

Veritex Holdings, Inc. Third Quarter 2024 Results

Earnings Release
October 23, 2024

NASDAQ: VBTX



A BETTER STATE OF BANKING



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’s quarterly cash dividend; the impact of certain changes in Veritex’s accounting policies, standards and interpretations; turmoil in the banking industry, responsive measures to mitigate and manage such turmoil 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, 2023 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.

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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.

2024 Third Quarter Highlights



Key Highlights

- Operating EPS increased to \$0.59 from \$0.52 in 2Q24
- ROAA increased to 1.00% from 0.91% in 2Q24
- Pre-tax Pre-provision = \$44.6 Million
 - **1.38%** PTPP Return on Average Assets
- NPAs decreased 13 basis points from 2Q24 to **0.52%** of total assets
- Deposits grew \$311.2 Million, or 11.6% linked quarter annualized
- CET1 grew 37 bps to **10.86%**
- NIM expanded to **3.30%**
- **7.2%** linked quarter revenue growth

Balance Sheet ¹	Total
Total Loans	\$9.7
Total Deposits	\$11.0

	3Q24	3Q24 ²
Key Performance Metrics	Reported	Operating
Net Income ³	\$31.0	\$32.2
Diluted EPS	\$0.56	\$0.59
ROAA	0.96%	1.00%
ROATCE	11.33%	11.74%
Efficiency Ratio	61.94%	60.63%

¹ Total loans and deposits \$ in billions as of June 30, 2024.

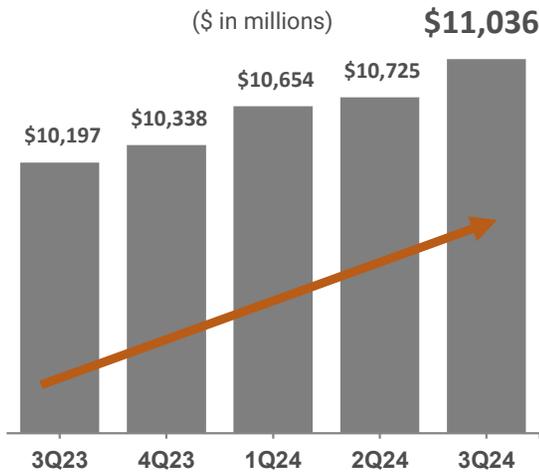
² Refer to the reconciliation of Non-GAAP financial measures at the end of this presentation.

³ Net income \$ in millions.

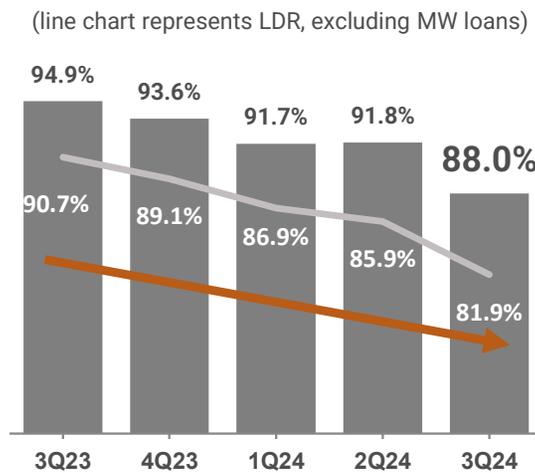
Strengthening the Balance Sheet



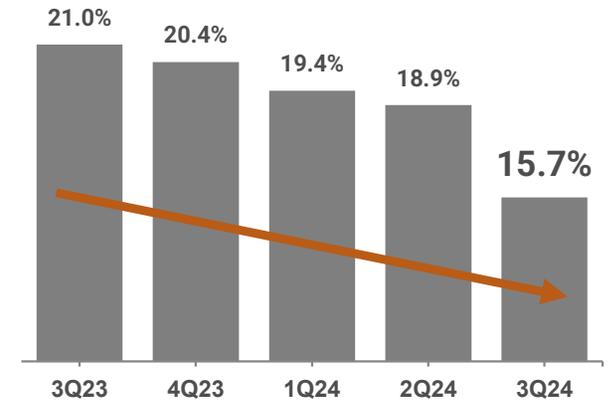
Deposit Growth



Loan to Deposit Ratio

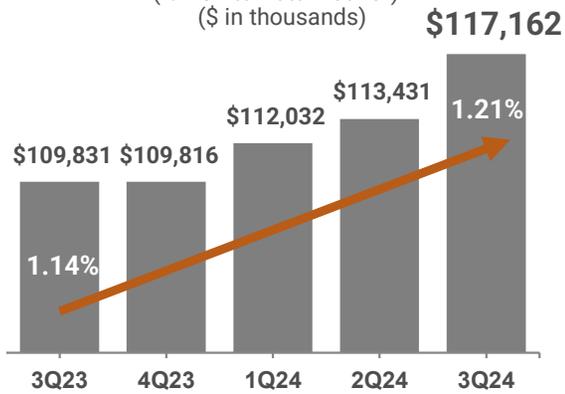


Reliance on Wholesale Funding¹

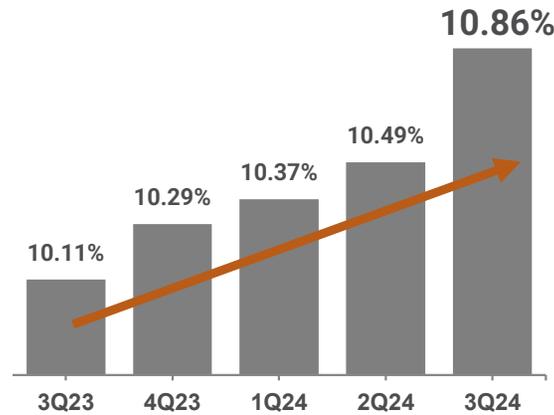


Total ACL

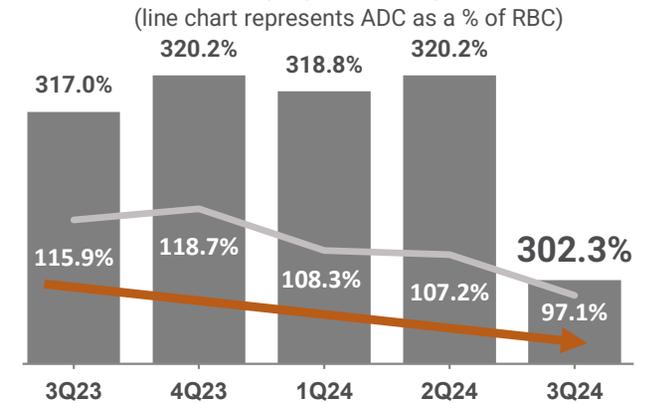
(% ACL to Total Loans²)
(\$ in thousands)



CET1 / Total RWA



CRE Concentration as % of RBC



¹ Reliance on wholesale funding % is calculated at the Veritex Community Bank level.

