CADENCE Bank

# Investor Presentation

*February 2024*

# Cadence by the Numbers

- Dual headquarters in Tupelo, Mississippi and Houston, Texas. The bank was originally chartered in 1876 and went public in 1986.
- Customer-focused business model with comprehensive line of financial products and banking services for individuals, small to mid-size, and large commercial businesses.
- Comprehensive products & services, including consumer banking, mortgages, credit cards, commercial and business banking, treasury management, specialized lending, asset-based lending, commercial real estate, equipment financing, correspondent banking, SBA, foreign exchange, wealth management, investment and trust, financial and retirement planning.

**$48.9 Billion**[(1)]
In Total Assets

**$38.5 Billion**[(1)]
In Deposits

**$32.5 Billion**[(1)]
In Loans

**>5,300**
Teammates

**>350**
Locations in Texas and Southeast

**Attractive Growth Markets**
8 of the top 10 largest MSAs[(3)]

**31st** Largest bank in U.S. by total assets size[(2)]

**#1** Largest Bank w/ HQ in Mississippi[(2)]

**#3** Largest Bank w/ Corporate HQ in Texas[(2)]

**S&P Global Ratings**

| | |
|---|---|
| Long-term issuer credit | **BBB+** |
| Short-term issuer credit | **A-2** |

**Moody's**

| | |
|---|---|
| Counterparty Risk Rating | **Baa1** |
| Bank deposits | **A2/P-1** |

[(1)] Financial information as of December 31, 2023.
[(2)] Bank ranking based on publicly-traded U.S. banks (excludes trust banks) with total assets reported as of December 31, 2023. Source: S&P Capital IQ.
[(3)] Based on the nine-state footprint: AL, AR, FL, GA, LA, MO, MS, TN and TX.

# Premier Regional Banking Franchise

CADENCE Bank

| | |
|---|---|
| **Delivering Shareholder Value** | • History of enhancing shareholder value.<br>• Led by dedicated and talented bankers with a deep, broad-based skill set.<br>• Experienced and engaged board of directors and management team.<br>• Increased penetration across all markets, driving future growth and supporting top tier profitability.<br>• Disciplined underwriting and well-established risk management framework. |
| **Significant Scale in Attractive Markets** | • Well positioned in highly attractive markets throughout Texas and the Southeast.<br>• 6th largest bank headquartered in its nine-state footprint with potential to extend market leadership position.[1]<br>• Presence in 8 of the top 10 largest in-footprint MSAs with strong growth dynamics.<br>• Strong demographics and presence in rapidly growing markets will foster organic growth opportunities. |
| **Positioned for Growth** | • Strong balance sheet and reserve levels enabling continued growth trajectory.<br>• Diversified loan portfolio funded by stable, low-cost core deposits.<br>• Scalable platform to drive organic growth and future acquisitions.<br>• $5.2 billion of total shareholders' equity and total risk-based capital ratio of 14.3% as of December 31, 2023. |
| **Proven Acquirer & Highly Focused on Operating Leverage** | • Highly experienced in acquisitions and integrations ensuring a focus on long-term customer relationships.<br>• Providing the highest level of customer service and community involvement.<br>• Diversified business model supports prudent risk management practices.<br>• Combined community banking and commercial banking focus.<br>• Diversified, durable business mix with recurring and growing fee income streams.<br>• Executing on targeted efficiencies through expense focus and profitability initiatives. |

[1] Includes AL, AR, FL, GA, LA, MO, MS, TN and TX.

# Durable and Diverse Deposit Franchise

CADENCE Bank

## Deposits by State (12/31/23)

| State | Total Deposits ($B) | % of Total | Deposit Mkt. Share Rank[1] |
|---|---|---|---|
| Texas | $ 12.3 | *32%* | 11 |
| Mississippi | 9.3 | *24%* | 2 |
| Alabama | 4.6 | *12%* | 7 |
| Georgia | 3.8 | *10%* | 13 |
| Tennessee | 2.3 | *6%* | 13 |
| Arkansas | 2.1 | *5%* | 8 |
| Florida | 1.9 | *5%* | 41 |
| Louisiana | 1.8 | *5%* | 12 |
| Missouri | 0.4 | *1%* | 78 |
| **Total** | **$ 38.5** | ***100%*** | **–** |

- Number of Deposit Accounts <$250k: **~98%**[3]
- FDIC Insured or Collateralized (by dollar): **~71%**
- Average Consumer Account Balance: **~$23k**
- Average Commercial Account Balance: **~$135k**[4]
- Total Deposit Mix (by dollar): 78% housed in Community Banking and 22% in Corporate & Other.
- Over 975,000 unique customer deposit accounts: ~85% consumer and ~15% commercial & other.

## Top 20 Largest Deposit Markets by MSA[2] - in footprint

*FDIC Summary of Deposits – $ amounts as of 6/30/23*

| MSA | Deposits ($B) | Branch # | Mkt. Share Rank | Mkt. Share % | % of Franchise | Population (mm) |
|---|---|---|---|---|---|---|
| Houston, TX | $ 7.8 | 19 | 6 | 2.4 % | 20.1 % | 7.5 |
| Memphis, TN | 2.0 | 22 | **4** | 5.0 | 5.3 | 1.3 |
| Tupelo, MS | 1.8 | 9 | **2** | 31.2 | 4.7 | 0.2 |
| Jackson, MS | 1.7 | 19 | **4** | 8.3 | 4.3 | 0.6 |
| Birmingham, AL | 1.6 | 13 | 6 | 3.4 | 4.3 | 1.1 |
| Killeen, TX | 1.4 | 9 | **1** | 21.6 | 3.6 | 0.5 |
| Atlanta, GA | 1.3 | 6 | 19 | 0.6 | 3.3 | 6.3 |
| Macon, GA | 1.2 | 8 | **2** | 23.7 | 3.1 | 0.2 |
| Jackson, TN | 0.9 | 9 | **1** | 20.3 | 2.2 | 0.2 |
| Hattiesburg, MS | 0.9 | 7 | **1** | 22.1 | 2.2 | 0.2 |
| Shreveport, LA | 0.9 | 8 | **5** | 8.6 | 2.2 | 0.4 |
| Gulfport, MS | 0.8 | 7 | **3** | 10.2 | 2.2 | 0.4 |
| Tampa, FL | 0.7 | 7 | 16 | 0.9 | 1.9 | 3.4 |
| Fort Smith, AR | 0.7 | 7 | **3** | 11.6 | 1.7 | 0.2 |
| Dallas, TX | 0.6 | 9 | 50 | 0.2 | 1.6 | 8.1 |
| Huntsville, AL | 0.5 | 5 | 7 | 4.8 | 1.4 | 0.5 |
| Nacogdoches, TX | 0.5 | 4 | **1** | 34.3 | 1.4 | 0.1 |
| Monroe, LA | 0.5 | 7 | **3** | 9.7 | 1.3 | 0.2 |
| Nashville, TN | 0.5 | 3 | 26 | 0.5 | 1.3 | 2.1 |
| Columbus, MS | 0.5 | 2 | **2** | 25.9 | 1.2 | 0.1 |
| **Total (Top 20)** | **$ 26.8** | **180** | **–** | **–** | **69.2 %** | **33.6** |

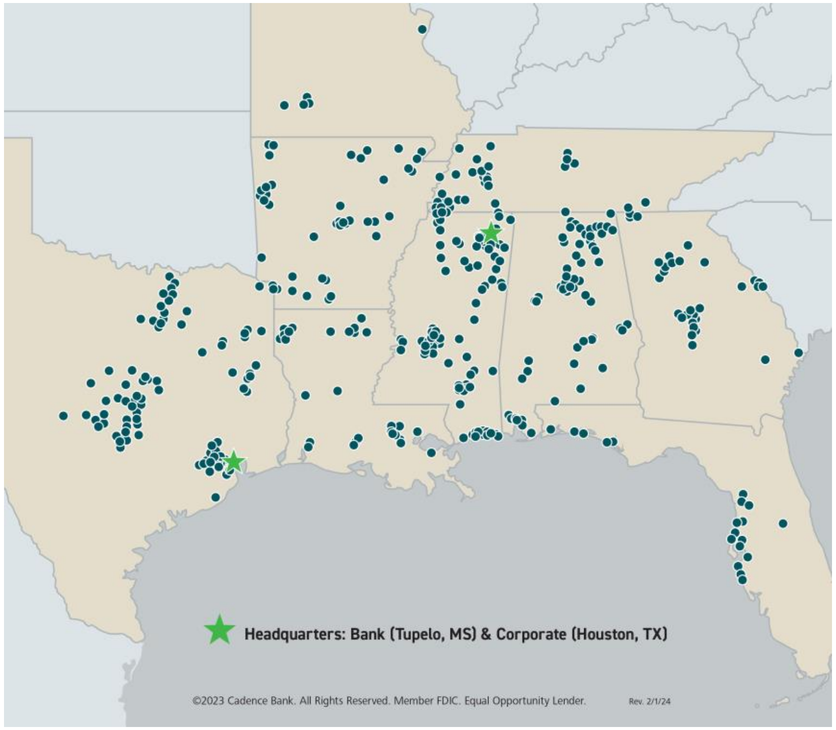
*Note: Highlighted rows represent Top 5 market share ranking*

(1) FDIC summary of deposit data ranking as of June 30, 2023. (2) S&P Capital IQ U.S. Market Demographic data as of February 2, 2024.
(3) Deposits are insured up to at least $250,000 per depositor, per FDIC-insured bank, per ownership category.
(4) Excludes state, municipal and public accounts.

# Leading Bank in Texas & the Southeast

CADENCE Bank

## Franchise Footprint[1]




**>350 Full-Service Branches**

Select Location Features and Services

- ❑ Mortgage
- ❑ Wealth Management
- ❑ Trust Services
- ❑ ATM
- ❑ Drive-Thru
- ❑ Video Teller

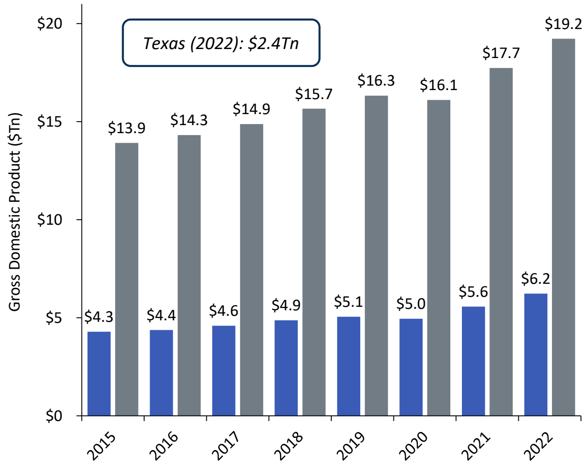
## Top 10 Banks in the Company's TX & Southeast Footprint[2]

| Rank | Company | 12/31/23 Assets ($B) |
|---|---|---|
| 1 | Regions Financial Corporation | $152 |
| 2 | Comerica Inc. | 86 |
| 3 | First Horizon Corporation | 82 |
| 4 | Synovus Financial Corp. | 60 |
| 5 | Cullen/Frost Bankers, Inc. | 51 |
| **6** | **Cadence Bank** | **49** |
| 7 | Pinnacle Financial Partners, Inc. | 48 |
| 8 | South State Corporation | 45 |
| 9 | UMB Financial Corporation | 44 |
| 10 | Prosperity Bancshares, Inc. | 39 |

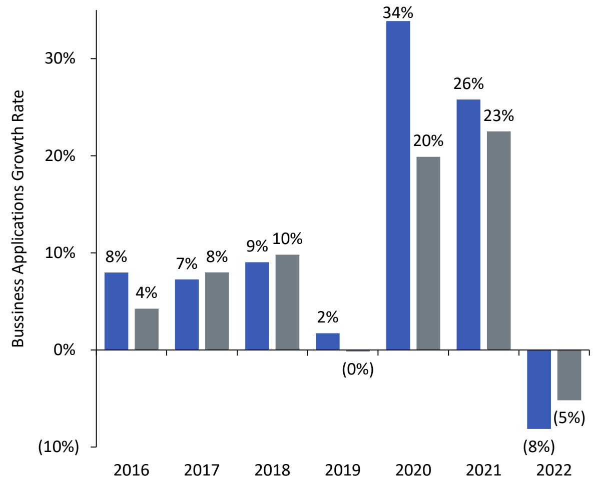
(1) Includes loan production locations.
(2) Includes depository institutions headquartered in AL, AR, FL, GA, LA, MO, MS, TN and TX. Source: S&P Capital IQ.

# Attractive Footprint in Texas & the Southeast

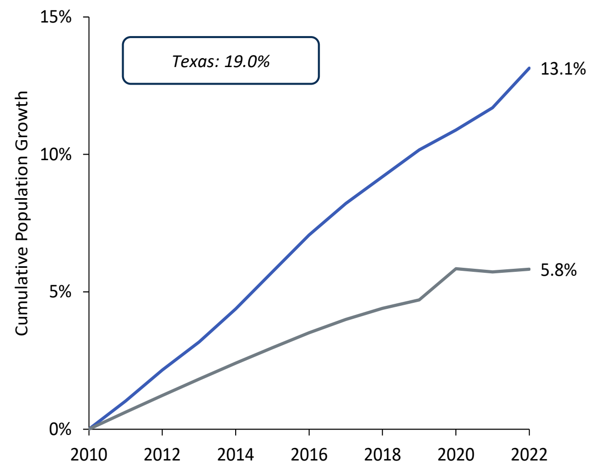
## Meaningful Market Size



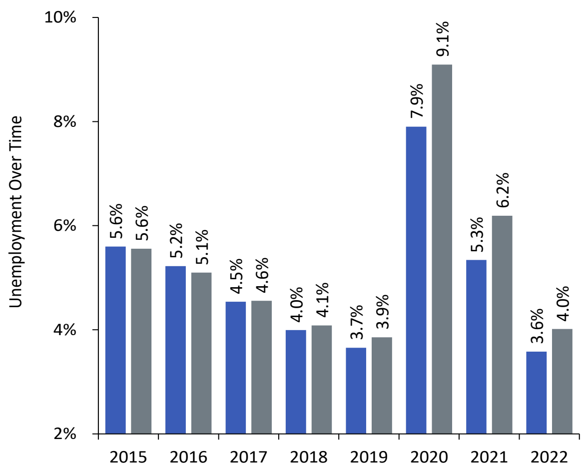

## Conducive Business Atmosphere




## Favorable Demographic Trends




## Low Unemployment Across Footprint




■ CADE Footprint[1] ■ Rest of US

## Presence in 8 of 10 Largest Texas and Southeastern Markets[1]

| Rank | MSA | Current Pop. (Millions) | Projected 5-Year Pop. Growth (%) |
|---|---|---|---|
| 1 | Dallas-Forth Worth, TX | 8.1 | 5.1% |
| 2 | Houston, TX | 7.5 | 4.9% |
| 3 | Atlanta, GA | 6.3 | 4.5% |
| 4 | Miami, FL | 6.2 | 2.0% |
| 5 | Tampa, FL | 3.4 | 5.5% |
| 6 | Orlando, FL | 2.9 | 6.3% |
| 7 | St. Louis, MO | 2.8 | 0.4% |
| 8 | San Antonio, TX | 2.7 | 6.3% |
| 9 | Austin, TX | 2.5 | 9.0% |
| 10 | Kansas City, MO | 2.2 | 2.8% |

*Indicates CADE Presence*

Source: Bureau of Economic Analysis, Bureau of Labor Statistics, United States Census Bureau.
[1] Includes Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, Missouri, Tennessee and Texas.

