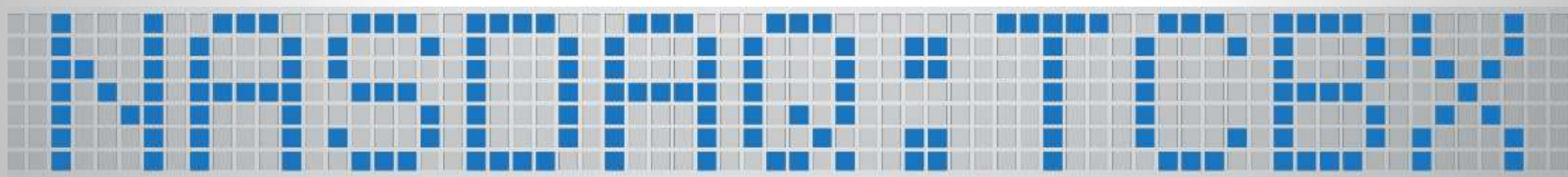


# Third Coast Bancshares, Inc.



## Investor Presentation

October 2024

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Investor Presentation



# 002 DISCLAIMER

## **FORWARD-LOOKING STATEMENTS**

*This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks and uncertainties and are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements reflect the current views of Third Coast Bancshares, Inc. (the “Company,” “Third Coast,” “we,” “us,” or “our”) with respect to, among other things, future events and our financial performance. These statements are often, but not always, made through the use of words or phrases such as “may,” “should,” “could,” “predict,” “potential,” “believe,” “looking ahead,” “will likely result,” “expect,” “continue,” “will,” “anticipate,” “seek,” “estimate,” “intend,” “plan,” “projection,” “would” and “outlook,” or the negative version of those words or other comparable words or phrases of a future or forward-looking nature. These forward-looking statements are not historical facts, and are based on current expectations, estimates and projections about our industry, management’s beliefs and certain assumptions made by management, many of which, by their nature, are inherently uncertain and beyond our control. Accordingly, we caution you that any such forward-looking statements are not guarantees of future performance and are subject to risks, assumptions and uncertainties that are difficult to predict. Although we believe that the expectations reflected in these forward-looking statements are reasonable as of the date made, actual results may prove to be materially different from the results expressed or implied by the forward-looking statements. There are or will be important factors that could cause our actual results to differ materially from those indicated in these forward-looking statements, including, but not limited to, the following: interest rate risk and fluctuations in interest rates; market conditions and economic trends generally and in the banking industry; our ability to maintain important deposit relationships; our ability to grow or maintain our deposit base; our ability to implement our expansion strategy; our ability to pay dividends on our Series A Convertible Non-Cumulative Preferred Stock; credit risk associated with our business; and changes in key management personnel. For a discussion of additional factors that could cause our actual results to differ materially from those described in the forward-looking statements, please see the risk factors discussed in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the U.S. Securities and Exchange Commission (the “SEC”), and our other filings with the SEC.*

*The foregoing factors should not be construed as exhaustive and should be read together with the other cautionary statements included in this presentation. If one or more events related to these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, actual results may differ materially from what we anticipate. Accordingly, you should not place undue reliance on any such forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made, and we do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. New factors emerge from time to time, and it is not possible for us to predict which will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.*

## **NON-GAAP FINANCIAL MEASURES**

*This presentation contains non-GAAP financial measures, including Tangible Common Equity, Tangible Book Value Per Share, Tangible Common Equity to Tangible Assets and Return on Average Tangible Common Equity. The non-GAAP financial measures that we discuss in this presentation should not be considered in isolation or as a substitute for the most directly comparable or other financial measures calculated in accordance with GAAP. A reconciliation of the non-GAAP financial measures used in this presentation to the most directly comparable GAAP measures is provided in the Appendix to this presentation.*

# 003 SENIOR EXECUTIVE MANAGEMENT

## **BART CARAWAY**

*Chairman, President, Chief Executive Officer*

Founded Third Coast Bank in 2008; CEO, President and Chairman of Third Coast Bank since founding and of the Company since formation in 2013

Chairman, President and CEO of Third Coast Commercial Capital

Texas licensed attorney and CPA with 30 years of banking and public accounting experience

Served in executive roles at several community banks, most recently as CFO and COO for a Houston-based bank

Graduated from the University of Texas with a BBA in Accounting

Earned a law degree from the University of Houston Law School

## **AUDREY DUNCAN**

*Sr. Exec. Vice President, Chief Credit Officer*

Serves as Senior EVP and has served as Chief Credit Officer of the Bank since June 2015

Also serves as the Chairperson of the Officers' Loan Committee and the Special Assets Committee

Over 35 years of banking and bank regulatory experience

Previously served as SVP, Credit Officer, and Director of Credit Risk Management at LegacyTexas Bank

Previously served as a Senior and Commissioned Bank Examiner with The Federal Reserve Bank of Dallas

Graduated from Texas Tech University with a BBA in Finance

## **JOHN MCWHORTER**

*Sr. Exec. Vice President, Chief Financial Officer*

Serves as Senior EVP and has served as Chief Financial Officer since April 2015

Over 35 years of banking, bank auditing and public accounting experience as a CPA

Most recently served as EVP and CFO at Bank of Houston, a \$1 billion in asset bank

Served as EVP and CFO of Cadence Bancorporation LLC

Served as SVP and Controller of Amegy Bank, helped take the bank public

Has helped complete nine acquisitions and several capital offerings

Graduated from the University of Texas with a BBA in Accounting



**VICKI ALEXANDER***Exec. Vice President, Chief Risk and Operations Officer*

Joined Third Coast Bank in 2022 as Executive Vice President, Chief Compliance and Risk Officer and now serves as EVP, Chief Risk and Compliance Officer since March 2024

Prior to her position as Managing Director of Protiviti, Vicki served as Chief Compliance Officer of FIS Global, directing Privacy, Sanctions Screening, Export Control, Regulatory Compliance, Model Validation, AML/OFAC, Anti-Bribery/Corruption and their Code of Ethics

Previously with SunTrust managing company-wide compliance issues such as Privacy, Community Reinvestment and Fair Lending, and with Bank of America managing Global Technology and Operations Compliance

Graduated from Western Kentucky with a BS in Science

**LIZ EBER***Exec. Vice President, Chief Legal Officer*

Has served as EVP and Chief Legal Officer since March 2024

Expertise in legal support across various domains including banking, payments, privacy, governance, employment, litigation, and compliance

Prior to joining the bank, she held positions with FIS Global and the federal government in Washington, D.C.

