LiveOak BANCSHARES

FOURTH QUARTER 2022

January 26, 2023

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 Q4 GAAP RESULTS

Live Oak Bancshares, Inc.
($ in millions, except per share data)

		Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	FY 2022	FY 2021
a	Net Interest Income	$ 86	$ 84	$ 80	$ 78	$ 78	$ 328	$ 297
	Provision for Loan and Lease Credit Losses	20	14	5	2	4	41	15
b	Total Noninterest Income	19	58	129	33	34	238	160
a + b	**Total Revenue**	**105**	**142**	**208**	**110**	**111**	**565**	**457**
	Total Noninterest Expense	85	83	81	66	60	314	231
	Income before Taxes	1	44	122	43	48	210	211
	Net Income	**2**	**43**	**97**	**35**	**30**	**176**	**167**
	Diluted Earnings per Share	**$ 0.04**	**$ 0.96**	**$ 2.16**	**$ 0.76**	**$ 0.66**	**$ 3.92**	**$ 3.71**
	Total Assets	**$ 9,855**	**$ 9,315**	**$ 9,121**	**$ 8,620**	**$ 8,213**		
	Total HFS and HFI Loans and Leases	7,899	7,391	7,060	6,767	6,638		
	Allowance for Credit Losses on Loans and Leases	(97)	(78)	(66)	(63)	(64)		
	All Other Assets	2,053	2,002	2,127	1,916	1,639		
	Total Liabilities	**9,044**	**8,512**	**8,329**	**7,907**	**7,498**		
	Total Deposits	8,885	8,405	8,156	7,637	7,112		
	Borrowings	83	36	86	197	318		
	Other Liabilities	76	72	87	73	68		
	Total Shareholders' Equity	**811**	**802**	**792**	**713**	**715**		
	Net Interest Margin	**3.76 %**	**3.84%**	**3.89%**	**4.02%**	**4.02%**	**3.87%**	**3.86%**
	Effective Tax Rate	**NM**	**3.4%**	**20.7%**	**19.6%**	**36.9%**	**16.2%**	**20.8%**

IS THE WORLD COMING TO AN END?

ECONOMY I U.S. ECONOMY

Jeff Bezos Says It's Time to 'Batten Down the Hatches' as Economy Cools

The Amazon founder is the latest corporate leader to warn on the economy as growth and hiring have slowed

FINANCE · GOLDMAN SACHS

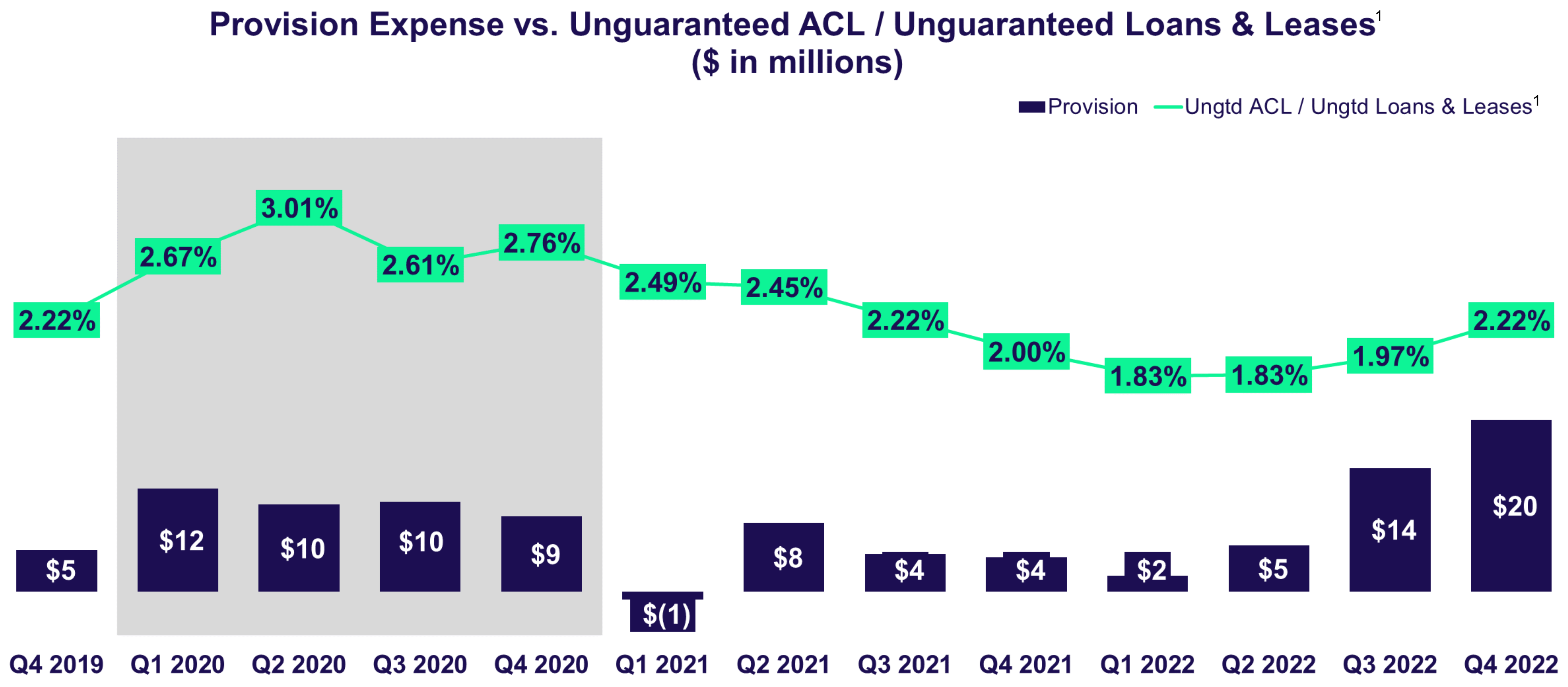
'There's more volatility on the horizon': Goldman Sachs CEO says there is a 'good chance' for a recession as bank plans massive reorganization

FINANCE · ECONOMY

Jamie Dimon just used a sports metaphor to sum up the disaster looming with the next recession. It sounds a lot like Warren Buffett's 'swimming naked'

Source: Headlines from Oct. 18, 2022 and Oct. 19, 2022 articles in the Wall Street Journal and Fortune.

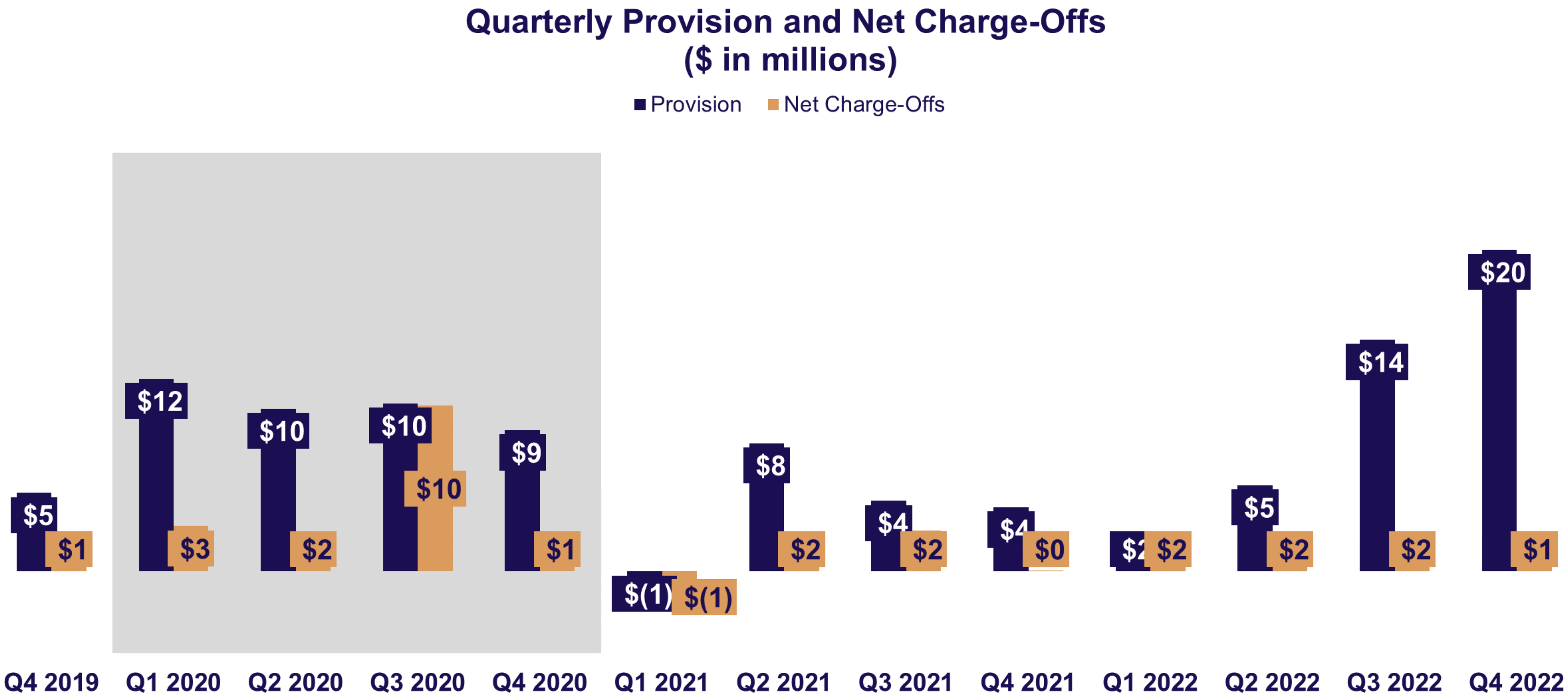
REGRESSION TO THE NORM



Shaded area represents quarters impacted by COVID-19.

1. Loans and leases at historical cost only (excludes loans measured at fair value).

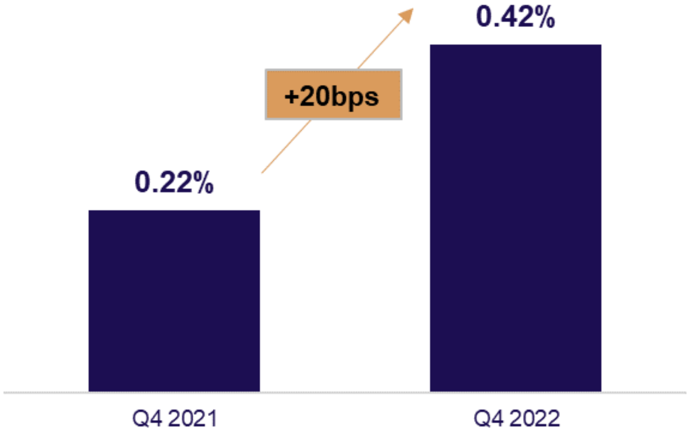
REGRESSION TO THE NORM



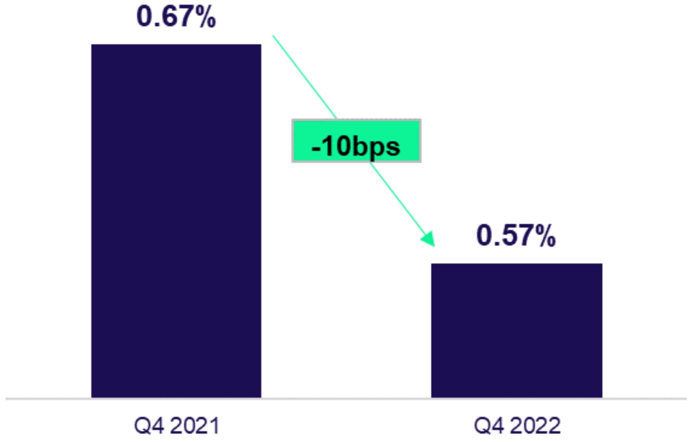
Shaded area represents quarters impacted by COVID-19

