

**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): May 5, 2021

**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

The attached presentation contains information that the members of Veritex Holdings, Inc. (the "Company" or "Veritex") management will use during visits with investors, analysts, and other interested parties to assist their understanding of the Company from time to time throughout the second quarter of 2021.

As provided in General Instruction B.2 to Form 8-K, the information furnished in Item 7.01 and 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, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

#### Forward Looking Statement

This Current Report on Form 8-K contains certain "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 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 anticipated closing of the Company's investment in Thrive, the expected payment date of the Company's quarterly cash dividend, the impact of certain changes in the Company's accounting policies, standards and interpretations, the effects of the COVID-19 pandemic and actions taken in response thereto, the Company'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," "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 the Company's Annual Report on Form 10-K for the year ended December 31, 2020 and any updates to those risk factors set forth in the Company'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](http://www.sec.gov). If one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may differ materially from what the Company 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. The Company does not undertake any obligation, and specifically declines any obligation, to 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 the Company or persons acting on the Company's behalf may issue.

#### Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
<u>99.1</u>	<u>Presentation materials, dated May 5, 2021</u>
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: May 5, 2021



# VBTX

Veritex Holdings, Inc.

---

# Franchise Overview



## Overview

- 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, predominantly in Texas

## Footprint<sup>1</sup>



<sup>1</sup> One branch in Kentucky, not shown on the map.  
<sup>2</sup> Please refer to "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures.  
<sup>3</sup> Total Loans Held for Investment excludes mortgage warehouse and Paycheck Protection Program ("PPP") loans.  
<sup>4</sup> Net charge-offs for the quarter ended March 31, 2021.

## Company Highlights

Market Cap (April 28, 2021)	\$1.63 B
Total Texas Branches	39

## First Quarter 2021

ROAA	1.44%
PTPP ROAA <sup>2</sup>	1.82%
ROAE	10.53%
Operating ROATCE <sup>2</sup>	17.39%
Efficiency Ratio	49.62%

## Balance Sheet

Total Assets (\$mm)	\$9,238
Total Loans Held for Investment <sup>3</sup> (\$mm)	\$5,963
Total Deposits (\$mm)	\$6,905

## Asset Quality

NCO / Average Loans <sup>4</sup>	0.00%
NPAs / Total Assets	0.92%
ACL / Total Loans Held for Investment <sup>3</sup>	1.76%

## Consolidated Capital Ratios

Common Equity / Assets	13.36%
TCE / TA <sup>4</sup>	9.17%
CET1 Ratio	9.27%
Leverage Ratio	9.50%
Tier 1 Capital Ratio	9.61%
Total Capital Ratio	13.38%



## Franchise Overview (cont.)

- **Experienced management team**
  - 35 years average banking experience
- **Strong presence in Dallas and Houston**
  - Texas is experiencing continued strong population inflow – population growth is nearly double the U.S. average
  - Significant growth opportunities within our footprint
- **Scarcity value**
  - 3<sup>rd</sup> largest bank solely focused on major Texas MSAs
- **Excellent core earnings profile has supported reserves**
  - 1.82% PTPP ROAA<sup>1</sup> for 1Q21 and 1.76% ACL / Total Loans HFI
- **Strong capital levels<sup>2</sup>**
  - 9.27% common equity tier 1 ratio
  - 13.38% total risk-based capital ratio
- **Steady balance sheet growth<sup>2</sup>**
  - Total loans, excluding PPP, increased \$137.0 million, or 8.65% linked quarter annualized
  - Total deposits grew \$391.7 million, or 24.0% linked quarter annualized
  - Total demand deposits grew \$231.2 million, or 31.3% linked quarter annualized
- **Track record of successfully integrating acquisitions**

<sup>1</sup> Please refer to "Reconciliation of Non-GAAP Financial Measures" at the end of this presentation for a description and reconciliation of these non-GAAP financial measures.  
<sup>2</sup> Financial data as of March 31, 2021.

# Scarcity Value in Texas Metro Markets



Includes all U.S. banks headquartered in Texas; sorted by Total Assets

Indicates banks with less than 75% of deposits in major Texas MSAs

	Company Name	Ticker	Total Assets (\$mm)	Texas Metro Deposits <sup>1</sup> / Company Total Deposits (%)
1	Comerica Incorporated	CMA	84,397	15.0%
2	<b>Cullen/Frost Bankers, Inc.</b>	<b>CFR</b>	<b>39,378</b>	<b>87.4</b>
3	<b>Texas Capital Bancshares, Inc.</b>	<b>TCBI</b>	<b>36,613</b>	<b>100.0</b>
4	Prosperity Bancshares, Inc.	PB	32,967	56.1
5	Cadence Bancorporation	CADE	18,858	36.3
6	Independent Bank Group, Inc.	IBTX	16,986	69.4
7	Hilltop Holdings Inc.	-	16,934	73.0
8	International Bancshares Corporation	IBOC	13,325	19.0
9	First Financial Bancshares, Inc.	FFIN	10,340	30.1
10	Beal Financial Corporation	-	10,059	24.8
11	<b>Veritex Holdings, Inc.</b>	<b>VBTX</b>	<b>8,588</b>	<b>98.9</b>
12	Southside Bancshares, Inc.	SBSI	7,330	24.6
13	Amarillo National Bancorp, Inc.	-	6,717	0.9
14	<b>Allegiance Bancshares, Inc.</b>	<b>ABTX</b>	<b>5,837</b>	<b>96.7</b>
15	Triumph Bancorp, Inc.	TBK	5,617	41.2
16	Industry Bancshares, Inc.	-	4,916	29.0
17	<b>Broadway Bancshares, Inc.</b>	<b>-</b>	<b>4,554</b>	<b>95.9</b>
18	Happy Bancshares, Inc.	-	4,549	9.1
19	<b>ANB Corporation</b>	<b>-</b>	<b>3,960</b>	<b>96.3</b>
20	CBTX, Inc.	-	3,902	58.4

Source: S&P Global and FDIC Summary of Deposits. Data as of 6/30/2020.  
<sup>1</sup> Texas metro markets includes Austin MSA, Dallas-Fort Worth MSA, Houston MSA, and San Antonio MSA.



