



LendingClub Reports First Quarter 2024 Results

April 30, 2024

Strong Originations and Credit Performance Drives 12th Consecutive Quarter of GAAP Profitability

SAN FRANCISCO, April 30, 2024 /PRNewswire/ -- LendingClub Corporation (NYSE: LC), the parent company of LendingClub Bank, America's leading digital marketplace bank, today announced financial results for the first quarter ended March 31, 2024.



"We're pleased to have started 2024 with another strong quarter, executing well against the factors we can control," said Scott Sanborn, LendingClub CEO. "Our operating discipline, strong credit performance, and continued innovation are resulting in a sustainable operating rhythm that is delivering real value to our members and has us well positioned to seize the historic opportunity in front of us."

First Quarter 2024 Results

Balance Sheet:

- Total assets of \$9.2 billion compared to \$8.8 billion in the prior quarter, primarily reflecting growth in securities related to the structured certificate program.
- Deposits of \$7.5 billion compared to \$7.3 billion in the prior quarter, primarily due to an increase in high yield savings and certificates of deposit, partially offset by a decrease in brokered deposits.
 - FDIC-insured deposits represent approximately 87% of total deposits.
- Securities available for sale of \$2.2 billion, compared to \$1.6 billion in the prior quarter, primarily reflecting growth in the structured certificate program.
- Whole loans held on the balance sheet, which consists of loans and leases held for investment and loans held for sale, remained flat at \$5.2 billion compared to the prior quarter, as the company increased loan retention and repurchased a portfolio of LendingClub-originated loans, largely offsetting amortization of the existing portfolio.
- Strong capital position with a consolidated Tier 1 leverage ratio of 12.5% and consolidated Common Equity Tier 1 capital ratio of 17.6%.
- Book value per common share increased to \$11.40, compared to \$11.34 in the prior quarter.
- Tangible book value per common share increased to \$10.61, compared to \$10.54 in the prior quarter.

Financial Performance:

- Loan originations of \$1.6 billion, comparable to the prior quarter driven by promising initial results from new borrower initiatives, offsetting typical seasonal pressures.
- Total net revenue of \$180.7 million, compared to \$185.6 million in the prior quarter, driven by:
 - Marketplace revenue of \$55.9 million, compared to \$52.2 million in the prior quarter, primarily reflecting improved loan pricing of marketplace loans.
 - Net interest income of \$122.9 million, compared to \$131.5 million in the prior quarter, reflecting a shift in asset mix from held for investment loans to senior securities and higher deposit funding costs.
- Provision for credit losses of \$31.9 million, compared to \$41.9 million in the prior quarter due to lower incremental provision on seasoned vintages.
- Net income increased to \$12.3 million, with diluted EPS of \$0.11, compared to \$10.2 million, or diluted EPS of \$0.09, in the prior quarter. Net income was driven by strong execution, better-than-expected benchmark rates supporting loan sales pricing, and continued expense management combined with delays in expected expense increases.
- Pre-provision net revenue (PPNR) of \$48.5 million, compared to \$55.6 million in the prior quarter.

| | Three Months Ended | | |
|--|--------------------|----------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | March 31, 2023 |

(\$ in millions, except per share amounts)

| | | | | | | |
|--|----|-------|----|-------|----|-------|
| Total net revenue | \$ | 180.7 | \$ | 185.6 | \$ | 245.7 |
| Non-interest expense | | 132.2 | | 130.0 | | 157.3 |
| Pre-provision net revenue ⁽¹⁾ | | 48.5 | | 55.6 | | 88.4 |
| Provision for credit losses | | 31.9 | | 41.9 | | 70.6 |
| Income before income tax expense | | 16.5 | | 13.7 | | 17.8 |
| Income tax expense | | (4.3) | | (3.5) | | (4.1) |
| Net income | \$ | 12.3 | \$ | 10.2 | \$ | 13.7 |
| Diluted EPS | \$ | 0.11 | \$ | 0.09 | \$ | 0.13 |

⁽¹⁾See page 3 of this release for additional information on our use of non-GAAP financial measures.

For a calculation of Pre-Provision Net Revenue and Tangible Book Value Per Common Share, refer to the "Reconciliation of GAAP to Non-GAAP Financial Measures" tables at the end of this release.

Financial Outlook

| | Second Quarter 2024 |
|----------------------------------|---------------------|
| Loan Originations | \$1.6B to \$1.8B |
| Pre-Provision Net Revenue (PPNR) | \$30M to \$40M |

About LendingClub

LendingClub Corporation (NYSE: LC) is the parent company of LendingClub Bank, National Association, Member FDIC. LendingClub Bank is the leading digital marketplace bank in the U.S., where members can access a broad range of financial products and services designed to help them pay less when borrowing and earn more when saving. Based on more than 150 billion cells of data and over \$90 billion in loans, our advanced credit decisioning and machine-learning models are used across the customer lifecycle to expand seamless access to credit for our members, while generating compelling risk-adjusted returns for our loan investors. Since 2007, more than 4.9 million members have joined the Club to help reach their financial goals. For more information about LendingClub, visit <https://www.lendingclub.com>.

