

TRIAD BUSINESS BANK

Triad Business Bank (OTCID—“TBBC”), February 5, 2026, Announces Unaudited Results for 2025, Including Fourth Quarter Results

Overview

GREENSBORO, NC: For the quarter ended December 31, 2025, Triad Business Bank (the “Bank”) reported net income of \$497,000 compared to a loss of \$2.8 million for the same period a year ago. Net income totaled \$0.06 per share in the fourth quarter of 2025 compared to a loss of \$0.35 per share in the fourth quarter of 2024. For the year ended December 31, 2025, the Bank reported a \$5.7 million improvement in net income with a \$1.4 million profit compared to a loss of \$4.3 million in the prior year. Net income per share was \$0.17 for the year ended December 31, 2025 compared to a loss of \$0.58 per share for the year ended December 31, 2024.

Ramsey Hamadi, Chief Executive Officer, commented, “The Bank’s fourth quarter core operating results improved \$228,000 over the prior year period. For the year ended December 31, 2025, the Bank’s core operating results improved \$1.7 million over the previous year. The improvements were due primarily to an increase in the Bank’s net interest margin. The net interest margin increased 42 basis points to 2.69% in the fourth quarter of 2025 compared to 2.27% in the fourth quarter of 2024. For the year ended December 31, 2025, the Bank’s net interest margin increased 28 basis points to 2.46% from 2.18% for the previous year. The increases were primarily due to a lower cost of funds. Net interest income increased \$561,000 to \$3.5 million in the fourth quarter of 2025 and increased \$1.5 million to \$12.7 million for the full year compared to the same periods in 2024. Looking forward, the Bank intends to maintain disciplined expense control practices while the Bank’s net interest margin is expected to further improve throughout 2026 and 2027.”

Fourth Quarter Income Statement Comparison

The Bank’s net income totaled \$497,000 for the quarter ended December 31, 2025 compared to a net loss of \$2.8 million for the quarter ended December 31, 2024. Core operating results, a non-GAAP measurement which excludes the provision for credit losses and taxes, reflected earnings of \$528,000 for the fourth quarter of 2025 compared to \$300,000 for the same quarter in the prior year.

Net interest income increased \$561,000 to \$3.5 million for the fourth quarter of 2025 from \$3.0 million for the fourth quarter of 2024. The Bank’s net interest margin for the fourth quarter increased 42 basis points to 2.69% compared to the prior year period.

Interest income was \$7.0 million in both the fourth quarter of 2025 and the fourth quarter of 2024. Stasis in interest income year over year was due to changes in the value of interest rate swaps, declines in market interest rates, and declines in average investment securities and interest-earning cash balances. Average loans increased \$21.4 million to \$394.3 million during the fourth quarter of 2025 compared to the fourth quarter of 2024. The weighted average yield on average loans increased 2 basis points to 6.07% in the fourth quarter of 2025 from 6.05% in the prior year period. The weighted average rate on interest-bearing liabilities decreased 73 basis points to 3.64% in the fourth quarter of 2025 compared to 4.37% in the same quarter of 2024.

During the fourth quarter of 2025, there was a provision for credit losses of \$41,000 compared to a provision for credit losses of \$3.1 million during the fourth quarter of 2024.

Noninterest income decreased \$99,000 to \$235,000 in the fourth quarter of 2025 compared to \$334,000 in the prior year period. In the prior year quarter, the Bank received a one-time bonus dividend on a small business investment company ("SBIC") investment of \$92,000.

Noninterest expense increased \$233,000 in the fourth quarter of 2025 compared to the prior year quarter. Salaries and benefits expense increased \$208,000 in the fourth quarter of 2025 compared to the fourth quarter of 2024. This increase was primarily due to compensation adjustments effective July 1, 2025 and an increase in performance-related compensation. The Bank had 54 employees at the end of December 2025 compared to 56 employees at the end of December 2024. Premises and equipment expense increased \$24,000 in the fourth quarter of 2025 compared to the prior year period due primarily to increased lease expense.

Annual Income Statement Comparison

The Bank's net income totaled \$1.4 million for the year ended December 31, 2025 compared to a net loss of \$4.3 million for the year ended December 31, 2024. Core operating results were earnings of \$1.2 million for 2025 compared to a loss of \$510,000 for the prior year.

Net interest income increased \$1.5 million to \$12.7 million for the year ended December 31, 2025 from \$11.2 million for the year ended December 31, 2024. The Bank's net interest margin for 2025 increased 28 basis points to 2.46% compared to the prior year.

