

# 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.

**Q3 2024 INVESTOR PRESENTATION**







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# 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



# 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.  
**\$575M**

Assets  
**\$2.3B**

YTD ROE  
**8.54%**

TTM NI  
**\$23.0M**

YTD % Fees/  
Rev.  
**63.8%**

% AVG NIB  
Funding  
**69.5%**



## INFORMATION SYSTEMS / PAYMENTS

- + Transportation information systems provides freight invoice audit and payment services
- + Facilities expense management provides invoice management, payment and business intelligence for all types of utility and facility related expenses
- + CassPay provides complex treasury management and payment services for fintech and other payment companies

**\$90B**  
Annual  
payments  
volume

**50M**  
Annual invoice  
volume

**\$128M** TTM  
fee revenue

**\$1.0B**  
YTD average  
float

## COMMERCIAL BANK

- + Cass 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

**\$1.0B**  
Deposits

**1.98%**  
YTD cost of  
deposits

**\$0**  
Charge-offs



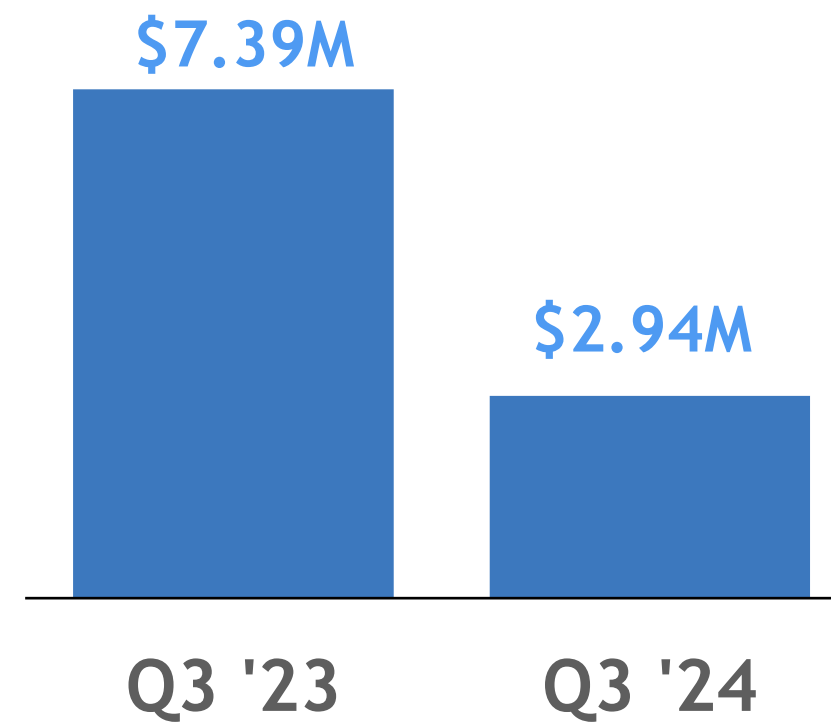
# FINANCIAL PERFORMANCE



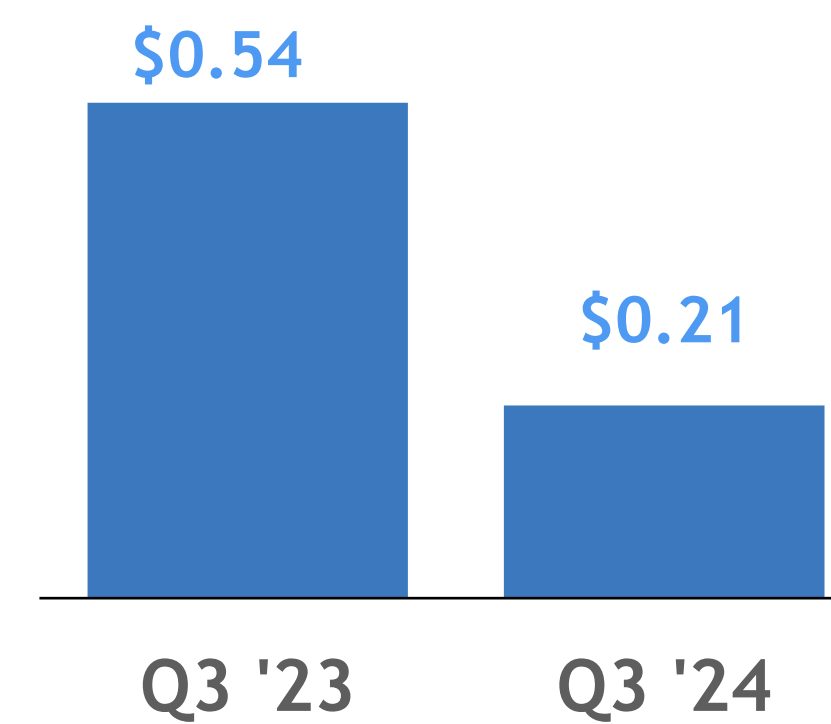
# Q3 2024 FINANCIAL HIGHLIGHTS

- + Net income of \$2.9 million (includes \$6.6 million of bad debt expense on a funding receivable to a facility client)
- + Increase in facility expense transaction volumes of 26.3%
- + Increase in net interest margin to 3.55%
- + Increased quarterly dividend to \$0.31 per share
- + Repurchased 64,471 shares of Company stock

