

THE BANCORP INVESTOR PRESENTATION

JANUARY 27th 2022



FORWARD LOOKING STATEMENTS & OTHER DISCLOSURES

Statements in this presentation regarding The Bancorp, Inc.'s ("The Bancorp") business that are not historical facts or concern our earnings guidance or 2025 plan are "forward-looking statements". These statements may be identified by the use of forward-looking terminology, including the words "may," "believe," "will," "expect," "anticipate," "estimate," "intend," "plan," or similar words, and are based on current expectations about important economic, political, and technological factors, among others, and are subject to risks and uncertainties, which could cause the actual results, events or achievements to differ materially from those set forth in or implied by the forward-looking statements and related assumptions. These risks and uncertainties include those relating to the on-going COVID-19 pandemic, the impact it will have on the company's business and the industry as a whole, and the resulting governmental and societal responses. 2022 guidance and long-term financial targets in this presentation assume achievement of management's credit roadmap growth goals as described herein and other growth goals. If such assumptions are not met, guidance and long-term financial targets might not be reached. For further discussion of these risks and uncertainties, see the "risk factors" sections contained, in The Bancorp's Annual Report on Form 10-K for the year ended December 31, 2020 and in its other public

filings with the SEC. In addition, these forward-looking statements are based upon assumptions with respect to future strategies and decisions that are subject to change. Actual results may differ materially from the anticipated results discussed in these forward-looking statements. The forward-looking statements speak only as of the date of this presentation. The Bancorp does not undertake to publicly revise or update forward-looking statements in this presentation to reflect events or circumstances that arise after the date of this presentation, except as may be required under applicable law.

This presentation contains information regarding financial results that is calculated and presented on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States ("GAAP"), such as those identified in the Appendix. As a result, such information may not conform to SEC Regulation S-X and may be adjusted and presented differently in filings with the SEC. Any non-GAAP financial measures used in this presentation are in addition to, and should not be considered superior to, or a substitute for, financial statements prepared in accordance with GAAP. Non-GAAP financial measures are subject to significant inherent limitations. The non-GAAP measures presented herein may not be comparable

to similar non-GAAP measures presented by other companies. This information may be presented differently in future filings by The Bancorp with the SEC.

This presentation may contain statistics and other data that in some cases has been obtained from or compiled from information made available by third-party service providers. The Bancorp makes no representation or warranty, express or implied, with respect to the accuracy, reasonableness or completeness of such information.

Past performance is not indicative nor a guarantee of future results.

Copies of the documents filed by The Bancorp with the SEC are available free of charge from the website of the SEC at www.sec.gov as well as on The Bancorp's website at www.thebancorp.com.

This presentation is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities. Neither the SEC nor any other regulatory body has approved or disapproved of the securities of The Bancorp or passed upon the accuracy or adequacy of this presentation. Any representation to the contrary is a criminal offense.

SUSTAINED PERFORMANCE

The Bancorp is continuing to deliver high quality financial performance across key financial metrics.

THE BANCORP HAS DELIVERED **STRONG** FINANCIAL PERFORMANCE

KEY FINANCIAL METRICS

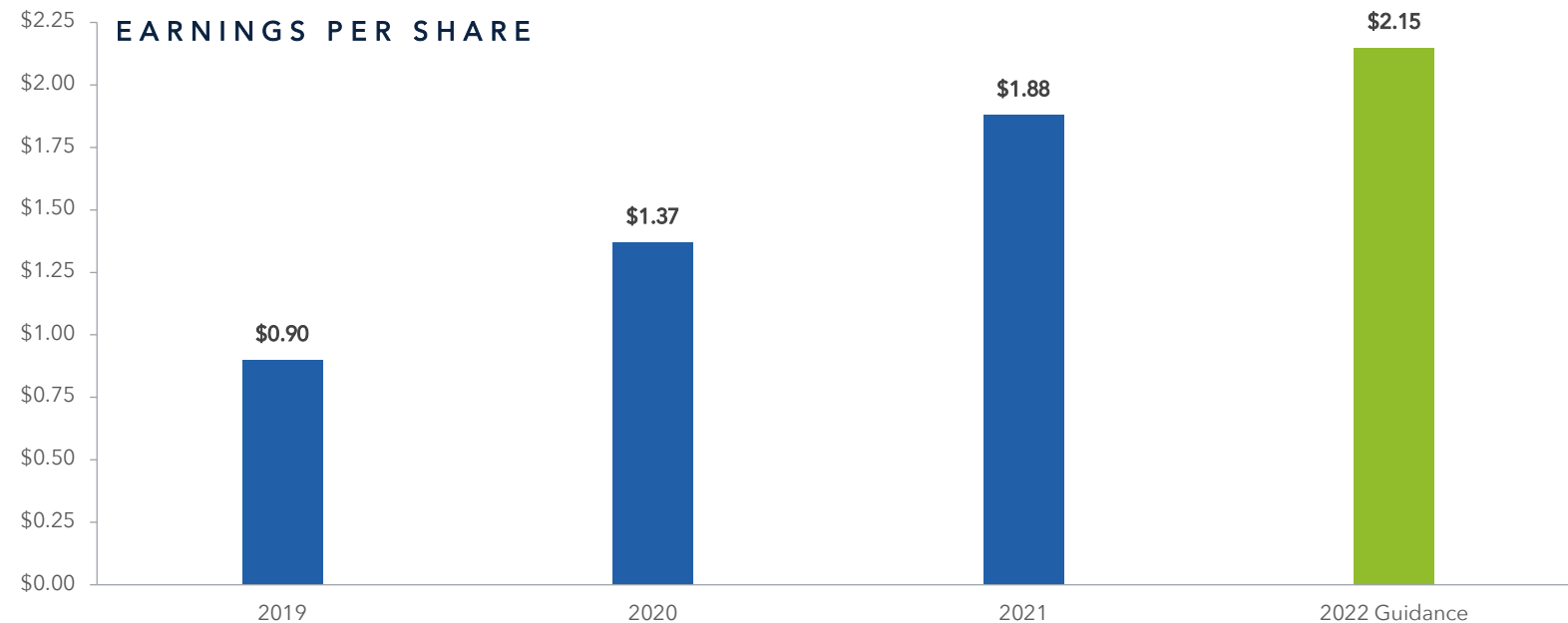
		2020	2021	
PROFITABILITY	ROE	15%	18%	Increasing level of profitability
GROWTH	REVENUE GROWTH ¹	14%	13%	Double digit growth
SCALABLE PLATFORM	EFFICIENCY RATIO ¹	59%	53%	Platform delivering operating leverage

¹Please see Appendix slide 32 for revenue growth and efficiency ratio calculations.

GUIDANCE

Our 2022 guidance¹ is \$2.15 per share as we maintain strong momentum across our platform.

OUR BUSINESS PLAN OUTLINES THE PATH TO **EXPAND OUR LEADERSHIP** AMONG PEER BANKS AND IN THE PAYMENTS INDUSTRY



¹2022 guidance assumes achievement of management's credit roadmap growth goals as described elsewhere in this presentation, and other budgetary goals.