## Well Positioned in Attractive Texas Markets

• Despite the COVID-19 pandemic, Texas remains one of the more attractive states in the U.S. from a demographic and commercial opportunity perspective:

- Population growth expected to more than double U.S. average
- If Texas were a sovereign nation, it would rank the **9<sup>th</sup>** largest economy **in the world** based on GDP, ahead of Australia, Mexico, Spain, Russia and many others
- Pro-business environment with **no** personal or corporate income taxes and is the leading destination for companies relocating from other states
- Behind Texas' strong economy are **50 Fortune 500** companies headquartered in Texas, more than 1,500 foreign companies and 2.4 million small businesses
- Texas is the **#1** exporting state in the nation for the 18<sup>th</sup> consecutive year, exporting \$331 billion in goods in 2019
- **14.1 million** in the Texan workforce, representing the second largest civilian workforce in the U.S.

Source: Texas Office of the Governor (Economic Development and Tourism)

	MSA Deposits (\$ in billion) (Top 25 Rank <sup>1</sup> )	2021-2026 Est. Pop. Growth (Top 25 Rank <sup>1</sup> )	2021-2026 Est. HHI Growth (Top 25 Rank <sup>1</sup> )
Houston, TX	\$368 (#8)	7.6% (#2)	3.8% (#25)
DFW	\$670 (#3)	7.5% (#3)	11.9% (#9)
Texas	\$1,428	6.8%	6.6%
<b>United States</b>	<b>\$13,768</b>	<b>2.9%</b>	<b>9.0%</b>

Source: FDIC, S&P Global Market Intelligence, <sup>1</sup>Represents Houston and DFW rank amongst the Top 25 largest U.S. MSAs by population

### Job Growth is the Primary Demand Driver for Office Space

#### Top 5 MSAs Office Job Growth<sup>1</sup>

1. Austin
2. DFW
3. Northern Virginia
4. Denver
5. Houston

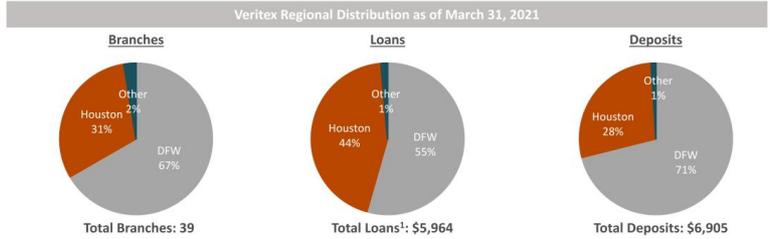
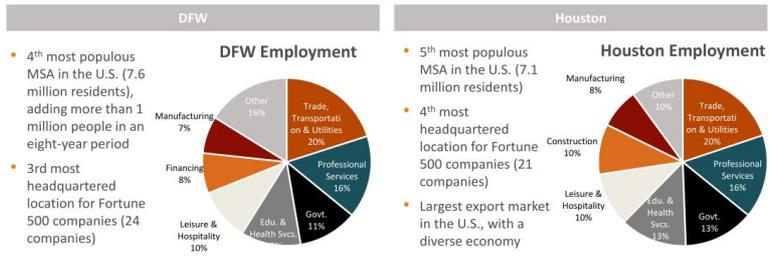
Top 5 MSAs avg. Office Job Growth **(0.71%)**

National MSAs avg. Office Job Growth **(4.74%)**

<sup>1</sup> Rolling 3-month basis as of July 31, 2020. Source: BLS, D.A. Davidson & Co.



# Well Positioned in Attractive Texas Markets



Source: Texas Workforce Commission, Greater Houston Partnership  
<sup>1</sup> Excludes mortgage warehouse and PPP loans

# Well Positioned in Attractive Texas Markets



## Organic Growth

- Highly productive origination teams actively generating loans and deposits and serving as the primary point of contact for our customers
  - Private and business bankers focus on emerging and small business customers
  - Commercial and specialty bankers focus on C&I, real estate, mortgage warehouse and SBA loans
- Continue to drive increasing productivity of existing bankers through balanced scorecard incorporating loan & deposit growth, spread and credit
  - “Inspect what you expect”
  - Weighted toward deposit generation
- Strong organic growth has been a major focus of management since inception

## Strategic Acquisitions

- Strategic M&A has been an important growth driver
- Disciplined acquisition strategy to supplement organic growth
- Since 2010:
  - Completed 7 whole-bank transactions
  - Acquired \$4.4 billion in loans
  - Acquired \$4.7 billion in deposits



## Proven Track Record as a Strategic Acquirer



### Overview

- Selective use of strategic acquisitions to augment growth and efficient scale
- Focused on well-managed banks in our target markets with:
  - Favorable market share
  - Low-cost deposit funding
  - Compelling fee income generating business
  - Growth potential
  - Other unique attractive characteristics
- Key metrics used when evaluating acquisitions:
  - EPS accretion
  - TBVPS earn-back
  - IRR
- Reputation as an experienced acquirer
- We expect to maintain discipline in pricing and pursue transactions expected to produce attractive risk adjusted returns
- We strive to build, maintain and support Veritex culture during integrations