Conference Call and Webcast Information

The LendingClub first quarter 2024 webcast and teleconference is scheduled to begin at 2:00 p.m. Pacific Time (or 5:00 p.m. Eastern Time) on Tuesday, April 30, 2024. A live webcast of the call will be available at <http://ir.lendingclub.com> under the Filings & Financials menu in Quarterly Results. To access the call, please dial +1 (404) 975-4839, or outside the U.S. +1 (833) 470-1428, with Access Code 904235, ten minutes prior to 2:00 p.m. Pacific Time (or 5:00 p.m. Eastern Time). An audio archive of the call will be available at <http://ir.lendingclub.com>. An audio replay will also be available 1 hour after the end of the call until May 7, 2024, by calling +1 (929) 458-6194 or outside the U.S. +1 (866) 813-9403, with Access Code 972670. LendingClub has used, and intends to use, its investor relations website, blog (<http://blog.lendingclub.com>), X (formerly Twitter) handles (@LendingClub and @LendingClubIR) and Facebook page (<https://www.facebook.com/LendingClubTeam>) as a means of disclosing material non-public information and to comply with its disclosure obligations under Regulation FD.

Contacts

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Non-GAAP Financial Measures

To supplement our financial statements, which are prepared and presented in accordance with GAAP, we use the following non-GAAP financial measures: Pre-Provision Net Revenue and Tangible Book Value Per Common Share. Our non-GAAP financial measures do have limitations as analytical tools and you should not consider them in isolation or as a substitute for an analysis of our results under GAAP.

We believe these non-GAAP financial measures provide management and investors with useful supplemental information about the financial performance of our business, enable comparison of financial results between periods where certain items may vary independent of business performance, and enable comparison of our financial results with other public companies.

We believe Pre-Provision Net Revenue is an important measure because it reflects the financial performance of our business operations. Pre-Provision Net Revenue is a non-GAAP financial measure calculated by subtracting the provision for credit losses and income tax benefit/expense from net income.

We believe Tangible Book Value (TBV) Per Common Share is an important measure used to evaluate the company's use of equity. TBV Per Common Share is a non-GAAP financial measure representing common equity reduced by goodwill and intangible assets, divided by ending common shares issued and outstanding.

For a reconciliation of such measures to the nearest GAAP measures, please refer to the tables on page 14 of this release.

Safe Harbor Statement

Some of the statements above, including statements regarding our competitive advantages, macroeconomic outlook, anticipated future performance and financial results, are "forward-looking statements." The words "anticipate," "believe," "estimate," "expect," "intend," "may," "outlook," "plan," "predict," "project," "will," "would" and similar expressions may identify forward-looking statements, although not all forward-looking statements contain these identifying words. Factors that could cause actual results to differ materially from those contemplated by these forward-looking statements include: our ability to continue to attract and retain new and existing borrowers and platform investors; competition; overall economic conditions; the interest rate environment; the regulatory environment; default rates and those factors set forth in the section titled "Risk Factors" in our most recent Annual Report on Form 10-K, as filed with the Securities and Exchange Commission, as well as in our subsequent filings with the Securities and Exchange Commission. We may not actually achieve the plans, intentions or expectations disclosed in forward-looking statements, and you should not place undue reliance on forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in forward-looking statements. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

LENDINGCLUB CORPORATION
OPERATING HIGHLIGHTS
(In thousands, except percentages or as noted)
(Unaudited)

| | As of and for the three months ended | | | | | % Change | |
|---|--------------------------------------|-------------------------|--------------------------|------------------|-------------------|----------|--------|
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 | Q/Q | Y/Y |
| | | | | | | | |
| Operating Highlights: | | | | | | | |
| | \$ | | | | \$ | | |
| Non-interest income | 57,800 | \$ 54,129 | \$ 63,844 | \$ 85,818 | 98,990 | 7 % | (42) % |
| Net interest income | 122,888 | 131,477 | 137,005 | 146,652 | 146,704 | (7) % | (16) % |
| Total net revenue | 180,688 | 185,606 | 200,849 | 232,470 | 245,694 | (3) % | (26) % |
| Non-interest expense | 132,233 | 130,015 | 128,035 | 151,079 | 157,308 | 2 % | (16) % |
| Pre-provision net revenue ⁽¹⁾ | 48,455 | 55,591 | 72,814 | 81,391 | 88,386 | (13) % | (45) % |
| Provision for credit losses | 31,927 | 41,907 | 64,479 | 66,595 | 70,584 | (24) % | (55) % |
| Income before income tax expense | 16,528 | 13,684 | 8,335 | 14,796 | 17,802 | 21 % | (7) % |
| Income tax expense | (4,278) | (3,529) | (3,327) | (4,686) | (4,136) | 21 % | 3 % |
| | \$ | | | | \$ | | |
| Net income | 12,250 | \$ 10,155 | \$ 5,008 | \$ 10,110 | 13,666 | 21 % | (10) % |
| Basic EPS | \$ 0.11 | \$ 0.09 | \$ 0.05 | \$ 0.09 | 0.13 | 22 % | (15) % |
| Diluted EPS | \$ 0.11 | \$ 0.09 | \$ 0.05 | \$ 0.09 | 0.13 | 22 % | (15) % |
| LendingClub Corporation Performance Metrics: | | | | | | | |
| Net interest margin | 5.8 % | 6.4 % | 6.9 % | 7.1 % | 7.5 % | | |
| Efficiency ratio ⁽²⁾ | 73.2 % | 70.0 % | 63.7 % | 65.0 % | 64.0 % | | |
| Return on average equity (ROE) ⁽³⁾ | 3.9 % | 3.3 % | 1.7 % | 3.4 % | 4.6 % | | |
| Return on average total assets (ROA) ⁽⁴⁾ | 0.5 % | 0.5 % | 0.2 % | 0.5 % | 0.7 % | | |
| Marketing expense as a % of loan originations | 1.47 % | 1.44 % | 1.30 % | 1.19 % | 1.18 % | | |
| LendingClub Corporation Capital Metrics: | | | | | | | |
| Common equity Tier 1 capital ratio | 17.6 % | 17.9 % | 16.9 % | 16.1 % | 15.6 % | | |
| Tier 1 leverage ratio | 12.5 % | 12.9 % | 13.2 % | 12.4 % | 12.8 % | | |
| Book value per common share | \$ 11.40 | \$ 11.34 | \$ 11.02 | \$ 11.09 | 11.08 | 1 % | 3 % |
| | \$ | | | | \$ | | |
| Tangible book value per common share ⁽¹⁾ | 10.61 | \$ 10.54 | \$ 10.21 | \$ 10.26 | 10.23 | 1 % | 4 % |

