

THIRD QUARTER 2021

October 28, 2021



FORWARD LOOKING STATEMENTS

Information in this presentation may contain “forward-looking statements” within the Private Securities Litigation Reform Act of 1995. These statements generally relate to our financial condition, results of operations, plans, objectives, future performance or business and usually can be identified by the use of forward-looking terminology such as “may,” “will,” “would,” “should,” “could,” “expect,” “anticipate,” “estimate,” “believe,” “plan,” “intend,” “project,” “goals,” “outlook,” or “continue,” or the negative thereof or other variations thereof or comparable terminology. These statements represent our judgment concerning the future and are subject to business, economic and other risks and uncertainties, both known and unknown. These statements are based on current expectations, estimates and projections about our business, management’s beliefs and assumptions made by management. These statements are not guarantees of our future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements. Please see the Appendix for more information about these risks, uncertainties and assumptions.

Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements. Moreover, these forward-looking statements speak only as of the date they are made and based only on information actually known to us at the time. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Except as otherwise disclosed, forward-looking statements do not reflect: (i) the effect of any acquisitions, divestitures or similar transactions that have not been previously disclosed; (ii) any changes in laws, regulations or regulatory interpretations; or (iii) any change in current dividend or repurchase strategies, in each case after the date as of which such statements are made.

Non-GAAP Measures

This document presents non-GAAP financial measures. The adjustments to reconcile from the non-GAAP financial measures to the applicable GAAP financial measure are included where applicable in financial results presented in accordance with GAAP. Tabular presentation of this reconciliation is included in the Appendix to this document. We consider these adjustments to be relevant to ongoing operating results. We believe that excluding the amounts associated with these adjustments to present the non-GAAP financial measures provides a meaningful base for period-to-period comparisons, which will assist regulators, investors, and analysts in analyzing our operating results or financial position. The non-GAAP financial measures are used by management to assess the performance of our business for presentations of our performance to investors, and for other reasons as may be requested by investors and analysts. We further believe that presenting the non-GAAP financial measures will permit investors and analysts to assess our performance on the same basis as that applied by management. Non-GAAP financial measures have inherent limitations, are not required to be uniformly applied, and are not audited. Although non-GAAP financial measures are frequently used by shareholders to evaluate a company, they have limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of results reported under GAAP.

Numbers may not foot due to rounding in this presentation.

LIVE OAK BANCSHARES Q3 GAAP RESULTS

Live Oak Bancshares, Inc.

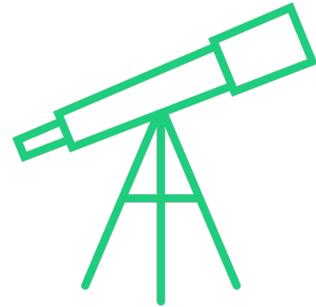
(\$ in millions, except per share data)

	<u>Q1 2020</u>	<u>Q2 2020</u>	<u>Q3 2020</u>	<u>Q4 2020</u>	<u>Q1 2021</u>	<u>Q2 2021</u>	<u>Q3 2021</u>
a Net Interest Income	\$ 40.2	\$ 40.9	\$ 51.4	\$ 62.3	\$ 70.0	\$ 71.5	\$ 77.7
Provision for (Recovery of) Loan and Lease Credit Losses	11.8	10.0	10.3	8.6	(0.9)	7.8	4.3
b Total Noninterest Income	5.7	22.4	47.0	10.8	31.1	70.1	25.3
Total Noninterest Expense	49.5	48.1	42.7	52.4	58.3	57.6	55.5
Income before Taxes	(15.4)	5.2	45.5	12.0	43.6	76.2	43.2
Net Income	(7.6)	3.8	33.8	29.6	39.4	63.6	33.8
Diluted Earnings per Share	\$ (0.19)	\$ 0.09	\$ 0.81	\$ 0.68	\$ 0.88	\$ 1.41	\$ 0.76
Total Assets	\$ 5,273.6	\$ 8,209.1	\$ 8,093.4	\$ 7,872.3	\$ 8,417.9	\$ 8,243.2	\$ 8,137.3
Total HFS and HFI Loans and Leases	3,813.5	5,626.6	6,227.3	6,320.4	6,533.5	6,506.3	6,461.4
Allowance for Credit Losses on Loans and Leases	(35.9)	(44.1)	(44.2)	(52.3)	(52.4)	(57.8)	(59.7)
All Other Assets	1,496.0	2,626.6	1,910.3	1,604.2	1,936.8	1,794.7	1,735.7
Total Liabilities	4,739.8	7,660.7	7,509.2	7,304.5	7,827.5	7,585.8	7,447.9
Total Deposits	4,639.4	5,873.3	5,706.0	5,712.8	6,316.0	6,520.8	6,816.6
Borrowings	50.0	1,721.0	1,747.1	1,542.1	1,466.0	1,012.4	575.0
Other Liabilities	50.4	66.4	56.1	49.5	45.6	52.6	56.3
Total Shareholders' Equity	533.8	548.4	584.2	567.9	590.4	657.3	689.4
a + b Total Revenue	\$ 45.9	\$ 63.3	\$ 98.4	\$ 73.1	\$ 101.0	\$ 141.6	\$ 103.0
Net Interest Margin	3.55%	2.56%	2.77%	3.33%	3.81%	3.63%	3.99%

AGENDA

1. Chairman & CEO Remarks
2. Q3 Highlights
3. Verticality – Our differentiated small business lending model
4. Scalability – Building the moat
5. Optionality – Value creation through industry disruption
6. Q&A

CHIP'S KICKOFF COMMENTS



Unforeseen Lending Growth



Acceleration of Operating Leverage

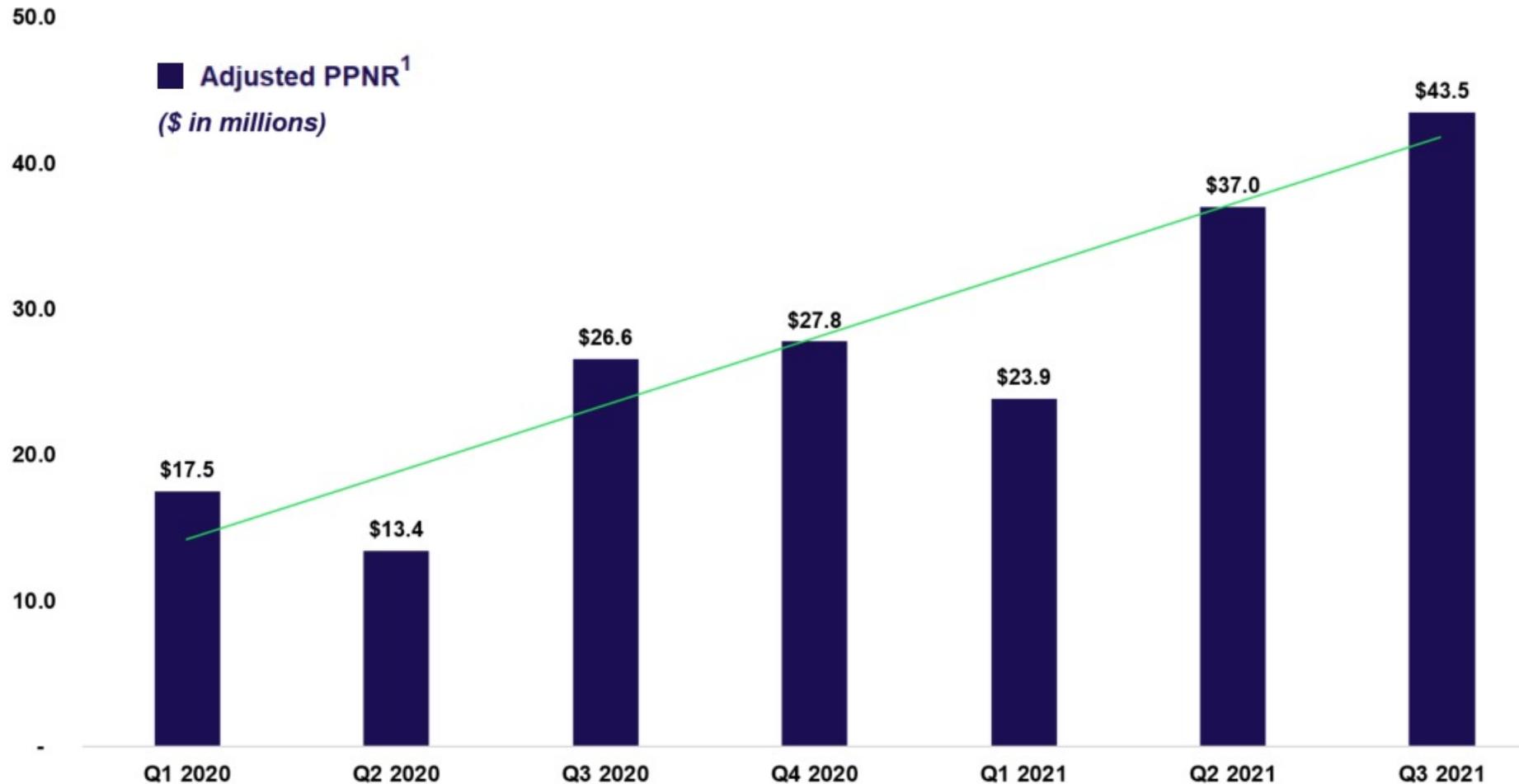


Community Bank of the Future



Advantages of Branchless Banking

PRE-TAX, PRE-PROVISION, PRE-PPP



16.4%
Average Quarterly
Growth Rate
Q1 2020 to Q3 2021

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

TOP SBA 7(a) LENDERS

2017		2018		2019		2020		2021	
Bank	Approved Dollars	Bank	Approved Dollars	Bank	Approved Dollars	Bank	Approved Dollars	Bank	Approved Dollars
Wells Fargo	\$ 1,761	Live Oak	\$ 1,269	Live Oak	\$ 1,347	Live Oak Bank	\$ 1,491	Live Oak Bank	\$ 2,347
Live Oak	1,405	Wells Fargo	1,198	Wells Fargo	786	Byline Bank	633	Huntington National	928
Huntington National	794	Huntington National	826	Huntington National	640	Wells Fargo	547	Newtek	859
JPMorgan Chase	740	JPMorgan Chase	605	Newtek	618	Celtic Bank	539	Celtic Bank	726
U.S. Bank	510	Newtek	559	Byline Bank	525	Huntington National	493	Byline Bank	688
Celtic Bank	487	Byline Bank	514	Celtic Bank	500	Newtek	336	Readycap Lending	616
Newtek	405	Celtic Bank	421	JPMorgan Chase	472	KeyBank	316	Wells Fargo	601
Byline Bank	398	Compass Bank	358	U.S. Bank	424	Seacoast Bank	316	Harvest, LLC	502
KeyBank	318	U.S. Bank	351	First Home Bank	369	U.S. Bank	312	Enterprise Bank	477
Compass Bank	311	First Bank	343	Seacoast Bank	321	Harvest, LLC	309	U.S. Bank	470

