NEWS RELEASE

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BNCCORP, INC. REPORTS FIRST QUARTER NET INCOME OF $1.5 MILLION, OR $0.41 PER DILUTED SHARE

Highlights

- **Net income in the first quarter of 2022 was $1.5 million, or $0.41 per diluted share, compared to $9.8 million, or $2.73 per diluted share during the same period of 2021.**
- **Mortgage revenue, as anticipated, decreased to $4.1 million in the first quarter of 2022, compared to $16.1 million during the same period of 2021.**
- **Return on assets and return on equity was 0.57% and 5.28%, respectively, for the quarter ended March 31, 2022, compared to 3.60% and 32.70%, respectively, for the quarter ended March 31, 2021.**
- **The tangible common equity ratio was 11.14% at March 31, 2022, compared to 10.98% at December 31, 2021.**
- **Solid new origination activity during the first quarter drove an increase in loans held for investment, excluding $2.7 million of Small Business Administration (SBA) Paycheck Protection Program (PPP) loans, to $529.5 million at March 31, 2022, compared to $499.1 million and $517.9 million at September 30, 2021, and December 31, 2021, respectively.**
- **BNC released $550 thousand of its allowance for credit losses in the first quarter of 2022 compared to $0 provision for credit losses during the same period of 2021.**
- **Allowance for credit losses at March 31, 2022, was 1.60% of loans held for investment, excluding $2.7 million of Small Business Administration (SBA) Paycheck Protection Program (PPP) loans, compared to 1.75% at December 31, 2021.**

BISMARCK, ND, May 2, 2022 – BNCCORP, INC. (BNC or the Company) (OTCQX Markets: BNCC), which operates community banking and wealth management businesses in North Dakota and Arizona, and has mortgage banking offices in Illinois, Kansas, Michigan, Arizona, and North Dakota, today reported financial results for the first quarter ended March 31, 2022.

Overview of Quarter

Net income in the first quarter of 2022, was $1.5 million, compared to $9.8 million in the same period of 2021. First quarter 2022 earnings per diluted share was $0.41, versus $2.73 in the first quarter 2021. The year-over-year decrease was primarily due to lower mortgage revenues and lower net interest income, partially offset by lower non-interest expense and a reduction in the allowance for credit losses.

First quarter 2022 net interest income decreased by $2.1 million to $6.9 million, or 23.7%, from the comparable 2021 quarter. Interest income decreased by $2.4 million, or 24.9%, from the 2021 first quarter due to lower balances and yields on loans partially offset by higher balances of interest-bearing cash and debt securities. PPP fees were $227 thousand in the first quarter of 2022 compared to $1.8 million in the first quarter of 2021. First quarter 2022 interest expense decreased by $270 thousand, or 40.8%, versus the first quarter of 2021 due to a reduction in the cost of deposits and a reduction in certificates of deposit balances.

Non-interest income in the first quarter of 2022 decreased by $12.0 million, from the same period in 2021. In the first quarter of 2022, mortgage banking revenues were $4.1 million, $11.9 million lower than the same period a year ago, during which the Company experienced a combination of historically high refinance originations and margins. The sale of SBA loans resulted in gains on sales of loans of $20 thousand in the first quarter of 2022, compared to $97 thousand in the prior year period. The Company received profit distributions of $86 thousand from SBIC investments during the 2022 first quarter compared to $100 thousand in the same period in 2021. Gains on sales of loans and profit distributions from SBIC investments can vary significantly from period to period.

Non-interest expense in the 2022 first quarter decreased by $2.6 million, or 18.9%, versus the first quarter of 2021. Non-interest expenses related to mortgage operations activity decreased by $2.5 million, or 32.0%, as management adjusted the scale of operations based on the marketplace opportunity.

