



Investor Presentation

Fourth Quarter 2025

Safe Harbor Statement and Disclaimer

Forward-Looking Statements

In this presentation, “we,” “our,” “us,” “Five Star,” or “the Company” refers to Five Star Bancorp, a California corporation, and our consolidated subsidiaries, including Five Star Bank, a California state-chartered bank, unless the context indicates that we refer only to the parent company, Five Star Bancorp. This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements represent plans, estimates, objectives, goals, guidelines, expectations, intentions, projections, and statements of the Company’s beliefs concerning future events, business plans, objectives, expected operating results, and the assumptions upon which those statements are based. Forward-looking statements include without limitation, any statement that may predict, forecast, indicate, or imply future results, performance, or achievements, and are typically identified with words such as “may,” “could,” “should,” “will,” “would,” “believe,” “anticipate,” “estimate,” “expect,” “aim,” “intend,” “plan,” or words or phrases of similar meaning. The Company cautions that the forward-looking statements are based largely on the Company’s expectations and are subject to a number of known and unknown risks and uncertainties that are subject to change based on factors which are, in many instances, beyond the Company’s control. Such forward-looking statements are based on various assumptions (some of which may be beyond the Company’s control) and are subject to risks and uncertainties, which change over time, and other factors which could cause actual results to differ materially from those currently anticipated. New risks and uncertainties may emerge from time to time, and it is not possible for the Company to predict their occurrence or how they will affect the Company. If one or more of the factors affecting the Company’s forward-looking information and statements proves incorrect, then the Company’s actual results, performance, or achievements could differ materially from those expressed in, or implied by, forward-looking information and statements contained in this presentation. Therefore, the Company cautions you not to place undue reliance on the Company’s forward-looking information and statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 and Quarterly Reports on Form 10-Q for the quarters ended March 31, 2025, June 30, 2025, and September 30, 2025, in each case under the section entitled “Risk Factors,” and other documents filed by the Company with the Securities and Exchange Commission from time to time.

The Company disclaims any duty to revise or update the forward-looking statements, whether written or oral, to reflect actual results or changes in the factors affecting the forward-looking statements, except as specifically required by law.

Industry Information

This presentation includes statistical and other industry and market data that we obtained from government reports and other third-party sources. Our internal data, estimates, and forecasts are based on information obtained from government reports, trade, and business organizations and other contacts in the markets in which we operate and our management’s understanding of industry conditions. Although we believe that this information (including the industry publications and third-party research, surveys, and studies) is accurate and reliable, we have not independently verified such information. In addition, estimates, forecasts, and assumptions are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. Finally, forward-looking information obtained from these sources is subject to the same qualifications and the additional uncertainties regarding the other forward-looking statements in this presentation.

Unaudited Financial Data

Numbers contained in this presentation for the quarter ended December 31, 2025 and for other quarterly periods are unaudited. Additionally, numbers contained in this presentation for the full fiscal year ended December 31, 2025 are unaudited. As a result, subsequent information may cause a change in certain accounting estimates and other financial information, including the Company’s allowance for credit losses, fair values, and income taxes.

Non-GAAP Financial Measures

The Company uses financial information in its analysis of the Company’s performance that is not in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company’s financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. See the appendix to this presentation for a reconciliation of these non-GAAP measures to the most directly comparable GAAP financial measures.

Agenda

- Company Overview
- Financial Highlights
- Loans and Credit Quality
- Deposit and Capital Overview
- Financial Results

Company Overview

Executive Team



James Beckwith
President and
Chief Executive Officer
Five Star since 2003



John Dalton
Senior Vice President and
Chief Credit Officer
Five Star since 2011



DJ Kurtze
Executive Vice President and
San Francisco Bay Area President
Five Star since 2023



Mike Lee
Senior Vice President and
Chief Regulatory Officer
Five Star since 2005



Heather Luck
Executive Vice President and
Chief Financial Officer
Five Star since 2018



Lydia Ramirez
Executive Vice President and
Chief Operating Officer
Five Star since 2017



Michael Rizzo
Executive Vice President and
Chief Banking Officer
Five Star since 2005

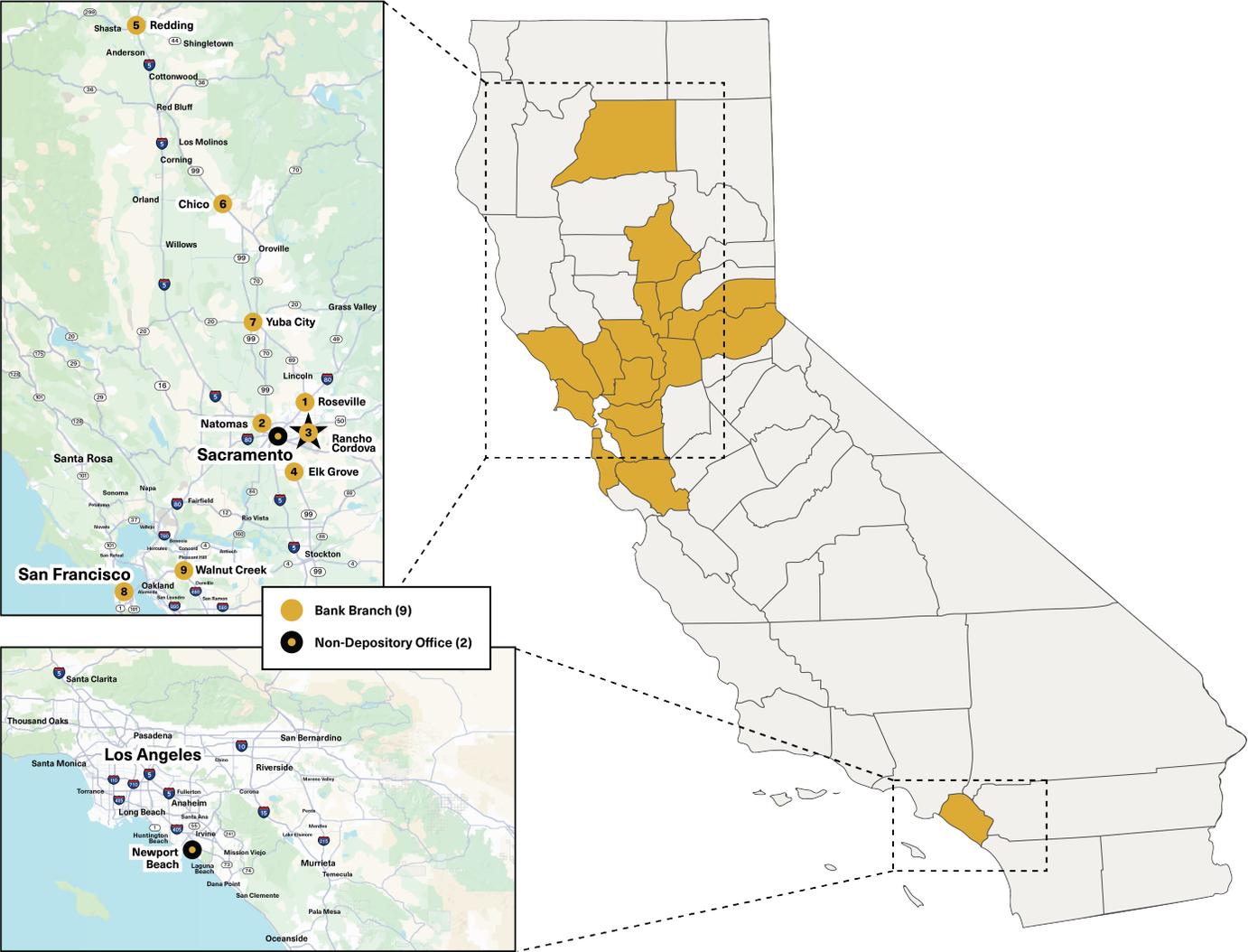


Brett Wait
Senior Vice President and
Chief Information Officer
Five Star since 2011



Shelley Wetton
Senior Vice President and
Chief Marketing Officer
Five Star since 2015

Company Overview



Nasdaq:	FSBC
Headquarters:	Rancho Cordova, CA
Asset Size:	\$4.8 billion
Loans HFI:	\$4.1 billion
Deposits:	\$4.2 billion
Bank Branches:	9

Five Star is a community business bank that was founded to serve the commercial real estate industry. Today, the markets we serve have expanded to meet customer demand and now include manufactured housing and storage, faith-based, government, nonprofits, and more.

2025 Awards and Rankings

FIVE STAR BANK AWARDS AND RANKINGS

S&P Global Market Intelligence

2024 | TOP 3 BEST-PERFORMING COMMUNITY BANKS IN THE NATION

(Banks with \$3B - \$10B in Assets)

2024 | RAYMOND JAMES COMMUNITY BANKERS CUP

(Ranked in Top 10% of Community Banks in the Nation)

Bank Director Magazine (RankingBanking)

RANKED 4TH ON THE LIST OF THE BEST U.S. BANKS

(Banks with Assets Less Than \$5B)

Bank Director Magazine (RankingBanking)

RANKED 13TH ON THE LIST OF TOP 25 U.S. BANKS

Piper Sandler's

2025 SM-ALL STARS

BANK EXECUTIVE AND EMPLOYEE AWARDS

SACRAMENTO BUSINESS JOURNAL

Power 100 List

C-Suite Award

Champions for DE&I

Women Who Mean Business

Fastest Growing Banks by Deposits

SAN FRANCISCO BUSINESS TIMES

40 Under 40

Newsmaker 100 List

SACRAMENTO METRO CHAMBER OF COMMERCE

Sacramentan of the Year Award

HISPANIC CHAMBER OF COMMERCE

Champion Latina Estrella Award

COMMERCIAL REAL ESTATE WOMEN SACRAMENTO

Women of Impact Award

SACRAMENTO STATE ALUMNI ASSOCIATION

Distinguished Alumni Award

Financial Highlights

Financial Highlights

(dollars in thousands, except per share data)

		For the three months ended			For the year ended	
		12/31/2025	9/30/2025	12/31/2024	12/31/2025	12/31/2024
Profitability	Net income	\$ 17,643	\$ 16,344	\$ 13,317	\$ 61,606	\$ 45,671
	Return on average assets ("ROAA")	1.50 %	1.44 %	1.31 %	1.41 %	1.23 %
	Return on average equity ("ROAE")	15.97 %	15.35 %	13.48 %	14.74 %	12.72 %
	Earnings per share (basic and diluted)	\$ 0.83	\$ 0.77	\$ 0.63	\$ 2.90	\$ 2.26
Net Interest Margin	Net interest margin	3.66 %	3.56 %	3.36 %	3.55 %	3.32 %
	Average loan yield	6.09 %	6.14 %	6.01 %	6.08 %	5.89 %
	Average cost of interest-bearing deposits	3.01 %	3.28 %	3.48 %	3.22 %	3.48 %
	Average cost of total deposits	2.23 %	2.44 %	2.58 %	2.40 %	2.56 %
	Total cost of funds	2.30 %	2.51 %	2.65 %	2.47 %	2.64 %
Deposits and Securities		12/31/2025	12/31/2024			
	Non-interest-bearing deposits	\$1,084,537	\$ 922,629			
	Interest-bearing deposits	3,116,547	2,635,365			
	Total deposits	4,201,084	3,557,994			
	Total securities	96,889	100,914			
	Total securities to interest-earning assets	2.09 %	2.55 %			
Asset Quality	Nonperforming loans to loans held for investment	0.08 %	0.05 %			
	Allowance for credit losses to loans held for investment	1.09 %	1.07 %			



