

# ARROWMARK FINANCIAL CORP. (BANX)

MARCH 31, 2024



ARROWMARK FINANCIAL CORP.

## INVESTMENT OBJECTIVE

The ArrowMark Financial Corp.'s (NASDAQ: BANX) ("Fund") primary investment objective is to provide shareholders with current income. The Fund's strategy has a focus on income generation, capital preservation, and providing risk-adjusted rates of return.

## FUND HIGHLIGHTS

- Unique investment vehicle dedicated to making investments in regulatory capital relief securities issued by large, global banks, and community bank securities
- Non-correlated, value-add non commoditized product portfolio
- Meaningful floating rate assets (~88%) may position the portfolio well for rising rate environment
- Portfolio is primarily comprised of income assets within a closed-end fund structure
- High current income potential
- Distributions paid quarterly<sup>1</sup>
- Relatively stable net asset value ("NAV") released monthly

**\$205mm**

managed assets

**9.9%**

historical  
distribution rate<sup>1</sup>

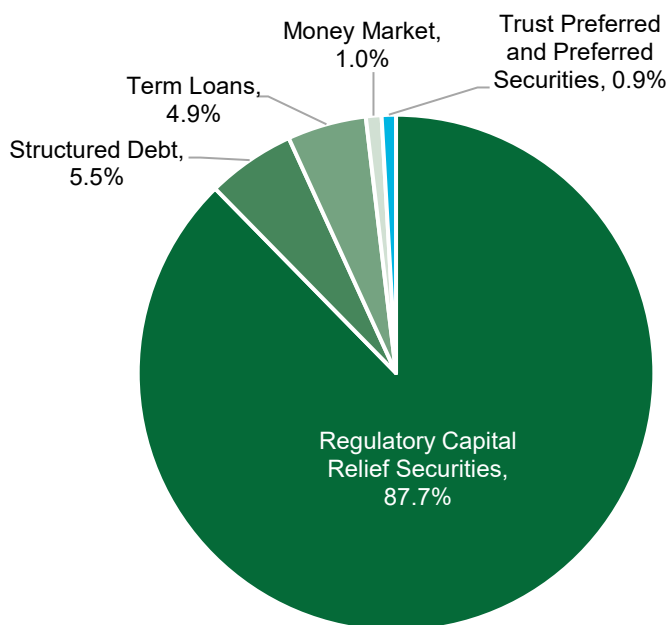
**7.96%**

since inception  
NAV return<sup>2</sup>

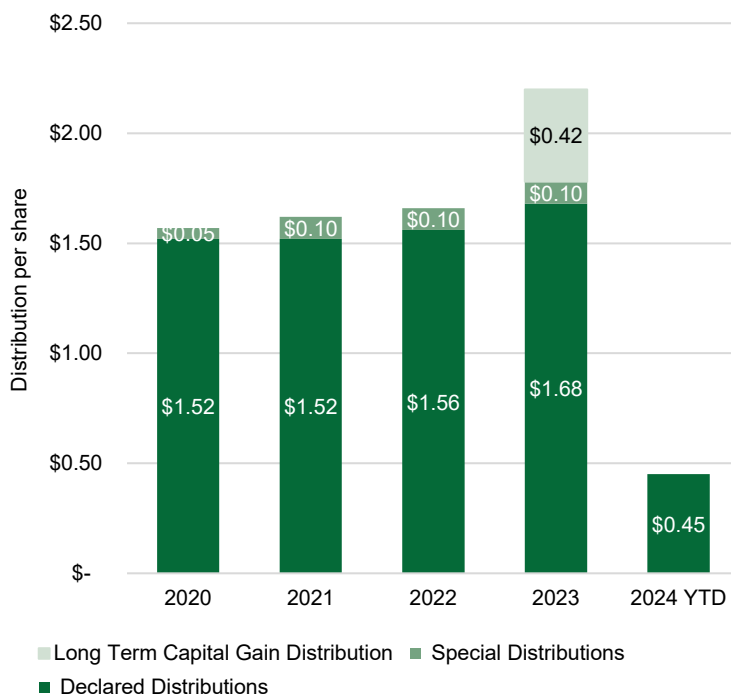
## FUND INFORMATION

NASDAQ Ticker Symbol	BANX
CUSIP	861780104
Inception Date	November 13, 2013
Market Price / Share <sup>3</sup>	\$19.00
Closing NAV / Share	\$21.24
Premium/Discount to NAV	(12.9%)
Inception Market Price / Share <sup>2</sup>	\$25.00
Inception NAV / Share <sup>2,3,4</sup>	\$23.49

