

RESEARCH UPDATE

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Market Statistics In USD

Price	\$ 39.49
52 week Range	\$35.73 - \$46.36
Daily Vol (3-mo. average)	106,233
Market Cap (M)	\$ 657.6
Shares Outstanding: (M)	16.7
Float (M)	15.2
Public Ownership	29.0%
Institutional Ownership	62.4%

Financial Summary In USD

Cash (M)	\$ 365.8
Cash/Share	\$ 21.96
Debt (M)	\$ 171.8
Equity (M)	\$ 674.9
Equity/Share	\$ 40.56
Book Value/Share	\$ 36.53
Tangible Book Value/Share	\$ 33.31

Valuation In USD

Valuation Range	\$43.65 - \$48.03
2027E Price Target	\$ 45.84

FYE: Dec	2025	2026E	2027E
<i>(all figures in M, except per share information)</i>			

Int. Income	\$ 354.0	\$ 417.4	\$ 527.7
Chng%	32.8%	17.9%	26.4%

Net Income	\$ 61.5	\$ 73.4	\$ 102.1
EPS (Diluted)	\$ 3.79	\$ 3.90	\$ 4.19

NIM	4.06%	3.85%	4.13%
P/E	10.4x	10.1x	9.4x

**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 23 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 Updates**

Third Coast's 3Q26 results reinforced improving underlying profitability despite softer reported earnings and an unexpected NIM decline. Adjusted EPS increased sequentially as treasury management-driven deposit growth and commercial production supported earnings, while another securitization provided balance-sheet flexibility. The announced Great Plains acquisition adds a lower-cost deposit franchise and a new Oklahoma footprint, with management projecting earnings accretion following integration. In our view, the investment setup improved, although the near-term focus shifts to recovering NIM, sustaining organic growth, and realizing transaction savings.

Quarterly Results: Net income declined to \$19.0M from \$22.0M in 2Q26, with diluted EPS falling to \$0.93 from \$1.08. However, Q3 included \$3.2M of acquisition-related adjustments, while Q2 benefited from a \$3.5M gain on the Commercial Capital sale. On management's adjusted basis, EPS increased to \$1.06 from \$0.98, suggesting better underlying performance than the headline comparison. Reported efficiency rose to 63.10% from 56.51%, though the adjusted Q3 ratio was 58.63%. Salaries remained near \$25M as Keystone cost savings helped absorb targeted banker hiring, supporting the prospect of operating leverage as production ramps.

Deposits and Loans: NII eased to \$59.5M from \$60.3M, while NIM compressed to 3.70%, below management's prior flat-to-higher expectation. Approximately \$0.8M of accelerated Keystone loan-premium amortization and lower-yielding securities acquired following an early-quarter securitization contributed to the decline. Without the accelerated amortization, NIM would have been 3.74%. Management indicated margin improved through the quarter and is targeting approximately 3.80% NIM in 4Q. Loans increased \$57.1M to \$5.49B despite an \$87.5M CRE securitization, implying approximately \$144.6M of underlying growth before the sale. Deposits increased \$69.3M to \$5.92B, with noninterest-bearing balances rising \$78.4M to \$721.2M, or 12.2% of deposits, from 11.0%. Continued C&I pipeline activity and another planned securitization should support lending capacity, although timing could extend into 1Q27.

Credit and Capital: Credit quality remained stable, with nonperforming loans increasing modestly to 0.53% of loans from 0.50%. Net recoveries totaled \$27K, while provision expense declined to \$0.5M from \$2.1M. TBV increased to \$33.31/share from \$33.08, and the total RBC ratio improved to 13.41%.

Great Plains Acquisition: TCBX agreed to acquire Great Plains in a \$239.6M all-stock transaction, adding approximately \$1.9B of assets and \$1.7B of deposits, expanding its Dallas presence and entering Oklahoma. The target's June deposit cost of 2.34% and 19% noninterest-bearing mix compare favorably. Management projects approximately 14% EPS accretion in 2028, with approximately 5% tangible-book dilution and a 2.5-year earnback, based on \$17.1M of annual cost savings. Only 50% of those savings is assumed in 2027, and management suggested realization may be weighted later in the year pending conversion timing. Management expects closing in 1H27.

