

## Cadence Bank Announces First Quarter 2024 Financial Results

HOUSTON and TUPELO, Miss., April 22, 2024 /PRNewswire/ -- Cadence Bank (NYSE: CADE) (the Company), today announced financial results for the quarter ended March 31, 2024.

### Highlights for the first quarter of 2024 included:

- Achieved quarterly net income available to common shareholders of \$114.6 million, or \$0.62 per diluted common share, and adjusted net income from continuing operations available to common shareholders,<sup>(1)</sup> which excludes non-routine income and expenses,<sup>(2)</sup> of \$114.4 million, which is also \$0.62 per diluted common share.
- Generated net organic loan growth of \$385.6 million, or 4.8% on an annualized basis, for the first quarter of 2024. Core customer deposits, defined as total deposits excluding public funds and brokered deposits, reflected organic growth of approximately \$400.0 million, or 5.0% on an annualized basis, in the first quarter of 2024.
- Net interest margin improved 18 basis points to 3.22% from 3.04% for the fourth quarter of 2023, benefiting from the fourth quarter 2023 securities portfolio repositioning as well as net loan growth in the first quarter of 2024.
- Total adjusted revenue<sup>(1)</sup> of \$437.7 million increased \$30.0 million, or 7.4%, from prior quarter.
- Improvement in operating efficiency included a \$6.2 million decline in adjusted noninterest expense<sup>(1)</sup> compared to the fourth quarter of 2023 and an improvement in the adjusted efficiency ratio<sup>(1)</sup> of 589 basis points to 60.1% for the first quarter of 2024.
- Continued to maintain strong balance sheet liquidity, with a loan-to-deposit ratio of 86.3% at March 31, 2024.
- Repurchased 657,593 shares of common stock at a weighted average price of \$25.65 per share; regulatory capital remained strong with Common Equity Tier 1 Capital of 11.7% and Total Capital of 14.5%.

"Our Company's first quarter results reflect improved operating performance resulting from several strategic accomplishments over the past several quarters as well as continued success in business development," remarked Dan Rollins, chairman and chief executive officer of Cadence Bank. "We hit on all cylinders, realizing nice increases in loans and core customer deposits, strong revenue growth coupled with lower expenses, and a continued strong balance sheet poised for ongoing growth. Our efforts to improve efficiency are reflected in a meaningful reduction in operating expenses compared to both the first and fourth quarters of 2023. Finally, we were able to opportunistically repurchase approximately 657,000 shares during the first quarter, further benefiting earnings per share."

### Earnings Summary

Given the sale of Cadence Insurance, Inc. ("Cadence Insurance") in the fourth quarter of 2023, the financial results presented consist of both continuing operations and discontinued operations. The discontinued operations include the financial results of Cadence Insurance prior to the sale, as well as the associated gain on sale in the fourth quarter of 2023. The discontinued operations are presented as a single line item below income from continuing operations and as separate lines in the balance sheet in the accompanying tables for all periods presented. All adjusted financial results discussed herein are adjusted results from continuing operations.

For the first quarter of 2024, the Company reported net income available to common shareholders of \$114.6 million, or \$0.62 per diluted common share, compared with \$74.3 million, or \$0.40 per diluted common share, for the first quarter of 2023 and \$256.7 million, or \$1.41 per diluted common share, for the fourth quarter of 2023. Adjusted net income available to common shareholders from continuing operations<sup>(1)</sup> was \$114.4 million, or \$0.62 per diluted common share, for the first quarter of 2024, compared with \$120.7 million, or \$0.66 per diluted common share, for the first quarter of 2023 and \$72.7 million, or \$0.40 per diluted common share, for the fourth quarter of 2023. Additionally, the Company reported adjusted PPNR from continuing operations<sup>(1)</sup> of \$174.2 million, or 1.44% of average assets on an annualized basis, for the first quarter of 2024 compared to \$169.6 million, or 1.41% of average assets on an annualized basis, for the first quarter of 2023 and \$137.9 million, or 1.13% of average assets on an annualized basis, for the fourth quarter of 2023.

### Net Interest Revenue

Net interest revenue was \$353.9 million for the first quarter of 2024, compared to \$354.3 million for the first quarter of 2023 and \$334.6 million for the fourth quarter of 2023. The net interest margin (fully taxable equivalent) was 3.22% for the first quarter of 2024, compared with 3.29% for the first quarter of 2023 and 3.04% for the fourth quarter of 2023.

Net interest revenue increased \$19.3 million, or 5.8%, compared to the fourth quarter of 2023 as the Company continues to benefit from the fourth quarter 2023 securities portfolio repositioning and improved earning asset mix resulting from continued deployment of cash as well as first quarter 2024 loan growth. Purchase accounting accretion revenue was \$3.5 million and \$4.1 million for the first quarter of 2024 and the fourth quarter of 2023, respectively.

Yield on net loans, loans held for sale, and leases excluding accretion, was 6.46% for the first quarter of 2024, up 3 basis points from 6.43% for the fourth quarter of 2023. Approximately 28% of our total loans are floating (reprice within 30 days), and another 20% reprice within 12 months. Our total loan beta, excluding accretion, is 46% cycle-to-date. Investment securities yielded 3.13% in the first quarter of 2024, up 65 basis points from 2.48% in the fourth quarter of 2023, and up from 1.84% in the first quarter of 2023, reflective of the securities restructurings that occurred in 2023. As a result, the yield on total interest earning assets increased to 5.80% for the first quarter of 2024, up 21 basis points from 5.59% for the fourth quarter of 2023.

The average cost of total deposits increased to 2.45% for the first quarter of 2024, up 13 basis points compared to the fourth quarter of 2023. The first quarter increase in total deposit costs continued to slow compared to recent quarters. Total interest-bearing liabilities cost increased to 3.40% for the first quarter of 2024 from 3.34% for the fourth quarter of 2023. Our total deposit beta, excluding brokered deposits, is 43% cycle-to-date.

### Balance Sheet Activity

Loans and leases, net of unearned income, increased \$385.6 million during the first quarter, or 4.8% annualized to \$32.9 billion. The loan growth for the quarter was primarily in our non-real estate and owner occupied commercial and industrial portfolios as well as residential mortgages.

Total deposits were \$38.1 billion as of March 31, 2024, a decline of \$376.9 million from the prior quarter. The decline included a \$262.8 million reduction in brokered deposits as the Company continues to reduce its use of brokered deposits. Total public fund balances declined \$874.0 million from the linked quarter to \$4.8 billion at March 31, 2024, reflecting seasonal volatility in these balances. Importantly, core customer deposits, which excludes brokered deposits and public funds, reflected organic growth

of approximately \$400.0 million compared to December 31, 2023. In addition, we had approximately \$360.0 million in customer balances transition from repo products into deposit products during the first quarter of 2024.

The March 31, 2024 loan to deposit ratio was 86.3% and securities to total assets was 17.2%, reflecting continued strong liquidity. Noninterest bearing deposits represented 23.1% of total deposits at the end of the first quarter of 2024, reflecting a slight decline from 24.0% at December 31, 2023. The Company's deposit base continues to be very granular, with average transaction account balances of approximately \$23,000 for consumer accounts and \$129,000 for commercial accounts at March 31, 2024. Additionally, approximately 98% of the Company's deposit accounts have balances less than \$250,000, and approximately 74% of our deposit balances were FDIC insured or collateralized at quarter-end.

Total investment securities increased \$0.2 billion during the quarter to \$8.3 billion at March 31, 2024. Cash, due from balances and deposits at the Federal Reserve declined \$1.2 billion to \$3.0 billion at March 31, 2024, as the Company continued to reinvest in securities, reduce reliance on brokered deposits and fund loan growth. Additionally, the Company refinanced the \$3.5 billion bank term funding program borrowing early in the first quarter, lowering the cost from 4.84% at December 31, 2023 to 4.76% at March 31, 2024.

#### **Credit Results, Provision for Credit Losses and Allowance for Credit Losses**

Net charge-offs for the first quarter of 2024 were \$19.5 million, or 0.24% of average net loans and leases on an annualized basis, compared with net charge-offs of \$1.9 million, or 0.02% of average net loans and leases on an annualized basis, for the first quarter of 2023 and net charge-offs of \$23.8 million, or 0.29% of average net loans and leases on an annualized basis, for the fourth quarter of 2023. The provision for credit losses for the first quarter of 2024 was \$22.0 million, compared with \$10.0 million for the first quarter of 2023 and \$38.0 million for the fourth quarter of 2023. The allowance for credit losses of \$472.6 million at March 31, 2024 remained unchanged from the prior quarter at 1.44% of total loans and leases.

Total non-performing assets as a percent of total assets were 0.51% at March 31, 2024 compared to 0.32% at March 31, 2023 and 0.45% at December 31, 2023. Total non-performing loans and leases as a percent of loans and leases, net were 0.73% at March 31, 2024, compared to 0.51% at March 31, 2023 and 0.67% at December 31, 2023. Other real estate owned and other repossessed assets was \$5.3 million at March 31, 2024 compared to the March 31, 2023 balance of \$5.3 million and the December 31, 2023 balance of \$6.2 million. For the first quarter of 2024, criticized and classified loans were relatively stable. Criticized loans represented 2.64% of loans at March 31, 2024 compared to 2.86% at March 31, 2023 and 2.60% at December 31, 2023, while classified loans were 2.19% at March 31, 2024 compared to 2.28% at March 31, 2023 and 2.09% at December 31, 2023.

