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

FORM 8-K

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

Date of Report (date of earliest event reported): April 17, 2023

CASS INFORMATION SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

Missouri	**000-20827**	**43-1265338**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

12444 Powerscourt Drive, Suite 550 **St. Louis, Missouri**	**63131**
(Address of principal executive offices)	(Zip Code)

(314) 506-5500
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act.

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act.

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act.

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act.

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value $0.50 per share	**CASS**	**Nasdaq Global Select Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

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. ☐

Item 2.02. Results of Operations and Financial Condition.

On April 17, 2023, Cass Information Systems, Inc. (the "Company") issued a press release announcing its financial results for the first quarter of fiscal 2023. A copy of this press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Also on April 17, 2023, the Company made available on the Investors section of the Company's website at www.cassinfo.com, an investor presentation that includes information about the Company's business and developments and certain financial information relating to the first quarter of fiscal 2023. The information contained in the investor presentation is summary information that is intended to be considered in the context of the Company's Securities and Exchange Commission filings and other public announcements that the Company may make, by press release or otherwise, from time to time. A copy of this investor presentation is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The Company has used, and intends to continue using, the Investors portion of its website to disclose material non-public information and to comply with its disclosure obligations under Regulation FD. Accordingly, investors are encouraged to monitor the Company's website in addition to following press releases, SEC filings, and public conference calls and webcasts.

The information reported under this Item 2.02 of Form 8-K, including Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of such section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number	Description
99.1	Press release issued by Cass Information Systems, Inc. dated April 17, 2023.
99.2	Investor presentation made available on the Investors section of the Company's website.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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 hereunto duly authorized.

Dated: April 17, 2023

CASS INFORMATION SYSTEMS, INC.

By:	/s/ Eric H. Brunngraber
Name:	Eric H. Brunngraber
Title:	Chairman and Chief Executive Officer
By:	/s/ Michael J. Normile
Name:	Michael J. Normile
Title:	Executive Vice President and Chief Financial Officer

Exhibit 99.1

Contact: Cass Investor Relations
ir@cassinfo.com

April 17, 2023

Cass Information Systems reports First Quarter 2023 Results

First Quarter Results

(All comparisons refer to the first quarter of 2022, except as noted)

- Net income of $7.1 million, or $0.51 per diluted common share.
- Increase in total revenues of $7.2 million, or 17.2%.
- Return on average equity of 13.76%.
- Increase in net interest margin to 3.23% from 2.36%.
- Increase in facility expense transaction and dollar volumes of 5.3% and 14.4%, respectively.
- Maintained strong overall liquidity with short-term investments at March 31, 2023 of $210.5 million. There were no borrowings outstanding at March 31, 2023.
- Maintained exceptional credit quality.
- Continued to make progress on technology initiatives to increase operational efficiency.

ST. LOUIS **– Cass Information Systems, Inc. (Nasdaq: CASS),** (the Company or Cass) reported first quarter 2023 earnings of $0.51 per diluted share, a decrease of 15.0% from the $0.60 per diluted share it earned in the first quarter of 2022. Net income for the period was $7.1 million, a decrease of 13.8% from the $8.3 million earned in the same period in 2022.

Total revenues increased $7.2 million, or 17.2%, during the first quarter of 2023. The increase was driven by all three primary revenue sources, including higher net interest income due to an expanding net interest margin, greater financial fees driven by increased short-term interest rates, and higher payment processing fees as a result of new client wins. Total expenses increased $8.5 million, or 26.8% during the same period, which is significantly greater than what is required to support increased revenue. The Company continues to invest revenue growth in technology initiatives designed to improve operational efficiency and facilitate client acquisition and organic growth. Given the higher level of revenue and opportunity to expand client growth, the Company took the opportunity to accelerate these technology initiatives. These initiatives, which moved into production during the first quarter, center around automated invoice retrieval, automated extraction of data, general ledger mapping platform, and improving the transportation rating engine for clients. The Company believes the successful roll out to enterprise-wide use will lead to improved revenue growth as a result of faster client onboarding and solidification of its competitive advantages as well as improved operating leverage as a result of an anticipated reduction in the cost of processing invoices. Of the total increase in expenses, approximately $1.5 million is deemed to be nonrecurring transition and conversion related expenses.

Eric Brunngraber, the Company's chairman and chief executive officer, noted, "We continue to position Cass for long-term success. Our balance sheet is well positioned, with good on and off-balance sheet liquidity. We have a diversified funding base consisting of both payment float in our transportation and facility operating businesses and core deposits from our banking customers. In addition, capital levels remain strong. It is an exciting time for Cass."

Martin Resch, the Company's president and chief operating officer, noted, "While expense levels are elevated due to significant and accelerated technology investment, we are optimistic we will see good operating leverage improvement beginning late this year as all of our large efficiency initiatives have entered production in the first quarter. These improved technology platforms will allow us to reduce current expense levels and/or take on revenue growth as we move from targeted roll out to enterprise-wide use, without adding to our current expense structure. We are seeing high demand for the

Cass service offerings and improved technology will greatly enhance our growth and profitability prospects in future periods."

First Quarter 2023 Highlights

Processing Fees – Processing fees increased $477,000, or 2.5%, over the same period in the prior year. The increase in processing fee income was largely driven by the increase in facility transaction volumes of 5.3%. Transportation invoice volumes increased 1.6% over the same period. The Company has experienced recent success in winning facility clients with high transaction volumes.

Financial Fees – Financial fees, earned on a transactional level basis for invoice payment services when making customer payments, increased $727,000, or 6.9%. The increase in financial fee income was primarily due to the increase in short-term interest rates, partially offset by a decline in transportation dollar volumes of 5.4%.