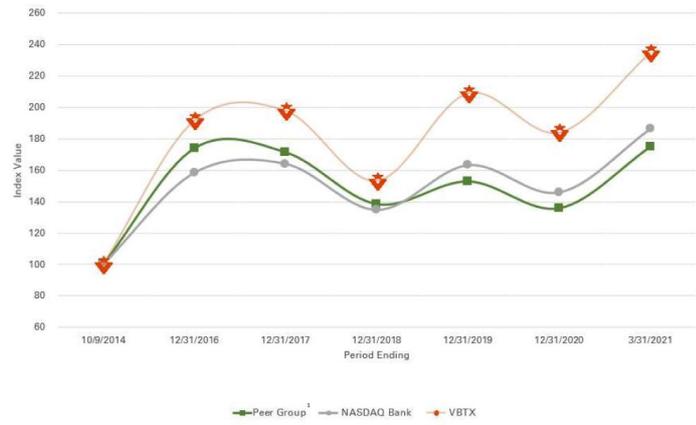
### Acquisition History

Date	Target	Loans	Branches
Sept. 2010	Professional	\$91.7	3
Mar. 2011	Fidelity	\$108.1	3
Oct. 2011	Bank of Las Collinas	\$40.4	1
July 2015	Independent Bank	\$88.5	2
Aug. 2017	Sovereign	\$752.5	9
Dec. 2017	Liberty	\$312.6	5
Jan. 2019	Green	\$3,254.9	21

# Stock Performance History



Comparison of Cumulative Total Return



<sup>1</sup> Our peer group includes Allegiance Bancshares, Inc., Bancfirst Corporation, Cadence Bancorp LLC, CBTX, Inc., CVB Financial Corp., Eagle Bancorp, Inc., First Financial Bankshares, Inc., Origin Bancorp, Inc., Hilltop Holdings, Inc., Independent Bank Group, Inc., Servisfirst Bancshares, Inc., Simmons First National Corporation, Southside Bancshares, Inc. Pacific Premier Bancorp, Inc and Independent Bank Corporation.

## Analyst Remain Bullish Post 1Q21 Earnings



Firm	Rating	Price Target	2021 Estimate	2022 Estimate
Raymond James & Associates	Strong Buy	\$41.00	\$2.52	\$2.55
Keefe Bruyette & Woods	Outperform	\$40.00	\$2.43	\$2.50
Piper Sandler	Overweight	\$40.00	\$2.50	\$2.65
D.A. Davidson & Co.	Buy	\$40.00	\$2.51	\$2.59
Stephens Inc.	Overweight	\$39.00	\$2.47	\$2.44
<b>Consensus</b>		\$40.00	\$2.49	\$2.55



## Analyst Remain Bullish Post 1Q21 Earnings

### **VBTX : "Thrive"ing in Challenging Environment**

Michael Rose, CFA; Raymond James & Associates

"We continue to view risk-reward positively given solid PTPP profitability projections (bolstered by Thrive Investment), NIM expansion, solid loan growth, and capital flexibility. We believe a premium multiple vs. peers is warranted given solid profitability profile, loan growth potential, and increasing franchise/scarcity value."

### **VBTX : Announces Accretive Thrive Mortgage Deal Alongside 1Q21; EPS/PT Going Higher**

Brady Gailey, CFA; Keefe Bruyette & Woods

"Along with impressive 1Q21 results, we are fans of the Thrive deal announcement as it is EPS accretive without any TBV dilution, increases fee income for VBTX, and will improve profitability. We agree with VBTX's assessment of its M&A optionality in today's landscape and looking forward to see how M&A plays out through the year."

### **VBTX : Increasing Estimates & Price Target**

Brad Millsaps, CFA; Piper Sandler

"VBTX remains one of our favorite names for investors seeking exposure to growth oriented banks in Texas as we continue to believe that VBTX should report relatively better loan and earnings growth than peers given a number of new lending hires and strength in the Texas economy."

### **VBTX : Positive Revision on Solid Result and Thrive Investment**

Gary Tenner, CFA; D.A. Davidson & Co.

"Raising estimates, maintaining BUY rating and raising price target from \$38 to \$40. Increases are largely driven by a lower provision estimate for all periods, and increased revenue, related primarily to the pending investment in Thrive Mortgage."

### **VBTX : Standout 1Q21 Results**

Matt Olney, CFA; Stephens Inc.

"Our positive EPS revision in 2022 (+13% to \$2.44) is broad based and includes higher fees, better loan growth along with lower LLP expense. From a strategic view, the Thrive Mortgage acquisition will provide a counter-cyclical revenue stream to balance the company's asset sensitive balance sheet."