Loan Originations (in millions)⁽⁵⁾:

| | | | | | | | | |
|---|-------|----|-------|----|-------|----|-------|---------------------|
| Total loan originations | \$ | | | | | \$ | | |
| | 1,646 | \$ | 1,630 | \$ | 1,508 | \$ | 2,011 | 2,288 1 % (28) % |
| Marketplace loans | \$ | | | | | \$ | | |
| | 1,361 | \$ | 1,432 | \$ | 1,182 | \$ | 1,353 | 1,286 (5) % 6 % |
| Loan originations held for investment | \$ | | | | | \$ | | |
| | 285 | \$ | 198 | \$ | 326 | \$ | 657 | 1,002 44 % (72) % |
| Loan originations held for investment as a % of total loan originations | | | | | | | | 44 % |
| | | | | | | | | 17 % 12 % 22 % 33 % |

Servicing Portfolio AUM (in millions)⁽⁶⁾:

| | | | | | | | | |
|---------------------------|--------|----|--------|----|--------|----|--------|---------------------|
| Total servicing portfolio | \$ | | | | | \$ | | |
| | 13,437 | \$ | 14,122 | \$ | 14,818 | \$ | 15,669 | 16,060 (5) % (16) % |
| Loans serviced for others | \$ | | | | | \$ | | |
| | 8,671 | \$ | 9,336 | \$ | 9,601 | \$ | 10,204 | 10,504 (7) % (17) % |

⁽¹⁾Represents a non-GAAP financial measure. See "Reconciliation of GAAP to Non-GAAP Financial Measures."

⁽²⁾Calculated as the ratio of non-interest expense to total net revenue.

⁽³⁾Calculated as annualized net income divided by average equity for the period presented.

⁽⁴⁾Calculated as annualized net income divided by average total assets for the period presented.

⁽⁵⁾Includes unsecured personal loans and auto loans only.

⁽⁶⁾Loans serviced on our platform, which includes unsecured personal loans, auto loans and education and patient finance loans serviced for others and held for investment by the company.

LENDINGCLUB CORPORATION
OPERATING HIGHLIGHTS (Continued)
(In thousands, except percentages or as noted)
(Unaudited)