Net Interest Income – Net interest income increased $5.0 million, or 42.0%. The Company's net interest margin increased to 3.23% as compared to 2.36% in the same period last year and 3.15% for the fourth quarter of 2022. The increase in net interest income and margin was largely driven by the rise in market interest rates as compared to the same period last year, which is favorable for these financial metrics over the long-term. While the Company experienced a large increase in the cost of interest-bearing deposits during the first quarter of 2023 as compared to the fourth quarter of 2022, the net interest margin still increased 8 basis points as a result of 73.6% of the Company's average funding sources, consisting of deposits and accounts and drafts payable, being non-interest bearing, and interest-earning assets repricing to market interest rates.

Provision for Credit Losses - The Company recorded a release of credit losses of $340,000 during the first quarter of 2023 as compared to a provision for credit losses of $230,000 in the first quarter of 2022. The release of credit losses for the first quarter of 2023 was primarily driven by the decrease in total loans of $12.5 million, or 1.2%, as compared to December 31, 2022.

Personnel Expenses - Personnel expenses increased $5.3 million, or 21.5%. Salaries increased $3.0 million, or 15.1%, as a result of merit increases, wage pressures, an increase in average full-time equivalent employees of 13.2% due to the Touchpoint acquisition and strategic investment in various technology initiatives. Share-based compensation increased $610,000 primarily related to executive succession matters. Pension expense increased $753,000. Despite the Company's defined benefit pension plan being frozen in the first quarter of 2021 resulting in no service cost in subsequent periods, expense increased as a result of the accounting impact of the decline in plan assets during 2022 and corresponding decline in expected return on plan assets for 2023. Other benefits, such as 401(k) match, health insurance and payroll taxes, increased $971,000, or 22.2%, primarily due to the 13.2% increase in average FTEs as well as a significant increase in employer health insurance costs over prior year levels.

Non-Personnel Expenses - Non-personnel expenses rose $3.2 million, or 45.5%. Certain expense categories such as equipment, outside service fees and data processing are elevated as the Company invests in, and transitions to, improved technology. Multiple technology platforms are being maintained prior to switching over to what the Company believes will be more efficient technology platforms for facility and transportation data entry processing by the end of 2023.

Loans - Average loans increased $116.4 million, or 12.1%. The Company has been successful in achieving organic growth in its franchise, faith-based and other commercial and industrial loans. When compared to December 31, 2022, ending loans decreased $12.5 million, or 1.2%.

Payments in Advance of Funding – Average payments in advance of funding decreased $38.6 million, or 13.8%, primarily due to a 5.4% decrease in transportation dollar volumes, which led to fewer dollars advanced to freight carriers.

Deposits – Average deposits decreased $22.4 million, or 1.9%, when compared to the first quarter of 2022. Total deposits at March 31, 2023 decreased $141.1 million, or 11.2% as compared to December 31, 2022. The decrease in total deposits was partially due to seasonality with corporate clients making tax and annual bonus payments and fulfilling other operating needs as Cass generally sees a decline in depository balances during the first quarter. The Company also experienced deposit attrition as larger depository clients moved their funds to higher interest rate alternatives outside of Cass Commercial Bank. A high percentage of the Company's deposit base consists of operating accounts of faith-based and commercial clients in addition to payment float generated from CassPay clients.

Accounts and Drafts Payable - Average accounts and drafts payable increased $7.0 million, or 0.7%. The increase in these balances, which are non-interest bearing, are primarily reflective of the increase in facility expense dollar volumes of 14.4%, partially offset by the decrease in transportation dollar volumes of 5.4%. Accounts and drafts payable are a stable source of funding generated by payment float from transportation and facility clients.

Transportation Dollar Volumes – Transportation dollar volumes were $10.3 billion during the first quarter of 2023, a decrease of 5.4% as compared to the first quarter of 2022. The decrease in dollar volumes was due to a decrease in the average dollars per transaction as a result of lower fuel costs and overall freight rates.

Facility Expense Dollar Volumes – Facility dollar volumes totaled $5.3 billion during the first quarter of 2023. The 14.4% increase in dollar volumes was largely due to an increase in energy prices as well as the 5.3% increase in transaction volume.

Liquidity - The Company maintained strong liquidity during the first quarter of 2023 with average short-term investments, primarily cash in a reserve account at the Federal Reserve Bank, of $295.2 million. In addition, all of the Company's investment securities are classified as available-for-sale, and the Company expects to generate approximately $232.5 million of cash flows through amortization and maturities of investment securities within the next 16 months. The Company also maintains secondary sources of liquidity, including lines of credit up to a maximum $200.0 million in aggregate, collateralized by state and political subdivision securities, in addition to Cass Commercial Bank having a secured line of credit with the Federal Home Loan Bank of $216.0 million collateralized by commercial mortgage loans. The Company and Cass Commercial Bank had no outstanding borrowings on these lines of credit at March 31, 2023.

Capital - The Company's common equity tier 1, total risk-based capital and leverage ratios were 13.76%, 14.49% and 10.01% at March 31, 2023, respectively. Total shareholders' equity has increased $11.2 million since December 31, 2022 primarily as a result of first quarter 2023 earnings and a decrease in accumulated other comprehensive loss of $7.1 million due to the decline in market interest rates and resulting positive impact on the fair value of available-for-sale investment securities.

About Cass Information Systems

Cass Information Systems, Inc. is a leading provider of integrated information and payment management solutions. Cass enables enterprises to achieve visibility, control and efficiency in their supply chains, communications networks, facilities and other operations. Disbursing over $90 billion annually on behalf of clients, and with total assets of $2.4 billion, Cass is uniquely supported by Cass Commercial Bank. Founded in 1906 and a wholly owned subsidiary, Cass Commercial Bank provides sophisticated financial exchange services to the parent organization and its clients. Cass is part of the **Russell 2000®**. More information is available at www.cassinfo.com**.**

Forward Looking Information

This information contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include future financial and operating results, expectations, intentions, and other statements that are not historical facts. Such statements are based on current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties. These risks and uncertainties include the impact of economic and market conditions, inflationary pressures, risks of credit deterioration, interest rate changes, governmental actions, market volatility, security breaches and technology interruptions, energy prices and competitive factors, among others, as set forth in the Company's most recent Annual Report on Form 10-K and subsequent reports filed with the Securities and Exchange Commission. Actual results may differ materially from those set forth in the forward-looking statements.