CREDIT TRENDS GENERALLY POSITIVE

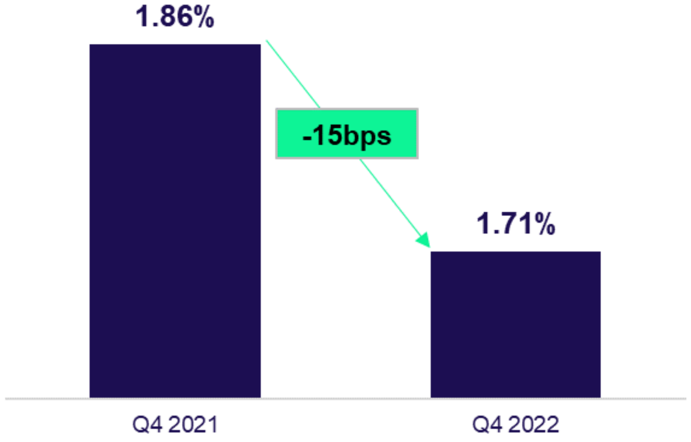
Over 30 Day Past Dues (Still accruing)



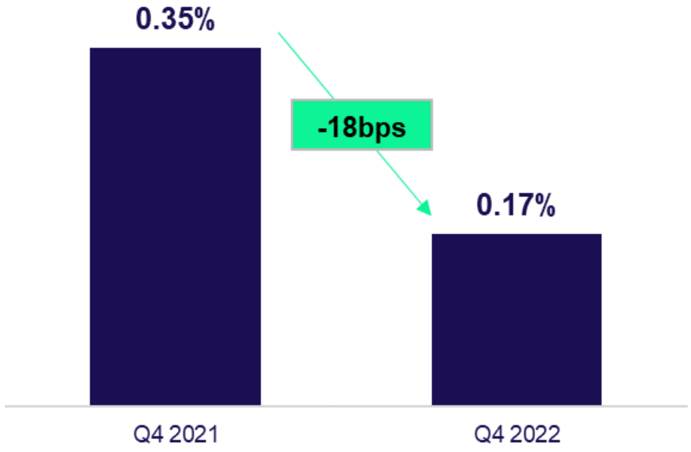
Nonaccruals



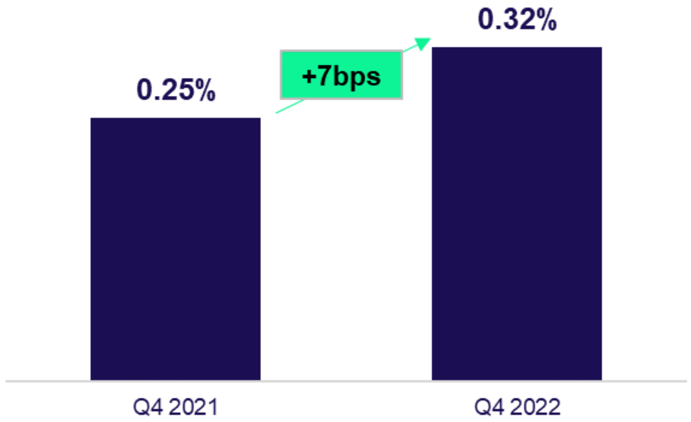
Classified[1]



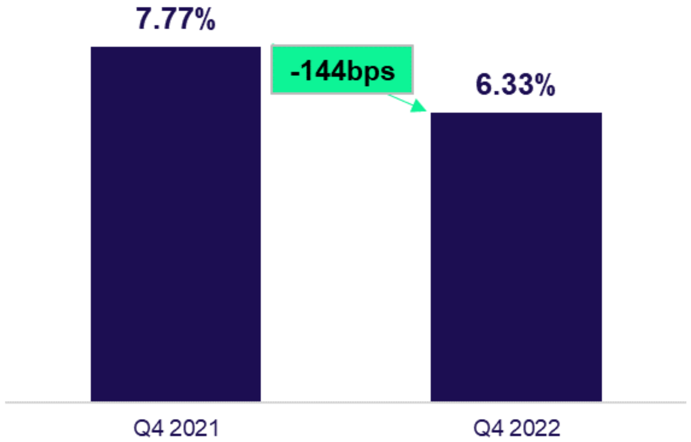
Over 90 Day Past Dues



Nonaccruals (Still paying as agreed)



Classified & Criticized[1,2]



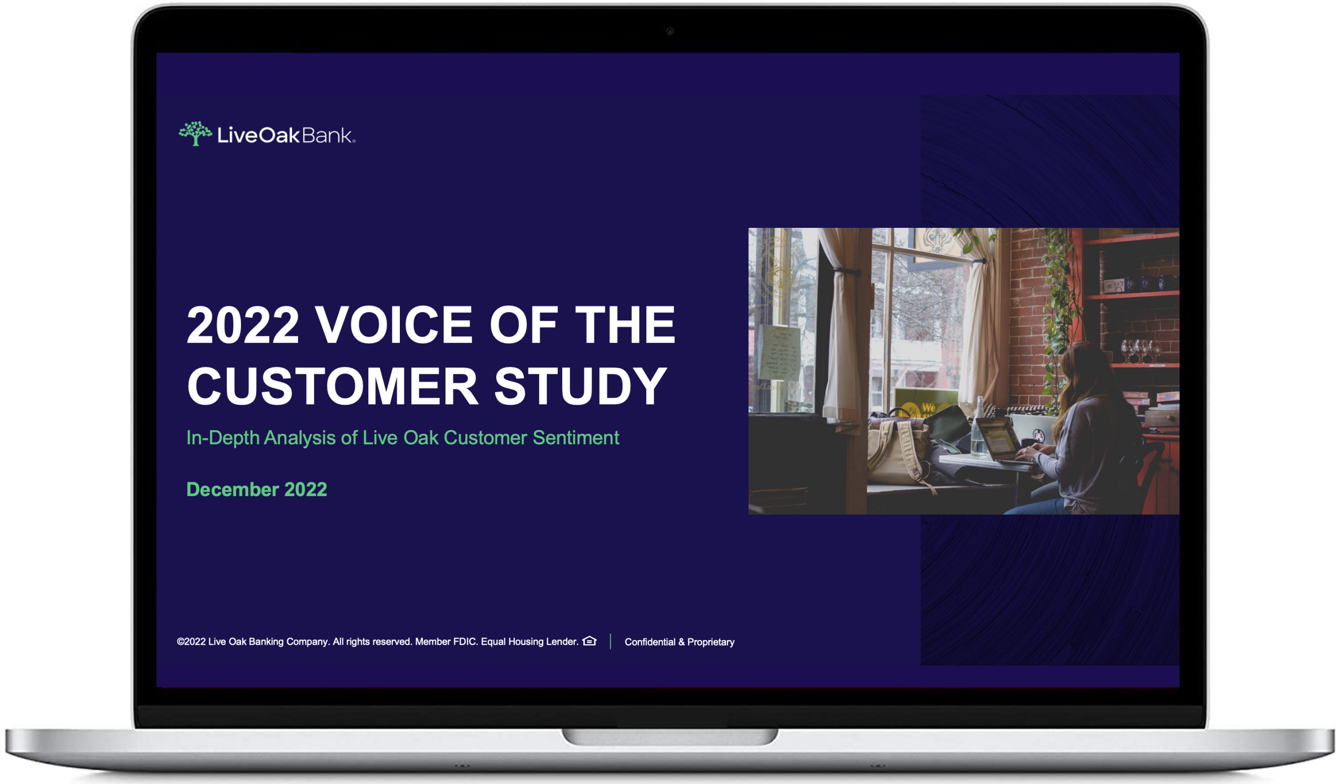
Ratios use total HFI unguaranteed loans and leases at amortized cost (inclusive of loans and leases at fair value and historical cost).
1. Classified includes loans and leases rated a risk grade 6 or higher. | 2. Criticized includes loans and leases rated a risk grade 5.

THE VOICE OF OUR CUSTOMERS

2022 Survey of Live Oak Customers Shows Continued Confidence

Live Oak Research shows our customers:

- Are optimistic (despite challenges)
- 60% believe it is a good time to expand
- 25% will look for capital for growth
- Are open to transition with 25% anticipating a change in ownership of their company over the next 5 years



Source: Live Oak 2022 Voice of the Customer Survey (Powered by Barlow Research)

QUARTER HIGHLIGHTS

2022 LIVE OAK HIGHLIGHTS

Our Path to Becoming America's Small Business Bank

$3.92	16%	31%	3.87%	$4.0B	24%	12%
FY 2022 Diluted EPS	Adjusted Total Revenue[1] Growth YoY	Adjusted Net Interest Income[1] Growth YoY	Net Interest Margin	FY 2022 Loan Production	Loan Growth[2] YoY	TBV[1] Growth YoY

VERTICALITY

Differentiated lending model dedicated to small businesses

Strong, Profitable Lending Production

- Record loan production of $4B
- Broad-based strength across Small Business and Specialty Finance verticals
- 46% SBA | 48% Conventional | 6% Other

Credit Quality Excellent

- 0.14% NCOs[3]
- 0.27% Unguaranteed NPLs[4]

SCALABILITY

Building the moat

Business Momentum

- Business savings deposits crossed $1 billion
- 39 net new lenders

Team Growth

- 176 net new FTEs in 2022; 22% increase
- 31% in technology
- Retention remains strong at 93% in 2022

Loan Origination & Servicing Platform Upgrade

- CX enhancements
- Infrastructure enhancements
- Productivity enhancement

OPTIONALITY

Value creation through industry disruption

Live Oak Ventures

- Realized $120M gain on Finxact investment
- Realized $28M gain on Payrailz investment
- Canapi Fund II launched

Embedded Banking

- Developer portal
- Expanded partnerships

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances. | 2. Excluding PPP. | 3. Annual net charge-offs as a percentage of annual average loans and leases held for investment carried at historical cost. | 4. 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.

2022 ADJUSTED EARNINGS HIGHLIGHTS

	$ in millions	Reported FY 2022	Adjustments[1]	Adjusted FY 2022[1]	FY 2022 change vs. FY 2021
	Net interest income	$ 328	$ (7)	$ 321	31%
	Noninterest income	238	(130)	108	(13)%
a	Total revenue	565	(137)	428	16%
b	Noninterest expense	314	(32)	282	28%
a-b	PPNR	251	(105)	146	(2)%
	Provision for credit losses	41	—	41	169%
	Net income before tax	210	(105)	105	(22)%

	FY 2022	FY 2022 change vs. FY 2021
Net interest margin	3.87%	1 bp
Efficiency ratio	55.6%	502 bps
Loan and lease originations, excluding PPP	$ 4,008	2%
Total loan and lease portfolio, excluding PPP[1]	7,886	24%
Total deposits	8,885	25%

2022 Adjustments Summary[1]

Net Interest Income

- PPP-related impacts ($6.7MM)

Noninterest Income

- Loan servicing asset revaluation ($16.6MM)
- Other fair value adjustments ($1.5MM)
- Noncash net losses from investments in venture funds ($0.3MM)
- Net gains from fintech activities ($145.7MM)

Noninterest Expense

- Bonus related to fintech investment gains ($10.5MM)
- Charitable giving related to fintech investment gains ($5.0MM)
- Renewable energy tax credit impairment ($16.2MM)

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

LIVE OAK Q4 22 HIGHLIGHTS

Our Path to Becoming America's Small Business Bank

$0.04	4%	3.76%	7%	$1.2B	1%
Diluted EPS	Adjusted Net Interest Income[1] Growth LQ	Net Interest Margin	Loan Growth[2] LQ	Q4 Loan Production	TBV[1] Growth LQ

VERTICALITY	SCALABILITY	OPTIONALITY
Differentiated lending model dedicated to small businesses	Building the moat	Value creation through industry disruption

VERTICALITY

Strong, Profitable Lending Production

- $1.2 billion in production
  - 42% SBA | 50% Conventional | 8% Other
  - Pipeline is healthy
- $144 million of guaranteed loans sold for $7 million gain

Credit Quality Excellent

- Criticized and classified loans, and past dues, trending closer to pre-pandemic levels
- Non-accruals remain low
- Net charge offs also low at 0.09%[3]

SCALABILITY

Loan Origination & Servicing Platform Upgrade

- CX enhancements
- Infrastructure enhancements
- Productivity enhancement

Deposit Momentum

- Business savings up 19%
- Business checking enhancements

OPTIONALITY

Embedded Banking

- Developer portal

1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances. | 2. Excluding PPP. | 3. Quarterly net charge-offs as a percentage of quarterly average loans and leases held for investment carried at historical cost, annualized.

