



TRUSTAR BANK REPORTS CONTINUED GROWTH AND RECORD EARNINGS, APPLIES TO ESTABLISH BANK HOLDING COMPANY

GREAT FALLS, Virginia, October 24, 2025 – Trustar Bank, which was established on July 10, 2019, announced today its financial results for the third quarter of 2025, including the following highlights:

- Total assets of \$1.06 billion, an increase of 15.9% compared to one year ago.
- Total loans of \$857.5 million, an increase of 16.2% compared to one year ago.
- Total deposits of \$887.8 million, an increase of 16.0% compared to one year ago.
- Total equity of \$103.0 million, an increase of 26.8% compared to one year ago.
- Year-to-date net income of \$3.4 million, an increase of 159.5% compared to one year ago.

MANAGEMENT’S DISCUSSION OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview and Outlook

Trustar Bank continued its trajectory of strong loan and deposit growth and an expanding net interest margin. After reaching a low point of 2.38% in the fourth quarter of 2023, the Bank’s net interest margin has grown to 2.96% in the third quarter of 2025. Our strategy is to continue seeking good quality loans and deposits, increasing our market share in the historically vibrant and affluent Washington, DC, metropolitan area. To accomplish this, the Bank has expanded into regions such as Bethesda, MD and Arlington, VA to increase our footprint. While this growth strategy requires ongoing investments in personnel, facilities, and increased loan loss provisions, the Bank believes that this increased market share, coupled with our growing earnings trajectory, will enhance shareholder value over the long term.

To provide additional financial and strategic flexibility, the Bank has filed an application to form a bank holding company to be known as Trustar Bankshares, Inc. The application is pending regulatory approval and is expected to be completed by the end of this calendar year. All shares of the Bank would become shareholders of the newly formed bank holding company. One advantage of the holding company structure is the potential to raise capital in the form of subordinated debt at the holding company level, which can then be invested “downstream” into the bank as pure equity capital. This could prove advantageous if the Bank needs to raise capital

in the future to support continued growth at a time when pure equity capital is difficult (and therefore costly) to raise.

The Bank operates exclusively in the Washington, DC metropolitan area, which is home to the nation's largest federal workforce. The current administration's initiatives to cut federal spending and reduce the size of the work force are likely to have an adverse impact on the regional economy. In response, the Bank has subjected its loan portfolio and new loan opportunities to enhanced scrutiny in an effort to maintain its historical emphasis on strong credit quality and conservative underwriting standards.

Financial Condition as of September 30, 2025

Deposits

Total deposits as of September 30, 2025, were \$887.8 million, compared to \$765.1 million as of September 30, 2024, an increase of 16.0%. Our year-to-date costs of interest-bearing liabilities decreased 51 basis points from 4.47% on September 30, 2024, to 3.96% on September 30, 2025. As of September 30, 2025, non-interest-bearing deposits comprised 13.1% of total deposits as of September 30, 2025, compared to 12.6% as of September 30, 2024. Transaction accounts (interest checking, savings, money market) comprised 52.9% of total deposits as of September 30, 2025, compared to 46.8% as of September 30, 2024. Certificates of deposit comprised 34.0% of total deposits as of September 30, 2025, compared to 40.6% as of September 30, 2024.

Loans

Loans receivable totaled \$857.5 million as of September 30, 2025, representing an increase of 16.2% compared to one year earlier. As of September 30, 2025, commercial real estate loans (including construction loans) comprised 67.7% of total loans held for investment, commercial and industrial loans comprised 14.1% of total loans, and residential and consumer loans comprised 18.2% of total loans. As of September 30, 2024, these ratios were 69.6%, 11.6%, and 18.8%, respectively.

