 | \$ 262,743 | \$ 243,618 |

¹On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost.

Earnings Presentation

FOURTH QUARTER 2020 RESULTS



Contact: (email) Tracey.Dexter@SeacoastBank.com

(phone) 772.403.0461

(web) www.SeacoastBanking.com

Cautionary Notice Regarding Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning, and protections, of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements about future financial and operating results, cost savings, enhanced revenues, economic and seasonal conditions in our markets, and improvements to reported earnings that may be realized from cost controls, tax law changes, new initiatives and for integration of banks that we have acquired, or expect to acquire, as well as statements with respect to Seacoast's objectives, strategic plans, expectations and intentions and other statements that are not historical facts, any of which may be impacted by the COVID-19 pandemic and related effects on the U.S. economy. Actual results may differ from those set forth in the forward-looking statements.

Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates and intentions about future performance, and involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance or achievements of Seacoast to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements.

All statements other than statements of historical fact could be forward-looking statements. You can identify these forward-looking statements through our use of words such as “may”, “will”, “anticipate”, “assume”, “should”, “support”, “indicate”, “would”, “believe”, “contemplate”, “expect”, “estimate”, “continue”, “further”, “plan”, “point to”, “project”, “could”, “intend”, “target” or other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation: the effects of future economic and market conditions, including seasonality and the adverse impact of COVID-19 (economic and otherwise); governmental monetary and fiscal policies, including interest rate policies of the Board of Governors of the Federal Reserve, as well as legislative, tax and regulatory changes; changes in accounting policies, rules and practices, including the impact of the adoption of CECL; our participation in the Paycheck Protection Program (“PPP”); the risks of changes in interest rates on the level and composition of deposits, loan demand, liquidity and the values of loan collateral, securities, and interest sensitive assets and liabilities; interest rate risks, sensitivities and the shape of the yield curve; uncertainty related to the impact of LIBOR calculations on securities and loans; changes in borrower credit risks and payment behaviors; changing retail distribution strategies, customer preferences and behavior; changes in the availability and cost of credit and capital in the financial markets; changes in the prices, values and sales volumes of residential and commercial real estate; our ability to comply with any regulatory requirements; the effects of problems encountered by other financial institutions

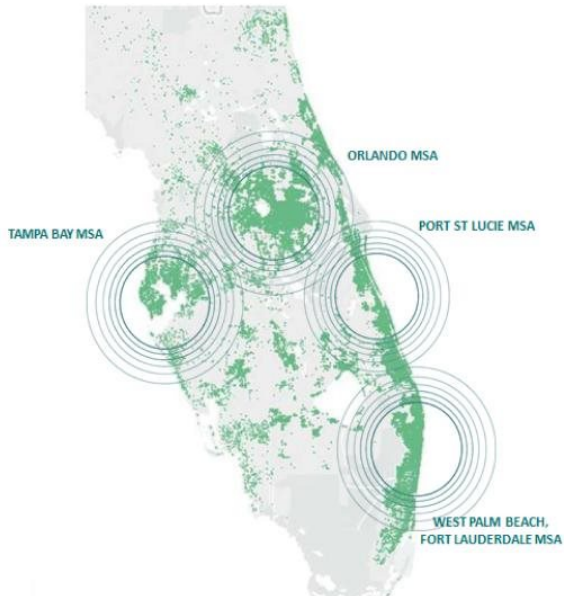
that adversely affect us or the banking industry; our concentration in commercial real estate loans; inaccuracies or other failures from the use of models, including the failure of assumptions and estimates, as well as differences in, and changes to, economic, market and credit conditions; the impact on the valuation of our investments due to market volatility or counterparty payment risk; statutory and regulatory dividend restrictions; increases in regulatory capital requirements for banking organizations generally; the risks of mergers, acquisitions and divestitures, including our ability to continue to identify acquisition targets and successfully acquire desirable financial institutions; changes in technology or products that may be more difficult, costly, or less effective than anticipated; our ability to identify and address increased cybersecurity risks; inability of our risk management framework to manage risks associated with our business; dependence on key suppliers or vendors to obtain equipment or services for our business on acceptable terms; reduction in or the termination of our ability to use the mobile-based platform that is critical to our business growth strategy; the effects of war or other conflicts, acts of terrorism, natural disasters, health emergencies, epidemics or pandemics, or other catastrophic events that may affect general economic conditions; unexpected outcomes of and the costs associated with, existing or new litigation involving us; our ability to maintain adequate internal controls over financial reporting; potential claims, damages, penalties, fines and reputational damage resulting from pending or future litigation, regulatory proceedings and enforcement actions; the risks that our deferred tax assets could be reduced if estimates of future taxable income from our operations and tax planning strategies are less than currently estimated and sales of our capital stock could trigger a reduction in the amount of net operating loss carryforwards that we may be able to utilize for income tax purposes; the effects of competition from other commercial banks, thrifts, mortgage banking firms, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and other mutual funds and other financial institutions operating in our market areas and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone, computer and the Internet; and the failure of assumptions underlying the establishment of reserves for possible loan losses.

All written or oral forward-looking statements attributable to us are expressly qualified in their entirety by this cautionary notice, including, without limitation, those risks and uncertainties described in our annual report on Form 10-K for the year ended December 31, 2019 and quarterly reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020, and September 30, 2020 under “Special Cautionary Notice Regarding Forward-Looking Statements” and “Risk Factors”, and otherwise in our SEC reports and filings. Such reports are available upon request from the Company, or from the Securities and Exchange Commission, including through the SEC’s Internet website at www.sec.gov.

Valuable Florida Franchise, Well Positioned with Strong Capital, Liquidity and Disciplined Credit Culture



Seacoast Customer Map




- \$8.3 billion in assets as of December 31, 2020, operating in the nation's third-most populous state
- Strong and growing presence in four of Florida's most attractive MSAs
 - #1 Florida-based bank in Orlando
 - #1 share in Port St Lucie MSA
 - #2 Florida-based bank in West Palm Beach/Fort Lauderdale
 - #2 Florida-based community bank in Tampa, and #1 in St. Petersburg
- Market Cap: \$1.6 billion as of December 31, 2020
- Highly disciplined credit portfolio
- Prudent liquidity position
- Strong capital position
- Steady increase in shareholder value with tangible book value per share increasing 15% quarter-over-quarter on an annualized basis
- Active board with a diverse range of experience and expertise

Valuable Florida Franchise with Disciplined Growth Strategy, Benefiting from Fortress Balance Sheet with Robust Capital Generation, Prudent Liquidity Position, and Strict Credit Underwriting



- Companies and individuals seeking real estate affordability, lower taxes, warmer weather, and easy flights back to the Northeast are migrating to Florida.
- Florida's population forecast was revised in November 2020 to reflect a larger 2020 base and stronger net-migration projections. *Source: Office of Economic & Demographic Research*
 - Florida's population will surpass 23 million by late 2024 or 2025 (21.6 million at Year End 2020).
 - This increase is equivalent to adding a city larger than Orlando every year.
- Financial institutions and other major corporations have announced plans to relocate some or all of their operations to Florida in the near future:

 **\$41B-asset Elliott Management to move HQ to West Palm Beach**

Goldman Sachs plans move to South Florida

Investment bank has looked at spaces in Palm Beach County, Fort Lauderdale for asset management arm

 **Starwood Tops Off Miami Beach HQ as Financial Firms Migrate to South Florida**
Starwood Capital Group, already home to headquarters of Sun Life, and Blackstone and Black Management plan to add South Florida offices.



