



# Bank OZK

**MANAGEMENT COMMENTS**

For the Fourth Quarter  
& Full Year  
2025

January 20, 2026

## FORWARD-LOOKING STATEMENTS

*This presentation and other communications by the Bank and its management may include certain statements that constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts. Forward-looking statements often use words such as “anticipates,” “targets,” “expects,” “hopes,” “estimates,” “intends,” “plans,” “goals,” “believes,” “feels,” “continue” and other similar expressions or future or conditional verbs such as “will,” “may,” “might,” “should,” “would” and “could.” Forward-looking statements represent the Bank’s current expectations, plans or forecasts of its future results, revenues, liquidity, net interest income, provision for credit losses, expenses, efficiency ratio, capital measures, strategy, deposits, assets, and future business and economic conditions more generally, and other future matters. Those statements are not guarantees of future results or performance and are subject to certain known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed in, or implied by, such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: potential delays or other problems in implementing the Bank’s growth, expansion and acquisition strategies, including hiring or retaining qualified personnel, obtaining regulatory or other approvals, acquiring satisfactory sites, obtaining permits and designing, constructing and opening new offices or relocating, selling or closing existing offices, or integrating any acquisitions; the availability of and access to capital; possible downgrades in the Bank’s credit ratings or outlook which could increase the costs of or decrease the availability of funding from capital markets; the ability to attract new or retain existing deposits or to retain or grow loans, including growth from unfunded closed loans; the ability to generate future revenue growth or to control future growth in non-interest expense; interest rate fluctuations, including changes in the yield curve between short-term and long-term interest rates or changes in the relative relationships of various interest rate indices; competitive factors and pricing pressures, including their effect on the Bank’s net interest margin; general economic, unemployment, credit market and real estate market conditions, and the effect of such conditions on the creditworthiness of borrowers, collateral values, the value of investment securities and asset recovery values; conditions within the banking industry; recently enacted and potential new federal or state laws and regulatory requirements or changes to existing federal or state laws and regulatory requirements, including changes affecting oversight of the financial services industry, changes intended to manage or mitigate climate and related environmental risks, changes in the interpretation and enforcement of such laws and requirements, changes as a result of U.S. presidential, congressional, state and local elections, and the costs and expenses to comply with new and/or existing legislation and regulatory requirements; impacts of potential changes in U.S. tax, tariff and immigration laws, regulations and policies and changes in state and local tax laws, regulations and policies; uncertainty regarding changes in U.S. government monetary and fiscal policy; the impact of any U.S. federal government shutdown or budgetary crisis; Federal Deposit Insurance Corporation (“FDIC”) special assessments or changes to regular assessments; the ability to keep pace with technological changes, including changes regarding artificial intelligence and maintaining cybersecurity; the impact of any failure in, or breach of, our operational or security systems or infrastructure, or those of third parties with whom we do business or others, including as a result of cyber-attacks or an increase in the incidence or severity of fraud, illegal payments, security breaches or other illegal acts impacting the Bank or our customers or others; natural disasters; acts of war or terrorism; the potential impact of continuing inflationary pressures; the potential impact of supply chain disruptions; national or international political instability or military conflicts; the competition for and costs of recruiting and retaining qualified personnel; impairment of our goodwill; adoption of new accounting standards, or changes in existing standards; and adverse results (including costs, fines, reputational harm and/or other negative effects) from current or future litigation, regulatory examinations or other legal and/or regulatory actions or rulings as well as other factors identified in this communication or as detailed from time to time in our public filings, including those factors described in the disclosures under the headings “Forward-Looking Information” and “Item 1A. Risk Factors” in our most recent Annual Report on Form 10-K for the year ended December 31, 2024 and in Item 2 of Part I and Item 2A of Part II of the Bank’s Quarterly Report(s) on Form 10-Q filed after the Annual Report, which are available on the Bank’s website (<https://ir.ozk.com/filings/documents>) and on the FDIC’s website (<https://efr.fdic.gov/fcxweb/efr/index.html>). Should one or more of the foregoing risks materialize, or should underlying assumptions prove incorrect, actual results or outcomes may vary materially from those described in, or implied by, such forward-looking statements. The Bank disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt of new information or otherwise.*

## MANAGEMENT COMMENTS

### **Executive Thoughts**

*We have said many times that we tend to do well in challenging macroeconomic environments – both resolving problems effectively and capitalizing on the opportunities such environments typically present. Since the Covid pandemic, each year has presented a constantly evolving array of uncertainties and macroeconomic challenges providing us with annual opportunities to prove our thesis. This past year was no different, as during 2025 our talented and veteran team navigated various opportunities and challenges and delivered a year of strong financial results, including another record diluted earnings per common share (“EPS”). Over the last three years, we have grown assets a cumulative 47% and produced record EPS each year.*

*Our 2025 net income available to common stockholders of \$699.3 million almost equaled our record results of \$700.3 million for 2024, and our 2025 EPS of \$6.18 was a new record, improving on 2024’s record \$6.14. Our solid 2025 earnings were driven by \$2.35 billion (7.8%) growth in loans and \$2.34 billion (7.5%) growth in deposits resulting in record annual net interest income of \$1.59 billion. This was our fifth consecutive year of record net interest income. For 2025 our returns on average assets (“ROAA”), average common stockholders’ equity (“ROACE”) and average tangible common stockholders’ equity (“ROATCE”) were 1.75%, 12.48% and 14.15%, respectively. During the year our tangible book value per common share increased \$5.00, even though we increased our dividend on common stock every quarter (having now increased that dividend for 62 consecutive quarters) and repurchased 3.36 million shares of our common stock for \$143 million. Over the last three years, we have grown our tangible book value per common share a cumulative 48%.*

*While the US economy has proven to be generally resilient, our commercial real estate (“CRE”) customers continue to work through the later stages of a multi-year CRE cycle. We have consistently stated that we expected most Real Estate Specialties Group (“RESG”) sponsors/capital partners to continue to support their properties through times of economic stress until business or economic conditions and property performance normalize. While that expectation has been generally realized, a small number of sponsors have eventually become unable or unwilling to support their projects. In 2025 this resulted in charge-offs and nonperforming loans that do not meet our historical standards. However, we had prudently prepared for such a possibility by more than doubling our allowance for credit losses (“ACL”) from \$300 million, or 0.83% of total loans and unfunded commitments, to \$632 million, or 1.26% of total loans and unfunded commitments, over the last 14 quarters.*

*In 2025 our provision expense more than offset our net charge-offs resulting in our ACL increasing \$12 million. Our ACL started and ended the year at 1.26% of total loans and unfunded commitments. Our results for the year were consistent with our guidance at the beginning of 2025, which was that our net-charge off ratio would be higher than our 2024 ratio of 0.20%, but still below the industry’s net-charge off ratio. Our full year 2025 net charge-off ratio of 0.50% was within that guidance range.*

*While we still operate in a world with many macroeconomic uncertainties, we feel we are well-positioned for the future. We expect our earnings in 2026 to be generally in line with our results for 2024 and 2025. More importantly, we believe our work and results in 2026, including the many strategic initiatives discussed herein, will be foundational for achieving accelerating growth and profitability in 2027 and beyond.*

*We are excited for you to read all the details in the following pages.*

George Gleason  
Chairman/CEO

## Profitability and Earnings Metrics

Net income available to common stockholders for the fourth quarter of 2025 was \$171.9 million, a 3.5% decrease from \$178.1 million for the fourth quarter of 2024. For the full year of 2025, net income available to common stockholders was \$699.3 million, a 0.1% decrease from the record \$700.3 million for the full year of 2024.

EPS for the fourth quarter of 2025 were \$1.53, a 1.9% decrease from \$1.56 for the fourth quarter of 2024. EPS for the full year of 2025 were a record \$6.18, a 0.7% increase from \$6.14 for the full year of 2024.

Pre-tax pre-provision net revenue<sup>1</sup> (“PPNR”) for the fourth quarter of 2025 was \$279.0 million, a 2.5% increase from \$272.2 million for the fourth quarter of 2024. For the full year of 2025, PPNR was \$1.11 billion, almost exactly equal to the record \$1.11 billion for the full year of 2024.

Our annualized ROAA for the fourth quarter of 2025 was 1.67% compared to 1.87% for the fourth quarter of 2024. Our ROAA for the full year of 2025 was 1.75% compared to 1.91% for the full year of 2024.

Our annualized ROACE<sup>1</sup> and ROATCE<sup>1</sup> for the fourth quarter of 2025 were 11.80% and 13.32%, respectively, compared to 13.33% and 15.22%, respectively, for the fourth quarter of 2024. Our ROACE and ROATCE for the full year of 2025 were 12.48% and 14.15%, respectively, compared to 13.77% and 15.82%, respectively, for the full year of 2024.

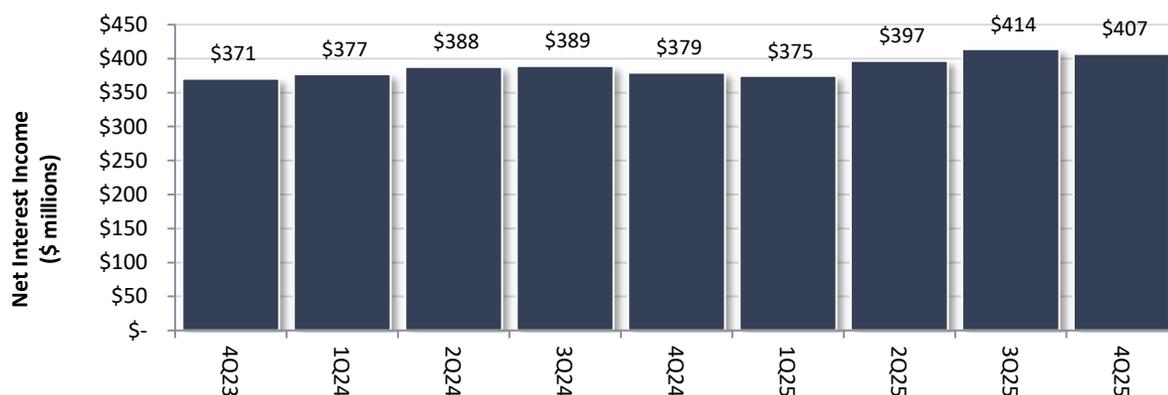
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<sup>1</sup> The calculations of the Bank’s non-GAAP financial measures and the reconciliations to GAAP are included in the schedules in Appendix A.

## Net Interest Income

Our net interest income for the fourth quarter of 2025 was \$407.0 million, a decrease of 1.6% compared to the third quarter of 2025 but a 7.3% increase compared to the fourth quarter of 2024, as shown in Figure 1. Our net interest income for the full year 2025 was a record \$1.59 billion, a 3.8% increase from \$1.53 billion for the full year of 2024. This was our fifth consecutive year of record net interest income.

**Figure 1: Quarterly Net Interest Income**



Future net interest income will depend on numerous factors, including, among others, growth in earning assets, changes in loan yields, changes in cost of interest bearing deposits (“COIBD”), and any Fed interest rate changes.

Our goal for 2026 is to improve on our record net interest income in 2025. To achieve this goal, we will need sufficient growth in average earning assets to offset the expected reduction in our net interest margin from loans repricing more quickly than deposits in a declining rate environment.

There is an element of seasonality in our net interest income attributable to the number of days in each quarter. Considering the two fewer days in the first quarter compared to the quarter just ended and the full impact of the December Fed rate cut, we expect first quarter 2026 net interest income to be between \$385 million and \$390 million. We expect net interest income will be higher in each subsequent quarter of 2026 due to increased days, loan growth, and time deposit repricing catching up with earlier loan repricing.

## Loans

Our loans were \$32.32 billion at December 31, 2025, a decrease of \$0.53 billion, or 1.6% not annualized, from September 30, 2025, but an increase of \$2.35 billion, or 7.8%, from December 31, 2024, as shown in Figure 2. As expected, during the quarter just ended, RESG loan repayments offset excellent growth from Corporate & Institutional Banking (“CIB”) and other lending teams.

For the full year of 2026, we continue to expect mid-single digit percentage loan growth including strong CIB growth offset by significant RESG loan repayments. For the full year of 2027, we expect loan growth to accelerate to a 10% to 11% range with headwinds from RESG repayments subsiding while CIB and our other lending teams are expected to grow significantly. Our goal in subsequent years is to continue to have strong loan growth with all our lending teams contributing.

Loan growth may vary significantly from quarter to quarter and may be impacted by the volume of loan originations and repayments, interest rates, economic conditions, competition or other factors.