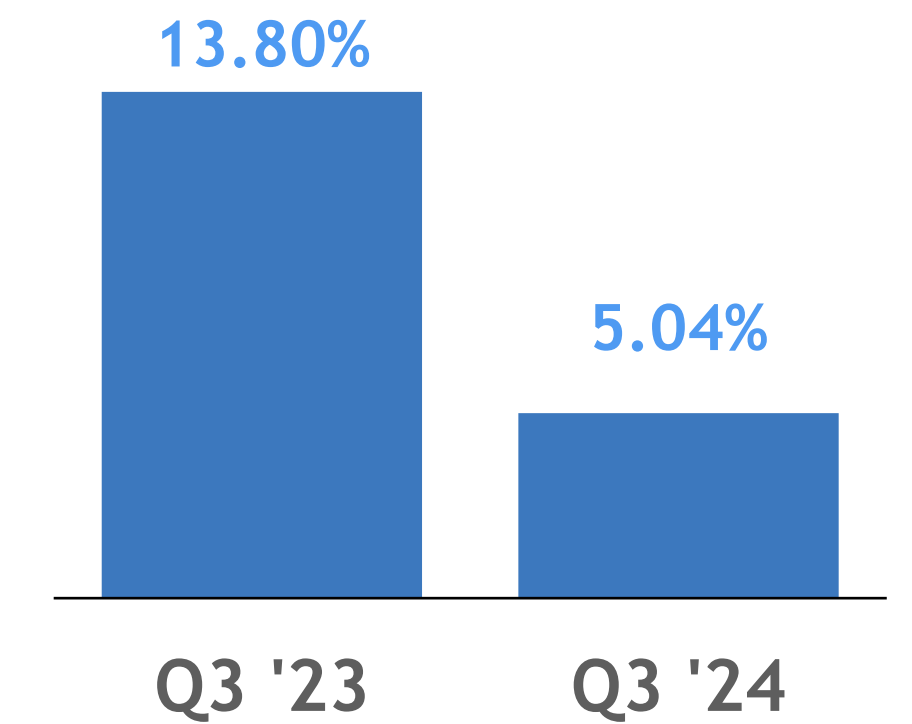
NET INCOME



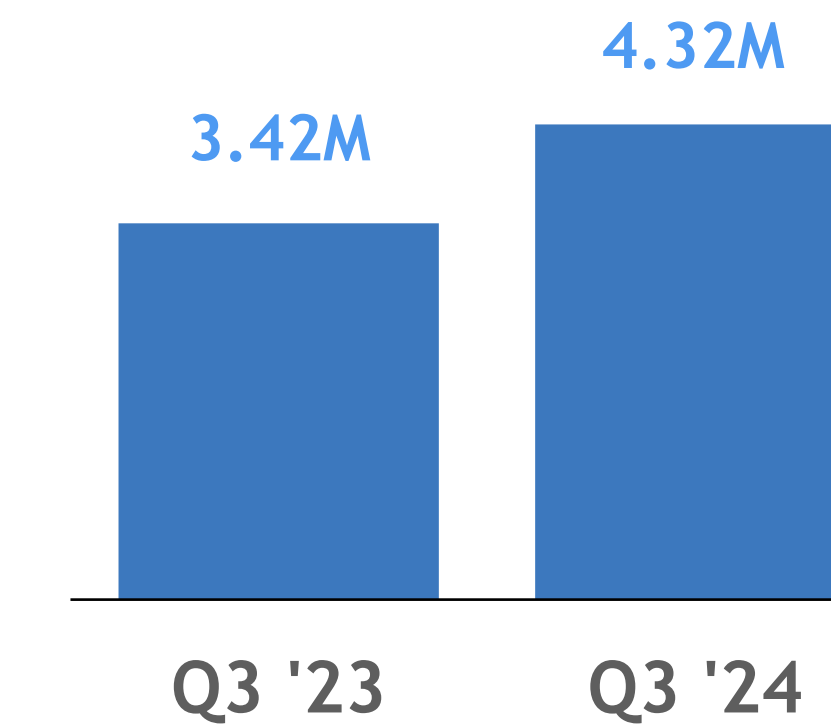
DILUTED EPS



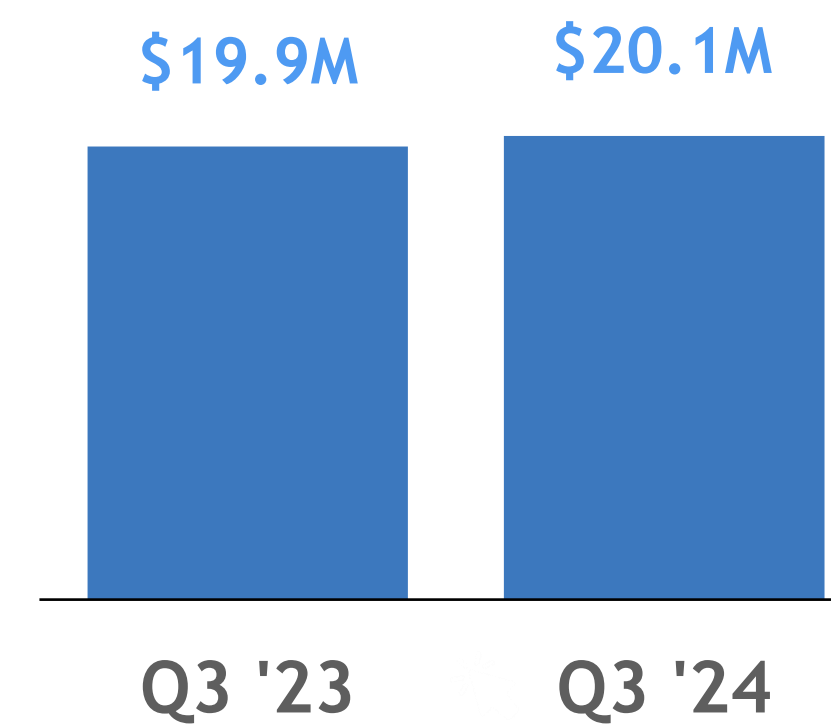
RETURN ON EQUITY



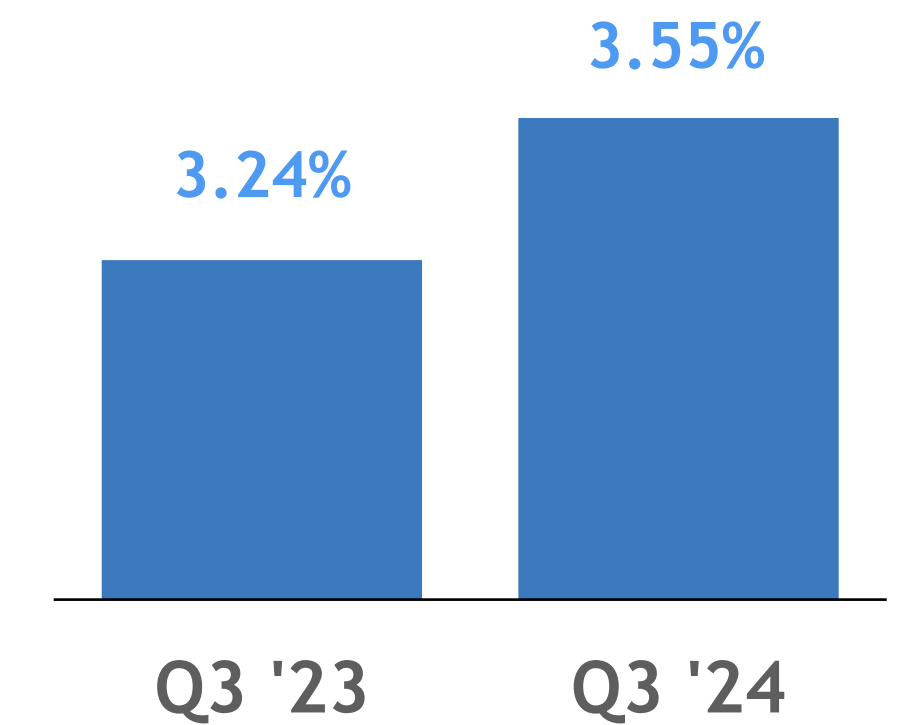
FACILITY TRANSACTION VOLUME



PROCESSING FEES

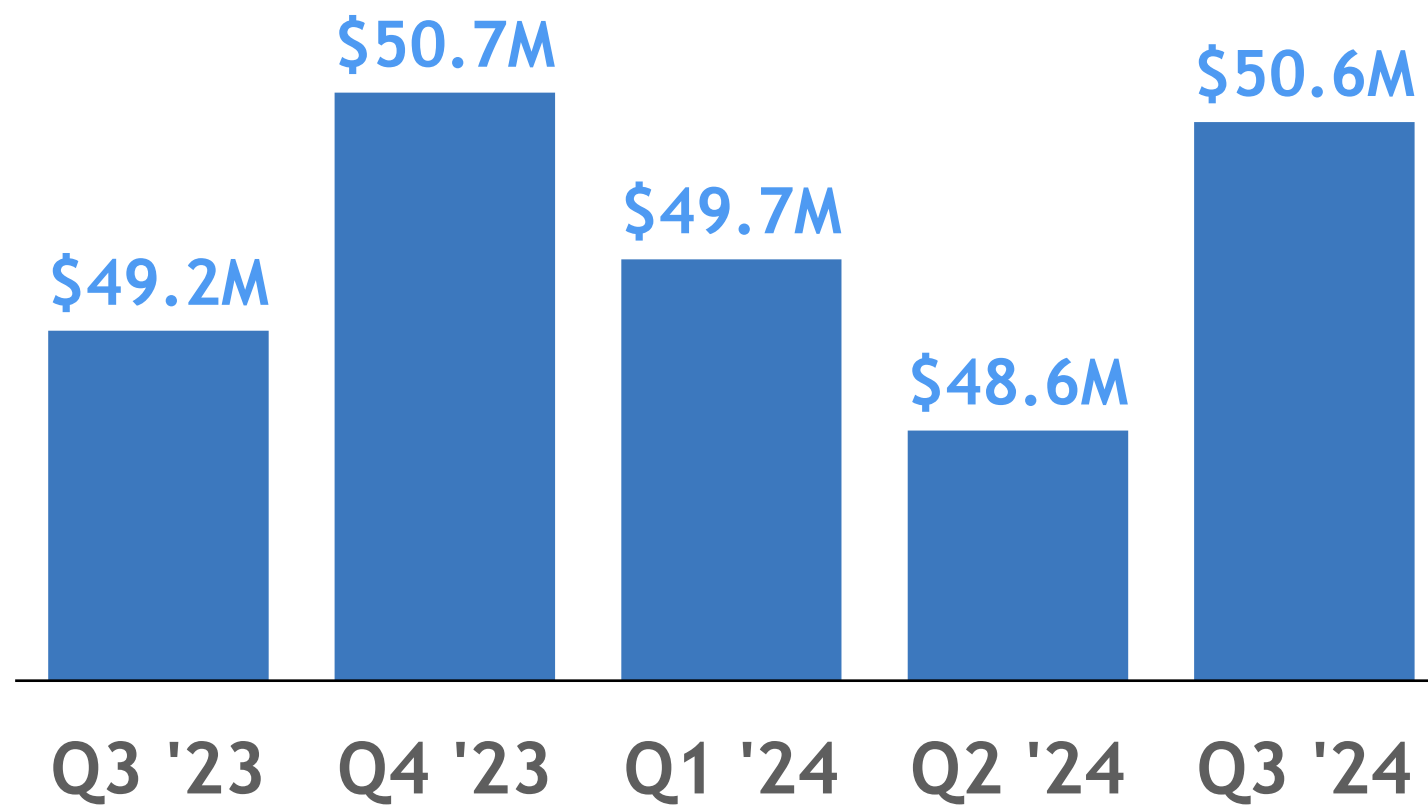


NET INTEREST MARGIN

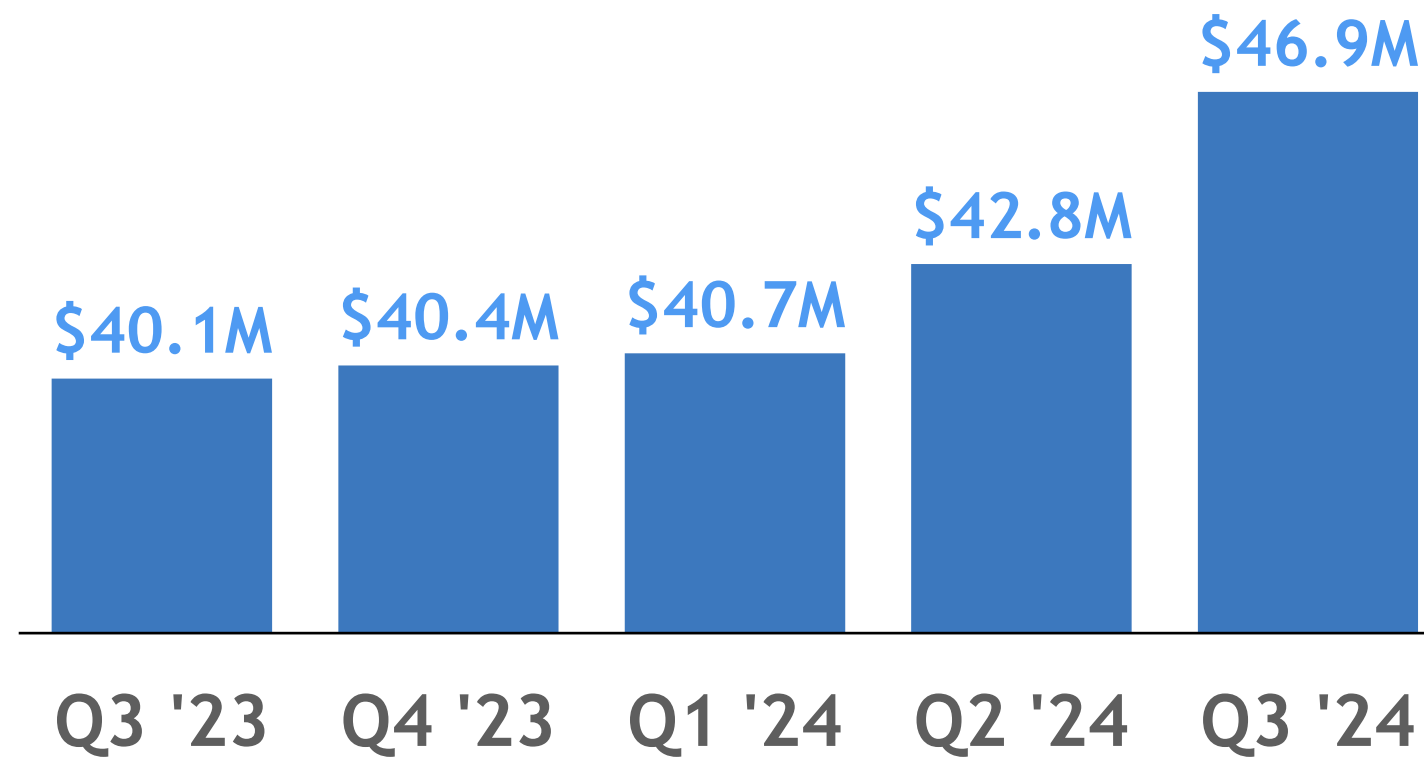