FINANCIAL INDUSTRY LEADER

RECOGNIZED PERFORMANCE

At The Bancorp, we strive for excellence and have been recognized in the market as a leader across a variety of industry rankings.

S&P
SmallCap 600®

S&P SMALL CAP 600
ADDED TO RATING
MAY 2021

FORTUNE

FORTUNE
100 FASTEST GROWING
COMPANY
RANKED #28
OCT. 2020



EQUAL OPPORTUNITY PUBLICATION
TOP EMPLOYER READERS CHOICE
MAR. 2021 – RANKED #29
MAR. 2020 – RANKED #46

N.
NILSON
REPORT

NILSON REPORT
RANKED #1
PREPAID CARD ISSUER
JUNE 2021

N.
NILSON
REPORT

NILSON REPORT
RANKED #7
DEBIT ISSUING BANK
APRIL 2021



CIO OUTLOOK
TOP PAYMENT & CARD
SOLUTIONS PROVIDER
JUL. 2020



CIO REVIEW
TOP BANKING TECHNOLOGY
SOLUTIONS PROVIDER
FEB. 2020

IPA
Innovative Payments Association

IPA
CONSUMER CHAMPION
APR. 2021

FINTECH ECOSYSTEM

Enabling fintech companies by providing industry leading card issuing, payments facilitation and regulatory expertise to a highly diversified portfolio of clients.

FINTECH LEADERSHIP

THE BANCORP IS A KEY PLAYER IN THE PAYMENTS ECOSYSTEM



SPECIALIZED LENDING BUSINESS LINES AND CREDIT ROADMAP

CREDIT ROADMAP

We created a credit roadmap which outlines multi-year growth strategies across our specialized lending business lines.

CORE LENDING BUSINESSES AS OF YEAR END 2021

Institutional Banking	\$2.1B
Real Estate Bridge Lending	\$1.7B
Small Business	\$0.7B
Leasing	\$0.5B
<hr/>	
TOTAL	\$5.0B

Established Operating Platform

Scalable technology, operations and sales platforms across lending business to support sustained growth

CREDIT ROADMAP



Emphasis on core business lines with expectation to add related products and enter adjacent markets



Expand commercial real estate bridge lending business with focus on multi-family assets



Remain positioned to capitalize on credit-linked payments opportunities



Maintain balance sheet flexibility as we approach \$10B in total assets

OUR STRATEGIC POSITIONING SHOULD DRIVE EARNINGS AND PROFITABILITY

HIGHLIGHTS

Our platform can deliver growth from our specialized lending activities while remaining positioned to capitalize on new and higher-growth fintech partnerships.



We can achieve our long-term financial targets by maintaining flexibility to capitalize on growth opportunities in both fintech and specialty commercial banking.

FINANCIAL TARGETS

Our multi-year plan outlines the path to deliver shareholder value by activating payments ecosystem 2.0, executing on our credit roadmap and enhancing our capital return program.

INTRODUCING OUR 2025 PLAN VISION 500



PAYMENTS ECOSYSTEM

Activate Payments Ecosystem 2.0



CREDIT ROADMAP

Established the plan to optimize our balance sheet



CAPITAL RETURN

Enhance plan to maximize capital return to shareholders

LONG-TERM FINANCIAL TARGETS¹

TOTAL REVENUE	ROE	ROA	LEVERAGE
>\$500 Million	>22%	>2%	9%

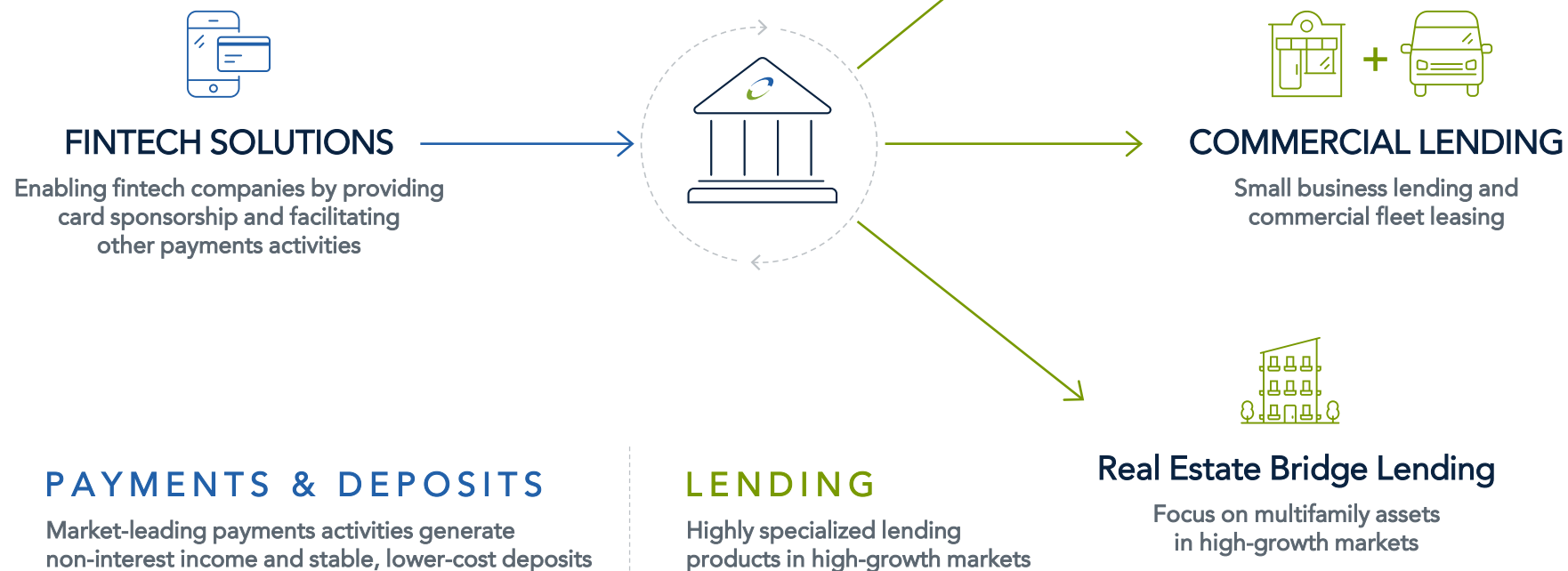
¹Long-term financial targets assume achievement of management's credit roadmap growth goals as described elsewhere in this presentation and other budgetary goals.

