RESEARCH UPDATE

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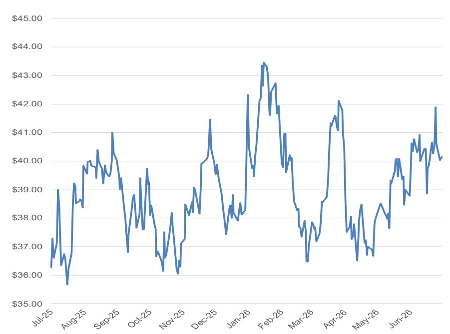
Market Statistics in USD	
Price	$ 40.50
52 week Range	$35.03 - $43.84
Daily Vol (3-mo. average)	108,183
Market Cap (M)	$ 671.9
Shares Outstanding: (M)	16.6
Float (M)	15.2
Public Ownership	34.1%
Institutional Ownership	57.1%

Financial Summary in USD	
Cash (M)	$ 410.9
Cash/Share	$ 24.77
Debt (M)	$ 163.7
Equity (M)	$ 670.8
Equity/Share	$ 40.43
Book Value/Share	$ 36.34
Tangible Book Value/Share	$ 33.08

FYE: Dec	2025	2026E	2027E
(all figures in M, expect per share information)			
Int. Income	$ 354.0	$ 422.1	$ 454.3
Chng%	32.8%	19.2%	7.6%
Net Income	$ 61.5	$ 75.5	$ 87.5
EPS (Diluted)	$ 3.79	$ 4.03	$ 4.54
NIM	4.06%	4.11%	4.07%
P/E	10.7x	10.1x	8.9x



COMPANY DESCRIPTION

Third Coast Bancshares, Inc. is a commercially focused bank founded in 2008 with its headquarters in Humble, TX. Third Coast provides a variety of banking and lending services between the cities of Dallas, Houston, and San Antonio. The Company serves institutions, businesses, individuals, and families in 5 markets with 19 branch locations across Eastern Texas. The Company now trades on the NYSE and NYSE Texas as of September of 2025 under the ticker symbol TCBX.

THIRD COAST BANCSHARES, INC. (NYSE: TCBX)

Company Summary

Third Coast's 2Q26 results provide better evidence that the post-Keystone platform can generate improved earnings, even after separating the quarter's one-time benefit. Diluted EPS increased to a record $1.08 from $0.88, although the $3.5M pre-tax gain from selling the assets of Third Coast Commercial Capital contributed approximately $0.14 per share, per our calculations. NIM also exceeded the prior-quarter outlook as disciplined deposit pricing supported funding costs. In our view, the thesis improved, with the focus entering 2H26 shifting to sustaining commercial production, growing deposits alongside the balance sheet, investing in bankers, realizing the remaining Keystone savings, and using securitization to preserve lending capacity.

Quarterly Results: Net income increased to $22.0M from $16.4M in 1Q26, while ROAA improved to 1.34% from 1.08%. The efficiency ratio declined to 56.51% from 66.06%, although the factoring gain provided a meaningful benefit; excluding the gain, we calculate the ratio at approximately 59.6%. Management reiterated an internal goal below 55%, while framing 56%-57% as a more realistic near-term level. Noninterest expense remained nearly flat at $38.4M despite a full quarter of Keystone operations, with salaries unchanged and legal and professional expense declining approximately $1.0M, in which we expect to be a reasonable run rate. The Commercial Capital sale increased noninterest income to $7.7M and established an ongoing revenue-sharing arrangement, although the economics were not disclosed and we would not yet assume a material recurring contribution.

Interest Income Deposits and Loans: Net interest income increased 12.4% q/q to $60.3M, while NIM improved 16bps to 3.83%. The increase reflected a 5bp improvement in loan yields, a 12bp decline in interest-bearing deposit costs, normalization from the approximately $1.0M accrued-interest reversal in 1Q, and management's continued discipline around deposit pricing. Gross loans increased $185.0M, or 3.5%, to $5.44B, with C&I balances rising $186.7M and driving essentially all of the growth. Deposits increased $140.4M to $5.86B, including a $65.5M increase in noninterest-bearing balances, while average deposit cost declined to 3.05%. Loans outpaced deposits, increasing the loan-to-deposit ratio to 92.8%, but management's greater use of securitization provides another lever to recycle capital, manage concentrations, and sustain originations without relying entirely on balance-sheet growth.

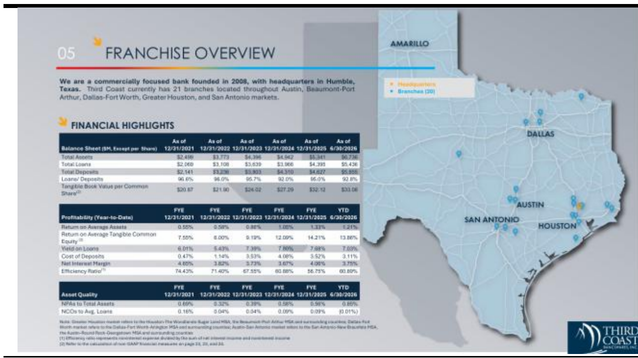
Credit and Capital: Credit losses remained limited, with $0.2M of net recoveries, although the provision increased to $2.1M from $0.6M. Nonperforming loans declined to 0.55% of loans following the transfer of a $17.1M relationship to OREO, which increased total nonperforming assets to 0.85% of assets. The quarter also included three new nonaccrual relationships totaling $10.1M, making OREO resolution and the performance of recently migrated credits the primary credit items to monitor. Tangible book value increased 3.5% q/q to $33.08 per share, while tangible common equity to tangible assets improved to 8.24%.

