

# Hilltop Holdings Inc.

# Q2 2025 Earnings Presentation

July 25, 2025

# Preface

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### FORWARD-LOOKING STATEMENTS

This presentation and statements made by representatives of Hilltop Holdings Inc. ("Hilltop" or the "Company") during the course of this presentation include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements anticipated in such statements. Forward-looking statements speak only as of the date they are made and, except as required by law, the Company does not assume any duty to update forward-looking statements. Such forward-looking statements include, but are not limited to, statements concerning such things as the Company's outlook, business strategy, financial condition, efforts to make strategic acquisitions, liquidity and sources of funding, market trends, operations and business, the impact of natural disasters or public health emergencies, information technology expenses, capital levels, mortgage servicing rights ("MSR") assets, stock repurchases, dividend payments, expectations concerning mortgage loan origination volume, servicer advances and interest rate compression, expected levels of refinancing as a percentage of total loan origination volume, projected losses on mortgage loans originated, total expenses, anticipated changes in our revenue, earnings, or taxes, the effects of government regulation applicable to our operations, the appropriateness of, and changes in, our allowance for credit losses and provision for (reversal of) credit losses, future benchmark rates and economic growth, anticipated investment yields, the collectability of loans, cybersecurity incidents, the outcome of litigation (both internal and external), and the Company's other plans, objectives, strategies, expectations and intentions and other statements that are not statements of historical fact, and may be identified by words such as "anticipates," "believes," "building," "continue," "could," "estimates," "expects," "forecasts," "goal," "guidance," "intends," "may," "might," "outlook," "plan," "probable," "projects," "seeks," "should," "target," "view" or "would" or the negative of these words and phrases or similar words or phrases. The following factors, among others, could cause actual results to differ from those set forth in the forward-looking statements: (i) the credit risks of lending activities, including the Company's ability to estimate credit losses and increases to the allowance for credit losses, as well as the effects of changes in the level of, and trends in, loan delinquencies and write-offs; (ii) effectiveness of the Company's data security controls in the face of cyberattacks and any legal, reputational and financial risks following a cybersecurity incident; (iii) changes in general economic, market and business conditions in areas or markets where the Company competes, including changes in the price of crude oil; (iv) changes in the interest rate environment; (v) risks associated with concentration in real estate related loans; (vi) the effects of the Company's indebtedness on its ability to manage its business successfully, including the restrictions imposed by the indenture governing such indebtedness; (vii) disruptions to the economy and financial services industry, risks associated with uninsured deposits and responsive measures by federal or state governments or banking regulators, including increases in the cost of the Company's deposit insurance assessments; (viii) cost and availability of capital; (ix) changes in state and federal laws, regulations or policies affecting one or more of the Company's business segments, including changes in regulatory fees, capital requirements and the Dodd-Frank Wall Street Reform and Consumer Protection Act; (x) changes in key management; (xi) competition in the Company's banking, broker-dealer and mortgage origination segments from other banks and financial institutions, as well as investment banking and financial advisory firms, mortgage bankers, asset-based non-bank lenders and government agencies; (xii) legal and regulatory proceedings; (xiii) risks associated with merger and acquisition integration; and (xiv) the Company's ability to use excess capital in an effective manner. For further discussion of such factors, see the risk factors described in our most recent Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q and other reports that we have filed with the Securities and Exchange Commission. All forward-looking statements are qualified in their entirety by this cautionary statement.

The information contained herein is preliminary and based on Company data available at the time of the earnings presentation. It speaks only as of the particular date or dates included in the accompanying slides. Except as required by law, Hilltop does not undertake an obligation to, and disclaims any duty to, update any of the information herein.

# Investor Highlights – Q2 2025

**Net Income**  
**\$36.1 MM**

**EPS – Diluted**  
**\$0.57**

**ROAA**  
**0.98%**

**ROAE**  
**6.62%**



- PlainsCapital Bank generated \$54.9 million in pre-tax income during Q2 2025
- Bank net interest margin rose from 2.97% in Q1 2025 to 3.16% in Q2 2025. Loan yields increased 5 basis points to 5.81% and deposit costs decreased 8 basis points during the same period
- Average Bank loans HFI<sup>1</sup> increased from Q1 2025 by \$113 million. Average Bank deposits decreased from Q1 2025 by \$246 million, or 2.2%
- PlainsCapital Bank recorded a reversal of credit losses of \$7.3 million during the second quarter

- PrimeLending generated \$3.2 million in pre-tax income during Q2 2025
- Non-interest expenses declined by \$2.2 million, or 2.5%, from Q2 2024 to Q2 2025, reflecting management's ongoing efforts to resize the business to align with the current environment
- Gain-on-sale of loans sold to third parties, including broker fees, of 233 basis points remained relatively stable with prior year period
- Origination volume of \$2.4 billion increased \$690 million, or 40%, from Q1 2025, and increased \$53 million, or 2.2%, from Q2 2024

- HilltopSecurities generated pre-tax income of \$6.4 million during Q2 2025
- Q2 2025 total net revenue of \$109.7 million resulted in a pre-tax margin of 5.8%
- Net revenue increased by \$5.4 million from Q2 2024 to Q2 2025 driven by higher revenue in Public Finance partially offset by lower Structured Finance revenue

