

601 West Market Street
Louisville, KY 40202-2700
502-584-3600
Fax 502-561-7188
www.republicbank.com

Republic Bancorp, Inc. Reports Second Quarter 2023 Net Income of \$21.1 Million

July 21, 2023

Contact: [Kevin Sipes](#)
Executive Vice President & Chief Financial Officer

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 second quarter 2023 net income and Diluted Earnings per Class A Common Share (“Diluted EPS”) of \$21.1 million and \$1.07 per share compared to \$24.3 million and \$1.22 per share for the second quarter of 2022. Adjusting for the infrequent items noted in the table below that are not considered to be part of the Company’s normal recurring operations, the most notable of which being a substantial legal settlement that positively impacted net income for the second quarter of 2022, Republic’s Total Company Operating net income (a non-GAAP metric) was \$19.8 million for the second quarter of 2023, an increase of \$5.0 million, or 34%, over its Total Company Operating net income for the second quarter of 2022.

The following table reconciles Republic’s Total Company GAAP and non-GAAP net incomes as described in the paragraph above.

	Three Months Ended				Diluted Earnings Per Class A Common Share				
	Jun. 30,	Jun. 30,	\$	%	Three Months Ended				
	2023	2022	Change	Change	Jun. 30,	Jun. 30,	\$	%	
	2023	2022	Change	Change	2023	2022	Change	Change	
<i>(dollars in thousands, except per share data)</i>									
Total Company Net Income, As Reported (GAAP)	\$ 21,052	\$ 24,347	\$ (3,295)	(14)%	\$ 1.07	\$ 1.22	\$ (0.15)	(12) %	
Adjustments:									
Add Back the Impact of CBank Merger Expenses, Net of Taxes	99	—	99	—	—	—	—	—	
Reduce for the Impact of the Bank Owned Life Insurance (“BOLI”) Benefit Payment Received, Net of Taxes	(1,347)	—	(1,347)	—	(0.07)	—	(0.07)	—	
Reduce for the Impact of the Legal Settlement Received, Net of Taxes	—	(9,523)	9,523	—	—	(0.47)	0.47	—	
Total Company Operating Net Income - non-GAAP	\$ 19,804	\$ 14,824	\$ 4,980	34	\$ 1.00	\$ 0.75	\$ 0.25	34	

Republic’s Core Bank net income was \$12.1 million for the second quarter of 2023 compared to net income of \$8.5 million for the second quarter of 2022. Adjusting for the infrequent items noted in the table below that are not considered to be part of the Core Bank’s normal recurring operations, Republic’s Core Bank Operating net income (a non-GAAP metric) was \$10.9 million for the second quarter of 2023, an increase of \$2.4 million, or 28%, over its Total Company Operating net income for the second quarter of 2022.

Core Bank				
<i>(dollars in thousands)</i>	Three Months Ended Jun. 30,		\$	%
	2023	2022	Change	Change
Core Bank, Net Income, as reported (GAAP)	\$ 12,143	\$ 8,503	\$ 3,640	43 %
Adjustments:				
Add Back the Impact of CBank Merger Expenses, Net of Taxes	99	-	99	-
Reduce for the Impact of the BOLI Benefit Payment Received, Net of Taxes	(1,347)	-	(1,347)	-
Core Bank Adjusted Operating Net Income - Non GAAP	\$ 10,895	\$ 8,503	\$ 2,392	28

[Logan Pichel](#), President and CEO of the Bank commented, “Despite the uncertainty and headwinds in the current economic environment, we were able to produce solid operating results during the second quarter and first six months of 2023. Adjusting our 2022 and 2023 second quarter net incomes for the infrequent items we previously noted, our Operating net incomes for Total Company and the Core Bank during the second quarter of 2023 were significantly better than the comparable Operating net incomes for the same period in the prior year.

A contributing factor to our year-over-year earnings growth is the prudent loan growth within our Traditional Banking segment. Loan growth within this segment has maintained a positive trend since the fourth quarter of 2021. In addition to the \$217 million of loans obtained as part of the first quarter 2023 CBank acquisition, legacy Traditional Bank loans increased \$323 million for the first six months of 2023 with \$226 million of this growth occurring in the second quarter. The breadth and diversification of our legacy loan growth across our various loan types and our geographic markets was also notable for the first six months of this year, with residential and commercial real estate being the primary growth categories.

In addition to the loan growth within our Traditional Bank, our average loan yield in this segment has also risen steadily since market interest rates generally began to rise in March of 2022. Overall, the Traditional Bank’s weighted-average loan yield was 4.98% for the second quarter of 2023, a 106-basis point increase over the 3.92% recorded during the second quarter of 2022.

We also continued to have disciplined expense control. Overall, Core Bank noninterest expense for the second quarter of 2023 increased \$3.3 million, or 8%, over the second quarter of 2022. This increase, however, includes \$2.0 million of noninterest expense associated with the newly acquired CBank operations, which was not part of the Company’s operations during the second quarter of 2022. When comparing our legacy Core Bank noninterest expenses for the quarter, which excludes those of the newly acquired CBank operations, expenses are up a modest \$1.3 million, or 3%, over the second quarter of 2022. Noninterest expense control continues to be a primary focus across the organization and one that we expect to make on-going progress toward.

The biggest challenge that the banking industry has faced this year has been the competition for customer deposits, and even more specifically, low-cost deposits. Republic has not been immune from this challenge, as we also experienced a decline in deposit balances from mid-2022 into the second quarter of this year. This decline stabilized during the second quarter of 2023 as our Core Bank legacy deposits grew again in June. To achieve this, we did meaningfully raise the rates we pay on our deposits. As a result, our Core Bank’s net interest income and net interest margin, on linked-quarter basis, trended lower from the first quarter of 2023 to the second quarter of 2023, as our Core Bank’s overall funding costs rose more than the yields on our interest earning assets. These increased funding costs for deposits will likely continue to negatively impact our net interest margin and net interest income into the future.

Despite the headwinds in our industry, we are excited about our Company’s long-term outlook as we enter the second half of 2023. The credit quality of our Core Bank loan portfolio remains pristine, and each of our regulatory capital ratios place us well above those required to be considered “well capitalized”. While there remain hurdles ahead for financial institutions across the country, these safety and soundness measures continue to place us among the industry’s best and give us great optimism for whatever challenges the future might bring,” concluded Pichel.