#### **Noninterest Revenue**

Noninterest revenue was \$83.8 million for the first quarter of 2024 compared with \$34.5 million for the first quarter of 2023 and negative \$311.5 million for the fourth quarter of 2023. Adjusted noninterest revenue<sup>(1)</sup> for the first quarter of 2024 was \$83.8 million, compared with \$85.7 million for the first quarter of 2023 and \$73.1 million for the fourth quarter of 2023. Adjusted noninterest revenue<sup>(1)</sup> for the first quarter of 2024 excludes an insignificant amount of securities losses while fourth quarter 2023 adjusted noninterest revenue<sup>(1)</sup> excludes the securities portfolio restructuring loss of \$384.5 million. The linked quarter increase in adjusted noninterest revenue<sup>(1)</sup> was driven primarily by growth in mortgage banking revenue, as well as deposit service revenue. The increase in mortgage revenue was in both production and servicing revenue, as well as positive variance related to the mortgage servicing rights (MSR) valuation.

Credit card, debit card and merchant fee revenue was \$12.2 million for the first quarter of 2024, compared with \$11.9 million for the first quarter of 2023 and \$12.9 million for the fourth quarter of 2023. Deposit service charge revenue was \$18.4 million for the first quarter of 2024 compared with \$16.5 million for the first quarter of 2023 and \$11.2 million for the fourth quarter of 2023. Deposit service charge revenue for the fourth quarter of 2023 included an adjustment of approximately \$8 million, resulting from deposit service charge changes. These changes are expected to result in a reduction in revenue of approximately \$3 million per year and are fully reflected in the first quarter 2024 run rate.

Other noninterest revenue was \$24.0 million for the first quarter of 2024, compared with \$29.8 million for the first quarter of 2023 and \$27.6 million for the fourth quarter of 2023. The decline compared to the fourth quarter of 2023 was driven by a number of smaller variances including declines in death benefits on bank-owned life insurance, payroll processing revenue, and equity investment valuations.

Mortgage production and servicing revenue totaled \$6.5 million for the first quarter of 2024, compared with \$8.4 million for the first quarter of 2023 and \$3.9 million for the fourth quarter of 2023. The net MSR valuation adjustment was insignificant for the first quarter of 2024, compared with a negative \$2.3 million for the first quarter of 2023 and a negative \$5.1 million for the fourth quarter of 2023. Mortgage origination volume for the first quarter of 2024 was \$437.2 million, compared with \$454.2 million for the first quarter of 2023 and \$434.7 million for the fourth quarter of 2023.

#### **Noninterest Expense**

Noninterest expense for the first quarter of 2024 was \$263.2 million, compared with \$284.6 million for the first quarter of 2023 and \$329.4 million for the fourth quarter of 2023. Adjusted noninterest expense<sup>(1)</sup> for the first quarter of 2024 was \$263.5 million, compared with \$270.4 million for the first quarter of 2023 and \$269.8 million for the fourth quarter of 2023. The adjusted efficiency ratio<sup>(1)</sup> was 60.1% for the first quarter of 2024, meaningfully improved from 66.0% for the fourth quarter of 2023 and 61.3% for the first quarter of 2023.

The \$6.2 million, or 2.3%, linked quarter decline in adjusted noninterest expense<sup>(1)</sup> was driven by declines in data processing and software expense as well as other noninterest expense, partially offset by a seasonal increase in salaries and employee benefits. Salaries and employee benefits increased \$8.6 million compared to the fourth quarter of 2023 with nearly half of the increase as a result of seasonal increases in payroll tax expense resulting from the annual FICA reset and 401(k) expense related to annual incentive compensation payouts. Additionally, certain other incentive based accruals increased as a result of strong operating performance. Data processing and software expense declined \$2.9 million compared to the fourth quarter of 2023 primarily as a result of certain seasonal and volume related factors as well as timing. Other

noninterest expense declined \$11.4 million on an adjusted basis compared to the fourth quarter of 2023. This decline included decreases in a number of expense items including legal fees, advertising and public relations, contributions and operational losses.

## **Capital Management**

Total shareholders' equity was \$5.2 billion at March 31, 2024 compared with \$4.5 billion at March 31, 2023 and \$5.2 billion at December 31, 2023. Estimated regulatory capital ratios at March 31, 2024 included Common Equity Tier 1 capital of 11.7%, Tier 1 capital of 12.1%, Total risk-based capital of 14.5%, and Tier 1 leverage capital of 9.5%. During the first quarter of 2024, the Company repurchased 657,593 shares of common stock under its 10 million share authorization for 2024. Outstanding common shares were 182.7 million as of March 31, 2024.

## **Summary**

Rollins concluded, "I'm excited to see the hard work of teammates across our organization bear fruit in the financial results we've reported this quarter. Our efforts to improve our balance sheet profile, improve operating efficiency, and produce disciplined growth have contributed to meaningful improvement in virtually all of our key performance metrics. We've also been able to maintain stable credit quality metrics and a strong capital base. I'm encouraged by this momentum as we look to the remainder of the year and beyond."

## **Key Transactions**

Effective November 30, 2023, the Company completed the sale of its insurance subsidiary, Cadence Insurance, to Arthur J. Gallagher & Co. for approximately \$904 million, subject to customary purchase price adjustments. The Transaction resulted in net capital creation of approximately \$620 million, including a net gain on sale of approximately \$520 million. The gain along with Cadence Insurance's historical financial results for periods prior to the divestiture have been reflected in the consolidated financial statements as discontinued operations. Additionally, current and prior period adjusted earnings exclude the impact of discontinued operations. The purchase price and related gain remain subject to additional adjustments in accordance with the purchase agreement.

## **Conference Call and Webcast**

The Company will conduct a conference call to discuss its first quarter 2024 financial results on April 23, 2024, at 10:00 a.m. (Central Time). This conference call will be an interactive session between management and analysts. Interested parties may listen to this live conference call via Internet webcast by accessing <http://ir.cadencebank.com/events>. The webcast will also be available in archived format at the same address.

## **About Cadence Bank**

Cadence Bank (NYSE: CADE) is a leading regional banking franchise with approximately \$50 billion in assets and more than 350 branch locations across the South and Texas. Cadence provides consumers, businesses and corporations with a full range of innovative banking and financial solutions. Services and products include consumer banking, consumer loans, mortgages, home equity lines and loans, credit cards, commercial and business banking, treasury management, specialized lending, asset-based lending, commercial real estate, equipment financing, correspondent banking, SBA lending, foreign exchange, wealth management, investment and trust services, financial planning, and retirement plan management. Cadence is committed to a culture of respect, diversity and inclusion in both its workplace and communities. Cadence Bank, Member FDIC. Equal Housing Lender.

1) Considered a non-GAAP financial measure. A discussion regarding these non-GAAP measures and ratios, including reconciliations of non-GAAP measures to the most directly comparable GAAP measures and definitions for non-GAAP ratios, appears in Table 14 "Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions" beginning on page 20 of this news release.

(2) See Table 14 for detail on non-routine income and expenses.

## **Forward-Looking Statements**

Certain statements made in this news release constitute "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, and are subject to the safe harbor under the Private Securities Litigation Reform Act of 1995 as well as the "bespeaks caution" doctrine. These statements are often, but not exclusively, made through the use of words or phrases like "assume," "believe," "budget," "contemplate," "continue," "could," "foresee," "indicate," "may," "might," "outlook," "prospect," "potential," "roadmap," "should," "target," "will," "would," the negative versions of such words, or comparable words of a future or forward-looking nature. These forward-looking statements may include, without limitation, discussions regarding general economic, interest rate, real estate market, competitive, employment, and credit market conditions, or any of the Company's comments related to topics in its risk disclosures or results of operations as well as the impact of the Cadence Insurance sale (the "Cadence Insurance Transaction") on the Company's financial condition and future net income and earnings per share, the amount of net after-tax proceeds expected to be received by the Company from the Cadence Insurance Transaction, and the Company's ability to deploy capital into strategic and growth initiatives. Forward-looking statements are based upon management's expectations as well as certain assumptions and estimates made by, and information available to, the Company's management at the time such statements were made. Forward-looking statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that are beyond the Company's control and that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements.

Risks, uncertainties and other factors the Company may face include, without limitation: general economic, unemployment, credit market and real estate market conditions, including inflation, and the effect of such conditions on customers, potential customers, assets, investments and liquidity; risks arising from market and consumer reactions to the general banking environment, or to conditions or situations at specific banks; risks arising from media coverage of the banking industry; risks arising from perceived instability in the banking sector; the risks of changes in interest rates and their effects on the level, cost, and composition of, and competition for, deposits, loan demand and timing of payments, the values of loan collateral, securities, and interest sensitive assets and liabilities; the ability to attract new or retain existing deposits, to retain or grow loans or additional interest and fee income, or to control noninterest expense; the effect of pricing pressures on the Company's net interest margin; the failure

of assumptions underlying the establishment of reserves for possible credit losses, fair value for loans and other real estate owned; changes in real estate values; a deterioration of the credit rating for U.S. long-term sovereign debt, actions that the U.S. government may take to avoid exceeding the debt ceiling, or uncertainties surrounding the debt ceiling and the federal budget; uncertainties surrounding the functionality of the federal government; potential delays or other problems in implementing and executing the Company's growth, expansion, acquisition, or divestment strategies (including the Cadence Insurance Transaction), including delays in obtaining regulatory or other necessary approvals, or the failure to realize any anticipated benefits or synergies from any acquisitions, growth, or divestment strategies; the ability to pay dividends or coupons on the Company's 5.5% Series A Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, or the 4.125% Fixed-to-Floating Rate Subordinated Notes due November 20, 2029; possible downgrades in the Company's credit ratings or outlook which could increase the costs or availability of funding from capital markets; changes in legal, financial, accounting, and/or regulatory requirements; the costs and expenses to comply with such changes; the enforcement efforts of federal and state bank regulators; the ability to keep pace with technological changes, including changes regarding maintaining cybersecurity and the impact of generative artificial intelligence; increased competition in the financial services industry, particularly from regional and national institutions; the impact of a failure in, or breach of, the Company's operational or security systems or infrastructure, or those of third parties with whom the Company does business, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Company or the Company's customers. The Company also faces risks from natural disasters or acts of war or terrorism; international or political instability, including the impacts related to or resulting from Russia's military action in Ukraine, the escalating conflicts in the Middle East, and additional sanctions and export controls, as well as the broader impacts to financial markets and the global macroeconomic and geopolitical environments.

