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Republic Bancorp, Inc. Reports Fourth Quarter 2023 Net Income of \$19.7 Million

January 26, 2024

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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 fourth quarter 2023 net income and Diluted Earnings per Class A Common Share (“Diluted EPS”) of \$19.7 million and \$1.01 per share, representing increases of 6% and 7% over the fourth quarter of 2022.

[Logan Pichel](#), President and CEO of the Bank commented, “We are proud to report the completion of another successful year at Republic Bank as we continue our mission to enable our clients, Company, associates, and the communities we serve to thrive. Included among our accomplishments for the year were:

- Increased Adjusted Net Income⁽¹⁰⁾, a Non-GAAP metric, 21% for 2023 over 2022, adjusting for the Day-1 merger related expenses associated with the CBank acquisition and the net benefit in 2022 from the termination penalty and legal settlements received from Green Dot.
- Generated a total return on Republic’s stock of 39% in 2023 versus a decline of 1% by the KBW NASDAQ Bank Index during the same period.
- Grew Traditional Bank loans 20% overall, or 14% excluding the acquired operations of CBank for the year.
- Managed expenses prudently with Core Bank non-interest expenses, excluding the acquired CBank operations, increasing only 1% for the year vs 2022.
- Maintained strong credit quality with Core Bank net charge-offs for the year of 1 basis point.
- Improved our Net Promoter Score to over 2x Banking industry average during 2023.
- Recognized by Newsweek as one of America’s Best Online Mortgage Lenders.
- Recognized by Forbes as one of Kentucky’s Best Banks.
- Recognized for the seventh consecutive year as one of Kentucky’s Best Places to Work.
- Recognized as one of Louisville’s Top Corporate Philanthropists.
- Improved our Interactive Teller Machine service levels to the best in Company history.
- Expanded client connections by making over 12,000 client relationship calls.
- Enhanced our digital banking capabilities supporting our industry-leading online banking scores.
- Acquired CBank and added the Republic Bank Finance business line.
- Opened three (3) new banking centers: one (1) in Northern Kentucky and two (2) in metropolitan Nashville, TN.

- Introduced a nationwide deposit gathering program to enhance company liquidity and maintain industry leading capital metrics.
- Continued our progress in Diversity, Equity, and Inclusion and introduced our new Community and Multicultural Banking Group.
- Re-located almost 100 associates to our downtown Louisville offices, supporting downtown economic development.

The diversity of our Bank's business model continues to drive a strong overall performance for the Company. Our Core Banking operations reported net income of \$15.8 million for the quarter, representing a \$486,000, or 3%, decrease in net income from the fourth quarter of 2022. Meanwhile, net income within our Republic Processing Group ("RPG") increased \$1.6 million, or 74%, from the fourth quarter of 2022 to the fourth quarter of 2023 driven by the strong performance of our Republic Payments Solutions prepaid card division.

As was the case for the first three quarters of 2023, our industry continued to face the challenges of an inverted yield curve and tremendous competition for deposits and liquidity during the fourth quarter. These challenges continued to exert pressure on the net interest margins of banks across the United States, including our own Core Banking operations. As we move forward into 2024, we will combat these challenges in net interest income by seeking to further diversify our revenue streams and fortify our liquidity, while continuing to become more efficient in our operations across the Company.

We are proud of the job we have done across the Company of growing our deposits. As a result of the strong efforts of our associates, our Core Bank deposits, excluding wholesale brokered deposits, ended the year at \$4.3 billion, an increase of \$219 million, or 5%, from December 31, 2022. In addition, we added capacity at the Federal Home Loan Bank, increasing our borrowing line by \$111 million from December 31, 2022 to December 31, 2023. The growth in our deposits did come at the cost of higher funding expenses for our total deposit portfolio, but we believe it was a cost worth absorbing given the environment in which we currently operate.

Our dedication to industry leading credit quality and capital remained staples during 2023. Among our many favorable credit quality metrics, we ended the fourth quarter of 2023 with a delinquency ratio of 0.16% within our Core Bank. In addition, our capital ratios at Republic Bank & Trust Company continued to be significantly above the minimums to be considered well-capitalized as of December 31, 2023.

We are proud of our many accomplishments over the past year and are optimistic about our future. We believe our focus on creating Best-in-Class client experiences, our strong capital and liquidity position, and our continued commitment to supporting all parts of the communities we serve, make us well-positioned to grow our relationships with existing clients and attract new clients. We are very proud of the good work of our over 1,000 Republic Bank associates and are much appreciative of the trust and support that each of our clients and shareholders place in Republic Bank." concluded Pichel.

The following table highlights Republic's key metrics for the three and twelve months ended December 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 January 26, 2023.*

(dollars in thousands, except per share data)	Total Company Financial Performance Highlights							
	Three Months Ended Dec. 31,				Years Ended Dec. 31,			
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
Income Before Income Tax Expense	\$ 23,519	\$ 23,488	\$ 31	— %	\$ 113,213	\$ 116,845	\$ (3,632)	(3)%
Net Income	19,659	18,513	1,146	6	90,374	91,106	(732)	(1)
Diluted EPS	1.01	0.94	0.07	7	4.62	4.59	0.03	1
Return on Average Assets ("ROA")	1.21 %	1.25 %	NA	(3)	1.44 %	1.48 %	NA	(3)
Return on Average Equity ("ROE")	8.68	8.65	NA	—	10.10	10.68	NA	(5)

NA – Not applicable

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

Core Bank⁽¹⁾

Net income for the Core Bank was \$15.8 million for the fourth quarter of 2023 compared to \$16.3 million for the fourth quarter of 2022. As further outlined in the following discussion, an increase in provision expense and noninterest expense combined with a decline in net interest income were the primary drivers for the change in net income from the fourth quarter of 2022 to the fourth quarter of 2023.

Net Interest Income – Core Bank net interest income was \$50.6 million for the fourth quarter of 2023, a \$1.4 million, or 3%, decrease from \$52.0 million during the fourth quarter of 2022. In addition, the Core Bank's net interest margin ("NIM") decreased from 3.82% during the fourth quarter of 2022 to 3.40% during the fourth quarter of 2023.

The decrease in net interest income for the fourth quarter of 2023 was the first quarter-to-same-quarter-last-year decline for the Core Bank during 2023. While net interest income was higher for each of the first three quarters of 2023 compared to the same quarter in 2022, each quarter experienced a diminishing magnitude of increase. This diminishing magnitude occurred as the Core Bank's cost of funds increased at a faster pace than its yield on interest earning assets.

The primary driver of this diminishing benefit was a reduction in interest-earning cash balances combined with an on-going shift in funding mix away from noninterest-bearing deposit balances to higher-costing, interest-bearing deposits and FHLB borrowings. As a result of these factors, the Core Bank's cost of interest-bearing liabilities increased 225 basis points from the fourth quarter of 2022 to the fourth quarter of 2023, more than offsetting the 101 basis point increase to its yield on interest earning assets for the same periods.

Further detailing this change in net interest income and NIM between the fourth quarter of 2022 and the fourth quarter of 2023 were the following:

- Average outstanding Warehouse balances declined from \$407 million during the fourth quarter of 2022 to \$370 million for the fourth quarter of 2023. Committed Warehouse lines of credit declined from \$1.1 billion to \$1.0 billion from December 31, 2022 to December 31, 2023, while average usage rates for Warehouse lines were 35% and 37%, respectively, during the fourth quarters of 2022 and 2023. This decrease in average Warehouse balances was driven by a continued general decline in mortgage demand across the nation.
- Traditional Bank average loans grew from \$3.8 billion with a weighted-average yield of 4.44% during the fourth quarter of 2022 to \$4.6 billion with a weighted average yield of 5.32% during the fourth

quarter of 2023 as overall loan demand generally remained strong across the Traditional Bank's markets throughout 2023. In addition, the acquisition of CBank added approximately \$210 million to the Traditional Bank's average loans during the fourth quarter of 2023.

