

# Veritex Holdings, Inc. First Quarter 2024 Results

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Earnings Release  
April 24, 2024

NASDAQ: VBTX



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# A BETTER STATE OF BANKING



# Forward-Looking Statements

This presentation includes “forward-looking statements”, within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on various facts and derived utilizing assumptions, current expectations, estimates and projections and are subject to known and unknown risks, uncertainties and other factors, which change over time and are beyond our control, that may cause actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements include, without limitation, statements relating to the expected payment of Veritex’s quarterly cash dividend; the impact of certain changes in Veritex’s accounting policies, standards and interpretations; turmoil in the banking industry, responsive measures to mitigate and manage such turmoil and related supervisory and regulatory actions and costs and Veritex’s future financial performance, business and growth strategy, projected plans and objectives, as well as other projections based on macroeconomic and industry trends, which are inherently unreliable due to the multiple factors that impact broader economic and industry trends, and any such variations may be material. Statements preceded by, followed by or that otherwise include the words “believes,” “expects,” “anticipates,” “intends,” “projects,” “estimates,” “seeks,” “targets,” “outlooks,” “plans” and similar expressions or future or conditional verbs such as “will,” “should,” “would,” “may” and “could” are generally forward-looking in nature and not historical facts, although not all forward-looking statements include the foregoing words. We refer you to the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of Veritex’s Annual Report on Form 10-K for the year ended December 31, 2023 and any updates to those risk factors set forth in Veritex’s Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission (“SEC”), which are available on the SEC’s website at [www.sec.gov](http://www.sec.gov). If one or more events related to these or other risks or uncertainties materialize, or if Veritex’s underlying assumptions prove to be incorrect, actual results may differ materially from what Veritex anticipates. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made. Veritex does not undertake any obligation, and specifically declines any obligation, to supplement, update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. All forward-looking statements, expressed or implied, included in this presentation are expressly qualified in their entirety by this cautionary statement. This cautionary statement should also be considered in connection with any subsequent written or oral forward-looking statements that Veritex or persons acting on Veritex’s behalf may issue.

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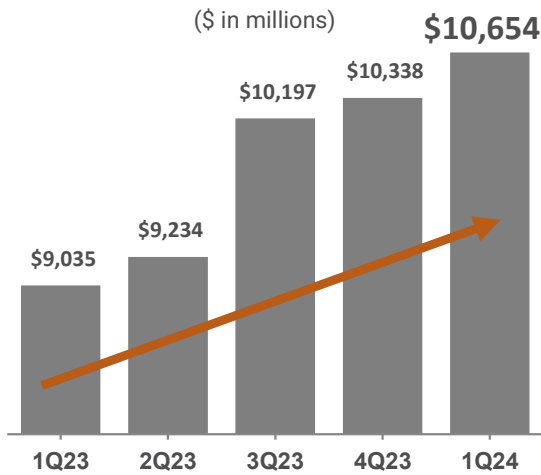
# Use of Non-GAAP Financial Measures

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

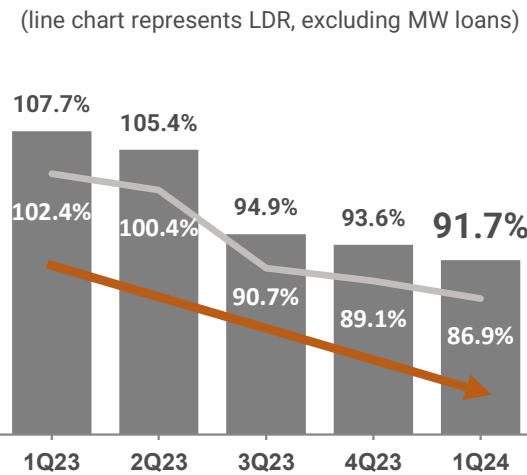
# Strengthening the Balance Sheet



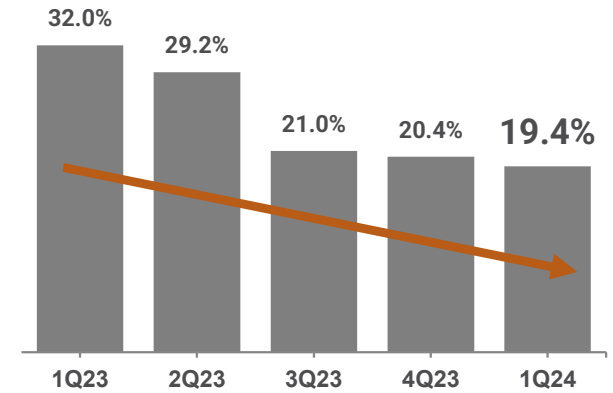
## Deposit Growth



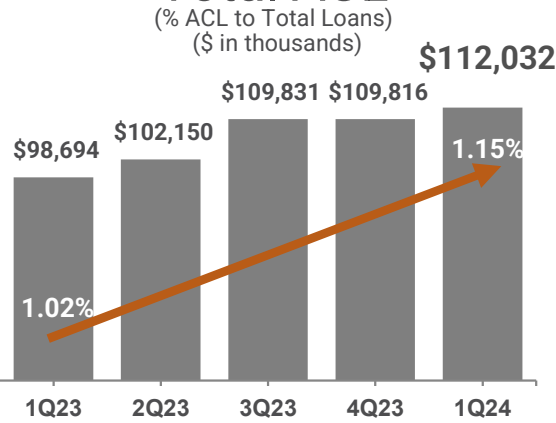
## Loan to Deposit Ratio



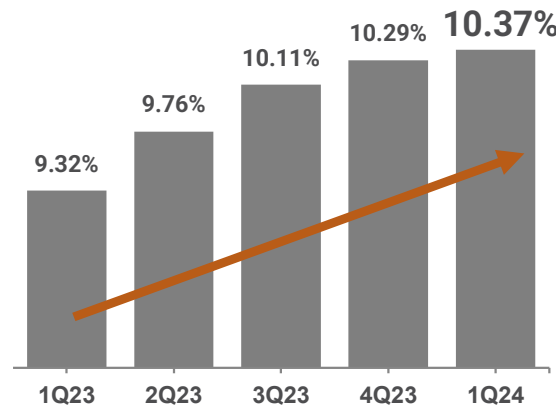
## Reliance on Wholesale Funding<sup>1</sup>



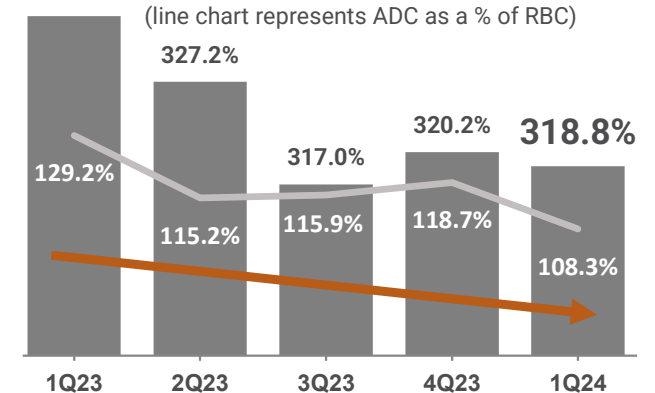
## Total ACL



## CET1 / Total RWA



## CRE Concentration as % of RBC



<sup>1</sup> Reliance on wholesale funding % is calculated at the Veritex Community Bank level.



