

# Annual Report



LAKELAND FINANCIAL CORPORATION

# Letter to Shareholders



The exceptional strength of our capital structure and our extensive liquidity access provided a stable foundation to navigate the pressures of 2023. We view our fortress balance sheet as critical to our ability to fuel the economic growth and expansion of our Indiana communities. Across the board, our capital ratios significantly exceed the regulatory thresholds that define a well-capitalized financial institution and we will continue to focus on creating quality growth to further build capital. Over the past 32 years, our successful organic growth strategy has increased tangible book value per share by an unparalleled compounded annual growth rate of 10%. This track record reflects our consistent operating performance and strong financial results over a very long period of time.

The greatest driver of our ability to continue our organic growth strategy is the meaningful relationships we develop with our clients, prospects, centers of influence and community leaders. In 2023, we recommitted to an active and engaged business development program and are happy to report that total business development calling increased by 30% in 2023 versus 2022. Importantly, prospect calling was up 51% for the year. Prospect calling is the most important building block for future market share growth. Client calling was up 18% and represented critical face-to-face relationship building. It's the life blood of our balance sheet growth and we are very good at it. Joint calling, which brings together our client contact teams from different business lines, was up a whopping 302% in 2023. This joint calling results in a more focused and targeted business development effort. With these great calling efforts, we are well positioned to continue our organic growth well into the future.

These efforts led to dynamic balance sheet growth again in 2023. Average loans increased by a strong 9% in 2023. Of note, this average loan growth of \$387 million occurred throughout our Indiana markets. While line of credit usage remained historically low in 2023 ending the year at 39%, we increased our overall lines of credit available by \$124 million. Just as importantly, our deposit retention efforts were successful, despite the challenges the banking industry experienced in 2023. Our core deposit retention, accompanied by robust liquidity availability, provided a

stable funding position as we worked through 2023 and prepared for continued growth in 2024.

While broad-based concerns of economic challenges and a widely predicted recession have not occurred, we remain diligently focused on preserving the historic quality of our loan portfolio. We are pleased that we ended 2023 with key loan quality metrics near historic lows. While this is encouraging, we continue to approach our credit underwriting process with the consistent standards we have applied for decades.

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**We view our fortress balance sheet as critical to our ability to fuel the economic growth and expansion of our Indiana communities.**

Innovation through technology-driven solutions continued to be a critical focus. Lake City Bank Mobile Digital represented 55% of our transactional activity with clients in 2023, an increase of 53% versus only three years ago. For both Commercial and Retail Banking clients, our digital solutions provide the features and functionality that allow us to compete with our bigger bank peers. While technology is critical, our clients still leverage our branch network. More than 2 million transactions were completed in our offices in 2023, representing 15% of total transactions, the same percentage it was three years ago. This is evidence of the continued importance of a strategic branch footprint to serve our clients. We like seeing them and they like visiting us!

As a result, we will continue to build new branches and we have exciting news on the branch development front. Our next three offices are planned for the Indianapolis market.

In mid-2024, we'll open a new office in the heart of Carmel, Indiana. This eighth branch in the Indianapolis market represents our continued growth and success in this important market. Our planned 55th office will be in Westfield, in the Northern portion of our Indianapolis market. Westfield has also undergone a renaissance, highlighted by significant partnership between the public and private sectors.

We are also enthusiastic about our planned 56th office that will represent an extension of our terrific relationship with the Flanner House, a not-for-profit organization that serves the Black community on the near Northwest side of Indianapolis. The Flanner House's mission is to support, advocate for and empower individuals, children and families by applying educational, social and economic resources that move members of the community toward stabilization, and self-sufficiency. We will build a full service office as part of the Flanner House's development of a grocery store to serve the community. In partnership with the Flanner House, we are excited to fill a long-needed void in the banking desert of the near Northwest side of Indianapolis.

We are, at our core, a community bank focused on taking care of clients, team members, communities, and shareholders. We love doing it.

David M. Findlay  
Chairman and Chief Executive Officer

Kristin L. Pruitt  
President

# Management Committee



Left to right:

- |  |   |  |                                       |   |  |   |
|--|---|--|---------------------------------------|---|--|---|
| <b>Eric H. Ottinger</b><br>Executive Vice President<br>Chief Commercial<br>Banking Officer | <b>Stephanie R. Leniski</b><br>Senior Vice President<br>Chief Retail Banking Officer    | <b>Donald J. Robinson Gay</b><br>Senior Vice President<br>Chief Credit Officer | <b>Kristin L. Pruitt</b><br>President | <b>J. Rickard Donovan</b><br>Senior Vice President<br>General Counsel | <b>David M. Findlay</b><br>Chairman and Chief<br>Executive Officer | <b>Kyra E. Clark</b><br>Senior Vice President<br>Chief Human Resources<br>Officer |
| <b>Lisa M. O'Neill</b><br>Executive Vice President<br>Chief Financial Officer              | <b>Jonathan P. Steiner</b><br>Senior Vice President<br>Chief Wealth Advisory<br>Officer |  |                                       |   |  |   |

Our leadership team is grateful that we get to lead an organization with nearly 700 team members all rowing in the same direction every day. While strategic plans and strategic initiatives drive our business execution, our success is only made possible by the team members who do the heavy lifting and manage our business day to day. We

are grateful for their dedication and commitment. For more than 150 years, the Lake City Bank team has developed a culture built upon a foundation of disciplined execution. It matters and it will be preserved and nurtured.