Live Oak Percentage of Total Approvals

5.5%

5.0%

5.8%

6.6%

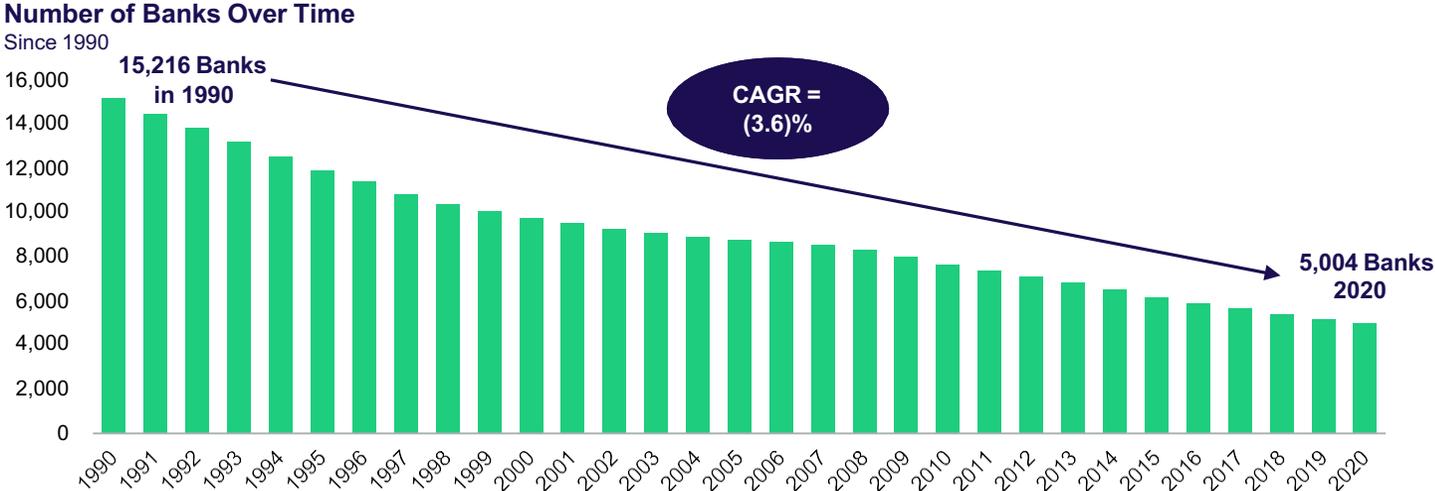
6.4%

Source: SBA

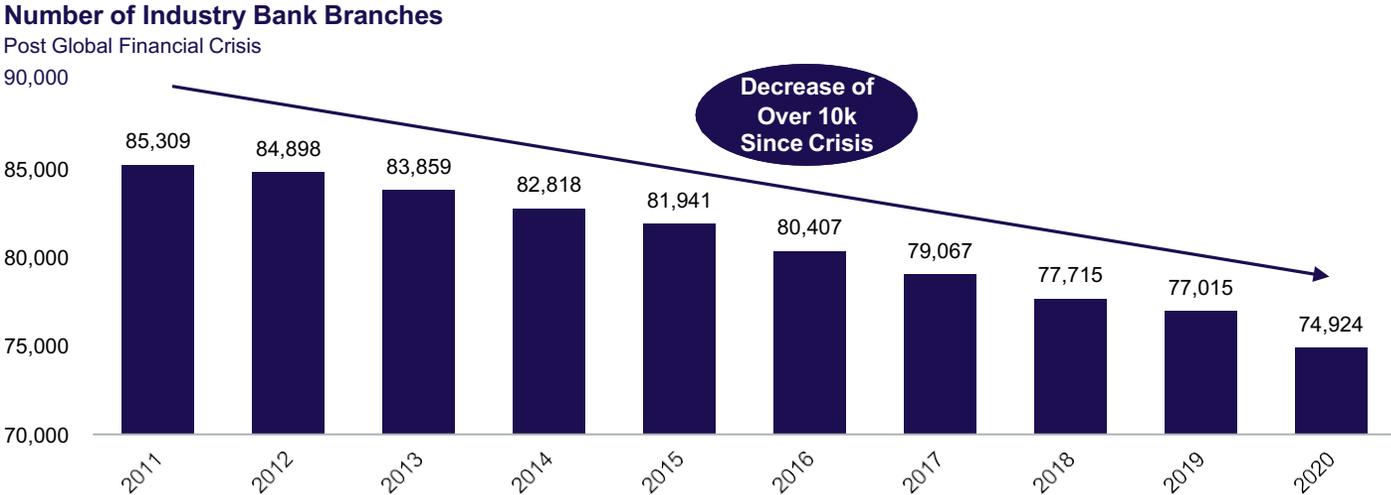
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BANKING INDUSTRY CONSOLIDATION

Number of banks have declined from +15k in 1990 to ~5k in 2020



Number of bank branches decreased by over 10k since the financial crisis



Source: FDIC

MERGERS AND ACQUISITIONS

	Announcement Date	Buyer Name	Target Name	Buyer Assets (\$B)	Target Assets (\$B)
1	1/28/19	TCF Financial Corporation	Chemical Financial Corporation	\$23.7B	\$21.5B
2	2/7/19	BB&T Corporation	SunTrust Banks, Inc.	\$225.7B	\$215.5B
3	3/15/19	Mechanics Bank	Rabobank, National Association	\$6.0B	\$13.9B
4	6/17/19	Prosperity Bancshares, Inc.	LegacyTexas Financial Group, Inc.	\$22.4B	\$9.3B
5	7/15/19	People's United Financial, Inc	United Financial Bancorp, Inc	\$51.6B	\$7.3B
6	8/13/19	CIT Group Inc.	Mutual of Omaha Bank	\$50.6B	\$8.5B
7	10/21/19	First BanCorp.	Santander BanCorp	\$12.5B	\$6.2B
8	11/4/19	First Horizon National Corporation	IBERIABANK Corporation	\$43.7B	\$31.7B
9	1/27/20	South State Corporation	CenterState Bank Corporation	\$15.9B	\$17.1B
10	2/3/20	Pacific Premier Bancorp, Inc.	Opus Bank	\$11.8B	\$8.0B
11	7/1/20	Dime Community Bancshares, Inc	Bridge Bancorp, Inc.	\$6.3B	\$6.2B
12	10/16/20	First Citizens Bancshares, Inc	CIT Group Inc.	\$48.7B	\$60.9B
13	11/16/20	PNC Financial Services Group, Inc	BBVA USA Bancshares, Inc.	\$461.8B	\$103.7B
14	12/13/20	Huntington Bancshares Inc	TCF Financial Corporation	\$120.1B	\$47.6B
15	1/4/21	SVB Financial Group	Boston Private Financial Holdings, Inc.	\$96.9B	\$10.0B
16	2/22/21	M&T Bank Corporation	People's United Financial, Inc.	\$142.6B	\$63.1B
17	3/10/21	WSFS Financial Corporation	Bryn Mawr Bank Corporation	\$14.3B	\$5.4B
18	4/7/21	Eastern Bankshares, Inc	Century Bancorp, Inc	\$16.7B	\$7.3B
19	4/12/21	BancorpSouth Bank	Cadence Bancorporation	\$25.8B	\$18.8B
20	4/19/21	Webster Financial Corporation	Sterling Bancorp	\$33.3B	\$29.9B
21	4/22/21	Independent Bank Corp.	Meridian Bancorp, Inc.	\$13.8B	\$6.5B
22	4/26/21	New York Community Bancorp, Inc	Flagstar Bancorp, Inc	\$57.7B	\$29.4B
23	6/1/21	Old National Bancorp	First Midwest Bancorp, Inc	\$23.7B	\$21.2B
24	7/28/21	Citizens Financial Group, Inc	Investors Bancorp, Inc	\$185.1B	\$26.8B
25	9/15/21	Home Bancshares, Inc	Happy Bancshares, Inc	\$17.6B	\$6.3B
26	9/16/21	First Interstate Bancsystem, Inc	Great Western Bancorp, Inc	\$18.9B	\$13.1B
27	9/21/21	U.S. Bancorp	MUFG Union Bank, National Association	\$558.9B	\$105.5B
28	9/23/21	Valley National Bancorp	Bank Leumi Le-Israel Corporation	\$41.3B	\$8.4B
29	10/12/21	Umpqua Holdings Corporation	Columbia Banking System, Inc.	\$30.3B	\$18.0B
30	10/20/21	Raymond James Financial, Inc.	TriState Capital Holdings, Inc	\$57.2B	\$11.5B
			Total	\$2,434.9B	\$938.6B

- Per the FDIC, in the US there are ~4,700 banks that have less than \$5B in assets (out of 5,000 banks total).
- Of these 4,700, ~640 are publicly traded and the rest are privately held.
- Since October 2018 there have been 30 mergers where both the buyer and target had more than \$5b in assets

Source: FDIC

LIVE OAK Q3 HIGHLIGHTS

Our Path to Becoming America's Small Business Bank

\$0.76 Diluted EPS	17.5% Adj PPNR ¹ growth linked quarter	4.6% TBV per share ¹ growth linked quarter	19.7% Return on Average Equity	1.6% Return on Average Assets
VERTICALITY	SCALABILITY	OPTIONALITY		
Differentiated lending model dedicated solely to small businesses	Building the moat	Value creation through industry disruption		
<ul style="list-style-type: none"> • \$1.1B of production <ul style="list-style-type: none"> • Broad-based strength across verticals • 57% SBA • 7% loan growth linked quarter, excluding PPP • \$202 million of guaranteed loans sold for \$18 million gain • Credit quality excellent <ul style="list-style-type: none"> • 0.21% NCOs (annualized) • 0.43% Unguaranteed NPLs² • Expanding General Franchise vertical to include Hardware Stores, RV/Campgrounds 	<ul style="list-style-type: none"> • 54 net new FTEs in Q3 • Energy & Infrastructure loans crossed \$1 billion • Business savings deposits crossed \$1 billion • Checking launch Q4 	<ul style="list-style-type: none"> • Activity across ventures platforms robust • Carrying vs estimated implied value³ differential of fintech investments at \$66 million • Fintech venture funding continues to increase 		

1.) Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances. 2.) Unguaranteed nonperforming loans and leases excluding those accounted for under the fair value option to loans and leases held for investment carried at historical cost. 3.) Estimated implied value based on most recent transaction data and not necessarily indicative of current or future value.

Q3 2021 ADJUSTED EARNINGS HIGHLIGHTS

17.5% Adjusted PPNR Growth Linked Quarter Driven by 11% Adjusted Revenue Growth

\$ in millions	Q3 2021	Q3 2021 change vs.	
		Q2 2021	Q3 2020
Net interest income ¹	\$ 65.6	11.8 %	61.5 %
Noninterest income ¹	33.4	10.4 %	20.5 %
Total revenue ¹	99.0	11.3 %	44.9 %
Noninterest expense ¹	55.5	7.0 %	33.0 %
PPNR ¹	43.5	17.5 %	63.5 %
Provision for credit losses	4.3	(45.0)%	(58.0)%
Net income before tax ¹	39.2	34.3 %	140.0 %
		Change from	
	Q3 2021	Q2 2021	Q3 2020
Net Interest Margin ²	3.75%	12 bps	47 bps
Efficiency Ratio ¹	56.1%	(229) bps	(501) bps

63.5%

**Adjusted PPNR¹
Growth YoY**

44.9%

**Adjusted Revenue¹
Growth YoY**

Key Q3 2021 Adjustments Summary¹

Net Interest Income

- PPP-related impacts

Noninterest Income

- Loan servicing asset revaluation
- Other FV adjustments
- Gains/losses from fintech activities

Noninterest Expense

- No adjustments

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

2. Estimated adjusted NIM removes PPP/PPPLF impacts and related excess average liquidity.

BALANCE SHEET STRONG AND GROWING

7% Loan Growth Excluding PPP Linked Quarter

\$ in millions	Q3 2021	Q3 2021 change vs.	
		Q2 2021	Q3 2020
Total loans and leases	\$ 6,461.4	(0.7)%	3.8 %
Total loan and lease portfolio, excluding PPP ¹	5,971.6	7.0 %	32.3 %
Investment securities	861.4	5.3 %	12.5 %
Total deposits	6,816.6	4.5 %	19.5 %
Borrowings	575.0	(43.2)%	(67.1)%
Total equity	689.4	4.9 %	18.0 %
		Change from	
	Q3 2021	Q2 2021	Q3 2020
ROE	19.7%	(2,163) bps	(397) bps
ROA	1.6%	(137) bps	(3) bps
TBV per share ¹	\$ 15.80	4.6 %	10.5 %
Common equity tier 1 capital ratio	12.6%	11 bps	(53) bps

32.3%

Loan Growth YoY
excluding PPP

4.6%

Tangible Book Value
Growth Per Share LQ

19.7%

Return on Average
Equity

1.6%

Return on Average
Assets

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

HIGH PERFORMING BANK METRICS

Live Oak Bank's Q3 Performance as Compared with Industry Peers

	Peer Median		Top Quartile	
NIM	3.14		3.43	3.99%
Efficiency Ratio¹	55.6	53.8%	48.7	
ROA	1.34		1.49	1.6%
ROE	15.8		17.3	19.7%
CET1 Ratio	12.3	12.6%	13.9	
Total loan and lease portfolio, excluding PPP² (YoY growth)	2.3		8.2	32.3%
Adjusted PPNR² (YoY Growth)	8.0		24.9	63.5%

1. Non-GAAP financial measure. See Appendix for reconciliation of non-GAAP items to reported balances.

2. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

Peer Source: S&P Global. Peers consist of public banks between \$10b and \$25b in total assets as of June 30, 2021. Peer data as reported.

