



Quarterly Investor Update

FOURTH QUARTER &
FISCAL YEAR END 2023

FORWARD LOOKING STATEMENTS

This investor update contains “forward-looking statements” which are made in good faith by Pathward Financial, Inc.TM (the “Company”) pursuant to the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. You can identify forward-looking statements by words such as “may,” “hope,” “will,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential,” “continue,” “could,” “future,” “target,” or the negative of those terms, or other words of similar meaning or similar expressions.

These forward-looking statements are based on information currently available to us and assumptions about future events, and include statements with respect to the Company’s beliefs, expectations, estimates, and intentions, which are subject to significant risks and uncertainties, and are subject to change based on various factors, some of which are beyond the Company’s control. Such risks, uncertainties and other factors may cause our actual growth, results of operations, financial condition, cash flows, performance and business prospects and opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Such statements address, among others, the following subjects: future operating results including our earnings per share guidance, future effective tax rate, and related performance expectations; progress on key initiatives, including the impact of measures expected to increase efficiencies or reduce expenses; customer retention; loan and other product demand; new products and services; credit quality; the level of net charge-offs and the adequacy of the allowance for credit losses; and technology. The following factors, among others, could cause the Company’s financial performance and results of operations to differ materially from the expectations, estimates, and intentions expressed in such forward-looking statements: maintaining our executive management team; expected growth opportunities may not be realized or may take longer to realize than expected; the potential adverse effects of unusual and infrequently occurring events, including the impact on financial markets from geopolitical conflicts such as the military conflicts in Ukraine and the Middle East, weather-related disasters, or public health events, such as the COVID-19 pandemic and any governmental or societal responses thereto; our ability to achieve brand recognition for the Bank equal to or greater than we enjoyed for MetaBank; our ability to successfully implement measures designed to reduce expenses and increase efficiencies; changes in trade, monetary, and fiscal policies and laws, including actual changes in interest rates and the Fed Funds rate, and their related impacts on macroeconomic conditions, customer behavior, or funding costs and loan and securities portfolio; changes in tax laws; the strength of the United States’ economy, and the local economies in which the Company operates; adverse developments in the financial services industry generally such as recent bank failures, responsive measures to mitigate and manage such developments, related supervisory and regulatory actions and costs, and related impacts on customer behavior; inflation, market, and monetary fluctuations; the timely and efficient development of, new products and services offered by the Company or its strategic partners, as well as risks (including reputational and litigation) attendant thereto, and the perceived overall value of these products and services by users; the ability of the Company’s subsidiary PathwardTM, N.A. (“Pathward”) to maintain its Durbin Amendment exemption; the risks of dealing with or utilizing third parties, including, in connection with the Company’s prepaid card and tax refund advance business, the risk of reduced volume of refund advance loans as a result of reduced customer demand for or usage of the Company’s strategic partners’ refund advance products; our relationship with, and any actions which may be initiated by, our regulators; changes in financial services laws and regulations, including laws and regulations relating to the tax refund industry and the insurance premium finance industry; technological changes, including, but not limited to, the protection of our electronic systems and information; the impact of acquisitions and divestitures; litigation risk; the growth of the Company’s business, as well as expenses related thereto; continued maintenance by Pathward of its status as a well-capitalized institution, changes in consumer spending and saving habits; losses from fraudulent or illegal activity, technological risks and developments and cyber threats, attacks or events; the success of the Company at maintaining its high quality asset level and managing and collecting assets of borrowers in default should problem assets increase; and the other factors described under the caption “Risk Factors” and in other sections of the Company’s Annual Report on Form 10-K for the Company’s fiscal year ended September 30, 2022 and in other filings made by the Company with the Securities and Exchange Commission (“SEC”).

The foregoing list of factors is not exclusive. We caution you not to place undue reliance on these forward-looking statements. The forward-looking statements included herein speak only as of the date of this investor update. The Company expressly disclaims any intent or obligation to update any forward-looking statements, whether written or oral, that may be made from time to time by or on behalf of the Company or its subsidiaries, whether as a result of new information, changed circumstances or future events or for any other reason.

FY 2023 Highlights



**\$163.6 MILLION IN NET INCOME; AN INCREASE
OF 5% COMPARED TO FY 2022**



**\$5.99 IN DILUTED EARNINGS PER SHARE; AN INCREASE
OF 14% COMPARED TO FY 2022**



**GROWTH IN BOTH NET INTEREST INCOME AND NON-
INTEREST INCOME AS COMPARED TO FY 2022**



NET INTEREST MARGIN (“NIM”) OF 6.04%; ADJUSTED NIM¹ OF 4.83%

Fiscal Year 2023 Accomplishments



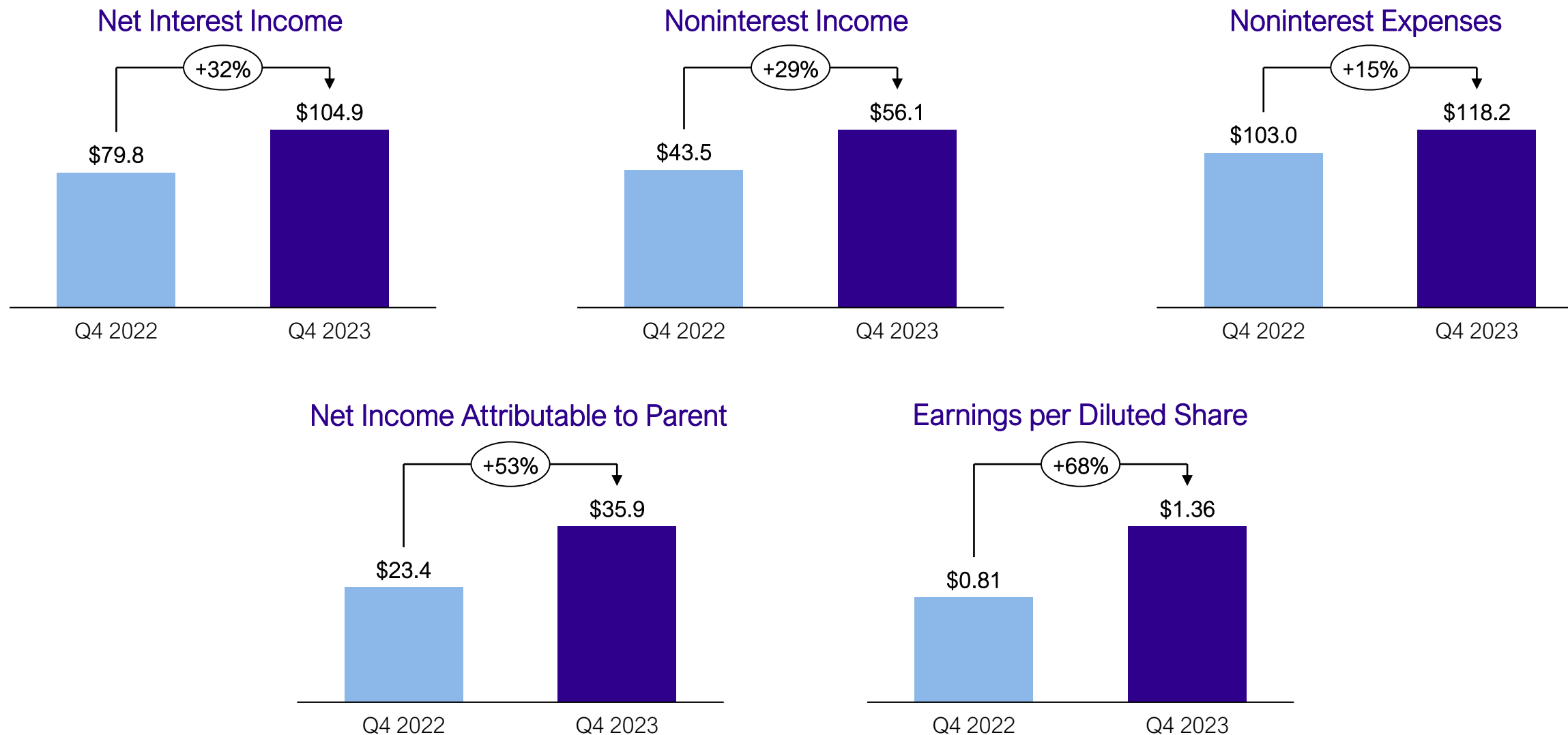
- Certified Great Place to Work and Newsweek ranked Pathward among America's Greatest Workplaces
- Commercial Finance grew total loans and leases by 23%
- BaaS extended multiple agreements and launched new programs with both new and existing partners
- Commercial Finance held organizational review to create horizontal capabilities and drive efficiencies
- Regulatory, Risk and Compliance maturity and infrastructure is a strength

Delivering on Strategic Initiatives in FY 2024

- Commercial Finance is focused on driving smart balance sheet growth
- BaaS is building an organization that will be a one stop shop for partners
- Increasing full year guidance

Results Driven by NIM Expansion and Growth in Noninterest Income

(\$ in millions, except per share data)

