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): **April 29, 2026**

Alerus Financial Corporation
(Exact Name of Registrant as Specified in Charter)

Delaware	**001-39036**	**45-0375407**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

401 Demers Avenue
Grand Forks, North Dakota 58201
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (701) 795-3200

N/A

(Former Name or Former Address, if Changed Since Last Report.)

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. below):

☐ 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	**Trading symbol**	**Name of each exchange on which registered**
Common Stock, $1.00 par value per share	ALRS	The Nasdaq Stock Market LLC

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. ☐

Item 2.02. Results of Operations and Financial Condition.

On April 29, 2026, Alerus Financial Corporation (the "Company") issued a press release announcing its financial results for the three months ended March 31, 2026. A copy of the press release is attached as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information in Item 2.02 of this Current Report on Form 8-K, and the related Exhibit 99.1, attached hereto is being "furnished" and will not, except to the extent required by applicable law or regulation, be deemed "filed" by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor will any of such information or exhibits be deemed incorporated by reference to any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Item 7.01. Regulation FD Disclosure.

On April 29, 2026, the Company posted a presentation to the Company's investor relations website, located at investors.alerus.com. The presentation is also attached hereto as Exhibit 99.2.

The information in Item 7.01 of this Current Report on Form 8-K, and the related Exhibit 99.2, attached hereto is being "furnished" and will not, except to the extent required by applicable law or regulation, be deemed "filed" by the Company for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor will any of such information or exhibits be deemed incorporated by reference to any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of Alerus Financial Corporation, dated April 29, 2026
99.2	Investor Presentation of Alerus Financial Corporation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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.

Date: April 29, 2026	Alerus Financial Corporation	
	By:	/s/ Katie A. Lorenson
	Name:	Katie A. Lorenson
	Title:	President and Chief Executive Officer

Exhibit 99.1

Alan A. Villalon, Chief Financial Officer
952.417.3733 (Office)

FOR RELEASE (4.29.2026)

ALERUS FINANCIAL CORPORATION REPORTS FIRST QUARTER 2026 NET INCOME OF $23.0 MILLION

MINNEAPOLIS, MN (April 29, 2026) – Alerus Financial Corporation (Nasdaq: ALRS), or the Company, reported net income of $23.0 million for the first quarter of 2026, or $0.89 per diluted common share, compared to a net loss of $33.1 million, or $(1.27) per diluted common share, for the fourth quarter of 2025, and net income of $13.3 million, or $0.52 per diluted common share, for the first quarter of 2025.

CEO Comments

President and Chief Executive Officer Katie O'Neill Lorenson said, "We are pleased with the strong start to 2026, as our first quarter results reflect continued execution of our long-term strategy and the tangible benefits of the transformation we have undertaken over the past several years. Net income for the quarter was $23.0 million, translating to a return on average assets of 1.79% and a return on average tangible common equity exceeding 21%, demonstrating the earnings power of our diversified business model. Profitability continued to improve during the quarter, driven by disciplined balance-sheet management, expanding margins, improving credit performance, and focused investments across the franchise.

Our performance underscores the resilience and sustainability of our earnings profile. Core relationship-based commercial and industrial lending continued to grow at a double-digit rate year-over-year, while intentional runoff reflected proactive risk and capital management. Our diversified fee-based businesses again provided stability, with noninterest income representing over 40% of total revenue, supported by steady retirement and benefit services revenues, continued growth in Health Savings Accounts, and ongoing investment in wealth advisory services leadership and talent. Asset quality also improved during the quarter, with declines in nonperforming assets reflecting meaningful progress on previously identified credits.

Most importantly, these results are a testament to the exceptional team we have built at Alerus and the constant execution of our strategy of our value creation strategy. Together, our discipline, collaboration, and commitment to doing the right thing for our clients and communities continues to translate into consistent performance, strengthening returns, and a balanced business model we believe is well positioned to deliver sustained, long-term returns for our shareholders."

First Quarter Highlights

- Earnings per diluted common share of $0.89. Adjusted earnings per diluted common share(1) of $0.89, compared to adjusted earnings per diluted common share(1) of $0.85 in the fourth quarter of 2025.
- Return on average total assets of 1.79%. Adjusted return on average total assets(1) of 1.79%, compared to 1.62% in the fourth quarter of 2025.
- Return on average tangible common equity of 21.85%. Adjusted return on average tangible common equity(1) of 21.96%, compared to 21.05% in the fourth quarter of 2025.
- Noninterest income was $30.8 million, which represented 40.72% of total revenue.
- Net interest margin (on a tax-equivalent basis)(1) was 3.77%, an increase compared to 3.69% in the fourth quarter of 2025.
- Total deposits were $4.3 billion as of March 31, 2026, an increase of $155.9 million, or 3.7%, from December 31, 2025. Core commercial transactional deposits were $1.8 billion as of March 31, 2026, an increase of $143.2 million, or 8.6%, from December 31, 2025. Synergistic deposits were $742.7 million as of March 31, 2026, an increase of $16.8 million, or 2.3%, from December 31, 2025. Health Savings Account balances drove most of the increase, up $14.5 million, or 7.1%, from December 31, 2025.
- The loan to deposit ratio was 92.8% as of March 31, 2026, compared to 96.6% as of December 31, 2025.
- Efficiency ratio(1) of 63.39%. Adjusted efficiency ratio of 63.20% compared to adjusted efficiency ratio of 63.55% in the fourth quarter of 2025.
- Pre-provision net revenue(1) was $25.4 million. Adjusted pre-provision net revenue(1) was $25.5, an increase of 0.9% from $25.3 million in the fourth quarter of 2025.
- Nonperforming assets were $54.0 million as of March 31, 2026, a decrease of $15.4 million, or 22.1%, from $69.4 million as of December 31, 2025.
- Repurchased $6.0 million of the Company's outstanding common stock at an average per share price of $23.90, reducing common shares outstanding by 250,000 shares at quarter end.
- Tangible book value per common share(1) was $18.15 as of March 31, 2026, an increase of 3.4% from $17.55 as of December 31, 2025.
- Tangible common equity to tangible assets ratio(1) was 8.85% as of March 31, 2026, an increase from 8.72% as of December 31, 2025.

(1) Represents a non-GAAP financial measure. See "Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures."

Selected Financial Data (unaudited)

(dollars and shares in thousands, except per share data)	As of and for the Three months ended March 31, 2026	December 31, 2025	March 31, 2025
Performance Ratios			
Return on average total assets	1.79%	(2.50)%	1.02%
Adjusted return on average total assets (1)	1.79%	1.62%	1.10%
Return on average common equity	16.44%	(23.75)%	10.82%
Return on average tangible common equity (1)	21.85%	(28.15)%	16.50%
Adjusted return on average tangible common equity (1)	21.96%	21.05%	17.61%
Noninterest (loss) income as a % of revenue	40.72%	(449.23)%	40.17%
Adjusted noninterest (loss) income as a % of revenue (1)	40.73%	41.39%	40.17%
Net interest margin (on a tax-equivalent basis)(1)	3.77%	3.69%	3.41%
Efficiency ratio (1)	63.39%	557.48%	68.76%
Adjusted efficiency ratio (1)	63.20%	63.55%	66.86%
Net charge-offs (recoveries) to average loans (1)	0.71%	(0.03)%	0.04%
Dividend payout ratio	23.60%	(16.54)%	38.46%
Per Common Share			
Earnings (loss) per common share - basic	$ 0.90	$ (1.28)	$ 0.52
Earnings (loss) per common share - diluted	$ 0.89	$ (1.27)	$ 0.52
Adjusted earnings per common share - diluted (1)	$ 0.89	$ 0.85	$ 0.56
Dividends declared per common share	$ 0.21	$ 0.21	$ 0.20
Book value per common share	$ 22.79	$ 22.24	$ 20.27
Tangible book value per common share (1)	$ 18.15	$ 17.55	$ 15.27
Average common shares outstanding - basic	25,380	25,398	25,359
Average common shares outstanding - diluted	25,679	25,710	25,653
Other Data			
Retirement and benefit services assets under administration/management	$ 42,273,839	$ 44,925,311	$ 39,925,596
Wealth advisory services assets under administration/management	$ 4,792,609	$ 4,850,600	$ 4,500,852
Mortgage originations	$ 94,434	$ 136,780	$ 70,593

(1) Represents a non-GAAP financial measure. See “Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures.”

Results of Operations

Net Interest Income

Net interest income for the first quarter of 2026 was $44.9 million, a $0.3 million, or 0.6%, decrease from the fourth quarter of 2025. Interest income decreased $3.4 million, or 4.8%, primarily due to a one-time $2.4 million adjustment related to a sold loan participation recorded in the fourth quarter of 2025, partially offset by higher interest income on investment securities following a strategic balance sheet repositioning in the fourth quarter of 2025. Interest expense decreased $3.1 million, or 12.5%, from the fourth quarter of 2025, as the average rates paid on deposits and borrowings declined due to recent rate cuts by the Federal Reserve.

Net interest income increased $3.8 million, or 9.1%, from $41.2 million for the first quarter of 2025. Interest income decreased $1.2 million, or 1.8%, from the first quarter of 2025, primarily driven by less purchase accounting accretion, partially offset by higher interest income on investment securities following the strategic balance sheet repositioning in the fourth quarter of 2025. Interest expense decreased $5.0 million, or 18.4%, from the first quarter of 2025, as the average rates paid on deposits and borrowings declined due to recent rate cuts by the Federal Reserve.

Net interest margin (on a tax-equivalent basis)(1) was 3.77% for the first quarter of 2026, an 8 basis point increase from 3.69% for the fourth quarter of 2025, and a 36 basis point increase from 3.41% for the first quarter of 2025. The quarter over quarter increase was mainly attributable to lower cost of funds and higher yields on investment securities, partially offset by a one-time adjustment related to a sold loan participation recorded in the fourth quarter of 2025, lower loan yields, and less purchase accounting accretion. The increase from the first quarter of 2025 was primarily driven by lower cost of funds and higher yields on investment securities.

Noninterest (Loss) Income

Noninterest income for the first quarter of 2026 was $30.8 million, a $67.8 million, or 183.5%, increase from the fourth quarter of 2025. The quarter over quarter increase was driven by the strategic balance sheet repositioning in the fourth quarter of 2025, which resulted in a $68.4 million realized loss on the sale of investment securities. Adjusted noninterest income(1) was $30.9 million in the first quarter of 2026, a decrease of $1.0 million, or 3.2%, compared to $31.9 million in the fourth quarter of 2025. Other noninterest income decreased $1.1 million, or 38.4%, from the fourth quarter of 2025, primarily driven by a decrease in swap fee revenue. Wealth advisory services revenue decreased $0.2 million, or 2.7%, from the fourth quarter of 2025, primarily driven by a decline in both asset-based fees tied to equity markets, and transaction-based fees. Mortgage banking revenue increased $0.3 million, or 10.4%, from the fourth quarter of 2025, primarily driven by higher gain on sale margins and an increase in mortgage servicing asset valuation. Retirement and benefit services revenue increased $0.1 million, or 0.8%, from the fourth quarter of 2025. While retirement and benefit services assets under administration/management decreased $2.7 billion, or 5.9%, from $44.9 billion in the fourth quarter of 2025 to $42.3 billion in the first quarter of 2026, the decrease was primarily due to a strategic realignment of record-keeping partners that is expected to have minimal impact on revenue in future periods.

Noninterest income for the first quarter of 2026 increased by $3.2 million, or 11.6%, from the first quarter of 2025. This increase was driven by an increase in mortgage banking revenue and retirement and benefit services revenue. Mortgage banking revenue increased $2.0 million, or 131.5%, compared to the first quarter of 2025, due to an increase in mortgage servicing asset valuation, as well as increased origination volume and improved gain on sale margin. Retirement and benefit services revenue increased $1.3 million, or 8.1%, in the first quarter of 2026 compared to the first quarter of 2025, primarily driven by both asset-based and transaction-based fees.

(1) Represents a non-GAAP financial measure. See “Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures.”

Noninterest Expense

Noninterest expense for the first quarter of 2026 was $50.4 million, a $1.5 million, or 2.9%, decrease from the fourth quarter of 2025. Compensation expense decreased $1.1 million, or 4.3%, from the fourth quarter of 2025, primarily due to decreases in annual bonus expense and mortgage incentive compensation due to seasonality. Business services, software and technology expense decreased $1.0 million, or 14.1%, from the fourth quarter of 2025, primarily due to a reclassification of consulting services and other third-party vendor expenses from business services, software and technology expense to professional fees and assessments. Professional fees and assessments increased $0.7 million, or 23.0%, from the fourth quarter of 2025, primarily due to this expense reclassification, partially offset by a decrease in legal fees.

Noninterest expense for the first quarter of 2026 increased $27.0 thousand, or 0.1%, from $50.4 million in the first quarter of 2025, primarily due to increases in compensation expense, professional fees and assessments, and occupancy and equipment expense, offset by decreases in employee taxes and benefits expense and intangible amortization expense. Compensation expense increased $1.1 million, or 4.9%, from the first quarter of 2025, primarily due to higher annual bonus expense. Professional fees and assessments increased $0.8 million, or 26.8%, from the first quarter of 2025, primarily due to the expense reclassification described above. Occupancy and equipment expense increased $0.5 million, or 17.9%, from the first quarter of 2025, primarily driven by facility investments and the strategic realignment of locations from owned to leased space. Employee taxes and benefits expense decreased $1.1 million, or 14.5%, from the first quarter of 2025, primarily due to lower claims on group insurance. Intangible amortization expense decreased $0.7 million, or 27.2%, in the first quarter of 2026, primarily due to the annual reset of the $33.5 million core deposit intangible recorded in connection with the HMN Financial, Inc. ("HMNF") acquisition in the fourth quarter of 2024.

Financial Condition

Total assets were $5.3 billion as of March 31, 2026, an increase of $57.9 million, or 1.1%, from December 31, 2025. The increase was primarily due to a $61.6 million increase in cash and cash equivalents and an $8.0 million increase in available-for-sale investment securities, partially offset by a decrease of $13.3 million in loans held for investment.

Loans Held for Investment

Total loans held for investment were $4.0 billion as of March 31, 2026, a decrease of $13.3 million, or 0.3%, from December 31, 2025. The decrease was primarily driven by a $28.3 million decrease in consumer loans, partially offset by a $15.1 million increase in commercial loans.

The following table presents the composition of our loans held for investment portfolio as of the dates indicated:

(dollars in thousands)	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**	**June 30, 2025**	**March 31, 2025**
Commercial					
Commercial and business lending					
Commercial and industrial	$ 747,447	$ 736,833	$ 702,135	$ 675,892	$ 658,446
Commercial real estate − Owner occupied	444,276	427,260	435,320	440,170	424,880
Total commercial and business lending	1,191,723	1,164,093	1,137,455	1,116,062	1,083,326
Investor commercial real estate					
Construction, land and development	146,897	246,238	349,768	352,749	360,024
Multifamily	392,097	383,505	374,761	333,307	353,060
Non-owner occupied	976,339	875,862	865,785	887,643	951,559
Total investor commercial real estate	1,515,333	1,505,605	1,590,314	1,573,699	1,664,643
Agricultural					
Land	54,028	64,799	65,900	66,395	68,894
Production	50,983	62,500	63,051	67,931	64,240
Total agricultural	105,011	127,299	128,951	134,326	133,134
Total commercial	2,812,067	2,796,997	2,856,720	2,824,087	2,881,103
Consumer					
Residential real estate					
First lien	851,551	874,737	894,402	901,738	907,534
Construction	32,872	33,703	34,124	35,754	38,553
HELOC	262,131	260,883	234,681	200,624	175,600
Junior lien	35,783	36,844	40,434	41,450	43,740
Total residential real estate	1,182,337	1,206,167	1,203,641	1,179,566	1,165,427
Other consumer	40,340	44,858	41,715	41,003	38,955
Total consumer	1,222,677	1,251,025	1,245,356	1,220,569	1,204,382
Total loans	$ 4,034,744	$ 4,048,022	$ 4,102,076	$ 4,044,656	$ 4,085,485

Deposits

Total deposits were $4.3 billion as of March 31, 2026, an increase of $155.9 million, or 3.7%, from December 31, 2025. Noninterest-bearing deposits increased $49.7 million and interest-bearing deposits increased $106.2 million from December 31, 2025. The increase was primarily driven by seasonal inflows of public depositor funds and consumer deposit growth.