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 10.5x to 11.0x with a mid-point of 10.8x on FY27 estimates results in a valuation range of \$43.99 to \$46.09 with a mid-point of \$45.04. Using a P/TBV range of 1.3x to 1.5x with a mid-point of 1.4x results in a valuation range of \$43.30 to \$49.97 with a mid-point of \$46.63. When we combine these two methods with a simple average it returns a valuation range of \$43.65 to \$48.03 with a price target of \$45.84.

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 23 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: 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 Bank’s 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 Ballinger, 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.

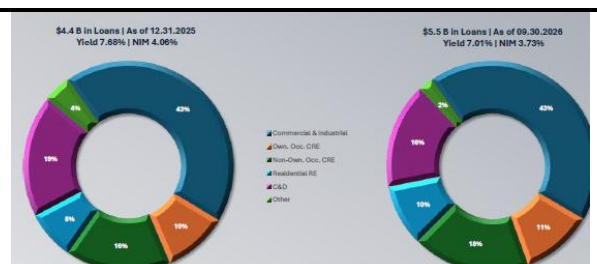
Austin-San Antonio Market – The Company has approximately six branches across the Austin-Round Rock-Georgetown and San Antonio-New Braunfels MSAs, including roughly three in the Austin area

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 3Q26 end, Third Coast's gross loan portfolio was ~\$5.5B at a yield of 7.01%. The Bank's loan portfolio primarily consists of Commercial and Industrial loans.

Exhibit 2: Loan Portfolio



Source: Company Reports as of 09/30/2026

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 \$5.93B versus \$4.63B in 4Q25.

Exhibit 3: Balance Sheet Growth



Source: Company Reports as of 09/30/2026

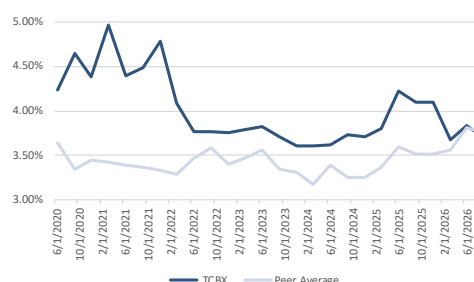
Profitability

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 3Q26 TCBX NIM was 3.70%, which continues to be strong relative to its peers. We expect this strong NIM performance to be maintained, with the potential to increase in the event of a falling rate environment.

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 4: NIM Trends vs Peers



Source: CapIQ, Stonegate Models

Growth Initiatives

Third Coast's proposed acquisition of Great Plains Bancshares represents a strategic expansion of its deposit franchise and commercial banking capabilities rather than simply an increase in scale. Great Plains brings a granular, relationship-driven deposit base with a lower cost of funding, which should complement Third Coast's commercial lending platform and provide additional capacity to support organic loan growth. The transaction also expands Third Coast's Dallas-Fort Worth presence and establishes a footprint across Oklahoma, adding 23 branches in markets where management sees opportunities to deepen customer relationships and introduce additional commercial banking and treasury management products. Importantly, the combination brings together complementary strengths, with Great Plains' established community banking relationships supporting Third Coast's larger commercial lending operations.

On a pro forma basis, the combined company is expected to have approximately \$9.0B in assets, \$7.3B in gross loans, and \$7.8B in deposits. Management also anticipates operational efficiencies from overlapping technology platforms and shared infrastructure, with approximately \$17.1M in annual cost savings targeted following integration. Illustrative profitability metrics include ROAA of approximately 1.3%, ROATCE of 15%, and an efficiency ratio near 56%, although these assume fully phased-in savings compared with the 50% expected in 2027. In our view, the transaction should strengthen Third Coast's funding mix, broaden its geographic reach, and provide additional opportunities for earnings growth as the combined franchise realizes operating efficiencies.

