

Investor Presentation

First Quarter 2026

Nasdaq: CARE



LIFE LIVED FULL

Forward-Looking Statement

This information contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward looking statements are typically identified by words or phrases such as “will likely result,” “expect,” “anticipate,” “estimate,” “forecast,” “project,” “intend,” “believe,” “assume,” “strategy,” “trend,” “plan,” “outlook,” “outcome,” “continue,” “remain,” “potential,” “opportunity,” “comfortable,” “current,” “position,” “maintain,” “sustain,” “seek,” “achieve” and variations of such words and similar expressions, or future or conditional verbs such as will, would, should, could or may. These statements are not guarantees of future results or performance and involve certain risks, uncertainties and assumptions that are difficult to predict and often are beyond the Company’s control. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Actual results may differ significantly from those expressed in or implied by these forward-looking statements. The matters discussed in these forward-looking statements are subject to various risks, uncertainties and other factors that could cause actual results and trends to differ materially from those made, projected, or implied in or by the forward-looking statements including, but not limited to the effects of: market interest rates and the impacts of market interest rates on economic conditions, customer behavior, and the Company’s net interest margin, net interest income, funding costs and its deposit, loan and securities portfolios; inflation, market and monetary fluctuations; changes in trade policies, tariffs, monetary and fiscal policies and laws of the U.S. government and the related impacts on economic conditions and financial markets, and changes in policies of the Federal Reserve, FDIC and U.S. Department of the Treasury; changes in accounting policies, practices, or guidance, for example, our adoption of Current Expected Credit Losses (“CECL”) methodology, including potential volatility in the Company’s operating results due to application of the CECL methodology; cyber-security threats, attacks or events; rapid technological developments and changes, including emerging issues related to the development and use of artificial intelligence that could give rise to legal or regulatory action or increase cybersecurity threats; our ability to resolve our nonperforming assets and our ability to secure collateral on loans that have entered nonaccrual status due to loan maturities and failure to pay in full; changes in the Company’s liquidity and capital positions; concentrations of loans secured by real estate, particularly commercial real estate (“CRE”) loans, and the potential impacts of changes in market conditions on the value of real estate collateral; increased delinquency and foreclosure rates on CRE loans; an insufficient allowance for credit losses; the potential adverse effects of unusual and infrequently occurring events, such as weather-related disasters, terrorist acts, war and other geopolitical conflicts or public health events (such as pandemics), and of any governmental and societal responses thereto; these potential adverse effects may include, without limitation, adverse effects on macroeconomic conditions, the ability of the Company’s borrowers to satisfy their obligations to the Company, on the value of collateral securing loans, on the demand for the Company’s loans or its other products and services, on incidents of cyberattack and fraud, on the Company’s liquidity or capital positions, on risks posed by reliance on third-party service providers, on other aspects of the Company’s business operations and on financial markets and economic growth; a change in spreads on interest-earning assets and interest-bearing liabilities; regulatory supervision and oversight, including our relationship with regulators and any actions that may be initiated by our regulators; legislation affecting the financial services industry as a whole, and the Company and the Bank, in particular and changes impacting the rulemaking, supervision, examination and enforcement priorities of the federal banking agencies; the outcome of pending and future litigation and/or governmental proceedings; increasing price and product/service competition; the ability to continue to introduce competitive new products and services on a timely, cost-effective basis; managing our internal growth and acquisitions; the possibility that the anticipated benefits from acquisitions cannot be fully realized in a timely manner or at all, or that integrating acquired operations will be more difficult, disruptive or more costly than anticipated; the soundness of other financial institutions and any indirect exposure related to large bank failures and their impact on the broader market through other customers, suppliers and partners or that the conditions which resulted in the liquidity concerns with those failed banks may also adversely impact, directly or indirectly, other financial institutions and market participants with which the Company has commercial or deposit relationships with; material increases in costs and expenses; reliance on significant customer relationships; general economic or business conditions, including unemployment levels, supply chain disruptions, slowdowns in economic growth, government shutdowns and geopolitical instability and tensions; significant weakening of the local economies in which we operate; changes in customer behaviors, including consumer spending, borrowing and saving habits; changes in deposit flows and loan demand; our failure to attract or retain key associates; expansions or consolidations in the Company’s branch network, including that the anticipated benefits of the Company’s branch acquisitions or the Company’s branch network optimization project are not fully realized in a timely manner or at all; deterioration of the housing market and reduced demand for mortgages; and re-emergence of turbulence in significant portions of the global financial and real estate markets that could impact our performance, both directly, by affecting our revenues and the value of our assets and liabilities, and indirectly, by affecting the economy generally and access to capital in the amounts, at the times and on the terms required to support our future businesses. Many of these factors, as well as other factors, are described in our filings with the Securities and Exchange Commission, including in the “Risk Factors” section of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025. All risk factors and uncertainties described herein and therein should be considered in evaluating the Company’s forward-looking statements. Forward-looking statements are based on beliefs and assumptions using information available at the time the statements are made. We caution you not to unduly rely on forward-looking statements because the assumptions, beliefs, expectations and projections about future events are expressed in or implied by a forward-looking statement may, and often do, differ materially from actual results. Any forward-looking statement speaks only as to the date on which it is made, and we undertake no obligation to update, revise or clarify any forward-looking statement to reflect developments occurring after the statement is made, except as required by law.

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SECTION 01

Overview

Company History

Focused on the future.

A well-capitalized franchise with momentum

- 1974** Bank established de novo in 1974 as First National Bank of Rocky Mount, VA
- 2006** Carter Bank & Trust charter established in 2006 with the merger of ten banks
- 2020** Carter Bankshares, Inc. holding company established in Q4 2020 with the assets of Carter Bank & Trust
- 2024** Carter Bankshares, Inc. unveiled a new logo and a refreshed visual brand identity to reflect our revitalized focus

Footprint

HQ
Martinsville, Virginia

—

63
Branches

—

10
Corporate Centers

Stats

\$4.8B
Assets

—

\$3.7B
Loans

—

\$4.2B
Deposits

Corporate Highlights

Executed the successful resolution of the Company's largest legacy nonperforming credit relationship on March 26, 2026

—

Further enhanced capital and liquidity levels

—

Reinstated Quarterly Cash Dividend on April 22, 2026

—

66.7% of Loan Production funded at a weighted average rate of 6.42% YTD 2026, with Construction loans of approximately \$450M funding over the next 12-18 months.

—

Diversified and Granular Deposit base, approximately 78.2% Retail Customers

Regional Footprint

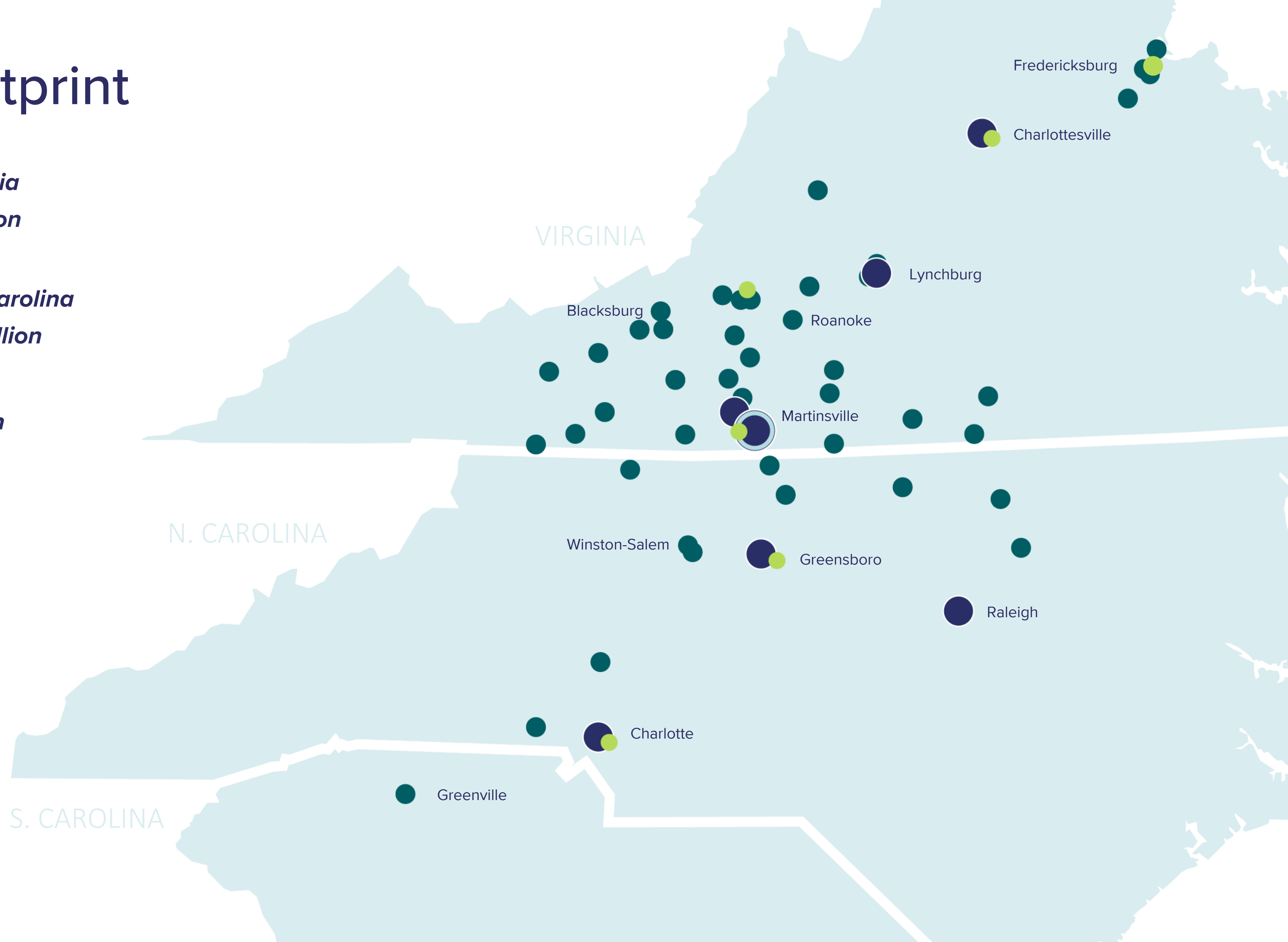
50 Total Branches in Virginia
Total VA Deposits \$3.7 billion

13 Total Branches in North Carolina
Total NC Deposits \$0.6 billion

1 Loan Production Office in South Carolina

Map Key

- Corporate Headquarters
- Regional Offices
- Branches
- Mortgage Loan Offices



Leadership Team



Litz Van Dyke
Chief Executive Officer
 40 years in Industry
 9 years at the Bank



Bradford Langs
President
Chief Strategy Officer
 39 years in Industry
 8 years at the Bank



Wendy Bell
Senior Executive Vice President
Chief Financial Officer
 41 years in Industry
 8 years at the Bank



Loran Adams
Executive Vice President
Director of Regulatory Risk Management
 43 years in Industry
 9 years at the Bank



Tami Buttrey
Executive Vice President
Chief Retail Banking Officer
 43 years in Industry
 7 years at the Bank



Jane Ann Davis
Executive Vice President
Chief Administrative Officer
 41 years in Industry
 41 years at the Bank



Tony Kallsen
Senior Executive Vice President
Chief Credit Risk Officer
 35 years in Industry
 8 years at the Bank



Joyce Parker
Executive Assistant
 39 years in Industry
 35 years at the Bank



Chrystal Parnell
Executive Vice President
Chief Marketing & Communications Officer
 23 years in Industry
 4 years at the Bank



Kimberly Schaufenbuel
Executive Vice President
Chief Human Resources Officer
 7 years in Industry
 >1 year at the Bank



Matt Speare
Senior Executive Vice President
Chief Operations Officer
 23 years in Industry
 8 years at the Bank



Rich Spiker
Senior Executive Vice President
Chief Lending Officer
 36 years in Industry
 7 years at the Bank



Charlie Sword
Senior Vice President
Controller
 19 years in Industry
 4 years at the Bank



OUR PURPOSE

To create opportunities for more people and businesses to prosper.

Rewarding Relationships



*Nurturing relationships
and rewarding
customers, associates,
and shareholders.*

Corporate & Social Responsibility



Associates in Northern Virginia participated in the "14th Annual Canstruction" event and were the winners of the 'Best Use of Labels' category for the Celebrating America's 250th Birthday design.

The charity-focused competition benefits the Fredericksburg Regional Food Bank through the donation of canned food. The eleven competing teams donated nearly 10,000 meals for neighbors facing hunger across the Central Rappahannock River Region.



The Charlotte team showed up through service to support Nourish Up, the largest network of food pantries in North Carolina. The Associates spent their time packing food boxes that were distributed to pantries throughout Mecklenburg County that afternoon. Their volunteerism ensured that community members had a stocked local pantry when doors opened the next day.



For the sixth consecutive year, the Bank participated in the Virginia Reads One Book program, through the Virginia Bankers Association. In 2026, the Bank expanded its involvement by sponsoring four elementary schools in our Danville, Martinsville, Roanoke, & Wytheville markets. The program promotes literacy and financial education by having the school community read the same book over a 3-week period. Associates also led financial education classes at each school.

757
Volunteer Community Service Hours

—

39
Nonprofits Supported by Associates Serving on Boards & Committees

—

\$179,371
Charitable Donations & Sponsorships to Nonprofits

—

26
Financial Education Classes Facilitated for 725 Students

Investment Highlights

Strong Financial Performance

- Strong Liquidity & Capital Position
- CET1 of 13.52%
- ACL coverage of 1.41%
- \$1.6B of total available liquidity
- 214.5% total available liquidity / uninsured deposits

Conservative Credit Culture

- Strong Credit Position
- 0.64% NPLs to Total Portfolio Loans
- 0.73% NPAs to Total Portfolio Loans plus OREO
- 219.03% Allowance for Credit Losses to NPLs
- 0.08% Past Due Loans to Total Portfolio Loans
- (1.55)% Net (Recoveries)/Charge-offs to Avg Loans



**Carter
Bankshares, Inc.**

Attractive Markets & Customers

- Well Positioned in Virginia & North Carolina including Fast Growing Markets such as Charlottesville, Charlotte, Greensboro, Roanoke, Raleigh and Winston-Salem.

Executing Strategic Objectives

- Investments in Human Capital, Brand & Culture, Technology, Loan & Deposit Diversification, Customer Experience, and Safety & Soundness should provide operational leverage and growth going forward

Strategic Initiatives

Superior financial performance and operational excellence.

Growing responsibly with financial safety and soundness in mind is an essential practice that enables the Bank to prosper and remain independent. We're known for our ability to provide exceptional service and build long-lasting relationships with customers. We will continue to build upon this differentiation with exceptional experiences, strong relationships, and community impact by investing in ways to improve the customer experience and gain operational efficiencies.

Grow Responsibly

—

Provide Exceptional Experience

—

Gain Operational Efficiency

Invest

We will invest in human capital strategies to enhance the associate experience. We will continue to drive efficiency and process improvement across all levels of the organization, leveraging technology and automation. We will make significant investments in the new brand strategy working on updating and enhancing the image and reputation of the Bank.

Enhance

We will focus on initiatives around enhancing technology, operations, customer experience, C&I, CRA, channel delivery, and product development. From a risk management perspective, we will strengthen change management systems and leverage the Board's ERM Committee.

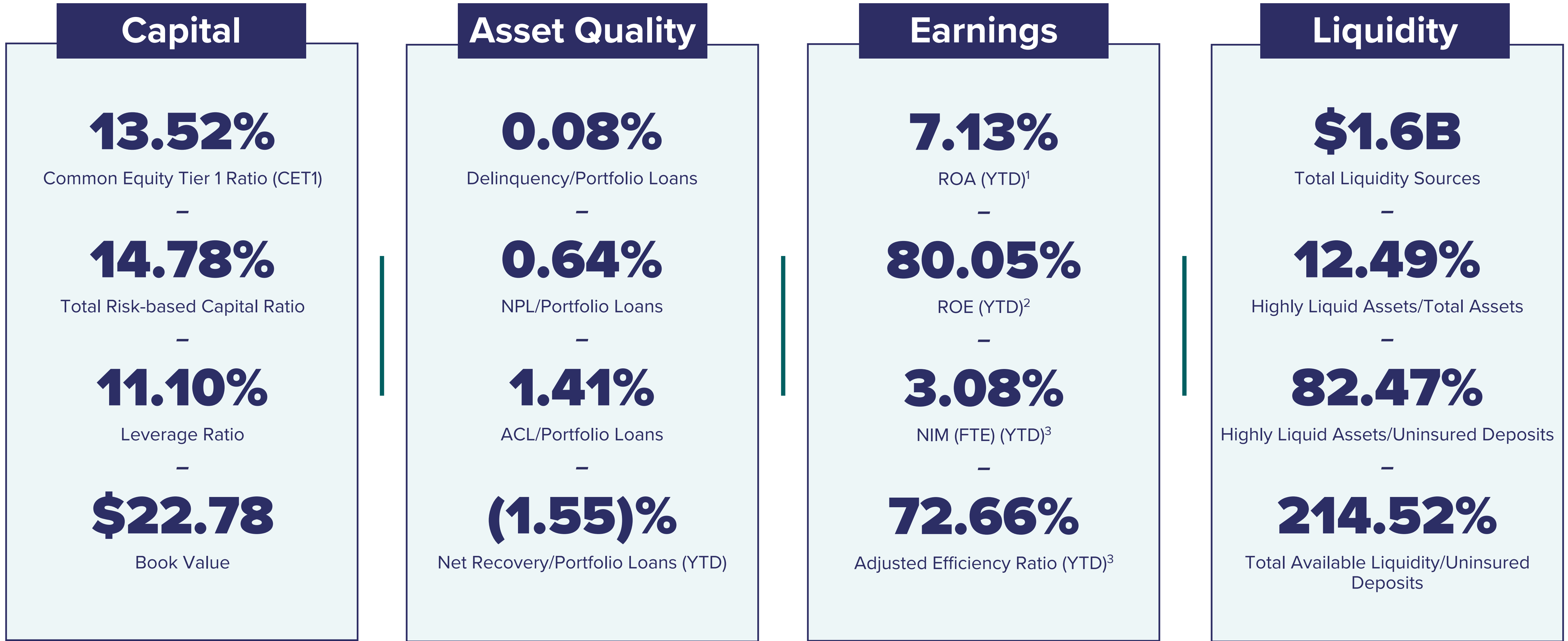
Expand

We will continue strategies to deepen existing relationships and acquire new relationships in current markets. We will focus on increasing market share in target growth markets. We will focus on expanding through organic growth and opportunistic acquisition.