# 2024 First Quarter Highlights

## Key Highlights

- Pre-tax Pre-provision = \$43.7 Million
  - 1.42% PTPP Return on Average Assets
  - 1.84% PTPP Return on Average Loans
- CET1 grew 8 bps to **10.37%**
- Deposits grew \$1.6 Billion, or 18%, year over year
- Loans grew \$46.4 Million, or 0.5%, year over year
- **Announced** authorization of a stock buyback program to purchase up to **\$50 million** of outstanding common stock over the course of a year as deemed appropriate
- **Sold \$120.1 million** of lower-yielding AFS debt securities with a 3.11% average yield and reinvested the proceeds in higher yielding AFS securities with a **6.24%** average yield
- Unfunded commitments decreased **\$203.7 million** quarter over quarter

Balance Sheet <sup>1</sup>	Total
Total Loans	\$9.8
Total Deposits	\$10.6

	1Q24	1Q24 <sup>2</sup>
Key Performance Metrics	Reported	Operating
Net Income <sup>3</sup>	\$24.2	\$29.1
Diluted EPS	\$0.44	\$0.53
ROAA	0.79%	0.95%
ROATCE	9.52%	11.34%
Efficiency Ratio	62.5%	58.7%

<sup>1</sup> Total loans and deposits \$ in billions as of March 31, 2024

<sup>2</sup> Refer to the reconciliation of Non-GAAP financial measures at the end of this presentation

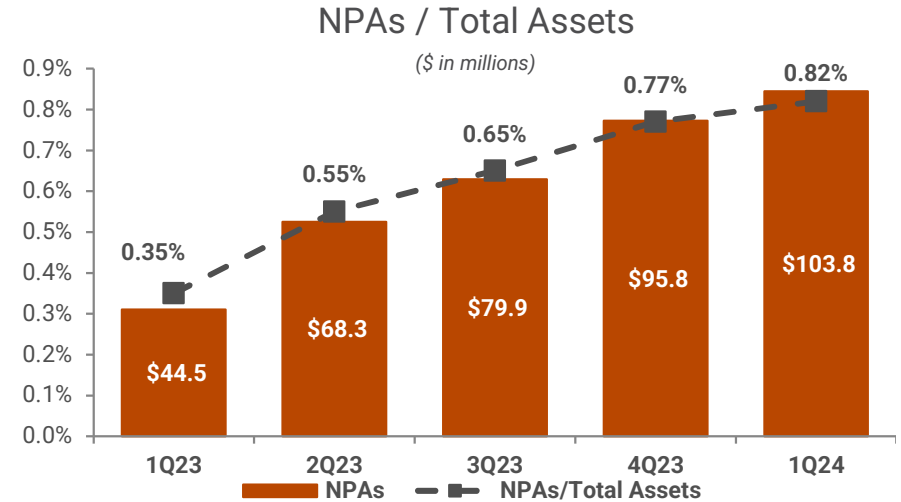
<sup>3</sup> Net income \$ in millions

# Credit Quality

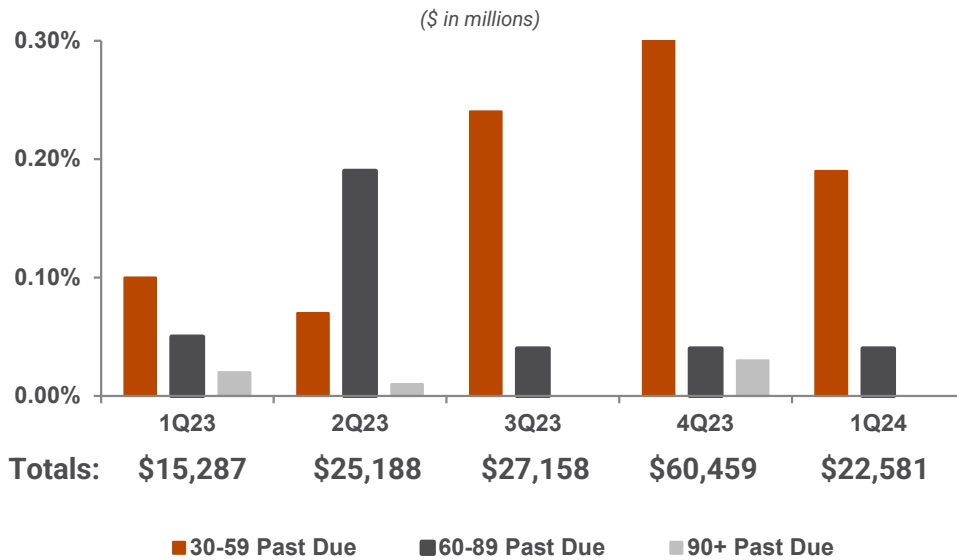


## Summary

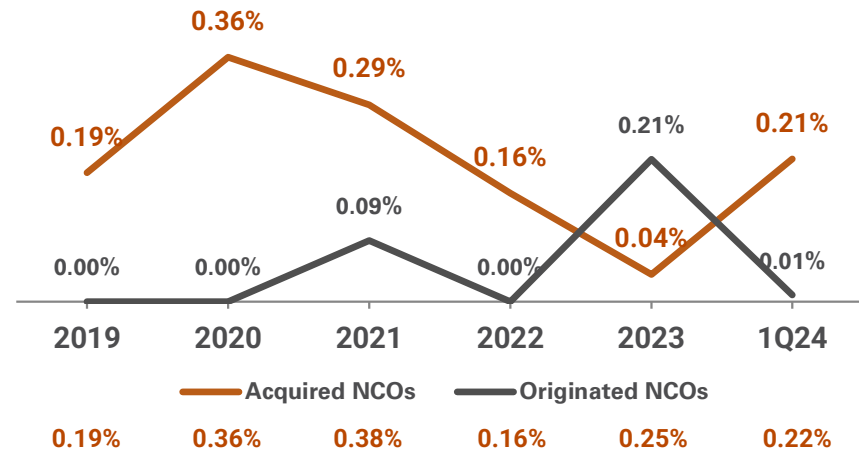
- 2024 annualized net charge-offs were 0.22%
- Acquired work out credits made up 95% of annualized net charge-offs for 1Q24
- NPA / Total Assets remained relatively flat at 0.82%



### Past Due Trend<sup>1</sup> % of Total Loans<sup>2</sup>



### Net Charge-off Lookback



<sup>1</sup> Past due loans exclude purchased credit deteriorated loans that are accounted for on a pooled basis and non-accrual loans.

<sup>2</sup> Total loans excludes Loans Held for Sale, MW and PPP loans.

<sup>3</sup> Net charge-offs are annualized for 1Q24.