Q4 22 ADJUSTED EARNINGS HIGHLIGHTS

Balance Sheet and NII Growth Healthy

	$ in millions	Reported Q4 2022	Adjustments[1]	Adjusted Q4 2022[1]	Adjusted Q4 2022 change vs. Adj Q3 2022	Adjusted Q4 2022 change vs. Adj Q4 2021
	Net interest income	$ 86	$ —	$ 86	4%	22%
	Noninterest income	19	4	24	(14)%	(34)%
a	Total revenue	105	5	109	(1)%	3%
b	Noninterest expense	85	(8)	76	5%	28%
a-b	PPNR	20	13	33	(12)%	(29)%
	Provision for credit losses	20	—	20	39%	404%
	Net income before tax	1	13	13	(43)%	(69)%

	Q4 2022	Change from Q3 2022	Change from Q4 2021
Net interest margin	3.76%	(8) bps	(26) bps
Efficiency ratio[1]	69.7%	401 bps	1,352 bps
Common equity tier 1 capital	12.5 %	(5)%	1%
TBV per share[1]	$ 18.32	1%	12%
Loan and lease originations, excluding PPP	$ 1,178	17%	9%
Total loan and lease portfolio, excluding PPP[1]	7,886	7%	24%
Total deposits	8,885	6%	25%

Q4 22 Adjustments Summary[1]

Net Interest Income

- PPP-related impacts ($0.2MM)

Noninterest Income

- Loan servicing asset revaluation ($5.0MM)
- Other fair value adjustments ($1.1MM)
- Noncash net losses from investments in venture funds ($0.1MM)
- Losses from fintech activities ($0.4MM)

Noninterest Expense

- Renewable energy tax credit impairment ($8.4MM)

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

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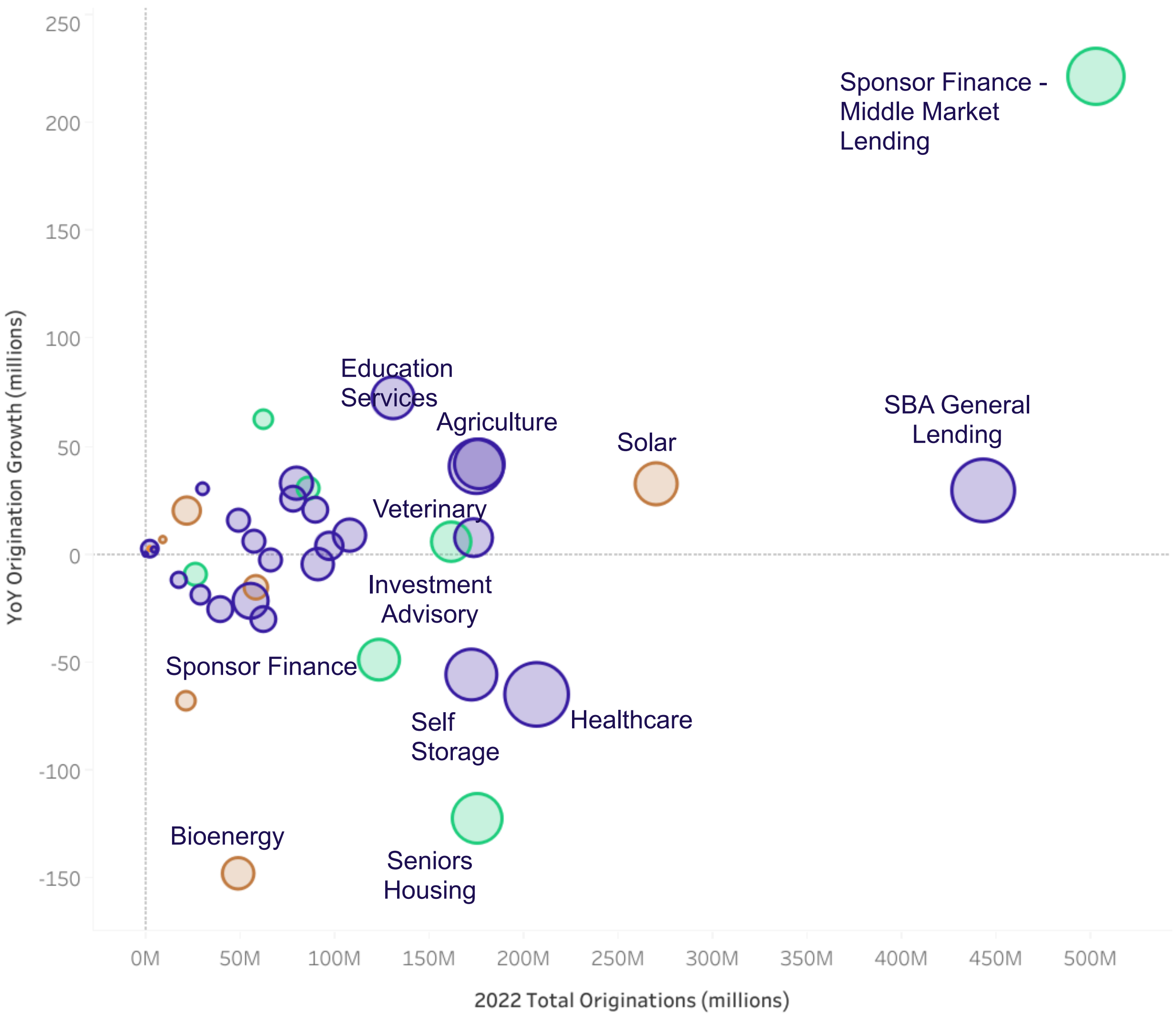
DIVERSIFICATION ACROSS THE PLATFORM



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

FY 2022 Production Mix by Business Unit (%)

61% **28%** **11%**

$ in millions	Q4 Loans Outstanding[1]	Q4 2022 Originations $	Q4 2022 Originations YoY % Change	FY 2022 Originations $	FY 2022 Originations YoY % Change[2]
Small Business Banking	$5,583	$605	(4)%	$2,439	5 %
Specialty Finance	1,517	367	19	1,139	14
Energy & Infrastructure	805	206	46	429	(29)

Lending Across 30+ Verticals

Accounting & Tax
Agriculture
Asset-Based Lending
Auto Dealerships
Automotive Care
Bioenergy
Broadband
Community Facilities
Dental
Education Services
Fitness Centers
Franchises
Franchise Restaurants
Funeral Home & Cemetery
Government Contracting
Hardware Stores
Healthcare
Home Care
HVAC & Plumbing Contractors
Inclusive Small Business
Insurance
Investment Advisory
Law Firms
Liquor Stores
Pharmacy
Professional Services Firms
Restoration, Remediation & Cleaning
RV Parks
SBA General Lending
Self Storage
Seniors Housing
Solar
Sponsor Finance
Venture Banking
Veterinary
Water & Wastewater Programs
Wine & Craft Beverage

1. Represents total loans and leases at amortized cost, excluding PPP loans (inclusive of loans and leases at fair value and historical cost).
2. Loan and lease originations, excluding PPP.

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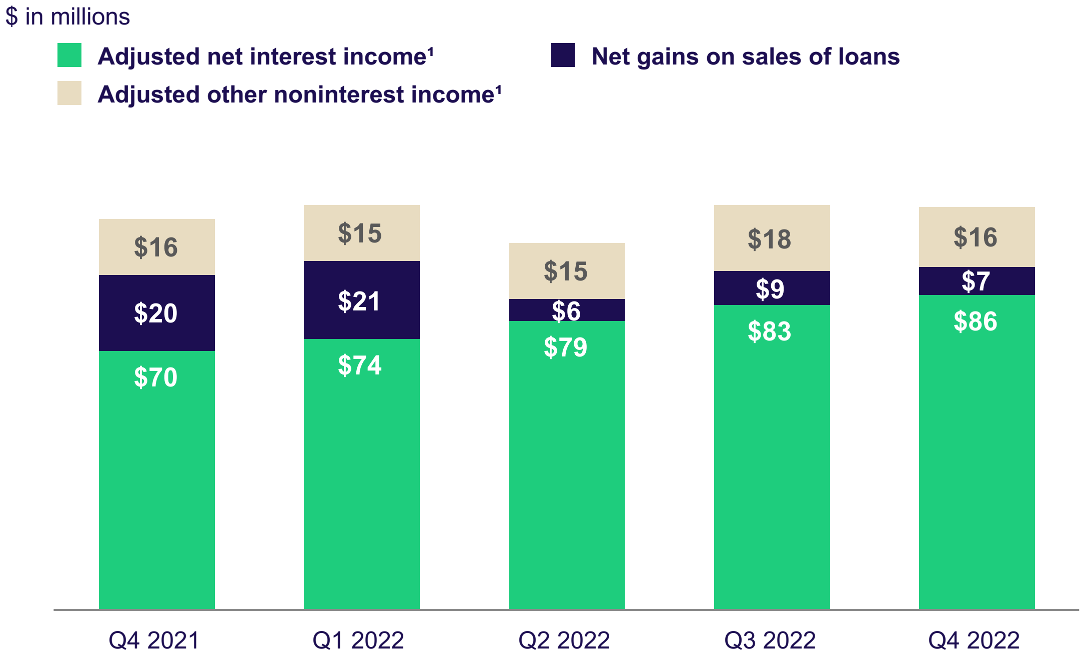
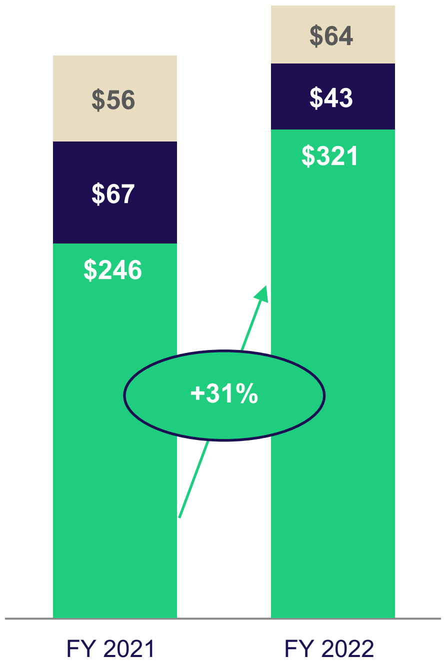
TOTAL REVENUE TRENDS

Strong Net Interest Income Growth on 7% LQ Loan Growth





Adjusted Total Revenue[1]

- Down **1%** linked quarter
- Up **3%** over Q4 2021
- Up **16%** year-over-year

Adjusted Net Interest Income[1]

- Up **4%** linked quarter
- Up **22%** over Q4 2021
- Up **31%** year-over-year

Net Gains on Sales of Loans

- Down **21%** linked quarter
- Down **64%** over Q4 2021
- Down **36%** year-over-year