# Ideally Positioned in Rapidly Growing Markets

- Economic growth throughout CADE’s footprint continues to outperform the broader US.
  - In particular, longstanding performance in the State of Texas.
- Driven by favorable demographic trends as well as a business-friendly atmosphere.
- Businesses and individuals are expected to continue migrating towards CADE's diverse footprint given the Southeast's highly competitive cost of doing business and extensive infrastructure.

***Corporate Relocations***[1]

AECOM, CBRE, hp, NS Norfolk Southern, ORACLE, PAPA JOHNS, TESLA

**Atlanta**

*$3^{rd}$ Ranked Metro by Fortune 500 HQs; Largest City in the #1 Ranked State for Doing Business*

**Austin**

*Fastest Growing Major Metro in the United States; Growing Innovation Hub*

**Dallas / Forth Worth Metroplex**

*Diverse Economic Base Centered on Professional and Business Services; $2^{nd}$ Ranked Metro by Job Growth in 2022*

**Houston**

*If Houston was a Country, it would be the $27^{th}$ Largest Economy in the World; World Class Medical and Energy Industries*

**Memphis**

*Key Logistics and Transportation Hub with Below Average Business Costs; Growing Healthcare Sector*

**Tampa**

*Diverse and Rapidly Growing Economy Driven by Defense, Finance and Tourism Industries*

Source: Bureau of Labor Statistics, CBRE, Cushman Wakefield, Greater Houston Partnership, US Census Bureau
[1] Includes announced relocations

# Diversified Business Model

<table>
<tr><th></th><th></th><th></th><th>2023 METRICS:</th></tr>
<tr><td rowspan="2">BANKING</td><td>Community</td><td>• Nine-state footprint, from Texas to Florida.<br>• Comprehensive product suite delivered through >350 locations.<br>• Leadership in community markets.<br>• Source of high-quality deposits in urban and rural markets.</td><td rowspan="2">$32.5B Loans<br><br>$38.5B Deposits</td></tr>
<tr><td>Commercial</td><td>• Proven business model focused on high-touch client relationships.<br>• Well-positioned in large and fast-growing metro markets.<br>• Experienced and talented bankers.<br>• Sophisticated treasury / cash management products and services.</td></tr>
<tr><td rowspan="2">FINANCIAL SERVICES</td><td>Wealth, Investment Advisory & Trust Services</td><td>• $21.2 billion Assets Under Management and Administration.(1)<br>• Affluent and high net worth segments<br>• Advisory through Linscomb Wealth.<br>• Personal and institutional trust services.</td><td rowspan="2">$326.0M(2)(3) Adjusted Noninterest Revenue<br><br>19.4%(2)(3) of Adjusted Operating Revenue</td></tr>
<tr><td>Mortgage</td><td>• 184 originators/production staff.<br>• $2.4 billion mortgage production in 2023.<br>• $7.7 billion of loans serviced for others.</td></tr>
</table>

(1) Assets under management include assets in escrow, safekeeping, custody and QSF.
(2) Reflects continuing operations as a result of the sale of Cadence Insurance, Inc. in the fourth quarter of 2023.
(3) Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Digital & Technology - Foundation for Growth

## 2024 Priorities

### Enhance Infrastructure Efficiency

- Reduce costs and increase functionality of data network.
- Use technology to reduce support overhead.
- Continue to invest in advanced cybersecurity and fraud prevention capabilities.

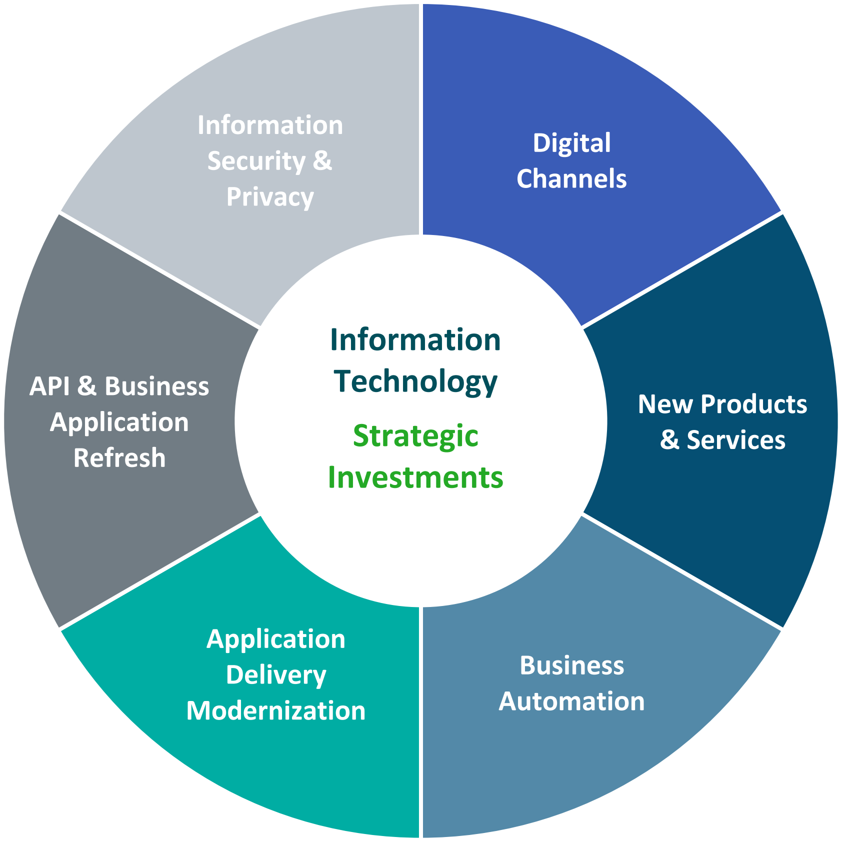
### Expand Capabilities to Deliver Financial Services

- Enhance digital sales to add products and add to customer experience.
- Add digital servicing options for consumers and businesses.
- Refine back-office systems and processes to enhance customer experience and reduce expenses.
- Provide real time and other money movement enhancements.

### Deliver an Exceptional Customer and Employee Experience

- Targeted and multi-faceted ability to support customer servicing in the branches.
- Move internal processes to a digital first approach.
- Expand employee productivity tool suite.

## Building for the Future



# Diverse and Experienced Executives & Board

## Senior Executives

**Dan Rollins**
Chairman & CEO

**Chris Bagley**
President

**Valerie Toalson**
Chief Financial Officer

**Hank Holmes**
Chief Banking Officer

**Billy Braddock**
Chief Credit Officer

## Board of Directors

Shannon Brown

Deborah Cannon

Charlotte Corley

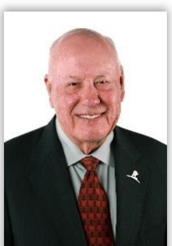
Joe Evans

Virginia Hepner

Skipper Holliman

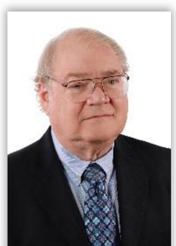
Warren Hood

Keith Jackson



Larry Kirk

Precious Owodunni



Alan Perry

Dan Rollins

Marc Shapiro

Tom Stanton

Kathy Waller

# Committed to ESG and Diversity

## A Better World

- Committed to sustainability and prudent governance.
- Focused on reducing our carbon footprint to protect generations to come.
- Foster a diverse and inclusive workforce that positively impacts our clients, communities and shareholders.
- Working proactively with the community and government to serve the society at large.

## Customers & Communities

- Responsible business partner to every customer and community that we serve.
- Providing superior client service.
- Dedicated to low-to-moderate income and mass market clients offering financial education and targeted products.
- Giving back by supporting charitable events, employees volunteering their service, and through philanthropy.

## Teammates & Culture

- Proven and experienced leadership.
- Complementary cultures with disciplined approach to risk management.
- Maintain operation centers in key geographies across footprint.
- Expanded core competencies across organizations.
- Integration of diversity into advancement and retention.

# Vision, Mission and Values

## Vision:

Helping people, companies, and communities prosper.

## Mission:

We meet customers where they are in their financial journey, providing expert advice and a broad array of products and services to help them reach their goals. While delivering value to our shareholders, we foster a workplace where teammates thrive and communities prosper.

## Values:

- Value relationships
- Put customers at the center of our business
- Do right by others
- Embrace inclusivity
- Create a great place to work

# Full Year 2023 Financial Highlights

CADENCE Bank

**As a result of the previously announced sale of Cadence Insurance, Inc. (“Cadence Insurance”) in the fourth quarter of 2023, the reported financial results include both continuing operations and discontinued operations.**

| | |
|---|---|
| **Earnings Highlights** | • Net income available to common shareholders of $532.8 million, or $2.92 per diluted common share, and adjusted net income from continuing operations available to common shareholders,[1] which excludes non-routine income and expenses, of $401.2 million, or $2.20 adjusted earnings per common share.[1]<br>• Return on average tangible common equity was 18.74% and the adjusted return on average tangible common equity from continuing operations[1] was 14.11%.<br>• Adjusted pre-tax pre-provision net revenue from continuing operations[1] of $612.3 million, or 1.26% of average assets. |
| **Balance Sheet** | • Generated net organic loan growth of $2.1 billion, or 7.1% while deposit balances were relatively flat year-over-year.<br>• Loan to deposit ratio was 84.4% and securities to total assets was 16.5%, reflecting strong balance sheet liquidity.<br>• During December 2023, executed a securities portfolio restructuring whereby we sold securities with a par value of $3.1 billion and an average yield of 1.26% for an after-tax loss of $294.1 million (included in continuing operations). |
| **Credit** | • Net charge-offs to average loans and leases were 0.22% in 2023 and provision for credit losses to average loans and leases were 0.25% for the full year.<br>• Allowance for credit losses was 1.44% of net loans and leases at December 31, 2023.<br>• Total non-performing assets as a percent of total assets were 0.45% at December 31, 2023. |
| **Revenue and Expenses** | • Total adjusted revenue from continuing operations[1] was $1.7 billion, which excludes Cadence Insurance’s historical financial results for prior periods due to the sale to Arthur J. Gallagher & Co. effective November 30, 2023.<br>• Adjusted noninterest expense from continuing operations[1] was $1.1 billion and the adjusted efficiency ratio[1] was 63.3% in 2023. |
| **Capital** | • The sale of Cadence Insurance generated approximately $620 million in net capital creation and an after-tax book gain of approximately $520 million (included in discontinued operations).<br>• Total shareholders' equity was $5.2 billion, and $5.9 billion excluding AOCI.[1]<br>• Tier 1 capital ratio of 12.1% and total risk-based capital ratio of 14.3% estimated as of December 31, 2023.<br>• No buyback of common stock in 2023. 2024 repurchase authorization is 10 million shares of common stock. |

[1] Considered a non-GAAP financial measure. See “Non-GAAP Reconciliation” in the appendix.

# 2023 Transformative Transactions Recap

**Successful execution of efficiency initiatives**

- **Branch optimization – branch count has declined from 407 in 2021 to just over 350 branches currently.**
  - Closures and consolidations of 35 branches (~9%) in markets with a higher branch concentration and/or lower-performing branches during the third quarter of 2023. This branch reduction is in addition to the October 2022 closure and consolidation of 17 branches. Achieved strong customer account retention despite physical closures while minimizing customer and community impact.
- **Targeted personnel efficiencies through branch consolidations, early retirements and other initiatives.**
  - Excluding the insurance transaction, employee count declined by 125 FTE during the fourth quarter of 2023, and over the last 12 months declined by 537 FTE or nearly 10%.

**Monetization of Cadence Insurance allows unique opportunity to meaningfully enhance future performance**

- Significant premium at 5.4x last twelve months revenue. Net capital creation of approximately $620 million, including an after-tax net gain on sale of approximately $520 million.
- Executed a securities repositioning selling $3.1 billion in par value securities with an average yield of ~1.26% yield and estimated duration of just over 4 years. As of 12/31/23, reinvested $1.0 billion in securities with an aggregate book yield of ~5.6%, an estimated duration of approximately 2 years, and lower risk weighting.(1) Additionally, used $645 million to reduce brokered deposits at a rate of 5.47% and temporarily holding approximately $1 billion in cash at year end pending further reduction in brokered deposits and other reinvestments anticipated in the first quarter of 2024.
- These two transactions contributed to the fourth quarter 2023 net improvement of 28% in tangible book value, CET1 increase of 130 basis points and total capital ratio improvement of 140 basis points.

**Funding Refinancing**

- Cadence refinanced the $3.5 billion bank term funding program borrowing in the fourth quarter, lowering the cost from 5.15% to 4.84% at year-end. The borrowing can be repaid at any time without penalty.

(1) $3.1 billion of securities sold had an average risk-weighting of 20.9% ($658.5 million of RWA) and the $1.4 billion of securities purchased in 4Q23 had an average risk-weighting of 2.11% ($28.6 million of RWA).