**Figure 2: Loan Balances and Yields**

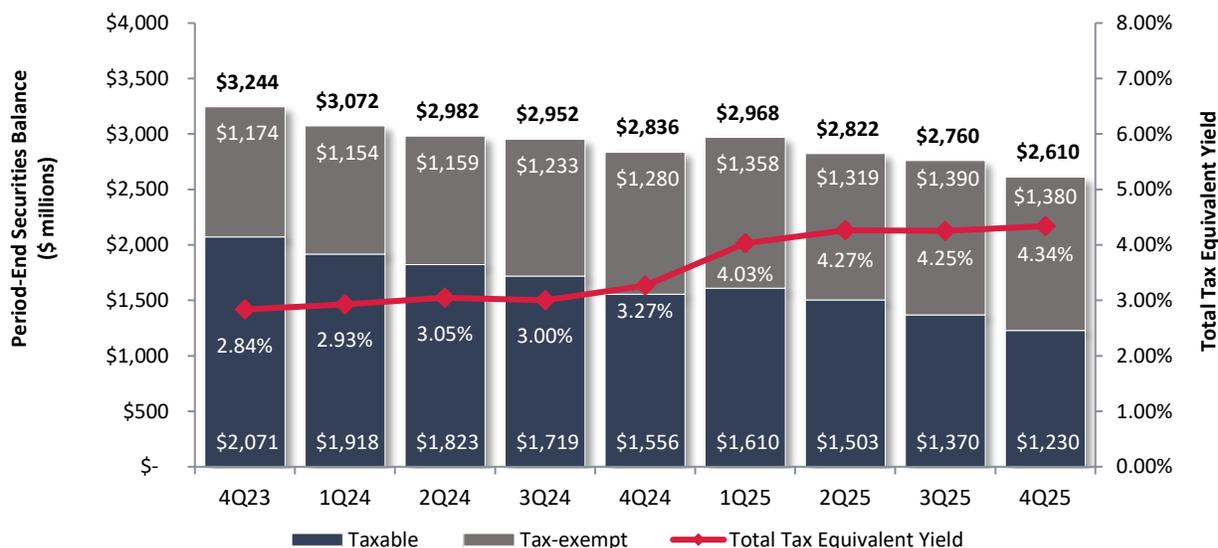


In the fourth quarter of 2025, our yield on loans was 7.50%, decreases of 24 basis points (“bps”) and 67 bps, respectively, from the third quarter of 2025 and the fourth quarter of 2024. For the full year of 2025, our yield on loans was 7.70%, a decrease of 86 bps from 8.56% in 2024. These decreases reflect the impact on our predominately variable-rate loan portfolio of the 100-basis point reduction in the Fed funds rate during the last four months of 2024 and the 75-basis point reduction during the last four months of 2025.

## Investment Securities

Our investment securities, all of which are categorized as available-for-sale, were \$2.61 billion at December 31, 2025, decreases of \$0.15 billion, or 5.4% not annualized, from September 30, 2025 and \$0.23 billion, or 8.0%, from December 31, 2024, as shown in Figure 3. At December 31, 2025, our investment securities had an average effective duration of approximately 5.32 years.

**Figure 3: Investment Securities Balances and Yields**



In the fourth quarter of 2025, our tax-equivalent yield on investment securities was 4.34%, increasing nine bps from the third quarter of 2025 and 107 bps from the fourth quarter of 2024. For the full year of 2025, our tax-equivalent yield on investment securities was 4.22%, an increase of 116 bps from 3.06% in 2024. During 2025 our portfolio yield benefited from the reinvestment, at more favorable rates, of the proceeds from lower-yielding bond maturities.

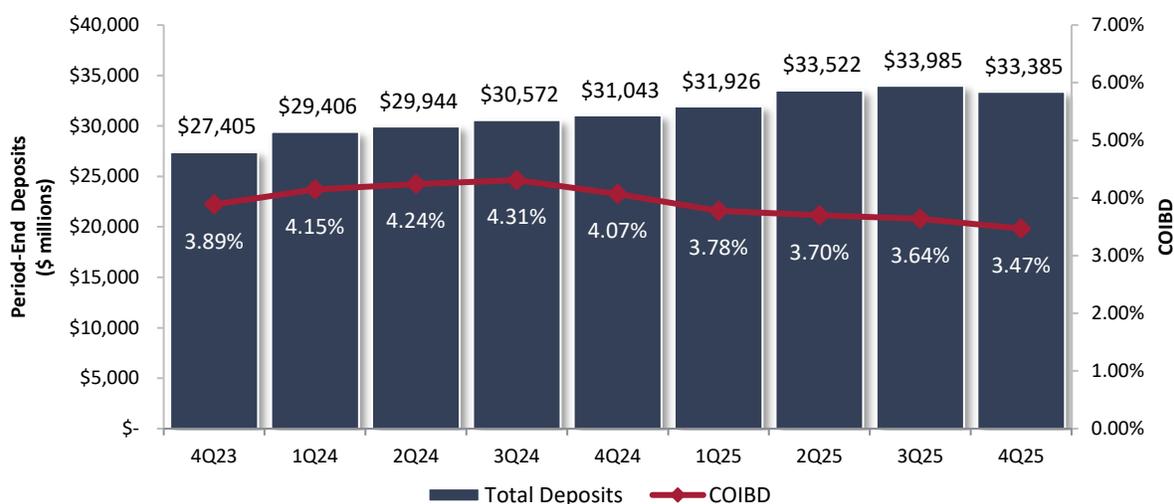
Depending on market conditions and available investment opportunities, we will likely see some growth in our investment securities portfolio in 2026, contrary to the recent trend of declining balances.

## Deposits

Our deposits were \$33.38 billion at December 31, 2025, a decrease of \$0.60 billion, or 1.8% not annualized, from September 30, 2025, but an increase of \$2.34 billion, or 7.5%, from December 31, 2024, as shown in Figure 4.

We continue to manage our deposit growth as needed to fund growth in loans. This has been evident in the last three years when deposits and loans grew 7.5% and 7.8%, respectively, in 2025, after deposits and loans both grew 13.3% in 2024 and grew 27.5% and 27.3%, respectively, in 2023.

**Figure 4: Deposit Balances and Cost of Interest Bearing Deposits (“COIBD”)**

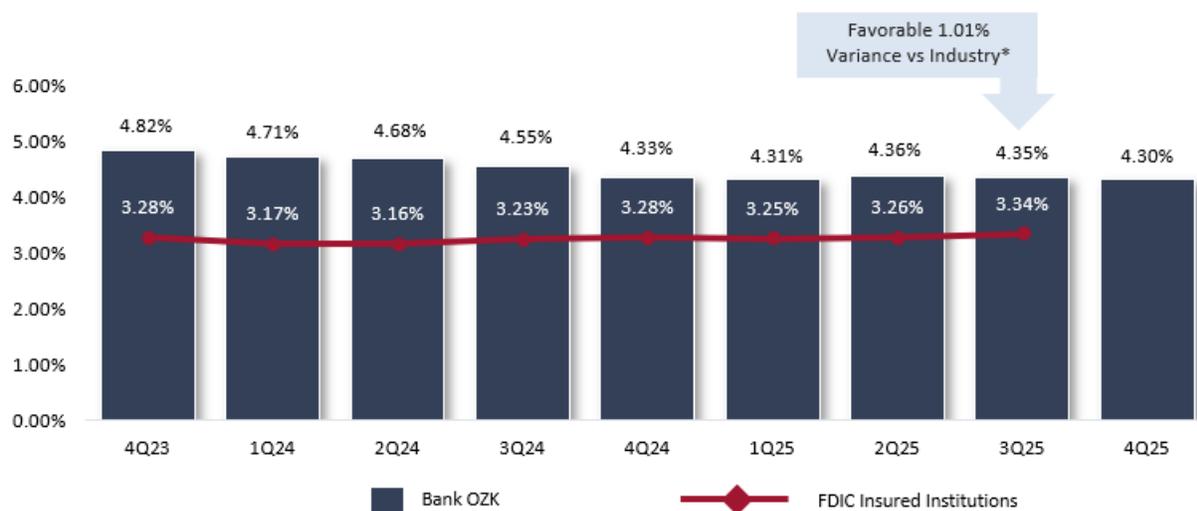


In the fourth quarter of 2025, our COIBD was 3.47%, decreases of 17 bps and 60 bps, respectively, from the third quarter of 2025 and the fourth quarter of 2024, reflecting the impact of the cumulative 100-basis point reduction in the Fed funds rate during the last four months of 2024 and some impact of the 75-basis point reduction in the last four months of 2025. For the full year of 2025, our COIBD was 3.64%, a decrease of 55 bps from 4.19% in 2024. Following each Fed funds rate reduction, our COIBD should move lower over several quarters, but should tend to lag the more immediate decrease in our loan yields.

## Net Interest Margin

During the quarter just ended, our net interest margin was 4.30%, decreases of five bps from the third quarter of 2025 and three bps from the fourth quarter of 2024. As shown in Figure 5, in the third quarter of 2025, the latest quarter for which comparative data is available, our net interest margin outperformed the industry by 101 bps, continuing our long history of outperformance. For the full year of 2025, our net interest margin was 4.33%, a decrease of 23 bps from 4.56% in 2024.

**Figure 5: Quarterly Net Interest Margin (%)**



*\*Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2025.*

Following any Fed interest rate reduction, we anticipate our loan yields will decrease faster than our deposit costs, likely resulting in some decrease in our net interest margin, at least until time deposits reprice further and/or floor rates are reached on more variable rate loans (see Figure 20). Although no Fed interest rate increases are expected in the near term, following any Fed interest rate increase, we anticipate our loan yields would increase faster than our deposit costs, likely resulting in some increase in our net interest margin until time deposits reprice.

**Loan Portfolio Details**

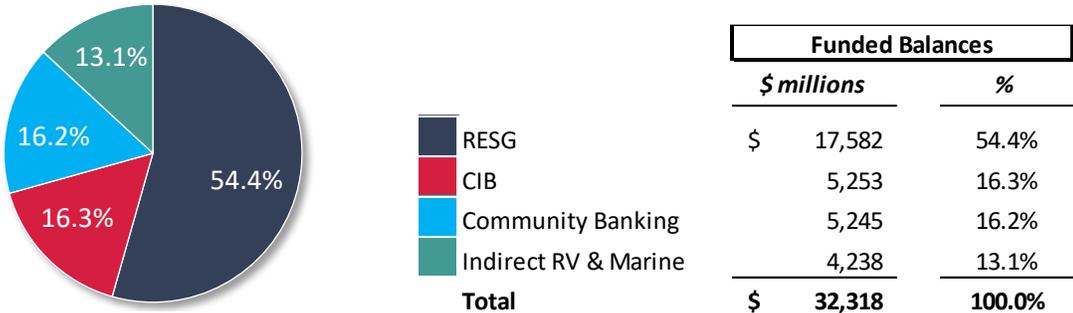
*Growth, Growth and Diversification*

Our “growth, growth and diversification” strategy is achieving greater portfolio diversification through growth in our CIB, Indirect RV & Marine and Community Banking portfolios. We expect these lending teams will continue to contribute meaningfully to further growth and diversification, especially as RESG is likely to continue to have elevated repayments throughout 2026. Implicit in this diversification strategy is an unwavering focus on asset quality from each of these lending teams.

The ramp-up of CIB over the past several years and the handoff of the “growth baton” from RESG to CIB has been well timed. CIB has achieved significant growth while RESG has absorbed elevated repayments, including record repayments in each of the last two quarters.

RESG’s percentage of loans declined to 54.4% as of December 31, 2025, down 3.3% from 57.7% at September 30, 2025, and well below its all-time high of 70%. Given our expectation that RESG is likely to have elevated repayments throughout 2026 while other parts of our loan portfolio continue to grow, we expect its percentage of loans will go below 50% sometime during 2026. Of course, we expect that the unique strengths and expertise of RESG will result in meaningful growth over the longer term following this elevated repayment cycle.

**Figure 6: Loan Composition (As of December 31, 2025)**

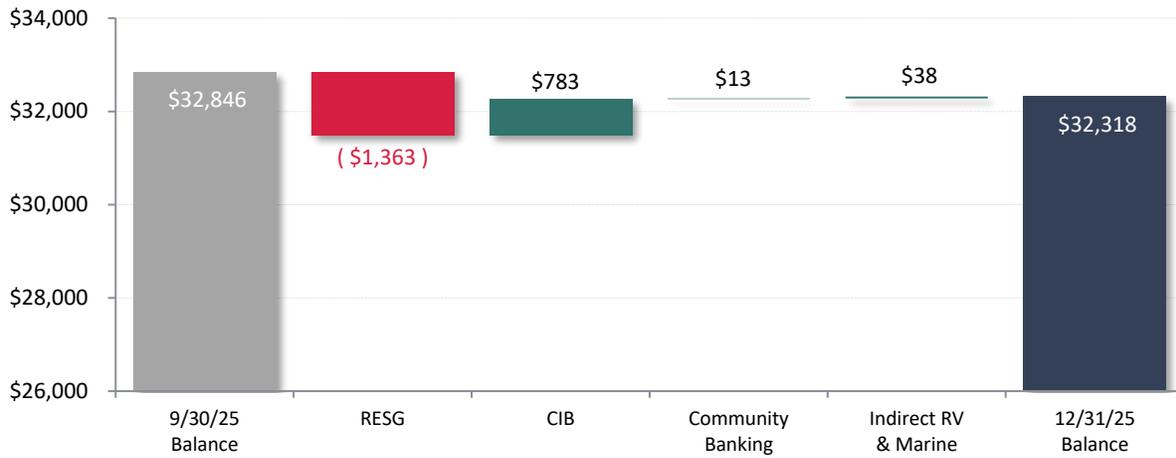


Our long-term goal is for all of our lending teams to grow significantly and to achieve more balance and diversification in the portfolio. Of course, opportunities will shift over time, and we will always want to capitalize on the best opportunities. Eventually, we expect CIB’s and RESG’s loan portfolios could be roughly equal in size with each accounting for about one-third of our outstanding loans. The remainder would be a combination of loans from Community Banking and Indirect RV & Marine. We believe such balance and diversification would be beneficial, while maximizing future growth opportunities.