Graduated from George Mason University's Antonin Scalia Law School and the University of Florida

**BILL BOBBORA***Exec. Vice President, Chief Banking Officer*

Head of Corporate Banking beginning October 2021 and now serves as EVP, Chief Banking Officer

Over 30 years experience in Commercial, Corporate, and Investment Banking

Successful history of building new businesses and commercial / corporate banking platforms

Most recently served as Managing Director over Regions Securities Corporate & Investment Banking team in Houston, and EVP and Managing Director with Cadence

Previously with JP Morgan Chase (Texas Commerce Bank), Wells Fargo (Wachovia), KeyBanc Capital Markets

Graduated from University of Nebraska, MBA from University of Texas

**CHRISTOPHER PEACOCK***Exec. Vice President, Chief Retail Officer*

Has served as EVP and Chief Retail Officer since May 2021

Over 33 years of banking experience; 25 years in Retail Executive roles

Has served in various banking positions including Chief Financial Officer and Retail Executive at BMO Harris and Huntington National Banks

Graduated from Florida State University with a BS in Finance



# 005 FRANCHISE OVERVIEW

We are a commercially focused bank founded in 2008, with headquarters in Humble, Texas. Third Coast currently has 19 branches located throughout Austin, Beaumont-Port Arthur, Dallas-Fort Worth, Greater Houston, and San Antonio markets.

## FINANCIAL HIGHLIGHTS

Balance Sheet (\$M, Except per Share)	As of 12/31/2021	As of 12/31/2022	As of 12/31/2023	As of 9/30/2024
Total Assets	\$2,499	\$3,773	\$4,396	\$4,628
Total Loans	\$2,069	\$3,108	\$3,639	\$3,890
Total Deposits	\$2,141	\$3,236	\$3,803	\$3,994
Loans/ Deposits	96.6%	96.0%	95.7%	97.4%
Tangible Book Value per Share <sup>(2)</sup>	\$20.87	\$21.90	\$24.02	\$26.75

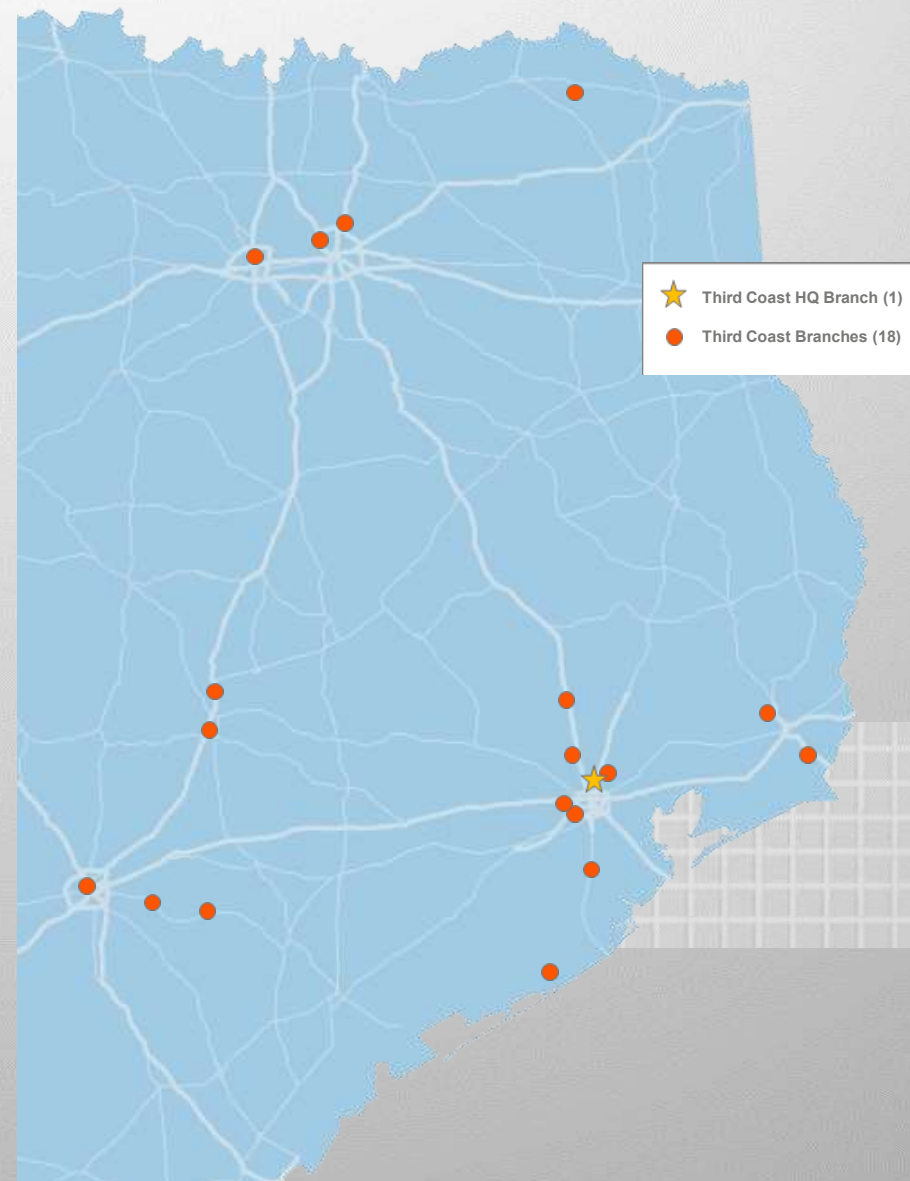
Profitability (Year-to-Date)	FYE 12/31/2021	FYE 12/31/2022	FYE 12/31/2023	YTD 9/30/2024
Return on Average Assets	0.55%	0.58%	0.86%	1.02%
Return on Average Tangible Common Equity <sup>(2)</sup>	7.55%	6.00%	9.19%	11.05%
Yield on Loans	6.01%	5.43%	7.39%	7.84%
Cost of Deposits	0.47%	1.14%	3.53%	4.16%
Net Interest Margin	4.65%	3.82%	3.73%	3.65%
Efficiency Ratio <sup>(1)</sup>	74.43%	71.40%	67.55%	61.64%

Asset Quality	FYE 12/31/2021	FYE 12/31/2022	FYE 12/31/2023	YTD 9/30/2024
NPAs to Total Assets	0.69%	0.32%	0.39%	0.53%
NCOs to Avg. Loans	0.16%	0.04%	0.04%	0.09%

Note: Greater Houston market refers to the Houston-The Woodlands-Sugar Land MSA, the Beaumont-Port Arthur MSA and surrounding counties; Dallas-Fort Worth market refers to the Dallas-Fort Worth-Arlington MSA and surrounding counties; Austin-San Antonio market refers to the San Antonio-New Braunfels MSA, the Austin-Round Rock-Georgetown MSA and surrounding counties

(1) Efficiency ratio represents noninterest expense divided by the sum of net interest income and noninterest income

(2) Refer to the calculation of non-GAAP financial measures on page 23.



