Earnings Presentation

3rd Quarter 2025

TowneBank
Serving Others. Enriching Lives.®

Cautionary Statements

Forward Looking:

This press release contains certain forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not historical facts, but instead represent only the beliefs, expectations, or opinions of TowneBank and its management regarding future events, many of which, by their nature, are inherently uncertain. Forward-looking statements may be identified by the use of such words as: "believe," "expect," "anticipate," "intend," "plan," "estimate," or words of similar meaning, or future or conditional terms, such as "will," "would," "should," "could," "may," "likely," "probably," or "possibly." These statements may address issues that involve significant risks, uncertainties, estimates, and assumptions made by management. Factors that may cause actual results to differ materially from those contemplated by such forward-looking statements include, among others, competitive pressures in the banking industry that may increase significantly; changes in the interest rate environment that may reduce margins and/or the volumes and values of loans made or held as well as the value of other financial assets held; an unforeseen outflow of cash or deposits or an inability to access the capital markets, which could jeopardize our overall liquidity or capitalization; changes in the creditworthiness of customers and the possible impairment of the collectability of loans; insufficiency of our allowance for credit losses due to market conditions, inflation, changing interest rates or other factors; adverse developments in the financial industry generally, such as the 2023 bank failures, responsive measures to mitigate and manage such developments, related supervisory and regulatory actions and costs, and related impacts on customer and client behavior; general economic conditions, either nationally or regionally, that may be less favorable than expected, resulting in, among other things, a deterioration in credit quality and/or a reduced demand for credit or other services; geopolitical instability, including wars, conflicts, trade restrictions and tariffs, civil unrest, and terrorist attacks and the potential impact, directly or indirectly, on our business; the effects of weather-related or natural disasters, which may negatively affect our operations and/or our loan portfolio and increase our cost of conducting business; public health events (such as the COVID-19 pandemic) and governmental and societal responses to them; changes in the legislative or regulatory environment, including changes in accounting standards and tax laws, that may adversely affect our business; our ability to successfully integrate the businesses from recently completed and pending acquisitions, including our recent merger with Old Point Financial Corporation and our pending merger with Dogwood State Bank ("Dogwood"), to the extent that it may take longer or be more difficult, time-consuming, or costly to accomplish than expected; our ability to close the transaction with Dogwood when expected or at all because required approvals and other conditions to closing are not received or satisfied on the proposed terms or on the anticipated schedule; deposit attrition, operating costs, customer losses, and business disruption associated with recently completed or pending acquisitions, including reputational risk and adverse effects on relationships with employees, customers or other business partners, that may be greater than expected; costs or difficulties related to the integration of the businesses that we have acquired that may be greater than expected; expected growth opportunities or cost savings associated with recently completed or pending acquisitions that may not be fully realized or realized within the expected time frame; the diversion of management's attention and time from ongoing business operations and opportunities on merger related matters; cybersecurity threats or attacks, whether directed at us or at vendors or other third parties with which we interact, the implementation of new technologies, and the ability to develop and maintain reliable electronic systems; competitors that may have greater financial resources and develop products that enable them to compete more successfully; changes in business conditions; changes in the securities market; and changes in our local economy with regard to our market area, including any adverse impact of actual and proposed cuts to federal spending, including defense, security and military spending, on the economy. Any forward-looking statements made by us or on our behalf speak only as of the date they are made or as of the date indicated, and we do not undertake any obligation to update forward-looking statements as a result of new information, future events, or otherwise. For additional information on factors that could materially influence forward-looking statements included in this report, see the "Risk Factors" in TowneBank's Annual Report on Form 10-K for the year ended December 31, 2024 and related disclosures in other filings that have been, or will be, filed by TowneBank with the Federal Deposit Insurance Corporation.

Non-GAAP Financial Measures:

This press release contains certain financial measures determined by methods other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Such non-GAAP financial measures include the following: fully tax-equivalent net interest margin, core operating earnings, core net income, tangible book value per common share, total risk-based capital ratio, tier one leverage ratio, tier one capital ratio, and the tangible common equity to tangible assets ratio. Management uses these non-GAAP financial measures to assess the performance of TowneBank's core business and the strength of its capital position. Management believes that these non-GAAP financial measures provide meaningful additional information about TowneBank to assist investors in evaluating operating results, financial strength, and capitalization. The non-GAAP financial measures should be considered as additional views of the way our financial measures are affected by significant charges for credit costs and other factors. These non-GAAP financial measures should not be considered as a substitute for operating results determined in accordance with GAAP and may not be comparable to other similarly titled measures of other companies. The computations of the non-GAAP financial measures used in this presentation are referenced in a footnote or in the appendix to this presentation.

TowneBank at a Glance

Consistent Focus on Earnings and Growth
Earnings Growth
22.7%
CAGR FY00 – FY24

#1 Deposit Market Share
in Hampton Roads[1]

Ranked on
Forbes
Best Banks List[2]
7 Years in a Row

Total Assets	Total Loans	Total Deposits
$19.7B	$13.4B	$16.5B

Core ROAA	Core ROTCE	NIM (FTE)	NIB Deposits / Total Deposits	10 Year Total Shareholder Return[3]
1.35%	15.99%	3.50%	31%	143%

(1) Source: FDIC Summary of Deposits for the VA Beach-Norfolk-Newport News, VA MSA, data as of June 30, 2025

(3) Total Return as of 09/30/2025; Source: S&P Global, data collected 10/10/2025
Note: Financial results for the quarter ending September 30, 2025

3rd Quarter 2025 Financial Results

Performance Highlights

	Q3-FY25	Q2-FY25	Q/Q Change	Q3-FY24	Y/Y Change
Total Revenue	$215.66 million	$207.44 million	4.0%	$174.52 million	23.6%
Provision for Credit Losses	$15.28 million	$6.41 million	138.3%	-$1.10 million	1488.7%
Net Income Attributable to TowneBank	$38.98 million	$38.84 million	0.4%	$42.95 million	(9.2%)
Earnings Per Share-Diluted	$0.51	$0.51	-	$0.57	(10.5%)
Return on Avg Assets	0.83%	0.86%	-3 bps	1.00%	-17 bps
Return on Avg Tangible Common Equity[1]	10.15%	10.44%	-29 bps	11.54%	-139 bps
Net Interest Margin (TE)[1]	3.50%	3.40%	+10 bps	2.93%	+57 bps
Assets	$19.68 billion	$18.26 billion	7.8%	$17.19 billion	14.5%
Loans	$13.38 billion	$12.36 billion	8.2%	$11.41 billion	17.2%
Deposits	$16.53 billion	$15.33 billion	7.8%	$14.36 billion	15.1%
Loans / Deposits	80.93%	80.63%	+30 bps	79.46%	+147 bps
Noninterest Bearing Deposits / Deposits	31.09%	31.02%	+7 bps	29.71%	+138 bps
Nonperforming Assets / Assets	0.05%	0.05%	0 bps	0.04%	+1 bps
Book Value per Share	$30.38	$29.58	2.7%	$28.59	6.2%
Tangible Book Value per Share[1]	$21.59	$21.98	(1.8%)	$21.65	(0.3%)
Tangible Common Equity to Tangible Assets	8.97%	9.37%	-40 bps	9.75%	-78 bps
Total Risk Based Capital Ratio[2]	13.99%	14.49%	-50 bps	15.54%	-155 bps

(1) Non-GAAP financial measure – see non-GAAP reconciliations
(2) Current reporting period regulatory capital ratios are preliminary

TowneBank

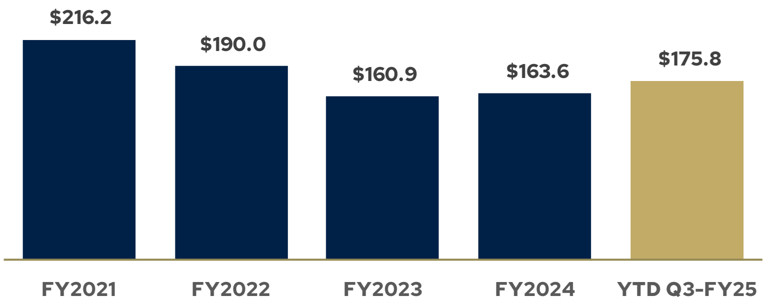
Income Statement Summary

Dollars in millions, except per share data	QTD					YTD		
	Q3-FY25	Q2-FY25	Q/Q Change	Q3-FY24	Y/Y Change	Q3-FY25	Q3-FY24	Y/Y Change
Interest Income	$ 218.34	$ 207.63	5.2%	$ 196.62	11.0%	$ 615.59	$ 578.48	6.4%
Interest Expense	71.39	70.42	1.4%	84.34	(15.4%)	210.95	253.93	(16.9%)
Net Interest Income	**146.95**	**137.21**	**7.1%**	**112.28**	**30.9%**	**404.64**	**324.55**	**24.7%**
Provision for Credit Losses	15.28	6.41	138.3%	(1.10)	1488.7%	24.11	(2.15)	1219.1%
Net Interest Income after Provision for Credit Losses	**131.68**	**130.80**	**0.7%**	**113.38**	**16.1%**	**380.54**	**326.70**	**16.5%**
Noninterest Income	68.71	70.23	(2.2%)	62.24	10.4%	210.51	192.04	9.6%
Noninterest Expense	153.74	150.66	2.0%	126.90	21.1%	434.94	376.48	15.5%
Minority Interest in Unconsolidated Subs	0.32	0.43	(26.7%)	0.18	79.0%	1.04	0.80	30.5%
Income Before Taxes	**46.33**	**49.94**	**(7.2%)**	**48.54**	**(4.5%)**	**155.06**	**141.47**	**9.6%**
Provision for Income Tax Expense	7.36	11.10	(33.7%)	5.59	31.6%	26.66	20.98	27.1%
Net Income Attributable to TowneBank	**$ 38.98**	**$ 38.84**	**0.4%**	**$ 42.95**	**(9.2%)**	**$ 128.41**	**$ 120.49**	**6.6%**
Earnings Per Share-Diluted	$ 0.51	$ 0.51	-	$ 0.57	(10.5%)	$ 1.69	$ 1.61	5.4%
Core Net Income[1]								
One-time Adjustments After Taxes	$ 24.47	$ 22.50	8.8%	$ 0.44	5420.6%	$ 47.37	$ 1.74	2629.7%
Core Net Income	63.45	61.34	3.4%	43.39	46.2%	175.77	122.23	43.8%
Core Earnings Per Share-Diluted	$ 0.83	$ 0.81	2.5%	$ 0.58	43.1%	$ 2.32	$ 1.63	42.2%

