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Republic Bancorp, Inc. Reports First Quarter 2023 Net Income of \$28.1 Million

April 20, 2023

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Republic Bancorp, Inc. (NASDAQ: RBCAA), headquartered in Louisville, Kentucky, is the holding company of Republic Bank & Trust Company (the “Bank”).

Louisville, KY – [Republic Bancorp, Inc.](#) (“Republic” or the “Company”) reported first quarter 2023 net income and Diluted Earnings per Class A Common Share (“Diluted EPS”) of \$28.1 million and \$1.42 per share.

As presented in the table below, Republic’s Total Company Operating net income was \$31.8 million for the first quarter of 2023, an increase of \$7.2 million, or 29%, over its Total Company Operating net income, a non-GAAP metric, for the first quarter of 2022. Republic’s Operating net income for the first quarter of 2023 was adjusted for the impact to net income of the Day-1 Provision and estimated merger expenses of the CBank acquisition, while its first quarter 2022 Operating net income was adjusted for the impact to net income of the termination penalty the Company received for the cancelled sale of its tax business.

	Year to date				Diluted Earnings Per Class A Common Share			
	Mar. 31, 2023	Mar. 31, 2022	\$ Change	% Change	Mar. 31, 2023	Mar. 31, 2022	\$ Change	% Change
<i>(dollars in thousands, except per share data)</i>								
Total Company Net Income, As Reported	\$ 28,092	\$ 28,350	\$ (258)	(1)%	\$ 1.42	\$ 1.42	\$ -	— %
Adjustments:								
Add Back the Impact of CBank Day 1 Provisions, Net of Taxes	2,092	—	2,092	—	0.11	—	0.11	—
Add Back the Impact of CBank Merger Expenses, Net of Taxes	1,613	—	1,613	—	0.08	—	0.08	—
Reduce for the Impact of the Termination Penalty Received for Cancelled TRS Transaction, Net of Taxes	—	(3,772)	3,772	—	—	(0.19)	0.19	—
Total Company Operating Net Income - non-GAAP	\$ 31,797	\$ 24,578	\$ 7,219	29	\$ 1.61	\$ 1.23	\$ 0.38	31

[Logan Pichel](#), President and CEO of the Bank commented, “When adjusting for the items noted above that are outside of our normal recurring operations, our Operating net income for both the Total Company and the Core Bank during the first quarter of 2023 were strong and significantly better than the comparable Operating net income for the first quarter of 2022. Our quarter-over-quarter growth in first quarter Operating net income reflected the continued benefits of the Bank’s sound interest rate risk management function and solid core deposit base, prudent loan growth within the Traditional Bank, disciplined expense management, and continued historically low credit losses within the Core Bank.”

Core Bank’s net income was \$10.3 million for the first quarter of 2023, an increase of \$2.7 million, or 35%, over its net income for the first quarter of 2022. As reflected in the table below, the Core Bank’s adjusted Operating net income was \$14.0 million for the first quarter of 2023, an increase of \$6.4 million, or 84%, over its adjusted Operating net income for the first quarter of 2022. Republic’s Core Bank Operating net income for the first quarter of 2023 was adjusted for the impact to net income of the Day-1 Provision and estimated merger expenses of the CBank acquisition. There were no adjustments to net income related to the Core Bank for the first quarter of 2022.

<i>(dollars in thousands)</i>	Year to date			
	Mar. 31, 2023	Mar. 31, 2022	\$ Change	% Change
Core Bank Net Income, As Reported	\$ 10,308	\$ 7,608	\$ 2,700	35 %
Adjustments:				
Add Back the Impact of CBank Day 1 Provisions, Net of Taxes	2,092	—	2,092	—
Add Back the Impact of CBank Merger Expenses, Net of Taxes	1,613	-	1,613	—
Core Bank Operating Net Income - non-GAAP	\$ 14,013	\$ 7,608	\$ 6,405	84

Pichel further commented, “Within our Traditional Bank, excluding the loans we acquired as part of the CBank merger, we had another strong quarter of loan growth of \$92 million to further build upon the \$353 million of loan growth during 2022. The largest driver of Traditional Bank growth during the first quarter of 2023 from a market perspective was from our Louisville-based Private Banking and Commercial-related divisions along with steady contributions from Northern Kentucky/Cincinnati, Florida and Nashville. As we previously noted, we also completed our merger with CBank on March 15th adding another \$218 million of loans and leases to our Traditional Bank outstanding loan balances. We are extremely excited to pair the Republic and CBank cultures together and look forward to further increasing our market share in the Greater Cincinnati area with the help of CBank’s fantastic sales team.

In addition to the strong loan growth during the first quarter within our Core Bank, we were also able to maintain another strong quarter of net interest margin of 3.98%. Our low-cost deposit base continued to be a key contributor to the year-long expansion we have experienced in our net interest margin within our Core Bank. Noninterest-bearing deposits, in particular, within our Core Bank averaged \$1.49 billion for the first quarter of 2023, and represented 36% of our average total deposits of the Core Bank for the quarter. The true value of a bank’s franchise is its core deposit base, and we are extremely proud of the deposit base and corresponding franchise value we have built at Republic since our inception.

As it relates to expense control, we have implemented a lot of disciplines over the past few years to moderate our expenses and become a more efficient organization. As a result, our total Company non-interest expenses for the quarter, excluding the Day-1 CBank expenses, increased \$1.8 million⁽⁴⁾, or 4%⁽⁴⁾, from the first quarter of last year. This has been a huge focus for everyone across our organization and we are extremely proud of our on-going results.

“Of course, the big story across the banking industry during the first quarter was the two bank failures. It is circumstances like this that illustrate the true value of an investment in, and a banking relationship with, a community bank such as Republic Bank. With a significant ownership stake in our Company, our management team manages the various risks of being a bank with the long-term horizon in mind. This approach to risk management is something that differentiates us from many others. Our long-term horizon for risk management is the primary reason that Republic Bank traditionally places among the best capitalized banks in the country, and our Core Bank consistently places among the best, as well, for its low credit losses. Rest assured that that we will continue to operate the Company to be here for its communities, its clients, its associates, and its shareholders for many years to come,” concluded Pichel.

The following table highlights Republic’s key metrics for the three months ended March 31, 2023 and 2022. Additional financial details, including segment-level data, are provided in the financial supplement to this release. *The attached digital version of this release includes the financial supplement as an appendix. The financial supplement may also be found as Exhibit 99.2 of the Company’s Form 8-K filed with the SEC on April 20, 2023.*

<i>(dollars in thousands, except per share data)</i>	Total Company Financial Performance Highlights			
	Three Months Ended Mar. 31,			
	2023	2022	\$ Change	% Change
Income Before Income Tax Expense	\$ 36,114	\$ 36,369	\$ (255)	(1)%
Net Income	28,092	28,350	(258)	(1)
Diluted EPS	1.42	1.42	-	—
Return on Average Assets ("ROA")	1.81 %	1.77 %	NA	2
Return on Average Equity ("ROE")	12.78	13.37	NA	(4)

NA – Not applicable

Results of Operations for the First quarter of 2023 Compared to the First quarter of 2022

Core Bank⁽¹⁾

As previously noted, Operating net income for the Core Bank was \$14.0 million for the first quarter of 2023 compared to \$7.6 million for the first quarter of 2022. Continuing the trend from the second half of 2022, an increase in Traditional Bank net interest income was the primary driver to the Core Bank’s earnings growth for the quarter and helped to offset declines in Mortgage Banking income and net interest income within the Warehouse Lending (“Warehouse”) segment.