The following table highlights Republic’s key metrics for the three and six months ended June 30, 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 July 21, 2023.*

<i>(dollars in thousands, except per share data)</i>	Total Company Financial Performance Highlights							
	Three Months Ended Jun. 30,				Six Months Ended Jun. 30,			
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
Income Before Income Tax Expense	\$ 26,508	\$ 31,022	\$ (4,514)	(15)%	\$ 62,622	\$ 67,391	\$ (4,769)	(7)%
Net Income	21,052	24,347	(3,295)	(14)	49,144	52,697	(3,553)	(7)
Diluted EPS	1.07	1.22	(0.15)	(12)	1.07	1.22	(0.15)	(12)
Return on Average Assets ("ROA")	1.37 %	1.56 %	NA	(12)	1.59 %	1.66 %	NA	(4)
Return on Average Equity ("ROE")	9.41	11.42	NA	(18)	11.08	12.39	NA	(11)

NA – Not applicable

Results of Operations for the Second Quarter of 2023 Compared to the Second Quarter of 2022

Core Bank⁽¹⁾

Net income for the Core Bank was \$12.1 million for the second quarter of 2023 compared to \$8.5 million for the second quarter 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 \$51.4 million for the second quarter of 2023, an \$8.2 million, or 19%, increase over the second quarter of 2022. In addition, the Core Bank’s net interest margin (“NIM”) increased from 3.02% during the second quarter of 2022 to 3.65% during the second quarter of 2023. This increase was driven primarily by the following in each Core Bank segment:

Traditional Bank

Net interest income and NIM within the Traditional Bank were substantially higher from the second quarter of 2022 to the second quarter of 2023 as the increase in yield for its interest-earning assets substantially outpaced the increased cost of its interest-bearing liabilities on a year-over-year basis. Overall, the Traditional Bank’s net interest income increased \$9.5 million, or 24%, and its NIM expanded 71 basis points from the second quarter of 2022 to 3.77% for the second quarter of 2023. Driving this change in net interest income and NIM between the second quarter of 2022 and the second quarter of 2023 were the following:

- Traditional Bank average loans grew from \$3.6 billion with a weighted-average yield of 3.92% during the second quarter of 2022 to \$4.3 billion with a weighted average yield of 4.98% during the second quarter of 2023. As previously noted, loan growth remained particularly strong within the Traditional Bank during the first six months of 2023, while the acquisition of CBank added approximately \$217 million to the Traditional Bank’s average loans during the second quarter of 2023.
- Average investments grew to \$775 million with a weighted-average yield of 2.73% during the second quarter of 2023 from \$691 million with a weighted-average yield of 1.60% for the second quarter of

2022. As part of its overall interest rate risk management strategy, the Traditional Bank generally maintains an investment portfolio with a shorter overall duration as compared to its peers. This strategy is generally favorable to net interest income in a rising interest rate environment.

- The Traditional Bank’s average noninterest-bearing deposits decreased from \$1.6 billion during the second quarter of 2022 to \$1.4 billion for the second quarter of 2023. This decrease in average noninterest-bearing deposits was funded through a decrease in interest-earning cash balances and an increase in FHLB borrowings.
- The Traditional Bank’s weighted-average cost of interest-bearing liabilities increased from 0.09% during the second quarter of 2022 to 1.43% for the second quarter of 2023. Further segmenting the Traditional Bank’s interest-bearing liabilities:
 - The weighted-average cost of total interest-bearing deposits increased from 0.14% during the second quarter of 2022 to 1.59% for the second quarter of 2023. In addition, average interest-bearing deposits grew \$53 million from the second quarter of 2022 to the second quarter of 2023.
 - The average balance of FHLB borrowings increased from \$20 million for the second quarter of 2022 to \$256 million for the second quarter of 2023. In addition, the weighted-average cost of these borrowings increased from 1.88% to 4.90% for the same time periods. As noted above, this increase in the average balance of borrowings was generally driven by a period-to-period decline in average deposit balances.
- Average interest-earning cash was \$111 million with a weighted-average yield of 5.63% during the second quarter of 2023 compared to \$810 million with a weighted-average yield of 0.81% for the second quarter of 2022. The decline in average cash balances was driven generally by an increase in average loans for the same periods.

Warehouse Lending

Net interest income within the Warehouse segment decreased \$1.2 million, or 32%, from the second quarter of 2022 to the second quarter of 2023, driven by decreases in average outstanding balances and net interest margin. Overall, average outstanding Warehouse balances declined from \$579 million during the second quarter of 2022 to \$462 million for the second quarter of 2023. Committed Warehouse lines of credit declined from \$1.4 billion to \$1.0 billion from June 30, 2022 to June 30, 2023 and average usage rates for Warehouse lines were 47% and 41%, respectively, during the second quarters of 2023 and 2022.

In addition, the Warehouse net interest margin decreased 41 basis points from 2.69% during the second quarter of 2022 to 2.28% during the second quarter of 2023. The decline in the Warehouse net interest margin generally occurred as the rise in its internal funding costs outpaced the increase in its 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 Jun. 30,			Three Months Ended Jun. 30,		
	2023	2022	Change	2023	2022	Change
Traditional Banking	\$ 48,682	\$ 39,158	\$ 9,524	3.77 %	3.06 %	0.71 %
Warehouse Lending	2,642	3,886	(1,244)	2.28	2.69	(0.41)
Mortgage Banking*	61	153	(92)	NM	NM	NM
Total Core Bank	\$ 51,385	\$ 43,197	\$ 8,188	3.65	3.02	0.63

(dollars in thousands) Reportable Segment	Average Loan Balances				Period-End Loan Balances			
	Three Months Ended Jun. 30,				Jun. 30,	Jun. 30,		
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
Traditional Banking	\$ 4,277,004	\$ 3,619,761	\$ 657,243	18 %	\$ 4,394,668	\$ 3,665,099	\$ 729,569	20 %
Warehouse Lending	462,755	578,676	(115,921)	(20)	539,560	596,678	(57,118)	(10)
Mortgage Banking*	2,369	10,189	(7,820)	(77)	4,038	8,491	(4,453)	(52)
Total Core Bank	\$ 4,742,128	\$ 4,208,626	\$ 533,502	13	\$ 4,938,266	\$ 4,270,268	\$ 667,998	16

*Includes loans held for sale

NM – Not meaningful

Provision for Expected Credit Loss Expense – The Core Bank’s Provision⁽²⁾ was a net charge of \$2.1 million during the second quarter of 2023 compared to a net credit of \$88,000 for the second quarter of 2022.