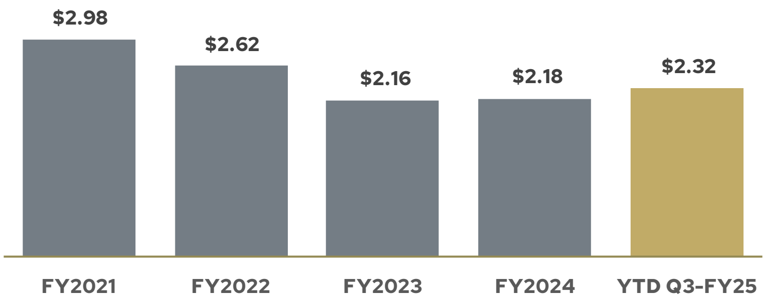
(1) Non-GAAP financial measure – see non-GAAP reconciliations

Financial Performance Trends

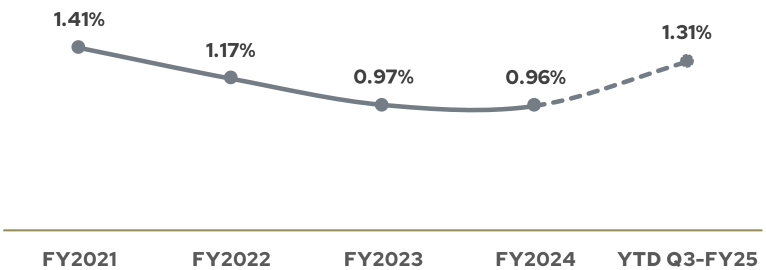
Core Net Income[1] [Dollars in millions]



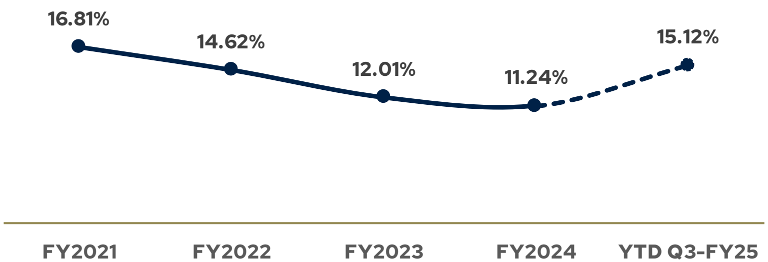
Core EPS[1]



Core ROAA[1]



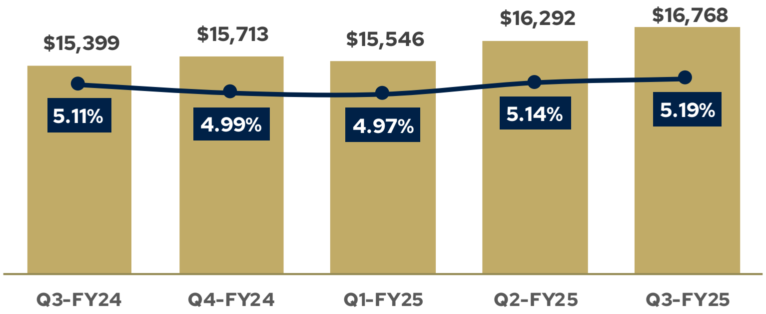
Core ROATCE[1]



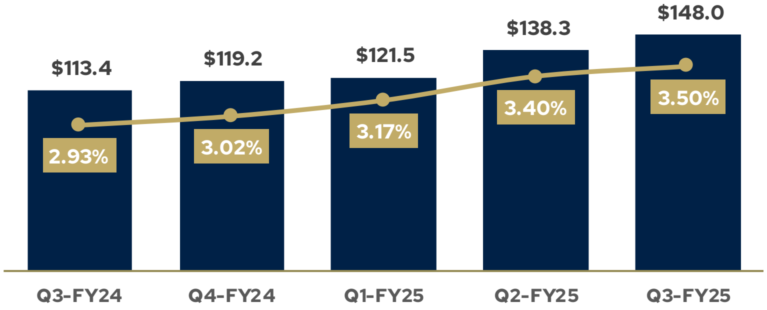
(1) Non-GAAP financial measure – see non-GAAP reconciliations

Net Interest Income

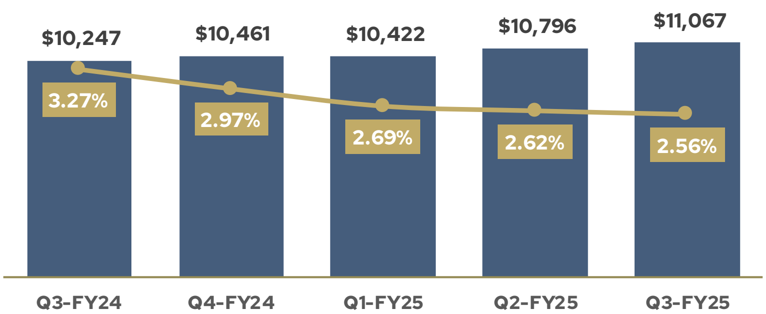
Avg. Earning Assets & Yield (TE)[1] [Dollars in millions]



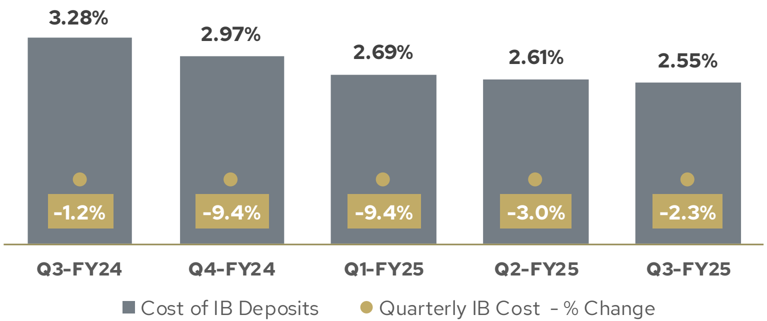
Net Interest Income & NIM (TE)[1] [Dollars in millions]



Avg. Interest Bearing Liabilities & Cost [Dollars in millions]



Interest Bearing Deposit Costs



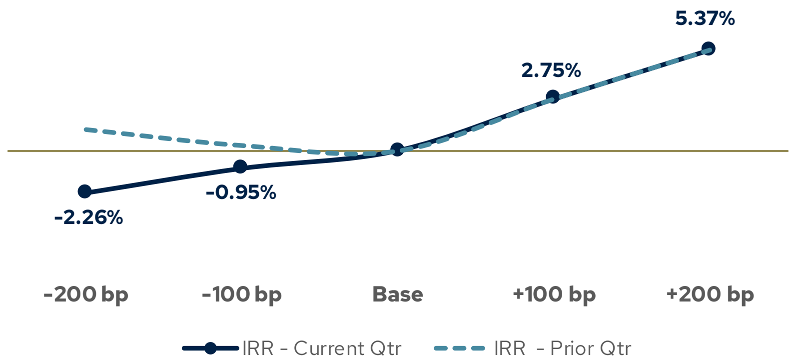
(1) Non-GAAP financial measures - see non-GAAP reconciliations

NIM & Net Interest Income Sensitivity

Net Interest Income & NIM (TE)[1]

Dollars in millions	Amount	NIM (%)
Q2-FY25	**$ 138.3**	**3.40%**
Loans HFI	9.3	0.06%
Recurring Accretion	0.6	0.01%
Loans HFS	0.6	0.00%
Investments & Cash	0.3	-0.01%
Earning Assets Mix		-0.01%
Deposits	(1.0)	0.04%
Borrowings	(0.1)	-0.01%
Sub Debt	0.1	0.00%
Interest Bearing Funding Mix		0.01%
Other	(0.0)	0.01%
Q3-FY25	**$ 148.0**	**3.50%**

Net Interest Income Sensitivity[2]



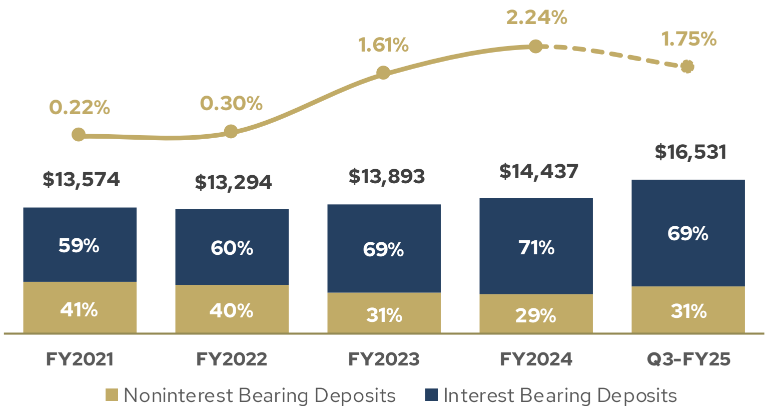
Comments

- Loan repricing offsetting much of a slow-paced Fed decline (rate forecast models one cut in Q4-FY25)
- Deposit costs will have greater benefit from further rate cuts
- NII growth from NIM expansion and current year closed acquisitions

(1) Non-GAAP financial measure - see non-GAAP reconciliations
(2) The interest sensitivity chart is a one-year result on net interest income of an instantaneous and permanent rate shock. The results include assumptions about deposit rate changes that may or may not occur.

