

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

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

Date of Report (date of earliest event reported): July 25, 2023

VERITEX HOLDINGS, INC.
(Exact name of Registrant as specified in its charter)

Texas
(State or other jurisdiction of
incorporation or organization)

001-36682
(Commission File Number)

27-0973566
(I.R.S. Employer
Identification Number)

8214 Westchester Drive, Suite 800
Dallas, Texas 75225
(Address of principal executive offices)

(972) 349-6200
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	VBTX	Nasdaq Global Market

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

Emerging growth company

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

Item 2.02 Results of Operations and Financial Condition

On July 25, 2023, Veritex Holdings, Inc. (the “Company”), the holding company for Veritex Community Bank, a Texas state chartered bank, issued a press release describing its results of operations for the quarter ended June 30, 2023. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

As provided in General Instruction B.2 to Form 8-K, the information furnished in this Item 2.02 (including Exhibit 99.1) of this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 7.01 Regulation FD Disclosure

On Wednesday, July 26, 2023, at 8:30 a.m., Central Time, the Company will host an investor conference call and webcast to review its second quarter financial results. The webcast will include a slide presentation that consists of information regarding the Company’s operating and growth strategies and financial performance. The presentation materials will be posted on the Company’s website after the close of the market on Tuesday, July 25, 2023. The presentation materials are attached hereto as Exhibit 99.2 and are incorporated herein by reference.

As provided in General Instruction B.2 to Form 8-K, the information furnished in this Item 7.01 (including Exhibit 99.2) of this Current Report on Form 8-K shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events

After the close of the market on Tuesday, July 25, 2023, the Company issued a press release announcing the declaration of a quarterly cash dividend of \$0.20 per share on its outstanding common stock. The dividend will be paid on August 25, 2023 to shareholders of record as of the close of business on August 10, 2023. The press release is attached hereto as Exhibit 99.3 and is incorporated herein by reference.

Forward Looking Statement

This Current Report includes “forward-looking statements”, within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to the expected payment of Veritex Holdings, Inc.’s (“Veritex”) quarterly cash dividend; the impact of certain changes in Veritex’s accounting policies, standards and interpretations; the effects of the COVID-19 pandemic and actions taken in response thereto; a continuation of recent turmoil in the banking industry, responsive measures to mitigate and manage it and related supervisory and regulatory actions and costs and Veritex’s future financial performance, business and growth strategy, projected plans and objectives, as well as other projections based on macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact broader economic and industry trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “seeks,” “targets,” “outlooks,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing words. We refer you to the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of Veritex’s Annual Report on Form 10-K for the year ended December 31, 2022 and any updates to those risk factors set forth in Veritex’s Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission (“SEC”), which are available on the SEC’s website at www.sec.gov. If one or more events related to these or other risks or uncertainties materialize, or if Veritex’s underlying assumptions prove to be incorrect, actual results may differ materially from what Veritex anticipates. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by

law. All forward-looking statements, expressed or implied, included in this Current Report are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Veritex or persons acting on Veritex's behalf may issue.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release, dated July 25, 2023
99.2	Presentation materials
99.3	Dividend Announcement
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURE

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

Veritex Holdings, Inc.

By: /s/ C. Malcolm Holland, III
C. Malcolm Holland, III
Chairman and Chief Executive Officer
July 25, 2023

Date:

VERITEX HOLDINGS, INC. REPORTS SECOND QUARTER OPERATING RESULTS

Dallas, TX — July 25, 2023 — Veritex Holdings, Inc. (“Veritex”, the “Company”, “we” or “our”) (Nasdaq: VBTX), the holding company for Veritex Community Bank, today announced the results for the quarter ended June 30, 2023.

“I am incredibly pleased with our second quarter and year to date results,” said C. Malcolm Holland, III. “We increased our deposits by \$200 million with only 1% in brokered, grew capital by \$32 million, expanded our CET1 ratio by 44 basis points and decreased our commercial real estate exposure. We continue to see positive results in all these areas as we progress through the start of the third quarter.”

Financial Highlights	Quarter to Date		Year to Date	
	Q2 2023	Q1 2023	Q2 2023	Q2 2022
	(Dollars in thousands, except per share data) (unaudited)			
GAAP				
Net income	\$ 33,730	\$ 38,411	\$ 72,141	\$ 63,096
Diluted EPS	0.62	0.70	1.32	1.19
Book value per common share	27.48	27.54	27.48	26.50
Return on average assets ²	1.10 %	1.28 %	1.18 %	1.23 %
Efficiency ratio	49.94	48.42	49.17	51.76
Return on average equity ²	8.96	10.55	9.74	9.07
Non-GAAP¹				
Operating earnings	\$ 34,673	\$ 43,274	\$ 77,947	\$ 63,869
Diluted operating EPS	0.64	0.79	1.43	1.20
Tangible book value per common share	19.41	19.43	19.41	18.20
Pre-tax, pre-provision operating earnings	58,520	66,461	124,981	89,265
Pre-tax, pre-provision operating return on average assets ²	1.90 %	2.21 %	2.05 %	1.74 %
Pre-tax, pre-provision operating return on average loans ²	2.43	2.84	2.63	2.34
Operating return on average assets ²	1.13	1.44	1.28	1.24
Operating efficiency ratio	48.90	45.63	47.21	51.22
Return on average tangible common equity ²	13.35	15.81	14.55	14.17
Operating return on average tangible common equity ²	13.70	17.72	15.66	14.34

¹ Refer to the section titled “Reconciliation of Non-GAAP Financial Measures” for a reconciliation of these non-generally accepted accounting principles (“GAAP”) financial measures to their most directly comparable GAAP measures.

² Annualized ratio.

Other Second Quarter Results

- Total deposits increased by \$199.2 million, or 8.8% annualized;
- Loan to deposit ratio has decreased 3% from March 31, 2023;
- Uninsured and uncollateralized deposits decreased to 33.3% as of June 30, 2023 compared to 36.5% as of March 31, 2023;
- Common Equity Tier 1 increased 44 basis points to 9.76% driven by a decrease in risk-weighted assets;
- Acquisition, development, and construction (“ADC”) loans decreased 9.3% from March 31, 2023 and as a percentage of risk-based capital (“RBC”) decreased from 129.2% to 115.1%;
- Total ADC/CRE loans decreased 0.2% from March 31, 2023 and as a percentage of RBC decreased from 333.7% to 327.2%;
- ACL to total loans increased to 1.05%;
- Non-performing assets (“NPAs”) to total assets increased to 0.55%, or 20 bps, from March 31, 2023;
- Annualized net charge-offs to average loans outstanding were 48 bps for the second quarter of 2023 compared to 4 bps for the three months ended March 31, 2023; and
- Declared quarterly cash dividend of \$0.20 per share of outstanding common stock payable on August 25, 2023.

Results of Operations for the Three Months Ended June 30, 2023

Net Interest Income

For the three months ended June 30, 2023, net interest income before provision for credit losses was \$100.8 million and net interest margin was 3.51% compared to \$103.4 million and 3.69%, respectively, for the three months ended March 31, 2023. The \$2.6 million decrease in net interest income before provision for credit losses was primarily due to a \$7.1 million increase in interest expense on certificates and other time deposits, a \$5.2 million increase in advances from the Federal Home Loan Bank ("FHLB"), a \$3.1 million increase in transaction and savings deposits driven by an increase in funding costs on deposits, and an \$822 thousand decrease in interest income on debt securities. The decrease was partially offset by a \$12.0 million increase in interest income on loans driven by an increase in loan yields and average balances and a \$2.0 million increase in interest income on deposits in financial institutions and fed funds sold during the three months ended June 30, 2023. Net interest margin decreased 18 basis points compared to the three months ended March 31, 2023, primarily due to the increase in funding costs on deposits and FHLB borrowing costs during three months ended June 30, 2023, partially offset by an increase in loan yields and average balances.

Compared to the three months ended June 30, 2022, net interest income before provision for credit losses for the three months ended June 30, 2023 increased by \$16.4 million, or 19.4%. The increase was primarily due to a \$81.5 million increase in interest income on loans driven by an increase in average balances and loan yields and a \$6.8 million increase in deposits in financial institutions and fed funds sold, partially offset by a \$28.9 million increase in transaction and savings deposits, a \$26.6 million increase in certificates and other time deposits and a \$16.4 million increase in advances from FHLB driven by an increase in funding costs. Net interest margin increased 9 basis points to 3.51% for the three months ended June 30, 2023 from 3.42% for the three months ended June 30, 2022. The increase was primarily due to the increase in average balances and loan yields during the three months ended June 30, 2023, partially offset by an increase in funding costs.

Noninterest Income

Noninterest income for the three months ended June 30, 2023 was \$13.7 million, an increase of \$161 thousand, or 1.2%, compared to the three months ended March 31, 2023. The increase was primarily due to a \$2.0 million increase in equity method investment income and a loss on sales of investment securities in the first quarter of 2023 of \$5.3 million. The increase was partially offset by a \$5.5 million decrease in government guaranteed loan income primarily driven by a decrease in USDA loans sold.

Compared to the three months ended June 30, 2022, noninterest income for the three months ended June 30, 2023 increased by \$3.3 million, or 31.9%. The increase was primarily due to a \$3.4 million increase in government guaranteed loan income, primarily driven by an increase in USDA loans sold through NAC and a \$1.6 million increase in other noninterest income. The increase was partially offset by a \$865 thousand decrease in loan fees driven by a \$562 thousand decrease in syndication fees, a \$481 thousand decrease in equity method investment income, and a decrease of \$360 thousand in customer swap income.

Noninterest Expense

Noninterest expense was \$57.2 million for the three months ended June 30, 2023, compared to \$56.6 million for the three months ended March 31, 2023, an increase of \$582 thousand, or 1.0%. The increase was primarily due to a \$2.5 million increase in professional and regulatory fees driven by FDIC assessment fees that increased when the Company crossed \$10 billion in total assets, an increase of \$848 thousand in marketing expense, and a \$777 thousand increase in other noninterest expense. The increase is partially offset by a \$3.2 million decrease in salaries and employee benefits.

Compared to the three months ended June 30, 2022, noninterest expense for the three months ended June 30, 2023 increased by \$9.0 million, or 18.8%. The increase was primarily driven by a \$4.0 million increase in professional and regulatory fees driven by FDIC assessment fees that increased when the Company crossed \$10 billion in total assets, a \$1.7 million increase in salaries and employee benefits, a \$1.7 million increase in other noninterest expenses, a \$1.3 million increase in data processing and software expenses and a \$331 thousand increase in occupancy and equipment expenses.

Financial Condition

Total LHI was \$9.71 billion at June 30, 2023, an increase of \$16.0 million, or 0.7% annualized, compared to March 31, 2023. The increase was the result of the continued execution, and success of our loan growth strategy, including our continued investment in talent.