Private equity giant Blackstone set to open tech office in Miami

 **Are Texas and Florida the new California and New York?**

 **Billionaire investor Carl Icahn to leave New York for Florida**

MOELIS & COMPANY

"We're a talent business, I want to attract, I want to motivate, and I want to retain the greatest talent in the world. And if that talent wants to do it in Florida, that's where we'll support them."
Ken Moelis, chairman and CEO of Moelis & Co.

Seacoast's Integrated Delivery Model Supports Our Growth Strategy



Strong momentum in usage of digital tools and other non-branch delivery channels, and tools to equip our teams to outperform

| | |
|-----|---|
| 58% | % of consumer deposits completed outside of the branch. Up 9% over prior year |
| 43% | % of business deposits completed outside of the branch. Up 13% over prior year |
| 11% | % increase in consumer online users |
| 23% | % increase in business online users |



| | |
|----------|--|
| 21% | % Residential sales originated from alternative delivery channels |
| \$600MM+ | PPP originations and forgiveness supported by fully digital platform |
| 138k+ | Number of outreach calls triggered by Seacoast's proprietary Connections platform |
| 11k+ | Number of branch appointments set via digital appointment tool on Seacoast's website |

Fourth Quarter Highlights

- Earnings per share of \$0.53 compared to \$0.42. Adjusted earnings per share¹ increased to \$0.55 from \$0.50.
- On a GAAP basis, ended the quarter at 1.49% Return on Tangible Assets (ROTA) and 13.87% Return on Tangible Common Equity (ROTCE). On an adjusted basis, fourth quarter results were 1.50% adjusted ROTA¹ and 14.00% adjusted ROTCE¹.
- Steadily building shareholder value through consistent growth in tangible book value per share, ending the period at \$16.16, an increase of 15% on an annualized basis.
- The efficiency ratio improved to 48.2% compared to 61.6%. The adjusted efficiency ratio¹ improved to 48.8% compared to 54.8%.
- Cost of deposits decreased by five basis points.
- Commercial originations during the fourth quarter of 2020 were \$277.4 million, compared to \$88.2 million in the third quarter of 2020. Seacoast continues to maintain conservative underwriting guidelines in the current economic environment, while extending credit to well-qualified customers that can demonstrate the ability to navigate significant economic stress.
- Continued strong wealth management results with 33% AUM growth year-over-year.
- Loans with repayment accommodations down 89% from prior quarter to \$74.1 million, or 1% of total loans excluding PPP, in line with expectations.

All comparisons are to third quarter 2020 unless otherwise stated.

Net Interest Income and Margin



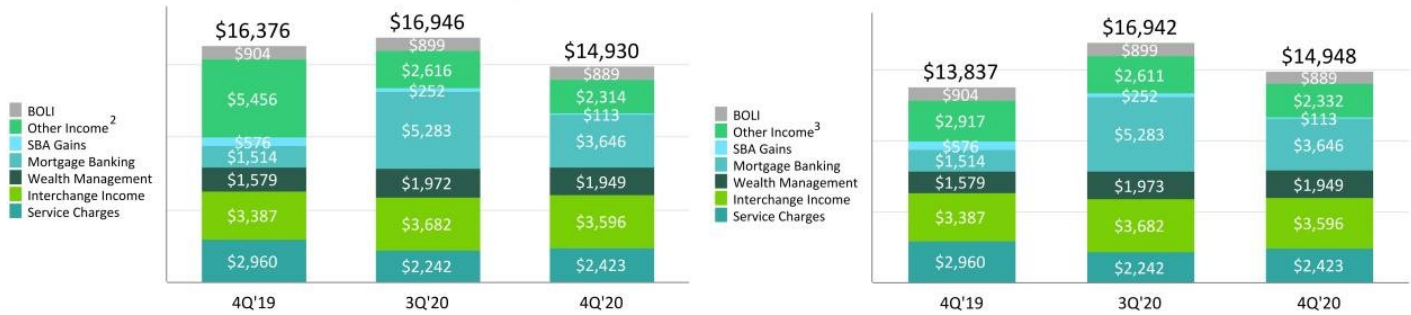
- Excluding both accretion on acquired loans and the effect of PPP loans, net interest margin¹ in the fourth quarter was 3.37% compared to 3.42% in the prior quarter.
- Net interest income¹ totaled \$68.9 million, an increase of \$5.3 million, or 8%, from the prior quarter and an increase of \$7.1 million, or 11%, from the fourth quarter of 2019. Interest income increased by \$4.5 million compared to the prior quarter, including a \$3.5 million increase from PPP loans.
- The effect on net interest margin of accretion of purchase discounts on acquired loans was \$4.4 million in the fourth quarter compared to \$3.3 million in the prior quarter.

Continued Strength in Noninterest Income



Noninterest Income (\$ in thousands)

Adjusted Noninterest Income¹ (\$ in thousands)



Noninterest income decreased \$2.0 million sequentially to \$14.9 million, and adjusted noninterest income¹ also decreased \$2.0 million to \$14.9 million sequentially. Changes include:

- Mortgage banking fees were \$3.6 million for the quarter, compared to a record \$5.3 million in the prior quarter. Low interest rates continue to fuel refinance demand, though at lower levels, while the Florida housing market remains strong and continues to benefit from an influx of new residents and businesses.
- Wealth management income was \$1.9 million, compared to a record \$2.0 million in the third quarter. A determined and consistent focus on building relationships continues to generate growth in assets under management, with a 33% increase from prior year to \$870 million at December 31, 2020.
- Interchange revenue was \$3.6 million, compared to a record \$3.7 million in the third quarter. In 2020, Seacoast customers used their debit cards at an accelerated pace, driving record interchange results for the year that exceeded pre-pandemic levels.
- Service charges on deposits increased \$0.2 million compared to the third quarter of 2020. Service charges remain lower than pre-pandemic levels, the result of higher average deposit balances for both business and consumer customers.



FOURTH QUARTER 2020 EARNINGS PRESENTATION

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.

²Other Income includes marine finance fees, swap related income and other fees related to customer activity as well as securities losses of \$2.5 million in 4Q'19.