Exhibit 5: Merger Highlights

CREATING A PREMIER SOUTHWESTERN FRANCHISE

Combined Financial Highlights ⁽¹⁾		
~\$9.0B Assets	~\$7.3B Gross Loans HFI	~\$7.8B Deposits
9.0% TCE/TA	9.8% CET1 Ratio	11.5% TRBC Ratio
~1.3% 2027E ROAA ⁽²⁾	~15% 2027E ROATCE ⁽²⁾	~56% 2027E Efficiency Ratio ⁽²⁾

Transaction Themes

- ◆ **Granular deposit base** | Significant increase in checking accounts and core deposits
- ◆ **Attractive financial impacts** | Notable accretion to projected EPS with manageable TDV dilution
- ◆ **Growth in key markets** | Expands North Texas footprint & enters Oklahoma
- ◆ **Aligned management and culture** | Community banking, relationship-driven client focus
- ◆ **Straightforward integration** | Due diligence confirms strong operational compatibility



(1) Financial metrics estimated at closing of the transaction (December 31, 2025) and illustrative metrics for the combined company based on Stonegate's internal model.
(2) 2027 estimates are based on the metrics effect fully phased-in cost savings for the combined company.

Source: Company Reports as of 6/30/2026

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)

Company Name	Symbol	Price ⁽¹⁾	Mrkt Cap (M)	Financial			EPS			P/E 2025	P/E 2026E	Valuation			Profitability		
				Assets (M)	BV/sh	TBV/sh	2025	2026E	2027E			P/E 2027E	P/BV	P/TBV	NIM	ROA	ROE
Amerant Bancorp Inc.	AMTB	\$ 29.47	\$ 1,141.53	\$10,294.2	\$ 23.34	\$ 22.85	\$ 1.10	\$ 2.19	\$ 2.82	1.1x	13.4x	10.4x	1.3x	1.3x	3.5%	0.8%	9.2%
Bank First Corporation	BFC	\$ 142.04	\$ 1,574.25	\$ 5,947.5	\$ 74.56	\$ 48.83	\$ 5.60	\$ 9.64	\$ 12.06	5.6x	14.7x	11.8x	1.9x	2.9x	NA	1.6%	11.6%
Business First Bancshares, Inc.	BFST	\$ 31.75	\$ 1,020.76	\$ 8,903.5	\$ 28.79	\$ 23.61	\$ 2.40	\$ 3.01	\$ 3.33	2.4x	10.6x	9.5x	1.1x	1.3x	3.7%	1.1%	9.7%
Farmers National Banc Corp.	FMNB	\$ 15.58	\$ 907.08	\$ 7,140.9	\$ 13.24	\$ 8.05	\$ 1.15	\$ 1.68	\$ 1.76	1.1x	9.3x	8.8x	1.2x	1.9x	3.4%	1.3%	11.9%
FS Bancorp, Inc.	FSBW	\$ 44.52	\$ 324.89	\$ 3,676.7	\$ 42.35	\$ 40.18	\$ 3.37	\$ 3.81	\$ 4.52	3.4x	11.7x	9.8x	1.1x	1.1x	NA	0.6%	6.0%
Kearny Financial Corp.	KRNY	\$ 9.04	\$ 572.35	\$ 7,777.9	\$ 11.98	\$ 10.16	\$ 0.31	\$ 0.62	\$ 0.78	29.3x	14.6x	11.5x	0.8x	0.9x	NA	0.5%	5.3%
LCNB Corp.	LCNB	\$ 18.62	\$ 271.69	\$ 2,281.8	\$ 19.79	\$ 12.89	\$ 1.27	\$ 1.85	\$ 1.88	1.3x	10.1x	9.9x	0.9x	1.4x	3.9%	1.3%	10.4%
Mercantile Bank Corporation	MBWM	\$ 60.47	\$ 1,015.00	\$ 7,162.9	\$ 43.03	\$ 37.81	\$ 4.01	\$ 5.75	\$ 5.88	15.1x	10.5x	10.3x	1.4x	1.6x	3.7%	1.4%	12.8%
Nicolet Bankshares, Inc.	NIC	\$ 169.00	\$ 3,454.71	\$15,064.8	\$ 107.18	\$ 61.14	\$ 7.66	\$ 9.74	\$ 13.63	22.0x	17.4x	12.4x	1.6x	2.8x	4.2%	1.7%	11.3%
Southern Missouri Bancorp, Inc.	SMBC	\$ 72.38	\$ 774.68	\$ 5,309.3	\$ 54.83	\$ 48.45	\$ 4.11	\$ 6.19	\$ 6.60	17.6x	11.7x	11.0x	1.3x	1.5x	NA	1.4%	12.8%
USCB Financial Holdings, Inc.	USCB	\$ 22.90	\$ 411.80	\$ 3,019.7	\$ 12.64	\$ 12.64	\$ 1.14	\$ 2.09	\$ 2.32	1.1x	10.9x	9.9x	1.8x	1.8x	3.5%	1.2%	15.9%
Average				\$6,961.74	\$ 39.25	\$ 29.69	\$ 2.92	\$ 4.23	\$ 5.05	9.1x	12.3x	10.5x	1.3x	1.7x	3.72%	1.18%	10.63%
Median				\$7,140.88	\$ 28.79	\$ 23.61	\$ 2.40	\$ 3.01	\$ 3.33	3.4x	11.7x	10.3x	1.3x	1.5x	3.73%	1.29%	11.31%
Third Coast Bancshares, Inc.	TCBX	\$ 39.49	\$ 657.6	\$ 6,805.6	\$ 36.53	\$ 33.31	\$ 2.78	\$ 3.79	\$ 4.22	14.2x	10.4x	9.4x	1.1x	1.2x	3.70%	1.13%	11.49%