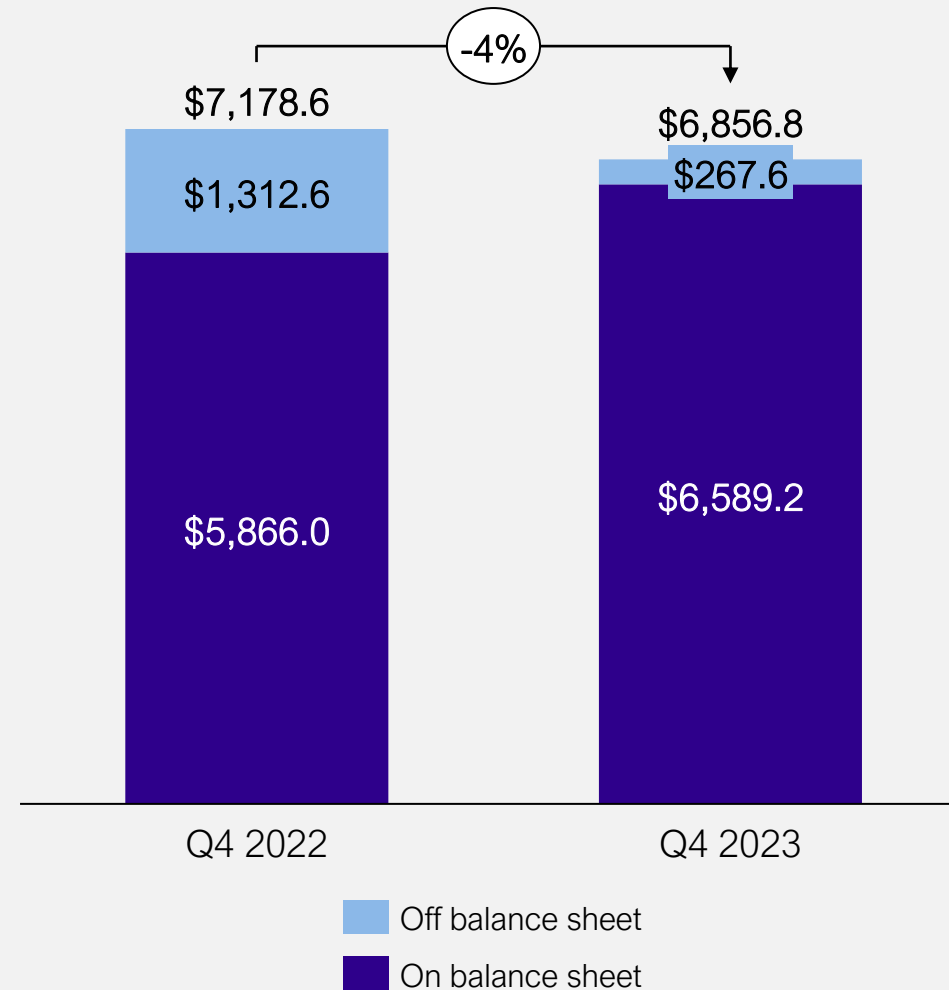


Total Deposits Remain Strong

- Average Q4 off balance sheet deposits of \$588 million, \$268 million at quarter end
- Sequential quarter total deposits impacted by declines in seasonal tax services balances and EIP deposit runoff
- Continue to return unclaimed EIP balances to the U.S. Treasury

Total Managed Deposits

Period ending (\$ in millions)

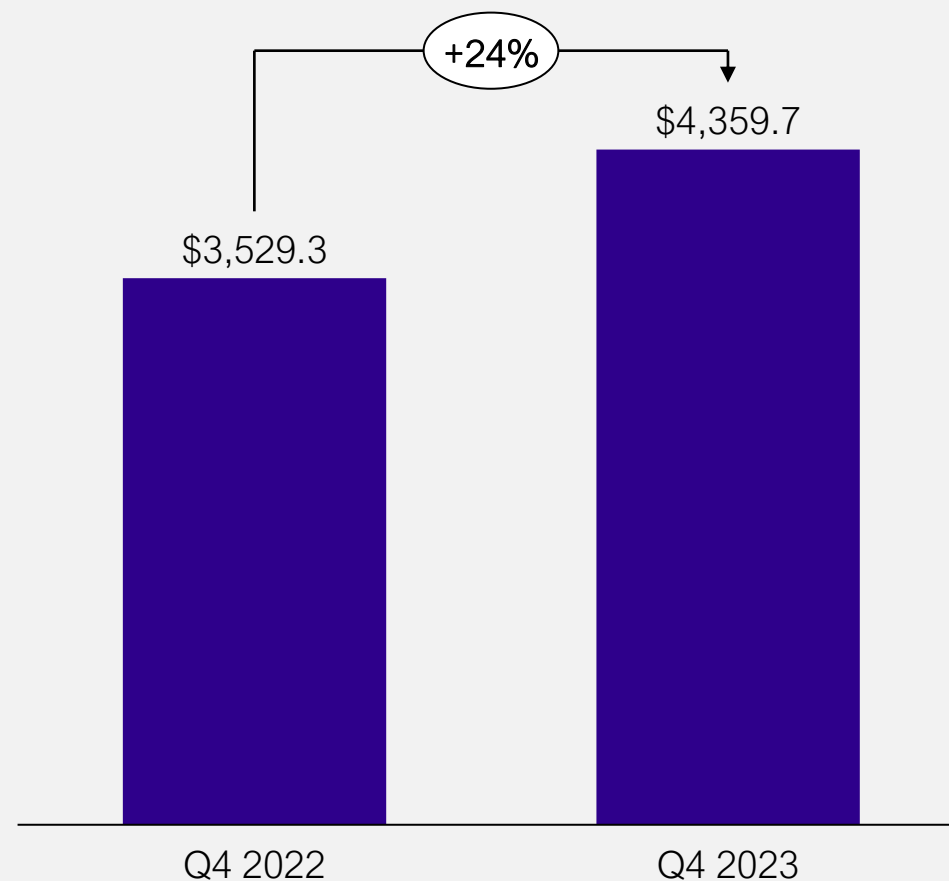


Total Loans and Leases Increased from Q4 2022

- Growth primarily driven by Insurance Premium Finance, Term Lending and SBA/USDA
- Credit quality remains strong
- Nonperforming loans and leases of 1.26% compared to 0.93% Q3 2023
- Annualized adjusted net charge-off rate of 0.49% for 4Q23¹

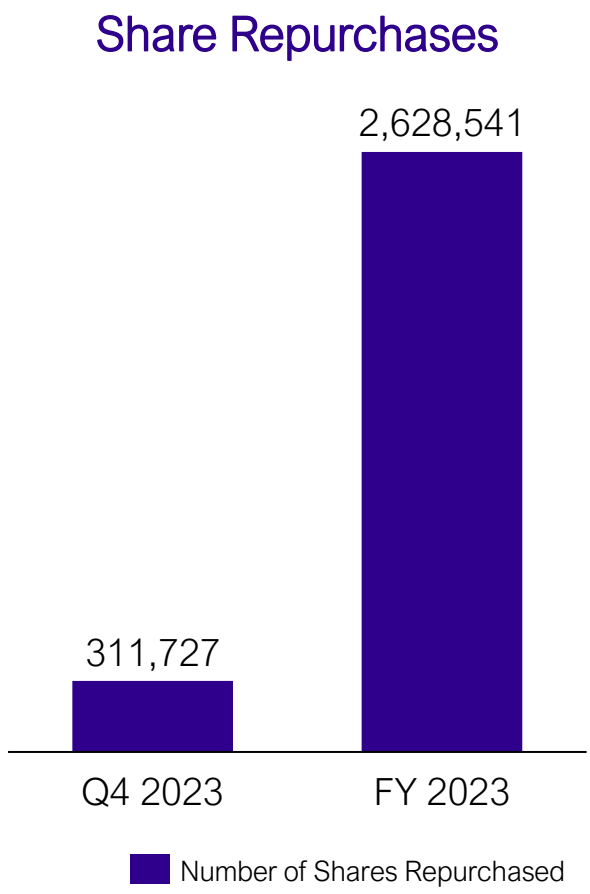
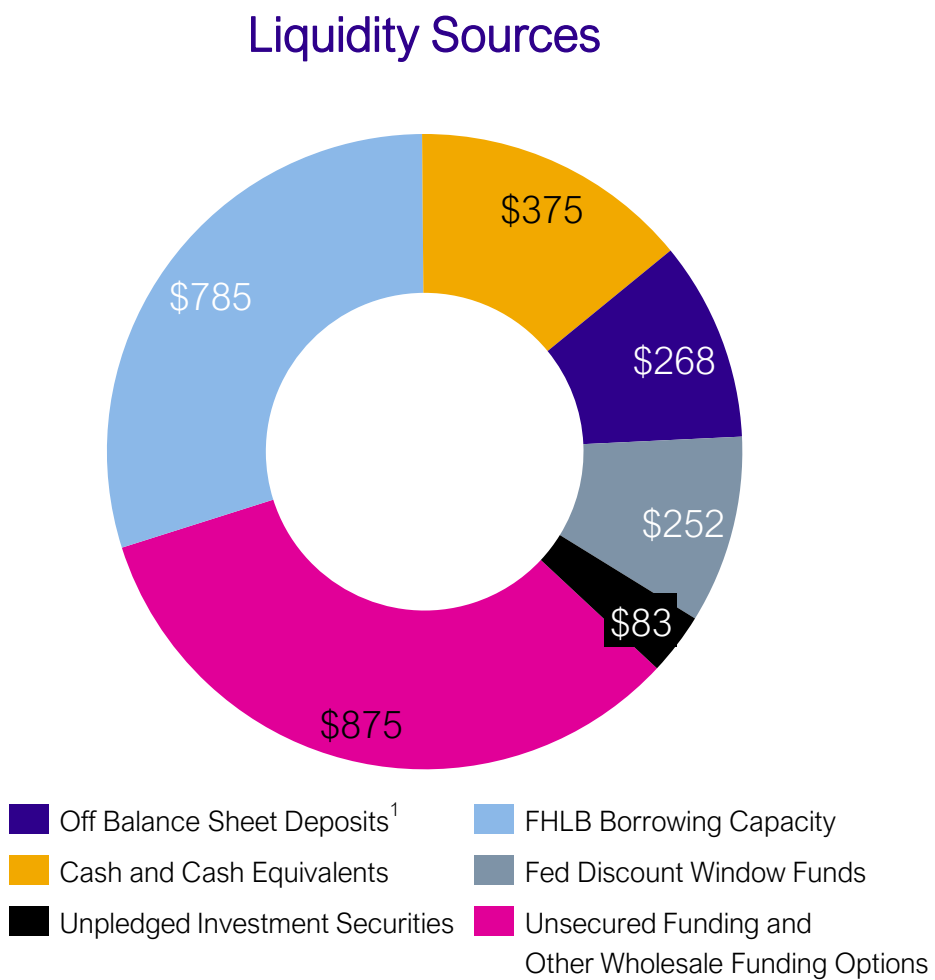
Total Loans and Leases

Period ending (\$ in millions)



Strong Balance Sheet Allows for Return to Shareholders

(\$ in millions)



¹These off balance sheet deposits can be brought back on balance sheet, as needed, as they are immediately callable.