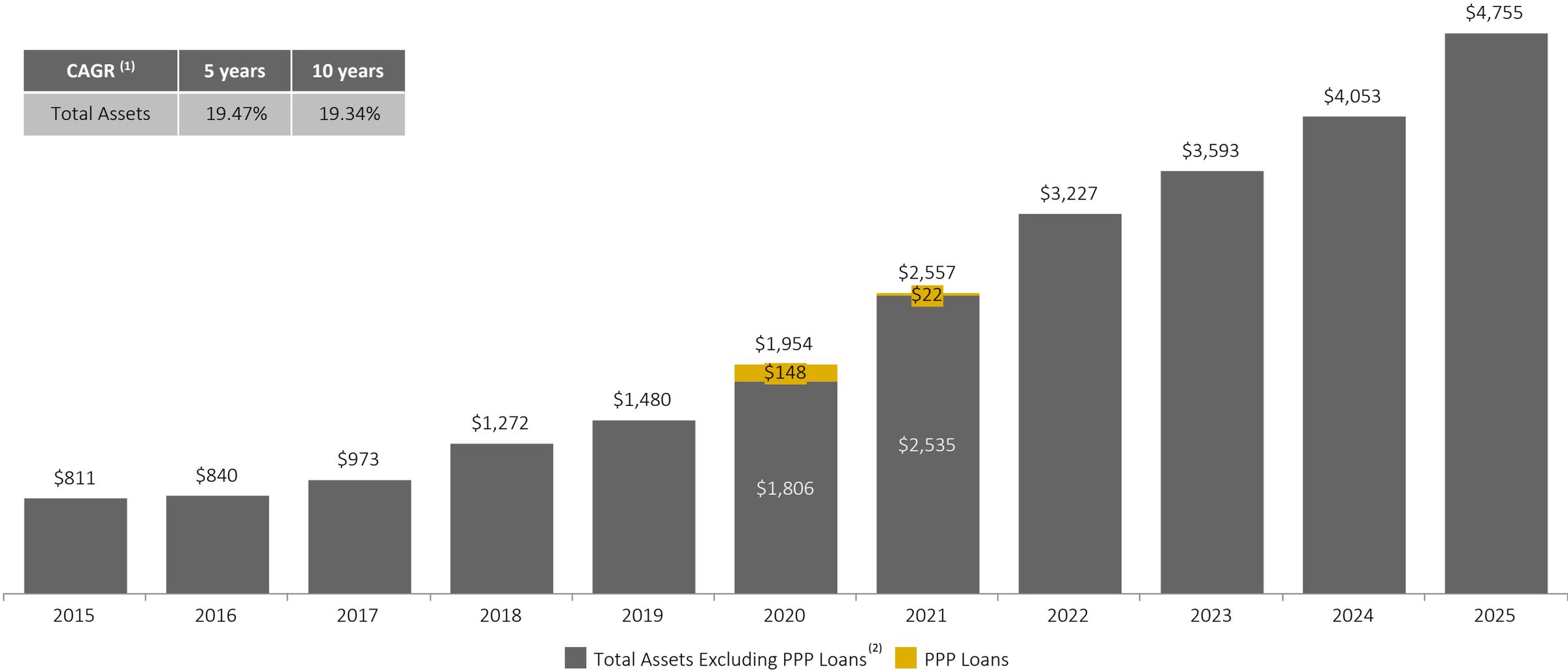
Financial Highlights - December 31, 2025

<p>Growth</p>	<ul style="list-style-type: none"> Continued balance sheet growth with increases in loans held for investment of \$542.2 million and increases in non-wholesale⁽¹⁾ deposits of \$738.1 million since December 31, 2024.
<p>Funding</p>	<ul style="list-style-type: none"> Non-interest-bearing deposits comprised 25.82% of total deposits, compared to 25.81% as of September 30, 2025 and 25.93% as of December 31, 2024. Deposits comprised 97.49% of total liabilities, as compared to 97.46% of total liabilities as of September 30, 2025 and 97.30% of total liabilities as of December 31, 2024.
<p>Liquidity</p>	<ul style="list-style-type: none"> Insured and collateralized deposits were approximately \$2.8 billion, representing 66.20% of total deposits, compared to 65.25% as of September 30, 2025. Cash and cash equivalents were \$506.9 million, representing 12.06% of total deposits, compared to 14.15% as of September 30, 2025 and 9.90% as of December 31, 2024.
<p>Capital</p>	<ul style="list-style-type: none"> All capital ratios were above well-capitalized regulatory thresholds. On October 16, 2025 and January 15, 2026, the Company declared cash dividends of \$0.20 and \$0.25 per share, respectively, for the three months ended September 30, 2025 and December 31, 2025, respectively.



Consistent and Organic Asset Growth

CAGR ⁽¹⁾	5 years	10 years
Total Assets	19.47%	19.34%

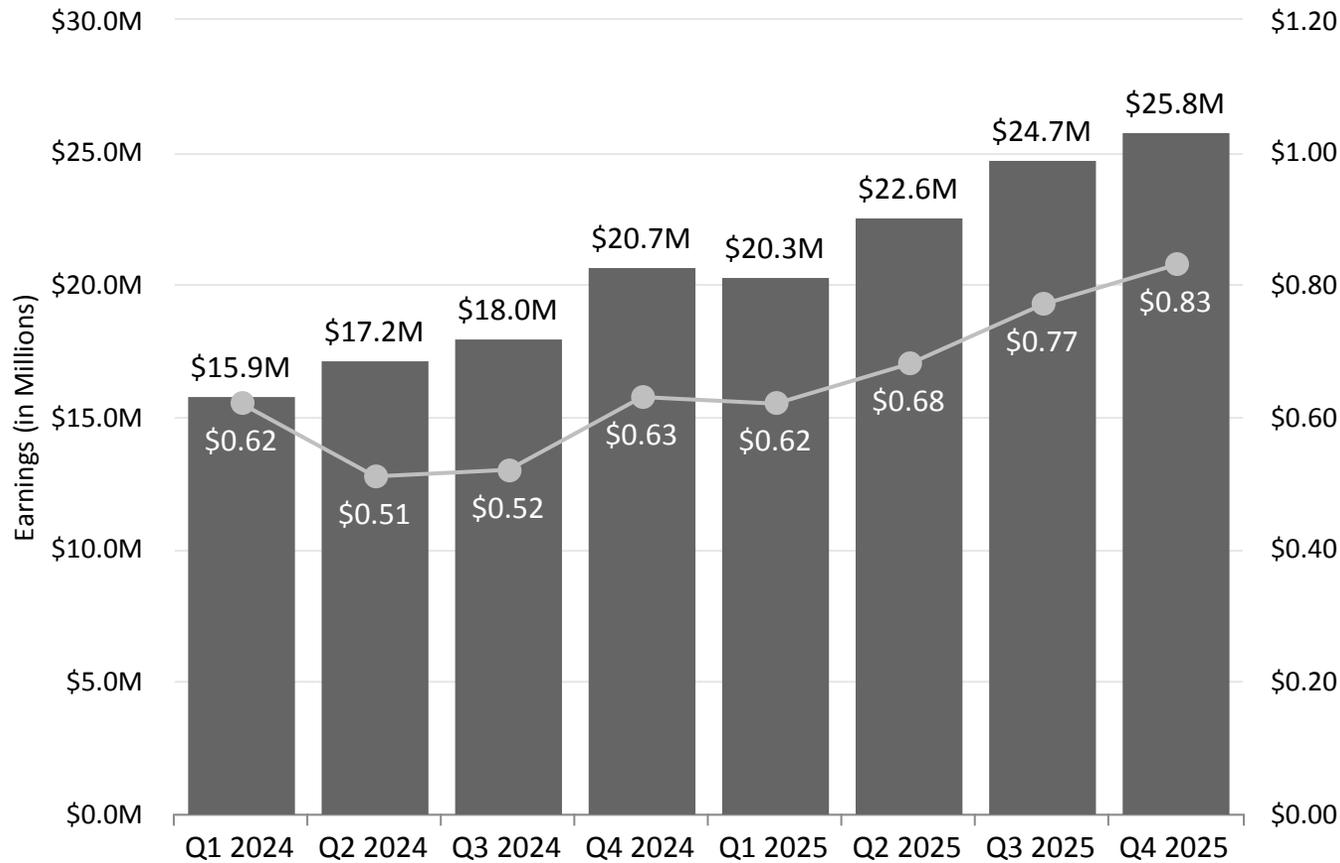


Note: Dollars are in millions. Balances are end of period. References to PPP are the Paycheck Protection Program.

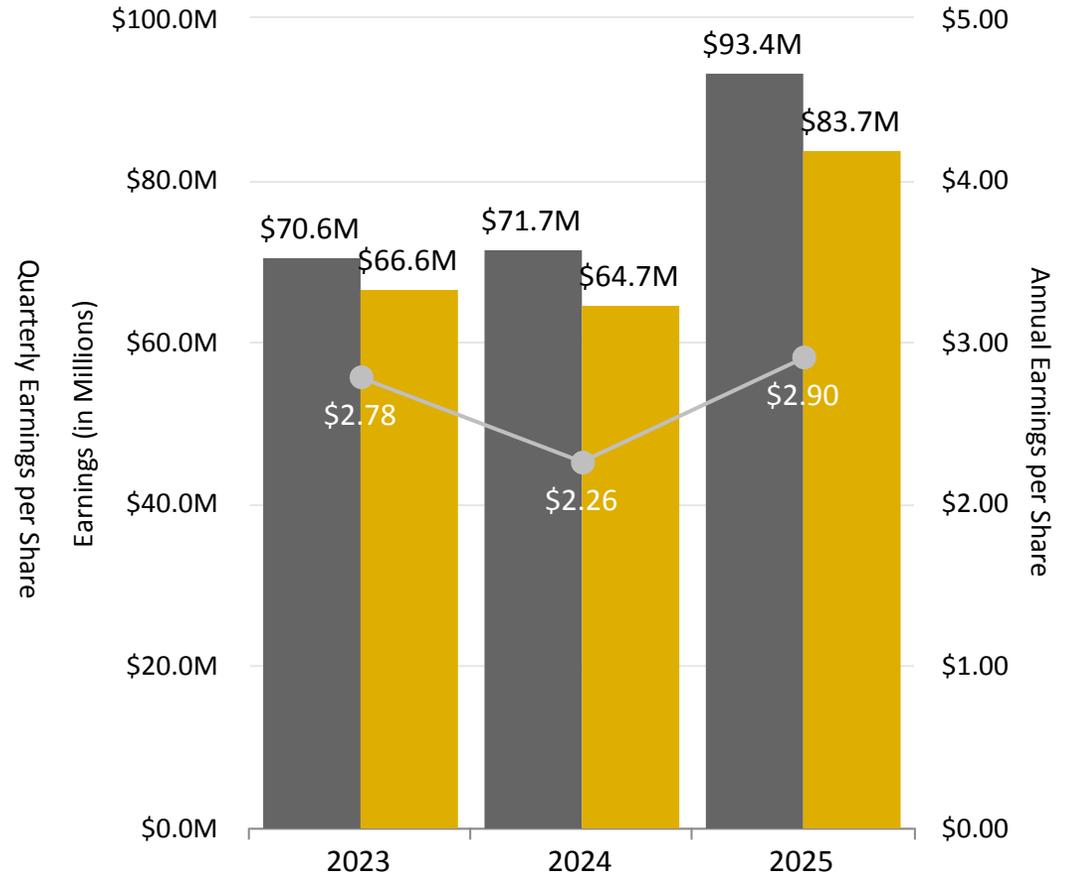
- 1. CAGR is based upon balances as of December 31, 2025.
- 2. A reconciliation of this non-GAAP measure is set forth in the appendix.

Earnings Track Record

Quarterly Trend of Pre-Tax, Pre-Provision Income⁽¹⁾



Annual Trend



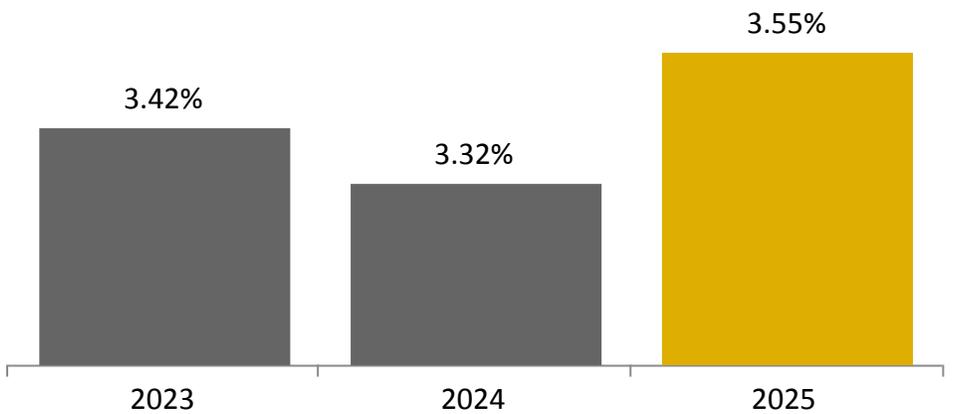
Pre-tax, pre-provision income⁽¹⁾
 Pre-tax income
 EPS (basic and diluted)



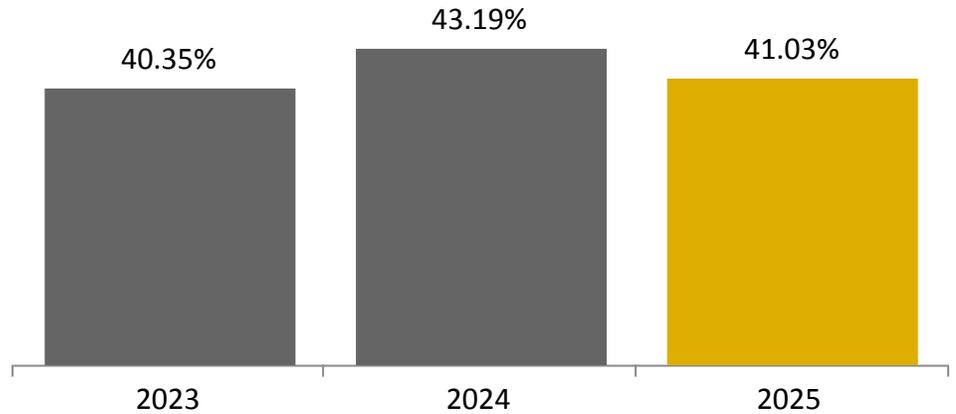
1. A reconciliation of this non-GAAP measure is set forth in the appendix.