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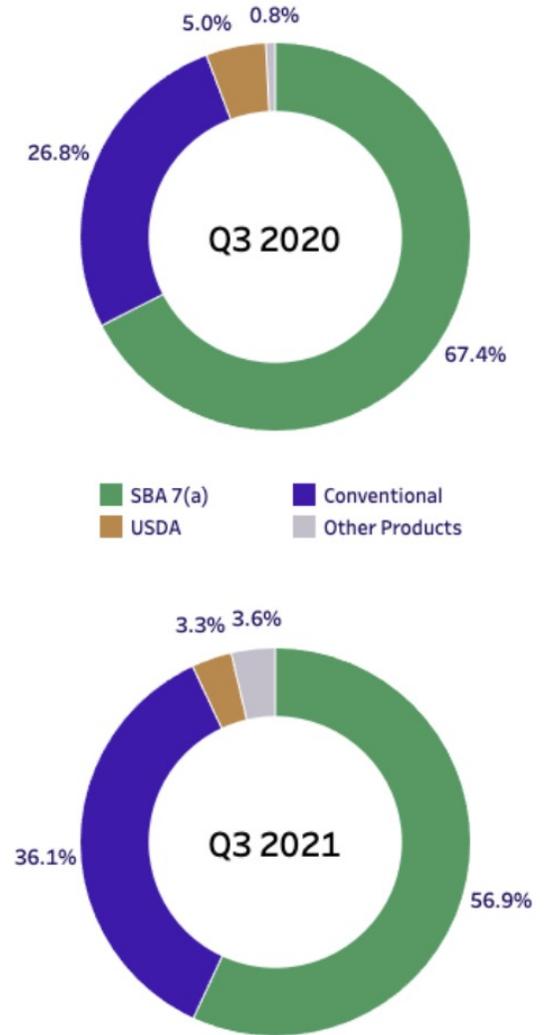
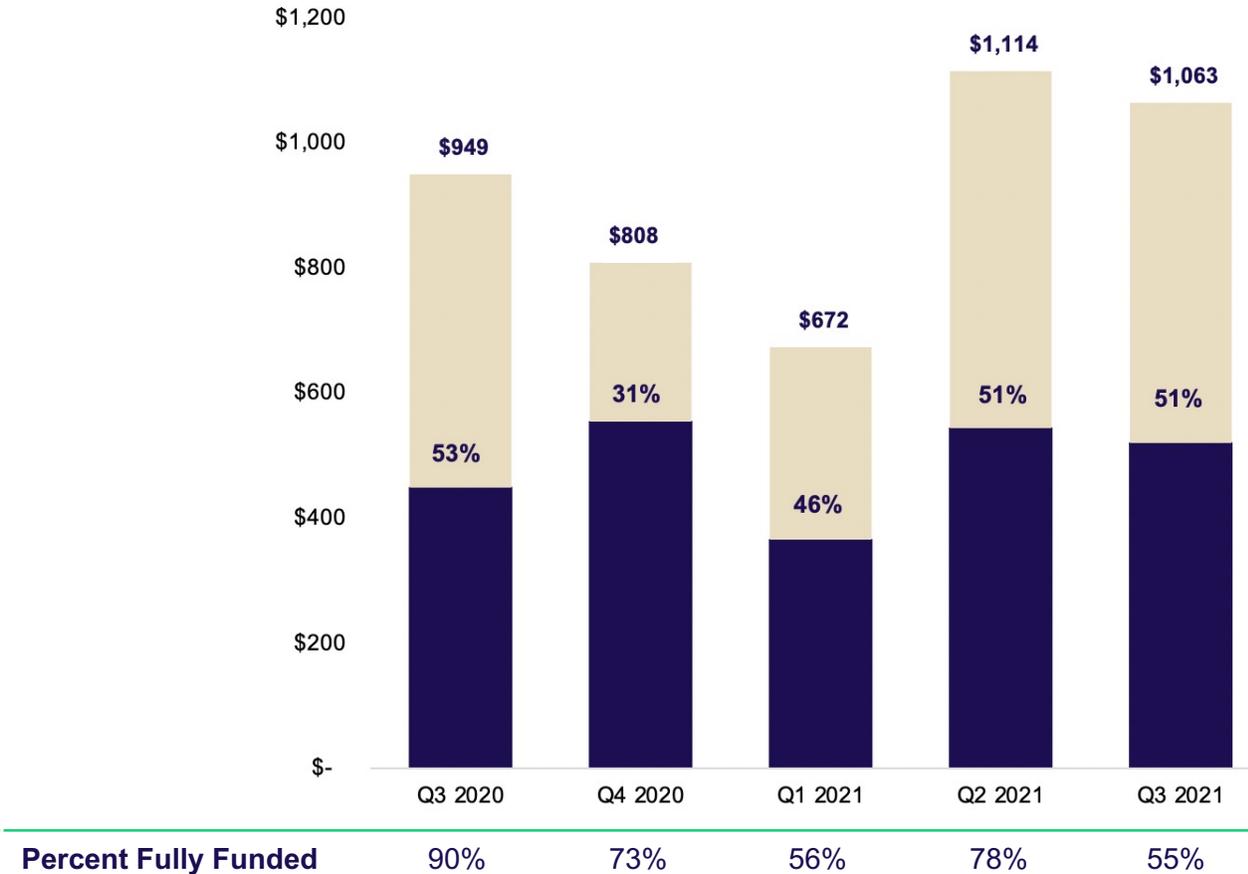
VERTICALITY

OUR DIFFERENTIATED SMALL BUSINESS LENDING MODEL

LOAN ORIGINATIONS¹

Greater than One Billion in Lending Production for 2nd Consecutive Quarter

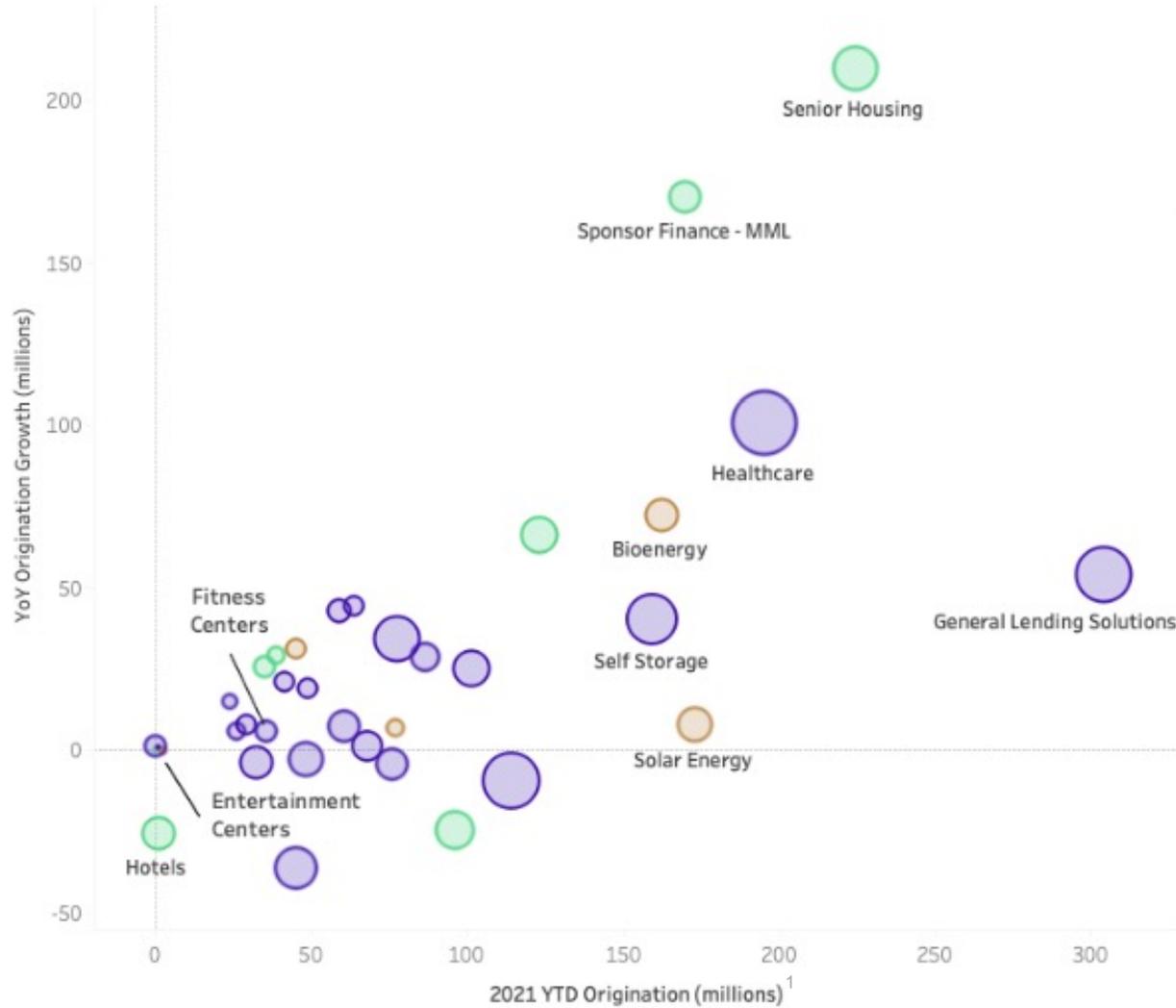
■ Portion of Originations comprised of government guaranteed loans (%)