# 2024 Financial Expectations

CADENCE Bank

Continuing Operations

| Key Metrics | Management Outlook | 2024 Estimates (YoY Growth) | 2023 Actual (Adjusted)[1] |
|---|---|---|---|
| **Total loans** | Diverse, organic loan growth focused on relationship banking. | Mid single digit growth | $32.5 billion |
| **Total deposits** | Core deposit growth as deposit mix shift stabilizes. | Low single digit growth | $38.5 billion |
| **Total adjusted revenue[1]** | Total adjusted revenue includes improved net interest margin reflecting improved securities yield, partially offset by negative impact of declining short-term interest rates. Expectations based on the 12/31/23 forward curve forecast. | 4-6% | $1,677 million |
| **Adjusted non-interest expense[1]** | Adjusted expenses from continuing operations remain a focus with lower compensation costs offset by continued investments in technology, products and service delivery channels. | (1%) to +1% | $1,065 million |
| **Net charge-offs** | Net charge-offs expected to be in a similar range as the 2023 level. | 20-30 bp | 22 bp ($72.6 million) |
| **Tax rate** | Stable tax rate on a continuing operations basis. | 23% | 23% |

[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Adjusted Continuing Operations – Full Year 2023

*$ in millions, except per share*

| | Total GAAP | Discontinued Operations: Sale of Insurance | Discontinued Operations: Insurance Results | Continuing Operations | Adjusted Items: Securities Reposition | Adjusted Items: Non-Routine | Adjusted Continuing Operations[1] |
|---|---|---|---|---|---|---|---|
| **Full Year 2023** | | | | | | | |
| Net Interest Income | $ 1,351 | $ - | $ 0 | $ 1,351 | $ - | $ - | $ 1,351 |
| Non Interest Revenue | 747 | 707 | 157 | (116) | (436) | (7) | 326 |
| Total Revenue | 2,098 | 707 | 157 | 1,235 | (436) | (7) | 1,677 |
| Non Interest Expenses | (1,292) | - | (136) | (1,156) | - | (91) | (1,065) |
| Pretax, Pre-provision Net Revenue | 807 | 707 | 21 | 79 | (436) | (98) | 612 |
| Provision for Credit Losses | (80) | - | - | (80) | - | - | (80) |
| Pre-Tax Income | 727 | 707 | 21 | (1) | (436) | (98) | 532 |
| Tax Expense | (184) | (183) | (6) | 5 | 105 | 22 | (122) |
| Net Income | 542 | 523 | 15 | 4 | (331) | (76) | 411 |
| Preferred Dividends | (9) | - | - | (9) | - | - | (9) |
| **Net Income available to Common** | **$ 533** | **$ 523** | **$ 15** | **$ (6)** | **$ (331)** | **$ (76)** | **$ 401** |
| **Earnings Per Share** | **$ 2.92** | **$ 2.86** | **$ 0.08** | **$ (0.03)** | **$ (1.81)** | **$ (0.42)** | **$ 2.20** |

**Notable items included in full-year 2023 Continuing Operations include the following (pre-tax):**

- **Noninterest Revenue -** Securities losses of $435.7 million (1Q23 & 4Q23 repositionings) and branch closure real estate write-down of $6.7 million.
- **Noninterest Expense -** FDIC Special Assessment of $36.2 million, merger and incremental merger costs of $23.3 million, branch closure and early retirement costs of $14.3 million, pension settlement charges of $11.8 million, service charge of $8 million, Cadence Foundation contribution of $5.0 million, and debt extinguishment gain impact on noninterest expense of $(1.8) million.

[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Fourth Quarter 2023 Financial Highlights

| | |
|---|---|
| **Earnings Highlights** | • Net income available to common shareholders of $256.7 million, or $1.41 per diluted common share, and adjusted net income from continuing operations available to common shareholders,[1] which excludes non-routine income and expenses, of $72.7 million, or $0.40 adjusted earnings per diluted common share.[1]<br>• Return on average tangible common equity [1] was 35.49% and the adjusted return on average tangible common equity from continuing operations[1] was 10.06%.<br>• Adjusted pre-tax pre-provision net revenue from continuing operations[1] of $137.9 million, or 1.13% of average assets. |
| **Balance Sheet** | • Total loans were flat at $32.5 billion compared to the third quarter of 2023. Deposit balances increased $161.3 million compared to the third quarter of 2023. Excluding a targeted reduction in brokered deposits, total deposits increased $624.3 million, or 6.5% annualized.<br>• Loan to deposit ratio was 84.4% and securities to total assets was 16.5%, maintaining strong balance sheet liquidity.<br>• Securities of $8.1 billion at 12/31/23 decreased by $1.6 billion from the prior quarter, due to the securities restructuring in the quarter of which reinvestment of proceeds is continuing. |
| **Credit** | • Net charge-offs for the fourth quarter of 2023 were $23.8 million, or 0.29% of average net loans and leases on an annualized basis.<br>• Allowance for credit losses was 1.44% of net loans and leases at December 31, 2023.<br>• Total non-performing assets as a percent of total assets increased to 0.45% at December 31, 2023. |
| **Revenue and Expenses** | • Total adjusted revenue of $407.7 million in the fourth quarter of 2023 compared to $409.5 million in the third quarter of 2023 with increased net interest revenue offsetting lower noninterest revenue.<br>• Adjusted noninterest expense[1] was $269.8 million reflecting improvements in compensation costs offset by technology spend, legal costs and other seasonal increases. The adjusted efficiency ratio[1] was 66.0% in 4Q23. |
| **Capital** | • Total shareholders' equity was $5.2 billion, and $5.9 billion excluding AOCI.[1]<br>• Tier 1 capital ratio of 12.1% and total risk-based capital ratio of 14.3% estimated as of December 31, 2023.<br>• No buyback of common stock in 4Q23. 2024 repurchase authorization is 10 million shares of common stock. |

[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Adjusted Continuing Operations – 4Q23 vs. 3Q23

*$ in millions, except per share*

| | Total GAAP | Discontinued Operations: Sale of Insurance | Discontinued Operations: Insurance Results | Continuing Operations | Adjusted Items: Securities Reposition | Adjusted Items: Non-Routine | Adjusted Continuing Operations[1] |
|---|---|---|---|---|---|---|---|
| **Fourth Quarter 2023** | | | | | | | |
| Net Interest Income | $ 335 | $ - | $ 0 | $ 335 | $ - | $ - | $ 335 |
| Non Interest Revenue | 421 | 707 | 26 | (311) | (385) | - | 73 |
| Total Revenue | 756 | 707 | 26 | 23 | (385) | - | 408 |
| Non Interest Expenses | (356) | - | (27) | (329) | - | (60) | (270) |
| Pretax, Pre-provision Net Revenue | 400 | 707 | (1) | (306) | (385) | (60) | 138 |
| Provision for Credit Losses | (38) | - | - | (38) | - | - | (38) |
| Pre-Tax Income | 362 | 707 | (1) | (344) | (385) | (60) | 100 |
| Tax Expense | (103) | (183) | 0 | 80 | 92 | 13 | (25) |
| Net Income | 259 | 523 | (0) | (264) | (292) | (47) | 75 |
| Preferred Dividends | (2) | - | - | (2) | - | - | (2) |
| **Net Income available to Common** | **$ 257** | **$ 523** | **$ (0)** | **$ (266)** | **$ (292)** | **$ (47)** | **$ 73** |
| **Earnings Per Share** | **$ 1.41** | **$ 2.86** | **$ (0.00)** | **$ (1.46)** | **$ (1.60)** | **$ (0.26)** | **$ 0.40** |
| **Third Quarter 2023** | | | | | | | |
| Net Interest Income | $ 329 | $ - | $ 0 | $ 329 | $ - | $ - | $ 329 |
| Non Interest Revenue | 119 | 0 | 45 | 74 | - | (7) | 81 |
| Total Revenue | 448 | 0 | 45 | 403 | - | (7) | 410 |
| Non Interest Expenses | (312) | - | (38) | (274) | - | (10) | (264) |
| Pretax, Pre-provision Net Revenue | 136 | 0 | 7 | 129 | - | (17) | 145 |
| Provision for Credit Losses | (17) | - | - | (17) | - | - | (17) |
| Pre-Tax Income | 119 | 0 | 7 | 112 | - | (17) | 128 |
| Tax Expense | (26) | - | (2) | (24) | - | 4 | (28) |
| Net Income | 93 | 0 | 5 | 87 | - | (13) | 100 |
| Preferred Dividends | (2) | - | - | (2) | - | - | (2) |
| **Net Income available to Common** | **$ 90** | **$ 0** | **$ 5** | **$ 85** | **$ -** | **$ (13)** | **$ 98** |
| **Earnings Per Share** | **$ 0.49** | **$ 0.00** | **$ 0.03** | **$ 0.46** | **$ -** | **$ (0.07)** | **$ 0.53** |

[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Adjusted Continuing Operations – 4Q23 vs. 3Q23

*$ in millions, except per share*

| | Total GAAP | Discontinued Operations: Sale of Insurance | Discontinued Operations: Insurance Results | Continuing Operations | Adjusted Items: Securities Reposition | Adjusted Items: Non-Routine | Adjusted Continuing Operations[1] | *EPS Impact* |
|---|---|---|---|---|---|---|---|---|
| **Variance from 3Q23 to 4Q23** | | | | | | | | |
| Net Interest Income | $ 6 | $ - | $ (0) | $ 6 | $ - | $ - | $ 6 | *$ 0.02* |
| Non Interest Revenue | 302 | 707 | (19) | (385) | (385) | 7 | (8) | *(0.03)* |
| Total Revenue | 308 | 707 | (19) | (380) | (385) | 7 | (2) | *(0.01)* |
| Non Interest Expenses | (44) | 0 | 11 | (55) | 0 | (50) | (6) | *(0.02)* |
| Pretax, Pre-provision Net Revenue | 264 | 707 | (8) | (435) | (385) | (43) | (7) | *(0.03)* |
| Provision for Credit Losses | (21) | 0 | 0 | (21) | 0 | 0 | (21) | *(0.09)* |
| Pre-Tax Income | 243 | 707 | (8) | (456) | (385) | (43) | (28) | *(0.12)* |
| Tax Expense | (77) | (183) | 2 | 105 | 92 | 9 | 4 | *0.01* |
| Net Income | 166 | 523 | (6) | (351) | (292) | (34) | (25) | *(0.14)* |
| Preferred Dividends | - | - | - | - | - | - | - | - |
| **Net Income available to Common** | **$ 166** | **$ 523** | **$ (6)** | **$ (351)** | **$ (292)** | **$ (34)** | **$ (25)** | ***$ (0.14)*** |
| **Earnings Per Share** | **$ 0.91** | **$ 2.86** | **$ (0.03)** | **$ (1.92)** | **$ (1.60)** | **$ (0.18)** | **$ (0.13)** | |

**Notable variances included in Adjusted Continuing Operations:**

- Non-interest income: $8 million ($0.03/share) negative impact from service charge changes (impact going forward ~$3 million/year).
- Non-interest income: $4.9 million ($0.02/share) negative impact of net MSR valuation change between quarters.
- $21 million ($0.07/share) increase in provision for credit losses, which included the incremental impairments on previously identified criticized credits.

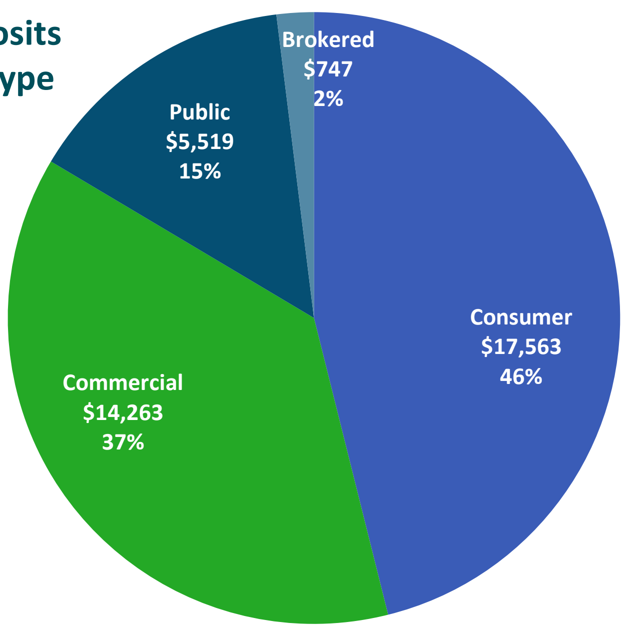
[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Strong Deposit Base

*$ in millions, unless otherwise indicated*

| | As of 12/31/23 | | As of 9/30/23 | | As of 12/31/22 | |
|---|---|---|---|---|---|---|
| | Balance | % of Total | Balance | % of Total | Balance | % of Total |
| Noninterest Bearing Demand | **$9,232** | **24.0%** | $9,648 | 25.2% | $12,731 | 32.7% |
| Interest Bearing Demand | **19,277** | **50.1%** | 18,335 | 47.8% | 19,040 | 48.9% |
| Savings | **2,721** | **7.1%** | 2,837 | 7.4% | 3,474 | 8.9% |
| Other Time | **7,268** | **18.9%** | 7,516 | 19.6% | 3,712 | 9.5% |
| Total Deposits (period end) | **$38,497** | **100.0%** | $38,336 | 100.0% | $38,957 | 100.0% |
| *Total Cost of Deposits* | *2.32%* | | *2.14%* | | *0.76%* | |

## Deposits by Type




Note: Figures may not total due to rounding.

## HIGHLIGHTS

- Total deposits increased $161.3 million to $38.5 billion as of 12/31/23. Total brokered deposits declined $463.0 million from $1.2 billion at the end of the third quarter of 2023 to $0.7 billion at 12/31/23, or 1.9% of total deposits.
- Excluding the decline in brokered deposits, total deposits increased $624.3 million, or 6.5% annualized in 4Q23. Roughly half of this growth represents seasonal public funds increases while the other half represents core customer deposit growth, primarily in our community bank.
- Noninterest bearing deposits were 24.0% of total deposits at December 31, 2023.
- The loan to deposit ratio was 84.4%, reflecting solid liquidity.
- As of 12/31/23, deposits are diverse with top commercial deposit sectors including finance and insurance at 6.1% of total deposits; real estate, rental and leasing at 5.8%; and construction at 3.7%.
- Long-standing customer relationships:
  - 40.9% of total deposits with 15+ year relationships
  - 11.3% are at 10-15 years
  - 31.6% are at 5-10 years.

# Diversified Loan Portfolio

*$ in millions, unless otherwise indicated*

## HIGHLIGHTS

- Loans and leases, net of unearned income, were $32.5 billion at December 31, 2023, which is flat compared to September 30, 2023. C&I loans decreased $275.9 million compared to the prior quarter, CRE loans increased $107.9 million and residential mortgages grew $143.5 million.
- The loan portfolio mix remains well-balanced with commercial and industrial the largest segment at 41% of total loans, commercial real estate at 30% and consumer at 29% as of December 31, 2023.
- Total active line utilization increased slightly during the fourth quarter to 47% at December 31, 2023, compared to 46% at September 30, 2023.