The following table presents the composition of the Company's deposit portfolio as of the dates indicated:

(dollars in thousands)	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**	**June 30, 2025**	**March 31, 2025**
Noninterest-bearing demand	$ 857,625	$ 807,896	$ 776,791	$ 790,300	$ 889,270
Interest-bearing					
Interest-bearing demand	1,449,156	1,296,315	1,256,687	1,214,597	1,283,031
Savings accounts	178,347	173,759	174,113	175,586	177,341
Money market savings	1,291,794	1,337,491	1,460,006	1,358,516	1,472,127
Time deposits	570,960	576,542	745,056	798,469	663,522
Total interest-bearing	3,490,257	3,384,107	3,635,862	3,547,168	3,596,021
Total deposits	$ 4,347,882	$ 4,192,003	$ 4,412,653	$ 4,337,468	$ 4,485,291

Asset Quality

Total nonperforming assets were $54.0 million as of March 31, 2026, a decrease of $15.4 million, or 22.1%, from December 31, 2025. As of March 31, 2026, the allowance for credit losses on loans was $50.5 million, or 1.25% of total loans, compared to $61.9 million, or 1.53% of total loans, as of December 31, 2025.

The following table presents selected asset quality data as of and for the periods indicated:

	As of and for the three months ended				
(dollars in thousands)	**March 31, 2026**	**December 31, 2025**	**September 30, 2025**	**June 30, 2025**	**March 31, 2025**
Nonaccrual loans	$ 53,881	$ 69,065	$ 59,644	$ 51,276	$ 50,517
Accruing loans 90+ days past due	—	—	—	202	—
Total nonperforming loans	53,881	69,065	59,644	51,478	50,517
OREO and repossessed assets	126	308	467	751	493
Total nonperforming assets	$ 54,007	$ 69,373	$ 60,111	$ 52,229	$ 51,010
Criticized loans	132,459	149,162	191,331	212,592	230,369
Net charge-offs (recoveries)	7,027	(311)	(1,715)	3,767	407
Net charge-offs (recoveries) to average loans (1)	0.71%	(0.03)%	(0.17)%	0.37%	0.04%
Nonperforming loans to total loans	1.34%	1.71%	1.45%	1.27%	1.24%
Nonperforming assets to total assets	1.02%	1.33%	1.13%	0.98%	0.96%
Criticized loans to total loans	3.28%	3.68%	4.66%	5.26%	5.64%
Allowance for credit losses on loans to total loans	1.25%	1.53%	1.51%	1.47%	1.52%
Allowance for credit losses on loans to nonperforming loans	93.73%	89.65%	104.16%	115.15%	122.59%

For the first quarter of 2026, the Company had net charge-offs of $7.0 million, compared to net recoveries of $0.3 million for the fourth quarter of 2025 and net charge-offs of $0.4 million for the first quarter of 2025. The quarter over quarter increase in net charge-offs was primarily due to charge-offs of $6.4 million related to one non-accruing long-term commercial and industrial client relationship. This relationship carried a specific reserve of $9.0 million as of December 31, 2025. As of March 31, 2026, the relationship had a remaining reserve of $3.5 million, which represented approximately 78% of the book balance as of that date. Management does not believe the charge-offs resulting from this relationship are indicative of a broader credit quality trend in the Company's loan portfolio.

The Company recorded a provision release of $4.9 million for the first quarter of 2026, a provision release of $0.3 million for the fourth quarter of 2025, and a provision for credit losses of $0.9 million for the first quarter of 2025. The provision release in the first quarter of 2026 was primarily driven by changes to loan balances and loan mix, largely due to decreases in balances in the commercial real estate construction, land and development pool, which is reserved at a higher rate than most other loan pools.

The unearned fair value adjustments on acquired loan portfolios were $40.8 million as of March 31, 2026, $43.8 million as of December 31, 2025, and $65.3 million as of March 31, 2025.

Capital

Total stockholders' equity was $574.7 million as of March 31, 2026, an increase of $9.8 million from December 31, 2025. The change was primarily driven by an increase in retained earnings of $17.6 million, partially offset by a decrease in additional paid-in capital of $5.6 million and a decrease in accumulated other comprehensive income of $2.1 million. Tangible book value per common share(1) increased to $18.15 as of March 31, 2026, from $17.55 as of December 31, 2025. Tangible common equity to tangible assets(1) increased to 8.85% as of March 31, 2026, from 8.72% as of December 31, 2025. Common equity tier 1 capital to risk weighted assets increased to 10.60% as of March 31, 2026, from 10.10% as of December 31, 2025.

During the first quarter of 2026, the Company repurchased approximately $6.0 million of its outstanding common stock at an average per share price of $23.90, which reduced common stock shares outstanding by 250,000 at quarter-end.

The following table presents our capital ratios as of the dates indicated:

	March 31, 2026	December 31, 2025	March 31, 2025
Capital Ratios(1)			
Alerus Financial Corporation Consolidated			
Common equity tier 1 capital to risk weighted assets	10.60%	10.28%	10.10%
Tier 1 capital to risk weighted assets	10.81%	10.48%	10.31%
Total capital to risk weighted assets	13.17%	12.87%	12.67%
Tier 1 capital to average assets	9.30%	8.86%	8.86%
Tangible common equity / tangible assets (2)	8.85%	8.72%	7.43%
Alerus Financial, N.A.			
Common equity tier 1 capital to risk weighted assets	10.75%	10.41%	10.36%
Tier 1 capital to risk weighted assets	10.75%	10.41%	10.36%
Total capital to risk weighted assets	12.00%	11.66%	11.61%
Tier 1 capital to average assets	9.11%	8.62%	9.06%

(1) Capital ratios for the current quarter are to be considered preliminary until the Call Report for Alerus Financial, N.A. is filed.
(2) Represents a non-GAAP financial measure. See "Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures."

Conference Call

The Company will host a conference call at 11:00 a.m. Central Time on Thursday, April 30, 2026, to discuss its financial results. Attendees are encouraged to register ahead of time for the call at investors.alerus.com. A recording of the call and transcript will be available on the Company's investor relations website at investors.alerus.com following the call.

About Alerus Financial Corporation

Alerus Financial Corporation (Nasdaq: ALRS) is a commercial wealth advisory services bank and national retirement and benefit services provider with corporate offices in Grand Forks, North Dakota, and the Minneapolis-St. Paul, Minnesota metropolitan area. Through its subsidiary, Alerus Financial, National Association (the "Bank"), Alerus provides diversified and comprehensive financial solutions to business and consumer clients, including banking, wealth advisory services, and retirement and benefit plans and services. Alerus provides clients with a primary point of contact to help fully understand their unique needs and delivery channel preferences. Clients are provided with competitive products, valuable insight, and sound advice supported by digital solutions designed to meet their needs.

Alerus operates 26 banking and commercial wealth offices, with locations in Grand Forks and Fargo, North Dakota; the Minneapolis-St. Paul, Minnesota metropolitan area; Rochester, Minnesota; Southern Minnesota; Marshalltown, Iowa; Pewaukee, Wisconsin; and Phoenix and Scottsdale, Arizona. The Alerus Retirement and Benefit business serves advisors, brokers, employers, and plan participants across the United States.

Non-GAAP Financial Measures

Some of the financial measures included in this press release are not measures of financial performance recognized by U.S. Generally Accepted Accounting Principles, or GAAP. These non-GAAP financial measures include the ratio of tangible common equity to tangible assets, tangible book value per common share, return on average tangible common equity, efficiency ratio, pre-provision net revenue, adjusted noninterest (loss) income, adjusted noninterest expense, adjusted pre-provision net revenue, adjusted efficiency ratio, adjusted net income, adjusted return on average total assets, adjusted return on average tangible common equity, net interest margin (on a tax-equivalent basis), adjusted earnings per common share - diluted, and adjusted net charge-offs to average loans. Management uses these non-GAAP financial measures in its analysis of its performance, and believes financial analysts and investors frequently use these measures, and other similar measures, to evaluate capital adequacy and financial performance. Reconciliations of non-GAAP disclosures used in this press release to the comparable GAAP measures are provided in the accompanying tables. Management, banking regulators, many financial analysts and other investors use these measures in conjunction with more traditional bank capital ratios to compare the capital adequacy of banking organizations with significant amounts of goodwill or other intangible assets, which typically stem from the use of the purchase accounting method of accounting for mergers and acquisitions.

These non-GAAP financial measures should not be considered in isolation or as a substitute for total stockholders' equity, total assets, book value per share, return on average assets, return on average equity, or any other measure calculated in accordance with GAAP. Moreover, the manner in which the Company calculates these non-GAAP financial measures may differ from that of other companies reporting measures with similar names.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company intends such forward-looking statements to be covered by the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements concerning plans, estimates, calculations, forecasts and projections with respect to the anticipated future performance of Alerus Financial Corporation. These statements are often, but not always, identified by words such as “may”, “might”, “should”, “could”, “predict”, “potential”, “believe”, “expect”, “continue”, “will”, “anticipate”, “seek”, “estimate”, “intend”, “plan”, “projection”, “would”, “annualized”, “target” and “outlook”, or the negative version of those words or other comparable words of a future or forward-looking nature. Examples of forward-looking statements include, among others, statements the Company makes regarding our projected growth, anticipated future financial performance, financial condition, credit quality, management’s long-term performance goals, and the future plans and prospects of Alerus Financial Corporation.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations and assumptions regarding our business, future plans and strategies, projections, anticipated events and trends, the economy and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent known and unknown uncertainties, risks, changes in circumstances, and other factors that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in forward-looking statements. Therefore, you should not rely on any of these forward-looking statements. Important factors that could cause our actual results and financial condition to differ materially from those indicated in forward-looking statements include, among others, the following: the strength of the local, state, national and international economies and financial markets (including effects of inflationary pressures and future monetary policies of the Federal Reserve and executive orders in response thereto); interest rate risk, including the effects of changes in interest rates; effects on the U.S. economy resulting from actions taken by the federal government, including the threat or implementation of tariffs, immigration enforcement, executive orders, and changes in foreign policy; disruptions to the global supply chain, including as a result of domestic or foreign policies; our ability to successfully manage credit risk, including in the commercial real estate portfolio, and maintain an adequate level of allowance for credit losses; business and economic conditions generally and in the financial services industry, nationally and within our market areas, including the level and impact of inflation rates and possible recession; our ability to raise additional capital to implement our business plan; credit risks and risks from concentrations (including by type of borrower, geographic area, collateral, and industry) within our loan portfolio; the concentration of large loans to certain borrowers (including commercial real estate loans); the level of nonperforming assets on our balance sheet; our ability to implement organic and acquisition growth strategies; the commencement, cost, and outcome of litigation and other legal proceedings and regulatory actions against us or to which the Company may become subject, including with respect to pending actions relating to the Company’s previous employee stock ownership program fiduciary services commenced by government and private parties; the impact of economic or market conditions on our fee-based services; our ability to continue to grow our retirement and benefit services business; our ability to continue to originate a sufficient volume of residential mortgages; the occurrence of fraudulent activity, breaches or failures of our or our third-party vendors’ information security controls or cybersecurity-related incidents, including as a result of sophisticated attacks using artificial intelligence and similar tools or as a result of insider fraud; interruptions involving our information technology and telecommunications systems or third-party servicers; potential losses incurred in connection with mortgage loan repurchases; the composition of our executive management team and our ability to attract and retain key personnel; rapid and expensive technological changes implemented by us and other parties in the financial services industry, including third-party vendors, which may be more difficult to implement or more expensive than anticipated or which may have unforeseen consequences to us and our customers, including the development and implementation of tools incorporating artificial intelligence; increased competition in the financial services industry, including from non-banks such as credit unions, Fintech companies and digital asset service providers; our ability to successfully manage liquidity risk, including our need to access higher cost sources of funds such as fed funds purchased and short-term borrowings; the concentration of large deposits from certain clients, including those who have balances above current Federal Deposit Insurance Corporation insurance limits; the effectiveness of our risk management framework; potential impairment to the goodwill the Company recorded in connection with our past acquisitions, including the acquisitions of Metro Phoenix Bank and HMNF; the extensive regulatory framework that applies to us; the ability of the Bank to pay dividends to us and our ability to pay dividends to our stockholders; new or revised accounting standards, as may be adopted by state and federal regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission (the “SEC”) or the Public Company Accounting Oversight Board; fluctuations in the values of the securities held in our securities portfolio, including as a result of changes in interest rates; governmental monetary, trade and fiscal policies; risks related to climate change and the negative impact it may have on our customers and their businesses; severe weather and natural disasters, and widespread disease or pandemics; acts of war, military conflicts, or terrorism, including the wars in Iran and Ukraine, ongoing conflicts in the Middle East, and other international military conflicts, or other adverse external events and changes in foreign relations; the impact of the current partial shutdown of the federal government and possible future shutdowns; any material weaknesses in our internal control over financial reporting; our success at managing and responding to the risks involved in the foregoing items; and any other risks described in the “Risk Factors” sections of the reports filed by Alerus Financial Corporation with the SEC.

Any forward-looking statement made by us in this press release is based only on information currently available to us and speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Alerus Financial Corporation and Subsidiaries
Consolidated Balance Sheets
(dollars in thousands, except share and per share data)

	March 31, 2026	December 31, 2025
Assets	(Unaudited)	
Cash and cash equivalents	$ 128,826	$ 67,192
Investment securities		
Trading, at fair value	1,758	1,758
Available-for-sale, at fair value	522,101	514,095
Held-to-maturity, at amortized cost (with an allowance for credit losses on investments of $118 and $123, respectively)	247,437	254,448
Loans held for sale	22,345	21,934
Loans held for investment	4,034,744	4,048,022
Allowance for credit losses on loans	(50,505)	(61,915)
Net loans	3,984,239	3,986,107
Land, premises and equipment, net	43,978	43,253
Operating lease right-of-use assets	32,573	28,761
Accrued interest receivable	20,469	21,742
Bank-owned life insurance	39,475	39,307
Goodwill	85,634	85,634
Other intangible assets	31,397	33,371
Servicing rights	6,615	6,383
Deferred income taxes, net	20,863	23,080
Other assets	100,261	103,019
Total assets	$ 5,287,971	$ 5,230,084
Liabilities and Stockholders' Equity		
Deposits		
Noninterest-bearing	$ 857,625	$ 807,896
Interest-bearing	3,490,257	3,384,107
Total deposits	4,347,882	4,192,003
Short-term borrowings	200,000	308,800
Long-term debt	59,211	59,182
Operating lease liabilities	42,590	36,282
Accrued expenses and other liabilities	63,595	68,883
Total liabilities	4,713,278	4,665,150
Stockholders' equity		
Preferred stock, $1 par value, 2,000,000 shares authorized: 0 issued and outstanding	—	—
Common stock, $1 par value, 60,000,000 and 30,000,000 shares authorized: 25,214,146 and 25,406,278 issued and outstanding	25,214	25,406
Additional paid-in capital	266,016	271,609
Retained earnings	287,700	270,075
Accumulated other comprehensive loss	(4,237)	(2,156)
Total stockholders' equity	574,693	564,934
Total liabilities and stockholders' equity	$ 5,287,971	$ 5,230,084

Alerus Financial Corporation and Subsidiaries
Consolidated Statements of Income
(dollars and shares in thousands, except per share data)

	Three months ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Interest Income	(Unaudited)	(Unaudited)	(Unaudited)
Loans, including fees	$ 58,621	$ 64,477	$ 61,495
Investment securities			
Taxable	7,104	4,592	5,707
Exempt from federal income taxes	158	160	160
Other	1,094	1,158	819
Total interest income	66,977	70,387	68,181
Interest Expense			
Deposits	19,074	21,998	23,535
Short-term borrowings	2,357	2,570	2,839
Long-term debt	634	645	650
Total interest expense	22,065	25,213	27,024
Net interest income	44,912	45,174	41,157
Provision for (recovery of) credit losses	(4,883)	(308)	863
Net interest income after provision for (recovery of) credit losses	49,795	45,482	40,294
Noninterest Income (Loss)			
Retirement and benefit services	17,406	17,260	16,106
Wealth advisory services	7,237	7,438	6,905
Mortgage banking	3,535	3,203	1,527
Service charges on deposit accounts	933	734	651
Net losses on investment securities	—	(68,403)	—
Other	1,736	2,819	2,443
Total noninterest income (loss)	30,847	(36,949)	27,632
Noninterest Expense			
Compensation	24,087	25,169	22,961
Employee taxes and benefits	6,640	6,325	7,762
Occupancy and equipment expense	3,427	3,658	2,907
Business services, software and technology expense	5,839	6,794	5,752
Intangible amortization expense	1,974	2,382	2,710
Professional fees and assessments	3,800	3,089	2,996
Marketing and business development	861	1,016	965
Supplies and postage	607	764	630
Travel	361	409	287
Mortgage and lending expenses	710	626	536
Other	2,086	1,649	2,859
Total noninterest expense	50,392	51,881	50,365
Income (loss) before income tax expense (benefit)	30,250	(43,348)	17,561
Income tax expense (benefit)	7,279	(10,298)	4,246
Net income (loss)	$ 22,971	$ (33,050)	$ 13,315
Per Common Share Data			
Earnings (loss) per common share	$ 0.90	$ (1.28)	$ 0.52
Diluted earnings (loss) per common share	$ 0.89	$ (1.27)	$ 0.52
Dividends declared per common share	$ 0.21	$ 0.21	$ 0.20
Average common shares outstanding	25,380	25,398	25,359
Diluted average common shares outstanding	25,679	25,710	25,653