Asset Quality

As of September 30, 2025, the Bank's allowance for credit losses was \$8.7 million, or 1.01% of gross loans held for investment. This compares to an allowance of \$7.4 million or 1.00% of gross loans as of September 30, 2024. The Bank had one commercial loan relationship in the amount of \$269,000 (0.03% of total assets) in nonaccrual status and one commercial loan in the amount of \$5.2 million, the terms of which have been modified to accommodate a borrower experiencing financial difficulty as of September 30, 2025. The Bank had no non-accrual loans and one modified loan for a customer in financial difficulty in the amount of \$5.5 million as of September 30, 2024. In response to government spending cuts and reductions in the federal work force, the Bank continues our enhanced monitoring of the loan portfolio for potential credit deterioration.

Liquidity and Capital Resources

As a secondary source of liquidity, the Bank maintains borrowing relationships with the Federal Home Loan Bank of Atlanta (“FHLB”), Federal Reserve Bank (“FRB”) and two other correspondent banks. Outstanding FHLB advances as of September 30, 2025, and September 30 2024 were \$55.0 million. As of September 30, 2025, the Bank had a total of \$231.2 million in additional borrowing capacity from the FHLB and other correspondent banks.

The Bank raised additional capital in 2025 through the sale of 699.5 units at a price of \$24,000 per unit. Each unit consisted of 2,000 Shares of Common Stock and 2,000 Warrants. Each Warrant entitles the holder to purchase an additional share of Trustar Bank Common Stock at \$12.00 per share on or before March 25, 2028. The total amount raised was \$16.79 million.

Shareholders’ equity as of September 30, 2025, was \$103.0 million or \$10.64 per share of common stock outstanding, compared to \$81.2 million or \$9.85 per share as of September 30, 2024. As of September 30, 2025, the Bank was classified as “well capitalized” based on the following regulatory capital ratios:

- Total capital ratio = 13.02%
- Tier 1 capital ratio = 11.97%
- Common equity tier 1 capital ratio = 11.97%
- Leverage ratio = 9.73%

Results of Operations

Three Months Ended September 30, 2025, compared to the same period in 2024.

Net income for the three months ended September 30, 2025, was \$1.5 million, or \$0.16 per share, an increase of 487.9% compared to \$256,000, or \$0.03 per share, in the same period last year.

Net interest income for the third quarter of 2025 was \$7.8 million, an increase of 40.9% compared to \$5.5 million in the third quarter of 2024. The net interest margin for the third quarter of 2025 was 2.96%, an increase of 50 basis points compared to 2.46% in the same period last year.

The Bank’s provision for credit losses was \$535,000 for the three months ending September 30, 2025, compared to \$823,000 in the same period last year. The Bank incurred no charge-offs during the third quarter of 2025. There were no charge-offs during the comparable period in 2024.

Non-interest income for the three months ended September 30, 2025, was \$117,000, compared to \$84,000 in the same period last year.

Non-interest expenses for the three months ended September 30, 2025, were \$5.3 million, compared to \$4.4 million in the same period last year, an increase of 20.1%. The increases in non-interest expenses are attributable to (a) the Bank's overall growth in loans and deposits, (b) occupancy and staffing costs associated with our newly-opened Bethesda and Arlington branches, and (c) increased staffing and professional services costs associated with the Bank's decision to be prepared to comply with public company accounting and reporting standards as early as 2026. The Bank's efficiency ratio for the third quarter of 2025 improved to 67.6% from 79.2% in the same period last year.

Nine Months Ended September 30, 2025, compared to the same period in 2024.

Net income for the nine months ended September 30, 2025, was \$3.4 million, or \$0.37 per share, an increase of 159.5% compared to \$1.3 million, or \$0.17 per share, in the same period last year.

Net interest income for the nine months ended 2025 was \$21.5 million, an increase of 40.8% compared to \$15.3 million in the nine months ended 2024. The net interest margin for the nine months ended 2025 was 2.88%, an increase of 43 basis points compared to 2.45% in the same period last year.