## GREATER HOUSTON

The Houston MSA is projected to grow approximately 7.6% over the next five years, ranking first among the nation's 10 largest MSAs and more than double the nationwide projected growth

Houston is the nation's fourth most populous city and fifth most populous metro area, with approximately 2.31 million and 7.05 million residents, respectively

Houston is a center for global trade, with the Houston Port ranking first among U.S. ports in foreign tonnage

The Houston MSA is corporate headquarters for 24 Fortune 500 companies and employs approximately 3.1 million workers

## BEAUMONT – PORT ARTHUR

The Golden Triangle, a core market for Third Coast

Investment in Beaumont and Southeast Texas with \$80 billion worth of current and planned industrial projects, more than \$4.5 billion in infrastructure projects and more than \$460 million in commercial and retail projects

This region is a strategic location seated along the Gulf Coast, 30 miles west of Louisiana and 90 miles east of Houston, businesses have access to more than 2.5 million people within a two-hour drive

Proven infrastructure with major rail systems, pipeline corridor, and major highways makes it ideal for world class facilities that directly impact global industry



# 007 DYNAMIC TEXAS MARKETS

## AUSTIN

The Austin MSA is projected to be the fastest growing large MSA in the country (as defined by MSAs with a population over two million), with a forecasted growth rate of 8.5% through 2026

Austin has transformed itself into a hotbed for technology companies, and was recently designated as a top 10 Global Technology Innovation Hub city by KPMG

## DALLAS – FORT WORTH

The Dallas MSA is the largest in Texas and the fourth largest in the U.S., and has been growing by approximately 322 residents every day

The Dallas MSA boasts the largest gross domestic product in Texas and the sixth largest in the nation

DFW headquarters 22 Fortune 500 companies, including ExxonMobil, AT&T, American Airlines and Charles Schwab

The Dallas MSA hosts approximately 3.6 million working professionals and ranked first in the nation for total job growth from December 2015 through December 2020

## SAN ANTONIO

The population in the San Antonio MSA is projected to grow by approximately 7.6% over the next five years, compared to 6.8% for the state of Texas and 2.9% for the United States



# LINE OF BUSINESS DIVERSITY

## COMMUNITY BANKING

Community Banking, the foundation on which TCB has been built, remains a core strength with over 40 bankers across the state

Experienced bankers serving Austin, Beaumont-Port Arthur, Dallas-Fort Worth, Greater Houston, and San Antonio

Loan products offered include Real Estate, Equipment Financing, Working Capital and General C&I

Focused on building relationships and investing in the Community

## COMMERCIAL & CORPORATE BANKING

Built out of strong regional middle market banking teams focused on Gulf Coast, Houston, Central Texas, and Dallas-Fort Worth economies

Market leadership with over 30 years experience across corporate and middle market banking platforms

Targeted portfolio across industries including; industrials, services, and strategic infrastructure related industries, reflects diversity and growth of core markets

## BUILDER FINANCE

Seasoned Expert Bankers in the Residential Real Estate Market beginning Q2 2021

Over 30 years experience with a portfolio size over \$2.1 Billion and Income Contribution of over \$600MM with prior institution

Verticals include; Homebuilder, Master Planned Community, Institutional, Bond Anticipation Note Finance

Self contained business unit with a stellar credit record



# 009 SPECIALTY LENDING VERTICALS

Third Coast offers SBA loans and working capital solutions in addition to conventional commercial lending products. These verticals augment traditional product offerings, diversify revenue streams and in some cases provide for early-stage customer acquisition opportunities as borrowers grow and transition to conventional commercial banking products. **Specialty products do not individually make up a material portion of the total loan portfolio.**

## SBA

Began in 2012 as a key element in serving small- to medium-sized business in markets of operation

Member of the SBA Preferred Lenders Program, which leads to an expedited approval process for customers

Maintain strict underwriting guidelines

## TCCC

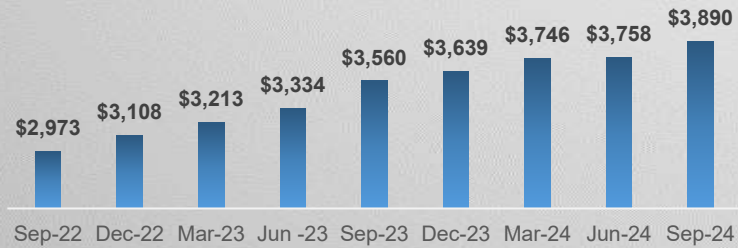
Third Coast Commercial Capital was formed in 2015 to provide working capital solutions for small- to medium-sized businesses

Purchase and management of accounts receivable helps customers grow and continue to be successful