² % ACL to Total Loans, excluding MW, is 1.30% as of September 30, 2024.

Credit Quality

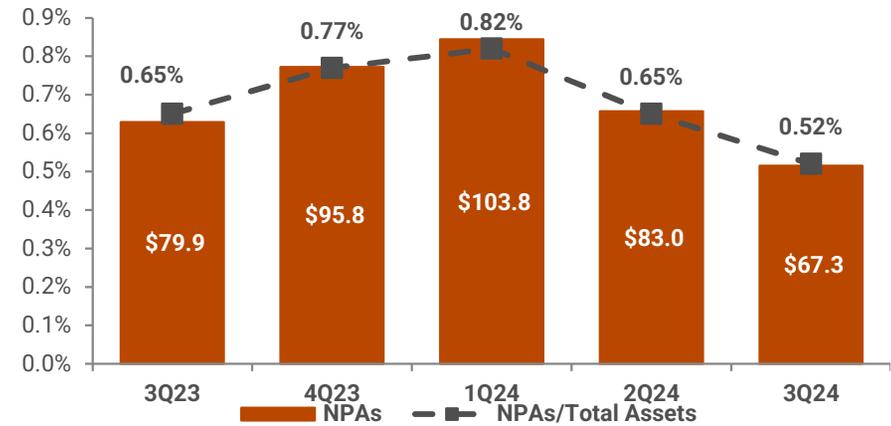


Summary

- 2024 YTD annualized net charge-offs are **0.17%**
- 3Q24 annualized net charge-offs are **0.01%**
- NPA / Total Assets decreased **13 bps** to **0.52%** quarter over quarter

NPAs / Total Assets

(\$ in millions)

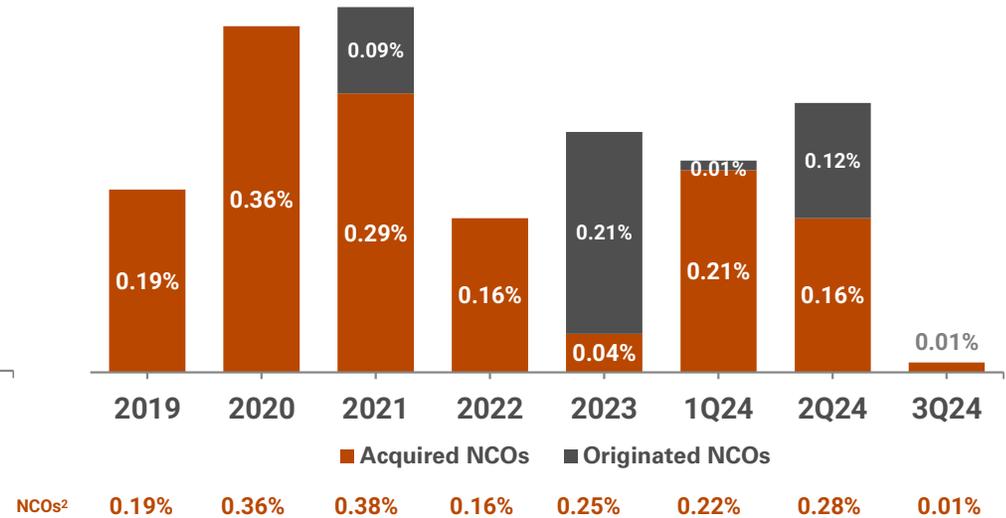


Past Due Trend % of Total Loans¹

(\$ in millions)



Net Charge-off Acquired/Originated Lookback



¹ Total loans excludes Loans Held for Sale and MW loans.

² Net charge-offs are annualized for 1Q24 and 2Q24.

Credit Quality

(continued)



Summary

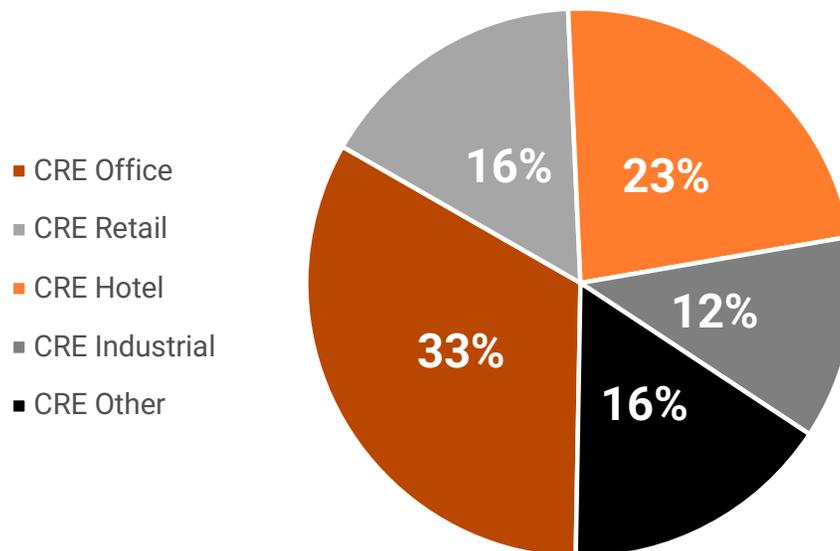
- Criticized loans = \$485.4 million, down \$13.0 million quarter over quarter
- Criticized assets = \$494.4 million, down \$28.3 million quarter over quarter

Quarterly Criticized Loans

(*\$ in millions, excluding PCD loans*)



Commercial Real Estate Criticized Loans Breakdown as of September 30, 2024



Total CRE Criticized
\$300.7 million, down
3.5% from 2Q24



Allowance For Credit Losses

1.21% Coverage // ACL increase of 25 bps from 4Q22

Summary

- General reserve reflects current National economic outlook on economy and recessionary risk
- Consistent Moody's forecast weighting utilized in the 3Q24 ACL calculation compared to 2Q24 with 75% weighting on downside scenarios
- General reserves represent 97% of the total ACL
- Q-Factors represent 47 bps of the general reserve