Nonperforming assets were $1.5 million at March 31, 2022, down from $1.7 million at December 31, 2021 and $2.6 million at March 31, 2021. The ratio of nonperforming assets-to-total-assets was 0.15% at March 31, 2022, down from 0.16% at December 31, 2021 and 0.21% at March 31, 2021. The Company released $550 thousand of its allowance for credit losses in the 2022 first quarter, compared to no provision for credit losses in the first quarter of 2021. The allowance for credit losses decreased to 1.60% of loans held for investment (excluding $2.7 million of PPP loans) at March 31, 2022, compared to 1.75% at December 31, 2021 and 1.98% at March 31, 2021. The Company continues to monitor key industry data and will prudently adjust its allowance for credit losses as appropriate.

Tangible book value per common share at March 31, 2022, was $30.91, compared to $32.35 at December 31, 2021. The decline in tangible book value per common share was driven by the negative impact of higher long-term rates on accumulated other comprehensive income partially offset by retained earnings. The Company's tangible common equity capital ratio was 11.14% at March 31, 2022, compared to 10.98% at December 31, 2021.

Total assets were $987.2 million at March 31, 2022, compared to $1.0 billion at December 31, 2021. Total deposits were $854.4 million at March 31, 2022, compared to $906.7 million at December 31, 2021.

Management Commentary

"BNC continues to drive performance and maintain a stable financial position despite macroeconomic and geopolitical headwinds that are impacting the entire banking industry – particularly within the mortgage sector," said Daniel J. Collins, BNC's President and Chief Executive Officer. "Over the past four quarters, we have successfully transitioned our mortgage business from refinancing activity to purchased home loan originations to reflect marketplace dynamics and customers' needs. As anticipated, our mortgage revenue declined in the first quarter due to normal loan seasonality, a volatile interest rate environment and inflation pressures. That said, we saw sequential gains in mortgage loan origination during the first quarter and maintain the capability to scale and maximize mortgage opportunities as they emerge."

Collins continued, "Across BNC, we remain intently focused on our strengths: cultivating community banking relationships, maintaining sensible lending practices and continuing to enhance our strong, stable and forward-looking marketplace position. These activities helped drive an $11.6 million first-quarter increase in loans held for investment. We also released an additional $550 thousand from our allowance for credit losses as pandemic related risks have subsided, in addition to the $350 thousand released at

2021-year end.

"As we look ahead to the rest of 2022, we are bolstered by BNC's strong balance sheet and fiscal prudence. Our organization remains committed to improving financial performance and efficiently managing recently elevated liquidity levels. Operationally, we have several initiatives under way that target further efficiency, productivity and stronger customer experiences. Additionally, we are encouraged to see momentum in generating organic loan growth in the businesses and communities that we serve. Our superior customer service and support give us confidence in our ability to meet this need with a broad range of financial products and services."

2022 Versus 2021 First Quarter Comparison

Net interest income for the first quarter of 2022 was $6.9 million, a decrease of $2.1 million, or 23.7%, from $9.1 million in the first quarter of 2021. The decrease primarily reflected lower loan balances and yields on loans partially offset by higher interest-bearing cash and debt securities, lower cost of deposits, and a reduction in certificates of deposit. PPP fees were $227 thousand in first quarter of 2022 compared to $1.8 million in the first quarter of 2021. Net interest margin decreased to 2.80% in the 2022 first quarter, compared to 3.57% in the year-earlier period.

First quarter interest income decreased $2.4 million, or 24.9%, to $7.3 million in 2022, compared to $9.7 million in the first quarter of 2021. The decrease is the result of lower loan balances, primarily lower balances of loans held for sale and PPP loans, in addition to lower yields on loans held for investment. The yield on average interest-earning assets was 2.96% in the first quarter of 2022, compared to 3.83% in the 2021 first quarter.

The average balance of interest-earning assets in the 2022 first quarter decreased by $29.4 million versus the same period of 2021, primarily due to $135.6 million and $25.2 million increases in interest-bearing cash and debt securities, respectively, more than offset by decreases in average loans held for sale and loans held for investment including PPP loans. Interest income for loans held for investment decreased $1.9 million. The average balance of loans held for investment decreased by $51.4 million with PPP loans accounting for $53.7 million of the decrease. The average balance of mortgage loans held for sale was $60.0 million, $140.1 million lower than the same period of 2021. Interest income from loans held for sale decreased $766 thousand due to lower average balances. The average balance of debt securities in the first quarter of 2022 was $204.4 million, $25.2 million higher than in the first quarter of 2021. Interest income from debt securities was $126 thousand higher compared to the same period of 2021.

