



Axos Financial, Inc. Investor Presentation

May 7, 2024

NYSE: AX

axosTM
Banking EvolvedSM

This presentation contains forward-looking statements that involve risks and uncertainties, including without limitation statements relating to Axos Financial, Inc.'s ("Axos") financial prospects and other projections of its performance and asset quality, Axos' deposit balances and capital ratios, Axos' ability to continue to grow profitably and increase its business, Axos' ability to continue to diversify its lending and deposit franchises, the anticipated timing and financial performance of other offerings, initiatives, and acquisitions, expectations of the environment in which Axos operates and projections of future performance. These forward-looking statements are made on the basis of the views and assumptions of management regarding future events and performance as of the date of this presentation. Actual results and the timing of events could differ materially from those expressed or implied in such forward-looking statements as a result of risks and uncertainties, including without limitation Axos' ability to successfully integrate acquisitions and realize the anticipated benefits of the transactions, changes in the interest rate environment, monetary policy, inflation, government regulation, general economic conditions, changes in the competitive marketplace, conditions in the real estate markets in which we operate, risks associated with credit quality, our ability to attract and retain deposits and access other sources of liquidity, and the outcome and effects of litigation and other factors beyond our control. These and other risks and uncertainties detailed in Axos' periodic reports filed with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended June 30, 2023, Form 10-Q for the quarter ended

March 31, 2024 and its last earnings press release, could cause actual results to differ materially from those expressed or implied in any forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Axos undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All written and oral forward-looking statements made in connection with this presentation, which are attributable to us or persons acting on Axos' behalf are expressly qualified in their entirety by the foregoing information.



Axos' Business Model is Differentiated From Other Banks



Core Digital Capabilities

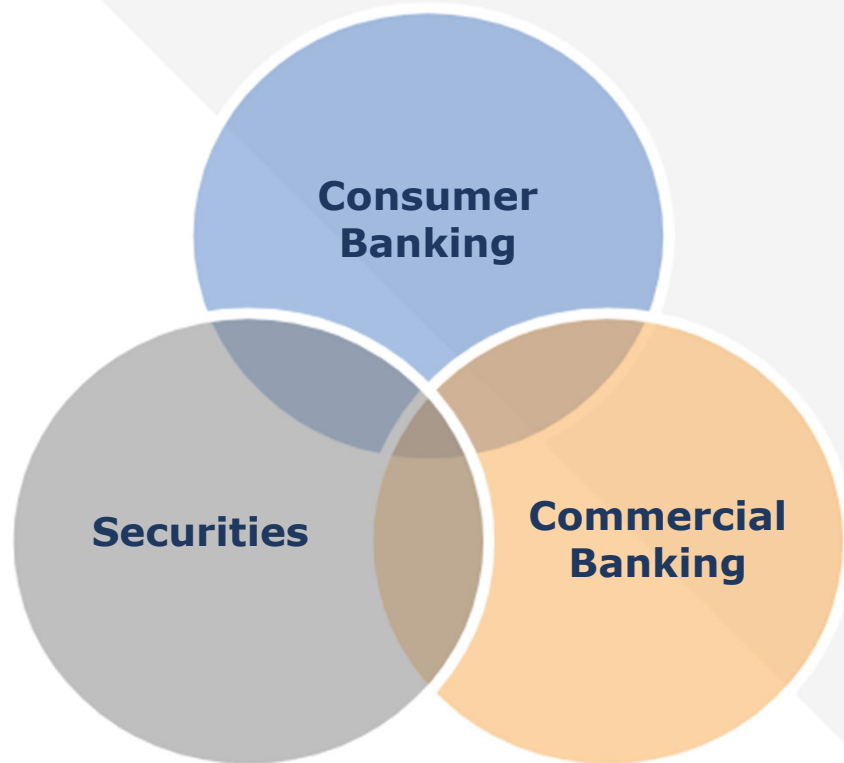


Axos is a Top Performer Versus Bank Peer Group

	Axos Bank	Peer Group¹	Percentile
ROAA	2.09%	0.65%	96%
Return on Equity	21.04%	6.69%	94%
Net Interest Income	4.46%	2.70%	96%
Efficiency Ratio	42.71%	72.82%	6%

The 94% on ROE means that the Bank outperformed 94% of all banks. The 6% efficiency ratio ranking means that only 6% of banks have lower expenses in comparison to their revenues.

Axos Financial's Three Divisions Provide the Foundation for Sustained Long-term Growth

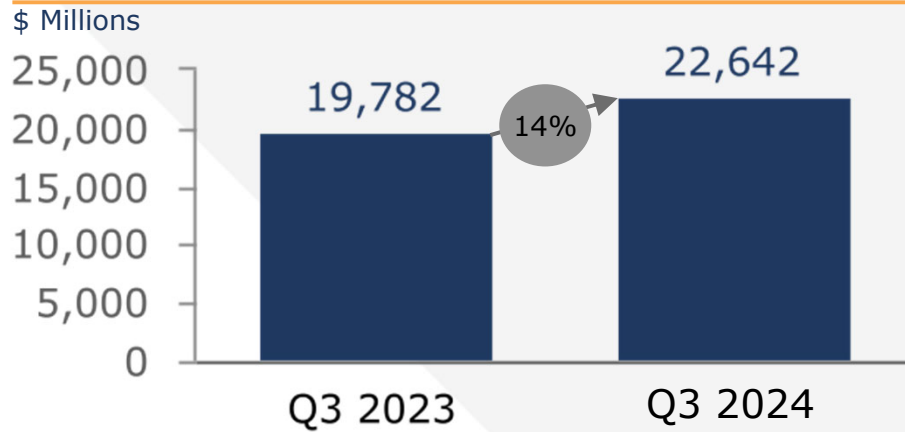


Investment Thesis

- > Diverse mix of assets, deposits, and fee income reduces risk and provides multiple growth opportunities in varying environments
- > Differentiated retail digital strategy from “online savings banks” or fin-tech competitors
- > Structural cost advantage vs. traditional banks
- > Differentiated distribution strategy
- > New business initiatives generate incremental growth
- > Universal Digital Banking Platform and Enterprise Technology stack provide operating leverage opportunity
- > Technology synergies among divisions reduce overall cost of growth strategy

Consolidated Fiscal Third Quarter 2024 Highlights Compared with Fiscal Third Quarter 2023