Net Interest Income – Core Bank net interest income was \$52.3 million for the first quarter of 2023, an \$11.4 million, or 28%, increase over the first quarter of 2022. In addition, the Core Bank’s net interest margin (“NIM”) increased from 2.92% during the first quarter of 2022 to 3.98% during the first quarter of 2023. This increase was driven primarily by the following in each Core Bank segment:

Traditional Bank

The Traditional Bank’s net interest income increased \$14.0 million, or 39%, and its NIM expanded 117 basis points to 4.07% from the first quarter of 2022 to the first quarter of 2023. This increase in net interest income and the related expansion in NIM resulted primarily from the benefits of the Company’s low-cost core deposit base and strong year-over-year growth in average loan balances. These benefits were partially offset by a decline in the Company’s average interest-earning cash balances, with these balances near more normal, historical levels during the first quarter of 2023 as the excess liquidity from the various government stimulus programs related to COVID continued to wane throughout the industry. The following highlights some of the more impactful items affecting net interest income during the quarter for the Traditional Bank.

- Average Traditional Bank loans grew from \$3.5 billion with a weighted-average yield of 3.95% during the first quarter of 2022 to \$3.9 billion with a weighted average yield of 4.59% during the first quarter of 2023.
- Average investments grew to \$773 million with a weighted-average yield of 2.61% during the first quarter of 2023 from \$606 million with a weighted-average yield of 1.39% for the first quarter of 2022.
- The Traditional Bank’s cost of average total deposits, including the positive benefit of its average noninterest-bearing deposits, increased from 0.08% during the first quarter of 2022 to 0.47% for the first quarter of 2023.

- Average interest-earning cash was \$238 million with a weighted-average yield of 4.55% during the first quarter of 2023 compared to \$858 million with a weighted-average yield of 0.20% for the first quarter of 2022. The decline in average cash balances was driven generally by the cash change in cash used to fund the increases in average investments and loans along with the decreases in average deposit balances from quarter to quarter.

Warehouse Lending

Net interest income within the Warehouse segment decreased \$2.4 million, or 54%, from the first quarter of 2022 to the first quarter of 2023, driven by decreases in both average outstanding balances and net interest margin. Overall, average outstanding Warehouse balances declined from \$585 million during the first quarter of 2022 to \$330 million for the first quarter of 2023.

In addition, the Warehouse net interest margin decreased 56 basis points from 3.09% during the first quarter of 2022 to 2.53% during the first quarter of 2023. The decline in the Warehouse net interest margin generally occurred as the rise in its funding costs, as charged through the Company's internal funds-transfer-pricing ("FTP") methodology, outpaced the increase in the Warehouse loan yield since rates began rising in March of 2022.

The following tables present by reportable segment the overall changes in the Core Bank's net interest income, net interest margin, as well as average and period-end loan balances:

<i>(dollars in thousands)</i> Reportable Segment	Net Interest Income			Net Interest Margin		
	Three Months Ended Mar. 31,			Three Months Ended Mar. 31,		
	2023	2022	Change	2023	2022	Change
Traditional Banking - Legacy	\$ 49,717	\$ 36,148	\$ 13,569	4.05 %	2.90 %	1.15 %
Traditional Banking - CBank**	390	-	390	NM	NM	NM
Total Traditional Banking	50,107	36,148	13,959	4.07	2.90	1.17
Warehouse Lending	2,087	4,515	(2,428)	2.53	3.09	(0.56)
Mortgage Banking*	61	204	(143)	NM	NM	NM
Total Core Bank	\$ 52,255	\$ 40,867	\$ 11,388	3.98	2.92	1.06

<i>(dollars in thousands)</i> Reportable Segment	Average Loan Balances				Period-End Loan Balances			
	Three Months Ended Mar. 31,				Mar. 31,	Dec. 31,		
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
Traditional Banking - Legacy	\$ 3,869,734	\$ 3,520,173	\$ 349,561	10 %	\$ 3,947,137	\$ 3,855,142	\$ 91,995	2 %
Traditional Banking - CBank	41,109	-	41,109	NM	218,040	-	218,040	NM
Total Traditional Banking	3,910,843	3,520,173	390,670	11	\$ 4,165,177	3,855,142	310,035	8
Warehouse Lending	329,716	584,519	(254,803)	(44)	457,365	403,560	53,805	13
Mortgage Banking*	2,545	18,810	(16,265)	(86)	1,034	1,302	(268)	(21)
Total Core Bank	\$ 4,243,104	\$ 4,123,502	\$ 119,602	3	\$ 4,623,576	\$ 4,260,004	\$ 363,572	9

*Includes loans held for sale

** CBank was acquired on 3/15/2023. The figures presented above include the related activity for the period 3/16/2023 to 3/31/2023.

NM – Not meaningful

Provision for Expected Credit Loss Expense – The Core Bank’s Provision⁽²⁾ was a net charge of \$3.1 million during the first quarter of 2023 compared to a net credit of \$81,000 for the first quarter of 2022.

The net charge during the first quarter of 2023 was primarily driven by the Day-1 Provision for CBank of \$2.7 million. The remaining net charge of \$430,000 to the Core Bank Provision was primarily from general formula reserves applied to \$92 million of Traditional Bank loan growth from December 31, 2022, to March 31, 2023, as well as \$54 million of spot balance warehouse loan growth during the same period. The net credit during the first quarter of 2022 was primarily driven by a decline in formula reserves resulting from lower period-end Warehouse balances, partially offset by increased formula reserves tied to strong Traditional Bank loan growth during the quarter.

As of March 31, 2023, while its credit metrics remained solid, the Core Bank’s Allowance remained generally elevated compared to historical levels due to continued uncertainty regarding inflation and the potential impacts to the economy from Federal Reserve actions to bring inflation under control. As a percentage of total loans, the Core Bank’s Allowance⁽²⁾ increased from 1.21% as of March 31, 2022, to 1.22% as of March 31, 2023. The table below provides a view of the Company’s percentage of Allowance-to-total-loans by reportable segment.

(dollars in thousands) Reportable Segment	As of Mar. 31, 2023			As of Dec. 31, 2022			Quarterly Change	
	Gross Loans	Allowance	Allowance to Loans	Gross Loans	Allowance	Allowance to Loans	Allowance to Loans	% Change
Traditional Bank - Legacy	\$ 3,947,137	\$ 50,932	1.29 %	\$ 3,855,142	\$ 49,616	1.29 %	— %	— %
Traditional Banking - CBank	218,040	4,284	1.96	—	—	—	1.96	—
Total Traditional Bank	4,165,177	55,216	1.33	3,855,142	49,616	1.29	0.04	3
Warehouse Lending	457,365	1,144	0.25	403,560	1,725	0.43	(0.18)	(41.86)
Total Core Bank	4,622,542	56,360	1.22	4,258,702	51,341	1.21	0.01	1
Tax Refund Solutions	39,992	25,981	64.97	149,272	8,370	5.61	59.36	1,058
Republic Credit Solutions	111,700	13,780	12.34	107,828	11,945	11.08	1.26	11
Total Republic Processing Group	151,692	39,761	26.21	257,100	20,315	7.90	18.31	232
Total Company	\$ 4,774,234	\$ 96,121	2.01 %	\$ 4,515,802	\$ 71,656	1.59 %	0.42 %	26 %

