

QUARTERLY FACT SHEET

MARCH 31, 2022



ARROWMARK FINANCIAL CORP.

CAPITAL STRUCTURE

Total Net Assets	\$152,245,150
Total Assets	\$210,999,842
Total Leverage Outstanding	\$57,000,000
Leverage as a Percent of Total Assets	27%

COMPANY INFORMATION

CUSIP	861780104
NASDAQ Ticker Symbol	BANX
Market Price per Share	\$21.51
Market Capitalization	\$152.7 million
Net Asset Value	\$21.44
Inception Date	November 13, 2013
Inception Price Share	\$25.00
Inception NAV ¹	\$23.49

¹ 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.

DISTRIBUTION INFORMATION

Dividend Yield	7.3%
Current Quarterly Distribution (Per Share)	\$0.39
Total Cash Distributions per Share	
2021 YTD (Declared)	\$0.39
Inception (Declared)	\$13.51

HIGHLIGHTS

- High current income potential
- Unique investment vehicle dedicated to making bank-related investments in regulatory capital relief securities, community banks, and FDIC-insured institutions.
- Portfolio managed by ArrowMark Asset Management, LLC as one of the leading advisors dedicated to the banking and financial services sector.
- ArrowMark's community bank investments provide high impact to their local communities in economic development, financial inclusion and job creation through the support of local small businesses and in rural communities.

OBJECTIVE

The company's primary investment objective is to provide stockholders with current income. The company's strategy has a focus on income generation, capital preservation, credit quality and providing risk-adjusted total return.

INVESTMENT STRATEGY

ArrowMark Financial Corp. invests in term loans, structured debt securities, regulatory capital relief securities, trust preferred/preferred securities, and to a lesser extent, common equity. The investment strategy emphasizes risk-adjusted rates of return and long-term value creation for shareholders. The Schedule of Investments can be found on the Company's website. Current investments are approximately 9.2% in term loans, 9.6% in structured debt, 69.4% in regulatory capital transactions, 6.8% in trust preferred and preferred stocks, 2.4% in ETFs, and 2.6% in cash and short-term cash equivalents as a percent of total long-term investments.¹ As a regulated investment company, ArrowMark's leverage is limited to a maximum of 33.33%.

ABOUT ARROWMARK FINANCIAL CORP.

ArrowMark Financial Corp. is an SEC registered non-diversified, closed-end investment company listed on the NASDAQ Global Select Market under the symbol "BANX." The firm intends to make long-term, passive, non-control investments in banking-related securities seeking capital. ArrowMark Financial Corp. is managed by ArrowMark Asset Management, LLC. To learn more, visit ir.arrowmarkfinancialcorp.com.

¹ Based on Total Investments of \$200.0 million.

COMPANY CHARACTERISTICS

Asset Categories & Investment Characteristics

(As of 03.31.2022)

ArrowMark Financial Corp. intends to make long-term, passive, non-control investments in term loans, debt securities, regulatory capital relief transactions, convertible securities and preferred and common equity. Each quarter, the portfolio is valued by independent market quotations, and other valuation sources

- A full schedule of investments can be found on the Company's website, ir.arrowmarkfinancialcorp.com, under SEC Filings.

Fair Value of Total Investments is \$200.0 million.

Community Bank Category

- The Company's total investments included approximately \$51.0 million of community bank assets. These assets fall under term loans, structured debt and trust preferred / preferred securities on the Schedule of Investments.

Regulatory Capital Relief Category

- The Company's total investments included approximately \$138.9 million of regulatory capital relief assets. These assets fall under regulatory capital on the Schedule of Investments.