Increasing FY 2024 Guidance¹ to \$6.20 to \$6.70 Per Diluted Share



LOWER FEE REVENUE FROM EIP DEPOSIT BALANCE
DECLINE

GUIDANCE INCLUDES
THE FOLLOWING
ASSUMPTIONS:



BASED ON CURRENT RATE ENVIRONMENT THROUGH
FISCAL YEAR 2024



EFFECTIVE INCOME TAX RATE IN THE RANGE OF 16-20%

¹ Information on this slide is presented as of October 25, 2023, reflects the Company's earnings guidance for fiscal year 2024, and key assumptions, and will not be updated or affirmed unless and until the Company publicly announces such an update or affirmation. The fiscal 2024 earnings guidance and key assumptions for each contain forward-looking statements and actual results or conditions may differ materially. See the information under "Forward Looking Statements" on slide 2.



Q&A



Investment Highlights

1

Record of strong earnings growth and **profitability** above banking industry averages

2

Excess capital generating business enables ongoing return of **value** to shareholders

3

Experienced **leader** in fast-growing Banking as a Service (BaaS) sector, with diversified portfolio of high-quality financial partners

4

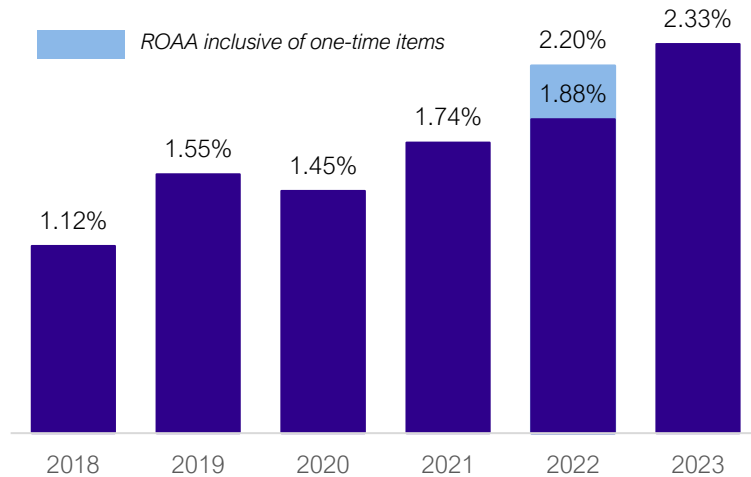
Resilient Commercial Finance loan portfolio produces attractive returns throughout economic cycles

5

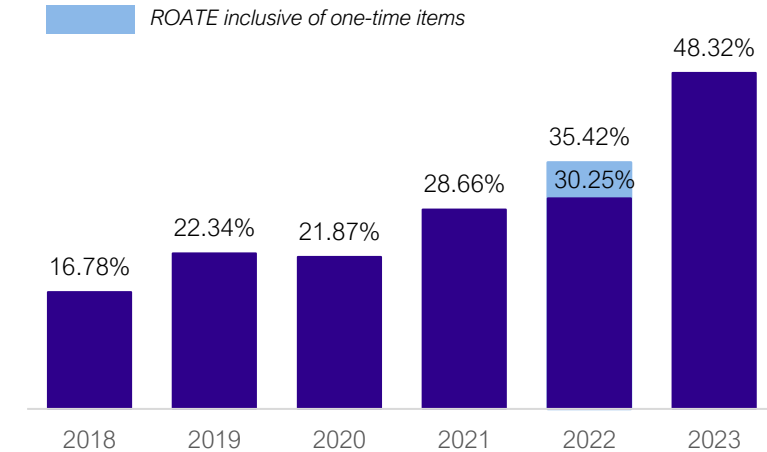
Highly advantageous national bank charter, with well-developed **risk mitigation** and compliance capabilities

Record of Strong Earnings Growth and Profitability¹

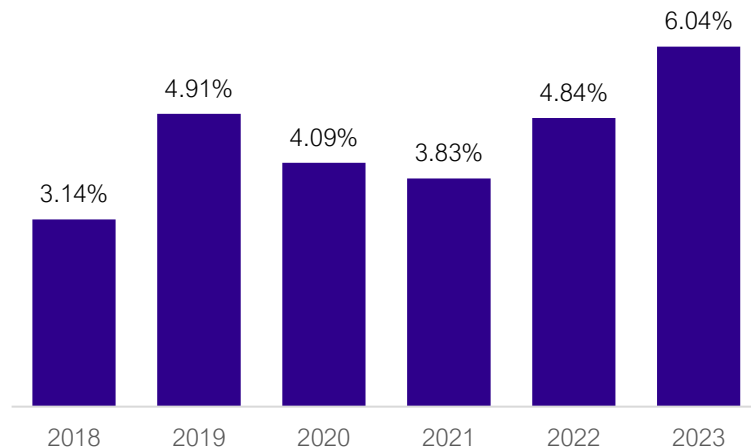
Return on Average Assets



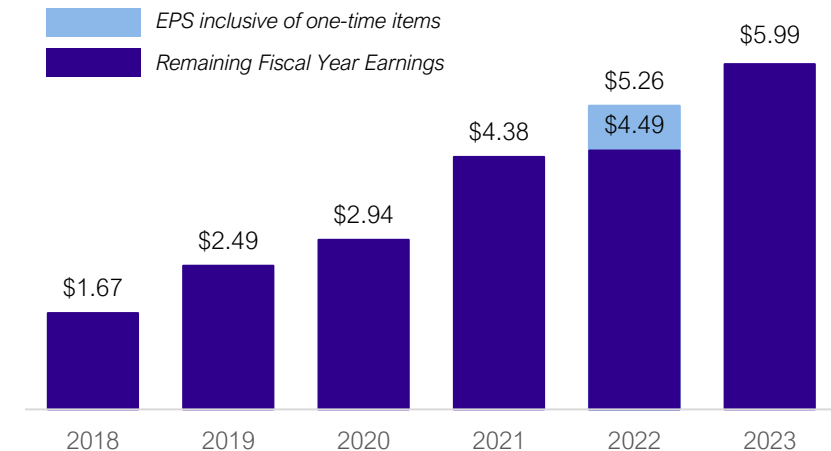
Return on Average Tangible Equity



Net Interest Margin



Earnings Per Common Share



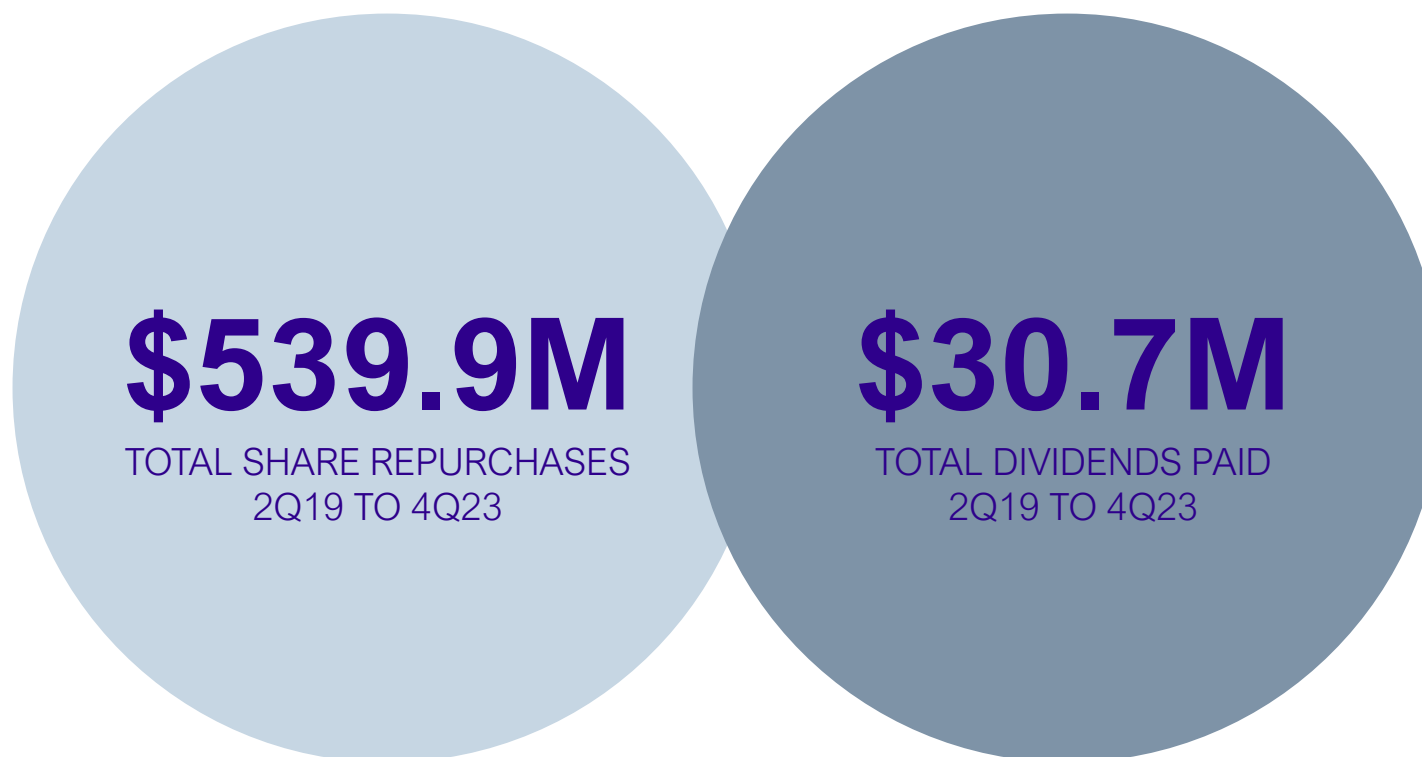
Return of Capital to Shareholders

HIGHLIGHTS

- Pathward's track record of profitability, combined with its commitment to maintaining the size of its balance sheet, enables the return of the majority of earnings through repurchases and dividends.
- Targeting regulatory capital leverage ratio above 8% and total risk weighted capital ratio above 12%.
- Paid dividend every quarter dating back to 1994.
- Executed \$16.0 million of share repurchases in 4Q23.

Track Record of Strong Earnings Growth and Right-Sized Balance Sheet Enables Ongoing Return of Capital

Capital Returned to Shareholders



Note: Repurchased common shares include shares withheld to cover income taxes owed by participants related to share-based incentive plans.

