



# Shareholder Meeting

## April 16, 2024

# Forward-Looking Statements

This presentation contains forward-looking statements, which can be identified by the use of words such as “estimate,” “project,” “believe,” “intend,” “anticipate,” “plan,” “seek,” “expect” and words of similar meaning. These forward-looking statements include, but are not limited to: statements of our goals, intentions and expectations; statements regarding our business plans, prospects, growth and operating strategies; statements regarding the quality of our loan and investment portfolios; and estimates of our risks and future costs and benefits.

These forward-looking statements are based on current beliefs and expectations of our management and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, these forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change.

The following factors, among others, could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements: general economic conditions, either nationally or in our market areas, that are worse than expected; our ability to access cost-effective funding; competition among depository and other financial institutions; inflation and changes in the interest rate environment that reduce our margins or reduce the fair value of financial instruments; the rate of delinquencies and amounts of loans charged-off; fluctuations in real estate values and both residential and commercial real estate market conditions; adverse changes in the securities markets; changes in laws or government regulations or policies affecting financial institutions, including changes in regulatory fees and capital requirements; our ability to enter new markets successfully and capitalize on growth opportunities; our ability to capitalize on strategic opportunities; our ability to successfully introduce new products and services, enter new markets, and capitalize on growth opportunities; our ability to successfully integrate into our operations any assets, liabilities, customers, systems and management personnel we may acquire and our ability to realize related revenue synergies and cost savings within expected time frames, and any goodwill charges related thereto; our ability to retain our existing customers; changes in consumer spending, borrowing and savings habits; changes in accounting policies and practices, as may be adopted by the bank regulatory agencies and the Financial Accounting Standards Board; changes in our organization, compensation and benefit plans; changes in the quality or composition of our loan or investment portfolios; a breach in security of our information systems, including the occurrence of a cyber incident or a deficiency in cyber security; technological changes that may be more difficult or expensive than expected; the failure to attract and retain skilled people; and the fiscal and monetary policies of the federal government and its agencies.

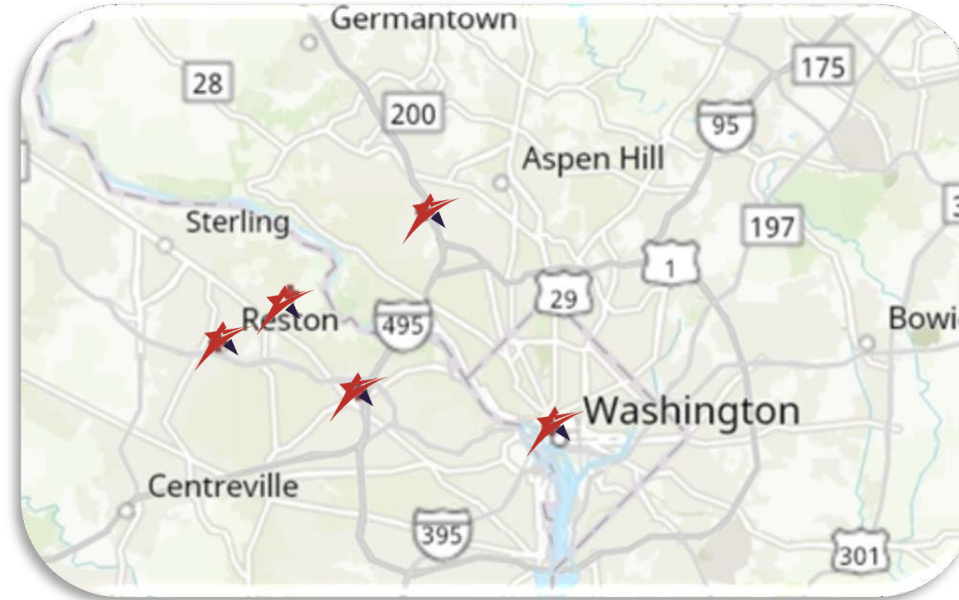
Because of these and other uncertainties, our actual future results may be materially different from the results indicated by these forward-looking statements.