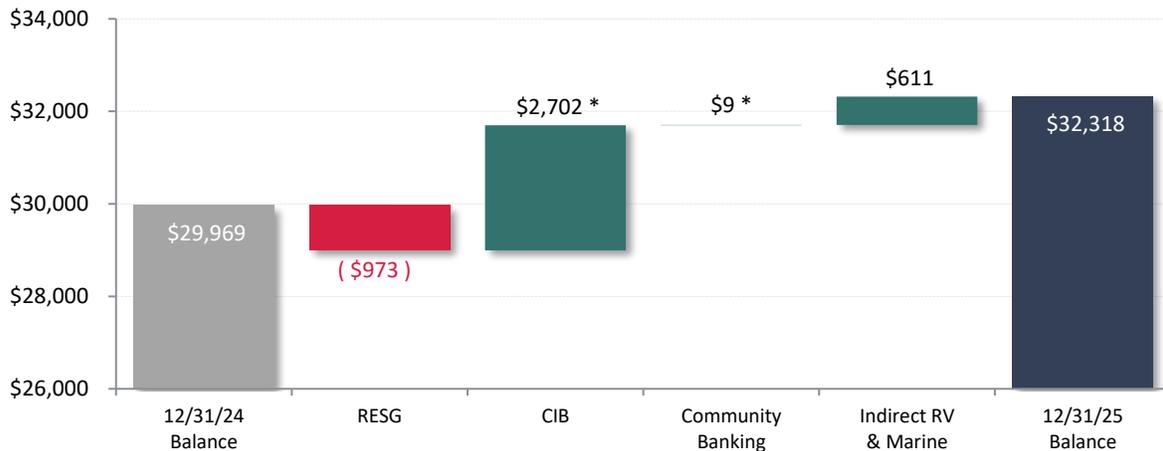
*Funded Loan Balances*

Figures 7 and 8 illustrate the mix in our loan growth in the fourth quarter and full year of 2025 and reflect our trend of greater portfolio diversification. During 2025, CIB loans increased \$2.70 billion, Indirect RV & Marine increased \$0.61 billion, and Community Banking increased modestly while RESG declined \$0.97 billion. We expect this diversification trend will continue for some time.

**Figure 7: Loan Growth, Funded Balances – 4Q25 (\$ millions)**



**Figure 8: Loan Growth, Funded Balances – Full Year 2025 (\$ millions)**

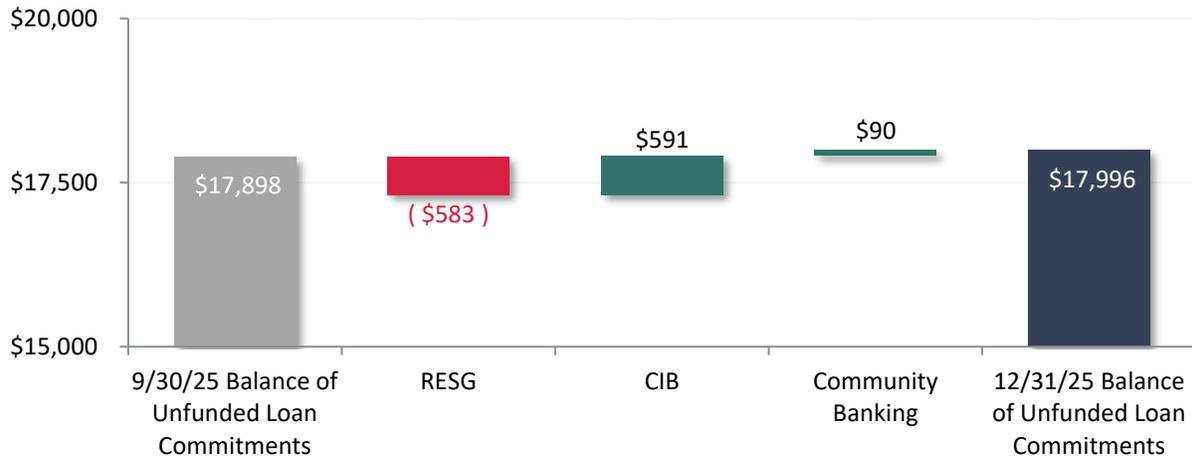


\* Loan growth amounts reflect the transfer of \$183 million of loans from Community Banking’s Business Aviation Group to CIB’s Equipment Finance Group in the third quarter of 2025.

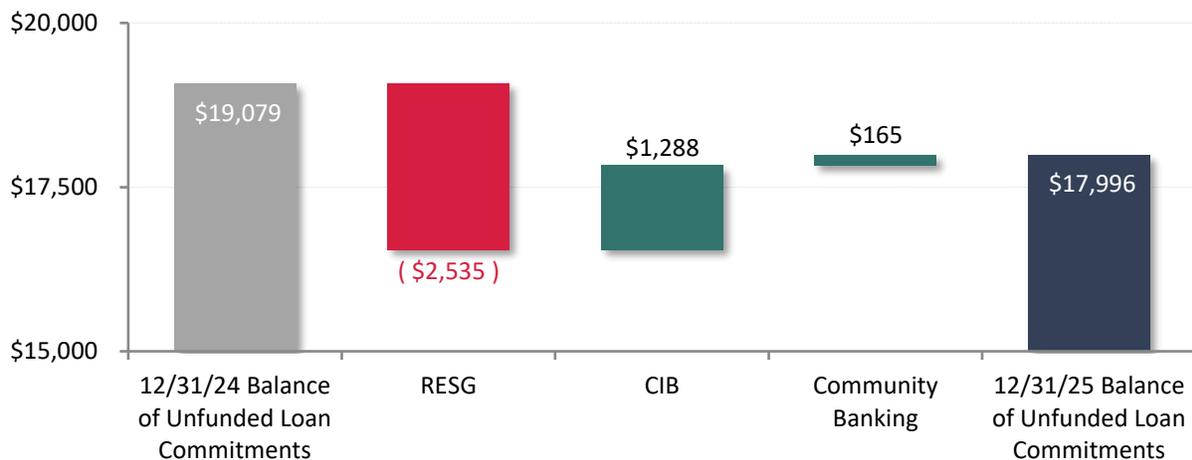
*Unfunded Loan Commitments*

Figures 9 and 10 reflect the activity in unfunded loan commitments in the fourth quarter and the full year of 2025. Consistent with our greater portfolio diversification during 2025, RESG’s share of unfunded loan commitments decreased 10% to 62%, while CIB’s share increased 9% to 30%. We expect this diversification trend will continue for some time.

**Figure 9: Activity in Unfunded Loan Commitments – 4Q25 (\$ millions)**



**Figure 10: Activity in Unfunded Loan Commitments – Full Year 2025 (\$ millions)**



## RESG Loan Originations and Repayments

As shown in Figure 11, RESG loan originations were \$1.61 billion in the fourth quarter and \$5.03 billion for the full year of 2025. During 2025 many sponsors faced challenges raising equity capital for new projects as capital partners were cautious due to macroeconomic uncertainty and tight monetary policy. This restrained new project starts. At the same time, a surge in liquidity available for debt financing created significant competition for the new deals that did raise equity. This environment of “too many lenders chasing too few deals” contributed to our subdued 2025 RESG origination volume.

**Figure 11: RESG Quarterly Loan Originations (\$ billions)**

	Q1	Q2	Q3	Q4	Total
FY2020	\$1.76	\$1.67	\$1.40	\$1.77	\$6.59
FY2021	\$1.28	\$1.46	\$2.21	\$2.99	\$7.94
FY2022	\$3.14	\$3.53	\$4.35	\$2.81	\$13.82
FY2023	\$1.81	\$1.41	\$1.95	\$2.05	\$7.22
FY2024	\$1.58	\$1.60	\$1.23	\$1.00	\$5.41
FY2025	\$1.21	\$1.51	\$0.70	\$1.61	\$5.03

As expected, our origination volume improved in the final quarter of 2025 and was our best quarterly origination volume in two years. We expect origination volume in 2026 to be similar to the levels we achieved in 2024 and 2025. Origination volume may vary significantly from quarter to quarter and may be impacted by economic conditions, interest rates, competition or other factors.

As shown in Figure 12, RESG’s loan repayments and other activity increased to a record \$3.00 billion in the quarter just ended, our second consecutive quarterly record, bringing the total for the full year of 2025 to a record \$7.24 billion. The recent increase in debt financing available for projects contributed to RESG repayments. Additionally, from time to time we will sell a loan. During the quarter just ended, we sold a San Diego, CA life science loan (\$0.10 billion outstanding, \$0.27 billion total commitment), resulting in full repayment of all outstanding principal and accrued interest. Such occasional transactions do not reflect any change in our strategy. We expect RESG loan repayments will remain elevated throughout 2026. Loan repayments may vary substantially from quarter to quarter based on a variety of factors including interest rate levels and refinancing alternatives.

**Figure 12: RESG Quarterly Loan Repayments & Other Activity (\$ billions)**

	Q1	Q2	Q3	Q4	Total
FY2020	\$1.00	\$0.69	\$0.65	\$1.19	\$3.54
FY2021	\$1.48	\$1.68	\$1.34	\$1.72	\$6.22
FY2022	\$1.31	\$2.34	\$1.28	\$0.72	\$5.65
FY2023	\$0.91	\$1.03	\$1.10	\$0.97	\$4.01
FY2024	\$0.79	\$1.84	\$1.60	\$1.83	\$6.06
FY2025	\$0.85	\$0.95	\$2.44	\$3.00	\$7.24

Elevated RESG loan repayments coupled with the lower origination volume have resulted in RESG total commitments, both funded and unfunded, receding by \$5.7 billion from a peak of \$34.5 billion at March 31, 2024 to \$28.8 billion at December 31, 2025. This decreasing trend in RESG total commitments is likely to continue through 2026 and possibly into 2027.

RESG Origination and Repayment Cadence

Figure 13 illustrates the cadence of RESG loan originations and repayments. It shows the amount of each year’s originations which have been repaid and which remain as outstanding commitments, both funded and unfunded.

**Figure 13: RESG Origination and Repayment Trends by Year of Origination (Total Commitment) (As of December 31, 2025)**



	2017	2018	2019	2020	2021	2022	2023	2024	2025
\$ Remaining Commitment	\$0.11B	\$0.04B	\$0.28B	\$1.80B	\$2.27B	\$8.60B	\$5.58B	\$5.04B	\$5.03B
\$ Amount Funded	\$0.11B	\$0.02B	\$0.27B	\$1.52B	\$1.91B	\$6.95B	\$3.91B	\$2.11B	\$0.71B
\$ Amount Unfunded	\$0.00B	\$0.02B	\$0.01B	\$0.28B	\$0.36B	\$1.65B	\$1.67B	\$2.93B	\$4.32B

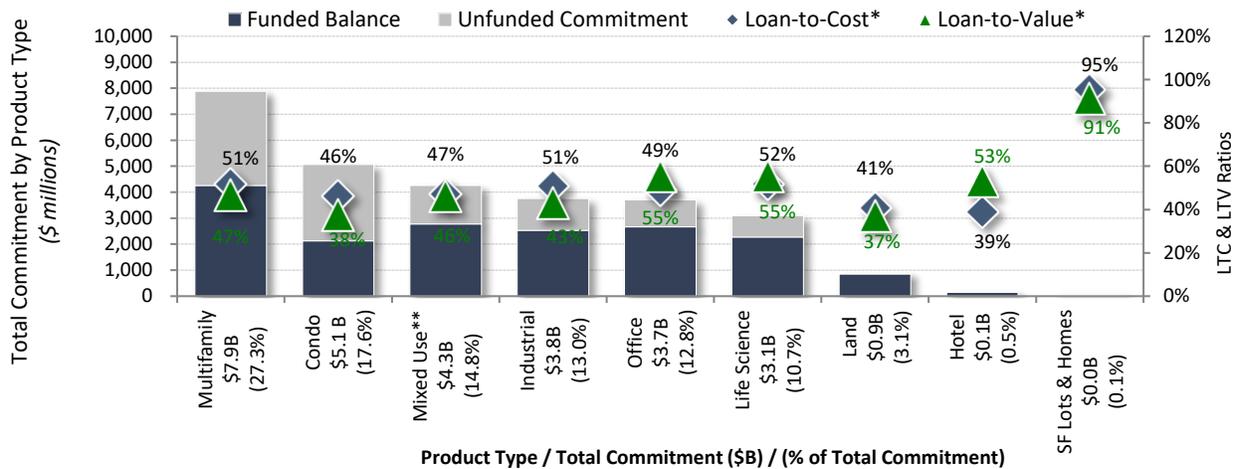
\* Amounts repaid and total annual originations are not shown for pre-2017 originations.

RESG repayments in the quarter just ended included repayments of older vintage loans. Specifically, during the quarter total commitments (both funded and unfunded) were reduced by \$0.03 billion for 2017 originations, \$0.25 billion for 2020 originations, \$0.72 billion for 2021 originations, \$1.34 billion for 2022 originations, \$1.02 billion for 2023 originations and \$0.18 billion for 2024 originations.

RESG Portfolio Diversification

Figure 14 shows the product type diversification within the RESG portfolio. During the quarter just ended, our loan repayments included, among others, four office loans and one mixed use (including office) loan with total commitments of \$768 million (\$604 million funded; \$164 million unfunded) and the sale of one life science loan with a total commitment of \$265 million (\$100 million funded; \$165 million unfunded).

Figure 14: RESG Portfolio Diversification by Product Type (As of December 31, 2025)

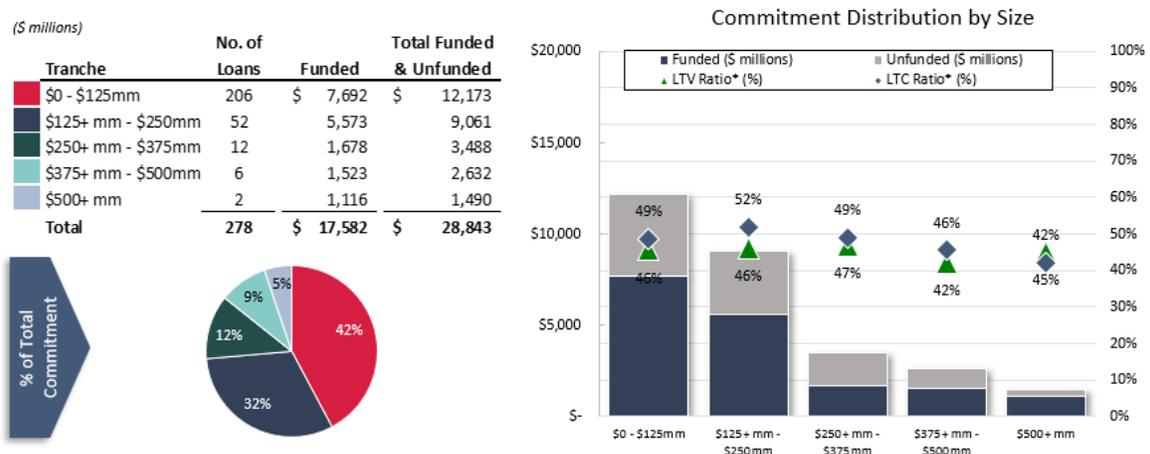


\* LTC and LTV ratios are weighted averages and assume all loans are fully funded. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.

