

**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 16, 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

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 2022.

As provided in General Instruction B.2 to Form 8-K, the information furnished in this Item 7.01 (including Exhibit 99.1) of this Current Report on Form 8-K shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, and such information shall not be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Forward Looking Statement

This Current Report includes "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to Veritex Holdings, Inc.'s ("Veritex") 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, 2022 and any updates to those risk factors set forth in Veritex's Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission ("SEC"), which are available on the SEC's website at www.sec.gov. If one or more events related to these or other risks or uncertainties materialize, or if Veritex's underlying assumptions prove to be incorrect, actual results may differ materially from what Veritex anticipates. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, expressed or implied, included in this Current Report are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Veritex or persons acting on Veritex's behalf may issue.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
<u>99.1</u>	<u>Investor Presentation, dated May 16, 2022</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 16, 2022



TRUTH

| INTEGRITY

| TRANSPARENCY

VERITEX
HOLDINGS, INC.

Financial Data as of First Quarter 2022

Safe Harbor and Non-GAAP Measures

Forward-looking statements

This presentation includes "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to Vertex Holdings, Inc.'s ("Vertex") 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 Vertex 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 Vertex's accounting policies, standards and interpretations; the effects of the COVID-19 pandemic and actions taken in response thereto; and Vertex'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 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 Vertex's Annual Report on Form 10-K for the year ended December 31, 2022 and any updates to those risk factors set forth in Vertex'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 Vertex's underlying assumptions prove to be incorrect, actual results may differ materially from what Vertex 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. Vertex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, expressed or implied, included in this presentation are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Vertex or persons acting on Vertex's behalf may issue.

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

Non-GAAP Financial Measures

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



Veritex – a Leading Growth-Centric Texas Bank

- Headquartered in **Dallas, Texas**
- Committed 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**

Note: Financial data as of the three months ended March 31, 2022. Source: S&P Global Market Intelligence, American Banker, FORTUNE Magazine.
¹ Loans held for investment excluding mortgage warehouse and PPP loans. ² Reflects loans re-pricing in the next 12 months.



By the Numbers 1Q22

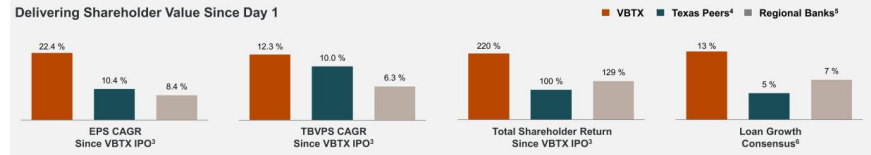
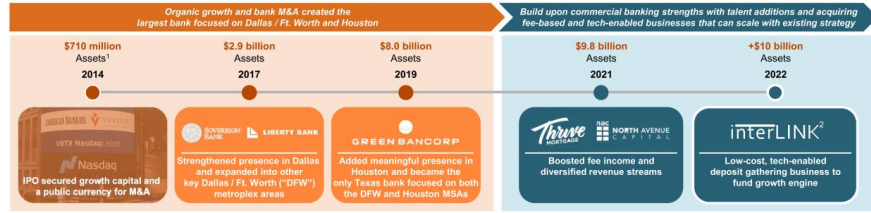
Scale & Scarcity	Top 10 Texas Based Bank	\$10.5B Total Assets
Profitability & Efficiency	16.1% Operating ROATCE	52.0% Operating Efficiency Ratio
Consistent Growth	\$1.3B 1Q22 Loan Production	21.2% 1Q22 Loan Growth ¹
Asset Sensitive	76% Rate Sensitive Loans / Total Loans ²	+7.4% ▲ in NII to +100bps ▲ in Rates
Capital and Credit	9.8% CET1 Ratio	0.46% NPAs / Total Assets

Veritex Key Investment Highlights



Our Journey as a Public Company

A Proven Growth Franchise Delivering Exceptional Shareholder Returns



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. CAGR's calculated using Q2 2014 and Q4 2021 quarterly financial metrics. ⁴ Texas Peers include CBTX, CFB, FFB, HFB, BTX, FB, SBB, and TSB; CBTX excluded from 2022 Loan Growth due to pending merger with VBTX. ⁵ Regional Banks defined by the current constituents of the RBX Index. ⁶ Loan Growth Consensus reflects 2022. 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 ('22E - '27E) Population Growth vs. National
DFW	\$5.3B	7.8M	1.9x
Houston	\$1.8	7.3	1.9x
Texas	\$7.1	29.8	1.7x

Corporate Relocations to Texas

Examples of companies moving to call Texas home during 2020 - 2021 are diverse across sector and size

Source: Bureau of Labor Statistics; Dallas Chamber of Commerce; Greater Houston Partnership; *Texas: 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 MSAs¹