# Company Overview

- Full service commercial bank established in 2019
- Experienced management team comprised of tenured talent with expertise in the banking industry and D.C. Market
- Strong existing loyal client base – with some relationships spanning over 20 years
- TruStar Bank’s strategy is to be a personalized alternative to larger, super-regional financial institutions
- Broke even 6 quarters after inception and have remained profitable
- Demonstrated organic growth with superior asset quality
- Deposit composition shows high core deposit percentage
- Active community involvement by supporting children in need with the TruStar Youth Foundation



## BRANCH AND OFFICE NETWORK



**\$804M**  
TOTAL ASSETS

**0.42%**  
LTM ROAA

**\$607M**  
TOTAL LOANS

**4.54%**  
LTM ROATCE

**\$648M**  
TOTAL DEPOSITS

**2.60%**  
LTM NIM

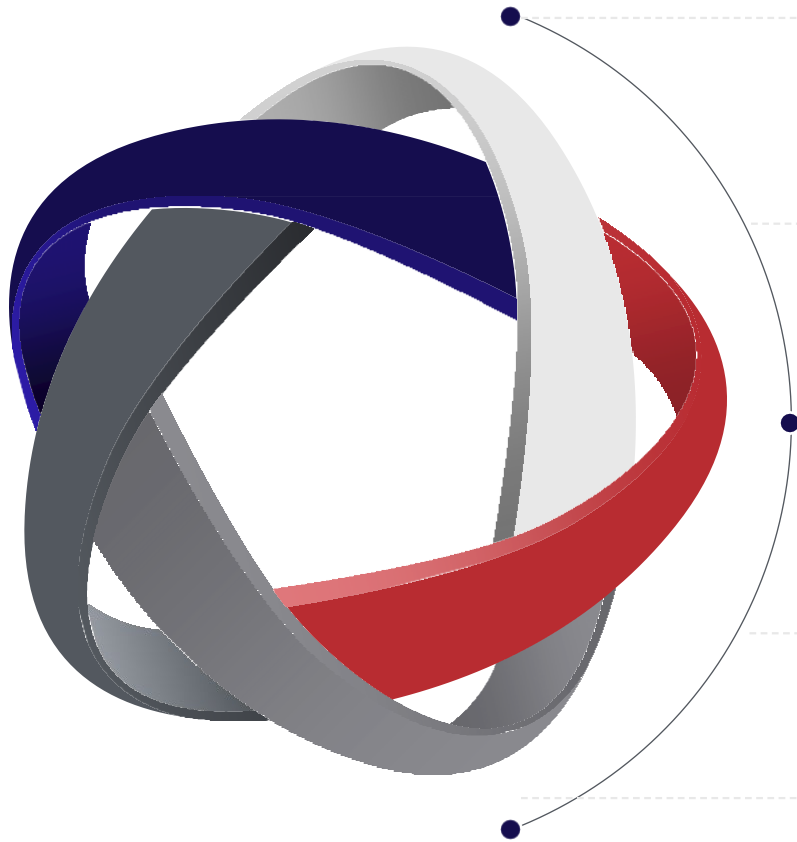
**8.6%**  
TCE RATIO

**83.3%**  
LTM EFFICIENCY RATIO

Note: Financial data as of December 31, 2023

# Strategic Road Map

Clear and proven path to success



## Organic Growth

- Continue branch footprint expansion
- Add key business development “rain-makers” to team
- Continue brand awareness through business development and community involvement

## Maintain Credit Quality

- Continue diligence on credit quality
- Conservative credit culture
- Disciplined underwriting

## Focus on Community Banking

- Local market teams capable of out maneuvering larger banks
- More sophistication and product depth than peers

## Profitability

- Continue emphasis on Net Interest Margin
- Additional capital with exercise of warrants by mid-2024