\*\* Mixed use projects contain multiple property types, none of which individually contribute 75% or more of the project value.

The stratification of the RESG portfolio by commitment size is reflected in Figure 15.

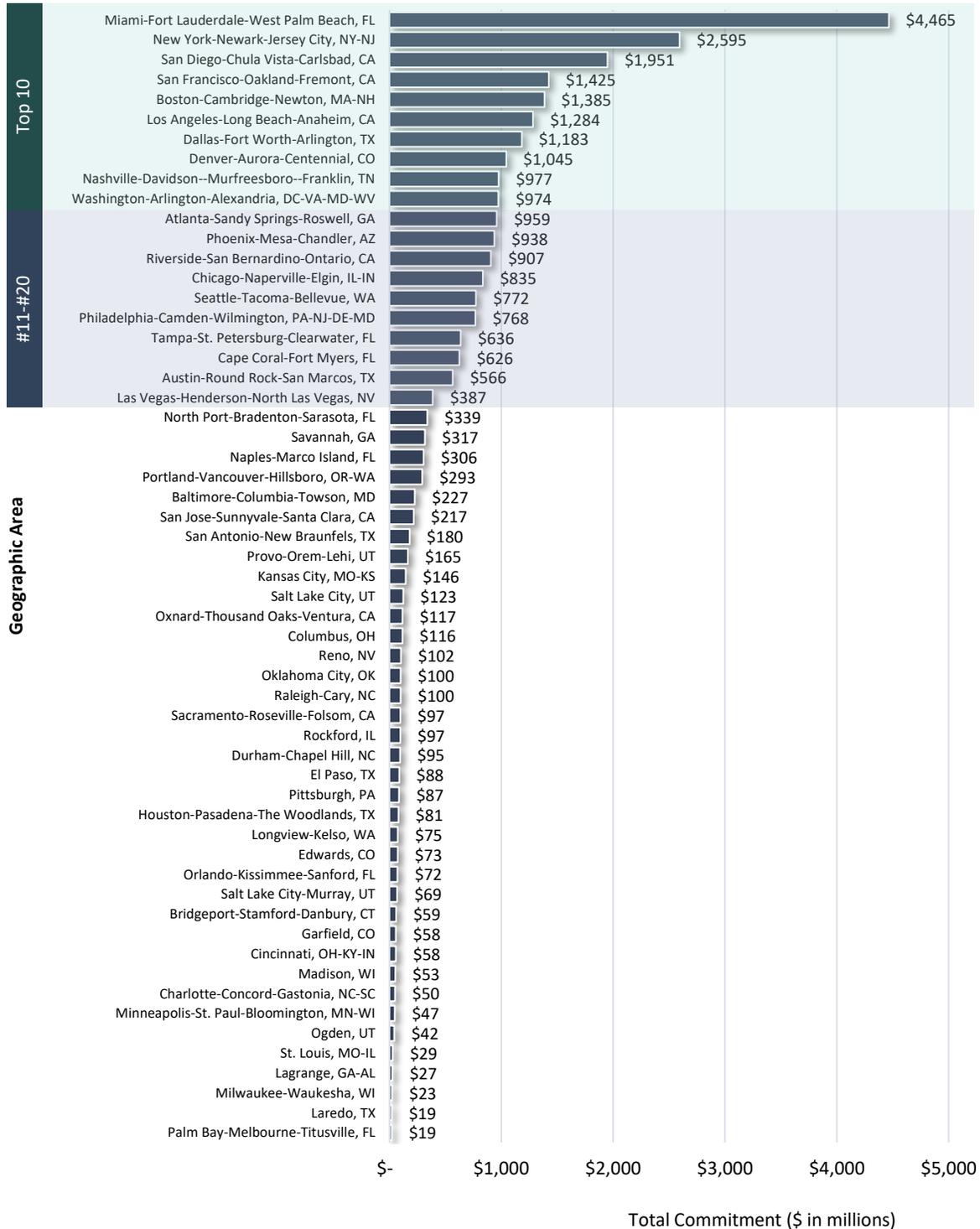
Figure 15: RESG Portfolio Stratification by Loan Size – Total Commitment (As of December 31, 2025)



\* Weighted average; assumes all loans are fully funded; calculation based on total commitment by tranche as a % of total cost and total appraised value of loans within each tranche. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income-producing properties.

Figure 16 shows RESG’s total commitments in each geographic area in which it currently has loans, reflecting the national scope and significant geographic diversification in RESG’s business.

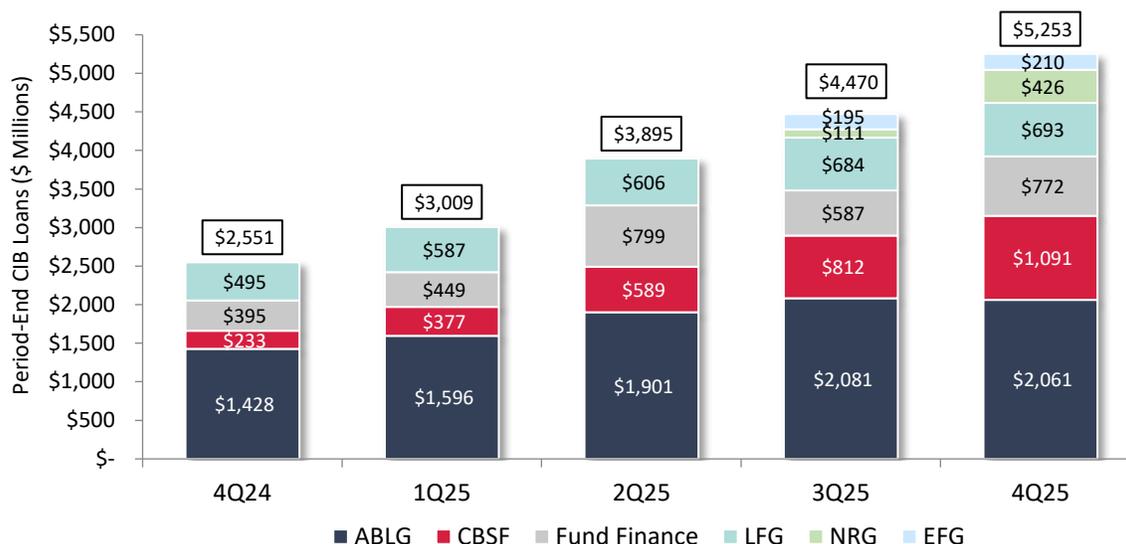
**Figure 16: RESG Portfolio Diversification – All Geographies (As of December 31, 2025)**



Corporate & Institutional Banking

CIB continued to achieve excellent growth and enhance portfolio diversification in the quarter just ended. It accounted for \$5.25 billion, or 16.3%, of the funded balance of loans as of December 31, 2025, an increase from 13.6% as of September 30, 2025 and 9.0% as of December 31, 2024. CIB includes loans from Asset Based Lending Group (“ABLG”), Corporate Banking & Sponsor Finance (“CBSF”), Fund Finance, Lender Finance Group (“LFG”), Natural Resources Group (“NRG”) and Equipment Finance Group (“EFG”).

Figure 17: CIB Loan Composition (Funded Balance)



\* EFG balance includes \$183 million of loans transferred from Community Banking's Business Aviation Group in the third quarter of 2025.

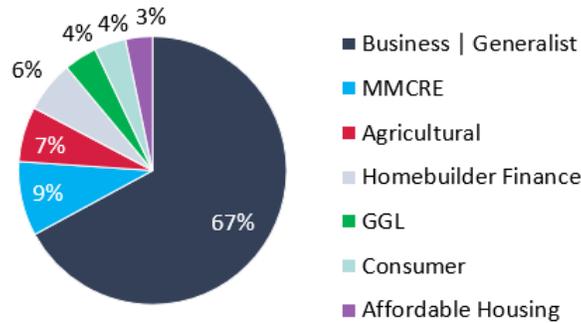
We continue to make significant investments in CIB as part of our growth and diversification strategy. Total CIB headcount grew from 18 at year-end 2023, to 51 at year-end 2024, and 83 at year-end 2025. During 2025 we launched our Natural Resources Group, expanded our CBSF team into Atlanta, Nashville and Kansas City, and added 18 members to CIB’s Portfolio Management & Operations team that oversees underwriting, servicing and maintenance of CIB loans.

In addition to delivering strong loan growth, CIB expects to contribute more meaningful future growth in fee income through its Loan Syndications & Corporate Services teams including the Loan Syndications Group, Interest Rate Hedging Solutions and its Capital Markets Program.

*Community Banking*

Community Banking accounted for \$5.24 billion, or 16.2%, of the funded balance of loans as of December 31, 2025, and included consumer and small business loans, business banking loans, loans originated by our commercial (generalist) lenders, and loans originated by our specialty lending teams in Community Banking, which included our government guaranteed (“GGL”), agricultural (including poultry), affordable housing, middle market CRE (“MMCRE”) and homebuilder finance lending teams.

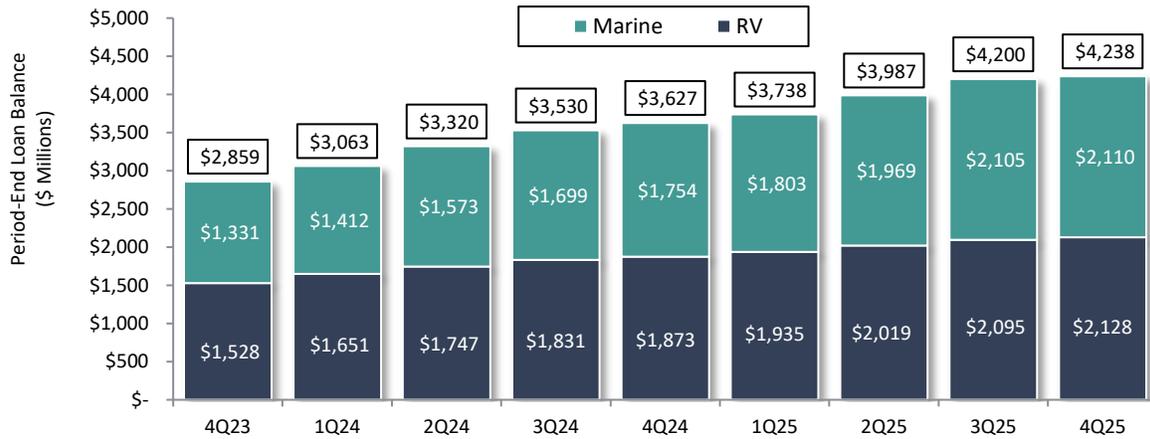
**Figure 18: Community Banking Loan Composition  
(As of December 31, 2025)**



*Indirect RV & Marine*

Indirect RV & Marine lending is a nationwide business which accounted for \$4.24 billion, or 13.1%, of the funded balance of our loans as of December 31, 2025. This portfolio had a 30+ day delinquency ratio of 0.31% as of year-end. For the fourth quarter and full year of 2025, our annualized net charge-off ratio for the indirect portfolio was 0.44% and 0.36%, respectively. Figure 19 provides additional details regarding this portfolio.

**Figure 19: Indirect RV & Marine Loan Balances**

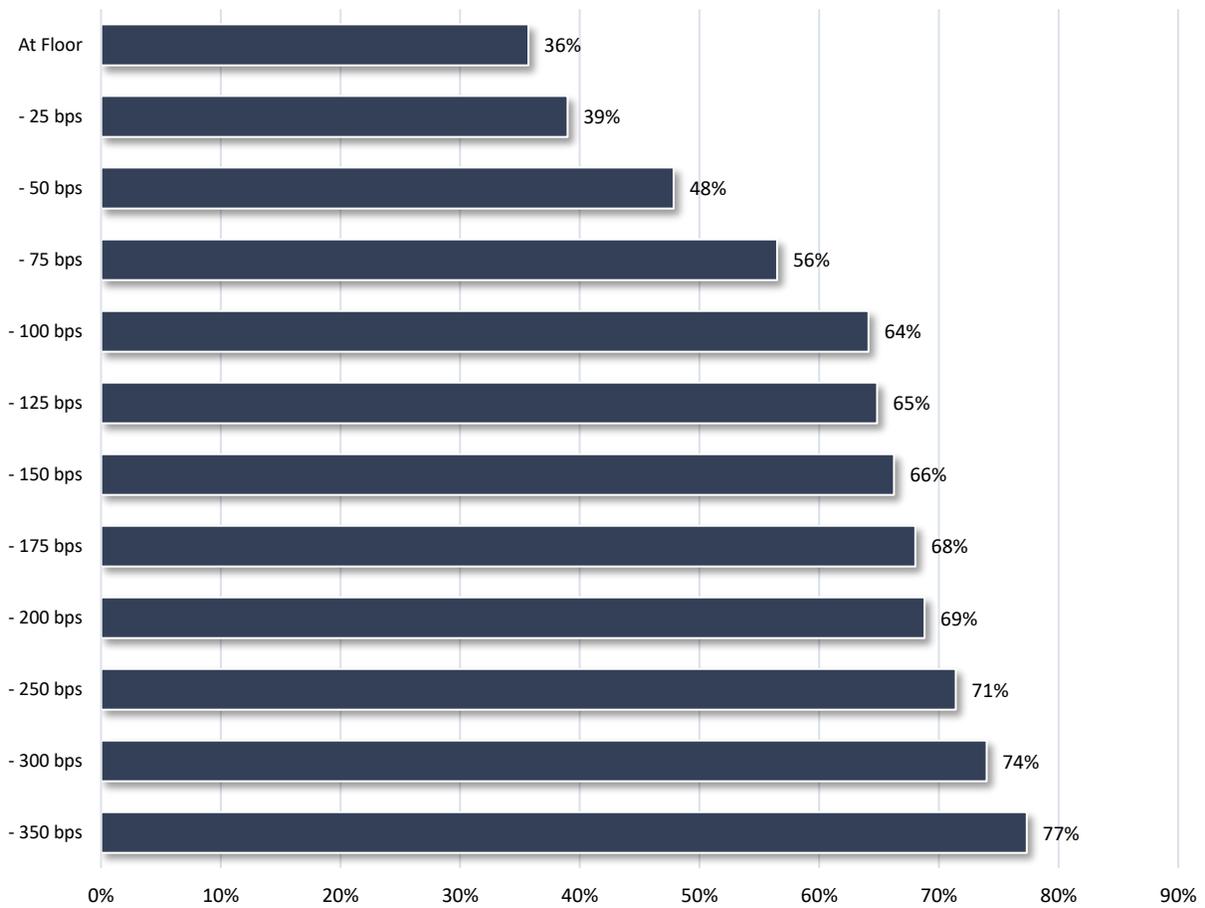


*Variable Rate Loans and Loan Floors*

At December 31, 2025, 86% of our total commitment of loans had variable rates, of which 80% were tied to 1-month term SOFR, 15% to WSJ Prime and 5% to other indexes.

