

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2024

or

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-38534

AMERANT

Amerant Bancorp Inc.

(Exact name of registrant as specified in its charter)

Florida

(State or other jurisdiction of  
incorporation or organization)

220 Alhambra Circle

Coral Gables, Florida

(Address of principal executive offices)

65-0032379

(I.R.S. Employer  
Identification No.)

33134

(Zip Code)

(305) 460-4728

(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of exchange on which registered</u>
Class A Common Stock	AMTB	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (\$232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<u>Class</u>	<u>Outstanding as of October 29, 2024</u>
Class A Common Stock, \$0.10 par value per share	42,108,446 shares of Class A Common Stock



AMERANT BANCORP INC. AND SUBSIDIARIES

FORM 10-Q

September 30, 2024

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Part 1. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

**Amerant Bancorp Inc. and Subsidiaries**  
**Consolidated Balance Sheets**

(in thousands, except share data)	(Unaudited)	
	September 30, 2024	December 31, 2023
<b>Assets</b>		
Cash and due from banks	\$ 40,538	\$ 47,234
Interest earning deposits with banks	614,345	242,709
Restricted cash	10,087	25,849
Other short-term investments	6,871	6,080
Cash and cash equivalents	671,841	321,872
Securities		
Debt securities available for sale, at fair value	1,476,378	1,217,502
Debt securities held to maturity, at amortized cost (estimated fair value of \$ 204,945 at December 31, 2023)	—	226,645
Equity securities with readily determinable fair value not held for trading	2,562	2,534
Federal Reserve Bank and Federal Home Loan Bank stock	63,604	50,294
Securities	1,542,544	1,496,975
Loans held for sale, at lower of cost or fair value	553,941	365,219
Mortgage loans held for sale, at fair value	43,851	26,200
Loans held for investment, gross	6,964,171	6,873,493
Less: Allowance for credit losses	79,890	95,504
Loans held for investment, net	6,884,281	6,777,989
Bank owned life insurance	241,183	234,972
Premises and equipment, net	32,866	43,603
Deferred tax assets, net	41,138	55,635
Operating lease right-of-use assets	100,158	118,484
Goodwill	19,193	19,193
Accrued interest receivable and other assets	222,131	256,185
Total assets	\$ 10,353,127	\$ 9,716,327
<b>Liabilities and Stockholders' Equity</b>		
Deposits		
Demand		
Noninterest bearing	\$ 1,482,061	\$ 1,426,919
Interest bearing	2,389,605	2,560,629
Savings and money market	1,835,700	1,610,218
Time	2,403,578	2,297,097
Total deposits	8,110,944	7,894,863
Advances from the Federal Home Loan Bank	915,000	645,000
Senior notes	59,764	59,526
Subordinated notes	29,582	29,454
Junior subordinated debentures held by trust subsidiaries	64,178	64,178
Operating lease liabilities	105,875	123,167
Accounts payable, accrued liabilities and other liabilities	164,896	164,071
Total liabilities	9,450,239	8,980,259
Contingencies (Note 11)		
Stockholders' equity		
Class A common stock, \$ 0.10 par value, 250 million shares authorized; 42,103,623 shares issued and outstanding at September 30, 2024 ( 33,603,242 shares issued and outstanding at December 31, 2023)	4,210	3,361
Additional paid in capital	342,508	192,701
Retained earnings	569,131	610,802
Accumulated other comprehensive loss	( 12,961 )	( 70,796 )
Total stockholders' equity	902,888	736,068
Total liabilities and stockholders' equity	\$ 10,353,127	\$ 9,716,327

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

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**Amerant Bancorp Inc. and Subsidiaries**

**Consolidated Statements of Operations and Comprehensive Income (Unaudited)**

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Interest income</b>				
Loans	\$ 129,752	\$ 120,244	\$ 376,574	\$ 348,315
Investment securities	17,127	13,868	50,168	40,400
Interest earning deposits with banks and other interest income	4,758	5,271	15,929	14,295
Total interest income	151,637	139,383	442,671	403,010
<b>Interest expense</b>				
Interest bearing demand deposits	15,345	16,668	49,860	46,201
Savings and money market deposits	16,830	11,045	46,690	28,409
Time deposits	27,260	22,482	79,355	53,844
Advances from the Federal Home Loan Bank	8,833	8,207	21,357	22,591
Senior notes	942	942	2,826	2,825
Subordinated notes	361	361	1,083	1,084
Junior subordinated debentures	1,067	1,097	3,176	3,264
Securities sold under agreements to repurchase	—	4	2	5
Total interest expense	70,638	60,806	204,349	158,223
Net interest income	80,999	78,577	238,322	244,787
Provision for credit losses	19,000	8,000	50,550	48,777
Net interest income after provision for credit losses	61,999	70,577	187,772	196,010
<b>Noninterest income</b>				
Deposits and service fees	5,046	5,053	14,652	14,952
Brokerage, advisory and fiduciary activities	4,466	4,370	13,331	12,808
Change in cash surrender value of bank owned life insurance	2,332	1,483	6,916	4,324
Loan-level derivative income	3,515	1,196	6,338	3,743
Cards and trade finance servicing fees	1,430	734	3,984	1,829
Gain on early extinguishment of advances from the Federal Home Loan Bank, net	—	7,010	189	33,623
Derivative (losses) gains, net	—	( 77 )	( 196 )	179
Securities losses, net	( 68,484 )	( 54 )	( 68,655 )	( 11,022 )
Other noninterest income	4,012	2,206	9,666	7,447
Total noninterest (loss) income	( 47,683 )	21,921	( 13,775 )	67,883
<b>Noninterest expense</b>				
Salaries and employee benefits	34,979	31,334	101,794	100,457
Professional and other services fees	13,711	5,325	36,784	20,368
Occupancy and equipment	5,891	7,293	21,408	20,828
Telecommunication and data processing	2,991	3,556	9,256	11,647
Advertising expenses	3,468	2,724	10,789	9,642
FDIC assessments and insurance	2,863	2,590	8,643	8,066
Depreciation and amortization	1,737	1,795	4,866	5,362
Loan-level derivative expense	1,802	18	2,386	1,728
Other real estate owned and repossessed assets expense (income) , net	5,535	( 134 )	5,033	2,297
Contract termination costs	—	—	—	1,550
Losses on loans held for sale carried at the lower cost or fair value	—	5,562	1,258	5,562
Other operating expenses	3,231	4,357	13,887	14,146
Total noninterest expenses	76,208	64,420	216,104	201,653
(Loss) income before income tax benefit (expense)	( 61,892 )	28,078	( 42,107 )	62,240
Income tax benefit (expense)	13,728	( 6,337 )	9,474	( 13,511 )
Net (loss) income before attribution of noncontrolling interest	( 48,164 )	21,741	( 32,633 )	48,729
Noncontrolling interest	—	( 378 )	—	( 884 )
Net (loss) income attributable to Amerant Bancorp Inc.	\$ ( 48,164 )	\$ 22,119	\$ ( 32,633 )	\$ 49,613

The accompanying notes are an integral part of these consolidated financial statements (unaudited).





# Amerant Bancorp Inc. and Subsidiaries

## Consolidated Statements of Operations and Comprehensive Income (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<i>(in thousands, except per share data)</i>				
<b>Other comprehensive income (loss), net of tax</b>				
Net unrealized holding gains (losses) on debt securities available for sale arising during the period	\$ 15,142	\$ ( 18,569 )	\$ 7,060	\$ ( 25,939 )
Net unrealized holding (losses) gains on cash flow hedges arising during the period	( 205 )	129	92	217
Reclassification adjustment for items included in net income	51,017	( 268 )	50,683	723
Other comprehensive income (loss)	65,954	( 18,708 )	57,835	( 24,999 )
Comprehensive income	\$ 17,790	\$ 3,411	\$ 25,202	\$ 24,614
Earnings Per Share (Note 13):				
Basic (loss) earnings per common share	\$ ( 1.43 )	\$ 0.66	\$ ( 0.97 )	\$ 1.48
Diluted (loss) earnings per common share	\$ ( 1.43 )	\$ 0.66	\$ ( 0.97 )	\$ 1.47

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

# Amerant Bancorp Inc. and Subsidiaries

## Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

### Three and Nine Month Periods Ended September 30, 2024

	Common Stock		Additional Paid in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive loss	Total Stockholders' Equity
	Shares Outstanding	Issued Shares - Par					
		Value					
(in thousands, except share data)	Class A						
Balance at December 31, 2023	33,603,242	\$ 3,361	\$ 192,701	\$ —	\$ 610,802	\$ (70,796)	\$ 736,068
Issuance of common shares for restricted stock unit vesting	77,615	8	(8)	—	—	—	—
Issuance of common shares for performance shares unit vesting	125,271	13	(13)	—	—	—	—
Restricted stock, restricted stock units and performance stock units surrendered	(92,830)	(9)	(2,078)	—	—	—	(2,087)
Restricted stock forfeited	(3,903)	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,635	—	—	—	1,635
Dividends paid	—	—	—	—	(3,011)	—	(3,011)
Net income attributable to Amerant Bancorp Inc.	—	—	—	—	10,568	—	10,568
Other comprehensive loss	—	—	—	—	—	(5,088)	(5,088)
Balance at March 31, 2024	33,709,395	\$ 3,373	\$ 192,237	\$ —	\$ 618,359	\$ (75,884)	\$ 738,085
Repurchase of Class A common stock	(200,652)	—	—	(4,448)	—	—	(4,448)
Treasury stock retired	—	(20)	(4,428)	4,448	—	—	—
Restricted stock and restricted stock units surrendered	(7,957)	(1)	(93)	—	—	—	(94)
Stock issued for employee stock purchase plan	28,510	3	483	—	—	—	486
Restricted stock forfeited	(15,043)	(2)	2	—	—	—	—
Restricted stock units vested	48,503	4	(4)	—	—	—	—
Stock-based compensation expense	—	—	1,404	—	—	—	1,404
Net income attributable to Amerant Bancorp Inc.	—	—	—	—	4,963	—	4,963
Dividends paid	—	—	—	—	(3,023)	—	(3,023)
Other comprehensive loss	—	—	—	—	—	(3,031)	(3,031)
Balance at June 30, 2024	33,562,756	\$ 3,357	\$ 189,601	\$ —	\$ 620,299	\$ (78,915)	\$ 734,342
Repurchase of Class A common stock	(143,674)	—	—	(3,108)	—	—	(3,108)
Common stock issuance	8,684,210	868	154,882				155,750
Treasury stock retired	—	(14)	(3,094)	3,108	—	—	—
Restricted stock and restricted stock units surrendered	(4,334)	—	(87)	—	—	—	(87)
Restricted stock forfeited	(3,814)	(1)	—	—	—	—	(1)
Restricted stock units vested	8,479	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,206	—	—	—	1,206
Net loss attributable to Amerant Bancorp Inc.	—	—	—	—	(48,164)	—	(48,164)
Dividends paid	—	—	—	—	(3,004)	—	(3,004)
Other comprehensive income	—	—	—	—	—	65,954	65,954
Balance at September 30, 2024	42,103,623	\$ 4,210	\$ 342,508	\$ —	\$ 569,131	\$ (12,961)	\$ 902,888

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

# Amerant Bancorp Inc. and Subsidiaries

## Consolidated Statements of Changes in Stockholders' Equity (Unaudited)

### Three and Nine Month Periods Ended September 30, 2023

	Common Stock				Total				
	Issued			Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Income (loss)	Stockholders'		Total Stockholders'
	Shares - Par		Additional Paid in Capital				Equity Before		
	Shares Outstanding	Value					Noncontrolling interest	Interest	
(in thousands, except share data)	Class A								Equity
Balance at December 31, 2022	33,815,161	\$ 3,382	\$ 194,694	\$ —	\$ 590,375	\$ (80,635)	\$ 707,816	\$ (2,090)	\$ 705,726
Repurchase of Class A common stock	(22,403)	—	—	(566)	—	—	(566)	—	(566)
Treasury stock retired	—	(2)	(564)	566	—	—	—	—	—
Restricted stock issued	10,440	1	(1)	—	—	—	—	—	—
Restricted stock, restricted stock units and performance stock units surrendered	(44,896)	(4)	(1,166)	—	—	—	(1,170)	—	(1,170)
Restricted stock forfeited	(1,394)	—	—	—	—	—	—	—	—
Performance stock units vested	10,621	1	(1)	—	—	—	—	—	—
Restricted stock units vested	46,731	5	(5)	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,825	—	—	—	1,825	—	1,825
Net income attributable to Amerant Bancorp Inc.	—	—	—	—	20,186	—	20,186	—	20,186
Dividends paid	—	—	—	—	(3,017)	—	(3,017)	—	(3,017)
Net loss attributable to noncontrolling-interest shareholders	—	—	—	—	—	—	—	(244)	(244)
Other comprehensive income	—	—	—	—	—	6,316	6,316	—	6,316
Balance at March 31, 2023	33,814,260	\$ 3,383	\$ 194,782	\$ —	\$ 607,544	\$ (74,319)	\$ 731,390	\$ (2,334)	\$ 729,056
Repurchase of Class A common stock	(95,262)	—	—	(1,659)	—	—	(1,659)	—	(1,659)
Treasury stock retired	—	(10)	(1,649)	1,659	—	—	—	—	—
Restricted stock and restricted stock units surrendered	(4,414)	(1)	(198)	—	—	—	(199)	—	(199)
Stock issued for employee stock purchase plan	30,557	3	683	—	—	—	686	—	686
Restricted stock forfeited	(26,432)	(3)	3	—	—	—	—	—	—
Restricted stock units vested	17,450	2	(2)	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,656	—	—	—	1,656	—	1,656
Net income attributable to Amerant Bancorp Inc.	—	—	—	—	7,308	—	7,308	—	7,308
Dividends paid	—	—	—	—	(3,023)	—	(3,023)	—	(3,023)
Net loss attributable to noncontrolling-interest shareholders	—	—	—	—	—	—	—	(262)	(262)
Other comprehensive loss	—	—	—	—	—	(12,607)	(12,607)	—	(12,607)
Balance at June 30, 2023	33,736,159	\$ 3,374	\$ 195,275	\$ —	\$ 611,829	\$ (86,926)	\$ 723,552	\$ (2,596)	\$ 720,956
Repurchase of Class A common stock	(142,188)	—	—	(2,708)	—	—	(2,708)	—	(2,708)
Treasury stock retired	—	(14)	(2,694)	2,708	—	—	—	—	—
Restricted stock and restricted stock units surrendered	(2,124)	—	(17)	—	—	—	(17)	—	(17)
Restricted stock forfeited	(8,865)	(1)	1	—	—	—	—	—	—
Restricted stock units vested	639	—	—	—	—	—	—	—	—
Stock-based compensation expense	—	—	1,538	—	—	—	1,538	—	1,538
Net income attributable to Amerant Bancorp Inc.	—	—	—	—	22,119	—	22,119	—	22,119
Dividends paid	—	—	—	—	(3,015)	—	(3,015)	—	(3,015)
Net loss attributable to noncontrolling-interest shareholders	—	—	—	—	—	—	—	(378)	(378)
Other comprehensive loss	—	—	—	—	—	(18,708)	(18,708)	—	(18,708)
Balance at September 30, 2023	33,583,621	\$ 3,359	\$ 194,103	\$ —	\$ 630,933	\$ (105,634)	\$ 722,761	\$ (2,974)	\$ 719,787

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

# Amerant Bancorp Inc. and Subsidiaries

## Consolidated Statements of Cash Flows (Unaudited)

(in thousands)	Nine Months Ended September 30,	
	2024	2023
<b>Cash flows from operating activities</b>		
Net (loss) income before attribution of noncontrolling interest	\$ ( 32,633 )	\$ 48,729
Adjustments to reconcile net (loss) income to net cash provided by operating activities		
Provision for credit losses	50,550	48,777
Net premium amortization on securities	4,049	3,656
Depreciation and amortization	4,866	5,362
Stock-based compensation expense	4,245	5,019
Change in cash surrender value of bank owned life insurance	( 6,916 )	( 4,324 )
Securities losses, net	68,655	11,022
Derivative losses (gains), net	196	( 179 )
Gains on sale of loans, net	( 5,819 )	( 3,502 )
Losses on loans held for sale carried at the lower cost or fair value	1,258	5,562
Loss on sale of other repossessed assets	—	2,649
Impairment on investment carried at cost	—	1,963
Deferred taxes and others	2,518	( 3,254 )
Gain on early extinguishment of advances from the FHLB, net	( 189 )	( 33,623 )
Proceeds from sales and repayments of loans held for sale (at fair value)	251,815	213,467
Originations and purchases of loans held for sale (at fair value)	( 291,139 )	( 268,242 )
Net changes in operating assets and liabilities:		
Accrued interest receivable and other assets	( 34,459 )	( 16,249 )
Accounts payable, accrued liabilities and other liabilities	( 12,343 )	24,153
Net cash provided by operating activities	4,654	40,986
<b>Cash flows from investing activities</b>		
Purchases of investment securities:		
Available for sale	( 242,229 )	( 104,904 )
Equity securities with readily determinable fair value not held for trading	—	( 2,500 )
Federal Home Loan Bank stock	( 45,910 )	( 51,016 )
	( 288,139 )	( 158,420 )
Maturities, sales, calls and paydowns of investment securities:		
Available for sale	228,933	82,175
Held to maturity	9,622	11,281
Federal Home Loan Bank stock	32,600	58,713
Equity securities with readily determinable fair value not held for trading	—	11,168
	271,155	163,337
Net increase in loans	( 788,643 )	( 270,969 )
Proceeds from loan sales	469,934	41,871
Cash paid in business acquisition	—	( 1,970 )
Net purchases of premises and equipment and others	( 6,609 )	( 8,317 )
Proceeds from surrender of bank owned life insurance	62,741	—
Proceeds from bank owned life insurance death benefit	1,232	—
Proceeds from sale of repossessed assets	—	2,464
Net cash used in investing activities	( 278,329 )	( 232,004 )
<b>Cash flows from financing activities</b>		
Net increase (decrease) in demand, savings and money market accounts	109,600	( 71,910 )
Net increase in time deposits	106,481	574,623
Proceeds from Advances from the Federal Home Loan Bank	1,412,500	1,280,000
Repayments of Advances from the Federal Home Loan Bank	( 1,142,311 )	( 1,558,438 )
Repurchase of common stock - Class A	( 7,556 )	( 4,933 )
Net proceeds from issuance of common stock	155,750	—

Dividend paid	( 9,038 )	( 9,055 )
Disbursements arising from stock-based compensation, net	( 1,782 )	( 918 )
Net cash provided by financing activities	623,644	209,369
Net increase in cash and cash equivalents and restricted cash	349,969	18,351
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of period	321,872	290,601
End of period	\$ 671,841	\$ 308,952

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

**Amerant Bancorp Inc. and Subsidiaries**  
**Consolidated Statements of Cash Flows (Unaudited) (continued)**

	Nine Months Ended September 30,	
	2024	2023
<i>(in thousands)</i>		
<b>Supplemental disclosures of cash flow information</b>		
Cash paid:		
Interest	\$ 207,389	\$ 150,526
Income taxes	4,821	20,038
Right-of-use assets obtained in exchange for new lease obligations	—	8,573
Noncash investing activities:		
Transfer from debt securities held to maturity to debt securities available for sale	216,560	—
Mortgage loans held for sale (at fair value) transferred to loans held for investment	28,115	95,674
Loans transferred to other assets	—	26,534
Loans held for investment (at lower of cost or fair value) transferred to loans held for sale	560,161	48,819
Premises and equipment transferred to other assets	11,405	—
Right-of-use assets transferred to other assets	15,368	—

The accompanying notes are an integral part of these consolidated financial statements (unaudited).

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 1. Business, Basis of Presentation and Summary of Significant Accounting Policies

##### a) Business

Amerant Bancorp Inc. (the "Company") is a Florida corporation incorporated in 1985, which has operated since January 1987. The Company is a bank holding company registered under the Bank Holding Company Act of 1956 ("BHC Act"), as a result of its 100 % ownership of Amerant Bank, N.A. (the "Bank"). The Company's principal office is in the City of Coral Gables, Florida. The Bank is a member of the Federal Deposit Insurance Corporation ("FDIC"), the Federal Reserve Bank of Atlanta ("Federal Reserve") and the Federal Home Loan Bank of Atlanta ("FHLB"). The Bank is a national bank subject to regulation and regular examinations by the Office of the Comptroller of the Currency ("OCC"). The Bank has two operating subsidiaries: Amerant Investments, Inc., a securities broker-dealer ("Amerant Investments") and Amerant Mortgage, LLC ("Amerant Mortgage"), a mortgage lending company domiciled in Florida ("Amerant Mortgage").

Elant Bank & Trust Ltd., a Grand-Cayman based trust company (the "Cayman Bank") is a subsidiary of the Bank. The Company is executing a plan for the dissolution of the Cayman Bank and, as of the end of the third quarter of 2024, the Cayman Bank no longer had any trust relationships, many of which were transferred to the Bank. The dissolution of the Cayman Bank is expected to be completed in the first quarter of 2025, once regulatory approval from the applicable regulatory agency is received.

##### Public Offering and Securities Repositioning

On September 27, 2024, the Company completed a public offering of 8,684,210 shares of its Class A voting common stock, at a price to the public of \$ 19.00 per share, which included 784,210 shares issued upon the exercise in full by the underwriters of their option to purchase additional shares of common stock (the "Public Offering"). The total gross proceeds from the offering were approximately \$ 165 million, with net proceeds of approximately \$ 155.8 million after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company. The Company intends to use the net proceeds of the Public Offering for general corporate purposes and to support its continued organic growth, which may include, among other things, working capital, investments in the Bank, resolution of non-performing loans, and potential balance sheet optimization strategies.

Upon successfully completing the Public Offering, the Company initiated a repositioning of the Company's securities portfolio (the "Securities Repositioning"). The Securities Repositioning consisted of the following actions: (i) transfer at their fair value (which was below their amortized cost) of all of the Company's debt securities previously classified as held to maturity and carried at amortized cost to the available for sale category; (ii) sale of all corporate notes and subordinated debt; and (iii) sale of all other debt securities classified as available for sale (including those previously classified as held to maturity) with a book yield of less than 2.75 %. As a result of the Securities Repositioning, the Company recorded a total pre-tax loss of approximately \$ 68.5 million in the three and nine months ended September 30, 2024. The Company completed the Securities Repositioning in October 2024, which resulted in an additional pre-tax loss on sale of approximately \$ 8.1 million. See Note 3 - Securities for additional information on the Company's securities portfolio.

##### Sale of Houston Banking Operations

On April 16, 2024, the Bank entered into a Purchase and Assumption Agreement (the "Purchase Agreement") with MidFirst Bank ("MidFirst") pursuant to which MidFirst will purchase certain assets and assume certain liabilities (the "Houston Sale Transaction") of the banking operations and six branches in the Houston, Texas metropolitan statistical area (collectively, the "Branches"). Pursuant to the terms of the Purchase Agreement, MidFirst has agreed to assume certain deposit liabilities and to acquire certain loans, as well as cash, real property, personal property and other fixed assets associated with the Branches, as well as 45 team members. On July 30, 2024, regulatory approval for the Houston Sale Transaction was received. The Houston Sale Transaction is expected to close on November 8, 2024, subject to the satisfaction of customary closing conditions.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

The purchase price for the purchased assets will be computed as the sum of: (a) \$ 13.0 million (the "Deposit Premium"), provided that, if the balance of non-interest checking deposits included in deposits or the total balance of deposits (excluding insured cash sweep deposits) decrease by more than 15 % between March 13, 2024 and the closing date, then the Deposit Premium shall be equal to the sum of (i) 9.50 % of the average daily balance of non-interest checking deposits included in deposits, (ii) 1.85 % of the average daily balance of deposits other than non-interest checking deposits, insured cash sweep deposits and time deposits included in deposits, (iii) 0.25 % of the average daily balance of insured cash sweep deposits included in Deposits, and (iv) 0.50 % of the average daily balance of time deposits included in deposits, with the average daily balance in each case being for the 30-day period ending on the fifth business day prior to closing, provided further, that the Deposit Premium shall in no event be lower than \$ 9.25 million, (b) the aggregate amount of cash on hand as of the closing date, (c) the aggregate net book value of all assets being assumed (excluding cash on hand, real property and accrued interest with respect to the loans to be acquired), (d) the appraised value of the real property to be acquired, and (e) accrued interest with respect to the loans to be acquired. The purchase price is subject to a customary post-closing adjustment based on the delivery within 30 calendar days following the closing date of a final closing statement setting forth the purchase price and any necessary adjustment payment amount.

The Bank and MidFirst made customary representations, warranties, and covenants in the Purchase Agreement. The Bank and MidFirst also agreed to indemnify each other (subject to customary limitations) with respect to the Transaction, including for breaches of representations and warranties, breaches of covenants, liabilities not retained or assumed, and conduct of the business of the Branches and operation and use of the purchased assets during certain time periods.

The following table presents assets and liabilities held for sale in connection with the Houston Sale Transaction which are included in the Company's consolidated balance sheet as of September 30, 2024:

(in thousands)

<b>Assets</b>	
Loans held for sale, at lower of cost or fair value (1)	\$ 553,941
Accrued interest receivable and other assets (2)	21,353
Total assets	<u>\$ 575,294</u>
<b>Liabilities</b>	
Noninterest bearing demand deposits (3)	\$ 79,563
Interest bearing demand deposits	65,071
Savings and money market	120,068
Time deposits	326,014
Total deposits	<u>590,716</u>
<b>Other liabilities:</b>	
Operating lease liabilities	7,171
Other liabilities (4)	5,777
Total liabilities	<u>\$ 603,664</u>

(1) In the first nine months of 2024, the Company recognized a valuation allowance of \$ 1.3 million as a result of the fair value adjustment of these loans.

(2) Includes premises and equipment for \$ 8.0 million, operating lease right-of-use assets for \$ 6.5 million, \$ 4.3 million in derivative assets and other assets for \$ 2.7 million.

(3) Includes \$ 6.1 million in escrow accounts.

(4) Includes \$ 4.3 million in derivative liabilities.



## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

The Company recorded non-routine expense items in the first nine months of 2024 in connection with the Houston Sale Transaction totaling approximately \$ 5.5 million as follows: (i) \$ 3.4 million in market value adjustments for two branches owned based on third party appraisals; (ii) \$ 1.3 million in loan valuation allowance due to deferred loan costs; (iii) \$ 0.5 million for legal and investment banking fees; and (iv) \$ 0.3 million in intangible asset write-off. These charges were partially offset by a \$ 4.4 million release in credit reserves after transferring the loans to held for sale. There are no significant non-routine expenses recorded in the third quarter of 2024 in connection with the Houston Sale Transaction.

#### Changes in Ownership Interest in Amerant Mortgage

At September 30, 2024 and December 31, 2023, the Company had an ownership interest of 100 % in Amerant Mortgage. On December 31, 2023, Amerant Mortgage became a wholly-owned subsidiary of the Company as it increased its ownership interest to 100 % effective as of December 31, 2023. Therefore, the Company did not record any loss or gain attributable to non-controlling interest in the third quarter and first nine months of 2024 and had no equity attributable to the non-controlling interest at September 30, 2024 and December 31, 2023. See the Company's annual report on Form 10-K for the year ended December 31, 2023, filed with the Securities and Exchange Commission ("SEC"), on March 7, 2024 (the "2023 Form 10-K") for detailed information on changes in ownership interest in Amerant Mortgage.

#### Restructuring costs

There were no restructuring costs in the three and nine month periods ended September 30, 2024. In the nine months ended September 30, 2023, the Company recorded estimated contract termination and related costs of approximately \$ 1.6 million in connection with the implementation of the multi-year outsourcing agreement with a recognized third party financial technology services provider entered into in 2021. In addition, during the three and nine month periods ended September 30, 2023, restructuring costs consisted of severance costs of approximately \$ 0.5 million and \$ 2.9 million, respectively, branch closure expenses and related charges of \$ 0.3 million and \$ 2.3 million, respectively. Furthermore, in the nine months ended September 30, 2023, the Company recorded: (i) \$ 4.8 million of consulting and other professional fees (none in the three months ended September 30, 2023), and (ii) a charge of \$ 1.4 million related to the disposition of fixed assets due to the write off of in-development software (none in the three months ended September 30, 2023). Severance costs are included in "salaries and employees benefits expense" in the Company's consolidated statement of operations and comprehensive income.

#### Stock Repurchase Program

On December 19, 2022, the Company announced that the Board of Directors authorized a new repurchase program pursuant to which the Company may purchase, from time to time, up to an aggregate amount of \$ 25 million of its shares of Class A common stock (the "2023 Class A Common Stock Repurchase Program"). On December 6, 2023, the Board approved to extend the expiration date of the 2023 Class A Common Stock Repurchase Program that was set to expire on December 31, 2023 to December 31, 2024. As of the date the extension of the 2023 Class A Common Stock Repurchase Program was approved, the Company had \$ 20 million available for repurchases under the program.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

In the three and nine month periods ended September 30, 2024, the Company repurchased an aggregate of 143,674 shares of Class A common stock at a weighted average price of \$ 21.59 per share, and 344,326 shares of Class A common stock at a weighted average price of \$ 21.94 per share, respectively, under the 2023 Class A Common Stock Repurchase Program. The aggregate purchase price for these transactions was \$ 3.1 million and \$ 7.6 million in the three and nine month periods ended September 30, 2024, respectively, including transaction costs.

In the three and nine month periods ended September 30, 2023, the Company repurchased an aggregate of 142,188 shares of Class A common stock at a weighted average price of \$ 19.05 per share, and 259,853 shares of Class A common stock at a weighted average price of \$ 18.98 per share, respectively, under the 2023 Class A Common Stock Repurchase Program. The aggregate purchase price for these transactions was \$ 2.7 million and \$ 4.9 million in the three and nine month periods ended September 30, 2023, respectively, including transaction costs.

In the nine months ended September 30, 2024 and 2023, the Company's Board of Directors authorized the cancellation of all shares of Class A common stock previously repurchased. As of September 30, 2024 and 2023, there were no shares of Class A common stock held as treasury stock.

#### Dividends

Set forth below are the details of dividends declared and paid by the Company in the three and nine month periods ended September 30, 2024 and 2023:

<u>Declaration Date</u>	<u>Record Date</u>	<u>Payment Date</u>	<u>Dividend Per Share</u>	<u>Dividend Amount</u>
07/24/2024	08/15/2024	08/30/2024	\$ 0.09	\$ 3.0 million
04/24/2024	05/15/2024	05/30/2024	\$ 0.09	\$ 3.0 million
01/17/2024	02/14/2024	02/29/2024	\$ 0.09	\$ 3.0 million
07/19/2023	08/15/2023	08/31/2023	\$ 0.09	\$ 3.0 million
04/19/2023	05/15/2023	05/31/2023	\$ 0.09	\$ 3.0 million
1/18/2023	02/13/2023	02/28/2023	\$ 0.09	\$ 3.0 million

On October 23, 2024, the Company's Board of Directors declared a cash dividend of \$ 0.09 per share of the Company's common stock. The dividend is payable on November 29, 2024, to shareholders of record at the close of business on November 14, 2024.

#### Impairment on Investments Carried at Cost

In the nine months ended September 30, 2023, the Company recorded an impairment charge of \$ 2.0 million related to an investment carried at cost and included in other assets in the consolidated balance sheets. See the 2023 Form 10-K for more details on our investments carried at cost. There were no impairment charges recorded on these investments in the nine months ended September 30, 2024.

## **Amerant Bancorp Inc. and Subsidiaries**

### **Notes to Interim Consolidated Financial Statements (Unaudited)**

#### **b) Basis of Presentation and Summary of Significant Accounting Policies**

##### Significant Accounting Policies

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required for a fair statement of financial position, results of operations and cash flows in conformity with GAAP. These unaudited interim consolidated financial statements reflect all adjustments that are, in the opinion of management, necessary for a fair statement of the results for the interim periods presented. These adjustments are of a normal, recurring nature. Interim period operating results may not be indicative of the operating results for a full year or any other period. These unaudited interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements as of December 31, 2023 and 2022 and for each of the three years in the period ended December 31, 2023 and the accompanying footnote disclosures for the Company, which are included in the 2023 Form 10-K.

For a complete summary of our significant accounting policies, see Note 1 to the Company's audited consolidated financial statements in the 2023 Form 10-K.

##### Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates made by management include: (i) the determination of the allowance for credit losses; (ii) the fair values of loans, securities and derivative contracts; (iii) the cash surrender value of bank owned life insurance; and (iv) the determination of whether the amount of deferred tax assets will more likely than not be realized. Management believes that these estimates are appropriate. Actual results could differ from these estimates.

#### **c) Recently Issued Accounting Pronouncements**

For a description of recently issued accounting pronouncements, see Note 1 to the Company's audited consolidated financial statements in the 2023 Form 10-K.

#### **d) Subsequent Events**

The effects of other significant subsequent events, if any, have been recognized or disclosed in these unaudited interim consolidated financial statements.

## **Amerant Bancorp Inc. and Subsidiaries**

### **Notes to Interim Consolidated Financial Statements (Unaudited)**

#### **2. Interest Earning Deposits with Banks, Other Short-Term Investments and Restricted Cash**

At September 30, 2024 and December 31, 2023, interest-earning deposits with banks were mainly comprised of deposits with the Federal Reserve and other U.S. banks of approximately \$ 614 million and \$ 243 million, respectively. At September 30, 2024 and December 31, 2023, the average interest rate on these deposits was approximately 5.55 % and 5.64 %, respectively. These deposits have no stated maturity dates.

As of September 30, 2024 and December 31, 2023, the Company held US Treasury Bills classified as part of other short-term investments in the Company's consolidated balance sheets. At September 30, 2024 and December 31, 2023, the Company held \$ 6.9 million and \$ 6.1 million, respectively, with an average yield of 5.22 % and 4.80 %, respectively, related to these investments. These other short-term investments have a stated maturity of 90 days or less and as such are deemed cash and cash equivalents.

