

Relyance Bank

2025 Earnings Presentation

Relyance Bank

Forward-Looking Statements and Unaudited Select Financial Information

Forward-Looking Statements. Any statements made by Relyance Bank contained in this presentation may not be based on historical information and should be considered “forward-looking statements.” These statements may be identified by reference to a future period(s) or terminology containing future verb tenses. These statements include, without limitation, those relating to future growth; revenue; expenses; assets; asset quality; earnings; net interest margin; noninterest revenue; market conditions; economic conditions; liquidity; capital; market risk; investment securities; legal and regulatory limitations and compliance.

Readers are cautioned not to place undue reliance on any forward-looking statements in that actual results could differ materially from those indicated in or implied by such forward-looking statements, due to a variety of factors.

Unaudited Select Financial Information. All financial data contained within this presentation are unaudited and have not been reviewed by any third-party. The selected financial data contained within this presentation is presented in accordance with U.S. generally accepted accounting principles (“GAAP”).



2025 Highlights

Increase in net income was due to expanded net interest margin during the current year. Year over year increase in yield on loans was 33bps while the cost of funds also decreased 23bps, which resulted in an increase in net interest margin of 47bps. The increase in net interest margin resulted in approximately \$6.4 million additional net interest income.

Net loan growth was flat during the year which was the result of loan demand as well as timing of certain loan payoffs in Q4 2025.

NPL ratio decreased in the current year primarily due to the continued management of certain loan relationships. During Q4 2025, a loan charge-off of approximately \$1.5 million was recorded, which reduced the non-performing loan balance over 2024.

Deposits were up at the end of 2025 due to a large short-term commercial customer deposit received during Q4 2025. When adjusting for this deposit, as well as adjusting for the change in brokered CD's, deposits decreased approximately \$3.1 million. Cost of funds decreased due to reductions in the federal reserve fed funds rate which allowed for downward movement in deposit accounts.

2025 net income

\$18.30M

2024 vs 2023 increase of

26.4%

Net loan growth of

\$8.67M

Unfunded commitments

\$313M

NPL Ratio Change

(8) bps

2025

NPL coverage ratio

366.79%

Adjusted Deposit Change

(0.25)% vs 2024

Cost of deposits

2.29%

2025 Financial Highlights (in thousands)

Summary Income Statement	2025	2024	2023	% Change vs	
				2024	2023
Interest Income	80,419.1	73,500.3	59,411.5	9.4 %	35.4 %
Interest Expense	29,462.0	31,097.3	19,922.6	(5.3)	47.9
Net Interest Income	50,957.1	42,403.0	39,488.9	20.2	29.0
Noninterest income	9,524.3	7,889.5	9,402.8	20.7	1.3
Noninterest expense	34,493.5	32,211.3	31,463.6	7.1	9.6
Pre-tax, pre-provision income	25,987.9	18,081.2	17,428.1	43.7	49.1
Provision for loan loss	2,350.0	215.0	100.0	993.0	2,250.0
Provision for income taxes	5,341.3	3,393.2	4,069.1	57.4	31.3
Net income	18,296.6	14,473.0	13,259.0	26.4	38.0

Annual Highlights

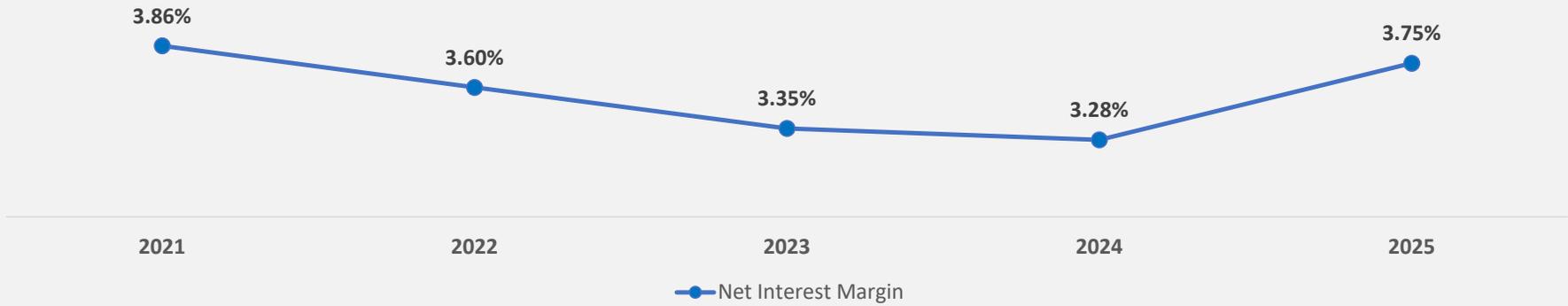
- Interest income increase is due to the increase in the yield on earning assets. Yield on loans increased 33bps while cost of funds decreased 23bps year over year. This allowed for expansion of net interest margin, therefore providing additional net interest income during 2025.
- Interest expense was lower due to the reduction of the fed funds rate by the federal reserve in 2025. Lower fed funds rate allowed for management of deposits, wholesale funding and liquidity allowing for lower interest costs.
- Noninterest income increased significantly due to the 2024 restructure of a portion of the bank's investment portfolio. A realized loss was recognized of approximately \$2.24 million. Adjusting for this investment restructure, all other non-interest income balances were down approximately \$500,000 which was the result of 2024 being elevated due to the recognition of a gain on life insurance proceeds related to certain bank owned life insurance policies.
- Provision for income taxes increased in 2025 due to the bank recognizing a tax credit related to solar energy in 2024 of approximately \$560,000