## Nonrecurring Items (\$ in millions, except per share)

### Pre-Tax Income

### After-Tax Income

### EPS - Diluted

Legal Settlement at PrimeLending

\$9.5

\$7.4

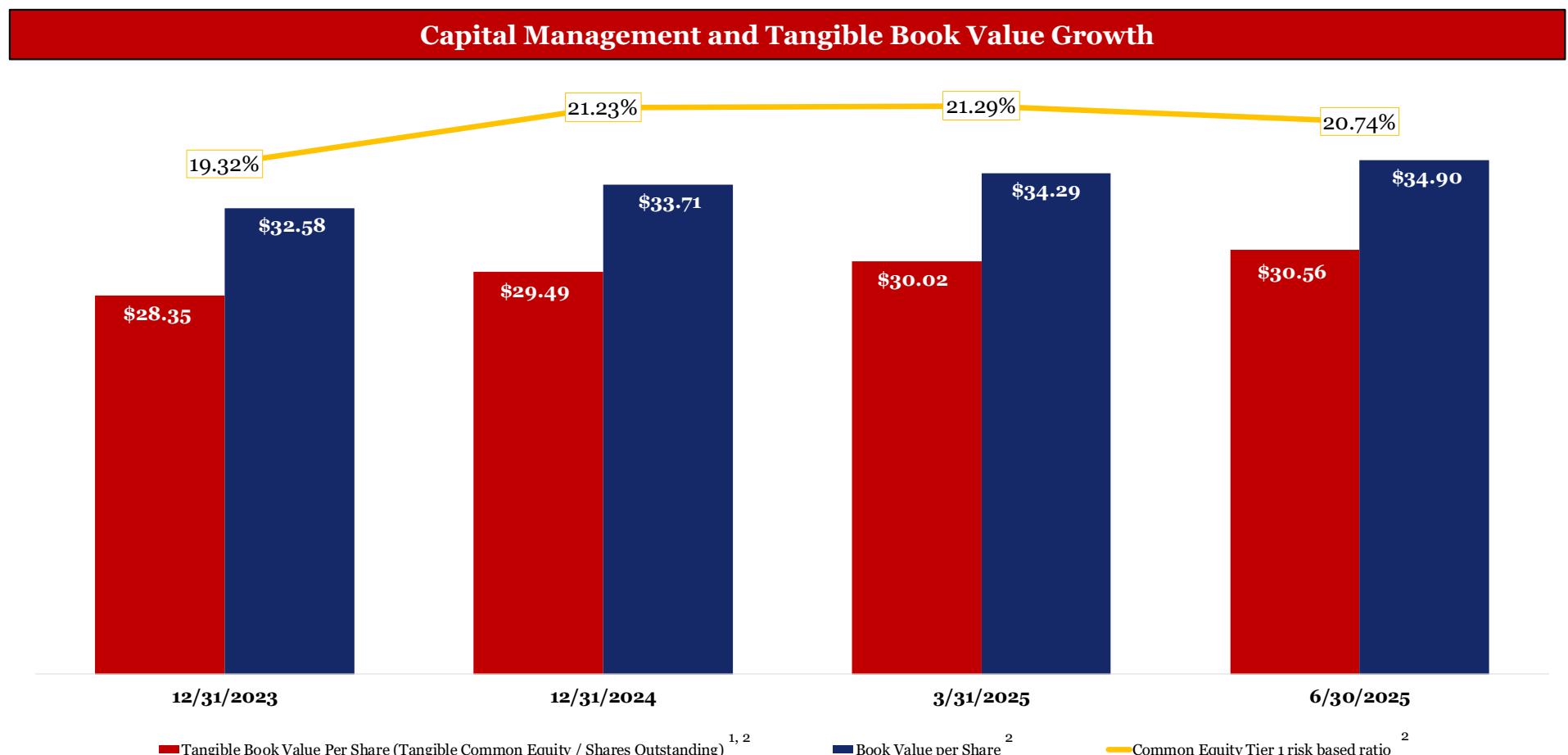
\$0.12

Notes:

(1) Average Bank Loans HFI reflect consolidated loans held for investment excluding margin loans from the Broker-Dealer business.

# Capital Highlights – Q2 2025

- During Q2 2025, Hilltop returned \$46.4 million to stockholders through dividends and share repurchases
  - \$11.5 million in dividends
  - \$34.9 million in share repurchases



Notes:

- (1) Tangible common equity and tangible book value per common share (TBVPS) are non-GAAP financial measures. For a reconciliation of tangible common equity and tangible book value per share to the nearest GAAP measure, see the appendix.
- (2) At period end.

# Hilltop Holdings – Q2 Financial Summary

\$ in Millions, except EPS					
Income Statement and Key Metrics	Q2 2025	Q1 2025	QoQ%	Q2 2024	YoY%
Net interest income	\$110.7	\$105.1	5%	103.7	7%
Noninterest income	192.6	\$213.3	(10%)	193.3	(0%)
Noninterest expenses	261.2	\$251.5	4%	256.5	2%
<i>Efficiency ratio</i>	86.1%	79.0%		86.4%	
<b>Pre-provision net revenue<sup>1</sup></b>	<b>42.1</b>	<b>67.0</b>	<b>(37%)</b>	<b>40.5</b>	<b>4%</b>
Net charge-offs	\$0.9	\$4.3		\$0.1	
Net ACL build (release)	(8.2)	5.1		10.9	
<b>Provision for (reversal of) credit losses</b>	<b>(7.3)</b>	<b>9.3</b>	<b>NR</b>	<b>10.9</b>	<b>NR</b>
<b>Income before income taxes</b>	<b>49.5</b>	<b>57.6</b>	<b>(14%)</b>	<b>29.6</b>	<b>67%</b>
<b>Net income</b>	<b>37.9</b>	<b>44.5</b>	<b>(15%)</b>	<b>22.9</b>	<b>65%</b>
Minority interest	1.8	2.4	(25%)	2.6	(30%)
<b>Income attributable to Hilltop</b>	<b>\$36.1</b>	<b>\$42.1</b>	<b>(14%)</b>	<b>\$20.3</b>	<b>78%</b>
<i>Return on average assets</i>	0.98%	1.13%		0.59%	
<i>Return on average equity</i>	6.62%	7.82%		3.84%	
<b>EPS - Diluted</b>	<b>\$0.57</b>	<b>\$0.65</b>	<b>(13%)</b>	<b>\$0.31</b>	<b>83%</b>
EOP Shares outstanding (in thousands)	63,001	64,154	(2%)	64,953	(3%)
EOP Assets	15,362	15,813	(3%)	15,620	(2%)
EOP Loans HFI, net	7,963	7,861	1%	8,058	(1%)
EOP Deposits	10,392	10,832	(4%)	10,374	0%

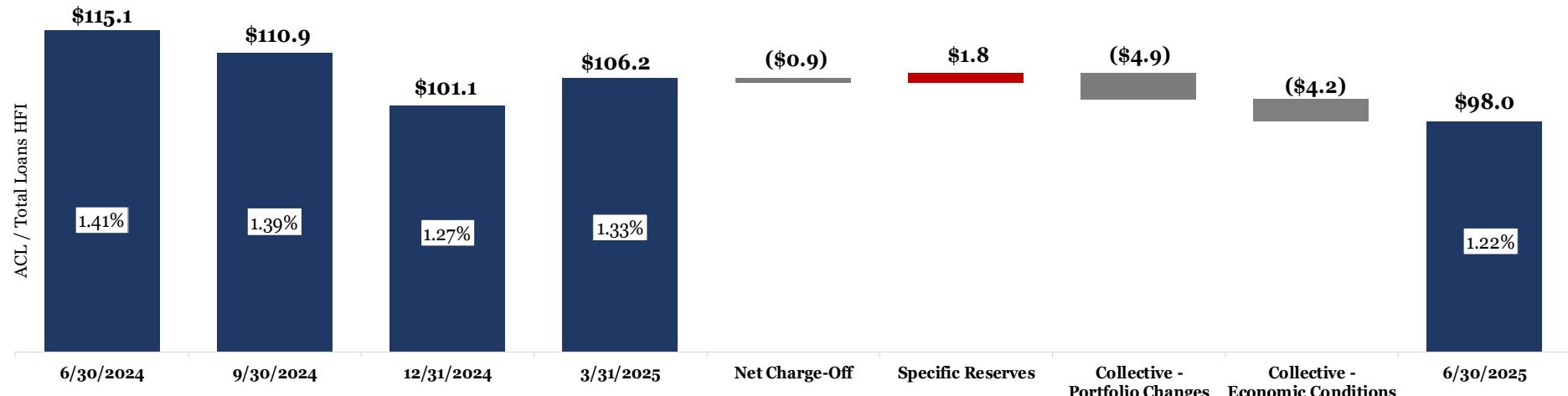
Notes:

(1) Pre-provision net revenue is calculated as the sum of net interest income and noninterest income less noninterest expense (except provision for loan losses).