FINTECH
SOLUTIONS
GENERATES
NON-INTEREST
INCOME AND
ATTRACTS
**STABLE, LOWER-
COST DEPOSITS**

DEPLOYED INTO

**LOWER RISK
ASSETS** IN
SPECIALIZED
MARKETS

THE BANCORP BUSINESS MODEL

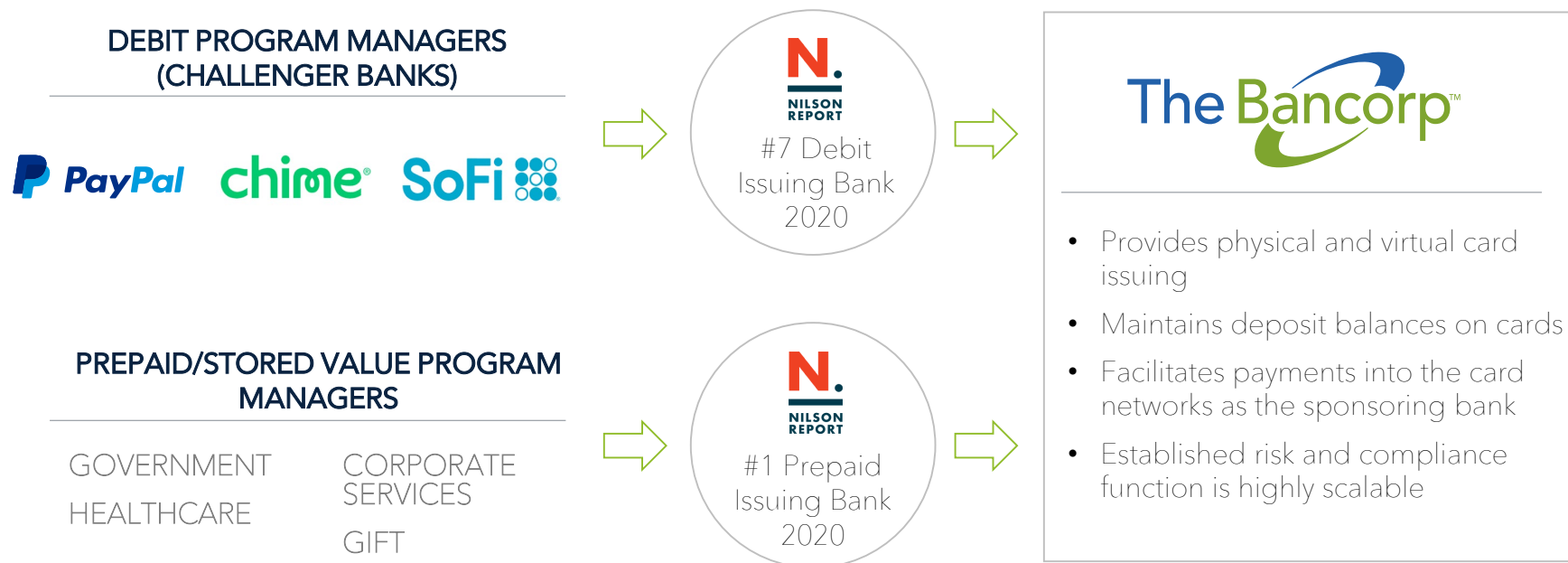


DEPOSITS & FEES:

FINTECH SOLUTIONS GENERATES
NON-INTEREST INCOME AND
STABLE, LOWER-COST DEPOSITS

FINTECH SOLUTIONS: FEE GENERATING ACTIVITIES

OUR FINTECH SOLUTIONS BUSINESS ENABLES LEADING FINTECH COMPANIES



26%

% TOTAL BANK REVENUE 2021¹

12%

GROSS DOLLAR VOLUME GROWTH²

¹Includes non-interest income from prepaid and debit card issuance plus ACH, card and other payments processing fees. Please see Appendix slide 32 for calculation
²2021 vs 2020.

FINTECH SOLUTIONS: ESTABLISHED OPERATING PLATFORM

HIGHLY SCALABLE PLATFORM TO SUPPORT OUR STRATEGIC PARTNERS



ESTABLISHED OPERATING PLATFORM

- Infrastructure in place to support significant growth
- Long-term relationships with multiple processors enables efficient onboarding
- Continued technology investments without changes to expense base



REGULATORY EXPERTISE

- Financial Crimes Risk Management program with deep experience across payments ecosystem
- Customized risk and compliance tools specific to the Fintech Industry



OTHER PAYMENTS OFFERINGS

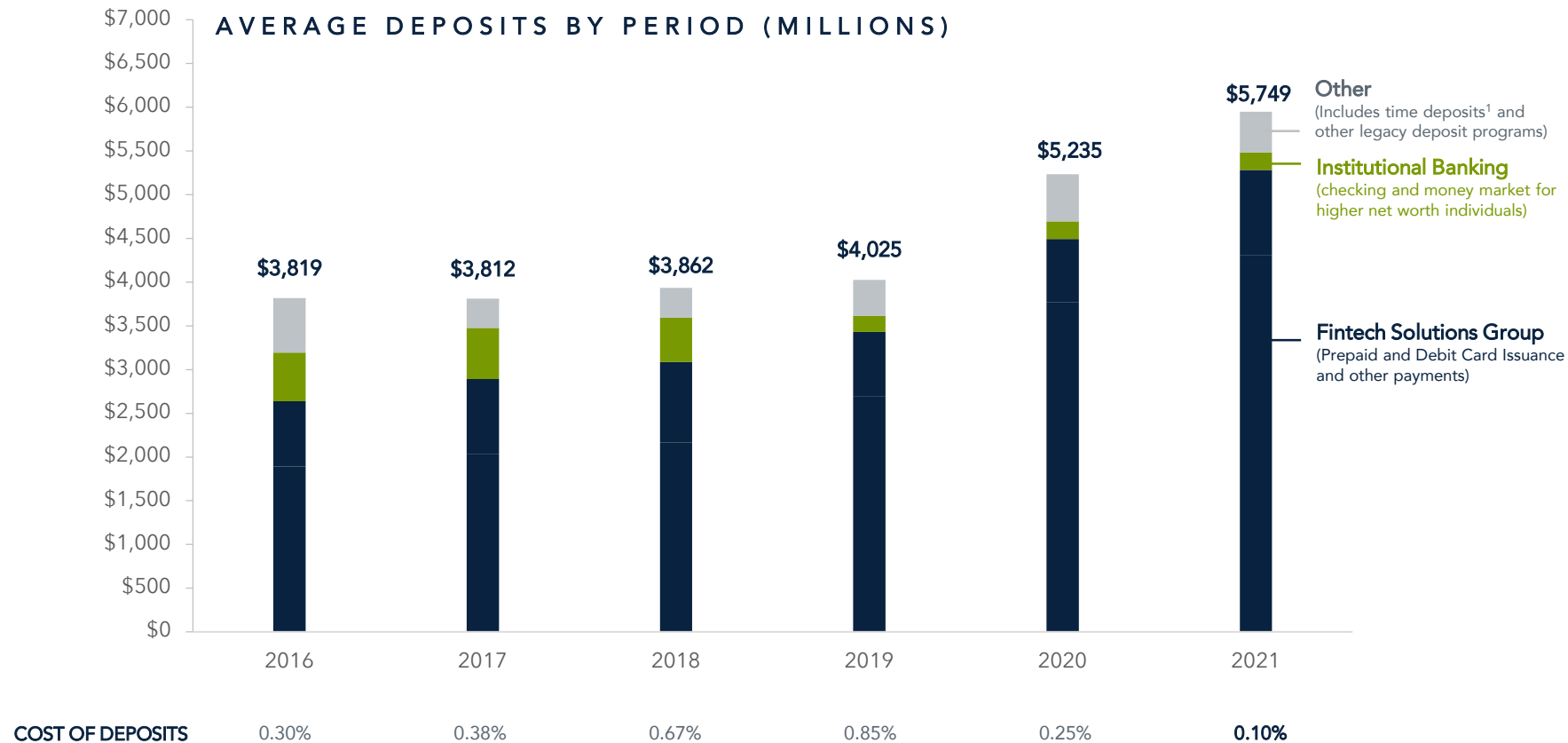
- Rapid Funds instant payment transfer product
- Potential to capitalize on credit-linked payments opportunities
- Additional payments services include ACH processing for third parties

INNOVATIVE SOLUTIONS

Our platform supports a wide variety of strategic fintech partners through our established processor relationships, regulatory expertise and suite of other payments products.