Interest expense in the first quarter of 2022 was $392 thousand, a decrease of $270 thousand, or 40.8%, from the 2021 period. The cost of interest-bearing liabilities was 0.21% during the quarter, compared to 0.35% in the same period of 2021. The cost of core deposits in the first quarters of 2022 and 2021 was 0.15% and 0.26%, respectively.

At March 31, 2022, credit metrics remained stable with $1.5 million of nonperforming assets, representing a 0.15% nonperforming assets-to-total-asset ratio, compared to $1.7 million and 0.16% at December 31, 2021. The Company also released $550 thousand of its allowance for credit losses in the first quarter of 2022, compared to no provision recorded in the first quarter of 2021.

Non-interest income for the first quarter of 2022 was $5.5 million, compared to $17.5 million in the 2021 first quarter. The decrease was driven by mortgage banking revenues of $4.1 million in the first quarter of 2022, versus $16.1 million in the prior-year period. The Company’s mortgage business has managed through a transition to a lower level of originations compared to the pandemic-related historically high level of refinance activity and margins in the prior-year period. In the first quarter of 2022, BNC funded 760 mortgage loans with combined balances of $300.2 million, compared to 2,426 mortgage loans with combined balances of $874.8 million in the first quarter of 2021. Wealth management revenues decreased $9 thousand, or 1.7%, as assets under administration decreased as a result of overall market declines relative to the 2021 period.

Non-interest expense for the first quarter of 2022 decreased $2.6 million, or 18.9%, to $11.0 million, from $13.6 million in the first quarter of 2021. Non-interest expenses related to mortgage operations activity decreased by $2.5 million, or 32.0%, as management adjusted the scale of operations based on the marketplace opportunity. There were 140 full-time equivalent employees related to mortgage operations at March 31, 2022, compared to 163 at March 31, 2021. Combined expenses for community banking and the holding company decreased by $95 thousand, or 1.6%, compared to the 2021 period primarily due to reduced salary and data processing expense offset by higher professional services.

In the first quarter of 2022, income tax expense was $453 thousand, compared to $3.2 million in the first quarter of 2021. The effective tax rate was 23.5% in the first quarter of 2022, compared to 24.5% in the same period of 2021.

Net income was $1.5 million, or $0.41 per diluted share, in the first quarter of 2022, versus $9.8 million, or $2.73 per diluted share, in the first quarter of 2021.

Assets and Liabilities

Total assets were $987.2 million at March 31, 2022, and $1.0 billion at December 31, 2021.

Total loans held for investment were $532.2 million at March 31, 2022 compared to $529.8 million at December 31, 2021. PPP loan balances, included in loans held for investment, were $2.7 million at March 31, 2022 compared to $11.9 million at December 31, 2021. Loans held for sale at March 31, 2022, were $61.8 million, a decrease of $19.1 million when compared to December 31, 2021. Debt securities decreased $12.9 million from year-end 2021 while cash and cash equivalent balances totaled $155.0 million at March 31, 2022, compared to $188.1 million at December 31, 2021.

Total deposits decreased $52.3 million to $854.4 million at March 31, 2022, from $906.7 million at December 31, 2021. The Company was able to decrease deposit balances at the end of the first quarter of 2022 by moving non-core deposits off the balance sheet through the use of an associated banking network.

Trust assets under administration decreased 3.3%, or $13.5 million, to $396.0 million at March 31, 2022, from $409.5 million at December 31, 2021.

Asset Quality

The allowance for credit losses was $8.5 million at March 31, 2022, and $9.1 million at December 31, 2021. The allowance as a percentage of loans held for investment at March 31, 2022 decreased to 1.59% from 1.71% at December 31, 2021. Excluding $2.7 million of PPP loans, which are 100% guaranteed by the SBA, the allowance for credit losses as a percentage of loans held for investment at March 31, 2022, decreased to 1.60% compared to 1.75% at December 31, 2021.