At September 30, 2024 and December 31, 2023, the Company had restricted cash balances of \$ 10.1 million and \$ 25.8 million, respectively. These balances include cash pledged as collateral, by other banks to us, to secure derivatives' margin calls. This cash pledged as collateral also represents an obligation, by the Company, to repay according to margin requirements. At September 30, 2024 and December 31, 2023, this obligation was \$ 9.2 million and \$ 25.0 million, respectively, which is included as part of other liabilities in the Company's consolidated balance sheet. In addition, we have cash balances pledged as collateral to secure the issuance of letters of credit by other banks on behalf of our customers.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

### 3. Securities

#### a) Debt Securities

##### Debt securities available for sale

Amortized cost, allowance for credit losses and approximate fair values of debt securities available for sale are summarized as follows:

(in thousands)	September 30, 2024				
	Amortized Cost	Gross Unrealized		Allowance for Credit Losses	Estimated Fair Value
		Gains	Losses		
U.S. government-sponsored enterprise debt securities (1) (2)	\$ 843,676	\$ 5,176	\$ ( 17,022 )	\$ —	\$ 831,830
Corporate debt securities (2)(3)	137,733	—	( 967 )	—	136,766
U.S. government agency debt securities (1) (2)	510,040	2,518	( 8,408 )	—	504,150
Collateralized loan obligations	—	—	—	—	—
Municipal bonds (1)	1,732	—	( 99 )	—	1,633
U.S. treasury securities	2,000	—	( 1 )	—	1,999
Total debt securities available for sale (4)	\$ 1,495,181	\$ 7,694	\$ ( 26,497 )	\$ —	\$ 1,476,378

- (1) Includes residential mortgage-backed securities. As of September 30, 2024, we had total residential mortgage-backed securities, included as part of total debt securities available for sale, with amortized cost of \$ 1.2 billion and fair value of \$ 1.1 billion.
- (2) Includes commercial mortgage-backed securities. As of September 30, 2024, we had total commercial mortgage-backed securities, included as part of total debt securities available for sale, with amortized cost of \$ 196.4 million and fair value of \$ 194.1 million.
- (3) As of September 30, 2024, gross unrealized losses are related to one private label commercial mortgage-backed security with an estimated fair value of \$ 11.6 million which did not meet our criteria for inclusion in the Securities Repositioning.
- (4) Excludes accrued interest receivable of \$ 6.4 million as of September 30, 2024, which is included as part of accrued interest receivable and other assets in the Company's consolidated balance sheet. The Company did not record any write offs on accrued interest receivable related to these securities in the three and nine month periods ended September 30, 2024.

(in thousands)	December 31, 2023				
	Amortized Cost	Gross Unrealized		Allowance for Credit Losses	Estimated Fair Value
		Gains	Losses		
U.S. government sponsored enterprise debt securities (1) (2)	\$ 591,972	\$ 2,297	\$ ( 36,962 )	\$ —	\$ 557,307
Corporate debt securities (2)	285,217	—	( 24,415 )	—	260,802
U.S. government agency debt securities (1) (2)	428,626	933	( 38,782 )	—	390,777
U.S. treasury securities	1,998	—	( 7 )	—	1,991
Municipal bonds (1)	1,731	—	( 63 )	—	1,668
Collateralized loan obligations	5,000	—	( 43 )	—	4,957
Total debt securities available for sale (3)	\$ 1,314,544	\$ 3,230	\$ ( 100,272 )	\$ —	\$ 1,217,502

- (1) Includes residential mortgage-backed securities. As of December 31, 2023, we had total residential mortgage-backed securities, included as part of total debt securities available for sale, with amortized cost of \$ 910.1 million and fair value of \$ 844.5 million.
- (2) Includes commercial mortgage-backed securities. As of December 31, 2023, we had total commercial mortgage-backed securities, included as part of total debt securities available for sale, with amortized cost of \$ 99.7 million and fair value of \$ 91.8 million.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

(3) Excludes accrued interest receivable of \$ 6.7 million as of December 31, 2023, which is included as part of accrued interest receivable and other assets in the Company's consolidated balance sheet. The Company did not record any write offs on accrued interest receivable related to these securities in 2023.

The Company had investments in foreign corporate debt securities available for sale, primarily in Canada, of \$ 10.7 million and \$ 10.5 million at September 30, 2024 and December 31, 2023, respectively. At September 30, 2024 and December 31, 2023, the Company had no foreign sovereign or foreign government agency debt securities available for sale. Investments in foreign corporate debt securities available for sale are denominated in U.S. Dollars.

In the three and nine month periods ended September 30, 2024 and September 30, 2023, proceeds from sales, redemptions and calls, gross realized gains, and gross realized losses of debt securities available for sale were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
(in thousands)				
Proceeds from sales, redemptions and calls of debt securities available for sale	\$ 139,886	\$ —	\$ 142,766	\$ 1,240
Gross realized gains	\$ —	\$ —	\$ —	\$ —
Gross realized losses	( 6,753 )	—	( 6,873 )	( 10,760 )
Realized (loss) gain, net	\$ ( 6,753 )	\$ —	\$ ( 6,873 )	\$ ( 10,760 )

The Company's investment in debt securities available for sale with unrealized losses aggregated by the length of time that individual securities have been in a continuous unrealized loss position, are summarized below:

	September 30, 2024							
	Less Than 12 Months			12 Months or More			Total	
	Number of Securities	Estimated Fair Value	Unrealized Loss	Number of Securities	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
(in thousands, except securities count)								
U.S. government-sponsored enterprise debt securities	10	\$ 91,333	\$ ( 496 )	272	\$ 357,263	\$ ( 16,526 )	\$ 448,596	\$ ( 17,022 )
Corporate debt securities	—	—	—	1	11,560	( 967 )	11,560	( 967 )
U.S. government agency debt securities	3	6,925	( 32 )	138	154,843	( 8,376 )	161,768	( 8,408 )
Municipal bonds	—	—	—	3	1,632	( 99 )	1,632	( 99 )
U.S. treasury securities	—	—	—	1	1,999	( 1 )	1,999	( 1 )
	13	\$ 98,258	\$ ( 528 )	415	\$ 527,297	\$ ( 25,969 )	\$ 625,555	\$ ( 26,497 )

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

(in thousands, except securities count)	December 31, 2023							
	Less Than 12 Months			12 Months or More			Total	
	Number of Securities	Estimated Fair Value	Unrealized Loss	Number of Securities	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss
U.S. government sponsored enterprise debt securities	7	\$ 68,923	\$ ( 187 )	328	\$ 347,632	\$ ( 36,775 )	\$ 416,555	\$ ( 36,962 )
Corporate debt securities	2	3,992	( 13 )	59	256,810	( 24,402 )	260,802	( 24,415 )
U.S. government agency debt securities	12	19,475	( 137 )	158	296,632	( 38,645 )	316,107	( 38,782 )
Municipal bonds	—	—	—	3	1,668	( 63 )	1,668	( 63 )
U.S. treasury securities	1	1,991	( 7 )	—	—	—	1,991	( 7 )
Collateralized Loan Obligations	1	4,957	( 43 )	—	—	—	4,957	( 43 )
	23	\$ 99,338	\$ ( 387 )	548	\$ 902,742	\$ ( 99,885 )	\$ 1,002,080	\$ ( 100,272 )

Upon successfully completing the Public Offering, the Company initiated the Securities Repositioning aimed at improving yields, increasing liquidity and de-risking the securities portfolio. As part of this strategy, in the third quarter of 2024, the Company: (i) transferred at their fair value (which was below their amortized cost basis) all of the debt securities previously classified as held to maturity and carried at amortized cost to the debt securities available for sale category; (ii) sold all of the Company's investments in subordinated debt securities, included in corporate debt securities, which resulted in a pre-tax loss on sale of approximately \$ 6.7 million in the third quarter of 2024; and (iii) decided to sell all other corporate debt securities. In addition, as a result of its decision to sell all debt securities available for sale (including those previously classified as held to maturity) which had accumulated unrealized losses and met the criteria for inclusion in the Securities Repositioning, the Company recorded a pre-tax impairment loss totaling approximately \$ 61.8 million on debt securities available for sale, and resulted in a write down of their previous amortized cost to their estimated fair value as of September 30, 2024. The Company completed the Securities Repositioning in October 2024, which resulted in an additional pre-tax loss on sale of approximately \$ 8.1 million as a result of the subsequent decline in fair market value of the securities.

As of September 30, 2024, securities sold and securities purchased which were pending settlement at that date totaled approximately \$ 24.9 million and \$ 23.1 million, respectively, and are included in other assets and other liabilities, respectively, on the Company's consolidated balance sheet. These balances were settled in October 2024.

### U.S. Government Sponsored Enterprise Debt Securities and U.S. Government Agency Debt Securities

At September 30, 2024 and December 31, 2023, the Company held certain debt securities issued or guaranteed by the U.S. government and U.S. government-sponsored entities and agencies. The Company evaluates these securities for credit losses by reviewing current market conditions, the extent and nature of changes in fair value, credit ratings, default and delinquency rates and current analysts' evaluations. The Company believes the decline in fair value on these debt securities below their amortized cost basis is attributable to changes in interest rates and investment securities markets, generally, and not credit quality. As a result, the Company did not record an Allowance for Credit Losses, or ACL, on these securities as of September 30, 2024 and December 31, 2023. Additionally, the Company does not intend to sell these debt securities (except those securities included in the Securities Repositioning as of September 30, 2024), and it considers it is more likely than not that it will not be required to sell the securities before their anticipated recovery.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### Corporate Debt Securities

The Company evaluates corporate debt securities for credit losses by reviewing various qualitative and quantitative factors such as current market conditions, the extent and nature of changes in fair value, credit ratings, default and delinquency rates, and current analysts' evaluations. The Company believes the decline in fair value on these debt securities below their amortized cost basis is attributable to changes in interest rates and investment securities markets, generally, and not credit quality. As a result, the Company did not record an ACL on these securities as of September 30, 2024 and December 31, 2023. Additionally, the Company does not intend to sell these debt securities (except those securities included in the Securities Repositioning as of September 30, 2024), and it considers it is more likely than not that it will not be required to sell the securities before their anticipated recovery.

On March 12, 2023, Signature Bank, N.A. ("Signature") was closed by the New York State Department of Financial Services, which appointed the FDIC as receiver. The FDIC, as receiver, announced that shareholders and certain unsecured debt holders would not be protected. On March 27, 2023, the Bank sold in an open market transaction one corporate debt security held for sale issued by Signature (the "Signature Bond") with a fair value of \$ 9.1 million and unrealized loss of \$ 0.9 million, and realized a pretax loss on sale of approximately \$ 9.5 million, which is recorded in the consolidated statement of comprehensive income for the six months ended June 30, 2023.

In May 2023, the Company sold a portion of its investment in a corporate debt security held for sale issued by a financial institution, to reduce single point exposure. The Company had proceeds of \$ 0.8 million and realized a pre-tax loss of \$ 1.2 million in connection with this transaction. This loss was recorded in the consolidated statement of comprehensive (loss) income for the three and six months ended June 30, 2023.

#### Debt securities held to maturity

As a result of the Securities Repositioning, the Company did not have debt securities held to maturity as of September 30, 2024. As of December 31, 2023, amortized cost and approximate fair values of debt securities held to maturity are summarized as follows:

(in thousands)	December 31, 2023				
	Amortized Cost	Gross Unrealized		Estimated Fair Value	Allowance for Credit Losses
		Gains	Losses		
U.S. government agency debt securities (1)	\$ 63,883	\$ 387	\$ ( 6,914 )	\$ 57,356	\$ —
U.S. government sponsored enterprise debt securities (1) (2)	162,762	—	( 15,173 )	147,589	—
Total debt securities held to maturity (3)	<u>\$ 226,645</u>	<u>\$ 387</u>	<u>\$ ( 22,087 )</u>	<u>\$ 204,945</u>	<u>\$ —</u>

(1) Includes residential mortgage-backed securities. As of December 31, 2023, we had total residential mortgage-backed securities, included as part of total debt securities held to maturity, with amortized cost of \$ 199.2 million and fair value of \$ 179.2 million.

(2) Includes commercial mortgage-backed securities. As of December 31, 2023, includes total commercial mortgage-backed securities with amortized cost of \$ 27.5 million and fair value of \$ 25.7 million.

(3) Excludes accrued interest receivable of \$ 0.7 million as of December 31, 2023, which is included as part of accrued interest receivable and other assets in the Company's consolidated balance sheet. The Company did not record any write offs on accrued interest receivable related to these securities in 2023.



## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

As of December 31, 2023, the Company's investment in debt securities held to maturity with unrealized losses aggregated by length of time that individual securities have been in a continuous unrealized loss position, are summarized below:

	December 31, 2023								
	Less Than 12 Months			12 Months or More			Total		
(in thousands)	Number of Securities	Estimated Fair Value	Unrealized Loss	Number of Securities	Estimated Fair Value	Unrealized Loss	Estimated Fair Value	Unrealized Loss	
U.S. government agency debt securities	—	\$ —	\$ —	12	\$ 47,370	\$ ( 6,914 )	\$ 47,370	\$ ( 6,914 )	
U.S. government sponsored enterprise debt securities	—	—	—	34	147,590	( 15,173 )	147,590	( 15,173 )	
	—	\$ —	\$ —	46	\$ 194,960	\$ ( 22,087 )	\$ 194,960	\$ ( 22,087 )	

The Company evaluates all debt securities held to maturity quarterly to determine if any securities in an unrealized loss position require an ACL. The Company considers that all debt securities held to maturity issued or sponsored by the U.S. government are considered to be risk-free as they have the backing of the government. The Company did not have debt securities held to maturity as of September 30, 2024. As of December 31, 2023, the Company believed there were no current expected credit losses on these securities and, therefore, did not record an ACL on any of its debt securities held to maturity as of that date. The Company monitors the credit quality of held to maturity securities through the use of credit ratings. Credit ratings are monitored by the Company on at least a quarterly basis. As of December 31, 2023, all debt securities held to maturity held by the Company were rated investment grade or higher.

#### Contractual maturities

Contractual maturities of debt securities at September 30, 2024 are as follows:

(in thousands)	Available for Sale	
	Amortized Cost	Estimated Fair Value
Within 1 year	\$ 10,368	\$ 10,364
After 1 year through 5 years	126,402	126,077
After 5 years through 10 years	109,660	108,845
After 10 years	1,248,751	1,231,092
	\$ 1,495,181	\$ 1,476,378

## **Amerant Bancorp Inc. and Subsidiaries**

### **Notes to Interim Consolidated Financial Statements (Unaudited)**

#### **b) Equity securities with readily available fair value not held for trading**

As of September 30, 2024 and December 31, 2023, the Company had an equity security with readily available fair value not held for trading with an original cost of \$ 2.5 million and fair values of \$ 2.6 million and \$ 2.5 million, respectively. These equity securities have no stated maturities. There were no significant unrealized gains and losses related to these equity securities in the three and nine month periods ended September 30, 2024 and 2023.

In the three months ended March 31, 2023, the Company sold its equity securities with readily available fair value not held for trading, with a total fair value of \$ 11.2 million at the time of sale, and recognized a net loss of \$ 0.2 million in connection with this transaction.

#### **c) Securities Pledged**

As of September 30, 2024 and December 31, 2023, the Company had \$ 251.2 million and \$ 206.4 million, respectively, in securities pledged as collateral. These securities were pledged to secure public funds and for other purposes as permitted by law.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 4. Loans

##### a) Loans held for investment

Loans held for investment consist of the following loan classes:

<i>(in thousands)</i>	September 30, 2024	December 31, 2023
Real estate loans		
Commercial real estate		
Non-owner occupied	\$ 1,688,308	\$ 1,616,200
Multi-family residential	351,815	407,214
Land development and construction loans	421,489	300,378
	2,461,612	2,323,792
Single-family residential	1,499,599	1,466,608
Owner occupied	1,001,762	1,175,331
	4,962,973	4,965,731
Commercial loans	1,630,318	1,503,187
Loans to financial institutions and acceptances	92,489	13,375
Consumer loans and overdrafts	278,391	391,200
Total loans held for investment, gross (1)	\$ 6,964,171	\$ 6,873,493

(1) Excludes accrued interest receivable.

At September 30, 2024 and December 31, 2023, loans with outstanding principal balances of \$ 2.2 billion were pledged as collateral to secure advances from the FHLB.

The amounts above include loans under syndication facilities of approximately \$ 391 million and \$ 271.8 million at September 30, 2024 and December 31, 2023, respectively, which include Shared National Credit facilities and agreements to enter into credit agreements with other lenders (club deals) and other agreements. In addition, consumer loans and overdrafts in the table above include indirect consumer loans purchased totaling \$ 103.9 million and \$ 210.9 million at September 30, 2024 and December 31, 2023, respectively.

International loans included above were \$ 41.7 million and \$ 87.6 million at September 30, 2024 and December 31, 2023, respectively, mainly single-family residential loans. These loans are generally fully collateralized with cash, cash equivalents or other financial instruments.

The Company purchased single-family residential loans totaling \$ 6.7 million and \$ 10.3 million in the three months ended September 30, 2024 and 2023, respectively, and \$ 17.9 million and \$ 17.5 million in the nine months ended September 30, 2024 and 2023, respectively.

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

The age analyses of the loan portfolio by class as of September 30, 2024 and December 31, 2023, are summarized in the following tables:

(in thousands)	September 30, 2024					
	Total Loans, Net of Unearned Income		Past Due			
			30-59	60-89	Greater than	Total Past
	Current		Days	Days	90 Days	Due
Real estate loans						
Commercial real estate						
Non-owner occupied	\$ 1,688,308	\$ 1,687,653	\$ 655	\$ —	\$ —	\$ 655
Multi-family residential	351,815	351,815	—	—	—	—
Land development and construction loans	421,489	421,489	—	—	—	—
	2,461,612	2,460,957	655	—	—	655
Single-family residential	1,499,599	1,489,004	596	2,044	7,955	10,595
Owner occupied	1,001,762	981,715	7,381	8,231	4,435	20,047
	4,962,973	4,931,676	8,632	10,275	12,390	31,297
Commercial loans	1,630,318	1,606,510	4,464	9,422	9,922	23,808
Loans to financial institutions and acceptances	92,489	92,489	—	—	—	—
Consumer loans and overdrafts	278,391	274,361	2,397	1,199	434	4,030
	<u>\$ 6,964,171</u>	<u>\$ 6,905,036</u>	<u>\$ 15,493</u>	<u>\$ 20,896</u>	<u>\$ 22,746</u>	<u>\$ 59,135</u>

(in thousands)	December 31, 2023					
	Total Loans, Net of Unearned Income		Past Due			
			30-59	60-89	Greater than	Total Past
	Current		Days	Days	90 Days	Due
Real estate loans						
Commercial real estate						
Non-owner occupied	\$ 1,616,200	\$ 1,615,772	\$ 428	\$ —	\$ —	\$ 428
Multi-family residential	407,214	403,288	2,360	1,558	8	3,926
Land development and construction loans	300,378	300,378	—	—	—	—
	2,323,792	2,319,438	2,788	1,558	8	4,354
Single-family residential	1,466,608	1,453,073	4,196	3,511	5,828	13,535
Owner occupied	1,175,331	1,164,059	9,642	185	1,445	11,272
	4,965,731	4,936,570	16,626	5,254	7,281	29,161
Commercial loans	1,503,187	1,472,531	23,128	1,626	5,902	30,656
Loans to financial institutions and acceptances	13,375	13,375	—	—	—	—
Consumer loans and overdrafts	391,200	383,689	3,142	4,277	92	7,511
	<u>\$ 6,873,493</u>	<u>\$ 6,806,165</u>	<u>\$ 42,896</u>	<u>\$ 11,157</u>	<u>\$ 13,275</u>	<u>\$ 67,328</u>

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### Nonaccrual status

The following tables present the amortized cost basis of loans on nonaccrual status and loans past due over 90 days and still accruing as of September 30, 2024 and December 31, 2023:

	As of September 30, 2024			
	Nonaccrual Loans With No Related Allowance	Nonaccrual Loans With Related Allowance	Total Nonaccrual Loans (1)	Loans Past Due Over 90 Days and Still Accruing
<i>(in thousands)</i>				
Real estate loans				
Commercial real estate				
Nonowner occupied	\$ 1,916	\$ —	\$ 1,916	\$ —
Multi-family residential	—	—	—	—
Land development and construction loans	—	—	—	—
	1,916	—	1,916	—
Single-family residential	9,282	4,170	13,452	1,129
Owner occupied	27,560	1,680	29,240	—
	38,758	5,850	44,608	1,129
Commercial loans	68,287	367	68,654	104
Consumer loans and overdrafts	—	—	—	434
Total	\$ 107,045	\$ 6,217	\$ 113,262	\$ 1,667

	As of December 31, 2023			
	Nonaccrual Loans With No Related Allowance	Nonaccrual Loans With Related Allowance	Total Nonaccrual Loans (1)	Loans Past Due Over 90 Days and Still Accruing
<i>(in thousands)</i>				
Real estate loans				
Commercial real estate				
Nonowner occupied	\$ —	\$ —	\$ —	\$ —
Multi-family residential	8	—	8	—
	8	—	8	—
Single-family residential	773	1,686	2,459	5,218
Owner occupied	3,693	129	3,822	—
	4,474	1,815	6,289	5,218
Commercial loans	3,669	18,280	21,949	857
Consumer loans and overdrafts	—	38	38	49
Total	\$ 8,143	\$ 20,133	\$ 28,276	\$ 6,124

The Company did not recognize any interest income on nonaccrual loans during the three and nine month periods ended September 30, 2024 and 2023.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### b) Loans held for sale

Loans held for sale consist of the following loan classes:

(in thousands)	September 30, 2024	December 31, 2023
<b><u>Loans held for sale at the lower of cost or fair value</u></b>		
Real estate loans		
Commercial real estate		
Non-owner occupied	\$ 111,591	\$ —
Multi-family residential	—	309,612
Land development and construction loans	35,020	55,607
	146,611	365,219
Single-family residential	87,820	—
Owner occupied	221,774	—
	456,205	365,219
Commercial loans	87,866	—
Consumer loans	9,870	—
Total loans held for sale at the lower of cost or fair value (1)	553,941	365,219
<b><u>Mortgage loans held for sale at fair value</u></b>		
Land development and construction loans	10,608	12,778
Single-family residential	33,243	13,422
Total mortgage loans held for sale at fair value (2)	43,851	26,200
Total loans held for sale (3)	\$ 597,792	\$ 391,419

(1) In the second quarter of 2024, the Company transferred an aggregate of \$ 553.1 million in connection with the Houston Sale Transaction. The Company recorded a valuation allowance of \$ 1.3 million as a result of the transfer in the same period. In the fourth quarter of 2023, the Company transferred an aggregate of \$ 401.0 million in Houston-based CRE loans held for investment to the loans held for sale category, and recognized a valuation allowance of \$ 35.5 million as a result of the fair value adjustment of these loans. The Company sold these loans in the first quarter of 2024 and there was no material impact to the Company's results of operations as result of this transaction.

(2) Loans held for sale in connection with Amerant Mortgage's ongoing business.

(3) Excludes accrued interest receivable.

#### c) Concentration of risk

While seeking diversification of our loan portfolio, the Company is dependent mostly on the economic conditions that affect South Florida, the greater Tampa, Houston and the five New York City boroughs. At September 30, 2024, our commercial real estate loans held for investment based in Florida, Houston, New York and other regions were \$ 2.0 billion, \$ 175 million, \$ 223 million and \$ 54 million, respectively.

#### d) Accrued interest receivable on loans

Accrued interest receivable on total loans, including loans held for investment and held for sale, was \$ 41.6 million and \$ 44.2 million as of September 30, 2024 and December 31, 2023, respectively.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 5. Allowance for Credit Losses

The analyses by loan segment of the changes in the Allowance for Credit Losses, or ACL, for loans for the three and nine month periods ended September 30, 2024 and 2023 is summarized in the following tables:

Three Months Ended September 30, 2024					
(in thousands)	Real Estate	Commercial	Financial Institutions	Consumer and Others	Total
<b>Balance at beginning of the period</b>	\$ 19,064	\$ 52,143	\$ —	\$ 23,193	\$ 94,400
(Reversal of) provision for credit losses - loans	( 2,126 )	16,234	—	3,762	17,870
Loans charged-off	—	( 31,416 )	—	( 4,175 )	( 35,591 )
Recoveries	15	1,944	—	1,252	3,211
<b>Balance at end of the period</b>	<u>\$ 16,953</u>	<u>\$ 38,905</u>	<u>\$ —</u>	<u>\$ 24,032</u>	<u>\$ 79,890</u>

Nine Months Ended September 30, 2024					
(in thousands)	Real Estate	Commercial	Financial Institutions	Consumer and Others	Total
<b>Balance at beginning of the period</b>	\$ 25,876	\$ 41,809	\$ —	\$ 27,819	\$ 95,504
(Reversal of) provision for credit losses - loans	( 8,383 )	41,465	—	14,838	47,920
Loans charged-off	( 591 )	( 47,294 )	—	( 21,122 )	( 69,007 )
Recoveries	51	2,925	—	2,497	5,473
<b>Balance at end of the period</b>	<u>\$ 16,953</u>	<u>\$ 38,905</u>	<u>\$ —</u>	<u>\$ 24,032</u>	<u>\$ 79,890</u>

Three Months Ended September 30, 2023					
(in thousands)	Real Estate	Commercial	Financial Institutions	Consumer and Others	Total
<b>Balance at beginning of the period</b>	\$ 42,238	\$ 36,626	\$ —	\$ 27,092	\$ 105,956
(Reversal of) provision for credit losses - loans	( 3,067 )	4,852	—	5,615	7,400
Loans charged-off	( 90 )	( 9,288 )	—	( 6,441 )	( 15,819 )
Recoveries	10	736	—	490	1,236
<b>Balance at end of the period</b>	<u>\$ 39,091</u>	<u>\$ 32,926</u>	<u>\$ —</u>	<u>\$ 26,756</u>	<u>\$ 98,773</u>

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### Nine Months Ended September 30, 2023

(in thousands)	Real Estate	Commercial	Financial Institutions	Consumer and Others	Total
<b>Balance at beginning of the period</b>	\$ 25,237	\$ 25,888	\$ —	\$ 32,375	\$ 83,500
Provision for credit losses - loans	13,655	20,639	—	13,883	48,177
Loans charged-off	( 90 )	( 18,715 )	—	( 20,428 )	( 39,233 )
Recoveries	289	5,114	—	926	6,329
<b>Balance at end of the period</b>	<u>\$ 39,091</u>	<u>\$ 32,926</u>	<u>\$ —</u>	<u>\$ 26,756</u>	<u>\$ 98,773</u>

The ACL was determined utilizing a reasonable and supportable forecast period. The ACL was determined using a weighted-average of various economic scenarios provided by a third-party and incorporated qualitative components. There have not been material changes in our policies and methodology to estimate the ACL in the nine months ended September 30, 2024.

The ACL decreased by \$ 15.6 million, or 16.3 % at September 30, 2024, compared to December 31, 2023. The ACL as a percentage of total loans held for investment was 1.15 % at September 30, 2024 compared to 1.39 % at December 31, 2023. The provision for credit losses on loans in the three and nine month periods ended September 30, 2024 was offset by net charge-offs.

In the third quarter of 2024, the provision for credit losses on loans included \$ 14.7 million to cover charge-offs, \$ 2.3 million due to loan composition and \$ 0.8 million due to general credit quality and macroeconomic factor updates.

In the first nine months of 2024, the provision for credit losses on loans included \$ 37.2 million to cover charge-offs, \$ 14.6 million in new specific reserves for non-performing loans and \$ 6.5 million due to loan composition and volume changes. These provision requirements were partially offset by a release of \$ 6.0 million due to credit quality and macroeconomic factor updates and a \$ 4.4 million release due to the Houston loan portfolio classification as held-for-sale.

The following is a summary of net proceeds from sales of loans held for investment by portfolio segment:

### Three Months Ended September 30, (in thousands)

	Real Estate	Commercial	Financial Institutions	Consumer and others	Total
2024	\$ 28,656	\$ 6,960	\$ —	\$ —	\$ 35,616
2023	\$ 20,500	\$ 6,909	\$ —	\$ —	\$ 27,409

### Nine Months Ended September 30, (in thousands)

	Real Estate	Commercial	Financial Institutions	Consumer and others	Total
2024	\$ 30,424	\$ 72,588	\$ —	\$ —	\$ 103,012
2023	\$ 34,075	\$ 7,796	\$ —	\$ —	\$ 41,871



## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### Loan Modifications to Borrowers Experiencing Financial Difficulty

The Company modifies loans related to borrowers experiencing financial difficulties by providing multiple types of concessions. Typically, one type of concession, such as a term extension, is granted initially. If the borrower continues to experience financial difficulty, another concession, such as principal forgiveness, may be granted.

The Company had no new loan modifications to borrowers experiencing financial difficulty during the three and nine month periods ended September 30, 2024 and 2023. There were no loans that defaulted in the nine months ended September 30, 2024 and 2023 and had been modified within 12 months preceding the payment default related to these modifications.

#### Credit Risk Quality

The sufficiency of the ACL is reviewed at least quarterly by the Chief Risk Officer and the Chief Financial Officer. The Board of Directors considers the ACL as part of its review of the Company's consolidated financial statements. As of September 30, 2024 and December 31, 2023, the Company believes the ACL to be sufficient to absorb expected credit losses in the loans portfolio in accordance with GAAP.

Loans may be classified but not considered collateral dependent due to one of the following reasons: (1) the Company has established minimum dollar amount thresholds for individual assessment of expected credit losses, which results in loans under those thresholds being excluded from individual assessment of expected credit losses; and (2) classified loans may be considered in the assessment because the Company expects to collect all amounts due.

As part of the on-going monitoring of the credit quality of the Company's loan portfolio, management tracks certain credit quality indicators including trends related primarily to (i) the risk rating of loans, (ii) the loan payment status, (iii) net charge-offs, (iv) nonperforming loans and (v) the general economic conditions in the main geographies where the Company's borrowers conduct their businesses. The Company considers the views of its regulators as to loan classification and in the process of estimating expected credit losses.

The Company utilizes an internal risk rating system to identify the risk characteristics of each of its loans, or group of homogeneous loans such as consumer loans. Internal risk ratings are updated on a continuous basis on a scale from 1 (worst credit quality) to 10 (best credit quality). Loans are then grouped in five master risk categories for purposes of monitoring rising levels of potential loss risks and to enable the activation of collection or recovery processes as defined in the Company's Credit Risk Policy. Internal risk ratings are considered the most meaningful indicator of credit quality for commercial loans. Generally, internal risk ratings for commercial real estate loans and commercial loans with balances over \$ 3 million are updated at least annually and more frequently if circumstances indicate that a change in risk rating may be warranted. For consumer loans, single-family residential loans and smaller commercial loans under \$ 3 million, risk ratings are updated based on the loans past due status. The following is a summary of the master risk categories and their associated loan risk ratings, as well as a description of the general characteristics of the master risk category:

	Loan Risk Rating
<b>Master risk category</b>	
Nonclassified	4 to 10
Classified	1 to 3
Substandard	3
Doubtful	2
Loss	1

## **Amerant Bancorp Inc. and Subsidiaries**

### **Notes to Interim Consolidated Financial Statements (Unaudited)**

#### **Nonclassified**

This category includes loans considered as Pass (5-10) and Special Mention (4). A loan classified as Pass is considered of sufficient quality to preclude a lower adverse rating. These loans are generally well protected by the current net worth and paying capacity of the borrower or by the value of any collateral received. Special Mention loans are defined as having potential weaknesses that deserve management's close attention which, if left uncorrected, could potentially result in further credit deterioration. Special Mention loans may include loans originated with certain credit weaknesses or that developed those weaknesses since their origination.

#### **Classified**

This classification indicates the presence of credit weaknesses which could make loan repayment unlikely, such as partial or total late payments and other contractual defaults.

#### **Substandard**

A loan classified substandard is inadequately protected by the sound worth and paying capacity of the borrower or the collateral pledged. They are characterized by the distinct possibility that the Company will sustain some loss if the credit weaknesses are not corrected. Loss potential, while existing in the aggregate amount of substandard loans, does not have to exist in individual assets.

#### **Doubtful**

These loans have all the weaknesses inherent in a loan classified as substandard with the added characteristic that the weaknesses make collection or liquidation in full, on the basis of currently existing facts, conditions, and values, highly questionable and improbable. These are poor quality loans in which neither the collateral, if any, nor the financial condition of the borrower presently ensure collection in full in a reasonable period of time. As a result, the possibility of loss is extremely high.

#### **Loss**

Loans classified as loss are considered uncollectible and of such little value that the continuance as bankable assets is not warranted. This classification does not mean that the assets have absolutely no recovery or salvage value, but not to the point where a write-off should be deferred even though partial recoveries may occur in the future. This classification is based upon current facts, not probabilities. As a result, loans in this category should be promptly charged off in the period in which they are determined to be uncollectible.