#	Company	Total Assets	Texas Metro		DFW + Houston			Percent of Total Deposits:				
			Deposits	% of Total	% Rank	Deposits	% of Total	% Rank	DFW	Houston	Other Texas	Other Markets
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	HilltopHoldings	19	8	70.5	#5	7	55.5	#5				
7	IBC BANK	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 include Austin MSA, Dallas-Fort Worth MSA, Houston MSA, and 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 Way.**

- ◊ "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 practices that together catalyze and sustain the cycle of attraction:

- Look for talent everywhere
- Find people's native genius
- Utilize people at their fullest
- Remove the blockers



Catalysts for Loan Growth

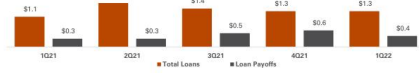


Employer of Choice Investing In Talent

- 65+ production hires since March 2020
- 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



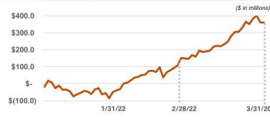
Loan Production vs. Loan Payoffs (\$B)



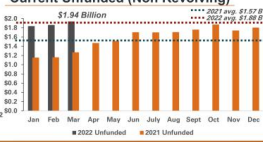
Annualized Quarterly Loan Growth



Timing of Growth



CRE ADC Construction LOC Current Unfunded (Non Revolving)








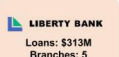




Our M&A History

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

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

Non-Bank M&A		
 49% Investment Mortgage Operation July 2021	 Established USDA Lender November 2021	 Tech-enabled Sweep Deposit Administrator March 2022 ¹
Traditional Bank M&A		
 Loans: \$92M Branches: 3 September 2010	 Loans: \$89M Branches: 2 July 2015	 Loans: \$313M Branches: 5 December 2017
 Loans: \$108M Branches: 3 March 2011	 Loans: \$40M Branches: 1 October 2011	 Loans: \$753M Branches: 9 August 2017
 Loans: \$3,255M Branches: 21 January 2019		

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 Transaction Summary

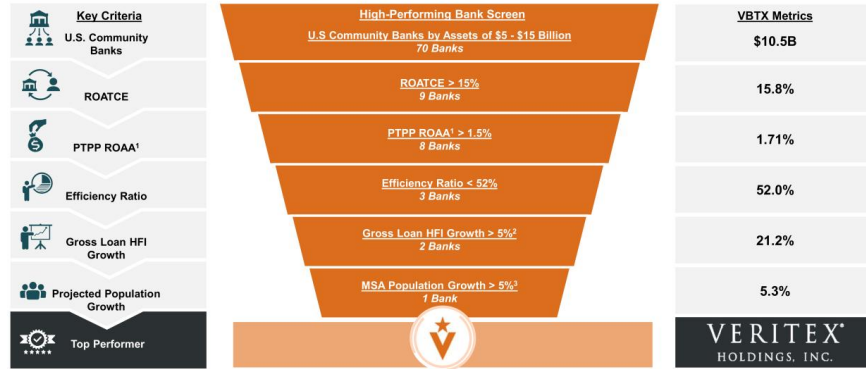
Positioned to Continue Peer Leading Growth with Excess Capital and Liquidity

Transaction Value	<ul style="list-style-type: none"> \$91 million
Pricing	<ul style="list-style-type: none"> -1% Premium on total administered deposits
Consideration	<ul style="list-style-type: none"> 2.1 million shares of VBTX common stock (fixed)¹ \$3 million cash 97% Stock / 3% Cash
Expected Balance Sheet Actions & Synergies	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> \$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	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Primary common stock issuance of \$150 million, launched concurrently with announcement of interLINK acquisition to support growth
Approvals and Timing	<ul style="list-style-type: none"> FDIC and Texas Department of Banking approval required for interLINK acquisition transaction Expected close in 3Q 2022

Financial Pro Forma Impact		
	M&A Only	M&A + Equity Raise ²
EPS Impact		
2023E	6%	Neutral
2024E	14%	8%
Run-rate	+20%	+14%
TBVPS Impact	(7%)	1%
TBVPS Earnback	3 Years	Accretive
IRR	+25%	+25%
CET1 Ratio	8.5%	9.9%

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 March 31, 2022. 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

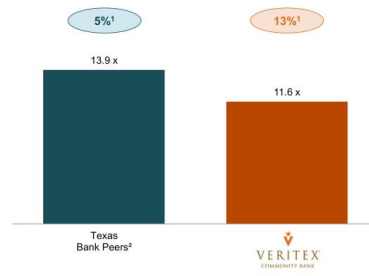


Veritex offers significant upside with an attractive valuation and industry-leading growth profile