The Company also faces risks from: possible adverse rulings, judgments, settlements or other outcomes of pending, ongoing and future litigation, as well as governmental, administrative and investigatory matters; the impairment of the Company's goodwill or other intangible assets; losses of key employees and personnel; the diversion of management's attention from ongoing business operations and opportunities; and the company's success in executing its business plans and strategies, and managing the risks involved in all of the foregoing.

In addition, the Company faces risks from the failure to achieve the expected impact on the Company's financial condition; and risks associated with unexpected costs or liabilities relating to the Cadence Insurance Transaction.

The foregoing factors should not be construed as exhaustive and should be read in conjunction with those factors that are set forth from time to time in the Company's periodic and current reports filed with the FDIC, including those factors included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, particularly those under the heading "Item 1A. Risk Factors," in the Company's Quarterly Reports on Form 10-Q under the heading "Part II-Item 1A. Risk Factors," and in the Company's Current Reports on Form 8-K.

Although the Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, if one or more events related to these or other risks or uncertainties materialize, or if the Company's underlying assumptions prove to be incorrect, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. Accordingly, undue reliance should not be placed on any forward-looking statements. The forward-looking statements speak only as of the date of this news release, and the Company does not undertake any obligation to publicly update or review any forward-looking statement, except as required by applicable law. All written or oral forward-looking statements attributable to the Company are expressly qualified in their entirety by this section.

**Table 1**  
**Selected Financial Data**  
**(Unaudited)**

(In thousands)	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>Earnings Summary:</b>					
Interest revenue	\$ 637,113	\$ 615,187	\$ 595,459	\$ 573,395	\$ 526,126
Interest expense	283,205	280,582	266,499	239,868	171,862
Net interest revenue	353,908	334,605	328,960	333,527	354,264
Provision for credit losses	22,000	38,000	17,000	15,000	10,000
Net interest revenue, after provision for credit losses	331,908	296,605	311,960	318,527	344,264
Noninterest revenue	83,786	(311,460)	73,989	86,664	34,463
Noninterest expense	263,207	329,367	274,442	267,466	284,647
Income (loss) from continuing operations before income taxes	152,487	(344,222)	111,507	137,725	94,080
Income tax expense (benefit)	35,509	(80,485)	24,355	30,463	21,073
Income (loss) from continuing operations	116,978	(263,737)	87,152	107,262	73,007
Income from discontinued operations, net of taxes	—	522,801	5,431	6,766	3,622
Net income	116,978	259,064	92,583	114,028	76,629
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372
Net income available to common shareholders	\$ 114,606	\$ 256,692	\$ 90,211	\$ 111,656	\$ 74,257
<b>Balance Sheet - Period End Balances</b>					
Total assets	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 48,838,660	\$ 51,693,096
Total earning assets	43,968,692	44,192,887	43,727,058	44,010,411	46,806,214
Available for sale securities	8,306,589	8,075,476	9,643,231	10,254,580	10,877,879

Loans and leases, net of unearned income	32,882,616	32,497,022	32,520,593	32,556,708	31,282,594
Allowance for credit losses (ACL)	472,575	468,034	446,859	466,013	453,727
Net book value of acquired loans	6,011,007	6,353,344	6,895,487	7,357,174	7,942,980
Unamortized net discount on acquired loans	23,715	26,928	30,761	37,000	41,748
Total deposits	38,120,226	38,497,137	38,335,878	38,701,669	39,406,454
Total deposits and repurchase agreements	38,214,616	38,948,653	39,198,467	39,492,427	40,177,789
Other short-term borrowings	3,500,000	3,500,000	3,500,223	3,500,226	5,700,228
Subordinated and long-term debt	430,123	438,460	449,323	449,733	462,144
Total shareholders' equity	5,189,932	5,167,843	4,395,257	4,485,850	4,490,417
Total shareholders' equity, excluding AOCI <sup>(1)</sup>	5,981,265	5,929,672	5,705,178	5,648,925	5,572,303
Common shareholders' equity	5,022,939	5,000,850	4,228,264	4,318,857	4,323,424
Common shareholders' equity, excluding AOCI <sup>(1)</sup>	\$ 5,814,272	\$ 5,762,679	\$ 5,538,185	\$ 5,481,932	\$ 5,405,310

#### Balance Sheet - Average Balances

Total assets	\$ 48,642,540	\$ 48,444,176	\$ 48,655,138	\$ 49,067,121	\$ 48,652,201
Total earning assets	44,226,077	43,754,664	44,003,639	44,229,519	43,817,318
Available for sale securities	8,269,708	9,300,714	10,004,441	10,655,791	11,354,457
Loans and leases, net of unearned income	32,737,574	32,529,030	32,311,572	31,901,096	30,891,640
Total deposits	38,421,272	38,215,379	38,465,975	38,934,793	38,904,048
Total deposits and repurchase agreements	38,630,620	38,968,397	39,293,030	39,708,963	39,632,023
Other short-term borrowings	3,500,000	3,503,320	3,510,942	3,541,985	3,326,196
Subordinated and long-term debt	434,579	443,251	449,568	455,617	462,385
Total shareholders' equity	5,194,048	4,507,343	4,505,162	4,539,353	4,396,461
Common shareholders' equity	\$ 5,027,055	\$ 4,340,350	\$ 4,338,169	\$ 4,372,360	\$ 4,229,468

#### Nonperforming Assets:

Non-performing loans and leases (NPL) <sup>(2)</sup>	241,007	216,141	150,038	157,243	160,615
Other real estate owned and other assets	5,280	6,246	2,927	2,857	5,327
Non-performing assets (NPA)	\$ 246,287	\$ 222,387	\$ 152,965	\$ 160,100	\$ 165,942

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 21 - 25.

(2) At March 31, 2024, \$59.9 million of NPL is covered by government guarantees from the SBA, FHA, VA or USDA.

**Table 2**

#### Selected Financial Ratios

	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>Financial Ratios and Other Data:</b>					
Return on average assets from continuing operations <sup>(2)</sup>	0.97 %	(2.16) %	0.71 %	0.88 %	0.61 %
Return on average assets <sup>(2)</sup>	0.97 %	2.12 %	0.75 %	0.93 %	0.64 %
Adjusted return on average assets from continuing operations <sup>(1)(2)</sup>	0.97	0.62	0.82	0.92	1.03
Return on average common shareholders' equity from continuing operations <sup>(2)</sup>	9.17	(24.32)	7.75	9.62	6.77
Return on average common shareholders' equity <sup>(2)</sup>	9.17	23.46	8.25	10.24	7.12
Adjusted return on average common shareholders' equity from continuing operations <sup>(1)(2)</sup>	9.15	6.65	8.93	10.10	11.58
Return on average tangible common equity from continuing operations <sup>(1)(2)</sup>	12.94	(36.79)	11.75	14.55	10.44
Return on average tangible common equity <sup>(1)(2)</sup>	12.94	35.49	12.50	15.49	10.97
Adjusted return on average tangible common equity from continuing operations <sup>(1)(2)</sup>	12.92	10.06	13.53	15.27	17.84
Pre-tax pre-provision net revenue from continuing operation to total average assets <sup>(1)(2)</sup>	1.44	(2.51)	1.05	1.25	0.87
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets <sup>(1)(2)</sup>	1.44	1.13	1.18	1.30	1.41
Net interest margin-fully taxable equivalent	3.22	3.04	2.98	3.03	3.29
Net interest rate spread-fully taxable equivalent	2.40	2.25	2.21	2.29	2.65
Efficiency ratio fully tax equivalent <sup>(1)</sup>	60.05	NM	67.17	60.51	73.03
Adjusted efficiency ratio fully tax equivalent <sup>(1)</sup>	60.12	66.01	63.64	58.97	61.31

Loan/deposit ratio	86.26 %	84.41 %	84.83 %	84.12 %	79.38 %
Full time equivalent employees	5,322	5,333	6,160	6,479	6,567

#### Credit Quality Ratios:

Net charge-offs to average loans and leases <sup>(2)</sup>	0.24 %	0.29 %	0.42 %	0.16 %	0.02 %
Provision for credit losses to average loans and leases <sup>(2)</sup>	0.27	0.46	0.21	0.19	0.13
ACL to loans and leases, net	1.44	1.44	1.37	1.43	1.45
ACL to NPL	196.08	216.54	297.83	296.36	282.49
NPL to loans and leases, net	0.73	0.67	0.46	0.48	0.51
NPA to total assets	0.51	0.45	0.32	0.33	0.32

#### Equity Ratios:

Total shareholders' equity to total assets	10.74 %	10.56 %	9.06 %	9.19 %	8.69 %
Total common shareholders' equity to total assets	10.40	10.22	8.71	8.84	8.36
Tangible common shareholders' equity to tangible assets <sup>(1)</sup>	7.60	7.44	5.86	6.00	5.66
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI <sup>(1)</sup>	9.13	8.90	8.41	8.25	7.65

#### Capital Adequacy <sup>(3)</sup>:

Common Equity Tier 1 capital	11.7 %	11.6 %	10.3 %	10.1 %	10.1 %
Tier 1 capital	12.1	12.1	10.8	10.5	10.6
Total capital	14.5	14.3	12.9	12.7	12.8
Tier 1 leverage capital	9.5	9.3	8.6	8.5	8.4

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 21 - 25.