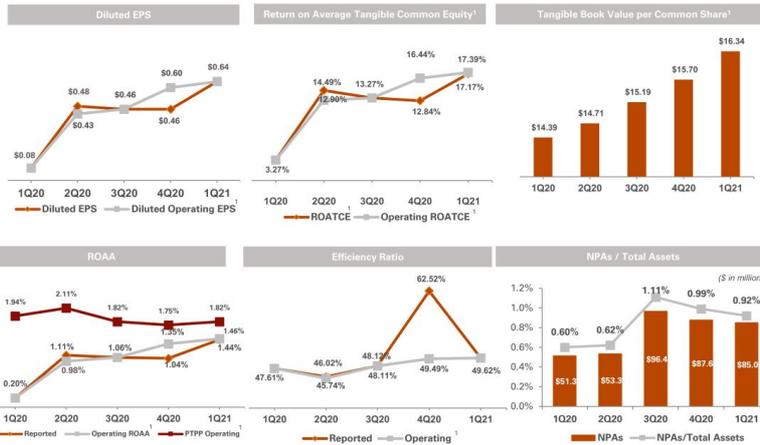
# First Quarter 2021 Overview



<b>Strong Earnings</b>	<ul style="list-style-type: none"><li>• Net income of \$31.8 million, or \$0.64 diluted earnings per share ("EPS"), for 1Q21 compared to \$22.8 million, or \$0.46 diluted EPS, for 4Q20</li><li>• Operating net income<sup>1</sup> of \$32.2 million, or \$0.64 diluted operating EPS<sup>1</sup> for 1Q21 compared to \$29.7 million, or \$0.60 diluted operating EPS, for 4Q20</li><li>• Operating ROATCE<sup>1</sup> increased to 17.39% in 1Q21 compared to 16.44% in 4Q20</li></ul>
<b>Loan and Deposit Growth</b>	<ul style="list-style-type: none"><li>• Total loans, excluding Paycheck Protection Program ("PPP") loans, increased \$137.0 million, or 8.6% linked quarter annualized ("LQA"). Excluding PPP and mortgage warehouse ("MW"), total loans grew 7.9% LQA</li><li>• Total deposits grew \$391.7 million, or 24.0% LQA</li><li>• Average cost of total deposits decreased to 0.31% for 1Q21 from 0.38% for 4Q20</li></ul>
<b>Capital</b>	<ul style="list-style-type: none"><li>• Tangible book value per common share increased to \$16.34 from \$15.70 at December 31, 2020</li><li>• Declared quarterly dividend of \$0.17 in 1Q21</li><li>• Repurchased 147,622 shares during 1Q21 at an average price of \$25.92 and extended the expiration date of the stock buyback program to December 31, 2021</li></ul>

<sup>1</sup> 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.

# Key Financial Metrics



<sup>1</sup> 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.



# Net Interest Income

(\$ in millions)



- Net interest income of \$65.6 million, down \$1.2 million from 4Q20 primarily driven by a decrease in the number of days in 1Q21 compared to 4Q20
- Average earning assets grew \$191.4 million, or 9.5% LQA, during 1Q21
- 1Q21 weighted average loan production rate of 3.64%, excluding MW loans
- 1Q21 weighted average interest-bearing deposit rate of 25 bps on production

## Average Earning Assets

(\$ in millions)



## Net Interest Income Rollforward

<b>4Q20 Net Interest Income</b>	<b>66,766</b>
Day Count	< 1,451 >
Purchase Accounting Accretion	< 755 >
Loan Rates	< 510 >
Deposit Volume	< 393 >
Deposit Rates	1,128
Loan Volume	721
Other changes	129
<b>1Q21 Net Interest Income</b>	<b>65,635</b>

<sup>1</sup> 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.



## Interest Rate Risk

- Loans, excluding PPP, totaled \$6.4 billion at December 31, 2020
- Loan portfolio 69% (\$4.5 billion) variable at December 31, 2020 (excludes PPP)
  - 70% of variable loans are LIBOR-based
    - 86% of the LIBOR loans are tied to 1 month LIBOR; 14% of the LIBOR loans are tied to 1 year LIBOR
  - 30% of variable loans are tied to WSJ Prime

- Net Interest Income at risk from rate shocks

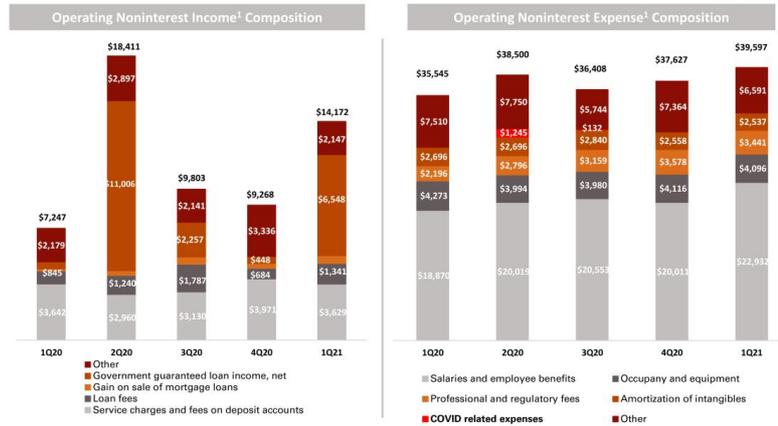
		12/31/2020	3/31/2021
Year 1	+100 Shock	5.40%	4.77%
	+200 Shock	12.10%	10.33%
Year 2	+100 Shock	8.30%	5.43%
	+200 Shock	17.10%	11.48%

- Risk to Veritex is rates falling or staying lower for longer
  - To compensate for this risk, the following actions were taken in 1Q21:
    - Terminated \$500 million forward starting 10 year swap at a gain of \$43 million that will be recognized on a straight-line basis starting March 2022
    - Initiated \$375 million of average 8 year received fixed / pay variable swaps (receive 131 bps, pay 1 month LIBOR)

# Operating Noninterest Inc./Exp.



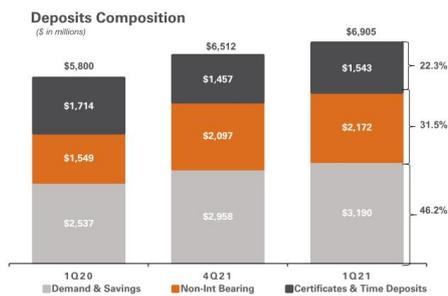
(\$ in thousands)



<sup>1</sup> 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.