Alerus Financial Corporation and Subsidiaries
Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures (unaudited)
(dollars and shares in thousands, except per share data)

	March 31, 2026	December 31, 2025	March 31, 2025
Tangible Common Equity to Tangible Assets			
Total common stockholders' equity	$ 574,693	$ 564,934	$ 514,232
Less: Goodwill	85,634	85,634	85,634
Less: Other intangible assets	31,397	33,371	41,172
Tangible common equity (a)	457,662	445,929	387,426
Total assets	5,287,971	5,230,084	5,339,620
Less: Goodwill	85,634	85,634	85,634
Less: Other intangible assets	31,397	33,371	41,172
Tangible assets (b)	5,170,940	5,111,079	5,212,814
Tangible common equity to tangible assets (a)/(b)	8.85%	8.72%	7.43%
Tangible Book Value Per Common Share			
Tangible common equity (a)	457,662	445,929	387,426
Total common shares issued and outstanding (c)	25,214	25,406	25,366
Tangible book value per common share (a)/(c)	$ 18.15	$ 17.55	$ 15.27

	Three months ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Return on Average Tangible Common Equity			
Net income (loss)	$ 22,971	$ (33,050)	$ 13,315
Add: Intangible amortization expense (net of tax) (1)	1,559	1,882	2,141
Net income (loss), excluding intangible amortization (d)	24,530	(31,168)	15,456
Average total equity	566,563	552,106	499,224
Less: Average goodwill	85,634	85,634	85,634
Less: Average other intangible assets (net of tax) (1)	25,664	27,270	33,718
Average tangible common equity (e)	455,265	439,202	379,872
Return on average tangible common equity (d)/(e)	21.85%	(28.15)%	16.50%
Efficiency Ratio			
Noninterest expense	$ 50,392	$ 51,881	$ 50,365
Less: Intangible amortization expense	1,974	2,382	2,710
Noninterest expense excluding intangible amortization (f)	48,418	49,499	47,655
Net interest income (v)	44,912	45,174	41,157
Noninterest income (loss)	30,847	(36,949)	27,632
Tax equivalent adjustment for loans and securities	619	654	520
Total tax-equivalent revenue (g)	76,378	8,879	69,309
Efficiency ratio (f)/(g)	63.39%	557.48%	68.76%
Pre-Provision Net Revenue			
Net interest income (v)	$ 44,912	$ 45,174	$ 41,157
Add: Noninterest income (loss)	30,847	(36,949)	27,632
Less: Noninterest expense	50,392	51,881	50,365
Pre-provision net revenue (loss)	$ 25,367	$ (43,656)	$ 18,424
Adjusted Noninterest Income			
Noninterest income (loss)	$ 30,847	$ (36,949)	$ 27,632
Less: Adjusted noninterest (loss) income items			
Net gains (losses) on investment securities	—	(68,403)	—
Net gain (loss) on sale/disposal of premises and equipment	(21)	(445)	—
Total adjusted noninterest income (loss) items (h)	(21)	(68,848)	—
Adjusted noninterest income (i)	$ 30,868	$ 31,899	$ 27,632
Adjusted Noninterest (Loss) Income as a Percentage of Revenue			
Adjusted noninterest income (i)	$ 30,868	$ 31,899	$ 27,632
Net interest income (v)	44,912	45,174	41,157
Adjusted revenue (w)	$ 75,780	$ 77,073	$ 68,789
Adjusted noninterest (loss) income as a percentage of revenue (i)/(w)	40.73%	41.39%	40.17%
Adjusted Noninterest Expense			
Noninterest expense	$ 50,392	$ 51,881	$ 50,365
Less: Adjusted noninterest expense items			
HMNF merger- and acquisition-related expenses	(34)	(112)	286
Severance and signing bonus expense	167	212	1,027
Total adjusted noninterest expense items (j)	133	100	1,313
Adjusted noninterest expense (k)	$ 50,259	$ 51,781	$ 49,052

(1) Items calculated after-tax utilizing a marginal income tax rate of 21.0%.

Alerus Financial Corporation and Subsidiaries
Non-GAAP to GAAP Reconciliations and Calculation of Non-GAAP Financial Measures (unaudited)
(dollars and shares in thousands, except per share data)

	Three months ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Adjusted Pre-Provision Net Revenue			
Net interest income (v)	$ 44,912	$ 45,174	$ 41,157
Add: Adjusted noninterest income (i)	30,868	31,899	27,632
Less: Adjusted noninterest expense (k)	50,259	51,781	49,052
Adjusted pre-provision net revenue	$ 25,521	$ 25,292	$ 19,737
Adjusted Efficiency Ratio			
Adjusted noninterest expense (k)	$ 50,259	$ 51,781	$ 49,052
Less: Intangible amortization expense	1,974	2,382	2,710
Adjusted noninterest expense for efficiency ratio (1)	48,285	49,399	46,342
Tax-equivalent revenue			
Net interest income (v)	44,912	45,174	41,157
Add: Adjusted noninterest income (i)	30,868	31,899	27,632
Add: Tax equivalent adjustment for loans and securities (1)	619	654	520
Total tax-equivalent revenue (m)	76,399	77,727	69,309
Adjusted efficiency ratio (l)/(m)	63.20%	63.55%	66.86%
Adjusted Net Income			
Net (loss) income	$ 22,971	$ (33,050)	$ 13,315
Less: Adjusted noninterest (loss) income items (net of tax) (1) (h)	(17)	(54,390)	—
Add: Adjusted noninterest expense items (net of tax) (1) (j)	105	79	1,037
Adjusted net income (n)	$ 23,093	$ 21,419	$ 14,352
Adjusted Return on Average Total Assets			
Average total assets (o)	$ 5,218,515	$ 5,252,046	$ 5,272,319
Adjusted return on average total assets (n)/(o)	1.79%	1.62%	1.10%
Adjusted Return on Average Tangible Common Equity			
Adjusted net income (n)	$ 23,093	$ 21,419	$ 14,352
Add: Intangible amortization expense (net of tax) (1)	1,559	1,882	2,141
Adjusted net income, excluding intangible amortization (p)	24,652	23,301	16,493
Average total equity	566,563	552,106	499,224
Less: Average goodwill	85,634	85,634	85,634
Less: Average other intangible assets (net of tax)	25,664	27,270	33,718
Average tangible common equity (q)	455,265	439,202	379,872
Adjusted return on average tangible common equity (p)/(q)	21.96%	21.05%	17.61%
Adjusted Earnings Per Common Share - Diluted			
Adjusted net income (n)	$ 23,093	$ 21,419	$ 14,352
Less: Dividends and undistributed earnings allocated to participating securities	207	(462)	99
Adjusted net income available to common stockholders (r)	22,886	21,881	14,253
Weighted-average common shares outstanding for diluted earnings per share (s)	25,679	25,710	25,653
Adjusted earnings per common share - diluted (r)/(s)	$ 0.89	$ 0.85	$ 0.56
Net Charge-Offs (Recoveries) to Average Loans			
Net charge-offs (recoveries) (t)	$ 7,027	$ (311)	$ 407
Average total loans (u)	$ 4,029,719	$ 4,049,082	$ 4,022,863
Net charge-offs (recoveries) to average loans (t)/(u)	0.71%	(0.03)%	0.04%
Net Interest Margin (on a Tax-Equivalent Basis)			
Net interest income (v)	$ 44,912	$ 45,174	$ 41,157
Add: Tax equivalent adjustment for loans and securities	619	654	520
Net interest income (on a tax-equivalent basis) (1) (w)	$ 45,531	$ 45,828	$ 41,677
Average interest earning assets (x)	$ 4,901,399	$ 4,926,530	$ 4,949,729
Net interest margin (on a tax-equivalent basis) (1) (w)/(x)	3.77%	3.69%	3.41%

(1) Items calculated after-tax utilizing a marginal income tax rate of 21.0%.

Alerus Financial Corporation and Subsidiaries
Analysis of Average Balances, Yields, and Rates (unaudited)
(dollars in thousands)

	Three months ended					
	March 31, 2026		December 31, 2025		March 31, 2025	
	Average Balance	Average Yield/ Rate	Average Balance	Average Yield/ Rate	Average Balance	Average Yield/ Rate
Interest Earning Assets						
Interest-bearing deposits with banks	$ 60,675	4.26%	$ 57,008	4.68%	$ 33,425	4.74%
Investment securities (1)	771,885	3.84	775,091	2.45	859,696	2.79
Loans held for sale	15,617	4.70	21,715	4.81	11,348	5.32
Loans						
Commercial and industrial	723,803	7.10	699,982	7.35	657,838	7.31
CRE − Owner occupied	430,332	6.14	429,087	6.18	379,948	6.19
CRE − Construction, land and development	211,754	5.17	322,068	9.20	342,718	5.84
CRE − Multifamily	393,412	5.80	371,925	6.15	364,247	6.34
CRE − Non-owner occupied (2)	914,642	5.97	846,558	6.16	960,152	6.66
Agricultural − Land	59,787	6.00	65,995	6.42	67,228	5.85
Agricultural − Production	58,833	6.98	63,408	6.78	60,933	7.28
RRE − First lien	865,077	4.93	884,293	4.81	899,835	4.78
RRE − Construction	32,906	6.29	34,858	6.74	36,913	8.40
RRE − HELOC	261,586	6.03	249,844	6.38	168,599	7.12
RRE − Junior lien	36,306	6.42	38,167	6.47	44,096	6.24
Other consumer	41,281	6.31	42,897	6.53	40,356	7.02
Total loans (1)	4,029,719	5.94	4,049,082	6.35	4,022,863	6.23
Federal Reserve/FHLB stock	23,503	7.87	23,634	8.16	22,397	7.77
Total interest earning assets	4,901,399	5.59	4,926,530	5.72	4,949,729	5.63
Noninterest earning assets	317,116		325,516		322,590	
Total assets	$ 5,218,515		$ 5,252,046		$ 5,272,319	
Interest-Bearing Liabilities						
Interest-bearing demand deposits	$ 1,367,270	1.64%	$ 1,305,972	1.72%	$ 1,247,725	1.81%
Money market and savings deposits	1,503,798	2.37	1,592,569	2.72	1,590,616	2.89
Time deposits	569,065	3.40	600,966	3.57	688,569	3.91
Fed funds purchased	35,628	4.01	35,617	4.20	49,834	4.69
FHLB short-term advances	204,444	3.98	207,065	4.20	200,000	4.59
Long-term debt	59,195	4.34	59,169	4.32	59,084	4.46
Total interest-bearing liabilities	3,739,400	2.39	3,801,358	2.63	3,835,828	2.86
Noninterest-Bearing Liabilities and Stockholders' Equity						
Noninterest-bearing deposits	798,579		797,521		849,687	
Other noninterest-bearing liabilities	113,973		101,061		87,580	
Stockholders' equity	566,563		552,106		499,224	
Total liabilities and stockholders' equity	$ 5,218,515		$ 5,252,046		$ 5,272,319	
Net interest rate spread		3.20%		3.09%		2.77%
Net interest margin (on a tax-equivalent basis) (1)		3.77%		3.69%		3.41%

(1) Taxable-equivalent adjustment was calculated utilizing a marginal income tax rate of 21.0%.
(2) Average balances and average yield/rate includes non-mortgage loans sold and held for sale for the three months ended December 31, 2025.

INVESTOR PRESENTATION

1Q 2026

NASDAQ: ALRS

ALERUS

DISCLAIMERS

Forward-Looking Statements

This earnings release contains "forward-looking statements" within the meanings of the Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The company intends such forward-looking statements to be covered by the safe harbor provisions contained in the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, without limitation, statements concerning plans, estimates, calculations, forecasts and projections with respect to the anticipated future performance of Alerus Financial Corporation. These statements are often, but not always, identified by words such as "may", "might", "should", "could", "predict", "potential", "believe", "expect", "continue", "will", "anticipate", "seek", "estimate", "intend", "plan", "projection", "would", "annualized", "target" and "outlook", or the negative version of those words or other comparable words of a future or forward-looking nature. Examples of forward-looking statements include, among others, statements we make regarding our projected growth, anticipated future financial performance, financial condition, credit quality, management's long-term performance goals and the future plans and prospects of Alerus Financial Corporation.

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Important factors that could cause our actual results and financial condition to differ materially from those indicated in forward-looking statements include, among others, the following: the strength of the local, state, national and international economies and financial markets (including effects of inflationary pressures and future monetary policies of the Federal Reserve and executive orders in response thereto); interest rate risk, including the effects of changes in interest rates; effects on the U.S. economy resulting from actions taken by the federal government, including the threat or implementation of tariffs, immigration enforcement, executive orders, and changes in foreign policy; disruptions to the global supply chain, including as a result of domestic or foreign policies; our ability to successfully manage credit risk, including in the commercial real estate ("CRE") portfolio, and maintain an adequate level of allowance for credit losses; business and economic conditions generally and in the financial services industry, nationally and within our market areas, including the level and impact of inflation rates and possible recession; our ability to raise additional capital to implement our business plan; credit risks and risks from concentrations (including by type of borrower, geographic area, collateral, and industry) within our loan portfolio; the concentration of large loans to certain borrowers (including CRE loans); the level of nonperforming assets on our balance sheet; our ability to implement organic and acquisition growth strategies; the commencement, cost, and outcome of litigation and other legal proceedings and regulatory actions against us or to which the Company may become subject, including with respect to pending actions relating to the Company's previous employee stock ownership program fiduciary services commenced by government and private parties; the impact of economic or market conditions on our fee-based services; our ability to continue to grow our retirement and benefit services business; our ability to continue to originate a sufficient volume of residential mortgages; the occurrence of fraudulent activity, breaches or failures of our or our third-party vendors' information security controls or cybersecurity-related incidents, including as a result of sophisticated attacks using artificial intelligence and similar tools or as a result of insider fraud; interruptions involving our information technology and telecommunications systems or third-party servicers; potential losses incurred in connection with mortgage loan repurchases; the composition of our executive management team and our ability to attract and retain key personnel; rapid and expensive technological changes implemented by us and other parties in the financial services industry, including third-party vendors, which may be more difficult to implement or more expensive than anticipated or which may have unforeseen consequences to us and our customers, including the development and implementation of tools incorporating artificial intelligence; increased competition in the financial services industry, including from non-banks such as credit unions, Fintech companies and digital asset service providers; our ability to successfully manage liquidity risk, including our need to access higher cost sources of funds such as fed funds purchased and short-term borrowings; the concentration of large deposits from certain clients, including those who have balances above current Federal Deposit Insurance Corporation ("FDIC") insurance limits; the effectiveness of our risk management framework; potential impairment to the goodwill the Company recorded in connection with our past acquisitions, including the acquisitions of Metro Phoenix Bank and HMN Financial, Inc. ("HMNF"); the extensive regulatory framework that applies to us; the ability of Alerus Financial, National Association (the "Bank") to pay dividends to us and our ability to pay dividends to our stockholders; new or revised accounting standards, as may be adopted by state and federal regulatory agencies, the Financial Accounting Standards Board, the Securities and Exchange Commission (the "SEC") or the Public Company Accounting Oversight Board; fluctuations in the values of the securities held in our securities portfolio, including as a result of changes in interest rates; governmental monetary, trade and fiscal policies; risks related to climate change and the negative impact it may have on our customers and their businesses; severe weather and natural disasters, and widespread disease or pandemics; acts of war, military conflicts, or terrorism, including the wars in Iran and Ukraine, ongoing conflicts in the Middle East, and other international military conflicts, or other adverse external events and changes in foreign relations; the impact of the current partial shutdown of the federal government and possible future shutdowns; any material weaknesses in our internal control over financial reporting; our success at managing and responding to the risks involved in the foregoing items; and any other risks described in the "Risk Factors" sections of the reports filed by Alerus Financial Corporation with the SEC.

Any forward-looking statement made by us in this presentation is based only on information currently available to us and speaks only as of the date on which it is made. We undertake no obligation to publicly update any forward-looking statement, whether written or oral, that may be made from time to time, whether as a result of new information, future developments or otherwise.