³Other Income on an adjusted basis includes marine finance fees, swap related income and other fees related to customer activity.

Continued Focus on Disciplined Expense Control

Noninterest Expense (\$ in thousands)



Adjusted Noninterest Expense¹ (\$ in thousands)

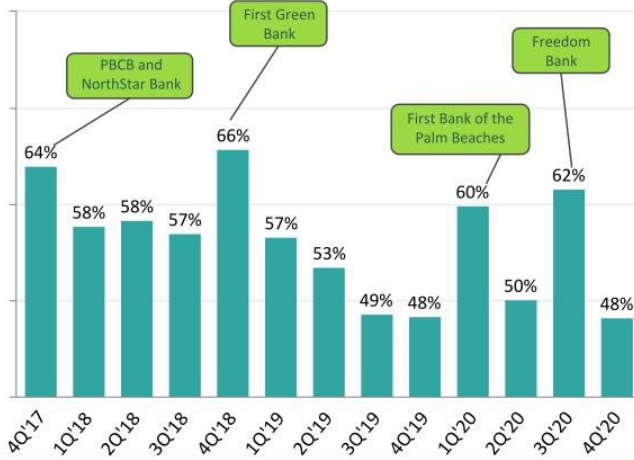


Noninterest expense decreased \$8.0 million and adjusted noninterest expense¹ decreased \$3.5 million sequentially. Results for the third quarter included \$4.3 million in merger-related expenses and \$0.5 million in branch consolidation costs, both of which are excluded on an adjusted basis. Changes quarter-over-quarter on an adjusted basis include:

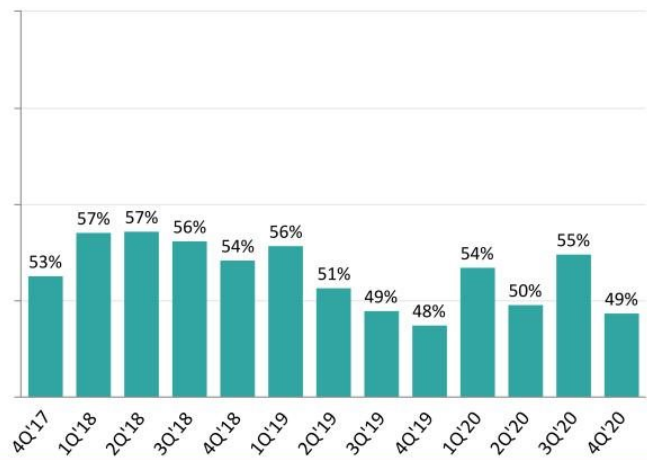
- Salaries and benefits decreased by \$1.5 million, or 6%, primarily reflecting the impact of higher expense deferrals associated with accelerated commercial loan originations in the fourth quarter.
- Legal and professional fees decreased due to a one-time recovery of certain legal expenses.
- Other expenses decreased by \$1.1 million, including lower marketing expenses, lower mortgage production-related expenses, and a \$0.8 million release of reserves for unfunded commitments, reflecting the impact of an improved economic forecast in relevant segments. These decreases were partially offset by a \$1.3 million increase in foreclosed property expense, largely the result of write-downs on two properties upon receipt of updated valuations.

Efficiency Ratio Trend

GAAP - Efficiency



Adjusted - Efficiency¹



- The efficiency ratio was 48.2% compared to 61.6% in the prior quarter and 48.4% in the fourth quarter of 2019.
- The adjusted efficiency ratio¹ was 48.8% compared to 54.8% in the prior quarter and 47.5% in the fourth quarter of 2019.
- The efficiency ratios in the fourth quarter reflect the benefit of higher PPP fee accretion, higher deferrals of salary expenses related to strong commercial loan production, and a continuing focus on disciplined expense control.

¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.

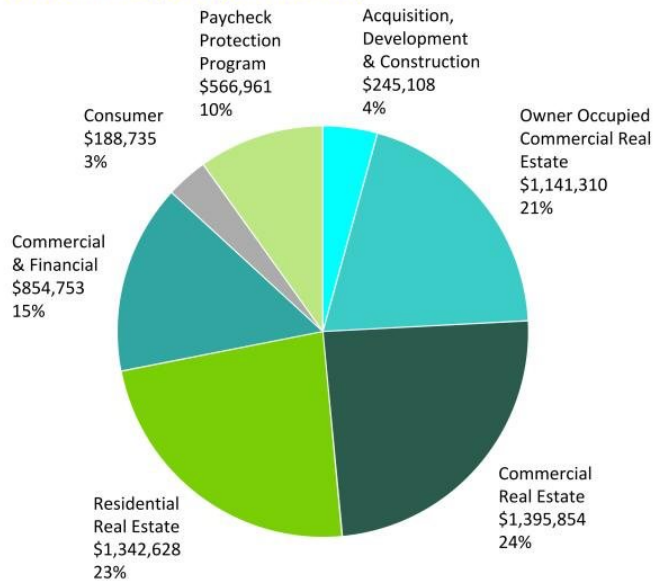
Disciplined Approach to Lending in an Uncertain Environment

- Loans outstanding totaled \$5.7 billion, an increase of \$537 million, or 10%, year-over-year.
- Loan originations increased 60% to \$541 million in the fourth quarter compared to \$338 million in the prior quarter. Seacoast continues to maintain conservative underwriting guidelines in the current economic environment while extending credit to well-qualified customers that can demonstrate the ability to navigate significant economic stress.
- Excluding PPP loans, loans outstanding decreased by \$51 million quarter-over-quarter.
- \$72 million in PPP loan forgiveness was processed during the fourth quarter.
- Exiting the fourth quarter of 2020, pipelines were \$167 million in commercial, \$18 million in consumer, and \$117 million in residential mortgages, compared to \$256 million, \$17 million, and \$183 million, respectively, in the prior quarter.
- The yield on loans, excluding PPP and accretion on acquired loans, increased from 4.22% in the third quarter of 2020 to 4.23% in the fourth quarter.



