



▶ THE PATHWARD STORY

UPDATED OCTOBER 21, 2025



FORWARD LOOKING STATEMENTS

This investor update contains “forward-looking statements” which are made in good faith by Pathward Financial, Inc. (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. You should carefully read statements that contain these words because they discuss our future expectations or state other “forward-looking” information.

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 performance expectations and fiscal year 2026 financial guidance; our fiscal year 2026 goals and strategy; progress on key strategic initiatives; expected results of our partnerships; impacts of our improved data analytics, underwriting and monitoring processes; expected nonperforming loan resolutions and net charge-off rates; the performance of our securities portfolio; the impact of card balances related to government stimulus programs; 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, including impacts of technology investments. 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; 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 changes in international trade policies, tariffs and treaties affecting imports and exports, and their related impacts on macroeconomic conditions, customer behavior, funding costs and loan and securities portfolios; changes in tax laws; trade disputes, barriers to trade or the emergence of trade restrictions; 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 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; our liquidity and capital positions, including the sufficiency of our liquidity; 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 and acceptance of these products and services by users; the ability of the Company’s subsidiary Pathward®, 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 businesses, 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, and any related increases in compliance and other costs; changes in financial services laws and regulations, including laws and regulations relating to the tax refund 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 borrowing, 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; 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 pandemics and any governmental or societal responses thereto; 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, 2024 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. All subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained in or referred to in this section. 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, revise or clarify 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.

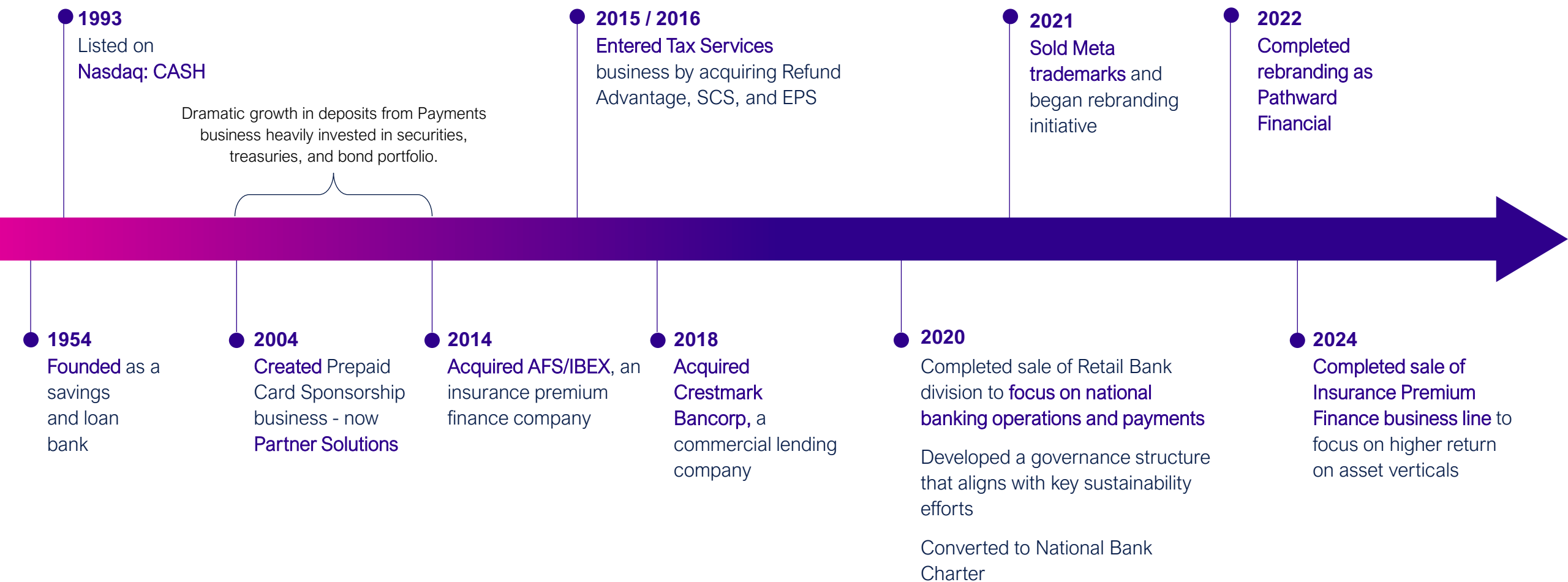
AT PATHWARD®, LEADING THE WAY TO FINANCIAL ACCESS IS THE HEART OF OUR BUSINESS.

- ▶ *Since our founding, we have worked to advance financial inclusion. We seek out diverse partners, including fintechs, affinity groups, government agencies, and other banks and work with them to identify markets where people and businesses are underserved.*

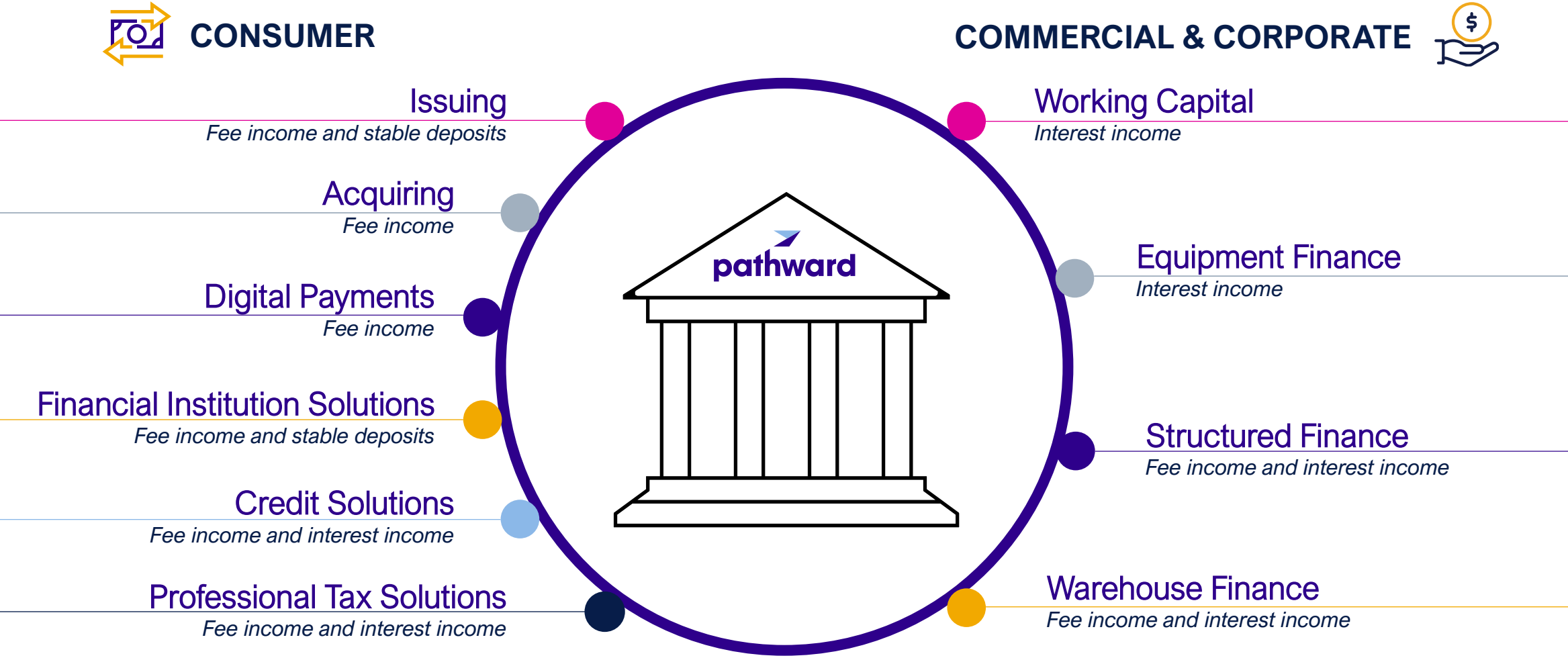
Our national bank charter, coordination with regulators, and deep understanding of risk mitigation and compliance allow us to guide our partners and deliver financial products, services and funding to the people and businesses who need them the most.

We are powering financial inclusion.

BUILDING A DIVERSIFIED COMPANY DEDICATED TO FINANCIAL EMPOWERMENT FOR INDIVIDUALS AND BUSINESSES



RESILIENT BUSINESS MODEL WITH DIVERSIFIED REVENUE



PARTNER SOLUTIONS COLLABORATES WITH PARTNERS TO INNOVATE

A leading debit and prepaid card issuer sponsoring partner programs

Issuing

Enable partners to move money quickly, efficiently and at a large scale across multiple payment rails

Digital Payments

Enable partners' lending solutions to serve diverse credit needs

Credit Solutions

Acquiring

Accepting and processing merchant payments with our partners

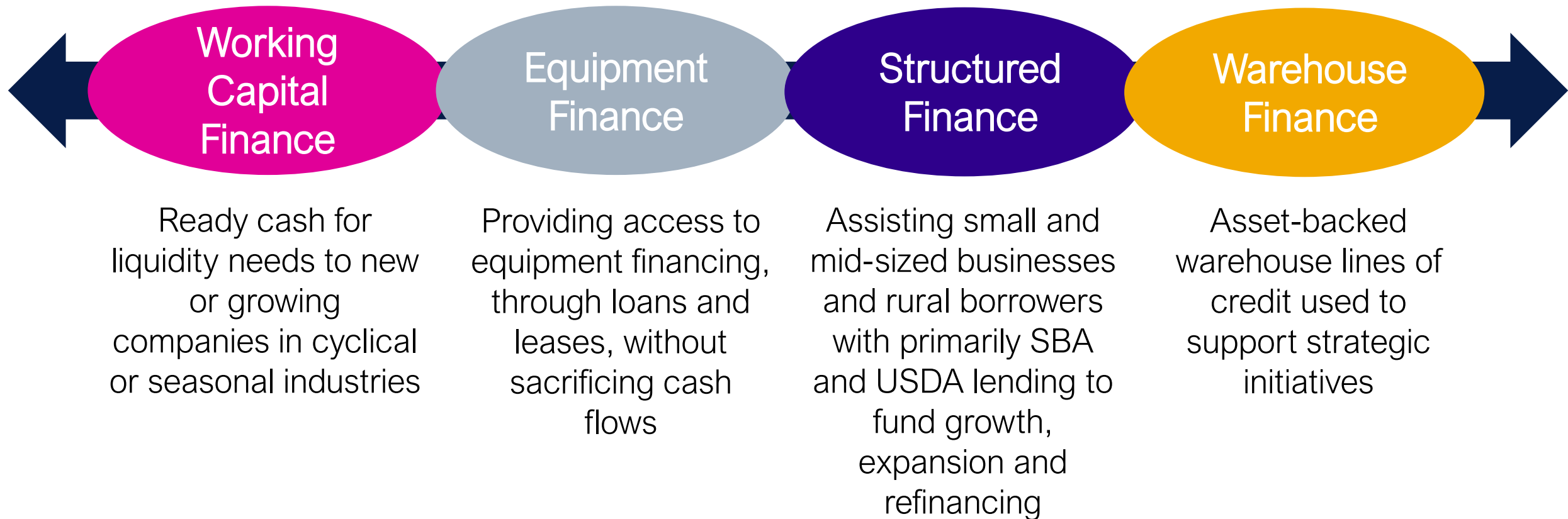
Financial Institution Solutions

Partner with financial institutions to offer additional financial services

Professional Tax Solutions

Partner with a network of tax preparers offering a variety of products

PATHWARD LENDS ACROSS VARIOUS SOLUTIONS



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 PAYMENTS SECTOR, WITH DIVERSIFIED PORTFOLIO OF HIGH-QUALITY FINANCIAL PARTNERS