Valuation: We use a comp analysis on P/E and P/TBV to frame our valuation of TCBX. Using a forward P/E range of 9.5x to 10.0x with a mid-point of 9.8x on FY26 estimates results in a valuation range of $43.83 to $46.14 with a mid-point of $44.99. Using a P/TBV range of 1.3x to 1.4x with a mid-point of 1.4x results in a valuation range of $43.00 to $46.31 with a mid-point of $44.66.

Business Overview

Third Coast Bancshares, Inc. (“the Company”, “the Bank”, “TCBX”, or “Third Coast”) is a commercially focused bank founded in 2008 with its headquarters in Humble, TX. Third Coast provides a variety of banking and lending services between the cities of Dallas, Houston, and San Antonio. The Company serves institutions, businesses, individuals, and families with 21 branch locations across the three largest metropolitan areas in Texas. The Bank began trading on the Nasdaq exchange in November of 2021 under the ticker symbol TCBX.

Exhibit 1: Pro Forma Company Locations



Source: Company Reports

The Bank is primarily involved in the business of attracting deposits in the Bank’s market areas. The Bank grows by investing these deposits, as well as other sources of funds, in loans that are secured by commercial and residential real estate, business assets, and personal guarantees. Third Coast has kept itself competitive by offering competitively low rates, maintaining a strong team-oriented culture, and organic growth stemming from customer attentiveness.

Third Coast further diversifies its revenue base through several specialty lending verticals such as SBA loans and working capital solutions loans. These revenue streams fall under the Noninterest Income category along with service charges and fees on deposit gains, earnings from bank owned life insurance, and derivative fees. While these lines make up a proportionally small amount of the income when compared to interest income, we are encouraged by the Banks ability to further serve customers, which we believe strengthens customer relations.

The Bank’s performance is tied to its four main metropolitan markets: Dallas, Houston, Austin, and San Antonio. Including one more location in Ballenger, Texas.

Dallas-Fort Worth Market – The Company has approximately four branches in the Dallas-Fort Worth-Arlington MSA. The DFW market is the largest MSA in Texas and the fourth largest in the U.S. and has been growing by approximately 322 residents per day. It also boasts the largest GDP in the state and the sixth largest in the nation, supporting a highly attractive backdrop for commercial banking growth.

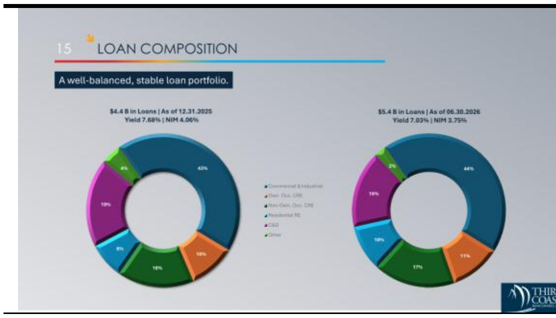
Greater Houston Market – The Company has approximately ten branches across the Houston-The Woodlands-Sugar Land and Beaumont-Port Arthur MSAs, including roughly 7 in Greater Houston and three in Beaumont-Port Arthur. Houston MSA is projected to grow approximately 7.6% over the next five years, ranking first among the nation’s 10 largest MSAs and more than double the nationwide projected growth. In our view, that scale, combined with Houston’s trade exposure and Beaumont-Port Arthur’s industrial and infrastructure activity, creates an attractive operating footprint for Third Coast.

Austin-San Antonio Market – The Company has approximately six branches across the Austin-Round Rock-Georgetown and San Antonio-New Braunfels MSAs, including roughly three in the Austin area and three in the San Antonio area. Austin MSA is projected to grow 8.5% through 2026, making it the fastest-growing large MSA in the country, while San Antonio also continues to benefit from favorable demographic expansion. We believe this Central Texas footprint provides Third Coast with meaningful exposure to some of the strongest long-term growth markets in the state.

Loan Portfolio

Third Coast's primary source of revenue is generated by providing loans to commercial and retail customers in the above-mentioned regions of Texas. TCBX primary lending activities originate from commercial and residential real estate lending. At 4Q25 end, Third Coast's gross loan portfolio was ~ $5.4B at a yield of 7.03%. The Bank's loan portfolio primarily consists of Commercial and Industrial loans.

Exhibit 2: Loan Portfolio



Source: Company Reports as of 6/30/2026

Third Coast has a robust commitment to sound underwriting and comprehensive monitoring across its lending portfolio. At the community banking level this takes the form of reviewing and verifying compliance with loan covenants. At the corporate banking level, trend cards are kept on every borrower with over $10.0M, which includes quarterly reviews on income statements and balance sheet metrics as well as applicable ratios. The team also holds quarterly meetings to review all borrowers.