# QUARTERLY FINANCIAL PERFORMANCE

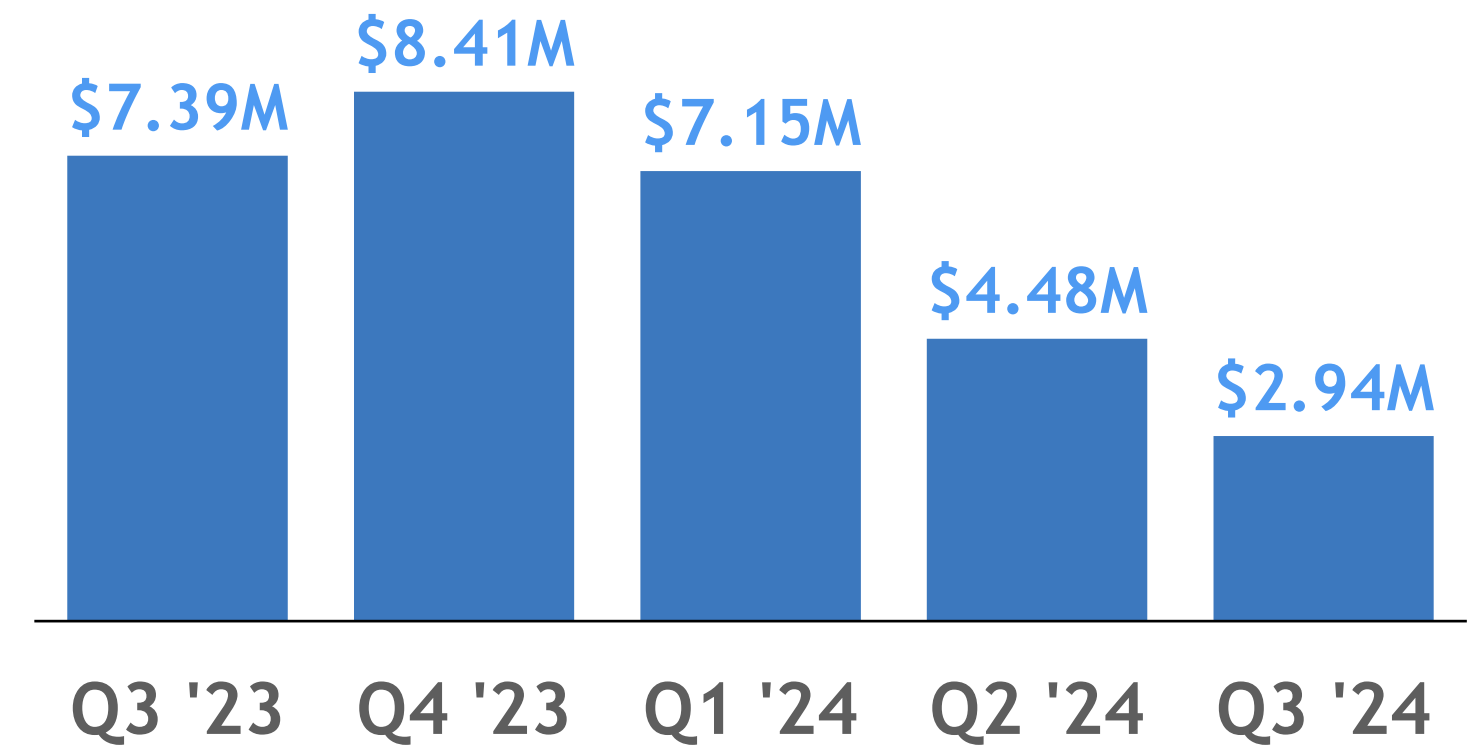
TOTAL REVENUE



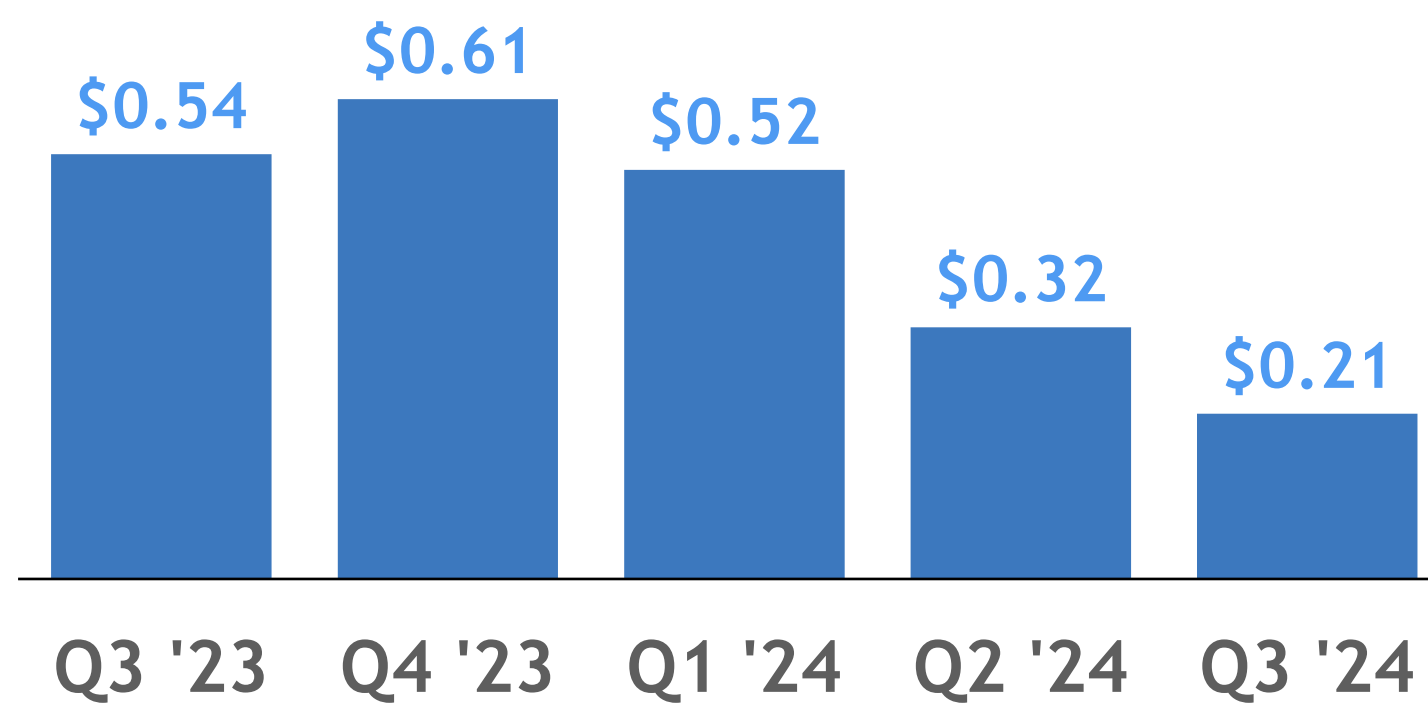
TOTAL OPERATING EXPENSE



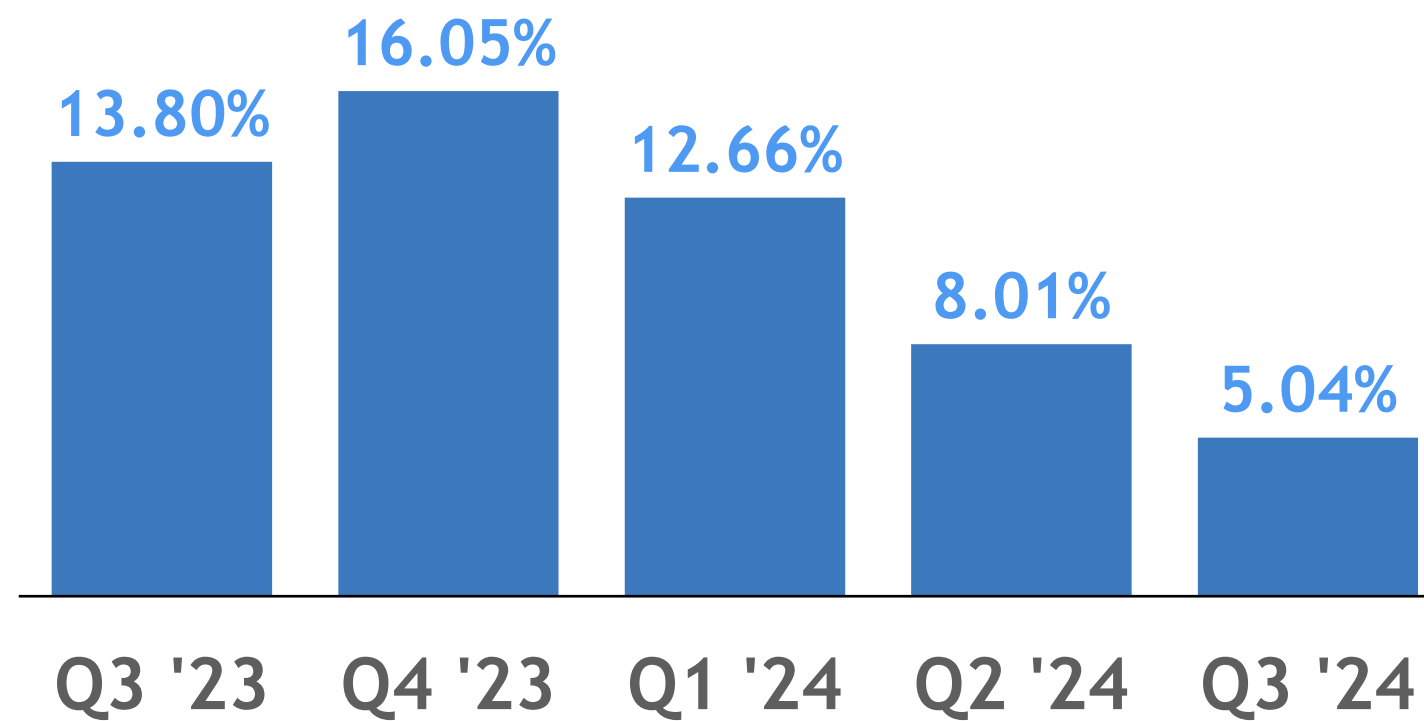
NET INCOME



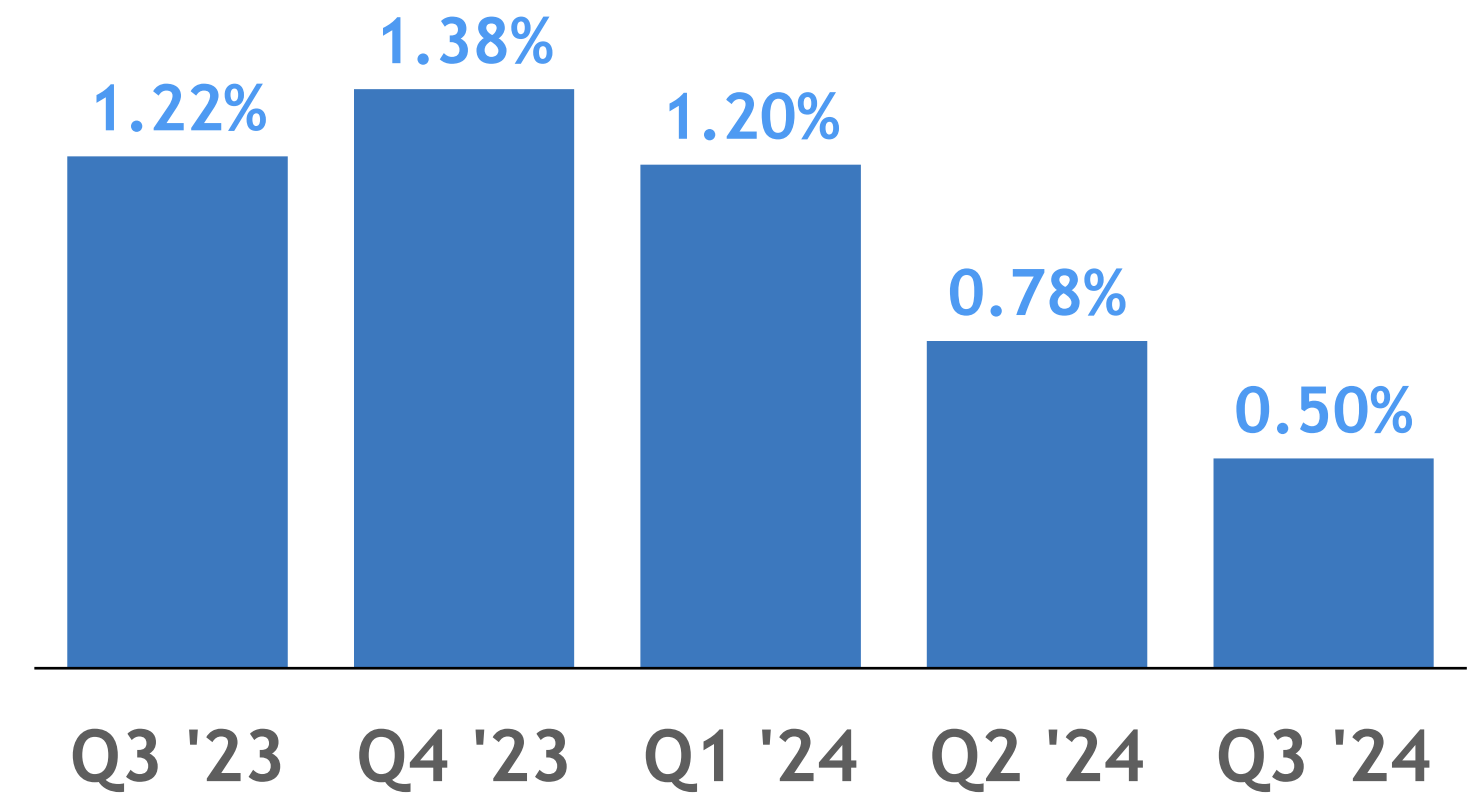
DILUTED EPS



RETURN ON EQUITY



ROAA





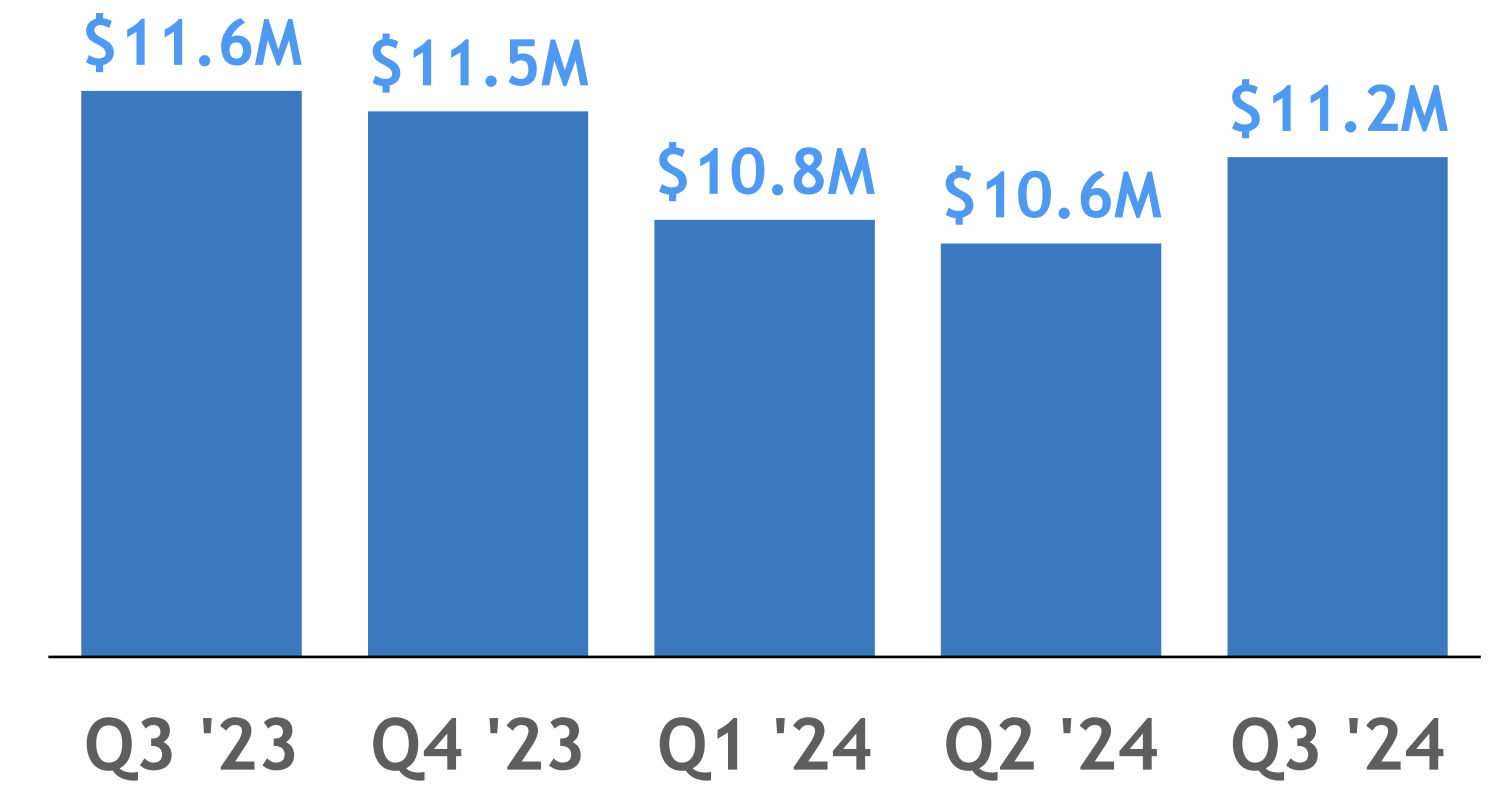
# REVENUE & EXPENSES



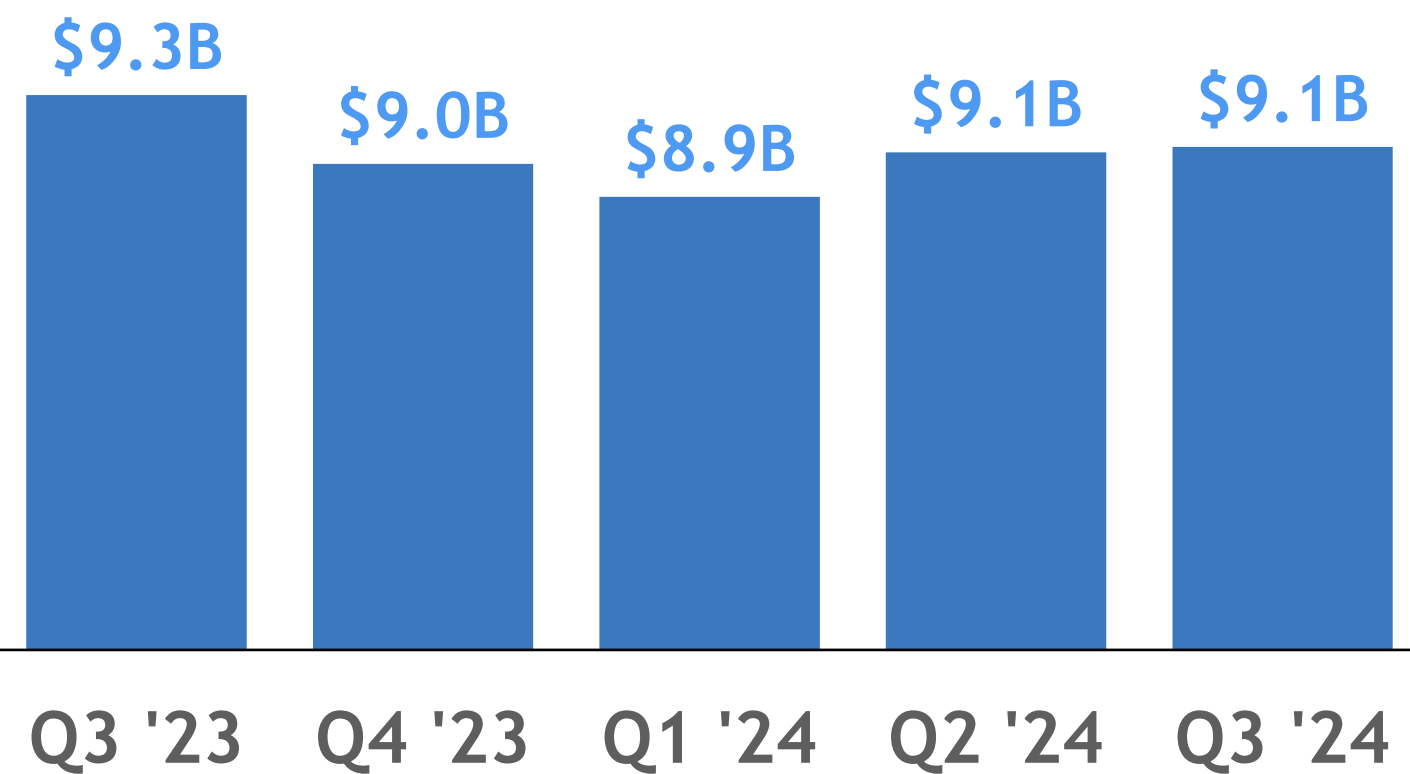
# FINANCIAL FEES

- + Financial fees declined \$420,000 from Q3 2023 due to a 1.8% decline in transportation dollar volumes, which led to a lower average balance of payments in advance of funding, in addition to changes in the manner certain vendors receive payments.
- + The Company expects its new working capital solution and other initiatives to increase financial fees in future quarters.