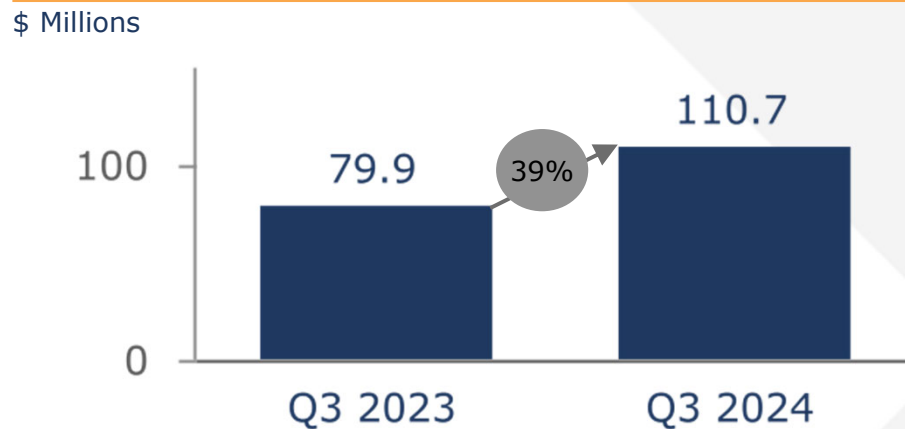
Asset Growth



Deposit Growth



Net Income



Diluted EPS



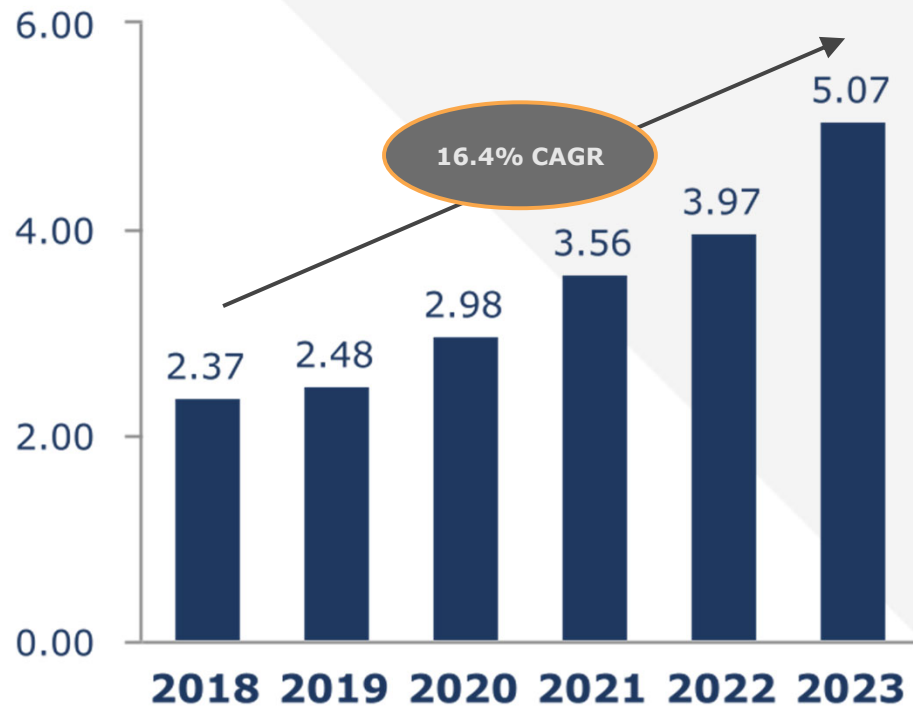
Return on Equity = 20.71%

Return on Assets = 1.98%

Diluted EPS and Book Value Per Share Have Been Consistently Strong

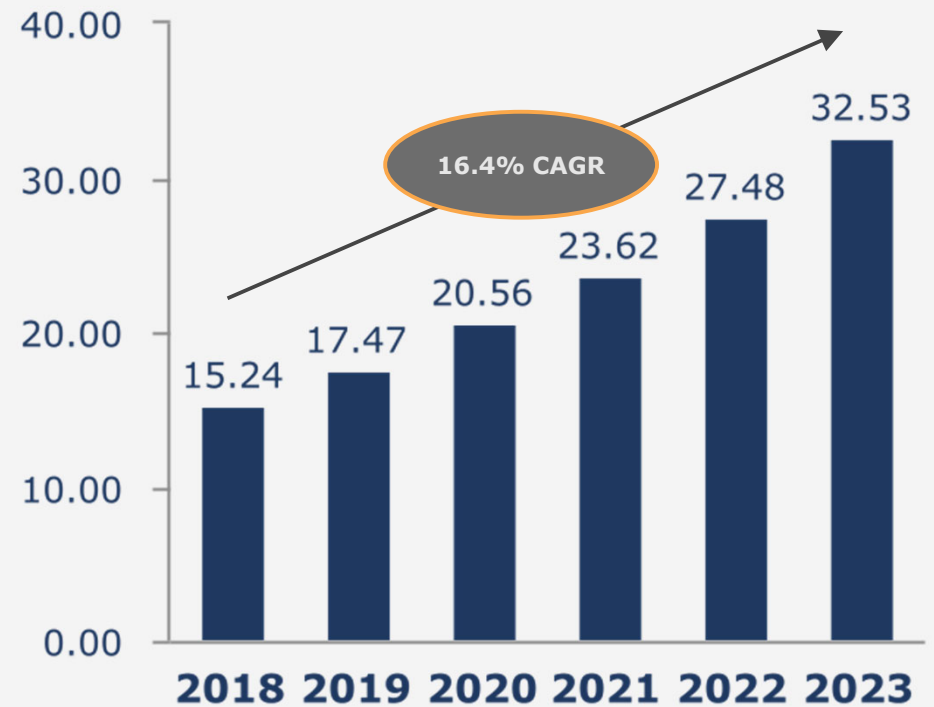
Diluted EPS (FY)

\$ Per Share



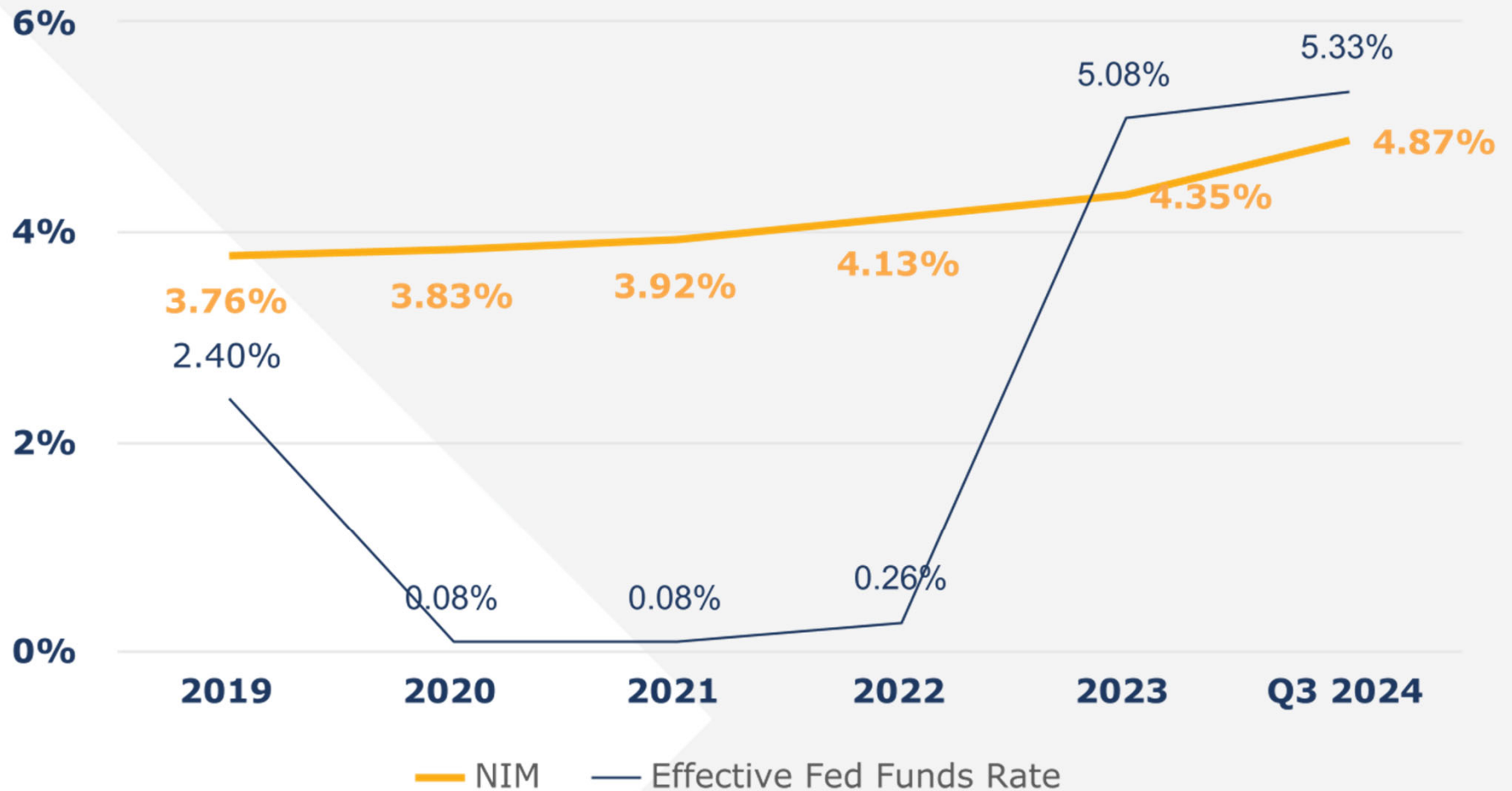
Book Value Per Share (FY)

\$ Per Share



Expanding Net Interest Margin Through a Variety of Interest Rate Cycles¹

Rising Net Interest Margin

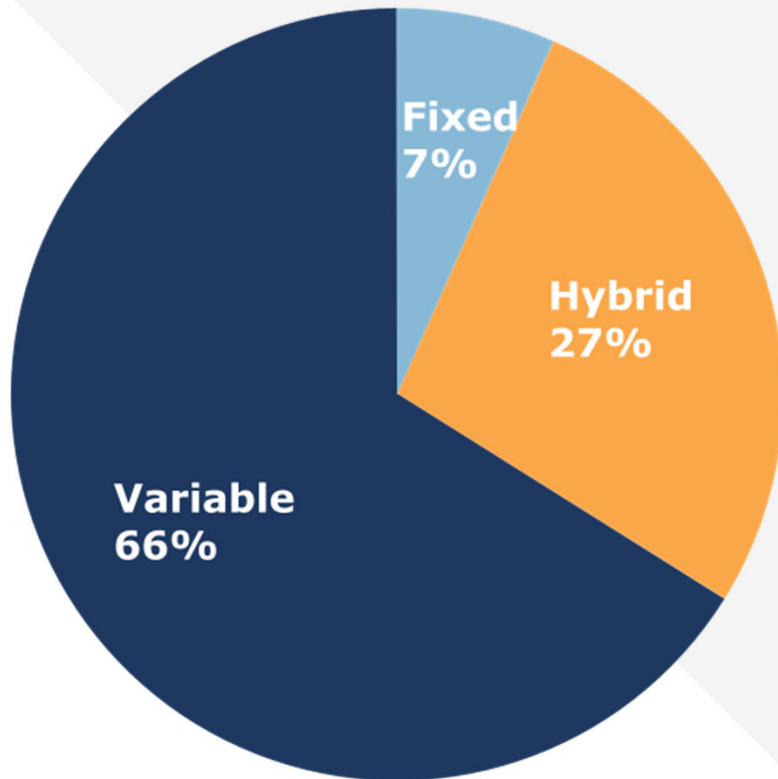


Note 1: The Company partnered with H&R Block Bank (HRB) to provide HRB branded financial products. The partnership was terminated December 8, 2020. NIM excludes impact of HRB.