Nonperforming assets, consisting of loans, were $1.5 million at March 31, 2022, and $1.7 million at December 31, 2021. The ratio of nonperforming assets-to-total-assets was 0.15% at March 31, 2022, and 0.16% at December 31, 2021. The Company did not hold any other real estate owned or repossessed assets at March 31, 2022. The Company did not hold any other real estate owned and held $17 thousand in repossessed assets at December 31, 2021.

At March 31, 2022, BNC had $8.0 million of classified loans and $1.5 million of loans on non-accrual. At December 31, 2021, BNC had $8.5 million of classified loans and $1.7 million of loans on non-accrual. BNC had $6.3 million of potentially problematic loans, which are risk rated "watch list", at March 31, 2022, compared with $6.5 million as of December 31, 2021.

The Company continues to monitor the effects of the pandemic and its potential impact on customers. BNC considers the pandemic, along with other macroeconomic and geopolitical factors, when monitoring the performance of its loan portfolio and adjusting its allowance for credit losses.

BNC's loans held for investment are concentrated geographically in North Dakota and Arizona which comprise 62% and 23% of the Company's total loan portfolio, respectively. The North Dakota economy is influenced by the energy and agriculture industries. Energy supply and demand factors have recently increased oil prices, benefiting the oil industry and ancillary services. Legislation and economic conditions remain potential risks to energy markets and production activity and can present potential challenges to credit quality in North Dakota. Drought conditions were the primary risk factor in the North Dakota agriculture industry during the 2021 operating year and continue as we proceed through the first quarter of 2022. North Dakota livestock and grain operators face challenges that require close monitoring and could have an adverse impact on the state overall. The Arizona economy is influenced by the leisure and travel industries. Positive trends in both industries have been noted, but an extended slowdown in these industries may negatively impact credit quality in Arizona. BNC's portfolio is constructed of various sized loans spread over a large number of industry sectors, although the Company manages meaningful concentrations of loans in hospitality and commercial real estate.

The following table approximates the Company's significant concentrations by industry, excluding PPP loans of $2.7 million and $11.9 million, as of March 31, 2022 and December 31, 2021, respectively (in thousands):

Loans Held for Investment by Industry Sector

	March 31, 2022		December 31, 2021	
Non-owner occupied commercial real estate – not otherwise categorized	$ 170,764	32 %	$ 157,608	30 %
Consumer, not otherwise categorized	75,557	14	75,519	14
Hotels	73,096	14	78,473	15
Healthcare and social assistance	35,870	7	36,531	7
Retail trade	32,198	6	35,173	7
Agriculture, forestry, fishing and hunting	27,954	5	26,922	5
Transportation and warehousing	22,270	4	21,499	4
Non-hotel accommodation and food service	19,655	4	18,838	4
Construction contractors	12,717	2	11,458	2
Other service	11,984	2	12,543	2
Mining, oil and gas extraction	10,080	2	10,327	2
Arts, entertainment and recreation	5,820	1	5,936	1
Professional, scientific, and technical services	5,209	1	3,738	1
Educational Services	5,158	1	1,724	-
Manufacturing	5,054	1	4,697	1
Real estate and rental and leasing support services	3,692	1	3,750	1
Public administration	3,481	1	3,108	1
Wholesale trade	2,969	1	3,325	1
All other	5,305	1	6,336	2
Gross loans held for investment (excluding PPP loans)	$ 528,833	100 %	$ 517,505	100 %

The hospitality industry is still in the process of recovering from the economic effects of the COVID-19 pandemic with a primary focus on hotel occupancy and restaurant utilization trends. Hotel operators in BNC's loan portfolio are reporting positive trends, and in some cases stronger balance sheets. Despite positive trends within the hospitality industry, caution remains as labor shortages limit capacity in some cases, and government and financial institution support is expiring.

The Company's loan portfolio and credit risk could still experience adversity from pandemic related risks, and this potential risk remains qualitatively captured in the Company's allowance for credit losses.

