



# Investor Deck

NASDAQ: TFIN



# Safe Harbor Statement



## Forward-Looking Statements

This presentation contains forward-looking statements. Any statements about our expectations, beliefs, plans, predictions, forecasts, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. You can identify forward-looking statements by the use of forward-looking terminology such as “believes,” “expects,” “could,” “may,” “will,” “should,” “seeks,” “likely,” “intends,” “plans,” “pro forma,” “projects,” “estimates” or “anticipates” or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions. Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods that may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: business and economic conditions generally and in the bank and non-bank financial services industries, nationally and within our local market areas; our ability to mitigate our risk exposures; our ability to maintain our historical earnings trends; changes in management personnel; interest rate risk; concentration of our products and services in the transportation industry; credit risk associated with our loan portfolio; lack of seasoning in our loan portfolio; deteriorating asset quality and higher loan charge-offs; time and effort necessary to resolve nonperforming assets; inaccuracy of the assumptions and estimates we make in establishing reserves for probable loan losses and other estimates; risks related to the integration of acquired businesses and any future acquisitions; our ability to successfully identify and address the risks associated with our possible future acquisitions, and the risks that our prior and possible future acquisitions make it more difficult for investors to evaluate our business, financial condition and results of operations, and impairs our ability to accurately forecast our future performance; lack of liquidity; fluctuations in the fair value and liquidity of the securities we hold for sale; impairment of investment securities, goodwill, other intangible assets or deferred tax assets; our risk management strategies; environmental liability associated with our lending activities; increased competition in the bank and non-bank financial services industries, nationally, regionally or locally, which may adversely affect pricing and terms; the accuracy of our financial statements and related disclosures; material weaknesses in our internal control over financial reporting; system failures or failures to prevent breaches of our network security; the institution and outcome of litigation and other legal proceedings against us or to which we become subject; changes in carry-forwards of net operating losses; changes in federal tax law or policy; the impact of recent and future legislative and regulatory changes, including changes in banking, securities and tax laws and regulations, such as the Dodd-Frank Act and their application by our regulators; governmental monetary and fiscal policies; changes in the scope and cost of FDIC, insurance and other coverages; failure to receive regulatory approval for future acquisitions and increases in our capital requirements.

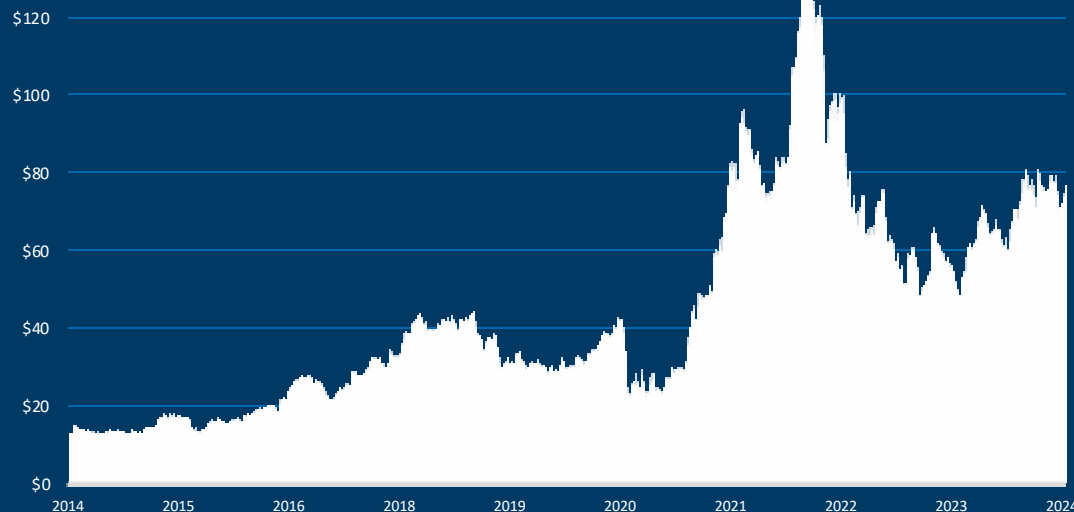
While forward-looking statements reflect our good-faith beliefs, they are not guarantees of future performance. All forward-looking statements are necessarily only estimates of future results. Accordingly, actual results may differ materially from those expressed in or contemplated by the particular forward-looking statement, and, therefore, you are cautioned not to place undue reliance on such statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law. For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" and the forward-looking statement disclosure contained in Triumph Financial's Annual Report on Form 10-K, filed with the Securities and Exchange Commission on February 13, 2024.

## Non-GAAP Financial Measures

This presentation may include certain non-GAAP financial measures intended to supplement, not substitute for, comparable GAAP measures. Reconciliations of non-GAAP financial measures to GAAP financial measures, if included, are provided at the end of this presentation.

