

**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): March 3, 2022

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 7.01 Regulation FD Disclosure

On March 3, 2022, Veritex Holdings, Inc. (“Veritex”) (a) issued a press release announcing that it has entered into a definitive agreement pursuant to which Veritex will acquire StoneCastle Insured Sweep, LLC (“interLINK”) and (b) made available on its website electronic presentation slides regarding such acquisition. The press release and the presentation slides are attached as Exhibit 99.1 and Exhibit 99.2, respectively, to this Current Report.

As provided in General Instruction B.2 to Form 8-K, the information furnished in this Item 7.01 (including exhibits) 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 of 1933, as amended or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing.

Forward Looking Statement

This Current Report on Form 8-K 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 Veritex’s proposed acquisition of interLINK, including the expected timing of the completion of the acquisition, the ability to complete the acquisition, the ability to obtain any required regulatory or other approvals, authorizations or consents in connection with the acquisition, disruption from the acquisition making it more difficult to maintain relationships with employees, customers or other parties with whom Veritex or interLINK have business relationships, diversion of management time on acquisition-related issues, the reaction to the acquisition of the companies’ customers, employees and counterparties, any statements regarding the plans and objectives of management for future operations, products or services arising from the acquisition, including integration plans, and the treatment of certain deposits via interLINK as not being brokered deposits for any supervisory purpose; 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; 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, 2021 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 on Form 8-K 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 March 3, 2022 |
| 99.2 | Presentation materials |
| 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

Date: March 3, 2022



PRESS RELEASE
FOR IMMEDIATE RELEASE

Veritex Holdings, Inc. Announces Acquisition of interLINK, a Technology-Enabled Deposit Gathering and Processing Platform

*Enhances liquidity with flexible access to approximately \$5.7 billion of core deposits
Provides low-cost, stable core deposits to fund sustainable long-term growth
Financially attractive with double-digit run-rate EPS accretion*

Dallas, TX – March 3, 2022 – Veritex Holdings, Inc. (Nasdaq: VBTX) (“Veritex” or the “Company”), the parent holding company for Veritex Community Bank, today announced that it has entered into a definitive agreement to acquire StoneCastle Cash Insured Sweep, LLC (d/b/a as interLINK), a subsidiary of StoneCastle Partners, LLC (“StoneCastle”), primarily for Veritex common stock and cash in a transaction valued at approximately \$91 million.

Together, Veritex and interLINK are the perfect fit combining a high-growth commercial bank with a tech-enabled core deposit gathering platform. interLINK administers approximately \$8 billion of deposits through FDIC-insured cash sweep programs for several of the nation’s leading broker/dealers and clearing firms. Once integrated into Veritex’s treasury function, interLINK will provide flexible and scalable access to approximately \$5.7 billion of highly diversified, stable core deposits. This core deposit base creates capacity to reliably fund significant multi-year loan growth and optimize overall funding mix over time.

Veritex Chairman and Chief Executive Officer C. Malcolm Holland stated, “We are excited at the opportunity to enhance our funding and liquidity profile with a modern, branchless distribution channel that provides sticky core deposits to fund several years of future growth. Meeting the needs of customers and communities is priority number one and interLINK enables us to do that with low-cost, flexible funding that will continue to scale with minimal overhead to generate positive operating leverage. On top of that, the financial benefits to shareholders are expected to be significant with low-risk given the capital-light nature of the business and our significant expertise buying and integrating businesses over that last 10 years.”

interLINK is a proprietary software platform, purpose-built as a bank treasury function. Its technology is highly flexible, allowing for customized integration into broker/dealer systems and supported by white-glove customer service. Over the last five years, interLINK’s deposits under administration have increased at a 55% compound annual growth rate, with only a minimal increase in operating expenses. Supporting this growth is a compelling value proposition for all parties, whereby Veritex will provide broker/dealers white glove cash administration services at low-cost and banks participating in interLINK’s sweep programs will continue to receive flexible liquidity. Subsequent to the acquisition, Veritex will be able to provide broker/dealers with a range of added services, including private banking, securities lending, and other credit or banking services.

Under the terms of the agreement, Veritex will purchase interLINK for \$3 million in cash and issue approximately 2.1 million shares of its common stock to StoneCastle. Upon close of the transaction, StoneCastle will recognize a taxable sale and will hold a minority stake of approximately 4% in Veritex. Concurrent with this announcement, Veritex plans to launch a common stock offering of approximately \$150 million with the net proceeds used to support continued growth and general corporate purposes.

On a pro forma basis, including the common stock offering announced today, the transaction is expected to increase Common Equity Tier 1 to approximately 9.9%, be accretive to tangible book value per share at closing, and be neutral to consensus earnings per share estimates in 2023, 8% accretive in 2024, and +14% accretive on a run-rate basis thereafter. The internal rate of return for this transaction is expected to exceed 25%.

Approvals and Timing

The transaction has been unanimously approved by the boards of directors of Veritex and StoneCastle. The transaction is expected to close in the third quarter of 2022, subject to satisfaction of customary closing conditions, including receipt of regulatory approvals from the FDIC and the Texas Department of Banking.

Advisors

Goldman Sachs & Co. LLC is serving as financial advisor and Skadden, Arps, Slate, Meagher & Flom LLP is serving as legal counsel to Veritex. Keefe, Bruyette & Woods, *A Stifel Company* is serving as financial advisor and Dechert LLP is serving as legal counsel to StoneCastle.

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.

About StoneCastle Partners, LLC

Founded in 2003, StoneCastle Partners (“StoneCastle”) develops businesses focused on banking and associated technologies. StoneCastle creates innovative platforms and disruptive technology to enhance or redefine inefficient banking processes. Many of these initiatives focus on cost reduction and scalability to generate operating efficiencies, creating enormous enterprise value for banks and non-bank financial service companies. For the past 19 years, StoneCastle has built and sold platforms to strategic buyers including banks, asset managers, and fintechs. Over 1,000 banks trust StoneCastle and use its products; for more information, visit www.scpdevco.com.

About StoneCastle Insured Sweep, LLC

StoneCastle Insured Sweep, LLC (d/b/a interLINK) provides cash management solutions to financial intermediaries, facilitating the investment of cash held in thousands of brokerage accounts into FDIC-insured banks. Today, interLINK administers approximately 420,000 retail brokerage accounts on behalf of multiple broker/dealers and clearing platforms. Retail brokerage is a highly competitive industry, and interLINK’s objective is to provide the highest quality service at the lowest cost to enable broker/dealers to better service their retail customers. For more information, visit www.interlinkssweep.com.

Forward Looking Statement

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Source: Veritex Holdings, Inc.

Investor Relations:

972-349-6132
investorrelations@veritexbank.com



VERITEX

COMMUNITY BANK

TRUTH IN TEXAS BANKING

Veritex Holdings, Inc.

Investor Presentation

March 3, 2022

Safe Harbor Statement

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 assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed in our forward-looking statements. Forward-looking statements include, without limitation, statements relating to Veritex Holdings, Inc.'s ("Veritex") proposed acquisition of InterLINK, the expected timing of the completion of the acquisition, the ability to complete the acquisition, the ability to obtain any required regulatory or other approvals, authorizations or connections with the acquisition, disruption from the acquisition making it more difficult to maintain relationships with employees, customers or other parties with whom Veritex has business relationships, diversion of management time on acquisition-related issues, the reaction to the acquisition of the companies' customers, employees and counterparties regarding the plans and objectives of management for future operations, products or services arising from the acquisition, including integration plans, and the treatment of InterLINK as not being brokered deposits for any supervisory purpose; 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; and Veritex's future financial performance, business and growth strategy, projected plans and objectives, as well as other macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact broader economic and industry trends, and any such variations in our financial statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "seeks," "targets," "outlooks," "may," "could," "should," "will," "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 our Annual Report on Form 10-K for the year ended December 31, 2021 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 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 rely 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 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 may be 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 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 from independent trade associations, industry publications and surveys, government agencies and other information publicly available to Veritex, which information may be specific to certain markets or geographic locations. Some data is also based on Veritex's good faith estimates, which are derived from management's knowledge of the industry and independent publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. Although Veritex believes the information is reliable, Veritex has not independently verified the information contained therein. While Veritex is not aware of any misstatements regarding the industry data presented in this presentation, Veritex's estimates involve risks and uncertainties and are subject to change based on various factors. Similarly, Veritex believes that its internal research is reliable, even though it has not been verified by independent sources.