4

RESILIENT COMMERCIAL FINANCE LOAN PORTFOLIO PRODUCES ATTRACTIVE RETURNS THROUGHOUT ECONOMIC CYCLES

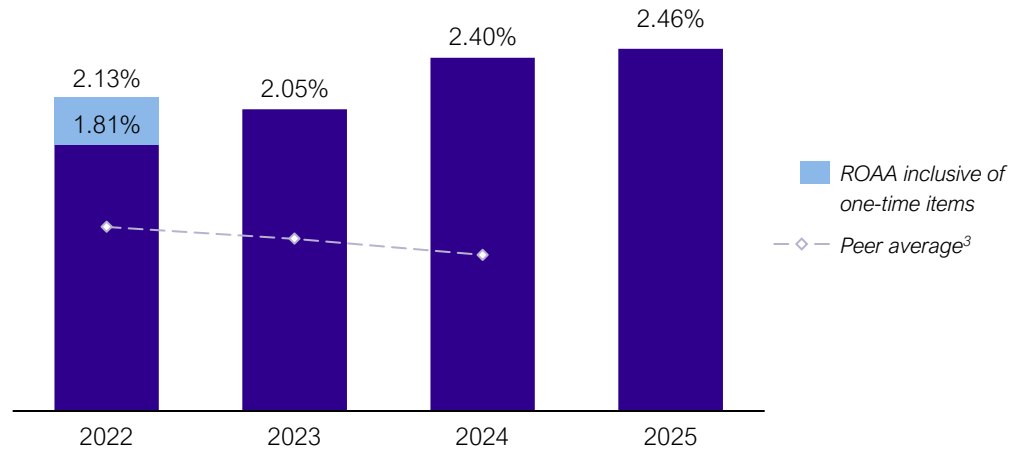
5

MATURE **RISK MITIGATION** AND COMPLIANCE CAPABILITIES WITH HIGHLY ADVANTAGEOUS NATIONAL BANK CHARTER

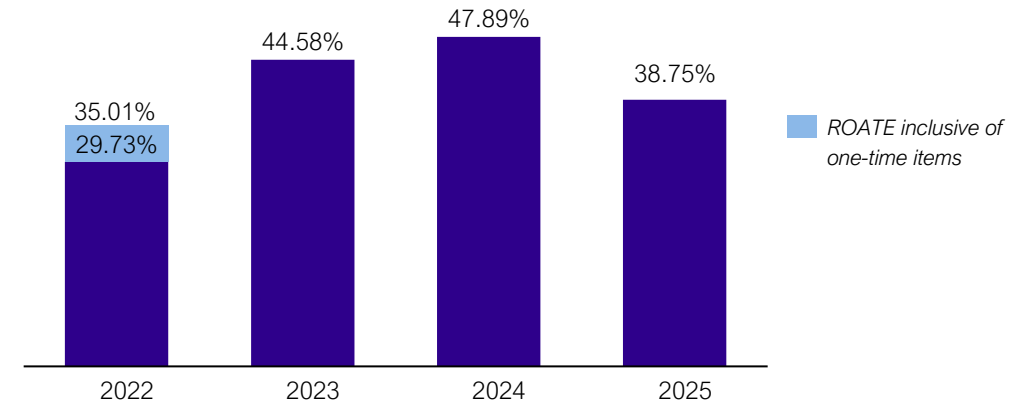


RECORD OF STRONG EARNINGS GROWTH & PROFITABILITY¹

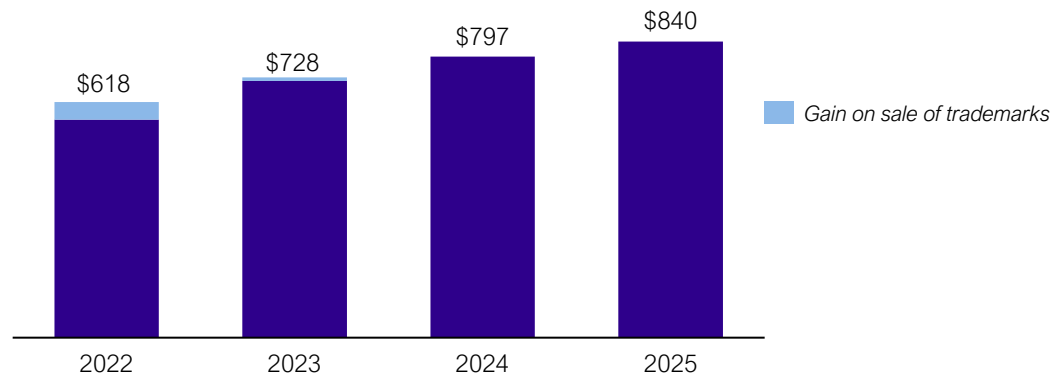
Return on Average Assets



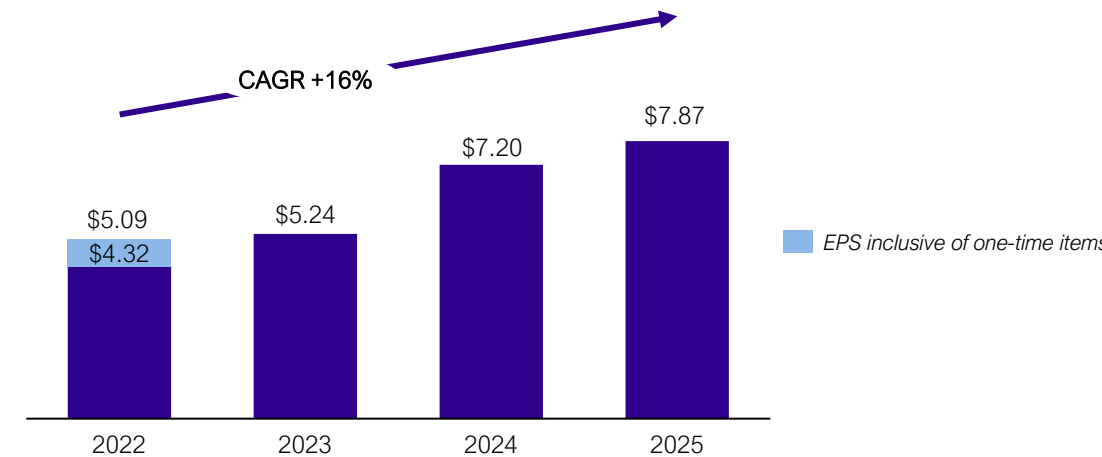
Return on Average Tangible Equity



Total Revenue² (\$ in millions)