1. Loan & Lease Originations, excluding PPP (in millions of dollars)

LOAN ORIGINATIONS

Broad-based Growth Across the Platform



52%
YTD Total
Origination¹ Growth
vs 2020

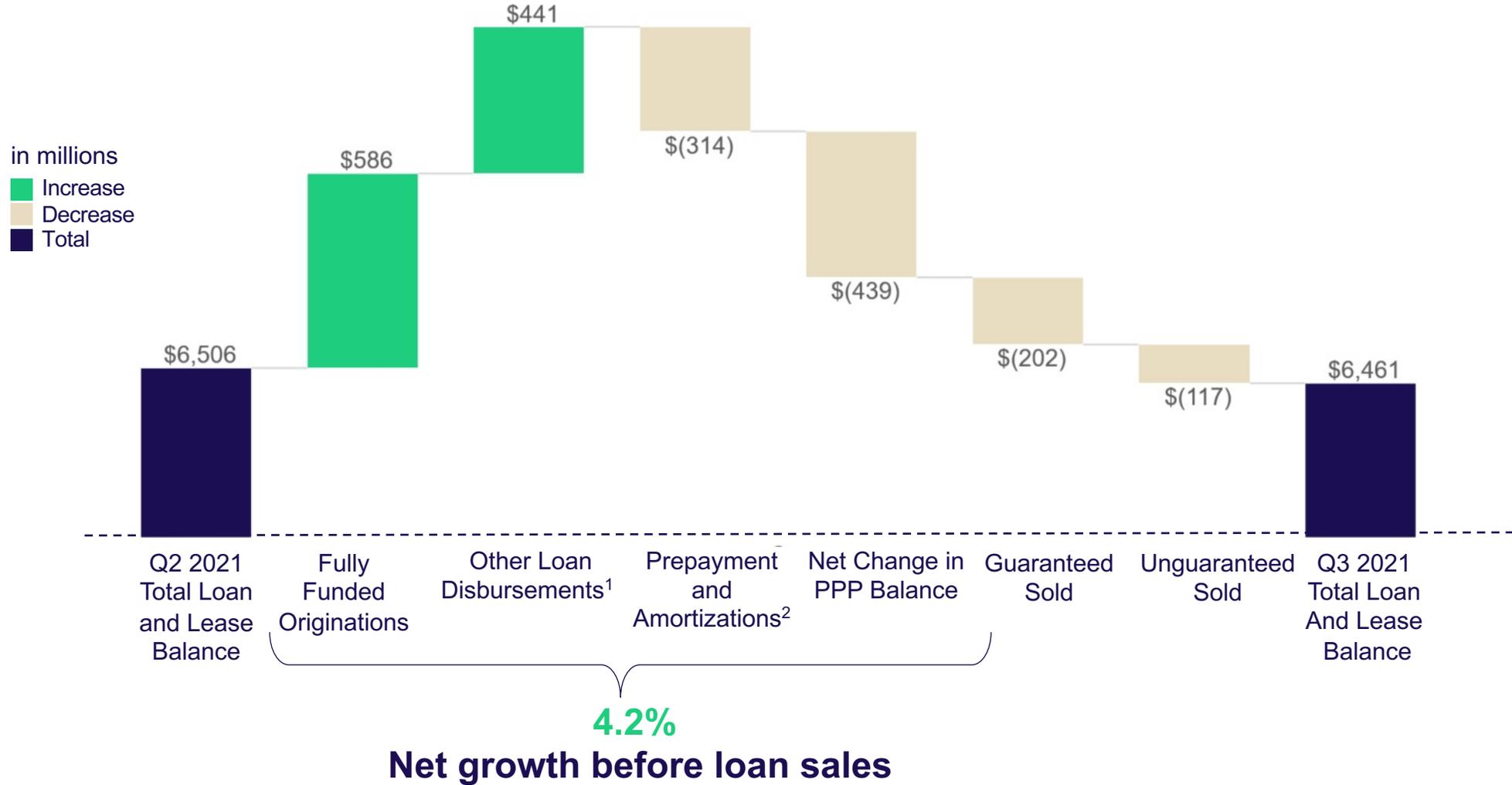
\$ in millions	Q3 Loans Outstanding	YTD ¹ Origination Growth
Small Business Banking	\$5,189	31%
Energy & Infrastructure	559	35%
Specialty Finance	1,392	190%

Size of bubble represents each vertical's outstanding balance as a proportion of the Bank's total outstanding balance

1. Loan and Lease Originations, excluding PPP

STRONG PRODUCTION OFFSETTING PPP RUNOFF

7% Loan Growth LQ, Excluding PPP; 4.2% Total Net Growth LQ Before Loan Sales

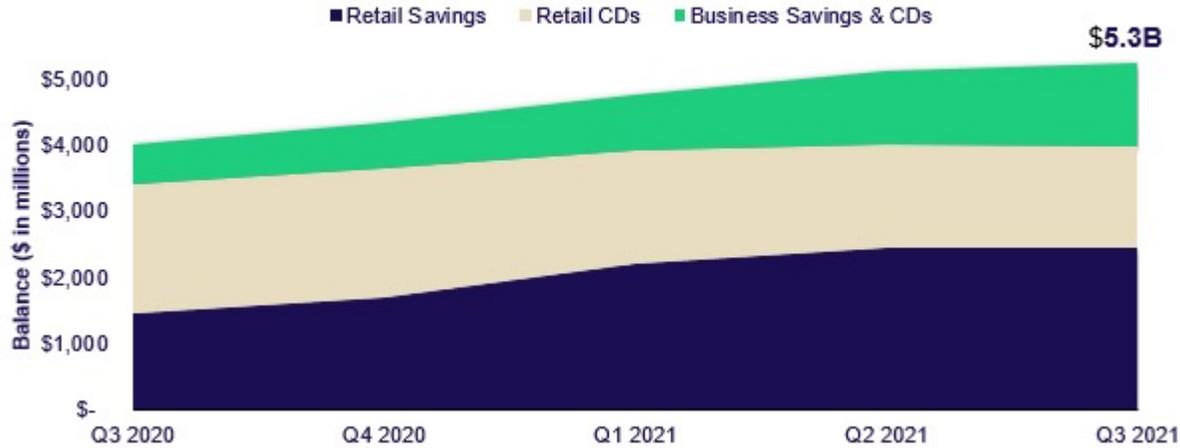


1. Other Loan Disbursements includes disbursements on construction loans and revolving loans
 2. Prepayment and Amortizations also includes charge-offs and change in deferred loan fees and cost

EFFICIENT DEPOSIT FUNDING PLATFORM

Low Delivery Costs, Healthy Retention & Continued Growth

Total Deposit¹ Growth



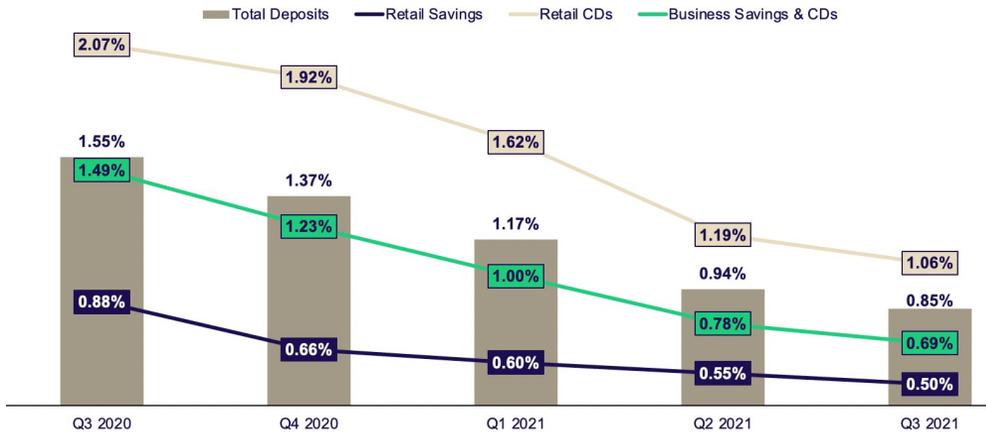
\$1.3B
Business Savings & CDs
up 104% YOY

\$1.5B
Retail CDs
down 21% YOY

\$2.5B
Retail Savings
up 69% YOY

12bps
Noninterest Expense
of Deposits²
Q3 2021

Cost of Funds



Savings Account Retention Remains Strong

Savings Account Retention		
Open Savings Account As Of	% Still Open as of 9/30/2021	Balance as of 9/30/2021 vs. Stated Year-End
12/31/2018	86.7%	116.5%
12/31/2019	90.7%	120.7%
12/31/2020	93.2%	107.2%

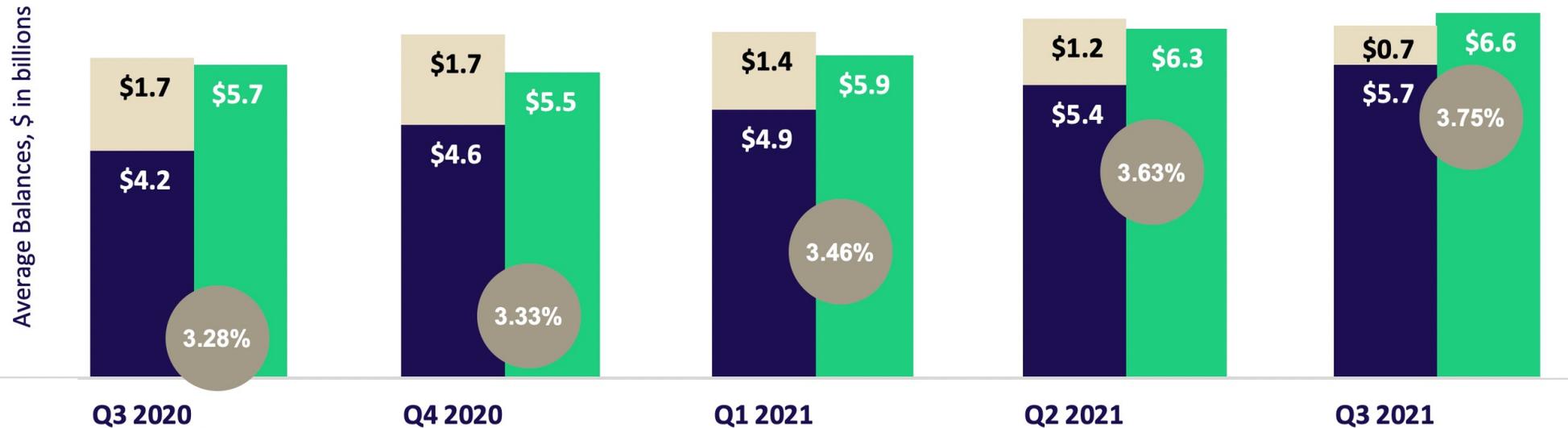
1. Excludes brokered CDs and CDARs.
2. See Appendix for noninterest expense of deposits.

BALANCE SHEET GROWTH MOMENTUM

36% Loan Growth YoY, Excluding PPP, and Significant NIM Expansion



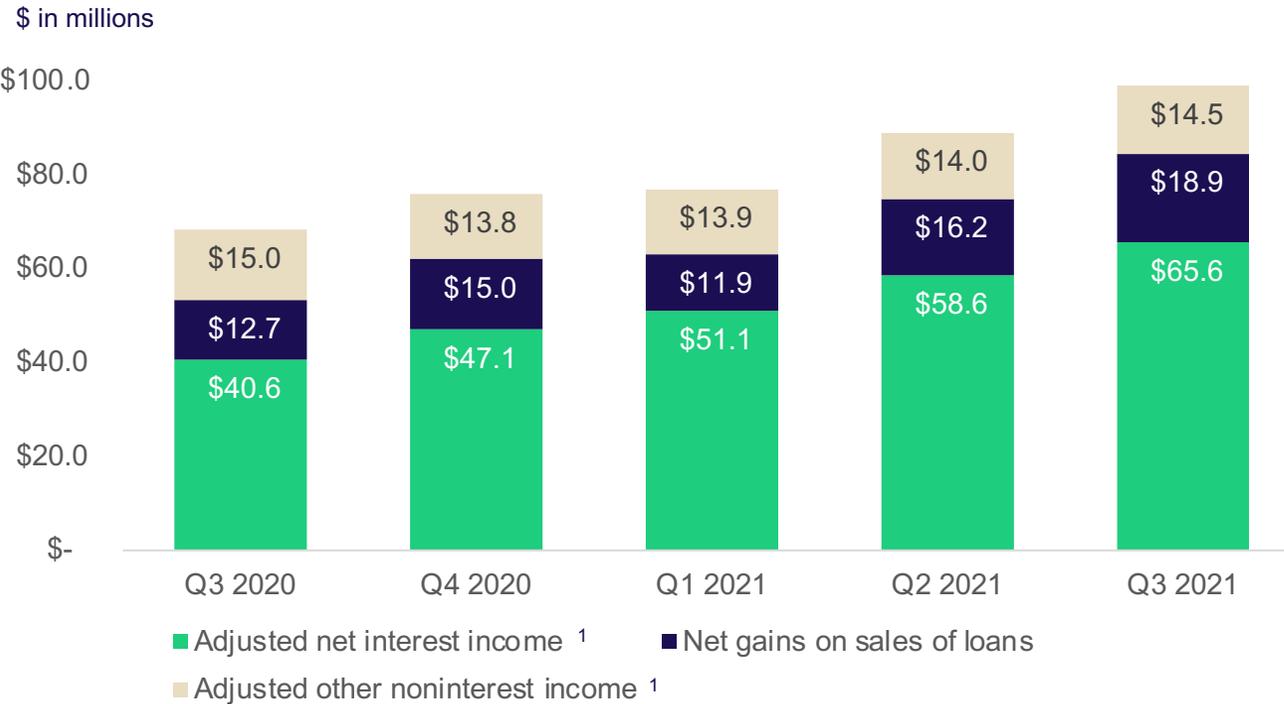
Average Loans and Deposits



	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Core Loan Yield	5.44%	5.27%	5.30%	5.26%	5.29%
Deposit Cost	1.55%	1.37%	1.17%	0.94%	0.85%
Reported NIM	2.77%	3.33%	3.81%	3.63%	3.99%