Net Interest Income and Margin

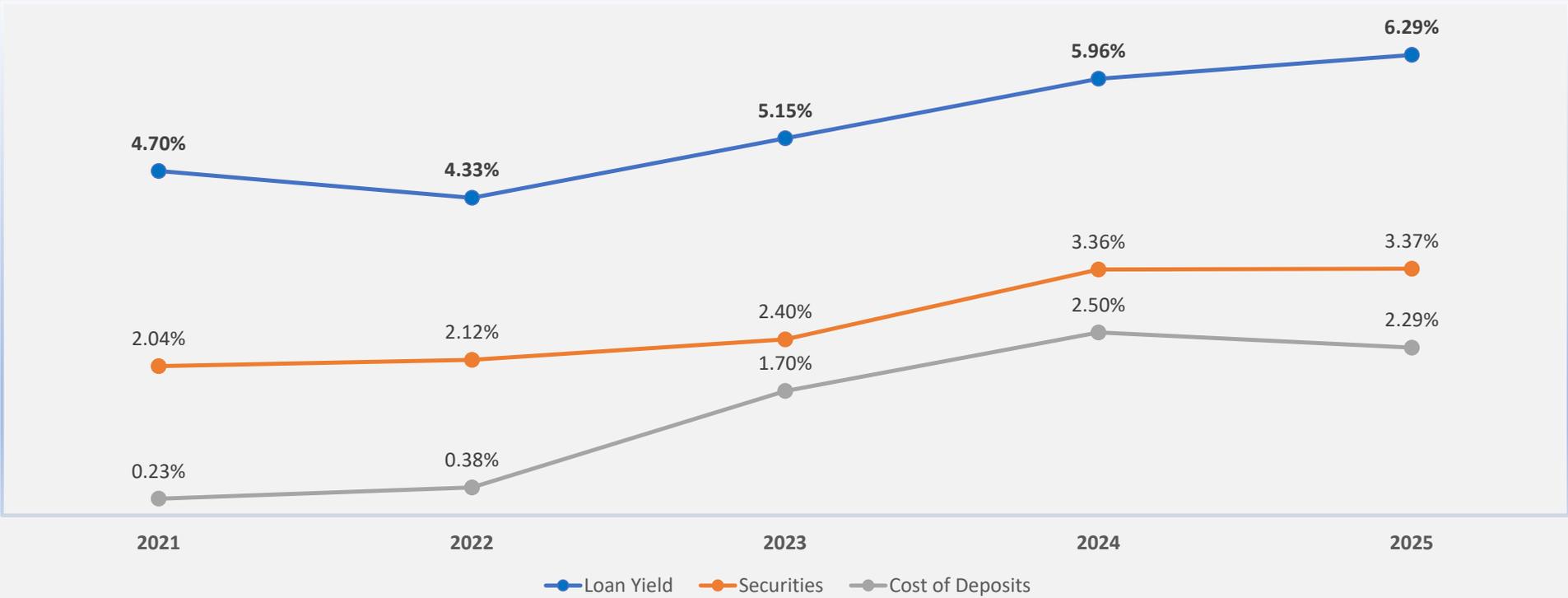
Net Interest Income



Net Interest Margin



Loans, Securities and Deposits Yield/Cost



Noninterest Income (in thousands)

Noninterest Income	2025	2024	2023	% Change vs	
				2024	2023
NSF fees	2,408.8	2,421.4	2,400.4	(0.5) %	0.3 %
Wealth management fees	1,698.8	1,765.4	1,630.0	(3.8)	4.2
Debit and credit card fees	2,777.8	2,842.3	2,968.5	(2.3)	(6.4)
Bank owned life insurance	946.9	1,467.2	783.9	(35.5)	20.8
Loss on sale of available-for-sale securities	-	(2,244.1)	-	(100.0)	-
Other	1,692.0	1,637.3	1,620.0	3.3	4.4
Total noninterest income	9,524.3	7,889.5	9,402.8	20.7	1.3

Key Highlights:

- The change in bank owned life insurance was related to a death benefit received for one owned contract in 2024.
- Loss on sale of available-for-sale securities was related to the investment restructures performed in January and May of 2024.
- All other non-interest income items were consistent with prior year activity.