LOAN								
Total Single-family residential	269,983	332,012	405,506	133,636	50,432	77,908	230,122	1,499,599
Owner occupied								
Credit Risk Rating:								
Nonclassified								
Pass	163,905	167,464	166,540	236,641	24,954	168,168	15,177	942,849
Special Mention	—	200	303	16,194	—	7,918	4,988	29,603
Classified								
Substandard	—	8,732	12,508	4,308	—	1,916	1,846	29,310
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total owner occupied	163,905	176,396	179,351	257,143	24,954	178,002	22,011	1,001,762

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

September 30, 2024

	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans	Total
							Amortized Cost	
(in thousands)	2024	2023	2022	2021	2020	Prior	Basis	
<b>Non-real estate loans</b>								
Commercial Loans								
Credit Risk Rating:								
Nonclassified								
Pass	438,731	315,982	182,732	48,741	3,832	33,196	525,233	1,548,447
Special Mention	—	—	10,449	—	—	—	1,993	12,442
Classified								
Substandard	3,217	8,692	7,048	26	91	18,663	31,692	69,429
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total commercial Loans	441,948	324,674	200,229	48,767	3,923	51,859	558,918	1,630,318
Loans to financial institutions and acceptances								
Credit Risk Rating:								
Nonclassified								
Pass	78,989	—	—	—	—	13,500	—	92,489
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total loans to financial institutions and acceptances	78,989	—	—	—	—	13,500	—	92,489
Consumer loans								
Credit Risk Rating:								
Nonclassified								
Pass	41,173	18,078	107,835	23,169	3,655	—	84,481	278,391
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total consumer loans and overdrafts	41,173	18,078	107,835	23,169	3,655	—	84,481	278,391
Total loans held for investment, gross	\$ 1,374,565	\$ 1,094,869	\$ 1,152,343	\$ 1,025,676	\$ 142,902	\$ 938,746	\$ 1,235,070	\$ 6,964,171



# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

	December 31, 2023							
	Term Loans							
	Amortized Cost Basis by Origination Year							
							Revolving Loans	
							Amortized Cost	
(in thousands)	2023	2022	2021	2020	2019	Prior	Basis	Total
<b>Real estate loans</b>								
Commercial real estate								
Nonowner occupied								
Credit Risk Rating:								
Nonclassified								
Pass	\$ 163,018	\$ 189,356	\$ 564,003	\$ 35,615	\$ 89,920	\$ 401,140	\$ 173,148	\$ 1,616,200
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total Nonowner occupied	163,018	189,356	564,003	35,615	89,920	401,140	173,148	1,616,200
Multi-family residential								
Credit Risk Rating:								
Nonclassified								
Pass	1,860	69,875	96,028	5,930	72,389	119,550	41,574	407,206
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	8	—	8
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total Multi-family residential	1,860	69,875	96,028	5,930	72,389	119,558	41,574	407,214
Land development and construction loans								
Credit Risk Rating:								
Nonclassified								
Pass	71,157	9,920	28,934	21,959	—	26,942	141,466	300,378
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total land development and construction loans	71,157	9,920	28,934	21,959	—	26,942	141,466	300,378
Single-family residential								
Credit Risk Rating:								
Nonclassified								
Pass	410,185	454,011	166,997	64,228	20,571	69,479	278,337	1,463,808
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	384	2,416	2,800
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total Single-family residential	410,185	454,011	166,997	64,228	20,571	69,863	280,753	1,466,608
Owner occupied								

Credit Risk Rating:

Nonclassified								
Pass	221,137	245,680	414,263	20,741	57,681	158,678	37,538	1,155,718
Special Mention	—	4,186	7,926	—	—	—	3,611	15,723
Classified								
Substandard	—	—	2,530	—	—	825	535	3,890
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total owner occupied	221,137	249,866	424,719	20,741	57,681	159,503	41,684	1,175,331



# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

	December 31, 2023							
	Term Loans Amortized Cost Basis by Origination Year						Revolving Loans Amortized Cost	Total
(in thousands)	2023	2022	2021	2020	2019	Prior	Basis	
<b>Non-real estate loans</b>								
Commercial Loans								
Credit Risk Rating:								
Nonclassified								
Pass	414,882	280,911	13,432	9,738	34,209	34,804	661,979	1,449,955
Special Mention	—	—	—	—	—	2,056	28,205	30,261
Classified								
Substandard	563	500	—	91	1,775	794	19,248	22,971
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total commercial Loans	415,445	281,411	13,432	9,829	35,984	37,654	709,432	1,503,187
Loans to financial institutions and acceptances								
Credit Risk Rating:								
Nonclassified								
Pass	—	—	—	—	—	13,375	—	13,375
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	—	—
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total loans to financial institutions and acceptances	—	—	—	—	—	13,375	—	13,375
Consumer loans								
Credit Risk Rating:								
Nonclassified								
Pass	27,977	183,235	51,278	12,833	26	—	115,810	391,159
Special Mention	—	—	—	—	—	—	—	—
Classified								
Substandard	—	—	—	—	—	—	41	41
Doubtful	—	—	—	—	—	—	—	—
Loss	—	—	—	—	—	—	—	—
Total consumer loans and overdrafts	27,977	183,235	51,278	12,833	26	—	115,851	391,200
Total loans held for investment, gross	\$ 1,310,779	\$ 1,437,674	\$ 1,345,391	\$ 171,135	\$ 276,571	\$ 828,035	\$ 1,503,908	\$ 6,873,493



# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

The following tables present gross charge-offs by year of origination for the periods presented:

	Three Months Ended September 30, 2024											
	Term Loans Charge-offs by Origination Year											
(in thousands)	2024	2023	2022	2021	2020	Prior		Revolving Loans Charge-Offs		Total		
Quarter-To-Date Gross Charge-offs												
Real estate loans												
Commercial real estate												
Nonowner occupied	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
Multi-family residential	—	—	—	—	—	—	—	—	—	—	—	—
Land development and construction loans	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—
Single-family residential	—	—	—	—	—	—	—	—	—	—	—	—
Owner occupied	—	—	—	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—	—	—	—
Commercial loans	—	5,345	15,046	68	36	10,921		—		31,416		
Loans to financial institutions and acceptances	—	—	—	—	—	—		—		—		
Consumer loans and overdrafts	51	358	2,876	741	121	28		—		4,175		
Total Quarter-To-Date Gross Charge-Offs	\$ 51	\$ 5,703	\$ 17,922	\$ 809	\$ 157	\$ 10,949		\$ —		\$ 35,591		

	Nine Months Ended September 30, 2024									
	Term Loans Charge-offs by Origination Year						Revolving Loans Charge-Offs	Total		
(in thousands)	2024	2023	2022	2021	2020	Prior				
Year-To-Date Gross Charge-offs										
Real estate loans										
Commercial real estate										
Nonowner occupied	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	
Multi-family residential	—	—	—	—	—	591	—	591		
Land development and construction loans	—	—	—	—	—	—	—	—		
	—	—	—	—	—	591	—	591		
Single-family residential	—	—	—	—	—	—	—	—		
Owner occupied	—	—	—	—	—	—	—	—		
	—	—	—	—	—	—	—	—		
Commercial loans	173	6,133	29,327	305	157	11,199	—	47,294		
Loans to financial institutions and acceptances	—	—	—	—	—	—	—	—		
Consumer loans and overdrafts	185	943	14,300	4,669	680	345	—	21,122		
Total Year-To-Date Gross Charge-Offs	\$ 358	\$ 7,076	\$ 43,627	\$ 4,974	\$ 837	\$ 12,135	\$ —	\$ 69,007		

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

Three Months Ended September 30, 2023

	Term Loans Charge-offs by Origination Year								
(in thousands)	2023	2022	2021	2020	2019	Prior	Revolving Loans Charge-Offs	Total	
Quarter-To-Date Gross Charge-offs									
Real estate loans									
Commercial real estate									
Nonowner occupied	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 90	\$ —	\$ 90	
Multi-family residential	—	—	—	—	—	—	—	—	
Land development and construction loans	—	—	—	—	—	—	—	—	
	—	—	—	—	—	90	—	90	
Single-family residential	—	—	—	—	—	—	—	—	
Owner occupied	—	—	—	—	—	—	—	—	
	—	—	—	—	—	90	—	90	
Commercial loans	108	534	46	4,868	1,814	1,918	—	9,288	
Loans to financial institutions and acceptances	—	—	—	—	—	—	—	—	
Consumer loans and overdrafts	193	3,527	2,365	185	9	162	—	6,441	
Total Quarter-To-Date Gross Charge-Offs	\$ 301	\$ 4,061	\$ 2,411	\$ 5,053	\$ 1,823	\$ 2,170	\$ —	\$ 15,819	

Nine Months Ended September 30, 2023

	Term Loans Charge-offs by Origination Year						Revolving Loans	
(in thousands)	2023	2022	2021	2020	2019	Prior	Charge-Offs	Total
Year-To-Date Gross Charge-offs								
Real estate loans								
Commercial real estate								
Nonowner occupied	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 90	\$ —	\$ 90
Multi-family residential	—	—	—	—	—	—	—	—
Land development and construction loans	—	—	—	—	—	—	—	—
	—	—	—	—	—	90	—	90
Single-family residential	—	—	—	—	—	39	—	39
Owner occupied	—	—	—	—	—	—	—	—
	—	—	—	—	—	129	—	129
Commercial loans	108	9,308	216	5,026	1,814	2,243	—	18,715
Loans to financial institutions and acceptances	—	—	—	—	—	—	—	—
Consumer loans and overdrafts	592	9,589	8,608	1,031	22	547	—	20,389
Total Year-To-Date Gross Charge-Offs	\$ 700	\$ 18,897	\$ 8,824	\$ 6,057	\$ 1,836	\$ 2,919	\$ —	\$ 39,233

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### Collateral -Dependent Loans

Loans are considered collateral-dependent when the repayment of the loan is expected to be provided by the sale or operation of the underlying collateral. The Company performs an individual evaluation as part of the process of calculating the allowance for credit losses related to these loans. The following tables present the amortized cost basis of collateral dependent loans related to borrowers experiencing financial difficulty by type of collateral as of September 30, 2024 and December 31, 2023:

(in thousands)	As of September 30, 2024				
	Collateral Type				Specific Reserves
	Commercial Real Estate	Residential Real Estate	Other	Total	
Real estate loans					
Commercial real estate					
Nonowner occupied (1)	\$ 1,914	\$ —	\$ —	\$ 1,914	\$ —
	1,914	—	—	1,914	—
Single-family residential (1)	\$ —	\$ 5,378	\$ —	\$ 5,378	\$ —
Owner occupied (2)	27,725	—	—	27,725	—
	29,639	5,378	—	35,017	—
Commercial loans	—	—	68,285	68,285	6
Consumer loans and overdrafts	—	—	—	—	—
Total	\$ 29,639	\$ 5,378	\$ 68,285	\$ 103,302	\$ 6

(1) Weighted-average loan-to-value was approximately 63.3 % at September 30, 2024.

(2) Weighted-average loan-to-value was approximately 22.9 % at September 30, 2024.

(in thousands)	As of December 31, 2023				
	Collateral Type				Specific Reserves
	Commercial Real Estate	Residential Real Estate	Other	Total	
Real estate loans					
Commercial real estate					
Multi-family residential	8	—	—	8	—
	8	—	—	8	—
Single-family residential (1)	—	773	—	773	—
Owner occupied (2)	3,684	—	—	3,684	—
	3,692	773	—	4,465	—
Commercial loans	—	—	21,250	21,250	8,073
Consumer loans and overdrafts	—	—	36	36	34
Total	\$ 3,692	\$ 773	\$ 21,286	\$ 25,751	\$ 8,107

(1) Weighted-average loan-to-value was approximately 64.8 % at December 31, 2023.

(2) Weighted-average loan-to-value was approximately 73.0 % at December 31, 2023.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

Collateral dependent loans are evaluated on an individual basis for purposes of determining expected credit losses. For collateral-dependent loans where the borrower is experiencing financial difficulty and the Company expects repayment of the financial asset to be provided substantially through the operation or sale of the collateral, the ACL is measured based on the difference between the fair value of the collateral and the amortized cost basis of the loan as of the measurement date. When repayment is expected to be from the operation of the collateral, expected credit losses are calculated as the amount by which the amortized cost basis of the loan exceeds the present value of expected cash flows from the operation of the collateral. When repayment is expected to be from the sale of the collateral, expected credit losses are calculated as the amount by which the amortized cost basis of the loan exceeds the fair value of the underlying collateral less estimated costs to sell. The ACL may be zero if the fair value of the collateral at the measurement date exceeds the amortized cost basis of the loan.

#### 6. Time Deposits

Time deposits in denominations of \$100,000 or more amounted to approximately \$ 1.4 billion and \$ 1.3 billion at September 30, 2024 and December 31, 2023, respectively. Time deposits in denominations of more than \$250,000 amounted to approximately \$ 758 million and \$ 693 million at September 30, 2024 and December 31, 2023, respectively. As of September 30, 2024 and December 31, 2023, brokered time deposits amounted to \$ 702 million and \$ 720 million, respectively.

##### *Large Time Deposits by Maturity*

The following table sets forth the maturities of our time deposits with individual balances equal to or greater than \$100,000 as of September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023		
(in thousands, except percentages)					
Less than 3 months	\$	403,429	28.8 %	\$ 178,102	13.7 %
3 to 6 months		458,906	32.7 %	239,843	18.4 %
6 to 12 months		373,825	26.7 %	698,897	53.6 %
1 to 3 years		141,167	10.1 %	174,792	13.4 %
Over 3 years		25,175	1.7 %	12,974	0.9 %
Total	\$	1,402,502	100.0 %	\$ 1,304,608	100.0 %

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### 7. Advances from the Federal Home Loan Bank

At September 30, 2024 and December 31, 2023, the Company had outstanding advances from the FHLB as follows:

Year of Maturity	Interest Rate	Interest Rate Type	Outstanding Balance	
			At September 30, 2024	At December 31, 2023
(in thousands)				
2024	5.46 %	Fixed	\$ —	\$ 40,000
2026	4.90 %	Fixed	10,000	10,000
2027	4.67 % to 4.89 %	Fixed	250,000	—
2028	3.45 % to 3.58 %	Fixed	—	595,000
2029 and after	3.54 % to 4.45 %	Fixed	655,000	—
Total (1)			\$ 915,000	\$ 645,000

(1) As of September 30, 2024 and December 31, 2023, includes advances from the FHLB with quarterly callable features totaling \$ 435.0 million and \$ 595.0 million, respectively, with fixed interest rates ranging from 3.54 % to 3.76 % and 3.44 % to 3.58 %, respectively, and maturing in 2029 and 2028, respectively.

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### 8. Derivative Instruments

At September 30, 2024 and December 31, 2023, the notional amounts and fair values of the Company's derivative instruments were as follows:

(in thousands)	September 30, 2024				December 31, 2023			
	Number of contracts	Notional Amounts	Other Assets	Other Liabilities	Number of contracts	Notional Amounts	Other Assets	Other Liabilities
Derivatives designated hedging instruments								
Interest rate swaps designated as cash flow hedges	6	\$ 114,178	\$ 44	\$ 119	6	\$ 114,178	\$ 296	\$ 366
Derivatives not designated as hedging instruments								
Interest rate swaps:								
Customers	155	1,301,221	18,389	31,350	146	1,037,773	6,767	47,221
Third party broker	155	1,301,221	31,350	18,389	146	1,037,773	47,221	6,767
	310	2,602,442	49,739	49,739	292	2,075,546	53,988	53,988
Credit risk participation agreements	9	82,389	—	—	7	92,654	—	—
Interest rate caps:								
Customers	10	243,710	—	1,296	13	325,995	—	4,983
Third party broker	10	243,710	1,296	—	14	360,995	5,195	—
	20	487,420	1,296	1,296	27	686,990	5,195	4,983
Mortgage derivatives:								
Interest rate lock commitments	163	113,501	1,137	20	93	43,087	447	2
Forward contracts	19	42,924	62	90	11	16,000	6	94
	182	156,425	1,199	110	104	59,087	453	96
Total derivatives not designated as hedging instruments	521	\$ 3,328,676	\$ 52,234	\$ 51,145	430	\$ 2,914,277	\$ 59,636	\$ 59,067
Total derivative instruments	527	\$ 3,442,854	\$ 52,278	\$ 51,264	436	\$ 3,028,455	\$ 59,932	\$ 59,433



## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### Derivatives Designated as Hedging Instruments

##### *Interest Rate Swaps On Debt Instruments*

The Company enters into interest rate swap contracts on debt instruments which the Company designates and qualifies as cash flow hedges. These interest rate swaps are designed as cash flow hedges to manage the exposure that arises from differences in the amount of the Company's known or expected cash receipts and the known or expected cash payments on designated debt instruments. These interest rate swap contracts involve the Company's payment of fixed-rate amounts in exchange for the Company receiving variable-rate payments over the life of the contracts without exchange of the underlying notional amount.

At September 30, 2024 and December 31, 2023, the Company had five interest rate swap contracts with notional amounts totaling \$ 64.2 million maturing in the third and fourth quarters of 2025. These contracts were designated as cash flow hedges to manage the exposure of variable rate interest payments on all of the Company's outstanding variable-rate junior subordinated debentures with principal amounts at September 30, 2024 and December 31, 2023 totaling \$ 64.2 million. The Company expects these interest rate swaps to be highly effective in offsetting the effects of changes in interest rates on cash flows associated with the Company's variable-rate junior subordinated debentures. The Company recognized unrealized gains of \$ 0.2 million and \$ 0.2 million in the three months ended September 30, 2024 and 2023, respectively, and unrealized gains of \$ 0.7 million and \$ 0.3 million in the nine months ended September 30, 2024 and 2023, respectively, related to these interest rate swap contracts. In connection with these interest rate swap contracts, which were included as part of interest expense on junior subordinated debentures in the Company's consolidated statement of operations and comprehensive income.

In 2019, the Company terminated 16 interest rate swaps that had been designated as cash flow hedges of variable rate interest payments on the outstanding and expected rollover of variable-rate advances from the FHLB. The Company is recognizing the contracts' cumulative net unrealized gains of \$ 8.9 million in earnings over the remaining original life of the terminated interest rate swaps ranging between one month and seven years . The Company recognizes a reduction of interest expense on FHLB advances as a result of this amortization.

##### *Interest Rate Swaps On Loans*

In the second quarter of 2023, the Company entered into an interest rate swap contract with a notional amount of \$ 50.0 million, and maturity in the second quarter of 2025. The Company designated this interest rate swap as a cash flow hedge to manage interest rate risk exposure on variable rate interest receipts on the first \$ 50 million principal balance of a pool of loans. This interest rate swap contract involves the Company's payment of variable-rate amounts in exchange for the Company receiving fixed-rate payments over the life of the contract without exchange of the underlying notional amount. Unrealized losses on these instruments are included as part of interest income on loans in the Company's consolidated statement of operations and comprehensive income.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### Derivatives Not Designated as Hedging Instruments

##### **a) Customer related positions**

The Company offers certain derivatives products, including interest rate swaps and caps, directly to qualified commercial banking customers to facilitate their risk management strategies. The Company partially offsets its exposure to interest rate swaps and caps by entering similar derivative contracts with various third-party brokers.

##### *Interest Rate Swaps*

Interest rate swap contracts involve the Company's payment of variable-rate amounts to customers in exchange for the Company receiving fixed-rate payments from customers over the life of the contracts without exchange of the underlying notional amount.

The Company enters into swap participation agreements with other financial institutions to manage the credit risk exposure on certain interest rate swaps with customers. Under these agreements, the Company, as the beneficiary or guarantor, will receive or make payments from/to the counterparty if the borrower defaults on the related interest rate swap contract. The notional amount of these agreements is based on the Company's pro-rata share of the related interest rate swap contracts.

##### *Interest Rate Caps*

Interest rate cap contracts involve the Company making payments if an interest rate exceeds the agreed strike price.

In April 2022, the Company entered into four interest rate cap contracts with various third-party brokers with total notional amounts of \$ 140.0 million. These interest rate caps initially served to partially offset changes in the estimated fair value of interest rate cap contracts with customers. At December 31, 2023, there was one interest rate cap contract with a notional amount of \$ 35.0 million in connection with this transaction. At September 30, 2024, there were no interest rate cap contracts in connection with this transaction.

##### **b) Mortgage Derivatives**

The Company enters into interest rate lock commitments and forward sale contracts to manage the risk exposure in the mortgage banking area. Interest rate lock commitments guarantee the funding of residential mortgage loans originated for sale, at specified interest rates and times in the future. Forward sale contracts consist of commitments to deliver mortgage loans, originated and/or purchased, in the secondary market at a future date. The change in the fair value of these instruments was an unrealized gain of \$ 0.3 million and \$ 0.1 million in the three months ended September 30, 2024 and 2023, respectively, and an unrealized gain of \$ 0.7 million and \$ 0.1 million in the nine months ended September 30, 2024 and 2023, respectively. These amounts were recorded as part of other noninterest income in the consolidated statements of operations and comprehensive income.

**Amerant Bancorp Inc. and Subsidiaries**  
**Notes to Interim Consolidated Financial Statements (Unaudited)**

*Credit Risk-Related Contingent Features*

Some agreements may require the Company to pledge securities as collateral when the valuation of the interest rate swap derivative contracts fall below a certain amount. There were \$ 5.9 million in securities pledged as collateral for interest rate swaps in a liability position at September 30, 2024. As of December 31, 2023, there were no securities pledged as collateral for these derivatives. Additionally, most of our derivative arrangements with counterparties require the posting of collateral upon meeting certain net exposure thresholds. As of September 30, 2024 and December 31, 2023, the Company had cash held as collateral of \$ 9.2 million and \$ 25.0 million, respectively. See Note 2 "Interest Earning Deposits with Banks, Other Short-Term Investments and Restricted Cash" for additional information about cash held as collateral.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 9. Income Taxes

The Company uses an estimated annual effective tax rate method in computing its interim tax provision. This effective tax rate is based on forecasted annual consolidated pre-tax income, permanent tax differences and statutory tax rates. Under this method, the tax effect of certain items that do not meet the definition of ordinary income or expense are computed and recognized as discrete items when they occur.

The effective combined federal and state tax rates for the nine months ended September 30, 2024 and 2023 were 22.50 % and 21.71 %, respectively. Effective tax rates differ from the statutory rates mainly due to the impact of forecasted permanent non-taxable interest and other income, forecasted permanent non-deductible expenses, and the effect of corporate state taxes.

#### 10. Accumulated Other Comprehensive (loss) Income ("AOCL/AOCI"):

The components of AOCL/AOCI are summarized as follows using applicable blended average federal and state tax rates for each period:

	September 30, 2024			December 31, 2023		
	Before Tax Amount	Tax Effect	Net of Tax Amount	Before Tax Amount	Tax Effect	Net of Tax Amount
(in thousands)						
Net unrealized holding losses on debt securities available for sale	\$ ( 18,803 )	\$ 4,757	\$ ( 14,046 )	\$ ( 97,042 )	\$ 24,614	\$ ( 72,428 )
Net unrealized holding gains on interest rate swaps designated as cash flow hedges	1,458	( 373 )	1,085	2,193	( 561 )	1,632
Total AOCL	<u>\$ ( 17,345 )</u>	<u>\$ 4,384</u>	<u>\$ ( 12,961 )</u>	<u>\$ ( 94,849 )</u>	<u>\$ 24,053</u>	<u>\$ ( 70,796 )</u>

**Amerant Bancorp Inc. and Subsidiaries**  
**Notes to Interim Consolidated Financial Statements (Unaudited)**

The components of other comprehensive income (loss) for the periods presented are summarized as follows:

	Three Months Ended September 30,					
	2024			2023		
	Before Tax Amount	Tax Effect	Net of Tax Amount	Before Tax Amount	Tax Effect	Net of Tax Amount
<i>(in thousands)</i>						
Net unrealized holding gains (losses) on debt securities available for sale:						
Change in fair value arising during the period	\$ 20,411	\$ ( 5,269 )	\$ 15,142	\$ ( 25,007 )	\$ 6,438	\$ ( 18,569 )
Reclassification adjustment for net losses included in net income	68,564	( 17,332 )	51,232	—	—	—
	88,975	( 22,601 )	66,374	( 25,007 )	6,438	( 18,569 )
Net unrealized holding losses on interest rate swaps designated as cash flow hedges:						
Change in fair value arising during the period	( 278 )	73	( 205 )	174	( 45 )	129
Reclassification adjustment for net interest income included in net income	( 287 )	72	( 215 )	( 360 )	92	( 268 )
	( 565 )	145	( 420 )	( 186 )	47	( 139 )
Total other comprehensive income (loss)	\$ 88,410	\$ ( 22,456 )	\$ 65,954	\$ ( 25,193 )	\$ 6,485	\$ ( 18,708 )

**Amerant Bancorp Inc. and Subsidiaries**  
**Notes to Interim Consolidated Financial Statements (Unaudited)**

	Nine Months Ended September 30,					
	2024			2023		
	Before Tax Amount	Tax Effect	Net of Tax Amount	Before Tax Amount	Tax Effect	Net of Tax Amount
<i>(in thousands)</i>						
Net unrealized holding gains (losses) on debt securities available for sale:						
Change in fair value arising during the period	\$ 9,554	\$ ( 2,494 )	\$ 7,060	\$ ( 34,775 )	\$ 8,836	\$ ( 25,939 )
Reclassification adjustment for net losses included in net income	68,684	( 17,362 )	51,322	2,098	( 534 )	1,564
	78,238	( 19,856 )	58,382	( 32,677 )	8,302	( 24,375 )
Net unrealized holding losses on interest rate swaps designated as cash flow hedges:						
Change in fair value arising during the period	120	( 28 )	92	288	( 71 )	217
Reclassification adjustment for net interest income included in net income	( 855 )	216	( 639 )	( 1,129 )	288	( 841 )
	( 735 )	188	( 547 )	( 841 )	217	( 624 )
Total other comprehensive income (loss)	\$ 77,503	\$ ( 19,668 )	\$ 57,835	\$ ( 33,518 )	\$ 8,519	\$ ( 24,999 )

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 11. Contingencies

From time to time the Company and its subsidiaries may be exposed to loss contingencies. In the ordinary course of business, those contingencies may include, known but unasserted claims, and legal/regulatory inquiries or examinations. The Company records these loss contingencies as a liability when the likelihood of loss is probable and an amount or range of loss can be reasonably estimated. In the opinion of management, the Company maintains a liability that is in an estimated amount sufficient to cover said loss contingencies, if any, at the reporting dates.

Financial instruments whose contract amount represents off-balance sheet credit risk at September 30, 2024 are generally short-term and are as follows:

<i>(thousands)</i>	Approximate Contract Amount
Commitments to extend credit	\$ 1,446,374
Standby letters of credit	108,156
Commercial letters of credit	7
	<u>\$ 1,554,537</u>

The following table summarizes the changes in the allowance for credit losses for off-balance sheet credit risk exposures for the three and nine month periods ended September 30, 2024 and 2023:

<i>(in thousands)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Balances at beginning of period</b>	\$ 4,602	\$ 2,002	\$ 3,102	\$ 1,702
Provision for credit losses - off balance sheet exposures (1)	1,130	600	2,630	900
<b>Balances at end of period</b>	<u>\$ 5,732</u>	<u>\$ 2,602</u>	<u>\$ 5,732</u>	<u>\$ 2,602</u>

- (1) In the first half of 2023, the provision for credit losses for off-balance sheet exposures was included within other operating expenses in the Company's consolidated statements of operations and comprehensive income.

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### 12. Fair Value Measurements

Assets and liabilities measured at fair value on a recurring basis are summarized below:

	September 30, 2024			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Third-Party Models with Observable Market Inputs (Level 2)	Internal Models with Unobservable Market Inputs (Level 3)	Total Carrying Value in the Consolidated Balance Sheet
<i>(in thousands)</i>				
<b>Assets</b>				
Cash and cash equivalents				
Other short-term investments	\$ —	\$ 6,871	\$ —	\$ 6,871
Securities				
Debt securities available for sale				
U.S. government-sponsored enterprise debt securities	—	831,830	—	831,830
Corporate debt securities	—	136,766	—	136,766
U.S. government agency debt securities	—	504,150	—	504,150
Municipal bonds	—	1,633	—	1,633
U.S treasury securities	—	1,999	—	1,999
	—	1,476,378	—	1,476,378
Equity securities with readily determinable fair values not held for trading	2,562	—	—	2,562
	2,562	1,476,378	—	1,478,940
Mortgage loans held for sale (at fair value)	—	43,851	—	43,851
Bank owned life insurance	—	241,183	—	241,183
Other assets				
Mortgage servicing rights (MSRs)	—	—	1,410	1,410
Derivative instruments	—	52,278	—	52,278
	<u>\$ 2,562</u>	<u>\$ 1,820,561</u>	<u>\$ 1,410</u>	<u>\$ 1,824,533</u>
<b>Liabilities</b>				
Other liabilities				
Derivative instruments	<u>\$ —</u>	<u>\$ 51,264</u>	<u>\$ —</u>	<u>\$ 51,264</u>



**Amerant Bancorp Inc. and Subsidiaries**  
**Notes to Interim Consolidated Financial Statements (Unaudited)**

	December 31, 2023			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Third-Party Models with Observable Market Inputs (Level 2)	Internal Models with Unobservable Market Inputs (Level 3)	Total Carrying Value in the Consolidated Balance Sheet
<i>(in thousands)</i>				
<b>Assets</b>				
Cash and Cash equivalents				
Other short-term investments	\$ —	\$ 6,080	\$ —	\$ 6,080
Securities				
Debt securities available for sale				
U.S. government-sponsored enterprise debt securities	—	557,307	—	557,307
Corporate debt securities	—	260,802	—	260,802
U.S. government agency debt securities	—	390,777	—	390,777
Municipal Bonds	—	1,668	—	1,668
Collateralized loan obligations	—	4,957	—	4,957
U.S treasury securities	—	1,991	—	1,991
	—	1,217,502	—	1,217,502
Equity securities with readily determinable fair values not held for trading	2,534	—	—	2,534
	2,534	1,217,502	—	1,220,036
Mortgage loans held for sale (at fair value)	—	26,200	—	26,200
Bank owned life insurance	—	234,972	—	234,972
Other assets				
Mortgage servicing rights (MSRs)	—	—	1,372	1,372
Derivative instruments	—	59,932	—	59,932
	<u>\$ 2,534</u>	<u>\$ 1,544,686</u>	<u>\$ 1,372</u>	<u>\$ 1,548,592</u>
<b>Liabilities</b>				
Other liabilities				
Derivative instruments	<u>\$ —</u>	<u>\$ 59,433</u>	<u>\$ —</u>	<u>\$ 59,433</u>

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

The following tables present the major categories of assets measured at fair value on a non-recurring basis at September 30, 2024 and December 31, 2023:

		September 30, 2024				
(in thousands)	Carrying Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Write Downs	
Description						
Loans held for sale, at lower of cost or fair value	\$ 553,941	\$ —	\$ —	\$ 553,941	\$ —	
Loans held for investment measured for credit deterioration using the fair value of the collateral	9,823	—	—	9,823	5,140	
Premises and equipment held for sale, at lower of cost or fair value	7,962	—	—	7,962	3,443	
Other Real Estate Owned (1)	14,509	—	—	14,509	5,672	
	\$ 586,235	\$ 586,235	\$ —	\$ 586,235	\$ 14,255	

(1) Consists of commercial real estate property.

	December 31, 2023				
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Write Downs
(in thousands)	Carrying Amount				
Description					
Loans held for sale, at lower of cost or fair value	\$ 365,219	\$ —	\$ —	\$ 365,219	\$ 35,525
Loans held for investment measured for credit deterioration using the fair value of the collateral (1)	18,439	—	—	18,439	4,371
Other Real Estate Owned (2)	20,181	—	—	20,181	—
	\$ 403,839	\$ —	\$ —	\$ 403,839	\$ 39,896

(1) Includes loans with specific reserves of \$ 8.1 million and total write downs of \$ 4.4 million at December 31, 2023.

(2) Consists of commercial real estate property.

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

The following table presents the significant unobservable inputs (Level 3) used in the valuation of assets measured at fair value on a nonrecurring basis.

Financial Instrument	Unobservable Inputs	Valuation Methods	Discount Range	Typical Discount
Collateral dependent loans	Discount to fair value	Appraisal value, as adjusted	0 - 30 %	6 - 7 %
		Inventory	0 - 100 %	30 - 50 %
		Accounts receivables	0 - 100 %	20 - 30 %
		Equipment	0 - 100 %	20 - 30 %
Property and equipment held for sale, at the lower of cost or fair value		Appraisal value, as adjusted	N/A	N/A
Other Real Estate Owned	Discount to fair value	Appraisal value, as adjusted	N/A	6 - 7 %

There were no other significant assets or liabilities measured at fair value on a nonrecurring basis at September 30, 2024 and December 31, 2023.

#### Loans Held for Sale, at Lower of Cost or Fair Value

For loans held for sale that are carried at the lower of cost or fair value, the fair value is generally based on quoted market prices of similar loans less estimated cost to sell and is considered to be Level 3.

#### Collateral Dependent Loans Measured For Expected Credit Losses

The carrying amount of collateral dependent loans is typically based on the fair value of the underlying collateral. The Company primarily uses third party appraisals to assist in measuring expected credit losses on collateral dependent loans. The Company also uses third party appraisal reviewers for loans with an outstanding balance of \$ 1 million and above. These appraisals generally use the market or income approach valuation technique and use market observable data to formulate an opinion of the fair value of the loan's collateral. However, the appraiser uses professional judgment in determining the fair value of the collateral or properties and may also adjust these values for changes in market conditions subsequent to the appraisal date. When current appraisals are not available for certain loans, the Company uses judgment on market conditions to adjust the most current appraisal. The sales prices may reflect prices of sales contracts not closed and the amount of time required to sell out the real estate project may be derived from current appraisals of similar projects. As a consequence, the fair value of the collateral is considered a Level 3 valuation.

#### OREO

The Company values other real estate owned, OREO, at the lower of cost or fair value of the property, less cost to sell. The fair value of the property is generally based upon recent appraisal values of the property, less cost to sell. The Company primarily uses third party appraisals to assist in measuring the valuation of OREO. Period revaluations are classified as level 3 as the assumptions used may not be observable. The Company had other repossessed assets with a carrying value of \$ 6.4 million, which were sold in the three and six month periods ended June 30, 2023. The Company recognized a loss on sale of \$ 2.6 million which is included in the result of operations for those periods. As of December 31, 2023, the Company had an OREO property with a carrying value of \$ 20.2 million. In the three and nine month periods ended September 30, 2024, the Company recorded valuation expense of \$ 5.7 million on this OREO property, as result of the fair value adjustment. As of September 30, 2024, the carrying value of the OREO property was \$ 14.5 million.

# Amerant Bancorp Inc. and Subsidiaries

## Notes to Interim Consolidated Financial Statements (Unaudited)

### Fair Value of Financial Instruments

The estimated fair value of financial instruments where fair value differs from carrying value are as follows:

	September 30, 2024		December 31, 2023	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
<i>(in thousands)</i>				
<b>Financial assets:</b>				
Debt securities held to maturity	\$ —	\$ —	\$ 226,645	\$ 204,945
Loans	3,217,575	3,154,338	3,514,114	3,321,308
<b>Financial liabilities:</b>				
Time deposits	1,701,948	1,706,205	1,577,579	1,575,569
Advances from the FHLB	915,000	940,857	645,000	644,572
Senior notes	59,764	58,598	59,526	58,337
Subordinated notes	29,582	28,481	29,454	28,481
Junior subordinated debentures	64,178	63,594	64,178	63,285

## Amerant Bancorp Inc. and Subsidiaries

### Notes to Interim Consolidated Financial Statements (Unaudited)

#### 13. Earnings Per Share

The following table shows the calculation of basic and diluted earnings per share:

(in thousands, except share data and per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30	
	2024	2023	2024	2023
Numerator:				
Net (loss) income before attribution of noncontrolling interest	\$ ( 48,164 )	\$ 21,741	\$ ( 32,633 )	\$ 48,729
Noncontrolling interest	—	( 378 )	—	( 884 )
Net (loss) income attributable to Amerant Bancorp Inc.	\$ ( 48,164 )	\$ 22,119	\$ ( 32,633 )	\$ 49,613
Net (loss) income available to common stockholders	\$ ( 48,164 )	\$ 22,119	\$ ( 32,633 )	\$ 49,613
Denominator:				
Basic weighted average shares outstanding	33,784,999	33,489,560	33,635,439	33,537,759
Dilutive effect of share-based compensation awards	—	207,060	—	218,756
Diluted weighted average shares outstanding	33,784,999	33,696,620	33,635,439	33,756,515
Basic (loss) earnings per common share	\$ ( 1.43 )	\$ 0.66	\$ ( 0.97 )	\$ 1.48
Diluted (loss) earnings per common share	\$ ( 1.43 )	\$ 0.66	\$ ( 0.97 )	\$ 1.47

As of September 30, 2024, potential dilutive instruments consisted of unvested shares of restricted stock and restricted stock units ("RSUs") totaling 399,920 (restricted stock, RSUs and performance share units totaling 577,511 as of September 30, 2023). In the three and nine month periods ended September 30, 2024, potential dilutive instruments were excluded from the diluted earnings per share computation because the Company reported a net loss and their inclusion would have an anti-dilutive effect in per share earnings in those periods. In the three and nine month periods ended September 30, 2023, potential dilutive instruments were included in the diluted earnings per share computation because, when the unamortized deferred compensation cost related to these shares was divided by the average market price per share in those periods, fewer shares would have been purchased than restricted shares assumed issued. Therefore, in those periods, such awards resulted in higher diluted weighted average shares outstanding than basic weighted average shares outstanding, and had a dilutive effect on per share earnings.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is designed to provide a better understanding of various factors related to Amerant Bancorp Inc.'s (the "Company," "Amerant," "our" or "we") results of operations and financial condition and its subsidiaries, including its principal subsidiary, Amerant Bank, N.A. (the "Bank"). The Bank has two operating subsidiaries: Amerant Investments, Inc., a securities broker-dealer ("Amerant Investments") and Amerant Mortgage, LLC, a mortgage lending company domiciled in Florida ("Amerant Mortgage").