# Board of Directors



Left to right:

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|--|---|---|---|--|--|
| <b>Kristin L. Pruitt</b><br>President<br>Lakeland Financial Corporation<br>and Lake City Bank        | <b>A. Faraz Abassi</b><br>Managing Partner<br>Centerfield Capital   | <b>Bradley J. Toothaker</b><br>Executive Chairman<br>Bradley Company<br>Managing Partner<br>Great Lakes Capital Development | <b>M. Scott Welch</b><br>Chief Executive Officer<br>Welch Packaging Group | <b>Blake W. Augsburg</b><br>Founder and Chief Executive<br>Officer<br>LEA Professional | <b>Emily E. Pichon</b><br>Chairman, ETP Asset Holdings, Inc.<br>Officer and Director, Olive B. Cole Foundation,<br>M E Raker Foundation, Inc. and Howard P.<br>Arnold Foundation, Inc. |
| <b>Michael L. Kubacki</b><br>Former Chairman<br>Lakeland Financial Corporation<br>and Lake City Bank | <b>David M. Findlay</b><br>Chairman and Chief<br>Executive Officer<br>Lakeland Financial<br>Corporation and<br>Lake City Bank | <b>Darrienne P. Christian</b><br>Civic Leader   | <b>Robert E. Bartels, Jr.</b><br>Partner, Incedo LLC                      | <b>Steven D. Ross</b><br>Former Owner<br>Ross and Associates                           | <b>Brian J. Smith</b><br>Co-Chief Executive Officer<br>Heritage Group, Inc.  |

After 26 years of leadership with the bank, Mike Kubacki will retire from our board of directors in April 2024. Mike joined Lake City Bank in 1998 as President and Chief Executive Officer and has been managing, guiding, mentoring and challenging the Lake City Bank team to achieve unrivaled success for our team members, our clients, our communities and our shareholders ever since. While Mike would never admit to having a legacy, his fingerprints are all over this

organization and our success over the past quarter century. He leaves a legacy of thoughtful and impactful leadership.

Our board of directors continues to serve a critical dual role of engagement in our Indiana communities and strong corporate governance and oversight. In addition, they are invaluable partners to the bank's leadership team both strategically and operationally.

# Wilson Fertilizer and Grain

ROCHESTER | CLIENT SINCE 2013

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We feel like Lake City Bank understands the farm side of business so much better than our previous bank.



*From left to right:* Left to right: Ren Zent, Operations Manager; Ashley Young; Jeff Zent, President; Wendy Zent, Vice President; Whitley Moser, Office Manager



*From left to right:* Karen Francis, Vice President, Retail Banking Regional Manager; Corbin Holtsberry, Vice President, Agribusiness Banking Officer; Ashley Young; Jeff Zent, President; Wendy Zent, Vice President; Whitley Moser, Office Manager; Ren Zent, Operations Manager; Penny Ramsey, Assistant Vice President, Retail Banking Officer; Rod Hooley, First Vice President, Agribusiness Manager

Wilson Fertilizer and Grain and Lake City Bank have been partners for a long time—since 2013, in fact. The family-owned business, founded in 1933, started out offering coal and grain in Lakeville and Rochester. The business grew, multiplying storage capacity and adding Anchor Mills to grind wheat (and later, corn), purchasing additional elevators and adding acreage. As the time passed, the two locations became separate businesses, with the Rochester location offering fertilizer and grain. In 2013, Jeff and Wendy Zent purchased Wilson Fertilizer and Grain and have

been running and growing the business ever since. Expansion included new storage and dryer, and a new shop. Today, Wilson’s capacity is just over 2.6 million bushels. Lake City Bank has been right there with the Zents, providing commercial loans, business and personal deposit accounts, credit cards and treasury management solutions. “We feel like Lake City Bank understands the farm side of business so much better than our previous bank,” Wendy Zent, Vice President, said. “I can call with any question and they are right there to help.”

# Goshen College

GOSHEN | CLIENT SINCE 2018

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We've found it's really beneficial to work with a local bank that understands the community and can understand how an academic institution works, and how a college can be an anchor in the community.



*Rebecca Stoltzfus, Ph.D., President*



*From left to right: Alma Jimenez, Assistant Vice President, Retail Banking Officer; Gabe Martinez, Student Senate President; Ben Bontrager, Vice President for Finance and Operations; Rebecca Stoltzfus, Ph.D., President; Gilberto Perez, Jr., Ed.D., Vice President for Student Life and Hispanic Serving Initiatives, Dean of Students; Amber Wolfer, Vice President, Commercial Banking Officer; Richard Delks, First Vice President, Senior Wealth Advisor; Michelle Harris, Assistant Vice President, Corporate and Institutional Services Sales Officer*

Spend a bit of time at Goshen College, and you'll likely be surprised at what you find on the 135-acre tree-filled campus on the south side of Goshen. The beautiful setting is home to about 800 students pursuing degrees—both undergraduate and graduate, on campus and online—grounded in hands-on, real-world experiences. But there's more. A Goshen College undergrad degree includes at least a semester's worth of global education, often while living abroad. The school's motto is "Culture for Service" and its mission is to graduate courageous, creative and compassionate leaders who transform local and global communities. A faith-based institution since its founding in 1894, Goshen College is a nationally ranked Hispanic-Serving Institution and Elkhart County's only four-year liberal arts college. The college is made up of 64% of students from Indiana and 20,000+ alumni who are thriving in life, leadership and service around the community, country and the world.

A multi-faceted organization like Goshen College needs support from financial partners with a deep understanding of the complexities of running an academic institution. Since 2018 Lake City Bank has helped Goshen College grow and thrive. The bank provides commercial loans, deposit products, technology-driven treasury management solutions, merchant card processing and services from the Wealth Advisory Group.