# Triumph Financial is a financial and technology company serving the transportation industry

NASDAQ GS: TFIN (As of 6/24/24) **\$77.22**



**Market Cap**

As of 6/24/24  
**\$1.8B**

**Revenue<sup>(1)</sup>**

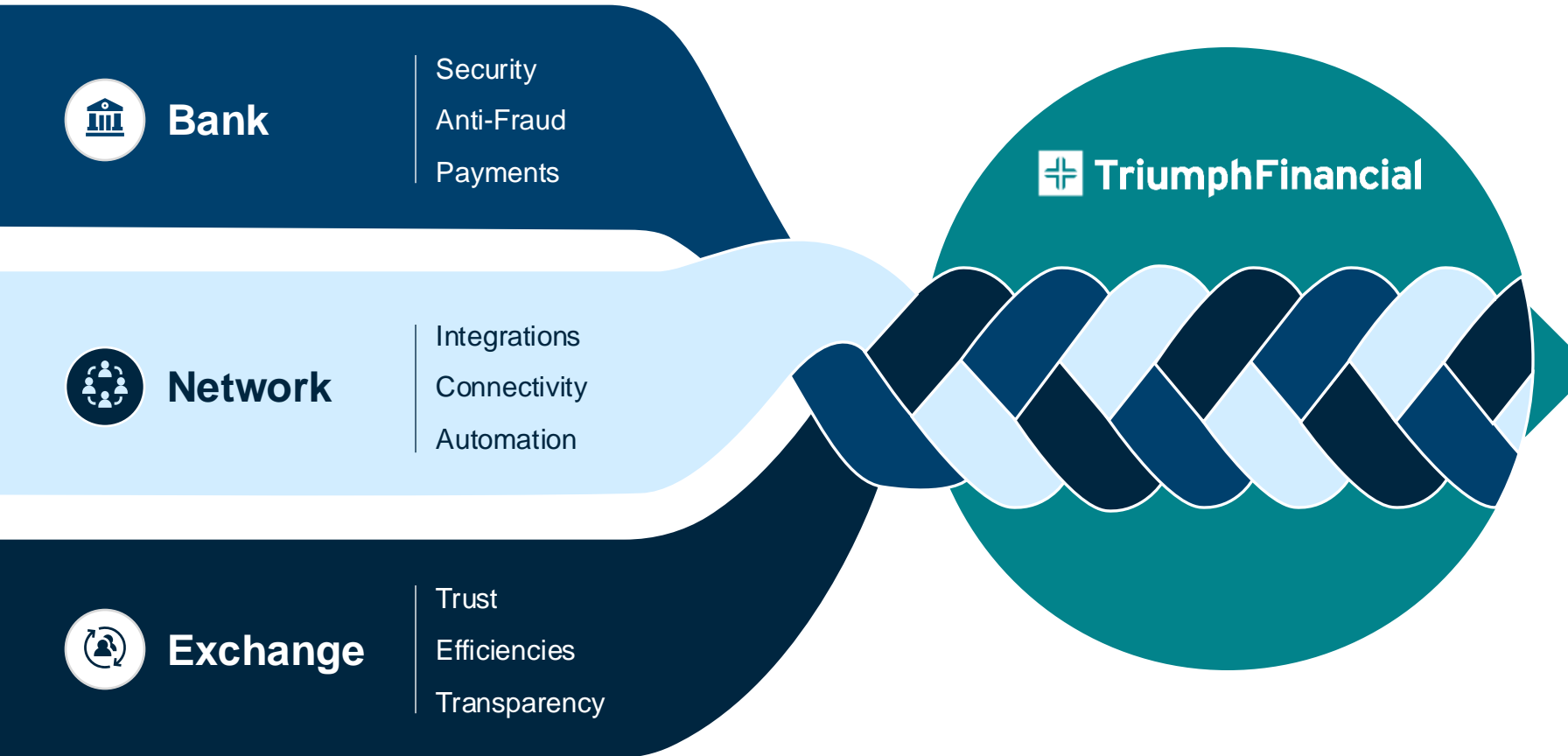
2023A  
**\$418MM**

**Net Income to Common Shareholders**

2023A  
**\$38MM**

<sup>1</sup> Revenue defined as net interest income + noninterest income for the year ending 12/31/2023

# TFIN is building innovative solutions to support the U.S. freight and logistics industry



## U.S. Freight and Logistics Industry

**\$940B**

gross freight revenue from U.S. trucking on primary shipments<sup>(1)</sup>

**3.7%**

of U.S. GDP

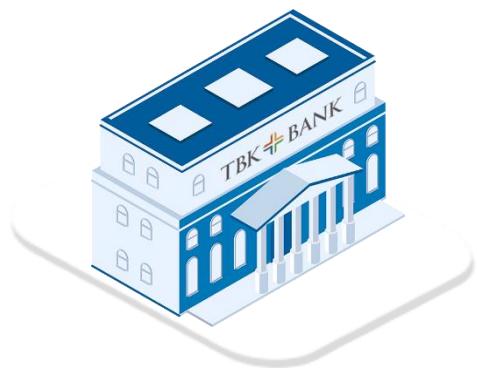
**72.6%**

of freight carried by trucks<sup>(1)</sup>

<sup>1</sup> American Trucking Association data for 2022

# ⊕ Value of TFIN as a BANK

 Bank  Network  Exchange



**TFIN's strong banking capabilities** provide the foundation and balance sheet for many of our transportation products and services

**\$3.95B**

In Core Deposits

**1.45%**

Cost of Funds (top decile public US Banks)