Interest income decreased \$267,000, or 1%, to \$27.6 million for the year ended December 31, 2025 compared to \$27.9 million for the year ended December 31, 2024. The decline in interest income year over year was due to changes in the value of interest rate swaps, declines in market interest rates, and declines in average investment securities and interest-earning cash balances. Average loans increased \$21.4 million to \$384.6 million during the year ended December 31, 2025 compared to the prior year. The weighted average yield on average loans decreased 3 basis points to 6.06% for the year 2025 compared to 6.09% for the year 2024. The weighted average rate on interest-bearing liabilities decreased 49 basis points to 3.96% for the year 2025 compared to 4.45% for the prior year.

For the year ended December 31, 2025, there was a reversal of provision for credit losses of \$194,000 compared to a provision for credit losses of \$3.8 million for the prior year.

Noninterest income decreased \$152,000 to \$915,000 for the year ended December 31, 2025 compared to \$1.1 million for the prior year. The principal drivers of the decrease were interest rate swap fee income of \$83,000 and a one-time bonus dividend on a SBIC investment of \$92,000 in 2024.

Noninterest expense decreased \$372,000 for the year ended December 31, 2025 compared to the year ended December 31, 2024 resulting predominantly from the operating expense reduction initiative implemented in the second quarter of 2024. Salaries and benefits expense decreased \$136,000, or 2%, for 2025 compared to 2024 due to an increase in deferred loan costs on greater loan production and a reduction in personnel. In connection with the Bank's expense reduction initiative, there was a one-time severance expense of \$87,000 in the prior year. The Bank had 54 employees at the end of December 2025 compared to 56 employees at the end of December 2024 and 62 employees at the beginning of 2024. Premises and equipment expense increased \$69,000 for the year ended December 31, 2025 compared to the prior year due primarily to increased lease expense. Other noninterest expenses decreased \$280,000 for the year 2025 over the year 2024, primarily due to decreases in FDIC insurance assessment expense and director compensation expense.

Annual Balance Sheet Comparison

Total assets increased \$5.7 million to \$530.9 million at December 31, 2025 from \$525.2 million at December 31, 2024. During the year ended December 31, 2025, loans increased \$26.8 million while securities decreased \$14.1 million and cash decreased \$6.2 million. Deposits increased \$12.2 million during 2025 to \$467.6 million. Other borrowings decreased \$15.0 million to \$9.0 million at December 31, 2025 from \$24.0 million at December 31, 2024.

Shareholders' equity increased \$8.3 million year over year to \$50.6 million at December 31, 2025. Accumulated other comprehensive income/loss ("AOCI") improved by \$6.8 million year over year to an unrealized loss of \$8.1 million from an unrealized loss of \$14.9 million at December 31, 2024. The AOCI loss is expected to reverse, assuming no further credit impairments, as the bond portfolio shortens in life and is assumed to mature at par value.

Regulatory Capital

Total risk-based capital consists of tier 1 capital and tier 2 capital. The Bank's tier 1 capital is largely a measure of shareholders' equity as calculated under GAAP but eliminates certain volatile elements such as AOCI loss. Tier 2 capital is primarily the allowance for credit losses on funded and unfunded loan commitments. Tier 1 and tier 2 capital ratios are measured against total assets and risk-weighted assets.

The following is a summary presentation of the Bank's total regulatory capital to risk-weighted assets, tier 1 capital to risk-weighted assets and tier 1 capital to average assets in comparison with the regulatory guidelines at December 31, 2025:

Capital and Capital Ratios

Actual	Quarter Ended 12/31/2025	
	Amount	Ratio
(dollars in thousands)		
Total Capital (to risk-weighted assets)	\$ 62,526	12.30%
Tier 1 Capital (to risk-weighted assets)	\$ 58,708	11.55%
Tier 1 Capital (to average assets)	\$ 58,708	10.95%

Minimum To Be Well-Capitalized Under Prompt Corrective Action Provisions

(dollars in thousands)

Total Capital (to risk-weighted assets)	\$ 51,000	10.00%
Tier 1 Capital (to risk-weighted assets)	\$ 41,000	8.00%
Tier 1 Capital (to average assets)	\$ 27,000	5.00%

Loans

The Bank's outstanding loans increased \$26.8 million, or 7%, to \$400.5 million at December 31, 2025 compared to \$373.7 million at December 31, 2024. While not included in loans outstanding, the Bank also had unfunded loan commitments of \$143.2 million, bringing total loans outstanding and unfunded commitments to \$543.7 million at December 31, 2025. For internal monitoring purposes, the Bank considers owner-occupied real estate loans to be part of commercial and industrial ("C&I") loans. As of December 31, 2025, approximately 50% of the Bank's outstanding loan portfolio was composed of C&I loans:

Loan Diversification

Loan Category	12/31/2025	Percentage of Loan Portfolio
Other Construction & Land Development	\$ 55,792,807	
Nonowner-occupied Commercial Real Estate	<u>142,521,312</u>	
Total Commercial Real Estate	<u>198,314,119</u>	49%
Owner-occupied Real Estate	101,689,681	
C&I	<u>97,705,952</u>	
Total C&I	<u>199,395,633</u>	50%
Other Revolving Loans	<u>2,821,020</u>	1%
Total	<u>\$ 400,530,772</u>	

Credit Risk and Allowance for Credit Losses

The Bank had \$2.2 million in nonaccrual loans relating to two credit relationships at December 31, 2025 compared to no nonaccrual loans at December 31, 2024.