Total deposits were \$9.23 billion at June 30, 2023, an increase of \$199.2 million, or 8.8% annualized, compared to March 31, 2023. The increase was primarily the result of an increase of \$98.2 million in interest-bearing deposits, an increase of \$32.1 million in certificates and other time deposits, an increase of \$21.7 million in non-interest bearing deposits, and an increase of \$47.1 million in correspondent money market account balances. As of June 30, 2023, uninsured deposits were 33.26% of total deposits compared to 38.92% as of March 31, 2023.

Credit Quality

Nonperforming assets totaled \$68.3 million, or 0.55% of total assets, at June 30, 2023, compared to \$44.5 million, or 0.35% of total assets, at March 31, 2023. The Company had net charge-offs of \$11.5 million for the quarter.

The Company recorded a provision for credit losses of \$15.0 million for the three months ended June 30, 2023, a \$9.4 million provision for credit losses for the three months ended March 31, 2023 and a \$9.0 million provision for credit losses for the three months ended June 30, 2022. The recorded provision for credit losses for the three months ended June 30, 2023, compared to the three months ended March 31, 2023, was primarily attributable to an increase in general reserves as a result of changes in economic factors and loan growth. The Company recorded a benefit for unfunded commitments of \$1.1 million for the three months ended June 30, 2023, a \$1.5 million provision for unfunded commitments for the three months ended March 31, 2023, and no provision for unfunded commitments for the three months ended June 30, 2022. The recorded benefit for unfunded commitments for the three months ended June 30, 2023, compared to the three months ended March 31, 2023, was attributable to a decrease in unfunded commitment balances partially offset by changes in economic factors. Allowance for credit loss ("ACL") as a percentage of LHI was 1.05%, 1.02% and 0.94% at June 30, 2023, March 31, 2023 and June 30, 2022, respectively.

Dividend Information

After the close of the market on Tuesday, July 25, 2023, Veritex's Board of Directors declared a quarterly cash dividend of \$0.20 per share on its outstanding shares of common stock. The dividend will be paid on or after August 25, 2023 to stockholders of record as of the close of business on August 10, 2023.

Non-GAAP Financial Measures

Veritex's management uses certain non-GAAP (U.S. generally accepted accounting principles) financial measures to evaluate its operating performance and provide information that is important to investors. However, non-GAAP financial measures are supplemental and should be viewed in addition to, and not as an alternative for, Veritex's reported results prepared in accordance with GAAP. Specifically, Veritex reviews and reports tangible book value per common share, operating earnings, tangible common equity to tangible assets, return on average tangible common equity, pre-tax, pre-provision operating earnings, pre-tax, pre-provision operating return on average assets, pre-tax, pre-provision operating return on average loans, pre-tax, pre-provision operating return on average loans, diluted operating earnings per share, operating return on average assets, operating return on average tangible common equity and operating efficiency ratio. Veritex has included in this earnings release information related to these non-GAAP financial measures for the applicable periods presented. Please refer to "Reconciliation of Non-GAAP Financial Measures" after the financial highlights at the end of this earnings release for a reconciliation of these non-GAAP financial measures.

Conference Call

The Company will host an investor conference call and webcast to review the results on Wednesday, July 26, 2023, at 8:30 a.m. Central Time. Participants may pre-register for the call by visiting <https://edge.media-server.com/mmc/p/xu9w726g> and will receive a unique PIN, which can be used when dialing in for the call.

Participants may also register via teleconference at: <https://register.vevent.com/register/B14c4f56fcc834a4f9ccbaba9c815983a>. Once registration is completed, participants will be provided with a dial-in number containing a personalized conference code to access the call. All participants are instructed to dial-in 15 minutes prior to the start time.

A replay will be available within approximately two hours after the completion of the call, and made accessible for one week thereafter. You may access the replay via webcast through the investor relations section of Veritex's website.

About Veritex Holdings, Inc.

Headquartered in Dallas, Texas, Veritex is a bank holding company that conducts banking activities through its wholly owned subsidiary, Veritex Community Bank, with locations throughout the Dallas-Fort Worth metroplex and in the Houston metropolitan area. Veritex Community Bank is a Texas state chartered bank regulated by the Texas Department of Banking and the Board of Governors of the Federal Reserve System. For more information, visit www.veritexbank.com.

Media and Investor Relations:
investorrelations@veritexbank.com

Forward-Looking Statements

This earnings release includes "forward-looking statements", within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to the expected payment of Veritex Holdings, Inc.'s ("Veritex") quarterly cash dividend; the impact of certain changes in Veritex's accounting policies, standards and interpretations; a continuation of recent turmoil in the banking industry, responsive measures to mitigate and manage it and related supervisory and regulatory actions and costs and Veritex's future financial performance, business and growth strategy, projected plans and objectives, as well as other projections based on macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact broader economic and industry trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "seeks," "targets," "outlooks," "plans" and similar expressions or future or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing words. We refer you to the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Veritex's Annual Report on Form 10-K for the year ended December 31, 2022 and any updates to those risk factors set forth in Veritex's Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission ("SEC"), which are available on the SEC's website at www.sec.gov. If one or more events related to these or other risks or uncertainties materialize, or if Veritex's underlying assumptions prove to be incorrect, actual results may differ materially from what Veritex anticipates. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, expressed or implied, included in this earnings release are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Veritex or persons acting on Veritex's behalf may issue.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(Unaudited)

	For the Quarter Ended						For the Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Jun 30, 2023	Jun 30, 2022	
(Dollars and shares in thousands, except per share data)								
Per Share Data (Common Stock):								
Basic EPS	\$ 0.62	\$ 0.71	\$ 0.74	\$ 0.80	\$ 0.55	\$ 1.33	\$ 1.21	
Diluted EPS	0.62	0.70	0.73	0.79	0.54	1.32	1.19	
Book value per common share	27.48	27.54	26.83	26.15	26.50	27.48	26.50	
Tangible book value per common share ¹	19.41	19.43	18.64	17.91	18.20	19.41	18.20	
Dividends paid per common share outstanding ²	0.20	0.20	0.20	0.20	0.20	0.40	0.40	
Common Stock Data:								
Shares outstanding at period end	54,261	54,229	54,030	53,988	53,951	54,261	53,951	
Weighted average basic shares outstanding for the period	54,247	54,149	54,011	53,979	53,949	54,199	52,331	
Weighted average diluted shares outstanding for the period	54,486	54,606	54,780	54,633	54,646	54,546	53,121	
Summary of Credit Ratios:								
ACL to total LHI	1.05 %	1.02 %	0.96 %	0.94 %	0.94 %	1.05 %	0.94 %	
NPAs to total assets	0.55	0.35	0.36	0.26	0.40	0.55	0.40	
NPAs, excluding nonaccrual purchase credit deteriorated ("PCD") loans, to total assets ³	0.44	0.25	0.25	0.26	0.40	0.44	0.40	
Net charge-offs to average loans outstanding ⁴	0.48	0.04	0.24	0.12	0.04	0.26	0.14	
Summary Performance Ratios:								
Return on average assets ⁴	1.10 %	1.28 %	1.35 %	1.50 %	1.11 %	1.18 %	1.23 %	
Return on average equity ⁴	8.96	10.55	11.03	11.82	8.21	9.74	9.07	
Return on average tangible common equity ^{1,4}	13.35	15.81	16.75	17.82	12.68	14.55	14.17	
Efficiency ratio	49.94	48.42	47.63	44.71	50.76	49.17	51.76	
Net interest margin	3.51	3.69	3.87	3.77	3.42	3.60	3.32	
Selected Performance Metrics - Operating:								
Diluted operating EPS ¹	\$ 0.64	\$ 0.79	\$ 0.74	\$ 0.80	\$ 0.55	\$ 1.43	\$ 1.20	
Pre-tax, pre-provision operating return on average assets ^{1,4}	1.90 %	2.21 %	2.15 %	2.20 %	1.76 %	2.05 %	1.74 %	
Pre-tax, pre-provision operating return on average loans ^{1,4}	2.43	2.84	2.78	2.88	2.35	2.63	2.34	
Operating return on average assets ^{1,4}	1.13	1.44	1.36	1.51	1.12	1.28	1.24	
Operating return on average tangible common equity ^{1,4}	13.70	17.72	16.95	17.94	12.77	15.66	14.34	
Operating efficiency ratio ¹	48.90	45.63	47.11	44.37	50.45	47.21	51.22	
Veritex Holdings, Inc. Capital Ratios:								
Average stockholders' equity to average total assets	12.23 %	12.09 %	12.20 %	12.69 %	13.51 %	12.16 %	13.54 %	
Tangible common equity to tangible assets ¹	8.76	8.66	8.60	8.58	9.04	8.76	9.04	
Tier 1 capital to average assets (leverage)	9.80	9.67	9.82	9.79	10.14	9.80	10.14	
Common equity tier 1 capital	9.76	9.32	9.09	9.09	9.25	9.76	9.25	
Tier 1 capital to risk-weighted assets	10.01	9.56	9.34	9.35	9.52	10.01	9.52	
Total capital to risk-weighted assets	12.51	11.99	11.63	11.68	11.95	12.51	11.95	

¹Refer to the section titled "Reconciliation of Non-GAAP Financial Measures" after the financial highlights for a reconciliation of these non-GAAP financial measures to their most directly comparable GAAP measures.

²Dividend amount represents dividend paid per common share subsequent to each respective quarter end.

³Nonaccrual PCD loans consist of PCD loans that transitioned upon adoption of ASC 326 Financial Instruments - Credit Losses and were accounted for on a pooled basis that have subsequently been placed on nonaccrual status.