Earnings Per Common Share



1

2

3

4

5

TRACK RECORD OF STRONG EARNINGS GROWTH AND RIGHT-SIZED BALANCE SHEET ENABLES ONGOING RETURN OF CAPITAL

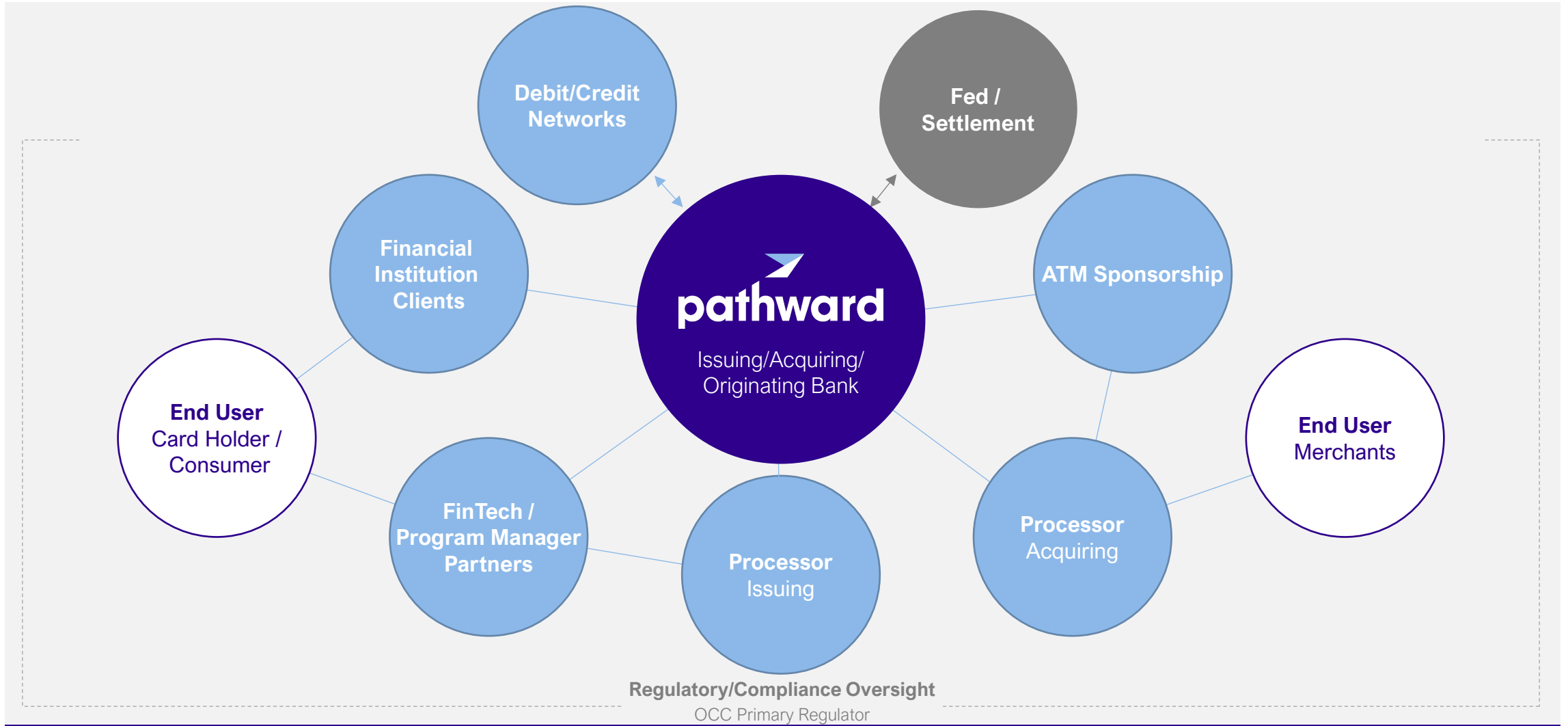
\$776.9M

TOTAL SHARE REPURCHASES
2Q19 TO 4Q25

\$40.5M

TOTAL DIVIDENDS PAID
2Q19 TO 4Q25

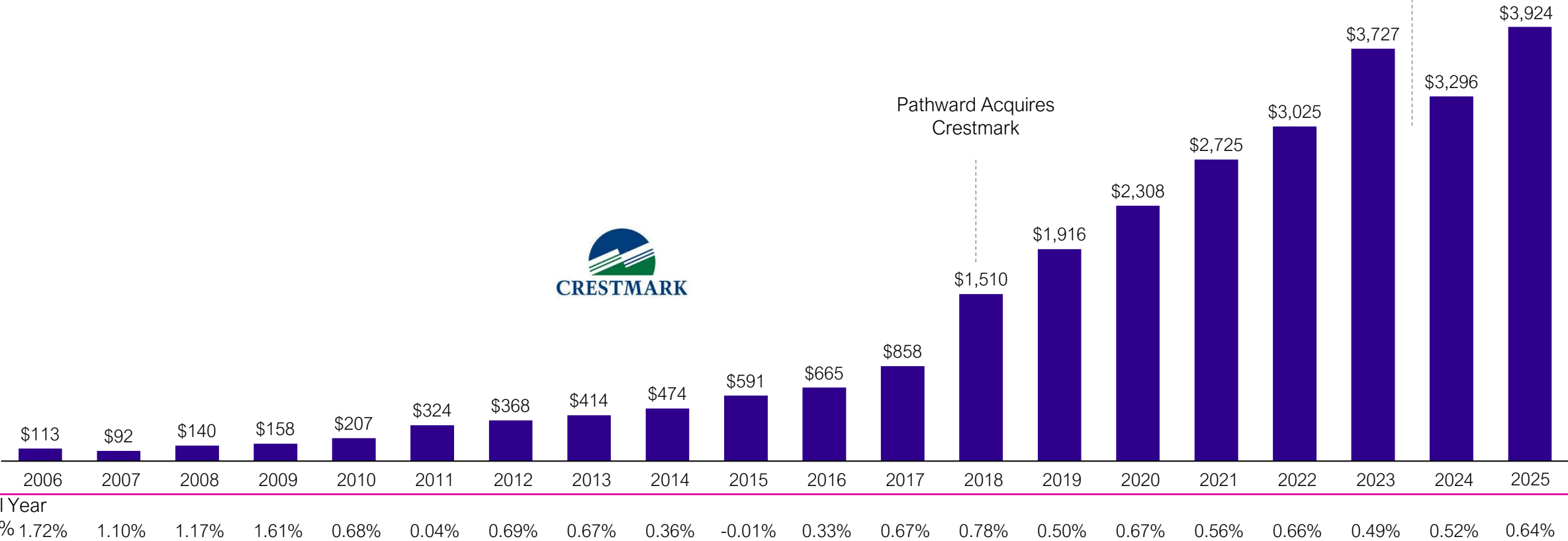
PATHWARD SERVES AS A HUB OF THE PAYMENTS ECOSYSTEM



COMMERCIAL FINANCE PORTFOLIO PRODUCES STABLE ANNUAL NET CHARGE-OFF RATES

Fiscal Year End Commercial Finance Loan Balances
(\$ in millions)

Insurance premium finance portfolio moved to held for sale during 4QFY24

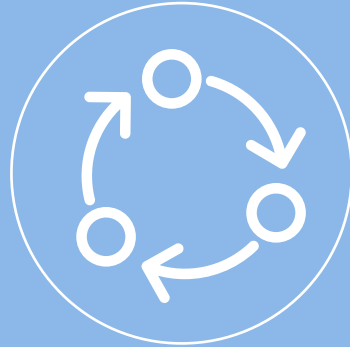


MATURE RISK MITIGATION AND COMPLIANCE CAPABILITIES



Enterprise Risk Management

Our Enterprise Risk Management (ERM) program applies corporate governance to risk-taking activities. The ERM program sets strategy across the enterprise and works closely with the lines of business to ensure that risks are appropriately identified and managed.



Third-Party Risk Management

Just as Pathward's ERM program oversees our own actions, our Third-Party Risk Management program ensures that our third-party relationships are controlled and mitigated. Our policy and strategy encourage us to protect our company from risk, monitor third-party activities, and report risk events.



Business Continuity Management

Business Continuity Management (BCM) sets standards and testing to ensure our company remains resilient in case of disaster. Our standards comply with Federal Financial Institutions Examination Council (FFIEC) and Office of the Comptroller of the Currency (OCC) guidance.



Bank Secrecy Act / Anti-Money Laundering

To protect our customers, partners and company from the risks of fraud, money laundering, terrorist financing and other illicit activity, Pathward's compliance programs are designed to keep us compliant with all federal programs and sanctions.





▶ QUARTERLY INVESTOR UPDATE

FOURTH QUARTER & FISCAL YEAR 2025



► FY 2025 HIGHLIGHTS



Net Income

\$185.9 million in net income; an increase of 1% compared to FY 2024

Diluted Earnings Per Share

\$7.87 in diluted earnings per share; an increase of 9% compared to FY 2024

Net Interest Margin

Net interest margin (“NIM”) of 7.34% compared to 7.01% in prior year; Adjusted NIM¹, including contractual, rate-related processing expenses associated with deposits on the Company’s balance sheet, of 5.92% compared to 5.55% in prior year period

Return Metrics

FY 2025 fiscal year end return on average assets (“ROAA”) of 2.46% compared to 2.40% in prior year; FY 2025 fiscal year end return on average tangible equity (“ROATE”) of 38.75% compared to 47.89% in prior year period

TRUSTED PLATFORM THAT ENABLES OUR PARTNERS TO THRIVE



Optimized balance sheet with optimized asset mix



Technology to facilitate evolution and scalability



People and culture are important assets



Mature risk and compliance framework

TRUSTED PLATFORM THAT ENABLES OUR PARTNERS TO THRIVE



Maintain an optimized balance sheet



Technology to facilitate evolution and scalability



People and culture are important assets



Mature risk and compliance framework

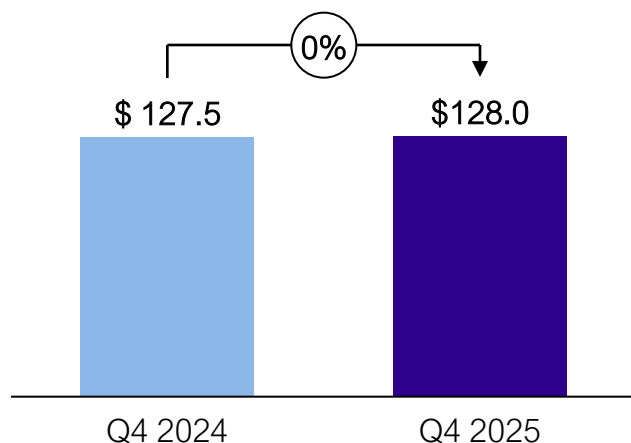


Client experience

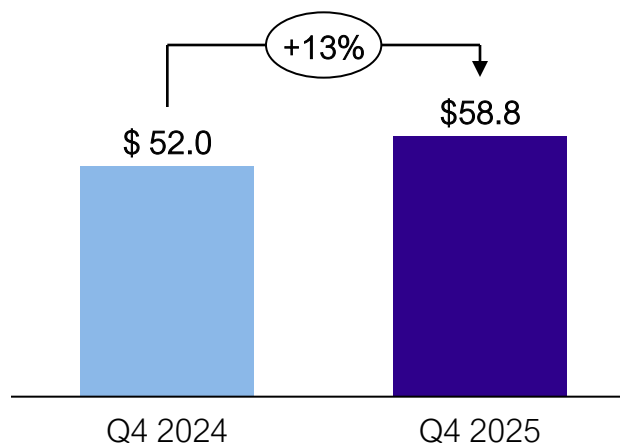
STRATEGY DELIVERING SOLID RESULTS

(\$ IN MILLIONS, EXCEPT PER SHARE DATA)