Operating Metrics

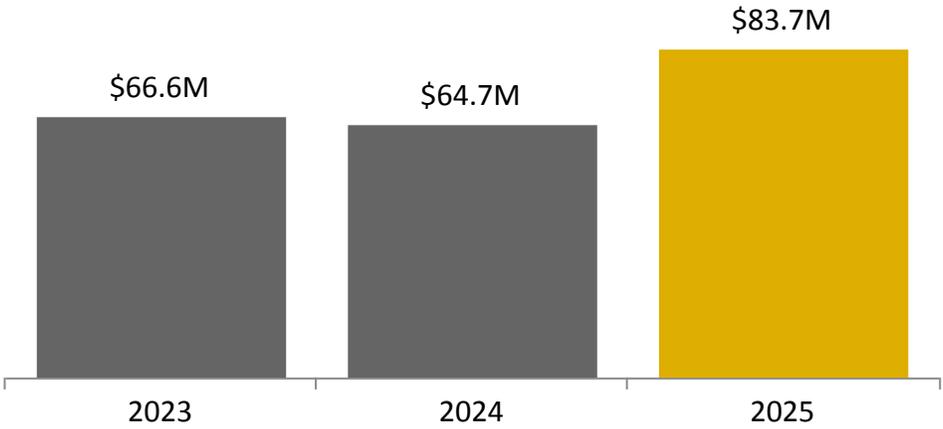
Net Interest Margin



Efficiency Ratio



Total Income Before Taxes

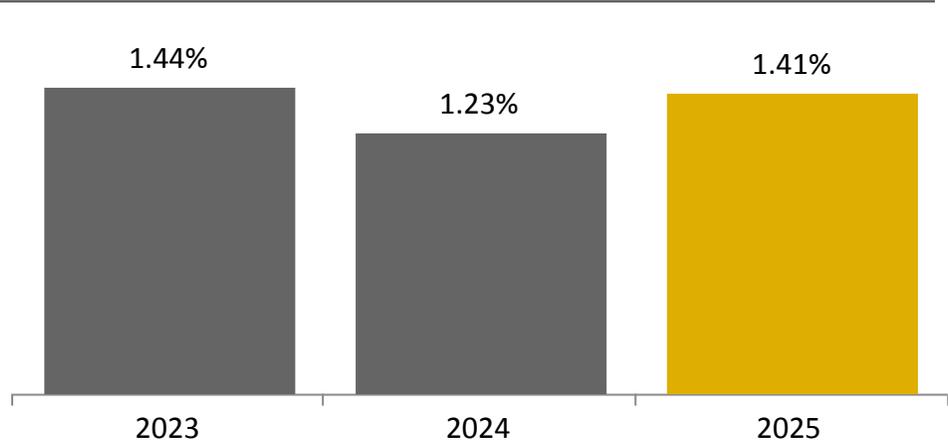


Non-interest Income and Expense Comparison

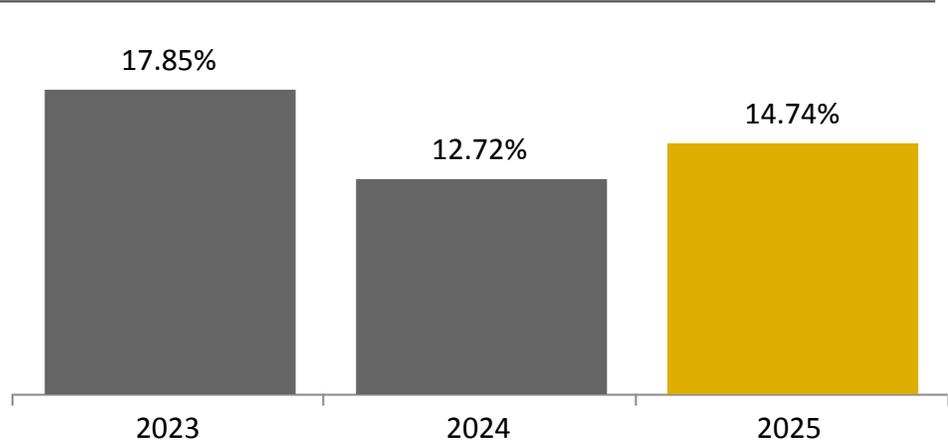
<i>(dollars in thousands)</i>		For the three months ended			For the year ended	
		12/31/2025	9/30/2025	12/31/2024	12/31/2025	12/31/2024
Non-interest Income	Service charges on deposit accounts	\$ 159	\$ 185	\$ 179	\$ 755	\$ 721
	Gain on sale of loans	—	—	150	244	1,274
	Loan-related fees	557	683	400	2,156	1,605
	FHLB stock dividends	332	329	332	1,317	1,320
	Earnings on bank-owned life insurance	234	209	182	824	644
	Other income	118	560	423	1,239	889
	Total non-interest income	\$ 1,400	\$ 1,966	\$ 1,666	\$ 6,535	\$ 6,453
Non-interest Expense	Salaries and employee benefits	\$ 10,125	\$ 9,716	\$ 8,360	\$ 37,885	\$ 31,709
	Occupancy and equipment	788	700	649	2,782	2,547
	Data processing and software	1,597	1,559	1,369	6,121	5,088
	Federal Deposit Insurance Corporation insurance	525	500	440	1,950	1,635
	Professional services	960	932	774	3,723	3,078
	Advertising and promotional	988	803	752	3,178	2,411
	Loan-related expenses	364	317	321	1,423	1,207
	Other operating expenses	2,310	2,053	1,823	7,946	6,818
Total non-interest expense	\$ 17,657	\$ 16,580	\$ 14,488	\$ 65,008	\$ 54,493	

Shareholder Returns

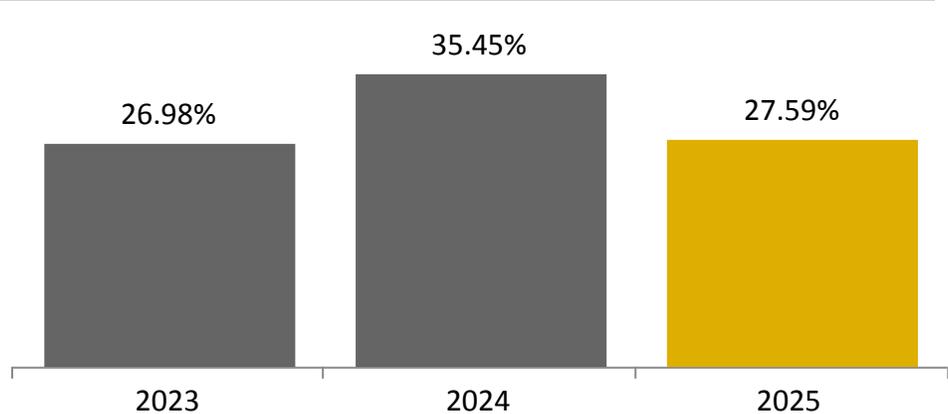
ROAA



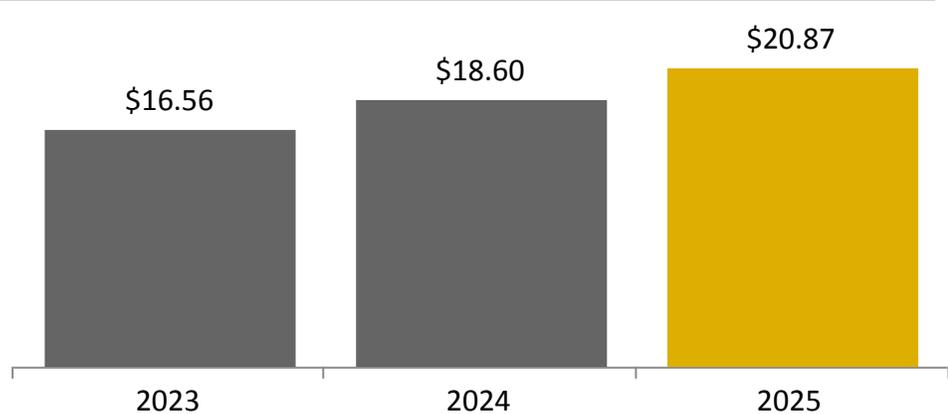
ROAE



Cash Dividend Payout Ratio on Common Stock⁽¹⁾



Value per Share (book and tangible book)⁽²⁾



Note: All 2025 figures are through December 31, 2025.

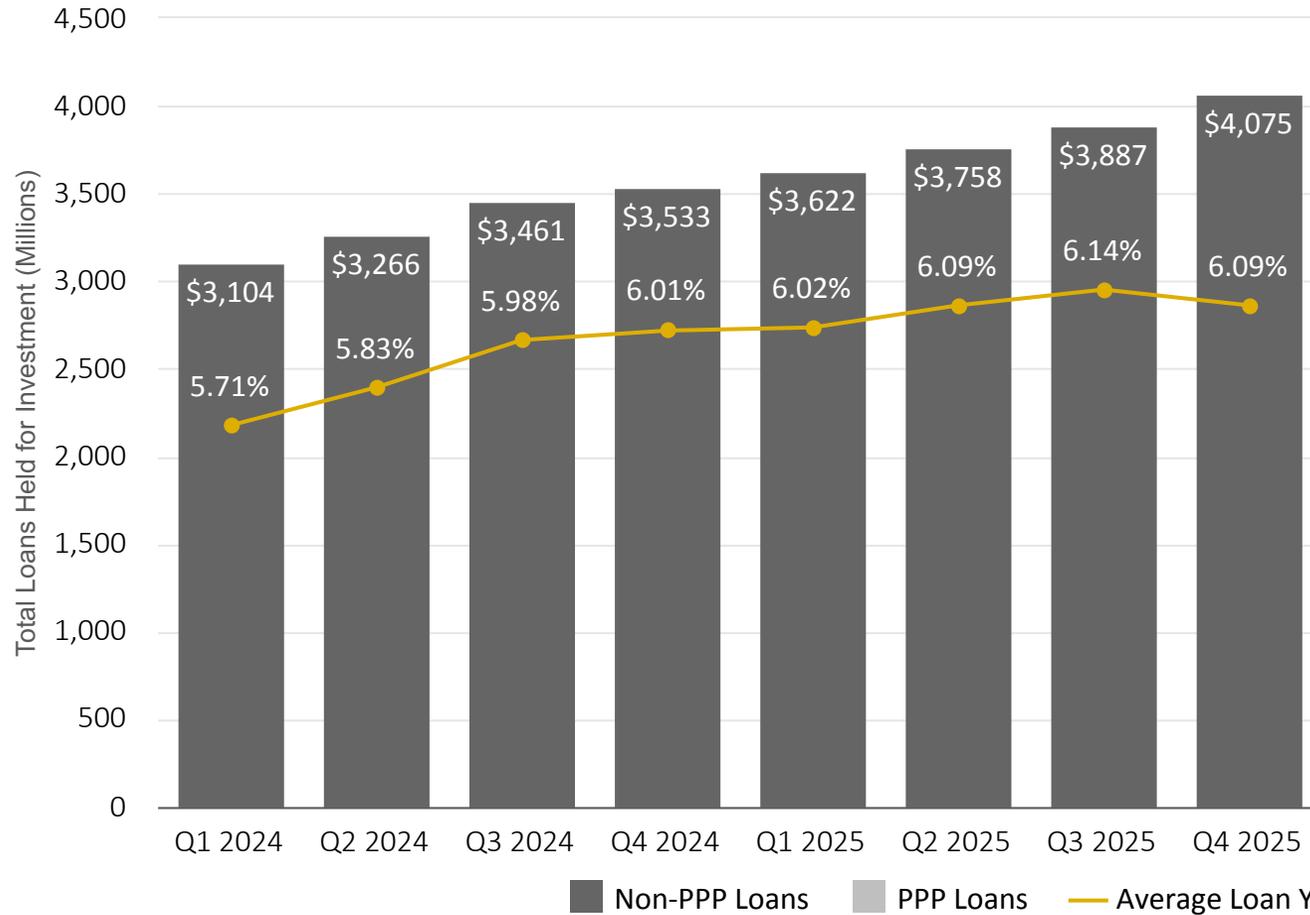
- 1. Cash dividend payout ratio on common stock is calculated as dividends paid on common shares divided by basic earnings per common share.
- 2. A reconciliation of this non-GAAP measure is set forth in the appendix.