"We've found it's really beneficial to work with a local bank that understands the community and can understand how an academic institution works, and how a college can be an anchor in the community," said Rebecca Stoltzfus, Ph.D., President. "Our team from Lake City Bank has been a real benefit to Goshen College."

# Benchmark Human Services

FORT WAYNE | CLIENT SINCE 2018

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The bank consistently brings us well thought out, creative solutions.



*From left to right: Kelly Stahl, Assistant Controller; Mark Flegge, Chief Financial Officer; Shari Bail, Controller; Doug Beebe, Chief Executive Officer*



*From left to right: Front, David Curry, Vice President, Commercial Banking Officer; Shari Bail, Controller; Middle, Mark Flegge, Chief Financial Officer; Doug Beebe, Chief Executive Officer; Andy Haddock, Senior Vice President, Chief Investment Officer; Kelly Stahl, Assistant Controller; Back, Cammy Treadway, Senior Vice President, Commercial East Regional Manager; Dan Beechy, Assistant Vice President, Corporate and Institutional Services Sales Officer; Jim Westerfield, Senior Vice President, Chief Fiduciary Officer; Carrie Gutman, Senior Vice President, Chief Fiduciary Officer*

Benchmark Human Services is an organization that is, paradoxically, very complex and very simple at the same time. Simply put, Benchmark helps support people throughout life, from infancy to elder years. That means that Benchmark staff members meet people where they are—at home, at work or in the community. Since their founding in 1960, Benchmark has grown to be one of the most respected organizations in the country, serving people with intellectual and developmental disabilities and behavioral health needs. Benchmark’s complex side emerges when considering the size and scope of how it delivers high-quality, hands-on support to clients. Benchmark’s team of 3,100 serves more than 23,000 children and adults across the U.S. through residential,

employment and day services, mobile crisis response and behavioral health support, and children and family services. Benchmark also works with state governments and private organizations, focusing on systems design and development, best practices, provider capacity building, facility evaluation and staff training. Benchmark has partnered with Lake City Bank since 2018, using lines and letters of credit, deposit products, technology-driven treasury management products, merchant services and services from the bank’s Wealth Advisory Group. “We’ve found that Lake City Bank is a strong partner for us,” said Doug Beebe, Chief Executive Officer. “The bank consistently brings us well thought out, creative solutions.”

# weIMPACT Group

ELKHART | CLIENT SINCE 2019



Dave Weaver, Founder

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weIMPACT's involvement in public and private partnerships makes a difference across Elkhart.



From left to right: Todd Bruce, Senior Vice President, Commercial North Regional Manager; Dave Weaver, Founder; Brian Oakes, Facilities Manager; JJ Osterloo-Bond, Design Partner; Steve Brown, Vice President, Commercial Banking Officer; Meggan Fink, Marketing & Community Partner; Emily Wold, Assistant Vice President, Retail Banking Manager; Brett Brumbaugh, Accountant; Brittany Croyle, Partner; Susan Diehl, Assistant to Dave Weaver

weIMPACT Group focuses on what is possible at the intersection of entrepreneurship and philanthropy, using entrepreneurship to tackle solvable yet persistent opportunities in Elkhart. More specifically, weIMPACT's initiatives are intentionally designed to be transformational—focusing traditional investment on local social priority projects to create sustainable local impact. weIMPACT Group primarily targets social priorities in arts and culture, education and community development. A lofty mission, certainly, but evidence of the company's success is growing in the Elkhart area. Founded by Elkhart native Dave Weaver, weIMPACT's involvement in public and private partnerships makes a difference across Elkhart.

When the Community Foundation of Elkhart County led the development of the Elkhart Health and Aquatics Center through a progressive public-private sector partnership, it represented the beginning of a transformational change to Downtown Elkhart. It resulted from a collaboration that included Elkhart Community Schools, the City of Elkhart, Beacon Health System, the community foundation, and numerous community leaders and organizations. That's when weIMPACT began a further transformation in Downtown Elkhart. Since 2019, weIMPACT Group has been quietly but thoughtfully making an impact

in the community with intentional energy and time invested in the redevelopment of the Elkhart River District. The multi-phase River District combines public and private resources to reimagine a 105-acre multi-use campus that continues to grow. The Riverbend Building at 240 E. Jackson Blvd., where Lake City Bank is located in the River District, embodies the spirit of the projects weIMPACT Group champions. The building grew up during the COVID-19 pandemic as a mixed-use space for the intersection of people, businesses, recreation and local resources. With several developments in the River District on the horizon led by weIMPACT, the group is committed to doubling down on the work they've set out to do in making noticeable and intentional change in our community.

Since 2019, weIMPACT and Lake City Bank have partnered, with the bank providing financing for development, technology-driven treasury management solutions and deposit products. "Lake City Bank has been a great partner, taking an active interest in the River District projects. They have roots in Elkhart and that has only enhanced their commitment," said Dave Weaver, Founder.