Non-GAAP Financial Measures

This presentation includes certain ratios and amounts that do not conform to U.S. Generally Accepted Accounting Principles, or GAAP. Management uses certain non-GAAP financial measures to evaluate financial performance and business trends from period to period and believes that disclosure of these non-GAAP financial measures will help investors, rating agencies and analysts evaluate the financial performance and condition of Alerus Financial Corporation. This presentation includes a reconciliation of each non-GAAP financial measure to the most comparable GAAP equivalent.

Miscellaneous

Except as otherwise indicated, this presentation speaks as of the date hereof. The delivery of this presentation shall not, under any circumstances, create any implication that there has been no change in the affairs of Alerus Financial Corporation after the date hereof. Certain of the information contained herein may be derived from information provided by industry sources. We believe that such information is accurate and that the sources from which it has been obtained are reliable. We cannot guarantee the accuracy of such information, however, and we have not independently verified such information.

COMPANY PROFILE

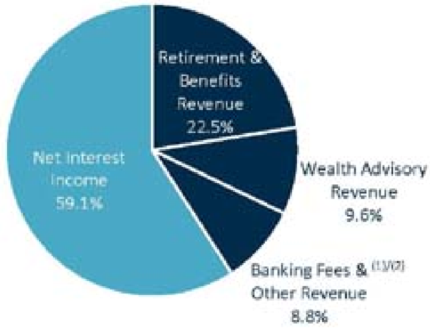
Alerus is a Leading Commercial Wealth Bank and a National Retirement Plan Provider

Diversified Revenue[1]

Last Twelve Months Ended March 31, 2026

Net Interest Income:
$176.2 million
59.1% of revenue

Adjusted Noninterest Income[1]:
$122.0 million
40.9% of revenue



Retirement and Benefit Services

Retirement Services
- Plan administration
- Trust and custodial offerings
- Record keeping

Benefit Services
- Health savings accounts
- Flexible spending accounts
- COBRA

AUA / AUM[3]:
$ in billions

Banking Services

Business Services
- Commercial and small business offerings
- Treasury management services
- CRE and SBA Lending

Consumer Services
- Private banking
- Savings, money markets, CDs
- Mortgage services

Assets:
$ in billions

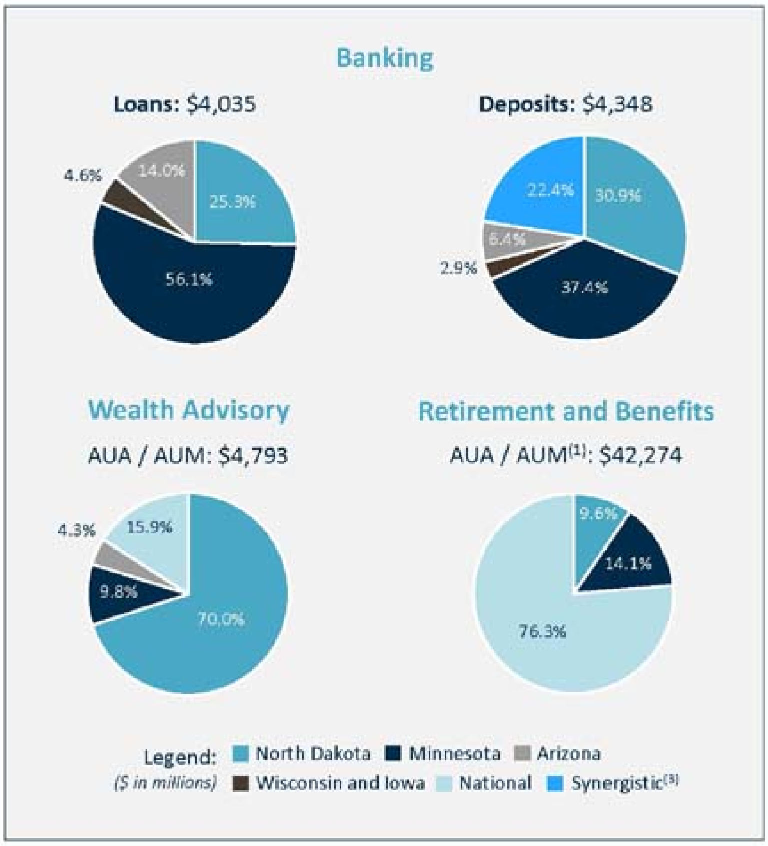
Wealth Advisory Services

- **Financial Planning:** Retirement | Tax | Estate planning
- **Investment Management:** Managed investments | Brokerage
- **Trust and Fiduciary:** Estate administration | Corporate trusteeship

AUA / AUM:
$ in billions

1. Excludes net losses on investment securities, net gains on sale of loans, and net losses on sale/disposal of fixed assets. See "Non-GAAP Disclosure Reconciliation."
2. Banking fees and other revenue consists of service charges on deposit accounts, mortgage income, interchange income and other noninterest income.
3. Data is approximate based on the data available at the time of release.

COMPANY FOOTPRINT AND SCALE



Market Distribution and Client Base[1]

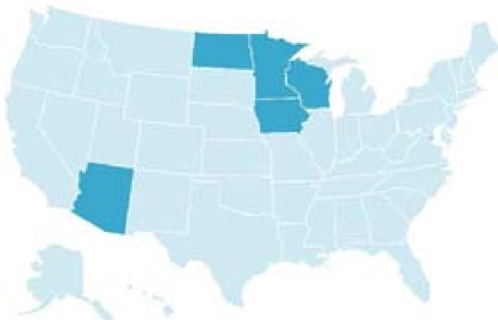
- **56,800** Consumer clients[2]
- **17,700** Commercial clients[2]
- **12,000** Wealth clients
- **5,600** Employer-sponsored retirement plans
- **329,000** Employer-sponsored retirement participant accounts
- **129,100** Health and welfare benefit participant accounts

26 Full-Service Banking Offices

- **Grand Forks, ND:** 4 offices
- **Fargo, ND:** 2 offices
- **Twin Cities, MN:** 6 offices
- **Rochester, MN:** 3 offices
- **Southern MN, WI and IA:** 9 offices
- **Phoenix, AZ:** 2 offices

Retirement and Benefit Services

- Retirement plan service clients in all **50 states**



1. Client base data is approximate based on the data available at the time of release and rounded to the nearest hundred.
2. Includes applicable clients from our Banking, Wealth Advisory, and Retirement and Benefits segments.
3. Synergistic deposits are sourced from the Retirement and Benefit Services and Wealth Advisory Services segments.

Data as of 3/31/2026

STRATEGIC GROWTH

To supplement our organic growth, we have executed 26 acquisitions throughout the history of our company including: 16 in Banking and 10 in Retirement and Benefits.

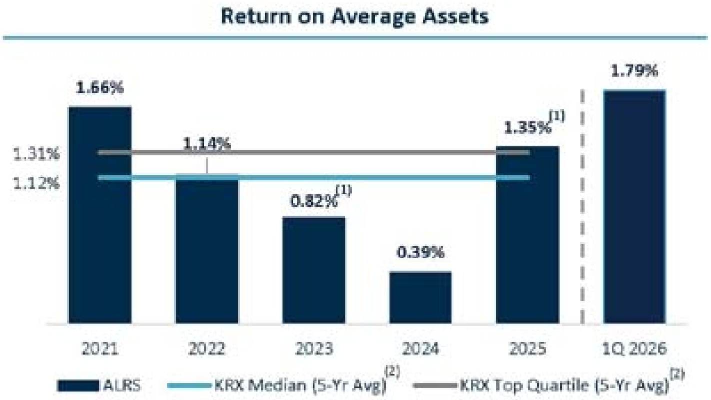
Deposit Balances[1] (% by Year Client Account Opened)

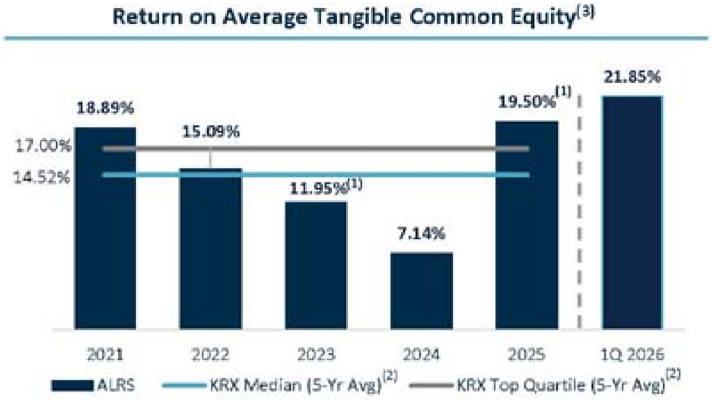
Retirement and Benefits Acquisition Highlights

- **2003:** Acquired Pension Solutions, Inc.
  - Transformed Alerus into a national competitor, increasing scale and growth potential
- **2016:** Acquired Alliance Benefit Group North Central States, Inc.
  - Expanded service offerings with complementary health and welfare services and valuable HSA deposits
- **2020:** Acquired Retirement Planning Services, Inc.
  - Expanded into the Colorado market

1. Data as of 3/31/2026.

COMPANY PERFORMANCE





1. Excludes net losses on investment securities (after-tax) of $19.5 million in 2023 and of $54.0 million in 2025. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Source S&P Capital IQ.
3. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

STRATEGIC INITIATIVES

Our Purpose is to Help Our Clients Achieve Theirs.

Organic Growth

- **New client** acquisition, retention, and **deepening** existing relationships
- **Diversified business model** brings value to clients through advice and specialty solutions
- Leveraging **growth synergies** unavailable to traditional banking organizations

Employer of Choice

- Recruiting and retaining **top talent** with deep industry expertise
- Fostering a purpose-driven culture that **attracts high performers**
- **Accelerating growth** in existing or new mid-market C&I banking markets and specialty niches **with talent and team lift-outs**

Strategic Acquisitions

- Proven **acquiror of choice:** complementary business models, culture, and growth opportunities
- Targeting **retirement and benefit** service providers, **wealth management** firms, and **banks**

Productivity and Efficiency

- **Secure, reliable** technology meeting evolving client expectations
- Integrating our full offerings through **fast-follower** technology strategy
- Streamlining operations and **automating workflows** to drive **scalable growth**

Our Purpose Powers Our Culture.
Our Core Values Put It into Action.

Passion for Excellence: Act with accountability and sense of urgency to best serve clients and achieve exceptional results

Success is Never Final: Embrace opportunities to adapt and grow with our industry and our clients

Do the Right Thing: Lead with integrity and provide valued advice and guidance

One Alerus: Work together to provide purpose-driven products and services for our clients

OFFICERS AND DIRECTORS

Executive Management

Katie O'Neill Lorenson
Director, President and
Chief Executive Officer
9 years with Alerus

Al Villalon
Executive Vice President and
Chief Financial Officer
4 years with Alerus

Karin Taylor
Executive Vice President and
Chief Operating Officer
8 years with Alerus

Jim Collins
Executive Vice President and
Chief Banking and Revenue Officer
4 years with Alerus

Forrest Wilson
Executive Vice President and
Chief Retirement Services Officer
2 years with Alerus

Missy Keney
Executive Vice President and
Chief Engagement Officer
21 years with Alerus

Board of Directors

Dan Coughlin
Since 2016
Chairman, Alerus Financial Corp.
Former MD & Co-Head – Fin'l Services Inv. Banking, Raymond James; Former Chairman & CEO, Howe Barnes Hoefer & Arnett

Randy Newman
Since 1988
Former President and CEO, Alerus

Galen Vetter
Since 2013
Former Global CFO, Franklin Templeton Investments; Former Partner-in-Charge, Upper Midwest Region, RSM

Janet Estep
Since 2021
Former President and CEO, Nacha;
Former EVP, US Bank Transaction Division;
Former VP, Pace Analytical Services

Mary Zimmer
Since 2021
Former Director of Diverse Client Segments and Former Northern Regional President, Wells Fargo Advisors;
Former Head of Intl. Wealth USA, Royal Bank of Canada U.S. Wealth Mgmt.

John Uribe
Since 2023
Chief Financial Officer
Blue Cross and Blue Shield of Minnesota

Nikki Sorum
Since 2023
Former Head of Sales and Distribution, Thrivent;
Former SVP, Private Client Group, RBC Wealth Management
Former Partner, McKinsey & Company

Jeffrey Bolton
Since 2024
Former Chief Administrative Officer and Chief Financial Officer, Mayo Clinic


ALERUS
First Quarter Highlights
Office in Minnetonka, Minnesota

1Q 2026 HIGHLIGHTS

Success is Never Final

Strong First Quarter Returns

- Adjusted pre-provision net revenue[1] increased 0.9% compared to the fourth quarter of 2025.
- Net interest margin (on a tax-equivalent basis)[1] increased 8 bps compared to the fourth quarter of 2025.
- Adjusted noninterest Income as a percentage of adjusted revenue[1] was 40.7% in the first quarter of 2026.

Healthy Balance Sheet Positioning

- The loan to deposit ratio was 92.8% as of March 31, 2026, a 3.8% decline from December 31, 2025.
- Noninterest-bearing deposits increased $49.7 million from December 31, 2025, representing 19.7% of total deposits as of March 31, 2026.
- Loan balances remained stable as marginal credits were trimmed, offsetting new originations.

Robust Capital, Reserve Levels

- Total reserves to loans ratio of 1.25%, a decrease of 28 bps from December 31, 2025.
- Tangible common equity to tangible assets[1] improved to 8.85% from 8.72% at December 31, 2025.

Value Creation

- Repurchased $6.0 million of the Company's outstanding common stock, reducing common shares outstanding by 250,000 shares at quarter end.
- Dividends of $0.21 per share, or $5.3 million of stockholders' equity, in the first quarter of 2026.

Adjusted ROAA[1]:
1.79%
+17 bps vs. 4Q 2025

Adjusted ROTCE[1]:
21.96%
+91 bps vs. 4Q 2025

Loans:
$4.0 billion
Stable vs. 4Q 2025

Deposits:
$4.3 billion
+$0.2 billion vs. 4Q 2025

CET1:
10.6%
Well above bank regulatory requirements

ACL to Total Loans:
1.25%
-28 bps vs. 4Q 2025

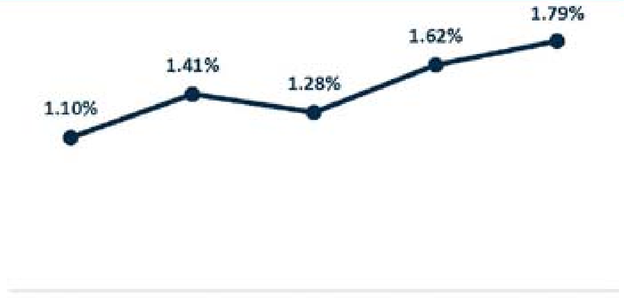
Adjusted EPS[1]:
$0.89
+$0.04 vs. 4Q 2025

TBV Per Share[1]:
$18.15
+$0.60 vs. 4Q 2025

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

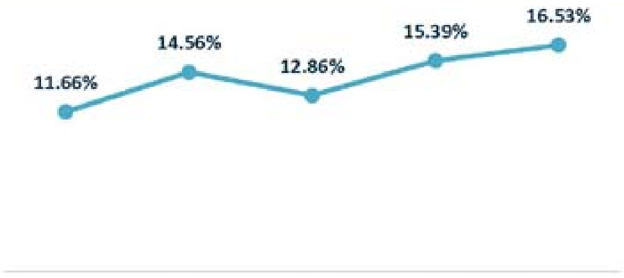
KEY RETURN METRICS

Adjusted Return on Average Assets(1)



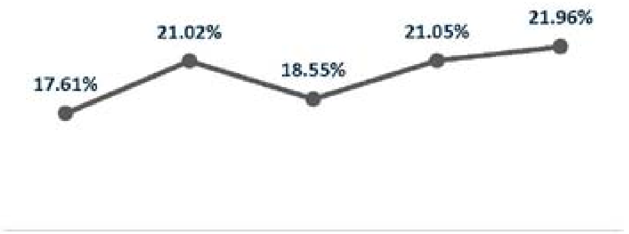
	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Reported:	1.02%	1.53%	1.28%	(2.50)%	1.79%

Adjusted Return on Average Equity(1)