The net charge during the second quarter of 2023 was primarily driven by general formula reserves applied to \$229 million of Traditional Bank loan growth from March 31, 2023 to June 30, 2023, as well as \$82 million of spot balance warehouse loan growth during the same period. The net credit during the second quarter of 2022 was primarily driven by a \$1.4 million credit to the provision for the payoff or upgrade of large commercial loans that were downgraded during the height of the pandemic and was partially offset by provision expense driven by formula reserve applied to \$106 million of growth Traditional Bank loans. Overall, the Core Bank’s credit quality metrics remained strong as of June 30, 2023.

As a percentage of total loans, the Core Bank’s Allowance⁽²⁾ decreased to 1.15% as of June 30, 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 Jun. 30, 2023			As of Jun. 30, 2022			Quarterly Change	
	Gross Loans	Allowance	Allowance to Loans	Gross Loans	Allowance	Allowance to Loans	Allowance to Loans	% Change
	Traditional Bank	\$ 4,394,668	\$ 55,567	1.26 %	\$ 3,673,590	\$ 49,727	1.35 %	(0.09)%
Warehouse Lending	539,560	1,346	0.25	596,678	1,491	0.25	—	—
Total Core Bank	4,934,228	56,913	1.15	4,270,268	51,218	1.20	(0.05)	(4)
Tax Refund Solutions	193	—	—	149	—	—	—	—
Republic Credit Solutions	118,721	15,289	12.88	91,816	13,231	14.41	(1.53)	(11)
Total Republic Processing Group	118,914	15,289	12.86	91,965	13,231	14.39	(1.53)	(11)
Total Company	\$ 5,053,142	\$ 72,202	1.43 %	\$ 4,362,233	\$ 64,449	1.48 %	(0.05)%	(3)%

(dollars in thousands) Reportable Segment	ACLL Roll-Forward										
	Three Months Ended June 30,										
	2023					2022					
Beginning Balance	CBank Adjustment*	Provision	Charge-offs	Recoveries	Ending Balance	Beginning Balance	Provision	Charge-offs	Recoveries	Ending Balance	
Traditional Bank	\$ 55,216	\$ (1,384)	\$ 1,860	\$ (239)	\$ 114	\$ 55,567	\$ 49,616	\$ 106	\$ (245)	\$ 250	\$ 49,727
Warehouse Lending	1,144	—	202	—	—	1,346	1,725	(234)	—	—	1,491
Total Core Bank	56,360	(1,384)	2,062	(239)	114	56,913	51,341	(128)	(245)	250	51,218
Tax Refund Solutions	25,981	—	(219)	(25,950)	188	—	8,370	360	(11,658)	2,928	—
Republic Credit Solutions	13,780	—	4,296	(3,018)	231	15,289	11,945	3,433	(2,411)	264	13,231
Total Republic Processing Group	39,761	—	4,077	(28,968)	419	15,289	20,315	3,793	(14,069)	3,192	13,231
Total Company	\$ 96,121	\$ (1,384)	\$ 6,139	\$ (29,207)	\$ 533	\$ 72,202	\$ 71,656	\$ 3,665	\$ (14,314)	\$ 3,442	\$ 64,449

* 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:		
	Jun. 30, 2023	Jun. 30, 2022	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
	Nonperforming loans to total loans	0.34 %	0.38 %	0.37 %	0.47 %
Nonperforming assets to total loans (including OREO)	0.37	0.42	0.40	0.51	0.56
Delinquent loans* to total loans	0.12	0.13	0.14	0.17	0.21
Net charge-offs to average loans (Quarterly rates annualized)	0.01	—	0.00	0.01	0.03
<i>OREO = Other Real Estate Owned</i>					

*Loans 30-days-or-more past due at the time the second contractual payment is past due.

Noninterest Income – Core Bank noninterest income was \$11.3 million during the second quarter of 2023, an increase of \$1.7 million, or 18%, from the second quarter of 2022. The increase in noninterest income was primarily driven by \$1.7 million of non-recurring revenue related to the BOLI.

Noninterest Expense – As previously noted, the Core Bank’s noninterest expense was \$45.5 million for the second quarter of 2023 compared to \$42.2 million for the second quarter of 2022, an increase of \$3.3 million, or 8% for the quarter. Noninterest expenses for the second quarter of 2023 included \$2.0 million of expense associated with the former CBank operations, which was acquired in March 2023. Noninterest expense for the Core Bank’s legacy operations, increased a modest \$1.3 million, or 3%, from the second quarter of 2022 to the second quarter of 2023.

Republic Processing Group⁽³⁾

The Republic Processing Group (“RPG”) reported net income of \$8.9 million for the second quarter of 2023 compared to \$15.8 million for the same period in 2022 and adjusted net income of \$6.2 million for the second quarter of 2022. RPG adjusted net income for the second quarter of 2022 excludes the previously disclosed \$13.0 million pre-tax legal settlement received by Republic Bank & Trust Company (“RB&T”), net of \$699,000 in related pre-tax expenses. The prepaid card business within the TRS segment was the primary driver for the quarter-over-quarter growth in adjusted net income at RPG.

Net interest income within the TRS segment was up \$2.4 million from the second quarter of 2022 to the second quarter of 2023. The prepaid card product component of TRS drove a \$3.3 million increase to net interest income for the segment, with an increase in the product’s applied yield to its noninterest-bearing funds driving the growth. Overall, a yield of 4.52% was applied to average prepaid card-related balances of \$362 million during the second quarter of 2023 compared to yield of 0.83% applied to average prepaid card-related balances of \$377 million during the second quarter of 2022.

Republic Bancorp, Inc. (the “Company”) is the parent company of Republic Bank & Trust Company (the “Bank”). The Bank currently has 46 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 three banking centers in the Nashville MSA in Cool Springs, Green Hills, and Spring Hill, Tennessee. In addition, the Bank has one loan production office in St. Louis, Missouri. The Bank offers internet banking at www.republicbank.com. As of June 30, 2023, the Company had approximately \$6.4 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.