Continued Progress on Key Strategic Initiatives



OPTIMIZE INTEREST-EARNING PORTFOLIO, TO EMPHASIZE HIGHER-RETURN ASSETS

- Improved yield on earning assets to 6.48% for 4Q23 as compared to 5.26% for 4Q22.
- Grew commercial finance loans by \$699 million, or 23%, from September 30, 2022.
- \$1.8 billion securities portfolio provides cash flow for future commercial finance loan growth.



OPTIMIZE DEPOSIT MIX, TO MAINTAIN A STABLE DEPOSIT BASE

- Stable deposits² driven by high levels of noninterest deposits (96% of total deposits).
- Achieved 0.29% cost of funds from all deposits and borrowings and total cost of deposits of 0.12% for 4Q23².
- \$268 million of off-balance sheet customer deposits in custody of program banks.
- Prioritizing stable BaaS deposits, which can generate higher levels of fee income.
- Weighted average life of over 6 years based on decay study for noninterest-bearing deposits.



TARGET OF 2X OPERATING LEVERAGE

- Efficiency ratio of 66.00% compared to 64.09% as of September 30, 2022.¹
- Ongoing initiatives to drive long-term simplification and optimize existing business platforms through the establishment of a business transformation office.

¹ Adjusted efficiency ratio (excluding the gain on sale of trademarks and rebranding expenses) for the twelve months ended September 30, 2023 was 66.42%. See appendix for Non-GAAP financial measures reconciliations.

² See slide 19 (Cost of Deposits) for additional detail on deposit costs.

Summary Financial Results

Fourth Quarter and Fiscal Year End September 30, 2023

INCOME STATEMENT

(\$ in thousands, except per share data)	For the quarter ended			For the year ended	
	4Q22	3Q23	4Q23	2022	2023
Net interest income	79,760	97,465	104,934	307,324	387,861
Provision for credit losses	(2,648)	1,773	9,042	28,538	57,354
Total noninterest income	43,456	67,733	56,051	293,807	316,599
Total noninterest expense	103,030	114,578	118,202	385,275	464,975
Net income before taxes	22,834	48,847	33,741	187,318	182,131
Income tax expense	(1,272)	3,243	(2,672)	27,964	16,324
Net income before non-controlling interest	24,106	45,604	36,413	159,354	165,807
Net income attributable to non-controlling interest	686	508	507	2,968	2,192
Net income attributable to parent	23,420	45,096	35,906	156,386	163,615
Less: Allocation of earnings to participating securities ¹	393	690	531	2,565	2,445
Net income attributable to common shareholders ¹	23,027	44,406	35,375	153,821	161,170
Earnings per share, diluted	\$0.81	\$1.68	\$1.36	\$5.26	\$5.99
Average diluted shares	28,581,236	26,447,032	25,991,449	29,232,247	26,925,606

¹ Amounts presented are used in the two-class earnings per common share calculation.

Revenue of \$161.0 million, an 31% increase compared to \$123.2 million for the same quarter in fiscal 2022.

- Net interest income increased \$25.2 million compared to the prior year primarily due to increased yields, higher interest-earning asset balances and an improved earning asset mix.
- Servicing fee income on off-balance sheet deposits was \$7.8 million for the quarter, as compared to \$14.6 million in 3Q23 and \$5.9 million in the fourth quarter of the prior year.

Noninterest expense of \$118.2 million, an increase of 15% compared to \$103.0 million for the fiscal 2022 fourth quarter.

- The increase in expense was primarily driven by contractual, rate-related processing expenses.
- Processing expenses related to structured agreements with BaaS partners were \$22.5 million for the quarter, as compared to \$20.5 million in 3Q23 and \$7.4 million in the fourth quarter of the prior year.

Balance Sheet Highlights

Fourth Quarter and Fiscal Year End September 30, 2023

BALANCE SHEET

(\$ in thousands)

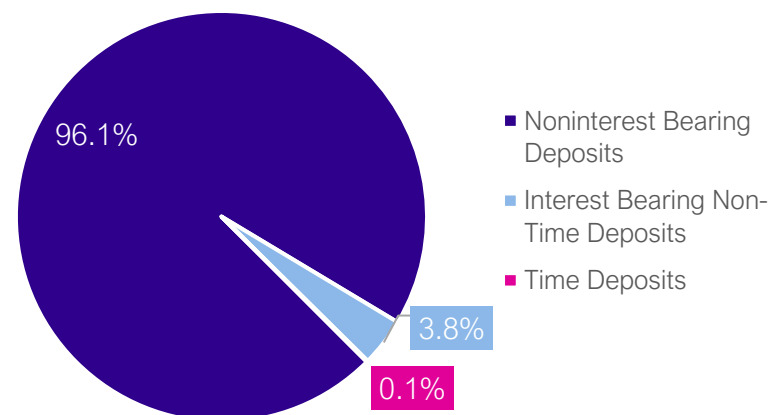
	PERIOD ENDING		
	4Q22	3Q23	4Q23
Cash and cash equivalents	388,038	515,271	375,580
Investments	1,924,551	1,951,996	1,840,819
Loans held for sale	21,071	87,351	77,779
Loans and leases (HFI)	3,536,305	4,072,899	4,366,116
Allowance for credit losses	(45,947)	(81,916)	(49,705)
Other assets	923,392	913,024	924,954
Total assets	6,747,410	7,458,625	7,535,543
Total deposits	5,866,037	6,306,976	6,589,182
Total borrowings	36,028	264,178	46,873
Other liabilities	200,205	209,750	248,863
Total liabilities	6,102,270	6,780,904	6,884,918
Total stockholders' equity	645,140	677,721	650,625
Total liabilities and stockholders' equity	6,747,410	7,458,625	7,535,543
Loans (HFI) / Deposits	60%	65%	66%
Net Interest Margin	5.21%	6.18%	6.19%
Return on Average Assets	1.39%	2.61%	1.97%
Return on Average Equity	12.82%	26.26%	21.12%

Deposits

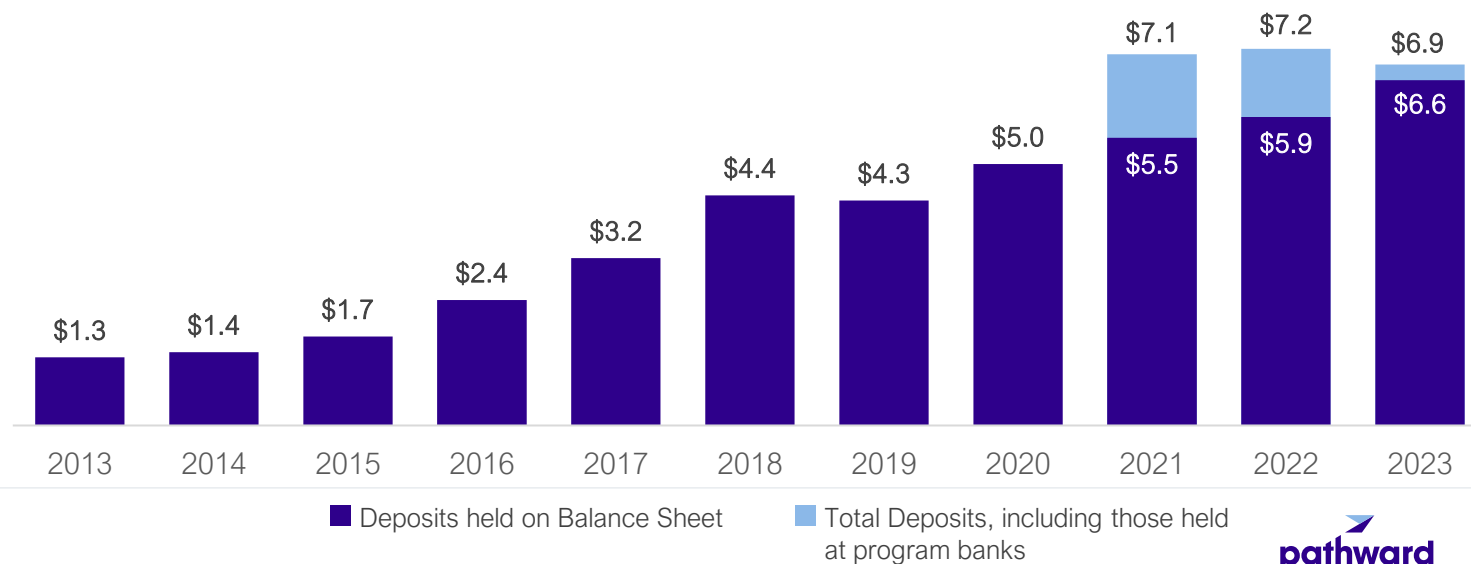
HIGHLIGHTS

- ➔ Pathward's BaaS business generates fee income and stable deposits.
- ➔ Ability to attract and maintain these deposits provides a powerful competitive advantage.
- ➔ Noninterest-bearing deposits as a percentage of total deposits has increased every year since 2018, from 54% in 4Q18 to 96% as of 4Q23.
- ➔ \$268 million of off-balance sheet deposits held in custody at program banks as of September 30, 2023. These off-balance sheet deposits earn recordkeeping service fee income, typically reflective of the Effective Fed Funds Rate.