| | As of and for the three months ended | | | | | % Change | |
|---|--------------------------------------|-------------------|--------------------|---------------|----------------|----------|---------|
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 | Q/Q | Y/Y |
| Balance Sheet Data: | | | | | | | |
| Securities available for sale | \$ 2,228,500 | \$ 1,620,262 | \$ 795,669 | \$ 523,579 | \$ 380,028 | 38 % | 486 % |
| Loans held for sale at fair value | \$ 550,415 | \$ 407,773 | \$ 362,789 | \$ 250,361 | \$ 44,647 | 35 % | N/M |
| Loans and leases held for investment at amortized cost | \$ 4,505,816 | \$ 4,850,302 | \$ 5,237,277 | \$ 5,533,349 | \$ 5,491,938 | (7) % | (18) % |
| | \$ | \$ | \$ | \$ | \$ | | |
| Gross allowance for loan and lease losses ⁽¹⁾ | (311,794) | (355,773) | (388,156) | (383,960) | (368,698) | (12) % | (15) % |
| Recovery asset value ⁽²⁾ | \$ 52,644 | \$ 45,386 | \$ 37,661 | \$ 28,797 | \$ 19,841 | 16 % | 165 % |
| | \$ | \$ | \$ | \$ | \$ | | |
| Allowance for loan and lease losses | (259,150) | (310,387) | (350,495) | (355,163) | (348,857) | (17) % | (26) % |
| Loans and leases held for investment at amortized cost, net | \$ 4,246,666 | \$ 4,539,915 | \$ 4,886,782 | \$ 5,178,186 | \$ 5,143,081 | (6) % | (17) % |
| Loans held for investment at fair value ⁽³⁾ | \$ 427,396 | \$ 272,678 | \$ 344,417 | \$ 430,956 | \$ 787,473 | 57 % | (46) % |
| Total loans and leases held for investment ⁽³⁾ | \$ 4,674,062 | \$ 4,812,593 | \$ 5,231,199 | \$ 5,609,142 | \$ 5,930,554 | (3) % | (21) % |
| Whole loans held on balance sheet ⁽⁴⁾ | \$ 5,224,477 | \$ 5,220,366 | \$ 5,593,988 | \$ 5,859,503 | \$ 5,975,201 | — | %(13) % |
| Total assets | \$ 9,244,828 | \$ 8,827,463 | \$ 8,472,351 | \$ 8,342,506 | \$ 8,754,018 | 5 % | 6 % |
| Total deposits | \$ 7,521,655 | \$ 7,333,486 | \$ 7,000,263 | \$ 6,843,535 | \$ 7,218,854 | 3 % | 4 % |
| Total liabilities | \$ 7,978,542 | \$ 7,575,641 | \$ 7,264,132 | \$ 7,136,983 | \$ 7,563,276 | 5 % | 5 % |
| Total equity | \$ 1,266,286 | \$ 1,251,822 | \$ 1,208,219 | \$ 1,205,523 | \$ 1,190,742 | 1 % | 6 % |

N/M – Not meaningful

⁽¹⁾Represents the allowance for future estimated net charge-offs on existing portfolio balances.

⁽²⁾Represents the negative allowance for expected recoveries of amounts previously charged-off.

⁽³⁾In the first quarter of 2024, "Retail and certificate loans held for investment at fair value" were combined within "Loans held for investment at fair value." Prior period amounts have been reclassified to conform to the current period presentation.

⁽⁴⁾Includes loans held for sale at fair value, loans and leases held for investment at amortized cost, net of allowance for loan and lease losses, and loans held for investment at fair value.

The asset quality metrics presented in the following table are for loans and leases held for investment at amortized cost and do not reflect loans held for investment at fair value:

| | As of and for the three months ended | | | | |
|--|--------------------------------------|-------------------------|--------------------------|------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 |
| Asset Quality Metrics (1): | | | | | |
| Allowance for loan and lease losses to total loans and leases held for investment at amortized cost | 5.8 % | 6.4 % | 6.7 % | 6.4 % | 6.4 % |
| Allowance for loan and lease losses to commercial loans and leases held for investment at amortized cost | 1.9 % | 1.8 % | 2.0 % | 1.9 % | 2.0 % |
| Allowance for loan and lease losses to consumer loans and leases held for investment at amortized cost | 6.4 % | 7.2 % | 7.4 % | 7.1 % | 7.1 % |
| Gross allowance for loan and lease losses to consumer loans and leases held for investment at amortized cost | 7.8 % | 8.3 % | 8.2 % | 7.7 % | 7.5 % |
| Net charge-offs | \$ 80,483 | \$ 82,511 | \$ 68,795 | \$ 59,884 | \$ 49,845 |
| Net charge-off ratio (2) | 6.9 % | 6.6 % | 5.1 % | 4.4 % | 3.8 % |

(1) Calculated as ALLL or gross ALLL, where applicable, to the corresponding portfolio segment balance of loans and leases held for investment at amortized cost.

(2) Net charge-off ratio is calculated as annualized net charge-offs divided by average outstanding loans and leases held for investment during the period.

LENDINGCLUB CORPORATION
LOANS AND LEASES HELD FOR INVESTMENT

(In thousands)
(Unaudited)

The following table presents loans and leases held for investment at amortized cost and loans held for investment at fair value:

| | March 31, 2024 | December 31, 2023 |
|--|-------------------|----------------------|
| Unsecured personal | \$ 3,397,853 | \$ 3,726,830 |
| Residential mortgages | 180,697 | 183,050 |
| Secured consumer | 253,241 | 250,039 |
| Total consumer loans held for investment | 3,831,791 | 4,159,919 |
| Equipment finance (1) | 101,902 | 110,992 |
| Commercial real estate | 376,022 | 380,322 |
| Commercial and industrial | 196,101 | 199,069 |
| Total commercial loans and leases held for investment | 674,025 | 690,383 |
| Total loans and leases held for investment at amortized cost | 4,505,816 | 4,850,302 |
| Allowance for loan and lease losses | (259,150) | (310,387) |
| Loans and leases held for investment at amortized cost, net | \$ 4,246,666 | \$ 4,539,915 |
| Loans held for investment at fair value (2) | 427,396 | 272,678 |
| Total loans and leases held for investment | \$ 4,674,062 | \$ 4,812,593 |

(1) Comprised of sales-type leases for equipment.