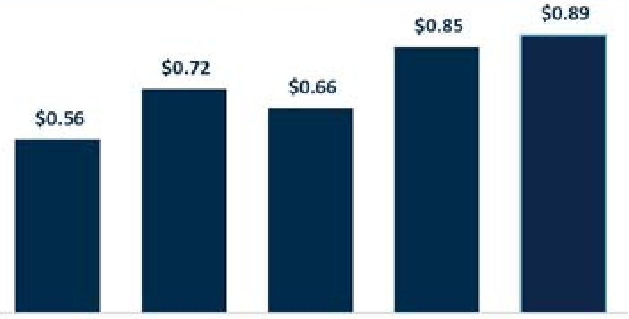
	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Reported:	10.82%	15.82%	12.80%	(23.75)%	16.44%

Adjusted Return on Average TCE(1)



	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Reported:	16.50%	22.65%	18.48%	(28.15)%	21.85%

Adjusted EPS(1)

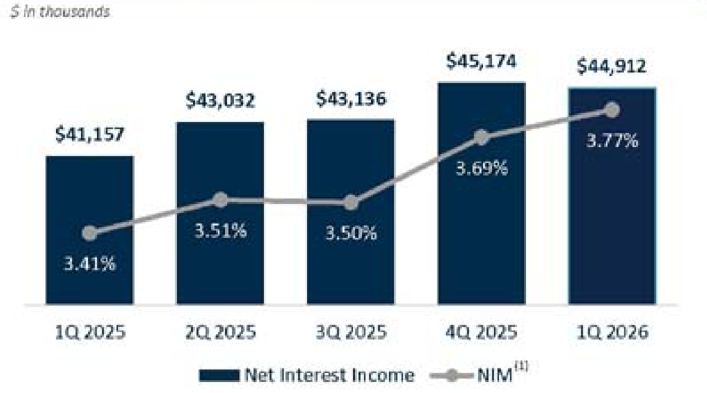


	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Reported:	$0.52	$0.78	$0.65	$(1.27)	$0.89

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

KEY INCOME STATEMENT ITEMS

Net Interest Income & Net interest Margin[(1)/(2)]

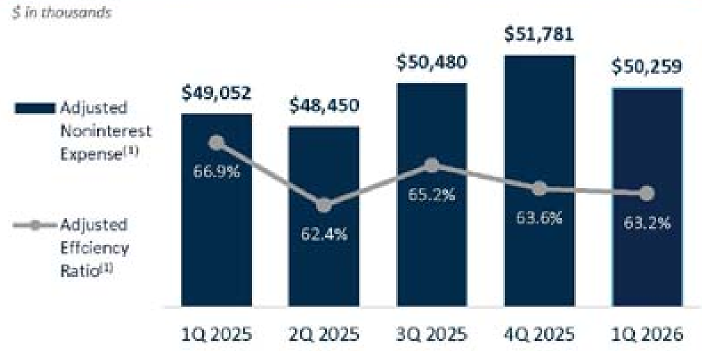


Adjusted Noninterest Income[(1)] & as a % of Adjusted Revenue[(1)]

Reported Noninterest Income:	$27,632	$31,763	$29,430	$(36,949)	$30,847

Adjusted PPNR[(1)] & as a % of Total Average Assets[(1)]

Adjusted Noninterest Expense[(1)] & Adjusted Efficiency Ratio[(1)]

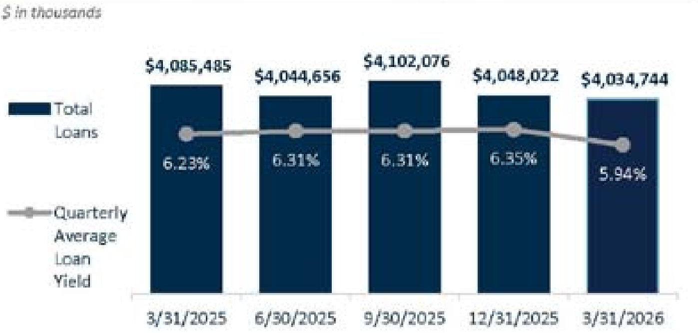


Reported Noninterest Expense:	$50,365	$48,438	$50,541	$51,881	$50,392
Reported Efficiency Ratio:	68.8%	60.7%	65.3%	557.5%	63.4%

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Tax-equivalent net interest margin.

KEY BALANCE SHEET ITEMS

Loans & Quarterly Average Yield



Investment Securities & Quarterly Average Yield

Deposits & Quarterly Average Cost

Loan to deposit ratio:	91.1%	93.2%	93.0%	96.6%	92.8%

Synergistic Deposits [1]

1. Synergistic deposits are sourced from the Retirement and Benefit Services and Wealth Advisory Services segments.


ALERUS
First Quarter Details
Office in Fargo, North Dakota

1Q 2026 RESULTS

Income Statement

($ in thousands, except per share data)	1Q 2025	4Q 2025	1Q 2026
	Quarterly		
Income Statement			
Net Interest Income	$ 41,157	$ 45,174	$ 44,912
Provision for Credit Losses	863	(308)	(4,883)
Net Interest Income After Provision for Credit Losses	40,294	45,482	49,795
Noninterest Income (Loss)	27,632	(36,949)	30,847
Noninterest Expense	50,365	51,881	50,392
Income (Loss) Before Income Tax Expense (Benefit)	17,561	(43,348)	30,250
Income Tax Expense (Benefit)	4,246	(10,298)	7,279
Net Income (Loss)	$ 13,315	$ (33,050)	$ 22,971
Adjusted Net Income [1]	*14,352*	*21,419*	*23,093*
Pre-Provision Net Revenue [1]	$ 18,424	$ (43,656)	$ 25,367
Adjusted Pre-Provision Net Revenue [1]	*19,737*	*25,292*	*25,521*
Per Common Share Data			
Earnings (Loss) Per Common Share - Diluted	$ 0.52	$ (1.27)	$ 0.89
Adjusted Earnings Per Common Share - Diluted [1]	*0.56*	*0.85*	*0.89*
Diluted Average Common Shares Outstanding	25,653	25,710	25,679

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

1Q 2026 RESULTS

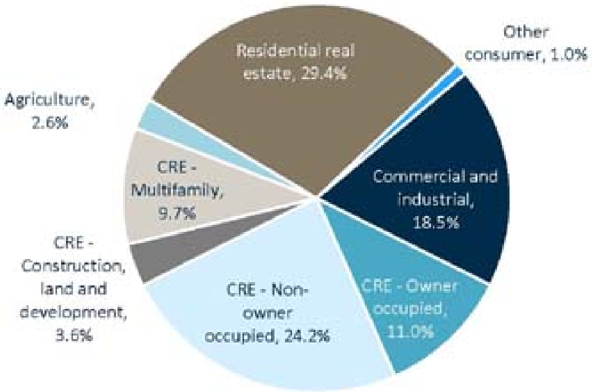
Balance Sheet, Capital, Credit Quality & Other

($ in thousands)	Quarterly 1Q 2025	4Q 2025	1Q 2026
Balance Sheet			
Total Assets	$ 5,339,620	$ 5,230,084	$ 5,287,971
Total Loans	4,085,483	4,048,022	4,034,744
Total Deposits	4,485,290	4,192,003	4,347,882
Tangible Common Equity[1]	387,426	445,929	457,662
Capital Ratios			
Common Equity Tier 1 Captial Ratio (%)	10.10 %	10.28 %	10.60 %
Tang. Cmn. Equity/Tang. Assets (%)[1]	7.43 %	8.72 %	8.85 %
Loans/Deposits (%)	91.09 %	96.57 %	92.80 %
Credit Quality Ratios			
NPLs/Loans (%)	1.24 %	1.71 %	1.34 %
NPAs/Assets (%)	0.96 %	1.33 %	1.02 %
Criticized Loans/Loans (%)	5.64 %	3.68 %	3.28 %
Allowance/NPLs (%)	122.59 %	89.65 %	93.73 %
Allowance/Loans (%)	1.52 %	1.53 %	1.25 %
NCOs/Average Loans (%)[1]	0.04 %	(0.03) %	0.71 %
Other Data			
Retirement and Benefit Services AUA/AUM[2]	$ 39,925,596	$ 44,925,311	$ 42,273,839
Wealth Advisory Services AUA/AUM	4,500,852	4,850,600	4,792,609
Mortgage Originations	70,593	136,780	94,434

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Data is approximate based on the data available at the time of release.

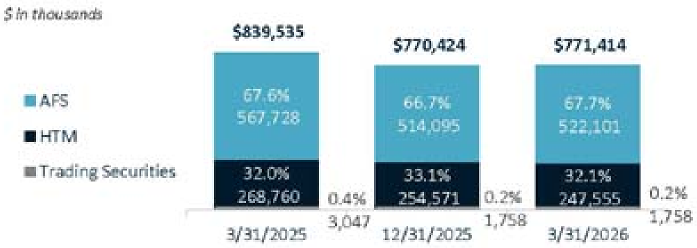
EARNING ASSETS

March 31, 2026 Loan Portfolio[1]



1Q 2026 Loan Portfolio[1] Changes

Investment Portfolio



Average Period Yield	2.79%	2.45%	3.84%
% of Earning Assets:	16.8%	15.7%	15.6%
AOCI:	$(63,254)	$(2,156)	$(4,237)

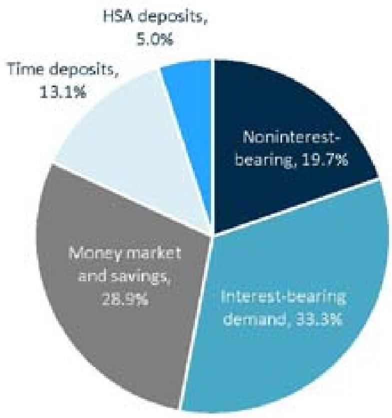
Quarterly Highlights

- Total loans decreased $13.3 million, or 0.3%, from December 31, 2025.
- The quarter-over-quarter decrease was primarily driven by a $28.3 million decrease in consumer loans, partially offset by a $15.1 million increase in commercial loans.
- Total non-owner occupied and multifamily CRE loans to total Bank risk-based capital[3] was 264% as of March 31, 2026.
- The investment portfolio increased $1.0 million, or 0.1%, from December 31, 2025, as paydowns and maturities were replaced with the purchase of new investments.

1. Additional loan portfolio breakdown available in the Appendix.
2. Purchase accounting accretion ("PAA") from acquired loans.
3. Bank total risk-based capital was $518 million as of March 31, 2026.

DEPOSIT CHARACTERISTICS

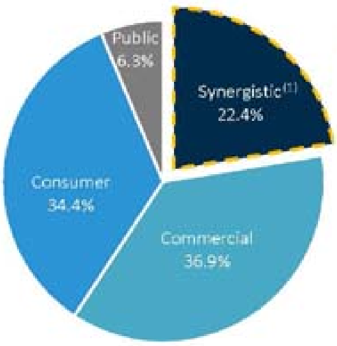
March 31, 2026 Deposit Portfolio (by Category)



1Q 2026 Deposit Portfolio Changes

$ in millions

March 31, 2026 Deposit Portfolio (by Client Segment)



Total synergistic deposit[1] balances were stable compared to December 31, 2025

Quarterly Highlights

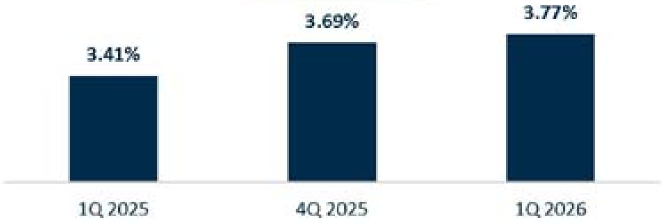
- Total deposits increased $155.9 million, or 3.7%, from December 31, 2025.
- Noninterest-bearing deposits grew 6.2% from the fourth quarter of 2025.
- The loan to deposits ratio was 92.8% as of March 31, 2026, a decrease of 3.8% from December 31, 2025.
- The quarter-over-quarter increase in total deposits was primarily driven by seasonal inflows of public depositor funds and consumer deposit growth.

1. Synergistic deposits are sourced from the Retirement and Benefit Services and Wealth Advisory Services segments.

NET INTEREST INCOME

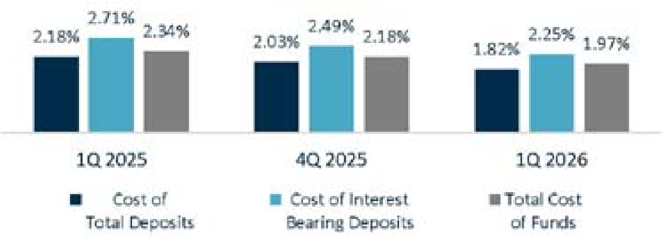
Yields and Rates

Net Interest Margin[1]



Earning Assets

Cost of Funds



NII and NIM[1] Walk

$ in Thousands

NIM:[1]	**3.69%**	0.16%	0.08%	(0.02)%	0.00%	(0.14)%	**3.77%**

Quarterly Highlights

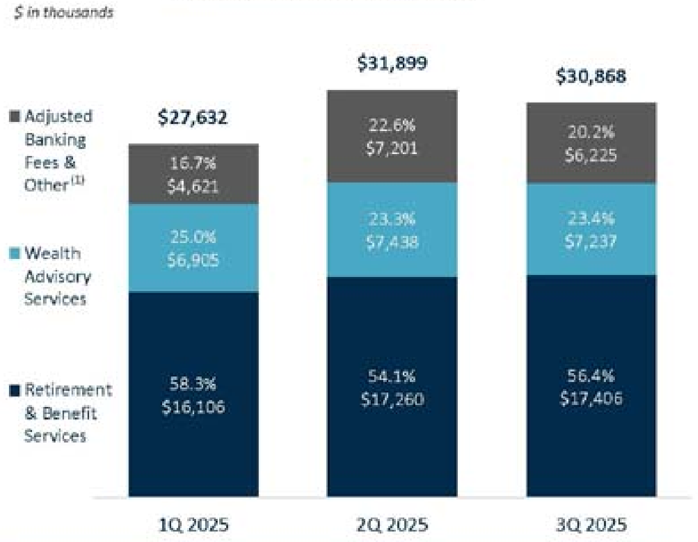
- Net interest income for the first quarter of 2026 was $44.9 million, a $0.3 million, or 0.6%, decrease from the fourth quarter of 2025.
  - The decrease was primarily due to a one-time $2.4 million adjustment related to a sold loan participation recorded in the fourth quarter of 2025, partially offset by higher interest income on investment securities and a decrease in average rates paid on deposits and borrowings.
- Net interest margin (on a tax-equivalent basis)[1] increased 8 bps to 3.77%, from 3.69% for the fourth quarter of 2025.
  - The increase was mainly attributable to lower cost of funds and higher yields on investment securities, partially offset by a one-time adjustment related to a sold loan participation recorded in the fourth quarter of 2025, lower loan yields, and less purchase accounting accretion.
  - Net interest margin (on a tax-equivalent basis)[1] was impacted by 25 bps of purchase accounting accretion in the first quarter of 2026.

1. Net Interest Margin (on a tax-equivalent basis). Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
Yields and rates have been annualized.

NONINTEREST INCOME

Adjusted Noninterest Income[1] Represents Over 40% of Adjusted Revenue[1]

Adjusted Noninterest Income[1]



Reported:	$27,632	$(36,949)	$30,847

Adjusted Noninterest Income[1]: -3.2% Linked quarter
+11.7% Year-over-year

Quarterly Highlights

- Adjusted banking fees & other income[1] decreased 13.6% from the fourth quarter of 2025, primarily driven by a decrease in swap fee revenue.
- Retirement and Benefit Services revenue increased 0.8% compared to the fourth quarter of 2025, driven by an increase in recurring annual income.
- Wealth Advisory Services revenue decreased 2.7% from the fourth quarter of 2025, primarily driven by a decline in both asset-based fees tied to equity markets, and transaction-based fees.

Year-Over-Year Highlights

- Adjusted banking fees & other income[1] increased 34.7% from the first quarter of 2025.
- Retirement and Benefit Services revenue increased 4.8% compared to the first quarter of 2025. The increase was primarily driven by both asset-based and transaction-based fees.
- Wealth Advisory Services revenue increased 8.1% from the first quarter of 2025 driven by asset-based fees.
- Mortgage banking revenue increased $2.0 million compared to the first quarter of 2025, due to an increase in mortgage servicing asset valuation, as well as increased origination volume and improved gain on sale margin.

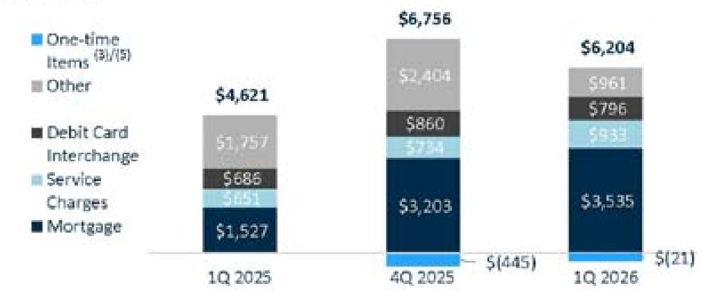
1. Excludes net losses on investment securities, net gains on sale of loans, and net losses on sale/disposal of fixed assets. See "Non-GAAP Disclosure Reconciliation."