Loan Sale Transaction Summary

Legacy Nonperforming Loans	
Note Book Balance	\$ 209,483,864
Premium on Sale	65,000,000
Recovery of \$15 million charge-off	15,000,000
Total Consideration Received	289,483,864
Payoff Note Balances	209,483,864
Gain on Sale and Recovery	80,000,000
Release Remaining Specific ACL Reserve	18,035,471
Gain on Sale, Recovery and Reserve Release	\$ 98,035,471
Net Income after Tax	\$ 77,448,022
Diluted Earnings Per Share	\$ 3.50
Tangible/Book Value	\$ 3.49

Safety & Soundness



SECTION 02

Financial

Balance Sheet & Income Statement

Operational Results	1Q 2026	4Q 2025	Q/Q Change \$	1Q 2025	Y/Y Change \$
Net Interest Income	\$ 35,934	\$ 34,604	\$ 1,330	\$ 30,138	\$ 5,796
Recovery for Credit Losses	(33,917)	(2,178)	(31,739)	(2,025)	(31,892)
Recovery for Unfunded Commitments	(218)	(80)	(138)	(114)	(104)
Noninterest Income	70,974	5,225	65,749	6,901	64,073
Noninterest Expense	31,012	31,004	8	28,042	2,970
Income Tax Expense	24,274	2,603	21,671	2,183	22,091
Net Income	\$ 85,757	\$ 8,480	\$ 77,277	\$ 8,953	\$ 76,804
Balance Sheet Condition					
Assets	\$ 4,799,270	\$ 4,851,922	\$ (52,652)	\$ 4,700,287	\$ 98,983
Gross Loans	3,728,802	3,879,899	(151,097)	3,687,495	41,307
Allowance for Credit Losses	(52,503)	(71,491)	18,988	(73,518)	21,015
Securities	662,127	691,612	(29,485)	745,390	(83,263)
Deposits	4,235,250	4,210,889	24,361	4,200,927	34,323
Borrowings	—	178,500	(178,500)	55,000	(55,000)
Shareholders' Equity	\$ 504,902	\$ 419,697	\$ 85,205	\$ 401,766	\$ 103,136

\$1.3M / \$5.8M

Net Interest Income up Q/Q & Y/Y

\$(33.9)M

Recovery for Credit Losses 1Q26

\$65.0M

Gain on the Transaction 1Q26

\$8.6M

Adjusted Net Income¹ 1Q26

\$(151.1)M / \$41.3M

Loan Growth down Q/Q & up Y/Y

\$58.4M or 6.1%

Loan Growth Q/Q Excluding Loan Sale¹

\$24.4M / \$34.3M

Deposits up Q/Q & Y/Y

\$(178.5)M / \$(55.0)M

Borrowings down Q/Q & Y/Y

\$85.2M / \$103.1M

Shareholders' Equity up Q/Q & Y/Y

Financial / Shareholder Ratios

Shareholder Ratios	1Q 2026	4Q 2025	Q/Q Change	1Q 2025	Y/Y Change
Diluted Earnings Per Share (QTD)	\$ 3.88	\$ 0.38	\$ 3.50	\$ 0.39	\$ 3.49
Financial Ratios					
Return on Avg Assets (QTD)	7.13%	0.70%	6.43%	0.78%	6.35%
Return on Avg Shareholders' Equity (QTD)	80.05%	8.12%	71.93%	9.27%	70.78%
Net Interest Margin (FTE)(QTD) ¹	3.08%	2.93%	0.15%	2.70%	0.38%
Adjusted Efficiency Ratio (QTD) ¹	72.66%	76.85%	(4.19)%	78.67%	(6.01)%
Asset Quality Ratios					
NPL / Portfolio Loans	0.64%	6.29%	(5.65)%	7.09%	(6.45)%
NPA / Total Assets plus OREO	0.73%	6.29%	(5.56)%	7.10%	(6.37)%
ACL / Portfolio Loans	1.41%	1.84%	(0.43)%	1.99%	(0.58)%
Net Chg-offs / Portfolio Loans (QTD annualized)	(1.55)%	0.01%	(1.56)%	0.01%	(1.56)%

\$3.50 / \$3.49

Diluted Earnings Per Share up Q/Q & Y/Y

\$0.40

Adj. Diluted EPS¹ Q/Q

7.13% / 0.70% / 0.78%

ROA 1Q26, 4Q25 & 1Q25

0.72%

Adj. ROA¹ 1Q26 Excluding Loan Sale

80.05% / 8.12% / 9.27%

ROE 1Q26, 4Q25 & 1Q25

8.05%

Adj. ROE¹ 1Q26 Excluding Loan Sale

0.15% / 0.38%

NIM (FTE) up Q/Q & Y/Y

(5.65)% / (6.45)%

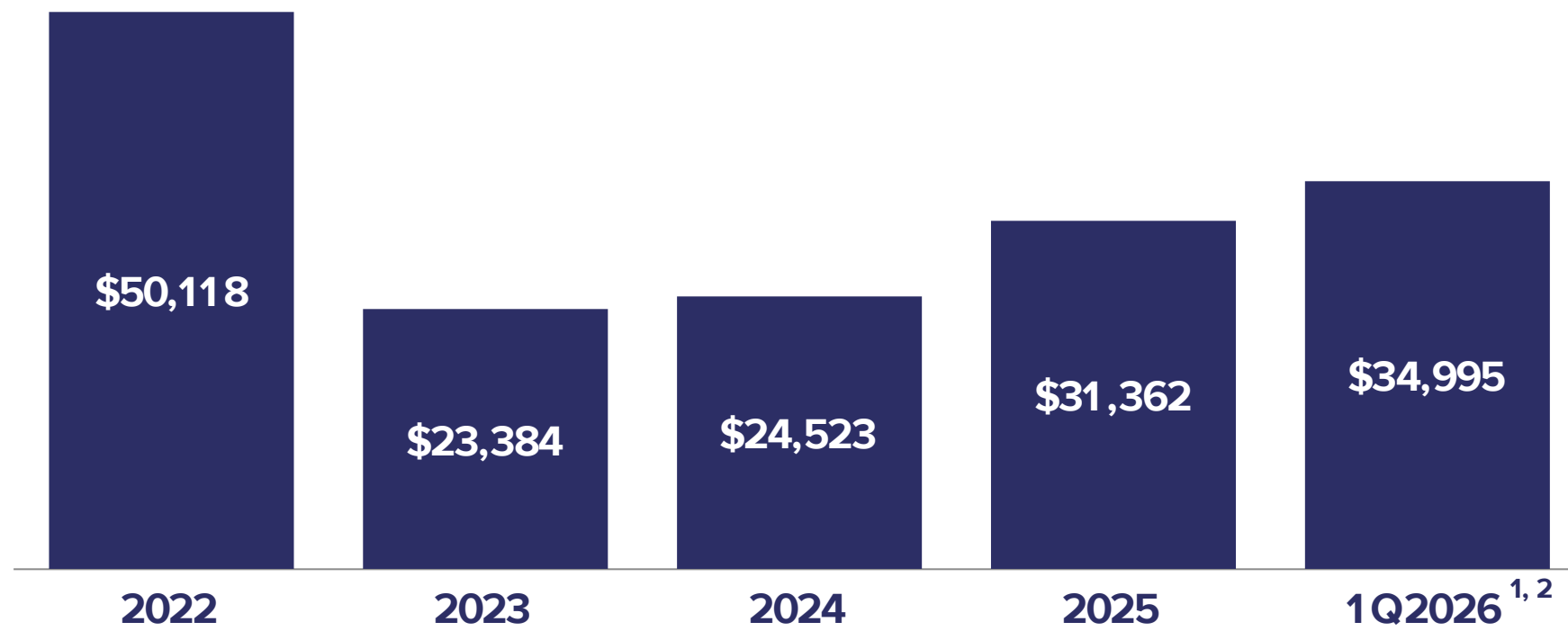
NPL / Portfolio Loans down Q/Q & Y/Y

(0.43)% / (0.58)%

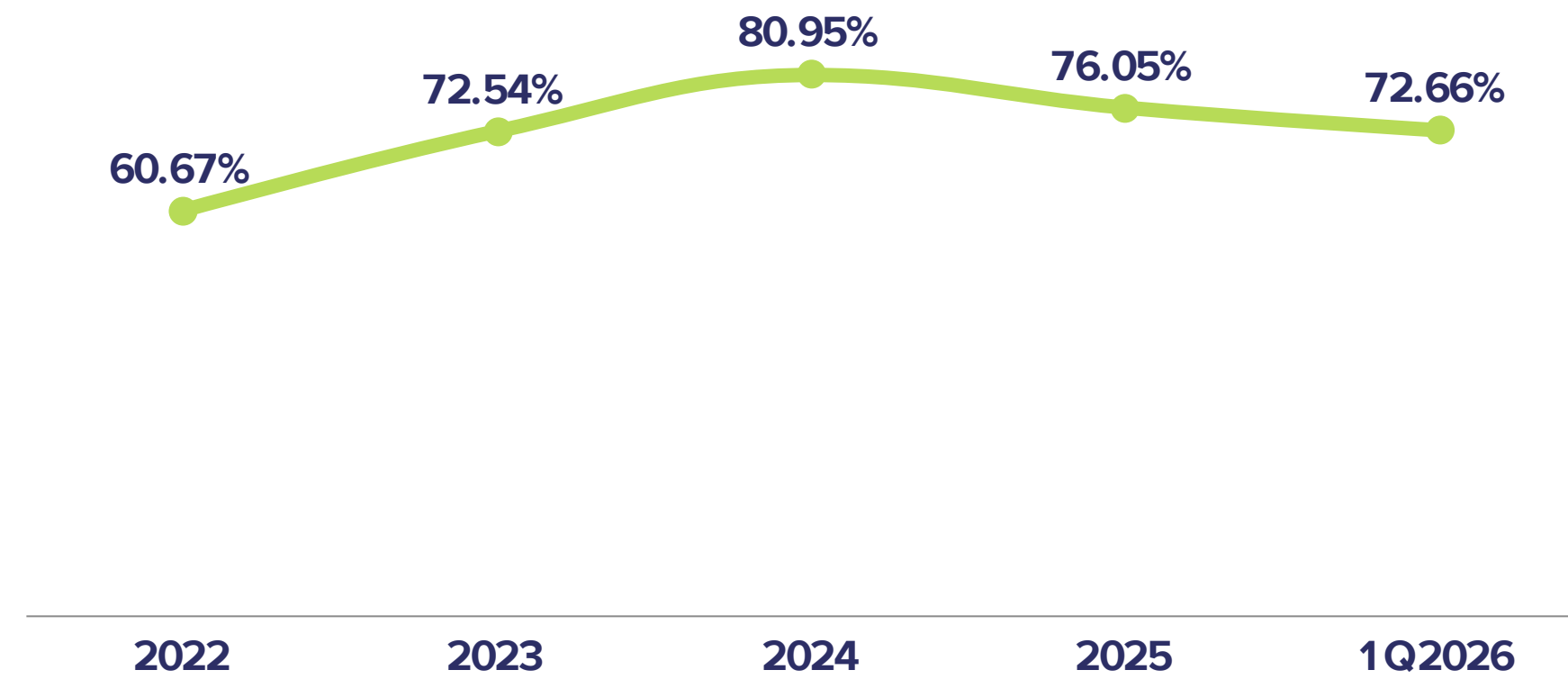
ACL / Portfolio Loans down Q/Q & Y/Y

Financial Performance Trends

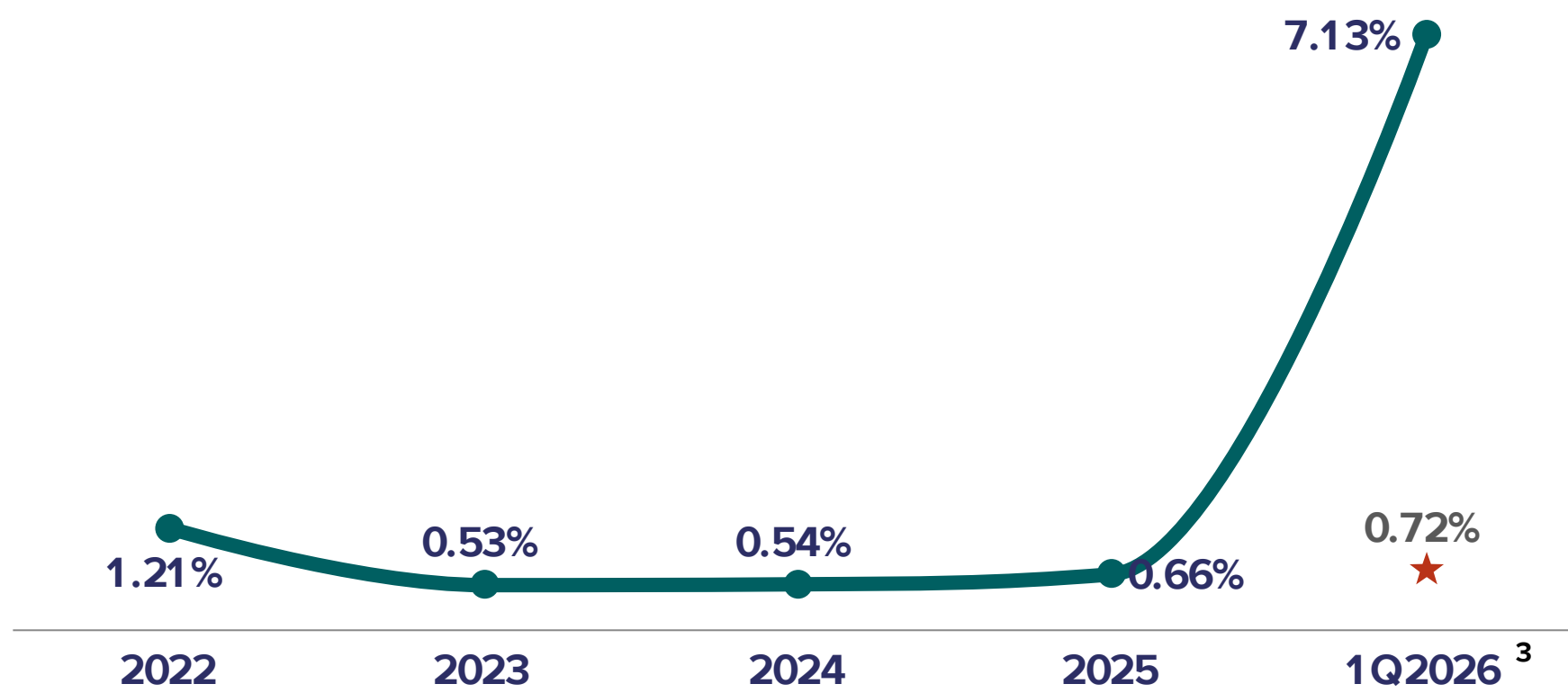
Net Income, in thousands



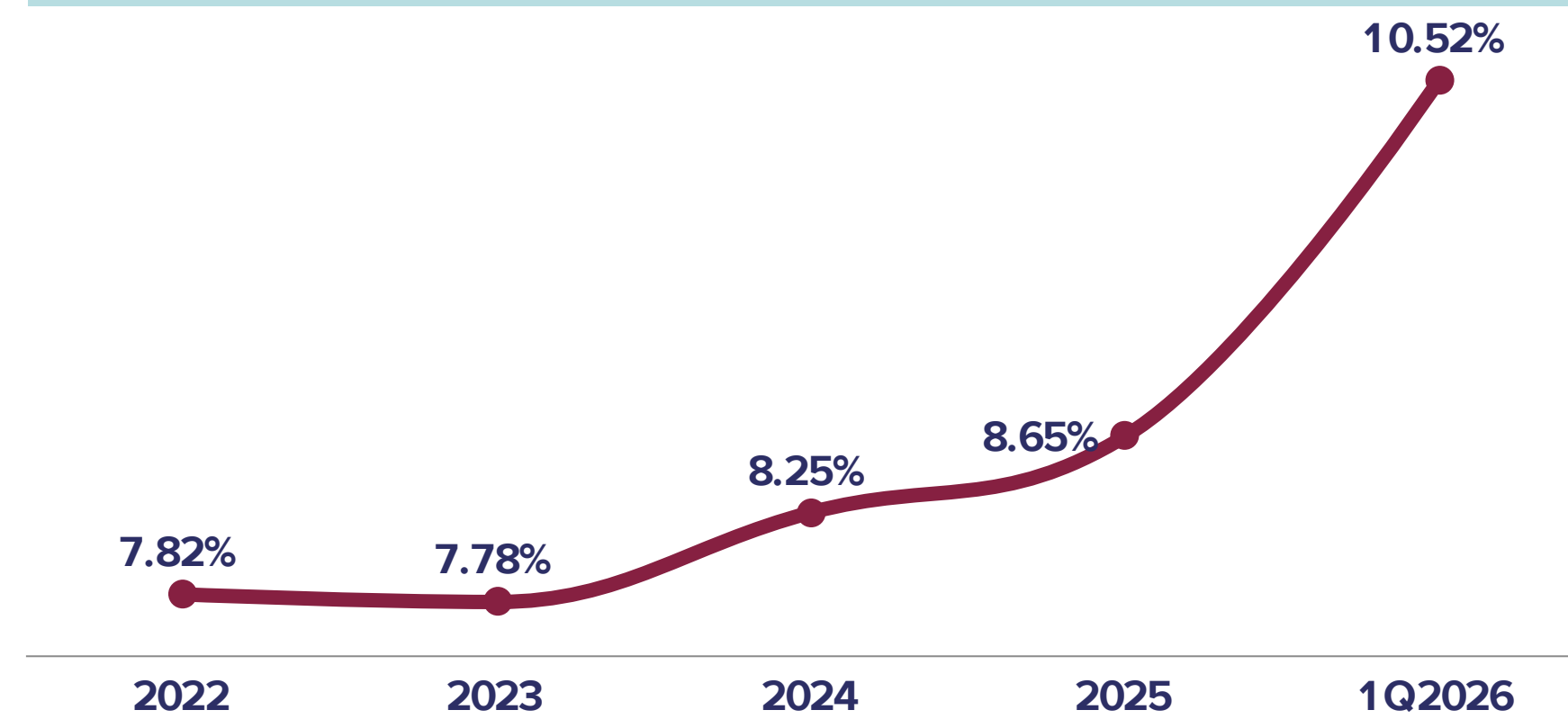
Adjusted Efficiency Ratio²



ROA



TCE



¹ Adjusted Net Income (non-GAAP)² and YTD annualized for the three months ended March 31, 2026

² Non-GAAP Financial Measure - see Non-GAAP reconciliation

³ ROA excluding the Loan Sale Transaction = 0.72%²

Capital Management

- Focus on maintaining a strong regulatory capital position in excess of regulatory thresholds.
- Ensure capital levels are commensurate with the Company's risk profile and strategic plan objectives.
- On February 2, 2026, the Board authorized a repurchase program to purchase up to \$10.0 million of the Company's common stock in the aggregate over a period of twelve months beginning February 11, 2026. The Company did not repurchase any shares under this plan during the three months ended March 31, 2026.

REGULATORY CAPITAL		
13.52%	14.78%	11.10%
TIER 1	TOTAL	LEVERAGE

		Carter Bankshares		
		Regulatory Well Capitalized	Actual	Excess (\$) (In Thousands)
Common Equity Tier 1 Ratio ("CET 1")		6.50%	13.52%	\$ 283,476
Tier 1 Risk-based Ratio		8.00%	13.52%	222,935
Total Risk-based Capital Ratio		10.00%	14.78%	192,724
Leverage Ratio		5.00%	11.10%	300,024
Critically Undercapitalized Category	Tangible equity to total assets \leq 2%			
Capital Conservation Buffer	\geq 2.5% composed of CET 1			

	Actual (\$) 03/31/26	Cumulative AOCL Impact 03/31/26
Book Value per Common Share	\$ 22.78	\$ (1.94)
Adjusted Book Value¹	\$ 24.72	

Liquidity

\$1.6B

TOTAL AVAILABLE LIQUIDITY

Continue to maintain a strong liquidity position:

- Ongoing FHLB collateral pledging¹
- Maintain three unsecured lines of credit
- Maintain one secured line of credit
- Majority of bond portfolio is unpledged
- Available sources to leverage unpledged bonds
 - Federal Reserve Discount Window
 - Federal Home Loan Bank of Atlanta
 - Secured Federal Funds Lines

Strong coverage of uninsured deposits:

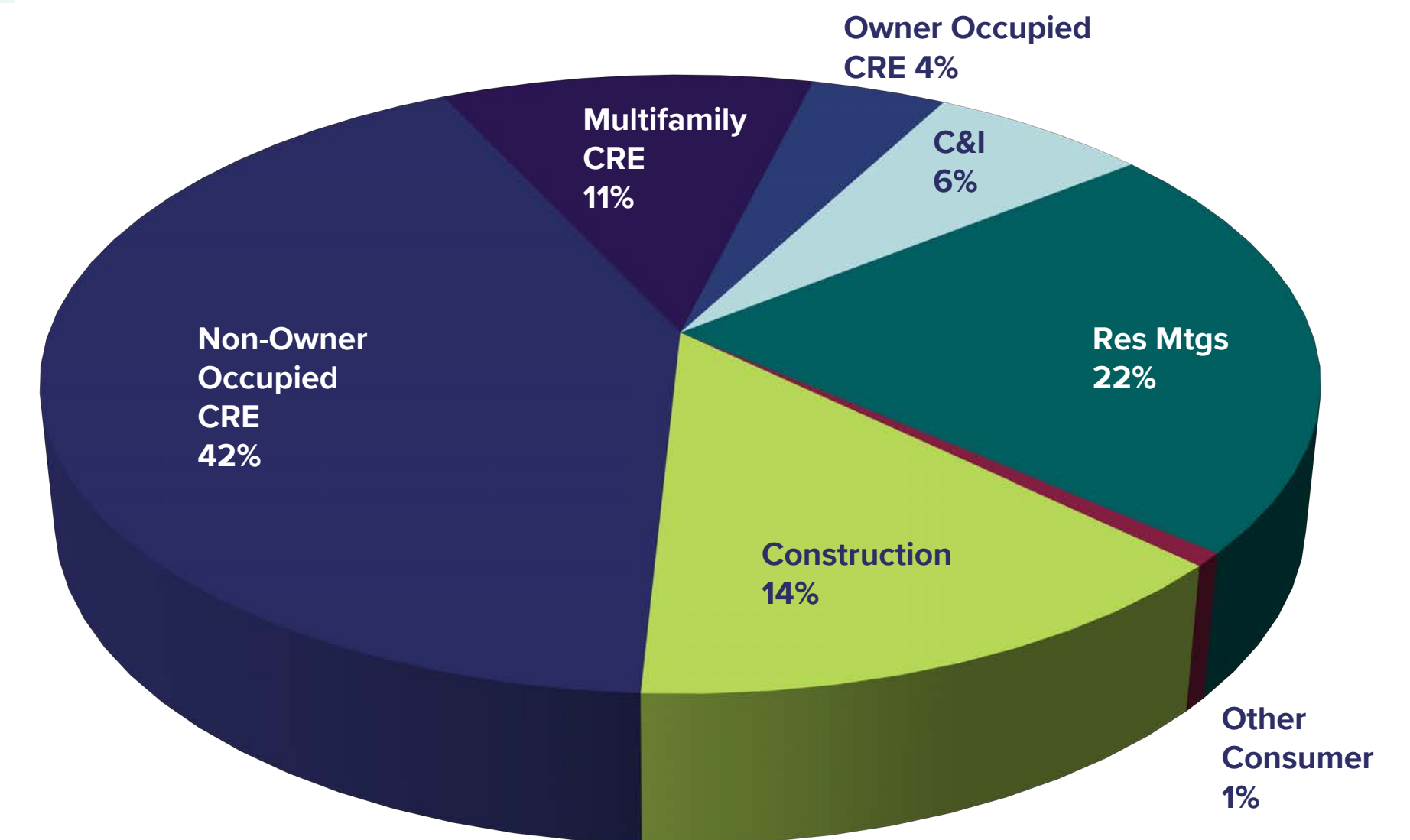
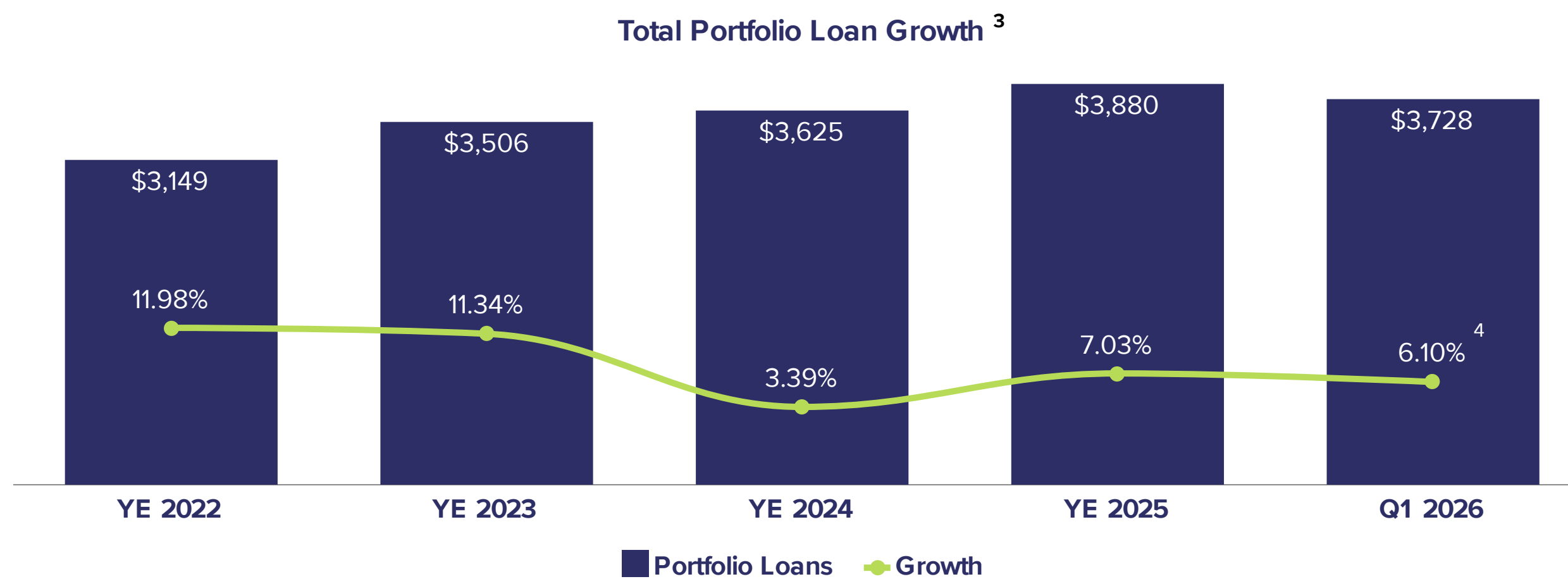
- Total available liquidity / uninsured deposits 214.5%