Seacoast's Lending Strategy Has Produced and Sustains a Diverse Loan Portfolio

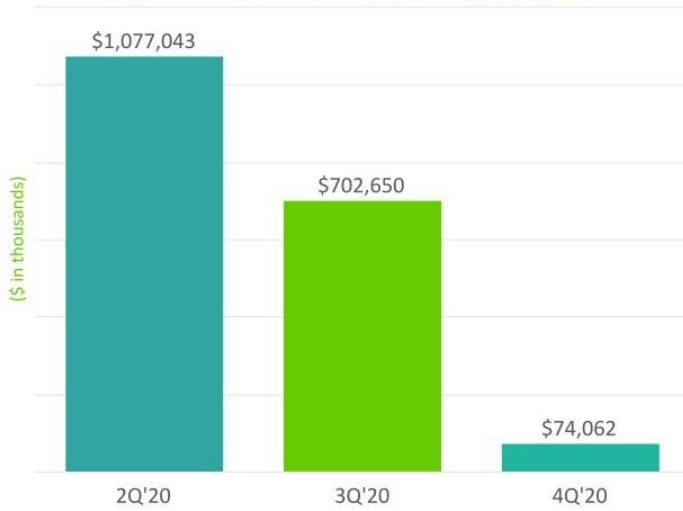
At December 31, 2020 (\$ in thousands)



- Construction and land development and commercial real estate loans, as defined in regulatory guidance, represent 24% and 15%, respectively, of total consolidated risk based capital.
- Portfolio diversification in terms of asset mix, industry, and loan type, has been a critical element of the Company's lending strategy. Exposure across industries and collateral types is broadly distributed.
- The Company does not have any purchased loan syndications, shared national credits, or mezzanine finance.
- Since the outbreak of COVID-19, the Company has not experienced any material increase in consumer or commercial line utilization.
- Excluding PPP loans, Seacoast's average commercial loan size is \$399 thousand.

Loan Accommodations

Loan Accommodations Outstanding at Period End



- Accommodations generally include deferral of full or partial payments for a specified period
- Accrual status and risk ratings are evaluated on a case-by-case basis
- Of loans with deferrals that expired in 2020:
 - 94% are in current status or have paid off the balance entirely.
 - 5% were provided additional accommodations.
 - Less than 1% are 30+ days past due.
- Accommodations outstanding at December 31, 2020 consist of:
 - \$46.8 million in Owner-Occupied Commercial Real Estate and Commercial Real Estate
 - \$14.3 million in Residential Real Estate and Consumer
 - \$11.9 million in Commercial & Financial
 - \$1.0 million in Acquisition, Development & Construction

OOCRE, CRE and AD&C Loans are Widely Distributed Across Asset Value Type and Industry



At December 31, 2020 (\$ in thousands)

| <i>(\$ in thousands)</i> | OOCRE, CRE & AD&C | % of Total Loans | With Payment Accommodations |
|---|----------------------|---------------------|--------------------------------|
| Office Building | \$ 761,118 | 13% | \$ 6,416 |
| Retail | 454,863 | 8% | 4,505 |
| Industrial & Warehouse | 385,875 | 7% | 661 |
| Other Commercial Property | 261,875 | 5% | 2,688 |
| Healthcare | 219,736 | 4% | 777 |
| Apartment Building / Condominium | 171,141 | 3% | 555 |
| Hotel / Motel | 130,743 | 2% | 25,169 |
| Vacant Lot | 75,480 | 1% | 66 |
| Convenience Store | 56,474 | 1% | 734 |
| Restaurant | 49,636 | 1% | 5,691 |
| 1-4 Family Residence - Individual Borrowers | 48,472 | 1% | 301 |
| Church | 29,155 | 1% | 266 |
| School / Education | 28,133 | —% | — |
| 1-4 Family Residence - Spec Home | 23,846 | —% | — |
| Agriculture | 19,832 | —% | — |
| Manufacturing Building | 18,106 | —% | — |
| 1-4 Family Residence - Builder Lines | 16,280 | —% | — |
| Recreational Property | 14,976 | —% | — |
| Other Properties | 16,531 | —% | — |
| Total | \$ 2,782,272 | 49% | \$ 47,829 |



FOURTH QUARTER 2020 EARNINGS PRESENTATION

The Commercial & Financial Portfolio Exhibits Significant Industry Diversification



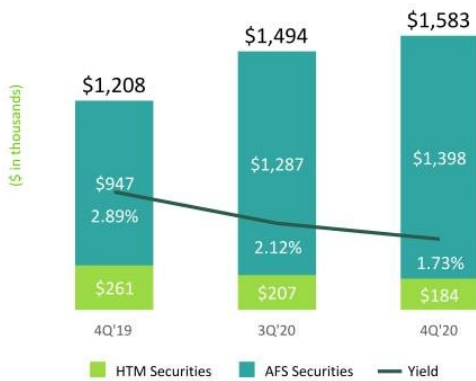
At December 31, 2020 (\$ in thousands)

| (\$ in thousands) | Commercial & Financial | % of Total Loans | With Payment Accommodations |
|--|---------------------------|------------------|--------------------------------|
| Management Companies ¹ | \$ 202,442 | 4% | \$ — |
| Professional, Scientific, Technical & Other Services | 101,661 | 2% | 991 |
| Real Estate Rental & Leasing | 79,759 | 1% | 241 |
| Healthcare & Social Assistance | 74,158 | 1% | 403 |
| Finance & Insurance | 72,771 | 1% | — |
| Construction | 67,098 | 1% | 972 |
| Manufacturing | 52,700 | 1% | 1,777 |
| Transportation & Warehousing | 46,803 | 1% | 5,786 |
| Wholesale Trade | 36,969 | 1% | — |
| Retail Trade | 24,896 | —% | 951 |
| Education | 22,204 | —% | — |
| Accommodation & Food Services | 16,830 | —% | 351 |
| Administrative Support | 13,675 | —% | 89 |
| Public Administration | 12,056 | —% | — |
| Agriculture | 11,151 | —% | 8 |
| Other Industries | 19,580 | —% | 346 |
| Total | <u>\$ 854,753</u> | <u>14%</u> | <u>\$ 11,915</u> |

Investment Securities Performance and Composition

Portfolio yield declined 39 basis points to 1.73% from 2.12% in the prior quarter. The decline is attributed to faster prepayments, rate resets and lower yielding portfolio additions in the fourth quarter. The net unrealized gain increased from \$33.6 million to \$34.3 million, primarily due to Collateralized Loan Obligation (CLO) appreciation from September levels.

Investment Securities Yield



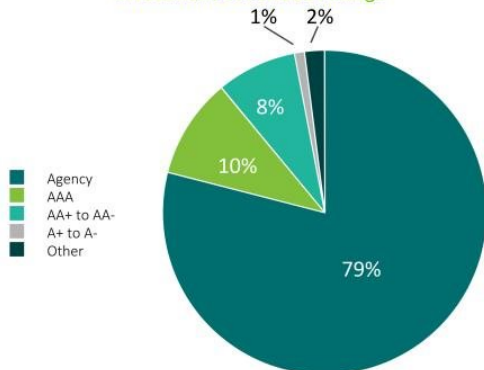
Unrealized Gain (Loss) in Securities as of December 31, 2020

| (in thousands) | Amortized Cost | Unrealized Gains | Unrealized Loss | Fair Value |
|---------------------------------|---------------------|------------------|-------------------|---------------------|
| Available for Sale | | | | |
| Government backed | \$ 8,250 | \$ 528 | \$ (1) | \$ 8,777 |
| Agency mortgage backed | 1,038,437 | 23,457 | (1,240) | 1,060,654 |
| Private label MBS and CMOs | 89,284 | 2,131 | (210) | 91,205 |
| Municipal | 33,005 | 2,321 | — | 35,326 |
| CLO | 202,563 | 279 | (647) | 202,195 |
| Total Available for Sale | \$ 1,371,539 | \$ 28,716 | \$ (2,098) | \$ 1,398,157 |
| Held to Maturity | | | | |
| Agency mortgage backed | \$ 184,484 | \$ 7,818 | \$ (123) | \$ 192,179 |
| Total Held to Maturity | \$ 184,484 | \$ 7,818 | \$ (123) | \$ 192,179 |
| Total Securities | \$ 1,556,023 | \$ 36,534 | \$ (2,221) | \$ 1,590,336 |