(dollars in thousands) Reportable Segment	ACLL Roll-Forward Three Months Ended March 31,										
	2023						2022				
	Beginning Balance	CBank Adjustment*	Provision	Charge-offs	Recoveries	Ending Balance	Beginning Balance	Provision	Charge-offs	Recoveries	Ending Balance
Traditional Bank - Legacy	\$ 50,709	\$ —	\$ 300	\$ (331)	\$ 254	\$ 50,932	\$ 49,407	\$ 327	\$ (263)	\$ 145	\$ 49,616
Traditional Banking - CBank	—	1,600	2,684	—	—	4,284	—	—	—	—	—
Total Traditional Bank	50,709	1,600	2,984	(331)	254	55,216	49,407	327	(263)	145	49,616
Warehouse Lending	1,009	—	135	—	—	1,144	—	2,126	(401)	—	1,725
Total Core Bank	51,718	1,600	3,119	(331)	254	56,360	51,533	(74)	(263)	145	51,341
Tax Refund Solutions	3,888	—	21,808	—	285	25,981	96	7,912	—	362	8,370
Republic Credit Solutions	14,807	—	1,839	(3,099)	233	13,780	12,948	1,395	(2,673)	275	11,945
Total Republic Processing Group	18,695	—	23,647	(3,099)	518	39,761	13,044	9,307	(2,673)	637	20,315
Total Company	\$ 70,413	\$ 1,600	\$ 26,766	\$ (3,430)	\$ 772	\$ 96,121	\$ 64,577	\$ 9,233	\$ (2,936)	\$ 782	\$ 71,656

* The net fair value adjustment to ACLL includes an estimate of lifetime credit losses for Purchased Credit Deteriorated loans.

The table below presents the Core Bank’s credit quality metrics:

Core Banking Credit Quality Ratios	Quarters Ended:		Years Ended:		
	Mar. 31, 2023	Mar. 31, 2022	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
	Nonperforming loans to total loans	0.34 %	0.40 %	0.37 %	0.47 %
Nonperforming assets to total loans (including OREO)	0.38	0.44	0.40	0.51	0.56
Delinquent loans* to total loans	0.12	0.14	0.14	0.17	0.21
Net charge-offs to average loans (Quarterly rates annualized)	0.01	0.01	0.00	0.01	0.03

OREO = Other Real Estate Owned

*Loans 30-days-or-more past due

Noninterest Income – Core Bank noninterest income was \$8.5 million during the first quarter of 2023, a decrease of \$1.5 million, or 15%, from the first quarter of 2022. The decrease in non-interest income was driven primarily by a reduction in Mortgage Banking income, which declined \$1.9 million for the quarter. The decrease in Mortgage banking income was caused by the rise in long-term interest rates, which led to a significant slowdown in the origination of mortgage loans to be sold into the secondary market. As a result, the Core Bank sold only \$17 million of loans into the secondary market during the first quarter of 2023 compared to sales of \$119 million during the first quarter of 2022.

Noninterest Expense – Core Bank noninterest expense was \$44.4 million for the first quarter of 2023 compared to \$41.9 million for the first quarter of 2022, an increase of \$2.5 million, or 6% for the quarter. Included within this increase were \$2.1 million of Day-1 expenses related to the CBank merger. Excluding these merger related expenses, Core Bank non-interest expense was up a nominal \$431,000⁽⁵⁾, or 1%⁽⁵⁾, over the first quarter of 2022.

Republic Processing Group⁽³⁾

The Republic Processing Group (“RPG”) reported net income of \$17.8 million for the first quarter of 2023, a decrease of \$3.0 million from the first quarter of 2022. The TRS segment was the primary driver for quarter-to-quarter change in net income at RPG. TRS derives substantially all its revenues during the first half of the year. TRS recorded net income of \$12.4 million for the first quarter of 2023 compared to net income of \$15.4 million for the same period in 2022. The following primarily drove the decrease in TRS’s net income for the quarter:

- As previously disclosed, the Bank received a contract termination fee of \$5.0 million during the first quarter of 2022 related to its cancelled sale of TRS. The after-tax benefit to the TRS net income during the first quarter of 2022 was \$3.8 million.
- Net interest income within the TRS segment was up \$16.4 million from the first quarter of 2022 to the first quarter of 2023. Net interest income at TRS includes income from its prepaid card products as well as the income associated with its tax-related credit products. A further breakdown of net interest income by each of these categories are as follows:
 - The prepaid card product component of TRS drove a \$3.1 million increase to net interest income for the segment. This increase was generally driven by a higher crediting rate applied through the Company’s internal FTP. The prepaid card FTP credit yield was 3.82% for average prepaid card-related balances of \$377 million during the first quarter of 2023 compared to 0.37% for average prepaid card-related balances of \$397 million during the first quarter of 2022.
 - Related to the segment’s tax-related products, net interest income increased \$13.3 million for the quarter. Loan-related interest and fees increased \$18.0 million for the quarter and was driven primarily by increase in Refund Advance (“RA”) volume driven by a new contract with a large national tax preparation provider. This increase in loan revenue was partially offset by a \$4.4 million increase to the segment’s net cost of funds as applied through its internal FTP.
- Offsetting the rise in net interest income, TRS recorded a net charge to the Provision for RAs of \$21.7 million on the \$737 million in RAs originated during the first quarter of 2023. This compares to a net charge to the Provision of \$8.3 million, on the \$311 million of RAs originated during the first quarter of 2022. The \$13.4 million increase in Provision for the first quarter of 2023 was primarily due to the increased volume from the new contract noted in the paragraph above.

Including early season RAs originated during the fourth quarter of 2022, TRS had a total Allowance for RAs of \$25.8 million as of March 31, 2023, representing 3.09% of all RAs originated related to the first quarter 2023 tax season. TRS’s loss rate as of June 30, 2022, was 2.85% of total originations and TRS finished 2022 with a final RA loss rate of 2.20% of total RAs originated.

- Net Refund Transfer (“RT”) revenue declined \$1.2 million for the quarter. The decrease in net RT revenue was consistent with a general decline in overall RT volume across the industry.

Republic Bancorp, Inc. (the “Company”) is the parent company of Republic Bank & Trust Company (the “Bank”). The Bank currently has 45 banking centers in communities in four metropolitan statistical areas (“MSAs”) across five states: 22 banking centers located in the Louisville MSA in Louisville, Prospect, Shelbyville, and Shepherdsville in Kentucky, and Floyds Knobs, Jeffersonville, and New Albany in Indiana; six centers in the Lexington MSA in Georgetown and Lexington in Kentucky; eight banking centers in the Cincinnati MSA in Kenwood, Norwood and West Chester in Ohio, and Bellevue, Covington, Crestview Hills, and Florence in Kentucky; seven centers in the Tampa MSA in Largo, New Port Richey, St. Petersburg, Seminole, Tampa, and Temple Terrace in Florida; and two banking centers in the Nashville MSA in Cool Springs and Green Hills, Tennessee. The Bank offers internet banking at www.republicbank.com. As of March 31, 2023, the Company has approximately \$6.1 billion in assets and is headquartered in Louisville, Kentucky. The Company’s Class A Common Stock is listed under the symbol “RBCAA” on the NASDAQ Global Select Market.

Republic Bank. It’s just easier here.®

Forward-Looking Statements

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The forward-looking statements in the preceding paragraphs are based on our current expectations and assumptions regarding our business, the future impact to our balance sheet and income statement resulting from changes in interest rates, the yield curve, the ability to develop products and strategies in order to meet the Company’s long-term strategic goals, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. Our actual results may differ materially from those contemplated by forward-looking statements. We caution you therefore against relying on any of these forward-looking statements. They are neither statements of historical fact nor guarantees or assurances of future performance. Actual results could differ materially based upon factors disclosed from time to time in the Company’s filings with the U.S. Securities and Exchange Commission, including those factors set forth as “Risk Factors” in the Company’s Annual Report on Form 10-K for the period ended December 31, 2022. The Company undertakes no obligation to update any forward-looking statements, except as required by applicable law.