Texas Comparables




Price / 2023 EPS

○ Forward Loan Growth¹



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

Bullish Analyst Targets Post 1Q22 Earnings

	Rating	Price Target	2022 Estimate	2023 Estimate
 KEEFE, BREYETTE & WOODS <small>A S&P Company</small>	Outperform	\$48.00	\$3.00	\$3.65
 D.A. DAVIDSON	Buy	\$47.00	\$2.98	\$3.64
Stephens	Overweight	\$46.00	\$2.74	\$3.56
 HOVDE GROUP	Outperform	\$44.00	\$2.76	\$3.25
PIPER SANDLER	Overweight	\$43.00	\$3.00	\$3.60
RAYMOND JAMES	Strong Buy	\$43.00	\$2.46	\$3.40
	Consensus	\$45.17	\$2.82	\$3.52

Analyst 1Q22 Commentary

VBTX : Robust Loan Growth in 1Q22 w/ More on the Way, Reiterate Outperform

Brady Galley, CFA; Keefe Bruyette & Woods

"We believe Veritex is a valuable, growth-focused commercial bank with exposure to attractive Texas markets. Veritex has a strong record of both solid organic and acquisitive growth with an asset-sensitive balance sheet and clean credit quality."

VBTX : Texas Tailwind Driving VBTX Revenue and EPS Outlook

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

"VBTX reported a strong balance sheet quarter, with EOP loan and deposit balances creating a strong jumping off point for the remainder of the year, with forward quarters to be further supported by ongoing growth. While fee revenue should increase at a steady pace, the result of recent and pending investments made by the company, VBTX remains, in our view, a spread revenue driven story with a robust tailwind."

VBTX : PPNR Trends Moderate; Reducing EPS Forecast Maintain OW Rating

Matt Olney, CFA; Stephens Inc.

"PPNR ROA levels remain robust at 1.71%, and we anticipate this will improve for the remainder of 2022 as fees rebound from seasonal headwinds and NII benefits from higher interest rates. Given the recent investments, strong demographics within its Metro Texas footprint, and growth oriented management team, we believe the stage is set for multi-year double-digit organic revenue growth profile."

VBTX : Moderating Ests/PT to be More Conservative, but Overall Growth/Profitability Story Intact

Bett Rabatin, CFA; Howie Group

"While there were timing issues with growth and lower fee income during 1Q22, we continue to think the VBTX story is highly unique in the bank space for its success in adding revenue generating talent over the past year. The shares continue to be a top idea in the bank space and a favorite story in Texas."

VBTX : Tweaking Estimates Lower – Maintain Overweight Ratings

Brad Mileaps, CFA; Piper Sandler

"Whether VBTX earns \$3.40 or \$3.70 in 2023, the shares look undervalued at less than 10x earnings especially given VBTX's leverage to higher interest rates and strong growth profile. We continue to think that VBTX remains an attractive option for growth-oriented investors looking for a pure play Texas bank best positioned to post outsized growth and benefit from higher rates over the next 12-18 months."

VBTX : Reducing Estimates, PT to \$43, Maintain SB1

Michael Rose, CFA; Raymond James & Associates

"Despite our reduced earnings outlook and price target (due in part to lower industry valuations), we continue to view risk-reward positively given above-peer loan growth and profitability projections, capital flexibility, increasing scarcity/franchise value, and benefits from the interLINK deal juxtaposed with its discounted P/E valuation."



FIRST QUARTER FINANCIAL HIGHLIGHTS



Key Financial Metrics

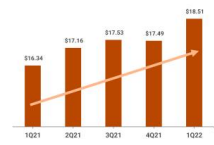
Diluted EPS (\$)



ROATCE



TBVPs



ROAA



Efficiency Ratio



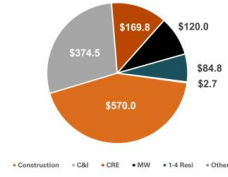
NPA / Total Assets



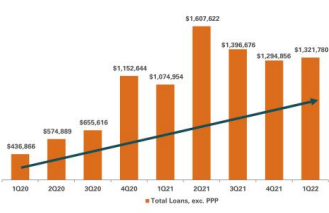
Loan Production

Quarterly Production by Portfolio

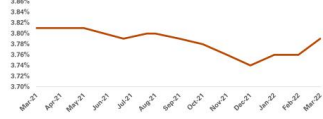
(\$ in millions)



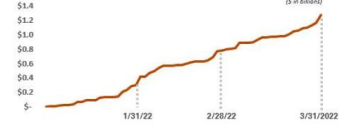
Quarterly Commitment Production



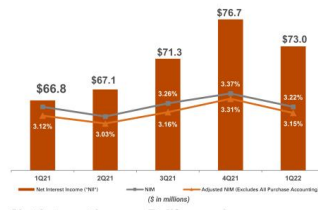
13 Month Yield Trend (Total Loans)