1. Estimated adjusted NIM removes PPP/PPPLF impacts and related excess average liquidity.

REVENUE DRIVEN BY STRONG NII GROWTH



Adjusted Total Revenue¹

- Up 11% linked quarter, 45% year over year

Adjusted Net Interest Income¹

- Up 12% linked quarter, 62% year over year on strong loan growth, relatively stable loan yields and meaningful reduction in deposit rate paid

Net Gains on Sales of Loans

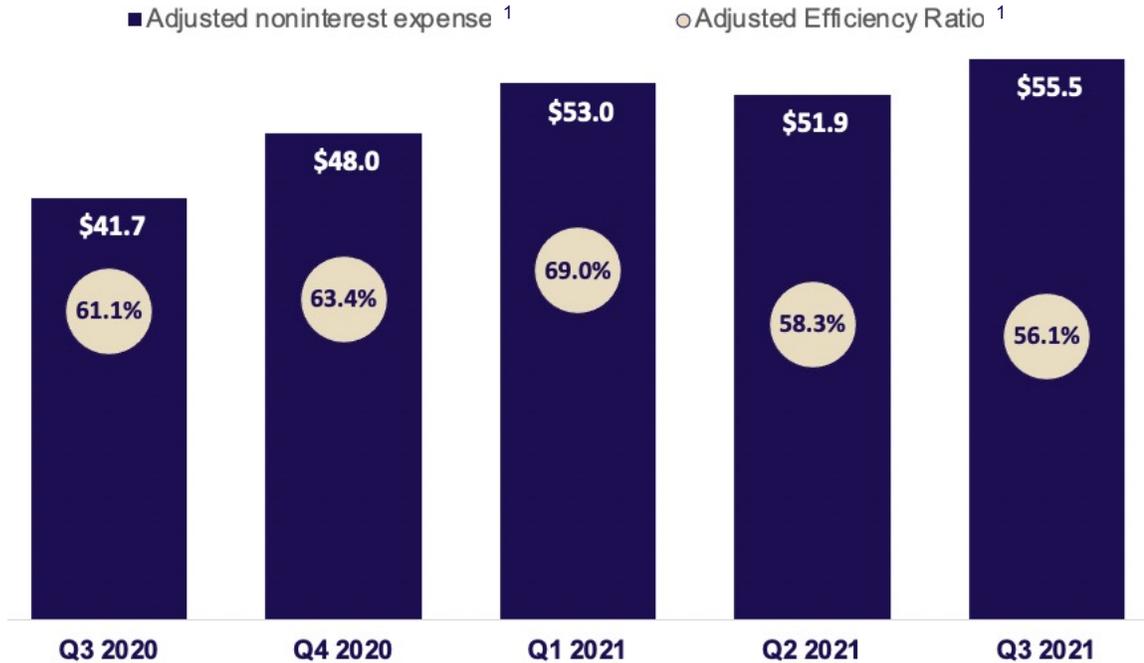
- Sold 46% of loans that became eligible for sale in Q3
 - Sold 25% SBA in Q3, YTD 29%

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Guaranteed Loans Sold (\$ in millions)	\$114.7	\$110.6	\$136.7	\$130.9	\$201.9
Average Net Gain per \$1 Million Sold	\$110	\$116	\$84	\$115	\$91

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

INVESTING IN GROWTH

Continuing to Add People & Technology to Expand Platform



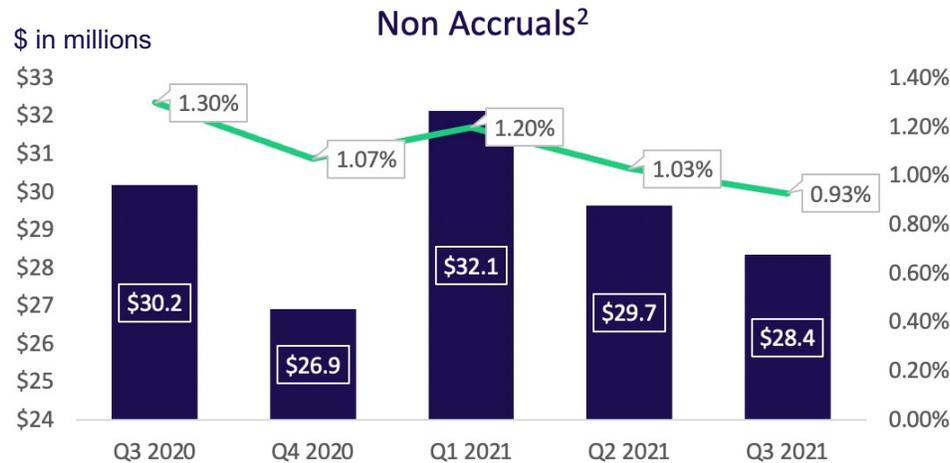
- Positive operating leverage driving continued improvement in efficiency ratio
- Adjusted expenses up 7% LQ, 33% vs Q3 2020
- 54 net new FTEs in Q3 2021, up 127 since Q3 2020
 - ~70% of new hires YTD are lenders or lender support

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.

CREDIT METRICS HEALTHY

Identifying Challenges Early in the Pandemic Supports Strong Credits

- Past dues are at historically low levels
- Charge-offs and non-accruals are stable
- Most borrowers are off government subsidies, making payments, and have strong cash reserves
- Servicing department continues to remain close to customers

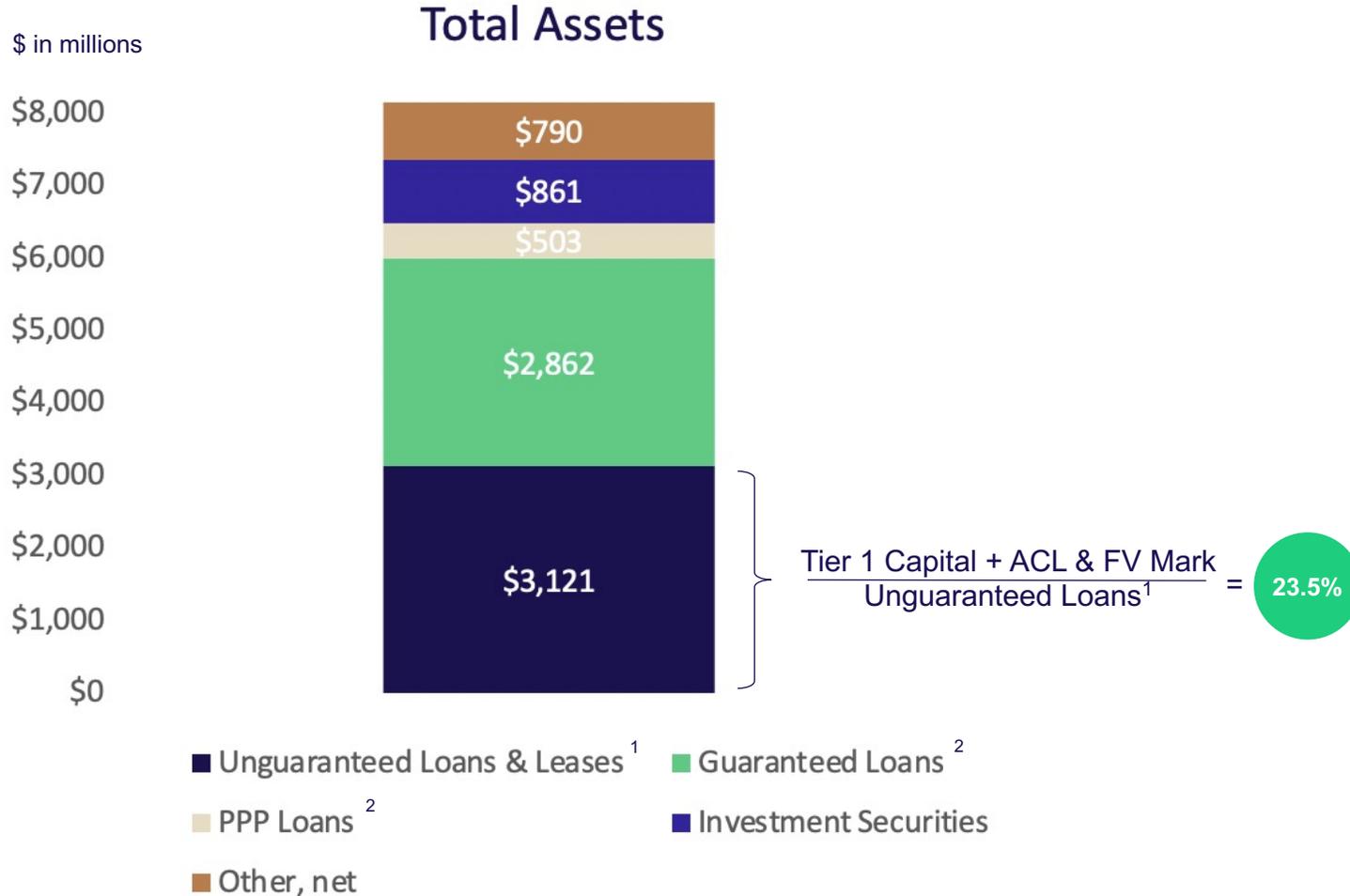


\$ in millions	Q3 HFI			
	Unguaranteed Balance	Past Due >30 Days¹	Non-Accruals²	Net Charge Offs³
Small Business Banking	\$2,095	0.21%	0.97%	0.16%
Energy & Infrastructure	\$251	0.00%	0.00%	0.00%
Specialty Finance	\$715	0.00%	1.13%	0.00%

1.) Past due loans and leases include only loans and leases on accrual status at amortized cost. Ratio uses total HFI unguaranteed loans and leases at amortized cost inclusive of loans and leases at fair value and historical cost) as denominator. 2.) Non-accrual loans include HFI unguaranteed balance of non-accrual loans and leases at amortized cost (inclusive of loans and leases at fair value and historical cost). Ratio uses total HFI unguaranteed loans and leases at amortized cost inclusive of loans and leases at fair value and historical cost) as denominator. 3.) Net charge offs ratio uses HFI unguaranteed loans and leases at amortized cost exclusive of loans at fair value.

CREDIT RESERVES AND CAPITAL

Favorable Loan Mix, Reserves & Capital Provide Balance Sheet Strength



1. Represents total unguaranteed loans and leases at amortized cost (inclusive of loans and leases at fair value and historical cost).

2. Balances reflected are at amortized cost.

Capital Ratios	Q3 2021
Common Equity Tier 1	12.6%
Total Capital	13.7%
Tier 1 Capital	12.6%
Tier 1 Leverage	8.8%

As of September 30, 2021 (\$ in millions)	
Tier 1 Capital (a)	\$657
ACL and FV Mark on Unguaranteed Loans and Leases (b)	\$75
Total Unguaranteed Loans and Leases ¹ (c)	\$3,121
Tier 1 Capital to Unguaranteed Loans and Leases ¹ (a/c)	21.1%
ACL and FV Mark to Unguaranteed Loans and Leases ¹ (b/c)	2.4%