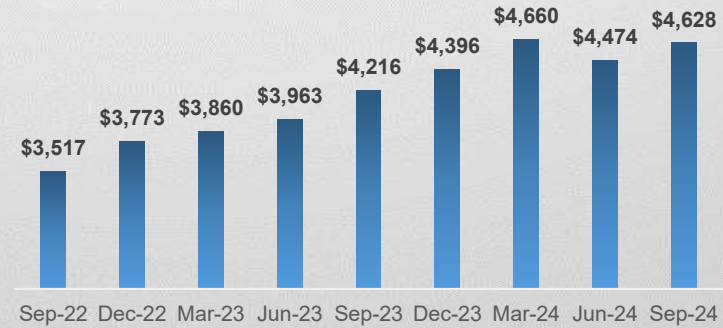


# 010 BALANCE SHEET GROWTH

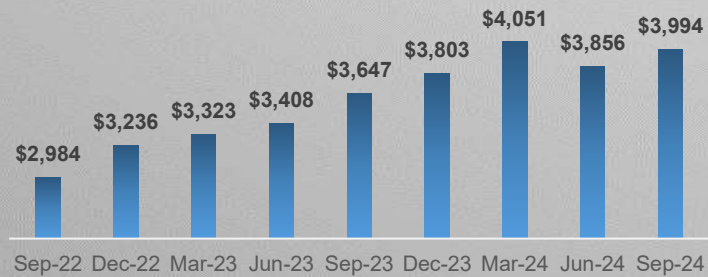
## Total Loans



## Assets



## Total Deposits

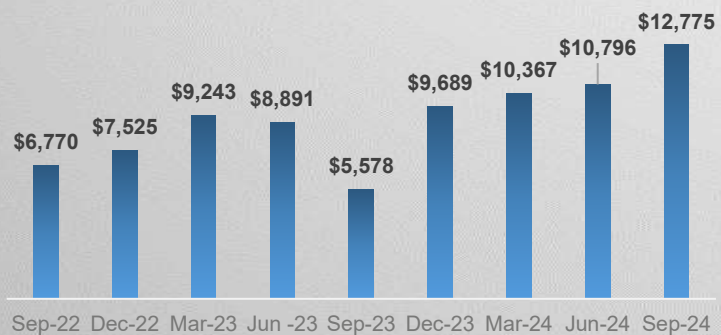


\$ in Millions

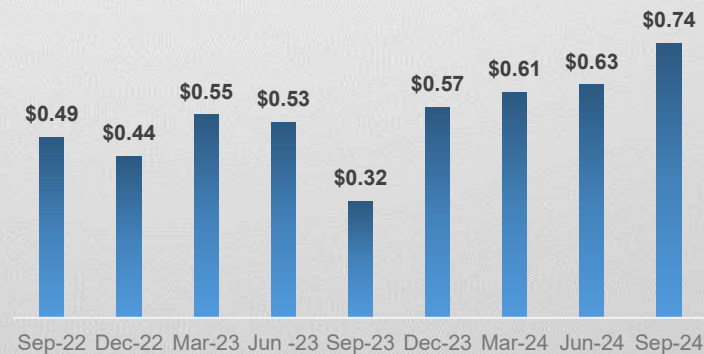
# 011 PROFITABILITY

## Net Income - Quarterly

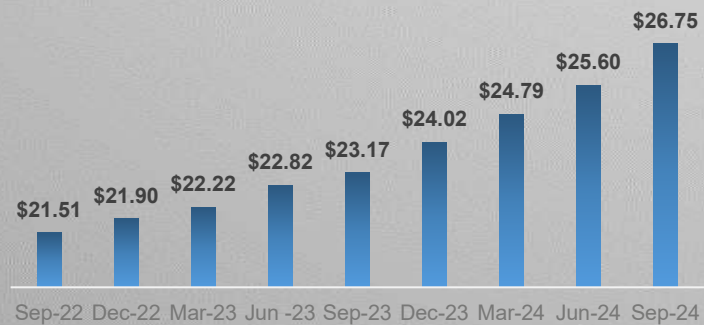
\$ in Thousands



## Diluted E.P.S. - Quarterly



## Tangible Book Value <sup>(1)</sup>



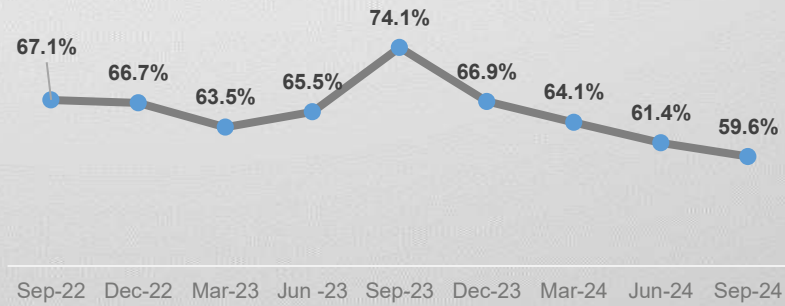
(1) Refer to the calculation of non-GAAP financial measures on page 24.

# 012 PROFITABILITY TRENDS

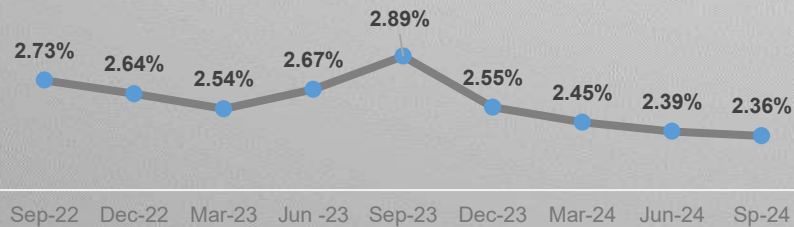
**Net Interest Margin – Quarterly <sup>(1)</sup>**



**Efficiency Ratio - Quarterly**



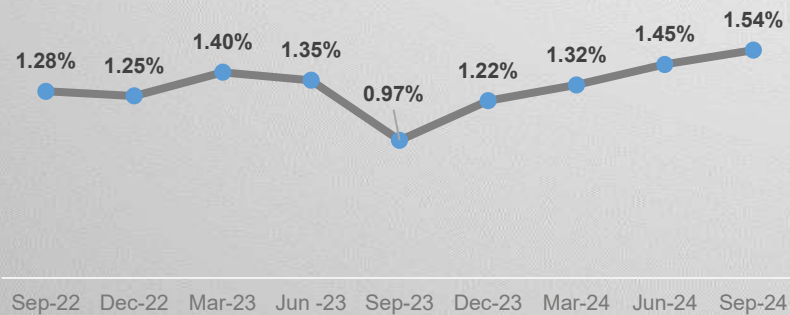
**Noninterest Expense to Average Earning Assets– Quarterly<sup>(1)</sup>**



(1) Interim period annualized.

# 013 PROFITABILITY TRENDS

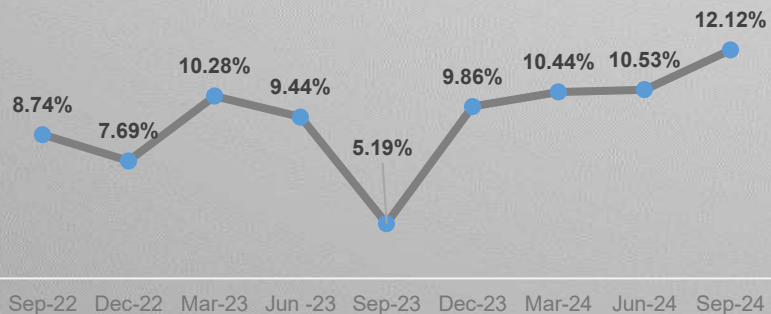
**Pre-Tax, Pre-Provision ROAA – Quarterly<sup>(1)</sup>**



**Return on Average Assets – Quarterly<sup>(1)</sup>**



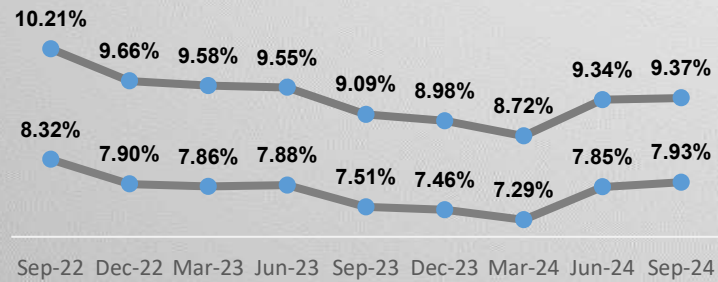
**Return on Average Common Equity – Quarterly<sup>(1)(2)</sup>**



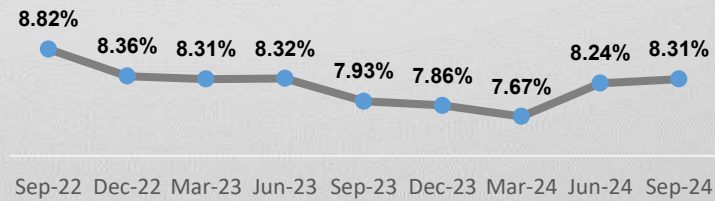
(1) Interim period annualized  
 (2) Refer to the calculation of non-GAAP financial measures on page 24.