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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.*

NM – Not meaningful

NA – Not applicable

CONTACT:

Republic Bancorp, Inc.

Kevin Sipes

Executive Vice President & Chief Financial Officer

(502) 560-8628



EARNINGS RELEASE FINANCIAL SUPPLEMENT
SECOND QUARTER 2023

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Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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	
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	From Dec. 31, 2022	From Jun. 30, 2022
Assets:							
Cash and cash equivalents	\$ 241,967	\$ 249,289	\$ 313,689	\$ 754,393	\$ 795,143	\$ (71,722)	\$ (553,176)
Investment securities, net of allowance for credit losses	706,238	725,163	707,862	662,750	655,296	(1,624)	50,942
Loans held for sale	25,582	18,466	19,177	24,387	39,727	6,405	(14,145)
Loans	5,053,142	4,774,234	4,515,802	4,289,450	4,362,233	537,340	690,909
Allowance for credit losses	(72,202)	(96,121)	(70,413)	(64,919)	(64,449)	(1,789)	(7,753)
Loans, net	4,980,940	4,678,113	4,445,389	4,224,531	4,297,784	535,551	683,156
Federal Home Loan Bank stock, at cost	29,395	25,939	9,146	8,568	10,311	20,249	19,084
Premises and equipment, net	33,840	33,672	31,978	32,813	33,886	1,862	(46)
Right-of-use assets	34,939	36,245	37,017	41,303	41,364	(2,078)	(6,425)
Goodwill	40,516	41,618	16,300	16,300	16,300	24,216	24,216
Other real estate owned ("OREO")	1,478	1,529	1,581	1,634	1,687	(103)	(209)
Bank owned life insurance ("BOLI")	102,521	102,322	101,687	101,013	100,396	834	2,125
Low-income housing tax credit investments	77,426	73,901	75,324	63,319	58,446	2,102	18,980
Other assets and accrued interest receivable	94,937	87,834	76,393	68,652	62,136	18,544	32,801
Total assets	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476	\$ 534,236	\$ 257,303
Liabilities and Stockholders' Equity:							
Deposits:							
Noninterest-bearing	\$ 1,854,907	\$ 2,013,957	\$ 1,908,768	\$ 2,013,337	\$ 2,093,853	\$ (53,861)	\$ (238,946)
Interest-bearing	2,874,374	2,785,711	2,629,077	2,786,385	2,733,093	245,297	141,281
Total deposits	4,729,281	4,799,668	4,537,845	4,799,722	4,826,946	191,436	(97,665)
Securities sold under agreements to repurchase ("SSUAR") and other short-term borrowings							
	92,093	134,412	216,956	209,376	303,315	(124,863)	(211,222)
Operating lease liabilities	35,721	37,031	37,809	42,109	42,163	(2,088)	(6,442)
Federal Home Loan Bank advances	520,000	108,000	95,000	20,000	20,000	425,000	500,000
Low-income housing tax credit obligations	55,998	42,437	43,609	32,224	27,974	12,389	28,024
Other liabilities and accrued interest payable	49,715	70,341	47,711	53,169	48,212	2,004	1,503
Total liabilities	5,482,808	5,191,889	4,978,930	5,156,600	5,268,610	503,878	214,198
Stockholders' equity	886,971	882,202	856,613	843,063	843,866	30,358	43,105
Total liabilities and stockholders' equity	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476	\$ 534,236	\$ 257,303