(2) In the first quarter of 2024, "Retail and certificate loans held for investment at fair value" were combined within "Loans held for investment at fair value." Prior period amount has been reclassified to conform to the current period presentation.

LENDINGCLUB CORPORATION
ALLOWANCE FOR LOAN AND LEASE LOSSES

(In thousands)
(Unaudited)

The following table presents the components of the allowance for loan and lease losses:

March 31, 2024 December 31, 2023

| | | | | |
|--|----|----------|----|----------|
| Gross allowance for loan and lease losses ⁽¹⁾ | \$ | 311,794 | \$ | 355,773 |
| Recovery asset value ⁽²⁾ | | (52,644) | | (45,386) |
| Allowance for loan and lease losses | \$ | 259,150 | \$ | 310,387 |

⁽¹⁾Represents the allowance for future estimated net charge-offs on existing portfolio balances.

⁽²⁾Represents the negative allowance for expected recoveries of amounts previously charged-off.

The following tables present the allowance for loan and lease losses on loans and leases held for investment at amortized cost and do not reflect loans held for investment at fair value:

| | Three Months Ended | | | | | |
|--|--------------------|------------|------------|-------------------|------------|------------|
| | March 31, 2024 | | | December 31, 2023 | | |
| | Consumer | Commercial | Total | Consumer | Commercial | Total |
| Allowance for loan and lease losses, beginning of period | \$ 298,061 | \$ 12,326 | \$ 310,387 | \$ 336,288 | \$ 14,207 | \$ 350,495 |
| Credit loss expense for loans and leases held for investment | 27,686 | 1,560 | 29,246 | 43,227 | (824) | 42,403 |
| Charge-offs | (89,110) | (1,232) | (90,342) | (88,904) | (1,193) | (90,097) |
| Recoveries | 9,643 | 216 | 9,859 | 7,450 | 136 | 7,586 |
| Allowance for loan and lease losses, end of period | \$ 246,280 | \$ 12,870 | \$ 259,150 | \$ 298,061 | \$ 12,326 | \$ 310,387 |

| | Three Months Ended | | |
|--|--------------------|------------|------------|
| | March 31, 2023 | | |
| | Consumer | Commercial | Total |
| Allowance for loan and lease losses, beginning of period | \$ 312,489 | \$ 15,363 | \$ 327,852 |
| Credit loss expense for loans and leases held for investment | 70,684 | 166 | 70,850 |
| Charge-offs | (52,212) | (351) | (52,563) |
| Recoveries | 2,585 | 133 | 2,718 |
| Allowance for loan and lease losses, end of period | \$ 333,546 | \$ 15,311 | \$ 348,857 |

LENDINGCLUB CORPORATION
PAST DUE LOANS AND LEASES HELD FOR INVESTMENT

(In thousands)

(Unaudited)

The following tables present past due loans and leases held for investment at amortized cost and do not reflect loans held for investment at fair value:

| March 31, 2024 | 30-59 | 60-89 | 90 or More | Total Days | Guaranteed |
|--|-----------|-----------|------------|------------|-----------------------|
| | Days | Days | Days | Past Due | Amount ⁽¹⁾ |
| Unsecured personal | \$ 29,852 | \$ 24,694 | \$ 26,383 | \$ 80,929 | \$ — |
| Residential mortgages | 1,171 | — | 151 | 1,322 | — |
| Secured consumer | 2,332 | 393 | 243 | 2,968 | — |
| Total consumer loans held for investment | \$ 33,355 | \$ 25,087 | \$ 26,777 | \$ 85,219 | \$ — |
| Equipment finance | \$ 1,461 | \$ — | \$ — | \$ 1,461 | \$ — |
| Commercial real estate | 4,335 | 400 | 4,321 | 9,056 | 7,755 |
| Commercial and industrial | 1,595 | 8,518 | 4,687 | 14,800 | 11,185 |
| Total commercial loans and leases held for investment | \$ 7,391 | \$ 8,918 | \$ 9,008 | \$ 25,317 | \$ 18,940 |
| Total loans and leases held for investment at amortized cost | \$ 40,746 | \$ 34,005 | \$ 35,785 | \$ 110,536 | \$ 18,940 |

| December 31, 2023 | 30-59 | 60-89 | 90 or More | Total Days | Guaranteed |
|--|-----------|-----------|------------|------------|-----------------------|
| | Days | Days | Days | Past Due | Amount ⁽¹⁾ |
| Unsecured personal | \$ 32,716 | \$ 29,556 | \$ 30,132 | \$ 92,404 | \$ — |
| Residential mortgages | 1,751 | — | — | 1,751 | — |
| Secured consumer | 2,076 | 635 | 217 | 2,928 | — |
| Total consumer loans held for investment | \$ 36,543 | \$ 30,191 | \$ 30,349 | \$ 97,083 | \$ — |

| | | | | | |
|--|-----------|-----------|-----------|------------|-----------|
| Equipment finance | \$ 1,265 | \$ — | \$ — | \$ 1,265 | \$ — |
| Commercial real estate | — | 3,566 | 1,618 | 5,184 | 4,047 |
| Commercial and industrial | 12,261 | 1,632 | 1,515 | 15,408 | 11,260 |
| Total commercial loans and leases held for investment | \$ 13,526 | \$ 5,198 | \$ 3,133 | \$ 21,857 | \$ 15,307 |
| Total loans and leases held for investment at amortized cost | \$ 50,069 | \$ 35,389 | \$ 33,482 | \$ 118,940 | \$ 15,307 |

(1)Represents loan balances guaranteed by the Small Business Association.