**\$250MM+**

In excess capital above regulatory well-capitalized thresholds

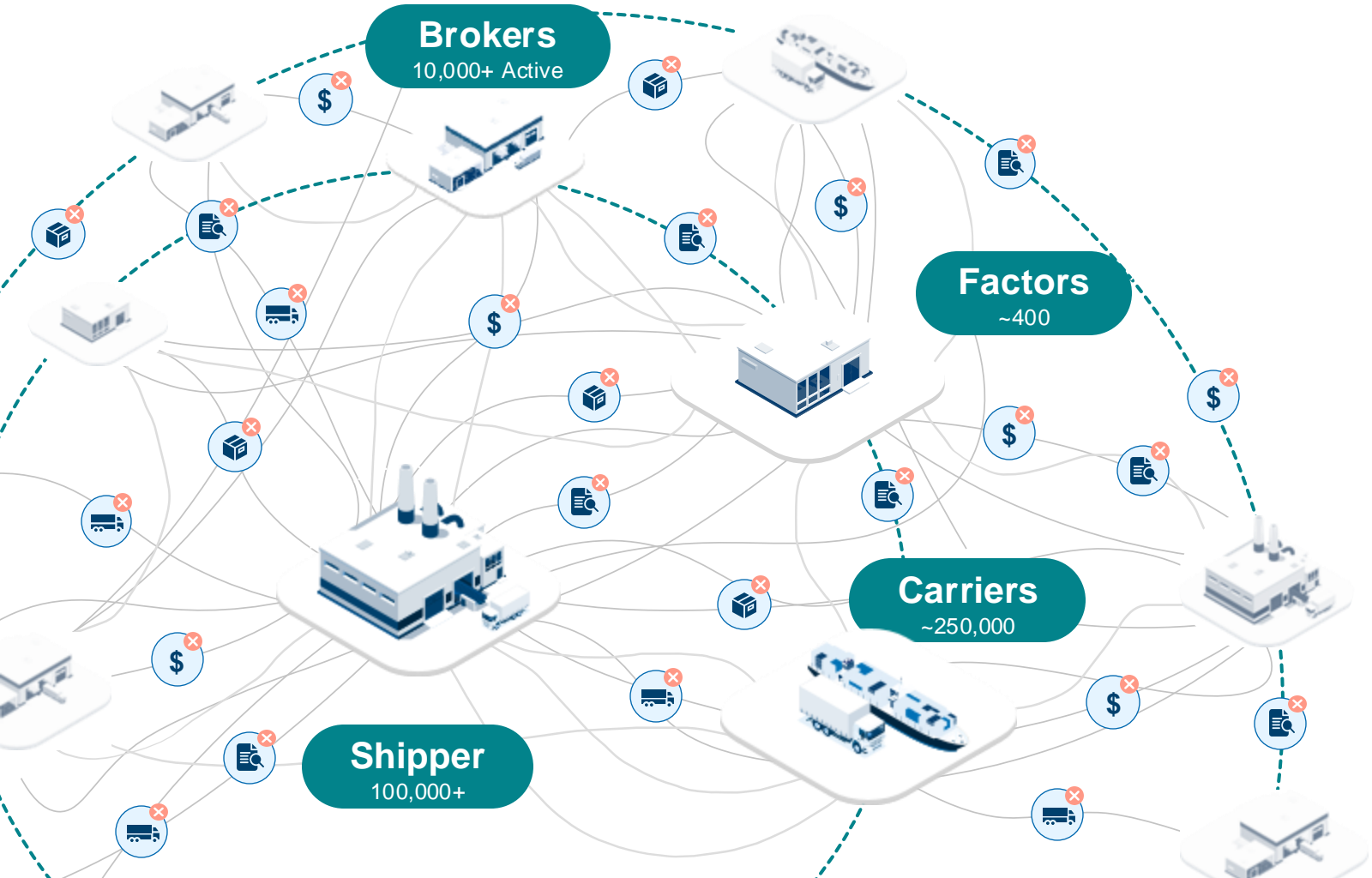
All values presented for the quarter ending 03/31/2024 unless otherwise indicated

