



Customers Bancorp, Inc.
701 Reading Avenue
West Reading, PA 19611

Contact:

David W. Patti, Communications Director 610-451-9452

Customers Bancorp Reports First Quarter 2022 Results

Q1 2022 Net Income of \$74.9 million, or \$2.18 Per Diluted Share, Up 126% Over Q1 2021

Q1 2022 ROAA of 1.63% and ROCE of 24.3%

Q1 2022 Loan Growth of \$1.1 billion (Excluding PPP Loans and Loans to Mortgage Companies), Up 12% Over Q4 2021 and 33% Year-Over-Year

Deposit Growth of \$3.9 billion, Up 32% Year-Over-Year

- Q1 2022 net income available to common shareholders was \$74.9 million, or \$2.18 per diluted share, up 126% over Q1 2021.
- Q1 2022 core earnings (a non-GAAP measure) were \$75.2 million, or \$2.19 per diluted share, up 7% over Q1 2021.
- Q1 2022 core earnings excluding Paycheck Protection Program ("PPP") (a non-GAAP measure) were \$50.5 million, or \$1.47 per diluted share, up 12% over Q1 2021.
- Q1 2022 ROAA was 1.63% and Core ROAA (a non-GAAP measure) was 1.63%. Q1 2021 ROAA was 0.80% and Core ROAA (a non-GAAP measure) was 1.61%.
- Q1 2022 ROCE was 24.3% and Core ROCE (a non-GAAP measure) was 24.4%. Q1 2021 ROCE was 14.7% and Core ROCE (a non-GAAP measure) was 31.0%.
- Adjusted pre-tax pre-provision net income (a non-GAAP measure) for Q1 2022 was \$112.4 million, an increase of 29% over Q1 2021. Q1 2022 adjusted pre-tax pre-provision ROAA (a non-GAAP measure) was 2.38% compared to 1.90% for Q1 2021.
- Q1 2022 commercial and industrial (C&I) loan growth of \$574.8 million (up 17%), multifamily loan growth of \$218.7 million (up 15%), and consumer loan growth of \$269.5 million (up 13%) over Q4 2021.
- Q1 2022 net interest margin (a non-GAAP measure) increased 60 basis points from Q1 2021 to 3.60%. Q1 2022 net interest margin, excluding the impact of PPP loans (a non-GAAP measure) increased 33 basis points from Q1 2021 to 3.32%.
- Total deposits increased \$3.9 billion, or 32% year-over-year, which included a \$4.3 billion, or 72%, increase in demand deposits. This increase included CBIT-related deposits with a balance of \$1.8 billion at March 31, 2022. This balance has increased to approximately \$2.3 billion at April 15, 2022 and includes 74 new

customers onboarded in Q1 2022. The total cost of deposits dropped 20 basis points from the year-ago quarter.

- Q1 2022 efficiency ratio was 39.42% compared to 48.89% for Q1 2021. Q1 2022 core efficiency ratio was 39.62% compared to 41.13% in Q1 2021 (non-GAAP measures).
- Q1 2022 provision for credit losses on loans and leases was \$15.3 million compared to \$13.9 million in Q4 2021. At March 31, 2022, the coverage of credit loss reserves for loans and leases held for investment, excluding PPP loans (a non-GAAP measure), was 1.44% compared to 1.53% at December 31, 2021.
- Non-performing assets were \$43.9 million, or 0.23% of total assets, at March 31, 2022 compared to \$49.3 million, or 0.26% of total assets, at March 31, 2021. Allowance for credit losses equaled 333% of non-performing loans at March 31, 2022, compared to 264% at March 31, 2021.
- Well positioned for strong core sustainable growth in 2022 and 2023 and expect to meet or beat projections of core earnings (excluding PPP) between \$4.75 - \$5.00 in 2022 and well over \$6.00 in 2023.

West Reading, PA, April 27, 2022 - Customers Bancorp, Inc. (NYSE: CUBI), the parent company of Customers Bank (collectively "Customers" or "CUBI"), today reported first quarter 2022 ("Q1 2022") net income to common shareholders of \$74.9 million, or \$2.18 per diluted share, up from first quarter 2021 ("Q1 2021") net income to common shareholders of \$33.2 million, or \$1.01 per diluted share. Q1 2022 core earnings were \$75.2 million, or \$2.19 per diluted share, up from Q1 2021 core earnings of \$70.3 million, or \$2.14 per diluted share (non-GAAP measures). Q1 2022 core earnings (excluding PPP) were \$50.5 million, or \$1.47 per diluted share, up from Q1 2021 core earnings (excluding PPP) of \$45.2 million, or \$1.38 per diluted share (non-GAAP measures). Adjusted pre-tax pre-provision net income was \$112.4 million for Q1 2022 compared to \$86.8 million for Q1 2021 (non-GAAP measures). Net interest margin, tax equivalent ("NIM") was 3.60% for Q1 2022, up from 3.00% for Q1 2021 (non-GAAP measures). Excluding PPP, NIM was 3.32% for Q1 2022 up from 2.99% for Q1 2021 (non-GAAP measures).

"We are extremely pleased with our first quarter results and are excited that 2022 is off to a great start," remarked Customers Bancorp Chairman and CEO, Jay Sidhu. "In a quarter impacted by geopolitical conflict, rising interest rates, yield curve inversion, inflationary pressures, and the ongoing effects of the pandemic, we continue to responsibly deliver remarkable organic loan growth. Our core loans increased \$559 million in Q1 2022, up 5% from Q4 2021 (20% on an annualized basis), and well above our \$500 million average quarterly target, despite lower balances in loans to mortgage companies of \$532 million given yield-curve related and seasonal declines. Putting PPP aside, we increased total revenues in the core bank, reduced expenses, improved our efficiency ratio and continue to deliver positive operating leverage. Asset quality remains exceptional and credit reserves are strong. Continuing the momentum from record 2021 performance and strong first quarter results, our loan and deposit pipelines remain at record highs, as the 2021 market expansion and new verticals continue to perform as or better than expected, a

testament to our customer centric business model supported by best-in-class service and technology. This leaves us very well positioned to support future growth. We remain very excited and optimistic about our future,” Mr. Jay Sidhu continued.

Full Launch of Customers Bank Instant Token (CBIT™)

"We were thrilled to report the full launch of CBIT on the TassatPay™ payments platform in January 2022, following a successful soft launch in Q4 2021, and are very pleased with our progress to date. In Q1 2022, we onboarded 74 new CBIT-related customers to the Digital Bank, beating our internal target of at least 25 new customers. We expect digital asset-related deposits to grow significantly in 2022 as our pipelines remain strong, giving us an opportunity to further transform our deposits into a high quality, low-to-no cost, stable and growing deposit franchise. We believe our technology, compliance and customer service and support systems are among the best in the country," commented Mr. Sam Sidhu, President and CEO of Customers Bank.

At March 31, 2022, \$1.8 billion in core low-to-no cost demand deposits have been attracted to the Bank through this system. This balance has increased to approximately \$2.3 billion at April 15, 2022.

Paycheck Protection Program (PPP)

We funded, either directly or indirectly, about 256,000 PPP loans totaling \$5.2 billion in 2021, bringing total PPP loans funded to approximately 358,000 and \$10.3 billion. We also earned close to \$350 million of deferred origination fees from the SBA through the PPP loans, which is significantly accretive to our earnings and capital levels as these loans are forgiven by the government. In Q1 2022, we recognized \$30 million of these fees in earnings, bringing total fees recognized to date to \$292 million, resulting in approximately \$58 million to be recognized throughout 2022 and 2023. "As we've stated previously, it is difficult to predict the timing of PPP forgiveness. After a slow start, forgiveness levels picked up late in the quarter, resulting in higher deferred fee recognition in Q1 2022 than expected. We continue to expect most of the fees to be recognized in 2022, with approximately two-thirds of the remaining fees to be recognized in the second half of this year," commented Customers Bancorp CFO, Carla Leibold.

Key Balance Sheet Trends

Commercial and industrial loans and leases increased \$1.8 billion, or 81.1% year-over-year, to \$3.9 billion, consumer installment loans increased \$492.7 million, or 35.1% year-over-year, to \$1.9 billion, residential loans increased \$173.8 million, or 58.8% year-over-year, to \$469.4 million, commercial real estate owner occupied loans increased \$111.8 million, or 18.9% year-over-year, to \$701.9 million and multi-family loans increased \$45.5 million, or 2.7% year-over-year, to \$1.7 billion. These increases in loans and leases were partially offset by a decrease in commercial real estate non-owner occupied loans of \$54.5 million to \$1.1 billion.

Total loans and leases, including PPP loans, decreased \$2.1 billion, or 13.0%, to \$14.1 billion at March 31, 2022 compared to the year-ago period. As expected, commercial loans to mortgage companies declined \$1.6 billion to \$1.8 billion compared to the year-ago period. PPP loans declined \$3.0 billion to \$2.2 billion at March 31, 2022 compared to the year-ago period, primarily driven by \$6.0 billion in forgiveness, repayments and associated net deferred fees from the latest

and earlier rounds of PPP loans, net of \$3.0 billion in originations and purchases in the latest round. Excluding PPP loans and commercial loans to mortgage companies, total loans and leases increased \$2.5 billion, or 33.5%, as the loan mix continued to improve year-over-year.

"Looking ahead, we see continued responsible growth primarily in core C&I, including specialty finance lines of business, multi-family and residential loans offsetting the continued yield curve related decreases in loans to mortgage companies. The increase in core C&I loans, primarily driven by our specialty finance lines of business, is expected to dampen the seasonal volatility created by our loans to mortgage companies in future periods," stated Mr. Jay Sidhu.