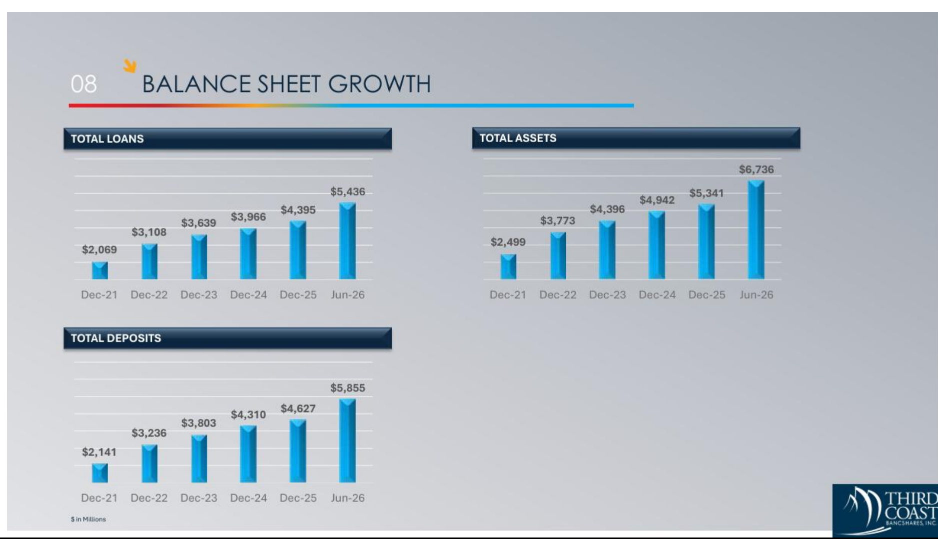
Deposits

Deposits are the primary source of funds for the Bank to use in its lending and investment activities. Third Coast's deposits come from individuals and businesses who reside in the Texas MSA's highlighted above. The Bank offers various deposits including:

- Checking
- Savings
- Money Market
- Individual Retirement Accounts
- CDs

Total deposits in the quarter totaled $5.86B versus $4.63B in 4Q25.

Exhibit 3: Balance Sheet Growth



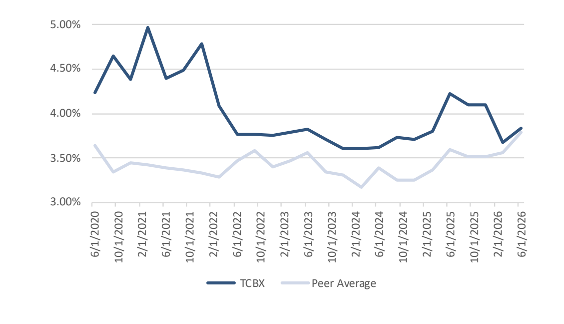
Source: Company Reports as of 6/30/2026

Profitability

Net interest margin (NIM) is a good indicator of how profitable banks are through their investments. Exhibit 4 provides TCBX's net interest margin trends relative to its peers since 1Q20.

We note that TCBX has maintained NIM outperformance compared to peers since COVID, and we expect this trend to continue. NIM has remained above 3.6% since 2Q22 despite the elevated rate environment. As of 2Q26 TCBX NIM was 3.83%, which continues to outpace its peers. We expect this strong NIM performance to be maintained, with the potential to increase in the event of a falling rate environment.

Exhibit 4: NIM Trends vs Peers



Source: CapIQ, Stonegate Models

We note that in 3Q23, TCBX experienced a spike in its efficiency ratio driven by a one-time severance expense tied to a strategic effort to reduce operating expenses and overhead and better position the Bank for future growth. Since then, underlying profitability has generally normalized, although reported efficiency rose again in 1Q26 due to Keystone-related merger and integration expenses. In our view, both periods reflect temporary, non-core cost actions rather than a change in the Company's underlying earnings profile.

Exhibit 5: Profitability Trends

Source: Company Reports as of 6/30/2026

Growth Initiatives

While the Company has a focus on organic growth, the Bank has also shown a willingness and ability to grow externally. This was first displayed in 2020 when TCBX merged with Heritage Bancorp, Inc and has again been proven with the recent completion of the Keystone Merger. Organic growth will be driven by strategic hires and the opening of new branches. We also expect TCBX to continue expanding products and services with further investment in technology to deliver quality customer experiences. This, in combination with the Bank's broad-based community values, is expected to grow core deposits.

Risks

Geographic concentration – Third Coast is concentrated in the state of Texas, which exposes it to risks associated with lack of geographic diversification. A local or regional economic downturn could adversely affect the Company's profitability.

Changes in interest rates – Third Coast's results depend on its net interest income; should the rates it earns on loans, securities and other interest-bearing assets fluctuate faster than the rates it is required to pay on deposits and borrowed funds, results would suffer.

Security of systems – Any material breaches in the security of Third Coast's banking systems could cause material losses for the Bank. Protecting sensitive consumer data is essential as is maintenance and backup of key financial and customer information.

Access to future capital – Should the Company incur significant loan losses, desire to execute acquisitions, or require additional funds for other operational purposes, the timing and terms of the capital may not be favorable given certain economic and/or market conditions.

External shocks – War, terrorism, other acts of violence or natural or manmade disasters such as a global pandemic may affect the markets in which the Company operates, the Company's customers, the Company's delivery of products and customer service, and could have a material adverse impact on our business, results of operations, or financial condition.

VALUATION SUMMARY

Third Coast's experienced management and service teams bring not only valuable industry knowledge, but also a unique grasp of the local economy and target demographics. This experience, coupled with the Company's operating ability, should allow it to take advantage of any opportunities that may present themselves.