BANKING SERVICES

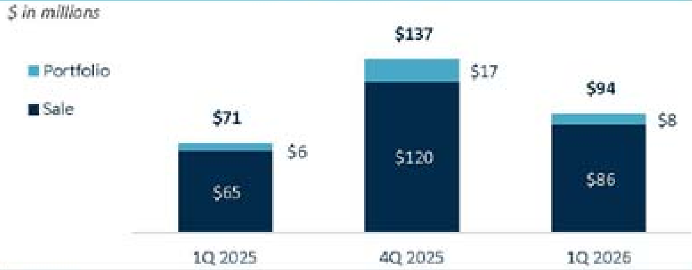
Divisional[1] Income Statement

($ in thousands)	Quarterly 1Q 2025	4Q 2025	1Q 2026
Net interest income	$ 41,157	$ 45,174	$ 44,912
Provision for credit losses	863	(308)	(4,883)
Noninterest income[2]/[3]	4,621	6,756	6,204
Total revenue	44,915	52,238	55,999
Noninterest expense[4]	29,211	28,562	27,393
Net income before taxes:	**$ 15,704**	**$ 23,676**	**$ 28,606**

Noninterest Income[2]/[3] Breakdown



Mortgage Highlights



	1Q 2025	4Q 2025	1Q 2026
Purchase:	83.5%	69.8%	65.3%
Refinance:	16.5%	30.2%	34.7%

Quarterly Highlights

- Banking services noninterest income decreased $0.6 million, or 8.2%, from the fourth quarter of 2025.
- Other income for the first quarter of 2026 decreased $1.4 million, or 60.0%, from the fourth quarter of 2025, primarily driven by lower swap fee revenue.
- Mortgage revenue for the first quarter of 2026 increased $0.3 million, or 10.4%, from the fourth quarter of 2025. The increase was primarily driven by an increase in mortgage servicing asset valuation and gain on sale margin, partially offset by lower origination volume.

1. Includes Corporate Administration income.
2. Banking noninterest income consists of service charges on deposit accounts, mortgage income, interchange income and other noninterest income.
3. Excludes net losses on investment securities of $68.4 million in 4Q 2025. See "Non-GAAP Disclosure Reconciliation."
4. Excludes non-personnel HMNF acquisition-related expenses.
5. One-time items include losses on the disposal of premises and equipment of $(445) in 4Q 2025 and $(21) in 1Q 2026.

RETIREMENT AND BENEFIT SERVICES

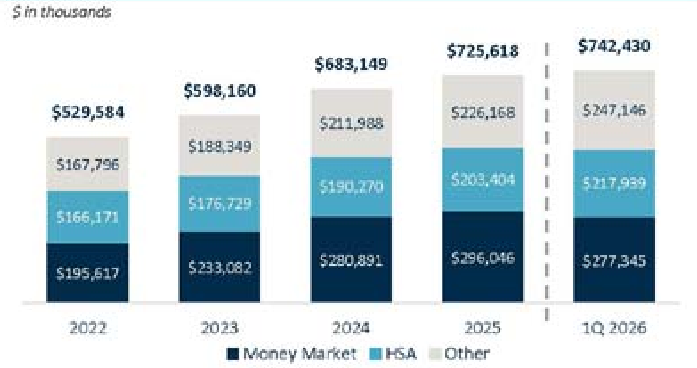
Divisional[1] Income Statement

($ in thousands)	Quarterly 1Q 2025	4Q 2025	1Q 2026
Recurring annual income	$ 14,408	$ 15,193	$ 15,560
Transactional income	1,698	2,067	1,846
Total noninterest income	16,106	17,260	17,406
Noninterest expense	13,617	14,812	14,609
Net income before taxes:	**$ 2,489**	**$ 2,448**	**$ 2,797**

AUA / AUM [2] and Participant Accounts [2]

	2022	2023	2024	2025	1Q 2026
Number of Retirement Plans[2]:	8,100	8,300	8,600	8,800	5,600

Synergistic Deposits[4]



Quarterly Highlights

- Retirement and Benefit Services revenue increased 0.8% compared to the fourth quarter of 2025, driven by an increase in recurring annual income.
- AUA / AUM decreased 5.9% from December 31, 2025. This was primarily due to a strategic realignment of record-keeping partners that is expected to have minimal impact on revenue in future periods.
- 60% of Retirement and Benefit Services revenue is tied to plans, participants, and activity. 40% of revenue is market sensitive.
- 50% of Retirement and Benefit Services synergistic deposits[4] are indexed.
- HSA synergistic deposits[4] increased 7.1% from December 31, 2025, and had an average cost of funds of 10 bps for the first quarter of 2026.

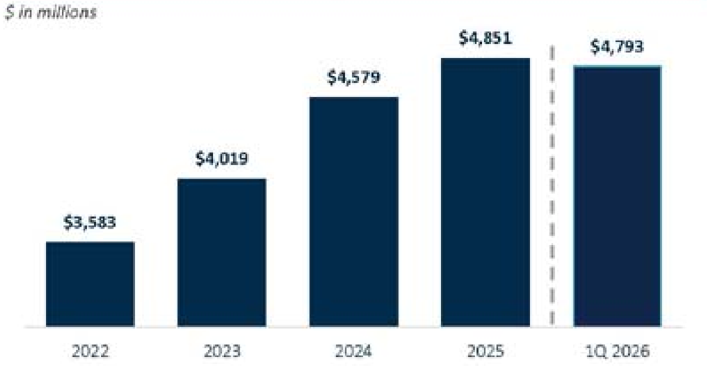
1. Excludes funds transfer pricing credit on synergistic deposits.
2. Data is approximate based on the data available at the time of release and rounded to the nearest hundred.
3. Refers to health and welfare benefit participant accounts.
4. Synergistic deposits include deposits sourced from the Retirement and Benefit Servies segment.

WEALTH ADVISORY SERVICES

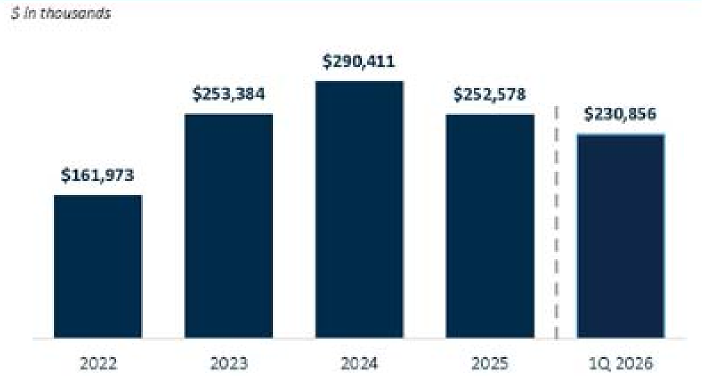
Divisional[1] Income Statement

($ in thousands)	Quarterly 1Q 2025	4Q 2025	1Q 2026
Asset management	$ 5,761	$ 6,553	$ 6,454
Brokerage	534	459	394
Insurance and other	610	426	389
Total noninterest income	6,905	7,438	7,237
Noninterest expense	4,837	5,620	5,727
Net income before taxes:	**$ 2,068**	**$ 1,818**	**$ 1,510**

AUA / AUM



Synergistic Deposits[2]



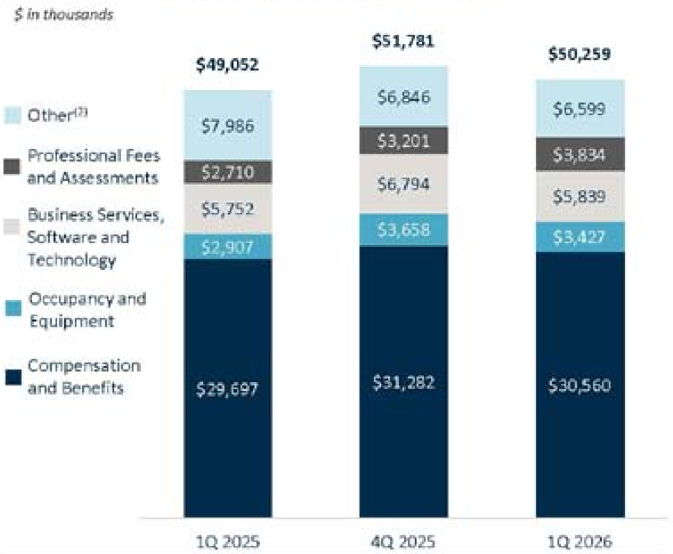
Quarterly Highlights

- Wealth Advisory Services revenue decreased 2.7% from the fourth quarter of 2025, primarily driven by a decline in both asset-based fees tied to equity markets, and transaction-based fees.
- AUA / AUM decreased 1.2% from December 31, 2025.
- Wealth Advisory Services synergistic deposits[2] decreased 8.6% in the first quarter of 2026 compared to December 31, 2025.
- Wealth Advisory Services synergistic deposits[2] are indexed.

1. Excludes funds transfer pricing credit on synergistic deposits.
2. Synergistic deposits include deposits sourced from the Wealth Advisory Services segment.

NONINTEREST EXPENSE

Adjusted Noninterest Expense[1]



	1Q 2025	4Q 2025	1Q 2026
Reported:	$50,365	$51,881	$50,392

Adjusted Noninterest Expense[1]:	-2.9% Linked quarter +2.5% Year-over-year

Quarterly Highlights

- Adjusted noninterest expense[1] decreased $1.5 million, or 2.9%, compared to the fourth quarter of 2025.
- The decrease was primarily driven by compensation and benefits, due to decreases in annual bonus expense and mortgage incentive compensation due to seasonality.
- Business services, software and technology expense decreased from the fourth quarter of 2025, primarily due to a reclassification of consulting services and other third-party vendor expenses from business services, software and technology expense to professional fees and assessments.
- Professional fees and assessments increased from the fourth quarter of 2025, primarily due to this expense reclassification, partially offset by a decrease in legal fees.

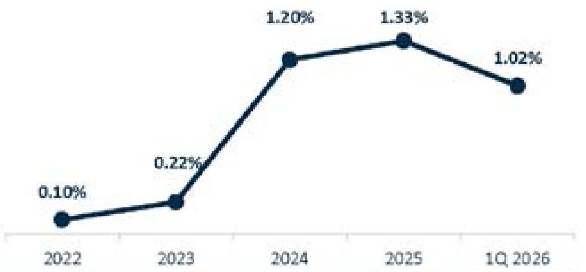
Year-Over-Year Highlights

- Adjusted noninterest expense[1] increased $1.2 million, or 2.5%, compared to the first quarter of 2025.
- The increase was primarily driven by compensation and benefits expense, primarily due to higher annual bonus expense, and occupancy and equipment expense, primarily driven by facility investment and the strategic realignment of locations from owned to leased space.
- The increase was partially offset by a decrease in other expenses, primarily due to the annual reset of the $33.5 million core deposit intangible recorded in connection with the HMNF acquisition in the fourth quarter of 2024.

1. Excludes HMNF acquisition-related expenses and severance and signing bonus expenses. See "Total adjusted noninterest expense items" in the "Non-GAAP Disclosure Reconciliation."
2. Consists of intangible amortization, marketing and business development, supplies and postage, travel, mortgage and lending, and other noninterest expense.

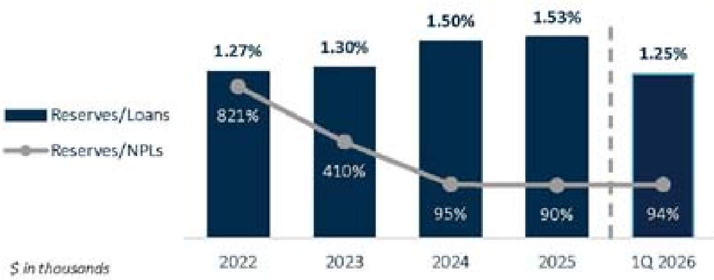
ASSET QUALITY AND RESERVE LEVELS

NPAs / Assets %



NCO/ Avg Loans[1]	0.02%	(0.04)%	0.13%	0.05%	0.71%

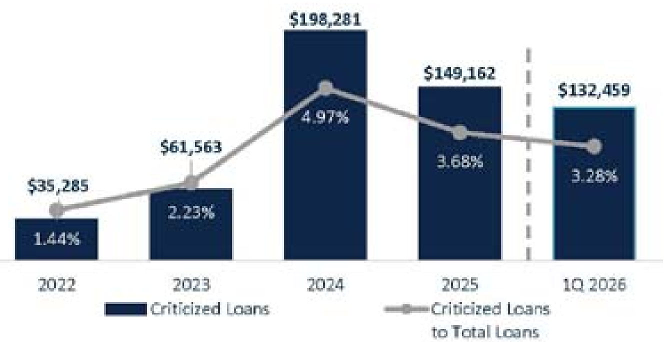
Reserves / Loans & Reserves / NPLs (%)



$ in thousands	2022	2023	2024	2025	1Q 2026
Nonaccrual loans	$3,794	$8,596	$54,433	$69,065	$53,881
Accruing loans 90+ days past due	-	139	8,453	-	-
Total NPLs	$3,794	$8,735	$62,886	$69,065	$53,881

Criticized Loans

$ in thousands



Highlights

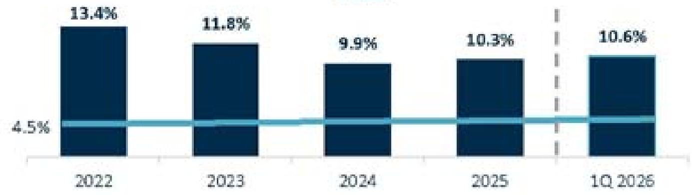
- Net charge-offs of $7.0 million in the first quarter of 2026 resulted in net charge-offs to average loans[1] of 71 bps.
- The quarter-over-quarter increase in net charge-offs was primarily due to charge-offs of $6.4 million related to one non-accruing long-term commercial and industrial client relationship.
- Reserves to total loans ratio was 1.25% on March 31, 2026, a decrease of 28 bps from December 31, 2025.
- Total nonperforming assets were $54.0 million as of March 31, 2026, a decrease of $15.4 million from December 31, 2025.
- Recorded a provision release of $4.9 million for the first quarter of 2026.

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

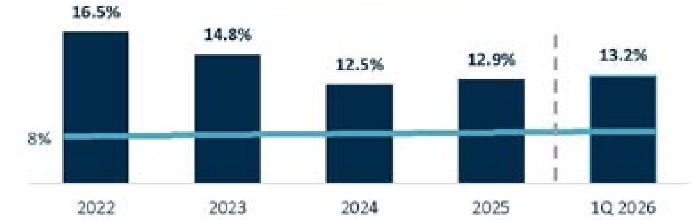
CAPITAL AND SOURCES OF LIQUIDITY

Capital Ratios

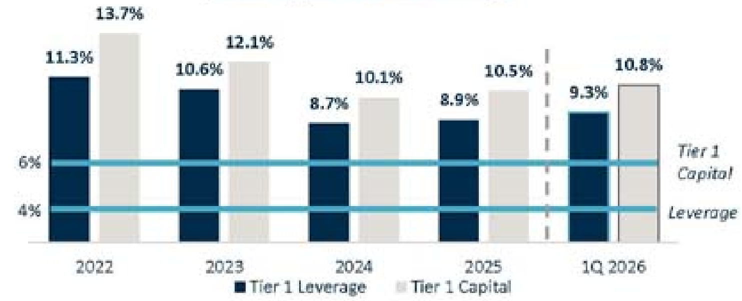
CET1



Total Risk Based Capital



Tier 1 Capital & Tier 1 Leverage



Regulatory Capital Minimum to be considered adequately capitalized.

Tangible Book Value[1] & Book Value

Liquidity

$ in thousands

Total assets	$ 5,287,971
Cash and cash equivalents	128,826
Unencumbered securities AFS	267,290
Overcollateralized securities pledging positions - AFS	33,084
Total On Balance Sheet Liquidity[2]	**429,200**
FHLB borrowing capacity	1,062,567
FRB Discount Window Capacity	38,523
Fed funds lines	127,000
Brokered CD capacity[3]	1,049,192
Total Off Balance Sheet Liquidity	**2,277,282**
Total Liquidity as of March 31, 2026	**$ 2,706,482**
Total Liquidity (Ex-brokered CD Capacity)	***$ 1,657,290***

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Excludes unencumbered HTM securities with a market value of $439.4 million.
3. The Company had $8.4 million of brokered deposits as of March 31, 2026.