FINTECH SOLUTIONS: STABLE, LOWER-COST DEPOSIT GENERATOR

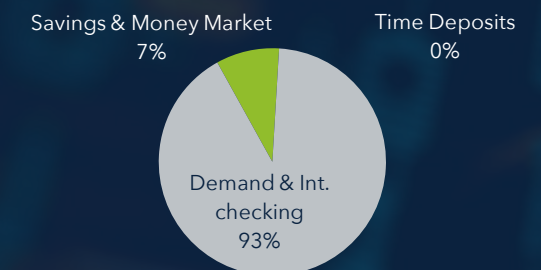
DEPOSIT GROWTH FROM PAYMENTS BUSINESS



HIGHLIGHTS

- Stable, lower-cost deposit base anchored by multi-year, contractual relationships in our payments businesses
- Fintech Solutions growth driven by increased transactional volume due to favorable tailwinds from stimulus, electronic banking migration and overall savings increases among consumers

DEPOSIT TYPE (AVG ²)	BALANCE	% TOTAL
Demand & Int. checking	\$5.3B	93%
Savings & money market	\$0.4B	7%
Time deposits ¹	-	0%
Total	\$5.7B	100%

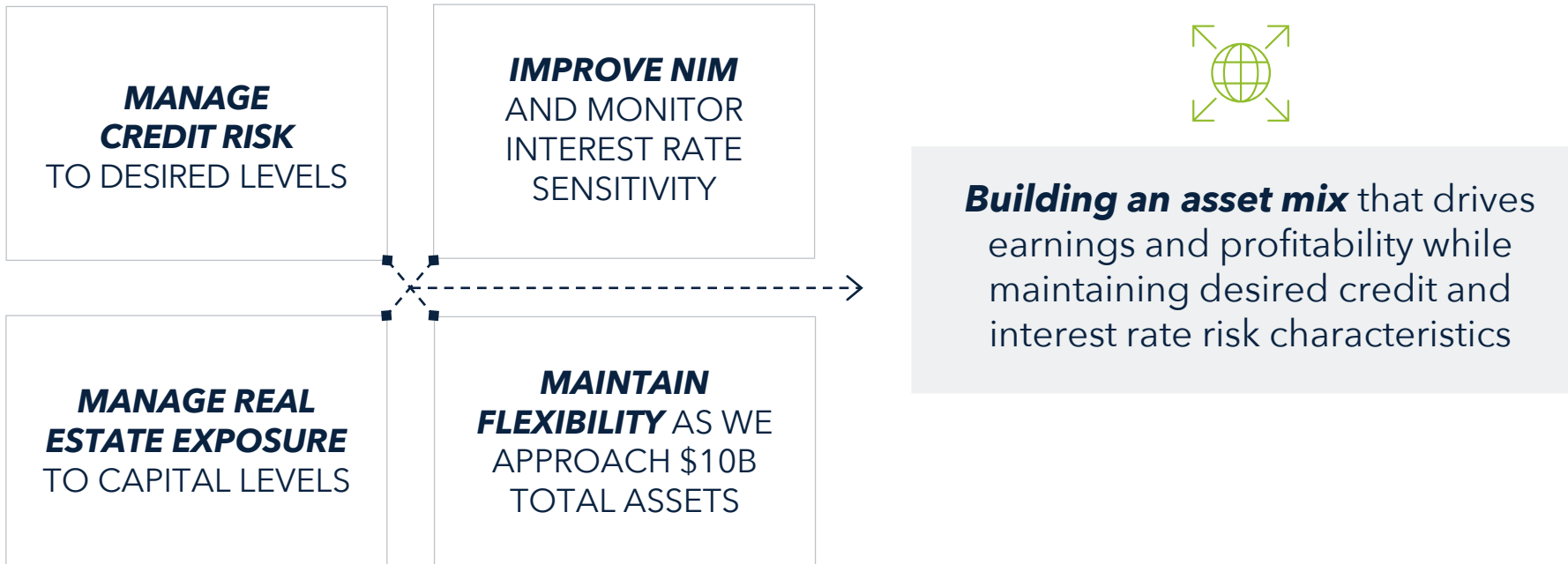


¹ Time deposits have rarely been used due to lower cost deposit growth and previous balances are included in "Other". ² Average for 2021

LOANS & LEASES: HIGHLY SPECIALIZED LENDING WITH LOW LOSS HISTORIES

KEY CONSIDERATIONS FOR GROWTH

GUIDELINES WE CONSIDERED AS WE BUILT OUR CREDIT ROADMAP



CREDIT ROADMAP

Delivering enterprise value from our balance sheet is an important element of our business strategy and a primary focus of our credit roadmap initiative.

LOANS & LEASES: STRONG COLLATERAL AND GOVERNMENT GUARANTEES

LOWER CREDIT RISK LOAN PORTFOLIO

BUSINESS LINE	BALANCE SHEET CATEGORY	Q4 2021 PRINCIPAL BALANCE (\$ MILLIONS)	% OF TOTAL PORTFOLIO
Institutional Banking	Securities-backed lines of credit (SBLOC) (A)	\$ 1,141	23%
	Insurance-backed lines of credit (IBLOC) (B)	788	16%
	Advisor Financing	116	2%
	Total	2,045	41%
Real Estate Bridge Lending	Multifamily - commercial real estate (C)	1,610	32%
	Hospitality - commercial real estate	69	1%
	Retail - commercial real estate	61	1%
	Other	13	<1%
	Total	1,753	34%
Small Business Lending	U.S. government guaranteed portion of SBA loans (D)	371	7%
	Paycheck Protection Program Loans (PPP) (D)	45	1%
	Commercial mortgage SBA (E)	183	4%
	Unguaranteed portion of U.S. gov't guaranteed loans	100	2%
	Non-SBA small business loans	17	<1%
	Construction SBA	17	<1%
	Total	733	14%
Commercial Fleet Leasing	Leasing (F)	531	10%
Other	Other	5	<1%
Total principal		\$ 5,067	100%

LOWER CREDIT LOSS NICHES

- A. SBLOC loans are backed by marketable securities with nominal credit losses
- B. IBLOC loans are backed by the cash value of life insurance policies with nominal credit losses
- C. Comprised of apartment buildings in carefully selected areas. Loans are generally originated at 99 dollar price
- D. Portion of small business loans fully guaranteed by the U.S. government
- E. 50%-60% loan to value ratios at origination
- F. Recourse to vehicles

INSTITUTIONAL BANKING



LENDING AND BANKING SERVICES FOR WEALTH MANAGERS

BUSINESS OVERVIEW:

- Automated loan application platform, Talea, provides industry-leading speed and delivery
- Securities-backed lines of credit provide fast and flexible liquidity for investment portfolios
- Insurance-backed lines of credit provide fast and flexible borrowing against the cash value of life insurance
- Advisor Finance product provides capital to transitioning financial advisors to facilitate M&A, debt restructuring, and the development of succession plans
- Deposit accounts for wealth management clients
- Nominal historical credit losses

CREDIT ROADMAP:

- Continue momentum across current SBLOC, IBLOC and Advisor Finance products
- Evaluate new lending opportunities in adjacent markets
- Market dynamics support business model
 - Advisors shifting from large broker/dealers to independent platforms
 - Sector shift to fee-based accounts
 - Emergence of new wealth management providers



\$2.1B

PORTFOLIO
SIZE

2.6%

12/31/2021
EST. YIELD

The Bancorp's Business Model allows us to build banking solutions to "spec" without competing directly with our partner firms. We do not have any associated asset managers, proprietary advisory programs, or related programs. Our singular focus is to help our partner firms stay competitive in the marketplace and to grow and retain assets.

ALWAYS A PARTNER,
NEVER A COMPETITOR

LOANS & LEASES: INSTITUTIONAL BANKING LOAN PORTFOLIO

INSTITUTIONAL BANKING PRIMARILY COMPRISED OF SECURITIES & CASH VALUE LIFE INSURANCE LENDING

INSTITUTIONAL BANKING LOANS (\$MILLIONS)
12/31/2021

LOAN TYPE	PRINCIPAL BALANCE	% OF PORTFOLIO
Securities-backed lines of credit (SBLOC)	\$ 1,141	56%
Insurance-backed lines of credit (IBLOC)	788	39%
Advisor Financing	116	5%
Total	\$ 2,045	100%

TOP 10 SBLOC LOANS (\$MILLIONS)
12/31/2021

	PRINCIPAL BALANCE	% PRINCIPAL TO COLLATERAL
	\$ 18	37%
	14	25%
	9	31%
	9	56%
	9	35%
	8	70%
	8	65%
	7	13%
	7	44%
	6	32%
Total	\$ 95	40%

PORTFOLIO ATTRIBUTES

SECURITIES-BACKED LINES OF CREDIT

- Nominal historical credit losses
- Underwriting standards of generally 50% to equities and 80% or more to fixed income securities

INSURANCE-BACKED LINES OF CREDIT

- Nominal historical credit losses
- Loans backed by the cash value of insurance policies

SMALL BUSINESS LENDING



SBA AND OTHER SMALL BUSINESS LENDING

BUSINESS OVERVIEW:

- Established a distinct platform within the fragmented SBA market
- National portfolio approach allows pricing and client flexibility
- Solid credit performance demonstrated over time
- Client segment strategy tailored by market

CREDIT ROADMAP:

- Continue delivering growth within existing small business lending platform while entering new verticals and growing the SBAlliance™
- SBAlliance™ program provides lending support to banks and financial institutions who need SBA lending capabilities through products such as:
 - Wholesale loan purchases
 - Interim bridge financing for small business owners
 - Participated in the Payroll Protection Program (PPP) and originated ~\$300M in short term loans,



\$688M

PORTFOLIO
SIZE¹

5.0%

12/31/2021
EST. YIELD

~\$700K

AVERAGE
7(a) LOAN SIZE

¹Excludes \$45M PPP loans. See Appendix slide 34 for reconciliation to total Small Business loans.

LOANS & LEASES: STRONG COLLATERAL & GOVERNMENT GUARANTEES

SMALL BUSINESS LENDING

SMALL BUSINESS LOANS BY TYPE¹ (\$MILLIONS)

12/31/2021

TYPE	SBL COMMERCIAL MORTGAGE	SBL CONSTRUCTION	SBL NON-REAL ESTATE	TOTAL
Hotels and motels	\$ 65	\$ 4	\$ -	\$ 69
Full-service restaurants	13	2	3	18
Child day care services	14	-	1	15
Mental health and substance abuse centers	14	-	-	14
Baked goods stores	4	-	9	13
Lessors of nonresidential buildings	11	-	-	11
Car washes	10	-	-	10
Offices of lawyers	9	-	-	9
Funeral homes and funeral services	8	-	-	8
All other amusement and recreation industries	7	-	1	8
General warehousing and storage	7	-	-	7
Fitness and recreational sports centers	-	5	2	7
Assisted living facilities for the elderly	6	-	-	6
Limited-service restaurants	1	2	3	6
Other	84	4	27	115
Total	\$ 253	\$ 17	\$ 46	\$ 316

SMALL BUSINESS LOANS BY STATE¹ (\$MILLIONS)

12/31/2021

STATE	SBL COMMERCIAL MORTGAGE	SBL CONSTRUCTION	SBL NON-REAL ESTATE	TOTAL
Florida	\$ 59	\$ -	\$ 6	\$ 65
California	42	2	4	48
North Carolina	23	5	3	31
Pennsylvania	27	-	3	30
New York	14	5	3	22
Illinois	16	-	2	18
Texas	12	-	4	16
New Jersey	6	-	7	13
Virginia	9	-	-	9
Tennessee	10	-	-	10
Colorado	3	5	1	9
Michigan	4	-	1	5
Georgia	3	-	1	4
Ohio	3	-	1	4
Washington	3	-	-	3
Other states	19	-	10	29
Total	\$ 253	\$ 17	\$ 46	\$ 316

PORTFOLIO ATTRIBUTES

TYPE DISTRIBUTION

- Diverse product mix
- Commercial mortgage and construction are generally originated with 50%-60% LTV's

GEOGRAPHIC DISTRIBUTION

- Diverse geographic mix
- Largest concentration in Florida representing 20% of total

¹Excludes the government guaranteed portion of SBA 7a loans and PPP loans.

COMMERCIAL FLEET LEASING



NICHE-VEHICLE FLEET LEASING SOLUTIONS

BUSINESS OVERVIEW:

- Niche provider of vehicle leasing solutions
 - Focus on smaller fleets (less than 150 vehicles)
 - Direct lessor (The Bancorp Bank sources opportunities directly and provides value-add services such as outfitting police cars)
 - Historical acquisitions of small leasing companies have contributed to growth
- Mix of commercial (~85%) and government-related business (~15%)

CREDIT ROADMAP:

- Continue enhancing platform and growing balances
 - Enhanced sales process and support functions
 - Pursuing technology enhancements to scale business with efficiency
- Constantly evaluating organic and inorganic growth opportunities in the vehicle space



\$531_M

PORTFOLIO
SIZE



5.9%

12/31/2021
EST. YIELD

LOANS & LEASES: COMMERCIAL FLEET LEASING PORTFOLIO

COMMERCIAL FLEET LEASING

DIRECT LEASE FINANCING BY TYPE (\$MILLIONS) 12/31/2021

TYPE	BALANCE	TOTAL
Construction	\$ 100	19%
Government agencies and public institutions	78	15%
Waste management and remediation services	62	12%
Real estate and rental and leasing	54	10%
Retail trade	46	9%
Wholesale purchase	39	7%
Health care and social assistance	30	6%
Transportation and warehousing	28	5%
Professional, scientific, and technical services	19	4%
Wholesale trade	16	3%
Manufacturing	16	3%
Educational services	8	2%
Other	35	5%
Total	\$ 531	100%