- Average investments were \$769 million with a weighted-average yield of 3.02% during the fourth quarter of 2023 compared to \$694 million with a weighted-average yield of 2.07% for the fourth quarter of 2022. As part of its overall interest rate risk management strategy, the Core Bank generally maintains an investment portfolio with a shorter overall duration. This strategy was generally favorable to the Core Bank's net interest income during the recent rising interest rate environment.
- The Core Bank's average noninterest-bearing deposits decreased from \$1.6 billion during the fourth quarter of 2022 to \$1.3 billion for the fourth quarter of 2023. Management believes two factors generally drove, and continue to drive, this overall decline in noninterest bearing deposits.
 - The first is a general decline in liquidity among both businesses and consumers, nationwide, as the excess liquidity created during the COVID pandemic continues to wane.
 - The second is that the substantial increase in market interest rates over the past year has caused higher interest-bearing deposit offerings to become meaningfully more attractive than noninterest bearing accounts, driving a shift in funding mix toward interest-bearing accounts for Republic and many banks across the industry.
- The Core Bank's weighted-average cost of interest-bearing liabilities increased from 0.65% during the fourth quarter of 2022 to 2.90% for the fourth quarter of 2023. Further segmenting the Core Bank's interest-bearing liabilities:
 - The weighted-average cost of total interest-bearing deposits increased from 0.47% during the fourth quarter of 2022 to 2.36% for the fourth quarter of 2023. In addition, average interest-bearing deposits grew \$417 million from the fourth quarter of 2022 to the fourth quarter of 2023.
 - The average balance of FHLB borrowings increased from \$22 million for the fourth quarter of 2022 to \$357 million for the fourth quarter of 2023. In addition, the weighted-average cost of these borrowings increased from 2.10% to 4.62% for the same time periods. This increase in the average balance of borrowings was generally driven by the above noted growth in period-to-period average loan balances without a similar corresponding increase in overall deposit balances.
- Average interest-earning cash was \$201 million with a weighted-average yield of 5.45% during the fourth quarter of 2023 compared to \$554 million with a weighted-average yield of 3.70% for the fourth quarter of 2022. The decline in average cash balances was driven generally by an increase in average loans for the same periods without a similar proportional increase in funding liabilities.

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:

(dollars in thousands) Reportable Segment	Net Interest Income			Net Interest Margin		
	Three Months Ended Dec. 31,			Three Months Ended Dec. 31,		
	2023	2022	Change	2023	2022	Change
Traditional Banking	\$ 48,318	\$ 49,675	\$ (1,357)	3.47 %	3.94 %	(0.47)%
Warehouse Lending	2,251	2,317	(66)	2.41	2.28	0.13
Mortgage Banking*	76	50	26	NM	NM	NM
Total Core Bank	\$ 50,645	\$ 52,042	\$ (1,397)	3.40	3.82	(0.42)

(dollars in thousands) Reportable Segment	Average Loan Balances				Period-End Loan Balances			
	Three Months Ended Dec. 31,				Dec. 31,			
	2023	2022	\$ Change	% Change	2023	2022	\$ Change	% Change
Traditional Banking	\$ 4,557,099	\$ 3,799,278	\$ 757,821	20 %	\$ 4,618,569	\$ 3,855,142	\$ 763,427	20 %
Warehouse Lending	370,169	406,903	(36,734)	(9)	339,723	403,560	(63,837)	(16)
Mortgage Banking*	3,473	2,092	1,381	66	3,227	1,302	1,925	148
Total Core Bank	\$ 4,930,741	\$ 4,208,273	\$ 722,468	17	\$ 4,961,519	\$ 4,260,004	\$ 701,515	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 \$2.0 million during the fourth quarter of 2023 compared to a net charge of \$1.6 million for the fourth quarter of 2022.

The net charge during the fourth quarter of 2023 was primarily driven by the following:

- The Core Bank recorded a net charge to the Provision of \$2.1 million during the fourth quarter of 2023 related to general formula reserves applied to \$123 million of Traditional Bank loan growth for the fourth quarter of 2023.
- The Core Bank recorded net charge-offs of \$220,000 during the fourth quarter of 2023.
- The Core Bank recorded a net credit to the Provision of \$296,000 resulting from general formula reserves applied to an \$118 million decline in outstanding Warehouse balances for the fourth quarter of 2023.

The net charge during the fourth quarter of 2022 was primarily driven by the following:

- The Core Bank recorded a net charge to the Provision of \$1.5 million during the fourth quarter of 2022 related to general formula reserves applied to \$106 million of Traditional Bank loan growth for the fourth quarter of 2022.
- The Core Bank recorded net charge-offs of \$238,000 during the fourth quarter of 2022.
- The Core Bank recorded a net credit to the Provision of \$96,000 during the fourth quarter of 2022 resulting from general formula reserves applied to a decline in outstanding Warehouse balances of \$37 million during the fourth quarter of 2022.

As a percentage of total loans, the Core Bank's Allowance⁽²⁾ remained at 1.21% from December 31, 2022 to December 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 Dec. 31, 2023			As of Dec. 31, 2022			Year-over-Year Change	
	Gross Loans	Allowance	Allowance to Loans	Gross Loans	Allowance	Allowance to Loans	Allowance to Loans	% Change
Traditional Bank	\$ 4,618,569	\$ 58,998	1.28 %	\$ 3,855,142	\$ 50,709	1.32 %	(0.04)%	(3)%
Warehouse Lending	339,723	847	0.25	403,560	1,009	0.25	—	—
Total Core Bank	4,958,292	59,845	1.21	4,258,702	51,718	1.21	—	—
Tax Refund Solutions	149,207	3,990	2.67	149,272	3,888	2.60	0.07	3
Republic Credit Solutions	132,362	18,295	13.82	107,828	14,807	13.73	0.09	1
Total Republic Processing Group	281,569	22,285	7.91	257,100	18,695	7.27	0.64	9
Total Company	\$ 5,239,861	\$ 82,130	1.57 %	\$ 4,515,802	\$ 70,413	1.56 %	0.01 %	1 %

(dollars in thousands) Reportable Segment	ACLL Roll-Forward Three Months Ended December 31,									
	2023					2022				
	Beginning Balance	Provision	Charge-offs	Recoveries	Ending Balance	Beginning Balance	Provision	Charge-offs	Recoveries	Ending Balance
Traditional Bank	\$ 56,931	\$ 2,287	\$ (449)	\$ 229	\$ 58,998	\$ 49,231	\$ 1,716	\$ (459)	\$ 221	\$ 50,709
Warehouse Lending	1,143	(296)	—	—	847	1,105	(96)	—	—	1,009
Total Core Bank	58,074	1,991	(449)	229	59,845	50,336	1,620	(459)	221	51,718
Tax Refund Solutions	1	2,937	—	1,052	3,990	—	2,979	—	909	3,888
Republic Credit Solutions	16,501	6,061	(4,453)	186	18,295	14,583	3,245	(3,385)	364	14,807
Total Republic Processing Group	16,502	8,998	(4,453)	1,238	22,285	14,583	6,224	(3,385)	1,273	18,695
Total Company	\$ 74,576	\$ 10,989	\$ (4,902)	\$ 1,467	\$ 82,130	\$ 64,919	\$ 7,844	\$ (3,844)	\$ 1,494	\$ 70,413

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

Core Banking Credit Quality Ratios	As of and for the:						
	Quarters Ended:				Years Ended:		
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021
Nonperforming loans to total loans	0.39 %	0.37 %	0.34 %	0.34 %	0.39 %	0.37 %	0.47 %
Nonperforming assets to total loans (including OREO)	0.41	0.39	0.37	0.38	0.41	0.40	0.51
Delinquent loans* to total loans	0.16	0.14	0.12	0.12	0.16	0.14	0.17
Net charge-offs to average loans (Quarterly rates annualized)	0.02	0.02	0.01	0.01	0.01	0.00	0.01
OREO = Other Real Estate Owned							

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

Noninterest Income – Core Bank noninterest income increased \$828,000 to \$9.8 million for the fourth quarter of 2023 compared to the fourth quarter of 2022. The increase was primarily driven by a \$361,000 increase in Mortgage Banking income and a \$484,000 net recapture of loss reserves for Republic's Nevada-based insurance captive, which was fully dissolved during the fourth quarter of 2023.