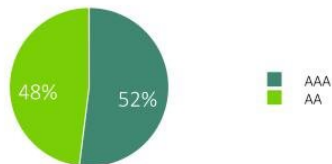
Investment Securities Performance and Composition

Our portfolio remains primarily backed by US government agencies. Non-guaranteed mortgage bonds are absent any hotel, shopping, or industrial exposure and is 100% comprised of housing collateral. The CLO portfolio only includes AAA and AA bonds with weighted average credit support of 30% and only broadly syndicated loans.

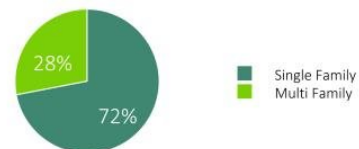
Investment Securities Ratings



CLO Portfolio



Non-Agency Mortgage Portfolio



| CLO Rating | % of Portfolio ¹ | Credit Support ² | Loan Level Market OC ³ |
|------------|-----------------------------|-----------------------------|-----------------------------------|
| AAA | 7% | 35% | 152% |
| AA | 6% | 25% | 135% |
| Portfolio | 13% | 30% | 144% |

¹Percentages based on face value

²Source Data (Bloomberg)

³Loan Level Market Over-Collateralization calculated using market value of portfolio loans plus cash divided by liabilities

(\$ in thousands)

| Type | Portfolio ¹ | Support ² | Gain |
|---------------|------------------------|----------------------|----------|
| Single Family | 4% | 29% | \$ 602 |
| Multi Family | 2% | 11% | 1,319 |
| Portfolio | 6% | 22% | \$ 1,921 |

¹Percentages based on face value

²Source Data (Bloomberg)

Strong Deposit Franchise Supported by Attractive Markets



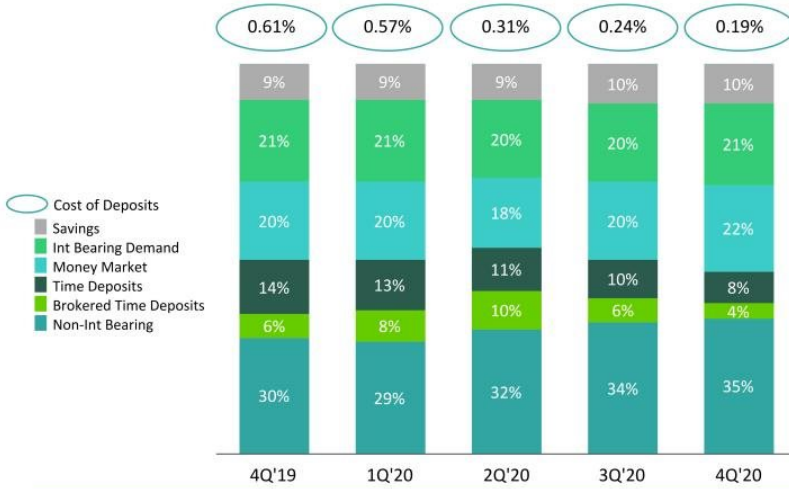
Deposits Outstanding (\$ in millions)

- Total deposits increased \$18 million quarter-over-quarter and increased \$1.3 billion, or 24%, compared to the fourth quarter of 2019. Fourth quarter balances include a decrease of \$92 million in brokered deposits.
- Overall cost of deposits decreased to 19 basis points from 24 basis points in the prior quarter.
- Transaction accounts increased 39% year-over-year, reflecting continued strong growth in core customer balances, and represent 56% of overall deposit funding.

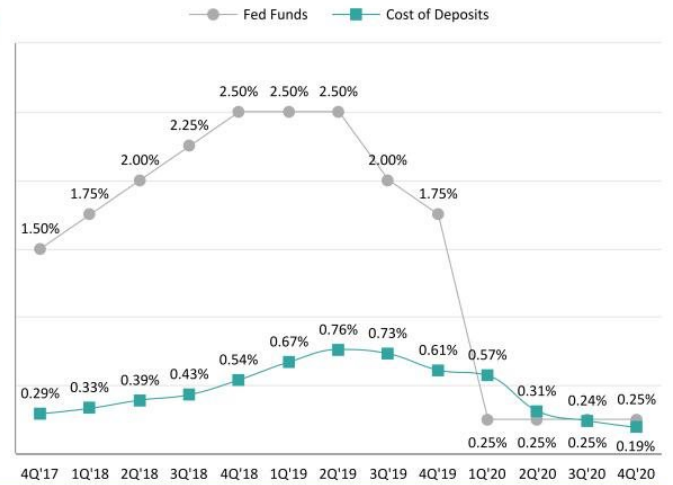


Cost of Deposits

Deposit Mix and Cost of Deposits



Trended Cost of Deposits



Cost of deposits declined five basis points quarter over quarter, reflecting the significant value of the deposit franchise. We believe that Seacoast's continued focus on organic growth and relationship-based funding, in combination with its innovative analytics platform, supports a well-diversified low-cost deposit portfolio.

Allowance for Credit Losses and Purchase Discount



| (\$ in thousands) | Loan Outstandings | Allowance for Credit Losses | % of Category | Purchase Discount | % of Category |
|---|----------------------|--------------------------------|---------------|-------------------|---------------|
| Acquisition, Development & Construction | \$ 245,108 | \$ 4,920 | 2.01 % | \$ 631 | 0.26 % |
| Owner Occupied Commercial Real Estate | 1,141,310 | 9,868 | 0.86 | 6,234 | 0.55 |
| Commercial Real Estate | 1,395,854 | 38,266 | 2.74 | 15,807 | 1.13 |
| Residential Real Estate | 1,342,628 | 17,500 | 1.30 | 2,646 | 0.20 |
| Commercial & Financial | 854,753 | 18,690 | 2.19 | 4,104 | 0.48 |
| Consumer | 188,735 | 3,489 | 1.85 | 128 | 0.07 |
| Total Excluding PPP | \$ 5,168,388 | \$ 92,733 | 1.79 % | \$ 29,550 | 0.57 % |
| Paycheck Protection Program | \$ 566,961 | \$ — | — % | \$ 620 | 0.11 % |
| Total | \$ 5,735,349 | \$ 92,733 | 1.62 % | \$ 30,170 | 0.53 % |

The allowance for credit losses of \$92.7 million as of December 31, 2020 reflects management's estimate of lifetime expected credit losses. The remaining unrecognized discount on acquired loans of \$30.2 million will be earned as an adjustment to yield over the life of the loans. Additionally, a reserve for potential credit losses on lending-related commitments of \$2.2 million is reflected within Other Liabilities.