<i>\$ in thousands</i>	March 31, 2026	December 31, 2025	Change
Cash and Due From Banks, including Interest-bearing Deposits	\$ 228,318	\$ 105,163	\$ 123,155
FHLB Borrowing Availability ¹	816,643	609,392	207,251
Unsecured Lines of Credit	30,000	30,000	—
Collateralized Lines of Credit	25,000	45,000	(20,000)
Unpledged Investment Securities	407,764	402,220	5,544
Excess Pledged Securities	51,500	33,443	18,057
Total Liquidity Sources	\$ 1,559,225	\$ 1,225,218	\$ 334,007

Loan Composition

\$ in thousands	For the Period Ending			Variance	
	03/31/2026	12/31/2025	03/31/2025	Quarter	Year
CRE - Non-Owner Occupied	\$ 1,575,228	\$ 1,591,350	\$ 1,548,080	\$ (16,122)	\$ 27,148
CRE - Multifamily	391,980	386,257	303,592	5,723	88,388
CRE - Owner Occupied	160,720	136,707	64,191	24,013	96,529
Commercial and Industrial	245,455	231,921	234,024	13,534	11,431
Residential Mortgages	815,263	822,141	801,253	(6,878)	14,010
Other Consumer	26,264	28,416	28,804	(2,152)	(2,540)
Construction	513,551	465,613	459,285	47,938	54,266
Other ¹	—	217,155	248,266	(217,155)	(248,266)
Total Portfolio Loans²	\$ 3,728,461	\$ 3,879,560	\$ 3,687,495	\$ (151,099)	\$ 40,966

- The successful resolution of our largest nonperforming credit relationship during the first quarter of 2026 reduced total portfolio loans by \$151.1 million and contributed to a more favorable loan composition, including lower levels of nonperforming and higher risk loans.
- Total portfolio loans increased \$41.0M, or 1.1% YoY due to loan growth, primarily in the commercial real estate, construction, residential mortgage and commercial and Industrial segments.
- 66.7% of Loan Production funded at a weighted average rate of 6.42% YTD 2026, with Construction loans of approximately \$450M funding over the next 12-18 months.



¹ Other loans include unique risk attributes considered inconsistent with our current underwriting standards.

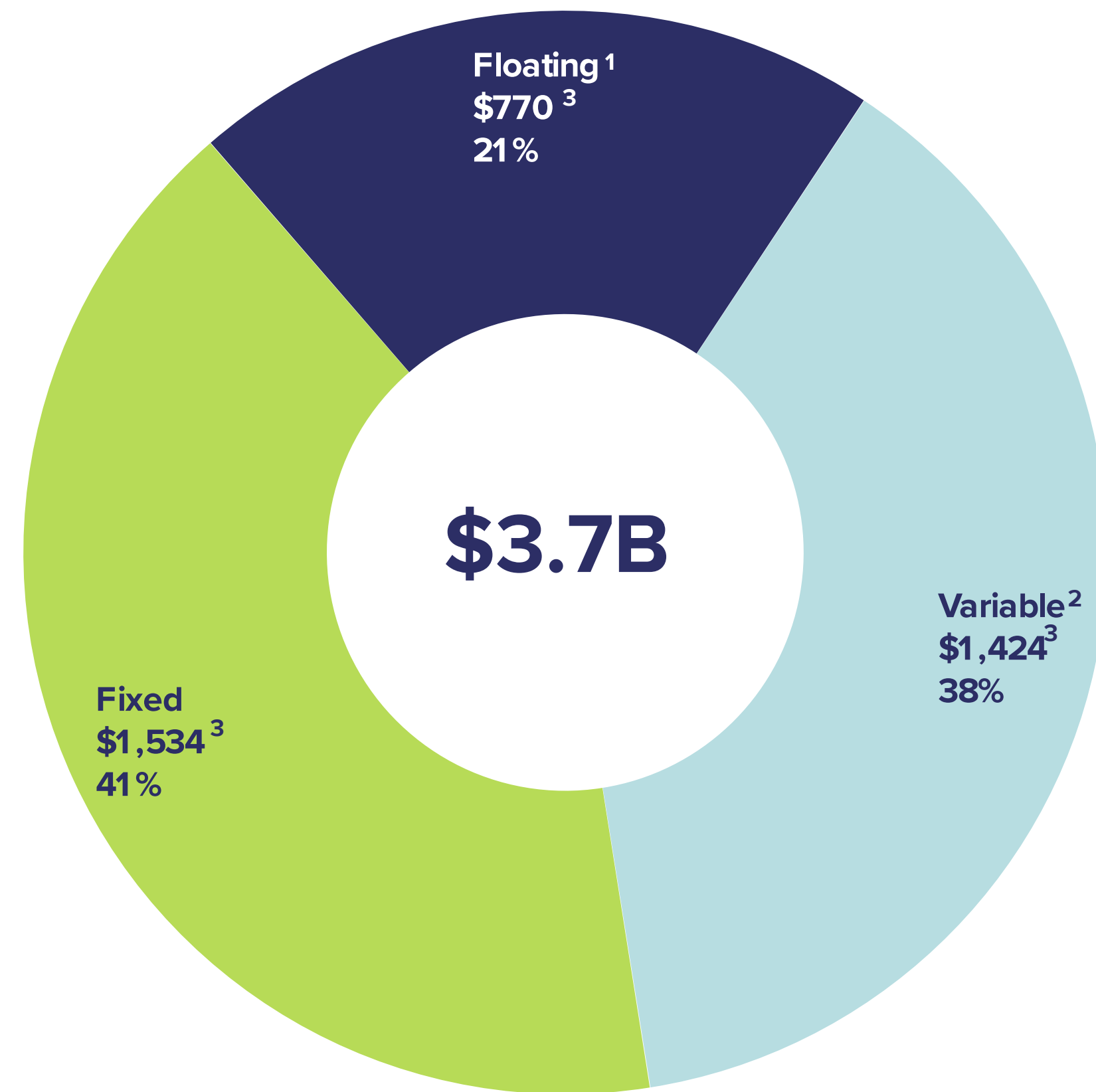
² Total Portfolio Loans is net of loans held-for-sale and Loan Portfolio Segments are sourced from Fed. Call Codes (RC-C).

³ \$ in millions

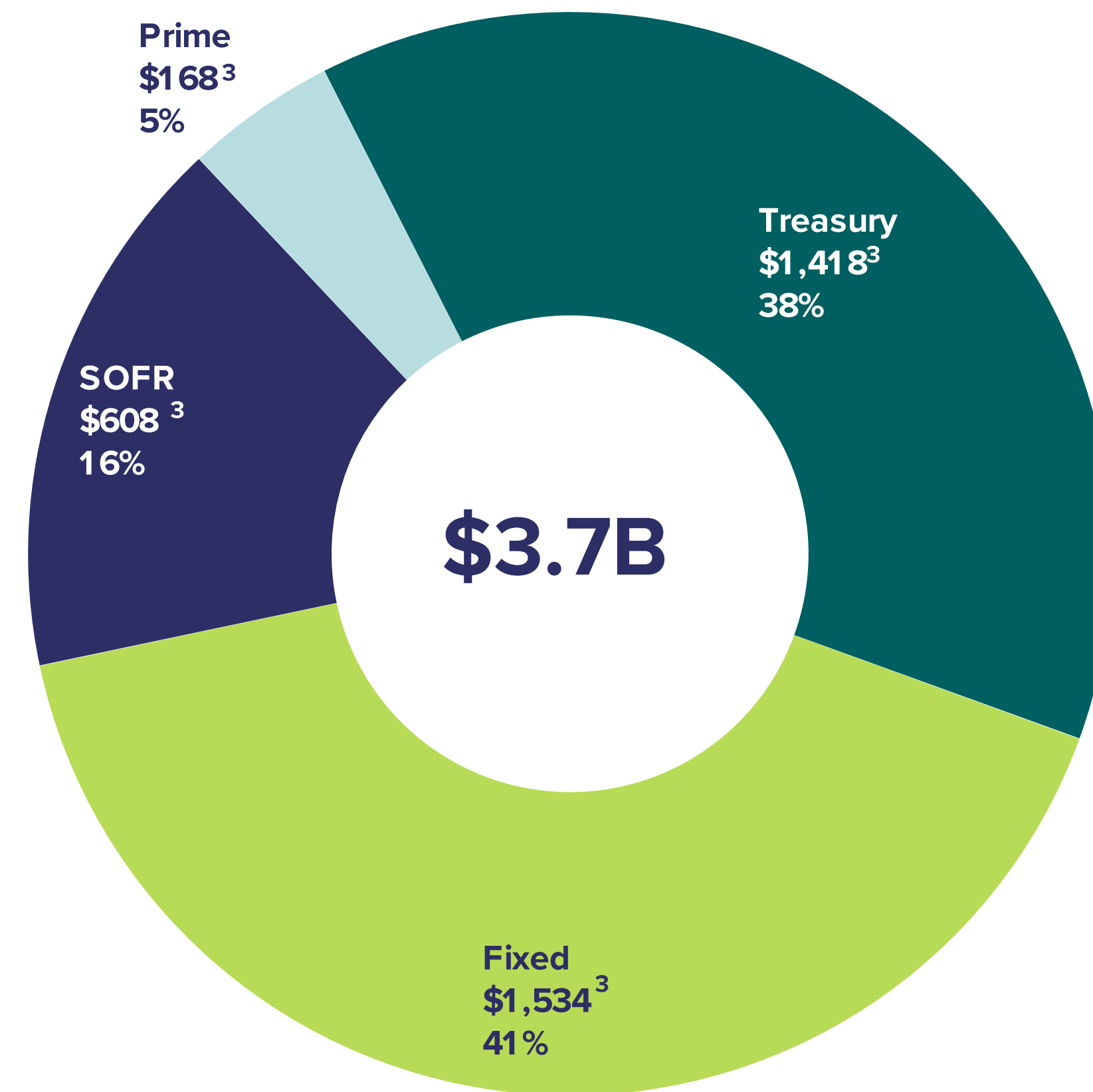
⁴ Loan growth for the first quarter of 2026 excludes the sale of the large NPL, See non-GAAP reconciliation.

Loan Portfolio Repricing & Index 1Q2026

Loan Portfolio by Rate Type



Loan Portfolio by Rate Index Type



¹Floating Rate Loans are defined as loans with contractual interest rate terms that allow the loan to reprice at least once each month.

²Variable Rate Loans are defined as loans with contractual interest rate terms that allow the loan to reprice at least once during the life of the loan agreement, but not more frequently than once per quarter.

³\$ in millions

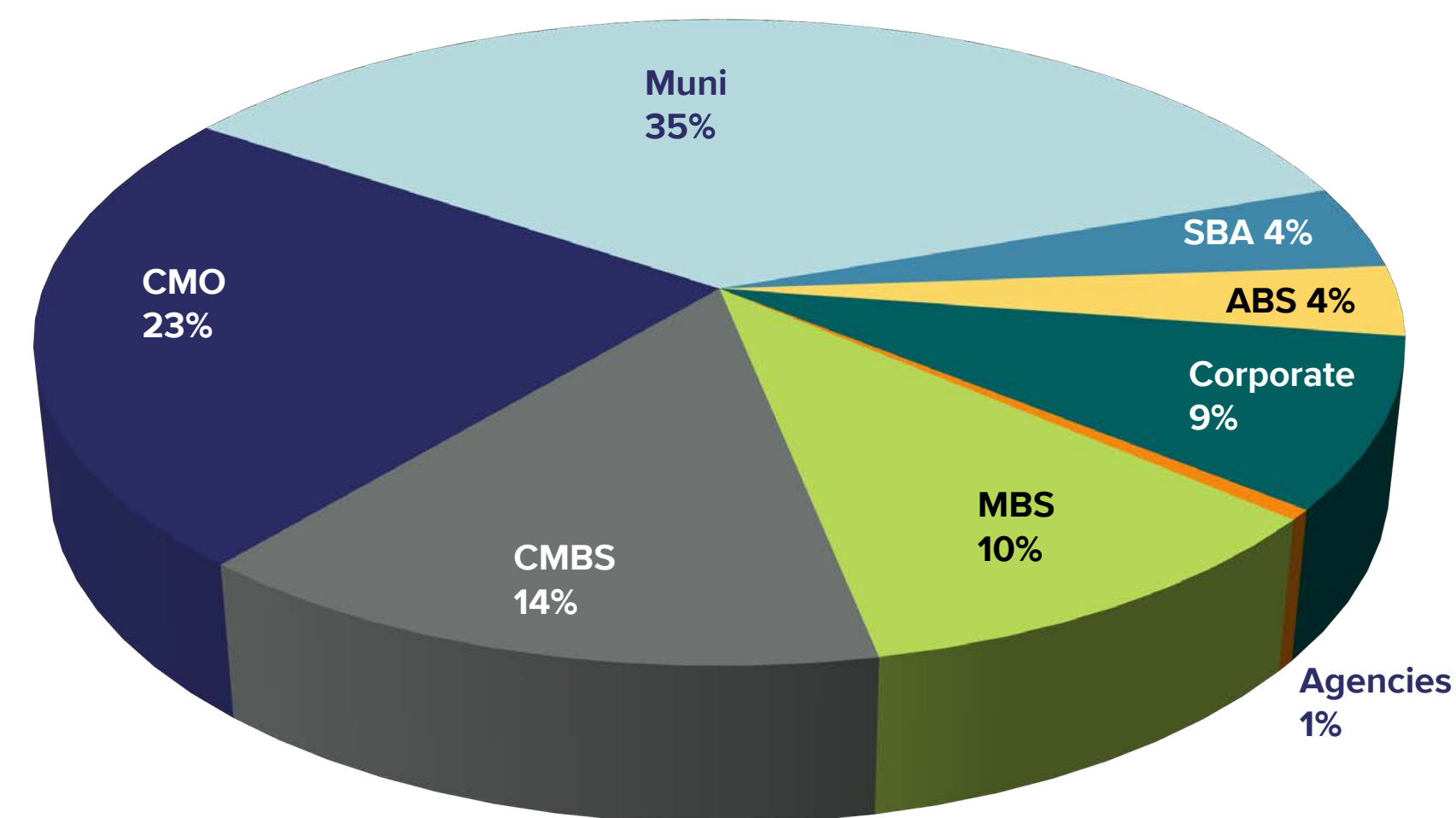
Top Ten (10) Relationships (Total Commitment)

\$ in thousands	For the Periods Ending		Change	% of Gross Loans	% of RBC
	3/31/2026	12/31/2025			
1. Multifamily	\$ 58,541	\$ 58,610	\$ (69)	1.57%	9.82%
2. Retail & Office	54,487	54,838	(351)	1.46%	9.14%
3. Retail & Warehouse	47,965	38,656	9,309	1.29%	8.04%
4. Warehouse	47,534	47,969	(435)	1.27%	7.97%
5. Warehouse	46,721	46,687	34	1.25%	7.84%
6. Long-Term Care	46,199	46,199	—	1.24%	7.75%
7. Health Care	44,779	44,779	—	1.20%	7.51%
8. Land & Self-Storage	44,744	47,392	(2,648)	1.20%	7.50%
9. Multifamily	44,669	44,842	(173)	1.20%	7.49%
10. Retail	43,068	47,619	(4,551)	1.16%	7.22%
Top Ten (10) Relationships¹	\$ 478,707	\$ 477,591	\$ 1,116	12.84%	80.28%
Total Gross Loans	\$ 3,728,802	\$ 3,879,899	\$ (151,097)		
% of Total Gross Loans	12.84%	12.31%	0.53%		
<i>Concentration (25% of Risk Based Capital ("RBC"))</i>	\$ 149,083	\$ 128,431			

Bond Portfolio

\$ in thousands	March 31, 2026			December 31, 2025		
	Amortized Cost	Net Unrealized (Losses)/Gains	Fair Value	Amortized Cost	Net Unrealized (Losses)/Gains	Fair Value
U.S. Government Agency Securities	\$ 18,151	\$ (404)	\$ 17,747	\$ 19,796	\$ (421)	\$ 19,375
Residential Mortgage-Backed Securities	67,764	(7,417)	60,347	83,918	(7,145)	76,773
Commercial Mortgage-Backed Securities	22,557	(165)	22,392	25,438	(316)	25,122
Other Commercial Mortgage-Backed Securities	24,837	(1,134)	23,703	25,297	(1,043)	24,254
Asset Backed Securities	100,053	(6,017)	94,036	100,643	(5,846)	94,797
Collateralized Mortgage Obligations	161,160	(6,737)	154,423	168,749	(6,929)	161,820
States and Political Subdivisions	262,090	(28,900)	233,190	262,275	(28,051)	234,224
Corporate Notes	60,250	(3,961)	56,289	59,250	(4,003)	55,247
Total Debt Securities	\$ 716,862	\$ (54,735)	\$ 662,127	\$ 745,366	\$ (53,754)	\$ 691,612

- The bond portfolio is 100% available-for-sale.
- Our portfolio consists of 43.5% of securities issued by United States government sponsored entities and carry an implicit government guarantee.
- States and political subdivisions comprise 35.2% of the portfolio and are largely general obligation or essential purpose revenue bonds, which have performed very well historically over all business cycles, and are rated AA and AAA.
- At March 31, 2026, the Company held 65.8% fixed rate and 34.2% floating rate securities.
- Securities comprise 13.8% of total assets at March 31, 2026.
- Shorter maturity profile with an average life of 4.76 years; less interest rate risk with an effective duration of 3.65; and higher than peer book yield of 3.08%