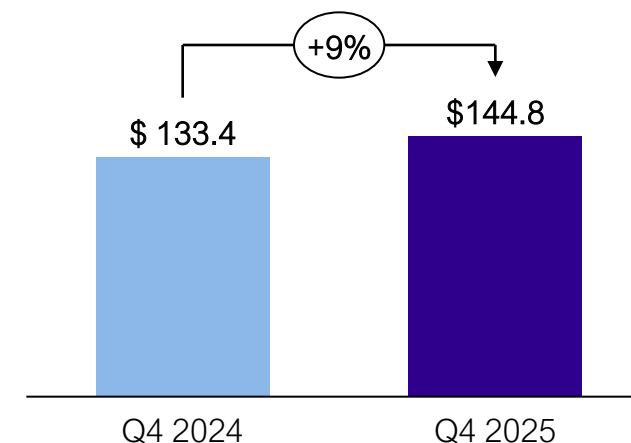
Net Interest Income



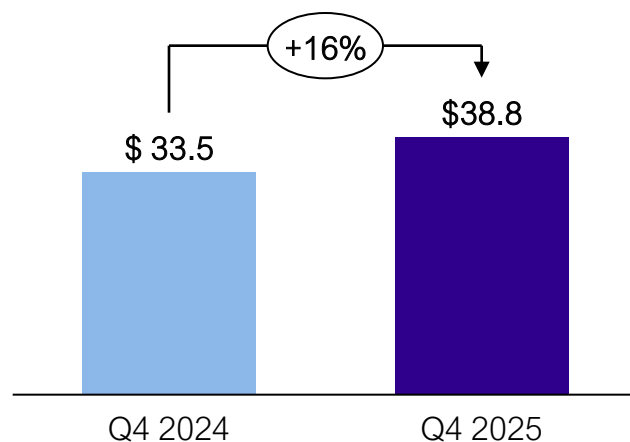
Noninterest Income



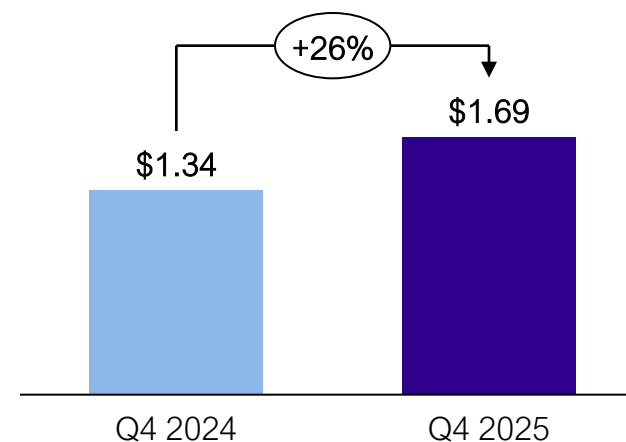
Noninterest Expense



Net Income Attributable to Parent



Earnings per Diluted Share

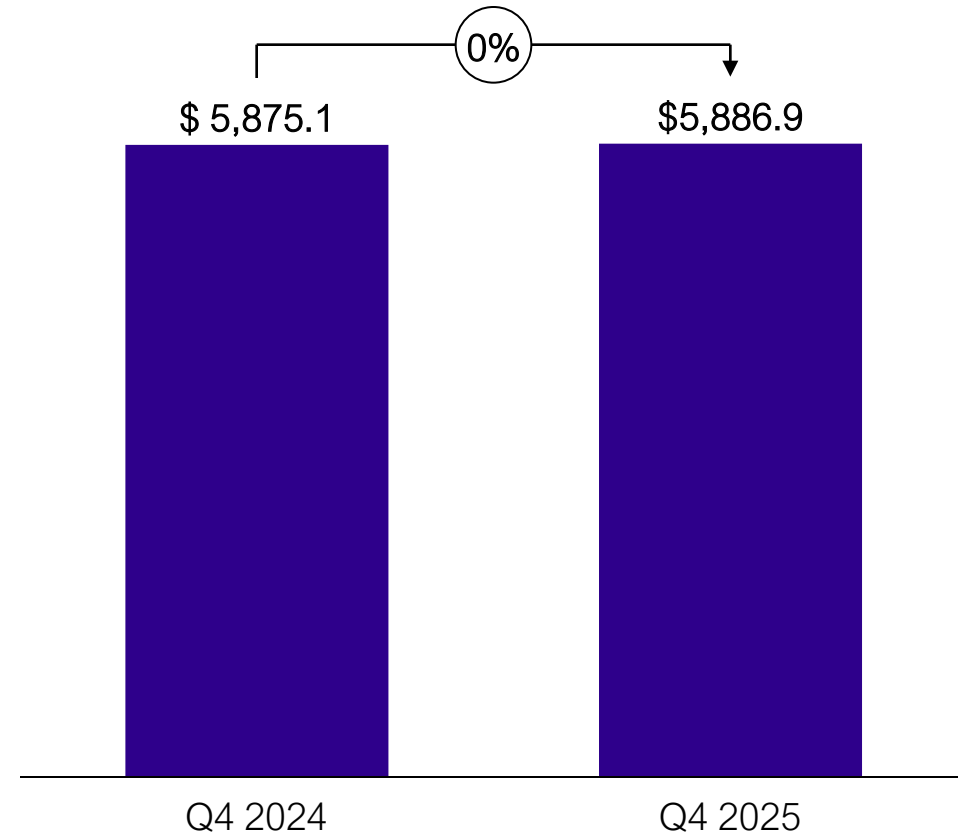


DEPOSIT BASE SUPPORTS ASSET GROWTH

- Slight increase in deposits at September 30, 2025, when compared to the prior year period.
- Average Q4 2025 off-balance sheet custodial deposits held in custody at program banks of \$237 million compared to \$240 million during the prior year period.
- \$210 million of off-balance sheet custodial deposits as of September 30, 2025, compared to \$202 million as of September 30, 2024.
- These off-balance sheet custodial deposits earn recordkeeping servicing fee income, typically reflective of the Effective Fed Funds Rate.

DEPOSITS¹

Period ending (\$ in millions)

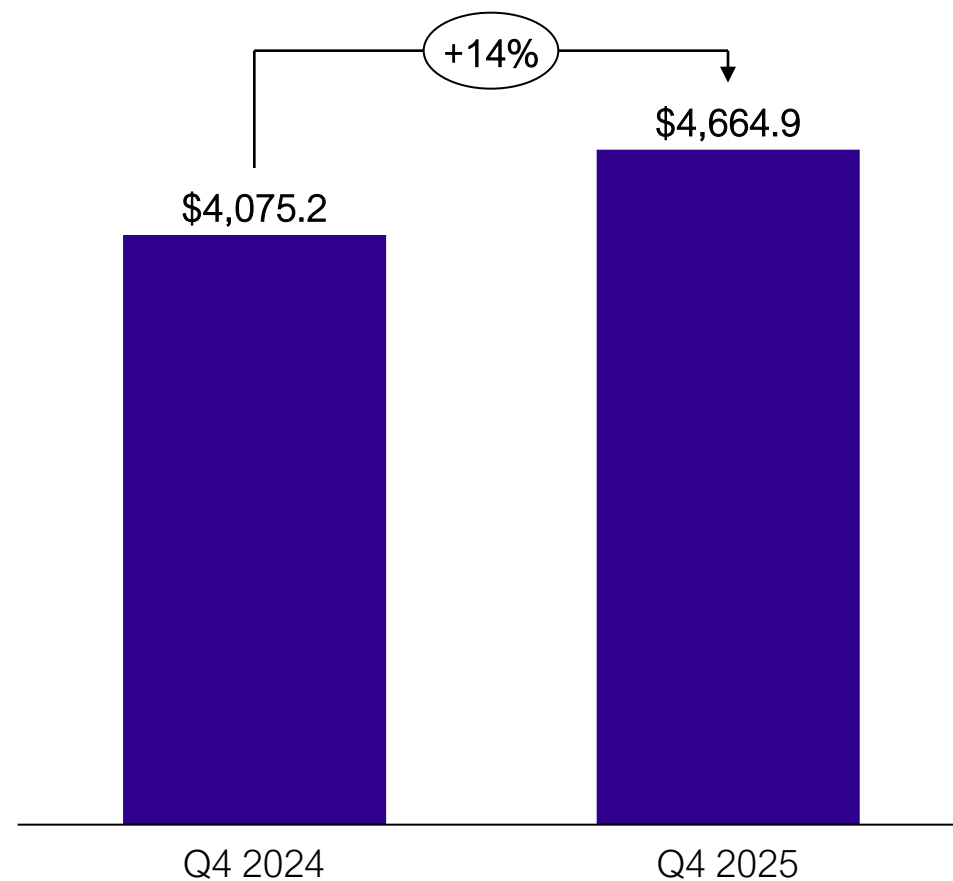


TOTAL LOANS AND LEASES INCREASED FROM Q4 2024

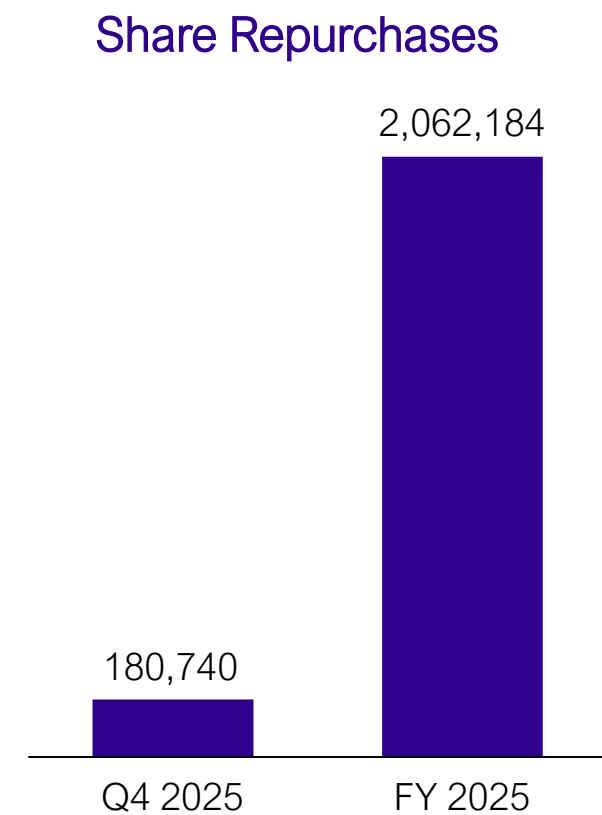
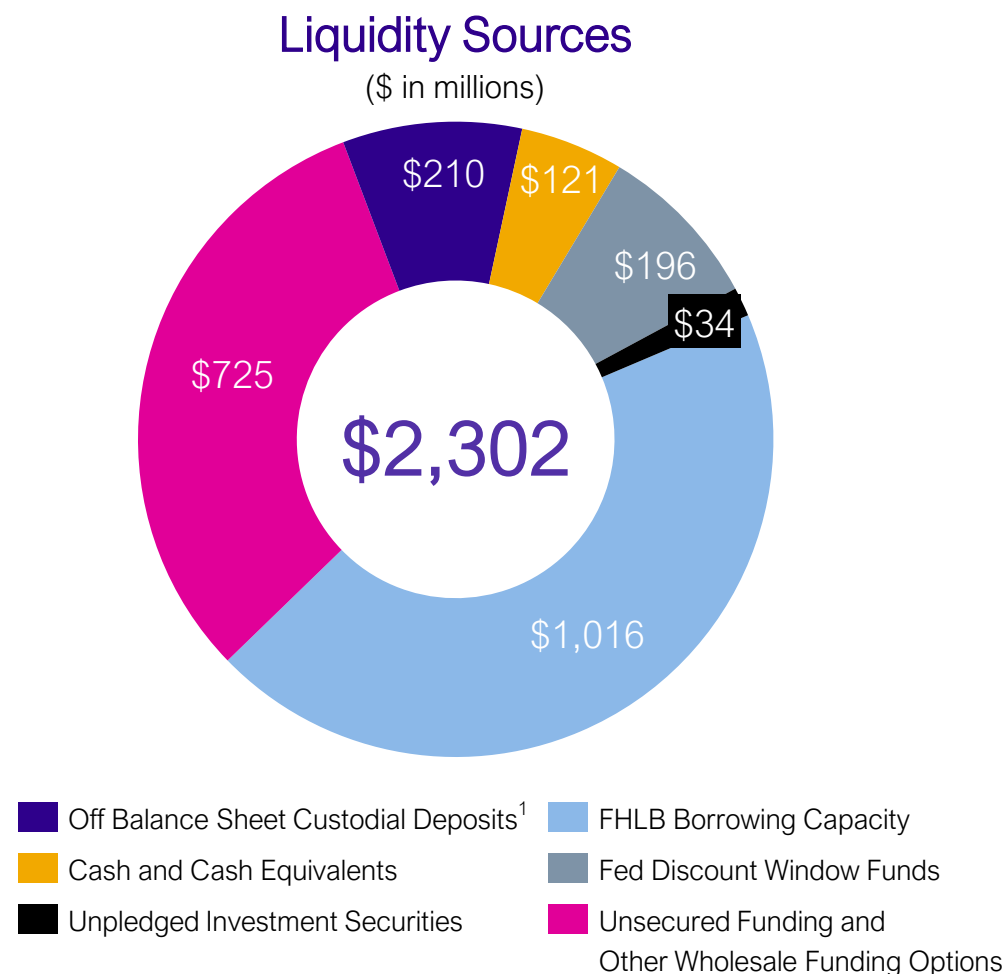
- Increase primarily driven by term lending, warehouse finance and asset-based lending.
- Nonperforming loans and leases of 2.05% at September 30, 2025, compared to 0.87% at September 30, 2024.

TOTAL LOANS AND LEASES

Period ending (\$ in millions)



STRONG BALANCE SHEET ALLOWS FOR RETURN OF CAPITAL TO SHAREHOLDERS



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

FISCAL YEAR 2026 GUIDANCE¹

\$8.25 - \$8.75 EPS

Assumes no rate cuts during the year

Effective tax rate of 18% to 22%

Includes expected share repurchases

1. Information on this slide is presented as of October 21, 2025, reflects the Company's updated financial outlook, certain of the Company's financial targets, and key assumptions, and will not be updated or affirmed unless and until the Company publicly announces such an update or affirmation. The guidance for fiscal 2026, the Company's financial targets and key economic assumptions contain forward-looking statements and actual results or conditions may differ materially. See the information set forth below the heading "Forward Looking Statements" on slide 2 of this presentation.