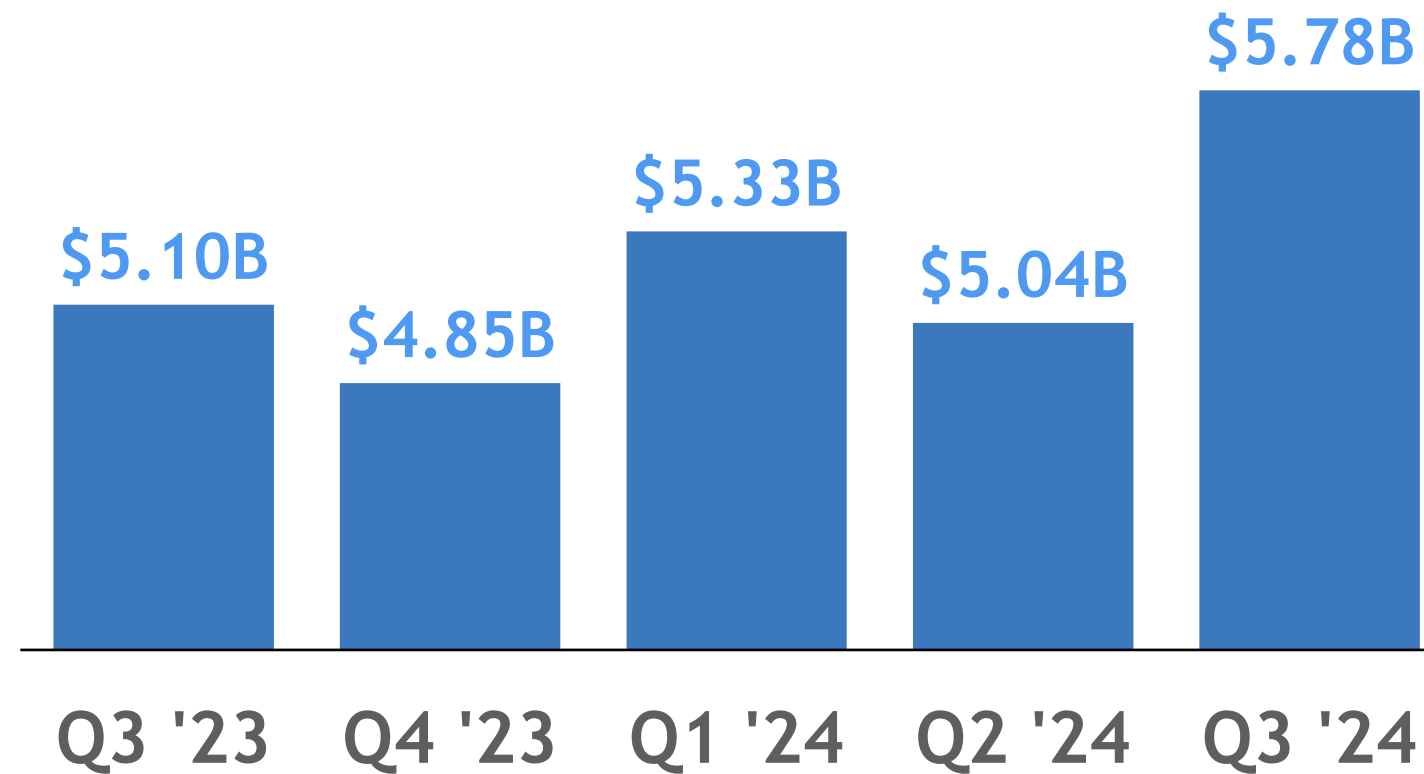
## FINANCIAL FEES



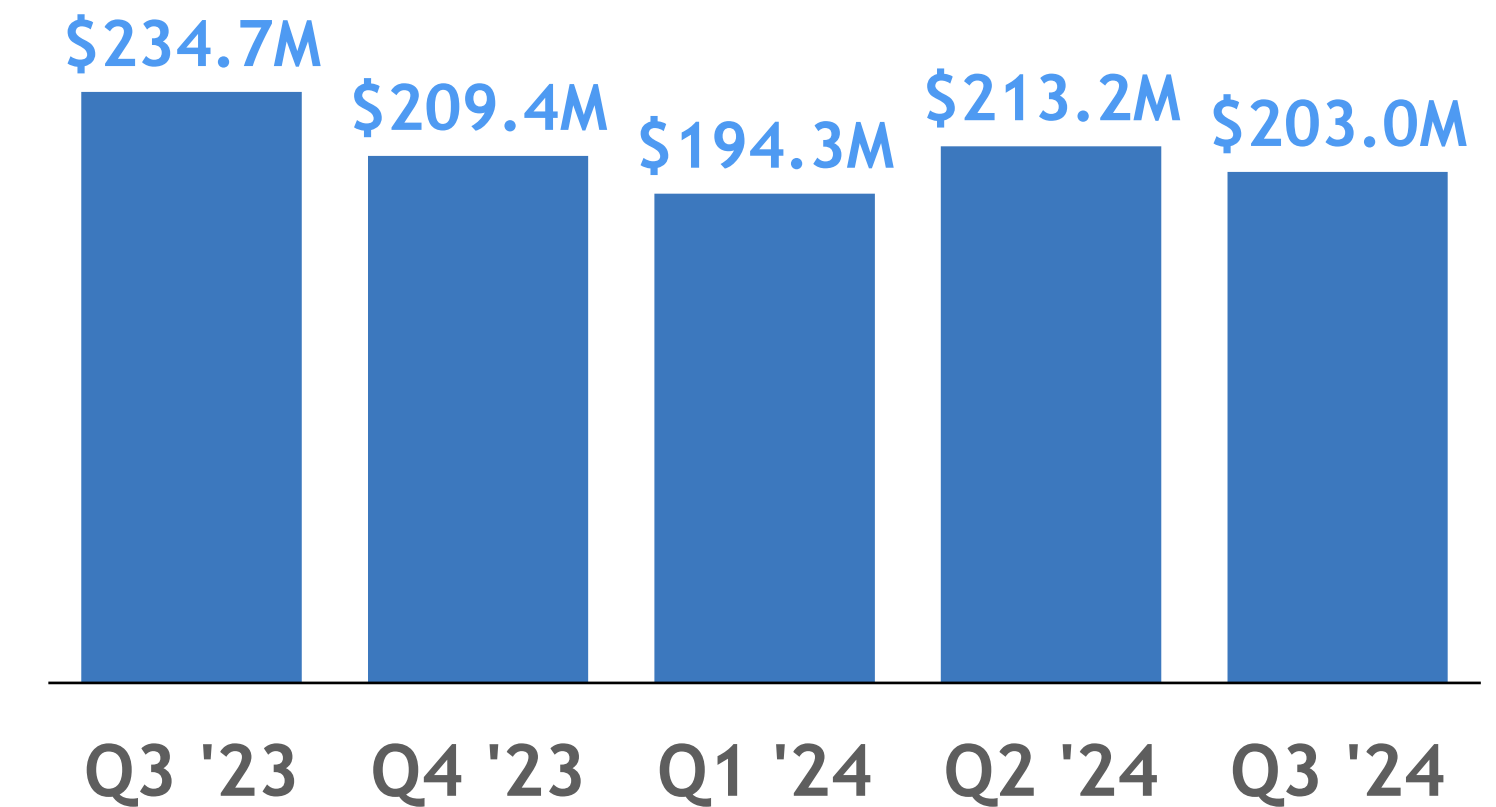
## TRANSPORTATION DOLLAR VOLUMES



## FACILITY DOLLAR VOLUMES



## AVERAGE PAYMENTS IN ADVANCE OF FUNDING

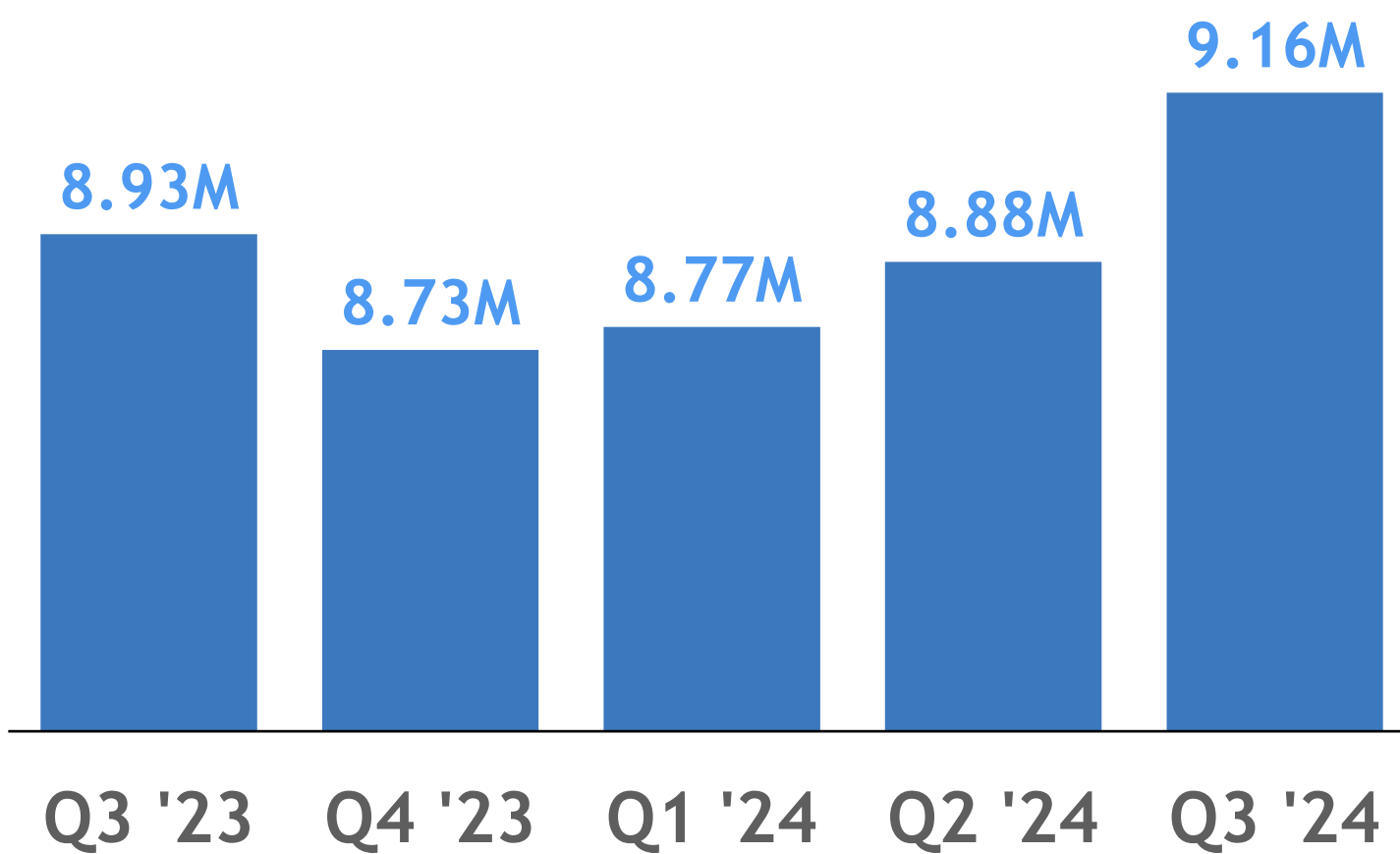




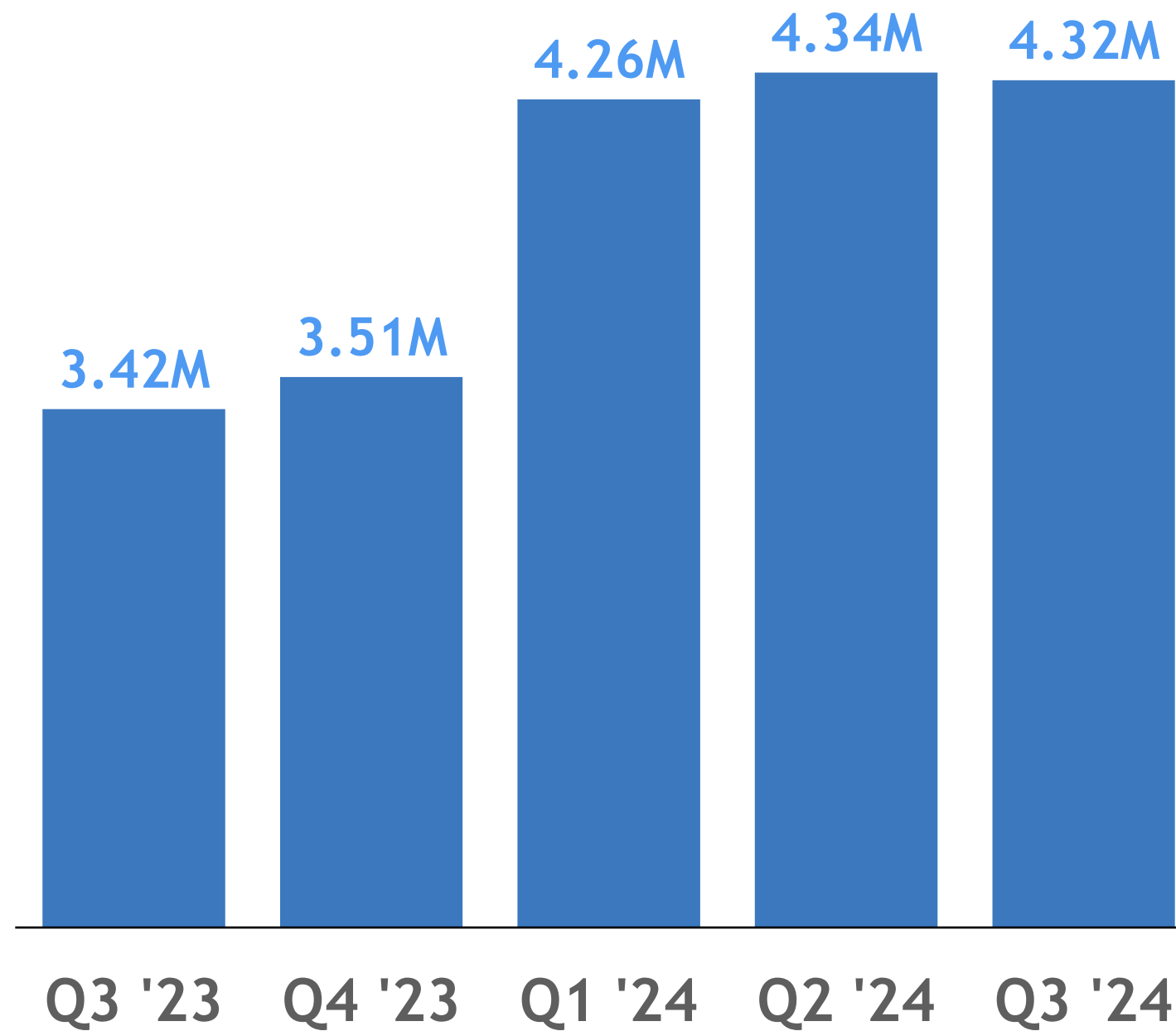
# PROCESSING FEES

- + The change quarter to quarter is generally correlated to transportation and facility invoice volumes.
- + Processing fees increased 0.6% as compared to 3Q 2023 primarily due to a 26.3% increase in facility invoice volumes, partially offset by a decrease in ancillary processing fees unrelated to transaction volumes, such as implementation fees.