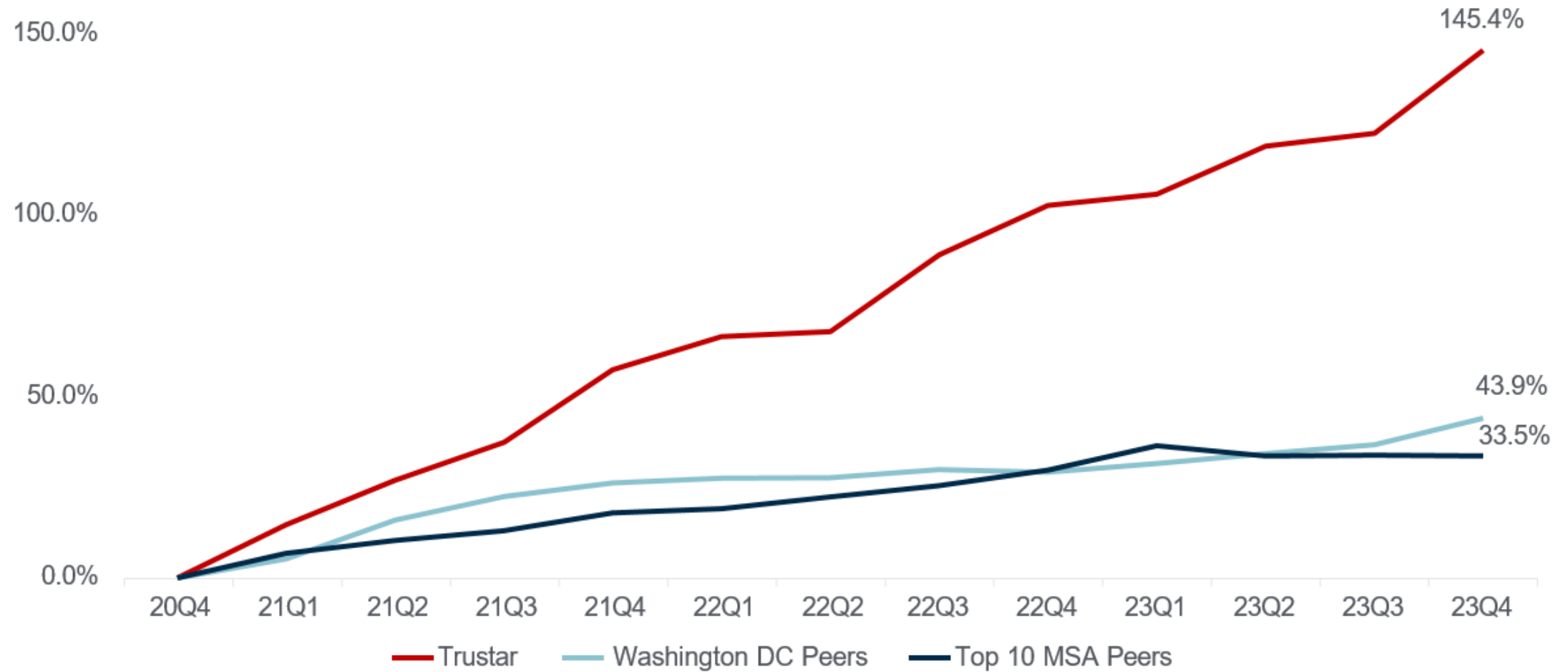
## Opportunistic Growth

- Cultivate relationships with institutional investors
- Explore potential acquisitions
- Experienced management team with 12 career acquisitions

# 2023 Bank Achievements

- ✦ Reached asset milestone of \$800mm in December.
- ✦ Continued strong growth pattern-despite rising rate environment and uncertain economic times.
- ✦ Successful sale of the Mortgage Company to Archer Mortgage.
- ✦ Satisfactory Regulatory Exams and Internal Audits.
- ✦ Continue to develop new products to meet customer needs.
- ✦ Continue to hire exceptional talent.
- ✦ Selected as a Washington Business Journal Best Place to Work four years in a row.
- ✦ Increased social media engagement via LinkedIn and Facebook over 58%.