Total deposits increased \$3.9 billion, or 31.6%, to \$16.4 billion at March 31, 2022 compared to the year-ago period. Total demand deposits increased \$4.3 billion, or 72.2%, to \$10.2 billion. Money market deposits increased \$574.6 million, or 13.0%, to \$5.0 billion. These increases were offset, in part, by decreases in savings deposits of \$681.1 million, or 45.9%, to \$0.8 billion and time deposits of \$219.7 million, or 33.0%, to \$446.2 million as we continue our efforts to run-off higher cost rate sensitive deposits. The total cost of deposits declined by 20 basis points to 0.33% in Q1 2022 from 0.53% in the year-ago quarter. "Our current spot cost of deposits was approximately 32 basis points at March 31, 2022, a dramatic improvement over the prior year. Given the transformational improvements in the quality of our deposit franchise over the past year, we feel very well positioned against future interest rate hikes from a deposit repricing standpoint," stated Mr. Jay Sidhu.

Other borrowings increased \$99.1 million to \$223.2 million at March 31, 2022 compared to the year-ago period from the issuance of our 2.875% fixed-to-floating rate senior notes, the proceeds of which were used to redeem all outstanding shares of our Series C and Series D Preferred Stock in Q3 2021.

Very Strong Growth in Tangible Common Equity and Tangible Book Value Per Share

Customers experienced significant improvements in regulatory capital ratios in Q1 2022 as compared to a year ago. Customers Bancorp's tangible common equity (a non-GAAP measure) increased by \$268.6 million to \$1.2 billion at March 31, 2022 from \$967.3 million at March 31, 2021, and the tangible book value per common share (a non-GAAP measure) increased to \$37.50 at March 31, 2022 from \$30.01 at March 31, 2021, an increase of 25.0%. Customers remains well capitalized by all regulatory measures.

At the Customers Bancorp level, the total risk based capital ratio (estimate) and tangible common equity to tangible assets ratio ("TCE ratio"), excluding PPP loans (a non-GAAP measure), were 12.9% and 7.3%, respectively, at March 31, 2022.

Loan Portfolio Management During the COVID-19 Crisis

Over the last decade, we have developed a suite of commercial and retail loan products with one particularly important common denominator: relatively low credit risk assumption. The Bank's C&I, loans to mortgage companies, specialty finance lines of business, and multi-family loans for example, are characterized by conservative underwriting standards and low loss rates.

Because of this emphasis, the Bank's credit quality to date has been healthy despite a highly adverse economic environment. Maintaining strong asset quality also requires a highly active portfolio monitoring process. In addition to frequent client outreach and monitoring at the individual loan level, we employ a bottom-up data driven approach to analyze the commercial portfolio.

Strong commercial loan portfolio with very low concentration in COVID-19 impacted industries and CRE

- All commercial loans previously on deferments became current by December 31, 2021 and remain current at March 31, 2022. Commercial deferments peaked at about \$1.2 billion in July 2020.
- Exposure to industry segments and CRE significantly impacted by COVID-19 initially is not substantial.

Consumer installment, mortgage and home equity loan portfolios continue to perform well

- Total consumer-related deferments declined to \$3.3 million at March 31, 2022, down from \$6.1 million at December 31, 2021.
- Total consumer installment loans were approximately 10% of total assets at March 31, 2022 and were supported by an allowance for credit losses of \$107.9 million.
- At March 31, 2022, our consumer installment portfolio had the following: average FICO score of 730, average debt-to-income of 16.5% and average borrower income of \$101 thousand.

Key Profitability Trends

Net Interest Income

Net interest income totaled \$164.7 million in Q1 2022, a decrease of \$29.0 million from Q4 2021, primarily due to lower PPP interest income of \$45.2 million resulting from reduced recognition of deferred fees of \$41.8 million driven by lower loan forgiveness in Q1 2022. This decrease was offset in part by increased net interest income earned by the core bank, including increased interest income on investment securities and core loans (a non-GAAP measure) of \$5.1 million and \$4.4 million, respectively, mostly due to higher average balances, dividend income of \$5.2 million primarily resulting from an equity investment distribution, and lower expenses paid on deposits of \$1.7 million resulting from continuing efforts to run-off higher cost rate sensitive deposits. Excluding PPP loans, average interest-earning assets increased \$1.3 billion. Interest-earning asset growth was driven by increases in investment securities, commercial and industrial loans, multi-family loans, consumer installment loans and residential loans, offset in part by decreases in interest earning deposits and commercial loans to mortgage companies. Compared to Q4 2021, total loan yields decreased 81 basis points to 4.67% primarily resulting from a lower average balance of PPP loans at lower yields in Q1 2022 driven by PPP loan forgiveness and lower deferred fee recognition. Excluding PPP loans, the Q1 2022 total loan yield was relatively unchanged from Q4 2021. Total deposits and borrowing costs decreased by 3 basis points to 0.43% primarily due to growth in non-interest-bearing deposits and a 4 basis point decrease in the cost of interest-bearing deposits to 0.46%. The Q1 2022 NIM (excluding PPP) (a non-GAAP measure) of 3.32% included a benefit of 13 basis points from the dividend income received in Q1 2022 of \$5.2 million.

Provision for Credit Losses

The provision for credit losses on loans and leases in Q1 2022 was \$15.3 million, compared to \$13.9 million in Q4 2021. The provision in Q1 2022 was primarily to support the continued growth in CB Direct consumer installment loan originations, as well as growth in residential and multi-family loans. The allowance for credit losses on loans and leases represented 1.44% of total loans and leases receivable, excluding PPP loans (a non-GAAP measure) at March 31, 2022, compared to 1.53% at December 31, 2021 and 1.71% at March 31, 2021. Non-performing loans at March 31, 2022 were 0.31% of total loans and leases, compared to 0.30% at March 31, 2021. The provision for credit losses for available-for-sale investment securities in Q1 2022 was \$0.7 million.

Non-Interest Income

Non-interest income totaled \$21.2 million for Q1 2022, an increase of \$4.2 million compared to Q4 2021. The increase was primarily due to \$6.4 million of death benefits from bank-owned life insurance policies, offset in part by an increase in losses realized from the sale of investment securities of \$1.0 million, lower gains realized from the sale of SBA loans of \$0.3 million, and no consumer loan sales in Q1 2022 compared to gains of \$0.7 million realized from the sale of consumer loans in Q4 2021.

Non-Interest Expense

The management of non-interest expenses remains a priority for us. However, this will not be at the expense of not making adequate investments with new technologies to support efficient and responsible growth.

Non-interest expenses totaled \$73.8 million in Q1 2022, a decrease of \$7.7 million compared to Q4 2021. The decrease was primarily attributable to lower salaries and employee benefits of \$3.3 million mostly due to higher incentives recorded in Q4 2021 resulting from record 2021 financial performance, \$2.0 million in lower loan servicing costs primarily due to lower PPP loan forgiveness and lower occupancy costs of \$1.3 million primarily associated with the relocation of the Bank headquarters and a \$1.3 million decrease in charitable contributions and corporate sponsorships. These decreases were offset in part by a \$1.4 million increase in technology, processing and deposit servicing-related expenses.

Taxes

Income tax expense from continuing operations increased by \$6.3 million to \$19.3 million in Q1 2022 from \$13.0 million in Q4 2021 primarily due to a decrease in excess tax benefits from stock option exercises recorded in Q4 2021 and a reduction in investment tax credits, partially offset by a reduction in pre-tax income. The effective tax rate from continuing operations for Q1 2022 was 20%. Customers expects the full-year 2022 effective tax rate from continuing operations to be approximately 21% to 23%.

BM Technologies, Inc. (BMTX)

We previously entered into a Deposit Servicing Agreement with BMTX, which was profitable at the time as we were in the early stage of building out our commercial and digital deposit franchise. However, with the advent of CBIT, which went into full launch in January 2022, we now have a low-to-no cost core deposit aggregation strategy that is expected to be far more profitable. We are preparing for the expiration of the Deposit Servicing Agreement scheduled to expire on December 31, 2022, which cost us approximately \$60 million (\$48 million after taxes) in 2021 and will not be renewed. The expiration of the Deposit Servicing Agreement is expected to be accretive to our 2023 earnings by \$60 million (pre-tax). At March 31, 2022, \$2.2 billion of deposits were serviced by BMTX, which we expect to leave the Bank by December 31, 2022.

Outlook

“Looking ahead, we continue to project sustainable and responsible organic core growth and are very optimistic about the prospects of our company. We are focused on improving the quality of our balance sheet and deposit franchise and are not focused on growth just for the sake of growth. We continue to expect, on average, \$500 million of quarterly loan growth and significant digital asset-related deposit growth by year-end 2022. Through a combination of revenue growth and prudent expense management we expect our efficiency ratio to be at or below 40% by early 2023. Customers Bancorp stock at the close of business on April 22, 2022 was trading at \$42.84, less than 7 times analyst estimated EPS for 2023 and only 1.1 times tangible book value at March 31, 2022. We continue to expect to meet or beat projections of our core earnings (excluding PPP) between \$4.75 - \$5.00 in 2022 and well over \$6.00 in 2023, two to three years ahead of our previous guidance of \$6.00 by 2025/2026,” concluded Mr. Jay Sidhu.

Webcast

Date: Thursday, April 28, 2022

Time: 9:00 AM EDT

The live audio webcast, presentation slides, and earnings press release will be made available at <https://www.customersbank.com/investor-relations/> and at the Customers Bancorp 1st Quarter Earnings Webcast.

You may submit questions in advance of the live webcast by emailing our Communications Director, David Patti at dpatti@customersbank.com; questions may also be asked during the webcast through the webcast application.

The webcast will be archived for viewing on the Customers Bank Investor Relations page and available beginning approximately two hours after the conclusion of the live event.

Institutional Background

Customers Bancorp, Inc. (NYSE:CUBI) is a bank holding company located in West Reading, Pennsylvania engaged in banking and related businesses through its bank subsidiary, Customers Bank, a full-service bank with \$19.2 billion in assets at March 31, 2022. A member of the Federal Reserve System with deposits insured by the Federal Deposit Insurance Corporation, Customers Bank is an equal opportunity lender that provides a range of banking and lending services to small and medium-sized businesses, professionals, individuals and families. Services and products are available wherever permitted by law through mobile-first apps, online portals, and a network of offices and branches. Customers Bank provides blockchain-based digital payments via the Customers Bank Instant Token (CBIT™) which allows clients to make instant payments in U.S. dollars, 24 hours a day, 7 days a week, 365 days a year.

