

Annual Report



LAKELAND FINANCIAL CORPORATION

Letter to Shareholders



Lake City Bank Shareholders, Clients and Community Partners:

2023 created many dynamic and unexpected challenges for the Lake City Bank team, and once again, they answered the call. After raising the target Fed Funds rate by 525 basis points in 11 rate actions in 2022 and 2023, the banking industry faced an unprecedented interest rate environment that created net interest margin challenges for the entire sector. In addition, the high-profile bank failures of 2023 had a significant impact on the industry. The combination of the interest rate environment and the bank failures created a dramatic and unprecedented increase in the banking industry’s cost of deposits. Proudly, we moved through these events with our solid balance sheet only getting stronger and with an encouraging outlook for our future.

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:

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

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

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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



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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: Gary McNutt, Partner; Brad Love, Partner; Randy Henry, Director of Finance



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

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

See Annual Report on Form 10-K.



(888) 522-2265
LAKECITYBANK.COM