$ in millions	**Q4 2021**	**Q1 2022**	**Q2 2022**	**Q3 2022**	**Q4 2022**	**FY 2021**	**FY 2022**
SBA Guaranteed Loans Sold	$167	$211	$50	$107	$144	$463	$513
USDA Guaranteed Loans Sold	$32	$9	$19	$41	$—	$205	$68
Total Guaranteed Loans Sold	**$199**	**$220**	**$69**	**$148**	**$144**	**$668**	**$581**
SBA Average Gain on Sale Premium	110%	110%	108%	108%	105%	109%	108%
USDA Average Gain on Sale Premium	113%	108%	107%	108%	—%	112%	108%
Total Average Gain on Sale Premium	**110%**	**109%**	**108%**	**108%**	**105%**	**110%**	**108%**

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

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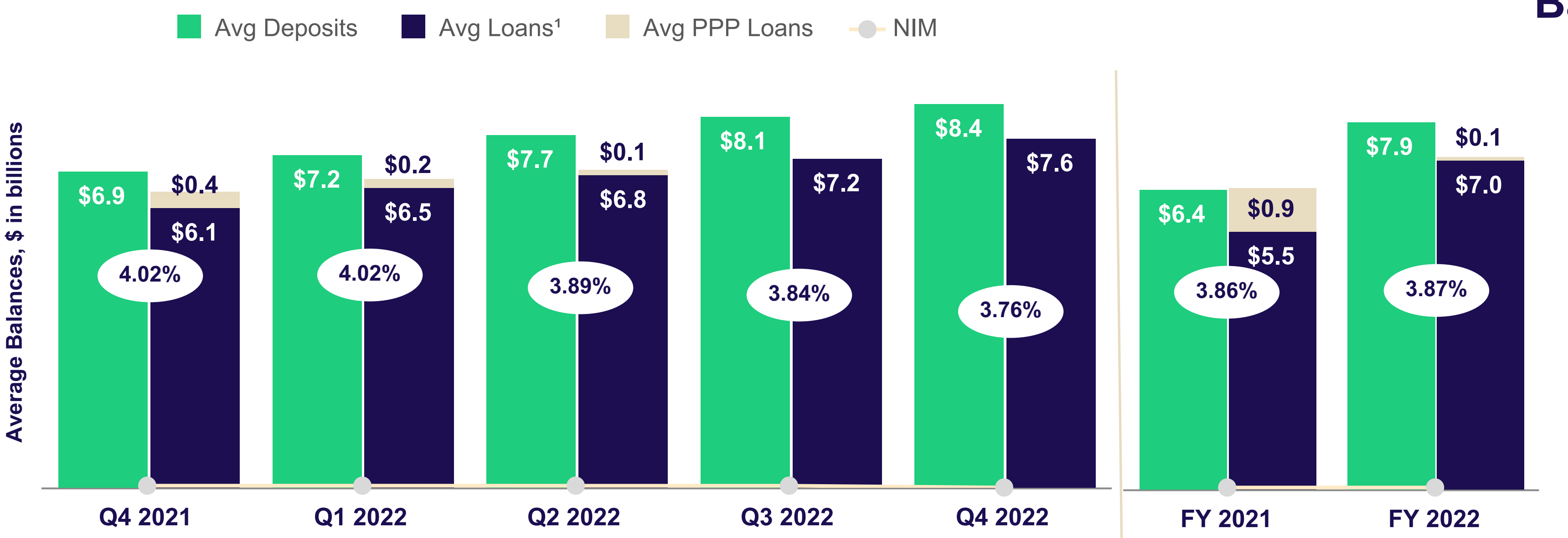
NET INTEREST MARGIN TRENDS

Margin Remains Resilient with Strong Growth Despite Rapidly Rising Interest Rates

Average Loans and Deposits



	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2021	FY 2022
Loan Yield[1]	5.27%	5.28%	5.46%	5.91%	6.61%	5.29%	5.85%
Deposit Cost	0.79%	0.80%	0.98%	1.55%	2.39%	0.92%	1.46%
Net Spread	4.48%	4.48%	4.48%	4.36%	4.22%	4.37%	4.39%

Balance Sheet Highlights

YoY avg loan growth[1] of **25%** (**~6%** QoQ)

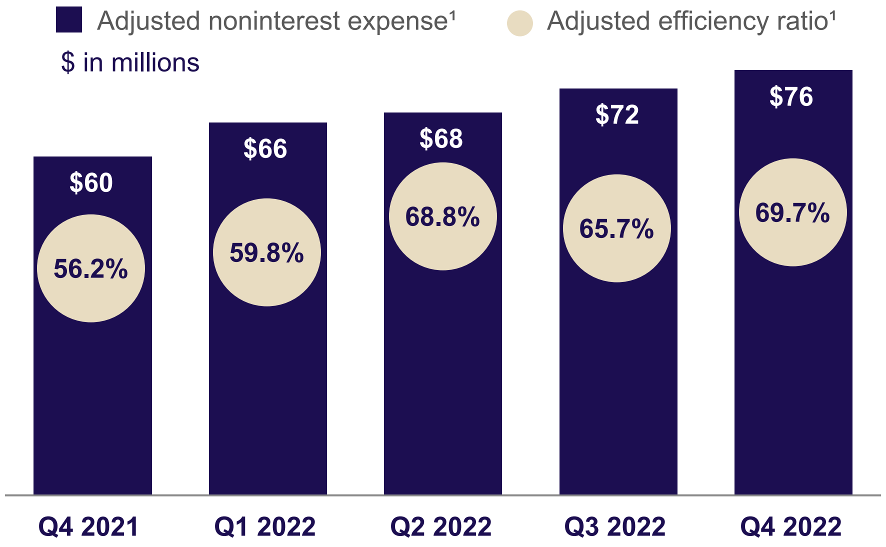
~40% of loans[1] are variable, primarily Prime. Rate increased 125bps on January 1

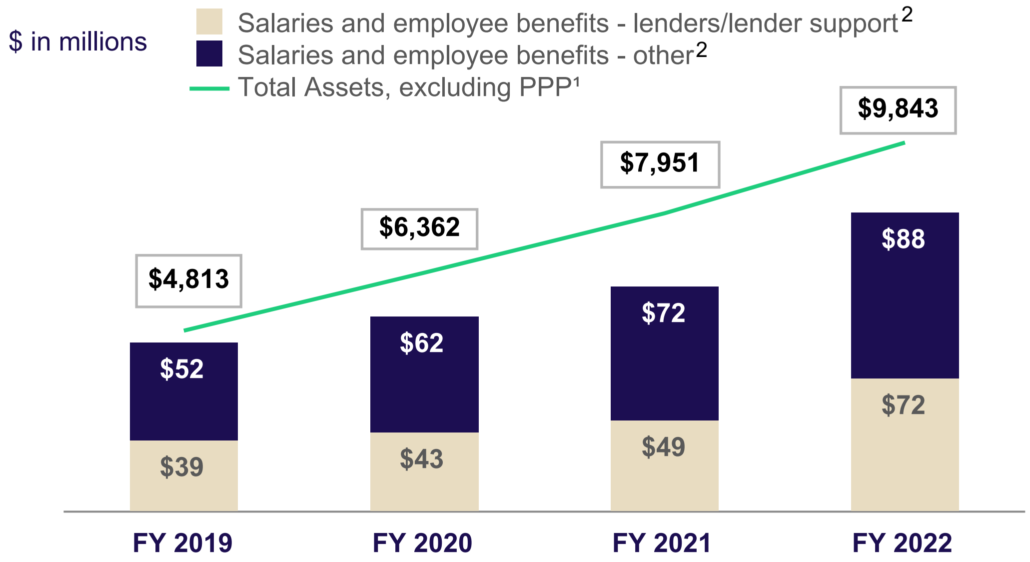
Q4 2022 remained strong, aided by:

- Prime based loans repriced upwards by 150bps on October 1
- Pricing discipline on lending front
- Cost of funds management
- Year over year net spread and net interest margin stability

1. Excludes PPP.

SLOWING PACE OF EXPENSE GROWTH





- Adjusted expenses up 5% LQ, 27% vs Q4 2021
- FTEs up 3% since Q3 2022 and 22% since Q4 2021

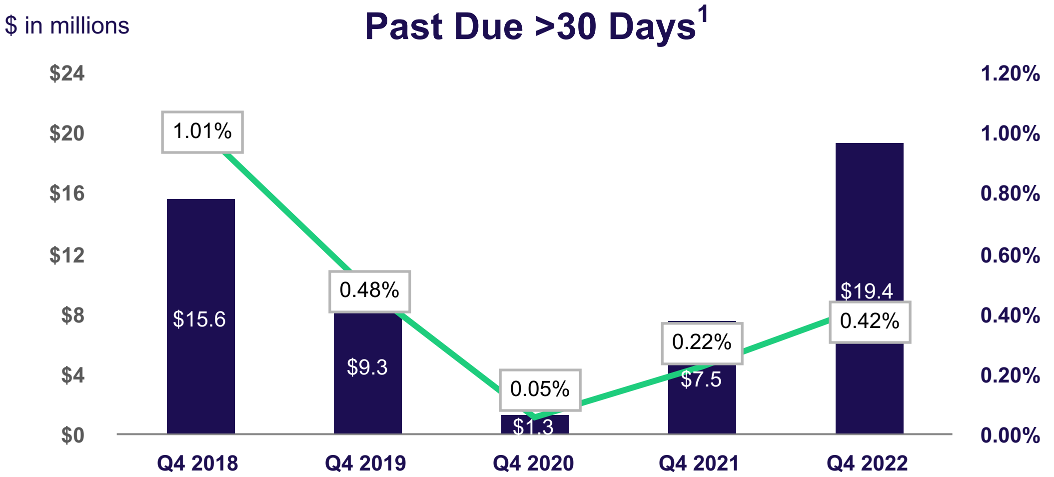
- Personnel expense growth in 2021-2022 driven by:
  - Balance sheet growth
  - Build out of technology team largely complete
- Expect expense growth to moderate yet will continue to opportunistically add lenders to our platform

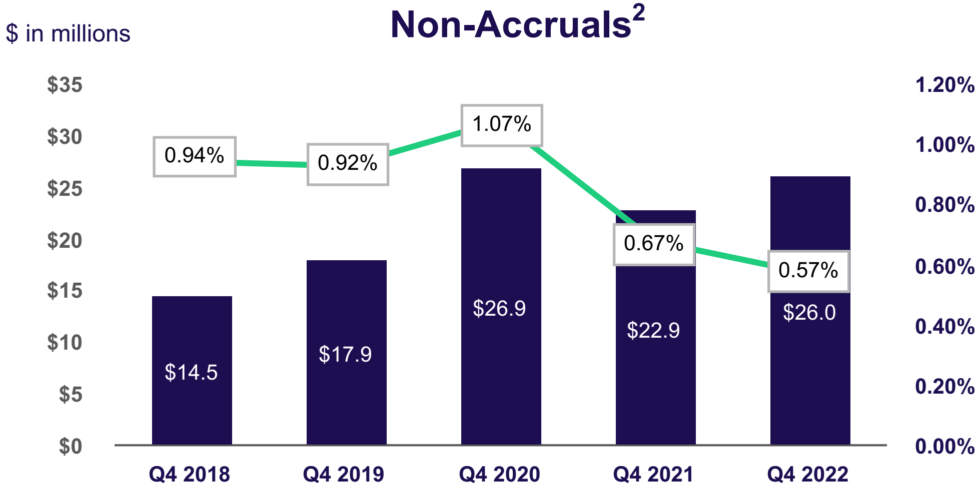
1. Adjusted Non-GAAP financial measures. See Appendix for reconciliation of non-GAAP items to reported balances.
2. Salaries and employee benefits exclude one-time bonuses paid to employees related to the Payroll Protection Program (2020), and Fintech gains (2021 & 2022).