### Period Ending Loans

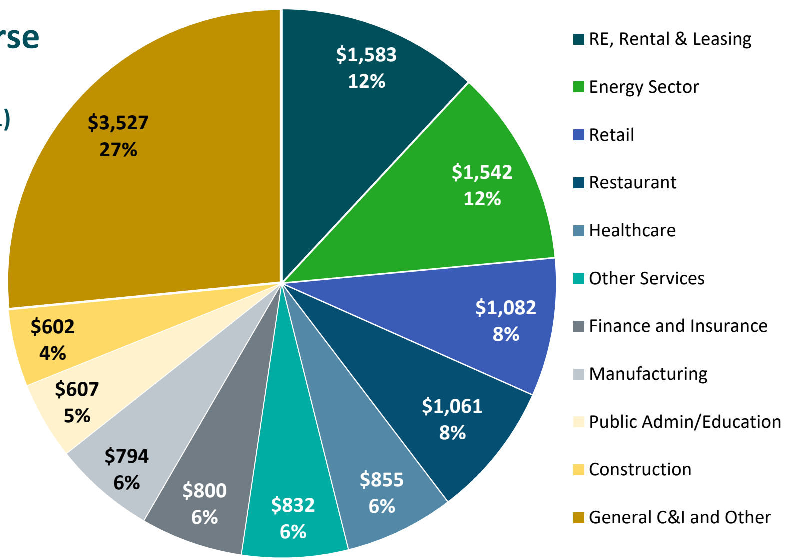
| | As of 12/31/23 | | As of 9/30/23 | | As of 12/31/22 | |
|---|---|---|---|---|---|---|
| | Balance | % of Total | Balance | % of Total | Balance | % of Total |
| **Commercial and Industrial ("C&I")** | | | | | | |
| Non Real Estate | **$8,936** | **27.5%** | $9,199 | 28.3% | $8,986 | 29.6% |
| Owner Occupied | **4,349** | **13.4%** | 4,362 | 13.4% | 4,069 | 13.4% |
| Total C&I | **13,285** | **40.9%** | 13,561 | 41.7% | 13,054 | 43.0% |
| **Commercial Real Estate ("CRE")** | | | | | | |
| Construction, Acquisition and Development | **3,911** | **12.0%** | 3,819 | 11.7% | 3,548 | 11.7% |
| Income Producing | **5,737** | **17.7%** | 5,721 | 17.6% | 5,151 | 17.0% |
| Total CRE | **9,648** | **29.7%** | 9,540 | 29.3% | 8,699 | 28.7% |
| **Consumer** | | | | | | |
| Residential Mortgages | **9,330** | **28.7%** | 9,186 | 28.2% | 8,319 | 27.4% |
| Other consumer | **235** | **0.7%** | 234 | 0.7% | 277 | 0.9% |
| Total Consumer | **9,565** | **29.4%** | 9,420 | 29.0% | 8,596 | 28.3% |
| **Total Loans and Leases** | **$32,497** | **100.0%** | $32,521 | 100.0% | $30,349 | 100.0% |

# Commercial & Industrial (C&I)

*$ in millions, unless otherwise indicated*

| C&I Industry Breakout | 4Q23 | % of Total C&I | % of Total Loans | Δ vs. 3Q23 $ | Δ vs. 3Q23 % | Δ vs. 4Q22 $ | Δ vs. 4Q22 % |
|---|---|---|---|---|---|---|---|
| RE, Rental & Leasing | $ 1,583 | 12% | 5% | $ 42 | 3% | $246 | 18% |
| Energy Sector | 1,542 | 12% | 5% | (73) | -5% | (95) | -6% |
| Retail | 1,082 | 8% | 3% | 43 | 4% | 186 | 21% |
| Restaurant | 1,061 | 8% | 3% | 7 | 1% | (45) | -4% |
| Healthcare | 855 | 6% | 3% | 9 | 1% | (11) | -1% |
| Other Services | 832 | 6% | 3% | (21) | -2% | 37 | 5% |
| Finance and Insurance | 800 | 6% | 2% | (8) | -1% | (98) | -11% |
| Manufacturing | 794 | 6% | 2% | (37) | -4% | (25) | -3% |
| Public Admin/Education | 607 | 5% | 2% | 6 | 1% | 23 | 4% |
| Construction | 602 | 5% | 2% | 6 | 1% | (37) | -6% |
| General C&I and Other | 3,527 | 27% | 11% | (250) | -7% | 49 | 1% |
| **TOTAL** | **$ 13,285** | 100% | 41% | **$(276)** | -2% | **$230** | 2% |

## Diverse C&I Mix[1]




[1] Percentages represent the % of C&I loans.
Note: Figures may not total due to rounding.

## HIGHLIGHTS

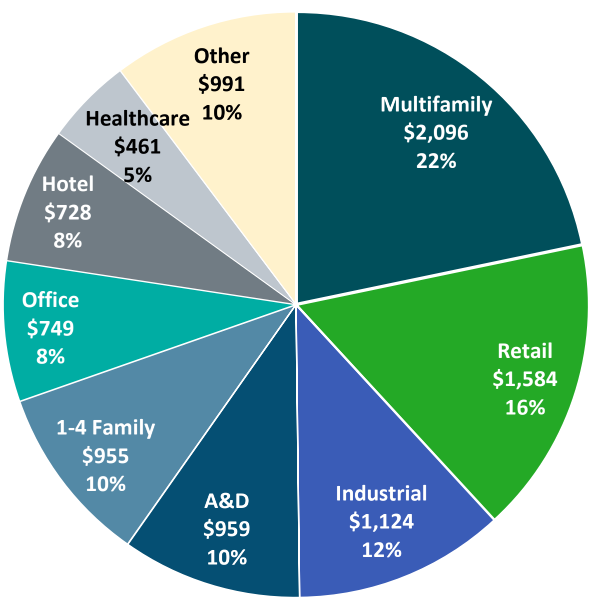
- C&I is the largest segment of the loan portfolio at 41% of total loans as of 4Q23, declining 2% compared to the prior quarter and increasing 2% from a year ago.
- The $13.3 billion C&I portfolio includes 67% C&I Non-Real Estate and 33% C&I Owner-Occupied.
- Granular average loan balance of $411 thousand for C&I Non-Real Estate and $506 thousand for C&I Owner-Occupied.
- Texas represents our largest exposure by state, with 42% of C&I Non-Real Estate and 39% of C&I Owner-Occupied as of December 31, 2023.
- In the fourth quarter of 2023, total C&I charge-offs were $21.4 million, which was partially offset by $2.1 million in recoveries.
- C&I Non-Real Estate NPLs to total C&I Non-Real Estate loans of 1.47% at 12/31/23, vs. 0.27% at 12/31/22 and 0.74% at 9/30/23.
- C&I Owner-Occupied NPLs to total C&I Owner-Occupied loans were 0.16% at 12/31/23, compared to 0.20% at 12/31/22 and 0.15% at 9/30/23.
- Shared national credits represented 13% of total loans as of December 31, 2023, supporting our large-sized commercial customers and specialized industries.

# Commercial Real Estate (CRE)

*$ in millions, unless otherwise indicated*

| CRE Industry Breakout | 4Q23 | *% of Total CRE* | *% of Total Loans* | Δ vs. 3Q23 $ | Δ vs. 3Q23 % | Δ vs. 4Q22 $ | Δ vs. 4Q22 % |
|---|---|---|---|---|---|---|---|
| Multifamily | $ 2,096 | *22%* | *6%* | $ 129 | *7%* | $ 682 | *48%* |
| Retail | 1,584 | *16%* | *5%* | 133 | *9%* | 259 | *20%* |
| Industrial | 1,124 | *12%* | *3%* | 16 | *1%* | 234 | *26%* |
| A&D | 959 | *10%* | *3%* | 52 | *6%* | 52 | *6%* |
| 1-4 Family | 955 | *10%* | *3%* | (3) | *0%* | (35) | *-4%* |
| Office | 749 | *8%* | *2%* | 1 | *0%* | 8 | *1%* |
| Hotel | 728 | *8%* | *2%* | (14) | *-2%* | 8 | *1%* |
| Healthcare[1] | 461 | *5%* | *1%* | 4 | *1%* | 13 | *3%* |
| Other | 991 | *10%* | *3%* | (209) | *-17%* | (272) | *-22%* |
| **TOTAL** | **$ 9,648** | *100%* | *30%* | **$ 108** | *1%* | **$ 949** | *11%* |

**Diverse CRE Mix [2]**




## HIGHLIGHTS

- CRE was 30% of total loans as of 4Q23, increased 1% compared to the prior quarter and up 11% from a year ago.
- The CRE portfolio is made up of 59%, or $5.7 billion, in Income Producing CRE, and 41%, or $3.9 billion, of Construction, Acquisition and Development (CAD).
- The CRE portfolio is granular, with average loan balance of $597 thousand for CAD and $1.4 million for Income Producing CRE at December 31, 2023.
- Texas is our largest exposure by state with 46% of CAD and 36% of Income Producing CRE as of December 31, 2023.
- Weighted average LTV of total CRE was 58% at December 31, 2023.
- In the fourth quarter of 2023, total CRE charge-offs were $2.3 million, offset by $0.1 million in recoveries.
- CRE NPLs to total CRE loans of 0.20% at 12/31/23 compared to 0.12% at 12/31/22 and 0.18% at 9/30/23.
- The Office CRE loan segment was approximately 2.3% of total loans as of December 31, 2023, with a weighted average LTV of approximately 56% and average loan size $1.2 million.

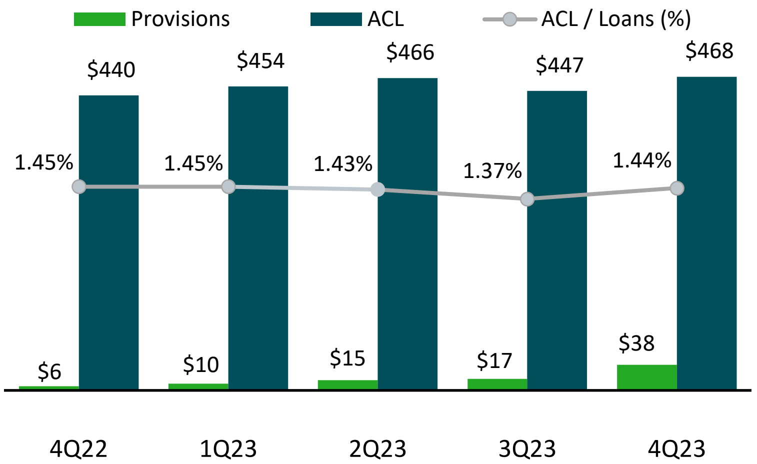
(1) Healthcare includes doctor offices providing healthcare services, which totaled $231.6 million as of December 31, 2023.
(2) Percentages represent the % of CRE loans.

# Credit Quality

*$ in millions, unless otherwise indicated*

| | Quarter Ending | | | | |
|---|---|---|---|---|---|
| | 12/31/22 | 3/31/23 | 6/30/23 | 9/30/23 | **12/31/23** |
| Non-accrual | $99 | $161 | $157 | $150 | **$216** |
| Restructured (Accruing)[1] | $9 | - | - | - | **-** |
| Non-performing Loans (NPLs) | $107 | $161 | $157 | $150 | **$216** |
| Other real estate owned | $7 | $5 | $3 | $3 | **$6** |
| Non-performing Assets (NPAs) | $114 | $166 | $160 | $153 | **$222** |
| NPLs / Net Loans and Leases | 0.35% | 0.51% | 0.48% | 0.46% | **0.67%** |
| NPAs / Total Assets | 0.23% | 0.32% | 0.33% | 0.32% | **0.45%** |
| Classified Loans[2] | $533 | $712 | $618 | $682 | **$680** |
| Classified Loans / Total Loans | 1.76% | 2.28% | 1.90% | 2.10% | **2.09%** |
| Criticized Loans[2] | $623 | $895 | $892 | $882 | **$845** |
| Criticized Loans / Total Loans | 2.05% | 2.86% | 2.74% | 2.71% | **2.60%** |

## Credit Metrics[3]




**Net (charge-offs) recoveries**

| 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 |
|---|---|---|---|---|
| **$5.0** | **($1.9)** | **($12.7)** | **($34.2)** | **($23.8)** |

## HIGHLIGHTS

- Total non-performing assets as a percent of total assets increased to 0.45% at December 31, 2023 compared to 0.23% at December 31, 2022 and 0.32% at September 30, 2023.
- For the fourth quarter of 2023, criticized loans declined by $37.8 million to $844.7 million or 2.60% of loans, down from 2.71% at September 30, 2023 while classified loans were stable at 2.09% compared to 2.10% at September 30, 2023.
- Net charge-offs for the fourth quarter of 2023 were $23.8 million, or 0.29% of average net loans and leases on an annualized basis, declining from net charge-offs of $34.2 million for the third quarter of 2023 or 0.42% annualized.
- Provision for credit losses for the fourth quarter of 2023 was $38.0 million and the allowance for credit losses was 1.44% of net loans and leases at December 31, 2023.

[1] Effective 1/1/23, the TDR recognition and measurement guidance via the modified retrospective transition method was eliminated in the new accounting guidance (ASU 2022-02).
[2] In 2Q23, the risk rating classification of the Consumer portfolio was modified to reflect Uniform Retail Credit Classification guidance, and as a result, are not directly comparable to prior periods.
[3] ACL reflects funded loans and does not include reserve for unfunded commitments (classified as "Other liabilities"), with a September 30, 2023 balance of $15.6 million.

# Nonaccrual Loans and Leases

*$ in millions, unless otherwise indicated*

| | Quarter Ended | | | | |
|---|---|---|---|---|---|
| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 |
| Non-real estate | **$ 131.6** | $ 68.0 | $ 72.6 | $ 65.8 | $ 23.9 |
| Owner occupied | **7.1** | 6.5 | 7.5 | 9.1 | 7.9 |
| **Total commercial and industrial** | **138.7** | 74.4 | 80.1 | 74.9 | 31.9 |
| Construction, acquisition and development | **1.9** | 4.6 | 4.5 | 1.9 | 3.0 |
| Income producing | **17.5** | 12.3 | 19.2 | 20.6 | 7.3 |
| **Total commercial real estate** | **19.3** | 16.9 | 23.7 | 22.5 | 10.3 |
| Residential mortgages | **57.9** | 58.5 | 53.2 | 62.7 | 55.9 |
| Other consumer | **0.3** | 0.2 | 0.2 | 0.5 | 0.7 |
| **Total consumer** | **58.1** | 58.7 | 53.4 | 63.3 | 56.6 |
| **Total nonaccrual loans** | **$ 216.1** | $ 150.0 | $ 157.2 | $ 160.6 | $ 98.7 |
| *Guaranteed portion of nonaccrual loans* (1) | ***$ 49.6*** | *$ 42.0* | *$ 35.3* | *$ 30.2* | *$ 20.8* |
| **Total nonaccrual loans / Total Loans** | **0.67%** | 0.46% | 0.48% | 0.51% | 0.35% |

## HIGHLIGHTS

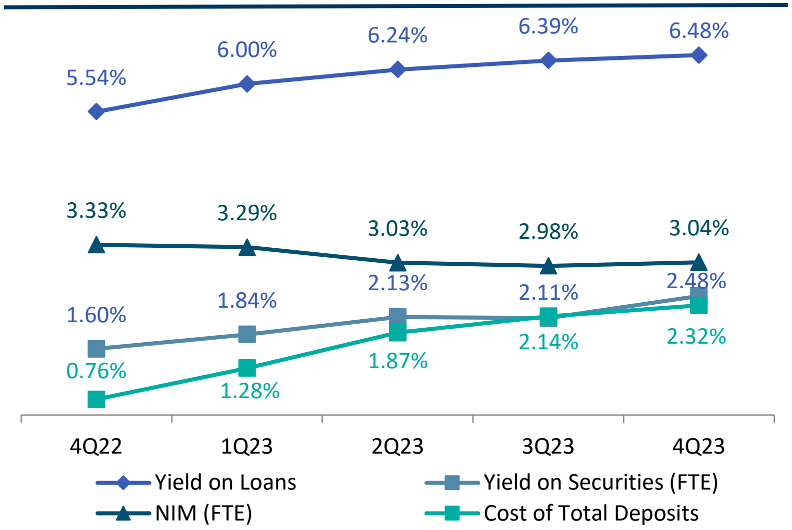
- Total nonaccrual loans and leases were $216.1 million or 0.67% of total loans at December 31, 2023, compared to $150.0 million or 0.46% of total loans at September 30, 2023. The increase in nonaccrual loans was primarily due to the negative migration of previously identified criticized loans in the Commercial & Industrial non-real estate segment of the portfolio. While these credits drove the increase in nonaccrual loans, over 50% of nonaccrual loans (by balance) at December 31, 2023, are granular, residential mortgages and SBA guaranteed loans.
- Approximately $49.6 million or 23% of total nonaccrual loans are government guaranteed balances (SBA and FHA) that we repurchased while working through the collection process. These have a longer resolution cycle, but a significant portion of these dollars hold at least a 75% government guarantee from a loss perspective.