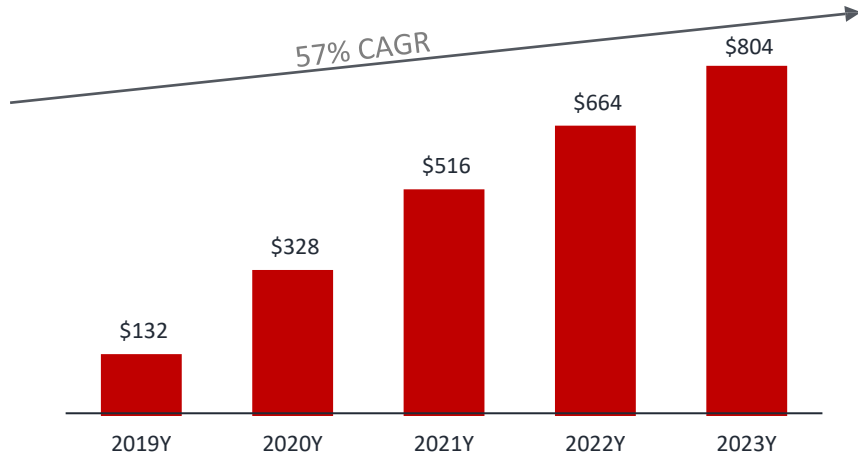
# 3 Year Indexed Asset Growth



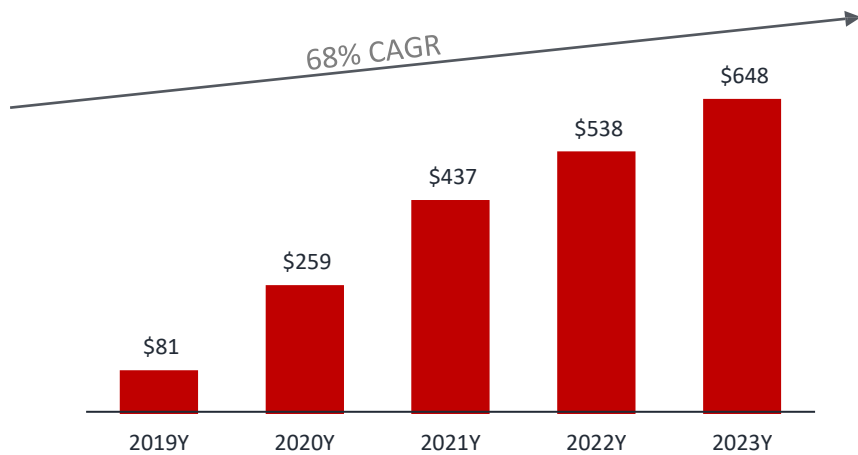
Source: S&P Capital IQ Pro

# Strong Organic Growth

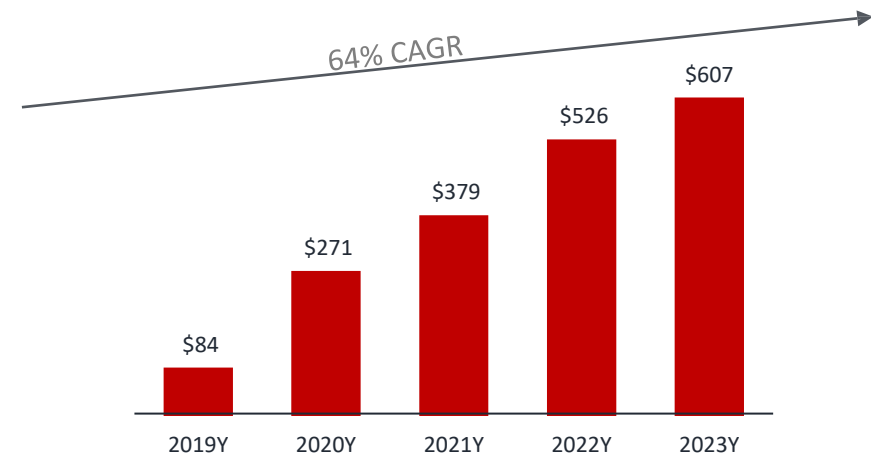
## Total Assets (\$M)



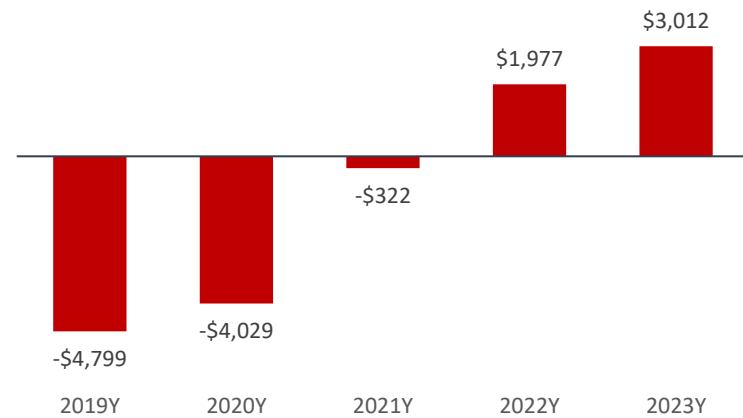
## Total Deposits (\$M)