DIRECT LEASE FINANCING BY STATE (\$MILLIONS) 12/31/2021

STATE	BALANCE	TOTAL
Florida	\$ 92	17%
California	49	9%
Utah	42	8%
New Jersey	40	8%
Pennsylvania	34	6%
New York	32	6%
North Carolina	24	5%
Maryland	24	5%
Texas	20	4%
Connecticut	16	3%
Washington	15	3%
Georgia	12	2%
Idaho	11	2%
Alabama	10	2%
Tennessee	9	2%
Other states	101	18%
Total	\$ 531	100%

PORTFOLIO ATTRIBUTES

OVERVIEW

- Largest concentration is construction sector
- Of the \$531M total portfolio, \$475M are vehicle leases with the remaining \$56M made up of equipment leases

REAL ESTATE BRIDGE LENDING



Real estate bridge lending

BUSINESS OVERVIEW:

- Restarted floating rate bridge lending business in Q3 2021
- Lending focus on multi-family assets in carefully selected markets
- New production targeting to replace runoff from existing portfolio

COMMERCIAL REAL ESTATE LOANS BY TYPE (\$MILLIONS) 12/31/2021

TYPE	# LOANS	BALANCE	ORIGINATION DATE LTV	WEIGHTED AVG INTEREST RATE	% TOTAL
Multifamily (apartments)	143	\$ 1,610	75%	4.5%	92%
Hospitality (hotels and lodging)	9	69	65%	5.7%	4%
Retail	6	61	71%	4.3%	3%
Other	7	13	73%	5.1%	1%
Total	165	\$ 1,753	75%	4.5%	100%

\$622M

LOANS BOOKED SINCE
Q3 LAUNCH
(ALL MULTIFAMILY)

PORTFOLIO ATTRIBUTES

OVERVIEW

- Vast majority of loans are multifamily including all of the top 15 exposures
- Loans made prior to Q3 2021 will continue to be accounted for at fair value
- Loans originated in 2021 and after will be held for investment and use the CECL methodology



ASSET CLASSES – % PORTFOLIO



MULTI-FAMILY – 92%



LODGING – 4%



RETAIL – 3%



OTHER – 1%

FINANCIAL REVIEW



FINANCIAL REVIEW: INTEREST RATE SENSITIVITY

3.5% NIM FOR Q4 2021 DESPITE 0% FRB RATE ENVIRONMENT

Core Lending Businesses

	2021 YEAR END BALANCE ¹ (\$ MILLIONS)	RATE SENSITIVITY
Institutional Banking ²	\$2,045	Majority of loan yields will increase as rates increase
Real Estate Bridge Lending	\$1,753	4.5% wtd avg yield; rates will increase as floors are exceeded
Non-PPP Small Business ³	\$688	Majority of loan yields will increase as rates increase
Leasing	\$531	Fixed rates but short average lives
Total	\$5,017	
Q4 2021 Average Deposits¹	\$5,305	A majority of deposits adjust to a portion of rate changes in line with partner contracts

HIGHLIGHTS

- ✓ Floating rate lending businesses include Real Estate Capital Markets, SBLOC, IBLOC and the majority of Small Business
- ✓ Deposits primarily comprised of prepaid and debit accounts, anchored by multi-year, contractual relationships
- ✓ Interest income is modeled to increase in higher rate environments, after the impact of floors is offset by market increases

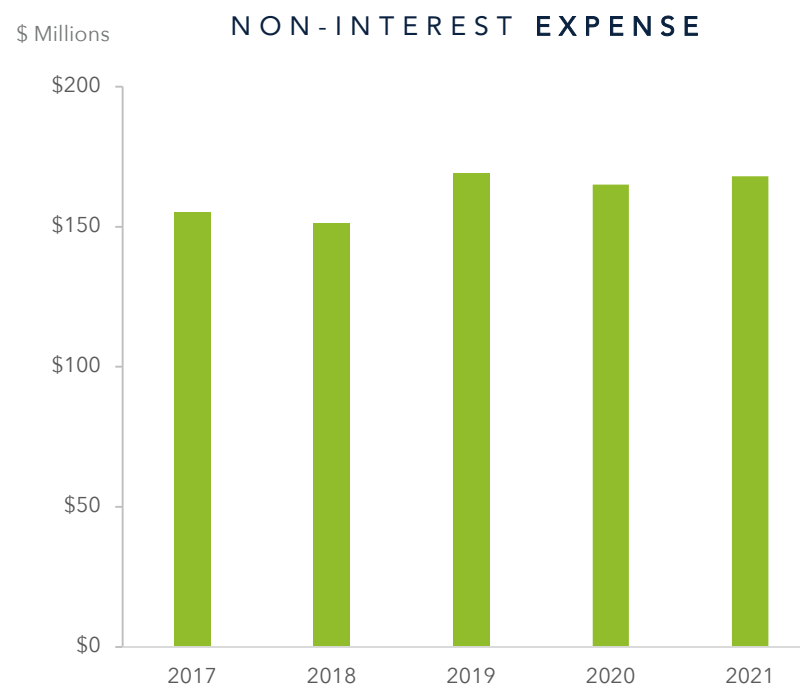
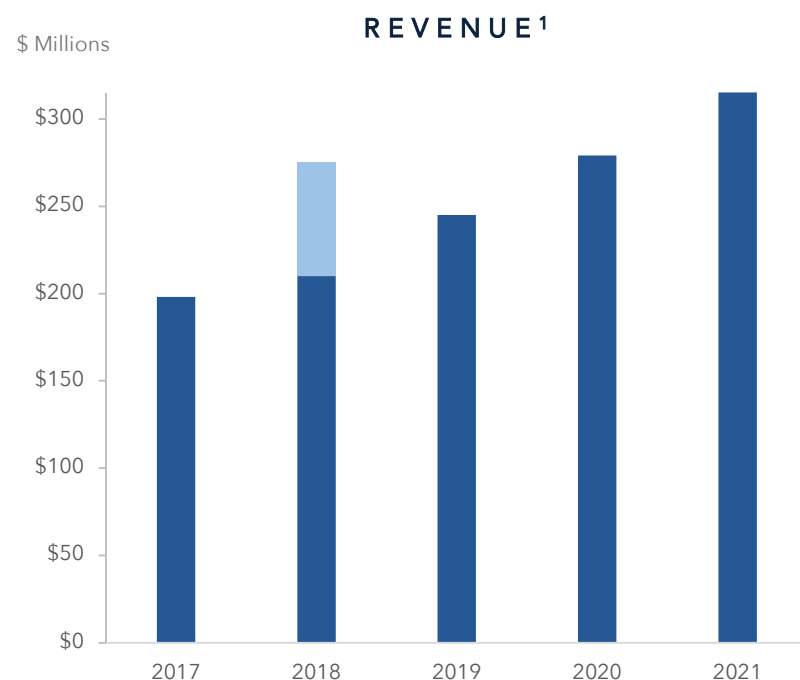
¹Loans are as of December 31, 2021 and deposits are average balance for Q4 2021.