Deposits

Deposit Balances and Cost [Dollars in millions]



Deposits (Avg)	Q3-FY25	% Total	Cost	Q/Q %	Y/Y %
(Dollars in millions)					
Interest Bearing Demand	1,806	12%	0.37%	1.5%	15.8%
Money Market	5,986	38%	2.74%	3.0%	11.7%
Savings	332	2%	0.82%	-1.6%	5.4%
Time Deposits	2,626	17%	3.84%	2.6%	-3.6%
Interest Bearing Deposits	**10,751**	**69%**	**2.55%**	**2.5%**	**8.0%**
Noninterest Bearing Deposits	4,898	31%	na	4.5%	13.8%
Total Deposits	**$ 15,649**	**100%**	**1.75%**	**3.1%**	**9.7%**

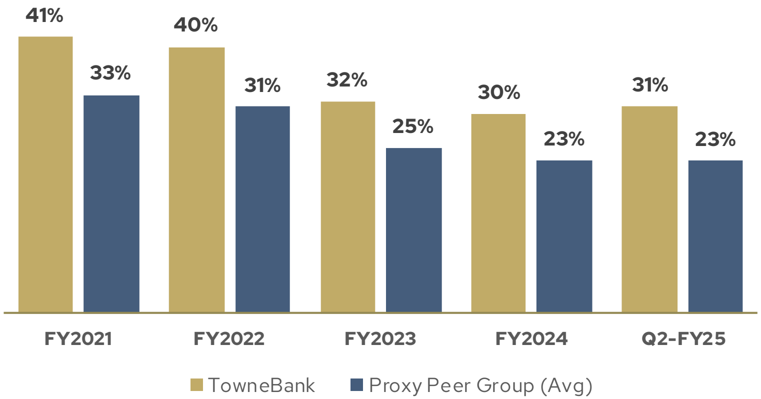
(1) Source: S&P Global, data as of 8/15/2025. Peers as disclosed in the most recent TOWN proxy statement
(2) Includes the impact from recently closed Old Point Financial acquisition

Portfolio Highlights

- Five consecutive quarterly decreases in deposit costs since Q2-24 (77bps cumulative decrease in IB deposit costs)
- NIB deposits in legacy Hampton Roads region equal to 35% of total regional deposits (2)
- Excluding acquired deposits, total deposits increased $374 million, or 3.5% on an annualized basis compared to prior year-end

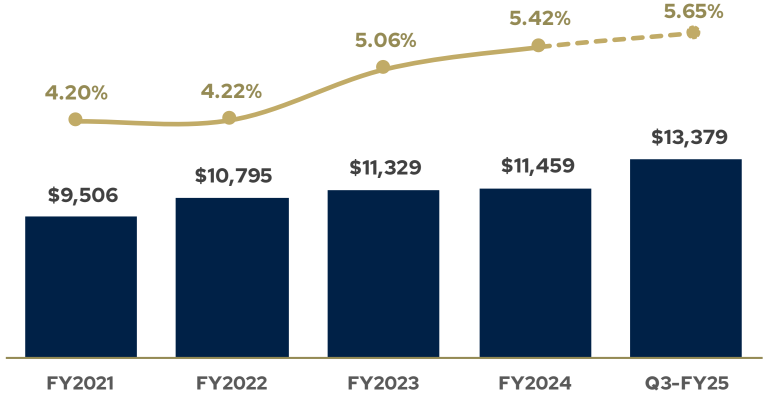
NIB Deposits % of Total Deposits

TowneBank vs Peers[1]



Loans

Loans Balances & Yield (TE)[1] [Dollars in millions]

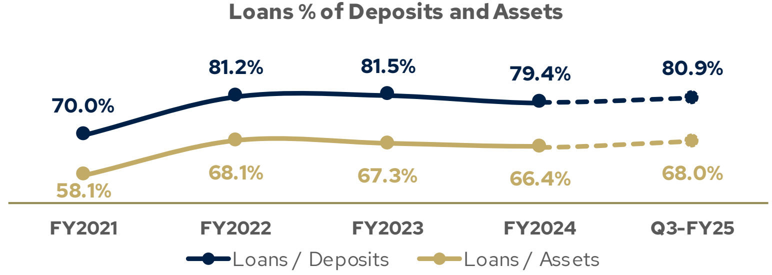


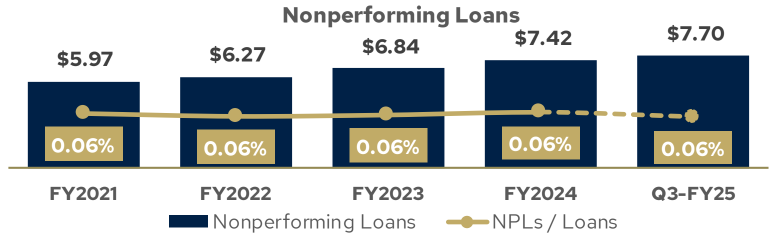
Loans	Q3-FY25	% Total	Q/Q %	Y/Y %
(Dollars in millions)				
Construction and Development	$ 1,239	9%	15.5%	10.8%
Commercial Real Estate	6,639	50%	6.1%	18.9%
Residential 1-4 Family	2,746	21%	10.8%	19.4%
Commercial and Industrial	1,452	11%	6.0%	15.6%
Government	505	4%	-1.2%	-3.3%
Indirect	698	5%	20.5%	27.6%
Consumer & Other	101	0%	13.7%	21.0%
Total Loans	**$ 13,379**	**100%**	**8.2%**	**17.2%**

(1) Non-GAAP financial measure – see non-GAAP reconciliations
(2) Includes the impact from recently closed Old Point Financial acquisition

Portfolio Highlights

- Variable portfolio of $4.6 billion at the end of Q3-25 with 36% of portfolio tied to prime rate[(2)]
- Fixed rate scheduled maturities and amortization of ~$1.3 billion over the next twelve months
- Excluding acquired loans, total loans increased $396 million, or 4.6% on an annualized basis compared to prior year-end

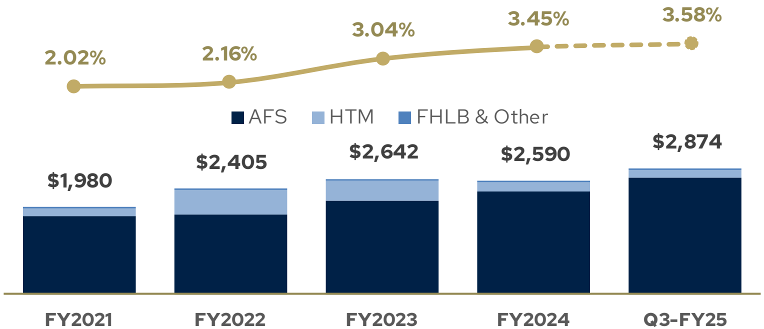




TowneBank

Investments

Investment Balances & Yield (TE)[1] [Dollars in millions]

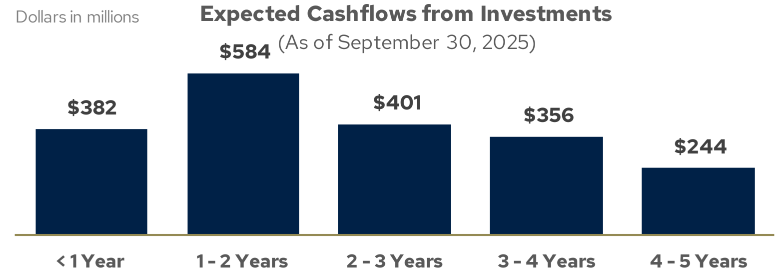


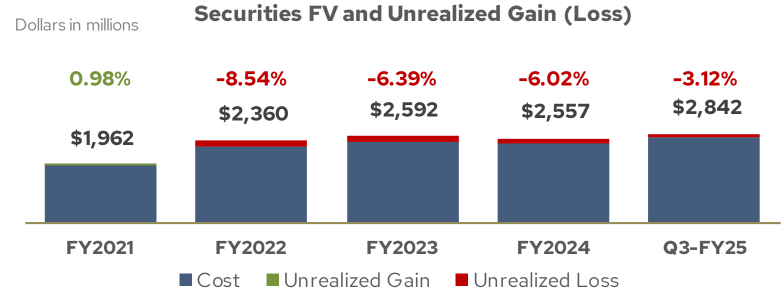
AFS and HTM Securities[2]	AFS	HTM	Total
(Dollars in millions)			
US Treasuries	$ 82	$ 96	$ 178
US Agencies	388	68	456
Municipals	500	5	505
Trust Preferred & Oth Corp	149	2	151
MBS Issued by GSE/GNMA	1,639	5	1,644
Securities - Amortized Cost	**2,758**	**177**	**2,935**
Valuation Adjustment	(88)	-	(88)
Credit Loss Reserve	(1)	(0)	(1)
Total	**$ 2,669**	**$ 177**	**$ 2,845**

(1) Non-GAAP financial measure – see non-GAAP reconciliations
(2) AFS and HTM portfolio, excludes FHLB and other equity securities

Portfolio Highlights

- $966 million of expected cash flow from securities portfolio in the next two years
- Portfolio duration of 3.23 years at the end of Q3-25
- Portfolio: 94%/6% - AFS/HTM and 81%/19% - Fixed/Floating

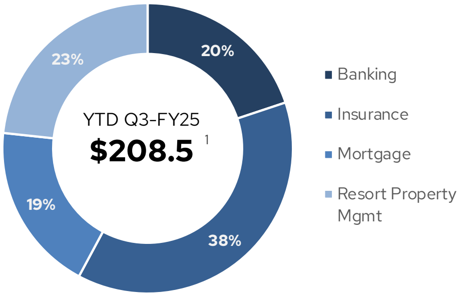


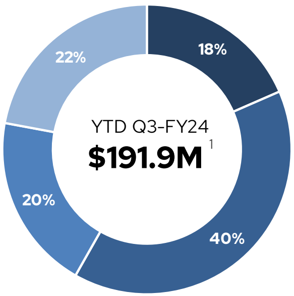


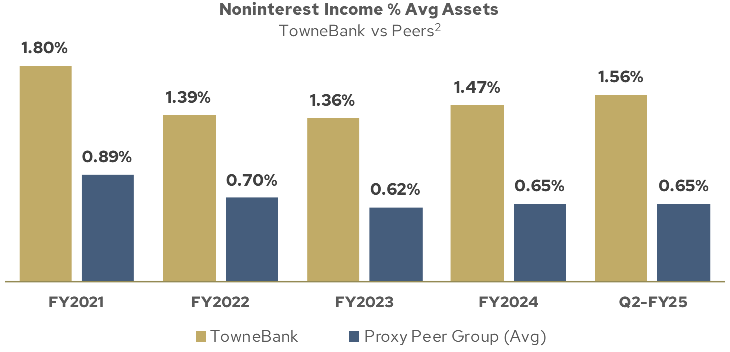
TowneBank

Noninterest Income

Dollars in millions	QTD					YTD		
	Q3-FY25	Q2-FY25	Q/Q Change	Q3-FY24	Y/Y Change	Q3-FY25	Q3-FY24	Y/Y Change
Residential Mortgage Banking Income Net	$ 13.12	$ 13.56	(3.2%)	$ 11.79	11.4%	$ 37.05	$ 35.68	3.8%
Insurance Commissions Income, Net	25.79	25.68	0.4%	25.73	0.3%	77.89	75.30	3.4%
Property Mgmt Income, Net	13.53	15.56	(13.0%)	11.22	20.6%	48.58	42.31	14.8%
Service Charges on Deposit Accounts	4.06	3.64	11.4%	3.12	30.1%	11.03	9.55	15.5%
Credit Card Merchant Fees, Net	1.91	1.79	6.4%	1.83	4.3%	5.40	5.04	7.1%
Investment Income Net	3.93	3.16	24.6%	2.84	38.7%	10.17	7.76	31.0%
Bank-owned Life Insurance	2.16	1.99	8.3%	1.89	14.4%	6.02	6.97	(13.6%)
Other Income	4.22	4.85	(13.0%)	3.81	10.6%	12.38	9.35	32.5%
Gain (Loss) on Equity Investment	-	-	-	0.02	(100.0%)	2.00	0.02	9707.8%
Gain (Loss) on Investment Securities	(0.01)	(0.00)	7032.4%	-	-	(0.01)	0.07	(109.7%)
Noninterest Income	**$ 68.71**	**$ 70.23**	**(2.2%)**	**$ 62.24**	**10.4%**	**$ 210.51**	**$ 192.04**	**9.6%**