At December 31, 2025, 91% of our total commitment of variable rate loans had floor rates. Figure 20 illustrates the percentage of our total commitment of variable rate loans at December 31, 2025 that were at their floor rate or would have been at their floor rate following various hypothetical decreases in the applicable index rates.

**Figure 20: Variable Rate Loans at Floors as Rates Decline – Total Commitments as of December 31, 2025**



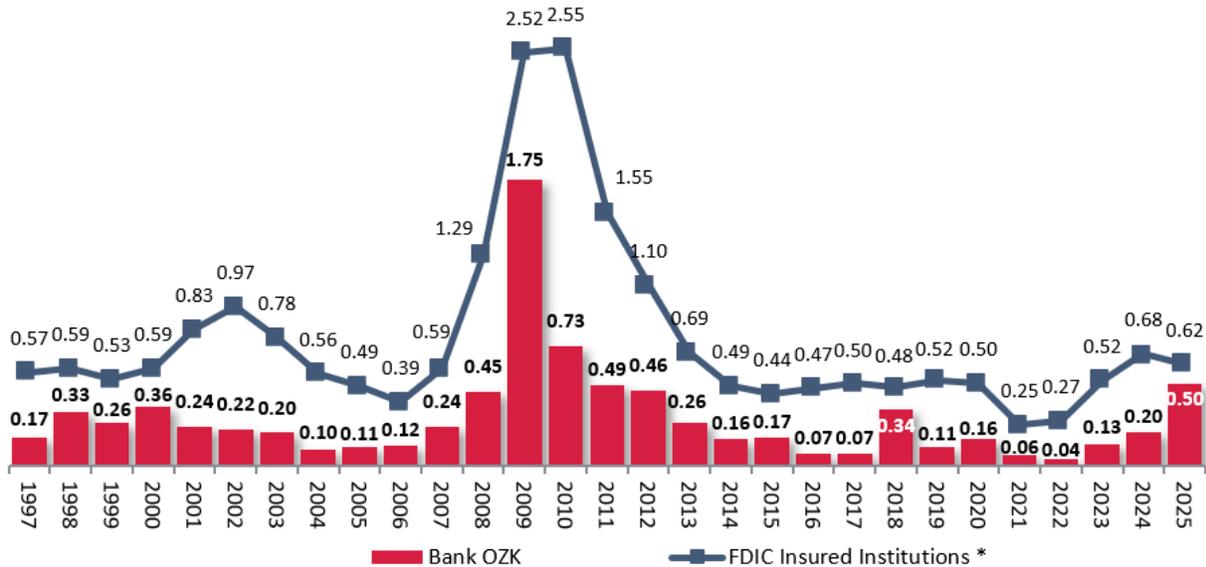
## Asset Quality Details

### Net Charge-Offs

Our annualized net charge-off ratios were 1.18% for the quarter just ended and 0.50% for the full year of 2025. During the quarter just ended, we recognized charge-offs on four previously classified or criticized RESG loans that are now substandard non-accrual, all as detailed in Figure 26 on page 26. Although our net charge-off ratio was elevated in the quarter just ended, our full year 2025 net charge-off ratio was consistent with our previous guidance that it would exceed 2024's 20-bps ratio but remain below the industry average, and that it could vary significantly from quarter to quarter.

As shown in Figure 21, in our 28 years as a public company, our net charge-off ratio has outperformed the industry's net charge-off ratio every year and has averaged only about one-third of the industry's net charge-off ratio. We expect our net charge-off ratio for 2026 to once again outperform the industry average.

**Figure 21: Annualized Net Charge-off Ratio vs. the Industry**



\*Data for all FDIC insured institutions from the FDIC Quarterly Banking Profile, last updated third quarter 2025.  
Annualized when appropriate.

The current CRE cycle has proven to be an unusually challenging and prolonged period for some of our CRE customers having to contend with the cumulative impact of a constantly evolving array of uncertainties and macroeconomic challenges starting with the COVID-19 pandemic in 2020 and its resulting lockdowns, supply chain disruptions, rapidly increasing inflation, the Fed increasing interest rates 525 bps, higher-for-longer interest rates, remote work and a slow return to office, social unrest and efforts to defund the police in many major cities, tariffs, reductions in funding for medical research, and numerous other sources of macroeconomic, political and geopolitical turbulence and uncertainty.

Notwithstanding all of this, we have consistently stated that we expected most RESG sponsors/capital partners to continue to support their properties, if needed, through times of economic stress until business or economic conditions and property performance normalize. That expectation has been generally realized.

However, a small number of sponsors have eventually become unable or unwilling to continue to support their projects resulting in charge-offs and nonperforming loans that do not meet our historical standards. As reflected in detail in Figure 23 (on page 23), over the past 14 quarters we prudently prepared for this possibility by more than doubling our ACL.

While we are still operating in a world with considerable uncertainties, we are seeing signs of improving conditions for many of our CRE customers and their projects. Improving conditions include (i) recent reductions in the Fed funds target rate and other interest rates; (ii) increased liquidity for CRE as reflected by record RESG repayments in each of the last two quarters; and (iii) improving supply/demand dynamics for certain property types and certain markets as reflected in improving sales and leasing activity.

Nevertheless, uncertainties remain, particularly related to some office and life science properties in some markets. In calculating our ACL, we considered these uncertainties, and we believe our ACL is appropriate as we continue through what we expect to be the late stages of this CRE cycle. Similar to 2024 and 2025, we expect that a small number of our sponsors may become unable or unwilling to continue to support their projects in 2026, which could result in our net charge-offs remaining elevated for 2026. However, we expect to see an improving trend in 2027.

## RESG Net Charge-Offs

Despite the higher level of RESG charge-offs in the last two years and likely in 2026, we expect to see an improving trend in 2027. After our customers work through what we expect to be the late stages of the current CRE cycle, we expect our RESG charge-off ratio to return to our long-term historical performance.

As shown in Figure 22, our RESG portfolio has a long history of relatively low charge-offs as that portfolio has benefitted from the fact that most of its loans are on newly constructed properties with strong sponsorship, low leverage and protective loan structures. The weighted average annual net charge-off ratio (including OREO write-downs) for the RESG portfolio over its 23-year history is 19 bps.

**Figure 22 - RESG Historical Net charge-offs (\$ Thousands)**

Year-end	Ending Loan Balance	YTD Average Loan Balance	Net charge-offs ("NCO")*	NCO Ratio
2003	\$ 5,106	\$ 780	\$ -	0.00%
2004	52,658	34,929	-	0.00%
2005	51,056	56,404	-	0.00%
2006	61,323	58,969	-	0.00%
2007	209,524	135,639	-	0.00%
2008	470,485	367,279	-	0.00%
2009	516,045	504,576	7,531	1.49%
2010	567,716	537,597	-	0.00%
2011	649,806	592,782	2,905	0.49%
2012	848,441	737,136	-	0.00%
2013	1,270,768	1,085,799	-	0.00%
2014	2,308,573	1,680,919	-	0.00%
2015	4,263,800	2,953,934	-	0.00%
2016	6,741,249	5,569,287	-	0.00%
2017	8,169,581	7,408,367	842	0.01%
2018	9,077,616	8,685,191	45,490	0.52%
2019	9,391,096	9,427,266	-	0.00%
2020	11,591,147	10,651,549	-	0.00%
2021	11,367,505	11,149,098	1,891	0.02%
2022	12,598,957	11,590,988	-	0.00%
2023	16,922,002	14,531,838	4,955	0.03%
2024	18,555,626	18,312,665	43,855	0.24%
2025	17,582,378	19,061,239	130,481	0.68%
<b>Total</b>			<b>\$ 237,950</b>	

**Weighted Average 0.19%**

\* Net charge-offs shown in this column reflect both net charge-offs and OREO write-downs.

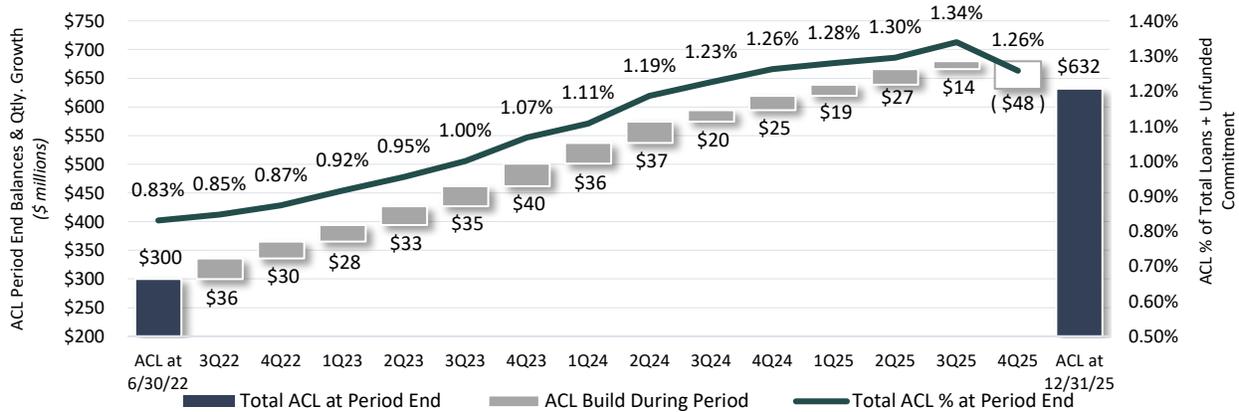
*Allowance for Credit Losses (“ACL”) and Provision*

Our ACL ratio (ACL to total loans and unfunded loan commitments) both started and ended 2025 at 1.26%. As of December 31, 2025, our ACL of \$631.9 million consisted of our allowance for loan losses (“ALL”) at \$475.7 million, or 1.47% of loans, and our reserve for losses on unfunded loan commitments at \$156.1 million, or 0.87% of unfunded loan commitments.

For the fourth quarter of 2025, our provision for credit losses was \$50.6 million and our net charge-offs were \$98.3 million resulting in a decrease in our ACL of \$47.7 million. However, for the full year of 2025, our provision for credit losses was \$172.5 million more than offsetting our net charge-offs of \$160.0 million resulting in an increase in our ACL of \$12.5 million.

Over the last 14 quarters, our cumulative provision expense was \$586 million, or 2.3 times our cumulative net charge-offs of \$254 million, resulting in a cumulative increase of \$332 million in our ACL, as shown in Figure 23. This large increase is attributable to both growth in loans and unfunded loan commitments and our cautious outlook on macroeconomic conditions. We believe this ACL build, including the increase in our ACL ratio from 0.83% to 1.26%, has been a prudent and appropriate response to the shifting mix of risk factors over those 14 quarters.

**Figure 23: ACL Build – Last 14 Quarters**



The calculations of our provision for credit losses for the fourth quarter of 2025 and our ACL at December 31, 2025, were based on a number of key estimates, assumptions and economic forecasts. We utilized recent Moody’s economic forecasts, including their Baseline, S4 (Alternative Adverse Downside) and S6 (Stagflation) scenarios and their updates released in December 2025. Our ACL calculations include certain qualitative adjustments to capture items not included in our modeled results or other assumptions.

## Portfolio Credit Quality

As shown in Figure 24, despite some risk rating migrations during the past two quarters, the total amount of our classified and criticized assets has been relatively stable. Specifically, foreclosed assets, substandard accrual loans and special mention loans decreased while substandard non-accrual loans increased.

**Figure 24: Classified and Criticized Assets**

(\$ millions)	6/30/25	9/30/25	12/31/25
Loans:			
Special Mention	\$ 631	\$ 365	\$ 421
Substandard accrual	185	363	161
Substandard non-accrual	59	150	341
Foreclosed Assets	160	79	61
Total Classified & Criticized Assets	\$ 1,035	\$ 957	\$ 984

As shown in Figure 25, at December 31, 2025, our ratio of loans 30 or more days past due to total loans was 0.64% compared to 0.14% at September 30, 2025 and 0.17% at December 31, 2024; our ratio of nonperforming loans to total loans was 1.06% compared to 0.46% at September 30, 2025 and 0.44% at December 31, 2024; and our ratio of nonperforming assets to total assets was 0.99% compared to 0.55% at September 30, 2025 and 0.53% at December 31, 2024. The increase in these ratios at December 31, 2025 was primarily related to the four RESG substandard non-accrual credits summarized in Figure 26.