# Hilltop Holdings – Allowance for Credit Losses

## Allowance for Credit Losses at Period End

(\$ in millions)



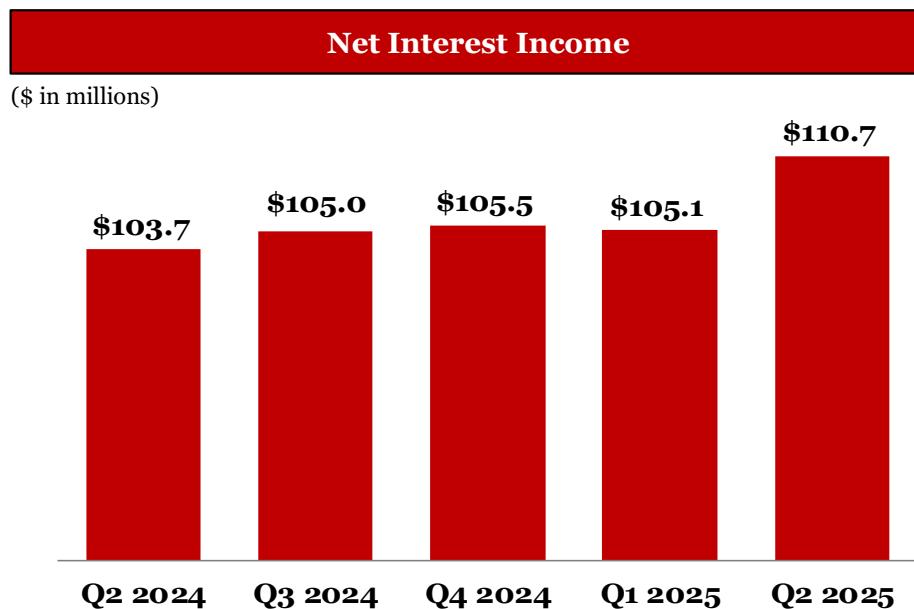
## Commentary

- Applied Moody's Analytics June 2025 baseline scenario for economic forecast
- ACL % of Loans HFI excluding broker-dealer margin loans and mortgage warehouse loans equated to 1.31% as of June 30, 2025

## 6/30/25 Reserve Composition

(\$ in millions)	ACL	ACL/Loans HFI
Commercial real estate		
Non-owner occupied	27.8	1.38%
Owner occupied	34.2	2.31%
Commercial and industrial	22.9	1.86%
Construction and land development	7.3	0.86%
1-4 family residential	5.1	0.27%
Consumer	0.5	1.76%
Broker-dealer	0.0	0.01%
Mortgage warehouse lending	0.1	0.05%
<b>Total</b>	<b>\$ 98.0</b>	<b>1.22%</b>

# Hilltop Holdings – Net Interest Income & Margin



**Quarter-over-Quarter Net Interest Margin**

Quarter	Net Interest Margin
Q1 2025	2.84%
Loans Held For Investment	0.07%
Deposits	0.05%
Stock Loan	0.04%
Other	0.01%
Q2 2025	3.01%

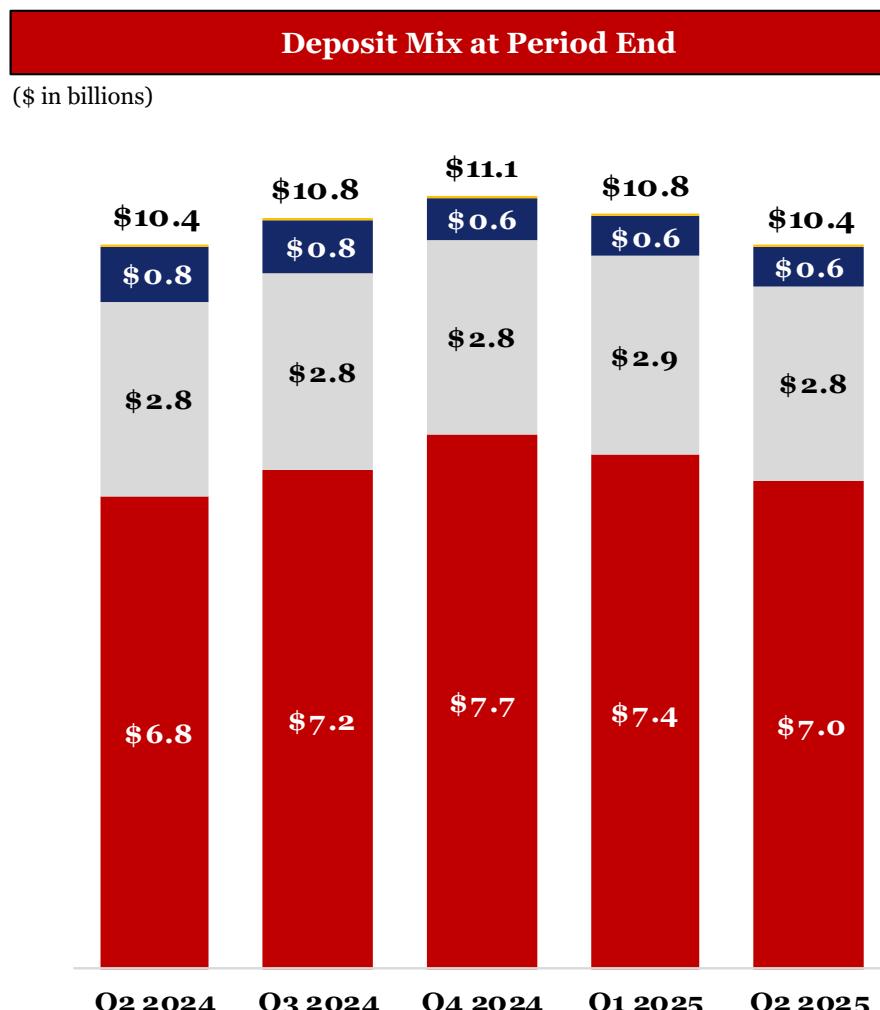


**Key Drivers & Statistics**

(\$ in millions, except as noted)

	Q2 '24	Q1 '25	Q2 '25
<b>HTH Consolidated</b>			
Average Earning Assets (\$B)	\$14.3	\$15.0	\$14.7
<b>Banking</b>			
Accretion Income	\$2.0	\$1.0	\$0.6
Loans HFI (Avg. Balance)	\$7,748	\$7,586	\$7,699
Deposit (Avg. Balance)	\$10,514	\$11,061	\$10,815
Cash and Due (Avg. Balance)	\$1,127	\$1,959	\$1,223
<b>Mortgage</b>			
Loans Held for Sale (period end)	\$1,263	\$759	\$938

# Hilltop Holdings – Deposits



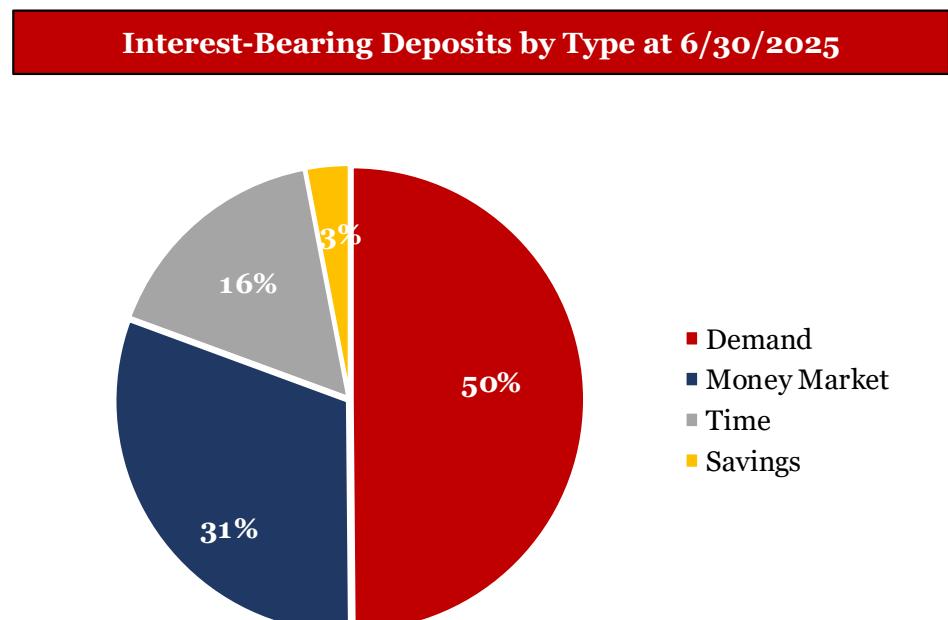
- Interest-Bearing Deposits
- Noninterest-Bearing Deposits
- Broker-Dealer Sweep Deposits
- Brokered Deposits