CREDIT METRICS HEALTHY

Trends and Borrower Behavior Remain Stable and Solid; Not Taking Our Eyes off the Ball

- Q4 provision breakdown:
  - ~ 40% from loan growth
  - ~ 5% from net charge-offs
  - ~ 55% from portfolio, macroeconomic changes
- Specific reserve growth is related to a small number of relationships
- Trending to pre-pandemic ratios





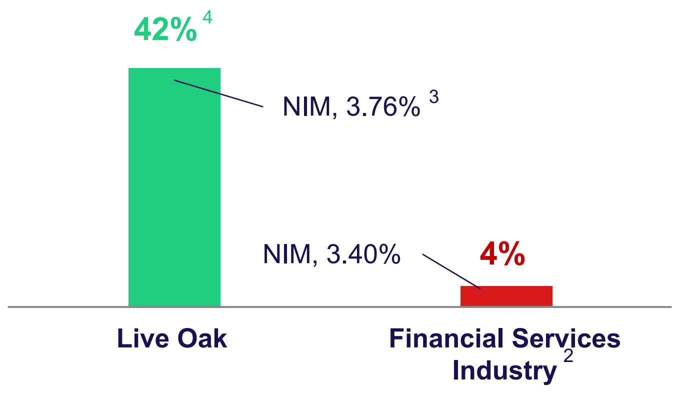
$ in millions	Q4 HFI Unguaranteed Balance	Past Due >30 Days[1]	Non-Accruals[2]	Net Charge Offs[3]
Small Business Banking	$2,616	0.71%	0.71%	(0.08%)
Specialty Finance	$1,381	0.06%	0.29%	0.41%
Energy & Infrastructure	$599	—%	0.57%	0.34%

1. Past due loans and leases include HFI unguaranteed loans and leases on accrual status 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. | 2. Non-accrual loans and leases include HFI unguaranteed loans and leases on non-accrual 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. Quarterly net charge offs as a percentage of HFI unguaranteed loans and leases at amortized cost exclusive of loans at fair value, annualized.

SOUNDNESS, PROFITABILITY & GROWTH IN THAT ORDER

- Since 2013, Live Oak has experienced 30 bps[5] loss rate on SBA loans originated compared to the SBA 7(a) program total loss rate of 389 bps[6]
- 42%[4] of loan and lease portfolio is government guaranteed, compared to 4%[2] for the financial services industry
- Live Oak's reserve to unguaranteed loans ratio averages ~2.0x above industry peers[1] since December 2019

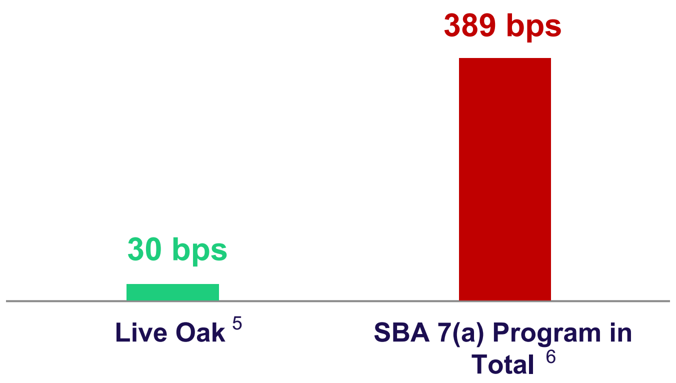
Percent of Loan Portfolio that is Government Guaranteed vs. NIM



~11x higher concentration of guaranteed loans on balance sheet

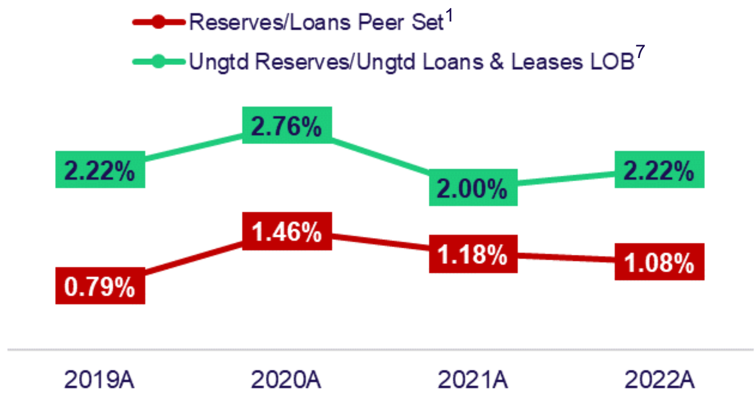
Live Oak’s NIM is **+36bps** above industry

Cumulative SBA 7(a) Loss Rate Since 2013



Live Oak loss rate since 2013 has been substantially less than SBA 7(a) program in total

Reserve / Loans since 2019



Live Oak's reserve to unguaranteed loan ratio averages **~2.0x** above industry

1. Peer set represents Mid Cap Banks that comprise the Regional Bank Index (KRX). | 2. From financial institution industry data. Government guarantee derived from that data by assuming reported loans and leases with a 0% and 20% risk-weighting are government guaranteed. Source is S&P Capital IQ as of September 30, 2022, including data for all Bank Holding Companies. | 3. Net Interest Margin as reported as of December 31, 2022. | 4. Total guaranteed loans and leases as of December 31, 2022, inclusive of $13.1 million of PPP outstanding balances. Excluding PPP, total guaranteed loans and leases / total loans and leases would also be 42%. | 5. Total SBA 7(a) net charge-offs (inclusive of those at fair value and historical cost) / Total SBA 7(a) originations from 2013 through Q4 2022. | 6. Derived from SBA guarantee payment data by assuming aggregate of all payments plus 25% (for unguaranteed portion) equate to total charge-off history. Source is SBA 7(a) Program data from September 30, 2022 SBA Loan Program Performance Report, includes charge-offs, guaranteed, and originations for the entire SBA 7(a) program. | 7. Loans and leases at historical cost only (excludes loans measured at fair value).

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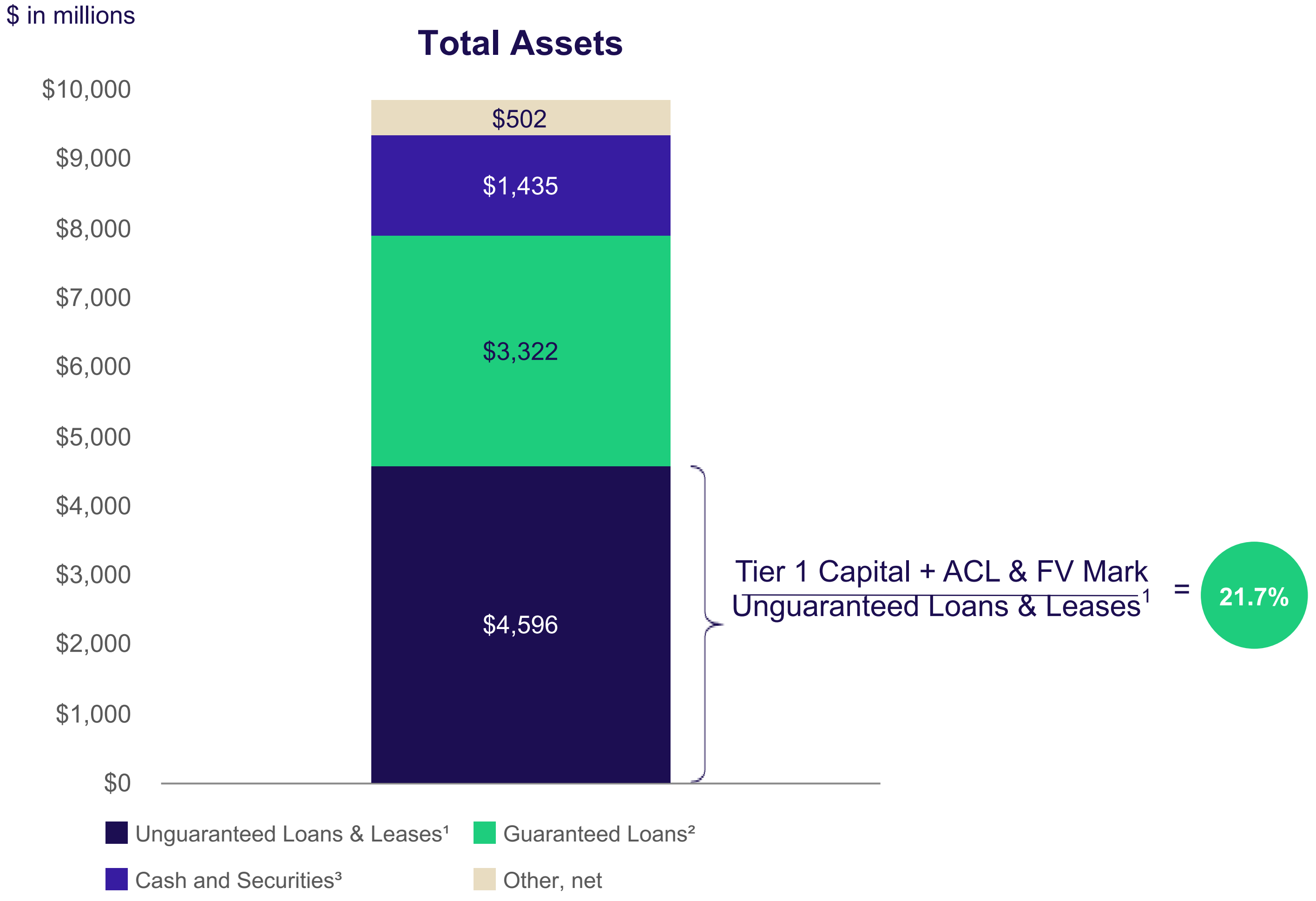
STRONG CAPITAL POSITIONING - THE MAHAN RATIO



Capital Ratios	Q4 2022
Common Equity Tier 1	12.5%
Total Capital	13.7%
Tier 1 Capital	12.5%
Tier 1 Leverage	9.3%

As of December 31, 2022	
Tier 1 Capital (a)	$888
ACL and FV Mark on Unguaranteed Loans and Leases (b)	$109
Total Unguaranteed Loans and Leases[1] (c)	$4,596
Tier 1 Capital to Unguaranteed Loans and Leases[1] (a/c)	**19.3%**
ACL and FV Mark to Unguaranteed Loans and Leases[1] (b/c)	**2.4%**

1. Represents total unguaranteed loans and leases at amortized cost (inclusive of loans and leases at fair value and historical cost).
2. Balance reflected is at amortized cost and includes $13.1 million in PPP loans.
3. Includes cash and due from banks, federal funds sold, certificates of deposit with other banks and investment securities available for sale.

OUTLOOK

2023 EXPECTATIONS

In Uncertain Times, Stay True to Our Guiding Principles

SAFETY & SOUNDNESS

- Stay close to existing borrowers
- Maintain conservative reserves
- Continue prudently providing capital to small businesses
- Maintain strong capital ratios and flexibility to support growth

PROFITABILITY

- Minimize "noise" in earnings
- Continued NIM resiliency
- Moderating expense growth will drive operating leverage
- Anticipate stronger secondary market in 2H but continue to reduce reliance on gain on sale

GROWTH

- Lending franchise will continue to drive healthy loan production
- Meaningful growth in net interest income
- Opportunistically grow lending team
- Deliver embedded banking platform and customers
- Continue to evaluate fintech investment opportunities

THE YEAR OF SMALL BUSINESS CHECKING

Augment market-based deposit platform with operating accounts to enhance liquidity

Reduce cost of funds through small business checking accounts

Deepen relationships and expand market presence with small business checking accounts

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APPENDIX

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 the status of Live Oak Banking Company 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 continuing 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 service providers operating in our market area and elsewhere, including providers 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;
- a deterioration of the credit rating for U.S. long-term sovereign debt, actions that the U.S. government may take to avoid exceeding the debt ceiling, and uncertainties surrounding the debt ceiling and the federal budget;
- changes in political and economic conditions;
- 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 the date as of which such statements are made.