(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 10.5x to 11.0x with a mid-point of 10.8x. Using this range on our FY27 EPS estimate results in a valuation range of \$43.99 to \$46.09 with a mid-point of \$45.04.

P/E			
2027 E	10.50x	10.75x	11.00x
EPS	\$ 4.19	\$ 4.19	\$ 4.19
Valuation	\$ 43.99	\$ 45.04	\$ 46.09

Price / Book Value

Third Coast is trading at 1.2x P/TBV vs. comps at 1.7x. We believe TCBX should trade in a price to tangible book value range of 1.3x to 1.5x with a mid-point of 1.4x. Using this range on current book value per share results in a valuation range of \$43.30 to \$49.97 with a mid-point of \$46.63.

P/BV			
	1.30x	1.40x	1.50x
BV/S	33.3	33.3	33.3
Valuation	\$ 43.30	\$ 46.63	\$ 49.97

When we combine these two methods with a simple average it returns a valuation range of \$43.65 to \$48.03 with a price target of \$45.84.

BALANCE SHEET

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

ASSETS	FY 2021	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-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	365.8
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	461.5
Investment Securities Held to Maturity	-	-	-	-	-	-	-	-	-	-	-	-	-	206.1	206.0	192.0	192.0	192.0	192.0	191.9
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	5,439.1
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	32.1
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	40.6
Other Real Estate Owned	1.7	-	-	-	-	-	-	-	-	0.3	-	-	-	-	-	8.4	8.4	8.4	27.3	27.0
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	77.1
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	24.9
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	26.6
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	5.3
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	16.8
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	53.7
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	42.8
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	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	5,340.7	5,340.7	6,582.1	6,735.5	6,805.6
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	721.2
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	5,203.6
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	5,924.8
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	6.9
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	10.4
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	17.9
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	27.3
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	62.4
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	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	6,130.7
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	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	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	431.1
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	237.0
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	(8.9)
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)	(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	674.9
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	6,805.6
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	\$ 36.53
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%	0.95%	1.36%	1.36%	1.08%	1.34%	1.13%
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%	11.49%