Footnotes:

- (1) “Core Bank” or “Core Banking” operations consist of the Traditional Banking, Warehouse Lending, and Mortgage Banking segments.
- (2) Provision – Provision for Expected Credit Loss Expense
Allowance – Allowance for Credit Losses on Loans
- (3) Republic Processing Group operations consist of the TRS and Republic Credit Solutions (“RCS”) segments.
- (4) The following table reconciles Total Company Noninterest Expenses excluding Day-1 CBank expenses, a non-GAAP measure.

(dollars in thousands)	Noninterest Expenses			
	Three Months Ended Mar. 31,		\$ Change	% Change
	2023	2022		
Total Company - GAAP	\$ 52,443	\$ 48,581	\$ 3,862	8 %
Less: Impact of CBank Day-1 Expenses	2,073	—	2,073	NM
Traditional Banking ex CBank Day-1 Expenses - non-GAAP	\$ 50,370	\$ 48,581	\$ 1,789	4

- (5) The following table reconciles Core Bank Noninterest Expenses excluding Day-1 CBank expenses, a non-GAAP measure.

(dollars in thousands)	Noninterest Expenses			
	Three Months Ended Mar. 31,		\$ Change	% Change
	2023	2022		
Core Bank - GAAP	\$ 44,374	\$ 41,869	\$ 2,505	6 %
Less: Impact of CBank Day-1 Expenses	2,073	—	2,073	NM
Core Bank ex CBank Day-1 Expenses - non-GAAP	\$ 42,301	\$ 41,869	\$ 432	1

NM – Not meaningful

NA – Not applicable

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EARNINGS RELEASE FINANCIAL SUPPLEMENT
FIRST QUARTER 2023

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Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Balance Sheet Data

	As of					\$ Change	
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	From Dec. 31, 2022	From Mar. 31, 2022
Assets:							
Cash and cash equivalents	\$ 249,289	\$ 313,689	\$ 754,393	\$ 795,143	\$ 1,077,158	\$ (64,400)	\$ (827,869)
Investment securities, net of allowance for credit losses	725,163	707,862	662,750	655,296	614,836	17,301	110,327
Loans held for sale	18,466	19,177	24,387	39,727	28,037	(711)	(9,571)
Loans	4,774,234	4,515,802	4,289,450	4,362,233	4,390,243	258,432	383,991
Allowance for credit losses	(96,121)	(70,413)	(64,919)	(64,449)	(71,656)	(25,708)	(24,465)
Loans, net	4,678,113	4,445,389	4,224,531	4,297,784	4,318,587	232,724	359,526
Federal Home Loan Bank stock, at cost	25,939	9,146	8,568	10,311	10,311	16,793	15,628
Premises and equipment, net	33,672	31,978	32,813	33,886	34,358	1,694	(686)
Right-of-use assets	36,245	37,017	41,303	41,364	42,402	(772)	(6,157)
Goodwill	41,618	16,300	16,300	16,300	16,300	25,318	25,318
Other real estate owned ("OREO")	1,529	1,581	1,634	1,687	1,740	(52)	(211)
Bank owned life insurance ("BOLI")	102,322	101,687	101,013	100,396	99,773	635	2,549
Low-income housing tax credit investments	73,901	75,324	63,319	58,446	49,427	(1,423)	24,474
Other assets and accrued interest receivable	87,834	76,393	68,652	62,136	56,940	11,441	30,894
Total assets	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476	\$ 6,349,869	\$ 238,548	\$ (275,778)
Liabilities and Stockholders' Equity:							
Deposits:							
Noninterest-bearing	\$ 2,013,957	\$ 1,908,768	\$ 2,013,337	\$ 2,093,853	\$ 2,226,160	\$ 105,189	\$ (212,203)
Interest-bearing	2,785,711	2,629,077	2,786,385	2,733,093	2,860,392	156,634	(74,681)
Total deposits	4,799,668	4,537,845	4,799,722	4,826,946	5,086,552	261,823	(286,884)
Securities sold under agreements to repurchase ("SSUAR") and other short-term borrowings							
	134,412	216,956	209,376	303,315	287,818	(82,544)	(153,406)
Operating lease liabilities	37,031	37,809	42,109	42,163	43,204	(778)	(6,173)
Federal Home Loan Bank advances	108,000	95,000	20,000	20,000	20,000	13,000	88,000
Low-income housing tax credit obligations	42,437	43,609	32,224	27,974	19,738	(1,172)	22,699
Other liabilities and accrued interest payable	70,341	47,711	53,169	48,212	50,981	22,630	19,360
Total liabilities	5,191,889	4,978,930	5,156,600	5,268,610	5,508,293	212,959	(316,404)
Stockholders' equity	882,202	856,613	843,063	843,866	841,576	25,589	40,626
Total liabilities and stockholders' equity	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476	\$ 6,349,869	\$ 238,548	\$ (275,778)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Average Balance Sheet Data