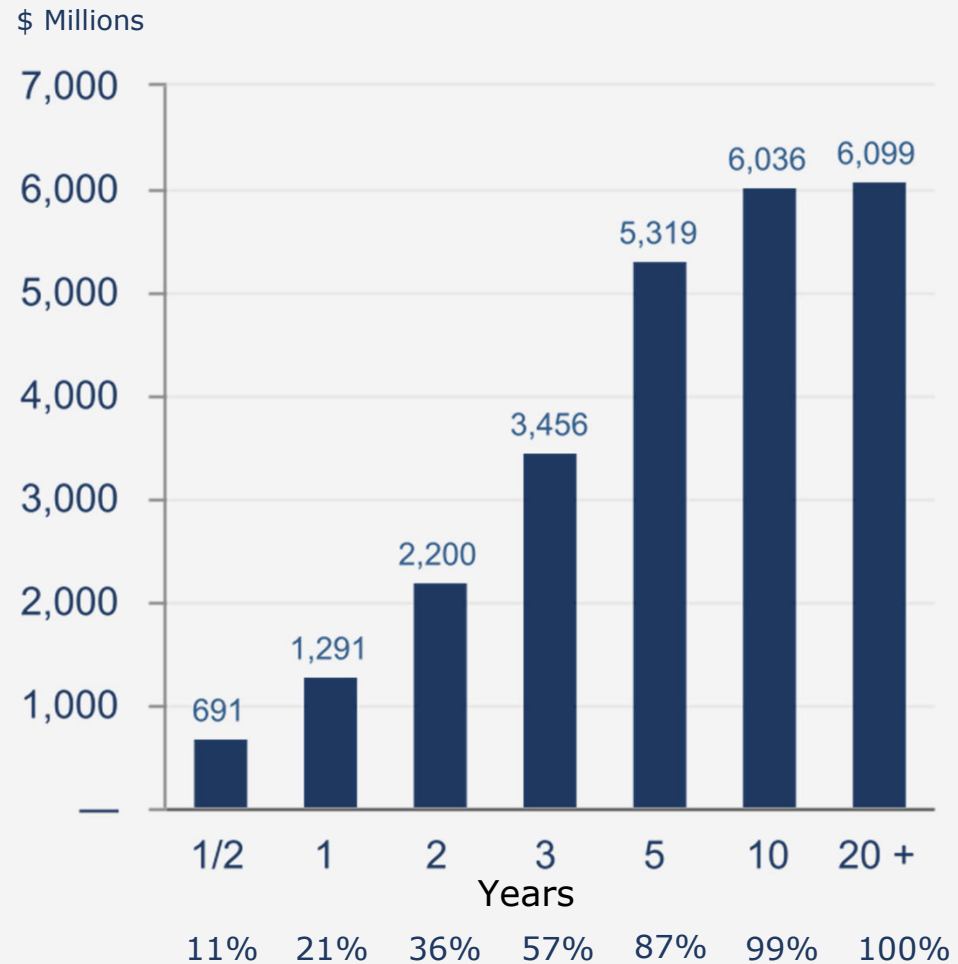
Interest Rate Components of Loan & Lease Portfolio

As of March 31, 2024

Mix of Loan Repricing Types



Fixed/Hybrid Years to Maturity / Repricing¹



Note 1: Excludes SF Warehouse Lending and Equipment Leasing. The years to repricing assumes no loan prepayments and reflects only contractual terms.

Of the fixed and hybrid rate loan balances in our portfolio at March 31, 2024, 57% will reprice within 3 years and 87% will reprice within 5 years.

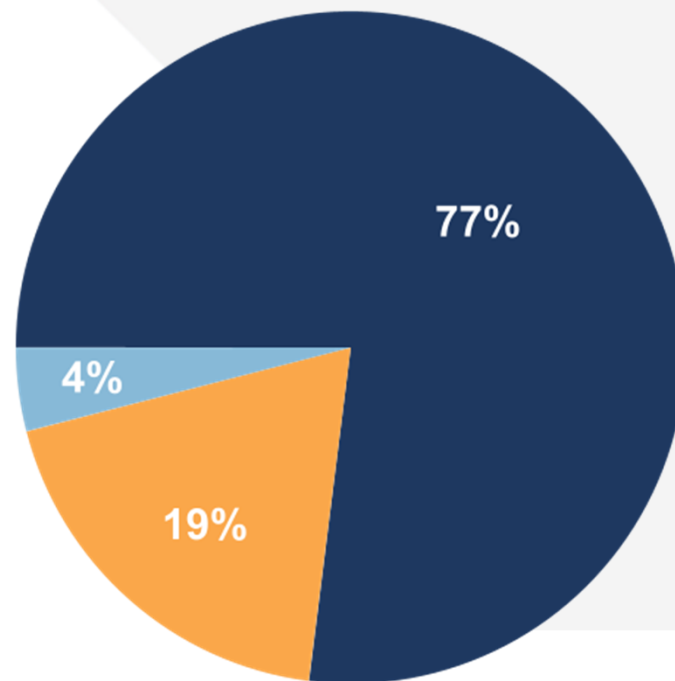
Loan Growth by Category

		\$ Millions			
		Q3 FY24	Q2 FY24	Inc (Dec)	
Loans	Single Family Mortgage & Warehouse	Jumbo Mortgage	\$ 3,964	\$ 3,993	\$ (29)
		SF Warehouse Lending	159	99	60
	Multifamily & Commercial Mortgage	Multifamily	2,663	2,708	(45)
		Small Balance Commercial	1,338	1,357	(19)
	Commercial Real Estate	CRE Specialty	5,220	5,400	(180)
		Lender Finance RE	693	643	50
	Commercial & Industrial Non-RE	Lender Finance Non-RE	2,320	2,235	85
		Asset-Based and Cash Flow Lending	1,617	1,189	428
		Capital Call Facilities	891	753	138
	Auto & Consumer	Auto	399	419	(20)
		Unsecured/OD	51	59	(8)
	Other		2	5	(3)
			\$ 19,317	\$ 18,860	\$ 457

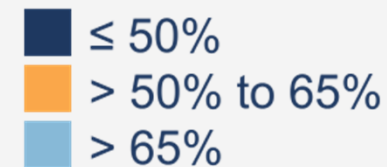
Commercial Real Estate Specialty¹ Detail

as of March 31, 2024

Loan Type	Balance (mm)	Weighted Avg. LTV	Non-Performing Loans (mm)
Multifamily	\$ 1,971	38 %	\$ 11
Hotel	1,045	39	—
SFR	812	42	15
Other	233	28	—
Office	410	37	—
Industrial	554	48	—
Retail	195	46	—
Total	\$ 5,220	40 %	\$ 26



LTV Distribution



Note 1: Includes Commercial Real Estate Specialty loan portfolio only; see Form 10-Q for the quarterly period ended March 31, 2024 for additional details of other loan categories

Commercial Real Estate Specialty¹ Detail

as of March 31, 2024



76% of total Commercial Real Estate Specialty balance at March 31, 2024 is indirect note structures where Axos has first payment priority; these loans carry a weighted-average LTV of 39%.

Loan Type	Balance (mm)	Weighted Avg. LTV
Construction	\$ 1,951	35 %
Bridge	1,815	44
Pre-development	507	37
Stabilized	947	45
Total \$	5,220	40 %

Note 1: Includes Commercial Real Estate Specialty loan portfolio only; see Form 10-Q for the quarterly period ended March 31, 2024 for additional details of other loan categories