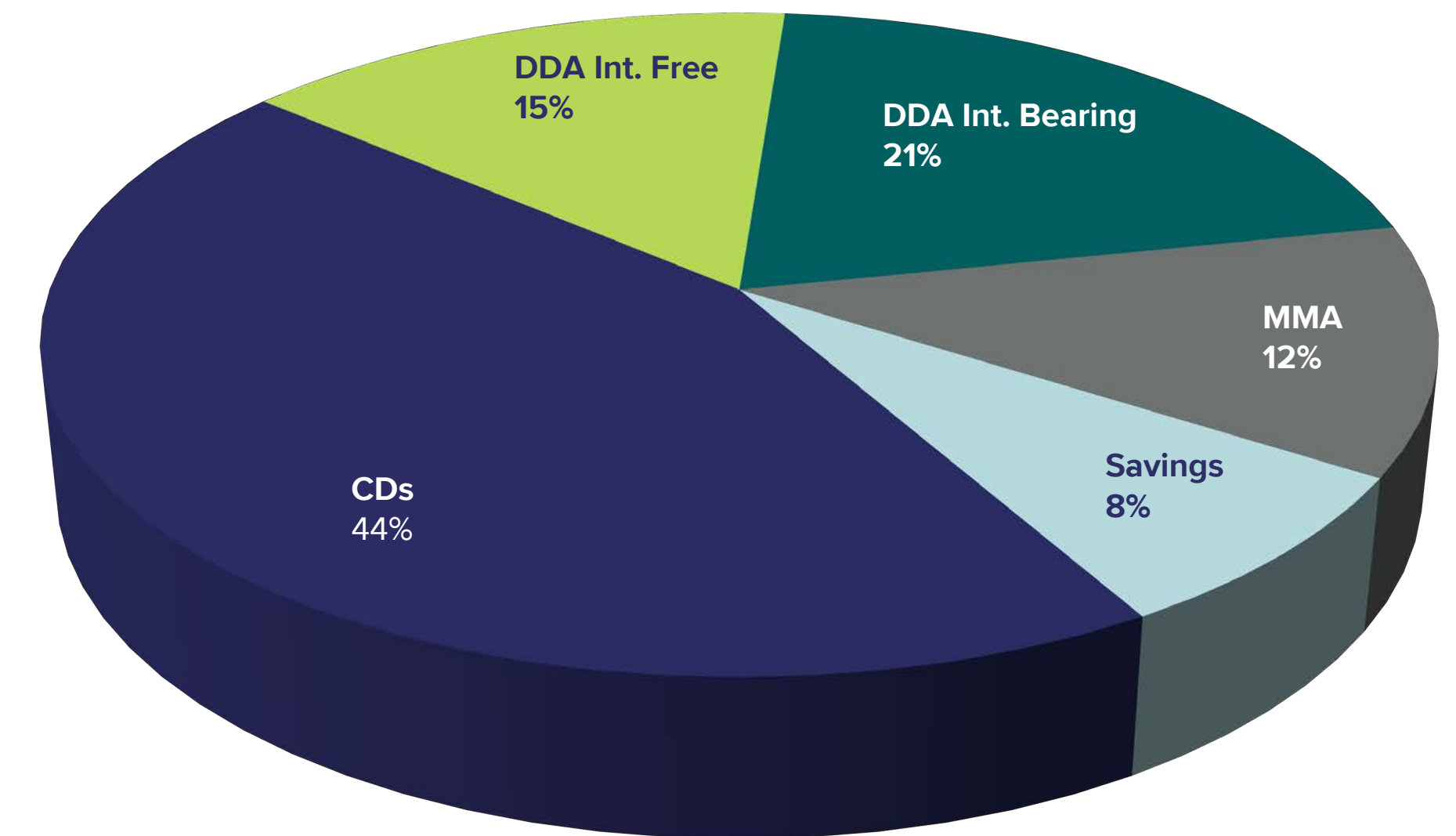
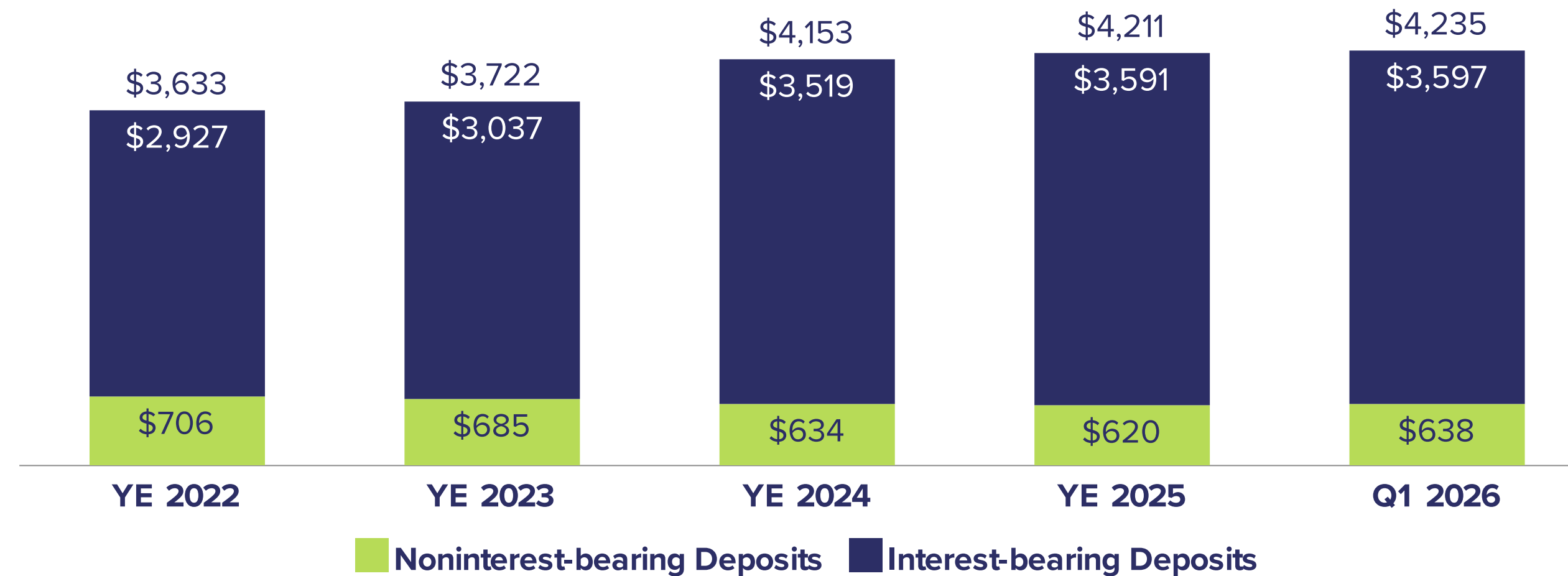


Deposit Composition

\$ in thousands	For the Period Ending			Variance	
	03/31/2026	12/31/2025	03/31/2025	Quarter	Year
Lifetime Free Checking	\$ 637,933	\$ 620,473	\$ 631,714	\$ 17,460	\$ 6,219
Interest-Bearing Demand	871,398	808,171	794,059	63,227	77,339
Money Market	514,362	553,964	528,381	(39,602)	(14,019)
Savings	326,929	326,182	353,394	747	(26,465)
Certificates of Deposits	1,884,628	1,902,099	1,893,379	(17,471)	(8,751)
Total Deposits	\$ 4,235,250	\$ 4,210,889	\$ 4,200,927	\$ 24,361	\$ 34,323

- Total deposits increased \$34.3M YoY
- Diversified and granular deposit base, approximately 79.1% Retail Customers
- Approximately 82.8% of Deposits, including Collateralized Muni deposits are FDIC Insured
- Partnership with IntraFi for available coverage over \$250K FDIC insured limit

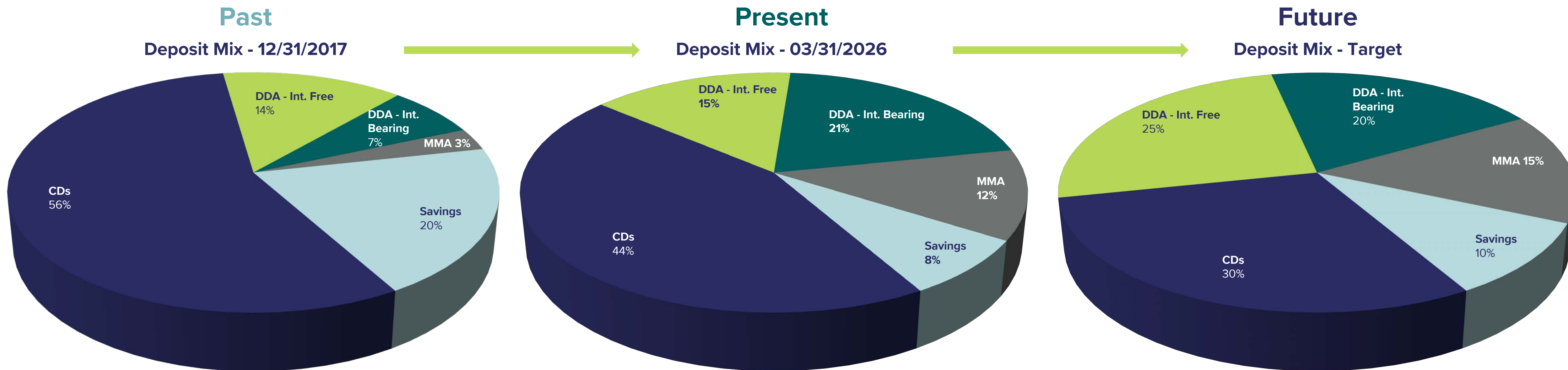
Total Deposits Composition ¹



Deposits

Goal is to enhance and diversify funding sources with a focus on lower cost/core relationships (both retail and commercial):

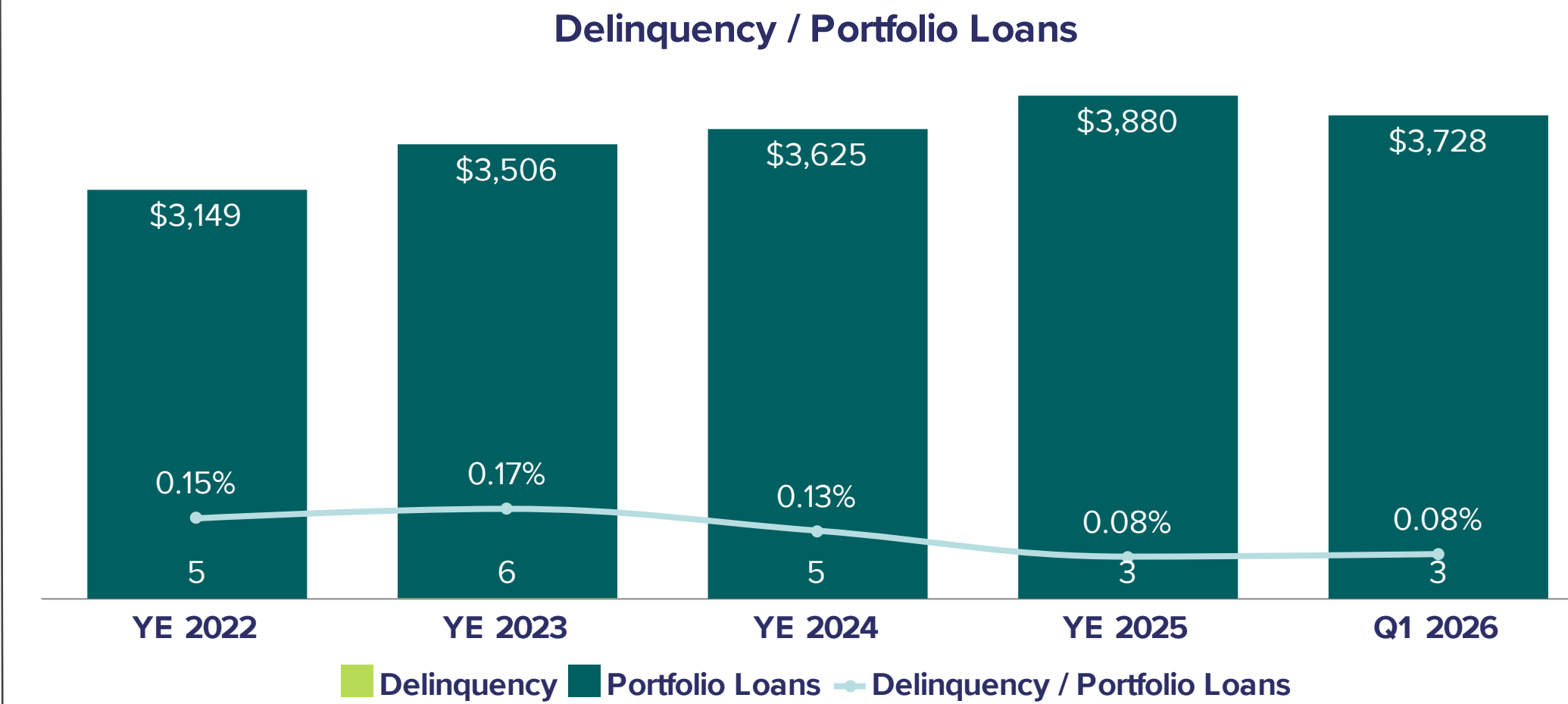
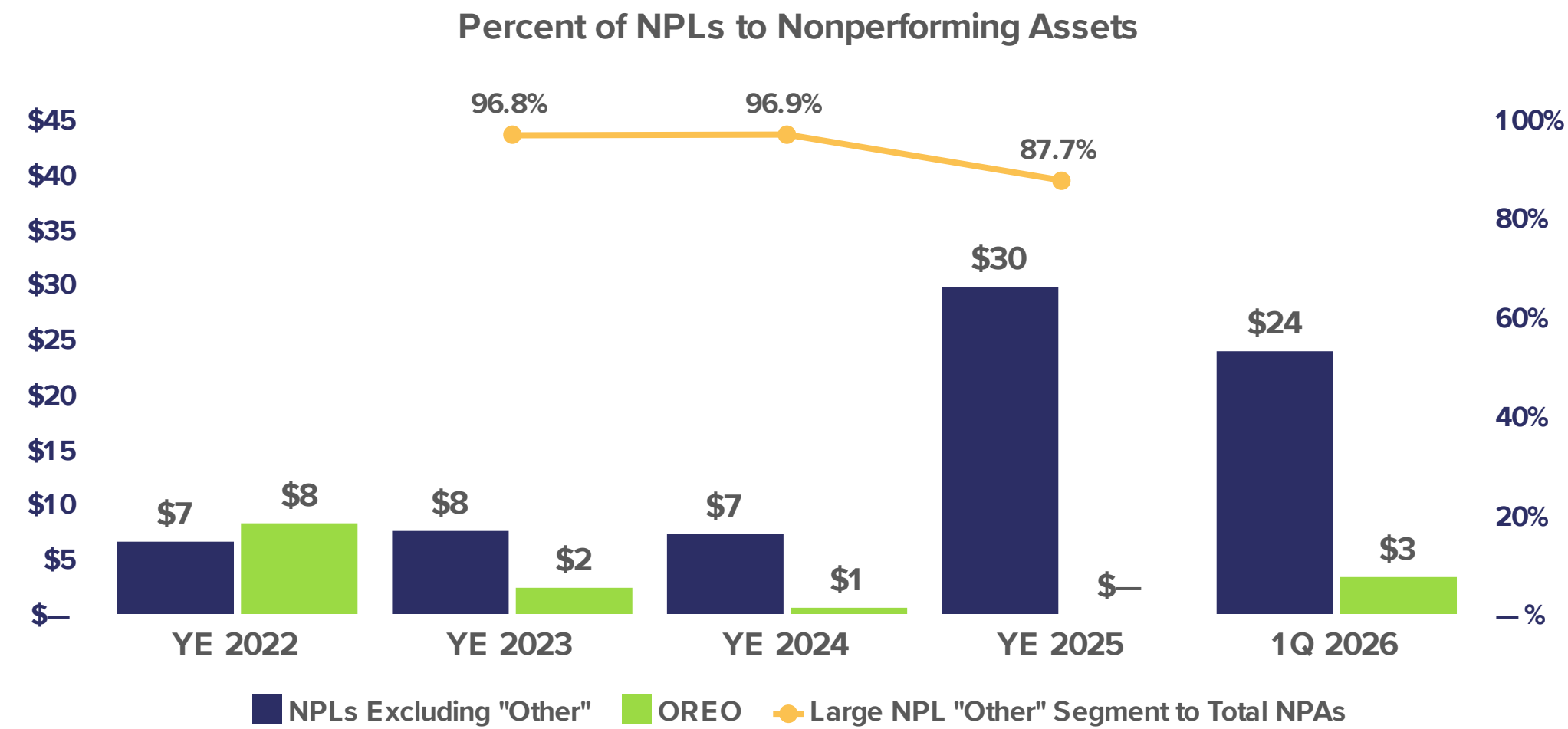
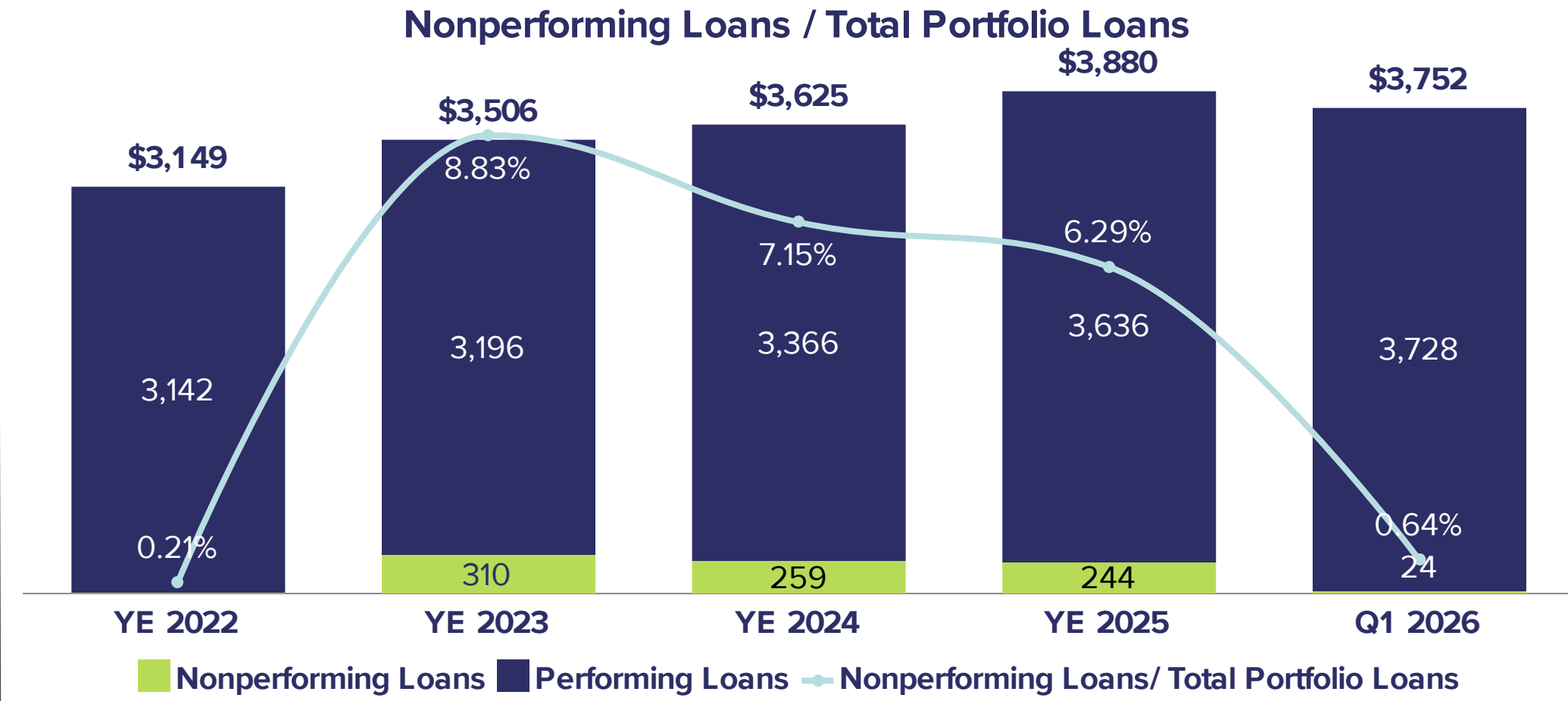
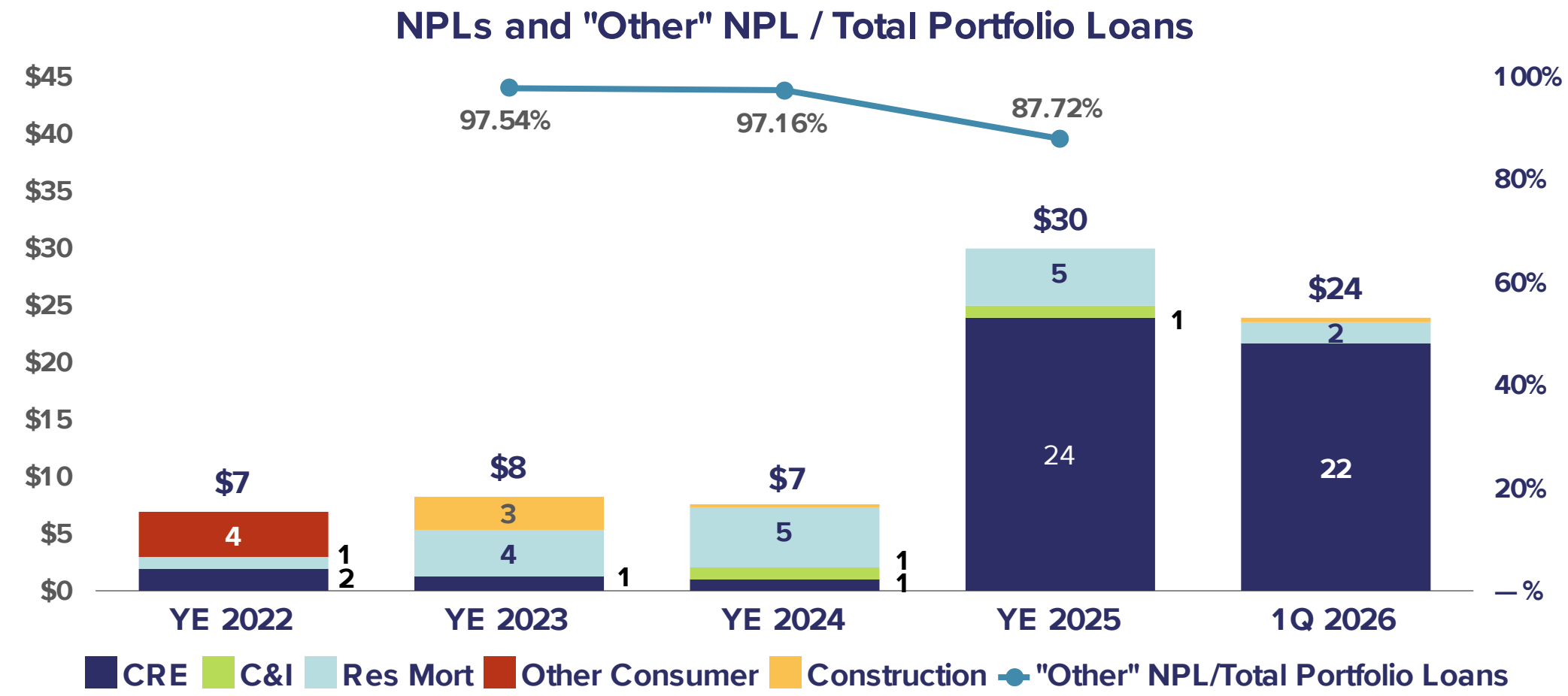
- Deposits currently stand at \$4.2B
- CD Portfolio (\$1.9B) is relatively short with 78.1% of the portfolio scheduled to mature within 12 months and 94.6% of the portfolio scheduled to mature within 24 months, allowing for opportunities to lower deposit costs quickly when short term rates begin to ease
- Multiple strategies are in place to grow all non maturity deposit accounts with a focus on lower cost of funds
- Established product road map and working to expand deposit offerings for retail and commercial customers