“Safe Harbor” Statement

In addition to historical information, this press release may contain “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements with respect to Customers Bancorp, Inc.’s strategies, goals, beliefs, expectations, estimates, intentions, capital raising efforts, financial condition and results of operations, future performance and business. Statements preceded by, followed by, or that include the words “may,” “could,” “should,” “pro forma,” “looking forward,” “would,” “believe,” “expect,” “anticipate,” “estimate,” “intend,” “plan,” “project,” or similar expressions generally indicate a forward-looking statement. These forward-looking statements involve risks and uncertainties that are subject to change based on various important factors (some of which, in whole or in part, are beyond Customers Bancorp, Inc.’s control). Numerous competitive, economic, regulatory, legal and technological events and factors, among others, could cause Customers Bancorp, Inc.’s financial performance to differ materially from the goals, plans, objectives, intentions and expectations expressed in such forward-looking statements, including: the impact of the ongoing pandemic on the U.S. economy and customer behavior, the impact that changes in the economy have on the performance of our loan and lease portfolio,

the market value of our investment securities, the continued success and acceptance of our blockchain payments system, the demand for our products and services and the availability of sources of funding; the effects of actions by the federal government, including the Board of Governors of the Federal Reserve System and other government agencies, that affect market interest rates and the money supply; actions that we and our customers take in response to these developments and the effects such actions have on our operations, products, services and customer relationships; and the effects of any changes in accounting standards or policies. Customers Bancorp, Inc. cautions that the foregoing factors are not exclusive, and neither such factors nor any such forward-looking statement takes into account the impact of any future events. All forward-looking statements and information set forth herein are based on management's current beliefs and assumptions as of the date hereof and speak only as of the date they are made. For a more complete discussion of the assumptions, risks and uncertainties related to our business, you are encouraged to review Customers Bancorp, Inc.'s filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K for the year ended December 31, 2021, subsequently filed quarterly reports on Form 10-Q and current reports on Form 8-K, including any amendments thereto, that update or provide information in addition to the information included in the Form 10-K and Form 10-Q filings, if any. Customers Bancorp, Inc. does not undertake to update any forward-looking statement whether written or oral, that may be made from time to time by Customers Bancorp, Inc. or by or on behalf of Customers Bank, except as may be required under applicable law.

Q1 2022 Overview

The following table presents a summary of key earnings and performance metrics for the quarter ended March 31, 2022 and the preceding four quarters:

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES EARNINGS SUMMARY – UNAUDITED

(Dollars in thousands, except per share data and stock price data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|------------|------------|------------|------------|------------|
| GAAP Profitability Metrics: | | | | | |
| Net income available to common shareholders (from continuing and discontinued operations) | \$ 74,896 | \$ 98,647 | \$ 110,241 | \$ 58,042 | \$ 33,204 |
| Per share amounts: | | | | | |
| Earnings per share - basic | \$ 2.27 | \$ 3.02 | \$ 3.40 | \$ 1.80 | \$ 1.04 |
| Earnings per share - diluted | \$ 2.18 | \$ 2.87 | \$ 3.25 | \$ 1.72 | \$ 1.01 |
| Book value per common share ⁽¹⁾ | \$ 37.61 | \$ 37.32 | \$ 35.24 | \$ 31.94 | \$ 30.13 |
| CUBI stock price ⁽¹⁾ | \$ 52.14 | \$ 65.37 | \$ 43.02 | \$ 38.99 | \$ 31.82 |
| CUBI stock price as % of book value ⁽¹⁾ | 139 % | 175 % | 122 % | 122 % | 106 % |
| Average shares outstanding - basic | 32,957,033 | 32,625,960 | 32,449,853 | 32,279,625 | 31,883,946 |
| Average shares outstanding - diluted | 34,327,065 | 34,320,327 | 33,868,553 | 33,741,468 | 32,841,711 |
| Shares outstanding ⁽¹⁾ | 32,957,847 | 32,913,267 | 32,537,976 | 32,353,256 | 32,238,762 |
| Return on average assets ("ROAA") | 1.63 % | 2.08 % | 2.33 % | 1.27 % | 0.80 % |
| Return on average common equity ("ROCE") | 24.26 % | 33.18 % | 40.82 % | 23.22 % | 14.66 % |
| Efficiency ratio | 39.42 % | 38.70 % | 33.42 % | 46.59 % | 48.89 % |
| Non-GAAP Profitability Metrics ⁽²⁾: | | | | | |
| Core earnings | \$ 75,190 | \$100,095 | \$ 113,876 | \$ 59,303 | \$ 70,308 |
| Adjusted pre-tax pre-provision net income | \$ 112,363 | \$129,335 | \$ 167,215 | \$ 86,467 | \$ 86,769 |
| Per share amounts: | | | | | |
| Core earnings per share - diluted | \$ 2.19 | \$ 2.92 | \$ 3.36 | \$ 1.76 | \$ 2.14 |
| Tangible book value per common share ⁽¹⁾ | \$ 37.50 | \$ 37.21 | \$ 35.12 | \$ 31.82 | \$ 30.01 |
| CUBI stock price as % of tangible book value ⁽¹⁾ | 139 % | 176 % | 122 % | 123 % | 106 % |
| Core ROAA | 1.63 % | 2.11 % | 2.35 % | 1.30 % | 1.61 % |
| Core ROCE | 24.36 % | 33.67 % | 42.16 % | 23.72 % | 31.03 % |
| Adjusted ROAA - pre-tax and pre-provision | 2.38 % | 2.67 % | 3.36 % | 1.80 % | 1.90 % |
| Adjusted ROCE - pre-tax and pre-provision | 35.79 % | 42.82 % | 60.81 % | 33.27 % | 36.80 % |
| Net interest margin, tax equivalent | 3.60 % | 4.14 % | 4.59 % | 2.98 % | 3.00 % |
| Net interest margin, tax equivalent, excluding PPP loans | 3.32 % | 3.12 % | 3.24 % | 3.30 % | 2.99 % |
| Core efficiency ratio | 39.62 % | 38.73 % | 30.36 % | 44.33 % | 41.13 % |
| Asset Quality: | | | | | |
| Net charge-offs | \$ 7,226 | \$ 7,582 | \$ 7,104 | \$ 6,591 | \$ 12,521 |
| Annualized net charge-offs to average total loans and leases | 0.21 % | 0.21 % | 0.17 % | 0.16 % | 0.33 % |
| Non-performing loans ("NPLs") to total loans and leases ⁽¹⁾ | 0.31 % | 0.34 % | 0.34 % | 0.27 % | 0.30 % |
| Reserves to NPLs ⁽¹⁾ | 333.15 % | 277.72 % | 252.68 % | 269.96 % | 264.21 % |
| Non-performing assets ("NPAs") to total assets | 0.23 % | 0.25 % | 0.27 % | 0.24 % | 0.26 % |
| Customers Bank Capital Ratios ⁽³⁾: | | | | | |
| Common equity Tier 1 capital to risk-weighted assets | 11.60 % | 11.83 % | 12.77 % | 12.40 % | 11.75 % |
| Tier 1 capital to risk-weighted assets | 11.60 % | 11.83 % | 12.77 % | 12.40 % | 11.75 % |
| Total capital to risk-weighted assets | 13.03 % | 13.11 % | 14.16 % | 13.77 % | 13.11 % |
| Tier 1 capital to average assets (leverage ratio) | 8.21 % | 7.93 % | 8.66 % | 9.07 % | 9.35 % |

(continued)

- (1) Metric is a spot balance for the last day of each quarter presented.
- (2) Customers' reasons for the use of these non-GAAP measures and a detailed reconciliation between the non-GAAP measures and the comparable GAAP amounts are included at the end of this document.
- (3) Regulatory capital ratios are estimated for Q1 2022 and actual for the remaining periods. In accordance with regulatory capital rules, Customers elected to apply the CECL capital transition provisions which delayed the effects of CECL on regulatory capital for two years until January 1, 2022, followed by a three-year transition period. The cumulative CECL capital transition impact as of December 31, 2021 which amounted to \$61.6 million will be phased in at 25% per year beginning on January 1, 2022 through December 31, 2024. As of March 31, 2022, our regulatory capital ratios reflected 75%, or \$46.2 million, benefit associated with the CECL transition provisions.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED
(Dollars in thousands, except per share data)