Noninterest Income/Total Revenue



Noninterest Income Per Average Employee



Revenue Per Average Employee



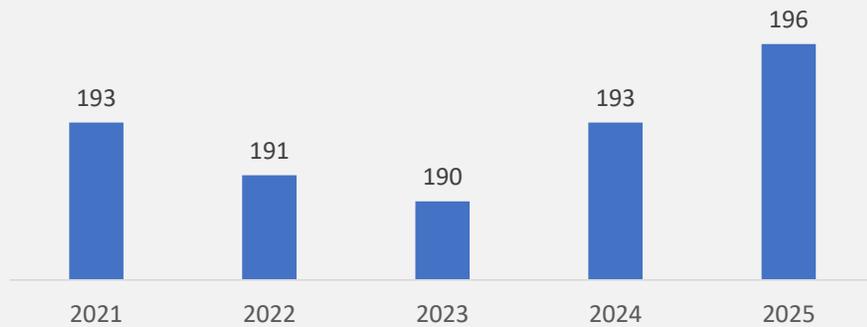
Noninterest Expense (in thousands)

Noninterest Expense	2025	2024	2023	% Change vs	
				2024	2023
Salaries and employee benefits	18,799.0	17,520.1	16,112.1	7.3 %	16.7 %
Occupancy expense	2,847.5	2,632.9	2,312.3	8.2	23.1
Furniture, fixture and equipment expense	3,357.7	3,155.9	2,950.6	6.4	13.8
Professional expense	818.3	792.0	770.7	3.3	6.2
Data processing	1,976.0	2,080.5	2,767.2	(5.0)	(28.6)
Other	6,695.0	6,029.9	6,550.7	11.0	2.2
Total noninterest expense	34,493.5	32,211.3	31,463.6	7.1	9.6

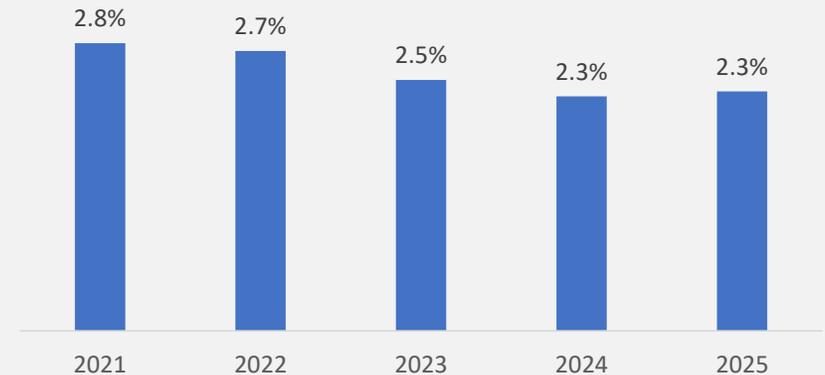
Key Highlights:

- The primary change within noninterest expense was related to salaries and employee benefits. This increase was related to levels of personnel during the year as well as increased compensation and benefit levels within the financial institution market and economic environment.