LENDINGCLUB CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except share and per share data)
(Unaudited)

| | Three Months Ended | | | Change (%) | |
|--|--------------------|------------------|------------------|---------------|---------------|
| | March 31, | December 31, | March 31, | Q1 2024 | Q1 2024 |
| | 2024 | 2023 | 2023 | vs | vs |
| | | | | Q4 2023 | Q1 2023 |
| Non-interest income: | | | | | |
| Origination fees | \$ 70,079 | \$ 76,702 | \$ 70,543 | (9) % | (1) % |
| Servicing fees | 19,592 | 17,450 | 26,380 | 12 % | (26) % |
| Gain on sales of loans | 10,909 | 11,921 | 14,125 | (8) % | (23) % |
| Net fair value adjustments | (44,689) | (53,892) | (15,414) | (17) % | 190 % |
| Marketplace revenue | 55,891 | 52,181 | 95,634 | 7 % | (42) % |
| Other non-interest income | 1,909 | 1,948 | 3,356 | (2) % | (43) % |
| Total non-interest income | 57,800 | 54,129 | 98,990 | 7 % | (42) % |
| Total interest income | 207,351 | 208,319 | 202,413 | — % | 2 % |
| Total interest expense | 84,463 | 76,842 | 55,709 | 10 % | 52 % |
| Net interest income | 122,888 | 131,477 | 146,704 | (7) % | (16) % |
| Total net revenue | 180,688 | 185,606 | 245,694 | (3) % | (26) % |
| Provision for credit losses | 31,927 | 41,907 | 70,584 | (24) % | (55) % |
| Non-interest expense: | | | | | |
| Compensation and benefits | 59,554 | 58,591 | 73,307 | 2 % | (19) % |
| Marketing | 24,136 | 23,465 | 26,880 | 3 % | (10) % |
| Equipment and software | 12,684 | 13,190 | 13,696 | (4) % | (7) % |
| Depreciation and amortization | 12,673 | 11,953 | 12,354 | 6 % | 3 % |
| Professional services | 7,091 | 7,727 | 9,058 | (8) % | (22) % |
| Occupancy | 3,861 | 3,926 | 4,310 | (2) % | (10) % |
| Other non-interest expense | 12,234 | 11,163 | 17,703 | 10 % | (31) % |
| Total non-interest expense | 132,233 | 130,015 | 157,308 | 2 % | (16) % |
| Income before income tax expense | 16,528 | 13,684 | 17,802 | 21 % | (7) % |
| Income tax expense | (4,278) | (3,529) | (4,136) | 21 % | 3 % |
| Net income | \$ 12,250 | \$ 10,155 | \$ 13,666 | 21 % | (10) % |
| Net income per share: | | | | | |
| Basic EPS | \$ 0.11 | \$ 0.09 | \$ 0.13 | 22 % | (15) % |
| Diluted EPS | \$ 0.11 | \$ 0.09 | \$ 0.13 | 22 % | (15) % |
| Weighted-average common shares – Basic | 110,685,796 | 109,948,785 | 106,912,139 | 1 % | 4 % |
| Weighted-average common shares – Diluted | 110,687,380 | 109,949,371 | 106,917,770 | 1 % | 4 % |

LENDINGCLUB CORPORATION
NET INTEREST INCOME

(In thousands, except percentages or as noted)
(Unaudited)