OUTLOOK

Full Year

	Comparison	FY 2026 Guidance[1]
Loans *End of period*	$4.0b *12/31/2025*	Up mid-single digits
Deposits *End of period*	$4.2b *12/31/2025*	Up low-single digits
NIM[2]/[3]	3.53% *2025*	3.55-3.65%
Adjusted Noninterest Income[3]	$119m *2025*	Up mid-single digits
Adjusted Revenue[3]	$291m *2025*	Up mid-single digits
Adjusted Noninterest Expense[3]	$200m *2025*	Up low-single digits
Adjusted ROA[3]	1.35% *2025*	>1.25%

1. The guidance, as shown, uses the assumption that the Federal funds rate remains static as of 3/31/2026 through 12/31/2026.
2. Tax-equivalent net interest margin.
3. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."

KEY TAKEAWAYS

A Robust First Quarter Brings Strong Momentum for 2026

EARNINGS

Net interest income and our diversified noninterest income will continue to be a strong differentiator.

BALANCE SHEET

We continue to focus on disciplined growth to help deliver a sustainable core banking franchise.

ASSET & CAPITAL STRENGTH

Robust capital and reserve levels, along with our diversification, keeps us well positioned for long-term strategic growth.

VALUE CREATION

We remain committed to continued improvement of our core businesses in order to drive returns higher and maintain top-tier performance.


ALERUS
Appendix
Office in Grand Forks, North Dakota

DIVISIONAL INCOME STATEMENT

($ dollars in thousands)

Quarter ended March 31, 2026	Banking Services	Retirement and Benefit Services	Wealth Advisory Services	Corporate Administration	Consolidated
Net interest income	$ 45,545	$ -	$ -	$ (633)	$ 44,912
Provision for loan losses	(4,883)	-	-	-	(4,883)
Noninterest income (loss)[1]	6,348	17,406	7,237	(144)	30,847
Noninterest expense	27,393	14,609	5,727	2,663	50,392
Net income (loss) before taxes	**$ 29,383**	**$ 2,797**	**$ 1,510**	**$ (3,440)**	**$ 30,250**

Quarter ended December 31, 2025	Banking Services	Retirement and Benefit Services	Wealth Advisory Services	Corporate Administration	Consolidated
Net interest income	$ 45,819	$ -	$ -	$ (645)	$ 45,174
Provision for loan losses	(308)	-	-	-	(308)
Noninterest income (loss)[1]	(61,264)	17,260	7,438	(383)	(36,949)
Noninterest expense	28,562	14,812	5,620	2,887	51,881
Net income (loss) before taxes	**$ (43,699)**	**$ 2,448**	**$ 1,818**	**$ (3,915)**	**$ (43,348)**

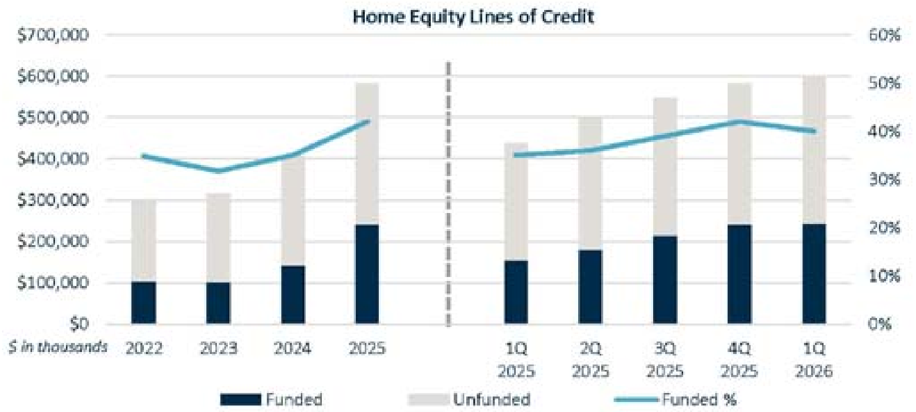
Quarter ended March 31, 2025	Banking Services	Retirement and Benefit Services	Wealth Advisory Services	Corporate Administration	Consolidated
Net interest income	$ 41,807	$ -	$ -	$ (650)	$ 41,157
Provision for loan losses	863	-	-	-	863
Noninterest income (loss)[1]	4,647	16,106	6,905	(26)	27,632
Noninterest expense	29,211	13,617	4,837	2,700	50,365
Net income (loss) before taxes	**$ 16,380**	**$ 2,489**	**$ 2,068**	**$ (3,376)**	**$ 17,561**

1. Banking noninterest income (loss) consists of service charges on deposit accounts, mortgage income, interchange income and other noninterest income.

LOAN PORTFOLIO BREAKDOWN

($ in thousands)	December 31, 2025 Balance	December 31, 2025 Percent of Portfolio	March 31, 2026 Balance	March 31, 2026 Percent of Portfolio
Commercial and business lending:				
General business	$ 290,008	7.2%	$ 356,240	8.8%
Services	237,966	5.9%	215,487	5.3%
Retail trade	101,374	2.5%	66,439	1.6%
Manufacturing	107,485	2.7%	109,281	2.7%
CRE - Owner Occupied	427,260	10.6%	444,276	11.0%
Total commercial and busines lending	**1,164,093**	**28.9%**	**1,191,723**	**29.4%**
Investor commercial real estate:				
Construction, land and development	246,238	6.1%	146,897	3.6%
Multifamily	383,505	9.5%	392,097	9.7%
Non-owner occupied				
Office	142,095	3.5%	139,175	3.4%
Industrial	193,041	4.8%	199,122	4.9%
Retail	116,735	2.9%	127,003	3.1%
Hotel	110,022	2.7%	109,363	2.7%
Medical Office	174,891	4.3%	208,375	5.2%
Medical or nursing facility	85,918	2.1%	137,800	3.4%
Other commercial real estate	53,160	1.3%	55,501	1.5%
Total non-owner occupied	875,862	21.6%	976,339	24.2%
Total investor commercial real estate	**1,505,605**	**37.2%**	**1,515,333**	**37.5%**
Agricultural:				
Land	64,799	1.6%	54,028	1.3%
Production	62,500	1.5%	50,983	1.3%
Total agricultural	**127,299**	**3.1%**	**105,011**	**2.6%**
Consumer				
Residential real estate first lien	874,737	21.6%	851,551	21.1%
Residential real estate construction	33,703	0.8%	32,872	0.9%
Residential real estate HELOC	260,883	6.4%	262,131	6.5%
Residential real estate junior lien	36,844	0.9%	35,783	0.9%
Other Consumer	44,858	1.1%	40,340	1.1%
Total consumer	**1,251,025**	**30.8%**	**1,222,677**	**30.5%**
Total loans	**$ 4,048,022**	**100.0%**	**$ 4,034,744**	**100.0%**

LINE OF CREDIT UTILIZATION



Commercial and industrial loans includes revolving C&I loans and other loans. It excludes non-revolving C&I loans, and ag production.

ALLOWANCE FOR CREDIT LOSSES ON LOANS

Changes in the ACL for Loans by Portfolio Segment

($ in thousands)	Three months ended March 31, 2026 Beginning Balance	Provision for (Recovery of) Credit Losses[1]	Loan Charge-offs	Loan Recoveries	Ending Balance
Commercial					
Commercial and business lending					
Commercial and industrial	$ 16,216	$ 1,791	$ (6,565)	$ 186	$ 11,628
CRE - Owner occupied	3,097	496	—	11	3,604
Total commercial and business lending	19,313	2,287	(6,565)	197	15,232
Investor commercial real estate					
Construction, land and development	13,210	(6,469)	—	—	6,741
Multifamily	4,380	(125)	(556)	—	3,699
Non-owner occupied	11,006	(77)	—	—	10,929
Total investor commercial real estate	28,596	(6,671)	(556)	—	21,369
Agricultural					
Land	959	(107)	—	—	852
Production	623	(299)	—	194	518
Total Agriculture	1,582	(406)	—	194	1,370
Total commercial	**49,491**	**(4,790)**	**(7,121)**	**391**	**37,971**
Consumer					
Residential real estate					
First lien	9,358	(236)	—	—	9,122
Construction	274	23	—	—	297
HELOC	1,787	343	—	—	2,130
Junior lien	395	224	(212)	—	407
Total residential real estate	11,814	354	(212)	—	11,956
Other consumer	610	52	(113)	29	578
Total Consumer	**12,424**	**406**	**(325)**	**29**	**12,534**
Total	**$ 61,915**	**$ (4,384)**	**$ (7,446)**	**$ 420**	**$ 50,505**

1. The difference in the credit loss expense reported herein compared to the consolidated statements of income is associated with the credit loss expense of $0.5 million related to off-balance sheet credit exposure and $5.0 thousand related to held-to-maturity investment securities.

ALLOWANCE FOR CREDIT LOSSES ON LOANS

Allocation by Loan Portfolio Segment

	December 31, 2025		March 31, 2026	
($ in thousands)	Allocated Allowance	Percentage of segment allowance to segment loans	Allocated Allowance	Percentage of segment allowance to segment loans
Commercial and industrial	$ 16,216	2.20%	$ 11,628	1.56%
CRE - Owner occupied	3,097	0.72%	3,604	0.81%
CRE - Construction, land and development	13,210	5.36%	6,741	4.59%
CRE - Multifamily	4,380	1.14%	3,699	0.94%
CRE - Non-owner occupied	11,006	1.26%	10,929	1.12%
Agricultural - Land	959	1.48%	852	1.58%
Agricultural - Production	623	1.00%	518	1.02%
Residential real estate first lien	9,358	1.07%	9,122	1.07%
Residential real estate construction	274	0.81%	297	0.90%
Residential real estate HELOC	1,787	0.68%	2,130	0.81%
Residential real estate junior lien	395	1.07%	407	1.14%
Other Consumer	610	1.36%	578	1.43%
Total loans	**$ 61,915**	**1.53%**	**$ 50,505**	**1.25%**

FINANCIAL HIGHLIGHTS

	Quarterly				
($ in thousands, except where otherwise noted)	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Total Assets	$ 5,339,620	$ 5,323,822	$ 5,330,573	$ 5,230,084	$ 5,287,971
Total Loans	4,085,483	4,044,657	4,102,075	4,048,022	4,034,744
Total Deposits	4,485,291	4,337,468	4,412,653	4,192,003	4,347,882
Tangible Common Equity[1]	387,426	409,059	429,300	445,929	457,662
Retirement and Benefit Services AUA/AUM[2]	$ 39,925,596	$ 42,451,544	$ 44,005,277	$ 44,925,311	$ 42,273,839
Wealth Advisory Services AUA/AUM	4,500,852	4,613,102	4,812,250	4,850,600	4,792,609
Mortgage Originations	70,593	134,634	142,768	136,780	94,434
Net Income (Loss)	$ 13,315	$ 20,253	$ 16,924	$ (33,050)	$ 22,971
ROAA (%)	1.02	1.53	1.27	(2.50)	1.79
ROATCE(%)[1]	16.50	22.65	18.48	(28.15)	21.85
Net Interest Margin (FTE) (%)[1]	3.41	3.51	3.50	3.69	3.77
Efficiency Ratio (FTE) (%)[1]	68.76	60.66	65.34	557.48	63.39
Non-Int. Income (Loss)/Op. Rev. (%)	40.17	42.47	40.56	(449.23)	40.72
Earnings (loss) per common share - diluted	$ 0.52	$ 0.78	$ 0.65	$ (1.27)	$ 0.89
Common Equity Tier 1 Captial Ratio (%)	10.10	10.54	10.84	10.28	10.60
Tang. Cmn. Equity/Tang. Assets (%)[1]	7.43	7.87	8.24	8.72	8.85
Loans/Deposits (%)	91.09	93.25	92.96	96.57	92.80
NPLs/Loans (%)	1.24	1.27	1.45	1.71	1.34
NPAs/Assets (%)	0.96	0.98	1.13	1.33	1.02
Criticized Loans/Loans (%)	5.64	5.26	4.66	3.68	3.28
Allowance/NPLs (%)	122.59	115.15	104.16	89.65	93.73
Allowance/Loans (%)	1.52	1.47	1.51	1.53	1.25
NCOs/Average Loans (%)[1]	0.04	0.37	(0.17)	(0.03)	0.71

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Data is approximate based on the data available at the time of release.

FINANCIAL HIGHLIGHTS

($ in thousands, except where otherwise noted)	Annual 2021	2022	2023	2024	2025	21 - '25 CAGR
Total Assets	$ 3,392,691	$ 3,779,637	$ 3,907,713	$ 5,261,673	$ 5,230,084	11.4%
Total Loans	1,758,020	2,443,994	2,759,583	3,992,534	4,048,022	23.2%
Total Deposits	2,920,551	2,915,484	3,095,611	4,378,410	4,192,003	9.5%
Tangible Common Equity[1]	307,663	287,330	305,186	365,894	445,929	9.7%
Retirement and Benefit Services AUA/AUM[2]	$ 36,732,938	$ 32,122,520	$ 36,682,425	$ 40,728,699	$ 44,925,311	5.2%
Wealth Advisory Services AUA/AUM	4,039,931	3,562,648	4,018,846	4,579,189	4,850,600	4.7%
Mortgage Originations	1,836,064	812,314	364,114	334,318	484,775	
Net Income (Loss)	$ 52,681	$ 40,005	$ 11,696	$ 17,780	$ 17,439	
ROAA (%)	1.66	1.14	0.31	0.39	0.33	
ROATCE(%)[1]	18.89	15.09	5.37	7.14	6.29	
Net Interest Margin (FTE) (%)[1]	2.90	3.04	2.46	2.56	3.53	
Efficiency Ratio (FTE) (%)[1]	70.02	72.86	85.85	77.92	84.10	
Non-Int. Income (Loss)/Op. Rev. (%)	62.86	52.72	47.74	51.78	23.12	
Earnings (loss) per common share - diluted	2.97	2.10	0.58	0.83	0.68	
Common Equity Tier 1 Captial Ratio (%)	14.65	13.39	11.82	9.91	10.28	
Tang. Cmn. Equity/Tang. Assets (%)[1]	9.21	7.74	7.94	7.13	8.72	
Loans/Deposits (%)	60.19	83.83	89.15	91.19	96.57	
NPLs/Loans (%)	0.12	0.16	0.32	1.58	1.71	
NPAs/Assets (%)	0.09	0.10	0.22	1.20	1.33	
Criticized Loans/Loans (%)	1.21	1.44	2.23	4.97	3.68	
Allowance/NPLs (%)	1,437.05	820.93	410.34	95.30	89.65	
Allowance/Loans (%)	1.80	1.27	1.30	1.50	1.53	
NCOs/Average Loans (%)[1]	(0.04)	0.02	(0.04)	0.13	0.05	

1. Represents a non-GAAP financial measure. See "Non-GAAP Disclosure Reconciliation."
2. Data is approximate based on the data available at the time of release.