Notes:

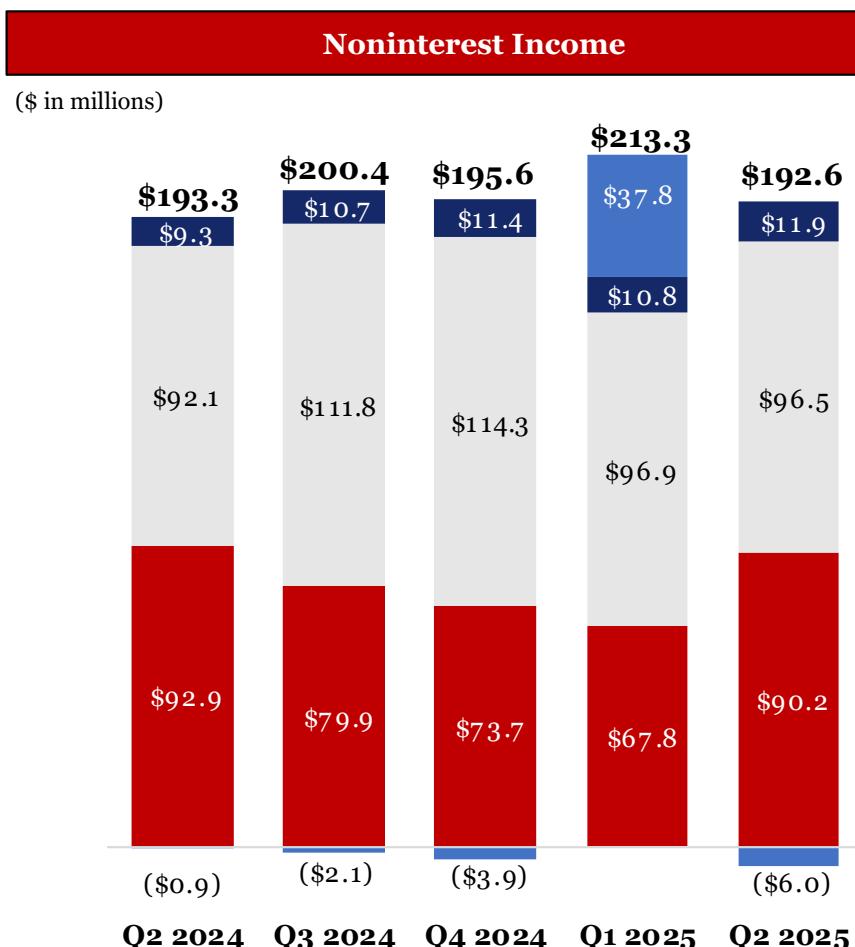
The sum of the period amounts may not equal the total amounts due to rounding.  
(1) Annualized.

**Key Drivers & Statistics**

	Q2'24	Q1'25	Q2'25
Average Deposits (\$B)	\$10.4	\$10.9	\$10.6
Average Broker-Dealer Sweep Deposits (\$B)	\$0.8	\$0.6	\$0.6
Cost of Interest-Bearing Deposits <sup>1</sup>	3.59%	2.97%	2.91%
Cost of Total Deposits <sup>1</sup>	2.62%	2.24%	2.15%



# Hilltop Holdings – Noninterest Income



- Corporate, other and eliminations
- PlainsCapital Bank
- HilltopSecurities
- PrimeLending

Year-over-Year Noninterest Income (\$ in millions)	
Q2 2024	\$193.3
Mortgage Production Income & Fees	(12.2)
Securities and Investment Advisory Fees & Commissions	14.3
Other Income	(2.8)
Q2 2025	\$192.6

- Other Income includes \$9.5 million impact from the legal settlement at PrimeLending

Key Drivers & Statistics			
	Q2 '24	Q1 '25	Q2 '25
<u>Broker-Dealer</u>			
TBA Lock Volume (\$mm)	\$835	\$812	\$1,154
<u>Mortgage</u>			
Origination Volume (\$B)	\$2.4	\$1.7	\$2.4
Net gains from mortgage loan sales (bps):			
Loans sold to third parties	223	222	223
Broker Fee Income	10	10	10
Impact of loans retained by the bank	(5)	(8)	(5)
As reported	228	224	228

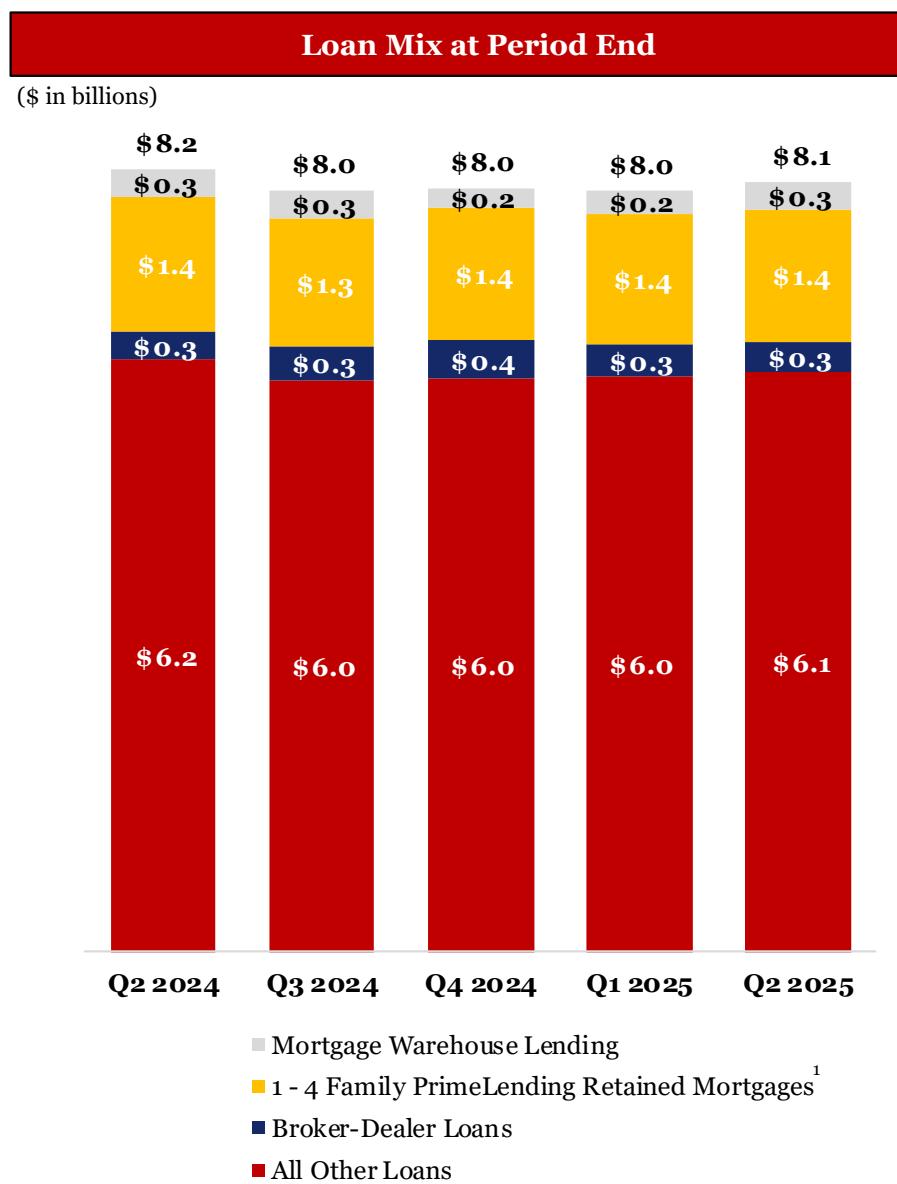
# Hilltop Holdings – Noninterest Expenses