| Consolidated LendingClub Corporation ⁽¹⁾ | | | | | | | | | |
|--|--|---|------------------------------------|---|---|------------------------------------|--|---|------------------------------------|
| | Three Months Ended March 31, 2024 | | | Three Months Ended December 31, 2023 | | | Three Months Ended March 31, 2023 | | |
| | Average Balance | Interest Income/ Expense | Average Yield/ Rate | Average Balance | Interest Income/ Expense | Average Yield/ Rate | Average Balance | Interest Income/ Expense | Average Yield/ Rate |
| Interest-earning assets ⁽²⁾ | | | | | | | | | |
| Cash, cash equivalents, restricted cash and other | \$ 1,217,395 | \$ 16,503 | 5.42 % | \$ 1,190,539 | \$ 16,271 | 5.47 % | \$ 1,220,677 | \$ 13,714 | 4.49 % |
| Securities available for sale at fair value | 1,972,561 | 35,347 | 7.17 % | 1,197,625 | 20,920 | 6.99 % | 362,960 | 3,900 | 4.30 % |
| Loans held for sale at fair value | 467,275 | 14,699 | 12.58 % | 501,850 | 15,883 | 12.66 % | 110,580 | 5,757 | 20.83 % |
| Loans and leases held for investment: | | | | | | | | | |
| Unsecured personal loans | 3,518,101 | 116,055 | 13.20 % | 3,890,041 | 128,190 | 13.18 % | 4,066,713 | 133,687 | 13.15 % |
| Commercial and other consumer loans | 1,115,931 | 16,338 | 5.86 % | 1,126,010 | 17,033 | 6.05 % | 1,175,504 | 16,780 | 5.71 % |
| Loans and leases held for investment at amortized cost | 4,634,032 | 132,393 | 11.43 % | 5,016,051 | 145,223 | 11.58 % | 5,242,217 | 150,467 | 11.48 % |
| Loans held for investment at fair value ⁽³⁾ | 256,335 | 8,409 | 13.12 % | 306,636 | 10,022 | 13.07 % | 882,838 | 28,575 | 12.95 % |
| Total loans and leases held for investment ⁽³⁾ | 4,890,367 | 140,802 | 11.52 % | 5,322,687 | 155,245 | 11.67 % | 6,125,055 | 179,042 | 11.69 % |
| Total interest-earning assets | 8,547,598 | 207,351 | 9.70 % | 8,212,701 | 208,319 | 10.15 % | 7,819,272 | 202,413 | 10.35 % |
| Cash and due from banks and restricted cash | 58,440 | | | 63,181 | | | 71,878 | | |
| Allowance for loan and lease losses | (291,168) | | | (334,711) | | | (338,359) | | |
| Other non-interest earning assets | 631,468 | | | 659,995 | | | 666,650 | | |
| | \$ | | | \$ | | | \$ | | |
| Total assets | 8,946,338 | | | 8,601,166 | | | 8,219,441 | | |
| Interest-bearing liabilities | | | | | | | | | |
| Interest-bearing deposits: | | | | | | | | | |
| Checking and money market accounts | \$ 1,054,614 | \$ 9,410 | 3.59 % | \$ 1,081,875 | \$ 9,593 | 3.52 % | \$ 1,633,691 | \$ 7,568 | 1.88 % |
| Savings accounts and certificates of deposit | 6,069,942 | 74,553 | 4.94 % | 5,720,058 | 66,660 | 4.62 % | 4,747,478 | 45,705 | 3.90 % |
| Interest-bearing deposits | 7,124,556 | 83,963 | 4.74 % | 6,801,933 | 76,253 | 4.45 % | 6,381,169 | 53,273 | 3.39 % |
| Other interest-bearing liabilities ⁽³⁾ | 26,571 | 500 | 7.53 % | 24,180 | 589 | 9.74 % | 154,045 | 2,436 | 6.33 % |
| Total interest-bearing liabilities | 7,151,127 | 84,463 | 4.75 % | 6,826,113 | 76,842 | 4.47 % | 6,535,214 | 55,709 | 3.46 % |
| Non-interest bearing deposits | 317,430 | | | 314,822 | | | 241,954 | | |
| Other liabilities | 220,544 | | | 238,806 | | | 263,868 | | |
| | \$ | | | \$ | | | \$ | | |
| Total liabilities | 7,689,101 | | | 7,379,741 | | | 7,041,036 | | |
| | \$ | | | \$ | | | \$ | | |
| Total equity | 1,257,237 | | | 1,221,425 | | | 1,178,405 | | |
| | \$ | | | \$ | | | \$ | | |
| Total liabilities and equity | 8,946,338 | | | 8,601,166 | | | 8,219,441 | | |

| | | | | | | |
|--|------------|--------|------------|--------|------------|--------|
| Interest rate spread | | 4.95 % | | 5.68 % | | 6.90 % |
| Net interest income and net interest margin | \$ 122,888 | 5.75 % | \$ 131,477 | 6.40 % | \$ 146,704 | 7.50 % |

(1) Consolidated presentation reflects intercompany eliminations.

(2) Nonaccrual loans and any related income are included in their respective loan categories.

(3) In the first quarter of 2024, "Retail and certificate loans held for investment at fair value" were combined within "Loans held for investment at fair value" and "Retail notes and certificates at fair value" were combined within "Other interest-bearing liabilities." Prior period amounts have been reclassified to conform to the current period presentation.

LENDINGCLUB CORPORATION
CONSOLIDATED BALANCE SHEETS
(In Thousands, Except Share and Per Share Amounts)
(Unaudited)