(2) Annualized.

(3) Current quarter regulatory capital ratios are estimated.

NM - Not meaningful

**Table 3**

#### Selected Financial Information

	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>Common Share Data:</b>					
Diluted earnings (losses) per share from continuing operations	\$ 0.62	\$ (1.46)	\$ 0.46	\$ 0.57	\$ 0.38
Adjusted earnings per share from continuing operations <sup>(1)</sup>	0.62	0.40	0.53	0.60	0.66
Diluted earnings per share	0.62	1.41	0.49	0.61	0.40
Cash dividends per share	0.250	0.235	0.235	0.235	0.235
Book value per share	27.50	27.35	23.15	23.65	23.67
Tangible book value per share <sup>(1)</sup>	19.48	19.32	15.09	15.56	15.55
Market value per share (last)	29.00	29.59	21.22	19.88	20.76
Market value per share (high)	30.03	31.45	25.87	21.73	28.18
Market value per share (low)	24.99	19.67	19.00	16.95	19.24
Market value per share (average)	27.80	24.40	22.56	19.73	24.88
Dividend payout ratio from continuing operations	40.48 %	(16.13) %	51.09 %	41.23 %	61.84 %
Adjusted dividend payout ratio from continuing operations <sup>(1)</sup>	40.32 %	58.75 %	44.34 %	39.17 %	35.61 %
Total shares outstanding	182,681,325	182,871,775	182,611,075	182,626,229	182,684,578
Average shares outstanding - diluted	185,574,130	182,688,190	184,645,004	183,631,570	183,908,798
<b>Yield/Rate:</b>					
(Taxable equivalent basis)					
Loans, loans held for sale, and leases	6.50 %	6.48 %	6.39 %	6.24 %	6.00 %
Loans, loans held for sale, and leases excluding net accretion on acquired loans and leases	6.46	6.43	6.31	6.18	5.87
Available for sale securities:					
Taxable	3.11	2.45	2.07	2.09	1.80
Tax-exempt	4.25	3.78	3.23	3.21	3.21
Other investments	5.48	5.41	5.36	5.05	4.64

Total interest earning assets and revenue	5.80	5.59	5.38	5.21	4.88
Deposits	2.45	2.32	2.14	1.87	1.28
Interest bearing demand and money market	3.11	3.02	2.79	2.49	2.03
Savings	0.57	0.56	0.56	0.51	0.36
Time	4.42	4.22	3.98	3.69	2.24
Total interest bearing deposits	3.21	3.10	2.88	2.58	1.86
Fed funds purchased, securities sold under agreement to repurchase and other	4.86	4.33	4.27	3.97	3.73
Short-term FHLB borrowings	—	—	3.54	5.24	4.66
Short-term BTFP borrowings	4.84	5.04	5.15	5.15	—
Total interest bearing deposits and short-term borrowings	3.39	3.33	3.16	2.90	2.20
Long-term debt	4.35	4.18	4.22	4.23	4.27
Total interest bearing liabilities	3.40	3.34	3.17	2.92	2.23
Interest bearing liabilities to interest earning assets	75.73 %	76.08 %	75.74 %	74.57 %	71.24 %
Net interest income tax equivalent adjustment (in thousands)	\$ 636	\$ 987	\$ 1,081	\$ 1,063	\$ 1,051

(1) Denotes non-GAAP financial measure. Refer to related disclosure and reconciliation on pages 21 -

25.

NM - Not meaningful

**Table 4**  
**Consolidated Balance Sheets**  
**(Unaudited)**

(In thousands)	As of				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>ASSETS</b>					
Cash and due from banks	\$ 427,543	\$ 798,177	\$ 594,787	\$ 722,625	\$ 660,431
Interest bearing deposits with other banks and Federal funds sold	2,609,931	3,434,088	1,400,858	1,005,889	4,449,631
Available for sale securities, at fair value	8,306,589	8,075,476	9,643,231	10,254,580	10,877,879
Loans and leases, net of unearned income	32,882,616	32,497,022	32,520,593	32,556,708	31,282,594
Allowance for credit losses	472,575	468,034	446,859	466,013	453,727
Net loans and leases	32,410,041	32,028,988	32,073,734	32,090,695	30,828,867
Loans held for sale, at fair value	169,556	186,301	162,376	193,234	196,110
Premises and equipment, net	822,666	802,133	789,698	804,732	801,463
Goodwill	1,367,785	1,367,785	1,367,785	1,367,785	1,367,785
Other intangible assets, net	96,126	100,191	104,596	109,033	115,113
Bank-owned life insurance	645,167	642,840	639,073	634,985	631,174
Other assets	1,458,459	1,498,531	1,590,769	1,486,070	1,609,232
Assets of discontinued operations	—	—	156,103	169,032	155,411
Total Assets	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 48,838,660	\$ 51,693,096
<b>LIABILITIES</b>					
Deposits:					
Demand: Noninterest bearing	\$ 8,820,468	\$ 9,232,068	\$ 9,648,191	\$ 10,223,508	\$ 11,517,037
Interest bearing	18,945,982	19,276,596	18,334,551	18,088,711	18,146,678
Savings	2,694,777	2,720,913	2,837,348	2,983,709	3,226,685
Time deposits	7,658,999	7,267,560	7,515,788	7,405,741	6,516,054
Total deposits	38,120,226	38,497,137	38,335,878	38,701,669	39,406,454
Securities sold under agreement to repurchase	94,390	451,516	862,589	790,758	771,335
Other short-term borrowings	3,500,000	3,500,000	3,500,223	3,500,226	5,700,228
Subordinated and long-term debt	430,123	438,460	449,323	449,733	462,144
Other liabilities	979,192	879,554	876,195	806,305	763,912
Liabilities of discontinued operations	—	—	103,545	104,119	98,606
Total Liabilities	43,123,931	43,766,667	44,127,753	44,352,810	47,202,679
<b>SHAREHOLDERS' EQUITY</b>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	456,703	457,179	456,528	456,566	456,711
Capital surplus	2,724,587	2,743,066	2,733,003	2,724,021	2,715,981

Accumulated other comprehensive loss	(791,333)	(761,829)	(1,309,921)	(1,163,075)	(1,081,886)
Retained earnings	2,632,982	2,562,434	2,348,654	2,301,345	2,232,618
Total Shareholders' Equity	5,189,932	5,167,843	4,395,257	4,485,850	4,490,417
Total Liabilities & Shareholders' Equity	\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 48,838,660	\$ 51,693,096

**Table 5**

**Consolidated Quarterly Average Balance Sheets  
(Unaudited)**

(In thousands)	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>ASSETS</b>					
Cash and due from banks	\$ 557,009	\$ 443,504	\$ 362,479	\$ 402,744	\$ 500,507
Interest bearing deposits with other banks and Federal funds sold	3,146,439	1,811,686	1,571,973	1,605,594	1,524,358
Available for sale securities, at fair value	8,269,708	9,300,714	10,004,441	10,655,791	11,354,457
Loans and leases, net of unearned income	32,737,574	32,529,030	32,311,572	31,901,096	30,891,640
Allowance for credit losses	473,849	447,879	459,698	457,027	442,486
Net loans and leases	32,263,725	32,081,151	31,851,874	31,444,069	30,449,154
Loans held for sale, at fair value	72,356	113,234	115,653	67,038	46,863
Premises and equipment, net	808,473	795,164	811,095	804,526	799,077
Goodwill	1,367,785	1,367,916	1,367,785	1,367,785	1,367,784
Other intangible assets, net	98,350	102,765	107,032	113,094	117,518
Bank-owned life insurance	643,189	640,439	636,335	632,489	630,601
Other assets	1,415,506	1,787,603	1,826,471	1,973,991	1,861,882
Total Assets	\$ 48,642,540	\$ 48,444,176	\$ 48,655,138	\$ 49,067,121	\$ 48,652,201
<b>LIABILITIES</b>					
Deposits:					
Demand: Noninterest bearing	\$ 9,072,619	\$ 9,625,912	\$ 9,921,617	\$ 10,725,108	\$ 12,203,079
Interest bearing	19,303,845	18,292,826	17,970,463	17,997,618	19,009,345
Savings	2,696,452	2,758,977	2,913,027	3,088,174	3,363,236
Time deposits	7,348,356	7,537,664	7,660,868	7,123,893	4,328,388
Total deposits	38,421,272	38,215,379	38,465,975	38,934,793	38,904,048
Securities sold under agreement to repurchase	209,348	753,018	827,055	774,170	727,975
Other short-term borrowings	3,500,000	3,503,320	3,510,942	3,541,985	3,326,196
Subordinated and long-term debt	434,579	443,251	449,568	455,617	462,385
Other liabilities	883,293	1,021,865	896,436	821,203	835,136
Total Liabilities	43,448,492	43,936,833	44,149,976	44,527,768	44,255,740
<b>SHAREHOLDERS' EQUITY</b>					
Preferred stock	166,993	166,993	166,993	166,993	166,993
Common stock	456,437	456,636	456,557	456,755	456,354
Capital surplus	2,733,902	2,733,985	2,726,686	2,717,866	2,710,501
Accumulated other comprehensive loss	(777,940)	(1,279,235)	(1,175,077)	(1,087,389)	(1,174,723)
Retained earnings	2,614,656	2,428,964	2,330,003	2,285,128	2,237,336
Total Shareholders' Equity	5,194,048	4,507,343	4,505,162	4,539,353	4,396,461
Total Liabilities & Shareholders' Equity	\$ 48,642,540	\$ 48,444,176	\$ 48,655,138	\$ 49,067,121	\$ 48,652,201