Capital

Banks and bank holding companies operate under separate regulatory capital requirements. At March 31, 2022, the Company's capital ratios exceeded all regulatory capital thresholds, including the capital conservation buffer.

A summary of BNC's capital ratios at March 31, 2022, and December 31, 2021, is presented below:

	March 31, 2022	December 31, 2021
BNCCORP, INC. (Consolidated)		
Tier 1 leverage	12.14%	11.74%
Common equity tier 1 risk based capital	16.64%	16.54%
Tier 1 risk based capital	18.85%	18.77%
Total risk based capital	20.09%	20.02%
Tangible common equity	11.14%	10.98%
BNC National Bank		
Tier 1 leverage	11.03%	10.65%
Common equity tier 1 risk based capital	17.13%	17.02%
Tier 1 risk based capital	17.13%	17.02%
Total risk based capital	18.38%	18.27%

The Common Equity Tier 1 ratio, which is generally a comparison of a bank's core equity capital to its total risk weighted assets, is a measure of the current risk profile of the Bank's asset base from a regulatory perspective. The Tier 1 leverage ratio, which is based on average assets, does not consider the mix of risk-weighted assets.

The Company routinely evaluates the sufficiency of its capital to ensure compliance with regulatory capital standards and to serve as a source of strength for the Bank. The Company manages capital by assessing the composition of capital and the amounts available for growth, risk, or other purposes.

About BNCCORP, INC.

BNCCORP, INC., headquartered in Bismarck, N.D., is a registered bank holding company dedicated to providing banking and wealth management services to businesses and consumers in its local markets. The Company operates community banking and wealth management businesses in North Dakota and Arizona from 11 locations. BNC also conducts mortgage banking from 9 locations in Illinois, Kansas, Michigan, Arizona and North Dakota.

This news release may contain "forward-looking statements" within the meaning of the safe harbor provisions 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 BNC. Forward-looking statements, which may be based upon beliefs, expectations and assumptions of our management and on information currently available to management are generally identifiable by the use of words such as “expect”, “believe”, “anticipate”, “at the present time”. “plan”, “optimistic”, “intend”, “estimate”, “may”, “will”, “would”, “could”, “should”, “future” and other expressions relating to future periods. Examples of forward-looking statements include, among others, statements we make regarding our expectations regarding future market conditions and our ability to capture opportunities and pursue growth strategies, our expected operating results such as revenue growth and earnings and our expectations of the effects of the regulatory environment or current or future pandemics on our earnings for the foreseeable future. Forward-looking statements are neither historical facts nor assurances of future performance. Our actual results and financial condition may differ materially from those indicated in the 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 the forward-looking statements include, but are not limited to: the impact of pandemics, the impact of current and future regulation; the risks of loans and investments, including dependence on local and regional economic conditions; competition for our customers from other providers of financial services; possible adverse effects of changes in interest rates, including the effects of such changes on mortgage banking revenues and derivative contracts and associated accounting consequences; risks associated with our acquisition and growth strategies; and other risks which are difficult to predict and many of which are beyond our control. In addition, all statements in this news release, including forward-looking statements, speak only of the date they are made, and the Company undertakes no obligation to update any statement in light of new information or future events.

This press release contains references to financial measures, which are not defined in GAAP. Such non-GAAP financial measures include tangible common equity to total period end assets ratio. These non-GAAP financial measures have been included as the Company believes they are helpful for investors to analyze and evaluate the Company’s financial condition.

(Financial tables attached)

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BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except per share data)	For the Quarter Ended, March 31, 2022	December 31, 2021	March 31, 2021
SELECTED INCOME STATEMENT DATA			
Interest income	$ 7,301	$ 7,785	$ 9,719
Interest expense	392	410	662
Net interest income	6,909	7,375	9,057
Credit for credit losses	(550)	(350)	-
Non-interest income	5,512	7,725	17,490
Non-interest expense	11,045	11,291	13,621
Income before income taxes	1,926	4,159	12,926
Income tax expense	453	864	3,161
Net income	$ 1,473	$ 3,295	$ 9,765
EARNINGS PER SHARE DATA			
Basic earnings per common share	$ 0.41	$ 0.92	$ 2.73
Diluted earnings per common share	$ 0.41	$ 0.92	$ 2.73