(1) Government guaranteed portion of nonaccrual loans and leases covered by the SBA, FHA, VA or USDA.

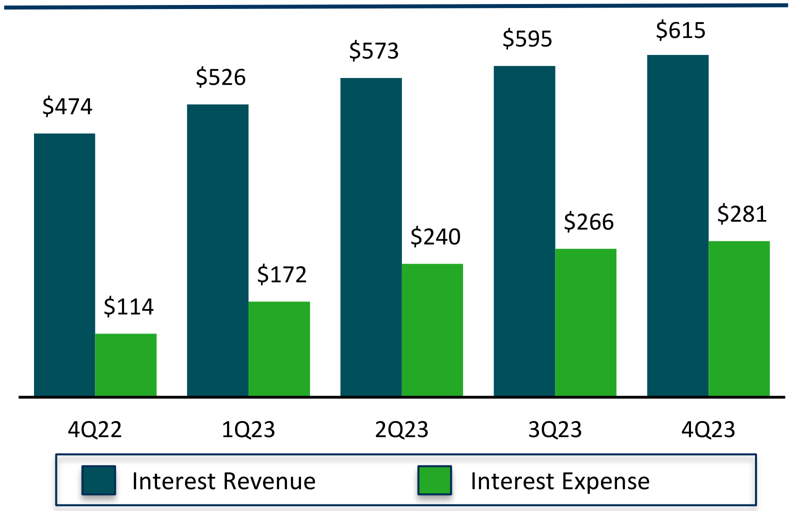
# Net Interest Revenue / Net Interest Margin

*$ in millions, unless otherwise indicated*

## NIM, Yields & Costs




## Interest Revenue & Interest Expense



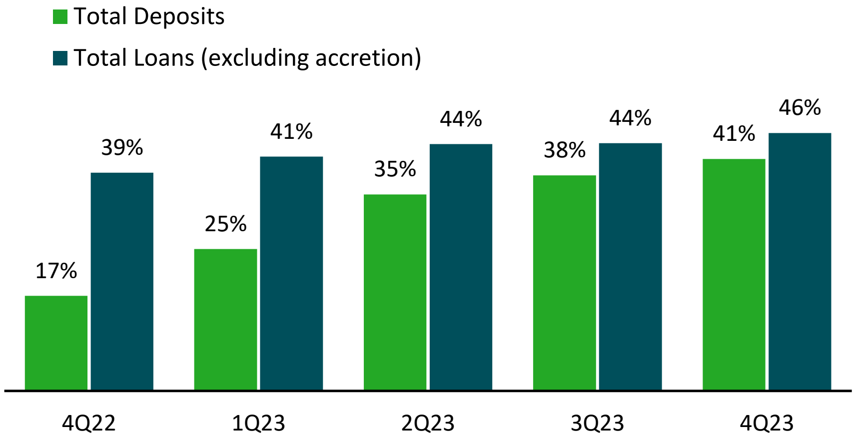

## HIGHLIGHTS

- Net interest margin was 3.04% for the fourth quarter of 2023, an increase of 6 basis points from 2.98% for the third quarter of 2023.
- Net interest revenue increased $5.6 million, or 1.7%, compared to the linked quarter. Securities yields rose associated with the fourth quarter securities portfolio restructuring and other purchases, and deposit costs, while increasing, did so at the slowest quarterly pace all year.
- Accretion revenue was $4.1 million and $6.6 million for the fourth quarter of 2023 and the third quarter of 2023, respectively, adding approximately 4 basis points to the net interest margin for the fourth quarter of 2023 and 6 basis points 3Q23.
- Yield on net loans, loans held for sale, and leases excluding accretion, was 6.43% for the fourth quarter of 2023, up 12 basis points from 6.31% for the second quarter of 2023, as fixed and variable rate credits continue to reprice at higher yields.
- Yield on total interest earning assets was 5.59% for the fourth quarter of 2023, up 21 basis points from 5.38% for the third quarter of 2023 as fixed and variable rate credits continue to reprice at higher yields. Interest-bearing liabilities costs increased to 3.34% during the fourth quarter of 2023 from 3.17% in the prior quarter.

# Interest Rate Sensitivity

*$ in millions, unless otherwise indicated*

## Loan & Deposit Betas (Cumulative)




## Loan & Deposit Betas (vs. Fed Effective)

| | 4Q22 | 1Q23 | 2Q23 | 3Q23 | 4Q23 | Cycle-to-date[2] |
|---|---|---|---|---|---|---|
| **Fed Effective (average)** | **3.65%** | **4.52%** | **4.99%** | **5.26%** | **5.33%** | |
| **Deposit Costs** | | | | | | |
| Interest Bearing Deposits | 1.17% | 1.86% | 2.58% | 2.88% | 3.10% | |
| Total Deposits | 0.76% | 1.28% | 1.87% | 2.14% | 2.32% | |
| Total Deposits (ex. brokered) | 0.76% | 1.24% | 1.69% | 1.99% | 2.22% | |
| **Deposit Beta** | | | | | | |
| **Total Interest Bearing Deposits** | **44%** | **80%** | **153%** | **111%** | **309%** | **54%** |
| **Total Deposits** | **28%** | **59%** | **126%** | **98%** | **257%** | **41%** |
| **Total Deposits (ex. Brokered)** | **28%** | **56%** | **96%** | **109%** | **322%** | **39%** |
| **Loan Yields** | | | | | | |
| Loans (excluding accretion) | 5.41% | 5.87% | 6.18% | 6.31% | 6.43% | |
| **Loan Beta** | | | | | | |
| **Loans (excluding accretion)** | **49%** | **53%** | **65%** | **47%** | **178%** | **46%** |

## HIGHLIGHTS

- Approximately 28% of loan rate structures are floating (repricing within 30 days), 44% of loans with variable repricing dates, and 27% fixed as of December 31, 2023.
- Inclusive of fixed rate loans, approximately 49% of total loans, or $15.8 billion, are scheduled to reprice in the next twelve months, of which $13.8 billion, or approximately 43% of the portfolio, are repricing within the next three months. See the following slide for additional repricing characteristics.
- Short-term borrowings costs declined as Cadence refinanced the $3.5 billion bank term funding program borrowings, lowering the cost from 5.15%.
- Rate sensitivity is fairly neutral, with net interest income in a +100 bp rate shock scenario modeled over a 12-month period increasing 0.7%, up 0.4% in +50 bp, and declining 0.8% in -100 bp.[1]
- The cycle-to-date[2] beta on total loans excluding accretion, compared to the average Fed Funds effective rate, was 46%.
- The cycle-to-date[2] total deposit beta was 41% and excluding brokered deposits was 39%.

Note: Loan and deposit betas are calculated by dividing the change in yields and costs by change in the average Fed Funds Effective Target rate.
[1] Based on December 31, 2023, interest rate sensitivity modeling of instantaneous rate shock over 1-12 months.
[2] Cycle-to-date reflects changes since fourth quarter 2021 and incorporates the increases in the average Fed Funds effective rate.

# Loans & Securities – Repricing and Maturity

*$ in millions, unless otherwise indicated*

## Total Loans and Leases (net of unearned income)(1)

| *(At December 31, 2023)* | Repricing Term | | | | | | | | Rate Structure | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | 3 mos or less | 3-12 mos | 1-3 Years | 3-5 Years | 5-10 Years | 10-15 Years | Over 15 Years | Total | Floating Rate | Variable Rate | Fixed Rate |
| Non-real estate | $ 7,140 | $ 328 | $ 531 | $ 583 | $ 279 | $ 16 | $ 59 | **$ 8,936** | $ 4,468 | $ 3,204 | $ 1,264 |
| Owner occupied | 904 | 328 | 693 | 735 | 1,003 | 661 | 25 | **4,349** | 627 | 1,980 | 1,742 |
| Commercial & industrial | 8,043 | 656 | 1,224 | 1,318 | 1,282 | 677 | 84 | **13,285** | 5,096 | 5,184 | 3,006 |
| Construction, A&D | 2,442 | 221 | 396 | 454 | 46 | 31 | 321 | **3,911** | 1,783 | 1,330 | 798 |
| Income producing | 2,020 | 565 | 1,248 | 1,327 | 475 | 85 | 18 | **5,737** | 1,201 | 3,295 | 1,241 |
| Commercial real estate | 4,462 | 786 | 1,644 | 1,781 | 521 | 115 | 338 | **9,648** | 2,984 | 4,625 | 2,039 |
| Residential mortgages | 1,176 | 556 | 869 | 1,259 | 2,216 | 170 | 3,084 | **9,330** | 984 | 4,639 | 3,707 |
| Other consumer | 137 | 6 | 44 | 43 | 4 | 0 | 0 | **235** | 133 | 3 | 99 |
| **Total** | **$ 13,819** | **$ 2,005** | **$ 3,781** | **$ 4,401** | **$ 4,023** | **$ 962** | **$ 3,507** | **$ 32,497** | **$ 9,196** | **$ 14,450** | **$ 8,850** |
| *% of Total* | *43%* | *6%* | *12%* | *14%* | *12%* | *3%* | *11%* | *100%* | *28%* | *44%* | *27%* |
| *Weighted Average Rate* | *8.29%* | *6.20%* | *4.56%* | *5.55%* | *4.39%* | *4.22%* | *4.30%* | *6.32%* | *8.40%* | *6.05%* | *4.62%* |

## Available-for-Sale Securities(2)

| *(At December 31, 2023)* | Maturity & Projected Cash Flow Distribution | | | | | |
|---|---|---|---|---|---|---|
| | 1 Year or less | 1 to 3 Years | 3 to 5 Years | 5 to 10 Years | Over 10 Years | Total |
| Amortized Cost | $ 1,346 | $ 1,879 | $ 2,029 | $ 2,188 | $ 1,133 | **$ 8,576** |
| *% of Total* | *16%* | *22%* | *24%* | *26%* | *13%* | *100%* |

(1) Based on repricing term for floating and variable rate loans and maturity date for fixed rate loans. Approximately $1.1 billion of fixed rate loans mature within 12 months. The table does not include projected payments from amortizing loans.

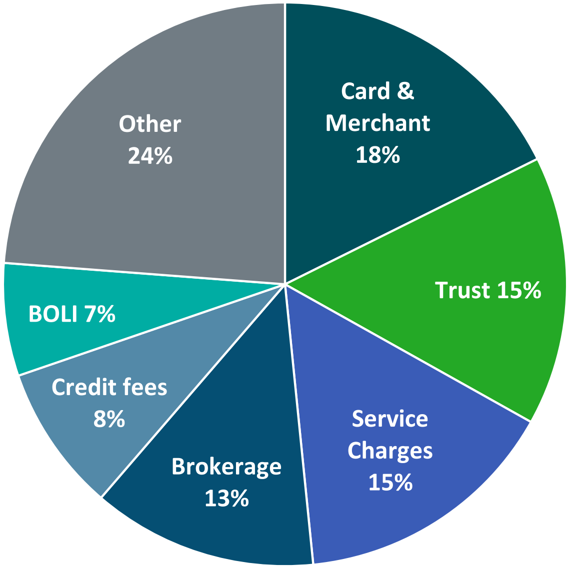
(2) Based on projected AFS securities cash flows including payment projections from amortizing mortgage-backed securities and maturities for non-amortizing securities. Maturities reflect contractual maturity at December 31, 2023, however borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

# Noninterest Revenue

*$ in millions, unless otherwise indicated*

| | Three Months Ended | | | % Change | |
|---|---|---|---|---|---|
| | 12/31/23 | 9/30/23 | 12/31/22 | QoQ | YoY |
| Card and merchant | **$ 12.9** | $ 12.4 | $ 15.8 | 3.9 % | (18.1) % |
| Trust | **11.3** | 10.6 | 9.1 | 6.9 | 24.0 |
| Service charges | **11.2** | 16.9 | 16.9 | (33.8) | (33.8) |
| Brokerage | **9.4** | 8.6 | 9.1 | 9.4 | 3.3 |
| Credit fees | **6.0** | 6.2 | 6.0 | (2.3) | 0.7 |
| BOLI | **4.7** | 4.1 | 5.4 | 15.1 | (13.0) |
| Mortgage banking | **3.9** | 5.8 | 5.4 | (32.7) | (27.3) |
| MSR/MSR market adjustment | **(5.1)** | (0.2) | (2.8) | NM | 78.6 |
| Annuity fees | **1.8** | 1.9 | 1.0 | (2.3) | 93.4 |
| Other | **(367.7)** | 7.7 | 14.4 | NM | NM |
| Total noninterest revenue | **$ (311.5)** | $ 74.0 | $ 80.2 | NM % | NM % |
| Security gains (losses), net | **(384.5)** | 0.1 | (0.6) | NM | NM |
| Nonroutine gains (losses), net | **-** | (6.7) | - | NM | NM |
| Total adj. noninterest revenue[1] | **$ 73.1** | $ 80.6 | $ 80.8 | (9.3) % | (9.6) % |
| *% of Total Revenue* | ***17.9%*** | *19.7%* | *18.4%* | | |

## 4Q23 Adj. Noninterest Revenue Composition[1]




## HIGHLIGHTS

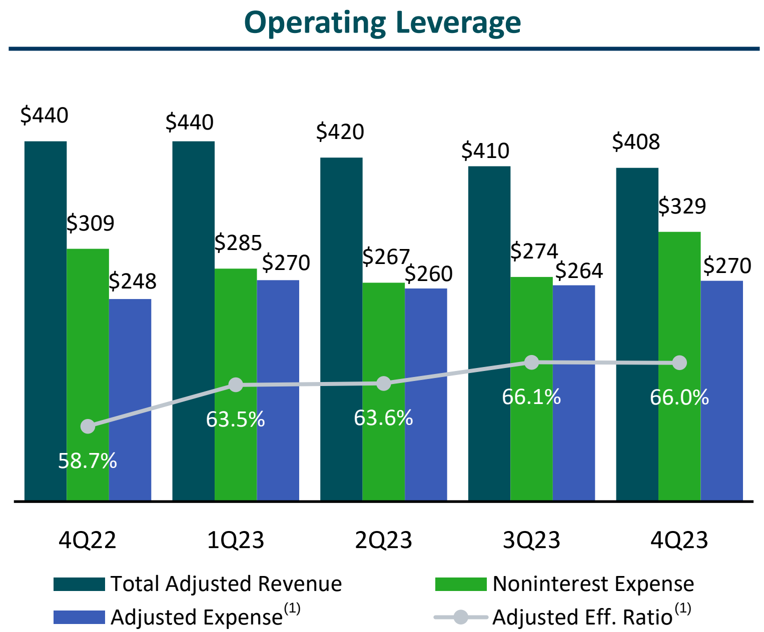
- Adjusted noninterest revenue[1] for 4Q23 was $73.1 million, compared with $80.8 million in 4Q22 and $80.6 million for 3Q23. Adjusted noninterest revenue[1] for the fourth quarter of 2023 excludes the securities portfolio restructuring loss of $384.5 million while third quarter 2023 adjusted noninterest revenue[1] excludes $6.7 million of facility and signage write-downs associated with the 35 branch closures effected in the third quarter of 2023.
- The fourth quarter of 2023 decline in adjusted noninterest revenue was impacted by an $8 million charge related to changes in deposit service charges, representing $0.03 per share, and a $4.9 million negative variance in the mortgage servicing rights valuation, representing $0.02 per share, partially offset by increases in several other revenue items including card fees, wealth management income, bank-owned life insurance, and other miscellaneous income.
- Total assets under management increased to $21.2 billion as of December 31, 2023.