During the fourth quarter of 2025, there was a provision for credit losses of \$41,000 compared to a provision for credit losses of \$3.1 million during the fourth quarter of 2024. For fourth quarter 2025, the components of this item were a provision for credit losses on loans of \$192,000, a provision for credit losses on unfunded loan commitments of \$13,000, and a reversal of provision for credit losses on corporate bonds sold of \$164,000 compared to fourth quarter 2024 components of a provision for credit losses on loans of \$524,000, a reversal of provision for credit losses on unfunded loan commitments of \$40,000, and a provision for credit losses on available-for-sale corporate bonds of \$2.7 million.

For the year ended December 31, 2025, there was a reversal of provision for credit losses of \$194,000 compared to a provision for credit losses of \$3.8 million for the prior year. For 2025, the components of this item were a reversal of provision for credit losses on loans of \$107,000, a reversal of provision for credit losses on unfunded loan commitments of \$82,000, and a reversal of provision for credit losses on corporate bonds sold of \$5,000 compared to 2024 components of a provision for credit losses on loans of \$1.3 million, a reversal of provision for credit losses on unfunded loan commitments of \$220,000, and a provision for credit losses on available-for-sale corporate bonds of \$2.7 million.

The allowance for credit losses on loans was \$3.4 million at December 31, 2025 compared to \$4.1 million at December 31, 2024, or 0.86% and 1.09% of outstanding loans, respectively. There were \$423,000 in loan charge-offs in the fourth quarter of 2025 and a total of \$537,000 for the year ended December 31, 2025 compared to \$998,000 in loan charge-offs in the fourth quarter of and for the full year 2024. The allowance for credit losses on unfunded loan commitments, recorded as a liability on the balance sheet, was \$376,000, or 0.26% of unfunded loan commitments at December 31, 2025, compared to \$458,000, or 0.34%, at December 31, 2024. There was no allowance for credit losses on available-for-sale securities at December 31, 2025 compared to \$3.0 million at December 31, 2024. Due to security sales during 2025, \$2.9 million was charged off against the allowance.

Deferred Tax Asset and AOCI (Non-GAAP Measures)

The Bank's GAAP tangible book value per share was \$6.28 at December 31, 2025. On a non-GAAP basis, excluding the AOCI loss and the impairment on the Bank's deferred tax asset (two reductions in capital the Bank anticipates it will recover over time), adjusted tangible book value per share was \$7.66 at December 31, 2025.

The organization and startup costs incurred during the Bank's organizational period and net operating losses from the beginning of operations created a deferred tax asset of \$3.0 million. This asset is currently fully impaired and will be carried at \$0 until sufficient, verifiable evidence exists (generally, sustained profitability) to demonstrate that the deferred tax asset will more likely than not be realized. At that time, the valuation allowance will be reversed.

The change in fair value, excluding any credit impairment, of the Bank's investment securities that are available for sale is recorded in AOCI as a gain or loss, based on current circumstances, and constitutes an unrealized component of equity. At December 31, 2025, the Bank had an aggregate AOCI loss of \$8.1 million. Assuming the underlying investment securities are held to maturity and there are no future credit impairments, the value of the securities will return to their face values at maturity. As a non-GAAP measure, the Bank eliminates its current AOCI loss to reflect an adjusted tangible book value.

Outlook

Although there could be some compression in the net interest margin in the near term if the Federal Reserve makes additional reductions in the federal funds target rate, we expect the Bank's net interest margin to increase throughout 2026 and 2027 as lower yielding loans and investments mature and are replaced by those with higher yields, coupled with a further modest decline in the cost of funds.

About Triad Business Bank

With three co-equal offices located in Winston-Salem, High Point and Greensboro, Triad Business Bank focuses on meeting the needs of small to midsize businesses and their owners by providing loans, treasury management and private banking, all with a high level of personal attention and best-in-class technology. For more information, visit www.triadbusinessbank.com.