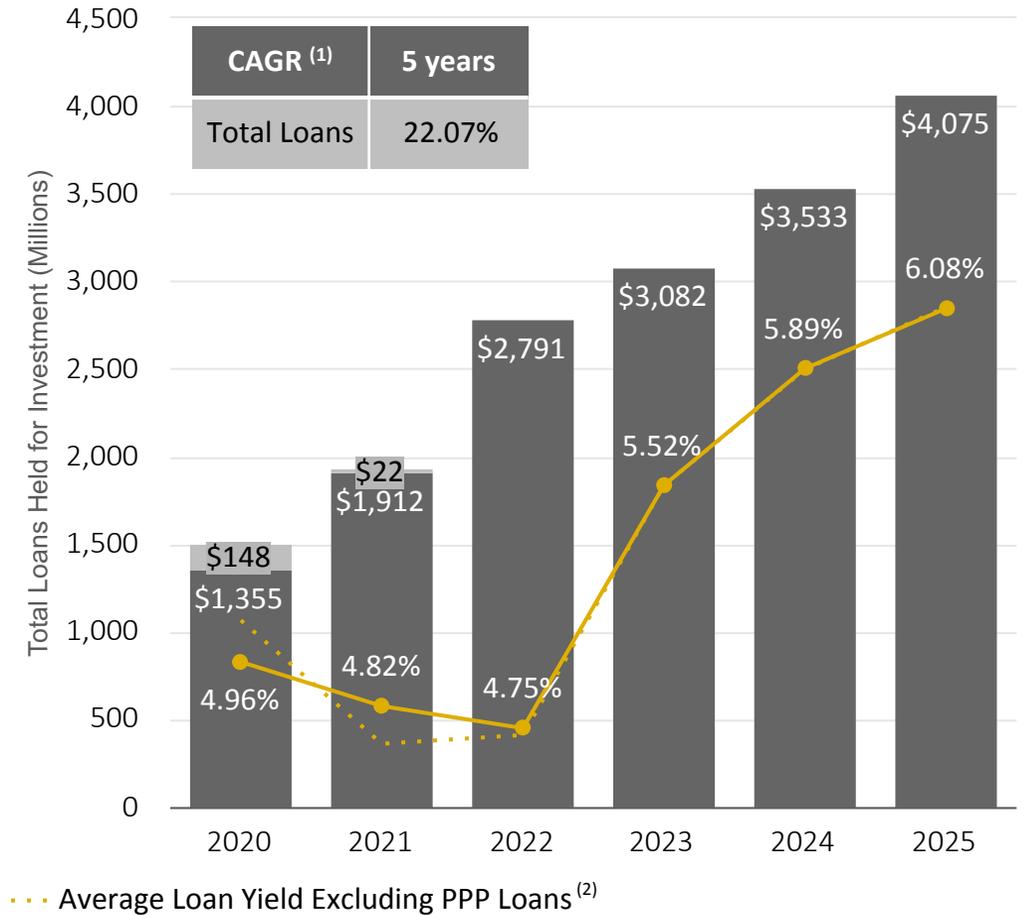
Loans and Credit Quality

Consistent Loan Growth

Quarterly Trend



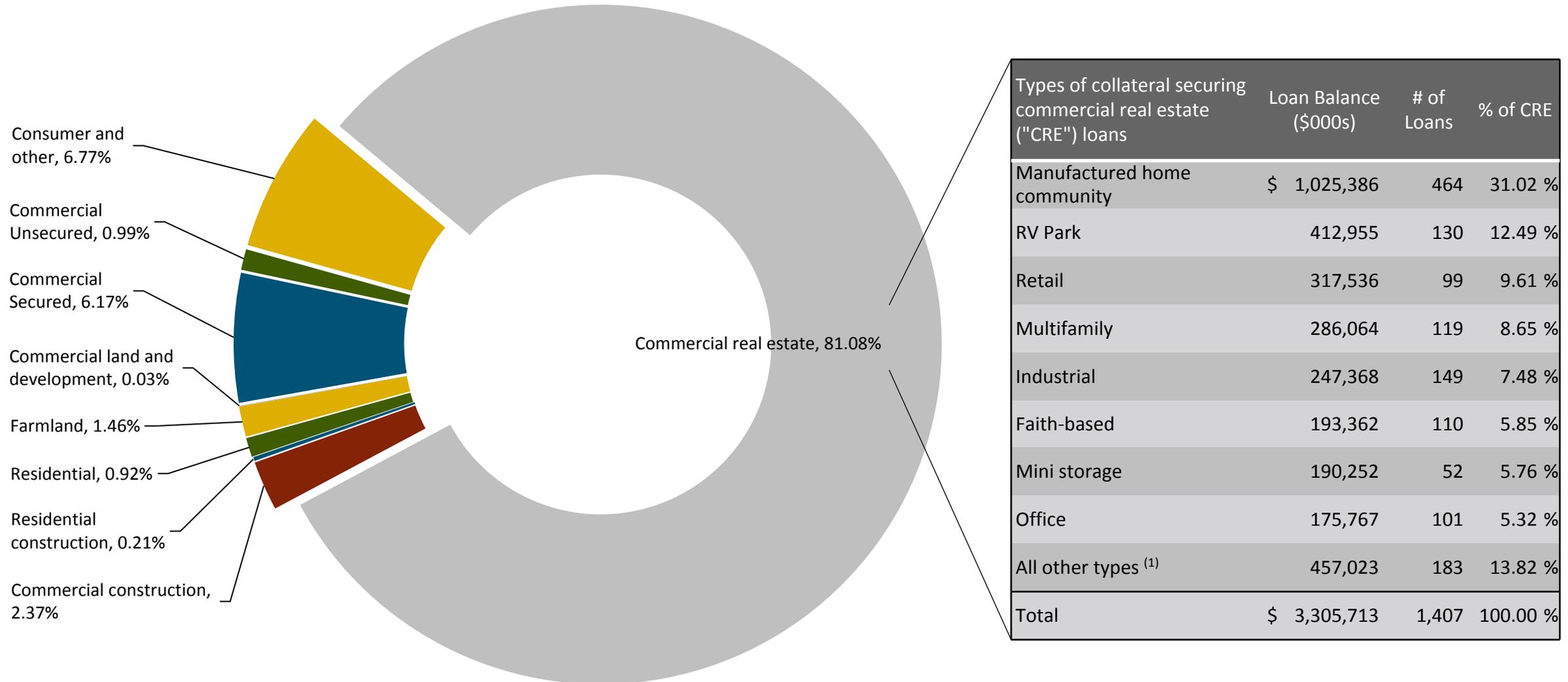
Annual Trend



Note: Loan balances are end of period loans held for investment. Yields are based on average balance and annualized quarterly interest income.

1. CAGR is based upon balances as of December 31, 2025.
2. A reconciliation of this non-GAAP measure is set forth in the appendix.

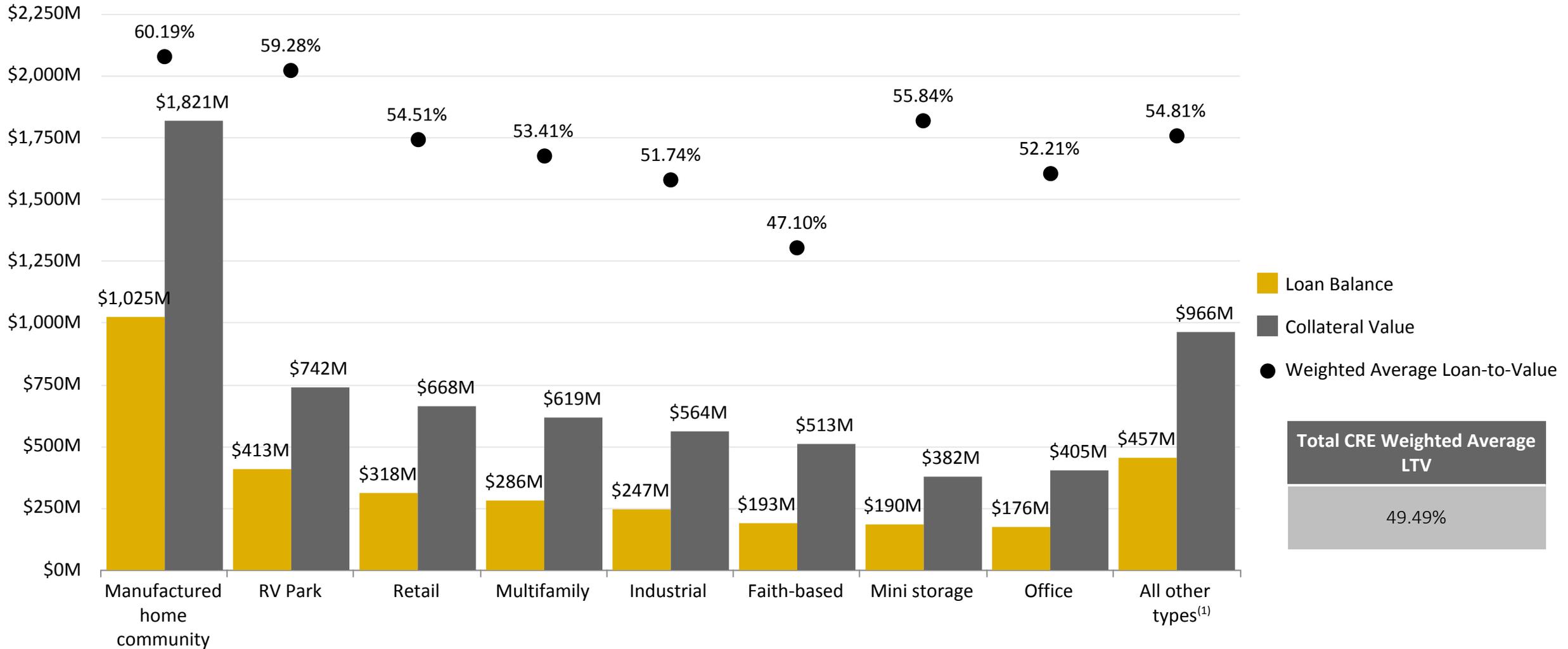
Loan Portfolio Composition



Note: Balances are net book value as of December 31, 2025, before allowance for credit losses and deferred loan fees, and exclude loans held for sale.

1. Types of collateral in "all other types" are those that individually make up less than 5% CRE concentration.

CRE Collateral Values



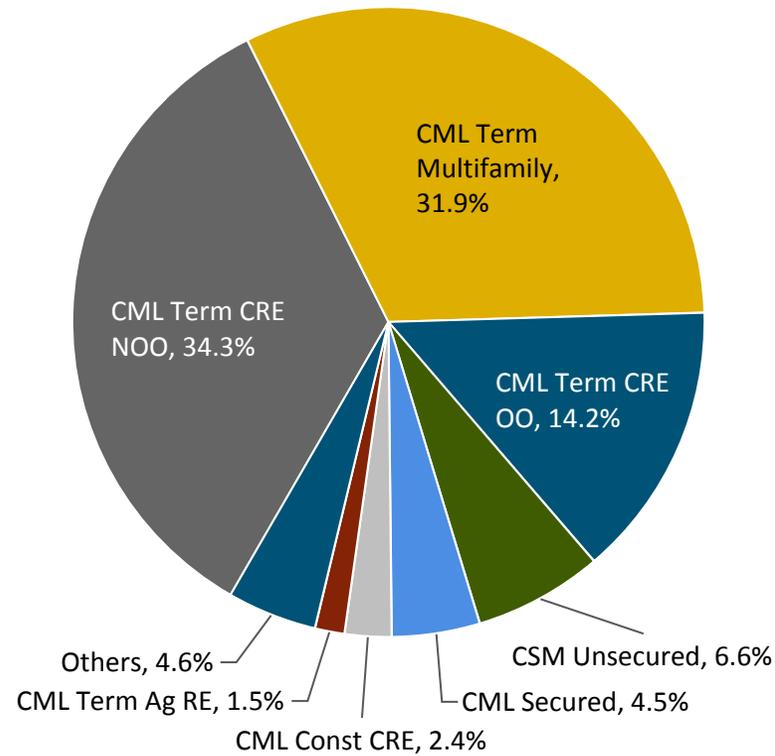
Note: Balances are net book value as of December 31, 2025, before allowance for credit losses and deferred loan fees, and exclude loans held for sale. LTV refers to loan-to-value