Asset Quality Trends

(\$ in thousands)

Net Charge-Offs



Nonperforming Loans



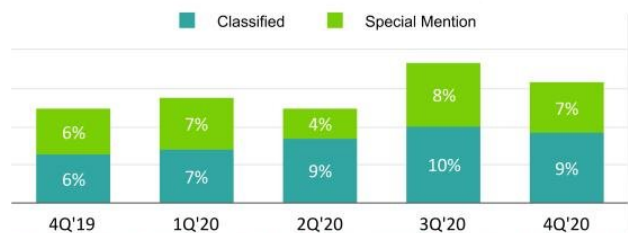
3Q'20 increase includes additions of \$3.0 million from the Freedom Bank acquisition and a net increase of \$4.0 million in portfolio loans, including one for \$3.3 million that paid off in October 2020.

Allowance for Credit Losses



Adoption of CECL on January 1, 2020 resulted in an increase of \$21.2 million in ACL, from 0.68% to 1.08%.

Criticized Loans as a % of Risk-Based Capital



3Q'20 increase in "Special Mention" reflects a conservative approach to grading in the pandemic, resulting in the addition of \$54 million, the majority of which is hotels.

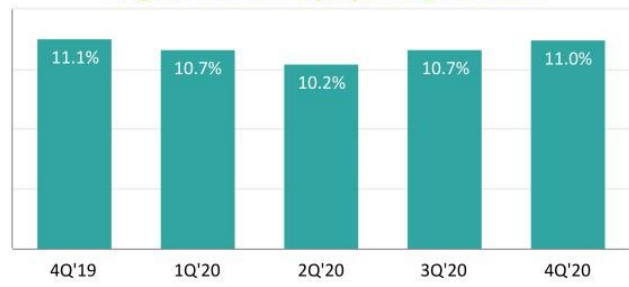
Strong Capital Supporting a Fortress Balance Sheet



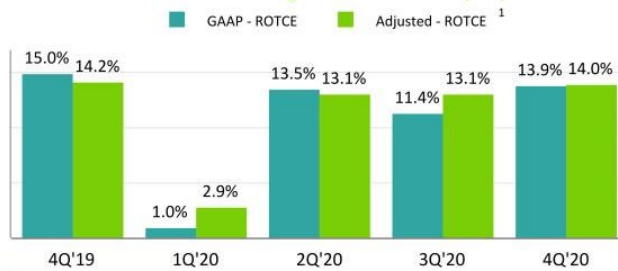
Tangible Book Value and Book Value Per Share



Tangible Common Equity / Tangible Assets



Return on Tangible Common Equity



Total Risk Based and Tier 1 Capital



¹Non-GAAP measure, see "Explanation of Certain Unaudited Non-GAAP Financial Measures" for more information and a reconciliation to GAAP.
²FDICIA defines well capitalized as 10.0% for total risk based capital and 8.0% for Tier 1 ratio at a total Bank level.

Steady Increase in Shareholder Value



- Compounded annual growth rate of 12% in tangible book value per share since 2017.
- The decline in tangible book value per share during the first quarter of 2020 was primarily attributed to the Day-1 impact of the adoption of CECL.

Tracey L. Dexter

Executive Vice President
Chief Financial Officer
(772) 403-0461

INVESTOR RELATIONS

NASDAQ: SBCF



Appendix

Loan Production and Pipeline Trend

| (Amounts in thousands) | Quarterly Trend | | | | | | Twelve Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|--|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 | |
| Commercial pipeline at period end | \$ 166,735 | \$ 256,191 | \$ 117,042 | \$ 171,125 | \$ 277,788 | 166,735 | 277,788 | |
| Commercial loan originations ¹ | 277,389 | 88,245 | 106,857 | 183,330 | 304,343 | 655,821 | 1,053,809 | |
| Residential pipeline-saleable at period end | 92,017 | 149,896 | 94,666 | 75,226 | 18,995 | 92,017 | 18,995 | |
| Residential loans-sold | 161,628 | 162,468 | 122,459 | 62,865 | 61,821 | 509,420 | 236,528 | |
| Residential pipeline-portfolio at period end | 25,083 | 33,374 | 13,199 | 11,779 | 19,107 | 25,083 | 19,107 | |
| Residential loans-retained ² | 54,464 | 25,404 | 23,539 | 25,776 | 163,260 | 129,183 | 287,025 | |
| Consumer pipeline at period end | 18,207 | 17,094 | 30,647 | 29,123 | 23,311 | 18,207 | 23,311 | |
| Consumer originations | 47,529 | 62,293 | 57,956 | 51,516 | 57,659 | 219,294 | 214,548 | |
| PPP originations | — | 8,276 | 590,718 | — | — | 598,994 | — | |
| Total Pipelines at Period End | \$ 302,042 | \$ 456,555 | \$ 255,554 | \$ 287,253 | \$ 339,201 | \$ 302,042 | \$ 339,201 | |
| Total Originations | \$ 541,010 | \$ 346,686 | \$ 901,529 | \$ 323,487 | \$ 587,083 | \$ 2,112,712 | \$ 1,791,910 | |

¹Includes commercial real estate loans purchased of \$52 million in 3Q'19 and \$20 million in 2Q'19

²Includes residential mortgages purchased of \$99 million in 4Q'19, \$6 million in 3Q'19, and \$30 million in 2Q'19.

Explanation of Certain Unaudited Non-GAAP Financial Measures



This presentation contains financial information determined by methods other than Generally Accepted Accounting Principles (“GAAP”). The financial highlights provide reconciliations between GAAP and adjusted financial measures including net income, noninterest income, noninterest expense, tax adjustments and other financial ratios. Management uses these non-GAAP financial measures in its analysis of the Company’s performance and believes these presentations provide useful supplemental information, and a clearer understanding of the Company’s performance. The Company believes the non-GAAP measures enhance investors’ understanding of the Company’s business and performance and if not provided would be requested by the investor community.

These measures are also useful in understanding performance trends and facilitate comparisons with the performance of other financial institutions. The limitations associated with operating measures are the risk that persons might disagree as to the appropriateness of items comprising these measures and that different companies might define or calculate these measures differently. The Company provides reconciliations between GAAP and these non-GAAP measures. These disclosures should not be considered an alternative to GAAP.