This discussion is intended to supplement and highlight information contained in the accompanying unaudited interim consolidated financial statements and related footnotes included in this Quarterly Report on Form 10-Q (the "Form 10-Q"), as well as the information contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 filed on March 7, 2024 (the "2023 Form 10-K").

### Cautionary Note Regarding Forward-Looking Statements

Various of the statements made in this Form 10-Q, including information incorporated herein by reference to other documents, are "forward-looking statements" within the meaning of, and subject to, the protections of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

All statements other than statements of historical fact are statements that could be forward-looking statements. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, expectations, anticipations, assumptions, estimates, intentions and future performance and condition. Examples of forward-looking statements include but are not limited to: the Company's strategic rationale for, and proposed benefits of the Houston Sale Transaction, the Company's ability to consummate and close the Houston Sale Transaction on terms acceptable to the Company, if at all, and the Company's expected use of proceeds from the Houston Sale Transaction, our future operating or financial performance, including revenues, expenses, expense savings, income or loss and earnings or loss per share, and other financial items; statements regarding expectations, plans or objectives for future operations, products or services, and our expectations on our securities repositioning and loan recoveries or reaching positive resolutions on problem loans. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may be beyond our control, and which may cause the actual results, performance, achievements, or financial condition of the Company to be materially different from future results, performance, achievements, or financial condition expressed or implied by such forward-looking statements. You should not expect us to update any forward-looking statements, except as required by law. These forward-looking statements should be read together with the "Risk Factors" included in the 2023 Form 10-K, in our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2024 filed on May 3, 2024, in this Form 10-Q, and in our other filings with the U.S. Securities and Exchange Commission (the "SEC"), which are available at the SEC's website [www.sec.gov](http://www.sec.gov).

All statements other than statements of historical fact are statements that could be forward-looking statements. You can identify these forward-looking statements through our use of words such as "may," "will," "anticipate," "assume," "seek," "should," "indicate," "would," "believe," "contemplate," "consider," "expect," "estimate," "continue," "plan," "point to," "project," "could," "intend," "target" and other similar words and expressions of the future. These forward-looking statements may not be realized due to a variety of factors, including, without limitation:

- Liquidity risks could affect our operations and jeopardize our financial condition and certain funding sources could increase our interest rate expense;
- We may not be able to develop and maintain a strong core deposit base or other low-cost funding sources;
- We may elect or be compelled to seek additional capital in the future, but that capital may not be available when it is needed or on acceptable terms;

- Our ability to receive dividends from our subsidiaries could affect our liquidity and our ability to pay dividends;
- Our profitability is subject to interest rate risk;
- Our allowance for credit losses may prove inadequate;
- Our concentration of CRE loans could result in increased loan losses;
- Many of our loans are to commercial borrowers, which have unique risks compared to other types of loans;
- Our valuation of securities and the determination of a credit loss allowance in our investment securities portfolio are subjective and, if changed, could materially adversely affect our results of operations or financial condition;
- Nonperforming and similar assets take significant time to resolve and may adversely affect our business, financial condition, results of operations, financial condition, or cash flows;
- The pending sale of our Houston banking operations may not be completed in accordance with expected plans or on the currently contemplated timeline, or at all, and the pending sale may be disruptive to the Company;
- We are subject to environmental liability risk associated with lending activities;
- Deterioration in the real estate markets, including the secondary market for residential mortgage loans, can adversely affect us;
- Many of our major systems depend on and are operated by third-party vendors, and any systems failures or interruptions could adversely affect our operations and the services we provide to our customers;
- Our information systems are exposed to cybersecurity threats and may experience interruptions and security breaches that could adversely affect our business and reputation;
- Our strategic plan and growth strategy may not be achieved as quickly or as fully as we seek;
- Defaults by or deteriorating asset quality of other financial institutions could adversely affect us;
- New lines of business, new products and services, or strategic project initiatives may subject us to additional risks;
- We face significant operational risks;
- We may not have the ability or resources to keep pace with rapid technological changes in the financial services industry or implement new technology effectively;
- Conditions in Venezuela could adversely affect our operations;
- Our ability to achieve our environmental, social and governance goals are subject to risks, many of which are outside of our control, and our reputation could be harmed if we fail to meet such goals;
- We may be unable to attract and retain key people to support our business;
- Severe weather, natural disasters, global pandemics, acts of war or terrorism, theft, civil unrest, government expropriation or other external events could have significant effects on our business;
- Any failure to protect the confidentiality of customer information could adversely affect our reputation and subject us to financial sanctions and other costs that could adversely affect our business, financial condition, results of operations, or cash flows;
- We could be required to write down our goodwill or other intangible assets;
- We have a net deferred tax asset that may or may not be fully realized;
- We may incur losses due to minority investments in fintech and specialty finance companies;
- We are subject to risks associated with sub-leasing portions of our corporate headquarters building;
- Our success depends on our ability to compete effectively in highly competitive markets;
- Potential gaps in our risk management policies and internal audit procedures may leave us exposed to unidentified or unanticipated risk, which could negatively affect our business;
- Any failure to maintain effective internal control over financial reporting could impair the reliability of our financial statements, which in turn could harm our business, impair investor confidence in the accuracy and completeness of our financial reports and our access to the capital markets and cause the price of our common stock to decline and subject us to regulatory penalties;
- Changes in accounting standards could materially impact our financial statements;
- Material and negative developments adversely impacting the financial services industry at large and causing volatility in financial markets and the economy may have materially adverse effects on our liquidity, business, financial condition and results of operations;
- Our business may be adversely affected by economic conditions in general and by conditions in the financial markets;

- We are subject to extensive regulation that could limit or restrict our activities and adversely affect our earnings;
- Changes in federal, state or local tax laws, or audits from tax authorities, could negatively affect our business, financial condition, results of operations or cash flows;
- Litigation and regulatory investigations are increasingly common in our businesses and may result in significant financial losses and/or harm to our reputation;
- We are subject to capital adequacy and liquidity standards, and if we fail to meet these standards, whether due to losses, growth opportunities or an inability to raise additional capital or otherwise, our business, financial condition, results of operations, or cash flows would be adversely affected;
- Increases in FDIC deposit insurance premiums and assessments could adversely affect our financial condition;
- Federal banking agencies periodically conduct examinations of our business, including our compliance with laws and regulations, and our failure to comply with any regulatory actions, if any, could adversely impact us;
- The Federal Reserve may require us to commit capital resources to support the Bank;
- We may face higher risks of noncompliance with the Bank Secrecy Act and other anti-money laundering statutes and regulations than other financial institutions;
- Failures to comply with the fair lending laws, CFPB regulations or the Community Reinvestment Act, or CRA, could adversely affect us;
- Our principal shareholders and management own a significant percentage of our shares of voting common stock and will be able to exert significant control over matters subject to shareholder approval;
- The rights of our common shareholders are subordinate to the holders of any debt securities that we have issued or may issue from time to time;
- The stock price of financial institutions, like Amerant, may fluctuate significantly;
- We can issue additional equity securities, which would lead to dilution of our issued and outstanding Class A common stock;
- Certain provisions of our amended and restated articles of incorporation and amended and restated bylaws, Florida law, and U.S. banking laws could have anti-takeover effects;
- We may not be able to generate sufficient cash to service all of our debt, including the Senior Notes, the Subordinated Notes and the Debentures;
- We are a holding company with limited operations and depend on our subsidiaries for the funds required to make payments of principal and interest on the Senior Notes, Subordinated Notes and the Debentures;
- We may incur a substantial level of debt that could materially adversely affect our ability to generate sufficient cash to fulfill our obligations under the Senior Notes, the Subordinated Notes and the Debentures; and
- The other factors and information included in the 2023 Form 10-K and other filings that we make with the SEC under the Exchange Act and Securities Act. See "Risk Factors" in the 2023 Form 10-K, in the Form 10-Q for the quarter ended March 31, 2024, and in this Form 10-Q.

The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in the 2023 Form 10-K. Because of these risks and other uncertainties, our actual future financial condition, results, performance or achievements, or industry results, may be materially different from the results indicated by the forward-looking statements in this Form 10-Q. In addition, our past results of operations are not necessarily indicative of our future results of operations. You should not rely on any forward-looking statements as predictions of future events.

Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to update, revise or correct any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law. All written or oral forward-looking statements that are made by us or are attributable to us are expressly qualified in their entirety by this cautionary notice, together with those risks and uncertainties described in "Risk Factors" in the 2023 Form 10-K, in the Form 10-Q for the quarter ended March 31, 2024, in this Form 10-Q, and in our other filings with the SEC, which are available at the SEC's website [www.sec.gov](http://www.sec.gov).



## OVERVIEW

### Our Company

We are a bank holding company headquartered in Coral Gables, Florida. We provide individuals and businesses a comprehensive array of deposit, credit, investment, wealth management, retail banking, mortgage services, and fiduciary services. We serve customers in our United States markets and select international customers. These services are offered through the Bank, which is also headquartered in Coral Gables, Florida, and its operating subsidiaries, Amerant Investments and Amerant Mortgage. Fiduciary, investment, wealth management and mortgage lending services are provided by the Bank, the Bank's securities broker-dealer, Amerant Investments, and the mortgage company, Amerant Mortgage. The Bank's primary markets are South Florida, where we are headquartered and operate eighteen banking centers in Miami-Dade, Broward and Palm Beach counties; Tampa, Florida where we have a regional headquarters office and currently operate one banking center that serve the greater Tampa markets and; Houston, Texas, where we operate six banking centers that serve the nearby areas of Harris, Montgomery, Fort Bend and Waller counties.

The Cayman Bank is a subsidiary of the Bank. The Company is executing a plan for the dissolution of the Cayman Bank and, as of the end of the third quarter of 2024, the Cayman Bank no longer had any trust relationships, many of which were transferred to the Bank. The dissolution of the Cayman Bank, is expected to be completed in the first quarter of 2025, once regulatory approval from the applicable regulatory agency is received.

### Business Developments

For more information on the progress of our business strategy and strategic initiatives in 2023, see Item 1. Business section included in the 2023 Form 10-K.

#### Public Offering and Securities Repositioning

On September 27, 2024, the Company completed a public offering of 8,684,210 shares of its Class A voting common stock, at a price to the public of \$19.00 per share, which included 784,210 shares issued upon the exercise in full by the underwriters of their option to purchase additional shares of common stock (the "Public Offering"). The total gross proceeds from the offering were approximately \$165 million, with net proceeds of approximately \$155.8 million after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company. The Company intends to use the net proceeds of the Public Offering for general corporate purposes and to support its continued organic growth, which may include, among other things, working capital, investments in the Bank, resolution of non-performing loans, and potential balance sheet optimization strategies.

Upon successfully completing the Public Offering, the Company initiated the previously announced repositioning of the Company's securities portfolio (the "Securities Repositioning"). The Securities Repositioning consisted of the following actions: (i) transfer at their fair value (which was below their amortized cost) of all of the Company's debt securities previously classified as held to maturity and carried at amortized cost to the available for sale category; (ii) sale of all corporate notes and subordinated debt, and (iii) sale of all other debt securities classified as available for sale (including those previously classified as held to maturity) with book yields of less than 2.75%. As a result of the Securities Repositioning, the Company recorded a pre-tax loss of approximately \$68.5 million (\$53.1 million after-tax) in the three and nine months ended September 30, 2024. The Company completed the Securities Repositioning in October 2024, which resulted in an additional pre-tax loss on sale of approximately \$8.3 million as a result of the subsequent decline in the fair value of the securities.

#### Sale of Houston Banking Operations

On April 16, 2024, the Bank entered into a Purchase and Assumption Agreement (the "Purchase Agreement") with MidFirst Bank ("MidFirst") pursuant to which MidFirst will purchase certain assets and assume certain liabilities (the "Houston Sale Transaction") of the banking operations and six branches in the Houston, Texas metropolitan statistical area (collectively, the "Branches"). Pursuant to the terms of the Purchase Agreement, MidFirst has agreed to assume certain deposit liabilities and to acquire certain loans, as well as cash, real property, personal property and other fixed assets associated with the Branches, as well as 45 team members. On July 30, 2024, regulatory approval for the Houston Sale Transaction was received. The Houston Sale Transaction is expected to close on November 8, 2024, subject to the satisfaction of customary closing conditions.

The purchase price for the purchased assets will be computed as the sum of: (a) \$13.0 million (the "Deposit Premium"), provided that, if the balance of non-interest checking deposits included in deposits or the total balance of deposits (excluding insured cash sweep deposits) decrease by more than 15% between March 13, 2024 and the closing date, then the Deposit Premium shall be equal to the sum of (i) 9.50% of the average daily balance of non-interest checking deposits included in deposits, (ii) 1.85% of the average daily balance of deposits other than non-interest checking deposits, insured cash sweep deposits and time deposits included in deposits, (iii) 0.25% of the average daily balance of insured cash sweep deposits included in Deposits, and (iv) 0.50% of the average daily balance of time deposits included in deposits, with the average daily balance in each case being for the 30-day period ending on the fifth business day prior to closing, provided further, that the Deposit Premium shall in no event be lower than \$9.25 million, (b) the aggregate amount of cash on hand as of the closing date, (c) the aggregate net book value of all assets being assumed (excluding cash on hand, real property and accrued interest with respect to the loans to be acquired), (d) the appraised value of the real property to be acquired, and (e) accrued interest with respect to the loans to be acquired. The purchase price is subject to a customary post-closing adjustment based on the delivery within thirty calendar days following the closing date of a final closing statement setting forth the purchase price and any necessary adjustment payment amount.

The Bank and MidFirst made customary representations, warranties, and covenants in the Purchase Agreement. The Bank and MidFirst also agreed to indemnify each other (subject to customary limitations) with respect to the Transaction, including for breaches of representations and warranties, breaches of covenants, liabilities not retained or assumed, and conduct of the business of the Branches and operation and use of the purchased assets during certain time periods.

The following assets and liabilities classified as held for sale are included in the Company's consolidated balance sheet as of September 30, 2024:

(in thousands)

<b>Assets</b>	
Loans held for sale, at lower of cost or fair value (1)	\$ 553,941
Accrued interest receivable and other assets (2)	21,353
Total assets	<u>\$ 575,294</u>
<b>Liabilities</b>	
Noninterest bearing demand deposits (3)	\$ 79,563
Interest bearing demand deposits	65,071
Savings and money market	120,068
Time deposits	326,014
Total deposits	<u>590,716</u>
Other liabilities:	
Operating lease liabilities	7,171
Other liabilities (4)	5,777
Total liabilities	<u>\$ 603,664</u>

(1) In the first nine months ended September 30, 2024, the Company recognized a valuation allowance of \$1.3 million as a result of the fair value adjustment of these loans.

(2) Includes premises and equipment for \$8.0 million, operating lease right-of-use assets for \$6.5 million, \$4.3 million in derivative assets and other assets for \$2.7 million.

(3) Includes \$5.1 million in escrow accounts.

(4) Includes \$5.8 million in derivative liabilities.

The Company recorded non-routine expense items in the first nine months of 2024 in connection with the Houston Sale Transaction totaling approximately \$5.5 million as follows: (i) \$3.4 million in market value adjustments for two branches owned based on third party appraisals; (ii) \$1.3 million in loan valuation allowance due to deferred loan costs; (iii) \$0.5 million for legal and investment banking fees; and (iv) \$0.3 million in intangible write-off. These charges were partially offset by a \$4.4 million release in credit reserves after transferring the loans to held for sale. There are no significant non-routine expenses recorded in the third quarter of 2024 in connection with the Houston Sale Transaction.

#### Other Actions

In the first nine months ended September 30, 2024, we hired new team members and added them to our business development teams across South and Central Florida. The Company also hired a Market President for each of Palm Beach, Central Florida as well as Broward County, who will oversee Amerant's ongoing expansion in those markets.

We officially opened new banking centers in downtown Ft. Lauderdale, FL and Miami, FL. We also officially opened our new regional headquarters office for Broward County, located in Plantation, FL. More recently, we signed a letter of intent for a second banking center in Miami Beach, following the signed agreement we previously announced for the first Miami Beach banking center. We also signed a letter of intent for our second Tampa regional location. Both are expected to open by mid-2025. Lastly, we expect to open a new regional headquarter office for Palm Beach County, located in West Palm Beach, FL., in the first quarter of 2025.

We continued with our strategy of building brand recognition across our markets. We announced a strategic partnership becoming the "Official Bank of Fort Lauderdale United FC". We also entered into multi-year partnerships becoming the "Hometown Bank of the Miami Marlins" in Miami, FL, as well as being named the "Bank of the Tampa Bay Rays" in Tampa, FL.

We believe these strategic actions will support our ongoing efforts in becoming the bank of choice in the markets we serve.

## Primary Factors Used to Evaluate Our Business

**Results of Operations.** In addition to net income or loss, the primary factors we use to evaluate and manage our results of operations include net interest income, noninterest income and expenses, and indicators of financial performance including return on assets ("ROA") and return on equity ("ROE"). We also use certain non-GAAP financial measures in the internal evaluation and management of our businesses.

**Net Interest Income.** Net interest income represents interest income less interest expense. We generate interest income from interest, dividends and fees received on interest-earning assets, including loans and investment securities we own. We incur interest expense from interest paid on interest-bearing liabilities, including interest-bearing deposits, and borrowings such as advances from the Federal Home Loan Bank of Atlanta ("FHLB") and other borrowings such as repurchase agreements, notes, debentures and other funding sources we may have from time to time. Net interest income typically is the most significant contributor to our revenues and net income. To evaluate net interest income, we measure and monitor: (i) yields on our loans and other interest-earning assets; (ii) the costs of our deposits and other funding sources; (iii) our net interest spread; (iv) our net interest margin, or NIM; and (v) our provisions for credit losses. Net interest spread is the difference between rates earned on interest-earning assets and rates paid on interest-bearing liabilities. NIM is calculated by dividing net interest income for the period by average interest-earning assets during that same period. Because noninterest-bearing sources of funds, such as noninterest-bearing deposits and stockholders' equity, also fund interest-earning assets, NIM includes the benefit of these noninterest-bearing sources of funds. Non-refundable loan origination fees, net of direct costs of originating loans, as well as premiums or discounts paid on loan purchases, are deferred and recognized over the life of the related loan as an adjustment to interest income in accordance with generally accepted accounting principles ("GAAP").

Changes in market interest rates and the interest we earn on interest-earning assets, or which we pay on interest-bearing liabilities, as well as the volumes and the types of interest-earning assets, interest-bearing and noninterest-bearing liabilities and stockholders' equity, usually have the largest impact on periodic changes in our net interest spread, NIM and net interest income. We measure net interest income before and after the provision for credit losses.

**Noninterest Income.** Noninterest income consists of, among other revenue streams: (i) service fees on deposit accounts; (ii) income from brokerage, advisory and fiduciary activities; (iii) benefits from and changes in cash surrender value of bank-owned life insurance, or BOLI, policies; (iv) card and trade finance servicing fees; (v) securities gains or losses; (vi) net gains and losses on early extinguishment of FHLB advances which we may execute from time to time as part of asset/liability management activities; (vii) income from derivative transaction with customers; (viii) derivative gains or losses; (ix) gains or losses on the sale of properties; and (x) other noninterest income which includes mortgage banking revenue.

Our income from service fees on deposit accounts is affected primarily by the volume, growth and mix of deposits we hold and volume of transactions initiated by customers (i.e. wire transfers). These are affected by prevailing market pricing of deposit services, interest rates, our marketing efforts and other factors.

Our income from brokerage, advisory and fiduciary activities consists of brokerage commissions related to our customers' trading volume, fiduciary and investment advisory fees generally based on a percentage of the average value of assets under management and custody ("AUM"), and account administrative services and ancillary fees during the contractual period.

Income from changes in the cash surrender value of our BOLI policies represents the amounts that may be realized under the contracts with the insurance carriers, which are nontaxable. In the fourth quarter of 2023, the Company restructured certain of its BOLI contracts, by surrendering existing lower-yielding policies and reinvesting the proceeds in higher-yielding policies. This transaction is expected to increase income from this source prospectively.

Interchange fees, other fees and revenue sharing are recognized when earned. Trade finance servicing fees, which primarily include commissions on letters of credit, are generally recognized over the service period on a straight line basis. Card servicing fees include credit and debit card interchange fees and other fees. We have also entered into referral arrangements with recognized U.S.-based card issuers, which permit us to serve our customers and earn referral fees and share interchange revenue without exposure to credit risk.

Our gains and losses on sales of securities are derived from sales from our securities portfolio and are primarily dependent on changes in U.S. Treasury interest rates and asset liability management activities. Generally, as U.S. Treasury rates increase, our securities portfolio decreases in market value, and as U.S. Treasury rates decrease, our securities portfolio increases in value. We also recognize unrealized gains or losses on changes in the valuation of marketable equity securities not held for trading.

Our fee income generated on customer interest rate swaps and other loan level derivatives is primarily dependent on the volume of transactions completed with customers and are included in noninterest income.

Derivatives unrealized net gains and derivatives unrealized net losses are primarily derived from changes in market value of uncovered interest rate caps with clients.

Other noninterest income includes mortgage banking income generated through our subsidiary, Amerant Mortgage, and consists of gain on sale of loans, gain on loans market valuation, other fees and smaller sources of income. Mortgage banking income was \$2.8 million and \$0.5 million in the three months ended September 30, 2024 and 2023, respectively, and \$5.8 million and \$3.9 million in the nine months ended September 30, 2024 and 2023, respectively. Other income in the nine months ended September 30, 2024, includes \$0.5 million of proceeds from BOLI death benefits.

**Noninterest Expense.** Noninterest expenses generally increase as our business grows and whenever necessary to implement or enhance policies and procedures for regulatory compliance, and other purposes.

Noninterest expense consists of: (i) salaries and employee benefits; (ii) occupancy and equipment expenses; (iii) professional and other services fees; (iv) loan-level derivative expenses; (v) FDIC deposit and business insurance assessments and premiums; (vi) telecommunication and data processing expenses; (vii) depreciation and amortization; (viii) advertising and marketing expenses; (ix) other real estate and repossessed assets, net; (x) contract termination costs; (xi) losses on sale of assets, and (xii) other operating expenses.

Salaries and employee benefits include compensation (including severance expenses which we generally consider non-routine), employee benefits and employer tax expenses for our personnel. Salaries and employee benefits are partially offset by costs directly related to the origination of loans, which are deferred and amortized over the life of the related loans as adjustments to interest income in accordance with GAAP.

Occupancy expense consists of lease expense on our leased properties, including right-of-use or ROU asset impairment charges, and other occupancy-related expenses. Equipment expense includes furniture, fixtures and equipment related expenses. Rental income associated with subleasing portions of the Company's headquarters building and the subleasing of the New York office space, primarily, is included as a reduction to rent expense under lease agreements under occupancy and equipment cost.

Professional and other services fees include the cost of outsourced services, including technology infrastructure and banking processing services from our new technology provider, and other professional consulting fees associated with our transition to a new core banking platform, legal, accounting and related consulting fees, card processing fees, director's fees, regulatory agency fees, such as OCC examination fees, and other fees related to our business operations.

Loan-level derivative expenses are incurred in back-to-back derivative transactions with commercial loan clients and with brokers. The Company pays a fee upon inception of the back-to-back derivative transactions, corresponding to the spread between a wholesale rate and a retail rate.

Advertising expenses include the costs of promoting the Amerant brand, as well as the costs associated with promoting the Company's products and services to create positive awareness, or consideration to buy the Company's products and services. These costs include expenses to produce, deliver and communicate advertisements using available media and technologies, primarily streaming and other digital advertising platforms. Advertising expenses are expensed as incurred, except for media production costs which are expensed upon the first airing of the advertisement.

FDIC deposit and business insurance assessments and premiums include deposit insurance, net of any credits applied against these premiums, corporate liability and other business insurance premiums.

Telecommunication and data processing expenses include expenses paid to our third-party data processing system providers and other telecommunication and data service providers, as well as expenses related to the disposition of fixed assets due to the write off of in-development software in 2023.

Depreciation and amortization expense includes the value associated with the depletion of the value on our owned properties and equipment, including leasehold improvements made to our leased properties.

OREO and repossessed assets expense includes expenses and revenue (rental income) from the operation of foreclosed property/assets as well as fair value adjustments and gains/losses from the sale of OREO and repossessed assets.

Other operating expenses include community engagement and other operational expenses. Other operating expenses are partially offset by other operating expenses directly related to the origination of loans, which are deferred and amortized over the life of the related loans as adjustments to interest income in accordance with GAAP.

Noninterest expenses include salaries and employee benefits, mortgage lending costs and professional and other service fees in connection with Amerant Mortgage's ongoing business.

Non-routine noninterest expense items include restructuring expenses and other non-routine noninterest expenses. Restructuring expenses are those incurred for actions designed to implement the Company's business strategy. These actions include, but are not limited to reductions in workforce, streamlining operational processes, decommissioning of legacy technologies, enhanced sales tools and training, expanded product offerings and improved customer analytics to identify opportunities. Other non-routine noninterest expenses include the effect of non-routine items such as the valuation of OREO and loans held for sale, the sale of repossessed assets, impairment of investments, expenses in connection with the Houston Sale Transaction, and losses related to the Company's Securities Repositioning. See table below for more details.

The table below shows a detail of non-routine noninterest expenses for the periods presented.

	Three Months Ended September 30,		Nine Months Ended September 30,	
(in thousands)	2024	2023	2024	2023
Non-routine noninterest expense items				
Restructuring costs (1):				
Staff reduction costs (2)	\$ —	\$ 489	\$ —	2,886
Contract termination costs (3)	—	—	—	1,550
Consulting and other professional fees and software expenses (4)	—	—	—	4,750
Disposition of fixed assets (5)	—	—	—	1,419
Branch closure expenses and related charges (6)	—	252	—	2,279
Total restructuring costs	\$ —	\$ 741	\$ —	12,884
Other non-routine noninterest expense items:				
Losses on loans held for sale carried at the lower of cost or fair value (7)	—	5,562	1,258	5,562
Goodwill and intangible assets impairment (8)	—	—	300	—
Legal and broker fees (8)	—	—	561	—
Fixed assets impairment (8)(9)	—	—	3,443	—
Other real estate owned valuation expense	5,672	—	5,672	2,649
Impairment charge on investment carried at cost (10)	—	—	—	1,963
Total non-routine noninterest expense items	\$ 5,672	\$ 6,302	\$ 11,234	23,058

- (1) Expenses incurred for actions designed to implement the Company's business strategy. These actions include, but are not limited to reductions in workforce, streamlining operational processes, implementation of new technology system applications, decommissioning of legacy technologies, enhanced sales tools and training, expanded product offerings and improved customer analytics to identify opportunities.
- (2) Staff reduction costs consist of severance expenses related to organizational rationalization.
- (3) Contract termination and related costs associated with third party vendors resulting from the Company's engagement of FIS.
- (4) In the nine months ended September 30, 2023, includes \$4.6 million in nonrecurrent expenses in connection with the engagement of FIS. There were no significant nonrecurrent expenses in connection with engagement of FIS in the three month and nine month periods ended September 30, 2024.
- (5) In the nine months ended September 30, 2023, includes expenses in connection with the disposition of fixed assets due to the write off of in-development software.
- (6) In each of the three and nine months periods ended September 30, 2023, includes expenses in connection with the closure of a branch in Houston, Texas in 2023. In addition, in the nine months ended September 30, 2023, includes expenses associated with the closure of a branch in Miami, Florida in 2023, including \$0.9 million of accelerated amortization of leasehold improvements and \$0.6 million of right-of-use, or ROU asset impairment. Furthermore, in the nine months ended September 30, 2023, includes \$0.5 million of ROU asset impairment associated with the closure of a branch in Houston, Texas in 2023.
- (7) In the nine months ended September 30, 2024, amounts shown are in connection with the Houston Sale Transaction. In the three and nine months period ended September 30, 2023, includes a fair value adjustment of \$5.6 million related to a New York-based CRE loan held for sale carried at the lower of cost or fair value.
- (8) In the nine months ended September 30, 2024, amount shown are in connection with the Houston Sale Transaction.
- (9) In the nine months ended September 30, 2024, related to Houston branches and included as part of occupancy and equipment expenses. See "Noninterest Expenses" for details.
- (10) In the nine months ended September 30, 2023, includes an impairment charge of \$2.0 million related to an investment carried at cost and included in other assets.



## Primary Factors Used to Evaluate Our Financial Condition

The primary factors we use to evaluate and manage our financial condition include asset quality, capital and liquidity.

**Asset Quality.** We manage the diversification and quality of our assets based upon factors that include the level, distribution and risks in each category of assets. Problem assets may be categorized as classified, delinquent, nonaccrual, nonperforming and restructured assets. We also manage the adequacy of our allowance for credit losses, or the allowance, the diversification and quality of loan and investment portfolios, the extent of counterparty risks, credit risk concentrations and other factors.

**Capital.** Financial institution regulators have established minimum capital ratios for banks and bank holding companies. We manage capital based upon factors that include: (i) the level and quality of capital and our overall financial condition; (ii) the trend and volume of problem assets; (iii) the adequacy of reserves; (iv) the level and quality of earnings; (v) the risk exposures in our balance sheet under various scenarios, including stressed conditions; (vi) the Tier 1 capital ratio, the total capital ratio, the Tier 1 leverage ratio, and the CET1 capital ratio; (vii) the tangible common equity ratio; and (viii) other factors, including market conditions.

**Liquidity.** Our deposit base consists primarily of personal and commercial accounts maintained by individuals and businesses in our primary markets and select international core depositors. The Company is focused on relationship-driven core deposits. The Company may also use third party providers of domestic sources of deposits as part of its balance sheet management strategies. We define core deposits as total deposits excluding all time deposits. This definition of core deposits differs from the Federal Financial Institutions Examination Council's (the "FFIEC") Uniform Bank Performance Report (the "UBPR") definition of "core deposits," which exclude brokered time deposits and retail time deposits of more than \$250,000. See "Core Deposits" discussion for more details.

We manage liquidity based upon factors that include the amount of core deposit relationships as a percentage of total deposits, the level of diversification of our funding sources, the allocation and amount of our deposits among deposit types, the short-term funding sources used to fund assets, the amount of non-deposit funding used to fund assets, the availability of unused funding sources, off-balance sheet obligations, the amount of cash and liquid securities we hold, the availability of assets readily convertible into cash without undue loss, the characteristics and maturities of our assets when compared to the characteristics of our liabilities and other factors.

**Seasonality.** Our loan production, generally, is subject to seasonality, with the lowest volume typically in the first quarter of each year.

## Summary Results

The summary results for the three and nine months ended September 30, 2024 include the following:

- Total assets were \$10.35 billion at September 30, 2024, up \$636.8 million, or 6.6%, compared to \$9.72 billion at December 31, 2023.
- Cash and cash equivalents were \$671.8 million, up \$350.0 million or 108.7%, compared to \$321.9 million at December 31, 2023.
- Average yield on loans increased to 7.08% in the three months ended September 30, 2024 compared to 6.77% in the three months ended September 30, 2023. Average yield on loans increased to 7.08% in the nine months ended September 30, 2024 compared to 6.65% in the nine months ended September 30, 2023.
- Total gross loans, which includes all loans held for sale, were \$7.56 billion at September 30, 2024, up \$297.1 million, or 4.1%, compared to \$7.26 billion at December 31, 2023.
- Total deposits were \$8.11 billion at September 30, 2024, up \$216.1 million, or 2.7%, compared to \$7.89 billion at December 31, 2023.
- Core deposits were \$5.7 billion at September 30, 2024, up \$109.6 million, or 2.0%, compared to \$5.6 billion at December 31, 2023.
- Average cost of total deposits increased to 2.99% in the three months ended September 30, 2024 compared to 2.66% in the three months ended September 30, 2023. Average cost of total deposits increased to 2.99% in the nine months ended September 30, 2024 compared to 2.33% in the nine months ended September 30, 2023.
- Loan to deposit ratio was 93.23% at September 30, 2024 compared to 92.02% at December 31, 2023.
- Total advances from the FHLB were \$915.0 million, up \$270.0 million or 41.9%, compared to \$645.0 million as of December 31, 2023. The Bank had \$1.9 billion of availability remaining as of September 30, 2024.
- Total non-performing assets increased to \$129.4 million at September 30, 2024, up \$74.9 million, or 137.1%, compared to \$54.6 million at December 31, 2023.
- OREO was \$14.5 million, a decrease of \$5.7 million, or 28.1% from \$20.2 million as of December 31, 2023.
- The Allowance for Credit Losses, or ACL, on loans as of September 30, 2024 was \$79.9 million, down \$15.6 million, or 16.3%, compared to \$95.5 million as of December 31, 2023.
- Assets Under Management and custody ("AUM") totaled \$2.55 billion, as of September 30, 2024, up \$261.4 million, or 11.4%, from \$2.29 billion as of December 31, 2023.

- Pre-provision net revenue ("PPNR")<sup>(1)</sup> was negative \$42.9 million in the three months ended September 30, 2024, a decrease of \$79.3 million, or 217.7%, compared to \$36.5 million in the three months ended September 30, 2023. PPNR<sup>(1)</sup> was \$8.4 million, in the nine months ended September 30, 2024, a decrease of \$103.5 million, or 92.5%, compared to \$111.9 million in the nine months ended September 30, 2023.
- Net Interest Margin ("NIM") was 3.49% in the three months ended September 30, 2024 compared to 3.57% in the three months ended September 30, 2023. NIM was 3.52% in the nine months ended September 30, 2024 compared to 3.76% in the nine months ended September 30, 2023.
- Net Interest Income ("NII") was \$81.0 million in the three months ended September 30, 2024, up \$2.4 million, or 3.1%, from \$78.6 million in the three months ended September 30, 2023. NII was \$238.3 million in the nine months ended September 30, 2024, down \$6.5 million, or 2.6%, compared to \$244.8 million in the nine months ended September 30, 2023.
- Provision for credit losses was \$19.0 million in the three months ended September 30, 2024, compared to \$8.0 million in the three months ended September 30, 2023. Provision for credit losses was \$50.6 million in the nine months ended September 30, 2024, up \$1.8 million, or 3.6%, compared to \$48.8 million in the nine months ended September 30, 2023.
- Non-interest income was negative \$47.7 million in the three months ended September 30, 2024, down \$69.6 million or 317.5%, from \$21.9 million in the three months ended September 30, 2023. Non-interest income was negative \$13.8 million in the nine months ended September 30, 2024, down \$81.7 million, or 120.3%, compared to \$67.9 million in the nine months ended September 30, 2023.
- Non-interest expense was \$76.2 million in the three months ended September 30, 2024, up \$11.8 million, or 18.3%, from \$64.4 million in the three months ended September 30, 2023. Non-interest expense was \$216.1 million in the nine months ended September 30, 2024, up \$14.5 million, or 7.2%, compared to \$201.7 million in the nine months ended September 30, 2023.
- The efficiency ratio was 228.7% in the three months ended September 30, 2024 compared to 64.1% in the three months ended September 30, 2023. The efficiency ratio was 96.24% in the nine months ended September 30, 2024 compared to 64.49% in the nine months ended September 30, 2023.
- Return on average Assets ("ROA") was negative 1.92% in the three months ended September 30, 2024, compared to 0.92% in the three months ended September 30, 2023. ROA was negative 0.44% in the nine months ended September 30, 2024, compared to 0.7% in the nine months ended September 30, 2023.
- Return on average equity ("ROE") was negative 24.98% in the three months ended September 30, 2024 compared to 11.93% in the three months ended September 30, 2023. ROE was negative 5.79% in the nine months ended September 30, 2024, compared to 8.97% in the nine months ended September 30, 2023.