Diversified Deposit Gathering

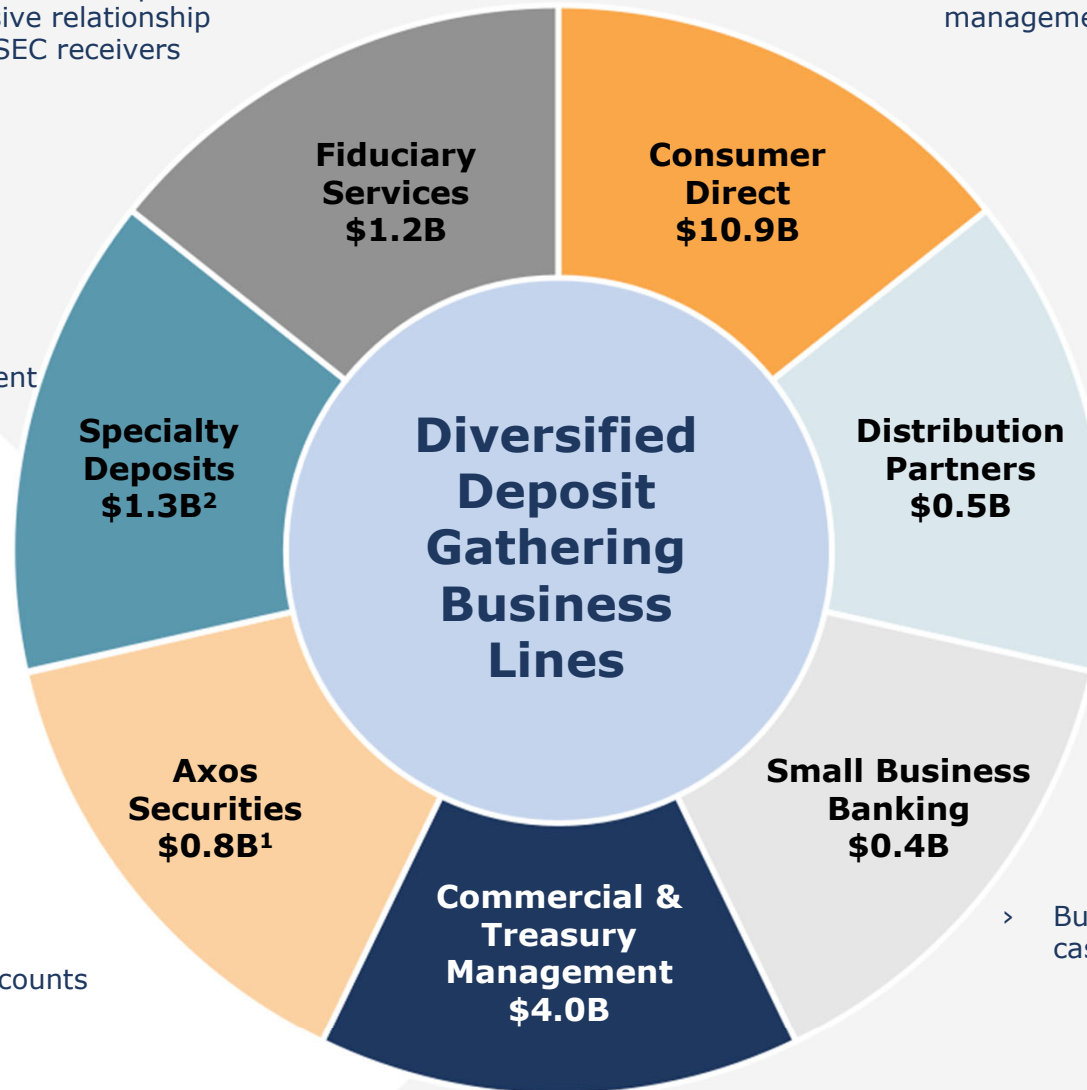
Approximately 90% of deposits are FDIC-insured or collateralized

- > Serves approximately 40% of U.S. Chapter 7 bankruptcy trustees in exclusive relationship
- > Software allows servicing of SEC receivers and non-chapter 7 cases

- > Full service digital banking, wealth management, and securities trading

- > 1031 exchange firms
- > Title and escrow companies
- > HOA and property management
- > Business management and entertainment

- > White-label banking



- > Broker-dealer client cash
- > Broker-dealer reserve accounts

- > Business banking with simple suite of cash management services

- > Full service treasury/cash management
- > Team enhancements and geographic expansion
- > Bank and securities cross-sell

*Deposit balances as of March 31, 2024

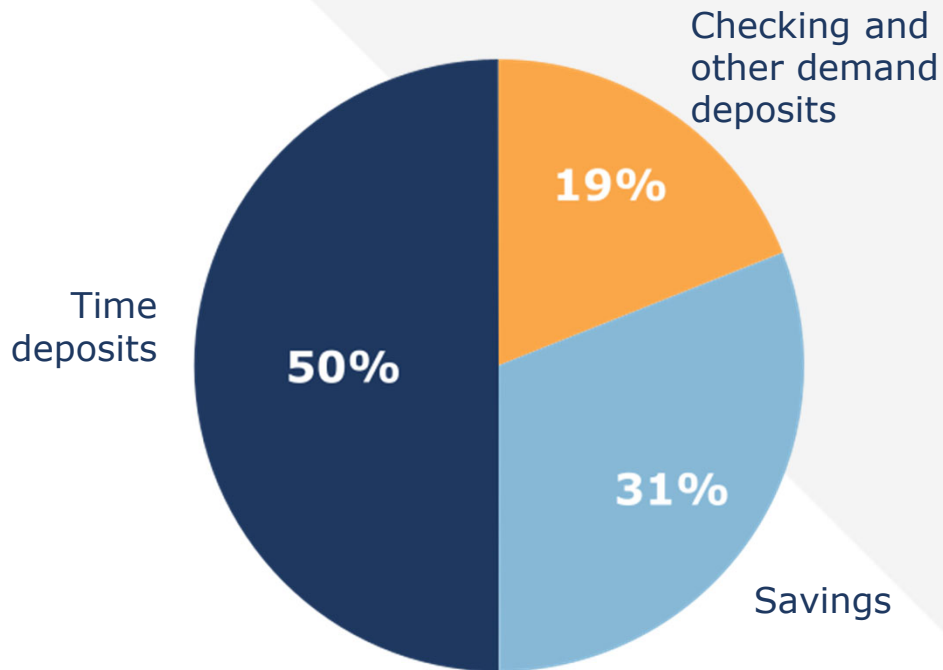
¹Excludes approximately \$550 million of off-balance sheet deposits

²Excludes approximately \$700 million of client deposits held at other banks

Deposit Growth in Checking, Business, and Savings Was Achieved While Transforming the Mix of Deposits