1. Types of collateral in “all other types” are those that individually make up less than 5% CRE concentration.

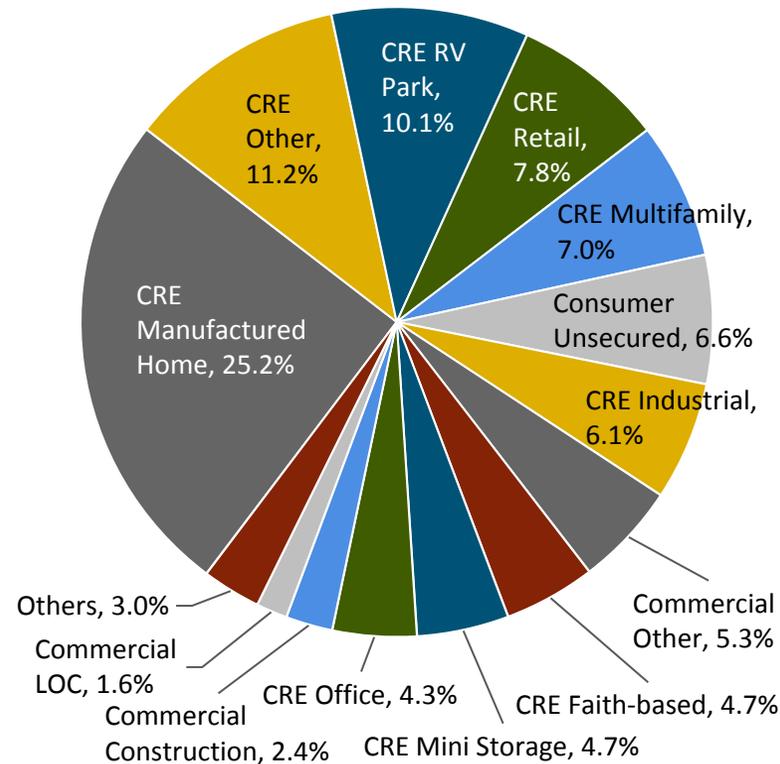
Loan Portfolio Diversification

Our core business centers on commercial lending, with an emphasis on commercial real estate. We provide a comprehensive suite of loan products tailored to the needs of small and medium-sized businesses, professionals, and individuals — including commercial real estate, commercial land and construction, and farmland loans. Additionally, we offer residential real estate, construction, and consumer loans, further supporting a broad range of client needs.

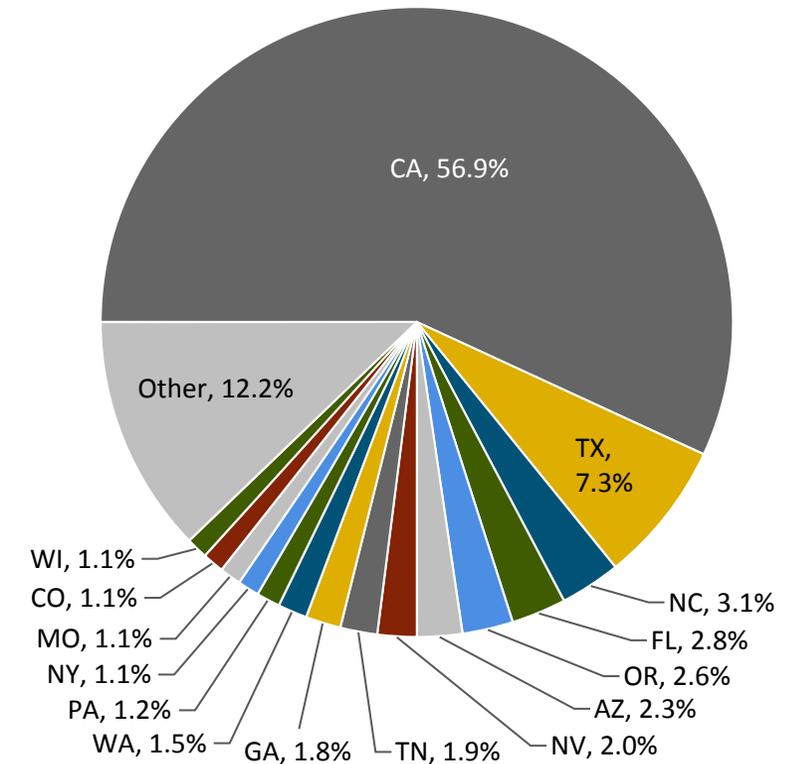
Loans by Type



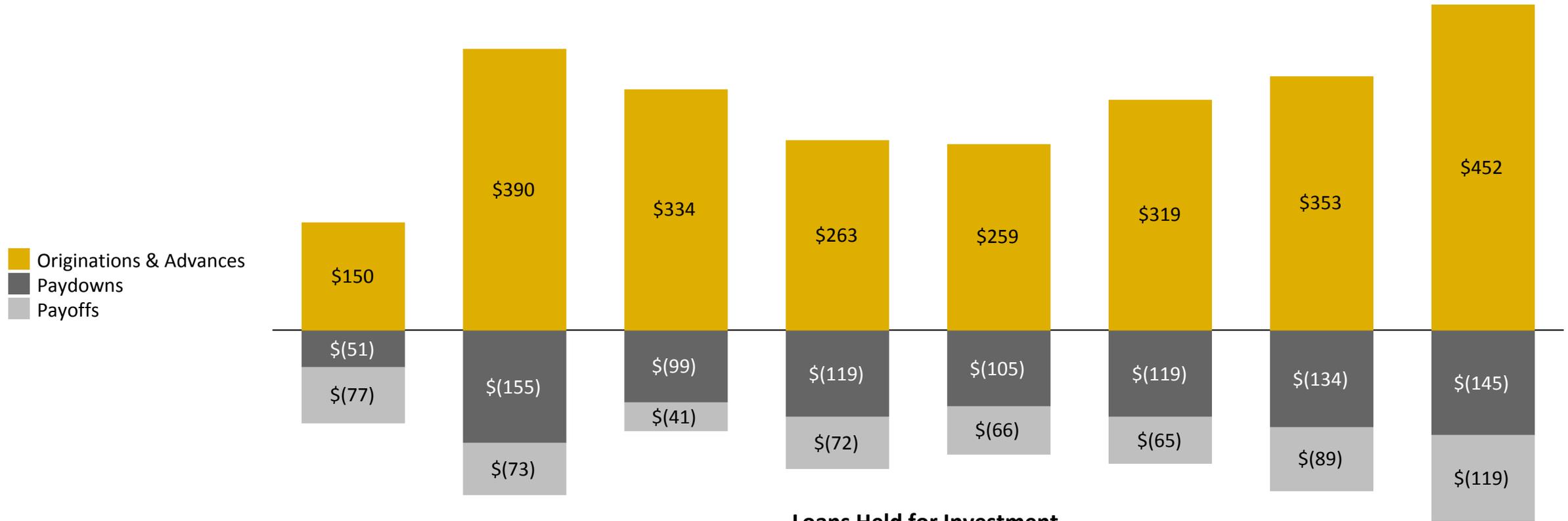
Loans by Purpose



Real Estate Loans by Geography



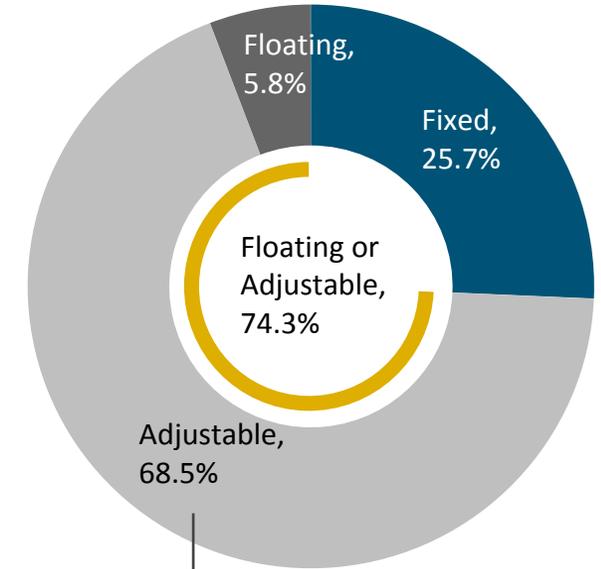
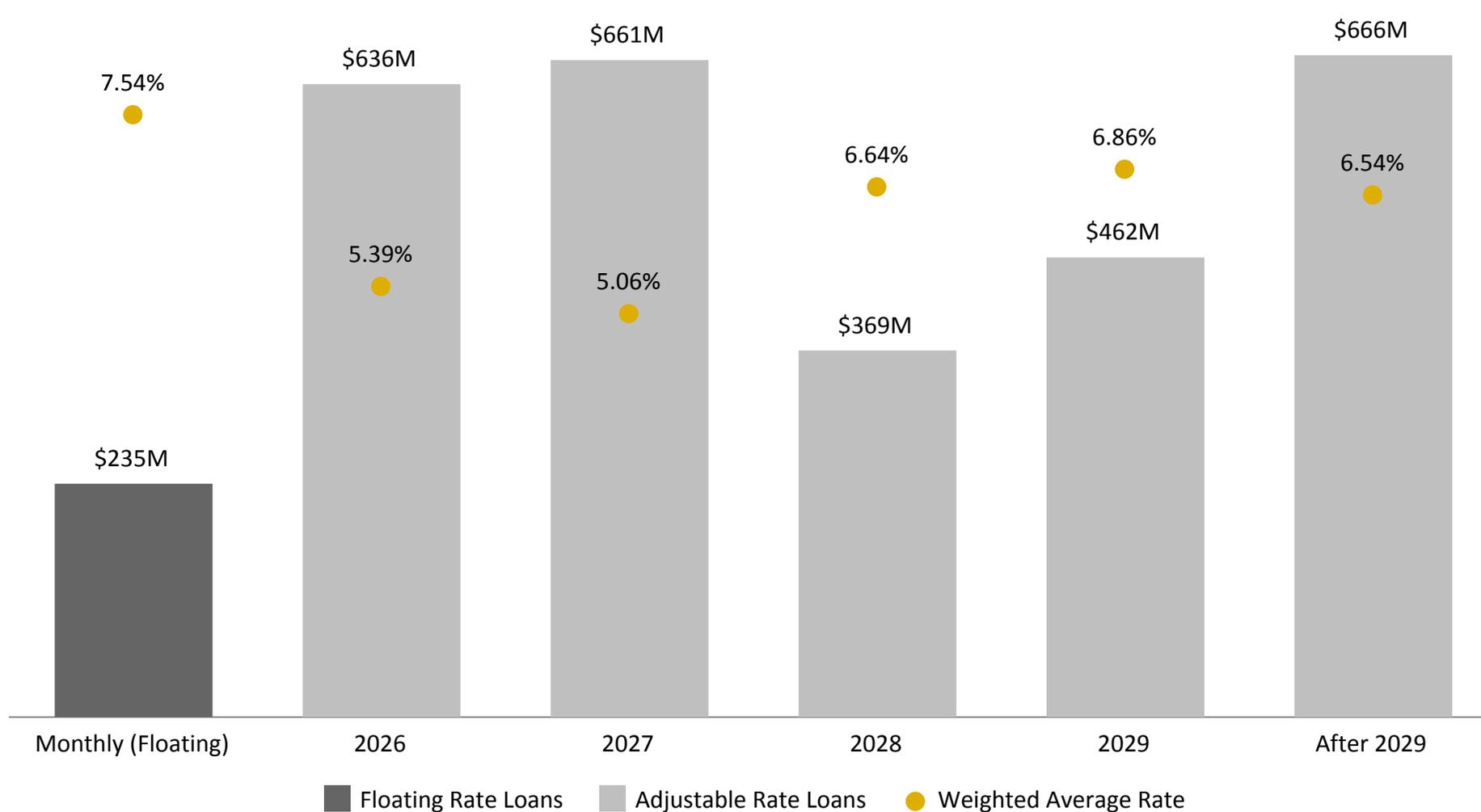
Loan Rollforward



Loans Held for Investment

	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Beginning Balance	\$ 3,082	\$ 3,104	\$ 3,266	\$ 3,461	\$ 3,533	\$ 3,622	\$ 3,758	\$ 3,887
Ending Balance	\$ 3,104	\$ 3,266	\$ 3,461	\$ 3,533	\$ 3,622	\$ 3,758	\$ 3,887	\$ 4,075

Loan Yield Composition



\$2.8 billion, or 68.5%, of total loans held for investment as of December 31, 2025 are adjustable rate loans.