SCALABILITY

BUILDING THE MOAT TO DEEPEN CUSTOMER RELATIONSHIPS

MILESTONE UPDATES

Leveraging the Platform

3Q WINS

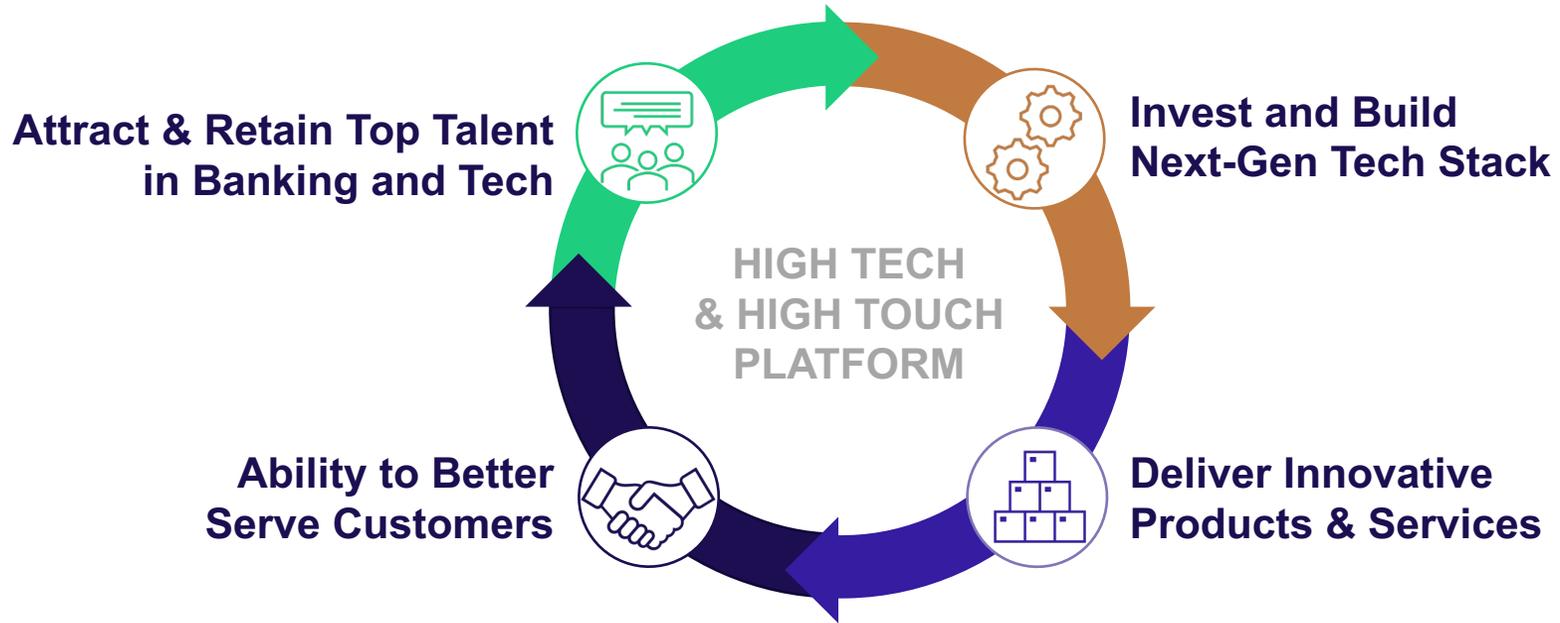
- Continued momentum of core platform
 - 300 new loan customers
 - #1 SBA Lender by Dollar Volume (4th consecutive year)
 - Continued trend of talent acquisition
- Multiple \$1 Billion Milestones
 - Loan production for 2nd consecutive quarter
 - Total E&I lending
 - Business savings deposits
- 2021 Coalition Greenwich CX Award Winner for Small Business Banking category
- Successful Finxact deposit conversion

UPCOMING

- Q4
 - Checking launch
 - Loan servicing enhancements
- 2022
 - Continued expansion of core platform
 - Working capital and liquidity solutions for small business
 - Loan conversion to Finxact
 - Community Banking of the Future

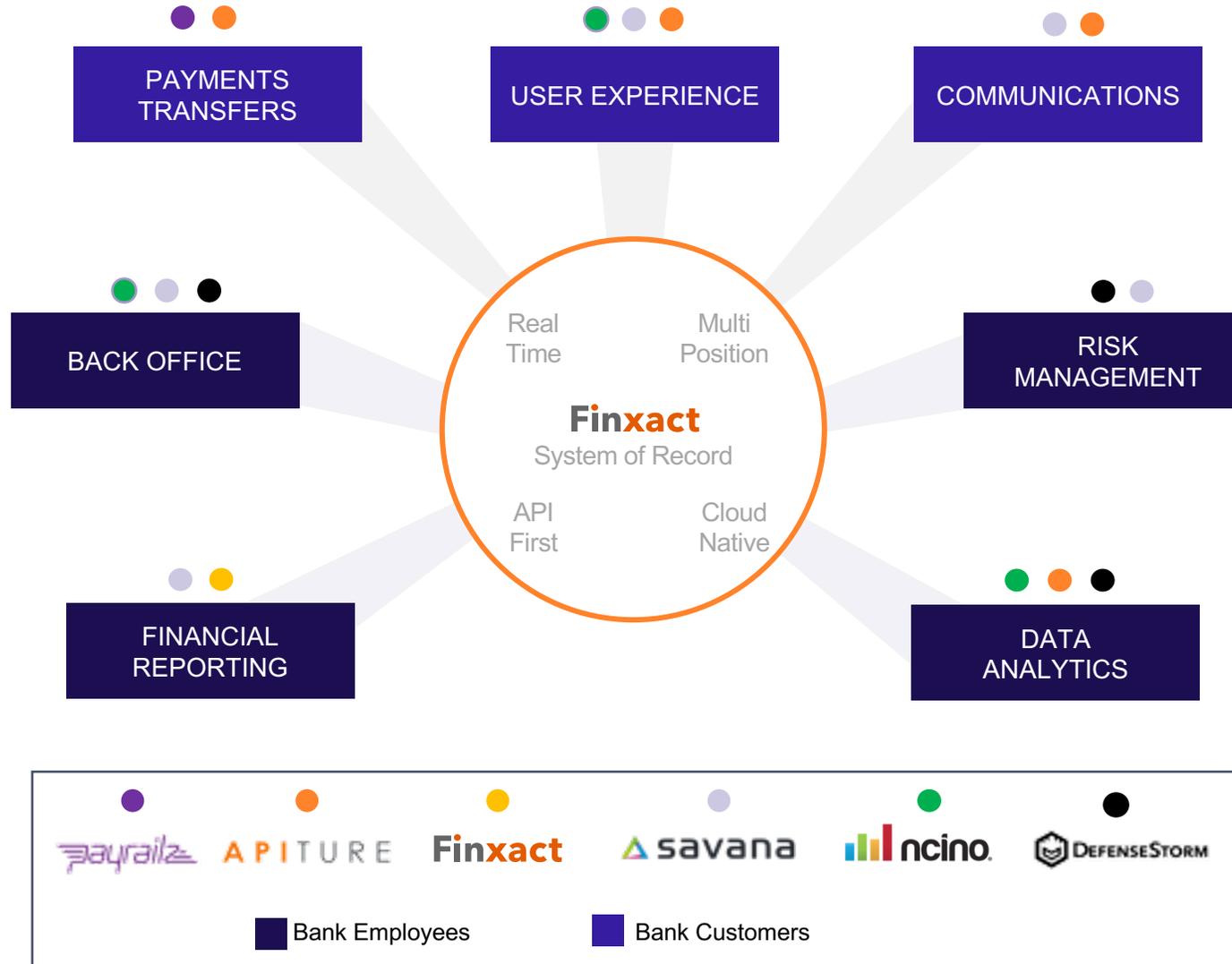
HIGH TECH / HIGH TOUCH PLATFORM FLYWHEEL

A Model to Drive Continued Scalability



NEXT-GEN ECOSYSTEM

Live Oak Bank Tech Stack



SUCCESSFUL DEPOSITS CONVERSION TO FINXACT

A Significant Step Forward on Product & Service Innovation Journey

WENT LIVE

16 HRS



AHEAD OF SCHEDULED
COMMITMENTS

100%

MATCH OF ALL BALANCES,
ACCOUNTS & ACCOUNT TYPES

BETWEEN FISERV & FINXACT CORES

MORE THAN

60,000



DEPOSIT ACCOUNTS
CONVERTED

CALL WAITING TIME NEVER EXCEEDED

36 SEC



FOR ALL
CUSTOMER CALLS

≈1-2%



OF CUSTOMER BASE
FACED URGENT ISSUES

ALL RESOLVED WITHIN FIRST WEEK

5 DAYS



AFTER GOING LIVE ON
NEW PLATFORM

BEGAN REGULAR DAY+1 ENHANCEMENTS
& PRODUCTION SUPPORT ROUTINES

THE POWER OF THE PLATFORM

Current Use Cases

- PPP Loan Originations
- Consumer & Business Savings & CDs



Future Use Cases

- Business Banking
- Product Factory
- Bespoke Banking

1. Estimated implied value based on most recent transaction data and not necessarily indicative of current or future value.

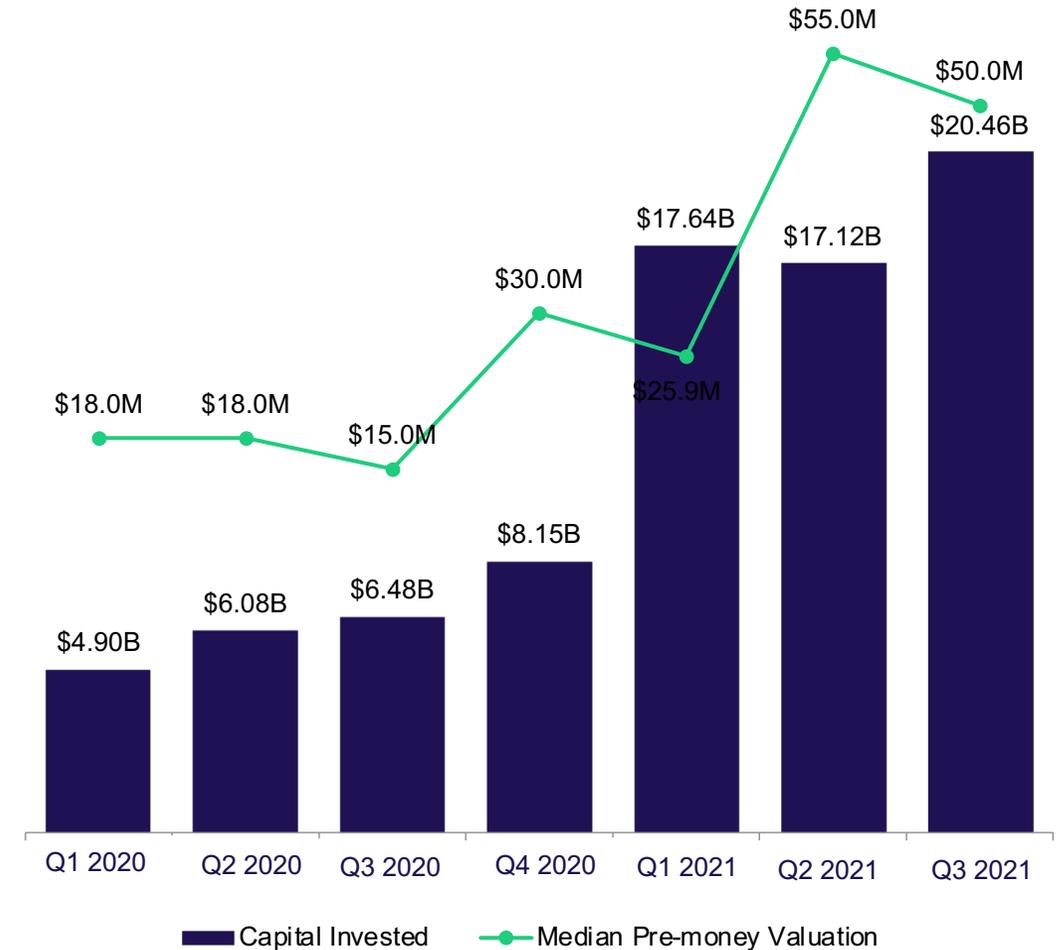
OPTIONALITY

VALUE CREATION THROUGH INDUSTRY DISRUPTION

VIEW OF THE FINTECH INVESTING ENVIRONMENT

US Fintech Venture Funding

- Venture funding more than 2x 2020 volume through three quarters of 2021
- Median pre-money valuation up 3.3x YoY on the back on larger round sizes



Source: PitchBook

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EVOLUTION OF FINTECH INVESTING AT LOB

From Live Oak Ventures to Canapi, how LOB uses Fintech to Enhance the Banking Experience

2009

LIVE OAK VENTURES

Direct Investment

- **Finxact***
- **Apiture^{1*}**
- **Savana***
- **Payrailz***
- **DefenseStorm***
- Greenlight
- Kwipped
- **Philanthropi***