Noninterest Expense – As previously noted, the Core Bank's noninterest expense was \$39.7 million for the fourth quarter of 2023 compared to \$38.5 million for the fourth quarter of 2022, an increase of \$1.2 million, or 3% for the quarter. Noninterest expenses for the fourth quarter of 2023 included \$1.4 million of expense associated with the former CBank operations, which was acquired in March 2023.

Core Bank legacy noninterest expenses, which excludes those of the acquired CBank operations, were flat versus the fourth quarter of 2022 at \$38.3 million for the quarter. While noninterest expenses were generally higher across most categories during the fourth quarter of 2023, the fourth quarter of 2023 did benefit from a

\$1.3 million positive swing in estimated bonus expenses as the fourth quarter of 2022 contained a net charge of \$796,000 for bonus expense accruals, while the fourth quarter of 2023 contained a net credit of \$478,000. The net credit of \$478,000 recorded for the fourth quarter of 2023 reduced the liability for accrued bonuses to be in-line with expected payouts scheduled for the first quarter of 2024.

Republic Processing Group⁽³⁾

The Republic Processing Group (“RPG”) reported net income of \$3.8 million for the fourth quarter of 2023 compared to \$2.2 million for the same period in 2022. RPG’s performance for the fourth quarter of 2023 compared to the fourth quarter of 2022, by operating segment, is as follows:

Republic Payment Solutions (“RPS”)

The Company began reporting RPS as a separate reportable segment for its fourth quarter 2023 reporting period. Prior to the fourth quarter of 2023, RPS was reported as a component of the TRS segment.

Net income at RPS was \$3.2 million for the fourth quarter of 2023, an increase of \$1.4 million, or 82%, from the fourth quarter of 2022. The \$1.4 million increase in RPS net income was driven by a higher interest yield of 5.08% applied to the \$342 million average of prepaid program balances for the fourth quarter of 2023 compared to an applied yield of 2.82% for the \$337 million in average prepaid card balances for the fourth quarter of 2022.

Tax Refund Solutions (“TRS”)

TRS experienced a net loss of \$3.6 million during the fourth quarter of 2023 compared to a net loss of \$3.5 million for the fourth quarter of 2022. As with the fourth quarter of 2022, the net loss at TRS for the fourth quarter of 2023 was driven by a large, estimated Provision expense applied to the Early Season Refund Advance loans (“ERAs”) originated during the quarter. Altogether, TRS originated \$103 million of ERAs during the fourth quarter of 2023 compared to \$98 million originated during the fourth quarter of 2022. The Company applied an estimated loss rate of approximately 3.81% of total ERAs originated during the fourth quarter of 2023 and an estimated loss rate of 3.89% during the fourth quarter of 2022.

Republic Credit Solutions (“RCS”)

Net income at RCS increased \$236,000, or 6% from \$4.0 million during the fourth quarter of 2022 to \$4.2 million during the fourth quarter of 2023. The increase was primarily due to a \$1.1 million increase in gain on sale of RCS loans, which was driven by increased volume in the fourth quarter of 2023. The increase in gain on sale of loan revenue was partially offset by an \$883,000 increase in noninterest expenses resulting from elevated marketing fees.

Republic Bancorp, Inc. (the “Company”) is the parent company of Republic Bank & Trust Company (the “Bank”). The Bank currently has 47 banking centers in communities within five metropolitan statistical areas (“MSAs”) across five states: 22 banking centers located within the Louisville MSA in Louisville, Prospect, Shelbyville, and Shepherdsville in Kentucky, and Floyds Knobs, Jeffersonville, and New Albany in Indiana; six banking centers within the Lexington MSA in Georgetown and Lexington in Kentucky; eight banking centers within the Cincinnati MSA in Cincinnati and West Chester in Ohio, and Bellevue, Covington, Crestview Hills, and Florence in Kentucky; seven banking centers within the Tampa MSA in Largo, New Port Richey, St. Petersburg, Seminole, and Tampa in Florida; and four banking centers within the Nashville MSA in Franklin, Murfreesboro, Nashville and Spring Hill, Tennessee. In addition, Republic Bank Finance has one loan production office in St. Louis, Missouri. The Bank offers internet banking at www.republicbank.com. As of December 31, 2023, the Company had approximately \$6.6 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, Republic Payment Solutions ("RPS"), and Republic Credit Solutions ("RCS") segments.*

NM – Not meaningful

NA – Not applicable

CONTACT:

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Kevin Sipes

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EARNINGS RELEASE FINANCIAL SUPPLEMENT

FOURTH QUARTER 2023

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Republic Bancorp, Inc.

Earnings Release Financial Supplement

Fourth 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
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	From Dec. 31, 2022
Assets:						
Cash and cash equivalents	\$ 316,567	\$ 219,653	\$ 241,967	\$ 249,289	\$ 313,689	\$ 2,878
Investment securities, net of allowance for credit losses	667,874	703,007	706,238	725,163	707,862	(39,988)
Loans held for sale	27,235	24,683	25,582	18,466	19,177	8,058
Loans	5,239,861	5,081,099	5,053,142	4,774,234	4,515,802	724,059
Allowance for credit losses	(82,130)	(74,576)	(72,202)	(96,121)	(70,413)	(11,717)
Loans, net	5,157,731	5,006,523	4,980,940	4,678,113	4,445,389	712,342
Federal Home Loan Bank stock, at cost	23,770	31,420	29,395	25,939	9,146	14,624
Premises and equipment, net	33,411	33,926	33,840	33,672	31,978	1,433
Right-of-use assets	34,691	35,907	34,939	36,245	37,017	(2,326)
Goodwill	40,516	40,516	40,516	41,618	16,300	24,216
Other real estate owned ("OREO")	1,371	1,423	1,478	1,529	1,581	(210)
Bank owned life insurance ("BOLI")	103,916	103,211	102,521	102,322	101,687	2,229
Low-income housing tax credit investments	75,055	76,047	77,426	73,901	75,324	(269)
Other assets and accrued interest receivable	112,754	110,159	94,937	87,834	76,393	36,361
Total assets	\$ 6,594,891	\$ 6,386,475	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543	\$ 759,348
Liabilities and Stockholders' Equity:						
Deposits:						
Noninterest-bearing	\$ 1,676,998	\$ 1,702,979	\$ 1,854,907	\$ 2,013,957	\$ 1,908,768	\$ (231,770)
Interest-bearing	3,376,165	3,090,603	2,874,374	2,785,711	2,629,077	747,088
Total deposits	5,053,163	4,793,582	4,729,281	4,799,668	4,537,845	515,318
Securities sold under agreements to repurchase ("SSUAR") and other short-term borrowings						
	97,618	80,797	92,093	134,412	216,956	(119,338)
Operating lease liabilities	35,539	36,726	35,721	37,031	37,809	(2,270)
Federal Home Loan Bank advances	380,000	465,000	520,000	108,000	95,000	285,000
Low-income housing tax credit obligations	58,619	58,858	55,998	42,437	43,609	15,010
Other liabilities and accrued interest payable	57,196	58,112	49,715	70,341	47,711	9,485
Total liabilities	5,682,135	5,493,075	5,482,808	5,191,889	4,978,930	703,205
Stockholders' equity	912,756	893,400	886,971	882,202	856,613	56,143
Total liabilities and stockholders' equity	\$ 6,594,891	\$ 6,386,475	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543	\$ 759,348

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Fourth 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