# Deposit Growth

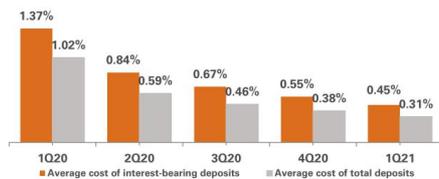


- Total deposit balances increased \$392 million, or 24% LOA<sup>1</sup>, and increased \$1.1 billion, or 19% YOY<sup>1</sup>

	LQA	YOY
Demand & Savings	+31.3%	+25.7%
Non-Int Bearing	+14.2%	+40.2%
Certificates and Time Deposits	+23.6%	-10.0%

- Total deposit cost down 7 bps compared to 4Q20 due to pricing diligence and product mix
- Excluding MW and PPP loans, the loan to deposit ratio was 86.4% at March 31, 2021 compared to 89.8% at December 31, 2020

## Cost of Interest-bearing Deposits and Total Deposits



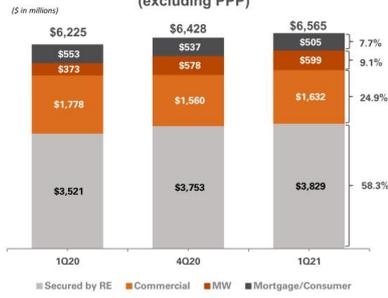
<sup>1</sup> Linked quarter annualized ("LQA"), Year-over-year ("YOY")

## Certificates & Time Maturity Table

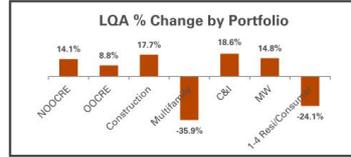
	Balance (\$000)	WA Rate
Q2 2021	419,368	0.88%
Q3 2021	289,208	0.73%
Q4 2021	214,176	0.77%
Q1 2022	260,384	0.60%
Q2 2022	47,601	0.73%
Q3 2022	118,958	0.35%
Q4 2022	63,972	0.47%
Q1 2023	88,435	0.44%
Q2 2023 +	41,056	1.81%
<b>Total</b>	<b>1,543,158</b>	<b>0.73%</b>

# Loan Growth

Loans Held for Investment (excluding PPP)



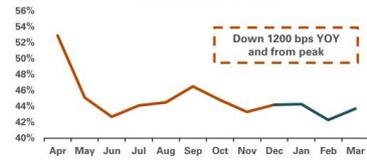
Total loans, excluding PPP and MW, increased \$116.0 million, or 7.9% LQA, and increased \$114.1 million, or 2.0% YOY



CRE ADC Construction LOC Unfunded (Non Revolving)



Revolving C&I Utilization



# PPP Update



ROUND 1 UPDATE					
Loan Origination Pool	Fair Value of Total Funded (in thousands)	# of Loans	Fair Value of Loans Forgiven (in thousands)	% Forgiven	\$ Fee Collected in 2020 (in millions)
< \$50,000	\$ 23,569	1,118	\$ 5,079	24%	\$ 1.2
\$50,001 - \$150,000	\$ 52,086	591	\$ 14,797	28%	\$ 2.6
\$150,001 - \$350,000	\$ 71,368	314	\$ 31,702	44%	\$ 3.6
\$350,000 - \$2,000,000	\$ 143,395	210	\$ 85,052	57%	\$ 4.3
> \$2,000,000	\$ 115,047	32	\$ 7,124	6%	\$ 1.1
<b>TOTAL</b>	<b>\$ 405,465</b>	<b>2,265</b>	<b>\$ 143,754</b>	<b>36%</b>	<b>\$ 12.8</b>

ROUND 2 UPDATE					
Loan Origination Pool	Fair Value of Total Funded (in thousands)	# of Loans	Fair Value of Loans Forgiven	% Forgiven	\$ Fee Collected in 2021 (in millions)
< \$50,000	\$ 10,809	459	-	-	\$ 1.1
\$50,001 - \$150,000	\$ 25,306	278	-	-	\$ 1.3
\$150,001 - \$350,000	\$ 29,744	135	-	-	\$ 1.5
\$350,000 - \$2,000,000	\$ 79,783	97	-	-	\$ 2.4
<b>TOTAL</b>	<b>\$ 145,642</b>	<b>969</b>	<b>-</b>	<b>-</b>	<b>\$ 6.3</b>

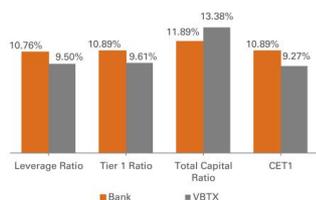
1Q21 Remaining Valuation Allowance = \$2.1 Million



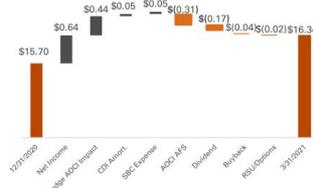
# Capital Build

(\$ in thousands)	March 31, 2021	December 31, 2020	\$ Change
<b>Basel III Standardized<sup>1</sup></b>			
CET1 capital	\$ 779,057	\$ 753,261	\$ 25,796
CET1 capital ratio	9.3%	9.3%	
Leverage capital	\$ 808,338	\$ 782,487	\$ 25,851
Leverage capital ratio	9.5%	9.4%	
Tier 1 capital	\$ 808,338	\$ 782,487	\$ 25,851
Tier 1 capital ratio	9.6%	9.7%	
Total capital	\$ 1,124,859	\$ 1,099,031	\$ 25,828
Total capital ratio	13.4%	13.6%	
Risk weighted assets	\$ 8,401,800	\$ 8,105,484	\$ 296,316
<b>Total assets<sup>2</sup></b>	<b>\$ 9,237,510</b>	<b>\$ 8,820,871</b>	<b>\$ 416,639</b>
<b>Tangible common equity / Tangible Assets<sup>3</sup></b>	<b>9.17%</b>	<b>9.23%</b>	