⁴Annualized ratio for quarterly metrics.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(In thousands)

	Jun 30, 2023 (unaudited)	Mar 31, 2023 (unaudited)	Dec 31, 2022	Sep 30, 2022 (unaudited)	Jun 30, 2022 (unaudited)
ASSETS					
Cash and cash equivalents	\$ 663,921	\$ 808,395	\$ 436,077	\$ 433,897	\$ 410,716
Debt securities, net	1,144,020	1,150,959	1,282,460	1,303,004	1,354,403
Other investments	138,894	137,621	122,450	115,551	202,685
Loans held for sale	29,876	42,816	20,641	17,644	14,210
LHI, MW	436,255	437,501	446,227	523,805	629,291
LHI, excluding MW	9,257,183	9,237,159	9,036,424	8,513,254	7,923,131
Total loans	9,723,314	9,717,476	9,503,292	9,054,703	8,566,632
ACL, loans	(102,150)	(98,694)	(91,052)	(85,037)	(80,576)
Bank-owned life insurance	84,375	84,962	84,496	84,030	84,097
Bank premises, furniture and equipment, net	105,986	107,540	108,824	108,720	108,769
Other real estate owned ("OREO")	—	—	—	—	1,032
Intangible assets, net of accumulated amortization	48,293	51,086	53,213	56,238	59,011
Goodwill	404,452	404,452	404,452	404,452	404,452
Other assets	259,263	245,690	250,149	238,896	193,590
Total assets	\$ 12,470,368	\$ 12,609,487	\$ 12,154,361	\$ 11,714,454	\$ 11,304,811
LIABILITIES AND STOCKHOLDERS' EQUITY					
Deposits:					
Noninterest-bearing deposits	\$ 2,234,109	\$ 2,212,389	\$ 2,640,617	\$ 2,811,412	\$ 2,947,830
Interest-bearing transaction and savings deposits	3,590,253	3,492,011	3,514,729	3,437,898	3,233,803
Certificates and other time deposits	2,928,949	2,896,870	2,086,642	1,667,364	1,562,626
Correspondent money market deposits	480,598	433,468	881,246	831,770	773,447
Total deposits	9,233,909	9,034,738	9,123,234	8,748,444	8,517,706
Accounts payable and other liabilities	190,900	171,985	177,579	173,198	126,116
Advances from FHLB	1,325,000	1,680,000	1,175,000	1,150,000	1,000,000
Subordinated debentures and subordinated notes	229,279	229,027	228,775	228,524	228,272
Securities sold under agreements to repurchase	—	—	—	2,389	3,275
Total liabilities	10,979,088	11,115,750	10,704,588	10,302,555	9,875,369
Commitments and contingencies					
Stockholders' equity:					
Common stock	609	609	607	606	606
Additional paid-in capital	1,311,687	1,308,345	1,306,852	1,303,171	1,300,170
Retained earnings	429,753	406,873	379,299	350,195	317,664
Accumulated other comprehensive loss	(83,187)	(54,508)	(69,403)	(74,491)	(21,416)
Treasury stock	(167,582)	(167,582)	(167,582)	(167,582)	(167,582)
Total stockholders' equity	1,491,280	1,493,737	1,449,773	1,411,899	1,429,442
Total liabilities and stockholders' equity	\$ 12,470,368	\$ 12,609,487	\$ 12,154,361	\$ 11,714,454	\$ 11,304,811

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(In thousands, except per share data)

	For the Quarter Ended					For the Six Months Ended	
	Jun 30, 2023 (unaudited)	Mar 31, 2023 (unaudited)	Dec 31, 2022 (unaudited)	Sep 30, 2022 (unaudited)	Jun 30, 2022 (unaudited)	Jun 30, 2023 (unaudited)	Jun 30, 2022 (unaudited)
Interest income:							
Loans, including fees	\$ 163,727	\$ 151,707	\$ 136,846	\$ 109,199	\$ 82,191	\$ 315,434	\$ 153,634
Debt securities	10,166	10,988	10,880	10,462	9,632	21,154	17,394
Deposits in financial institutions and Fed Funds sold	7,507	5,534	3,401	1,898	714	13,041	976
Equity securities and other investments	1,118	1,408	1,087	1,666	1,057	2,526	1,967
Total interest income	182,518	169,637	152,214	123,225	93,594	352,155	173,971
Interest expense:							
Transaction and savings deposits	32,957	29,857	24,043	12,897	4,094	62,814	5,845
Certificates and other time deposits	28,100	20,967	8,543	3,919	1,465	49,067	2,845
Advances from FHLB	17,562	12,358	10,577	2,543	834	29,920	2,381
Subordinated debentures and subordinated notes	3,068	3,066	2,954	2,826	2,721	6,134	5,380
Total interest expense	81,687	66,248	46,117	22,185	9,114	147,935	16,451
Net interest income	100,831	103,389	106,097	101,040	84,480	204,220	157,520
Provision for credit losses ¹	15,000	9,385	11,800	6,650	9,000	24,385	8,500
(Benefit) provision for unfunded commitments	(1,129)	1,497	(523)	850	—	368	493
Net interest income after provisions	86,960	92,507	94,820	93,540	75,480	179,467	148,527
Noninterest income:							
Service charges and fees on deposit accounts	5,272	5,017	5,173	5,217	5,039	10,289	9,749
Loan fees	1,520	2,064	2,477	2,786	2,385	3,584	5,179
Loss on sales of investment securities	—	(5,321)	—	—	—	(5,321)	—
Gain on sales of mortgage loans held for sale	40	6	4	16	223	46	530
Government guaranteed loan income, net	4,144	9,688	7,808	572	789	13,832	5,680
Equity method investment income (loss)	485	(1,521)	(5,416)	(1,058)	966	(1,036)	1,333
Customer swap income	961	217	2,273	3,358	1,321	1,178	2,267
Other income (loss)	1,270	3,381	2,007	2,130	(345)	4,651	737
Total noninterest income	13,692	13,531	14,326	13,021	10,378	27,223	25,475
Noninterest expense:							
Salaries and employee benefits	28,650	31,865	33,690	29,714	26,924	60,515	54,437
Occupancy and equipment	4,827	4,973	5,116	4,615	4,496	9,800	9,013
Professional and regulatory fees	6,868	4,389	4,401	3,718	2,865	11,257	6,023
Data processing and software expense	4,709	4,720	4,197	3,509	3,386	9,429	6,307
Marketing	2,627	1,779	1,841	1,845	2,306	4,406	3,493
Amortization of intangibles	2,468	2,495	2,495	2,494	2,495	4,963	4,990
Telephone and communications	355	478	358	389	352	833	737
Merger and acquisition ("M&A") expense	—	—	—	384	295	—	995
Other	6,693	5,916	5,261	4,323	5,034	12,609	8,730
Total noninterest expense	57,197	56,615	57,359	50,991	48,153	113,812	94,725
Income before income tax expense	43,455	49,423	51,787	55,570	37,705	92,878	79,277
Income tax expense	9,725	11,012	11,890	12,248	8,079	20,737	16,181
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096
Net income available to common stockholders	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096
Basic EPS	\$ 0.62	\$ 0.71	\$ 0.74	\$ 0.80	\$ 0.55	\$ 1.33	\$ 1.21
Diluted EPS	\$ 0.62	\$ 0.70	\$ 0.73	\$ 0.79	\$ 0.54	\$ 1.32	\$ 1.19
Weighted average basic shares outstanding	54,247	54,149	54,011	53,979	53,949	54,199	52,331
Weighted average diluted shares outstanding	54,486	54,606	54,780	54,633	54,646	54,546	53,121

¹ Includes provision for credit losses on loans of \$23.5 million and available for sale ("AFS") securities of \$885 thousand for the six months ended June 30, 2023.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(Unaudited)

	June 30, 2023			For the Quarter Ended March 31, 2023			June 30, 2022		
	Average Outstanding Balance	Interest Earned/Interest Paid	Average Yield/Rate	Average Outstanding Balance	Interest Earned/Interest Paid	Average Yield/Rate	Average Outstanding Balance	Interest Earned/Interest Paid	Average Yield/Rate
(In thousands, except percentages)									
Assets									
Interest-earning assets:									
Loans ¹	\$ 9,285,550	\$ 158,685	6.85 %	\$ 9,141,137	\$ 146,801	6.51 %	\$ 7,558,966	\$ 78,262	4.15 %
LHI, MW	371,763	5,042	5.44	360,172	4,906	5.52	479,187	3,929	3.29
Debt securities	1,133,845	10,166	3.60	1,252,457	10,988	3.56	1,318,502	9,632	2.93
Interest-bearing deposits in other banks	583,818	7,507	5.16	478,345	5,534	4.69	369,847	714	0.77
Equity securities and other investments	137,868	1,118	3.25	124,985	1,408	4.57	167,327	1,057	2.53
Total interest-earning assets	11,512,844	182,518	6.36	11,357,096	169,637	6.06	9,893,829	93,594	3.79
ACL, loans	(102,559)			(92,664)			(74,268)		
Noninterest-earning assets	939,938			949,881			892,102		
Total assets	\$ 12,350,223			\$ 12,214,313			\$ 10,711,663		
Liabilities and Stockholders' Equity									
Interest-bearing liabilities:									
Interest-bearing demand and savings deposits	\$ 3,919,745	\$ 32,957	3.37 %	\$ 4,150,995	\$ 29,857	2.92 %	\$ 3,770,098	\$ 4,094	0.44 %
Certificates and other time deposits	2,873,548	28,100	3.92	2,588,728	20,967	3.28	1,459,690	1,465	0.40
Advances from FHLB and Other	1,472,912	17,562	4.78	1,122,683	12,358	4.46	828,769	834	0.40
Subordinated debentures and subordinated notes	229,151	3,068	5.37	231,251	3,066	5.38	232,043	2,721	4.70
Total interest-bearing liabilities	8,495,356	81,687	3.86	8,093,657	66,248	3.32	6,290,600	9,114	0.58
Noninterest-bearing liabilities:									
Noninterest-bearing deposits	2,175,002			2,470,700			2,870,692		
Other liabilities	169,240			173,380			102,994		
Total liabilities	10,839,598			10,737,737			9,264,286		
Stockholders' equity	1,510,625			1,476,576			1,447,377		
Total liabilities and stockholders' equity	\$ 12,350,223			\$ 12,214,313			\$ 10,711,663		
Net interest rate spread ²			2.50 %			2.74 %			3.21 %
Net interest income and margin ³		\$ 100,831	3.51 %		\$ 103,389	3.69 %		\$ 84,480	3.42 %

¹ Includes average outstanding balances of loans held for sale of \$23,374, \$19,679 and \$12,112 for the quarters ended June 30, 2023, March 31, 2023, and June 30, 2022, respectively, and average balances of LHI, excluding MW.

² Net interest rate spread is the average yield on interest-earning assets minus the average rate on interest-bearing liabilities.

³ Net interest margin is equal to net interest income divided by average interest-earning assets.

VERITEX HOLDINGS, INC. AND SUBSIDIARY
Financial Highlights
(In thousands except percentages)

	Six Months Ended					
	June 30, 2023			June 30, 2022		
	Average Outstanding Balance	Interest Earned/ Interest Paid	Average Yield/ Rate	Average Outstanding Balance	Interest Earned/ Interest Paid	Average Yield/ Rate
Assets						
Interest-earning assets:						
Loans ¹	\$ 9,213,742	\$ 305,486	6.69 %	\$ 7,233,431	\$ 146,636	4.09 %
LHI, WH	366,000	9,948	5.48	450,592	6,998	3.13
Debt securities	1,192,823	21,154	3.58	1,230,159	17,394	2.85
Interest-bearing deposits in other banks	531,373	13,041	4.95	461,844	976	0.43
Equity securities and other investments	131,462	2,526	3.87	178,602	1,967	2.22
Total interest-earning assets	11,435,400	352,155	6.21	9,554,628	173,971	3.67
ACL	(97,639)			(76,046)		
Noninterest-earning assets	944,883			878,679		
Total assets	\$ 12,282,644			\$ 10,357,261		
Liabilities and Stockholders' Equity						
Interest-bearing liabilities:						
Interest-bearing demand and savings deposits	\$ 4,033,975	\$ 62,814	3.14 %	\$ 3,621,697	\$ 5,845	0.33 %
Certificates and other time deposits	2,731,925	49,067	3.62	1,480,654	2,845	0.39
Advances from FHLB and Other	1,298,765	29,920	4.65	803,295	2,381	0.60
Subordinated debentures and subordinated notes	230,195	6,134	5.37	231,959	5,380	4.68
Total interest-bearing liabilities	8,294,860	147,935	3.60	6,137,605	16,451	0.54
Noninterest-bearing liabilities:						
Noninterest-bearing deposits	2,322,790			2,731,869		
Other liabilities	171,299			85,126		
Total liabilities	10,788,949			8,954,600		
Stockholders' equity	1,493,695			1,402,661		
Total liabilities and stockholders' equity	\$ 12,282,644			\$ 10,357,261		
Net interest rate spread ²			2.61 %			3.13 %
Net interest income and margin ³		\$ 204,220	3.60 %		\$ 157,520	3.32 %

¹ Includes average outstanding balances of loans held for sale of \$21,537 and \$12,440 for the six months ended June 30, 2023 and 2022, respectively, and average balances of LHI, excluding MW.