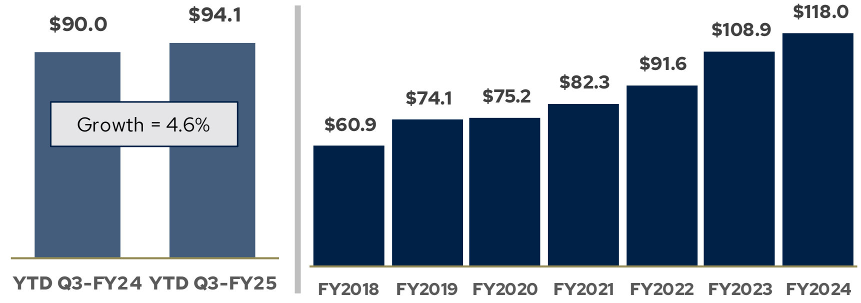
(1) Core noninterest income excluding gain (loss) on equity investments and investment securities
(2) Source: S&P Global, data as of 8/15/2025. Peers as disclosed in the most recent TOWN proxy statement

Towne Insurance

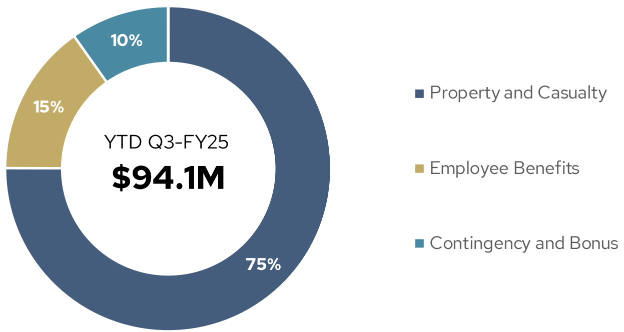
Highlights

- Largest bank-owned insurance company in the country[1]
- Insurance revenue of $31.5 million in Q3-25 compared to $30.4 million in Q3-24
- CAGR of 11.7% from 2018 to 2024
- 27 Acquisitions since 2001

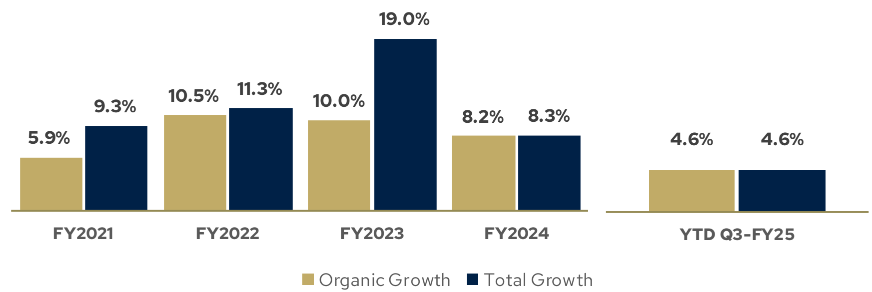
Revenues[2] [Dollars in millions]



Insurance Revenue Composition



Revenue Growth Trend



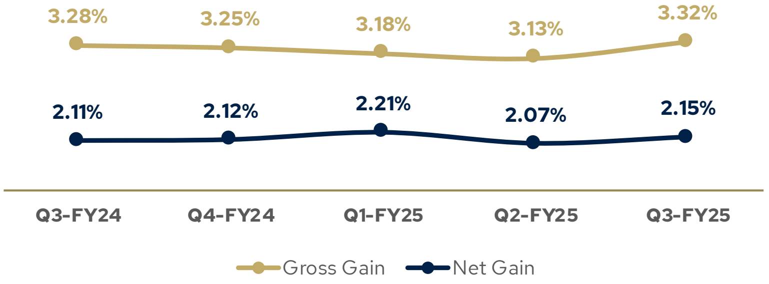
(1) Bank-owned insurance commissions and fees for commercial and savings banks; Source: S&P Global, data retrieved 8/11/2025
(2) Income does not include travel insurance income or gains from the sale of Beneflex (FY2023 & FY2024)

TowneBank Mortgage

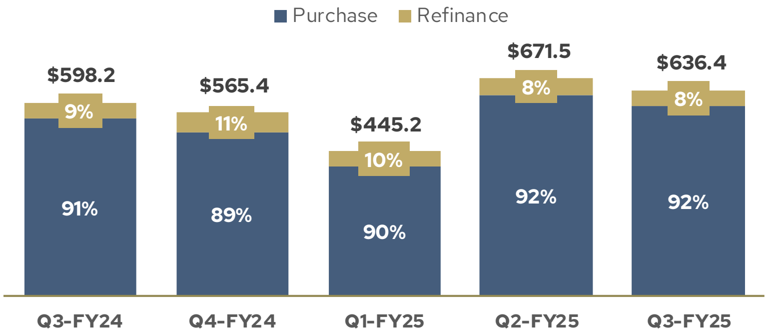
Highlights

- Mortgage banking income of $13.7 million in Q3-25 compared to $12.2 million in Q3-24
- Gain on sales & fees as a % of loans originated was 3.32% in Q3-25, up 4bps vs Q3-24
- Uncertainty associated with government efficiency initiatives continues to weigh on our Northern Virginia and Maryland markets

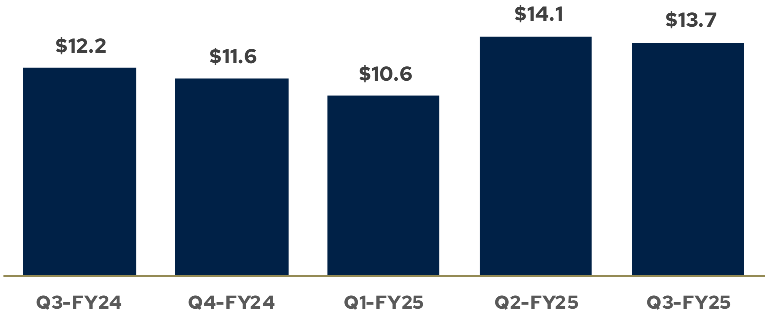
Gain on Sales & Fees as a % of Loans Originated



Mortgage Production [Dollars in millions]



Mortgage Banking Income Net [Dollars in millions]



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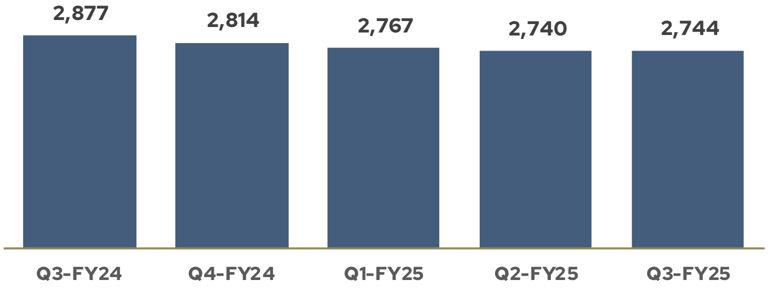
Towne Vacations

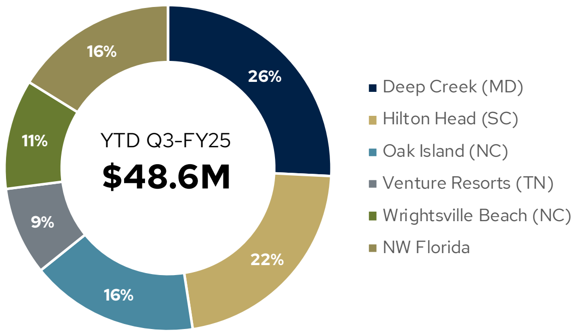
Highlights

- Property management income net of $13.5 million in Q3-25 compared to $11.2 million in Q3-24
- Property management locations in North Carolina, South Carolina, Maryland, Tennessee and Florida
- NW Florida full year-to-date impact in 2025 (acquired March 1, 2024)
- Vacation rental industry continues to be impacted by macro economic uncertainties

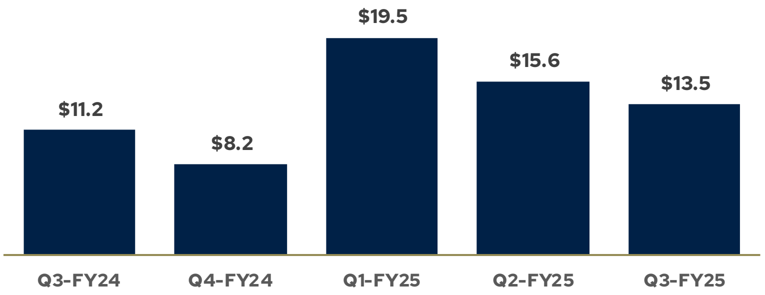
Home Count [Quarterly Average]



Property Management Income Net



Property Management Income Net [Dollars in millions]