Average Employees

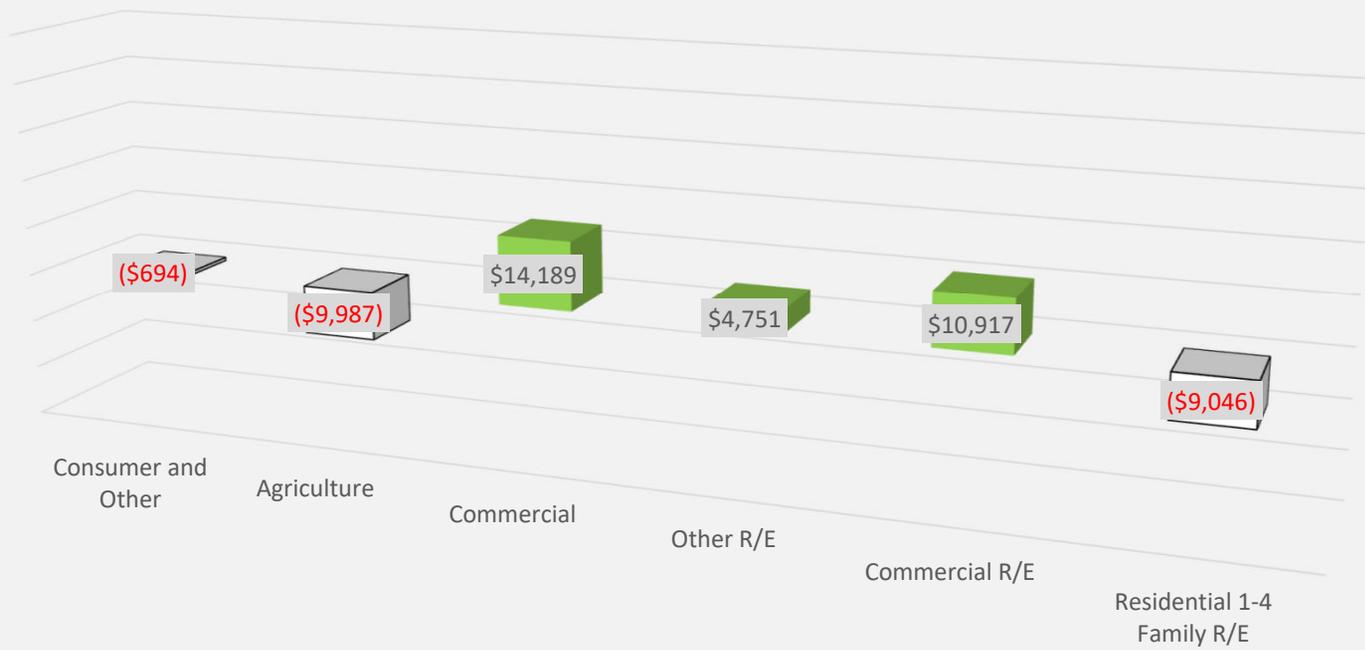


Noninterest Expense as a Percent of Total Average Assets



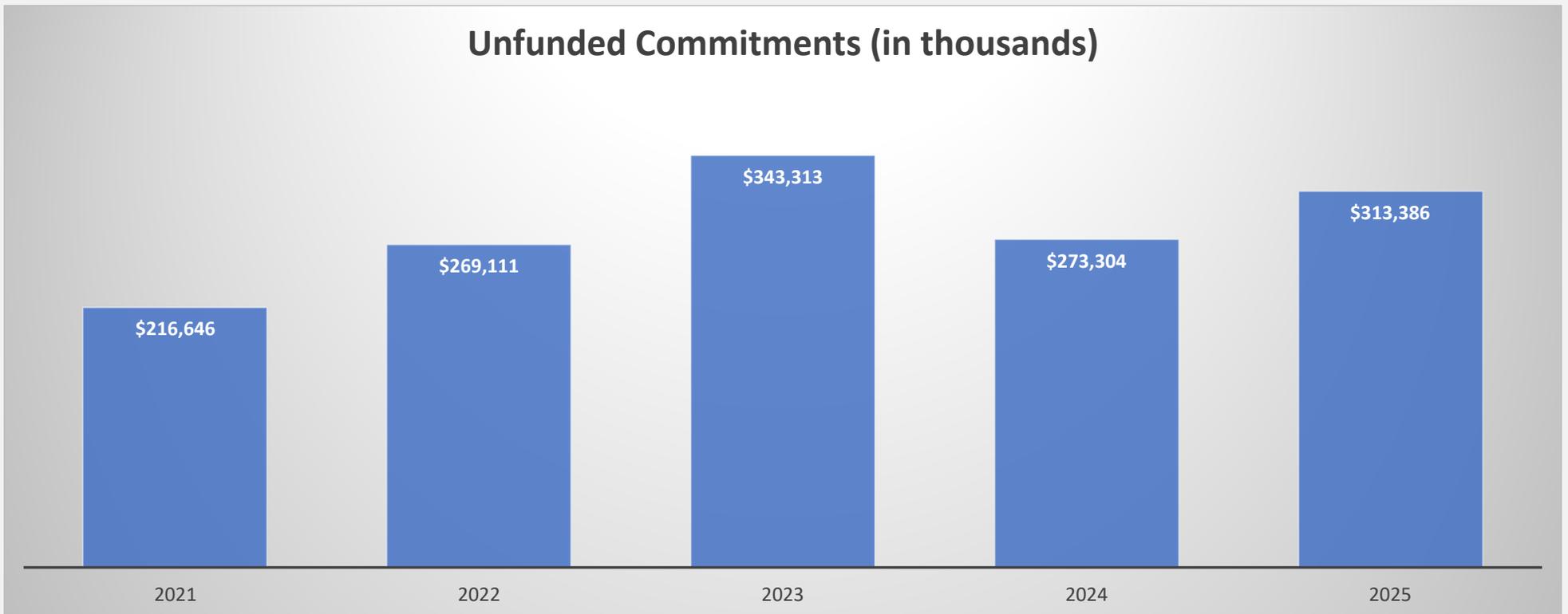
Loan Portfolio

2025 over 2024 Loan Growth (in thousands)



Loan Portfolio

Unfunded Commitments (in thousands)