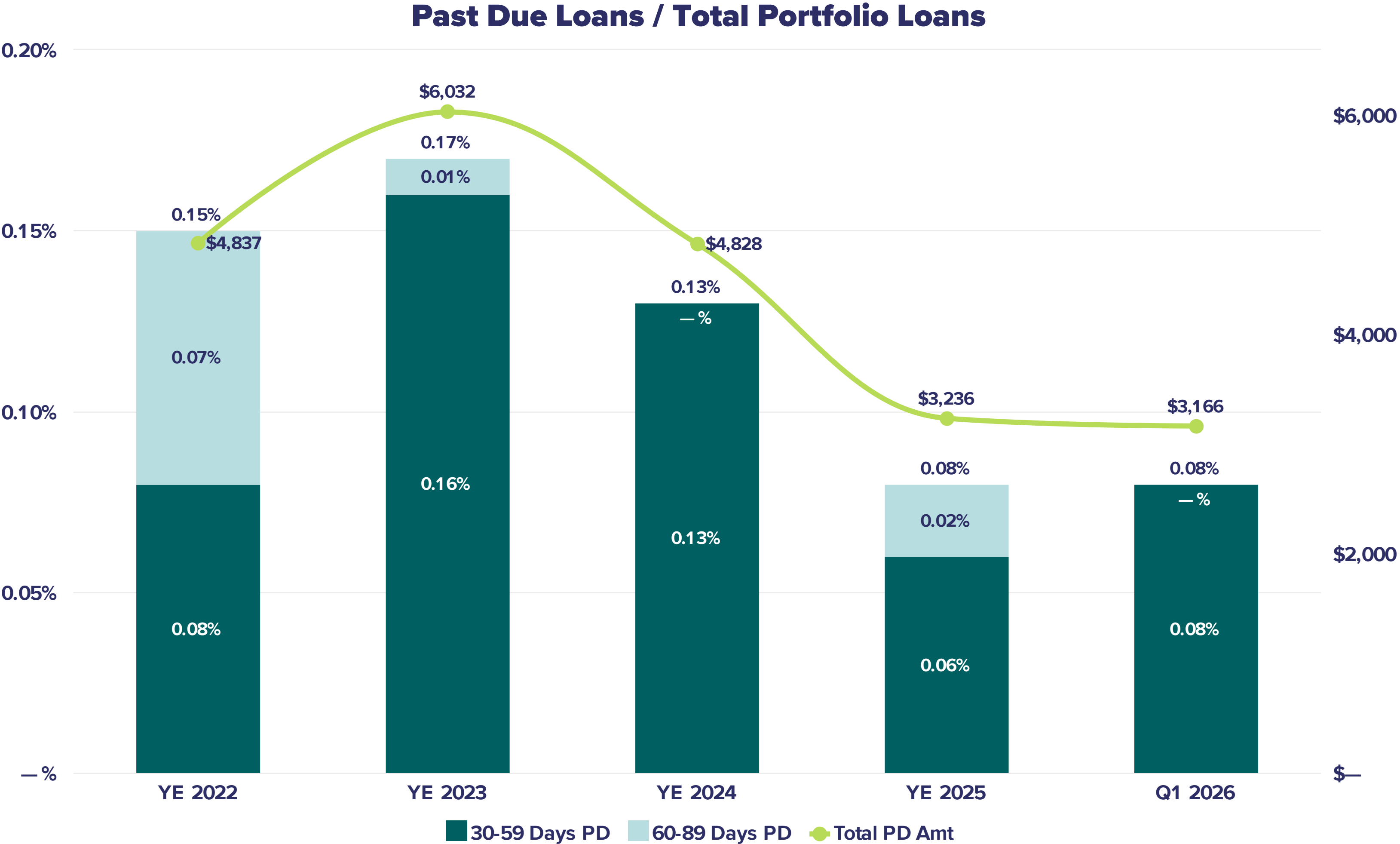
SECTION 03

Asset Quality

Asset Quality

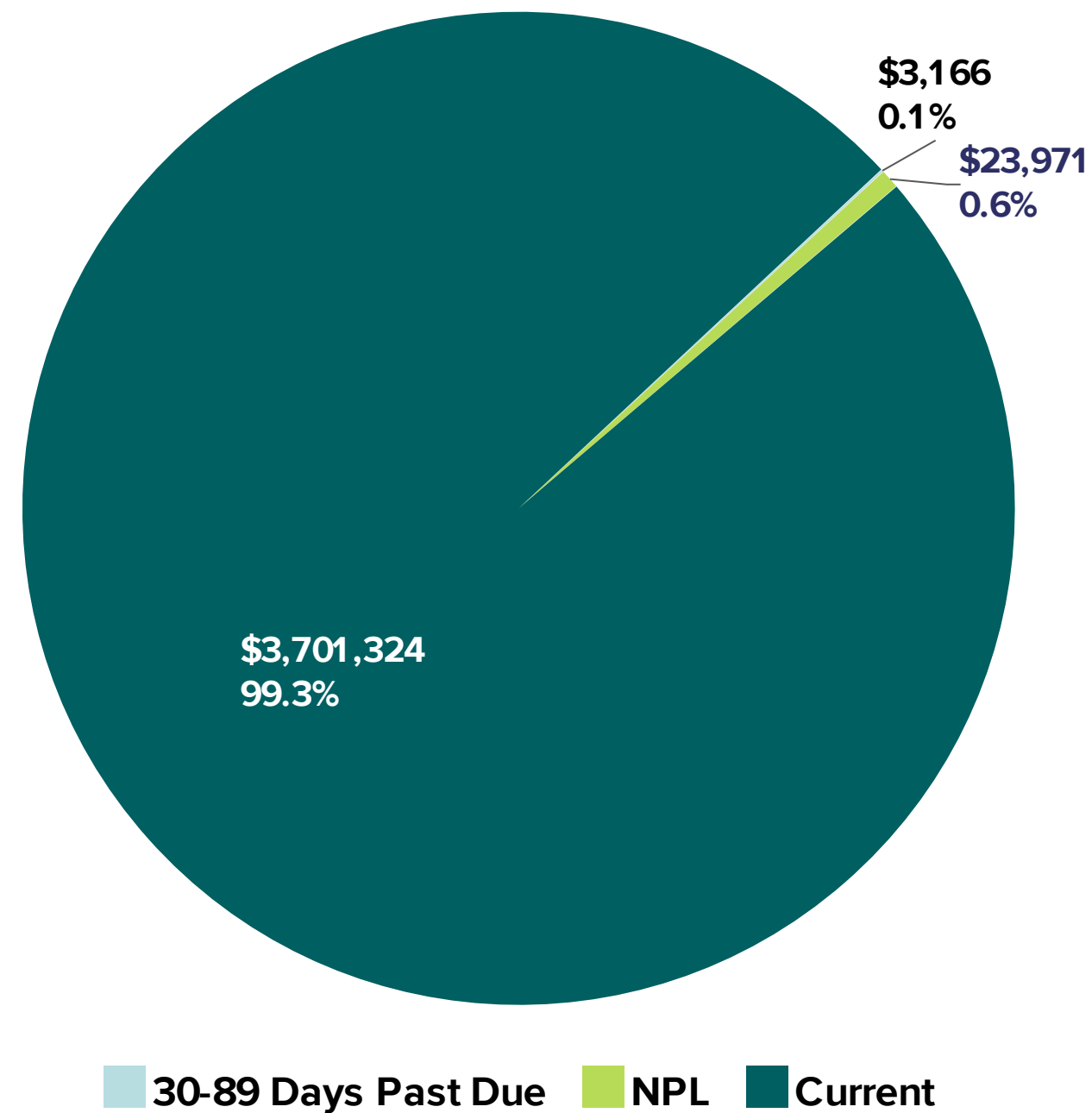


Delinquency Trends



Delinquency Trends

Delinquency Trends



March 31, 2026

<i>\$ in thousands</i>	Current	30-89 Days Past Due	NPL	Total Portfolio Loans
Commercial Real Estate	\$ 2,106,146	\$ 133	\$ 21,649	\$ 2,127,928
Commercial and Industrial	245,345	19	91	245,455
Residential Mortgages	810,824	2,673	1,766	815,263
Other Consumer	25,935	301	28	26,264
Construction	513,074	40	437	513,551
Total	\$ 3,701,324	\$ 3,166	\$ 23,971	\$ 3,728,461

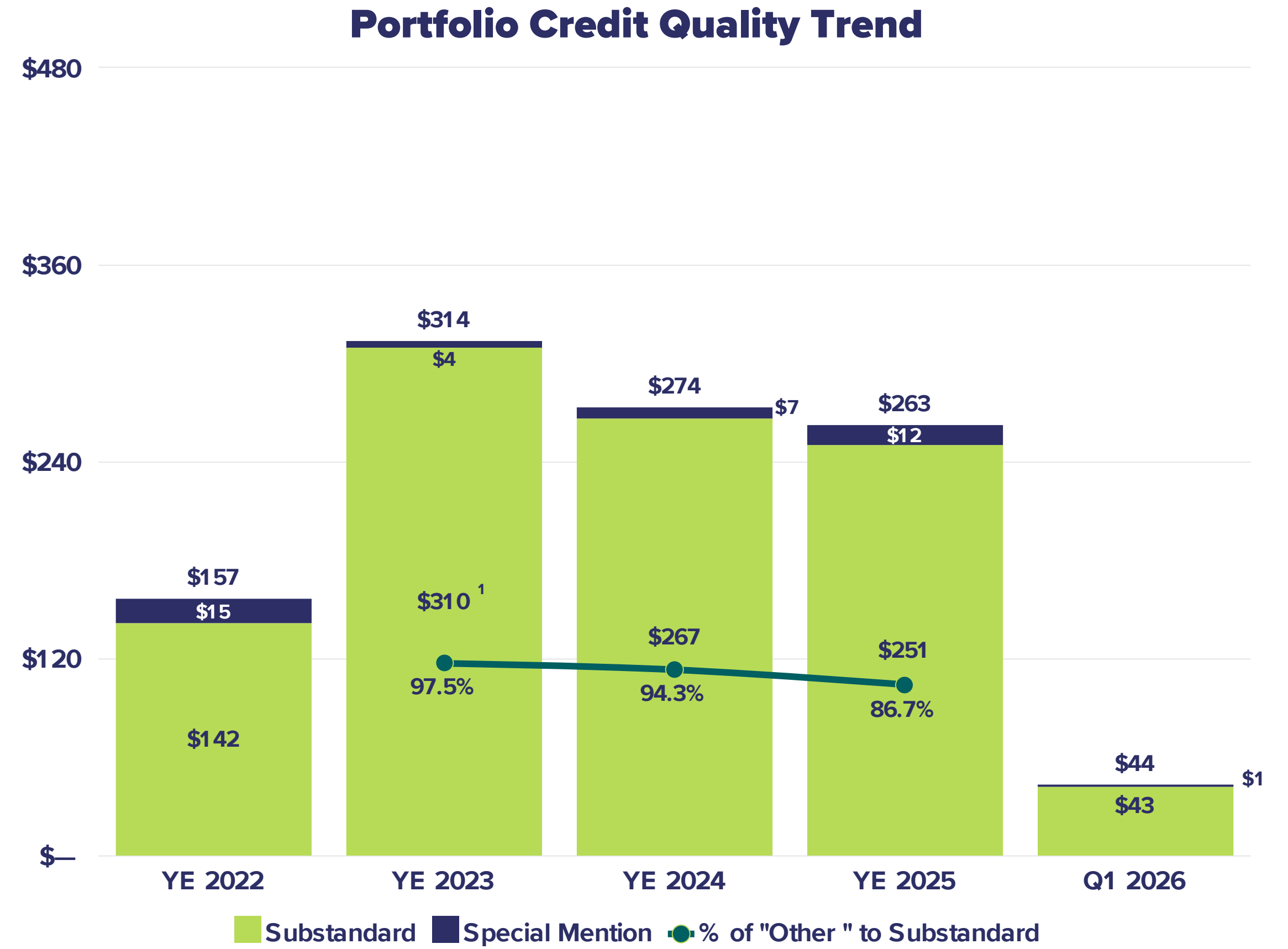
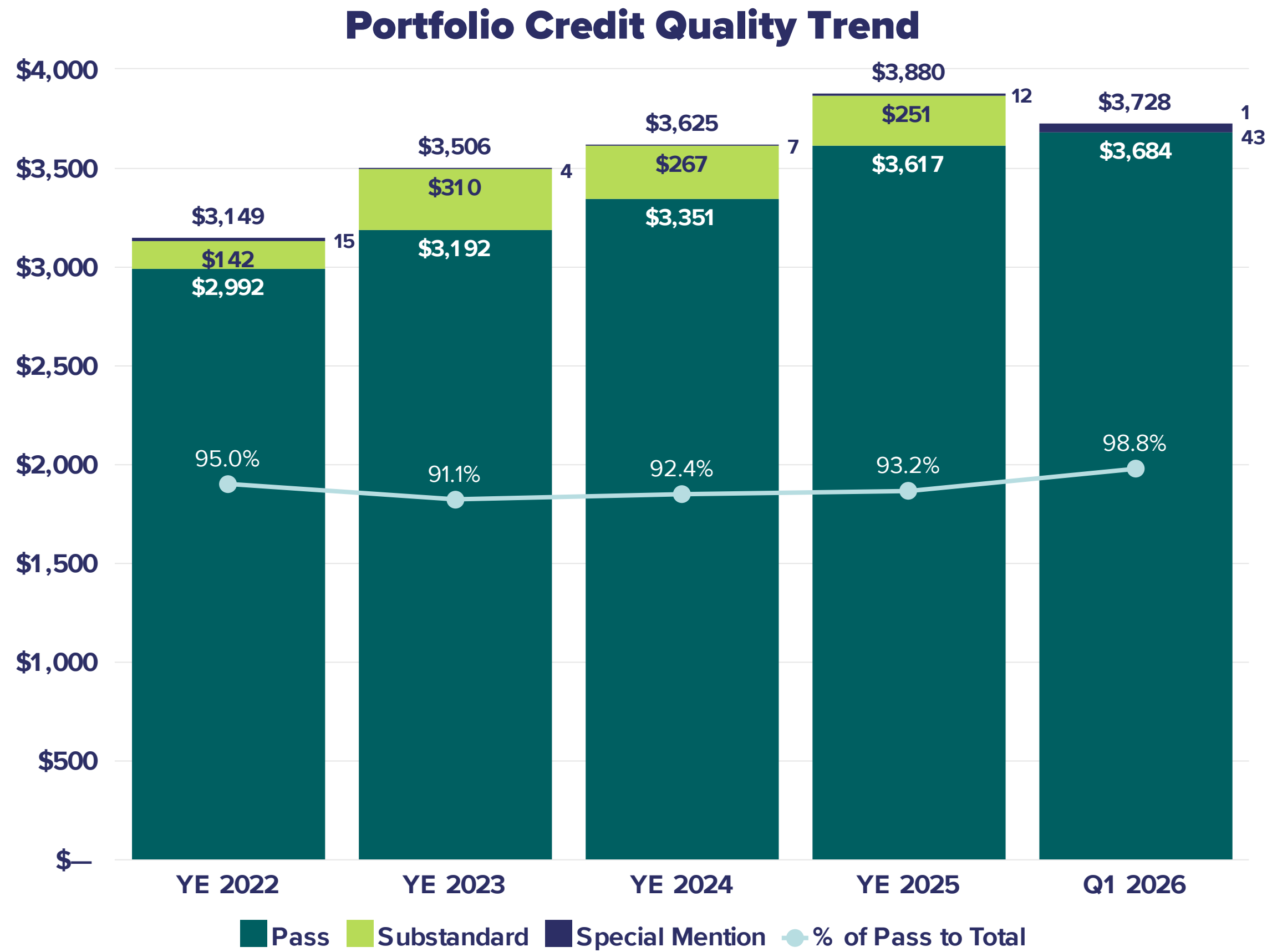
COMMENTARY:

- On March 26, 2026, the Bank completed the sale (the “Transaction”) of all loans, subsequently reduced to judgments related to various entities in which James C. Justice, II has an interest (such loans, subsequently reduced to judgments, the “Loans”). The Transaction was completed as an absolute, “as-is, where-is” sale to an unaffiliated third party.

Nonperforming Relationships

\$ in thousands	Nonaccrual Balance		Change	Comments
	3/31/2026	12/31/2025		
1. CRE	\$ 14,055	\$ 14,321	\$ (266)	Office Building
2. CRE	7,552	9,495	(1,943)	Commercial Warehouse Property
3. Construction	402	—	402	Residential Mortgage Loan
4. Residential Mortgage	357	—	357	Residential Mortgage Loan
5. Residential Mortgage	139	—	139	Residential Mortgage Loan
6. Other ¹	—	214,020	(214,020)	Other
7. Residential Construction	—	2,018	(2,018)	Residential Mortgage Loan
8. Commercial & Industrial	—	915	(915)	Purchase Business Equipment
Subtotal: Top 5 Nonaccrual Loans	\$ 22,505	\$ 240,769	\$ (218,264)	
Total Nonaccrual Loans	\$ 23,971	\$ 243,982	\$ (220,011)	
Top 5 Nonaccrual Loans / Total Nonaccrual Loans	93.88%	98.68%	(4.80)%	
Total Portfolio Loans	\$ 3,728,461	\$ 3,879,560	\$ (151,099)	
Total Nonaccrual Loans / Total Portfolio Loans	0.64%	6.29%	(5.65)%	