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except share data)	For the Quarter Ended, March 31, 2022	For the Quarter Ended, December 31, 2021	For the Quarter Ended, March 31, 2021
ANALYSIS OF NON-INTEREST INCOME			
Bank charges and service fees	$ 600	$ 631	$ 554
Wealth management revenues	536	549	545
Mortgage banking revenues	4,142	5,671	16,058
Gains on sales of loans, net	20	389	97
Other	214	485	236
Total non-interest income	$ 5,512	$ 7,725	$ 17,490
ANALYSIS OF NON-INTEREST EXPENSE			
Salaries and employee benefits	$ 5,941	$ 5,991	$ 7,614
Professional services	950	1,171	1,772
Data processing fees	973	1,187	1,165
Marketing and promotion	1,355	931	999
Occupancy	583	543	550
Regulatory costs	119	123	115
Depreciation and amortization	311	313	328
Office supplies and postage	110	106	133
Other	703	926	945
Total non-interest expense	$ 11,045	$ 11,291	$ 13,621
WEIGHTED AVERAGE SHARES			
Common shares outstanding (a)	3,572,405	3,570,875	3,573,257
Dilutive effect of share-based compensation	960	613	410
Adjusted weighted average shares (b)	3,573,365	3,571,488	3,573,667

(a) Denominator for basic earnings per common share
(b) Denominator for diluted earnings per common share

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands, except share, per-share and full-time equivalent data)	As of March 31, 2022	As of December 31, 2021	As of March 31, 2021
SELECTED BALANCE SHEET DATA			
Total assets	$ 987,156	$ 1,047,372	$ 1,227,151
Loans held for sale-mortgage banking	61,821	80,923	179,453
Loans held for investment	532,182	529,793	588,974
Total loans	594,003	610,716	768,427
Allowance for credit losses	(8,475)	(9,080)	(10,277)
Cash and cash equivalents	155,020	188,060	242,713
Debt securities available for sale	196,030	208,978	171,755
Earning assets	928,439	991,451	1,168,432
Total deposits	854,405	906,668	1,065,490
Core deposits (1)	854,431	906,668	1,068,785
Other borrowings	15,027	15,001	18,298
OTHER SELECTED DATA			
Net unrealized (losses) gains in accumulated other comprehensive income	$ (3,418)	$ 3,154	$ 5,508
Trust assets under administration	396,032	409,471	403,292
Total common stockholders' equity	109,949	114,986	126,506
Tangible book value per common share (2)	30.91	32.35	35.68
Tangible book value per common share excluding accumulated other comprehensive income, net	31.87	31.46	34.13
Full time equivalent employees	281	281	316
Common shares outstanding	3,557,383	3,554,983	3,545,356
CAPITAL RATIOS			
Tier 1 leverage (Consolidated)	12.14%	11.74%	12.17%
Common equity Tier 1 risk-based capital (Consolidated)	16.64%	16.54%	16.78%
Tier 1 risk-based capital (Consolidated)	18.85%	18.77%	18.88%
Total risk-based capital (Consolidated)	20.09%	20.02%	20.14%
Tangible common equity (Consolidated)	11.14%	10.98%	10.31%
Tier 1 leverage (Bank)	11.03%	10.65%	11.49%
Common equity Tier 1 risk-based capital (Bank)	17.13%	17.02%	17.82%
Tier 1 risk-based capital (Bank)	17.13%	17.02%	17.82%
Total risk-based capital (Bank)	18.38%	18.27%	19.08%
Tangible common equity (Bank)	11.49%	11.30%	10.85%