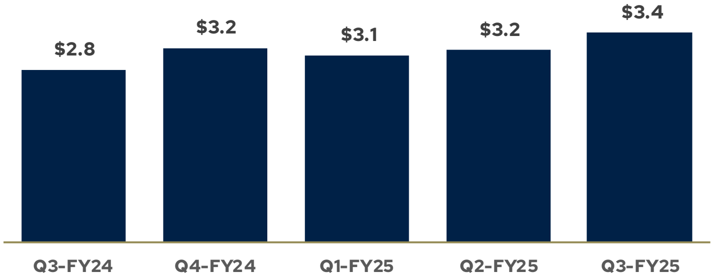
TOWNEBANK

Wealth Management

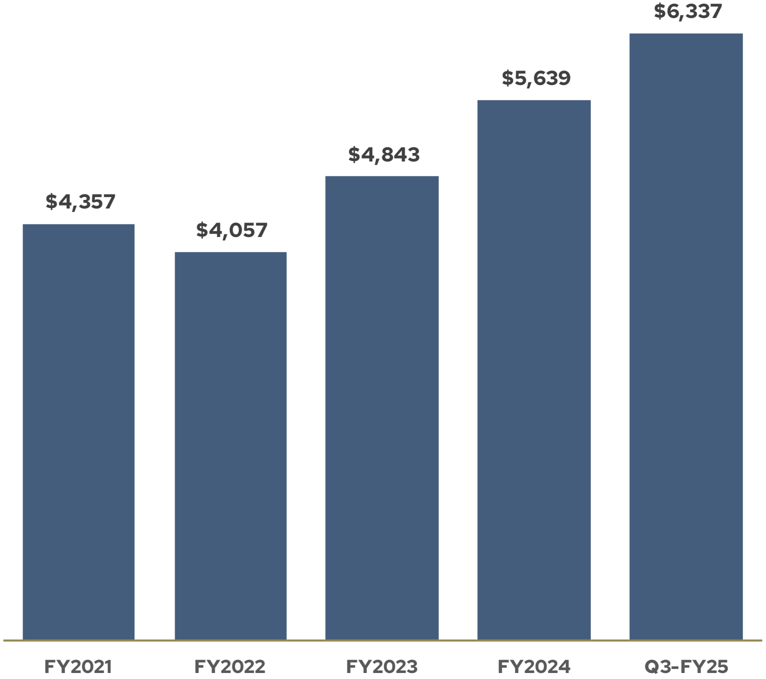
Highlights [1]

- Experienced team of advisors serves a variety of clients providing professional investment consulting or complete financial planning
- Investment fee and commission income net of $3.4 million in Q3-25 compared to $2.8 million in Q3-24
- Assets under management at the end of Q3-25 totaled $6.3 billion
- Gross production[2] of $8.2 million in Q3-25

Investment Income Net [1] [Dollars in millions]



Assets Under Management [1, 3] [Dollars in millions]



(1) Excludes activity and income from recently acquired Old Point Trust
(2) Gross production is total revenue before Raymond James revenue share/expenses and advisor payout
(3) Excludes assets held in 401k and 529 plans

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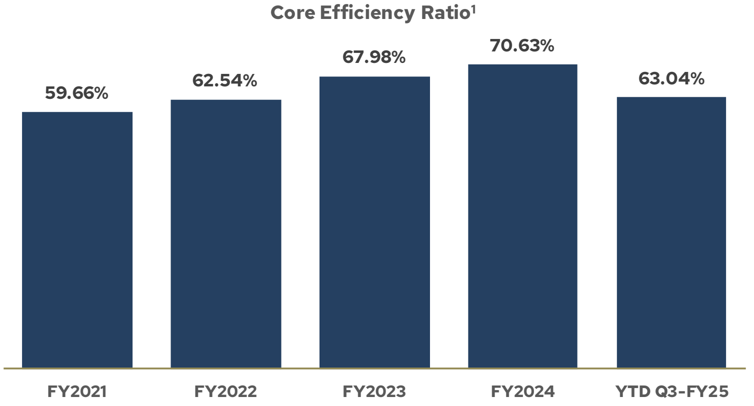
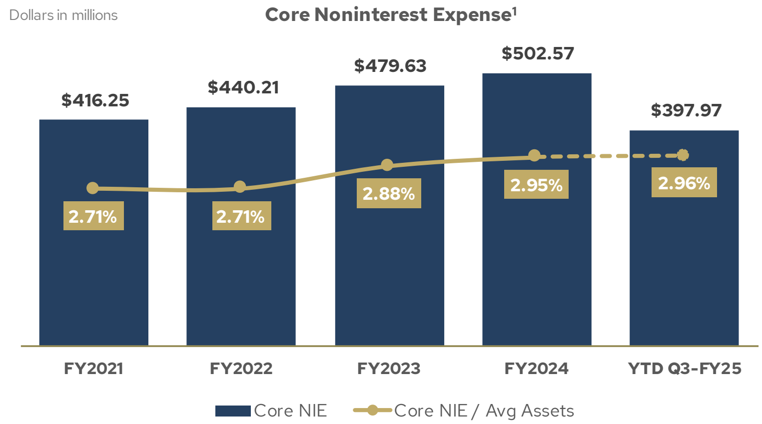
Noninterest Expense

Dollars in millions	QTD Q3-FY25	QTD Q2-FY25	QTD Q/Q Change	QTD Q3-FY24	QTD Y/Y Change	YTD Q3-FY25	YTD Q3-FY24	YTD Y/Y Change
Employee Compensation	$ 78.96	$ 78.36	0.8%	$ 72.12	9.5%	$ 232.40	$ 214.85	8.2%
Occupancy, Furniture and Equipment	15.03	14.56	3.2%	14.01	7.3%	43.55	42.26	3.0%
Software and Data Processing	12.15	11.34	7.1%	11.49	5.7%	33.62	33.17	1.4%
Advertising and Marketing	3.76	3.23	16.4%	4.16	(9.7%)	11.46	12.27	(6.6%)
Other Expenses	43.84	43.17	1.5%	25.12	74.5%	113.91	73.93	54.1%
Noninterest Expense	**$ 153.74**	**$ 150.66**	**2.0%**	**$ 126.90**	**21.1%**	**$ 434.94**	**$ 376.48**	**15.5%**
Acquisition Related Expenses	17.81	18.74	nm	0.46	nm	36.97	1.07	nm
Core Noninterest Expense	**$ 135.92**	**$ 131.93**	**3.0%**	**$ 126.44**	**7.5%**	**$ 397.97**	**$ 375.40**	**6.0%**





(1) Non-GAAP financial measure – see non-GAAP reconciliations

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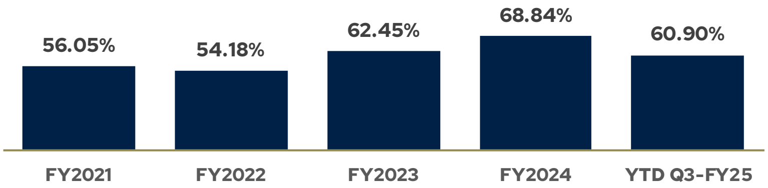
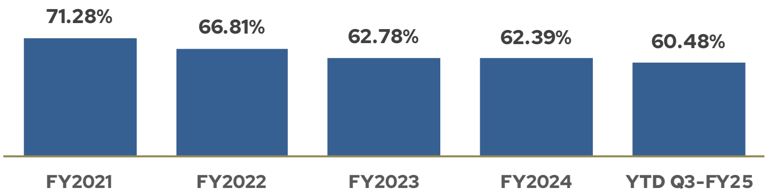
Core Efficiency Ratio[1]

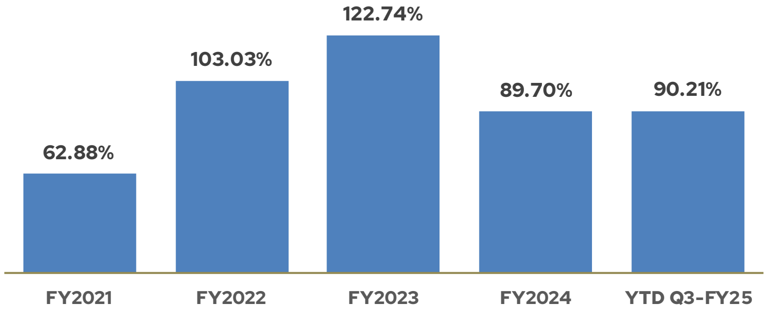
Banking



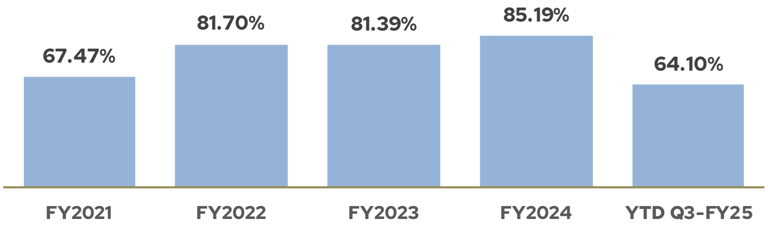
Insurance



Mortgage



Resort Property Management



(1) Non-GAAP financial measure – see non-GAAP reconciliations

Balance Sheet Summary

Dollars in millions	Q3-FY25	Q2-FY25	Q/Q Change	Q3-FY24	Y/Y Change
Cash and Cash Equivalents	$ 1,250	$ 1,112	12.4%	$ 1,296	(3.6%)
Securities	2,874	2,782	3.3%	2,600	10.5%
Loans Held for Sale	213	239	(11.0%)	264	(19.6%)
Loans	13,379	12,360	8.2%	11,413	17.2%
Allowance for Credit Losses	(149)	(134)	11.2%	(123)	21.1%
Net Loans	**13,230**	**12,225**	**8.2%**	**11,289**	**17.2%**
Premises and Equipment Net	422	392	7.7%	366	15.4%
Goodwill	592	500	18.4%	458	29.3%
Intangible Assets	102	74	37.3%	63	61.0%
Bank-owned Life Insurance	335	295	13.2%	279	19.8%
Other Assets	666	646	3.1%	572	16.4%
Assets	**19,683**	**18,265**	**7.8%**	**17,188**	**14.5%**
Noninterest Bearing Deposits	5,139	4,754	8.1%	4,268	20.4%
Interest Bearing Deposits	11,391	10,574	7.7%	10,096	12.8%
Deposits	**16,531**	**15,329**	**7.8%**	**14,363**	**15.1%**
Borrowings	362	294	23.2%	291	24.6%
Other Liabilities	384	403	(4.6%)	371	3.5%
Liabilities	**17,277**	**16,026**	**7.8%**	**15,025**	**15.0%**
Shareholders' Equity	2,398	2,231	7.4%	2,146	11.7%
Noncontrolling Interest	8	8	(1.2%)	16	(54.3%)
Equity	**2,405**	**2,239**	**7.4%**	**2,163**	**11.2%**
Liabilities and Equities	**$ 19,683**	**$ 18,265**	**7.8%**	**$ 17,188**	**14.5%**