## Total Loans (\$M)



## Net Income (\$M)



Note: Financial data as of December 31, 2023

# Pristine Credit Quality

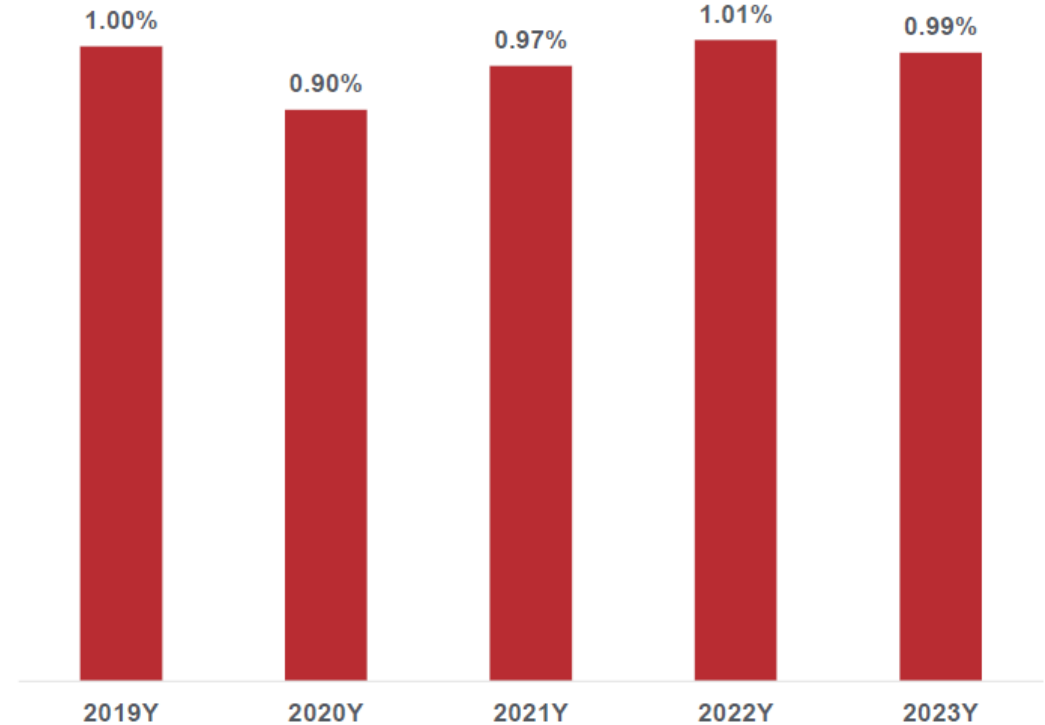
## Commentary

- No nonaccrual assets since inception
- Only one net charge-off over the past four years. Sold one commercial real estate loan in bankruptcy which correlated to a \$222K charge-off during Q2 2023