Deposit Breakdown



End of Period Deposits (\$B)

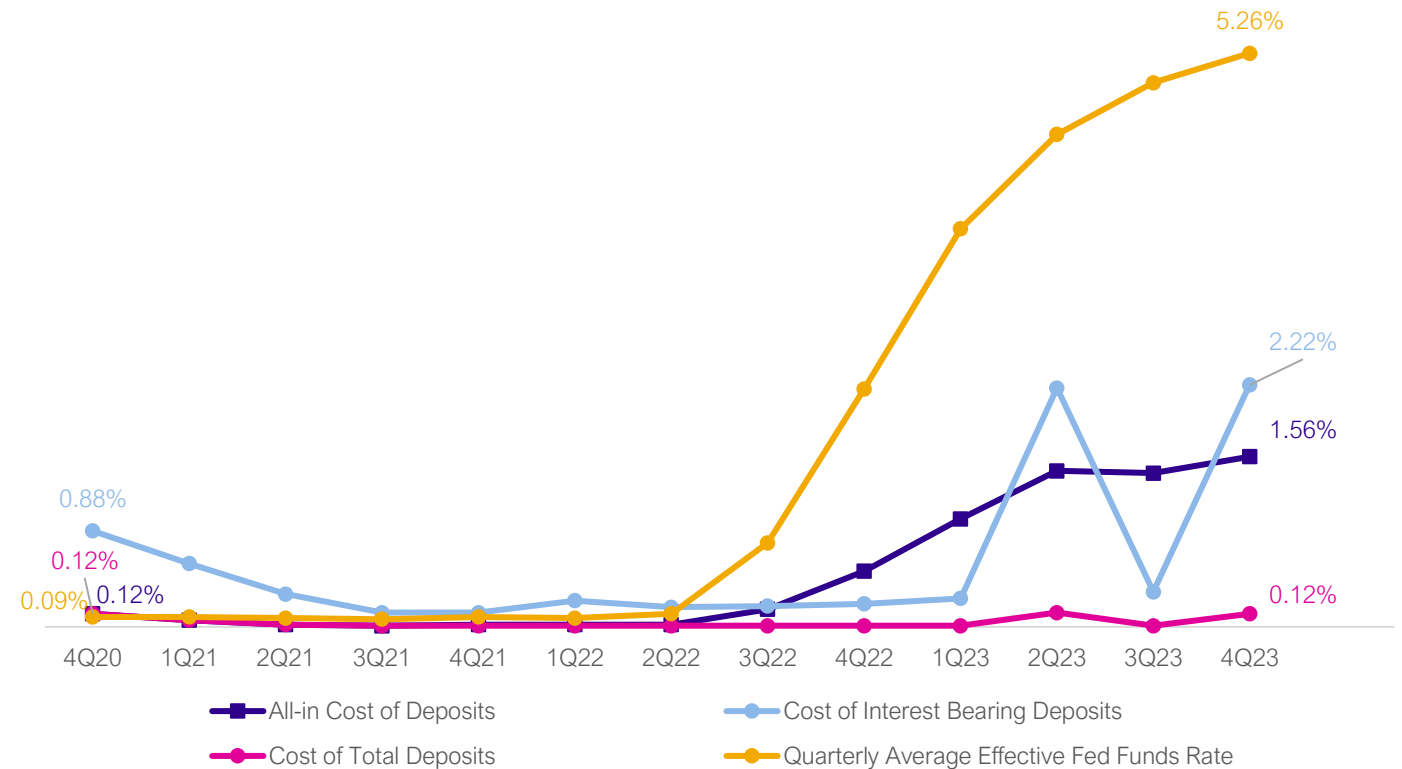


Cost of Deposits

HIGHLIGHTS

- ➔ As of September 30, 2023, approximately 49% of the deposit balances were subject to variable card processing expenses, derived from contractual agreements with certain BaaS partners tied to a rate index, typically the Effective Fed Funds Rate.
- ➔ These costs reprice immediately upon a change in the applicable rate index, leading to an instant cost increase as compared to the earning-asset yields that will generally experience a lag in repricing.
- ➔ As of September 30, 2023, Pathward also managed \$268 million in off-balance sheet deposits that earned \$7.8 million of fee income during the fiscal fourth quarter. That income is also reflective of the Effective Fed Funds Rate.

Cost of Deposits

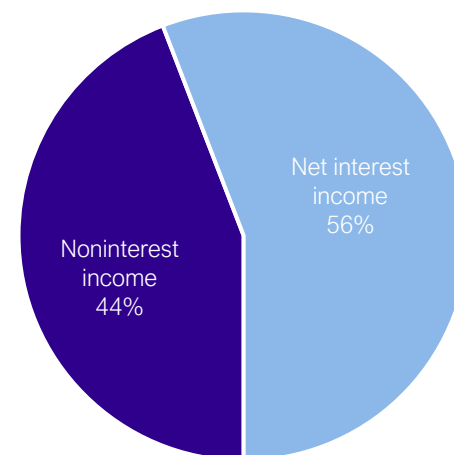


Diversified Noninterest Income Streams

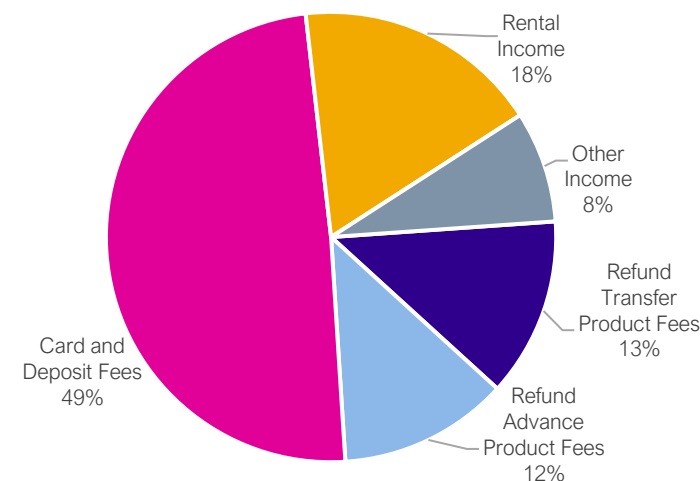
HIGHLIGHTS

- ➔ Noninterest income represents 44% of fiscal year 2023 total revenue.
- ➔ Majority of noninterest income fees are generated by the Company's BaaS business line. Other major items include leasing rental income and other loan & lease fees.
- ➔ Pathward's large fee income base provides stability through interest rate and credit cycles, while propelling continued revenue growth.
- ➔ In the first quarter of Fiscal Year 2023, the Company recognized \$10 million of fee income associated with the sale of the Meta trademarks.
- ➔ The majority of Pathward's tax season revenue comes during the second quarter of each fiscal year.

FY 2023 Revenue Breakdown¹



FY 2023 Noninterest Income Breakdown¹



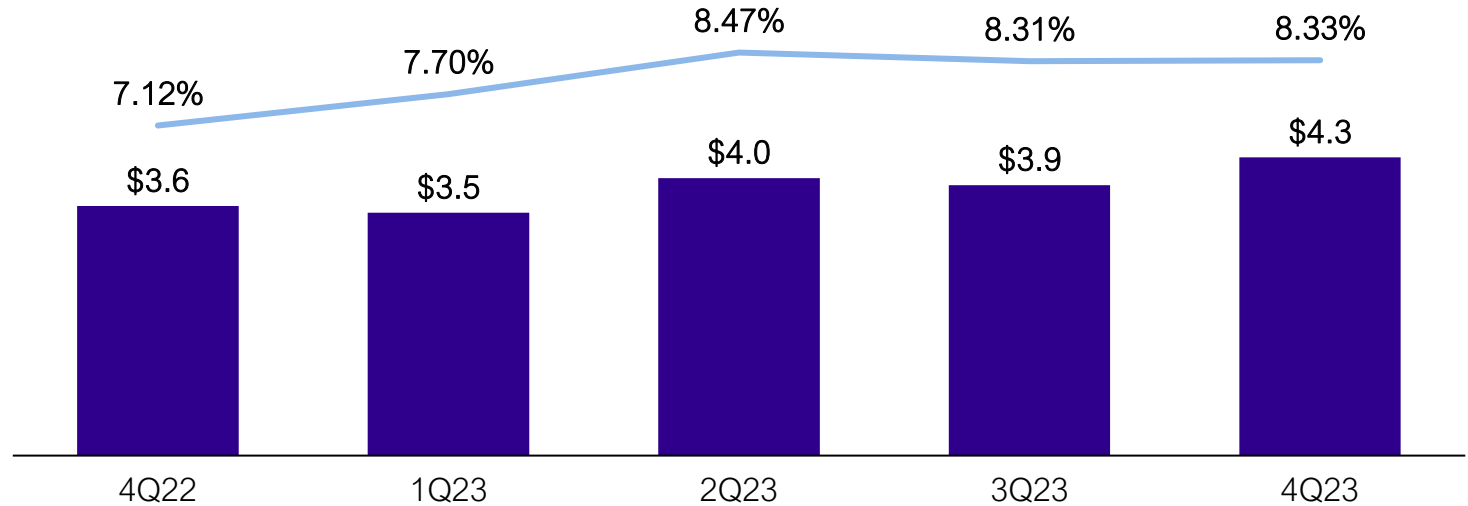
¹ Excludes gain on sale of trademarks.

Loan Portfolio

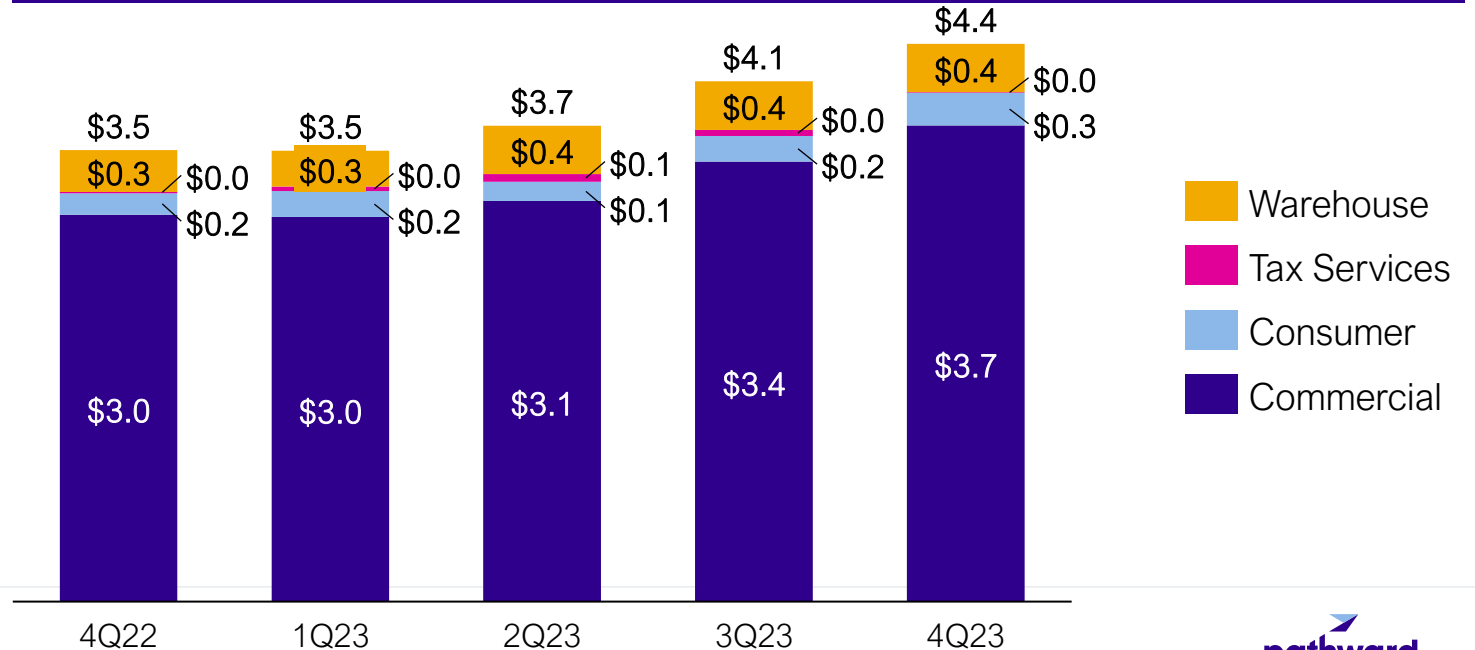
HIGHLIGHTS

- ➔ Remain focused on growing the Commercial Finance loan portfolio. Commercial Finance balances grew 23% from the fourth quarter of the prior year.
- ➔ Sequential quarter growth of \$134 million in Insurance Premium Finance and \$54 million in Consumer Finance.
- ➔ Yields continue to increase in the rising rate environment as variable loans adjust and fixed loans are gradually replaced and repriced.
- ➔ 2Q23 balances and yields elevated by seasonal tax loans.