(1) Core deposits consist of all deposits and repurchase agreements with customers.
(2) Tangible book value per common share is equal to book value per common share.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended March 31, 2022	2021
AVERAGE BALANCES		
Total assets	$ 1,054,538	$ 1,099,697
Loans held for sale-mortgage banking	60,002	200,093
Loans held for investment	529,198	580,588
Total loans	589,200	780,681
Cash and cash equivalents	221,328	86,041
Debt securities available for sale	204,362	179,183
Earning assets	999,297	1,028,723
Total deposits	915,441	922,558
Core deposits	915,675	927,223
Total equity	114,547	127,939
KEY RATIOS		
Return on average common stockholders' equity (a)	5.28%	32.70%
Return on average assets (b)	0.57%	3.60%
Net interest margin	2.80%	3.57%
Efficiency ratio (Consolidated)	88.92%	51.31%
Efficiency ratio (Bank)	87.00%	50.68%

(a) Return on average common stockholders' equity is calculated by using net income as the numerator and average common equity (less accumulated other comprehensive income (loss)) as the denominator.

(b) Return on average assets is calculated by using net income as the numerator and average total assets as the denominator.

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	As of March 31, 2022	As of December 31, 2021	As of March 31, 2021
ASSET QUALITY			
Loans 90 days or more delinquent and accruing interest	$ -	$ -	$ -
Non-accrual loans	1,466	1,673	2,605
Total nonperforming loans	$ 1,466	$ 1,673	$ 2,605
Repossessed assets, net	-	17	-
Total nonperforming assets	$ 1,466	$ 1,690	$ 2,605
Allowance for credit losses	$ 8,475	$ 9,080	$ 10,277
Troubled debt restructured loans	$ 1,006	$ 1,029	$ 1,951
Ratio of total nonperforming loans to total loans	0.25%	0.27%	0.34%
Ratio of total nonperforming assets to total assets	0.15%	0.16%	0.21%
Ratio of nonperforming loans to total assets	0.15%	0.16%	0.21%
Ratio of allowance for credit losses to loans held for investment	1.59%	1.71%	1.74%
Ratio of allowance for credit losses to total loans	1.43%	1.49%	1.34%
Ratio of allowance for credit losses to nonperforming loans	578%	543%	395%

(In thousands)	For the Quarter Ended March 31, 2022	For the Quarter Ended March 31, 2021
Changes in Nonperforming Loans:		
Balance, beginning of period	$ 1,673	$ 2,612
Additions to nonperforming	73	93
Charge-offs	(47)	(83)
Reclassified back to performing	(165)	-
Principal payments received	(68)	(17)
Balance, end of period	$ 1,466	$ 2,605

BNCCORP, INC.
CONSOLIDATED FINANCIAL DATA
(Unaudited)

(In thousands)	For the Quarter Ended March 31, 2022	For the Quarter Ended March 31, 2021
Changes in Allowance for Credit Losses:		
Balance, beginning of period	$ 9,080	$ 10,324
(Credit) provision	(550)	-
Loans charged off	(69)	(65)
Loan recoveries	14	18
Balance, end of period	$ 8,475	$ 10,277
Ratio of net charge-offs to average total loans	(0.009)%	(0.006)%
Ratio of net charge-offs to average total loans, annualized	(0.037)%	(0.024)%

(In thousands)	As of March 31, 2022	As of December 31, 2021	As of March 31, 2021
CREDIT CONCENTRATIONS			
North Dakota			
Commercial and industrial	$ 45,651	$ 44,225	$ 44,000
Construction	11,280	8,815	5,636
Agricultural	27,188	26,279	28,359
Land and land development	15,030	15,475	6,922
Owner-occupied commercial real estate	38,884	35,781	32,991
Commercial real estate	107,535	104,889	106,557
Small business administration	16,984	25,232	40,870
Consumer	68,642	67,370	71,454
Subtotal gross loans held for investment	$ 331,194	$ 328,066	$ 336,789
Consolidated			
Commercial and industrial	$ 69,909	$ 62,501	$ 64,874
Construction	21,324	16,121	22,803
Agricultural	27,505	26,422	28,517
Land and land development	16,718	17,185	9,795
Owner-occupied commercial real estate	75,001	69,072	67,412
Commercial real estate	197,458	201,043	196,271
Small business administration	44,133	58,759	119,953
Consumer	79,450	78,297	80,271
Total gross loans held for investment	$ 531,498	$ 529,400	$ 589,896