Loan balances subject to the ACL methodology declined just over 1.25% from June 2024

ACL increased \$3.7 Million from 2Q24

ACL / Total Loans, excluding MW = 1.30%

ACL Coverage Trend Analysis



Capital



CET1 at 10.86%, up 37 bps quarter over quarter

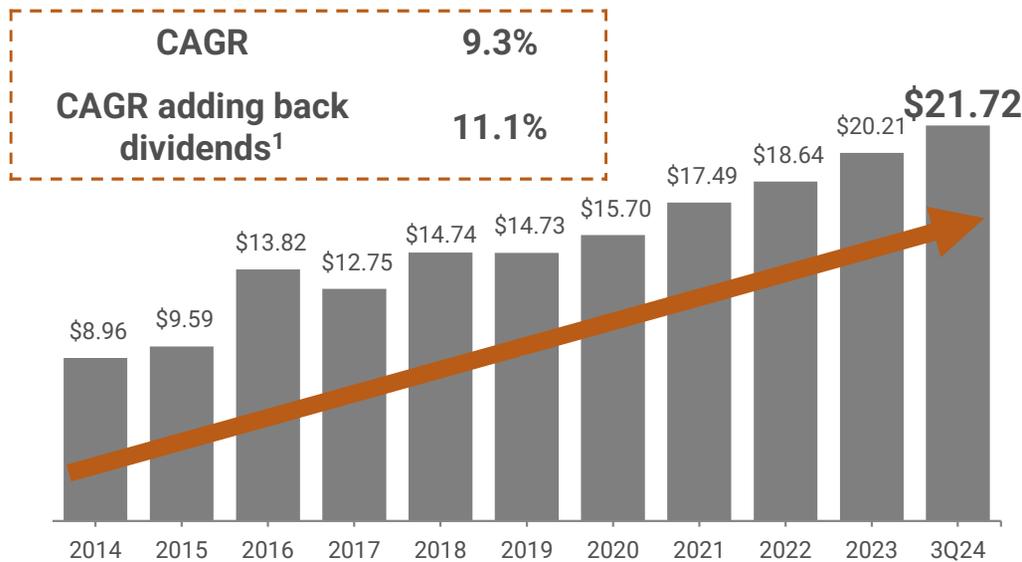
VHI Capital Levels
(\$ in Millions)

Capital Ratio	3Q24 Ratio %	3Q24 Capital \$	2Q24 Ratio %	2Q24 Capital \$	Bps ↑
CET1 Capital	10.86%	\$1,226.6	10.49%	\$1,200.8	37 bps
Tier 1 Capital	11.13%	\$1,256.7	10.75%	\$1,230.8	38 bps
Total Capital	13.91%	\$1,570.0	13.45%	\$1,540.4	46 bps

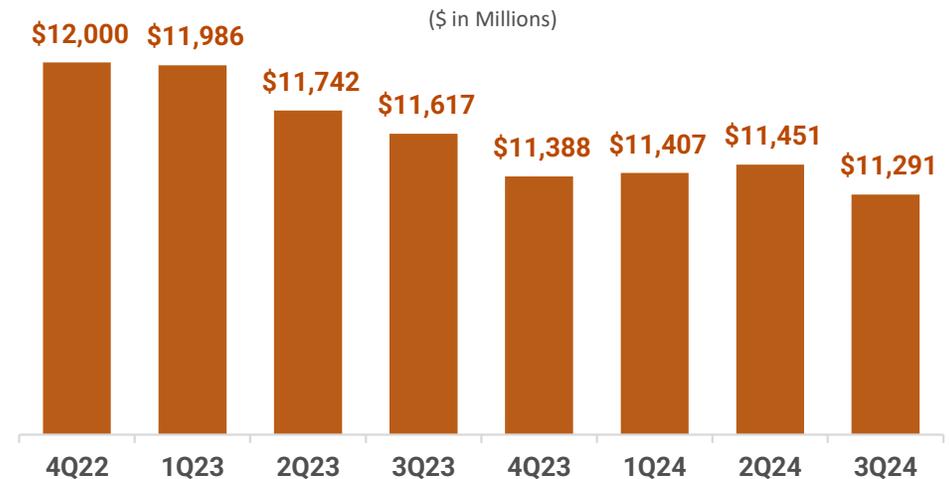
Summary

- CET1 increase primarily driven by earnings and a decrease in risk weighted assets which were down \$160.2 million, or 1.4%, from 2Q24
- Nominal activity utilizing the stock buyback program
- TBV increased to \$21.72 quarter over quarter

Tangible Book Value Trend since IPO in 2014



VHI Risk Weighted Assets Trend



¹ Total dividends of \$193.9 million included in the CAGR calculation.