# Wedgewood Building Company

CARMEL | CLIENT SINCE 2018



*From left to right: Gary McNutt, Partner; Brad Love, Partner; Randy Henry, Director of Finance*

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**Working with an Indiana bank works well for us. Lake City Bank knows the community and the market.**



*From left to right: Erin Martz, Assistant Vice President, Senior Loan Administration Officer; Brad Love, Partner; Randy Henry, Director of Finance; Gary McNutt, Partner; Greg Lentz, Vice President, Commercial Banking Officer; Ashley Bridges, Assistant Vice President, Retail Banking Officer*

Wedgewood Building Company has put down roots in Carmel, in a lovingly restored and adapted former preschool in the heart of downtown. Partners Brad Love and Gary McNutt chose the spot as downtown Carmel was evolving into the charming city it is today—think brick walkways, bike and pedestrian paths and unique retail and restaurant options. It’s the perfect location for the company that creates high quality custom homes in Hamilton County, Zionsville and northern Marion County. Wedgewood prides itself on listening carefully. They believe that understanding a customer’s lifestyle is the only way

they can create the best possible home for them. Careful listening has proven the right approach for Wedgewood and Lake City Bank as well. “Working with an Indiana bank works well for us,” McNutt said. “Lake City Bank knows the community and the market. They understand our business and our customers.” Wedgewood has multiple commercial loan products with Lake City Bank, technology-driven treasury management solutions, deposits and merchant services. The flexibility and local decision making that are central to Lake City Bank’s culture help lay the foundation for a thriving partnership.



# Seymour Midwest

WARSAW | CLIENT SINCE 1991

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Lake City Bank shares our commitment to customer service and quality.



*From left to right: Bill Henthorn, Chief Executive Officer and Owner; Bobbi Henthorn, Assistant Vice President and Owner*  
*Not pictured: Chuck & Judy Yeager and Randy Swanson, Owners*



*From left to right: Jason Henthorn, Vice President, Logistics and Information Systems; Shelly Kammerer, Vice President, Retail Banking Officer and Private Banker; Chris Wiggins, Senior Vice President, Commercial South Regional Manager; Bill Henthorn, Chief Executive Officer and Owner; Bobbi Henthorn, Assistant Vice President and Owner; Randy Huss, Chief Financial Officer; Tiffany Mudd, Assistant Vice President, Corporate and Institutional Services Sales Officer; Matt Teevan, President and Chief Operating Officer*

Seymour Midwest is a family owned, global supplier to the hand tools market, with a product offering that includes 3,500+ unique tools and more than 8,000 different replacement handles. The origins of the company date back to 1872 when it began producing snath handles and wagon wheel spokes. Over the decades, the company has grown through acquisitions, product line expansions and a focus on organic growth. The range of products Seymour Midwest offers is vast and renowned in the marketplace for both its specialization and quality. Seymour Midwest operates two manufacturing facilities in Indiana as well as a sawmill and hickory handle finishing location in Tennessee. Vertically integrated, the company also has a sawmill at its Seymour, Indiana facility that processes a variety of American hardwoods for use in the company's long handled tools and replacement handles. Additionally, the company's manufacturing operations include presses that create the steel heads for many of its products, a furnace for heat treating them and both wet paint and powder coating operations. Customer orders are shipped from three warehouses with the majority being fulfilled from the Warsaw, Indiana headquarters.

The company is equally diversified through the numerous channels and markets that count on Seymour Midwest's tools and handles including retail, industrial, ag, irrigation and municipalities, fencing, sports field and turf, lake maintenance, resinous flooring, asphalt and seal coating, as well as seasonal products such as an industrial snow tool line. Seymour Midwest products are marketed under the Structron®, Seymour®, Kenyon®, Toolite®, Link Handles® and Midwest Rake® brands that are known in the marketplace for their superior quality. In its more than 150-year history, Seymour Midwest remains a company of toolmakers committed to quality and customer service. That commitment resonates with Lake City Bank. Seymour Midwest has commercial loans and lines of credit, technology-driven treasury management solutions, business credit cards and personal accounts with Lake City Bank. "Lake City Bank shares our commitment to customer service and quality," said Bill Henthorn, Chief Executive Officer. "As our business grows and becomes more complex, the bank is ready with solutions that work for us."

# Five Year Summary of Financial Highlights

(in thousands, except share and per share data)

End of Period Balances	2023	2022	2021	2020	2019
Assets	\$6,524,029	\$6,432,371	\$6,557,323	\$5,830,435	\$4,946,745
Deposits	5,720,525	5,460,620	5,735,407	5,036,805	4,133,819
Loans, net of Deferred Fees	4,916,534	4,710,396	4,287,841	4,649,156	4,065,828
Allowance for Credit Losses*	71,972	72,606	67,773	61,408	50,652
Total Equity	649,793	568,887	704,906	657,184	598,100

## Average Balances

Assets					
Total Assets	\$6,464,980	\$6,427,579	\$6,153,780	\$5,424,796	\$4,941,904
Earning Assets	6,114,225	6,123,163	5,906,640	5,184,836	4,656,707
Investments	1,184,659	1,432,287	1,068,325	633,957	603,580
Loans, net of Deferred Fees	4,813,678	4,427,166	4,421,094	4,424,472	3,974,532
Liabilities and Equity					
Total Deposits	\$5,604,228	\$5,717,358	\$5,357,284	\$4,650,597	\$4,242,524
Interest Bearing Deposits	4,128,922	3,874,581	3,686,112	3,340,696	3,298,406
Interest Bearing Liabilities	4,295,743	3,913,195	3,761,520	3,437,338	3,390,512
Total Equity	588,667	596,487	674,637	624,174	562,601

## Income Statement Data

Net Interest Income	\$197,035	\$202,887	\$178,088	\$163,008	\$155,047
Net Interest Income - Fully Tax Equivalent	202,347	208,514	181,675	165,454	157,176
Provision for Credit Losses*	5,850	9,375	1,077	14,770	3,235
Noninterest Income	49,858	41,862	44,720	46,843	44,997
Noninterest Expense	130,710	110,210	104,287	91,205	89,424
Net Income	93,767	103,817	95,733	84,337	87,047