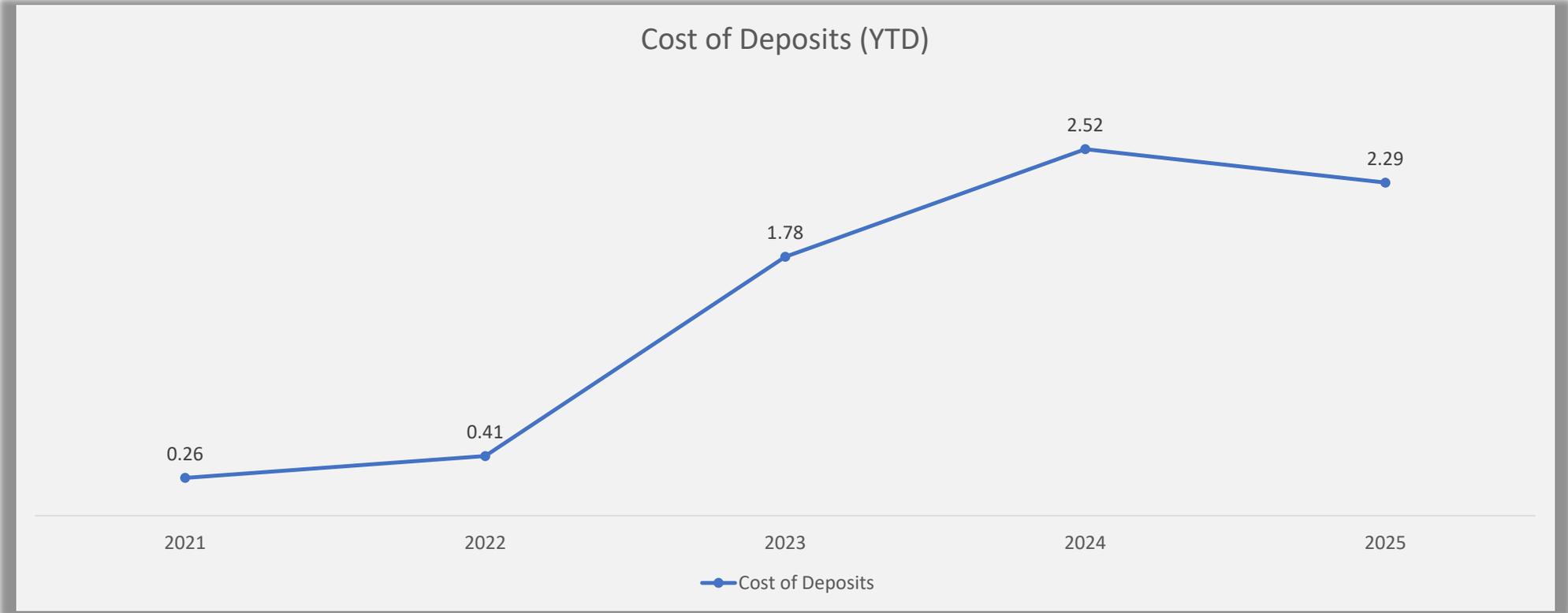


Deposits

In thousands

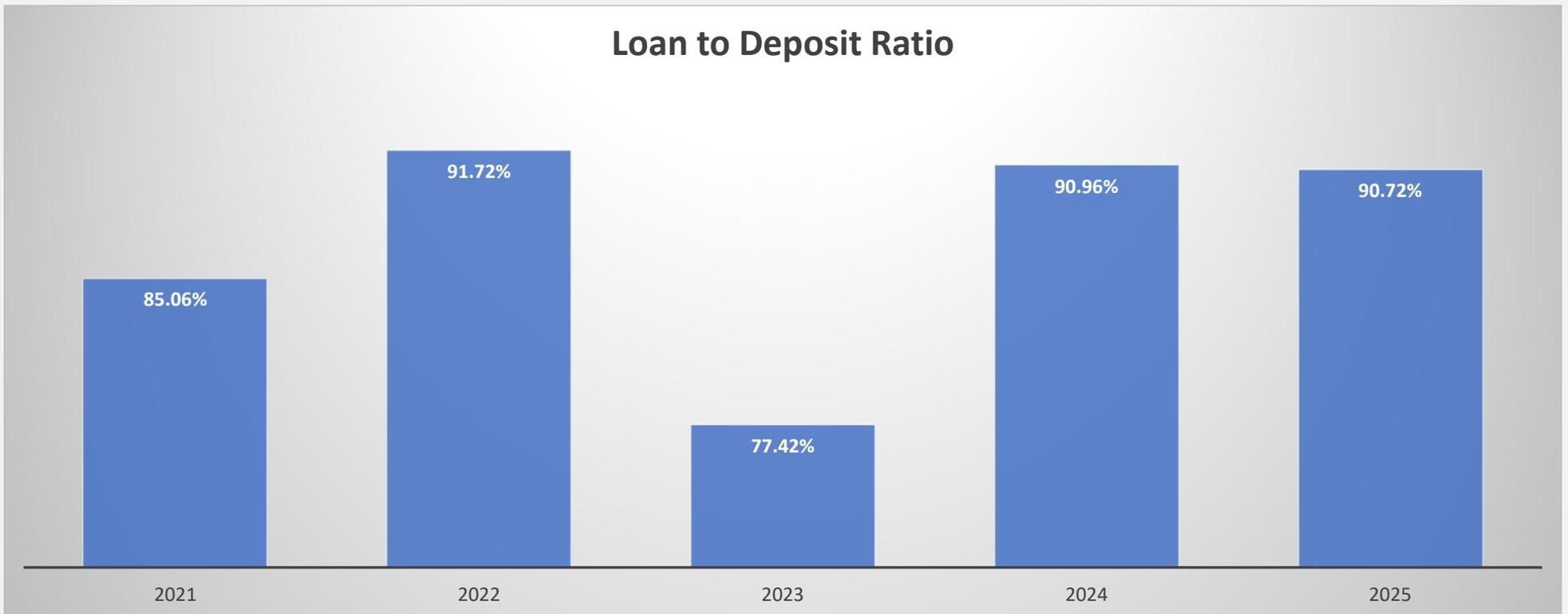


Cost of Deposits



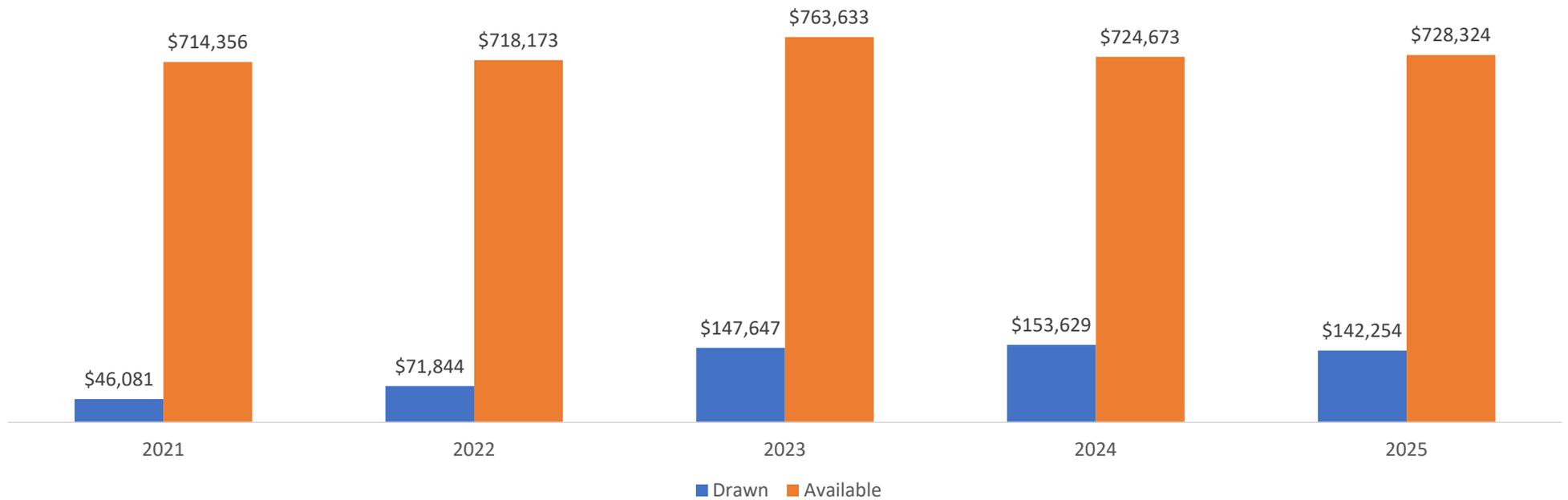
Liquidity

Loan to Deposit Ratio



Liquidity

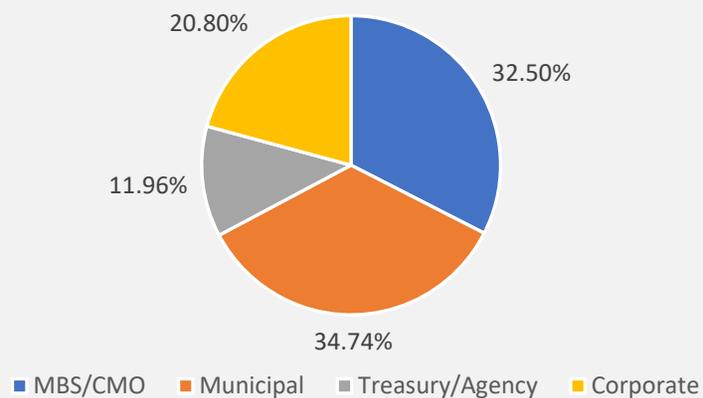
External Liquidity (in thousands)



Investments