# Credit Quality

## (continued)

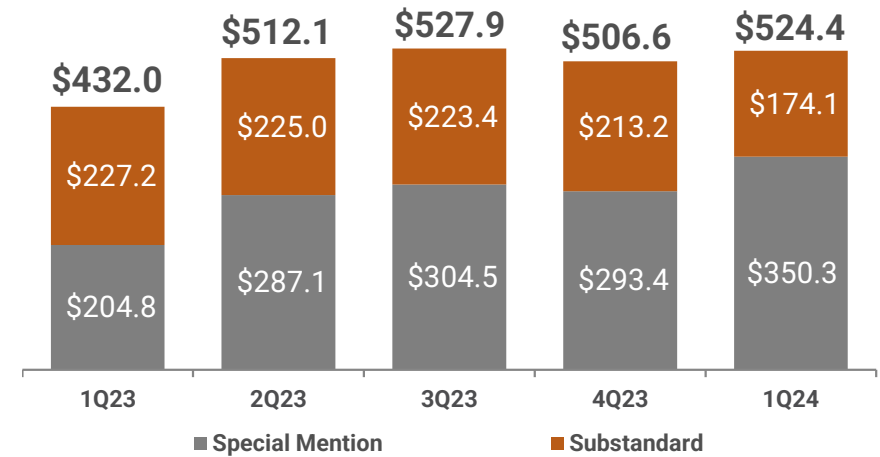


### Summary

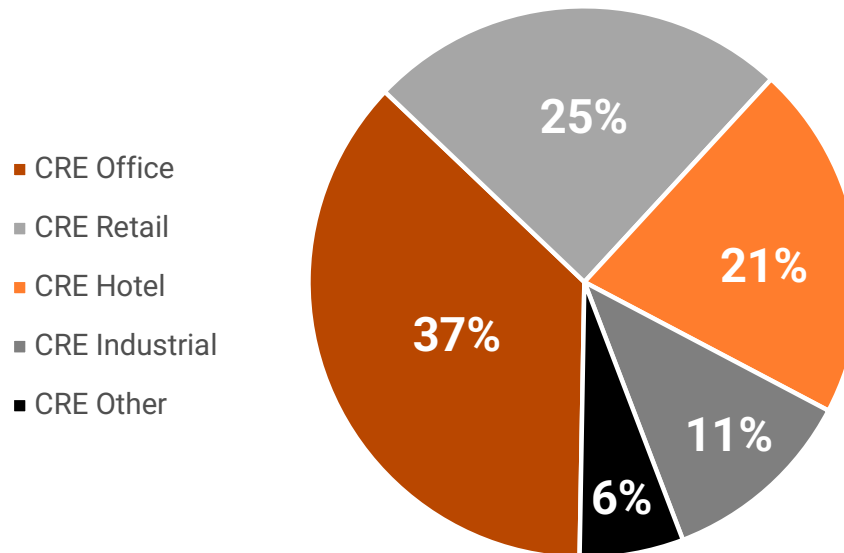
- Criticized loans = \$524.4 million
- Criticized loans remained relatively flat quarter over quarter

### Quarterly Criticized Loans

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



### Commercial Real Estate Criticized Loans Breakdown as of March 31, 2024



Total CRE Criticized  
\$326.7 million, down  
4.4% from 2023



# Allowance For Credit Losses

1.15% Coverage // ACL increase of 13 bps from 1Q23

## Summary

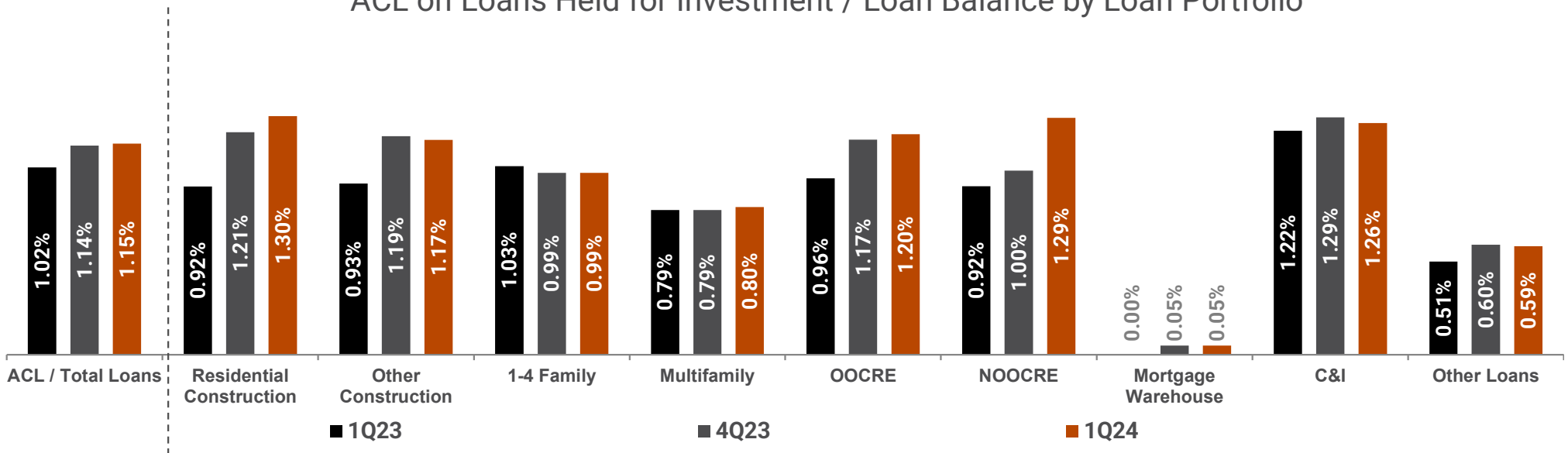
- General reserve reflects current economic outlook on economy and recessionary risk
- 25% Baseline / 40% Scenario 2 / 25% Scenario 3 / 10% Scenario 4 of Moody's forecast weighting utilized in the 1Q24 ACL calculation
- General reserves have increased 15%, or 11 bps, year over year
- Q-Factors represent 34 bps of the general reserve

Loan balances subject to the ACL methodology remained relatively flat from March 2023

ACL / Total Loans up 12.7% from March 31, 2023

ACL / Total Loans, excluding MW = 1.21%

ACL on Loans Held for Investment / Loan Balance by Loan Portfolio



# Capital



CET1 at 10.37%, up 105 bps year over year

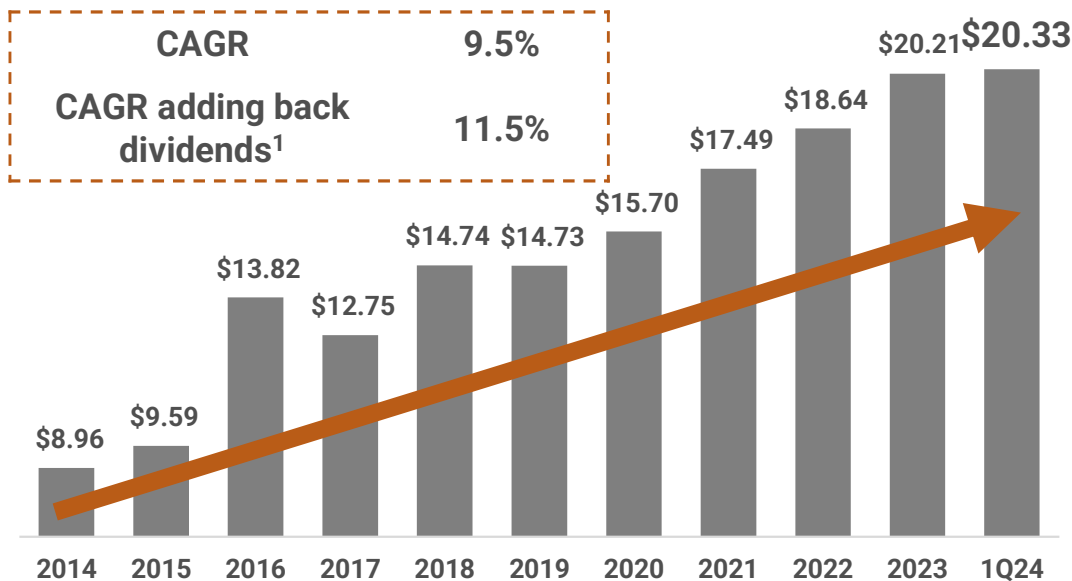
## Summary

- Announced stock buyback program in March 2024 for up to \$50 million
- CET1 increase primarily driven by earnings and a decrease in unfunded commitments
- RWA down \$624 million, or 5.2%, from 1Q23
- CET1, including the impact to AOCI, is 9.74%
- TBV increased to \$20.33