Non-GAAP Financial Measures

This release contains financial information determined by methods other than in accordance with generally accepted accounting principles in the United States ("GAAP"). The management of Triad

Business Bank uses these non-GAAP financial measures in its analysis of the Bank's performance. These measures typically adjust GAAP performance measures to exclude the effects of the provision for credit losses, income tax, deferred tax asset, and AOCI. Management believes presentations of these non-GAAP financial measures provide useful supplemental information that is essential to a proper understanding of the operating results of the Bank. These non-GAAP disclosures should not be viewed as a substitute for operating results determined in accordance with GAAP, nor are they necessarily comparable to non-GAAP performance measures that may be presented by other companies.

Forward Looking Language

This release contains certain forward-looking statements with respect to the financial condition, results of operations and business of Triad Business Bank. These forward-looking statements involve risks and uncertainties and are based on the beliefs and assumptions of management of Triad Business Bank and on the information available to management at the time that these disclosures were prepared. These statements can be identified by the use of words like "expect," "anticipate," "estimate" and "believe," variations of these words and other similar expressions. Readers should not place undue reliance on forward-looking statements as a number of important factors could cause actual results to differ materially from those in the forward-looking statements. Triad Business Bank undertakes no obligation to update any forward-looking statements.

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Triad Business Bank

Balance Sheet (Unaudited)	December 31, 2025	December 31, 2024	\$ Change	% Change
Assets				
Cash & Due from Banks	\$ 17,697,634	\$ 23,947,020	\$ (6,249,386)	-26%
Securities	108,689,819	122,762,837	(14,073,018)	-11%
Federal Funds Sold	-	-	-	0%
Loans	400,530,772	373,673,725	26,857,047	7%
Allowance for Credit Losses ("ACL")	(3,441,699)	(4,085,896)	644,197	16%
Loans, Net	397,089,073	369,587,829	27,501,244	7%
Other Assets	7,446,792	8,862,991	(1,416,199)	-16%
Total Assets	\$ 530,923,318	\$ 525,160,677	\$ 5,762,641	1%
Liabilities				
Demand Deposits	\$ 99,366,230	\$ 92,613,735	\$ 6,752,495	7%
ICS Reciprocal - Checking	887,684	2,713,755	(1,826,071)	-67%
Commercial Operating Accounts	100,253,914	95,327,490	4,926,424	5%
Interest-bearing NOW	25,317,392	22,378,016	2,939,376	13%
Core MMA & Savings	113,295,751	88,468,843	24,826,908	28%
ICS Reciprocal - MMA	43,606,487	65,089,274	(21,482,787)	-33%
Total MMA & Savings	156,902,238	153,558,117	3,344,121	2%
Core Time Deposits	24,867,472	29,332,254	(4,464,782)	-15%
CDARS - Reciprocal	14,965,606	19,709,000	(4,743,394)	-24%
Brokered CDs	145,308,713	135,142,064	10,166,649	8%
Total Time Deposits	185,141,791	184,183,318	958,473	1%
Total Deposits	467,615,335	455,446,941	12,168,394	3%
Other Borrowings	9,000,000	24,000,000	(15,000,000)	-63%
Federal Funds Purchased	-	-	-	0%
ACL on Unfunded Commitments	376,509	458,381	(81,872)	-18%
Other Liabilities	3,363,566	3,031,561	332,005	11%
Total Liabilities	480,355,410	482,936,883	(2,581,473)	-1%
Shareholders' Equity				
Common Stock	73,389,919	73,172,267	217,652	0%
Accumulated Deficit	(14,682,398)	(16,076,619)	1,394,221	9%
Accumulated Other Comprehensive Loss	(8,139,613)	(14,871,854)	6,732,241	45%
Total Shareholders' Equity	50,567,908	42,223,794	8,344,114	20%
Total Liabilities & Shareholders' Equity	\$ 530,923,318	\$ 525,160,677	\$ 5,762,641	1%
Shares Outstanding	8,055,028	7,993,969	61,059	1%
Tangible Book Value per Share	\$ 6.28	\$ 5.28	\$ 1.00	19%