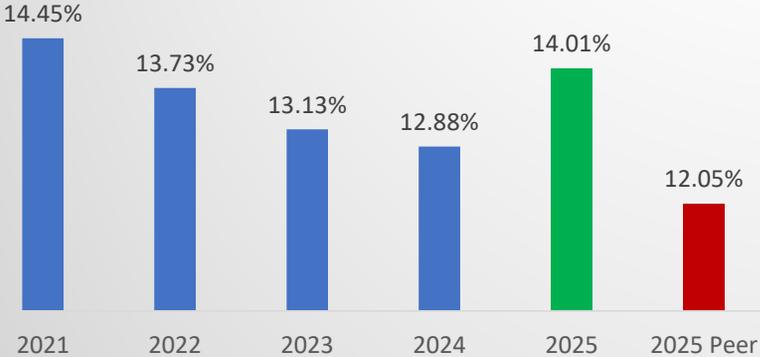
Securities Portfolio Summary (in thousands)				
At December 31, 2025	Par	FMV	Yield	Effective Duration
MBS/CMO	49,780	45,674	2.98%	4.9
Municipal	56,090	48,817	2.32%	8.1
Treasury/Agency	17,450	16,802	4.35%	5.3
Corporate	30,292	29,221	4.47%	5.7
Total	153,612	140,514	3.18%	6.3