APPENDIX: RECONCILIATION

Fintech Activities Impact on Consolidated Financials
($ in millions)

	Banking Activities	Apiture	Live Oak Ventures	Canapi Advisors	Fintech Activities	Other	Consolidated, as reported
Actuals for the year ended December 31, 2022							
Net interest income	$ 329.0	$ —	$ 0.1	$ —	$ 0.1	$ (1.6)	$ 327.5
Provision for credit losses	40.9	—	—	—	—	—	40.9
Noninterest income (loss)	80.6	(6.7)	151.0	10.7	155.0	2.4	238.0
Noninterest expense	296.9	—	0.6	8.8	9.4	7.9	314.2
Income (loss) before income tax expense	**$ 71.7**	$ (6.7)	$ 150.4	$ 2.0	**$ 145.7**	$ (7.1)	**$ 210.3**
Actuals for the quarter ended December 31, 2022							
Net interest income	$ 86.2	$ —	$ —	$ —	$ —	$ (0.3)	$ 85.9
Provision for credit losses	19.7	—	—	—	—	—	19.7
Noninterest income (loss)	16.2	(1.7)	0.3	3.6	2.2	0.7	19.1
Noninterest expense	80.2	—	0.1	2.5	2.6	1.7	84.6
Income (loss) before income tax expense	**$ 2.4**	$ (1.7)	$ 0.2	$ 1.1	**$ (0.4)**	$ (1.3)	**$ 0.7**
Actuals for the quarter ended September 30, 2022							
Net interest income	$ 84.2	$ —	$ —	$ —	$ —	$ (0.4)	$ 83.9
Provision for credit losses	14.2	—	—	—	—	—	14.2
Noninterest income (loss)	27.3	(1.8)	28.9	2.8	30.0	0.5	57.7
Noninterest expense	78.5	—	0.2	2.3	2.5	2.1	83.0
Income (loss) before income tax expense	**$ 18.9**	$ (1.8)	$ 28.7	$ 0.6	**$ 27.5**	$ (2.0)	**$ 44.4**
Actuals for the quarter ended June 30, 2022							
Net interest income	$ 80.4	$ —	$ —	$ —	$ —	$ (0.5)	$ 79.9
Provision for credit losses	5.3	—	—	—	—	—	5.3
Noninterest income (loss)	5.2	(1.9)	122.0	2.6	122.7	0.7	128.5
Noninterest expense	76.8	—	0.1	2.0	2.1	2.0	80.9
Income (loss) before income tax expense	**$ 3.5**	$ (1.9)	$ 121.9	$ 0.5	**$ 120.6**	$ (1.7)	**$ 122.3**
Actuals for the quarter ended March 31, 2022							
Net interest income	$ 78.2	$ —	$ —	$ —	$ —	$ (0.5)	$ 77.8
Provision for credit losses	1.8	—	—	—	—	—	1.8
Noninterest income (loss)	31.9	(1.3)	(0.2)	1.7	0.2	0.5	32.7
Noninterest expense	61.4	—	0.2	2.0	2.2	2.1	65.7
Income (loss) before income tax expense	**$ 46.9**	$ (1.3)	$ (0.4)	$ (0.2)	**$ (1.9)**	$ (2.1)	**$ 42.9**

APPENDIX: RECONCILIATION

Fintech Activities Impact on Consolidated Financials
($ in millions)

	Banking Activities	Apiture	Live Oak Ventures	Canapi Advisors	Fintech Activities	Other	Consolidated, as reported
Actuals for the year ended December 31, 2021							
Net interest income	$ 297.9	$ —	$ 0.1	$ 0.1	$ 0.2	$ (1.3)	$ 296.8
Provision for credit losses	15.2	—	—	—	0.0	—	15.2
Noninterest income (loss)	114.4	(3.1)	39.9	6.4	43.1	2.7	160.2
Noninterest expense	215.8	—	0.3	5.1	5.4	9.8	231.0
Income (loss) before income tax expense	**$ 181.2**	$ (3.1)	$ 39.6	$ 1.4	**$ 37.9**	$ (8.4)	**$ 210.8**
Actuals for the quarter ended December 31, 2021							
Net interest income	$ 78.0	$ —	$ 0.1	$ —	$ 0.1	$ (0.4)	$ 77.6
Provision for credit losses	3.9	—	—	—	—	—	3.9
Noninterest income (loss)	31.9	(0.6)	(0.1)	1.5	0.8	1.1	33.8
Noninterest expense	56.9	—	—	2.0	2.0	0.7	59.7
Income (loss) before income tax expense	**$ 49.0**	$ (0.6)	$ (0.1)	$ (0.5)	**$ (1.2)**	$ (0.1)	**$ 47.8**

APPENDIX: RECONCILIATION

Reconciliation to reported balances *($ in millions)*	Q4 2020	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Loans held for sale, as reported	**$ 1,175.5**	**$ 1,116.5**	**$ 1,028.6**	**$ 1,199.7**	**$ 537.6**	**$ 554.6**
Loans and leases held for investment, as reported	**5,144.9**	**5,521.3**	**5,738.2**	**5,860.2**	**6,853.4**	**7,344.2**
Less PPP loans, net	1,498.6	261.9	130.8	61.4	23.9	12.9
Total loan and lease portfolio, excluding PPP	**4,821.8**	**6,375.9**	**6,636.1**	**6,998.6**	**7,367.2**	**7,885.9**
Outstanding balance of loans sold & serviced	**3,205.6**	**3,298.8**	**3,381.9**	**3,329.6**	**3,345.9**	**3,481.9**
Managed portfolio, excluding PPP	**8,027.4**	**9,674.7**	**10,017.9**	**10,328.2**	**10,713.1**	**11,367.8**
Total assets, as reported	**$ 7,872.3**	**$ 8,213.4**	**$ 8,620.0**	**$ 9,120.9**	**$ 9,314.7**	**$ 9,855.5**
PPP-related activities:						
Cash and cash receivable	3.3	0.1	0.0	0.0	0.0	0.0
Loans, net of unearned	1,498.6	261.9	130.8	61.4	23.9	12.9
Allowance for credit losses	(2.3)	(2.4)	(2.2)	(0.1)	0.0	0.0
Accrued interest receivable	10.6	2.7	1.6	0.8	0.1	0.0
Total adjustments for PPP activities	1,510.2	262.2	130.2	62.1	24.0	12.9
Total Assets, as adjusted to exclude PPP	**$ 6,362.1**	**$ 7,951.2**	**$ 8,489.7**	**$ 9,058.8**	**$ 9,290.6**	**$ 9,842.6**

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APPENDIX: RECONCILIATION

	Reconciliation of non-GAAP items to reported balances *($ in millions)*	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2021	FY 2022
	Net interest income, as reported	$ 77.6	$ 77.8	$ 79.9	$ 83.9	$ 85.9	$ 296.8	$ 327.5
	Less PPP loan interest income	0.8	0.5	0.2	0.1	0.0	9.4	0.7
	Less PPP loan deferred fees & costs amortized into interest income, net	6.7	3.8	1.1	1.1	0.2	46.0	6.3
	Add estimated interest expense on funding activity to support PPP activities	0.3	0.2	0.1	—	—	4.3	0.3
a	**Adjusted net interest income**	**70.5**	**73.7**	**78.7**	**82.7**	**85.7**	**245.7**	**320.8**
	Total noninterest income, as reported	**33.8**	**32.7**	**128.5**	**57.7**	**19.1**	**160.2**	**238.0**
	Fair value adjustments:							
	Add loan servicing asset revaluation loss	4.2	1.6	8.7	1.3	5.0	11.7	16.6
	Add net loss (gain) on loans accounted for under the fair value option	0.1	(0.5)	4.5	(4.4)	(0.6)	(4.3)	(1.0)
	Add other (gains) losses on valuation adjustments[1]	—	0.1	0.0	(0.1)	(0.5)	(1.0)	(0.5)
	Total fair value adjustments	4.2	1.1	13.1	(3.2)	3.9	6.5	15.0
	Less gain on sale of aircraft	—	—	—	—	—	0.1	—
	Add (subtract) noncash (gains) losses from investments in venture funds	(3.4)	0.4	(0.4)	0.2	0.1	(5.3)	0.3
	Add losses (gains) from FinTech Activities[2]	1.2	1.9	(120.6)	(27.5)	0.4	(37.9)	(145.7)
b	**Adjusted noninterest income**	**35.8**	**36.1**	**20.7**	**27.3**	**23.5**	**123.3**	**107.6**
a+b	**Adjusted total revenue**	**106.2**	**109.8**	**99.4**	**110.0**	**109.2**	**369.0**	**428.4**
	Total noninterest expense, as reported	**59.7**	**65.7**	**80.9**	**83.0**	**84.6**	**231.0**	**314.2**
	Less bonus related to FinTech investment gains	—	—	7.5	3.0	—	4.0	10.5
	Less charitable giving related to FinTech investment gains	—	—	5.0	—	—	—	5.0
	Less renewable energy tax credit impairment	—	—	0.1	7.7	8.4	3.1	16.2
	Less renewable energy tax credit lease receivable impairment	—	—	—	—	—	0.9	—
	Less compensation and payroll taxes related to restricted stock awards with market price conditions[3]	—	—	—	—	—	4.4	—
	Add deferred salary expense related to PPP activities	—	—	—	—	—	(1.4)	—
	Adjusted noninterest expense	**59.7**	**65.7**	**68.3**	**72.3**	**76.1**	**220.0**	**282.5**
	Adjusted net interest income	70.5	73.7	78.7	82.7	85.7	245.7	320.8
	Adjusted noninterest income	35.8	36.1	20.7	27.3	23.5	123.3	107.6
	Adjusted noninterest expense	59.7	65.7	68.3	72.3	76.1	220.0	282.5
c	**Adjusted PPNR**	**46.5**	**44.1**	**31.0**	**37.7**	**33.0**	**149.0**	**145.9**
d	Provision for loan and lease credit losses, as reported	3.9	1.8	5.3	14.2	19.7	15.2	40.9
c-d	**Adjusted net income before tax**	**$ 42.6**	**$ 42.3**	**$ 25.8**	**$ 23.5**	**$ 13.4**	**$ 133.8**	**$ 104.9**

1.Includes valuation adjustments related to equity security investments, equity warrant assets, and foreclosed assets | 2.See Appendix "FinTech Activities Impact on Consolidated Financials."