| | Q1 | Q4 | Q3 | Q2 | Q1 |
|--|------------------|-------------------|-------------------|------------------|------------------|
| | 2022 | 2021 | 2021 | 2021 | 2021 |
| Interest income: | | | | | |
| Loans and leases | \$ 157,175 | \$ 198,000 | \$ 233,097 | \$ 153,608 | \$ 152,117 |
| Investment securities | 20,295 | 15,202 | 8,905 | 8,327 | 7,979 |
| Other | 6,006 | 835 | 849 | 946 | 1,019 |
| Total interest income | <u>183,476</u> | <u>214,037</u> | <u>242,851</u> | <u>162,881</u> | <u>161,115</u> |
| Interest expense: | | | | | |
| Deposits | 13,712 | 15,415 | 15,915 | 15,653 | 15,658 |
| FHLB advances | — | 51 | 5 | 963 | 5,192 |
| Subordinated debt | 2,689 | 2,688 | 2,689 | 2,689 | 2,689 |
| FRB PPP liquidity facility, federal funds purchased and other borrowings | 2,376 | 2,189 | 4,350 | 4,819 | 4,845 |
| Total interest expense | <u>18,777</u> | <u>20,343</u> | <u>22,959</u> | <u>24,124</u> | <u>28,384</u> |
| Net interest income | 164,699 | 193,694 | 219,892 | 138,757 | 132,731 |
| Provision (benefit) for credit losses | 15,997 | 13,890 | 13,164 | 3,291 | (2,919) |
| Net interest income after provision (benefit) for credit losses | <u>148,702</u> | <u>179,804</u> | <u>206,728</u> | <u>135,466</u> | <u>135,650</u> |
| Non-interest income: | | | | | |
| Interchange and card revenue | 76 | 84 | 83 | 84 | 85 |
| Deposit fees | 940 | 1,026 | 994 | 891 | 863 |
| Commercial lease income | 5,895 | 5,378 | 5,213 | 5,311 | 5,205 |
| Bank-owned life insurance | 8,326 | 1,984 | 1,988 | 2,765 | 1,679 |
| Mortgage warehouse transactional fees | 2,015 | 2,262 | 3,100 | 3,265 | 4,247 |
| Gain (loss) on sale of SBA and other loans | 1,507 | 2,493 | 5,359 | 1,900 | 1,575 |
| Loan fees | 2,545 | 2,513 | 1,909 | 1,670 | 1,436 |
| Mortgage banking income (loss) | 481 | 262 | 425 | 386 | 463 |
| Gain (loss) on sale of investment securities | (1,063) | (49) | 6,063 | 1,812 | 23,566 |
| Unrealized gain (loss) on investment securities | (276) | — | — | 1,746 | 974 |
| Loss on sale of foreign subsidiaries | — | — | — | (2,840) | — |
| Unrealized gain (loss) on derivatives | 964 | 586 | 524 | (439) | 2,537 |
| Loss on cash flow hedge derivative terminations | — | — | — | — | (24,467) |
| Other | (212) | 452 | (72) | 271 | 305 |
| Total non-interest income | <u>21,198</u> | <u>16,991</u> | <u>25,586</u> | <u>16,822</u> | <u>18,468</u> |
| Non-interest expense: | | | | | |
| Salaries and employee benefits | 26,607 | 29,940 | 26,268 | 28,023 | 23,971 |
| Technology, communication and bank operations | 24,068 | 22,657 | 21,281 | 19,618 | 19,988 |
| Professional services | 6,956 | 7,058 | 6,871 | 6,882 | 5,877 |
| Occupancy | 3,050 | 4,336 | 2,704 | 2,482 | 2,621 |
| Commercial lease depreciation | 4,942 | 4,625 | 4,493 | 4,415 | 4,291 |
| FDIC assessments, non-income taxes and regulatory fees | 2,383 | 2,427 | 2,313 | 2,602 | 2,719 |
| Loan servicing | 2,371 | 4,361 | 4,265 | 1,700 | 437 |
| Merger and acquisition related expenses | — | — | — | — | 418 |
| Loan workout | (38) | 226 | 198 | 102 | (261) |
| Advertising and promotion | 315 | 344 | 302 | 313 | 561 |
| Deposit relationship adjustment fees | — | — | 6,216 | — | — |
| Other | 3,153 | 5,574 | 5,098 | 4,686 | 1,305 |
| Total non-interest expense | <u>73,807</u> | <u>81,548</u> | <u>80,009</u> | <u>70,823</u> | <u>61,927</u> |
| Income before income tax expense | 96,093 | 115,247 | 152,305 | 81,465 | 92,191 |
| Income tax expense | 19,332 | 12,993 | 36,263 | 20,124 | 17,560 |
| Net income from continuing operations | <u>\$ 76,761</u> | <u>\$ 102,254</u> | <u>\$ 116,042</u> | <u>\$ 61,341</u> | <u>\$ 74,631</u> |

(continued)

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF OPERATIONS - UNAUDITED (CONTINUED)***(Dollars in thousands, except per share data)*

| | Q1 | Q4 | Q3 | Q2 | Q1 |
|--|------------------|------------------|-------------------|------------------|------------------|
| | 2022 | 2021 | 2021 | 2021 | 2021 |
| Loss from discontinued operations before income taxes | \$ — | \$ — | \$ — | \$ — | \$ (20,354) |
| Income tax expense (benefit) from discontinued operations | — | 1,585 | — | — | 17,682 |
| Net loss from discontinued operations | — | (1,585) | — | — | (38,036) |
| Net income | 76,761 | 100,669 | 116,042 | 61,341 | 36,595 |
| Preferred stock dividends | 1,865 | 2,022 | 2,981 | 3,299 | 3,391 |
| Loss on redemption of preferred stock | — | — | 2,820 | — | — |
| Net income available to common shareholders | <u>\$ 74,896</u> | <u>\$ 98,647</u> | <u>\$ 110,241</u> | <u>\$ 58,042</u> | <u>\$ 33,204</u> |
| Basic earnings per common share from continuing operations | \$ 2.27 | \$ 3.07 | \$ 3.40 | \$ 1.80 | \$ 2.23 |
| Basic earnings per common share | 2.27 | 3.02 | 3.40 | 1.80 | 1.04 |
| Diluted earnings per common share from continuing operations | 2.18 | 2.92 | 3.25 | 1.72 | 2.17 |
| Diluted earnings per common share | 2.18 | 2.87 | 3.25 | 1.72 | 1.01 |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET – UNAUDITED

(Dollars in thousands)

| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
|---|----------------------|----------------------|-----------------------|----------------------|----------------------|
| ASSETS | | | | | |
| Cash and due from banks | \$ 55,515 | \$ 35,238 | \$ 51,169 | \$ 36,837 | \$ 3,123 |
| Interest earning deposits | 219,085 | 482,794 | 1,000,885 | 393,663 | 512,241 |
| Cash and cash equivalents | 274,600 | 518,032 | 1,052,054 | 430,500 | 515,364 |
| Investment securities, at fair value | 4,169,853 | 3,817,150 | 1,866,697 | 1,526,792 | 1,441,904 |
| Loans held for sale | 3,003 | 16,254 | 29,957 | 34,540 | 46,106 |
| Loans receivable, mortgage warehouse, at fair value | 1,755,758 | 2,284,325 | 2,557,624 | 2,855,284 | 3,407,622 |
| Loans receivable, PPP | 2,195,902 | 3,250,008 | 4,957,357 | 6,305,056 | 5,178,089 |
| Loans and leases receivable | 10,118,855 | 9,018,298 | 7,970,599 | 7,772,142 | 7,536,489 |
| Allowance for credit losses on loans and leases | (145,847) | (137,804) | (131,496) | (125,436) | (128,736) |
| Total loans and leases receivable, net of allowance for credit losses on loans and leases | 13,924,668 | 14,414,827 | 15,354,084 | 16,807,046 | 15,993,464 |
| FHLB, Federal Reserve Bank, and other restricted stock | 54,553 | 64,584 | 57,184 | 39,895 | 69,420 |
| Accrued interest receivable | 94,669 | 92,239 | 93,514 | 90,009 | 83,186 |
| Bank premises and equipment, net | 8,233 | 8,890 | 9,944 | 10,391 | 10,943 |
| Bank-owned life insurance | 332,239 | 333,705 | 331,423 | 329,421 | 281,923 |
| Goodwill and other intangibles | 3,678 | 3,736 | 3,794 | 3,853 | 3,911 |
| Other assets | 298,212 | 305,611 | 310,271 | 362,661 | 371,439 |
| Total assets | \$ 19,163,708 | \$ 19,575,028 | \$ 19,108,922 | \$ 19,635,108 | \$ 18,817,660 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| Demand, non-interest bearing deposits | \$ 4,594,428 | \$ 4,459,790 | \$ 4,954,331 | \$ 2,699,869 | \$ 2,687,628 |
| Interest bearing deposits | 11,821,132 | 12,318,134 | 12,016,694 | 11,174,070 | 9,784,812 |
| Total deposits | 16,415,560 | 16,777,924 | 16,971,025 | 13,873,939 | 12,472,440 |
| Federal funds purchased | 700,000 | 75,000 | — | — | 365,000 |
| FHLB advances | — | 700,000 | — | — | 850,000 |
| Other borrowings | 223,230 | 223,086 | 223,151 | 124,240 | 124,138 |
| Subordinated debt | 181,742 | 181,673 | 181,603 | 181,534 | 181,464 |
| FRB PPP liquidity facility | — | — | — | 3,865,865 | 3,284,156 |
| Accrued interest payable and other liabilities | 265,770 | 251,128 | 448,844 | 338,801 | 351,741 |
| Total liabilities | 17,786,302 | 18,208,811 | 17,824,623 | 18,384,379 | 17,628,939 |
| Preferred stock | 137,794 | 137,794 | 137,794 | 217,471 | 217,471 |
| Common stock | 34,882 | 34,722 | 33,818 | 33,634 | 33,519 |
| Additional paid in capital | 542,402 | 542,391 | 525,894 | 519,294 | 515,318 |
| Retained earnings | 780,628 | 705,732 | 607,085 | 496,844 | 438,802 |
| Accumulated other comprehensive income (loss), net | (62,548) | (4,980) | 1,488 | 5,266 | 5,391 |
| Treasury stock, at cost | (55,752) | (49,442) | (21,780) | (21,780) | (21,780) |
| Total shareholders' equity | 1,377,406 | 1,366,217 | 1,284,299 | 1,250,729 | 1,188,721 |
| Total liabilities and shareholders' equity | \$ 19,163,708 | \$ 19,575,028 | \$ 19,108,922 | \$ 19,635,108 | \$ 18,817,660 |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
AVERAGE BALANCE SHEET / NET INTEREST MARGIN – UNAUDITED