<sup>1</sup>Non-GAAP measure, see "Non-GAAP Financial Measures" for more information and for a reconciliation to GAAP.

## Results of Operations - Comparison of Results of Operations for the Three and Nine Month Periods Ended September 30, 2024 and 2023

### Net income

The table below sets forth certain results of operations data for the three and nine month periods ended September 30, 2024 and 2023:

(in thousands, except per share amounts and percentages)	Three Months Ended September 30,		Change		Nine Months Ended September 30,		Change	
	2024	2023	2024 vs 2023		2024	2023	2024 vs 2023	
Net interest income	\$ 80,999	\$ 78,577	\$ 2,422	3.1 %	\$ 238,322	\$ 244,787	\$ (6,465)	(2.6)%
Provision for credit losses	19,000	8,000	11,000	137.5 %	50,550	48,777	1,773	3.6 %
Net interest income after provision for credit losses	61,999	70,577	(8,578)	(12.2)%	187,772	196,010	(8,238)	(4.2)%
Noninterest (loss) income	(47,683)	21,921	(69,604)	(317.5)%	(13,775)	67,883	(81,658)	(120.3)%
Noninterest expense	76,208	64,420	11,788	18.3 %	216,104	201,653	14,451	7.2 %
(Loss) income before income tax expense	(61,892)	28,078	(89,970)	(320.4)%	(42,107)	62,240	(104,347)	(167.7)%
Income tax benefit (expense)	13,728	(6,337)	20,065	316.6 %	9,474	(13,511)	22,985	170.1 %
Net (loss) income before attribution of noncontrolling interest	(48,164)	21,741	(69,905)	(321.5)%	(32,633)	48,729	(81,362)	(167.0)%
Less: noncontrolling interest	—	(378)	378	100.0 %	—	(884)	884	100.0 %
Net (loss) income attributable to Amerant Bancorp Inc.	\$ (48,164)	\$ 22,119	\$ (70,283)	(317.8)%	\$ (32,633)	\$ 49,613	\$ (82,246)	(165.8)%
Basic (loss) earnings per common share	\$ (1.43)	\$ 0.66	\$ (2.09)	(316.7)%	\$ (0.97)	\$ 1.48	\$ (2.45)	(165.5)%
Diluted (loss) earnings per common share (1)	\$ (1.43)	\$ 0.66	\$ (2.09)	(316.7)%	\$ (0.97)	\$ 1.47	\$ (2.44)	(166.0)%

(1) In the three and nine month periods ended September 30, 2024 and 2023, potential dilutive instruments consisted of unvested shares of restricted stock, restricted stock units and performance share units. See Note 13 to our unaudited interim consolidated financial statements in this Form 10-Q for details on the dilutive effects of the issuance of restricted stock, restricted stock units and performance share units on earnings per share.

### Three Months Ended September 30, 2024 and 2023

In the three months ended September 30, 2024, net loss attributable to the Company was \$48.2 million, or \$1.43 loss per diluted share, compared to net income of \$22.1 million, or \$0.66 per diluted share, in the same quarter of 2023. The decrease of \$70.3 million, or 317.8%, in the three months ended September 30, 2024 was primarily driven by (i) losses on securities resulting from the Securities Repositioning initiated in the period, included in noninterest (loss) income (ii) higher noninterest expense and (iii) provision for credit losses. These results were partially offset mainly by higher net interest margin and an income tax benefit driven by the net loss in the period.

In the three months ended September 30, 2023, net income excludes a loss of \$0.4 million attributable to a non-controlling interest in Amerant Mortgage. There was no non-controlling interest as of and for the three months ended September 30, 2024. See the 2023 Form 10-K for more information on changes in non-controlling interest in Amerant Mortgage in 2023.

Net interest income was \$81.0 million in the three months ended September 30, 2024, an increase of \$2.4 million, or 3.1%, from \$78.6 million in the three months ended September 30, 2023. This was primarily driven by higher yields and higher average balances of interest-earning assets. The increase was partially offset by higher average balances in deposits mainly in money market accounts and time deposits as well as higher average balances of other interest-bearing liabilities; and (i) a decrease in the average balances of debt securities held to maturity.

Noninterest income was a loss of \$47.7 million in the three months ended September 30, 2024 compared to income of \$21.9 million in the three months ended September 30, 2023. The decrease was mainly driven by: (i) higher securities losses as a result of the Securities Repositioning initiated during the third quarter of 2024 and; (ii) the absence of the \$7.0 million net gain on the early extinguishment of FHLB advances recorded in the three months ended September 30, 2023. These decreases were partially offset by: (i) higher loan-level derivative income; (ii) higher other noninterest income; (iii) higher additional income stemming from BOLI policies following the restructuring completed in the fourth quarter of 2023; and (iv) higher cards and trade servicing fees. See "Noninterest Income" for more details.

Noninterest expense was \$76.2 million in the three months ended September 30, 2024, an increase of \$11.8 million, or 18.3%, compared to \$64.4 million in the same period in 2023. This increase was mainly due to: (i) higher professional and other service fees; (ii) an increase in OREO expenses due to a \$5.7 million valuation expense recorded during the quarter; (iii) higher salary and employee benefits; (iv) higher loan-level derivative expenses; (v) higher advertising expenses; and (vi) higher FDIC and insurance expenses. These increases were partially offset by: (i) the absence of a valuation expense of \$5.6 million in the third quarter of 2023 related to the fair value adjustment of a New York-based CRE loan held for sale; (ii) lower occupancy and equipment expenses; (iii) lower other operating expenses; (iv) lower telecommunication and data processing expenses; and (v) lower depreciation and amortization expense. See "Noninterest Expense" for more details.

In the three months ended September 30, 2024 and 2023, noninterest expense included total non-routine items of \$5.7 million and \$6.3 million, respectively. There were no restructuring costs in the three months ended September 30, 2024, compared to \$0.7 million in the same period in 2023. Other non-routine items in noninterest expense in the three months ended September 30, 2024, include \$5.7 million related to an OREO valuation expense. See "Our Company - Primary Factors Used to Evaluate Our Business" for detailed information on non-routine items in noninterest expense.

In the three months ended September 30, 2024 and 2023, the Company incurred noninterest expenses of \$3.9 million and \$3.0 million, respectively, related to Amerant Mortgage which consists of salaries and employee benefits expense, mortgage lending costs and professional and other services fees. Amerant Mortgage had 81 full time equivalent employees ("FTEs") at September 30, 2024 compared to 98 at September 30, 2023.

#### Nine Months Ended September 30, 2024 and 2023

In the nine months ended September 30, 2024, there was a net loss of \$32.6 million, or \$0.97 loss per diluted share, compared to net income of \$49.6 million, or \$1.47 per diluted share, in the same period of 2023. The decrease of \$82.2 million or 165.8%, was primarily due to: (i) losses on securities resulting from the Securities Repositioning initiated in the most recent period, included in lower noninterest (loss) income; (ii) higher noninterest expense; (iii) higher provision for credit losses, and (iv) lower net interest income. This was partially offset by an income tax benefit driven by the net loss in the period.

In the nine months ended September 30, 2023, net income excludes a loss of \$0.9 million, attributable to a noncontrolling interest in Amerant Mortgage. There was no non-controlling interest as of and for the nine months ended September 30, 2024. See the 2023 Form 10-K for more information on changes in non-controlling interest in Amerant Mortgage in 2023.

Net interest income was \$238.3 million in the nine months ended September 30, 2024, a decrease of \$6.5 million, or 2.6%, from \$244.8 million in the same period in 2023. This was primarily driven by: (i) higher cost and average balances of interest-bearing liabilities mainly in time deposits and money market accounts and lower average balances of debt securities held to maturity. The decrease in net interest income was partially offset by higher average balances and yields on the total interest earning assets. See “Net Interest Income” for more details.

Noninterest income was a loss of \$13.8 million in the nine months ended September 30, 2024, compared to \$67.9 million in the same period of 2023, mainly due to: (i) higher securities losses as a result of the Securities Repositioning initiated during the third quarter of 2024; (ii) lower gains on the early extinguishment of advances from the FHLB in the nine months ended September 30, 2024 compared to the same period last year; and (iii) lower deposits and service fees. These decreases were partially offset by: (i) higher loan-level derivative income; (ii) higher additional income stemming from BOLI policies following the restructuring completed in the fourth quarter of 2023; (iii) higher other noninterest income; (iv) higher cards and trade servicing fees; and (v) higher brokerage, advisory and fiduciary fees. See “Noninterest Income” for more details.

Noninterest expense was \$216.1 million in the nine months ended September 30, 2024, an increase of \$14.5 million, or 7.2%, compared to \$201.7 million in the same period in 2023, mainly due to: (i) higher professional and other service fees; (ii) an increase in OREO expenses due to a \$5.7 million valuation expense recorded during the quarter; (iii) higher salary and employee benefits; (iv) higher advertising expenses; (v) higher loan-level derivative expenses; (vi) higher occupancy and equipment expenses; and (vii) higher FDIC assessments and insurance expenses. This increase was partially offset by: (i) a decrease in losses on loans held for sale due to lower valuation allowance in the first nine months of 2024 compared to 2023; (ii) lower telecommunication and data processing expenses; (iii) the absence of contract termination costs in the first nine months of 2024; (iv) lower depreciation and amortization expense; and (v) lower other operating expenses. See “Noninterest Expense” for more details.

In the nine months ended September 30, 2024 and 2023, noninterest expense included total non-routine items of \$11.2 million and \$23.1 million, respectively. There were no restructuring costs in the nine months ended September 30, 2024, compared to \$12.9 million in the nine months ended September 30, 2023. Other non-routine items in noninterest expense in the nine months ended September 30, 2024, include (i) \$5.7 million related to an OREO valuation expense; (ii) \$3.4 million in fixed assets impairment; (iii) a \$1.3 million loss on loans held for sale for valuation expense, (iv) \$0.6 million in legal and broker fees, and (v) \$0.3 million in goodwill and intangible asset impairment. All non-routine items mentioned in the nine months ended September 30, 2024 are all in connection with the Houston Sale Transaction except for the OREO valuation expense. Other non-routine items in noninterest expense in the nine months ended September 30, 2023 included: (i) \$2.0 million impairment charge on an investment carried at cost and included as part of other assets, and (ii) a \$2.6 million loss on sale of repossessed assets in connection with our equipment-financing activities. See “Our Company - Primary Factors Used to Evaluate Our Business” for detailed information on non-routine items in noninterest expense.

In the nine months ended September 30, 2024 and 2023, the Company incurred noninterest expenses of \$10.5 million and \$10.9 million, respectively, related to Amerant Mortgage which consists of salaries and employee benefits expense, mortgage lending costs and professional and other services fees.

## Average Balance Sheet, Interest and Yield/Rate Analysis

The following tables present average balance sheet information, interest income, interest expense and the corresponding average yields earned and rates paid for the three and nine month periods ended September 30, 2024 and 2023. The average balances for loans include both performing and non-performing balances. Interest income on loans includes the effects of discount accretion and the amortization of non-refundable loan origination fees, net of direct loan origination costs as well as the amortization of net premiums/discounts on loan purchases, accounted for as yield adjustments. Average balances represent the daily average balances for the periods presented.

Three Months Ended September 30,						
2024			2023			
Average Balances	Income/ Expense	Yield/ Rates	Average Balances	Income/ Expense	Yield/ Rates	
<b>Interest-earning assets:</b>						
Loan portfolio, net (1)(2)	\$ 7,291,633	129,752	7.08%	\$ 7,048,893	120,244	6.77 %
Debt securities available for sale (3) (4)	1,313,366	14,273	4.32 %	1,052,147	10,924	4.12 %
Debt securities held to maturity (5)	205,958	1,752	3.38 %	232,146	1,958	3.35 %
Debt securities held for trading	—	—	— %	2,048	4	0.77 %
Equity securities with readily determinable fair value not held for trading	2,525	19	2.99 %	2,479	21	3.36 %
Federal Reserve Bank and FHLB stock	61,147	1,083	7.05 %	54,056	961	7.05 %
Deposits with banks	344,469	4,670	5.39 %	344,015	5,248	6.05 %
Other short-term investments	6,677	88	5.24 %	1,964	23	4.65 %
<b>Total interest-earning assets</b>	<b>9,225,774</b>	<b>151,637</b>	<b>6.54 %</b>	<b>8,737,746</b>	<b>139,383</b>	<b>6.33 %</b>
<b>Non-interest-earning assets (6)</b>	<b>760,198</b>			<b>756,141</b>		
<b>Total assets</b>	<b>\$ 9,985,972</b>			<b>\$ 9,493,887</b>		

Three Months Ended September 30,						
	2024			2023		
	Average Balances	Income/ Expense	Yield/ Rates	Average Balances	Income/ Expense	Yield/ Rates
<i>thousands, except percentages)</i>						
<b>Interest-bearing liabilities:</b>						
Checking and saving accounts						
Interest bearing DDA	\$ 2,294,323	\$ 15,345	2.66%	\$ 2,523,093	\$ 16,668	2.62 %
Money market	1,541,987	16,804	4.34 %	1,144,580	11,013	3.82 %
Savings	247,903	26	0.04 %	280,096	32	0.05 %
Total checking and saving accounts	4,084,213	32,175	3.13 %	3,947,768	27,713	2.79 %
Time deposits	2,324,694	27,260	4.67 %	2,201,138	22,482	4.05 %
Total deposits	6,408,907	59,435	3.69 %	6,148,906	50,195	3.24 %
Securities sold under agreements to repurchase	—	—	— %	326	4	4.87 %
Advances from the FHLB (7)	863,913	8,833	4.07 %	800,978	8,207	4.07 %
Senior notes	59,725	942	6.27 %	59,409	942	6.29 %
Subordinated notes	29,561	361	4.86 %	29,391	361	4.87 %
Senior subordinated debentures	64,178	1,067	6.61 %	64,178	1,097	6.78 %
<b>Total interest-bearing liabilities</b>	<b>7,426,284</b>	<b>70,638</b>	<b>3.78 %</b>	<b>7,103,188</b>	<b>60,806</b>	<b>3.40 %</b>
Non-interest-bearing liabilities:						
Non-interest-bearing demand deposits	1,491,406			1,335,041		
Accounts payable, accrued liabilities and other liabilities	301,373			320,369		
Total non-interest-bearing liabilities	1,792,779			1,655,410		
Total liabilities	9,219,063			8,758,598		
Stockholders' equity	766,909			735,289		
Total liabilities and stockholders' equity	\$ 9,985,972			\$ 9,493,887		
Excess of average interest-earning assets over average interest-bearing liabilities	\$ 1,799,490			\$ 1,634,558		
<b>Total interest income</b>	<b>\$</b>	<b>80,999</b>		<b>\$</b>	<b>78,577</b>	
Total interest rate spread			2.76 %			2.93 %
Total interest margin (8)			3.49 %			3.57 %
Ratio of total deposits (9)			2.99 %			2.66 %
Ratio of average interest-earning assets to average interest-bearing liabilities	124.23%			123.01%		
Average non-performing loans/ Average total loans	1.54%			0.56%		



	Nine Months Ended					
	September 30, 2024			September 30, 2023		
	Average Balances	Income/ Expense	Yield/ Rates	Average Balances	Income/ Expense	Yield/ Rates
<i>housands, except percentages)</i>						
<b>Interest-earning assets:</b>						
Loan portfolio, net (1)(2)	\$ 7,102,316	376,574	7.08 %	\$ 7,006,633	348,315	6.65 %
Debt securities available for sale (3) (4)	1,273,797	41,562	4.36 %	1,050,648	31,494	4.01 %
Debt securities held to maturity (5)	217,272	5,597	3.44 %	236,325	6,046	3.42 %
Debt securities held for trading	—	—	— %	783	6	1.02 %
Equity securities with readily determinable fair value not held for trading	2,490	87	4.67 %	2,455	21	1.14 %
Federal Reserve Bank and FHLB stock	55,352	2,922	7.05 %	54,911	2,833	6.90 %
Deposits with banks	377,139	15,681	5.55 %	342,127	14,272	5.58 %
Other short-term investments	6,337	248	5.22 %	662	23	4.65 %
<b>Total interest-earning assets</b>	<b>9,035,103</b>	<b>442,671</b>	<b>6.54 %</b>	<b>8,694,544</b>	<b>403,010</b>	<b>6.20 %</b>
Non-interest-earning assets (6)	788,240			735,943		
<b>Total assets</b>	<b>\$ 9,823,343</b>			<b>\$ 9,430,487</b>		
<b>Interest-bearing liabilities:</b>						
Checking and saving accounts						
Interest bearing DDA	\$ 2,382,548	49,860	2.80 %	\$ 2,503,547	46,201	2.47 %
Money market	1,462,034	46,611	4.26 %	1,215,005	28,295	3.11 %
Savings	254,661	79	0.04 %	288,959	114	0.05 %
Total checking and saving accounts	4,099,243	96,550	3.15 %	4,007,111	74,610	2.49 %
Time deposits	2,291,539	79,355	4.63 %	2,006,417	53,844	3.59 %
Total deposits	6,390,782	175,905	3.68 %	6,013,528	128,454	2.86 %
Securities sold under agreements to repurchase	41	2	6.52 %	130	5	5.14 %
Advances from the FHLB (7)	749,195	21,357	3.81 %	862,310	22,591	3.50 %
Senior notes	59,646	2,826	6.33 %	59,330	2,825	6.37 %
Subordinated notes	29,519	1,083	4.90 %	29,349	1,084	4.94 %
Senior subordinated debentures	64,178	3,176	6.61 %	64,178	3,264	6.80 %
<b>Total interest-bearing liabilities</b>	<b>7,293,361</b>	<b>204,349</b>	<b>3.74 %</b>	<b>7,028,825</b>	<b>158,223</b>	<b>3.01 %</b>
Non-interest-bearing liabilities:						
Non-interest bearing demand deposits	1,459,325			1,348,242		
Accounts payable, accrued liabilities and other liabilities	318,273			313,967		
Total non-interest-bearing liabilities	1,777,598			1,662,209		
<b>Total liabilities</b>	<b>9,070,959</b>			<b>8,691,034</b>		
Stockholders' equity	752,384			739,453		
<b>Total liabilities and stockholders' equity</b>	<b>\$ 9,823,343</b>			<b>\$ 9,430,487</b>		
Ratio of average interest-earning assets over average interest-bearing liabilities	\$ 1,741,742			\$ 1,665,719		
<b>Interest income</b>	<b>\$ 238,322</b>			<b>\$ 244,787</b>		
Interest rate spread			2.80 %			3.19 %
Interest margin (8)			3.52 %			3.76 %
Ratio of total deposits (9)			2.99 %			2.33 %
Ratio of average interest-earning assets to average interest-bearing liabilities	123.88%			123.70%		
Ratio of non-performing loans/ Average total loans	0.93%			0.48%		

- (1) Includes loans held for investment net of the allowance for credit losses, and loans held for sale. The average balance of the allowance for credit losses was \$92.1 million and \$101.2 million in the three months ended September 30, 2024 and 2023, respectively, and \$93.2 million and \$89.1 million in the nine months ended September 30, 2024 and September 30, 2023, respectively. The average balance of total loans held for sale was \$612.9 million and \$58.8 million in the three months ended September 30, 2024 and 2023, respectively, and \$352.8 million, and \$70.1 million in the nine months ended September 30, 2024 and September 30, 2023, respectively.
- (2) Includes average non-performing loans of \$113.5 million and \$39.8 million for the three months ended September 30, 2024 and 2023, respectively, and \$66.3 million and \$34.1 million for the nine months ended September 30, 2024 and September 30, 2023, respectively.
- (3) Includes the average balance of net unrealized gains and losses in the fair value of debt securities available for sale. The average balance includes average net unrealized

losses of \$89.4 million and \$119.8 million in the three months ended September 30, 2024 and 2023, respectively, and average net unrealized losses of \$102.2 million and \$110.5 million in the nine months ended September 30, 2024 and September 30, 2023, respectively.

- (4) Includes nontaxable securities with average balances of \$19.9 million and \$18.6 million for the three months ended September 30, 2024 and 2023, respectively, and \$19.9 and \$18.6 million, for the nine months ended September 30, 2024 and September 30, 2023, respectively. The tax equivalent yield for these nontaxable securities was 4.33% and 4.34% for the three months ended September 30, 2024 and 2023, respectively, and 4.28% and 4.64% in the nine months ended September 30, 2024 and September 30, 2023, respectively. In 2024 and 2023, the tax equivalent yields were calculated by assuming a 21% tax rate and dividing the actual yield by 0.79.
- (5) Includes nontaxable securities with average balances of \$44.5 million and \$49.6 million for the three months ended September 30, 2024 and 2023, respectively, and \$47.8 million and \$50.1 million for the nine months ended September 30, 2024 and September 30, 2023, respectively. The tax equivalent yield for these nontaxable securities was 4.43% and 4.26% for the three months ended September 30, 2024 and 2023, respectively, and 4.23% and 4.21% in the nine months ended September 30, 2024 and September 30, 2023, respectively. In 2024 and 2023, the tax equivalent yields were calculated by assuming a 21% tax rate and dividing the actual yield by 0.79.
- (6) Excludes the allowance for credit losses.
- (7) The terms of the FHLB advance agreements require the Bank to maintain certain investment securities or loans as collateral for these advances.
- (8) NIM is defined as net interest income divided by average interest-earning assets, which are loans, securities, deposits with banks and other financial assets which yield interest or similar income.
- (9) Calculated based upon the average balance of total noninterest bearing and interest bearing deposits.

### ***Net Interest Income***

#### **Three Months Ended September 30, 2024 and 2023**

Net interest income in the three months ended September 30, 2024, was \$81.0 million, an increase of \$2.4 million, or 3.1%, from \$78.6 million in the three months ended September 30, 2023. This was primarily driven by: (i) an increase of 21 basis points in the yield on total interest earning assets; and (ii) an increase of \$261.2 million, or 24.8%, and \$242.7 million or 3.44%, in the average balances of debt securities available for sale and the loan portfolio, respectively, during the period. These increases were partially offset primarily by (i) higher average balances of deposits mainly in money market accounts and time deposits; and (ii) a decrease of \$26.2 million, or 11.3%, in the average balances of debt securities held to maturity. Net interest margin was 3.49% in the three months ended September 30, 2024, a decrease of 8 basis points from 3.57% in the three months ended September 30, 2023. See discussions further below for more details.

During the third quarter of 2024 we had higher average balance of loans and debt securities available for sale compared to the same period last year. Our asset-sensitive position enabled us to partially offset, via repricing of variable-rate loans, and new loan originations at higher market rates, the incremental cost of deposits and borrowings we recorded during the third quarter of 2024. Additionally, we continued investing in higher-yielding, fixed rate, debt securities available for sale, and maintaining a high average balance in funds at the Federal Reserve. See discussions further below for more details. Lastly, during the third quarter of 2024, the Company initiated the Securities Repositioning, which included transferring all debt securities previously classified as held to maturity to the available for sale category. See "Our Company" for more details on the Securities Repositioning strategy.

### ***Interest Income***

Total interest income was \$151.6 million in the three months ended September 30, 2024, an increase of \$12.3 million, or 8.8%, compared to \$139.4 million for the same period of 2023. This was primarily driven by a 21 basis points increase in the average yield on total interest earning assets. In addition, there was an increase of \$261.2 million, or 24.8%, and \$242.7 million, or 3.4%, in the average balances of debt securities available for sale and the loan portfolio, respectively, during the period. These increases were partially offset primarily by a decrease of \$26.2 million, or 11.3%, in the average balance of debt securities held to maturity.

Interest income on loans in the three months ended September 30, 2024 was \$129.8 million, an increase of \$9.5 million, or 7.9%, compared to \$120.2 million in the same period last year, primarily due to a 31 basis points increase in average yields, mainly attributable to higher market rates. The increase in the average balance of loans includes: (i) originations of single-family residential, and (ii) originations of commercial loans. The increase in interest income on loans was partially offset by the increase in the average balance of non-performing loans in the three months ended September 30, 2024 compared to the same period in 2023. See “-Average Balance Sheet, Interest and Yield/Rate Analysis” for detailed information.

Interest income on debt securities available for sale was \$14.3 million in the three months ended September 30, 2024, an increase of \$3.3 million, or 30.7%, compared to \$10.9 million in the same period of 2023. This was mainly due to an increase of \$261.2 million, or 24.8% in the average balance of these securities as well as an increase of 20 basis points in average yields, primarily driven by higher market rates. In the three months ended September 30, 2024, the average balance of accumulated net unrealized loss included in the carrying value of these securities was \$89.4 million compared to \$119.8 million in the same period last year. As of September 30, 2024, corporate debt securities comprised 9.3% of the available-for-sale portfolio, down from 24.4% at September 30, 2023.

As of September 30, 2024, floating rate investments represent 14.3% of our total investment portfolio compared to 15.4% at September 30, 2023. In addition, the expected overall duration decreased to 4.9 years at September 30, 2024 from 5.3 years at September 30, 2023 due to lower expected market rates, and the effect of the Securities Repositioning previously discussed.

#### *Interest Expense*

Interest expense was \$70.6 million in the three months ended September 30, 2024, an increase of \$9.8 million, or 16.2%, compared to \$60.8 million in the same period of 2023. This was primarily due to: (i) higher average cost of total deposits mainly in money market accounts and time deposits as well as advances from FHLB. In addition, there was an increase of \$323.1 million, or 4.5%, in the average balance of total interest bearing liabilities, mainly in money market accounts and time deposits.

Interest expense on interest-bearing deposits was \$59.4 million in the three months ended September 30, 2024, an increase of \$9.2 million, or 18.4%, compared to \$50.2 million for the same period of 2023. This was mainly driven by an increase of 45 basis points in the average rates paid on total deposits, and an increase of \$260.0 million, or 4.2%, in their average balance. See below for a detailed explanation of changes by major deposit category:

- *Time deposits.* Interest expense on total time deposits increased \$4.8 million, or 21.3%, in the three months ended September 30, 2024 compared to the same period in 2023. This was mainly due to an increase of 62 basis points in the average cost of total time deposits. In addition, there was an increase of \$123.6 million, or 5.6%, in the average balance of these deposits, which includes an increase of \$103.5 million in the average balance of customer CDs and an increase of \$20.1 million in brokered time deposits.
- *Interest bearing checking and savings accounts.* Interest expense on checking and savings accounts increased \$4.5 million, or 16.1% in the three months ended September 30, 2024 compared to the same period one year ago, mainly due to an increase of 34 basis points in the average costs on these deposits. In addition, there was an increase of \$397.4 million, or 34.7%, in the average balance of money market accounts in the three months ended September 30, 2024 compared to the same period in 2023. This increase in money market accounts was partially offset by decreases in the average balances of interest bearing demand deposits and savings accounts in the three months ended September 30, 2024 compared to the same period in 2023.

Interest expense on advances from the FHLB increased \$0.6 million, or 7.6%, in the three months ended September 30, 2024 compared to the same period of 2023, primarily driven by an increase of \$62.9 million, or 7.9%, in the average balance on this funding source compared to the same period in 2023. In the first nine months of 2024, the Company borrowed \$1.4 billion, and repaid \$1.1 billion of advances from the FHLB. See "Capital Resources and Liquidity Management" for more details on the repayment of advances from the FHLB.

#### Nine Months Ended September 30, 2024 and 2023

Net interest income was \$238.3 million in the nine months ended September 30, 2024, a decrease of \$6.5 million, or 2.6%, from \$244.8 million in the same period of 2023. This was primarily driven by: (i) higher cost of total deposits mainly in time deposits and money market accounts; (ii) an increase of \$264.5 million, or 3.76%, in the average balance of total interest-bearing liabilities primarily in time deposits and money market accounts, and (iii) a decrease of \$19.1 million, or 8.1% in the average balance of debt securities held to maturity. The decrease in net interest income was partially offset by an increase of 34 basis points in the yield on total interest earning assets. In addition, there were increases of \$223.1 million, or 21.2%, \$96.1 million, or 1.4%, and \$35.0 million, or 10.2%, in the average balance of debt securities available for sale, loans, and interest earning deposits with banks, respectively. Net interest margin was 3.52% in the nine months ended September 30, 2024, a decrease of 24 basis points from 3.76% in the nine months ended September 30, 2023. See discussions further below for more details.

In the nine months ended September 30, 2024, the Company initiated the Securities Repositioning, which included transferring all debt securities previously classified as held to maturity to the available for sale category. See "Our Company" for more details on the Securities Repositioning.

#### *Interest Income*

Total interest income was \$442.7 million in the nine months ended September 30, 2024, an increase of \$39.7 million, or 9.8%, compared to \$403.0 million for the same period of 2023. This was primarily driven by a 34 basis points increase in the average yield on total interest earning assets. In addition, there were increases of \$223.1 million, or 21.24%, \$96.1 million, or 1.4%, and \$35.0 million, or 10.2%, in the average balances of debt securities available for sale, loans, and interest earning deposits with banks, respectively. These increases were partially offset by a decrease of \$19.1 million, or 8.06%, in the average balance of debt securities held to maturity.

Interest income on loans in the nine months ended September 30, 2024 was \$376.6 million, an increase of \$28.3 million, or 8.1%, compared to \$348.3 million in the same period last year, primarily due to: (i) a 43 basis points increase in average yields, mainly attributable to higher market rates, and (ii) an increase of \$96.1 million, or 1.4%, in the average balance of loans. The increase in the average balance of loans includes: (i) increase in commercial loans; (ii) increase in originations of single-family residential and construction loans mostly through AMTM and; (iii) increase in loans to financial institutions and acceptances. See "Average Balance Sheet, Interest and Yield/Rate Analysis" for detailed information.

Interest income on debt securities available for sale was \$41.6 million in the nine months ended September 30, 2024, an increase of \$10.1 million, or 32.0%, compared to \$31.5 million in the same period of 2023. This was mainly due to an increase of 35 basis points in average yields, primarily driven by higher market rates and an increase of \$223.1 million, or 21.2%, in the average balance of these securities. In the nine months ended September 30, 2024, the average balance of accumulated net unrealized loss included in the carrying value of these securities was \$102.2 million compared to \$110.5 million in the same period last year.

Interest income on debt securities held to maturity was \$5.6 million in the nine months ended September 30, 2024, a decrease of \$0.4 million, or 7.4%, compared to \$6.0 million in the same period of 2023. This was mainly due to a decrease of \$19.1 million, or 8.1%, in the average balance of these securities.

### *Interest Expense*

Interest expense was \$204.3 million in the nine months ended September 30, 2024, an increase of \$46.1 million, or 29.2%, compared to \$158.2 million in the same period of 2023. This was primarily due to higher cost of total deposits. In addition, there was an increase of \$264.5 million, or 3.76%, in the average balance of total interest bearing liabilities, mainly time deposits and money market accounts.

Interest expense on interest-bearing deposits was \$175.9 million in the nine months ended September 30, 2024, an increase of \$47.5 million, or 36.9%, compared to \$128.5 million for the same period of 2023. This was mainly driven by an increase of 82 basis points in the average rates paid on total interest-bearing deposits, and an increase of \$377.3 million, or 6.3%, in their average balance. See below for a detailed explanation of changes by major deposit category:

- *Time deposits.* Interest expense on total time deposits increased \$25.5 million, or 47.4%, in the nine months ended September 30, 2024 compared to the same period in 2023. This was mainly due to an increase of 104 basis points in the average cost of total time deposits. In addition, there was an increase of \$285.1 million, or 14.2%, in the average balance of these deposits, including \$260.8 million in customer CDs and \$24.3 million in brokered time deposits, respectively.
- *Interest bearing checking and savings accounts.* Interest expense on checking and savings accounts increased \$21.9 million, or 29.4%, in the nine months ended September 30, 2024 compared to the same period one year ago. This increase was primarily due to an increase of 66 basis points in the average costs on these deposits. In addition, there was an increase of \$92.1 million, or 2.3% in the average balance of total interest bearing checking and savings accounts in the nine months ended September 30, 2024 compared to the same period in 2023. This was mainly driven by: (i) higher average domestic personal accounts, and (ii) higher average balance of international commercial accounts. These increases were partially offset by a decrease in the average balance of international personal accounts.

Interest expense on advances from the FHLB decreased \$1.2 million, or 5.5%, in the nine months ended September 30, 2024 compared to the same period of 2023, primarily driven by a decrease of \$113.1 million, or 13.1%, in the average balances of these borrowings. The decrease in interest expense on advances from the FHLB was partially offset by the increase of 31 basis points in the average rate paid on these borrowings. See "Capital Resources and Liquidity Management" for more details on the early repayment of advances from the FHLB.

### Analysis of the Allowance for Credit Losses

Set forth in the table below are the changes in the allowance for credit losses for each of the periods presented.

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
Balance at the beginning of the period	\$ 94,400	\$ 105,956	\$ 95,504	\$ 83,500
<b>Charge-offs</b>				
Real estate loans				
Commercial Real Estate (CRE)				
Non-owner occupied	\$ —	\$ (90)	\$ —	\$ (90)
Multi-family residential	—	—	(591)	—
Single-family residential	—	—	—	(39)
Commercial	(31,416)	(9,288)	(47,294)	(18,715)
Consumer and others	(4,175)	(6,441)	(21,122)	(20,389)
<b>Total Charge-offs</b>	\$ (35,591)	\$ (15,819)	\$ (69,007)	\$ (39,233)
<b>Recoveries</b>				
Real estate loans				
Commercial Real Estate (CRE)				
Non-Owner occupied	\$ —	\$ —	\$ —	\$ 116
Land development and construction loans	15	10	51	173
	15	10	51	289
Single-family residential	12	13	36	62
Owner occupied	—	—	17	—
	27	23	104	351
Commercial	1,944	736	2,908	5,114
Consumer and others	1,240	477	2,461	864
<b>Total Recoveries</b>	\$ 3,211	\$ 1,236	\$ 5,473	\$ 6,329
Net charge-offs	(32,380)	(14,583)	(63,534)	(32,904)
Provision for credit losses - loans	17,870	7,400	47,920	48,177
<b>Balance at the end of the period</b>	<u>\$ 79,890</u>	<u>\$ 98,773</u>	<u>\$ 79,890</u>	<u>\$ 98,773</u>

### Three Months Ended September 30, 2024 and 2023

The Company recorded a provision for credit losses on loans of \$17.9 million in the three months ended September 30, 2024, compared to \$7.4 million in the same period last year. In the third quarter of 2024, the provision for credit losses on loans includes \$14.7 million to cover charge-offs, \$2.3 million due to loan composition and volume changes, and \$0.9 million due to credit quality and macro-economic factor updates.