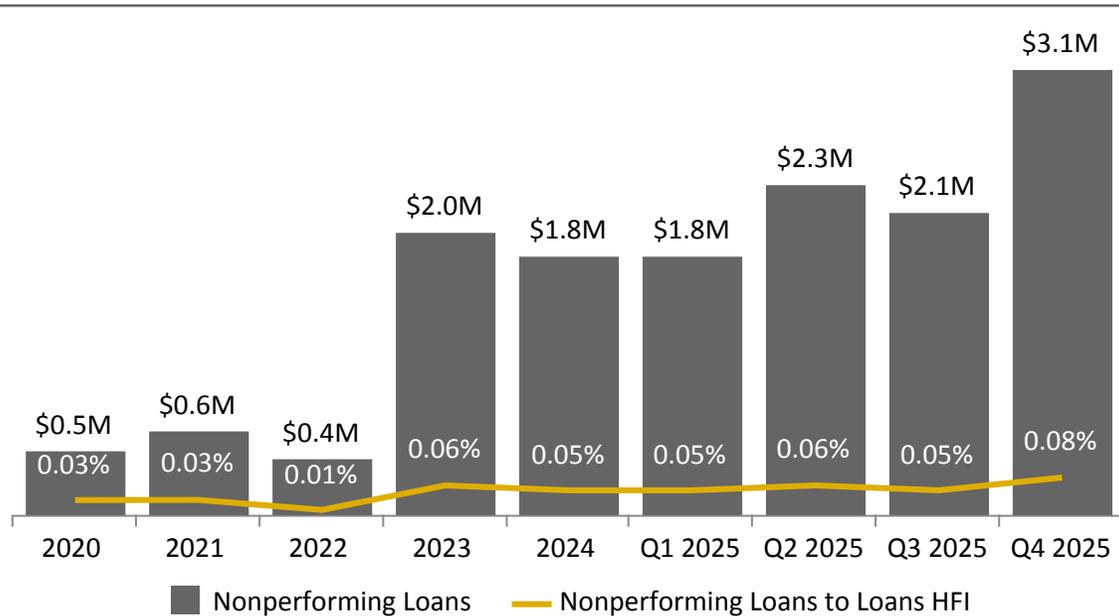
\$636 million in adjustable rate loans, with a weighted average rate of 5.39%, are scheduled to reprice in 2026.

Asset Quality

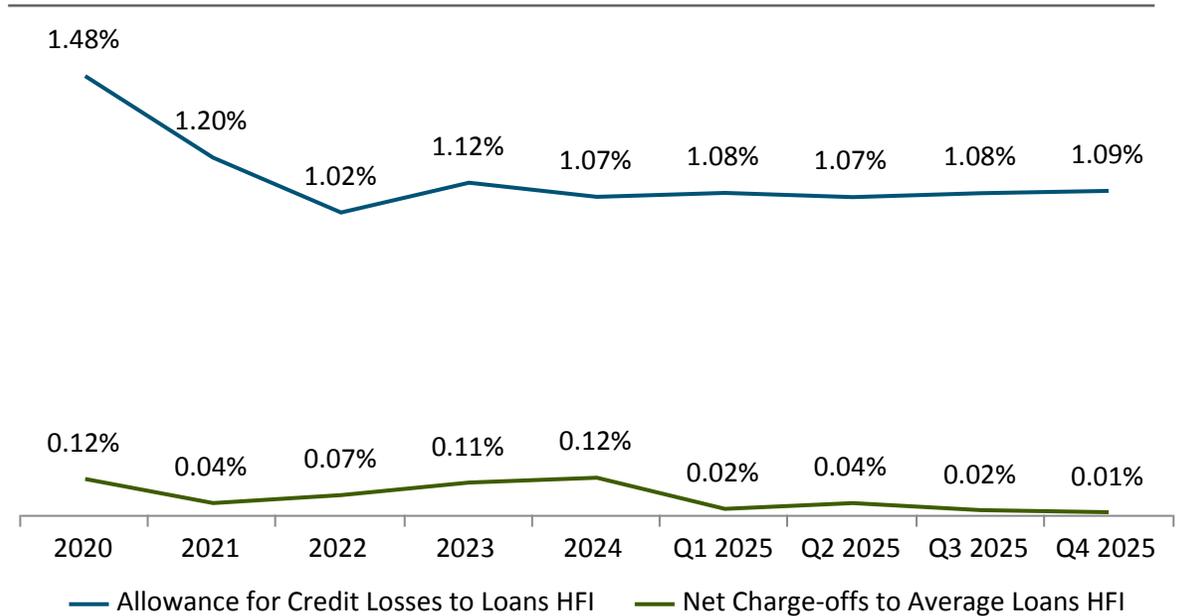
Our primary objective is to maintain a high level of asset quality in our loan portfolio. Therefore, we:

- Place emphasis on our commercial portfolio, where we reevaluate risk assessments as a result of reviewing commercial property operating statements and borrower financials
- Monitor payment performance, delinquencies, tax compliance, and property insurance compliance of our borrowers
- Design our practices to facilitate the early detection and remediation of problems within our loan portfolio
- Employ the use of an outside, independent consulting firm to evaluate our underwriting and risk assessment process

Nonperforming Loan Trend



Allowance for Credit Losses and Net Charge-off Trend



Allocation of Allowance for Credit Losses

<i>(dollars in thousands)</i>															
	December 31, 2024			March 31, 2025			June 30, 2025			September 30, 2025			December 31, 2025		
Allowance for Credit Losses	Amount	% of Total	% of Loans to Total Loans	Amount	% of Total	% of Loans to Total Loans	Amount	% of Total	% of Loans to Total Loans	Amount	% of Total	% of Loans to Total Loans	Amount	% of Total	% of Loans to Total Loans
Real estate:															
Commercial	\$ 25,864	68.44 %	80.75 %	\$ 27,027	68.91 %	81.11 %	\$ 27,792	69.19 %	81.54 %	\$ 23,473	55.81 %	80.86 %	\$ 25,219	56.77 %	81.08 %
Commercial land & development	78	0.21 %	0.11 %	70	0.18 %	0.10 %	33	0.08 %	0.04 %	30	0.07 %	0.02 %	56	0.13 %	0.03 %
Commercial construction	2,268	6.00 %	3.15 %	2,227	5.68 %	3.12 %	2,575	6.41 %	2.99 %	4,355	10.35 %	3.52 %	4,050	9.12 %	2.37 %
Residential construction	64	0.17 %	0.13 %	78	0.20 %	0.16 %	75	0.19 %	0.15 %	108	0.26 %	0.15 %	213	0.48 %	0.21 %
Residential	270	0.71 %	0.93 %	279	0.71 %	0.94 %	334	0.83 %	0.88 %	351	0.83 %	0.92 %	362	0.82 %	0.92 %
Farmland	607	1.61 %	1.34 %	598	1.52 %	1.20 %	723	1.80 %	1.37 %	425	1.01 %	1.48 %	467	1.05 %	1.46 %
Total real estate loans	29,151	77.14 %	86.41 %	30,279	77.20 %	86.63 %	31,532	78.50 %	86.97 %	28,742	68.33 %	86.95 %	30,367	68.37 %	86.07 %
Commercial:															
Secured	5,866	15.52 %	4.91 %	5,905	15.05 %	4.77 %	5,623	14.00 %	4.63 %	10,400	24.73 %	4.91 %	11,204	25.23 %	6.17 %
Unsecured	278	0.74 %	0.78 %	403	1.03 %	0.96 %	417	1.04 %	1.00 %	438	1.04 %	0.99 %	482	1.09 %	0.99 %
Total commercial loans	6,144	16.26 %	5.69 %	6,308	16.08 %	5.73 %	6,040	15.04 %	5.63 %	10,838	25.77 %	5.90 %	11,686	26.32 %	7.16 %
Consumer and other	2,496	6.60 %	7.90 %	2,637	6.72 %	7.64 %	2,595	6.46 %	7.40 %	2,481	5.90 %	7.15 %	2,356	5.31 %	6.77 %
Total allowance for credit losses	\$ 37,791	100.00 %	100.00 %	\$ 39,224	100.00 %	100.00 %	\$ 40,167	100.00 %	100.00 %	\$ 42,061	100.00 %	100.00 %	\$ 44,409	100.00 %	100.00 %

Risk Grade Migration

Classified Loans (Loans Rated Substandard or Doubtful)					
<i>(dollars in thousands)</i>	2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Real estate:					
Commercial	\$ 2,587	\$ 3,653	\$ 4,170	\$ 18,446	\$ 21,372
Commercial land and development	—	—	—	—	—
Commercial construction	—	—	—	—	—
Residential construction	—	—	—	—	—
Residential	—	—	—	—	—
Farmland	—	—	—	—	—
Commercial:					
Secured	48	43	37	104	953
Unsecured	—	—	—	—	—
Consumer and other	9	8	7	6	6
Total	\$ 2,644	\$ 3,704	\$ 4,214	\$ 18,556	\$ 22,331
% of Loan Portfolio Outstanding by Risk Grade:					
Pass	96.44 %	96.81 %	97.06 %	97.14 %	96.95 %
Watch	3.49 %	3.09 %	2.83 %	2.38 %	2.50 %
Substandard	0.07 %	0.10 %	0.11 %	0.48 %	0.55 %

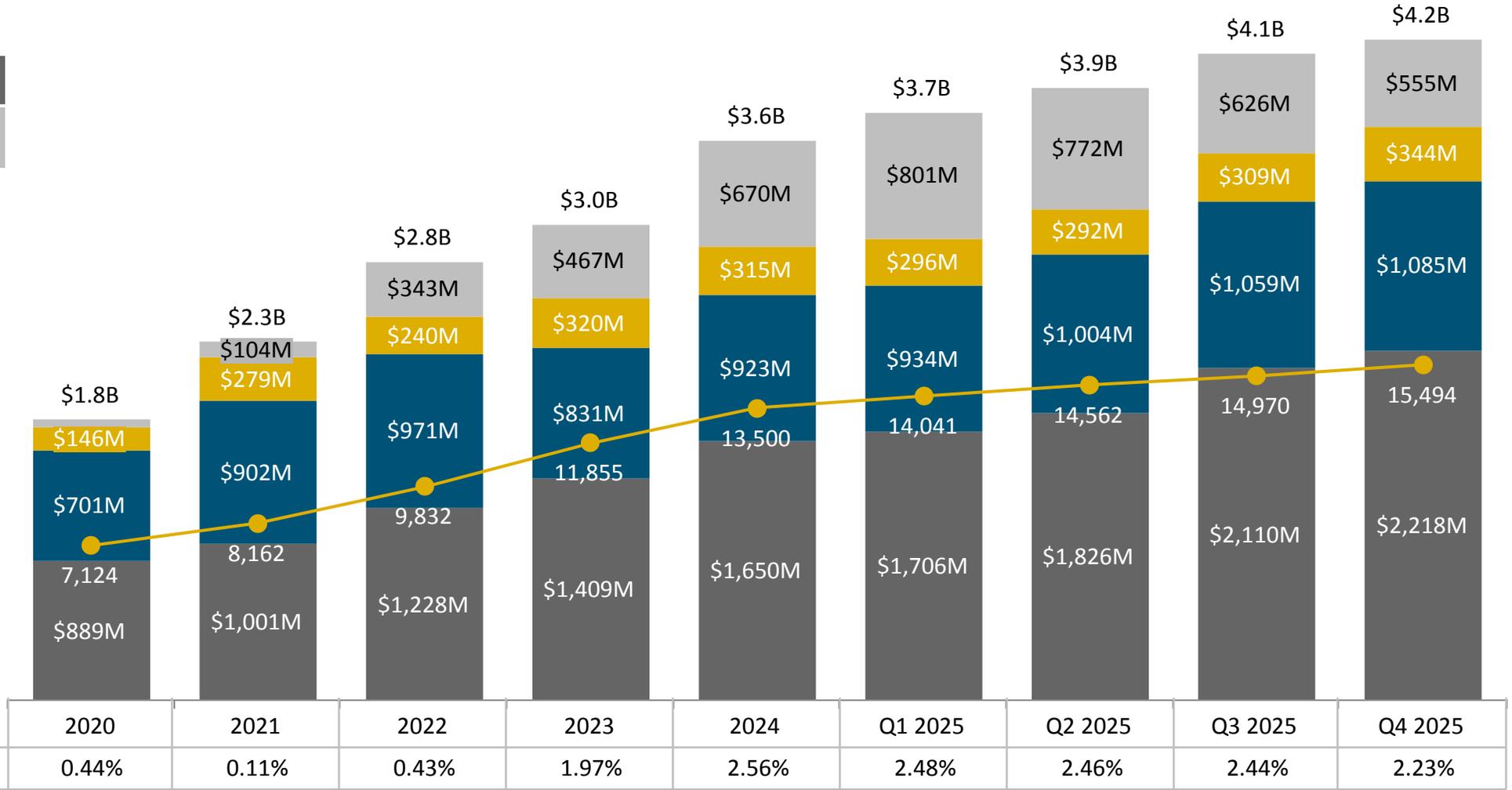


Deposit and Capital Overview

Strong Deposit Growth

CAGR ⁽¹⁾	5 years
Total Deposits	18.68%

- Money Market & Savings
- Non-Interest-Bearing Demand
- Interest-Bearing Demand
- Time Deposits
- Total Number of Accounts ⁽²⁾