Comparative Analysis
(all figures in M, except per share information)

				Financial			EPS			Valuation					Profitability		
Company Name	Symbol	Price [1]	Mrkt Cap (M)	Assets (M)	BV/sh	TBV/sh	2025	2026E	2027E	P/E 2025	P/E 2026E	P/E 2027E	P/BV	P/TBV	NIM	ROA	ROE
Amerant Bancorp Inc.	AMTB	$ 25.18	$ 978.96	$ 9,903.5	$ 22.96	$ 22.48	$ 1.10	$ 1.81	$ 2.17	1.1x	13.9x	11.6x	1.1x	1.1x	3.6%	0.7%	7.7%
Bank First Corporation	BFC	$ 146.01	$ 1,621.68	$ 5,947.5	$ 73.95	$ 47.92	$ 5.60	$ 9.95	$ 11.32	5.6x	14.7x	12.9x	2.0x	3.0x	4.1%	1.6%	12.1%
Business First Bancshares, Inc.	BFST	$ 29.95	$ 996.35	$ 8,906.8	$ 28.18	$ 23.18	$ 2.40	$ 3.01	$ 3.26	2.4x	10.0x	9.2x	1.1x	1.3x	3.7%	1.1%	10.0%
Farmers National Banc Corp.	FMNB	$ 14.79	$ 888.50	$ 7,140.9	$ 13.24	$ 13.24	$ 1.15	$ 1.65	$ 1.75	1.1x	9.0x	8.5x	1.1x	1.1x	3.4%	1.3%	11.9%
FS Bancorp, Inc.	FSBW	$ 42.79	$ 314.79	$ 3,179.1	$ 43.57	$ 41.84	$ 3.37	$ 4.35	$ 5.04	3.4x	9.8x	8.5x	1.0x	1.0x	4.3%	1.0%	10.0%
Kearny Financial Corp.	KRNY	$ 9.03	$ 596.60	$ 7,607.7	$ 12.12	$ 10.07	$ 0.31	$ 0.62	$ 0.78	29.2x	14.6x	11.6x	0.7x	0.9x	NA	0.4%	3.8%
LCNB Corp.	LCNB	$ 19.23	$ 278.95	$ 2,223.7	$ 19.69	$ 12.75	$ 1.27	$ 1.80	$ 1.87	1.3x	10.7x	10.3x	1.0x	1.5x	4.0%	1.3%	10.8%
Mercantile Bank Corporation	MBWM	$ 56.72	$ 999.13	$ 6,819.5	$ 43.68	$ 38.42	$ 4.01	$ 5.69	$ 5.74	14.1x	10.0x	9.9x	1.3x	1.5x	3.6%	1.5%	13.9%
Nicolet Bankshares, Inc.	NIC	$ 163.87	$ 3,490.85	$15,414.6	$ 109.17	$ 62.95	$ 7.66	$ 9.76	$ 13.54	21.4x	16.8x	12.1x	1.5x	2.6x	4.1%	1.5%	10.1%
Southern Missouri Bancorp, Inc.	SMBC	$ 75.36	$ 830.35	$ 5,141.5	$ 52.07	$ 47.42	$ 4.11	$ 6.19	$ 6.58	18.3x	12.2x	11.5x	1.4x	1.6x	NA	1.6%	13.9%
USCB Financial Holdings, Inc.	USCB	$ 19.89	$ 368.57	$ 2,845.7	$ 12.23	$ 12.23	$ 1.14	$ 2.01	$ 2.19	1.1x	9.9x	9.1x	1.6x	1.6x	3.3%	1.3%	17.0%
			Average	**$6,830.04**	**$ 39.17**	**$ 30.23**	**$ 2.92**	**$ 4.26**	**$ 4.93**	**9.0x**	**11.9x**	**10.5x**	**1.3x**	**1.6x**	**3.78%**	**1.21%**	**11.01%**
			Median	**$6,819.49**	**$ 28.18**	**$ 23.18**	**$ 2.40**	**$ 3.01**	**$ 3.26**	**3.4x**	**10.7x**	**10.3x**	**1.1x**	**1.5x**	**3.65%**	**1.33%**	**10.77%**
Third Coast Bancshares, Inc.	**TCBX**	**$ 40.50**	**$ 671.9**	**$ 6,735.5**	**$ 36.34**	**$ 33.08**	**$ 2.78**	**$ 3.79**	**$ 4.61**	**14.6x**	**10.7x**	**8.8x**	**1.1x**	**1.2x**	**3.83%**	**1.34%**	**13.96%**

(1) Previous day's closing price
(2) Estimates are from Capital IQ
Source: Company reports, CapitalIQ, Stonegate Capital Partners

Price / Earnings

Comparable companies are trading at an average of 10.5x FY27 P/E. We believe TCBX should trade in a forward P/E range of 9.5x to 10.0x with a mid-point of 9.8x. Using this range on our FY27 EPS estimate results in a valuation range of $43.83 to $46.14 with a mid-point of $44.99.

	P/E		
2027 E	**9.50x**	**9.75x**	**10.00x**
EPS	$ 4.61	$ 4.61	$ 4.61
Valuation	$ 43.83	$ 44.99	$ 46.14

Price / Book Value

Third Coast is trading at 1.2x P/TBV vs. comps at 1.6x. We believe TCBX should trade in a price to tangible book value range of 1.3x to 1.4x with a mid-point of 1.4x. This maintains TCBX's earned premium to comps. Using this range on current book value per share results in a valuation range of $43.00 to $46.31 with a mid-point of $44.66.