# 014 CAPITAL RATIOS

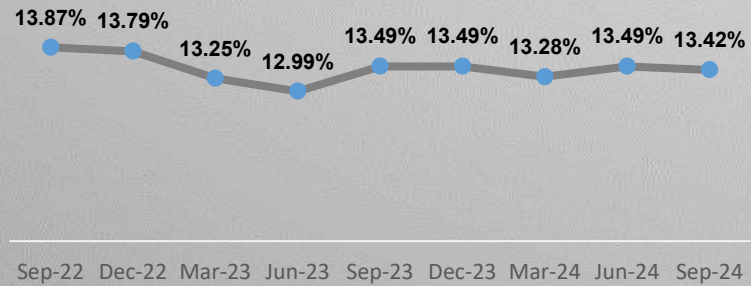
**Tangible Common Equity to Tangible Assets <sup>(1)(2)</sup>**



**Total Common Equity to Total Assets <sup>(2)</sup>**



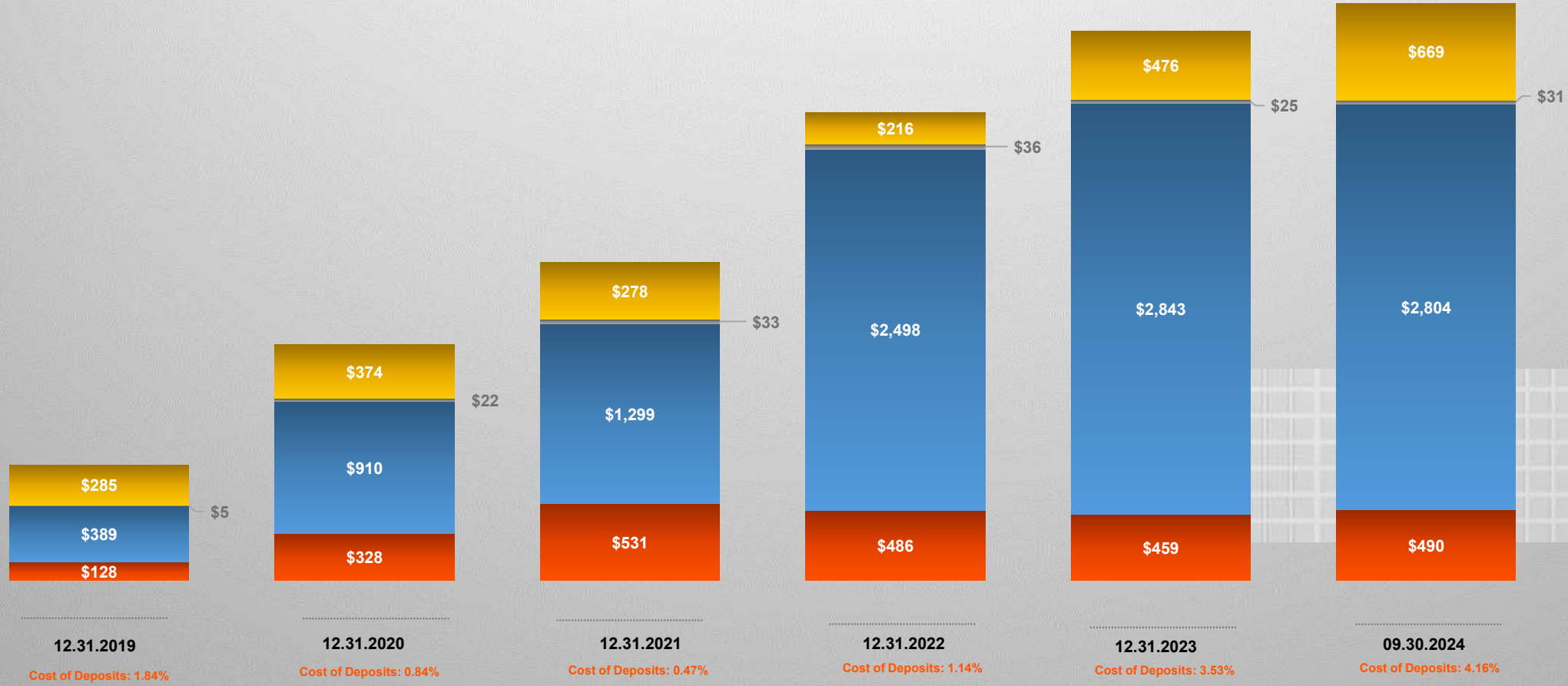
**Total Risk Based Capital Ratio - Bank**



(1) Top graph assumes Preferred Stock is converted to Common Stock.  
 (2) Refer to the calculation of non-GAAP financial measures on page 24.

# 015 DEPOSIT BASE TRANSFORMATION

- Time Deposits
- Savings
- Interest-Bearing Demand
- Non-Interest-Bearing



(Dollars in Millions)

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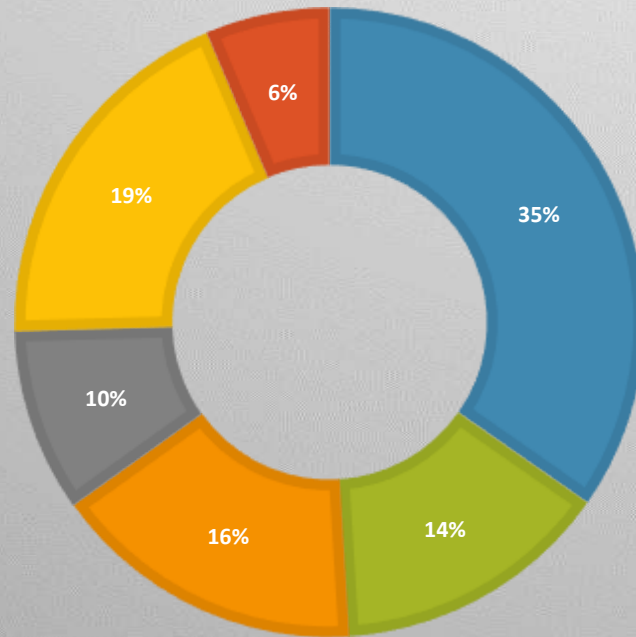


# 016 LOAN COMPOSITION

The commercial loan book is well balanced between commercial and industrial, owner occupied commercial real estate, and non-owner occupied commercial real estate