Year-over-Year Noninterest Expense (\$ in millions)	
Q2 2024	\$256.5
Compensation and Benefits	6.4
Occupancy and Equipment	(0.2)
Professional Services	0.6
Other Expenses	(2.0)
Q2 2025	\$261.2

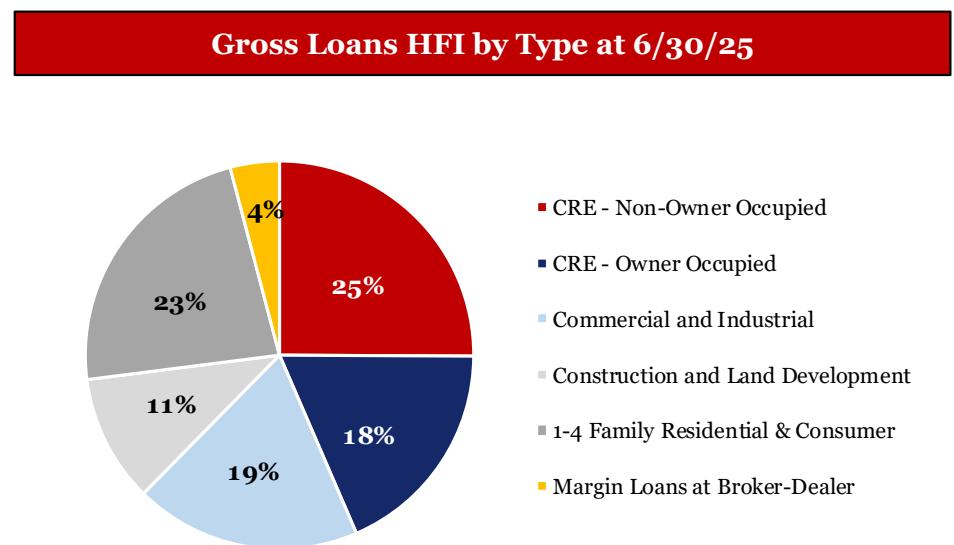
Key Drivers & Statistics			
	Q2 '24	Q1 '25	Q2 '25
<b>Banking</b>			
Full-Service Branches	57	55	55
Efficiency Ratio (Bank Only)	57.0%	51.2%	55.4%
<b>Mortgage</b>			
Fixed Expenses (\$mm)	\$43.2	\$43.2	\$38.4
Variable Compensation (\$mm)	\$34.9	\$24.8	\$35.0
Variable Comp / Originated Volume	1.5%	1.4%	1.4%
<b>Broker-Dealer</b>			
Variable Compensation (\$mm)	\$32.7	\$33.3	\$36.2
Compensation / Net Revenue	63.5%	62.7%	67.0%

# Hilltop Holdings – Loans



### Key Drivers & Statistics

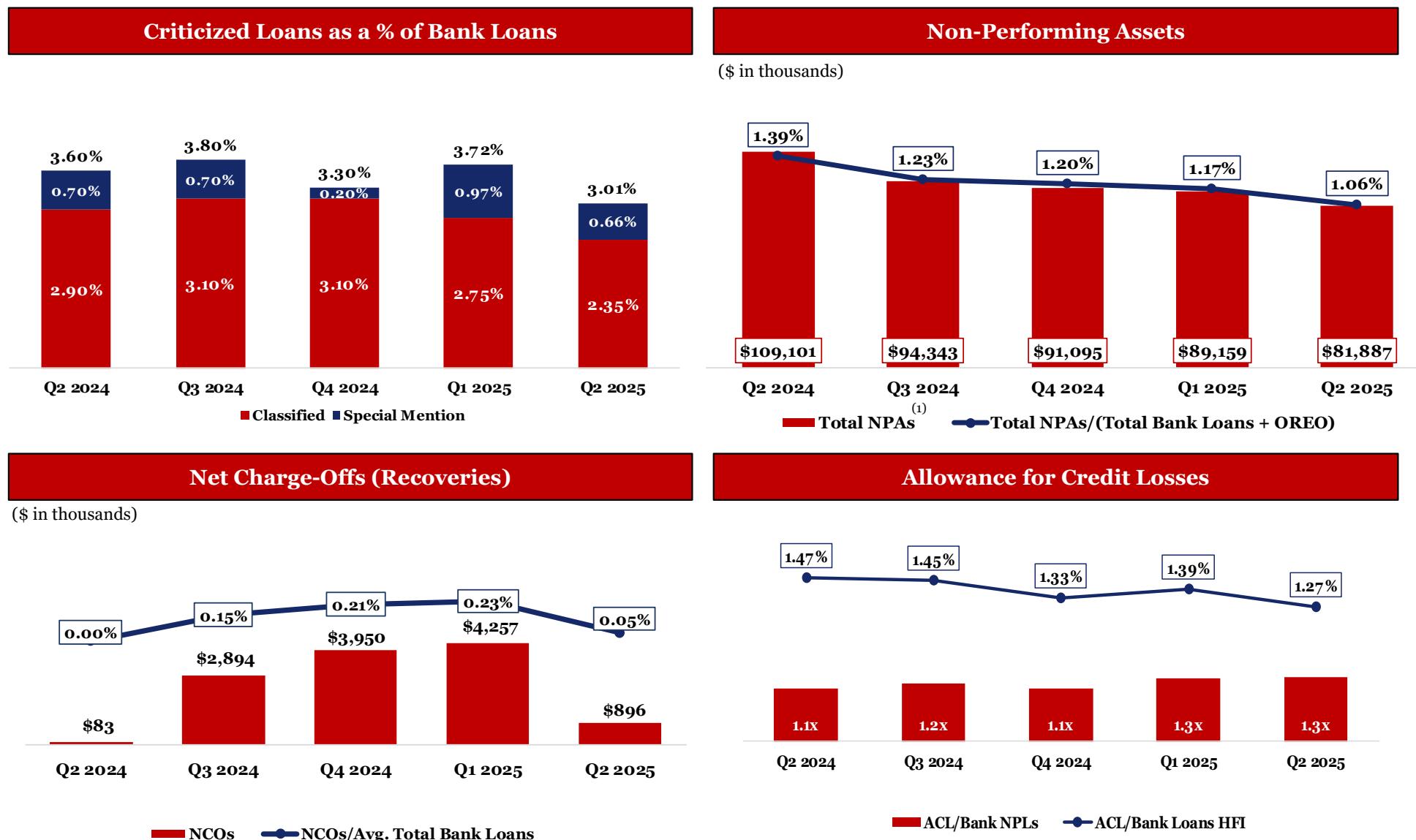
	Q2 '24	Q1 '25	Q2 '25
Average Loans HFI Balance (\$B)	\$7.9	\$7.9	\$8.1
Annualized HTH Loan HFI Yield %	6.36%	5.82%	5.84%
Annualized Bank Loan HFI Yield %	6.11%	5.76%	5.81%



Notes:

(1) 1-4 Family PrimeLending Retained Mortgages are loans purchased at par by PlainsCapital Bank from PrimeLending. These are exclusive of the 1-4 family residential mortgages originated through PlainsCapital Bank. The sum of the period amounts may not equal the total amounts due to rounding.