² Net interest rate spread is the average yield on interest-earning assets minus the average rate on interest-bearing liabilities.

³ Net interest margin is equal to net interest income divided by average interest-earning assets.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(Unaudited)

Yield Trend

	For the Quarter Ended				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
Average yield on interest-earning assets:					
Loans ¹	6.85 %	6.51 %	5.98 %	5.01 %	4.15 %
LHI, MW	5.44	5.52	5.20	4.11	3.29
Debt securities	3.60	3.56	3.36	3.05	2.93
Interest-bearing deposits in other banks	5.16	4.69	3.81	2.17	0.77
Equity securities and other investments	3.25	4.57	3.62	3.25	2.53
Total interest-earning assets	6.36 %	6.06 %	5.55 %	4.59 %	3.79 %
Average rate on interest-bearing liabilities:					
Interest-bearing demand and savings deposits	3.37 %	2.92 %	2.21 %	1.23 %	0.44 %
Certificates and other time deposits	3.92	3.28	1.90	0.94	0.40
Advances from FHLB	4.78	4.46	3.91	1.12	0.40
Subordinated debentures and subordinated notes	5.37	5.38	5.12	4.85	4.70
Total interest-bearing liabilities	3.86 %	3.32 %	2.47 %	1.27 %	0.58 %
Net interest rate spread ²	2.50 %	2.74 %	3.08 %	3.32 %	3.21 %
Net interest margin ³	3.51 %	3.69 %	3.87 %	3.77 %	3.42 %

¹Includes average outstanding balances of loans held for sale of \$23,374, \$19,679, \$15,296, \$14,023 and \$12,112 for the three months ended June 30, 2023, March 31, 2023, December 31, 2022, September 30, 2022 and June 30, 2022, respectively, and average balances of LHI, excluding MW.

² Net interest rate spread is the average yield on interest-earning assets minus the average rate on interest-bearing liabilities.

³ Net interest margin is equal to net interest income divided by average interest-earning assets.

Supplemental Yield Trend

	For the Quarter Ended				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
Average cost of interest-bearing deposits	3.61 %	3.06 %	2.12 %	1.15 %	0.43 %
Average costs of total deposits, including noninterest-bearing	2.73	2.24	1.46	0.76	0.28

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(Unaudited)

LHI and Deposit Portfolio Composition

	Jun 30, 2023		Mar 31, 2023		Dec 31, 2022		Sep 30, 2022		Jun 30, 2022	
(In thousands, except percentages)										
LHI¹										
Commercial and Industrial ("C&I")	\$ 2,850,084	30.7 %	\$ 2,895,957	31.3 %	\$ 2,942,348	32.4 %	\$ 2,743,769	32.2 %	\$ 2,457,742	31.0 %
Real Estate:										
Owner occupied commercial ("OOCRE")	671,602	7.2	631,563	6.8	715,829	7.9	677,705	7.9	646,723	8.1
Non-owner occupied commercial ("NOOCRE")	2,509,731	27.1	2,505,344	27.1	2,341,379	25.9	2,273,305	26.6	2,203,970	27.8
Construction and land	1,659,700	17.9	1,831,349	19.8	1,787,400	19.7	1,673,997	19.6	1,532,997	19.3
Farmland	51,663	0.6	51,680	0.6	43,500	0.5	43,569	0.5	47,319	0.6
1-4 family residential	923,442	10.0	896,252	9.7	894,456	9.9	858,693	10.1	765,260	9.6
Multi-family residential	592,473	6.4	432,209	4.6	322,679	3.6	252,244	3.0	276,632	3.5
Consumer	11,189	0.1	8,316	0.1	7,806	0.1	7,465	0.1	7,520	0.1
Total LHI	<u>\$ 9,269,884</u>	<u>100 %</u>	<u>\$ 9,252,670</u>	<u>100 %</u>	<u>\$ 9,055,397</u>	<u>100 %</u>	<u>\$ 8,530,747</u>	<u>100 %</u>	<u>\$ 7,938,163</u>	<u>100 %</u>
MW	436,255		437,501		446,227		523,805		629,291	
Total LHI ¹	<u>\$ 9,706,139</u>		<u>\$ 9,690,171</u>		<u>\$ 9,501,624</u>		<u>\$ 9,054,552</u>		<u>\$ 8,567,454</u>	
Deposits										
Noninterest-bearing	\$ 2,234,109	24.2 %	\$ 2,212,389	24.5 %	\$ 2,640,617	28.9 %	\$ 2,811,412	32.1 %	\$ 2,947,830	34.6 %
Interest-bearing transaction	676,653	7.3	866,609	9.6	622,814	6.8	603,729	6.9	660,557	7.8
Money market	2,816,769	30.5	2,518,922	27.9	2,773,622	30.4	2,701,762	30.9	2,443,748	28.7
Savings	96,831	1.0	106,480	1.2	118,293	1.3	132,407	1.5	129,498	1.5
Certificates and other time deposits	2,926,949	31.7	2,896,870	32.0	2,086,642	22.9	1,667,364	19.1	1,562,626	18.3
Correspondent money market accounts	480,598	5.2	433,468	4.8	881,246	9.7	831,770	9.5	773,447	9.1
Total deposits	<u>\$ 9,233,909</u>	<u>100 %</u>	<u>\$ 9,034,738</u>	<u>100 %</u>	<u>\$ 9,123,234</u>	<u>100 %</u>	<u>\$ 8,748,444</u>	<u>100 %</u>	<u>\$ 8,517,706</u>	<u>100 %</u>
Loan to Deposit Ratio	105.1 %		107.3 %		104.1 %		103.5 %		100.6 %	
Loan to Deposit Ratio, excluding MW	100.4 %		102.4 %		99.3 %		97.5 %		93.2 %	

¹ Total LHI does not include deferred fees of \$12.7 million, \$15.5 million, \$19.0 million, \$17.5 million and \$15.0 million at June 30, 2023, March 31, 2023, December 31, 2022, September 30, 2022 and June 30, 2022, respectively.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Financial Highlights
(Unaudited)

Asset Quality

	For the Quarter Ended					Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	June 30, 2023	Jun 30, 2022
	(In thousands, except percentages)						
NPAs:							
Nonaccrual loans	\$ 54,055	\$ 31,452	\$ 30,364	\$ 30,592	\$ 42,242	\$ 54,055	\$ 42,242
Nonaccrual PCD loans ¹	13,721	12,784	13,178	—	—	13,721	—
Accruing loans 90 or more days past due ²	528	296	125	—	1,753	528	1,753
Total nonperforming loans held for investment ("NPLs")	68,304	44,532	43,667	30,592	43,995	68,304	43,995
OREO	—	—	—	—	1,032	—	1,032
Total NPAs	<u>\$ 68,304</u>	<u>\$ 44,532</u>	<u>\$ 43,667</u>	<u>\$ 30,592</u>	<u>\$ 45,027</u>	<u>\$ 68,304</u>	<u>\$ 45,027</u>
Charge-offs:							
OOCRE	\$ —	\$ (116)	\$ —	\$ (1,061)	\$ (244)	\$ (116)	\$ (1,585)
NOOCRE	(8,215)	—	(1,019)	(838)	—	(8,215)	(553)
C&I	(3,540)	(1,051)	(5,449)	(460)	(528)	(4,591)	(3,822)
Consumer	(92)	(62)	(41)	(19)	(1,091)	(154)	(1,225)
Total charge-offs	<u>(11,847)</u>	<u>(1,229)</u>	<u>(6,509)</u>	<u>(2,378)</u>	<u>(1,863)</u>	<u>(13,076)</u>	<u>(7,185)</u>
Recoveries:							
1-4 family residential	1	1	24	4	3	2	3
OOCRE	—	—	26	—	245	—	245
NOOCRE	150	—	229	3	93	150	493
C&I	106	364	415	177	572	470	716
Consumer	46	6	30	5	41	52	50
Total recoveries	<u>303</u>	<u>371</u>	<u>724</u>	<u>189</u>	<u>954</u>	<u>674</u>	<u>1,507</u>
Net charge-offs	<u>\$ (11,544)</u>	<u>\$ (858)</u>	<u>\$ (5,785)</u>	<u>\$ (2,189)</u>	<u>\$ (909)</u>	<u>\$ (12,402)</u>	<u>\$ (5,678)</u>
ACL	<u>\$ 102,150</u>	<u>\$ 98,694</u>	<u>\$ 91,052</u>	<u>\$ 85,037</u>	<u>\$ 80,576</u>	<u>\$ 102,150</u>	<u>\$ 80,576</u>
Asset Quality Ratios:							
NPAs to total assets	0.55 %	0.35 %	0.36 %	0.26 %	0.40 %	0.55 %	0.40 %
NPAs, excluding nonaccrual PCD loans, to total assets	0.44	0.25	0.25	0.26	0.40	0.44	0.40
NPLs to total LHI	0.71	0.47	0.48	0.35	0.55	0.71	0.55
NPLs, excluding nonaccrual PCD loans, to total LHI	0.56	0.33	0.32	0.34	0.51	0.56	0.51
ACL to total LHI	1.05	1.02	0.96	0.94	0.94	1.05	0.94
Net charge-offs to average loans outstanding ³	0.48	0.04	0.24	0.12	0.04	0.26	0.14

¹ Nonaccrual PCD loans consist of PCD loans that transitioned upon adoption of ASC 326 Financial Instruments - Credit Losses and were accounted for on a pooled basis that have subsequently been placed on nonaccrual status.

² Accruing loans greater than 90 days past due exclude purchase credit deteriorated loans greater than 90 days past due that are accounted for on a pooled basis.

³ Annualized ratio for quarterly metrics.

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
(Unaudited)

We identify certain financial measures discussed in this earnings release as being “non-GAAP financial measures.” In accordance with SEC rules, we classify a financial measure as being a non-GAAP financial measure if that financial measure excludes or includes amounts, or is subject to adjustments that have the effect of excluding or including amounts, that are included or excluded, as the case may be, in the most directly comparable measure calculated and presented in accordance with generally accepted accounting principles as in effect from time to time in the United States (“GAAP”), in our statements of income, balance sheets or statements of cash flows. Non-GAAP financial measures do not include operating and other statistical measures or ratios calculated using exclusively either one or both of (i) financial measures calculated in accordance with GAAP and (ii) operating measures or other measures that are not non-GAAP financial measures.