Investment Characteristics

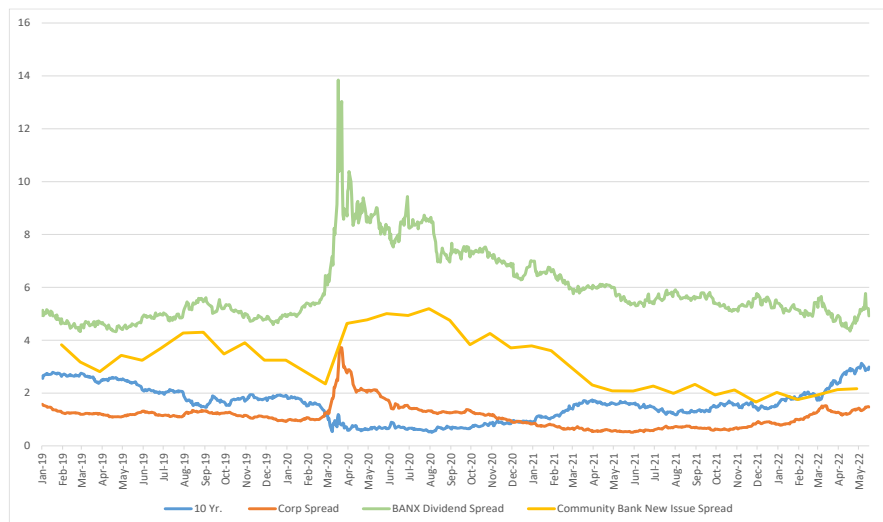
- Approximately 70% of total investments are in floating rate notes.
- A majority of the community bank underlying credits are in multi-family, owner occupied residential; C&I; and small business loans.
- A majority of the regulatory capital relief underlying credits are primarily investment grade, working credit lines of Fortune 1000 companies and/or international businesses.
- The invested portfolio is expected to benefit by the rise in interest rates

ArrowMark Financial Corp. Dividend Spread v. Community Bank New Issuance

(As of 03.31.2022)

- Ten-year treasury yields have increased meaningfully, from as low as ~1.5% at the end of 2021 to the 3% area in Q1 mid-May
- High grade corporate spread over 10-year treasury yields decreased between Q1 2020 and Q4 2021, but started to increase in FY 2022 (note this is not high yield spread) to the 1.5% area as of mid-May
- Community bank spreads over 10-year treasury yields have remained around the 2% area for the past year
- BANX Dividend Spread over 10-year Treasury shows good value today relative to both High Grade and Community Bank new issue spreads**

10Y US Tr Rate vs HG/Comm. Bank New Issue/BANX Spread over 10Y US Tr



¹Note the HG Corp. spread is not a HG yield

Consistent and Stable Yield

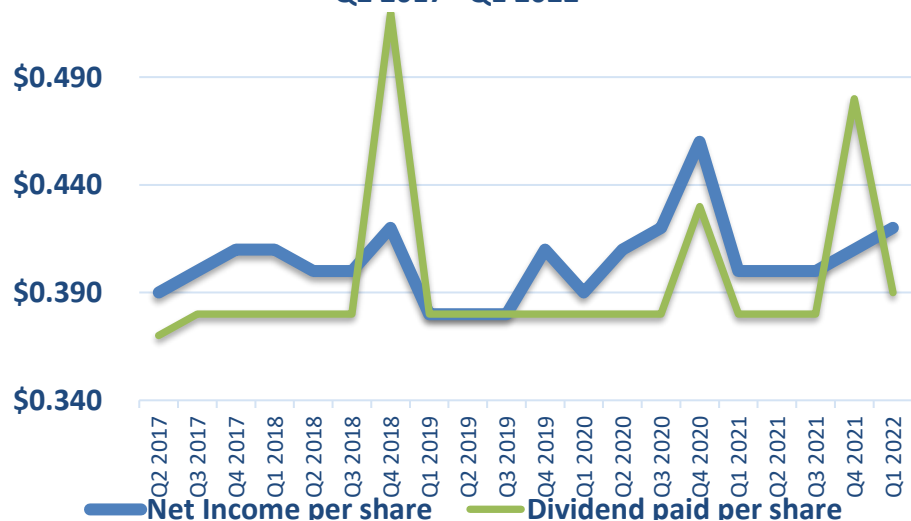
(As of 03.31.2022)

ArrowMark Financial Corp. pays out a consistent quarterly dividend. At Q1, 2022, the Company's dividend yield was 7.3%; For the tax year 2021, 13.97% of taxable income was eligible for QDI.