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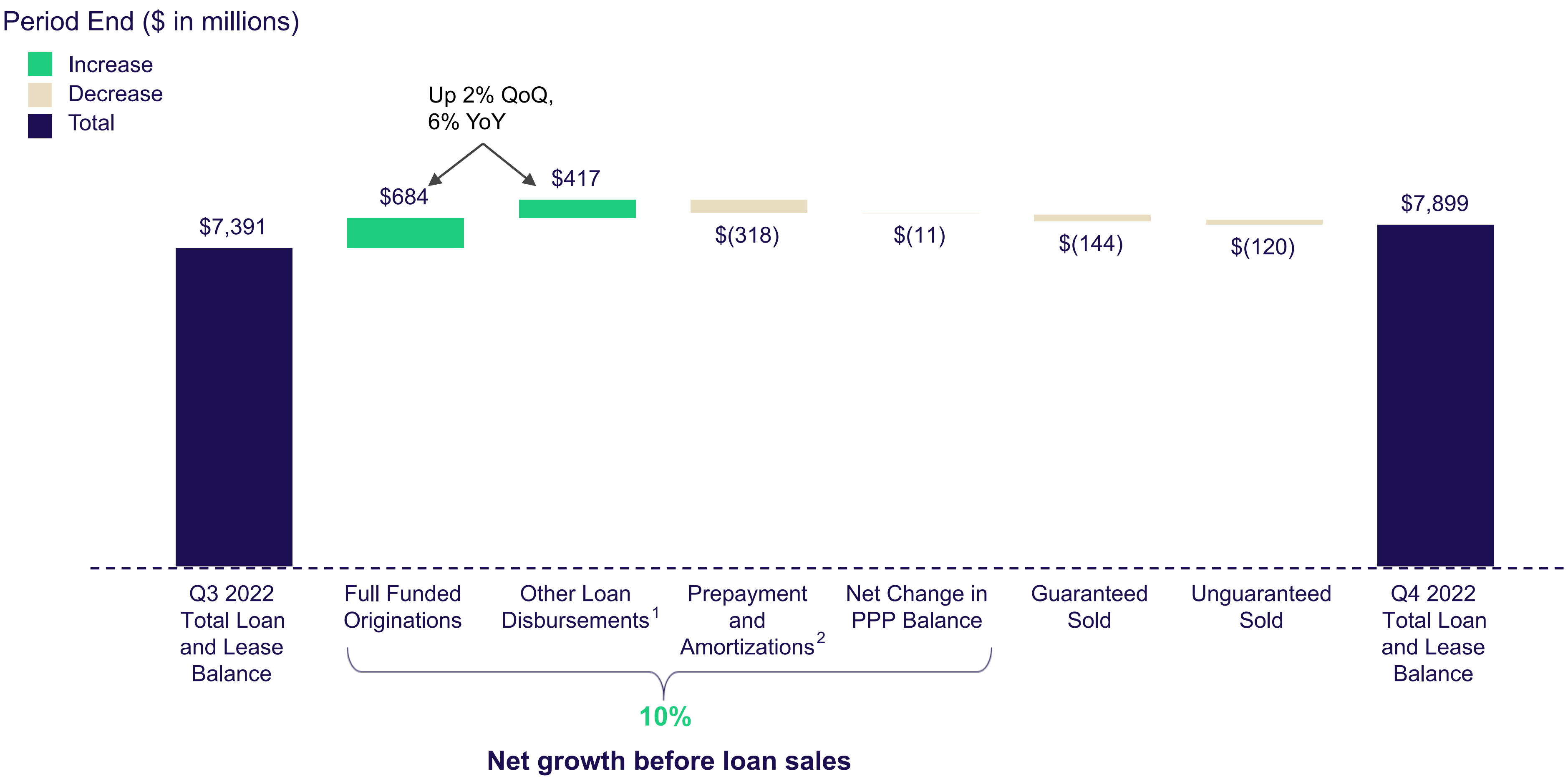
APPENDIX: RECONCILIATION

	($ in millions)	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
	Total shareholders' equity	$ 715.1	$ 713.3	$ 791.7	$ 802.2	$ 811.0
	Less:					
	Goodwill	1.8	1.8	1.8	1.8	1.8
	Other intangible assets	2.0	2.0	2.0	1.9	1.9
a	Tangible shareholders' equity	711.3	709.5	787.9	798.5	807.4
b	Shares outstanding	43,619,070	43,787,660	43,854,011	43,981,350	44,061,244
a/b	**TBV (Tangible Book Value) per share**	$ 16.31	$ 16.20	$ 17.97	$ 18.15	$ 18.32

($ in millions)	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Efficiency Ratio					
Noninterest expense	$ 59.7	$ 65.7	$ 80.9	$ 83.0	$ 84.6
Net interest income	77.6	77.8	79.9	83.9	85.9
Noninterest income	33.8	32.7	128.5	57.7	19.1
Less: gain on sale of securities	—	—	—	—	—
Adjusted operating revenue	111.4	110.4	208.5	141.6	105.0
Efficiency Ratio	**53.6%**	**59.5%**	**38.8%**	**58.6%**	**80.6%**
Efficiency ratio adjusted for non-GAAP activities					
Adjusted noninterest expense	$ 59.7	$ 65.7	$ 68.3	$ 72.3	$ 76.1
Adjusted net interest income	70.5	73.7	78.7	82.7	85.7
Adjusted noninterest income	35.8	36.1	20.7	27.3	23.5
Adjusted efficiency ratio	**56.2%**	**59.8%**	**68.8%**	**65.7%**	**69.7%**

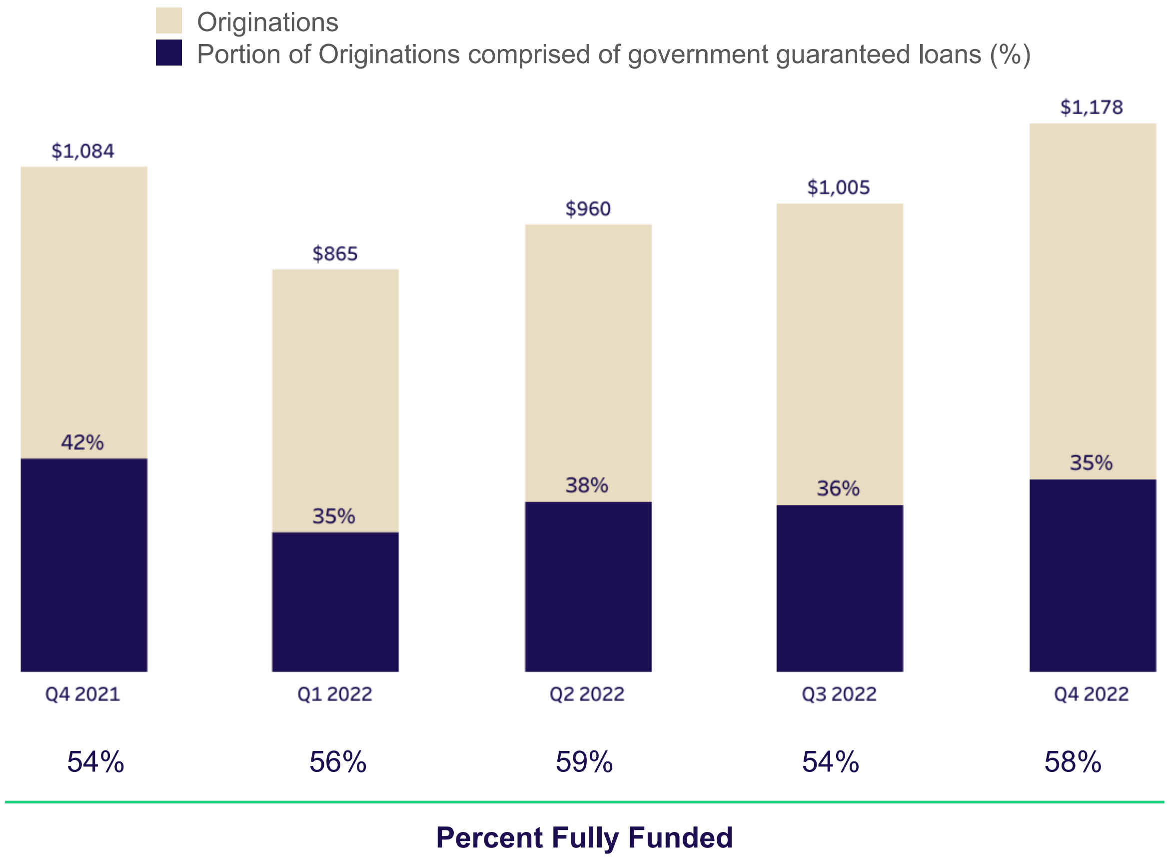
APPENDIX: PRODUCTION AND NET ASSET GROWTH

7% Loan Growth LQ; 10% 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

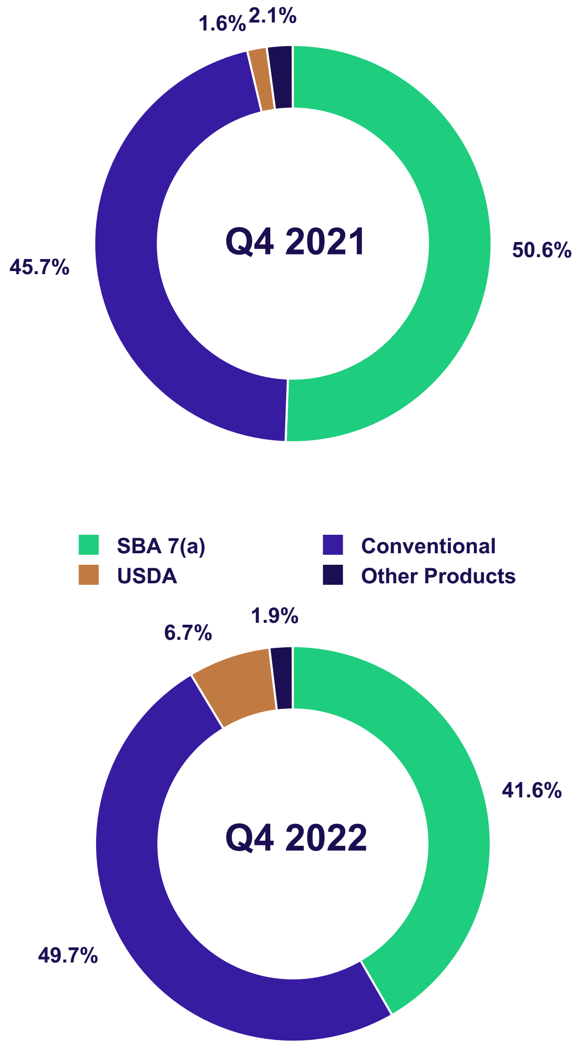
APPENDIX: Q4 LOAN ORIGINATIONS[1]



Q4 Originations[1] (in millions)	
2018	$499
2019	$524
2020	$808
2021	$1,084
2022	$1,178

24%

CAGR Q4 2018 to Q4 2022



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

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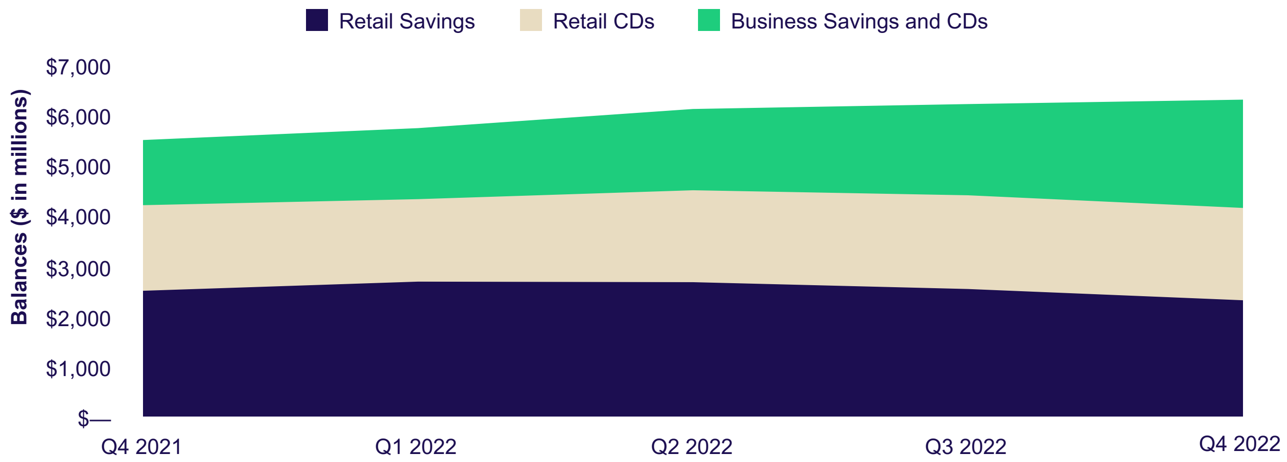
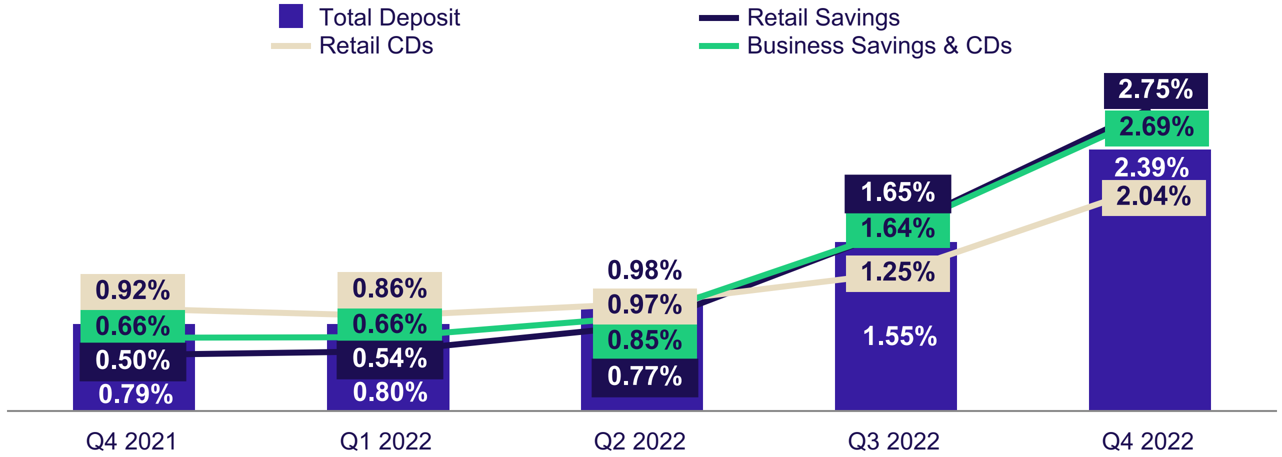
APPENDIX: DEPOSIT PLATFORM