Triad Business Bank

Income Statement (Unaudited)	For the Year Ended		For the Year Ended		\$ Change	% Change
	December 31, 2025	December 31, 2024				
Interest Income						
Interest & Fees on Loans	\$ 23,319,068	\$ 22,137,727	\$ 1,181,341		5%	
Interest & Dividend Income on Securities	3,592,324	4,271,488	(679,164)		-16%	
Interest Income on Balances Due from Banks	605,224	1,176,179	(570,955)		-49%	
Other Interest Income	107,023	304,781	(197,758)		-65%	
Total Interest Income	27,623,639	27,890,175	(266,536)		-1%	
Interest Expense						
Interest on Checking Deposits	838,738	843,257	(4,519)		-1%	
Interest on Savings & MMA Deposits	4,557,049	5,397,173	(840,124)		-16%	
Interest on Time Deposits	8,625,739	9,398,669	(772,930)		-8%	
Interest on Federal Funds Purchased	439	155	284		183%	
Interest on Borrowings	837,473	784,230	53,243		7%	
Other Interest Expense	29,111	222,385	(193,274)		-87%	
Total Interest Expense	14,888,549	16,645,869	(1,757,320)		-11%	
Net Interest Income	12,735,090	11,244,306	1,490,784		13%	
Provision for (Reversal of) Credit Losses	(193,517)	3,786,964	(3,980,481)		-105%	
Net Interest Income After Provision for CL	12,928,607	7,457,342	5,471,265		73%	
Total Noninterest Income	915,479	1,067,025	(151,546)		-14%	
Noninterest Expense						
Salaries & Benefits	7,983,390	8,119,171	(135,781)		-2%	
Severance - One-firm Expense	8,750	87,156	(78,406)		-90%	
Premises & Equipment	591,319	522,210	69,109		13%	
Total Other Noninterest Expense	3,866,406	4,092,961	(226,555)		-6%	
Total Noninterest Expense	12,449,865	12,821,498	(371,633)		-3%	
Income (Loss) Before Income Tax	1,394,221	(4,297,131)	5,691,352		132%	
Income Tax	-	-	-		0%	
Net Income (Loss)	\$ 1,394,221	\$ (4,297,131)	\$ 5,691,352		132%	
Net Income (Loss) per Share						
Basic	\$ 0.17	\$ (0.58)	\$ 0.75		129%	
Diluted	\$ 0.17	\$ (0.58)	\$ 0.75		129%	
Weighted Average Shares Outstanding						
Basic	8,033,985	7,372,953	661,032		9%	
Diluted	8,128,490	7,372,953	755,537		10%	
Pre-provision, Pre-tax Income (Loss)	\$ 1,200,704	\$ (510,167)	\$ 1,710,871		335%	

Triad Business Bank

Key Ratios & Other Information (Unaudited)

	Year Ended 12/31/2025			Year Ended 12/31/2024		
	Balance	Interest Income/ Expense	Yield/ Rate	Balance	Interest Income/ Expense	Yield/ Rate
Yield on Average Loans	\$ 384,616,675	\$ 23,319,068	6.06%	\$ 363,211,812	\$ 22,137,727	6.09%
Yield on Average Investment Securities	\$ 117,477,950	\$ 3,592,324	3.06%	\$ 129,941,625	\$ 4,271,488	3.29%
Yield on Average Interest-earning Assets	\$ 517,216,196	\$ 27,623,639	5.34%	\$ 516,449,158	\$ 27,890,175	5.40%
Cost of Average Interest-bearing Liabilities	\$ 375,810,387	\$ 14,888,549	3.96%	\$ 374,250,222	\$ 16,645,869	4.45%
Net Interest Margin						
Interest Income		\$ 27,623,639			\$ 27,890,175	
Interest Expense		<u>\$ 14,888,549</u>			<u>\$ 16,645,869</u>	
Average Earnings Assets	\$ 517,216,196			\$ 516,449,158		
Net Interest Income & Net Interest Margin		<u>\$ 12,735,090</u>	2.46%		<u>\$ 11,244,306</u>	2.18%
Loan to Asset Ratio						
Loan Balance	\$ 400,530,772			\$ 373,673,725		
Total Assets	530,923,318		75.44%	525,160,677		71.15%
Leverage Ratio						
Tier 1 Capital	\$ 58,707,521			\$ 57,095,648		
Average Total Assets	536,089,364		10.95%	542,841,205		10.52%
Unfunded Commitments to Extend Credit	\$ 143,176,639			\$ 134,193,703		
Standby Letters of Credit	1,745,865			186,252		