[1] Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Noninterest Expense

*$ in millions, unless otherwise indicated*

| | Three Months Ended | | | % Change | |
|---|---|---|---|---|---|
| | **12/31/23** | **9/30/23** | **12/31/22** | **QoQ** | **YoY** |
| Salaries and employee benefits | **$ 148.1** | $ 161.6 | $ 156.9 | (8.4) % | (5.6) % |
| Deposit insurance assessments | **45.7** | 10.4 | 5.9 | 338.7 | 671.1 |
| Data processing and software | **32.9** | 29.1 | 28.5 | 13.0 | 15.5 |
| Occupancy and equipment | **28.0** | 27.1 | 29.2 | 3.5 | (4.1) |
| Legal | **13.7** | 3.6 | 0.7 | 282.0 | NM |
| Advertising and public relations | **12.6** | 5.7 | 28.4 | 120.1 | (55.5) |
| Pension settlement expense | **11.2** | 0.6 | 6.1 | NM | 83.2 |
| Professional and consulting | **5.2** | 5.2 | 3.5 | 0.6 | 48.4 |
| Amortization of intangibles | **4.4** | 4.4 | 4.7 | (0.7) | (6.2) |
| Travel and entertainment | **3.1** | 3.3 | 4.0 | (4.3) | (21.3) |
| Other | **24.3** | 23.4 | 40.7 | 3.9 | (40.3) |
| **Total** | **$ 329.4** | $ 274.4 | $ 308.6 | 20.0 % | 6.7 % |
| Merger expense[2] | **-** | - | 19.9 | NM | NM |
| Incremental merger related expense[2] | **7.5** | - | 32.7 | NM | (77.1) |
| Gain on extinguishment of debt | **(0.7)** | - | - | NM | NM |
| Restructuring and other | **41.5** | 9.6 | 2.3 | 332.7 | NM |
| Pension settlement expense | **11.2** | 0.6 | 6.1 | NM | 83.2 |
| **Total adjusted expense[1]** | **$ 269.8** | $ 264.2 | $ 247.6 | 2.1 % | 8.9 % |




## HIGHLIGHTS

- Noninterest expense for the fourth quarter of 2023 was $329.4 million, compared with $308.6 million for the fourth quarter of 2022 and $274.4 million for the third quarter of 2023.
- Adjusted noninterest expense[1] of $269.8 million for the fourth quarter of 2023 excludes a charge of $36.2 million related to the FDIC special assessment, a charge of $11.2 million to reflect the settlement accounting impact of elevated lump sum retirement pension payouts during 2023; incremental merger related expense of $7.5 million, and a $5.0 million contribution to the Company's foundation.
- Excluding the insurance transaction, employee count declined by 125 FTE during the fourth quarter of 2023, and over the last 12 months has declined by 537 FTE. The sale of Cadence Insurance further reduced headcount by another 709 FTE.

(1) Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.
(2) Merger expenses are costs to complete the merger with no future benefit. Incremental merger related expenses to complete the merger are expected to provide a future benefit.

# Adjusted Noninterest Expense[1]

CADENCE Bank

*$ in millions, unless otherwise indicated*

| | Fourth Quarter 2023 | | | Third Quarter 2023 | | | 4Q23 vs. 3Q23 | |
|---|---|---|---|---|---|---|---|---|
| | NIE | Adj. | Adj. NIE[1] | NIE | Adj. | Adj. | NIE | Adj. NIE[1] |
| **Noninterest Expense (NIE):** | | | | | | | | |
| Salaries and employee benefits | $ 148.1 | $ (0.2) | $ 147.8 | $ 161.6 | $ (8.1) | $ 153.6 | $ (13.5) | $ (5.7) |
| Deposit insurance assessments | 45.7 | (36.2) | 9.5 | 10.4 | - | 10.4 | 35.3 | (0.9) |
| Data processing and software | 32.9 | (0.1) | 32.8 | 29.1 | (0.3) | 28.9 | 3.8 | 3.9 |
| Occupancy and equipment | 28.0 | (0.2) | 27.8 | 27.1 | (0.3) | 26.8 | 0.9 | 1.1 |
| Legal | 13.7 | (7.5) | 6.2 | 3.6 | - | 3.6 | 10.1 | 2.6 |
| Advertising and public relations | 12.6 | (5.0) | 7.6 | 5.7 | - | 5.7 | 6.9 | 1.9 |
| Pension settlement expense | 11.2 | (11.2) | - | 0.6 | (0.6) | - | 10.6 | - |
| Professional and consulting | 5.2 | - | 5.2 | 5.2 | - | 5.2 | 0.0 | 0.0 |
| Amortization of intangibles | 4.4 | - | 4.4 | 4.4 | - | 4.4 | (0.0) | (0.0) |
| Other miscellaneous expense | 27.4 | 0.9 | 28.4 | 26.7 | (1.0) | 25.7 | 0.8 | 2.7 |
| **TOTAL** | **$ 329.4** | **$ (59.6)** | **$ 269.8** | **$ 274.4** | **$ (10.2)** | **$ 264.2** | **$ 54.9** | **$ 5.5** |

## HIGHLIGHTS

- Adjusted noninterest expense[1] for the fourth quarter of 2023 was $269.8 million, compared with $247.6 million for the fourth quarter of 2022 and $264.2 million for the third quarter of 2023.
- The $5.5 million, or 2.1%, increase in adjusted noninterest expense[1] compared to the linked quarter was driven primarily by increases in public relations (seasonal & CRA), legal accruals and expense, and data processing and software expense supporting product, service and other technology investments, which offset significant improvement in salaries and employee benefits expense.
- The adjusted efficiency ratio[1] was 66.0% for the fourth quarter of 2023 compared to 63.6% for the third quarter of 2023.

[1] Considered a non-GAAP financial measure. See “Non-GAAP Measures and Ratio Reconciliation” in the appendix.

# Capital Strength

CADENCE Bank

**Cadence Bank**

| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 |
|---|---|---|---|---|---|
| Total Regulatory Capital ($ million) | **5,377** | 5,054 | 5,006 | 4,933 | 4,862 |
| Total Risk-Weighted Assets ($ million) | **37,559** | 39,064 | 39,432 | 38,579 | 37,964 |
| Leverage Ratio (%) | **9.3** | 8.6 | 8.5 | 8.4 | 8.4 |
| Common Equity Tier 1 Capital Ratio (%) | **11.6** | 10.3 | 10.1 | 10.1 | 10.2 |
| Tier 1 Ratio (%) | **12.1** | 10.8 | 10.5 | 10.6 | 10.7 |
| Total Capital Ratio (%) | **14.3** | 12.9 | 12.7 | 12.8 | 12.8 |
| Total Shareholders' Equity ($B) | **5.2** | 4.4 | 4.5 | 4.5 | 4.3 |
| Tangible Common Shareholders' Equity ($B)[1] | **3.5** | 2.8 | 2.8 | 2.8 | 2.7 |
| Total shareholders' equity, ex. AOCI[1] | **5.9** | 5.7 | 5.6 | 5.6 | 5.5 |
| Common shareholders' equity, ex. AOCI[1] | **5.8** | 5.5 | 5.5 | 5.4 | 5.4 |
| Total Shares Outstanding (millions) | **182.9** | 182.6 | 182.6 | 182.7 | 182.4 |
| Book Value Per Share | **$27.35** | $23.15 | $23.65 | $23.67 | $22.72 |
| Tangible Book Value Per Share[1] | **$19.32** | $15.09 | $15.56 | $15.55 | $14.56 |
| Tangible Book Value Per Share, ex. AOCI[1] | **$23.48** | $22.26 | $21.93 | $21.47 | $21.27 |
| Cash Dividends Per Share | **$0.235** | $0.235 | $0.235 | $0.235 | $0.220 |

**HIGHLIGHTS**

- Regulatory capital ratios increased significantly due to the strategic actions in the quarter, including a Total Capital Ratio of 14.3% and Tier 1 Ratio of 12.1% currently estimated as of December 31, 2023.
- Tangible book value per share increased 28% during the quarter to $19.32; and excluding AOCI was $23.48. AOCI decreased $548.1 million during the quarter to ($761.8) million at December 31, 2023.
- Quarterly cash dividend of $0.235 per common share.
- No shares were repurchased in 2023. The 2024 share repurchase authorization is 10 million shares of common stock.

(1) Preliminary estimates for December 31, 2023.
(2) Considered a non-GAAP financial measure. See "Non-GAAP Reconciliation" in the appendix.

# Appendix

# Summary Financial Results

*$ in millions, unless otherwise indicated*

| | Three Months/Period Ended | | | Year Ended | |
|---|---|---|---|---|---|
| | **12/31/23** | **9/30/23** | *% Change (QoQ)* | **12/31/23** | **12/31/22** |
| Net interest revenue | **$ 334.6** | $ 329.0 | 1.7 % | **$ 1,351.4** | $ 1,351.3 |
| Provision for credit losses | **38.0** | 17.0 | 123.5 | **80.0** | 7.0 |
| Noninterest revenue | **(311.5)** | 74.0 | (521.0) | **(116.3)** | 342.5 |
| Noninterest expense | **329.4** | 274.4 | 20.0 | **1,155.9** | 1,109.8 |
| (Loss) Income before income taxes | **(344.2)** | 111.5 | (408.7) | **(0.9)** | 577.0 |
| Income tax (benefit) expense | **(80.5)** | 24.4 | (430.5) | **(4.6)** | 129.7 |
| (Loss) income from continuing operations | **(263.7)** | 87.2 | (402.6) | **3.7** | 447.3 |
| Income from discontinued operations | **706.1** | 7.2 | NM | **727.6** | 22.4 |
| Income tax expense from discontinued operations | **183.3** | 1.8 | NM | **189.0** | 6.4 |
| Income from discontinued operations, net of taxes | **522.8** | 5.4 | NM | **538.6** | 15.9 |
| Net income | **259.1** | 92.6 | 179.8 | **542.3** | 463.2 |
| Less: Preferred dividends | **2.4** | 2.4 | - | **9.5** | 9.5 |
| Net income available to common shareholders | **$ 256.7** | $ 90.2 | 184.5 % | **$ 532.8** | $ 453.7 |
| (Loss) income from continuing operations | **(263.7)** | 87.2 | (402.6) | **3.7** | 447.3 |
| Plus: Non-routine items, net of tax | **336.5** | 10.5 | NM | **397.5** | 78.7 |
| Adjusted net income available to common shareholders[(1)] | **$ 72.7** | $ 97.6 | (25.5) % | **$ 401.2** | $ 526.1 |
| Diluted (losses) earnings per share from continuing operations | **$ (1.46)** | $ 0.46 | (417.4) % | **$ (0.03)** | $ 2.37 |
| Diluted earnings per share | **$ 1.41** | $ 0.49 | 187.8 % | **$ 2.92** | $ 2.46 |
| Adjusted earnings per share[(1)] | **$ 0.40** | $ 0.53 | (24.5) | **$ 2.20** | $ 2.85 |
| Return on average assets from continuing operations[(1)] | **(2.16)%** | 0.71% | (403.9) % | **0.01%** | 0.94% |
| Return on average assets | **2.12 %** | 0.75% | 181.0 % | **1.11%** | 0.97% |
| Return on average common shareholders' equity from continuing operations[(1)] | **(24.32)%** | 7.75% | (413.7) | **(0.13)%** | 9.93% |
| Return on average common shareholders' equity | **23.46%** | 8.25% | 184.4 | **12.33%** | 10.30% |
| Adjusted return on average assets from continuing operations[(1)] | **0.62%** | 0.82% | (24.4) % | **0.84%** | 1.13% |
| Adjusted return on average tangible common equity from continuing operations[(1)] | **10.06%** | 13.53% | (25.6) | **14.11%** | 18.08% |
| Adjusted pre-tax pre-provision net revenue from continuing operations (PPNR)[(1)] | **$ 137.9** | $ 145.3 | (5.1) % | **$ 612.3** | $ 699.6 |
| Adjusted PPNR to total average assets[(1)] | **1.13%** | 1.18% | (4.2) | **1.26%** | 1.47% |
| Tangible book value per share, including AOCI[(1)] | **$ 19.32** | $ 15.09 | 28.0 % | **$ 19.32** | $ 14.56 |
| Tangible book value per share, excluding AOCI[(1)] | **$ 23.48** | $ 22.26 | 5.5 % | **$ 23.48** | $ 21.27 |

(1) Considered a non-GAAP financial measure. See “Non-GAAP Reconciliation” in the appendix.

# Summary Balance Sheet – Period End

*$ in millions, unless otherwise indicated*

| | 12/31/23 | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and Due from Banks | $798.2 | $594.8 | $722.6 | $660.4 | $756.9 |
| Deposits with Other Banks & Fed Funds | 3,434.1 | 1,400.9 | 1,005.9 | 4,449.6 | 1,238.9 |
| Available-for-sale securities, at fair value | 8,075.5 | 9,643.2 | 10,254.6 | 10,877.9 | 11,944.1 |
| Loans | 32,497.0 | 32,520.6 | 32,556.7 | 31,282.6 | 30,349.3 |
| Loans Held for Sale | 186.3 | 162.4 | 193.2 | 196.1 | 187.9 |
| Allowance for Credit Losses | (468.0) | (446.9) | (466.0) | (453.7) | (440.3) |
| Goodwill & Other Intangibles | 1,468.0 | 1,472.4 | 1,476.8 | 1,482.9 | 1,487.4 |
| Other Assets | 2,943.5 | 3,175.6 | 3,094.8 | 3,197.3 | 3,129.3 |
| **Total Assets** | **$48,934.5** | **$48,523.0** | **$48,838.7** | **$51,693.1** | **$48,653.4** |
| **Liabilities** | | | | | |
| Total Deposits | $38,497.1 | $38,335.9 | $38,701.7 | $39,406.5 | $38,956.6 |
| Fed Funds and short-term borrowings | 3,500.0 | 3,500.2 | 3,500.2 | 5,700.2 | 3,300.2 |
| Subordinated & Long-term debt | 438.5 | 449.3 | 449.7 | 462.1 | 462.6 |
| Other Liabilities | 1,331.1 | 1,833.3 | 1,701.2 | 1,633.9 | 1,622.6 |
| **Total Liabilities** | **$43,766.7** | **$44,127.8** | **$44,352.8** | **$47,202.7** | **$44,342.0** |
| **Total Shareholders' Equity** | **$5,167.8** | **$4,395.3** | **$4,485.9** | **$4,490.4** | **$4,311.4** |
| **Liabilities and Shareholders' Equity** | **$48,934.5** | **$48,523.0** | **$48,838.7** | **$51,693.1** | **$48,653.4** |

Note: Figures may not total due to rounding.