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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					Six Months Ended		\$ Change (8) 6M to 6M
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Assets:								
Interest-earning assets:								
Federal funds sold and other interest-earning deposits	\$ 114,368	\$ 241,211	\$ 553,695	\$ 727,626	\$ 813,956	\$ 177,439	\$ 837,757	\$ (660,318)
Investment securities, including FHLB stock	774,829	773,172	693,825	694,781	691,427	774,006	649,040	124,966
Loans, including loans held for sale	4,904,167	4,665,543	4,353,256	4,306,169	4,339,432	4,785,513	4,347,299	438,214
Total interest-earning assets	5,793,364	5,679,926	5,600,776	5,728,576	5,844,815	5,736,958	5,834,096	(97,138)
Allowance for credit losses	(96,720)	(83,195)	(65,290)	(65,262)	(72,037)	(89,995)	(70,670)	(19,325)
Noninterest-earning assets:								
Noninterest-earning cash and cash equivalents	113,865	295,905	115,416	108,069	172,382	204,382	262,772	(58,390)
Premises and equipment, net	33,967	32,232	32,518	33,307	34,322	33,104	34,888	(1,784)
Bank owned life insurance	102,599	102,004	101,361	100,740	100,152	102,303	99,844	2,459
Other assets	210,350	186,169	153,721	171,392	161,548	198,327	172,388	25,939
Total assets	\$ 6,157,425	\$ 6,213,041	\$ 5,938,502	\$ 6,076,822	\$ 6,241,182	\$ 6,185,079	\$ 6,333,318	\$ (148,239)
Liabilities and Stockholders' Equity:								
Interest-bearing liabilities:								
Interest-bearing deposits	\$ 2,828,733	\$ 2,663,099	\$ 2,704,764	\$ 2,777,124	\$ 2,779,941	\$ 2,746,373	\$ 2,803,587	\$ (57,214)
SSUARs and other short-term borrowings	117,852	202,910	247,123	220,149	294,388	160,146	297,263	(137,117)
Federal Home Loan Bank advances	256,000	245,344	21,630	20,000	20,000	250,702	21,657	229,045
Total interest-bearing liabilities	3,202,585	3,111,353	2,973,517	3,017,273	3,094,329	3,157,221	3,122,507	34,714
Noninterest-bearing liabilities and Stockholders' equity:								
Noninterest-bearing deposits	1,927,486	2,089,162	1,994,233	2,096,206	2,196,794	2,007,877	2,254,194	(246,317)
Other liabilities	132,687	133,321	114,196	108,964	100,118	133,002	106,320	26,682
Stockholders' equity	894,667	879,205	856,556	854,379	849,941	886,979	850,297	36,682
Total liabilities and stockholders' equity	\$ 6,157,425	\$ 6,213,041	\$ 5,938,502	\$ 6,076,822	\$ 6,241,182	\$ 6,185,079	\$ 6,333,318	\$ (148,239)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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					Six Months Ended		\$ Change (\$) 6M to 6M
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Total interest income (1)	\$ 79,054	\$ 100,356	\$ 66,555	\$ 60,617	\$ 52,902	\$ 179,410	\$ 117,012	\$ 62,398
Total interest expense	14,525	7,714	3,442	2,020	1,088	22,239	2,031	20,208
Net interest income	64,529	92,642	63,113	58,597	51,814	157,171	114,981	42,190
Provision (2)	6,139	26,766	7,844	1,573	3,705	32,905	12,931	19,974
Noninterest income:								
Service charges on deposit accounts	3,527	3,299	3,428	3,409	3,363	6,826	6,589	237
Net refund transfer fees	4,479	10,807	486	593	3,950	15,286	16,001	(715)
Mortgage banking income (3)	907	800	622	1,154	1,763	1,707	4,420	(2,713)
Interchange fee income	3,419	3,051	3,272	3,322	3,461	6,470	6,531	(61)
Program fees (3)	3,739	3,241	3,501	4,932	3,885	6,980	7,739	(759)
Increase in cash surrender value of BOLI	689	635	674	617	623	1,324	1,235	89
Net losses on OREO	(52)	(53)	(53)	(53)	(52)	(105)	(105)	—
Contract termination fee	—	—	—	—	—	—	5,000	(5,000)
Legal settlement	—	—	—	—	13,000	—	—	—
Other	2,943	901	1,194	1,134	576	3,844	14,168	(10,324)
Total noninterest income	19,651	22,681	13,124	15,108	30,569	42,332	61,578	(19,246)
Noninterest expense:								
Salaries and employee benefits	30,764	29,961	25,763	27,269	28,896	60,725	58,208	2,517
Technology, equipment, and communication	6,920	7,228	7,276	7,235	7,229	14,148	14,443	(295)
Occupancy	3,591	3,406	3,139	3,211	3,224	6,997	6,664	333
Marketing and development	2,513	1,574	1,856	1,951	1,720	4,087	3,068	1,019
FDIC insurance expense	724	637	427	423	399	1,361	818	543
Interchange related expense	1,350	1,499	1,171	1,221	1,264	2,849	2,381	468
Legal and professional fees	829	1,061	951	904	804	1,890	2,169	(279)
Merger expense	127	2,073	—	—	—	2,200	—	2,200
Other (2)	4,715	5,004	4,322	3,952	4,120	9,719	8,486	1,233
Total noninterest expense	51,533	52,443	44,905	46,166	47,656	103,976	96,237	7,739
Income before income tax expense	26,508	36,114	23,488	25,966	31,022	62,622	67,391	(4,769)
Income tax expense	5,456	8,022	4,975	6,070	6,675	13,478	14,694	(1,216)
Net income	\$ 21,052	\$ 28,092	\$ 18,513	\$ 19,896	\$ 24,347	\$ 49,144	\$ 52,697	\$ (3,553)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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 Six Months Ended		Change (8) From Jun. 30, 2022 or 6M to 6M
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Per Share Data:								
Basic weighted average shares outstanding	19,884	19,935	19,929	19,919	20,107	19,909	20,131	(222)
Diluted weighted average shares outstanding	19,906	19,990	19,981	19,981	20,169	19,961	20,202	(241)
Period-end shares outstanding:								
Class A Common Stock	17,447	17,598	17,587	17,587	17,629	17,447	17,629	(182)
Class B Common Stock	2,157	2,160	2,160	2,160	2,161	2,157	2,161	(4)
Book value per share (4)	\$ 45.24	\$ 44.65	\$ 43.38	\$ 42.69	\$ 42.64	\$ 45.24	\$ 42.64	\$ 2.60
Tangible book value per share (4)	42.63	41.98	42.11	41.40	41.34	42.63	41.34	1.29
Earnings per share ("EPS"):								
Basic EPS - Class A Common Stock	\$ 1.07	\$ 1.42	\$ 0.94	\$ 1.01	\$ 1.23	\$ 2.50	\$ 2.65	\$ (0.15)
Basic EPS - Class B Common Stock	0.98	1.30	0.86	0.92	1.12	2.27	2.41	(0.14)
Diluted EPS - Class A Common Stock	1.07	1.42	0.94	1.01	1.22	2.50	2.64	(0.14)
Diluted EPS - Class B Common Stock	0.98	1.29	0.85	0.92	1.11	2.27	2.40	(0.13)
Cash dividends declared per Common share:								
Class A Common Stock	\$ 0.374	\$ 0.374	\$ 0.341	\$ 0.341	\$ 0.341	\$ 0.748	\$ 0.682	\$ 0.066
Class B Common Stock	0.340	0.340	0.310	0.310	0.310	0.680	0.620	0.060
Performance Ratios:								
Return on average assets	1.37 %	1.81 %	1.25 %	1.28 %	1.53 %	1.59 %	1.66 %	(0.07)%
Return on average equity	9.41	12.78	8.65	9.15	11.23	11.08	12.39	(1.31)
Efficiency ratio (5)	62	45	59	63	68	53	60	(7)
Yield on average interest-earning assets (1)	5.46	7.07	4.75	4.19	3.58	6.25	4.01	2.24
Cost of average interest-bearing liabilities	1.81	0.99	0.46	0.27	0.14	1.41	0.13	1.28
Cost of average deposits (6)	0.94	0.41	0.26	0.15	0.08	0.68	0.07	0.61
Net interest spread (1)	3.65	6.08	4.29	3.92	3.44	4.84	3.88	0.96
Net interest margin - Total Company (1)	4.46	6.52	4.51	4.05	3.51	5.48	3.94	1.54
Net interest margin - Core Bank	3.65	3.98	3.82	3.54	3.02	3.81	2.97	0.83
Other Information:								
End of period FTEs (7) - Total Company	1,043	1,031	998	1,009	1,020	1,043	1,020	23
End of period FTEs - Core Bank	985	972	932	916	929	985	929	56
Number of full-service banking centers	45	44	42	42	42	45	42	3