2022 Timing of Production



Net Interest Income



Average Earnings Assets

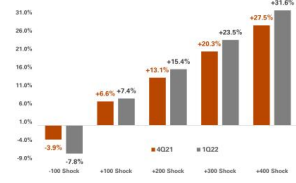


Net Interest Income Rollforward

(\$ in thousands)

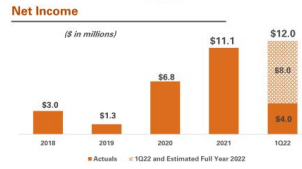
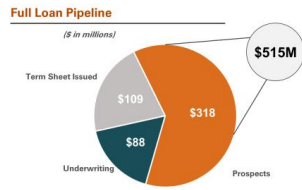
4Q21 Net Interest Income	\$76,741
Debt security prepayment income	< 2,070 >
Day count	< 1,599 >
Collection of non-accrual interest	< 1,000 >
Change in earning asset mix and other	< 303 >
Impact of rate changes	< 91 >
Payoff of subordinated debt	359
Impact of growth	1,004
1Q22 Net Interest Income	\$73,041

Static Shock Impact on NII

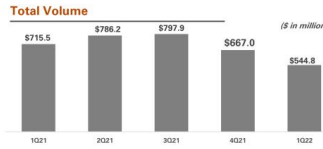
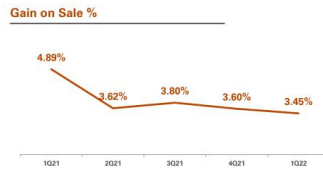


NAC and Thrive

North Avenue Capital, LLC (Acquired on November 1, 2021)

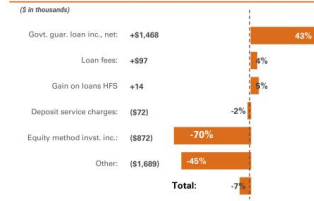


Thrive Mortgage, LLC (Investment completed on July 19, 2021)



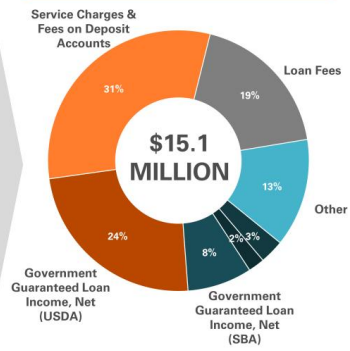
Operating Noninterest Income

1Q22 / 4Q21 Comparison



- Government guaranteed loan income, net increased \$1.5 million, or 43%, primarily as a result of a \$2.3 million increase in gains on USDA loans sales from NAC partially offset by a decrease in SBA loan sales
- Equity method investment income decreased 70% driven by lower 1Q '22 income on our investment in Thrive primarily due to seasonality and rising mortgage rates
- Other income decreased 45% primarily related to BOLI income recognized in 4Q21 with no corresponding income recognized in 1Q22

1Q22 Noninterest Income Composition



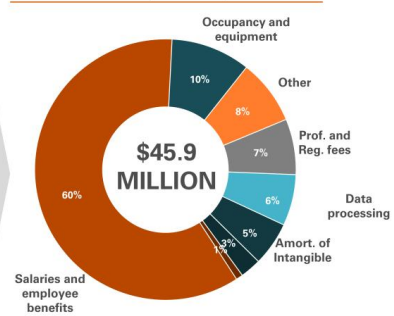
Operating Noninterest Expense

1Q22 / 4Q21 Comparison



- Salaries and employee benefits increased \$2.1 million, or 8%, primarily due to a \$1.2 million increase in FICA taxes, a \$572 thousand increase in employee stock-based compensation¹ and a \$531 thousand increase in salaries as a result of our continued investment in talent
- Other expenses decreased \$819 thousand, or 18%, primarily due to a \$409 thousand decrease in loan-related legal and collection expenses

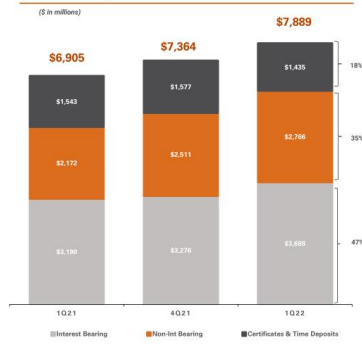
1Q22 Noninterest Expense Composition



¹ Includes \$90 thousand of increased stock-based compensation associated with the vesting of 2019 awarded performance restricted stock units at 150% due to the Company performing at the top quartile of total shareholder return (as defined by the equity awards) which occurs once every 3 years subject to market conditions, offset by a decrease in share-based compensation associated with non-qualified stock options.