The non-GAAP financial measures that we present in this earnings release should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Moreover, the manner in which we calculate the non-GAAP financial measures that we present in this earnings release may differ from that of other companies reporting measures with similar names. You should understand how such other financial institutions calculate their financial measures that appear to be similar or have similar names to the non-GAAP financial measures we have discussed in this earnings release when comparing such non-GAAP financial measures.

Tangible Book Value Per Common Share. Tangible book value is a non-GAAP measure generally used by financial analysts and investment bankers to evaluate financial institutions. We calculate: (a) tangible common equity as total stockholders’ equity less goodwill and core deposit intangibles, net of accumulated amortization; and (b) tangible book value per common share as tangible common equity (as described in clause (a)) divided by number of common shares outstanding. For tangible book value per common share, the most directly comparable financial measure calculated in accordance with GAAP is book value per common share.

We believe that this measure is important to many investors in the marketplace who are interested in changes from period to period in book value per common share exclusive of changes in core deposit intangibles. Goodwill and other intangible assets have the effect of increasing total book value while not increasing our tangible book value.

The following table reconciles, as of the dates set forth below, total stockholders’ equity to tangible common equity and presents our tangible book value per common share compared with our book value per common share:

	As of				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
	(Dollars in thousands, except per share data)				
Tangible Common Equity					
Total stockholders’ equity	\$ 1,491,280	\$ 1,493,737	\$ 1,449,773	\$ 1,411,899	\$ 1,429,442
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible common equity	<u>\$ 1,053,457</u>	<u>\$ 1,053,477</u>	<u>\$ 1,007,074</u>	<u>\$ 966,763</u>	<u>\$ 981,868</u>
Common shares outstanding	54,261	54,229	54,030	53,988	53,951
Book value per common share	\$ 27.48	\$ 27.54	\$ 26.83	\$ 26.15	\$ 26.50
Tangible book value per common share	\$ 19.41	\$ 19.43	\$ 18.64	\$ 17.91	\$ 18.20

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
(Unaudited)

Tangible Common Equity to Tangible Assets. Tangible common equity to tangible assets is a non-GAAP measure generally used by financial analysts and investment bankers to evaluate financial institutions. We calculate: (a) tangible common equity as total stockholders' equity, less goodwill and core deposit intangibles, net of accumulated amortization; (b) tangible assets as total assets less goodwill and core deposit intangibles, net of accumulated amortization; and (c) tangible common equity to tangible assets as tangible common equity (as described in clause (a)) divided by tangible assets (as described in clause (b)). For tangible common equity to tangible assets, the most directly comparable financial measure calculated in accordance with GAAP is total stockholders' equity to total assets.

We believe that this measure is important to many investors in the marketplace who are interested in the relative changes from period to period in common equity and total assets, in each case, exclusive of changes in core deposit intangibles. Goodwill and other intangible assets have the effect of increasing both total stockholders' equity and assets while not increasing our tangible common equity or tangible assets.

The following table reconciles, as of the dates set forth below, total stockholders' equity to tangible common equity and total assets to tangible assets and presents our tangible common equity to tangible assets:

	As of				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
(Dollars in thousands)					
Tangible Common Equity					
Total stockholders' equity	\$ 1,491,280	\$ 1,493,737	\$ 1,449,773	\$ 1,411,899	\$ 1,429,442
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible common equity	\$ 1,053,457	\$ 1,053,477	\$ 1,007,074	\$ 966,763	\$ 981,868
Tangible Assets					
Total assets	\$ 12,470,368	\$ 12,609,487	\$ 12,154,361	\$ 11,714,454	\$ 11,304,811
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible Assets	\$ 12,032,545	\$ 12,169,227	\$ 11,711,662	\$ 11,269,318	\$ 10,857,237
Tangible Common Equity to Tangible Assets	8.76 %	8.66 %	8.60 %	8.58 %	9.04 %

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
(Unaudited)

Return on Average Tangible Common Equity. Return on average tangible common equity is a non-GAAP measure generally used by financial analysts and investment bankers to evaluate financial institutions. We calculate: (a) net income available for common stockholders adjusted for amortization of core deposit intangibles (which we refer to as "return") as net income, plus amortization of core deposit intangibles, less tax benefit at the statutory rate; (b) average tangible common equity as total average stockholders' equity less average goodwill and average core deposit intangibles, net of accumulated amortization; and (c) return (as described in clause (a)) divided by average tangible common equity (as described in clause (b)). For return on average tangible common equity, the most directly comparable financial measure calculated in accordance with GAAP is return on average equity.

We believe that this measure is important to many investors in the marketplace who are interested in the return on common equity, exclusive of the impact of core deposit intangibles. Goodwill and core deposit intangibles have the effect of increasing total stockholders' equity while not increasing our tangible common equity. This measure is particularly relevant to acquisitive institutions that may have higher balances in goodwill and core deposit intangibles than non-acquisitive institutions.

The following table reconciles, as of the dates set forth below, average tangible common equity to average common equity and net income available for common stockholders adjusted for amortization of core deposit intangibles, net of taxes to net income and presents our return on average tangible common equity:

	For the Quarter Ended					Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	June 30, 2023	Jun 30, 2022
(Dollars in thousands)							
Net income available for common stockholders adjusted for amortization of core deposit intangibles							
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096
Adjustments:							
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	4,876	4,876
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,024	1,024
Net income available for common stockholders adjusted for amortization of core deposit intangibles	\$ 35,656	\$ 40,337	\$ 41,823	\$ 45,248	\$ 31,552	\$ 75,993	\$ 66,948
Average Tangible Common Equity							
Total average stockholders' equity	\$ 1,510,625	\$ 1,476,576	\$ 1,434,818	\$ 1,453,816	\$ 1,447,377	\$ 1,493,695	\$ 1,402,661
Adjustments:							
Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,234)
Average core deposit intangibles	(34,969)	(37,361)	(39,792)	(42,230)	(44,720)	(36,159)	(45,932)
Average tangible common equity	\$ 1,071,204	\$ 1,034,763	\$ 990,574	\$ 1,007,134	\$ 998,205	\$ 1,053,084	\$ 952,495
Return on Average Tangible Common Equity (Annualized)	13.35 %	15.81 %	16.75 %	17.82 %	12.68 %	14.55 %	14.17 %

VERITEX HOLDINGS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Financial Measures
(Unaudited)

Operating Earnings, Pre-tax, Pre-provision Operating Earnings and performance metrics calculated using Operating Earnings and Pre-tax, Pre-provision Operating Earnings, including Diluted Operating Earnings per Share, Operating Return on Average Assets, Pre-tax, Pre-Provision Operating Return on Average Assets, Pre-tax, Pre-Provision Operating Return on Average Loans, Operating Return on Average Tangible Common Equity and Operating Efficiency Ratio. Operating earnings, pre-tax, pre-provision operating earnings and the performance metrics calculated using these metrics, listed below, are non-GAAP measures used by management to evaluate the Company's financial performance. We calculate (a) operating earnings as net income plus severance payments, plus loss on sale of debt securities AFS, net, less tax impact of adjustments, plus nonrecurring tax adjustments. We calculate (b) diluted operating earnings per share as operating earnings as described in clause (a) divided by weighted average diluted shares outstanding. We calculate (c) pre-tax, pre-provision operating earnings as operating earnings as described in clause (a) plus provision for income taxes, plus provision (benefit) for credit losses and unfunded commitments. We calculate (d) pre-tax, pre-provision operating return on average assets as pre-tax, pre-provision operating earnings as described in clause (a) divided by total average assets. We calculate (e) operating return on average assets as operating earnings as described in clause (a) divided by total average assets. We calculate (f) operating return on average tangible common equity as operating earnings as described in clause (a), adjusted for the amortization of intangibles and tax benefit at the statutory rate, divided by total average tangible common equity (average stockholders' equity less average goodwill and average core deposit intangibles, net of accumulated amortization). We calculate (g) operating efficiency ratio as noninterest expense plus adjustments to operating noninterest expense divided by noninterest income plus adjustments to operating noninterest income, plus net interest income.

We believe that these measures and the operating metrics calculated utilizing these measures are important to management and many investors in the marketplace who are interested in understanding the ongoing operating performance of the Company and provide meaningful comparisons to its peers.

The following tables reconcile, as of the dates set forth below, operating net income and pre-tax, pre-provision operating earnings and related metrics:

	For the Quarter Ended						Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	June 30, 2023	Jun 30, 2022	
	(Dollars in thousands, except per share data)							
Operating Earnings								
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096	
Plus: Severance payments ¹	1,194	835	630	—	—	2,029	—	
Plus: Loss on sale of debt securities AFS, net	—	5,321	—	—	—	5,321	—	
Plus: M&A expenses	—	—	—	384	295	—	995	
Operating pre-tax income	34,924	44,567	40,527	43,706	29,921	79,491	64,091	
Less: Tax impact of adjustments	251	1,293	132	81	66	1,544	222	
Operating earnings	\$ 34,673	\$ 43,274	\$ 40,395	\$ 43,625	\$ 29,855	\$ 77,947	\$ 63,869	
Weighted average diluted shares outstanding	54,486	54,606	54,780	54,633	54,646	54,546	53,121	
Diluted EPS	\$ 0.62	\$ 0.70	\$ 0.73	\$ 0.79	\$ 0.54	\$ 1.32	\$ 1.19	
Diluted operating EPS	\$ 0.64	\$ 0.79	\$ 0.74	\$ 0.80	\$ 0.55	\$ 1.43	\$ 1.20	

¹ Severance payments relate to certain restructurings made during the periods disclosed.