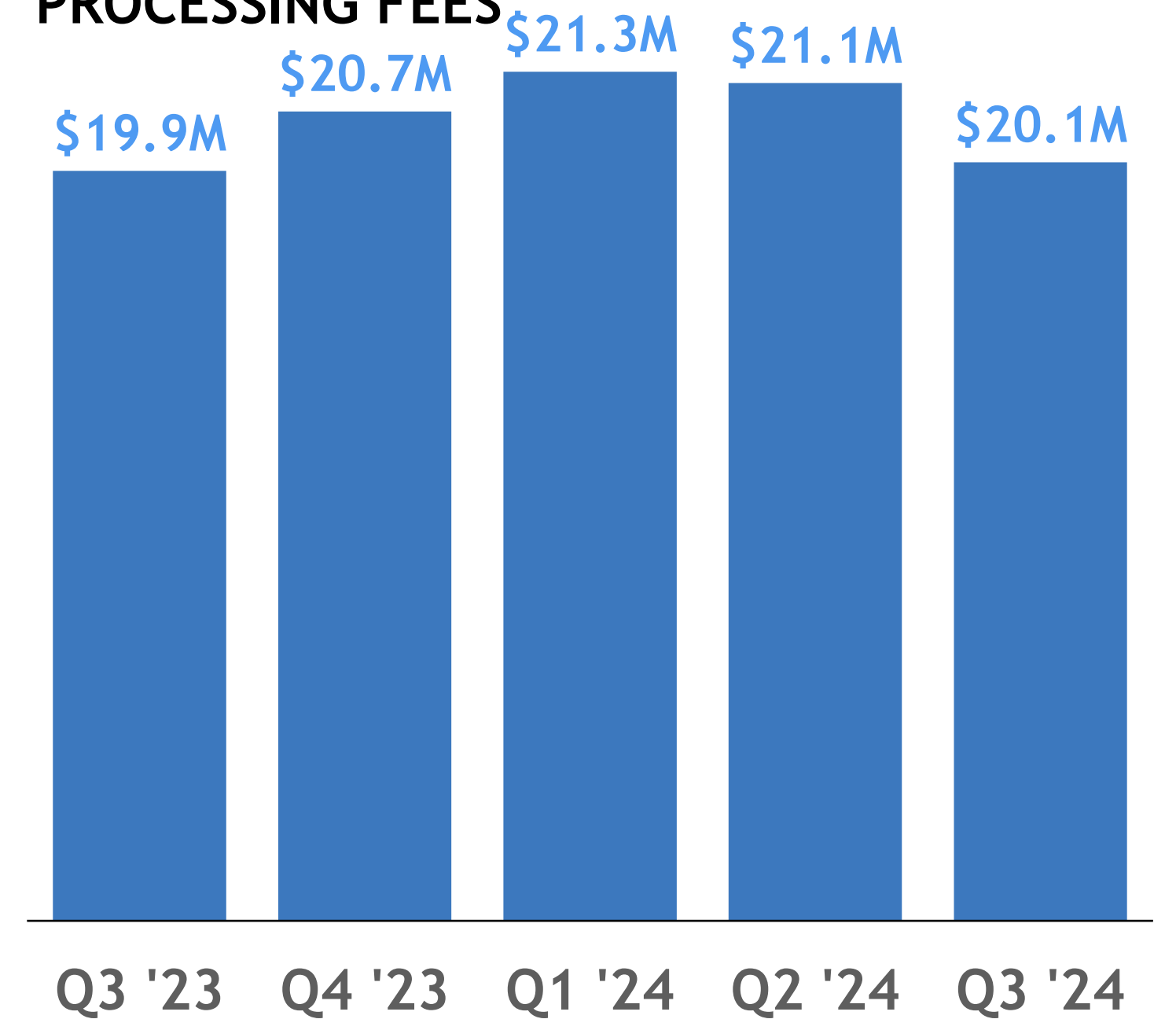
### TRANSPORTATION INVOICE VOLUMES



### FACILITY INVOICE VOLUMES



### PROCESSING FEES

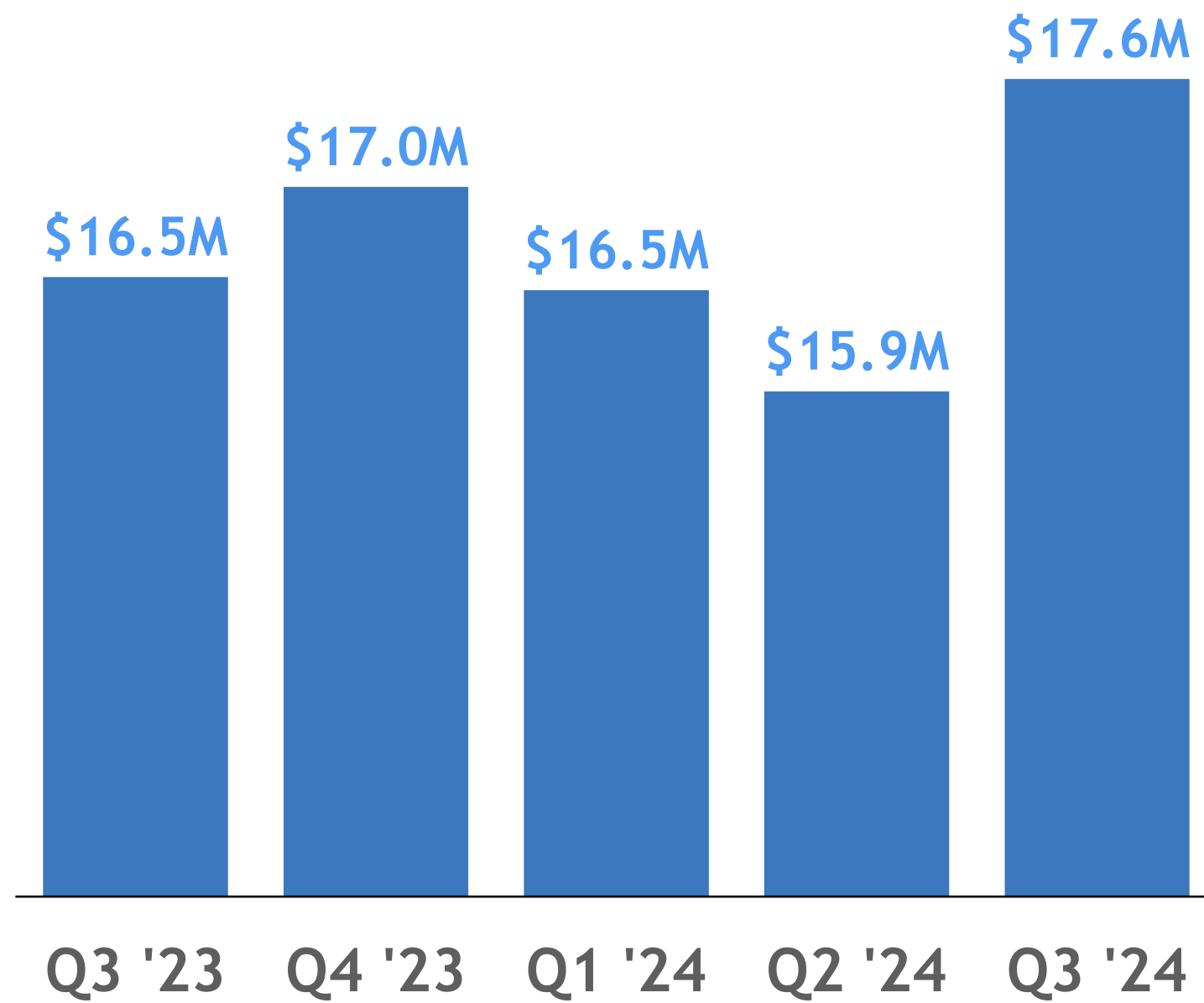




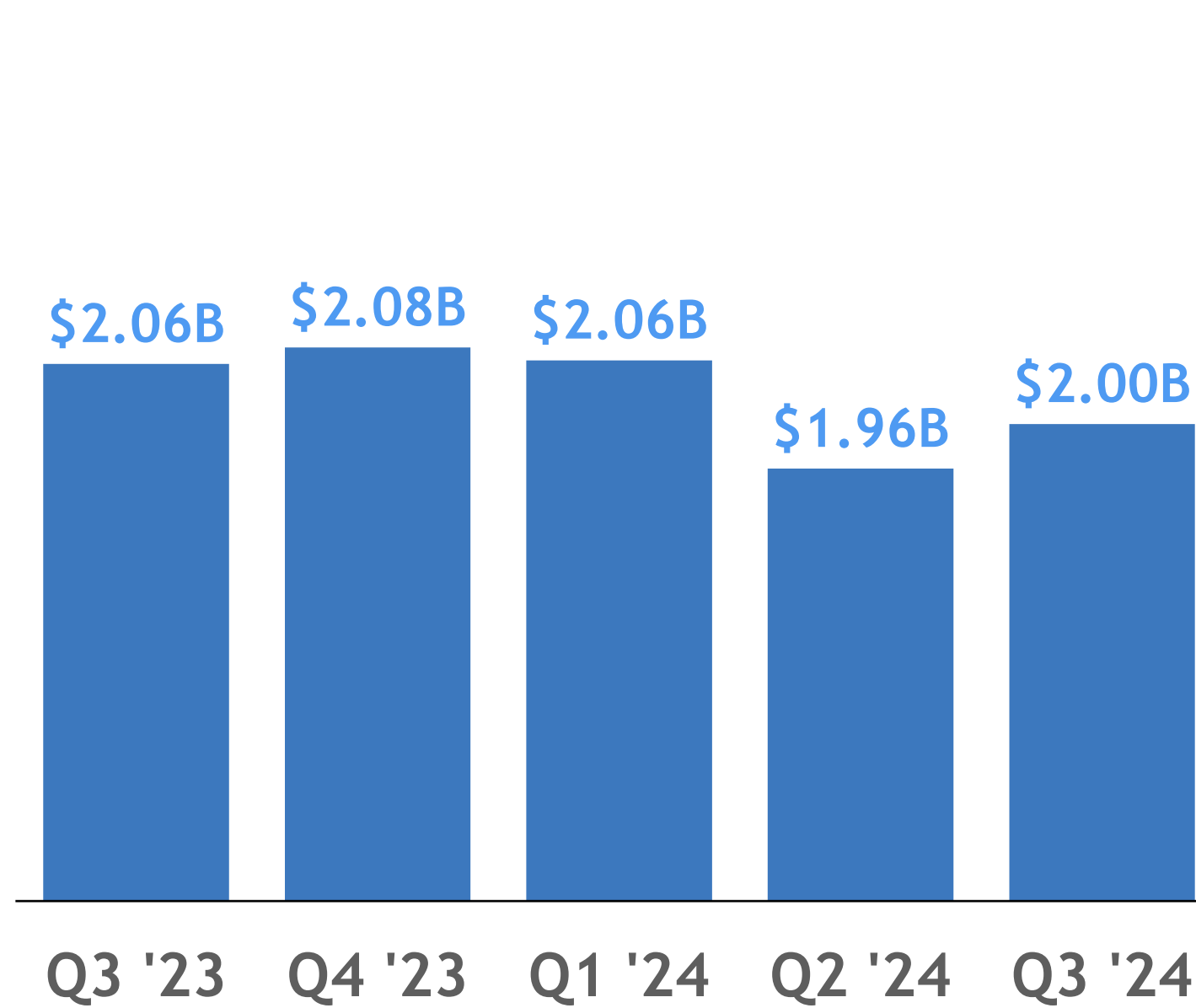
# NET INTEREST INCOME

- + The net interest margin (NIM) improved 31 basis points from Q3 2023 largely driven by an increase in the weighted average yield on loans to 5.40% from 4.88%. The increase in NIM led to a 6.5% increase in net interest income.
- + The recent and expected continued decline in the Federal Funds rate could hinder continued net interest margin expansion in the short-term, but higher 3-10 year U.S. Treasury rates would be expected to benefit the Company over the longer-term as fixed rate loans and investments re-price to current market interest rates.

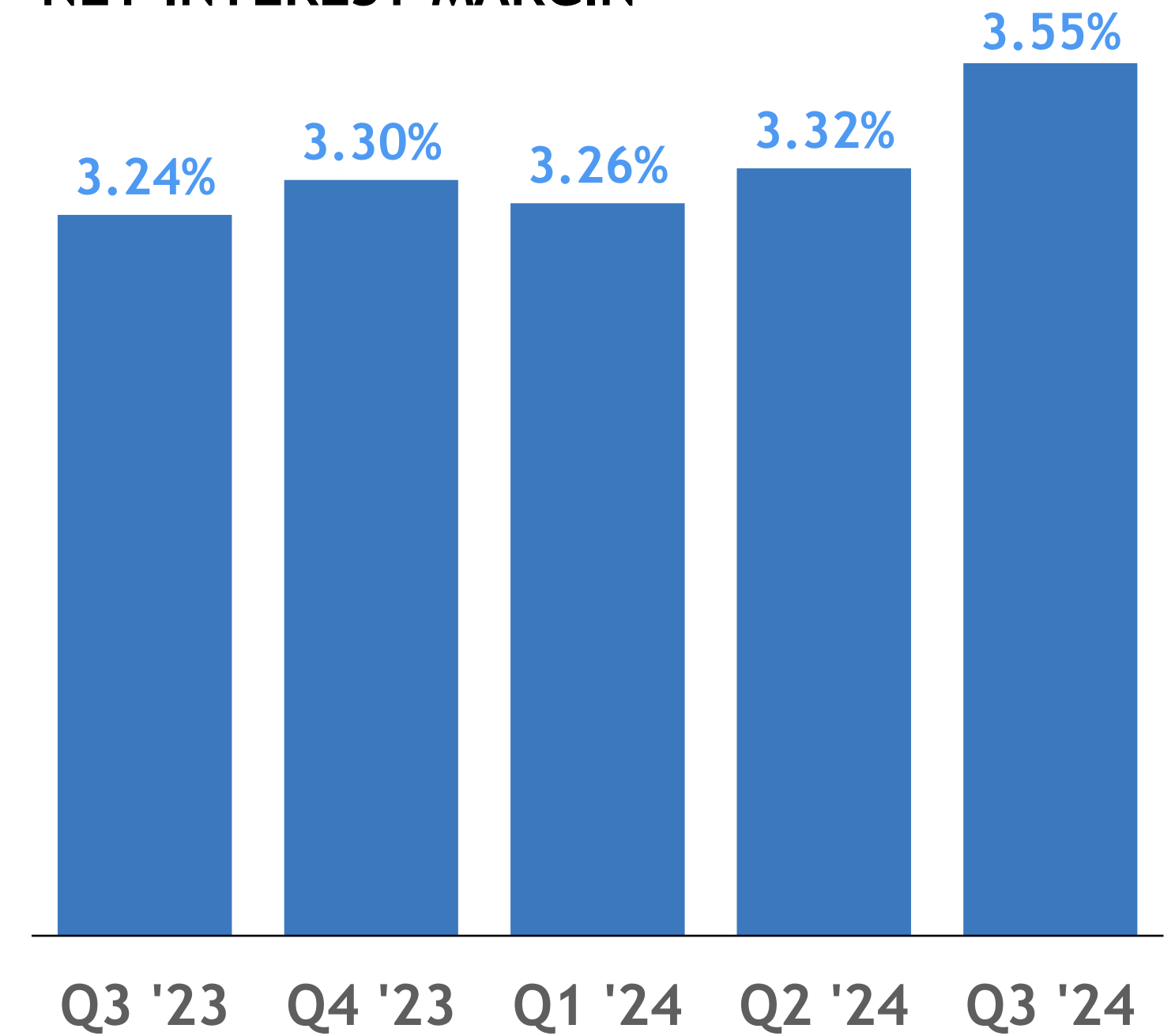
**NET INTEREST INCOME**



**AVERAGE INTEREST-EARNING ASSETS**



**NET INTEREST MARGIN**





## PERSONNEL EXPENSE

- + Salaries and commissions have stabilized and are expected to decline in future quarters as a result of a reduction in the full-time employee count.
- + Employee profit sharing declined commensurate with the decline in net income.
- + The Company announced its intent to terminate its noncontributory defined-benefit pension plan. The termination is expected to result in one-time expenses of approximately \$4-6 million during Q4 2024 but decrease run-rate operating expense by approximately \$1.0 million on an annual basis.
- + FTEs declined 2.6% from June 30, 2024 to September 30, 2024 and are expected to continue to decline in future quarters.

(\$\$ in millions)

Expense	3Q2023	4Q2023	1Q2024	2Q2024	3Q2024
Salaries and commissions	\$21.7	\$22.0	\$22.4	\$23.2	\$23.2
Employee profit sharing	1.7	1.9	1.6	1.0	0.7
Share-based compensation	0.9	0.3	1.2	0.5	0.9
Net periodic pension cost	0.1	0.5	0.2	0.2	0.2
Other benefits	5.2	4.9	5.2	5.0	4.9
<b>Total personnel expense</b>	<b>\$29.6</b>	<b>\$29.6</b>	<b>\$30.6</b>	<b>\$29.9</b>	<b>\$29.9</b>
<b>Full-time equivalent employees (FTEs)</b>	<b>1,167</b>	<b>1,189</b>	<b>1,202</b>	<b>1,203</b>	<b>1,171</b>



## NON-PERSONNEL EXPENSE

- + Equipment expense has increased slightly as a result of an increase in depreciation expense related to technology projects now in production.
- + Bad debt expense relates to a full write-off of a funding receivable related to a facility client. The Company is in the process of litigation to collect the receivable.
- + Other expense during Q2 2024 included \$1.3 million of estimated late fees to be incurred on facility transactions as described in the Q2 2024 earnings release.