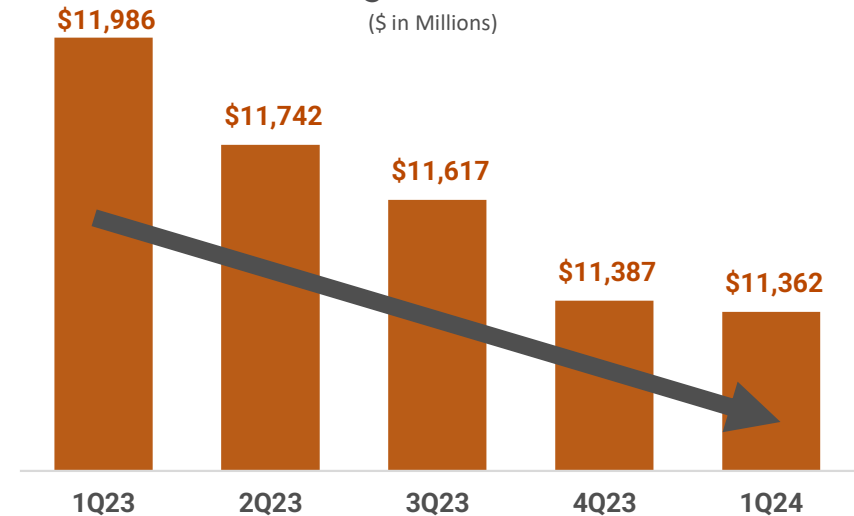
## Capital Levels

Capital Ratio	1Q24	1Q23	1Q24 (includes AOCI)
CET1 Capital	10.37%	9.32%	9.74%
Tier 1 Capital	10.63%	9.56%	10.01%
Total Capital	13.33%	11.99%	12.71%

## Tangible Book Value Trend since IPO in 2014



## Risk Weighted Assets Trend



<sup>1</sup> Total dividends of \$193.9 million included in the CAGR calculation.



# Deposits

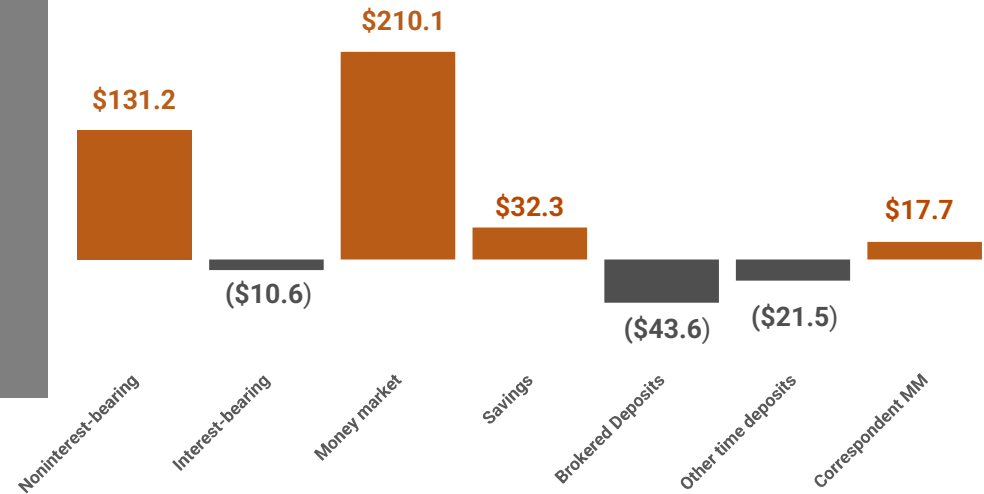


## Summary

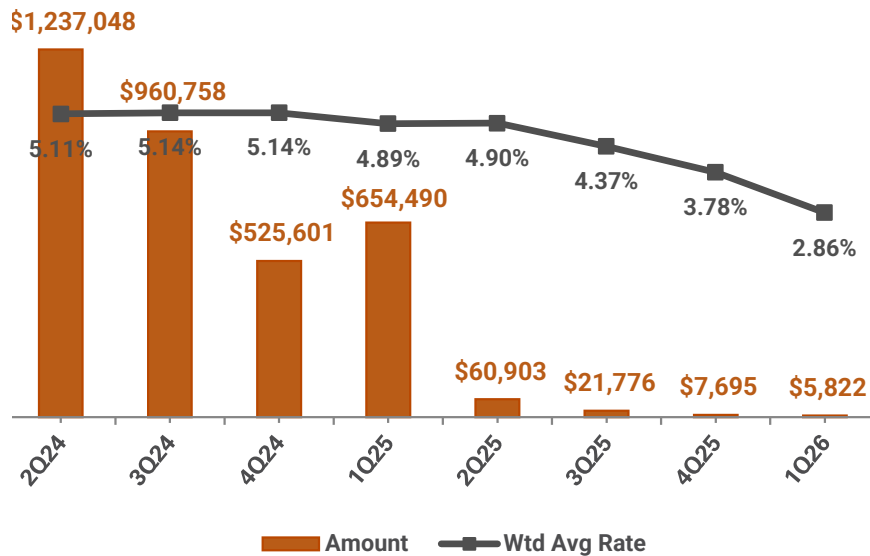
- Total deposits increased \$315.6 million during 1Q24, or 12.2% annualized
- LDR decreased to 91.7%, from 107.7%, year over year
- LDR, excluding MW loans, **decreased to 86.9%** from 102.4% year over year
- Wholesale funding reliance at the Bank level is 19.5%
- Uninsured and uncollateralized deposits was 31.9% on March 31, 2024

## Quarter over Quarter Change in Deposits

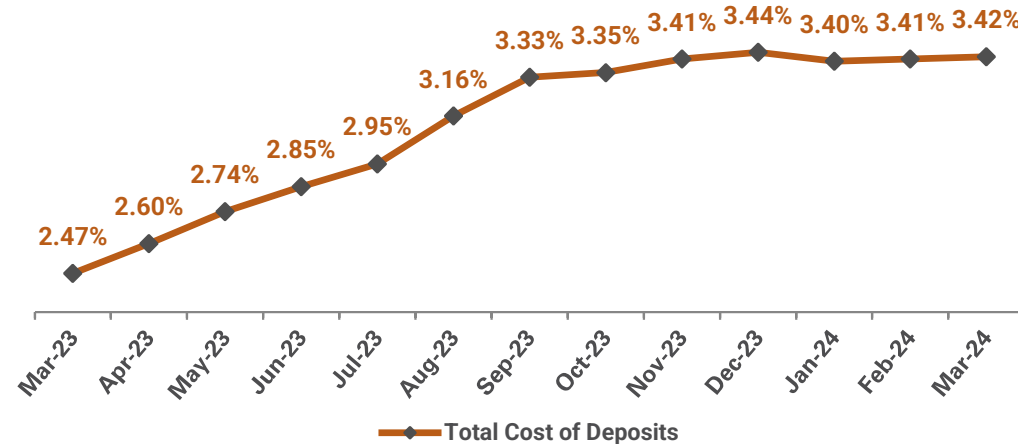
(\$ in Millions)