	P/BV		
	1.30x	**1.35x**	**1.40x**
BV/S	33.1	33.1	33.1
Valuation	$ 43.00	$ 44.66	$ 46.31

BALANCE SHEET

Third Coast Bancshares, Inc.
Consolidated Balance Sheets ($M)
Fiscal Year End: December

			Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2	Q3	Q4		Q1	Q2
ASSETS	**FY 2021**	**FY 2022**	**Mar-23**	**Jun-23**	**Sep-23**	**Dec-23**	**FY 2023**	**Mar-24**	**Jun-24**	**Sep-24**	**Dec-24**	**FY 2024**	**Mar-25**	**Jun-25**	**Sep-25**	**Dec-25**	**FY 2025**	**Mar-26**	**Jun-26**
Total Cash and Cash Equivalents	327.0	332.0	310.9	268.0	286.5	411.8	411.8	498.3	253.9	270.5	421.2	421.2	329.4	119.0	123.0	181.2	181.2	431.3	410.9
Investment Securities Available for Sale	26.4	176.1	180.4	194.5	201.0	178.1	178.1	246.3	286.2	292.1	384.0	384.0	397.4	355.8	376.7	383.2	383.2	435.8	405.3
Investment Securities Held to Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	206.1	206.0	192.0	192.0	192.0	192.0
Loans Held for Investment	2,049.4	3,077.2	3,177.4	3,297.0	3,521.9	3,601.8	3,601.8	3,708.0	3,719.9	3,850.1	3,926.1	3,926.1	3,947.6	4,039.7	4,122.6	4,350.8	4,350.8	5,200.0	5,382.8
Accrued Interest Receivable	10.2	18.3	19.0	19.6	22.8	23.1	23.1	25.8	27.5	26.1	25.8	25.8	26.8	27.7	29.5	29.2	29.2	31.4	30.3
Premises & Equipment, net	19.0	28.7	28.5	28.7	29.0	28.6	28.6	26.8	27.6	26.7	26.2	26.2	25.7	24.9	24.7	24.8	24.8	40.6	40.2
Other Real Estate Owned	1.7	-	-	-	-	-	-	-	-	0.3	-	-	-	-	-	8.4	8.4	8.4	27.3
Bank Owned Life Insurance	26.5	60.8	64.2	64.8	65.3	65.9	65.9	66.4	67.0	67.7	68.3	68.3	74.0	74.8	75.5	76.4	76.4	77.1	77.9
Nonmarketable Equity Securities, At Cost	7.5	14.6	14.8	20.7	15.8	16.0	16.0	16.1	16.1	24.3	16.0	16.0	16.0	18.8	26.2	16.4	16.4	21.8	23.5
Deferred Tax Asset, net	4.1	6.3	7.1	7.8	8.3	9.2	9.2	8.7	9.0	8.7	11.4	11.4	9.2	8.6	7.0	4.4	4.4	7.5	23.8
Derivatives Assets, net	0.4	9.2	8.8	9.4	10.9	8.8	8.8	11.0	7.8	5.8	6.5	6.5	3.1	3.1	2.8	2.5	2.5	2.4	2.6
Right of Use Assets - Operating Leases	-	17.9	19.3	21.8	21.2	21.4	21.4	20.7	20.9	20.4	19.9	19.9	19.4	18.8	17.7	17.1	17.1	17.6	17.0
Core Deposit Intangibles, net	1.3	1.1	1.1	1.1	1.0	1.0	1.0	0.9	-	-	-	-	-	-	-	-	-	-	-
Goodwill	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.0	18.9	18.9	18.8	18.8	18.8	18.8	18.7	18.7	18.7	54.9	54.2
Other Assets	7.6	12.9	10.0	12.2	13.9	12.3	12.3	13.2	18.8	15.9	17.7	17.7	29.4	27.6	31.1	35.3	35.3	61.1	47.6
Interest Bearing Time Deposits in Other Banks	0.1	-	-	-	-	-	-	-	0.4	0.4	0.4	0.4	0.4	0.3	0.3	0.3	0.3	0.3	0.3
Loans Held for Sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	**2,499.4**	**3,773.1**	**3,859.7**	**3,963.5**	**4,215.8**	**4,396.1**	**4,396.1**	**4,660.4**	**4,474.1**	**4,627.8**	**4,942.4**	**4,942.4**	**4,897.0**	**4,943.8**	**5,061.8**	**5,340.8**	**5,340.8**	**6,582.1**	**6,735.5**
LIABILITIES AND SHAREHOLDERS' EQUITY																			
Non-Interest-Bearing	531.4	486.1	516.9	529.5	500.2	459.6	459.6	424.0	464.5	489.8	602.1	602.1	448.5	441.0	450.0	495.0	495.0	577.2	642.7
Interest Bearing	1,609.8	2,750.0	2,805.6	2,878.8	3,146.6	3,343.6	3,343.6	3,626.7	3,391.1	3,504.6	3,708.4	3,708.4	3,800.0	3,839.9	3,922.7	4,131.9	4,131.9	5,137.9	5,212.7