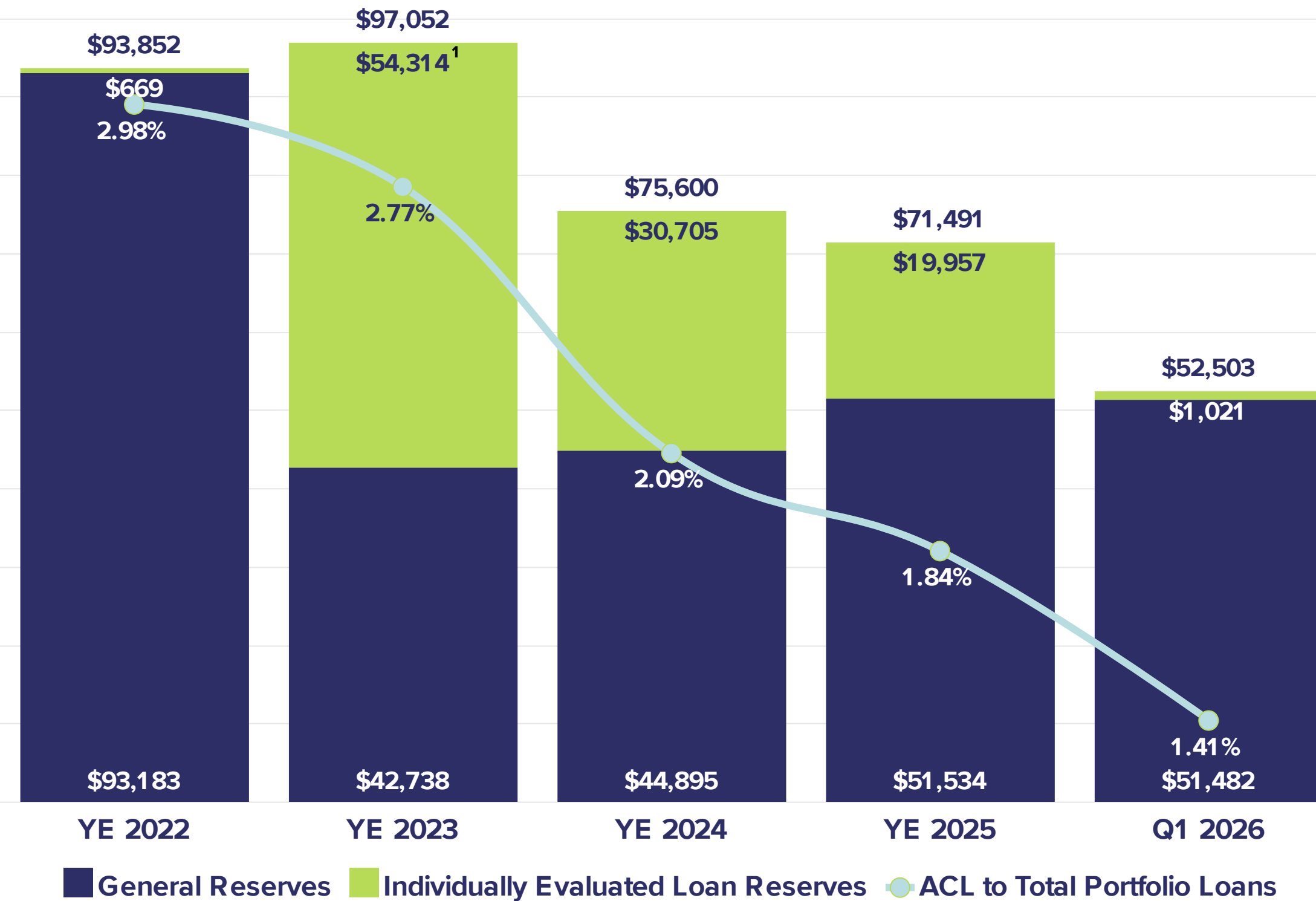
Loan Portfolio - Risk Ratings



Net Charge-offs & Provision Expense

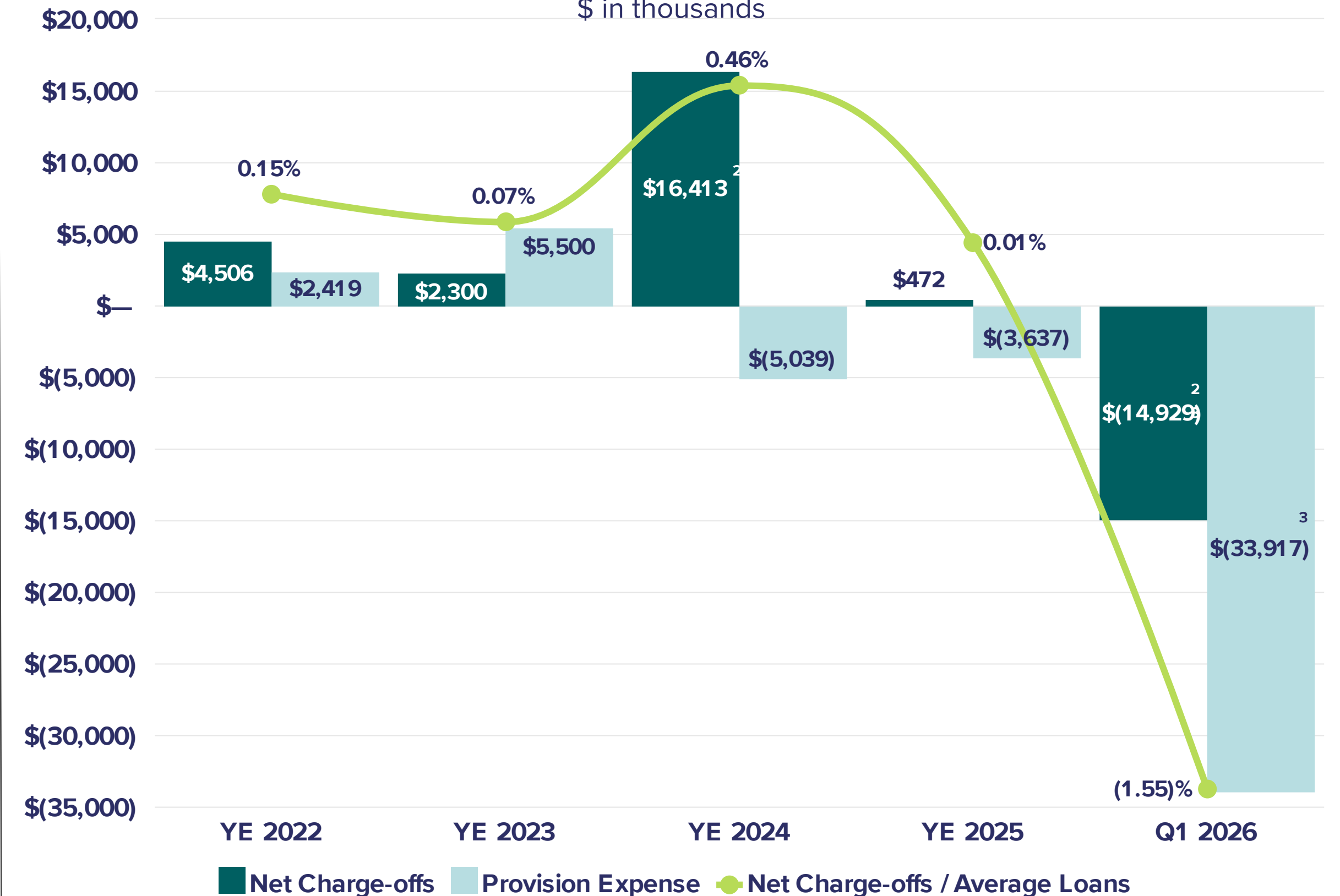
ACL Composition & ACL Coverage Ratio

\$ in thousands



Net (Recoveries) / Charge-offs & Provision Expense

\$ in thousands



¹ The individually evaluated loans increased \$53.6 million during the second quarter of 2023 due to our largest lending relationship, that was previously reserved in general reserves within the Other segment, moved to nonperforming status and is currently individually evaluated.

² YTD Net charge-offs for YE 2024 consist of a \$15.0 million principal charge-off related to the Other segment of the loan portfolio. The full \$15.0 million has been recovered during the first quarter of 2026.

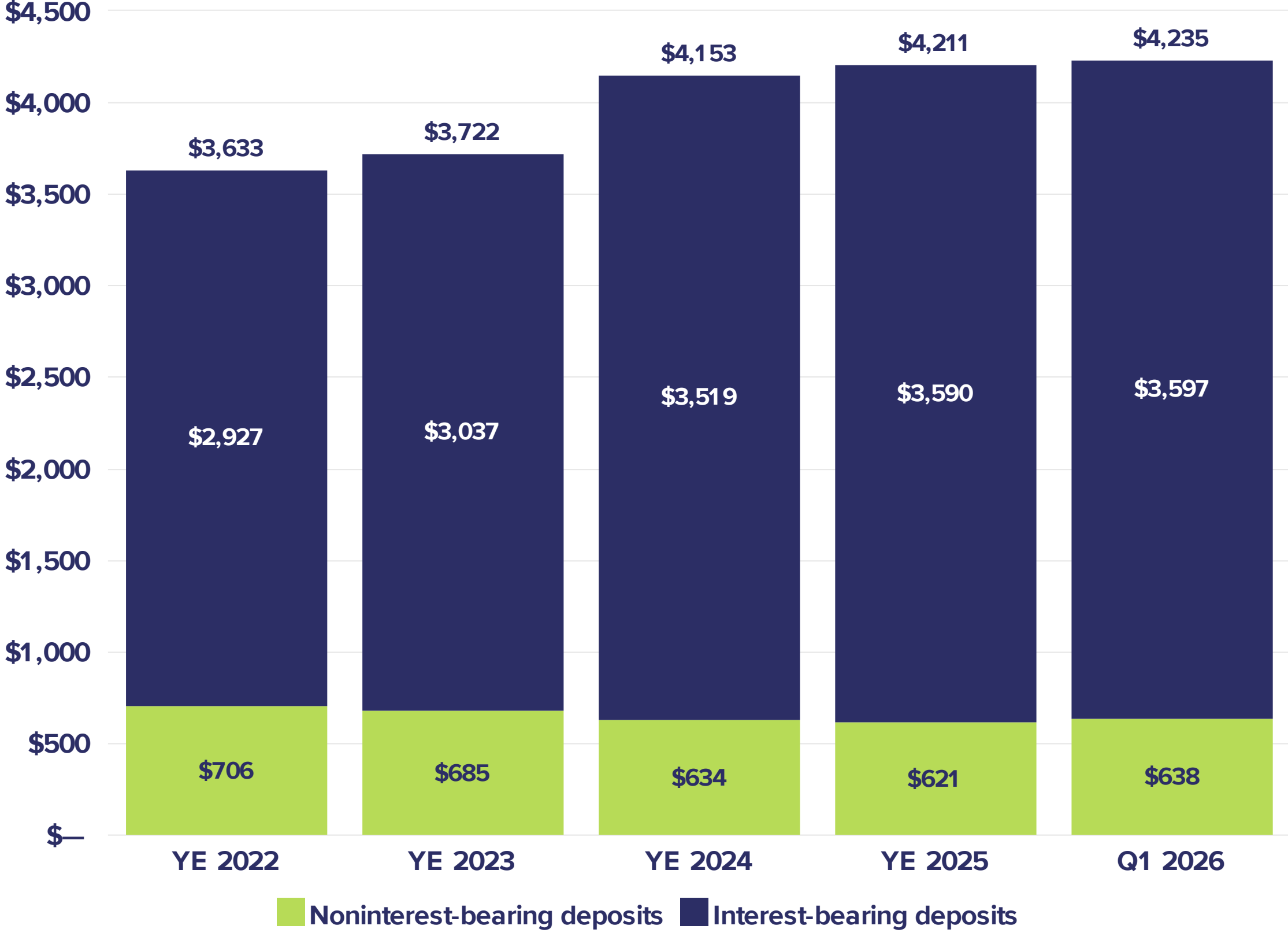
³ The change in provision relates to the \$15.0 million recovery and the \$18.0 million reserve release as a result of the resolution of the Bank's largest nonperforming loan relationship.

SECTION 04

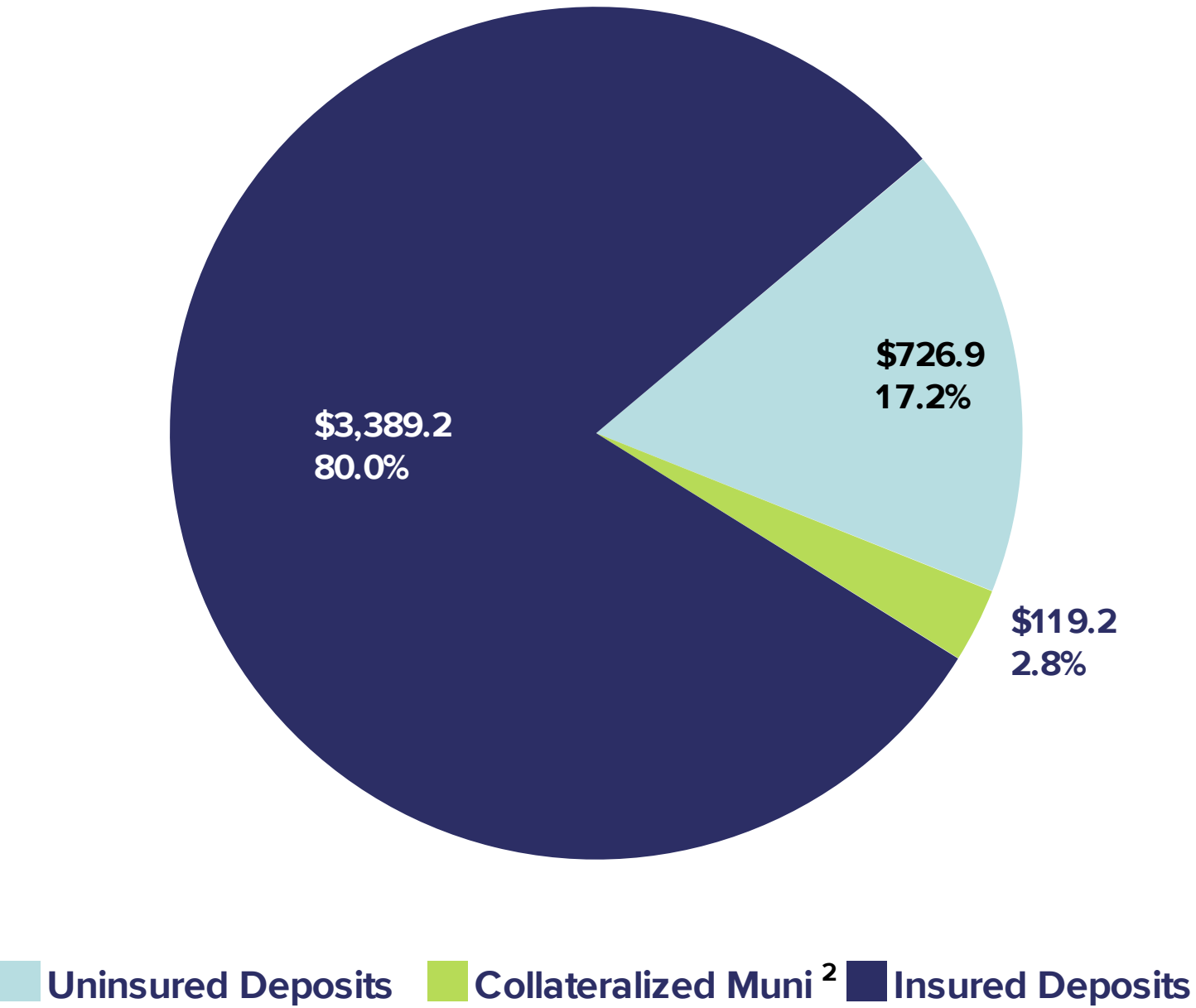
Deposit Mix

Deposits

Total Deposit Composition ¹



Insured/Uninsured Deposits

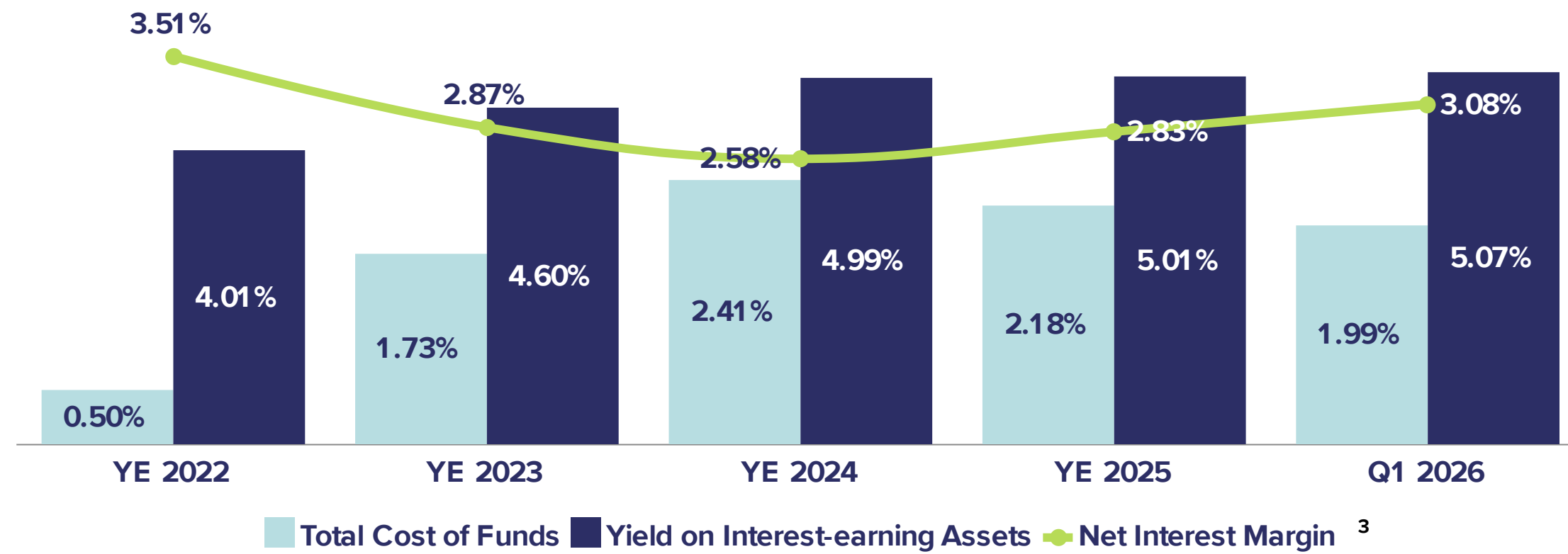


- Well-diversified deposit base of 117,003 customers
 - average commercial deposit account balance is \$47.9K
 - average retail deposit account balance is \$16.9K
- Deposit mix of 79.1% Consumer / 20.9% Business
- At March 31, 2026, the Bank had no deposit relationships greater than, or equal to, 2.0% of total deposits.
- Partnership with IntraFi for available coverage over \$250K FDIC insured limit.

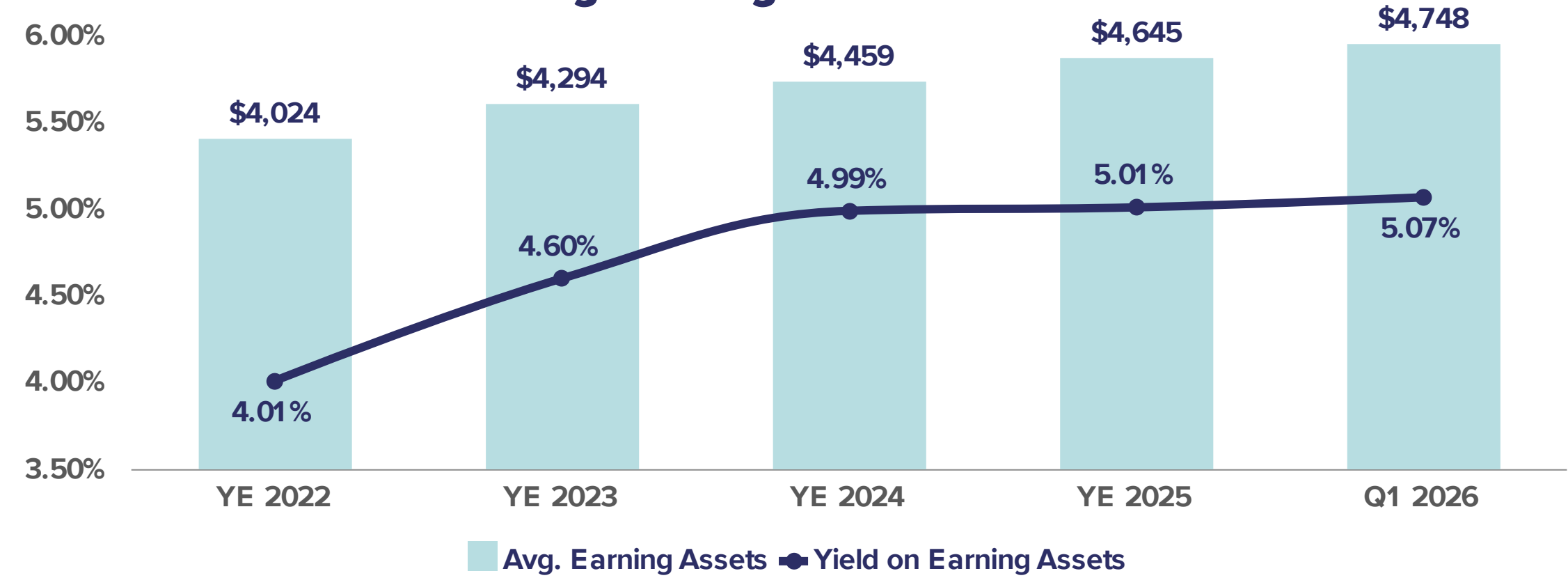
¹ Period end balances, \$ in millions
² Collateralized Muni deposits are FDIC insured up to \$250,000. All balances in excess of \$250,000 are fully collateralized with eligible securities