	Three Months Ended					Three Months Ended		\$ Change (8) 3M to 3M
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Assets:								
Interest-earning assets:								
Federal funds sold and other interest-earning deposits	\$ 241,211	\$ 553,695	\$ 727,626	\$ 813,956	\$ 861,822	\$ 241,211	\$ 861,822	\$ (620,611)
Investment securities, including FHLB stock	773,172	693,825	694,781	691,427	606,182	773,172	606,182	166,990
Loans, including loans held for sale	4,665,543	4,353,256	4,306,169	4,339,432	4,355,255	4,665,543	4,355,255	310,288
Total interest-earning assets	5,679,926	5,600,776	5,728,576	5,844,815	5,823,259	5,679,926	5,823,259	(143,333)
Allowance for credit losses	(83,195)	(65,290)	(65,262)	(72,037)	(69,287)	(83,195)	(69,287)	(13,908)
Noninterest-earning assets:								
Noninterest-earning cash and cash equivalents	295,905	115,416	108,069	172,382	354,165	295,905	354,165	(58,260)
Premises and equipment, net	32,232	32,518	33,307	34,322	35,460	32,232	35,460	(3,228)
Bank owned life insurance	102,004	101,361	100,740	100,152	99,532	102,004	99,532	2,472
Other assets	186,169	153,721	171,392	161,548	180,913	186,169	180,913	5,256
Total assets	\$ 6,213,041	\$ 5,938,502	\$ 6,076,822	\$ 6,241,182	\$ 6,424,042	\$ 6,213,041	\$ 6,424,042	\$ (211,001)
Liabilities and Stockholders' Equity:								
Interest-bearing liabilities:								
Interest-bearing deposits	\$ 2,663,099	\$ 2,704,764	\$ 2,777,124	\$ 2,779,941	\$ 2,827,496	\$ 2,663,099	\$ 2,827,496	\$ (164,397)
SSUARs and other short-term borrowings	202,910	247,123	220,149	294,388	300,169	202,910	300,169	(97,259)
Federal Home Loan Bank advances	245,344	21,630	20,000	20,000	23,333	245,344	23,333	222,011
Total interest-bearing liabilities	3,111,353	2,973,517	3,017,273	3,094,329	3,150,998	3,111,353	3,150,998	(39,645)
Noninterest-bearing liabilities and Stockholders' equity:								
Noninterest-bearing deposits	2,089,162	1,994,233	2,096,206	2,196,794	2,312,233	2,089,162	2,312,233	(223,071)
Other liabilities	133,321	114,196	108,964	100,118	112,699	133,321	112,699	20,622
Stockholders' equity	879,205	856,556	854,379	849,941	848,112	879,205	848,112	31,093
Total liabilities and stockholders' equity	\$ 6,213,041	\$ 5,938,502	\$ 6,076,822	\$ 6,241,182	\$ 6,424,042	\$ 6,213,041	\$ 6,424,042	\$ (211,001)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Income Statement Data	Three Months Ended					Three Months Ended		\$ Change (\$) 3M to 3M
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Total interest income (1)	\$ 100,356	\$ 66,555	\$ 60,617	\$ 52,902	\$ 64,110	\$ 100,356	\$ 64,110	\$ 36,246
Total interest expense	7,714	3,442	2,020	1,088	943	7,714	943	6,771
Net interest income	92,642	63,113	58,597	51,814	63,167	92,642	63,167	29,475
Provision (2)	26,766	7,844	1,573	3,705	9,226	26,766	9,226	17,540
Noninterest income:								
Service charges on deposit accounts	3,299	3,428	3,409	3,363	3,226	3,299	3,226	73
Net refund transfer fees	10,807	486	593	3,950	12,051	10,807	12,051	(1,244)
Mortgage banking income (3)	800	622	1,154	1,763	2,657	800	2,657	(1,857)
Interchange fee income	3,051	3,272	3,322	3,461	3,070	3,051	3,070	(19)
Program fees (3)	3,241	3,501	4,932	3,885	3,854	3,241	3,854	(613)
Increase in cash surrender value of BOLI	635	674	617	623	612	635	612	23
Net losses on OREO	(53)	(53)	(53)	(52)	(53)	(53)	(53)	—
Contract termination fee	—	—	—	—	5,000	—	5,000	(5,000)
Legal settlement	—	—	—	13,000	—	—	—	—
Other	901	1,194	1,134	576	592	901	592	309
Total noninterest income	22,681	13,124	15,108	30,569	31,009	22,681	31,009	(8,328)
Noninterest expense:								
Salaries and employee benefits	29,961	25,763	27,269	28,896	29,312	29,961	29,312	649
Technology, equipment, and communication	7,228	7,276	7,235	7,229	7,214	7,228	7,214	14
Occupancy	3,406	3,139	3,211	3,224	3,440	3,406	3,440	(34)
Marketing and development	1,574	1,856	1,951	1,720	1,348	1,574	1,348	226
FDIC insurance expense	637	427	423	399	419	637	419	218
Interchange related expense	1,499	1,171	1,221	1,264	1,117	1,499	1,117	382
Legal and professional fees	1,061	951	904	804	1,365	1,061	1,365	(304)
Merger expense	2,073	—	—	—	—	2,073	—	2,073
Other (2)	5,004	4,322	3,952	4,120	4,366	5,004	4,366	638
Total noninterest expense	52,443	44,905	46,166	47,656	48,581	52,443	48,581	3,862
Income before income tax expense	36,114	23,488	25,966	31,022	36,369	36,114	36,369	(255)
Income tax expense	8,022	4,975	6,070	6,675	8,019	8,022	8,019	3
Net income	\$ 28,092	\$ 18,513	\$ 19,896	\$ 24,347	\$ 28,350	\$ 28,092	\$ 28,350	\$ (258)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Selected Data and Ratios

	As of and for the Three Months Ended					As of and for the Three Months Ended		Change (\$) From Mar. 31, 2022 or 3M to 3M
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Per Share Data:								
Basic weighted average shares outstanding	19,935	19,929	19,919	20,107	20,145	19,935	20,145	(210)
Diluted weighted average shares outstanding	19,990	19,981	19,981	20,169	20,225	19,990	20,225	(235)
Period-end shares outstanding:								
Class A Common Stock	17,585	17,587	17,587	17,629	17,834	17,585	17,834	(249)
Class B Common Stock	2,160	2,160	2,160	2,161	2,165	2,160	2,165	(5)
Book value per share (4)	\$ 44.68	\$ 43.38	\$ 42.69	\$ 42.64	\$ 42.08	\$ 44.68	\$ 42.08	\$ 2.60
Tangible book value per share (4)	42.00	42.11	41.40	41.34	40.79	42.00	40.79	1.21
Earnings per share ("EPS"):								
Basic EPS - Class A Common Stock	\$ 1.42	\$ 0.94	\$ 1.01	\$ 1.23	\$ 1.42	\$ 1.42	\$ 1.42	\$ -
Basic EPS - Class B Common Stock	1.30	0.86	0.92	1.12	1.29	1.30	1.29	0.01
Diluted EPS - Class A Common Stock	1.42	0.94	1.01	1.22	1.42	1.42	1.42	-
Diluted EPS - Class B Common Stock	1.29	0.85	0.92	1.11	1.29	1.29	1.29	-
Cash dividends declared per Common share:								
Class A Common Stock	\$ 0.374	\$ 0.341	\$ 0.341	\$ 0.341	\$ 0.341	\$ 0.374	\$ 0.341	\$ 0.033
Class B Common Stock	0.340	0.310	0.310	0.310	0.310	0.340	0.310	0.030
Performance Ratios:								
Return on average assets	1.81 %	1.25 %	1.28 %	1.53 %	1.74 %	1.81 %	1.77 %	0.04 %
Return on average equity	12.78	8.65	9.15	11.23	13.19	12.78	13.37	(0.59)
Efficiency ratio (5)	45	59	63	68	54	45	54	(9)
Yield on average interest-earning assets (1)	7.07	4.75	4.19	3.58	4.37	7.07	4.40	2.67
Cost of average interest-bearing liabilities	0.99	0.46	0.27	0.14	0.12	0.99	0.12	0.87
Cost of average deposits (6)	0.41	0.26	0.15	0.08	0.07	0.41	0.07	0.34
Net interest spread (1)	6.08	4.29	3.92	3.44	4.25	6.08	4.28	1.80
Net interest margin - Total Company (1)	6.52	4.51	4.05	3.51	4.30	6.52	4.34	2.18
Net interest margin - Core Bank	3.98	3.82	3.54	3.02	2.92	3.98	2.92	1.05
Other Information:								
End of period FTEs (7) - Total Company	1,031	998	1,009	1,020	1,040	1,031	1,040	(9)
End of period FTEs - Core Bank	972	932	916	929	955	972	955	17
Number of full-service banking centers	45	42	42	42	42	42	42	3

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Loan Composition and Allowance for Credit Losses on Loans