# ⚡ Value of TFIN as a NETWORK

 Bank  Network  Exchange

# Many ↔ Many ↔ Many ↔ Many

Complexity invites fraud and creates waste



**\$550B+**  
Total transactions among fragmented stakeholders

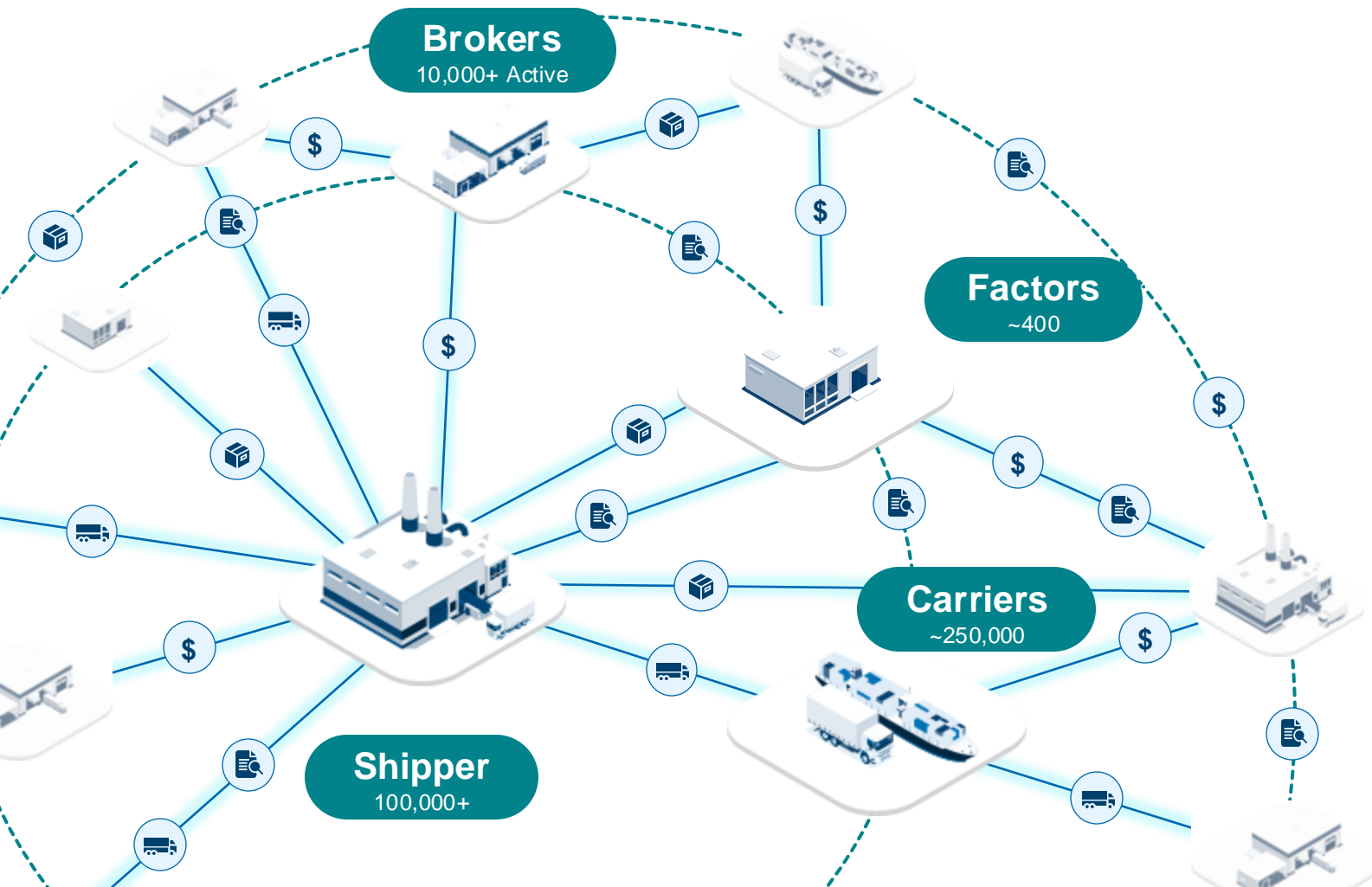
### Challenges of Fragmentation

- Fraud**  
\$500MM-\$700MM in double-brokering fraud estimated and growing<sup>(1)</sup>
- Theft**  
57% increase in cargo theft incidents in 2023 compared to 2022<sup>(2)</sup>
- Friction**  
~\$20 per invoice in friction incurred by the broker factor and shipper<sup>(1)</sup>

<sup>1</sup> Internal estimate from TriumphPay data  
<sup>2</sup> CNBC 2024, "Cargo theft spiked over 57% in 2023 vs. 2022, new data shows"  
\$ values presented are annualized unless otherwise stated



# TFIN is creating a trusted network to connect parties, facilitate payments and reduce friction



## Benefits of the Network

- ✓ **Operational efficiency** enabled through Triumph Financial's structured data between parties
- ✓ **Visibility** afforded in our Network strengthens the veracity of documentation and reduces fraud and misdirected payments
- ✓ **Access to liquidity** to extend DPO and reduce DSO
- ✓ **Insights and benchmarking** to inform better business decisions

# Our density of transactions and clients uniquely positions TFIN to solve industry challenges

## Client Penetration



**57 of top 100**

Broker customers



**11 of top 20**

Factor customers



**184,000+**

Carriers paid TTM through TriumphPay

## Transaction Penetration



**44%**

of all brokered freight transactions



**\$25.5B**

in annual payment volume

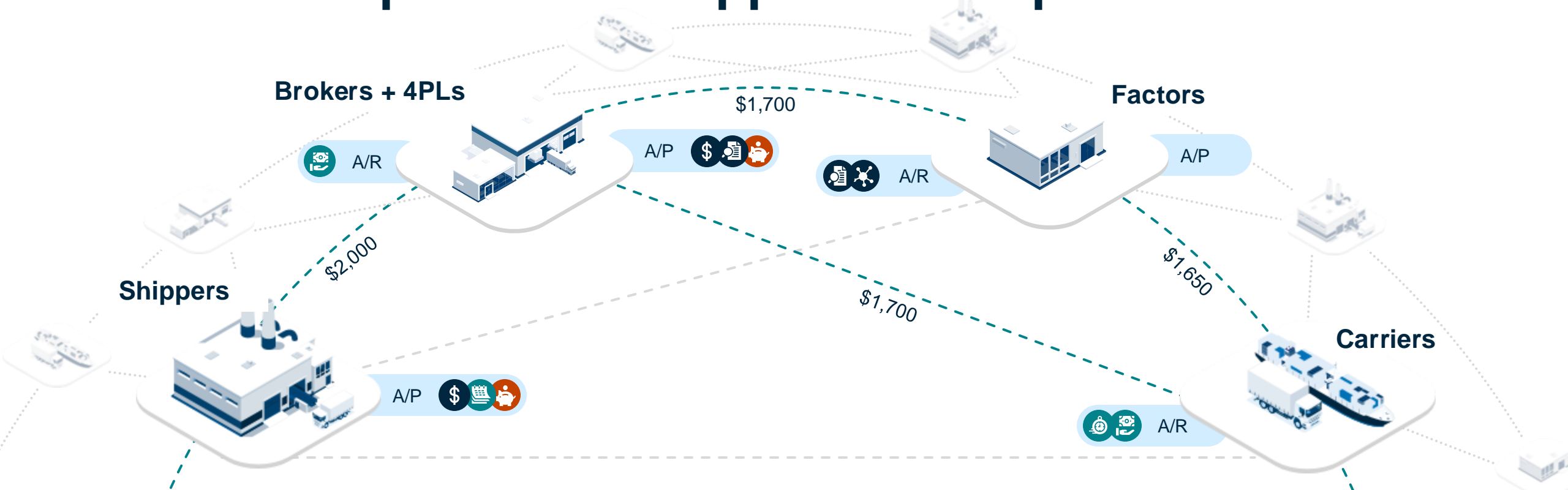


**\$52.4B**

in unique freight transactions touched

All data presented as of 03/31/2024 unless otherwise indicated.