Low Delivery Costs, Healthy Retention & Continued Growth

Total Deposits Growth[1]



Cost of Funds



$2.2B
Business Savings & CDs up 66% YoY

$1.8B
Retail CDs up 8% YoY

$2.3B
Retail Savings down 8% YoY

1. Excludes brokered CDs and CDARs.

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APPENDIX: TALENT

Adding Revenue-Generating Lenders to the Team

2018-2022 Total Lenders

	2018	2019	2020	2021	2022
Net New Lenders	11	28	10	23	39

Verticals Added

2018
- Service Contractors
- Broadband
- Fitness Centers
- Quick Serve Restaurants
- Bioenergy
- Water & Environmental Programs
- SBA General Lending

2019
- Sponsor Finance
- Venture Banking
- Restoration
- General Franchises

2020
- Seniors Housing

2021
- RV Parks
- Hardware stores

2022
- Law firms
- Pest control
- Managed service providers

111
Lenders added from 2018-Present

17
Verticals added from 2018-Present

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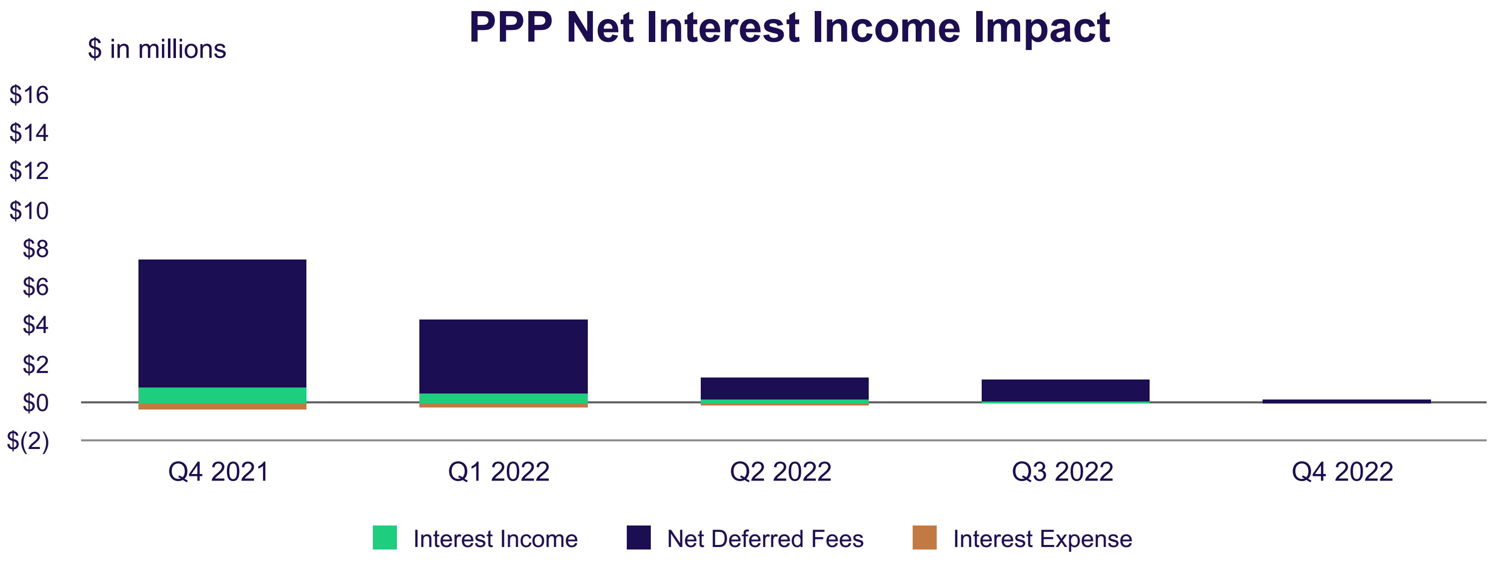
APPENDIX: PPP

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



$10.6 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

$2.3 billion PPP Loans Forgiven/ Paid Down

$80.1 million Net Deferred Fees Recognized

$13.1 million PPP Loan Balance Remaining

$0.2 million Net Deferred Fees Remaining

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APPENDIX: EVOLUTION OF FINTECH INVESTING

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

LIVE OAK VENTURES

Direct Investment

Apiture[1*]
Savana*
DefenseStorm*
Greenlight
Kwipped
Philanthropi*
Able*
Vantaca
AgencyKPI
Asset Class
Uplinq*

CANAPI

Advisor and LP Investor in Fund I

Nova
Co-led Series B

Moov*
Seed + Series A
Series B

Laika
Led Series A
Series B
Series C

Neuro-ID
Series A

Capitalize
Led Series A

Able
Led Seed
Led Series A

Blooma
Led Seed A

Orum*
Co-Led Series B

Peach
Led Series A

Posh
Leading Series A

Alloy*
Led Series B + C

Built*
Series B
Series C
Series D

Notarize*
Led Series D

Blend
Led Series F

Greenlight
Co-Led Series C
Series D

MX*
Series C

Capitolis
Co-Lead Series D

Middesk
Series B

CANAPI CONTINUED

Fund II

Codat
Series C

Asset Class
Led Series A

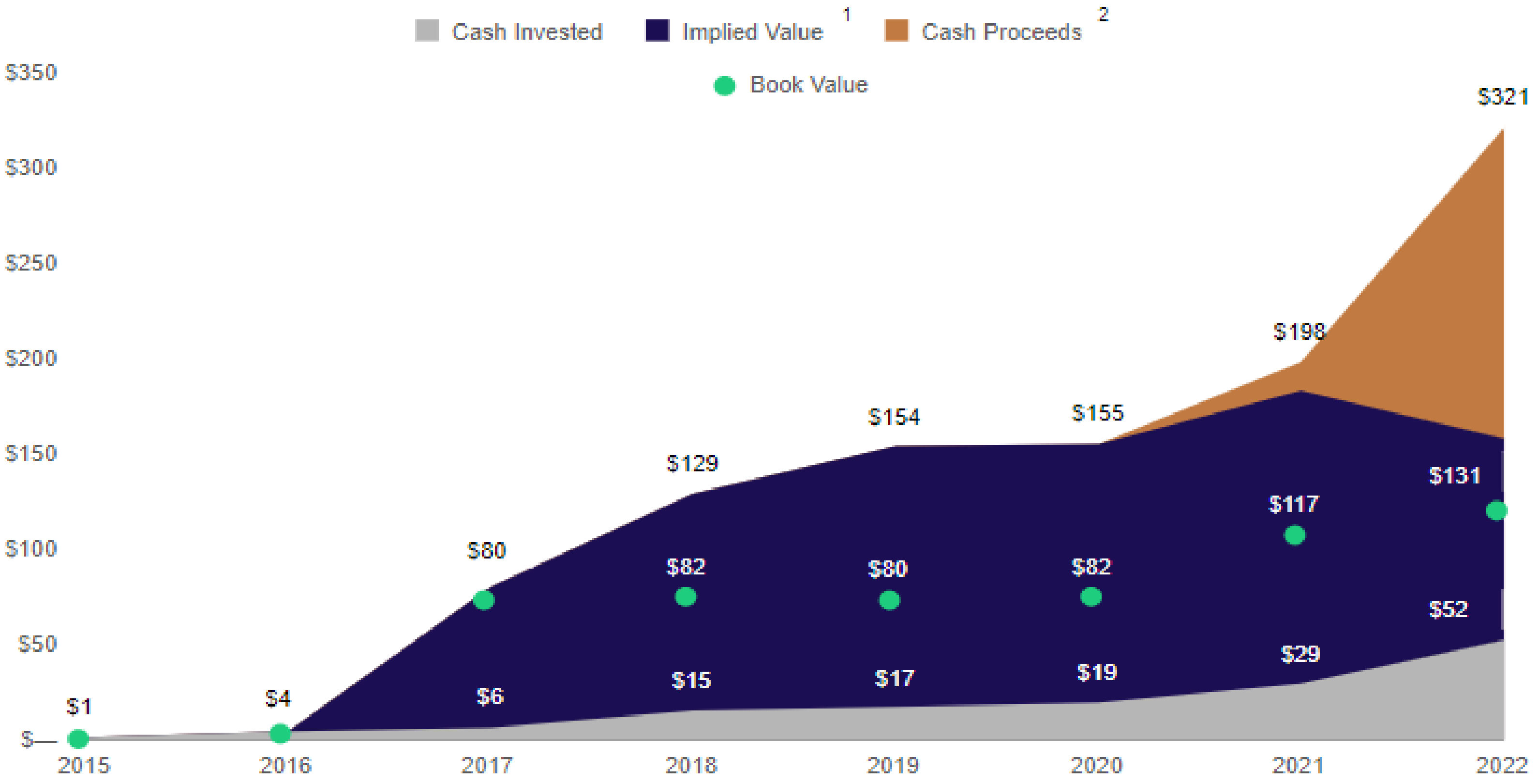
MakersHub
Seed

Elpha Secure
Led Series A

1. Apiture is a direct investment by Live Oak Bank.
*Companies Live Oak Bank is currently in production or discussions.

LiveOak BANCSHARES

OUTSIZED VENTURES RETURNS SUPPORT ASSET GROWTH



Cash Proceeds[2] to Date
$163 million

Total Implied Value[1]
Q4 2022
$158 million

2022
Portfolio Exits
Q2
Finxact
Q3
Payrailz

Portfolio Companies	1	2	3	4	5	6	7	9	11
Additions by Period	DefenseStorm	Finxact	Payrailz, Apiture	Greenlight	Kwipped	savana	able, Philanthropi	Vantaca, asset class, AgencyKPI, Upling	

1. Estimated implied value based on most recent transaction data and not necessarily indicative of future values. | 2. Includes actual cash proceeds from the partial sale of Greenlight Financial Technology, Inc., and full sale of Finxact, Inc. and Payrailz, LLC.

LiveOak BANCSHARES

LIVE OAK BANK

Our Path to Becoming America's Small Business Bank

VERTICALITY	SCALABILITY	OPTIONALITY
Differentiated lending model dedicated to small businesses	Building the moat	Value creation through industry disruption

• 30+ lending verticals with deep industry expertise
• Strong credit profile with significant percentage of loans on book with government guarantee
• Large addressable market for future loan growth
• High touch customer service model
	• Growing and investing in the lending platform
	• Building on next-gen core and ecosystem
	• Efficient deposits platform
	• Future product enhancements
	  • Small business operating account suite
	  • Community bank of the future
	  • Embedded banking
		• Leading-edge fintech investments activities
		  • Live Oak Ventures
		  • Canapi Ventures
		• Product and service innovation platform