## ASSET ALLOCATION (As of 3/31/2024)



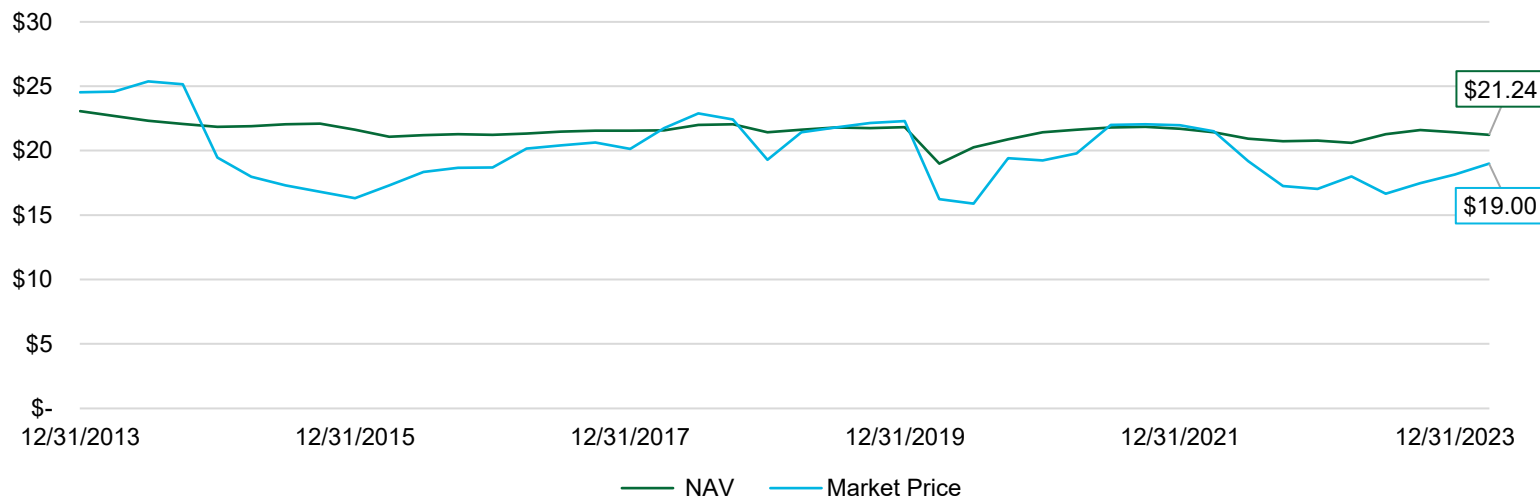
## 5 YEAR DISTRIBUTION HISTORY<sup>1</sup> (As of 1/1/2018 – 3/31/2024)



Past performance is no guarantee of future results.



Annual Total Returns (As of 3/31/2024)	1 Year	3 Year	5 Year	10 Year
BANX NAV	16.97%	9.76%	9.38%	8.31%
BANX Market Price	19.87%	8.92%	6.95%	6.26%
Bloomberg Aggregate <sup>5</sup>	1.70%	-2.46%	0.36%	1.54%
Bloomberg High Yield <sup>6</sup>	11.15%	2.19%	4.21%	4.44%



**Past performance is no guarantee of future results.** <sup>1</sup>Distributions from net investment income, if any, are declared and paid quarterly. Distributions, if any, of net short-term capital gain and net capital gain (the excess of net long-term capital gain over the short-term capital loss) realized by the Fund, after deducting any available capital loss carryovers are declared and paid to shareholders at least annually. Income distributions and capital gain distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP. These differences include the treatment of non-taxable distributions, losses deferred due to wash sales and excise tax regulations. Permanent book and tax basis differences relating to shareholder distributions will result in reclassifications within the components of net assets. There can be no assurance that the Fund will continue to pay the same or any Distributions. Distributions can only be approved by the Fund's Board of Trustees. <sup>2</sup>The Fund commenced operations on November 13, 2013. <sup>3</sup>Numerical data compiled by Bank of New York Mellon, Administrator to the Fund, is based on information believed to be correct, subject to revision and adjustment. All numbers are rounded to the 100th decimal place. <sup>4</sup>Net Asset Value at beginning of period reflects a deduction of \$1.51 per share of sales load and offering expenses from the initial public offering price of \$25 per share. <sup>5</sup>Bloomberg U.S. Aggregate Bond Index ("Bloomberg Aggregate") (including interest income) covers the U.S. dollar-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, government agency, corporate, plus mortgage- and asset-backed sectors. <sup>6</sup>Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index ("Bloomberg High Yield") is an index that measures the performance of high yield, non-investment grade corporate bonds, with a maximum allocation of 2% to any one issuer.

#### ABOUT ARROWMARK FINANCIAL CORP.

The Fund is an SEC registered, non-diversified, closed-end investment company listed on the NASDAQ Global Select Market under the symbol "BANX." Its investment objective is to provide shareholders with current income. BANX pursues its objective by investing primarily in regulatory capital relief securities of financial institutions. The Fund is managed by ArrowMark Asset Management, LLC. Destra Capital Advisors LLC, a registered investment advisor, is providing secondary market servicing for the Fund. To learn more, visit [ir.arrowmarkfinancialcorp.com](http://ir.arrowmarkfinancialcorp.com) or contact Destra Capital Advisors at 877-855-3434 or [BANX@destracapital.com](mailto:BANX@destracapital.com).

#### DISCLAIMER AND RISK FACTORS

There is no assurance that the Fund will achieve its investment objective. The Fund is subject to numerous risks, including investment and market risks, management risk, income and interest rate risks, banking industry risks, preferred stock risk, convertible securities risk, debt securities risk, liquidity risk, valuation risk, leverage risk, non-diversification risk, credit and counterparty risks, market at a discount from net asset value risk and market disruption risk. Shares of closed-end investment companies may trade above (a premium) or below (a discount) their net asset value. Shares of ArrowMark Financial may not be appropriate for all investors. Investors should review and consider carefully the Fund's investment objective, risks, charges and expenses. Past performance does not guarantee future results. The Annual Report, Semi-Annual Report and other regulatory filings of the Company with the SEC are accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and on the Company's website at [ir.arrowmarkfinancialcorp.com](http://ir.arrowmarkfinancialcorp.com).