Average Loans and Yields (\$B)



Period End Portfolio Composition (\$B)

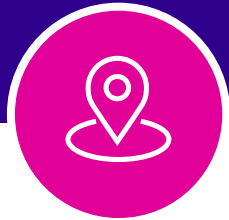


Commercial Finance Attributes by Asset Class



WORKING CAPITAL FINANCE

- Provides working capital for new or growing companies to meet short-term operational requirements
- Primarily variable rate loans with majority of floors at or above 6%
- Bank typically has dominion of funds
- Heavily collateral-managed
- Historically excels during economic downturns



EQUIPMENT FINANCE

- Loan and lease financing to provide access to needed equipment
- Typically secured with mission-critical equipment
- Borrowers range from start-up companies to investment grade companies
- Primarily fixed rate loans and leases
- Flexibility to sell direct originations to secondary market



STRUCTURED FINANCE

- Funding to small and midsize businesses and rural borrowers to fund growth, expansion, and restructuring
- SBA, USDA, and conventional loans with fixed or variable interest rates
- Debt refinance, leveraged acquisitions, and alternative energy project finance
- SBA and USDA guarantees can be sold on the secondary market



INSURANCE PREMIUM FINANCE

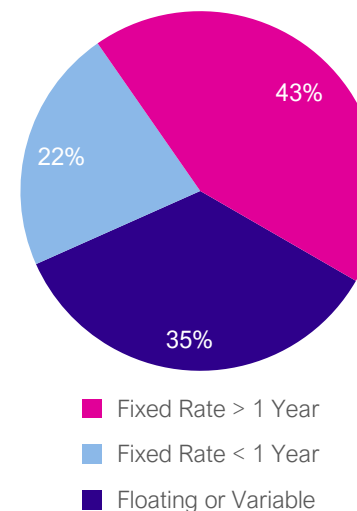
- Short-term financing to facilitate the purchase of property, casualty, and liability insurance premiums
- Average term of 10 months
- Fixed rate loans
- Collateralized by insurance premiums
- Very low historical loss rate

Loan Portfolio Interest Rate Sensitivity

HIGHLIGHTS

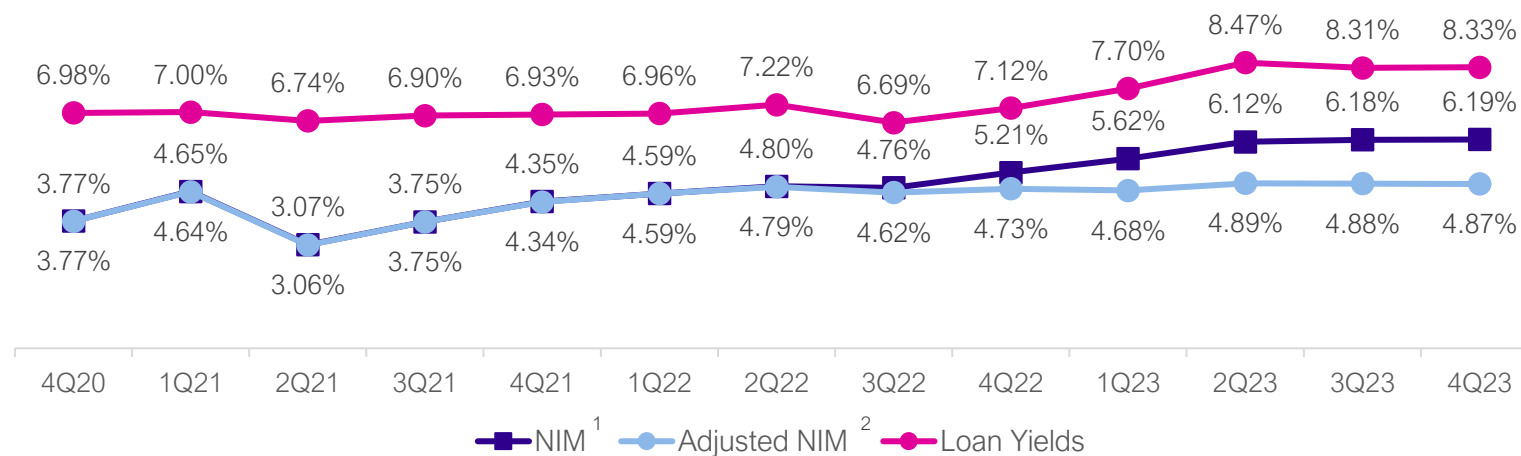
- ➔ As of September 30, 2023, \$1.5B, or 30% of loans and leases contained floating or variable interest rates. Of these, \$0.9B are tied to Fed Funds or Prime, with the remaining tied to either LIBOR, SOFR or the CMT.
- ➔ As of September 30, 2023, all variable loans with floors were at or above their floors.
- ➔ Due to the recent sharp rise in interest rates, asset mix changes and overall market conditions, a continued lag is expected before new and existing loans fully reprice.

Total Loan and Lease Portfolio Pricing Attributes¹



¹ Fixed rate loans and leases are shown for contractual periods.

Net Interest Margin and Loan Yields



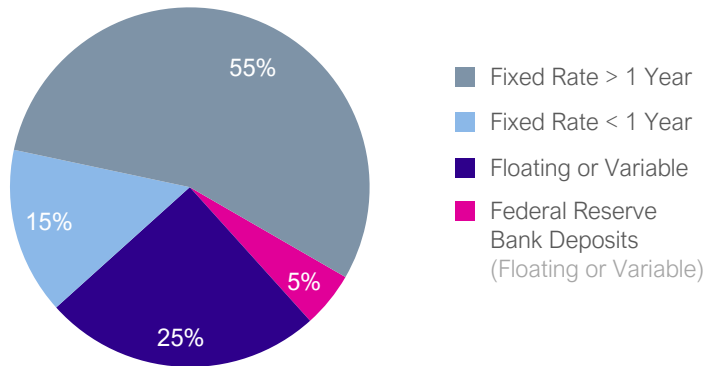
¹ Declines in NIM in FY21 associated with elevated cash balances from government stimulus programs

² Adjusted NIM includes contractual card processing expenses associated with higher interest rates

Interest Rate Risk Management

September 30, 2023

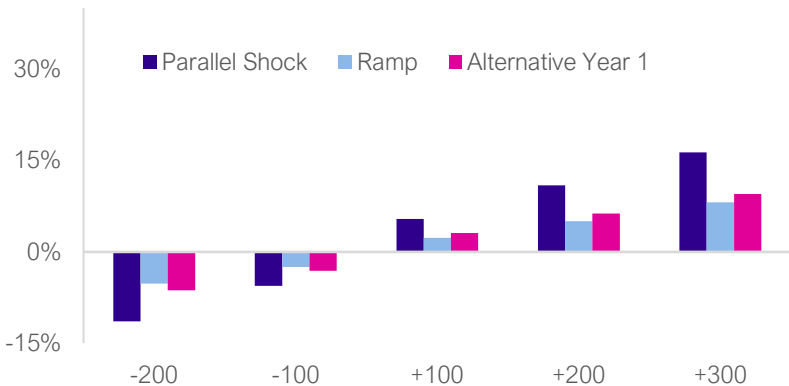
Earning Asset Pricing Attributes¹



¹ Fixed rate securities, loans and leases are shown for contractual periods.

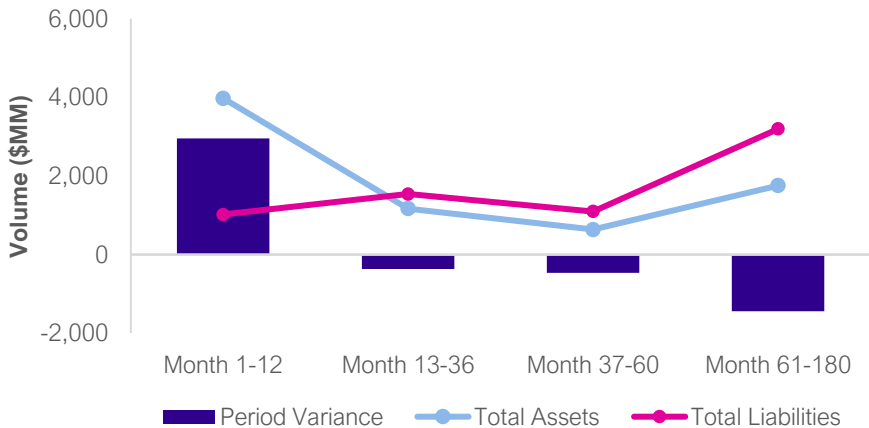
- Data presented on this page is reflective of the Company’s asset mix at a point in time and calculated for regulatory purposes. Future rate changes would impact a multitude of variables beyond the Company’s control, and as a result, the data presented is not intended to be used for forward-looking modeling purposes.
- Management’s focus is on selectively adding duration to improve yield and protect margin against falling rates.
- Interest rate risk modeling shows asset sensitive balance sheet; net interest income graph shows impact of an instantaneous, parallel rate shock, a gradual parallel ramp, and an alternative view.
- Management employs rigorous modeling techniques under a variety of yield curve shapes, twists and ramps.