Average Balance Sheet Data						\$ Change (8) Q4 to Q4	Years Ended		\$ Change (8) 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Assets:									
Interest-earning assets:									
Federal funds sold and other interest-earning deposits	\$ 201,206	\$ 177,003	\$ 114,368	\$ 241,211	\$ 553,695	\$ (352,489)	\$ 183,647	\$ 738,399	\$ (554,752)
Investment securities, including FHLB stock	769,016	771,453	774,829	773,172	693,825	75,191	772,104	671,858	100,246
Loans, including loans held for sale	5,111,263	5,006,081	4,904,167	4,665,543	4,353,256	758,007	4,923,215	4,338,433	584,782
Total interest-earning assets	6,081,485	5,954,537	5,793,364	5,679,926	5,600,776	480,709	5,878,966	5,748,690	130,276
Allowance for credit losses	(75,747)	(73,438)	(96,720)	(83,195)	(65,290)	(10,457)	(82,230)	(67,951)	(14,279)
Noninterest-earning assets:									
Noninterest-earning cash and cash equivalents	101,119	96,303	113,865	295,905	115,416	(14,297)	150,785	186,636	(35,851)
Premises and equipment, net	33,940	34,013	33,967	32,232	32,518	1,422	33,544	33,892	(348)
Bank owned life insurance	103,557	102,825	102,599	102,004	101,361	2,196	102,750	100,452	2,298
Other assets	231,207	220,595	210,350	186,169	153,721	77,486	212,228	167,251	44,977
Total assets	\$ 6,475,561	\$ 6,334,835	\$ 6,157,425	\$ 6,213,041	\$ 5,938,502	\$ 537,059	\$ 6,296,043	\$ 6,168,970	\$ 127,073
Liabilities and Stockholders' Equity:									
Interest-bearing liabilities:									
Interest-bearing deposits	\$ 3,210,495	\$ 2,976,852	\$ 2,828,733	\$ 2,663,099	\$ 2,704,764	\$ 505,731	\$ 2,924,691	\$ 2,772,009	\$ 152,682
SSUARs and other short-term borrowings	141,861	90,063	117,852	202,910	247,123	(105,262)	134,632	265,188	(130,556)
Federal Home Loan Bank advances	357,321	441,543	256,000	245,344	21,630	335,691	325,678	21,233	304,445
Total interest-bearing liabilities	3,709,677	3,508,458	3,202,585	3,111,353	2,973,517	736,160	3,385,001	3,058,430	326,571
Noninterest-bearing liabilities and Stockholders' equity:									
Noninterest-bearing deposits	1,715,408	1,794,874	1,927,486	2,089,162	1,994,233	(278,825)	1,880,471	2,148,848	(268,377)
Other liabilities	144,194	133,237	132,687	133,321	114,196	29,998	135,882	108,965	26,917
Stockholders' equity	906,282	898,266	894,667	879,205	856,556	49,726	894,689	852,727	41,962
Total liabilities and stockholders' equity	\$ 6,475,561	\$ 6,334,835	\$ 6,157,425	\$ 6,213,041	\$ 5,938,502	\$ 537,059	\$ 6,296,043	\$ 6,168,970	\$ 127,073

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Fourth 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)

Total Company Average Balance Sheet and Interest Rates

(dollars in thousands)	Three Months Ended December 31, 2023			Three Months Ended December 31, 2022			\$ Change (8) Q4 to Q4
	Average Balance	Interest	Average Rate	Average Balance	Interest	Average Rate	
ASSETS							
Interest-earning assets:							
Federal funds sold and other interest-earning deposits	\$ 201,206	\$ 2,765	5.45 %	\$ 553,695	\$ 5,128	3.70 %	\$ (352,489)
Investment securities, including FHLB stock (a)	769,016	5,856	3.02	693,825	3,587	2.07	75,191
TRS Refund Advance loans (b)	19,134	1,095	22.70	16,629	875	21.05	2,505
RCS LOC products (b)	40,539	10,514	102.90	31,549	7,501	95.10	8,990
Other RPG loans (c) (f)	120,849	2,116	6.95	96,805	1,352	5.59	24,044
Outstanding Warehouse lines of credit (d) (f)	370,169	7,301	7.83	406,903	5,907	5.81	(36,734)
All other Core Bank loans (e) (f)	4,560,572	61,138	5.32	3,801,370	42,205	4.44	759,202
Total interest-earning assets	6,081,485	90,785	5.92	5,600,776	66,555	4.75	480,709
Allowance for credit losses	(75,747)			(65,290)			(10,457)
Noninterest-earning assets:							
Noninterest-earning cash and cash equivalents	101,119			115,416			(14,297)
Premises and equipment, net	33,940			32,518			1,422
Bank owned life insurance	103,557			101,361			2,196
Other assets (a)	231,207			153,721			77,486
Total assets	\$ 6,475,561			\$ 5,938,502			\$ 537,059
LIABILITIES AND STOCKHOLDERS' EQUITY							
Interest-bearing liabilities:							
Transaction accounts	\$ 1,412,405	\$ 3,576	1.00 %	\$ 1,693,259	\$ 1,212	0.29 %	\$ (280,854)
Money market accounts	1,003,713	7,914	3.13	743,352	1,137	0.61	260,361
Time deposits	350,535	3,215	3.64	229,687	720	1.25	120,848
Reciprocal money market and time deposits	300,468	3,063	4.04	38,466	34	0.35	262,002
Brokered deposits	143,374	1,955	5.41	—	—	—	143,374
Total interest-bearing deposits	3,210,495	19,723	2.44	2,704,764	3,103	0.46	505,731
SSUARs and other short-term borrowings	141,861	123	0.34	247,123	226	0.37	(105,262)
Federal Home Loan Bank advances and other long-term borrowings	357,321	4,157	4.62	21,630	113	2.09	335,691
Total interest-bearing liabilities	3,709,677	24,003	2.57	2,973,517	3,442	0.46	736,160
Noninterest-bearing liabilities and Stockholders' equity:							
Noninterest-bearing deposits	1,715,408			1,994,233			(278,825)
Other liabilities	144,194			114,196			29,998
Stockholders' equity	906,282			856,556			49,726
Total liabilities and stockholders' equity	\$ 6,475,561			\$ 5,938,502			\$ 537,059
Net interest income		\$ 66,782			\$ 63,113		3,669
Net interest spread			3.35 %			4.29 %	(0.94)%
Net interest margin			4.36 %			4.51 %	(0.15)%

(a) For the purpose of this calculation, the fair market value adjustment on debt securities is included as a component of other assets.

(b) Interest income for Refund Advances and RCS line-of-credit products is composed entirely of loan fees.

(c) Interest income includes loan fees of \$0 for both the three months ended December 31, 2023 and 2022.

(d) Interest income includes loan fees of \$235,000 and \$272,000 for the three months ended December 31, 2023 and 2022.

(e) Interest income includes loan fees of \$1.5 million and \$943,000 for the three months ended December 31, 2023 and 2022.

(f) Average balances for loans include the principal balance of nonaccrual loans and loans held for sale, and are inclusive of all loan premiums, discounts, fees and costs.