Ratios as of March 31, 2021



TBVPS Rollforward

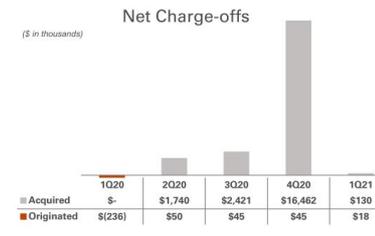
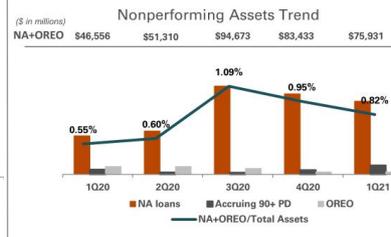
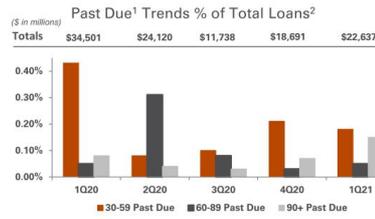


<sup>1</sup> Estimated capital measures inclusive of CECL capital transition provisions as of March 31, 2021.

<sup>2</sup> Total assets includes PPP loans that we did not utilize the Paycheck Protection Program Liquidity Facility to fund.

<sup>3</sup> 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.

# Asset Quality and ACL



<sup>1</sup> Past due ("PD") loans excludes purchased credit deteriorated loans that are accounted for on a pooled basis and non-accrual ("NA") loans.  
<sup>2</sup> Total loans excludes Loans Held for Sale, MW and PPP loans.

# Credit



Hospitality Portfolio				
(\$ in millions)	#	\$ Commitment	\$ Outstanding	Avg. Loan Amount
Term	82	\$ 337.9	\$ 334.5	\$ 4.0
In-Process Construction	4	\$ 65.4	\$ 45.4	\$ 6.8
SBA / USDA	24	\$ 14.0	\$ 14.0	\$ 0.3
<b>Total</b>	<b>110</b>	<b>\$ 417.3</b>	<b>\$ 393.9</b>	<b>\$ 2.9</b>
<b>% of Total Loans<sup>1</sup></b>			<b>6.6%</b>	

- Portfolio continues to show improving trends
- Revenues increased by 11.4% QOQ<sup>2</sup>
- Occupancy improved 9.8% QOQ
- March 2021 was the high water mark for revenue, occupancy and revenue per available room since the COVID-19 pandemic began
- One NPA in the hospitality book totaling \$7.1 million was resolved after quarter end

<sup>1</sup> Total loans excludes loans held for sale and PPP loans.  
<sup>2</sup> Quarter-over-quarter ("QOQ")

Non-Owner Occupied ("NOO") Office Portfolio				
(\$ in millions)	#	\$ Commitment	\$ Outstanding	Avg. Loan Amount
NOO Office	98	\$ 698.9	\$ 602.4	\$ 5.8
Construction	7	\$ 118.9	\$ 82.7	\$ 11.8
<b>Total</b>	<b>105</b>	<b>\$ 817.8</b>	<b>\$ 685.1</b>	<b>\$ 6.2</b>
<b>% of Total Loans<sup>1</sup></b>			<b>9.8%</b>	

- 9.8% of the funded loan portfolio
- A weighted average LTV of 59%
- 51% of the exposure is in the DFW market and 29% is in the Houston market
- Top 10 relationships make up 32% of our office portfolio and have an average DSCR of 1.78x
- Only one credit in the Top 10 office exposure is rated as a watch credit
- 1.6% of the office portfolio is classified in one credit



**VBTX**

**Thrive Mortgage  
Investment**

---



## Company Background

- The first company in Texas to close a fully electronic note with a remote notary. GSEs will purchase these notes within 24 hours of closing
- Markets include TX, OH, CO, KY, NC, KS, VA, FL, MD and IN
- Experienced management team with an average company tenure of 10+ years
- Originate/underwrite/sell mortgages of all types
- Efficient business model with comparable cultures

---

## Investment Summary

- ➔ 49% interest for \$53.9 million (all cash transaction)
- ➔ VBTX obtains one board seat (25%)
- ➔ Fee income engine with limited integration
- ➔ Projected close date middle of 2021





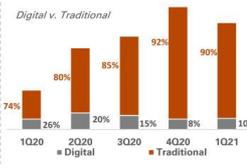
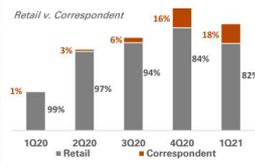
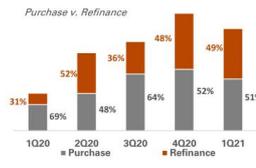
## Strategic Rationale

- Financially compelling to increase fee income with a counter cyclical business to a rate and asset sensitive balance sheet
- Robust capital generation profile
- Deploys excess liquidity and capital
- Preserves bandwidth for other strategic core growth and/or acquisitive opportunities
- Strong cultural fit focused on risk controls, operating efficiency and strong, consistent financial performance
- Continuity of highly experienced leadership with all founders still with the Company
- Accounted for as an equity method investment



Historical Financial Information

(\$ in thousand)	unaudited		audited	
	1Q21	1Q20	2020	2019
Loans HFS	167,354	63,269	179,702	70,774
Total Assets	227,985	107,277	242,169	108,891
Members Equity	42,670	11,396	36,906	10,934
Pre-Tax Net Income	6,349	819	31,942	5,817