# Summary Income Statement

*$ in millions, unless otherwise indicated*

| | Quarter Ended | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|
| | 12/31/23 | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | 12/31/23 | 12/31/22 |
| Interest Revenue | $615.2 | $595.5 | $573.4 | $526.1 | $473.5 | $2,310.2 | $1,560.6 |
| Interest Expense | 280.6 | 266.5 | 239.9 | 171.9 | 114.2 | 958.8 | 209.3 |
| Net Interest Revenue | 334.6 | 329.0 | 333.6 | 354.3 | 359.4 | 1,351.4 | 1,351.3 |
| Noninterest Income | (311.5) | 74.0 | 86.7 | 34.5 | 80.2 | (116.3) | 342.5 |
| **Total Revenue** | **$23.1** | **$403.0** | **$420.2** | **$388.7** | **$439.6** | **$1,235.0** | **$1,693.8** |
| Noninterest Expense | 329.4 | 274.4 | 267.5 | 284.6 | 308.6 | 1,155.9 | 1,109.8 |
| Provision for Credit Losses | 38.0 | 17.0 | 15.0 | 10.0 | 6.0 | 80.0 | 7.0 |
| (Loss) income from continuing operations before income taxes | **($344.2)** | **$111.5** | **$137.7** | **$94.1** | **$124.9** | **($0.9)** | **$577.0** |
| Income tax (benefit) expense | (80.5) | 24.4 | 30.5 | 21.1 | 28.2 | (4.6) | 129.7 |
| (Loss) income from continuing operations | (263.7) | 87.2 | 107.3 | 73.0 | 96.7 | 3.7 | 447.3 |
| Income from discontinued operations | 706.1 | 7.2 | 9.2 | 5.0 | 2.6 | 727.6 | 22.4 |
| Income tax expense from discontinued operations | 183.3 | 1.8 | 2.5 | 1.4 | 1.4 | 189.0 | 6.4 |
| Income from discontinued operations, net of taxes | 522.8 | 5.4 | 6.8 | 3.6 | 1.2 | 538.6 | 15.9 |
| **Net Income** | **$259.1** | **$92.6** | **$114.0** | **$76.6** | **$97.9** | **$542.3** | **$463.2** |
| Less: Preferred dividends | 2.4 | 2.4 | 2.4 | 2.4 | 2.4 | 9.5 | 9.5 |
| **Net Income Available to Common Shareholders** | **$256.7** | **$90.2** | **$111.7** | **$74.3** | **$95.6** | **$532.8** | **$453.7** |
| | | | | | | | |
| Pre-tax pre-provision net revenue from continuing operations [1] | ($306.2) | $128.5 | $152.7 | $104.1 | $130.9 | $79.1 | $584.0 |
| Adjusted pre-tax pre-provision net revenue from continuing operations [1] | $137.9 | $145.3 | $159.5 | $169.6 | $192.5 | $612.3 | $699.6 |

[1] Considered a non-GAAP financial measure. See "Non-GAAP Measures and Ratio Reconciliation" in the appendix.
Note: Figures may not total due to rounding.

# Net Interest Income Dynamics

*$ in millions, unless otherwise indicated*

| | Fourth Quarter 2023 | | | | Third Quarter 2023 | | | | QoQ Compare | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Average Balance | Yield / Cost | Contribution to NIM $ | Contribution to NIM % | Average Balance | Yield / Cost | Contribution to NIM $ | Contribution to NIM % | Yield / Cost | Margin Impact |
| Loans & Leases, ex. accretion (TE) | $ 32,529 | 6.44% | $ 527.7 | 4.78% | $ 32,312 | 6.31% | $ 514.0 | 4.63% | 0.12% | 0.15% |
| Accretion Income on Acquired Loans | | 0.05% | 4.1 | 0.04% | | 0.08% | 6.6 | 0.06% | -0.03% | -0.02% |
| Loans Held For Sale | 113 | 4.97% | 1.4 | 0.01% | 116 | 5.04% | 1.5 | 0.01% | -0.07% | 0.00% |
| **Total Loans** | **$ 32,642** | **6.48%** | **$ 533.2** | **4.83%** | **$ 32,427** | **6.39%** | **$ 522.0** | **4.71%** | **0.09%** | **0.13%** |
| *Total Loans, ex. accretion* | *$ 32,642* | *6.43%* | *$ 529.1* | *4.80%* | *$ 32,427* | *6.31%* | *$ 515.5* | *4.65%* | *0.12%* | *0.15%* |
| Total Investment Securities (TE) | 9,301 | 2.48% | 58.2 | 0.53% | 10,004 | 2.11% | 53.3 | 0.48% | 0.37% | 0.05% |
| Other Investments | 1,813 | 5.41% | 24.7 | 0.22% | 1,574 | 5.36% | 21.3 | 0.19% | 0.05% | 0.03% |
| **Total Interest-Earning Assets (TE)** | **$ 43,756** | **5.59%** | **$ 616.2** | **5.59%** | **$ 44,006** | **5.38%** | **$ 596.6** | **5.38%** | **0.21%** | **0.21%** |
| Demand Deposits | $ 18,293 | 3.02% | $ 139.1 | 1.26% | $ 17,970 | 2.79% | $ 126.3 | 1.14% | -0.23% | -0.12% |
| Savings Deposits | 2,759 | 0.57% | 3.9 | 0.04% | 2,913 | 0.56% | 4.1 | 0.04% | -0.01% | 0.00% |
| Time Deposits | 7,538 | 4.23% | 80.3 | 0.73% | 7,661 | 3.99% | 77.1 | 0.69% | -0.24% | -0.03% |
| CD Mark Accretion | | -0.01% | (0.2) | 0.00% | | -0.01% | (0.2) | 0.00% | 0.00% | 0.00% |
| **Total Time Deposits** | **7,538** | **4.22%** | **80.1** | **0.73%** | **7,661** | **3.98%** | **76.9** | **0.69%** | **-0.24%** | **-0.03%** |
| **Total Interest-Bearing Deposits** | **28,589** | **3.10%** | **223.2** | **2.02%** | **28,544** | **2.88%** | **207.3** | **1.87%** | **-0.22%** | **-0.16%** |
| Non Interest Demand Deposits | 9,626 | | | | 9,925 | | | | | |
| **Total Deposits** | **$ 38,215** | **2.32%** | **$ 223.2** | **2.02%** | **$ 38,469** | **2.14%** | **$ 207.3** | **1.87%** | **-0.18%** | **-0.16%** |
| *Total Deposits, ex. accretion* | *$ 38,215* | *2.32%* | *$ 223.4* | *2.03%* | *$ 38,469* | *2.14%* | *$ 207.5* | *1.87%* | *-0.18%* | *-0.16%* |
| Short-Term Borrowings | 4,256 | 4.91% | 52.7 | 0.48% | 4,338 | 4.98% | 54.4 | 0.49% | 0.07% | 0.01% |
| Long-Term Borrowings | 444 | 4.18% | 4.7 | 0.04% | 450 | 4.22% | 4.8 | 0.04% | 0.04% | 0.00% |
| **Total Interest-Bearing Liabilities** | **$ 33,290** | **3.34%** | **$ 280.6** | **2.54%** | **$ 33,332** | **3.17%** | **$ 266.5** | **2.40%** | **-0.17%** | **-0.14%** |
| Non Interest Demand Deposits | 9,626 | | | | 9,925 | | | | | |
| **Total Cost of Funds** | **42,915** | **2.59%** | **280.6** | **2.54%** | **43,257** | **2.44%** | **266.5** | **2.40%** | **-0.15%** | **-0.14%** |
| **Net Interest Margin (TE)** | | | **$ 335.6** | **3.04%** | | | **$ 330.1** | **2.98%** | | **0.07%** |

Note: Figures may not total due to rounding.

# Mortgage Banking

*$ in millions, unless otherwise indicated*

| | Quarter Ended | | | | |
|---|---|---|---|---|---|
| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 |
| **Mortgage Servicing Rights ("MSR"):** | | | | | |
| Fair value, beginning of period | **$ 116.3** | $ 111.4 | $ 106.9 | $ 109.7 | $ 112.8 |
| Originations of servicing assets | **2.6** | 4.1 | 2.0 | 1.4 | 2.3 |
| Changes in fair value: | | | | | |
| Due to payoffs/paydowns | **(3.0)** | (2.1) | (2.6) | (1.1) | (2.3) |
| Due to update in valuation assumptions | **(9.0)** | 2.9 | 5.1 | (3.1) | (3.0) |
| Fair value, end of period | **$ 106.8** | $ 116.3 | $ 111.4 | $ 106.9 | $ 109.7 |
| Mortgage loans serviced | **$ 7,702.6** | $ 7,643.9 | $ 7,550.7 | $ 7,633.2 | $ 7,692.7 |
| MSR/mortgage loans serviced | **1.39%** | 1.52% | 1.48% | 1.40% | 1.43% |
| **Mortgage Banking Revenue:** | | | | | |
| Origination Revenue | **$ 1.0** | $ 2.0 | $ 3.5 | $ 3.3 | $ 1.8 |
| Servicing Revenue | **5.9** | 5.9 | 5.9 | 6.1 | 5.9 |
| MSR Payoffs/Paydowns | **(3.0)** | (2.1) | (2.6) | (1.1) | (2.3) |
| Mortgage Production and Servicing Revenue | **3.9** | 5.8 | 6.8 | 8.4 | 5.4 |
| Mortgage Servicing Rights Valuation Adjustment | **(5.1)** | (0.2) | 1.6 | (2.3) | (2.8) |
| Total Mortgage Banking Revenue | **$ (1.1)** | $ 5.7 | $ 8.4 | $ 6.1 | $ 2.6 |
| Production Volume | **$ 434.7** | $ 615.2 | $ 848.9 | $ 454.2 | $ 554.5 |
| Purchase Money Production | **392.5** | 561.9 | 783.9 | 401.4 | 475.0 |
| Mortgage Loans Sold | **226.8** | 293.9 | 149.6 | 115.1 | 163.9 |
| Margin on Loans Sold | **0.46%** | 0.69% | 2.34% | 2.91% | 1.09% |
| Current Pipeline | **$ 166.1** | $ 184.6 | $ 220.4 | $ 115.6 | $ 85.4 |
| Mortgage Originators | **184** | 192 | 201 | 206 | 207 |

# Loan Portfolio by Credit Grades

*$ in millions, unless otherwise indicated*

| | Pass | Special Mention | Substandard | Loss | Impaired | Purchased Credit Deteriorated (Loss) | Total |
|---|---|---|---|---|---|---|---|
| | | | | **December 31, 2023** | | | |
| Non-real estate | $ 8,451 | $ 102 | $ 295 | $ 0 | $ 84 | $ 4 | $ 8,936 |
| Owner occupied | 4,287 | 32 | 27 | — | 1 | 1 | 4,349 |
| **Total commercial and industrial** | **12,738** | **134** | **322** | **0** | **86** | **5** | **13,285** |
| Construction, acquisition and development | 3,895 | 3 | 13 | — | — | — | 3,911 |
| Income producing | 5,527 | 24 | 170 | — | 16 | — | 5,737 |
| **Total commercial real estate** | **9,422** | **27** | **183** | **—** | **16** | **—** | **9,648** |
| Residential mortgages | 9,258 | 4 | 66 | — | — | 2 | 9,330 |
| Other consumer | 234 | — | 0 | — | — | — | 235 |
| **Total consumer** | **9,492** | **4** | **67** | **—** | **—** | **2** | **9,565** |
| **Total loans and leases, net of unearned** | **$ 31,652** | **$ 165** | **$ 572** | **$ 0** | **$ 101** | **$ 7** | **$ 32,497** |
| | | | | **September 30, 2023** | | | |
| Non-real estate | $ 8,690 | $ 100 | $ 389 | — | $ 15 | $ 5 | $ 9,199 |
| Owner occupied | 4,282 | 30 | 47 | — | 1 | 1 | 4,362 |
| **Total commercial and industrial** | **12,972** | **131** | **436** | **—** | **17** | **6** | **13,561** |
| Construction, acquisition and development | 3,799 | 3 | 18 | — | — | — | 3,819 |
| Income producing | 5,519 | 65 | 125 | — | 11 | — | 5,721 |
| **Total commercial real estate** | **9,318** | **68** | **142** | **—** | **11** | **—** | **9,540** |
| Residential mortgages | 9,115 | 1 | 68 | — | — | 2 | 9,186 |
| Other consumer | 234 | — | 0 | — | — | — | 234 |
| **Total consumer** | **9,348** | **1** | **69** | **—** | **—** | **2** | **9,420** |
| **Total loans and leases, net of unearned** | **$ 31,638** | **$ 200** | **$ 647** | **$ —** | **$ 28** | **$ 7** | **$ 32,521** |

# Allowance for Credit Losses

*$ in millions, unless otherwise indicated*

| | Quarter Ended | | | | |
|---|---|---|---|---|---|
| | 12/31/23 | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 |
| **Allowance for Credit Losses** | | | | | |
| Balance, beginning of period | $ 447 | $ 466 | $ 454 | $ 440 | $ 433 |
| Commercial and industrial | (21) | (35) | (14) | (3) | (2) |
| Commercial real estate | (2) | (1) | (0) | (2) | (0) |
| Consumer | (3) | (2) | (2) | (2) | (3) |
| **Total loans charged-off** | **(27)** | **(37)** | **(16)** | **(7)** | **(5)** |
| Commercial and industrial | 2 | 2 | 1 | 3 | 6 |
| Commercial real estate | 0 | 0 | 1 | 1 | 3 |
| Consumer | 1 | 1 | 1 | 1 | 1 |
| **Total recoveries** | **3** | **3** | **3** | **5** | **10** |
| **Net (charge-offs) recoveries** | **(24)** | **(34)** | **(13)** | **(2)** | **5** |
| Adoption of new ASU related to modified loans [1] | — | — | — | 0 | — |
| Provision for credit losses | 45 | 15 | 25 | 15 | 2 |
| **Balance, end of period** | **$ 468** | **$ 447** | **$ 466** | **$ 454** | **$ 440** |
| **Reserve for Unfunded Commitments [2]** | | | | | |
| Balance, beginning of period | $ 16 | $ 14 | $ 24 | $ 29 | $ 25 |
| Provision (release) for credit losses for unfunded commitments | (7) | 2 | (10) | (5) | 4 |
| **Balance, end of period** | **$ 9** | **$ 16** | **$ 14** | **$ 24** | **$ 29** |

(1) Effective 1/1/23, the TDR recognition and measurement guidance via the modified retrospective transition method was eliminated in the new accounting guidance (ASU 2022-02).
(2) The Reserve for Unfunded Commitments is classified in other liabilities on the consolidated balance sheets.