	As of					Change From Dec. 31, 2022	Change From Mar. 31, 2022
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022		
Loan Composition							
Traditional Banking:							
Residential real estate:							
Owner occupied	\$ 972,214	\$ 911,427	\$ 863,899	\$ 832,137	\$ 808,658	\$ 60,787	\$ 163,556
Nonowner occupied	328,529	321,358	321,037	313,534	314,933	7,171	13,596
Commercial real estate	1,682,573	1,599,510	1,571,593	1,569,119	1,556,575	83,063	125,998
Construction & land development	167,829	153,875	147,418	137,452	129,970	13,954	37,859
Commercial & industrial	478,101	413,387	412,826	408,832	360,451	64,714	117,650
Lease financing receivables	73,270	10,505	11,333	11,345	10,396	62,765	62,874
Aircraft	184,344	179,785	166,313	159,958	151,284	4,559	33,060
Home equity	250,050	241,739	229,038	214,069	210,364	8,311	39,686
Consumer:							
Credit cards	16,775	15,473	14,897	15,419	14,654	1,302	2,121
Overdrafts	775	726	723	901	716	49	59
Automobile loans	5,267	6,731	7,890	9,579	11,846	(1,464)	(6,579)
Other consumer	5,450	626	973	1,245	939	4,824	4,511
Total Traditional Banking	4,165,177	3,855,142	3,747,940	3,673,590	3,570,786	310,035	594,391
Warehouse lines of credit	457,365	403,560	442,238	596,678	690,200	53,805	(232,835)
Total Core Banking	4,622,542	4,258,702	4,190,178	4,270,268	4,260,986	363,840	361,556
Republic Processing Group:							
Tax Refund Solutions:							
Refund Advances	31,665	97,505	—	—	16,475	(65,840)	15,190
Other TRS commercial & industrial loans	8,327	51,767	295	149	25,132	(43,440)	(16,805)
Republic Credit Solutions	111,700	107,828	98,977	91,816	87,650	3,872	24,050
Total Republic Processing Group	151,692	257,100	99,272	91,965	129,257	(105,408)	22,435
Total loans - Total Company	\$ 4,774,234	\$ 4,515,802	\$ 4,289,450	\$ 4,362,233	\$ 4,390,243	\$ 258,432	\$ 383,991
Allowance for Credit Losses on Loans ("Allowance")							
Traditional Banking	\$ 55,216	\$ 50,709	\$ 49,231	\$ 49,727	\$ 49,616	\$ 4,507	\$ 5,600
Warehouse Lending	1,144	1,009	1,105	1,491	1,725	135	(581)
Total Core Banking	56,360	51,718	50,336	51,218	51,341	4,642	5,019
Tax Refund Solutions	25,981	3,888	—	—	8,370	22,093	17,611
Republic Credit Solutions	13,780	14,807	14,583	13,231	11,945	(1,027)	1,835
Total Republic Processing Group	39,761	18,695	14,583	13,231	20,315	21,066	19,446
Total Allowance - Total Company	\$ 96,121	\$ 70,413	\$ 64,919	\$ 64,449	\$ 71,656	\$ 25,708	\$ 24,465
Allowance to Total Loans							
Traditional Banking	1.33 %	1.32 %	1.31 %	1.35 %	1.39 %	0.01 %	(0.06)%
Warehouse Lending	0.25	0.25	0.25	0.25	0.25	—	—
Total Core Banking	1.22	1.21	1.20	1.20	1.20	0.01	0.02
Tax Refund Solutions	64.97	2.60	—	—	20.12	62.37	44.85
Republic Credit Solutions	12.34	13.73	14.73	14.41	13.63	(1.39)	(1.29)
Total Republic Processing Group	26.21	7.27	14.69	14.39	15.72	18.94	10.49
Total Company	2.01	1.56	1.51	1.48	1.63	0.45	0.38

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

(all amounts other than per share amounts, number of employees, and number of banking centers are expressed in thousands unless otherwise noted)

Credit Quality Data and Ratios

	As of and for the Three Months Ended					As of and for the Three Months Ended		Change (\$) From Mar. 31, 2022 or 3M to 3M
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Credit Quality Asset Balances and Net Charge-off ("NCO") Data:								
Nonperforming Assets - Total Company:								
Loans on nonaccrual status	\$ 15,833	\$ 15,562	\$ 16,322	\$ 16,168	\$ 16,935	\$ 15,833	\$ 16,935	\$ (1,102)
Loans past due 90-days-or-more and still on accrual	777	756	37	42	31	777	31	746
Total nonperforming loans	16,610	16,318	16,359	16,210	16,966	16,610	16,966	(356)
OREO	1,529	1,581	1,634	1,687	1,740	1,529	1,740	(211)
Total nonperforming assets	\$ 18,139	\$ 17,899	\$ 17,993	\$ 17,897	\$ 18,706	\$ 18,139	\$ 18,706	\$ (567)
Nonperforming Assets - Core Bank:								
Loans on nonaccrual status	\$ 15,833	\$ 15,562	\$ 16,322	\$ 16,168	\$ 16,935	\$ 15,833	\$ 16,935	\$ (1,102)
Loans past due 90-days-or-more and still on accrual	—	—	—	—	—	—	—	—
Total nonperforming loans	15,833	15,562	16,322	16,168	16,935	15,833	16,935	(1,102)
OREO	1,529	1,581	1,634	1,687	1,740	1,529	1,740	(211)
Total nonperforming assets	\$ 17,362	\$ 17,143	\$ 17,956	\$ 17,855	\$ 18,675	\$ 17,362	\$ 18,675	\$ (1,313)
Delinquent Loans:								
Delinquent loans - Core Bank	\$ 5,537	\$ 6,060	\$ 4,368	\$ 5,352	\$ 5,863	\$ 5,537	\$ 5,863	\$ (326)
RPG	30,587	9,200	7,522	6,099	10,352	30,587	10,352	20,235
Total delinquent loans - Total Company	\$ 36,124	\$ 15,260	\$ 11,890	\$ 11,451	\$ 16,215	\$ 36,124	\$ 16,215	\$ 19,909
NCOs (Recoveries) by Segment:								
Traditional Bank	\$ 77	\$ 238	\$ (187)	\$ (5)	\$ 118	\$ 77	\$ 118	\$ (41)
Warehouse Lending loans	—	—	—	—	—	—	—	—
Core Bank loans	77	238	(187)	(5)	118	77	118	(41)
Tax Refund Solutions	(285)	(909)	(1,296)	8,730	(362)	(285)	(362)	77
Republic Credit Solutions	2,866	3,021	2,656	2,147	2,398	2,866	2,398	468
RPG	2,581	2,112	1,360	10,877	2,036	2,581	2,036	545
Total NCOs (recoveries) - Total Company	\$ 2,658	\$ 2,350	\$ 1,173	\$ 10,872	\$ 2,154	\$ 2,658	\$ 2,154	\$ 504
Credit Quality Ratios - Total Company:								
Nonperforming loans to total loans	0.35 %	0.36 %	0.38 %	0.37 %	0.39 %	0.35 %	0.39 %	(0.04)%
Nonperforming assets to total loans (including OREO)	0.38	0.40	0.42	0.41	0.43	0.38	0.43	(0.05)
Nonperforming assets to total assets	0.30	0.31	0.30	0.29	0.29	0.30	0.29	0.01
Allowance for credit losses to total loans	2.01	1.56	1.51	1.48	1.63	2.01	1.63	0.38
Allowance for credit losses to nonperforming loans	579	432	397	398	422	579	422	157
Delinquent loans to total loans (9)	0.76	0.34	0.28	0.26	0.37	0.76	0.37	0.39
NCOs (recoveries) to average loans (annualized)	0.23	0.22	0.11	1.00	0.20	0.23	0.20	0.03
Credit Quality Ratios - Core Bank:								
Nonperforming loans to total loans	0.34 %	0.37 %	0.39 %	0.38 %	0.40 %	0.34 %	0.40 %	(0.06)%
Nonperforming assets to total loans (including OREO)	0.38	0.40	0.43	0.42	0.44	0.38	0.44	(0.06)
Nonperforming assets to total assets	0.32	0.32	0.33	0.32	0.33	0.32	0.33	(0.01)
Allowance for credit losses to total loans	1.22	1.21	1.20	1.20	1.20	1.22	1.20	0.02
Allowance for credit losses to nonperforming loans	356	332	308	317	303	356	303	53
Delinquent loans to total loans	0.12	0.14	0.10	0.13	0.14	0.12	0.14	(0.02)
NCOs (recoveries) to average loans (annualized)	0.01	0.02	(0.02)	—	0.01	0.01	0.01	(0.00)
TRS Refund Advances ("RAs")								
RAs originated	\$ 737,047	\$ 97,505	\$ —	\$ —	\$ 311,207	\$ 737,047	\$ 311,207	\$ 425,840
Net (credit) charge to the Provision for RAs	21,715	2,888	(1,296)	564	8,315	21,715	8,315	13,400
RAs NCOs (recoveries)	\$ (285)	\$ (909)	\$ (1,296)	\$ 8,879	\$ —	\$ (285)	\$ —	\$ (285)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

Segment Data:

Reportable segments are determined by the type of products and services offered and the level of information provided to the chief operating decision maker, who uses such information to review performance of various components of the business (such as banking centers and business units), which are then aggregated if operating performance, products/services, and clients are similar.