## NCOs / Avg. Loans



## Loan Loss Reserve / Loans

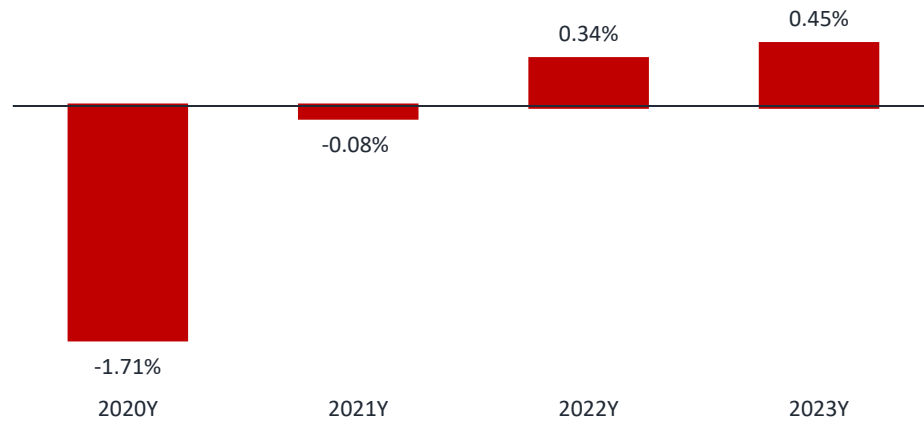




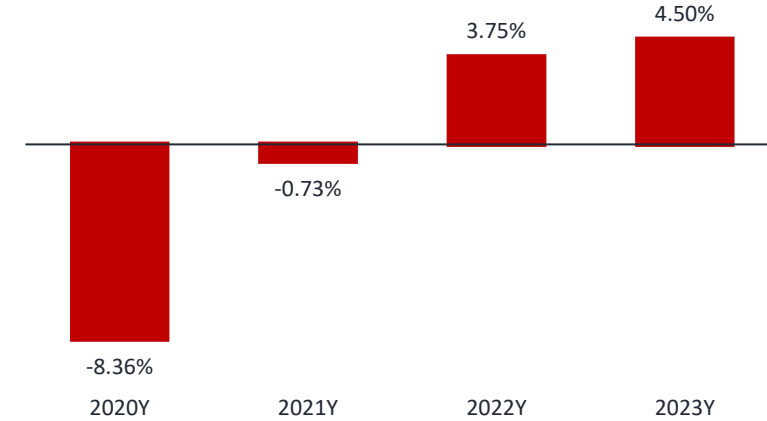
# Key Performance Metrics

Quick turn into profitability after inception

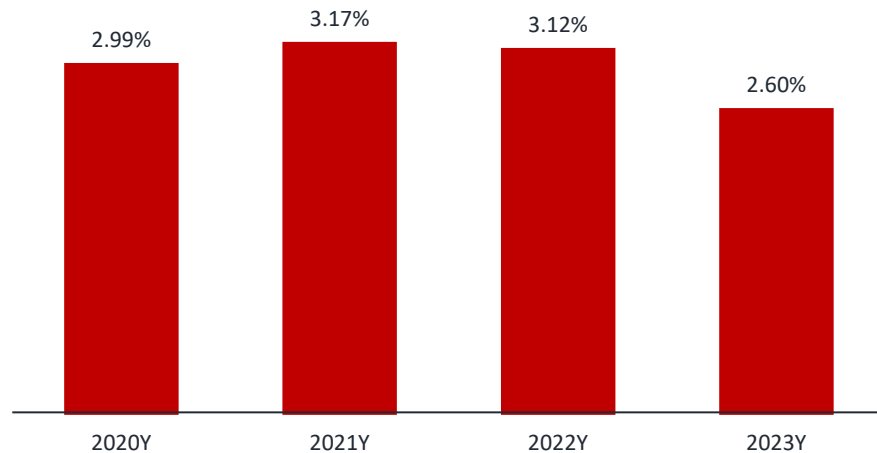
## ROAA (%)



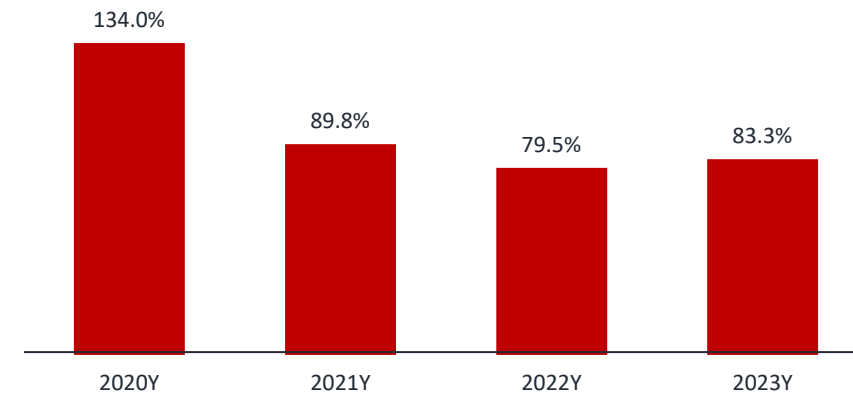
## ROATCE (%)