NON-GAAP DISCLOSURE RECONCILIATION

($ in thousands, except where otherwise noted)	Quarterly 1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Tangible common equity to tangible assets					
Total common stockholders' equity	$ 514,232	$ 533,155	$ 550,687	$ 564,934	$ 574,693
Less: Goodwill	85,634	85,634	85,634	85,634	85,634
Less: Other intangible assets	41,172	38,462	35,753	33,371	31,397
Tangible common equity (a)	387,426	409,059	429,300	445,929	457,662
Total assets	5,339,620	5,323,822	5,330,572	5,230,084	5,287,971
Less: Goodwill	85,634	85,634	85,634	85,634	85,634
Less: Other intangible assets	41,172	38,462	35,753	33,371	31,397
Tangible assets (b)	5,212,814	5,199,726	5,209,185	5,111,079	5,170,940
Tangible common equity to tangible assets (a)/(b)	7.43%	7.87%	8.24%	8.72%	8.85%
Tangible book value per common share					
Tangible common equity (a)	387,426	409,059	429,300	445,929	457,662
Common shares issued and outstanding (c)	25,366	25,389	25,397	25,406	25,214
Tangible book value per common share (a)/(c)	$ 15.27	$ 16.11	$ 16.90	$ 17.55	$ 18.15
Return on average tangible common equity					
Net income (loss)	$ 13,315	$ 20,253	$ 16,924	$ (33,050)	$ 22,971
Add: Intangible amortization expense (net of tax)[1]	2,141	2,141	2,141	1,882	1,559
Net income (loss), excluding intangible amortization (d)	15,456	22,394	19,065	(31,168)	24,530
Average total equity	499,224	513,606	524,459	552,106	566,563
Less: Average goodwill	85,634	85,634	85,634	85,634	85,634
Less: Average other intangible assets (net of tax)[1]	33,718	31,436	29,540	27,270	25,664
Average tangible common equity (e)	379,872	396,536	409,285	439,202	455,265
Return on average tangible common equity (d)/(e)	16.50%	22.65%	18.48%	(28.15)%	21.85%
Efficiency ratio					
Noninterest expense	$ 50,365	$ 48,438	$ 50,541	$ 51,881	$ 50,392
Less: Intangible amortization expense	2,710	2,710	2,710	2,382	1,974
Noninterest expense excluding intangible amortization (f)	47,655	45,728	47,831	49,499	48,418
Net interest income	41,157	43,032	43,136	45,174	44,912
Noninterest income (loss)	27,632	31,763	29,430	(36,949)	30,847
Tax-equivalent adjustment for loans and securities	520	592	638	654	619
Total tax-equivalent revenue (g)	69,309	75,387	73,204	8,879	76,378
Efficiency ratio (f)/(g)	68.76%	60.66%	65.34%	557.48%	63.39%
Pre-provision net revenue					
Net interest income	$ 41,157	$ 43,032	$ 43,136	$ 45,174	$ 44,912
Add: Noninterest income (loss)	27,632	31,763	29,430	(36,949)	30,847
Less: Noninterest expense	50,365	48,438	50,541	51,881	50,392
Pre-provision net revenue (loss)	18,424	26,357	22,025	(43,656)	25,367

1. Adjusted items are shown after-tax using a 21% tax rate.

NON-GAAP DISCLOSURE RECONCILIATION

($ in thousands, except for per share data and where otherwise noted)	Quarterly 1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026	Twelve Months Ended March 31, 2026
Adjusted noninterest income						
Noninterest income (loss)	$ 27,632	$ 31,763	$ 29,430	$ (36,949)	$ 30,847	
Less: Adjusted noninterest income (loss) items						
Net gains (losses) on investment securities	—	—	—	(68,403)	—	
Net gains (losses) on sale of loans	—	2,115	(35)	—	—	
Net gains (losses) on sale/disposal of premises and equipment	—	(84)	—	(445)	(21)	
Total adjusted noninterest income (loss) items (a)	—	2,031	(35)	(68,848)	(21)	
Adjusted noninterest income (b)	27,632	29,732	29,465	31,899	30,868	
Adjusted Noninterest income as a percentage of adjusted revenue						
Adjusted noninterest income (b)	$ 27,632	$ 29,732	$ 29,465	$ 31,899	$ 30,868	$ 121,964
Net interest income (c)	41,157	43,032	43,136	45,174	44,912	176,254
Adjusted revenue (b) + (c) = (d)	68,789	72,764	72,601	77,073	75,780	298,218
Adjusted noninterest income as a percentage of adjusted revenue (b)/(d)	40.17%	40.86%	40.58%	41.39%	40.73%	40.90%
Adjusted banking fees and other income[1]						
Banking fees and other income (loss)[1]	$ 4,621	$ 8,376	$ 6,374	$ (61,647)	$ 6,204	$ (40,693)
Less: Net gains (losses) on investment securities	—	—	—	(68,403)	—	(68,403)
Less: Net gains (losses) on sale of loans	—	2,115	(35)	—	—	2,080
Less: Net gains (losses) on sale/disposal of premises and equipment	—	(84)	—	(445)	(21)	(550)
Adjusted banking fees and other income[1] (e)	4,621	6,345	6,409	7,201	6,225	26,180
Adjusted revenue (d)	$ 68,789	$ 72,764	$ 72,601	$ 77,073	$ 75,780	298,218
Adjusted banking fees and other income as a percentage of adjusted revenue (e)/(d)	6.72%	8.72%	8.83%	9.34%	8.21%	8.78%
Adjusted noninterest expense						
Noninterest expense	$ 50,365	$ 48,438	$ 50,541	$ 51,881	$ 50,392	
Less: Adjusted noninterest expense items						
HMNF merger- and acquisition-related expenses	286	11	(43)	(112)	(34)	
Severance and signing bonus expense[2]	1,027	(23)	104	212	167	
Total adjusted noninterest expense items (f)	1,313	(12)	61	100	133	
Adjusted noninterest expense (g)	49,052	48,450	50,480	51,781	50,259	
Adjusted pre-provision net revenue						
Net interest income	$ 41,157	$ 43,032	$ 43,136	$ 45,174	$ 44,912	
Add: Adjusted noninterest income (b)	27,632	29,732	29,465	31,899	30,868	
Less: Adjusted noninterest expense (g)	49,052	48,450	50,480	51,781	50,259	
Adjusted pre-provision net revenue (h)	19,737	24,314	22,121	25,292	25,521	
Adjusted Efficiency ratio						
Adjusted noninterest expense (f)	$ 49,052	$ 48,450	$ 50,480	$ 51,781	$ 50,259	
Less: Intangible amortization expense	2,710	2,710	2,710	2,382	1,974	
Adjusted noninterest expense for efficiency ratio (i)	46,342	45,740	47,770	49,399	48,285	
Tax-equivalent revenue						
Net interest income	41,157	43,032	43,136	45,174	44,912	
Add: Adjusted noninterest income (b)	27,632	29,732	29,465	31,899	30,868	
Add: Tax-equivalent adjustment for loans and securities	520	592	638	654	619	
Total tax-equivalent revenue (j)	69,309	73,356	73,239	77,727	76,399	
Adjusted efficiency ratio (i)/(j)	66.86%	62.35%	65.22%	63.55%	63.20%	

1. Banking fees and other revenue consists of service charges on deposit accounts, mortgage income, interchange income and other noninterest income.
2. Includes HMNF acquisition-related personnel expenses.

NON-GAAP DISCLOSURE RECONCILIATION

Lettered items are continued from the prior slide	Quarterly				
($ in thousands, except for per share data and where otherwise noted)	1Q 2025	2Q 2025	3Q 2025	4Q 2025	1Q 2026
Adjusted net income					
Net income (loss)	$ 13,315	$ 20,253	$ 16,924	$ (33,050)	$ 22,971
Less: Adjusted noninterest income (loss) items (net of tax)[1] (a)	-	1,604	(28)	(54,390)	(17)
Add: Adjusted noninterest expense items (net of tax)[1] (g)	1,037	(9)	48	79	105
Adjusted net income (k)	14,352	18,640	17,000	21,419	23,093
Adjusted return on average assets					
Average total assets (l)	5,272,319	5,302,728	5,273,306	5,252,046	5,218,515
Adjusted return on average total assets (k)/(l)	1.10%	1.41%	1.28%	1.62%	1.79%
Adjusted return on average total equity					
Average total equity (m)	499,224	513,606	524,459	552,106	566,563
Adjusted return on average total equity (k)/(m)	11.66%	14.56%	12.86%	15.39%	16.53%
Adjusted pre-provision net revenue as a percentage of average total assets					
Adjusted pre-provision net revenue (h)	$ 19,737	$ 24,314	$ 22,121	$ 25,292	$ 25,521
Average total assets (l)	5,272,319	5,302,728	5,273,306	5,252,046	5,218,515
Adjusted pre-provision net revenue as a percentage of average total assets (h)/(l)	1.52%	1.84%	1.66%	1.91%	1.98%
Adjusted return on average tangible common equity					
Adjusted net income (k)	$ 14,352	$ 18,640	$ 17,000	$ 21,419	$ 23,093
Add: Intangible amortization expense (net of tax)[1]	2,141	2,141	2,141	1,882	1,559
Adjusted net income, excluding intangible amortization (n)	16,493	20,781	19,141	23,301	24,652
Average total equity (m)	499,224	513,606	524,459	552,106	566,563
Less: Average goodwill	85,634	85,634	85,634	85,634	85,634
Less: Average other intangible assets (net of tax)[1]	33,718	31,436	29,540	27,270	25,664
Average tangible common equity (o)	379,872	396,536	409,285	439,202	455,265
Adjusted return on average tangible common equity (n)/(o)	17.61%	21.02%	18.55%	21.05%	21.96%
Adjusted earnings per common share - diluted					
Adjusted net income (k)	$ 14,352	$ 18,640	$ 17,000	$ 21,419	$ 23,093
Less: Dividends and undistributed earnings allocated to participating securities	99	205	148	(462)	207
Adjusted net income available to common stockholders (p)	14,253	18,435	16,852	21,881	22,886
Weighted-average common shares outstanding for diluted earnings per share (q)	25,653	25,714	25,713	25,710	25,679
Adjusted earnings per common share - diluted (p)/(q)	0.56	0.72	0.66	0.85	0.89
Net charge-offs (recoveries) to average loans					
Net charge-offs (recoveries)(r)	$ 407	$ 3,767	$ (1,715)	$ (311)	$ 7,027
Average total loans (s)	4,022,863	4,079,084	4,036,936	4,049,082	4,029,719
Net charge-offs (recoveries) to average loans (r)/(s)	0.04%	0.37%	(0.17)%	(0.03)%	0.71%
Net interest margin (on a tax-equivalent basis)					
Net interest income	41,157	43,032	43,136	45,174	44,912
Add: Tax equivalent adjustment for loans and securities	520	592	638	654	619
Net interest income (on a tax equivalent basis)[1] (t)	41,677	43,624	43,774	45,828	45,531
Average interest-earning assets (u)	4,949,729	4,988,946	4,965,849	4,926,530	4,901,399
Net interest margin (on a tax-equivalent basis)[1] (t)/(u)	3.41%	3.51%	3.50%	3.69%	3.77%

1. Adjusted items are shown after-tax using a 21% tax rate.

NON-GAAP DISCLOSURE RECONCILIATION

($ in thousands, except where otherwise noted)	Annual 2021	2022	2023	2024	2025
Tangible common equity to tangible assets					
Total common stockholders' equity	$ 359,403	$ 356,872	$ 369,127	$ 495,410	$ 564,934
Less: Goodwill	31,490	47,087	46,783	85,634	85,634
Less: Other intangible assets	20,250	22,455	17,158	43,882	33,371
Tangible common equity (a)	307,663	287,330	305,186	365,894	445,929
Total assets	3,392,691	3,779,637	3,907,713	5,261,673	5,230,084
Less: Goodwill	31,490	47,087	46,783	85,634	85,634
Less: Other intangible assets	20,250	22,455	17,158	43,882	33,371
Tangible assets (b)	3,340,951	3,710,095	3,843,772	5,132,157	5,111,079
Tangible common equity to tangible assets (a)/(b)	9.21%	7.74%	7.94%	7.13%	8.72%
Tangible book value per common share					
Tangible common equity (a)	307,663	287,330	305,186	365,894	445,929
Common shares issued and outstanding (c)	17,213	19,992	19,734	25,345	25,406
Tangible book value per common share (a)/(c)	$ 17.87	$ 14.37	$ 15.46	$ 14.44	$ 17.55
Return on average tangible common equity					
Net income (loss)	$ 52,681	$ 40,005	$ 11,696	$ 17,780	$ 17,439
Add: Intangible amortization expense (net of tax)[1]	3,460	3,756	4,184	5,353	8,304
Net income (loss), excluding intangible amortization (d)	56,141	43,761	15,880	23,133	25,743
Average total equity	346,059	346,355	358,268	397,738	525,323
Less: Average goodwill	30,385	39,415	46,959	56,237	85,634
Less: Average other intangible assets (net of tax)[1]	18,548	17,018	15,624	17,534	30,470
Average tangible common equity (e)	297,126	289,922	295,685	323,967	409,219
Return on average tangible common equity (d)/(e)	18.89%	15.09%	5.37%	7.14%	6.29%
Efficiency Ratio					
Noninterest expense	$ 168,909	$ 158,770	$ 150,157	$ 180,675	$ 201,227
Less: Intangible amortization expense	4,380	4,754	5,296	6,776	10,511
Noninterest expense excluding intagible amortization (f)	164,529	154,016	144,861	173,899	190,716
Net interest income	87,099	99,729	87,839	107,045	172,499
Noninterest income (loss)	147,387	111,223	80,229	114,930	51,876
Tax equivalent adjustment for loans and securities	492	429	671	1,202	2,402
Total tax-equivalent revenue (g)	234,978	211,381	168,739	223,177	226,777
Efficiency ratio (f)/(g)	70.02%	72.86%	85.85%	77.92%	84.10%

1. Adjusted items are shown after-tax using a 21% tax rate.

NON-GAAP DISCLOSURE RECONCILIATION

($ in thousands, except for per share data and where otherwise noted)	Annual 2021	2022	2023	2024	2025
Adjusted net income excluding net gains (losses) on investment securities					
Net income (loss)	$ 52,681	$ 40,005	$ 11,696	$ 17,780	$ 17,439
Less: Net gains (losses) on investment securities (net of tax)[1]	-	-	(19,468)	-	(54,038)
Adjusted net income excluding net gains (losses) on investment securities (a)	52,681	40,005	31,164	17,780	71,477
Adjusted return on average tangible common equity excluding net gains (losses) on investment securities					
Adjusted net income excluding net gains (losses) on investment securities (a)	52,681	40,005	31,164	17,780	71,477
Add: Intangible amortization expense (net of tax)[1]	3,460	3,756	4,184	5,353	8,304
Adjusted net income excluding net gains (losses) on investment securities and intangible amortization (b)	56,141	43,761	35,348	23,133	79,781
Average total equity	$ 346,059	$ 346,355	$ 358,268	$ 397,738	$ 525,323
Less: Average goodwill	30,385	39,415	46,959	56,237	85,634
Less: Average other intangible assets (net of tax)[1]	18,548	17,018	15,624	17,534	30,470
Average tangible common equity (c)	297,126	289,922	295,685	323,967	409,219
Adjusted return on average tangible common equity excluding net gains (losses) on investment securities (b)/(c)	18.89%	15.09%	11.95%	7.14%	19.50%
Adjusted return on average assets excluding net gains (losses) on investment securities					
Average total assets (d)	3,178,820	3,500,655	3,817,017	4,503,483	5,277,867
Adjusted return on average assets excluding net gains (losses) on investment securities (a)/(d)	1.66%	1.14%	0.82%	0.39%	1.35%
Net charge-offs (recoveries) to average loans					
Net charge-offs (recoveries)(e)	$ (826)	$ 426	$ (1,065)	$ 4,154	$ 2,148
Average total loans (f)	1,856,686	2,059,435	2,535,073	3,099,015	4,047,034
Net charge-offs (recoveries) to average loans (e)/(f)	(0.04)%	0.02%	(0.04)%	0.13%	0.05%
Net interest margin (on a tax-equivalent basis)					
Net interest income	87,099	99,729	87,839	107,045	172,499
Add: Tax equivalent adjustment for loans and securities	492	429	671	1,202	2,402
Net interest income (on a tax-equivalent basis)[1] (g)	87,591	100,158	88,510	108,247	174,901
Average interest-earning assets (h)	3,018,172	3,298,644	3,592,476	4,221,873	4,957,720
Net interest margin (on a tax-equivalent basis)[1] (g)/(h)	2.90%	3.04%	2.46%	2.56%	3.53%

1. Adjusted items are shown after-tax using a 21% tax rate.

NON-GAAP DISCLOSURE RECONCILIATION

($ in thousands, except for per share data and where otherwise noted)	Annual 2025
Adjusted noninterest income	
Noninterest income (loss)	51,876
Less: Adjusted noninterest income (loss) items	
Net gains (losses) on investment securities	(68,403)
Net gains (losses) on sale of loans	2,080
Net gains (losses) on sale/disposal of premises and equipment	(530)
Total adjusted noninterest income (loss) items	(66,853)
Adjusted noninterest income (a)	118,729
Adjusted Revenue	
Net interest income	172,499
Adjusted noninterest income (a)	118,729
Adjusted revenue	291,228
Adjusted noninterest expense	
Noninterest expense	201,227
Less: Adjusted noninterest expense items	
HMNF acquisition-related expenses	142
Severance and signing bonus expense[1]	1,319
Total adjusted noninterest expense items	1,461
Adjusted noninterest expense (b)	199,766
Adjusted return on average assets	
Net income (loss)	17,439
Less: Adjusted noninterest income (loss) items (net of tax)[2] (a)	(52,814)
Add: Adjusted noninterest expense items (net of tax)[2] (b)	1,154
Adjusted net income (c)	71,407
Average total assets (d)	5,277,867
Adjusted return on average assets (c)/(d)	1.35%

1. Includes HMNF acquisition-related personnel expenses.
2. Adjusted items are shown after-tax using a 21% tax rate.