Deposits

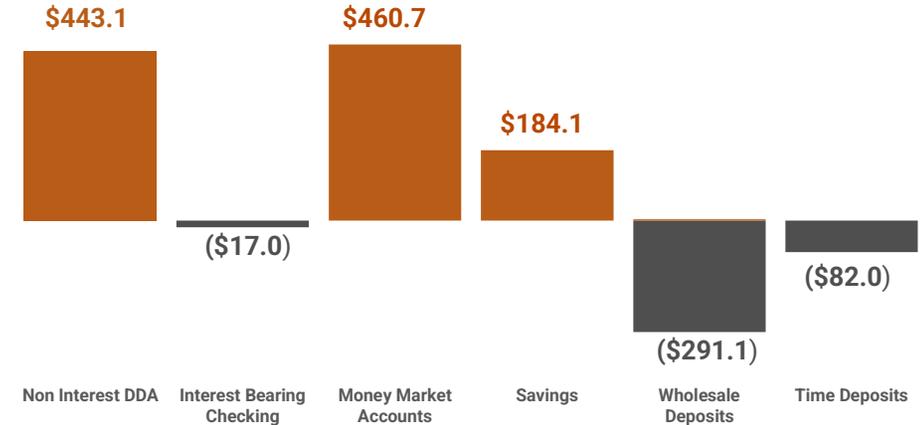


Summary

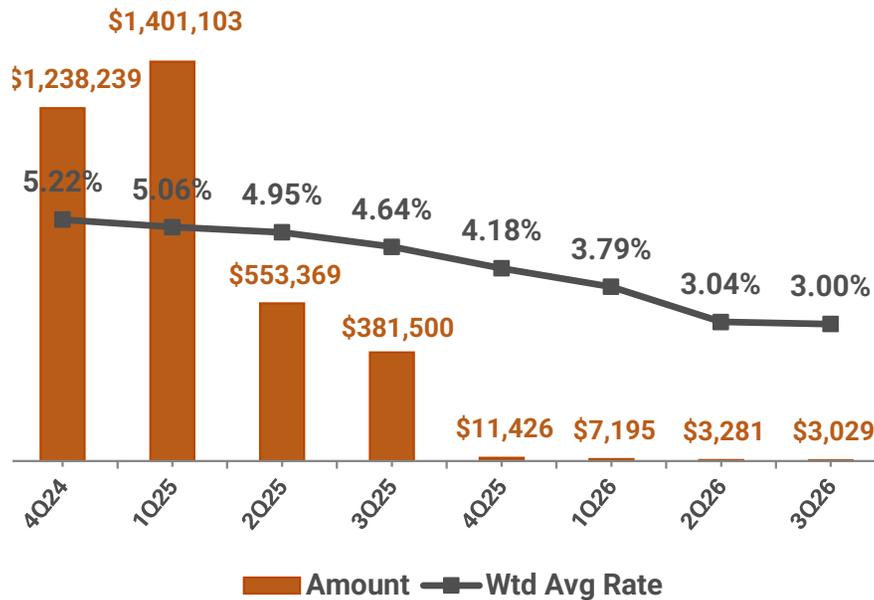
- LDR decreased to **88.0%** at the end of 3Q24
- LDR, excluding MW loans, decreased to **81.9%** at the end of 3Q24
- \$2.6 billion in time deposits mature over the next 2 quarters at an average rate of 5.14%

Year To Date Change in Deposits

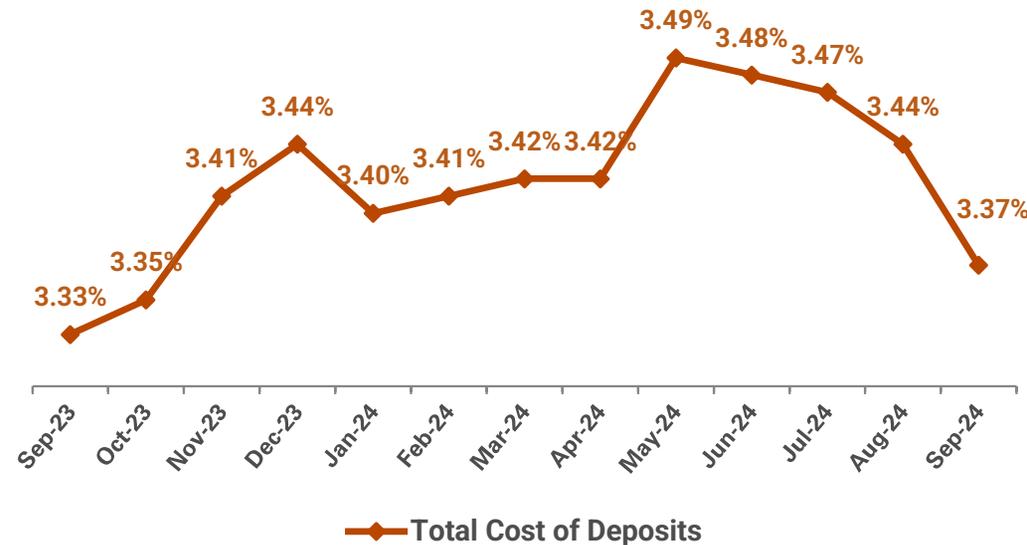
(\$ in Millions)



8 Quarter Term Funding Maturity Schedule



12 Month Trend of Total Cost of Deposits





Deposit Overview Year to Date

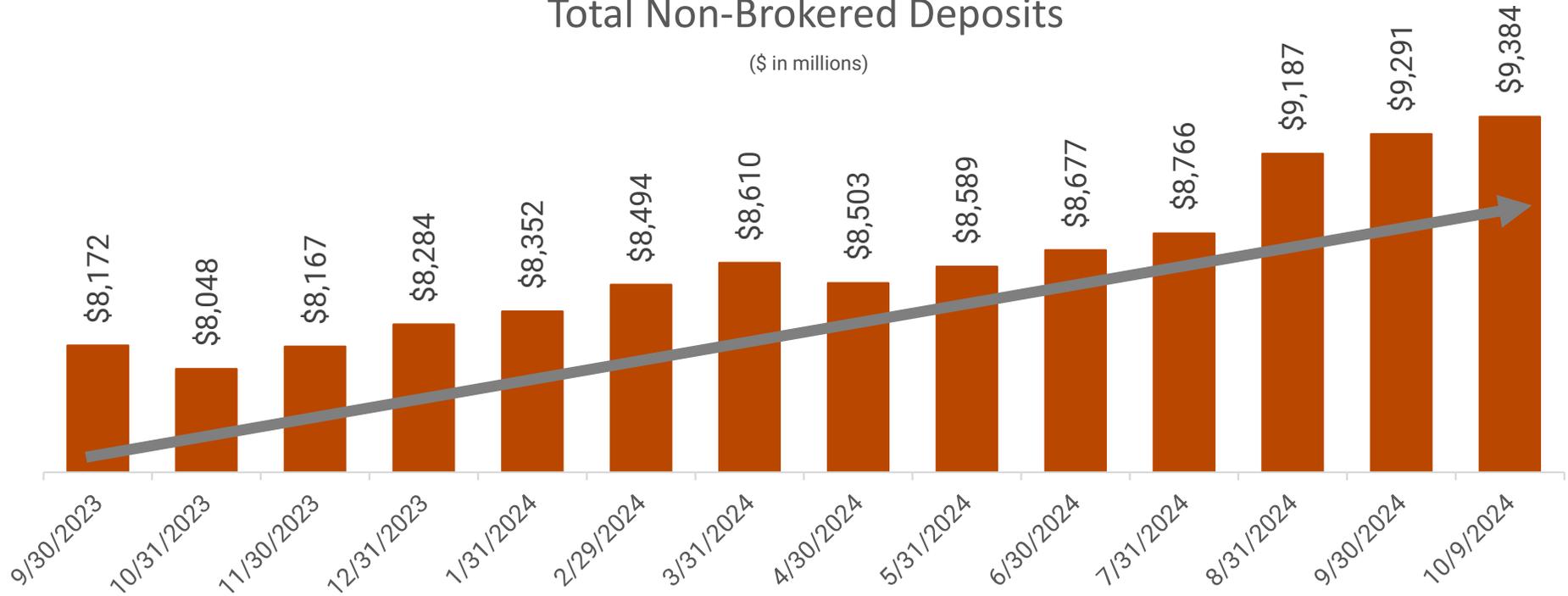
Summary

- Deposit growth was driven by **\$397 million** in attractive priced deposit production at an average rate of **2.88%** during 3Q24
- Reduced wholesale deposits by **\$294 million** in 3Q24 to bring reliance on wholesale funding at the Bank level to **15.7%**
- Good quarter remixing deposits as the strong attractive deposits drove a \$411 million reduction in brokered and public funds