## Per Share Data

Basic Net Income Per Common Share	\$3.67	\$4.07	\$3.76	\$3.31	\$3.40
Diluted Net Income Per Common Share	3.65	4.04	3.74	3.30	3.38
Cash Dividends Per Common Share	1.84	1.60	1.36	1.20	1.16
Dividend Payout	50.41%	39.60%	36.36%	36.36%	34.32%
Book Value Per Common Share	\$25.37	\$22.28	\$27.65	\$25.85	\$23.34
Basic Weighted Average Common Shares Outstanding	25,604,751	25,528,328	25,475,994	25,469,242	25,588,404
Diluted Weighted Average Common Shares Outstanding	25,723,165	25,712,538	25,620,105	25,573,941	25,758,893

## Key Ratios

Return on Average Assets	1.45%	1.62%	1.56%	1.55%	1.76%
Return on Average Total Equity	15.93%	17.40%	14.19%	13.51%	15.47%
Average Equity to Average Assets	9.11%	9.28%	10.96%	11.51%	11.38%
Net Interest Margin	3.31%	3.40%	3.07%	3.19%	3.38%
Efficiency	52.94%	45.03%	46.81%	43.46%	44.70%
Net Charge Offs to Average Loans	0.13%	0.10%	0.09%	0.09%	0.03%
Credit Loss Reserve to Total Loans	1.46%	1.54%	1.58%	1.32%	1.25%
Credit Loss Reserve to Nonperforming Loans	458.01%	424.91%	449.13%	507.42%	270.58%
Nonperforming Assets to Total Loans	0.33%	0.37%	0.36%	0.26%	0.47%

\*Beginning January 1, 2021 calculation is based on the current expected credit loss methodology. Prior to January 1, 2021 calculation was based on the incurred loss methodology.

The following selected data has been taken from the Company's consolidated financial statements. Refer to Lakeland Financial Corporation's Annual Report on Form 10-K for the year 2023 for a complete set of consolidated financials.

# Condensed Consolidated Balance Sheets

(Years ended December 31)  
(in thousands, except share data)

Assets	2023	2022
Cash and due from banks	\$70,451	\$80,992
Short-term investments	81,373	49,290
Total cash and cash equivalents	151,824	130,282
Securities available-for-sale (carried at fair value)	1,051,728	1,185,528
Securities held-to-maturity (carried at amortized cost)	129,918	128,242
Real estate mortgage loans held-for-sale	1,158	357
Total loans	4,916,534	4,710,396
Less: Allowance for credit losses	71,972	72,606
Net loans	4,844,562	4,637,790
Land, premises and equipment, net	57,899	58,097
Bank owned life insurance	109,114	108,407
Federal Reserve and Federal Home Loan Bank stock	21,420	15,795
Accrued interest receivable	30,011	27,994
Goodwill	4,970	4,970
Other assets	121,425	134,909
Total Assets	\$6,524,029	\$6,432,371

## Liabilities

Noninterest bearing deposits	\$1,353,477	\$1,736,761
Interest bearing deposits	4,367,048	3,723,859
Total deposits	5,720,525	5,460,620
Accrued interest payable and other liabilities	103,711	105,864
FHLB advances and other borrowings	50,000	297,000
Total Liabilities	5,874,236	5,863,484

## Stockholders' Equity

Common stock: 90,000,000 shares authorized, no par value	127,692	127,004
Retained earnings	692,760	646,100
Accumulated other comprehensive income (loss)	(155,195)	(188,923)
Treasury stock	(15,553)	(15,383)
Total Stockholders' Equity	649,704	568,798
Total Noncontrolling Interest	89	89
Total Equity	649,793	568,887
Total Liabilities and Stockholders' Equity	\$6,524,029	\$6,432,371
End of period shares issued	25,903,686	25,825,127
End of period shares outstanding	25,430,566	25,349,225

See Annual Report on Form 10-K.

Report of Independent Registered Public Accounting Firm

Stockholders and the Board of Directors of Lakeland Financial Corporation  
Warsaw, Indiana

We have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balance sheets of Lakeland Financial Corporation as of December 31, 2023 and 2022, and the related consolidated statements of income, comprehensive income (loss), changes in stockholders' equity, and cash flows for each of the years in the three-year period ended December 31, 2023 (not presented herein); and in our report dated February 21, 2024, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated financial statements is fairly stated, in all material respects, in relation to the consolidated financial statements from which it has been derived.

Crowe LLP, South Bend, Indiana, February 21, 2024

# Condensed Consolidated Statements of Income

(Years ended December 31)  
(in thousands, except for share and per share data)