²Institutional Banking substantially comprised of securities backed loans and insurance backed loans.

³Excludes \$45M of short-term PPP loans which are government guaranteed and deferred costs and fees. Please see Appendix slide 34 for reconciliation to total SBA Loans.

FINANCIAL REVIEW: EARNINGS AND PROFITABILITY

REVENUE HAS **GROWN CONSISTENTLY** SINCE 2016 WHILE EXPENSES HAVE BEEN TIGHTLY MANAGED, CREATING **OPERATING LEVERAGE**



REVENUE

- Annual revenue growth driven by diverse product mix
- Net interest income growth driven by growth in balances across business lines
- Greater proportion of non-interest income compared to peers² and includes a one time gain on sale of IRA business of \$65M in 2018

EXPENSE

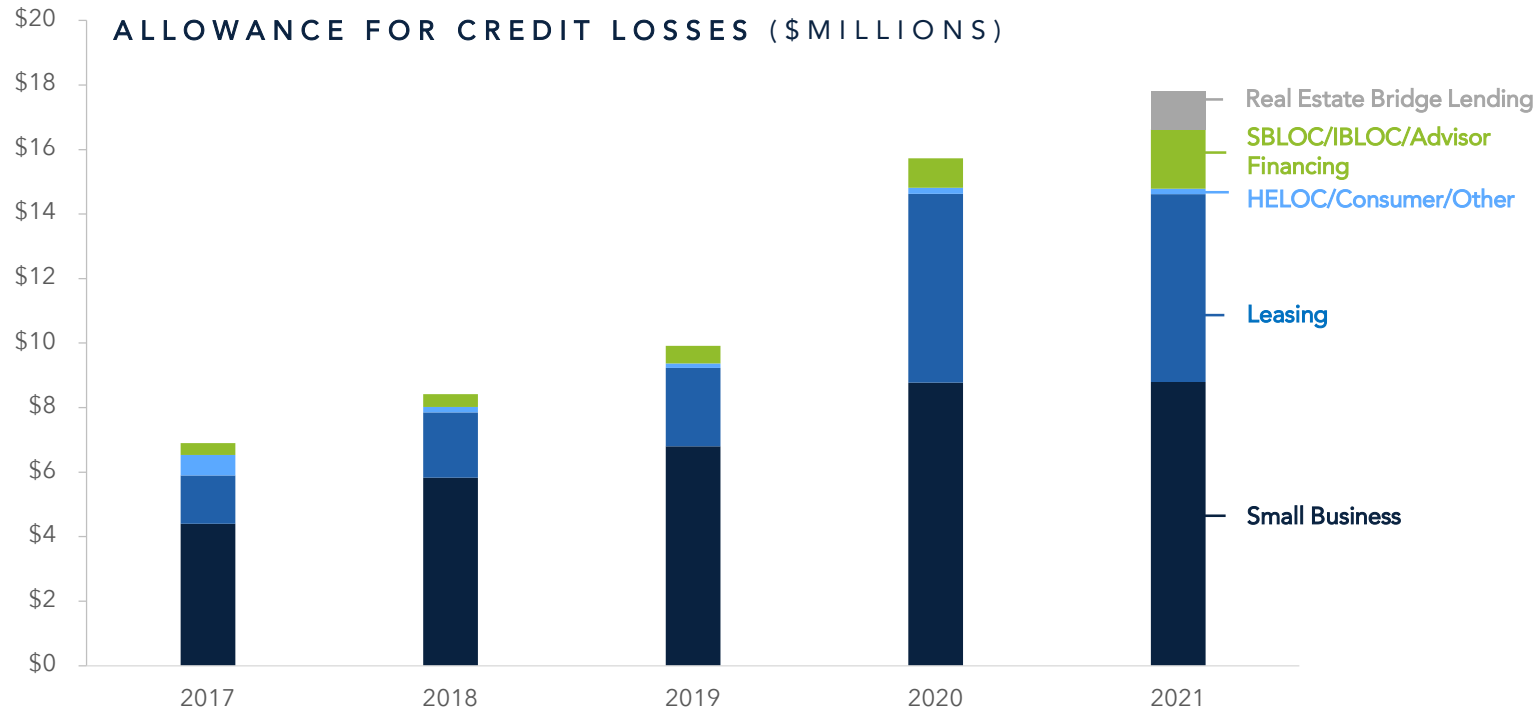
- Expenses have been tightly managed since 2017
- Expense saves have continued to be realized and have funded critical BSA and other infrastructure which has attracted new clients
- 2019 includes a \$7.5M civil money penalty related to consent order remediation. In 2020, subsequent to the civil money penalty, the related consent order was lifted

¹Revenue includes net interest income and non-interest income. Please see Appendix slide 32 for these amounts. Lighter shade of blue in 2018 represents \$65 million gain from sale of IRA business.

²Non-interest income as percentage of average assets ranks in top quartile of the uniform bank performance report peer group through Q3 2021.

FINANCIAL REVIEW: LOAN LOSS RESERVE

ALLOWANCE FOR CREDIT LOSSES REFLECTS OUR LOWER-RISK LOAN PORTFOLIO



Allowance for credit losses as % of loan balance

0.5%

0.6%

0.6%

0.6%

0.5%

Adjusted allowance for credit losses as % of adjusted loan balance (excluding SBLOC & IBLOC)¹

1.0%

1.2%

1.2%

1.4%

0.9%

¹Please see Appendix slide 33 for GAAP to Non-GAAP reconciliation of adjusted allowance for credit losses to GAAP allowance for credit losses as % of adjusted loan balance (excluding SBLOC & IBLOC).

HIGHLIGHTS

CONTINUING OPERATIONS

- Increase in allowance in 2021 reflected Real Estate Bridge Lending and other loan growth and solid credit performance