Proven Executive Management



Malcolm Holland III
Chairman, President & Chief Executive Officer

- ◇ 40 years of banking experience
- ◇ Founded Veritex in 2010
- ◇ Served in various analyst, lending and executive management positions in Dallas area since 1982
- ◇ Received Bachelor of Business Administration from Southern Methodist University



Terry Earley
Senior Executive Vice President & Chief Financial Officer

- ◇ 30+ years of banking experience
- ◇ Joined Veritex in 2019 via merger with Green Bancorp
- ◇ Previously the CFO of Green Bancorp and Yadkin Financial, the CEO of Rocky Mountain Bank and the CFO of RBC Centura
- ◇ Received Bachelor of Business Administration from the University of North Carolina at Chapel Hill; Certified Public Accountant



David Gareis
President

- ◇ Joined interLINK's platform
- ◇ Previously served as President of StoneCas Financial, prior to StoneCas
- ◇ Spent eight years at Double Corporation, a leading cash financial technology company
- ◇ Received Bachelor of Arts from Marshall College and an MFA from the University of Delaware

Veritex – a Leading Growth-Centric Texas Bank

- ◇ Headquartered in **Dallas, Texas**
- ◇ Commenced banking operations in 2010; completed **IPO in 2014**
- ◇ Focused on **relationship-driven** commercial and private banking across a variety of industries



2019
Best Banks to Work for
By **AMERICAN BANKER**

2020
Fastest Growing Companies
By **FORTUNE**

2021
Fastest Growing Companies
By **FORTUNE**

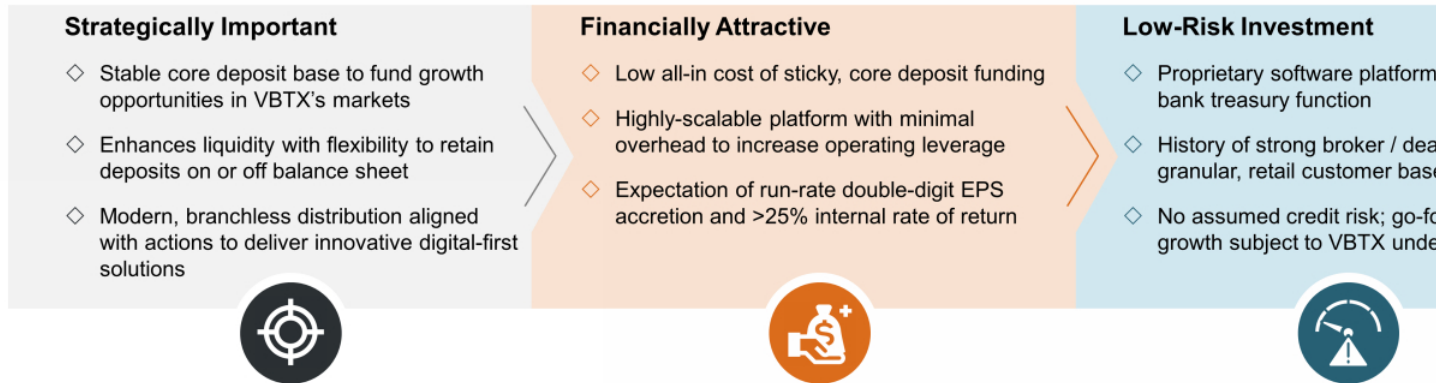
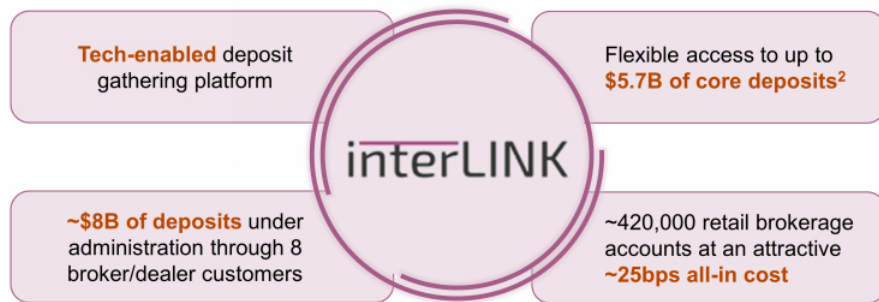
By the Numbers FY 2021

| | | |
|---------------------------------------|--|---|
| Scale & Scarcity | | |
| Top 10 | | \$9 |
| Texas Based Bank | | Total Assets |
| Profitability & Efficiency | | 49 |
| 17.6% | | Operating Earnings |
| Operating ROATCE ¹ | | |
| Consistent Growth | | 15 |
| \$5.4B | | 2020 to 2021 |
| 2021 Loan Production | | |
| Asset Sensitive | | +6 |
| 76% | | Rate Sensitive Loans / Total Loans ³ |
| | | ▲ in NII to +1 |
| Capital and Credit | | 0.1 |
| 9.9% | | NPAs / Total Loans |
| CET1 Ratio (Pro Forma) ⁴ | | |

Note: Financial data as of the twelve months ended December 31, 2021; Source: S&P Global Market Intelligence; American Banker; FORTUNE Magazine
¹Please 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 Loans held for investment excluding mortgage warehouse and PPP loans; ³ Reconciliation of Non-GAAP Financial Measures; ⁴ Pro forma CET1 Ratio reflects the impact from the proposed acquisition of InterLINK and proposed \$150 million common equity base offering

The Perfect Match: Veritex's Acquisition of interLINK¹

High-Growth Commercial Banking Meets Tech-Enabled Core Deposit Gathering



¹ Transaction agreement entered into on March 3, 2022, consummation of acquisition subject to satisfaction of customary closing conditions, including receipt of required regulatory approvals; ² Takes into account single bank pass-through FDIC insurance coverage for customers. Post-closing, interLINK platform to operate within Veritex Community Bank. Expect that deposits allocated by interLINK platform to Veritex Community Bank will not be treated as brokered deposits under FDIC regulations based on self-placement network broker/dealers for one or more designated exceptions. Deposits not allocated to Veritex Community Bank swept to unaffiliated banks in network.

Veritex Key Investment Highlights



Veteran management team with over **35 years of average banking experience**

A proven growth franchise delivering **exceptional shareholder returns**

Scarcity value in attractive Texas metropolitan markets

Highly profitable business model with **catalysts for growth**

Diversification of revenue streams supports consistent earnings growth

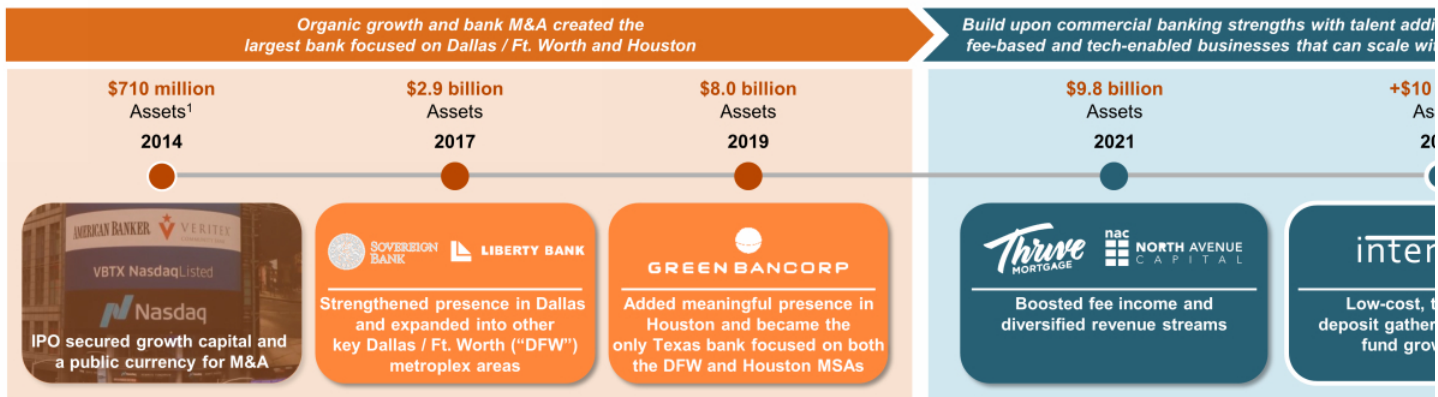
Leveraging **fintech acquisitions and partnerships** to complement traditional commercial bank model

Strong track record of **successfully integrating acquisitions and strategic partnerships**

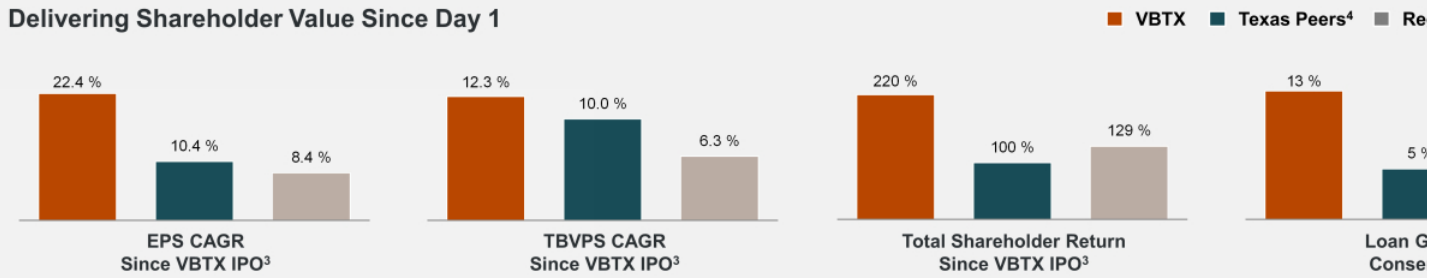
Compelling growth-oriented investment with an **attractive valuation**