## 8 Quarter Term Funding Maturity Schedule



## 12 Month Trend of Total Cost of Deposits



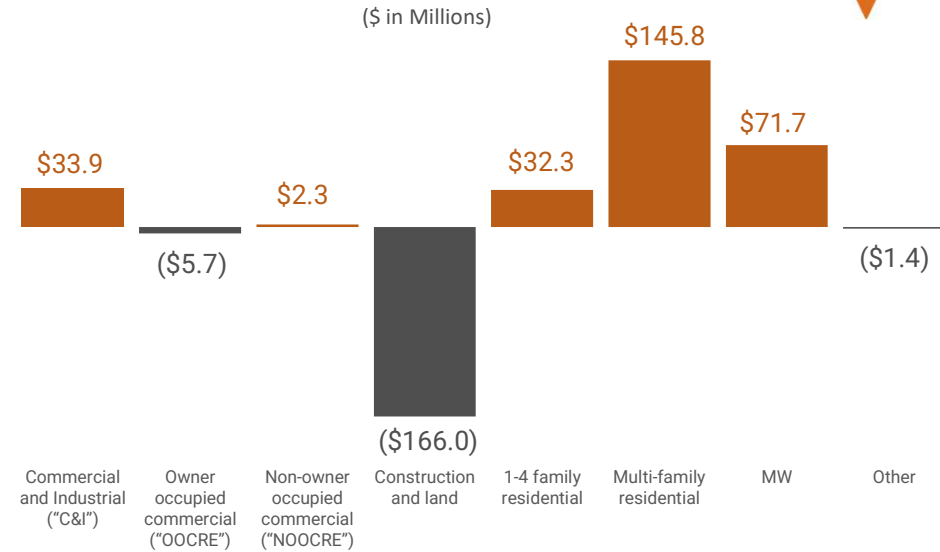
# Loans



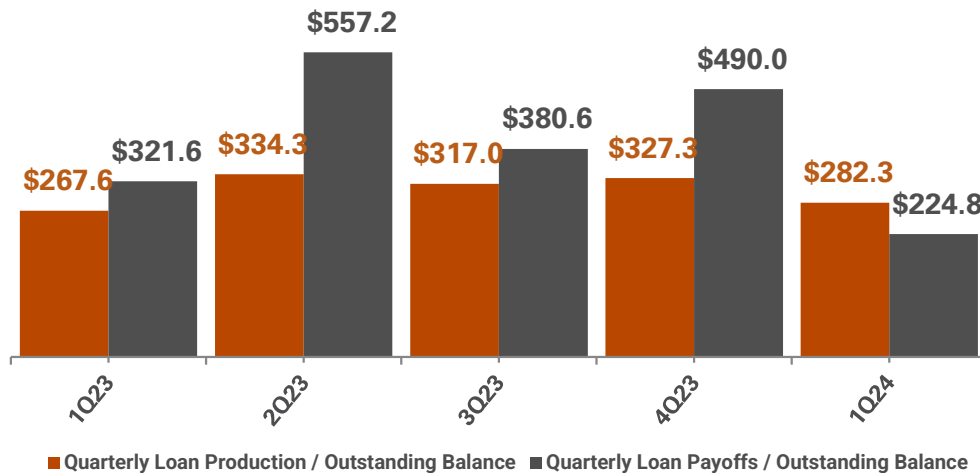
## Summary

- Loans grew **1.9%** annualized in 1Q24
- **44%** of 1Q24 payoffs were from the CRE portfolio
- **70%** decrease in CRE ADC Constructed unfunded commitments year over year
- CRE ADC Construction Unfunded Balances decreased **61%**, year over year, to \$696 Million

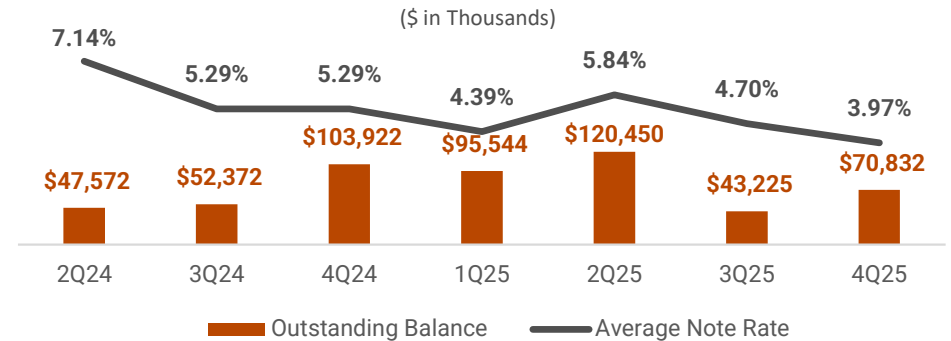
## 1Q24 Change in the Loan Portfolio



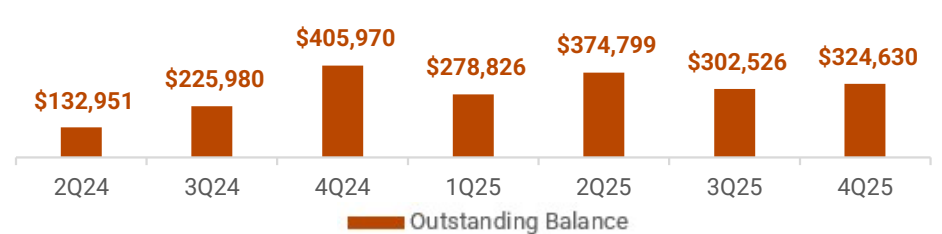
## Quarterly Loan Commitment Production and Commitment Payoffs



## CRE Fixed Rate Maturities



## CRE Variable Rate Maturities



# CRE By Type



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

	Term	ADC	Total
Multifamily	751,607	465,760	1,217,367
Whs/Industrial	566,332	550,920	1,117,252
Retail	665,929	34,668	700,597
Office	514,552	13,634	528,186
Hotel	403,658	39,999	443,657
SFR	-	373,813	373,813
Commercial and Other	203,226	104,171	307,397
Consumer	-	14,128	14,128
<b>Total</b>	<b>3,105,304</b>	<b>1,597,093</b>	<b>4,702,397</b>

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

OOS	% Total
137,544	3%
318,802	7%
179,544	4%
32,465	1%
85,625	2%
8,424	-
22,797	-
-	-
<b>785,201</b>	<b>17%</b>



# Out of State Exposure

Breakdown of Out of State		
<b>Total Loans</b>	<b>\$9,706,013</b>	<b>% of Total</b>
<i>(\$ in thousands)</i>		
<b>National Businesses<sup>1</sup></b>	<b>\$1,239,001</b>	<b>12.7%</b>
Mortgage Warehouse	224,903	
Mortgage Servicing Rights	229,804	
Lender Finance	536,568	
Specialty Finance	55,051	
USDA and SBA	192,675	
<b>Mortgage</b>	<b>\$257,486</b>	<b>2.7%</b>
<b>Out of State</b>	<b>\$1,101,580</b>	<b>11.3%</b>
Texas CRE Developers	785,201	8.1%
C&I / Shared National Credits	316,379	3.2%