CADENCE Bank

# Non-GAAP Reconciliation

*$ in millions, unless otherwise indicated*

| | Quarter Ended | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|
| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
| (Loss) income from continuing operations | **$ (264)** | $ 87 | $ 107 | $ 73 | $ 97 | **$ 4** | $ 447 |
| Plus: Merger Expense | **-** | - | 0 | 5 | 20 | **5** | 51 |
| Incremental Merger Related Expense | **8** | - | 2 | 9 | 33 | **18** | 52 |
| Gain on extinguishment of debt | **(1)** | - | (1) | - | - | **(2)** | - |
| Restructuring and other nonroutine items | **42** | 10 | 6 | 0 | 2 | **58** | 3 |
| Pension Settlement Expense | **11** | 1 | - | - | 6 | **12** | 9 |
| Less: Security Gains (Losses) | **(385)** | 0 | 0 | (51) | (1) | **(436)** | (0) |
| Nonroutine gains (losses), net | **-** | (7) | - | - | - | **(7)** | - |
| Tax Adjustment | **105** | 4 | 2 | 15 | 15 | **126** | 27 |
| Adjusted income from continuing operations | **$ 75** | $ 100 | $ 112 | $ 123 | $ 144 | **$ 411** | $ 535 |
| Less: Preferred Dividends | **2** | 2 | 2 | 2 | 2 | **9** | 9 |
| **Adjusted income from continuing operations available to common shareholders** | **$ 73** | **$ 98** | **$ 110** | **$ 121** | **$ 141** | **$ 401** | $ 526 |

| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
|---|---|---|---|---|---|---|---|
| (Loss) income from continuing operations | **$ (264)** | $ 87 | $ 107 | $ 73 | $ 97 | **$ 4** | $ 447 |
| Plus: Provision for Credit Losses | **38** | 17 | 15 | 10 | 6 | **80** | 7 |
| Income Tax Expense | **(80)** | 24 | 30 | 21 | 28 | **(5)** | 130 |
| **Pre-tax pre-provision net revenue from continuing operations** | **$ (306)** | **$ 129** | **$ 153** | **$ 104** | **$ 131** | **$ 79** | $ 584 |

| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
|---|---|---|---|---|---|---|---|
| (Loss) income from continuing operations | **(264)** | $ 87 | $ 107 | $ 73 | $ 97 | **4** | $ 447 |
| Plus: Provision for Credit Losses | **38** | 17 | 15 | 10 | 6 | **80** | 7 |
| Merger Expense | **-** | - | 0 | 5 | 20 | **5** | 51 |
| Incremental Merger Related Expense | **8** | - | 2 | 9 | 33 | **18** | 52 |
| Gain on extinguishment of debt | **(1)** | - | (1) | - | - | **(2)** | - |
| Restructuring and other nonroutine items | **42** | 10 | 6 | 0 | 2 | **58** | 3 |
| Pension Settlement Expense | **11** | 1 | - | - | 6 | **12** | 9 |
| Income Tax Expense | **(80)** | 24 | 30 | 21 | 28 | **(5)** | 130 |
| Less: Security Gains (Losses) | **(385)** | 0 | 0 | (51) | (1) | **(436)** | (0) |
| Nonroutine gains (losses), net | **-** | (7) | - | - | - | **(7)** | - |
| **Adjusted pre-tax pre-provision net revenue from continuing operations** | **$ 138** | **$ 145** | **$ 160** | **$ 170** | **$ 193** | **$ 612** | $ 700 |

| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
|---|---|---|---|---|---|---|---|
| Total noninterest revenue | **$ (311)** | $ 74 | $ 87 | $ 34 | $ 80 | **$ (116)** | $ 342 |
| Less: Security gains (losses), net | **(385)** | 0 | 0 | (51) | (1) | **(436)** | (0) |
| Nonroutine gains (losses), net | **-** | (7) | - | - | - | **(7)** | - |
| **Total adjusted noninterest revenue** | **$ 73** | **$ 81** | **$ 87** | **$ 86** | **$ 81** | **$ 326** | **$ 343** |

| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
|---|---|---|---|---|---|---|---|
| Total Noninterest Expense | **$ 329** | $ 274 | $ 267 | $ 285 | $ 309 | **$ 1,156** | $ 1,110 |
| Less: Merger Expense | **-** | - | 0 | 5 | 20 | **5** | 51 |
| Incremental Merger Related Expense | **8** | - | 2 | 9 | 33 | **18** | 52 |
| Gain on extinguishment of debt | **(1)** | - | (1) | - | - | **(1)** | - |
| Restructuring and other nonroutine items | **42** | 10 | 6 | 0 | 2 | **58** | 3 |
| Pension Settlement Expense | **11** | 1 | - | - | 6 | **12** | 9 |
| **Total adjusted noninterest expense** | **$ 270** | **$ 264** | **$ 261** | **$ 270** | **$ 248** | **$ 1,065** | $ 995 |

[1] See Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions note in Table 14 of the Fourth Quarter 2023 and Annual Financial Results press release.

# Non-GAAP Reconciliation, continued

*$ in millions, unless otherwise indicated*

| | | Quarter Ended | | | | | | | | | Year Ended | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **12/31/23** | | 9/30/23 | | 6/30/23 | | 3/31/23 | | 12/31/22 | | **12/31/23** | | 12/31/22 |
| Total Assets | **$** | **48,935** | $ | 48,523 | $ | 48,839 | $ | 51,693 | $ | 48,653 | **$** | **48,935** | $ | 48,653 |
| Less: Goodwill | | **1,368** | | 1,368 | | 1,368 | | 1,368 | | 1,368 | | **1,368** | | 1,368 |
| Other Identifiable Intangible Assets | | **100** | | 105 | | 109 | | 115 | | 120 | | **100** | | 120 |
| Total tangible assets | **$** | **47,467** | $ | 47,051 | $ | 47,362 | $ | 50,210 | $ | 47,166 | **$** | **47,467** | $ | 47,166 |
| Less: Accumulated other comprehensive loss | | **(762)** | | (1,310) | | (1,163) | | (1,082) | | (1,223) | | **(762)** | | (1,223) |
| **Total tangible assets, excluding AOCI** | **$** | **48,228** | **$** | **48,361** | **$** | **48,525** | **$** | **51,292** | **$** | **48,389** | **$** | **48,228** | **$** | **48,389** |
| Total Shareholders' Equity | **$** | **5,168** | $ | 4,395 | $ | 4,486 | $ | 4,490 | $ | 4,311 | **$** | **5,168** | $ | 4,311 |
| Less: Accumulated other comprehensive loss | | **(762)** | | (1,310) | | (1,163) | | (1,082) | | (1,223) | | **(762)** | | (1,223) |
| **Total shareholders' equity, ex. AOCI** | **$** | **5,930** | **$** | **5,705** | **$** | **5,649** | **$** | **5,572** | **$** | **5,534** | **$** | **5,930** | **$** | **5,534** |
| Total Shareholders' Equity | **$** | **5,168** | $ | 4,395 | $ | 4,486 | $ | 4,490 | $ | 4,311 | **$** | **5,168** | $ | 4,311 |
| Less: Preferred Stock | | **167** | | 167 | | 167 | | 167 | | 167 | | **167** | | 167 |
| Less: Accumulated other comprehensive loss | | **(762)** | | (1,310) | | (1,163) | | (1,082) | | (1,223) | | **(762)** | | (1,223) |
| **Total common shareholders' equity, ex. AOCI** | **$** | **5,763** | **$** | **5,538** | **$** | **5,482** | **$** | **5,405** | **$** | **5,367** | **$** | **5,763** | **$** | **5,367** |
| Total Shareholders' Equity[1] | **$** | **4,507** | $ | 4,505 | $ | 4,539 | $ | 4,396 | $ | 4,216 | **$** | **4,487** | $ | 4,574 |
| Less: Goodwill[1] | | **1,368** | | 1,368 | | 1,368 | | 1,368 | | 1,370 | | **1,368** | | 1,344 |
| Other Identifiable Intangible Assets[1] | | **103** | | 107 | | 113 | | 118 | | 122 | | **110** | | 154 |
| Preferred Stock[1] | | **167** | | 167 | | 167 | | 167 | | 167 | | **167** | | 167 |
| **Total Tangible Common Shareholders' Equity[1]** | **$** | **2,870** | **$** | **2,863** | **$** | **2,891** | **$** | **2,744** | **$** | **2,556** | **$** | **2,843** | **$** | **2,910** |
| Total Shareholders' Equity | **$** | **5,168** | $ | 4,395 | $ | 4,486 | $ | 4,490 | $ | 4,311 | **$** | **5,168** | $ | 4,311 |
| Less: Goodwill | | **1,368** | | 1,368 | | 1,368 | | 1,368 | | 1,368 | | **1,368** | | 1,368 |
| Other identifiable Intangible Assets | | **100** | | 105 | | 109 | | 115 | | 120 | | **100** | | 120 |
| Preferred Stock | | **167** | | 167 | | 167 | | 167 | | 167 | | **167** | | 167 |
| Total Tangible Common Shareholders' Equity | **$** | **3,533** | $ | 2,756 | $ | 2,842 | $ | 2,841 | $ | 2,657 | **$** | **3,533** | $ | 2,657 |
| Less: Accumulated other comprehensive loss | | **(762)** | | (1,310) | | (1,163) | | (1,082) | | (1,223) | | **(762)** | | (1,223) |
| **Total tangible common shareholders' equity, ex. AOCI** | **$** | **4,295** | **$** | **4,066** | **$** | **4,005** | **$** | **3,922** | **$** | **3,880** | **$** | **4,295** | **$** | **3,880** |
| Total Average Assets | **$** | **48,444** | $ | 48,655 | $ | 49,067 | $ | 48,652 | $ | 47,790 | **$** | **48,704** | $ | 47,533 |
| Total Shares of Common Stock Outstanding (millions) | | **182.9** | | 182.6 | | 182.6 | | 182.7 | | 182.4 | | **182.9** | | 182.4 |
| Average Diluted Shares Outstanding (millions) | | **182.7** | | 184.6 | | 183.6 | | 183.9 | | 183.8 | | **182.6** | | 184.5 |

[1] Average balances.

[2] See Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions note in Table 14 of the Fourth Quarter 2023 and Annual Financial Results press release.

# Non-GAAP Reconciliation, continued

| | Quarter Ended | | | | | Year Ended | |
|---|---|---|---|---|---|---|---|
| | **12/31/23** | 9/30/23 | 6/30/23 | 3/31/23 | 12/31/22 | **12/31/23** | 12/31/22 |
| Tangible Common Shareholders' Equity to Tangible Assets (1) | **7.44%** | 5.86% | 6.00% | 5.66% | 5.63% | **7.44%** | 5.63% |
| Tangible Common Shareholders' Equity to Tangible Assets, excluding AOCI (2) | **8.90%** | 8.41% | 8.25% | 7.65% | 8.02% | **8.90%** | 8.02% |
| Return on average tangible common equity from continuing operations (3) | **(36.79%)** | 11.75% | 14.55% | 10.44% | 14.64% | **(0.20%)** | 15.05% |
| Return on Average Tangible Common Equity (3) | **35.49%** | 12.50% | 15.49% | 10.97% | 14.83% | **18.74%** | 15.59% |
| Adjusted Return on Average Tangible Common Equity (4) | **10.06%** | 13.53% | 15.27% | 17.84% | 21.94% | **14.11%** | 18.08% |
| Adjusted Return on Average Assets (5) | **0.62%** | 0.82% | 0.92% | 1.03% | 1.19% | **0.84%** | 1.13% |
| Adjusted Return on Average Common Shareholders' Equity (6) | **6.65%** | 8.93% | 10.10% | 11.58% | 13.85% | **9.29%** | 11.94% |
| Pre-tax Pre-provision Net Revenue to Total Average Assets (7) | **(2.51%)** | 1.05% | 1.25% | 0.87% | 1.09% | **0.16%** | 1.23% |
| Adjusted Pre-tax Pre-provision Net Revenue to Total Average Assets (8) | **1.13%** | 1.18% | 1.30% | 1.41% | 1.60% | **1.26%** | 1.47% |
| Tangible Book Value per Common Share (9) | **$ 19.32** | $ 15.09 | $ 15.56 | $ 15.55 | $ 14.56 | **$ 19.32** | $ 14.56 |
| Tangible Book Value per Common Share, excluding AOCI (10) | **$ 23.48** | $ 22.26 | $ 21.93 | $ 21.47 | $ 21.27 | **$ 23.48** | $ 21.27 |
| Adjusted Earnings per Common Share (11) | **$ 0.40** | $ 0.53 | $ 0.60 | $ 0.66 | $ 0.77 | **$ 2.20** | $ 2.85 |
| Adjusted Dividend Payout Ratio (12) | **58.75%** | 44.34% | 39.17% | 35.61% | 28.57% | **42.73%** | 30.88% |

* The following slide provides a more detailed explanation of these calculations.

(1) See Reconciliation of Non-GAAP Measures and Other Non-GAAP Ratio Definitions note in Table 14 of the Fourth Quarter 2023 and Annual Financial Results press release.

# Non-GAAP Reconciliation, continued

**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 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) 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.

(5) 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.

(6) 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.

(7) 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.

(8) 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.

(9) Tangible book value per common share is defined by the Company as tangible common shareholders' equity divided by total shares of common stock outstanding.

(10) 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.

(11) 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.

(12) 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. The adjusted efficiency ratio excludes income and expense items otherwise disclosed as non-routine from total noninterest expense.

# Forward-Looking Statements

*Certain statements made in this presentation constitute “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and are subject to safe harbor under the Private Securities Litigation Reform Act of 1995 as well as the “bespeaks caution” doctrine. The Company believes that the expectations reflected in these forward-looking statements are reasonable as of the date of this news release, but 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. The forward-looking statements in this presentation should be read in conjunction with risk disclosures in the Company’s periodic and current reports filed with the FDIC, including explicitly, the risk factors in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022, in the Company’s Quarterly Reports on Form 10-Q, and in the Company’s Current Reports on Form 8-K, which may be found at https://ir.cadencebank.com/home. The forward-looking statements speak only as of the date of this news release, and the Company expressly disclaims any obligation to publicly update or review any forward-looking statement, except as required by applicable law.*

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Cadence Bank's common stock is listed on the New York Stock Exchange under the symbol CADE and its Series A Preferred Stock is listed under the symbol CADE-PrA. Additional information can be found at https://ir.cadencebank.com.*

As a reminder, all of the Company's Securities Exchange Act filings are made with the Federal Deposit Insurance Corporation and can be found at https://efr.fdic.gov/fcxweb/efr/index.html.

## INVESTOR INQUIRIES:

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*References to Cadence Bank's website does not constitute incorporation by reference of the information contained on the website and is not, and should not be, deemed part of this presentation.

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