Note to Investors

The Company has used, and intends to continue using, the Investors portion of its website to disclose material non-public information and to comply with its disclosure obligations under Regulation FD. Accordingly, investors are encouraged to monitor Cass's website in addition to following press releases, SEC filings, and public conference calls and webcasts.

Consolidated Statements of Income (unaudited)

($ and numbers in thousands, except per share data)

	Quarter Ended March 31, 2023	Quarter Ended December 31, 2022	Quarter Ended March 31, 2022
Processing fees	$ 19,513	$ 19,286	$ 19,036
Financial fees	11,259	11,350	10,532
Net interest income	16,898	17,329	11,903
Release of (provision for) credit losses	340	(500)	(230)
Other	1,335	1,481	862
Total revenues	$ 49,345	$ 48,946	$ 42,103
Salaries and commissions	22,605	23,020	19,631
Share-based compensation	1,950	2,253	1,340
Net periodic pension cost (benefit)	135	(606)	(618)
Other benefits	5,336	4,057	4,365
Total personnel expenses	$ 30,026	$ 28,724	$ 24,718
Occupancy	855	875	915
Equipment	2,082	1,664	1,711
Other	7,409	6,526	4,484
Total operating expenses	$ 40,372	$ 37,789	$ 31,828
Income from operations before income taxes	$ 8,973	$ 11,157	$ 10,275
Income tax expense	1,856	1,872	2,017
Net income	$ 7,117	$ 9,285	$ 8,258
Basic earnings per share	$ .52	$ .69	$ .61
Diluted earnings per share	$ .51	$ .67	$ .60
Share data:			
Weighted-average common shares outstanding	13,599	13,548	13,578
Weighted-average common shares outstanding assuming dilution	13,863	13,812	13,814

Consolidated Balance Sheets

($ in thousands)

	(unaudited) March 31, 2023	December 31, 2022
Assets:		
Cash and cash equivalents	$ 210,478	$ 200,942
Securities available-for-sale, at fair value	703,037	754,468
Loans	1,070,373	1,082,906
Allowance for credit losses	(13,254)	(13,539)
Payments in advance of funding	259,819	293,775
Premises and equipment, net	20,967	19,958
Investments in bank-owned life insurance	48,278	47,998
Goodwill and other intangible assets	21,240	21,435
Accounts and drafts receivable from customers	37,288	95,779
Other assets	69,163	69,301
Total assets	$ 2,427,389	$ 2,573,023
Liabilities and shareholders' equity:		
Deposits		
Noninterest-bearing	$ 585,323	$ 642,757
Interest-bearing	530,827	614,460
Total deposits	1,116,150	1,257,217
Accounts and drafts payable	1,051,435	1,067,600
Other liabilities	42,304	41,882
Total liabilities	$ 2,209,889	$ 2,366,699
Shareholders' equity:		
Common stock	$ 7,753	$ 7,753
Additional paid-in capital	206,614	207,422
Retained earnings	134,822	131,682
Common shares in treasury, at cost	(79,419)	(81,211)
Accumulated other comprehensive loss	(52,270)	(59,322)
Total shareholders' equity	$ 217,500	$ 206,324
Total liabilities and shareholders' equity	$ 2,427,389	$ 2,573,023

Average Balances (unaudited)

($ in thousands)

	Quarter Ended March 31, 2023	Quarter Ended December 31, 2022	Quarter Ended March 31, 2022
Average interest-earning assets	$ 2,162,734	$ 2,232,764	$ 2,122,915
Average loans	1,076,221	1,049,294	959,851
Average securities available-for-sale	724,839	760,424	689,038
Average short-term investments	295,150	346,198	472,679
Average payments in advance of funding	240,890	262,620	279,479
Average assets	2,499,341	2,581,086	2,528,263
Average noninterest-bearing deposits	553,644	567,730	574,064
Average interest-bearing deposits	591,102	616,456	593,057
Average accounts and drafts payable	1,095,182	1,158,112	1,088,105
Average shareholders' equity	$ 209,791	$ 194,269	$ 235,720

Consolidated Financial Highlights (unaudited)

($ and numbers in thousands, except ratios)

	Quarter Ended March 31, 2023	Quarter Ended December 31, 2022	Quarter Ended March 31, 2022
Return on average equity	13.76%	18.96%	14.21%
Net interest margin [1]	3.23%	3.15%	2.36%
Average interest-earning assets yield [1]	3.84%	3.53%	2.40%
Average loan yield	4.61%	4.37%	3.71%
Average investment securities yield [1]	2.62%	2.50%	2.10%
Average short-term investment yield	4.28%	3.44%	0.19%
Average cost of total deposits	1.15%	0.72%	0.08%
Average cost of interest-bearing deposits	2.23%	1.38%	0.15%
Allowance for credit losses to loans	1.24%	1.25%	1.27%
Non-performing loans to total loans	—%	0.11%	—%
Net loan charge-offs (recoveries) to loans	—%	—%	—%
Transportation invoice volume	9,098	9,174	8,958
Transportation dollar volume	$ 10,268,451	$ 10,930,786	$ 10,855,180
Facility expense transaction volume [2]	3,468	3,196	3,293
Facility expense dollar volume	$ 5,313,385	$ 4,814,145	$ 4,643,942

[1] Yields are presented on tax-equivalent basis assuming a tax rate of 21%.

[2] Facility expense transaction volumes have been restated for the current and prior periods to reflect total invoices processed. In prior periods, we utilized billing account numbers in our Telecom division as a proxy for transactions.