	2023	2022	2021
<b>Interest Income</b>			
Interest and fees on loans	<b>\$308,015</b>	\$203,668	\$170,551
Interest and dividends on securities			
Taxable	<b>13,153</b>	14,132	9,086
Tax exempt	<b>16,396</b>	19,553	13,033
Interest on short-term investments	<b>5,703</b>	2,214	549
Total Interest Income	<b>343,267</b>	239,567	193,219
<b>Interest Expense</b>			
Interest on deposits	<b>137,791</b>	36,281	14,827
Interest on FHLB advances and other borrowings	<b>8,441</b>	399	304
Total Interest Expense	<b>146,232</b>	36,680	15,131
<b>Net Interest Income</b>	<b>197,035</b>	202,887	178,088
Provision for credit losses	<b>5,850</b>	9,375	1,077
<b>Net Interest Income After Provision for Credit Losses</b>	<b>191,185</b>	193,512	177,011
<b>Noninterest Income</b>			
Wealth advisory and investment brokerage income	<b>10,895</b>	10,954	10,725
Service charges on deposit accounts	<b>10,773</b>	11,595	10,608
Loan and service fees	<b>11,750</b>	12,214	11,922
Merchant card fee income	<b>3,651</b>	3,560	3,023
Bank owned life insurance income	<b>3,133</b>	432	2,467
Interest rate swap fee income	<b>794</b>	579	1,035
Mortgage banking income (loss)	<b>(254)</b>	633	1,418
Net securities gains (losses)	<b>(25)</b>	21	797
Other income	<b>9,141</b>	1,874	2,725
Total Noninterest Income	<b>49,858</b>	41,862	44,720
<b>Noninterest Expense</b>			
Salaries and employee benefits	<b>59,147</b>	58,530	57,882
Occupancy and equipment expense	<b>11,992</b>	12,050	11,258
Data processing fees and supplies	<b>14,003</b>	12,826	12,674
Other expense	<b>45,568</b>	26,804	22,473
Total Noninterest Expense	<b>130,710</b>	110,210	104,287
<b>Income Before Income Tax Expense</b>	<b>110,333</b>	125,164	117,444
Income tax expense	<b>16,566</b>	21,347	21,711
<b>Net Income</b>	<b>\$93,767</b>	\$103,817	\$95,733
BASIC WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	<b>25,604,751</b>	25,528,328	25,475,994
BASIC EARNINGS PER COMMON SHARE	<b>\$3.67</b>	\$4.07	\$3.76
DILUTED WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	<b>25,723,165</b>	25,712,538	25,620,105
DILUTED EARNINGS PER COMMON SHARE	<b>\$3.65</b>	\$4.04	\$3.74

See Annual Report on Form 10-K.

# Corporate Information

## Nature of Business

Lakeland Financial Corporation is a \$6.5 billion bank holding company located in Warsaw, Indiana. Lake City Bank, its single bank subsidiary, is the seventh largest bank headquartered in the state and is 100% invested in Indiana. Lake City Bank operates 53 offices in Northern and Central Indiana, delivering technology-driven and client-centric financial services solutions to individuals and businesses.

## Headquarters

Lakeland Financial Corporation  
202 E Center Street  
Warsaw, IN 46580  
(574) 267-6144  
(800) 827-4522  
lakecitybank.com

## Annual Meeting

Tuesday, April 9, 2024  
3:30 pm eastern

## Common Stock Listing

Lakeland Financial Corporation common stock is traded on the Nasdaq Global Select Market under the symbol "LKFN."

## Market Makers

Canaccord Genuity Inc.  
Robert W. Baird & Co. Incorporated  
Cantor Fitzgerald & Co.  
Citadel Securities LLC  
Cowen and Company, LLC  
Cannacord Genuity LLC.  
D.A. Davidson & Co.  
G1 Execution Services, LLC  
Goldman, Sachs & Co. LLC  
GTS Securities LLC  
IMC Financial Markets  
StoneX Financial Inc.  
Janney Montgomery Scott Inc.  
Keefe, Bruyette & Woods, Inc.  
Keybank Capital Markets Inc.  
Leerink Partners, LLC  
Maxim Group LLC  
Bofa Securities, Inc.  
Morgan Stanley & Co. LLC  
VIRTU Americas LLC  
Piper Sandler & Co.  
Raymond James & Associates, Inc.  
RBC Capital Markets, LLC  
SG Americas Securities, LLC  
Two Sigma Securities, LLC  
Susquehanna Financial Group, LLP  
Two Sigma Securities, LLC  
UBS Securities LLC  
Virtu Americas LLC  
Wall Street Access  
William Blair  
Summit Securities Group, LLC  
Wells Fargo Securities, LLC  
Latour Trading LLC

## Stock Transfer Agent and Registrar

Equinity Trust Company, LLC ("EQ")  
PO Box 500  
Newark, NJ 07101  
(800) 937-5449  
(718) 236-2641 fax  
helpAST@equiniti.com  
equinity.com/us/

## Dividend Reinvestment and Stock Purchase Plan

Lakeland Financial Corporation offers stockholders a convenient way to increase their investment through the Lakeland Financial Dividend Reinvestment and Stock Purchase Plan. Under the plan, investors can elect to acquire Lakeland Financial shares in the open market by reinvesting dividends and through optional cash payments. Lakeland Financial absorbs the fees and brokerage commissions on shares acquired through the plan. To obtain a plan prospectus and authorization form, call Tina Rensberger at (800) 827-4522. The plan prospectus is also available on the company's website at lakecitybank.com.

## Direct Deposit of Dividends

The direct deposit program, which is offered at no charge, provides for automatic deposit of quarterly dividends directly to a checking or savings account. For information regarding this program, call Tina Rensberger at (800) 827-4522.

## Form 10-K and Other Financial Reports

The company maintains a website at lakecitybank.com. The company makes available on its investor relations site, free of charge, its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and other reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after it electronically files such material with, or furnishes it to, the Securities and Exchange Commission. The company will also provide copies of its filings free of charge upon written request to:

Lakeland Financial Corporation  
Attn: Investor Relations  
PO Box 1387  
Warsaw IN 46581-1387

## Corporate Governance

Lakeland Financial Corporation corporate governance documents are available on the company's investor relations website at lakecitybank.com or may be obtained in print form by contacting Tina Rensberger at (800) 827-4522.