**Table 6**

**Consolidated Statements of Income  
(Unaudited)**

	Quarter Ended				
(Dollars in thousands, except per share data)	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>INTEREST REVENUE:</b>					
Loans and leases	\$ 528,940	\$ 531,340	\$ 520,126	\$ 496,262	\$ 457,084
Available for sale securities:					
Taxable	63,405	55,801	50,277	53,531	48,512



Tax-exempt Loans held for sale	687 1,184	1,927 1,418	2,375 1,468	2,427 961	2,477 603
Short-term investments	42,897	24,701	21,213	20,214	17,450
Total interest revenue	637,113	615,187	595,459	573,395	526,126
INTEREST EXPENSE:					
Interest bearing demand deposits and money market accounts	149,403	139,144	126,296	111,938	95,344
Savings	3,801	3,918	4,108	3,915	3,014
Time deposits	80,670	80,143	76,867	65,517	23,950
Federal funds purchased and securities sold under agreement to repurchase	2,523	8,254	9,004	7,656	7,667
Short-term debt	42,109	44,451	45,438	46,036	37,015
Subordinated and long-term debt	4,699	4,672	4,786	4,806	4,872
Total interest expense	283,205	280,582	266,499	239,868	171,862
Net interest revenue	353,908	334,605	328,960	333,527	354,264
Provision for credit losses	22,000	38,000	17,000	15,000	10,000
Net interest revenue, after provision for credit losses	331,908	296,605	311,960	318,527	344,264
NONINTEREST REVENUE:					
Mortgage banking	6,443	(1,137)	5,684	8,356	6,076
Credit card, debit card and merchant fees	12,162	12,902	12,413	12,617	11,851
Deposit service charges	18,338	11,161	16,867	17,208	16,482
Security (losses) gains, net	(9)	(384,524)	64	69	(51,261)
Wealth management	22,833	22,576	21,079	21,741	21,532
Other noninterest income	24,019	27,562	17,882	26,673	29,783
Total noninterest revenue	83,786	(311,460)	73,989	86,664	34,463
NONINTEREST EXPENSE:					
Salaries and employee benefits	156,650	148,081	161,627	159,276	165,738
Occupancy and equipment	28,640	28,009	27,069	28,106	27,787
Data processing and software	30,028	32,922	29,127	27,289	31,105
Merger expense	—	—	—	122	5,070
Amortization of intangibles	4,066	4,405	4,436	6,081	4,466
Deposit insurance assessments	8,414	45,733	10,425	7,705	8,361
Pension settlement expense	—	11,226	600	—	—
Other noninterest expense	35,409	58,991	41,158	38,887	42,120
Total noninterest expense	263,207	329,367	274,442	267,466	284,647
Income (loss) from continuing operations before taxes	152,487	(344,222)	111,507	137,725	94,080
Income tax expense (benefit)	35,509	(80,485)	24,355	30,463	21,073
Income (loss) from continuing operations	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 107,262	\$ 73,007
Income from discontinued operations	—	706,129	7,242	9,238	4,982
Income tax expense from discontinued operations	—	183,328	1,811	2,472	1,360
Income from discontinued operations, net of taxes	—	522,801	5,431	6,766	3,622
Net income	116,978	259,064	92,583	114,028	76,629
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372
Net income available to common shareholders	\$ 114,606	\$ 256,692	\$ 90,211	\$ 111,656	\$ 74,257
Diluted earnings (losses) per common share from continuing operations	\$ 0.62	\$ (1.46)	\$ 0.46	\$ 0.57	\$ 0.38
Diluted earnings per common share	\$ 0.62	\$ 1.41	\$ 0.49	\$ 0.61	\$ 0.40

**Table 7**  
**Selected Loan Portfolio Data**  
**(Unaudited)**

(In thousands)	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
<b>LOAN AND LEASE PORTFOLIO:</b>					
Commercial and industrial					
Non-real estate	\$ 9,121,457	\$ 8,935,598	\$ 9,199,024	\$ 9,636,481	\$ 9,636,481
Owner occupied	4,442,357	4,349,060	4,361,530	4,358,000	4,278,000
Total commercial and industrial	13,563,814	13,284,658	13,560,554	13,994,481	13,914,481

Commercial real estate					
Construction, acquisition and development	3,864,351	3,910,962	3,819,307	3,744,114	3,703
Income producing	5,783,943	5,736,871	5,720,606	5,596,134	5,368
Total commercial real estate	9,648,294	9,647,833	9,539,913	9,340,248	9,071
Consumer					
Residential mortgages	9,447,675	9,329,692	9,186,179	8,989,614	8,536
Other consumer	222,833	234,839	233,947	232,365	236,8
Total consumer	9,670,508	9,564,531	9,420,126	9,221,979	8,772
Total loans and leases, net of unearned income	\$ 32,882,616	\$ 32,497,022	\$ 32,520,593	\$ 32,556,708	\$ 31

#### NON-PERFORMING ASSETS

##### Non-performing Loans and Leases

Commercial and industrial					
Non-real estate	\$ 149,683	\$ 131,559	\$ 67,962	\$ 72,592	\$
Owner occupied	5,962	7,097	6,486	7,541	9,089
Total commercial and industrial	155,645	138,656	74,448	80,133	74,87
Commercial real estate					
Construction, acquisition and development	3,787	1,859	4,608	4,496	1,850
Income producing	19,428	17,485	12,251	19,205	20,61
Total commercial real estate	23,215	19,344	16,859	23,701	22,46
Consumer					
Residential mortgages	61,886	57,881	58,488	53,171	62,74
Other consumer	261	260	243	238	529
Total consumer	62,147	58,141	58,731	53,409	63,27
Total non-performing loans and leases	\$ 241,007	\$ 216,141	\$ 150,038	\$ 157,243	\$
Other real estate owned and repossessed assets	5,280	6,246	2,927	2,857	5,327
Total non-performing assets	\$ 246,287	\$ 222,387	\$ 152,965	\$ 160,100	\$
Government guaranteed portion of nonaccrual loans and leases covered by the SBA, FHA, VA or USDA	\$ 59,897	\$ 49,551	\$ 42,046	\$ 35,322	\$
Loans and leases 90+ days past due, still accruing	\$ 30,048	\$ 22,466	\$ 9,152	\$ 4,412	\$

**Table 8**

#### Allowance for Credit Losses (Unaudited)

	Quarter Ended				
(Dollars in thousands)	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
ALLOWANCE FOR CREDIT LOSSES:					
Balance, beginning of period	\$ 468,034	\$ 446,859	\$ 466,013	\$ 453,727	\$ 440,347
Charge-offs:					
Commercial and industrial	(16,997)	(21,385)	(34,959)	(13,598)	(2,853)
Commercial real estate	(2,244)	(2,290)	(931)	(126)	(1,988)
Consumer	(2,395)	(3,229)	(1,608)	(1,916)	(2,189)
Total loans charged-off	(21,636)	(26,904)	(37,498)	(15,640)	(7,030)
Recoveries:					
Commercial and industrial	1,312	2,117	2,240	1,360	3,406
Commercial real estate	150	95	201	618	779
Consumer	715	867	903	948	970
Total recoveries	2,177	3,079	3,344	2,926	5,155
Net (charge-offs) recoveries	(19,459)	(23,825)	(34,154)	(12,714)	(1,875)
Adoption of new ASU related to modified loans <sup>(3)</sup>	—	—	—	—	255
Provision for credit losses related to loans and leases	24,000	45,000	15,000	25,000	15,000
Balance, end of period	\$ 472,575	\$ 468,034	\$ 446,859	\$ 466,013	\$ 453,727
Average loans and leases, net of unearned income, for period	\$ 32,737,574	\$ 32,529,030	\$ 32,311,572	\$ 31,901,096	\$ 30,891,640
Ratio: Net charge-offs (recoveries) to average loans and leases <sup>(2)</sup>	0.24 %	0.29 %	0.42 %	0.16 %	0.02 %

RESERVE FOR UNFUNDED COMMITMENTS <sup>(1)</sup>

Balance, beginning of period	\$	8,551	\$	15,551	\$	13,551	\$	23,551	\$	28,551
(Reversal) provision for credit losses for unfunded commitments	(2,000)		(7,000)		2,000		(10,000)		(5,000)	
Balance, end of period	\$	6,551	\$	8,551	\$	15,551	\$	13,551	\$	23,551

(1) The Reserve for Unfunded Commitments is classified in other liabilities on the consolidated balance sheets.

(2) Annualized.

(3) Cadence elected to adopt the new accounting guidance effective January 1, 2023, which eliminates the TDR recognition and measurement guidance via the modified retrospective transition method (ASU 2022-02). As such, there is no TDR reporting effective January 1, 2023.