(Dollars in thousands)

| | Three Months Ended | | | | | |
|--|----------------------|---------------------------------|----------------------|---------------------------------|----------------------|---------------------------------|
| | March 31, 2022 | | December 31, 2021 | | March 31, 2021 | |
| | Average Balance | Average Yield or Cost (%) | Average Balance | Average Yield or Cost (%) | Average Balance | Average Yield or Cost (%) |
| Assets | | | | | | |
| Interest earning deposits | \$ 826,240 | 0.16% | \$ 1,568,510 | 0.15% | \$ 1,177,315 | 0.10% |
| Investment securities ⁽¹⁾ | 4,036,966 | 2.01% | 2,621,844 | 2.32% | 1,357,558 | 2.35% |
| Loans and leases: | | | | | | |
| Commercial loans to mortgage companies | 1,836,647 | 3.09% | 2,289,061 | 3.02% | 3,122,098 | 3.09% |
| Multi-family loans | 1,531,846 | 3.64% | 1,327,732 | 3.72% | 1,689,174 | 3.80% |
| Commercial & industrial loans and leases ⁽²⁾ | 4,124,408 | 3.60% | 3,514,186 | 3.71% | 2,848,328 | 3.97% |
| Loans receivable, PPP | 2,641,318 | 5.66% | 3,898,607 | 8.35% | 4,623,213 | 3.41% |
| Non-owner occupied commercial real estate loans | 1,312,210 | 3.77% | 1,334,184 | 3.80% | 1,348,938 | 3.85% |
| Residential mortgages | 416,417 | 3.58% | 314,551 | 3.68% | 373,497 | 3.78% |
| Installment loans | 1,794,145 | 9.03% | 1,657,049 | 8.96% | 1,323,863 | 9.04% |
| Total loans and leases ⁽³⁾ | <u>13,656,991</u> | 4.67% | <u>14,335,370</u> | 5.48% | <u>15,329,111</u> | 4.02% |
| Other interest-earning assets | 52,111 | NM ⁽⁷⁾ | 50,709 | 1.81% | 79,960 | 3.64% |
| Total interest-earning assets | <u>18,572,308</u> | 4.00% | <u>18,576,433</u> | 4.57% | <u>17,943,944</u> | 3.64% |
| Non-interest-earning assets | 557,022 | | 637,808 | | 581,777 | |
| Total assets | <u>\$ 19,129,330</u> | | <u>\$ 19,214,241</u> | | <u>\$ 18,525,721</u> | |
| Liabilities | | | | | | |
| Interest checking accounts | 5,769,372 | 0.54% | 5,258,982 | 0.58% | 2,691,723 | 0.84% |
| Money market deposit accounts | 4,880,051 | 0.39% | 5,293,529 | 0.43% | 4,435,930 | 0.55% |
| Other savings accounts | 880,113 | 0.36% | 1,189,899 | 0.45% | 1,414,350 | 0.69% |
| Certificates of deposit | 450,644 | 0.47% | 541,528 | 0.51% | 666,239 | 0.97% |
| Total interest-bearing deposits ⁽⁴⁾ | <u>11,980,180</u> | 0.46% | <u>12,283,938</u> | 0.50% | <u>9,208,242</u> | 0.69% |
| Federal funds purchased | 88,611 | 0.33% | 815 | 0.15% | 16,333 | 0.07% |
| FRB PPP liquidity facility | — | —% | — | —% | 3,941,718 | 0.35% |
| Borrowings | 532,610 | 3.80% | 465,600 | 4.20% | 1,155,493 | 3.27% |
| Total interest-bearing liabilities | <u>12,601,401</u> | 0.60% | <u>12,750,353</u> | 0.63% | <u>14,321,786</u> | 0.80% |
| Non-interest-bearing deposits ⁽⁴⁾ | 4,900,983 | | 4,817,835 | | 2,819,871 | |
| Total deposits and borrowings | 17,502,384 | 0.43% | 17,568,188 | 0.46% | 17,141,657 | 0.67% |
| Other non-interest-bearing liabilities | 237,131 | | 328,782 | | 247,798 | |
| Total liabilities | <u>17,739,515</u> | | <u>17,896,970</u> | | <u>17,389,455</u> | |
| Shareholders' equity | <u>1,389,815</u> | | <u>1,317,271</u> | | <u>1,136,266</u> | |
| Total liabilities and shareholders' equity | <u>\$ 19,129,330</u> | | <u>\$ 19,214,241</u> | | <u>\$ 18,525,721</u> | |
| Interest spread | | <u>3.57%</u> | | <u>4.11%</u> | | <u>2.97%</u> |
| Net interest margin | | <u>3.59%</u> | | <u>4.14%</u> | | <u>3.00%</u> |
| Net interest margin tax equivalent ⁽⁵⁾ | | <u>3.60%</u> | | <u>4.14%</u> | | <u>3.00%</u> |
| Net interest margin tax equivalent excl. PPP ⁽⁶⁾ | | <u>3.32%</u> | | <u>3.12%</u> | | <u>2.99%</u> |

(1) For presentation in this table, average balances and the corresponding average yields for investment securities are based upon historical cost, adjusted for amortization of premiums and accretion of discounts.

(2) Includes owner occupied commercial real estate loans.

(3) Includes non-accrual loans, the effect of which is to reduce the yield earned on loans and leases, and deferred loan fees.

(4) Total costs of deposits (including interest bearing and non-interest bearing) were 0.33%, 0.36% and 0.53% for the three months ended March 31, 2022, December 31, 2021 and March 31, 2021, respectively.

(5) Non-GAAP tax-equivalent basis, using an estimated marginal tax rate of 26% for the three months ended March 31, 2022, December 31, 2021 and March 31, 2021, presented to approximate interest income as a taxable asset. Management uses non-GAAP measures to present historical periods comparable to the current period presentation. In addition, management believes the use of these non-GAAP measures provides additional clarity when assessing Customers' financial results. These disclosures should not be viewed as substitutes for results determined to be in accordance with U.S. GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other entities.

(6) Non-GAAP tax-equivalent basis, as described in note (5) for the three months ended March 31, 2022, December 31, 2021 and March 31, 2021, excluding net interest income from PPP loans and related borrowings, along with the related PPP loan balances and PPP fees receivable from interest-earning assets. Management uses non-GAAP measures to present historical periods comparable to the current period presentation. In addition, management believes the use of these non-GAAP measures provides additional clarity when assessing Customers' financial results. These disclosures should not be viewed as substitutes for results determined to be in accordance with U.S. GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other entities.

(7) Not meaningful.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

PERIOD END LOAN AND LEASE COMPOSITION - UNAUDITED

(Dollars in thousands)

| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
|---|----------------------|----------------------|-----------------------|----------------------|----------------------|
| Commercial: | | | | | |
| Multi-family | \$ 1,705,027 | \$ 1,486,308 | \$ 1,387,166 | \$ 1,497,485 | \$ 1,659,529 |
| Loans to mortgage companies | 1,830,121 | 2,362,438 | 2,626,483 | 2,922,217 | 3,463,490 |
| Commercial & industrial | 3,921,439 | 3,346,670 | 2,604,367 | 2,293,723 | 2,164,784 |
| Commercial real estate owner occupied | 701,893 | 654,922 | 656,044 | 653,649 | 590,093 |
| Loans receivable, PPP | 2,195,902 | 3,250,008 | 4,957,357 | 6,305,056 | 5,178,089 |
| Commercial real estate non-owner occupied | 1,140,311 | 1,121,238 | 1,144,643 | 1,206,646 | 1,194,832 |
| Construction | 161,024 | 198,981 | 198,607 | 179,198 | 156,837 |
| Total commercial loans and leases | <u>11,655,717</u> | <u>12,420,565</u> | <u>13,574,667</u> | <u>15,057,974</u> | <u>14,407,654</u> |
| Consumer: | | | | | |
| Residential | 469,426 | 350,984 | 260,820 | 273,493 | 295,654 |
| Manufactured housing | 50,669 | 52,861 | 55,635 | 57,904 | 59,977 |
| Installment | 1,897,706 | 1,744,475 | 1,624,415 | 1,577,651 | 1,405,021 |
| Total consumer loans | <u>2,417,801</u> | <u>2,148,320</u> | <u>1,940,870</u> | <u>1,909,048</u> | <u>1,760,652</u> |
| Total loans and leases | <u>\$ 14,073,518</u> | <u>\$ 14,568,885</u> | <u>\$ 15,515,537</u> | <u>\$ 16,967,022</u> | <u>\$ 16,168,306</u> |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

PERIOD END DEPOSIT COMPOSITION - UNAUDITED

(Dollars in thousands)

| | March 31, 2022 | December 31, 2021 | September 30, 2021 | June 30, 2021 | March 31, 2021 |
|------------------------------|----------------------|----------------------|-----------------------|----------------------|----------------------|
| Demand, non-interest bearing | \$ 4,594,428 | \$ 4,459,790 | \$ 4,954,331 | \$ 2,699,869 | \$ 2,687,628 |
| Demand, interest bearing | 5,591,468 | 6,488,406 | 5,023,081 | 4,206,355 | 3,228,941 |
| Total demand deposits | <u>10,185,896</u> | <u>10,948,196</u> | <u>9,977,412</u> | <u>6,906,224</u> | <u>5,916,569</u> |
| Savings | 802,395 | 973,317 | 1,310,343 | 1,431,756 | 1,483,482 |
| Money market | 4,981,077 | 4,349,073 | 5,090,121 | 4,908,809 | 4,406,508 |
| Time deposits | 446,192 | 507,338 | 593,149 | 627,150 | 665,881 |
| Total deposits | <u>\$ 16,415,560</u> | <u>\$ 16,777,924</u> | <u>\$ 16,971,025</u> | <u>\$ 13,873,939</u> | <u>\$ 12,472,440</u> |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