$19.7B
Total Assets

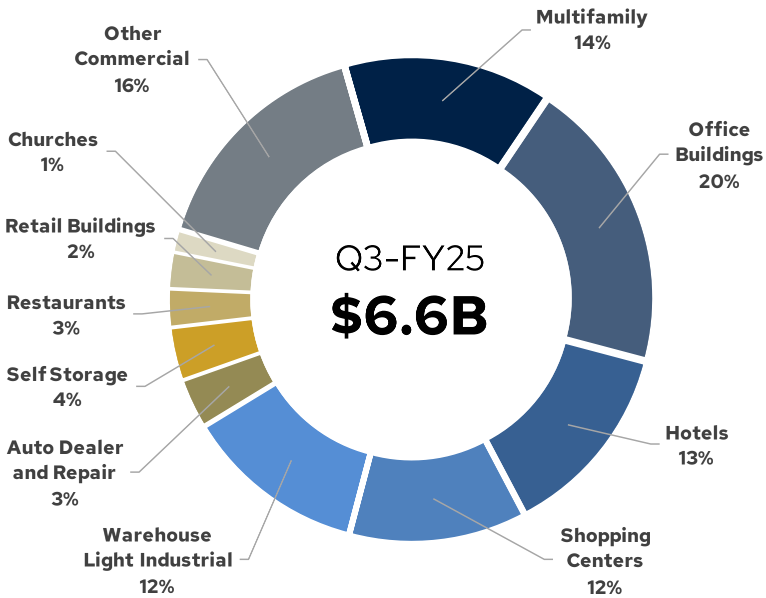
81%
Loans / Deposits

1.11%
ACL / Loans

0.05%
Nonperforming Assets / Total Assets

31%
Noninterest Bearing Deposits / Total Deposits

Commercial Real Estate

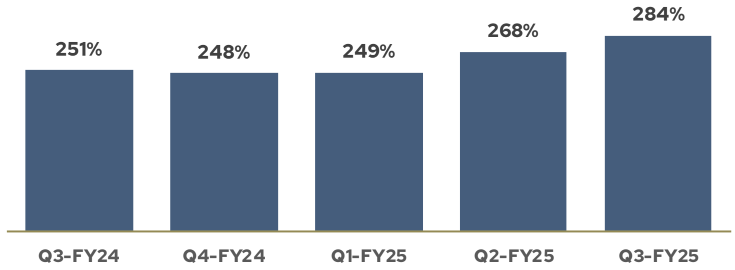


Dollars in millions	Q3-FY25	% Total	Q/Q %	Y/Y %
CRE-Owner Occupied	$ 1,910	29%	5.2%	15.4%
CRE-Non Owner Occupied	3,809	57%	7.1%	19.8%
Multifamily	920	14%	3.7%	22.6%
Commercial Real Estate	**$ 6,639**	**100%**	**6.1%**	**18.9%**

Owner and Non-Owner Occupied

Dollars in millions	Owner	Non-owner	Total
Office Buildings	$ 514	$ 792	$ 1,306
Hotels	-	873	873
Shopping Centers	-	786	786
Warehouse Light Industrial	377	432	809
Auto Dealer and Repair	191	28	219
Self Storage	-	237	237
Restaurants	117	52	170
Retail Buildings	78	83	161
Churches	94	3	97
Other Commercial	538	523	1,061
Total	**$ 1,910**	**$ 3,809**	**$ 5,719**

CRE / Total Risk Based Capital



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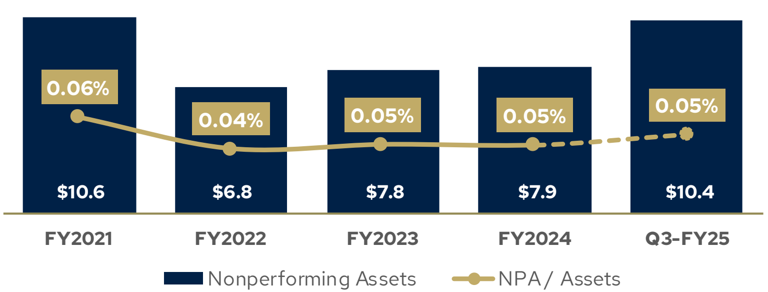
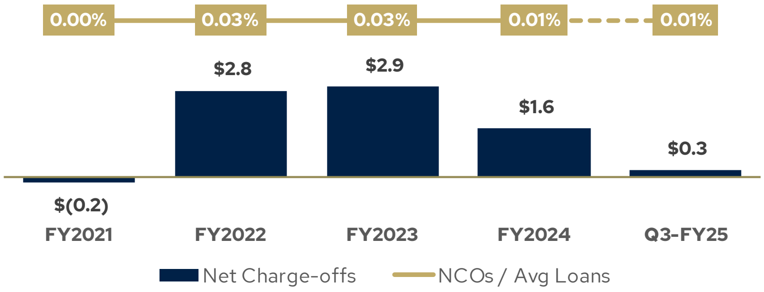
Asset Quality

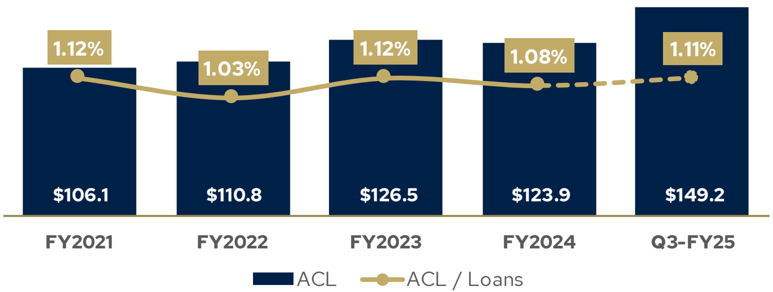
Nonperforming Assets[1] [Dollars in millions]



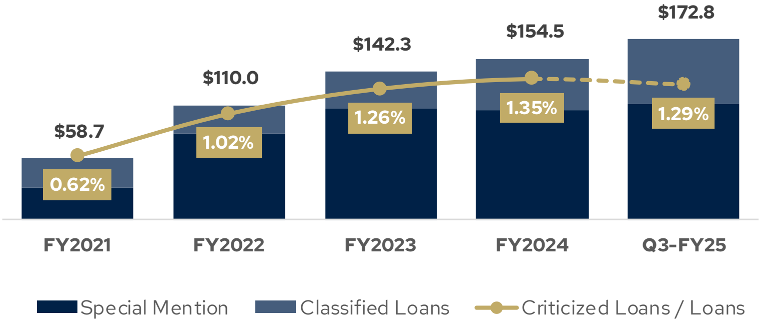
Net Charge-offs [Dollars in millions]



Allowance for Credit Losses [Dollars in millions]



Criticized Loans [Dollars in millions]

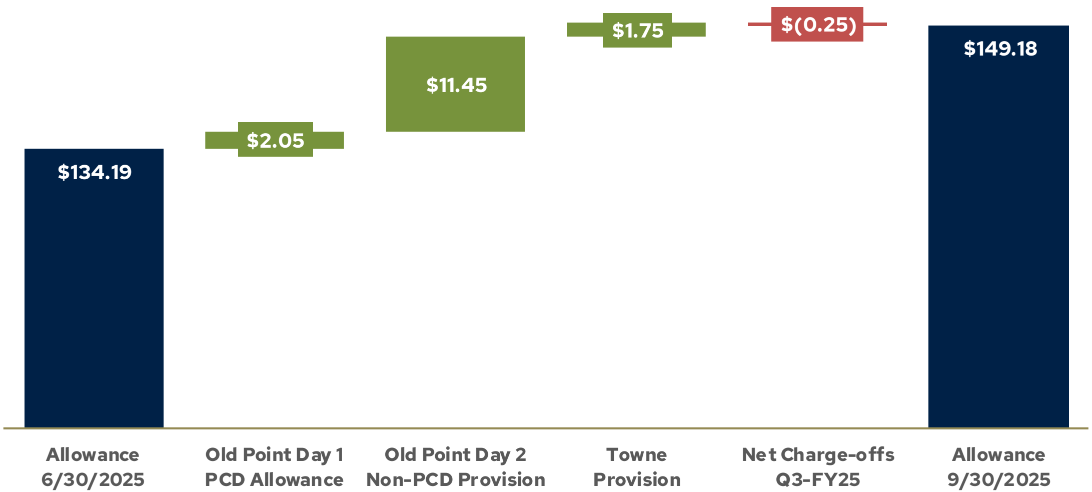


(1) Non-performing assets (Non-accrual loans/leases, repossessed assets, and real estate owned) as a percent of assets

TowneBank

Current Expected Credit Loss (CECL)

Allowance for Credit Losses[1] [Dollars in millions]



ACL / Loans

1.09% → **1.11%**

(1) On balance sheet amounts

MACROECONOMIC FORECAST

Weighted Moody's economic sectors

REASONABLE & SUPPORTABLE FORECAST PERIOD

2 Years

REVERSION PERIOD AND APPROACH

4 quarter reversion period with a blended transition approach

KEY MACROECONOMIC VARIABLES

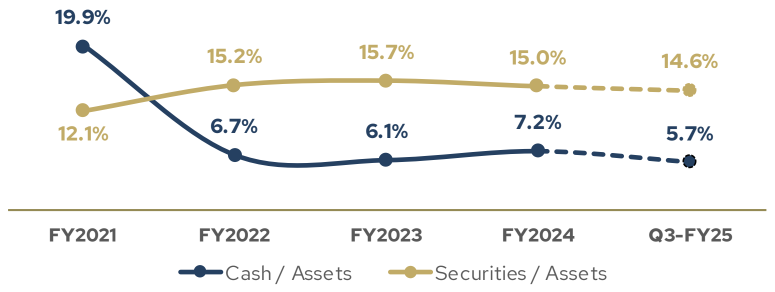
Price Indices
GDP
Unemployment
Disposable Income

Liquidity

Liquidity Sources [Dollars in millions]

	Q3-FY25
Available Liquid Funds:	
Cash and cash equivalents	$ 1,146
Unencumbered investment securities	1,931
Availability of Borrowings:	
Amount available from FHLB with loan collateral	1,677
Amount available from unsecured lines of credit with correspondent banks	150
Amount available from Federal Reserve discount window	2,090
Total Liquidity Sources	**$ 6,994**

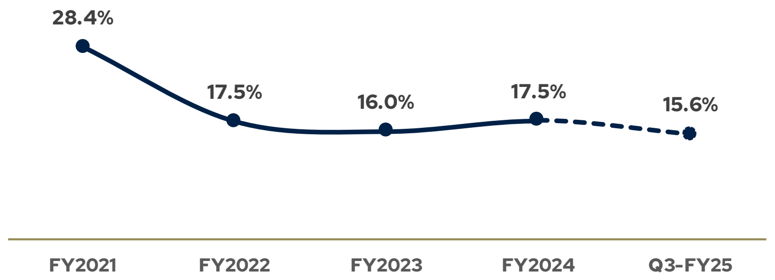
Cash and Securities



Uninsured Deposits [Dollars in millions]