**Table 9****Loan Portfolio by Grades  
(Unaudited)**

	March 31, 2024						
						Purchased Credit Deteriorated (Loss)	Total
(In thousands)	Pass	Special Mention	Substandard	Doubtful	Impaired		
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
Non-real estate	\$ 8,615,472	\$ 101,824	\$ 307,065	\$ 16	\$ 93,335	\$ 3,745	\$ 9,121,457
Owner occupied	4,381,398	20,682	37,894	—	1,275	1,108	4,442,357
Total commercial and industrial	12,996,870	122,506	344,959	16	94,610	4,853	13,563,814
Commercial real estate							
Construction, acquisition and development	3,846,801	2,668	13,468	—	1,414	—	3,864,351
Income producing	5,575,662	25,360	165,680	—	17,241	—	5,783,943
Total commercial real estate	9,422,463	28,028	179,148	—	18,655	—	9,648,294
Consumer							
Residential mortgages	9,371,570	—	74,531	—	—	1,574	9,447,675
Other consumer	222,245	—	588	—	—	—	222,833
Total consumer	9,593,815	—	75,119	—	—	1,574	9,670,508
Total loans and leases, net of unearned income	\$ 32,013,148	\$ 150,534	\$ 599,226	\$ 16	\$ 113,265	\$ 6,427	\$ 32,882,616
	December 31, 2023						
						Purchased Credit Deteriorated (Loss)	Total
(In thousands)	Pass	Special Mention	Substandard	Loss	Impaired		
LOAN AND LEASE PORTFOLIO:							
Commercial and industrial							
	\$						
Non-real estate	\$ 8,450,809	101,607	\$ 294,895	\$ 13	\$ 84,457	\$ 3,817	\$ 8,935,598
Owner occupied	4,287,190	32,409	27,070	—	1,275	1,116	4,349,060
Total commercial and industrial	12,737,999	134,016	321,965	13	85,732	4,933	13,284,658
Commercial real estate							
Construction, acquisition and development	3,894,551	3,364	13,047	—	—	—	3,910,962
Income producing	5,527,388	23,727	170,217	—	15,539	—	5,736,871
Total commercial real estate	9,421,939	27,091	183,264	—	15,539	—	9,647,833
Consumer							
Residential mortgages	9,258,002	4,066	66,050	—	—	1,574	9,329,692
Other consumer	234,367	—	472	—	—	—	234,839
Total consumer	9,492,369	4,066	66,522	—	—	1,574	9,564,531
Total loans and leases, net of unearned income	\$ 31,652,307	165,173	\$ 571,751	\$ 13	\$ 101,271	\$ 6,507	\$ 32,497,022

Table 10

## Geographical Loan Information

(Unaudited)

	March 31, 2024								
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri	Tennessee	Texas
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Non-real estate	\$ 413,301	\$ 146,430	\$ 542,282	\$ 539,664	\$ 328,789	\$ 533,880	\$ 70,147	\$ 321,934	\$ 1,700,000
Owner occupied	352,403	245,047	284,283	307,074	296,196	615,518	96,778	168,039	1,700,000
Total commercial and industrial	765,704	391,477	826,565	846,738	624,985	1,149,398	166,925	489,973	5,400,000
Commercial real estate									
Construction, acquisition and development									
Income producing	196,775	79,748	425,582	528,889	40,494	203,222	39,893	175,446	1,600,000
Total commercial real estate	442,236	265,621	360,230	531,762	213,757	425,447	203,475	295,180	2,200,000
Consumer	639,011	345,369	785,812	1,060,651	254,251	628,669	243,368	470,626	3,900,000
Residential mortgages	1,232,302	390,552	667,203	418,748	460,552	1,155,102	191,468	726,161	3,900,000
Other consumer	29,673	17,565	5,040	6,869	11,195	84,452	1,770	17,503	44,000
Total consumer	1,261,975	408,117	672,243	425,617	471,747	1,239,554	193,238	743,664	4,000,000
Total	\$ 2,666,690	\$ 1,144,963	\$ 2,284,620	\$ 2,333,006	\$ 1,350,983	\$ 3,017,621	\$ 603,531	\$ 1,704,263	13,420,000
Loan growth, excluding loans acquired during the quarter (\$)									
Loan growth, excluding loans acquired during the quarter (%) (annualized)	\$ 5,960	\$ (20,629)	\$ 112,739	\$ (1,734)	\$ (29,188)	\$ 29,176	\$ 15,668	\$ (50,779)	\$ 2,000,000
	0.90 %	(7.12) %	20.88 %	(0.30) %	(8.51) %	3.93 %	10.72 %	(11.64) %	6.11 %
	December 31, 2023								
(Dollars in thousands)	Alabama	Arkansas	Florida	Georgia	Louisiana	Mississippi	Missouri	Tennessee	Texas
LOAN AND LEASE PORTFOLIO:									
Commercial and industrial									
Non-real estate	\$ 417,687	\$ 158,759	\$ 503,957	\$ 528,205	\$ 346,840	\$ 532,593	\$ 62,507	\$ 373,991	\$ 1,700,000
Owner occupied	345,679	247,584	281,750	313,532	292,347	591,611	90,227	167,464	1,600,000
Total commercial and industrial	763,366	406,343	785,707	841,737	639,187	1,124,204	152,734	541,455	5,300,000
Commercial real estate									
Construction, acquisition and development									
Income producing	202,977	79,365	363,597	472,953	54,985	194,535	46,014	182,393	1,700,000
Total commercial real estate	446,290	273,000	369,897	605,160	212,148	435,089	208,216	296,918	2,000,000
Consumer	649,267	352,365	733,494	1,078,113	267,133	629,624	254,230	479,311	3,800,000
Residential mortgages	1,216,942	388,396	647,117	408,459	462,264	1,147,388	179,119	716,384	3,800,000
Other consumer	31,155	18,488	5,563	6,431	11,587	87,229	1,780	17,892	49,000
Total consumer	1,248,097	406,884	652,680	414,890	473,851	1,234,617	180,899	734,276	3,900,000
Total loans and leases, net of unearned income	\$ 2,660,730	\$ 1,165,592	\$ 2,171,881	\$ 2,334,740	\$ 1,380,171	\$ 2,988,445	\$ 587,863	\$ 1,755,042	\$ 11,000,000

Table 11

## Noninterest Revenue and Expense

(Unaudited)

	Quarter Ended				
(In thousands)	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
NONINTEREST REVENUE:					
Mortgage banking excl. MSR and MSR hedge market value adjustment	\$ 6,460	\$ 3,931	\$ 5,842	\$ 6,774	\$ 8,379
MSR and MSR hedge market value adjustment	(17)	(5,068)	(158)	1,582	(2,303)
Credit card, debit card and merchant fees	12,162	12,902	12,413	12,617	11,851
Deposit service charges	18,338	11,161	16,867	17,208	16,482

Security (losses) gains, net	(9)	(384,524)	64	69	(51,261)
Trust income	11,322	11,301	10,574	10,084	10,553
Annuity fees	1,705	1,839	1,882	1,702	2,192
Brokerage commissions and fees	9,806	9,436	8,623	9,955	8,787
Bank-owned life insurance	3,946	4,728	4,108	3,811	3,647
Other miscellaneous income	20,073	22,834	13,774	22,862	26,136
Total noninterest revenue	\$ 83,786	\$ (311,460)	\$ 73,989	\$ 86,664	\$ 34,463

NONINTEREST EXPENSE:

Salaries and employee benefits	\$ 156,650	\$ 148,081	\$ 161,627	\$ 159,276	\$ 165,738
Occupancy and equipment	28,640	28,009	27,069	28,106	27,787
Deposit insurance assessments	8,414	45,733	10,425	7,705	8,361
Pension settlement expense	—	11,226	600	—	—
Advertising and public relations	4,224	12,632	5,671	5,618	4,241
Foreclosed property expense	268	915	270	323	980
Telecommunications	1,545	1,356	1,520	1,365	1,534
Travel and entertainment	2,236	3,146	2,442	2,850	2,565
Data processing and software	30,028	32,922	29,127	27,289	31,105
Professional, consulting and outsourcing	3,935	5,194	5,017	5,371	4,311
Amortization of intangibles	4,066	4,405	4,436	6,081	4,466
Legal	3,682	13,724	3,316	1,765	1,288
Merger expense	—	—	—	122	5,070
Postage and shipping	2,205	1,907	2,292	1,941	2,303
Other miscellaneous expense	17,314	20,117	20,630	19,654	24,898
Total noninterest expense	\$ 263,207	\$ 329,367	\$ 274,442	\$ 267,466	\$ 284,647

**Table 12**  
**Average Balance and Yields**  
**(Unaudited)**

	Quarter Ended								
	March 31, 2024			December 31, 2023			March 31, 2023		
	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate	Average Balance	Income/Expense	Yield/Rate
(Dollars in thousands)									
<b>ASSETS</b>									
<b>Interest-earning assets:</b>									
Loans and leases, excluding accretion	\$ 32,737,574	\$ 525,878	6.46 %	\$ 32,529,030	\$ 527,688	6.44 %	\$ 30,891,640	\$ 447,449	5.87 %
Accretion income on acquired loans		3,515	0.04		4,127	0.05		10,028	0.13
Loans held for sale	72,356	1,184	6.58	113,234	1,418	4.97	46,863	603	5.22
Investment securities									
Taxable	8,187,342	63,405	3.11	9,044,724	55,801	2.45	10,957,786	48,512	1.80
Tax-exempt	82,366	870	4.25	255,990	2,439	3.78	396,671	3,135	3.21
Total investment securities	8,269,708	64,275	3.13	9,300,714	58,240	2.48	11,354,457	51,647	1.84
Other investments	3,146,439	42,897	5.48	1,811,686	24,701	5.41	1,524,358	17,450	4.64
Total interest-earning assets	44,226,077	637,749	5.80 %	43,754,664	616,174	5.59 %	43,817,318	527,177	4.88 %
Other assets	4,890,312			5,137,391			5,277,369		
Allowance for credit losses	473,849			447,879			442,486		
Total assets	\$ 48,642,540			\$ 48,444,176			\$ 48,652,201		

**LIABILITIES AND SHAREHOLDERS' EQUITY**

**Interest-bearing liabilities:**

Interest bearing demand and money market	\$ 19,303,845	\$ 149,403	3.11 %	\$ 18,292,826	\$ 139,144	3.02 %	\$ 19,009,345	95,344	2.03 %
Savings deposits	2,696,452	3,801	0.57	2,758,977	3,918	0.56	3,363,236	3,014	0.36
Time deposits	7,348,356	80,670	4.42	7,537,664	80,143	4.22	4,328,388	23,950	2.24
Total interest-bearing deposits	29,348,653	233,874	3.21	28,589,467	223,205	3.10	26,700,969	122,308	1.86
Fed funds purchased, securities sold under agreement to repurchase and other	209,348	2,528	4.86	756,336	8,257	4.33	832,831	7,669	3.73