Our Journey as a Public Company

A Proven Growth Franchise Delivering Exceptional Shareholder Returns



Delivering Shareholder Value Since Day 1



¹ As of June 30, 2014; ² Transaction agreement entered into on March 3, 2022, Consummation of acquisition subject to satisfaction of customary closing conditions, including receipt of required regulatory approvals; ³ VBTX priced IPO on October 9, 2014. C and Q4 2021 quarterly financial metrics; ⁴ Texas Peers include CBTX, CFR, FFIN, HTH, IBTX, PB, SBSI, and TCBI; CBTX excluded from 2022E Loan Growth due to pending merger with ABTX; ⁵ Regional Banks defined by the current constituents of the KR Consensus reflects 2022E; Note: Market data as of March 2, 2022; Source: S&P Global Market Intelligence, and Factset

Well Positioned in Strong, Resilient Texas Markets

Our platform is powered by the markets we serve

| | | |
|--------------------|--|---|
| Texas | | <ul style="list-style-type: none"> Behind Texas' strong economy are 49 Fortune 500 companies headquartered in Texas, more than 1,600 foreign companies and 2.7 million small businesses Pro-business environment with no personal or corporate income taxes and the leading destination for companies relocating from other states Texas is the #1 exporting state in the nation for the 19th consecutive year, exporting \$279 billion in goods in 2020 |
| Dallas / Ft. Worth | | <ul style="list-style-type: none"> 4th largest MSA in the U.S. by population 2nd highest projected household income among Texas MSAs 22 Fortune 500 companies 176 companies have relocated to DFW since 2010 2nd best job center in the U.S. for technology professions in 2020 |
| Greater Houston | | <ul style="list-style-type: none"> 5th largest MSA in the U.S. by population 7th largest metro economy in the U.S. by GDP 5th in U.S. job growth since 2010 3rd highest concentration of Fortune 500 companies in the U.S. 35 companies have relocated to Houston since 2010 |

Superior Growth Profile

| Market | VBTX Deposits | Current Population | Projected ('22 Population Gr |
|---------|---------------|--------------------|------------------------------|
| DFW | \$5.3B | 7.8M | |
| Houston | \$1.8 | 7.3 | |
| Texas | \$7.1 | 29.8 | |

Corporate Relocations to Texas



Examples of companies moving to California during 2020 – 2021 are diverse across :

Source: Bureau of Labor Statistics; Dallas Chamber of Commerce; Greater Houston Partnership; YTexas; Houston.org; S&P Global Market Intelligence

Scarcity Value in Texas Metro Markets

Uniquely attractive franchise and #1 Texas bank focused primarily across DFW and Houston

| # | Company | Total Assets | Texas Metro | | DFW + Houston | | | Percent of Total Deposits | | |
|----|---|--------------|-------------|------------|---------------|----------|------------|---------------------------|-----|---------|
| | | | Deposits | % of Total | % Rank | Deposits | % of Total | % Rank | DFW | Houston |
| 1 | Comerica | \$95B | \$11B | 14.1% | #10 | \$9B | 12.4% | #9 | | |
| 2 | Cullen/Frost | 51 | 35 | 88.1 | #3 | 18 | 45.3 | #7 | | |
| 3 | PROSPERITY BANK | 38 | 17 | 57.1 | #7 | 15 | 50.6 | #6 | | |
| 4 | Texas Capital | 35 | 29 | 100.0 | #1 | 26 | 89.0 | #2 | | |
| 5 | INDEPENDENT BANK GROUP | 19 | 10 | 67.6 | #6 | 9 | 60.6 | #4 | | |
| 6 | Hilltop Holdings | 19 | 8 | 70.5 | #5 | 7 | 55.5 | #5 | | |
| 7 | IBC BANK <small>MEMBER FDIC/INTERNATIONAL BANKSHARES CORPORATION</small> | 16 | 2 | 19.9 | #9 | <1B | 7.5 | #10 | | |
| 8 | FIRST FINANCIAL | 13 | 3 | 29.2 | #8 | 3 | 29.2 | #8 | | |
| 9 | CBTX/ AllegianceBank ² | 12 | 7 | 80.2 | #4 | 7 | 80.2 | #3 | | |
| 10 | VERITEX | 10 | 7 | 99.5 | #2 | 7 | 99.5 | #1 | | |

¹ As a percent of total deposits; ² CBTX is shown pro forma for its announced merger with ABTX, excluding purchase accounting adjustments; Note: Shown sorted by assets (as of December 31, 2021); Texas metro markets includes Austin MSA, Dallas-Fort San Antonio MSA (Deposit market share data as of June 30, 2021, as compiled and reported by the FDIC); Source: S&P Global and FDIC Summary of Deposits

Our People Make Our Culture

Drawn to a Winning Team at a Company that Leads with Integrity and Purpose. **The Veritex V**

- ◇ "True You" principles are embedded into our daily interactions with each other and our clients
- ◇ We encourage and acknowledge each person's unique contributions and talents as integral to our collective success
- ◇ We retain our best people and attract additional top talent to join us through competitive compensation and benefit programs, as well as personal and career growth opportunities and more

Our growth is attributed to our people and winning principals



Great people attract more great people



We employ four active together catalyze an cycle of attraction

- Look for talent everywhere
- Find people's natural strengths
- Utilize people at their best
- Remove the blame



Source: Company documents, Glassdoor, Fortune Magazine, Multipliers: How the Best Leaders Make Everyone Smarter by Liz Wiseman and American Banker

Catalysts for Loan Growth



Employer of Choice Investing In Talent

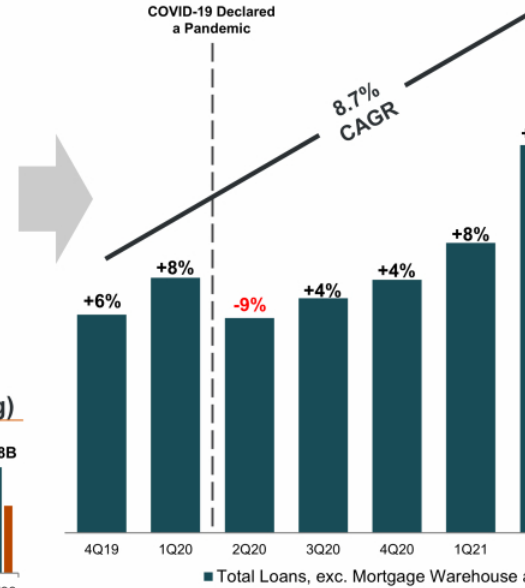
- ◇ 55+ production hires since March 2020 (44 Bankers; 12 Operations Personnel)
- ◇ Capitalized on disruption from local M&A to attract top talent
- ◇ Adding specialized talent in commercial banking, syndications, sponsors, government guaranteed lending, builder finance, community banking, mortgage, private banking, risk management, and more



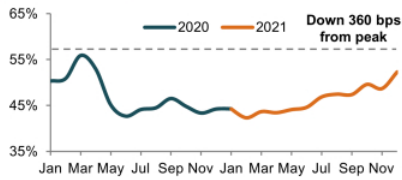
Loan Production vs. Loan Payoffs (\$B)