As of March 31, 2023, the Company was divided into five reportable segments: Traditional Banking, Warehouse Lending (“Warehouse”), Mortgage Banking, Tax Refund Solutions (“TRS”), and Republic Credit Solutions (“RCS”). Management considers the first three segments to collectively constitute “Core Bank” or “Core Banking” operations, while the last two segments collectively constitute Republic Processing Group (“RPG”) operations.

The nature of segment operations and the primary drivers of net revenues by reportable segment are provided below:

Reportable Segment:	Nature of Operations:	Primary Drivers of Net Revenue:
Core Banking:		
Traditional Banking	Provides traditional banking products to clients in its market footprint primarily via its network of banking centers and to clients outside of its market footprint primarily via its digital delivery channels.	Loans, investments, and deposits
Warehouse Lending	Provides short-term, revolving credit facilities to mortgage bankers across the United States.	Mortgage warehouse lines of credit
Mortgage Banking	Primarily originates, sells, and services long-term, single-family, first-lien residential real estate loans primarily to clients in the Bank's market footprint.	Loan sales and servicing
Republic Processing Group:		
Tax Refund Solutions	TRS offers tax-related credit products and facilitates the receipt and payment of federal and state tax refunds through Refund Transfer products. The RPS division of TRS offers general-purpose reloadable cards. TRS and RPS products are primarily provided to clients outside of the Bank's market footprint.	Loans, refund transfers, and prepaid cards.
Republic Credit Solutions	Offers consumer credit products. RCS products are primarily provided to clients outside of the Bank's market footprint, with a substantial portion of RCS clients considered subprime or near-prime borrowers.	Unsecured, consumer loans

The accounting policies used for Republic’s reportable segments are the same as those described in the summary of significant accounting policies in the Company’s 2022 Annual Report on Form 10-K. Republic evaluates segment performance using operating income. The Company allocates goodwill to the Traditional Banking segment. Republic generally allocates income taxes based on income before income tax expense unless reasonable and specific segment allocations can be made. The Company makes transactions among reportable segments at carrying value.

Republic Bancorp, Inc.
Earnings Release Financial Supplement
First quarter 2023 (continued)

Segment information for the quarters and years ended March 31, 2023 and 2022 follows:

<i>(dollars in thousands)</i>	Three Months Ended March 31, 2023							
	Core Banking			Total Core Banking	Republic Processing Group			Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking		Tax Refund Solutions	Republic Credit Solutions	Total RPG	
Net interest income	\$ 50,107	\$ 2,087	\$ 61	\$ 52,255	\$ 31,765	\$ 8,622	\$ 40,387	\$ 92,642
Provision for expected credit loss expense	2,984	135	—	3,119	21,808	1,839	23,647	26,766
Net refund transfer fees	—	—	—	—	10,807	—	10,807	10,807
Mortgage banking income	—	—	800	800	—	—	—	800
Program fees	—	—	—	—	707	2,534	3,241	3,241
Other noninterest income	7,654	11	17	7,682	126	25	151	7,833
Total noninterest income	7,654	11	817	8,482	11,640	2,559	14,199	22,681
Total noninterest expense	40,852	968	2,554	44,374	5,648	2,421	8,069	52,443
Income (loss) before income tax expense	13,925	995	(1,676)	13,244	15,949	6,921	22,870	36,114
Income tax expense (benefit)	3,082	223	(369)	2,936	3,541	1,545	5,086	8,022
Net income (loss)	\$ 10,843	\$ 772	\$ (1,307)	\$ 10,308	\$ 12,408	\$ 5,376	\$ 17,784	\$ 28,092
Period-end assets	\$ 4,974,002	\$ 458,675	\$ 13,421	\$ 5,446,098	\$ 511,150	\$ 116,843	\$ 627,993	\$ 6,074,091
Net interest margin	4.07 %	2.53 %	NM	3.98 %	NM	NM	NM	6.52 %
Net-revenue concentration*	49 %	2 %	1 %	52 %	38 %	10 %	48 %	100 %

<i>(dollars in thousands)</i>	Three Months Ended March 31, 2022							
	Core Banking			Total Core Banking	Republic Processing Group			Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking		Tax Refund Solutions	Republic Credit Solutions	Total RPG	
Net interest income	\$ 36,148	\$ 4,515	\$ 204	\$ 40,867	\$ 15,404	\$ 6,896	\$ 22,300	\$ 63,167
Provision for expected credit loss expense	320	(401)	—	(81)	7,912	1,395	9,307	9,226
Net refund transfer fees	—	—	—	—	12,051	—	12,051	12,051
Mortgage banking income	—	—	2,657	2,657	—	—	—	2,657
Program fees	—	—	—	—	727	3,127	3,854	3,854
Contract termination fee	—	—	—	—	5,000	—	5,000	5,000
Legal settlement	5,000	—	—	5,000	—	—	—	5,000
Other noninterest income	2,242	13	34	2,289	158	—	158	2,447
Total noninterest income	7,242	13	2,691	9,946	17,936	3,127	21,063	31,009
Total noninterest expense	38,227	952	2,690	41,869	5,145	1,567	6,712	48,581
Income before income tax expense	4,843	3,977	205	9,025	20,283	7,061	27,344	36,369
Income tax expense	468	904	45	1,417	4,906	1,696	6,602	8,019
Net income	\$ 4,375	\$ 3,073	\$ 160	\$ 7,608	\$ 15,377	\$ 5,365	\$ 20,742	\$ 28,350
Period-end assets	\$ 4,984,918	\$ 689,204	\$ 28,573	\$ 5,702,695	\$ 552,101	\$ 95,073	\$ 647,174	\$ 6,349,869
Net interest margin	2.90 %	3.09 %	NM	2.92 %	NM	NM	NM	4.34 %
Net-revenue concentration*	46 %	5 %	3 %	54 %	35 %	11 %	46 %	100 %

*Net revenues represent total net interest income plus noninterest income. Net-revenue concentration equals segment-level net revenue divided by total Company net revenue.