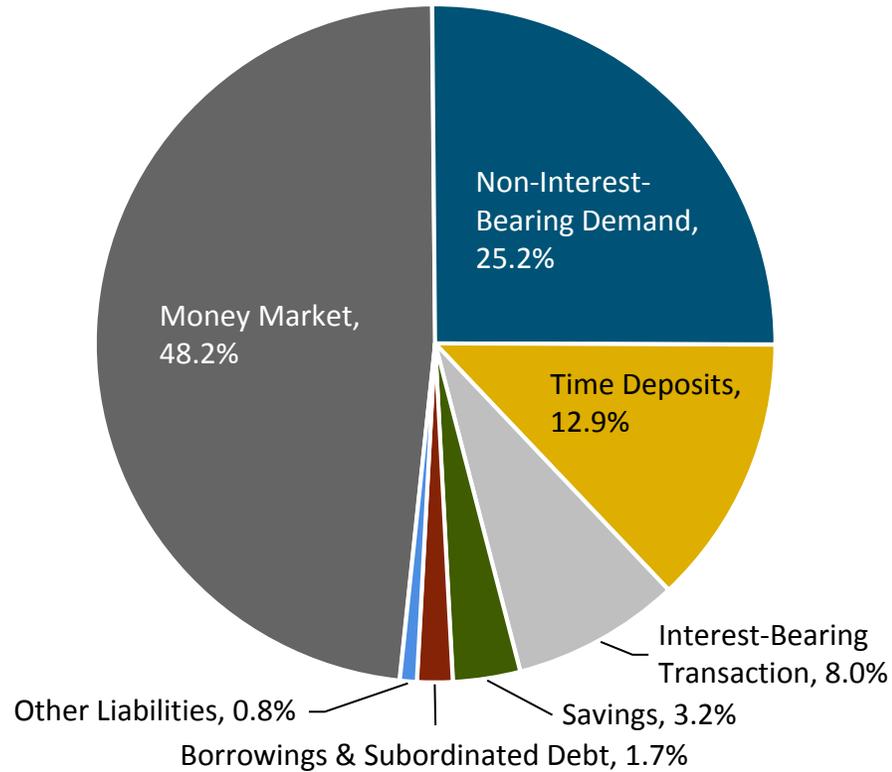


Note: Balances are end of period. Cost of total deposits is based on total average balance of interest-bearing and non-interest-bearing deposits and annualized quarterly deposit interest expense.

1. CAGR is based upon balances as of December 31, 2025.
2. As of quarter- or year-end, as applicable

Diversified Funding

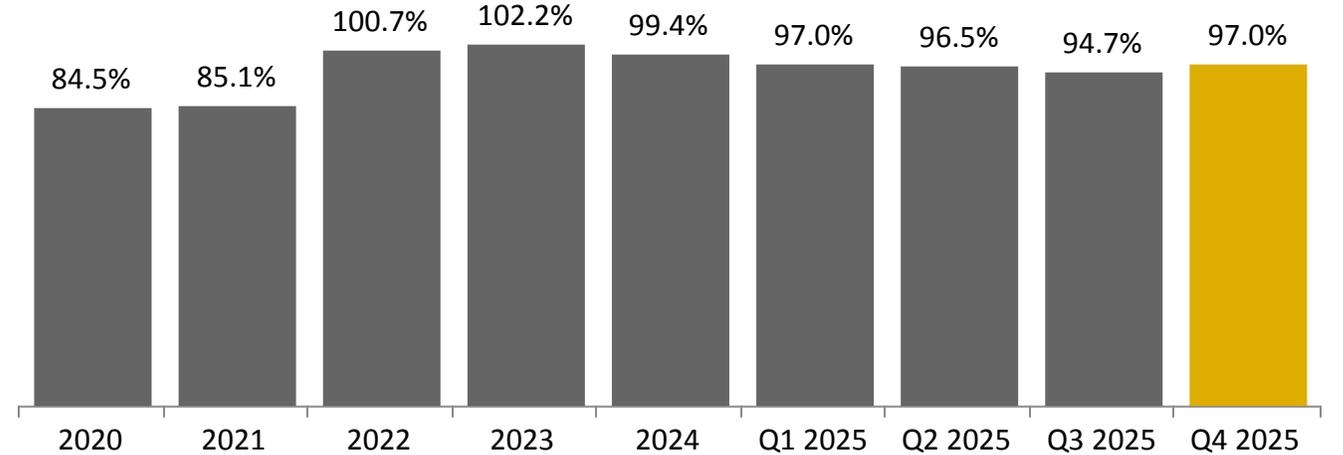
Liability Mix⁽¹⁾



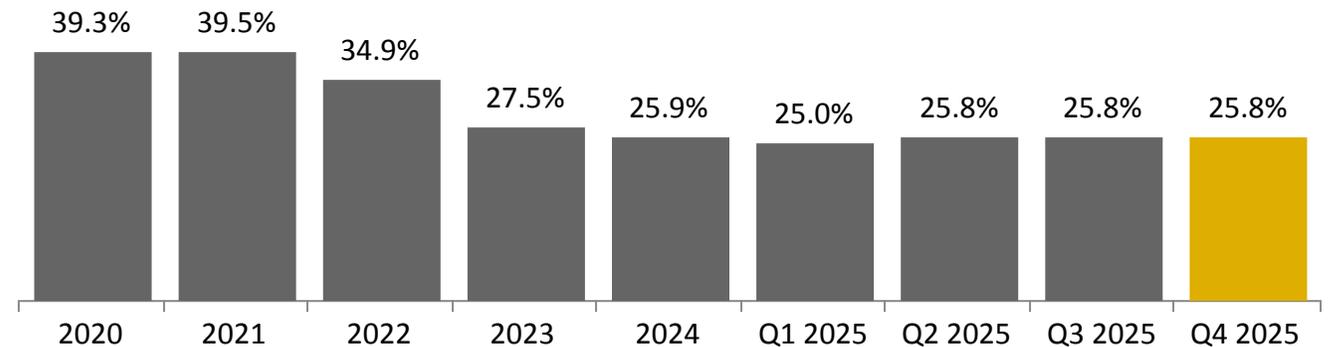
Total Deposits⁽¹⁾ = \$4.2 billion

97.5% of Total Liabilities

Loan⁽²⁾ to Deposit Ratio

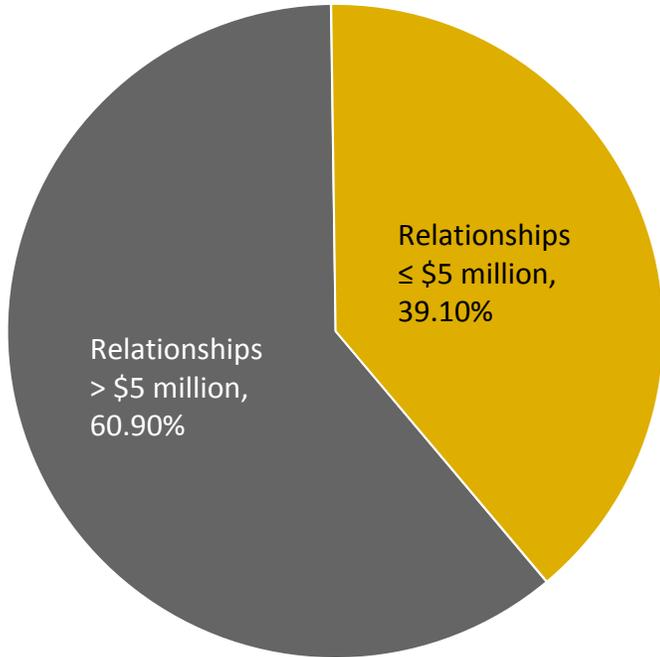


Non-Interest-Bearing Deposits to Total Deposits



Deposit Composition

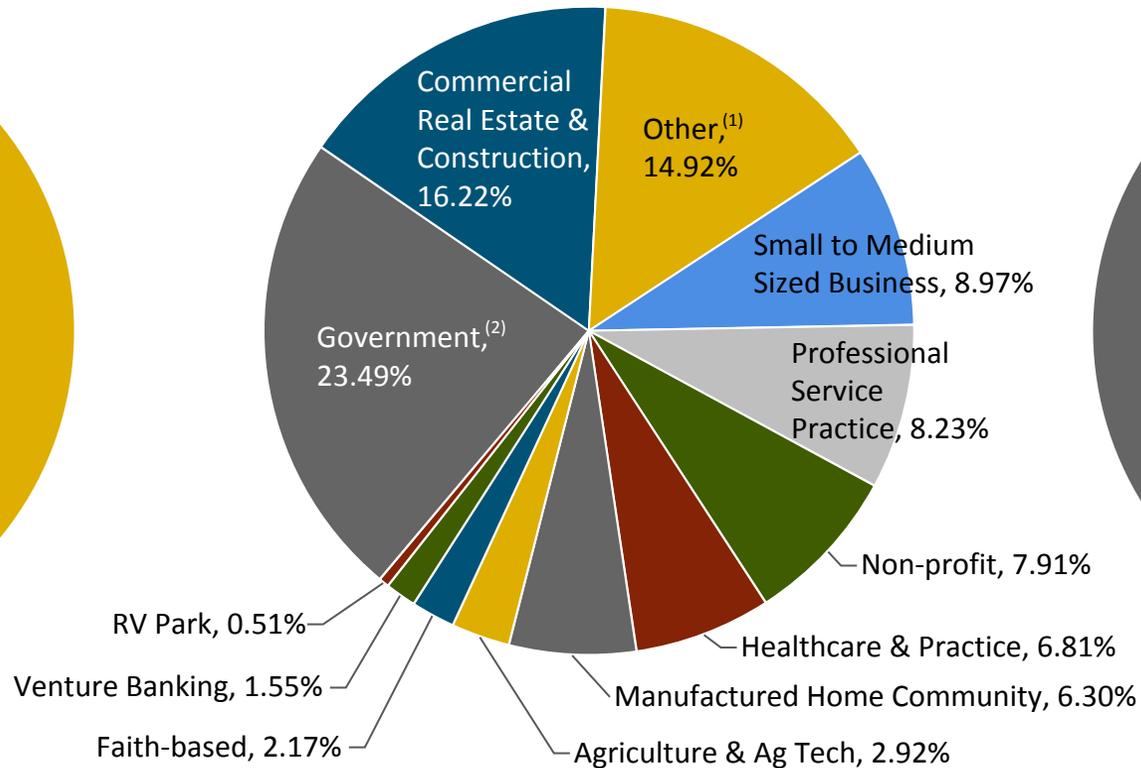
Total Deposits by Relationship Size



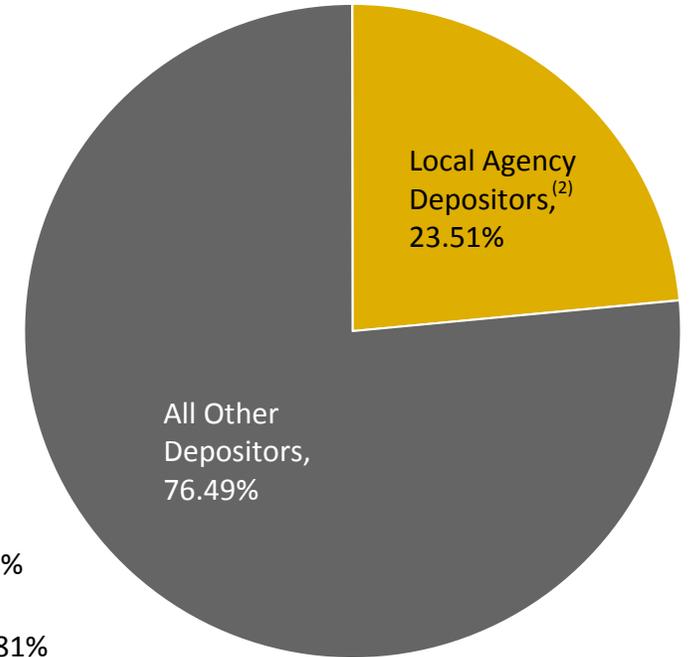
7.67 Years

Average Age of Relationships > \$5 million

Total Deposits by Market Vertical



Local Agency Breakout



\$272,000

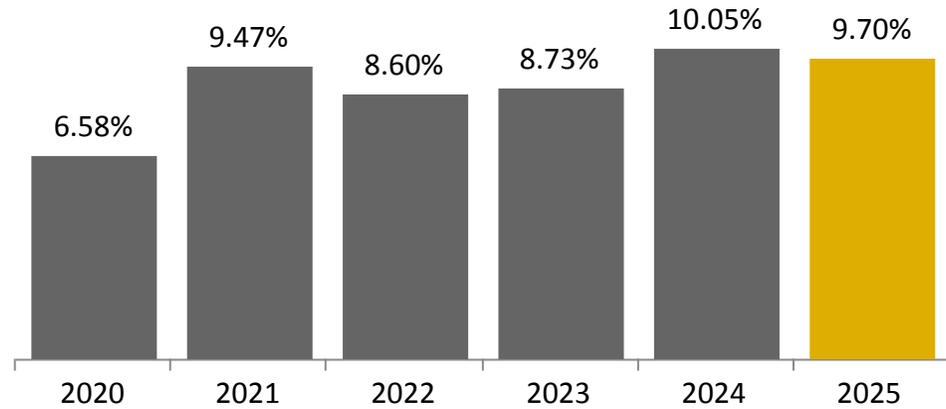
Average Deposit Account Balance

Note: Balances are as of December 31, 2025 and include time and wholesale deposits.