Cass Information Systems, Inc.

The Power to Deliver Solutions

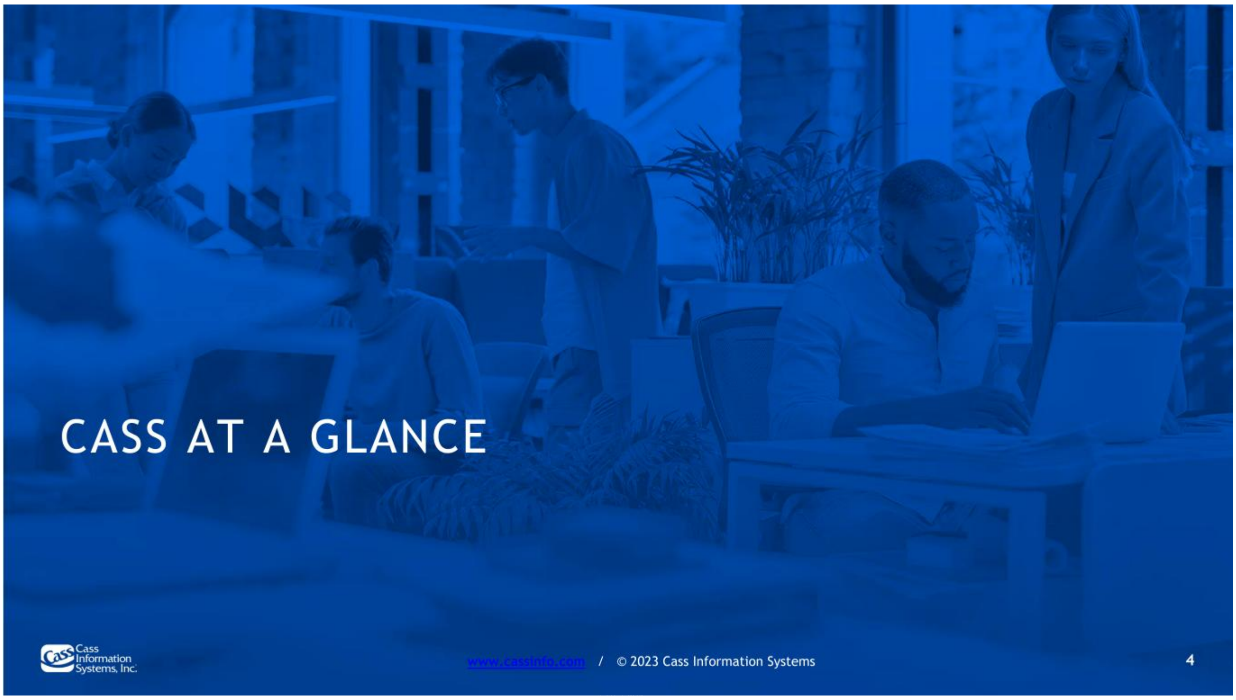
Around the world, leading enterprises rely on Cass for our vertical expertise, processing power, and global payment network to execute critical financial transactions while driving greater control and efficiency across critical business expenses.

Q1 2023 INVESTOR PRESENTATION

TABLE OF CONTENTS

FORWARD LOOKING STATEMENTS

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements contain words such as "anticipate," "believe," "can," "would," "should," "could," "may," "predict," "seek," "potential," "will," "estimate," "target," "plan," "project," "continuing," "ongoing," "expect," "intend" or similar expressions that relate to the Company's strategy, plans or intentions. Forward-looking statements involve certain important risks, uncertainties, and other factors, any of which could cause actual results to differ materially from those in such statements. Such factors include, without limitation, the "Risk Factors" referenced in our most recent Form 10-K filed with the Securities and Exchange Commission (SEC), other risks and uncertainties listed from time to time in our reports and documents filed with the SEC, and the following factors: ability to execute our business strategy; business and economic conditions; effects of a prolonged government shutdown; economic, market, operational, liquidity, credit and interest rate risks associated with the Company's business; effects of any changes in trade, monetary and fiscal policies and laws; changes imposed by regulatory agencies to increase capital standards; effects of inflation, as well as, interest rate, securities market and monetary supply fluctuations; changes in the economy or supply-demand imbalances affecting local real estate values; changes in consumer and business spending; the Company's ability to realize anticipated benefits from enhancements or updates to its core operating systems from time to time without significant change in client service or risk to the Company's control environment; the Company's dependence on information technology and telecommunications systems of third-party service providers and the risk of systems failures, interruptions or breaches of security; the Company's ability to achieve organic fee income, loan and deposit growth and the composition of such growth; changes in sources and uses of funds; increased competition in the payments and banking industries; the effect of changes in accounting policies and practices; the share price of the Company's stock; the Company's ability to realize deferred tax assets or the need for a valuation allowance; ability to maintain or increase market share and control expenses; costs and effects of changes in laws and regulations and of other legal and regulatory developments; technological changes; the timely development and acceptance of new products and services; the Company's continued ability to attract, hire and maintain qualified personnel; ability to implement and/or improve operational management and other internal risk controls and processes and reporting system and procedures; regulatory limitations on dividends from the Company's bank subsidiary; changes in estimates of future loan reserve requirements based upon the periodic review thereof under relevant regulatory and accounting requirements; widespread natural and other disasters, pandemics, dislocations, political instability, acts of war or terrorist activities, cyberattacks or international hostilities; impact of reputational risk; and success at managing the risks involved in the foregoing items. The Company can give no assurance that any goal or plan or expectation set forth in forward-looking statements can be achieved, and readers are cautioned not to place undue reliance on such statements. The forward-looking statements are made as of the date of original publication of this presentation, and the Company does not intend, and assumes no obligation, to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events or circumstances, except as required by applicable law. This presentation is a high-level summary of our recent and historical financial results and current business developments. For more detailed information, please refer to our press releases and filings with the SEC.