# Offering value-added services during the invoice lifecycle creates multiple revenue opportunities per transaction



## Fee Revenue

- Payment Fees
- Audit Fees
- Network Fees

## Financing Revenue

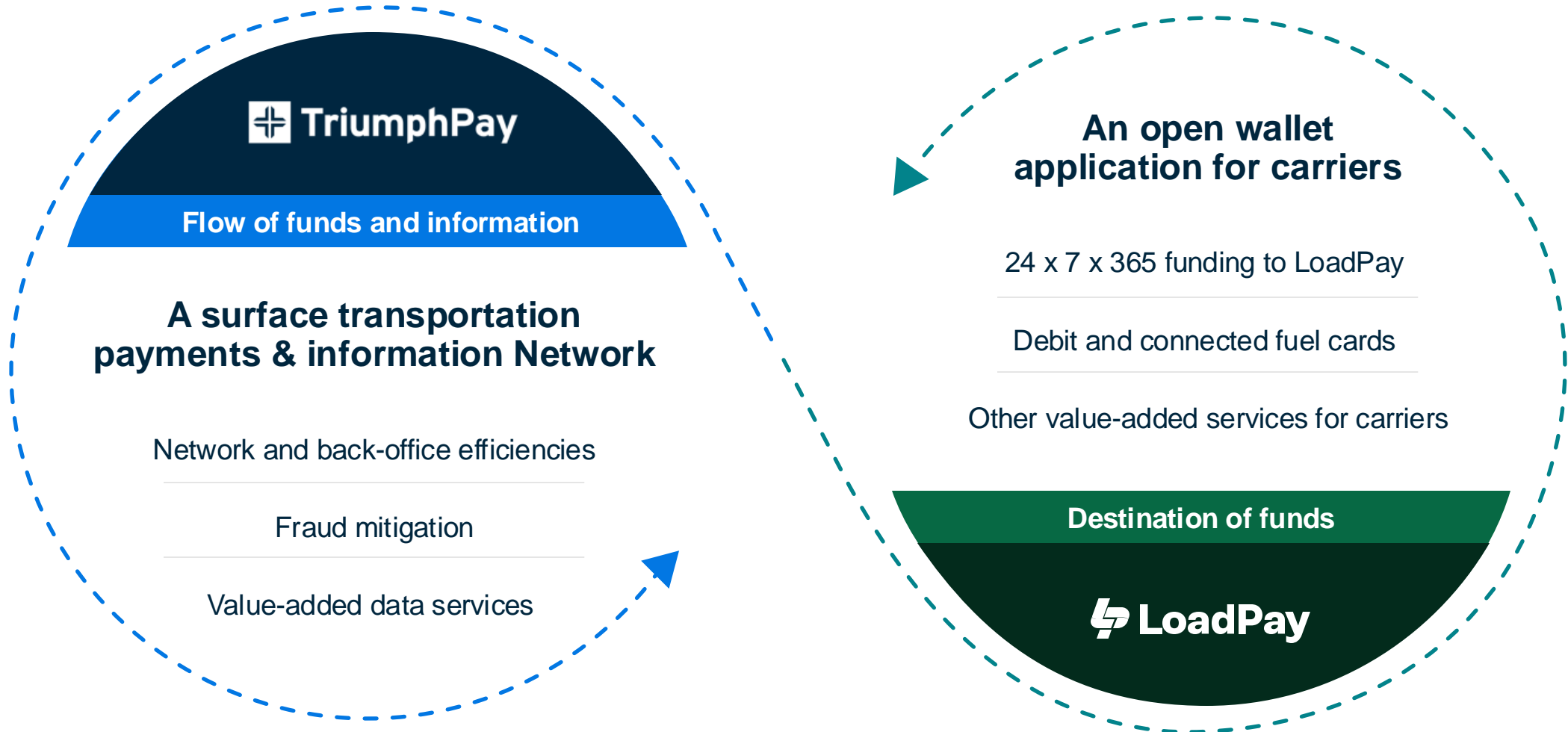
- Extended Pay
- Factoring
- Quick Pay

## Float Revenue

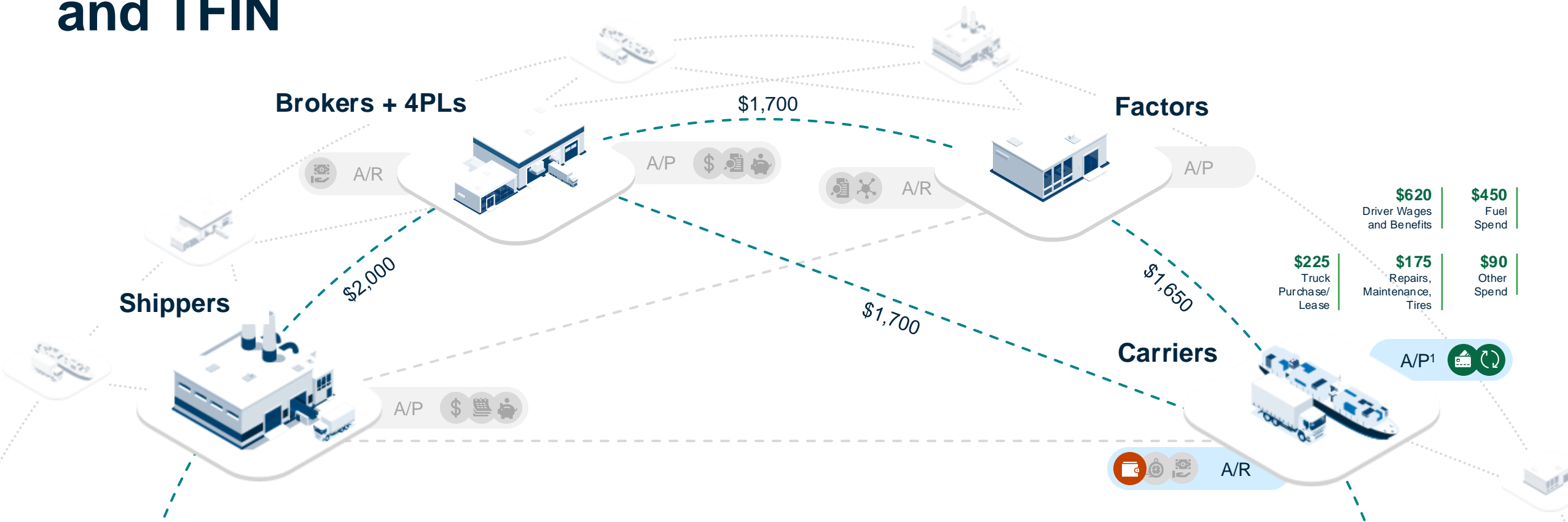
- Payments Float

Note: This illustration highlights the invoice lifecycle with the most intermediaries; some transactions bypass brokers, factors, or both.