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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 Jun. 30, 2022
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022		
Loan Composition							
Traditional Banking:							
Residential real estate:							
Owner occupied	\$ 1,086,751	\$ 972,214	\$ 911,427	\$ 863,899	\$ 832,137	\$ 175,324	\$ 254,614
Nonowner occupied	350,390	328,529	321,358	321,037	313,534	29,032	36,856
Commercial real estate	1,727,092	1,682,573	1,599,510	1,571,593	1,569,119	127,582	157,973
Construction & land development	179,479	167,829	153,875	147,418	137,452	25,604	42,027
Commercial & industrial	478,759	478,101	413,387	412,826	408,832	65,372	69,927
Lease financing receivables	79,804	73,270	10,505	11,333	11,345	69,299	68,459
Aircraft	208,512	184,344	179,785	166,313	159,958	28,727	48,554
Home equity	255,755	250,050	241,739	229,038	214,069	14,016	41,686
Consumer:							
Credit cards	17,134	16,775	15,473	14,897	15,419	1,661	1,715
Overdrafts	706	775	726	723	901	(20)	(195)
Automobile loans	4,177	5,267	6,731	7,890	9,579	(2,554)	(5,402)
Other consumer	6,109	5,450	626	973	1,245	5,483	4,864
Total Traditional Banking	4,394,668	4,165,177	3,855,142	3,747,940	3,673,590	539,526	721,078
Warehouse lines of credit	539,560	457,365	403,560	442,238	596,678	136,000	(57,118)
Total Core Banking	4,934,228	4,622,542	4,258,702	4,190,178	4,270,268	675,526	663,960
Republic Processing Group:							
Tax Refund Solutions:							
Refund Advances	—	31,665	97,505	—	—	(97,505)	—
Other TRS commercial & industrial loans	193	8,327	51,767	295	149	(51,574)	44
Republic Credit Solutions	118,721	111,700	107,828	98,977	91,816	10,893	26,905
Total Republic Processing Group	118,914	151,692	257,100	99,272	91,965	(138,186)	26,949
Total loans - Total Company	\$ 5,053,142	\$ 4,774,234	\$ 4,515,802	\$ 4,289,450	\$ 4,362,233	\$ 537,340	\$ 690,909
Allowance for Credit Losses on Loans ("Allowance")							
Traditional Banking	\$ 55,567	\$ 55,216	\$ 50,709	\$ 49,231	\$ 49,727	\$ 4,858	\$ 5,840
Warehouse Lending	1,346	1,144	1,009	1,105	1,491	337	(145)
Total Core Banking	56,913	56,360	51,718	50,336	51,218	5,195	5,695
Tax Refund Solutions	—	25,981	3,888	—	—	(3,888)	—
Republic Credit Solutions	15,289	13,780	14,807	14,583	13,231	482	2,058
Total Republic Processing Group	15,289	39,761	18,695	14,583	13,231	(3,406)	2,058
Total Allowance - Total Company	\$ 72,202	\$ 96,121	\$ 70,413	\$ 64,919	\$ 64,449	\$ 1,789	\$ 7,753
Allowance to Total Loans							
Traditional Banking	1.26 %	1.33 %	1.32 %	1.31 %	1.35 %	(0.06)%	(0.09)%
Warehouse Lending	0.25	0.25	0.25	0.25	0.25	—	—
Total Core Banking	1.15	1.22	1.21	1.20	1.20	(0.06)	(0.05)
Tax Refund Solutions	—	64.97	2.60	—	—	(2.60)	—
Republic Credit Solutions	12.88	12.34	13.73	14.73	14.41	(0.85)	(1.53)
Total Republic Processing Group	12.86	26.21	7.27	14.69	14.39	5.59	(1.53)
Total Company	1.43	2.01	1.56	1.51	1.48	(0.13)	(0.05)

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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 Six Months Ended		Change (\$) From Jun. 30, 2022 or 6M to 6M
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Credit Quality Asset Balances and Net Charge-off ("NCO") Data:								
Nonperforming Assets - Total Company:								
Loans on nonaccrual status	\$ 16,957	\$ 15,833	\$ 15,562	\$ 16,322	\$ 16,168	\$ 16,957	\$ 16,168	\$ 789
Loans past due 90-days-or-more and still on accrual	547	777	756	37	42	547	42	505
Total nonperforming loans	17,504	16,610	16,318	16,359	16,210	17,504	16,210	1,294
OREO	1,478	1,529	1,581	1,634	1,687	1,478	1,687	(209)
Total nonperforming assets	\$ 18,982	\$ 18,139	\$ 17,899	\$ 17,993	\$ 17,897	\$ 18,982	\$ 17,897	\$ 1,085
Nonperforming Assets - Core Bank:								
Loans on nonaccrual status	\$ 16,957	\$ 15,833	\$ 15,562	\$ 16,322	\$ 16,168	\$ 16,957	\$ 16,168	\$ 789
Loans past due 90-days-or-more and still on accrual	—	—	—	—	—	—	—	—
Total nonperforming loans	16,957	15,833	15,562	16,322	16,168	16,957	16,168	789
OREO	1,478	1,529	1,581	1,634	1,687	1,478	1,687	(209)
Total nonperforming assets	\$ 18,435	\$ 17,362	\$ 17,143	\$ 17,956	\$ 17,855	\$ 18,435	\$ 17,855	\$ 580
Delinquent Loans:								
Delinquent loans - Core Bank	\$ 5,875	\$ 5,537	\$ 6,060	\$ 4,368	\$ 5,352	\$ 5,875	\$ 5,352	\$ 523
RPG	10,043	30,587	9,200	7,522	6,099	10,043	6,099	3,944
Total delinquent loans - Total Company	\$ 15,918	\$ 36,124	\$ 15,260	\$ 11,890	\$ 11,451	\$ 15,918	\$ 11,451	\$ 4,467
NCOs (Recoveries) by Segment:								
Traditional Bank	\$ 125	\$ 77	\$ 238	\$ (187)	\$ (5)	\$ 202	\$ 113	\$ 89
Warehouse Lending loans	—	—	—	—	—	—	—	—
Core Bank loans	125	77	238	(187)	(5)	202	113	89
Tax Refund Solutions	25,762	(285)	(909)	(1,296)	8,730	25,477	8,368	17,109
Republic Credit Solutions	2,787	2,866	3,021	2,656	2,147	5,653	4,545	1,108
RPG	28,549	2,581	2,112	1,360	10,877	31,130	12,913	18,217
Total NCOs (recoveries) - Total Company	\$ 28,674	\$ 2,658	\$ 2,350	\$ 1,173	\$ 10,872	\$ 31,332	\$ 13,026	\$ 18,306
Credit Quality Ratios - Total Company:								
Nonperforming loans to total loans	0.35 %	0.35 %	0.36 %	0.38 %	0.37 %	0.35 %	0.37 %	(0.02)%
Nonperforming assets to total loans (including OREO)	0.38	0.38	0.40	0.42	0.41	0.38	0.41	(0.03)
Nonperforming assets to total assets	0.30	0.30	0.31	0.30	0.29	0.30	0.29	0.01
Allowance for credit losses to total loans	1.43	2.01	1.56	1.51	1.48	1.43	1.48	(0.05)
Allowance for credit losses to nonperforming loans	412	579	432	397	398	412	398	14
Delinquent loans to total loans (9)	0.32	0.76	0.34	0.28	0.26	0.32	0.26	0.06
NCOs (recoveries) to average loans (annualized)	2.34	0.23	0.22	0.11	1.00	1.31	0.60	0.71
Credit Quality Ratios - Core Bank:								
Nonperforming loans to total loans	0.34 %	0.34 %	0.37 %	0.39 %	0.38 %	0.34 %	0.38 %	(0.04)%
Nonperforming assets to total loans (including OREO)	0.37	0.38	0.40	0.43	0.42	0.37	0.42	(0.05)
Nonperforming assets to total assets	0.32	0.32	0.32	0.33	0.32	0.32	0.32	-
Allowance for credit losses to total loans	1.15	1.22	1.21	1.20	1.20	1.15	1.20	(0.05)
Allowance for credit losses to nonperforming loans	336	356	332	308	317	336	317	19
Delinquent loans to total loans	0.12	0.12	0.14	0.10	0.13	0.12	0.13	(0.01)
Annualized NCOs (recoveries) to average loans	0.01	0.01	0.02	(0.02)	—	0.01	0.01	0.00
TRS Refund Advances ("RAs")								
RAs originated	\$ —	\$ 737,047	\$ 97,505	\$ —	\$ —	\$ 737,047	\$ 311,207	\$ 425,840
Net (credit) charge to the Provision for RAs	(161)	21,715	2,888	(1,296)	564	21,554	8,879	12,675
RAs NCOs (recoveries)	25,636	(285)	(909)	(1,296)	8,879	25,351	8,879	16,472