12-Month Interest Rate Sensitivity from Base Net Interest Income



Parallel Shock is a statutorily required calculation of the impact of an immediate change in rates, assuming other variables remain unchanged. Ramp reflects additional modeling of more gradual increases in interest rates. Alternative Year 1 mirrors the Parallel Shock scenario with the additional incorporation of the Company’s card fee income and card processing expenses impacted by interest rates.

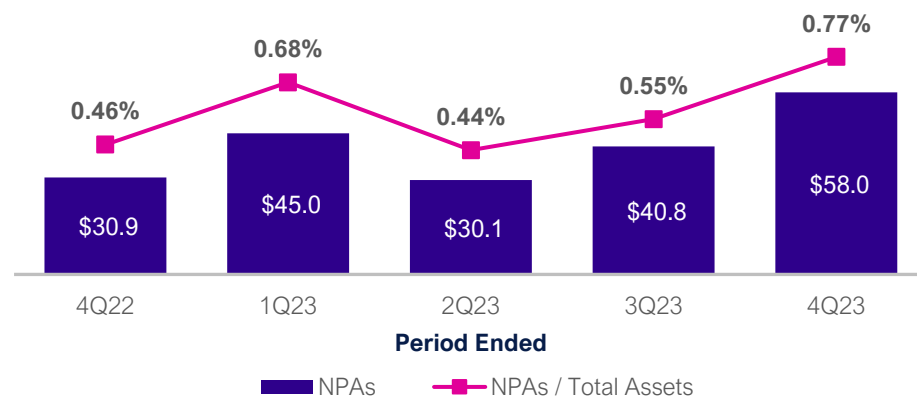
Asset/Liability Gap Analysis



Asset Quality

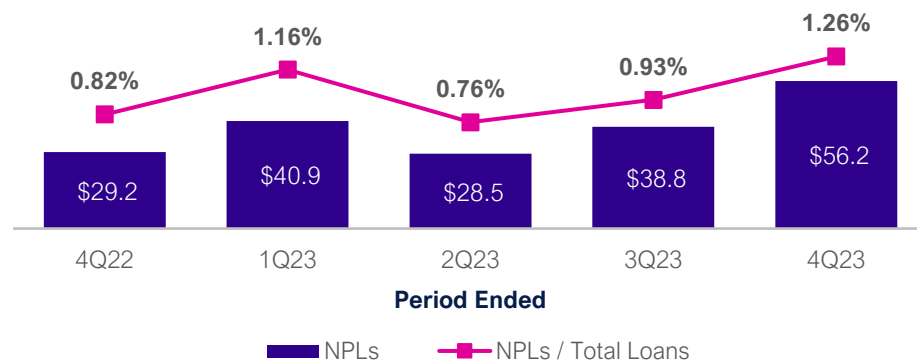
Nonperforming Assets (“NPAs”)

(\$ in millions)



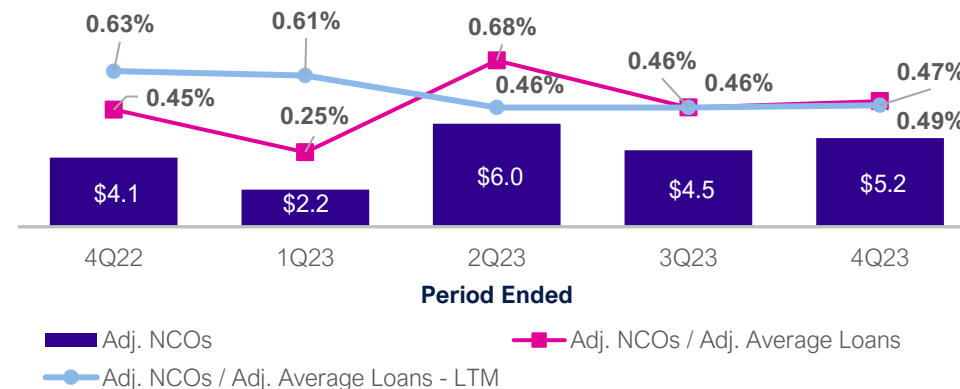
Nonperforming Loans (“NPLs”)

(\$ in millions)



Adjusted Net Charge-Offs (“NCOs”)¹

Excludes Tax Services NCOs and Related Seasonal Average Loans
(\$ in millions)



KEY CREDIT METRICS

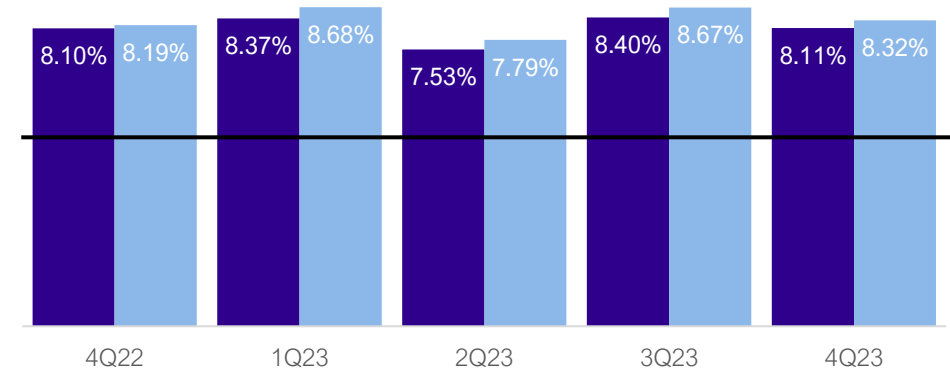
- Annualized adjusted net charge-offs¹:
 - 0.49% of average loans in 4Q23
 - 0.47% of average loans over last 12 months
- Allowance for credit loss (“ACL”) of \$49.7 million as of September 30, 2023.
- ACL as a % of total loans and leases was 1.14% for 4Q23, a 16 bps decrease from the prior year.
- The increase in NPAs / NPLs compared to the sequential quarter was driven by an increase within the commercial finance portfolio and the seasonal tax services portfolio.

Capital and Sources of Liquidity

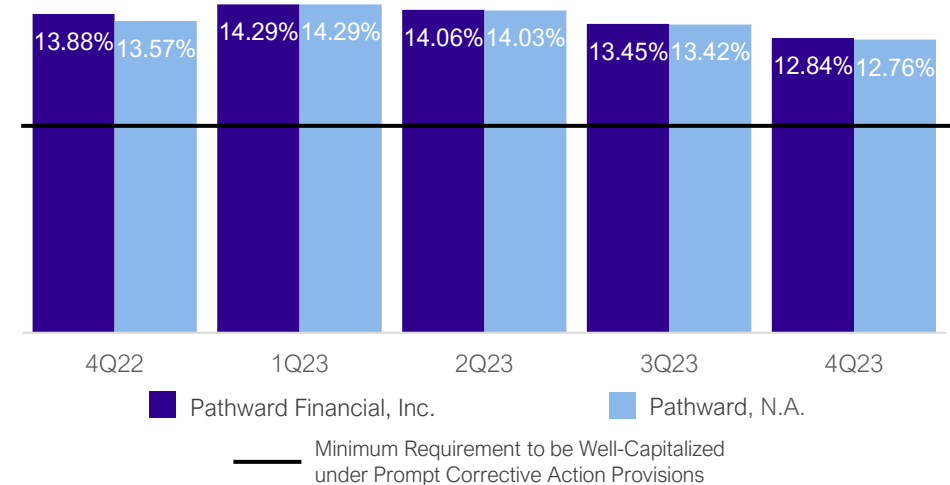
Regulatory Capital as of September 30, 2023

At September 30, 2023 ¹	Pathward Financial, Inc.	Pathward, N.A.
Tier 1 Leverage	8.11%	8.32%
Common Equity Tier 1	11.25%	11.81%
Tier 1 Capital	11.50%	11.81%
Total Capital	12.84%	12.76%

Tier 1 Leverage Ratio



Total Capital Ratio



Primary & Secondary Liquidity Sources (\$ in millions)	
Cash and Cash Equivalents	\$375
Unpledged Investment Securities	\$83
FHLB Borrowing Capacity	\$785
Funds Available through Fed Discount Window	\$252
Unsecured Funding Providers	\$875
Deposit Balances Held at Other Banks	\$268
Total Liquidity	\$2,638

¹Regulatory capital reflects the Company's election of the five-year CECL transition for regulatory capital purposes. Amounts are preliminary pending completion and filing of the Company's regulatory reports.

APPENDIX

Non-GAAP Reconciliation

Adjusted Net Income and Adjusted Earnings Per Share

	For the quarter ended			For the year ended	
(\$ in thousands, except per share data)	4Q22	3Q23	4Q23	2022	2023
Net income - GAAP	23,420	45,096	35,906	156,386	163,615
Less: Gain on sale of trademarks	-	-	-	50,000	10,000
Less: Loss on disposal of certain mobile generators	-	-	-	-	(1,993)
Add: Accelerated depreciation on certain mobile generators	-	-	-	-	4,822
Add: Rebranding expenses	6,899	-	-	13,148	3,737
Add: Separation related expenses	1,029	-	-	5,109	11
Add: Impairment on venture capital investments	-	2,749	-	-	3,249
Add: Income tax effect	(1,029)	(687)	-	8,936	(942)
Adjusted net income	30,319	47,158	35,906	133,579	166,485
Less: Allocation of earnings to participating securities ¹	508	722	531	2,191	2,488
Adjusted net income attributable to common shareholders	29,811	46,436	35,375	131,388	163,997
Adjusted earnings per common share, diluted	\$1.04	\$1.76	\$1.36	\$4.49	\$6.09
Average diluted shares	28,581,236	26,447,032	25,991,449	29,232,247	26,925,606

¹ Amounts presented are used in the two-class earnings per common share calculation.