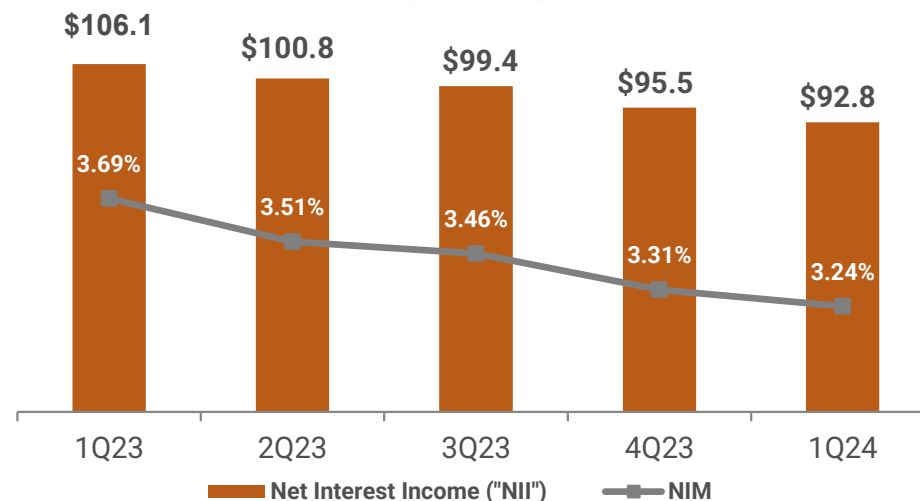
# Net Interest Income



## Summary

- 1Q24 NIM – 3.24%
- 1Q24 Total Loans Yield – 6.81%
- Average Cost of Total Deposits – 3.42%
- Average earnings assets increased to \$11.5 million as of 1Q24

NII / NIM Trend  
(\$ in Millions)



## Net Interest Income Rollforward

(\$ in thousand)

<b>4Q23 Net Interest Income</b>	<b>\$95,533</b>
Impact of change in volume	901
Impact of deposit rate changes	(1,258)
Change in day count	(1,011)
Impact of loan rate changes	(486)
Change in earning asset mix and other	(873)
<b>1Q24 Net Interest Income</b>	<b>\$92,806</b>

## Interest Rate Sensitivity<sup>1</sup>

Interest Rate Scenario	1Q24		
	Percentage Change From Base	EVE Shock Scenario	
Up 200 bps	9.12%	Up 200 bps	-3.77%
Up 100 bps	4.67%	Up 100 bps	-1.33%
BASE CASE	0.00%	BASE CASE	0.00%
Down 100 bps	-5.89%	Down 100 bps	-1.51%
Down 200 bps	-10.32%	Down 200 bps	-3.98%

<sup>1</sup> Interest rate sensitivity is calculated using a static rate shock.

# Interest Rates



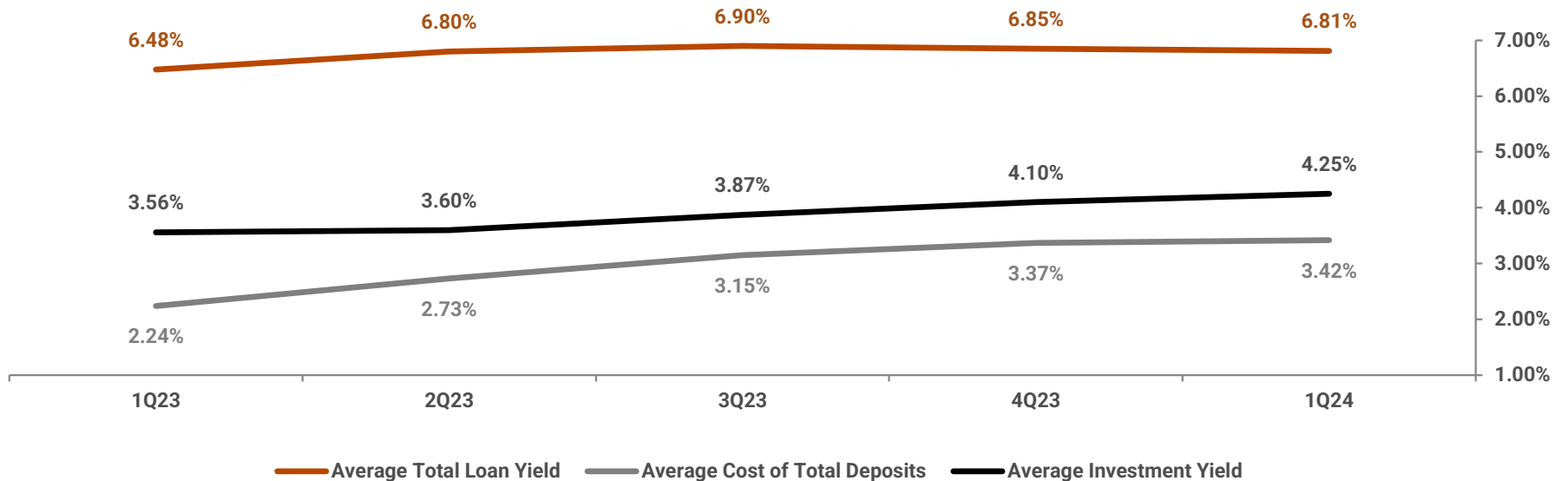
## Summary

- Average 1Q24 loan and deposit new production spread = 351 bps
- Average debt securities yield at 4.25%
- Average loan held for investment yield at 6.83%

## Variable and Hybrid Loans by Index

Variable and Hybrid Loans by Rate Index	Amount (in millions)	% of Variable and Hybrid Loans
SOFR	\$ 5,772.2	78.7%
Prime Rate	\$ 1,373.6	18.7%
Other	\$ 192.8	2.6%
<b>Total Variable and Hybrid Loans</b>	<b>\$ 7,338.6</b>	<b>100.0%</b>

## 5 Quarter Trend (Loans, Investments and Deposits)



# Investments and Liquidity



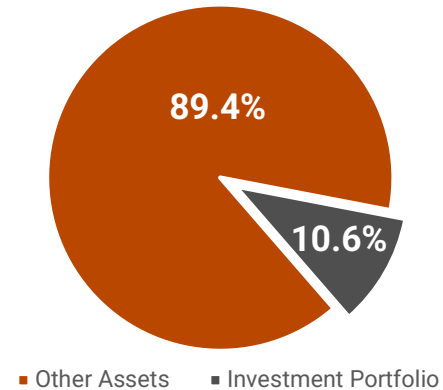
## Summary

- Represents 10.6% of total assets
- 86.7% in AFS securities
- Effective duration = 4.0
- 1Q24 portfolio yield = 4.25%

## 1Q24 Restructure

- Sold \$120.1 million in AFS securities with a 3.11% average yield
- Reinvested a majority of the proceeds into higher yielding securities at a 6.26% average yield
- Transaction will have a 1.8 years earn-back

## Debt Investments as % of Total Assets Total Assets: \$12.7 Billion



## 1Q24 Sources of Liquidity

### Current on-balance sheet:

Cash and equivalents	740,769
Unpledged AFS securities	139,050

<b>Total on-balance sheet</b>	<b>879,819</b>
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Fed Funds borrowing capacity	150,000
FHLB remaining borrowing capacity	2,212,563
Federal Reserve discount window	2,968,439
Brokered deposits available <sup>1</sup>	142,977

<b>Total available sources</b>	<b>5,473,979</b>
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<b>Total Liquidity</b>	<b>\$6,353,798</b>
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<sup>1</sup> Brokered deposits available is driven by Company policy and not market availability.