ASSET QUALITY - UNAUDITED

| (Dollars in thousands) | As of March 31, 2022 | | | | | As of December 31, 2021 | | | | | As of March 31, 2021 | | | | |
|--|----------------------|--------------------|-----------------------------|---------------------------|------------------------------|-------------------------|--------------------|-----------------------------|---------------------------|------------------------------|----------------------|--------------------|-----------------------------|---------------------------|------------------------------|
| | Total loans | Non accrual / NPLs | Allowance for credit losses | Total NPLs to total loans | Total reserves to total NPLs | Total loans | Non accrual / NPLs | Allowance for credit losses | Total NPLs to total loans | Total reserves to total NPLs | Total loans | Non accrual / NPLs | Allowance for credit losses | Total NPLs to total loans | Total reserves to total NPLs |
| Loan type | | | | | | | | | | | | | | | |
| Multi-family | \$ 1,705,027 | \$ 17,869 | \$ 7,437 | 1.05 % | 41.62 % | \$ 1,486,308 | \$ 22,654 | \$ 4,477 | 1.52 % | 19.76 % | \$ 1,640,278 | \$ 20,530 | \$ 8,026 | 1.25 % | 39.09 % |
| Commercial & industrial ⁽¹⁾ | 3,995,802 | 5,490 | 10,765 | 0.14 % | 196.08 % | 3,424,783 | 6,096 | 12,702 | 0.18 % | 208.37 % | 2,220,652 | 7,544 | 7,503 | 0.34 % | 99.46 % |
| Commercial real estate owner occupied | 701,893 | 2,191 | 3,841 | 0.31 % | 175.31 % | 654,922 | 2,475 | 3,213 | 0.38 % | 129.82 % | 590,093 | 3,242 | 5,935 | 0.55 % | 183.07 % |
| Commercial real estate non-owner occupied | 1,140,311 | 1,302 | 5,955 | 0.11 % | 457.37 % | 1,121,238 | 2,815 | 6,210 | 0.25 % | 220.60 % | 1,194,832 | 2,356 | 11,621 | 0.20 % | 493.25 % |
| Construction | 161,024 | — | 939 | — % | — % | 198,981 | — | 692 | — % | — % | 156,837 | — | 4,103 | — % | — % |
| Total commercial loans and leases receivable | 7,704,057 | 26,852 | 28,937 | 0.35 % | 107.76 % | 6,886,232 | 34,040 | 27,294 | 0.49 % | 80.18 % | 5,802,692 | 33,672 | 37,188 | 0.58 % | 110.44 % |
| Residential | 466,423 | 8,124 | 4,685 | 1.74 % | 57.67 % | 334,730 | 7,727 | 2,383 | 2.31 % | 30.84 % | 293,805 | 9,353 | 3,209 | 3.18 % | 34.31 % |
| Manufactured housing | 50,669 | 3,430 | 4,342 | 6.77 % | 126.59 % | 52,861 | 3,563 | 4,278 | 6.74 % | 120.07 % | 59,977 | 2,871 | 4,799 | 4.79 % | 167.15 % |
| Installment | 1,897,706 | 4,865 | 107,883 | 0.26 % | 2217.53 % | 1,744,475 | 3,783 | 103,849 | 0.22 % | 2745.15 % | 1,380,015 | 2,185 | 83,540 | 0.16 % | 3823.34 % |
| Total consumer loans receivable | 2,414,798 | 16,419 | 116,910 | 0.68 % | 712.04 % | 2,132,066 | 15,073 | 110,510 | 0.71 % | 733.17 % | 1,733,797 | 14,409 | 91,548 | 0.83 % | 635.35 % |
| Loans and leases receivable ⁽¹⁾ | 10,118,855 | 43,271 | 145,847 | 0.43 % | 337.05 % | 9,018,298 | 49,113 | 137,804 | 0.54 % | 280.59 % | 7,536,489 | 48,081 | 128,736 | 0.64 % | 267.75 % |
| Loans receivable, PPP | 2,195,902 | — | — | — % | — % | 3,250,008 | — | — | — % | — % | 5,178,089 | — | — | — % | — % |
| Loans receivable, mortgage warehouse, at fair value | 1,755,758 | — | — | — % | — % | 2,284,325 | — | — | — % | — % | 3,407,622 | — | — | — % | — % |
| Total loans held for sale | 3,003 | 507 | — | 16.88 % | — % | 16,254 | 507 | — | 3.12 % | — % | 46,106 | 643 | — | 1.39 % | — % |
| Total portfolio | \$14,073,518 | \$ 43,778 | \$ 145,847 | 0.31 % | 333.15 % | \$14,568,885 | \$ 49,620 | \$ 137,804 | 0.34 % | 277.72 % | \$16,168,306 | \$ 48,724 | \$ 128,736 | 0.30 % | 264.21 % |

(1) Excluding loans receivable, PPP from total loans and leases receivable is a non-GAAP measure. Management believes the use of these non-GAAP measures provides additional clarity when assessing Customers' financial results. These disclosures should not be viewed as substitutes for results determined to be in accordance with U.S. GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other entities. Please refer to the reconciliation schedules that follow this table.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES
NET CHARGE-OFFS/(RECOVERIES) - UNAUDITED

(Dollars in thousands)

| | Q1 | Q4 | Q3 | Q2 | Q1 |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| | 2022 | 2021 | 2021 | 2021 | 2021 |
| <i>Loan type</i> | | | | | |
| Multi-family | \$ (337) | \$ — | \$ — | \$ — | \$ 1,132 |
| Commercial & industrial | (59) | 240 | 116 | (283) | 375 |
| Commercial real estate owner occupied | (7) | 66 | 50 | (1) | 134 |
| Commercial real estate non-owner occupied | (8) | (14) | 943 | (59) | (10) |
| Construction | (113) | (3) | (3) | (114) | (5) |
| Residential | (2) | (6) | 54 | (12) | 40 |
| Installment | 7,752 | 7,299 | 5,944 | 7,060 | 10,855 |
| Total net charge-offs (recoveries) from loans held for investment | \$ 7,226 | \$ 7,582 | \$ 7,104 | \$ 6,591 | \$ 12,521 |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES – UNAUDITED

We believe that the non-GAAP measurements disclosed within this document are useful for investors, regulators, management and others to evaluate our core results of operations and financial condition relative to other financial institutions. These non-GAAP financial measures are frequently used by securities analysts, investors, and other interested parties in the evaluation of companies in our industry. These non-GAAP financial measures exclude from corresponding GAAP measures the impact of certain elements that we do not believe are representative of our ongoing financial results, which we believe enhance an overall understanding of our performance and increases comparability of our period to period results. Investors should consider our performance and financial condition as reported under GAAP and all other relevant information when assessing our performance or financial condition. The non-GAAP measures presented are not necessarily comparable to non-GAAP measures that may be presented by other financial institutions. Although non-GAAP financial measures are frequently used in the evaluation of a company, they have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our results of operations or financial condition as reported under GAAP.

The following tables present reconciliations of GAAP to non-GAAP measures disclosed within this document.

Core Earnings – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | | Q4 2021 | | Q3 2021 | | Q2 2021 | | Q1 2021 | |
|---|------------------|----------------|------------------|----------------|-------------------|----------------|-----------------|----------------|-----------------|----------------|
| | USD | Per share | USD | Per share | USD | Per share | USD | Per share | USD | Per share |
| GAAP net income to common shareholders | \$74,896 | \$ 2.18 | \$98,647 | \$ 2.87 | \$ 110,241 | \$ 3.25 | \$58,042 | \$ 1.72 | \$33,204 | \$ 1.01 |
| Reconciling items (after tax): | | | | | | | | | | |
| Net loss from discontinued operations | – | – | 1,585 | 0.05 | – | – | – | – | 38,036 | 1.16 |
| Severance expense | – | – | – | – | – | – | 1,517 | 0.04 | – | – |
| Merger and acquisition related expenses | – | – | – | – | – | – | – | – | 320 | 0.01 |
| Legal reserves | – | – | – | – | 897 | 0.03 | – | – | – | – |
| (Gains) losses on investment securities | 1,030 | 0.03 | 43 | 0.00 | (4,591) | (0.14) | (2,694) | (0.08) | (18,773) | (0.57) |
| Loss on sale of foreign subsidiaries | – | – | – | – | – | – | 2,150 | 0.06 | – | – |
| Loss on cash flow hedge derivative terminations | – | – | – | – | – | – | – | – | 18,716 | 0.57 |
| Derivative credit valuation adjustment | (736) | (0.02) | (180) | (0.01) | (198) | (0.01) | 288 | 0.01 | (1,195) | (0.04) |
| Deposit relationship adjustment fees | – | – | – | – | 4,707 | 0.14 | – | – | – | – |
| Loss on redemption of preferred stock | – | – | – | – | 2,820 | 0.08 | – | – | – | – |
| Core earnings | <u>\$ 75,190</u> | <u>\$ 2.19</u> | <u>\$100,095</u> | <u>\$ 2.92</u> | <u>\$ 113,876</u> | <u>\$ 3.36</u> | <u>\$59,303</u> | <u>\$ 1.76</u> | <u>\$70,308</u> | <u>\$ 2.14</u> |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES – UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Core Earnings, excluding PPP – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | | Q4 2021 | | Q3 2021 | | Q2 2021 | | Q1 2021 | |
|---|-----------------|----------------|------------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| | USD | Per share | USD | Per share | USD | Per share | USD | Per share | USD | Per share |
| GAAP net income to common shareholders | \$74,896 | \$ 2.18 | \$98,647 | \$ 2.87 | \$ 110,241 | \$ 3.25 | \$58,042 | \$ 1.72 | \$33,204 | \$ 1.01 |
| Less: PPP net income (after tax) | 24,713 | 0.72 | 64,323 | 1.87 | 81,337 | 2.40 | 24,312 | 0.72 | 25,079 | 0.76 |
| GAAP net income to common shareholders, excluding PPP | 50,183 | 1.46 | 34,324 | 1.00 | 28,904 | 0.85 | 33,730 | 1.00 | 8,125 | 0.25 |
| Reconciling items (after tax): | | | | | | | | | | |
| Net loss from discontinued operations | — | — | 1,585 | 0.05 | — | — | — | — | 38,036 | 1.16 |
| Severance expense | — | — | — | — | — | — | 1,517 | 0.04 | — | — |
| Merger and acquisition related expenses | — | — | — | — | — | — | — | — | 320 | 0.01 |
| Legal reserves | — | — | — | — | 897 | 0.03 | — | — | — | — |
| (Gains) losses on investment securities | 1,030 | 0.03 | 43 | 0.00 | (4,591) | (0.14) | (2,694) | (0.08) | (18,773) | (0.57) |
| Loss on sale of foreign subsidiaries | — | — | — | — | — | — | 2,150 | 0.06 | — | — |
| Loss on cash flow hedge derivative terminations | — | — | — | — | — | — | — | — | 18,716 | 0.57 |
| Derivative credit valuation adjustment | (736) | (0.02) | (180) | (0.01) | (198) | (0.01) | 288 | 0.01 | (1,195) | (0.04) |
| Deposit relationship adjustment fees | — | — | — | — | 4,707 | 0.14 | — | — | — | — |
| Loss on redemption of preferred stock | — | — | — | — | 2,820 | 0.08 | — | — | — | — |
| Core earnings, excluding PPP | <u>\$50,477</u> | <u>\$ 1.47</u> | <u>\$ 35,772</u> | <u>\$ 1.04</u> | <u>\$32,539</u> | <u>\$ 0.96</u> | <u>\$34,991</u> | <u>\$ 1.04</u> | <u>\$45,229</u> | <u>\$ 1.38</u> |