# Hilltop Holdings – Asset Quality



Notes: The sum of the period amounts may not equal the total amounts due to rounding. Figures represent Bank asset quality metrics only (excludes Loans HFS and Broker Dealer Margin Loans).

(1) Total NPAs included non-accrual loans, OREO and other repossessed assets.

# Hilltop Holdings – 2025 Outlook

	<b>Outlook</b>
Loan Growth (Full year average HFI loan growth)	<ul style="list-style-type: none"><li>Full year average Bank loans (excluding retained mortgages and mortgage warehouse lending) to increase modestly (0% – 2%)</li><li>Expect to retain \$10 – \$30 million per month of originated mortgages</li></ul>
Deposit Growth (Full year average deposit growth)	<ul style="list-style-type: none"><li>Full year average Bank deposits expected to increase 0% – 2%</li></ul>
Net Interest Income	<ul style="list-style-type: none"><li>NII increase of 2% – 4% driven by lower deposits costs in 2025</li><li>Outlook assumes two Fed Funds rate cuts during 2025</li></ul>
Noninterest Income	<ul style="list-style-type: none"><li>Full year mortgage origination volume \$8 – \$9 billion, market dependent</li><li>Full year Broker Dealer fees decrease 0% – 2%</li></ul>
Noninterest Expense	<ul style="list-style-type: none"><li>Full year non-variable expenses increase 1% – 4%</li><li>Variable expenses to follow revenue contribution from fee businesses</li></ul>
Provision Expense / (Reversal)	<ul style="list-style-type: none"><li>Full year provision / average loans HFI: 10 – 25 basis points, market dependent</li></ul>
Effective Tax Rate (GAAP)	<ul style="list-style-type: none"><li>22% – 24% full year basis</li></ul>

# Appendix

# Non-GAAP to GAAP Reconciliation and Management's Explanation of Non-GAAP Financial Measures

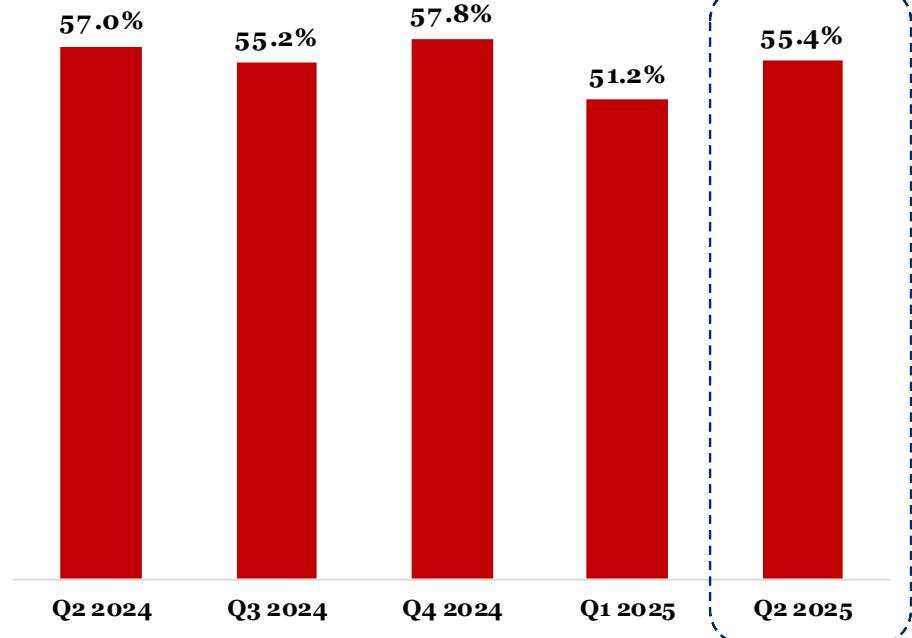
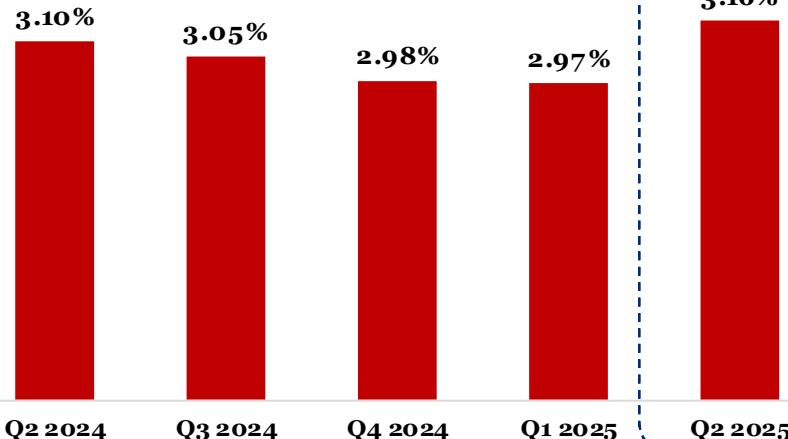
Tangible Common Equity is a non-GAAP financial measure. Tangible common equity is defined as our total stockholders' equity, excluding preferred stock, reduced by goodwill and other intangible assets. This is a measure used by management, investors and analysts to assess use of equity.

Tangible book value per share, or TBVPS, is a non-GAAP financial measure. TBVPS represents Hilltop's tangible common equity at period-end divided by common shares outstanding at period-end. This is a measure used by management, investors and analysts to assess use of equity.

Hilltop Consolidated				
Reconciliation of Tangible Common Equity and Tangible Book Value Per Share (\$ 'ooo, except per share amounts)	12/31/2022	12/31/2023	12/31/2024	6/30/2025
Total Stockholders' Equity	\$2,036,924	\$2,122,967	\$2,189,965	\$2,198,642
Less:				
Goodwill	267,447	267,447	267,447	267,447
Other intangible assets, net	11,317	8,457	6,633	6,119
<b>Tangible Common Equity</b>	<b>\$1,758,160</b>	<b>\$1,847,063</b>	<b>\$1,915,885</b>	<b>\$1,925,076</b>
Shares outstanding as of period end	64,685	65,153	64,968	63,001
Book Value Per Share (Common Stockholder's Equity / Shares Outstanding)	\$31.49	\$32.58	\$33.71	\$34.90
<b>Tangible Book Value Per Share</b> (Tangible Common Equity / Shares Outstanding)	<b>\$27.18</b>	<b>\$28.35</b>	<b>\$29.49</b>	<b>\$30.56</b>

# PlainsCapital Bank – Q2 2025 Highlights

Summary Results (\$ in millions)	Q2 2024	Q2 2025	Key Highlights	Q2 2024	Q2 2025
Net Interest Income	\$92.5	\$94.9	ROAA	0.81%	1.35%
Provision for (reversal of) Credit Losses	11.0	(7.3)	Full Service Branches (period end)	57	55
Noninterest Income	9.3	11.9	Net Interest Margin	3.10%	3.16%
Noninterest Expense	58.0	59.2	Assets (\$B) (period end)	\$12.7	\$12.4
<b>Income Before Taxes</b>	<b>\$32.8</b>	<b>\$54.9</b>			
<b>Net Interest Margin</b>		<b>Efficiency Ratio<sup>1</sup></b>			