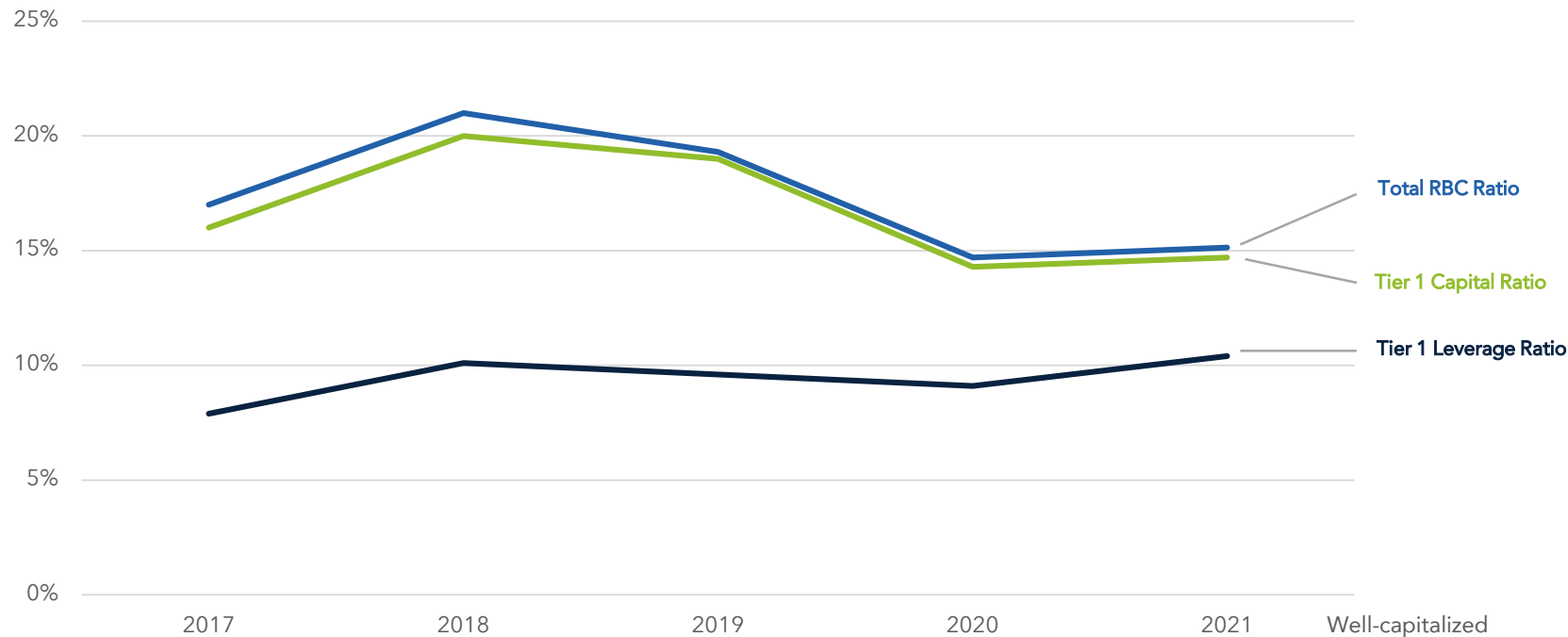
DISCONTINUED OPERATIONS

- Discontinued portfolio <2% of total loans

FINANCIAL REVIEW: HISTORICAL CAPITAL POSITION

CAPITAL POSITION

THE BANCORP INC. CAPITAL RATIOS



HIGHLIGHTS

- Established and executed share buyback program of \$10M a quarter for 2021
- 2022 Plan for \$15M share buyback per quarter
- Corporate governance requires periodic assessment of capital minimums
- Capital planning includes stress testing for unexpected conditions and events

¹Tier 1 risk-based ratio is identical to Common Equity Tier 1 to risk weighted assets and has a 6.5% well capitalized minimum.

FINANCIAL REVIEW: EARNINGS AND PROFITABILITY

WE HAVE BEEN EXECUTING AGAINST OUR STRATEGIC PLAN AND IMPROVING FINANCIAL PERFORMANCE

PERFORMANCE METRICS	2017	2018	2019	2020	2021	LONG-TERM TARGETS
ROE	7.0%	24.3%	11.6%	15.1%	17.9%	22%
ROA	0.52%	2.07%	1.09%	1.34%	1.68%	> 2.0%
EPS	\$0.39	\$1.55	\$0.90	\$1.37	\$1.88	↑
Leverage Ratio	7.9%	10.1%	9.6%	9.2%	10.4%	9%
Total Assets	\$4.7B	\$4.4B	\$5.7B	\$6.3B	\$6.8B	<\$10B
Efficiency Ratio ¹	78%	55%	69%	59%	53%	↓

¹Please see Appendix slide 32 for calculation of efficiency ratio.

APPENDIX

APPENDIX

GAAP REVENUE AND EFFICIENCY RATIO CALCULATIONS

	(\$ millions)				
The Bancorp	2017	2018	2019	2020	2021
Net interest income	\$ 106,680	\$ 120,849	\$ 141,288	\$ 194,866	\$ 210,876
Non-interest income	91,548	153,795 ¹	104,127	84,617	104,749
Total	198,228	274,644	245,415	279,483	315,625
Growth (Year over previous Year)				14%	13%
Non-interest expense	\$ 154,914	\$ 151,278	\$ 168,521	\$ 164,847	\$ 168,350
Efficiency Ratio ²	78%	55%	69%	59%	53%
Payments non-interest income (Fintech Solutions business line)					
ACH, card and other payment processing fees	\$ 6,318	\$ 8,653	\$ 9,376	\$ 7,101	\$ 7,526
Prepaid, debit card and related fees	53,367	54,627	65,141	74,465	74,654
Total payments (Fintech Solutions) non-interest income	\$ 59,685	\$ 63,280	\$ 74,517	\$ 81,566	\$ 82,180
% of Total					26%

¹Includes \$65 million gain on sale of IRA business.

²The efficiency ratio is calculated by dividing GAAP total non-interest expense by the total of GAAP net interest income and non-interest income. This ratio compares revenues generated with the amount of expense required to generate such revenues, and may be used as one measure of overall efficiency.

APPENDIX

RECONCILIATION OF NON-GAAP FINANCIAL METRICS TO GAAP

(\$ millions)

	2017	2018	2019	2020	2021
Allowance for credit losses on loans and leases GAAP	\$ 7,096	\$ 8,653	\$ 10,238	\$ 16,082	\$ 17,806
Allowance for credit losses on SBLOC & IBLOC	365	393	553	775	964
Adjusted allowance for credit losses excluding SBLOC & IBLOC	6,731	8,260	9,685	15,307	16,842
Total loans and leases GAAP	1,390,458	1,501,976	1,824,245	2,652,323	3,747,224
SBLOC & IBLOC	730,462	785,303	1,024,420	1,550,086	1,929,581
Adjusted total loans and leases excluding SBLOC & IBLOC	\$ 659,996	\$ 716,673	\$ 799,825	\$ 1,102,237	\$ 1,817,643
Allowance for credit losses as % of total loans and leases balance GAAP	0.51%	0.58%	0.56%	0.61%	0.48%
Adjusted allowance for credit losses as % of adjusted total loans and leases balance ¹	1.02%	1.15%	1.21%	1.39%	0.93%

¹Management excludes SBLOC and IBLOC in certain of its internal analysis, due to the nature of the related loan collateral. SBLOC are collateralized by marketable securities, with loan to values based upon guideline percentages which vary based upon security type. IBLOC are collateralized by the cash value of life insurance.

RECONCILIATION OF NON-GAAP FINANCIAL METRICS TO GAAP

	(\$ millions)	
Small Business Loans ¹	Year End 2021	
U.S. government guaranteed portion of SBA loans	\$	371
Paycheck Protection Program Loans (PPP)		45
Commercial mortgage SBA		183
Construction SBA		17
Non-guaranteed portion of U.S. government guaranteed 7a loans		100
Non-SBA small business loans		17
Total principal	\$	733
Unamortized fees and costs		8
Total small business loans	\$	741
 Total principal		 733
Less: Paycheck Protection Program Loan (PPP)		45
Total Small Business Lending principal excluding PPP	\$	688

¹Management provides a breakdown of small business loans, to afford a greater understanding of its components, including PPP loans.