Investment Composition



Capital Position

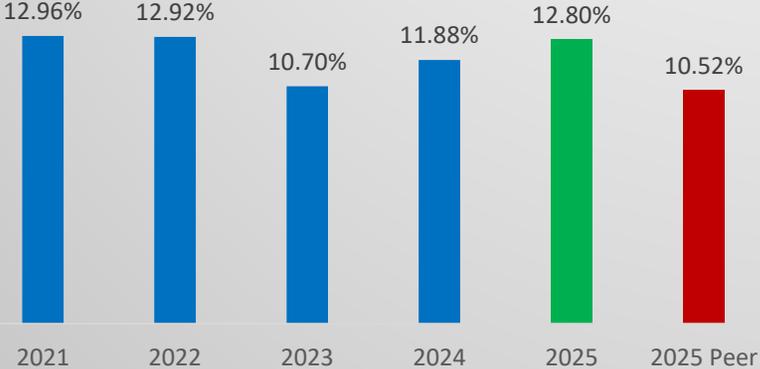
Tier 1 Capital



Total Risk Based Capital



Leverage

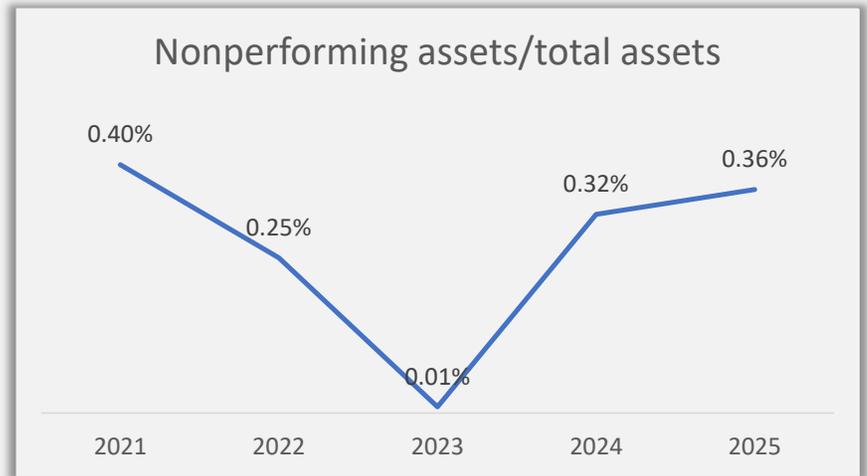
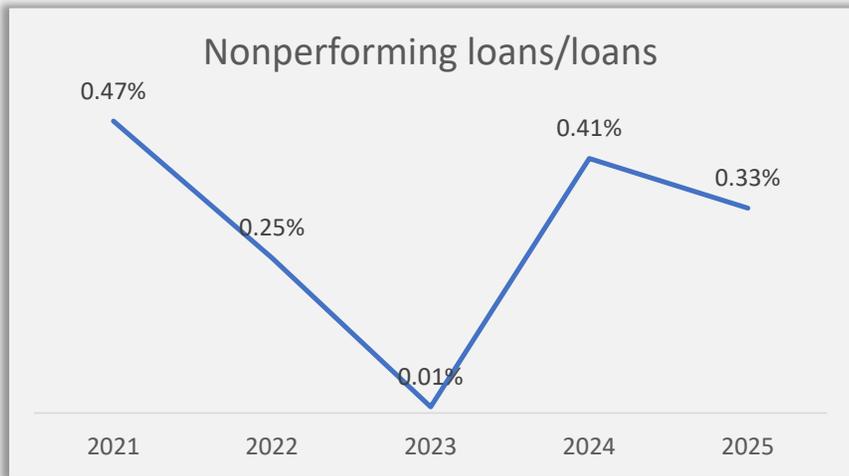


CET1 Capital



Credit Quality

Annual Trend	2025	2024	2023	2022	2021	2025 vs 2024 Change
NPL / Loans	0.33%	0.41%	0.01%	0.25%	0.42%	(8) bps
Nonperforming Loans (in thousands)	3,764	4,666	147	2,342	3,403	(\$902)
NPA / Assets	0.36%	0.32%	0.01%	0.25%	0.40%	4 bps
Nonperforming Assets (in thousands)	5,313	4,666	147	2,979	4,520	\$647
Past Due 30+ Days / Loans	0.15%	0.34%	0.03%	0.18%	0.24%	(19) bps
ACL / Nonperforming Assets	259.87%	275.43%	8,541.87%	333.84%	217.64%	-5.65%
ACL / Nonperforming Loans	366.79%	275.43%	8,541.87%	424.58%	289.10%	33.00%
ACL / Loans	1.19%	1.12%	1.22%	1.07%	1.20%	7 bps