Deposit Growth

Deposit Composition



Total deposit balances increased \$526.0 million, or 28.6% last quarter annualized ("LQA"), and increased \$985.0 million, or 14% YOY

	LQA	YOY
Demand & Savings	+50%	+16%
Non-Int Bearing	+41%	+27%
Certificates and Time Deposits	-36%	-7%

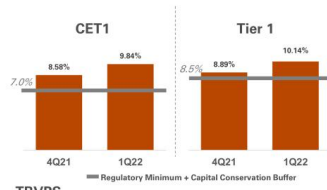
- Total deposit cost down 1 bp compared to 4Q21 due to pricing diligence and product mix
- Excluding MW and PPP loans, the loan to deposit ratio was 90.5% at March 31, 2022

Cost of Interest-bearing Deposits and Total Deposits

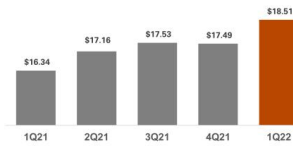


Capital Overview

Capital Ratios



TBVS



1Q22 Capital Action and Priorities

Capital Action

- Completed a common stock offering on March 8, 2022, with net proceeds of ~\$153.8 million after deducting underwriting discounts and offering expenses

Capital Priorities

- Support organic growth
- Provide attractive dividend
- Maintain strong debt ratings
- Strategic growth, including M&A

TBVS Main Drivers

Increases:

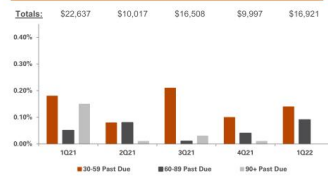
- + \$1.46 Common Stock Offering
- + \$0.59 Net Income
- + \$0.06 Share Based Compensation

Reductions:

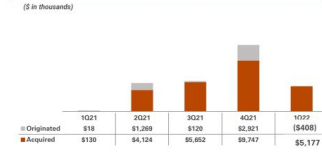
- \$0.82 Other Comprehensive Income
- \$0.18 Dividend Payments
- \$0.13 RSU Vesting's

Asset Quality and ACL

Past Due Trend¹ % of Total Loans²

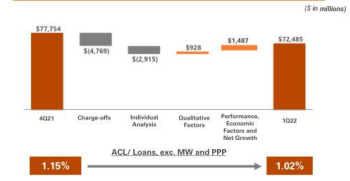


Net Charge-offs

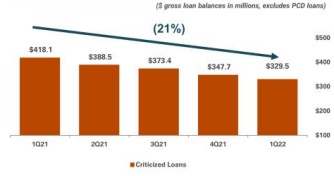


¹ Past due loans exclude purchased credit deteriorated loans that are accounted for on a pooled basis and non-accrual loans.
² Total loans excludes Loans Held for Sale, MW and PPP loans.

ACL / Total Loans²



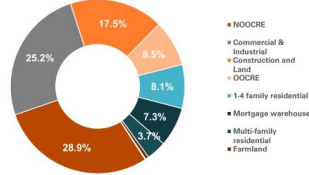
Quarterly Criticized Loans



Portfolio Breakdown

Portfolio Breakdown by Type

Loan Type (exc. LHFS)	Balance	% of Total Loans
NOOCRE	2,145,026	28%
Commercial & Industrial	2,144,381	28%
Construction and Land	1,297,338	17%
OOCRE	633,615	8%
1-4 family residential	604,408	8%
Mortgage warehouse	542,877	7%
Multi-family residential	272,250	4%
Farmland	48,095	1%
Consumer	9,533	0%
Energy E&P Loans	21	0%
Total	7,698,354	100%



CRE Portfolio Breakdown (OSB)

	Term	Construction	Total	% of TL	Weighted Avg LTV
Industrial/Warehouse	\$414,762	\$386,711	\$801,473	10%	60%
Retail	\$602,899	\$68,240	\$671,139	9%	64%
Multi-family	\$272,497	\$363,283	\$635,780	8%	96%
Office	\$579,876	\$54,369	\$634,245	8%	61%
Hotel	\$324,930	\$30,442	\$355,372	5%	60%
SFR	\$0	\$237,384	\$237,384	3%	N/A
Land	\$0	\$112,837	\$112,837	1%	N/A
Other	\$222,147	\$52,916	\$275,063	4%	N/A
Totals	\$2,417,111	\$1,306,782	\$3,723,293	48%	

Top 15 Relationships (exc. MW)