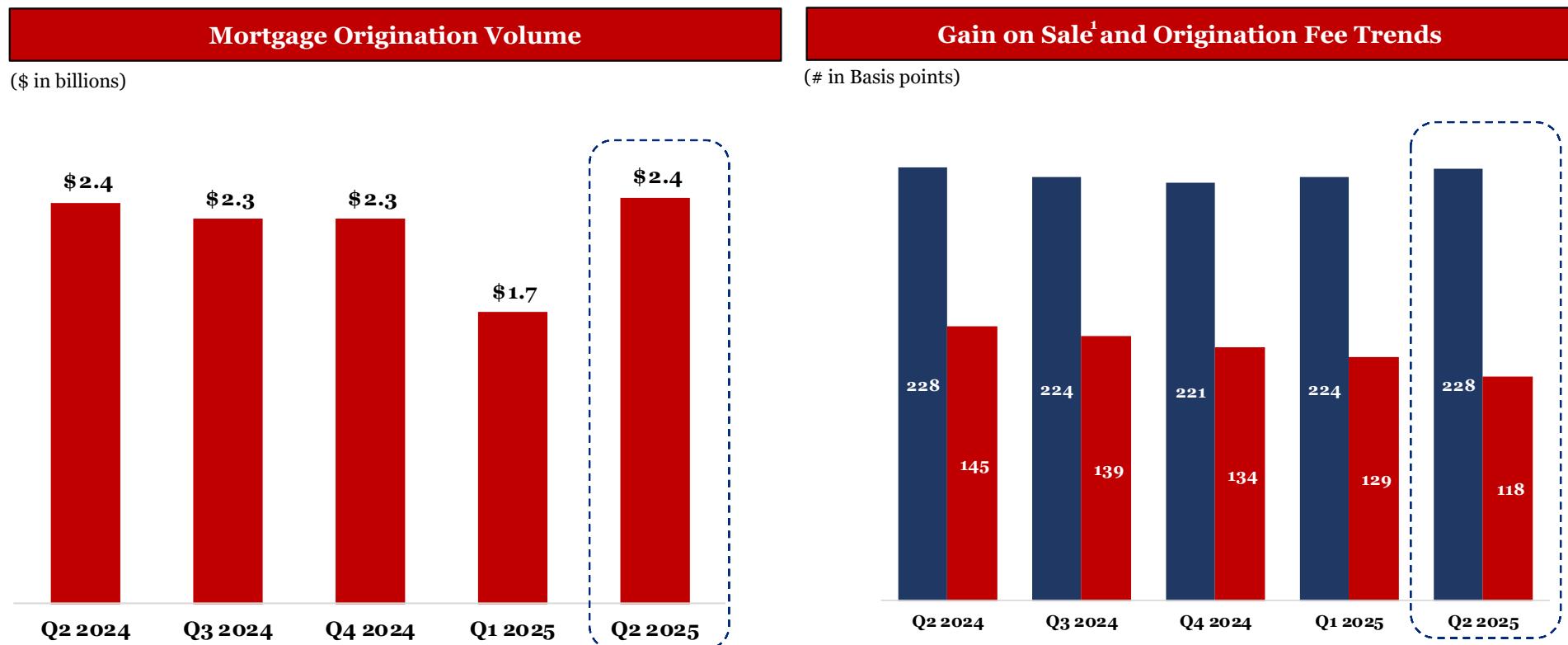


Notes:

(1) Efficiency Ratio is calculated as noninterest expense divided by the sum of net interest income and noninterest income.

# PrimeLending – Q2 2025 Highlights

Summary Results (\$ in millions)	Q2 2024	Q2 2025	Key Highlights	Q2 2024	Q2 2025
Net Interest Income (Expense)	(\$4.6)	(\$2.3)	Origination Volume (\$mm)	\$2,379	\$2,433
Noninterest Income	92.9	90.2	% Purchase	93%	89%
Noninterest Expense	86.9	84.7	Sales Volume (\$mm)	\$1,839	\$2,135
<b>Income (Loss) Before Taxes</b>	<b>\$1.4</b>	<b>\$3.2</b>	MSR Asset (\$mm) (period end)	\$53	\$8



Notes:

(i) Gain on Sale calculated as net gains from sale of loans divided by sales volume. Reported Gain on Sale reflects impact of loans retained by PlainsCapital Bank.

# HilltopSecurities – Q2 2025 Highlights

Summary Results (\$ in millions)	Q2 2024	Q2 2025	Key Highlights (\$ in millions)	Q2 2024	Q2 2025
Net Interest Income	\$12.2	\$13.2	Compensation/Net Revenue (%)	63.5%	67.0%
Provision for (Reversal of) Credit Losses	(0.0)	0.0	Pre-tax Margin (%)	6.9%	5.8%
Noninterest Income	92.1	96.5	FDIC Insured Balances at PCB (period end)	\$758	\$551
Noninterest Expense	97.1	103.3	Other FDIC Insured Balances (period end)	\$982	\$1,188
<b>Income Before Taxes</b>	<b>\$7.2</b>	<b>\$6.4</b>	Public Finance Offerings	\$15,724	\$23,589
			TBA Lock Volume	\$835	\$1,154

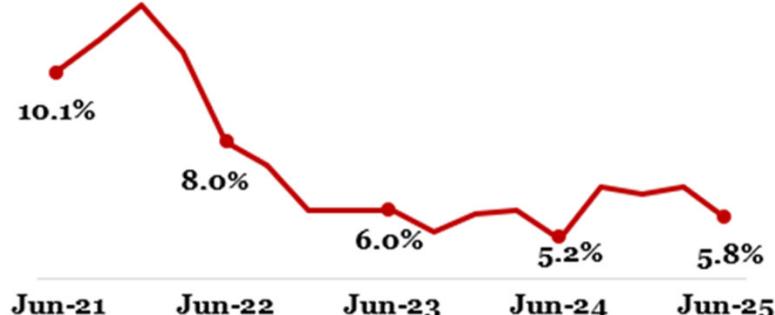
Net Revenues by Business Line		
Key Highlights (\$ in millions)	Q2 2024	Q2 2025
Public Finance Services	\$22.6	\$30.8
Fixed Income Services	12.3	12.7
Wealth Management		
Retail	31.4	32.8
Clearing Services	11.8	11.6
Securities Lending	1.6	2.9
Structured Finance	15.4	14.2
Other	9.2	4.7
<b>Net Revenues</b>	<b>\$104.3</b>	<b>\$109.7</b>

Notes:

The sum of the period amounts may not equal the total amounts due to rounding. Presented net revenue by business line may differ slightly from 10-Q due to grouping of certain business lines into 'Other'.