	For the Quarter Ended						Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	June 30, 2023	Jun 30, 2022	
	(Dollars in thousands)							
Pre-Tax, Pre-Provision Operating Earnings								
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096	
Plus: Provision for income taxes	9,725	11,012	11,890	12,248	8,079	20,737	16,181	
Plus: Provision for credit losses and unfunded commitments	13,871	10,882	11,277	7,500	9,000	24,753	8,993	
Plus: Severance payments	1,194	835	630	—	—	2,029	—	
Plus: Loss on sale of debt securities AFS, net	—	5,321	—	—	—	5,321	—	
Plus: M&A expenses	—	—	—	384	295	—	995	
Pre-tax, pre-provision operating earnings	\$ 58,520	\$ 66,461	\$ 63,694	\$ 63,454	\$ 47,000	\$ 124,981	\$ 89,265	
Average total assets	\$ 12,350,223	\$ 12,214,313	\$ 11,761,044	\$ 11,460,857	\$ 10,711,663	\$ 12,282,644	\$ 10,357,261	
Pre-tax, pre-provision operating return on average assets¹	1.90 %	2.21 %	2.15 %	2.20 %	1.76 %	2.05 %	1.74 %	
Average loans	\$ 9,657,313	\$ 9,501,309	\$ 9,103,552	\$ 8,729,093	\$ 8,038,153	\$ 9,579,742	\$ 7,684,023	
Pre-tax, pre-provision operating return on average loans¹	2.43 %	2.84 %	2.78 %	2.88 %	2.35 %	2.63 %	2.34 %	
Average total assets	\$ 12,350,223	\$ 12,214,313	\$ 11,761,044	\$ 11,460,857	\$ 10,711,663	\$ 12,282,644	\$ 10,357,261	
Return on average assets ¹	1.10 %	1.28 %	1.35 %	1.50 %	1.11 %	1.18 %	1.23 %	
Operating return on average assets ¹	1.13	1.44	1.36	1.51	1.12	1.28	1.24	
Operating earnings adjusted for amortization of core deposit intangibles								
Operating earnings	\$ 34,673	\$ 43,274	\$ 40,395	\$ 43,625	\$ 29,855	\$ 77,947	\$ 63,869	
Adjustments:								
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	4,876	4,876	
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,024	1,024	
Operating earnings adjusted for amortization of core deposit intangibles	\$ 36,599	\$ 45,200	\$ 42,321	\$ 45,551	\$ 31,781	\$ 81,799	\$ 67,721	
Average Tangible Common Equity								
Total average stockholders' equity	\$ 1,510,625	\$ 1,476,576	\$ 1,434,818	\$ 1,453,816	\$ 1,447,377	\$ 1,493,695	\$ 1,402,661	
Adjustments:								
Less: Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,234)	
Less: Average core deposit intangibles	(34,969)	(37,361)	(39,792)	(42,230)	(44,720)	(36,159)	(45,932)	
Average tangible common equity	\$ 1,071,204	\$ 1,034,763	\$ 990,574	\$ 1,007,134	\$ 998,205	\$ 1,053,084	\$ 952,495	
Operating return on average tangible common equity¹	13.70 %	17.72 %	16.95 %	17.94 %	12.77 %	15.66 %	14.34 %	
Efficiency ratio	49.94 %	48.42 %	47.63 %	44.71 %	50.76 %	49.17 %	51.76 %	
Net interest income	\$ 100,831	\$ 103,389	\$ 106,097	\$ 101,040	\$ 84,480	\$ 204,220	\$ 157,520	
Noninterest income	13,692	13,531	14,326	13,021	10,378	27,223	25,475	
Plus: Loss on sale of AFS securities, net	—	5,321	—	—	—	5,321	—	
Operating noninterest income	13,692	18,852	14,326	13,021	10,378	32,544	25,475	
Noninterest expense	57,197	56,615	57,359	50,991	48,153	113,812	94,725	
Less: Severance payments	1,194	835	630	—	—	2,029	—	
Less: M&A expenses	—	—	—	384	295	—	995	
Operating noninterest expense	\$ 56,003	\$ 55,780	\$ 56,729	\$ 50,607	\$ 47,858	\$ 111,783	\$ 93,730	
Operating efficiency ratio	48.90 %	45.63 %	47.11 %	44.37 %	50.45 %	47.21 %	51.22 %	

¹ Annualized ratio for quarterly metrics.

Second Quarter 2023 Results

Earnings Release
July 25, 2023



TRUTH | INTEGRITY | TRANSPARENCY



Forward-Looking Statements

This presentation includes "forward-looking statements", within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to the expected payment of Veritex Holdings, Inc.'s ("Veritex") quarterly cash dividend; the impact of certain changes in Veritex's accounting policies, standards and interpretations; the effects of the COVID-19 pandemic and actions taken in response thereto; a continuation of recent turmoil in the banking industry, responsive measures to mitigate and manage it and related supervisory and regulatory actions and costs and Veritex's future financial performance, business and growth strategy, projected plans and objectives, as well as other projections based on macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact broader economic and industry trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "seeks," "targets," "outlooks," "plans" and similar expressions or future or conditional verbs such as "will," "should," "would," "may" and "could" are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing words. We refer you to the "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Veritex's Annual Report on Form 10-K for the year ended December 31, 2022 and any updates to those risk factors set forth in Veritex's Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission ("SEC"), which are available on the SEC's website at www.sec.gov. If one or more events related to these or other risks or uncertainties materialize, or if Veritex's underlying assumptions prove to be incorrect, actual results may differ materially from what Veritex anticipates. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, expressed or implied, included in this presentation are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Veritex or persons acting on Veritex's behalf may issue.

This presentation also includes industry and trade association data, forecasts and information that Veritex has prepared based, in part, upon data, forecasts and information obtained from independent trade associations, industry publications and surveys, government agencies and other information publicly available to Veritex, which information may be specific to particular markets or geographic locations. Some data is also based on Veritex's good faith estimates, which are derived from Veritex management's knowledge of the industry, markets and independent sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. Although Veritex believes these sources are reliable, Veritex has not independently verified the information contained therein. While Veritex is not aware of any misstatements regarding the industry data, forecasts and information included in this presentation, such data forecasts, and information and Veritex's estimates based thereon involve risks, assumptions and uncertainties and are subject to change based on various factors. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise such data forecasts, and information and Veritex's estimates based thereon, whether as a result of new information, future developments or otherwise, except as required by law.

Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP (generally accepted accounting principles) financial measures, including tangible book value per common share ("TBVPS"), tangible common equity to tangible assets, return on average tangible common equity ("ROATCE"), operating earnings, pre-tax, pre-provision ("PTPP") operating earnings, diluted operating earnings per shares ("EPS"), operating return on average assets ("ROAA"), PTPP operating ROAA, Operating ROATCE, operating efficiency ratio, operating noninterest income, operating noninterest expense and adjusted net interest margin ("NIM"). Veritex's management uses these non-GAAP financial measures to evaluate its operating performance and provide information that is important to investors. The non-GAAP financial measures that Veritex discusses in this presentation should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. Please see "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for reconciliations of non-GAAP measures to the most directly comparable financial measures calculated in accordance with GAAP.

Second Quarter 2023 Highlights



Key Highlights

- Pre-tax Pre-provision - \$58.5 Million
 - 1.90% PTPP ROAA
- Total Deposits increased 8.8% annualized
 - Loan to Deposit Ratio decreased to 105.1% from 107.3% in 1Q23
 - Uninsured and uncollateralized deposits decreased to 34.8% from 36.5% in 1Q23
 - Wholesale funding decreased to 29.3% from 32.2% in 1Q23
- CET1 grew 44 bps to 9.76% and decreased risk-weighted assets by \$252 million

Key Performance Metrics	Reported	Operating ¹
Net Income ²	\$33.7	\$34.7
Diluted Earnings Per Share	\$0.62	\$0.64
Return on Average Assets	1.10%	1.13%
Return on Average Tangible Common Equity	13.35%	13.70%
Efficiency Ratio	49.9%	48.9%
Balance Sheet ³		Total
Total Loans		\$9.7
Total Deposits		\$9.2

¹ Please refer to the "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures

² Net income \$ in millions

³ Total loans and deposits \$ in billions

2023 YTD Highlights



Key Highlights

- Pre-tax Pre-provision - \$125.0 Million, up 40.5%
 - 2.05% PTPP ROAA, up 31 bps
- Deposits up 8.2% year over year
- Loans up 12.8% year over year
- CET1 grew 51 bps to 9.76% while growing loans \$1.1 Billion

YTD Key Performance Metrics	2023		2022	
	Reported	Operating ¹	Reported	Operating ¹
Net Income ²	\$72.1	\$77.9	\$63.1	\$63.9
Diluted Earnings Per Share	\$1.32	\$1.43	\$1.19	\$1.20
PTPP income	n/a	\$125.0	n/a	\$89.0
PTPP ROAA	n/a	2.05%	n/a	1.74%
Return on Average Assets	1.18%	1.28%	1.23%	1.24%
Efficiency Ratio	49.2%	47.2%	51.8%	51.2%
Return on Average Tangible Common Equity	14.55%	15.66%	14.17%	14.34%

YTD Balance Sheet ³	2023	2022
CET1	9.76%	9.25%
Total Loans	\$9.7	\$8.6
Total Deposits	\$9.2	\$8.5

¹ Please refer to the "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures
² Net income \$ in millions
³ Total loans and deposits \$ in billions

Second Quarter Financial Metrics



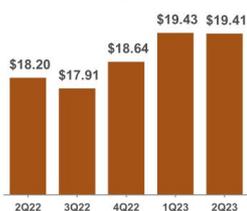
Summary

- PTPP Return on Average Assets - 1.90%¹
- TBVPS - \$19.41¹
- Efficiency ratio below 50%
- Diluted EPS - \$0.64¹

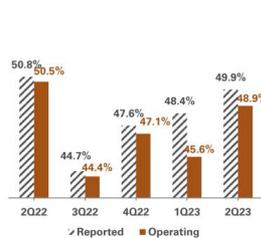
PTPP Return on Average Assets¹



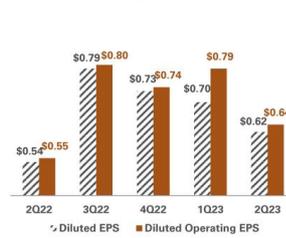
TBVPS¹



Efficiency Ratio¹



Diluted Earnings Per Share¹



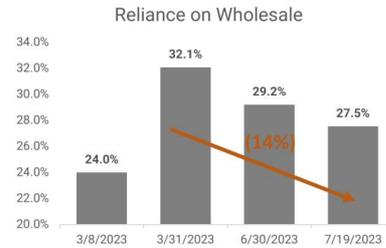
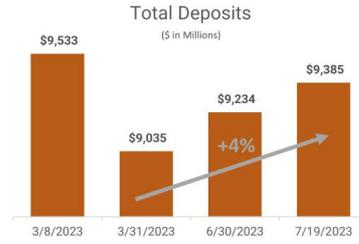
¹ Please refer to the "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures

Liquidity and Funding



Summary

- Annualized deposits up 15% using ending balances on July 19, 2023 compared to 1Q23
- Loan / deposit ratio down 3% from quarter end
- Reliance on wholesale down 6% from 2Q23 quarter end



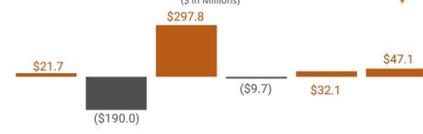
Deposits



Summary

- Total deposits increased \$199.2 million, ↑ 8.8% annualized
- Opened 1.4x deposit accounts compared to accounts closed during 2Q23
- 3.77% average rate on new accounts¹
- Uninsured and uncollateralized deposits = **34.8%**²