Triad Business Bank

Income Statement (Unaudited)	For Three Months Ended		For Three Months Ended		\$ Change	% Change
	December 31, 2025	December 31, 2024				
Interest Income						
Interest & Fees on Loans	\$ 6,030,530	\$ 5,673,515	\$ 357,015		6%	
Interest & Dividend Income on Securities	785,082	1,011,942	(226,860)		-22%	
Interest Income on Balances Due from Banks	132,833	222,737	(89,904)		-40%	
Other Interest Income	24,937	51,342	(26,405)		-51%	
Total Interest Income	6,973,382	6,959,536	13,846		0%	
Interest Expense						
Interest on Checking Deposits	194,461	202,209	(7,748)		-4%	
Interest on Savings & MMA Deposits	1,024,058	1,222,203	(198,145)		-16%	
Interest on Time Deposits	1,982,218	2,379,797	(397,579)		-17%	
Interest on Federal Funds Purchased	-	-	-		0%	
Interest on Borrowings	237,895	163,182	74,713		46%	
Other Interest Expense	6,263	24,831	(18,568)		-75%	
Total Interest Expense	3,444,895	3,992,222	(547,327)		-14%	
Net Interest Income	3,528,487	2,967,314	561,173		19%	
Provision for Credit Losses	41,138	3,136,709	(3,095,571)		-99%	
Net Interest Income After Provision for CL	3,487,349	(169,395)	3,656,744		2159%	
Total Noninterest Income	234,576	333,915	(99,339)		-30%	
Noninterest Expense						
Salaries & Benefits	2,089,058	1,880,888	208,170		11%	
Premises & Equipment	153,918	130,108	23,810		18%	
Total Other Noninterest Expense	992,221	990,711	1,510		0%	
Total Noninterest Expense	3,235,197	3,001,707	233,490		8%	
Income (Loss) Before Income Tax	486,728	(2,837,187)	3,323,915		117%	
Income Tax	(10,000)	-	(10,000)		-100%	
Net Income (Loss)	\$ 496,728	\$ (2,837,187)	\$ 3,333,915		118%	
Net Income (Loss) per Share						
Basic	\$ 0.06	\$ (0.35)	\$ 0.42		120%	
Diluted	\$ 0.06	\$ (0.35)	\$ 0.42		120%	
Weighted Average Shares Outstanding						
Basic	8,054,648	7,993,728	60,920		1%	
Diluted	8,149,153	7,993,728	155,425		2%	
Pre-provision, Pre-tax Income	\$ 527,866	\$ 299,522	\$ 228,344		76%	

Triad Business Bank

Key Ratios & Other Information (Unaudited)

	Quarter Ended 12/31/2025			Quarter Ended 12/31/2024		
	Balance	Interest Income/ Expense	Yield/ Rate	Balance	Interest Income/ Expense	Yield/ Rate
Yield on Average Loans	\$ 394,288,475	\$ 6,030,530	6.07%	\$ 372,850,408	\$ 5,673,515	6.05%
Yield on Average Investment Securities	\$ 110,776,169	\$ 785,082	2.81%	\$ 126,681,972	\$ 1,011,942	3.18%
Yield on Average Interest-earning Assets	\$ 519,548,449	\$ 6,973,382	5.33%	\$ 519,208,295	\$ 6,959,536	5.33%
Cost of Average Interest-bearing Liabilities	\$ 375,861,421	\$ 3,444,895	3.64%	\$ 363,454,917	\$ 3,992,222	4.37%
Net Interest Margin						
Interest Income		\$ 6,973,382			\$ 6,959,536	
Interest Expense		<u>3,444,895</u>			<u>3,992,222</u>	
Average Earnings Assets	\$ 519,548,449			\$ 519,208,295		
Net Interest Income & Net Interest Margin		<u>\$ 3,528,487</u>	2.69%		<u>\$ 2,967,314</u>	2.27%
Loan to Asset Ratio						
Loan Balance	\$ 400,530,772			\$ 373,673,725		
Total Assets	530,923,318		75.44%	525,160,677		71.15%
Leverage Ratio						
Tier 1 Capital	\$ 58,707,521			\$ 57,095,648		
Average Total Assets	536,089,364		10.95%	542,841,205		10.52%
Unfunded Commitments to Extend Credit	\$ 143,176,639			\$ 134,193,703		
Standby Letters of Credit	1,745,865			186,252		