2019

CANAPI

Advisor and LP Investor in Fund I

- | | | |
|-----------------|--------------------|-----------------------------------|
| - Nova | - Greenlight | - Lending automation platform |
| - Built* | - Orum* | - Digital loan servicing platform |
| - Blend | - MX* | |
| - Alloy* | - Blooma | |
| - Moov* | - Laika | |
| - Neuro-ID | - Notarize* | |
| - Capitalize | - Finxact* | |
| | - Peach | |

2022 →

CANAPI CONTINUED

Fund II TBD

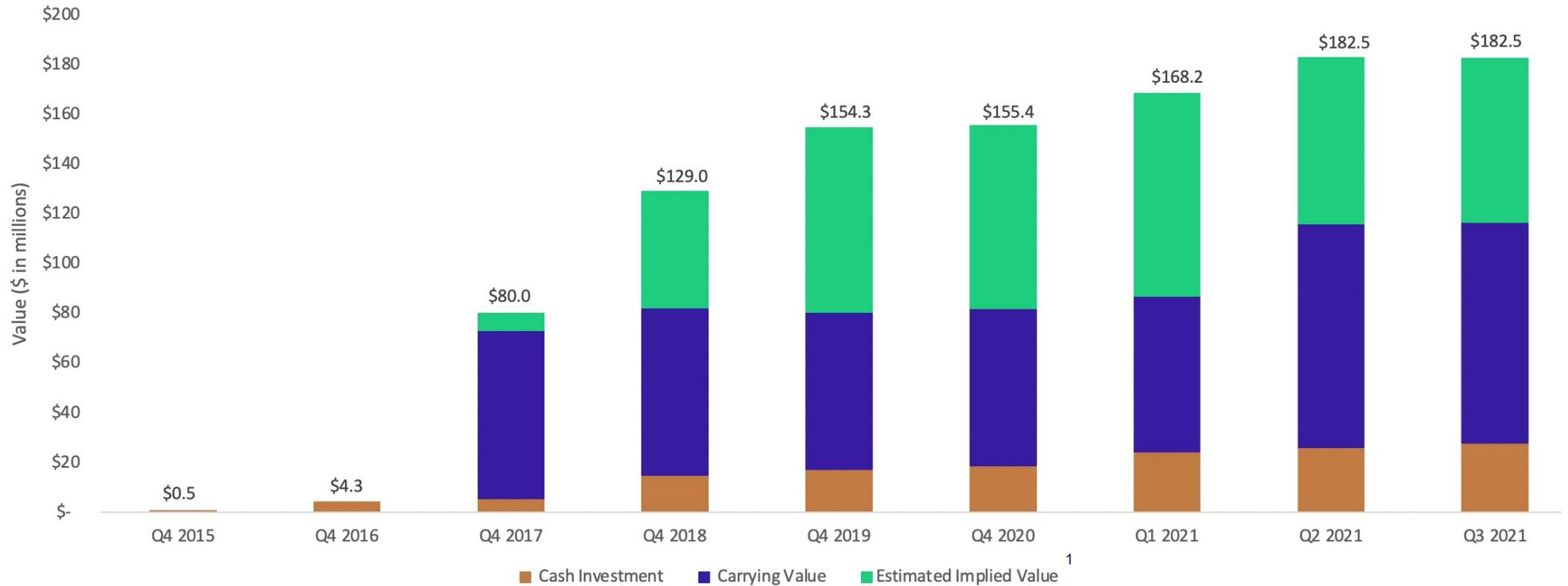
- Investing in the future of the fintech revolution

1. Apiture is a direct investment by Live Oak Bank.

*Companies Live Oak Bank is currently in production or discussions.

DIRECT FINTECH INVESTMENTS

Low Cash Investment, Significant Current Valuation



Number of Portfolio Companies

1 2 4 5 6 7 7 8 8

1. Estimated implied value based on most recent transaction data and not necessarily indicative of current or future value.

LIVE OAK BANK

Our Path to Becoming America's Small Business Bank

VERTICALITY

Differentiated lending model
dedicated solely to small businesses

- 30+ lending verticals with deep industry expertise
- Strong credit profile
 - 45% portfolio SBA-guaranteed, excluding PPP¹
- Large addressable market for future loan growth
- High touch customer service model

SCALABILITY

Building the moat

- Building on next-gen core and ecosystem
- Efficient deposits platform
- Future product enhancements
 - Checking
 - Small business product suite
 - Community bank of the future

OPTIONALITY

Value creation through industry disruption

- Leading-edge fintech investments activities
 - Live Oak Ventures
 - Canapi Ventures
- Product and service innovation platform

1. Ratio calculated using total loans and leases at amortized cost.

Q & A



FORWARD LOOKING STATEMENTS

Information in this presentation may contain “forward-looking statements” within the Private Securities Litigation Reform Act of 1995. These statements generally relate to our financial condition, results of operations, plans, objectives, future performance or business and usually can be identified by the use of forward-looking terminology such as “may,” “will,” “would,” “should,” “could,” “expect,” “anticipate,” “estimate,” “believe,” “plan,” “intend,” “project,” “goals,” “outlook,” or “continue,” or the negative thereof or other variations thereof or comparable terminology. These statements represent our judgment concerning the future and are subject to business, economic and other risks and uncertainties, both known and unknown. These statements are based on current expectations, estimates and projections about our business, management’s beliefs and assumptions made by management. These statements are not guarantees of our future performance and involve certain risks and uncertainties, which are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in the forward-looking statements. These risks, uncertainties and assumptions include, without limitation:

- deterioration in the financial condition of borrowers resulting in significant increases in our loan and lease losses and provisions for those losses and other adverse impacts to results of operations and financial condition;
- changes in SBA rules, regulations and loan products, including specifically the Section 7(a) program, changes in SBA standard operating procedures or changes to Live Oak Banking Company’s status as an SBA Preferred Lender;
- changes in rules, regulations or procedures for other government loan programs, including those of the United States Department of Agriculture;
- changes in interest rates that affect the level and composition of deposits, loan demand and the values of loan collateral, securities, and interest sensitive assets and liabilities;
- the failure of assumptions underlying the establishment of reserves for possible loan and lease losses;
- changes in loan underwriting, credit review or loss reserve policies associated with economic conditions, examination conclusions, or regulatory developments;
- the potential impacts of the Coronavirus Disease 2019 (COVID-19) pandemic on trade (including supply chains and export levels), travel, employee productivity and other economic activities that may have a destabilizing and negative effect on financial markets, economic activity and customer behavior;
- a reduction in or the termination of our ability to use the technology-based platform that is critical to the success of our business model or to develop a next-generation banking platform, including a failure in or a breach of our operational or security systems or those of its third party service providers;
- changes in financial market conditions, either internationally, nationally or locally in areas in which we conduct operations, including reductions in rates of business formation and growth, demand for our products and services, commercial and residential real estate development and prices, premiums paid in the secondary market for the sale of loans, and valuation of servicing rights;
- changes in accounting principles, policies, and guidelines applicable to bank holding companies and banking;
- fluctuations in markets for equity, fixed-income, commercial paper and other securities, which could affect availability, market liquidity levels, and pricing;
- the effects of competition from other commercial banks, non-bank lenders, consumer finance companies, credit unions, securities brokerage firms, insurance companies, money market and mutual funds, and other financial institutions operating in our market area and elsewhere, including institutions operating regionally, nationally and internationally, together with such competitors offering banking products and services by mail, telephone and the Internet;
- our ability to attract and retain key personnel;
- changes in governmental monetary and fiscal policies as well as other legislative and regulatory changes, including with respect to SBA or USDA lending programs and investment tax credits;
- changes in political and economic conditions, including as a result of the 2020 federal elections;
- the impact of heightened regulatory scrutiny of financial products and services, primarily led by the Consumer Financial Protection Bureau and various state agencies;
- our ability to comply with any requirements imposed on us by our regulators, and the potential negative consequences that may result;
- operational, compliance and other factors, including conditions in local areas in which we conduct business such as inclement weather or a reduction in the availability of services or products for which loan proceeds will be used, that could prevent or delay closing and funding loans before they can be sold in the secondary market;
- the effect of any mergers, acquisitions or other transactions, to which we may from time to time be a party, including management’s ability to successfully integrate any businesses that we acquire;
- adverse results, including related fees and expenses, from pending or future lawsuits, government investigations or private actions
- other risk factors listed from time to time in reports that we file with the SEC, including in our Annual Report on Form 10-K; and
- our success at managing the risks involved in the foregoing.

Given these risks, uncertainties and other factors, you should not place undue reliance on these forward-looking statements. Moreover, these forward-looking statements speak only as of the date they are made and based only on information actually known to us at the time. We undertake no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. Except as otherwise disclosed, forward-looking statements do not reflect: (i) the effect of any acquisitions, divestitures or similar transactions that have not been previously disclosed; (ii) any changes in laws, regulations or regulatory interpretations; or (iii) any change in current dividend or repurchase strategies, in each case after the date as of which such statements are made.

Actuals for the quarter ended September 30, 2021

	Banking Activities	Apture	Live Oak Ventures	Canapi Advisors	Fintech Activities	Other	Consolidated, as reported
Net interest income	\$ 78.1	\$ -	\$ -	\$ -	\$ -	\$ (0.4)	\$ 77.7
Provision for credit losses	4.3	-	-	-	-	-	4.3
Noninterest income (loss)	27.0	(0.7)	(1.1)	1.5	(0.3)	(1.5)	25.3
Noninterest expense	52.4	-	0.1	1.1	1.2	1.8	55.5
Income (loss) before income tax expense	\$ 48.4	\$ (0.7)	\$ (1.2)	\$ 0.4	\$ (1.5)	\$ (3.7)	\$ 43.2

Actuals for the quarter ended June 30, 2021

Net interest income	\$ 71.8	\$ -	\$ 0.0	\$ 0.0	\$ 0.0	\$ (0.4)	\$ 71.5
Provision for credit losses	7.8	-	-	-	-	-	7.8
Noninterest income (loss)	24.9	(1.0)	42.2	1.5	42.6	2.6	70.1
Noninterest expense	50.8	-	0.1	1.0	1.1	5.6	57.6
Income (loss) before income tax expense	\$ 38.1	\$ (1.0)	\$ 42.0	\$ 0.5	\$ 41.5	\$ (3.4)	\$ 76.2

Actuals for the quarter ended March 31, 2021

Net interest income	\$ 69.9	\$ -	\$ -	\$ 0.1	\$ 0.1	\$ (0.1)	\$ 70.0
Provision for credit losses	(0.9)	-	-	-	-	-	(0.9)
Noninterest income (loss)	30.5	(0.9)	(1.0)	1.9	(0.0)	0.5	31.1
Noninterest expense	55.6	-	0.1	0.9	1.0	1.6	58.3
Income (loss) before income tax expense	\$ 45.7	\$ (0.9)	\$ (1.1)	\$ 1.1	\$ (0.9)	\$ (1.2)	\$ 43.6

Actuals for the quarter ended December 31, 2020

Net interest income	\$ 62.3	\$ -	\$ -	\$ -	\$ -	\$ (0.0)	\$ 62.3
Provision for credit losses	8.6	-	-	-	-	-	8.6
Noninterest income (loss)	16.7	(7.9)	(0.9)	2.4	(6.3)	0.5	10.8
Noninterest expense	48.6	-	0.0	1.5	1.5	2.3	52.4
Income (loss) before income tax expense	\$ 21.8	\$ (7.9)	\$ (0.9)	\$ 0.9	\$ (7.9)	\$ (1.9)	\$ 12.0

Actuals for the quarter ended September 30, 2020

Net interest income	\$ 51.4	\$ -	\$ -	\$ -	\$ -	\$ (0.0)	\$ 51.4
Provision for credit losses	10.3	-	-	-	-	-	10.3
Noninterest income (loss)	31.8	(0.9)	14.3	1.3	14.7	0.6	47.0
Noninterest expense	41.0	-	0.1	1.1	1.1	0.5	42.7
Income (loss) before income tax expense	\$ 31.9	\$ (0.9)	\$ 14.3	\$ 0.2	\$ 13.6	\$ 0.0	\$ 45.5