The Bank's provision for credit losses was \$1.22 million for the nine months ending September 30, 2025, compared to \$1.36 million in the same period last year. The Bank incurred one charge-off for \$136,000 in the second quarter of 2025. There were no charge-offs during the comparable period in 2024.

Non-interest income for the nine months ended September 30, 2025, was \$383,000, compared to \$73,000 in the same period last year. During the first half of 2024, the Bank recorded losses of \$199,000 in connection with a "make-whole" call on a municipal bond, which is reported as a reduction in non-interest income. Excluding this item, the Bank's noninterest income would have been \$272,000 for the nine months ended September 30, 2024.

Non-interest expenses for the nine months ended September 30, 2025, were \$16.1 million, compared to \$12.7 million in the same period last year, an increase of 26.7%. The increases in non-interest expenses are attributable to (a) the Bank's overall growth in loans and deposits, (b) occupancy and staffing costs associated with our newly-opened Bethesda and Arlington branches, and (c) increased staffing and professional services costs associated with the Bank's decision to be prepared to comply with public company accounting and reporting standards as early as 2026. The Bank's efficiency ratio for the nine months ended September 30, 2025, improved to 73.4% from 81.8% in the same period last year.

About Trustar Bank

Founded in 2019, Trustar Bank is a full-service commercial bank headquartered in Great Falls, Virginia, with full-service branches in Great Falls, Tysons Corner, and Reston, Virginia, and Bethesda, Maryland and by appointment only branches in Arlington, Virginia and Washington, D.C. Additional information is available on the Bank's website at: www.trustarbank.com.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995

This release includes forward-looking statements intended to qualify for the safe harbor from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as Trustar Bank or its management "believes," "expects," "anticipates," "foresees," "forecasts," "estimates" or other words or phrases of similar import. Similarly, statements herein that describe Trustar Bank's business strategy, outlook, objectives, plans, intentions, or goals are also forward-looking statements. All such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those in forward-looking statements.

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TRUSTAR BANK
Consolidated Balance Sheets
(unaudited)
(\$ In Thousands)

	September 30, 2025	December 31, 2024	September 30, 2024
Assets:			
Cash (currency and coin)	\$ 657	\$ 582	\$ 603
Interest-bearing balances due from banks	66,613	94,185	81,719
Cash and cash equivalents	67,270	94,767	82,322
Securities held-to-maturity, at amortized cost, net of allowance for credit losses of \$72, \$75 and \$79, respectively (fair values of \$29,494, \$35,919 and \$36,344, respectively)	31,186	38,955	39,174
Securities available-for-sale, at fair value (amortized cost of \$88,918, \$35,182 and \$40,627 respectively)	89,598	34,416	40,749
Loans receivable	857,507	761,360	737,853
Allowance for credit losses	(8,653)	(7,645)	(7,390)
Total loans receivable, net of allowance for credit losses	848,854	753,715	730,463
Bank premises and equipment, net	6,240	5,985	5,793
Accrued interest receivable	3,343	3,147	3,021
Restricted investment in bank stock, at cost	3,297	3,200	3,200
Other assets	7,436	7,657	7,783
Total Assets	\$ 1,057,224	\$ 941,842	\$ 912,505

Liabilities and Shareholders' Equity:

Liabilities:			
Deposits:			
Non-interest-bearing demand	\$ 116,188	\$ 114,774	\$ 96,436
Interest-bearing demand	72,471	53,431	50,518
Money market	360,598	298,415	295,013
Savings	36,858	21,028	12,349
Time deposits up to \$250,000	207,739	192,357	189,278
Time deposits over \$250,000	93,911	114,103	121,537
Total deposits	887,765	794,108	765,131
FHLB advances	55,000	55,000	55,000
Accrued interest payable	1,443	1,274	1,418
Other liabilities	10,018	10,053	9,730
Total Liabilities	954,226	860,435	831,279