Triad Business Bank

Balance Sheet (Unaudited)	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Assets					
Cash & Due from Banks	\$ 17,697,634	\$ 12,939,248	\$ 20,518,736	\$ 20,220,053	\$ 23,947,020
Securities	108,689,819	112,752,361	118,340,187	121,514,871	122,762,837
Federal Funds Sold	-	-	-	-	-
Loans	400,530,772	394,605,618	387,929,131	374,401,277	373,673,725
Allowance for Credit Losses ("ACL")	(3,441,699)	(3,672,677)	(3,563,077)	(3,835,717)	(4,085,896)
Loans, Net	397,089,073	390,932,941	384,366,054	370,565,560	369,587,829
Other Assets	7,446,792	8,473,437	8,101,708	8,904,916	8,862,991
Total Assets	\$ 530,923,318	\$ 525,097,987	\$ 531,326,685	\$ 521,205,400	\$ 525,160,677
Liabilities					
Demand Deposits	\$ 99,366,230	\$ 98,688,414	\$ 103,045,441	\$ 96,127,782	\$ 92,613,735
ICS Reciprocal - Checking	887,684	2,566,965	1,187,591	1,076,893	2,713,755
Commercial Operating Accounts	100,253,914	101,255,379	104,233,032	97,204,675	95,327,490
Interest-bearing NOW	25,317,392	24,447,604	27,105,045	22,114,026	22,378,016
Core MMA & Savings	113,295,751	95,465,194	105,083,693	101,889,815	88,468,843
ICS Reciprocal - MMA	43,606,487	41,153,986	40,946,981	38,773,606	65,089,274
Total MMA & Savings	156,902,238	136,619,180	146,030,674	140,663,421	153,558,117
Core Time Deposits	24,867,472	24,594,478	29,853,816	30,729,573	29,332,254
CDARS - Reciprocal	14,965,606	20,853,864	22,900,997	19,588,579	19,709,000
Brokered CDs	145,308,713	145,485,010	142,795,132	143,361,538	135,142,064
Total Time Deposits	185,141,791	190,933,352	195,549,945	193,679,690	184,183,318
Total Deposits	467,615,335	453,255,515	472,918,696	453,661,812	455,446,941
Other Borrowings	9,000,000	19,000,000	9,000,000	19,000,000	24,000,000
Federal Funds Purchased	-	-	-	-	-
ACL on Unfunded Commitments	376,509	363,405	372,645	429,291	458,381
Other Liabilities	3,363,566	3,166,723	2,884,549	2,952,028	3,031,561
Total Liabilities	480,355,410	475,785,643	485,175,890	476,043,131	482,936,883
Shareholders' Equity					
Common Stock	73,389,919	73,343,619	73,288,274	73,260,400	73,172,267
Accumulated Deficit	(14,682,398)	(15,179,127)	(15,661,838)	(15,877,898)	(16,076,619)
Accumulated Other Comprehensive Loss	(8,139,613)	(8,852,148)	(11,475,641)	(12,220,233)	(14,871,854)
Total Shareholders' Equity	50,567,908	49,312,344	46,150,795	45,162,269	42,223,794
Total Liabilities & Shareholders' Equity	\$ 530,923,318	\$ 525,097,987	\$ 531,326,685	\$ 521,205,400	\$ 525,160,677
Shares Outstanding	8,055,028	8,054,528	8,054,528	7,993,969	7,993,969
Tangible Book Value per Share	\$ 6.28	\$ 6.12	\$ 5.73	\$ 5.65	\$ 5.28

Triad Business Bank						
Income Statement (Unaudited)	For Three Months Ended		For Three Months Ended		For Three Months Ended	
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024	
Interest Income						
Interest & Fees on Loans	\$ 6,030,530	\$ 6,025,540	\$ 5,659,178	\$ 5,603,820	\$ 5,673,515	
Interest & Dividend Income on Securities	785,082	882,108	943,570	981,564	1,011,942	
Interest Income on Balances Due from Banks	132,833	152,838	166,584	152,968	222,737	
Other Interest Income	24,937	27,802	29,364	24,920	51,342	
Total Interest Income	6,973,382	7,088,288	6,798,696	6,763,272	6,959,536	
Interest Expense						
Interest on Checking Deposits	194,461	222,838	216,596	204,844	202,209	
Interest on Savings & MMA Deposits	1,024,058	1,164,179	1,189,823	1,178,988	1,222,203	
Interest on Time Deposits	1,982,218	2,177,333	2,210,085	2,256,103	2,379,797	
Interest on Federal Funds Purchased	-	439	-	-	-	
Interest on Borrowings	237,895	184,712	182,319	232,547	163,182	
Other Interest Expense	6,263	9,126	6,901	6,821	24,831	
Total Interest Expense	3,444,895	3,758,627	3,805,724	3,879,303	3,992,222	
Net Interest Income	3,528,487	3,329,661	2,992,972	2,883,969	2,967,314	
Provision for (Reversal of) Credit Losses	41,138	(90,500)	20,714	(164,869)	3,136,709	
Net Interest Income After Provision for CL	3,487,349	3,420,161	2,972,258	3,048,838	(169,395)	
Total Noninterest Income	234,576	241,239	198,049	241,614	333,915	
Noninterest Expense						
Salaries & Benefits	2,089,058	2,087,708	1,894,375	1,920,999	1,880,888	
Premises & Equipment	153,918	159,287	142,565	135,548	130,108	
Total Other Noninterest Expense	992,221	921,694	917,307	1,035,184	990,711	
Total Noninterest Expense	3,235,197	3,168,689	2,954,247	3,091,731	3,001,707	
Income (Loss) Before Income Tax	486,728	492,711	216,060	198,721	(2,837,187)	
Income Tax	(10,000)	10,000	-	-	-	
Net Income (Loss)	\$ 496,728	\$ 482,711	\$ 216,060	\$ 198,721	\$ (2,837,187)	
Net Income (Loss) per Share						
Basic	\$ 0.06	\$ 0.06	\$ 0.03	\$ 0.02	\$ (0.35)	
Diluted	\$ 0.06	\$ 0.06	\$ 0.03	\$ 0.02	\$ (0.35)	
Weighted Average Shares Outstanding						
Basic	8,054,648	8,054,528	8,031,902	7,993,969	7,993,728	
Diluted	8,149,153	8,151,533	8,128,907	8,104,884	7,993,728	
Pre-provision, Pre-tax Income	\$ 527,866	\$ 402,211	\$ 236,774	\$ 33,852	\$ 299,522	