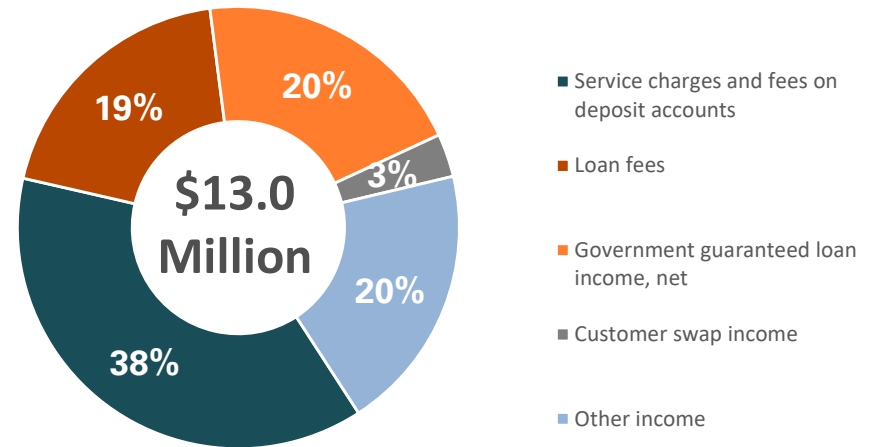


# Noninterest Income and Expense

## Summary

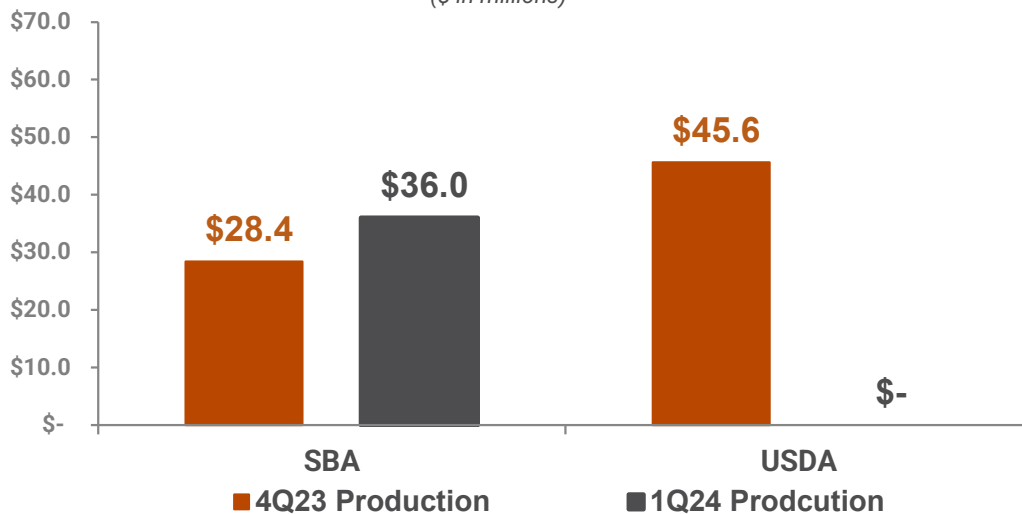
- 1Q24 operating noninterest income = \$13.0 Million
- 1Q24 operating noninterest expense = \$62.1 Million
- Government guaranteed loan income decreased to \$2.6 million from \$4.4 million quarter over quarter

## Operating Noninterest Income

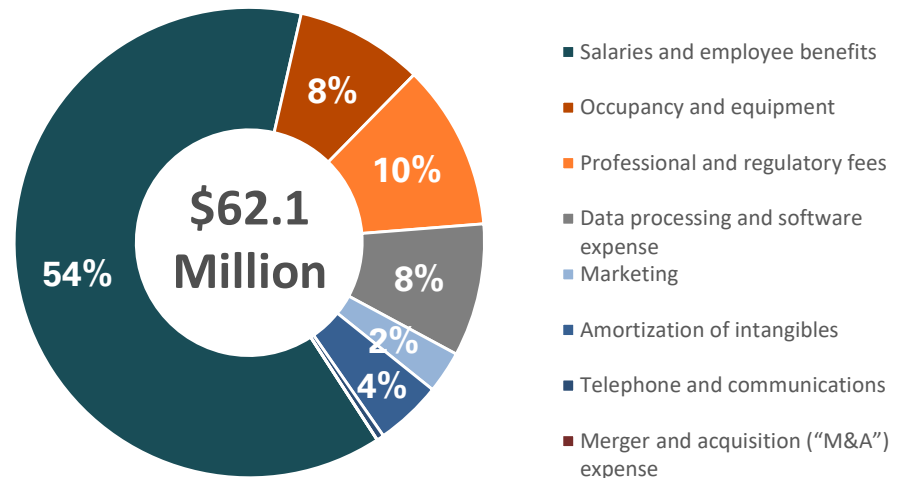


## SBA and USDA Quarter over Quarter Production

(\$ in millions)



## Operating Noninterest Expense





# Veritex Holdings, Inc. First Quarter 2024 Results

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Supplemental Information



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# A BETTER STATE OF BANKING



# Reconciliation of Non-GAAP Financial Measures

	As of				
	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	(Dollars in thousands, except per share data)				
<b>Tangible Common Equity</b>					
Total stockholders' equity	\$ 1,538,515	\$ 1,531,323	\$ 1,491,166	\$ 1,491,280	\$ 1,493,737
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(26,057)	(28,495)	(30,933)	(33,371)	(35,808)
<b>Tangible common equity</b>	<u>\$ 1,108,006</u>	<u>\$ 1,098,376</u>	<u>\$ 1,055,781</u>	<u>\$ 1,053,457</u>	<u>\$ 1,053,477</u>
Common shares outstanding	54,496	54,338	54,305	54,261	54,229
Book value per common share	\$ 28.23	\$ 28.18	\$ 27.46	\$ 27.48	\$ 27.54
Tangible book value per common share	\$ 20.33	\$ 20.21	\$ 19.44	\$ 19.41	\$ 19.43

	As of				
	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	(Dollars in thousands)				
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Total stockholders' equity	\$ 1,538,515	\$ 1,531,323	\$ 1,491,166	\$ 1,491,280	\$ 1,493,737
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<b>Tangible Assets</b>					
Total assets	\$ 12,708,396	\$ 12,394,337	\$ 12,346,331	\$ 12,470,368	\$ 12,609,487
Adjustments:					
Goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Core deposit intangibles	(26,057)	(28,495)	(30,933)	(33,371)	(35,808)
<b>Tangible Assets</b>	<u>\$ 12,277,887</u>	<u>\$ 11,961,390</u>	<u>\$ 11,910,946</u>	<u>\$ 12,032,545</u>	<u>\$ 12,169,227</u>
<b>Tangible Common Equity to Tangible Assets</b>	9.02 %	9.18 %	8.86 %	8.76 %	8.66 %



# Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	(Dollars in thousands)				
<b>Net income available for common stockholders adjusted for amortization of core deposit intangibles</b>					
Net income	\$ 24,156	\$ 3,499	\$ 32,621	\$ 33,730	\$ 38,411
Adjustments:					
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438
Less: Tax benefit at the statutory rate	512	512	512	512	512
<b>Net income available for common stockholders adjusted for amortization of core deposit intangibles</b>	<b>\$ 26,082</b>	<b>\$ 5,425</b>	<b>\$ 34,547</b>	<b>\$ 35,656</b>	<b>\$ 40,337</b>
<b>Average Tangible Common Equity</b>					
Total average stockholders' equity	\$1,533,868	\$1,510,286	\$1,508,170	\$1,510,625	\$1,476,576
Adjustments:					
Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Average core deposit intangibles	(27,656)	(30,093)	(32,540)	(34,969)	(37,361)
<b>Average tangible common equity</b>	<b>\$1,101,760</b>	<b>\$1,075,741</b>	<b>\$1,071,178</b>	<b>\$1,071,204</b>	<b>\$1,034,763</b>
<b>Return on Average Tangible Common Equity (Annualized)</b>	<b>9.52 %</b>	<b>2.00 %</b>	<b>12.80 %</b>	<b>13.35 %</b>	<b>15.81 %</b>



# Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	(Dollars in thousands, except per share data)				
<b>Operating Earnings</b>					
Net income	\$ 24,156	\$ 3,499	\$ 32,621	\$ 33,730	\$ 38,411
Plus: Severance payments <sup>1</sup>	—	—	—	1,194	835
Plus: Loss on sale of AFS securities, net	6,304	—	—	—	5,321
Plus: Equity method investment write-down	—	29,417	—	—	—
Plus: FDIC special assessment	—	768	—	—	—
Operating pre-tax income	30,460	33,684	32,621	34,924	44,567
Less: Tax impact of adjustments	1,323	2,059	—	251	1,293
Operating earnings	\$ 29,137	\$ 31,625	\$ 32,621	\$ 34,673	\$ 43,274
<b>Weighted average diluted shares outstanding</b>	54,842	54,691	54,597	54,486	54,606
<b>Diluted EPS</b>	\$ 0.44	\$ 0.06	\$ 0.60	\$ 0.62	\$ 0.70
<b>Diluted operating EPS</b>	\$ 0.53	\$ 0.58	\$ 0.60	\$ 0.64	\$ 0.79

<sup>1</sup> Severance payments relate to certain restructurings made during the periods disclosed.





# Reconciliation of Non-GAAP Financial Measures

	For the Quarter Ended				
	Mar 31, 2024	Dec 31, 2023	Sep 30, 2023	Jun 30, 2023	Mar 31, 2023
	(Dollars in thousands)				
<b>Pre-Tax, Pre-Provision Operating Earnings</b>					
Net income	\$ 24,156	\$ 3,499	\$ 32,621	\$ 33,730	\$ 38,411
Plus: Provision for income taxes	7,237	6,004	9,282	9,725	11,012
Plus: Provision for credit losses and unfunded commitments	5,959	8,000	7,718	13,871	10,882
Plus: Severance payments	—	—	—	1,194	756
Plus: Loss on sale of AFS securities, net	6,304	—	—	—	5,321
Plus: Equity method investment write-down	—	29,417	—	—	—
Plus: FDIC special assessment	—	768	—	—	—
<b>Pre-tax, pre-provision operating earnings</b>	<b>\$ 43,656</b>	<b>\$ 47,688</b>	<b>\$ 49,621</b>	<b>\$ 58,520</b>	<b>\$ 66,382</b>
<b>Average total assets</b>	<b>\$ 12,336,042</b>	<b>\$ 12,306,634</b>	<b>\$ 12,259,062</b>	<b>\$ 12,350,223</b>	<b>\$ 12,214,313</b>
<b>Pre-tax, pre-provision operating return on average assets<sup>1</sup></b>	<b>1.42 %</b>	<b>1.54 %</b>	<b>1.61 %</b>	<b>1.90 %</b>	<b>2.20 %</b>
<b>Average loans</b>	<b>\$ 9,563,372</b>	<b>\$ 9,581,784</b>	<b>\$ 9,625,005</b>	<b>\$ 9,657,313</b>	<b>\$ 9,501,309</b>
<b>Pre-tax, pre-provision operating return on average loans<sup>1</sup></b>	<b>1.84 %</b>	<b>1.97 %</b>	<b>2.05 %</b>	<b>2.43 %</b>	<b>2.83 %</b>
<b>Average total assets</b>	<b>\$ 12,336,042</b>	<b>\$ 12,306,634</b>	<b>\$ 12,259,062</b>	<b>\$ 12,350,223</b>	<b>\$ 12,214,313</b>
<b>Return on average assets<sup>1</sup></b>	<b>0.79 %</b>	<b>0.11 %</b>	<b>1.06 %</b>	<b>1.10 %</b>	<b>1.28 %</b>
<b>Operating return on average assets<sup>1</sup></b>	<b>0.95</b>	<b>1.02</b>	<b>1.06</b>	<b>1.13</b>	<b>1.44</b>



# Reconciliation of Non-GAAP Financial Measures

<b>Operating earnings adjusted for amortization of core deposit intangibles</b>					
Operating earnings	\$ 29,137	\$ 31,625	\$ 32,621	\$ 34,673	\$ 43,274
Adjustments:					
Plus: Amortization of core deposit intangibles	2,438	2,438	2,438	2,438	2,438
Less: Tax benefit at the statutory rate	512	512	512	512	512
<b>Operating earnings adjusted for amortization of core deposit intangibles</b>	<b>\$ 31,063</b>	<b>\$ 33,551</b>	<b>\$ 34,547</b>	<b>\$ 36,599</b>	<b>\$ 45,200</b>
<b>Average Tangible Common Equity</b>					
Total average stockholders' equity	\$ 1,533,868	\$ 1,510,286	\$ 1,508,170	\$ 1,510,625	\$ 1,476,576
Adjustments:					
Less: Average goodwill	(404,452)	(404,452)	(404,452)	(404,452)	(404,452)
Less: Average core deposit intangibles	(27,656)	(30,093)	(32,540)	(34,969)	(37,361)
<b>Average tangible common equity</b>	<b>\$ 1,101,760</b>	<b>\$ 1,075,741</b>	<b>\$ 1,071,178</b>	<b>\$ 1,071,204</b>	<b>\$ 1,034,763</b>
<b>Operating return on average tangible common equity<sup>1</sup></b>	<b>11.34 %</b>	<b>12.37 %</b>	<b>12.80 %</b>	<b>13.70 %</b>	<b>17.72 %</b>
<b>Efficiency ratio</b>	<b>62.45 %</b>	<b>77.49 %</b>	<b>54.49 %</b>	<b>49.94 %</b>	<b>48.42 %</b>
<b>Operating efficiency ratio</b>					
Net interest income	\$ 92,806	\$ 95,533	\$ 99,361	\$ 100,831	\$ 103,389
Noninterest income	6,662	(17,792)	9,674	13,692	13,531
Plus: Loss on sale of AFS securities, net	6,304	—	—	—	5,321
Plus: Equity method investment write-down	—	29,417	—	—	—
Operating noninterest income	12,966	11,625	9,674	13,692	18,852
Noninterest expense	62,116	60,238	59,414	57,197	56,615
Less: FDIC special assessment	—	768	—	—	—
Less: Severance payments	—	—	—	1,194	756
Operating noninterest expense	\$ 62,116	\$ 59,470	\$ 59,414	\$ 56,003	\$ 55,859
<b>Operating efficiency ratio</b>	<b>58.73 %</b>	<b>55.50 %</b>	<b>54.49 %</b>	<b>48.90 %</b>	<b>45.63 %</b>

Annualized ratio for quarterly metrics.

**Veritex Holdings, Inc.**  
**First Quarter**  
**2024 Results**



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