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Second 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 June 30, 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:

<u>Reportable Segment:</u>	<u>Nature of Operations:</u>	<u>Primary Drivers of Net Revenue:</u>
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
Second Quarter 2023 (continued)

Segment information for the quarters and years ended June 30, 2023 and 2022 follows:

<i>(dollars in thousands)</i>	Three Months Ended June 30, 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	\$ 48,682	\$ 2,642	\$ 61	\$ 51,385	\$ 4,010	\$ 9,134	\$ 13,144	\$ 64,529
Provision for expected credit loss expense	1,860	202	—	2,062	(219)	4,296	4,077	6,139
Net refund transfer fees	—	—	—	—	4,479	—	4,479	4,479
Mortgage banking income	—	—	907	907	—	—	—	907
Program fees	(1)	—	—	(1)	729	3,011	3,740	3,739
Other noninterest income	10,330	11	27	10,368	118	40	158	10,526
Total noninterest income	10,329	11	934	11,274	5,326	3,051	8,377	19,651
Total noninterest expense	42,153	1,008	2,322	45,483	3,143	2,907	6,050	51,533
Income (loss) before income tax expense	14,998	1,443	(1,327)	15,114	6,412	4,982	11,394	26,508
Income tax expense (benefit)	2,941	322	(292)	2,971	1,391	1,094	2,485	5,456
Net income (loss)	\$ 12,057	\$ 1,121	\$ (1,035)	\$ 12,143	\$ 5,021	\$ 3,888	\$ 8,909	\$ 21,052
Period-end assets	\$ 5,271,050	\$ 540,106	\$ 16,147	\$ 5,827,303	\$ 415,428	\$ 127,048	\$ 542,476	\$ 6,369,779
Net interest margin	3.77 %	2.28 %	NM	3.65 %	NM	NM	NM	4.46 %
Net-revenue concentration*	71 %	3 %	1 %	75 %	11 %	14 %	25 %	100 %

<i>(dollars in thousands)</i>	Three Months Ended June 30, 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	\$ 39,158	\$ 3,886	\$ 153	\$ 43,197	\$ 1,638	\$ 6,979	\$ 8,617	\$ 51,814
Provision for expected credit loss expense	146	(234)	—	(88)	360	3,433	3,793	3,705
Net refund transfer fees	—	—	—	—	3,950	—	3,950	3,950
Mortgage banking income	—	—	1,763	1,763	—	—	—	1,763
Program fees	—	—	—	—	736	3,149	3,885	3,885
Contract termination fee	—	—	—	—	5,000	—	5,000	5,000
Legal settlement	5,000	—	—	5,000	—	—	—	5,000
Other noninterest income	2,734	12	46	2,792	8,179	—	8,179	10,971
Total noninterest income	7,734	12	1,809	9,555	17,865	3,149	21,014	30,569
Total noninterest expense	38,317	1,035	2,832	42,184	3,533	1,939	5,472	47,656
Income before income tax expense	8,429	3,097	(870)	10,656	15,610	4,756	20,366	31,022
Income tax expense	1,652	692	(191)	2,153	3,465	1,057	4,522	6,675
Net income	\$ 6,777	\$ 2,405	\$ (679)	\$ 8,503	\$ 12,145	\$ 3,699	\$ 15,844	\$ 24,347
Period-end assets	\$ 4,997,734	\$ 596,031	\$ 22,342	\$ 5,616,107	\$ 382,156	\$ 114,213	\$ 496,369	\$ 6,112,476
Net interest margin	3.06 %	2.69 %	NM	3.02 %	NM	NM	NM	3.55 %
Net-revenue concentration*	57 %	5 %	2 %	64 %	24 %	12 %	36 %	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.
Earnings Release Financial Supplement
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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					Six Months Ended		<i>\$ Change (8) 6M to 6M</i>
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Traditional Banking	\$ 1,311	\$ 943	\$ 943	\$ 1,063	\$ 1,669	\$ 2,254	\$ 3,999	\$ (1,745)
Warehouse Lending	294	248	272	402	500	542	1,074	(532)
Total Core Bank	1,605	1,191	1,215	1,465	2,169	2,796	5,073	(2,277)
TRS - Refund Advances	41	31,404	50	81	81	31,446	13,525	17,921
TRS - Other Loan Fees	24	933	825	(1)	2	956	664	292
RCS	8,416	7,962	7,501	7,196	6,364	16,378	16,621	(243)
Total RPG	8,481	40,299	8,376	7,276	6,447	48,780	30,810	17,970
Total loan fees - Total Company	\$ 10,086	\$ 41,490	\$ 9,591	\$ 8,741	\$ 8,616	\$ 51,576	\$ 35,883	\$ 15,693