Triad Business Bank										
Capital and Capital Ratios (Unaudited)										
Actual (dollars in thousands)	Quarter Ended 12/31/2025		Quarter Ended 9/30/2025		Quarter Ended 6/30/2025		Quarter Ended 3/31/2025		Quarter Ended 12/31/2024	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Total Capital (to risk-weighted assets)	\$ 62,526	12.30%	\$ 62,200	12.24%	\$ 61,562	12.15%	\$ 61,647	12.34%	\$ 61,640	12.48%
Tier 1 Capital (to risk-weighted assets)	\$ 58,708	11.55%	\$ 58,164	11.44%	\$ 57,626	11.37%	\$ 57,382	11.49%	\$ 57,096	11.56%
Tier 1 Capital (to average assets)	\$ 58,708	10.95%	\$ 58,164	10.84%	\$ 57,626	10.76%	\$ 57,382	10.67%	\$ 57,096	10.52%
Minimum To Be Well-Capitalized Under Prompt Corrective Action Provisions (dollars in thousands)										
Total Capital (to risk-weighted assets)	\$ 51,000	10.00%	\$ 51,000	10.00%	\$ 51,000	10.00%	\$ 50,000	10.00%	\$ 49,000	10.00%
Tier 1 Capital (to risk-weighted assets)	\$ 41,000	8.00%	\$ 41,000	8.00%	\$ 41,000	8.00%	\$ 40,000	8.00%	\$ 40,000	8.00%
Tier 1 Capital (to average assets)	\$ 27,000	5.00%	\$ 27,000	5.00%	\$ 27,000	5.00%	\$ 27,000	5.00%	\$ 27,000	5.00%

Triad Business Bank**Non-GAAP Measures (Unaudited)****Tangible Book Value**

	Actual 12/31/2025	Non-GAAP 12/31/2025
Total Shareholders' Equity	\$ 50,567,908	\$ 50,567,908
Eliminate Deferred Tax Asset Valuation Allowance	-	2,969,406
Eliminate Accumulated Other Comprehensive Loss	-	8,139,613
Adjusted Shareholders' Equity	<u>\$ 50,567,908</u>	<u>\$ 61,676,927</u>
Shares Outstanding	8,055,028	8,055,028
Tangible Book Value per Share	\$ 6.28	\$ 7.66
Effect of Non-GAAP Measures on Tangible Book Value		\$ 1.38

During the start-up phase of the Bank, a valuation allowance was created which fully impairs the deferred tax asset. When sufficient, verifiable evidence exists (generally, sustained profitability) demonstrating that the deferred tax asset will more likely than not be realized, the valuation allowance will be eliminated. This Non-GAAP measure is shown to disclose the effect on tangible book value per share at December 31, 2025 had there been no valuation allowance at that date.

Changes in the market value of available-for-sale securities are reflected in accumulated other comprehensive loss. Since the securities value will return to face value at maturity, assuming the underlying securities are held to maturity and there is no credit loss, accumulated other comprehensive loss has been eliminated in this Non-GAAP measure.

Pre-provision Income (Loss)

	Year Ended 12/31/2025	Year Ended 12/31/2024
Income (Loss) Before Income Tax	\$ 1,394,221	\$ (4,297,131)
Provision for (Reversal of) Credit Losses	<u>(193,517)</u>	<u>3,786,964</u>
Pre-provision Income (Loss) Before Income Tax (Non-GAAP)	<u>\$ 1,200,704</u>	<u>\$ (510,167)</u>
	Qtr Ended 12/31/2025	Qtr Ended 12/31/2024
Income (Loss) Before Income Tax	\$ 486,728	\$ (2,837,187)
Provision for Credit Losses	<u>41,138</u>	<u>3,136,709</u>
Pre-provision Income Before Income Tax (Non-GAAP)	<u>\$ 527,866</u>	<u>\$ 299,522</u>

The pre-provision income (loss) is a measure of operating performance exclusive of potential losses from lending.