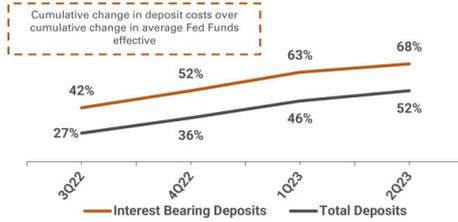
QOQ Change in Deposits



YOY Change in Deposits

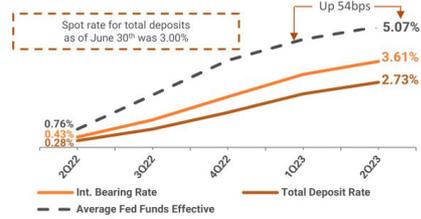


Rate Hike Beta Trends



¹ Excludes wholesale
² As of June 30, 2023

Rates and Average Fed Funds Effective



Loans



Summary

- 10.2% decrease in unfunded commitments
- \$398.1 million in loan payoffs in 2Q23, or \$633.6 million YTD
- Loan / deposit ratio improved by 205 bps quarter over quarter

QOQ Change in the Loan Portfolio
(\$ in Thousands)



Loan Production and Loan Payoff Levels



CRE ADC Construction Current Unfunded (Non-Revolving)



Net Interest Income



Summary

- NIM - 3.51%
- Average Loan Yield – 6.80%
- Average Cost of Interest-bearing Deposits – 3.61%
- 16% YOY increase in average earnings assets



Net Interest Income Rollforward

1Q23 v 2Q23	
(\$ in thousand)	
Beginning Net Interest Income	\$103,389
Impact of loan rate changes	9,223
Change due to day count	1,108
Impact of deposit rate changes	(8,772)
Impact of net growth	(1,995)
Impact of nonaccrual interest reversal	(908)
Impact of borrowing rate changes	(807)
Change in earning asset mix and other	(407)
Ending Net Interest Income	\$100,831

Interest Rate Sensitivity¹

Interest Rate Scenario	2Q23		EVE Shock Scenario	1Q23	
	Percentage Change From Base	Percentage Change From Base		Percentage Change From Base	Percentage Change From Base
Up 200 bps	7.13%	7.81%	Up 200 bps	1.45%	1.49%
Up 100 bps	3.61%	3.93%	Up 100 bps	0.84%	0.95%
BASE CASE	0.00%	0.00%	BASE CASE	0.00%	0.00%
Down 100 bps	-3.63%	-4.42%	Down 100 bps	-1.29%	-1.53%
Down 200 bps	-8.14%	-9.26%	Down 200 bps	-3.24%	-3.69%

¹ Interest rate sensitivity is calculated using a static rate shock.

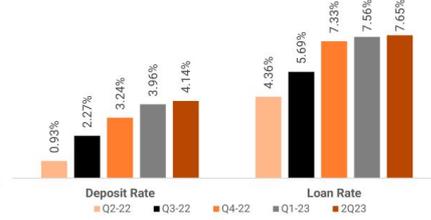
Interest Rates



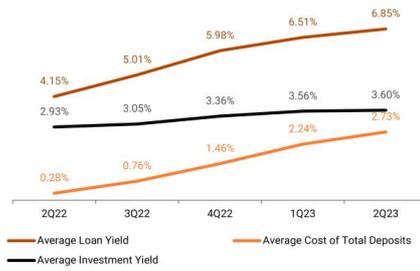
Summary

- Average 2Q23 loan and deposit new production spread = 351 bps
- Average investment yield at 3.60%

Production Rates Trend



5 Quarter Trend
(Loans, Investments and Deposits)



Variable and Hybrid Loans by Index

Variable and Hybrid Loans by Rate Index	Amount (in millions)	% of Variable and Hybrid Loans
1-Month SOFR	\$ 5,055.5	68.6%
Overnight SOFR	\$ 245.4	3.3%
Prime Rate	\$ 1,444.0	19.6%
Other	\$ 628.4	8.5%
Total Variable and Hybrid Loans	\$ 7,373.3	100.0%

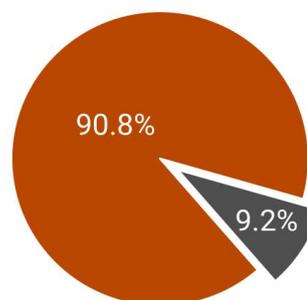
Investment Portfolio



Summary

- Represents 9% of total assets
- 84.0% is AFS securities
- Effective duration = 4.38 Years
- 2Q23 portfolio yield = 3.60%
- Current mark to market represents less than 12.8% of tangible common equity

Debt Investments as % of Total Assets
Total Assets: \$12.5 Billion



AFS: \$1.1 Billion
HTM: \$138.9 Million
Total Mark to Market: \$134.8 Million¹
ACL Credit Mark: \$885 Thousand²

■ Other Assets ■ Investment Portfolio

¹ Total mark to market is comprised of \$110.6 million in AFS securities already included in tangible common equity and \$24.2 in HTM securities.
² Solely made up of credit marks on our corporate bond portfolio.

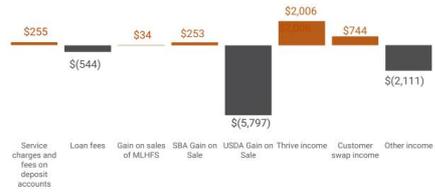
Noninterest Income



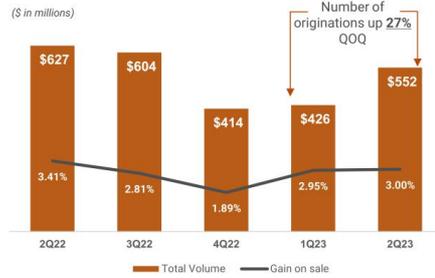
Summary

- Noninterest income increased to \$13.7MM
- Thrive Mortgage
 - Loan units up 27% from 1Q23
 - Production \$ up 29.6% from 1Q23
 - Continued reduction in G&A expenses across the organization
 - Rate locks up 40.5% from 1Q23

QOQ Change in Operating Noninterest Income



Thrive Volume and Gain on Sale



Thrive Income Rollforward

Equity Method 49% Interest Q1 Loss	(\$1,521)
Improved gain on sale	1,942
Higher production income	526
Impact of lower G&A expenses	461
Higher production cost	(891)
Other	(32)
Equity Method 49% Interest Q2 Profit	485

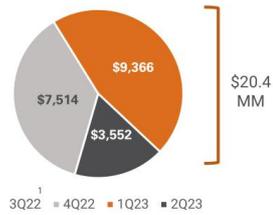
SBA and USDA Loans



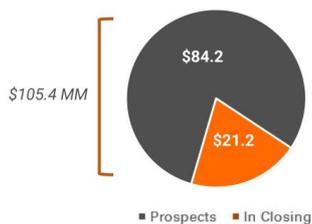
Trailing 4 Quarters SBA Revenue
(\$ thousands)



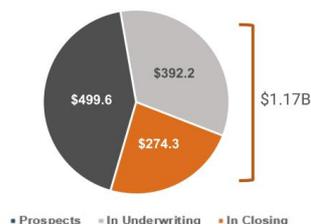
Trailing 4 Quarters USDA Revenue
(\$ thousands)



SBA Pipeline
(\$ millions)



USDA Pipeline
(\$ millions)



¹ No USDA revenue was recognized in 3Q22.

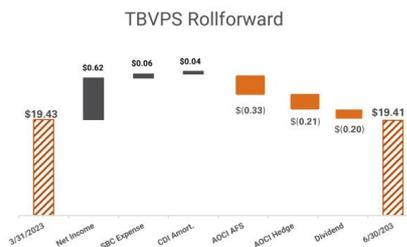
Capital

CET1 up 44 bps QOQ to 9.76%



Summary

- CET1 increased primarily driven by decreased unfunded commitments
- CET1, including the impact to AOCI, increased to 9.02%
- TBV remained stable at \$19.41
- Total Capital increased 12% YOY¹



Capital Levels, including and excluding AOCI, compared to minimum requirement

Capital Ratio	Minimum with Conservative Buffer	2Q23, including AOCI	2Q23, as report
CET1 Capital	7.00%	9.02%	9.76%
Tier 1 Capital	8.50%	9.27%	10.01%
Total Capital	10.50%	11.77%	12.51%

¹ Total Capital Increased 12% annualized at both the Holding Company and Bank level.

Allowance For Credit Losses

1.05%

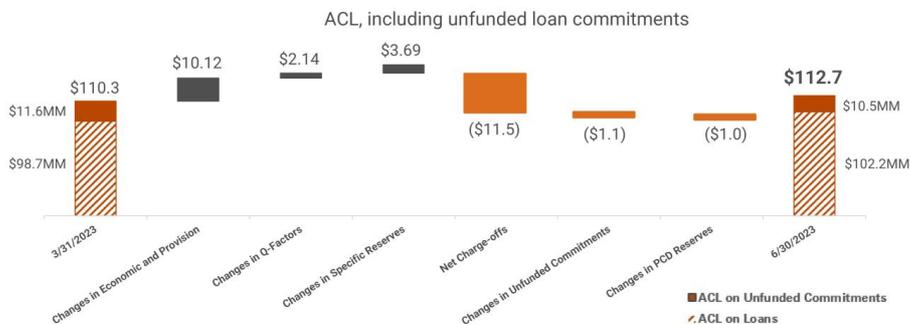


Summary

- ACL to Total Loans : 1.05%, up by 3%
- General reserve reflects current economic outlook on economy and recessionary risk
- 40% Baseline / 60% Scenario 2 of Moody's forecast utilized
- Q-Factors represent 33bps of the general reserve

Total Loan Balances up 2.4% from December 31, 2022

ACL to Total Loans up 9.3% from December 31, 2022

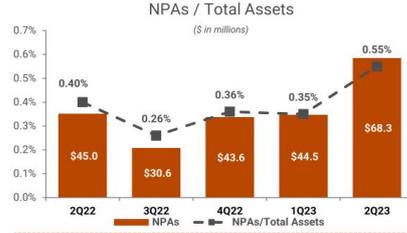


Credit Quality



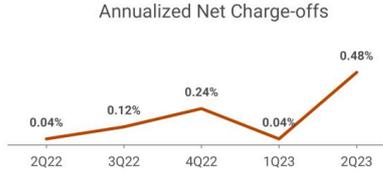
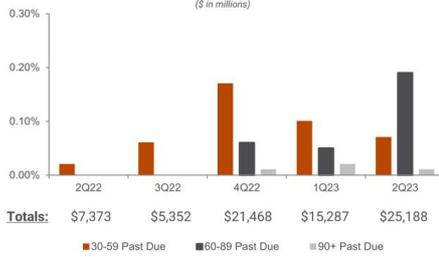
Summary

- NPA/Total Assets = 0.55% and annual NCO's = 0.48% primarily driven by the following:
 - 25-year relationship CRE Office loan originated in 2015 placed on the market in 2023 after losing significant occupancy over the last 9 months. Property is under contract and resulted in a \$3.5MM charge-off
 - C&I Lender Finance transaction originated in 2016 to finance the purchase of auto notes. Note was restructured resulting in a charge-off of \$2.9MM
- 60-89 past dues = \$25.2MM primarily driven by a SNC relationship in which the lead bank is in the process of closing a restructure with a paydown expected to close early 3Q23. Excluding this credit, past dues remained flat.