Core Return on Average Assets – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|------------------|-------------------|-------------------|------------------|------------------|
| GAAP net income | \$ 76,761 | \$ 100,669 | \$ 116,042 | \$ 61,341 | \$ 36,595 |
| Reconciling items (after tax): | | | | | |
| Net loss from discontinued operations | — | 1,585 | — | — | 38,036 |
| Severance expense | — | — | — | 1,517 | — |
| Merger and acquisition related expenses | — | — | — | — | 320 |
| Legal reserves | — | — | 897 | — | — |
| (Gains) losses on investment securities | 1,030 | 43 | (4,591) | (2,694) | (18,773) |
| Loss on sale of foreign subsidiaries | — | — | — | 2,150 | — |
| Loss on cash flow hedge derivative terminations | — | — | — | — | 18,716 |
| Derivative credit valuation adjustment | (736) | (180) | (198) | 288 | (1,195) |
| Deposit relationship adjustment fees | — | — | 4,707 | — | — |
| Core net income | <u>\$ 77,055</u> | <u>\$ 102,117</u> | <u>\$ 116,857</u> | <u>\$ 62,602</u> | <u>\$ 73,699</u> |
| Average total assets | \$19,129,330 | \$19,214,241 | \$19,739,340 | \$19,306,948 | \$18,525,721 |
| Core return on average assets | 1.63 % | 2.11 % | 2.35 % | 1.30 % | 1.61 % |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES – UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Adjusted Net Income and Adjusted ROAA – Pre-Tax Pre-Provision – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|-------------------|-------------------|-------------------|------------------|------------------|
| GAAP net income | \$ 76,761 | \$ 100,669 | \$ 116,042 | \$ 61,341 | \$ 36,595 |
| Reconciling items: | | | | | |
| Income tax expense | 19,332 | 12,993 | 36,263 | 20,124 | 17,560 |
| Provision (benefit) for credit losses | 15,997 | 13,890 | 13,164 | 3,291 | (2,919) |
| Provision (benefit) for credit losses on unfunded commitments | (109) | 352 | 669 | 45 | (1,286) |
| Severance expense | – | – | – | 2,004 | – |
| Net loss from discontinued operations | – | 1,585 | – | – | 38,036 |
| Merger and acquisition related expenses | – | – | – | – | 418 |
| Legal reserves | – | – | 1,185 | – | – |
| (Gains) losses on investment securities | 1,339 | 49 | (6,063) | (3,558) | (24,540) |
| Loss on sale of foreign subsidiaries | – | – | – | 2,840 | – |
| Loss on cash flow hedge derivative terminations | – | – | – | – | 24,467 |
| Derivative credit valuation adjustment | (957) | (203) | (261) | 380 | (1,562) |
| Deposit relationship adjustment fees | – | – | 6,216 | – | – |
| Adjusted net income – pre-tax pre-provision | <u>\$ 112,363</u> | <u>\$ 129,335</u> | <u>\$ 167,215</u> | <u>\$ 86,467</u> | <u>\$ 86,769</u> |
| Average total assets | \$19,129,330 | \$19,214,241 | \$19,739,340 | \$19,306,948 | \$18,525,721 |
| Adjusted ROAA – pre-tax pre-provision | 2.38 % | 2.67 % | 3.36 % | 1.80 % | 1.90 % |

Core Return on Average Common Equity – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|------------------|-------------------|-------------------|------------------|------------------|
| GAAP net income to common shareholders | \$ 74,896 | \$ 98,647 | \$ 110,241 | \$ 58,042 | \$ 33,204 |
| Reconciling items (after tax): | | | | | |
| Net loss from discontinued operations | – | 1,585 | – | – | 38,036 |
| Severance expense | – | – | – | 1,517 | – |
| Merger and acquisition related expenses | – | – | – | – | 320 |
| Legal reserves | – | – | 897 | – | – |
| (Gains) losses on investment securities | 1,030 | 43 | (4,591) | (2,694) | (18,773) |
| Loss on sale of foreign subsidiaries | – | – | – | 2,150 | – |
| Loss on cash flow hedge derivative terminations | – | – | – | – | 18,716 |
| Derivative credit valuation adjustment | (736) | (180) | (198) | 288 | (1,195) |
| Deposit relationship adjustment fees | – | – | 4,707 | – | – |
| Loss on redemption of preferred stock | – | – | 2,820 | – | – |
| Core earnings | <u>\$ 75,190</u> | <u>\$ 100,095</u> | <u>\$ 113,876</u> | <u>\$ 59,303</u> | <u>\$ 70,308</u> |
| Average total common shareholders' equity | \$1,252,022 | \$1,179,478 | \$1,071,566 | \$1,002,624 | \$ 918,795 |
| Core return on average common equity | 24.36 % | 33.67 % | 42.16 % | 23.72 % | 31.03 % |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES - UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Adjusted ROCE - Pre-Tax Pre-Provision - Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|-------------|-------------|-------------|-------------|------------|
| GAAP net income to common shareholders | \$ 74,896 | \$ 98,647 | \$ 110,241 | \$ 58,042 | \$ 33,204 |
| Reconciling items: | | | | | |
| Income tax expense | 19,332 | 12,993 | 36,263 | 20,124 | 17,560 |
| Provision (benefit) for credit losses | 15,997 | 13,890 | 13,164 | 3,291 | (2,919) |
| Provision (benefit) for credit losses on unfunded commitments | (109) | 352 | 669 | 45 | (1,286) |
| Net loss from discontinued operations | — | 1,585 | — | — | 38,036 |
| Severance expense | — | — | — | 2,004 | — |
| Merger and acquisition related expenses | — | — | — | — | 418 |
| Legal reserves | — | — | 1,185 | — | — |
| (Gains) losses on investment securities | 1,339 | 49 | (6,063) | (3,558) | (24,540) |
| Loss on sale of foreign subsidiaries | — | — | — | 2,840 | — |
| Loss on cash flow hedge derivative terminations | — | — | — | — | 24,467 |
| Derivative credit valuation adjustment | (957) | (203) | (261) | 380 | (1,562) |
| Deposit relationship adjustment fees | — | — | 6,216 | — | — |
| Loss on redemption of preferred stock | — | — | 2,820 | — | — |
| Pre-tax pre-provision adjusted net income available to common shareholders | \$ 110,498 | \$ 127,313 | \$ 164,234 | \$ 83,168 | \$ 83,378 |
| Average total common shareholders' equity | \$1,252,022 | \$1,179,478 | \$1,071,566 | \$1,002,624 | \$ 918,795 |
| Adjusted ROCE - pre-tax pre-provision | 35.79 % | 42.82 % | 60.81 % | 33.27 % | 36.80 % |

Net Interest Margin, Tax Equivalent - Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|
| GAAP net interest income | \$ 164,699 | \$ 193,694 | \$ 219,892 | \$ 138,757 | \$ 132,731 |
| Tax-equivalent adjustment | 239 | 276 | 290 | 289 | 292 |
| Net interest income tax equivalent | \$ 164,938 | \$ 193,970 | \$ 220,182 | \$ 139,046 | \$ 133,023 |
| Average total interest earning assets | \$18,572,308 | \$18,576,433 | \$19,033,826 | \$18,698,996 | \$17,943,944 |
| Net interest margin, tax equivalent | 3.60 % | 4.14 % | 4.59 % | 2.98 % | 3.00 % |

Net Interest Margin, Tax Equivalent, excluding PPP - Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|--------------|--------------|--------------|--------------|--------------|
| GAAP net interest income | \$ 164,699 | \$ 193,694 | \$ 219,892 | \$ 138,757 | \$ 132,731 |
| PPP net interest income | (34,615) | (78,647) | (112,005) | (35,785) | (34,842) |
| Tax-equivalent adjustment | 239 | 276 | 290 | 289 | 292 |
| Net interest income, tax equivalent, excluding PPP | \$ 130,323 | \$ 115,323 | \$ 108,177 | \$ 103,261 | \$ 98,181 |
| GAAP average total interest earning assets | \$18,572,308 | \$18,576,433 | \$19,033,826 | \$18,698,996 | \$17,943,944 |
| Average PPP loans | (2,641,318) | (3,898,607) | (5,778,367) | (6,133,184) | (4,623,213) |
| Adjusted average total interest earning assets | \$15,930,990 | \$14,677,826 | \$13,255,459 | \$12,565,812 | \$13,320,731 |
| Net interest margin, tax equivalent, excluding PPP | 3.32 % | 3.12 % | 3.24 % | 3.30 % | 2.99 % |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES - UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Interest Income on Core Loans (Total Loans and Leases, excluding PPP)