16.2% 2024 annualized growth in Non-Brokered Deposits

Total Non-Brokered Deposits

(\$ in millions)



Loans

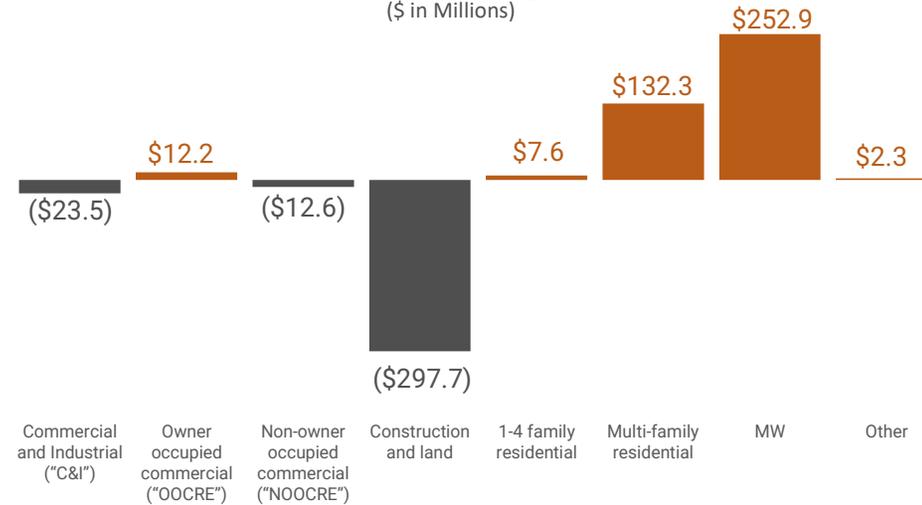


Summary

- Total loans, excluding loans held for sale, grew **\$74.3 million** year to date
- Year to date change in loans driven by a \$252.9 million increase in MW loans and \$132.2 million increase in Multifamily offset by a \$297.7 million decrease in construction loans

Year To Date Change in Loans

(\$ in Millions)

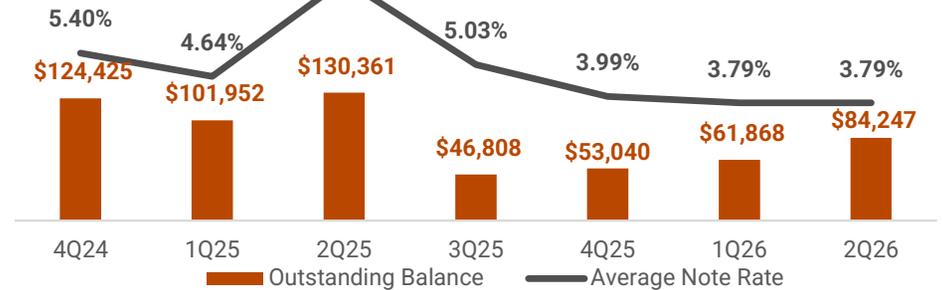


Quarterly Loan Commitment Production and Commitment Payoffs



CRE Fixed Rate Maturities

7.76% (\$ in Thousands)



CRE Variable Rate Maturities



CRE By Type

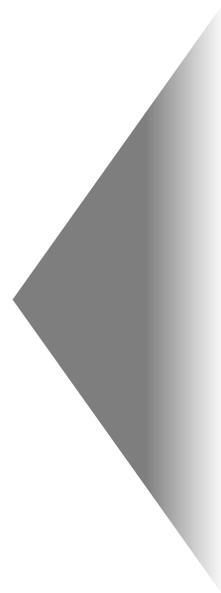


Breakdown of CRE by Term and ADC
(\$ in thousands)

	Term	ADC	Total
Multifamily	738,090	450,763	1,188,853
Whs/Industrial	617,494	497,469	1,114,963
Retail	632,227	31,220	663,447
Office	504,478	13,017	517,495
Hotel	402,087	32,977	435,064
SFR	-	332,106	332,106
Commercial and Other	182,424	15,278	197,702
Total	3,076,800	1,456,072	4,532,872

Out of State Term/ADC as % of Total CRE
(\$ in thousands)

OOS	% Total
136,810	3%
340,870	8%
178,686	4%
32,205	1%
84,631	2%
11,853	-
30,854	1%
815,909	19%



Out of State Exposure



Breakdown of Out of State		
Total Loans	\$9,667,442	% of Total
<i>(\$ in thousands)</i>		
National Businesses¹	\$1,072,509	11.1%
Mortgage Warehouse	300,802	
Mortgage Servicing Rights	240,232	
Lender Finance	531,137	
Specialty Finance	136,103	
USDA and SBA	201,997	
Mortgage	\$249,603	2.6%
Out of State	\$1,031,303	10.7%
Texas CRE Developers	815,909	8.4%
C&I / Shared National Credits	215,394	2.2%