**VBTX**  
Veritex Holdings, Inc.

**Supplemental  
Information**

---

## Reconciliation of Non-GAAP Financial Measures



	As of				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands, except per share data)				
<b>Tangible Common Equity</b>					
Total stockholders' equity	\$ 1,233,808	\$ 1,203,376	\$ 1,185,337	\$ 1,163,749	\$ 1,149,269
Adjustments:					
Goodwill	(370,840)	(370,840)	(370,840)	(370,840)	(370,840)
Core deposit intangibles	(55,311)	(57,758)	(60,209)	(62,661)	(65,112)
<b>Tangible common equity</b>	<u>\$ 807,657</u>	<u>\$ 774,778</u>	<u>\$ 754,288</u>	<u>\$ 730,248</u>	<u>\$ 713,317</u>
Common shares outstanding	49,433	49,340	49,650	49,633	49,557
Book value per common share	\$ 24.96	\$ 24.39	\$ 23.87	\$ 23.45	\$ 23.19
Tangible book value per common share	\$ 16.34	\$ 15.70	\$ 15.19	\$ 14.71	\$ 14.39

	As of				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands)				
<b>Tangible Common Equity</b>					
Total stockholders' equity	\$ 1,233,808	\$ 1,203,376	\$ 1,185,337	\$ 1,163,749	\$ 1,149,269
Adjustments:					
Goodwill	(370,840)	(370,840)	(370,840)	(370,840)	(370,840)
Core deposit intangibles	(55,311)	(57,758)	(60,209)	(62,661)	(65,112)
<b>Tangible common equity</b>	<u>\$ 807,657</u>	<u>\$ 774,778</u>	<u>\$ 754,288</u>	<u>\$ 730,248</u>	<u>\$ 713,317</u>
<b>Tangible Assets</b>					
Total assets	\$ 9,237,510	\$ 8,820,871	\$ 8,702,375	\$ 8,587,858	\$ 8,531,624
Adjustments:					
Goodwill	(370,840)	(370,840)	(370,840)	(370,840)	(370,840)
Core deposit intangibles	(55,311)	(57,758)	(60,209)	(62,661)	(65,112)
<b>Tangible Assets</b>	<u>\$ 8,811,359</u>	<u>\$ 8,392,273</u>	<u>\$ 8,271,326</u>	<u>\$ 8,154,357</u>	<u>\$ 8,095,672</u>
<b>Tangible Common Equity to Tangible Assets</b>	9.17%	9.23%	9.12%	8.96%	8.81%

## Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands)				
<b>Net income available for common stockholders adjusted for amortization of core deposit intangibles</b>					
Net income	\$ 31,787	\$ 22,801	\$ 22,920	\$ 24,028	\$ 4,134
Adjustments:					
Plus: Amortization of core deposit intangibles	2,447	2,451	2,451	2,451	2,451
Less: Tax benefit at the statutory rate	514	515	515	515	515
<b>Net income available for common stockholders adjusted for amortization of core deposit intangibles</b>	<b>\$ 33,720</b>	<b>\$ 24,737</b>	<b>\$ 24,856</b>	<b>\$ 25,964</b>	<b>\$ 6,070</b>
<b>Average Tangible Common Equity</b>					
Total average stockholders' equity	\$ 1,224,294	\$ 1,196,274	\$ 1,177,882	\$ 1,155,798	\$ 1,183,116
Adjustments:					
Average goodwill	(370,840)	(370,840)	(370,840)	(370,840)	(370,840)
Average core deposit intangibles	(56,913)	(59,010)	(61,666)	(64,151)	(66,439)
<b>Average tangible common equity</b>	<b>796,541</b>	<b>766,424</b>	<b>745,376</b>	<b>720,807</b>	<b>745,837</b>
<b>Return on Average Tangible Common Equity (Annualized)</b>	<b>17.17%</b>	<b>12.84%</b>	<b>13.27%</b>	<b>14.49%</b>	<b>3.27%</b>

## Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands)				
<b>Operating Earnings</b>					
Net income	\$ 31,787	\$ 22,801	\$ 22,920	\$ 24,028	\$ 4,134
Plus: Loss (gain) on sale of securities available for sale, net	-	256	8	(2,879)	-
Plus: Debt extinguishment costs <sup>1</sup>	-	9,746	-	1,561	-
Operating pre-tax income	31,787	32,803	22,928	22,710	4,134
Less: Tax impact of adjustments	-	2,100	-	(277)	-
Plus: Discrete tax adjustments <sup>2</sup>	426	(973)	-	(1,799)	-
Operating earnings	\$ 32,213	\$ 29,730	\$ 22,928	\$ 21,188	\$ 4,134
<b>Weighted average diluted shares outstanding</b>	49,998	49,837	49,775	49,727	51,056
Diluted EPS	\$ 0.64	\$ 0.46	\$ 0.46	\$ 0.48	\$ 0.08
Diluted operating EPS	\$ 0.64	\$ 0.60	\$ 0.46	\$ 0.43	\$ 0.08

<sup>1</sup> Debt extinguishment costs relate to prepayment penalties paid in connection with the early payoff of FHLB structured advances.

<sup>2</sup> A nonrecurring tax adjustment of \$426 thousand recorded in the first quarter of 2021 was due to a true-up of a deferred tax liability. A nonrecurring tax adjustment of \$973 thousand recorded in the fourth quarter of 2020 was primarily due the reversal of acquired deferred tax liabilities resulting in a tax benefit of \$1.2 million offset by tax expense of \$281 thousand for the setup of an uncertain tax position liability relating to state tax exposure for tax years prior to the year ending December 31, 2020. A nonrecurring tax adjustment of \$1,799 was recorded in the second quarter of 2020 as a result of the Company amending a prior year Green tax return to carry back a net operating loss ("NOL") incurred by Green on January 1, 2019. The Company was allowed to carry back this NOL as result of a provision in the CARES Act which permits NOLs generated in tax years 2018, 2019 or 2020 to be carried back five years.