**Figure 25: Risk Categories and Asset Quality Metrics – Last Five Quarters (\$ millions)**

	As of				
	12/31/24	3/31/25	6/30/25	9/30/25	12/31/25
Loans:					
Pass	\$ 29,057	\$ 30,426	\$ 32,132	\$ 31,968	\$ 31,394
Special Mention	654	455	631	365	421
Substandard Accrual	126	164	185	363	161
Substandard Non-accrual	131	63	59	150	341
Total Loans	\$ 29,969	\$ 31,108	\$ 33,005	\$ 32,846	\$ 32,318
Foreclosed Assets	\$ 69	\$ 151	\$ 160	\$ 79	\$ 61
Loans Past Due	\$ 50	\$ 45	\$ 50	\$ 46	\$ 207
Loans Past Due % of Total Loans	0.17%	0.14%	0.15%	0.14%	0.64%
Nonperforming Loans	\$ 131	\$ 63	\$ 59	\$ 150	\$ 341
Nonperforming Loans % of Total Loans	0.44%	0.20%	0.18%	0.46%	1.06%
Nonperforming Assets	\$ 201	\$ 214	\$ 218	\$ 228	\$ 402
Nonperforming Assets % of Total Assets	0.53%	0.55%	0.53%	0.55%	0.99%

Detailed disclosures on risk categories can be found in Appendix B.

### *RESG Foreclosed Assets*

During the quarter just ended, we sold the Boston office and Seattle office properties which were previously in foreclosed assets, resulting in a small combined net gain on sale of \$0.3 million. Our remaining foreclosed assets consist primarily of one RESG asset as follows:

**Los Angeles Land - \$54.45 million; 86% of February 2025 Appraised Value.** The prospective purchaser failed to close the purchase contract for this property even after having paid us \$12.0 million of contract extension fees and forfeited earnest money. We have resumed active marketing of this property.

During 2025, we successfully liquidated three of the four RESG properties that were in foreclosed assets at some point in the year.

### *RESG Substandard Credits*

RESG substandard credits are summarized in Figure 26. As detailed therein, significant activity to sell, lease, or recapitalize several of these substandard credits is ongoing.

**Figure 26: RESG Substandard Credits (As of December 31, 2025)**

Location	Property Type	Total Commitment	Outstanding Balance	Unfunded	T/ILC Included in Unfunded	ACL Reserve	LTV *	Appraisal Date
(\$ millions)								
<b><u>Substandard Non-accrual</u></b>								
Boston, MA Current	Office	\$156.4	\$156.4	-	-	-	95%	Sep '25
<p>This previous substandard accrual loan migrated to substandard non-accrual during the quarter just ended with a \$72.4 million charge-off, \$2.8 million of cash reserves being applied to the principal balance and the unadvanced commitment being curtailed. This resulted in a carrying value of \$156.4 million, which is 95% of the "as-is" appraised value. This loan matures in January 2026. The project continues to be in active competition and negotiations for a potential tenant for approximately one-third of the building, and that process is now expected to continue, likely to mid-year. The equity partners have been unable to reach an agreement to provide continued financial support for the project without a signed lease. Accordingly, we are moving to acquire title to the property while the sponsor continues to pursue new equity partners. Under either scenario, we expect to work collaboratively with the sponsor to actively maintain ongoing leasing efforts.</p>								
Santa Monica, CA 51 days past due	Office	\$50.1	\$50.1	-	-	-	100%	Aug '25
<p>This previous special mention loan migrated to substandard non-accrual during the quarter just ended with a \$5.7 million charge-off and the unadvanced commitment being curtailed. This resulted in a carrying value of \$50.1 million, which is 100% of the "as-is" appraised value. This loan matures in January 2026. The property is 15% leased with active leasing efforts continuing. During the quarter just ended, the sponsor indicated unwillingness to continue financial support for the project and the loan is now past due. We are pursuing opportunities to market this asset. If those efforts are unsuccessful, we will move to acquire title to the property.</p>								
Chicago, IL 99 days past due	Life Science	\$50.0	\$50.0	-	-	-	68%	May '25
<p>This previous substandard non-accrual loan matured in September 2025 and will not be extended. In the quarter just ended, we recognized an additional \$9.0 million charge-off, which reduced our carrying value to \$50.0 million, equal to the expected net proceeds from a potential short sale that sponsor is currently negotiating. If the short sale does not materialize, we expect to acquire title to the property.</p>								
Baltimore, MD 30 days past due	Land	\$40.0	\$40.0	-	-	-	53%	Jun '25
<p>This previous substandard non-accrual loan matured in December 2025. In the quarter just ended, we realized a \$0.7 million reduction in our carrying value from interest payments applied to our principal balance and an additional \$4.6 million charge-off. We are currently in active discussions with a potential buyer, and those discussions prompted the additional charge-off in the quarter just ended. If this transaction does not close, we will proceed to acquire title to the property. We have a good working relationship with the sponsor, which we expect to remain helpful with our development of the project if we acquire title.</p>								
<b><u>Substandard Accrual</u></b>								
Seattle, WA Current	Office	\$72.5	\$56.2	\$16.3	\$13.1	\$21.8	111%	Dec '25
<p>This loan has been substandard accrual since the second quarter of 2024.</p>								
Near Lake Tahoe, CA Current	SF Lots & Homes	\$43.2	\$33.8	\$9.4	-	\$8.7	91%	Sep '25
<p>This loan has been substandard accrual since the fourth quarter of 2019. Over the life of the loan, we have recognized \$43.0 million in interest and fee income.</p>								
Wauwatosa, WI Current	Hotel	\$22.6	\$22.6	-	-	\$5.6	68%	Feb '25
<p>This previous special mention loan migrated to substandard accrual during the quarter just ended. The sponsor is currently marketing the property with multiple potential interested parties. The results of that process are expected to be known in the first quarter of 2026.</p>								

\* LTVs on Boston Office, Santa Monica Office, Chicago Life Science and Baltimore Land reflect "as-is" values as future funding commitments have been curtailed. LTVs on Seattle Office and Wauwatosa Hotel reflect "as-stabilized" values and assume loans are fully funded. LTV on property near Lake Tahoe reflects the discounted sellout value of lots and homes currently securing the loan and assumes additional loan advances sufficient to fully complete construction in progress.

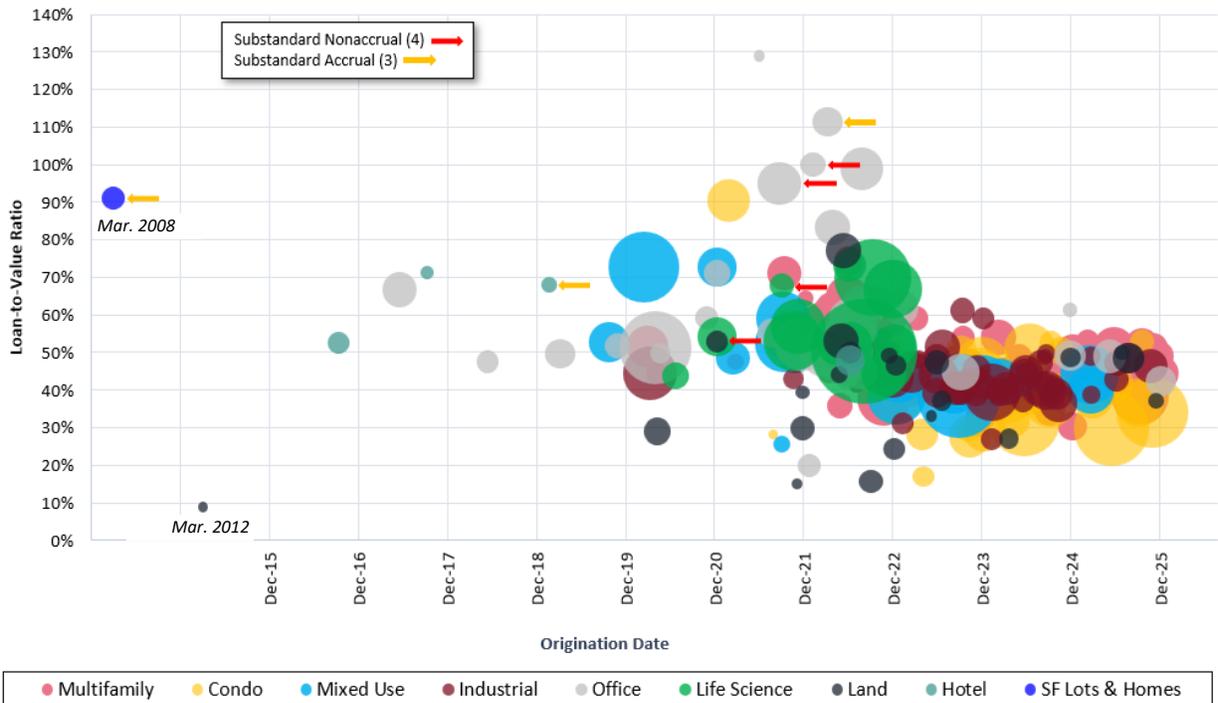
RESG Portfolio Bubble Chart

The loan-to-value (“LTV”) metrics on each of the 278 credits within the RESG portfolio as of December 31, 2025, are illustrated in Figure 27. The significant protection provided by RESG’s conservative loan-to-cost (“LTC”) and LTV metrics is always important, and especially so in the current CRE cycle. Assuming every RESG loan is fully funded, the weighted average LTC for the RESG portfolio was 49% and the weighted average LTV was 46% as of December 31, 2025. RESG collateral valuations benefit from the fact that the majority of RESG loans are for new construction, which provides a distinct competitive advantage compared to older, less desirable properties.

RESG’s substandard credits previously detailed in Figure 26 are also pointed out in Figure 27.

**Figure 27: RESG Portfolio by LTV & Origination Date (As of December 31, 2025)**

*Bubble Size Reflects Total Funded and Unfunded Commitment Amount*



LTV ratios assume all loans are fully funded. LTV data based on most recent appraisals and utilizing, in most cases, "as stabilized" values for income producing properties.

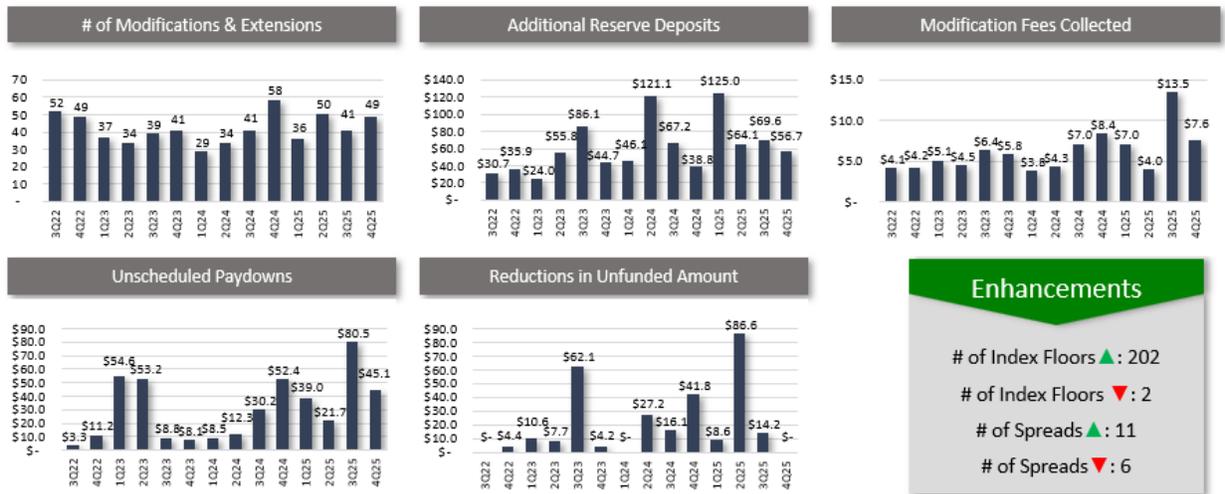
*RESG Sponsor/Capital Partner Support*

We structure RESG loans so that sponsors/capital partners are highly incentivized to support their loans, even in challenging times. Important elements include sizable equity investments relative to our low leverage loans and originating loans secured by high quality assets with excellent long-term prospects, motivating sponsors to stay engaged even if sales or leasing take longer than expected.

Strong support from the vast majority of RESG sponsors/capital partners is one of the reasons that, despite the unusually challenging macroeconomic environment, we have not had more RESG substandard credits and foreclosed assets over the past 14 quarters.

As shown in Figure 28, we have seen significant support by sponsors/capital partners for our RESG loans over the last 14 quarters, evidenced by the \$1.3 billion of total additional equity contributions (\$866 million of additional reserve deposits and \$429 million of unscheduled paydowns) received related to the 590 modifications/extensions. Additionally, we enhanced our floor rates and spreads on 202 loans and 11 loans, respectively, while granting 2 floor reductions and 6 spread reductions during that time frame.

**Figure 28: Demonstrated Sponsor/Capital Partner Support of RESG Loans (\$ millions)**



RESG Appraisal Updates

During the fourth quarter of 2025, RESG obtained new appraisals for 27 existing loans with a total commitment of \$3.21 billion. Figure 29 shows the resulting changes in LTV as compared to the LTV based on the previous appraised value and the previous total loan commitment for each of these loans. LTVs were little changed (plus or minus 10%) for 19 loans, LTVs decreased by more than 10% for three loans and LTVs increased more than 10% for five loans.