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Fourth 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					\$ Change (8) Q4 to Q4	Years Ended		\$ Change (8) 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Total interest income (1)	\$ 90,785	\$ 85,868	\$ 79,054	\$ 100,356	\$ 66,555	\$ 24,230	\$ 356,063	\$ 244,184	\$ 111,879
Total interest expense	24,003	21,043	14,525	7,714	3,442	20,561	67,285	7,493	59,792
Net interest income	66,782	64,825	64,529	92,642	63,113	3,669	288,778	236,691	52,087
Provision (2)	10,989	3,730	6,139	26,766	7,844	3,145	47,624	22,348	25,276
Noninterest income:									
Service charges on deposit accounts	3,470	3,559	3,527	3,299	3,428	42	13,855	13,426	429
Net refund transfer fees	220	242	4,479	10,807	486	(266)	15,748	17,080	(1,332)
Mortgage banking income (3)	983	852	907	800	622	361	3,542	6,196	(2,654)
Interchange fee income	3,305	3,282	3,419	3,051	3,272	33	13,057	13,125	(68)
Program fees (3)	4,561	4,041	3,739	3,241	3,501	1,060	15,582	16,172	(590)
Increase in cash surrender value of BOLI	705	690	689	635	674	31	2,719	2,526	193
Net losses on OREO	(53)	(53)	(52)	(53)	(53)	—	(211)	(211)	—
Contract termination fee	—	—	—	—	—	—	—	5,000	(5,000)
Legal settlement	—	—	—	—	—	—	—	13,000	(13,000)
Other*	1,589	1,732	2,943	901	1,194	395	7,165	3,496	3,669
Total noninterest income*	14,780	14,345	19,651	22,681	13,124	1,656	71,457	89,810	(18,353)
Noninterest expense:									
Salaries and employee benefits	26,397	28,747	30,764	29,961	25,763	634	115,869	111,240	4,629
Technology, equipment, and communication	7,648	7,311	6,920	7,228	7,276	372	29,107	28,954	153
Occupancy	3,467	3,503	3,591	3,406	3,139	328	13,967	13,014	953
Marketing and development	2,304	2,055	2,513	1,574	1,856	448	8,446	6,875	1,571
FDIC insurance expense	690	677	724	637	427	263	2,728	1,668	1,060
Interchange related expense	1,536	1,580	1,350	1,499	1,171	365	5,965	4,773	1,192
Legal and professional fees	511	803	829	1,061	951	(440)	3,204	4,024	(820)
Merger expense	92	(132)	127	2,073	—	92	2,160	—	2,160
Other (2)*	4,409	3,824	4,715	5,004	4,322	87	17,952	16,760	1,192
Total noninterest expense*	47,054	48,368	51,533	52,443	44,905	2,149	199,398	187,308	12,090
Income before income tax expense	23,519	27,072	26,508	36,114	23,488	31	113,213	116,845	(3,632)
Income tax expense	3,860	5,501	5,456	8,022	4,975	(1,115)	22,839	25,739	(2,900)
Net income	\$ 19,659	\$ 21,571	\$ 21,052	\$ 28,092	\$ 18,513	\$ 1,146	\$ 90,374	\$ 91,106	\$ (732)

(*) For the three months ended September 30, 2023 management has reclassified certain items between noninterest income and noninterest expense.

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Fourth 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

Selected Data and Ratios	As of and for the Three Months Ended					Change (8) From Dec. 31, 2022 or Q4 to Q4	As of and for the Years Ended		Change (8) From Dec. 31, 2022 or 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Per Share Data:									
Basic weighted average shares outstanding	19,586	19,706	19,884	19,935	19,929	(343)	19,792	20,037	(245)
Diluted weighted average shares outstanding	19,673	19,774	19,906	19,990	19,981	(308)	19,853	20,101	(248)
Period-end shares outstanding:									
Class A Common Stock	17,203	17,296	17,449	17,598	17,587	(384)	17,203	17,587	(384)
Class B Common Stock	2,155	2,157	2,157	2,160	2,160	(5)	2,155	2,160	(5)
Book value per share (4)	\$ 47.15	\$ 45.93	\$ 45.24	\$ 44.65	\$ 43.38	\$ 3.77	\$ 47.15	\$ 43.38	\$ 3.77
Tangible book value per share (4)	44.55	43.31	42.63	41.98	42.11	2.44	44.55	42.11	2.44
Earnings per share ("EPS"):									
Basic EPS - Class A Common Stock	\$ 1.01	\$ 1.11	\$ 1.07	\$ 1.42	\$ 0.94	\$ 0.07	\$ 4.64	\$ 4.60	\$ 0.04
Basic EPS - Class B Common Stock	0.93	1.01	0.98	1.30	0.86	0.07	4.21	4.19	0.02
Diluted EPS - Class A Common Stock	1.01	1.10	1.07	1.42	0.94	0.07	4.62	4.59	0.03
Diluted EPS - Class B Common Stock	0.92	1.01	0.98	1.29	0.85	0.07	4.20	4.17	0.03
Cash dividends declared per Common share:									
Class A Common Stock	\$ 0.374	\$ 0.374	\$ 0.374	\$ 0.374	\$ 0.341	\$ 0.033	\$ 1.496	\$ 1.364	\$ 0.132
Class B Common Stock	0.340	0.340	0.340	0.340	0.310	0.030	1.360	1.240	0.120
Performance Ratios:									
Return on average assets	1.21 %	1.36 %	1.37 %	1.81 %	1.25 %	(0.04)%	1.44 %	1.48 %	(0.04)%
Return on average equity	8.68	9.61	9.41	12.78	8.65	0.03	10.10	10.68	(0.58)
Efficiency ratio (5)	58	61	62	45	59	(1)	55	60	(5)
Yield on average interest-earning assets (1)	5.92	5.77	5.46	7.07	4.75	1.17	6.06	4.25	1.81
Cost of average interest-bearing liabilities	2.57	2.40	1.81	0.99	0.46	2.11	1.99	0.24	1.75
Cost of average deposits (6)	1.60	1.30	0.94	0.41	0.26	1.34	1.07	0.14	0.93
Net interest spread (1)	3.35	3.37	3.65	6.08	4.29	(0.94)	4.07	4.01	0.06
Net interest margin - Total Company (1)	4.36	4.35	4.46	6.52	4.51	(0.15)	4.91	4.12	0.79
Net interest margin - Core Bank	3.40	3.43	3.65	3.98	3.82	(0.42)	3.61	3.32	0.29
Other Information:									
End of period FTEs (7) - Total Company	1,019	1,033	1,043	1,031	998	21	1,019	998	21
End of period FTEs - Core Bank	962	976	985	972	932	30	962	932	30
Number of full-service banking centers	47	46	45	44	42	5	47	42	5

Republic Bancorp, Inc.
Earnings Release Financial Supplement
Fourth 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

Loan Composition and Allowance for Credit Losses on Loans						Change From Dec. 31, 2022
	Dec. 31, 2023	Sep. 30, 2023	As of Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	
Loan Composition						
Traditional Banking:						
Residential real estate:						
Owner occupied	\$ 1,144,684	\$ 1,128,745	\$ 1,086,751	\$ 972,214	\$ 911,427	\$ 233,257
Nonowner occupied	345,965	344,682	350,390	328,529	321,358	24,607
Commercial real estate	1,785,289	1,745,187	1,727,092	1,682,573	1,599,510	185,779
Construction & land development	217,338	189,756	179,479	167,829	153,875	63,463
Commercial & industrial	464,078	473,790	478,759	478,101	413,387	50,691
Lease financing receivables	88,591	85,242	79,804	73,270	10,505	78,086
Aircraft	250,051	226,947	208,512	184,344	179,785	70,266
Home equity	295,133	275,750	255,755	250,050	241,739	53,394
Consumer:						
Credit cards	16,654	16,950	17,134	16,775	15,473	1,181
Overdrafts	694	640	706	775	726	(32)
Automobile loans	2,664	3,380	4,177	5,267	6,731	(4,067)
Other consumer	7,428	5,674	6,109	5,450	626	6,802
Total Traditional Banking	4,618,569	4,496,743	4,394,668	4,165,177	3,855,142	763,427
Warehouse lines of credit	339,723	457,033	539,560	457,365	403,560	(63,837)
Total Core Banking	4,958,292	4,953,776	4,934,228	4,622,542	4,258,702	699,590
Republic Processing Group:						
Tax Refund Solutions:						
Refund Advances	103,115	—	—	31,665	97,505	5,610
Other TRS commercial & industrial loans	46,092	354	193	8,327	51,767	(5,675)
Republic Credit Solutions	132,362	126,969	118,721	111,700	107,828	24,534
Total Republic Processing Group	281,569	127,323	118,914	151,692	257,100	24,469
Total loans - Total Company	\$ 5,239,861	\$ 5,081,099	\$ 5,053,142	\$ 4,774,234	\$ 4,515,802	\$ 724,059
Allowance for Credit Losses on Loans ("Allowance")						
Traditional Banking	\$ 58,998	\$ 56,931	\$ 55,567	\$ 55,216	\$ 50,709	\$ 8,289
Warehouse Lending	847	1,143	1,346	1,144	1,009	(162)
Total Core Banking	59,845	58,074	56,913	56,360	51,718	8,127
Tax Refund Solutions	3,990	1	—	25,981	3,888	102
Republic Credit Solutions	18,295	16,501	15,289	13,780	14,807	3,488
Total Republic Processing Group	22,285	16,502	15,289	39,761	18,695	3,590
Total Allowance - Total Company	\$ 82,130	\$ 74,576	\$ 72,202	\$ 96,121	\$ 70,413	\$ 11,717
Allowance to Total Loans						
Traditional Banking	1.28 %	1.27 %	1.26 %	1.33 %	1.32 %	(0.04)%
Warehouse Lending	0.25	0.25	0.25	0.25	0.25	—
Total Core Banking	1.21	1.17	1.15	1.22	1.21	—
Tax Refund Solutions	2.67	0.28	—	64.97	2.60	0.07
Republic Credit Solutions	13.82	13.00	12.88	12.34	13.73	0.09
Total Republic Processing Group	7.91	12.96	12.86	26.21	7.27	0.64
Total Company	1.57	1.47	1.43	2.01	1.56	0.01