CASS AT A GLANCE
Cass Information Systems, Inc.
www.cassinfo.com / © 2023 Cass Information Systems
4

OVERVIEW

- Cass is an information services company that processes freight and facility payments for a number of the largest global companies
- The information systems business has a 70-year legacy
- As a result of its $90B of payments, Cass generates $1B+ of average non-interest bearing float
- Cass continues to operate a strong and profitable commercial bank founded in 1906

Market. Cap. $600M	Assets $2.4B	YTD ROE 13.8%
TTM NI $33.8M	YTD % Fees/ Rev. 65.1%	% NIB Funding 75.5%

Cass Information Systems, Inc.

INFORMATION SYSTEMS / PAYMENTS

- Transportation information systems provides freight invoice audit and payment services in the contract market
- Facilities expense management provides payments for the energy, telecom, and waste services
- CassPay provides complex treasury management and payment services for fintech and other payment companies

$90B Annual payments volume	50M Annual invoice volume	$127M TTM fee revenue	$1.1B YTD average float

COMMERCIAL BANK

- Commercial bank operates in three primary niches
  - St. Louis C&I market
  - Faith based organizations across the U.S.
  - McDonalds' franchisees
- Strong track record of asset quality

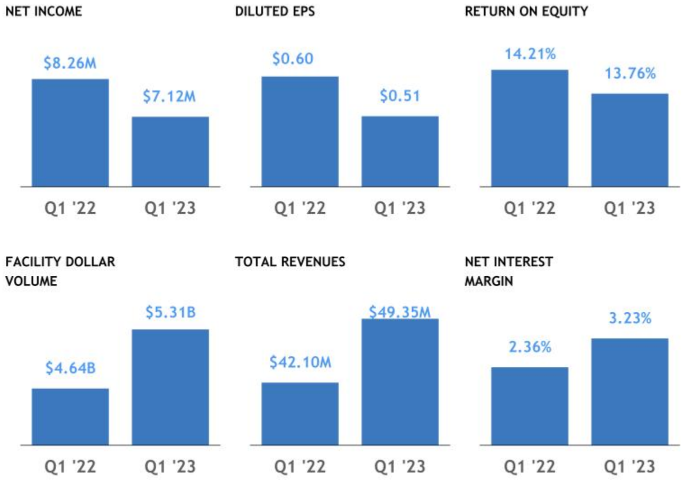
$1.1B Loans	$1.1B Deposits	1.15% YTD cost of deposits	$0 Charge-offs

Note: Balance sheet metrics as of March 31, 2023. Income statement metrics are through period ended March 31, 2023 as indicated.

FINANCIAL PERFORMANCE

Q1 2023 FINANCIAL HIGHLIGHTS

- Net income of $7.1 million
- Diluted EPS of $0.51
- Return on average equity of 13.76%
- Record quarterly revenue of $49.3 million
- Expanding net interest margin
- Strong growth in Facility transaction and dollar volumes
- Strong liquidity
- Continued progress on technology initiatives



QUARTERLY FINANCIAL PERFORMANCE

- Revenue growth continued into 1Q2023 as a result of new client wins and expanding net interest margin
- Technology initiatives designed to improve operational efficiency and facilitate client acquisition and growth driving expenses higher and short-term earnings lower

TOTAL REVENUE

NET INCOME

RETURN ON EQUITY

DILUTED EPS

TECHNOLOGY INVESTMENT UPDATE

- The Company has moved into production multiple technology projects involving automated invoice retrieval, automated extraction of data, general ledger mapping platform, and improving the transportation rating engine for clients.
- The Company believes the successful roll out to enterprise-wide use of these initiatives will lead to improved revenue growth as a result of faster client onboarding and solidification of its competitive advantages as well as improved operating leverage as a result of an anticipated reduction in the cost of processing invoices.
- The Company believes it will begin experiencing improved profitability as a result of these initiatives beginning in late 2023.

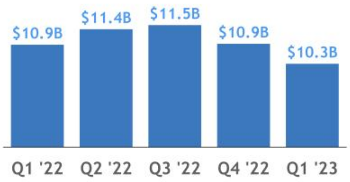

REVENUE & EXPENSES
Cass Information Systems, Inc.
www.cassinfo.com / © 2023 Cass Information Systems
10

FINANCIAL FEES

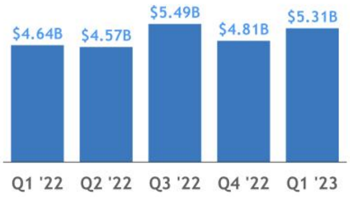
- Despite a decline in transportation dollar volumes which led to a lower average balance of payments in advance of funding, financial fees were up over the same period last year due to the increase in short-term interest rates
- Transportation dollar volumes declined due to lower fuel costs and overall freight rates

FINANCIAL FEES

TRANSPORTATION DOLLAR VOLUMES



FACILITY DOLLAR VOLUMES

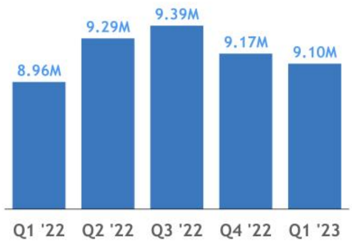


AVERAGE PAYMENTS IN ADVANCE OF FUNDING

PROCESSING FEES

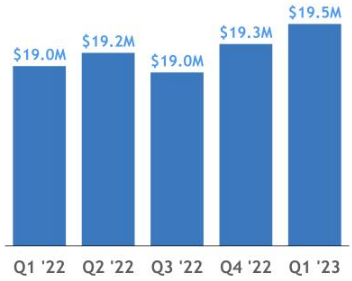
- The change quarter to quarter is generally correlated to transportation and facility invoice volumes, although Cass has other processing fee revenue tied to CassPay and Cass Commercial Bank.
- Processing fees increased as compared to 1Q 2022 due to the increase in invoice volumes. The Company has experienced recent success in winning facility clients with high transaction volumes.