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Interest income on loans and leases | \$ 157,175 | \$ 198,000 | \$ 233,097 | \$ 153,608 | \$ 152,117 |
| PPP interest income | (36,894) | (82,086) | (117,102) | (41,137) | (38,832) |
| Interest Income on Core Loans (Loans and leases, excluding PPP) | <u>\$ 120,281</u> | <u>\$ 115,914</u> | <u>\$ 115,995</u> | <u>\$ 112,471</u> | <u>\$ 113,285</u> |

Core Efficiency Ratio - Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| GAAP net interest income | \$ 164,699 | \$ 193,694 | \$ 219,892 | \$ 138,757 | \$ 132,731 |
| GAAP non-interest income | \$ 21,198 | \$ 16,991 | \$ 25,586 | \$ 16,822 | \$ 18,468 |
| (Gains) losses on investment securities | 1,339 | 49 | (6,063) | (3,558) | (24,540) |
| Derivative credit valuation adjustment | (957) | (203) | (261) | 380 | (1,562) |
| Loss on cash flow hedge derivative terminations | — | — | — | — | 24,467 |
| Loss on sale of foreign subsidiaries | — | — | — | 2,840 | — |
| Core non-interest income | <u>21,580</u> | <u>16,837</u> | <u>19,262</u> | <u>16,484</u> | <u>16,833</u> |
| Core revenue | <u>\$ 186,279</u> | <u>\$ 210,531</u> | <u>\$ 239,154</u> | <u>\$ 155,241</u> | <u>\$ 149,564</u> |
| GAAP non-interest expense | \$ 73,807 | \$ 81,548 | \$ 80,009 | \$ 70,823 | \$ 61,927 |
| Severance expense | — | — | — | (2,004) | — |
| Legal reserves | — | — | (1,185) | — | — |
| Merger and acquisition related expenses | — | — | — | — | (418) |
| Deposit relationship adjustment fees | — | — | (6,216) | — | — |
| Core non-interest expense | <u>\$ 73,807</u> | <u>\$ 81,548</u> | <u>\$ 72,608</u> | <u>\$ 68,819</u> | <u>\$ 61,509</u> |
| Core efficiency ratio ⁽ⁱ⁾ | 39.62 % | 38.73 % | 30.36 % | 44.33 % | 41.13 % |

(i) Core efficiency ratio calculated as core non-interest expense divided by core revenue.

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES – UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Tangible Common Equity to Tangible Assets – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| GAAP total shareholders' equity | \$ 1,377,406 | \$ 1,366,217 | \$ 1,284,299 | \$ 1,250,729 | \$ 1,188,721 |
| Reconciling items: | | | | | |
| Preferred stock | (137,794) | (137,794) | (137,794) | (217,471) | (217,471) |
| Goodwill and other intangibles | (3,678) | (3,736) | (3,794) | (3,853) | (3,911) |
| Tangible common equity | <u>\$ 1,235,934</u> | <u>\$ 1,224,687</u> | <u>\$ 1,142,711</u> | <u>\$ 1,029,405</u> | <u>\$ 967,339</u> |
| GAAP total assets | \$19,163,708 | \$19,575,028 | \$19,108,922 | \$19,635,108 | \$18,817,660 |
| Reconciling items: | | | | | |
| Goodwill and other intangibles | (3,678) | (3,736) | (3,794) | (3,853) | (3,911) |
| Tangible assets | <u>\$19,160,030</u> | <u>\$19,571,292</u> | <u>\$19,105,128</u> | <u>\$19,631,255</u> | <u>\$18,813,749</u> |
| Tangible common equity to tangible assets | 6.45 % | 6.26 % | 5.98 % | 5.24 % | 5.14 % |

Tangible Book Value per Common Share – Customers Bancorp

(dollars in thousands except share and per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--------------------------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| GAAP total shareholders' equity | \$ 1,377,406 | \$ 1,366,217 | \$ 1,284,299 | \$ 1,250,729 | \$ 1,188,721 |
| Reconciling Items: | | | | | |
| Preferred stock | (137,794) | (137,794) | (137,794) | (217,471) | (217,471) |
| Goodwill and other intangibles | (3,678) | (3,736) | (3,794) | (3,853) | (3,911) |
| Tangible common equity | <u>\$ 1,235,934</u> | <u>\$ 1,224,687</u> | <u>\$ 1,142,711</u> | <u>\$ 1,029,405</u> | <u>\$ 967,339</u> |
| Common shares outstanding | 32,957,847 | 32,913,267 | 32,537,976 | 32,353,256 | 32,238,762 |
| Tangible book value per common share | \$ 37.50 | \$ 37.21 | \$ 35.12 | \$ 31.82 | \$ 30.01 |

Core Loans (Total Loans and Leases, excluding PPP)

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total loans and leases | \$ 14,073,518 | \$ 14,568,885 | \$ 15,515,537 | \$ 16,967,022 | \$ 16,168,306 |
| Loans receivable, PPP | (2,195,902) | (3,250,008) | (4,957,357) | (6,305,056) | (5,178,089) |
| Core Loans (Loans and leases, excluding PPP) | <u>\$ 11,877,616</u> | <u>\$ 11,318,877</u> | <u>\$ 10,558,180</u> | <u>\$ 10,661,966</u> | <u>\$ 10,990,217</u> |

Total Assets, excluding PPP

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Total assets | \$ 19,163,708 | \$ 19,575,028 | \$ 19,108,922 | \$ 19,635,108 | \$ 18,817,660 |
| Loans receivable, PPP | (2,195,902) | (3,250,008) | (4,957,357) | (6,305,056) | (5,178,089) |
| Total assets, excluding PPP | <u>\$ 16,967,806</u> | <u>\$ 16,325,020</u> | <u>\$ 14,151,565</u> | <u>\$ 13,330,052</u> | <u>\$ 13,639,571</u> |

CUSTOMERS BANCORP, INC. AND SUBSIDIARIES

RECONCILIATION OF GAAP TO NON-GAAP MEASURES – UNAUDITED (CONTINUED)

(Dollars in thousands, except per share data)

Coverage of credit loss reserves for loans and leases held for investment, excluding PPP

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| Loans and leases receivable | \$ 12,314,757 | \$ 12,268,306 | \$ 12,927,956 | \$ 14,077,198 | \$ 12,714,578 |
| Loans receivable, PPP | (2,195,902) | (3,250,008) | (4,957,357) | (6,305,056) | (5,178,089) |
| Loans and leases held for investment, excluding PPP | \$ 10,118,855 | \$ 9,018,298 | \$ 7,970,599 | \$ 7,772,142 | \$ 7,536,489 |
| Allowance for credit losses on loans and leases | \$ 145,847 | \$ 137,804 | \$ 131,496 | \$ 125,436 | \$ 128,736 |
| Coverage of credit loss reserves for loans and leases held for investment, excluding PPP | 1.44 % | 1.53 % | 1.65 % | 1.61 % | 1.71 % |

Tangible Common Equity to Tangible Assets, excluding PPP – Customers Bancorp

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| GAAP total shareholders' equity | \$ 1,377,406 | \$ 1,366,217 | \$ 1,284,299 | \$ 1,250,729 | \$ 1,188,721 |
| Reconciling items: | | | | | |
| Preferred stock | (137,794) | (137,794) | (137,794) | (217,471) | (217,471) |
| Goodwill and other intangibles | (3,678) | (3,736) | (3,794) | (3,853) | (3,911) |
| Tangible common equity | \$ 1,235,934 | \$ 1,224,687 | \$ 1,142,711 | \$ 1,029,405 | \$ 967,339 |
| GAAP total assets | \$ 19,163,708 | \$ 19,575,028 | \$ 19,108,922 | \$ 19,635,108 | \$ 18,817,660 |
| Loans receivable, PPP | (2,195,902) | (3,250,008) | (4,957,357) | (6,305,056) | (5,178,089) |
| Total assets, excluding PPP | \$ 16,967,806 | \$ 16,325,020 | \$ 14,151,565 | \$ 13,330,052 | \$ 13,639,571 |
| Reconciling items: | | | | | |
| Goodwill and other intangibles | (3,678) | (3,736) | (3,794) | (3,853) | (3,911) |
| Tangible assets, excluding PPP | \$ 16,964,128 | \$ 16,321,284 | \$ 14,147,771 | \$ 13,326,199 | \$ 13,635,660 |
| Tangible common equity to tangible assets, excluding PPP | 7.29 % | 7.50 % | 8.08 % | 7.72 % | 7.09 % |

Deferments to total loans and leases, excluding PPP

(dollars in thousands except per share data)

| | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|---------------|---------------|---------------|---------------|---------------|
| Total loans and leases | \$ 14,073,518 | \$ 14,568,885 | \$ 15,515,537 | \$ 16,967,022 | \$ 16,168,306 |
| Loans receivable, PPP | (2,195,902) | (3,250,008) | (4,957,357) | (6,305,056) | (5,178,089) |
| Total loans and leases, excluding PPP | \$ 11,877,616 | \$ 11,318,877 | \$ 10,558,180 | \$ 10,661,966 | \$ 10,990,217 |
| Commercial deferments | \$ — | \$ — | \$ 73,400 | \$ 89,800 | \$ 176,100 |
| Consumer deferments | 3,262 | 6,060 | 6,708 | 8,400 | 13,000 |
| Total deferments | \$ 3,262 | \$ 6,060 | \$ 80,108 | \$ 98,200 | \$ 189,100 |
| Commercial deferments to total loans and leases, excluding PPP | — % | — % | 0.7 % | 0.8 % | 1.6 % |
| Consumer deferments to total loans and leases, excluding PPP | 0.0 % | 0.1 % | 0.1 % | 0.1 % | 0.1 % |
| Total deferments to total loans and leases, excluding PPP | 0.0 % | 0.1 % | 0.8 % | 0.9 % | 1.7 % |