Republic Bancorp, Inc.

Earnings Release Financial Supplement

Fourth 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

Credit Quality Data and Ratios	As of and for the Three Months Ended					Change (8) From Dec. 31, 2022 or Q4 to Q4	As of and for the Years Ended		Change (8) From Dec. 31, 2022 or 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Credit Quality Asset Balances and Net Charge-off ("NCO") Data:									
Nonperforming Assets - Total Company:									
Loans on nonaccrual status	\$ 19,150	\$ 18,127	\$ 16,957	\$ 15,833	\$ 15,562	\$ 3,588	\$ 19,150	\$ 15,562	\$ 3,588
Loans past due 90-days-or-more and still on accrual	1,468	1,037	547	777	756	712	1,468	756	712
Total nonperforming loans	20,618	19,164	17,504	16,610	16,318	4,300	20,618	16,318	4,300
OREO	1,371	1,423	1,478	1,529	1,581	(210)	1,371	1,581	(210)
Total nonperforming assets	\$ 21,989	\$ 20,587	\$ 18,982	\$ 18,139	\$ 17,899	\$ 4,090	\$ 21,989	\$ 17,899	\$ 4,090
Nonperforming Assets - Core Bank:									
Loans on nonaccrual status	\$ 19,150	\$ 18,127	\$ 16,957	\$ 15,833	\$ 15,562	\$ 3,588	\$ 19,150	\$ 15,562	\$ 3,588
Loans past due 90-days-or-more and still on accrual	—	—	—	—	—	—	—	—	—
Total nonperforming loans	19,150	18,127	16,957	15,833	15,562	3,588	19,150	15,562	3,588
OREO	1,371	1,423	1,478	1,529	1,581	(210)	1,371	1,581	(210)
Total nonperforming assets	\$ 20,521	\$ 19,550	\$ 18,435	\$ 17,362	\$ 17,143	\$ 3,378	\$ 20,521	\$ 17,143	\$ 3,378
Delinquent Loans:									
Delinquent loans - Core Bank	\$ 8,176	\$ 6,806	\$ 5,875	\$ 5,537	\$ 6,060	\$ 2,116	\$ 8,176	\$ 6,060	\$ 2,116
RPG	13,916	12,328	10,043	30,587	9,200	4,716	13,916	9,200	4,716
Total delinquent loans - Total Company	\$ 22,092	\$ 19,134	\$ 15,918	\$ 36,124	\$ 15,260	\$ 6,832	\$ 22,092	\$ 15,260	\$ 6,832
NCOs (Recoveries) by Segment:									
Traditional Bank	\$ 220	\$ 203	\$ 125	\$ 77	\$ 238	\$ (18)	\$ 625	\$ 164	\$ 461
Warehouse Lending loans	—	—	—	—	—	—	—	—	—
Core Bank loans	220	203	125	77	238	(18)	625	164	461
Tax Refund Solutions	(1,052)	(1,968)	25,762	(285)	(909)	(143)	22,457	6,163	16,294
Republic Credit Solutions	4,267	3,121	2,787	2,866	3,021	1,246	13,041	10,222	2,819
RPG	3,215	1,153	28,549	2,581	2,112	1,103	35,498	16,385	19,113
Total NCOs (recoveries) - Total Company	\$ 3,435	\$ 1,356	\$ 28,674	\$ 2,658	\$ 2,350	\$ 1,085	\$ 36,123	\$ 16,549	\$ 19,574
Credit Quality Ratios - Total Company:									
Nonperforming loans to total loans	0.39 %	0.38 %	0.35 %	0.35 %	0.36 %	0.03 %	0.39 %	0.36 %	0.03 %
Nonperforming assets to total loans (including OREO)	0.42	0.41	0.38	0.38	0.40	0.02	0.42	0.40	0.02
Nonperforming assets to total assets	0.33	0.32	0.30	0.30	0.31	0.02	0.33	0.31	0.02
Allowance for credit losses to total loans	1.57	1.47	1.43	2.01	1.56	0.01	1.57	1.56	0.01
Allowance for credit losses to nonperforming loans	398	389	412	579	432	(34)	398	432	(34)
Delinquent loans to total loans (9)	0.42	0.38	0.32	0.76	0.34	0.08	0.42	0.34	0.08
NCOs (recoveries) to average loans (annualized)	0.27	0.11	2.34	0.23	0.22	0.05	0.73	0.38	0.35
Credit Quality Ratios - Core Bank:									
Nonperforming loans to total loans	0.39 %	0.37 %	0.34 %	0.34 %	0.37 %	0.02 %	0.39 %	0.37 %	0.02 %
Nonperforming assets to total loans (including OREO)	0.41	0.39	0.37	0.38	0.40	0.01	0.41	0.40	0.01
Nonperforming assets to total assets	0.35	0.33	0.32	0.32	0.32	0.03	0.35	0.32	0.03
Allowance for credit losses to total loans	1.21	1.17	1.15	1.22	1.21	-	1.21	1.21	-
Allowance for credit losses to nonperforming loans	313	320	336	356	332	(19)	313	332	(19)
Delinquent loans to total loans	0.16	0.14	0.12	0.12	0.14	0.02	0.16	0.14	0.02
Annualized NCOs (recoveries) to average loans	0.02	0.02	0.01	0.01	0.02	—	0.01	0.00	0.01
TRS Refund Advances ("RAs")									
RAs originated	\$ 103,115	\$ —	\$ —	\$ 737,047	\$ 97,505	\$ 5,610	\$ 840,162	\$ 408,712	\$ 431,450
Net (credit) charge to the Provision for RAs	2,877	(1,939)	(161)	21,715	2,888	(11)	22,492	10,471	12,021
RAs NCOs (recoveries)	(1,052)	(1,939)	25,636	(285)	(909)	\$ (143)	22,360	6,674	15,686

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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 December 31, 2023, the Company was divided into six reportable segments: Traditional Banking, Warehouse Lending (“Warehouse”), Mortgage Banking, Tax Refund Solutions (“TRS”), Republic Payment Solutions (“RPS”), and Republic Credit Solutions (“RCS”). Management considers the first three segments to collectively constitute “Core Bank” or “Core Banking” operations, while the last three 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. TRS products are primarily provided to clients outside of the Bank's market footprint.	Loans and refund transfers
Republic Payment Solutions	RPS offers general-purpose reloadable cards. RPS products are primarily provided to clients outside of the Bank's market footprint.	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.