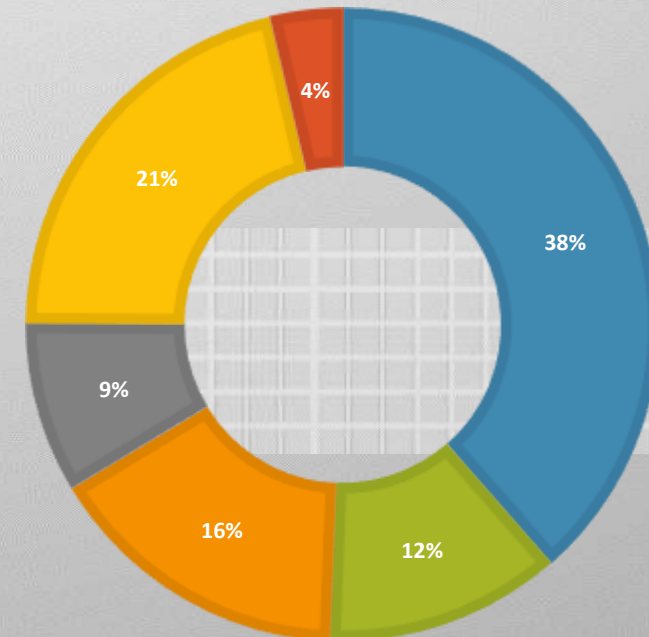
**\$3.6B Loans** as of 12.31.2023

Yield // 7.39% | NIM // 3.73%



**\$3.9B Loans** as of 9.30.2024

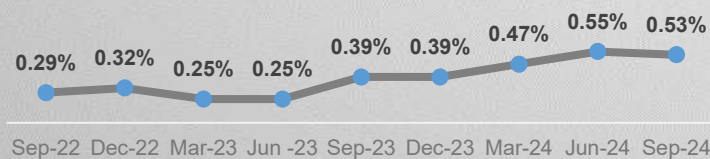
Yield // 7.84% | NIM // 3.65%



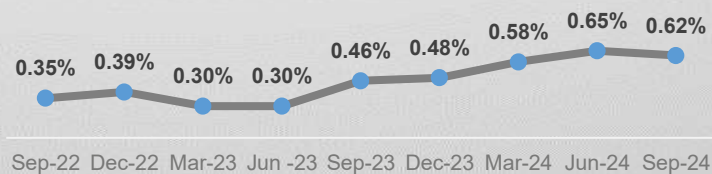
- Commercial & Industrial
- Own. Occ. CRE
- Non-Own. Occ. CRE
- Residential RE
- C&D
- Other

# 017 CREDIT TRENDS

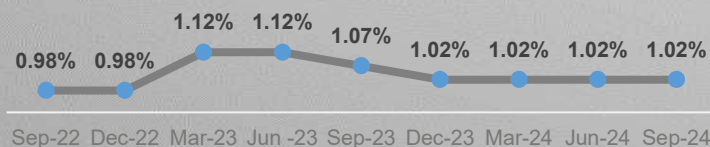
**NPA/Total Assets**



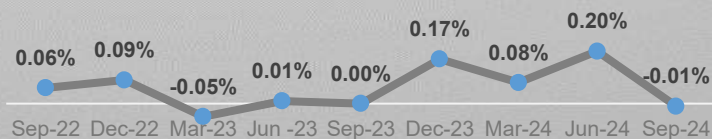
**NPL/Total Loans**



**ACL/Total Loans (1)**



**NCOs/Avg Loans– Quarterly (1)**



(1) Interim period annualized

# 018 COMPREHENSIVE MONITORING

 **Third Coast has a robust commitment to sound underwriting and comprehensive monitoring.**  
Below is an overview of the Comprehensive Monitoring process.

## Community Banking Monitoring

- Sets ticklers for financial reporting and covenant tracking
- Monitors receipt of updated financial documents
- Reviews and verifies borrower base calculations and compliance
- Reviews and verifies compliance with loan covenants

## Corporate Banking Monitoring

- Trend cards are kept on every borrower over \$10MM and include:
  - Income statement and balance metrics by quarter, YTD and TTM
  - Margins, cash flow coverage/DSC, leverage, and other applicable ratios
  - Covenant calculations prepared by borrower and prepared by bank, compliance with covenants
- Reviews and verifies borrowing base calculations and compliance
- Quarterly meetings are held to review all borrowers
- Annual reviews are conducted on all borrowers

## Builder Finance Monitoring

- Trend cards are kept on every borrower and include:
  - Income statement and balance spreads
  - Liquidity, sales and closings, accounts payable
  - Projections and comparison to actual
  - Stress testing of closings, revenue and profit margins
  - Global inventory and breakeven number of units
- Borrowing Base monitoring and compliance
- A&D activity, curtailments, interest reserve stressed
- Market information is monitored monthly
- Monthly meetings are held to review compliance/noncompliance with covenants
- Quarterly meetings are held to review all borrowers
- Annual reviews are done on all borrowers

# 019 COMPLIANCE RISK MANAGEMENT

**Third Coast has a robust commitment to creating best in class Compliance.**

To understand the full scope of risk, we are developing a comprehensive view across all business processes, functions, assets, and outsourced entities. We are creating a comprehensive view and risk awareness culture.



- We are documenting and mapping:
  - Impacted business elements to risks and requirements.
  - Processes, controls, and monitoring that mitigate risk to business elements.
  - Outsources services to risks and coverage.
- We are creating real-time visibility through dashboards and reporting.
- We are transforming to a proactive:
  - Change management program.
  - Gap identification and remediation process.
  - Monitoring and metrics process.
- We are converting to a quantitative risk assessment.

# 020 STRATEGIC INITIATIVES

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## CONTINUE ROBUST ORGANIC GROWTH

Continue to recruit strategic hires

Evaluate future de novo branch opportunities

Leverage experienced management team, board and relationship managers

## EMPHASIZE CORE DEPOSIT GROWTH

Encourage and incentivize relationship managers to attract core deposits

Treasury management initiative enhances product and service offerings

## EXPAND PRODUCTS AND SERVICES

Development of supplementary, specialty and commercial banking solutions

Investment in high-touch, state-of-the-art technology and delivery of quality customer experience

Evaluation of future business opportunities to broaden the Third Coast brand

## COMMERCIAL BANK - COMMUNITY VALUES

Broad based commercial bank with core community values

Moving from segmented verticals to a fully integrated commercial bank with geographically focused commercial teams as well as strategic industry verticals

# 021 INVESTMENT HIGHLIGHTS

## HIGHLY EXPERIENCED MANAGEMENT TEAM

Over 100 years of combined financial services experience

## DYNAMIC MARKETS OF OPERATION

Locations in and around Beaumont, Houston, Dallas-Fort Worth, Austin, and San Antonio encompassing the four largest metropolitan areas in Texas

## DIVERSIFIED PRODUCT OFFERING COUPLED WITH A HIGH-TOUCH RELATIONSHIP DRIVEN APPROACH

Allows for a competitive value proposition to customers and contributes to winning business from peers and larger financial institutions

## SCALABLE INFRASTRUCTURE IN PLACE

Investment in infrastructure, management and operations positions the company well