Ranking	Relationship/Industry	Asset Type	# of Loans	Commitment	Current Balance
1	National CRE Developer	CRE Multifamily, Industrial and Self Storage	6	\$136,870	\$32,316
2	Regional CRE Developer	CRE Industrial Construction	6	\$119,468	\$44,660
3	Regional CRE Developer	CRE Industrial and Retail	11	\$116,695	\$94,419
4	National CRE Developer	CRE Industrial Construction	4	\$116,633	\$69,681
5	National CRE Developer	CRE Industrial and Office	8	\$109,866	\$53,885
6	National Finance Company	CM Note Finance (SFR)	1	\$100,000	\$77,596
7	Regional CRE Developer	CRE Office	5	\$93,695	\$67,899
8	Regional CRE Developer	CRE Industrial Construction	3	\$93,635	\$48,527
9	National CRE Developer	CRE Industrial Construction	3	\$89,672	\$62,227
10	Regional Finance Company	CM Note Finance (SFR & Commercial)	3	\$85,500	\$66,250
11	National CRE Developer	CRE Industrial Construction	4	\$82,248	\$0
12	National CRE Developer	CRE Multifamily Construction	3	\$82,104	\$18,196
13	Regional Finance Company	CM Note Finance (SFR)	1	\$75,000	\$37,500
14	Regional Multifamily Investment Advisor	CM Subscription Line and Personal RLOC	3	\$75,000	\$32,917
15	Regional CRE Developer	CRE Multifamily and Industrial Construction	5	\$74,211	\$24,922
Totals				\$1,307,978	\$691,619



Top 10 New CRE Loan Originations in 1Q22

Borrower	Years in Business	Existing Customer	Commnt	Product Type	LTV	LTC	DSCR ¹	Market
International CRE developer headquartered in Texas that has been a customer since 2015 with numerous successful projects.	65	Yes	47,821,084	Whs/Industrial	59%	60%	1.23	Houston
National Multifamily CRE developer headquartered outside of Texas that has a significant presence in Texas.	11	No	40,576,950	Multifamily	48%	65%	1.32	Dallas
Regional Industrial CRE developer headquartered in Texas that has been a customer since 2014.	42	Yes	39,448,024	Whs/Industrial	45%	60%	1.50	Houston
National CRE developer headquartered in Texas of Industrial, Hospitality and Residential properties. Customer since 2017 with many successful projects.	50	Yes	35,788,000	Whs/Industrial	50%	65%	1.20	Dallas
National owner and operator of Industrial, multifamily, self storage and class A office properties.	30	No	30,672,576	Multifamily	48%	60%	1.39	Dallas
Regional Industrial CRE developer headquartered in Texas that has been a customer since 2011. Borrower has extensive experience in the ownership and operation of Retail properties.	19	Yes	29,520,000	Retail	80%	80%	1.24	Out of State
Regional Multifamily CRE developer headquartered in Texas that develops primarily in Texas. A customer since 2020 but experience dates back to 2003 at former institutions.	32	Yes	26,189,250	Multifamily	47%	65%	1.44	San Marcos
National Industrial, Office and Multifamily developer headquartered in Texas that has been a customer of the bank since 2015 in addition to experience at other institutions.	57	Yes	24,950,000	Whs/Industrial	50%	65%	1.44	Out of State
Regional Multifamily CRE developer headquartered in Texas that develops in Texas. Has been a customer of the bank since 2021.	9	Yes	21,841,000	Multifamily	49%	62%	1.36	Dallas
Privately held CRE investment, development and operating company focused solely on the industrial/distribution sectors	16	No	21,443,978	Whs/Industrial	55%	65%	1.67	San Antonio

¹ All DSCR's are calculated using a stressed interest rate of 2% to 2.5% in excess of the going in rate. DSCR's are also calculated on an amortizing basis.

CRE Underwriting

Key Veritex CRE Underwriting Principles

- Do business with "Best in Class" developers/owners with equity partners that have the ability to support their investments.
- Do business with people Veritex knows and have a proven track record of performance.
- Do business in markets that are growing and thriving.
- Require meaningful cash equity (35% - 40%) in most cases to protect downside scenarios.
- All floating projects are underwritten using a stressed interest rate 2% to 2.5% in excess of the going in rate. DSCR's are calculated on an amortizing basis regardless of the interest only period.
- Projects are underwritten to current market rents and not trended rents as some lenders are allowing.

Other Credit Considerations

- \$2.7 Billion C&I portfolio has an average loan balance of \$1.05 million spread across 2,532 loans.
- Purchase credit deteriorated portfolio has reduced to ~\$51 million with 19% in reserves.
- Very limited Energy exposure

Credit Culture

Veritex Credit Culture

- Top 5 Credit Executives with an average of 38 years of credit and lending experience through multiple down cycles with deep knowledge of the existing portfolio
- Pursue top quality clients, operating in good markets, supported by quality loan structures
- The more eyes that see a credit the better our credit decisions
- Work toward a "Yes" on all opportunities but be quick with a "No" when the opportunity is outside the bank's credit appetite
- Build strong support areas to effectively manage credit risk at origination and through the life of loan
- Provide consistent surveillance on the portfolio to evaluate potential credit issues quickly

Recent Initiatives

- Hired a seasoned credit executive to manage Credit Support areas (Underwriting and Credit Analysts) and build out the Veritex Banking Development Program designed to develop and train new bankers in the industry
- Additional resources added to our Appraisal and Environmental staff