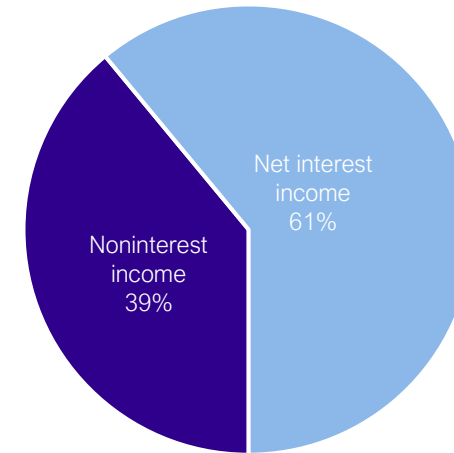
▶ Q&A



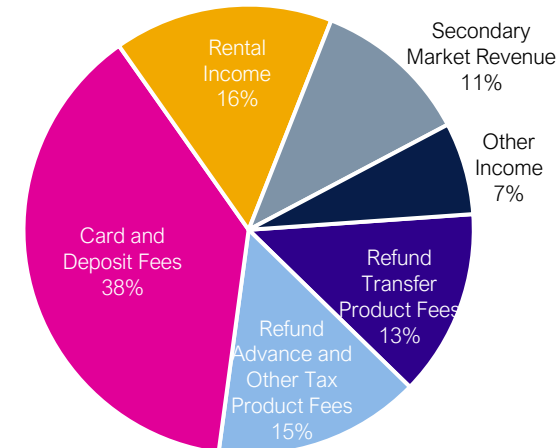
DIVERSIFIED NONINTEREST INCOME STREAMS

- Noninterest income represents 39% of FY 2025 total revenue.
- Majority of noninterest income fees are generated by the Company's Partner Solutions business lines. Other major items include leasing rental income and secondary market revenue.
- Pathward's large fee income base provides stability through interest rate and credit cycles, while propelling continued revenue growth.
- The majority of Pathward's tax season revenue is recorded as noninterest income during the second quarter of each fiscal year.

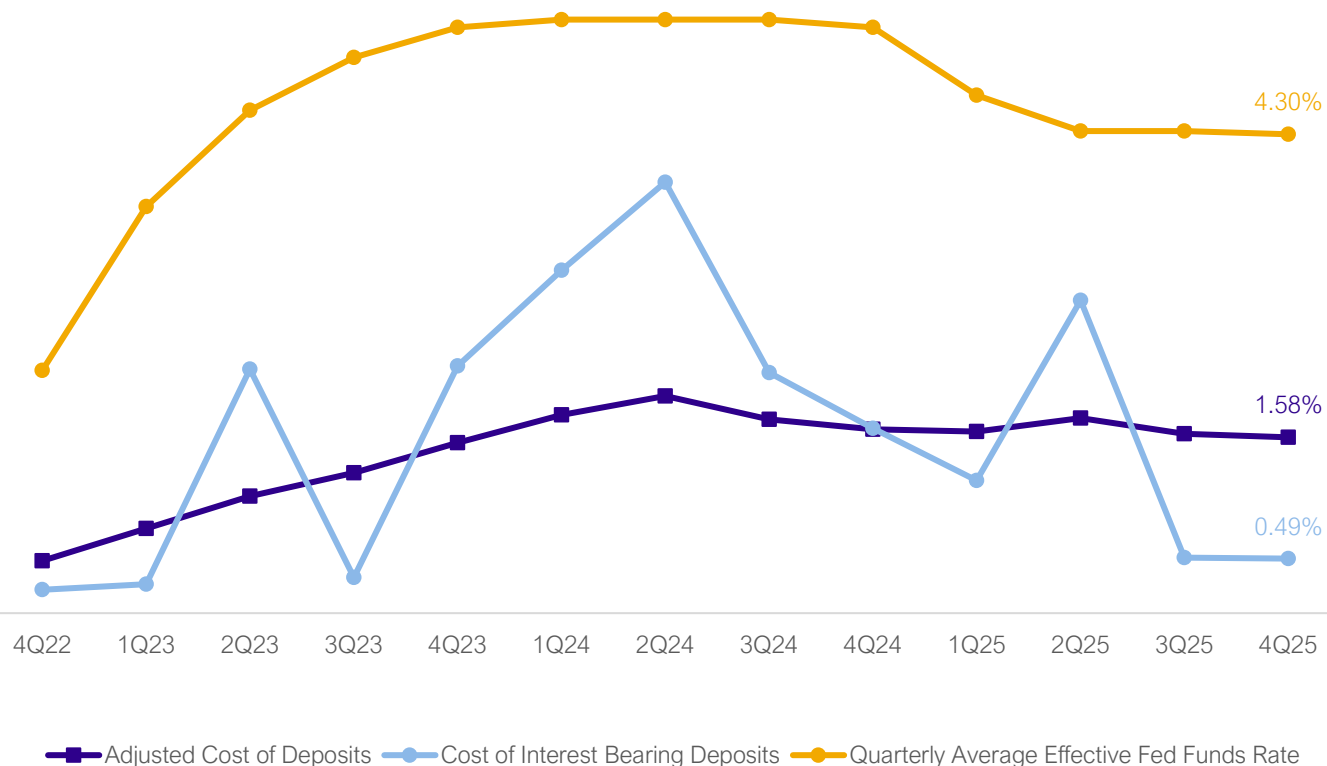
FY 2025 REVENUE BREAKDOWN



FY 2025 NONINTEREST INCOME BREAKDOWN



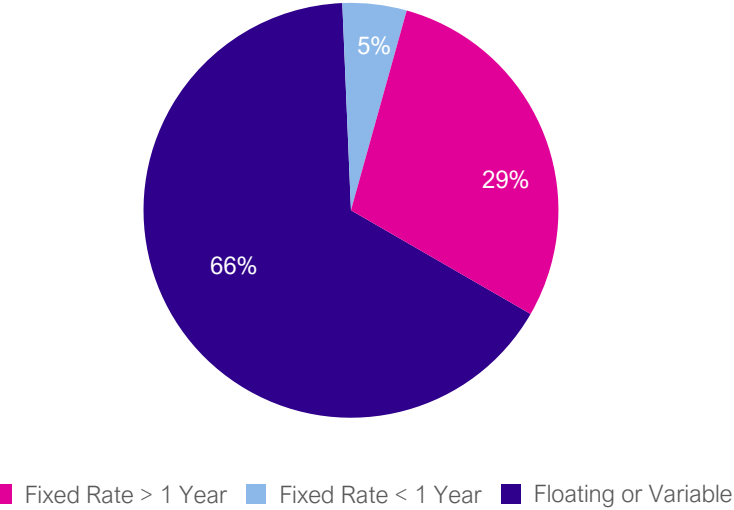
COST OF DEPOSITS

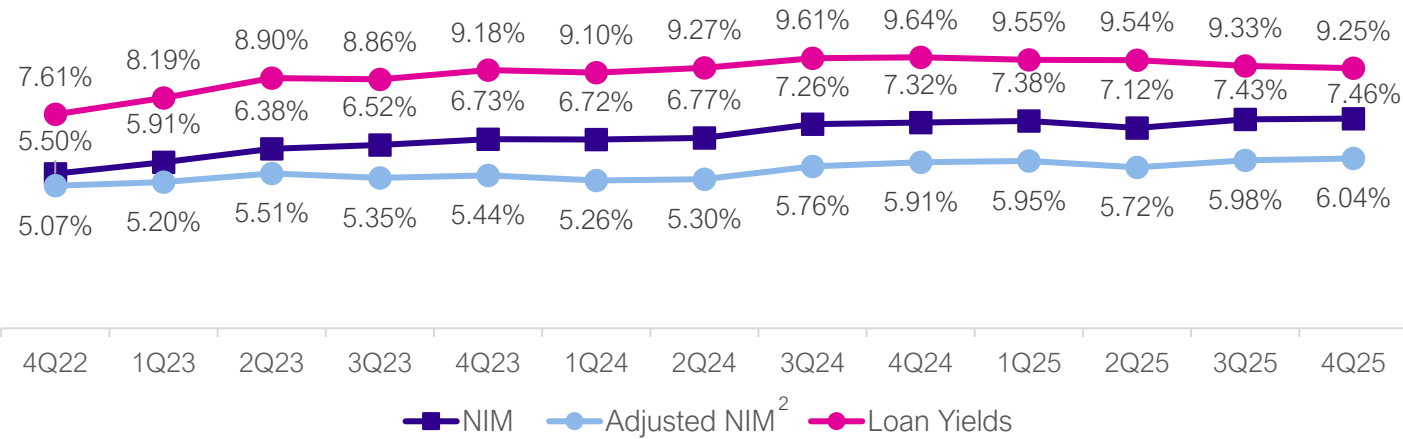


COST OF DEPOSITS

- During the 2025 fiscal fourth quarter, approximately 64% of the deposit balances were subject to variable card processing expenses, derived from contractual agreements with certain Partner Solutions relationships 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 change as compared to the earning-asset yields that will generally experience a lag in repricing.
- As of September 30, 2025, Pathward also managed \$210 million in off-balance sheet custodial deposits and earned \$2.6 million of recordkeeping servicing fee income during the fiscal fourth quarter. That income is also typically reflective of the Effective Fed Funds Rate.

- As of September 30, 2025, \$3.1B, or 66% of loans and leases contained floating or variable interest rates. Of these, \$2.0B are tied to Fed Funds or Prime, with the remaining tied to either SOFR or the CMT.
- Remain focused on smart growth in the Commercial Finance loan portfolio.
- 4Q25 NIM increased compared to prior year period by continued optimization of the balance sheet.
- \$1.4 billion securities portfolio provides cash flow for future commercial finance loan growth.





1. Fixed rate loans and leases are shown for contractual periods; 2. Adjusted NIM includes contractual card processing expenses associated with deposits on the Company's balance sheet and which have higher interest rates. See appendix for non-GAAP financial measures reconciliation.