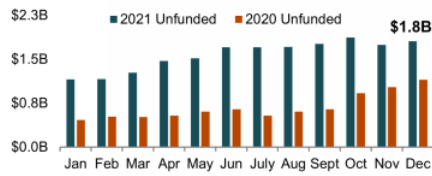
Annualized Quarterly Loan Growth



Revolving C&I Utilization



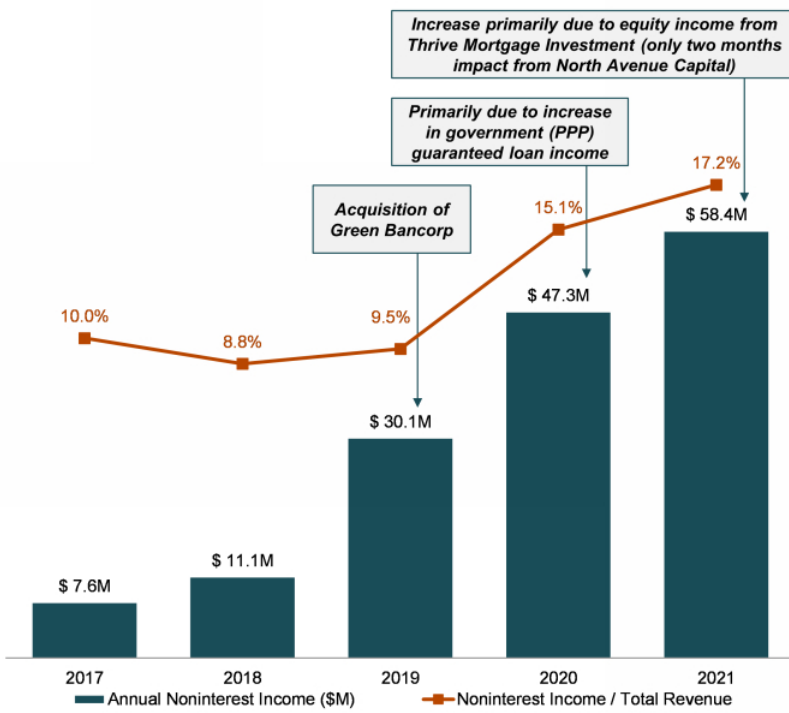
CRE ADC Construction LOC Current Unfunded (Non Revolving)



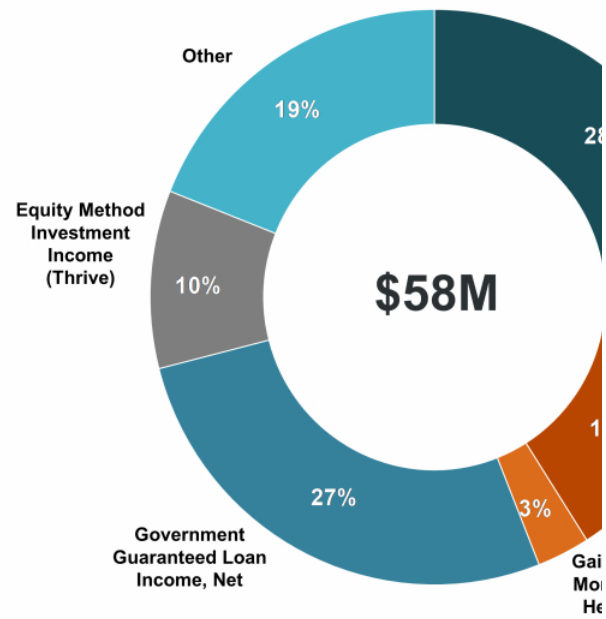
¹ Total loans excludes \$26.1 million of Loans Held for Sale, \$565.6 million Mortgage Warehouse loans and \$53.4 million of PPP loans

Diverse Revenue Streams

Noninterest Income Trends



2021 Noninterest Income Composition



Our M&A History

Proven Track Record as a Strategic Acquirer Across Both Traditional Bank and Non-Bank De

Commentary

- ◇ Selective use of strategic acquisitions to augment growth and build sufficient scale
- ◇ Focused on well-managed targets that drive shareholder value and growth in target markets:
 - Low-cost deposit funding
 - Compelling fee income generating business
 - Growth potential with scale
 - Differentiated technology
 - Complementary geographical presence
- ◇ Key metrics used when evaluating acquisitions:
 - EPS accretion
 - TBVPS earn-back
 - IRR
- ◇ We expect to maintain discipline in pricing and pursuing transactions expected to produce attractive risk adjusted returns
- ◇ We strive to build, maintain and support Veritex's culture during integrations

Acquisition History



¹ Transaction agreement entered into on March 3, 2022. Consummation of acquisition subject to satisfaction of customary closing conditions, including receipt of required regulatory approvals

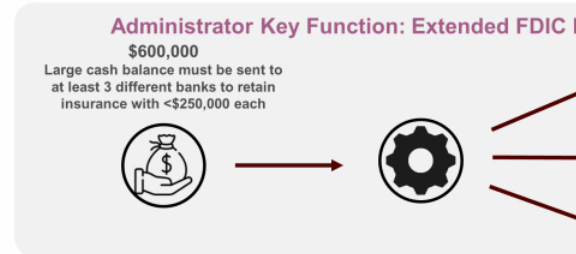
interLINK: Scalable, Digital-First Deposit Gathering Platform

Flexible Access to Readily Deployable Base of up to **\$5.7B of Core Deposits**¹



Business Overview

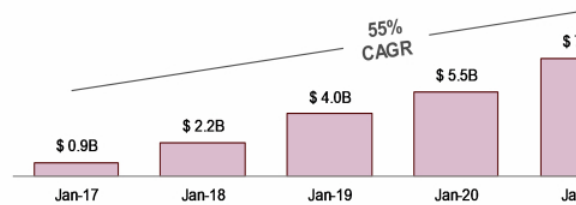
- interLINK is a tech-enabled deposit gathering platform with approximately \$8 billion of deposits belonging to retail accounts under administration
- Serves as administrator for deposit sweep programs between 8 broker / dealers and over 50 insured depository institutions
- Using purpose-built sweep technology integrated into broker / dealers, interLINK executes complex daily movements of cash for approximately 420,000 retail brokerage accounts



Compelling Value Proposition...

- Retail brokerage customer's funds are all covered by FDIC insurance as they are spread across multiple insured depository institutions
- Broker / dealers generate revenue while tailoring rate paid to end customers
- Banks receive flexible liquidity with a low all-in cost of deposits

...Reflected in Robust Deposit Growth

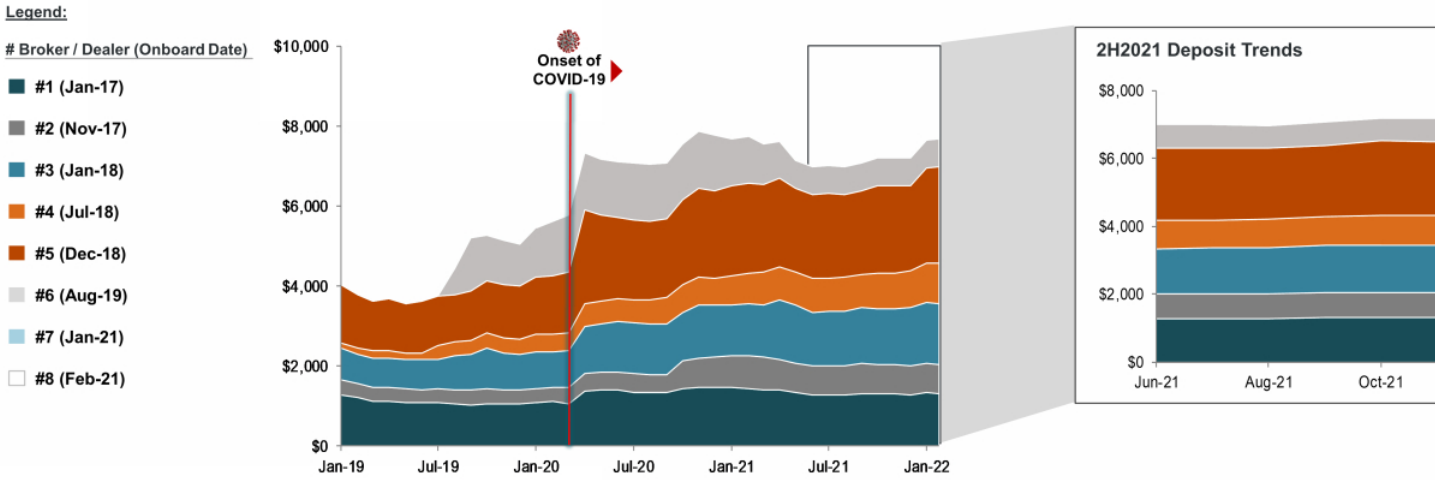


¹ Takes into account single bank pass-through FDIC insurance coverage to underlying broker/dealer customers. Post-closing, interLINK platform to operate within Veritex Community Bank. Expect that deposits allocated by interLINK platform to Veritex Community Bank are swept to Veritex Community Bank. ² Based on \$5.7B core deposit balance; Source: Company management, Moody's estimations using market participants as proxy; ³ Based on \$5.7B core deposit balance; Source: Company management, Moody's

Historical View of interLINK's Growing Deposit Base

Compelling Value Proposition and Long-Term Contracts Support Reliable Source of Core Fun

Historical Deposit Balances by Broker / Dealer (\$M)



Key Themes

Growth

- ◇ Quality deposit base growing in all environments before, during, and after onset of COVID-19
- ◇ Growth to-date primarily from only 6 broker / dealers, with 2 more expected to ramp growth in 2022

Stability

- ◇ Remarkable deposit stability on a daily basis benefiting from ~420,000 retail brokerage accounts