Investment in Talent

Ongoing investment in talent for continued growth in 1Q22 and further diversification

Production Team (+10)

Position	Location	Month Hired
Treasury Sales Director	Dallas	January
North Avenue Capital Commercial Banker	Florida	January
Portfolio Analyst I	Dallas	February
SVP, Sponsored Finance Banker	Dallas	February
Commercial Bank Lender	Dallas	March
Sr. Client Production Manager	Dallas	March
SVP, Commercial Banker	Dallas	March
Syndicated Finance Analyst	Dallas	March
Lending Assistant	Dallas	March
Commercial Banking Portfolio Manager	Dallas	March

Credit Support (+1)

Position	Location	Month Hired
EVP, Executive Credit Officer	Dallas	March

Branch Banking (+2)

Position	Location	Month Hired
Community Bank Center Manager	Dallas	March
Banking Center Manager	Houston	March

Delivery Support (+2)

Position	Location	Month Hired
Core Systems Manager	Dallas	March
Strategic Business Process Leader	Dallas	March

Corporate Support (+4)

Position	Location	Month Hired
Director, Third Party Risk & Model Risk Governance	Dallas	January
HR/Talent Business Partner	Dallas	March
VP, Accounts Payable Manager	Dallas	March
Deposit Operations Process Manager	Dallas	March



**RECONCILIATION OF NON-GAAP FINANCIAL
MEASURES**

Reconciliation of Non-GAAP Financial Measures

	As of				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
	(Dollars in thousands, except per share data)				
Tangible Common Equity					
Total stockholders' equity	\$ 1,447,996	\$ 1,315,079	\$ 1,284,160	\$ 1,272,907	\$ 1,233,808
Adjustments:					
Goodwill	(404,452)	(403,771)	(370,840)	(370,840)	(370,840)
Core deposit intangibles	(45,560)	(47,998)	(50,436)	(52,873)	(55,311)
Tangible common equity	\$ 997,984	\$ 863,310	\$ 862,884	\$ 849,194	\$ 807,657
Common shares outstanding	53,907	49,372	49,229	49,498	49,433
Book value per common share	\$ 26.86	\$ 26.64	\$ 26.09	\$ 25.72	\$ 24.96
Tangible book value per common share	\$ 18.51	\$ 17.49	\$ 17.53	\$ 17.16	\$ 16.34

	As of				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
	(Dollars in thousands)				
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Core deposit intangibles	(45,560)	(47,998)	(50,436)	(52,873)	(55,311)
Tangible common equity	\$ 997,984	\$ 863,310	\$ 862,884	\$ 849,194	\$ 807,657
Tangible Assets					
Total assets	\$ 10,453,680	\$ 9,757,249	\$ 9,572,300	\$ 9,349,525	\$ 9,237,510
Adjustments:					
Goodwill	(404,452)	(403,771)	(370,840)	(370,840)	(370,840)
Core deposit intangibles	(45,560)	(47,998)	(50,436)	(52,873)	(55,311)
Tangible Assets	\$ 10,003,668	\$ 9,305,480	\$ 9,151,024	\$ 8,925,812	\$ 8,811,359
Tangible Common Equity to Tangible Assets	9.98%	9.28%	9.43%	9.51%	9.17%

Reconciliation of Non-GAAP Financial Measures

	3/31/2022	12/31/2021	For the Quarter Ended		3/31/2021
			9/30/2021	6/30/2021	
	(Dollars in thousands)				
Net income available for common stockholders adjusted for amortization of core deposit intangibles					
Net income	\$ 33,470	\$ 41,506	\$ 36,835	\$ 29,456	\$ 31,787
Adjustments:					
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,447
Less: Tax benefit at the statutory rate	512	512	512	512	514
Net income available for common stockholders adjusted for amortization of core deposit intangibles	\$ 35,396	\$ 43,432	\$ 38,761	\$ 31,382	\$ 33,720
Average Tangible Common Equity					
Total average stockholders' equity	\$ 1,357,448	\$ 1,301,676	\$ 1,290,528	\$ 1,254,371	\$ 1,224,294
Adjustments:					
Average goodwill	(404,014)	(393,220)	(370,840)	(370,840)	(370,840)
Average core deposit intangibles	(47,158)	(49,596)	(52,043)	(54,471)	(56,913)
Average tangible common equity	906,276	858,860	867,645	829,060	796,541
Return on Average Tangible Common Equity (Annualized)	15.84%	20.06%	17.72%	15.18%	17.17%

Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
	(Dollars in thousands)				
Operating Earnings					
Net income	\$ 33,470	\$ 41,506	\$ 36,835	\$ 29,456	\$ 31,787
Plus: Severance payments ¹	-	-	-	627	-
Plus: Loss on sale of securities available for sale, net	-	-	188	-	-
Less: Thrive PPP loan forgiveness income ²	-	-	1,912	-	-
Plus: Merger and acquisition expenses	700	826	-	-	-
Operating pre-tax income	34,170	42,332	35,111	30,083	31,787
Less: Tax impact of adjustments	156	(78)	39	131	-
Plus: Nonrecurring tax adjustments ³	-	-	-	-	426
Operating earnings	\$ 34,014	\$ 42,410	\$ 35,072	\$ 29,952	\$ 32,213
Weighted average diluted shares outstanding	51,571	50,441	50,306	50,331	49,998
Diluted EPS	\$ 0.65	\$ 0.82	\$ 0.73	\$ 0.59	\$ 0.64
Diluted operating EPS	\$ 0.66	\$ 0.84	\$ 0.70	\$ 0.60	\$ 0.64

¹ Severance payments relate to branch restructurings made during the three months ended June 30, 2021.

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. PPP fee income is not taxable and as such has no tax impact.

³ 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.

Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
	(Dollars in thousands)				
Pre-Tax, Pre-Provision Operating Earnings					
Net Income	\$ 33,470	\$ 41,506	\$ 36,835	\$ 29,456	\$ 31,787
Plus: Provision for income taxes	8,102	10,697	9,195	7,837	8,993
Plus: (Benefit) provision for credit losses and unfunded commitments	(7)	(4,389)	(448)	577	(570)
Plus: Severance payments ¹	-	-	-	627	-
Plus: Loss on sale of securities, net	-	-	188	-	-
Less: Thrive PPP loan forgiveness income ²	-	-	1,912	-	-
Plus: Merger and acquisition expenses	700	826	-	-	-
Net pre-tax, pre-provision operating earnings	\$ 42,265	\$ 48,640	\$ 43,858	\$ 38,497	\$ 40,210
Average total assets	\$ 9,998,922	\$ 9,788,671	\$ 9,385,470	\$ 9,321,279	\$ 8,941,271
Pre-tax, pre-provision operating return on average assets³	1.71%	1.97%	1.85%	1.66%	1.82%
Average Total Assets	\$ 9,998,922	\$ 9,788,671	\$ 9,385,470	\$ 9,321,279	\$ 8,941,271
Return on average assets ³	1.36%	1.62%	1.56%	1.27%	1.44%
Operating return on average assets ³	1.38%	1.72%	1.48%	1.29%	1.46%
Operating earnings adjusted for amortization of core deposit intangibles					
Operating earnings	\$ 34,014	\$ 42,410	\$ 35,072	\$ 29,952	\$ 32,213
Adjustments:					
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,447
Less: Tax benefit at the statutory rate	512	512	512	512	514
Operating earnings adjusted for amortization of core deposit intangibles	\$ 35,940	\$ 44,336	\$ 36,998	\$ 31,878	\$ 34,146

¹ Severance payments relate to branch restructurings made during the three months ended June 30, 2021.

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. PPP fee income is not taxable and as such has no tax impact.

³ Annualized ratio for quarterly metrics.

Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	3/31/2022	12/31/2021	9/30/2021	6/30/2021	3/31/2021
Average Tangible Common Equity					
Total average stockholders' equity	\$ 1,357,448	\$ 1,301,676	\$ 1,290,528	\$ 1,254,371	\$ 1,224,294
Adjustments:					
Average goodwill	(404,014)	(393,220)	(370,840)	(370,840)	(370,840)
Average core deposit intangibles	(47,158)	(49,596)	(52,043)	(54,471)	(56,913)
Average tangible common equity	\$ 906,276	\$ 858,860	\$ 867,645	\$ 829,060	\$ 796,541
Operating return on average tangible common equity¹	16.08%	20.48%	16.92%	15.42%	17.39%
Efficiency ratio	52.84%	48.53%	47.55%	52.42%	49.62%
Net interest income	\$ 73,040	\$ 76,741	\$ 71,276	\$ 67,131	\$ 65,635
Noninterest income	15,097	16,510	15,627	12,456	14,172
Plus: Loss on sale of securities available for sale, net	-	-	188	-	-
Less: Thrive PPP loan forgiveness income	-	-	1,912	-	-
Operating noninterest income	15,097	16,150	13,903	12,456	14,172
Noninterest expense	46,572	45,077	41,321	41,717	39,597
Less: Severance payments	-	-	-	627	-
Plus: Merger and acquisition expenses	700	826	-	-	-
Operating noninterest expense	\$ 45,872	\$ 44,251	\$ 41,321	\$ 41,090	\$ 39,597
Operating efficiency ratio	52.05%	47.64%	48.51%	51.63%	49.62%

¹ Annualized ratio for quarterly metrics.



TRUTH

|

INTEGRITY

|

TRANSPARENCY



Financial Data as of First Quarter 2022