## Independent Registered Public Accounting Firm

Crowe LLP  
330 E Jefferson Boulevard  
PO Box 7  
South Bend, IN 46624-0007

# Lake City Bank Officers

## Management Committee

David M. Findlay  
Chairman &  
Chief Executive Officer

Kristin L. Pruitt  
President

Lisa M. O'Neill  
Executive Vice President  
Chief Financial Officer

Eric H. Ottinger  
Executive Vice President  
Chief Commercial Banking Officer

Kyra E. Clark  
Senior Vice President  
Chief Human Resources Officer

J. Rickard Donovan  
Senior Vice President  
General Counsel

Stephanie R. Leniski  
Senior Vice President  
Chief Retail Banking Officer

Donald J. Robinson-Gay  
Senior Vice President  
Chief Credit Officer

Jonathan P. Steiner  
Senior Vice President  
Chief Wealth Advisory Officer

## Brokerage

**Vice President**  
Eric J. Frappier  
Michael O. Jenkins

**Assistant Vice President**  
Greg L. Emmack

**Officer**  
Ashley N. Brewer

## Commercial Banking Senior Vice President—Regional Manager

Todd A. Bruce  
William R. Redman  
J. Chad Stoltzfus  
Camalyn M. Treadway  
Christopher W. Wiggins

## First Vice President

Chad A. Glassburn  
Rodney B. Hooley  
Timothy M. Schlichte

## Vice President

Ronald L. BonDurant  
Steven L. Brown  
Nathan R. Burnell  
Brian D. Burrell  
Nathan R. Conley  
David E. Davis  
John F. Dietzen  
Chad P. Douglass  
Keith B. Goodman  
Ryan L. Hart  
Justin T. Hayes  
Corbin J. Holtsberry  
Cari J. Juillerat  
Jeffery W. Krusenklous  
Gregory W. Lentz  
Meghan C. Marrello  
Cory E. McClarnon  
Patricia T. McNarney  
Shelly A. Meyer  
Gavin S. Miller  
Cameron V. Plew  
Benjamin A. Rice  
Michael J. Ryan  
D. Andrew Skaggs  
Eric J. Steenman  
Nicholas A. Toney  
Steven J. Troike  
Amber M. Wolfer

## Assistant Vice President

Christy E. Adams  
Holly A. Davis  
Kelsey M. Jenkins

Kris J. Kerlin  
Erin R. Martz  
Sara B. Millsbaugh  
Luke C. Mungovan  
Kevin R. Poe  
Stacy M. Richardson  
Robin R. Ritchie  
Elizabeth A. Schmidlin  
Jordan D. Smith  
Virginia E. Wirt

## Officer

Quinten J. Bender  
Trenton H. Cooper  
Brandon J. Krutsch  
Marlee J. Richter

## Consumer & Home Loans

**Senior Vice President**  
Kirtus D. Murray

## Vice President

Denise M. Brennan  
Sabrina N. Brown  
Scott B. Bucher  
Holly N. Clevenger  
Phillip G. Ensley  
Glenn A. Goudey  
Jodi L. Hammond  
Cheryl L. Luke  
Sarah J. Miller-Bontrager  
W. John Pritz  
Mark R. Rensner

## Assistant Vice President

Chad J. Clinton  
John J. (J.J.) Foster  
Anna A. Jimenez  
Susan R. McClanahan  
Todd E. Pequinot  
Amanda M. Tom

## Officer

Sandra F. Medina

## Corporate & Institutional Services

### Vice President

Anna N. Corkill  
Melanie A. McIntyre  
Sheena L. White  
Tabitha A. Williamson

## Assistant Vice President

Dan L. Beechy  
Michelle L. Harris  
Tiffany R. Mudd

## Credit Administration

**Senior Vice President**  
Bradford S. Grabow  
Kimberly A. Hooley

## Vice President

Amanda R. Ellsworth  
Cynthia J. Gianneschi  
Christopher D. Hanson  
Kerry M. Jones  
Judd P. McNally  
Matthew R. Smith  
Marshall C. Weadick

## Assistant Vice President

Joseph D. Burtette  
Bridget M. Camden  
Seth M. Greiner  
Kyle A. Grimm  
Megan E. Ottinger  
Christoffer C. Penny  
Aaron T. Wood  
Jeffrey L. Wyckoff

## Officer

Victoria A. Larrew  
Maxxwell P. Sell  
Troy D. Tom  
Branden P. Wildey

## Executive Administration

**Officer**  
Tina A. Rensberger

## Finance & Treasury

**Senior Vice President**  
Jennifer M. Hurford—Treasurer  
Brok A. Lahrman—Chief Accounting Officer

## Vice President

Melissa D. Davison  
David J. Hughes  
Ryan D. Neese  
Stacy L. Price

## Assistant Vice President

Samantha D. Ducey  
Crystal A. Vander Bie  
Beth A. Weber

## Marketing

**Vice President**  
Mary S. Horan

## Assistant Vice President

Luke A. Weick

## Operations

**Senior Vice President**  
Lisa A. Fulton

## First Vice President

Eric D. Wagoner

## Vice President

Michele R. Ganser  
Shannan L. Hepler  
Michelle L. Jacobsen  
Miranda R. Jordan  
Scot A. Karbach  
Jan R. Martin  
Leslie R. Rutherford  
Timothy C. Vosberg  
Diane M. Wirth  
Donna J. Wolfe

## Assistant Vice President

Katrina L. Beverly  
Lisa M. Bicknese  
Jennifer A. Bradley  
Sherri L. DiRico  
Jill E. Garber  
Brittney C. Hollopeter  
Lindsay A. Ignasiak  
Jennifer R. Kooistra  
Karla J. Kroll  
Jennifer L. Mosier  
Michele I. Myers  
Natalie M. Ousley  
Ashaunte M. Wallen  
Thomas B. Weimer