Stickiness of Client Relations

- ◇ interLINK provides low-cost administration and white gl
- ◇ High value proposition for broker / dealer and clearing f (deposit stickiness for Veritex)
- ◇ Typical sweep administration contract of 3-5 years; sev since advent of COVID-19 pandemic

Fortifies Funding Profile in Support of Sustainable Long-Term

Dramatically Enhances Veritex's Liquidity Profile with Flexible Access to Core Deposits



Enhances funding flexibility: ability to utilize up to \$5.7B deposits¹

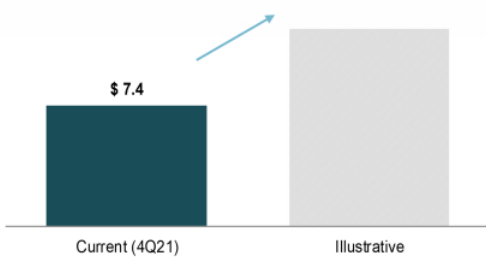


Creates capacity to reliably fund significant multi-year loan growth



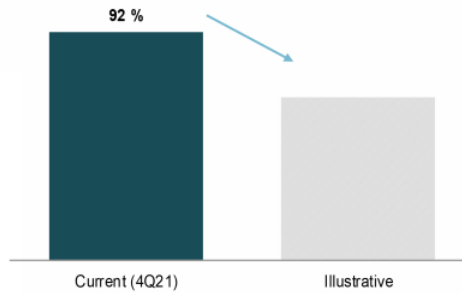
Ability to diversify and optimize funding over time

Total Deposits (\$B)

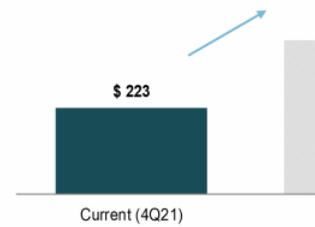


Loans-to-Deposits (%)

(ex. Mortgage Warehouse and PPP loans)



Deposits per Branch (\$M)



¹ Takes into account single bank pass-through FDIC insurance coverage to underlying broker/dealer customers. Post-closing, InterLINK platform to operate within Veritex Community Bank. Expect that deposits allocated by InterLINK platform to Veritex Community Bank are brokered deposits under FDIC regulations based on self-placement exception and eligibility of certain network broker/dealers for one or more designated exceptions. Deposits not allocated to Veritex Community Bank swept to unaffiliated banks in network.

interLINK Transaction Summary

Positioned to Continue Peer Leading Growth with Excess Capital and Liquidity

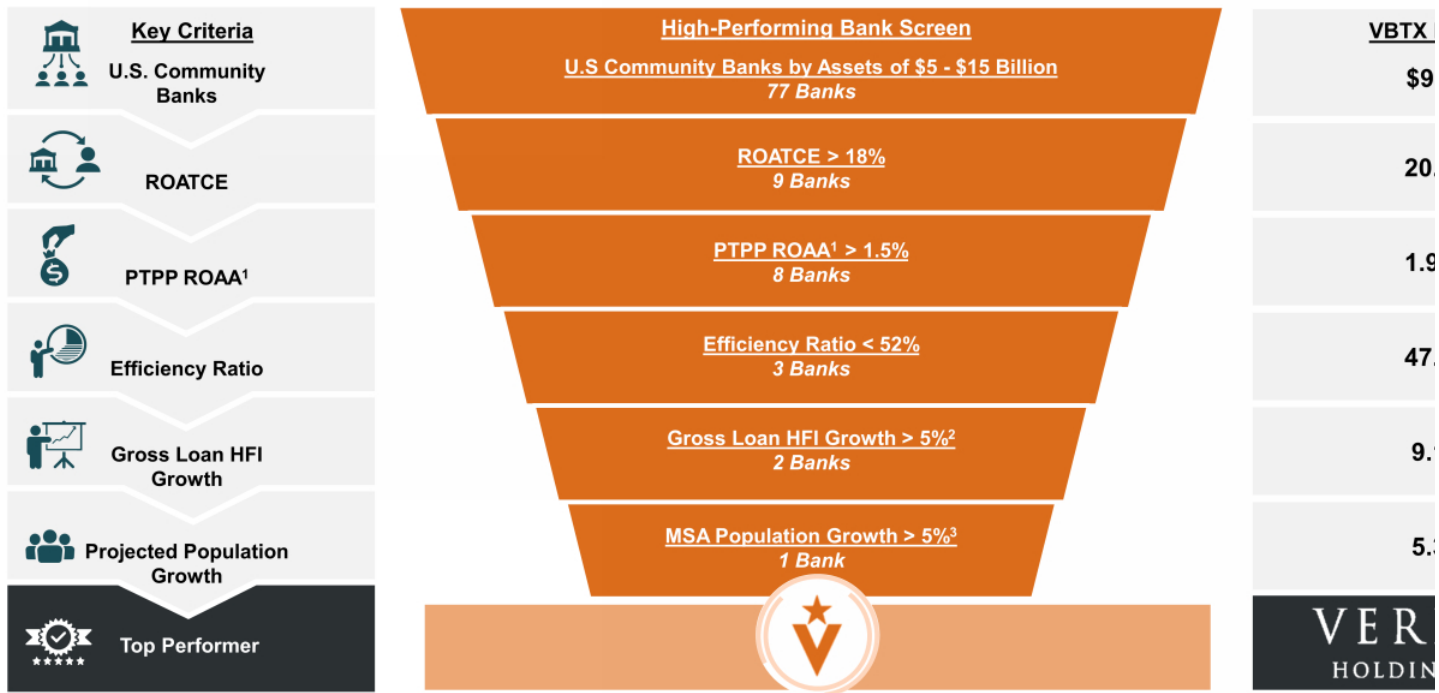
| | | |
|--|---|--|
| Transaction Value | ◇ \$91 million | Financial Pro Form M&A Only EPS Impact 2023E 6% 2024E 14% Run-rate +20% TBVPS Impact (7%) TBVPS Earnback 3 Years IRR +25% CET1 Ratio 8.5% |
| Pricing | ◇ ~1% Premium on total administered deposits | |
| Consideration | ◇ 2.1 million shares of VBTX common stock (fixed) ¹ ◇ \$3 million cash ◇ 97% Stock / 3% Cash | |
| Expected Balance Sheet Actions & Synergies | ◇ Deposit draw of up to \$1.5 billion by 2022YE (\$5.7 billion available) ◇ \$1.5 billion deployment of funds into incremental strategic loan portfolios and securities ◇ Forecast balance sheet growth / utilization of \$1 billion each subsequent year ◇ Limited cost synergies | |
| One-time Items | ◇ \$19 million of merger charges inclusive of \$17 million from acceleration of royalty payments related to a portfolio of +60 patents supporting cash management which is captured in intangibles | |
| Intangibles | ◇ Estimated goodwill of \$87 million inclusive of accelerated royalty payment ◇ Non-goodwill intangibles of \$27 million amortized over 10 years using straight line methodology | |
| Equity Issuance ² | ◇ Primary common stock issuance of \$150 million, launched concurrently with announcement of interLINK acquisition to support growth | |
| Approvals and Timing | ◇ FDIC and Texas Department of Banking approval required for interLINK acquisition transaction ◇ Expected close in 3Q 2022 | |

¹ StoneCastle has agreed that 50% of the Veritex shares issued as consideration will be subject to a restriction on sale and transfer by StoneCastle until the earlier of 6 months after the closing and December 1, 2022. ² Reflects base deal size, does not adjust for potential future issuances.