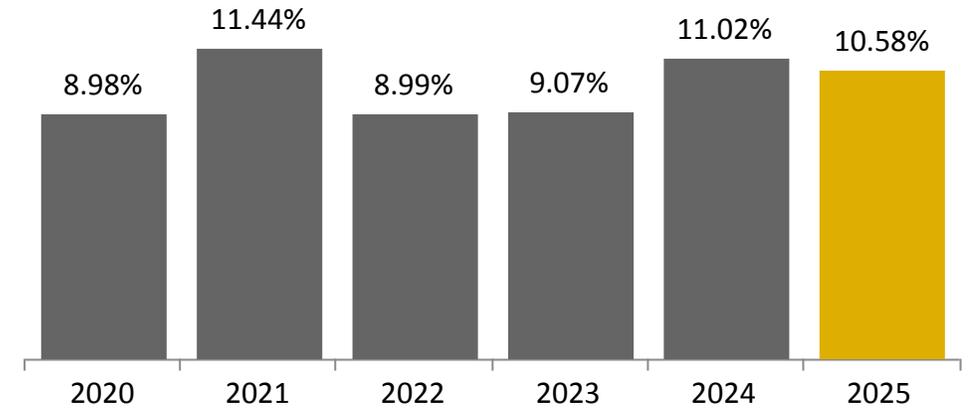
- Types of accounts in "Other" are brokered deposits, which comprise 4.17% of total deposits, as well as individuals, trusts, estates, and market verticals that individually make up less than 0.40% of all deposits.
- Government and Local Agency Depositors includes State of California, which comprises 6.90% of total deposits.

Capital Ratios

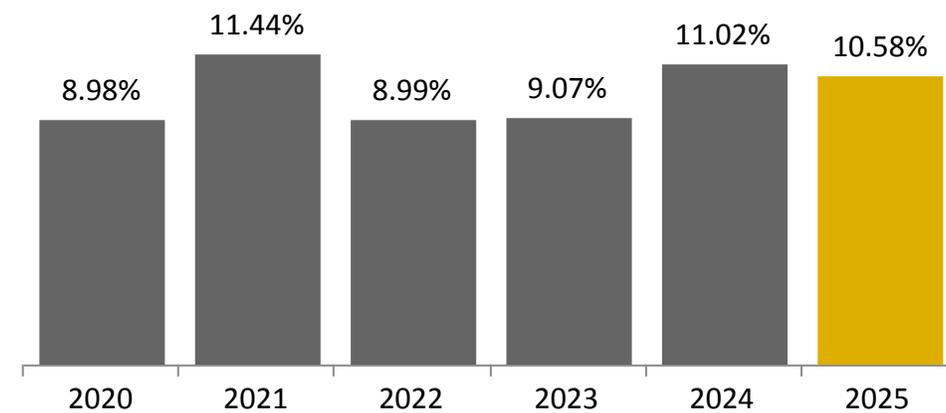
Tier 1 Leverage Ratio



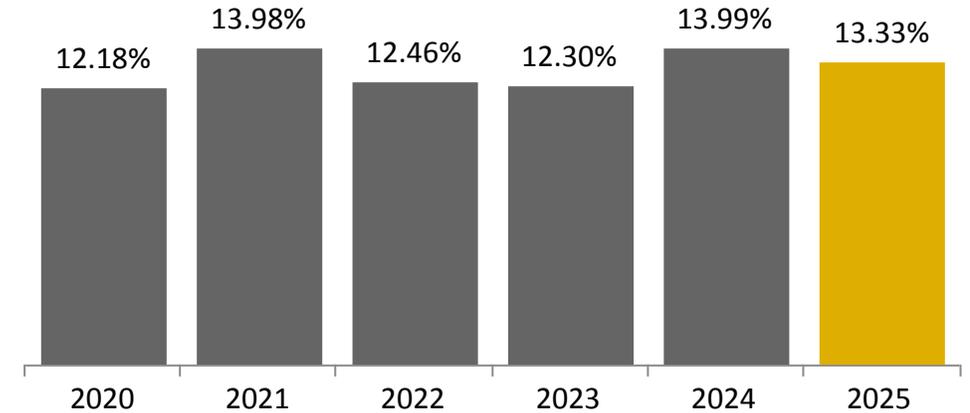
Common Equity Tier 1 to RWA



Tier 1 Capital to RWA



Total Capital to RWA





We strive to become the top business bank in all markets we serve through exceptional service, deep connectivity, and customer empathy. We are dedicated to serving real estate, agricultural, faith-based, and small to medium-sized enterprises. We aim to consistently deliver value that meets or exceeds the expectations of our shareholders, customers, employees, business partners, and community.

“ Five Star Bank customer, Cristo Rey High School Sacramento, is a Catholic, fully-accredited college preparatory high school. They offer a focused curriculum designed to support students not only in being accepted to college, but in graduating from college. Their goal is to educate the “whole person,” that is the mind, body and spirit of each student. They offer a challenging academic curriculum, as well as opportunities for co-curricular, spiritual and religious formation.

Dave Lucchetti, Five Star Bancorp Retired Board Chair
Father Christopher Calderon, President
Cristo Rey Students

“ Five Star Bank has been a trusted partner in Breathe California Sacramento Region’s life-saving work for over a decade. Five Star has been a rock, proactively seeking ways to help us streamline and access resources. With this solid foundation of support and trust, we look forward to many more productive years in the Greater Sacramento Region with Five Star Bank by our side.

Elizabeth Savin, Air Quality Programs Director
Jennifer Finton, CEO
Micaela Adesanya, Asthma Program Manager

“ Five Star Bank customer, Visit Sacramento, ensures our region is a leading destination for meetings, conventions, travel trade and leisure, which support the vitality of our regional economy by driving almost \$200 million in visitor spending annually. Their vision is for every person in the world to say, “I want to visit Sacramento!”

David Eadie, Chief Sports & Entertainment Officer
Sonya Bradley, Chief DEI & Community Relations Officer
Mariles Krock, Chief Convention Sales & Services Officer
Kari Miskit, Chief Operating Officer & Media Relations
Mike Testa, President & CEO



Appendix: Non-GAAP Reconciliation (Unaudited)

The Company uses financial information in its analysis of the Company's performance that is not in conformity with GAAP. The Company believes that these non-GAAP financial measures provide useful information to management and investors that is supplementary to the Company's financial condition, results of operations, and cash flows computed in accordance with GAAP. However, the Company acknowledges that its non-GAAP financial measures have a number of limitations. As such, investors should not view these disclosures as a substitute for results determined in accordance with GAAP. Additionally, these non-GAAP measures are not necessarily comparable to non-GAAP financial measures that other banking companies use. Other banking companies may use names similar to those the Company uses for the non-GAAP financial measures the Company discloses but may calculate them differently. Investors should understand how the Company and other companies each calculate their non-GAAP financial measures when making comparisons.

Average loan yield, excluding PPP loans, is defined as the daily average loan yield, excluding PPP loans, and includes both performing and nonperforming loans. The most directly comparable GAAP financial measure is average loan yield. Management believes that average loan yield, excluding PPP loans, is a useful financial measure because it enables management, investors, and others to assess the Company's ability to manage yield on core loans. We had no PPP loans nor interest and fee income on PPP loans for the periods shown in this presentation other than the years ended December 31, 2020, 2021, and 2022. As a result, average loan yield, excluding PPP loans, is the same as daily average loan yield for all periods presented other than the years ended December 31, 2020, 2021, and 2022. Reconciliations for such periods are provided below.

Total assets, excluding PPP loans, is defined as total assets less PPP loans. The most directly comparable GAAP financial measure is total assets. Management believes that total assets, excluding PPP loans, is a useful financial measure because it enables management, investors, and others to assess the Company's ability to manage core assets. We had no PPP loans as of the period ends shown in this presentation other than as of December 31, 2020 and 2021. As a result, total assets, excluding PPP loans, is the same as total assets for all periods presented, other than as of December 31, 2020 and 2021. Reconciliations for such periods are provided below.

Pre-tax, pre-provision income is defined as pre-tax income plus provision for credit losses. The most directly comparable GAAP financial measure is pre-tax income. Management believes that pre-tax, pre-provision income is a useful financial measure because it enables management, investors, and others to assess the Company's ability to generate operating profit and capital.

Tangible book value per share is defined as total shareholders' equity less goodwill and other intangible assets, divided by the outstanding number of common shares at the end of the period. The most directly comparable GAAP financial measure is book value per share. Management believes that tangible book value per share is a useful financial measure because it enables management, investors, and others to assess the Company's value and use of equity. We had no goodwill or other intangible assets at the end of any period indicated. As a result, tangible book value per share is the same as book value per share at the end of each of the periods indicated.

Appendix: Non-GAAP Reconciliation (Unaudited)

<i>(dollars in thousands)</i>		Three months ended								Year ended					
Average loan yield, excluding PPP loans	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25	
Interest and fee income on loans	\$ 43,786	\$ 46,362	\$ 50,390	\$ 52,803	\$ 52,931	\$ 56,016	\$ 59,257	\$ 61,010	\$ 71,405	\$ 78,894	\$ 111,795	\$ 162,713	\$ 193,341	\$ 229,214	
Less: interest and fee income on PPP loans	—	—	—	—	—	—	—	—	6,535	7,417	635	—	—	—	
Interest and fee income on loans, excluding PPP loans	43,786	46,362	50,390	52,803	52,931	56,016	59,257	61,010	64,870	71,477	111,160	162,713	193,341	229,214	
Annualized interest and fee income on loans, excluding PPP loans (numerator)	176,106	186,467	200,465	210,064	214,665	224,680	235,096	242,051	64,870	71,477	111,160	162,713	193,341	229,214	
Average loans held for investment and sale	3,082,290	3,197,921	3,354,050	3,498,109	3,567,992	3,691,616	3,831,851	3,972,184	1,439,380	1,637,280	2,353,148	2,947,603	3,283,874	3,767,199	
Less: average PPP loans	—	—	—	—	—	—	—	—	165,414	116,652	2,297	—	—	—	
Average loans held for investment and sale, excluding PPP loans (denominator)	3,082,290	3,197,921	3,354,050	3,498,109	3,567,992	3,691,616	3,831,851	3,972,184	1,273,966	1,520,628	2,350,851	2,947,603	3,283,874	3,767,199	
Average loan yield, excluding PPP loans	5.71 %	5.83 %	5.98 %	6.01 %	6.02 %	6.09 %	6.14 %	6.09 %	5.09 %	4.70 %	4.73 %	5.52 %	5.89 %	6.08 %	

<i>(dollars in millions)</i>	As of					
Total assets, excluding PPP loans	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25
Total assets	\$ 1,954	\$ 2,557	\$ 3,227	\$ 3,593	\$ 4,053	\$ 4,755
Less: PPP loans	148	22	—	—	—	—
Total assets, excluding PPP loans	\$ 1,806	\$ 2,535	\$ 3,227	\$ 3,593	\$ 4,053	\$ 4,755

<i>(dollars in thousands)</i>		Three months ended								Year ended		
Pre-tax, pre-provision income	3/31/24	6/30/24	9/30/24	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25	12/31/23	12/31/24	12/31/25	
Pre-tax income	\$ 14,961	\$ 15,152	\$ 15,241	\$ 19,367	\$ 18,391	\$ 20,099	\$ 22,234	\$ 23,008	\$ 66,616	\$ 64,721	\$ 83,732	
Add: provision for credit losses	900	2,000	2,750	1,300	1,900	2,500	2,500	2,800	4,000	6,950	9,700	
Pre-tax, pre-provision income	\$ 15,861	\$ 17,152	\$ 17,991	\$ 20,667	\$ 20,291	\$ 22,599	\$ 24,734	\$ 25,808	\$ 70,616	\$ 71,671	\$ 93,432	