# **LoadPay**: an open wallet application connected to our Network for carriers to receive, send and spend funds



# LoadPay unlocks financial opportunities for carriers and TFIN



## Fee Revenue

- Payment Fees
- Audit Fees
- Network Fees

## Financing Revenue

- Extended Pay
- Factoring
- Quick Pay

## Float Revenue

- Payments Float
- LoadPay Float**

## Spend Revenue

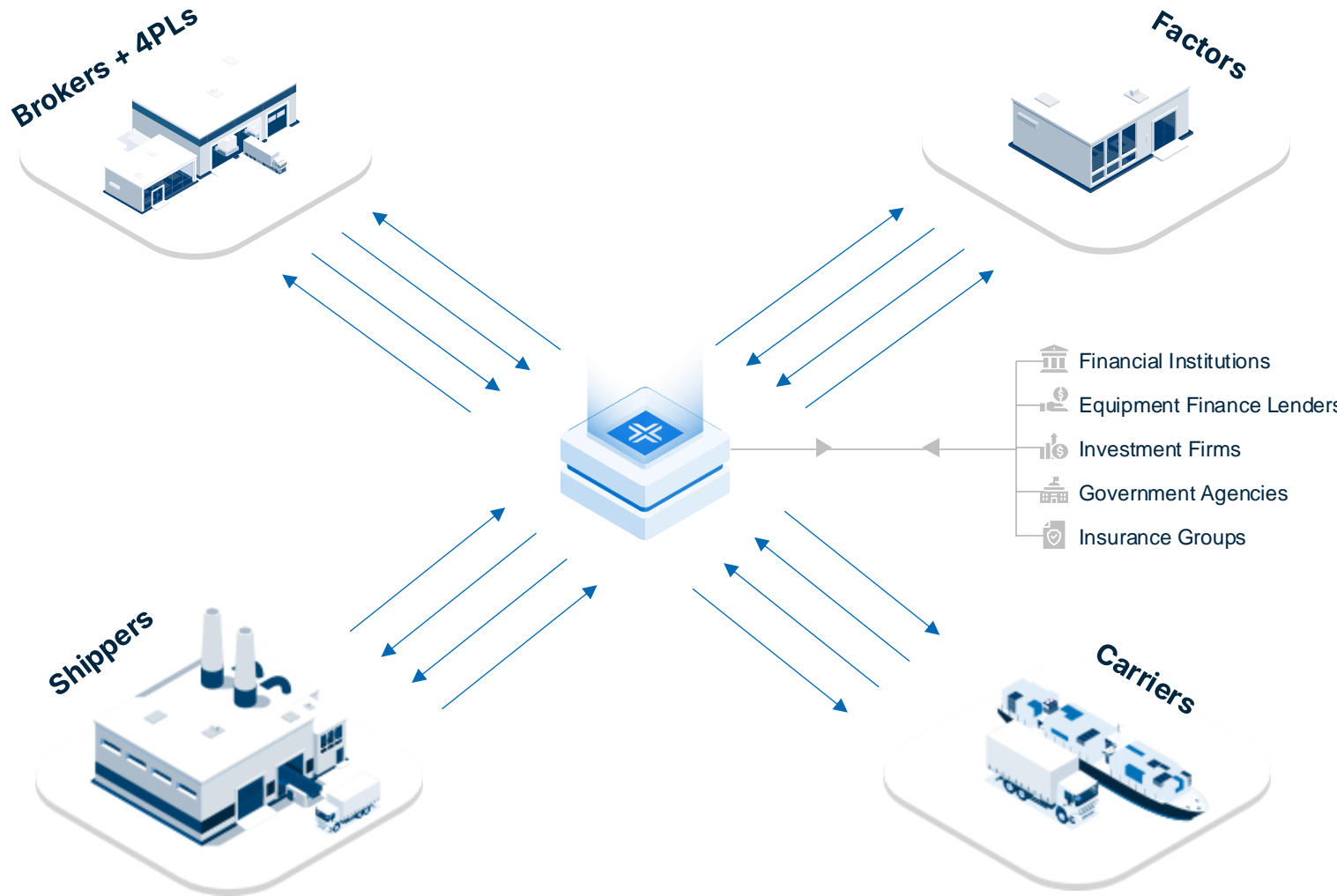
- LoadPay Card Interchange**
- LoadPay Instant Transfer**

<sup>1</sup> Source: 2023 American Transportation Research Institute, An Analysis of the Operational Costs of Trucking: 2023 Update

# ⚡ Value of TFIN as an EXCHANGE

 Bank  Network  Exchange

# TFIN could leverage our Network density to facilitate a trusted exchange



Who would have access to the Exchange?



**Vetted members of our Network**

What could flow through the Exchange?