EQUIPMENT FINANCE

COMMERCIAL FINANCE

- Loan and lease financing to provide access to needed equipment
- Focus on equipment critical to business operations
- Borrowers are investment grade companies
- Primarily fixed rate loans and leases
- Flexibility to sell direct originations to secondary market

7.63%
Q4 2025 Quarterly Yield¹

15%
Of Loan Portfolio

(\$ in millions)

Business Line	Balance Sheet Category	4Q24	3Q25	4Q25
Large ticket	Lease financing	\$146.8	\$131.4	\$107.6
	Term lending	488.6	538.6	522.3
Small ticket	Lease financing	2.2	0.5	0.2
	Term lending	121.7	73.1	60.3
TOTAL		\$759.3	\$743.6	\$690.4

WORKING CAPITAL FINANCE

COMMERCIAL FINANCE

- Provides working capital for 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

12.05%

Q4 2025 Quarterly Yield

17%

Of Loan Portfolio

(\$ in millions)

Business Line	Balance Sheet Category	4Q24	3Q25	4Q25
Working Capital	Asset-based lending	\$471.9	\$610.9	\$593.3
	Factoring	362.3	241.0	217.5
	TOTAL	\$834.2	\$851.9	\$810.8

STRUCTURED FINANCE

COMMERCIAL FINANCE

- Funding small and midsize businesses, including rural borrowers
- 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

7.17%
Q4 2025 Quarterly Yield¹

47%
Of Loan Portfolio

(\$ in millions)

Business Line	Balance Sheet Category	4Q24	3Q25	4Q25
Guaranteed portion of US govt SBA/USDA loans	SBA/USDA	\$344.4	\$410.1	\$242.2
Unguaranteed portion of US govt SBA/USDA loans	SBA/USDA	224.2	264.8	269.3
Renewable energy debt financing ² (term lending only)	Term lending	635.7	1,083.1	1,391.0
Other	Term lending	308.6	308.9	328.9
TOTAL		\$1,512.9	\$2,066.9	\$2,231.4

CONSUMER FINANCE

- Consumer credit programs with marketplace lenders offer Pathward a risk adjusted return
- Protected by certain layers of credit support and balance sheet flexibility
- Programs are offered to strategic partners with payments distribution potential
- Agreements typically provide for “excess spread” build-up and protection through a priority of payment within a waterfall

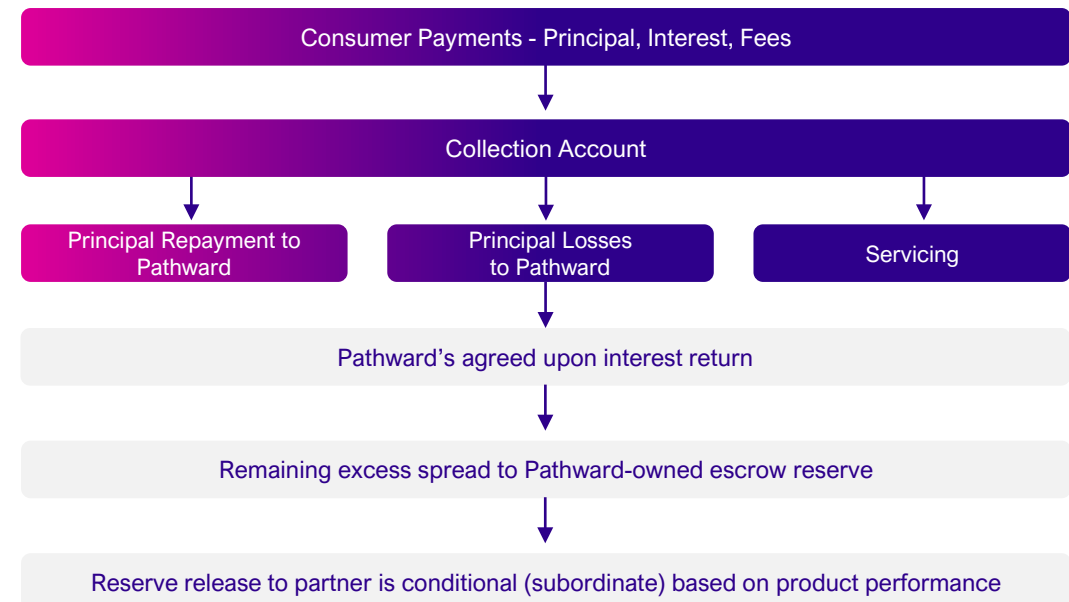
26.27%
Q4 2025 Quarterly Yield

3%
Of Loan Portfolio

(\$ in millions)

Business Line	Balance Sheet Category	4Q24	3Q25	4Q25
Consumer	Consumer finance	\$248.8	\$226.4	\$93.3
TOTAL		\$248.8	\$226.4	\$93.3

Waterfall



WAREHOUSE FINANCE

- Structured revolving asset-backed warehouse credit facilities used to support Specialty Finance company originations
- Pathward as First-Out participant sits in the most risk reduced position benefiting from subordinate tranches below it
- Each Credit Facility is primarily secured by consumer and small business receivables, (i.e. installment loans, title loans, debt settlement fees, revenue-based financing and lease to own receivables)
- Structured Waterfalls protect Pathward in adverse trigger scenarios
- Have never had a charge off or loss

9.38%

Q4 2025 Quarterly Yield

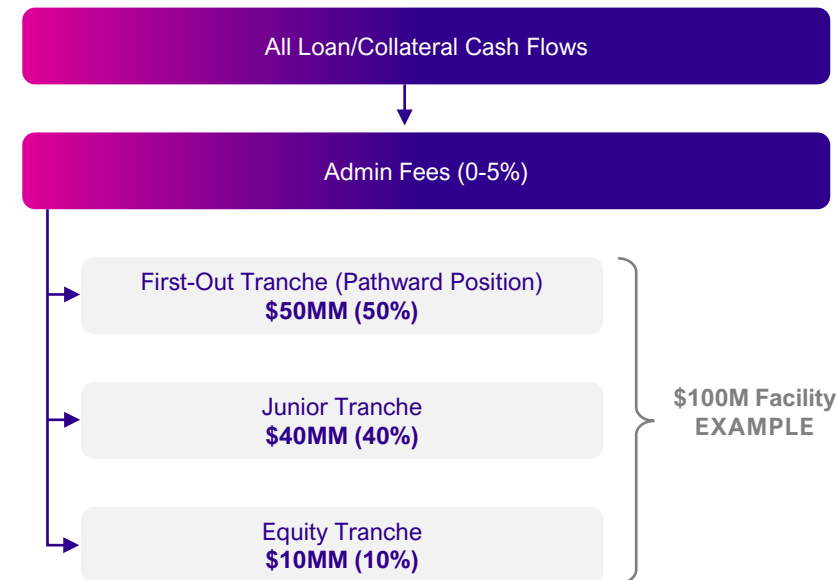
14%

Of Loan Portfolio

(\$ in millions)

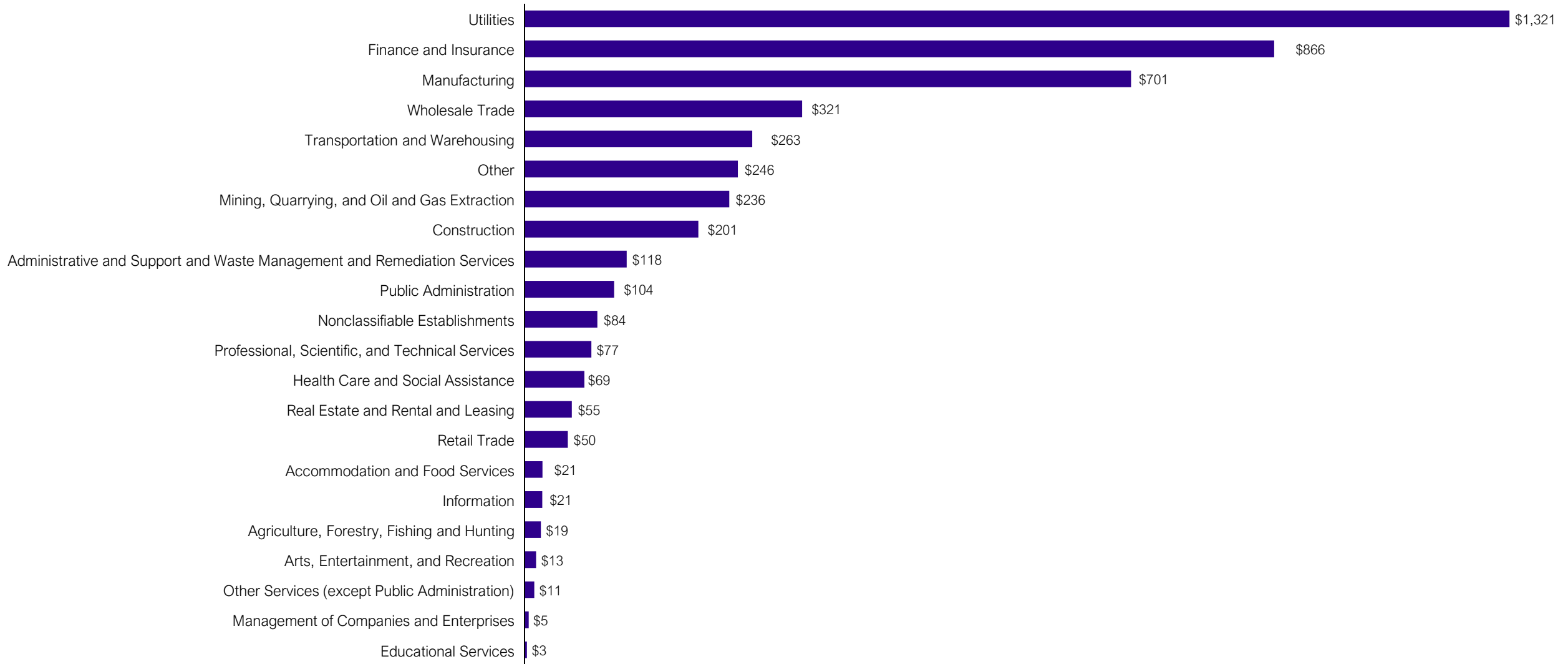
Business Line	Balance Sheet Category	4Q24	3Q25	4Q25
Warehouse	Warehouse finance	\$517.8	\$664.1	\$645.2
	TOTAL	\$517.8	\$664.1	\$645.2

Waterfall



LOAN AND LEASE CONCENTRATIONS BY INDUSTRY¹

(\$ in millions)

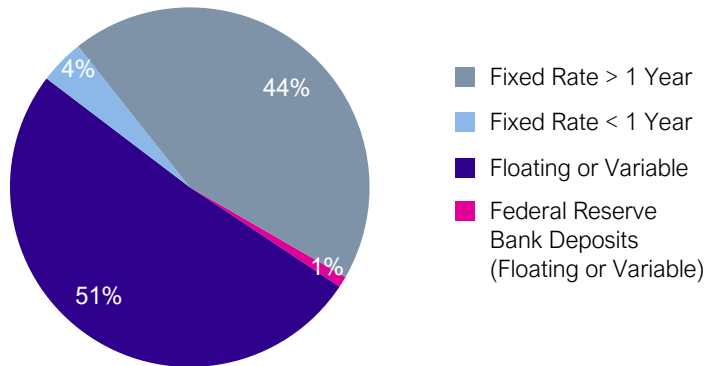


1. Distribution by NAICS codes; excludes tax services, consumer finance and certain joint ventures; calculated based on aggregate principal amount of commercial finance loans and leases; includes operating lease rental equipment of \$159.4M