NPAs include \$13.7 million of PCD loans at 2Q23

Past Due Trend¹ % of Total Loans²



¹ Past due loans exclude purchased credit deteriorated loans that are accounted for on a pooled basis and non-accrual loans.
² Total loans excludes Loans Held for Sale, MW and PPP loans.

Credit Quality (cont.)



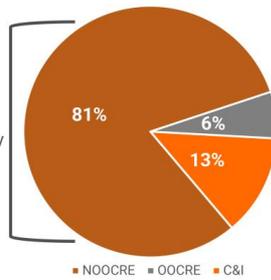
Summary

- Criticized loans = \$512.1 MM
- 8.3% increase in criticized loans compared to December 31, 2022
- 32% of criticized are CRE Office¹
- 10% of criticized are C&I OOCRE¹



Special Mention Risk Rating Breakdown
\$287.1 Million

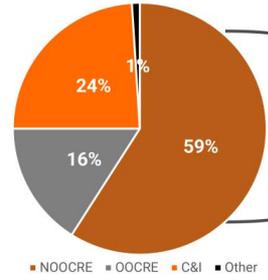
- 38% CRE Office
- 10% CRE Hotel
- 9% CRE Industrial
- 9% CRE Multifamily
- 7.5% CRE Retail
- 6% CRE Other



¹ As of June 30, 2023

Substandard Risk Rating Breakdown
\$225.0 Million

- 25% CRE Office
- 15% CRE Other
- 12% CRE Hotel
- 5% CRE Retail



Second Quarter 2023 Results

Supplemental Information



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Reconciliation of Non-GAAP Financial Measures



	As of				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
	(Dollars in thousands, except per share data)				
Tangible Common Equity					
Total stockholders' equity	\$ 1,491,280	\$ 1,493,737	\$ 1,449,773	\$ 1,411,899	\$ 1,429,442
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible common equity	\$ 1,053,457	\$ 1,053,477	\$ 1,007,074	\$ 966,763	\$ 981,868
Common shares outstanding	54,261	54,229	54,030	53,988	53,951
Book value per common share	\$ 27.48	\$ 27.54	\$ 26.83	\$ 26.15	\$ 26.50
Tangible book value per common share	\$ 19.41	\$ 19.43	\$ 18.64	\$ 17.91	\$ 18.20

	As of				
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022
	(Dollars in thousands)				
Tangible Common Equity					
Total stockholders' equity	\$ 1,491,280	\$ 1,493,737	\$ 1,449,773	\$ 1,411,899	\$ 1,429,442
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible common equity	\$ 1,053,457	\$ 1,053,477	\$ 1,007,074	\$ 966,763	\$ 981,868
Tangible Assets					
Total assets	\$ 12,470,368	\$ 12,609,487	\$ 12,154,361	\$ 11,714,454	\$ 11,304,811
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(33,371)	(35,808)	(38,247)	(40,684)	(43,122)
Tangible Assets	\$ 12,032,545	\$ 12,169,227	\$ 11,711,662	\$ 11,269,318	\$ 10,857,237
Tangible Common Equity to Tangible Assets	8.76 %	8.66 %	8.60 %	8.58 %	9.04 %

Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Jun 30, 2022
(Dollars in thousands)						
Net income available for common stockholders adjusted for amortization of core deposit intangibles						
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141
Adjustments:						
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	4,876
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,024
Net income available for common stockholders adjusted for amortization of core deposit intangibles	\$ 35,656	\$ 40,337	\$ 41,823	\$ 45,248	\$ 31,552	\$ 66,948
Average Tangible Common Equity						
Total average stockholders' equity	\$1,510,625	\$1,476,576	\$1,434,818	\$1,453,816	\$1,447,377	\$1,493,695
Adjustments:						
Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,234)
Average core deposit intangibles	(34,969)	(37,361)	(39,792)	(42,230)	(44,720)	(36,159)
Average tangible common equity	\$1,071,204	\$1,034,763	\$990,574	\$1,007,134	\$998,205	\$1,053,084
Return on Average Tangible Common Equity (Annualized)	13.35 %	15.81 %	16.75 %	17.82 %	12.68 %	14.55 %

Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				Six Months Ended		
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Jun 30, 2022	
(Dollars in thousands, except per share data)							
Operating Earnings							
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141	\$ 63,096
Plus: Severance payments ¹	1,194	835	630	—	—	2,029	—
Plus: Loss on sale of debt securities AFS, net	—	5,321	—	—	—	5,321	—
Plus: M&A expenses	—	—	—	384	295	—	995
Operating pre-tax income	34,924	44,567	40,527	43,706	29,921	79,491	64,091
Less: Tax impact of adjustments	251	1,293	132	81	66	1,544	222
Operating earnings	\$ 34,673	\$ 43,274	\$ 40,395	\$ 43,625	\$ 29,855	\$ 77,947	\$ 63,869
Weighted average diluted shares							
outstanding	54,486	54,606	54,780	54,633	54,646	54,546	53,121
Diluted EPS	\$ 0.62	\$ 0.70	\$ 0.73	\$ 0.79	\$ 0.54	\$ 1.32	\$ 1.19
Diluted operating EPS	\$ 0.64	\$ 0.79	\$ 0.74	\$ 0.80	\$ 0.55	\$ 1.43	\$ 1.20

¹ Severance payments relate to certain restructurings made during the periods disclosed.

Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	Jun 30, 2022
(Dollars in thousands)						
Pre-Tax, Pre-Provision Operating Earnings						
Net income	\$ 33,730	\$ 38,411	\$ 39,897	\$ 43,322	\$ 29,626	\$ 72,141
Plus: Provision for income taxes	9,725	11,012	11,890	12,248	8,079	20,737
Plus: Provision for credit losses and unfunded commitments	13,871	10,882	11,277	7,500	9,000	24,753
Plus: Severance payments	1,194	835	630	—	—	2,029
Plus: Loss on sale of debt securities AFS, net	—	5,321	—	—	—	5,321
Plus: M&A expenses	—	—	—	384	295	—
Pre-tax, pre-provision operating earnings	\$ 58,520	\$ 66,461	\$ 63,694	\$ 63,454	\$ 47,000	\$ 124,981
Average total assets	\$12,350,223	\$12,214,313	\$11,761,044	\$11,460,857	\$10,711,663	\$12,282,644
Pre-tax, pre-provision operating return on average assets¹	1.90 %	2.21 %	2.15 %	2.20 %	1.76 %	2.05 %
Average loans	\$9,657,313	\$9,501,309	\$9,103,552	\$8,729,093	\$8,038,153	\$9,579,742
Pre-tax, pre-provision operating return on average loans²	2.43 %	2.84 %	2.78 %	2.88 %	2.35 %	2.63 %
Average total assets	\$12,350,223	\$12,214,313	\$11,761,044	\$11,460,857	\$10,711,663	\$12,282,644
Return on average assets¹	1.10 %	1.28 %	1.35 %	1.50 %	1.11 %	1.18 %
Operating return on average assets¹	1.13	1.44	1.36	1.51	1.12	1.28

Reconciliation of Non-GAAP Financial Measures



Operating earnings adjusted for amortization of core deposit intangibles							
Operating earnings	\$ 34,673	\$ 43,274	\$ 40,395	\$ 43,625	\$ 29,855	\$ 77,947	\$ 63,869
Adjustments:							
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	4,876	4,876
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,024	1,024
Operating earnings adjusted for amortization of core deposit intangibles	\$ 36,599	\$ 45,200	\$ 42,321	\$ 45,551	\$ 31,781	\$ 81,799	\$ 67,721
Average Tangible Common Equity							
Total average stockholders' equity	\$1,510,625	\$1,476,576	\$1,434,818	\$1,453,816	\$1,447,377	\$1,493,695	\$1,402,661
Adjustments:							
Less: Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,234)
Less: Average core deposit intangibles	(34,969)	(37,361)	(39,792)	(42,230)	(44,720)	(36,159)	(45,932)
Average tangible common equity	\$1,071,204	\$1,034,763	\$ 990,574	\$1,007,134	\$ 998,205	\$1,053,084	\$ 952,495
Operating return on average tangible common equity¹	13.70 %	17.72 %	16.95 %	17.94 %	12.77 %	15.66 %	14.34 %
Efficiency ratio							
Net interest income	\$ 100,831	\$ 103,389	\$ 106,097	\$ 101,040	\$ 84,480	\$ 204,220	\$ 157,520
Noninterest income	13,692	13,531	14,326	13,021	10,378	27,223	25,475
Plus: Loss on sale of AFS securities, net	—	5,321	—	—	—	5,321	—
Operating noninterest income	13,692	18,852	14,326	13,021	10,378	32,544	25,475
Noninterest expense	57,197	56,615	57,359	50,991	48,153	113,812	94,725
Less: Severance payments	1,194	835	630	—	—	2,029	—
Less: M&A expenses	—	—	—	384	295	—	995
Operating noninterest expense	\$ 56,003	\$ 55,780	\$ 56,729	\$ 50,607	\$ 47,858	\$ 111,783	\$ 93,730
Operating efficiency ratio	48.90 %	45.63 %	47.11 %	44.37 %	50.45 %	47.21 %	51.22 %

¹ Annualized ratio for quarterly metrics.

Second Quarter 2023 Results

Earnings Release
July 25, 2023



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**PRESS RELEASE
FOR IMMEDIATE RELEASE**

Veritex Holdings, Inc. Declares Cash Dividend on Common Stock

Dallas, TX – July 25, 2023 – Veritex Holdings, Inc. (Nasdaq: VBTX) (“Veritex” or the “Company”), the parent holding company for Veritex Community Bank, today announced the declaration of a quarterly cash dividend of \$0.20 per share on its outstanding common stock. The dividend will be paid on or after August 25, 2023 to shareholders of record as of August 10, 2023.

About Veritex Holdings, Inc.

Headquartered in Dallas, Texas, Veritex is a bank holding company that conducts banking activities through its wholly-owned subsidiary, Veritex Community Bank, with locations throughout the Dallas-Fort Worth metroplex and in the Houston metropolitan area. Veritex Community Bank is a Texas state chartered bank regulated by the Texas Department of Banking and the Board of Governors of the Federal Reserve System. For more information, visit www.veritexbank.com.

Forward Looking Statement

This press release includes “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The forward-looking statements include statements regarding Veritex’s projected plans and objectives, including the expected payment date of its common stock dividend. Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “target,” “estimate,” “seek,” “plan,” “outlook,” “continue,” “positions,” “prospects” or “potential,” by future conditional verbs such as “will,” “would,” “should,” “could” or “may”, or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties which change over time and are beyond Veritex’s control. Forward-looking statements speak only as of the date they are made and Veritex assumes no duty to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

Source: Veritex Holdings, Inc.

Investor Relations:

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