	Q3-FY25
TowneBank Estimated Uninsured Deposits	$ 7,695
Less Collateralized Deposits	685
Adjusted Uninsured Deposits	**7,010**
TowneBank Total Deposits	16,531
Adjusted Uninsured Deposits / Total Deposits	42%
Total Liquidity Sources / Adjusted Uninsured Deposits	**100%**

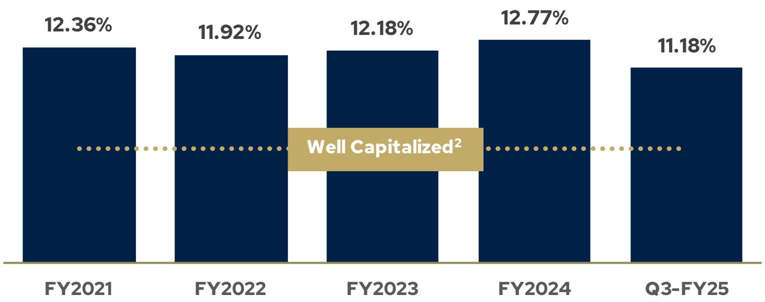
Liquidity Buffer[1]



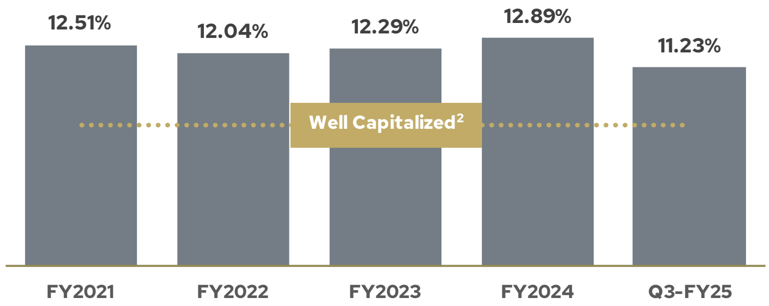
(1) Primary liquidity / total assets; primary liquidity is sum of cash & cash equivalents (excl. deferred comp and escrow at other banks) plus unencumbered investment securities

Capital

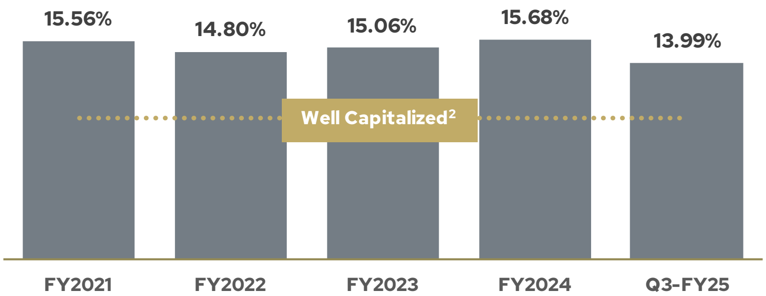
Common Equity Tier 1[1]



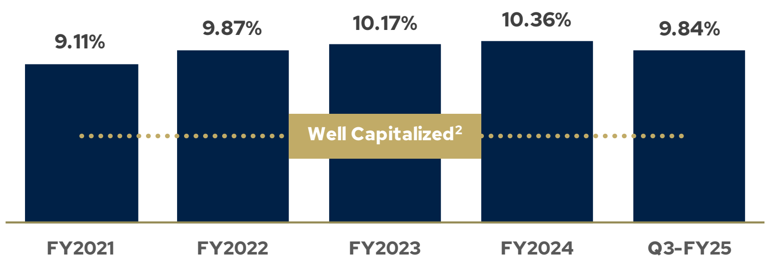
Tier 1 Risk-Based[1]



Total Risk-Based[1]



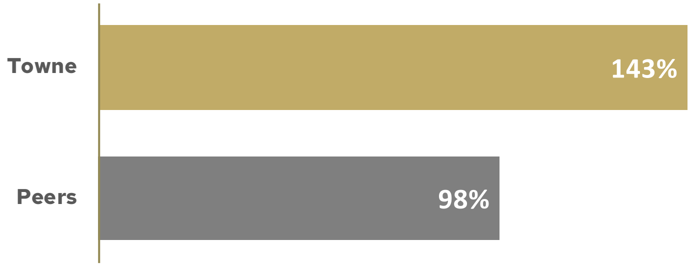
Tier 1 Leverage[1]



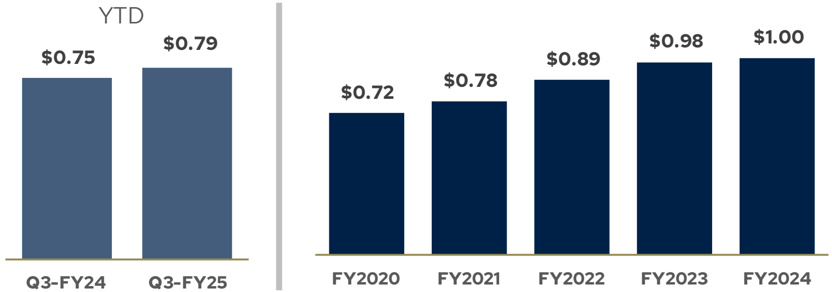
(1) Current reporting period regulatory capital ratios are preliminary
(2) FDIC "Well Capitalized" under prompt corrective action rules

Shareholder Value

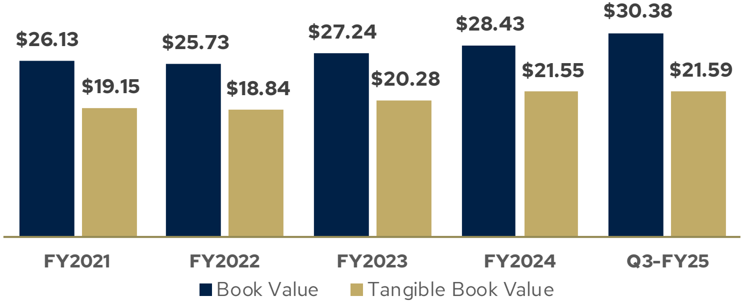
10Yr Total Shareholder Return - TowneBank vs Peers[1]



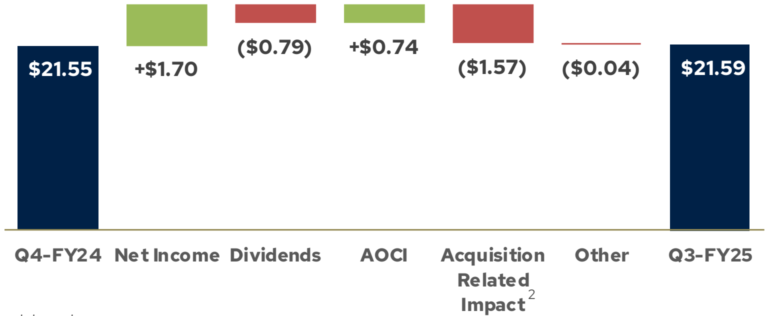
Dividends



Book Value and Tangible Book Value per Share



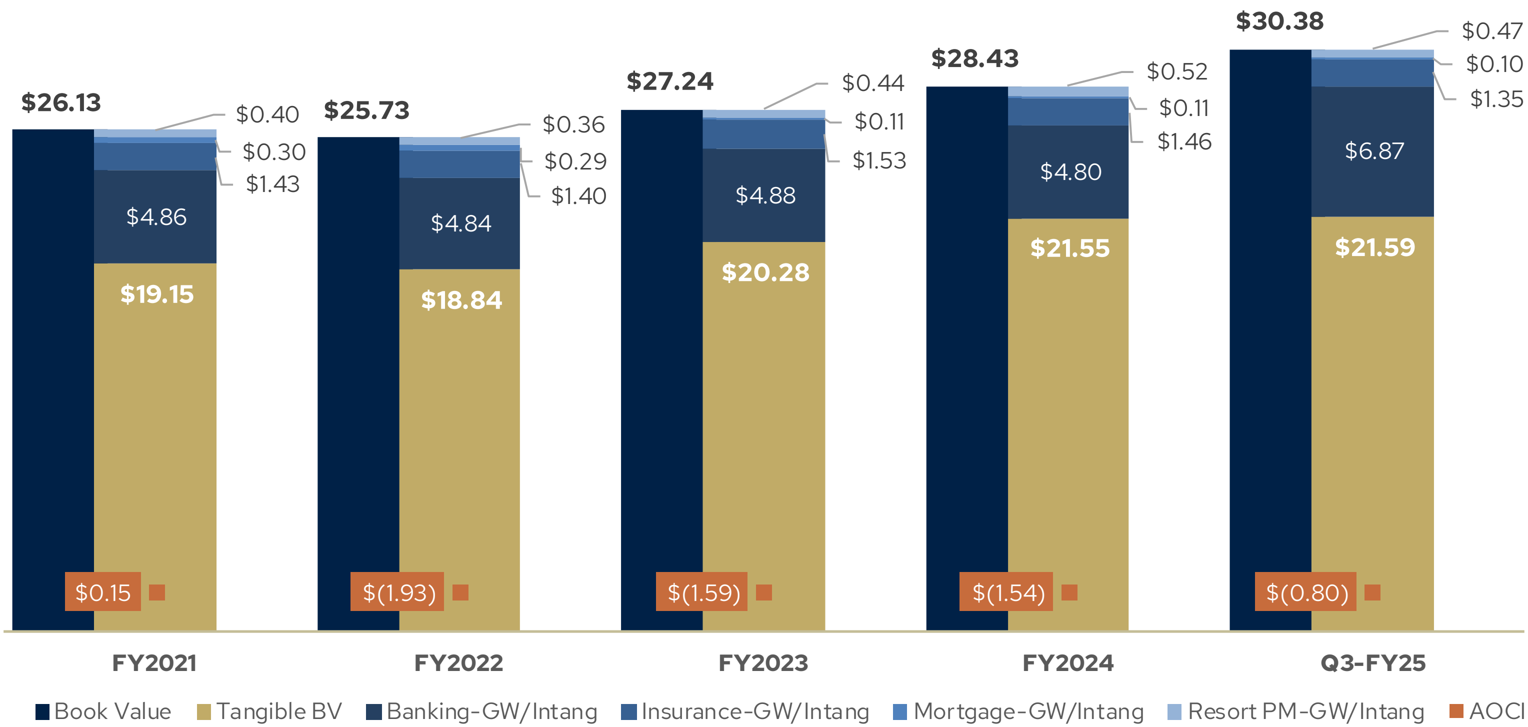
Tangible Book Value Roll Forward



(1) 10Yr Total Return as of 9/30/2025; Source: S&P Global, data collected 10/10/2025. Peer group median - peers as disclosed in the most recent TOWN proxy statement
(2) Acquisition related impact to balance sheet – share issuance, changes to goodwill, intangibles and paid in capital