Shareholders' Equity

Preferred stock, \$5.00 par value, authorized 1,000,000 shares, 0 shares issued and outstanding, respectively	-	-	-
Common stock, \$5.00 par value, authorized 25,000,000 shares 9,678,477, 8,242,247 and 8,242,247, issued and outstanding, respectively	48,392	41,211	41,211
Additional paid-in capital	54,242	44,339	44,233
Accumulated deficit	(151)	(3,424)	(4,191)
Accumulated other comprehensive income (loss)	515	(719)	(27)
Total Shareholders' Equity	102,998	81,407	81,226
Total Liabilities & Shareholders' Equity	\$ 1,057,224	\$ 941,842	\$ 912,505

	September 30, 2025	December 31, 2024	September 30, 2024
Key Metrics:			
Loans receivable to deposits	96.59%	95.88%	96.43%
Non-interest-bearing demand deposits to total deposits	13.09%	14.45%	12.60%
Allowance for credit losses to loans receivable	1.01%	1.00%	1.00%
Nonperforming assets to total assets	0.03%	0.03%	-
Total capital ratio	13.02%	12.06%	12.84%
Tier 1 capital ratio	11.97%	11.00%	11.73%
Common equity tier 1 capital ratio	11.97%	11.00%	11.73%
Leverage ratio	9.73%	8.80%	8.99%
Book value per share	\$ 10.64	\$ 9.88	\$ 9.85

TRUSTAR BANK
Consolidated Statements of Operations
(unaudited)
(\$ In Thousands)

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Interest income				
Interest and fees on loans	\$ 13,499	\$ 11,307	\$ 38,157	\$ 31,031
Interest and dividends on securities	1,313	755	3,066	2,468
Interest-bearing balances due from banks	959	1,416	3,506	3,381
Total interest income	15,771	13,478	44,729	36,880
Interest expense				
Deposits	7,313	7,281	21,259	19,547
Borrowings	667	666	1,978	2,068
Total interest expense	7,980	7,947	23,237	21,615
Net interest income	7,791	5,531	21,492	15,265
Provision for credit losses	535	823	1,215	1,381
Net interest income after provision for credit losses	7,256	4,708	20,277	13,904
Non-interest income:				
Service charges and fees	72	56	234	181
Loss on securities	-	-	-	(199)
Other non-interest income	45	28	149	91
Total non-interest income:	117	84	383	73
Non-interest expenses:				
Salaries and employee benefits	3,171	2,626	9,400	7,525
Occupancy	454	538	1,392	1,667
Data processing	203	164	578	493
Network services	198	145	586	421
Professional services	425	163	1,380	582
Advertising	97	61	327	284
Regulatory assessments	218	188	695	514
Gain on debt extinguishment	-	-	-	(28)
Other operating expenses	578	564	1,707	1,223
Total non-interest expenses	5,344	4,449	16,065	12,681
Net income before income tax expense	2,029	343	4,595	1,296
Income tax expense (benefit)	524	87	1,183	(19)
Net income	\$ 1,505	\$ 256	\$ 3,412	\$ 1,315
Weighted average common shares outstanding	9,678,477	8,179,815	9,238,354	7,607,658
Net income per share	\$ 0.16	\$ 0.03	\$ 0.37	\$ 0.17

	For the Three Months Ended		For the Nine Months Ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Key Metrics:				
Return on average assets	0.57%	0.11%	0.45%	0.21%
Return on average shareholders' equity	5.87%	1.25%	4.79%	2.33%
Yield on average interest-earning assets	6.00%	6.00%	5.99%	5.91%
Rate on average interest-bearing liabilities	3.87%	4.50%	3.96%	4.47%
Net interest margin	2.96%	2.46%	2.88%	2.45%
Average loan receivable to average earning assets	80.30%	78.62%	79.68%	78.64%
Efficiency Ratio(1)	67.58%	79.23%	73.44%	81.80%

(1) The efficiency ratio is calculated as total noninterest expense, excluding gain on debt extinguishment, divided by the sum of net interest income and total noninterest income, excluding loss on securities.