The Company has out-earned its dividend consistently for 5 consecutive years.

- The Company's Dividend History can be found at ir.arrowmarkfinancialcorp.com/stock-information/dividends-splits
- In 2020, the Company paid out a special dividend of \$0.05 per share and in 2021, the Company paid out a special dividend of \$0.10 per share.

5 Years of Consistent Coverage of Dividend Q2 2017 - Q1 2022



Sanjai Bhonsle,
Chairman & CEO

Mr. Bhonsle was elected Chairman & CEO of ArrowMark Financial Corp. in February 2020.

Mr. Bhonsle joined ArrowMark in October 2012 and serves as Partner and Portfolio Manager for ArrowMark's leveraged loan investments and collateralized loan obligation funds. Prior to joining ArrowMark, he founded MB Consulting Partners in 2009, where he specialized in financial and operational restructuring advisory to stressed and distressed middle-market companies. With more than 10 years of restructuring experience, he has led several assignments across various industries.

Sanjai was a Senior Portfolio Manager at GSO Capital Partners, a subsidiary of The Blackstone Group, and member of the Investment and Management Committee (2005-2009). Prior to joining GSO Capital Partners, Sanjai was an Assistant Portfolio Manager for RBC Capital Partners' debt investment group and was a member of the Investment Committee (2001-2005). He also led the group's restructuring efforts related to distressed investments and represented the firm's interests on creditor committees. From 1999-2001, Sanjai was a Senior Investment Analyst at Indosuez Capital Partners. Sanjai received a bachelor's degree in Mechanical Engineering from the University of Wisconsin - Madison and an MBA from the Eli Broad Graduate School of Management at Michigan State University.

Mr. Farrell was re-elected as ArrowMark Financial Corp.'s Chief Financial Officer in February 2020. He has served in this role since April 2014.

Patrick J. Farrell,
Chief Financial Officer

Mr. Farrell has served as Chief Financial Officer at StoneCastle Partners LLC, since February 2014. Mr. Farrell is responsible for all financial and accounting activities at StoneCastle. He has over thirty-eight years of hands-on management experience in finance and accounting, specifically focused on domestic and offshore mutual funds, bank deposit account programs, investment advisory and broker dealer businesses.

Previously, Mr. Farrell was CFO/COO of the Emerging Managers Group, LP, a specialty asset management firm focused on offshore mutual funds. Prior to that, Pat was CFO at Reserve Management. Earlier in his career, Pat held financial positions at Lexington Management, Drexel Burnham Lambert, Alliance Capital and New York Life Investment Management, all focused on investment advisory activities. He began his career as an auditor at Peat Marwick Mitchell & Co. in New York. Pat holds a BS in Business Administration-Accounting from Manhattan College.

Mr. Farrell is a Certified Public Accountant in New York State and a member of the American Institute of Certified Public Accountants.

Mr. Grove was elected Chief Compliance Officer of ArrowMark Financial Corp. in February 2020.

Rick Grove,
Chief Compliance Officer

He is a Principal and Chief Compliance Officer at ArrowMark Partners. He is also the Vice President, Chief Compliance Officer and Secretary for Meridian Fund, Inc. Before joining ArrowMark Partners in 2008, he was Vice President and Chief Compliance Officer for Black Creek Global Advisors (2007-2008). Prior to that position, Rick served as Vice President and Chief Compliance Officer for Madison Capital Management (2005-2007), Assistant Vice President and Director of Compliance at Janus Capital Group (1993-2005), and Fund Accountant for Oppenheimer Funds (1992-1993). Rick graduated from the University of Wyoming with a bachelor's degree in Accounting.

Disclaimers

Shares of closed-end management investment company are subject to investment risks, including the possible loss of principal invested. Past performance is no guarantee of future results.

An investment in this company presents a number of risks and is not suitable for all investors. Investors should carefully review and consider potential risks before investing. For more detailed information on the specific risks associated with this company, please view the Company's full financial filings at www.sec.gov.