INTEREST RATE RISK MANAGEMENT

SEPTEMBER 30, 2025

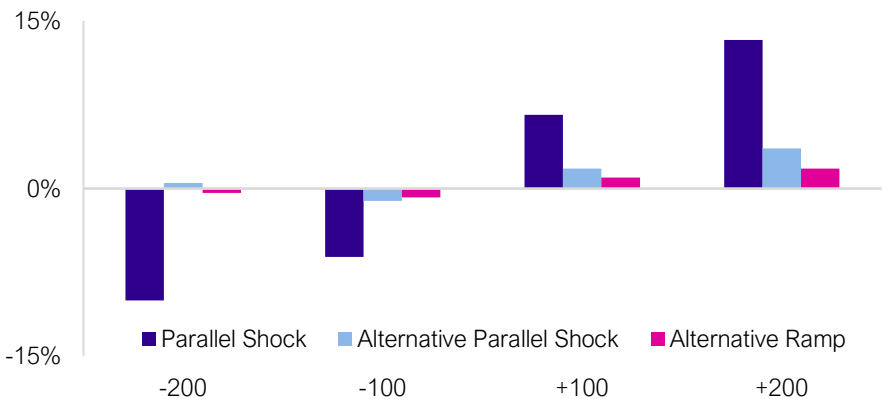
Earning Asset Pricing Attributes¹



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

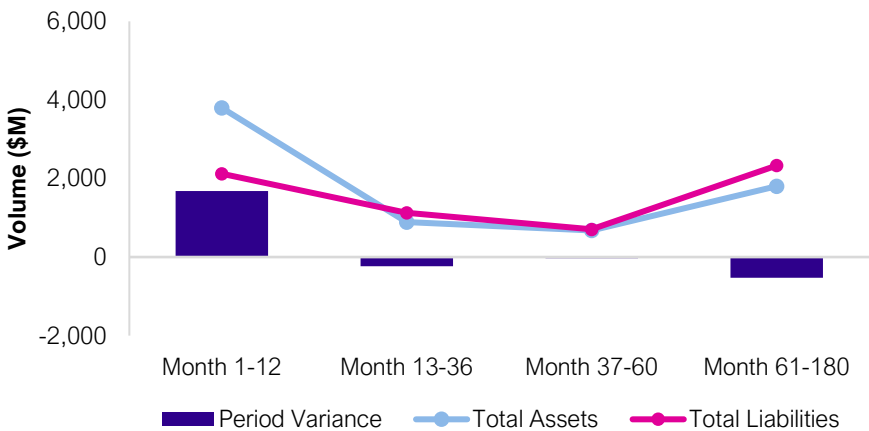
- Data presented on this page is reflective of the Company’s asset mix at a point in time and calculated for regulatory purposes. Future rate changes would impact a multitude of variables beyond the Company’s control, and as a result, the data presented is not intended to be used for forward-looking modeling purposes.
- Interest rate risk modeling shows asset sensitive balance sheet; net interest income graph shows impact of an instantaneous, parallel rate shock and alternative views of a gradual parallel ramp and a parallel rate shock.
- 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 statutory 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. The Alternative scenarios mirror the Parallel Shock and Ramp with the additional incorporation of the Company’s card fee income and card processing expenses impacted by interest rates.

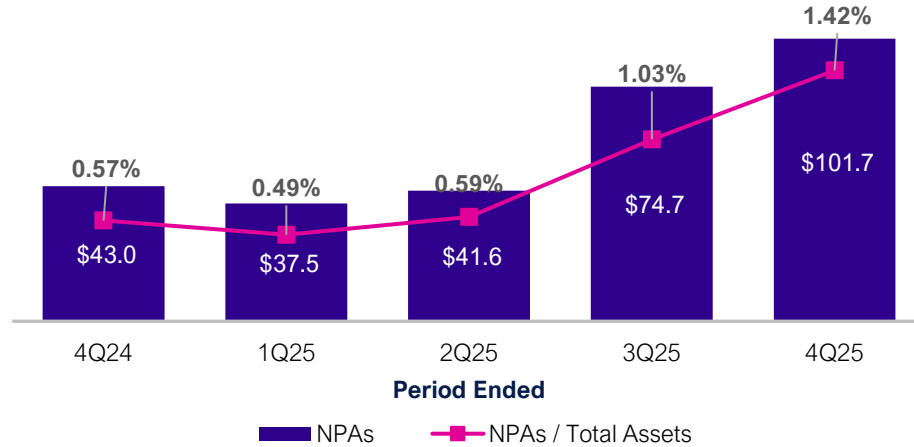
Asset/Liability Gap Analysis



ASSET QUALITY

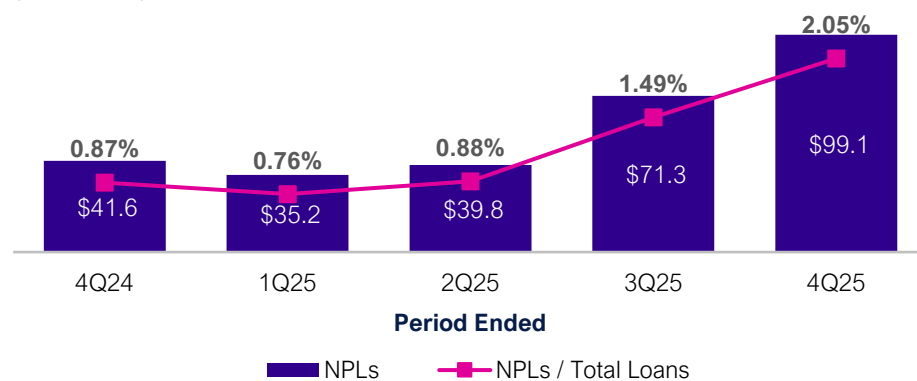
Nonperforming Assets (“NPAs”)

(\$ in millions)



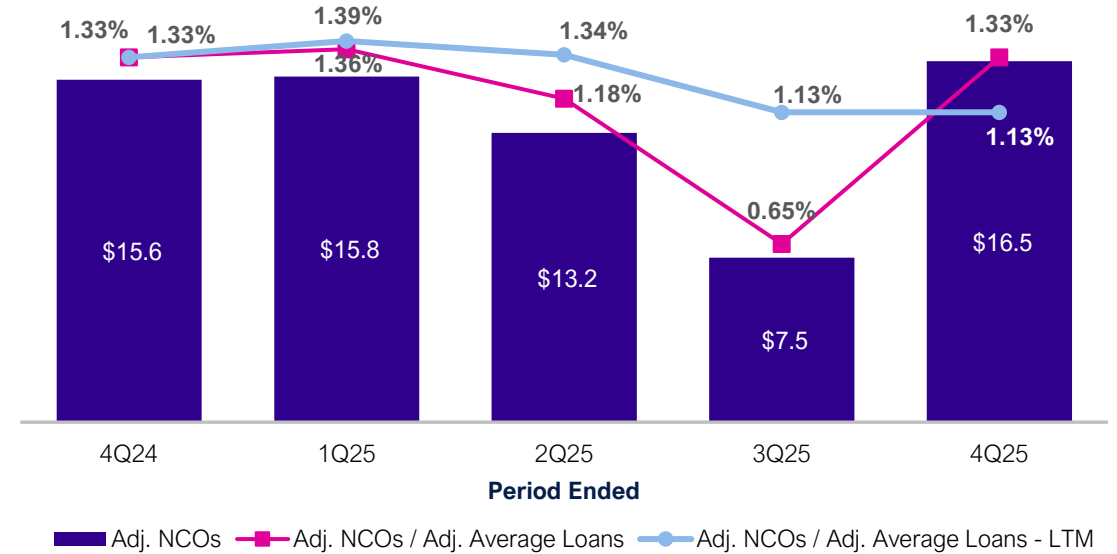
Nonperforming Loans (“NPLs”)

(\$ in millions)



Adjusted Net Charge-Offs (“NCOs”)¹

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



The net charge-off activity presented in the above graph includes the gross accounting treatment over certain consumer lending programs, under which consumer lending charge-offs are protected by layers of credit support in the waterfall structure. The benefit of the credit enhancements related to these charge-offs are received and recorded separately in other noninterest expense.

KEY CREDIT METRICS

- Annualized adjusted net charge-offs¹:
 - 1.33% of average loans in 4Q25
 - 1.13% of average loans over last 12 months
- Allowance for credit loss (“ACL”) of \$53.3 million as of September 30, 2025.
- ACL as a % of total loans and leases was 1.14% for 4Q25, a 62 bps decrease from the prior year.
- The increase in NPAs / NPLs compared to the sequential quarter was driven by an increase in nonperforming loans in the commercial finance portfolio and to a lesser extent, an increase in the seasonal tax services portfolio, partially offset by a decrease in the consumer finance portfolio.

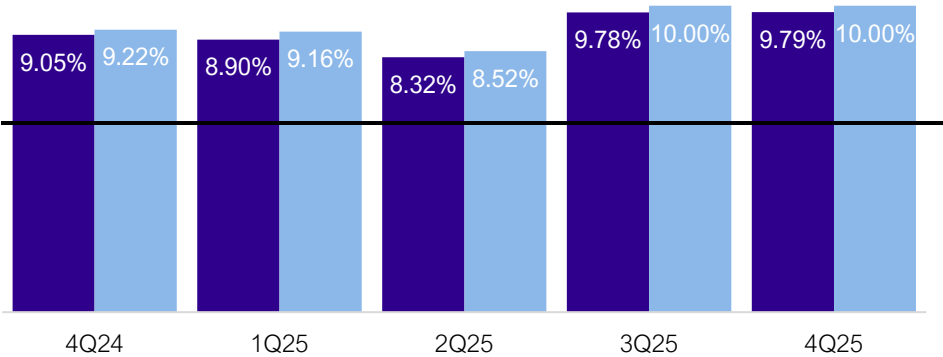
CAPITAL AND SOURCES OF LIQUIDITY

Regulatory Capital as of September 30, 2025

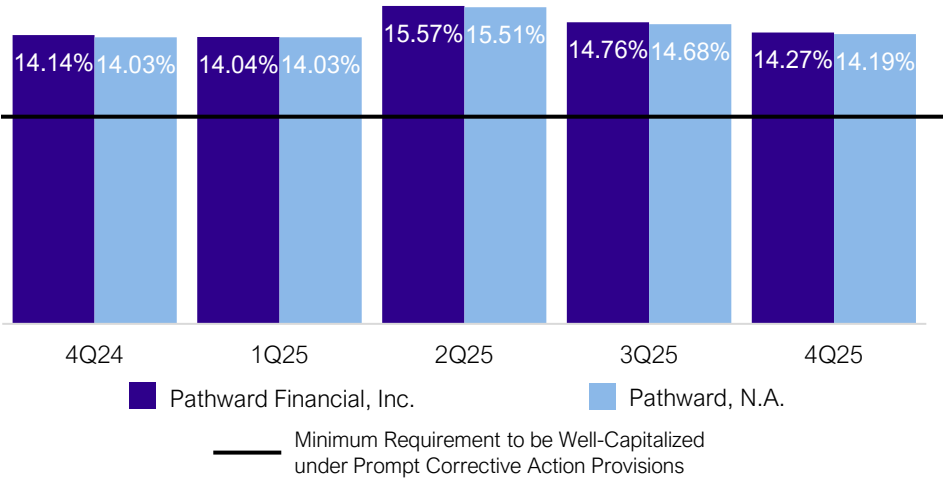
At September 30, 2025 ¹	Pathward Financial, Inc.	Pathward, N.A.
Tier 1 Leverage	9.79%	10.00%
Common Equity Tier 1	12.70%	13.23%
Tier 1 Capital	12.95%	13.23%
Total Capital	14.27%	14.19%

Primary & Secondary Liquidity Sources (\$ in millions)	
Cash and Cash Equivalents	\$121
Unpledged Investment Securities	\$34
FHLB Borrowing Capacity	\$1,016
Funds Available through Fed Discount Window	\$196
Unsecured Funding Providers	\$725
Deposit Balances Held at Other Banks	\$210
Total Liquidity	\$2,302