Figure 29: RESG New Appraisals - 4Q25 (\$ in millions)

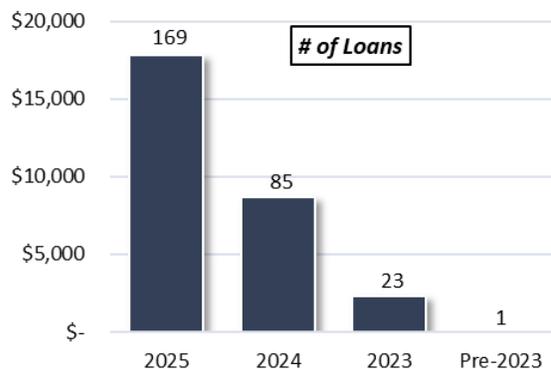
Property Type	Total Commitment	Previous LTV	LTV @ 12/31/25	Δ in LTV	Property Type	Total Commitment	Previous LTV	LTV @ 12/31/25	Δ in LTV
Office *	\$ 72	93.2%	111.5%	18.2%	Life Science	\$ 119	50.5%	54.2%	3.7%
Office **	148	52.9%	98.9%	46.0%	Life Science	290	50.7%	53.2%	2.5%
Office **	107	78.9%	83.2%	4.3%	Land	23	44.4%	49.2%	4.8%
Land	106	58.8%	77.1%	18.3%	Mixed Use	69	39.9%	48.2%	8.3%
Life Science **	89	55.7%	73.3%	17.5%	Land	35	40.0%	46.4%	6.4%
Life Science	475	63.0%	69.9%	6.9%	Industrial	100	37.0%	44.6%	7.6%
Life Science	280	48.5%	66.8%	18.3%	Multifamily	90	40.7%	44.2%	3.5%
Office	98	64.1%	66.8%	2.6%	Land	16	40.0%	39.5%	-0.5%
Office	61	58.4%	63.2%	4.8%	Multifamily	74	37.3%	33.4%	-4.0%
Multifamily	53	49.6%	58.1%	8.4%	Land	32	47.8%	27.1%	-20.7%
Life Science	246	53.0%	57.1%	4.1%	Industrial	41	39.8%	26.9%	-12.9%
Office	120	52.7%	55.2%	2.6%	Land	38	39.5%	24.4%	-15.0%
Multifamily	54	50.3%	55.0%	4.8%	Land	10	18.0%	15.0%	-3.0%
Multifamily	367	46.7%	54.6%	7.8%					

\* This loan is risk rated substandard accrual and previously listed in Figure 26.

\*\* These loans are risk rated special mention.

As shown in Figure 30, of the RESG loans in portfolio as of December 31, 2025, 169 loans with a total commitment of \$17.84 billion were appraised in 2025. Cumulatively, 254 of the 278 RESG loans (92% based on total commitment) have been appraised within the last two years, and all but one loan (with a nominal balance) has been appraised within the last three years.

Figure 30: RESG Appraisal Vintage As of December 31, 2025 (\$ millions - Total Commitment)



## Deposit and Liquidity Details

### Deposits

Most of our deposits are generated through our network of 252 retail branches in Arkansas, Georgia, Florida, Texas, North Carolina and Tennessee. During the quarter just ended, we opened six retail branches, bringing the number of branches opened in the full year of 2025 to 24 (21 new and 3 replacement branches). We expect to open approximately 10 branches in each of 2026 and 2027.

Because of the substantial “retail” nature of our deposit base, 78% of our deposits are either insured (64% at December 31, 2025) or, in the case of public funds and certain other deposits, collateralized (14% at December 31, 2025). As of December 31, 2025, our average account balance was approximately \$53,000. The diversity of our deposit base is an important factor in the demonstrated stability of our deposits.

**Figure 31: Deposit Composition (\$ millions)**

	Period Ended									
	12/31/2024		3/31/2025		6/30/2025		9/30/2025		12/31/2025	
Noninterest Bearing	\$ 3,770	12.1%	\$ 3,868	12.1%	\$ 3,836	11.4%	\$ 3,902	11.5%	\$ 3,833	11.5%
Consumer and Commercial										
Interest Bearing:										
Consumer - Non-time	2,983	9.6%	3,177	10.0%	3,145	9.4%	3,190	9.4%	3,276	9.8%
Consumer - Time	13,447	43.3%	13,940	43.7%	14,746	44.0%	15,313	45.1%	15,168	45.4%
Commercial - Non-time	2,728	8.8%	2,601	8.1%	3,071	9.2%	3,210	9.4%	2,984	8.9%
Commercial - Time	970	3.1%	914	2.9%	981	2.9%	1,016	3.0%	978	2.9%
Public Funds	3,964	12.8%	4,369	13.7%	4,403	13.1%	4,249	12.5%	4,248	12.7%
Brokered	2,611	8.4%	2,562	8.0%	2,850	8.5%	2,650	7.8%	2,508	7.5%
Reciprocal	569	1.9%	495	1.5%	490	1.5%	454	1.3%	390	1.3%
Total	<u>\$ 31,043</u>	<u>100.0%</u>	<u>\$ 31,926</u>	<u>100.0%</u>	<u>\$ 33,522</u>	<u>100.0%</u>	<u>\$ 33,985</u>	<u>100.0%</u>	<u>\$ 33,385</u>	<u>100.0%</u>

### Primary and Secondary Liquidity

We maintain substantial and diverse sources of primary and secondary liquidity. At December 31, 2025 these sources totaled \$15.1 billion, consisting of \$2.8 billion of cash and cash equivalents, \$1.6 billion of unpledged investment securities, \$8.8 billion of available FHLB borrowing capacity, \$1.2 billion of available unsecured lines of credit and \$0.6 billion of Fed discount window borrowing availability.

## Non-interest Income

Non-interest income for the fourth quarter of 2025 was \$33.6 million, an increase of 2.0% from the fourth quarter of 2024. For the full year of 2025, non-interest income was \$135.7 million, an increase of 9.1% from \$124.4 million for the full year of 2024. Figures 32 and 33, respectively, summarize non-interest income for the most recent five quarters and year-over-year trends for the fourth quarter and full year of 2025.

**Figure 32: Quarterly Trends in Non-interest Income (\$ thousands)**

	For the Three Months Ended				
	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
Deposit-related fees:					
Overdraft fees	\$ 3,488	\$ 3,282	\$ 3,310	\$ 3,588	\$ 3,582
All other service charges	7,537	7,224	7,717	7,810	7,784
Loan-related fees	8,786	8,985	7,925	9,181	8,638
BOLI income	5,807	5,744	5,854	6,346	6,061
Trust income	2,632	2,514	2,946	2,971	3,030
Gains on sales of other assets	582	769	514	1,968	939
Net gains on investment securities	-	-	-	-	-
Other	4,110	6,206	3,025	4,213	3,570
Total non-interest income	\$ 32,942	\$ 34,724	\$ 31,291	\$ 36,077	\$ 33,604

**Figure 33: Trends in Non-interest Income – 2024 vs. 2025 (\$ thousands)**

	For the Three Months Ended			For the Year Ended		
	12/31/2024	12/31/2025	% Change	12/31/2024	12/31/2025	% Change
Deposit-related fees:						
Overdraft fees	\$ 3,488	\$ 3,582	2.7%	\$ 13,842	\$ 13,762	-0.6%
All other service charges	7,537	7,784	3.3%	29,495	30,535	3.5%
Loan-related fees	8,786	8,638	-1.7%	28,144	34,729	23.4%
BOLI income	5,807	6,061	4.4%	24,021	24,005	-0.1%
Trust income	2,632	3,030	15.1%	9,567	11,461	19.8%
Gains on sales of other assets	582	939	61.4%	3,417	4,190	22.6%
Net gains on investment securities	-	-	NA	560	-	-100.0%
Other	4,110	3,570	-13.1%	15,367	17,014	10.7%
Total non-interest income	\$ 32,942	\$ 33,604	2.0%	\$ 124,413	\$ 135,696	9.1%

During 2025 we have increased resources aimed at growing non-interest income further. This new emphasis should allow us to increase revenue from secondary market mortgage lending, trust and wealth, treasury management and CIB-related fee-generating businesses. We expect these efforts to contribute to a mid- to high-single digit percentage increase in non-interest income in 2026 and to contribute additional earnings growth in 2027 and subsequent years.

## Non-interest Expense

In each of the last two years, we have made significant investments to enhance our future capabilities. This is evident in our growth in headcount with full time equivalent employees (“FTEs”) increasing 284 in 2024 and 252 in 2025 to 3,280 FTEs at December 31, 2025. Some significant areas of investment include the following:

- **CIB Growth.** In March 2024, we combined our legacy asset-based lending, fund finance, equipment finance and capital solutions businesses into CIB, which has greatly expanded over the last two years and contributed significantly to our portfolio growth and diversification. We expect CIB to ultimately be equivalent in size and importance to RESG.
- **Branch Expansion.** We have significantly expanded our branch network with 21 net new branches in 2025 and approximately 10 planned for each of 2026 and 2027. This significant enhancement of our branch infrastructure positions us to better serve existing customers, offer our services to vast numbers of new customers and expand the markets we serve.
- **Technology.** Over the past two years, we have made significant investments in technology, including increasing our headcount in data, analytics, modeling and artificial intelligence, among others.
- **Business Banking.** Over the last two years we have deployed business banking teams in Florida (Q4 2023/Q1 2024), Metro Dallas (Q1 2025) and Metro Atlanta (Q2 2025/Q3 2025) to significantly grow and enhance our relationships with small- to mid-size business customers.
- **Mortgage Lending.** During 2025 we continued growth and expansion of our secondary market mortgage business, which we launched in April 2024. This is an important element in our strategy to more effectively serve our consumer customer base by meeting their residential mortgage needs and expand our ability to increase future non-interest income.
- **Consumer Lending.** In the past two years, we have significantly increased our origination of home equity lines of credit (“HELOCs”) and commenced on a major revamp of our consumer lending products and services to more effectively serve the needs of our consumer customers.
- **Private Bank / Trust and Wealth.** In 2025, we launched our private bank and have expanded our Trust and Wealth team, products and services to significantly enhance our ability to meet the needs of our customers, including our high-net-worth customers, and expand our ability to increase future non-interest income.

We expect all these initiatives will prove to be foundational investments for future growth and profitability.

Non-interest expense for the fourth quarter of 2025 was \$161.6 million, an increase of 15.4% from the fourth quarter of 2024. Non-interest expense for the full year of 2025 was \$621.1 million, an increase of 12.7% from the full year of 2024.

Figures 34 and 35, respectively, summarize non-interest expense for the most recent five quarters and year-over-year trends for the fourth quarter and full year of 2025.

**Figure 34: Quarterly Trends in Non-interest Expense (\$ thousands)**

	For the Three Months Ended				
	12/31/2024	3/31/2025	6/30/2025	9/30/2025	12/31/2025
Salaries & employee benefits	\$ 77,719	\$ 82,200	\$ 86,224	\$ 89,954	\$ 87,689
Net occupancy and equipment	17,901	18,445	18,677	21,111	21,551
Software and data processing	11,033	9,980	11,121	10,591	11,776
Deposit insurance and assessments	5,975	6,775	6,605	7,581	5,620
Professional and outside services	6,531	6,205	6,360	7,360	9,812
Advertising and public relations	3,702	4,051	4,572	6,351	5,335
Other	17,266	19,298	19,604	16,360	19,866
Total non-interest expense	\$ 140,127	\$ 146,954	\$ 153,163	\$ 159,308	\$ 161,649

**Figure 35: Trends in Non-interest Expense – 2024 vs. 2025 (\$ thousands)**

	For the Three Months Ended			For the Year Ended		
	12/31/2024	12/31/2025	% Change	12/31/2024	12/31/2025	% Change
Salaries & employee benefits	\$ 77,719	\$ 87,689	12.8%	\$ 296,016	\$ 346,067	16.9%
Net occupancy and equipment	17,901	21,551	20.4%	71,699	79,784	11.3%
Software and data processing	11,033	11,776	6.7%	47,354	43,468	-8.2%
Deposit insurance and assessments	5,975	5,620	-5.9%	25,584	26,581	3.9%
Professional and outside services	6,531	9,812	50.2%	24,494	29,737	21.4%
Advertising and public relations	3,702	5,335	44.1%	20,576	20,309	-1.3%
Other expenses	17,266	19,866	15.1%	65,570	75,127	14.6%
Total non-interest expense	\$ 140,127	\$ 161,649	15.4%	\$ 551,293	\$ 621,073	12.7%

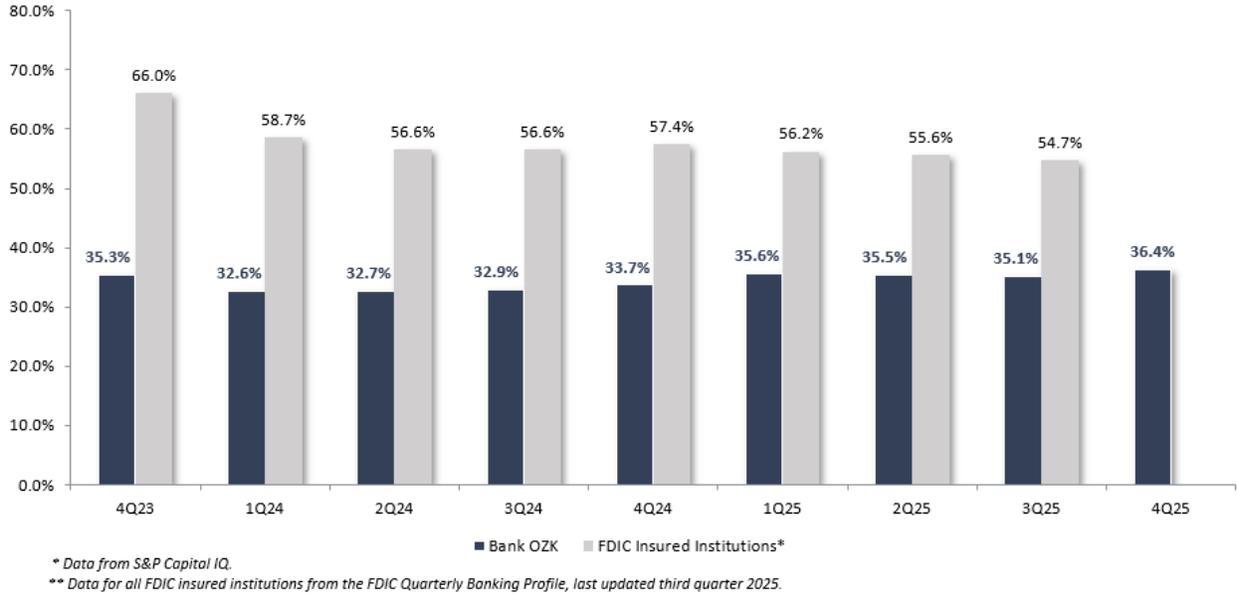
For the full year of 2026, we now expect growth in non-interest expense to moderate somewhat to an increase of approximately 8% to 9% compared to 2025, reflecting our continued investments to support future growth and greater portfolio diversification.