TowneBank

Book Value and Tangible Book Value



TowneBank

Outlook Summary

Loans and Asset Quality

- Targeting annualized core loan growth in the mid-single digits
- Anticipating credit quality to remain stable in the near term with potential for incremental reserve build due to M&A and loan growth

Profitability(1)

- Net interest income expected to range between $560-570 million for FY2025(1)(2)(3)
- Noninterest income of $270-275 million for FY2025(1)
- Noninterest expense of $545-555 million for FY2025(1)(4)

Strategic

- Strong capital and liquidity levels to support continued growth
- Diversified business model with proven ability to capitalize during disruptive economic environments
- Valuable deposit franchise
- Opportunistic M&A across all lines of business

(1) Includes Village and recently closed Old Point acquisition
(2) Assumes one rate cut in Q4-FY25
(3)Tax equivalent
(4) Excludes one-time M&A expenses

Non-GAAP Reconciliations

Non-GAAP Reconciliations

Core Net Income and Related Metrics

Amounts in millions except per share data	QTD			Year			
	Q3-FY25	Q2-FY25	Q3-FY24	FY2024	FY2023	FY2022	FY2021
Net Income Attributable to TowneBank	$ 38.98	$ 38.84	$ 42.95	$ 161.76	$ 153.72	$ 188.99	$ 215.38
Adjustments							
Plus: Acquisition Related Expenses	17.81	18.74	0.46	1.34	9.59	1.06	1.02
Plus: Initial Provision for Credit Losses	12.00	6.24	-	-	4.01	-	-
Plus: FDIC Special Assessment	-	-	-	0.71	5.17	-	-
Less: Gain (Loss) on Equity Investment[1]	-	-	0.02	0.15	7.52	-	-
Plus: Income Tax & Other Adjustments	(5.34)	(2.47)	0.00	(0.02)	(4.02)	(0.04)	(0.20)
Core Net Income	$ 63.45	$ 61.34	$ 43.39	$ 163.64	$ 160.94	$ 190.01	$ 216.20
Return on Avg Assets	0.83%	0.86%	1.00%	0.95%	0.92%	1.16%	1.40%
Core Return on Avg Assets	1.35%	1.36%	1.01%	0.96%	0.97%	1.17%	1.41%
Earnings Per Share-Diluted	$ 0.51	$ 0.51	$ 0.57	$ 2.15	$ 2.06	$ 2.60	$ 2.97
Core Earnings Per Share-Diluted	$ 0.83	$ 0.81	$ 0.58	$ 2.18	$ 2.16	$ 2.62	$ 2.98
Return on Avg Tangible Common Equity	10.15%	10.44%	11.54%	11.11%	11.50%	14.54%	16.75%
Core Return on Avg Tangible Common Equity	15.99%	16.03%	11.65%	11.24%	12.01%	14.62%	16.81%
Total Revenue	$ 215.66	$ 207.44	$ 174.52	$ 693.75	$ 694.12	$ 686.93	$ 680.33
Less: Gain (Loss) on Securities Investments	(0.01)	(0.00)	-	0.07	-	-	1.25
Less: Gain (Loss) on Equity Investments	-	-	0.02	0.24	9.38	-	(0.03)
Total Revenue Adjusted	**215.67**	**207.44**	**174.50**	**693.44**	**684.75**	**686.93**	**679.11**
Noninterest Expense	$ 153.74	$ 150.66	$ 126.90	$ 503.92	$ 489.22	$ 441.28	$ 417.27
Less: Intangible Amortization	4.43	3.98	3.13	12.77	14.15	10.62	11.13
Noninterest Expense Adjusted	**149.31**	**146.69**	**123.77**	**491.15**	**475.07**	**430.66**	**406.15**
Efficiency Ratio	69.23%	70.71%	70.93%	70.83%	69.38%	62.69%	59.81%
Less: Acquisition Related Expenses	17.81	18.74	0.46	1.34	9.59	1.06	1.02
Core Efficiency Ratio	60.97%	61.68%	70.67%	70.63%	67.98%	62.54%	59.66%

(1) Gains related to the sale of Beneflex in FY2023 & FY2024 and BHHS Towne Realty (79% ownership stake) in FY2023

Non-GAAP Reconciliations

Core Efficiency Ratio – Banking

Amounts in millions	YTD Q3-FY25	Year FY2024	FY2023	FY2022	FY2021
Total Revenue	$ 446.34	$ 490.95	$ 499.53	$ 495.49	$ 430.21
Less: Gain (Loss) on Securities Investments	(0.01)	0.07	-	-	1.25
Less: Gain (Loss) on Equity Investments	2.00	-	-	-	(0.03)
Total Revenue Adjusted	**444.34**	**490.88**	**499.53**	**495.49**	**428.99**
Noninterest Expense	$ 311.40	$ 343.17	$ 326.17	$ 272.39	$ 244.01
Less: Intangible Amortization	5.37	4.38	5.15	3.01	3.55
Noninterest Expense Adjusted	**306.04**	**338.79**	**321.02**	**269.39**	**240.46**
Efficiency Ratio	68.87%	69.02%	64.26%	54.37%	56.05%
Less: Acquisition Related Expenses	35.44	0.87	9.08	0.96	-
Core Efficiency Ratio	60.90%	68.84%	62.45%	54.18%	56.05%

Core Efficiency Ratio – Insurance

Amounts in millions	YTD Q3-FY25	Year FY2024	FY2023	FY2022	FY2021
Total Revenue	$ 79.13	$ 100.42	$ 90.92	$ 74.34	$ 65.66
Less: Gain (Loss) on Securities Investments	-	-	-	-	-
Less: Gain (Loss) on Equity Investments	-	0.24	0.54	-	-
Total Revenue Adjusted	**79.13**	**100.18**	**90.38**	**74.34**	**65.66**
Noninterest Expense	$ 52.01	$ 68.17	$ 62.93	$ 54.24	$ 51.60
Less: Intangible Amortization	4.15	5.66	6.10	4.51	4.77
Noninterest Expense Adjusted	**47.86**	**62.51**	**56.83**	**49.73**	**46.83**
Efficiency Ratio	60.48%	62.39%	62.88%	66.89%	71.32%
Less: Acquisition Related Expenses	-	0.00	0.09	0.06	0.03
Core Efficiency Ratio	60.48%	62.39%	62.78%	66.81%	71.28%

Core Efficiency Ratio – Mortgage

Amounts in millions	YTD Q3-FY25	Year FY2024	FY2023	FY2022	FY2021
Total Revenue	$ 42.24	$ 53.37	$ 56.25	$ 74.14	$ 143.63
Less: Gain (Loss) on Securities Investments	-	-	-	-	-
Less: Gain (Loss) on Equity Investments	-	-	8.83	-	-
Total Revenue Adjusted	**42.24**	**53.37**	**47.42**	**74.14**	**143.63**
Noninterest Expense	$ 39.64	$ 48.16	$ 59.06	$ 76.96	$ 90.89
Less: Intangible Amortization	-	0.29	0.58	0.58	0.58
Noninterest Expense Adjusted	**39.64**	**47.87**	**58.49**	**76.39**	**90.31**
Efficiency Ratio	93.84%	89.70%	123.34%	103.03%	62.88%
Less: Acquisition Related Expenses	1.53	-	0.29	-	-
Core Efficiency Ratio	90.21%	89.70%	122.74%	103.03%	62.88%

Core Efficiency Ratio – Resort Property Management

Amounts in millions	YTD Q3-FY25	Year FY2024	FY2023	FY2022	FY2021
Total Revenue	$ 48.67	$ 50.60	$ 47.42	$ 42.97	$ 40.82
Less: Gain (Loss) on Securities Investments	-	-	-	-	-
Less: Gain (Loss) on Equity Investments	-	-	-	-	-
Total Revenue Adjusted	**48.67**	**50.60**	**47.42**	**42.97**	**40.82**
Noninterest Expense	$ 33.10	$ 46.01	$ 41.06	$ 37.68	$ 30.78
Less: Intangible Amortization	1.91	2.44	2.33	2.53	2.24
Noninterest Expense Adjusted	**31.19**	**43.57**	**38.73**	**35.15**	**28.54**
Efficiency Ratio	64.10%	86.11%	81.68%	81.82%	69.91%
Less: Acquisition Related Expenses	-	0.47	0.14	0.05	0.99
Core Efficiency Ratio	64.10%	85.19%	81.39%	81.70%	67.47%

Non-GAAP Reconciliations

Tax Equivalent (TE) Adjustments

Amounts in millions	Q3-FY25	Q2-FY25	Q1-FY25	Q4-FY24	Q3-FY24
Loans TE Adjustment	$ 0.75	$ 0.75	$ 0.75	$ 0.78	$ 0.82
Securities TE Adjustment	0.33	0.31	0.32	0.32	0.29
Tax-Equivalent Adjustment	**1.08**	**1.06**	**1.07**	**1.10**	**1.11**
Yield & Margin Impacts:					
Loan Yield	5.63%	5.53%	5.36%	5.38%	5.43%
Loan Yield (TE)	5.65%	5.56%	5.38%	5.41%	5.46%
Securities Investment Yield	3.54%	3.59%	3.44%	3.42%	3.51%
Securities Investment Yield (TE)	3.58%	3.63%	3.49%	3.47%	3.56%
Earning Asset Yield	5.17%	5.11%	4.95%	4.96%	5.08%
Earning Asset Yield (TE)	5.19%	5.14%	4.97%	4.99%	5.11%
Net Interest Margin (GAAP)	3.48%	3.38%	3.14%	2.99%	2.90%
Net Interest Margin (TE)	3.50%	3.40%	3.17%	3.02%	2.93%

Tangible Book Value per Share

Amounts in millions except per share data	Q3-FY25	Q2-FY25	Q1-FY25	Q4-FY24	Q3-FY24
Shareholders' Equity (Common)	$ 2,397.53	$ 2,231.35	$ 2,200.66	$ 2,139.33	$ 2,146.28
Goodwill and Intangible Assets	693.57	573.89	514.76	517.79	520.88
Tangible Common Equity	$ 1,703.96	$ 1,657.45	$ 1,685.89	$ 1,621.54	$ 1,625.40
Common Shares Outstanding	78.93	75.42	75.39	75.26	75.07
Tangible Book Value per Share	$ 21.59	$ 21.98	$ 22.36	$ 21.55	$ 21.65

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