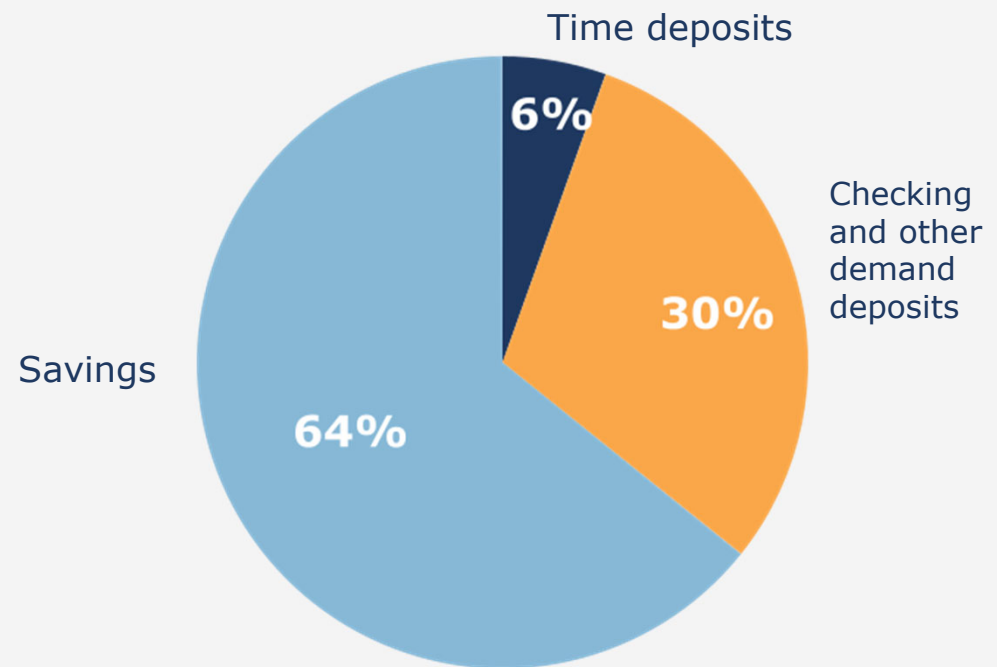
June 30, 2013

Total Deposits = \$2.1 billion



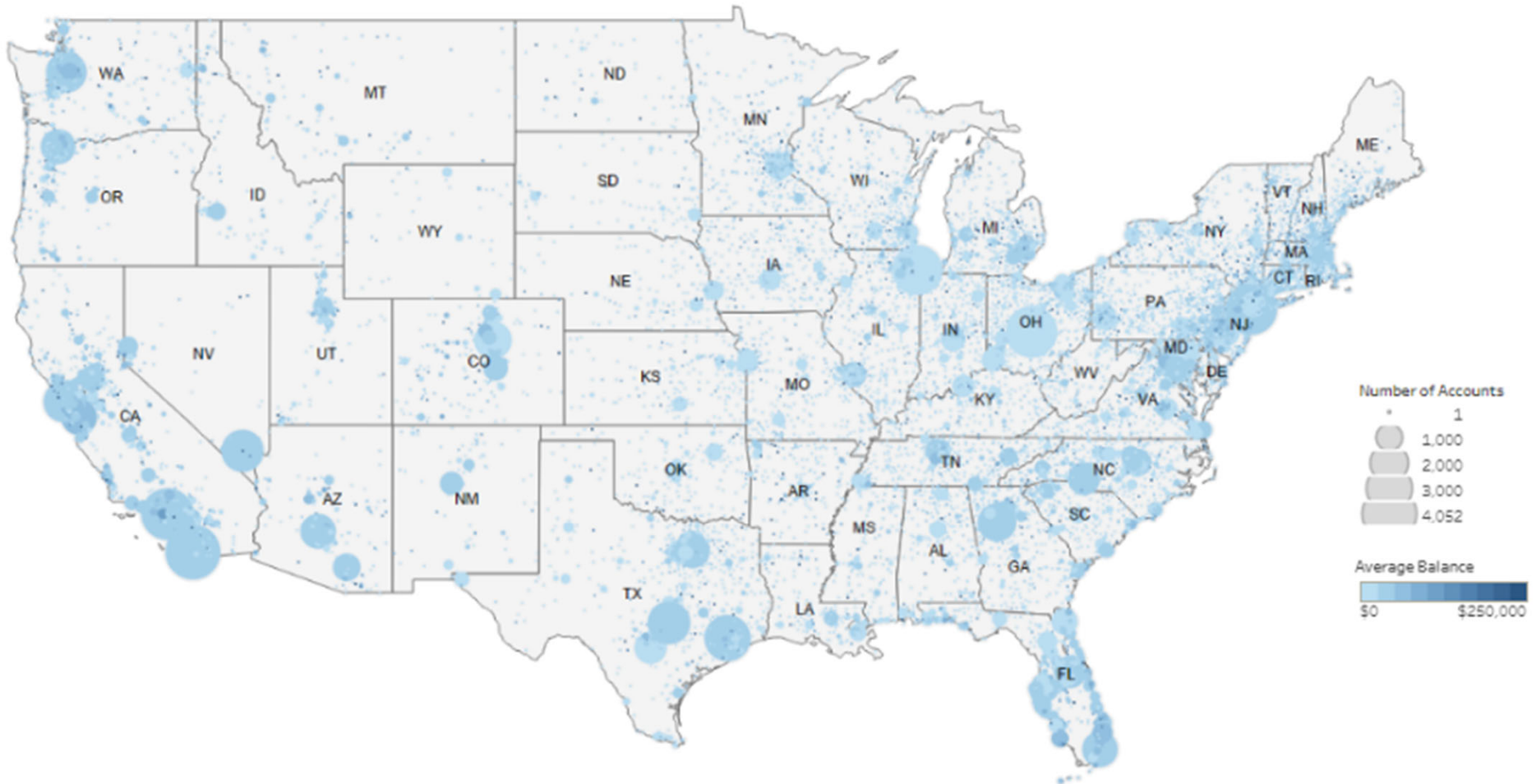
March 31, 2024

Total Deposits = \$19.1 billion



Checking Growth (6/2013 - 3/2024) = 1371%
Savings Growth (6/2013 - 3/2024) = 1814%

Customer Base and Deposit Volume is Well Distributed Throughout the United States

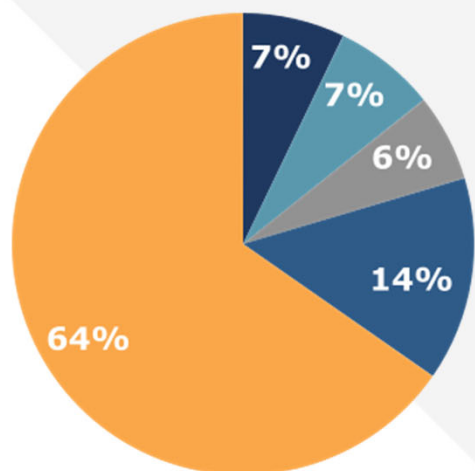


Axos Deposits Have National Reach With Customers in Every State

Non-Interest Income Growth and Diversification

Year Ended
June 30, 2019

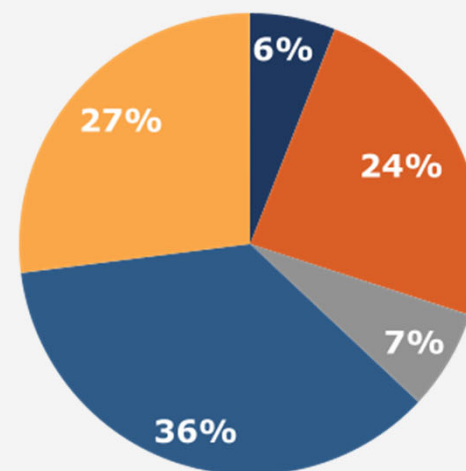
Total Non-Interest Income =
\$82.9 million



- Prepayment Penalty Fees
- Gain on Sale
- Mortgage Banking and Servicing Rights
- Broker-Dealer Fees
- Banking and Service Fees

Three Months Ended
March 31, 2024

Total Non-Interest Income =
\$132.7 million¹



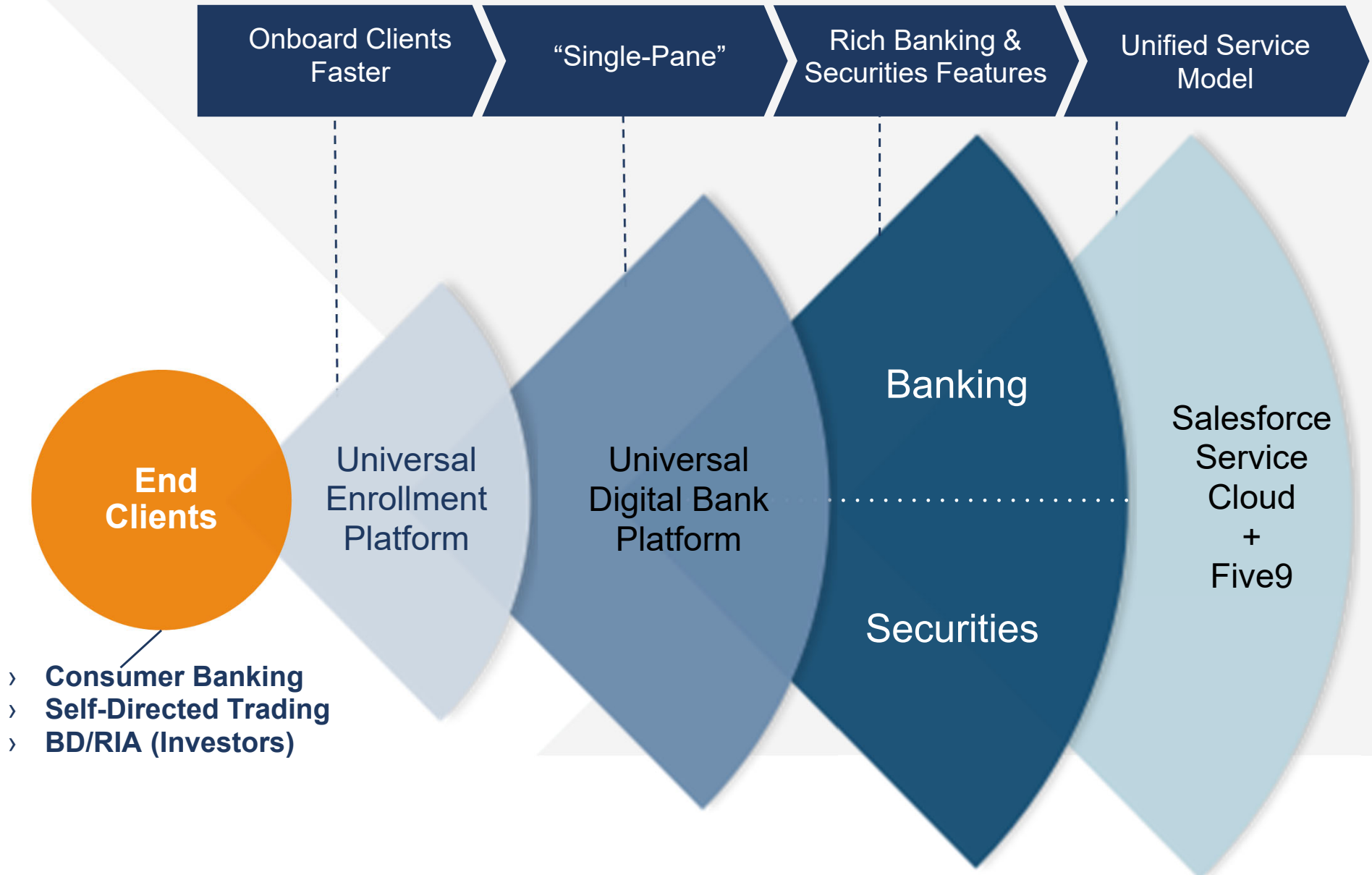
- Prepayment Penalty Fees
- Advisory Fees
- Mortgage Banking and Servicing Rights
- Broker-Dealer Fees
- Banking and Service Fees

Securities Segment Fee Income² (6/2019 – 3/2024) = 590%

Note 1: Represents annualized quarterly data
Note 2: Includes advisory fee income from AAS business, which was acquired August 2, 2021

