
News Release

FOR IMMEDIATE RELEASE

TOWNEBANK ANNOUNCES QUARTERLY CASH DIVIDEND *COMMON STOCK DIVIDEND INCREASED BY 3.7%*

Suffolk, VA., May 20, 2026 – Hampton Roads based TowneBank (NASDAQ: TOWN) announced today that its Board of Directors declared its second-quarter shareholder cash dividend of \$0.28 per common share payable on July 10, 2026, to shareholders of record on June 26, 2026. The quarterly common stock cash dividend of \$0.28 per common share, or \$1.12 per common share on an annual basis, is a 3.7% increase from the previous dividend rate.

The amount and declaration of future cash dividends are subject to Board of Directors' approval in addition to regulatory restrictions.

Following the sale of our Resort Property Management business on April 3, 2026 for a purchase price of \$250 million and the payment of a special dividend of \$0.70 per share today, the Board of Directors approved a one-time \$25 million donation to the TowneBank Foundation. In furtherance of our mission of Serving Others and Enriching Lives, this donation will provide considerable support in the years ahead to the Foundation's ongoing commitment to serve as a community asset for the deserving charitable organizations in the markets we serve. The expense will be recognized in the second quarter of 2026.

About TowneBank:

Founded in 1999, TowneBank is a company built on relationships, offering a full range of banking and other financial services, with a focus of serving others and enriching lives. Dedicated to a culture of caring, TowneBank values all employees and members by embracing their diverse talents, perspectives, and experiences.

Today, TowneBank operates over 70 banking offices throughout Hampton Roads and Central Virginia, Eastern and Central North Carolina, the Greenville and upstate region of South Carolina, and Charleston, South Carolina – serving as a local leader in promoting the social, cultural, and economic growth in each community. Towne offers a competitive array of business and personal banking solutions, delivered with only the highest ethical standards. Experienced local bankers providing a higher level of expertise and personal attention with local decision-making are key to the TowneBank strategy. TowneBank has grown its capabilities beyond banking to provide expertise through its affiliated companies that include Towne Wealth Management, Towne Insurance Agency, Towne Benefits, TowneBank Mortgage, TowneBank Commercial Mortgage, Berkshire Hathaway HomeServices RW Towne Realty, Towne 1031 Exchange, LLC, and Towne Trust Company, N.A. With total assets of \$22.36 billion as of March 31, 2026, TowneBank is one of the largest banks headquartered in Virginia.

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