- (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 Six Months Ended		<i>\$ Change (8) 6M to 6M</i>
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022	
Mortgage Loans Held for Sale								
Balance, beginning of period	\$ 1,034	\$ 1,302	\$ 2,912	\$ 8,491	\$ 13,302	\$ 1,302	\$ 29,393	\$ (28,091)
Originations	13,948	15,942	10,359	32,856	61,489	29,890	162,150	(132,260)
Proceeds from sales	(11,483)	(16,630)	(12,207)	(39,220)	(67,759)	(28,113)	(186,971)	158,858
Net gain on sale	539	420	238	785	1,459	959	3,919	(2,960)
Balance, end of period	<u>\$ 4,038</u>	<u>\$ 1,034</u>	<u>\$ 1,302</u>	<u>\$ 2,912</u>	<u>\$ 8,491</u>	<u>\$ 4,038</u>	<u>\$ 8,491</u>	<u>\$ (4,453)</u>
RCS Consumer Loans Held for Sale								
Balance, beginning of period	\$ 17,432	\$ 17,875	\$ 21,475	\$ 31,236	\$ 14,735	\$ 17,875	\$ 22,684	\$ (4,809)
Originations	262,404	207,222	225,588	292,131	282,782	469,626	527,996	(58,370)
Proceeds from sales	(261,301)	(210,199)	(231,999)	(306,093)	(269,429)	(471,500)	(525,709)	54,209
Net gain on sale	3,009	2,534	2,811	4,201	3,148	5,543	6,265	(722)
Balance, end of period	<u>\$ 21,544</u>	<u>\$ 17,432</u>	<u>\$ 17,875</u>	<u>\$ 21,475</u>	<u>\$ 31,236</u>	<u>\$ 21,544</u>	<u>\$ 31,236</u>	<u>\$ (9,692)</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				
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022
Total stockholders' equity - GAAP (a)	\$ 886,971	\$ 882,202	\$ 856,613	\$ 843,063	\$ 843,866
Less: Goodwill	40,516	41,618	16,300	16,300	16,300
Less: Mortgage servicing rights	7,995	8,406	8,769	9,177	9,407
Less: Core deposit intangible	2,713	2,813	—	—	—
Tangible stockholders' equity - Non-GAAP (c)	\$ 835,747	\$ 829,365	\$ 831,544	\$ 817,586	\$ 818,159
Total assets - GAAP (b)	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543	\$ 5,999,663	\$ 6,112,476
Less: Goodwill	40,516	41,618	16,300	16,300	16,300
Less: Mortgage servicing rights	7,995	8,406	8,769	9,177	9,407
Less: Core deposit intangible	2,713	2,813	—	—	—
Tangible assets - Non-GAAP (d)	\$ 6,318,555	\$ 6,021,254	\$ 5,810,474	\$ 5,974,186	\$ 6,086,769
Total stockholders' equity to total assets - GAAP (a/b)	13.92 %	14.52 %	14.68 %	14.05 %	13.81 %
Tangible stockholders' equity to tangible assets - Non-GAAP (c/d)	13.23 %	13.77 %	14.31 %	13.69 %	13.44 %
Number of shares outstanding (e)	19,604	19,758	19,747	19,747	19,790
Book value per share - GAAP (a/e)	\$ 45.24	\$ 44.65	\$ 43.38	\$ 42.69	\$ 42.64
Tangible book value per share - Non-GAAP (c/e)	42.63	41.98	42.11	41.40	41.34

- (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 CBank merger, the now-cancelled TRS Transaction, the BOLI benefit payment received, as well as net gains (losses) on sales, calls, and impairment of investment securities.

(dollars in thousands)	Three Months Ended					Six Months Ended June 30, 2023	
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sep. 30, 2022	Jun. 30, 2022	Jun. 30, 2023	Jun. 30, 2022
Net interest income - GAAP	\$ 64,529	\$ 92,642	\$ 63,113	\$ 58,597	\$ 51,814	\$ 157,171	\$ 114,981
Noninterest income - GAAP	19,651	22,681	13,124	15,108	30,569	42,332	61,578
Less: Contract termination fee related to TRS Transaction	—	—	—	—	—	—	5,000
Less: Legal settlement related to TRS Transaction	—	—	—	—	13,000	—	13,000
Less: BOLI benefit payment received	1,728	—	—	—	—	1,728	—
Less: Net gain (loss) on securities	3	1	1	2	(102)	4	(222)
Total adjusted income - Non-GAAP (a)	\$ 82,449	\$ 115,322	\$ 76,236	\$ 73,703	\$ 69,485	\$ 197,771	\$ 158,781
Noninterest expense - GAAP	\$ 51,533	\$ 52,443	\$ 44,905	\$ 46,166	\$ 47,656	\$ 103,976	\$ 96,237
Less: Expenses related to CBank acquisition	127	2,073	—	—	—	—	—
Less: Expenses related to TRS Transaction	—	—	—	88	699	—	699
Adjusted noninterest expense - Non-GAAP (b)	\$ 51,406	\$ 50,370	\$ 44,905	\$ 46,078	\$ 46,957	\$ 103,976	\$ 95,538
Efficiency Ratio - Non-GAAP (b/a)	62 %	44 %	59 %	63 %	68 %	53 %	60 %

- (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 June 30, 2023, included \$0 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

CONTACT:

Republic Bancorp, Inc.

Kevin Sipes

Executive Vice President & Chief Financial Officer

(502) 560-8628