 **Data**

 **Syndication**

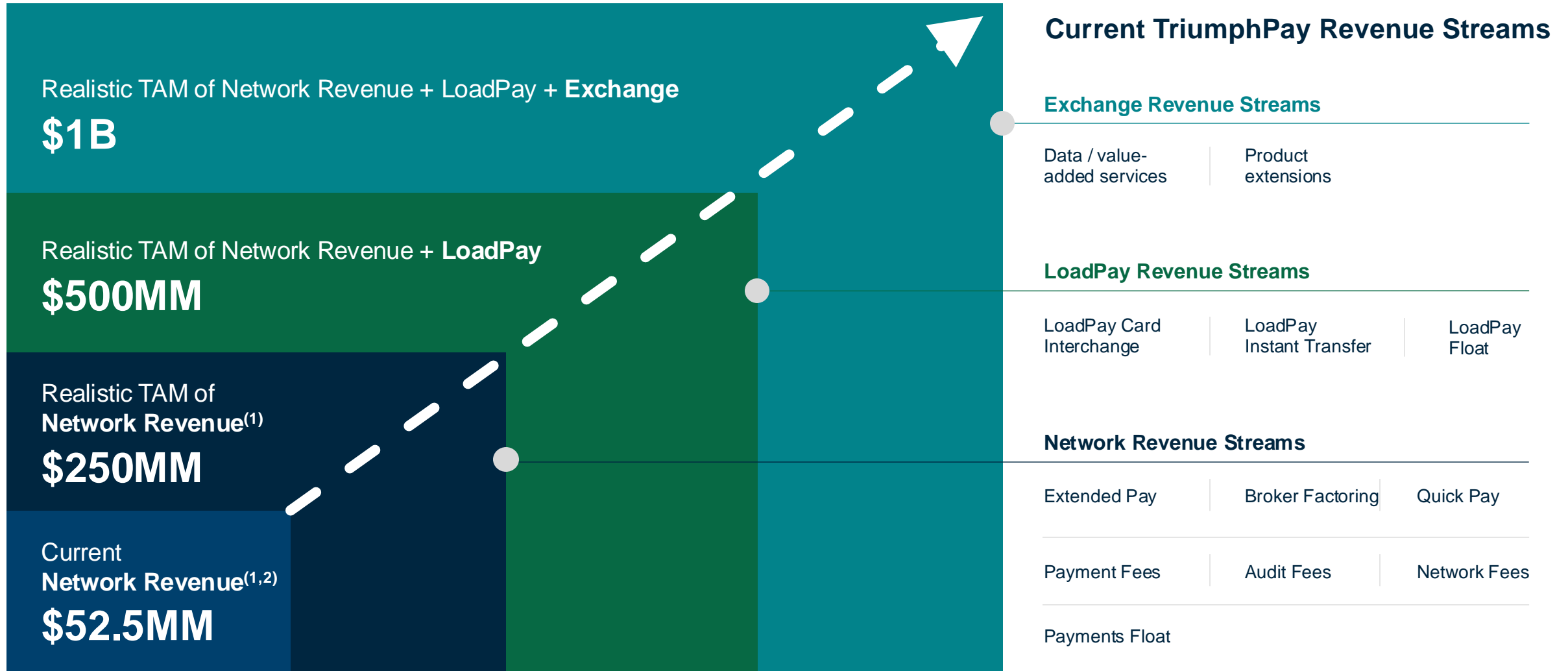
 **Payments**

 **Insurance**

 **Financing**

 **Indexes**

# TFIN has sightline to over \$1B in revenue



1. Revenue only from payments segment

2. Annualized as of the quarter ending 03/31/2024



# ✦ Sustainable Business Practices

# Our Values

## Invest for the future

Do not allow the immediate to crowd out the important. Success that endures is built upon a long-term perspective.

## Unique is good

Be wary of following the crowd. Being unique can be difficult, but if it were easy, everyone would do it.

## Mission is more than money

Make everything you're involved in better. This includes doing good in the areas of greatest need – in your community and around the world.

## Respect

Treat others as you want to be treated. Put the needs of others and the needs of the team before promoting your own agenda.

## People make the difference

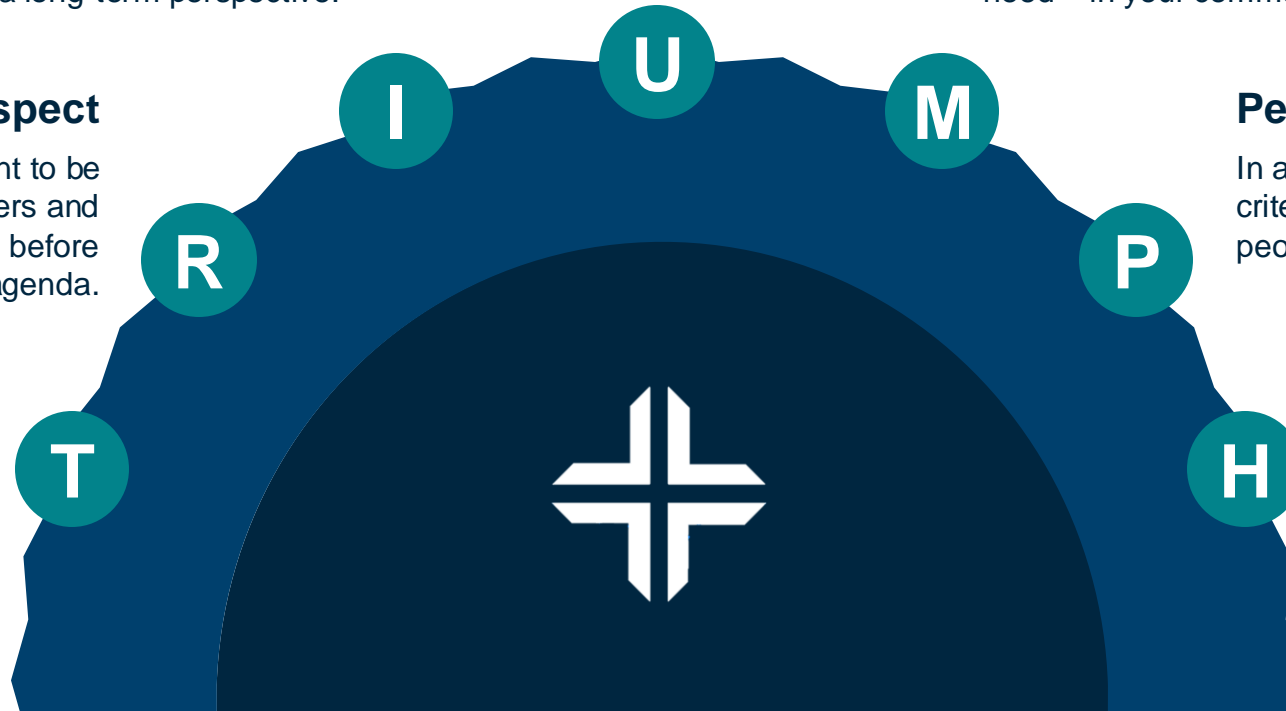
In any situation, the most important criteria for success are the quality of people and the quality of their thinking.