During the three months ended September 30, 2024, charge-offs increased \$19.8 million, or 125.0%, compared to the same period of the prior year. In the three months ended September 30, 2024, charge-offs include (i) \$28.8 million related to six commercial loans; (ii) \$4.1 million in consumer loans, primarily purchased indirect consumer loans, and (iii) \$2.7 million in multiple smaller balance commercial and consumer loans. Charge-offs in the third quarter of 2024 were partially offset by \$3.2 million in recoveries, which include \$1.6 million related to one commercial loan and \$1.6 million related to multiple commercial and consumer loan recoveries.

The ratio of net charge-offs over the average total loan portfolio held for investment was 1.90% in the third quarter of 2024, compared to 0.82% in the third quarter of 2023. See the 2023 Form 10-K for more information on charge-offs for the year ended December 31, 2023.

### Nine Months Ended September 30, 2024 and 2023

The Company recorded a provision for credit losses on loans of \$47.9 million in the nine months ended September 30, 2024, compared to \$48.8 million in the same period last year. During this period, the provision for credit losses on loans included \$51.9 million to cover charge-offs, and \$6.5 million due to loan composition and volume changes. These provision requirements were partially offset by a release of \$6.1 million due to credit quality and macroeconomic factor updates and a \$4.4 million release due to the Houston loan portfolio classification as held-for-sale.

During the nine months ended September 30, 2024, charge-offs increased \$29.8 million, or 75.9%, compared to the same period of the prior year. In the nine months ended September 30, 2024, charge-offs include: (i) \$38.7 million related to seven commercial loans; (ii) \$21.1 million related to multiple consumer and overdraft loans, primarily purchased indirect consumer loans, and (iii) \$9.2 million in connection with multiple smaller commercial and real estate loans. Charge-offs in the nine months ended September 30, 2024 were partially offset by \$5.2 million in recoveries, which include \$2.7 million of a commercial loan and \$2.4 million related to multiple commercial and consumer loan recoveries. The downgrades were not concentrated in a specific industry or geography.

In the nine months ended September 30, 2023, charge-offs included: (i) \$6.5 million related to an equipment-financing commercial loan relationship that was transferred to other repossessed assets in the first quarter of 2023 and subsequently sold in the second quarter of 2023; (ii) \$20.4 million related to multiple consumer loans, primarily purchased indirect consumer loans, and (iii) \$12.3 million in connection with multiple commercial and real estate loans. Charge-offs in the first nine months of 2023, were partially offset primarily by a \$3.1 million recovery from a Miami-based U.S. coffee trader ("the Coffee Trader") charged-off in 2022.



The ratio of net charge-offs over the average total loan portfolio held for investment was 1.24% in the first nine months of 2024, compared to 0.63% in the first nine months of 2023.

During the nine months ended September 30, 2024, consistent with the Company's applicable policy, the Company has requested independent third-party collateral valuations on all real estate securing non-performing loans with existing valuations older than 12-months and outstanding balances in excess of \$1.0 million. As of September 30, 2024, there were five loans recently downgraded totaling \$4.9 million with appraisals older than 12 month, for which new appraisals have been ordered. No additional provision for credit losses were deemed necessary as a result of these valuations.

During the nine months ended 2023, consistent with the Company's applicable policy, the Company obtained independent third-party collateral valuations on all real estate securing non-performing loans with existing valuations older than 12-months and outstanding balances in excess of \$1.0 million, to support current ACL levels. No additional provision for credit losses were deemed necessary as a result of these valuations.

We continue to proactively and carefully monitor the Company's credit quality practices, including examining and responding to patterns or trends that may arise across certain industries or regions.

## Noninterest (loss) Income

The table below sets forth a comparison for each of the categories of noninterest (loss) income for the periods presented.

(in thousands, except percentages)	Three Months Ended September 30,						Change	
	2024			2023			2024 vs 2023	
	Amount	%		Amount	%		Amount	%
Deposits and service fees	\$ 5,046	10.6	%	\$ 5,053	23.1	%	\$ (7)	(0.1) %
Brokerage, advisory and fiduciary activities	4,466	9.4	%	4,370	19.9	%	96	2.2 %
Change in cash surrender value of bank owned life insurance ("BOLI") (1)	2,332	4.9	%	1,483	6.8	%	849	57.3 %
Loan-level derivative income (2)	3,515	7.4	%	1,196	5.5	%	2,319	193.9 %
Cards and trade finance servicing fees	1,430	3.0	%	734	3.4	%	696	94.8 %
Gain on early extinguishment of FHLB advances, net	—	—	%	7,010	32.0	%	(7,010)	(100.0) %
Derivative (losses) gains, net (3)	—	—	%	(77)	(0.4)	%	77	(100.0) %
Securities losses, net (4)	(68,484)	(143.6)	%	(54)	(0.3)	%	(68,430)	NM
Other noninterest income (5)	4,012	8.3	%	2,206	10.0	%	1,806	81.9 %
Total noninterest (loss) income	\$ (47,683)	(100.0)	%	\$ 21,921	100.0	%	\$ (69,604)	(317.5) %

(in thousands, except percentages)	Nine Months Ended September 30,						Change	
	2024			2023			2024 vs 2023	
	Amount	%		Amount	%		Amount	%
Deposits and service fees	\$ 14,652	106.4	%	\$ 14,952	22.0	%	\$ (300)	(2.0)%
Brokerage, advisory and fiduciary activities	13,331	96.8	%	12,808	18.9	%	523	4.1 %
Change in cash surrender value of bank owned life insurance ("BOLI") (1)	6,916	50.2	%	4,324	6.4	%	2,592	59.9 %
Loan-level derivative income (2)	6,338	46.0	%	3,743	5.5	%	2,595	69.3 %
Cards and trade finance servicing fees	3,984	28.9	%	1,829	2.7	%	2,155	117.8 %
Gain on early extinguishment of FHLB advances, net	189	1.4	%	33,623	49.5	%	(33,434)	(99.4)%
Derivative (losses) gains, net (3)	(196)	(1.4)	%	179	0.3	%	(375)	(209.5)%
Securities losses, net (4)	(68,655)	(498.4)	%	(11,022)	(16.2)	%	(57,633)	522.9 %
Other noninterest income (5)	9,666	70.1	%	7,447	10.9	%	2,219	29.8 %
Total noninterest (loss) income	\$ (13,775)	(100.0)	%	\$ 67,883	100.0	%	\$ (81,658)	(120.3)%

(1) Changes in cash surrender value of BOLI are not taxable.

(2) Income from interest rate swaps and other derivative transactions with customers. The Company incurs expenses related to derivative transactions with customers which are included as part of noninterest expenses under loan-level derivative expense. See Noninterest Expense section for more details.

(3) Net unrealized gains and losses related to uncovered interest rate caps with clients.

(4) In the three and nine months ended September 30, 2024, includes a total net loss of \$68.5 million as a result of the Securities Repositioning initiated during the third quarter of 2024.

(5) Includes mortgage banking income of \$2.8 million and \$0.5 million in the three months ended September 30, 2024 and September 30, 2023, respectively, and \$5.8 million and \$3.9 million in the nine months ended September 30, 2024 and September 30, 2023, respectively, primarily consisting of net gains on sale, valuation and derivative transactions associated with mortgage loans held for sale activity, and other smaller sources of income related to the operations of Amerant Mortgage. In addition, includes \$0.5 million in BOLI death benefits received in the nine months ended September 30, 2024. Other sources of income in the periods shown include foreign currency exchange transactions with customers and valuation income on the investment balances held in the non-qualified deferred compensation plan.

NM- not meaningful



### Three Months Ended September 30, 2024 and 2023

Total noninterest income decreased \$69.6 million, or 317.5%, in the three months ended September 30, 2024, compared to the three months ended September 30, 2023 mainly due to: (i) higher securities losses as a result of the investment portfolio repositioning initiated during the third quarter of 2024, and (ii) the absence of the \$7.0 million net gain on the early extinguishment of FHLB advances in the three months ended September 30, 2023. These decreases were partially offset by: (i) higher loan-level derivative income; (ii) higher other noninterest income; (iii) higher additional income stemming from BOLI policies following the restructuring completed in the fourth quarter of 2023 and; (iv) higher cards and trade servicing fees.

In the three months ended September 30, 2024, the Company had gains or losses associated with the early repayment of FHLB advances, compared to a net gain of \$7.0 million on the early repayment of approximately \$225 million of advances from the FHLB in the three months ended September 30, 2023.

Other noninterest income increased \$1.8 million, or 81.9%, in the three months ended September 30, 2024 compared to the same period in 2023, primarily driven by higher mortgage banking income.

Loan-level derivative income increased \$2.3 million, or 193.9%, in the three months ended September 30, 2024 compared to the same period in 2023, mainly driven by a higher volume of derivative transactions with clients during the current quarter, compared to the same period of 2023. In addition, loan-level derivative income includes \$1.6 million resulting from the unwinding of a swap related to the sale of a non-performing loan.

Our AUMs totaled \$2.55 billion at September 30, 2024, an increase of \$261.4 million, or 11.4%, from \$2.29 billion at December 31, 2023, primarily driven by increased market valuations as well as net new assets as we continue to execute on our relationship-focused strategy.

#### Nine Months Ended September 30, 2024 and 2023

Total noninterest income decreased \$81.7 million, or 120.3%, in the nine months ended September 30, 2024, compared to the same period in 2023, mainly due to: (i) higher securities losses as a result of the Securities Repositioning initiated during the third quarter of 2024; (ii) lower gains on the early extinguishment of advances from the FHLB in the nine months ended September 30, 2024 compared to the same period last year; (iii) having derivative losses in the nine months ended September 30, 2024 compared to gains in the same period in 2023, and (iv) lower deposits and service fees. These decreases were partially offset by: (i) higher loan-level derivative income; (ii) higher additional income stemming from BOLI policies following the restructuring completed in the fourth quarter of 2023; (iii) higher other noninterest income; (iv) higher cards and trade servicing fees; and (v) higher brokerage, advisory and fiduciary fees.

In the nine months ended September 30, 2024, the Company recorded net gains of \$0.2 million on the early repayment of approximately \$915.0 million of advances from the FHLB. In the nine months ended September 30, 2023 the Company recorded a net gain of \$33.6 million on the early extinguishment of approximately \$1.1 billion of advances from the FHLB. These early repayments of advances from the FHLB are part of the Company's asset/liability management strategies.

Other noninterest income increased \$2.2 million, or 29.8%, in the nine months ended September 30, 2024 compared to the same period in 2023, primarily driven by: (i) higher mortgage banking income; (ii) higher miscellaneous income; (iii) BOLI death benefit receipt of \$0.5 million; and (iv) higher foreign currency valuation.

Deposits and service fees decreased \$0.3 million, or 2.0%, in the nine months ended September 30, 2024 compared to the same period last year, primarily due to lower service charge income fees received during the period.

Loan-level derivative income increased \$2.6 million, or 69.3%, in the nine months ended September 30, 2024 compared to the same period last year, mainly driven by a higher volume of derivative transactions with clients during the period compared to the same period last year. In addition, loan-level derivative income includes \$1.6 million resulting from the unwinding of a swap related to the sale of a non-performing loan during the third quarter of 2024.

Brokerage, advisory and fiduciary activities increased \$0.5 million, or 4.1%, in the nine months ended September 30, 2024 compared to the same period last year, primarily driven by higher brokerage fees as a result of higher equity trading volumes/commissions.

## Noninterest Expense

The table below presents a comparison for each of the categories of noninterest expense for the periods presented.

(in thousands, except percentages)	Three Months Ended September 30,				Change	
	2024		2023		2024 vs 2023	
	Amount	%	Amount	%	Amount	%
Salaries and employee benefits (1)	\$ 34,979	45.9 %	\$ 31,334	48.6 %	\$ 3,645	11.6 %
Professional and other services fees (2)	13,711	18.0 %	5,325	8.3 %	8,386	157.5 %
Occupancy and equipment (3)	5,891	7.7 %	7,293	11.3 %	(1,402)	(19.2)%
Telecommunications and data processing (4)	2,991	3.9 %	3,556	5.5 %	(565)	(15.9)%
Advertising expenses	3,468	4.6 %	2,724	4.2 %	744	27.3 %
FDIC assessments and insurance	2,863	3.8 %	2,590	4.0 %	273	10.5 %
Depreciation and amortization (5)	1,737	2.3 %	1,795	2.8 %	(58)	(3.2)%
Losses on loans held for sale carried at the lower cost or fair value (6)	—	— %	5,562	8.6 %	(5,562)	(100.0)%
Other real estate owned and repossessed assets expense, net (7)	5,535	7.3 %	(134)	(0.2)%	5,669	NM
Loan-level derivative expense (9)	1,802	2.4 %	18	— %	1,784	9,911.1 %
Other operating expenses (10)	3,231	4.1 %	4,357	6.9 %	(1,126)	(25.8)%
Total noninterest expenses (11)	<u>\$ 76,208</u>	<u>100.0 %</u>	<u>\$ 64,420</u>	<u>100.0 %</u>	<u>\$ 11,788</u>	<u>18.3 %</u>

(in thousands, except percentages)	Nine Months Ended September 30,				Change	
	2024		2023		2024 vs 2023	
	Amount	%	Amount	%	Amount	%
Salaries and employee benefits (1)	\$ 101,794	47.1 %	\$ 100,457	49.8 %	\$ 1,337	1.3 %
Professional and other services fees (2)	36,784	17.0 %	20,368	10.1 %	16,416	80.6 %
Occupancy and equipment (3)	21,408	9.9 %	20,828	10.3 %	580	2.8 %
Telecommunications and data processing (4)	9,256	4.3 %	11,647	5.8 %	(2,391)	(20.5)%
Advertising expenses	10,789	5.0 %	9,642	4.8 %	1,147	11.9 %
FDIC assessments and insurance	8,643	4.0 %	8,066	4.0 %	577	7.2 %
Depreciation and amortization (5)	4,866	2.3 %	5,362	2.7 %	(496)	(9.3)%
Losses on loans held for sale carried at the lower cost or fair value (6)	1,258	0.6 %	5,562	2.8 %	(4,304)	(77.4)%
Other real estate owned and repossessed assets expense, net (7)	5,033	2.3 %	2,297	1.1 %	2,736	119.1 %
Contract termination costs (8)	—	— %	1,550	0.8 %	(1,550)	(100.0)%
Loan-level derivative expense (9)	2,386	1.1 %	1,728	0.9 %	658	38.1 %
Other operating expenses (10)	13,887	6.4 %	14,146	6.9 %	(259)	(1.8)%
Total noninterest expenses (11)	<u>\$ 216,104</u>	<u>100.0 %</u>	<u>\$ 201,653</u>	<u>100.0 %</u>	<u>\$ 14,451</u>	<u>7.2 %</u>

(1) Includes staff reduction costs of \$0.5 million and \$2.9 million in the three and nine months ended September 30, 2023, respectively, which consist of severance expenses primarily related to organizational rationalization.

(2) Includes \$0.3 million in legal expenses in connection with the Houston Sale Transaction in the nine months ended September 30, 2024. Additionally, includes additional non-routine expenses of \$4.6 million in the nine months ended September 30, 2023, related to the engagement of FIS. Lastly, includes recurring service fees in connection with the engagement of FIS in the three and nine month periods ended September 30, 2024.

- (3) In the nine months ended September 30, 2024, includes fixed assets impairment charge of \$3.4 million in connection with the Houston Sale Transaction. In each of the three and nine months ended September 30, 2023, includes a rent termination fee of \$0.3 million in connection with the closure of a branch in Houston, Texas. In addition, in the nine months ended September 30, 2023, includes \$0.6 million related to ROU asset impairment in connection with the closure of a branch in Miami, Florida in 2023 as well as \$0.5 million related to ROU asset impairment in connection with the closure of a branch in Houston, Texas in 2023.
- (4) Includes a charge of \$1.4 million in the nine months ended September 30, 2023 related to the disposition of fixed assets due to the write off of in-development software.
- (5) Includes a charge of \$0.9 million in the nine month period ended September 30, 2023 for the accelerated depreciation of leasehold improvements in connection with the closure of a branch in Miami, Florida in 2023.
- (6) In the nine months ended September 30, 2024, amount shown are in connection with the Houston Sale Transaction. In the three and nine month periods ended September 30, 2023, includes valuation allowance as a result of changes in the fair value of loans held for sale carried at the lower of cost or fair value.
- (7) Includes OREO rental income of \$0.5 million and \$0.4 million in the three months ended September 30, 2024 and September 30, 2023, and \$1.4 million and \$0.9 million in the nine months ended September 30, 2024 and September 30, 2023, respectively. In addition, in the nine months ended September 30, 2023, includes a loss on sale of repossessed assets in connection with our equipment-financing activities of \$2.6 million. Lastly, includes \$5.7 million of OREO valuation expense in the three months ended September 30, 2024.
- (8) Contract termination and related costs associated with third party vendors resulting from the Company's transition to our new technology provider.
- (9) Includes service fees in connection with our loan-level derivative income generation activities.
- (10) In the nine months ended September 30, 2024, includes broker fees of \$0.3 million in connection with the Houston Sale Transaction. Additionally, in the nine months ended September 30, 2023, includes an impairment charge of \$2.0 million related to an investment carried at cost and included in other assets. All periods shown includes mortgage loan origination and servicing expenses, charitable contributions, community engagement, postage and courier expenses, and debits which mirror the valuation income on the investment balances held in the non-qualified deferred compensation plan in order to adjust the liability to participants of the deferred compensation plan and other small expenses.
- (11) Includes \$3.9 million and \$3.0 million in the three months ended September 30, 2024 and September 30, 2023, respectively, and \$10.5 million and \$10.9 million in the nine months ended September 30, 2024 and September 30, 2023, related to Amerant Mortgage, primarily consisting of salaries and employee benefits, mortgage lending costs and professional and other services fees.

NM - not meaningful

### Three Months Ended September 30, 2024 and 2023

Noninterest expense increased \$11.8 million, or 18.3%, in the three months ended September 30, 2024 compared to the same period in 2023, mainly due to: (i) higher professional and other service fees; (ii) an increase in OREO expenses due to a \$5.7 million valuation expense recorded during the quarter; (iii) higher salary and employee benefits; (iv) higher loan-level derivative expenses, and (v) higher advertising expenses. These increases were partially offset by: (i) the absence of a valuation expense of \$5.6 million in the third quarter of 2023 related to the fair value adjustment of a New York-based CRE loan held for sale; (ii) lower occupancy and equipment expenses; (iii) lower other operating expenses, and (iv) lower telecommunication and data processing expenses.

Professional and other services fees increased \$8.4 million, or 157.5%, in the three months ended September 30, 2024 compared to the same period last year. This was mainly driven by higher recurrent fees in connection with the current technology provider, and higher legal fees across various projects. These increases were partially offset by lower combined smaller vendor fees.

Other operating expenses decreased \$1.1 million, or 25.8%, in the three months ended September 30, 2024 compared to the same period in 2023, mainly driven by (i) lower loan costs and mortgage loan servicing fees and (ii) lower business development expenses. This decrease was partially offset by: (i) higher expenses associated with operating charge-offs, (ii) higher public relations expenses, (iii) higher travel expenses; and (iv) higher training expenses.

Telecommunication and data processing expenses decreased \$0.6 million, or 15.9%, in the three months ended September 30, 2024 compared to the same period last year, primarily driven by the absence of the additional expenses related to the old technology provider and lower ATM processing fees.

Salaries and employee benefits increased \$3.6 million, or 11.6%, in the three months ended September 30, 2024 compared to the same period one year ago, mainly driven by: (i) higher salary expense as a result of the new hires and higher average FTEs during their period; (ii) higher variable compensation and bonus accruals based on performance and production. This was partially offset by lower severance expenses in the third quarter of 2024. At September 30, 2024, our FTEs were 735, a net increase of 35 FTEs, or 5.0% compared to 700 FTEs at September 30, 2023.

Occupancy and equipment expenses decreased \$1.4 million, or 19.2%, in the three months ended September 30, 2024 compared to the same period one year ago partially due to (i) the absence of additional expenses in the third quarter of 2023 related to a branch closure in Houston, Texas, and (ii) lower equipment maintenance expenses.

Loan-level derivative expenses increased \$1.8 million in the three months ended September 30, 2024 compared to the same period last year, mainly driven by higher volume of derivative transactions during the third quarter of 2024. In addition, loan-level derivative expenses include \$1.6 million resulting from the unwinding of a swap related to the sale of a non-performing loan

#### Nine Months Ended September 30, 2024 and 2023

Noninterest expense increased \$14.5 million, or 7.2%, in the nine months ended September 30, 2024 compared to the same period in 2023, mainly due to: (i) higher professional and other service fees; (ii) an increase in OREO expenses due to a \$5.7 million valuation expense recorded during the quarter; (iii) higher salary and employee benefits; (iv) higher advertising expenses; (v) higher loan-level derivative expenses; (vi) higher occupancy and equipment expenses; and (vii) higher FDIC assessments and insurance expenses. These increases were partially offset by: (i) a decrease in losses on loans held for sale due to lower valuation allowance in the first nine months of 2024 compared to 2023; (ii) lower telecommunication and data processing expenses; (iii) the absence of contract termination costs in the first nine months of 2024; (iv) lower depreciation and amortization expense; and (v) lower other operating expenses.

Professional and other services fees increased \$16.4 million, or 80.6%, in the nine months ended September 30, 2024 compared to the same period last year. This was mainly driven by higher recurrent fees in connection with the current technology provider, and higher legal fees across various projects. These increases were partially offset by lower other professional fees.

Advertising expenses increased \$1.1 million, or 11.9%, in the nine months ended September 30, 2024 compared to the same period last year, mainly due to higher expenses resulting from campaigns in connection with our partnerships with professional sports teams.

Telecommunication and data processing expenses decreased \$2.4 million, or 20.5%, in the nine months ended September 30, 2024 compared to the same period last year, primarily driven by the absence of the additional expenses in the nine months ended 2023 in connection with the disposition of fixed assets due to the write off of in-development software.

FDIC assessments and insurance increased \$0.6 million, or 7.2%, in the nine months ended September 30, 2024 compared to the same period last year, primarily driven by higher FDIC assessment rates and higher average assets.

Depreciation and amortization expenses decreased \$0.5 million, or 9.3%, in the nine months ended September 30, 2024 compared to the same period last year. This was mainly driven by lower leasehold improvement charges associated with branches as well as various depreciation associated with computer hardware.



Salaries and employee benefits increased \$1.3 million, or 1.3%, in the nine months ended September 30, 2024 compared to the same period one year ago, mainly driven by: (i) higher salaries in connection with new hires and (ii) higher variable compensation and bonus accruals based on performance and production. These results were partially offset by lower severance expenses.

Occupancy and equipment expenses increased \$0.6 million, or 2.8%, in the nine months ended September 30, 2024 compared to the same period one year ago primarily due to an impairment charge of \$3.4 million in connection with the Houston Sale Transaction. This increase was partially offset by a decrease in software expenses.

Loan-level derivative expenses increased \$0.7 million, or 38.1%, in the nine months ended September 30, 2024 compared to the same period last year, mainly driven by higher volume of derivative transactions in the first nine months of 2024. In addition, loan-level derivative expenses include \$1.6 million resulting from the unwinding of a swap related to the sale of a non-performing loan during the third quarter of 2024.

### Income Taxes

The table below sets forth information related to our income taxes for the periods presented.

	Three Months Ended September 30,				Change		Nine Months Ended September 30,				Change					
	2024		2023		2024 vs 2023		2024		2023		2024 vs 2023					
(in thousands, except effective tax rates and percentages)																
(Loss) income before income tax expense	\$	(61,892)	\$	28,078	\$	(89,970)	(320.4)%	\$	(42,107)	\$	62,240	\$	(104,347)	(167.7)%		
Income tax (benefit) expense	\$	(13,728)	\$	6,337	\$	(20,065)	(316.6)%	\$	(9,474)	\$	13,511	\$	(22,985)	(170.1)%		
Effective income tax rate		22.18	%	22.57	%	(0.39)	%		22.50	%	21.71	%	0.79	%	3.6	%

In the three and nine months ended September 30, 2024, the Company recorded an income tax benefit compared to an income tax expense in the comparable periods of 2023, mainly driven by the net loss recorded in the current periods arising from the Securities Repositioning initiated in the three and nine months ended September 30, 2024.

As of September 30, 2024, the Company's net deferred tax assets were \$41.1 million, a decrease of \$14.5 million, or 26.1%, compared to \$55.6 million as of December 31, 2023. This result was mainly driven by: (i) a decrease of \$19.6 million in unrealized holding losses on debt securities available for sale in the current period, and (ii) the realization of the tax benefit in the first nine months of 2024 related to the valuation allowance on loans held for sale recorded in the fourth quarter of 2023 of \$35.5 million.

## Non-GAAP Financial Measures

The Company supplements its financial results that are determined in accordance with Generally Accepted Accounting Principles (GAAP) with non-GAAP financial measures, such as “pre-provision net revenue (PPNR)”, “core pre-provision net revenue (Core PPNR)”, “core noninterest income” and “core noninterest expenses”, “tangible stockholders’ equity (book value) per common share”, “tangible common equity ratio, adjusted for net unrealized accumulated losses on debt securities held to maturity”, and “tangible stockholders’ equity (book value) per common share, adjusted for net unrealized accumulated losses on debt securities held to maturity”. This supplemental information is not required by or is not presented in accordance with GAAP. The Company refers to these financial measures and ratios as “non-GAAP financial measures” and they should not be considered in isolation or as a substitute for the GAAP measures presented herein.

We use certain non-GAAP financial measures, including those mentioned above, both to explain our results to shareholders and the investment community and in the internal evaluation and management of our businesses. Our management believes that these non-GAAP financial measures and the information they provide are useful to investors since these measures permit investors to view our performance using the same tools that our management uses to evaluate our past performance and prospects for future performance, especially in light of the additional costs we have incurred in connection with the Company’s restructuring activities that began in 2018 and continued in 2024, and including the effect of non-routine items such as the sale of loans and securities (including the Securities Repositioning initiated at the end of the third quarter of 2024) and other repossessed assets, the valuation of securities, derivatives, loans held for sale and other real estate owned and repossessed assets, the early repayment of FHLB advances, impairment of investments, and other non-routine actions intended to improve customer service and operating performance, as well as certain non-routine items recorded in 2024 in connection with the Houston Sale Transaction. While we believe that these non-GAAP financial measures are useful in evaluating our performance, this information should be considered as supplemental and not as a substitute for or superior to the related financial information prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ from similar measures presented by other companies.

The following table is a reconciliation of the Company's PPNR, Core PPNR, core noninterest income and core noninterest expense, non-GAAP financial measures, as of the dates presented:

(in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Net (loss) income attributable to Amerant Bancorp Inc.</b>	<b>\$ (48,164)</b>	<b>\$ 22,119</b>	<b>\$ (32,633)</b>	<b>\$ 49,613</b>
Plus: provision for credit losses (1)	19,000	8,000	50,550	48,777
Plus: provision for income tax (benefit) expense	(13,728)	6,337	(9,474)	13,511
<b>Pre-provision net revenue (PPNR)</b>	<b>(42,892)</b>	<b>36,456</b>	<b>8,443</b>	<b>111,901</b>
Plus: non-routine noninterest expense items	5,672	6,303	11,234	23,058
Less: non-routine noninterest income items	68,484	(6,879)	68,662	(22,780)
<b>Core pre-provision net revenue (Core PPNR)</b>	<b>\$ 31,264</b>	<b>\$ 35,880</b>	<b>\$ 88,339</b>	<b>\$ 112,179</b>
<b>Total noninterest (loss) income</b>	<b>\$ (47,683)</b>	<b>\$ 21,921</b>	<b>\$ (13,775)</b>	<b>\$ 67,883</b>
Less: Non-routine noninterest (loss) income items:				
Derivatives (losses) gains, net	—	(77)	(196)	179
Securities losses, net	(68,484)	(54)	(68,655)	(11,022)
Gains on early extinguishment of FHLB advances, net	—	7,010	189	33,623
<b>Total non-routine noninterest (loss) income items</b>	<b>\$ (68,484)</b>	<b>\$ 6,879</b>	<b>\$ (68,662)</b>	<b>\$ 22,780</b>
<b>Core noninterest income</b>	<b>\$ 20,801</b>	<b>\$ 15,042</b>	<b>\$ 54,887</b>	<b>\$ 45,103</b>
<b>Total noninterest expenses</b>	<b>\$ 76,208</b>	<b>\$ 64,420</b>	<b>\$ 216,104</b>	<b>\$ 201,653</b>
Less: non-routine noninterest expense items				
Restructuring costs (2):				
Staff reduction costs (3)	—	489	—	2,886
Contract termination costs (4)	—	—	—	1,550
Consulting and other professional fees and software expenses (5)	—	—	—	4,750
Disposition of fixed assets (6)	—	—	—	1,419
Branch closure expenses and related charges (7)	—	252	—	2,279
<b>Total restructuring costs</b>	<b>—</b>	<b>741</b>	<b>—</b>	<b>12,884</b>
Other non-routine noninterest expense items:				
Losses on loans held for sale carried at the lower of cost or fair value (8)	—	5,562	1,258	5,562
Goodwill and intangible assets impairment (8)	—	—	300	—
Legal and broker fees (8)	—	—	561	—
Loss on sale of repossessed assets and other real estate owned valuation expense (9)	5,672	—	5,672	2,649
Fixed assets impairment (8)(10)	—	—	3,443	—
Impairment charge on investment carried at cost	—	—	—	1,963
<b>Total non-routine noninterest expense items</b>	<b>\$ 5,672</b>	<b>\$ 6,303</b>	<b>\$ 11,234</b>	<b>\$ 23,058</b>
<b>Core noninterest expenses</b>	<b>\$ 70,536</b>	<b>\$ 58,117</b>	<b>\$ 204,870</b>	<b>\$ 178,595</b>

(1) Includes provision for credit losses on loans in all periods shown. See "Analysis of the Allowance for Credit Losses" for details.

(2) Expenses incurred for actions designed to implement the Company's business strategy. These actions include, but are not limited to reductions in workforce, streamlining operational processes, implementation of new technology system applications, decommissioning of legacy technologies, enhanced sales tools and training, expanded product offerings and improved customer analytics to identify opportunities.

(3) Staff reduction costs consist of severance expenses related to organizational rationalization.

(4) Contract termination and related costs associated with third party vendors resulting from the Company's engagement of FIS.

(5) In the nine months ended September 30, 2023, includes nonrecurrent expenses of \$4.6 million in connection with the engagement of FIS.

(6) In the nine months ended September 30, 2023, includes expenses in connection with the disposition of fixed assets due to the write off of in-development software.

(7) In each of the three and nine month periods ended September 30, 2023, includes expenses in connection with the closure of a branch in Houston, Texas in 2023. In addition, in the nine months ended September 30, 2023, includes expenses associated with the closure of a branch in Miami, Florida in 2023, including \$0.9 million of accelerated amortization of leasehold improvements and \$0.6 million of right-of-use, or ROU asset impairment. Furthermore, in the nine months ended September 30, 2023, includes \$0.5 million of ROU asset impairment associated with the closure of a branch in Houston, Texas in 2023.

(8) In the nine months ended September 30, 2024, amounts shown are in connection with the Houston Sale Transaction.

(9) In the nine months ended September 30, 2023, amount represents the loss on sale of repossessed assets in connection with our equipment-financing activities.

(10) Related to Houston branches and included as part of occupancy and equipment expenses. See "Noninterest Expenses" for details.

The following table is a reconciliation of the Company's tangible common equity and tangible assets, non- GAAP financial measures, to total equity and total assets, respectively, as of the dates presented:

(in thousands, except percentages, share data and per share amounts)

	As of September 30, 2024		As of December 31, 2023	
<b>Stockholders' equity</b>	\$	<b>902,888</b>	\$	<b>736,068</b>
Less: goodwill and other intangibles (1)		(24,366)		(25,029)
Tangible common stockholders' equity	\$	878,522	\$	711,039
<b>Total assets</b>		<b>10,353,127</b>		<b>9,716,327</b>
Less: goodwill and other intangibles (1)		(24,366)		(25,029)
Tangible assets	\$	10,328,761	\$	9,691,298
Common shares outstanding		42,103,623		33,603,242
<b>Tangible common equity ratio</b>		<b>8.51</b>	<b>%</b>	<b>7.34</b>
<b>Stockholders' book value per common share</b>	\$	<b>21.44</b>	\$	<b>21.90</b>
<b>Tangible stockholders' equity book value per common share</b>	\$	<b>20.87</b>	\$	<b>21.16</b>
Tangible common stockholders' equity	\$	878,522	\$	711,039
Less: Net unrealized accumulated losses on debt securities held to maturity, net of tax (2)		—		(16,197)
Tangible common stockholders' equity, adjusted for net unrealized accumulated losses on debt securities held to maturity	\$	878,522	\$	694,842
Tangible assets	\$	10,328,761	\$	9,691,298
Less: Net unrealized accumulated losses on debt securities held to maturity, net of tax (2)		—		(16,197)
Tangible assets, adjusted for net unrealized accumulated losses on debt securities held to maturity	\$	10,328,761	\$	9,675,101
Common shares outstanding		42,103,623		33,603,242
<b>Tangible common equity ratio, adjusted for net unrealized accumulated losses on debt securities held to maturity</b>		<b>8.51</b>	<b>%</b>	<b>7.18</b>
<b>Tangible stockholders' book value per common share, adjusted for net unrealized accumulated losses on debt securities held to maturity</b>	\$	<b>20.87</b>	\$	<b>20.68</b>

(1) At September 30, 2024 and December 31, 2023, other intangible assets consist primarily of naming rights of \$2.1 million and \$2.5 million, respectively, and mortgage servicing rights ("MSRs") of \$1.4 million and \$1.4 million, respectively.

(2) There were no debt securities held to maturity at September 30, 2024. At December 31, 2023, amounts were calculated based upon the fair value of debt securities held to maturity, and assuming a tax rate of 25.36%, respectively.

## Financial Condition - Comparison of Financial Condition as of September 30, 2024 and December 31, 2023

**Assets.** Total assets were \$10.35 billion as of September 30, 2024, an increase of \$636.8 million, or 6.6%, compared to \$9.72 billion at December 31, 2023. This result was primarily driven by increases of: (i) \$350.0 million, or 108.7%, in cash and cash equivalents; (ii) \$312.7 million, or 4.4%, in total loans held for investment, net of the ACL, and loans held for sale, and (iii) \$45.6 million, or 3.0%, in total securities, mainly debt securities available for sale. The increases were partially offset by decreases of: (i) \$226.6 million, or 100.0%, in debt securities held for maturity as a result of the Company's Securities Repositioning, (ii) \$18.3 million, or 15.5%, in operating lease right-of-use assets; and (iii) \$34.1 million, or 13.3%, in accrued interest receivable and other assets primarily driven by collection of a receivable from an insurance carrier for \$62.5 million in connection with the restructuring of the Company's BOLI policies completed in the fourth quarter of 2023. See "-Average Balance Sheet, Interest and Yield/Rate Analysis" for detailed information, including changes in the composition of our interest-earning assets.