Tier 1 Leverage Ratio



Total Capital Ratio



1. Regulatory 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

EFFICIENCY RATIO

Efficiency Ratio

	For the last twelve months ended				
(\$ in thousands)	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	Jun 30, 2025	Sep 30, 2025
Noninterest expense – GAAP	520,691	527,411	534,846	548,658	560,067
Net interest income	497,825	504,149	511,794	511,357	511,794
Noninterest income	299,587	304,204	313,783	321,354	328,100
Total Revenue: GAAP	797,412	808,353	825,577	832,711	839,894
Efficiency ratio, LTM	65.30%	65.25%	64.78%	65.89%	66.68%

NON-GAAP RECONCILIATION

Adjusted Net Income and Adjusted Earnings Per Share

	For the year ended
	2022
(\$ in thousands, except share and per share data)	
Net income – GAAP ^a	151,134
Less: Gain on sale of trademarks	50,000
Add: Rebranding expenses	13,148
Add: Separation related expenses	5,109
Add: Income tax effect	8,936
Adjusted net income ^b	128,327
Less: Allocation of earnings to participating securities ¹	2,105
Adjusted net income attributable to common shareholders	126,222
Adjusted earnings per common share, diluted	\$4.32
Average diluted shares	29,232,247
Adjusted Return on Average Assets and Adjusted Return on Average Tangible Equity	
Average assets ^c	7,094,028
Return on average assets (a / c)	2.13%
Adjusted return on average assets (b / c)	1.81%
Average equity ^d	770,856
Less: Average goodwill and intangible assets	339,179
Average tangible equity ^e	431,677
Return on average tangible equity (a / e)	35.01%
Adjusted return on average tangible equity (b / e)	29.73%

NON-GAAP RECONCILIATION

Adjusted Annualized NCOs and Adjusted Average Loans and Leases

(\$ in thousands)	For the quarter ended				
	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	June 30, 2025	Sep 30, 2025
Net charge-offs	43,961	16,271	6,375	6,126	46,219
Less: Tax services net charge-offs (recoveries)	28,353	513	(6,813)	(1,376)	29,769
Adjusted net charge-offs	15,608	15,758	13,188	7,502	16,450
Quarterly average loans and leases	4,697,562	4,644,380	5,088,356	4,676,244	4,952,436
Less: Quarterly average tax services loans	39,437	36,785	557,229	43,035	34,740
Adjusted quarterly average loans and leases	4,658,125	4,607,595	4,531,127	4,633,209	4,917,696
Annualized NCOs/average loans and leases	3.72%	1.39%	0.51%	0.53%	3.70%
Adjusted annualized NCOs/adjusted average loans and leases ¹	1.33%	1.36%	1.18%	0.65%	1.33%

(\$ in thousands)	For the last twelve months ended				
	Sep 30, 2024	Dec 31, 2024	Mar 31, 2025	June 30, 2025	Sep 30, 2025
Net charge-offs	82,769	85,791	82,811	72,733	74,991
Less: Tax services net charge-offs (recoveries)	22,995	22,656	21,644	20,677	22,093
Adjusted net charge-offs	59,774	63,135	61,167	52,056	52,898
Average loans and leases	4,663,156	4,689,369	4,734,898	4,776,636	4,840,354
Less: Average tax services loans	154,373	156,556	172,572	169,121	167,947
Adjusted Average loans and leases	4,508,783	4,532,813	4,562,326	4,607,515	4,672,407
NCOs/average loans and leases	1.77%	1.83%	1.75%	1.52%	1.55%
Adjusted NCOs/adjusted average loans and leases ¹	1.33%	1.39%	1.34%	1.13%	1.13%

NON-GAAP RECONCILIATION

Net Interest Margin and Cost of Deposits

	For the quarter ended													For the year ended	
(\$ in thousands)	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Sept-24	Sept-25
Average interest earning assets	6,075,227	5,935,926	6,719,545	6,328,718	6,727,076	7,035,624	7,638,907	6,804,507	6,928,365	6,736,877	7,761,138	6,602,267	6,803,398	7,104,600	6,972,641
Net interest income	84,268	88,430	105,673	102,815	114,158	118,927	128,634	122,750	127,514	125,251	136,279	122,313	127,953	497,825	511,794
Net interest margin	5.50%	5.91%	6.38%	6.52%	6.73%	6.72%	6.77%	7.26%	7.32%	7.38%	7.12%	7.43%	7.46%	7.01%	7.34%
Average total deposits	5,765,048	5,636,658	6,386,592	5,895,242	6,204,934	6,558,189	7,168,673	6,260,990	6,199,271	6,081,236	7,181,308	6,002,547	6,185,496	6,545,862	6,359,147
Deposit interest expense	99	142	2,096	164	1,954	3,526	6,685	1,689	1,119	775	4,086	287	283	13,019	5,430
Cost of deposits	0.01%	0.01%	0.13%	0.01%	0.12%	0.21%	0.38%	0.11%	0.07%	0.05%	0.23%	0.02%	0.02%	0.20%	0.09%

Adjusted Net Interest Margin With Contractual, Rate-Related Card Expenses Associated With Deposits on the Company's Balance Sheet

On the Company's Balance Sheet				For the quarter ended										For the year ended	
(\$ in thousands)	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Sept-24	Sept-25
Average interest earning assets	6,075,227	5,935,926	6,719,545	6,328,718	6,727,076	7,035,624	7,638,907	6,804,507	6,928,365	6,736,877	7,761,138	6,602,267	6,803,398	7,104,600	6.972,641
Net interest income	84,268	88,430	105,673	102,815	114,158	118,927	128,634	122,750	127,514	125,251	136,279	122,313	127,953	497,825	511.794
Less: Contractual, rate-related processing expense	6,698	10,660	14,415	18,358	21,929	25,891	28,024	25,320	24.631	24,241	26,852	23,831	24,346	103,866	99.270
Adjusted net interest income	77,570	77,770	91,258	84,457	92,229	93,036	100,610	97,430	102,883	101,010	109,427	98,482	103,607	393,959	412,524
Adjusted net interest margin	5.07%	5.20%	5.51%	5.35%	5.44%	5.26%	5.30%	5.76%	5.91%	5.95%	5.72%	5.98%	6.04%	5.55%	5.92%
Average total deposits	5,765,048	5,636,658	6,386,592	5,895,242	6,204,934	6,558,189	7,168,673	6,260,990	6,199,271	6,081,236	7,181,308	6,002,547	6,185,496	6,545,862	6,359,147
Deposit interest expense	99	142	2,096	164	1,954	3,526	6,685	1,689	1,119	775	4,086	287	283	13,019	5,430
Add: Contractual, rate-related processing expense	6,698	10,660	14,415	18,358	21,929	25,891	28,024	25,320	24,631	24,241	26,852	23,831	24,346	103,866	99,270
Adjusted deposit expense	6,797	10,802	16,511	18,522	23,883	29,417	34,709	27,009	25,750	25,016	30,938	24,118	24,629	116,885	104,700
Adjusted cost of deposits	0.47%	0.76%	1.05%	1.26%	1.53%	1.78%	1.95%	1.74%	1.65%	1.63%	1.75%	1.61%	1.58%	1.79%	1.65%

DEFINITIONS

Industry Terms

Banking-as-a-Service (BaaS):

Providing financial services and solutions to third parties to offer through their distribution channels.

Push-to-debit:

The ability to move money directly to an end user. At Pathward, our push-to-debit capabilities are called “Faster Payments”.

Types of Payment Cards

Debit Card:

A type of payment card typically tied to funds held in a deposit account.

Credit Card:

A type of payment card typically attached to a line of credit that a user can make purchases against.

Prepaid Card:

A type of payment card that holds a finite amount of funds and is not directly tied to a bank account or line of credit.

Virtual Card:

A digital counterpart to a payment card, generated with a unique card number to settle a particular transaction by an authorized user. These are often used for one-time, business-to-business payments.

Payment Players

Acquiring Bank:

An acquiring bank provides merchant accounts that allow a business to accept card payments and works in conjunction with the acquirer processor. In some cases, the acquiring bank and acquirer processor are a single entity.

Acquiring Processors:

Acquiring processors connect directly with merchants, the network and the acquiring bank, or via a payment gateway, to facilitate payment acceptance at the merchant. They provide the technical capabilities to create the system of record to communicate with authorization and settlement entities. In some cases, the acquiring bank and acquirer processor are a single entity.

Issuing Bank:

The issuing bank enters a relationship with the cardholder, program manager, and enables cards on a given network. The issuing bank fills three primary roles in payment processing: it is a “network sponsor,” which means it can issue cards on a given payments network; it is a holder of funds (for example, for gift cards, deposit accounts and other non-credit cards); and it is a “settlement point,” managing a consumer’s account and paying out to the merchant’s account after a purchase.

Issuing Processor:

Connects directly with the networks and issuing bank to provide the system of record, authorize transactions and communicate with settlement entities.

Fintech:

Fintech refers to the integration of technology into offerings by financial services companies in order to improve use and delivery to consumers.

Merchant:

A merchant simply refers to any business that accepts card-based payments either via a physical swipe (at the point-of-sale) or virtually online.

Program Manager:

Businesses that manage various elements of a card program on behalf of the issuing bank. The Program Manager is responsible for defining the program, operating the program, and managing its profitability. The program manager typically is responsible for establishing relationships with processors, banks, payment networks, and distributors and for establishing account(s) at banks.

Commercial Lending Terms

Asset-Based Lending:

Asset-Based Lending (ABL) refers to business loans that are secured based on assets as collateral, generally accounts receivable, inventory, equipment or other balance sheet assets.

Accounts Receivable:

Accounts Receivable (A/R) financing refers to financing based on the value of a company’s accounts receivable (their invoices for goods or services) to another company. It is a subset of asset-based lending and is also known as factoring.

Equipment Financing:

Equipment Financing refers to a loan used to purchase business equipment. The financing is provided through leases such as \$1 Buyout, Fair Market Value (FMV), or through term loans. Leases may appear in Loans & Leases or Rental Equipment.

Factoring:

Factoring refers to financing based on the purchase of a company’s accounts receivables, their invoices for goods or services. It is a subset of asset-based lending and is also known as accounts receivable financing.

Insurance Premium Finance:

Insurance Premium Finance refers to short-term collateralized financing to facilitate the purchases of property, casualty, and liability insurance premiums for the commercial market.

Government Guaranteed Lending:

A government guaranteed loan is a loan guaranteed by a government agency and financed through a lending financial entity. Government guaranteed loans include SBA loans and USDA loans.

SBA Loan:

An SBA loan refers to financing that is guaranteed by the Small Business Administration (SBA) and provided by a lending financial institution. SBA loans, such as an SBA 7(a) loan, may be easier for a small business to obtain because of the reduced risk for the lender. Lenders must meet sufficient requirements to be eligible as a lending entity.

Term Loan:

A Term loan is a loan for a specific amount that has a specified interest rate and regular payment schedule to be repaid over a set period of time.

USDA Loan:

A USDA loan refers to financing guaranteed by the U.S. Department of Agriculture (USDA) as part of the Rural Development program and provided by a lending financial institution. USDA business loans, such as the USDA Business & Industry (B & I) loan, may be easier for a business to obtain because of the reduced risk for the lender. Lenders must meet sufficient requirements to be eligible as a lending entity.