# Hilltop Holdings – Net Interest Income Rate Impacts

## Asset Sensitivity Trending <sup>1</sup>



Represents impact on HTH NII to an instantaneous +100 basis point shock

## Bank Loans HFI – Fixed vs. Variable Rate at 6/30/25

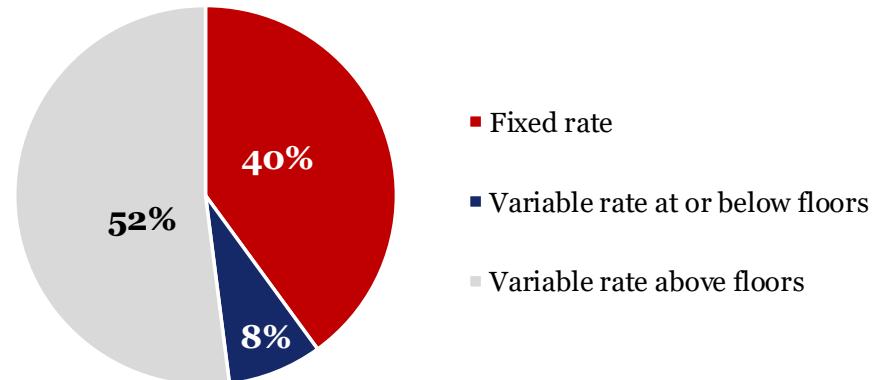


Chart does not include Loan Balances for the PrimeLending Warehouse Line and National Warehouse Lending segments

## Commentary

- Asset sensitivity has remained elevated and moved modestly lower during Q2
- Targeting 3 - 5% Asset Sensitive position over time
  - Reinvest in securities portfolio – targeting prepayment protected collateral
  - Continue the retention of 3/5/7-year hybrid fixed rate mortgages
  - Decrease the level of Broker-Dealer Sweep Deposits at PCB over time

## Loan Reset Schedule <sup>2</sup>

Months to Reset	0 - 1	2 - 6	7 - 12	Total
CRE	\$ 927	\$ 185	\$ 62	\$ 1,174
Commercial and industrial	722	23	12	\$ 758
Construction and land development	632	17	5	\$ 653
1-4 Family residential	107	28	16	\$ 151
Consumer	1	0	-	\$ 2
<b>Total</b>	<b>\$ 2,389</b>	<b>\$ 253</b>	<b>\$ 95</b>	<b>\$ 2,738</b>

Note:

(1) Impact assumes instantaneous change to interest rates. Assumes interest rate floor at 1 basis point

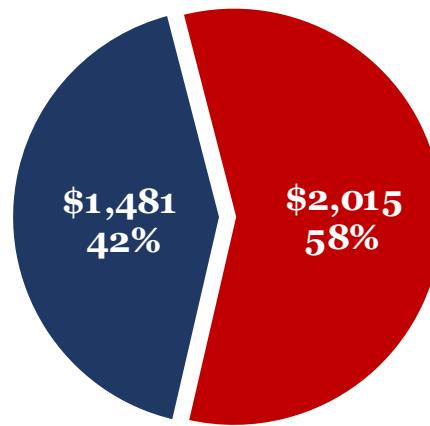
(2) Bank variable rate loans above the floor that will reset in the next 12 months. Does not include PrimeLending Warehouse Line and National Warehouse Lending segments

# Hilltop Holdings – Commercial Real Estate Portfolio

## Commercial Real Estate Portfolio

(Ending Balance, \$ in millions, at June 30, 2025)

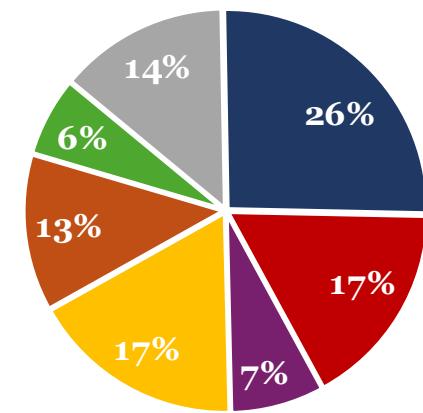
- CRE Owner Occupied
- CRE Non-Owner Occupied



## Commercial Real Estate – Non-Owner Occupied

(Ending Balance at June 30, 2025)

- Office
- Retail
- Hotel/Motel
- Multifamily
- Industrial
- Mini-Storage
- Other

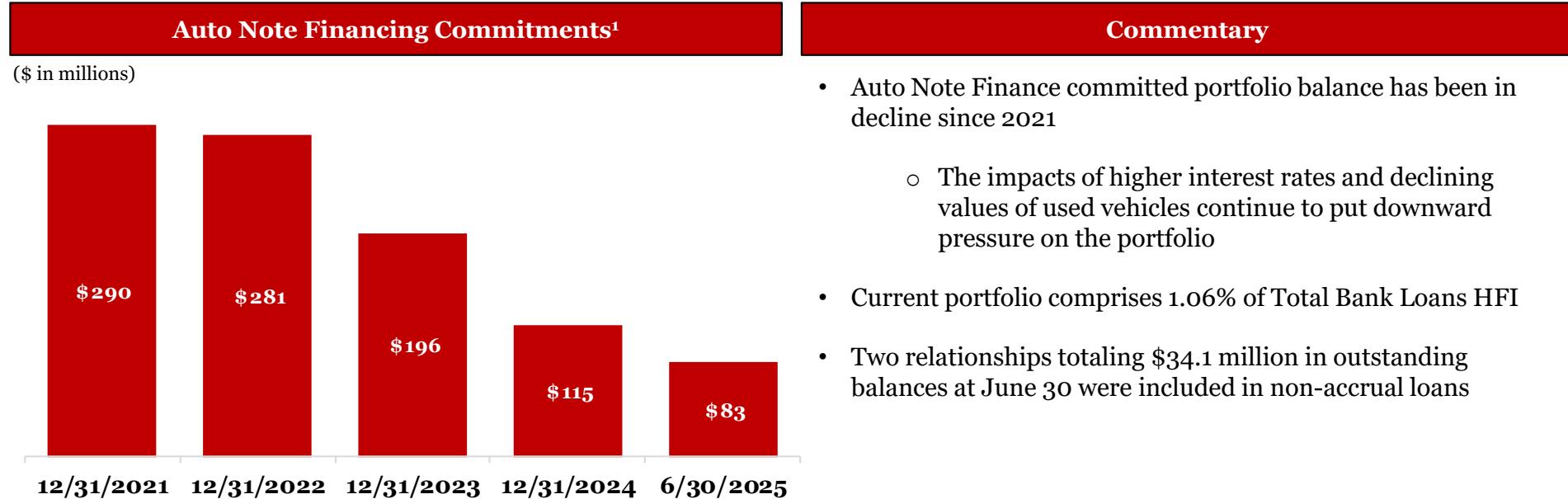


## CRE Allowance for Credit Losses (ACL)

(Ending Balance at June 30, 2025)

\$ in millions	Ending Balance	Allowance for Credit Losses	6/30/2025	3/31/2025
CRE Non-Owner Occupied Office	\$515.9	\$11.3	2.2%	3.6%
CRE Non-Owner Occupied Retail	\$337.5	\$2.3	0.7 %	1.0 %
<b>CRE Non-Owner Occupied Office and Retail</b>	<b>\$853.4</b>	<b>\$13.6</b>	<b>1.6%</b>	<b>2.5%</b>
All other CRE Non-Owner Occupied	\$1,161.7	\$14.3	1.2%	1.2%
<b>Total CRE Non-Owner Occupied</b>	<b>\$2,015.0</b>	<b>\$27.8</b>	<b>1.4%</b>	<b>1.8%</b>

# Hilltop Holdings – Auto Lending Portfolio



Allowance for Credit Losses (\$ in millions)				
\$ in millions	Ending Balance	Allowance for Credit Losses	ACL % Loans	
			6/30/2025	3/31/2025
Auto Floor Plan Financing	\$4.3	\$0.0	0.1%	0.2%
Auto Note Financing	\$77.7	\$5.0	6.4%	4.3%
<b>Total Auto Lending</b>	<b>\$82.0</b>	<b>\$5.0</b>	<b>6.1%</b>	<b>4.1%</b>

(1) Total exposure net of any SBA guarantee