## RESPONSIVE AND DISCIPLINED UNDERWRITING

Over 100 years of combined financial services experience

## ENTERPRISING AND AGILE BUSINESS MODEL

Investment in specialty banking platforms are driving prudent profitable growth

## TRANSFORMATION OF THE DEPOSIT BASE

Enhancement of the funding base through organic sourcing of core deposits, active participation in PPP, and the strategic acquisition of Heritage Bancorp

## EMPOWERING WORKPLACE CULTURE

Entrepreneurial spirit, fosters teamwork, promotes exemplary customer service, commitment to diversity & inclusion, and gives employees the tools necessary to succeed

# BOARD OF DIRECTORS

Name	Age as of 10/24/2024	TCBX Director Since	Summary Biography
Bart O. Caraway	53	2013	Serves as Chairman, President, and Chief Executive Officer at Third Coast Over 30 years banking and public accounting experience and is a Texas Licensed attorney and CPA Served as CFO and COO for a Houston, TX bank and assisted with de novo formation and Integration of two acquisitions Created and developed the role of Director of Financial Intuitions Services for Briggs & Veselka Co.
Carolyn Bailey	63	2020	Partner in Tax Services as Ernst & young from 2007 until her retirement in 2019 Over 30 years experience consulting large multinational companies on tax and account matters Previously served as America's Digital Tax Administration Services Leader and the US Business Tax Compliance Leader at Ernst & Young Served as Director of Income Tax Reporting and Accounting for Continental Airlines and GE Capital prior to Ernst & Young
Dr. Martin Basaldua	73	2013	Licensed Physician since 1981 Founder and President of Basaldua & Heller, P.A., a physician group in Kingwood, TX Co-founder of Kingwood Medial Center Hospital Organized and let the creation of Methodist Medical Group, PLLC and served as CEO of Methodist Health Services, LLC
Dennis Bonnen	52	2020	Founded Heritage Bank in 2008 where he served as President, Chairman, and Chief Executive Officer First Elected to the Texas Legislature in 1997 and served until January 2021 Served as the Speaker of the Texas House of Representatives from January 2019 to January 2021
W. Donald Brunson	79	2019	Over 46 years of commercial banking and asset-based lending experience Currently serves as a Senior Relationship Manager at Fortiter Wealth Management Co-founded and served as Chairman of the Board of Bank of Houston Served as the first CEO and President of Northwest Crossing National Bank, which was the predecessor to Amegy Bank
Troy A. Glander	53	2013	President and Partner with Nava & Glander, PLLC and practices primarily in the area of business litigation Fellow of the Texas Bar Foundation Served on the Board of Directors for Texas Association of Defense Counsel
Shelton J. McDonald	45	2019	Currently serves as President and Chief Legal Officer of Joslin Construction Texas, LLC and affiliated companies Principal and COO for Kopis Capital Management Prior to Joslin, spent 11 years practicing law and has been licensed to practice by the State Bar of Texas since 2005
David Phelps	68	2023	Led Business Advisory practice of Briggs & Veselka since 2004 and retired from this position in 2020 Served as Chief Risk Officer and Internal Audit Director for publicly traded financial services company CPA in the state of Texas
Tony Scavuzzo	43	2022	Currently serves as Managing Principal of Castle Creek® and has been at the firm since 2009 Sits on the Investment Committee for Castle Creek funds and works with the board of directors at several portfolio companies Prior to Castle Creek, worked in an operating role for the Chief Executive Officer at MB Financial Bank (NASDAQ: MBFI) in Chicago
Joseph L. Stunja	71	2013	Served as a Business Development Officer at Third Coast Bank until December 2019 Served as Director and Treasurer of the San Jacinto River Authority Retired as President from Friendswood Development Company after 34 years with the company Co-owner and operator of RE/MAX Associates Northeast from 1998 to 2010
Reagan Swinbank	43	2020	Previously served as a board member of Heritage Bancorp, Inc. and Heritage Bank since 2017 Partner at Sprint Waste Services, and has actively managed Sprint Waste Services since its inception in 2006 Also serves as a partner at Sprint Transport and Sprint Landfills

# 023 Non-GAAP Financial Measures

(Dollars in thousands, except share and per share data)	For the Year Ended December 31,			Year to Date
	2021	2022	2023	September 30,
	2021	2022	2023	2024
<b>Tangible Common Equity</b>				
Total shareholders' equity	\$ 299,007	\$ 381,780	\$ 411,974	\$ 450,548
Less: Preferred stock including additional paid in capital	-	66,225	66,225	66,117
Total common equity	299,007	315,555	345,749	384,431
Less: Goodwill and core deposit intangibles, net	19,326	19,165	19,003	18,882
<b>Tangible common equity</b>	<b>\$ 279,681</b>	<b>\$ 296,390</b>	<b>\$ 326,746</b>	<b>\$ 365,549</b>
<b>Tangible Book Value</b>				
Common shares outstanding at end of period	13,403,324	13,531,736	13,604,665	13,667,591
Book Value Per Share	\$ 22.31	\$ 23.32	\$ 25.41	\$ 28.13
<b>Tangible Book Value Per Share</b>	<b>\$ 20.87</b>	<b>\$ 21.90</b>	<b>\$ 24.02</b>	<b>\$ 26.75</b>
<b>Return on Average Tangible Common Equity</b>				
Average shareholders' equity	\$ 170,630	\$ 323,685	\$ 397,224	\$ 433,473
Less: Average preferred stock including additional paid in capital	-	16,900	66,225	66,224
Average common equity	170,630	306,785	330,999	367,249
Less: Average goodwill and core deposit intangibles, net	19,404	19,245	19,088	18,946
<b>Average tangible common equity</b>	<b>\$ 151,226</b>	<b>\$ 287,540</b>	<b>\$ 311,911</b>	<b>\$ 348,303</b>
Net Income	\$ 11,424	\$ 18,659	\$ 33,401	\$ 33,938
Less: Dividends declared on preferred stock	-	1,418	4,736	3,553
<b>Net Income Available to Common Shareholders</b>	<b>\$ 11,424</b>	<b>\$ 17,241</b>	<b>\$ 28,665</b>	<b>\$ 30,385</b>
Return on Average Common Equity <sup>(A)</sup>	6.70%	5.62%	8.66%	11.05%
<b>Return on Average Tangible Common Equity<sup>(A)</sup></b>	<b>7.55%</b>	<b>6.00%</b>	<b>9.19%</b>	<b>11.65%</b>

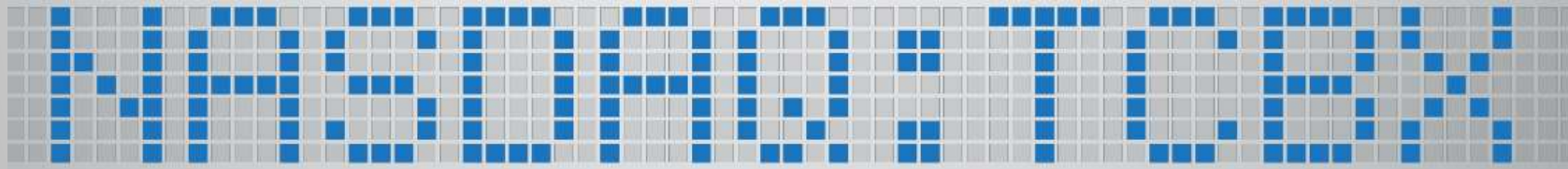
(A) Interim periods annualized.