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

(dollars in thousands)	Three Months Ended December 31, 2023								
	Core Banking				Republic Processing Group				Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking	Total Core Banking	Tax Refund Solutions	Republic Payment Solutions	Republic Credit Solutions	Total RPG	
Net interest income	\$ 48,318	\$ 2,251	\$ 76	\$ 50,645	\$ 779	\$ 4,207	\$ 11,151	\$ 16,137	\$ 66,782
Provision for expected credit loss expense	2,287	(296)	—	1,991	2,937	—	6,061	8,998	10,989
Net refund transfer fees	—	—	—	—	220	—	—	220	220
Mortgage banking income	—	—	983	983	—	—	—	—	983
Program fees	—	—	—	—	—	687	3,874	4,561	4,561
Other noninterest income	8,827	11	15	8,853	27	146	(10)	163	9,016
Total noninterest income	8,827	11	998	9,836	247	833	3,864	4,944	14,780
Total noninterest expense	37,389	931	1,350	39,670	2,851	987	3,546	7,384	47,054
Income (loss) before income tax expense	17,469	1,627	(276)	18,820	(4,762)	4,053	5,408	4,699	23,519
Income tax expense (benefit)	2,708	364	(61)	3,011	(1,205)	880	1,174	849	3,860
Net income (loss)	\$ 14,761	\$ 1,263	\$ (215)	\$ 15,809	\$ (3,557)	\$ 3,173	\$ 4,234	\$ 3,850	\$ 19,659
Period-end assets	\$ 5,504,886	\$ 340,224	\$ 14,746	\$ 5,859,856	\$ 228,738	\$ 366,117	\$ 140,180	\$ 735,035	\$ 6,594,891
Net interest margin	3.47 %	2.41 %	4.24 %	3.40 %	NM	5.08 %	NM	NM	4.36 %
Net-revenue concentration*	71 %	3 %	1 %	75 %	1 %	6 %	18 %	25 %	100 %

(dollars in thousands)	Three Months Ended December 31, 2022								
	Core Banking				Republic Processing Group				Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking	Total Core Banking	Tax Refund Solutions	Republic Payment Solutions	Republic Credit Solutions	Total RPG	
Net interest income	\$ 49,675	\$ 2,317	\$ 50	\$ 52,042	\$ 652	\$ 2,312	\$ 8,107	\$ 11,071	\$ 63,113
Provision for expected credit loss expense	1,716	(96)	—	1,620	2,979	—	3,245	6,224	7,844
Net refund transfer fees	—	—	—	—	486	—	—	486	486
Mortgage banking income	—	—	622	622	—	—	—	—	622
Program fees	—	—	—	—	—	685	2,816	3,501	3,501
Other noninterest income	8,351	12	23	8,386	29	100	—	129	8,515
Total noninterest income	8,351	12	645	9,008	515	785	2,816	4,116	13,124
Total noninterest expense	35,299	766	2,385	38,450	2,904	887	2,664	6,455	44,905
Income before income tax expense	21,011	1,659	(1,690)	20,980	(4,716)	2,210	5,014	2,508	23,488
Income tax expense	4,685	371	(371)	4,685	(1,191)	465	1,016	290	4,975
Net income	\$ 16,326	\$ 1,288	\$ (1,319)	\$ 16,295	\$ (3,525)	\$ 1,745	\$ 3,998	\$ 2,218	\$ 18,513
Period-end assets	\$ 4,894,773	\$ 405,052	\$ 13,938	\$ 5,313,763	\$ 46,192	\$ 363,067	\$ 112,521	\$ 521,780	\$ 5,835,543
Net interest margin	3.94 %	2.28 %	3.44 %	3.82 %	NM	2.82 %	NM	NM	4.51 %
Net-revenue concentration*	76 %	3 %	1 %	80 %	2 %	4 %	14 %	20 %	100 %

	Year Ended December 31, 2023								
	Core Banking				Republic Processing Group				Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking	Total Core Banking	Tax Refund Solutions	Republic Payment Solutions	Republic Credit Solutions	Total RPG	
<i>(dollars in thousands)</i>									
Net interest income	\$ 194,516	\$ 9,447	\$ 282	\$ 204,245	\$ 29,557	\$ 15,729	\$ 39,247	\$ 84,533	\$ 288,778
Provision for expected credit loss expense	8,698	(162)	—	8,536	22,559	—	16,529	39,088	47,624
Net refund transfer fees	—	—	—	—	15,748	—	—	15,748	15,748
Mortgage banking income	—	—	3,542	3,542	—	—	—	—	3,542
Program fees	—	—	—	—	—	2,827	12,755	15,582	15,582
Other noninterest income	35,885	44	74	36,003	341	158	83	582	36,585
Total noninterest income	35,885	44	3,616	39,545	16,089	2,985	12,838	31,912	71,457
Total noninterest expense	160,101	3,547	8,019	171,667	12,035	3,710	11,986	27,731	199,398
Income (loss) before income tax expense	61,602	6,106	(4,121)	63,587	11,052	15,004	23,570	49,626	113,213
Income tax expense (benefit)	11,673	1,365	(907)	12,131	2,196	3,307	5,205	10,708	22,839
Net income (loss)	\$ 49,929	\$ 4,741	\$ (3,214)	\$ 51,456	\$ 8,856	\$ 11,697	\$ 18,365	\$ 38,918	\$ 90,374
Period-end assets	\$ 5,504,886	\$ 340,224	\$ 14,746	\$ 5,859,856	\$ 228,738	\$ 366,117	\$ 140,180	\$ 735,035	\$ 6,594,891
Net interest margin	3.69 %	2.38 %	4.19 %	3.61 %	NM	4.59 %	NM	NM	4.91 %
Net-revenue concentration*	64 %	3 %	1 %	68 %	13 %	5 %	14 %	32 %	100 %

	Year Ended December 31, 2022								
	Core Banking				Republic Processing Group				Total Company
	Traditional Banking	Warehouse Lending	Mortgage Banking	Total Core Banking	Tax Refund Solutions	Republic Payment Solutions	Republic Credit Solutions	Total RPG	
<i>(dollars in thousands)</i>									
Net interest income	\$ 171,543	\$ 13,729	\$ 519	\$ 185,791	\$ 16,896	\$ 4,819	\$ 29,185	\$ 50,900	\$ 236,691
Provision for expected credit loss expense	1,429	(1,117)	—	312	9,955	—	12,081	22,036	22,348
Net refund transfer fees	—	—	—	—	17,080	—	—	17,080	17,080
Mortgage banking income	—	—	6,196	6,196	—	—	—	—	6,196
Program fees	—	—	—	—	—	2,872	13,300	16,172	16,172
Contract termination fee	—	—	—	—	5,000	—	—	5,000	5,000
Legal settlement	—	—	—	—	13,000	—	—	13,000	13,000
Other noninterest income	31,648	50	136	31,834	424	104	—	528	32,362
Total noninterest income	31,648	50	6,332	38,030	35,504	2,976	13,300	51,780	89,810
Total noninterest expense	149,681	3,604	9,912	163,197	12,377	3,340	8,394	24,111	187,308
Income before income tax expense	52,081	11,292	(3,061)	60,312	30,068	4,455	22,010	56,533	116,845
Income tax expense	11,104	2,539	(673)	12,970	6,905	942	4,922	12,769	25,739
Net income	\$ 40,977	\$ 8,753	\$ (2,388)	\$ 47,342	\$ 23,163	\$ 3,513	\$ 17,088	\$ 43,764	\$ 91,106
Period-end assets	\$ 4,894,773	\$ 405,052	\$ 13,938	\$ 5,313,763	\$ 46,192	\$ 363,067	\$ 112,521	\$ 521,780	\$ 5,835,543
Net interest margin	3.38 %	2.69 %	4.01 %	3.32 %	NM	1.37 %	NM	NM	4.12 %
Net-revenue concentration*	63 %	4 %	2 %	69 %	16 %	2 %	13 %	31 %	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.