Short-term FHLB borrowings	—	—	—	2	—	—	3,221,340	37,013	4.66
Short-term BTFP borrowings	3,500,000	42,104	4.84	3,500,000	44,448	5.04	—	—	—
Long-term borrowings	434,579	4,699	4.35	443,251	4,672	4.18	462,385	4,872	4.27
Total interest-bearing liabilities	33,492,580	283,205	3.40 %	33,289,056	280,582	3.34 %	31,217,525	171,862	2.23 %
<b>Noninterest-bearing liabilities:</b>									
Demand deposits	9,072,619			9,625,912			12,203,079		
Other liabilities	883,293			1,021,865			835,136		
Total liabilities	43,448,492			43,936,833			44,255,740		
<b>Shareholders' equity</b>	5,194,048			4,507,343			4,396,461		
Total liabilities and shareholders' equity	<u>\$ 48,642,540</u>			<u>\$ 48,444,176</u>			<u>\$ 48,652,201</u>		
Net interest income/net interest spread		354,544	2.40 %		335,592	2.25 %		355,315	2.65 %
Net yield on earning assets/net interest margin			3.22 %			3.04 %			3.29 %
<b>Taxable equivalent adjustment:</b>									
Loans and investment securities		(636)			(987)			(1,051)	
Net interest revenue		<u>\$ 353,908</u>			<u>\$ 334,605</u>			<u>\$ 354,264</u>	

**Table 13**

**Selected Additional Data  
(Unaudited)**

	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
(Dollars in thousands)					
<b>MORTGAGE SERVICING RIGHTS ("MSR"):</b>					
Fair value, beginning of period	\$ 106,824	\$ 116,266	\$ 111,417	\$ 106,942	\$ 109,744
Originations of servicing assets	2,736	2,636	4,065	1,990	1,385
Changes in fair value:					
Due to payoffs/paydowns	(2,656)	(3,035)	(2,104)	(2,621)	(1,078)
Due to update in valuation assumptions	4,781	(9,043)	2,888	5,106	(3,109)
Fair value, end of period	<u>\$ 111,685</u>	<u>\$ 106,824</u>	<u>\$ 116,266</u>	<u>\$ 111,417</u>	<u>\$ 106,942</u>
<b>MORTGAGE BANKING REVENUE:</b>					
Origination	\$ 3,165	\$ 1,040	\$ 2,031	\$ 3,495	\$ 3,344
Servicing	5,951	5,926	5,915	5,900	6,113
Payoffs/Paydowns	(2,656)	(3,035)	(2,104)	(2,621)	(1,078)
Total mortgage banking revenue excluding MSR	6,460	3,931	5,842	6,774	8,379
Market value adjustment on MSR	4,781	(9,043)	2,888	5,106	(3,109)
Market value adjustment on MSR Hedge	(4,798)	3,975	(3,046)	(3,524)	806
Total mortgage banking revenue	<u>\$ 6,443</u>	<u>\$ (1,137)</u>	<u>\$ 5,684</u>	<u>\$ 8,356</u>	<u>\$ 6,076</u>
Mortgage loans serviced	\$ 7,764,936	\$ 7,702,592	\$ 7,643,885	\$ 7,550,676	\$ 7,633,236
MSR/mortgage loans serviced	1.44 %	1.39 %	1.52 %	1.48 %	1.40 %
	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
(In thousands)					
<b>AVAILABLE FOR SALE SECURITIES, at fair value</b>					
U.S. Treasury securities	\$ 239,402	\$ 465,018	\$ 1,996	\$ 8,959	\$ 15,849
Obligations of U.S. government agencies	318,233	332,011	1,004,374	1,112,326	1,358,350
<b>Mortgage-backed securities issued or guaranteed by U.S. agencies ("MBS"):</b>					
Residential pass-through:					
Guaranteed by GNMA	72,034	75,662	73,649	79,261	83,649
Issued by FNMA and FHLMC	4,254,227	4,387,101	5,541,895	5,895,704	6,164,294
Other residential mortgage-back securities	1,210,617	727,434	146,063	157,294	166,449
Commercial mortgage-backed securities	1,694,967	1,742,837	2,271,680	2,357,047	2,427,808
Total MBS	7,231,845	6,933,034	8,033,287	8,489,306	8,842,200
Obligations of states and political subdivisions	134,643	137,624	392,252	433,316	447,731
Other domestic debt securities	67,421	67,197	71,741	71,356	73,557
Foreign debt securities	315,045	140,592	139,581	139,317	140,192
	<u>\$ 8,306,589</u>	<u>\$ 8,075,476</u>	<u>\$ 9,643,231</u>	<u>\$ 10,254,580</u>	<u>\$ 10,877,879</u>

**Table 14****Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions  
(Unaudited)**

Management evaluates the Company's capital position and adjusted performance by utilizing certain financial measures not calculated in accordance with GAAP, including adjusted income from continuing operations, adjusted income from continuing operations available to common shareholders, pre-tax pre-provision net revenue from continuing operations, adjusted pre-tax pre-provision net revenue from continuing operations, total adjusted noninterest revenue, total adjusted noninterest expense, tangible common shareholders' equity to tangible assets, total shareholders' equity (excluding AOCI), common shareholders' equity (excluding AOCI), tangible common shareholders' equity to tangible assets (excluding AOCI), return on average tangible common equity from continuing operations, return on average tangible common equity, adjusted return on average tangible common equity from continuing operations, adjusted return on average tangible common equity, adjusted return on average assets from continuing operations, adjusted return on average assets, adjusted return on average common shareholders' equity from continuing operations, adjusted return on average common shareholders' equity, pre-tax pre-provision net revenue to total average assets, adjusted pre-tax pre-provision net revenue to total average assets, adjusted earnings per common share, tangible book value per common share, tangible book value per common share, excluding AOCI, efficiency ratio (tax equivalent), adjusted efficiency ratio (tax equivalent), dividend payout ratio from continuing operations, and adjusted dividend payout ratio from continuing operations. The Company has included these non-GAAP financial measures in this release for the applicable periods presented. Management believes that the presentation of these non-GAAP financial measures: (i) provides important supplemental information that contributes to a proper understanding of the Company's capital position and adjusted performance, (ii) enables a more complete understanding of factors and trends affecting the Company's business and (iii) allows investors to evaluate the Company's performance in a manner similar to management, the financial services industry, bank stock analysts and bank regulators. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures are presented in the tables below. These non-GAAP financial measures should not be considered as substitutes for GAAP financial measures, and the Company strongly encourages investors to review the GAAP financial measures included in this news release and not to place undue reliance upon any single financial measure. In addition, because non-GAAP financial measures are not standardized, it may not be possible to compare the non-GAAP financial measures presented in this news release with other companies' non-GAAP financial measures having the same or similar names.

(In thousands)	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
Adjusted Income from Continuing Operations Available to Common Shareholders					
Income (loss) from continuing operations	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 107,262	\$ 7,152
Plus: Merger expense	—	—	—	122	5,070
Incremental merger related expense	—	7,500	—	1,671	8,960
Gain on extinguishment of debt	(576)	(652)	—	(1,140)	—
Restructuring and other nonroutine expenses	251	41,522	9,596	6,219	212
Pension settlement expense	—	11,226	600	—	—
Less: Security (losses) gains, net	(9)	(384,524)	64	69	(51,261)
Nonroutine (losses) gains, net	—	—	(6,653)	—	—
Tax adjustment	(74)	105,275	3,944	1,599	15,393
Adjusted income from continuing operations	116,736	75,108	99,992	112,466	123,117
Less: Preferred dividends	2,372	2,372	2,372	2,372	2,372
Adjusted income from continuing operations available to common shareholders	\$ 114,364	\$ 72,736	\$ 97,620	\$ 110,094	\$ 120,745

(In thousands)	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
Pre-Tax Pre-Provision Net Revenue from Continuing Operations					
Income (loss) from continuing operations	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 107,262	\$ 7,152
Plus: Provision for credit losses	22,000	38,000	17,000	15,000	10,000
Income tax expense (benefit)	35,509	(80,485)	24,355	30,463	21,073
Pre-tax pre-provision net revenue from continuing operations	\$ 174,487	\$ (306,222)	\$ 128,507	\$ 152,725	\$ 10,225

(In thousands)	Quarter Ended				
	Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
Adjusted Pre-Tax Pre-Provision Net Revenue from Continuing Operations					
Income (loss) from continuing operations	\$ 116,978	\$ (263,737)	\$ 87,152	\$ 107,262	\$ 7,152
Plus: Provision for credit losses	22,000	38,000	17,000	15,000	10,000
Merger expense	—	—	—	122	5,070
Incremental merger related expense	—	7,500	—	1,671	8,960
Gain on extinguishment of debt	(576)	(652)	—	(1,140)	—
Restructuring and other nonroutine expenses	251	41,522	9,596	6,219	212
Pension settlement expense	—	11,226	600	—	—

Income tax expense (benefit)	35,509	(80,485)	24,355	30,463	21,073
Less: Security (losses) gains, net	(9)	(384,524)	64	69	(51,261)
Nonroutine (losses) gains, net	\$ —	\$ —	\$ (6,653)	\$ —	\$ —
Adjusted pre-tax pre-provision net revenue from continuing operations	\$ 174,171	\$ 137,898	\$ 145,292	\$ 159,528	\$ 169,400

(In thousands)