Republic Bancorp, Inc.
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Footnotes:

- (1) *The amount of loan fee income can meaningfully impact total interest income, loan yields, net interest margin, and net interest spread. The following table presents the Company's loan fees by segment:*

<i>(dollars in thousands)</i>	Three Months Ended					Three Months Ended		<u>\$ Change (8)</u> <u>3M to 3M</u>
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Traditional Bank excluding PPP fees	\$ 936	\$ 883	\$ 911	\$ 1,545	\$ 1,451	\$ 936	\$ 1,451	\$ (515)
Traditional Bank - PPP fees	7	60	152	124	879	7	879	(872)
Warehouse Lending	248	272	402	500	574	248	574	(326)
Total Core Bank	1,191	1,215	1,465	2,169	2,904	1,191	2,904	(1,713)
TRS - Refund Advances	31,404	50	81	81	13,444	31,404	13,444	17,960
TRS - Other Loan Fees	933	825	(1)	2	662	933	662	271
RCS	7,962	7,501	7,196	6,364	6,257	7,962	6,257	1,705
Total RPG	40,299	8,376	7,276	6,447	20,363	40,299	20,363	19,936
Total loan fees - Total Company	\$ 41,490	\$ 9,591	\$ 8,741	\$ 8,616	\$ 23,267	\$ 41,490	\$ 23,267	\$ 18,223

- (2) *Provision for expected credit loss expense includes provisions for losses on on-balance sheet loans and investment securities. Provision expense for off-balance sheet credit exposures is a component of "Other" noninterest expense.*

- (3) *In the ordinary course of business, the Bank originates for sale mortgage loans and consumer loans. Mortgage loans originated for sale are primarily originated and sold into the secondary market through the Bank's Mortgage Banking segment, while consumer loans originated for sale are originated and sold through the RCS segment. Gains on sale of mortgage loans are recorded as a component of Mortgage Banking income. Gains on sale of consumer loans are recorded as a component of Program Fees.*

<i>(dollars in thousands)</i>	As of and for the Three Months Ended					As of and for the Three Months Ended		<u>\$ Change (8)</u> <u>3M to 3M</u>
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022	
Mortgage Loans Held for Sale								
Balance, beginning of period	\$ 1,302	\$ 2,912	\$ 8,491	\$ 13,302	\$ 29,393	\$ 1,302	\$ 29,393	\$ (28,091)
Originations	15,942	10,359	32,856	61,489	100,661	15,942	100,661	(84,719)
Proceeds from sales	(16,630)	(12,207)	(39,220)	(67,759)	(119,212)	(16,630)	(119,212)	102,582
Net gain on sale	420	238	785	1,459	2,460	420	2,460	(2,040)
Balance, end of period	<u>\$ 1,034</u>	<u>\$ 1,302</u>	<u>\$ 2,912</u>	<u>\$ 8,491</u>	<u>\$ 13,302</u>	<u>\$ 1,034</u>	<u>\$ 13,302</u>	<u>\$ (12,268)</u>
RCS Consumer Loans Held for Sale								
Balance, beginning of period	\$ 17,875	\$ 21,475	\$ 31,236	\$ 14,735	\$ 22,684	\$ 17,875	\$ 22,684	\$ (4,809)
Originations	207,222	225,588	292,131	282,782	245,214	207,222	245,214	(37,992)
Proceeds from sales	(210,199)	(231,999)	(306,093)	(269,429)	(256,280)	(210,199)	(256,280)	46,081
Net gain on sale	2,534	2,811	4,201	3,148	3,117	2,534	3,117	(583)
Balance, end of period	<u>\$ 17,432</u>	<u>\$ 17,875</u>	<u>\$ 21,475</u>	<u>\$ 31,236</u>	<u>\$ 14,735</u>	<u>\$ 17,432</u>	<u>\$ 14,735</u>	<u>\$ 2,697</u>

- (4) The following table provides a reconciliation of total stockholders' equity in accordance with GAAP to tangible stockholders' equity in accordance with applicable regulatory requirements, a non-GAAP disclosure. The Company provides the tangible book value per share, a non-GAAP measure, in addition to those defined by banking regulators, because of its widespread use by investors as a means to evaluate capital adequacy.

(dollars in thousands, except per share data)	As of				
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022
Total stockholders' equity - GAAP (a)	\$ 882,202	\$ 856,613	\$ 843,063	\$ 843,866	\$ 841,576
Less: Goodwill	41,618	16,300	16,300	16,300	16,300
Less: Mortgage servicing rights	8,406	8,769	9,177	9,407	9,502
Less: Core deposit intangible	2,813	—	—	—	—
Tangible stockholders' equity - Non-GAAP (c)	\$ 829,365	\$ 831,544	\$ 817,586	\$ 818,159	\$ 815,774
Total assets - GAAP (b)	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476	\$ 6,349,869
Less: Goodwill	41,618	16,300	16,300	16,300	16,300
Less: Mortgage servicing rights	8,406	8,769	9,177	9,407	9,502
Less: Core deposit intangible	2,813	—	—	—	—
Tangible assets - Non-GAAP (d)	\$ 6,021,254	\$ 5,810,474	\$ 5,974,186	\$ 6,086,769	\$ 6,324,067
Total stockholders' equity to total assets - GAAP (a/b)	14.52 %	14.68 %	14.05 %	13.81 %	13.25 %
Tangible stockholders' equity to tangible assets - Non-GAAP (c/d)	13.77 %	14.31 %	13.69 %	13.44 %	12.90 %
Number of shares outstanding (e)	19,745	19,747	19,747	19,790	19,999
Book value per share - GAAP (a/e)	\$ 44.68	\$ 43.38	\$ 42.69	\$ 42.64	\$ 42.08
Tangible book value per share - Non-GAAP (c/e)	42.00	42.11	41.40	41.34	40.79

- (5) The efficiency ratio, a non-GAAP measure with no GAAP comparable, equals total noninterest expense divided by the sum of net interest income and noninterest income. The ratio excludes material nonrecurring revenues and expenses related to the now-cancelled TRS Transaction, as well as net gains (losses) on sales, calls, and impairment of investment securities.

(dollars in thousands)	Three Months Ended					Three Months Ended	
	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Mar. 31, 2023	Mar. 31, 2022
Net interest income - GAAP	\$ 92,642	\$ 63,113	\$ 58,597	\$ 51,814	\$ 63,167	\$ 92,642	\$ 63,167
Noninterest income - GAAP	22,681	13,124	15,108	30,569	31,009	22,681	31,009
Less: Contract termination fee related to TRS Transaction	—	—	—	—	5,000	—	5,000
Less: Legal settlement related to TRS Transaction	—	—	—	13,000	—	—	—
Less: Net gain (loss) on securities	1	1	2	(102)	(120)	1	(120)
Total adjusted income - Non-GAAP (a)	\$ 115,322	\$ 76,236	\$ 73,703	\$ 69,485	\$ 89,296	\$ 115,322	\$ 89,296
Noninterest expense - GAAP	\$ 52,443	\$ 44,905	\$ 46,166	\$ 47,656	\$ 48,581	\$ 52,443	\$ 48,581
Less: Expenses related to TRS Transaction	—	—	88	699	127	—	127
Adjusted noninterest expense - Non-GAAP (b)	\$ 52,443	\$ 44,905	\$ 46,078	\$ 46,957	\$ 48,454	\$ 52,443	\$ 48,454
Efficiency Ratio - Non-GAAP (b/a)	45 %	59 %	63 %	68 %	54 %	45 %	54 %

- (6) The cost of average deposits ratio equals annualized total interest expense on deposits divided by total average interest-bearing deposits plus total average noninterest-bearing deposits.

(7) FTEs – Full-time-equivalent employees.

- (8) Quarter (“Q”) to Quarter changes compare the most recent quarter or quarter end to the same quarter or quarter end of a year prior. Year-to-date changes compare the most recent period or period end to the same period or period end of a year prior. Year-to-date changes are expressed as either 3M to 3M (three months), 6M to 6M (six months), 9M to 9M (nine months), or 12M to 12M (twelve months).

- (9) The delinquent loans to total loans ratio equals loans 30-days-or-more past due divided by total loans. Depending on loan class, loan delinquency is determined by the number of days or the number of payments past due. Delinquent loans as of March 31, 2023, included \$18.5 million of Refund Advances (“RA”), which do not have a contractual due date, but the Company considered an RA delinquent in 2023 if it remained unpaid 35 days after the taxpayer’s tax return was submitted to the applicable taxing authority.

NM – Not meaningful

NA – Not applicable

YTD – Year to date

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