TRANSPORTATION INVOICE VOLUMES



FACILITY INVOICE VOLUMES

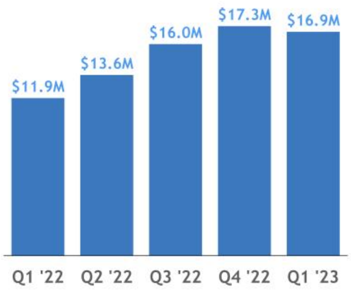
PROCESSING FEES



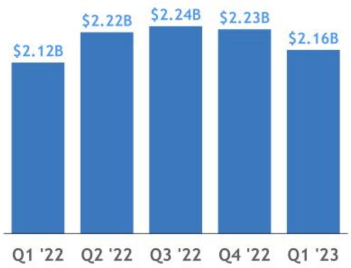
NET INTEREST INCOME

- The increase in short-term interest rates has had a positive impact on net interest income and margin, jumping from 2.36% during 1Q 2022 up to 3.23% in 1Q 2023
- Average interest-earning assets declined during 1Q 2023 as compared to 4Q 2022 as a result of lower transportation dollar volumes and lower average deposits which contributed to a decline in interest-earning assets. Average interest-earning assets were up slightly as compared to 1Q 2022.

NET INTEREST INCOME



AVERAGE INTEREST-EARNING ASSETS



NET INTEREST MARGIN

OPERATING EXPENSE

- Salaries and commissions as well as other benefits have increased due to average FTEs being up 13.2% as compared to 1Q 2022, primarily due to the Touchpoint acquisition and various technology initiatives.
- Share-based compensation has increased due to executive succession matters.
- Despite the pension plan being frozen resulting in no service cost, expense is up due to the accounting impact of the decline in plan assets during 2022.
- Other operating expenses are also elevated as Cass invests in, and transitions to, improved technology which Cass anticipates will result in improved operating leverage beginning in late 2023.

($$ in millions)

Expense	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23
Salaries and commissions	19.6	20.9	22.0	23.0	22.6
Share-based compensation	1.3	1.8	1.3	2.3	2.0
Net periodic pension cost (benefit)	(0.6)	(0.6)	(0.6)	(0.6)	0.1
Other benefits	4.4	3.9	4.3	4.0	5.3
Total personnel expense	24.7	26.0	27.0	28.7	30.0
Occupancy expense	0.9	0.9	1.0	0.9	0.9
Equipment expense	1.7	1.7	1.6	1.7	2.1
Other expense	4.5	5.0	6.7	6.5	7.4
Total operating expense	31.8	33.6	36.3	37.8	40.4

BALANCE SHEET

LOANS

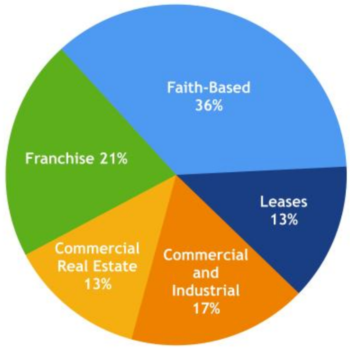
- Cass experienced good organic loan growth in 2022, in particular its specialty franchise, faith-based and investment grade lease niches
- Cass has not incurred a loan charge-off since 2015

($$ in millions)

Portfolio Composition	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23
Franchise	198.2	189.0	230.9	223.3	223.7
Faith-Based	380.9	369.6	373.4	395.3	386.2
Leases	86.3	92.4	136.0	160.7	145.0
Other C&I	186.0	184.3	172.4	177.6	180.2
Other CRE	125.8	124.2	124.4	126.0	135.3
Ending Loans	977.2	959.5	1,037.1	1,082.9	1,070.4

Loan Yield	3.71%	3.75%	4.03%	4.37%	4.61%
ACL/Loans	1.27%	1.31%	1.26%	1.25%	1.24%
Net Charge-Offs	–	–	–	–	–
Non-Performing Loans/Loans	–	–	–	0.11%	–

PORTFOLIO COMPOSITION
3/31/23



INVESTMENTS

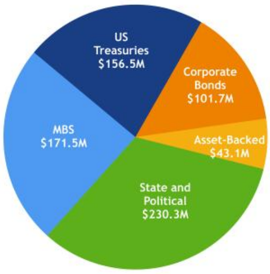
- The yield on investment securities has been increasing due to the increase in short-term interest rates
- Cass maintains a high-quality investment portfolio as detailed on the following slide. The decline during 1Q 2023 was due to maturities, amortization and the sale of some municipal securities at a slight gain