Total Deposits	**2,141.2**	**3,236.1**	**3,322.5**	**3,408.3**	**3,646.8**	**3,803.1**	**3,803.1**	**4,050.7**	**3,855.6**	**3,994.4**	**4,310.5**	**4,310.5**	**4,248.5**	**4,280.9**	**4,372.7**	**4,626.9**	**4,626.9**	**5,715.1**	**5,855.5**
Accrued Interest Payable	0.4	2.5	1.6	3.5	4.3	4.8	4.8	3.9	5.7	7.3	6.3	6.3	7.0	6.7	7.2	6.0	6.0	7.2	5.9
Derivative Liabilities	0.4	9.2	7.3	9.2	10.5	10.7	10.7	8.3	7.6	6.9	8.7	8.7	3.5	3.8	3.5	3.1	3.1	3.5	4.3
Lease Liability - Operating Leases	-	18.2	19.8	22.4	22.0	22.3	22.3	21.6	21.9	21.4	20.9	20.9	20.4	19.8	18.7	18.1	18.1	18.7	18.0
Other Liabilities	7.4	14.0	10.1	12.8	15.5	23.8	23.8	27.8	30.8	34.6	23.8	23.8	26.0	24.7	32.0	36.8	36.8	48.7	39.6
Line of Credit - Senior Debt	1.0	30.9	30.9	30.9	35.9	38.9	38.9	43.9	36.9	31.9	30.9	30.9	30.9	30.9	32.9	37.9	37.9	57.9	60.4
Notes Payable - Subordinated Debt, Net	-	80.3	80.4	80.5	80.5	80.6	80.6	80.6	80.7	80.7	80.8	80.8	80.8	80.9	80.9	81.0	81.0	81.0	81.1
FHLB Advances	50.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commitments and Contingencies, Esop-owned Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	**2,200.4**	**3,391.4**	**3,472.6**	**3,567.5**	**3,815.5**	**3,984.1**	**3,984.1**	**4,236.8**	**4,039.1**	**4,177.2**	**4,481.7**	**4,481.7**	**4,417.2**	**4,447.7**	**4,548.0**	**4,809.7**	**4,809.7**	**5,932.0**	**6,064.7**
Series A Convertible Non-Cumulative Preferred Stock	-	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Series B Convertible Perpetual Preferred Stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common Stock	13.5	13.6	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.7	13.8	13.8	13.9	13.9	14.0	14.0	14.0	16.6	16.7
Common Stock - Non-Voting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Paid in Capital	249.2	318.0	318.4	318.8	319.1	319.6	319.6	320.1	320.5	320.9	321.7	321.7	322.5	323.0	323.5	323.9	323.9	428.8	429.9
Retained Earnings	36.0	53.3	58.2	65.9	70.3	78.8	78.8	88.0	97.6	109.2	121.7	121.7	134.1	149.7	166.5	183.2	183.2	198.4	219.2
Accumulated Other Comprehensive Income	1.4	(2.1)	(2.1)	(1.4)	(1.7)	0.9	0.9	2.9	4.2	7.8	4.5	4.5	10.3	10.6	10.9	10.9	10.9	7.7	5.9
Treasury Stock, at Cost	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
Esop-owned Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Consolidated Equity	**299.0**	**381.8**	**387.0**	**395.9**	**400.3**	**412.0**	**412.0**	**423.6**	**435.0**	**450.5**	**460.7**	**460.7**	**479.8**	**496.1**	**513.8**	**531.0**	**531.0**	**650.5**	**670.8**
Total Liabilities and Shareholders' Equity	**2,499.4**	**3,773.1**	**3,859.7**	**3,963.5**	**4,215.8**	**4,396.1**	**4,396.1**	**4,660.4**	**4,474.1**	**4,627.8**	**4,942.4**	**4,942.4**	**4,897.0**	**4,943.8**	**5,061.8**	**5,340.7**	**5,340.7**	**6,582.6**	**6,735.5**
Book Value Per Share	$ 22.31	$ 23.32	$ 23.63	$ 24.33	$ 24.57	$ 25.41	$ 25.41	$ 26.18	$ 26.99	$ 28.13	$ 28.65	$ 28.65	$ 29.92	$ 31.04	$ 32.25	$ 33.47	$ 33.47	$ 35.28	$ 36.34
Return on Average Assets (%)	0.55%	0.58%	1.02%	0.96%	0.56%	0.90%	0.83%	0.95%	0.97%	1.14%	1.13%	1.13%	1.17%	1.38%	1.41%	1.36%	1.36%	1.08%	1.34%
Return on Average Equity (%)	6.70%	5.62%	10.28%	9.44%	5.19%	9.86%	8.45%	10.44%	10.53%	12.12%	12.66%	12.66%	12.41%	14.70%	15.14%	14.42%	14.42%	11.29%	13.96%