## Transparency

Communicate the truth consistently, directly and professionally. Open communication is the foundation of strong relationships.

## Humility

Model humility in all that you do. Humility is not passivity, as it requires the courage to prefer others' needs over your own.



# Our Environmental Practices

## What we Believe



We recognize that our activities may have an impact on our planet

We are committed to sustainable finance, balancing environmental stewardship with responsible business operations and complying with all applicable laws

We focus our efforts on responsible resource use while creating comfortable, safe and healthy workplaces for our team members and stakeholders

[Our ESG Report](#) ↗

## What we Practice

- ✓ Preference for environmentally friendly products
- ✓ Leverage document and image technology to reduce paper consumption, our largest waste product
- ✓ Newest branch operates solar panels and geothermal heat pumps
- ✓ New offices use LED lighting and occupancy sensors. Existing branches are being upgraded

## What we Monitor



Limits set on concentrations of certain types of lending or industries

The company requires Board oversight and approval of relationships exceeding certain thresholds

The company employs external loan review and between 70% and 75% of the portfolio is reviewed annually

The company stress tests the portfolio regularly and evaluates whether climate change loss factors should be included in credit loss forecasting

[Our Environmental Policy](#) ↗

# Our Diversity

## The diversity of Triumph Financial team members is a tremendous asset.

We are committed to providing equal employment and advancement opportunities to qualified individuals and will not tolerate illegal discrimination or harassment of any kind.

### To ensure this, we employ:

- ✓ A CEO council on diversity & inclusion
- ✓ Expansion of affirmative action plans
- ✓ Team member satisfaction surveys
- ✓ Training & educational assistance
- ✓ Working conditions that are safe and healthy
- ✓ Significant benefits beyond medical and retirement plans

[Our Human Treatment Statement](#) ↗

As of December 31, 2023

### Women represent:

**63%**

of our overall team members

**65%**

of our non-management team members

**64%**

of our management team members

**33%**

of management, senior vice president and above

### Ethnic minorities represent:

**43%**

of our overall team members

**34%**

of our non-management team members

**33%**

of our management structure through vice president

**11%**

of management, senior vice president and above

### Triumph Financial's age related demographics were:

**56%**

of our team members were **40 years of age or younger**

**44%**

of our team members were **41 years of age and older**

# Our Philanthropy

In 2023,

**435**

Team members  
volunteered

**8,692**

Volunteer hours  
were reported

**407**

Organizations  
were supported

## Triumph Financial's Matching Gifts Program

Aside from volunteering, Triumph's Financial's Matching Gifts Program, supports organizations important to team members by matching their charitable contributions to qualified organizations, dollar-for-dollar, **up to \$1,000 for each team member, each calendar year.**

**\$48,522** 

Donated through the Matching Gifts  
Program in 2023

## Major Charitable Initiatives



### Triumph Workshop

Triumph Workshop provides the tools, knowledge, and connections to foster a community of creation, innovation and success. Triumph Financial and TBK Bank established Triumph Workshop as a makerspace to serve the community through programs focusing on workforce development, education initiatives and entrepreneur support.



### TBK Scholars Program

In 2023, we completed our 5th annual scholarship program, awarding fifteen \$1,000 scholarships to high school seniors from low-to-moderate income ("LMI") families in the communities the bank serves.



### Watermark Community Development Program

Triumph Financial has donated over \$191,000 to this organization since 2017 for matching funds of an Individual Development Account program to benefit low-to-moderate income individuals in Dallas, Texas.



### Crosshairs Charitable Foundation

This organization provides an opportunity for others to participate in community development and charitable activities that Triumph Financial supports.



# ✚ Appendix

# Executive Team



## Aaron Graft

Founder, Vice Chairman,  
and Chief Executive Officer  
**14 Years at TFIN**

Graft began his career as an attorney with Fulbright & Jaworski, LLP (now Norton Rose Fulbright LLP), where he focused on distressed loan workout. He received a Bachelor of Arts, Cum Laude, and a Juris Doctorate, Cum Laude, from Baylor University. Graft previously served on the Baylor University Hankamer School of Business Advisory Board.



## Brad Voss

EVP,  
Chief Financial Officer  
**13 Years at TFIN**

Voss joined Triumph Financial from CSG Investments where he led the sourcing, analysis and execution of investments in distressed securities. Before that, Voss served as a Portfolio Manager for Highland Capital Management, L.P. He holds a Bachelor of Business Administration in accounting and finance from Texas Christian University and a Master of Business Administration from the University of Texas at Austin. He is a Chartered Financial Analyst (CFA) charter holder.



## Melissa Forman

President,  
TriumphPay  
**5 Years at TFIN**  
**27 Years in Payments & Transportation**

Before joining TriumphPay, Forman spent nearly a decade leading sales and strategic partnerships for eCapital, LLC. She has held various leadership roles in the transportation technologies and finance industries. Forman received a Master of Business Administration in International Business from California State University, Dominguez Hills, and a Bachelor of Science in Business Management from the University of Phoenix.



## Tim Valdez

President,  
Triumph Factoring  
**3 Years at TFIN**  
**29 Years in Factoring**

Before joining, Valdez served as Vice President of WEX Fleet One Factoring. Prior to that he co-founded Pavestone Capital, a recourse factoring company serving small and middle-market transportation businesses and prior to that served as Chief Lending Officer for Transportation Alliance Bank.



## Todd Ritterbusch

President,  
TBK Bank, SSB  
**5 Years at TFIN**  
**22 Years in Banking**

Ritterbusch was previously a managing director and market executive in JP Morgan Chase's commercial bank. Ritterbusch earned a Bachelor of Science with distinction in interdisciplinary engineering from Purdue University and a Master of Business Administration from the Kellogg School of Management and a Master of Engineering Management from the McCormick School of Engineering at Northwestern University.

✦ **Thank You!**