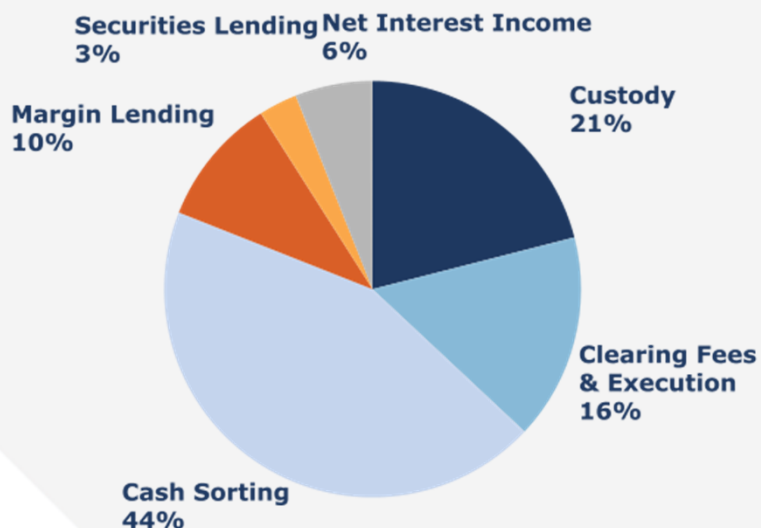
Integrated Securities and Banking

Leveraging Bank's existing digital platforms allows for unique integrated and flexible Banking and Securities product features



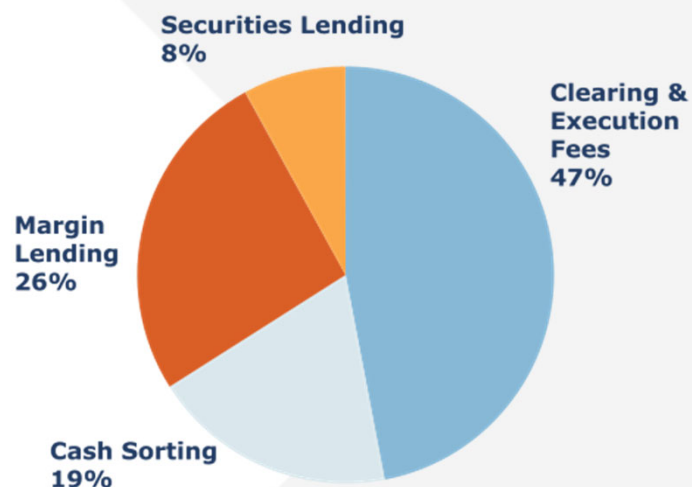
- > Leadership team with more than 100 years combined industry experience.
- > Proprietary front- and back-end technologies for advisors and broker-dealers.
- > Nation's 8th largest Clearing Services firm by number of broker-dealer clients¹.
- > More than \$30 billion in Clearing Services client assets under custody and/or administration.
- > Axos Financial, Inc. acquired E*TRADE Advisor Services in August 2021.

Three Months Ended March 31, 2024



Custody	\$	8,105,387
Clearing Fees & Execution		6,166,043
Cash Sorting		17,212,844
Margin Lending		3,719,802
Securities Lending		1,161,711
Net Interest Income		2,254,196
Net Revenues	\$	38,619,983

Three Months Ended June 30, 2019



Custody	\$	—
Clearing Fees & Execution		5,442,487
Cash Sorting		2,198,140
Margin Lending		3,040,793
Securities Lending		880,751
Net Interest Income		(30,406)
Net Revenues	\$	11,531,765

Secular Industry Trends Provide Opportunities for Axos

Fee Compression for Active and Passive Investment Managers



- > RIAs need to reduce costs and streamline back-office ops
- > Automation frees up time/resources for client interactions

Advisors are Leaving Wirehouses to Become Independent Advisors



- > Axos to provide bundled securities clearing, custody and banking services
- > Target small & medium-sized RIAs and IBDs that large custodians do not serve well

Aging Advisor Population is Driving Consolidation and Succession Planning



- > Axos to provide succession-based and M&A financing to RIAs and IBDs
- > Nationwide footprint and industry focus are competitive advantages

Digitization of Wealth Management



- > Axos will offer direct-to-consumer and private label robo-advisory solutions to individuals and independent RIAs

Liberty Provides a Comprehensive Turnkey Platform



Serving 201 RIAs^{1,3}
(\$1M+ AUC)

~\$26B Assets Under Custody²

 TAMPs	 Traditional RIAs	 Small RIAs
<p>59% of Total AUC³</p> <p>Turnkey Asset Management Platform, relies on Reps to gather assets and maintain relationship with investor</p>	<p>36% of Total AUC³</p> <p>Gathers and manages assets, works directly with investor</p>	<p>5% of Total AUC³</p> <p>Advisors with <\$25M in AUC</p>

Data as of March 31, 2024

Note 1: 231 total advisors on Liberty platform; advisors with <\$1M AUC comprise <\$8M in total assets; there are 9 non-AAS RIAs not on Liberty at Axos Clearing

Note 2: Includes \$197M 401K AUC

Note 3: Excludes \$197M 401K AUC

Axos Clearing Long-Term Revenue and Expense Synergies

Revenue Synergies

Axos Securities:

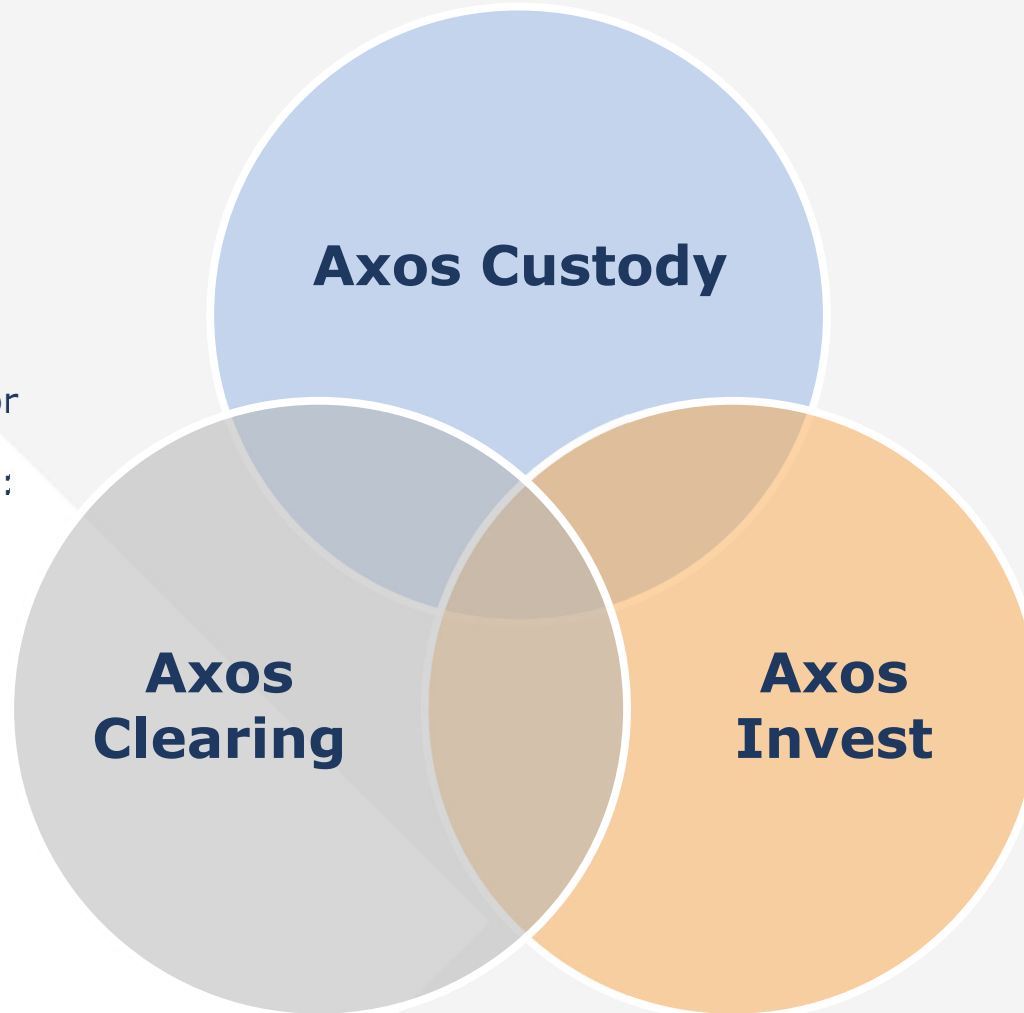
- > Margin Loans
- > Securities Lending
- > Fixed Income Trading
- > Order Flow
- > White-label Robo Advisor

Axos Consumer Banking:

- > White-label Banking
- > Auto Lending
- > Mortgage Lending
- > Unsecured Lending

Axos Business Banking:

- > Small Business Banking
- > RIA Lending



Cost Synergies

Axos Securities:

- > Self-Clearing
- > Regulatory/Compliance
- > Client Acquisition Costs
- > Customer Service
- > IT Infrastructure/Dev

Axos Consumer Banking:

- > Deposit Servicing Costs
- > Client Acquisition Costs

Axos Business Banking:

- > Client Acquisition Costs

Personalization

- > Increase chances of offering right product at the right time and place
- > Personalization is the right antidote for too much choice, too much content, and not enough time

Self-Service

- > Eventual artificial intelligence tools assist sale of banking products such as deposits, loans, and mortgages
- > Products optimized by channel, recipient and journey
- > Self service saves time and cost (e.g., activate and deactivate debit-card in platform, send wires via self-service)

Facilitate Partnerships

- > Easy integration of third-party features (e.g., biometrics)
- > Access to value added tools (e.g., robo-advisory, automated savings features) either proprietary or third party
- > Enable creative customer acquisition partners

Customizable Experience

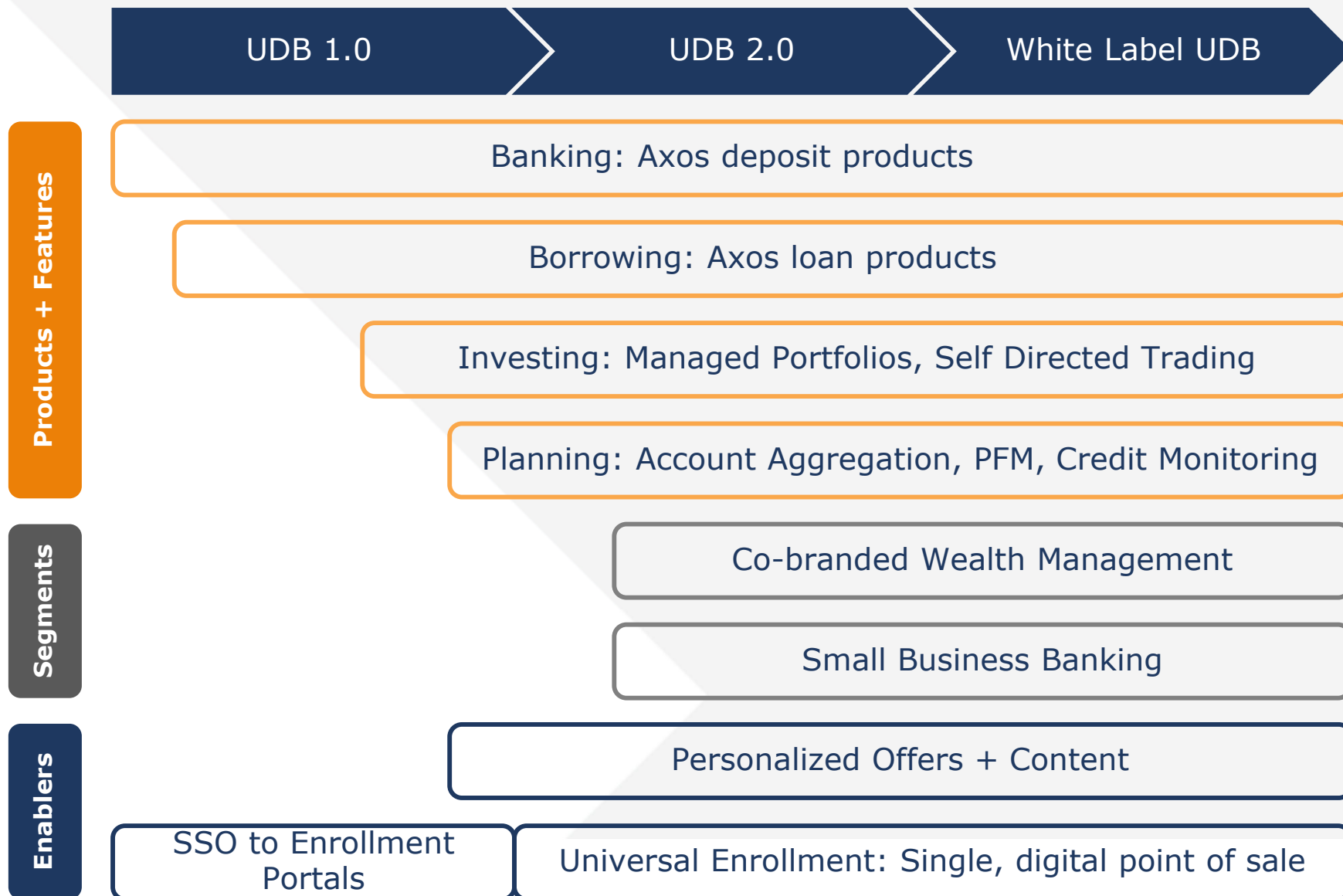
- > Provide holistic and interactive and intuitive design experience
- > Integrate online experience with other channels

Cross-Sell

- > Artificial intelligence and big data credit models enable quick credit decisions
- > Customized product recommendations based upon analytical determination of need

Evolving Capabilities of the UDB Platform

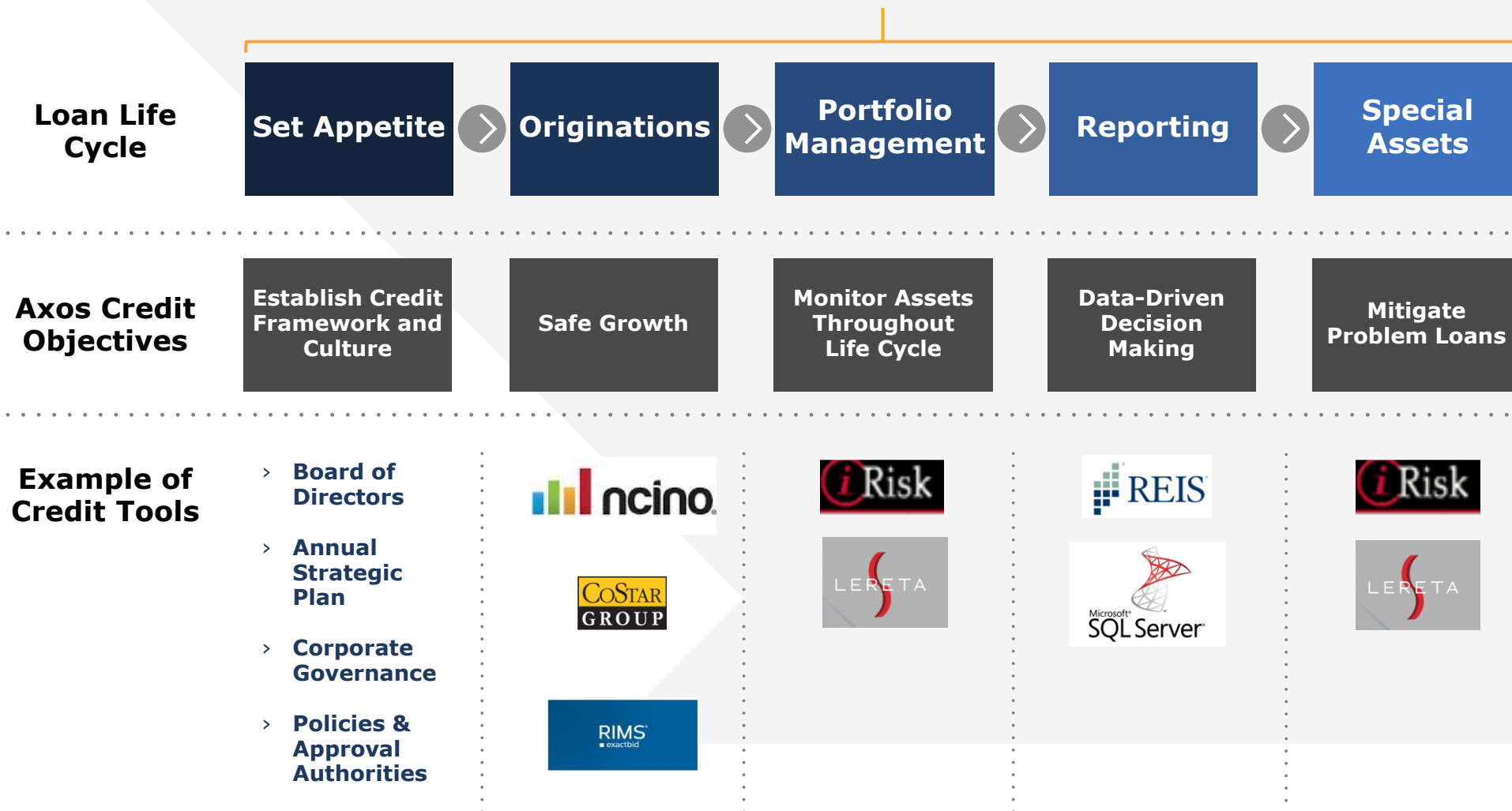
UDB offers a growing set of products, capabilities and supported user segments