GAAP to Non-GAAP Reconciliation



| (Amounts in thousands except per share data) | Quarterly Trend | | | | | | Twelve Months Ended | |
|---|-----------------|-----------|-----------|----------|-----------|-----------|---------------------|--|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 | |
| Net Income | \$ 29,347 | \$ 22,628 | \$ 25,080 | \$ 709 | \$ 27,176 | \$ 77,764 | \$ 98,739 | |
| Total noninterest income | 14,930 | 16,946 | 15,006 | 14,688 | 16,376 | 61,570 | 56,732 | |
| Securities (gains)/losses, net | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (1,217) | |
| BOLI benefits on death (included in other income) | — | — | — | — | — | — | (956) | |
| Total Adjustments to Noninterest Income | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) | |
| Total Adjusted Noninterest Income | 14,948 | 16,942 | 13,776 | 14,669 | 13,837 | 60,335 | 54,559 | |
| Total noninterest expense | 43,681 | 51,674 | 42,399 | 47,798 | 38,057 | 185,552 | 160,739 | |
| Merger related charges | — | (4,281) | (240) | (4,553) | (634) | (9,074) | (969) | |
| Amortization of intangibles | (1,421) | (1,497) | (1,483) | (1,456) | (1,456) | (5,857) | (5,826) | |
| Business continuity expenses | — | — | — | (307) | — | (307) | (95) | |
| Branch reductions and other expense initiatives | (354) | (464) | — | — | — | (818) | (1,846) | |
| Total Adjustments to Noninterest Expense | (1,775) | (6,242) | (1,723) | (6,316) | (2,090) | (16,056) | (8,736) | |
| Total Adjusted Noninterest Expense | 41,906 | 45,432 | 40,676 | 41,482 | 35,967 | 169,496 | 152,003 | |
| Income Taxes | 8,793 | 6,992 | 7,188 | (155) | 8,103 | 22,818 | 29,873 | |
| Tax effect of adjustments | 440 | 1,530 | 121 | 1,544 | (110) | 3,635 | 1,846 | |
| Effect of change in corporate tax rate on deferred tax assets | — | — | — | — | — | — | (1,135) | |
| Total Adjustments to Income Taxes | 440 | 1,530 | 121 | 1,544 | (110) | 3,635 | 711 | |
| Adjusted Income Taxes | 9,233 | 8,522 | 7,309 | 1,389 | 7,993 | 26,453 | 30,584 | |
| Adjusted Net Income | \$ 30,700 | \$ 27,336 | \$ 25,452 | \$ 5,462 | \$ 26,837 | \$ 88,950 | \$ 104,591 | |
| Earnings per diluted share, as reported | \$ 0.53 | \$ 0.42 | \$ 0.47 | \$ 0.01 | \$ 0.52 | \$ 1.44 | \$ 1.90 | |
| Adjusted Earnings per Diluted Share | 0.55 | 0.50 | 0.48 | 0.10 | 0.52 | 1.65 | 2.01 | |
| Average shares outstanding | 55,739 | 54,301 | 53,308 | 52,284 | 52,081 | 53,930 | 52,029 | |

GAAP to Non-GAAP Reconciliation

| (Amounts in thousands except per share data) | Quarterly Trend | | | | Twelve Months Ended | | | |
|---|-----------------|--------------|--------------|--------------|---------------------|--------------|--------------|--|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 | |
| Adjusted Noninterest Expense | \$ 41,906 | \$ 45,432 | \$ 40,676 | \$ 41,482 | \$ 35,967 | \$ 169,496 | \$ 152,003 | |
| Foreclosed property expense and net gain/(loss) on sale | (1,821) | (512) | (245) | 315 | (3) | (2,263) | (51) | |
| Provision for unfunded commitments | 795 | (756) | (178) | (46) | — | (185) | — | |
| Net Adjusted Noninterest Expense | \$ 40,880 | \$ 44,164 | \$ 40,253 | \$ 41,751 | \$ 35,964 | \$ 167,048 | \$ 151,952 | |
| Revenue | \$ 83,721 | \$ 80,449 | \$ 82,278 | \$ 77,865 | \$ 78,136 | \$ 324,313 | \$ 300,350 | |
| Total Adjustments to Revenue | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) | |
| Impact of FTE adjustment | 112 | 118 | 116 | 114 | 86 | 460 | 335 | |
| Adjusted Revenue on a Fully Taxable Equivalent Basis | \$ 83,851 | \$ 80,563 | \$ 81,164 | \$ 77,960 | \$ 75,683 | \$ 323,538 | \$ 298,512 | |
| Adjusted Efficiency Ratio | 48.75 % | 54.82 % | 49.60 % | 53.55 % | 47.52 % | 51.63 % | 50.90 % | |
| Net Interest Income | \$ 68,791 | \$ 63,503 | \$ 67,272 | \$ 63,177 | \$ 61,760 | \$ 262,743 | \$ 243,618 | |
| Impact of FTE adjustment | 112 | 118 | 116 | 114 | 86 | 460 | 335 | |
| Net Interest Income including FTE adjustment | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 | |
| Total noninterest income | 14,930 | 16,946 | 15,006 | 14,688 | 16,376 | 61,570 | 56,732 | |
| Total noninterest expense | 43,681 | 51,674 | 42,399 | 47,798 | 38,057 | 185,552 | 160,739 | |
| Pre-Tax Pre-Provision Earnings | \$ 40,152 | \$ 28,893 | \$ 39,995 | \$ 30,181 | \$ 40,165 | \$ 139,221 | \$ 139,946 | |
| Total Adjustments to Noninterest Income | 18 | (4) | (1,230) | (19) | (2,539) | (1,235) | (2,173) | |
| Total Adjustments to Noninterest Expense | (2,801) | (7,510) | (2,146) | (6,047) | (2,093) | (18,504) | (8,787) | |
| Adjusted Pre-Tax Pre-Provision Earnings | \$ 42,971 | \$ 36,399 | \$ 40,911 | \$ 36,209 | \$ 39,719 | \$ 156,490 | \$ 146,560 | |
| Average Assets | \$ 8,376,396 | \$ 8,086,890 | \$ 7,913,002 | \$ 7,055,543 | \$ 6,996,214 | \$ 7,860,000 | \$ 6,831,280 | |
| Less average goodwill and intangible assets | (238,631) | (228,801) | (230,871) | (226,712) | (226,060) | (231,267) | (228,042) | |
| Average Tangible Assets | \$ 8,137,765 | \$ 7,858,089 | \$ 7,682,131 | \$ 6,828,831 | \$ 6,770,154 | \$ 7,628,733 | \$ 6,603,238 | |
| Return on Average Assets (ROA) | 1.39 % | 1.11 % | 1.27 % | 0.04 % | 1.54 % | 0.99 % | 1.45 % | |
| Impact of removing average intangible assets and related amortization | 0.10 | 0.09 | 0.10 | 0.07 | 0.12 | 0.09 | 0.11 | |