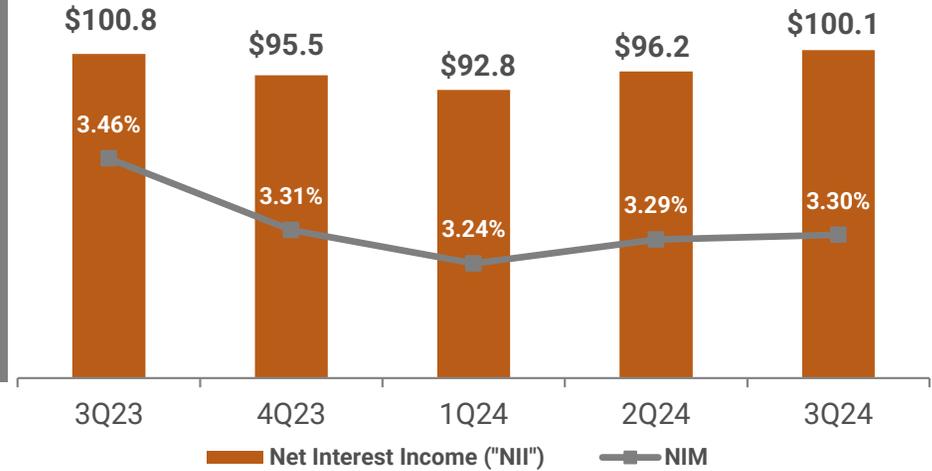
Net Interest Income



Summary

- 3Q24 NIM – 3.30%, up 1 bp from 2Q24
- 3Q24 Total Loans Yield – 6.89%
- Average Cost of Total Deposits – 3.42%, down 4 bps from 2Q24
- Average earnings assets increased to \$12.0 billion as of 3Q24, up 2.5% from 2Q24

NII / NIM Trend
(\$ in Millions)



Net Interest Income Rollforward

(\$ in thousand)

2Q24 Net Interest Income	\$96,236
Impact of loan rate changes	1,368
Impact of change in net volume	1,306
Impact of change in day count	1,099
Other	53
3Q24 Net Interest Income	\$100,062

Interest Rate Sensitivity¹

Interest Rate Scenario	3Q24	
	Percentage Change From Base	EVE Shock Scenario
Up 200 bps	6.98%	Up 200 bps
Up 100 bps	3.53%	Up 100 bps
BASE CASE	0.00%	BASE CASE
Down 100 bps	-2.94%	Down 100 bps
Down 200 bps	-5.68%	Down 200 bps

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

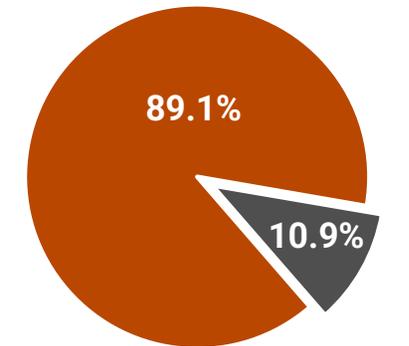
Investments and Liquidity



Summary

- Represents 10.9% of total assets
- 87.3% in AFS securities
- Effective duration = 3.6 Years
- 3Q24 portfolio yield = 4.55%
- Uninsured and uncollateralized deposits was 32.6% on September 30, 2024

Debt Investments as % of Total Assets
Total Assets: \$13.0 Billion



■ Other Assets ■ Investment Portfolio

Sources of Liquidity as of September 30, 2024

(\$ in thousands)

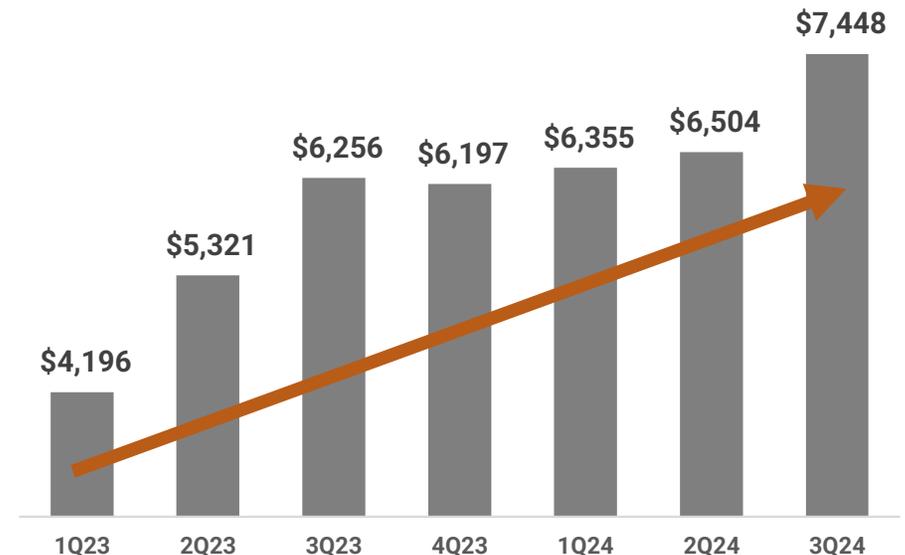
Current on-balance sheet:

Cash and equivalents	\$1,100,790
Unpledged AFS securities	133,045
Total on-balance sheet	1,233,835
Fed Funds borrowing capacity	150,000
FHLB remaining borrowing capacity	2,281,676
Federal Reserve discount window	3,310,427
Brokered deposits available ¹	472,076
Total available sources	6,214,179
Total Liquidity	\$7,448,014

¹ Brokered deposits available is driven by Company policy and not market availability.

Total Available Liquidity

(\$ in millions)