Non-GAAP Reconciliation

Adjusted Annualized NCOs and Adjusted Loans and Leases

(\$ in thousands)	For the quarter ended				
	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023
Net charge-offs	26,664	3,217	4,975	4,218	41,280
Less: Tax services net charge-offs (recoveries)	22,594	1,033	(1,064)	(266)	36,075
Adjusted net charge-offs	4,050	2,184	6,039	4,484	5,205
Quarterly average loans and leases	3,618,678	3,524,924	4,014,112	3,919,225	4,288,067
Less: Quarterly average tax services loans	35,484	25,231	448,659	52,477	44,192
Adjusted Quarterly average loans and leases	3,583,194	3,499,693	3,565,453	3,866,748	4,243,875
Annualized NCOs/average loans and leases	2.95%	0.37%	0.50%	0.43%	3.85%
Adjusted annualized NCOs/adjusted average loans and leases ¹	0.45%	0.25%	0.68%	0.46%	0.49%

¹ Tax services NCOs and average loans are excluded to adjust for the cyclical activity related to the overall economics of the Company's tax services business line.

Non-GAAP Reconciliation

Efficiency Ratio

	For the last twelve months ended				
(\$ in thousands)	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023
Noninterest expense – GAAP	385,275	407,899	431,875	449,803	464,975
Net interest income	307,324	319,768	337,373	362,687	387,861
Noninterest income	293,807	272,993	290,265	304,004	316,599
Total Revenue: GAAP	601,131	592,761	627,638	666,691	704,460
Efficiency ratio, LTM	64.09%	68.81%	68.81%	67.47%	66.00%

Adjusted Efficiency Ratio

	For the last twelve months ended				
(\$ in thousands)	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023
Noninterest expense – GAAP	385,275	407,899	431,875	449,803	464,975
Less: Rebranding expenses	13,148	16,883	14,063	10,636	3,737
Adjusted noninterest expense	372,127	391,016	417,812	439,167	461,238
Net interest income	307,324	319,768	337,373	362,687	387,861
Noninterest income	293,807	272,993	290,265	304,004	316,599
Less: Gain on sale of trademarks	50,000	10,000	10,000	10,000	10,000
Total Adjusted Revenue:	551,131	582,761	617,638	656,691	694,460
Adjusted Efficiency ratio, LTM	67.52%	67.10%	67.65%	66.88%	66.42%

Non-GAAP Reconciliation

Net Interest Margin and Cost of Deposits

	For the Quarter Ended													For the Year Ended
(\$ in thousands)	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Sep-23
Average Interest Earning Assets	6,806,366	5,636,444	9,768,242	7,316,820	6,438,572	6,183,646	7,082,417	6,082,329	6,073,822	5,934,431	6,717,918	6,326,750	6,724,185	6,424,492
Net Interest Income	64,513	65,999	73,850	68,475	70,667	71,613	83,800	72,151	79,760	84,056	101,406	97,464	104,934	387,861
Net Interest Margin	3.77%	4.65%	3.07%	3.75%	4.35%	4.59%	4.80%	4.76%	5.21%	5.62%	6.12%	6.18%	6.19%	6.04%
Average Total Deposits	6,466,574	5,426,444	9,565,560	6,981,439	6,076,868	5,921,384	6,679,422	5,741,072	5,765,047	5,636,658	6,386,592	5,895,242	6,204,934	6,029,279
Deposit Interest Expense	1,904	797	445	188	165	141	166	94	99	142	2,095	164	1,954	4,356
Cost of Deposits	0.12%	0.06%	0.02%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.13%	0.01%	0.12%	0.07%

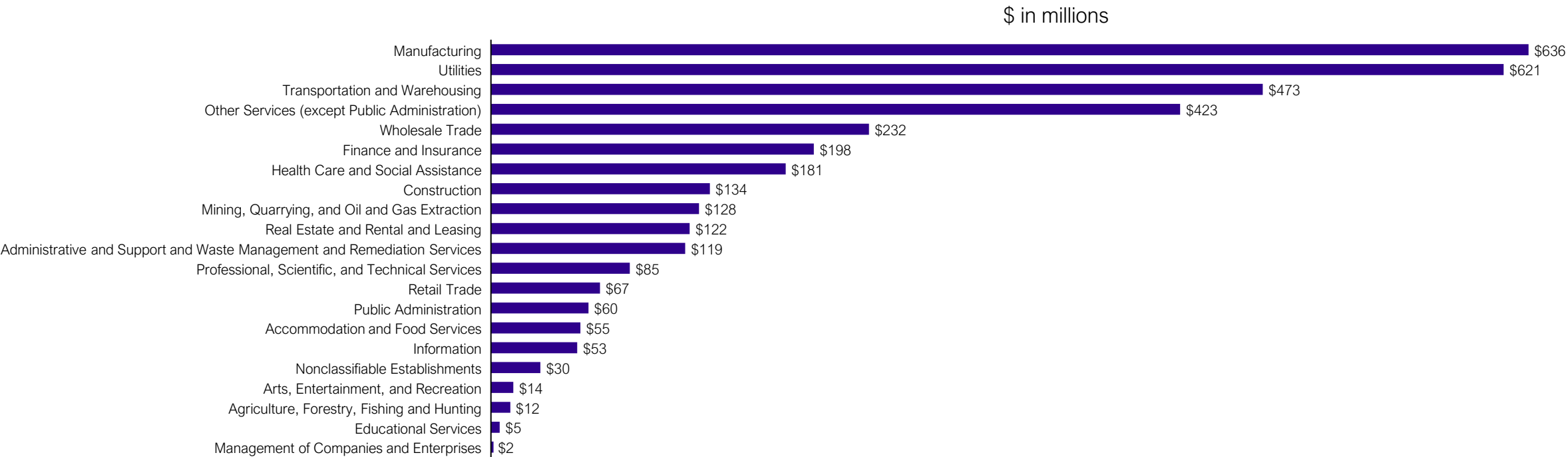
Adjusted Net Interest Margin and Adjusted Cost of Deposits

	For the Quarter Ended													For the Year Ended
(\$ in thousands)	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Sep-23
Average Interest Earning Assets	6,806,366	5,636,444	9,768,242	7,316,820	6,438,572	6,183,646	7,082,417	6,082,329	6,073,822	5,934,431	6,717,918	6,326,750	6,724,185	6,424,492
Net Interest Income	64,513	65,999	73,850	68,475	70,667	71,613	83,800	72,151	79,760	84,056	101,406	97,464	104,934	387,681
Less: Contractual, Rate-Related Processing Expense	44	50	59	578	205	128	217	2,158	7,372	13,985	20,369	20,528	22,473	77,356
Adjusted Net Interest Income	64,469	65,948	73,791	67,897	70,461	71,485	83,583	69,994	72,388	70,071	81,037	76,936	82,461	310,325
Adjusted Net Interest Margin	3.77%	4.64%	3.06%	3.75%	4.34%	4.59%	4.79%	4.62%	4.73%	4.68%	4.89%	4.88%	4.87%	4.83%
Average Total Deposits	6,466,574	5,426,444	9,565,560	6,981,439	6,076,868	5,921,384	6,679,422	5,741,072	5,765,047	5,636,658	6,386,592	5,895,242	6,204,934	6,029,279
Deposit Interest Expense	1,904	797	445	188	165	141	166	94	99	142	2,095	164	1,954	4,356
Add: Contractual, Rate-Related Processing Expense	44	50	59	578	205	128	217	2,158	7,372	13,985	20,369	20,528	22,473	77,356
Adjusted Deposit Expense	1,948	847	504	766	370	269	382	2,252	7,471	14,128	22,465	20,692	24,427	81,712
Adjusted Cost of Deposits	0.12%	0.06%	0.02%	0.04%	0.02%	0.02%	0.02%	0.16%	0.52%	1.00%	1.41%	1.41%	1.56%	1.36%

Overview of Loan Portfolio

(\$ in millions)		Business Line	Balance Sheet Category	4Q22	3Q23	4Q23	MRQ Yield	% of Total
Commercial Finance	Structured Finance							
		Guaranteed portion of US govt SBA/USDA loans	SBA/USDA	194.9	250.5	339.9		
		Unguaranteed portion of US govt SBA/USDA loans	SBA/USDA	150.8	169.1	182.3		
		Paycheck Protection Program (PPP) loans	SBA/USDA	13.5	2.8	2.6		
		Renewable energy debt financing ¹ (term lending only)	Term lending	153.9	141.6	144.5		
		Other	Term lending	353.5	380.0	446.4		
		TOTAL		866.6	944.0	1,115.7	5.80%	25%
	Equipment Finance							
	Large ticket	Lease financing		187.6	187.8	171.7		
		Term lending		340.0	526.3	528.5		
	Small ticket	Lease financing		14.2	8.3	6.5		
		Term lending		242.9	205.9	188.8		
	Other	Lease financing		8.9	5.9	5.1		
		TOTAL		793.6	934.2	900.6	7.45%	21%
	Working Capital							
		Asset-based lending		351.7	373.2	382.4		
		Factoring		372.6	351.1	358.3		
		TOTAL		724.3	724.3	740.7	12.90%	17%
	Specialty Finance							
		Insurance premium finance		479.8	666.3	800.1		
		Other commercial finance		159.4	172.0	166.1		
		TOTAL		639.2	838.3	966.2	8.29%	22%
Consumer Finance		Consumer finance		169.7	200.1	254.4		
		TOTAL		169.7	200.1	254.4	9.05%	6%
Tax Services	Tax preparer loans	Tax services		0.2	-	0.1		
	Refund advance loans	Tax services		8.9	47.2	5.1		
		TOTAL		9.1	47.2	5.2	(1.32%)	0%
Corporate		Warehouse finance		326.9	380.4	376.9		
		TOTAL		326.9	380.4	376.9	9.15%	9%
Total Lending Portfolio (HFI)				3,529.3	4,068.5	4,359.7	8.33%	100%

Commercial Finance Concentrations by Industry¹



MANUFACTURING

40%	Term Lending
31%	Asset-Based Lending
16%	Lease Financing
9%	Factoring
4%	Other

TRANSPORTATION & WAREHOUSING

50%	Term lending
29%	Factoring
12%	Insurance premium finance
9%	Other

UTILITIES

66%	SBA/USDA
25%	Term lending
8%	Rental equipment, net
1%	Other

¹ Distribution by NAICS codes; excludes certain joint ventures; calculated based on aggregate principal amount of commercial finance loans and leases; includes operating lease rental equipment of \$211.8M