ENDING INVESTMENTS

INVESTMENT TAX EQUIVALENT YIELD

INVESTMENT PORTFOLIO COMPOSITION

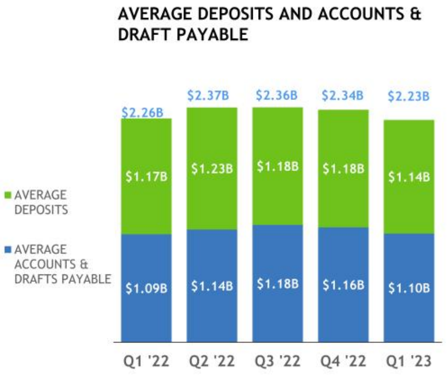
PORTFOLIO COMPOSITION

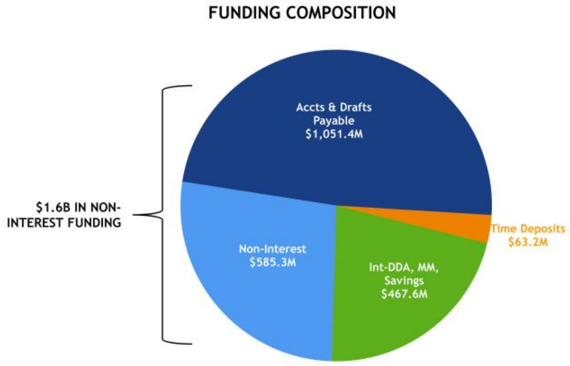


- All investment securities are classified as available-for-sale. The overall weighted-average repricing term is 3.9 years.
- All of the $156.5 million of U.S. Treasury bonds mature by July 31, 2024 and $50.0 million mature in August 2023.
- The asset-backed securities are backed by student loans in the FFELP program with a minimum 97% guaranty by the U.S. Department of Education. Theses securities have long maturities but are floating rate assets.
- All of the corporate securities are investment grade “A” or higher. Of the total portfolio of $101.7 million, $55.3 million are floating rate.
- The mortgage-backed securities portfolio has an estimated average life of 5.3 years.
- 99% of the municipal securities are an investment grade of “A” or higher.

FUNDING

- For 1Q 2023, **73.6% of average funding was non-interest bearing**
- The Company's funding is diversified close to 50/50 between Bank deposits and payment float generated from transportation and facility clients.





KEY FUNDING POINTS

- Accounts and drafts payable represents float generated by our payments businesses and have proven a very stable source of funding over a long period of time.
- Deposits are generated from core Bank and CassPay clients. These deposits almost entirely consist of operating accounts from core faith-based and other C&I clients as well as CassPay clients where the Company generates float.
- The cost of deposits for the first quarter of 2023 was 1.15%.
- The Bank participates in the CDARS and ICS programs offered by Promontory Interfinancial Network, LLC, enabling FDIC insurance up to $100 million on money market accounts and $50 million on certificates of deposit.
- There are no brokered deposits or wholesale borrowings.
- The Bank has a $216 million secured line of credit with the FHLB collateralized by commercial mortgage loans.
- The Company has $200.0 million of unused lines of credit collateralized by municipal securities.

CAPITAL

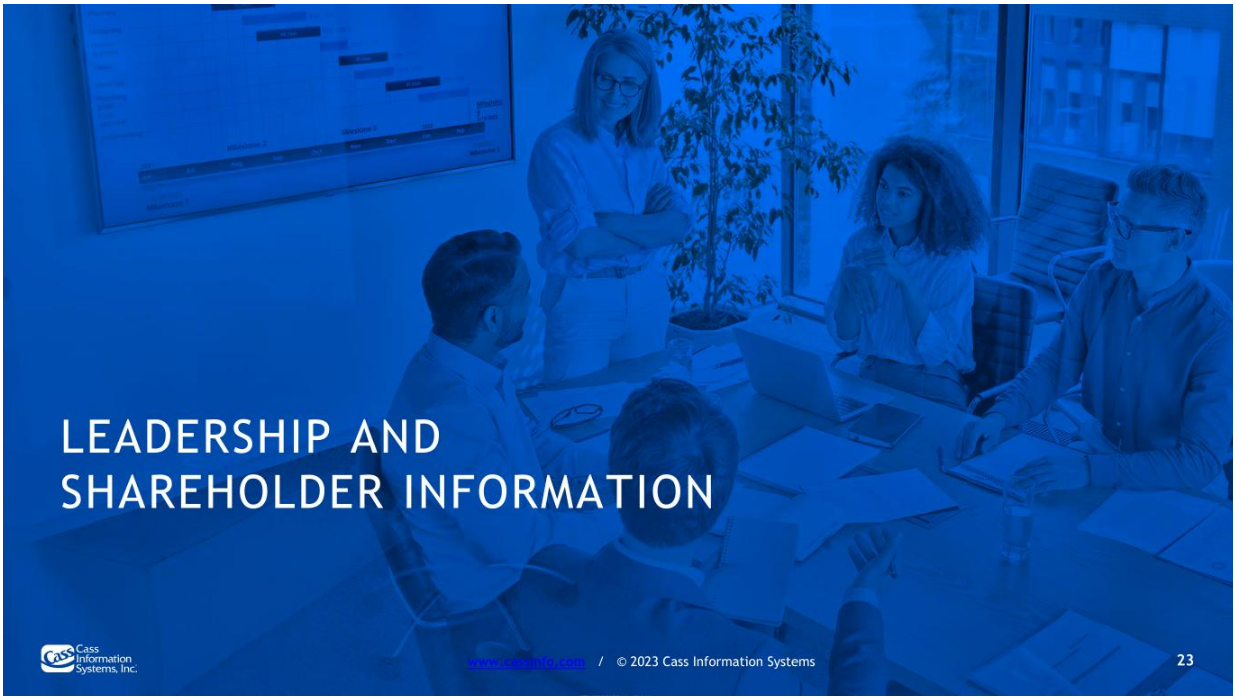
- $121.9 million in excess of capital over 7.0% common equity tier 1 risk-based regulatory requirement
- Maintain excess capital to support organic balance sheet growth and opportunistic acquisitions
- Quarterly dividend of $0.29 per share and Cass has continuously paid regularly scheduled cash dividends since 1934

Tier 1 leverage ratio at 3/31/23	10.01%
Common equity tier 1 risk-based ratio at 3/31/23	13.76%
Tier 1 risk-based ratio at 3/31/23	13.76%
Total risk-based ratio at 3/31/23	14.49%

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) HIGHLIGHTS

During March 2023, we published our annual ESG report, a copy of which is available on our Investor Relations site.