Actuals for the quarter ended June 30, 2020

Net interest income	\$ 41.1	\$ -	\$ -	\$ -	\$ -	\$ (0.2)	\$ 40.9
Provision for credit losses	10.0	-	-	-	-	-	10.0
Noninterest income (loss)	23.1	(1.3)	(0.9)	1.2	(0.9)	0.2	22.4
Noninterest expense	45.3	-	0.1	1.3	1.4	1.4	48.1
Income (loss) before income tax expense	\$ 8.9	\$ (1.3)	\$ (0.9)	\$ (0.1)	\$ (2.3)	\$ (1.4)	\$ 5.3

Actuals for the quarter ended March 31, 2020

Net interest income	\$ 40.2	\$ -	\$ -	\$ -	\$ -	\$ (0.0)	\$ 40.2
Provision for credit losses	11.8	-	-	-	-	-	11.8
Noninterest income (loss)	6.0	(1.4)	(1.2)	1.6	(0.9)	0.7	5.7
Noninterest expense	46.7	-	0.1	1.4	1.5	1.3	49.5
Income (loss) before income tax expense	\$ (12.3)	\$ (1.4)	\$ (1.2)	\$ 0.2	\$ (2.4)	\$ (0.7)	\$ (15.4)

APPENDIX

Total Assets, Reconciliation Non-GAAP Items to Reported Balances

Reconciliation to reported balances

(\$ in millions)

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Loans held for sale, as reported	\$ 1,190.2	\$ 1,175.5	\$ 1,076.7	\$ 1,064.9	\$ 1,042.8
Loans and leases held for investment, as reported	5,037.1	5,144.9	5,456.8	5,441.4	5,418.6
Less PPP loans, net	1,713.7	1,498.6	1,445.1	927.3	489.8
Total loan and lease portfolio, excluding PPP	4,513.6	4,821.8	5,088.4	5,579.0	5,971.6
Outstanding balance of loans sold & serviced	3,143.5	3,205.6	3,216.7	3,134.1	3,212.3
Managed portfolio, excluding PPP	7,657.1	8,027.4	8,305.2	8,713.1	9,183.9
a Total assets, as reported	\$ 8,093.4	\$ 7,872.3	\$ 8,417.9	\$ 8,243.2	8,137.3
PPP-related activities:					
Cash and cash receivable	-	3.3	22.6	4.6	0.0
Loans, net of unearned	1,713.7	1,498.6	1,445.1	927.3	489.8
Allowance for credit losses	(2.6)	(2.3)	(2.2)	(1.4)	(2.8)
Accrued interest receivable	7.7	10.6	9.6	6.7	3.8
Estimated excess balance sheet liquidity arising from PPP	500.0	-	-	-	-
Total adjustments for PPP activities	2,218.8	1,510.2	1,475.1	937.2	490.9
b Total Assets, as adjusted to exclude PPP	\$ 5,874.6	\$ 6,362.1	\$ 6,942.8	\$ 7,306.0	\$ 7,646.5

Reconciliation of non-GAAP items to reported balances							
(\$ in millions)							
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Net interest income, as reported	\$ 40.2	\$ 40.9	\$ 51.4	\$ 62.3	\$ 70.0	\$ 71.5	\$ 77.7
Less PPP loan interest income	-	3.3	4.4	4.3	3.6	3.2	1.8
Less loan deferred fees & costs amortized into interest income, net	-	5.4	9.2	13.3	17.2	11.2	10.9
Add estimated interest expense on funding activity to support PPP activities	-	1.8	2.8	2.4	1.9	1.6	0.6
c Adjusted net interest income	40.2	34.0	40.6	47.1	51.1	58.6	65.6
Total noninterest income, as reported	5.7	22.4	47.0	10.8	31.1	70.1	25.3
Fair value adjustments:							
Add loan servicing asset revaluation loss (gain)	4.7	1.6	(2.1)	5.8	(1.5)	3.2	5.9
Add exchange-traded interest rate futures contracts loss (gain) ⁽¹⁾	3.2	(0.1)	(0.3)	(0.2)	-	-	-
Add net loss (gain) on loans accounted for under the fair value option	10.6	1.1	(3.4)	4.8	(4.2)	(1.1)	1.0
Add other (gains) losses on valuation adjustments ⁽²⁾	0.2	(0.3)	(0.0)	0.0	(0.3)	(0.4)	(0.3)
Total fair value adjustments	18.7	2.3	(5.7)	10.3	(6.1)	1.7	6.6
Less gain on sale of aircraft	-	-	-	-	0.1	-	-
Add (gains) losses from FinTech Activities ⁽³⁾	2.4	2.3	(13.6)	7.9	0.9	(41.5)	1.5
Less sales revenue from co-developed processing technology	-	2.5	-	0.2	-	-	-
d Adjusted noninterest income	26.8	24.5	27.7	28.8	25.8	30.2	33.4
c+d Adjusted total revenue	67.0	58.5	68.3	76.0	76.9	88.8	99.0
Total noninterest expense, as reported	49.5	48.1	42.7	52.4	58.3	57.6	55.5
Less bonus related to FinTech investment gains	-	-	-	-	-	4.0	-
Less loss on sale of aircraft	-	-	-	0.0	-	-	-
Less impairment on aircraft held for sale	-	-	1.0	0.2	-	-	-
Less renewable energy tax credit impairment	-	-	-	-	3.1	-	-
Less renewable energy tax credit lease receivable impairment	-	-	-	-	0.9	-	-
Less compensation and payroll taxes related to restricted stock awards with market price conditions ⁽⁴⁾	-	-	-	4.1	2.6	1.8	-
Less performance bonus related to PPP activities	-	7.2	-	-	-	-	-
Add deferred salary expense related to PPP activities	-	(4.2)	(0.1)	-	(1.3)	-	-
Adjusted noninterest expense	49.5	45.1	41.7	48.0	53.0	51.9	55.5
Adjusted net interest income	40.2	34.0	40.6	47.1	51.1	58.6	65.6
Adjusted noninterest income	26.8	24.5	27.7	28.8	25.8	30.2	33.4
Adjusted noninterest expense	49.5	45.1	41.7	48.0	53.0	51.9	55.5
e Adjusted PPNR (Pre-Provision Net Revenue)	17.5	13.4	26.6	27.8	23.9	37.0	43.5
f Provision for (recovery of) loan and lease credit losses, as reported	11.8	10.0	10.3	8.6	(0.9)	7.8	4.3
e-f Adjusted net income before tax	5.7	3.4	16.3	19.2	24.7	29.2	39.2

1. Included as a component of the net gains on sales of loans on the income statement

2. Includes valuation losses related to equity security investments, equity warrant assets, and foreclosed assets

3. See Appendix "FinTech Activities Impact on Consolidated Financials"

4. Amount reflects accelerated stock compensation expense and related employer payroll taxes in the quarter of vesting

APPENDIX

(\$ in millions)

Total Shareholders' Equity
Less:
Goodwill
Other intangible assets
a Tangible Shareholders' equity
b Shares Outstanding
a/b TBV (Tangible Book Value) per share

(\$ in millions)

Efficiency Ratio

Noninterest Expense
Net Interest Income
Noninterest Income
Less: gain on sale of securities
Adjusted operating Revenue

Efficiency Ratio

Efficiency ratio adjusted for non-GAAP activities

Adjusted noninterest expense
Adjusted net interest income
Adjusted noninterest income

Adjusted efficiency ratio

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
\$	584.2	\$ 567.9	\$ 590.4	\$ 657.3	\$ 689.4
	1.8	1.8	1.8	1.8	1.8
	2.2	2.2	2.1	2.1	2.1
	580.1	563.9	586.4	653.4	685.6
	40,575,982	42,452,446	42,951,344	43,264,460	43,381,014
\$	14.30	\$ 13.28	\$ 13.65	\$ 15.10	\$ 15.80
	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
\$	42.7	\$ 52.4	\$ 58.3	\$ 57.6	\$ 55.5
	51.4	62.3	70.0	71.5	77.7
	47.0	10.8	31.1	70.1	25.3
	1.2	-	-	-	-
	97.2	73.1	101.0	141.6	103.0
	43.9%	71.7%	57.7%	40.7%	53.8%
	41.7	48.0	53.0	51.9	55.5
	40.6	47.1	51.1	58.6	65.6
	27.7	28.8	25.8	30.2	33.4
	61.1%	63.4%	69.0%	58.3%	56.1%

APPENDIX

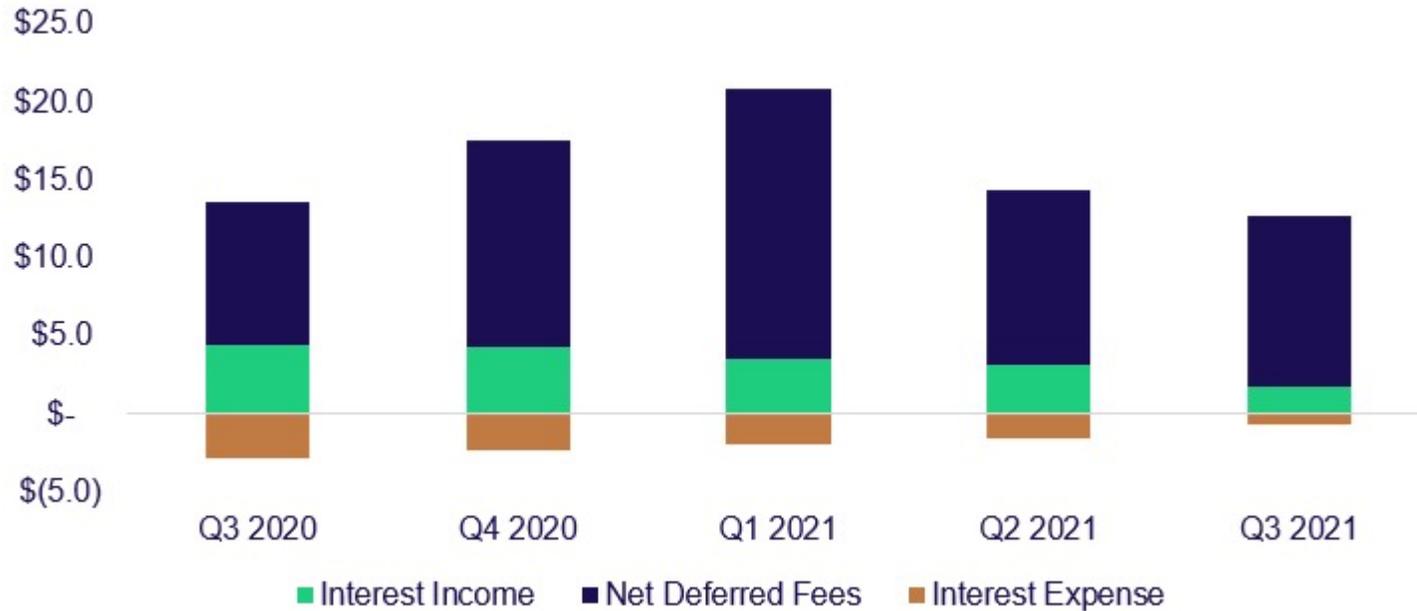
Noninterest expense of deposits

	Three Months ended September 30, 2021 (Dollars in Millions)
Interest	\$ 14.2
Personnel	0.9
Marketing Expense	0.1
Technology Expense	0.8
Other Expense	0.2
Total Direct Deposit Expenses	\$ 16.2
Average Deposit Balances	\$ 6,628.6
	Annualized Cost of Funds
	Three Months ended September 30, 2021
Interest	0.85%
Personnel	0.05%
Marketing Expense	0.01%
Technology Expense	0.05%
Other Expense	0.01%
Cost of Funds % including Deposits Department	0.97%
Noninterest expense of deposits	0.12%

APPENDIX

On the other side of PPP | Processed nearly 15,000 PPP loans

PPP Net Interest Income Impact



\$9.6 million net interest income earned since April 2020, excluding the amortization of net deferred fees

\$2.3

billion
PPP Loans
Originated

\$80.3

million
Net Deferred Fees
at Origination

\$1.8

billion
PPP Loans
Forgiven/Paid Down

\$67.1

million
Net Deferred Fees
Recognized

\$503

million
PPP Loan Balance
Remaining

\$13.2

million
Net Deferred Fees
Remaining