Criteria for Building a High-Performing Banking Franchise

Our Standard for Excellence is Thoughtful and Meticulous



¹ PTPP stands for Pre-Tax Pre-Provision; ² Annualized and excludes Mortgage Warehouse and PPP loans; ³ Projected 2022-2027 Averages
 Note: Financial data as of the most recent quarter ended December 31, 2021, Financial metrics are operating based; Source: S&P Global Market Intelligence

Veritex is a Compelling Investment

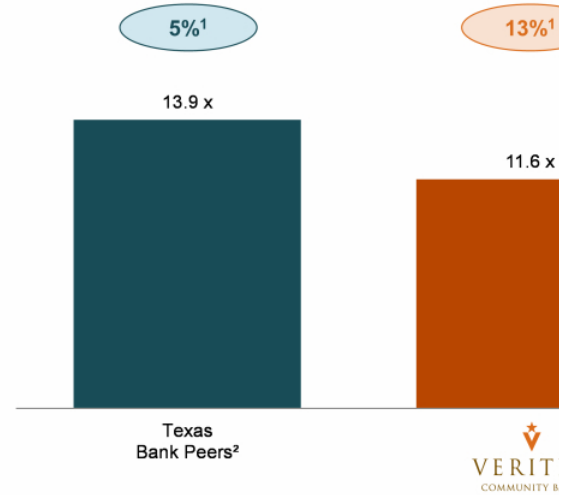
- ✓ Standout growth story with positive momentum
- ✓ At scale Texas franchise operating in the best banking markets in the US
- ✓ Unique, tech-enabled deposit platform powering growth
- ✓ Investing in innovative and distinctive technology



Veritex offers significant upside with an attractive valuation and industry-leading growth profile

Texas Comparables

Price / 2023 EPS



¹ Forward loan growth reflects consensus estimates for 2022E; ² Texas Bank Peers include CBTX, CFR, FFIN, HTH, IBTX, PB, SBSI, and TCBI
Note: Market data as of March 2, 2022; Source: S&P Global Market Intelligence

Veritex Key Investment Highlights



Veteran management team with over **35 years of average banking experience**

A proven growth franchise delivering **exceptional shareholder returns**

Scarcity value in attractive Texas metropolitan markets

Highly profitable business model with **catalysts for growth**

Diversification of revenue streams supports consistent earnings growth

Leveraging **fintech acquisitions and partnerships** to complement traditional commercial bank model

Strong track record of **successfully integrating acquisitions and strategic partnerships**

Compelling growth-oriented investment with an **attractive valuation**



THANK YOU

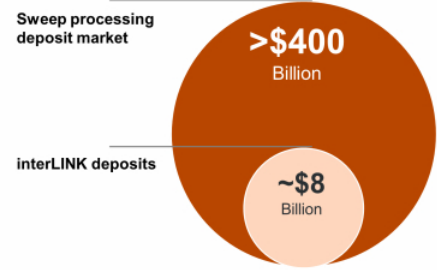


APPENDIX

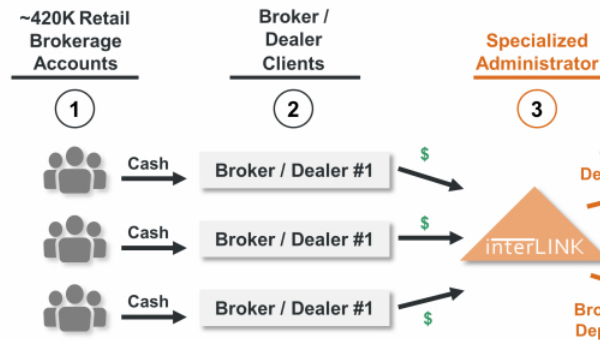
Insured Sweep Industry at a Glance

- ◇ Large market with significant room to increase share and benefit from organic growth
 - Countercyclical industry which typically sees increased cash balances during market downturns / flight to safety
- ◇ Insured sweep program allows broker / dealers to offer their brokerage customers enhanced FDIC deposit insurance with potentially more attractive yields than money market funds
 - Broker / dealers typically pay administration fees on deposits with 3-5 year contractual terms
 - Interest rates paid by banks are typically in-line with brokered deposits and indexed to Fed Funds
 - After passing along interest income to brokerage accounts, broker / dealers retain excess spread
- ◇ The competitive landscape for insured sweep administration is concentrated across four specialized companies
 - interLINK is the only administrator designed to be bank-owned with business model predicated on generating low-cost funding to support spread income
 - Competitors are capital-light, EBIT-driven businesses focused on maximizing fee revenue / assets under administration
 - interLINK is differentiated as a lower cost alternative with superior white glove service and credibility as a reliable operator

Total Addressable Market



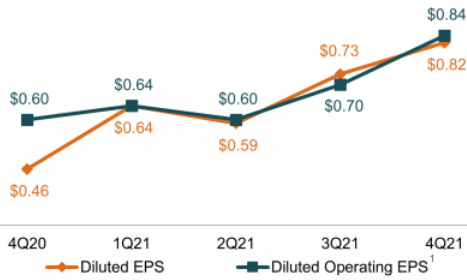
How Deposits Are Sourced



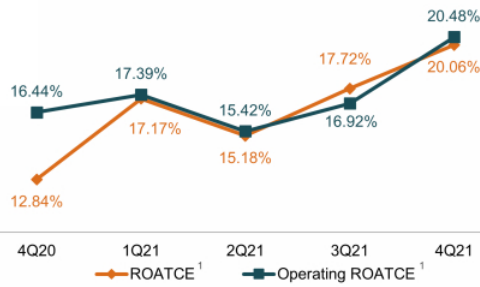
¹ Takes into account single bank pass-through FDIC insurance coverage to underlying broker/dealer customers. Post-closing, interLINK platform to operate within Veritex Community Bank. Expect that deposits allocated by interLINK platform to Veritex Community Bank swept to unaffiliated banks in network. Note: Total addressable market per Moody's estimations using market participants as proxy. Source: Company management, and Moody's

Key Financial Highlights

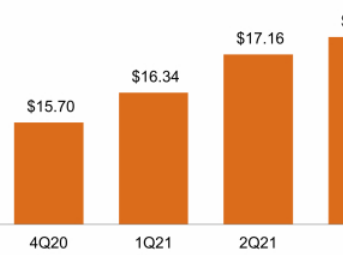
Diluted EPS (\$)



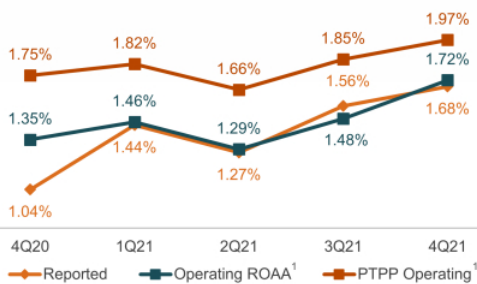
Return on Average Tangible Common Equity (%)¹



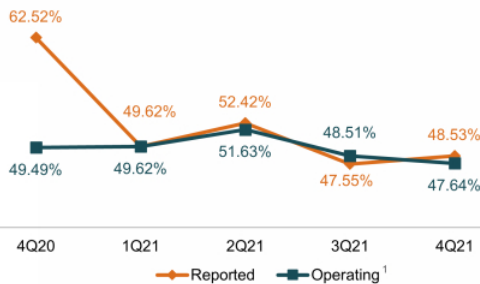
Tangible Book Value per Common Share



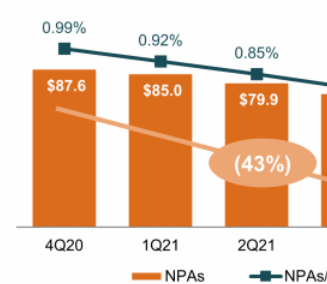
ROAA (%)



Efficiency Ratio (%)

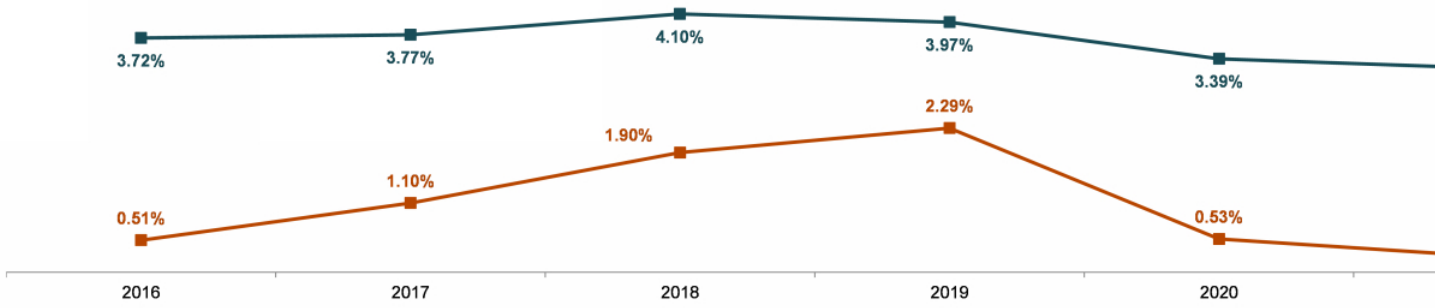


NPAs / Total Assets (%)



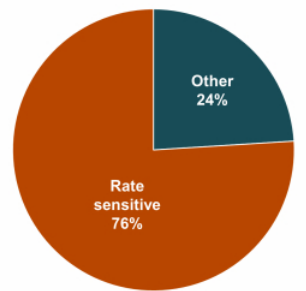
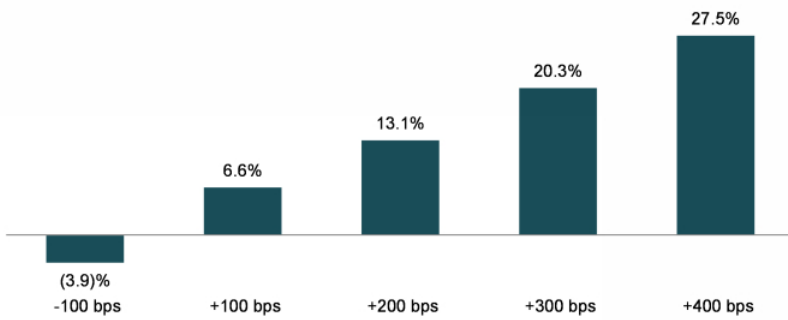
¹ Please refer to the "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures

Positioned to Benefit from Higher Rates



Estimated Sensitivity of Net Interest Income (%)

Rate Sensitive Loans as a Percent of Total Loans



¹ Rate sensitive loans reflects loans re-pricing in the next 12 months. Total loans excludes \$26.1 million of Loans Held for Sale, \$565.6 million Mortgage Warehouse loans and \$53.4 million of PPP loans; Note: Financial data as of December 31, 2021

Our 2021 Transactions Bolstering Our Lending Capabilities

Thrive Mortgage Investment and North Avenue Capital Acquisition Highlights

Thrive Mortgage, LLC

Completed 49% Investment on July 19, 2021

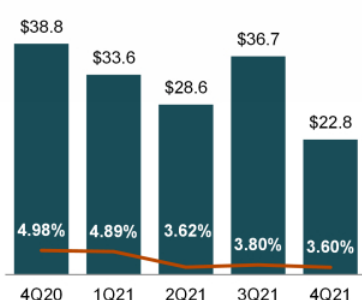
Company Background:

- ◇ 25 year-old company operating out of Georgetown, TX
- ◇ Originates, underwrites, and sells mortgages of all types
- ◇ First company in Texas to close a fully electronic note with a remote notary
- ◇ Markets include TX, OH, CO, KY, NC, KS, VA, FL, MD and IN

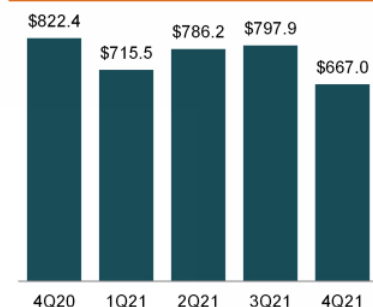
Investment Summary and Strategic Rationale:

- ◇ Acquired 49% stake in Thrive Mortgage, LLC for \$53.9 million in cash
- ◇ VBTX obtained one board seat
- ◇ Deploys excess liquidity and capital, while preserving bandwidth for other core growth opportunities
- ◇ Accounted for as an equity method investment

Income (\$M) and GOS (%)



Total Volume (\$M)



North Avenue Capital, LLC

Completed Acquisition on November 1, 2021

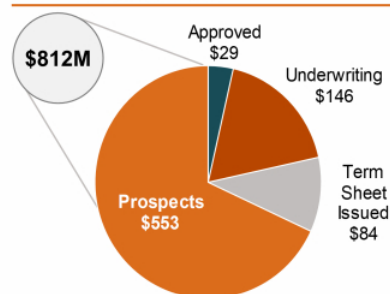
Company Background:

- ◇ Founded in 2015, North Avenue Capital ("NAC") is a regulated, non-deposit guaranteed lender
- ◇ Originates and services loans primarily through the USDA Business & Ind loan program
- ◇ Headquartered in Ponte Vedra, FL with regional offices in GA, NV and TX

Investment Summary and Strategic Rationale:

- ◇ Meaningful strategic expansion into the fragmented USDA lending space
- ◇ Has led to a diversification of Veritex's revenue streams
- ◇ Enhanced profitability outlook
- ◇ Strong cultural fit

Full Loan Pipeline (\$M)¹



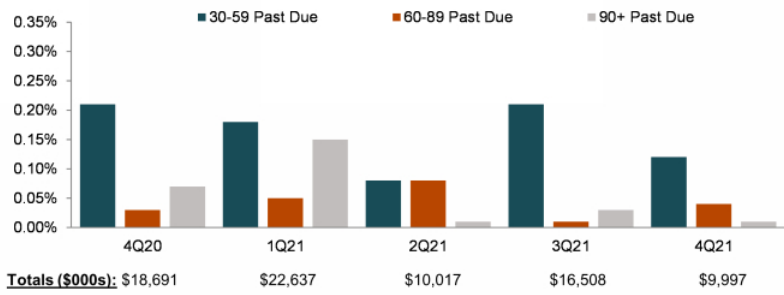
Net Income (\$M)



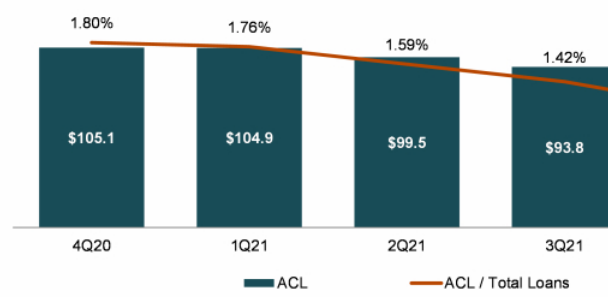
¹ As of February 2022

Asset Quality and ACL

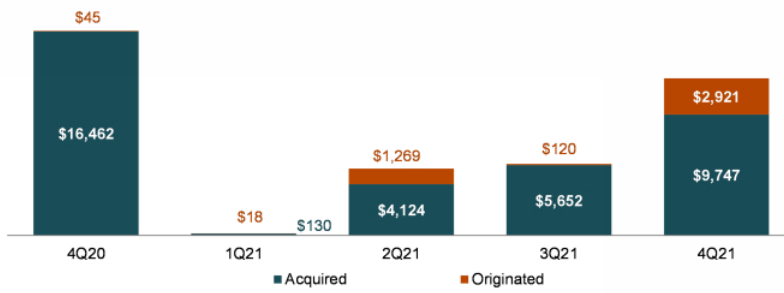
Past Due¹ Trends % of Total Loans²



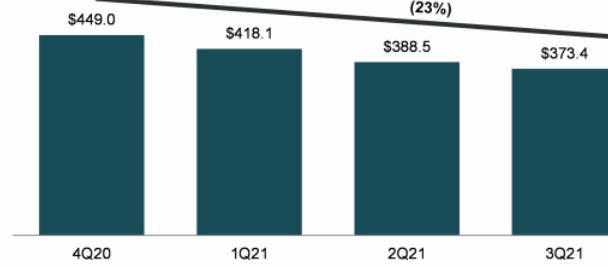
ACL / Total Loans² (\$M)



Net Charge-Offs (\$000s)



Quarterly Criticized Loans (Excluding PCD Loans)



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, Mortgage Warehouse and PPP loans

Non-GAAP Financial Measures Disclaimer

Veritex reports its results in accordance with United States generally accepted accounting principles ("GAAP"). However, management believes that certain supplemental measures used in managing its business provide meaningful information to investors about underlying trends in its business. Management uses these non-GAAP measures to assess operating performance and believes that these non-GAAP measures provide information that is important to investors and that is useful in understanding Veritex's results of operations. 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. The following are the non-GAAP measures used in this presentation:

- 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 share ("EPS");
- Operating return on average assets ("ROAA");
- PTPP operating ROAA;
- Operating ROATCE;
- Operating efficiency ratio;
- Operating noninterest income; and
- Operating noninterest expense.

Reconciliation of Non-GAAP Financial Measures

| (Dollars in Thousands, Except per Share Data) | As of | | | |
|---|------------------|------------------|------------------|------------------|
| | 31-Dec-2021 | 30-Sep-2021 | 30-Jun-2021 | 31-Mar-2021 |
| Tangible Common Equity | | | | |
| Total Stockholders' Equity | \$1,315,079 | \$1,284,160 | \$1,272,907 | \$1,233,808 |
| Adjustments | | | | |
| Goodwill | \$(403,771) | \$(370,840) | \$(370,840) | \$(370,840) |
| Core Deposit Intangibles | (47,998) | (50,436) | (52,873) | (55,311) |
| Tangible Common Equity | \$863,310 | \$862,884 | \$849,194 | \$807,657 |
| Common Shares Outstanding | 49,372 | 49,229 | 49,498 | 49,433 |
| Book Value per Common Share | 26.64 | 26.09 | 25.72 | 24.96 |
| Tangible Book Value per Common Share | 17.49 | 17.53 | 17.16 | 16.34 |

| (Dollars in Thousands) | As of | | | |
|--|--------------------|--------------------|--------------------|--------------------|
| | 31-Dec-2021 | 30-Sep-2021 | 30-Jun-2021 | 31-Mar-2021 |
| Tangible Common Equity | | | | |
| Total Stockholders' Equity | \$1,315,079 | \$1,284,160 | \$1,272,907 | \$1,233,808 |
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| Core Deposit Intangibles | (47,998) | (50,436) | (52,873) | (55,311) |
| Tangible Common Equity | \$863,310 | \$862,884 | \$849,194 | \$807,657 |
| Tangible Assets | | | | |
| Total Assets | \$9,757,249 | \$9,572,300 | \$9,349,525 | \$9,237,510 |
| Adjustments | | | | |
| Goodwill | \$(403,771) | \$(370,840) | \$(370,840) | \$(370,840) |
| Core Deposit Intangibles | (47,998) | (50,436) | (52,873) | (55,311) |
| Tangible Assets | \$9,305,480 | \$9,151,024 | \$8,925,812 | \$8,811,359 |
| Tangible Common Equity to Tangible Assets | 9.28% | 9.43% | 9.51% | 9.17% |