## Officer

Micaela M. Alvarez  
Ashley D. Boyer  
Denise M. Eldridge  
Lisa M. Goon  
Kelli L. Hatfield  
Susan K. Hayes  
Jillian M. Howell  
Candince M. Leedy  
Maritza Patino  
Carla A. Snyder  
Brandice M. Wampler

## People Development

**Vice President**  
Ana Karina Cervantes  
Alice G. Hitchcock  
Mary A. Lepird  
Tori L. Platt

## Assistant Vice President

Rhonda K. Frank  
Kristen J. Heiman  
Brianna D. Kreczmer  
Justin Taylor

## Officer

Marissa Rico

## Property Management

**Vice President**  
Richard A. Hoover

## Retail Banking

**First Vice President—Retail Banking  
Regional Manager**  
Melissa J. Blosser

## Vice President—Retail Banking

**Regional Manager**  
Karen A. Francis

Sara B. Hill  
Alexandra L. Rhodes  
Steve D. Schumacher  
Kimberly K. Strawbridge

## Vice President

Lisa S. Fitzgerald  
Melissa S. Rupe

## Assistant Vice President

Jean A. Ciriello

## Officer

Amanda C. Benzing  
Megan L. Sutter

## Risk Management

**Senior Vice President**  
Matthew D. VanDeWielde

## First Vice President

Jeannine P. Draper Cooley

## Vice President

Gloria J. Crawford  
Dianne C. Harris  
Candy A. Little  
Amanda M. Longmire  
Kyle G. Schmidt  
Becka J. Turnbow

## Assistant Vice President

Austin L. Bair  
Wendy N. Brown  
Aaron T. Connell  
Kristin D. Hohman  
Kristina R. Kiracofe  
Kimberly A. Knoerzer  
Dakotah B. Lantz  
Eric D. Neuenschwander  
Ashley L. Pluta  
Brandon Prince  
Victoria L. Starr

## Officer

Hilda E. Cantu

## Technology Services

**Senior Vice President**  
Darrin M. McLaughlin

## Vice President

Paul D. Dausman  
Joanie L. Foreman  
Kimberly K. Mattke  
Christopher D. Merrill

## Assistant Vice President

Jordan M. Bell

## Officer

Noah S. Blakesley  
David J. Miller  
Jackie L. Stout

## Wealth Advisory Group

**Senior Vice President**  
Carrie A. H. Gutman  
Andrew R. Haddock

## First Vice President

Richard A. Delks  
Reneta U. Thurairatnam

## Vice President

Steven B. Burnside  
Robert M. Congdon  
Lili A. Dailey  
Michelle L. Kindler  
Jennifer I. King  
Lisa A. Mansberger  
Scott R. Tapley

## Assistant Vice President

Adam L. Esterline  
Leslie E. Rohrer

## Officer

Janel A. Burnworth  
Deborah R. Cataldo  
Phillip Nguyen

# Lake City Bank Offices

## Akron Argos Auburn Bremen

## Columbia City Concord Elkhart Beardsley Elkhart East Elkhart High School Elkhart Northwest Elkhart River District

## Fishers Fort Wayne Downtown

## Fort Wayne Jefferson Fort Wayne North Fort Wayne Northeast Fort Wayne Southwest Goshen Downtown Goshen South Grace Village Granger Greenwood Huntington Indianapolis 16 Tech Indianapolis Clearwater Indianapolis Downtown Indianapolis Michigan Road Indianapolis North

## Jimtown Kendallville LaGrange Ligonier Downtown Ligonier South Medaryville Mentone

## Middlebury Milford Mishawaka Nappanee North Webster Pierceton Plymouth Rochester Shipshewana Silver Lake South Bend Downtown South Bend Northwest Syracuse Warsaw Downtown

## Warsaw East Warsaw North Warsaw West Winona Lake

## Forward Looking Statement

This document (including information incorporated by reference) contains, and future oral and written statements of the Company and its management may contain, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the financial condition, results of operations, plans, objectives, future performance and business of the Company. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of the Company's management and on information currently available to management, are generally identifiable by the use of words such as "believe," "expect," "anticipate," "plan," "intend," "estimate," "may," "will," "would," "could," "should" or other similar expressions. Additionally, all statements in this document, including forward-looking statements, speak only as of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

A number of factors, many of which are beyond the ability of the Company to control or predict, could cause actual results to differ materially from those in its forward-looking statements. These factors include, among others, the following: (i) the strength of the local and national economy; (ii) the economic impact of future terrorist attacks and threats or acts of war and the response of the United States to any such attacks or threats; (iii) changes in state and federal laws, regulations and governmental policies concerning the Company's general business; (iv) changes in interest rates and prepayment rates of the Company's assets; (v) increased competition in the financial services sector and the inability to attract new customers; (vi) changes in technology and the ability to develop and maintain secure and reliable electronic systems; (vii) the loss of key executives or employees; (viii) changes in consumer spending; (ix) unexpected results of acquisitions; (x) unexpected outcomes of existing or new litigation involving the Company; and (xi) changes in accounting standards and practices. These risks and uncertainties should be considered in evaluating forward-looking statements and undue reliance should not be placed on such statements. Additional information concerning the Company and its business, including additional factors that could materially affect the Company's financial results, is included in the Company's filings with the Securities and Exchange Commission.



(888) 522-2265  
LAKECITYBANK.COM