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Third Coast Bancshares, Inc.
Consolidated Statements of Income (in $M, except per share amounts)
Fiscal Year End: December

	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 E Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Interest income																			
Loans Including Fees	$ 98.9	$ 146.4	$ 248.9	$ 295.3	$ 73.1	$ 79.7	$ 82.1	$ 81.4	$ 316.2	$ 85.9	$ 94.6	$ 96.1	$ 99.4	$ 376.0	$ 99.5	$ 102.4	$ 103.9	$ 105.9	$ 411.7
Investment Securities Available-For-Sale	1.0	3.9	8.3	17.1	5.7	5.5	6.3	6.5	24.0	6.1	6.5	6.6	6.7	25.9	6.9	7.1	7.2	7.4	28.6
Federal Funds Sold and Other	0.7	3.6	9.3	16.0	2.0	3.5	4.2	4.3	13.9	5.4	4.9	4.9	4.9	20.2	3.5	3.5	3.5	3.5	14.0
Total interest income	**100.6**	**153.9**	**266.5**	**328.4**	**80.8**	**88.7**	**92.5**	**92.1**	**354.0**	**97.4**	**106.0**	**107.6**	**111.1**	**422.1**	**109.9**	**113.0**	**114.7**	**116.7**	**454.3**
Interest expense																			
Deposit Accounts	8.5	30.7	115.0	159.7	36.2	37.5	39.0	37.5	150.3	41.5	43.4	44.4	43.6	172.8	44.1	44.7	44.5	45.0	178.3
FHLB Advances and Other Borrowings	1.5	6.8	12.0	7.9	1.7	1.8	2.6	2.4	8.5	2.3	2.3	2.3	2.3	9.2	2.8	2.8	2.8	2.8	11.0
Total Interest Expense	**10.1**	**37.5**	**127.0**	**167.6**	**38.0**	**39.3**	**41.7**	**39.9**	**158.8**	**43.7**	**45.7**	**46.7**	**45.9**	**182.1**	**46.9**	**47.4**	**47.3**	**47.8**	**189.3**
Net interest income	90.6	116.5	139.5	160.8	42.8	49.4	50.8	52.2	195.2	53.6	60.3	60.9	65.2	240.0	63.0	65.6	67.4	68.9	265.0
Provision for Credit Loss	9.9	12.2	6.3	5.7	0.5	2.1	2.8	2.2	7.6	0.6	2.1	2.4	2.6	7.7	2.4	2.5	2.6	2.7	10.2
Net interest income after loan losses	80.6	104.3	133.2	155.1	42.3	47.2	48.1	50.0	187.6	53.1	58.2	58.5	62.6	232.3	60.6	63.0	64.8	66.3	254.8
Non-interest income																			
Service charges	2.4	2.7	3.2	6.9	2.3	2.1	2.8	3.5	10.8	3.2	3.2	3.2	3.2	12.7	2.8	2.8	2.8	2.8	11.0
Earnings on Bank-Owned Life Insurance	0.4	1.3	2.1	2.5	0.7	0.7	0.8	0.8	3.0	0.8	0.7	0.7	0.7	3.0	0.7	0.7	0.7	0.7	2.6
Gain on Sale of Investment Securities	-	-	0.5	(0.0)	(0.2)	(0.1)	-	(0.3)	(0.6)	(0.0)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)
Gain on Sale of SBA Loans	0.6	1.0	0.4	0.0	0.0	0.0	-	-	0.1	-	-	-	-	-	-	-	-	-	-
Derivative Fee	0.8	1.3	0.8	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total non-interest income	**4.9**	**7.2**	**8.2**	**10.6**	**3.1**	**2.7**	**3.6**	**4.3**	**13.7**	**4.0**	**7.7**	**3.8**	**3.8**	**19.4**	**3.3**	**3.3**	**3.3**	**3.3**	**13.2**
Non-interest expense																			
Salaries and Employee Benefits	48.6	56.5	62.2	65.1	18.3	18.2	19.6	21.1	77.2	24.8	24.8	25.2	25.6	100.5	25.8	25.8	25.8	25.8	103.0
Occupancy and Equipment Expense	5.4	8.5	11.3	12.7	3.3	2.8	2.9	2.8	11.8	3.3	3.3	3.3	3.3	13.1	3.2	3.2	3.2	3.2	12.6
Legal and Professional	5.3	7.0	7.8	5.6	1.4	1.9	1.3	2.9	7.5	3.2	2.3	1.8	1.8	9.0	2.2	2.2	2.2	2.2	8.8
Data Processing and Network Expense	3.1	3.9	4.7	5.3	1.1	1.2	1.2	1.1	4.6	1.4	1.6	1.6	1.6	6.2	1.5	1.5	1.5	1.5	5.8
Total Non-interest Expense	**71.0**	**88.3**	**99.8**	**104.3**	**28.1**	**28.8**	**28.9**	**32.7**	**118.5**	**38.1**	**38.4**	**38.0**	**38.4**	**153.0**	**37.6**	**37.3**	**37.3**	**37.3**	**149.4**
Net income before income taxes	**14.5**	**23.2**	**41.6**	**61.4**	**17.3**	**21.0**	**22.8**	**21.5**	**82.7**	**19.0**	**27.5**	**24.2**	**28.0**	**98.7**	**26.4**	**29.1**	**30.9**	**32.3**	**118.6**