(\$\$ in millions)

Expense	3Q2023	4Q2023	1Q2024	2Q2024	3Q2024
Occupancy expense	\$0.9	\$0.9	\$0.9	\$0.8	\$0.9
Equipment expense	1.8	2.0	1.9	2.0	2.1
Bad debt expense	0.0	0.0	0.0	1.3	6.6
Other expense	7.8	7.9	7.3	8.9	7.4
<b>Total non-personnel expense</b>	<b>\$10.5</b>	<b>\$10.8</b>	<b>\$10.1</b>	<b>\$13.0</b>	<b>\$17.0</b>



# BALANCE SHEET



# LOANS

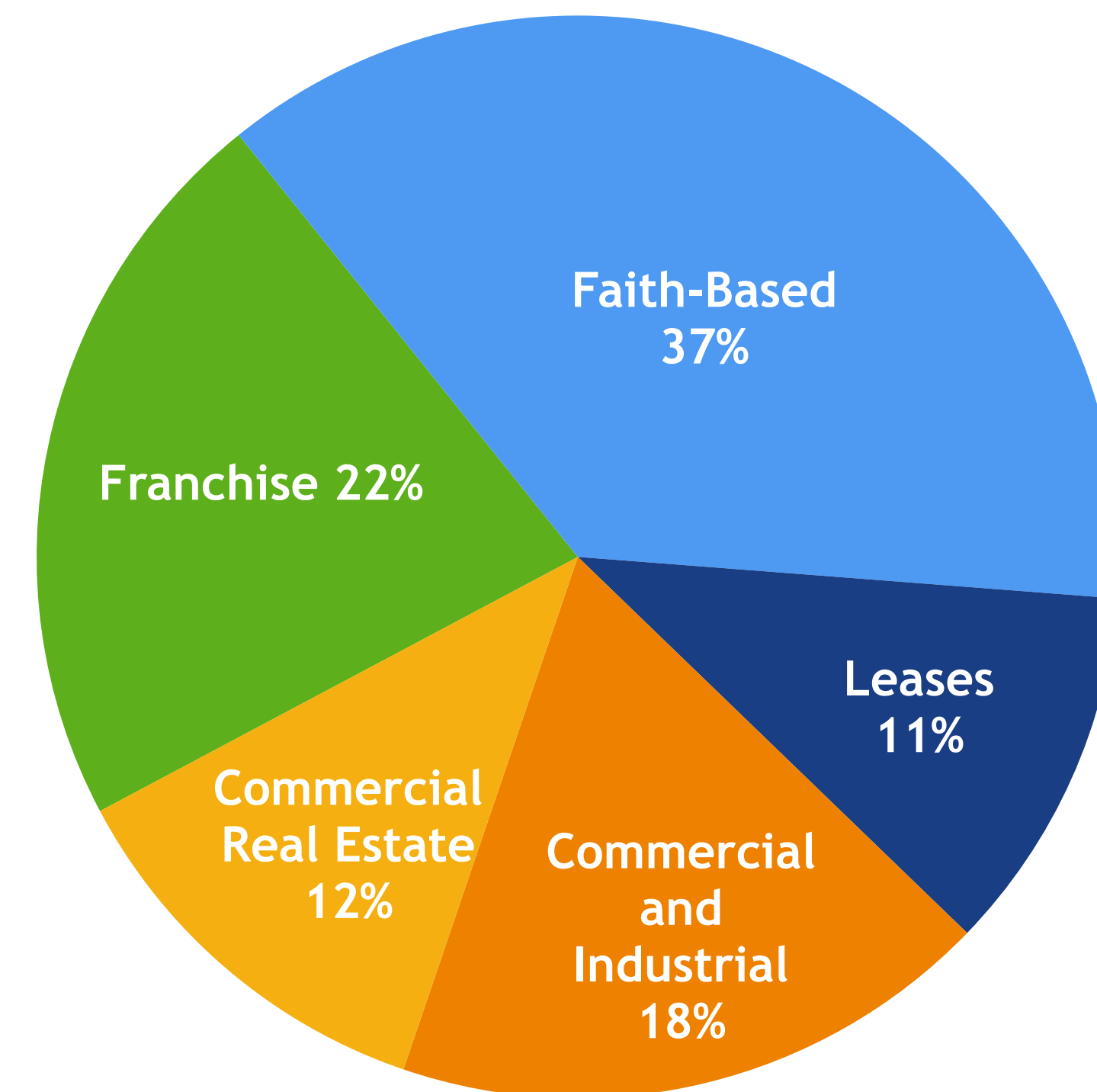
- + Loans increased 1.5% as compared to June 30, 2024. The Company experienced growth in its franchise restaurant and faith-based portfolios.
- + The Company has not incurred a loan charge-off since 2015.

(\$\$ in millions)

Portfolio Composition	9/30/23	12/31/23	3/31/24	6/30/24	9/30/24
Franchise	\$221.8	\$214.7	\$213.9	\$229.6	\$237.1
Faith-Based	385.4	389.2	387.5	382.2	401.3
Leases	127.7	121.3	126.1	131.4	118.3
Other C&I	167.9	162.6	186.4	187.6	193.1
Other CRE	136.8	126.6	123.0	131.2	128.6
Ending Loans	\$1,039.6	\$1,014.3	\$1,037.0	\$1,062.0	\$1,078.4

Loan Yield	4.88%	4.95%	5.06%	5.26%	5.40%
ACL/Loans	1.28%	1.29%	1.28%	1.28%	1.27%
Net Charge-Offs	—	—	—	—	—
Non-Performing Loans/Loans	—	—	—	—	—

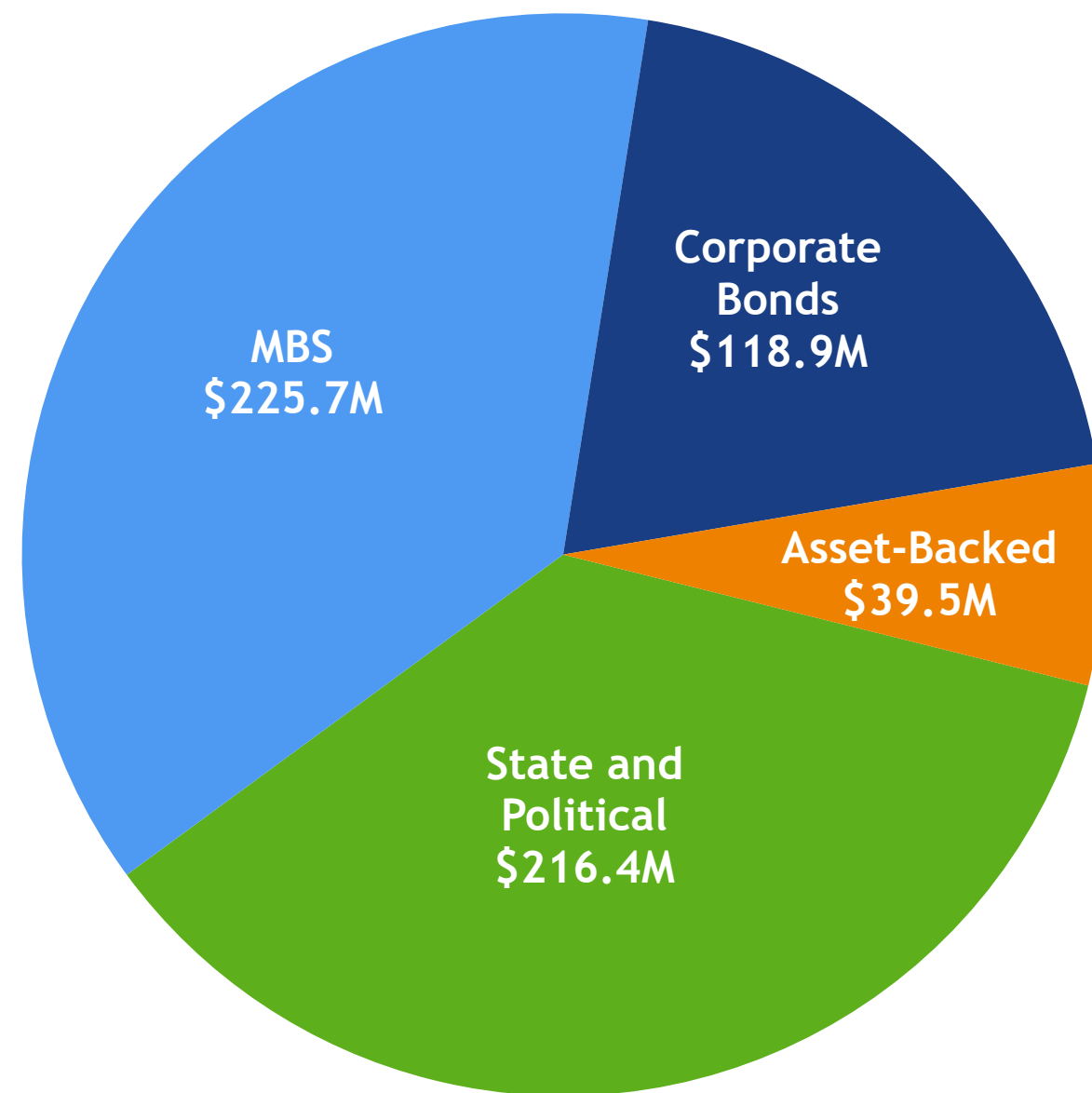
PORTFOLIO COMPOSITION  
9/30/24





# INVESTMENT PORTFOLIO COMPOSITION

PORTFOLIO COMPOSITION  
(BOOK VALUE)

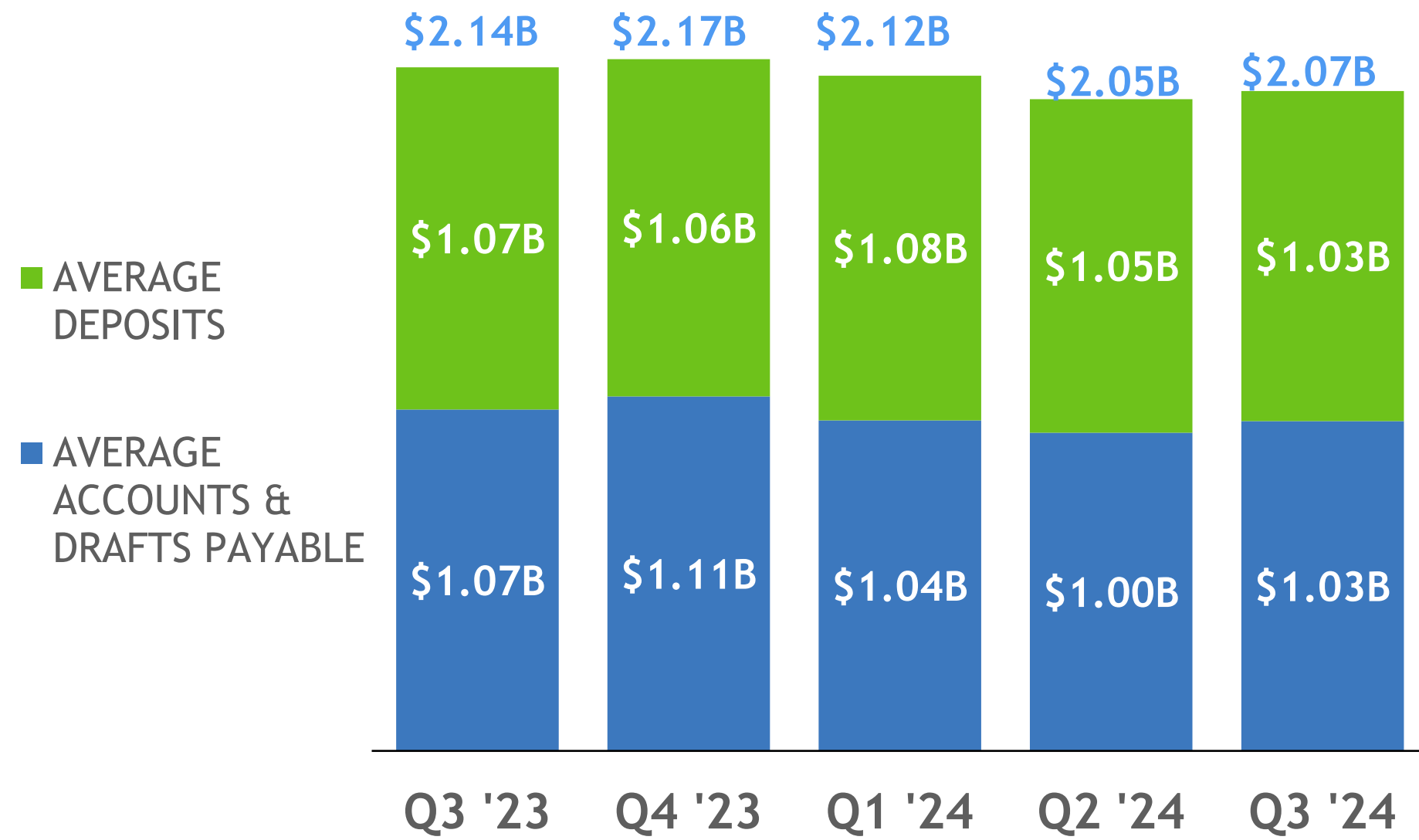


- + All investment securities are classified as available-for-sale. The overall weighted-average repricing term is 3.5 years and the average yield for 3Q2024 was 2.86%. The portfolio had unrealized losses of \$46.9 million at September 30, 2024 resulting in a total fair value for the portfolio of \$550.8 million.
- + 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. These securities have long maturities but are floating rate assets.
- + Of the total \$119.0 million portfolio of high-quality corporate bonds, \$57.0 million are floating rate.
- + The mortgage-backed securities portfolio has an estimated average life of 4.4 years.
- + 99% of the municipal securities are an investment grade of “A” or higher.