Relyance Bank

Balance Sheets

as of December 31, 2025 and 2024

ASSETS	2025	2024
Cash and cash equivalents	\$ 82,241,618	\$ 53,073,155
Available-for-sale securities	112,951,179	114,157,251
Held-to-maturity securities	28,863,984	32,828,480
Loans, net of allowance for credit losses of \$13,806,124 and \$12,851,613 at December 31, 2025 and 2024, respectively	1,144,250,020	1,135,578,695
Premises and equipment, net	39,920,285	40,758,542
Federal Reserve, First National Bankers Bank, and Federal Home Loan Bank stock	6,669,650	8,260,950
Interest receivable	7,774,098	6,377,133
Goodwill	7,153,066	7,153,066
Cash value of life insurance	35,100,147	33,098,764
Deferred tax asset, net	6,250,252	7,392,748
Other assets	13,961,234	11,928,141
TOTAL ASSETS	\$ 1,485,135,533	\$ 1,450,606,925

Relyance Bank

Balance Sheets

as of December 31, 2025 and 2024

<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>	<u>2025</u>	<u>2024</u>
LIABILITIES:		
Deposits:		
Demand	\$ 210,520,166	\$ 234,839,147
Savings, NOW and Money Market	658,820,347	608,926,837
Time	<u>407,106,126</u>	<u>418,809,840</u>
Total deposits	1,276,446,639	1,262,575,824
Federal Home Loan Bank advances	-	-
Lease Liability	3,186,359	3,429,099
Interest payable and other liabilities	<u>16,732,947</u>	<u>16,719,861</u>
Total liabilities	<u>1,296,365,945</u>	<u>1,282,724,784</u>
STOCKHOLDERS' EQUITY:		
Common stock, \$.01 par value; authorized - 5,000,000; issued - 20,000 shares	200	200
Additional paid-in capital	52,256,941	52,256,941
Retained earnings	143,883,517	127,586,932
Accumulated other comprehensive loss	<u>(7,371,070)</u>	<u>(11,961,932)</u>
Total stockholders' equity	<u>188,769,588</u>	<u>167,882,141</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 1,485,135,533</u>	<u>\$ 1,450,606,925</u>

Relyance Bank

Statements of Income

as of December 31, 2025 and 2024

	2025	2024
INTEREST AND DIVIDEND INCOME:		
Loans	\$ 72,491,696	\$ 65,151,690
Debt Securities		
Taxable	4,155,350	4,095,927
Tax-Exempt	710,800	742,717
Deposits with financial institutions and other	533,685	837,410
Dividends on Federal Reserve and Federal Home Loan Bank stock	2,527,549	2,672,537
	<u>80,419,080</u>	<u>73,500,281</u>
INTEREST EXPENSE:		
Deposits	29,190,011	30,379,514
Federal Home Loan Bank advances	135	192,214
Bank term funding	-	239,841
Lease liability	265,675	283,913
Other	6,216	1,827
	<u>29,462,037</u>	<u>31,097,309</u>
NET INTEREST INCOME	50,957,043	42,402,972
PROVISION FOR CREDIT LOSSES	<u>2,350,000</u>	<u>215,000</u>
NET INTEREST INCOME AFTER PROVISION FOR CREDIT LOSSES	<u>48,607,043</u>	<u>42,187,972</u>
NONINTEREST INCOME:		
Fiduciary activities	1,698,769	1,765,364
Customer services fees	6,342,214	6,444,320
Increase in cash value of life insurance, including gain	946,893	1,467,204
Loss on sale of available-for-sale securities	-	(2,244,107)
Other noninterest income	536,420	456,709
	<u>9,524,296</u>	<u>7,889,490</u>
Total noninterest income	<u>9,524,296</u>	<u>7,889,490</u>

NONINTEREST EXPENSE:

Salaries and employee benefits	18,799,012	17,520,107
Occupancy	2,847,508	2,632,947
Equipment	3,357,659	3,155,908
Professional fees	818,335	791,953
Marketing	839,240	648,363
Printing and office supplies	404,440	437,059
Data processing	1,975,940	2,080,496
Other	5,451,326	4,944,438
	<u>34,493,460</u>	<u>32,211,271</u>
Total noninterest expense		
	<u>34,493,460</u>	<u>32,211,271</u>
INCOME BEFORE INCOME TAXES	23,637,879	17,866,191
PROVISION FOR INCOME TAXES	5,341,294	3,393,221
	<u>5,341,294</u>	<u>3,393,221</u>
NET INCOME	\$ 18,296,585	\$ 14,472,970
	<u>\$ 18,296,585</u>	<u>\$ 14,472,970</u>