Net Interest Income

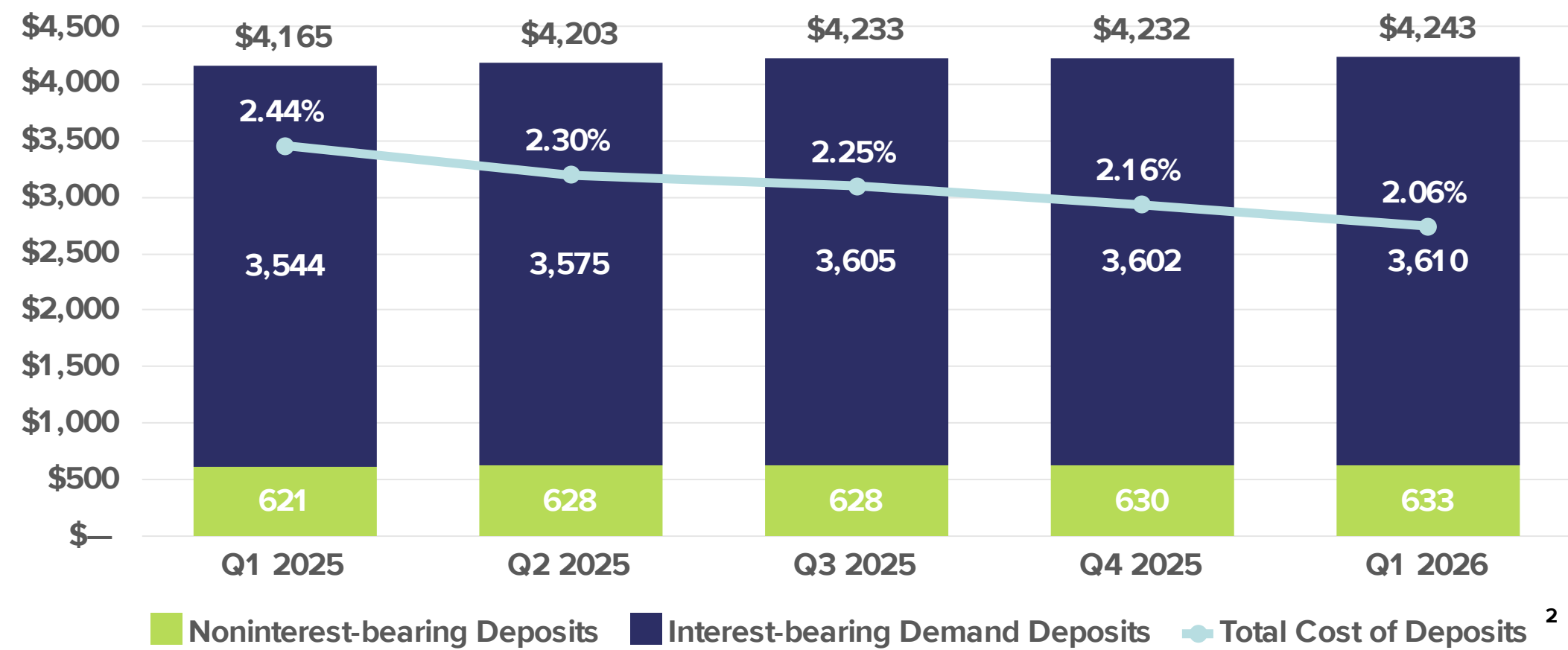
Net Interest Income & NIM



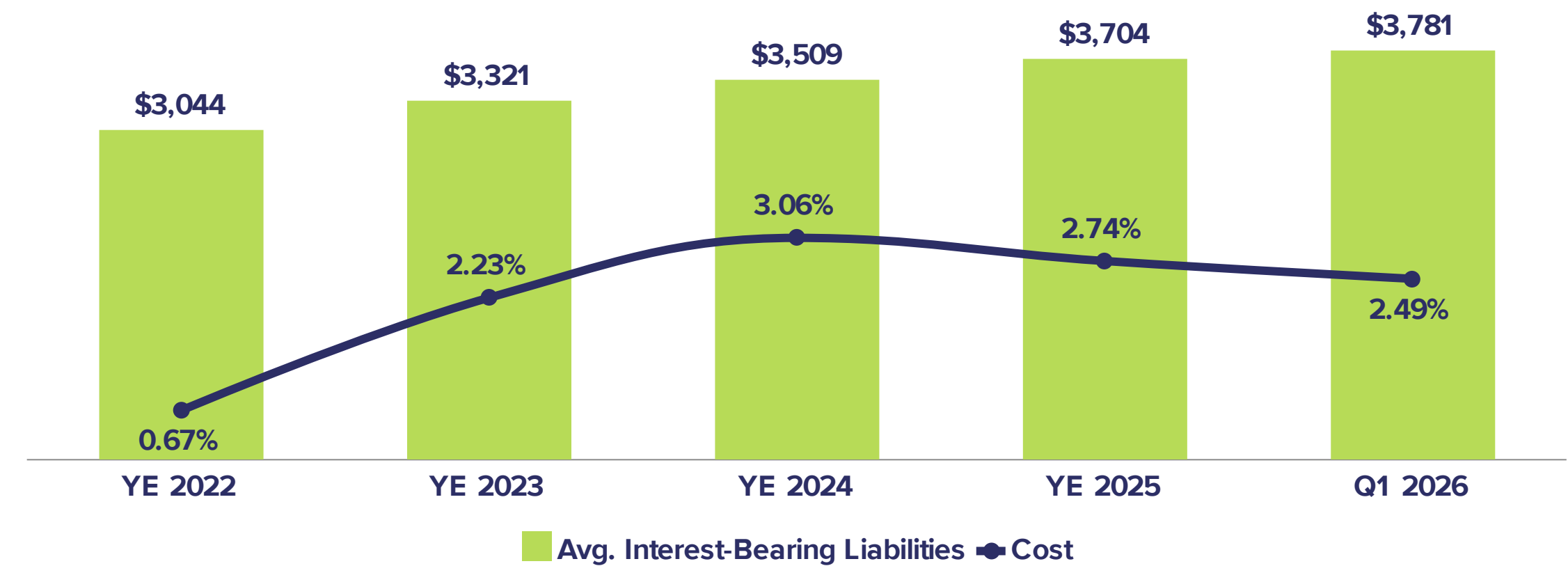
Avg. Earning Assets & Yield



Total Deposits and Cost of Deposits ¹



Avg. Interest-Bearing Liabilities & Costs



¹ Average balances, \$ in millions

² Cost of Funds incorporates the free funds contribution with the rate on total interest-bearing liabilities to illustrate the impact of noninterest-bearing liabilities on the overall cost of funds.

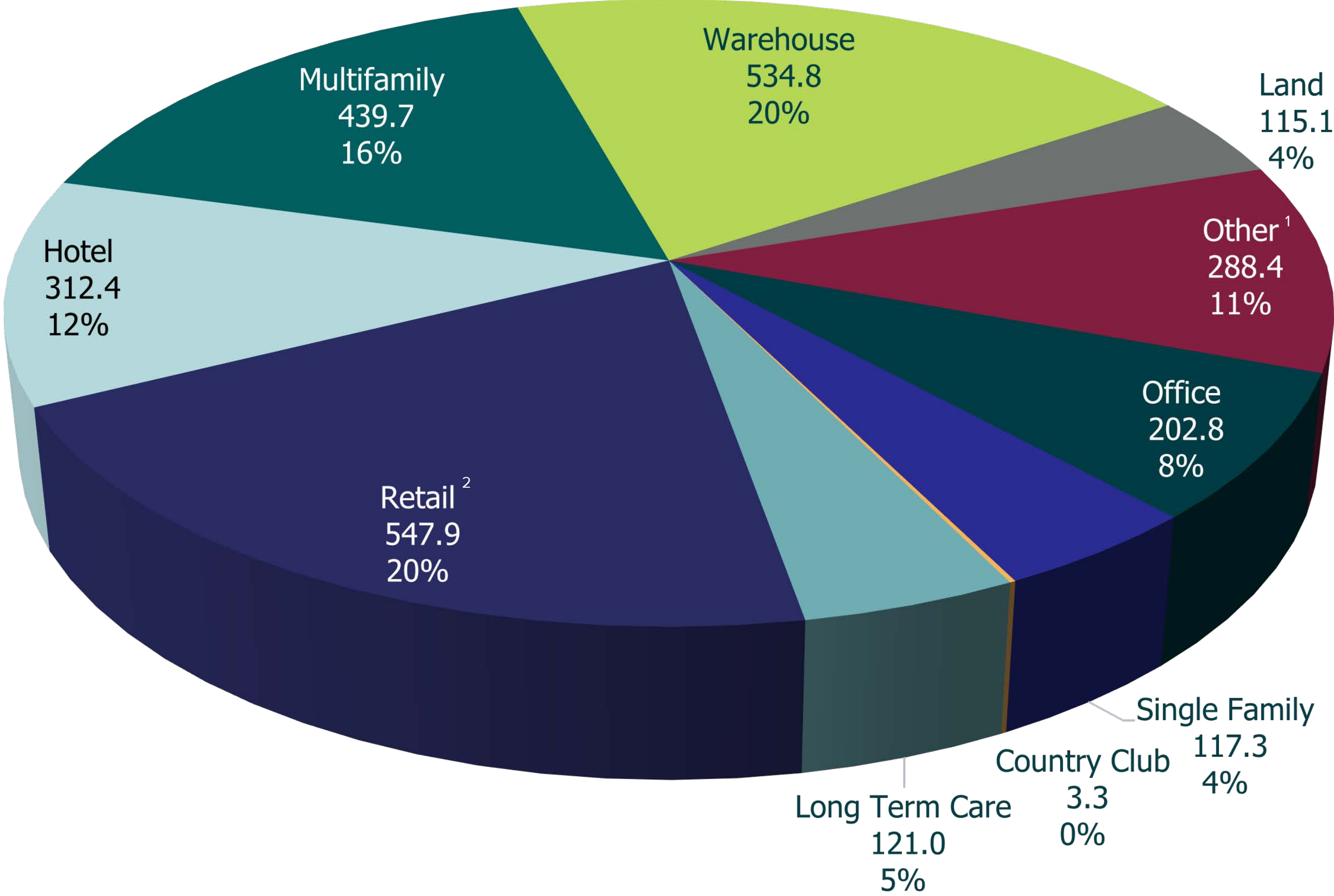
³ Computed on a fully taxable equivalent basis (FTE) using 21% federal income tax statutory rate for 2022 through 2026.

SECTION 05

Commercial Loans

CRE Segment Overview

Total CRE: \$2,682.7

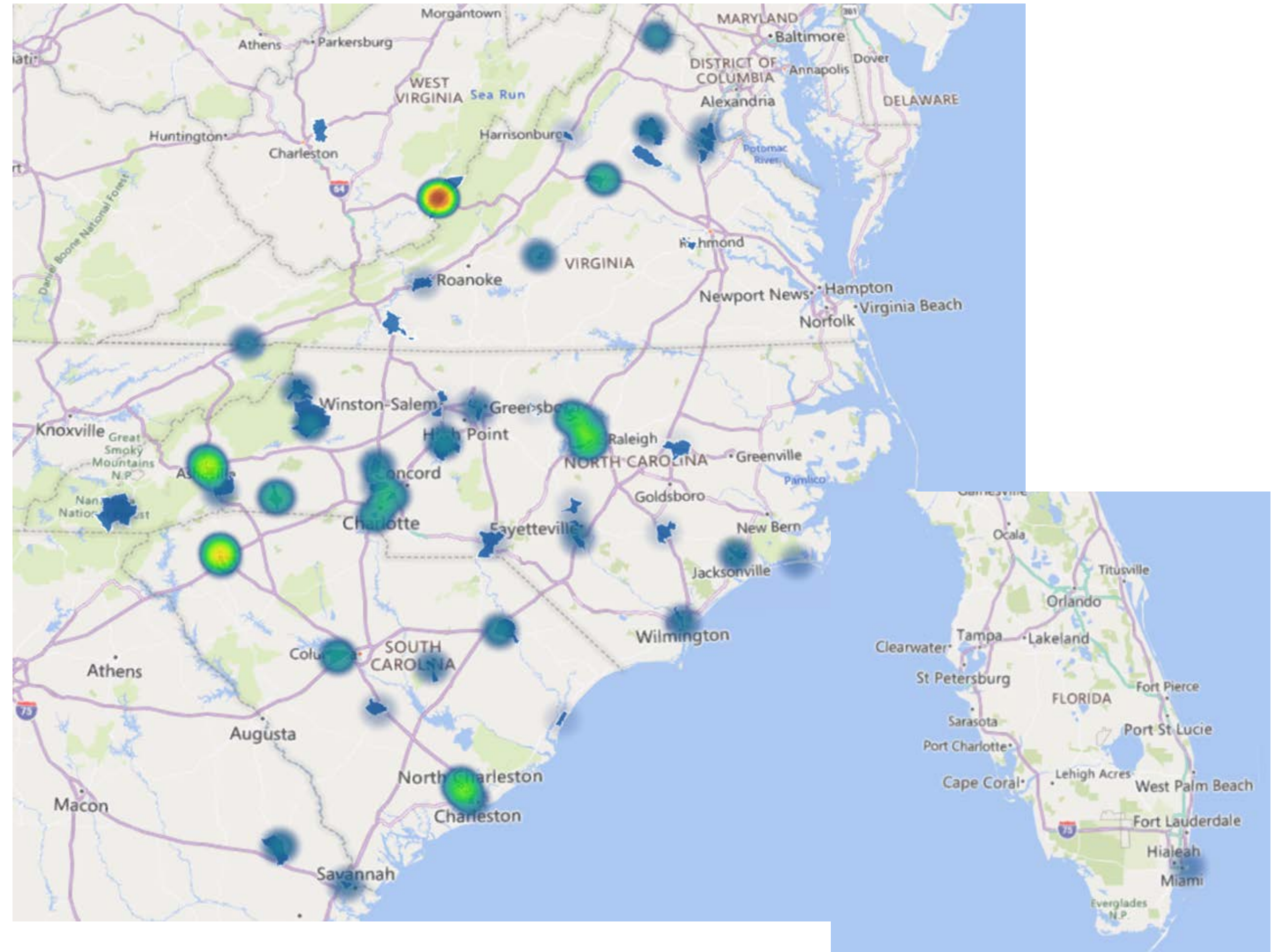


¹ Other CRE & Other Commercial Segments include, but are not limited to, Special / Limited Use, Church, Mobile Home Park, Gas Station, Self-Storage Facilities & Auto Shops
² Includes restaurant loans of \$35.2 million

Hospitality Metrics

- Total portfolio balance \$312.4M
- Geographic diversification (see map)
- Mean loan size in portfolio \$6.0M¹
- Median of loans in portfolio \$4.2M¹
- The largest loan in portfolio \$20.0M¹
- 31.54% are under construction¹
- Top 10 borrowers make up 38.00% of the total hospitality commitment¹
- No delinquent loans in the hospitality portfolio¹
- There are 1.0%* loans in the hospitality portfolio that are adversely classified or NPL¹
- 91.75% of hospitality portfolio is funded¹

AVERAGE		
4.54	55.6%	\$108K
RISK RATING	LTV	DEBT/KEY



Hospitality Metrics

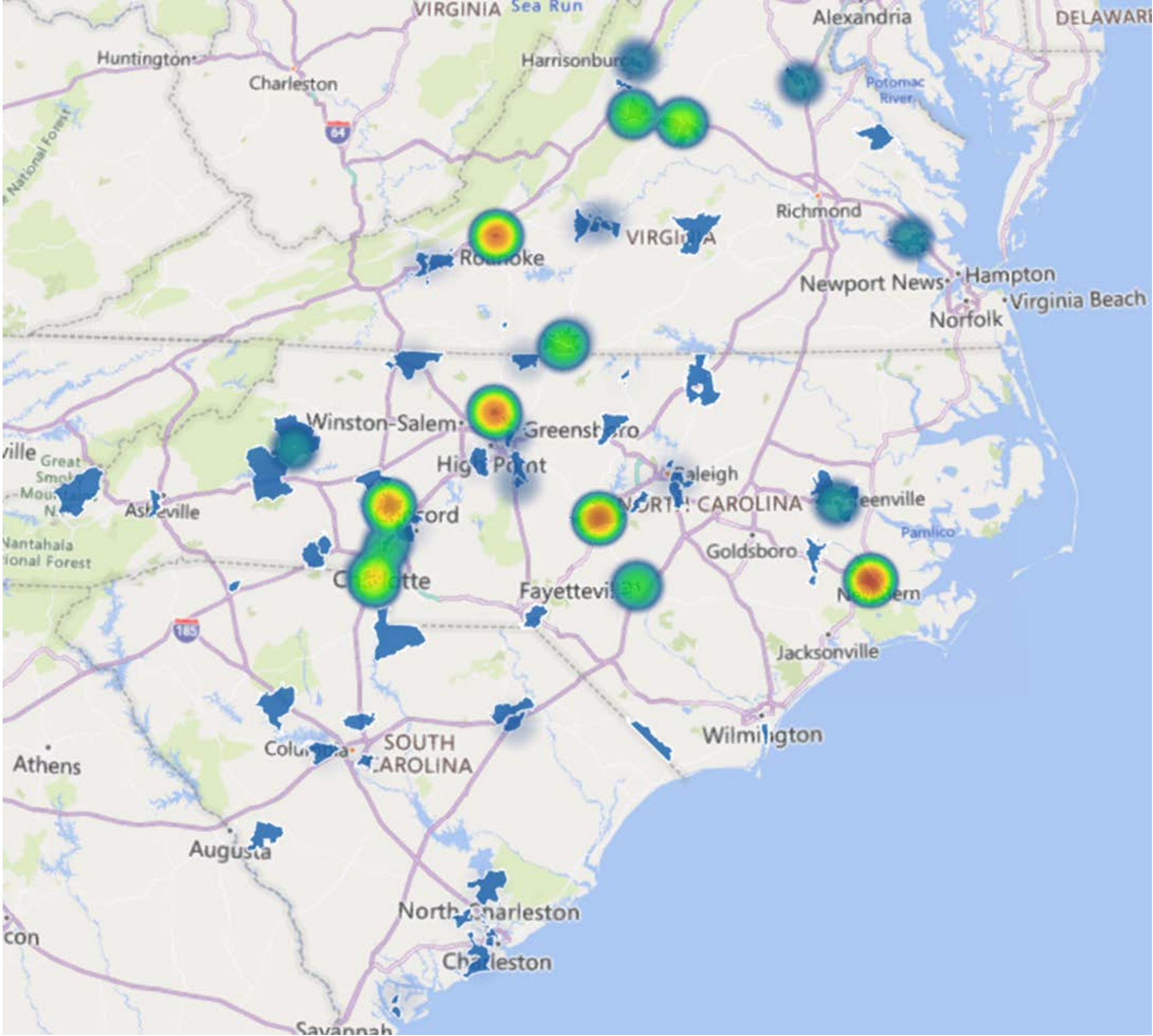
Category	Hospitality Portfolio Balance	Percentage of Total Balance	Hospitality Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size	Avg. of Debt per Key - Total Commitment
Hilton	\$ 123,739	39.6%	\$ 170,778	59.6%	\$ 7,279	\$ 112
IHG	65,997	21.1%	67,330	55.7%	5,077	74
Marriott	51,374	16.4%	71,496	52.8%	7,339	127
Independent	25,487	8.2%	25,487	47.6%	4,248	221
Wyndham	21,968	7.0%	21,968	54.6%	2,197	39
Radisson	10,018	3.2%	10,018	47.8%	2,504	34
Best Western	5,205	1.7%	5,205	38.9%	1,735	18
Choice	4,556	1.5%	4,556	43.0%	1,519	26
Upscale Independent/Boutique	4,092	1.3%	4,092	42.8%	4,092	205
Hospitality Totals	\$ 312,436	100.0%	\$ 380,930	55.6%	\$ 3,999	\$ 108

Category	Hospitality Portfolio Balance	Percentage of Total Balance	Hospitality Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size	Avg. of Debt per Key - Total Commitment
North Carolina	\$ 235,228	75.3%	\$ 282,083	56.2%	\$ 5,601	\$ 114
South Carolina	32,562	10.4%	42,986	54.7%	4,070	74
Virginia	30,908	9.9%	42,123	55.4%	3,091	120
Georgia	9,866	3.2%	9,866	52.1%	4,933	57
West Virginia	3,872	1.2%	3,872	28.1%	1,936	27
Hospitality Totals	\$ 312,436	100.0%	\$ 380,930	55.6%	\$ 3,926	\$ 108

Multifamily Metrics

- Total portfolio balance \$439.7M
- Geographic diversification (see map)
- Mean loan size in portfolio \$4.1M¹
- Median of loans in portfolio \$435K¹
- The largest loan in portfolio \$26.0M¹
- 38.57% are under construction¹
- Top 10 borrowers make up 49.38% of the total multifamily commitment¹
- No loans in the portfolio are delinquent¹
- There are no loans in the portfolio that are considered NPL¹
- 3.70% of the portfolio is considered adversely classified¹
- 88.41% of portfolio is funded¹