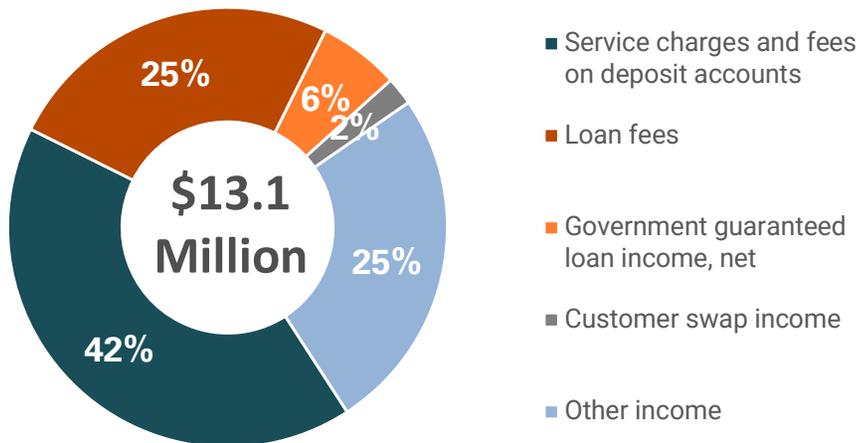
Noninterest Income and Expense



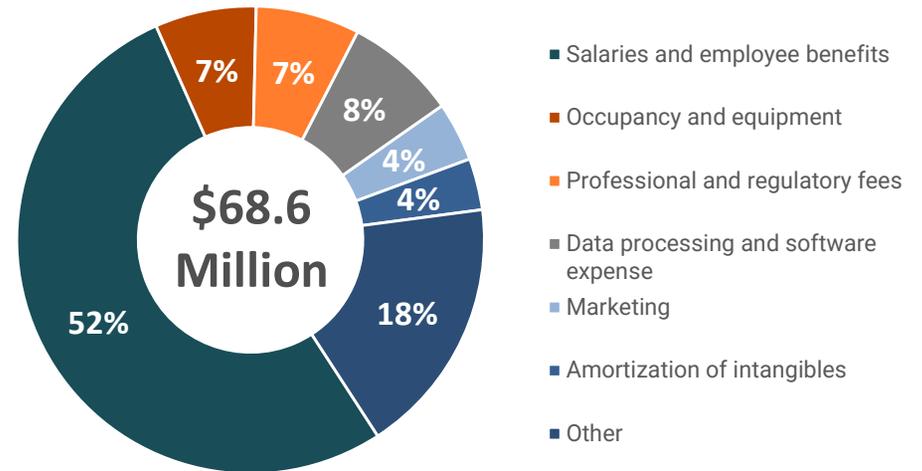
Summary

- 3Q24 operating noninterest income = \$13.1 Million, up 24% from 2Q24
- 3Q24 operating noninterest expense = \$68.6 Million
- Increase in operating noninterest expenses are primarily driven by increasing the incentive accrual to 80% of target, OREO expenses and marketing

Operating Noninterest Income



Operating Noninterest Expense



Building a Fortress Balance Sheet



\$ in millions

Indicator	Q4 2022	Q2 2023	Q3 2024	Change Since Q2 2023	Trend
Deposits	\$ 9,142	\$ 9,250	\$ 11,062	\$ 1,812	IMPROVED
Loans	\$ 9,504	\$ 9,723	\$ 9,708	\$ (15)	IMPROVED
Non-Brokered Deposits	\$ 7,815	\$ 7,475	\$ 9,296	\$ 1,821	IMPROVED
Loans / Deposits	100.6%	105.1%	87.8%	-17.3%	IMPROVED
Loans / Deposits (excluding MWH)	99.1%	100.4%	82.1%	-18.3%	IMPROVED
Cash/Due From	\$ 436	\$ 664	\$ 1,101	\$ 437	IMPROVED
Reliance on Wholesale	24.1%	29.2%	15.7%	-13.5%	IMPROVED
NonCore Dependence	27.3%	31.8%	16.5%	-15.3%	IMPROVED
VHI CET1	9.09%	9.76%	10.86%	1.10%	IMPROVED
CRE Concentration	325.0%	327.2%	302.3%	-24.9%	IMPROVED
ADC Concentration	131.5%	115.2%	97.1%	-18.1%	IMPROVED
ADC Unfunded \$	\$ 2,113	\$ 1,374	\$ 675	\$ (699)	IMPROVED
ACL Build	0.96%	1.05%	1.21%	0.16%	IMPROVED
Available Liquidity + Cash	\$ 3,569	\$ 5,321	\$ 7,385	\$ 2,064	IMPROVED

Veritex Holdings, Inc. Third Quarter 2024 Results

Supplemental Information



A BETTER STATE OF BANKING



Reconciliation of Non-GAAP Financial Measures

	As of				
	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023
	(Dollars in thousands, except per share data)				
Tangible Common Equity					
Total stockholders' equity	\$ 1,608,014	\$ 1,548,616	\$ 1,538,515	\$ 1,531,323	\$ 1,491,166
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(21,182)	(23,619)	(26,057)	(28,495)	(30,933)
Tangible common equity	\$ 1,182,380	\$ 1,120,545	\$ 1,108,006	\$ 1,098,376	\$ 1,055,781
Common shares outstanding	54,446	54,350	54,496	54,338	54,305
Book value per common share	\$ 29.53	\$ 28.49	\$ 28.23	\$ 28.18	\$ 27.46
Tangible book value per common share	\$ 21.72	\$ 20.62	\$ 20.33	\$ 20.21	\$ 19.44

	As of				
	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023
	(Dollars in thousands)				
Tangible Common Equity					
Total stockholders' equity	\$ 1,608,014	\$ 1,548,616	\$ 1,538,515	\$ 1,531,323	\$ 1,491,166
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(21,182)	(23,619)	(26,057)	(28,495)	(30,933)
Tangible common equity	\$ 1,182,380	\$ 1,120,545	\$ 1,108,006	\$ 1,098,376	\$ 1,055,781
Tangible Assets					
Total assets	\$ 13,042,976	\$ 12,684,330	\$ 12,708,396	\$ 12,394,337	\$ 12,346,331
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(21,182)	(23,619)	(26,057)	(28,495)	(30,933)
Tangible Assets	\$ 12,617,342	\$ 12,256,259	\$ 12,277,887	\$ 11,961,390	\$ 11,910,946
Tangible Common Equity to Tangible Assets	9.37 %	9.14 %	9.02 %	9.18 %	8.86 %



Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				For the Nine Months Ended		
	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Sep 30, 2023	
	(Dollars in thousands)						
Net income available for common stockholders adjusted for amortization of core deposit intangibles							
Net income	\$ 31,001	\$ 27,202	\$ 24,156	\$ 3,499	\$ 32,621	\$ 82,359	\$ 104,762
Adjustments:							
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	7,314	7,314
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,536	1,536
Net income available for common stockholders adjusted for amortization of core deposit intangibles	\$ 32,927	\$ 29,128	\$ 26,082	\$ 5,425	\$ 34,547	\$ 88,137	\$ 110,540
Average Tangible Common Equity							
Total average stockholders' equity	\$1,583,401	\$1,541,609	\$1,533,868	\$1,510,286	\$1,508,170	\$1,553,070	\$1,498,573
Adjustments:							
Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Average core deposit intangibles	(22,789)	(25,218)	(27,656)	(30,093)	(32,540)	(25,212)	(34,939)
Average tangible common equity	\$1,156,160	\$1,111,939	\$1,101,760	\$1,075,741	\$1,071,178	\$1,123,406	\$1,059,182
Return on Average Tangible Common Equity (Annualized)	11.33 %	10.54 %	9.52 %	2.00 %	12.80 %	10.48 %	13.95 %



Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended					For the Nine Months Ended	
	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023
	(Dollars in thousands, except per share data)						
Operating Earnings							
Net income	\$ 31,001	\$ 27,202	\$ 24,156	\$ 3,499	\$ 32,621	\$ 82,359	\$ 104,762
Plus: Severance payments ¹	1,487	613	—	—	—	2,100	1,950
Plus: Loss on sale of AFS securities, net	—	—	6,304	—	—	6,304	5,321
Plus: Equity method investment write-down	—	—	—	29,417	—	—	—
Plus: FDIC special assessment	—	134	—	768	—	134	—
Operating pre-tax income	32,488	27,949	30,460	33,684	32,621	90,897	112,033
Less: Tax impact of adjustments	307	166	1,323	2,059	—	1,796	1,544
Plus: Nonrecurring tax adjustments	—	527	—	—	—	527	—
Operating earnings	\$ 32,181	\$ 28,310	\$ 29,137	\$ 31,625	\$ 32,621	\$ 89,628	\$ 110,489
Weighted average diluted shares outstanding							
	54,932	54,823	54,842	54,691	54,597	54,866	54,563
Diluted EPS	\$ 0.56	\$ 0.50	\$ 0.44	\$ 0.06	\$ 0.60	\$ 1.50	\$ 1.92
Diluted operating EPS	\$ 0.59	\$ 0.52	\$ 0.53	\$ 0.58	\$ 0.60	\$ 1.63	\$ 2.02

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



Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended					For the Nine Months Ended	
	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Sep 30, 2024	Sep 30, 2023
	(Dollars in thousands)						
Pre-Tax, Pre-Provision Operating Earnings							
Net income	\$ 31,001	\$ 27,202	\$ 24,156	\$ 3,499	\$ 32,621	\$ 82,359	\$ 104,762
Plus: Provision for income taxes	8,067	8,221	7,237	6,004	9,282	23,525	30,019
Plus: Provision for credit losses and unfunded commitments	4,000	8,250	5,959	8,000	7,718	18,209	32,471
Plus: Severance payments	1,487	613	—	—	—	2,100	1,950
Plus: Loss on sale of AFS securities, net	—	—	6,304	—	—	6,304	5,321
Plus: Equity method investment write-down	—	—	—	29,417	—	—	—
Plus: FDIC special assessment	—	134	—	768	—	134	—
Pre-tax, pre-provision operating earnings	\$ 44,555	\$ 44,420	\$ 43,656	\$ 47,688	\$ 49,621	\$ 132,631	\$ 174,523
Average total assets	\$12,861,918	\$12,578,706	\$12,336,042	\$12,306,634	\$12,259,062	\$12,593,206	\$12,274,697
Pre-tax, pre-provision operating return on average assets¹	1.38 %	1.42 %	1.42 %	1.54 %	1.61 %	1.41 %	1.90 %
Average loans	\$ 9,661,774	\$ 9,765,428	\$ 9,563,372	\$ 9,581,784	\$ 9,625,005	\$ 9,663,518	\$ 9,594,996
Pre-tax, pre-provision operating return on average loans	1.83 %	1.83 %	1.84 %	1.97 %	2.05 %	1.83 %	2.43 %
Average total assets	\$12,861,918	\$12,578,706	\$12,336,042	\$12,306,634	\$12,259,062	\$12,593,206	\$12,274,697
Return on average assets¹	0.96 %	0.87 %	0.79 %	0.11 %	1.06 %	0.87 %	1.14 %
Operating return on average assets¹	1.00	0.91	0.95	1.02	1.06	0.95	1.20



Reconciliation of Non-GAAP Financial Measures

Operating earnings adjusted for amortization of core deposit intangibles

Operating earnings	\$ 32,181	\$ 28,310	\$ 29,137	\$ 31,625	\$ 32,621	\$ 89,628	\$ 110,489
Adjustments:							
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438	7,314	7,314
Less: Tax benefit at the statutory rate	512	512	512	512	512	1,536	1,536
Operating earnings adjusted for amortization of core deposit intangibles	\$ 34,107	\$ 30,236	\$ 31,063	\$ 33,551	\$ 34,547	\$ 95,406	\$ 116,267

Average Tangible Common Equity

Total average stockholders' equity	\$ 1,583,401	\$ 1,541,609	\$ 1,533,868	\$ 1,510,286	\$ 1,508,170	\$ 1,553,070	\$ 1,498,573
Adjustments:							
Less: Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Less: Average core deposit intangibles	(22,789)	(25,218)	(27,656)	(30,093)	(32,540)	(25,212)	(34,939)
Average tangible common equity	\$ 1,156,160	\$ 1,111,939	\$ 1,101,760	\$ 1,075,741	\$ 1,071,178	\$ 1,123,406	\$ 1,059,182
Operating return on average tangible common equity¹	11.74 %	10.94 %	11.34 %	12.37 %	12.80 %	11.34 %	14.68 %

Efficiency ratio	61.94 %	59.11 %	62.45 %	77.49 %	54.49 %	61.15 %	50.88 %
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Operating efficiency ratio

Net interest income	\$ 100,062	\$ 96,236	\$ 92,806	\$ 95,533	\$ 99,361	\$ 289,104	\$ 303,581
Noninterest income	13,106	10,578	6,662	(17,792)	9,674	30,346	36,897
Plus: Loss on sale of AFS securities, net	—	—	6,304	—	—	6,304	5,321
Plus: Equity method investment write-down	—	—	—	29,417	—	—	—
Operating noninterest income	13,106	10,578	12,966	11,625	9,674	36,650	42,218
Noninterest expense	70,100	63,141	62,116	60,238	59,414	195,357	173,226
Less: FDIC special assessment	—	134	—	768	—	134	—
Less: Severance payments	1,487	613	—	—	—	2,100	1,950
Operating noninterest expense	\$ 68,613	\$ 62,394	\$ 62,116	\$ 59,470	\$ 59,414	\$ 193,123	\$ 171,276
Operating efficiency ratio	60.63 %	58.41 %	58.73 %	55.50 %	54.49 %	59.28 %	49.53 %

¹ Annualized ratio for quarterly metrics.

Veritex Holdings, Inc.
Third Quarter
2024 Results



A BETTER STATE OF BANKING