Total Adjusted Noninterest Revenue

Total noninterest revenue

Less: Security (losses) gains, net

Nonroutine gains (losses), net

Total adjusted noninterest revenue

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$ 83,786	\$ (311,460)	\$ 73,989	\$ 86,664	\$ 34,463
(9)	(384,524)	64	69	(51,261)
—	—	(6,653)	—	—
\$ 83,795	\$ 73,064	\$ 80,578	\$ 86,595	\$ 85,724

(In thousands)

Total Adjusted Revenue

Net interest revenue

Total Adjusted Noninterest Revenue

Total noninterest revenue

Less: Security (losses) gains, net

Nonroutine gains (losses), net

Total adjusted noninterest revenue

Total adjusted revenue

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$ 353,908	\$ 334,605	\$ 328,960	\$ 333,527	\$ 353,908
83,786	(311,460)	73,989	86,664	34,463
(9)	(384,524)	64	69	(51,261)
—	—	(6,653)	—	—
83,795	73,064	80,578	86,595	85,724
\$ 437,703	\$ 407,669	\$ 409,538	\$ 420,122	\$ 437,703

(In thousands)

Total Adjusted Noninterest Expense

Total noninterest expense

Less: Merger expense

Incremental merger related expense

Gain on extinguishment of debt

Restructuring and other nonroutine expenses

Pension settlement expense

Total adjusted noninterest expense

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$ 263,207	\$ 329,367	\$ 274,442	\$ 267,466	\$ 283,207
—	—	—	122	5,070
—	7,500	—	1,671	8,960
(576)	(652)	—	(1,140)	—
251	41,522	9,596	6,219	212
—	11,226	600	—	—
\$ 263,532	\$ 269,771	\$ 264,246	\$ 260,594	\$ 277,449

(In thousands)

Total Tangible Assets, Excluding AOCI

Total assets

Less: Goodwill

Other identifiable intangible assets

Total tangible assets

Less: AOCI

Total tangible assets, excluding AOCI

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$ 48,313,863	\$ 48,934,510	\$ 48,523,010	\$ 48,838,660	\$ 51,641,285
1,367,785	1,367,785	1,367,785	1,367,785	1,367,785
96,126	100,191	104,596	109,033	115,111
46,849,952	47,466,534	47,050,629	47,361,842	50,210,952
(791,333)	(761,829)	(1,309,921)	(1,163,075)	(1,081,333)
\$ 47,641,285	\$ 48,228,363	\$ 48,360,550	\$ 48,524,917	\$ 51,229,722

(Dollars in thousands, except per share data)

PERIOD END BALANCES:

Total Shareholders' Equity, Excluding AOCI

Total shareholders' equity

Less: AOCI

Total shareholders' equity, excluding AOCI

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$5,189,932	\$5,167,843	\$4,395,257	\$4,485,850	\$4,490,932
(791,333)	(761,829)	(1,309,921)	(1,163,075)	(1,081,333)
\$5,981,265	\$5,929,672	\$5,705,178	\$5,648,925	\$5,572,265

Common Shareholders' Equity, Excluding AOCI

Total shareholders' equity

Less: preferred stock

Common shareholders' equity

Less: AOCI

Common shareholders' equity, excluding AOCI

Quarter Ended				
Mar 2024	Dec 2023	Sep 2023	Jun 2023	Mar 2023
\$5,189,932	\$5,167,843	\$4,395,257	\$4,485,850	\$4,490,932
166,993	166,993	166,993	166,993	166,993
5,022,939	5,000,850	4,228,264	4,318,857	4,323,939
(791,333)	(761,829)	(1,309,921)	(1,163,075)	(1,081,333)
\$5,814,272	\$5,762,679	\$5,538,185	\$5,481,932	\$5,405,609

Total Tangible Common Shareholders' Equity, Excluding AOCI



Total shareholders' equity	\$5,189,932	\$5,167,843	\$4,395,257	\$4,485,850	\$4,490,711
Less: Goodwill	1,367,785	1,367,785	1,367,785	1,367,785	1,367,785
Other identifiable intangible assets	96,126	100,191	104,596	109,033	115,111
Preferred stock	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	3,559,028	3,532,874	2,755,883	2,842,039	2,840,822
Less: AOCI	(791,333)	(761,829)	(1,309,921)	(1,163,075)	(1,081,711)
Total tangible common shareholders' equity, excluding AOCI	\$4,350,361	\$4,294,703	\$4,065,804	\$4,005,114	\$3,922,533

#### AVERAGE BALANCES:

Total Tangible Common Shareholders' Equity					
Total shareholders' equity	\$5,194,048	\$4,507,343	\$4,505,162	\$4,539,353	\$4,396,711
Less: Goodwill	1,367,785	1,367,916	1,367,785	1,367,785	1,367,785
Other identifiable intangible assets	98,350	102,765	107,032	113,094	117,511
Preferred stock	166,993	166,993	166,993	166,993	166,993
Total tangible common shareholders' equity	\$3,560,920	\$2,869,669	\$2,863,352	\$2,891,481	\$2,744,422
Total average assets	\$48,642,540	\$48,444,176	\$48,655,138	\$49,067,121	\$48,655,138
Total shares of common stock outstanding	182,681,325	182,871,775	182,611,075	182,626,229	182,681,325
Average shares outstanding-diluted	185,574,130	182,688,190	184,645,004	183,631,570	183,901,325
Tangible common shareholders' equity to tangible assets <sup>(1)</sup>	7.60 %	7.44 %	5.86 %	6.00 %	5.66 %
Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI <sup>(2)</sup>	9.13	8.90	8.41	8.25	7.65
Return on average tangible common equity from continuing operations <sup>(3)</sup>	12.94	(36.79)	11.75	14.55	10.44
Return on average tangible common equity <sup>(4)</sup>	12.94	35.49	12.50	15.49	10.97
Adjusted return on average tangible common equity from continuing operations <sup>(5)</sup>	12.92	10.06	13.53	15.27	17.84
Adjusted return on average assets from continuing operations <sup>(6)</sup>	0.97	0.62	0.82	0.92	1.03
Adjusted return on average common shareholders' equity from continuing operations <sup>(7)</sup>	9.15	6.65	8.93	10.10	11.58
Pre-tax pre-provision net revenue from continuing operations to total average assets <sup>(8)</sup>	1.44	(2.51)	1.05	1.25	0.87
Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets <sup>(9)</sup>	1.44	1.13	1.18	1.30	1.41
Tangible book value per common share <sup>(10)</sup>	\$ 19.48	\$ 19.32	\$ 15.09	\$ 15.56	\$ 15.09
Tangible book value per common share, excluding AOCI <sup>(11)</sup>	23.81	23.48	22.26	21.93	21.47
Adjusted earnings from continuing operations per common share <sup>(12)</sup>	\$ 0.62	\$ 0.40	\$ 0.53	\$ 0.60	\$ 0.53
Adjusted dividend payout ratio from continuing operations <sup>(13)</sup>	40.32 %	58.75 %	44.34 %	39.17 %	35.61 %

#### Definitions of Non-GAAP Measures:

- (1) Tangible common shareholders' equity to tangible assets is defined by the Company as total shareholders' equity less preferred stock, goodwill and other identifiable intangible assets, divided by the difference of total assets less goodwill and other identifiable intangible assets.
- (2) Tangible common shareholders' equity, excluding AOCI, to tangible assets, excluding AOCI, is defined by the Company as total shareholders' equity less preferred stock, goodwill, other identifiable intangible assets and accumulated other comprehensive loss, divided by the difference of total assets less goodwill, accumulated other comprehensive loss, and other identifiable intangible assets.
- (3) Return on average tangible common equity from continuing operations is defined by the Company as annualized income available to common shareholders from continuing operation divided by average tangible common shareholders equity.
- (4) Return on average tangible common equity is defined by the Company as annualized income available to common shareholders divided by average tangible common shareholders equity.
- (5) Adjusted return on average tangible common equity from continuing operations is defined by the Company as annualized adjusted income available to common shareholders from continuing operations divided by average tangible common shareholders' equity.
- (6) Adjusted return on average assets from continuing operations is defined by the Company as annualized adjusted income from continuing operations divided by total average assets.
- (7) Adjusted return on average common shareholders' equity from continuing operations is defined by the Company as annualized adjusted income available to common shareholders from continuing operations divided by average common shareholders' equity.
- (8) Pre-tax pre-provision net revenue from continuing operations to total average assets is defined by the Company as annualized pre-tax pre-provision net revenue from continuing operations divided by total average assets.
- (9) Adjusted pre-tax pre-provision net revenue from continuing operations to total average assets is defined by the Company as annualized adjusted pre-tax pre-provision net revenue from continuing operations divided by total average assets adjusted for items included in the definition and calculation of adjusted income.
- (10) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.
- (11) Tangible book value per common share, excluding AOCI is defined by the Company as tangible common shareholders' equity less accumulated other comprehensive loss

divided by total shares of common stock outstanding.

- (12) Adjusted earnings from continuing operations per common share is defined by the Company as adjusted income available to common shareholders from continuing operations divided by average common shares outstanding-diluted.
- (13) Adjusted dividend payout ratio from continuing operations is defined by the Company as common share dividends divided by adjusted income available to common shareholders from continuing operations.

#### **Efficiency Ratio-Fully Taxable Equivalent and Adjusted Efficiency Ratio-Fully Taxable Equivalent Definitions**

The efficiency ratio and the adjusted efficiency ratio are supplemental financial measures utilized in management's internal evaluation of the Company's use of resources and are not defined under GAAP. The efficiency ratio is calculated by dividing total noninterest expense by total revenue, which includes net interest income plus noninterest income plus the tax equivalent adjustment from continuing operations. The adjusted efficiency ratio excludes income and expense items otherwise disclosed as non-routine from total noninterest expense from continuing operations.

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