# 024 Non-GAAP Financial Measures

(Dollars in thousands, except share and per share data)	As of and for the Three Months Ended								
	2022		2023				2024		
	September 30	December 31	March 31	June 30	September 30	December 31	March 31	June 30	September 30
<b>Tangible Common Equity</b>									
Total shareholders' equity	\$ 376,354	\$ 381,780	\$ 387,044	\$ 395,945	\$ 400,331	\$ 411,974	\$ 423,618	\$ 434,998	\$ 450,548
Less: Preferred stock including additional paid in capital	66,273	66,225	66,225	66,225	66,225	66,225	66,225	66,225	66,117
Total common equity	310,081	315,555	320,819	329,720	334,106	345,749	357,393	368,773	384,431
Less: Goodwill and core deposit intangibles, net	19,205	19,165	19,124	19,084	19,043	19,003	18,963	18,922	18,882
<b>Tangible common equity</b>	<b>\$ 290,876</b>	<b>\$ 296,390</b>	<b>\$ 301,695</b>	<b>\$ 310,636</b>	<b>\$ 315,063</b>	<b>\$ 326,746</b>	<b>\$ 338,430</b>	<b>\$ 349,851</b>	<b>\$ 365,549</b>
<b>Tangible Book Value</b>									
Common shares outstanding at end of period	13,521,826	13,531,736	13,579,498	13,609,697	13,600,211	13,604,665	13,652,888	13,665,505	13,667,591
Book Value Per Share	\$ 22.93	\$ 23.32	\$ 23.63	\$ 24.23	\$ 24.57	\$ 25.41	\$ 26.18	\$ 26.99	\$ 28.13
<b>Tangible Book Value Per Share</b>	<b>\$ 21.51</b>	<b>\$ 21.90</b>	<b>\$ 22.22</b>	<b>\$ 22.82</b>	<b>\$ 23.17</b>	<b>\$ 24.02</b>	<b>\$ 24.79</b>	<b>\$ 25.60</b>	<b>\$ 26.75</b>
<b>Tangible Common Equity to Tangible Assets</b>									
Total assets	\$ 3,516,845	\$ 3,773,148	\$ 3,859,657	\$ 3,963,482	\$ 4,215,792	\$ 4,396,074	\$ 4,660,403	\$ 4,474,119	\$ 4,627,770
Adjustments: Goodwill and core deposit intangibles, net	19,205	19,165	19,124	19,084	19,043	19,003	18,963	18,922	18,882
Tangible assets	<u>\$ 3,497,640</u>	<u>\$ 3,753,983</u>	<u>\$ 3,840,533</u>	<u>\$ 3,944,398</u>	<u>\$ 4,196,749</u>	<u>\$ 4,377,071</u>	<u>\$ 4,641,440</u>	<u>\$ 4,455,197</u>	<u>\$ 4,608,888</u>
<b>Total Common Equity to Total Assets</b>	<b>8.82%</b>	<b>8.36%</b>	<b>8.31%</b>	<b>8.32%</b>	<b>7.93%</b>	<b>7.86%</b>	<b>7.67%</b>	<b>8.24%</b>	<b>8.31%</b>
<b>Tangible Common Equity to Tangible Assets</b>	<b>8.32%</b>	<b>7.90%</b>	<b>7.86%</b>	<b>7.88%</b>	<b>7.51%</b>	<b>7.46%</b>	<b>7.29%</b>	<b>7.85%</b>	<b>7.93%</b>
Tangible Common Equity assuming Preferred Stock is converted to Common Stock	357,101	362,615	367,920	376,861	381,288	392,971	404,655	416,076	431,666
<b>Tangible Common Equity to Tangible Assets assuming Preferred Stock is converted to Common Stock</b>	<b>10.21%</b>	<b>9.66%</b>	<b>9.58%</b>	<b>9.55%</b>	<b>9.09%</b>	<b>8.98%</b>	<b>8.72%</b>	<b>9.34%</b>	<b>9.37%</b>
<b>Return on Average Tangible Common Equity</b>									
Average shareholders' equity	\$ 308,092	\$ 381,271	\$ 384,794	\$ 393,773	\$ 402,049	\$ 407,972	\$ 420,646	\$ 433,510	\$ 446,124
Less: Average preferred stock including additional paid in capital	720	66,329	66,225	66,225	66,225	66,225	66,225	66,225	66,223
Average common equity	307,372	314,942	318,569	327,548	335,824	341,747	354,421	367,285	379,901
Less: Average goodwill and core deposit intangibles, net	19,225	19,184	19,149	19,108	19,068	19,027	18,987	18,946	18,906
<b>Average tangible common equity</b>	<b>\$ 288,147</b>	<b>\$ 295,758</b>	<b>\$ 299,420</b>	<b>\$ 308,440</b>	<b>\$ 316,756</b>	<b>\$ 322,720</b>	<b>\$ 335,434</b>	<b>\$ 348,339</b>	<b>\$ 360,995</b>
Net Income	\$ 6,770	\$ 7,525	\$ 9,243	\$ 8,891	\$ 5,578	\$ 9,689	\$ 10,367	\$ 10,796	\$ 12,775
Less: Dividends declared on preferred stock	-	1,418	1,171	1,184	1,184	1,197	1,171	1,184	1,198
<b>Net Income Available to Common Shareholders</b>	<b>\$ 6,770</b>	<b>\$ 6,107</b>	<b>\$ 8,072</b>	<b>\$ 7,707</b>	<b>\$ 4,394</b>	<b>\$ 8,492</b>	<b>\$ 9,196</b>	<b>\$ 9,612</b>	<b>\$ 11,577</b>
Return on Average Common Equity <sup>(A)</sup>	8.74%	7.69%	10.28%	9.44%	5.19%	9.86%	10.44%	10.53%	12.12%
<b>Return on Average Tangible Common Equity<sup>(A)</sup></b>	<b>9.32%</b>	<b>8.19%</b>	<b>10.93%</b>	<b>10.02%</b>	<b>5.50%</b>	<b>10.44%</b>	<b>11.03%</b>	<b>11.10%</b>	<b>12.76%</b>

(A) Interim periods annualized.

# Third Coast Bancshares, Inc.



Thank you.



Investor Presentation