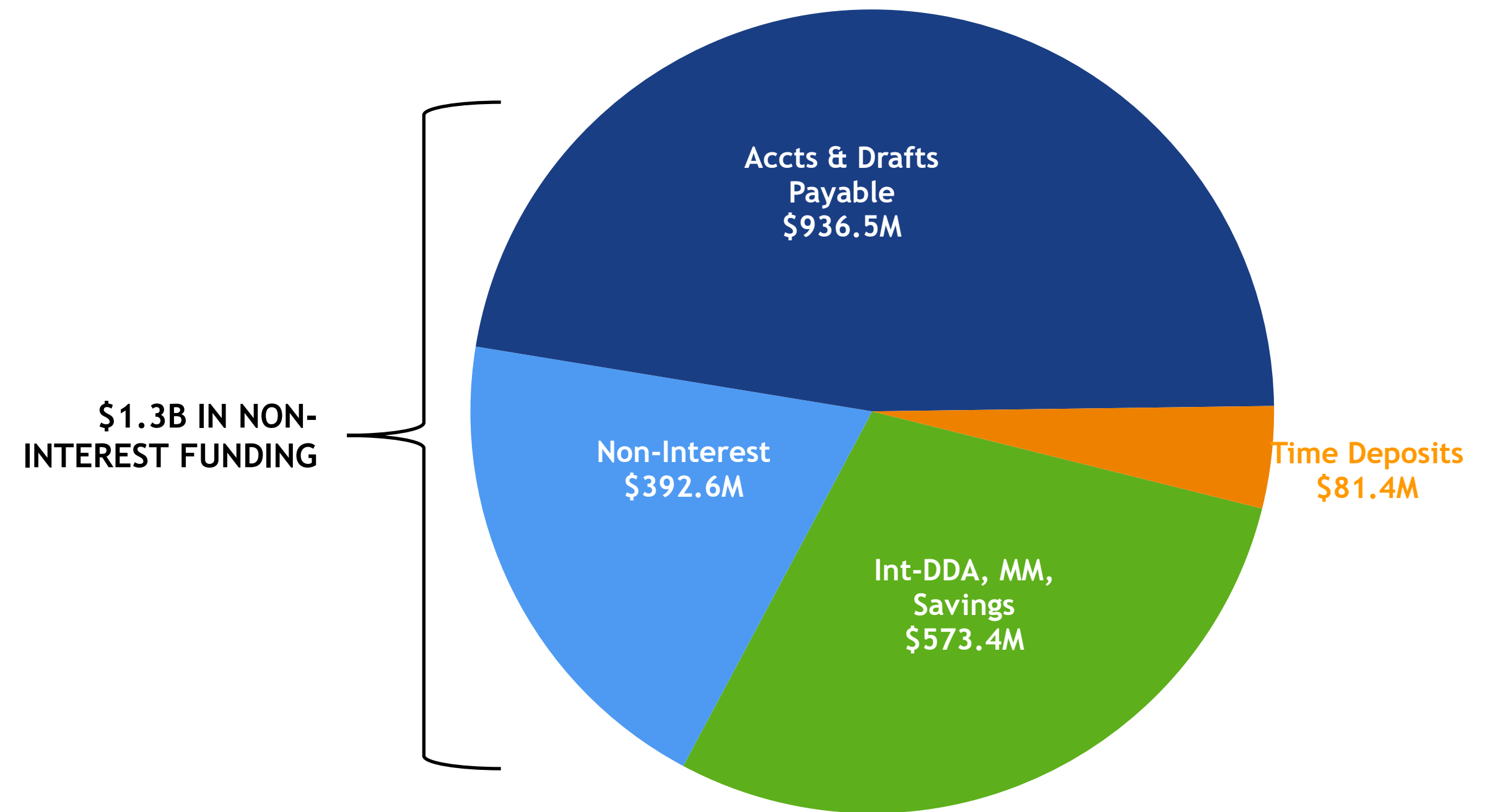
# FUNDING

- + For 3Q2024, 69.5% of average funding was non-interest bearing, a strategic advantage in the current interest rate environment.
- + Average accounts and drafts payable declined during 3Q2024 as a result of a cyber event at a CassPay client during Q1 2024, resulting in the loss of approximately \$100.0 million of balances, in addition to a decrease in transportation dollar volumes of 1.8%, partially offset by an increase in facility dollar volumes of 13.4%.

**AVERAGE DEPOSITS AND ACCOUNTS & DRAFTS PAYABLE**



**FUNDING COMPOSITION**





## 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 third quarter of 2024 was 1.98%.
- + 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 \$239 million secured line of credit with the FHLB collateralized by commercial mortgage loans.
- + The Company has \$250.0 million of unused lines of credit collateralized by investment securities.

# CAPITAL

- + The Company maintains excess capital to support organic balance sheet growth and opportunistic acquisitions
- + Increase in quarterly dividend to 0.31 per share
- + Cass has continuously paid regularly scheduled cash dividends since 1934
- + The Company repurchased 64,471 shares of Company stock during Q3 2024

Tier 1 leverage ratio at 9/30/24	<b>11.05%</b>
Common equity tier 1 risk-based ratio at 9/30/24	<b>14.54%</b>
Tier 1 risk-based ratio at 9/30/24	<b>14.54%</b>
Total risk-based ratio at 9/30/24	<b>15.31%</b>



# LEADERSHIP AND SHAREHOLDER INFORMATION



# BOARD OF DIRECTORS

## **Eric H. Brunngraber**

Executive Chairman

## **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**

Retired Executive Vice President  
of Global Human Resources,  
World Wide Technology

## **Martin H. Resch**

President and  
Chief Executive Officer

## **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

Senior Vice President and President - CassPay

## Carl N. Friedholm

Senior Vice President and President - Telecom Expense Management

## Sean M. Mullins

Vice President - Chief Information Security Officer

## Jeanne M. Scannell

Chief Credit Officer - Cass Commercial Bank

## Mark A. Campbell

Senior Vice President and President - Government Payables

## Nicole M. Jennings

Vice President - Internal Audit and Risk Management

## Michael J. Normile

Executive Vice President and Chief Financial Officer

## Matthew S. Schuckman

Executive Vice President, General Counsel, and Corporate Secretary

## James M. Cavellier

Executive Vice President and Chief Information Officer

## Teresa D. Meares

Senior Vice President and President - Waste Expense Management

## Christi A. Reiter

Senior Vice President - Human Resources

## Anthony G. Urban

Executive Vice President - Transportation Information Services

## Dwight D. Erdbruegger

President and Chief Operating Officer, Cass Commercial Bank

## Ross M. Miller

Senior Vice President and President - TouchPoint

## Martin H. Resch

President and Chief Executive Officer

## Todd J. Wills

Senior Vice President and President - 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](http://www.cassinfo.com)

## INVESTOR RELATIONS

[ir@cassinfo.com](mailto: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](http://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](http://www-us.computershare.com/investor/Contact)

## TRANSFER AGENT

Shareholder correspondence should be mailed to:

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

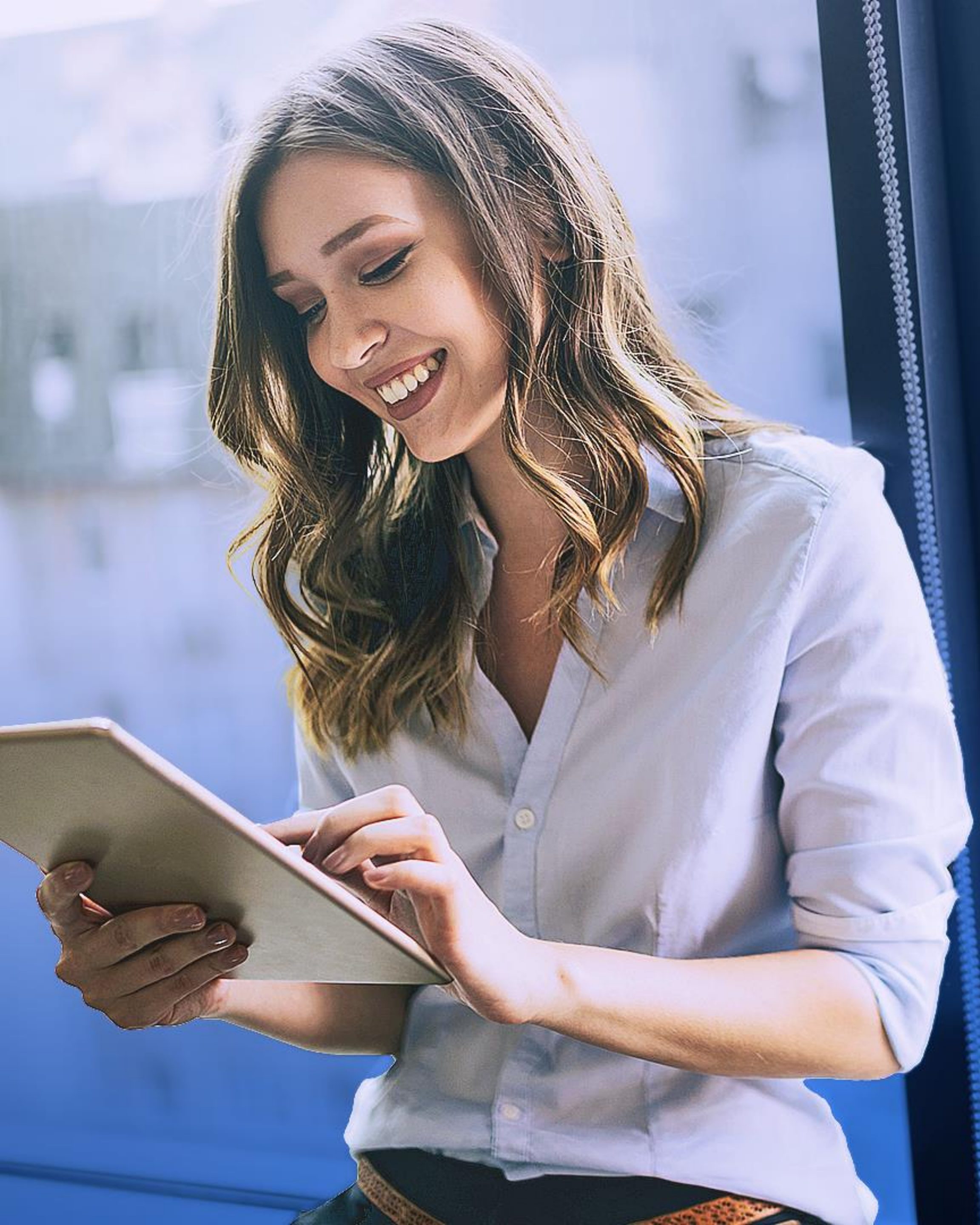
Overnight correspondence should be mailed to:

Computershare  
150 Royall St, Suite 101  
Canton, MA 02021

## TOLL-FREE PHONE

866.323.8170





**Thank You for  
Your Time**