As of September 30, 2024, securities sold and securities purchased which were pending settlement at that date totaled approximately \$24.9 million and \$23.1 million, respectively, and are included in other assets and other liabilities, respectively, on the Company's consolidated balance sheet. These balances were settled in October 2024. Additionally, total accrued interest receivable and other assets at September 30, 2024 include premises and equipment for \$8.0 million, operating lease right-of-use assets for \$6.5 million, and other assets for \$6.9 million which the Company reclassified to held for sale as part of the Houston Sale Transaction. See "Our Company- Business Developments" for additional information.

**Cash and Cash Equivalents.** Cash and cash equivalents increased to \$671.8 million at September 30, 2024 from \$321.9 million at December 31, 2023, primarily as a result of an increase in interest earning cash balances.

At September 30, 2024 and December 31, 2023, cash balances held at the Federal Reserve Bank were \$613 million and \$246 million, respectively. In addition, at September 30, 2024 and December 31, 2023, the Company's cash and cash equivalents included restricted cash of \$10.1 million and \$25.8 million, respectively, which was held primarily to cover margin calls on derivative transactions with certain brokers. Furthermore, at September 30, 2024 and December 31, 2023, the Company's cash and cash equivalents included other short-term investments of \$6.9 million and \$6.1 million, respectively, which consist of US Treasury Bills that mature in 90 days or less.

Cash and cash equivalents provided by operating activities were \$4.7 million in the nine months ended September 30, 2024, mainly driven by: (i) a non-cash adjustment of \$68.7 million in connection with losses on securities; (ii) a non-cash adjustment of \$50.6 million for the provision for credit losses; and (iii) other non-cash adjustments totaling \$4.2 million. This was partially offset by: (i) a net decrease in operating assets and liabilities of \$46.8 million; (ii) net originations of mortgage loans held for sale at fair value of \$39.3 million, and (iii) the net loss of \$32.6 million.

Net cash used in investing activities was \$278.3 million during the nine months ended September 30, 2024, mainly driven by: (i) a net increase in loans originated for investment of \$788.6 million, and (ii) purchases of investment securities totaling \$288.1 million. These disbursements were partially offset by: (i) proceeds of sale of loans carried at the lower of cost or fair value and held for investment totaling \$469.9 million; (ii) \$62.7 million collected from insurance carriers during the first nine months of 2024 in connection with the restructuring of BOLI completed in 2023; (iii) maturities, sales, calls and paydowns of investment securities totaling \$271.2 million and; (iv) BOLI death benefits received of \$1.2 million. See the 2023 Form 10-K for more information on the restructuring of BOLI.

In the nine months ended September 30, 2024, net cash provided by financing activities was \$623.6 million. These activities included: (i) net proceeds from advances from the FHLB of \$270.2 million; (ii) net proceeds from our common stock issuance of \$155.8 million; (iii) an increase in total demand, savings and money market deposit balances of \$109.6 million, and (iv) a net increase of \$106.5 million in time deposits. These proceeds were partially offset by: (i) \$9.0 million of dividends declared and paid by the Company in the nine months ended September 30, 2024, and (ii) an aggregate of \$7.6 million of Class A common stock repurchased in the first nine months of 2024. See “-Capital Resources and Liquidity Management” for more details on changes in FHLB advances and common stock transactions in the first nine months ended September 30, 2024.

## Loans

Loans are our largest component of interest-earning assets. The table below depicts the trend of loans as a percentage of total assets and the allowance for loan losses as a percentage of total loans for the periods presented.

	September 30, 2024		December 31, 2023	
<i>(in thousands, except percentages)</i>				
Total loans, gross (1)	\$	7,561,963	\$	7,264,912
Total loans, gross / total assets		73.0 %		74.8 %
Allowance for credit losses	\$	79,890	\$	95,504
Allowance for credit losses / total loans held for investment, gross (1) (2)		1.15 %		1.39 %
Total loans, net (3)	\$	7,482,073	\$	7,169,408
Total loans, net / total assets		72.3 %		73.8 %

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- (1) Total loans, gross is the principal balance of outstanding loans, including loans held for investment, loans held for sale at the lower of cost or fair value, and mortgage loans held for sale, net of unamortized deferred nonrefundable loan origination fees and loan origination costs, and unamortized premiums paid on purchased loans, excluding the allowance for credit losses on loans. At September 30, 2024 and December 31, 2023, there were \$43.9 million and \$26.2 million, respectively, in mortgage loans held for sale carried at fair value in connection with the Company's mortgage banking activities. In addition, September 30, 2024 and December 31, 2023, includes \$553.9 million and \$365.2 million respectively, in loans held for sale carried at the lower of estimated cost or fair value.
- (2) See Note 5 of our audited consolidated financial statements included in the 2023 Form 10-K and our unaudited interim consolidated financial statements included in this Form 10-Q for more details on our credit loss estimates.
- (3) Total loans, net is the principal balance of outstanding loans, including loans held for investment, loans held for sale carried at the lower of cost or fair value, and mortgage loans held for sale, net of unamortized deferred nonrefundable loan origination fees and loan origination costs, and unamortized premiums paid on purchased loans, excluding the allowance for credit losses.

The table below summarizes the composition of our loans held for investment by type of loan as of the end of each period presented. International loans include transactions in which the debtor or customer is domiciled outside the U.S., even when the collateral is U.S. property. All international loans are denominated and payable in U.S. Dollars.

(in thousands)

	September 30, 2024	December 31, 2023
<b>Domestic Loans:</b>		
Real Estate Loans		
Commercial real estate (CRE)		
Non-owner occupied	\$ 1,688,308	\$ 1,616,200
Multi-family residential	351,815	407,214
Land development and construction loans	421,489	300,378
	2,461,612	2,323,792
Single-family residential	1,459,552	1,422,113
Owner occupied	1,001,762	1,175,331
	4,922,926	4,921,236
Commercial loans (1)	1,630,018	1,461,269
Loans to financial institutions and acceptances	92,489	13,375
Consumer loans and overdrafts (2) (3)	277,032	389,991
<b>Total Domestic Loans</b>	<b>6,922,465</b>	<b>6,785,871</b>
<b>International Loans:</b>		
Real Estate Loans		
Single-family residential (4)	40,047	44,495
Commercial loans	300	41,918
Consumer loans and overdrafts (5)	1,359	1,209
<b>Total International Loans</b>	<b>41,706</b>	<b>87,622</b>
<b>Total Loans held for investment</b>	<b>\$ 6,964,171</b>	<b>\$ 6,873,493</b>

(1) As of September 30, 2024 and December 31, 2023, includes \$50.9 million and \$56.5 million, respectively, in commercial loans and leases originated under a white-label equipment financing solution launched in the second quarter of 2022.

(2) Includes customers' overdraft balances totaling \$0.1 million and \$2.6 million as of September 30, 2024 and December 31, 2023, respectively.

(3) Includes indirect lending loans purchased with an outstanding balance of \$103.9 million and \$210.9 million at September 30, 2024 and December 31, 2023, respectively.

(4) Secured by real estate properties located in the U.S.

(5) International customers' overdraft balances were de minimis at each of the dates presented.



The composition of our CRE loan portfolio held for investment by industry segment at September 30, 2024 and December 31, 2023 is depicted in the following table:

<i>(in thousands)</i>	September 30, 2024	December 31, 2023
Retail (1)	\$ 738,626	\$ 728,349
Multifamily	351,815	407,214
Office Space	432,170	347,649
Specialty (2)	158,559	152,277
Land and Construction	421,489	300,378
Hospitality	286,756	282,085
Industrial and Warehouse	72,197	105,840
<b>Total CRE (3)</b>	<b>\$ 2,461,612</b>	<b>\$ 2,323,792</b>

(1) Includes loans generally granted to finance the acquisition or operation of non-owner occupied properties such as retail shopping centers, free-standing single-tenant properties, and mixed-use properties primarily dedicated to retail, where the primary source of repayment is derived from the rental income generated from the use of the property by its tenants.

(2) Includes marinas, nursing and residential care facilities, and other specialty type CRE properties.

(3) Includes loans held for investment in the NY loan portfolio, which were \$223.0 million at September 30, 2024 and \$217.0 million at December 31, 2023.

The table below summarizes the composition of our loans held for sale by type of loan as of the end of each period presented:

<i>(in thousands)</i>	September 30, 2024	December 31, 2023
<b><u>Loans held for sale at the lower of cost or fair value</u></b>		
Real estate loans		
Commercial real estate		
Non-owner occupied	\$ 111,591	\$ —
Multi-family residential	—	309,612
Land development and construction loans	35,020	55,607
	146,611	365,219
Single-family residential	87,820	—
Owner occupied	221,774	—
	456,205	365,219
Commercial loans	87,866	—
Consumer loans	9,870	—
<b>Total loans held for sale at the lower of cost or fair value</b>	<b>553,941</b>	<b>365,219</b>
<b><u>Mortgage loans held for sale at fair value</u></b>		
Land development and construction loans	10,608	12,778
Single-family residential	33,243	13,422
<b>Total mortgage loans held for sale at fair value (1)(2)</b>	<b>43,851</b>	<b>26,200</b>
<b>Total loans held for sale (3)</b>	<b>\$ 597,792</b>	<b>\$ 391,419</b>

(1) In the first nine months of 2024, the Company transferred \$18.6 million and \$9.5 million of land development and construction loans and single-family residential loans, respectively, from the loans held for sale to the loans held for investment category. See 2023 Form 10-K on transfer activities in 2023.

(2) Loans held for sale in connection with Amerant Mortgage's ongoing business.

(3) As of September 30, 2024, there were \$0.6 million in loans between 60 and 90 days past due (None at December 30, 2023); all loans remained in accrual status at each of the periods shown.

At September 30, 2024 and December 31, 2023, there were \$43.9 million and \$26.2 million, respectively, of mortgage loans held for sale carried at their estimated fair value.

As of September 30, 2024 and December 31, 2023, the Company had \$553.9 million and \$365.2 million in loans held for sale carried at the lower of cost or fair value, which were previously recorded as loans held for investment. In the second quarter of 2024, the Company transferred an aggregate of \$553.1 million in connection with the Houston Sale Transaction. The Company recorded a valuation allowance of \$1.3 million as a result of the transfer in the same period. In the fourth quarter of 2023, the Company transferred an aggregate of \$401.0 million in Houston-based CRE loans held for investment to the loans held for sale category, and recognized a valuation allowance of \$35.5 million as a result of the fair value adjustment of these loans. The Company sold these loans in the first quarter of 2024 and there was no material impact to the Company's results of operations as a result of this transaction in 2024.

As of September 30, 2024, total loans held for investment were \$7.0 billion, up \$90.7 million, or 1.3%, compared to \$6.9 billion at December 31, 2023. Domestic loans held for investment increased \$136.6 million, or 2.0%, as of September 30, 2024, compared to December 31, 2023. Excluding the impact of the aforementioned transfer to held for sale of Houston loans, domestic loans held for investment increased \$690.5 million in the first nine months of 2024. The increase in total domestic loans held for investment includes: (i) a net increase of \$137.8 million, or 5.9% in domestic CRE loans; (ii) a net increase of \$168.7 million, or 11.5% in domestic commercial loans, including \$41.7 million in connection with a commercial loan relationship formerly domiciled outside the US, and (iii) a net increase of \$37.4 million, or 2.6% in domestic single-family residential loans. These increases were partially offset by a net decrease of \$173.6 million, or 14.8%, in domestic owner occupied loans. In addition, there was a decrease in domestic consumer loans of \$113.0 million, or 29.0%, in the first nine months of 2024, as the Company discontinued the purchases of indirect consumer loans in 2023 and such indirect lending portfolio is set to runoff over time.

In the nine months ended September 30, 2024, the Company has added approximately \$276.0 million in single-family residential and construction loans through Amerant Mortgage, which includes loans originated and purchased from different channels.

Loans to international customers, primarily from Venezuela and other customers in Latin America decreased \$45.9 million, or 52.4%, in the nine months ended September 30, 2024, mainly driven by \$41.7 million in connection with a commercial loan relationship which is now domiciled in the US, and pay downs totaling \$4.2 million to existing single family residential loans.

As of September 30, 2024, loans under syndication facilities, included in loans held for investment, were \$390.6 million, an increase of \$118.8 million, or 43.7%, compared to \$271.8 million at December 31, 2023. This was mainly driven by a net increase of \$127.8 million in club deals partially offset by a net decrease of \$9.0 million of Shared National Credit Facilities ("SNC"). At September 30, 2024 and December 31, 2023, loans under SNC facilities held for investment were \$77.9 million and \$87.0 million, respectively. As of September 30, 2024, there were no SNC loans that financed highly leveraged transactions, compared to \$5.5 million, or 0.1%, of total loans as of December 31, 2023.

### Foreign Outstanding

The table below summarizes the composition of our international loan portfolio by country of risk for the periods presented. All of our foreign loans are denominated in U.S. Dollars, and bear fixed or variable rates of interest based upon different market benchmarks plus a spread.

	September 30, 2024		December 31, 2023	
	Net Exposure (1)	% Total Assets	Net Exposure (1)	% Total Assets
<i>(in thousands, except percentages)</i>				
Venezuela (2)	\$ 33,556	0.3 %	\$ 37,699	0.4 %
Other	8,150	0.1 %	49,923	0.5 %
Total	\$ 41,706	0.4 %	\$ 87,622	0.9 %

- (1) Consists of outstanding principal amounts, net of collateral of cash, cash equivalents or other financial instruments totaling \$7.8 million and \$7.2 million as of September 30, 2024 and December 31, 2023, respectively.
- (2) Includes mortgage loans for single-family residential properties located in the U.S. totaling \$33.4 million and \$37.7 million as of September 30, 2024 and December 31, 2023, respectively.

The maturities of our outstanding international loans were:

	September 30, 2024				December 31, 2023			
	Less than 1 year	1-3 Years	More than 3 years	Total	Less than 1 year	1-3 Years	More than 3 years	Total
<i>(in thousands)</i>								
Venezuela	\$ 168	\$ —	\$ 33,388	\$ 33,556	\$ 262	\$ —	\$ 37,437	\$ 37,699
Other	300	1,228	6,622	8,150	3,180	5,725	41,018	49,923
Total	\$ 468	\$ 1,228	\$ 40,010	\$ 41,706	\$ 3,442	\$ 5,725	\$ 78,455	\$ 87,622

## Loan Quality

### Allocation of Allowance for Credit Losses

In the following table, we present the allocation of the ACL by loan segment at the end of the periods presented. The amounts shown in this table should not be interpreted as an indication that charge-offs in future periods will occur in these amounts or percentages. These amounts represent our best estimates of expected credit losses to be collected throughout the life of the loans, at the reported dates, derived from historical events, current conditions and reasonable and supportable forecasts at the dates reported. Our allowance for credit losses is established using estimates and judgments, which consider the views of our regulators in their periodic examinations. Re-evaluation of the ACL estimate in future periods, in light of changes in composition and characteristics of the loan portfolio, changes in the reasonable and supportable forecast and other factors then prevailing may result in material changes in the amount of the ACL and credit loss expense in those future periods. We also show the percentage of each loan class, which includes loans in nonaccrual status.

	September 30, 2024		December 31, 2023	
	Allowance	% of Loans in Each Category to Total Loans Held for Investment	Allowance	% of Loans in Each Category to Total Loans Held for Investment
<i>(in thousands, except percentages)</i>				
<b>Total Loans</b>				
Real estate (2)	\$ 16,953	37.9 %	\$ 25,876	35.8 %
Commercial	38,905	38.1 %	41,809	39.0 %
Financial institutions	—	0.2 %	—	0.2 %
Consumer and others (1)	24,032	23.8 %	27,819	25.0 %
<b>Total Allowance for Credit Losses</b>	<b>\$ 79,890</b>	<b>100.0 %</b>	<b>\$ 95,504</b>	<b>100.0 %</b>
<b>% of Total Loans held for investment</b>	1.15 %		1.39 %	

(1) Includes (i) unsecured indirect consumer loans (domestic) to qualified individuals purchased in 2022, 2021 and 2020; and (ii) mortgage loans for and secured by single-family residential properties located in the U.S.

(2) Includes transactions in which the debtor or customer is domiciled outside the U.S. and all collateral is located in the U.S.

The ACL was determined utilizing a reasonable and supportable forecast period. The ACL was determined using a weighted-average of various macroeconomic scenarios provided by a third-party, and incorporated qualitative components. There have been no material changes in our policies and methodology to estimate the ACL in the nine months ended September 30, 2024.

## Non-Performing Assets

In the following table, we present a summary of our non-performing assets by loan class, which includes non-performing loans by portfolio segment, both domestic and international, and other real estate owned, or OREO and other repossessed assets, at the dates presented. Non-performing loans consist of: (i) nonaccrual loans where the accrual of interest has been discontinued, and (ii) accruing loans 90 days or more contractually past due as to interest or principal.

	September 30, 2024	December 31, 2023
(in thousands)		
<b>Non-Accrual Loans</b>		
<b>Domestic Loans:</b>		
Commercial real estate (CRE)		
Non-owner occupied	\$ 1,916	\$ —
Multi-family residential	—	8
	1,916	8
Single-family residential	13,452	2,459
Owner occupied		
	29,240	3,822
	44,608	6,289
Commercial loans	68,654	21,949
Consumer loans and overdrafts	—	38
<b>Total Non-Accrual Loans</b>	<b>\$ 113,262</b>	<b>\$ 28,276</b>
<b>Past Due Accruing Loans (1)</b>		
Real Estate Loans		
Single-family residential	\$ 1,129	\$ 5,218
Commercial	104	857
Consumer loans and overdrafts	434	49
<b>Total Past Due Accruing Loans</b>	<b>1,667</b>	<b>6,124</b>
<b>Total Non-Performing Loans</b>	<b>\$ 114,929</b>	<b>\$ 34,400</b>
<b>OREO and other repossessed assets</b>	<b>14,509</b>	<b>20,181</b>
<b>Total Non-Performing Assets</b>	<b>\$ 129,438</b>	<b>\$ 54,581</b>

(1) Loans past due 90 days or more but still accruing.

The following table presents the activity of non-performing assets by type of loan in the nine months ended September 30, 2024:

Nine Months Ended September 30, 2024												
		Commercial Real Estate		Single-family Residential		Owner-occupied Commercial		Financial Institutions		Consumer and Others	OREO and Other Repossessed Assets	Total
(thousands)												
Balance at beginning of period	\$	\$8	7,637	3,822	22,806	—	\$7	20,181				54,581
Transfers to nonaccrual status		4,270	13,165	59,350	102,863	—	21,105	—				200,753
Transfers from nonaccrual loan charge-offs		(591)	—	—	(47,294)	—	(21,122)	—				(69,007)
Transfers to nonaccrual loans sold, net of charge-offs		(1,768)	—	(30,249)	(3,342)	—	—	—				(35,359)
Transfers from nonaccrual loan collections and others		(3)	(2,172)	(3,683)	(5,522)	—	(21)	—				(11,401)
Plus: (decrease) increase in past-due accruing loans		—	(4,089)	—	(753)	—	385	—				(4,457)
Transfers returned to accrual status		—	—	—	—	—	—	—				—
OREO valuation expense		—	—	—	—	—	—	—			(5,672)	(5,672)
Balance at end of period	\$	1,916	14,581	29,240	68,758	—	434	14,509				129,438

The increase in nonperforming loans during the nine months ended September 30, 2024 was primarily due to certain loans that were downgraded based on updated borrowers' financial statements received in the second and third quarters of 2024. See discussion on Classified and Special Mention Loans below for more details.

We recognized no interest income on nonaccrual loans during the nine months ended September 30, 2024 and 2023.

The Company's loans by credit quality indicators are summarized in the following table. We have no purchased-credit-impaired loans.

thousands)	September 30, 2024				December 31, 2023			
	Special Mention	Substandard (2)	Doubtful	Total (1)	Special Mention	Substandard	Doubtful	Total (1)
al Estate Loans								
Commercial Real Estate (CRE)								
Non-owner occupied	\$ 34,374	1,916	—\$	36,290	—\$	—\$	—\$	—
Multi-family residential	—	—	—	—	—	8	—	8
Single-family residential (2)	—	13,544	—	13,544	—	2,800	—	2,800
Owner occupied	29,603	29,310	—	58,913	15,723	3,890	—	19,613
	63,977	44,770	—	108,747	15,723	6,698	—	22,421
Commercial loans (2)	12,442	69,429	—	81,871	30,261	22,971	—	53,232
Consumer loans and overdrafts	—	—	—	—	—	41	—	41
	\$ 76,419	114,199	—\$	190,618	45,984	29,719	—\$	75,694

(1) There are no loans categorized as a "Loss" as of the dates presented.

(2) Substandard loans balances for single-family residential and commercial loans differ slightly from the balances included in our press release to report the Company's financial results for the fiscal quarter ended September 30, 2024 dated October 23, 2024.

**Classified Loans.** Classified loans include substandard and doubtful loans. Substandard loans as of September 30, 2024, include 11 downgraded commercial and owner occupied loans totaling \$88.1 million, and two commercial real estate loans totaling \$7.3 million. For more information on the activity of Classified loans in the nine months ended September 30, 2024, please refer to non-performing assets table above. All nonaccrual loans are classified as Substandard.

**Special Mention Loans.** The following table presents the activity of special mention loans by type of loan in the nine months ended September 30, 2024:

	Nine Months Ended September 30, 2024							
		Commercial Real Estate	Single-family Residential	Owner-occupied Commercial	Financial Institutions	Consumer and Others	Total	
(thousands)								
Balance at beginning of period	\$	\$—	—\$	15,723	30,251	—\$	—\$	45,984
Upgrades to Special Mention		34,438	—	32,961	48,174	—	—	115,573
Upgrades to Pass		—	—	(5,056)	(3,056)	—	—	(8,112)
Downgrades to Substandard		—	—	(13,932)	(62,889)	—	—	(76,821)
Payoffs/Paydowns		(64)	—	(93)	(48)	—	—	(205)
Balance at end of period	\$	34,374	—\$	29,603	12,412	—\$	—\$	76,419

All special mention loans remained current at September 30, 2024 with the exception of one relationship totaling \$5.5 million being over thirty days past due.

Potential problem loans, which are accruing loans classified as substandard and are less than 90 days past due, at September 30, 2024 and December 31, 2023, are as follows:

(in thousands)	September 30, 2024	December 31, 2023
<b>Real estate loans</b>		
Single-family residential (1)	229	221
Owner occupied	70	78
	299	299
<b>Commercial loans</b>	778	967
	\$ 1,077	\$ 1,266

(1) Corresponds to both domestic and international single-family residential loans.



## Securities

The following table sets forth the book value and percentage of each category of securities at September 30, 2024 and December 31, 2023. The book value for debt securities classified as available for sale and equity securities with readily determinable fair value not held for trading represents fair value. The book value for debt securities classified as held to maturity represents amortized cost less ACL if required. The Company determined that an ACL on its debt securities available for sale at September 30, 2024 and December 31, 2023 was not required. In the nine months ended September 30, 2024, the Company reclassified all its debt securities held to maturity to the available for sale category. As a result, there are no debt securities held to maturity as of September 30, 2024. The Company determined that an ACL on its debt securities held to maturity as of December 31, 2023 was not required.

	September 30, 2024		December 31, 2023	
	Amount	%	Amount	%
<i>(in thousands, except percentages)</i>				
<b>Debt securities available for sale:</b>				
U.S. government-sponsored enterprise debt securities	\$ 831,830	53.9 %	\$ 557,307	37.2 %
Corporate debt securities (1) (2)	136,766	8.9 %	260,802	17.4 %
U.S. government agency debt securities	504,150	32.7 %	390,777	26.1 %
U.S. treasury securities	1,999	0.1 %	1,991	0.1 %
Municipal bonds	1,633	0.1 %	1,668	0.1 %
Collateralized loan obligations	—	— %	4,957	0.4 %
	<u>\$ 1,476,378</u>	<u>95.7 %</u>	<u>\$ 1,217,502</u>	<u>81.3 %</u>
<b>Debt securities held to maturity (3)</b>	<u>\$ —</u>	<u>— %</u>	<u>\$ 226,645</u>	<u>15.1 %</u>
<b>Equity securities with readily determinable fair value not held for trading (4)</b>	<u>\$ 2,562</u>	<u>0.2 %</u>	<u>\$ 2,534</u>	<u>0.2 %</u>
<b>Other securities (5):</b>	<u>\$ 63,604</u>	<u>4.1 %</u>	<u>\$ 50,294</u>	<u>3.4 %</u>
	<u><u>\$ 1,542,544</u></u>	<u><u>100.0 %</u></u>	<u><u>\$ 1,496,975</u></u>	<u><u>100.0 %</u></u>

- (1) As of September 30, 2024 and December 31, 2023 corporate debt includes \$10.7 million and \$10.5 million, respectively, of debt securities issued by foreign corporate entities. The securities' issuers were from Canada in two different sectors at September 30, 2024, and at December 31, 2023. The Company limits exposure to foreign investments based on cross border exposure by country, risk appetite and policy. All foreign investments are denominated in U.S. Dollars.
- (2) As of September 30, 2024, as a result of the Company's Securities Repositioning strategy, the Company sold its debt securities issued by domestic corporate entities including subordinated debt securities issued by financial institutions.
- (3) During the third quarter of 2024, the Company executed the Securities Repositioning and transferred all its debt securities held to maturity to the available for sale category.
- (4) In 2023, the Company purchased an investment in an open-end fund incorporated in the U.S with an original cost of \$2.5 million. The Fund's objective is to provide a high level of current income consistent with the preservation of capital and investments deemed to be qualified under the Community Reinvestment Act.
- (5) Includes investments in FHLB and Federal Reserve Bank stock. Amounts correspond to original cost at the date presented. Original cost approximates fair value because of the nature of these investments.

As of September 30, 2024, total securities increased \$45.6 million, or 3.0%, to \$1.54 billion compared to \$1.50 billion at December 31, 2023. The increase in the nine months ended September 30, 2024 was mainly driven by purchases of debt securities held for sale and FHLB stock totaling \$288.1 million. This increase was partially offset by: (i) maturities, sales, calls and pay downs, totaling \$271.2 million, and (ii) net pre-tax unrealized holding losses, on debt securities available for sale of \$78.2 million primarily attributable to changes in market interest rates during the period.

Upon successfully completing the Public Offering, the Company initiated the Securities Repositioning aimed at improving yields, increasing liquidity and de-risking the securities portfolio. As part of this strategy, in the third quarter of 2024, the Company: (i) transferred at their fair value (which was below their amortized cost basis) all of the debt securities previously classified as held to maturity and carried at amortized cost to the debt securities available for sale category; (ii) sold all of the Company's investments in subordinated debt securities, included in corporate debt securities, which resulted in a pre-tax loss on sale of approximately \$6.7 million in the third quarter of 2024; and (iii) decided to sell all other corporate debt securities. In addition, as a result of its decision to sell all debt securities available for sale (including those previously classified as held to maturity) which had accumulated unrealized losses and met the criteria for inclusion in the Securities Repositioning, the Company recorded a pre-tax impairment loss totaling approximately \$61.8 million on debt securities available for sale which resulted in a write down of their previous amortized cost to their estimated fair value as of September 30, 2024. The Company completed the Securities Repositioning in October 2024, which resulted in an additional pre-tax loss on sale of approximately \$8.1 million as a result of the subsequent decline in fair market value of the securities.

Debt securities available for sale had net unrealized holding losses of \$26.5 million and net unrealized holding gains of \$7.7 million at September 30, 2024, compared to December 31, 2023 when net unrealized holding losses were \$100.3 million and net unrealized holding gains were \$3.2 million. During the nine months ended September 30, 2024, the Company recorded pre-tax unrealized holding gains of \$78.2 million which are included in accumulated other comprehensive income for the period. This includes \$68.7 million of pre-tax reclassification adjustment for net losses included in the net loss for period due to the pre-tax impairment loss of approximately \$61.8 million, and the loss on sale on debt securities available for sale of approximately \$6.7 million, as a result of the Securities Repositioning. The Company wrote down the previous amortized cost on these securities to their estimated fair value as of September 30, 2024.

Except for the debt securities available for sale that met the criteria for inclusion in the Securities Repositioning, the Company does not intend to sell these debt securities and it is more likely than not that it will not be required to sell the securities before their anticipated recovery. The Company believes these securities are not credit-impaired because the change in fair value is attributable to changes in interest rates and investment securities markets, generally, and not credit quality. As a result, the Company did not record an ACL on these securities as of September 30, 2024 and December 31, 2023.

As a result of the Securities Repositioning in the third quarter of 2024, which included transferring all debt securities previously classified as held to maturity to the available for sale category, the Company does not have any debt securities classified as held to maturity at September 30, 2024.

The following tables set forth the book value, scheduled maturities and weighted average yields for our securities portfolio at September 30, 2024 and December 31, 2023. Similar to the table above, the book value for securities available for sale and equity securities with readily determinable fair value not held for trading is equal to fair market value and the book value for debt securities held to maturity is equal to amortized cost less an ACL if required.

September 30, 2024

(in thousands, except percentages)	Total		Less than a year		One to five years		Five to ten years		Over ten years		No maturity	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
<b>Debt securities available for sale</b>												
U.S. Government sponsored enterprise debt	\$ 831,830	4.28 %	\$ 231	2.94 %	\$ 44,490	1.22 %	\$ 65,090	3.99 %	\$ 722,019	4.50 %	\$ —	— %
Corporate debt-domestic	126,056	4.84 %	6,973	4.96 %	68,001	5.23 %	39,522	4.46 %	11,560	3.72 %	—	— %
U.S. Government agency debt	504,150	4.91 %	1,160	4.20 %	2,876	6.02 %	3,885	6.03 %	496,229	4.90 %	—	— %
Municipal bonds	1,633	2.52 %	—	— %	—	— %	347	2.02 %	1,286	2.65 %	—	— %
Corporate debt-foreign	10,710	5.12 %	—	— %	10,710	5.12 %	—	— %	—	— %	—	— %
Collateralized loan obligations	—	— %	—	— %	—	— %	—	— %	—	— %	—	— %
U.S. treasury securities	1,999	4.47 %	1,999	4.47 %	—	— %	—	— %	—	— %	—	— %
	<u>\$ 1,476,378</u>	<u>4.55 %</u>	<u>\$ 10,363</u>	<u>4.74 %</u>	<u>\$ 126,077</u>	<u>3.82 %</u>	<u>\$ 108,844</u>	<u>4.23 %</u>	<u>\$ 1,231,094</u>	<u>4.65 %</u>	<u>\$ —</u>	<u>— %</u>
<b>Debt securities held to maturity</b>												
	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>
<b>Equity securities with readily determinable fair value not held for trading</b>												
	<u>2,562</u>	<u>2.94 %</u>	<u>—</u>	<u>— %</u>	<u>—</u>	<u>— %</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>— %</u>	<u>2,562</u>	<u>2.94 %</u>
Other securities	\$ 63,604	7.09 %	\$ —	— %	\$ —	— %	\$ —	— %	\$ —	— %	\$ 63,604	7.09 %
	<u>\$ 1,542,544</u>	<u>4.65 %</u>	<u>\$ 10,363</u>	<u>4.74 %</u>	<u>\$ 126,077</u>	<u>3.82 %</u>	<u>\$ 108,844</u>	<u>4.23 %</u>	<u>\$ 1,231,094</u>	<u>4.65 %</u>	<u>\$ 66,166</u>	<u>6.93 %</u>

**December 31, 2023**

(in thousands, except percentages)	Total		Less than a year		One to five years		Five to ten years		Over ten years		No maturity	
	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield	Amount	Yield
<b>Debt securities available for sale</b>												
U.S. Government sponsored enterprise debt	\$ 557,307	3.98 %	\$ 616	2.82 %	\$ 36,757	3.22 %	\$ 28,642	4.12 %	\$ 491,292	4.03 %	\$ —	— %
Corporate debt-domestic	250,351	4.42 %	—	— %	89,262	5.42 %	149,868	3.87 %	11,221	3.71 %	—	— %
U.S. Government agency debt	390,777	4.10 %	134	3.05 %	2,294	4.17 %	6,167	6.34 %	382,182	4.06 %	—	— %
Municipal bonds	1,668	2.44 %	—	— %	—	— %	347	1.91 %	1,321	2.58 %	—	— %
Corporate debt-foreign	10,451	3.64 %	—	— %	8,368	3.81 %	2,083	2.98 %	—	— %	—	— %
Collateralized loan obligations	4,957	6.57 %	—	— %	—	— %	—	— %	4,957	6.57 %	—	— %
U.S. treasury securities	1,991	4.47 %	1,991	4.47 %	—	— %	—	— %	—	— %	—	— %
	<u>\$ 1,217,502</u>	<u>4.12 %</u>	<u>\$ 2,741</u>	<u>4.03 %</u>	<u>\$ 136,681</u>	<u>4.71 %</u>	<u>\$ 187,107</u>	<u>3.98 %</u>	<u>\$ 890,973</u>	<u>4.05 %</u>	<u>\$ —</u>	<u>— %</u>
<b>Debt securities held to maturity</b>												
	<u>\$ 226,645</u>	<u>3.40 %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ 19,099</u>	<u>2.30 %</u>	<u>\$ 207,546</u>	<u>3.50 %</u>	<u>\$ —</u>	<u>— %</u>
<b>Equity securities with readily determinable fair value not held for trading</b>												
	<u>2,534</u>	<u>2.80 %</u>	<u>—</u>	<u>— %</u>	<u>—</u>	<u>— %</u>	<u>—</u>	<u>— %</u>	<u>—</u>	<u>— %</u>	<u>2,534</u>	<u>2.8 %</u>
<b>Other securities</b>												
	<u>\$ 50,294</u>	<u>6.89 %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ —</u>	<u>— %</u>	<u>\$ 50,294</u>	<u>6.89 %</u>
	<u><u>\$ 1,496,975</u></u>	<u><u>4.10 %</u></u>	<u><u>\$ 2,741</u></u>	<u><u>4.03 %</u></u>	<u><u>\$ 136,681</u></u>	<u><u>4.71 %</u></u>	<u><u>\$ 206,206</u></u>	<u><u>3.82 %</u></u>	<u><u>\$ 1,098,519</u></u>	<u><u>3.95 %</u></u>	<u><u>\$ 52,828</u></u>	<u><u>6.69 %</u></u>

The investment portfolio's weighted expected average effective duration decreased to 4.9 years at September 30, 2024 compared to 5.0 years at December 31, 2023, due to expected lower rates and the effect of the Securities Repositioning, previously discussed.