Reconciliation of Non-GAAP Financial Measures

| (Dollars in thousands) | For the Quarter Ended | | | | | For the |
|---|-----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | 31-Dec-2021 | 30-Sep-2021 | 30-Jun-2021 | 31-Mar-2021 | 31-Dec-2020 | 31-Dec-2021 |
| Pre-Tax, Pre-Provision Operating Earnings | | | | | | |
| Net Income | \$41,506 | \$36,835 | \$29,456 | \$31,787 | \$22,801 | \$139,584 |
| Plus: Provision for Income Taxes | 10,697 | 9,195 | 7,837 | 8,993 | 4,702 | 36,722 |
| Plus: (Benefit) Provision for Credit Losses and Unfunded Commitments | (4,389) | (448) | 577 | (570) | 902 | (4,830) |
| Plus: Severance Payments ¹ | – | – | 627 | – | – | 627 |
| Plus: Loss (Gain) on Sale of Securities, Net | – | 188 | – | – | 256 | 188 |
| Plus: Debt Extinguishment Costs ² | – | – | – | – | 9,746 | 1,912 |
| Less: Thrive PPP Loan Forgiveness ³ | – | 1,912 | – | – | – | – |
| Plus: Merger and Acquisition Expenses | 826 | – | – | – | – | 826 |
| Net Pre-tax, Pre-provision Operating Earnings | \$48,640 | \$43,858 | \$38,497 | \$40,210 | \$38,407 | \$171,205 |
| Average Total Assets | \$9,788,671 | \$9,385,470 | \$9,321,279 | \$8,941,271 | \$8,750,141 | \$9,361,578 |
| Pre-tax, Pre-provision Operating Return on Average Assets⁴ | 1.97% | 1.85% | 1.66% | 1.82% | 1.75% | 1.83% |
| Average Total Assets | \$9,788,671 | \$9,385,470 | \$9,321,279 | \$8,941,271 | \$8,750,141 | \$9,361,578 |
| Return on Average Assets ⁴ | 1.68% | 1.56% | 1.27% | 1.44% | 1.04% | 1.49% |
| Operating Return on Average Assets ⁴ | 1.72% | 1.48% | 1.29% | 1.46% | 1.35% | 1.49% |
| Operating Earnings Adjusted for Amortization of Core Deposit Intangibles | | | | | | |
| Operating Earnings | \$42,410 | \$35,072 | \$29,952 | \$32,213 | \$29,730 | \$139,647 |
| Adjustments: | | | | | | |
| Plus: Amortization of Core Deposit Intangibles | 2,438 | 2,438 | 2,438 | 2,447 | 2,451 | 9,761 |
| Less: Tax Benefit at the Statutory Rate | 512 | 512 | 512 | 514 | 515 | 2,050 |
| Operating Earnings Adjusted for Amortization of Core Deposit Intangibles | \$44,336 | \$36,998 | \$31,878 | \$34,146 | \$31,666 | \$147,358 |

¹ Severance payments relate to branch restructurings made during the three months ended June 30, 2021; ² Debt extinguishment costs relate to prepayment penalties paid in connection with the early payoff of FHLB structured advances; ³ During the third quarter of 2021, a loan of \$1.9 million was forgiven by the SBA. As a result of our 49% investment in Thrive, the \$1.9 million represents our portion of the PPP loan forgiveness. PPP fee income is not taxable and as such has no tax impact; ⁴ Annualized ratio for quarterly

Reconciliation of Non-GAAP Financial Measures

| (Dollars in Thousands) | For the Quarter Ended | | | | | For the |
|---|-----------------------|------------------|------------------|------------------|------------------|------------------|
| | 31-Dec-2021 | 30-Sep-2021 | 30-Jun-2021 | 31-Mar-2021 | 31-Dec-2020 | 31-Dec-2021 |
| Average Tangible Common Equity | | | | | | |
| Total Average Stockholders' Equity | \$1,301,676 | \$1,290,528 | \$125,431 | \$1,224,294 | \$1,196,274 | \$1,267,992 |
| Adjustments | | | | | | |
| Average Goodwill | \$(393,220) | \$(370,840) | \$(370,840) | \$(370,840) | \$(370,840) | \$(376,480) |
| Average Core Deposit Intangibles | 49,596 | (52,043) | (54,471) | (56,913) | (59,010) | (53,233) |
| Average Tangible Common Equity | \$858,860 | \$867,645 | \$829,060 | \$796,541 | \$766,424 | \$838,279 |
| Operating Return on Average Tangible Common Equity¹ | 20.48% | 16.92% | 15.42% | 17.39% | 16.44% | 17.58% |
| Efficiency Ratio | 48.53% | 47.55% | 52.42% | 49.62% | 62.52% | 49.45% |
| Net Interest Income | \$76,741 | \$71,276 | \$67,131 | \$65,635 | \$66,766 | \$280,783 |
| Noninterest Income | 16,510 | 15,627 | 12,456 | 14,172 | 9,012 | 58,405 |
| Plus: Loss (Gain) on Sale of Securities Available for Sale, Net | – | 188 | – | – | 256 | 188 |
| Less: Thrive PPP Loan Forgiveness Income ² | – | 1,912 | – | – | – | 1,912 |
| Operating Noninterest Income | 16,150 | 13,903 | 12,456 | 14,172 | 9,268 | 56,681 |
| Noninterest Expense | 45,077 | 41,321 | 41,717 | 39,597 | 47,373 | 167,712 |
| Less: Severance Payments ³ | – | – | 627 | – | – | 627 |
| Less: Debt Extinguishment Costs ⁴ | – | – | – | – | 9,746 | – |
| Plus: Merger and Acquisition Expenses | 826 | – | – | – | – | 826 |
| Operating Noninterest Expense | \$44,251 | \$41,321 | \$41,090 | \$39,597 | \$37,627 | \$166,259 |
| Operating Efficiency Ratio | 47.64% | 48.51% | 51.63% | 49.62% | 49.49% | 49.27% |

¹ Annualized ratio for quarterly metrics; ² During the third quarter of 2021, Thrive's PPP loan with another bank was 100% forgiven by the SBA. As a result of our 49% investment in Thrive, the \$1.9 million represents our portion of the PPP loan forgiveness. F as such has no tax impact; ³ Severance payments relate to branch restructurings made during the three months ended June 30, 2021; ⁴ Debt extinguishment costs relate to prepayments penalties paid in connection with the early payoff of FHLB structured a

Reconciliation of Non-GAAP Financial Measures

| (Dollars in Thousands) | For the Quarter Ended | | | | | For the |
|---|-----------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | 31-Dec-2021 | 30-Sep-2021 | 30-Jun-2021 | 31-Mar-2021 | 31-Dec-2020 | 31-Dec-2021 |
| Operating Noninterest Income | | | | | | |
| Noninterest Income | \$16,150 | \$15,627 | \$12,456 | \$14,172 | \$9,012 | \$58,405 |
| Plus: Loss (Gain) on Sale of Securities Available for Sale, Net | - | 188 | - | - | 256 | 188 |
| Less: Thrive PPP Loan Forgiveness Income ¹ | - | 1,912 | - | - | - | 1,912 |
| Operating Noninterest Income | \$16,150 | \$13,903 | \$12,456 | \$14,172 | \$9,268 | \$56,681 |
| Operating Noninterest Expense | | | | | | |
| Noninterest Expense | \$45,077 | \$41,321 | \$41,717 | \$39,597 | \$47,373 | \$167,712 |
| Less: Severance Payments ² | - | - | 627 | - | - | 627 |
| Less: FHLB Prepayment Fees | - | - | - | - | 9,746 | - |
| Less: Merger and Acquisition Expenses | 826 | - | - | - | - | 826 |
| Operating Noninterest Expense | \$44,251 | \$41,321 | \$41,090 | \$39,597 | \$37,627 | \$166,259 |

¹ During the third quarter of 2021, Thrive's PPP loan with another bank was 100% forgiven by the SBA. As a result of our 49% investment in Thrive, the \$1.9 million represents our portion of the PPP loan forgiveness. PPP fee income is not taxable and as such payments relate to branch restructurings made during the three months ended June 30, 2021