| | March 31, 2024 | December 31, 2023 |
|--|-------------------|-------------------------|
| Assets | | |
| | \$ | |
| Cash and due from banks | 15,930 | \$ 14,993 |
| Interest-bearing deposits in banks | 1,050,349 | 1,237,511 |
| Total cash and cash equivalents | 1,066,279 | 1,252,504 |
| Restricted cash | 36,081 | 41,644 |
| Securities available for sale at fair value (\$2,284,550 and \$1,663,990 at amortized cost, respectively) | 2,228,500 | 1,620,262 |
| Loans held for sale at fair value | 550,415 | 407,773 |
| Loans and leases held for investment | 4,505,816 | 4,850,302 |
| Allowance for loan and lease losses | (259,150) | (310,387) |
| Loans and leases held for investment, net | 4,246,666 | 4,539,915 |
| Loans held for investment at fair value ⁽¹⁾ | 427,396 | 272,678 |
| Property, equipment and software, net | 163,632 | 161,517 |
| Goodwill | 75,717 | 75,717 |
| Other assets | 450,142 | 455,453 |
| | \$ | \$ |
| Total assets | 9,244,828 | 8,827,463 |
| Liabilities and Equity | | |
| Deposits: | | |
| | \$ | \$ |
| Interest-bearing | 7,214,029 | 7,001,680 |
| Noninterest-bearing | 307,626 | 331,806 |
| Total deposits | 7,521,655 | 7,333,486 |
| Borrowings ⁽¹⁾ | 262,550 | 19,354 |
| Other liabilities | 194,337 | 222,801 |
| Total liabilities | 7,978,542 | 7,575,641 |
| Equity | | |
| Common stock, \$0.01 par value; 180,000,000 shares authorized; 111,120,415 and 110,410,602 shares issued and outstanding, respectively | 1,111 | 1,104 |
| Additional paid-in capital | 1,678,928 | 1,669,828 |
| Accumulated deficit | (376,556) | (388,806) |
| Accumulated other comprehensive loss | (37,197) | (30,304) |
| Total equity | 1,266,286 | 1,251,822 |
| | \$ | \$ |
| Total liabilities and equity | 9,244,828 | 8,827,463 |

(1) In the first quarter of 2024, "Retail and certificate loans held for investment at fair value" were combined within "Loans held for investment at fair value" and "Retail notes and certificates at fair value" were combined within "Borrowings." Prior period amounts have been reclassified to conform to the current period presentation.

LENDINGCLUB CORPORATION
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES

(In thousands, except share and per share data)

(Unaudited)

Pre-Provision Net Revenue

| | For the three months ended | | | | |
|-----------------------------------|----------------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 |
| GAAP Net income | \$ 12,250 | \$ 10,155 | \$ 5,008 | \$ 10,110 | \$ 13,666 |
| Less: Provision for credit losses | (31,927) | (41,907) | (64,479) | (66,595) | (70,584) |
| Less: Income tax expense | (4,278) | (3,529) | (3,327) | (4,686) | (4,136) |
| Pre-provision net revenue | \$ 48,455 | \$ 55,591 | \$ 72,814 | \$ 81,391 | \$ 88,386 |

| | For the three months ended | | | | |
|----------------------------------|----------------------------|----------------------|-----------------------|------------------|-------------------|
| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 |
| Non-interest income | \$ 57,800 | \$ 54,129 | \$ 63,844 | \$ 85,818 | \$ 98,990 |
| Net interest income | 122,888 | 131,477 | 137,005 | 146,652 | 146,704 |
| Total net revenue | 180,688 | 185,606 | 200,849 | 232,470 | 245,694 |
| Non-interest expense | (132,233) | (130,015) | (128,035) | (151,079) | (157,308) |
| Pre-provision net revenue | 48,455 | 55,591 | 72,814 | 81,391 | 88,386 |
| Provision for credit losses | (31,927) | (41,907) | (64,479) | (66,595) | (70,584) |
| Income before income tax expense | 16,528 | 13,684 | 8,335 | 14,796 | 17,802 |
| Income tax expense | (4,278) | (3,529) | (3,327) | (4,686) | (4,136) |
| GAAP Net income | \$ 12,250 | \$ 10,155 | \$ 5,008 | \$ 10,110 | \$ 13,666 |

Tangible Book Value Per Common Share

| | March 31, 2024 | December 31, 2023 | September 30, 2023 | June 30, 2023 | March 31, 2023 |
|-------------------------------|---------------------|----------------------|-----------------------|---------------------|---------------------|
| GAAP common equity | \$ 1,266,286 | \$ 1,251,822 | \$ 1,208,219 | \$ 1,205,523 | \$ 1,190,742 |
| Less: Goodwill | (75,717) | (75,717) | (75,717) | (75,717) | (75,717) |
| Less: Intangible assets | (11,165) | (12,135) | (13,151) | (14,167) | (15,201) |
| Tangible common equity | \$ 1,179,404 | \$ 1,163,970 | \$ 1,119,351 | \$ 1,115,639 | \$ 1,099,824 |

Book value per common share

| | | | | | |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| GAAP common equity | \$ 1,266,286 | \$ 1,251,822 | \$ 1,208,219 | \$ 1,205,523 | \$ 1,190,742 |
| Common shares issued and outstanding | 111,120,415 | 110,410,602 | 109,648,769 | 108,694,120 | 107,460,734 |
| Book value per common share | \$ 11.40 | \$ 11.34 | \$ 11.02 | \$ 11.09 | \$ 11.08 |

Tangible book value per common share

| | | | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Tangible common equity | \$ 1,179,404 | \$ 1,163,970 | \$ 1,119,351 | \$ 1,115,639 | \$ 1,099,824 |
| Common shares issued and outstanding | 111,120,415 | 110,410,602 | 109,648,769 | 108,694,120 | 107,460,734 |
| Tangible book value per common share | \$ 10.61 | \$ 10.54 | \$ 10.21 | \$ 10.26 | \$ 10.23 |

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SOURCE LendingClub Corporation