# Reconciliation of Non-GAAP Financial Measures



	For the Quarter Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
(Dollars in thousands)					
<b>Pre-Tax, Pre-Provision Operating Earnings</b>					
Net Income	\$ 31,787	\$ 22,801	\$ 22,920	\$ 24,028	\$ 4,134
Plus: Provision for income taxes	8,993	4,702	6,198	3,987	(684)
Plus: Provision for credit losses and unfunded commitments	(570)	902	10,139	18,971	35,657
Plus: Loss (gain) on sale of securities, net	-	256	8	(2,879)	-
Plus: Debt extinguishment costs	-	9,786	-	1,561	-
<b>Net pre-tax, pre-provision operating earnings</b>	<b>\$ 40,210</b>	<b>\$ 38,407</b>	<b>\$ 39,265</b>	<b>\$ 45,668</b>	<b>\$ 39,107</b>
<b>Total average assets</b>	<b>\$ 8,941,271</b>	<b>\$ 8,750,141</b>	<b>\$ 8,585,926</b>	<b>\$ 8,689,774</b>	<b>\$ 8,125,782</b>
<b>Pre-tax, pre-provision operating return on average assets<sup>1</sup></b>	<b>1.82%</b>	<b>1.75%</b>	<b>1.82%</b>	<b>2.11%</b>	<b>1.94%</b>
<b>Average Total Assets</b>	<b>\$ 8,941,271</b>	<b>\$ 8,750,141</b>	<b>\$ 8,585,926</b>	<b>\$ 8,689,744</b>	<b>\$ 8,125,782</b>
Return on average assets <sup>1</sup>	1.44%	1.04%	1.06%	1.11%	0.20%
Operating return on average assets <sup>1</sup>	1.40%	1.35%	1.06%	0.98%	0.20%
<b>Operating earnings adjusted for amortization of core deposit intangibles</b>					
Operating earnings	\$ 32,213	\$ 29,730	\$ 22,928	\$ 21,188	\$ 4,134
Adjustments:					
Plus: Amortization of core deposit intangibles	2,447	2,451	2,451	2,451	2,451
Less: Tax benefit at the statutory rate	514	515	515	515	515
Operating earnings adjusted for amortization of core deposit intangibles	34,146	31,666	24,864	23,124	6,070
<b>Average Tangible Common Equity</b>					
Total average stockholders' equity	\$ 1,224,294	\$ 1,196,274	\$ 1,177,882	\$ 1,155,798	\$ 1,183,116
Adjustments:					
Average goodwill	(370,840)	(370,840)	(370,840)	(370,840)	(370,840)
Average core deposit intangibles	(56,913)	(59,010)	(61,666)	(64,151)	(66,429)
<b>Average tangible common equity</b>	<b>\$ 796,541</b>	<b>\$ 766,424</b>	<b>\$ 745,376</b>	<b>\$ 720,807</b>	<b>\$ 745,837</b>
<b>Operating return on average tangible common equity<sup>1</sup></b>	<b>17.39%</b>	<b>16.44%</b>	<b>13.27%</b>	<b>12.90%</b>	<b>3.27%</b>
<b>Efficiency ratio</b>	<b>49.62%</b>	<b>62.52%</b>	<b>48.12%</b>	<b>46.02%</b>	<b>47.61%</b>
<b>Operating efficiency ratio</b>	<b>49.62%</b>	<b>49.49%</b>	<b>48.11%</b>	<b>45.74%</b>	<b>47.61%</b>

<sup>1</sup> Annualized ratio for quarterly metrics.

## Reconciliation of Non-GAAP Financial Measures



	As of				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands, except per share data)				
<b>Operating noninterest income</b>					
Noninterest income	\$ 14,172	\$ 9,012	\$ 9,795	\$ 21,290	\$ 7,247
Plus: Loss (gain) on sale of securities available for sale, net	\$ -	\$ 256	8	(2,879)	-
<b>Operating noninterest income</b>	<u>\$ 14,172</u>	<u>\$ 9,268</u>	<u>\$ 9,803</u>	<u>\$ 18,411</u>	<u>\$ 7,247</u>
<b>Operating noninterest expense</b>					
Noninterest expense	\$ 39,597	\$ 47,373	\$ 36,408	\$ 40,061	\$ 35,545
Less: FHLB prepayment fees	\$ -	\$ 9,746	-	1,561	-
<b>Operating noninterest expense</b>	<u>\$ 39,597</u>	<u>\$ 37,627</u>	<u>\$ 36,408</u>	<u>\$ 38,500</u>	<u>\$ 35,545</u>
	For the Quarter Ended				
	3/31/2021	12/31/2020	9/30/2020	6/30/2020	3/31/2020
	(Dollars in thousands, except per share data)				
<b>Adjusted net interest margin</b>					
Net interest income	\$ 65,635	\$ 66,766	\$ 65,870	\$ 65,757	\$ 67,405
Less: Loan accretion	\$ 1,911	\$ 2,652	3,953	3,134	4,455
Less: Deposit premium amortization	\$ 76	\$ 89	110	263	423
<b>Adjusted net interest margin</b>	<u>\$ 63,648</u>	<u>\$ 64,025</u>	<u>\$ 61,807</u>	<u>\$ 62,360</u>	<u>\$ 62,527</u>
Total interest-earning assets	\$8,257,048	\$8,065,652	\$7,899,837	\$8,001,485	\$7,388,028
<b>Adjusted net interest margin</b>	3.12%	3.15%	3.10%	3.13%	3.39%



**VBTX**

**Veritex Holdings, Inc.**

---