AVERAGE		
4.78	49.9%	\$110
RISK RATING	LTV	DEBT/DOOR



¹ Commitment Level

Multifamily Metrics

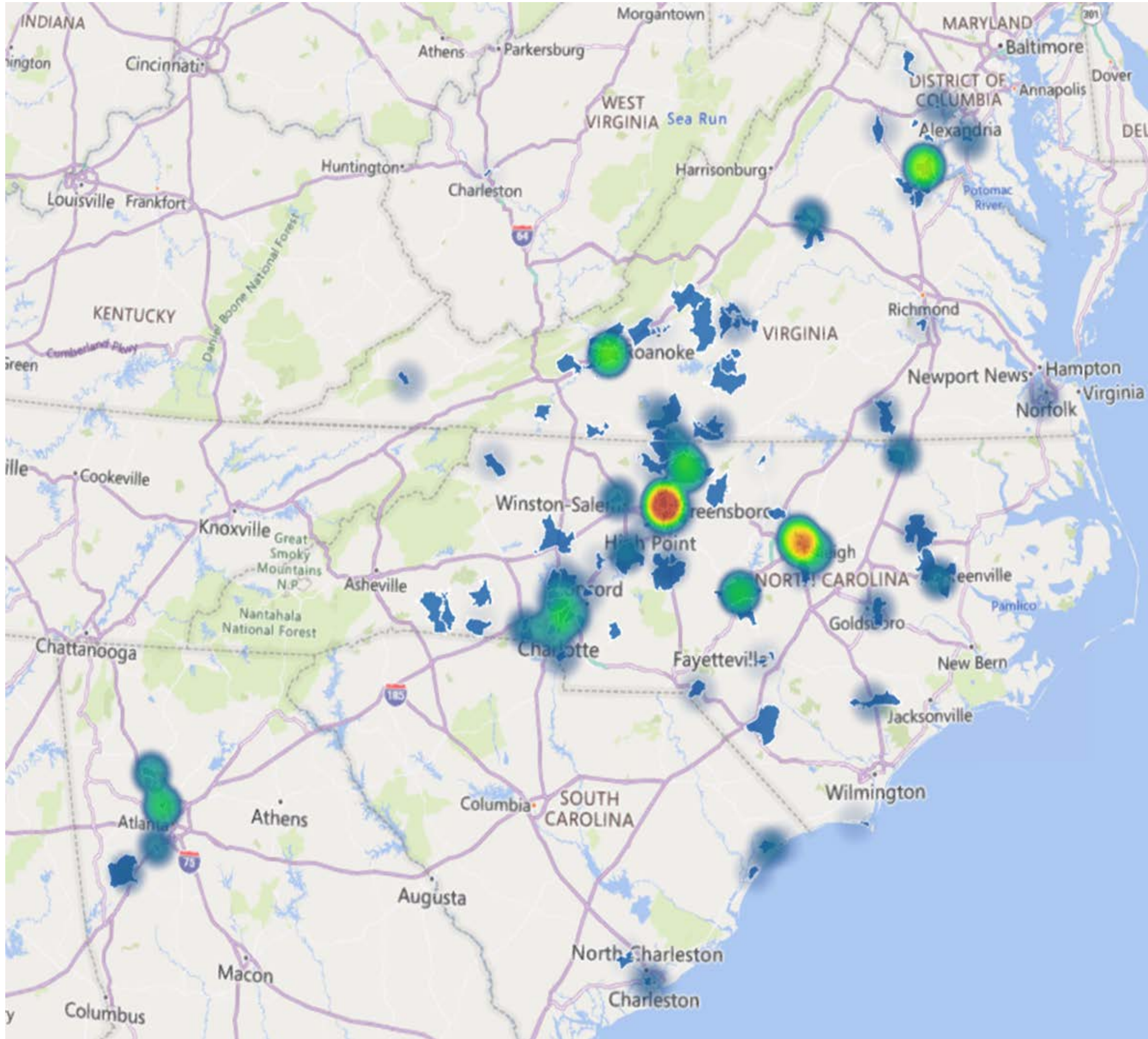
Category	Multifamily Portfolio Balance	Percentage of Total Balance	Multifamily Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size	Avg. of Debt per Door - Total Commitment
Multifamily	\$ 383,591	87.2%	\$ 515,630	49.8%	\$ 4,918	\$ 117
Student	48,954	11.1%	48,954	56.9%	6,448	51
Participations in Affordable Housing	7,188	1.7%	7,188	10.5%	153	4
Other ¹	—	—%	50	—%	—	—
Multifamily Totals	\$ 439,733	100.0%	\$ 571,822	49.9%	\$ 2,880	\$ 110

Category	Multifamily Portfolio Balance	Percentage of Total Balance	Multifamily Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size	Avg. of Debt per Door - Total Commitment
Multifamily						
North Carolina	\$ 200,033	45.5%	\$ 312,309	50.8%	\$ 3,334	\$ 132
South Carolina	45,879	10.4%	60,331	44.4%	1,835	119
Virginia	144,867	32.9%	150,227	47.8%	3,449	81
Student Housing						
Virginia	46,199	10.5%	46,199	57.3%	5,775	53
North Carolina	2,755	0.7%	2,756	51.8%	1,378	7
Multifamily Totals	\$ 439,733	100.0%	\$ 571,822	49.9%	\$ 3,154	\$ 110

Retail Metrics

- Total portfolio balance \$512.7M**
- Geographic diversification (see map)
- Mean loan size in portfolio \$3.1M¹
- Median of loans in portfolio \$1.4M¹
- The largest loan in portfolio \$27M¹
- 13.58% are under construction¹
- Top 10 borrowers make up 33.50% of the total retail commitment¹
- 0.02% of this portfolio is considered delinquent¹
- Less than 0.01% of this portfolio are considered adversely classified¹
- Less than 0.01% are in NPL status¹
- 94.65% of retail portfolio is funded¹

AVERAGE		
4.34	69.9%	\$149
RISK RATING	LTV	DEBT/SQ FT



Retail Metrics

Category	Retail Portfolio Balance	Percentage of Total Balance	Retail Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size	Avg. of Debt per Square Ft- Total Commitment
Anchored Strip Centers	\$ 250,302	48.8%	\$ 271,229	85.4%	\$ 5,215	\$ 146
Unanchored Strip Centers	142,847	27.9%	159,350	53.5%	2,198	168
Outparcels/Single Tenant	81,560	15.9%	83,924	55.2%	1,359	151
Power Centers ²	34,474	6.7%	35,120	61.3%	6,895	94
Big Box	3,473	0.7%	3,473	59.8%	1,158	46
Retail Totals¹	\$ 512,656	100.0%	\$ 553,096	69.9%	\$ 3,365	\$ 149

Category	Retail Portfolio Balance	Percentage of Total Balance	Retail Commitment Balance	Weighted Avg. Commitment LTV	Avg. GL Balance Size
North Carolina	\$ 315,800	61.6%	\$ 352,507	74.3%	\$ 3,190
Virginia	97,548	19.0%	98,419	64.3%	1,742
South Carolina	33,740	6.6%	36,602	55.7%	2,249
Georgia	30,188	5.9%	30,188	62.7%	5,031
Maryland	15,181	3.0%	15,181	60.6%	7,590
Ohio	10,351	2.0%	10,351	57.2%	10,351
Florida	9,501	1.8%	9,501	73.7%	9,501
West Virginia	347	0.1%	347	42.0%	347
Retail Totals¹	\$ 512,656	100.0%	\$ 553,096	69.9%	\$ 5,000

Office Metrics

- Total portfolio balance \$202.7M
- Geographic diversification (see map)
- Mean loan size in portfolio \$1.8M¹
- Median of loans in portfolio \$500K¹
- The largest loan in portfolio \$23.0M¹
- 8.34% are under construction¹
- Top 10 borrowers make up 53.01% of the total office commitment¹
- 0.13% of this portfolio are considered delinquent¹
- 5.94% of loans are primarily rated special mention¹
- 5.94% are in NPL status¹
- 93.14% of office portfolio is funded¹

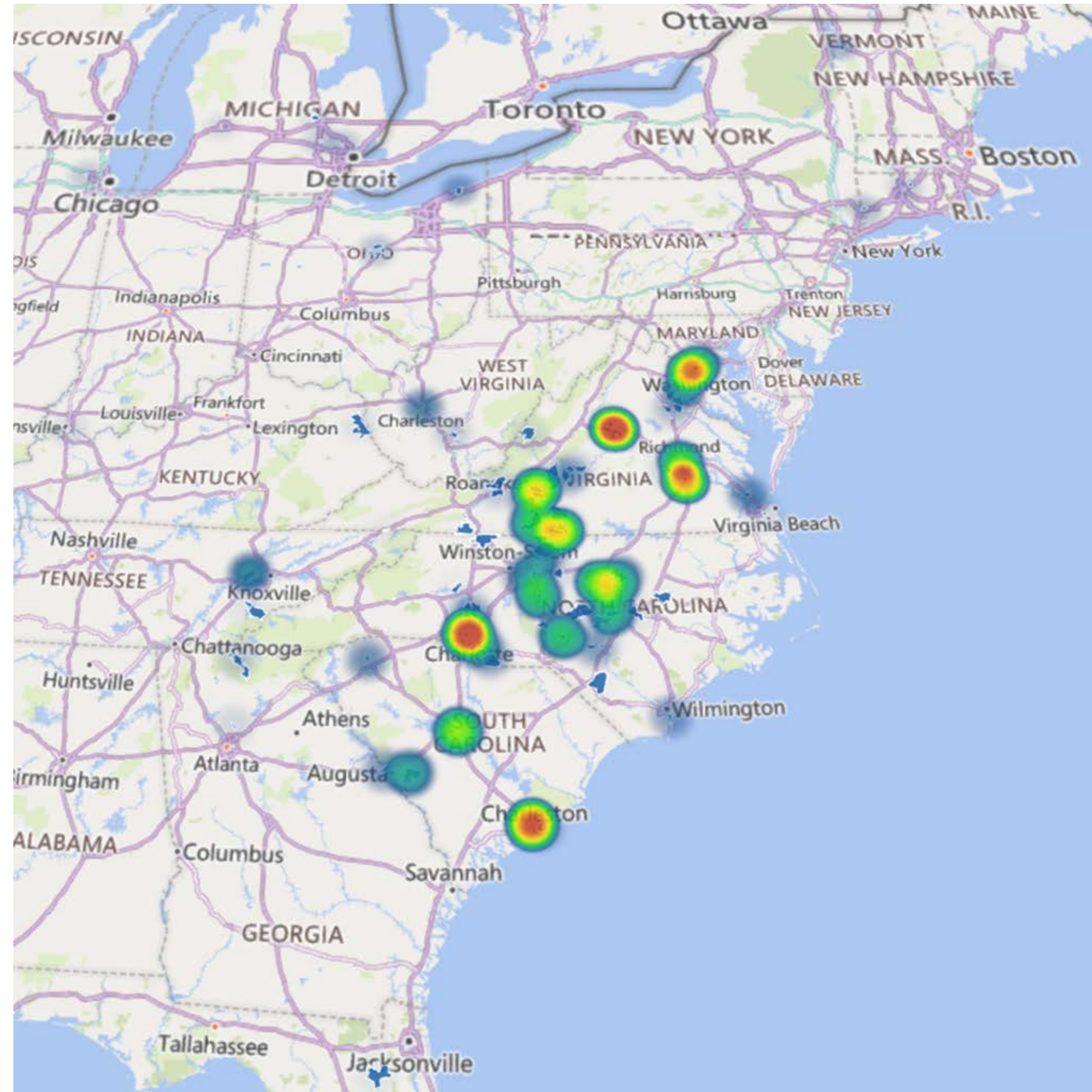
AVERAGE

4.64

RISK RATING

\$125

DEBT/SQ FT



Office Metrics

Category	Office Portfolio Balance	Percentage of Total Balance	Office Commitment Balance	Avg. GL Balance Size	Avg. of Debt per Square Ft- Total Commitment
General Office Space	\$ 110,963	54.7%	\$ 117,677	\$ 1,563	\$ 132
Medical Offices	43,425	21.4%	45,258	1,888	107
Government Offices	20,841	10.3%	20,841	6,947	70
Daycare Office	18,739	9.3%	21,206	3,123	211
Veterinary Offices	8,375	4.1%	15,545	419	108
Law Offices	405	0.2%	405	101	36
Education Offices	—	—%	15,750	—	97
Office Totals	202,748	100.0%	236,682	2,006	125

Category	Office Portfolio Balance	Percentage of Total Balance	Office Commitment Balance	Avg. GL Balance Size	Avg. of Debt per Square Ft- Total Commitment
Virginia	\$ 89,466	44.1%	\$ 91,941	\$ 1,864	\$ 104
North Carolina	51,229	25.3%	76,986	1,004	132
South Carolina	41,379	20.4%	47,081	5,911	165
Maryland	6,525	3.2%	6,525	6,525	120
Tennessee	2,937	1.5%	2,937	1,468	52
Georgia	2,859	1.4%	2,859	715	91
West Virginia	1,910	0.9%	1,910	955	71
Ohio	1,852	0.9%	1,852	926	102
Connecticut	1,296	0.6%	1,296	432	86
Michigan	1,120	0.7%	1,120	373	95
Vermont	895	0.4%	895	447	159
Illinois	505	0.2%	505	505	126
Maine	358	0.2%	358	358	150
Kentucky	224	0.1%	224	224	71
Florida	193	0.1%	193	193	74
Office Totals	\$ 202,748	100.0%	\$ 236,682	\$ 1,460	\$ 125

SECTION 06

Non-GAAP Reconciliation

Non-GAAP Statement

Statements in this exhibit include non-GAAP financial measures and should be read along with the accompanying tables in our definitions and reconciliations of GAAP to non-GAAP financial measures. Management uses, and this exhibit references, the adjusted return on average assets, adjusted return on average shareholders' equity, adjusted efficiency ratio, the adjusted book value and net interest income and net interest margin, each on a fully taxable equivalent, or FTE, basis, adjusted net income and adjusted earnings per common share (diluted) which are non-GAAP financial measures. Management believes the adjusted return on average assets, adjusted return on average shareholders' equity, adjusted efficiency ratio, the adjusted book value and net interest income and net interest margin, each on a fully taxable equivalent, or FTE, basis, adjusted net income and adjusted earnings per common share (diluted) provide information useful to investors in understanding our underlying business, operational performance and performance trends as they facilitate comparisons with the performance of other companies in the financial services industry. Although management believes that these non-GAAP financial measures enhance investors' understanding of our business and performance, these non-GAAP financial measures should not be considered alternatives to GAAP or considered to be more important than financial results determined in accordance with GAAP, nor are they necessarily comparable with non-GAAP measures which may be presented by other companies.

Non-GAAP Reconciliation

The adjusted book value ratio excludes accumulated other comprehensive loss ("AOCL") and adds back the other segment reserve release, net of tax. The Company believes this adjusted measure enables investors to assess the Company's capital levels and capital adequacy without the effects of changes in AOCL, which are uncertain and difficult to predict, or assuming that the Company realized all the previously unrealized losses on available-for-sale securities at the end of the period.

	Quarter-to-Date	
	Q1 2026	
Adjusted Book Value (Non-GAAP)		
(Dollars in Thousands)		
Adjusted Book Value (Non-GAAP)		
Total Shareholders' Equity	\$	504,902
Add: AOCL		(42,970)
Total Shareholders' Equity, excluding AOCL and segment reserve release (Non-GAAP)	\$	461,932
Common Shares Outstanding, at End of Period		22,159,980
Book Value (GAAP)	\$	22.78
Adjusted Book Value (Non-GAAP)	\$	20.85

Non-GAAP Reconciliation

Adjusted Return on Average Assets (ROA) (Non-GAAP)	Quarter-to-Date Q1 2026	
(Dollars in Thousands)		
Adjusted Net Income (Non-GAAP)*	\$	8,629
Adjusted Net Income (Non-GAAP) (YTD annualized)		34,995
Average Assets	\$	4,878,272
Adjusted ROA (Non-GAAP)		0.72%

Adjusted Return on Average Shareholders' Equity (ROE) (Non-GAAP)	Quarter-to-Date Q1 2026	
(Dollars in Thousands)		
Adjusted Net Income (Non-GAAP)*	\$	8,629
Adjusted Net Income (Non-GAAP) (YTD annualized)		34,995
Average Shareholders' Equity	\$	434,472
Adjusted ROE (Non-GAAP)		8.05%

⁴ Annualized Loan Growth (Non-GAAP)	March 31, 2026		December 31, 2025	
(Dollars in Thousands)				
Portfolio Loans	\$	3,728,461	\$	3,879,560
Less: Loans Related to the Transaction		(209,484)		
Adjusted Loans (Non-GAAP)	\$	3,937,945		
Annualized Portfolio Loan Growth (GAAP)		(15.80)%		
Annualized Loan Growth (Non-GAAP) in %		6.10%		

Non-GAAP Reconciliation

Net interest income (FTE) (non-GAAP) and total interest and dividend income (FTE) (non-GAAP), which are used in computing net interest margin (FTE) (non-GAAP), and adjusted efficiency ratio (non-GAAP), respectively, provide valuable additional insight into the net interest margin and the efficiency ratio by adjusting for differences in tax treatment of interest income sources. The entire FTE adjustment is attributable to interest income on earning assets, which is used in computing yield on earning assets. Interest expense and the related cost of interest-bearing liabilities and cost of funds ratios are not affected by the FTE components.

Adjusted Net Interest Income (FTE) (Non-GAAP)	Quarter-to-Date		
	Q1 2026	Q4 2025	Q1 2025
(Dollars in Thousands)			
Interest Income (FTE) (Non-GAAP)			
Interest and Dividend Income (GAAP)	\$ 59,185	\$ 59,298	\$ 56,007
Tax Equivalent Adjustment ³	154	159	178
Interest and Dividend Income (FTE) (Non-GAAP)	59,339	59,457	56,185
Average Earning Assets	\$ 4,748,330	\$ 4,706,917	\$ 4,554,103
Yield on Interest-earning Assets (GAAP)	5.05%	5.00%	4.99%
Yield on Interest-earning Assets (FTE) (Non-GAAP)	5.07%	5.01%	5.00%
Net Interest Income (FTE) (Non-GAAP)			
Net Interest Income (GAAP)	\$ 35,934	\$ 34,604	\$ 30,138
Tax Equivalent Adjustment ³	154	159	178
Net Interest Income (FTE) (Non-GAAP)	36,088	34,763	30,316
Average Earning Assets	\$ 4,748,330	\$ 4,706,917	\$ 4,554,103
Net Interest Margin (GAAP)	3.07%	2.92%	2.68%
Net Interest Margin (FTE) (Non-GAAP)	3.08%	2.93%	2.70%

Non-GAAP Reconciliation

Net interest income (FTE) (non-GAAP) and total interest and dividend income (FTE) (non-GAAP), which are used in computing net interest margin (FTE) (non-GAAP), and adjusted efficiency ratio (non-GAAP), respectively, provide valuable additional insight into the net interest margin and the efficiency ratio by adjusting for differences in tax treatment of interest income sources. The entire FTE adjustment is attributable to interest income on earning assets, which is used in computing yield on earning assets. Interest expense and the related cost of interest-bearing liabilities and cost of funds ratios are not affected by the FTE components. The adjusted efficiency ratio (non-GAAP) excludes (losses) gains on sales and write-downs of branch premises, net, (losses) gains on sales and write-downs of OREO, net, 1035 exchange fee on BOLI, severance pay, the gains on sales of securities, net, equity security unrealized fair value loss (gain), gain on BOLI death benefit, Gain on the Transaction and FHLB early prepayment credit. This measure is similar to the measure utilized by the Company when analyzing corporate performance and is also similar to the measure utilized for incentive compensation. The Company believes this adjusted measure provides investors with important information about the combined economic results of the Company's operations.

Adjusted Efficiency Ratio (Non-GAAP)	Quarter-to-Date		
	Q1 2026	Q4 2025	Q1 2025
(Dollars in Thousands)			
Noninterest Expense	\$ 31,012	\$ 31,004	\$ 28,042
Less: (Losses) Gains on sales and write-downs of Branch Premises, net	(1)	(188)	3
Less: (Losses) Gains on Sales and write-downs of OREO, net	(569)	51	(81)
Less: 1035 Exchange fee on BOLI	—	(133)	(275)
Less: Severance Pay	—	(55)	—
Adjusted Noninterest Expense (Non-GAAP)	30,442	30,679	27,689
Net Interest Income	\$ 35,934	\$ 34,604	\$ 30,138
Plus: Taxable Equivalent Adjustment ³	154	159	178
Net Interest Income (FTE) (Non-GAAP)	36,088	34,763	30,316
Less: Gains on Sales of Securities, net	(80)	(46)	—
Less: Equity Security Unrealized Fair Value Loss (Gain)	45	(22)	(137)
Gain on BOLI death benefit ⁵	—	—	(1,882)
Less: Gain on the Transaction	(65,000)	—	—
Less: FHLB Early Prepayment Credit	(130)	—	—
Plus: Noninterest Income	70,974	5,225	6,901
Net Interest Income (FTE) (Non-GAAP) plus Adjusted Noninterest Income	41,897	39,920	35,198
Efficiency Ratio (GAAP)	29.01%	77.84%	75.71%
Adjusted Efficiency Ratio (Non-GAAP)	72.66%	76.85%	78.67%

Non-GAAP Reconciliation

The adjusted net income (FTE) (non-GAAP) excludes the gain on the Transaction, specific reserves released related to the loan sale transaction, recovery related to the loan sale transaction, gains on sales of securities, net, equity security unrealized fair value loss (gain), losses (gains) on sales and write-downs of bank premises, net, losses (gains) on sales and write-downs of OREO, net, 1035 exchange fee on BOLI, gain on BOLI death benefit, FHLB early prepayment credit and severance pay. These exclusions are deleted to calculated the adjusted earnings per common share (diluted) (Non-GAAP). The Company believes these adjusted measure provides investors with important information about the results of the Company's operations.

Adjusted Net Income and EPS (Non-GAAP)	Quarter-to-Date		
	Q1 2026	Q4 2025	Q1 2025
(Dollars in Thousands)			
Net Income	\$ 85,757	\$ 8,480	\$ 8,953
Gain on the Transaction	(65,000)	—	—
Specific Reserves Released Related to the Transaction	(18,035)	—	—
Net Recoveries Related to the Transaction	(15,000)	—	—
Gains on Sales of Securities, net	(80)	(46)	—
Equity Security Unrealized Fair Value Loss (Gain)	45	(22)	(137)
Losses (Gains) on Sales and Write-downs of Bank Premises, net	1	188	(3)
Losses (Gains) on Sales and Write-downs of OREO, net	569	(51)	81
1035 Exchange fee on BOLI	—	133	275
Gain on BOLI death benefit ⁶	—	—	(1,882)
Less: FHLB Early Prepayment Credit	(130)	—	—
Severance Pay	—	55	—
Total Tax Effect	20,502	(54)	(45)
Modified Endowment Contract (MEC) 10% penalty on BOLI Surrender	—	121	—
Tax Effect on BOLI Surrender	—	254	—
Adjusted Net Income (Non-GAAP)	\$ 8,629	\$ 9,058	\$ 7,242
Average Shares Outstanding - diluted	21,846,942	21,857,904	22,873,800
Adjusted Earnings Per Common Share (diluted) (Non-GAAP)	\$ 0.40	\$ 0.41	\$ 0.32

⁶ The gain on BOLI death benefit is tax-exempt.