To read more from the Cass ESG report, please follow this link to cassinfo.com


LEADERSHIP AND
SHAREHOLDER INFORMATION
Cass Information Systems, Inc.
www.cassinfo.com / © 2023 Cass Information Systems
23

BOARD OF DIRECTORS

Eric H. Brunngraber
Chairman and
Chief Executive Officer

Ralph W. Clermont
Retired Managing Partner,
KPMG LLP, Saint Louis, Missouri

Robert A. Ebel
Retired Chief Executive Officer,
Universal Printing Company

Benjamin F. (Tad) Edwards, IV
Chairman, Chief Executive Officer, and
President, Benjamin F. Edwards & Company

Wendy J. Henry
Retired Managing Partner,
BKD, LLP

James J. Lindemann
Retired Executive
Vice President, Emerson

Ann W. Marr
Executive Vice President of
Global Human Resources,
World Wide Technology

Sally H. Roth
Retired Area President —
Upper Midwest, Regions Bank

Joseph D. Rupp
Lead Director and Retired Chairman, President,
and Chief Executive Officer, Olin Corporation

Randall L. Schilling
Chief Executive Officer,
OPO Startups, LLC

Franklin D. Wicks, Jr., Ph.D.
Retired Executive Vice President and
President, Applied Markets, Sigma-Aldrich

LEADERSHIP COUNCIL

Cory J. Bricker
Vice President - CassPay

Eric H. Brunngraber
Chairman and Chief Executive Officer

Mark A. Campbell
Senior Vice President

James M. Cavellier
Executive Vice President and Chief Information Officer

Dwight D. Erdbruegger
President, Cass Commercial Bank

Carl N. Friedholm
Vice President and General Manager - Telecom Expense Management

Nicole M. Jennings
Vice President - Internal Audit

Teresa D. Meares
Vice President and General Manager - Waste Expense Management

Ross M. Miller
Vice President and General Manager - TouchPoint

Sean M. Mullins
Vice President – Infrastructure, Security, and Risk

Michael J. Normile
Executive Vice President and Chief Financial Officer

Christi A. Reiter
Vice President - Human Resources

Martin H. Resch
President and Chief Operating Officer

Jeanne M. Scannell
Chief Credit Officer - Cass Commercial Bank

Matthew S. Schuckman
Executive Vice President, General Counsel, and Corporate Secretary

Anthony G. Urban
Executive Vice President - Transportation Information Services

Todd J. Wills
Senior Vice President and General Manager - Utility Expense Management

SHAREHOLDER INFORMATION

CORPORATE HEADQUARTERS

Cass Information Systems, Inc.
12444 Powerscourt Drive, Suite 550
Saint Louis, Missouri 63131
314.506.5500
www.cassinfo.com

INVESTOR RELATIONS

ir@cassinfo.com

COMMON STOCK

The company's common stock trades on the NASDAQ stock market under the symbol CASS.

SHAREHOLDER WEBSITE

www.computershare.com/investor

INDEPENDENT AUDITORS

KPMG LLP
10 South Broadway, Suite 900
Saint Louis, Missouri 63102

SHAREHOLDER ONLINE INQUIRIES

www-us.computershare.com /investor/Contact

TRANSFER AGENT

Shareholder correspondence should be mailed to:

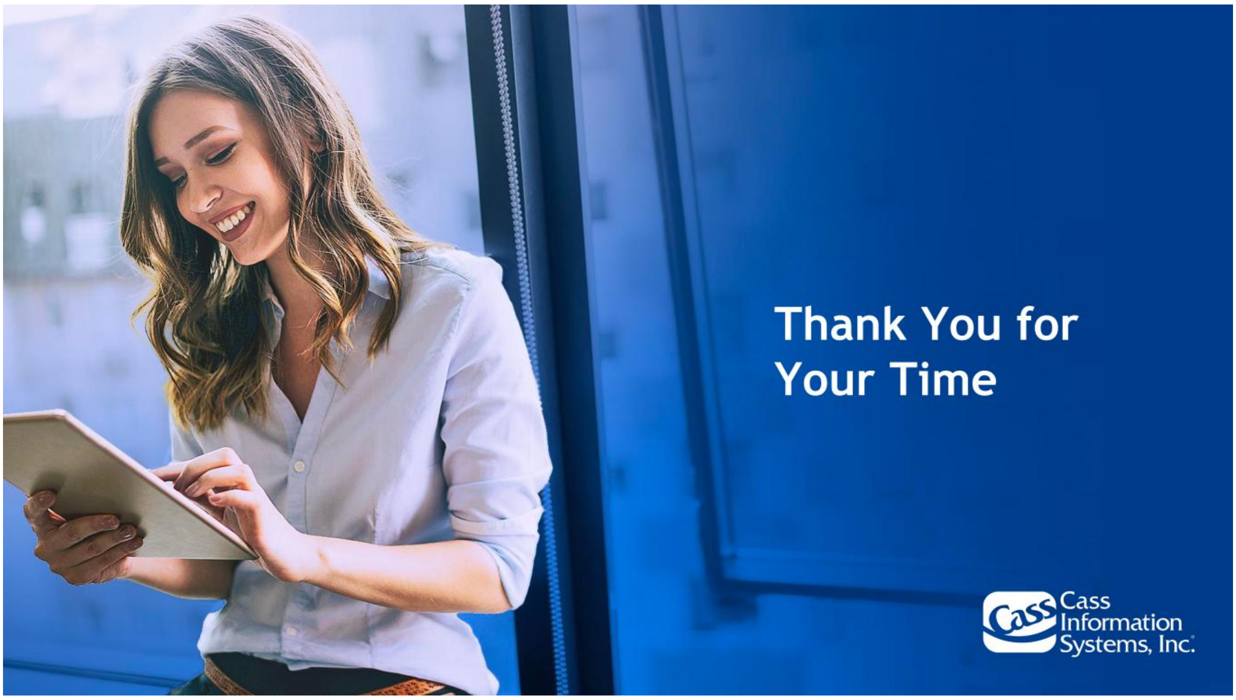
Computershare
P.O. Box 43006
Providence, RI 02940-3006

Overnight correspondence should be mailed to:

Computershare
150 Royall St, Suite 101
Canton, MA 02021

TOLL-FREE PHONE

866.323.8170


Thank You for
Your Time
Cass Information Systems, Inc.