Provision for income taxes	3.1	4.5	8.2	13.7	3.8	4.3	4.8	3.6	16.5	2.6	5.5	4.9	5.6	18.6	5.8	6.4	6.8	7.1	26.1
Net income before income taxes	**11.4**	**18.7**	**33.4**	**47.7**	**13.6**	**16.7**	**18.1**	**17.9**	**66.3**	**16.4**	**22.0**	**19.4**	**22.4**	**80.1**	**20.6**	**22.7**	**24.1**	**25.2**	**92.5**
Preferred Stock Dividends Declared	-	1.4	4.7	4.7	1.2	1.2	1.2	1.2	4.8	1.2	1.2	1.0	1.2	4.6	1.1	1.2	1.3	1.4	5.0
Net income to Common	**$ 11.4**	**$ 17.2**	**$ 28.7**	**$ 42.9**	**$ 12.4**	**$ 15.6**	**$ 16.9**	**$ 16.7**	**$ 61.5**	**$ 15.2**	**$ 20.8**	**$ 18.3**	**$ 21.2**	**$ 75.5**	**$ 19.4**	**$ 21.5**	**$ 22.8**	**$ 23.9**	**$ 87.5**
Basic EPS - GAAP	**$ 1.45**	**$ 1.28**	**$ 2.11**	**$ 3.14**	**$ 0.90**	**$ 1.12**	**$ 1.22**	**$ 1.21**	**$ 4.45**	**$ 1.03**	**$ 1.25**	**$ 1.11**	**$ 1.27**	**$ 4.67**	**$ 1.20**	**$ 1.33**	**$ 1.41**	**$ 1.48**	**$ 5.42**
Diluted EPS - GAAP	**$ 1.41**	**$ 1.25**	**$ 2.07**	**$ 2.78**	**$ 0.78**	**$ 0.96**	**$ 1.03**	**$ 1.02**	**$ 3.79**	**$ 0.88**	**$ 1.08**	**$ 0.95**	**$ 1.10**	**$ 4.03**	**$ 1.01**	**$ 1.11**	**$ 1.18**	**$ 1.24**	**$ 4.54**
Weighted average shares outstanding																			
Basic	7,861	13,465	13,583	13,657	13,777	13,837	13,860	13,889	13,841	14,815	16,591	16,595	16,599	16,150	16,154	16,158	16,162	16,166	16,160
Diluted	8,126	13,754	16,105	17,134	17,441	17,391	17,524	17,552	17,477	18,560	20,334	20,339	20,344	19,894	20,349	20,355	20,360	20,365	20,357
Margin Analysis																			
Net income margin	11.4%	11.2%	10.8%	13.1%	15.4%	17.6%	18.2%	18.1%	17.4%	15.6%	19.6%	17.0%	19.0%	17.9%	17.7%	19.0%	19.9%	20.4%	19.3%
Net Interest margin	4.65%	3.82%	3.73%	3.67%	3.80%	4.22%	4.10%	4.10%	4.06%	3.67%	3.83%	3.78%	4.18%	4.11%	4.18%	4.29%	4.35%	4.39%	4.07%
Interest Income %	4.8%	4.8%	6.9%	7.5%	7.4%	7.9%	8.0%	7.5%	7.3%	6.6%	7.0%	7.0%	7.1%	6.7%	7.0%	7.1%	7.1%	7.1%	6.9%
Interest Expense %	1.6%	3.8%	3.0%	3.7%	3.4%	3.5%	3.6%	3.2%	3.2%	2.9%	3.0%	2.9%	2.9%	2.8%	2.9%	2.9%	2.8%	2.8%	2.8%
Net Provision Ratio	11.0%	10.5%	4.5%	3.5%	1.1%	4.3%	5.4%	4.3%	3.9%	1.1%	3.4%	4.0%	4.0%	3.2%	3.9%	3.9%	3.9%	3.9%	3.9%
Tax %	21.1%	19.5%	19.7%	22.3%	21.7%	20.4%	20.9%	16.8%	19.9%	13.8%	20.0%	20.0%	20.0%	18.9%	22.0%	22.0%	22.0%	22.0%	22.0%
Growth Rate Y/Y																			
Interest and Dividend Income	31.0%	53.0%	73.1%	23.2%	2.4%	9.2%	11.8%	7.7%	7.8%	20.6%	19.5%	16.3%	20.6%	19.2%	12.9%	6.6%	6.5%	5.1%	7.6%
Interest expense	-33.9%	272.6%	238.8%	31.9%	-6.9%	-7.3%	-1.6%	-5.2%	-5.2%	15.2%	16.4%	12.2%	15.1%	14.7%	7.1%	3.7%	1.1%	4.1%	4.0%
Net Income Interest after loan losses	37.8%	29.3%	27.8%	16.4%	16.0%	27.8%	22.4%	18.1%	21.0%	25.3%	23.2%	21.6%	25.2%	23.8%	14.2%	8.3%	10.9%	6.0%	9.7%
Earnings Before Taxes	-8.7%	60.0%	79.6%	47.4%	34.0%	48.0%	40.4%	20.1%	34.9%	9.5%	30.7%	6.2%	29.9%	19.3%	38.7%	5.8%	27.3%	15.6%	20.2%
Net Income	-8.8%	50.9%	66.3%	49.7%	35.0%	61.9%	45.6%	33.2%	43.4%	22.4%	33.7%	8.8%	26.7%	22.7%	28.0%	3.2%	24.1%	12.7%	15.9%
Non Interest Income	68.9%	48.1%	13.6%	29.4%	32.6%	-8.2%	44.4%	48.3%	28.5%	29.8%	191.2%	5.3%	-10.1%	42.2%	-18.0%	-57.1%	-13.6%	-13.6%	-31.8%
Non Interest Expense	56.0%	24.3%	13.0%	4.5%	8.5%	12.6%	13.1%	20.1%	13.6%	35.6%	33.2%	31.7%	17.5%	29.1%	-1.4%	-3.0%	-2.0%	-3.0%	-2.4%

Source: Company Reports, Stonegate Capital Partners estimates

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