## NIM (%)



## Efficiency Ratio (%)



# De Novo Peer Comparison

| Company Name                      | City, State          | Established | 2023 Balance Sheet Data |           |                | 2023 YTD                  |
|-----------------------------------|----------------------|-------------|-------------------------|-----------|----------------|---------------------------|
|                                   |                      |             | Total Assets (\$M)      | TCE (\$M) | Lev. Ratio (%) | Net Income/(Loss) (\$000) |
| 1 Trustar Bank                    | Great Falls, VA      | 7/10/2019   | 804                     | 69.2      | 9.2            | 3,012                     |
| 2 Grasshopper Bank, N.A.          | New York, NY         | 5/13/2019   | 734                     | 61.0      | 10.1           | (2,272)                   |
| 3 Gulf Capital Bank               | Houston, Tx          | 12/18/2019  | 584                     | 73.2      | 14.4           | (3,254)                   |
| 4 Piermont Bank                   | New York, NY         | 7/16/2019   | 578                     | 46.0      | 13.1           | 163                       |
| 5 Ohio State Bank                 | Bexley, OH           | 4/22/2019   | 441                     | 47.4      | 11.2           | 149                       |
| 6 New Valley Bank & Trust         | Springfield, MA      | 5/30/2019   | 333                     | 27.7      | 9.3            | 94                        |
| 7 Watermark Bank                  | Oklahoma City, OK    | 1/22/2019   | 314                     | 44.5      | 14.0           | 2,930                     |
| 8 Lexicon Bank                    | Las Vegas, NV        | 8/12/2019   | 274                     | 25.9      | 11.0           | 1,016                     |
| 9 MI Bank                         | Bloomfield Hills, MI | 4/15/2019   | 236                     | 20.0      | 9.1            | 453                       |
| 10 Millyard Bank, The             | Nashua, NH           | 12/16/2019  | 238                     | 22.9      | 10.4           | (564)                     |
| 11 American Bank of the Carolinas | Monroe, NC           | 5/20/2019   | 161                     | 18.7      | 13.9           | 2,053                     |
| 12 Tandem Bank                    | Tucker, GA           | 9/23/2019   | 217                     | 21.7      | 10.8           | 2,561                     |
| 13 Loyal Trust Bank               | Johns Creek, GA      | 11/15/2019  | 199                     | 22.4      | 13.7           | (1,052)                   |

|                        |     |      |      |       |
|------------------------|-----|------|------|-------|
| <b>75th Percentile</b> | 578 | 47.4 | 13.7 | 2053  |
| <b>Average</b>         | 393 | 38.5 | 11.5 | 407   |
| <b>Median</b>          | 314 | 27.7 | 11.0 | 163   |
| <b>25th Percentile</b> | 236 | 22.4 | 10.1 | (564) |

Note: Bank level financial data shown  
Source: S&P Capital IQ Pro

# 1Q24 Financial Highlights (unaudited)

## Balance Sheet Highlights

|   |        |
|---|--------|
| Total Assets                              | \$813M |
| Gross Loans                               | \$641M |
| Total Deposits                            | \$670M |
| Tangible Common Equity                    | \$71M  |
| Total Book Value Per Share                | \$9.70 |
| Allowance for Credit Losses / Gross Loans | 0.99%  |
| Non-Performing Assets / Assets            | 0.00%  |






## Income Statement Highlights

|                        |          |
|------------------------|----------|
| Net Interest Income    | \$4.7M   |
| Provision Expense      | \$321K   |
| Noninterest Income (1) | (\$101K) |
| Noninterest Expense    | \$4.0M   |
| Net Income             | \$526K   |
| Earnings Per Share     | \$0.07   |

## Performance Ratio Analysis

|                                       |       |
|---------------------------------------|-------|
| Net Interest Margin                   | 2.37% |
| Return on Avg. Assets                 | 0.26% |
| Return on Avg. Tangible Common Equity | 3.02% |
| Efficiency Ratio                      | 87%   |

# Looking Ahead

-  Continue to be well capitalized.
-  Continue managing Net Interest Margin.
-  Continue to grow organically and hire additional “rain makers”.
-  Increase our capital position with the exercise of warrants that expire in July.
-  Continue brand awareness through business development and community involvement.



Q & A

# Contact Information

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