**Efficiency Ratio**

Even with these increases in non-interest expense, our efficiency ratio continues to be among the best in the industry, and we believe that our significant recent investments will generate substantial returns in future years.

Our efficiency ratio was 36.4% for the quarter just ended and 35.6% for the full year of 2025. Our efficiency ratio has been in the top decile of the industry for 23 consecutive years.\*

**Figure 36: Quarterly Efficiency Ratio (%)**



**Effective Tax Rate**

Our effective tax rate was 23.0% for the quarter just ended and was 23.4% for the full year of 2025. Assuming no changes in applicable state or federal income tax rates, we expect our effective tax rate for the full year of 2026 to be between 23% and 24%.

## Stock Repurchase Program

Our current stock repurchase program for up to \$200 million of our outstanding common stock, was effective July 1, 2025, and expires on July 1, 2026, unless extended, shortened or suspended by the Board. During the quarter just ended, we repurchased 2.25 million shares of common stock for \$100 million, or approximately \$44.45 per share, plus \$1.0 million of applicable federal excise tax. This average price was below our year-end 2025 tangible book value of \$46.48, and our purchases were thus accretive to both tangible book value per share and earnings per share. Depending on our stock price and other factors, we may utilize the remaining \$99 million authorization sometime prior to the expiration of the current program and possibly during the first quarter of 2026.

In establishing our parameters for repurchase price and share volume, management considers a variety of factors including our stock price, expected growth, capital position, alternative uses of capital, liquidity, financial performance, the current and expected macroeconomic environment, regulatory requirements and other factors.

## Capital and Dividends

As shown in Figure 37, our current risk-based capital levels grew approximately 20 bps during the quarter just ended, even with \$100 million in share repurchases and increased dividend. Our strong earnings and earnings retention rate should support robust capital levels, providing significant capacity to grow, add new business lines, increase our dividend, repurchase stock and pursue acquisitions, if appropriate.

**Figure 37: Regulatory Capital Ratios**

	Estimated 12/31/2025 <sup>2</sup>	Regulatory Minimum Required To Be Considered Well Capitalized	Capital in Excess of Well Capitalized Minimum
CET 1 Ratio*	11.70%	6.50%	5.20%
Tier 1 Ratio*	12.50%	8.00%	4.50%
Total RBC Ratio*	14.80%	10.00%	4.80%
Tier 1 Leverage	13.60%	5.00%	8.60%

*\* Ratios are risk-based*

We have increased our common stock cash dividend in each of the last 62 quarters and every year since going public in 1997. We expect that we will continue to increase our common stock cash dividend in future quarters.

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<sup>2</sup> Ratios as of December 31, 2025 are preliminary estimates and are subject to revision upon filing of our FFIEC 041 Call Report.

## Book Value and Tangible Book Value

During the quarter just ended, our book value per common share increased \$1.37, or 2.7% not annualized, to \$52.46. Over the last four quarters, our book value per common share increased \$5.16, or 10.9%. Over the last 10 years, we increased book value per common share by a cumulative 225%, resulting in a compound annual growth rate of 12.5%, as shown in Figure 38.

**Figure 38: Book Value per Common Share (Period End)**



During the quarter just ended, our tangible book value per common share increased \$1.25, or 2.8% not annualized, to \$46.48. Over the last four quarters, our tangible book value per common share increased \$5.00, or 12.1%. Over the last 10 years, we increased tangible book value per common share by a cumulative 221%, resulting in a compound annual growth rate of 12.4%, as shown in Figure 39.

**Figure 39: Tangible Book Value per Common Share (Period End)<sup>3</sup>**



<sup>3</sup> See the schedule in Appendix A at the end of this presentation for the reconciliation of tangible book value per common share to the most directly comparable GAAP measure.

## APPENDIX A

### Non-GAAP Reconciliations

#### Calculation of Average Common Stockholders' Equity, Average Tangible Common Stockholders' Equity and the Annualized Returns on Average Common Stockholders' Equity and Average Tangible Common Stockholders' Equity

Unaudited (Dollars in Thousands)

	Three Months Ended *		Twelve Months Ended	
	12/31/2024	12/31/2025	12/31/2024	12/31/2025
Net Income Available To Common Stockholders	\$ 178,135	\$ 171,916	\$ 700,269	\$ 699,293
Average Stockholders' Equity Before Noncontrolling Interest	5,655,337	6,119,467	5,425,658	5,941,620
Less Average Preferred Stock	(338,980)	(338,980)	(338,980)	(338,980)
Total Average common stockholders' equity	5,316,357	5,780,487	5,086,678	5,602,640
Less Goodwill	(660,789)	(660,789)	(660,789)	(660,789)
Average Tangible Common Stockholders' Equity	\$ 4,655,568	\$ 5,119,698	\$ 4,425,889	\$ 4,941,851
Return On Average Common Stockholders' Equity	13.33%	11.80%	13.77%	12.48%
Return On Average Tangible Common Stockholders' Equity	15.22%	13.32%	15.82%	14.15%

\* Ratios for interim periods annualized based on actual days

#### Calculation of Pre-Tax Pre-Provision Net Revenue

Unaudited (Dollars in Thousands)

	Three Months Ended		Year Ended	
	12/31/2024	12/31/2025	12/31/2024	12/31/2025
Net income available to common stockholders	\$ 178,135	\$ 171,916	\$ 700,269	\$ 699,293
Preferred stock dividends	4,047	4,047	16,187	16,187
Earnings attributable to noncontrolling interest	26	(52)	47	(21)
Provision for income taxes	52,831	52,523	214,789	218,811
Provision for credit losses	37,174	50,568	175,552	172,514
Pre-tax pre-provision net revenue	\$ 272,213	\$ 279,002	\$ 1,106,844	\$ 1,106,784

## Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and Tangible

### Book Value per Common Share

Unaudited (Dollars in Thousands, Except per Share)

	As of December 31,					
	2015	2016	2017	2018	2019	2020
Total stockholders' equity before noncontrolling interest	\$ 1,464,631	\$ 2,791,607	\$ 3,460,728	\$ 3,770,330	\$ 4,150,351	\$ 4,272,271
Less preferred stock	-	-	-	-	-	-
Total common stockholders' equity	1,464,631	2,791,607	3,460,728	3,770,330	4,150,351	4,272,271
Less intangible assets:						
Goodwill	(125,442)	(660,119)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(26,898)	(60,831)	(48,251)	(35,672)	(23,753)	(14,669)
Total intangibles	(152,340)	(720,950)	(709,040)	(696,461)	(684,542)	(675,458)
Total tangible common stockholders' equity	<u>\$ 1,312,291</u>	<u>\$ 2,070,657</u>	<u>\$ 2,751,688</u>	<u>\$ 3,073,869</u>	<u>\$ 3,465,809</u>	<u>\$ 3,596,813</u>
Common shares outstanding (thousands)	<u>90,612</u>	<u>121,268</u>	<u>128,288</u>	<u>128,611</u>	<u>128,951</u>	<u>129,350</u>
Book value per common share	<u>\$ 16.16</u>	<u>\$ 23.02</u>	<u>\$ 26.98</u>	<u>\$ 29.32</u>	<u>\$ 32.19</u>	<u>\$ 33.03</u>
Tangible book value per common share	<u>\$ 14.48</u>	<u>\$ 17.08</u>	<u>\$ 21.45</u>	<u>\$ 23.90</u>	<u>\$ 26.88</u>	<u>\$ 27.81</u>

	As of December 31,					As of
	2021	2022	2023	2024	2025	Sep. 30, 2025
Total stockholders' equity before noncontrolling interest	\$ 4,836,243	\$ 4,689,579	\$ 5,139,001	\$ 5,705,623	\$ 6,129,851	\$ 6,093,406
Less preferred stock	(338,980)	(338,980)	(338,980)	(338,980)	(338,980)	(338,980)
Total common stockholders' equity	4,497,263	4,350,599	4,800,021	5,366,643	5,790,871	5,754,426
Less intangible assets:						
Goodwill	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)	(660,789)
Core deposit and other intangibles, net of accumulated amortization	(8,274)	(2,754)	-	-	-	-
Total intangibles	(669,063)	(663,543)	(660,789)	(660,789)	(660,789)	(660,789)
Total tangible common stockholders' equity	<u>\$ 3,828,200</u>	<u>\$ 3,687,056</u>	<u>\$ 4,139,232</u>	<u>\$ 4,705,854</u>	<u>\$ 5,130,082</u>	<u>\$ 5,093,637</u>
Common shares outstanding (thousands)	<u>125,444</u>	<u>117,177</u>	<u>113,149</u>	<u>113,458</u>	<u>110,383</u>	<u>112,628</u>
Book value per common share	<u>\$ 35.85</u>	<u>\$ 37.13</u>	<u>\$ 42.42</u>	<u>\$ 47.30</u>	<u>\$ 52.46</u>	<u>\$ 51.09</u>
Tangible book value per common share	<u>\$ 30.52</u>	<u>\$ 31.47</u>	<u>\$ 36.58</u>	<u>\$ 41.48</u>	<u>\$ 46.48</u>	<u>\$ 45.23</u>

**Calculation of Total Common Stockholders' Equity, Total Tangible Common Stockholders' Equity and the Ratio of  
Total Tangible Common Stockholders' Equity to Total Tangible Assets**

Unaudited (Dollars in Thousands, Except per Share)

	December 31, 2025
Total stockholders' equity before noncontrolling interest	\$ 6,129,851
Less preferred stock	<u>(338,980)</u>
Total common stockholders' equity	5,790,871
Less Goodwill	<u>(660,789)</u>
Total tangible common stockholders' equity	<u>\$ 5,130,082</u>
Total assets	\$ 40,785,840
Less Goodwill	<u>(660,789)</u>
Total tangible assets	<u>40,125,051</u>
Ratio of total common stockholders' equity to total assets	<u>14.20%</u>
Ratio of total tangible common stockholders' equity to total tangible assets	<u>12.79%</u>

**APPENDIX B**  
**Risk Categories**

*(\$ in thousands)*

	<u>Pass</u>	<u>Special Mention</u>	<u>Substandard Accrual</u>	<u>Substandard Nonaccrual</u>	<u>Total</u>
<b>December 31, 2025:</b>					
Real Estate:					
Construction/land development	\$ 7,564,193	\$ 136,318	\$ 37,347	\$ 40,553	\$ 7,778,411
Other commercial real estate	7,872,565	248,541	32,452	258,848	8,412,406
Multifamily residential	3,679,483	-	-	576	3,680,059
Residential 1-4 family <sup>(1)</sup>	1,591,238	14,289	165	30,053	1,635,745
Agricultural	316,749	1,389	2,505	611	321,254
Total real estate	<u>21,024,228</u>	<u>400,537</u>	<u>72,469</u>	<u>330,641</u>	<u>21,827,875</u>
Consumer <sup>(1)</sup>	4,251,048	11,067	-	7,879	4,269,994
Commercial and industrial	3,392,035	9,714	32,182	2,703	3,436,634
Other <sup>(1)</sup>	2,727,146	8	56,128	-	2,783,282
Total loans	<u>\$ 31,394,457</u>	<u>\$ 421,326</u>	<u>\$ 160,779</u>	<u>\$ 341,223</u>	<u>\$ 32,317,785</u>

*(\$ in thousands)*

	<u>Pass</u>	<u>Special Mention</u>	<u>Substandard Accrual</u>	<u>Substandard Nonaccrual</u>	<u>Total</u>
<b>September 30, 2025:</b>					
Real Estate:					
Construction/land development	\$ 8,394,548	\$ 16,640	\$ 33,004	\$ 45,764	\$ 8,489,956
Other commercial real estate	8,286,014	322,392	242,643	61,358	8,912,407
Multifamily residential	3,791,174	-	64	576	3,791,814
Residential 1-4 family <sup>(1)</sup>	1,568,544	8,680	-	29,217	1,606,441
Agricultural	315,907	1,387	-	705	317,999
Total real estate	<u>22,356,187</u>	<u>349,099</u>	<u>275,711</u>	<u>137,620</u>	<u>23,118,617</u>
Consumer <sup>(1)</sup>	4,217,103	6,570	-	8,667	4,232,340
Commercial and industrial	2,825,994	9,707	31,379	3,455	2,870,535
Other <sup>(1)</sup>	2,568,535	-	56,088	-	2,624,623
Total loans	<u>\$ 31,967,819</u>	<u>\$ 365,376</u>	<u>\$ 363,178</u>	<u>\$ 149,742</u>	<u>\$ 32,846,115</u>

(1) The Bank considers its residential 1-4 family loans (including consumer construction loans and 1-4 family properties), consumer loans, and certain small business loans to be (i) pass – if they are performing and less than 30 days past due, (ii) special mention – if they are performing and 30 to 89 days past due or (iii) substandard – if they are nonperforming or 90 days or more past due.