GAAP to Non-GAAP Reconciliation

| (Amounts in thousands except per share data) | Quarterly Trend | | | | | Twelve Months Ended | |
|---|-----------------|--------------|--------------|------------|------------|---------------------|------------|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 |
| Return on Average Tangible Assets (ROTA) | 1.49 | 1.20 | 1.37 | 0.11 | 1.66 | 1.08 | 1.56 |
| Impact of other adjustments for Adjusted Net Income | 0.01 | 0.18 | (0.04) | 0.21 | (0.09) | 0.09 | 0.02 |
| Adjusted Return on Average Tangible Assets | 1.50 | 1.38 | 1.33 | 0.32 | 1.57 | 1.17 | 1.58 |
| Average Shareholders' Equity | \$ 1,111,073 | \$ 1,061,807 | \$ 1,013,095 | \$ 993,993 | \$ 976,200 | \$ 1,045,219 | \$ 928,793 |
| Less average goodwill and intangible assets | (238,631) | (228,801) | (230,871) | (226,712) | (226,060) | (231,267) | (228,042) |
| Average Tangible Equity | \$ 872,442 | \$ 833,006 | \$ 782,224 | \$ 767,281 | \$ 750,140 | \$ 813,952 | \$ 700,751 |
| Return on Average Shareholders' Equity | 10.51 % | 8.48 % | 9.96 % | 0.29 % | 11.04 % | 7.44 % | 10.63 % |
| Impact of removing average intangible assets and related amortization | 3.36 | 2.87 | 3.51 | 0.66 | 3.91 | 2.66 | 4.09 |
| Return on Average Tangible Common Equity (ROTCE) | 13.87 | 11.35 | 13.47 | 0.95 | 14.95 | 10.10 | 14.72 |
| Impact of other adjustments for Adjusted Net Income | 0.13 | 1.71 | (0.38) | 1.91 | (0.76) | 0.83 | 0.21 |
| Adjusted Return on Average Tangible Common Equity | 14.00 | 13.06 | 13.09 | 2.86 | 14.19 | 10.93 | 14.93 |
| Loan Interest Income ¹ | \$ 65,684 | \$ 60,573 | \$ 64,929 | \$ 63,524 | \$ 62,922 | \$ 254,710 | \$ 250,730 |
| Accretion on acquired loans | (4,448) | (3,254) | (2,988) | (4,287) | (3,407) | (14,977) | (15,370) |
| Interest and fees on PPP loans | (5,187) | (1,719) | (5,068) | — | — | (11,974) | — |
| Loan interest income excluding PPP and accretion on acquired loans | \$ 56,049 | \$ 55,600 | \$ 56,873 | \$ 59,237 | \$ 59,515 | \$ 227,759 | \$ 235,360 |
| Yield on Loans ¹ | 4.42 % | 4.11 % | 4.56 % | 4.90 % | 4.89 % | 4.49 % | 5.08 % |
| Impact of accretion on acquired loans | (0.30) | (0.22) | (0.21) | (0.33) | (0.26) | (0.27) | (0.31) |
| Impact of PPP loans | 0.11 | 0.33 | (0.04) | — | — | 0.11 | — |
| Yield on loans excluding PPP and accretion on acquired loans | 4.23 % | 4.22 % | 4.31 % | 4.57 % | 4.63 % | 4.33 % | 4.77 % |

¹On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost.

GAAP to Non-GAAP Reconciliation

| (Amounts in thousands except per share data) | Quarterly Trend | | | | | | Twelve Months Ended | |
|---|-----------------|-----------|-----------|-----------|-----------|------------|---------------------|--|
| | 4Q'20 | 3Q'20 | 2Q'20 | 1Q'20 | 4Q'19 | 4Q'20 | 4Q'19 | |
| Net Interest income ¹ | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 | |
| Accretion on acquired loans | (4,448) | (3,254) | (2,988) | (4,287) | (3,407) | (14,977) | (15,370) | |
| Interest and fees on PPP loans | (5,187) | (1,719) | (5,068) | — | — | (11,974) | — | |
| Net interest income excluding PPP and accretion on acquired loans | \$ 59,268 | \$ 58,648 | \$ 59,332 | \$ 59,004 | \$ 58,439 | \$ 236,252 | \$ 228,583 | |
| Net Interest Margin ¹ | 3.59 % | 3.40 % | 3.70 % | 3.93 % | 3.84 % | 3.65 % | 3.92 % | |
| Impact of accretion on acquired loans | (0.23) | (0.17) | (0.16) | (0.27) | (0.21) | (0.21) | (0.25) | |
| Impact of PPP loans | 0.01 | 0.19 | (0.08) | — | — | 0.03 | — | |
| Net interest margin excluding PPP and accretion on acquired loans | 3.37 % | 3.42 % | 3.46 % | 3.66 % | 3.63 % | 3.47 % | 3.67 % | |
| Security Interest Income ¹ | \$ 6,586 | \$ 7,129 | \$ 7,725 | \$ 8,848 | \$ 8,662 | \$ 30,288 | \$ 36,049 | |
| Tax equivalent adjustment on securities | (23) | (32) | (31) | (30) | (32) | (116) | (140) | |
| Security interest income excluding tax equivalent adjustment | \$ 6,563 | \$ 7,097 | \$ 7,694 | \$ 8,818 | \$ 8,630 | \$ 30,172 | \$ 35,909 | |
| Loan Interest Income ¹ | \$ 65,684 | \$ 60,573 | \$ 64,929 | \$ 63,524 | \$ 62,922 | \$ 254,710 | \$ 250,730 | |
| Tax equivalent adjustment on loans | (89) | (86) | (85) | (84) | (54) | (344) | (195) | |
| Loan interest income excluding tax equivalent adjustment | \$ 65,595 | \$ 60,487 | \$ 64,844 | \$ 63,440 | \$ 62,868 | \$ 254,366 | \$ 250,535 | |
| Net Interest Income ¹ | \$ 68,903 | \$ 63,621 | \$ 67,388 | \$ 63,291 | \$ 61,846 | \$ 263,203 | \$ 243,953 | |
| Tax equivalent adjustment on securities | (23) | (32) | (31) | (30) | (32) | (116) | (140) | |
| Tax equivalent adjustment on loans | (89) | (86) | (85) | (84) | (54) | (344) | (195) | |
| Net interest income excluding tax equivalent adjustment | \$ 68,791 | \$ 63,503 | \$ 67,272 | \$ 63,177 | \$ 61,760 | \$ 262,743 | \$ 243,618 | |

¹On a fully taxable equivalent basis. All yields and rates have been computed using amortized cost.