What We Do

Utilize a holistic credit-risk management framework to manage and monitor credit quality at each stage of the loan life cycle, and leverage specialized Credit Tools to optimize monitoring and reporting capabilities

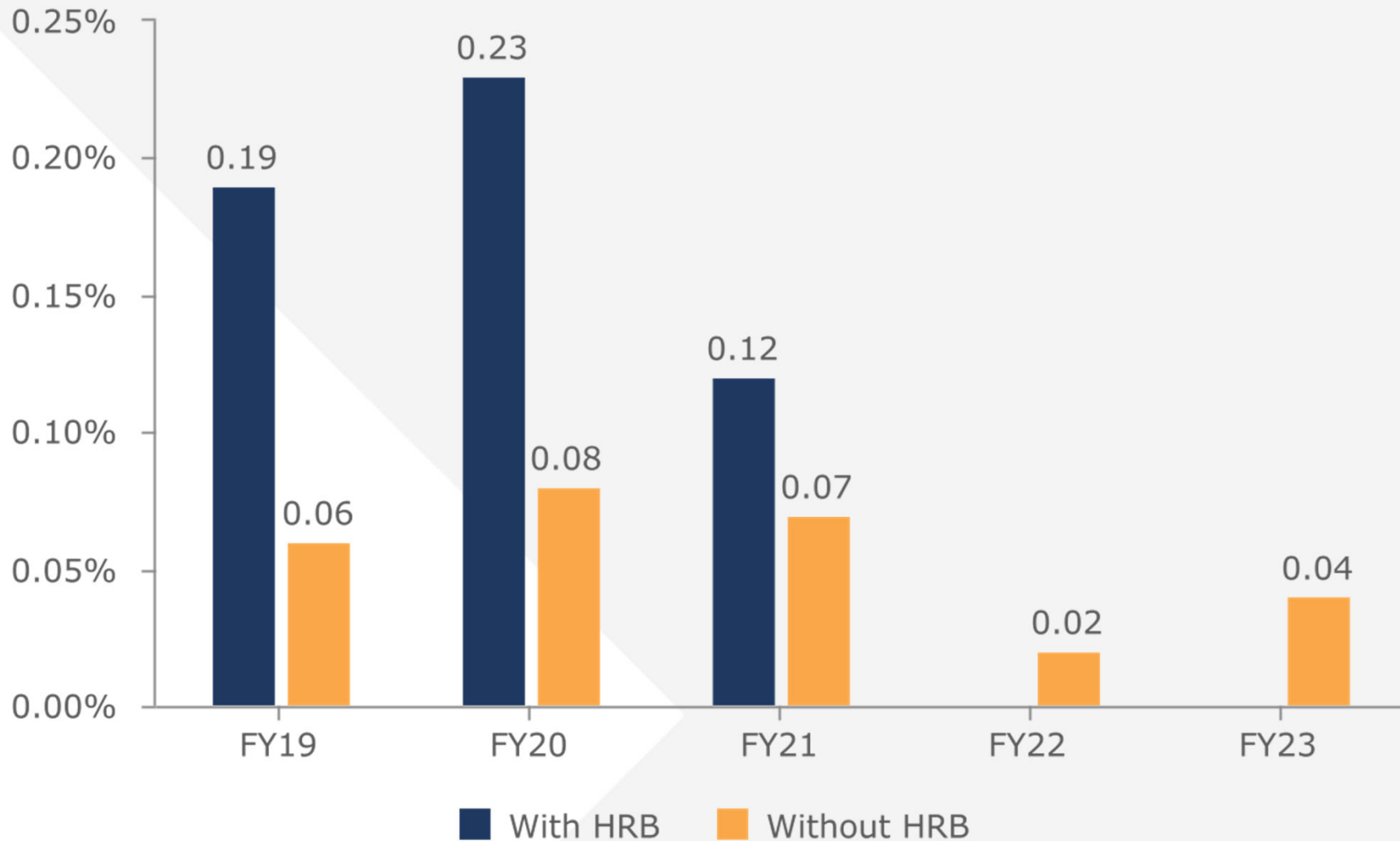
Credit Monitoring & Oversight



Note: Credit Tools list is a sampling and is not purported to be comprehensive.

Charge-offs to Average Loans Outstanding

Strong Credit Performance Exhibited through Low Charge-off Ratios

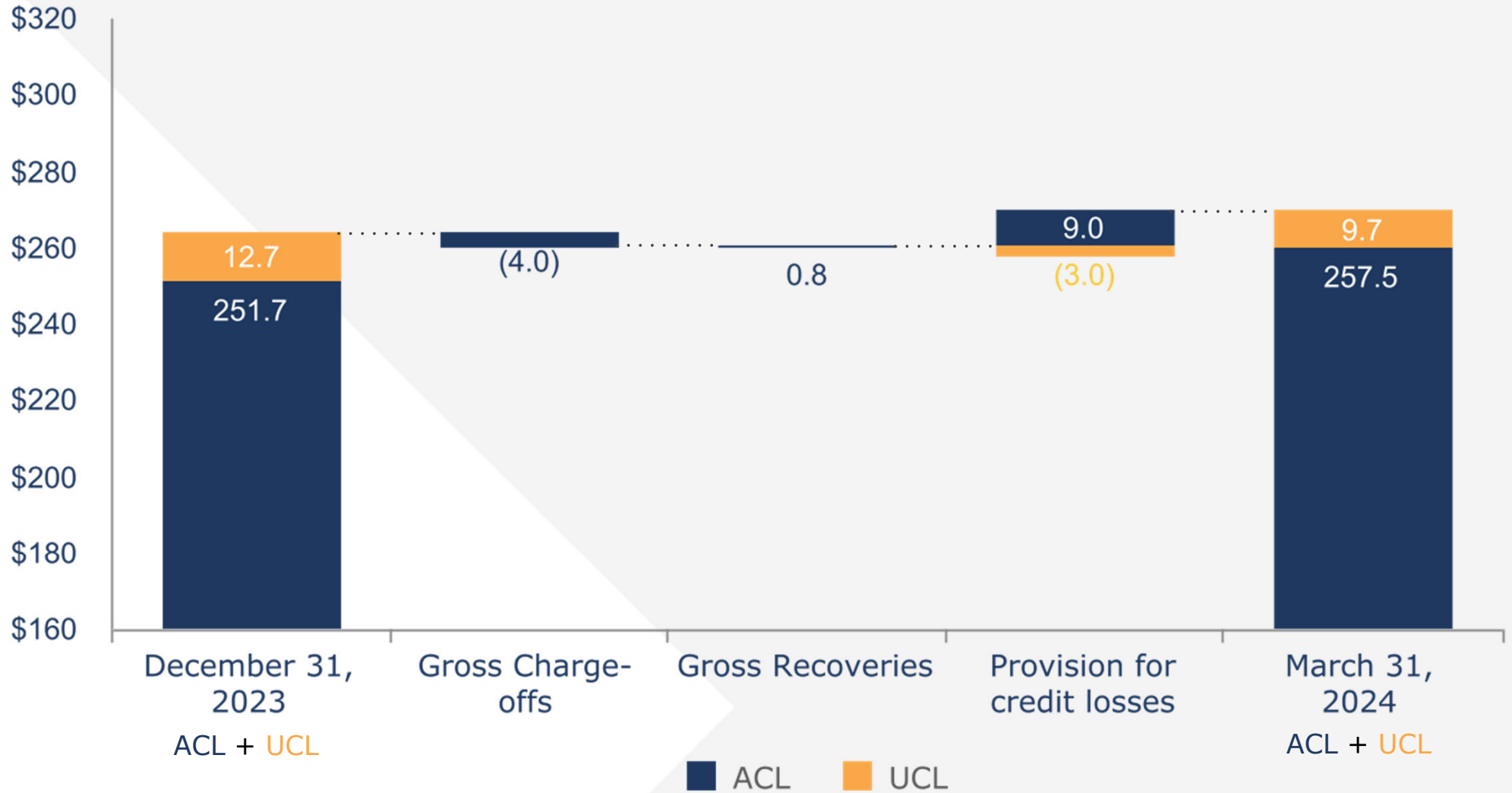


Note 1: Includes advisory fee income from AAS business, which was acquired August 2, 2021.

Note 2: The Company partnered with H&R Block Bank (HRB) to provide HRB branded financial products. The partnership was terminated December 8, 2020.

Change in Allowance for Credit Losses (ACL) & Unfunded Loan Commitments Reserve (UCL)

(\$ in millions)



Allowance for Credit Losses (ACL) by Loan Category

as of March 31, 2024



\$ Millions

		<u>Loan Balance</u>	<u>ACL \$</u>	<u>ACL %</u>
Loans	Single Family Mortgage & Warehouse	\$ 4,123	17	0.4 %
	Multifamily & Commercial Mortgage	4,001	76	1.9 %
	Commercial Real Estate	5,913	83	1.4 %
	Commercial & Industrial Non-RE	4,828	72	1.5 %
	Auto & Consumer	450	10	2.2 %
	Other	2	—	— %
		\$ 19,317	258	1.3 %

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