**Liabilities**

Total liabilities were \$9.45 billion at September 30, 2024, an increase of \$470.0 million, or 5.2%, compared to \$9.0 billion at December 31, 2023. This was primarily driven by an increase of (i) \$270.0 million, or 41.9%, in advances from the FHLB; (ii) \$216.1 million, or 2.7%, in total deposits, mainly due to an increase in savings and money market deposits; and \$0.8 million, or 0.5%, in accounts payable, accrued liabilities and other liabilities. These increases were partially offset by a decrease of \$17.3 million, or 14.0%, in operating lease liabilities. See "Capital Resources and Liquidity Management" and "Deposits" for more details on the changes in advances from the FHLB and total deposits. Total accounts payable, accrued liabilities and other liabilities as of September 30, 2024 include approximately \$12.9 million in connection with the Houston Sale Transaction. See "Our Company- Business Developments" for additional information.

## Deposits

We continue with our efforts in growing our deposits. Our efforts include the additions of new team members to our business development teams across South Florida and Tampa, and the opening of new banking centers in various locations in Florida in the first nine months of 2024. Total deposits as of September 30, 2024 include deposits held for sale of approximately \$590.7 million in connection with the Houston Sale Transaction. See "Our Company- Business Developments" for additional information.

Total deposits were \$8.11 billion at September 30, 2024, an increase of \$216.1 million, or 2.7%, compared to December 31, 2023. The increase in deposits in the nine months ended September 30, 2024 was mainly due to an increase of: (i) \$225.5 million, or 14.0%, in savings and money market deposits; (ii) \$106.5 million, or 4.6%, in time deposits; and (iii) \$55.1 million, or 3.9%, in noninterest bearing demand deposits. These increases were partially offset by a decrease of \$171.0 million, or 6.7% in interest bearing deposits.

The \$106.5 million, or 4.6%, net increase in time deposits includes an increase of \$124.4 million, or 7.9% in customer CDs. This was partially offset by a decrease of \$17.9 million, or 2.5% in brokered time deposits.

The \$171.0 million, or 6.7% decrease in interest-bearing demand deposits was primarily due to decreases in higher-cost municipal deposits, as well as international personal deposit accounts during the period.

As of September 30, 2024 total brokered deposits were \$701.8 million, a decrease of \$35.1 million, or 4.8%, compared to \$736.9 million at December 31, 2023.

## Deposits by Country of Domicile

The following table shows deposits by country of domicile of the depositor as of the dates presented and the changes during the period.

(in thousands, except percentages)	September 30, 2024	December 31, 2023	Change	
			Amount	%
<b>Deposits</b>				
Domestic (1)	\$ 5,553,336	\$ 5,430,059	\$ 123,277	2.3 %
Foreign:				
Venezuela (2)	1,887,282	1,870,979	16,303	0.9 %
Others (3)	670,326	593,825	76,501	12.9 %
Total foreign	2,557,608	2,464,804	92,804	3.8 %
Total deposits	\$ 8,110,944	\$ 7,894,863	\$ 216,081	2.7 %

(1) Includes brokered deposits of \$701.8 million and \$736.9 million at September 30, 2024 and December 31, 2023, respectively.

(2) Based upon the diligence we customarily perform to "know our customers" for anti-money laundering, OFAC and sanctions purposes, we believe that the U.S. economic embargo on certain Venezuelan persons will not adversely affect our Venezuelan customer relationships, generally.

(3) Our other foreign deposits do not include deposits from Venezuelan resident customers.

Our domestic deposits increased \$123.3 million, or 2.3%, in the nine months ended September 30, 2024, primarily driven by increases of: (i) \$236.1 million in savings and money market accounts; (ii) \$29.0 million in domestic noninterest bearing accounts; and (iii) \$43.8 million in domestic customer time deposits. These increases were partially offset by decreases of: (i) \$173.8 million in domestic interest bearing accounts; and (ii) \$11.8 million in domestic brokered time deposits.

During the nine months ended September 30, 2024, total foreign deposits increased \$92.8 million, or 3.8%, primarily driven by an increase of \$16.3 million, or 0.9%, in deposits from customers domiciled in Venezuela, mostly in time deposits and noninterest bearing deposits. There was also an increase of \$76.5 million, or 12.9%, in deposits from countries other than Venezuela.

### ***Core Deposits***

Our core deposits were \$5.71 billion and \$5.60 billion as of September 30, 2024 and December 31, 2023, respectively. Core deposits represented 70.4% and 70.9% of our total deposits at those dates, respectively. The increase of \$109.6 million, or 2.0%, in core deposits in the nine months ended September 30, 2024 was mainly driven by increase in savings and money market deposits. We define "core deposits" as total deposits excluding all time deposits.

### ***Brokered Deposits***

We utilize brokered deposits primarily as an asset/liability management tool. As of September 30, 2024, we had \$701.8 million in brokered deposits, which represented 8.7% of our total deposits at that date (9.3% as of December 31, 2023). As of September 30, 2024, brokered deposits decreased \$35.1 million, or 4.8%, compared to \$736.9 million as of December 31, 2023, mainly due to maturities of brokered time deposits, partially offset by new issuances during the period. As of September 30, 2024 and December 31, 2023, brokered deposits included time deposits of \$701.6 million and \$719.5 million, respectively. We had no significant brokered interest bearing demand and money market deposits as of September 30, 2024. (\$17.4 million as of December 31, 2023). The Company has not historically sold brokered CDs in individual denominations over \$100,000.

### ***Large Fund Providers***

Large fund providers consist of third party relationships with balances over \$20 million. At September 30, 2024 and December 31, 2023, our large fund providers included 15 and 19 deposit relationships, respectively, with total balances of \$783.7 million and \$1.1 billion, respectively. The decrease in balances from large fund providers in the nine months ended September 30, 2024 was mainly driven by the decrease in higher-cost municipal deposits as the Company continues its focus on depository relationships.

### Large Time Deposits by Maturity

The following table sets forth the maturities of our time deposits with individual balances equal to or greater than \$100,000 as of September 30, 2024 and December 31, 2023:

	September 30, 2024		December 31, 2023		
(in thousands, except percentages)					
Less than 3 months	\$	403,429	28.8 %	\$ 178,102	13.7 %
3 to 6 months		458,906	32.7 %	239,843	18.4 %
6 to 12 months		373,825	26.7 %	698,897	53.6 %
1 to 3 years		141,167	10.1 %	174,792	13.4 %
Over 3 years		25,175	1.7 %	12,974	0.9 %
Total	\$	1,402,502	100.0 %	\$ 1,304,608	100.0 %

### Short-Term Borrowings

In addition to deposits, we use short-term borrowings from time to time, such as advances from the FHLB and borrowings from other banks, as a source of funds to meet the daily liquidity needs of our customers and fund growth in earning assets. Short-term borrowings have maturities of 12 months or less as of the reported period-end.

There were no outstanding short-term borrowings as of September 30, 2024. Short-term borrowings outstanding at December 31, 2023 matured in January 2024. There were no other short-term borrowings outstanding in the nine months ended September 30, 2024. All of our outstanding short-term borrowings at December 31, 2023 corresponded to advances from the FHLB. There were no other borrowings or repurchase agreements outstanding at September 30, 2024 and December 31, 2023.

The following table sets forth information about the outstanding amounts of our short-term borrowings at the close of, and for the year ended December 31, 2023.

	December 31, 2023	
<i>(in thousands, except percentages)</i>		
Outstanding at period-end	\$	40,000
Average amount		49,572
Maximum amount outstanding at any month-end		204,863
Weighted average interest rate:		
During period		4.27 %
End of period		5.46 %

## Return on Equity and Assets

The following table shows annualized return on average assets, return on average equity, and average equity to average assets ratio for the periods presented:

	Three Months Ended September 30,				Nine Months Ended September 30,			
	2024		2023		2024		2023	
(in thousands, except percentages and per share data)								
Net income attributable to the Company	\$	(48,164)	\$	22,119	\$	(32,633)	\$	49,613
Basic (loss) earnings per common share		(1.43)		0.66		(0.97)		1.48
Diluted (loss) earnings per common share (1)		(1.43)		0.66		(0.97)		1.47
Average total assets	\$	9,985,972	\$	9,493,887	\$	9,823,343	\$	9,430,487
Average stockholders' equity		766,909		735,289		752,384		739,453
Net (loss) income attributable to the Company / Average total assets (ROA)		(1.92)	%	0.92	%	(0.44)	%	0.70
Net (loss) income attributable to the Company / Average stockholders' equity (ROE)		(24.98)	%	11.93	%	(5.79)	%	8.97
Average stockholders' equity / Average total assets ratio		7.68	%	7.74	%	7.66	%	7.84

(1) In the three and nine month periods ended September 30, 2024 and 2023, potential dilutive instruments consisted of unvested shares of restricted stock, restricted stock units and performance share units. See Note 13 to our unaudited interim consolidated financial statements in this Form 10-Q for details on the dilutive effects of the issuance of restricted stock, restricted stock units and performance share units on earnings per share for the three and nine month periods ended September 30, 2024 and 2023.

During the three and nine month periods ended September 30, 2024, basic and diluted earnings per share decreased compared to the same period one year ago, primarily driven by the net loss recorded in the current periods compared to the net income earned in the comparable periods.

## Capital Resources and Liquidity Management

### Capital Resources

Stockholders' equity is influenced primarily by earnings, dividends, if any, and changes in accumulated other comprehensive income or loss (AOCI/AOCL) caused primarily by fluctuations in unrealized holding gains or losses, net of taxes, on debt securities available for sale and derivative instruments. AOCI or AOCL are not included in stockholders' equity for purposes of determining our capital for bank regulatory purposes.

Total stockholders' equity was \$902.9 million as of September 30, 2024, an increase of \$166.8 million, or 22.7%, compared to \$736.1 million as of December 31, 2023. This increase was primarily driven by: (i) net proceeds of \$155.8 million from the issuance of common stock in a public offering completed in the period, discussed below, and (ii) a decrease in AOCL due to reclassification into net loss of net accumulated unrealized losses previously included in AOCL on debt securities available for sale as a result of the Securities Repositioning. The increase was offset by: (i) a net loss of \$32.6 million in the first nine months of 2024; (ii) \$9.0 million of dividends declared and paid by the Company in the first nine months of 2024, and (iii) an aggregate of \$7.6 million of Class A common stock repurchased in the first nine months of 2024.



### **Common Stock Transactions**

In the three and nine month periods ended September 30, 2024, the Company repurchased an aggregate of 143,674 shares of Class A common stock at a weighted average price of \$21.59 per share, and 344,326 shares of Class A common stock at a weighted average price of \$21.94 per share, respectively, under the 2023 Class A Common Stock Repurchase Program. The aggregate purchase price for these transactions was \$3.1 million and \$7.6 million in the three and nine month periods ended September 30, 2024, respectively, including transaction costs.

### **Public Offering**

On September 27, 2024, the Company completed a public offering of 8,684,210 shares of its Class A voting common stock, at a price to the public of \$19.00 per share, which included 784,210 shares issued upon the exercise in full by the underwriters of their option to purchase additional shares of common stock. The total gross proceeds from the offering were approximately \$165 million, with net proceeds of approximately \$155.8 million after deducting underwriting discounts and commissions and estimated offering expenses payable by the Company. The Company intends to use the net proceeds of the Public Offering for general corporate purposes and to support its continued organic growth, which may include, among other things, working capital, investments in the Bank, resolution of non-performing loans, and potential balance sheet optimization strategies.

### **Dividends**

Set forth below are the details of dividends declared and paid by the Company for the first nine months ended September 30, 2024:

<u>Declaration Date</u>	<u>Record Date</u>	<u>Payment Date</u>	<u>Dividend Per Share</u>	<u>Dividend Amount</u>
07/24/2024	08/15/2024	08/30/2024	\$0.09	\$3.0 million
04/24/2024	05/15/2024	05/30/2024	\$0.09	\$3.0 million
01/17/2024	02/14/2024	02/29/2024	\$0.09	\$3.0 million

### **Liquidity Management**

We manage our liquidity based on several factors that include the amount of core deposit relationships as a percentage of total deposits, the level of diversification of our funding sources, the allocation and amount of our deposits among deposit types, the short-term funding sources used to fund assets, the amount of non-deposit funding used to fund assets, the availability of unused funding sources, off-balance sheet obligations, the amount of cash and liquid securities we hold, the availability of assets readily convertible into cash without undue loss, the characteristics and maturities of our assets when compared to the characteristics of our liabilities and other factors.

Liquidity risk management is a relevant element of our asset/liability management. Our contingency funding plan is constantly monitored by our Assets and Liabilities Committee and serves as the basis to identify our liquidity needs. The contingency funding plan models several liquidity stress scenarios to evaluate different potential liquidity outflows or funding gaps resulting from economic disruptions and volatility in the financial markets, among other factors.

Customer deposits have been our principal source of funding, supplemented by our investment securities portfolio, our short-term and long-term borrowings as well as loan repayments and amortizations. The Company's liquidity position includes cash and cash equivalents of \$671.8 million at September 30, 2024, compared to \$321.9 million at December 31, 2023.

At September 30, 2024 and December 31, 2023, the Company had \$915.0 million and \$645.0 million, respectively, of outstanding advances from the FHLB. At September 30, 2024 and December 31, 2023, we had an additional \$1.9 billion and \$2.1 billion, respectively, of remaining credit availability with the FHLB, and \$1.6 billion, and \$1.9 billion, respectively, of FHLB borrowing capacity. This additional borrowing capacity is determined by the FHLB. In the nine months ended September 30, 2024, the Company repaid \$1.1 billion in advances from the FHLB, and borrowed \$1.4 billion from this source. In the nine months ended September 30, 2024, the Company had no significant gains or losses on the repayments of the advances from the FHLB. These repayments are part of the Company's asset/liability management strategies.

There were no other borrowings as of September 30, 2024 and December 31, 2023.

We also have available uncommitted federal funds lines with several banks. We had no outstanding borrowings under uncommitted federal funds lines with banks at September 30, 2024 and December 31, 2023.

#### *Holding Company*

We are a corporation separate and apart from the Bank and, therefore, must provide for our own liquidity. Historically, our main source of funding has been dividends declared and paid to us by the Bank. The Company is the obligor and guarantor on our junior subordinated debt and the guarantor of the Senior Notes and Subordinated Notes. As previously discussed, On September 27, 2024, the Company completed a public offering of its common stock, which resulted in net proceeds to the Company of \$155.8 million recorded in the three and nine months ended September 30, 2024. Following the completion of this offering, the Company contributed cash totaling \$90 million to its Bank subsidiary also recorded in the same periods of 2024.

The Company held cash and cash equivalents mainly at the Bank of \$106.4 million as of September 30, 2024 and \$46.8 million as of December 31, 2023, in funds available to service its Senior Notes, Subordinated Notes and junior subordinated debt and for general corporate purposes, as a separate stand-alone entity.

#### Subsidiary Dividends

There are statutory and regulatory limitations that affect the ability of the Bank to pay dividends to the Company. These limitations exclude the effects of AOCL/AOCL. Management believes that these limitations will not affect the Company's ability to meet its ongoing short-term cash obligations. See "Supervision and Regulation" in the 2023 Form 10-K.

In December 2023, the Board of Directors of the Bank approved the payment of a cash dividend of \$20 million by the Bank to the Company. The Company received this dividend from the Bank in the first quarter of 2024.

Based on our current outlook, we believe that net income, advances from the FHLB, available other borrowings and any dividends paid to us by the Bank will be sufficient to fund liquidity requirements for the foreseeable future.

## Regulatory Capital Requirements

The Company's consolidated regulatory capital amounts and ratios are presented in the following table:

(in thousands, except percentages)	Actual		Required for Capital Adequacy Purposes		Regulatory Minimums To be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>September 30, 2024</b>						
Total capital ratio	\$ 1,076,914	12.72 %	\$ 664,848	8.00 %	\$ 831,060	10.00 %
Tier 1 capital ratio	961,717	11.36 %	498,636	6.00 %	664,848	8.00 %
Tier 1 leverage ratio	961,717	9.56 %	393,214	4.00 %	491,517	5.00 %
Common Equity Tier 1 (CET1)	900,985	10.65 %	373,977	4.50 %	540,189	6.50 %
<b>December 31, 2023</b>						
Total capital ratio	\$ 979,777	12.12 %	\$ 646,481	8.00 %	\$ 808,101	10.00 %
Tier 1 capital ratio	851,787	10.54 %	484,860	6.00 %	646,481	8.00 %
Tier 1 leverage ratio	851,787	8.84 %	385,598	4.00 %	481,998	5.00 %
Common Equity Tier 1 (CET1)	790,959	9.79 %	363,645	4.50 %	525,266	6.50 %

The Bank's consolidated regulatory capital amounts and ratios are presented in the following table:

(in thousands, except percentages)	Actual		Required for Capital Adequacy Purposes		Regulatory Minimums to be Well Capitalized	
	Amount	Ratio	Amount	Ratio	Amount	Ratio
<b>September 30, 2024</b>						
Total capital ratio	\$ 1,020,975	12.08 %	\$ 678,521	8.00 %	\$ 848,151	10.00 %
Tier 1 capital ratio	935,361	11.07 %	508,891	6.00 %	678,521	8.00 %
Tier 1 leverage ratio	935,361	9.34 %	400,644	4.00 %	500,805	5.00 %
Common Equity Tier 1 (CET1)	935,361	11.07 %	381,668	4.50 %	551,298	6.50 %
<b>December 31, 2023</b>						
Total capital ratio	\$ 964,678	11.95 %	\$ 645,662	8.00 %	\$ 807,077	10.00 %
Tier 1 capital ratio	866,141	10.73 %	484,246	6.00 %	645,662	8.00 %
Tier 1 leverage ratio	866,141	9.03 %	383,864	4.00 %	479,830	5.00 %
Common Equity Tier 1 (CET1)	866,141	10.73 %	363,185	4.50 %	524,600	6.50 %

### Off-Balance Sheet Arrangements

The following table shows the outstanding balance of financial instruments whose contracts represent off-balance sheet credit risk as of the end of the periods presented. Except as disclosed below, we are not involved in any other off-balance sheet contractual relationships that are reasonably likely to have a current or future material effect on our financial condition, a change in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources. For more details on the Company's off-balance sheet arrangements, see Note 19 to our audited consolidated financial statements included in the 2023 Form 10-K.

<i>thousands)</i>		<b>September 30, 2024</b>	<b>December 31, 2023</b>
commitments to extend credit	\$	1,446,375	1,305,816
letters of credit		108,163	29,605
	\$	<u>1,554,538</u>	<u>1,335,421</u>

## Contractual Obligations

In the normal course of business, we and our subsidiaries enter into various contractual obligations that may require future cash payments. Significant commitments for future cash obligations include capital expenditures related to operating leases, certain binding agreements we have entered into for services including outsourcing of technology services, advertising and other services, and other borrowing arrangements which are not material to our liquidity needs. We currently anticipate that our available funds, credit facilities, and cash flows from operations will be sufficient to meet our operational cash needs for the foreseeable future. Other than the changes discussed herein, there have been no material changes to the contractual obligations previously disclosed in the 2023 Form 10-K.

In the nine months ended September 30, 2024, the Company borrowed \$1.4 billion in advances from the FHLB and repaid \$1.1 billion of these borrowings.

In the nine months ended September 30, 2024, total time deposits increased \$106.5 million, or 4.6%. See "Deposits" for additional information.

## Critical Accounting Policies and Estimates

For our critical accounting policies and estimates disclosure, see the 2023 Form 10-K where such matters are disclosed for the Company's latest fiscal year ended December 31, 2023.

**Recently Issued Accounting Pronouncements.** For a description of recently issued accounting pronouncements, see Note 1 to the Company's audited consolidated financial statements in the 2023 Form 10-K.

## ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We believe interest rate and price risks are the most significant market risks impacting us. We monitor and evaluate these risks using sensitivity analyses to measure the effects on earnings, equity and the available for sale portfolio mark-to-market exposure, of changes in market interest rates. Exposures are managed to a set of limits previously approved by our Board of Directors and monitored by management. See discussions below for material changes in our market risk exposure as compared to those discussed in our 2023 Form 10-K, Part II, Item 7A, "Quantitative and Qualitative Disclosures About Market Risk".

### Earnings Sensitivity

The following table shows the sensitivity of our net interest income as a function of modeled interest rate changes:

(in thousands, except percentages)	Change in earnings <sup>(1)</sup>					
	September 30,			December 31,		
	2024			2023		
Change in Interest Rates (Basis points)						
Increase of 200	\$	26,678	7.4 %	\$	20,487	6.1 %
Increase of 100		20,741	5.8 %		15,618	4.7 %
Decrease of 50		(7,139)	(2.0)%		(3,923)	(1.2)%
Decrease of 100		(14,745)	(4.1)%		(10,273)	(3.1)%
Decrease of 200		(33,978)	(9.4)%		(21,290)	(6.3)%

(1) Represents the change in net interest income, and the percentage that change represents of the base scenario net interest income. The base scenario assumes (i) flat interest rates over the next 12 months, (ii) that total financial instrument balances are kept constant over time and (iii) that interest rate shocks are instant and parallel to the yield curve, for the various interest rates and indices that affect our net interest income.

Net interest income in the base scenario increased to approximately \$361.0 million in the three months ended September 30, 2024 compared to \$336.0 million as of December 31, 2023. This increase is mainly due to (i) the growth in the size of the balance sheet as total assets increased \$636.8 million, or 6.6%, in the first nine months of 2024 compared to December 31, 2023; and (ii) loan production at higher rates. This was partially offset by the higher cost of total deposits and borrowings.

The Company periodically reviews the scenarios used for earnings sensitivity to reflect market conditions.

#### *Economic Value of Equity (EVE) Analysis*

The following table shows the sensitivity of our EVE as a function of interest rate changes as of the periods presented:

	Change in equity <sup>(1)</sup>	
	September 30,	December 31,
	2024	2023
<b>Change in Interest Rates (Basis points)</b>		
Increase of 200	(12.35) %	(4.66) %
Increase of 100	(3.63) %	(0.38) %
Decrease of 50	2.27 %	3.61 %
Decrease of 100	3.29 %	1.83 %
Decrease of 200	2.74 %	2.73 %

(1) Represents the percentage of equity change in a static balance sheet analysis assuming interest rate shocks are instant and parallel to the yield curves for the various interest rates and indices that affect our net interest income.

During the periods reported, the modeled effects on the EVE remained within established Company risk limits.

#### *Available for Sale Portfolio mark-to-market exposure*

The Company measures the potential change in the market price of its investment portfolio, and the resulting potential change on its equity for different interest rate scenarios. This table shows the result of this test as of September 30, 2024 and December 31, 2023:

	Change in market value <sup>(1)</sup>	
	September 30,	December 31,
	2024	2023
<i>(in thousands)</i>		
<b>Change in Interest Rates</b>		
<b>(Basis points)</b>		
Increase of 200	\$ (160,834)	\$ (112,010)
Increase of 100	(79,879)	(54,182)
Decrease of 50	37,962	34,956
Decrease of 100	74,035	55,312
Decrease of 200	134,936	112,809

(1) Represents the amounts by which the investment portfolio mark-to-market would change assuming rate shocks that are instant and parallel to the yield curves for the various interest rates and indices that affect our net interest income.

The estimated average effective duration of our investment portfolio decreased to 4.9 years at September 30, 2024 compared to 5.0 years at December 31, 2023, due to expected lower rates and the effect of the Securities Repositioning, previously discussed. Additionally, the floating rate portfolio increased to 14.3% at September 30, 2024 from 13.3% at December 31, 2023.

### Limits Approval Process

The following table sets forth information regarding our interest rate sensitivity due to the maturities of our interest bearing assets and liabilities as of September 30, 2024. This information may not be indicative of our interest rate sensitivity position at other points in time.

(in thousands except percentages)	September 30, 2024					
	Total	Less than one year	One to three years	Four to Five Years	More than five years	Non-rate
<b>Earning Assets</b>						
Cash and cash equivalents	\$ 671,841	\$ 614,354	\$ —	\$ —	\$ —	\$ 57,487
<b>Securities:</b>						
Debt available for sale, at fair value	1,476,378	251,963	172,189	142,291	909,935	—
Debt held to maturity, at amortized cost	—	—	—	—	—	—
Federal Reserve and FHLB stock	63,605	50,341	—	—	—	13,264
Marketable equity securities	2,562	2,562	—	—	—	—
Loans held for sale	597,792	597,792	—	—	—	—
Loans held for investment-performing <sup>(1)</sup>	6,849,242	4,177,662	1,224,464	653,461	793,655	—
<b>Earning Assets</b>	<b>\$ 9,661,418</b>	<b>\$ 5,694,672</b>	<b>\$ 1,396,653</b>	<b>\$ 795,752</b>	<b>\$ 1,703,590</b>	<b>\$ 70,751</b>
<b>Liabilities</b>						
Interest bearing demand deposits	2,389,605	2,389,605	—	—	—	—
Saving and money market	1,835,700	1,835,700	—	—	—	—
Time deposits	2,403,578	1,815,902	485,222	101,929	526	—
FHLB advances	915,000	—	260,000	655,000	—	—
Senior Notes	59,764	—	59,764	—	—	—
Subordinated Notes	29,582	—	—	—	29,582	—
Junior subordinated debentures	64,178	64,178	—	—	—	—
<b>Interest bearing liabilities</b>	<b>\$ 7,697,407</b>	<b>\$ 6,105,385</b>	<b>\$ 804,986</b>	<b>\$ 756,929</b>	<b>\$ 30,108</b>	<b>\$ —</b>
Interest rate sensitivity gap		(410,713)	591,667	38,823	1,673,482	70,751
Cumulative interest rate sensitivity gap		(410,713)	180,954	219,777	1,893,259	1,964,010
Earnings assets to interest bearing liabilities (%)		93.3 %	173.5 %	105.1 %	5,658.3 %	N/M

(1) "Loan held for investment-performing" excludes \$114.9 million of non-performing loans (non-accrual loans and loans 90 days or more past-due and still accruing).

N/M Not meaningful

#### **ITEM 4. CONTROLS AND PROCEDURES**

##### **Disclosure Controls and Procedures**

The Company maintains a set of disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) designed to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures. The CEO and the CFO, with assistance from other members of management, have evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2024, and, based on their evaluation, have concluded that the disclosure controls and procedures were effective as of such date.

##### **Limitations on Effectiveness of Controls and Procedures**

In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

##### **Changes in Internal Control over Financial Reporting**

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.



## PART II. OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

In the normal course of business, we become involved in litigation and other legal proceedings arising from the banking, financial, and other activities we conduct. Based on the information presently available, and after consultation with legal counsel, management believes that the ultimate outcome in such litigation and legal proceedings, in the aggregate, will not have a material adverse effect on our business, our financial condition, or the results of our operations. Where appropriate, reserves for these various matters of litigation and/or other legal proceedings are established, under FASB ASC Topic 450, Contingencies, based in part upon management's judgment and the advice of legal counsel.

### ITEM 1A. RISK FACTORS

For detailed information about certain risk factors that could materially affect our business, financial condition or future results see "Risk Factors" in Part I, Item 1A of the 2023 Form 10-K and the Form 10-Q for the quarter ended March 31, 2024. Set forth below are material changes to our existing risk factors previously disclosed in the 2023 Form 10-K and the Form 10-Q for the quarters ended March 31, 2024. Other than the risk factor set forth below, there have been no material changes to the risk factors previously disclosed in the 2023 Form 10-K and the Form 10-Q for the quarter ended March 31, 2024.

**Our principal shareholders and management own a significant percentage of our shares of voting common stock and will be able to exert significant control over matters subject to shareholder approval.**

As of September 30, 2024, our executive officers, directors and each of our greater than 5% holders of our common stock beneficially owned outstanding shares of Class A voting and non-voting common stock representing, in the aggregate, approximately 29% of the outstanding shares of our Class A voting and non-voting common stock (without giving effect to the broad family holdings of the Capriles, Marturet, and Vollmer families, which will bring the percentage to an aggregate of approximately 51%). As a result, these shareholders, if they act individually or together, may exert a significant degree of influence over our management and affairs and over matters requiring shareholder approval, including the election of directors and approval of significant corporate transactions, such as mergers, the sale of substantially all of our assets and other extraordinary corporate matters.

Furthermore, the interests of these shareholders may not always coincide with the interests of other shareholders, including you and, accordingly, they could cause us to enter into transactions or agreements which we might not otherwise consider or prevent us from adopting actions that we might otherwise implement.

## ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table provides information regarding repurchases of the Company's common stock by the Company during the three months ended September 30, 2024:

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs <sup>(1)</sup>	(d) Maximum Dollar Value of Shares that May Yet Be Purchased Under the Current Program
July 1 - July 31	79,662	23.00	79,662	\$ 13,786,698
August 1 - August 31	64,012	19.92	64,012	12,511,517
September 1 - September 30	—	—	—	12,511,517
<b>Total</b>	<b>143,674</b>	<b>21.59</b>	<b>143,674</b>	<b>\$ 12,511,517</b>

(1) On December 19, 2022, the Company announced that the Board of Directors authorized a repurchase program pursuant to which the Company may purchase, from time to time, up to an aggregate amount of \$25 million of its shares of Class A common stock (the "2023 Class A Common Stock Repurchase Program"). On December 15, 2023, the Company announced that on December 6, 2023, the Board approved to extend the expiration date of the 2023 Class A Common Stock Repurchase Program that was set to expire on December 31, 2023 to December 31, 2024. As of the date the extension of the 2023 Class A Common Stock Repurchase Program was approved, the Company had approximately \$20 million available for repurchases under the program. In the three months ended September 30, 2024, the Company repurchased an aggregate of 143,674 shares of Class A common stock at a weighted average price of \$21.59 per share, under the 2023 Class A Common Stock Repurchase Program.

## ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

## ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

## ITEM 5. OTHER INFORMATION

### Securities Trading Plans of Directors and Executive Officers

During the quarter ended September 30, 2024, none of our directors or executive officers adopted or terminated a Rule 10b5-1 trading plan or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K).

## Updates to Certain Financial Data Set Forth in Earning Release Documents dated October 23 and 24, 2024

In connection with the filing of this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2024 (the Form 10-Q), the Company's interim consolidated financial statements included herein (the "Financial Statements") were finalized, and certain financial data included in the Form 10-Q and the Financial Statements differ from and supersede certain financial data included in the press release and the earnings slide presentation of Amerant Bancorp Inc. dated October 23, 2024 and October 24, 2024, respectively. These corrections had no effect on the consolidated statements of operations or earnings per share for the third quarter of 2024.

The following table reconciles the financial data:

		September 30, 2024								
		Before		After		Increase (decrease)				
						Amount	%			
Financial Data										
(in thousands, except %)										
Accrued interest receivable and other assets	\$	250,965		\$	222,131	\$	(28,834)	(11.5)	%	
Total assets		10,381,961			10,353,127		(28,834)	(0.3)	%	
Accounts payable, accrued liabilities and other liabilities		193,730			164,896		(28,834)	(14.9)	%	
Total liabilities		9,479,073			9,450,239		(28,834)	(0.3)	%	
Total liabilities and stockholders' equity		10,381,961			10,353,127		(28,834)	(0.3)	%	
Total tangible assets		10,357,595			10,328,761		(28,834)	(0.3)	%	
Non-owner occupied		1,709,911			1,688,308		(21,603)	(1.3)	%	
Multi-family residential		343,012			351,815		8,803	2.6	%	
Land development and construction loans		411,051			421,489		10,438	2.5	%	
Total commercial real estate		2,463,974			2,461,612		(2,362)	(0.1)	%	
Single-family residential		1,485,326			1,499,599		14,273	1.0	%	
Owner occupied		1,013,682			1,001,762		(11,920)	(1.2)	%	
Total real estate loans		4,962,982			4,962,973		(9)	—	%	
Commercial loans		1,630,309			1,630,318		9	—	%	
Ratios										
Total capital ratio		12.66	%		12.72	%	0.06	%	0.47	%
Tier 1 capital ratio		11.31	%		11.36	%	0.05	%	0.44	%
CET1 capital ratio		10.60	%		10.65	%	0.05	%	0.47	%
Tangible common equity ratio		8.48	%		8.51	%	0.03	%	0.30	%
Tangible common equity ratio, adjusted for unrealized losses on debt securities held to maturity		8.48	%		8.51	%	0.03	%	0.30	%
Quarter-over-Quarter (3Q24 vs 2Q24)										
(in millions, except %)										
Total assets	\$	634.2		\$	605.4	\$	(28.8)		(4.5)	%

## ITEM 6. EXHIBITS

Exhibit Number	Description
31.1	<a href="#"><u>Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant To Section 302 of the Sarbanes-Oxley Act of 2002, by Gerald P. Plush, Chairman, President and Chief Executive Officer.</u></a>
31.2	<a href="#"><u>Certification Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant To Section 302 of the Sarbanes-Oxley Act of 2002, by Sharymar Calderon, Executive Vice President, Chief Financial Officer.</u></a>
32.1	<a href="#"><u>Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant To Section 906 of the Sarbanes-Oxley Act of 2002, by Gerald P. Plush, Chairman, President and Chief Executive Officer. *</u></a>
32.2	<a href="#"><u>Certification Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant To Section 906 of the Sarbanes-Oxley Act of 2002, by Sharymar Calderon, Executive Vice President, Chief Financial Officer. *</u></a>
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
104	Cover Page Interactive Data (embedded within XBRL documents)

\* Furnished herewith

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERANT BANCORP INC.  
(Registrant)

Date: November 1, 2024

By: /s/ Gerald P. Plush  
Gerald P. Plush  
Chairman, President and Chief Executive  
Officer  
(Principal Executive Officer)

Date: November 1, 2024

By: /s/ Sharymar Calderon  
Sharymar Calderon  
Executive Vice-President, Chief Financial  
Officer  
(Principal Financial Officer)

**AMERANT BANCORP INC.**  
**EXHIBIT 31.1**

CERTIFICATION PURSUANT TO  
RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

**CERTIFICATION**

I, Gerald P. Plush, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amerant Bancorp Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2024

/s/ Gerald P. Plush

Gerald P. Plush  
Chairman, President and  
Chief Executive Officer

**AMERANT BANCORP INC.**  
**EXHIBIT 31.2**

CERTIFICATION PURSUANT TO  
RULE 13a-14 OF THE SECURITIES EXCHANGE ACT OF 1934,  
AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

**CERTIFICATION**

I, Sharymar Calderon, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Amerant Bancorp Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 1, 2024

/s/ Sharymar Calderon

Sharymar Calderon  
Executive Vice President,  
Chief Financial Officer

**AMERANT BANCORP INC.**  
**EXHIBIT 32.1**

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Amerant Bancorp Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission as of the date hereof (the "Report"), I, Gerald P. Plush, Chairman, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2024

/s/ Gerald P. Plush

Gerald P. Plush

Chairman, President and  
Chief Executive Officer



**AMERANT BANCORP INC.**  
**EXHIBIT 32.2**

CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Amerant Bancorp Inc. (the "Company") on Form 10-Q for the period ended September 30, 2024, as filed with the Securities and Exchange Commission as of the date hereof (the "Report"), I, Sharymar Calderon, Executive Vice President, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2024

/s/ Sharymar Calderon

Sharymar Calderon  
Executive Vice President,  
Chief Financial Officer