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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:

(dollars in thousands)	Three Months Ended					\$ Change (8) Q4 to Q4	Years Ended		\$ Change (8) 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Traditional Banking	\$ 1,400	\$ 1,703	\$ 1,311	\$ 943	\$ 943	\$ 457	\$ 5,357	\$ 6,005	\$ (648)
Warehouse Lending	235	254	294	248	272	(37)	1,031	1,748	(717)
Total Core Bank	1,635	1,957	1,605	1,191	1,215	420	6,388	7,753	(1,365)
TRS - Refund Advances	7	25	41	31,404	50	(43)	31,477	13,656	17,821
TRS - Other Loan Fees	1,089	6	24	933	825	264	2,052	1,488	564
RCS	10,514	9,763	8,416	7,962	7,501	3,013	36,655	27,318	9,337
Total RPG	11,610	9,794	8,481	40,299	8,376	3,234	70,184	42,462	27,722
Total loan fees - Total Company	\$ 13,245	\$ 11,751	\$ 10,086	\$ 41,490	\$ 9,591	\$ 3,654	\$ 76,572	\$ 50,215	\$ 26,357

- (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.

(dollars in thousands)	As of and for the Three Months Ended					\$ Change (8) Q4 to Q4	As of and for the Years Ended		\$ Change (8) 12M to 12M
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022		Dec. 31, 2023	Dec. 31, 2022	
Mortgage Loans Held for Sale									
Balance, beginning of period	\$ 2,711	\$ 4,038	\$ 1,034	\$ 1,302	\$ 2,912	\$ (201)	\$ 1,302	\$ 29,393	\$ (28,091)
Originations	24,050	23,860	13,948	15,942	10,359	13,691	77,800	205,365	(127,565)
Proceeds from sales	(24,134)	(25,681)	(11,483)	(16,630)	(12,207)	(11,927)	(77,928)	(238,398)	160,470
Net gain on sale	600	494	539	420	238	362	2,053	4,942	(2,889)
Balance, end of period	\$ 3,227	\$ 2,711	\$ 4,038	\$ 1,034	\$ 1,302	\$ 1,925	\$ 3,227	\$ 1,302	\$ 1,925
RCS Consumer Loans Held for Sale									
Balance, beginning of period	\$ 21,972	\$ 21,544	\$ 17,432	\$ 17,875	\$ 21,475	\$ 497	\$ 17,875	\$ 22,684	\$ (4,809)
Originations	300,281	287,088	262,404	207,222	225,588	74,693	1,056,995	1,045,715	11,280
Proceeds from sales	(302,118)	(289,997)	(261,301)	(210,199)	(231,999)	(70,119)	(1,063,615)	(1,063,801)	186
Net gain on sale	3,873	3,337	3,009	2,534	2,811	1,062	12,753	13,277	(524)
Balance, end of period	\$ 24,008	\$ 21,972	\$ 21,544	\$ 17,432	\$ 17,875	\$ 6,133	\$ 24,008	\$ 17,875	\$ 6,133

- (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				
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022
Total stockholders' equity - GAAP (a)	\$ 912,756	\$ 893,400	\$ 886,971	\$ 882,202	\$ 856,613
Less: Goodwill	40,516	40,516	40,516	41,618	16,300
Less: Mortgage servicing rights	7,411	7,710	7,995	8,406	8,769
Less: Core deposit intangible	2,439	2,576	2,713	2,813	—
Tangible stockholders' equity - Non-GAAP (c)	\$ 862,390	\$ 842,598	\$ 835,747	\$ 829,365	\$ 831,544
Total assets - GAAP (b)	\$ 6,594,891	\$ 6,386,475	\$ 6,369,779	\$ 6,074,091	\$ 5,835,543
Less: Goodwill	40,516	40,516	40,516	41,618	16,300
Less: Mortgage servicing rights	7,411	7,710	7,995	8,406	8,769
Less: Core deposit intangible	2,439	2,576	2,713	2,813	—
Tangible assets - Non-GAAP (d)	\$ 6,544,525	\$ 6,335,673	\$ 6,318,555	\$ 6,021,254	\$ 5,810,474
Total stockholders' equity to total assets - GAAP (a/b)	13.84 %	13.99 %	13.92 %	14.52 %	14.68 %
Tangible stockholders' equity to tangible assets - Non-GAAP (c/d)	13.18 %	13.30 %	13.23 %	13.77 %	14.31 %
Number of shares outstanding (e)	19,358	19,453	19,606	19,758	19,747
Book value per share - GAAP (a/e)	\$ 47.15	\$ 45.93	\$ 45.24	\$ 44.65	\$ 43.38
Tangible book value per share - Non-GAAP (c/e)	44.55	43.31	42.63	41.98	42.11

- (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					Year Ended	
	Dec. 31, 2023	Sep. 30, 2023	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Dec. 31, 2023	Dec. 31, 2022
Net interest income - GAAP	\$ 66,782	\$ 64,825	\$ 64,529	\$ 92,642	\$ 63,113	\$ 288,778	\$ 236,691
Noninterest income - GAAP	14,780	14,345	19,651	22,681	13,124	71,457	89,810
Less: Contract termination fee related to TRS Transaction	—	—	—	—	—	—	5,000
Less: Legal settlement related to TRS Transaction	—	—	—	—	—	—	13,000
Less: BOLI benefit payment received	—	—	1,728	—	—	1,728	—
Less: Net gain (loss) on securities	6	2	3	1	1	12	(222)
Total adjusted income - Non-GAAP (a)	\$ 81,556	\$ 79,168	\$ 82,449	\$ 115,322	\$ 76,236	\$ 358,495	\$ 308,723
Noninterest expense - GAAP	\$ 47,054	\$ 48,368	\$ 51,533	\$ 52,443	\$ 44,905	\$ 199,398	\$ 187,308
Less: Expenses related to CBank acquisition	92	(132)	127	2,073	—	2,160	—
Less: Expenses related to TRS Transaction	—	—	—	—	—	—	914
Adjusted noninterest expense - Non-GAAP (b)	\$ 46,962	\$ 48,500	\$ 51,406	\$ 50,370	\$ 44,905	\$ 197,238	\$ 186,394
Efficiency Ratio - Non-GAAP (b/a)	58 %	61 %	62 %	44 %	59 %	55 %	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 December 31, 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.

(10) The following table provides a reconciliation of Net Income in accordance with GAAP to Adjusted Net Income, a non-GAAP disclosure. The Company provides the Adjusted Net Income, a non-GAAP measure, in addition to GAAP Net Income, because of its widespread use by investors as a means to evaluate company performance. The Adjusted Net Income figure excludes material nonrecurring revenues and expenses related to the CBank merger and the now-cancelled TRS Transaction.

(dollars in thousands)	Year Ended			
	Dec. 31, 2023	Dec. 31, 2022	\$ Change	% Change
Net income - GAAP	\$ 90,374	\$ 91,106	\$ (732)	(1)%
Add: Expenses related to CBank acquisition	2,160	—	2,160	NM
Add: Provision expense related to CBank acquisition	2,689	—	2,689	NM
Less: Contract termination fee related to TRS Transaction	—	(5,000)	5,000	NM
Less: Legal settlement related to TRS Transaction	—	(13,000)	13,000	NM
Add: Expenses related to TRS Transaction	—	914	(914)	NM
Subtotal: Adjusted Items	\$ 4,849	\$ (17,086)	\$ 21,935	NM
Add: Applicable Income Tax Impact on the above items	(978)	3,859	(4,837)	NM
Total adjusted net income - Non-GAAP (a)	\$ 94,245	\$ 77,879	\$ 16,366	21 %

NM – Not meaningful

NA – Not applicable

YTD – Year to date

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