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 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	\$ 94.6	\$ 95.5	\$ 370.6	\$ 96.4	\$ 125.4	\$ 127.3	\$ 129.3	\$ 478.5
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	7.0	7.3	26.9	7.7	8.0	8.6	8.9	33.2
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	5.1	4.5	19.9	4.0	4.0	4.0	4.0	16.0
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	106.7	107.3	417.4	108.1	137.4	139.9	142.2	527.7
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	44.7	42.4	172.0	37.3	50.1	50.1	49.3	186.9
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	2.5	2.5	9.5	2.5	2.5	2.5	3.0	10.5
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	47.2	44.9	181.5	39.8	52.6	52.6	52.3	197.4
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	59.5	62.4	235.8	68.3	84.8	87.3	90.0	330.4
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	0.5	2.2	5.4	2.6	3.2	3.2	3.3	12.3
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	59.0	60.2	230.5	65.7	81.6	84.1	86.6	318.0
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	4.3	4.2	14.8	4.5	5.0	5.0	5.0	19.5
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	0.8	0.8	3.1	0.7	0.7	0.7	0.7	2.8
Gain on Sale of Investment Securities	-	-	0.5	(0.0)	(0.2)	(0.1)	-	(0.3)	(0.6)	(0.0)	(0.1)	-	-	(0.1)	-	-	-	-	-
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	6.3	5.0	23.1	6.2	10.7	11.2	11.2	39.3
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	25.0	25.1	99.6	29.6	34.4	35.7	36.8	136.5
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	3.4	3.4	13.4	3.7	3.8	3.9	4.3	15.6
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	4.9	4.0	14.4	4.0	3.8	3.8	3.8	15.3
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	1.5	6.0	1.5	1.5	1.5	1.7	6.2
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	41.6	39.0	157.1	45.2	56.4	58.2	59.9	219.7
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	23.8	26.2	96.4	26.7	35.9	37.1	37.9	137.6
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	4.8	5.2	18.1	5.9	7.9	8.2	8.3	30.3
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	19.0	20.9	78.3	20.9	28.0	28.9	29.6	107.4
Preferred Stock Dividends Declared	-	1.4	4.7	4.7	1.2	1.2	1.2	1.2	4.8	1.2	1.2	1.2	1.4	4.9	1.1	1.5	1.3	1.3	5.2
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	\$ 17.8	\$ 19.6	\$ 73.4	\$ 19.7	\$ 26.5	\$ 27.6	\$ 28.3	\$ 102.1
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	\$ 1.07	\$ 1.14	\$ 4.50	\$ 1.09	\$ 1.17	\$ 1.21	\$ 1.22	\$ 4.71
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	\$ 0.93	\$ 0.99	\$ 3.90	\$ 0.95	\$ 1.05	\$ 1.08	\$ 1.09	\$ 4.19
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	16,655	17,155	16,304	18,155	22,655	22,882	23,110	21,700
Diluted	8,126	13,754	16,105	17,134	17,441	17,391	17,524	17,552	17,477	18,560	20,334	20,436	21,049	20,095	22,049	26,549	26,814	27,082	25,623
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%	16.7%	18.2%	17.6%	18.3%	19.3%	19.8%	19.9%	19.4%
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%	3.70%	3.83%	3.85%	4.13%	4.00%	4.09%	4.14%	4.13%
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%	7.0%	6.7%	6.9%	6.8%	6.8%	6.8%	6.3%
Interest Expense %	1.6%	3.8%	3.0%	3.7%	3.4%	3.5%	3.6%	3.2%	3.2%	2.9%	3.0%	3.4%	3.2%	3.2%	2.8%	2.9%	2.8%	2.7%	2.6%
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%	0.9%	3.5%	2.3%	3.9%	3.8%	3.7%	3.7%	3.7%
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%	18.8%	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%	15.4%	16.5%	17.9%	11.0%	29.7%	31.1%	32.6%	26.4%
Interest expense	-33.9%	272.6%	238.8%	31.9%	-6.9%	-7.3%	-1.6%	-5.2%	-5.2%	15.2%	16.4%	13.3%	12.5%	14.3%	-9.0%	15.2%	11.5%	16.5%	8.7%
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%	22.7%	20.5%	22.8%	23.8%	40.2%	42.6%	43.9%	38.0%
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%	4.1%	21.5%	16.5%	40.7%	30.4%	56.2%	45.0%	42.8%
Net Income	-8.8%	50.9%	66.3%	49.7%	35.0%	61.9%	45.6%	33.2%	43.4%	22.4%	33.7%	5.6%	17.1%	19.2%	29.9%	27.4%	55.3%	44.5%	39.2%
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%	73.9%	17.3%	69.0%	53.7%	38.7%	77.2%	124.1%	70.4%
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%	43.8%	19.4%	32.6%	18.6%	46.8%	40.0%	53.4%	39.8%

Source: Company Reports, Stonegate Capital Partners estimates

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